Agenda

City Council Regular Meeting

Folsom City Hall | City Council Chambers, First Floor

50 Natoma Street, Folsom, CA 95630

April 28, 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 Council Regular Meeting
Folsom City Hall | City Council Chambers, First Floor
50 Natoma Street, Folsom, CA 95630
www.folsom.ca.us

Tuesday, April 28, 2026 6:30 PM

Justin Raithel, Mayor

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

AGENDA

CALL TO ORDER

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

SCHEDULED PRESENTATIONS:

1. Introductory Presentation of Folsom Public Library Programs and Services
2. Presentation from California State Parks Representatives Regarding Parks Mural Project
3. Presentation from HART (Homeless Assistance Resource Team) Regarding the 2026 Winter Shelter

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. 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

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. 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

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

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

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)

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

OLD BUSINESS:

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

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)

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.

Folsom City Council
Staff Report

MEETING DATE:	4/28/2026
AGENDA SECTION:	Scheduled Presentations
ITEM TITLE:	Introductory Presentation of Folsom Public Library Programs and Services
FROM:	Library

BACKGROUND / ISSUE

Folsom Public Library leads the region in the delivery of library services.

To improve awareness of the many ways that the Library supports learning, connects our diverse community, and enriches our residents' lives, staff from the Folsom Public Library will provide a brief presentation that introduces some of the programs and services that it delivers to children, teens, and adults.

Submitted,

Thomas Gruneisen, Library Director

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CITY OF
FOLSOM
DISTINCTIVE BY NATURE

Folsom City Council
Staff Report

MEETING DATE:	4/28/2026
AGENDA SECTION:	Scheduled Presentations
SUBJECT:	Presentation from California State Parks Representatives Regarding Parks Mural Project
FROM:	City Clerk's Department

ACTION:

Representatives from California State Parks will share information regarding the State's mural project.

No action is requested of the City Council.

Respectfully submitted,

Christa Freemantle, CMC
City Clerk

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CITY OF
FOLSOM
DISTINCTIVE BY NATURE

Folsom City Council
Staff Report

MEETING DATE:	4/28/2026
AGENDA SECTION:	Scheduled Presentations
SUBJECT:	Presentation from HART of Folsom (Homeless Assistance Resource Team) regarding the 2026 Winter Shelter
FROM:	City Clerk's Department

ACTION:

HART Winter Shelter representatives requested an opportunity to present the City Council with a summary of HART's 2026 winter shelter, which was open from January 2 through March 1. The Winter Shelter is a joint effort with local churches to offer temporary, emergency shelter for homeless people in Folsom.

No action is requested of the City Council.

Respectfully submitted,

Christa Freemantle, CMC
City Clerk

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CITY OF
FOLSOM
DISTINCTIVE BY NATURE

City Council Special Meeting

MINUTES

Tuesday, April 14, 2026 5:45 PM

CALL TO ORDER

The special City Council meeting was called to order at 5:45 pm with Mayor Raithel presiding.

ROLL CALL:

Councilmembers Present:	Barbara Leary, Councilmember Anna Rohrbough, Vice Mayor Sarah Aquino, Councilmember Justin Raithel, Mayor
Councilmembers Absent:	Michael Kozlowski

ADJOURNMENT TO CLOSED SESSION FOR THE FOLLOWING PURPOSES:

1. Conference with Legal Counsel - Existing Litigation - Pursuant to Government Code Section 54956.9(d)(1): Amber Jaimes Inguanzo, Rocio Inguanzo Urquidez v. City of Folsom, Steven Lanagakali Brown, San Mateo County Superior Court Case No. 25-CLJ-07653
2. Conference with Legal Counsel - Existing Litigation - Pursuant to Government Code Section 54956.9(d)(1): James Bogener v. City of Folsom, Michael Israel James, and Does 1-30, Sacramento County Superior Court Case No. 26CV005739
3. Conference with Legal Counsel – Anticipated Litigation – Initiation of Litigation Pursuant to Government Code section 54956.9(d)(4): One Potential Case

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

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

RECONVENE

Interim City Attorney Sari Dierking announced that the City Council authorized legal counsel to defend the cases identified in agenda items 1 and 2 with a unanimous vote (Councilmember Kozlowski absent).

ADJOURNMENT

There being no further business to come before the City Council, the meeting was adjourned at 6:31 pm.

SUBMITTED BY:

_____
Christa Freemantle, City Clerk

ATTEST:

_____
Justin Raithel, Mayor

City Council Regular
and
Joint City Council Meeting/Folsom Ranch Financing Authority Meeting

MINUTES

Tuesday, April 14, 2026 6:30 PM

CALL TO ORDER

The regular City Council meeting was called to order at 6:31 pm with Mayor Raithel presiding.

ROLL CALL:

Councilmembers Present:	Barbara Leary, Councilmember Anna Rohrbough, Vice Mayor Sarah Aquino, Councilmember Michael Kozlowski, 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 staff requested Item No. 19 be continued off calendar and that additional information was available for Item No. 23.

BUSINESS FROM THE FLOOR:

The following speakers spoke under this item:

1. Kevin Goddard
2. Alexis Goddard
3. Richard Heiler

SCHEDULED PRESENTATIONS:

1. Proclamation of the Mayor of the City of Folsom Proclaiming April 12-18, 2026 as National Public Safety Telecommunicators Week in the City of Folsom

Vice Mayor Rohrbough presented the proclamation.

2. Proclamation of the Mayor of the City of Folsom Proclaiming April 19-25, 2026 as National Library Week in the City of Folsom

Councilmember Aquino presented the proclamation.

3. Proclamation of the Mayor of the City of Folsom Recognizing 20 Consecutive Years as a Tree City USA and Celebrating Arbor Day

Councilmember Kozlowski presented the proclamation.

4. Proclamation of the Mayor of the City of Folsom Proclaiming April 22, 2026, as Earth Day, Celebrated on April 18, 2026

Councilmember Leary presented the proclamation.

5. Presentation Regarding the Fire Department Deployment Model

Fire Chief Jason Solak presented an overview of the Fire Department deployment model and responded to questions from the City Council. City Manager Bryan Whitemyer provided additional comments.

The following speaker spoke under this item:

Jack Coplen

6. A Presentation from HomeServe USA Corporation regarding Homeowner Water and Sewer Service Line Protection Program and Direction to Staff

Utilities Director Marcus Yasutake introduced the item. Regional Director Bill Coffey of HomeServe USA made a presentation and responded to questions from the City Council. City Manager Bryan Whitemyer provided additional comments.

The following speaker spoke under this item:

Rob Allen

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.

7. Approval of the March 24, 2026 City Council Special and Regular Meeting Minutes

8. Zoning Code Update – Accessory Dwelling Unit Ordinance Hearing and Determination that the Project is Exempt from CEQA; Ordinance No. 1361 - An Ordinance of the City of Folsom for the Repeal and Re-Enactment of Chapter 17.105 of the Folsom Municipal Code Pertaining to Accessory Dwelling Units (Second Reading and Adoption)

9. Resolution No. 11585 – A Resolution Authorizing the City Manager to Execute an Agreement with Ensure Utility Inc. dba Phoenix Water Solutions for $282,422.50 from the Water Operating Fund (Fund 520) for the Water Meter and End Point Replacement Project

10. Resolution No. 11586 – A Resolution Authorizing the City Manager to Execute Amendment No. 1 to the Agreement (Contract No. 173-21 24-030) with Water Systems Consulting, Inc. for $107,850 from the Water Operating Fund (Fund 520) for Additional Consulting Services for the Water Conservation Needs Assessment and Appropriation of Funds

11. Resolution No. 11587 – A Resolution Authorizing the City Manager to Execute an Agreement with N&S Tractor Co. in the amount of $127,343.19 from the Solid Waste Operating Fund (Fund 540) for the Purchase of a Front Loader

12. Resolution No. 11588 – A Resolution Authorizing the City Manager to Execute a Program Supplement Agreement with Caltrans for the Folsom-Placerville Rail Trail Project, Project No. PK1604, Federal Project No. 5288(042)

13. Resolution No. 11589 - A Resolution Authorizing the City Manager to Execute a Construction Agreement With Frontline General Engineering Construction, Inc. in the amount of $1,078,379 for the Livermore Community Park Phase V Project, Project No. 002643, from the Park Dedication (Quimby) Fund (Fund 240) in the Amount of $787,226 and from the Park Improvements Impact Fund (Fund 412) in the Amount of $291,153, and Appropriation of Funds in the Amount of $147,974 from Fund 412, for a Total Project Budget of $1,347,974

14. Resolution No. 11592- A Resolution Authorizing the City Manager to Execute a Program Supplement Agreement with Caltrans for the Folsom Lake Crossing Phase 2 Safety Improvement Project, Project No. PW2601, Federal Project No. 5288(055)

15. Resolution No. 11593 – A Resolution Approving the Alder Creek West Large Lot Final Map and Authorizing the City Manager to Accept Offers of Dedication Associated with Said Map

Motion by Councilmember Kozlowski, second by Councilmember Aquino to approve the Consent Calendar. Motion passed by the following roll-call vote:

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

PUBLIC HEARING:

16. Resolution No. 11591 - A Resolution Approving the Final Engineer's Report, Confirming the Diagrams and Assessments, and Ordering the Continued Levying of Assessments for Maintenance and Servicing of Improvements Within the City of Folsom Landscaping and Lighting Districts for Fiscal Year 2026-27 for American River Canyon North, American River Canyon North No. 2, American River Canyon North No. 3, Blue Ravine Oaks, Blue Ravine Oaks No. 2, Briggs Ranch, Broadstone, Broadstone No. 4, Broadstone Unit No. 3, Cobble Ridge, Cobble Hills Ridge II/Reflections II, Folsom Heights, Folsom Heights No. 2, Hannaford Cross, Lake Natoma Shores, Los Cerros, Natoma Station, Natoma Valley, Prairie Oaks Ranch, Prairie Oaks Ranch No. 2, Prospect Ridge, Sierra Estates, Silverbrook, Steeplechase, The Residences at American River Canyon, The Residences at American River Canyon II, Willow Creek Estates East, Willow Creek Estates East No. 2, Willow Creek Estates South, and Willow Springs

Municipal Landscape Services Manager Derik Perez made a presentation and responded to questions from the City Council. City Manager Bryan Whitemyer provided additional information.

The public hearing was opened at 8:25 pm. Hearing no requests to speak, the public hearing was closed.

Motion by Councilmember Aquino, second by Councilmember Leary to approve Resolution No. 11591. Motion passed by the following roll-call vote:

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

17. 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. (Introduction and First Reading)

    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. (Introduction and First Reading)

    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. (Introduction and First Reading)

Principal Planner Jessica Brandt made a presentation. Park Planning Manager Brad Nelson responded to questions from the City Council.

The public hearing was opened at 8:33 pm. The following speaker spoke under this item:

Martin Nivinski

Hearing no further speakers, the public hearing was closed at 8:34 pm.

Motion by Councilmember Aquino, second by Councilmember Kozlowski to introduce Ordinance No. 1363. Motion passed by the following roll-call vote:

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

Motion by Councilmember Aquino, second by Councilmember Kozlowski to introduce Ordinance No. 1364. Motion passed by the following roll-call vote:

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

Motion by Councilmember Aquino, second by Councilmember Leary to introduce Ordinance No. 1365. Motion passed by the following roll-call vote:

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

NEW BUSINESS:

18. 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 (Introduction and First Reading) and Determination that the Project is Exempt from CEQA

20. 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 (Introduction and First Reading) and Determination that the Project is Exempt from CEQA

Utilities Director Marcus Yasutake made a joint presentation for items 18 and 20

Motion by Councilmember Aquino, second by Councilmember Leary to introduce Ordinance No. 1367 and determine that the project is exempt from CEQA. Motion passed by the following roll-call vote:

AYES: Leary, Rohrbough, Aquino, Kozlowski, Raithel

NOES: None
ABSENT: None
ABSTAIN: None

Motion by Councilmember Leary, second by Councilmember Aquino to introduce Ordinance No. 1369 with the amendment to section 13.22.090(C) and to determine that the project is exempt from CEQA. Motion passed by the following roll-call vote:

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

19. Ordinance No. 1368 – An Ordinance of the City of Folsom Amending Chapter 13.26 of the Folsom Municipal Code Concerning Water Conservation (Introduction and First Reading) and Determination that the Project is Exempt from CEQA

Continued off calendar.

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

i. Resolution No. 11581 - 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

ii. Resolution No. 11582 - A Resolution of the City Council of the City of Folsom Declaring the Necessity for Incurring Bonded Indebtedness in and for the City of Folsom Community Facilities District No. 24 (Alder Creek West) and in and for each Improvement Area Designated therein and Territory Proposed for Annexation to the Community Facilities District in the Future and Calling for a Public Hearing Thereon

Chief Financial Officer Stacey Tamagni made a presentation

Motion by Councilmember Aquino, second by Councilmember Kozlowski to approve Resolution No. 11581. Motion passed by the following roll-call vote:

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

Motion by Councilmember Kozlowski, second by Councilmember Leary to approve Resolution No. 11582. Motion passed by the following roll-call vote:

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

ABSENT: None
ABSTAIN: None

OLD BUSINESS:

22. Consideration of Partnership with Change.org for Community Survey and Civic Dialogue

City Manager presented this item and the City Council made further comments.

23. City Council Salaries:

i. Ordinance No. 1366 - An Ordinance of the City of Folsom Amending Section 2.06.010 of the Folsom Municipal Code Regarding City Council Salaries (Second Reading and Adoption)

ii. Resolution No. 11584 - A Resolution of the City Council of the City of Folsom Setting City Council Salary at the Rate Authorized by Ordinance No. 1366

City Manager Bryan Whitemyer presented this item.

The following speakers spoke under this item:

1. Margie Donovan
2. Shelley Hudson
3. Kristine Kowalavski
4. Gwynne Willison
5. Catherin O'Mordha
6. Wajih Iqbal, sharing a statement from Jag Nagendra
7. Justin Hurst

Motion by Vice Mayor Rohrbough, second by Councilmember Kozlowski to adopt Ordinance No. 1366.

Interim City Attorney Sari Dierking clarified the difference between Ordinance No. 1366 and Resolution No. 11584. City Council made further comments.

Motion passed by the following roll-call vote:
AYES: Rohrbough, Kozlowski, Raithel
NOES: Leary, Aquino
ABSENT: None
ABSTAIN: None

Motion by Vice Mayor Rohrbough, second by Councilmember Kozlowski to approve Resolution No. 11584.

Councilmember Aquino and Councilmember Leary both indicated that they are not willing to accept the additional salary and will decline the increase.

Motion passed by the following roll-call vote:
AYES: Rohrbough, Kozlowski, Raithel

NOES: Leary, Aquino
ABSENT: None
ABSTAIN: None

The Joint Meeting was called to order at 9:25 pm with Mayor Justin Raithel presiding.

ROLL CALL:

Council/Board members Present:

Barbara Leary, Councilmember
Anna Rohrbough, Vice Mayor
Sarah Aquino, Councilmember
Michael Kozlowski, Councilmember
Justin Raithel, Mayor

Councilmembers/Board members Absent: None

JOINT MEETING PUBLIC HEARING

24. Folsom Ranch Financing Authority City of Folsom Community Facilities District No. 23 (Folsom Ranch) Improvement Area No. 7 Special Tax Revenue Bonds, Series 2026

    i. Resolution No. 11590 - A Resolution of the City Council of the City of Folsom Authorizing the Issuance of the City of Folsom Community Facilities District No. 23 (Folsom Ranch) Improvement Area No. 7 Special Tax Bonds, Series 2026, the Execution of an Indenture Providing therefor, Authorizing the Execution of a Local Obligation Purchase Contract, and Authorizing Necessary Actions and the Execution of Other Documents in Connection therewith

    ii. Resolution No. 015-Folsom Ranch FA - Resolution of the Governing Board of the Folsom Ranch Financing Authority Authorizing the Issuance, Sale and Delivery of Not to Exceed $12,000,000 Aggregate Principal Amount of City of Folsom Community Facilities District No. 23 (Folsom Ranch) Improvement Area No. 7 Special Tax Revenue Bonds, Series 2026; Approving the Form and Substance of a Trust Agreement, Authorizing Modifications thereof and Execution and Delivery as Modified; Approving a Preliminary Official Statement, Authorizing Changes thereto and Execution and Delivery of an Official Statement to be Derived therefrom; Approving a Local Obligation Purchase Contract and a Bond Purchase Contract and Execution and Delivery of Each; and Authorizing Related Actions Necessary to Implement the Proposed Financing

Chief Financial Officer Stacey Tamagni made a presentation.

The public hearing was opened at 9:28 pm. Hearing no requests to speak, the public hearing was closed.

Motion by Councilmember Kozlowski, second by Councilmember Leary to approve Resolution No.11590. Motion passed by the following roll-call vote:

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

Motion by Board member Kozlowski, second by Board member Leary to approve Resolution No. 015- Fosom Ranch FA. Motion passed by the following roll-call vote:

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

The joint meeting was adjourned to the regular meeting at 9:29 pm.

CITY MANAGER REPORTS

City Manager Bryan Whitemyer thanked the community for their efforts with the Castle Park build project and provided an update regarding the sinkhole near the site.

COUNCIL COMMENTS

Councilmember Kozlowski thanked all involved in the Castle Park build project and recognized John Lane for his contributions to the project.

Vice Mayor Rohrbough reported on a recent SacRT meeting and thanked the volunteers, City staff, and the Parks and Recreation Department for their work on the Castle Park build project.

Councilmember Leary spoke about the HART tiny home site and an upcoming fundraiser, and noted ribbon-cutting ceremonies she recently attended.

Councilmember Aquino thanked the volunteers, City staff, and the Parks and Recreation Department, and commended Facilities and Park Manager Chris O'Keefe for his leadership on the Castle Park build project.

Mayor Raithel reported on the Sacramento Transportation Authority meeting and the Blue Star Moms Gala, at which it was announced that a street would be named in honor of Sergeant Tyler Vargas-Andrews. He thanked Sergeant Vargas-Andrews for his service and also recognized the VEX Robotics team advancing to the world championship, acknowledged those traveling to CAP to CAP, and noted the upcoming Dragon Boat races.

ADJOURNMENT

There being no further business to come before the City Council, the meeting was adjourned at 9:38 p.m.

SUBMITTED BY:

_____
Christa Freemantle, City Clerk

ATTEST:

_____
Justin Raithel, Mayor

Folsom City Council
Staff Report

MEETING DATE:	4/28/2026
AGENDA SECTION:	Consent Calendar
ITEM TITLE:	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)
FROM:	Utilities Department

RECOMMENDATION / CITY COUNCIL ACTION

Staff recommends that the City Council adopt 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.

BACKGROUND / ISSUE

The Folsom Municipal Code was initially adopted by the City of Folsom in 1973 consistent with and incorporating reference to several State Government Code sections governing local authority, police powers, and procedures. Over the last 53 years, the Folsom Municipal Code has been amended numerous times annually to reflect legislative changes, policy changes, administrative changes, and local preferences.

City staff identified minor code clean up items within Chapters 13.03, 13.04, 13.08, 13.12, 13.16, 13.20, and 13.25 of the Folsom Municipal Code that should be updated to remove outdated references or antiquated provisions, and/or to reflect current best practices. This code cleanup pertains to the sanitary sewer collection system and is designed to establish an effective and efficient sanitary sewer collection system, minimize the number of Sanitary Sewer Spills, protect and uphold public health and safety, and recognize the importance of clean water.

These items are listed and described briefly in the analysis section, and incorporated with specific language changes in track changes in the attached Ordinance.

On April 14, 2026 City Council introduced and conducted first reading of Ordinance 1367 and determined that the project is exempt from CEQA. There have been no changes made since the first reading.

POLICY / RULE

Pursuant to Section 1.01.021 (Adoption), the Folsom Municipal Code (FMC) was adopted by Ordinance 297 in 1973. Any subsequent amendment to the Folsom Municipal Code must also be adopted by Ordinance. Proposed Amendments to Chapters 13.03, 13.04, 13.08, 13.12, 13.16, 13.20, and 13.25 do not require public hearing.

ANALYSIS

This section of the report lists and summarizes the staff-recommended code clean up items in the Folsom Municipal Code Chapters 13.03, 13.04, 13.08, 13.12, 13.16, 13.20, and 13.25. Amending these Chapters will bring the FMC into compliance with the State Water Resources Control Board adopted Statewide Waste Discharge Requirements (WDR) General Order for Sanitary Sewer Systems (Order WQ 2022-0103-DWQ), as well as the Regional Water Quality Control Board Requirements. These recommended changes will also comply with the requirements of the City's Sewer System Management Plan (SSMP). The City Council has been provided with a redline version to more easily identify the changes recommended (see attachment).

Key features of the revised ordinance include:

- Revised and expanded definitions
- Reassigned responsibility from the Environmental and Water Resources Director to the City Manager and his or her designees
- Updated references to various City Departments with their current department names
- Updated references to other agencies with their current agency names
- Incorporated new requirements for the Pipe Blockage Control Program
- Modified requirements of connecting to the public sanitary sewer collection system

Chapters affected by this municipal code update include:

- Chapter 13.03: Regulations to Prohibit and Control the Discharge of Fats, Oils, Grease, Rags and Debris into the Sanitary Sewer Collection System (Pipe Blockage Control Program)
- Chapter 13.04: Municipal Sewer System–Definitions
- Chapter 13.08: Municipal Sewer System–Regulations
- Chapter 13.12: Municipal Sewer System–Rental Regulations
- Chapter 13.16: Septic Tanks, Cesspools and Privies–Definitions
- Chapter 13.20: Septic Tanks, Cesspools and Privies–Regulations
- Chapter 13.25: Sewer Connection Service Charges

FINANCIAL IMPACT

This action has no direct financial impact on the City of Folsom.

ENVIRONMENTAL REVIEW

The proposed City Council action to adopt Ordinance No. 1367 is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15378 (b)(4) "Project" and Section 15061(b)(3) "Common Sense Exemption". Under Section 15378, the action does not constitute a "project" under CEQA, as it pertains solely to administrative or procedural matters that do not result in direct physical environmental changes. Furthermore, Section 15061(b)(3), the "common sense exemption", applies because it can be determined with certainty that the adoption of this updated document will not lead to significant effects on the environment.

ATTACHMENT

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

Submitted,

_____

Marcus Yasutake, Director
UTILITIES DEPARTMENT

Attachment 1

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

The City Council of the City of Folsom hereby does ordain as follows:

SECTION 1 PURPOSE

The purpose of this Ordinance is to amend Chapters 13.03, 13.04, 13.08, 13.12, 13.16, 13.20, and 13.25 of the Folsom Municipal Code (the "code") pertaining to Sanitary Sewer Collection System and Municipal Sewer System Regulations. Sanitary Sewer Collection System and Municipal Sewer System Regulations are designed to establish an effective and efficient sanitary sewer collection system, minimize the number of Sanitary Sewer Spills, protect and uphold public health and safety, and recognize the importance of clean water. Amending these Chapters will bring the FMC into compliance with the State Water Resources Control Board adopted Statewide Waste Discharge Requirements (WDR) General Order for Sanitary Sewer Systems (Order WQ 2022-0103-DWQ), as well as the Regional Water Quality Control Board Requirements. These changes will also comply with the requirements of the City's Sewer System Management Plan (SSMP).

SECTION 2 AMENDMENT TO CODE

Chapters 13.03, 13.04, 13.08, 13.12, 13.16, 13.20, and 13.25 of the Folsom Municipal Code is hereby amended to read as follows:

Chapter 13.03
REGULATIONS TO PROHIBIT AND CONTROL THE DISCHARGE OF FATS, OILS, ~~AND~~ GREASE, RAGS AND DEBRIS INTO THE SANITARY SEWER COLLECTION SYSTEM (PIPE BLOCKAGE CONTROL PROGRAM)

Sections:

13.03.010 Definitions.
13.03.020 Applicability.
13.03.030 Regulatory consistency.
13.03.040 Compliance disclaimer.
13.03.050 Administration.
13.03.060 Disclaimer of liability.
13.03.070 Permitted discharges.
13.03.080 Prohibited discharges.

13.03.090 Grease control devices.
13.03.100 Conditional waiver.
13.03.110 Exception to allow alternative grease control device.
13.03.120 Maintenance of grease control devices.
13.03.130 Prohibition of food grinders.
13.03.140 Scope of inspections and monitoring.
13.03.150 Enforcement.
13.03.160 Penalties.
13.03.170 Enforcement procedures, notice to correct.
13.03.180 Abatement.
13.03.190 Regulatory actions.
13.03.200 Discontinuance of service.

13.03.010 Definitions.

As used in this chapter, the following words and phrases shall have the meanings set forth below unless the context clearly indicates otherwise:

A. "City" means the ~~city~~ City of Folsom.

B. "City council" means the city council of the ~~city~~ City of Folsom.

C. "City manager" means the city manager of the City of Folsom or his or her designee unless otherwise stated or indicated by context.

~~C~~D. "County" means the ~~county~~ County of Sacramento.

E. "Debris" means trash, gardening debris, sediment, unauthorized chemicals, construction materials, and any unauthorized materials not intended for disposal into the sanitary sewer collection system that may cause blockages.

F. "Director" means the City of Folsom director of the Utilities department or his or her designee unless otherwise stated or indicated by context.

~~D~~G. "Discharge" means the release or placement of any sewage ~~wastewater~~ into the city sanitary sewer collection system.

~~E~~H. "Discharger" means any person or facility that discharges, or causes to discharge, either directly or indirectly, sewage ~~wastewater~~ into the city's sanitary sewer collection system.

~~F. "Environmental and water resources director" means the director of the environmental and water resources department of the city of Folsom or as otherwise directed by the city manager or his or her designee.~~

~~G~~I. "Fats, oils, and greases" or "FOG" means organic polar compounds derived from animal and/or plant sources that contain multiple carbon chain triglyceride molecules. These substances are detectable and measurable using analytical test procedures established in the United States Code of Federal Regulations 40 CFR 136, as may be amended from time to time. All are sometimes referred to herein as "grease" or "greases."

~~H~~J. "Food grinder" means any device installed in the plumbing or sewage system for the purpose of grinding food waste or food preparation by-products for the purpose of disposing it in the city's sanitary sewer collection system.

~~I~~K. "Food service establishments" or "FSEs" means facilities that are dischargers and that prepare and/or package food or beverages for sale or consumption, on or off site, with the exception of private residences. FSEs include those establishments primarily engaged in activities of preparing, serving, or otherwise making food available for consumption by the public such as food packagers, grocery stores, bakeries, restaurants, commercial kitchens, caterers, hotels, schools, hospitals, prisons, correctional facilities, and care institutions. Examples of food preparation activities utilized by FSEs include the following: cooking by frying (all methods), baking (all methods), grilling, sautéing, rotisserie cooking, broiling (all methods), boiling, blanching, roasting, toasting, or poaching. FSEs also include any establishment using infrared heating, searing, barbecuing, and any other food preparation activity that produces a hot, nondrinkable food product in or on a receptacle that requires washing.

~~J~~L. "Garbage" means solid wastes from preparation, cooking, and dispensing of food, and from handling, storage and sale of food products.

~~K~~M. "Grease control device" means a grease interceptor, grease trap or mechanical grease removal equipment approved by the ~~U~~utilities director. ~~environmental and water resources director.~~

~~L~~N. "Grease interceptor" means a large containment tank installed underground and designed to collect, contain or remove food wastes and grease particles from the sewage ~~wastewater~~ prior to discharge into the sanitary sewer collection system. Grease interceptors primarily use gravity to separate FOG from the sewage ~~wastewater~~ as it moves from one compartment of the interceptor to the next.

~~M~~O. "Grease trap" means a device for separating and retaining grease prior to the sewage ~~wastewater~~ exiting the trap and entering the sanitary sewer collection system. Such traps are typically compact under-the-sink units that are near food preparation areas.

~~N~~P. "Grease waste" means waste removed from a grease control device.

~~O~~Q. "National Pollutant Discharge Elimination System permit" or "NPDES permit" means a permit issued by either the Regional Board or the State Water Resources Control Board pursuant to Chapter 5.5 (commencing with Section 13370) of Division 7 of the Water Code to control discharges from point sources to waters of the United States.

~~P~~R. "New construction" means construction of a new structure that will include an FSE or modification of an existing structure or portion of an existing structure to accommodate an FSE or change in type of FSE that will significantly increase the potential for FOG production.

~~Q~~S. "Person" means any natural person as well as any corporation, partnership, public agency, trust, estate, cooperative association, joint venture, business entity or other similar entity, or the agent, employee or representative of any of the above.

~~R~~T. "Plumbing official" means the building official or city employee designated by the city manager and who administers and enforces the provisions of the Uniform Plumbing Code. The plumbing official shall enforce the provisions of the Uniform Plumbing Code within the boundaries of the ~~city~~ City of Folsom.

U. "Rags" means masks, dental floss, "flushable" and non-flushable wipes, diapers, rags, other paper, cloth, plastic products, and any unauthorized materials not intended for disposal into the sanitary sewer collection system that may cause blockages.

~~S~~V. "Regional Board" means the California Regional Water Quality Control Board, Central Valley Region.

~~T~~W. "Renovation" or "remodeling" means a physical change to an existing FSE that requires a building permit and involves any one or a combination of the following:

1. Plumbing;
2. Ventilation system;
3. Electrical system;
4. Any change in the size or type of food preparation equipment; and/or
5. To the cooking or restaurant facility.

X. "SacSewer" means the Sacramento Area Sewer District.

~~U~~Y. "Sanitary sewer collection system" means the city-owned system~~network~~ that is designed to convey sewage, including but not limited to ~~of~~ pipes, manholes, laterals, ~~and~~ pump stations, siphons, wet wells, diversion structures, and/or other pertinent infrastructure, ~~that convey wastewater~~ upstream of the ~~to~~ SacSewer~~SRCSD~~ facilities including:~~.~~

- Laterals owned and/or operated by the City of Folsom
- Satellite sewer systems; and/or
- Temporary conveyance and storage facilities, including but not limited to temporary piping, vaults, construction trenches, wet wells, impoundments, tanks and diversion structures.

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~~V~~Z. "Satellite sewer system" means a portion of a sanitary sewer collection system owned or operated by a different owner other than the City of Folsom. ~~"Sanitary sewer overflows" (SSOs) means a condition whereby untreated sewage is discharged to the environment, escaping wastewater treatment.~~

AA. "Sewage", and its associated wastewater, means untreated or partially treated domestic, municipal, commercial, and/or industrial waste (including sewage sludge), and any mixture of these wastes with inflow or infiltration of stormwater or groundwater, conveyed in the sanitary sewer collection system.

AB. "Spill" means a discharge of sewage from any portion of the sanitary sewer collection system due to a sanitary sewer system overflow, operational failure, and/or infrastructure failure.

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~~W. "SRCSD" means the Sacramento Regional County Sanitation District. (Ord. 1233 § 2 (part), 2015: Ord. 1071 § 2 (part), 2007)~~

AC. "Waters of the State" means surface waters or groundwater within boundaries of the state as defined in Water Code section 13050(e), in which the State and Regional Water Boards have authority to protect beneficial uses. Waters of the State include, but are not limited to, groundwater aquifers, surface waters, saline waters, natural washes and pools, wetlands, sloughs, and estuaries, regardless of flow or whether water exists during dry conditions. Waters of the State include waters of the United States.

AD. "Waters of the United States" means surface waters or waterbodies that are subject to federal jurisdiction in accordance with the Clean Water Act.

AE. "Wastewater", and its associated sewage, means untreated or partially treated domestic, municipal, commercial, and/or industrial waste (including sewage sludge), and any mixture of these wastes with inflow or infiltration of stormwater or groundwater, conveyed in the sanitary sewer collection system. (Ord. 1367 § 2, 2026: Ord. 1233 § 2 (part), 2015: Ord. 1071 § 2 (part), 2007)

13.03.020 Applicability.

The provisions of this chapter shall be applicable to anyone who directly or indirectly discharges rags, debris, or FOG-producing material into the city's sanitary sewer collection system. This includes but is not limited to all FSEs, ~~and other FOG producing~~ commercial/industrial businesses, municipalities, schools, residents, etc. located within the incorporated area of the city ~~that discharge either directly or indirectly into the city's sanitary sewer collection system~~. (Ord. 1367 § 2 (part) 2026: Ord. 1233 § 2 (part), 2015: Ord. 1071 § 2 (part), 2007)

13.03.030 Regulatory consistency.

The provisions of this chapter shall take precedence over and are controlling with respect to any conflicting or inconsistent provisions in this code. (Ord. 1367 § 2 (part), 2026: Ord. 1233 § 2 (part), 2015: Ord. 1071 § 2 (part), 2007)

13.03.040 Compliance disclaimer.

Compliance by any person with the provisions of this chapter shall not preclude the need to comply with other local, state or federal statutory or regulatory requirements related to sanitary sewers or industrial/commercial/retail waste discharge. (Ord. 1367 § 2 (part), 2026: Ord. 1233 § 2 (part), 2015: Ord. 1071 § 2 (part), 2007)

13.03.050 Administration.

Except as otherwise provided herein, the city manager~~environmental and water resources director~~ or designee shall be responsible for the administration, implementation and enforcement of the provisions of this chapter. (Ord. 1367 § 2 (part), 2026: Ord. 1233 § 2 (part), 2015: Ord. 1071 § 2 (part), 2007)

13.03.060 Disclaimer of liability.

The degree of protection required by this chapter is considered reasonable for regulatory purposes and is based on scientific, engineering and other relevant technical considerations. The standards set forth herein are minimum standards and this chapter does not imply that compliance will ensure that there will be no unauthorized discharge of pollutants into the ~~waters~~ Waters of the United States. This chapter shall not create liability on the part of the city or any officer or employee thereof for any damages that result from reliance on this chapter or any administrative decision lawfully made thereunder. (Ord. 1367 § 2 (part), 2026: Ord. 1233 § 2 (part), 2015: Ord. 1071 § 2 (part), 2007)

13.03.070 Permitted discharges.

Sewage~~Wastewater~~ may be discharged to the sanitary sewer collection system; provided, that such discharge is not prohibited by this chapter and conforms to all other requirements of this code, the current SacSewer~~SRCSD~~ sewer use ordinance, and all other applicable statutes, regulations, ordinances or other governmental requirements; and further provided, that all applicable city and SacSewer~~SRCSD~~ fees and sewer use charges are paid. (Ord. 1367 § 2 (part), 2026: Ord. 1233 § 2 (part), 2015: Ord. 1071 § 2 (part), 2007)

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13.03.080 Prohibited discharges.

It shall be unlawful ~~for any FSE~~ to discharge or cause to be discharged any of the following to the sanitary sewer collection system except as specifically authorized by other provisions of this code:

A. FOG in amounts, either alone or in combination with other discharges, that cause:

1. Any visible sheen on the surface of the discharged sewage~~wastewater~~;
2. Any build-up of grease in any portion of the sanitary sewer collection system; or
3. Any obstruction of the sanitary sewer collection system.

B. Any discharge from a food grinder for a new or remodeled FSE.

C. Debris, rags, and/or pipe-blocking substances in amounts, either alone or in combination with other discharges, that cause:

1. Any obstruction of the sanitary sewer collection system.

~~C~~D. Any water or waste having a pH lower than five or having any other corrosive property capable of causing damage or hazard to structures, equipment, personnel and sewer pipes.

The foregoing discharge prohibitions are not exclusive and shall be in addition to any prohibitions or requirements specified in any other provision of this code or by any other applicable statute, regulation, ordinance, law, or other governmental requirement. (Ord. 1367 § 2 (part), 2026: Ord. 1233 § 2 (part), 2015: Ord. 1071 § 2 (part), 2007).

13.03.090 Grease control devices.

All FSEs must install, operate, and maintain a grease control device if they meet any of the following provisions:

A. New construction.

B. Renovation or remodeling that alters the existing plumbing at or below grade of the existing finished floor or alters the use, occupancy or function of the space, which would contribute to the production of fats, oils and grease.

C. When deemed necessary by the ~~U~~utilities director ~~environmental and water resources director~~ to protect public health or safety or reduce/eliminate FOG.

D. If the FSE has a prohibited discharge.

E. If the FSE is deemed by the ~~U~~utilities ~~D~~director ~~environmental and water resources director~~ to contribute to or have reasonable potential to be the cause of a~~n SSO~~ Spill.

F. If there is a change in land use which change has the potential to significantly increase FOG production and/or make a prohibited discharge of FOG reasonably foreseeable without a grease interceptor.

Grease control devices shall meet minimum design and performance requirements of the latest edition of the Uniform Plumbing Code and the California Plumbing Code as well as satisfying all requirements as designated by the ~~U~~utilities ~~D~~director ~~environmental and water resources director~~. Grease control devices must be approved by the ~~U~~utilities ~~D~~director ~~environmental and water resources director~~, in writing, prior to construction and installation. (Ord. 1367 § 2 (part), 2026: Ord. 1233 § 2 (part), 2015: Ord. 1071 § 2 (part), 2007).

13.03.100 Conditional waiver.

An FSE may apply to the ~~U~~utilities ~~D~~director~~environmental and water resources director~~, in writing, for a conditional waiver of the requirement to install an approved grease control device.

A. The ~~U~~utilities ~~D~~director ~~environmental and water resources director~~ may approve such conditional waiver if the FSE demonstrates to the ~~U~~utilities ~~D~~director's~~environmental and water resources director's~~ satisfaction that the FSE does not generate FOG, and/or causes FOG deposition in the sanitary sewer collection system. The conditional waiver shall include the following information:

1. An independent study by an engineering firm recommending that a grease control device is not necessary.

2. A description of the FSE's best management practices (BMPs) which include:

   a. BMPs based on a set menu that is not subject to change.

   b. Employee training on proper food preparation, handling, serving and cleaning.

   c. BMP signage posted throughout the restaurant for employees to refer to.

   d. BMP training log, maintenance logs, and records available for city staff to review.

B. If the content of the menu changes or the operation and/or maintenance of the restaurant changes, the FSE shall notify the city. Changes in the menu or operations and/or maintenance of the restaurant may require the installation of a grease control device.

C. Cooperation with the city ~~of Folsom~~'s inspector and wastewater division to perform restaurant inspections and ~~closed-circuit~~closed-circuit television inspection of the FSE's sewer lateral.

D. The ~~U~~utilities ~~D~~director ~~environmental and water resources director~~ may revoke this conditional waiver and require that an approved grease control device be installed at any time:

1. If the FSE discharges FOG or causes the discharge of FOG into the sanitary sewer collection system;

2. If the ~~U~~utilities ~~D~~director ~~environmental and water resources director~~ determines that any ~~SSO~~Spill, stoppage, interruption, or reduction of flow in the sanitary sewer collection system has resulted in whole or in part from discharge(s) by the FSE; or

3. If the ~~U~~utilities ~~D~~director ~~environmental and water resources director~~ determines that the conditional waiver should be revoked to protect public health and safety. (Ord. 1367 § 2 (part), 2026: Ord. 1233 § 2 (part), 2015: Ord. 1071 § 2 (part), 2007)

13.03.110 Exception to allow alternative grease control device.

An FSE may apply for an exception to allow installation of a grease control device other than a grease interceptor, and the ~~U~~utilities ~~D~~director ~~environmental and water resources director~~ may approve such exception if the FSE demonstrates to the ~~U~~utilities ~~D~~director's ~~environmental and water resources director's~~ satisfaction that installation of a grease interceptor is not feasible due to space constraints, utility interferences, inadequate slope of sewer ~~wastewater~~ drainage lines, or other considerations. Alternative grease removal devices must be approved by the ~~U~~utilities ~~D~~director ~~environmental and water resources director~~ and include, but are not limited to, features that trap, separate and hold grease and be of a design that is equal to or more effective than an acceptable grease control device. (Ord. 1367 § 2 (part), 2026: Ord. 1233 § 2 (part), 2015: Ord. 1071 § 2 (part), 2007)

13.03.120 Maintenance of grease control devices.

A. All FSEs are required to utilize a grease waste hauler to pump grease waste from the grease interceptor and to lawfully dispose of the grease waste. Grease waste shall not be disposed of in the sanitary sewer collection system or storm drains.

B. The FSE, at its sole cost and expense, shall properly utilize, clean and maintain the grease control device in good and efficient working order at all times.

C. The FSE shall immediately correct any problem with a grease control device including, but not limited to, plugging, overflow or spillage from the device, improper operation, noncompliance with cleaning schedule, damaged or nonfunctioning features of the device, excessive accumulation of grease or solids, or other problems that resulted in or could result in a prohibited discharge or ~~SSO~~Spill. The manager or owner of an FSE shall notify the ~~U~~utilities ~~D~~director ~~environmental and water resources director~~ in writing of the problem and corrective action within five days of the discovery of the problem.

D. The FSE shall keep all manifests, receipts and invoices of all cleaning, maintenance, grease removal of/from the grease control device, disposal carrier and disposal site location for no less than three years. The FSE shall, upon request, make the manifests, receipts and invoices available to the ~~U~~utilities ~~D~~director ~~environmental and water resources director~~, or any authorized inspector that has jurisdiction under any local, state or federal water quality statutes, ordinances or regulations. (Ord. 1367 § 2 (part), 2026: Ord. 1233 § 2 (part), 2015: Ord. 1071 § 2 (part), 2007)

13.03.130 Prohibition of food grinders.

Food grinders are prohibited in new or remodeled FSEs. (Ord. 1367 § 2 (part) 2026: Ord. 1233 § 2 (part), 2015: Ord. 1071 § 2 (part), 2007)

13.03.140 Scope of inspections and monitoring.

A. In the event of an emergency situation that poses an immediate threat to life, health, safety, or general welfare occurring at an FSE relating to activities covered by this chapter, the ~~U~~utilities ~~D~~director ~~environmental and water resources director~~ may enter upon private property to eliminate, abate, clean up and dispose of a prohibited discharge or grease waste.

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B. The ~~U~~utilities ~~D~~director ~~environmental and water resources director~~ may enter upon private property during regular business hours to investigate the source of any prohibited discharge to the sanitary sewer collection system or to verify compliance with the provisions of this chapter, including, but not limited to, the following:

1. Operation and maintenance of grease control devices.

2. Prohibition of the use of food grinders.

3. Inspection of any vehicle, truck, trailer, tank truck or other mobile equipment that may have the ability to discharge to the ~~municipal~~ sanitary sewer collection system.

4. Erection and maintenance of monitoring and sampling devices for the purpose of measuring any discharge to the ~~city~~ sanitary sewer collection system.

5. Inspection, review and copying of all records of the FSE relating to preventing prohibited discharges to the sanitary sewer collection system. This may include, but is not limited to, operation, inspection, maintenance and cleaning records related to grease control devices and grease waste pumping manifests.

6. Inspection, sampling and testing of any discharge to the ~~city~~ sanitary sewer collection system for the purpose of determining the potential for a prohibited discharge. The investigation of the integrity of all grease control devices. The taking of photographs or videotapes, measurements or drawings, and creation of any other record reasonably necessary to document conditions on the premises. (Ord. 1367 § 2 (part), 2026: Ord. 1233 § 2 (part), 2015: Ord. 1071 § 2 (part), 2007)

13.03.150 Enforcement.

Violations of this chapter shall constitute a public nuisance. The provisions of this chapter shall be administered and enforced within the city by the ~~U~~utilities ~~D~~director ~~environmental and water resources director or other staff and enforcement officials designated by the environmental and water resources director~~. The remedies set forth herein are cumulative to any other remedy available to the city. Nothing contained herein shall limit or be deemed to prevent the city from pursuing any other available remedy under this code or any other applicable law. (Ord. 1367 § 2 (part), 2026: Ord. 1233 § 2 (part), 2015: Ord. 1071 § 2 (part), 2007)

13.03.160 Penalties.

A. A violation of this chapter shall be an administrative violation as defined in Section 1.08.020. In addition to enforcement by any procedure set forth in Chapters 1.08 to 1.10, inclusive, any violation of this chapter shall be punishable as a misdemeanor, which shall be punishable by a fine not to exceed one thousand dollars~~, or by imprisonment in the county jail for not more than six months, or by both such fine and imprisonment.~~

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B. Each of the sanctions for administrative violations identified in Section 1.09.013 shall be available for enforcement of the provisions of this chapter. Violations of the provisions of this chapter shall be deemed Level E violations, as defined in Section 1.09.012. (Ord. 1367 § 2 (part), 2026: Ord. 1233 § 2 (part), 2015: Ord. 1071 § 2 (part), 2007)

13.03.170 Enforcement procedures, notice to correct.

A. Prior to the suspension, revocation, or denial of any license or permit, or the assessment of any fee, penalty, or charge, or the commencement of any other enforcement action pursuant to this chapter, the enforcement authority shall follow the procedures set forth in Chapter 1.09. The rights to judicial review set forth in Sections 1.09.050 to 1.09.052, inclusive, shall apply.

B. A notice to correct shall not be required to commence the administrative hearing procedures set forth in Chapters 1.08 to 1.10, inclusive. Pursuant to Section 1.09.024, a notice of administrative violation shall be served in accordance with the provisions of Section 1.09.027. (Ord. 1367 § 2 (part), 2026: Ord. 1233 § 2 (part), 2015: Ord. 1071 § 2 (part), 2007)

13.03.180 Abatement.

A. Any person engaged in activities which cause, allow, facilitate or result in a prohibited discharge shall bear all costs incurred by the city as a result of such prohibited discharge including but not limited to the cost of abatement, cleanup and disposal.

B. The ~~U~~utilities ~~D~~director ~~environmental and water resources director~~ will keep an account of the administrative, labor, equipment and other costs of abatement, cleanup and recovery. (Ord. 1367 § 2 (part), 2026: Ord. 1233 § 2 (part), 2015: Ord. 1071 § 2 (part), 2007)

13.03.190 Regulatory actions.

Any person determined to be in violation of this chapter shall bear all costs incurred by the city resulting from, or related to any correction and/or enforcement of a violation of this chapter or the payment of monetary sanctions, or both. (Ord. 1367 § 2 (part), 2026: Ord. 1233 § 2 (part), 2015: Ord. 1071 § 2 (part), 2007)

13.03.200 Discontinuance of service.

A. In addition to all of the remedies provided in this chapter, violations of the provisions of this chapter may result in disconnection of the premises from the water or the sanitary sewer collection system by the ~~U~~utilities ~~D~~director ~~environmental and water resources director~~.

B. Prior to such discontinuance of service the owner of the real property to which the service was rendered shall be served with written notice from the ~~U~~utilities ~~D~~director ~~environmental and water resources director~~ stating the nature of the violation and providing a reasonable time limit for the satisfactory correction thereof.

C. When service has been disconnected as provided in this section, the Utilities Ddirector ~~environmental and water resources director~~ may require that the person requesting that such service be reestablished furnish a bond or deposit equal to five times the city's cost to cause the disconnection, rectify problems caused by the prohibited discharge, and complete the reconnection, payable to the city and conditional upon compliance with the provisions of this chapter, before granting permission to make such connection.

D. The person making application for such reestablishment of service shall pay all expenses incurred by the city in causing such disconnection and reconnection before such permission may be granted. (Ord. 1367 § 2 (part), 2026: Ord. 1233 § 2 (part), 2015: Ord. 1071 § 2 (part), 2007)

~~**Chapter 13.04**~~
~~**MUNICIPAL SEWER SYSTEM—DEFINITIONS**~~

~~Sections:~~

~~**13.04.010 City defined.**~~

~~**13.04.020 Dwelling unit defined.**~~

~~**13.04.030 Premises defined.**~~

~~**13.04.040 Sewage defined.**~~

~~**13.04.050 Superintendent defined.**~~

~~**13.04.010 City defined.**~~

~~"City" means the city of Folsom. (Prior code § 9022)~~

~~**13.04.020 Dwelling unit defined.**~~

~~"Dwelling unit" means the habitat of any individual or family. (Prior code § 9024)~~

~~**13.04.030 Premises defined.**~~

~~"Premises" refers to a lot, parcel of land, building or establishment. (Prior code § 9023)~~

~~**13.04.040 Sewage defined.**~~

~~"Sewage" as used in this chapter means a combination of liquid or water carried human waste conducted away from residences, business buildings, and institutions which is known as domestic sewage, together with the liquid or water carried waste resulting from a manufacturing process employed in industrial establishments, including the washing, cleaning or drain water from such process, which is known as industrial waste. (Prior code § 9020)~~

~~**13.04.050 Superintendent defined.**~~

~~"Superintendent" refers to anyone delegated by the city council to the performance of duties as specified in this chapter. (Prior code § 9021)~~

Chapter 13.08
MUNICIPAL SEWER SYSTEM—REGULATIONS

Sections:

13.08.010 Definitions.
13.08.020 Permit required.
13.08.030 Domestic sewage screening.
13.08.040 Industrial waste screening.
13.08.050 Sewage measurement device—Installation.
13.08.060 Sewage measurement device—Type—Responsibility.
13.08.070 Outside city—Connection.
13.08.080 Cleanout plug required.
13.08.090 Backflow prevention device.
13.08.100 Nonpermanent discharges.
13.08.110 Prohibited activities.
13.08.120 Prohibited discharges.
13.08.130 Prohibited discharge locations.
13.08.140 Maintenance responsibilities.

13.08.150 Easement access.
13.08.160 Private sewer laterals.

13.08.010 Definitions.

As used in this chapter, the following words and phrases shall have the meanings set forth below unless the context clearly indicates otherwise:

A. "City" means the ~~city~~ City of Folsom.

B. "City council" means the city council of the ~~city~~ City of Folsom.

C. "City manager" means the city manager of the City of Folsom or his or her designee unless otherwise stated or indicated by context.

~~C~~D. "Cleanout" means a pipe fitting and associated piping connected to a sewer lateral that provides access to the sewer lateral for purposes of flushing, rodding, cleaning, and other maintenance and diagnostic purposes.

~~D~~E. "County" means the ~~county~~ County of Sacramento.

F. "Director" means the ~~e~~City of Folsom ~~D~~director of Utilities ~~D~~department or his or her designee unless otherwise stated or indicated by context.

G. "Dwelling unit" means the habitat of any individual or family.

~~E. "Environmental and water resources director" means the director of the environmental and water resources department of the city of Folsom or as otherwise directed by the city manager or his or her designee.~~

~~F~~H. "Lateral" means an underground segment of smaller diameter pipe that transports sewage from a customer's building or property (residential, commercial, industrial, etc.) to the city's main sewer line in a street or easement.

- A lower lateral is the portion of the city-owned lateral located between the sanitary sewer system main, and either the property line, sewer cleanout, curb line, or other jurisdictional locations. ~~"Lower lateral" means the portion of a sewer lateral lying within a public street connecting an upper lateral to the sewer main.~~ The lower lateral extends from the cleanout near the property line or easement ~~(as identified in Standard Construction Specification SS-07)~~ to the sewer main or within five feet of the property line or easement ~~(as identified in Standard Construction Specification SS-07)~~ to the sewer main if there is no cleanout near the property line or easement (as identified in the City of Folsom's Sanitary Sewer Standard Detail SS-08). The lower lateral includes the connection to the sewer main. A lower lateral is associated with a parcel if it or any portion of it is located upon the parcel or conveys sewage and liquid waste from any structure located on that parcel.

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- An upper lateral is the portion of the privately owned lateral from the property line, sewer cleanout, curb line, or other jurisdictional locations, to the building or property (as identified in the City of Folsom's Sanitary Sewer Standard Detail SS-08). If the parcel contains a sewer pipe system or multiple private sewer laterals, the entire sewer pipe system, including manholes and other appurtenances, and all private sewer laterals are part of the upper sewer lateral to the extent they are located on that parcel.

~~G~~I. "New construction" means construction of a new structure or modification of an existing structure or portion of an existing structure.

J. "Person" means any natural person as well as any corporation, partnership, public agency, trust, estate, cooperative association, joint venture, business entity or other similar entity, or the agent, employee or representative of any of the above.

K. "Premises" refers to a lot, parcel of land, building or establishment.

~~H~~L. "Private sewer lateral" means the privately-owned lateral that transports sewage from private property(ies) into a sanitary sewer system.~~a pipe or pipes and appurtenances that carry sewage and liquid waste from the structure served to the lower lateral.~~

M. "Private sanitary sewer system" means a sanitary sewer system of any size that is owned and/or operated by a private individual, company, corporation, or organization. A private sanitary sewer system may or may not connect into a publicly owned sanitary sewer system.

~~I~~N. "Property owner" means a person that owns a parcel of real property, or that person's authorized representative including a tenant or contractor. As used in this subsection, "person" means an individual, trust, corporation, nonprofit organization, homeowners' association, partnership, firm, joint venture, limited liability company, or association.

~~J~~O. "Remodeling" means any significant improvement, addition, construction, reconstruction, remodeling, modification or alteration of or to an existing or previously existing structure.

~~K~~P. "Repair" means construction activities performed to bring a ~~private~~ sewer lateral into compliance with this chapter consisting of correction of a segment of ~~less than~~ the ~~private~~ sewer lateral (i.e. spot repair).

~~L~~Q. "Replacement" means construction activities performed to bring a ~~private~~ sewer lateral into compliance with this chapter consisting of the replacement or lining of the complete length of the ~~private~~ sewer lateral.

R. "SacSewer" means the Sacramento Area Sewer District.

~~M~~S. "Sanitary sewer collection system" means the city-owned system~~network~~ that is designed to convey sewage, including but not limited to ~~of~~ pipes, manholes, laterals, ~~and~~ pump stations,

siphons, wet wells, diversion structures, and/or other pertinent infrastructure, ~~that convey wastewater~~ upstream of the ~~to~~ SacSewer~~SRCSD~~ facilities including:~~.~~

- Laterals owned and/or operated by the City of Folsom
- Satellite sewer systems; and/or
- Temporary conveyance and storage facilities, including but not limited to temporary piping, vaults, construction trenches, wet wells, impoundments, tanks and diversion structures.

T. "Satellite sewer system" means a portion of a sanitary sewer collection system owned or operated by a different owner other than the City of Folsom.

~~N. "Sanitary sewer overflows" (SSOs) means a condition whereby untreated sewage is discharged to the environment, escaping wastewater treatment.~~

U. "Sewage" and its associated wastewater, means untreated or partially treated domestic, municipal, commercial, and/or industrial waste (including sewage sludge), and any mixture of these wastes with inflow or infiltration of stormwater or groundwater, conveyed in the sanitary sewer collection system.

~~O~~V. "Sewer main" means a publicly owned sanitary sewer that receives flows from public and private sewer laterals. The sewer main does not include any portion of a private sewer lateral.

W. "Spill" means a discharge of sewage from any portion of the sanitary sewer collection system due to a sanitary sewer system overflow, operational failure, and/or infrastructure failure.

~~P. "SRCSD" means the Sacramento Regional County Sanitation District.~~

~~Q. "Upper lateral" means a pipe or pipes and appurtenances that carry sewage and liquid from the structure served to the lower lateral. If the parcel contains a sewer pipe system or multiple private sewer laterals, the entire sewer pipe system, including manholes and other appurtenances, and all private sewer laterals are part of the upper sewer lateral to the extent they are located on that parcel.~~

~~R~~X. "Waste hauler" means transporters of waste trap grease and grease from interceptors from facilities that collect, store, process or dispose of waste grease. (Ord. 1367 § 2 (part), 2026: Ord. 1233 § 2 (part), 2015)

13.08.020 Permit required.

No person shall tap or make connection to the sanitary sewers in the city, without a permit and the payment of the fees established for the privilege of making such tap or connection. (Ord. 1367 § 2 (part), 2026: Ord. 1233 § 2 (part), 2015: prior code § 9000. Formerly 13.08.010)

13.08.030 Domestic sewage screening.

Domestic sewage, consisting essentially of human waste, may be passed into sewers without screening. (Ord. 1367 § 2 (part), 2026: Ord. 1233 § 2 (part), 2015: prior code § 9025. Formerly 13.08.020)

13.08.040 Industrial waste screening.

Industrial waste must be screened through the equivalent of a twenty-mesh screen. No ~~peach, plum, prune, cherry, apricot or other~~ food particles or solids larger than what would pass through a twenty-mesh screen shall be discharged or permitted to enter the sewage system. (Ord. 1367 § 2 (part), 2026: Ord. 1233 § 2 (part), 2015: prior code § 9026. Formerly 13.08.030)

13.08.050 Sewage measurement device—Installation.

The ~~U~~utilities ~~D~~director ~~environmental and water resources director~~ shall determine what commercial businesses and industries shall be required to install the means of measurement of sewage discharged and to report the~~his~~ recommendations ~~to the environmental and water resources director~~; and, upon a finding that said installation is reasonably required to determine the amount of the service charge, the ~~U~~utilities ~~D~~director ~~city manager~~council shall direct the person owning said business or industry to install means for measurement of sewage. (Ord. 1367 § 2 (part), 2026: Ord. 1233 § 2 (part), 2015: prior code § 9028. Formerly 13.08.040)

13.08.060 Sewage measurement device—Type—Responsibility.

Every person who is required to install a means for measurement of sewage discharge shall install an approved flume and an automatic recording device or other approved means for measurement of sewage discharge at their~~his~~ own expense. The ~~environmental and water resources director or other person designated by the U~~utilities ~~D~~director shall enforce the provisions and ~~he~~ shall have the right at all times to check the operation of the screening mechanism, the operation of the measuring recording mechanism, and to make a record of the readings. (Ord. 1367 § 2 (part), 2026: Ord. 1233 § 2 (part), 2015: prior code § 9029. Formerly 13.08.050)

13.08.070 Outside city—Connection.

Persons owning premises situated outside the ~~corporate~~city limits may, upon issuance of a permit by the city ~~council~~, connect to the sanitary sewer collection system~~sewerage system of the city~~ by paying all costs thereof and an annual rental to be determined from time to time by resolution of the city council. (Ord. 1367 § 2 (part), 2026: Ord. 1233 § 2 (part), 2015: Ord. 692 § 1, 1990: prior code § 9031)

13.08.080 Cleanout plug required.

On all new construction within the city, and on all new connections within the city sanitary sewer collection system, there shall be provided, at the property line, a cleanout plug which shall consist of a single or double wye branch with end or side cleanout, closed with a waterproof cap. (Ord. 1367 § 2 (part), 2026: Ord. 1233 § 2 (part), 2015: prior code § 9042. Formerly 13.08.090)

13.08.090 Backflow prevention device.

A. On all new construction within the city, and all new connections within the city sanitary sewer collection system, the property owner shall be required to install, operate and maintain a backflow prevention device if they meet any of the following provisions:

1. The lowest dwelling plumbing fixture is twelve inches or less above the rim of the nearest upstream manhole.

2. When deemed necessary by the Uutilities Ddirector ~~environmental and water resources director~~ to protect public health or safety.

B. All existing property owners shall be required to install, operate and maintain a backflow prevention device if they meet any of the following provisions:

1. When deemed necessary during the application process when applying for a construction, remodel or sewer replacement permit.

2. When deemed necessary by the Uutilities Ddirector ~~environmental and water resources director~~ to protect public health or safety. (Ord. 1367 § 2 (part), 2026: Ord. 1233 § 2 (part), 2015)

13.08.100 Nonpermanent discharges.

Discharges that do not require a separate permanent connection, and do not require a sewer impact permit or temporary discharge permit, are considered nonpermanent discharges. Nonpermanent discharges can be discharged into the city's sanitary sewer collection system, subject to the following conditions:

A. Discharge must be to a plumbing fixture, utility sink, private cleanout, or sanitary sewer manhole.

B. Discharge must not adversely impact flow of the city's sanitary sewer collection system; otherwise, the nonpermanent discharge must immediately be disconnected.

C. Discharge must not be from a waste hauler. (Ord. 1367 § 2 (part), 2026: Ord. 1233 § 2 (part), 2015)

13.08.110 Prohibited activities.

The city hereby prohibits the following activities:

A. Access or discharge into manholes, cleanouts, or other openings in the city's sanitary sewer collection system unless specifically authorized by the city.

B. Damaging, breaking, destroying, defacing, or tampering with the city's sanitary sewer collection system.

C. Obstructing flow in the city's sewer facilities. This provision includes but is not limited to obstruction originating from the cleaning of a private sewer that results in an obstruction in the city's sanitary sewer collection system.

D. Creating a condition that pressurizes the lower lateral.

E. Creating conditions in the city's sanitary sewer collection system that endanger the health and safety of any person.

F. Interfering or impairing the operation or maintenance of the city's sanitary sewer collection system.

G. Removal or failing to maintain a required backflow prevention device. (Ord. 1367 § 2 (part), 2026: Ord. 1233 § 2 (part), 2015)

13.08.120 Prohibited discharges.

The following are hereby prohibited ~~to be~~from being discharged to the city's sanitary sewer collection system:

A. Flows exceeding the capacity of city facilities or exceeding the quantity normally or customarily anticipated for the permitted use.

B. Discharge of water that does not meet the water quality standards of acceptability for discharge into the storm drain, such as stormwater, surface water, pool water, groundwater, roof runoff, or subsurface drainage.

C. Fats, oils, and grease in amounts, either alone or in combination with other discharges, that cause:

1. Any visible sheen on the surface of the discharged sewage~~wastewater~~;
2. Any build-up of grease in any portion of the sanitary sewer collection system; or
3. Any obstruction of the sanitary sewer collection system.

D. Debris and rags.

~~D~~E. Trucked and hauled wastes.

~~E~~F. Substances that may cause excessive foaming in any portion of the city's sewer collection system.

~~F~~G. Any liquid or vapor having a temperature higher than one hundred fifty degrees Fahrenheit.

~~G~~H. Any substance, either by itself or combined with other ~~wastewater~~ sewage discharge, that is capable of obstructing flow or impairing the performance of the city's sanitary sewer collection system.

~~H~~I. Cementitious materials.

~~I~~J. Any substance that may cause damage, including corrosive structural damage, to any part of the city's sanitary sewer collection system.

~~J~~K. Chemicals of any kind that are not specifically authorized for disposal in a sewer system.

~~K~~L. Garbage, including food wastes, that is greater than one-quarter inch in any dimension.

~~L~~M. The foregoing discharge prohibitions are not exclusive and are in addition to any prohibitions or requirements specified in any provision of this chapter or by any other applicable statute, regulation, prohibition, or ordinance.

If a person owning or occupying a premises has knowledge that a discharge prohibited by this chapter has entered or will enter the city's sanitary sewer collection system, such person shall immediately take all reasonable action to contain and abate the discharge and must notify the city immediately of knowledge of the discharge. (Ord. 1367 § 2 (part), 2026: Ord. 1233 § 2 (part), 2015)

13.08.130 Prohibited discharge locations.

No person shall discharge any sewage~~wastewater~~ or any other substance directly into a manhole or other opening in the city's sanitary sewer collection system except according to the requirements established by this chapter. The ~~U~~utilities ~~D~~director ~~environmental and water resources director~~, however, may grant permission and establish requirements and policies for other such direct discharges. (Ord. 1367 § 2 (part), 2026: Ord. 1233 § 2 (part), 2015)

13.08.140 Maintenance responsibilities.

A. Lower Laterals ~~(City)~~ and Upper Laterals ~~(Private)~~. The property owner has the sole responsibility for clearing stoppages, inspecting, maintaining, and repairing the upper lateral, including backflow prevention devices, so as to maintain the upper lateral in a condition that avoids negative impacts to the operation and maintenance of the city's sanitary sewer collection system. This may include the following:

1. The upper lateral should be kept free from roots, grease deposits, and other solids that may impede the flow or obstruct the transmission of waste.

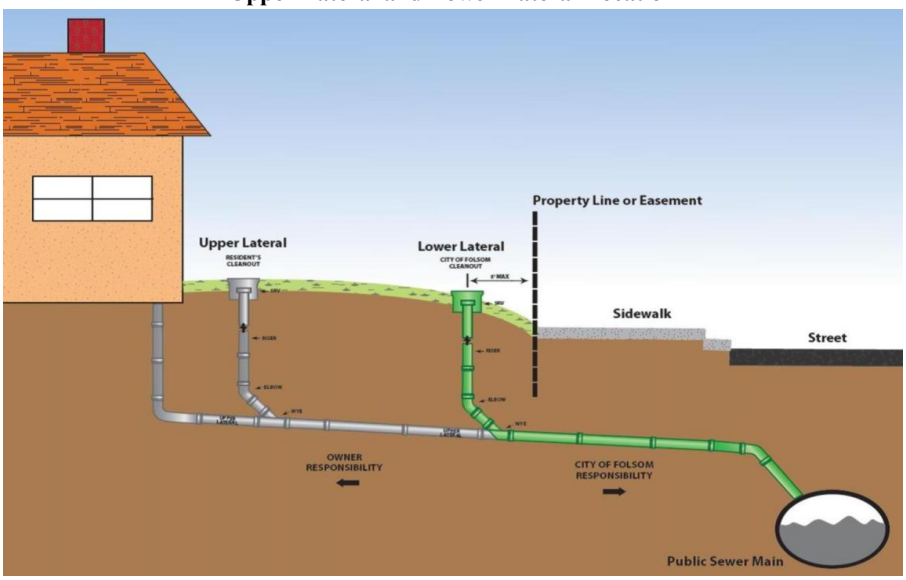
2. All joints should be tight, and all pipes should be sound and free from structural defects, including cracks, breaks, and missing portions, to prevent ex-filtration by waste or infiltration by groundwater or stormwater.

3. No drains or other appurtenances that collect stormwater or surface water should be connected to the upper lateral.

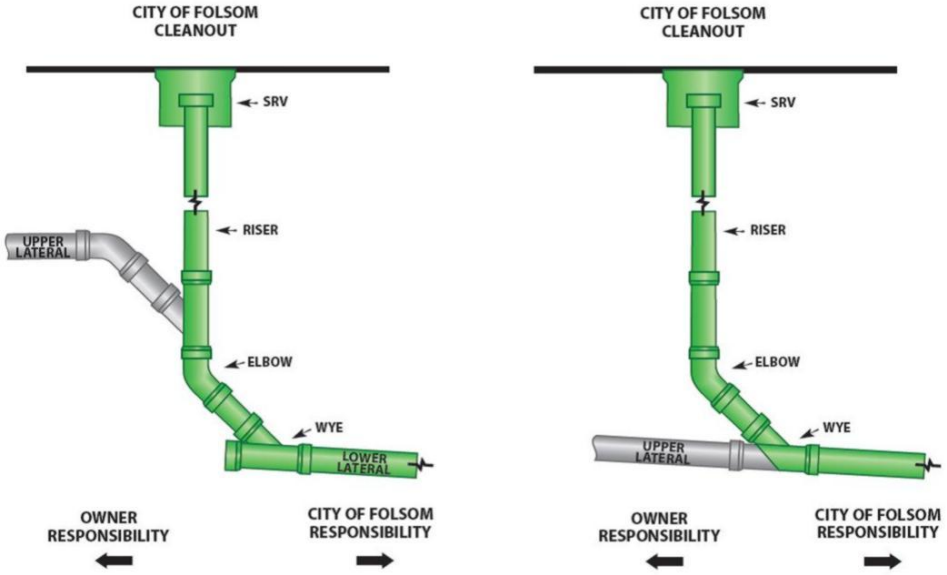
4. All cleanouts shall be securely sealed with a proper cap or approved overflow device at all times.

Typically, the responsibility delineation between the upper and lower lateral is at the city's sewer cleanout or, in the absence of a cleanout, it shall be understood that the delineation from the upper sewer lateral to the lower sewer lateral shall be a maximum of five feet from the property line or easement as identified in the ~~e~~City of Folsom's Sanitary Sewer Standard Detail SS-08 ~~Standard Construction Specification SS-07~~ and as shown in the figure below:

Upper Lateral and Lower Lateral Location



Maintenance Responsibilities for Upper and Lower Laterals Where Cleanout Exists



The purpose of this drawing is to delineate maintenance responsibility only. Refer to ~~city~~ City of Folsom standards and specifications for design and construction details.

The gray color indicates the portion of the service lateral for which the property owner is responsible for maintaining and repairing. The green color indicates the portion of the service lateral that the city is responsible for maintaining and repairing.

If the city owns the mainline, the city is responsible for clearing stoppages and for inspecting, maintaining, and repairing the lower lateral, city cleanouts, manholes and mainline. If the city does not own the mainline or manhole, the city has no responsibility for clearing stoppages or for inspecting, maintaining, or repairing the mainline, cleanouts, or lower laterals.

B. City and Private Mainlines. The city is responsible for the maintenance of mainlines within the public right-of-way or easement unless the mainline is privately owned, or a specific agreement delineating ownership exists, or the city has expressly accepted the maintenance and repair obligation in writing. In cases where parcels or structures are served by a private sewer, the owner has the sole responsibility for ownership, operation, and maintenance of the private sewer. Where the city is to be responsible for any element of a private sewer system, it shall be expressly so provided in writing and the responsibility must be accepted by the city~~city council~~. The owner's responsibilities include clearing stoppages, inspecting, maintaining, and repairing the private system so as to maintain the private system in a condition that avoids negative impacts to the

operation and maintenance of the city's sanitary sewer collection system. This may include the following:

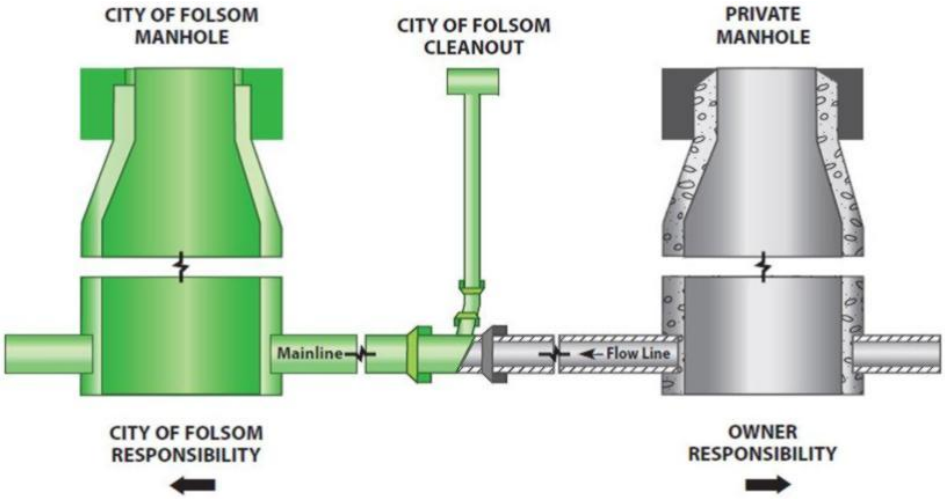
1. The private system should be kept free from roots, grease deposits, and other solids that may impede the flow or obstruct the transmission of waste.

2. All joints should be tight, and all pipes should be sound and free from structural defects, including cracks, breaks, and missing portions, to prevent ex-filtration by waste or infiltration by groundwater or stormwater.

3. No drains or other appurtenances that collect stormwater or surface water should be connected to the private system.

Typically, the responsibility delineation between the city and private mainlines is at the city's sewer cleanout or, in the absence of a cleanout, to the limits of the public right-of-way or easement.

Maintenance Responsibilities for City and Private Mainline and Manholes



The purpose of this drawing is to delineate maintenance responsibility only. Refer to the city's standards and specifications for design and construction details.

The gray color indicates the portion of the system that the owner is responsible for maintaining and repairing. The green color indicates the portion of the system that the city is responsible for maintaining and repairing. (Ord. 1367 § 2 (part), 2026: Ord. 1233 § 2 (part), 2015)

13.08.150 Easement access.

A. The city requires permanent easements for all city-owned sewer facilities that are located outside of the public right-of-way.

B. Any use of an easement by the owner or occupants (herein after referred to as owner) that is not compatible with or interferes with the construction, operation, maintenance, reconstruction, or repair of city facilities is not allowed. No permanent structure (such as garages, patios, concrete slabs, tool sheds, fences, retaining walls, trees and similar structures) is to be constructed on top of the city's sanitary sewer collection system facilities or anywhere within any associated sewer or public utility easements.

C. The owner must allow for an unobstructed pathway access to all easement areas, with the access having the following dimensions:

1. A minimum width of fifteen feet.

2. A minimum height of six feet, eight inches.

If access to an easement area is required at any time, city personnel will at their discretion obtain access. The parcel owner may be held financially responsible for any additional costs incurred by the city if the owner has not provided city staff adequate access to its assets in a timely manner. (Ord. 1367 § 2 (part), 2026: Ord. 1233 § 2 (part), 2015)

13.08.160 Private sewer laterals.

A. Each property owner shall, at the property owner's expense, inspect, maintain in good working order, repair and replace, as necessary, the private sewer lateral so that it does not cause or contribute to any sewage spill ~~overflow~~ from either the private sewer lateral or the public sewer. The private sewer lateral shall be free of displaced joints, open joints, roots, cracks, leaks, inflow, infiltration of water, fats, oils and grease, debris and rags, defects or obstructions likely to cause or contribute to blockage of the private sewer lateral or the public sewer.

B. A property owner shall have the private sewer lateral inspected by a licensed plumber upon the receipt of written notice from the city that an inspection is required. The city may issue a written notice that an inspection is required whenever it determines from its operation, maintenance or inspection of the public sewer, or through any other means, that the private sewer lateral is defective or otherwise in a condition that might cause a blockage in the private sewer lateral or the public sewer. Conditions that render the private sewer lateral defective or in a condition that might cause a blockage include, but are not limited to, displaced joints, open joints, roots, cracks, leaks, inflow, infiltration of water, fats, oils and grease, debris and rags, defects or obstructions likely to cause or contribute to blockage of the private sewer lateral or the public sewer. The city's written notice shall set forth a reasonable time in which the inspection must occur and shall require the property owner to submit an inspection report meeting the requirements of this chapter to the city within a reasonable time, to be specified in the city's written notice, after completion of the

inspection. The property owner shall be responsible for obtaining any required city permits prior to any construction.

C. All inspections and inspection reports required by this chapter shall be completed in accordance with the following requirements:

1. The inspection and inspection report shall be completed by a licensed plumber.

2. The inspection shall include, at a minimum, a closed-circuit television (CCTV) inspection of the private sewer lateral.

3. The inspection and inspection report shall identify, as applicable, the severity and location of all of the following:

a. Displaced joints, open joints, roots, cracks, leaks, inflow, infiltration of water, fats, oils and grease, debris and rags, defects or obstructions likely to cause or contribute to blockage of the private sewer lateral or the public sewer.

b. Any connection by pipe or otherwise that allows rainwater or groundwater to enter the private lateral or public sewer.

c. Any backflow device installed in the private sewer lateral and the condition of the backwater device.

d. All corrective actions that must be taken to maintain, repair or replace the private sewer lateral and the estimated time and cost associated with such maintenance, repair or replacement.

4. The inspection report shall contain either a printed image, thumb drive~~DVD~~, or other suitable electronic recording of the CCTV inspection of the private sewer lateral in a format acceptable to the city. (Ord. 1367 § 2 (part), 2026: Ord. 1233 § 2 (part), 2015)

Chapter 13.12
MUNICIPAL SEWER SYSTEM—RENTAL REGULATIONS*

Sections:

13.12.010 Charges—Lien.
13.12.020 Violation—Disconnection authority.
13.12.030 Reconnection—Bond.
13.12.040 Delinquent charges—Collection method.
13.12.050 Delinquent charges—Computation report.
13.12.060 Delinquent charges—Notice—Hearing.
13.12.070 Delinquent charges—Property owner notice.

* See also Chapter 3.20, Municipal Service Charges.

13.12.010 Charges—Lien.

Each charge or rental levied is a lien upon the premises served by a connection to the city sanitary sewer collection ~~sewerage~~ system. In the event charges are not paid for sewage service, the city manager ~~superintendent~~ is authorized and directed to disconnect such property from the city sanitary sewer collection ~~sewerage~~ system. (Ord. 1367 § 2 (part), 2026: Prior code § 9034)

13.12.020 Violation—Disconnection authority.

In the event of a violation of any of the laws of the state, the ordinances of the city, or the rules and regulations so established referring to the discharge of sewage, the ~~U~~utilities ~~D~~director ~~superintendent~~ shall notify the person or persons causing, committing such violation, specifying the violation, and upon the failure of such person or persons to cease or prevent further violation within five days after the receipt of such notice, the city manager ~~superintendent~~ shall have authority to disconnect the property served from the city sanitary sewer collection ~~sewerage~~ system. (Ord. 1367 § 2 (part), 2026: Prior code § 9035)

13.12.030 Reconnection—Bond.

When service has been disconnected the city manager ~~superintendent~~ may require that the person requesting that such service be reestablished furnish a bond in the sum of five hundred dollars payable to the city and conditioned upon compliance with the provisions of this code before granting permission to make such connection. The person making application for such reestablishment of service shall pay all expenses incurred and to be incurred by the city in causing such disconnection and reconnection before such permission may be granted. (Ord. 1367 § 2 (part), 2026: Prior code § 9036)

13.12.040 Delinquent charges—Collection method.

All delinquent charges for sewer service in the city shall be collected on the tax roll in the same manner, by the same persons, and at the same time as general taxes are collected. (Ord. 1367 § 2 (part), 2026: Prior code § 9038)

13.12.050 Delinquent charges—Computation report.

~~The city clerk~~The Folsom Utility Billing Department shall compute such charges in accordance with established rates and shall prepare a written report of delinquent charges for each fiscal year. Such report shall contain a description of each parcel of real property receiving sewer service and the amount of delinquent charge, with penalties, for each parcel for said fiscal year. The report shall be filed ~~in the office of the city clerk~~with the Utility Billing department. (Ord. 1367 § 2 (part), 2026: Prior code § 9039)

13.12.060 Delinquent charges—Notice—Hearing.

Upon the filing of the report, ~~the city clerk~~the Utility Billing department shall publish notice of the filing in the Folsom Telegraph, a newspaper of general circulation printed and published in the city, once a week for two successive weeks. The notice shall set a date for hearing on the report not sooner than two weeks after completion of the publication. The report shall be filed in time for publication, hearing, adoption and/or modification, and submission to the auditor not later than August 10th of each year. (Ord. 1367 § 2 (part), 2026: Prior code § 9040)

13.12.070 Delinquent charges—Property owner notice.

~~The city clerk~~The Utility Billing department shall give notice of the report to the owners of property described in the report at the address shown on the latest equalized assessment roll at the time of preparation of the report. (Ord. 1367 § 2 (part), 2026: Prior code § 9041)

Chapter 13.16
SEPTIC TANKS, CESSPOOLS AND PRIVIES—DEFINITIONS

Sections:

13.16.010 Cesspool defined.
13.16.020 City health officer defined.
13.16.030 City manager defined.
13.16.~~030~~040 Construction defined.
13.16.~~040~~050 Department defined.
~~13.16.050 Drainage system defined.~~
13.16.060 Duplex defined.
13.16.070 Lot defined.
13.16.080 Permit defined.
13.16.090 Person defined.
~~13.16.090 Privy defined.~~
13.16.100 SacSewer defined.
13.16.~~100~~110 ~~Public s~~Sanitary sewer collection system defined.
13.16.120 Satellite sewer system defined.
13.16.~~110~~130 Seepage pit or vertical drain defined.
13.16.~~120~~140 Septic tank defined.
13.16.~~130~~150 Sewage defined.
13.16.~~140~~160 Sewage disposal defined.
13.16.170 Sewer drainage system defined.
13.16.~~150~~180 Sewer well defined.
13.16.~~160~~190 Single family residence defined.
13.16.200 Temporary vault privy defined.
13.16.210 Water closet defined.
13.16.220 Waters of the State defined.
13.16.230 Waters of the United States defined.

13.16.010 Cesspool defined.

"Cesspool" means an excavation into the earth which is used for the reception of sewage or drainage from plumbing fixtures, effluent from septic tanks, together with water used in carriage of said sewage or drainage, but which does not have watertight walls or bottom. (Ord. 1367 § 2 (part), 2026: Prior code § 9068)

13.16.020 City health officer defined.

"City health officer" means the health officer of the city or such other officers or employees of the city to whom the city council or city manager delegates the function of the city health officer. (Ord. 1367 § 2 (part), 2026: Prior code § 9063)

13.16.030 City manager defined.

"City manager" means the city manager of the City of Folsom or his or her designee unless otherwise stated or indicated by context. (Ord. 1367 § 2 (part), 2026)

13.16.~~030~~ 040 Construction defined.

"Construction" means construction, repair, alteration or relocation of sewage disposal system. (Ord. 1367 § 2 (part), 2026: Prior code § 9071)

13.16.~~040~~ 050 Department defined.

"Department" means the department of health of the city or to such other official or employee of the city to whom the city council or city manager delegates such functions. (Ord. 1367 § 2 (part), 2026: Prior code § 9060)

~~**13.16.050 Drainage system defined.**~~

~~"Drainage system" means and includes all the piping within public or private premises which conveys sewage or other liquid waste to a point of disposal, but does not include the mains or laterals of a public sewer system. (Prior code § 9065)~~

13.16.060 Duplex defined.

"Duplex" means a detached building occupied, intended or designed for occupancy by two families living independently of each other, but under one roof. (Ord. 1367 § 2 (part), 2026: Prior code § 9062)

13.16.070 Lot defined.

"Lot" means a parcel of land shown upon a subdivision map or a record of survey map or described by metes and bounds. (Ord. 1367 § 2 (part), 2026: Prior code § 9074)

13.16.080 Permit defined.

"Permit" means a sanitation permit issued by the city. (Ord. 1367 § 2 (part), 2026: Prior code § 9075)

13.16.090 Person defined.

"Person" means any natural person as well as any corporation, partnership, public agency, trust, estate, cooperative association, joint venture, business entity or other similar entity, or the agent, employee or representative of any of the above.

~~**13.16.090 Privy defined.**~~

~~"Privy" is a structure used as a toilet under a part or all of which is a vault or pit intended or used for the reception of human waste matter. (Prior code § 9069)~~

13.16.100 SacSewer defined.

"SacSewer" means the Sacramento Area Sewer District. (Ord. 1367 § 2 (part), 2026)

13.16.~~100~~ 110 ~~Public s~~Sanitary sewer collection system defined.

"~~Public s~~Sanitary sewer collection system" means the city-owned system that is designed to convey sewage, including but not limited to pipes, manholes, laterals, pump stations, siphons, wet wells, diversion structures, and/or other pertinent infrastructure, upstream of the SacSewer facilities including:

- Laterals owned and/or operated by the City of Folsom
- Satellite sewer systems, and/or
- Temporary conveyance and storage facilities, including but not limited to temporary piping, vaults, construction trenches, wet wells, impoundments, tanks and diversion structures. (Ord. 1367 § 2 (part), 2026: Prior code § 9070)

~~- is any sewage disposal system operated and maintained by the city. (Prior code § 9070)~~

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13.16.120 Satellite sewer system defined.

"Satellite sewer system" means a portion of a sanitary sewer collection system owned or operated by a different owner other than the City of Folsom. (Ord. 1367 § 2 (part), 2026)

13.16.~~110~~ 130 Seepage pit or vertical drain defined.

"Seepage pit or vertical drain," as used in this chapter, means one or more pits extending into the porous stratum but not into a subterranean water bearing stratum, lined with open jointed walls, and capped. (Ord. 1367 § 2 (part), 2026: Prior code § 9072)

13.16.~~120~~ 140 Septic tank defined.

"Septic tank" means a ~~water tight~~watertight receptacle which receives the discharge of a sewer drainage system or a part thereof which is designed and constructed so as to retain solids, digest organic matter through a period of detention, and allows the liquids to discharge into the soil outside the tank through a subsurface drainage system or into a cesspool. (Ord. 1367 § 2 (part), 2026: Prior code § 9067)

13.16.~~130~~ 150 Sewage defined.

"Sewage", and its associated wastewater, means untreated or partially treated domestic, municipal, commercial, and/or industrial waste (including sewage sludge), and any mixture of these wastes with inflow or infiltration of stormwater or groundwater, conveyed in the sanitary sewer collection system. (Ord. 1367 § 2 (part), 2026: Prior code § 9064) ~~any and all waste substance, liquid, or solid, associated with human habitation, or which contains or may be contaminated with human or animal excreta or excrement, offal, or any feculent matter. (Prior code § 9064)~~

13.16.~~140~~ 160 Sewage disposal defined.

"Sewage disposal" means any septic tank, privy, structure vault or pit for disposal or treatment of sewage and any sewer drainage system or other type system used for the disposal of sewage. (Ord. 1367 § 2 (part), 2026: Prior code § 9066)

13.16.170 Sewer drainage system defined.

"Sewer drainage system" means and includes all the piping within public or private premises which conveys sewage or other liquid waste to a point of disposal, but does not include the mains or laterals of a public sanitary sewer collection system. (Ord. 1367 § 2 (part), 2026: Prior code § 9065)

13.16.~~150~~ 180 Sewer well defined.

"Sewer well" means any hole dug or drilled into the ground, and intended for use as a water supply, which has been abandoned as a source of water supply and is being used for the disposal of sewage, or any hole dug or drilled into the ground and used or intended to be used for the disposal of sewage and extended to or into a subterranean water bearing stratum which is used, or intended to be used as, or is suitable for, a source of water supply for domestic purposes. (Ord. 1367 § 2 (part), 2026: Prior code § 9073)

13.16.~~160~~ 190 Single family residence defined.

"Single family residence" means any structure occupied, intended or designed for occupancy by one family for living or sleeping purposes as its principal use. (Ord. 1367 § 2 (part), 2026: Prior code § 9061)

13.16.200 Temporary vault privy defined.

"Temporary vault privy" is a water-less, portable sanitation system featuring a sealed tank that collects waste without allowing it to seep into the soil, typically used at construction sites or events where access to the public sanitary sewer system is unavailable. (Ord. 1367 § 2 (part), 2026)

13.16.210 Water closet defined.

"Water closet" means a room with a toilet and/or sink where the water system is connected to the City of Folsom's water facilities and the sewer drainage system is connected to the City of Folsom's sanitary sewer collection system. (Ord. 1367 § 2 (part), 2026)

13.16.220 Waters of the State defined.

"Waters of the State" means surface waters or groundwater within boundaries of the state as defined in Water Code section 13050(e), in which the State and Regional Water Boards have authority to protect beneficial uses. Waters of the State include, but are not limited to, groundwater aquifers, surface waters, saline waters, natural washes and pools, wetlands, sloughs, and estuaries, regardless of flow or whether water exists during dry conditions. Waters of the State include waters of the United States. (Ord. 1367 § 2 (part), 2026)

13.16.230 Waters of the United States defined.

"Waters of the Untied State" means surface waters or waterbodies that are subject to federal jurisdiction in accordance with the Clean Water Act. (Ord. 1367 § 2 (part), 2026)

Chapter 13.20
SEPTIC TANKS, CESSPOOLS AND PRIVIES—REGULATIONS

Sections:

13.20.010 Minimum lot area.
13.20.020 Connection requirements.
13.20.030 Sewage disposal system required.
13.20.040 Permit required.
13.20.050 Permit—New construction.
13.20.060 Sewage disposal system business—Bond required.
13.20.070 Septic tank minimum capacity.
13.20.080 Uniform rules and regulations.
13.20.090 Sewer wells—Declared nuisance.
13.20.100 Sewer well—Prohibited.
13.20.110 Construction requirements.
13.20.120 Privy—Permit—Granting conditions.
13.20.130 Privy—Removal.
13.20.140 Privy—Application.

13.20.150 ~~Privy—Exception.~~Reserved.
13.20.160 Permit—Denial conditions.
13.20.170 City health officer authority.
13.20.180 Permit—Application—Fee.
13.20.190 Investigation.
13.20.200 Permit—Action required.
13.20.210 Permit—Denial—Appeal.
13.20.220 Completion notice required.
13.20.230 Certificate of completion.
13.20.240 Variances.
13.20.250 Enforcement authority.

13.20.010 Minimum lot area.

No single family residence or duplex residence shall hereafter be constructed, built or moved on any lot, for such residential purpose, where the sewage disposal will be located on the same lot as the building unless and except where such lot contains the minimum lot area for each such type residence as indicated:

1. Single family residence. The lot shall contain a minimum of twenty thousand square feet for each such residence when both sewage disposal and the source of domestic water supply are located on the lot. When only sewage disposal is located on the lot, the lot shall contain a minimum of ten thousand square feet for such residence;

2. Duplex residence. The lot shall contain a minimum of twenty-five thousand square feet for each such residence when both the sewage disposal and the source ~~or~~ of domestic water supply will be located on the same lot. When only the sewage disposal is located on the lot, the lot shall contain a minimum of fifteen thousand square feet for each such residence. (Ord. 1367 § 2 (part), 2026: Prior code § 9076)

13.20.020 Connection requirements.

The sewer drainage system in every building where persons reside, congregate or are employed, ~~which building is within two hundred feet of public sanitary sewer to~~ which the owner of the building may lawfully connect to the public sanitary sewer collection system upon proper application and the payment of the required fees, shall, when there is an existing violation of any provision of this chapter, connect to ~~such~~ the public sanitary sewer collection system in the most direct manner possible.

Where a public sanitary sewer collection system is not available, as determined by the city manager and/or city council in each case, the building sewer drainage system shall be connected to a private sewage disposal system complying with the provisions of this section.

A. Before commencement of construction of a private sewage disposal system, the property owner shall first obtain a permit from the city. The applicant for such permit shall

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supplement any plans, specifications, and other information as are deemed necessary by the city manager. The city manager shall forward a report with recommendations to the city council prior to any action being taken on the permit application.

B. A permit for a private sewage disposal system shall not become effective until the installation is completed to the satisfaction of the city manager. The applicant for the permit shall notify the city when the work is ready for inspection and before any underground portions are covered.

C. The type, capacity, location, and layout of a private sewage disposal system shall comply with all recommendations of the city manager. No permit shall be issued for any private sewage disposal system employing subsurface soil absorption facilities. No septic tank or cesspool shall be permitted to discharge to any natural outlet.

D. Within 60 days of the day upon which a public sanitary sewer collection system becomes available to a property served by a private sewage disposal system, a direct connection shall be made to the public sanitary sewer collection system in compliance with this chapter, and any septic tank, cesspool, or similar private sewage disposal system facility shall be cleaned of sludge, abandoned, and filled with clean bank run gravel or dirt.

E. The owner shall operate and maintain the private sewage disposal system facilities in a sanitary manner at all times, at no expense to the city.

F. No statement contained in this chapter shall be construed to interfere with any additional requirements that may be imposed by the city manager and/or city health officer. (Ord. 1367 § 2 (part), 2026: Prior code § 9077)

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13.20.030 Sewage disposal system required.

No person shall maintain or use any residence, place of business or other building or place where persons reside, congregate or are employed which is not provided with a means for the disposal of sewage which complies with the provisions of this chapter. (Ord. 1367 § 2 (part), 2026: Prior code § 9078)

13.20.040 Permit required.

No person shall hereafter construct, alter or relocate a sewage disposal system without first having obtained a permit from the city~~department~~. (Ord. 1367 § 2 (part), 2026: Prior code § 9079)

13.20.050 Permit—New construction.

If a sewage disposal system is to be constructed in connection with a new building, the permit therefor shall be obtained prior to the commencement of construction of the new building. (Ord. 1367 § 2 (part), 2026: Prior code § 9080)

13.20.060 Sewage disposal system business—Bond required.

No person, shall carry on, contract to perform or engage in the business of constructing, altering, relocating, or repairing sewage disposal systems for places of business or human habitation, where the reasonable cost of the labor and materials exceeds two hundred fifty dollars without first posting a bond equal to twenty-five percent of the cost of constructing, altering, relocating or repairing the sewage disposal system. The bond may be in the form of cash, or a surety bond issued by a surety company acceptable to the city, that is willing and able to guarantee faithful performance on the part of the applicant by the issuance of a corporate surety bond. The cash or surety bond must name the city as obligee and must guarantee performance of the sewer system to the satisfaction of the city for one year after completion of the job as a whole, or such severable unit thereof as is expressly approved by the city. (Ord. 1367 § 2 (part), 2026: Prior code § 9081)

13.20.070 Septic tank minimum capacity.

All septic tanks, disposing of sewage from single family residences shall have minimum capacity of eight hundred liquid gallons. (Ord. 1367 § 2 (part), 2026: Prior code § 9082)

13.20.080 Uniform rules and regulations.

In order that privies, septic tanks and drains for the disposal of the tank effluent shall not be offensive, injurious or dangerous to health, the ~~U~~utilities ~~D~~director ~~health officer~~ shall make and establish reasonable and uniform rules and regulations regarding the size, materials used, location and manner of construction of all privies, septic tanks and drains for the disposal of the tank effluent hereafter constructed. (Ord. 1367 § 2 (part), 2026: Prior code § 9083)

13.20.090 Sewer wells—Declared nuisance.

All sewer wells are declared a public nuisance. (Ord. 1367 § 2 (part), 2026: Prior code § 9084)

13.20.100 Sewer well—Prohibited.

No person shall drill, construct, maintain in or operate a sewer well. (Ord. 1367 § 2 (part), 2026: Prior code § 9085)

13.20.110 Construction requirements.

No person shall construct, excavate or maintain any privy, vault, cesspool, septic tank, sewage treatment works, sewer pipes or conduits for the treatment and discharge of sewage or impure waters or substances offensive, injurious or dangerous to health whereby they shall overflow lands except where the person is complying with established requirements of the State Water Resources Control Board, Regional Water Quality Control Board, and the city. ~~Central Valley Regional Pollution Control Board of the state.~~ (Ord. 1367 § 2 (part), 2026: Prior code § 9086)

13.20.120 Privy—Permit—Granting conditions.

No privies shall be permitted and no permit therefor shall be granted, except for temporary vault privies under the following conditions:

1. The ~~U~~utilities ~~D~~director ~~enforcement agency~~, in every case, may determine whether or not it is practicable to provide running water and proper means of sewage disposal and, if it decides that it is not practicable to provide running water, shall issue a special temporary permit in writing authorizing the non-installation of plumbing fixtures. The permit shall be made in duplicate, and a copy shall remain on file with the city~~enforcement agency~~;

2. When a permit authorizing the non-installation of a water closet is issued, a temporary vault privy or toilet other than a water closet for the deposit of fecal matter, urine, or sewage may be installed. ~~A privy shall consist of a pit at least three feet deep covered by a shelter sufficient to afford privacy and protection from the elements. Openings in the shelter shall be closed by metal mosquito screening, and the door to the shelter shall close automatically by means of a spring or other device~~;

3. ~~The privy pit shall not be allowed to become filled with excreta to a point within one foot from the surface of the ground. The excreta in the pit shall be covered with earth, ashes, lime or other similar substance at regular intervals.~~ The ~~pit~~ temporary vault privy shall be maintained in a sanitary condition in order to prevent a spill. (Ord. 1367 § 2 (part), 2026: Prior code § 9087)

13.20.130 Privy—Removal.

~~When~~Within 60 days of the day upon which running water becomes available and in which a public sanitary sewer collection system becomes available to a property served by a privy,~~proper sewage disposal becomes practicable,~~ a direct connection shall be made to the public sanitary sewer collection system in compliance with this chapter; any privy installed pursuant to this chapter shall be completely removed; the place where it was located shall be properly disinfected; and it shall be replaced by one or more individual water closets meeting the requirements of this part relating to water closets in buildings. (Ord. 1367 § 2 (part), 2026: Prior code § 9088)

13.20.140 Privy—Application.

The provisions of this chapter apply to privies existing within the city. No person shall maintain a privy which fails to conform to the standards set forth herein. (Ord. 1367 § 2 (part), 2026: Prior code § 9089)

13.20.150 ~~Privy—Exception.~~Reserved.

~~When running water becomes available and proper sewage disposal becomes practicable any existing privy shall be completely removed, unless such privy is more than two hundred feet distant from any building which is owned or occupied by any other person. (Prior code § 9090)~~

13.20.160 Permit—Denial conditions.

No permit shall be issued for the construction, addition to, alteration or modification of any privy, cesspool, septic tank, sewage treatment works, excavation, sewer pipes or conduits or other means for the disposal, common treatment or discharge of sewage if the means or proposed means will permit any of the following conditions:

1. The escape of any unpleasant or noxious odors, vapors or gasses;

2. The ingress and egress of flies, other insects, rodents or animals;

3. The discharge of sewage or the discharge or drainage of effluent from the sewage disposal system to empty, flow, seep, drain or condense into or otherwise pollute any stream, river, lake, tributary or subterranean or other waters;

4. A condition which will be offensive, dangerous or injurious to health. (Ord. 1367 § 2 (part), 2026: Prior code § 9091)

13.20.170 City health officer authority.

The city manager or city health officer may order reasonable changes in the method, means, manner and place for the disposal treatment or discharge of sewage in order that the same shall not constitute a menace to health of human beings, animals, or a public nuisance. The orders of the city manager or city health officer shall designate the period within which such changes are to be made. (Ord. 1367 § 2 (part), 2026: Prior code § 9092)

13.20.180 Permit—Application—Fee.

Any person desiring to secure a permit or approval shall file an application therefor with the city~~department~~, on such forms as the city~~department~~ shall require. A fee ~~of four dollars~~ shall be paid to the city~~department~~ on filing an application for a permit, to defray costs of administration and inspection. No fee shall be required for a permit to repair a sewage disposal system. The application shall contain a detailed plan and description of the existing or proposed means for the disposal of sewage and/or proposed addition or alteration. The application shall also contain such other information as the city manager or city health officer shall prescribe. (Ord. 1367 § 2 (part), 2026: Prior code § 9093)

13.20.190 Investigation.

The city~~department~~ may investigate the proposed sewage disposal system and the conditions effecting it to determine whether the construction as proposed will be offensive, injurious or dangerous to health. (Ord. 1367 § 2 (part), 2026: Prior code § 9094)

13.20.200 Permit—Action required.

The city ~~department~~ must grant, conditionally grant, or deny an application for a permit within thirty~~seven~~ days after the application is filed. (Ord. 1367 § 2 (part), 2026: Prior code § 9095)

13.20.210 Permit—Denial—Appeal.

Any person whose application for a permit has been denied by the citydepartment may within thirty days after the date of such denial appeal therefrom in writing to the city council. Such appeal shall be heard by the city council within sixty ten days after the date appeal is filed. (Prior code § 9096)

13.20.220 Completion notice required.

Upon the completion of a sewage disposal system by an applicant to whom a permit has been issued, theyhe shall forthwith notify the citydepartment of such fact by transmitting to the citydepartment a notice of completion on a form supplied by the citydepartment. (Ord. 1367 § 2 (part), 2026: Prior code § 9097)

13.20.230 Certificate of completion.

The citydepartment may make such investigation and inspection after completion as may be necessary to determine that the plans and specifications approved in the permit have been complied with. It The city shall issue to the applicant a certificate of completion prior to the time that the work is covered, concealed or put in use. Failure to issue such certificate within ten days after the receipt of the notice of completion shall constitute approval of the sewage disposal unless the person has been notified in writing to the contrary within the period. (Ord. 1367 § 2 (part), 2026: Prior code § 9098)

13.20.240 Variances.

The city manager or city health officer may grant special permits allowing for variances from the provisions of this chapter when practicable difficulties and unnecessary hardships exist in the way of strict enforcement, and when the general purpose and intent of this chapter can be carried out by the variance. (Ord. 1367 § 2 (part), 2026: Prior code § 9099)

13.20.250 Enforcement authority.

The Uutilities Ddirector city manager or city health officer shall enforce all of the provisions of this chapter relative to sewage disposal, treatment or discharge and other matters regulated by this chapter. (Ord. 1367 § 2 (part), 2026: Prior code § 9100)

Chapter 13.25
SEWER CONNECTION SERVICE CHARGES*

Sections:

13.25.010 Sewer connection charges.
13.25.020 Collection of connection charges.
13.25.030 County defined.

* Effective March 1, 1989 pursuant to emergency measure adopted by Ordinance No. 631-A.

13.25.010 Sewer connection charges.

A. There is hereby established a sewer connection charge which shall be collected prior to the issuance of building permits for commercial/industrial development and dwelling units as established by resolution of the city council.

B. Purpose. The purpose of the fee is to establish a fund for financing equipment and capital improvement projects required to maintain municipal services at adequate levels as service requirements increase with the construction of commercial/industrial developments and dwelling units.

C. Inflationary Adjustment. The sewer connection charges established by this section shall automatically be adjusted on July 1st of each fiscal year by a percentage equal to the increase, if any, in construction costs since the prior fiscal year as determined by the city ~~director~~ based upon Engineering News Record (or similar publication) construction cost indices. The determination shall be reported to the city council ~~by the city manager~~ ~~director~~ on or about June 30th each year or as soon as the information is available. (Ord. 1367 § 2 (part), 2026: Ord. 988 § 2, 2003: Ord. 631-A § 1, 1989: Ord. 612 § 1, 1988: Ord. 588 § 1 (part), 1987: Ord. 569 § 1, 1986: Ord. 367 (part), 1978)

13.25.020 Collection of connection charges.

Charges shall be collected prior to issuance of permit to connect to city sanitary sewer collection system. The funds collected from this charge shall be credited to the sewer system capital improvement fund of the city, to be expended therefrom as directed by the city council. These fees do not include fees that are applicable to developer benefit districts, or the regional sanitation district. (Ord. 1367 § 2 (part), 2026: Ord. 631-A § 2, 1989: Ord. 612 § 2, 1988: Ord. 588 § 2, 1987: Ord. 569 § 2, 1986: Ord. 367 (part), 1978)

13.25.030 County defined.

As used in this chapter, the term "county" means Sacramento Area Sewer District (SacSewer)~~Sacramento Regional County Sanitation District of Sacramento County~~ and the "County portion" refers to the connection fee established by county. (Ord. 1367 § 2 (part), 2026: Ord. 631-A § 3, 1989: Ord. 612 § 3, 1988: Ord. 588 § 3, 1987: Ord. 569 § 3, 1986: Ord. 367 (part), 1978)

SECTION 3 SCOPE

Except as set forth in this Ordinance, all other provisions of the Folsom Municipal Code shall remain in full force and effect.

SECTION 4 SEVERABILITY

If any section, subsection, clause, phrase, or portion of this Ordinance is for any reason held to be unconstitutional, invalid, or ineffective of any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this Ordinance or any part thereof. The City Council hereby declares that it would have adopted this Ordinance and each section, subsection, sentence, clause, phrase or portion thereof, irrespective of the fact that any one or more sections, subsections, clauses, phrases or portions be declared unconstitutional, invalid, or ineffective.

SECTION 5 NO MANDATORY DUTY

This Ordinance is not intended to and shall not be construed or given effect in a manner that imposes upon the City or any officer or employee thereof a mandatory duty of care towards persons or property within or without the City, so as to provide a basis of civil liability for damages, except as otherwise imposed by law.

SECTION 6 EFFECTIVE DATE

This Ordinance shall become effective thirty (30) days from and after its passage and adoption, providing it is published in full or in summary within twenty (20) days after its adoption in a newspaper of general circulation within the City of Folsom.

This Ordinance was introduced and the title thereof read at the regular meeting of the City Council on April 14, 2026, and the second reading occurred at the regular meeting of the City Council on April 28, 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 28th day of April 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:	4/28/2026
AGENDA SECTION:	Consent Calendar
ITEM TITLE:	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)
FROM:	Utilities Department

RECOMMENDATION / CITY COUNCIL ACTION

Staff recommends that the City Council adopt 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.

BACKGROUND / ISSUE

The Folsom Municipal Code was initially adopted by the City of Folsom in 1973 consistent with and incorporating reference to several State Government Code sections governing local authority, police powers, and procedures. Over the last 53 years, the Folsom Municipal Code has been amended numerous times annually to reflect legislative changes, policy changes, administrative changes and local preferences.

City staff identified minor code clean up items within Section 13.22 of the Folsom Municipal Code that should be updated to remove outdated references or antiquated provisions, and/or to reflect current best practices. This code clean up pertains to water system cross-connection control and is designed to protect the City's water system from contamination and pollution caused by backflow events.

These items are listed and described briefly in the analysis section, and incorporated with specific language changes in track changes in the attached Ordinance.

On April 14, 2026 City Council introduced and conducted first reading of Ordinance 1369 and determined that the project is exempt from CEQA. There have been no changes made since the first reading.

POLICY / RULE

Pursuant to Section 1.01.021 (Adoption), the Folsom Municipal Code (FMC) was adopted by Ordinance 297 in 1973. Any subsequent amendment to the Folsom Municipal Code must also be adopted by Ordinance. Proposed Amendments to Chapter 13.22 do not require public hearing.

ANALYSIS

This section of the report lists and summarizes the staff recommended minor code clean up items in Folsom Municipal Code Section 13.22.

Title 13.22 Water System Cross-Connection Control

- Section 13.22.050 Definitions. Update the definition of "Department" from the Environmental and Water Resources Department to the Utilities Department and update the definitions to include the Water Distribution Manager.

- Section 13.22.050 Evaluation of hazard. Replace the word administrator with specialist.

- Section 13.22.090 Backflow prevention device testing, maintenance, and inspection. Update the notification requirements to match the language in the City's Cross-Connection Control Plan Handbook.

FINANCIAL IMPACT

This action has no direct financial impact on the City of Folsom.

ENVIRONMENTAL REVIEW

The proposed City Council action to adopt Ordinance No. 1369 is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15378 (b)(4) "Project" and Section 15061(b)(3) "Common Sense Exemption". Under Section 15378, the action does not constitute a "project" under CEQA, as it pertains solely to administrative or procedural matters that do not result in direct physical environmental changes. Furthermore, Section 15061(b)(3), the "common sense exemption", applies because it can be determined with certainty that the adoption of this updated document will not lead to significant effects on the environment.

ATTACHMENT

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

Submitted,

Marcus Yasutake, Director
UTILITIES DEPARTMENT

Attachment 1

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

The City Council of the City of Folsom hereby does ordain as follows:

SECTION 1 PURPOSE

The purpose of this Ordinance is to amend Chapter 13.22 of Title 13 of the Folsom Municipal Code (the "code") pertaining to Water System Cross-Connection Control. Cross-Connection Control is designed to protect the City's water system from contamination and pollution caused by backflow events. Chapter 13.22 will align the code with current cross-connection control requirements issued by the State Water Resources Control Board.

SECTION 2 AMENDMENT TO CODE

Chapter 13.22 of the Folsom Municipal Code is hereby amended to read as follows:

Chapter 13.22
WATER SYSTEM CROSS-CONNECTION CONTROL

Sections:

13.22.010 Definitions.
13.22.020 Application.
13.22.030 City responsibility.
13.22.040 Cross-connection control program.
13.22.050 Evaluation of hazard.
13.22.060 Level of cross-connection protection required.
13.22.070 Approval of backflow prevention devices.
13.22.080 Location of backflow prevention devices.
13.22.090 Backflow prevention device testing, maintenance, and inspection.
13.22.100 Responsible customer representative.
13.22.110 Temporary backflow protection devices.
13.22.120 Backflow prevention device repair, replacement and relocation.
13.22.130 Discontinuance of water service.
13.22.140 Unauthorized activity.
13.22.150 Violation declared a nuisance.
13.22.160 Enforcement.
13.22.170 Penalties.
13.22.180 Remedies cumulative.

13.22.010 Definitions.

A. “Air-gap separation (AG)” means a physical break between the supply line and a receiving vessel or drain. The air-gap shall be at least two diameters of the supply pipe measured vertically above the top rim of the vessel or drain and in no case less than one inch.

B. “Approved backflow prevention device (ABPD)” means an effective assembly used to prevent backflow into a potable water system which has passed laboratory and field tests by a testing organization recognized by the DDW and is listed on the approved and published list maintained by the University of Southern California Foundation for Cross-Connection Control and Hydraulic Research (USC-FCCCHR).

C. “Approved water supply” means the city’s potable water supply or any other water supply that is regulated by DDW.

D. “Auxiliary supply” means any water supply other than a potable supply regulated by DDW that is available to the customer.

E. “Backflow” means the reversal of flow of water or mixtures of water and other liquids, gases or other substances into the distribution pipes of a potable supply of water from any source or sources.

F. “DDW” means the California State Water Resources Control Board, Division of Drinking Water.

G. “CA-NV Section AWWA” means the California-Nevada Section of the American Water Works Association (AWWA).

H. “Certified backflow prevention assembly tester” means an individual who holds a current certificate as a backflow prevention assembly tester as issued by CA-NV Section AWWA, or equivalent organization as recognized by DDW and is certified by Sacramento County’s environmental management department.

I. “City” means the city of Folsom.

J. “City water system” means those facilities within and without the city that the city uses to deliver potable water as the DDW recognized water purveyor.

K. “Contamination” means degradation of the quality of the potable water by any substance which creates a hazard to the public health or which may impair the usefulness or quality of water.

L. “Cross-connection” means any unprotected actual or potential connection between a public or customer’s potable water system and any source or system through which it is possible to introduce into any part of the potable system any used water, contaminant or other substance other than the potable water with which the system is supplied.

M. "Cross-connection control specialist" means an individual who holds a valid certificate as a cross-connection control specialist as issued by CA-NV Section AWWA, or equivalent organization as recognized by DDW and has been designated as the city's cross-connection control specialist by the department.

N. "Customer" means any person or entity including the city using water supplied by the city water system. "Customer" includes tenants of single-family dwellings or duplexes, owners of real property and management companies responsible for property management of real property.

O. "Department" means the city of Folsom ~~environmental and water resources~~utilities department.

P. "Director" means the director of the department or his or her designee, unless otherwise stated or indicated by context.

Q. "Discontinued service" means having the water service turned off by the department.

R. "Double check valve backflow prevention assembly (DC)" means an assembly composed of two independently acting check valves, including shut-off valves and test cocks, that is an ABPD.

S. "Fire chief" means the fire chief of the city of Folsom, or designee unless otherwise stated or indicated by context.

T. "Premises" means any and all areas on a customer's property which are served or have the potential to be served by the city water system.

U. "Private fire service" means a private fire service main and appurtenances installed in accordance with NFPA 24 on private property and maintained by the property owner for the explicit intent of providing fire flows either through fire hydrants, fire sprinkler systems, or other water-based fire protection systems.

V. "Reclaimed water" shall mean wastewater or other water which as a result of treatment is suitable for nonpotable use.

W. "Reduced pressure principle backflow prevention device (RP)" means a device incorporating two check valves and an automatically operating differential relief valve located between the two checks, a tightly closing shut-off valve on each side of the check valve assembly, and equipped with necessary test cocks for testing, that is an ABPD.

X. "Service connection" shall refer to the point of connection of the customer's piping to the city's water system.

Y. "Single-family dwelling unit" means a building designed for one family and containing one kitchen.

Z. "Water distribution ~~supervisor~~manager" means the water distribution ~~supervisor~~ manager in the department or his or her designee unless otherwise stated or indicated by context. (Ord. 1315 § 2, 2021)

13.22.020 Application.

The provisions of this chapter shall apply to all customers of the city water system. (Ord. 1315 § 2, 2021)

13.22.030 City responsibility.

The city, and its duly authorized employees, shall operate the public water system and implement a cross-connection control program. The purpose of this chapter is to: (A) protect the city water system against actual or potential cross-connections by isolating within the premises contamination that may occur because of some undiscovered or unauthorized cross-connection on the premises; (B) eliminate existing connections between potable water systems and nonpotable systems that create a hazard to public health; (C) eliminate existing cross-connections between potable water systems and sources of contamination; and (D) prevent the making of cross-connections in the future. (Ord. 1315 § 2, 2021)

13.22.040 Cross-connection control program.

A. The director is authorized to develop a cross-connection control program that is consistent with the intent of this chapter, DDW regulations, California Code of Regulations, and any applicable laws. At a minimum, the program shall have the following elements:

   1. Conducting surveys as required identifying those water users where cross-connections are likely to occur;

   2. Require the provision of backflow protection by the water user at the water user's service connection(s) or within the user's premises or both if required based on the potential for a cross-connection;

   3. Establishment of procedures for testing backflow prevention devices, and maintenance of records of locations, tests, and repairs of these devices; and

   4. Maintain a list of certified backflow prevention assembly testers from the list compiled by the Sacramento County environmental management department's list.

B. The director shall oversee this chapter's implementation, compliance with DDW regulations, and any laws regulating cross-connection control. (Ord. 1315 § 2, 2021)

13.22.050 Evaluation of hazard.

The department is authorized to evaluate the degree of potential health hazard to the city water system which may be created either as a result of conditions existing or potential created by a customer on their premises. The department shall not be responsible for abatement of cross-connections which may exist on the customer's premises. Evaluation of the potential for health hazard, as a minimum, shall consider: (1) existence of cross-connections; (2) nature of materials on the premises and method of handling; (3) probability of backflow occurring; and (4) complexity and potential for modifications of piping system.

A. In the evaluation of the degree of potential hazard, consideration shall be given to premises with the following conditions:

   1. Substances harmful to health handled in a manner which could permit their entry into the city water system. This includes chemical and biological process waters, water from an approved water supply which has been subjected to deterioration in sanitary quality, and water from an auxiliary supply.

   2. Internal cross-connections that are not corrected or abated to the satisfaction of the cross-connection control ~~administrator~~specialist.

   3. Cross-connections are likely to occur and entry is restricted so that cross-connection inspections cannot be made on short notice or with the frequency given in Section 13.22.090 to assure that cross-connections do not occur.

   4. Repeated history of cross-connections being established or reestablished.

B. Periodic inspections of the customer's premises may be required either to evaluate the potential for cross-connections or adequacy of backflow prevention devices or practices. These inspections may be in response to activities such as changes in use or ownership of the premises. The city shall provide twenty-four hours' notice prior to inspection of the premises, unless conditions dictate that a longer or shorter notice period is more reasonable. Failure to provide the city with access to conduct an inspection shall constitute a violation of this chapter.

C. Cross-connection control requirements in this chapter shall be included as a condition of approval for water service for any new development or redevelopment project, with the exception of single-family dwelling units unless the single-family dwelling unit meets the condition as identified in subsection D of this section. Plans and specifications for any project other than single-family dwelling units (with the exception of single-family dwelling units meeting the condition in subsection D of this section) requiring a building permit shall be required to install the minimum level of cross-connection protection at the point of connection to the public water system as defined by Section 13.22.060.

D. Any single-family dwelling unit that includes an on-site domestic water pump, fire protection pump, water well or wastewater pump station will be required to install the minimum level of cross-connection protection at the point of connection to the public water system as defined by Section 13.22.060. (Ord. 1315 § 2, 2021)

13.22.060 Level of cross-connection protection required.

The level of protection required shall be commensurate with the degree of potential public health hazard that exists or potentially exists on the customer's premises.

The minimum level of protection for all applications shall be a reduced pressure principle backflow prevention device (RP) with the exception that the retrofit of fire protection systems, private and public, without access to an auxiliary supply or other cross-connection shall be subject to the conditions of the permit from the fire department required for modifications to the fire system in accordance with Chapter 8.36. The customer may choose a higher level of protection than that required by the cross-connection control program; however, the customer shall be responsible for installation in accordance with Section 13.22.080. (Ord. 1315 § 2, 2021)

13.22.070 Approval of backflow prevention devices.

The cross-connection control specialist, after determining the level of protection required per the requirements of Sections 13.22.050 and 13.22.060, shall approve the backflow prevention device to be installed. The proposed device shall be an approved backflow prevention device as defined in this chapter and shall be located per the requirements of Section 13.22.080. Any interior or exterior coating of the backflow prevention device shall be American National Standards Institute/National Sanitation Foundation (ANSI/NSF) Standard 61 approved coating, in accordance with AWWA specification. (Ord. 1315 § 2, 2021)

13.22.080 Location of backflow prevention devices.

A. Backflow prevention devices shall be located as close as practical to the customer's connection and shall be a minimum of twelve inches and a maximum of thirty-six inches above finished grade as measured from the bottom of the device. Alternative locations shall be subject to review and approval in writing by the cross-connection control specialist. There shall be a minimum of twelve inches of side clearance on the side with the test cocks.

B. Air-gap separation device (AG) shall be located as close as practical to the customer's connection and all piping between the customer's connection and the receiving tank shall be entirely visible unless impractical based on existing conditions and as otherwise approved in writing by the cross-connection control specialist. (Ord. 1315 § 2, 2021)

13.22.090 Backflow prevention device testing, maintenance, and inspection.

A. Backflow prevention device testing shall be in accordance with the field test procedures as outlined in the latest edition of the Manual of Cross-Connection Control, University of Southern California, Foundation for Cross-Connection Control and Hydraulic Research. All tests shall be performed by a certified tester, from the list of certified testers maintained by the county of Sacramento environmental management department and the results of the test shall be submitted to the department. No new, repaired, or relocated device that fails the test shall be placed in service.

B. Customers with a backflow prevention device on their premises shall have the device inspected and tested on an annual basis by a certified tester. The department may require a more frequent testing schedule if is determined to be necessary based on the criteria presented in Section 13.22.050. When devices are determined to be defective they shall be repaired or replaced by the customer within fourteen calendar days or a shorter time period based on any hazardous condition that might impact the city water system or other customer connections, or service will be discontinued. If service is discontinued, the customer shall pay the city's turn on/off service fee, as set by ordinance or resolution of the city council.

C. The department will notify the customer annually that the backflow prevention device needs to be tested. This notice shall contain the date when the testing must be completed, at least thirty days from the date of mailing, and instruction for how to submit the test results. ~~If, forty-five calendar days after the date of mailing, the customer has not submitted the required test report, the department will test the backflow prevention device and the customer will be charged a fee for this service as set by ordinance or resolution of the city council. In the event the backflow prevention device fails to pass the test, the customer shall, within fourteen calendar days, either repair or replace the backflow prevention device as provided in this section, or service will be discontinued.~~The customer has forty-five (45) calendar days from the date of the initial notice to complete backflow testing and submit the test report to the city. If the report is not received within 45 days, the department will issue a second notice. If the report is still not received within fifteen (15) calendar days of the second notice, a final notice will be issued, providing seven (7) calendar days for submittal of the report. The final notice from the department will include a date when service disconnection will occur. If the customer does not test their backflow device in accordance with the requirements described in this section, the City, or a Contractor hired by the City, will complete the backflow testing of the device. The customer shall pay the city's fee for testing the backflow prevention device and the turn on/off service fee if required.

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D. Upon completion of a test of the backflow prevention device, the tester shall follow the instructions provided in the notice to submit the test report and pay the associated fee.

E. Test Submission Fee. The city council hereby establish a fee of fifteen dollars for the submission of backflow device test results under the provisions of this chapter. This fee may be amended by resolution of the city council from time to time.

F. Discontinuance of service shall be cause for retesting of the backflow device on the service in accordance with the procedures outlined above. (Ord. 1315 § 2, 2021)

13.22.100 Responsible customer representative.

All customers required to submit a backflow prevention device inspection report per the requirements of Section 13.22.090 shall designate an individual responsible for monitoring the backflow prevention device and avoidance of cross-connections during operation and maintenance of the customer's on-site pipelines and equipment, or any modifications thereto. In addition, this representative shall be responsible for notifying the cross-connection control specialist of any potential contamination or pollution of the city water system due to a cross-connection on the

customer's premises. Current contact information shall be supplied annually if not more frequently on the inspection report. In the event the department is unable to contact a responsible customer representative after a cross-connection is discovered, service may be temporarily discontinued at the discretion of the director until such testing occurs. (Ord. 1315 § 2, 2021)

13.22.110 Temporary backflow protection devices.

A. Temporary backflow protection devices of all types shall be subject to the approval of the cross-connection control specialist. An inspection report for the device shall be submitted for review and the tester will attach a department-supplied tag to the device.
B. Temporary connections for construction water or other approved uses shall be subject to the conditions and fees identified on the department's temporary water use application. (Ord. 1315 § 2, 2021)

13.22.120 Backflow prevention device repair, replacement and relocation.

The customer shall obtain approval from the cross-connection control specialist before a backflow prevention device is replaced or relocated.

A. Repair. A backflow prevention device may be removed for repair; provided, that the water use is discontinued until the device is returned to service, or the service connection is equipped with a temporary backflow prevention device that is approved by the cross-connection control specialist. A device returned to service must be tested and pass before being placed in service in accordance with Section 13.22.090.

B. Replacement. A backflow prevention device may be removed and replaced; provided, that the water use is discontinued until the replacement device is installed, tested, and passes before being placed in service in accordance with Section 13.22.090.

C. Relocation. A backflow prevention device may be relocated upon approval by the cross-connection control specialist. The relocated device shall continue to provide the current level of protection or higher as determined by the cross-connection control specialist and shall satisfy installation requirements as given in Section 13.22.080. The device shall be tested and pass before being placed in service in accordance with Section 13.22.090. (Ord. 1315 § 2, 2021)

13.22.130 Discontinuance of water service.

A. The director may discontinue service to a customer's nonfire connection to the city water system at the time the director issues to the customer a second notice of violation of any provision of this chapter or determines that immediate discontinuance is necessary for the protection of the city's water system. If the customer's water service is discontinued due to violations of this chapter, the customer shall be subject to penalties specified in Section 13.22.170. Upon seeking renewed service from the city, the backflow prevention device being returned to service must be tested in accordance with Section 13.22.090. The customer shall pay the city's water turn off/on service fee and any other appropriate fees as set

by ordinance or resolution of the city council. Any decision by the director to discontinue service may be appealed as specified in Section 13.22.170(C).

B. Property owners with private fire services, upon being issued a notice of violation by the director of any provision of this chapter, shall have thirty calendar days to submit a plan of correction to the director. Prior to making any modifications or alterations to the on-site fire service, a permit shall be obtained from the Folsom fire department in accordance with Chapter 8.36. Failure to comply with this section shall subject the property owner to the penalties specified in Section 13.22.170, and the service may be discontinued at the discretion of the director and the fire chief when discontinuance is required to protect the city water system or other customer connections. Devices used on fire services shall be approved by the DDW and listed for fire service use and maintained in accordance with State Fire Marshall regulations. (Ord. 1315 § 2, 2021)

13.22.140 Unauthorized activity.

A. Any temporary or permanent connection to the city water system made without review by the department, whether it needs a backflow prevention device or not, shall subject the customer to the penalties specified in Section 13.22.170.

B. Any person who makes, maintains, or causes to be maintained a temporary or permanent cross-connection shall be subject to the penalties specified in Section 13.22.170.

C. Any customer who maintains any plumbing fixture as defined by the California Plumbing Code, or other appurtenance that discharges to a sanitary sewer, which by reason of its construction may or potentially may cause contamination of the city water system shall be subject to the penalties specified in Section 13.22.170. (Ord. 1315 § 2, 2021)

13.22.150 Violation declared a nuisance.

Any activity in violation of this chapter will adversely and seriously affect the public health, safety and welfare, is hereby declared to be a public nuisance and may be remedied as provided in this chapter, any other applicable portion of the Folsom Municipal Code or applicable state law. (Ord. 1315 § 2, 2021)

13.22.160 Enforcement.

A. This chapter shall be enforced pursuant to the provisions of Chapters 1.08 through 1.10, inclusive, and any other enforcement mechanism available to the city under the Folsom Municipal Code and/or applicable law.

B. Unless otherwise expressly provided in this chapter, the director shall enforce the provisions of this chapter. (Ord. 1315 § 2, 2021)

13.22.170 Penalties.

A. The goal of the provisions of this chapter is to achieve voluntary compliance from the customer, and the city will take reasonable measures to assure the customer has information available to promptly and efficiently address cross-connection control issues. Where voluntary compliance cannot be achieved through initial contacts and warnings, then appropriate administrative penalties and further action are required. Except as otherwise provided herein, violations of any provision of this chapter shall be addressed as follows:

Violation	Penalty
First	Written notification and issuance of a notice to correct.
Second	Issuance of an administrative penalty, discontinued water service and/or other penalties as provided in the notice of violation and as determined by the director.

B. Penalties.

1. A violation of this chapter shall also be an administrative violation as defined in Section 1.08.020.

2. Each of the sanctions for administrative violations identified in Section 1.09.013 shall be available for enforcement of the provisions of this chapter. Based on the criteria for imposition of administrative sanctions set forth in Section 1.09.014, each day a violation of this chapter continues it shall be deemed a Level A violation as that term is described in Section 1.09.012 with an initial penalty of up to one hundred dollars.

3. Violations of this chapter which are deemed to be willful noncompliance or unlawful connections may be subject up to a Level E violation as determined by the director.

C. Appeal. There shall be no appeal of the level of protection required as identified in Section 13.22.060 and any appeal of administrative penalties shall follow the request for hearing procedures provided in Chapter 1.09. Any order to discontinue water service or any other orders or decisions of the director shall be appealable to the city manager pursuant to Section 2.08.060; provided, however, that the city manager's decision shall be final and there shall be no right of appeal to the city council. (Ord. 1315 § 2, 2021)

13.22.180 Remedies cumulative.

The remedies set forth in this chapter are cumulative to any other remedy available to the city. Pursuit of one remedy shall not preclude any other remedy, and nothing contained in this chapter shall limit or be deemed to prevent the city from pursuing any other remedy available to the city under the Folsom Municipal Code or other applicable law. (Ord. 1315 § 2, 2021)

SECTION 3 SCOPE

Except as set forth in this Ordinance, all other provisions of the Folsom Municipal Code shall remain in full force and effect.

SECTION 4 SEVERABILITY

If any section, subsection, clause, phrase, or portion of this Ordinance is for any reason held to be unconstitutional, invalid, or ineffective of any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this Ordinance or any part thereof. The City Council hereby declares that it would have adopted this Ordinance and each section, subsection, sentence, clause, phrase or portion thereof, irrespective of the fact that any one or more sections, subsections, clauses, phrases or portions be declared unconstitutional, invalid, or ineffective.

SECTION 5 NO MANDATORY DUTY

This Ordinance is not intended to and shall not be construed or given effect in a manner that imposes upon the City or any officer or employee thereof a mandatory duty of care towards persons or property within or without the City, so as to provide a basis of civil liability for damages, except as otherwise imposed by law.

SECTION 6 EFFECTIVE DATE

This Ordinance shall become effective thirty (30) days from and after its passage and adoption, providing it is published in full or in summary within twenty (20) days after its adoption in a newspaper of general circulation within the City of Folsom.

This Ordinance was introduced and the title thereof read at the regular meeting of the City Council on April 14, 2026, and the second reading occurred at the regular meeting of the City Council on April 28, 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 28th day of April 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:	4/28/2026
AGENDA SECTION:	Consent Calendar
ITEM TITLE:	Community Park West Alternative Site Development Agreement Amendments (DEVA26-00028). This request does not include any changes to the zoning or allowed uses on the specified parcels and subsequent land use approvals are required before any development can occur on the sites which are the subject of this request. Therefore, this request is 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)
FROM:	Community Development Department

RECOMMENDATION / CITY COUNCIL ACTION

Move to conduct the second reading and adopt Ordinance No. 1363, Ordinance No. 1364, and Ordinance No. 1365, uncodified ordinances approving amendments to three Development Agreements to designate new Alternate Sites for Community Park West.

BACKGROUND / ISSUE

On April 14, 2026, the City Council introduced and conduct the first reading of Ordinance No. 1363, Ordinance No. 1364, and Ordinance No. 1365, uncodified ordinances approving amendments to three Development Agreements to designate new Alternate Sites for Community Park West. No changes have been made to the ordinances since the first reading.

History

The Folsom Plan Area Specific Plan (FPASP or Specific Plan), approved in 2011, is a development plan for over 3,500 acres of previously undeveloped land located south of Highway 50, north of White Rock Road, east of Prairie City Road, and adjacent to the Sacramento County/El Dorado County line in the southeastern portion of the City.

In 2011, the Folsom City Council entered into a "Tier 1" Development Agreement with multiple property owners covering the entirety of the Specific Plan that laid out an initial set of agreements between the City and the property owners related to implementation of the Specific Plan. In 2014, the Folsom City Council then entered into a set of amended "Tier 1" Development Agreements between the City and most Specific Plan landowners, which replaced the original Development Agreement. These "Amended Tier 1" Development Agreements are known as the First Amended and Restated Tier One Development Agreements, or "ARDAs" for short. A separate ARDA was entered into with each property owner. Over the ensuing decade, amendments to most of the ARDAs have been approved, and some "Tier 2" project-level Development Agreements that layer on to the ARDAs have also been approved. However, the ARDAs remain the base Development Agreement to which all future agreements refer.

One of the more substantial amendments in 2014 was to language related to the property known as Area 40, which is a portion of the Aerojet Rocketdyne properties designated by the U.S. Environmental Protection Agency (EPA) as a Superfund Site in 1983. Area 40 is designated under the FPASP as a mix of Open Space, Park, and Residential land uses. When the initial Tier 1 Development Agreements were approved, a provision regarding this property was included that gave the City of Folsom the authority to rezone land within a specified area of the Specific Plan for use as a park, should the designated parkland within the Area 40 site not be available when surrounding properties begin to develop. In the ARDAs, this provision was amended and expanded to include timing triggers and a specified "Alternate Site" should the Area 40 parkland (now referred to as Community Park West) remain unavailable when the triggers are hit. Section 2.2.3.2 (Area 40 – Community Park West) of the ARDAs provides the specific language, which in sum includes the following:

- Establishment of a designated Alternate Site, agreed to by the landowners and the city and depicted in Exhibit 2.2.3.2.
- Agreement that the Alternate Site shall not exceed the size of Community Park West (approximately 47.8 acres).

- Direction that the landowner or their successor in interest shall process Parcel Maps with their first land use application or submittal of a Specific Plan Amendment in the Community Park West service area separately delineating the Alternate Site and Community Park West, which shall include the granting of an Irrevocable Offer of Dedication to the City on both sites (IOD).
- Agreement that the landowner or their successors in interest may develop all land around the Alternate Site and Community Park West site as outlined in the Specific Plan.
- A requirement that upon issuance of the 1,200th building permit within the Community Park West service area outlined in the Specific Plan either the Community Park West site will have regulatory clearance for park use or that the City will accept the IOD on the Alternate Site for park use.

On April 9, 2025, Toll Brothers submitted a Vesting Small Lot Tentative Subdivision Map for 1,422 residential lots on approximately 464 acres in the western portion of the Specific Plan, called Toll Brothers at Alder Creek (Project No. MSTR25-00084). The Toll Brothers project planned for residential lotting on the designated Alternate Site, as regulatory clearance of the Area 40 site appeared imminent at the time of project submittal. However, the U.S. Environmental Protection Agency (EPA) subsequently stated that regulatory clearance for the Area 40 site would not be granted before additional testing and remediation work was completed by the landowner. This is anticipated to take another two to three years.

City staff then informed Toll Brothers that the residential lotting shown for the Alternate Site could not move forward to hearing due to the ARDA restrictions. The overall project would have to be modified to retain the Alternate Site for potential future use as a park or a new Alternate Site within the Community Park West service area would have to be identified. Toll Brothers then worked with the city and the landowner to identify potential replacement Alternate Sites. Two sites were identified through a coordinated effort with the City Parks Department and Community Development Department and are being brought forward for consideration through these amendments.

Staff wish to note that the applicant, Alder Creek West Improvement Company, LLC, is the current landowner of the properties covered by the ARDA. However, the ARDA was not amended to reflect the ownership change. Instead, Alder Creek West Improvement Company, LLC recorded assignment and assumption agreements, as permitted in Section 7.11 of the ARDA to assume all responsibilities and benefits outlined in the ARDA. Staff have copies of the agreements and can provide them if requested. Due to various ownership changes over time, three separate amendments are required to cover all of the property at issue in this request, namely, the existing Alternate Site and the proposed Alternate Sites. All three amendments are amending one single ARDA, but each one covers a distinct geographic area, which is described and depicted in Exhibit A to each amendment. At the time the ARDA was signed, all property subject to this request was owned by Aerojet/Easton and all of it was subject to one ARDA. Later, portions of the property were sold to different entities, each of which signed an assignment and assumption agreement to accept Aerojet's interest in the ARDA for the specific portion of property being sold. More recently, Alder Creek West Improvement Company, LLC, the applicant here, purchased all of the property which is the subject of this request from the various landowners and signed multiple

assignment and assumption agreements to assume the previous owners' interest in the ARDA covering the property. As a result, multiple amendments are required to effectuate this change for all of the property that is the subject of this request. All the amendments included in this request contain the same terms and conditions, with the only differences relating to the specific property covered and the previous ownership history.

Applicant Proposal

The applicant, Alder Creek West Improvement Company, LLC, is requesting amendments to the *Tier One Amended and Restated Development Agreement Between the City of Folsom and Aerojet Rocketdyne, Inc. and Easton Development Company, LLC* and the *Tier One Amended and Restated Development Agreement Between the City of Folsom and Easton Valley Holdings, LLC.* The proposed amendments are included as Attachments 4, 5, and 6 to this report. The purpose of the amendments is to designate new Alternate Sites for Community Park West, which is a community park planned under the Folsom Plan Area Specific Plan (FPASP or Specific Plan) on an approximately 48-acre site in the western area of the Specific Plan. As outlined in the Background Section of this report, development agreements covering much of the Specific Plan include language delineating an Alternate Site for Community Park West due to the potential for the site to be unavailable for park use when required.

Changing the Alternate Site designation will be accomplished by replacing Exhibit 2.2.3.2 of the Development Agreements, which is a map showing the location of the Alternate Park Site. Currently, Exhibit 2.2.3.2 delineates a portion of the applicant's property on the east side of Oak Avenue Parkway, north of Mangini Parkway, as the Alternate Site. The Amendment would remove that land from consideration as the Alternate Site and instead designate as the Alternate Park Sites two areas at the northwest and southwest corners of the Specific Plan that would equal approximately 48 acres in total. The existing and proposed Exhibits 2.2.3.2 are shown below. A note would be included that reserves up to 9.9 acres for private development use on the northwestern site, based on the size of that parcel.

The current designated Alternate Site is approximately 47.8 acres, covering portions of FPASP Parcels 25 and 26. This area has land use designations of Single Family and Single-Family High Density. Park uses are permitted by right under both designations. However, Section 2.2.3.2 of the ARDAs states that even as the designated Alternate Site, use of them for Community Park West would require a Specific Plan Amendment and accompanying environmental review.

Exhibit 1: Development Agreement Exhibit 2.2.3.2 (Existing)

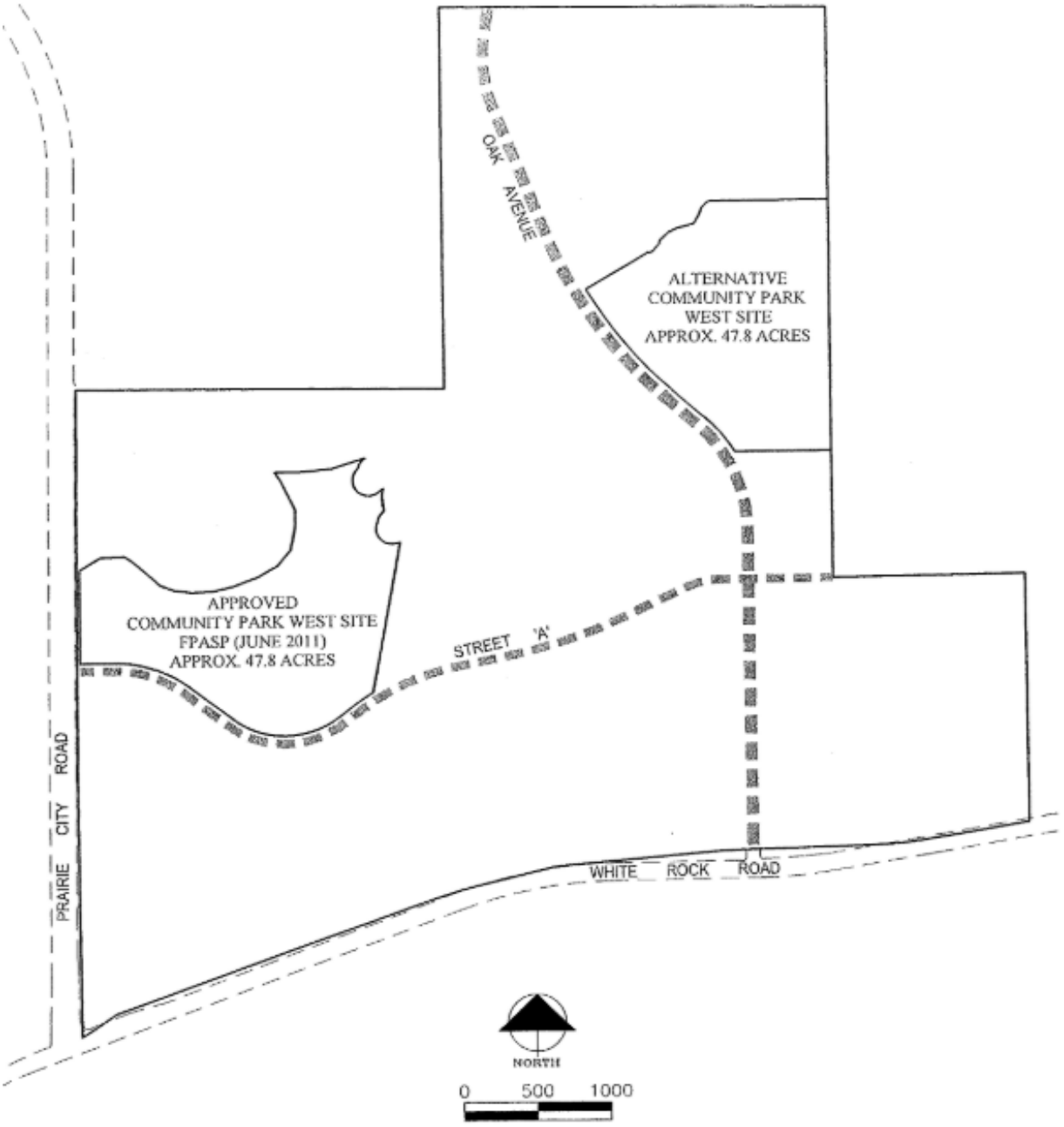


EXHIBIT 2.2.3.2
ALTERNATIVE SITE
COMMUNITY PARK WEST

Exhibit 2: Development Agreement Exhibit 2.2.3.2 (Proposed)

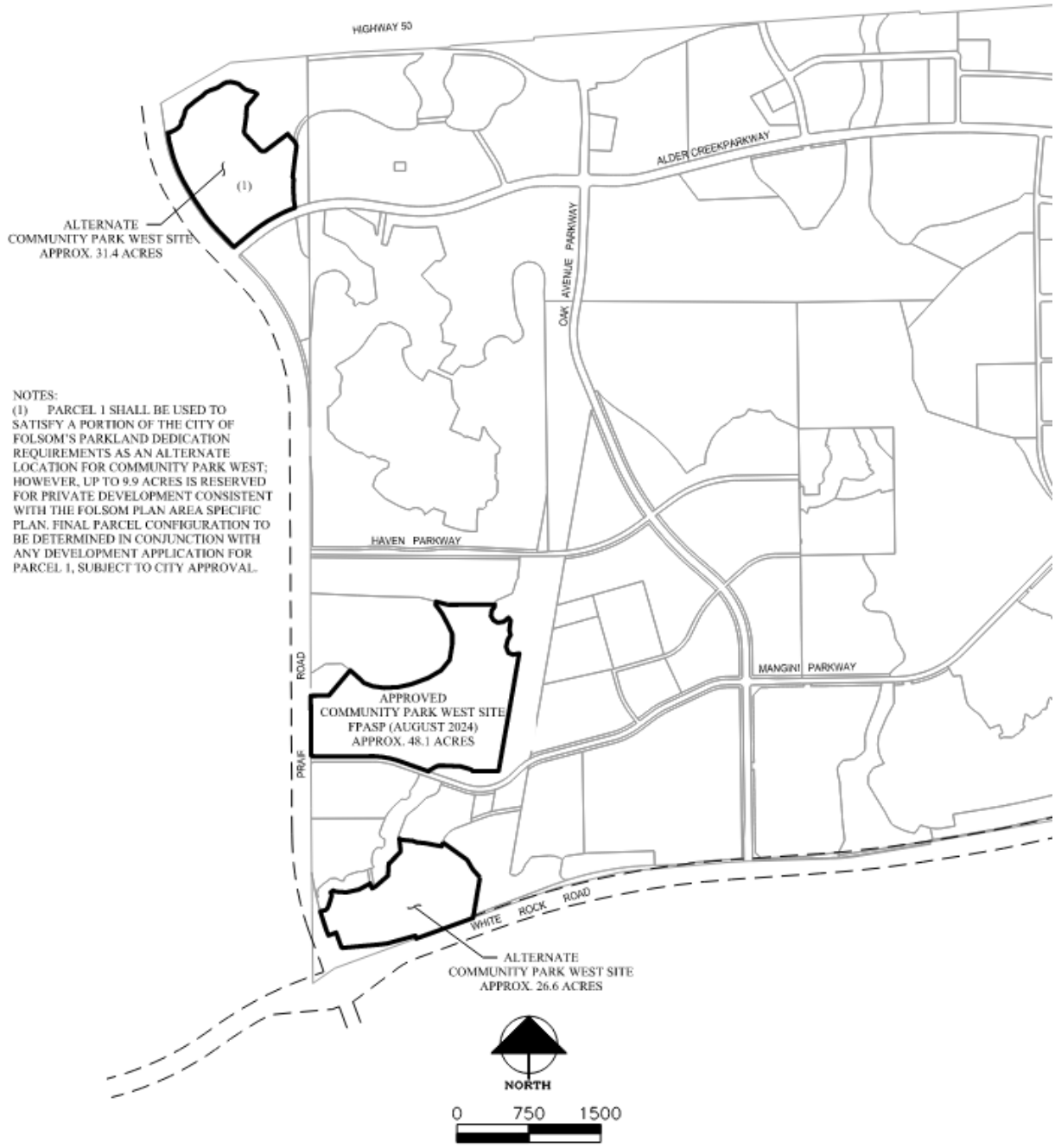


EXHIBIT 2.2.3.2 (Amended)

ALTERNATIVE SITE
COMMUNITY PARK WEST

POLICY / RULE

Government Code Section 65864 et seq. allows cities to enter into development agreements with property owners to provide for greater certainty in development project review and the ability to move public facility improvements forward in a timely manner. As the Legislative Body for the City of Folsom, the City Council will be the approval authority for the requested Development Agreement Amendments, which will be done by uncodified Ordinance, pursuant to City Council Resolution No. 2370.

ANALYSIS

The applicant reviewed numerous options for a new Alternate Site with staff of the City Parks Department and Community Development Department. The following criteria were used by City staff to review the options and determine whether they were acceptable:

1. The Alternate Site or Sites must be equal in acreage to the designated Community Park West site (48.1 acres) to ensure parkland dedication remains consistent with Quimby regulations.
2. Park use must be permitted on the Alternate Site or Sites.
3. The Alternate Site or Sites must serve the western area of the Specific Plan anticipated for Community Park West, as shown in Figure 9.1 of the Specific Plan.
4. The Alternate Site or Sites cannot be designated Open Space land unless other non-Open Space land is redesigned for Open Space in an equal amount to maintain Measure W Open Space requirements.
5. The Alternate Site or Sites cannot impact hardline preserve areas or require removal of oak woodland beyond that anticipated under the Specific Plan Environmental Impact Report/Environmental Impact Statement (EIR/EIS).
6. The Alternate Site or Sites must be large enough to be programmed for the active recreational uses and ancillary facilities anticipated for Community Parks in the Specific Plan.

Ultimately, the two Alternate Sites shown in the proposed amended Exhibit 2.2.3.2 were proposed by the applicant and determined by city staff to meet all the listed criteria:

1. The applicant was unable to identify a single site that met the city's criteria, and so is proposing two sites. One site is 26.6 acres comprising FPASP Parcel 11 (8.56 acres), and a portion of FPASP Parcel 12 (18.04 acres). The other site is a portion of FPASP Parcel 1 (21.5 acres). The two sites total 48.1 acres, equivalent to the current Community Park West site.
2. The two Alternate Sites are designated as Industrial, Single-Family High Density Residential (northern site), and Multi-Family Medium Density (southern site) under the Specific Plan. Park uses are permitted by right under both designations. As with the current Alternate Site, a Specific Plan Amendment and accompanying environmental review would be required to change the land use designation to Parks, which is required under the ARDA language.
3. The two Alternate Sites are both in the western portion of the Specific Plan and can serve the same development area when considered together.

4. The two Alternate Sites do not contain parcels designated as Open Space.
5. The two Alternate Sites do not impact hardline preserve areas. Up to 10 acres of oak woodland could be affected on FPASP Parcel 1, however this impact was anticipated by the FPASP EIR/EIS and ultimately could be less depending on how the park and private development on the site are designed.
6. At the request of the City Parks Department, the applicant worked with a park planning consultant to diagram potential programming for both park sites, such as baseball fields, soccer fields, parking lots, and restrooms. Staff of the Parks Department reviewed the diagrams and were comfortable that the programming for Community Park West could be accommodated by these two new sites, if both remained a minimum of 20 acres.

Staff support moving the designated Alternate Site as proposed. To be clear, the requested amendments do not change the land use designations for the subject parcels or relocate Community Park West. They only result in a change to the area that is required to be held under an Irrevocable Offer of Dedication (IOD) held by the city unless and until the Community Park West site receives regulatory clearance by the U.S. EPA. If the Community Park West site becomes available as anticipated, the IOD would be rejected by the city and development of the sites could proceed as anticipated by the Specific Plan. Should there be a need to use the Alternate Sites for parkland, the city may accept the IOD. However, as mentioned in this report, the ARDA language also states that the owner of the Alternate Sites (currently the applicant) must process a Specific Plan Amendment to use the Alternate Sites as Parkland, requiring a public hearing process and accompanying environmental review.

The Planning Commission considered this request at their March 18, 2026, hearing and voted to recommend approval to the City Council (6-0-1 absence).

FINANCIAL IMPACT

There is no financial impact on the General Fund.

ENVIRONMENTAL REVIEW

While park use is allowed under the land use designations of the proposed Alternate Site parcels, a Specific Plan Amendment will be required before these parcels can be developed for use as parkland per the ARDA requirements. Accompanying environmental review will also be required. Therefore, the requested amendments to the Development Agreements are exempt from environmental review pursuant to CEQA Guidelines Section 10561(b)(3) because subsequent land use approvals are required before any park development can occur on the sites which are the subject of this request, so it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment. No environmental review is required as a part of the application for amendments to the Development Agreements which are the subject of this public hearing.

ATTACHMENTS

1. 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.

2. 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.
3. 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.
4. Tier One Amended and Restated Development Agreement Between the City of Folsom and Aerojet Rocketdyne, Inc. and Easton Development Company, LLC

Submitted,



PAM JOHNS
Community Development Director

Attachment 1

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

WHEREAS, a Final Environmental Impact Report/Environmental Impact Statement for the Folsom Plan Area Specific Plan was prepared and certified by the City Council on June 11, 2011, and the Sacramento Local Agency Formation Commission approved the City's annexation of the Folsom Plan Area on January 18, 2012; and

WHEREAS, pursuant to the authority in Sections 65864 through 65869.5 of the Government Code, the City Council, following a duly noticed public hearing on June 28, 2011, approved the Tier 1 Development Agreement relative to the Folsom South Specific Plan (Tier 1 DA) for the development of the Folsom Plan Area by adopting Ordinance No. 1149 on July 12, 2011; and

WHEREAS, pursuant to the authority in Sections 65864 through 65869. 5 of the Government Code, the City Council, following a duly noticed public hearing on May 27, 2014, approved the First Amended and Restated Tier 1 Development Agreement by and between the City of Folsom and Aerojet Rocketdyne, Inc. and Easton Development Company, LLC relative to the Folsom South Specific Plan (ARDA) by adopting Ordinance No. 1207 on June 10, 2014; and

WHEREAS, the ARDA includes a requirement for the landowners to designate an Alternate Site to be used in the event that the property designated in the Folsom Plan Area Specific Plan as Community Park West is unavailable for use as a park site when specified triggers are hit; and

WHEREAS, Alder Creek West Improvement Company, LLC is the landowner and successor in interest to Aerojet Rocketdyne, Inc. and Easton Development Company, LLC for the property which is the subject of this Ordinance; and

WHEREAS, the proposed Toll Brothers at Alder Creek project consists of the development of a 1,422-unit residential community on 464 acres located within the Folsom Plan Area, which includes the land currently identified in the ARDA as the Alternate Park Site; and

WHEREAS, the City, the landowner, and the developer of the Toll Brothers at Alder Creek project desire to amend the ARDA in order to relocate the designated Alternate Site for Community Park West, in order for development of the project to proceed; and

WHEREAS, the Planning Commission, at its regular meeting on March 18, 2026, considered 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 , relative to the Alternate Site for Community Park West at a duly noticed public hearing as prescribed by law, and recommended that the City Council approve said Amendment No. 2; and

WHEREAS, all notices have been given at the time and in the manner required by State Law and the Folsom Municipal Code.

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

SECTION 1 FINDINGS

A. The above recitals are true and correct and incorporated herein by reference.

B. 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 (Amendment No. 2) is consistent with the objectives, policies, general land uses and programs specified in the City's General Plan and the Folsom Plan Area Specific Plan.

C. Amendment No. 2 is in conformity with public convenience, general welfare, and good land use practices.

D. Amendment No. 2 will not be detrimental to the health, safety, and general welfare of persons residing in the immediate area, nor be detrimental or injurious to property or persons in the general neighborhood or to the general welfare of the residents of the City as a whole.

E. Amendment No. 2 will not adversely affect the orderly development of property or the preservation of property values.

F. Amendment No. 2 has been prepared in accordance with, and is consistent with, Government Code Sections 65864 through 65869.5, and City Council Resolution No. 2370.

G. All notices have been given at the time and in the manner required by State Law and the Folsom Municipal Code.

H. Pursuant to the applicable Amended and Restated Development Agreement, a Specific Plan Amendment and accompanying environmental review are required before the proposed Alternate Park Site parcels can be developed for use as Community Park West.

I. Amendment No. 2 is exempt from environmental review pursuant to CEQA Guidelines Section 15061(B)(3) because there is no possibility that the requested amendments may have a significant effect on the environment due to the fact that subsequent land use approvals and associated environmental review are required before the parcels at issue could be developed for use as Community Park West .

SECTION 2 APPROVAL OF AMENDMENT TO DEVELOPMENT AGREEMENT

The Mayor is hereby authorized and directed to execute Amendment No. 2 to the First Amended and Restated Tier 1Development 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, on behalf of the City after the effective date of this Ordinance.

SECTION 3 SEVERABILITY

If any section, subsection, sentence, clause, or phrase in this Ordinance or any part thereof is for any reason held to be unconstitutional, invalid, or ineffective by any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this Ordinance or any part thereof. The City Council declares that it would have passed each section irrespective of the fact that any one or more section, subsection, sentence, clause, or phrase be declared unconstitutional, invalid, or ineffective.

SECTION 4 EFFECTIVE DATE

This ordinance shall become effective thirty (30) days from and after its passage and adoption, provided it is published in full or in summary within twenty (20) days after its adoption in a newspaper of general circulation in the City.

This ordinance was introduced and the title thereof read at the regular meeting of the City Council on April 14, 2026 and the second reading occurred at the regular meeting of the City Council on April 28, 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 April 28, 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

FOR THE BENEFIT OF THE CITY OF FOLSOM
PURSUANT TO GOVERNMENT CODE §6103

RECORDING REQUESTED BY CITY CLERK

WHEN RECORDED MAIL TO:

City Clerk
City of Folsom
50 Natoma Street
Folsom, CA 95630

(SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE)

AMENDMENT NO. 2 TO FIRST AMENDED AND RESTATED TIER 1 DEVELOPMENT AGREEMENT BY AND BETWEEN THE CITY OF FOLSOM AND ALDER CREEK WEST IMPROVEMENT COMPANY, LLC

This Amendment No. 2 to First Amended and Restated Tier 1 Development Agreement ("Amendment No. 2") is entered into this day of __, 2026, by and between the City of Folsom ("City") and Alder Creek West Improvement Company, LLC, a California limited liability company ("Landowner"), pursuant to the authority of Sections 65864 through 65869.5 of the Government Code of California.

RECITALS

A. First Amended and Restated Tier 1 Development Agreement. City and Aerojet Rocketdyne, Inc, an Ohio corporation and Easton Development Company, LLC, a California limited liability company (collectively "Aerojet") entered into that certain First Amended and Restated Tier 1 Development Agreement Relative to the Folsom South Specific Plan recorded on July 15, 2014, in the Official Records of the County Recorder of Sacramento County in Book 20140715 at Page 0552 (the " Development Agreement ").

B. Assignment to and Assumption by Hillsborough North, LLC. Aerojet assigned its interest in the Development Agreement to Hillsborough North, LLC, a Delaware limited liability company ("Hillsborough") pursuant to that certain Assignment and Assumption Agreement Relative to the Folsom Specific Plan Amended and Restated Tier 1 Development Agreement recorded on May 29, 2015 in the Official Records of the County Recorder of Sacramento County in Book 20150529 at Page 1410.

C. Amendment No. 1 to First Amended and Restated Tier 1 Development Agreement. City and Hillsborough entered into that certain Amendment No. 1 to First Amended and Restated Tier 1 Development Agreement Relative to the Folsom South Specific Plan recorded on July 11, 2017, in the Official Records of the County Recorder of Sacramento County as Document No. 201707110164 (the "First Amendment"). The Original Development Agreement and the First Amendment are hereinafter referred to collectively as the "Development Agreement."

D. Assignment to and Assumption by Fiddle Leaf Investors, LLC. Hillsborough assigned its interest in the Development Agreement to Fiddle Leaf Investors, LLC, a California limited liability company ("Fiddle Leaf") pursuant to that certain Assignment and Assumption Agreement Relative to the First Amended and Restated Tier 1 Development Agreement recorded on November 25, 2024 in the Official Records of the County Recorder of Sacramento County as Document No. 202411250781.

E. Assignment to and Assumption by Landowner. Fiddle Leaf assigned its Development Agreement to Landowner pursuant to that certain Assignment and Assumption Agreement Relative to the First Amended and Restated Tier 1 Development Agreement recorded on November 25, 2024 in the Official Records of the County Recorder of Sacramento County as Document No. 202411250783.

F. Property. This Amendment No. 2 affects certain portion of the Property (as defined in the Development Agreement), which portions of the Property are described in Exhibit "A" to this Amendment No. 2 ("Amendment No. 2 Property").

G. Purpose of Amendment No. 2. The purpose of this Amendment No. 2 is to relocate the Alternate Site (as defined in the Development Agreement) by replacing Exhibit 2.2.3.2 of the Development Agreement.

H. Consistency with General Plan and Specific Plan. Having duly examined and considered this Amendment No. 2, the City finds and declares that this Amendment No. 2 is consistent with the General Plan and the Specific Plan, as amended.

NOW, THEREFORE, the parties hereto, in consideration of the mutual covenants, promises, and agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and agreed, the parties hereto do hereby agree to amend the Development Agreement as follows:

1. Amendment of Development Agreement. Exhibit 2.2.3.2 of the Development Agreement is hereby deleted and replaced with Exhibit "B" to this Amendment No. 2.

2. Effect of Amendment. This Amendment No. 2 amends, but does not replace or supersede, the Development Agreement. Except as modified hereby, all other terms and provisions of the Development Agreement shall remain in full force and effect.

3. Form of Amendment; Execution in Counterparts. This Amendment No. 2 is executed in duplicate originals, each of which is deemed to be an original, and may be executed in counterparts.

[Remainder of Page Intentionally Left Blank; Signatures Follow on Next Page]

IN WITNESS WHEREOF, the City of Folsom has authorized the execution of this Amendment No. 2 in duplicate by its Mayor and attested to by the City Clerk under the authority of Ordinance No. _____ adopted by the City Council on _____.

CITY:

CITY OF FOLSOM
a municipal corporation

By:_____
Justin Raithel
Mayor

APPROVED AS TO CONTENT;

By:_____
Bryan Whitemyer
City Manager

APPROVED AS TO FORM;

By:_____
Sari Dierking
Interim City Attorney

ATTEST:

By:_____
Christa Freemantle
City Clerk

LANDOWNER:

ALDER CREEK WEST IMPROVEMENT COMPANY, LLC,
a California limited liability company

By:_____
William B. Bunce
President

EXHIBIT A

Amendment No. 2 Property

[See Attached]

03/12/2026
MW

EXHIBIT "A-1"
DESCRIPTION OF PROPERTY
ALDER CREEK WEST IMPROVEMENT COMPANY, LLC

All that real property situated in the City of Folsom, County of Sacramento, State of California and located within Sections 18 and 19, Township 9 North, Range 8 East, Mount Diablo Meridian, and more particularly described as follows:

Parcel 4 as shown on that certain Parcel Map titled "PN 14-329 Parcel Map" filed for record on May 28, 2015, in Book 223 of Parcel Maps, at Page 5, Sacramento County Records.

Containing 99.223 acres of land, more or less.

APN: 072-0060-0093

TOGETHER WITH:

Resultant Parcel 3A as described in that certain Lot Line Adjustment Certificate of Compliance recorded on May 30, 2019, as Document Number 201905301372, Official Records of Sacramento County.

Excepting therefrom the Lands of the City of Folsom as described in that certain Grant Deed recorded as Document Number 201908080993, Official Records of Sacramento County.

Containing 263.615 acres of land, more or less.

APN: 072-0060-098

See "Exhibit A-1" plat to accompany description attached hereto and made a part hereof.

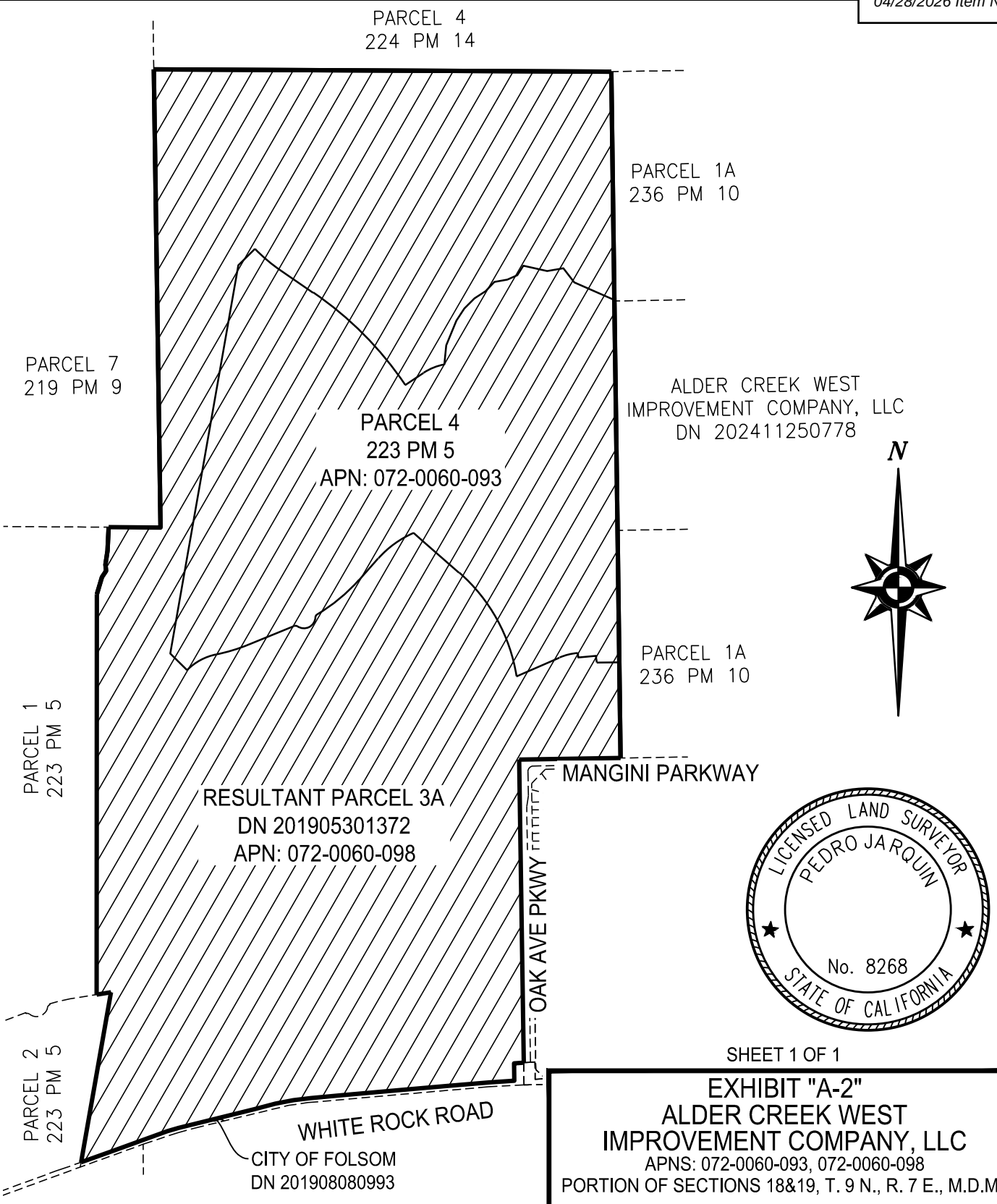
This legal description was prepared by me or under my supervision pursuant to Section 8729 (2) of the Professional Land Surveyors Act.



Pedro Jarquin, PLS 8268
License Expiration Date: 12-31-2027

Date: _____

Description prepared by:
MACKAY & SOMPS CIVIL ENGINEERS, INC.
1025 Creekside Ridge Drive, Suite 150, Roseville, CA 95678
P:\27238\SRV\Mapping\Desc\ACW LEGAL DESCRIPTIONS\072-0060-093+098 Desc.docx



LICENSED LAND SURVEYOR
PEDRO JARQUIN
No. 8268
STATE OF CALIFORNIA

SHEET 1 OF 1

LEGEND

DN	DOCUMENT NUMBER
PM	PARCEL MAP

EXHIBIT "A-2"
ALDER CREEK WEST IMPROVEMENT COMPANY, LLC

APNS: 072-0060-093, 072-0060-098
PORTION OF SECTIONS 18&19, T. 9 N., R. 7 E., M.D.M.

CITY OF FOLSOM
COUNTY OF SACRAMENTO STATE OF CALIFORNIA

MACKAY & SOMPS
ENGINEERS PLANNERS SURVEYORS
1025 Creekside Ridge Drive, Suite 150, Roseville, CA 95678 (916) 773-1189

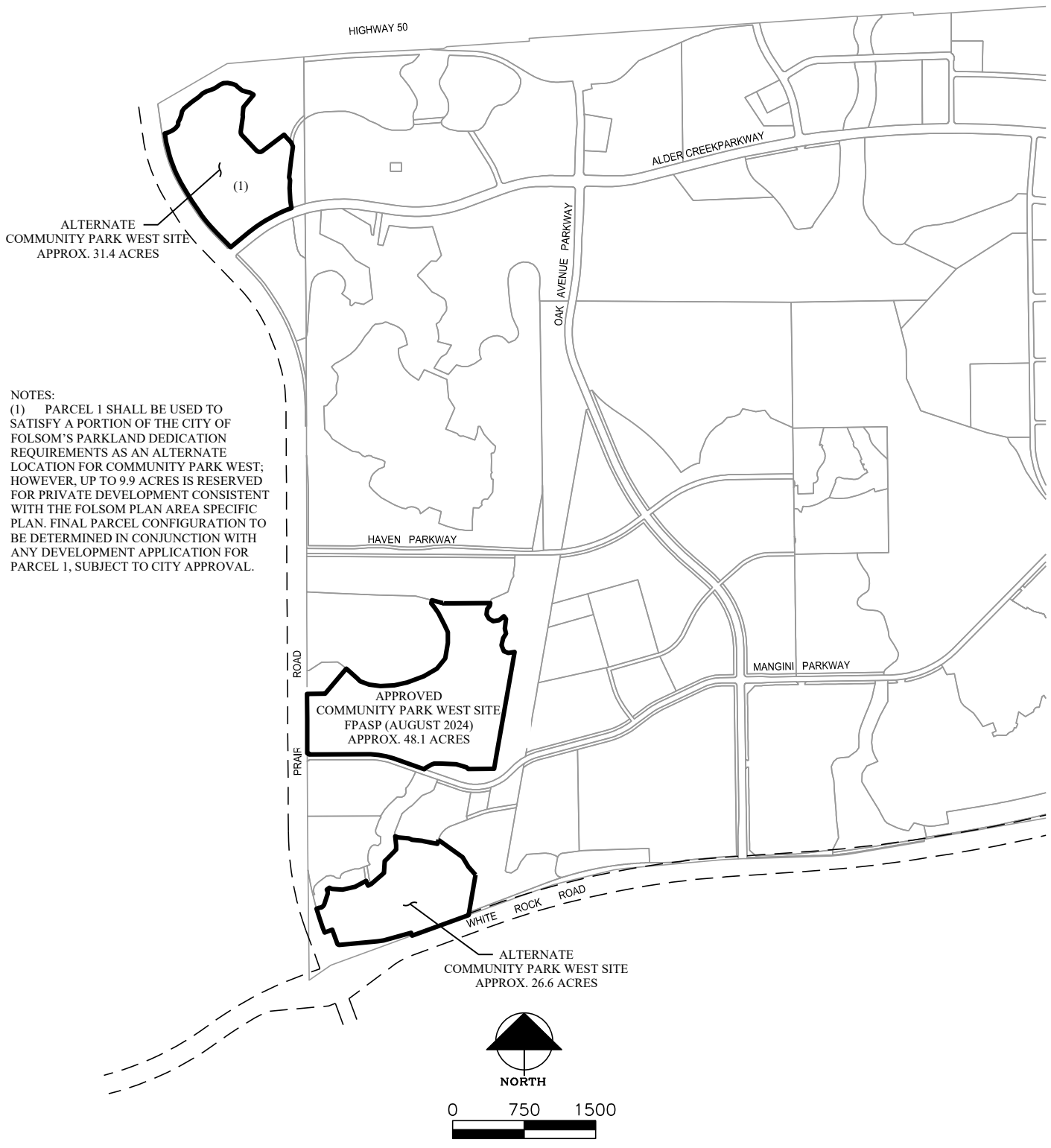
MW	1"= 800'	03/12/2026	27238
N BY	SCALE	DATE	JOB NO.

IF A DISCREPANCY EXISTS BETWEEN THIS EXHIBIT AND THE ASSOCIATED DESCRIPTION, THE DESCRIPTION HOLDS. THIS EXHIBIT IS FOR GRAPHIC PURPOSES ONLY.

EXHIBIT B

Alternate Site
Community Park West

[See Attached]



NOTES:
(1) PARCEL 1 SHALL BE USED TO SATISFY A PORTION OF THE CITY OF FOLSOM'S PARKLAND DEDICATION REQUIREMENTS AS AN ALTERNATE LOCATION FOR COMMUNITY PARK WEST; HOWEVER, UP TO 9.9 ACRES IS RESERVED FOR PRIVATE DEVELOPMENT CONSISTENT WITH THE FOLSOM PLAN AREA SPECIFIC PLAN. FINAL PARCEL CONFIGURATION TO BE DETERMINED IN CONJUNCTION WITH ANY DEVELOPMENT APPLICATION FOR PARCEL 1, SUBJECT TO CITY APPROVAL.

EXHIBIT 2.2.3.2 (Amended)

ALTERNATIVE SITE
COMMUNITY PARK WEST

Attachment 2

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

WHEREAS, a Final Environmental Impact Report/Environmental Impact Statement for the Folsom Plan Area Specific Plan was prepared and certified by the City Council on June 11, 2011, and the Sacramento Local Agency Formation Commission approved the City's annexation of the Folsom Plan Area on January 18, 2012; and

WHEREAS, pursuant to the authority in Sections 65864 through 65869.5 of the Government Code, the City Council, following a duly noticed public hearing on June 28, 2011, approved the Tier 1 Development Agreement relative to the Folsom South Specific Plan (Tier 1 DA) for the development of the Folsom Plan Area by adopting Ordinance No. 1149 on July 12, 2011; and

WHEREAS, pursuant to the authority in Sections 65864 through 65869. 5 of the Government Code, the City Council, following a duly noticed public hearing on May 27, 2014, approved the First Amended and Restated Tier 1 Development Agreement by and between the City of Folsom and Aerojet Rocketdyne, Inc. and Easton Development Company, LLC relative to the Folsom South Specific Plan (ARDA) by adopting Ordinance No. 1207 on June 10, 2014; and

WHEREAS, the ARDA includes a requirement for the landowners to designate an Alternate Site to be used in the event that the property designated in the Folsom Plan Area Specific Plan as Community Park West is unavailable for use as a park site when specified triggers are hit; and

WHEREAS, Alder Creek West Improvement Company, LLC is the landowner and successor in interest to Aerojet Rocketdyne, Inc. and Easton Development Company, LLC for the property which is the subject of this Ordinance; and

WHEREAS, the proposed Toll Brothers at Alder Creek project consists of the development of a 1,422-unit residential community on 464 acres located within the Folsom Plan Area, which includes the land currently identified in the ARDA as the Alternate Park Site; and

WHEREAS, the City, the landowner, and the developer of the Toll Brothers at Alder Creek project desire to amend the ARDA in order to relocate the designated Alternate Site for Community Park West, in order for development of the project to proceed; and

WHEREAS, the Planning Commission, at its regular meeting on March 18, 2026, considered 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, LLCwith respect to property previously owned by Prairie City Commercial Properties, LLC, relative to the Alternate Site for Community Park West at a duly noticed public hearing as prescribed by law, and recommended that the City Council approve said Amendment No. 2; and

WHEREAS, all notices have been given at the time and in the manner required by State Law and the Folsom Municipal Code.

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

SECTION 1 FINDINGS

A. The above recitals are true and correct and incorporated herein by reference.

B. 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 (Amendment No. 2) is consistent with the objectives, policies, general land uses and programs specified in the City's General Plan and the Folsom Plan Area Specific Plan.

C. Amendment No. 2 is in conformity with public convenience, general welfare, and good land use practices.

D. Amendment No. 2 will not be detrimental to the health, safety, and general welfare of persons residing in the immediate area, nor be detrimental or injurious to property or persons in the general neighborhood or to the general welfare of the residents of the City as a whole.

E. Amendment No. 2 will not adversely affect the orderly development of property or the preservation of property values.

F. Amendment No. 2 has been prepared in accordance with, and is consistent with, Government Code Sections 65864 through 65869.5, and City Council Resolution No. 2370.

G. All notices have been given at the time and in the manner required by State Law and the Folsom Municipal Code.

H. Pursuant to the applicable Amended and Restated Development Agreement, a Specific Plan Amendment and accompanying environmental review are required before the proposed Alternate Park Site parcels can be developed for use as Community Park West.

I. Amendment No. 2 is exempt from environmental review pursuant to CEQA Guidelines Section 15061(B)(3) because there is no possibility that the requested amendments may have a significant effect on the environment due to the fact that subsequent land use approvals and associated environmental review are required before the parcels at issue could be developed for use as Community Park West .

SECTION 2 APPROVAL OF AMENDMENT TO DEVELOPMENT AGREEMENT

The Mayor is hereby authorized and directed to execute Amendment No. 2 to the First Amended and Restated Tier 1Development 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, on behalf of the City after the effective date of this Ordinance.

SECTION 3 SEVERABILITY

If any section, subsection, sentence, clause, or phrase in this Ordinance or any part thereof is for any reason held to be unconstitutional, invalid, or ineffective by any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this Ordinance or any part thereof. The City Council declares that it would have passed each section irrespective of the fact that any one or more section, subsection, sentence, clause, or phrase be declared unconstitutional, invalid, or ineffective.

SECTION 4 EFFECTIVE DATE

This ordinance shall become effective thirty (30) days from and after its passage and adoption, provided it is published in full or in summary within twenty (20) days after its adoption in a newspaper of general circulation in the City.

This ordinance was introduced and the title thereof read at the regular meeting of the City Council on April 14, 2026 and the second reading occurred at the regular meeting of the City Council on April 28, 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 April 28, 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

FOR THE BENEFIT OF THE CITY OF FOLSOM
PURSUANT TO GOVERNMENT CODE §6103

RECORDING REQUESTED BY CITY CLERK

WHEN RECORDED MAIL TO:

City Clerk
City of Folsom
50 Natoma Street
Folsom, CA 95630

(SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE)

AMENDMENT NO. 2 TO FIRST AMENDED AND RESTATED TIER 1 DEVELOPMENT AGREEMENT BY AND BETWEEN THE CITY OF FOLSOM AND ALDER CREEK WEST IMPROVEMENT COMPANY, LLC

This Amendment No. 2 to First Amended and Restated Tier 1 Development Agreement ("Amendment No. 2") is entered into this day of __, 2026, by and between the City of Folsom ("City") and Alder Creek West Improvement Company, LLC, a California limited liability company ("Landowner"), pursuant to the authority of Sections 65864 through 65869.5 of the Government Code of California.

RECITALS

A. First Amended and Restated Tier 1 Development Agreement. City and Aerojet Rocketdyne, Inc, an Ohio corporation and Easton Development Company, LLC, a California limited liability company (collectively "Aerojet") entered into that certain First Amended and Restated Tier 1 Development Agreement Relative to the Folsom South Specific Plan recorded on July 15, 2014, in the Official Records of the County Recorder of Sacramento County in Book 20140715 at Page 0552 (the "Original Development Agreement ").

B. Assignment to and Assumption by Prairie City Commercial Properties, LLC. Aerojet assigned its interest in the Original Development Agreement to Prairie City Commercial Properties, LLC, a Delaware limited liability company ("Prairie City") pursuant to that certain Assignment and Assumption Agreement Relative to the Folsom Specific Plan Amended and Restated Tier 1 Development Agreement recorded on May 29, 2015 in the Official Records of the County Recorder of Sacramento County in Book 20150529 at Page 1407.

C. Amendment No. 1 to First Amended and Restated Tier 1 Development Agreement. City and Prairie City entered into that certain Amendment No. 1 to First Amended and Restated Tier 1 Development Agreement Relative to the Folsom South Specific Plan recorded on July 11, 2017, in the Official Records of the County Recorder of Sacramento County as Document No. 201707110162 (the "First Amendment"). The Original Development Agreement and the First Amendment are hereinafter referred to collectively as the "Development Agreement."

D. Merger of Prairie City and Hillsborough. Pursuant to the certain Certificate of Merger filed with the State of Delaware Secretary of State on December 22, 2023, SR 20234316005, File Number 5747031, Prairie City and certain other entities merged, with the name of the surviving limited liability company being Hillsborough North, LLC ("Hillsborough").

E. Assignment to and Assumption by Fiddle Leaf Investors, LLC. Hillsborough, as successor by merger to Prairie City, assigned its interest in the Development Agreement to Fiddle Leaf Investors, LLC, a

California limited liability company ("Fiddle Leaf"), pursuant to that certain Assignment and Assumption Agreement Relative to the First Amended and Restated Tier 1 Development Agreement recorded on December 19, 2024 in the Official Records of the County Recorder of Sacramento County as Document No. 202412190609.

F. Assignment to and Assumption by Landowner. Fiddle Leaf assigned its interest in the Development Agreement to Landowner pursuant to that certain Assignment and Assumption Agreement Relative to the First Amended and Restated Tier 1 Development Agreement recorded on December 19, 2024 in the Official Records of the County Recorder of Sacramento County as Document No. 202412190611.

G. Property. This Amendment No. 2 affects certain portion of the Property (as defined in the Development Agreement), which portions of the Property are described in Exhibit "A" to this Amendment No. 2 ("Amendment No. 2 Property").

H. Purpose of Amendment No. 2. The purpose of this Amendment No. 2 is to relocate the Alternate Site (as defined in the Development Agreement) by replacing Exhibit 2.2.3.2 of the Development Agreement.

I. Consistency with General Plan and Specific Plan. Having duly examined and considered this Amendment No. 2, the City finds and declares that this Amendment No. 2 is consistent with the General Plan and the Specific Plan, as amended.

NOW, THEREFORE, the parties hereto, in consideration of the mutual covenants, promises, and agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and agreed, the parties hereto do hereby agree to amend the Development Agreement as follows:

1. Amendment of Development Agreement. Exhibit 2.2.3.2 of the Development Agreement is hereby deleted and replaced with Exhibit "B" to this Amendment No. 2.

2. Effect of Amendment. This Amendment No. 2 amends, but does not replace or supersede, the Development Agreement. Except as modified hereby, all other terms and provisions of the Development Agreement shall remain in full force and effect.

3. Form of Amendment; Execution in Counterparts. This Amendment No. 2 is executed in duplicate originals, each of which is deemed to be an original, and may be executed in counterparts.

[Remainder of Page Intentionally Left Blank; Signatures Follow on Next Page]

IN WITNESS WHEREOF, the City of Folsom has authorized the execution of this Amendment No. 2 in duplicate by its Mayor and attested to by the City Clerk under the authority of Ordinance No. _____ adopted by the City Council on _____.

CITY:

CITY OF FOLSOM
a municipal corporation

By:_____
Justin Raithel
Mayor

APPROVED AS TO CONTENT;

By:_____
Bryan Whitemyer
City Manager

APPROVED AS TO FORM;

By:_____
Sari Dierking
Interim City Attorney

ATTEST:

By:_____
Christa Freemantle
City Clerk

LANDOWNER:

ALDER CREEK WEST IMPROVEMENT COMPANY, LLC,
a California limited liability company

By:_____
William B. Bunce
President

EXHIBIT A

Amendment No. 2 Property

[See Attached]

03/12/2026
MW

EXHIBIT "A-1"
DESCRIPTION OF PROPERTY
ALDER CREEK WEST IMPROVEMENT COMPANY, LLC

All that real property situated in the City of Folsom, County of Sacramento, State of California and located within Sections 12 and 13, Township 9 North, Range 8 East, Mount Diablo Meridian, and more particularly described as follows:

Resultant Parcel 1B as described in that certain Lot Line Adjustment Grant Deed recorded on March 28, 2014, in Book 20140328, at Page 0846, Official Records of Sacramento County.

Containing 73.782 acres of land, more or less.

APN: 072-0231-140

See "Exhibit A-1" plat to accompany description attached hereto and made a part hereof.

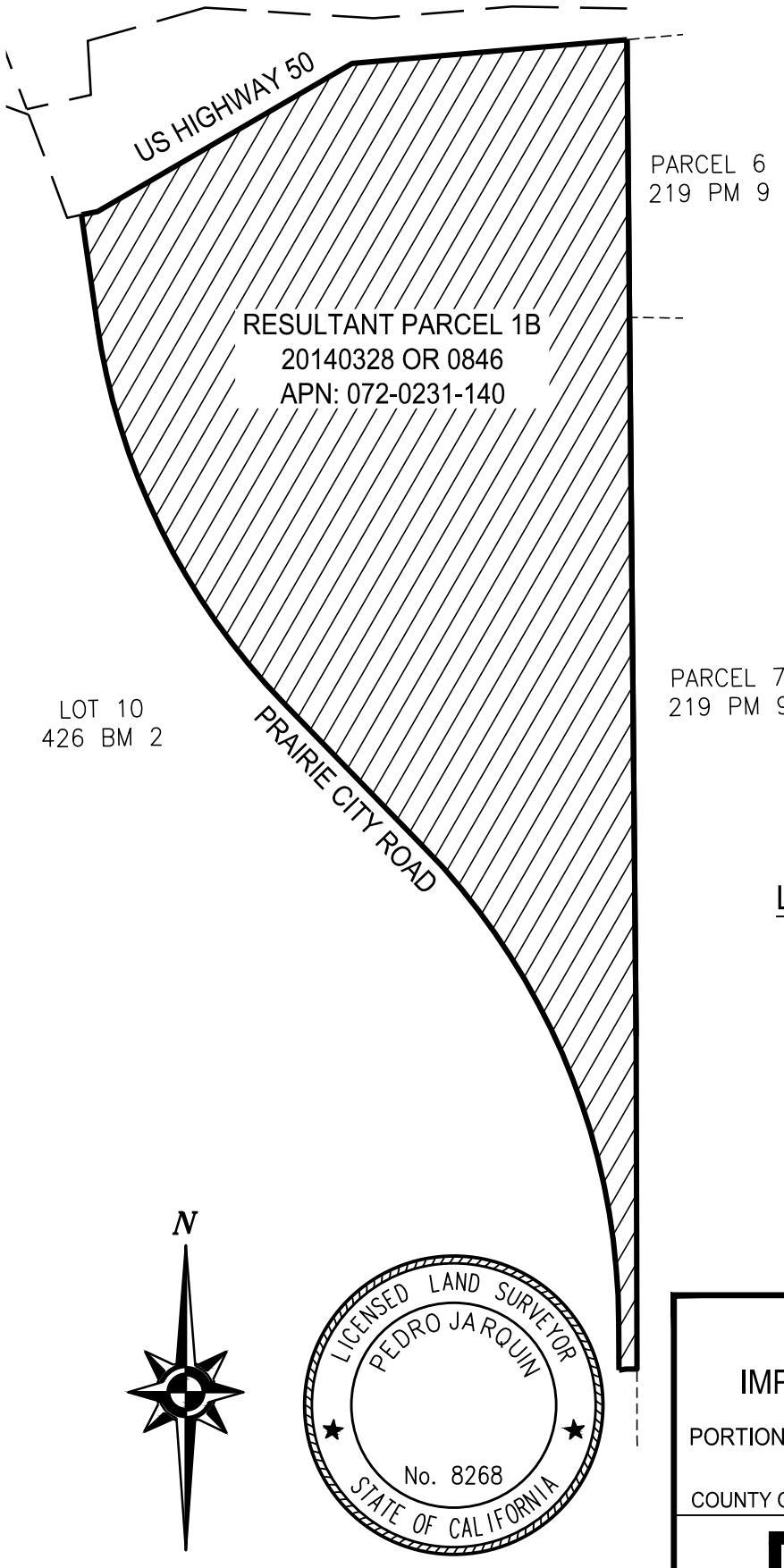
This legal description was prepared by me or under my supervision pursuant to Section 8729 (2) of the Professional Land Surveyors Act.



Pedro Jarquin, PLS 8268
License Expiration Date: 12-31-2027

Date: _____

Description prepared by:
MACKAY & SOMPS CIVIL ENGINEERS, INC.
1025 Creekside Ridge Drive, Suite 150, Roseville, CA 95678
P:\27238\SRV\Mapping\Desc\ACW LEGAL DESCRIPTIONS\072-0231-140 Desc.docx



LEGEND

BM	BOOK OF MAPS
OR	OFFICIAL RECORDS OF SACRAMENTO COUNTY
PM	PARCEL MAP

SHEET 1 OF 1

EXHIBIT "A-2"
ALDER CREEK WEST IMPROVEMENT COMPANY, LLC

APN: 072-0231-140

PORTION OF SECTIONS 12&13, T. 9 N., R. 7 E., M.D.M.

CITY OF FOLSOM

COUNTY OF SACRAMENTO STATE OF CALIFORNIA

MACKAY & SOMPS
ENGINEERS PLANNERS SURVEYORS
1025 Creekside Ridge Drive, Suite 150, Roseville, CA 95678 (916) 773-1189

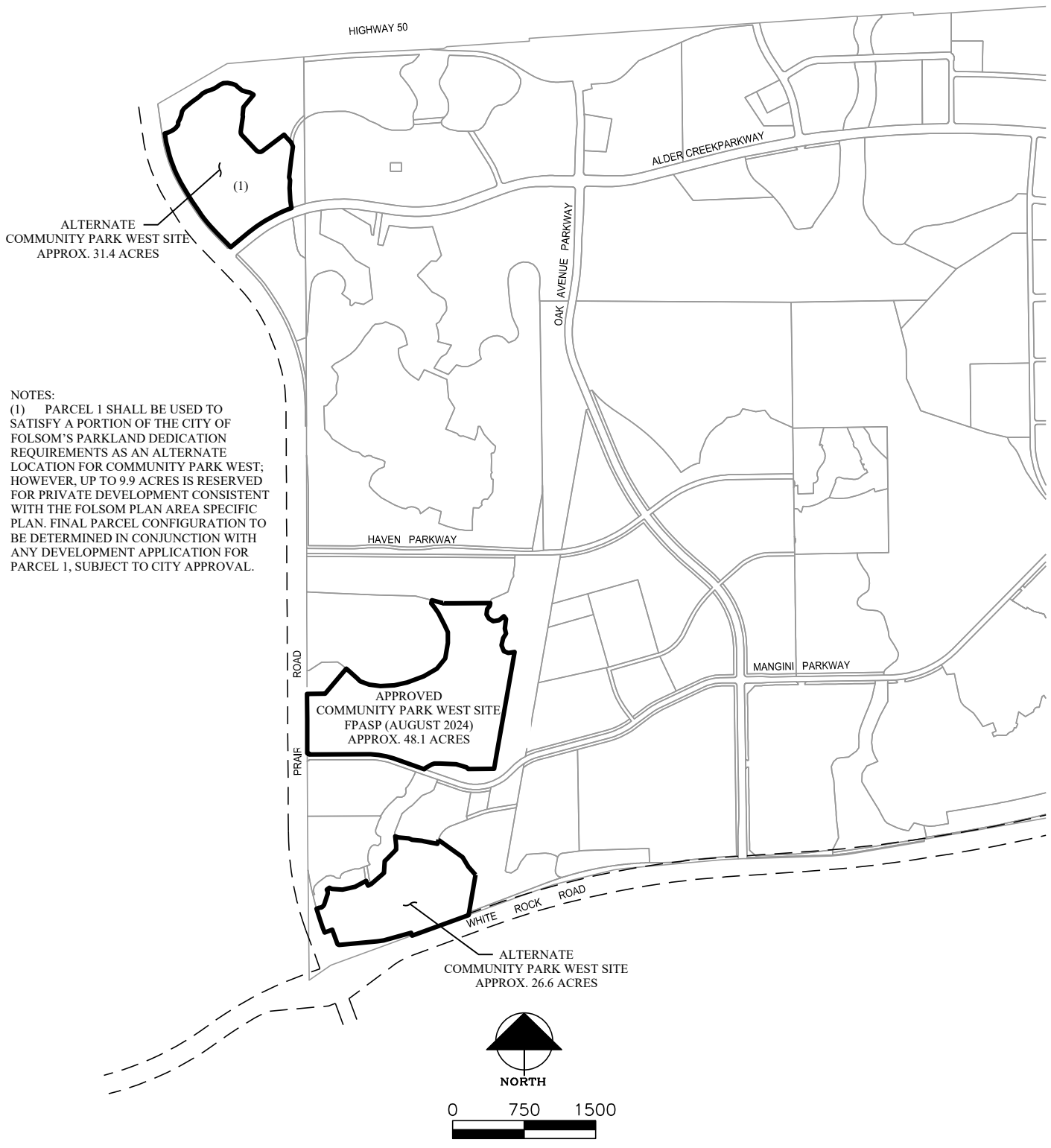
MW	1"= 500'	03/12/2026	27238
N BY	SCALE	DATE	JOB NO.

IF A DISCREPANCY EXISTS BETWEEN THIS EXHIBIT AND THE ASSOCIATED DESCRIPTION, THE DESCRIPTION HOLDS. THIS EXHIBIT IS FOR GRAPHIC PURPOSES ONLY.

EXHIBIT B

Alternate Site
Community Park West

[See Attached]



NOTES:
(1) PARCEL 1 SHALL BE USED TO SATISFY A PORTION OF THE CITY OF FOLSOM'S PARKLAND DEDICATION REQUIREMENTS AS AN ALTERNATE LOCATION FOR COMMUNITY PARK WEST; HOWEVER, UP TO 9.9 ACRES IS RESERVED FOR PRIVATE DEVELOPMENT CONSISTENT WITH THE FOLSOM PLAN AREA SPECIFIC PLAN. FINAL PARCEL CONFIGURATION TO BE DETERMINED IN CONJUNCTION WITH ANY DEVELOPMENT APPLICATION FOR PARCEL 1, SUBJECT TO CITY APPROVAL.

EXHIBIT 2.2.3.2 (Amended)

ALTERNATIVE SITE
COMMUNITY PARK WEST

Attachment 3

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

WHEREAS, a Final Environmental Impact Report/Environmental Impact Statement for the Folsom Plan Area Specific Plan was prepared and certified by the City Council on June 11, 2011, and the Sacramento Local Agency Formation Commission approved the City's annexation of the Folsom Plan Area on January 18, 2012; and

WHEREAS, pursuant to the authority in Sections 65864 through 65869.5 of the Government Code, the City Council, following a duly noticed public hearing on June 28, 2011, approved the Tier 1 Development Agreement relative to the Folsom South Specific Plan (Tier 1 DA) for the development of the Folsom Plan Area by adopting Ordinance No. 1149 on July 12, 2011; and

WHEREAS, pursuant to the authority in Sections 65864 through 65869. 5 of the Government Code, the City Council, following a duly noticed public hearing on May 27, 2014, approved the First Amended and Restated Tier 1 Development Agreement by and between the City of Folsom and Aerojet Rocketdyne, Inc. and Easton Development Company, LLC relative to the Folsom South Specific Plan (ARDA) by adopting Ordinance No. 1207 on June 10, 2014; and

WHEREAS, the ARDA includes a requirement for the landowners to designate an Alternate Site to be used in the event that the property designated in the Folsom Plan Area Specific Plan as Community Park West is unavailable for use as a park site when specified triggers are hit; and

WHEREAS, Alder Creek West Improvement Company, LLC is the landowner and successor in interest to Aerojet Rocketdyne, Inc. and Easton Development Company, LLC for the property which is the subject of this Ordinance; and

WHEREAS, the proposed Toll Brothers at Alder Creek project consists of the development of a 1,422-unit residential community on 464 acres located within the Folsom Plan Area, which includes the land currently identified in the ARDA as the Alternate Park Site; and

WHEREAS, the City, the landowner, and the developer of the Toll Brothers at Alder Creek project desire to amend the ARDA in order to relocate the designated Alternate Site for Community Park West, in order for development of the project to proceed; and

WHEREAS, the Planning Commission, at its regular meeting on March 18, 2026, considered 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, relative to the Alternate Site for Community Park West at a duly noticed public hearing as prescribed by law, and recommended that the City Council approve said Amendment No. 2; and

WHEREAS, all notices have been given at the time and in the manner required by State Law and the Folsom Municipal Code.

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

SECTION 1 FINDINGS

A. The above recitals are true and correct and incorporated herein by reference.

B. 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 (Amendment No. 2) is consistent with the objectives, policies, general land uses and programs specified in the City's General Plan and the Folsom Plan Area Specific Plan.

C. Amendment No. 2 is in conformity with public convenience, general welfare, and good land use practices.

D. Amendment No. 2 will not be detrimental to the health, safety, and general welfare of persons residing in the immediate area, nor be detrimental or injurious to property or persons in the general neighborhood or to the general welfare of the residents of the City as a whole.

E. Amendment No. 2 will not adversely affect the orderly development of property or the preservation of property values.

F. Amendment No. 2 has been prepared in accordance with, and is consistent with, Government Code Sections 65864 through 65869.5, and City Council Resolution No. 2370.

G. All notices have been given at the time and in the manner required by State Law and the Folsom Municipal Code.

H. Pursuant to the applicable Amended and Restated Development Agreements, a Specific Plan Amendment and accompanying environmental review are required before the proposed Alternate Park Site parcels can be developed for use as Community Park West.

I. Amendment No. 2 is exempt from environmental review pursuant to CEQA Guidelines Section 15061(B)(3) because there is no possibility that the requested amendments may have a significant effect on the environment due to the fact that subsequent land use approvals and associated environmental review are required before the parcels at issue could be developed for use as Community Park West.

SECTION 2 APPROVAL OF AMENDMENT TO DEVELOPMENT AGREEMENT

The Mayor is hereby authorized and directed to execute 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, on behalf of the City after the effective date of this Ordinance.

SECTION 3 SEVERABILITY

If any section, subsection, sentence, clause, or phrase in this Ordinance or any part thereof is for any reason held to be unconstitutional, invalid, or ineffective by any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this Ordinance or any part thereof. The City Council declares that it would have passed each section irrespective of the fact that any one or more section, subsection, sentence, clause, or phrase be declared unconstitutional, invalid, or ineffective.

SECTION 4 EFFECTIVE DATE

This ordinance shall become effective thirty (30) days from and after its passage and adoption, provided it is published in full or in summary within twenty (20) days after its adoption in a newspaper of general circulation in the City.

This ordinance was introduced and the title thereof read at the regular meeting of the City Council on April 14, 2026 and the second reading occurred at the regular meeting of the City Council on April 28, 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 -April 28, 2028, 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

FOR THE BENEFIT OF THE CITY OF FOLSOM
PURSUANT TO GOVERNMENT CODE §6103

RECORDING REQUESTED BY CITY CLERK

WHEN RECORDED MAIL TO:

City Clerk
City of Folsom
50 Natoma Street
Folsom, CA 95630

(SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE)

AMENDMENT NO. 2 TO FIRST AMENDED AND RESTATED TIER 1 DEVELOPMENT AGREEMENT BY AND BETWEEN THE CITY OF FOLSOM AND ALDER CREEK WEST IMPROVEMENT COMPANY, LLC

This Amendment No. 2 to First Amended and Restated Tier 1 Development Agreement ("Amendment No. 2") is entered into this day of __, 2026, by and between the City of Folsom ("City") and Alder Creek West Improvement Company, LLC, a California limited liability company ("Landowner"), pursuant to the authority of Sections 65864 through 65869.5 of the Government Code of California.

RECITALS

A. First Amended and Restated Tier 1 Development Agreement. City and Aerojet Rocketdyne, Inc, an Ohio corporation and Easton Development Company, LLC, a California limited liability company (collectively "Aerojet") entered into that certain First Amended and Restated Tier 1 Development Agreement Relative to the Folsom South Specific Plan recorded on July 15, 2014, in the Official Records of the County Recorder of Sacramento County in Book 20140715 at Page 0552 (the "Original Development Agreement ").

B. Assignment to and Assumption by West Hillsborough Investors, LLC. Aerojet assigned its interest in the Original Development Agreement to West Hillsborough Investors, LLC, a Delaware limited liability company ("West Hillsborough") pursuant to that certain Assignment and Assumption Agreement Relative to the Folsom Specific Plan Amended and Restated Tier 1 Development Agreement recorded on May 29, 2015 in the Official Records of the County Recorder of Sacramento County in Book 20150529 at Page 1408.

C. Amendment No. 1 to First Amended and Restated Tier 1 Development Agreement. City and West Hillsborough entered into that certain Amendment No. 1 to First Amended and Restated Tier 1 Development Agreement Relative to the Folsom South Specific Plan recorded on July 11, 2017, in the Official Records of the County Recorder of Sacramento County as Document No. 201707110165 (the "First Amendment"). The Original Development Agreement and the First Amendment are hereinafter referred to collectively as the "Development Agreement."

D. Merger of West Hillsborough and Hillsborough North, LLC. Pursuant to the certain Certificate of Merger filed with the State of Delaware Secretary of State on December 22, 2023, SR 20234316005, File Number 5747031, West Hillsborough and certain other entities merged, with the name of the surviving limited liability company being Hillsborough North, LLC ("Hillsborough").

E. Assignment to and Assumption by Fiddle Leaf Investors, LLC. Hillsborough, as successor by merger to West Hillsborough, assigned its interest in the Development Agreement to Fiddle Leaf Investors, LLC,

a California limited liability company ("Fiddle Leaf"), pursuant to that certain Assignment and Assumption Agreement Relative to the First Amended and Restated Tier 1 Development Agreement recorded on December 19, 2024 in the Official Records of the County Recorder of Sacramento County as Document No. 202412190609.

F. Assignment to and Assumption by Landowner. Fiddle Leaf assigned its interest in the Development Agreement to Landowner pursuant to that certain Assignment and Assumption Agreement Relative to the First Amended and Restated Tier 1 Development Agreement recorded on December 19, 2024 in the Official Records of the County Recorder of Sacramento County as Document No. 202412190611.

G. Property. This Amendment No. 2 affects certain portion of the Property (as defined in the Development Agreement), which portions of the Property are described in Exhibit "A" to this Amendment No. 2 ("Amendment No. 2 Property").

H. Purpose of Amendment No. 2. The purpose of this Amendment No. 2 is to relocate the Alternate Site (as defined in the Development Agreement) by replacing Exhibit 2.2.3.2 of the Development Agreement.

I. Consistency with General Plan and Specific Plan. Having duly examined and considered this Amendment No. 2, the City finds and declares that this Amendment No. 2 is consistent with the General Plan and the Specific Plan, as amended.

NOW, THEREFORE, the parties hereto, in consideration of the mutual covenants, promises, and agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and agreed, the parties hereto do hereby agree to amend the Development Agreement as follows:

1. Amendment of Development Agreement. Exhibit 2.2.3.2 of the Development Agreement is hereby deleted and replaced with Exhibit "B" to this Amendment No. 2.

2. Effect of Amendment. This Amendment No. 2 amends, but does not replace or supersede, the Development Agreement. Except as modified hereby, all other terms and provisions of the Development Agreement shall remain in full force and effect.

3. Form of Amendment; Execution in Counterparts. This Amendment No. 2 is executed in duplicate originals, each of which is deemed to be an original, and may be executed in counterparts.

[Remainder of Page Intentionally Left Blank; Signatures Follow on Next Page]

IN WITNESS WHEREOF, the City of Folsom has authorized the execution of this Amendment No. 2 in duplicate by its Mayor and attested to by the City Clerk under the authority of Ordinance No. _____ adopted by the City Council on _____.

CITY:

CITY OF FOLSOM
a municipal corporation

By:_____
Justin Raithel
Mayor

APPROVED AS TO CONTENT;

By:_____
Bryan Whitemyer
City Manager

APPROVED AS TO FORM;

By:_____
Sari Dierking
Interim City Attorney

ATTEST:

By:_____
Christa Freemantle
City Clerk

LANDOWNER:

ALDER CREEK WEST IMPROVEMENT COMPANY, LLC,
a California limited liability company

By:_____
William B. Bunce
President

EXHIBIT A

Amendment No. 2 Property

[See Attached]

03/12/2026
MW

EXHIBIT "A-1"
DESCRIPTION OF PROPERTY
ALDER CREEK WEST IMPROVEMENT COMPANY, LLC

All that real property situated in the City of Folsom, County of Sacramento, State of California and located within Section 19, Township 9 North, Range 8 East, Mount Diablo Meridian, and more particularly described as follows:

Parcel 2 as shown on that certain Parcel Map titled "PN 14-329 Parcel Map" filed for record on May 28, 2015, in Book 223 of Parcel Maps, at Page 5, Sacramento County Records.

Excepting therefrom the Lands of the City of Folsom as described in that certain Grant Deed recorded as Document Number 201908080994, Official Records of Sacramento County.

Containing 41.806 acres of land, more or less.

APN: 072-0060-091

See "Exhibit A-1" plat to accompany description attached hereto and made a part hereof.

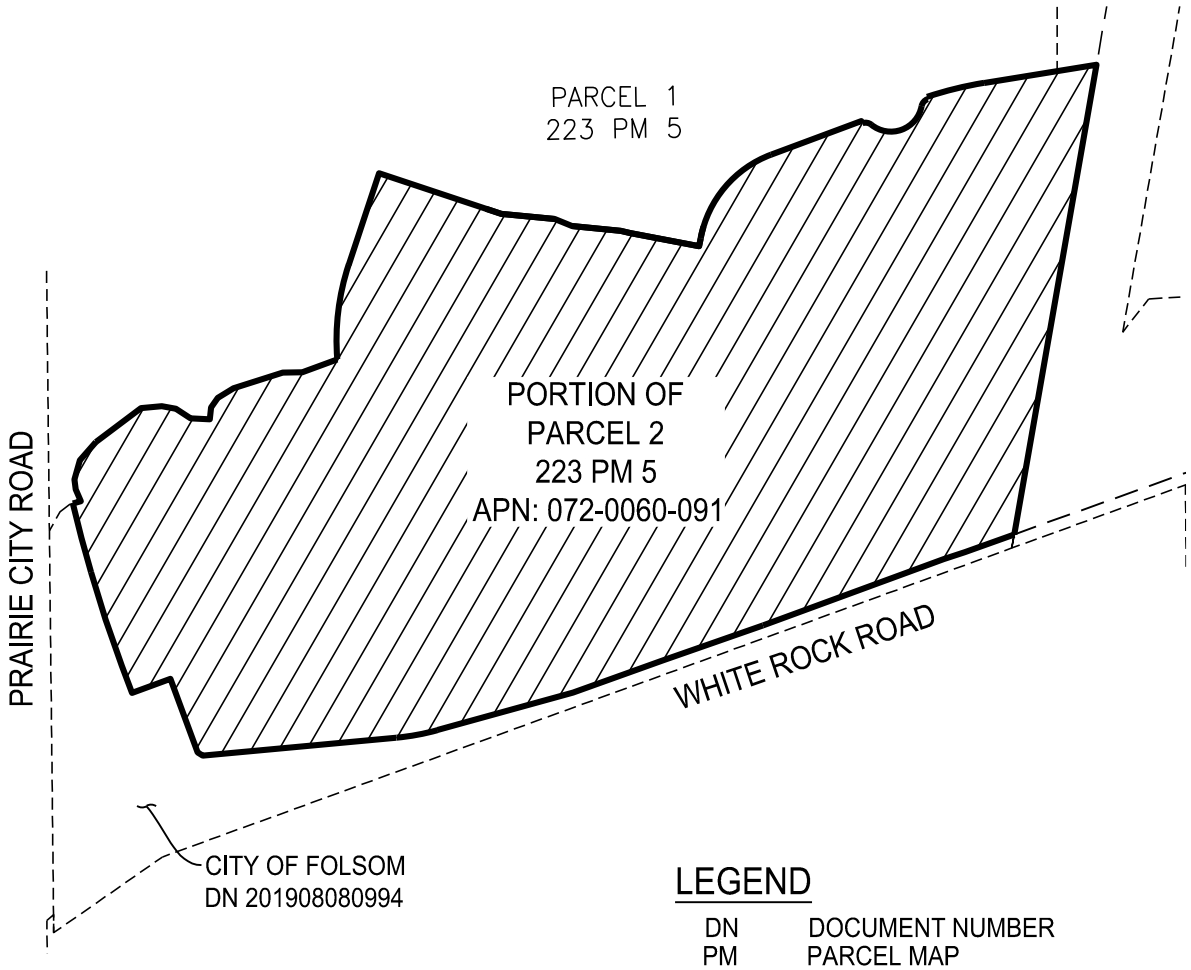
This legal description was prepared by me or under my supervision pursuant to Section 8729 (2) of the Professional Land Surveyors Act.



Pedro Jarquin, PLS 8268
License Expiration Date: 12-31-2027

Date: _____

Description prepared by:
MACKAY & SOMPS CIVIL ENGINEERS, INC.
1025 Creekside Ridge Drive, Suite 150, Roseville, CA 95678
P:\27238\SRV\Mapping\Desc\ACW LEGAL DESCRIPTIONS\072-0060-091 Desc.docx



LEGEND

DN	DOCUMENT NUMBER
PM	PARCEL MAP

N

LICENSED LAND SURVEYOR
PEDRO JARQUIN
No. 8268
STATE OF CALIFORNIA

SHEET 1 OF 1

EXHIBIT "A-2"
ALDER CREEK WEST IMPROVEMENT COMPANY, LLC

APN: 072-0060-091
PORTION OF SECTION 19, T. 9 N., R. 8 E., M.D.M.
CITY OF FOLSOM
COUNTY OF SACRAMENTO STATE OF CALIFORNIA

MACKAY & SOMPS
ENGINEERS PLANNERS SURVEYORS
1025 Creekside Ridge Drive, Suite 150, Roseville, CA 95678 (916) 773-1189

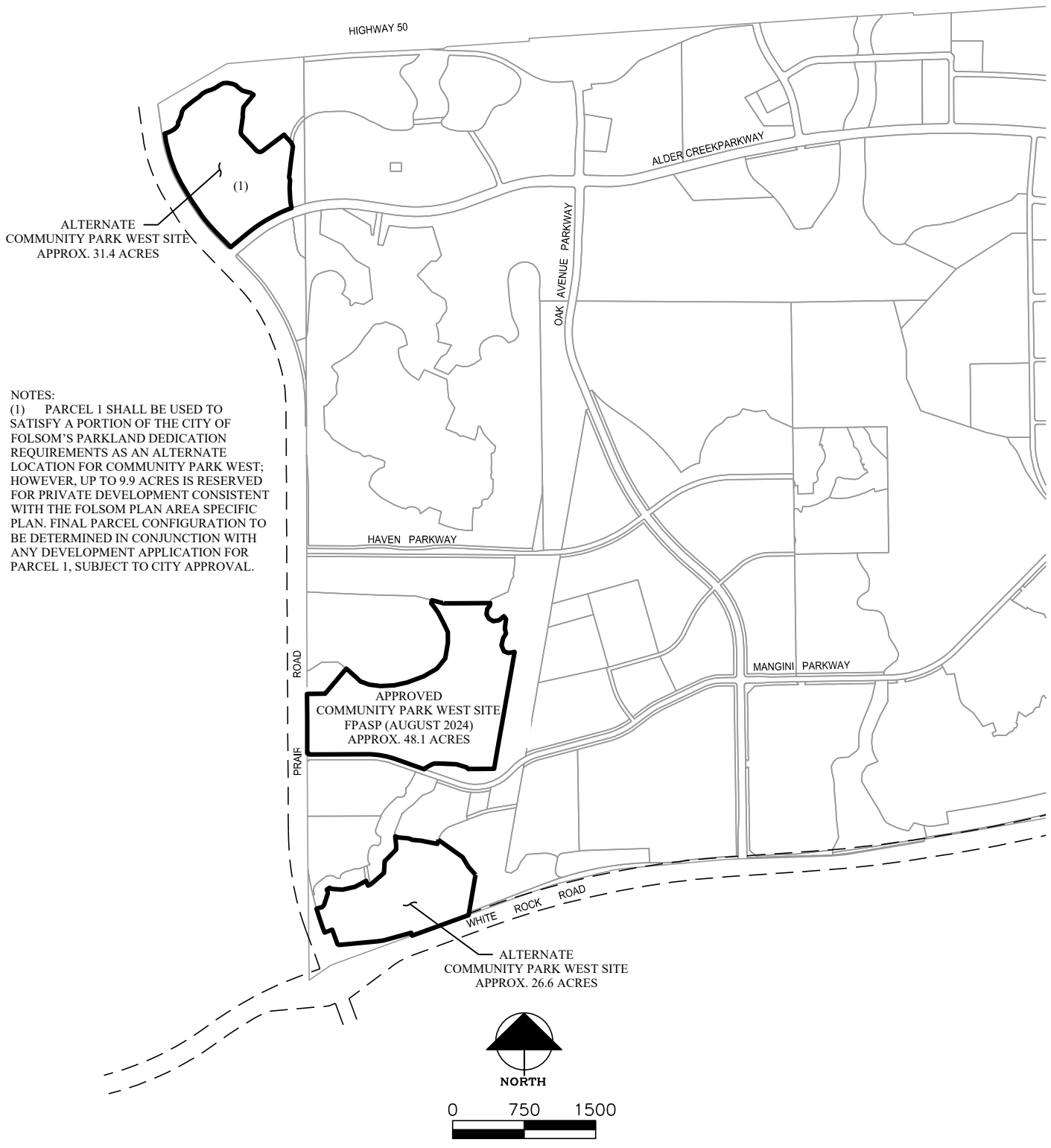
MW	1"= 400'	03/12/2026	27238
N BY	SCALE	DATE	JOB NO.

IF A DISCREPANCY EXISTS BETWEEN THIS EXHIBIT AND THE ASSOCIATED DESCRIPTION, THE DESCRIPTION HOLDS. THIS EXHIBIT IS FOR GRAPHIC PURPOSES ONLY.

EXHIBIT B

Alternate Site
Community Park West

[See Attached]



NOTES:
(1) PARCEL 1 SHALL BE USED TO SATISFY A PORTION OF THE CITY OF FOLSOM'S PARKLAND DEDICATION REQUIREMENTS AS AN ALTERNATE LOCATION FOR COMMUNITY PARK WEST; HOWEVER, UP TO 9.9 ACRES IS RESERVED FOR PRIVATE DEVELOPMENT CONSISTENT WITH THE FOLSOM PLAN AREA SPECIFIC PLAN. FINAL PARCEL CONFIGURATION TO BE DETERMINED IN CONJUNCTION WITH ANY DEVELOPMENT APPLICATION FOR PARCEL 1, SUBJECT TO CITY APPROVAL.

EXHIBIT 2.2.3.2 (Amended)

ALTERNATIVE SITE
COMMUNITY PARK WEST

Attachment 4

FOR THE BENEFIT OF THE CITY OF FOLSOM
PURSUANT TO GOVERNMENT CODE §6103

RECORDING REQUESTED BY CITY CLERK

WHEN RECORDED MAIL TO:

City Clerk
City of Folsom
50 Natoma Street
Folsom, CA 95630

Sacramento County Recorder
David Villanueva, Clerk/Recorder
BOOK 20140715 PAGE 0552
Tuesday, JUL 15, 2014 10:18:25 AM
Ttl Pd $0.00 Rcpt # 0008278067
TML/85/1-92

(SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE)

FIRST AMENDED AND RESTATED TIER 1 DEVELOPMENT AGREEMENT

BY AND BETWEEN THE CITY OF FOLSOM AND

AEROJET ROCKETDYNE, INC. AND EASTON DEVELOPMENT COMPANY, LLC

RELATIVE TO THE FOLSOM SOUTH SPECIFIC PLAN

Folsom File No. 174-21 14-035
ORD 1207 06/10/2014

33014

FIRST AMENDED AND RESTATED TIER 1 DEVELOPMENT AGREEMENT RELATIVE TO THE FOLSOM SOUTH SPECIFIC PLAN

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FIRST AMENDED AND RESTATED TIER 1 DEVELOPMENT AGREEMENT RELATIVE TO THE FOLSOM SOUTH SPECIFIC PLAN

This First Amended and Restated Tier 1 Development Agreement (the "Restated Agreement") is entered into this ____day of _____, 2014, by and between the City of Folsom ("City") and Aerojet Rocketdyne, Inc., an Ohio Corporation ("Landowner") and Easton Development Company, LLC, a California Limited Liability Company ("Landowner") pursuant to the authority of Sections 65864 through 65869.5 of the Government Code of California. All capitalized terms used herein and not otherwise defined herein shall mean and refer to those terms as defined in Section 1.3 of the Tier 1 Development Agreement between the parties hereto.

RECITALS

A. Tier 1 Development Agreement. The City and Landowner (or Landowner's predecessor-in-interest, as reflected in the definition of "Landowner" in the Tier 1 Development Agreement), previously entered into that certain Tier 1 Development Agreement By and Between the City of Folsom and Michele M. Carr and Melissa A. Barron, Et. Al., Relative to the Folsom South Specific Plan, dated August 2, 2011 and recorded on August 3, 2011, in the Official Records of the County Recorder of Sacramento County in Book 20110803, Page 0422 (the "Agreement"). Section 1.5 of the Agreement allows the Agreement to be amended from time to time by mutual written consent of the parties.

B. Purpose of Restated Agreement. The City and Landowner desire to provide greater certainty and clarity to matters that are common, necessary and essential for the development of the Property in the Plan Area, including but not limited to dedication of open space and land for public facilities, environmental mitigation and monitoring, as well as the contribution and reimbursement of the facilities' costs and services by and amongst Landowner and its successors-in-interest. Additionally, Landowner desires to proceed with Development consistent with the Entitlements or any Subsequent Entitlements that may be included within the scope of this Restated Agreement as those terms are described herein. As contemplated and required by the Tier 1 Development Agreement, prior to any Development being approved for or occurring within the Property (including any approval of tentative residential small-lot subdivision maps or grading or construction of any improvements within or serving the Property), Landowner must obtain approval from the City of a Tier 2 Development Agreement (as defined herein). This Restated Agreement is intended to replace the Tier 1 Development Agreement for the Property, implement the requirements of the Entitlements and the Specific Plan EIR as applied to Development of the Property, satisfy the condition for a Tier 2 Development Agreement prior to Development of the Property, and establish a process for evaluating the inclusion of future Specific Plan Amendments within the scope of this Restated Agreement in the event such amendments are approved by the City Council.

C. Effect of Restated Agreement. The Tier 1 Development Agreement requires the agreement and approval of a Tier 2 Development Agreement in conjunction with subsequent project-specific approvals, and prior to physical development of the Property. This Restated Agreement shall be deemed to implement and satisfy this requirement. Accordingly, upon the recordation of this Restated Agreement in the Official Records of Sacramento County, the Tier 1 Development Agreement, as applied to the Property, shall be deemed amended and replaced in its entirety by this Restated Agreement. The replacement of the Tier 1 Development Agreement by this Restated Agreement as to the Property shall not affect or impair the continuing validity of the Tier 1 Development Agreement and encumbrance thereof on other properties within the Plan Area that do not have an approved, executed and recorded Tier 2 Development Agreement or this Restated Agreement.

D. Property. The subject of this Restated Agreement is the development of the Property and the Plan Area. Landowner owns or has the right to acquire the Property and represents that all persons holding legal or equitable interests in the Property shall be bound by this Restated Agreement.

E. Specific Plan and Public Facilities Financing Plan. The City Council adopted the Specific Plan which Plan is applicable to the Property pursuant to Resolution No. 8863 on June 28, 2011. The City Council also approved the Public Facilities Financing Plan pursuant to Resolution No. 9298 on January 28, 2014 related to the planned development of the Specific Plan, consistent with the requirements of the Tier 1 Development Agreement.

F. Hearings. On May 7, 2014, the City Planning Commission, designated as the planning agency for purposes of development agreement review pursuant to Government Code Section 65867, in a duly noticed and conducted public hearing, considered this Restated Agreement and recommended that the City Council approve this Restated Agreement.

G. Mitigation Measures. Mitigation measures were recommended in the Specific Plan EIR and Supplemental Environmental Review(s), if any, related to the City's approval of the Specific Plan, the Agreement, and this Restated Agreement, and have been incorporated in the Specific Plan and the Entitlements and in the terms and conditions of this Restated Agreement, as reflected by the findings adopted by the City Council concurrently with this Restated Agreement.

H. Entitlements. Following consideration and certification of the aforementioned Specific Plan EIR, any Supplemental Environmental Review(s), and CEQA related findings, the City Council has adopted applicable statement(s) of overriding considerations and has approved the following Entitlements that are currently applicable to the Property, which Entitlements are the subject of this Restated Agreement:

1. The General Plan;

2. The Specific Plan;

3. This Restated Agreement;

4. The Public Facilities Financing Plan (the "PFFP"); and

5. The City and Landowner acknowledge that Design Guidelines for the Plan Area will be presented to the City by Landowners and other Participating Landowners for review and approval by the City. Upon approval of the Design Guidelines by the City, such Design Guidelines shall be an Entitlement without the necessity of further amendment to this Restated Agreement.

I. General and Specific Plans. Development of the Property in accordance with the Entitlements and this Restated Agreement will provide orderly growth and development of the area in accordance with the policies set forth in the General Plan and the Specific Plan.

J. Substantial Costs to Landowner. Landowner has incurred and will incur substantial costs in order to implement the Specific Plan and to assure Development in accordance with the Entitlements and the terms of this Restated Agreement.

K. Need for Services and Facilities. Development of the Property will result in a need for urban services and facilities, which services and facilities will be provided by City and other public agencies to such Development subject to the performance of Landowner's obligations hereunder, including but not limited to Landowner's obligation to fund such facilities and services.

L. Contribution to Costs of Facilities and Services. Landowner agrees as provided herein to provide for the costs of such public facilities, services and infrastructure, including but not limited to the Backbone Infrastructure required for the Development of the Property and/or required by the Entitlements, and to mitigate impacts on the City of the Development. City agrees to provide municipal services subject to Landowner's payment of such costs and compliance with the terms and conditions in this Restated Agreement. Landowner, through the development of its Property in accordance with the Entitlements and this Restated Agreement, will contribute as part of the Specific Plan towards providing a mix of housing and commercial uses meeting a range of needs for the City, dedication of land for, and funding of, public facilities, open space, parkland and related park amenities, and other services and amenities that will be of benefit to the future residents of the City.

NOW, THEREFORE, the parties hereto, in consideration of the mutual covenants, promises, and agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and agreed, the parties hereto do hereby agree as follows:

ARTICLE 1

GENERAL PROVISIONS

1.1 Incorporation of Recitals. The Recitals above are true and correct and constitute enforceable provisions of this Restated Agreement.

1.2 Property Description and Binding Covenants. Upon recordation of this Restated Agreement pursuant to Section 1.4.1 below, the provisions of this Restated Agreement shall constitute covenants which shall run with the Property and the benefits and burdens hereof shall bind and inure to all successors-in-interest to and assigns of the parties hereto. Accordingly, all references herein to "Landowner" shall include each and every subsequent purchaser or transferee of the Property, or any portion thereof, from Landowner, whether or not such purchaser or transferee executes an assumption of this Restated Agreement with respect thereto.

1.3 Definitions.

"Adopting Ordinance" means Ordinance No. 1207, dated June 10, 2014, approving this Restated Agreement.

"Advancing Owners" means the landowners within the Plan Area described in Section 4.2.1 and listed as Advancing Owners in **Exhibit 4.2.1** of this Restated Agreement.

"Aerojet/Easton Property" means the real property located within the Specific Plan owned by Aerojet Rocketdyne, Inc. and Easton Development Company, LLC, as of the Effective Date, as more particularly shown on **Exhibit 2.2.3.2** attached hereto and made a part hereof.

"Agreement" means the Tier I Development Agreement dated August 2, 2011.

"Area 40" means that portion of the Aerojet/Easton Property adjacent to Prairie City Road in the Specific Plan area as delineated by the EPA in the Superfund cleanup effort as depicted on **Exhibit 2.2.3.2**

"Backbone Infrastructure" means the infrastructure described on **Exhibit 2.2.1**, attached hereto and made part hereof.

"Backbone Lands" means the land areas within the Specific Plan as shown on **Exhibit 3.8**.

"CEQA" means the California Environmental Quality Act, Public Resources Code Section 21000 et seq., and all regulations and guidelines promulgated thereunder.

"City" means the City of Folsom, a municipal corporation.

"City Council" means the City Council of the City.

"City Zoning Ordinance" means the provisions of the City Municipal Code, Title 17 et seq.

"CFD" means a Community Facilities District established pursuant to the CFD Act.

"CFD Act" means the Mello-Roos Community Facilities Act of 1982 (Government Code Section 53311 et seq.), and the City of Folsom Community Financing Law (Folsom Municipal Code Chapter 3.110) as amended from time to time.

"Community Development Department" means the Community Development Department of the City.

"Community Development Director" means the Community Development Director of the City.

"Constructing Owner" means either Landowner or any other Participating Landowner who elects to construct any PFFP Facilities.

"Constructing Owner's Property" means the property within which any fee credits associated with the Constructing Owner's construction of any PFFP Facilities may be applied, as more particularly described in Section 4.3 below.

"Day(s)" means business day(s), except as expressly stated herein.

"Design Guidelines" means the design guidelines for the FPA approved by the City, and thereafter to be applied by the City to guide and evaluate the design of certain improvements within the Plan Area.

"Develop" or "Development" means any development, construction and use of the Property pursuant to a lawfully issued permit by the City of Folsom in furtherance of the Specific Plan and the Entitlements, including without limitation, the processing and approval of any tentative or final Large-Lot or Small-Lot Maps.

"Development Agreement Statute" means Government Code Section 65864, et seq.

"Development Phase" or "Phase" means a Development Phase as described in Section 3.9 and subsections to Section 3.9 of this Restated Agreement.

"Effective Date" means the date which is thirty (30) calendar days after the date of the Adopting Ordinance approving this Restated Agreement.

"Entitlements" means the entitlements described in items 1 through 5, inclusive, of Recital I above, and those Specific Plan Amendments referenced in Section 1.5.3 of this Restated Agreement.

"Existing Fees" means the development impact and mitigation fees existing in the City as of the Effective Date of the Agreement set forth in **Exhibit 2.2.4** attached hereto.

"Existing Rules", unless otherwise expressly provided in this Restated Agreement or the Entitlements, means City's ordinances, and resolutions in force and effect on the Effective Date of the Agreement.

"FPA" means the Folsom Plan Area annexed by the City of Folsom on or about January 18, 2012.

"General Plan" means the Folsom General Plan, as amended by Resolution No. 8861.

"Infrastructure CFD" means a CFD formed to finance (i) the acquisition and/or construction of any Backbone Infrastructure or other public facilities or improvements serving development of the Plan Area and/or (ii) the payment of the SPIF.

"Infrastructure CFD Improvements" means the public facilities or improvements authorized for acquisition or construction by the applicable Infrastructure CFD.

"Landowner" means Aerojet Rocketdyne, Inc., an Ohio Corporation, and its heirs, successors and assigns, and Easton Development Company, LLC, a California Limited Liability Company, and its heirs, successors and assigns.

"Land Use Plan" means the Specific Plan Land Use Plan for the Property, as set forth on Figure 4.1 of the Specific Plan, adopted by the City Council pursuant to Resolution No. 8863 and made a part hereof.

"Large-Lot Map" means a subdivision or parcel map processed and approved pursuant to the Subdivision Map Act that, upon recordation hereof, will create Large Lot Parcels.

"Large Lot Parcel" means a parcel created by the recordation of a parcel map, subdivision map consistent with the Subdivision Map Act that is either planned for non-residential or multi-family use, or is planned for single-family residential use

"Mitigation Fee Act" means the Mitigation Fee Act, as defined and implemented pursuant to Section 66000 et seq. of the California Government Code, or any successor statute thereto.

"Mitigation Monitoring and Reporting Program" means the mitigation monitoring and reporting program approved by the City in connection with its approval of the Specific Plan EIR pursuant to Resolution Number 8860, as may be revised from time to time in connection with the City's approval of any Supplemental Environmental Review(s) applicable to Development of the Property.

"Mortgagee" means any lender or other entity that obtains a mortgage or deed of trust against the Property.

"New Rules" means any new or modified resolution, rule, and/or ordinance adopted by the City or by initiative (whether initiated by the City Council or by a voter petition, which initiative changes, alters or amends the rules, regulations and policies applicable to the rate, timing or sequencing and density and intensity of use or Development of the Property) after the Effective Date which is not part of the Existing Rules. "New Rules" does not include a referendum that specifically overturns the City's approval of any of the Entitlements.

"New Plan Area Fees" means the new development impact and mitigation fees, including the SPRF, SPIF and New Plan Area Fees for City Facilities, to be adopted and imposed in connection with the Development of the Plan Area consistent with the terms of the PFFP and this Restated Agreement, as specifically listed and identified in **Exhibit 2.2.4** attached hereto under the Fee categories entitled "New FPASP Plan Area Fees for City Facilities," "New FPASP Plan Area Fee for Specific Plan Infrastructure (SPIF)," and "New FPASP Planning and Land Fees."

"New Plan Area Fees for City Facilities" means the new development impact fees to be adopted and imposed in connection with the Development of the Plan Area to finance certain City facilities consistent with the terms of the PFFP and this Restated Agreement, as listed and identified in **Exhibit 2.2.4** under the Fee category entitled "New FPASP Plan Area Fees for City Facilities."

"Participating Landowners" means Landowner and any and all other landowners of other properties within the Plan Area who have then obtained approval and have executed and recorded, and are not in breach, of a Tier 2 Development Agreement or this Restated Agreement for such other properties.

"Permit Streamlining Act" means the provisions of Government Code Section 65920 et seq.

"PFFP" ("Public Facilities Financing Plan") means the Public Facilities Financing Plan prepared by Economic and Planning Systems and the Folsom Office of Management and Budget approved by the City on January 28, 2014 by Resolution No. 9298.

"PFFP Facilities" means the public improvements and facilities serving the Plan Area that are to be financed, in whole or in part, by the Plan Area pursuant to the terms and provisions of the PFFP.

"Plan Area" means the entire Specific Plan area shown on **Exhibit B** hereto.

"Planning Commission" means the Planning Commission of the City.

"Project" means Development consistent with the Entitlements, including this Restated Agreement.

"Property" means those certain parcel(s) of land described in **Exhibit A-1** and shown on **Exhibit A-2** attached hereto and made a part hereof within the Plan Area.

"Public Parcels" means the parcels within the Plan Area planned for open space and public uses described and shown on **Exhibit B** hereto.

"Restated Agreement" means this First Amended and Restated Tier 1 Development Agreement.

"Small-Lot Map" means a subdivision map processed and approved pursuant to the Subdivision Map Act that, upon recordation thereof, will create either individual lots or parcels upon which building permits may be issued for the construction of commercial buildings or single-family residential units within a parcel planned for commercial or single-family use, or for construction and sale of individual condominium units within a parcel planned for commercial or multifamily residential use, consistent with the underlying zoning in the Entitlements.

"Specific Plan" means the Folsom Specific Plan adopted by the City Council by Resolution No. 8863 on June 28, 2011.

"Specific Plan Amendment" means an amendment to the Specific Plan approved by the City Council.

"Specific Plan EIR" means the Final EIR for the Specific Plan certified as adequate and complete by the City Council by Resolution No. 8860 on June 14, 2011 (State Clearinghouse No. 2008092051).

"SPIF" means the Specific Plan Infrastructure Fee to be adopted and imposed in connection with the Development of the Plan Area consistent with the terms of the PFFP and Section 4.2.2 of this Restated Agreement.

"SPRF" means the Specific Plan Reimbursement Fee to be adopted and imposed in connection with the Development of property within the Plan Area consistent with the terms of the PFFP and Section 4.2.1 of this Restated Agreement.

"Standard Design and Construction Specifications" means the standard specifications approved by the City Council and published and maintained by the City, as amended from time to time.

"Subdivision Map Act" means the provisions of Government Code Section 66410 et seq.

"Subsequent Entitlements" means those project specific approvals which, in addition to the Entitlements, are required in order for Development to occur on a Landowner's Property. Subsequent Entitlements include, but are not limited to,

tentative and final Large and Small-Lot Maps, parcel maps, use permits, design review, grading plans and building permits, and all of the conditions of approval associated with such project specific approvals.

"Supplemental Environmental Review(s)" means any supplemental or additional environmental review and analysis approved or certified by the City, in addition to the review and analysis certified by the City Council in the Specific Plan EIR, associated with and/or required by the City's review and approval of the Entitlements, including without limitation, any addenda, amendments, or mitigated negative declarations that may be approved or certified by the City in connection with any and all amendments to the Specific Plan.

"Term" means the term of this Restated Agreement as defined in Section 1.4.1 hereof.

"Tier 1 Development Agreement" means the Tier 1 Development Agreement described in Recital A.

"Tier 2 Development Agreement" means a development agreement required by the Tier 1 Development Agreement.

"Vested Rights" means the rights to Develop the Property consistent with the terms and provisions of this Restated Agreement.

"Water Supply Agreement" means that certain Water Supply and Facilities Financing Plan and Agreement Between the City of Folsom and Certain Landowners in the Folsom Plan Area, entered into by and between the City and Folsom Real Estate South, LLC, et al., dated December 11, 2012, and recorded in the Official Records of Sacramento County, Book 20130124, Page 1382, on January 24, 2013, as amended.

1.4 Term.

1.4.1 **Commencement; Extension; Expiration.** The Term shall commence upon the Effective Date. This Restated Agreement shall be recorded against the Property within ten (10) calendar days after City enters into this Restated Agreement, as required by California Government Code Section 65868.5. The Term of this Restated Agreement shall extend from the Effective Date through June 30, 2044, unless said Term is earlier terminated, modified or extended by circumstances set forth in this Restated Agreement or by mutual consent of the parties hereto. Nothing herein prevents the City from exercising its sole and complete discretion in determining whether this Restated Agreement shall be extended at the end of the Term, and whether any of the terms contained herein should be amended as part of the extension.

Following the expiration of the Term, or if terminated earlier in accordance with the terms of this Restated Agreement, this Restated Agreement shall be deemed terminated and of no further force and effect, except for the implementing ordinances for the SPRF and the SPIF, which shall survive unless and until amended or revoked by

the City Council, and the indemnification obligations in this Restated Agreement, which shall survive termination of this Restated Agreement.

1.4.2 **Tolling and Extension During Judicial Challenge or Moratoria**. In the event that this Restated Agreement is subjected to a judicial challenge by a third party other than Landowner, and Landowner gives written notice to City that it is electing not to proceed with the Project until such litigation is resolved, the Term of this Restated Agreement and timing for obligations imposed pursuant to this Restated Agreement shall, upon written request of Landowner, be extended and tolled during such litigation until the entry of a final order or judgment upholding this Restated Agreement, or the litigation is dismissed by stipulation of the parties. Similarly, if Landowner is unable to undertake Development due to the imposition by the City or other public agency of a development moratoria for imminent health or safety reasons unrelated to the performance of Landowner's obligations hereunder, then the Term of this Restated Agreement and timing for obligations imposed pursuant to this Restated Agreement shall, upon written request of Landowner, be extended and tolled for the period of time that such moratoria prevents development of the Property. In no event shall any extension of the term of this Restated Agreement under this section exceed twenty four (24) months from the date of filing of any judicial challenge without further action and approval of the City Council.

Notwithstanding any extension or tolling of the Term of this Restated Agreement as provided above in this Section 1.4.2, the City may, at Landowner's sole cost and expense, process any preliminary plans submitted by a Landowner, including, without limitation, any applications for tentative parcel map or tentative subdivision map approval, during such tolling period, provided, however, that Landowner waives the time limits set forth in the Subdivision Map Act or Permit Streamlining Act for any action by City during the tolling period to approve such tentative parcel map or tentative subdivision map or other development permit approval. In the event of a moratorium or judicial challenge as provided in this section City shall not be obligated to hold any hearings, public meetings or to approve such tentative map or development permit during the moratorium, but may proceed with processing of preliminary plans at Landowner's expense.

1.5 Amendment of Restated Agreement. When the City Council finds it in the best interests of the City to do so, this Restated Agreement may be amended from time to time by mutual written consent of City and Landowner with respect to the Property in accordance with the provisions of the Development Agreement Statute and City ordinances. Except as provided in Section 1.5.1, if the proposed amendment affects less than the entirety of the Property, then such amendment need only be approved by the owner(s) in fee of the portion(s) of the Property that is subject to or affected by such amendment.

1.5.1 **Required Provisions in Subsequent Tier 2 Development Agreements and Amendments to Incorporate Subsequent Entitlements**. In light of the necessity for full and ongoing funding of the FPA as provided in this Restated Agreement and the Entitlements, including the PFFP, the Parties agree that the terms and provisions of this Restated Agreement identified in this section must be included in

any other Tier 2 Development Agreement or subsequent Amended and Restated Development Agreement for other properties within the Plan Area. The Parties further agree that the terms and provisions enumerated herein may not be modified or amended as to any property within the Plan Area without the written consent of all of the then existing Participating Landowners. In addition, unless otherwise agreed to in writing by a Constructing Owner, the rights of a Constructing Owner who is no longer a Participating Landowner to any outstanding fee reimbursements and/or fee credits under a Fee Reimbursement Agreement with the City (as defined in Section 4.3 below) shall be protected from the effects of any proposed amendment to Sections 2.2.1, 4.2.1, 4.2.2 and 4.3 of this Restated Agreement through the Constructing Owner's contractual rights related thereto under such Fee Reimbursement Agreement. The following terms and provisions fall within the scope of this section:

A. Portions of the PFFP, SPRF and SPIF; Credits and Reimbursements (Sections 2.2.1, 4.2.1, 4.2.2 and 4.3): The provisions of the PFFP as set forth in Section 2.2.1 (subject to the re-opener provisions of Section 2.2.4.1), the Specific Plan Reimbursement Fee as set forth in Section 4.2.1, the Specific Plan Infrastructure Fee as set forth in Section 4.2.2, and the Fee Credit and Reimbursement rights as set forth in Section 4.3;

B. Portions of the Financing Programs outlined in the PFFP (Sections 2.2.3.5, 2.5.3 and 3.2): Landowner's and City's commitments under Recital L, Section 2.2.3.5 related to adoption and implementation of the PFFP and the SPIF, Section 2.5.3 to support the formation and implementation of all finance programs and CFDs described therein, including the Aquatic Center CFD for purposes of financing as outlined in the PFFP, and Section 3.2 related to the formation and implementation of any infrastructure CFDs;

C. New Plan Area Fees (Section 2.2.4 and 2.2.4.1): Landowner's commitment in this Restated Agreement to support and pay the New Plan Area Fees, and all other fees adopted by the City consistent with this Restated Agreement, as and when required by the PFFP and the adopting ordinances;

D. Design Guidelines (Recital H): The Design Guidelines for the Project upon approval by the City;

E. Dedications of Backbone and Lands Public Parcels (Sections 3.8 - 3.8.5.1): Landowner's commitment to dedicate and/or grant the Backbone Lands and Public Parcels required for development of the Plan Area at no cost to the City; and

F. Phasing of Backbone Infrastructure (Sections 3.9 – 3.9.2): Subject to the City's discretion, as described in this Restated Agreement, to determine the phasing and timing for construction of necessary Backbone Infrastructure as maps are processed, Landowner's commitment to maintain the underlying requirement to construct the portion of the Backbone Infrastructure as determined for each Development Phase pursuant to Section 3.9 of this Restated Agreement.

Nothing stated herein is intended to modify the exceptions to vested rights set forth in Section 2.2.3, the re-opener provisions of Section 2.2.4.1, the provisions allowing for cost of living adjustments in Section 2.2.4(7), or the rights of the City under Sections 2.2.5, 2.2.6 and 2.2.7 to enact new laws or regulations as provided for in those sections.

1.5.2 **No Amendment Required for Minor Administrative Modifications**. The parties acknowledge that under the Specific Plan, the Community Development Director of the City has the discretion to approve minor modifications to approved land use entitlements without the requirement for a public hearing or approval by the City Council. Accordingly, the approval by the Community Development Department of any Minor Administrative Modifications (as defined in the Specific Plan on the Effective Date of this Restated Agreement) to the Entitlements that are consistent with this Restated Agreement shall not constitute nor require an amendment to this Restated Agreement to be effective. Notwithstanding the procedure for minor amendments, nothing in the Entitlements or this Restated Agreement would preclude the Community Development Director or the City Manager from bringing such amendments to the Planning Commission and/or City Council for action if he/she believes it is in the best interests of the City to do so.

1.5.3 **Amendments to Restated Agreement after Approval of Subsequent Entitlements.** A Participating Landowner may file an application for a Specific Plan Amendment and Subsequent Entitlements associated with the Specific Plan Amendment after the approval, execution and recordation of this Restated Agreement. As part of such applications, the Participating Landowner must also obtain an Amendment to this Restated Agreement to allow for the application of the terms of this Restated Agreement to the Specific Plan Amendment and the Subsequent Entitlements it seeks. Such amendments shall be referenced as Amendment No.[ ] to the Landowner's Restated Agreement, and shall be considered and processed by the City in accordance with the terms of Government Code Section 65864 through 65869.5, inclusive, and any and all applicable provisions of the Folsom Municipal Code and the City Charter and City Council Resolution No. 2370. The City Council retains sole and absolute discretion to evaluate the Specific Plan Amendment and related Subsequent Entitlements, including imposing conditions of development and to conduct any and all necessary Supplemental Environmental Review prior to consideration of the approval of the Specific Plan Amendment and the Subsequent Entitlements. If the City, in its sole and absolute discretion, approves the Specific Plan Amendment and the Subsequent Entitlements and provided that Landowner also reaffirms its agreement to abide by the provisions of this

Restated Agreement and any modifications to the Restated Agreement and the Specific Plan or conditions imposed on the project, then the Specific Plan Amendment and Subsequent Entitlements shall be included within the definition of Entitlements as that term is used throughout this Restated Agreement.

1.5.3.1 **Specific Plan Amendment Cut-Off Date**. The terms set forth in this Restated Agreement shall apply to Specific Plan Amendments approved by the City Council prior to that date that is two (2) years from the date of publication in the Federal Register of the Record of Decision for the Section 404 Permit issued by the United States Army Corps of Engineers relative to Backbone Infrastructure, or July 1, 2016, whichever is later (the "Specific Plan Amendment Cut-off Date"). For Specific Plan Amendments approved by the City Council on or after the Specific Plan Amendment Cut-off Date, the City retains the right to modify this Restated Agreement as applied to the lands covered by the proposed Specific Plan Amendment, to impose additional conditions or requirements of the Project that are not project specific or "nexus" based, including imposing additional costs, conditions or requirements to: (1) fund and/or construct facilities other than PFFP Facilities, and (2) fund services or amenities other than those described in the PFFP, in conjunction with the approval of an amendment to the Specific Plan or to accelerate the funding of projects in the PFFP. Nothing in this section is intended to prevent development of the Property for the uses and to the density or intensity of development or the rate and timing of development as set forth in this Restated Agreement and the Entitlements, or permit modifications of other existing rights or application of New Rules, except as expressly permitted in this Restated Agreement including, as provided in Government Code Section 65865.2. Landowner retains its right to object to the cost of additional conditions or requirements, but expressly waives any argument that the imposition of such conditions or requirements violate the terms of this Restated Agreement and agrees to comply with such conditions or requirements, including any cost associated therewith, should such be imposed by the City as part of an amendment to this Restated Agreement following consideration of Landowner's objection. Regardless of the date of approval of a Specific Plan Amendment, nothing stated herein is intended to modify, alter or limit in any way the City's right to impose new conditions or terms which derive from environmental review and are required to mitigate environmental impacts, or are otherwise directly project related or "nexus" based.

1.5.4 **Recordation Upon Amendment or Termination**. Except in the event that this Restated Agreement is automatically terminated due to the expiration of the Term, the City shall cause any amendment hereto, including any extension of the Term, and any other termination hereof to be recorded, with the County Recorder within ten (10) calendar days after City executes such amendment or termination. Any amendment or termination of this Restated Agreement to be recorded that affects less than all the Property shall describe the portion thereof that is the subject of such amendment or termination.

ARTICLE 2

DEVELOPMENT OF THE PROPERTY

2.1 Permitted Uses. The permitted uses of the Property, the density and intensity of use, the maximum height and size of proposed buildings, provisions for reservation or dedication of land for public purposes and location of public utilities and public improvements shall be those set forth in the Entitlements and this Restated Agreement.

2.2 Vested Rights. City agrees that, except as otherwise provided in and as may be amended in accordance with the Exceptions to Vested Rights set forth in Section 2.2.3 below, City is granting, and grants herewith, vested rights to Development for the Term of this Restated Agreement in accordance with the terms and conditions set forth herein. City acknowledges that the rights vested by this Restated Agreement include the land uses and approximate acreages for the Property as shown and described in **Exhibit A-1** and **Exhibit A-2** attached hereto, or as such land uses and approximate acreages may be amended by those Specific Plan Amendments referenced in Section 1.5.3 of this Restated Agreement. Nothing in this Restated Agreement shall impair or affect the rights of Landowner under a vesting tentative map or the City's rights to condition such maps. (Govt. Code Sec. 66498.1, et seq.)

Such uses shall be developed in accordance with the Entitlements, as the Entitlements described in Recital H provide on the Effective Date of this Restated Agreement and/or as any Subsequent Entitlement incorporated therein provides on the date of approval thereof by City.

2.2.1 **Vested Provisions of the PFFP**. The parties agree that the PFFP is not a vested document in its entirety. They further agree that only those portions of the following Chapters and Appendices in the PFFP specifically referenced below will vest for the term of this Restated Agreement:

A. The list of PFFP Facilities to be constructed in and/or financed by the Plan Area, as set forth in Appendices B through G and I through O of the PFFP, as may be revised in accordance with the provisions of Section 2.2.3.5 herein and subject to the re-opener provisions set forth in Section 2.2.4.1 herein. The initial list of PFFP Facilities is attached hereto as **Exhibit 2.2.1**;

B. The development impact fee provisions, as set forth in the Executive Summary, Chapters 5 and 8 and Table 13 of the PFFP, including payment of such fees at building permit or occupancy and establishment of fee reimbursement and credit provisions for advance-funded improvements;

C. The SPIF Implementation provisions, as set forth in Appendix S of the PFFP, including the SPIF Set-Aside for certain Phase 1 and

Phase 2 sewer and water infrastructure and the SPIF fee reimbursement and fee credit implementation and prioritization;

D. The Sewer and Offsite Water CFD and Extended Term CFD provisions, as set forth in Chapters 5 and 6 and Appendix U of the PFFP; and

E. The City Loan for Water/Sewer Financing provisions, as set forth in Chapters 5 and 6 and Appendix U of the PFFP, including City loan repayment from Sewer and Offsite Water CFD revenues and establishment of SPIF Set-Aside with applicable credits for eligible improvements.

As to the provisions of the SPIF, including the Set-Aside described in 2.2.1(C), the Parties agree that additional details for implementation of the SPIF Set-Aside will be subject to refinement and substantiation as part of and in connection with the City's adoption of the SPIF ordinance consistent with the parameters and purposes identified in the above referenced sections of the PFFP. The City also shall have the authority to adopt the ordinance for the New Plan Area Fees to accomplish the purpose outlined in the PFFP consistent with the parameters and purposes identified in the above referenced sections of the PFFP.

2.2.2 **Vested Provisions of the Specific Plan.** The parties recognize the need to vest certain portions of the Specific Plan and also recognize that during the term of this Restated Agreement that there may be a need for changes in the plan to keep pace, for example, with new regulatory requirements, new technology, changing trends and a need for flexibility to address changes and needs and goals of the City as expressed by the City Council over time. The parties recognize that the Specific Plan is not vested in its entirety and agree that the following sections of the Specific Plan are vested and will not be altered by New Rules:

A. Development Standards set forth in Appendix A of the Specific Plan;

B. Land Use and Zoning set forth in Section 4 of the Specific Plan; and

C. The street widths and roadway section provisions of Section 7.7.2 of the Specific Plan as depicted in Figures 7.24, 7.25, 7.26 and 7.27 related to Local Streets for a period of ten (10) years from the Effective Date of this Restated Agreement

2.2.3 **Exceptions to Vested Rights.** The parties specifically agree that no vested rights exist and/or the term of such vesting under this Restated Agreement may be limited and subject to modification and the parties recognize that provisions in the Entitlements related to these issues may differ from the existing code and the Specific Plan and that the terms of this Restated Agreement shall control with respect to the following issues:

2.2.3.1 **Affordable Housing**. The existing Housing Element and Folsom Municipal Code contain provisions associated with affordable housing and these provisions are vested until January 1, 2020 (i.e., the date that is 12 months before the expiration of the current Housing Element). Until January 1, 2020, the City agrees it shall not amend provisions of the Housing Element associated with affordable housing, except for such amendments that do not alter land uses, result in additional financial burdens on development in the Plan Area, amend the Land Use Plan, rezone any portion of the Property without the Landowner's written consent or to comply with state law or court order. Nothing herein shall prohibit Landowner from proposing or agreeing to any changes to the Land Use Plan or zoning for the Property. In any subsequent Housing Element the City may adopt a Housing Element in its discretion and will look citywide to meet its State-imposed Regional Housing Needs Allocation (RHNA) and retains all rights to modify the Land Use Plan and rezone any portion of the Property, add, modify or delete programs, policies and goals, excluding however any portion(s) of the Property for which a vesting map has been approved and remains valid. Nothing in this Restated Agreement is intended to limit the Landowner's ability to obtain vested maps as allowed by law or City ordinance.

The City agrees that when examining land to address future RHNA requirements, it will, to the extent feasible in the FPA, maintain rough proportionality of the mix of residential and commercial as exists in the Specific Plan on the Effective Date of this Restated Agreement. For purposes of this section, "rough proportionality" shall mean plus or minus 10%. The City agrees that when it examines the RHNA requirements it will endeavor to maintain the rough proportionality of commercially zoned land to residentially zoned land. Notwithstanding the objective to maintain rough proportionality, the City may consider among other information available at the time it is reviewing its Housing Element, including the number of and type of financially feasible and available sites, criteria used for evaluating financing of affordable housing projects (including but not limited to qualification for tax credits), the extent to which vested maps or other vested rights exist on commercial and residential property, the extent to which other lands have been rezoned to a different zoning designation since the Effective Date of this Restated Agreement, avoiding overconcentration of affordable housing and the policies of the Housing Element and may, in its discretion, rezone lands necessary to meet the City's RHNA obligations.

2.2.3.2 **Area 40 - Community Park West.** The term "Community Park West" refers to that portion of the Aerojet/Easton Property designated as the site for Community Park West, as depicted in **Exhibit 2.2.3.2**. At the time of adoption of this Restated Agreement, the land uses have been identified in and approved as part of the Specific Plan, and the Parties believe such uses are consistent with the uses permitted by state and federal regulatory agencies in that portion of the Aerojet/Easton Property referred to as Area 40 that has Superfund status. The City and Easton Development and Aerojet Rocketdyne ("Aerojet/Easton") have met to address the current provision related to Area 40 in the Tier 1 Development Agreement. The parties have agreed to replace the Tier 1 provision with the provisions contained in this section and to provide for an alternate site if Community Park West has not received regulatory clearance for

the park uses called for in the Specific Plan during the timeframe outline in this section. This Agreement grants to Easton and Aerojet, as owners of the Aerojet/Easton Property, and their successors-in-interest, the right to develop portions of the Aerojet/Easton Property, other than properties designated as Community Park West and the Alternate Site (defined below), consistent with the Specific Plan subject to the provisions of this section.

No later than the issuance of the 600th residential building permit within the Aerojet/Easton Property and those parcels designated for residential use within the community park service area depicted in Figure 9.1 in the Specific Plan ("the Service Area"), Aerojet/Easton shall create, record and irrevocably offer to dedicate to City the parcel for the neighborhood park depicted in the Specific Plan as a 10.0 acre park. In addition, Aerojet/Easton shall demonstrate to the City's satisfaction, at the time of the offer of dedication, that infrastructure (e.g., access streets, curb, gutter and sidewalk, water and power services) are available to serve the neighborhood park parcel. The City and Aerojet/Easton have met and agreed upon an alternate site for Community Park West in the event that all regulatory clearances for the uses in Community Park West are not achieved as set forth herein. The alternate site for Community Park West is depicted in **Exhibit 2.2.3.2** ("Alternate Site") which has been agreed to by Aerojet/Easton, the City, and the landowners who are party to a Restated Agreement. Notwithstanding the foregoing sentence, agreement of landowners who are a party to a Restated Agreement shall not be construed as a waiver on the part of such landowners of the right to request mitigation measures as part of the park project approval process to reduce impacts of Community Park West on properties adjacent to or in the vicinity of the Alternate Site. The parties agree that the Alternate Site shall not exceed the size (approximately 47.8 acres) of Community Park West as reflected in the Specific Plan adopted in 2011. Aerojet/Easton shall process parcel maps with its first land use application or submittal of a Specific Plan Amendment in the Service Area separately delineating the Alternate Site and Community Park West. When the parcel map is created for the Alternate Site, Aerojet/Easton shall grant, execute and provide to the City an irrevocable offer of dedication of the Alternate Site for a community park use conditioned as set forth in this section.

Upon issuance of the 1,000th residential building permit within the Service Area, Aerojet/Easton and City shall meet to discuss the progress of regulatory clearance for use of Community Park West, as well as timing and process for use of the Alternate Site should Community Park West not be available upon issuance of the 1200th residential building permit in the Service Area. In the event that Community Park West is not available for park use when the 1,200th residential building permit is issued in the Service Area or if a final determination (including applicable appeals) is made by the EPA that Community Park West cannot be used for the intended park purposes, whichever occurs first, the City may accept the offer of dedication of the Alternate Site as a permanent replacement for Community Park West. City agrees to accept and process an application from Aerojet/Easton for a Specific Plan Amendment, which application shall include, unless separately submitted in advance, the creation of the parcel maps and the Irrevocable Offer of Dedication referred to above. Any such

Specific Plan Amendment by Aerojet/Easton shall be processed by City following the City's typical review and approval process, which shall include CEQA review. Aerojet/Easton may proceed through the entitlement process on all Aerojet/Easton Property in the Plan Area, except Community Park West and the Alternate Site, and for those sites the entitlement process shall not proceed beyond a parcel map and zoning until the use of the Community Park West site has been resolved.

A deed restriction for park use only shall be recorded against the Community Park West and Alternate Site parcels, attaching a copy of this section which shall run with the land, until final approval of either site for a community park. Any entitlements for the Aerojet/Easton Property shall plan for and be consistent with the use of the Alternate Site for community park purposes and to assure access and circulation for the surrounding properties, acknowledging that doing so may necessitate or be facilitated by minor adjustments to the parcel map creating the Alternate Site. Aerojet/Easton shall be responsible for all the costs associated with the processing of any Specific Plan Amendments and environmental documents related to Specific Plan Amendment applications, including use of the Alternate Site for park purposes. Any cost adjustments required to construct park facilities at the Alternate Site shall be included in applicable New Plan Area Fees as set forth in Section 2.2.4(1) herein.

Disclosures shall be required and included as map conditions for the sale of all residential property sold in the Service Area of both Community Park West and the Alternate Site advising potential purchasers of the potential uses of these sites, including but not limited to future residential development or park and recreation use involving lighted playing fields. When the roadways adjacent to Community Park West and the Alternate Site have been constructed and opened for use, signage, to the satisfaction of the City, that is easily read by passing traffic shall be erected announcing residential development or the potential for park facilities on these sites. Unless otherwise approved by the City Council, Community Park West and the Alternate Site shall remain in ownership by Aerojet/Easton until final approval of either site for the community park. Any transfer approved by the City Council shall be subject to conditions it imposed and shall be accompanied by an Assignment and Assumption Agreement outlining the terms contained herein or as otherwise approved by the City Council.

Upon final approval of either site as a community park or when an irrevocable offer of dedication for the approved site is accepted by the City, the restrictions and limitations set forth herein for the site not used as a community park shall be removed.

The Parties acknowledge and agree that the vested rights conveyed by this Restated Agreement shall not prevent City from initiating or approving amendments to the approved Specific Plan, or adopting ordinances to achieve the purposes of this section. The Parties also acknowledge and agree that, the City's interests having been protected by the disclosures and restrictions noted above, Aerojet/Easton shall be permitted to submit and process for approval large and small lot tentative and final maps throughout the Aerojet/Easton Property, except the Alternate Site and Community

Park West, subject to City's regular review and approval process; however no entitlements shall be approved if such entitlements or components thereof would impede or limit the use of either site for a community park. The Parties and landowners further acknowledge and agree that limitations set forth herein on the use of the Alternate Site may not be resolved until after the deadline for the revision of the PFFP and adjustment to the SPIF described in Section 2.2.3.6 herein and therefore agree Aerojet/Easton or the City may initiate a revision to the PFFP and SPIF to address this issue up to ninety (90) days after the authorization to proceed with development on the Alternate Site. Upon approval of the Alternate Site for residential purposes, SPIF may be reallocated over the Aerojet/Easton Property for any such property that has not received a building permit.

The PFFP provides for a number of community facilities districts in the Plan Area and unit allocations for SPIF purposes. The parties and landowners agree and the district formation documents shall provide that neither the Alternate Site nor Community Park West will be subject to any community facilities district tax until such time the Alternate Site is used for residential purposes. The district formation documents shall provide that the taxable allocation from the Alternate Site shall be allocated to the remaining Aerojet/Easton Property and upon approval for residential purposes it may be reallocated, annexed to the district or the tax imposed.

Failure of Aerojet/Easton to comply with the terms set forth in this section shall be grounds to cease the application process for any entitlements in the Aerojet/Easton Property, including waiver of any permit streamlining provisions, as well as other remedies contained in this Restated Agreement. Provided, however, the effect of any such non-compliance and enforcement of any such remedies shall be limited to the Aerojet/Easton Property and shall not apply against or affect Development within any other Participating Landowner's property in the Plan Area.

2.2.3.3 **Quarry Traffic**. Section 7 of the Specific Plan addresses circulation in the Plan Area. Landowner acknowledges that, as provided in Section 2.2.2 above, this Restated Agreement does not vest any rights with respect to changes to the Circulation Chapter to assure compliance with the Quarry Truck Management Plan (TMP) approved by the Sacramento County Board of Supervisors on December 14, 2011 (Resolution No. 2011-0938). The City retains all rights and authority to make changes to the circulation provisions of the Specific Plan based on final implementation of the TMP. With respect to any portion of the Property impacted by the roadway alignments required by the TMP (the "TMP Alignments"), Landowner agrees to offer irrevocably for dedication or grant (at the City's discretion) easements and rights-of-way required for traffic and circulation under or in connection with the TMP at no cost to the City prior to the approval of the first tentative Small Lot Map for any portion of the Property impacted by the TMP Alignments, or any portion or phase thereof. Landowner may look to entities other than the City of Folsom for compensation associated with the TMP requirements, but any dispute related to compensation shall not delay or impede the ability of the City to obtain necessary easements or right of way. Any necessary

adjustments to dedications shall be governed by the provisions of Sections 3.8.3 and 3.8.4 of this Restated Agreement.

Landowner acknowledges and agrees that Development of the Property shall comply with the requirements of the Quarry Traffic Management Plan Funding Mechanism Program adopted by the County of Sacramento on December 14, 2011, as Resolution Number 2011-0938, as well as requirements in the Agreement Between the County of Sacramento, the Sacramento County Water Agency, and the City of Folsom, Relating to Transportation and Water Supply Issues Involving the South of Highway 50 Folsom Plan Area Annexation dated December 21, 2011.

2.2.3.4 **Corporation Yard**. The parties understand and agree that a new corporation yard equivalent to approximately 30 acres will be located in the vicinity of, but not within, the Plan Area. Such property has been tentatively identified, with a final purchase and sale agreement pending, pertaining to the location of the corporation yard. Landowners will be responsible for one hundred (100%) percent of the cost of land acquisition for such corporation yard as provided in the PFFP and Section 2.2.3.4.1 below. The Plan Area will fund its fair share of capital costs for all improvements and facilities required for the corporation yard. Such financing for capital costs shall be provided in accordance with the terms of the PFFP.

The City and certain landowners have identified a potential site for the corporation yard outside the Plan Area. The location is part of a Williamson Act contract and entitlements must be obtained through the County. Should the proposed use of the identified site as a corporation yard not be approved by the County, the Participating Landowners and the City will meet jointly to identify another suitable alternate site within sixty (60) calendar days following a final determination of disapproval by the County. The City may proceed with an alternate site should the landowners and City not mutually identify an alternate site. Additional land acquisition cost for an alternate site may be included in the PFFP.

2.2.3.4.1 **Purchase of Corporation Yard.** The Corporation Yard Purchase Price shall include the following amounts: (1) appraised value of the land ($820,000.00); (2) interest at the rate of 3 percent, compounded annually, and (3) City costs as enumerated in the Purchase Agreement in an amount not to exceed $36,000.00. The obligation for the Corporation Yard Purchase Price is an obligation of the Participating Landowners within the Folsom South Specific Plan Area, as set forth in the Amended and Restated Development Agreement, Section 2.2.3.4 and to be shared thereby consistent with the cost allocation method therefor under the Public Facilities Financing Plan ("PFFP"). To facilitate the financing of the Corporation Yard Purchase Price, this amount shall be identified as an eligible and authorized facility in the Infrastructure CFD or CFDs to be formed pursuant to the PFFP, including any extended term CFD.

The City and Aerojet shall enter into promissory note for the Purchase Price, which shall include only the appraised value of the land and any interest accruing thereon, and shall provide that the City will make annual

payments to Aerojet from the "Note Payment Sources" (which are comprised of (1) 90% of Corporation Yard permit fees paid to the City, to the extent the City has received such amounts as of the applicable payment due date, and (2) a credit to Easton of 90% of the value of the Corporation Yard permit fees that would be owed by Easton on any building permit pulled by Easton in the Plan Area). The promissory note shall further provide that all outstanding amounts are due and payable to Aerojet on the 7th Anniversary of the closing.

In the event there is a balance owed to Aerojet on the 7th Anniversary of the Closing, any remaining balance shall come from the Participating Landowners, in accordance with their relative fair shares for such obligation, provided each Participating Landowner's fair share shall be offset by the share of any Corporation Yard permit fees previously paid by such Participating Landowner and applied to the Note payments. At the discretion of each Participating Landowner, a Participating Landowner's outstanding share may be paid from any funds available from any bond proceeds or PAYGO revenues ("CFD Revenues" as defined in the PFFP) generated by an Infrastructure CFD that includes the Participating Landowner's property. This obligation of the Participating Landowners shall be joint and several, with right of equitable indemnity as between themselves. If any Participating Landowner fails to pay its share of the outstanding amount due on the Note, such defaulting Participating Landowner shall be deemed to be in breach of this Restated Agreement and the other Participating Landowners shall be obligated to advance the share of such defaulting Participating Landowner in proportion to their relative fair share obligations (with a right to reimbursement thereof, plus interest, from the delinquent Participating Landowner).

For each Participating Landowner who advances its share of such payment or directs CFD Revenues from such Participating Landowner's property to be used to pay all or any portion of its share of the balanced owed on the Note on the 7th Anniversary of the Closing, the City will implement a corresponding fee credit against the Corporation Yard impact fee for each Participating Landowner that contributes to the Corporation Yard Purchase Price through such payment or tax on its property.

The Landowners and the City will evaluate whether an amendment to the PFFP (including Appendix U) is necessary to provide that the Corporation Yard Purchase Price is an eligible and authorized facility as set forth herein, and that the fee credits specified herein shall be incorporated into the Corporation Yard impact fee.

2.2.3.5 **PFFP and SPIF**. The PFFP has been approved by the City Council and is agreed to by Landowner. The PFFP sets forth the finance plan for funding the costs to construct the PFFP Facilities and to maintain and provide the municipal services required to serve the development of the Plan Area consistent with the Entitlements. Landowner agrees to support the adoption and implementation of all

financial programs described in the PFFP for the Development of the Property consistent with the terms of the PFFP, including the adoption and implementation of the SPIF described therein and the New Plan Area Fees.

As provided in Section 2.2.1 above, certain provisions of the PFFP are vested; however, as provided herein, the City may otherwise modify the PFFP over time. All impact fees and increases in impact fees, other than inflationary adjustments, shall be adopted and implemented by the City in accordance with the Mitigation Fee Act. Landowner acknowledges that, as set forth in the PFFP, the Existing Fees and the New Plan Area Fees may be increased by the City from time to time based on a cost of construction inflation factor and/or based on changes in the actual or estimated costs of construction of the facilities or improvements to be financed thereby.

As each Development Phase within the Plan Area is processed for approval by the City, the specific, detailed components and timing of the PFFP Facilities required to serve such Development Phase shall be determined by the City, consistent with the PFFP and the Specific Plan EIR and this Restated Agreement. As PFFP Facilities are developed over time, the general description of PFFP Facilities addressed by the PFFP may be updated and/or amended as deemed necessary by the City, provided the overall cost for the Facilities does not increase, except as provided in the re-opener provisions of Section 2.2.4.1. Nothing shall limit the ability of the City to modify the types of facilities within the overall cost structure provided in the PFFP. Updates and/or amendments to the PFFP shall not require an amendment of this Restated Agreement or the Specific Plan.

The parties understand and agree that best efforts have been made to calculate costs of development of the infrastructure and facilities in the Plan Area based on available information and current laws and regulations. Further, the PFFP identifies various methods to pay for the costs articulated and necessary for the Plan Area. The responsibility for payment of the costs in the PFFP shall not be, in any case, the responsibility of the City. To the extent the estimated costs of the PFFP Facilities in the Plan Area are higher than expected, Landowners shall be responsible for the increased costs of such PFFP Facilities allocable to the Plan Area, either through adjustments of the Existing City Fees or New Plan Area Fees or other methods of financing as provided in the PFFP, but not through reductions in services or facilities in the Plan Area.

To the extent the costs to develop the Plan Area are less than expected, the City may, but is not required to examine and assess whether modifications to fees are appropriate. Landowner acknowledges that certain Landowners believe that the fee burden on commercial is higher than residential and the City may, but is not required to examine the fee burdens on commercial and residential in the future. In no case is the City required to reduce services or facilities should the cost of improvements be less than anticipated.

2.2.3.6 **Adjustment to SPIF After July 1, 2016**. Landowners acknowledge that the costs to fund the Property's share of the PFFP Facilities under the

PFFP, including the amount of the SPIF, will be based on the land uses allocable to the Property. The Landowners acknowledge that early changes in the Specific Plan can alter SPIF payments, but there must be a time in which the SPIF would not be adjusted merely due to changes in land uses or facilities. Therefore, in the event of any amendments to the land uses for the Property requested by Landowner and approved by the City on or before July 1, 2016, the City shall be authorized to revise the PFFP and, upon the request of any Participating Landowner to update the SPIF during such period, the City shall use good faith, diligent efforts to thereafter update the PFFP, the list of PFFP Facilities, and the New Plan Area Fees related thereto, including the SPIF, as needed, to revise the allocation of such costs to the Property under the PFFP consistent with the methodology of the PFFP and based on the revised land uses for the Property (and any other such land uses changes within the Plan Area). After July 1, 2016, changes in land uses shall not trigger a revision or an update to the SPIF in the manner described above. Provided, however, on and after the Cut-off Date for Specific Plan Amendments set forth in Section 1.5.3.1 of this Restated Agreement, nothing herein shall limit the City, when a land use change is requested for any portion of the Property, from reviewing and modifying the SPIF as applicable solely to the portion of the Property that is the subject of the proposed Specific Plan amendment or imposing a condition or requirement on and only on such portion of the Property that is the subject of the proposed Specific Plan amendment to: (1) fund and/or construct facilities other than PFFP Facilities, or (2) fund services or amenities other than those described in the PFFP in conjunction with the approval of such amendment to the Specific Plan.

2.2.4 **City Fees and New Plan Area Fees, Including Cost Increases**. As described in the PFFP, the City and Landowners have agreed to a financing plan for development of the Plan Area. Among the financing mechanisms are application of the Existing Fees and adoption of New Plan Area Fees. The Existing Fees and New Plan Area Fees are set forth in **Exhibit 2.2.4** hereto. Subject to the limitations in Section 2.2.4.1 (5000 units or ten (10) years) regarding City revisions to the list of PFFP Facilities and modification to the New Plan Area Fees for City Facilities to provide additional funding for development of the Plan Area, the City agrees not to adopt or to increase any fees or to apply other fees to Landowner except as follows:

1. Any fees described in the PFFP and/or **Exhibit 2.2.4**, including New Plan Area Fees and Existing Fees. Notwithstanding any provision to the contrary, Existing Fees adopted City-wide that are not replaced by New Plan Area Fees may be increased from time to time by resolution of the City Council, provided with respect to any such Existing Fees subject to the Mitigation Fee Act, the increase will be made in accordance with the Act.

2. Any mitigation fees required under the Specific Plan EIR and any Supplemental Environment Review(s)

3. Storm Drainage Funding – At the time of this Restated Agreement, the complete Storm Drainage plan and costs for the Folsom Plan Area have not been determined. Landowners are responsible for funding and fees

associated with implementation of the Stormwater Drainage Plan. No vesting is applicable to drainage required by state or regional, non-City local laws/regulations.

4. Non-potable Water System – At the time of this Restated Agreement, a non-potable water supply for the Folsom Plan Area has not been identified and the off-site transmission for and storage of any such supply for the Folsom Plan Area have not been included for the funding of the Plan Area. If the City identifies a non-potable water supply source as available for the Plan Area, Landowner acknowledges that Development may become responsible for and will not be vested against any fees adopted by the City (consistent with the Mitigation Fee Act) associated with funding the installation of the additional off-site transmission, on-site storage infrastructure and other necessary infrastructure, for any such non-potable water system. Landowner shall not be responsible for the costs of acquiring the identified non-potable water supply. The requirements in this subsection may be funded in whole or in part by fees or other sources, including rates, grants or other funding.

5. Light Rail Fee - The City may adopt or modify a Light Rail Fee to be applicable to the Folsom Plan Area.

6. Development Processing Fees, including but not limited to fees for project application, plan check, permit, inspection, and related fees in conjunction with any development applications.

7. Adjustments for Costs of Living or Cost of Construction: Existing and New Plan Area fees, including SPIF, may be adjusted by the City at any time based on cost of living or other such inflationary adjustments (including inflationary adjustments based on the Engineering New Record Cost of Construction Index, a Consumer Price Index or other method in accordance with the ordinances adopting the Existing Fees and New Plan Area Fees. Similarly, the City may adjust New Plan Area Fees on the basis of revised cost estimates or experience and the ordinances adopting such fees.

8. Any regulatory or other non-Impact fee adopted Citywide.

9. Any fees or increases in such fees for unforeseen or unaccounted for costs for the PFFP Facilities arising out of a mutual mistake by the parties including inadvertent failure to include all or a portion of the costs or to comply with the requirements imposed by state law or court decisions associated with the construction and installation of the PFFP Facilities, any of which have the effect of imposing an additional financial burden on the City in connection with the construction and installation of the PFFP Facilities may be added or modified so there is no additional cost to the City in connection therewith.

All fees and adjustments to fees described above shall be adopted by the City by ordinance or fee resolution and any impact fees are to be adopted and implemented by the City in accordance with the terms and provisions of the Mitigation Fee Act.

Notwithstanding any provision to the contrary, Landowner is solely responsible for the payment, as and when due upon the recordation of any Large Lot Maps or Small Lot Maps or upon the issuance of any grading permit, building permit or other such permit for development or occupancy of any unit or building within the Property, of all fees imposed and/or assessed by non-City public agencies, entities, and districts.

2.2.4.1 **Re-Opener on New Plan Area Fees for City Facilities**. In addition to and separate from any inflationary or cost of construction adjustments to the New Plan Area Fees consistent with this Restated Agreement and the PFFP, after the issuance of building permits for the construction of 5000 residential units or ten (10) years from the Effective Date of this Restated Agreement, whichever comes first, within the Plan Area, the City may revise the list of facilities to be funded by the New Plan Area Fees for City Facilities and modify the New Plan Area Fees for City Facilities in relation thereto, subject to the following conditions: (i) New Plan Area Fees for City Facilities shall not be increased by more than five percent (5%) per year or twenty five percent (25%) every five (5) years as a result of such changes to the list of facilities to be funded by the remaining development within the Plan Area (separate from and in addition to cost of construction adjustments for the prior list of PFFP Facilities); (ii) the inclusion of the additional facilities for financing by the remaining development within the Plan Area must comply with the nexus requirements of the Mitigation Fee Act; (iii) any increase to the New Plan Area Fees for City Facilities associated with the inclusion of the additional facilities shall not be applied to any portions of the Property zoned for non-residential development until five (5) years have passed after the issuance of 5000th building permit for the construction of residential units, or fifteen (15) years from the Effective Date of this Restated Agreement, whichever comes first, and (iv) the adjustments to New Plan Area Fees for City Facilities shall not be applied retroactively to any portion of the Property that has then paid the New Plan Area Fees for City Facilities with respect to development thereof. For purposes of this section, residential units means any dwelling (single, multi-family, mixed use) for full time habitation.

2.2.5 **Police Powers and Citywide Ordinances**. Nothing in this Restated Agreement limits or is intended to limit the City from exercising its police powers and adopting New Rules when the City Council finds that such New Rules are necessary to promote the public health, safety and welfare, provided such New Rules do not impair the financial provisions of this Restated Agreement, do not impair the vested rights of Landowner under this Restated Agreement, and do not adversely impact the land use designations in the Specific Plan and any Specific Plan Amendment, the density and intensity of use, the rate and timing of development, the maximum height and size of proposed buildings, and the provisions for reservation or dedication of land for public purposes and location of public utilities and public improvements.

Further, nothing in this Restated Agreement limits or is intended to limit the City from adopting New Rules that are applicable citywide, provided such New Rules do not impair the financial provisions of this Restated Agreement, do not impair the vested rights of Landowner under this Restated Agreement, and do not adversely impact the land use designations in the Specific Plan and any Specific Plan Amendment, the density and intensity of use, the rate and timing of development, the maximum height and size of proposed buildings, and the provisions for reservation or dedication of land for public purposes and location of public utilities and public improvements.

2.2.6 **Application of Changes Due to State and Federal Laws**. Nothing in this Restated Agreement shall preclude the application to Development of changes in City laws, regulations, plans, policies, or fees mandated by State or Federal law or a court order issued by a court of competent jurisdiction, in order to comply with mandates or requirements due to changes in State or Federal laws or regulations or an order issued by a court of competent jurisdiction. To the extent that such changes in City laws, regulations, plans, policies, or fees mandated by State or Federal law prevent, delay or preclude compliance with one or more provisions of this Restated Agreement, City may modify or suspend such provisions of this Restated Agreement as may be necessary to comply with such State or Federal laws or regulations or court order, and City and Landowner shall take such action as may be required pursuant to this Restated Agreement to comply therewith.

2.2.7 **Uniform Codes and Standard Construction Specifications**. Nothing herein shall preclude City from applying to the Property standards contained in uniform building, construction, electrical, plumbing, fire or other uniform codes and Title 24 of the California Code of Regulations or City modifications thereto and City's Standard Construction Specifications relating to building standards in effect at the time of approval of the appropriate permits which may include, but not be limited to, building, grading or other construction permits approvals for the Property, as the same may be adopted or amended from time to time by City, provided that the provisions of any such modifications shall:

A. Apply on a City-wide basis; and

B. With respect to those portions of any such uniform code that have been adopted by City without amendment, be interpreted and applied in a manner consistent with the general application of such code in the City.

2.2.8 **Conflict Between Existing Rules, Entitlements and Restated Agreement.** In the event of any conflict or inconsistency between the Existing Rules, the Entitlements, and this Restated Agreement the following applies:

A. In the event of any conflict or inconsistency between the Existing Rules and this Restated Agreement, the provisions of this Restated Agreement shall prevail and control.

B. In the event of any conflict or inconsistency between the Entitlements, the Existing Rules and this Restated Agreement, the provisions of this Restated Agreement shall prevail and control.

2.3 Density Transfer. Density transfers shall be permitted as set forth in the Specific Plan in effect as of the Effective Date of this Restated Agreement.

2.4 Subsequent Entitlements. Each Landowner's Vested Rights to proceed with Development is subject to the approval of Subsequent Entitlements which shall be obtained in conjunction with any necessary project-specific approvals and required grading, building and other such permits as required by the Existing Rules.

2.5 Ordinance, Resolution and Officially Adopted Rules.

2.5.1 **Conflicting Ordinances or Moratoria**. Except as provided in this Restated Agreement, so long as this Restated Agreement remains in full force and effect, no future resolution, City Council adopted rule, ordinance adopted by the City or by initiative (whether initiated by the City Council or by a voter petition, other than a referendum that specifically overturns the City's approval of any of the Entitlements) shall directly or indirectly limit the rate, timing or sequencing and/or density and intensity of use or of the Development in accordance with and as permitted by the Entitlements and this Restated Agreement. Subject to the foregoing, the parties hereto acknowledge the powers reserved to the City's electors in the City Charter.

2.5.2 **Authority of City**. This Restated Agreement shall not be construed to limit the authority or obligation of City to hold necessary public hearings, or to limit discretion of City or any of its officers or officials with regard to rules, regulations, ordinances, laws and entitlements of use which require the exercise of discretion by City or any of its officers or officials.

2.5.3. **Requirements for Subsequent Plans, Guidelines, Funding Mechanisms, Community Facilities Districts and Land Dedications.** The following plans, guidelines and funding mechanisms must be completed for the Plan Area by Landowner and approved by the City and land dedications offered to the City prior to approval of the first tentative Small Lot Map for the Property, or any portion thereof, prior to approval of the first final Small Lot Map (or first building permit, if Development may occur without any subdivision) for any portion of the Property, or applicable portion thereof, as follows:

A. Prior to Approval of First Tentative Small Lot Map:

(1) Public Right-of-Way and Land Dedication Plan;

(2) Open Space Management and Financing Plan;

(3) Drainage Facilities Maintenance and Financing Plan; and

(4) Design Guidelines.

B. Prior to Approval of First Final Small Lot Map in the FPA (or First Building Permit if Development May Occur Without Any Subdivision):

(1) Formation of the Sewer and Off-Site Water CFD as provided in the PFFP to fund a portion of the Plan Area sewer and water infrastructure, provided, however, Landowner may elect to exclude the Property, or any portion thereof, from such CFD, subject to Landowner consenting to a map condition and City and Landowner executing an agreement specifying how the Property, or excluded portion thereof, will pay its share of the sewer and water infrastructure, on a building permit by building permit basis(or other payment methodology mutually agreed to by Landowner and the City) that would otherwise be funded by inclusion thereof in the CFD, consistent with the PFFP;

(2) Formation of the Aquatic Center CFD related to the recreational facilities that may include an aquatic center, sports complex and/or community center, provided, however, Landowner may elect to exclude the Property, or any portion thereof, from such CFD, subject to Landowner consenting to a map condition and City and Landowner executing an agreement specifying how the Property, or excluded portion thereof, will pay its share of the recreational facilities, on a building permit by building permit basis, (or other payment methodology mutually agreed to between Landowner and the City), that would otherwise be funded by inclusion thereof in the CFD, consistent with the PFFP;

(3) Formation of the Parks, Trails, Landscape Corridors, Medians and Open Space Maintenance CFD (the "Services CFD"), the Storm Drainage Maintenance CFD (unless such drainage maintenance is included in the Services CFD), and the Street Maintenance District/Lighting Maintenance District CFD (unless such street maintenance is included in the Services CFD), as provided in the PFFP;

(4) Adoption of the New Plan Area Fees, including the New Plan Area Fees for City Facilities, the SPIF, and the SPRF, as provided in the PFFP and listed on **Exhibit 2.2.4** attached hereto;

(5) Dedication or grant of the rights of way and easements for all Backbone Lands for roadways and utilities within the Property as provided herein; and

(6) For each final Small Lot Map, offers of dedication of the Public Parcel(s) described in Section 3.8.5 below located within the portion of the Property affected by the final Small Lot Map, or within sixty (60) days of Landowner's receipt of a written request for dedication thereof from the City, whichever occurs first.

C. Prior to First Building Permit within the Property (or portion thereof to be included within an Infrastructure CFD desired to be formed by Landowner):

(1) Formation of one or more Infrastructure CFDs, which do not need to include the entire Plan Area or the entire Property, to fund a portion of required Backbone Infrastructure or other public facilities as desired by Landowner, and will also fund the Property's share of the improvements and facilities to be funded through the extended-term of the Infrastructure CFDs (the "Extended Term Infrastructure CFD Facilities") consistent with the PFFP and Section 3.2 of this Restated Agreement, provided, however, Landowner may elect to exclude the Property, or any portion thereof, from such Infrastructure CFDs, subject to Landowner and City executing an agreement specifying how the Property, or excluded portion thereof, will pay its share of the Backbone Infrastructure, other public facilities, or the Extended Term Infrastructure CFD Facilities on a building permit by building permit basis (or other payment methodology mutually agreed to between Landowner and the City) consistent with the PFFP.

D. Compliance with Submittal Requirements. Specific projects proposed under the tentative Small Lot Map shall comply with all submittal and review requirements in effect at the time of submittal.

E. No Limitation on Timing for Commencement of Special Tax. The parties agree that, except with respect to the Aquatic Center CFD, and the Sewer and Off-Site Water CFD, and the Extended Term CFD (as defined in the PFFP), which will levy special taxes on the Property only after issuance of building permits thereon unless otherwise agreed to by Landowner, nothing in this Restated Agreement limits the timing for commencement of annual CFD tax payments

F. Landowner Consent. Landowner has agreed to the financing provisions set forth in this Section 2.5.3 and the PFFP and to perform the obligations hereunder in exchange for the consideration and benefits provided to Landowner by City under this Restated

Agreement. Accordingly, Landowner does herby irrevocably consent to: 1) the formation of a CFD, the issuance of CFD Bonds, the imposition of taxes against the Property with respect thereto, and the apportionment of the costs and expenses of the proposed Backbone Infrastructure, Facilities, Maintenance and other CFD purposes as set forth in the PFFP, and waives any and all right of protest or objection with respect thereto or 2) the execution of an agreement with the City to pay its share of the improvements that otherwise would be required consistent with the terms set forth in this section.

G. CFD Districts. CFDs may be formed as stand-alone districts or combined, at the discretion of the City and in consultation with the landowners.

2.5.4 **Satisfaction of LAFCO Conditions**. The Parties acknowledge that Development consistent with the terms and conditions of the Entitlements and this Restated Agreement complies with and satisfies all conditions for development imposed in the annexation process by the LAFCO Commission under LAFCO Resolution No. 1196.

2.5.5 **Mather Noise Easements**. Landowner shall, prior to or concurrent with the execution and recordation of this Restated Agreement, record a noise easement over the Property in the form attached hereto as **Exhibit 2.5.5** relating to noise caused by aircraft arriving or departing from Mather Airport.

2.5.6 **School Impact Mitigation**. Landowner shall comply with Measure W and Section 16.32.110 of the Folsom Municipal Code and mitigate all impacts on the demand for school facilities associated with Development pursuant to the Entitlements and this Restated Agreement through the payment of school impact fees adopted by the Folsom Cordova Unified School District in accordance with applicable statutory authority and requirements (the "Statutory School Impact Fees"). The Statutory School Impact Fees shall be paid as and when building permits are issued for development within the Property required to pay the Statutory School Impact Fee, except as the timing for such payment may be deferred by agreement between Landowner and the Folsom Cordova Unified School District. The revenues to be generated by the Property's payment of such Statutory School Impact Fees, in combination with the general obligation bonding capacity and state funding available to the Folsom Cordova Unified School District, are anticipated to fully mitigate all impacts on the demand for school facilities associated with Development in compliance with the requirements of the school mitigation provision set forth in Measure W (Folsom Charter Provision Section 7.08D) and of LAFCO Resolution No. 1196, Section 13 (requiring incorporation of feasible school impact mitigation). Nothing in this Restated Agreement is intended to address funding of schools under applicable laws or subsequent amendments to such laws.

2.6 Application, Development and Project Implementation Fees. Landowner shall pay application, development processing, inspection and plan checking fees and charges as may be required by City under the regulations existing at the time of submittal.

ARTICLE 3

LANDOWNER OBLIGATIONS

3.1 Development, Connection and Mitigation Fees. Except as otherwise provided in this Restated Agreement, any and all required payments of development, connection or mitigation fees by Landowner shall be made at the time and in the amount specified by then applicable City ordinances.

3.2 Infrastructure CFDs. Except as may otherwise be agreed to by Landowner and the City during the formation of an Infrastructure CFD for the Property as provided in Section 2.5.3, the following specific provisions shall be included within the applicable terms and conditions of an Infrastructure CFD related to the Property. The CFD shall be consistent with any City adopted Finance Policies relating to such financing, the current policy is provided in Resolution No. 9282 and the City's Financial Policies adopted on May 25, 2004 or as hereafter amended. The term of the special tax to be levied by any Infrastructure CFD against the Property shall be sufficient to support multiple bond sales and Pay-Go revenues as described in the PFFP. Available CFD bond proceeds and/or special tax proceeds may also be used to fund reimbursement of previously paid SPIFs but such proceeds may not be used for any other fees, including Impact Fees. In no event shall CFD proceeds be used to pay SPIF obligations arising out of dedication of land, including but not limited to dedications for roads, schools, parks, and trails. Payment of SPIF obligations, fee reimbursements from the SPIF, and SPIF fee credits converted from outstanding SPIF reimbursements, shall be allowed and available to Landowner for Infrastructure CFD Improvements financed by CFD proceeds generated by and allocable to the Property. When the CFD's are created the City will include provisions that permit the use of excess capacity for eligible facilities as outlined in the CFD formation documents. For purposes of this section, excess capacity is defined as capacity over and above full payment for the primary eligible facilities identified in the CFD formation documents. Where a CFD is used for eligible facilities Landowner shall not be entitled to any fee credits, except for SPIF fee credit or reimbursement from the SPIF program for that portion paid for with CFD funds.

3.2.1 **Participation by Landowner**. With respect to the formation of any Infrastructure CFDs, nothing in Section 3.2 or Section 2.5.3 shall be construed to require Landowner to form an Infrastructure CFD provided Landowner pays its fair share or enters into an agreement with the City to pay its fair share contribution for Plan Area wide CFD facilities at the time the CFD is formed and when the special tax is levied. Further, if a CFD is formed, nothing precludes the payment by an owner of any parcel(s) within the Property to be included within the Infrastructure CFD of a cash amount equivalent to its proportionate share of costs to be financed for the Infrastructure CFD improvements, or any portion thereof, prior to the issuance of any CFD bonds by such Infrastructure CFD.

3.2.2 **Formation of CFD Subject to City Discretion**. Nothing in this Restated Agreement shall be construed to require City to form a CFD if City determines,

in its reasonable discretion, that formation would not be consistent with adopted City policies and prudent public fiscal practice.

3.3 Alternative Financing Mechanisms. Nothing herein shall be construed to limit Landowner's option to install any improvements through the use of traditional assessment districts or private financing or other financing mechanisms as permitted by law and authorized by the City. Landowner is solely responsible for all costs related to the construction and installation of all infrastructure improvements required for Development of the Property as set forth in the PFFP, and understands and agrees that the City shall not be responsible for any of such costs. To the extent the costs of the infrastructure improvements and public facilities required for Development of the Property exceeds the proceeds from the Infrastructure CFDs or other financing mechanism of the Landowner, Landowner shall be solely responsible for such shortfall without reducing levels of service or facilities identified in the Public Facilities Financing Plan.

3.4 Disclosure to Subsequent Purchasers. This Restated Agreement shall constitute notice to all successors to Landowner hereunder, and to all subsequent purchasers of any lots, parcels and/or residential units within the Property, of all of the matters set forth herein, provided, however, the effect of this notice and disclosure shall automatically terminate and be of no further force or effect upon any termination of this Restated Agreement with respect to any such lots, parcels and/or residential units, including without limitation, any termination of this Restated Agreement pursuant to the terms of this Restated Agreement.

3.5 EIR Mitigation Measures. Notwithstanding any other provision in this Restated Agreement to the contrary, as and when Landowner elects to Develop the Property, or any portion or phase thereof, Landowner shall be bound by, and shall perform, or cause to be performed, all mitigation measures contained in the Specific Plan EIR and any Supplemental Environmental Review(s) related to Development of the Property which are adopted by City and are identified in the Mitigation and Monitoring and Reporting Program as being a responsibility of Landowner for Development of the Property.

3.6 Mitigation Monitoring and Reporting Program. Separate from and in addition to the requirements in Section 3.5 of this Restated Agreement, Landowner shall be responsible for all of the costs and expenses associated with the Mitigation Monitoring and Reporting Program under the California Environmental Quality Act as part of the Specific Plan EIR and any Supplemental Environmental Review(s) related to the Development. In furtherance of this provision, Landowner shall pay all costs required by the City associated with the Mitigation Monitoring and Reporting Program as set forth in the conditions of approval on the Entitlements.

3.7 Backbone Infrastructure. Based on the Specific Plan and the PFFP, the Backbone Infrastructure required to support development of the Plan Area consistent with applicable City development standards consists of the improvements that are required to provide access and public utilities to any part of the Plan Area, as

more particularly described and listed as the Backbone Infrastructure in **Exhibit 2.2.1** attached hereto. Landowner's obligation to install any of the Backbone Infrastructure, or any elements thereof, in connection with its Development shall be determined by the City in accordance with the development phasing provisions of Section 3.9 below. The parties recognize that the definition of Backbone infrastructure in the PFFP excludes sound walls and landscape corridors and Landowner agrees that such costs are the Landowner's responsibility on a project basis.

The City will use reasonable efforts to seek other funding to assist Landowner with the costs of the Backbone Infrastructure such as supporting the (a) formation of CFDs and adoption of fees described in the PFFP and this Restated Agreement; (b) collection of reimbursements by other benefitted properties under SPIF, and (c) application such as applying for available regional, statewide and federal funding for Backbone Infrastructure.

3.7.1 **White Rock Road Improvements**. As part of Sacramento County's transportation planning for the area that includes the Plan Area, the County approved a plan and certified an EIR for the Southeast Capital Connection that includes road improvements to White Rock Road along the southern boundary of the Plan Area. In connection therewith, the County prepared a study, a copy of which is attached to the PFFP, that allocates $15.2 million to the Plan Area as its fair share for the Southeast Capital Connection improvements and intends to include such costs within its pending Sacramento County Development Transportation Fee (the **"SCDTF"**) to finance such road improvements. The Landowners shall pay the SCDTF as the Plan Area's fair share of funding for improvements to White Rock Road as part of the Southeast Capital Connection. The City agrees that the Plan Area's obligation to construct any improvements to White Rock Road shall be limited to dedication of easements and rights-of-way required for improvements to White Rock Road and payment of its fair share obligation set forth in the SCDTF adopted or to be adopted by the County. The only road improvements to White Rock Road to be included in the list of Backbone Infrastructure shall be the intersection improvements within the Plan Area required to connect the Plan Area roadway network to White Rock Road, including without limitation, the intersection improvements planned at Oak Avenue, Scott Road (east), Placerville Road and Empire Ranch Road; no other improvements to White Rock Road shall be required to be funded by the Plan Area (except through the payment of the SCDTF) or included within the list of Backbone Infrastructure, including without limitation, any potential grade separations along White Rock Road.

If the Connector alignment changes or the alignment requires right of way from Landowners in the Folsom Plan Area, Landowner(s) will sell the land necessary to facilitate the connector project at no cost to the City, but upon compensation acceptable to Landowner(s) to be paid by other entities, such as the Capital Southeast Connector Joint Powers Authority (the "Connector JPA"). Nothing herein shall limit compensation paid by other entities. No compensation from the City will be required for connections to the Connector project as identified in the Backbone Infrastructure. City will cooperate with the Participating Landowners, including Landowner, to support, as may be

necessary, the desired alignment for the Connector as shown in the Specific Plan with the Connector JPA.

3.8 Dedications of Backbone Lands. If and to the extent not previously granted by Landowner pursuant to the Tier 1 Development Agreement, rights of way and easements for all Backbone Lands will be granted to all the Landowners in a format acceptable to the City for purposes of access and construction of public improvements, and to the City in a form acceptable to the City, prior to the recordation of the first final parcel or subdivision Map for the Property, but in no event later than 180 days after the Effective Date for purposes of access and public utilities. Such dedications and/or grants shall be at no expense to the City. As necessary, the easements shall also benefit the City. These rights of way and easements will be recorded at the Sacramento County Recorder's Office and shall be for the benefit of each Landowner. The Backbone Lands on which Backbone Infrastructure are to be constructed are depicted on **Exhibit 3.8** attached hereto and made a part hereof (the **"Backbone Lands"**). The easement width for Backbone Lands shall be to the width of the road right-of-way plus 25′ or the back of the landscape corridor, whichever is less and include a temporary construction easement of a width adequate to allow the necessary grading to construct the improvement and to facilitate construction access, including increasing the width when required by site conditions. In the case of an easement outside a road right-of-way, the width shall be consistent with the requirements of the City and include a temporary construction easement. A survey map exhibit of the easements will accompany the descriptions and plats and shall be recorded as a supplemental exhibit(s).

3.8.1 **Temporary Construction Easements.** The construction obligation of each phase or sub-phase of development of the Plan Area may require construction of certain portions of Backbone Infrastructure on the property of other Specific Plan Landowner(s). This will require access for the purpose of construction on, over and across the Backbone Lands. To assure that all owners of land within the Specific Plan have confidence that they can access, construct, and offer to the City public improvements required of the phase or sub-phase of development, Landowner hereby agrees to provide all other Landowners, without cost, rights of way, easements, and temporary construction and access easements to those Backbone Lands on which Backbone Infrastructure is to be constructed as depicted on **Exhibit 3.8** or as later modified for the Backbone Infrastructure in the Plan Area, provided any such modifications shall not affect the location of the Backbone Infrastructure within the Property without the Landowner's consent. Such temporary construction easements shall include the ability to access open space parcels to construct improvements required by conditions of applicable Clean Water Act Section 404 Permit(s). Subject to indemnification of the other Landowner(s) and the City, when applicable, by the Constructing Owner, such access temporary easement rights shall not be withheld, nor shall the Constructing Owner be required to pay any compensation to any underlying Landowner(s) for such access easement, during the term of this Restated Agreement. Temporary construction easements shall automatically terminate upon formal acceptance of the fully-completed public improvements by City in writing. Nothing shall limit the terms of temporary access easements related to insurance, indemnification,

restoring premises to pre-easement condition and non-interference with uses of the burdened property and other reasonably necessary terms relating to such easements.

3.8.2 **Manner of Dedication.** The easements described in this Section 3.8 may be granted or dedicated, as the case may be, by separate legal instruments, or by reference thereto on the face of a parcel map or subdivision map for the sole purpose of right of way and utility easement dedication, which shall be recorded with the Recorder's Office of the County of Sacramento. City shall use its best efforts, to the greatest extent permitted by law, to impose the obligations described in this Section 3.8 upon every owner of land within the Plan Area.

3.8.3 **Adjustments to Dedications**. City and Landowners acknowledge that, as Landowner processes large lot and small lot subdivision maps for the Property and as the Connector or other public projects envisioned in the Plan Area progress, or any portion or phase thereof, minor adjustments to the boundaries of the areas dedicated pursuant to the terms of the Restated Agreement may be required based on the final engineering for such maps and Landowner and the City may also propose to relocate certain roadways, utilities or other City facilities. City and Landowner agree to cooperate with any such proposed adjustments or relocations, provided the approval of such adjustments or relocations shall be subject to the City's sole discretion. Upon such approval, City and Landowner will cooperate to effect such adjustments or relocations, subject to Landowner offering to dedicate to the City any replacement area that may be required by such adjustment or relocation so long as any such replacement area has not then been developed by Landowner.

3.8.4 **Release of Excess Offers of Dedication/No Compensation**. In addition to adjustments to dedicated property pursuant to Section 3.8.3 above, City may determine, in its sole discretion, that certain property offered for dedication may not be necessary for public purposes associated with the Specific Plan. Because the offers of dedication previously made pursuant to this Restated Agreement have been or are being made early in the planning process to assure the availability of the areas planned for the Backbone Infrastructure, City agrees: 1) that unnecessary easements or IOD's will be abandoned or quitclaimed to the original grantor or its successor-in-interest; and 2) that subsequent quitclaims or releases of areas approved by the City that were previously offered for dedication by Landowner shall not require any compensation to be paid by Landowner or its successor-in-interest for the property released unless Landowner or successors have been paid for the land through the SPIF or other program, notwithstanding any existing City ordinances or policies to the contrary. The timing and conditions for release of excess dedication is solely in the City's reasonable discretion. Landowner's early dedication hereunder, together with its covenant to dedicate any replacement area that may be required by an adjustment or relocation, provides adequate compensation to the City for any such subsequent abandonment by the City of these dedicated areas.

3.8.5 **Dedication of Public Parcels.** Portions of the Property, if any, described and designated as Public Parcels as shown on **Exhibit B** and further described in Appendices I through M and Appendix O of the PFFP (the "Public

Parcels"), shall be offered irrevocably for dedication or granted to the City, at the City's discretion and in a form acceptable to the City, free and clear of any encumbrances (including but not limited to any assessment or special tax previously imposed on the properties), when requested by the City, whichever is sooner. The Public Parcels shall be offered for dedication or granted to the City by Landowner within either: (i) 60 days of the Landowner's receipt of a written request from the City therefore, or (ii) upon recordation of a Final Small Lot Map that includes the Public Parcels, whichever occurs first.

Dedications and/or grants provided herein shall be at no expense to the City. The timing of acceptance of the Public Parcels is subject to the reasonable discretion of the City. The irrevocable offers of dedication or grants may be granted by separate legal instruments, or by reference thereto on the face of a parcel map or subdivision map, which shall be recorded with the Recorder's Office of the County of Sacramento. Dedication of Public Parcels shall be subject to approval by the City of: (i) the physical condition of the planned open space and other public property within the Property and (ii) the formation of a financing mechanism acceptable to City to fund the costs of ownership and maintenance responsibility areas as applicable within the Property. As provided in Section 3.8.3, in the event minor adjustments to the boundaries of a Public Parcel dedicated or conveyed to the City for open space or public facilities may be required based on the final engineering of the development in the area, City or Landowner may propose to relocate and/or revise the boundaries of the Public Parcel at the Landowner's sole cost and expense, subject to City approval at its reasonable discretion.

3.8.5.1 **Maintenance of Open Space/Public Property/Fuel Modification Area**. Landowner shall include the Property in a financing mechanism(s) for funding the maintenance of open space and other public property within the Plan Area. Landowner will be required to create a funding mechanism satisfactory to the City to create a fuel modification area of between 30 and 100 feet from the Landowner's property line into any City-owned property or other publicly-owned open space and parkland adjacent to the Property or as provided in the adopted Open Space Management Plan or the City Fire Code. It is the intent of the parties that a funding mechanism will be created by each Development Project or Plan Area wide to pay for the clearing of brush, grasses and other debris along and within adjacent public properties within the Plan Area on an annual basis to reduce fire danger. The fuel modification may be accomplished by a CFD, private homeowners association, other private entity, City resources paid for by the aforementioned funding mechanism or as otherwise agreed to by the parties.

3.9 Phasing of Development. Until December 31, 2015, the City agrees to provide a procedure, at Landowners' expense, for notification to other Participating Landowners when Landowner has submitted an application for development of the Property, or any portion thereof (each, a "Development Phase"). The purpose of the notification process is to permit coordinating of phasing and construction of infrastructure with other property owners. Each Development Phase application shall be consistent with the provisions of FMC Chapter 16.20 and is intended to inform the

City, as well as other Participating Landowners, of Landowner's intended phasing of development for its Property, including the intended phasing for any Backbone Infrastructure. To the extent practicable, a Development Phase application shall identify anticipated phases beyond Landowner's next, immediate phase of development, in furtherance of this disclosure objective, with more specific and refined phasing information to be included with information available at the time of submittal of improvement plans.

3.9.1 **Phasing of Necessary Backbone Infrastructure Through Map Conditions**. Each tentative subdivision map or tentative parcel map approved by the City for the Property, or any portion thereof, shall include a condition that requires, for purposes of determining the necessary set of Backbone Infrastructure to be installed in connection with the final subdivision map(s) related thereto, preparation and staff approval of technical engineering studies identifying the Backbone Infrastructure required to meet the then current City's Standard Design and Construction Specifications for such proposed final map. The technical studies are subject to City approval prior to approval of any related final subdivision map or final parcel map, and shall determine the Backbone Infrastructure required to meet the then current City's Standard Design and Construction Specifications and the City's desire to have the Plan Area built in an efficient, cost effective, orderly and cohesive manner consistent with and as required by the Entitlements, based on development of the proposed final map and all other approved and reasonably foreseeable maps within the Plan Area. The technical studies, as approved by the City, will provide the basis for determining the Backbone Infrastructure required to satisfy the condition of the tentative subdivision map and to establish the list of Backbone Infrastructure, if any, required to be installed as part of the subdivision improvement agreement for the proposed final subdivision map or parcel map.

The intent of this technical review is to allow the City to confirm that the portion of the Backbone Infrastructure proposed to be constructed by Landowner in connection with its proposed Development Phase will satisfy the then current City's Standard Design and Construction Specifications and further to determine the extent of Backbone Infrastructure that the City will require Landowner to construct and at the same time allow Landowner to build the Backbone Infrastructure required to satisfy such standards to facilitate development and evaluate the amount of and timing of advance funding and oversizing of improvements related thereto. With respect to roadway improvements specifically, where the technical study requires the installation of all roadway Backbone Infrastructure located adjacent to or within the Development Phase to their full planned right-of-way dimensions, the City shall allow development of the Development Phase consistent with the mitigation measures in the Specific Plan EIR (e.g., Mitigation Measure 3A.15-1d). The calculation of the Level of Service thresholds shall be determined consistent with the methodology employed by the City for evaluating such levels of service for purposes of its General Plan and Circulation Element thereof in effect on the Effective Date of this Restated Agreement.

The scope of the technical studies shall be determined by the City and may identify overlapping facilities required for development of other reasonably

foreseeable projects and potential development in the Plan Area that may be anticipated and required for the orderly development of the Plan Area, as well as any existing deficiencies in service levels that may exist at the time of preparation of the technical studies. Where disagreement arises between the Landowner and the City as to the extent of Backbone Infrastructure and roadway improvements, the City and Landowner will work cooperatively and in good faith to determine the extent of roadway backbone infrastructure to be constructed by the Landowner considering a reasonable timeframe for future projects in the vicinity, reasonably anticipated needs of the City, its residents and businesses, existing service level deficiencies, financial feasibility, and avoiding impacting areas with phased construction projects.

3.9.2 **Phasing of In-Tract Improvements**. Landowner shall be allowed to phase development of an approved tentative subdivision map with multiple final Small-Lot Maps as provided and consistent with Folsom Municipal Code Chapter 16.20.

3.10 Park Improvement and Trail Funding and Construction. The timing of park and trail development will be coordinated with public need in the Plan Area, cash flow, and annual City Council budget authorization. The City agrees to use good faith and diligent efforts to complete park construction in a timely manner with respect to Plan Area population and need, as well as other necessary public facilities included in the PFFP. As recreation trends change and evolve, the City reserves the right to modify, add, and delete park and recreation facilities as it deems appropriate to serve the needs of future Plan Area residents consistent with the re-opener provisions set forth in Section 2.2.4.1.

At the City's sole discretion and subject to a separate agreement between City and Landowner, turn-key park improvements may be constructed by the Landowner and receive Park Fee credits therefore, provided however the parties agree that park fee credits are not permitted for park improvements paid for with CFD proceeds. The park construction agreement will specify the location of the park, specific park improvements to be constructed, the timing for commencement and completion thereof, and the Park Fee credits assigned to Landowner.

The costs of construction of park and trail improvements within the Plan Area shall be funded as part of the New Plan Area Fees for City Facilities to be established by the City pursuant to and consistent with the PFFP.

Consistent with the requirements of the Folsom Municipal Code, parkland proposed for dedication must have a general grade of less than five percent (5%). If a proposed site exceeds 5%, Landowner shall rough grade the site to plus or minus one foot (1') of estimated rough grade as approved by the Parks and Recreation Director. Landowner shall not receive credits or reimbursement for rough grading of proposed park sites where grades exceed 5%, except to the extent that the Park Fee has expressly included funding for rough grading to plus or minus one foot (1'). In connection with Landowner's installation of improved access to the park site, Landowner shall receive credits against the Park Fee for rough grading of each park

site associated with overall grading of the mapped portion of the property if the grading plan has received prior approval from the Parks and Recreation Director.

Landowner shall be responsible for installing improved access to each park. Improved access defined in the City of Folsom Standard Street Improvements (typical street pavement width, section and grade, curb, gutter and sidewalk) together with adequately sized utility extensions (water, sewer, storm drain, power, and communication) to edge of right of way on the park site as provided in the project conditions of approval.

3.11 Timing of Access Improvements for Fire Stations. Conditions of approval of tentative subdivision or parcel maps within the Property shall identify when improved access (roads and utilities) must be made available to each Fire Station Site, based on building permits issued within the overall Plan Area.

3.12 Reimbursement of Pro Rata Share of City Costs for Compliance with Requirements of this Restated Agreement. This Restated Agreement provides various requirements or actions by the City. Landowner agrees to pay its Pro Rata share all of the costs of compliance by City staff or consultants retained by the City in order to comply with the requirements of this Restated Agreement where cost of such compliance is not otherwise provided in a fee program. In the case of actions covered by a fee program, Landowner agrees to pay the then existing rate associated with such action, subject to any credits that may be available to Landowner with respect thereto, including any credits associated with advances of such costs by Landowner. In no event shall these costs be the responsibility of the City.

3.13 Sales Tax Point of Sale in City of Folsom. Landowner and the City share, to the fullest extent feasible, the mutual goal of maximizing sales tax revenue in the City of Folsom and supporting Folsom-based businesses. Landowner agrees that for any Backbone Infrastructure construction project or public facility construction project financed by the New Plan Area Fees that meet the requirements of the Board of Equalization Regulation 1806, Landowner shall include in its bid specifications and construction contracts for such project that the City of Folsom shall be the point of sale for any applicable sales tax and that Contractor shall take such actions as may be required under the Board of Equalization Compliance Policy and Procedures Manual (CPPM) in order to establish the City of Folsom as such point of sale. To further the intent of this provision, Landowners agree to bundle comparable and similar Backbone Infrastructure construction projects and public facility construction projects financed by the New Plan Area Fees (such as similar road or utility projects that are required to serve the Landowner's development) where feasible in order to meet the monetary threshold in CPPM Section 260.020 ($5 million as of the effective date of this Agreement), as amended from time to time.

Notwithstanding the foregoing, Landowner's bid specifications or construction contracts may include that a Contractor shall be exempt from having to comply with such point of sale provisions if such compliance will cause Contractor to violate any

legal or contractual requirement such Contractor may have at the time of its bid or execution of such construction contract.

Landowner also agrees to include provisions in its bid specification and construction contracts for any Backbone Infrastructure or public facilities construction project financed by the New Plan Area Fees that, to the fullest extent economically feasible, where the Contractor receives "comparable" bids for materials, considering not only price, but also the quality, service and experience of the suppliers, the Contractor will accept the comparable bid that maximizes the acquisition of construction materials from suppliers in Folsom or where the point of sales for sales tax purposes is Folsom. For any Backbone Infrastructure construction project or public facility construction project financed by the New Plan Area Fees in the FPA, Landowner shall include in its bid specifications and construction contracts that the Contractor demonstrate to the City that it has made a good faith effort to utilize and enter subcontracts with suppliers of goods which have a point of sale in the City of Folsom taking into account all such factors. City acknowledges the potential adverse impacts of a delay in the contracting process and therefore agrees that it will not unreasonably delay its evaluation of the Contractor's compliance with this provision.

Landowner's obligations hereunder shall extend only to the requirements to include such provisions in such bid specifications and construction contracts. Contractor's failure to comply with such contractual provisions shall not be deemed for any reason to constitute a default by Landowner under this Restated Agreement.

ARTICLE 4

CITY OBLIGATIONS

4.1 City Cooperation. City agrees to work in good faith with Landowner as it applies to City for permits that may be required by City and, to the extent applicable, other public, state and federal agencies. In the event state or federal laws or regulations enacted after this Restated Agreement has been executed or action of any governmental jurisdiction other than the City prevents or precludes compliance with one or more provisions of this Restated Agreement, or requires material modification of the Entitlements, Landowner shall notify City in writing of the anticipated duration of any delay caused thereby, and, provided any such delay is not the fault of Landowner, the parties agree Landowner may seek an extension of this Restated Agreement as approved by the City Council as may be reasonably necessary to comply with such new state and federal laws or regulations or the regulations of the other governmental jurisdictions.

4.2 New Plan Area Fees. In addition to Existing City Fees applicable to the Property, the following development impact fees (collectively, the **"New Plan Area Fees"**) will be adopted and imposed by the City to mitigate the impacts of development within the Specific Plan and equitably spread the burden of such mitigation to all benefitted properties within the Specific Plan as contemplated or required by the PFFP and this Restated Agreement:

4.2.1 **Specific Plan Reimbursement Fee**. Certain landowners within the Plan Area thereto (the "Advancing Owners") have paid the costs for the preparation of the City feasibility studies, other technical studies, the Specific Plan, including design guidelines, development standards, financing plan(s), and infrastructure plans, and the EIR and other environmental studies. Such preparation has benefited other non-participating owners of property within the Plan Area (the "Reimbursing Owners"). A list of the Advancing Owners and Reimbursing Owners, and the properties within the Specific Plan owned or controlled thereby, is attached hereto as **Exhibit 4.2.1**. To provide the Advancing Owners with reimbursement for the planning and environmental costs described above, the parties agree that the City shall require the Reimbursing Owners to pay to City a specific plan fee, on terms and conditions acceptable to City (the "Specific Plan Reimbursement Fee" or "SPRF"). The SPRF shall be proposed to the City Council pursuant to the provisions of Government Code Section 65456. Adoption of the SPRF and the amount of its fees shall be at the discretion of the City Council, and nothing herein prohibits subsequent modification or repeal of any fee, except that the SPRF, if adopted by the City Council, shall not be repealed during the Term of this Restated Agreement and shall not be modified in a manner to significantly alter the ability of a Landowner to be reimbursed for advances. Subject to the foregoing, City shall make a good faith, diligent effort to establish the SPRF within one (1) year of submittal of all of the eligible costs for reimbursement by the Advancing Owners for City's review, which shall be submitted within six (6) months of the approval of the later of the Effective Date.

The costs eligible for reimbursement shall be submitted to the City by the Advancing Owners for City's review and approval. Except as may otherwise be provided by the ordinance adopting the SPRF, the SPRF shall become payable by a Reimbursing Owner after such Reimbursing Owner applies for any land use entitlements for Development of the Reimbursing Owner's property within the Plan Area, or any portion thereof, and shall be due within ten (10) days after written notice from the City that such application for entitlements is complete or deemed complete by the City pursuant to California Government Code Section 65943. In the event of a dispute between the Advancing Owners and any Reimbursing Owner or pertaining to submittals by Advancing Owners to the City related to repayment of SPRF costs, amount of allowable reimbursement or other matters related to the SPRF program, the City shall examine the facts and shall make a determination on the dispute, which may be reviewed upon request by the City Manager and subject to appeal to the City Council, which decision shall be final and binding, subject only to review by writ of mandate.

Since the SPRF is for the benefit of the Landowner as a member or successor of the Advancing Owners, the Participating Landowners, including Landowner and Advancing Landowners, shall protect, defend, indemnify and hold harmless the City and its officers, agents, and employees from any and all claims and/or causes of action, whether at law or in equity, for any loss or damage relating to the SPRF reimbursement, excluding any claims or causes related thereto solely caused by willful misconduct of such indemnitees. In no case shall the repayment of SPRF be an obligation or a liability of the City, beyond payment of moneys received.

4.2.1.1 **No SPRF Reimbursements or Credits On Default**. No Landowner shall be entitled to SPRF reimbursement or credits, nor may any credits be used if Landowner is in default of any of its obligation to the City whether arising out of this Restated Agreement or other project specific obligations.

4.2.2 **Specific Plan Infrastructure Fee.** To provide for an equitable funding mechanism for the Backbone Infrastructure to be installed to serve development of the Plan Area, to pay for certain City costs or the City loan and to provide a funding mechanism as described below to pay City for Plan Area wide costs not otherwise covered by a fee or agreement, City and Landowner, together with other Participating Landowners, agree to implement a Specific Plan Infrastructure Fee ("SPIF"). The basic terms and provisions to be incorporated into and used to establish and implement the SPIF are included in the PFFP, as more particularly described in Appendix S of the PFFP, and City agrees to establish the SPIF materially consistent with the terms and provisions of the PFFP and Appendix S, provided nothing herein is intended to limit the City's ability to adopt a SPIF ordinance or New Plan Area fees to accomplish the purposes of the SPIF and the PFFP. As more particularly described in the PFFP and Appendix S, the SPIF will be collected by the City and the proceeds thereof used to fund the cost of dedication of the Backbone Lands and Public Parcels and of the construction of the Backbone Infrastructure, paying certain City costs and repaying the City loan, or as the case may be, equitably reimburse or credit the Specific Plan Landowners who dedicate such Backbone Lands and Public Parcels and construct the Backbone Infrastructure. The SPIF shall further include a component to reimburse the City for staff, consultant and other expenditures required for actions to implement the PFFP on a plan area wide basis where such costs are not otherwise included in reimbursement agreements or other funding mechanisms. (Examples of such work may include but is not limited to ordinances, agreements, fee and other studies and plans, guidelines, and area wide permits). The SPIF shall provide the Specific Plan Landowners who dedicate the Backbone Lands and Public Parcels and/or install the Backbone Infrastructure with reimbursements from the SPIF (that are also convertible to credits against the SPIF) as provided in the PFFP and as will be detailed in the SPIF ordinance.

Adoption of the SPIF shall be by ordinance approved by the City Council. The eligible SPIF costs for reimbursement shall be submitted to the City by Landowners for City's review and approval. Nothing herein prohibits subsequent modification or repeal of any fee, except that the SPIF, if adopted by the City Council, shall not be repealed during the Term of this Restated Agreement, except by unanimous agreement of the Participating Landowners, which may involve an agreement upon an alternative funding source acceptable to the parties. City shall make a good faith, diligent effort to establish the SPIF within one (1) year of the Effective Date. As described in the PFFP, the SPIF shall thereafter be adjusted from time to time upon request of a Participating Landowner or the City, but not less than annually, based on updates to the dedicated land values and costs of construction (pursuant to an index or other cost of construction adjustment). The timing for payment of the SPIF shall be as provided by the PFFP and the ordinance adopting the SPIF.

Since the SPIF is for the benefit of the Landowner as a member or successor of the Advancing Owners, Landowner, shall protect, defend, indemnify and hold harmless the City and its officers, agents, and employees from any and all claims and/or causes of action, whether at law or in equity, for any loss or damage relating to the SPIF reimbursement, excluding any claims or causes related thereto solely caused by willful misconduct of such indemnitees.

4.2.2.1 **No SPIF Reimbursement for Required Park Dedication**. In no case shall SPIF reimbursement apply for required dedications of parkland pursuant to the City's Quimby ordinance. In other words, SPIF reimbursement is applicable only when the Landowner has dedicated over and above the dedication requirements provided in City ordinances.

4.2.2.2 **No SPIF Reimbursements or Credits On Default**. Landowner shall not be entitled to SPIF reimbursement or credits, nor may any credits be used if Landowner is in default of any of its obligation to the City whether arising out of this Restated Agreement or other project specific obligations. In the event of a default, the City may pay any SPIF fees received to the next Constructing Owner with the highest priority for SPIF reimbursement until such time as Landowner has cured the default, at which point Landowner then shall regain its priority status for future reimbursement.

4.3 Reimbursements/Credits Personal to Dedicating and Constructing Owner. Any reimbursement due to Landowner as a Constructing Owner (and any fee credits converted from such reimbursements by Landowner) as provided in the Restated Agreement and pursuant to the terms of the PFFP and the adopting ordinances for the SPIF shall be the personal property of Landowner and shall not be affixed to or run with the land. Any such fee reimbursements and converted credits shall be subject to and contingent upon Landowner as a Constructing Owner entering into a fee reimbursement agreement with the City to document Landowner's rights to such reimbursements and provide for the City's administration thereof (a "Fee Reimbursement Agreement"). The Fee Reimbursement Agreement shall provide that the rights of a Constructing Owner shall be protected from the effects of any proposed amendment to Sections 2.2.1, 4.2.1, 4.2.2 and 4.3 of this Restated Agreement.

Except as may otherwise be limited by the applicable fee program, Landowner may sell, assign, transfer or hypothecate any such reimbursement or converted credits in a manner consistent with this section and with the adopted SPIF ordinance at any time upon written notice to City, provided the transferring Landowner owes no monetary obligation to the City at the time of such proposed transfer. If Landowner owes City any monetary obligation within the Plan Area at the time of such proposed transfer the City may, in its discretion, either require the monetary obligation to be met before transfer of the credit or apply any reimbursement or converted credit then owned by Landowner against the obligation owed by Landowner.

Credits against the SPIF, converted from reimbursements or transferred as provided in this section and consistent with the PFFP, may only be used in conjunction

with Development of the Property (with respect to credits associated with Landowner's dedication of Backbone Lands or Public Parcels) or Development of the Constructing Owner's Property (as described below, with respect to credits associated with Landowner's construction of improvements financed by the SPIF), and may only be used to satisfy SPIF obligations. For purposes hereof, where Landowner is the Constructing Owner, the "Constructing Owner's Property" within which any such converted credits may be applied against the SPIF shall refer to the area within the Specific Plan, including the Property, outlined on **Exhibit 4.3** attached hereto, together with any additional property contiguous thereto, not exceeding five percent (5%) in area, that may hereafter be added to the description thereof by lot line adjustment, subdivision or other such lawful land division and requested by Landowner as the owner of such converted credits to be eligible for application in conjunction with Development thereof; as part of each Fee Reimbursement Agreement, a map of the Constructing Owner's Property shall be attached to and maintained for purposes of administering and tracking the application of any such converted credits.

4.4 Collection and Administration of New Plan Area Fees. When the City adopts the New Plan Area Fees, there will be administrative costs associated with administration of the fee programs and such fees will include a percentage or other component to ensure that the City does not have any unreimbursed expenses related to the administration of such fees. The fee shall be in an amount required to reimburse the City for the actual, direct costs of administration of such fee program. The fees may provide an adjustment for inflation as determined by the City Council. In no case shall the City, in any manner be subject to any liability for failing to collect any fees specified herein other than paying to the Landowner any fees collected and in no case shall any SPIF repayment be an obligation of the City beyond payment of moneys received, less administrative costs. The parties agree that the City has no obligation to pay any fees or make any reimbursement for cost incurred except to the extent that such fees have been collected from the Landowner. The parties agree and acknowledge that the obligations in Article 6 of this Restated Agreement relating to Defense, Indemnification and Hold Harmless are applicable to any challenges, claims or suits associated with the fees referenced herein (provided any such costs to successfully defend such fees shall be included for reimbursement to Landowner and other Participating Landowners as a cost of such fees).

Upon receipt of any proceeds from the SPRF or SPIF (or from any other development impact fee for facilities with respect to which Landowner has advanced funds and is entitled to reimbursement therefore pursuant to a fee reimbursement agreement with the City), City shall, to the extent permitted by law, pay the applicable share thereof, if any, to Landowner or its assignee, without regard to the status of Landowner's development activities on the Property and consistent with the terms of the applicable fee program ordinances. In the event of a dispute between the Participating Landowners or between the Advancing Owner and the City relating to payment of SPIF fees allowable reimbursement or credits or other matters related to the SPIF program, the City shall examine the facts make a determination on the dispute, which may be reviewed upon request by the City Manager and subject to appeal to the City Council,

which decision shall be final and binding, subject only to review by writ of mandate. The process and timing shall be set forth in the SPIF ordinance.

The City will use its good faith efforts to collect the fees in the manner described herein, however is not required to take legal action or other legal remedies. If despite its good faith efforts or if it elects not to pursue recovery of fees owed, then City shall, upon request by Landowner assign its rights to Landowner so that it can pursue collection of the applicable fee from the benefitting, non-paying owner. However, City may continue to collect such fees from other persons seeking governmental approvals and, if it collects such fees, City shall, to the extent reimbursements are owed, pay the applicable shares of such proceeds to Landowner or Landowner's assignee to the extent permitted by law and to the extent such proceeds are actually received by the City.

Nothing in this section or this Restated Agreement obligates the City to take any legal action to collect any SPIF or SPRF obligation. In the event any such action is taken by the City upon the written request of Landowner or with the written consent of Landowner, then Landowner shall be responsible for all attorney's fees and expenses associated with the collection efforts of the City, if and to the extent such costs are not otherwise funded by the administration component of the SPIF or through any administrative or legal action taken by the City against the non-paying owner.

The City shall, to the extent legally permissible, condition final approval of an entitlement for any development within the Plan Area on payment of lawfully owed SPIF or SPRF obligations.

4.5 Applications for Permits and Entitlements. City agrees that it will accept, in good faith, for processing review and action, all applications for development permits or other entitlements for use of the Property in accordance with the Entitlements and this Restated Agreement, and shall exercise its best efforts to act upon such applications consistent with department policy and practice. Accordingly, to the extent that the applications and submittals are in conformity with the Entitlements and this Restated Agreement and adequate funding by Landowner exists therefore, City agrees to diligently and promptly accept, review and take action on all subsequent applications and submittals made to City by Landowner in furtherance of the Project. Similarly, City shall promptly and diligently review and act upon improvement plans, conduct construction inspections and accept completed facilities constructed in accordance with the approved improvement plans therefore, as determined by the City to the City's satisfaction. Nothing in this section is intended to shorten any statutory review periods. City may utilize, consistent with City policy, outside consultants for inspection and plan review purposes at the sole expense of Landowner. Landowner acknowledges that, notwithstanding the ability to hire such outside consultants, City may need to retain adequate staff to supervise the work of the consultants, which may require additional lead time and expense in order for the City to effectively and efficiently use the consultants to assist in this work.

4.5.1 **Plan Check**. City shall use good faith, diligent efforts to promptly review and process improvements plans submitted by Landowner and return comments as soon as practicable in the ordinary course of business.

4.5.2 **Compliance with Government Code Section 66473.7**. A subdivision, as defined in Government Code Section 66473.7, shall not be approved unless any tentative map prepared for the subdivision complies with the provisions of said Section 66473.7; this provision is included in this Restated Agreement to comply with Section 65867.5 of the Government Code.

4.6 Water Supply. A Judgment Validating Water Supply Agreement) was entered by Sacramento County Superior Court Judge Raymond Cadei on October 16, 2013 (Sacramento County Superior Court Case No. 34-2013-00138798. Subject to Landowner, as a party to the Water Supply Agreement or successor thereto, complying with its obligations under the Water Supply Agreement, the City shall make the FPA Water Supply (as defined in the Water Supply Agreement) available to Development of the Property, in accordance with the terms of the Water Supply Agreement. Nothing in this Restated Agreement or the Water Supply Agreement shall limit the City's ability to address water shortages on a citywide basis, including but not limited to cut backs, limitations on water use as provided in the Folsom Municipal Code or by City Council action and other steps to assure an adequate supply exists for all residents and businesses.

4.7 City Acceptance of Conservation Easement(s) on Open Space. Subject to approval by the City, in the City's reasonable discretion, of (i) the physical condition of the planned open space within the Plan Area, (ii) the form, restriction and limitation on any areas proposed or intended to be open for general public access or use associated with the conservation easement(s) over such open space areas, and (iii) the formation of a financing mechanism acceptable to City to fund the costs of the City's ownership and maintenance responsibility for the open space areas as the grantee under the conservation easement(s), the City shall accept, as grantee, the rights and obligations under the conservation easements for the open space areas within the Specific Plan for wetlands permitting and mitigation purposes pursuant to Section 404 of the Clean Water Act.

Subject to project conditions deemed necessary by the City, including payment of mitigation costs, City may authorize mitigation measures to be implemented on open space or other land to be dedicated for a public use in its discretion provided such does not limit the City's intended and anticipated use of the property, adequate funding is provided and compensation for any mitigation bank is paid. Prior to the use of any open space or other land to be dedicated to a public use for mitigation purposes owner must receive City Council approval.

4.8 City/County SCDTF Agreement/Highway 50 Coalition Fee. As provided by the MMRP, the Plan Area is obligated to fund, among other things, its fair share of the cost to widen Highway 50. Within one (1) year from the Effective Date of this Restated Agreement, the City shall use good faith, diligent efforts to enter into an

agreement with Sacramento County to grant Plan Area landowners, including Landowner, credit against the Sacramento County Development Transportation Fee ("SCDTF") for duplicate funding of any Backbone Infrastructure that is also included for funding in the proposed Highway 50 Coalition Fee, as, if and when the same is adopted by Sacramento County, unless no duplicate funding of any Backbone Infrastructure was included in the Highway 50 Coalition Fee. City and Landowner will use good faith efforts to cause adoption and implementation of said Highway 50 Coalition Fee in the amount and as described in that certain report entitled "Fair Share Cost Allocation – Sacramento County and City of Folsom," prepared by DKS, dated November 9, 2012. The parties anticipate that the Coalition Fee will satisfy, among other things, the Plan Area's obligation to fund its fair share of the Highway 50 widening. If such Highway 50 Coalition Fee is not adopted within one (1) year of the Effective Date, the City shall use good faith, diligent efforts to enter into an alternative agreement with the California Department of Transportation or appropriate agencies to create an alternative financing mechanism acceptable to the Participating Landowners whereby the Plan Area's obligation to fund its fair share of the Highway 50 widening can be satisfied.

4.9 Assistance with Acquisition of Necessary Real Property Interests. In any instance where Landowner is required by this Restated Agreement to construct any public improvement on land not owned by Landowner or other Participating Landowners, Landowner at its sole cost and expense shall, in a timely fashion to allow it to construct the required improvements, acquire or cause to be acquired the real property interests necessary for the construction of such public improvements.

Subject to City's concurrence, in the event Landowner is unable after exercising all reasonable efforts, including but not limited to the rights under Sections 1001 and 1002 of the California Civil Code, to acquire the real property interests necessary for the construction of such public improvements as to property within the City of Folsom, Landowner shall request the City to assist in the acquisition of the necessary real property interests. Landowner shall provide adequate security for all costs the City may reasonably incur (including the costs of eminent domain proceedings, legal fees and costs, and the value of the real property). Upon receipt of the security in a form acceptable to the City Attorney, City shall commence negotiations to purchase the necessary real property interests to allow Landowner to construct the public improvements as required by this Restated Agreement and, if necessary, in accordance with the procedures established and to the extent allowed by law, may use its power of eminent domain to acquire such required real property interests. Any such acquisition by City shall be subject to the City's discretion, which is expressly reserved by City, to make all necessary findings to acquire such interest, including a finding of public necessity.

In those circumstances where the City owns property in fee on or over which development of the Property requires permanent and temporary construction easements, road rights-of-way and/or sites for public facilities, City shall grant, at Landowner's sole cost and expense, such permanent easement, temporary easements, rights-of-way, or sites as reasonably needed for the timely and efficient development of the Property, subject to conditions acceptable to the City.

This section is not intended by the parties to impose upon the Landowner an enforceable duty to acquire land or construct any public improvements on land not owned by Landowner, except to the extent that the Landowner elects to proceed with the development of the Property.

ARTICLE 5

DEFAULT, REMEDIES, TERMINATION

5.1 General Provisions. Subject to extensions of time by mutual consent in writing, failure or unreasonable delay by either party to perform any term or provisions of this Restated Agreement shall constitute a default. In the event of alleged default or breach of any term or condition of this Restated Agreement, the party alleging such default or breach shall give the other party not less than thirty (30) calendar days' notice in writing specifying the nature of the alleged default and the manner in which said default may be satisfactorily cured. During any such thirty (30) day period, the party charged shall not be considered in default for purposes of termination or institution of legal proceedings.

After notice and expiration of the thirty-day period, the other party to this Restated Agreement at its option may institute legal proceedings pursuant to this Restated Agreement or give notice of intent to terminate this Restated Agreement pursuant to California Government Code Section 65868 and regulations of City implementing said Government Code Section. Following notice of intent to terminate, the matter shall be scheduled for consideration and review by the City Council within thirty (30) calendar days in the manner set forth in Government Code Sections 65865, 65867 and 65868 and City regulations implementing such Sections.

Following consideration of the evidence presented in said review before the City Council, either party alleging the default by the other party may give written notice of termination of this Restated Agreement to the other party.

Evidence of default may also arise in the course of a regularly scheduled periodic review of this Restated Agreement pursuant to Government Code Section 65865.1. If either party determines that the other party is in default following the completion of the normally scheduled periodic review, said party may give written notice of default of this Restated Agreement as set forth in this section, specifying in said notice the alleged nature of the default, and potential actions to cure said default and shall specify a reasonable period of time in which such default is to be cured. If the alleged default is not cured within thirty (30) calendar days or within such longer period specified in the notice, or if the defaulting party waives its right to cure such alleged default, the other party may terminate this Restated Agreement.

Notwithstanding the above, a default by an individual or entity within the definition of Landowner shall not constitute a default by other individuals or entities within definition of Landowner.

5.2 Annual Review. City shall, at least every twelve (12) months during the Term of this Restated Agreement, review the extent of good faith substantial compliance by Landowner with the terms of this Restated Agreement. Such periodic review shall be limited in scope to compliance with the terms of this Restated Agreement pursuant to Section 65865.1 of the Government Code and the monitoring of mitigation in accordance with Section 21081.6 of the Public Resources Code of the State of California. Notice of such annual review shall include the statement that any review of obligations of Landowner as set forth in this Restated Agreement may result in termination of this Restated Agreement with respect to Landowner's Property. A finding by City of good faith compliance by Landowner with the terms of this Restated Agreement shall be conclusive with respect to the performance of Landowner during the period preceding the review. Each Landowner shall be responsible for the cost reasonably and directly incurred by the City to conduct such annual review of such Landowner's compliance, the payment of which shall be due within thirty (30) calendar days after conclusion of the review and receipt from the City of the bill for such costs.

In the event that a twelve month review is not completed, is not completed in a timely manner or inadvertently a finding of good faith compliance is not made, such shall not constitute a waiver of the City's right to review and make any necessary determinations that would be made if the review had been conducted and shall not be construed that Landowner is otherwise in full compliance.

Upon not less than thirty (30) calendar days written notice by the City, Landowner shall provide such information as may be reasonably requested and deemed to be required by the Planning director in order to ascertain compliance with this Restated Agreement.

Upon written request by the Landowner(s) the City shall deposit in the mail to the requesting Landowner(s) a copy of all staff reports and related exhibits concerning contract performance and, to the extent practical, at least ten (10) calendar days prior to any such periodic review. If the City has not performed an annual review, Landowner(s) may request, in writing, that it be performed

5.2.1 **Permitted Delay, Extension of Times of Performance**. In addition to specific provisions of this Restated Agreement, performance by either party hereunder shall not be deemed to be in default where delays or default are due to war, insurrection, strikes, walkouts, riots, floods, drought, earthquakes, fires, casualties, acts of God, and terrorist acts, new or supplementary environmental regulation, changes due to state or federal laws as described in Section 2.2.6 hereof, litigation, or similar bases for excused performance. If written notice of such delay is given to City within thirty (30) calendar days of the commencement of such delay, a reasonable extension of time for such cause shall be granted in writing for the period of such delay, or longer as may be mutually agreed upon. Nothing in this section is intended to apply to an extension of the term of this Restated Agreement, which requires City Council approval.

5.2.2 **Permitted Extensions by City**. In addition to any extensions to the time for performance of any obligation due to a delay under Section 5.2.1 above, the

City, in its sole discretion (acting through the City Manager or designee) may extend the time for performance by any Landowner of any obligation hereunder. Any such extension shall not require an amendment to this Restated Agreement, so long as such extension only involves the time for performance thereof and does not change the obligations to be performed by such Landowner as a condition of such extension. Nothing in this section is intended to apply to an extension of the term of this Restated Agreement, which requires City Council approval.

5.3 Legal Action; No Obligation to Develop; Specific Enforcement. In addition to any other rights or remedies, either party may institute legal action to cure, correct or remedy any default, to enforce any covenant or agreement herein, or to enjoin any threatened or attempted violation. Venue for all legal actions shall be in the Superior Court of the County of Sacramento, State of California. Notwithstanding anything in this Restated Agreement to the contrary, the parties acknowledge that the City would not have entered into this Restated Agreement had it been exposed to liability for damages from Landowner, and that therefore each Landowner hereby waives all claims for damages against the City and its officers, agents and employees for breach of this Restated Agreement. The parties further acknowledge that damages are not a remedy under this Restated Agreement and therefore Landowner waives all claims for damages against the City and its officers, agents and employees in the event that this Restated Agreement or any other Entitlement is: (1) not approved by the City Council or (2) is approved by the City Council, but with new changes, amendments, conditions or deletions to which Landowner is opposed. Either Party may, without any claim for damages of any kind, in addition to any other rights or remedies, institute an action to cure, correct or remedy any default, enforce any covenant or agreement in this Restated Agreement, enjoin or restrain any threatened or attempted violation of this Restated Agreement or enforce by specific performance the obligations and rights of the parties to this Restated Agreement, or to obtain any other remedy. Landowner further acknowledges that under the Development Agreement Statute, land use approvals (including development agreements) must be approved by the City Council and that under law, the City Council's discretion to vote in any particular way may not be constrained by contract, except as permitted in the Development Agreement Statute. Landowner further acknowledges that as an instrument which must be approved by ordinance, a development agreement is subject to referendum; and that under law, the City Council's discretion to avoid a referendum by rescinding its approval of the underlying ordinance may not be constrained by contract, and each Landowner waives all claims for damages against the City and its officers, agents and employees in this regard.

By entering into this Restated Agreement, Landowner shall not be obligated to Develop the Property and Landowner shall not be obligated to install or pay for the costs to install any improvements or facilities except as otherwise provided herein. Nothing in this section shall be construed to excuse Landowner from making lawfully approved CFD tax payments.

5.4 Automatic Termination Upon Completion and Sale of Residential Unit. This Restated Agreement shall automatically be terminated, without any further action by

either party or need to record any additional document, with respect to any single-family residential lot within a parcel designated by the Specific Plan for residential use, upon completion of construction and issuance by the City of a final inspection for a dwelling unit upon such residential lot and conveyance of such improved residential lot by Landowner to a bona-fide good faith purchaser thereof. In connection with its issuance of a final inspection for such improved lot, City shall confirm that: (i) all improvements which are required to serve the lot, as determined by City, have been completed and formally accepted by City in writing; and (ii) all other conditions of approval applicable to said lot have been complied with to the City's satisfaction as evidenced by the City's issuance of a certificate of occupancy or final inspection permitting occupancy of the improved lot. Termination of this Restated Agreement for any such residential lot as provided for in this Section 5.4 shall not in any way be construed to terminate or modify any CFD tax lien or other such lien, assessment, fee or charge affecting such lot at the time of termination.

5.5 Termination Upon Landowner Request. This Restated Agreement may also be terminated, at the election of the then Landowner, with respect to any legally subdivided parcel designated by the Specific Plan for residential or non-residential use (other than parcels designated for public use), when recording a final map for such parcel, or receiving a certificate of occupancy or final inspection, whichever is applicable, for a multi-family residential or non-residential building within such parcel, by giving written notice to City of its election to terminate this Restated Agreement for such parcel, provided that: (i) all improvements which are required to serve the parcel, as determined by City, have been completed and formally accepted by City in writing; and (ii) all other conditions of approval applicable to said parcel have been complied with to the City's satisfaction as evidenced by the City's issuance of a certificate of occupancy or final inspection permitting occupancy of the improved parcel. Landowner shall cause any written notice of termination approved pursuant to this subsection to be recorded with the Sacramento County Recorder against the applicable parcel at Landowner's expense. Termination of this Restated Agreement for any such parcel as provided for in this section shall not in any way be construed to terminate or modify any CFD tax lien or other such lien, assessment, fee or charge affecting such parcel at the time of termination.

5.6 Effect of Termination. If this Restated Agreement is terminated, in whole or part, following any event of default of any Landowner or for any other reason, such termination shall not affect the validity of this Restated Agreement with respect to any other Landowner's Property or any of the Entitlements, other than this Restated Agreement, for the defaulting Landowner's Property, nor shall such termination affect any building or improvement within the defaulting Landowner's Property which is completed as of the date of termination, provided that such building or improvement has been constructed pursuant to a building permit issued by the City. Furthermore, no termination of this Restated Agreement with respect to a defaulting Landowner's Property shall prevent such Landowner from completing and occupying any building or other improvement authorized pursuant to a valid building permit previously issued by the City that is under construction at the time of termination, provided that any such building or improvement is completed in accordance with said building permit in effect at the time of such termination and receives a certificate of occupancy or certificate of completion from

the City. Termination of this Restated Agreement by either shall not in any way be construed to terminate or modify any CFD tax lien or other such lien, assessment, fee or charge affecting such parcel at the time of termination or terminate any outstanding obligations of Landowner owed to the City (whether a one-time obligation or continuing obligations) pursuant to this Restated Agreement or any Entitlements.

5.7 No Protest or Challenge To Fees. Landowner hereby waives any and all rights to challenge or protest the imposition or payment of, and agrees to pay, and not to protest or challenge, or pay under protest, any fees contained or articulated in the PFFP or this Restated Agreement, whether adopted at the time of execution of this Restated Agreement or later adopted, including any inflationary or cost of construction adjustment to such fees. Those fees subject to the Mitigation Fee Act shall be reviewed by the parties in good faith and nothing is intended to limit a Landowner's right as permitted by law to challenge or protest such mitigation fee based solely on any alleged failure to comply with the Mitigation Fee Act, as opposed to the City's right to impose the fee in general.

5.8 Applicable Law. This Restated Agreement shall be construed and enforced in accordance with the laws of the State of California.

ARTICLE 6

HOLD HARMLESS AND COOPERATION

6.1 Hold Harmless. Landowner and its successors-in-interest and assigns, hereby agrees to, and shall protect, defend, indemnify and hold City, its elective and appointive boards, commissions, officers, agents, and employees harmless from any costs, expenses, damages, liability for damages or claims of damage for personal injury, or bodily injury including death, as well as from claims for property damage which may arise from the operations of Landowner, or of Landowner's contractors, subcontractors, agents, or employees under this Restated Agreement, whether such operations be by Landowner, or by any of Landowner's contractors or subcontractors, or by any one or more persons directly or indirectly employed by, or acting as agent for, Landowner or Landowner's contractors or subcontractors, unless such damage or claim arises from the sole negligence or willful misconduct of City. The foregoing indemnity obligation of Landowner shall survive the termination or expiration of this Restated Agreement; however, notwithstanding any provision to the contrary, it shall not apply to any liability for damage or claims for damage with respect to any damage to or use of any public improvements after the completion and acceptance thereof by City.

In addition to the foregoing indemnity obligation, Landowner agrees to and shall protect, defend, indemnify and hold City, its elective and appointive boards, commissions, officers, agents and employees harmless from any and all lawsuits, claims, challenges, damages, expenses, costs, including attorneys' fees that may be awarded by a court, or in any actions at law or in equity arising out of or related to the processing, approval, execution, adoption or implementation of the Project, the Entitlements, the Tier 1 Development Agreement, the Public Facilities Financing Plan,

this Restated Agreement, or the environmental documentation and process associated with the same, exclusive of any such actions brought by Landowner, its successors-in-interest or assigns. The City shall retain the right to appear in and defend any such action or lawsuit on its own behalf regardless of any tender under this provision.

6.2 Cooperation and Defense in the Event of Legal Challenge. In the event of any legal action instituted by a third party or other governmental entity or official challenging the validity of any provision of this Restated Agreement, the parties hereby agree to cooperate in defending said action. If any person or entity not a party to this Restated Agreement initiates an action at law or in equity to challenge the validity of any provision of this Restated Agreement or the Entitlements, the parties shall cooperate and appear in defending such action. Landowner shall bear its own costs of defense as a real party in interest in any such action, and Landowner shall pay the City for all reasonable court costs and attorneys' fees expended by City in defense of any such action or other proceeding, provided that City reasonably cooperates with Landowner in the defense of such action. The City, in its sole discretion, and at the Landowner's expense may retain separate counsel and may defend, settle or compromise the action as it deems appropriate and in the best interests of the City. Prior to any settlement or other resolution of any matter covered by this paragraph, the City agrees that it will first consult with Landowner.

ARTICLE 7

GENERAL

7.1 Enforceability. The City agrees that unless this Restated Agreement is amended or canceled pursuant to the provisions of this Restated Agreement, this Restated Agreement shall be enforceable according to its terms by any party hereto notwithstanding any change hereafter in any applicable General Plan, Specific Plan, zoning ordinance, subdivision ordinance or building regulation adopted by City, or by initiative, which changes, alters or amends the rules, regulations and policies applicable to the rate, timing or sequencing and density and intensity of use or Development of the Property at the time of approval of this Restated Agreement, as provided by Government Code Section 65866.

7.2 City Finding. The City hereby finds and determines that execution of this Restated Agreement is in the best interest of the public health, safety and general welfare and is consistent with the General Plan and Specific Plan.

7.3 Third Party Beneficiaries. This Restated Agreement is made and entered into for the sole protection and benefit of Landowner and City and their successors and assigns. No other person shall have any right of action based upon any provision in this Restated Agreement.

7.4 Project as a Private Undertaking. It is specifically understood and agreed by and between the parties hereto that the subject project is a private development, and that the City has no interest therein except as authorized in the

exercise of its governmental functions. No partnership, joint venture or other association of any kind is formed by this Restated Agreement.

7.5 Notices. All notices required by this Restated Agreement, the enabling legislation, or the procedure adopted pursuant to Government Code Section 65865, shall be in writing and delivered in person or sent by certified mail, postage prepaid.

Notice required to be given to the City shall be addressed as follows:

Community Development Director
City of Folsom
50 Natoma Street
Folsom, CA 95630

With a copy to:

City Manager
City of Folsom
50 Natoma Street
Folsom, CA 95630

City Attorney
City of Folsom
50 Natoma Street
Folsom, CA 95630

Notice required to be given to Landowner shall be addressed to the Landowner as follows: Aerojet Rocketdyne, Inc./Easton Development Company, LLC
c/o Easton Development Company, LLC
1180 Iron Point Road, Suite 350
Folsom, CA 95630
Attn: David Hatch

With a copy to:
Aerojet Rocketdyne, Inc./Easton Development Company, LLC
c/o Easton Development Company, LLC
1180 Iron Point Road, Suite 350
Folsom, CA 95630
Attn: Michael LaFortune

Any party or addressee may change the address stated herein by giving notice in writing to the other parties, and, thereafter, notices shall be addressed and delivered to the new address.

7.6 Severability. If any term, covenant or condition of this Restated Agreement or the application thereof to any person, entity or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Restated Agreement, or the

application of such term, covenant or condition to persons, entities or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term, covenant or condition of this Restated Agreement shall be valid and be enforced to the fullest extent permitted by law; provided, however, if any provision of this Restated Agreement is determined to be invalid or unenforceable and the effect thereof is to deprive a party hereto of an essential benefit of its bargain hereunder, then such party so deprived shall have the option to terminate this entire Restated Agreement from and after such determination.

7.7 Construction. All parties have been represented by counsel in the preparation of this Restated Agreement and no presumption or rule that ambiguity shall be construed against a drafting party shall apply to interpretation or enforcement of this Restated Agreement. Captions on sections and subsections are provided for convenience only and shall not be deemed to limit, amend or affect the meaning of the provision to which they pertain.

7.8 Other Necessary Acts. Each party shall execute and deliver to the other all such other further instruments and documents as may be reasonably necessary to carry out this Restated Agreement in order to provide and secure to the other party the full and complete enjoyment of its rights and privileges hereunder.

7.9 Estoppel Certificate. Either party may, at any time, and from time to time, deliver written notice to the other party requesting such party to certify in writing that, to the knowledge of the certifying party, (i) this Restated Agreement is in full force and effect and a binding obligation of the parties, (ii) this Restated Agreement has not been amended or modified either orally or in writing, or if so amended, identifying the amendments, and (iii) the requesting party is not in default in the performance of its obligations under this Restated Agreement, or if in default, to describe therein the nature of such default. The party receiving a request hereunder shall execute and return such certificate within thirty (30) calendar days following the receipt thereof.

7.10 Mortgagee Protection. The parties hereto agree that this Restated Agreement shall not prevent or limit Landowner, in any manner, at Landowner's sole discretion, from encumbering the Property or any portion thereof or any improvement thereon by any mortgage, deed of trust or other security device securing financing with respect to the Property, except as limited by the provisions of this section. City acknowledges that the lenders providing such financing may require certain agreement interpretations and modifications and agrees upon request, from time to time, to meet with Landowner and representatives of such lenders to negotiate in good faith any such request for interpretation or modification. City will not unreasonably withhold its consent to any such requested interpretation or modification provided such interpretation or modification is consistent with the intent and purposes of this Restated Agreement. Any Mortgagee shall be entitled to the following rights and privileges:

(a) Neither entering into this Restated Agreement nor a breach of this Restated Agreement shall defeat, render invalid, diminish or impair the lien of any

mortgage on the Property made in good faith and for value, unless otherwise required by law.

(b) The Mortgagee of any mortgage or deed of trust encumbering the Property, or any part thereof, which Mortgagee has submitted a request in writing to City in the manner specified herein for giving notices, may request to receive written notification from City of any default by Landowner in the performance of Landowner's obligations under this Restated Agreement.

(c) If City receives a timely request from a Mortgagee requesting a copy of any notice of default given to Landowner under the terms of this Restated Agreement, City shall provide a copy of that notice to the Mortgagee within ten (10) business days of sending the notice of default to Landowner. The Mortgagee shall have the right, but not the obligation, to cure the default during the remaining cure period allowed to Landowner under this Restated Agreement.

(d) Any Mortgagee who comes into possession of the Property, or any part thereof, by any means, whether pursuant to foreclosure of the mortgage deed of trust, or deed in lieu of such foreclosure or otherwise, shall take the Property, or part thereof, subject to the terms of this Restated Agreement, including payment of any outstanding fees or charges. Should such Mortgagee or successors or assigns of such Mortgagee choose to develop the Property, the development shall be subject to all of the terms and conditions of this Restated Agreement. Nothing in this Restated Agreement shall be deemed or construed to permit or authorize the Mortgagee or successors or assigns of such Mortgagee to devote the Property, or any portion thereof, to any uses or to construct any improvements thereon other than those uses and improvements provided for or authorized by this Restated Agreement.

7.11 Assignment. From and after recordation of this Restated Agreement against the Property, Landowner, or any individual person or entity, shall have the full right to assign this Restated Agreement, with prior notification to the City, as to the Property, or any portion thereof, in connection with any sale, transfer or conveyance thereof, and upon the express written assignment by a Landowner and assumption by the assignee of such assignment in the form attached hereto as **Exhibit 7.11**, and the conveyance of Landowner's interest in the Property related thereto, Landowner shall be released from any further liability or obligation hereunder related to the portion of the Property so conveyed and the assignee shall be deemed to be the "Landowner," with all rights and obligations related thereto, with respect to such conveyed property. No assignment shall be permitted and any attempt to assign shall be voidable by the City if the assigning Landowner has any outstanding payment or performance obligations to the City under this Restated Agreement or the PFFP as implemented by the City until such delinquency is satisfied or the parties enter into a payment or performance agreement in a form approved by the City Attorney.

7.12 Entire Agreement. This Restated Agreement is executed in two duplicate originals, each of which is deemed to be an original. This Restated Agreement, inclusive of its Recitals and Exhibits, constitutes the entire understanding

and agreement of the parties. This Restated Agreement may be signed in identical counterparts and the signature pages and consents, together with appropriate acknowledgments, may be removed from the counterparts and attached to a single counterpart, which shall all be considered a fully-executed original for all persons and for purposes of recordation hereof.

IN WITNESS WHEREOF, the City of Folsom has authorized the execution of this Restated Agreement in duplicate by its Mayor, and attested to by the City Clerk under the authority of Ordinance No. 1207 adopted by the City Council on the 10th day of June, 2014.

CITY OF FOLSOM,
a municipal corporation

Kerri M. Howell, Mayor — Date 07/07/14

APPROVED AS TO CONTENT:

Evert W. Palmer, City Manager — Date 7/2/2014

APPROVED AS TO FORM:

Bruce C. Cline, City Attorney — Date 7/1/14

ATTEST:

Christa Saunders, City Clerk — Date 7/10/14

LANDOWNER SIGNATURES ON FOLLOWING PAGES

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

State of California
County of Sacramento }

On July 7, 2014, before me, C.L. Glass, Notary Public, personally appeared

Kerri M. Howell

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: First Amended and Restated Tier 1 Development Agreement

Document Date: Number of Pages:

Signer(s) Other than Named Above:

IN WITNESS WHEREOF, the parties below have caused this Amended and Restated Tier 1 Development Agreement to be duly executed:

LANDOWNER:

APN(s): 072-0060-073, -074 & -075

AEROJET ROCKETDYNE, INC.,
an Ohio Corporation

By: Easton Development Company, LLC,
a California Limited Liability Company
Its Manager

By:_____
David C. Hatch
Vice President and
Chief Operating Officer

APN(s): 072-0231-048

EASTON DEVELOPMENT COMPANY, LLC
a California Limited Liability Company

By:_____
David C. Hatch
Vice President and
Chief Operating Officer

This Amended and Restated Tier 1 Development Agreement must be duly Notarized.

ALL-PURPOSE ACKNOWLEDGMENT

State of California)
)
County of Sacramento)

On June 26, 2014 (Date) before me, Christina M. Groen Notary Public (Here Insert Name and Title of Officer)

Personally appeared David C Hatch (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~~ 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.

CHRISTINA M. GROEN
COMM. #2060584
Notary Public · California
Sacramento County
My Comm. Expires Mar. 9, 2018
NRO1 NRO1

Place Notary Seal Above

Signature of Notary Public

OPTIONAL

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: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

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

Signer is Representing: _____

RIGHT THUMBPRINT OF SIGNER
Top of thumb here

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

Signer is Representing: _____

RIGHT THUMBPRINT OF SIGNER
Top of thumb here

LIST OF EXHIBITS

Exhibit A-1	Legal Description of Property
Exhibit A-2	Map of Property
Exhibit B	Map of Specific Plan Land Use Plan
Exhibit 2.2.1	List of PFFP Facilities
Exhibit 2.2.3.2	Map of Aerojet/Easton Property, Including Map of Community Park West and Alternate Site
Exhibit 2.2.4	Existing and New Plan Area Fees Summary Sheet
Exhibit 2.5.5	Form of Mather Avigation Easement
Exhibit 3.8	Map of Backbone Lands
Exhibit 4.2.1	List of Advancing Owners and Reimbursing Owners for Advance Planning Costs
Exhibit 4.3	Map of Constructing Owner's Property
Exhibit 7.11	Form of Assignment of Development Agreement

EXHIBIT A-1
AEROJET ROCKETDYNE, INC. PARCELS & EASTON DEVELOPMENT COMPANY, LLC, PARCEL

All that certain real property situated in the City of Folsom, County of Sacramento, State of California and being more particularly described as follows:

Easton Development Company, LLC Parcel:

Being Resultant Parcel 1B as shown on that certain "Lot Line Adjustment", "Resolution No. 14-BLS-00006" recorded March 28, 2014, in Book 20140328 of Official Records, at Page 0846.

Aerojet Rocketdyne, Inc. Parcels

All that real property described as Exhibit "A" in Book 20031015 at Page 3813 Official Records being more particularly described as follows:

All that portion of land located in the West 1/2 of Section 20, and a portion of the East 1/2 of section 19, Township 9 North, Range 9 East, described as follows:

Beginning at the Northwest Corner of the Southwest 1/4, of the Northwest 1/4 of Section 20, Township 9 North, Range 9 East, M.D.B. & M.; thence along the North line of the SW 1/4, of the NW 1/4, of Section 20, North 89°05'19" East 1319.51 feet to the Northeast Corner of the SW 1/4 of the NW 1/4 of Section 20; thence along the East line of the West 1/2 of the West 1/2 of Section 20, South 00°49'36" East 1723.56 feet to a point on the centerline of White Rock Road; thence along the centerline of White Rock Road South 80°28'18" West 751.93 feet; thence along a curve to the right having a radius of 2300.00 feet, subtended by a chord bearing South 84°23'33" West 314.54 feet; thence South 88°18'48" West 846.67 feet; thence leaving the centerline of White Rock Road, North 00°49'36" West 1873.43 feet; thence North 89°05'19" East 583.78 feet to the point of beginning.

Being Resultant Parcel 6 as shown on that certain "Lot Line Adjustment" "Resolution No. 14-BLS-00006 recorded March 28, 2014, in Book 20140328 of Official Records, at Page 0846.

Excepting therefrom all that portion of the above described Parcel lying south of the centerline of White Rock Road as it presently exists.

APNs 072-0231-048, 072-0060-075, 072-0060-074, 072-0060-073

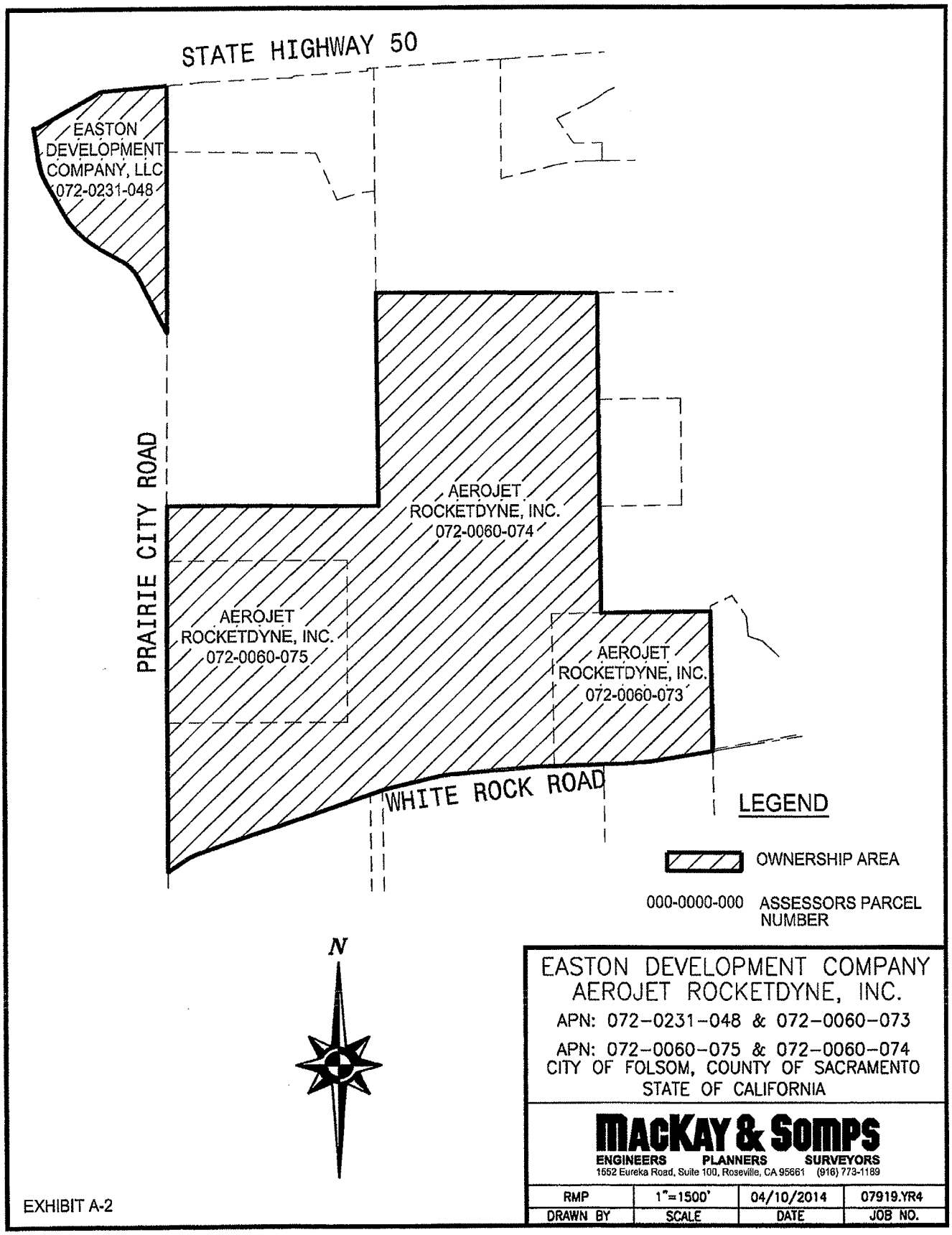


EXHIBIT A-2

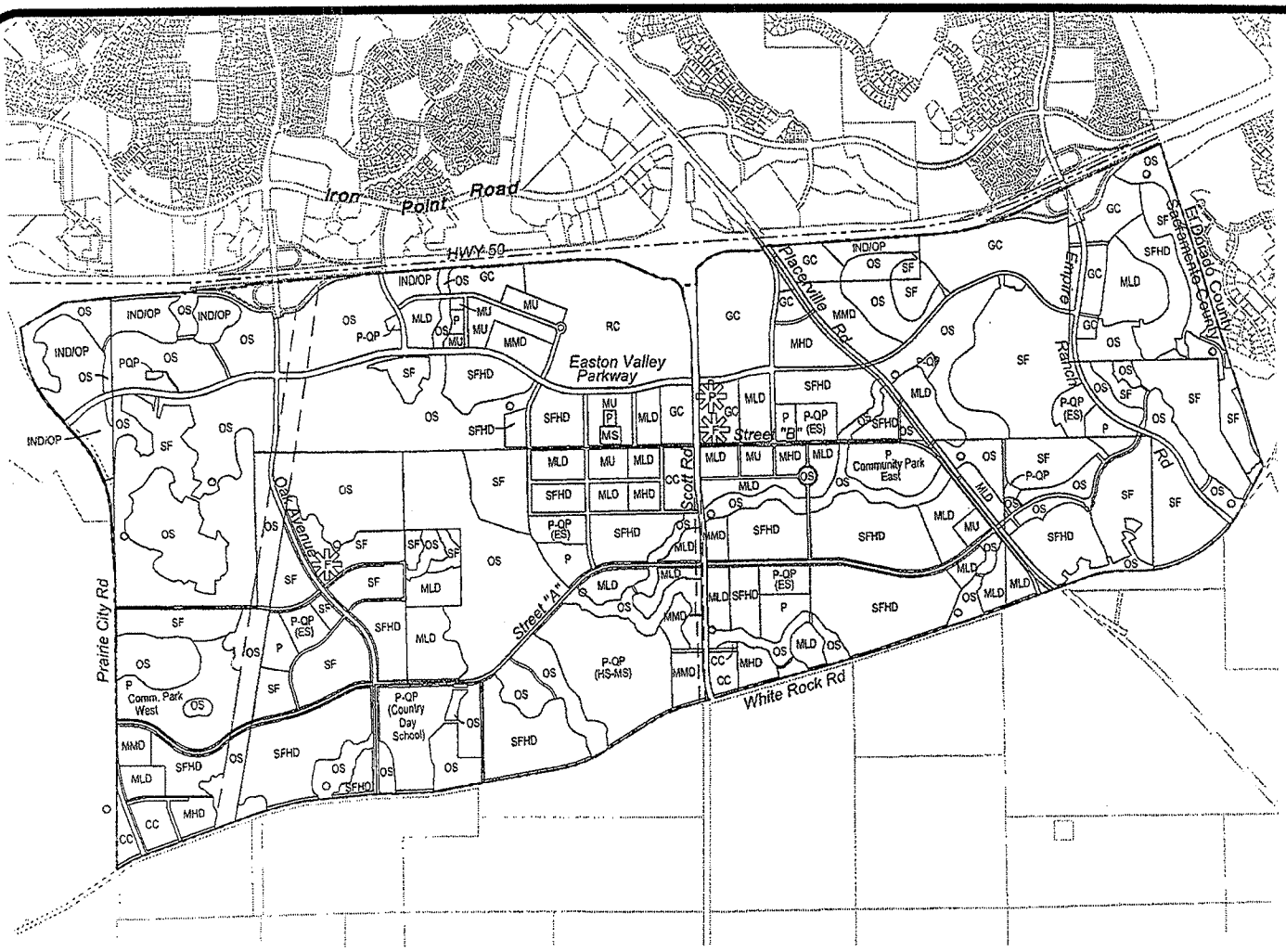
EASTON DEVELOPMENT COMPANY
AEROJET ROCKETDYNE, INC.

APN: 072-0231-048 & 072-0060-073

APN: 072-0060-075 & 072-0060-074
CITY OF FOLSOM, COUNTY OF SACRAMENTO
STATE OF CALIFORNIA

MACKAY & SOMPS
ENGINEERS PLANNERS SURVEYORS
1552 Eureka Road, Suite 100, Roseville, CA 95661 (916) 773-1189

RMP	1"=1500'	04/10/2014	07919.YR4
DRAWN BY	SCALE	DATE	JOB NO.



LEGEND

Land Use

SF	Single Family: 1-4 du/ac
SFHD	Single Family High Density: 4-7 du/ac
MLD	Multi-Family Low Density: 7-12 du/ac
MMD	Multi-Family Medium Density: 12-20 du/ac
MHD	Multi-Family High Density: 20-30 du/ac
MU	Mixed Use: 9-30 du/ac
IND/OP	Industrial/Office Park
CC	Community Commercial
GC	General Commercial
RC	Regional Commercial

Public Parcels

P	Parks (Community/Neighborhood Parks)
OS	Open Space
PQP	Public/Quasi-Public
	Firestation (conceptual location)
	Police Substation (conceptual location)
MS	Municipal Services Center and Library (conceptual location)
	Detention Basins

EXHIBIT B

Folsom Plan Area Specific Plan

Approved Land Use Plan - 6/27/2011

City of Folsom, California

MACKAY & SOMPS
ENGINEERS PLANNERS SURVEYORS
1551 Eureka Road, Suite 100, Roseville, CA 95661 (916) 929-6092

Exhibit 2.2.1

PFFP Facilities to be Constructed in and/or Financed by the FPASP Area

Backbone Infrastructure:

- Roadway Improvements, as described in Appendix B of the PFFP
- On-Site Water System Improvements, as described in Appendix C of the PFFP
- Off-Site Water System Improvements, as described in Appendix D of the PFFP
- Recycled Water System Improvements, as described in Appendix E of the PFFP
- Sanitary Sewer System Improvements, as described in Appendix F of the PFFP
- Storm Drainage System Improvements, as described in Appendix G of the PFFP
- Habitat Mitigation, as described in the Executive Summary, Page ES-9, and in Appendix H of the PFFP
- Interchanges, as described in Appendix N of the PFFP

Other Public Facilities

- Fire Facilities and Equipment, as described in Appendix I of the PFFP
- Police Facilities and Equipment, as described in Appendix I of the PFFP
- Municipal Services Center, as described in Appendix I of the PFFP
- Branch Library, as described in Appendix I of the PFFP
- Corporation Yard, as described in Appendix J of the PFFP
- Transit System, as described in Appendix K of the PFFP
- Parks, as described in Appendix L of the PFFP
- Trails, as described in Appendix M of the PFFP
- Aquatic and Community Center, as described in Appendix O of the PFFP
- Solid Waste Facilities, as described in the Executive Summary, Pages ES-18 to ES-19, of the PFFP
- General Capital Facilities, as described in Chapter 4, Page 19, of the PFFP

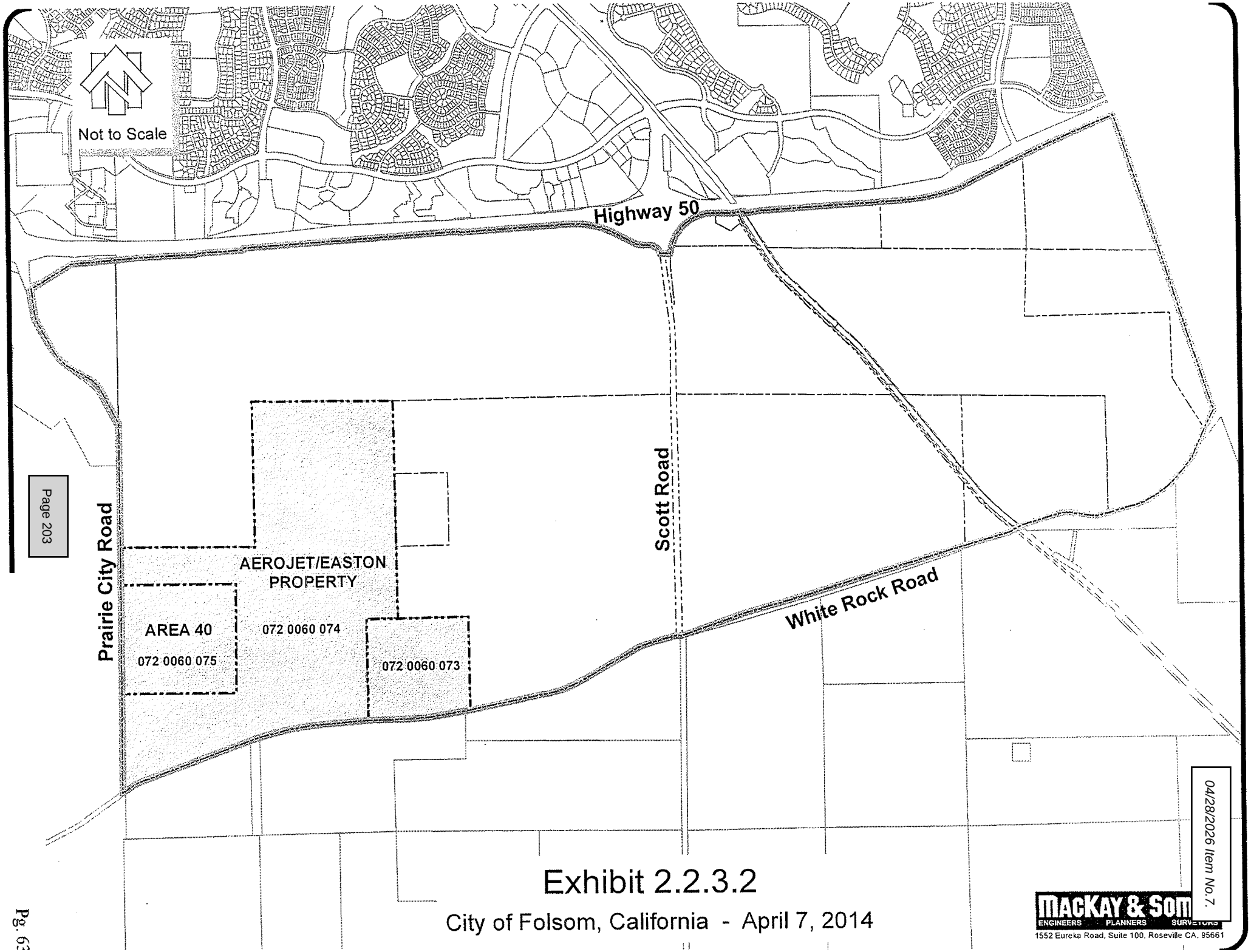


Exhibit 2.2.3.2

City of Folsom, California - April 7, 2014

MACKAY & SOM
ENGINEERS PLANNERS SURVEYORS
1552 Eureka Road, Suite 100, Roseville CA. 95661

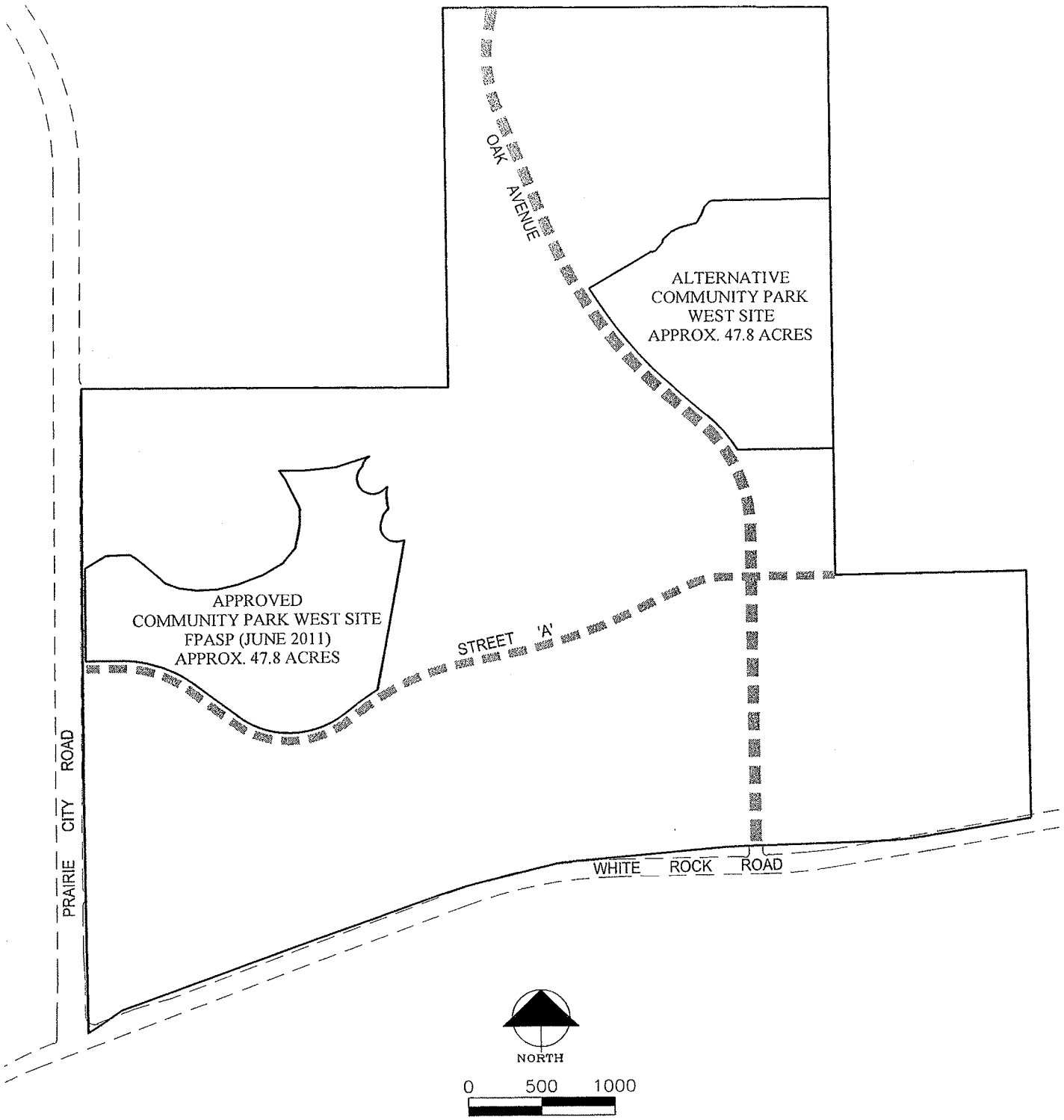


EXHIBIT 2.2.3.2
ALTERNATIVE SITE
COMMUNITY PARK WEST

Exhibit 2.2.4
Existing and New Plan Area Fees

Existing City Fees [1]
- Transportation Management Fee
- Solid Waste Capital Improvement Fee
- Capital Improvement Fee – Park Equipment
- Housing Trust Fund
- Water Buy-in and Connection Fee
- Water Usage Fee [2]

FPASP Plan Area Fees

New Plan Area Fees for City Facilities (Combined)
- General Capital Facilities
- Library
- Municipal Services Center
- Police Facilities
- Fire Facilities
- Parks
- Trails

New Stand-Alone Plan Area Fees
- Corporation Yard
- Transit
- Interchanges/HWY 50 Improvements

FPASP Specific Plan Infrastructure Fee (SPIF)
- On-Site Roadway
- Off-Site Roads within Folsom
- On-Site Water
- Off-Site Water
- Recycled Water
- Drainage
- Sewer
- Habitat Mitigation
- Administration

FPASP Planning and Land Fees
- Specific Plan Reimbursement
- Parkland Dedication (Quimby)

[1] This list of Existing City Fees is intended to reflect all City development impact or mitigation fees existing on the Effective Date of the Restated Agreement which are not being replaced by new FPASP Plan Area Fees; however, to the extent such fees are inadvertently omitted from this list, those fees existing at the time of the Effective Date of this Restated Agreement and not replaced by the new FPASP Plan Area Fees shall apply. This list does not address, and is not intended to limit, the City's existing or future permit application, development processing, inspection and plan check and other such related fees imposed by the City in conjunction with development applications.

[2] Fee for volumetric water usage during construction.

EXHIBIT 2.5.5

FORM OF MATHER AVIGATION EASEMENT

FOR THE BENEFIT OF THE CITY OF FOLSOM
PURSUANT TO GOVERNMENT CODE §6103

RECORDING REQUESTED BY CITY CLERK

WHEN RECORDED MAIL TO:

CITY CLERK
CITY OF FOLSOM
50 NATOMA STREET
FOLSOM, CALIFORNIA 95630

GRANT OF AVIGATION EASEMENT

The Grant of Avigation Easement (herein collectively referred to as "Avigation Easement"), is made on _____, 2014, by and between _____, (herein referred to as "Grantor"), the County of Sacramento, a Political Subdivision of the State of California, acting by and through its Board of Supervisors and the City of Folsom, a municipal corporation, acting by and through its City Council (herein collectively referred to as "Grantees") with reference to the following facts:

A. Grantor owns real property in the City of Folsom, Sacramento County, California ("Grantor's Property"). The legal description for Grantor's Property is attached as Exhibit "A". Grantor's Property includes the air space above it.

B. The County of Sacramento owns and operates Sacramento Mather Airport in Sacramento County, California (the "Airport").

C. The Airport is a General Aviation airport for the region and also has various other aviation and related activity. Grantors and Grantees recognize and understand that the Airport will grow and traffic will increase over time.

D. Grantor has requested and received certain land use approvals including a Specific Plan (the "Folsom Specific Plan") and a Tier 1 Development Agreement. The land use approval requires Grantor to record an Avigation Easement on its property prior to or concurrently with the execution of its pending Amended and Restated Tier 1 Development Agreement (the "Restated Development Agreement") to address rights and obligations for future development of Grantor's Property. This Avigation Easement is a negotiated term of Grantor's Restated Development Agreement and the Tier 1 Development Agreement between the City of Folsom and all landowners in the Folsom Specific Plan.

E. Grantor has requested and in consideration for the land use approval, Grantor has agreed to grant the County of Sacramento and the City of Folsom the Avigation Easement described below.

NOW, THEREFORE, the parties agree as follows:

Section 1. Grant of Avigation Easement

A. For valuable consideration, Grantor grants to the County of Sacramento and the City of Folsom a perpetual, nonexclusive, assignable Avigation Easement in and over Grantor's Property for noise and other negative impacts resulting from aircraft flying to and from, and other operations at the Airport ("Airport Operations") and a right-of-way for the free and unrestricted passage of aircraft of any and all kinds now or hereafter known in, through, across and about the airspace beginning at an altitude of one thousand (1000) feet above the top of the highest obstacle on Grantor's Property (hereinafter "Permitted Airspace"). This Avigation Easement specifically permits the imposition of light, smoke, air currents, electronic or other emissions, vibrations, discomfort, inconvenience, and interference with use and enjoyment resulting from Airport Operations producing noise. This Avigation Easement is fully effective as of the date set forth above.

B. Such Avigation Easement and right-of-way includes, but is not limited to:

1. The Avigation Easement and right-of-way is for the use and benefit of the public and includes the continuing right to fly, or cause or permit the flight by any and all persons, of aircraft, of any and all kinds now or hereafter known, in, through, across or about any portion of the Permitted Airspace; and

2. The right to cause or create, permit or allow to be caused or created within all space above the existing surface of said Grantor's Property and any and all airspace laterally adjacent to said Grantor's Property, such noise, vibration, current and other effects of air, illumination and fuel consumption as may be inherent in, or may arise or occur from Airport Operations, or during the operation of aircraft of any and all kinds, now or hereafter known or used, for navigation of or flight in air within the Permitted Airspace; and

3. Nothing in this easement is intended to or shall it be interpreted to alter noise standards and methods of measurements or permit noise or vibration in excess of the standards utilized by the Federal Aviation Administration.

4. A continuing right to clear, and keep clear the Permitted Airspace and extending upwards thereafter (as necessary for air transportation or air operation purposes) of any portions of building, structures, or improvements of any and all kinds, and of trees or other objects, including the right to remove or demolish those portions of such buildings, structures, improvements, trees or other things

which extend into or above said Airspace and the right to cut to those portions of any trees which extend into or above the Airspace; and

5. The right to mark and light, or cause or require to be marked or lighted, as obstructions to air navigation, any and all buildings, structures or other improvements, and trees or other objects, which extend into or above the Permitted Airspace; and

6. The right to ingress to, passage within, and egress from the hereinabove described Grantor's Property for the purposes described in subparagraphs "4" and "5" above.

C. Grantor, on behalf of itself, its successors and assigns, hereby covenants with the County of Sacramento and the City of Folsom and for the direct benefit of the real property constituting Sacramento Mather Airport as follows:

1. That Grantor, its successors and assigns will not construct, install, permit or allow any building, structure, improvement, tree, or other object on the Grantor's Property described herein, to extend into or above the Permitted Airspace, or to obstruct or interfere with the use of the Avigation Easement and right-of-way herein granted.

2. Nothing in the Avigation Easement is intended to nor shall it affect Grantor's land use rights or require any additional land use review beyond that ordinarily required in the land use entitlement process.

D. The Avigation Easement and right-of-way granted herein shall be deemed both appurtenant to and for the direct benefit of that real property which constitutes the Sacramento Mather Airport, and shall further be deemed in gross, being conveyed to the Grantees for the benefit of the Grantees and any and all members of the general public who may use said Avigation Easement or right-of-way or derive benefit from the taking off from, landing upon or operating such aircraft in or about the said Sacramento Mather Airport, or in otherwise flying through said Permitted Airspace.

E. This Avigation Easement shall not operate to deprive the Grantor, its successors or assigns, of any rights, which it may from time to time have against any air carrier or private operator for negligent or unlawful operation of aircraft or any other rights, claims or causes of action that are not inconsistent with the Avigation Easement granted herein.

F. These covenants and agreement run with the land and are binding upon the heirs, administrators, executors, successors and assigns of the Grantor, and for the purpose of this instrument, the Grantor's Property as described in Exhibit "A" is the servient tenement and said Sacramento Mather Airport is the dominant tenement.

Section 2. Release

Grantor releases the City of Folsom, the County of Sacramento and Airport operators and aircraft operators using the Airport from any claims, losses, liabilities or expenses (collectively, "Losses") arising from the impositions permitted by this Avigation Easement, as well as from noise and other negative impacts resulting from Airport Operations prior to the date of this Avigation Easement. This Release covers all past, present and future Losses, whether known or unknown. This Release includes damages for physical or emotional injuries, nuisance or any taking of Grantor's Property. Grantor specifically waives application of California Civil Code, Section 1542, which provides as follows:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor."

Grantor shall not sue for damages in connection with Losses released by this Avigation Easement, nor seek to enjoin the impositions permitted by this Avigation Easement. The County of Sacramento will not have to set aside buffer lands, re-route air traffic, erect sound or other barriers, establish curfews, relocate Airport Operations or take other measures to eliminate or lessen the impositions permitted by this Avigation Easement. Flights paths may be altered or modified from time to time by the Federal Aviation Administration or the County of Sacramento to fly over Grantor's Property.

Section 3. Continuous Benefits and Burdens

This Avigation Easement burdens the Grantors' Property for the benefit of the Airport. It runs with the land under California Civil Code Section 1468. The benefits and burdens created by this instrument apply to and bind the parties' successors, heirs and assigns.

Grantor agrees that in any marketing material regarding transfers, in whole or in part, of the Grantor's Property, this Avigation Easement and the terms thereof shall be disclosed. In addition, Grantor agrees that it will inform all interested parties including, but not limited to, those holding liens or encumbrances on all or a portion of the Property, about this Avigation Easement and shall provide a copy of this Avigation Easement if they so request.

Section 4. Recordation

The County of Sacramento shall record this document in the Official Records of Sacramento County.

GRANTOR: _____

Dated: _____ By: _____

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

State of California
County of Sacramento }

On _____, before me, _____, Notary Public,

Personally appeared _____

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 forgoing paragraph is true and correct.

WITNESS my hand and official seal.

SIGNATURE_____

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: _____

_____

Document Date:_____Number of Pages:_____

Signer(s) Other than Named Above: None

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed by the within deed, the provisions of which are incorporated by this reference as though fully set forth in this Certification, to the County of Sacramento, a political subdivision of the State of California, is hereby accepted by the undersigned officer pursuant to authority conferred by Resolution No. 2011-0011 of the Board of Supervisors of said County adopted on January 11, 2011, and the Grantee consents to recordation thereof by its duly authorized officer.

Director of General Services Date

CITY OF FOLSOM
CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in the real property conveyed by the within Deed, the provisions of which are incorporated by this reference as though fully set forth in this Certification, to the City of Folsom, a political subdivision of the State of California, is hereby accepted by the undersigned officer pursuant to authority conferred by Resolution No. 2435 of the City Council of said City adopted on July 18, 1988, and the grantee consents to recordation thereof by its duly authorized officer.

Signature & Date: _____

Evert W. Palmer
City of Folsom
City Manager

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

State of California
County of Sacramento }

On _____, before me, _____, Notary

Public, personally appeared Evert W. Palmer

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 forgoing paragraph is true and correct.

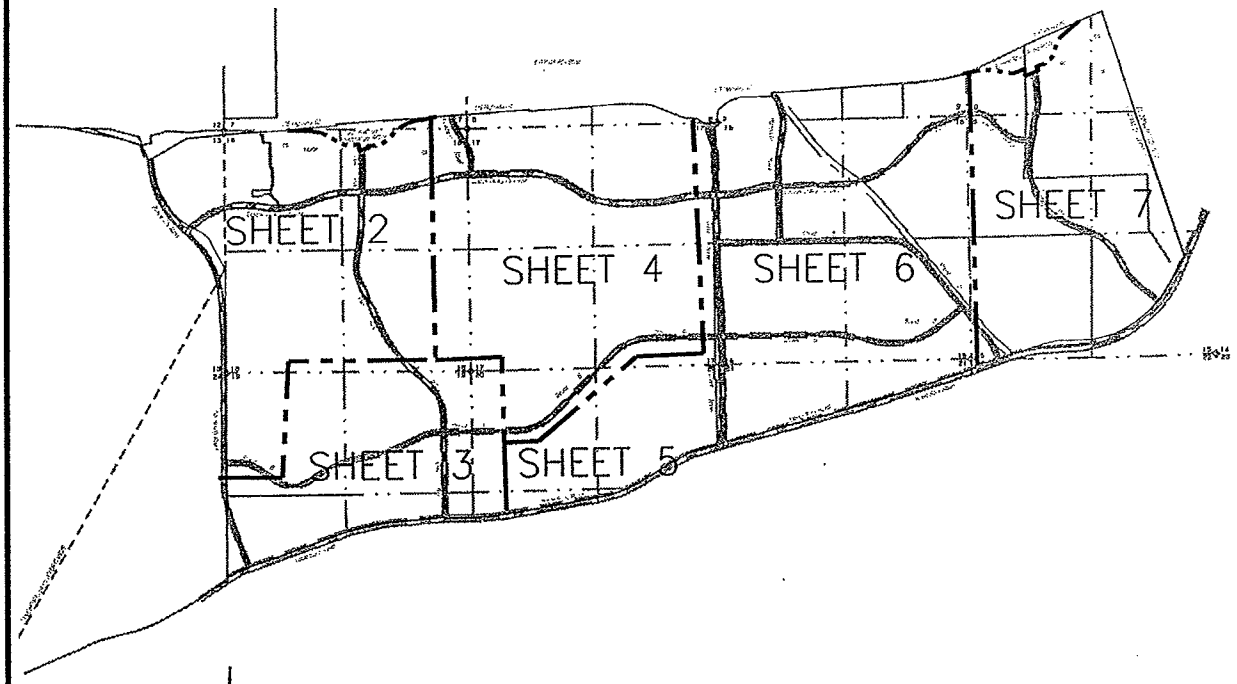
WITNESS my hand and official seal.

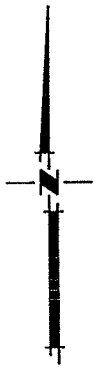
SIGNATURE_____

PLACE NOTARY SEAL ABOVE

EXHIBIT "A"

LEGAL DESCRIPTION





SHEET 1 OF 7

EXHIBIT 3.8

INDEX SHEET

BACKBONE INFRASTRUCTURE AND BACKBONE LANDS

SACRAMENTO COUNTY CALIFORNIA

MACKAY & SOMPS
ENGINEERS PLANNERS SURVEYORS
1552 Eureka Road, Suite 100, Roseville, CA 95661 (916) 773-1189

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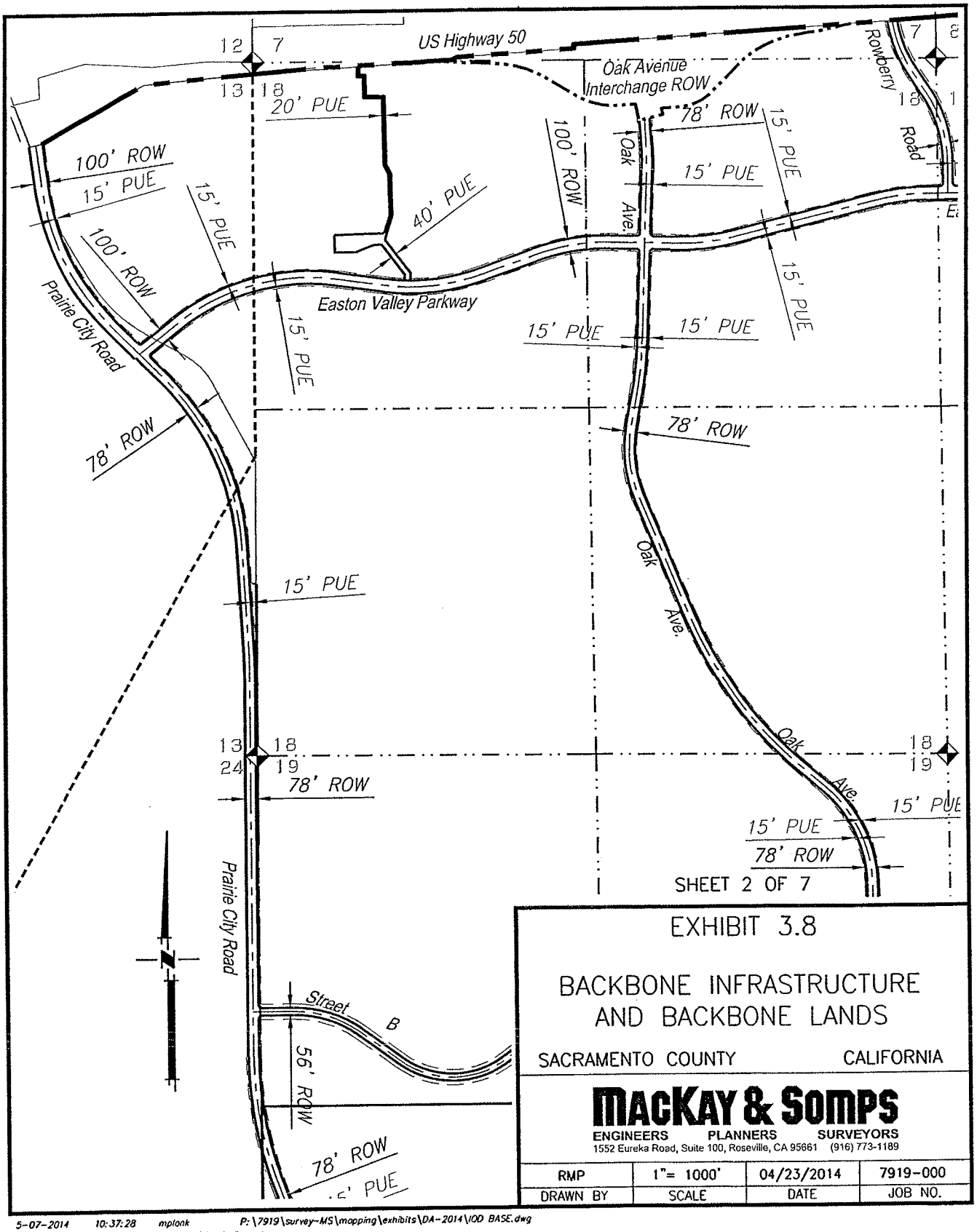


EXHIBIT 3.8

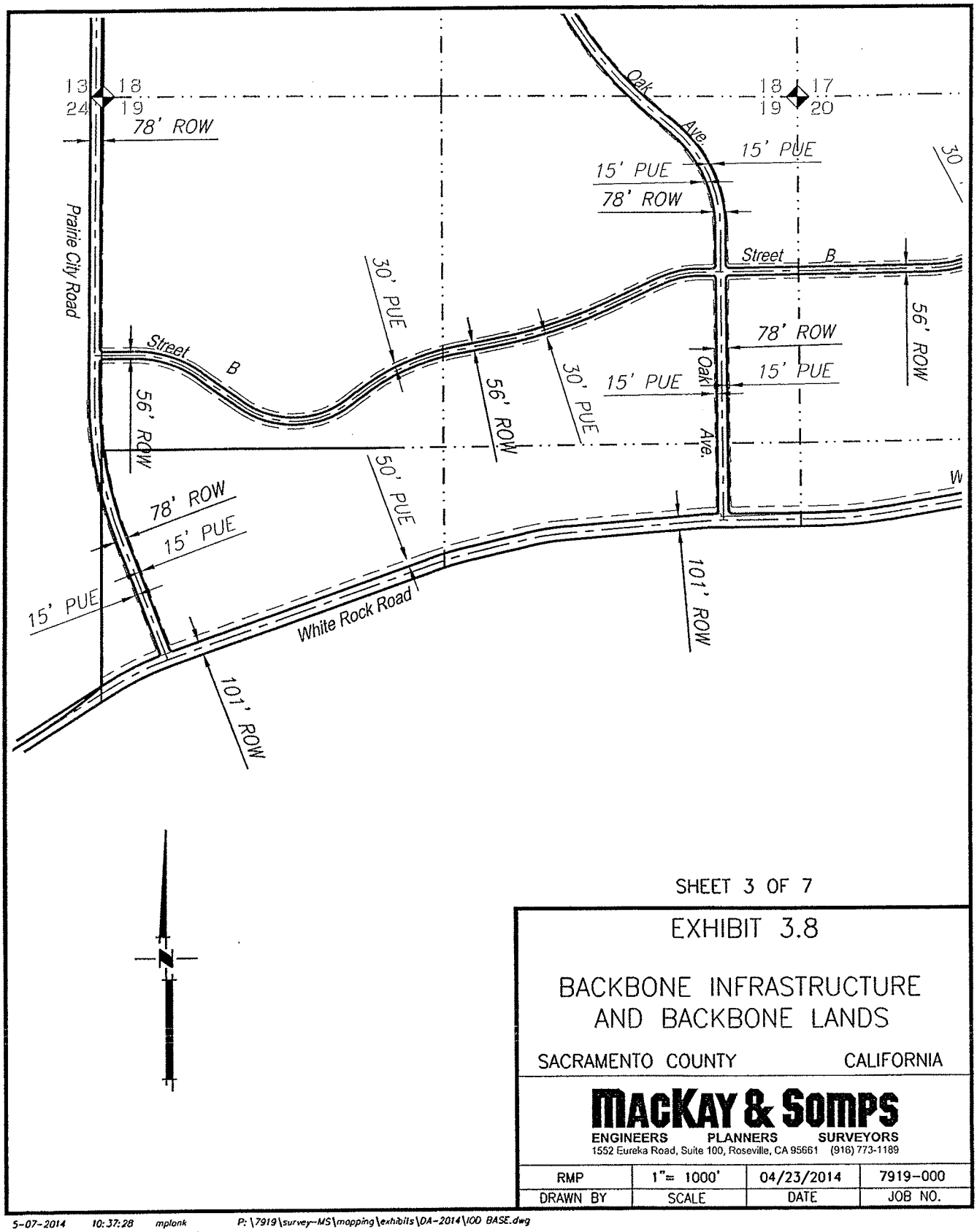
BACKBONE INFRASTRUCTURE AND BACKBONE LANDS

SACRAMENTO COUNTY CALIFORNIA

MACKAY & SOMPS
ENGINEERS PLANNERS SURVEYORS
1552 Eureka Road, Suite 100, Roseville, CA 95661 (916) 773-1189

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SHEET 3 OF 7

EXHIBIT 3.8

BACKBONE INFRASTRUCTURE AND BACKBONE LANDS

SACRAMENTO COUNTY CALIFORNIA

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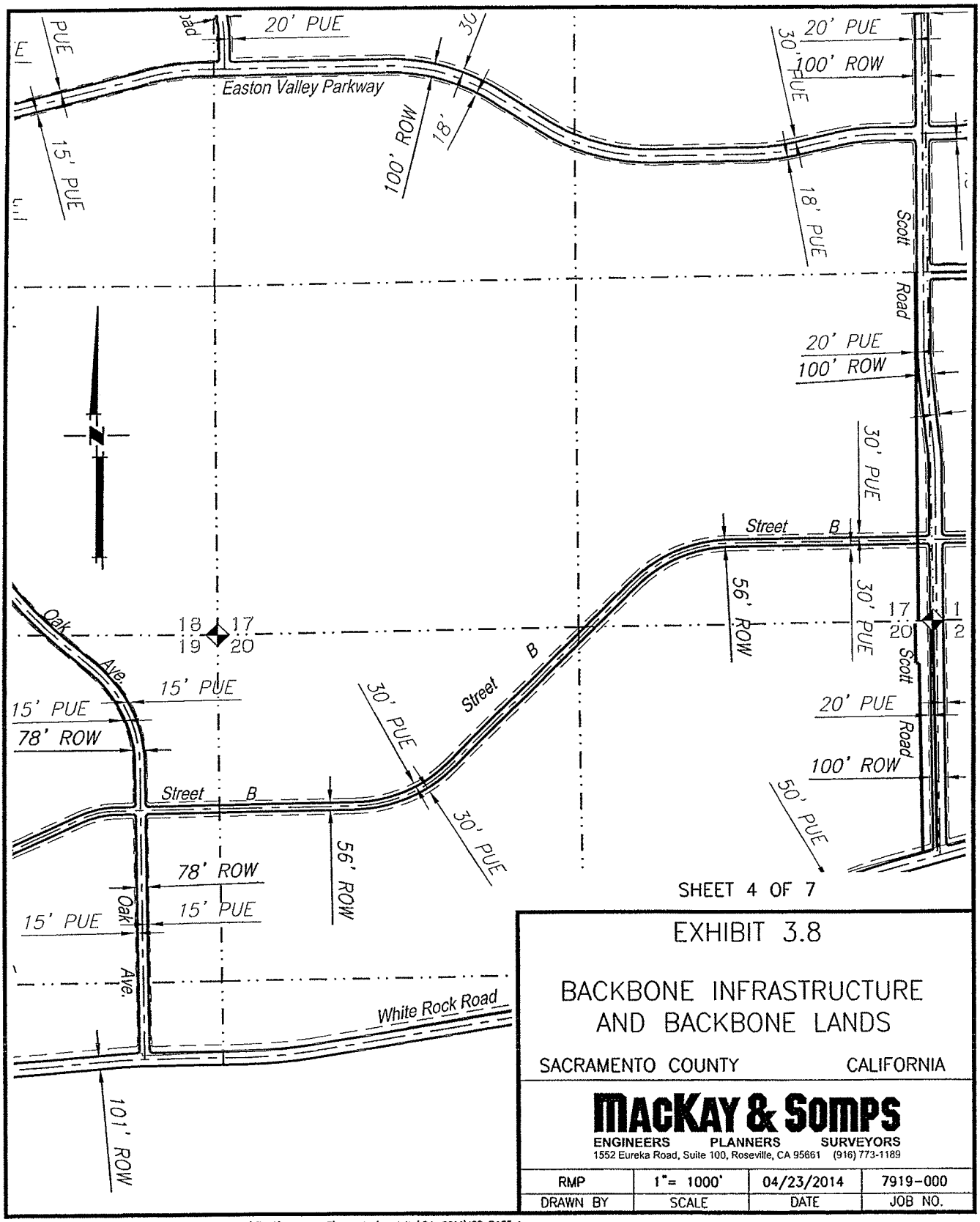


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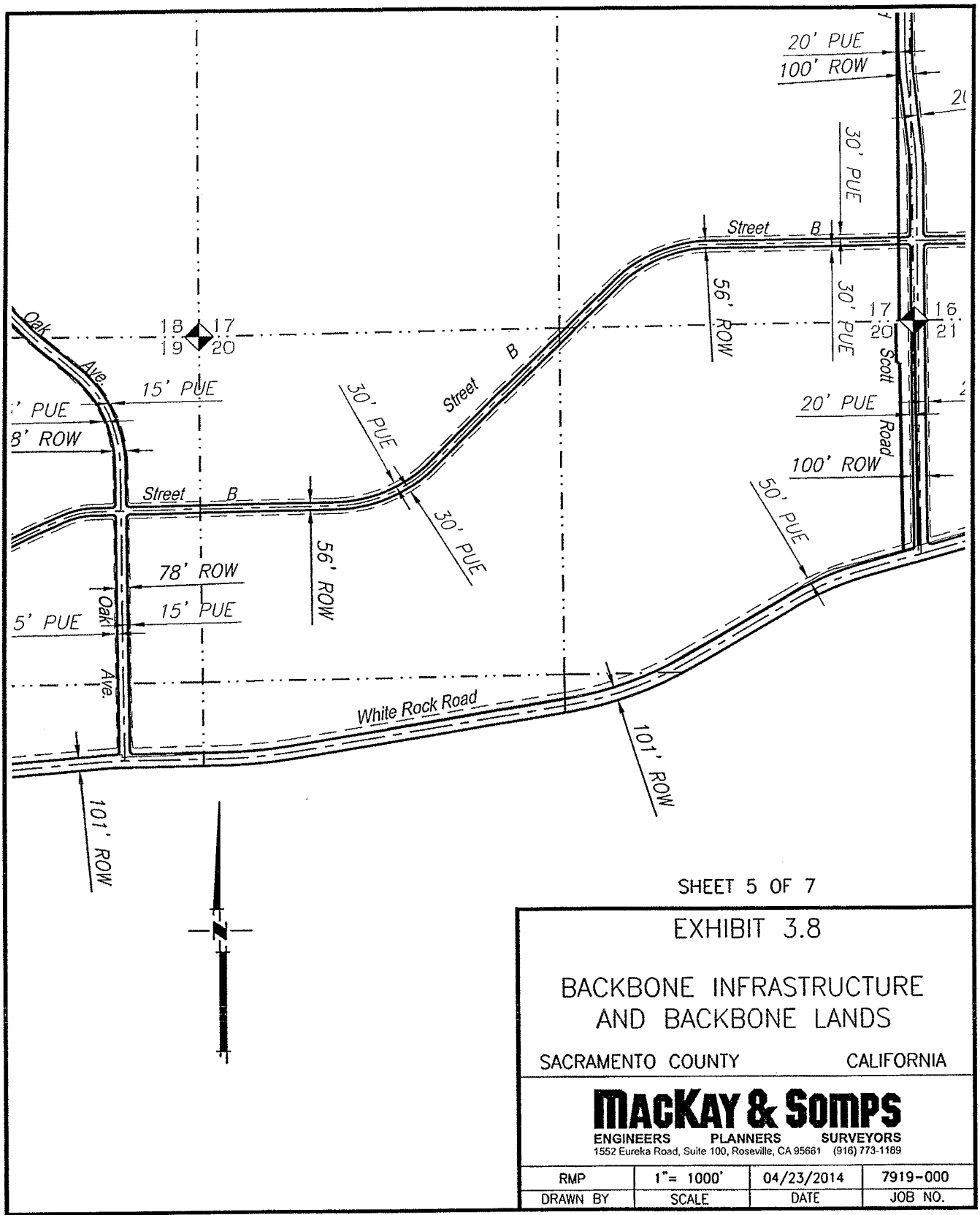
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SACRAMENTO COUNTY CALIFORNIA

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SHEET 5 OF 7

EXHIBIT 3.8

BACKBONE INFRASTRUCTURE AND BACKBONE LANDS

SACRAMENTO COUNTY CALIFORNIA

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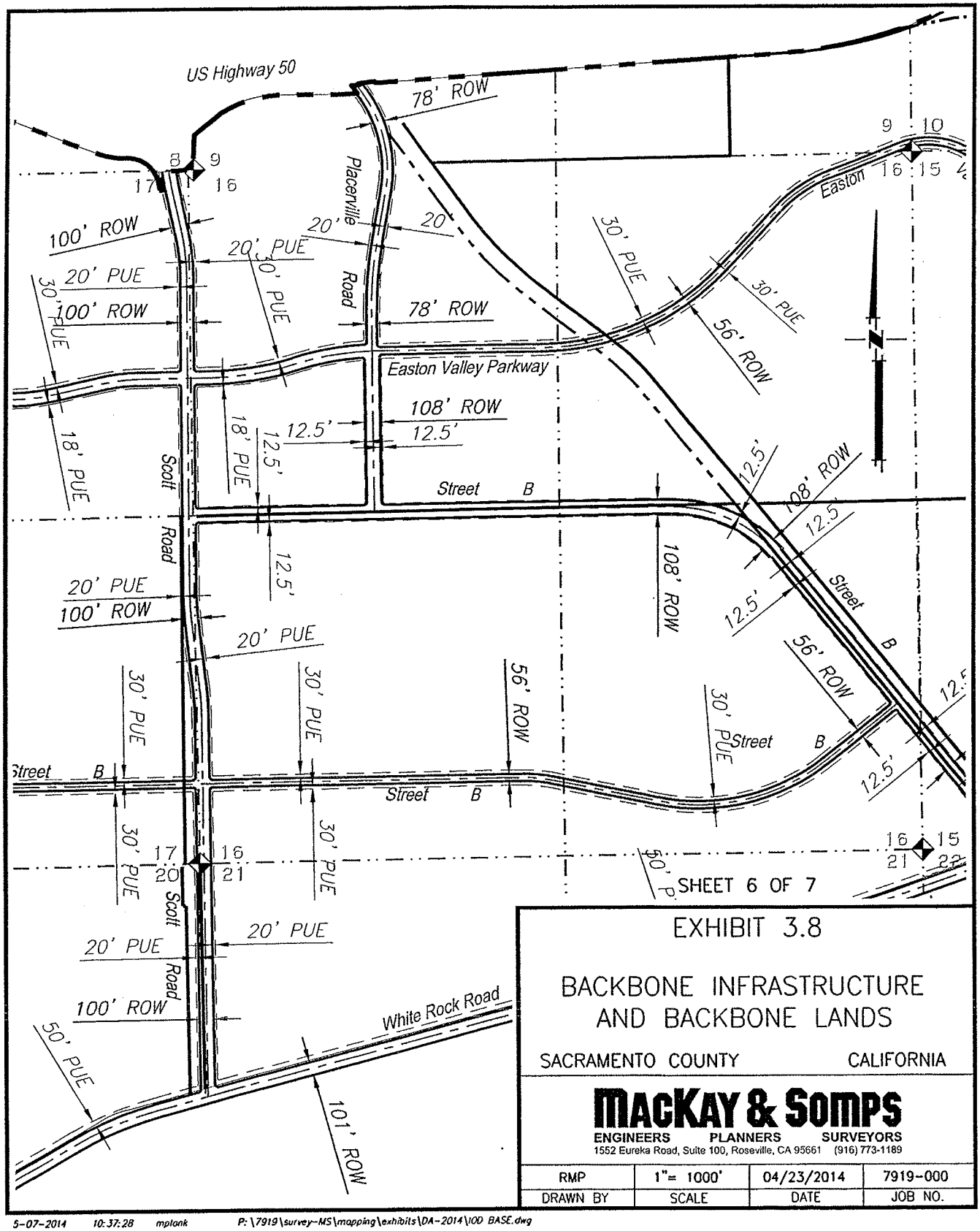


EXHIBIT 3.8

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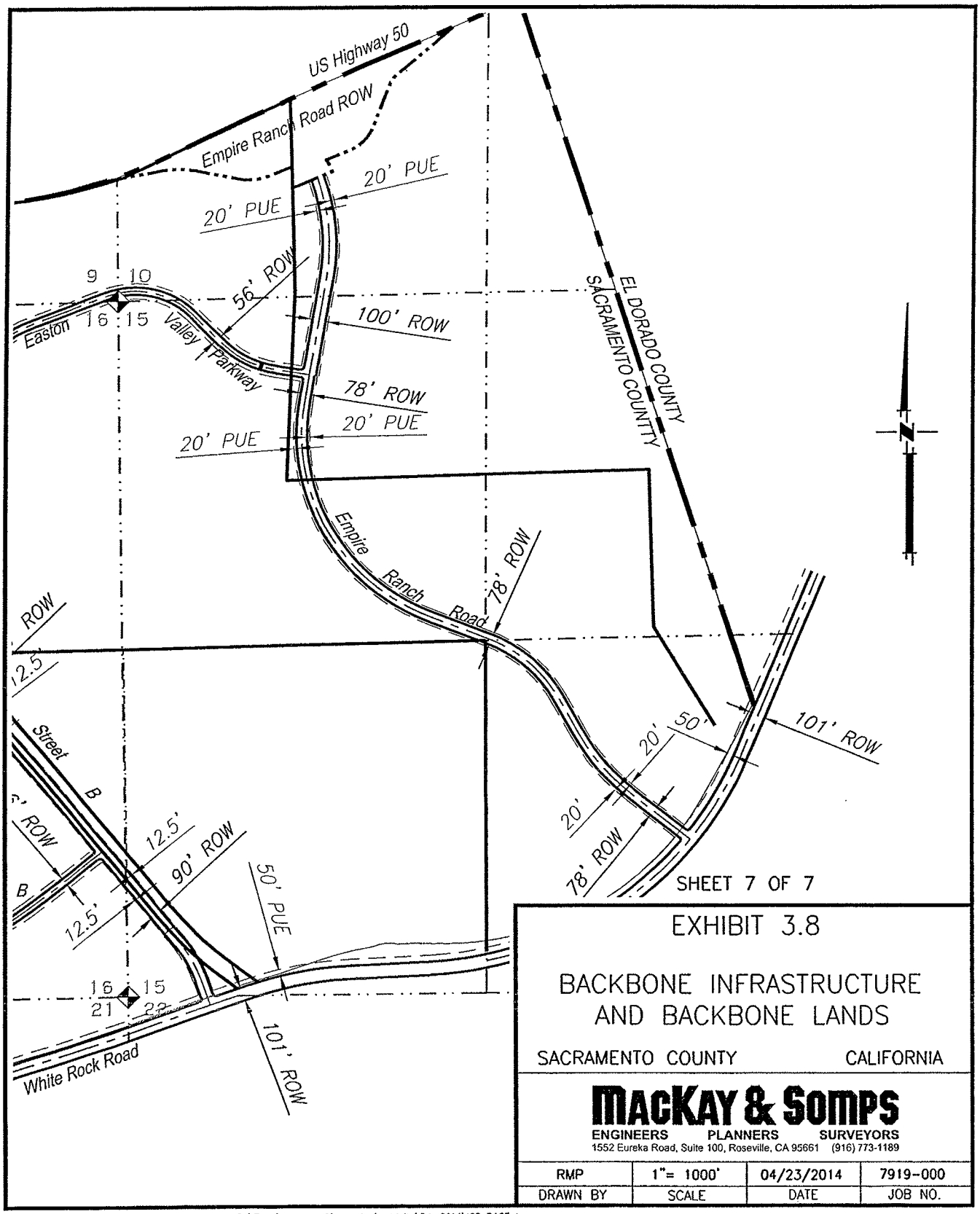


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Exhibit 4.2.1

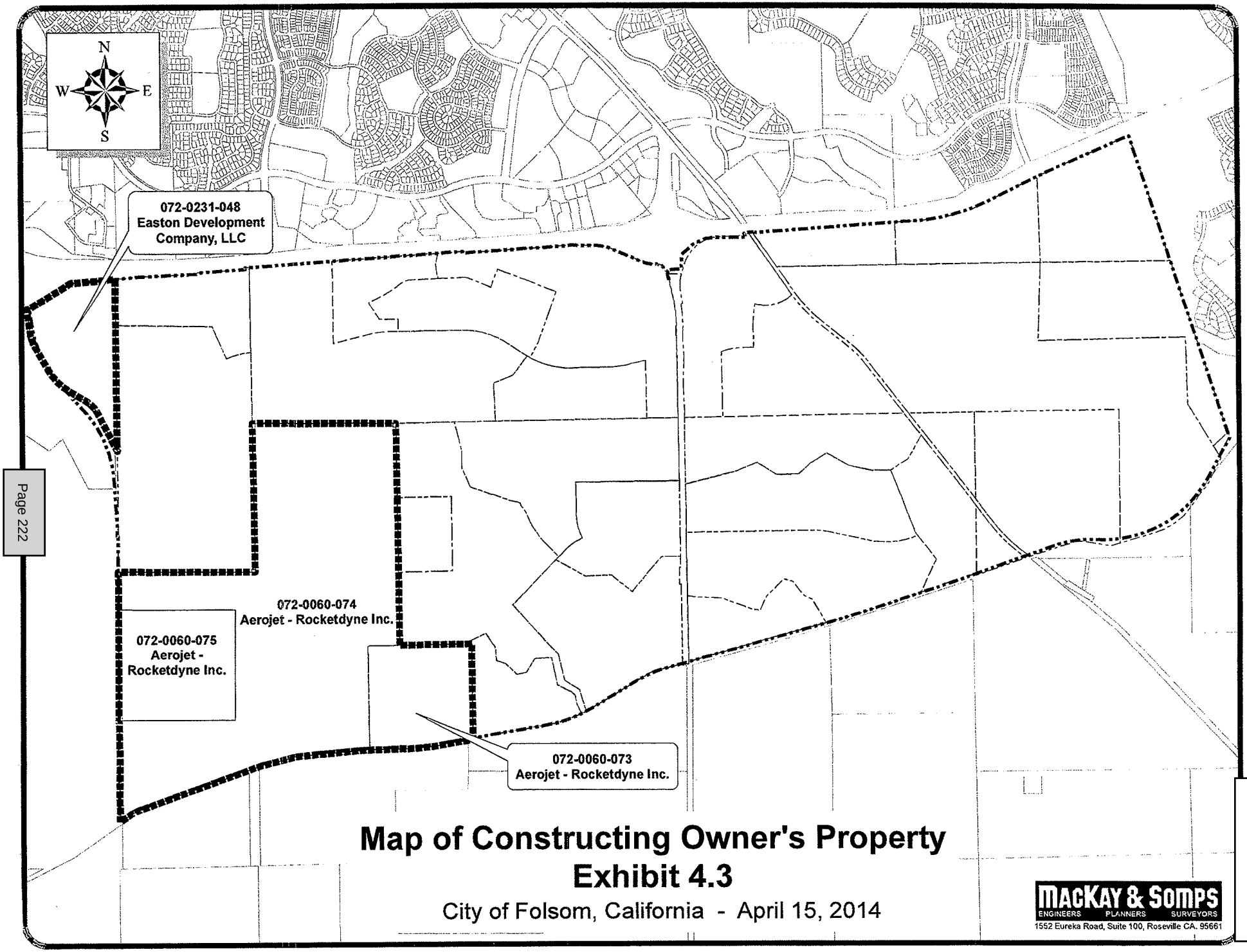
List of Advancing Owners and Reimbursing Owners for Advance Planning Cost

Advancing Owners:

Folsom Real Estate South, LLC APN(s): 072-0060-076, -077, -079, -080, -081, -082 & -084
White Rock Land Investors, LLC APN(s): 072-0060-085
Mangini North Holdings, LLC APN(s): 072-0060-083
West Scott Road, LLC APN(s): 072-0060-078
TNHC Russell Ranch, LLC APN(s): 072-0070-032 & 072-0270-138
Eagle Office Properties, LLC APN(s): 072-3190-002 & -006
Eagle Commercial Properties, LLC APN(s): 072-3190-001 & -008
Carpenter East, LLC APN(s): 072-3190-009
Easton Valley Holdings, LLC APN(s): 072-3190-003, -004 & -005
West Prairie Estates APN(s): 072-3190-007
Aerojet Rocketdyne, Inc. APN(s): 072-0060-073, -074 & -075
Easton Development Company, LLC APN(s): 072-0231-048
Gragg Ranch Recovery Acquisition LLC APN(s): 072-0070-006
Arcadian Heights, LLC APN(s): 072-0070-021 (ptn)
Folsom Heights, LLC APN(s): 072-0270-001, -028 & 072-0070-023

Reimbursing Owners:

Michelle M.Carr, Trustee of the Michelle M. Carr 2012 Trust Melissa A. Barron APN(s): 072-0060-012
Elliott Homes APN(s): 072-0270-030
Zarghami & Javanifard APN(s): 072-0060-007



Map of Constructing Owner's Property
Exhibit 4.3

City of Folsom, California - April 15, 2014

MacKay & Somps
ENGINEERS PLANNERS SURVEYORS
1552 Eureka Road, Suite 100, Roseville CA. 95661

EXHIBIT 7.11

ASSIGNMENT AND ASSUMPTION AGREEMENT

RECORDING REQUESTED TO:

_____

_____

_____

Attn:_____

(SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE)

ASSIGNMENT AND ASSUMPTION AGREEMENT RELATIVE TO THE FOLSOM SPECIFIC PLAN AMENDED AND RESTATED TIER 1 DEVELOPMENT AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT (hereinafter, the "**Agreement**") is entered into this ____ day of _____, 20__, by and between _____, a _____ (hereinafter "**Landowner**"), and _____, a _____ (hereinafter "**Assignee**").

RECITALS

A. On _____, 2011, the City of Folsom and Landowner entered into that certain agreement entitled "First Amended and Restated Tier 1 Development Agreement By and Between The City of Folsom and [Landowner Name] Relative to Folsom Specific Plan (hereinafter the "**Development Agreement**"). Pursuant to the Development Agreement, Landowner agreed to develop certain property more particularly described in the Development Agreement (hereinafter, the "Subject Property"), subject to certain conditions and obligations as set forth in the Development Agreement. The Development Agreement was recorded against the Subject Property in the Official Records of Sacramento County on _____, 2014 [Instrument No. _____].

B. Landowner intends to convey a portion of the Subject Property to Assignee, commonly referred to as Parcel __, and more particularly identified and described in Exhibit A, attached hereto and incorporated herein by this reference (hereinafter the "**Assigned Parcel**"), or all of the Subject Property, as defined in the Development Agreement.

C. Landowner desires to assign and Assignee desires to assume all of Landowner's right, title, interest, burdens and obligations under the Development Agreement with respect to and as related to the Assigned Parcel.

ASSIGNMENT AND ASSUMPTION

NOW, THERFORE, Landowner and Assignee hereby agree as follows:

1. Landowner hereby assigns, effective as of Landowner conveyance of the Assigned Parcel to Assignee, all of the rights, title, interest, burdens and obligations of Landowner under the Development Agreement with respect to the Assigned Parcel. Landowner retains all the rights, title, interest, burdens and obligations under the Development Agreement with respect to all other property within the Subject Property owned by Landowner.

2. Assignee hereby assumes all of the rights, title, interest, burdens and obligations of Landowner under the Development Agreement with respect to the Assigned Parcel, and agrees to observe and fully perform all of the duties and obligations of Landowner under the Development Agreement with respect to the Assigned Parcel, and to be subject to all the terms and conditions thereof with respect to the Assigned Parcel. The parties intend hereby that, upon the execution of this Agreement and conveyance of the Assigned Parcel to Assignee, Assignee shall become substituted for Landowner as the "Landowner" under the Development Agreement with respect to the Assigned Parcel. Assignee acknowledges and agrees that the assumption of Landowner's rights and obligations under the Development Agreement includes, without limitation, the waiver by Assignee under Section 5.3 of the Development Agreement of all claims for damages against the City for breach of the Development Agreement.

All of the covenants, terms and conditions set forth herein shall be binding upon and shall insure to the benefit of the parties hereto and their respective heirs, successors and assigns.

3. Notification to the City of Folsom is required by the Development Agreement Transferring Landowner shall provide notice, prior to the transfer to:

City of Folsom
City Manager
50 Natoma Street
Folsom, California 95630

4. The Notice Address described in Article 7 of the Development Agreement for the Landowner with respect to the Assigned Parcel shall be:

_____
_____
Attn: _____

5. No assignment shall be permitted if there are any outstanding payment obligations to the City by the Landowner until such delinquency is satisfied or the parties enter into a payment or performance agreement in a form approved by the City Attorney.

IN WITNESS HEREOF, the parties hereto have executed this Agreement as of the day and year first above written. This Agreement may be signed in identical counterparts.

LANDOWNER:

_____

_____

By:_____
Print Name:_____
Title:_____

ASSIGNEE:

_____

_____

By:_____
Print Name:_____
Title:_____

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CITY OF
FOLSOM
DISTINCTIVE BY NATURE

Folsom City Council
Staff Report

MEETING DATE:	4/28/2026
AGENDA SECTION:	Consent Calendar
SUBJECT:	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
FROM:	Utilities Department

RECOMMENDATION / CITY COUNCIL ACTION

The Utilities Department recommends the City Council pass and adopt 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.

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. 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.

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 14, 2026, City Council approved Resolution No.11586 for additional consulting services for the Water Conservation Needs Assessment to develop an irrigation tune-up program for the city. This program will provide residential and nonresidential customers with on-site irrigation system assessments and hands-on tune up services delivered by qualified landscape and irrigation professionals. The goal of this program is to reduce outdoor water use through system repairs, scheduling corrections, the installation of smart controllers and/or high-efficiency nozzles, and targeted customer education.

An Irrigation Tune-Up Program provides customers with a free landscape irrigation tune-up that can include a variety of measures and services including:

- General landscape and irrigation evaluation.
- Sprinkler head alignment – straighten tilted heads, adjust arcs and spray distances.
- Nozzle replacement – swap clogged or mismatched nozzles with high-efficiency nozzles.
- Pressure regulation – install or adjust pressure regulators to prevent misting.
- Drip system tuning – flush lines, clean emitters, replace clogged or broken parts.
- Controller programming/smart controller installation – update schedule or install new.
- Leak detection & repair – fix broken pipes, seals, or fittings.
- Sprinkler head replacement – swap out damaged or non-functional heads.
- Valve repair/replacement if faulty.
- Wiring fixes for solenoids or controller connections.

By ensuring repairs and upgrades are completed by qualified contractors, the program will support customers in achieving measurable irrigation performance improvements, enabling more efficient watering, healthier landscapes, and sustained long-term water savings. Reclamation will prioritize projects that provide water savings by reducing outdoor water usage. These measures include turf removal, smart irrigation controllers and high-efficiency nozzles. These measures are typically promoted by water entities through rebates or direct-install programs, which are eligible for WaterSMART Grants funding. Projects include, but are not limited to:

- Removing turf
- Installation of drought tolerant landscaping
- Installing Smart irrigation controllers

- Installing high-efficiency nozzles (e.g., sprinkler heads)

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 Operating Fund (Fund 520). 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 Operating Fund (Fund 520) 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).

ATTACHMENTS

1. 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.

2. Bureau of Reclamation Notice of Funding Opportunity for Small-Scale Water Efficiency Projects.

Submitted,

Marcus Yasutake, Director
UTILITIES DEPARTMENT

Attachment 1

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 PROJECT FOR $100,000

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 Small-Scale Water Efficiency Projects for Fiscal Year 2027; and

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

WHEREAS, the Utilities Department worked with Water Systems Consulting, Inc. to complete a Water Conservation Needs Assessment; and

WHEREAS, the Water Conservation Needs Assessment identified an Irrigation Tune-Up Program that reduces outdoor water use through system repairs and the installation of smart controllers and/or high-efficiency nozzles; and

WHEREAS, the City desires to apply for $100,000 from Reclamation to improve water efficiency; and

WHEREAS, the City of Folsom will comply with federal statutes, regulations, policies, guidelines and requirements for application, acceptance and use of federal funds for these federally assisted projects; and

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Folsom authorizes the City Manager to seek grant funds from the United States Bureau of Reclamation for WaterSMART Small-Scale Water Efficiency Projects for $100,000.

PASSED AND ADOPTED this 28th day of April 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

Bureau of Reclamation

Notice of Funding Opportunity

Small-Scale Water Efficiency Projects

Funding Opportunity Number

R25AS00279

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BASIC INFORMATION

Announcement Type: Initial

Funding Opportunity Number: R25AS00279

Assistance Listing Number(s): 15.507

Estimated Total Program Funding: $4,000,000

Expected Number of Awards: 50

Award Ceiling: $125,000

Award Floor: $1,000

A total of up to $125,000 in Federal funds may be awarded to an applicant. To be considered a small-scale project, total project costs cannot exceed $250,000. The budget proposal must include the cost of all equipment, materials and supplies, and labor or contractual costs to complete the installation of the project.

Construction Start Date Limitation - Proposed projects should not have an estimated construction start date that is prior to 12 months after the submission deadline.

Cost Sharing Required?
Yes

Closing Date Explanation
June 02, 2026 at 4:00 pm MDT

U.S. states and local governments may be required under Executive Order 12372, Intergovernmental Review of Federal Programs to submit their application to their State Single Point of Contact (SPOC) for review. For more information, see the Intergovernmental Review SPOC List.

Have Questions?
For questions regarding application and submission, contact the NOFO team at bor-sha-fafoa@usbr.gov.

For questions regarding applicant and project eligibility or application content, contact the Program Coordinator, Nickie McCann, nmccann@usbr.gov, 720-610-3480.

Please include the NOFO number R25AS00279 in the subject line of any email correspondence.

Executive Summary
Through WaterSMART, the Bureau of Reclamation (Reclamation) leverages Federal and non-Federal funding to work cooperatively with States, Tribes, and other entities as they plan for and implement actions to increase water supply and hydropower reliability. The WaterSMART Program demonstrably advances Trump administration priorities, such as those identified in Presidential Executive Order 14154 (January 20, 2025): Unleashing American Energy (E.O. 14154) and Secretarial Order 3418, and aligns with other priorities and requirements, such as those identified in Presidential Executive Order 14332 (August 7, 2025): Improving Oversight in Federal Grantmaking (E.O. 14332). 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.

ELIGIBILITY

Eligible Applicants
Others (see text field entitled "Additional Information on Eligibility" for clarification)

Additional Information on Eligibility
Eligible Applicants - Applicants eligible to receive an award under this funding opportunity are described below.

Category A Applicants:

- States, Tribes, irrigation districts, and water districts;
- State, regional, or local authorities, the members of which include one or more organizations with water or power delivery authority; and
- Other organizations with water or power delivery authority.

Category A applicants must be located in the Western United States or Territories as identified in the Reclamation Act of June 17, 1902, as amended and supplemented; specifically: Alaska, Arizona, California, Colorado, Hawaii, Idaho, Kansas, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Texas, Utah, Washington, Wyoming, American Samoa, Guam, the Northern Mariana Islands, the U.S. Virgin Islands and Puerto Rico.

Category B Applicants:

Nonprofit conservation organizations that are acting in partnership with, and with the agreement of an entity described in Category A. Category B applicants should include with their application a letter from the Category A partner stating that the Category A partner:

- Is acting in partnership with the applicant;
- Agrees to the submittal and content of the application; and
- Intends to participate in the project in some way, for example, by providing input, feedback, or other support for the project.

All Category B applicants must be located in the United States, or the specific Territories identified above.
Note: Partners do not necessarily need to contribute cost share funding.

Ineligible Applicants:
Those not eligible include, but are not limited to, the following entities:

- Federal Governmental entities
- Individuals
- Institutes of higher education

Cost Sharing Requirement

Cost Sharing Required?
Yes

At the time of award, applicants must cost share at least 50 percent of the total project cost. For example, if the total project cost on the SF-424A is $250,000, the minimum amount of non-Federal cost share would be $125,000. All cost-share contributions must be from a non-Federal source and meet the requirements of 2 CFR 200.306.

Total Project Costs on the SF-424A	$250,000
Minimum required cost share- 50%	x 50%
Applicant non-Federal cost share of project costs	$125,000
Federal share	$125,000

Note: This cost-sharing requirement is not applicable to American Samoa, Guam, the Northern Mariana Islands, or the Virgin Islands.[1]

[1] see Public Law 95-134, Title V, § 501 (1977) (codified at 48 U.S.C. 1469a), as amended by Public Law 96-205, Title V, § 601

GET READY TO APPLY

Required System Registrations

Unique Entity Identifier and SAM.gov Registration

Before applying, all **applicants** except individuals applying as a natural person **must be registered in SAM.gov**. During the SAM.gov registration the entity will obtain their Unique Entity Identifier (UEI).

The SAM.gov registration process can take several months. If your organization is not already registered in SAM.gov, begin the registration process as soon as possible.

To register in SAM.gov, go to the SAM.gov website and use the available resources to complete registration.

- **Financial assistance registrants** must review and certify compliance with the SAM.gov "Financial Assistance General Representations and Certifications".
- **Already registered?** You already have a Unique Entity ID. Before applying, check that your "Financial Assistance General Representations and Certifications" on SAM.gov is complete. Remember to renew your registration every year to keep it active while you have an award or application in progress. You can update your registration whenever you need, including during renewal.
- **Need help?** For additional information and contact information on the SAM.gov Help page.

Refer to Attachment – Submission Instructions & Tips.

GRANTS.GOV

This program accepts applications through Grants.gov so once you receive your UEI return to Grants.gov to register with Grants.gov. Please allow 30 days to register and set up a Workspace in Grants.gov. See Submission Instructions section below for additional details.

PROGRAM OVERVIEW

Program Goals

- Through WaterSMART, 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.

  The objective of the WaterSMART Small-Scale Water Efficiency Projects NOFO is to invite eligible applicants to leverage their money and resources by cost sharing with Reclamation on small-scale on-the-ground projects that seek to conserve, better manage, or otherwise make more efficient use of water supplies.

Program Description

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.

This prioritization will help ensure that projects funded under this NOFO are well thought out, have public support, and have been identified as the best way to address water management concerns.

Eligible Projects- Reclamation will provide funding for small-scale on-the-ground water efficiency projects which seek to implement work identified in an applicant's water planning efforts. Eligible water conservation projects include:

- **Canal Lining/Piping:** Projects that line or pipe canals, resulting in conserved water. Projects include, but are not limited to:
  - Installing new proven lining materials or technology
  - Converting open canals to pipeline
  - Improving existing conveyance and delivery infrastructure

- **Municipal Metering:** Projects that install or upgrade meters including, but are not limited to, installing end-user water service meters, e.g., for a residential or commercial building unit. One-time purchase of software, equipment, and training for meter monitoring can be included.

- **Irrigation Flow Measurement:** Projects that improve measurement accuracy and result in reduced spills and over-deliveries to irrigators. Projects include, but are not limited to:
  - Installing weirs, flumes, ramps, etc. in open channels
  - Installing meters in pressurized pipes

- **Supervisory Control and Data Acquisition and Automation (SCADA):** Projects that install SCADA and/or automation components that provide water savings when irrigation

delivery system operational efficiency is improved to reduce spills, over-deliveries, and seepage. Projects include, but are not limited to:

- Installing SCADA components that allow for remote monitoring of irrigation delivery system conditions (flow rates, water elevations, controls devices openings, etc.)
- Installing automation components that allow for remote operation of delivery system control features (gates, valves, turnouts, etc.)

Note: This NOFO is not intended for projects to replace existing SCADA systems.

- **Landscape Irrigation Measures:** Projects that provide water savings by reducing outdoor water usage. These measures include turf removal, smart irrigation controllers and high-efficiency nozzles. These measures are typically promoted by water entities through rebates or direct-install programs, which are eligible for WaterSMART Grants funding. Projects include, but are not limited to:
  - Removing turf
  - Installation of drought tolerant landscaping
  - Installing Smart irrigation controllers
  - Installing high-efficiency nozzles (e.g., sprinkler heads)

Other projects that are similar to those tasks listed above may be submitted for consideration and will be allowed to the extent that they are consistent with program authorization and goals.

Ineligible Projects - Projects that are not eligible for funding under this NOFO include, but are not limited to:

- ***Operations, Maintenance, and Replacement:*** In accordance with Section 9504 of Secure Water Act, projects that are considered normal operations, maintenance, and replacement (OM&R) are not eligible for funding under this NOFO. OM&R is described as system improvements that replace or repair existing infrastructure or function without providing increased efficiency or effectiveness of water distribution over the expected life of the improvement. Examples of ineligible OM&R projects include:
  - Replacing malfunctioning components of an existing facility with the same components
  - Improving an existing facility to operate as originally designed
  - Performing an activity on a recurring basis, even if that period is extended (e.g., a 10-year interval)
  - Sealing expansion joints of concrete lining because the original sealer or the water stops have failed
  - Sealing cracks in canals and/or pipes, including those sealant projects intended to improve facilities with inherent design and construction flaws
  - Replacing broken meters with new meters of the same type
  - Replacing leaky pipes with new pipes of the same type
  - Completion of one-time leak detection surveys

- ***Water Reclamation, Reuse, and Desalination:*** Water reclamation, reuse, and desalination projects are not eligible for funding under this NOFO. Entities seeking funding for these types of projects should consider Reclamation's Title XVI Water Reclamation and Reuse Program and Drought Response Program. See the WaterSMART Program webpage at www.usbr.gov\watersmart, for more information.
- ***Indoor Appliances and Fixtures:*** Projects that support the installation or directly install indoor appliances or fixtures such as toilets, shower heads, and similar devices.
- ***Injection Wells and Recharge Projects Primarily for Agricultural or Municipal Benefits:*** Injection wells and recharge projects primarily for agricultural or municipal benefits are not eligible. Applicants proposing such projects should consider applying for funding under the WaterSMART Drought Resiliency Projects NOFO. See the WaterSMART Drought Response Program webpage, www.usbr.gov/drought, for more information.
- ***Water Purchases:*** Applications to use Federal funding to purchase water are not eligible under this NOFO. Applicants seeking funding to purchase water in a drought emergency should request emergency drought assistance under Reclamation's Drought Response Program. For more information about the requirements for receiving emergency drought assistance, please see www.usbr.gov/drought, fort more information.
- ***Land Purchase and Easements:*** Applications to use Federal funding for the purchase of land, or with the primary purpose to secure a permanent easement, are not eligible under this NOFO.
- ***Building Construction:*** Applications to construct a building are not eligible for Federal funding under this NOFO (e.g., a building to house administrative staff or to promote public awareness of water conservation).
- ***Pilot Projects:*** Applications to conduct a pilot study to evaluate technical capability, economic feasibility, or viability for full-scale implementation or to test an unproven material or technology are not eligible for Federal funding under this NOFO.
- ***On-Farm Irrigation Efficiency Improvements:*** Projects to conduct on-farm irrigation efficiency improvements are not eligible under this NOFO. Applicants interested in on-farm improvements should contact the U.S. Department of Agriculture and Natural Resources Conservation Service (NRCS) to investigate opportunities for Federal assistance. For more information on NRCS programs, including application deadlines and a description of available funding, please contact your local NRCS office or see www.nrcs.usda.gov for further contact information in your area. This NOFO does not preclude projects located on private land. Some project components may occur on private land, including on agricultural land, if they are part of a project with broader benefits to ecological value or watershed health.
- ***New Conveyance Infrastructure for Municipal or Agricultural Water Delivery:*** A project that proposes to construct new conveyance to allow for the distribution of additional or new water supplies for municipal or agricultural use is not eligible. Applicants proposing such projects should consider applying for funding under the WaterSMART Drought Resiliency Projects NOFO. See the WaterSMART Drought Response Program webpage, www.usbr.gov/drought, for more information.

- ***Training, Education, and Outreach Activities:*** General education activities, general stakeholder outreach, the implementation of citizen science training programs, or general staff training are not eligible under this NOFO.
- ***Projects Receiving Other Federal Financial Assistance:*** Proposals for projects or activities that are funded under another Federal Financial Assistance agreement are not eligible for funding under this NOFO.

Funding Amounts and Period of Performance - Applicants may request up to $125,000 in Federal funds for projects that can be completed within 2 years of award.

Construction Start Date Limitation - Proposed projects should not have an estimated construction start date that is prior to 12 months after the submission deadline.

Collaboration with the Natural Resources Conservation Service - Reclamation and NRCS collaborate to align program resources in areas of the West where mission areas overlap. This enhances the effectiveness of the agencies' efforts to improve drought resiliency and water efficiency. Applicants under WaterSMART Grants receive additional consideration in the merit review process for delivery system improvements that complement on-farm improvements supported by NRCS, such as those funded through their Environmental Quality Incentives Program (EQIP). Contingent on available appropriations, NRCS provides dedicated EQIP funding to support on-farm water efficiency improvements by producers served by water delivery systems improved through a WaterSMART Grant.

Under this NOFO, consideration will be given under *Merit Review Criterion A—Project Benefits* for proposals that describe on-farm efficiency work that is currently being completed or is anticipated to be completed in collaboration with NRCS in the area (e.g., with a direct connection to the district's water supply). Please contact your local NRCS office for more information regarding NRCS assistance. You can find the contact information for your state NRCS office on the USDA's website, https://www.nrcs.usda.gov/conservation-basics/conservation-by-state/state-offices.

Multiple Applications - Multiple applications for funding may be submitted for consideration under this funding opportunity, provided that the project scopes are not duplicative.
No more than one award will be made to a Category A applicant per application period under this NOFO. Category B applicants may receive multiple awards for separate projects with different Category A partners.

Technical Assistance - If the proposed project is selected, Reclamation may be able to provide technical assistance or services **after** award on a fee for service basis. Before applying, discuss the potential for technical assistance with Reclamation and include these costs in the budget. For more information, contact the Program Coordinator identified in the Have Questions section above.

For more information regarding WaterSMART Small-Scale Water Efficiency Projects, including previously funded projects and applications, visit https://www.usbr.gov/watersmart/swep.

Certified Local Governments are encouraged to prioritize projects in support of the celebration of America's 250th birthday (American250). This may include, but is not limited to, preservation planning, interpretation, public engagement, and rehabilitation projects that recognize and honor the nation's founding, history, and cultural heritage.

Legislative Authority

Section 9504(a) of the Secure Water Act, Subtitle F of Title IX of the Omnibus Public Land Management Act of 2009, Public Law (P.L.) 111-11 (42 United States Code [U.S.C.] 10364), as amended.

Type of Award

Projects will be funded through CA (Cooperative Agreement), G (Grant).

Recipient should expect the Federal agency to have substantial involvement in the project.

Awards will be made through a grant or cooperative agreement, depending on the project. If a cooperative agreement is awarded, the recipient should expect Reclamation to have substantial involvement in the project. This may include collaboration or participation in the management of the project and/or review, input, and approval during implementation of the project.

PREPARE YOUR APPLICATION

Application Content and Format

Pre-Application Requirements

Prior to applying, applicants should review presidential actions found at: https://www.whitehouse.gov/presidential-actions/ and DOI Secretary's Orders found at: https://www.doi.gov/document-library/secretary-order. By applying in response to this Notice of Funding Opportunity, the applicant certifies awareness and compliance with all currently effective and applicable executive orders and secretary's orders, including but not limited to the Executive Order titled *Ending Radical and Wasteful Government DEI Programs and Preferencing* as well as the Executive Order and Secretary's order titled *Restoring Truth and Sanity to American History*. Applicants are responsible for ensuring their proposed activities are consistent with the intent and requirements of these directives.

Application Documents

Applicants must submit the following forms with their application as specified below. Instructions for accessing and submitting application forms are provided in the Submission Instructions section of this document below. For instructions on completing form fields, see the form instructions on the Grants.gov Forms Repository.

Forms/Assurances/Certifications	Submission Requirement
SF-424, Application for Federal Assistance	Required from all applicants

Forms/Assurances/Certifications	Submission Requirement
Note: For applicants requesting more than $100,000 in Federal funds, the Authorized Representative's signature (or electronic equivalent) on the Application for Federal Assistance form also represents their certification of the statements in Appendix A to 43 CFR 18-Certification Regarding Lobbying	
SF-424A, Budget Information – Construction and Non-Construction Programs	Required for construction and non-construction projects
SF-429 (Cover Page & Attachment B), Request to Acquire, Improve, or Furnish Real Property Note: The SF-429 forms are only available in the Grants.gov Forms Repository. Applicants must download the form and include the completed form as an application attachment.	Required if requesting to acquire, improve, or furnish real property.
SF-LLL, Disclosure of Lobbying Activities	Required if requesting more than $100,000 in Federal funds and the applicant has used or plans to use funds other than Federal appropriated funds for lobbying related to the proposed project.
Project Abstract Summary (OMB 4040-0019). Must include, in plain language: • Award purpose, • Activities to be performed, • Expected deliverables or outcomes, • Intended beneficiaries. • Subrecipient activities (if known or specified at time of award)	Required from all applicants

SF-424A Budget Information

Reclamation uses the SF-424A for both construction and non-construction programs. The SF-424A should be fully filled out, including both the costs that will be paid with Federal funds and those that will be paid with the non-Federal funds. In Section D of the SF-424A – Forecasted Cash Needs, applicants do not have to project cash needs by quarter. Instead include all costs in the first quarter of the first year and enter "0" in all other fields of Section E – Budget Estimates of Federal Funds Needed for Balance of the Project.

Project Abstract Summary

Failure to include a Project Abstract Summary will not result in removal of the proposal from consideration by Reclamation.

Project Narrative

The Project Narrative, including responses to the Merit Review Criteria shall be limited to a maximum of **15** consecutively numbered pages. If this section exceeds ***15*** pages, only the first ***15*** pages will be evaluated. **The full application, including all attachments, should not exceed *40* pages. If the application exceeds *40* pages, only the first 40 pages will be considered in the merit review.**

The font should be at least 12 points in size and easily readable. Page size shall be 8½ by 11 inches, including charts, maps, and drawings. Margins should be standard 1-inch margins. Oversized pages will not be accepted.

The Project Narrative should include the components described below. Applicants should only describe the work that is reflected in the budget - do not include activities that are already complete or will be completed in a future phase.

Title Page

Provide a brief, informative, and descriptive title for the proposed work that indicates the nature of the project. Include the name and address of the applicant, and the name and address, e-mail address, and telephone of the Project Manager.

Table of Contents

List all major sections of the proposal in the table of contents.

Executive Summary

The executive summary should include:

- The date, applicant name, city, county, and state.
- Please indicate whether you are a Category A applicant or Category B applicant. If you are a Category B applicant, please briefly explain how you are acting in partnership with a Category A partner. Note: If you are a Category B applicant, you must include a letter from the Category A partner confirming that they are partnering with you and agree to the submittal and content of the application (see the Eligible Applicants section). See the Letter of Partnership section for additional information.
- A short paragraph project summary that provides the location of the project, a brief description of the work that will be carried out, any partners involved, expected benefits, how those benefits relate to the water management issues you plan to address, and what planning document and objective the project supports. This information will be used to create a summary of your project for Reclamation's website if the project is selected for funding.

  Example: *The Newton Water Users Association, located in northern Utah, will upgrade the Jones Pipeline from 1.1 miles of transit pipe to high density polyethylene or polyynyl chloride pipe. The project will also upgrade meters and isolation valves at 14 of the 28*

customer turnouts along the Jones Pipeline. The upgrade will reduce seepage losses and enable the Association and stakeholders to better manage the water supply. The project will also make the Jones Pipeline compatible with the recently pressurized main canal and will enable agricultural customers to make future on-farm irrigation improvements. The project meets the goals of the Association's Water Management and Conservation Plan in 2015.

- State the length of time and estimated completion date for the proposed project (month/year). ***Note: Proposed projects should not have an estimated construction start date that is prior to 12 months after the submission deadline for the application period.***
- Whether or not the proposed project is located on a Federal facility.

Project Location

Provide detailed information on the proposed project location or project area including a map showing the geographic location. For example, [project name] is located in [state and county] approximately [distance] miles [direction, e.g., northeast] of [nearest town]. The project latitude is [##°##'N] and longitude is [###°##'W].

Technical Project Description

Provide a comprehensive description of the technical aspects of your project, including the scope of work to be accomplished and the approach for the on-the-ground project. This description should provide detailed information about the project materials and equipment including what is currently installed and a description of the upgrade being made. Include in your description the necessary site preparation, removal of materials, motorized and rotating equipment required for installation, site laydown and mobilization areas, and areas impacted by construction. This section provides an opportunity for the applicant to provide a clear description of the technical nature and installation process of the project and to address any aspect of the project that reviewers may need additional information to understand. Please identify if any buildings, structures, or features associated with the project are listed or eligible for listing on the National Register of Historic Places (over 50 years of age).

Please do not include your project schedule and milestones here; that information is requested in response to the Merit Review Criterion C—Implementation and Results. In addition, please avoid discussion of the benefits of the project, which are also requested in response to merit review criteria. This section is solely intended to provide an understanding of the technical aspects of the project.

Merit Review Criteria

"The Merit Review Criteria" section provides a detailed description of each criterion and sub-criterion and points associated with each. The merit review criteria portion of the application should thoroughly address each criterion and sub-criterion in the order presented to assist in the complete and accurate merit review of the proposal.

Copying and pasting the merit review criteria and sub-criteria in* Project Narrative's Merit Review Criteria *into your applications is suggested to ensure that all necessary information is adequately addressed.

Letters of Support

Attach all support letters from interested stakeholders at the end of your application. Letters received after the application deadline will not be evaluated.

Letter of Partnership (Category B Applicants)

Category B applicants need to submit a Letter of Partnership from their eligible Category A partner, confirming their collaboration and agreement with the application. Ideally, this letter should be included with the application; however, if selected for an award, it must be received before the financial assistance agreement is finalized.

Budget Narrative

Applicants must describe and justify items and costs listed in their budget. The budget narrative must identify the following cost items: total estimated costs, non-Federal cost share, third-party contributions, and any pre-award costs. Total project cost is the sum of all allowable costs, including required and voluntary cost share and third-party contributions.

Budget items must be**:**

- Reasonable, allowable, allocable, and necessary
- Compliant with 2 CFR §200 Subpart E cost principles

Indirect Costs: Applicants must indicate in their budget narrative how they will charge indirect costs, including the rate to be applied:

- De Minimis Rate: If eligible, state if your organization is opting to use the de minimis rate of up to 15% of total modified direct costs. Entities that do not have a current Federal negotiated indirect cost rate (including provisional rate) may propose to use the de minimis rate. For more information, refer to 2 CFR 200.414(f).
- Negotiated Rate: State if you will negotiate with your cognizant agency. If your organization has previously negotiated a rate, attach a copy of the most recently negotiated rate agreement (active or expired).

The budget narrative provides a written description of the costs included in each budget category on the SF-424A and how they were estimated. While the SF-424A gives the total cost for each category of the budget, the budget narrative gives the item by item breakdown for each category and shows the calculations used to derive the costs. The budget description serves two purposes: 1) it explains how the costs were estimated, and 2) it justifies the need for the cost. See Attachment A for Budget Narrative Guidance. Attachment B is a suggested format for capturing budget details to support the Narrative.

Applicants may include pre-award costs (defined at 2 CFR 200.458) in their budget estimate. The estimate may only include costs that were or will be incurred after the posting date of this funding opportunity. Incurrence of pre-award costs are at the applicant's risk. If selected, the pre-award costs will be reviewed and approved costs will be included in the financial assistance agreement.

Program Cost Restrictions:

Proposal costs: The costs for preparing and submitting an application in response to this funding opportunity, including developing data necessary to support the proposal, are not eligible project costs and must not be included in the project budget.

Other project costs: The costs for the purchase of water or land, or to secure an easement other than a construction easement are not eligible project costs under this funding opportunity.

Environmental and Regulatory Compliance Costs:

Include costs in the budget for completing compliance activities for Federal environmental and cultural resources laws and regulations. Applicants may contact their local Reclamation office to discuss the compliance requirements and potential costs. If the project is selected for award, these costs will be reviewed for accuracy and adjusted as needed. See "Administration and National Policy Requirements" for additional detail.

Conflict of Interest and Unresolved Matters Disclosures:

If any actual or potential conflict of interest exists related to this project at the time of application, the applicant must provide sufficient information to support a program determination of significance per 2 CFR 1402.112. Refer to 2 CFR 200.112 Conflict of Interest and 2 CFR 200.113.

Overlap or Duplication of Effort Statement:

Applicants must state in their application if the activities, costs, or time commitment of key personnel proposed in this application overlap with those in any other Federal proposal or award or not. If no overlap exists, include a statement to that effect. If any overlap exists, provide:

- Activities: Description any overlapping activities.
- Costs: Description of any overlapping costs.
- Time: Description of any overlapping key personnel time.
- A copy of any overlapping or duplicative proposal submitted to any other potential funding entity.
- Details on when any overlapping proposal was submitted, to whom, and the expected date of the funding decision.

Other Required Information
Letters of Commitment:

Applicants should include letters of commitment from third-party cost share sources. Letters of commitment should identify the amount of funding committed, the date the funds are available, time constraints on the availability of funds, and any other funding contingencies.

SUBMISSION REQUIREMENTS AND DEADLINES

Address to Request Application Package

Grants.gov contains a complete application kit to submit a full application in response to this NOFO. Instructions for the Grants.gov application process are available here. Contact Devin Baez at bor-sha-fafoa@usbr.gov if you are unable to access the application materials electronically.

Proposals received after the application deadline will not be considered unless it can be determined that the delay was caused by Reclamation or there were technical issues with Grants.gov. To document a delay due to a technical issue in Grants.gov, you must furnish a Grants.gov helpdesk ticket number to the NOFO team that validates the delay. Difficulties related to an applicant's Grants.gov profile (e.g., incorrect organizational representative), uploading documents to Grants.gov, or an applicant's SAM.gov registration are not considered technical issues with the Grants.gov system.

Submission Dates and Times

Closing Date for Applications: 06/02/2026

Closing Date Explanation

June 02, 2026 at 4:00 pm MDT

Submission Instructions

Apply Through Grants.gov

To apply through Grants.gov, please follow the instructions in the Quick Start Guide for Applicants. Before applying, ensure that at least one person at your organization is registered and has the Authorized Organization Representative (AOR). Only the AOR can submit the application. If you need more users, they must create their own Grants.gov account. Follow these steps below to apply:

- *Create a Workspace*: Creating a workspace allows you to complete it online and route it through your organization for review before submitting.
- *Complete a Workspace*: Invite participants to the workspace so you can collaborate on the application. Required applications forms are included in the Grants.gov Funding Opportunity Package and can be completed in the Workspace, unless noted otherwise in the Required Forms table above. Check for errors before submission.
- *Submit a Workspace*: An application may be submitted through workspace by clicking the Sign and Submit button on the Manage Workspace page, under the Forms tab
- *Track a Workspace Submission*: After successfully submitting a workspace application, a Grants.gov Tracking Number (GRANTXXXXXXXX) is automatically assigned to the application.

The system generates a date and time stamp and sends it to the applicant's AOR via email as proof of submission. Make sure your application passes the Grants.gov validation checks. Do not encrypt, zip, or password-protect any files. Only registered individuals in SAM as both a user and an AOR can submit applications. Please allow 30 days to register in Grants.gov.

Application System Technical Support: For Grants.gov technical registration and submission, downloading forms, and application packages, contact Grants.gov Customer Support at 1-800-518-4726 or by email at Support@grants.gov.

Applicants can submit a hard copy application by U.S. Mail or express delivery to the addresses below.

By mail or United States Postal Service overnight services:
Bureau of Reclamation

Financial Assistance Operations Section
Attn: NOFO Team
P.O. Box 25007, MS 84-27133
Denver, CO 80225

By all other express delivery and courier services:
Bureau of Reclamation mail services
Attn: NOFO Team
Denver Federal Center
Bldg. 67, Rm. 152
6th Avenue and Kipling Street
Denver, CO 80225

Please notify the Reclamation Financial Assistance Contact listed in the “Basic Information” section on the submission date to confirm the hard copy submission.

APPLICATION REVIEW INFORMATION

Eligibility Review

During the eligibility review, the application is checked for timely submission, completed packages (see Application Documents above) and alignment with the requirements of this announcement. The Federal agency may remove an application if it does not pass the eligibility review.

Reclamation will remove an application if it does not include:

- Completed SF-424 and SF-424A forms
- SAM.gov registration, with a valid UEI (unless an exemption at 2 CFR 25.110 applies, see below)
- A project narrative
- A budget narrative

If an applicant selected for funding hasn't finished their SAM.gov registration (see 2 CFR 25.200 and 2 CFR 25.110) when the federal agency is ready to make an award, we may decide that the applicant is ineligible for the award and choose to grant it to someone else. Please refer 2 CFR 25.205 for more information.

Prior to making an award, the DOI checks the anticipated recipient and their key project personnel against the current list of prohibited or restricted persons or entities in the System for Award Management (SAM.gov) Exclusions database. We are prohibited from making an award if a recipient or any key personnel are found ineligible, prohibited, restricted, or otherwise excluded from receiving or participating in an award, as their ineligibility condition applies to this program.

If removed from consideration for ineligibility, the Federal agency will notify the applicant in writing.

Merit Review

The merit review criteria should be addressed in the Project Narrative. Applications should thoroughly address each criterion and any sub-criterion in the order presented below. Applications will be evaluated against the merit review criteria listed below.

Merit Review Criteria Scoring Summary	Points
A. Project Benefits	15
B. Planning Efforts Supporting the Project	25
C. Project Implementation	20
D. Nexus to Reclamation	5
E. Presidential and Department of Interior Priorities	20
F. Construction Priority	10
G. Cost-Share Priority	5
Total	100

Note: Projects may be prioritized to ensure balance among the program task areas and to ensure that the projects address this NOFO's goals and objectives.

Merit Review Criterion A. Project Benefits (15 points)
Up to **15 points** may be awarded based upon evaluation of the benefits that are expected to result from implementing the proposed project. This criterion considers a variety of project benefits, including the significance of the anticipated water management benefits and the public benefits of the project. This criterion prioritizes projects that modernize existing infrastructure to address water reliability concerns, increasing water yield available for multiple beneficial uses and resolving water related conflict in the region.

If the work described in your application is a phase of a larger project, only discuss the benefits that will result directly from the work discussed in the Project Narrative and that is reflected in the budget, not the larger project.

Benefits to the Category A Applicant's Water Delivery System: Describe the expected benefits to the Category A applicant's water delivery system. Address the following:
Clearly explain the anticipated water management benefits to the Category A applicant's water supply delivery system and water customers. Consider:

- Will the project result in more efficient management of the water supply?
- Where any conserved water as a result of the project will go and how it will be used?

Explain the significance of the anticipated water management benefits for the Category A applicant's water delivery system and customers. Consider:

- Are customers not currently getting their full water right at certain times of year?

- Does this project have the potential to prevent lawsuits or water calls?
- What are the consequences of not making the improvement?
- Are customer water restrictions currently required?
- Other significant concerns that support the need for the project.

Broader Benefits: Describe the broader benefits that are expected to occur as a result of the project. Consider:
Will the project improve broader water supply reliability at sub-basin or basin scale?

- Will the proposed project increase collaboration and information sharing among water managers in the region? Please explain.
- Is the project in an area that is experiencing, or recently experienced, drought or water scarcity? Will the project help address drought conditions at the sub-basin or basin scale? Please explain.
- Will the proposed project benefit different sectors and economies within the geographic areas (e.g., benefits to agriculture, environment, recreation, and tourism)? Please explain.
- Will the project complement work being done in coordination with NRCS in the area (e.g., the area with a direct connection to the districts water supply)? Please explain.

Please note, on-farm improvements themselves are not eligible activities for funding under this NOFO. This criterion is intended to focus on how the WaterSMART Grant project will complement ongoing or future on-farm improvements. NRCS will have a separate application process for the on-farm components of selected projects that may be undertaken in the future, separate of the WaterSMART Grant project.

Merit Review Criterion B. Planning Efforts Supporting the Project (25 points)
Up to **25 points** may be awarded based on the extent to which the proposed on-the-ground project is supported by an applicant's existing water management plan, water conservation plan, System Optimization Review, or identified as part of another planning effort led by the Category A applicant. This criterion prioritizes projects that are identified through local planning efforts and meet local needs. Note: Project specific planning and design for the project or other phases of the project are considered in Criteria C – Implementation.

Plan Description and Objectives: Is your project supported by a specific planning document or effort? If so, describe the existing plan. When was the plan developed? What is the purpose and objective of the plan?

Plan Development: Who developed the planning effort? What is the geographic scope of the plan? If the planning effort was not developed by the Category A applicant, describe the Category A applicant's involvement in developing the planning effort.

Support for the Project: Describe to what extend the proposed project is supported by the identified plan. Consider:

- Is the project identified specifically by name and location in the planning effort?
- Is this type of project identified in the planning effort?
- Explain whether the proposed project implement a goal, objective, or address a need or problem identified in the existing planning effort?
- Explain how the proposed project has been determined as a priority in the existing planning effort as opposed to other potential projects/measures.

Merit Review Criterion C. Implementation and Results (20 points)
Up to **20 points** may be awarded based upon the extent to which the applicant is capable of proceeding with the proposed project upon entering into a financial assistance agreement. Applicants that describe a detailed plan (e.g., estimated project schedule that shows the stages and duration of the proposed work, including major tasks, milestones, and dates) will receive the most points under this criterion.

- Describe the implementation plan for the proposed project. Please include an estimated project schedule that shows the stages and duration of the proposed work, including major tasks, milestones, and dates.
- Proposals with a budget and budget narrative that provide a reasonable explanation of project costs will be prioritized under this criterion.
- Describe any permits and agency approvals that will be required along with the process and timeframe for obtaining such permits or approvals.
- Identify and describe any engineering or design work performed specifically in support of the proposed project. What level of engineering design is the project currently? If additional design is required, describe the planned process and timeline for completing the design.
- Does the applicant have access to the land or water source where the project is located? Has the applicant obtained any easements that are required for the project? If the applicant does not yet have permission to access the project location, describe the process and timeframe for obtaining such permission.
- Identify whether the applicant has contacted the local Reclamation office to discuss the potential environmental and cultural resource compliance requirements for the project and the associated costs. Has a line item been included in the budget for costs associated with compliance? If a contractor will need to complete some of the compliance activities, separate line items should be included in the budget for Reclamation's costs and the contractor's costs.

Merit Review Criterion D. Nexus to Reclamation (5 Points)
Up to **5 points** may be awarded based on the extent that the proposal demonstrates a nexus between the proposed project and a Reclamation project or activity. Describe the nexus between the proposed project and a Reclamation project or activity, including:
Is the proposed project connected to a Reclamation project or activity?
If so, how? Please consider the following:

- Does the applicant have a water service, repayment, or operations and maintenance (O&M) contract with Reclamation?
- If the applicant is not a Reclamation contractor, does the applicant receive Reclamation water through a Reclamation contractor or by any other contractual means?
- Will the proposed work benefit a Reclamation Project area or activity?

Merit Review Criterion E. Presidential and Department of Interior Priorities (20 points)

Up to **20 points** may be awarded based on the extent that the project demonstrably:

- advances the Trump Administration's priorities, including E.O. 14154: Unleashing American Energy, justifies alignment with priorities and requirements in E.O. 14332: Improving Oversight in Federal Grantmaking;
- includes primary project elements that develop, demonstrate, and or implement artificial intelligence (AI) technologies that advance the Trump Administration and Department of Interior's priorities for AI, including OMB M-25-21 Accelerating the Use of AI through Innovation, Governance, and Public Trust; S.O. 3444: Leading Interior's Path to Artificial Intelligence Transformation;
- aligns with Secretary Burgum's strategic objectives, including those identified in S.O.s 3417: Addressing the National Energy Emergency, 3418 Unleashing American Energy, 3419 Delivering Emergency Price Relief for American Families and Defeating the Cost-of-Living Crisis;
- aligns with goals and objectives in the U.S. Department of the Interior FY 2026-2030 Strategic Plan; and
- supports water management and enhanced operational flexibility in Reclamation States, with priority given to the Colorado River Basin, which is experiencing long-term drought conditions.

Please address only those priorities that are applicable to your project. **All priorities will be given equal consideration.** A project will not necessarily receive more points simply because multiple priorities are addressed. Points will be allocated based on the degree to which the project supports, advances, or otherwise demonstrates an enhancement of one or more of the priorities identified, and whether the connection to the stated priority (or priorities) is (are) well supported.

Merit Review Criterion F. Construction Priority (10 points)

Up to 10 points may be awarded based on the extent that the proposed project is a construction project that can be completed within the allowable project duration. Projects that focus on construction of hard infrastructure to deliver durable, long-term improvements in water reliability and resilience will be prioritized. Hard infrastructure is tangible or built infrastructure. Please identify the hard infrastructure construction components of the project, if applicable.

Merit Review Criterion G. Cost Share Priority (5 Points)

Up to 5 points may be awarded to proposals that include non-Federal cost share contributions exceeding the statutory minimum by at least 5 percent. Projects with a higher non-Federal cost share may be awarded more points. State the percentage of non-Federal funding provided using the following calculation:

Non-Federal Funding / Total Project Cost = %

See Cost Sharing Requirement and Budget Narrative for more information on cost-share requirements and eligible costs.

Note: projects selected for award will have reported cost-share amounts verified. If reported cost share is found to be ineligible, there may be impacts to award. Accordingly, please ensure reported cost share amounts are accurate and eligible.

Review and Selection Process

This program reviews proposed budgets to ensure:

- figures are correct
- estimated costs are necessary and reasonable and clearly linked to project narratives
- avoid obviously unallowable costs
- identify costs requiring prior approval
- ensure indirect cost rates are applied correctly
- confirm cost sharing requirements are reflected in the budget.

This program reviews applications for potential overlap or duplication between the proposed project and any other funded or proposed project. Depending on the circumstances, DOI may choose to not make an award.

Initial Review: Prior to conducting the comprehensive merit review, an initial review will be performed to determine whether: (1) the applicant is eligible for an award; (2) the information required by the NOFO has been submitted; (3) all mandatory requirements of the NOFO are satisfied; (4) the proposed project is responsive to the program objectives of the NOFO (program determination); and (5) the proposed project is in compliance with all applicable executive and secretary orders, including the President's executive order on Ending Radical and Wasteful Government DEI Programs and referencing as well as the executive order and Secretary order on Restoring Truth and Sanity to American History. If an applicant fails to meet the requirements or objectives of the NOFO, or does not provide sufficient information for review, the applicant will be considered nonresponsive and eliminated from further review.

An Application Review Committee (ARC), made up of experts in relevant disciplines, will review the technical merit of the application, based on the merit review criteria. The ARC will also review the application to ensure that the project is eligible and meets the objective of this NOFO. During ARC review, Reclamation may contact applicants to request clarifications to the information provided, if necessary.

After the merit review, Reclamation conducts a "red-flag" review of top-ranking applications. During this review, Reclamation identifies any reasons a project would not be feasible or advisable, including environmental or cultural compliance, permitting, legal, financial,

performance or other concerns. After the red-flag review, Reclamation conducts a "managerial review" of top-ranking applications. The managerial review prioritizes applications for selection based on the objectives of the NOFO. The review of applications will follow the requirements of E.O. 14332, such as ensuring review by senior appointees, and that selections demonstrably advance the President's policy priorities consistent with applicable law. Geographic dispersion, project types, applicant types, previous award history, and applicant success in implementing Gold Standard Science (E.O. 14303) may be considered during the review. Selections are finalized once all reviews are complete, and all applicants are notified.

Risk Review

Prior to making an award, the applicant will be assessed for their level of risk per 2 CFR 200.206. This assessment includes the applicant's financial management capabilities, project delivery experience, staffing resources, past award performance, administration and reporting compliance records, and overall project complexity and potential for challenges. If an award will be made, special conditions may be applied to the award corresponding to the assessed risk. For awards over the simplified acquisition threshold (currently $350,000), a review of the applicant's eligibility and financial integrity information in the applicant's SAM.gov records will also be performed per 2 CFR 200.206.

Reclamation conducts a detailed budget analysis and a business evaluation and responsibility determination. During this evaluation, Reclamation will consider several factors, such as:

- Allowability, allocability, and reasonableness of proposed costs
- Financial strength and stability of the applicant
- Past performance, including satisfactory compliance with all terms and conditions of previous awards, such as environmental compliance, reporting requirements, and audit compliance
- Adequacy of personnel practices, procurement procedures, and accounting policies and procedures.

AWARD NOTICES

Notices of Federal Award are sent electronically via GrantSolutions or e-mail. These notices outline the terms, conditions, and payment instructions per 2 CFR 200.211. The Notice of Federal Award signed by an authorized Grants Officer is the legal instrument obligating financial assistance to a recipient. Any other prior notice is not an authorization to begin work. If the program allows pre-award costs per 2 CFR 200.458, beginning performance before receiving a Notice of Federal Award is at the applicant's own risk.

Anticipated Project Start Date: 06/02/2027

Anticipated Project End Date: 06/30/2029

Reclamation anticipates contacting potential award recipients and unsuccessful applicants in December 2025, subject to the timing and amount of final appropriations. Reclamation will contact award recipients individually to discuss the time frame for the completion of their agreement. A webinar will be held for successful applicants within 30 days following their notice of selection to review next steps and pre-Financial Assistance Agreement procedures.

Reclamation may post successful applications on a Reclamation website, after necessary redactions, in consultation with the successful applicant.

POST AWARD REQUIREMENTS AND ADMINISTRATION

Administration and National Policy Requirements

For award administration and national policy requirements, see the DOI General Terms and Conditions. Infrastructure projects require the use of American iron, steel, manufacture products, and construction materials per 2 CFR 184.

Automated Standard Application for Payments Registration
All recipients must be registered with and willing to process all payments through the Department of Treasury Automated Standard Application for Payments (ASAP) system. All recipients with active financial assistance agreements with Reclamation must be enrolled in ASAP under the appropriate Agency Location Code(s) and UEI Number prior to the award of funds. If a recipient has multiple UEI numbers, they must separately enroll within ASAP for each unique UEI Number and/or Agency. If your entity is currently enrolled in the ASAP system with an agency other than Reclamation, you must enroll specifically with Reclamation in order to process payments. All of the information on the enrollment process for recipients, will be sent to you by ASAP staff if selected for award.

Approvals and Permits
Recipients must comply with Federal, State, Territorial, Tribal, and local laws, regulations, and codes, as applicable, and must obtain all required approvals and permits. Recipients must also coordinate and obtain approvals from site owners and operators, as applicable.

Environmental and Cultural Resources Compliance
The recipient must comply with all applicable Federal, State, and local environmental, cultural, and paleontological resource laws and regulations. Data collections supporting compliance efforts must follow separate compliance procedures. All projects will require compliance with the National Environmental Policy Act (NEPA), Endangered Species Act (ESA), and National Historic Preservation Act (NHPA) before any ground-disturbing activity may begin.

Recipients are prohibited from any ground-disturbing activities (e.g., biological or water quality surveys, grading, clearing, excavation, and other preliminary or construction activities) on a project before environmental and cultural resources compliance is complete. A recipient that proceeds before environmental and cultural resources compliance is complete risks forfeiting funding. The Grant Officer will issue a Notice to Proceed that explicitly authorizes work to proceed once environmental and cultural resource compliance is complete.

Official Resolution
Prior to award, the recipient must provide an official resolution adopted by the organization's governing body, or, for state government entities, an official authorized to commit the recipient to the financial and legal obligations of the financial assistance award. The official resolution verifies:

• The identity of the official with legal authority to enter into an agreement
• The board of directors, governing body, or appropriate official who has reviewed and supports the application submitted
• That the organization will work with Reclamation to meet established deadlines

Geospatial Data

If you receive financial assistance from the Department of the Interior (DOI), recipient must follow these rules for geospatial data:

Follow Federal Standards: All geospatial data you collect or create must meet the standards set by the Federal Geospatial Data Committee (FGDC) or the Department of the Interior. This is required by the Geospatial Data Act of 2018, which is part of Public Law 115-254, specifically in Subtitle F (Geospatial Data), sections 751-759C (codified at 43 U.S.C. §§ 2801–2811).

Include Metadata: Your Geographic Information Systems (GIS) files must include complete metadata. Metadata is information that describes the data, such as where it came from, how accurate it is, and how it should be used. This is to ensure that anyone using the data understands its context and quality.

Check for Existing Data: Before you start collecting new geospatial data, you need to check GeoPlatform.gov. This is to see if there is already existing geospatial data from federal, state, local, or private sources that can meet your needs and is available for free. If such data is available, you should use it instead of gathering new data.

These rules help ensure that geospatial data is reliable, high-quality, and that resources are used efficiently.

Intangible Property

Title to intangible property acquired under this agreement vests upon acquisition with the Recipient, however Reclamation reserves the right to obtain, publish, reproduce, or otherwise use and authorize others to use for Federal purposes in accordance with 2 CFR Part 200.315.

Real Property

Real property, equipment, and intangible property that is acquired or improved with a Federal award must be held in trust by the recipient as trustee for the beneficiaries of the project or program under which the property was acquired or improved, per 2 CFR §200.316. Title to real property acquired or improved under a Federal award will vest upon acquisition in the recipient. Except as otherwise provided by Federal statutes or by the Federal awarding agency, real property will be used for the originally authorized purpose as long as needed for that purpose, during which time the recipient must not dispose of or encumber its title or other interests. When real property is no longer needed for the originally authorized purpose, the recipient must obtain disposition instructions from the Federal awarding agency or pass- through entity.

Freedom of Information Act (FOIA)
Please note that any application submitted for funding under this NOFO may be subjected to a Freedom of Information Act (FOIA) request (5 U.S.C. §552, as amended by P.L. No. 110-175), and as a result, may be made publicly available.

In response to a FOIA request for research data relating to published research findings produced under a Federal award that were used by the Federal Government in developing an agency action that has the force and effect of law, the Federal awarding agency must request, and the recipient must provide, within a reasonable time, the research data so that they can be made available to the public through the procedures established under the FOIA.

Requirements for Agricultural Operations under P.L. 111-11, Section 9504(a)(3)(B)
In accordance with Section 9504(a)(3)(B) of P.L.111-11, financial assistance will not be awarded for an improvement to conserve irrigation water unless the recipient agrees to both of the following conditions:

1. Not to use any associated water savings to increase the total irrigated acreage of the recipient and
2. Not to otherwise increase the consumptive use of water in the operation of the recipient, as determined pursuant to the law of the state in which the operation of the recipient is located.

If the recipient is a Tribe, a financial assistance agreement will not be awarded unless the recipient agrees to not use any associated water savings to increase the total irrigated acreage or otherwise increase the consumptive use of water more than the water right of the Tribe, as determined by a court decree, a settlement, a law, or any combination of these authorities.

Title to Improvements P.L.111-11, Section 9504(a)(3)(D)
If the project results in a modification to a portion of a federally owned facility that is integral to the existing operations of that facility, the Federal government shall continue to hold title to the facility and the improvements thereto. Title to improvements, P.L.111-11, Section 9504(a)(3)(D) that are not integral to existing water delivery operations shall reside with the project sponsor.

Operation and Maintenance Costs under P.L.111-11, Section 9504(a)(3)(E)(iv)
The non-Federal share of the costs for operation and maintenance of any infrastructure improvement funded through an agreement awarded under this NOFO shall be 100 percent.

Improvements to Federal Facilities
Note that improvements to Federal facilities that are implemented through any project awarded funding must comply with additional requirements. Reclamation may also require additional reviews and approvals prior to award to ensure that any necessary easements, land use authorizations, or special permits can be approved and that the development will not impact or impair project operations or efficiency, consistent with the requirements of 43 CFR Section 429.

Liability under P.L.111-11, Section 9504(a)(3)(F)
Except as provided under 28 U.S.C. Chapter 171 (commonly known as the Federal Tort Claims Act), the United States shall not be liable for monetary damages of any kind for any injury arising out of an act, omission, or occurrence that arises in relation to any facility created or improved through an agreement awarded under this NOFO, the title of which is not held by the United States.

Reporting

The recipient’s Notice of Award will detail all reporting requirements, including frequency, due dates, and instructions for requesting extensions. In general, but not limited to, recipients must:

- Submit Federal Financial reports and Program Performance reports.
- Use the Federal Financial Report (SF-425) form for financial reporting,
- Monitor award activities and report on program performance per 2 CFR 200.329,
- Promptly notify the awarding program in writing of any issues, delays, or conditions impairing award objectives per 2 CFR 200.329(e),
- Disclose any conflicts of interest related to their award that arise during the award period per 2 CFR 1402.112,
- Report on the status of real property acquired under the award in which the Federal government retains an interest per 2 CFR 200.330, and
- Report all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award per 2 CFR 200.113.
- Report any matters related to recipient integrity and performance to SAM.gov per Appendix XII to 2 CFR 200.
- If the Federal share of the award is more than $100,000 and the recipient makes or agrees to make any payment using non-appropriated funds for lobbying in connection to the award, disclose those activities using the Disclosure of Lobbying (SF-LLL) form per 43 CFR 18.100.
- Federal Funding Accountability and Transparency Act of 2006 (FFATA) and 2 CFR 170 requires certain recipients to report information on executive compensation, and information on all sub-awards, subcontracts and consortiums equal to or over $30,000 to SAM.gov.

- Report any required mitigation to lessen environmental impacts of the project.
- Recipients of Reclamation awards must include the following information in performance reports:

    - a comparison of actual accomplishments to the milestones established by the financial assistance agreement for the period,
    - the reasons why the project did not meet established milestones, if applicable,
    - the status of milestones not met from the previous reporting period, if applicable,
    - whether the project is on schedule and within the original cost estimate,
    - any additional pertinent information or issues related to the status of the project, and
    - photographs documenting the project (appreciated, although not required). Note: Reclamation may print photos with appropriate credit to the recipient.

- Final reports are public documents and may be made available on Reclamation’s website.

Other Information

Reclamation will host a webinar to provide general information regarding this NOFO and answer questions. For more information regarding this NOFO, the general information webinar, and WaterSMART Small-Scale Water Efficiency Projects, including previously funded projects and applications, visit https://www.usbr.gov/watersmart/swep.

Folsom City Council
Staff Report

MEETING DATE:	4/28/2026
AGENDA SECTION:	Consent Calendar
ITEM TITLE:	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
FROM:	Parks and Recreation Department

RECOMMENDATION / CITY COUNCIL ACTION

The Parks & Recreation Department recommends that the City Council pass and adopt 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.

BACKGROUND / ISSUE

Folsom Boulevard is a major barrier in providing a safe crossing for bicyclists and pedestrians from Folsom's over 50 miles of Class I trails to the regional trail network along Lake Natoma and the American River. A new Class I overcrossing would be a gateway to connect residents, workers, and visitors to a larger network of Class I trails in the region and would connect users to cities, communities, and neighborhoods between Folsom and downtown Sacramento. The proposed Folsom Boulevard Trail Overcrossing was identified as a high-priority project in the City's Active Transportation Plan (ATP) as the best solution for trail users to safely cross four lanes of vehicle traffic and an active (and expanding) light rail line. While identified as a high priority, the ATP also noted that further study was required to better define the scope and limits of a potential overcrossing, as well as the design and construction cost estimates.

On November 8, 2022, the City Council approved Resolution No. 10945 to execute a professional services agreement with Dokken Engineering to develop a feasibility study for the proposed overcrossing. Between March and October of 2023, the Parks and Recreation Department, along with its consultant team, conducted extensive outreach on a range of possible overcrossing routes and designs crossing Folsom Boulevard between the Glenn Station area and Parkshore Drive. Based on public input, the range of routes and designs was narrowed down from four alternatives to two, and on January 23, 2024, the City Council approved Resolution No. 11160 to approve the North Alternative Alignment as the preferred alternative for the Folsom Boulevard Bicycle and Pedestrian Overcrossing project and to authorize staff to apply for grant funding for the project.

In 2018, staff applied for Active Transportation Plan (ATP) Cycle 4 grant funding for the project but were unsuccessful. Grant reviewers cited a lack of in-depth public outreach showing support for the project and more relevant details on the disadvantaged community benefits of the project. To address the grant application shortcomings, staff sought funding for a Feasibility Study to bolster public outreach and disadvantaged community benefits.

In 2024, staff applied for ATP Cycle 7 grant funding for the project but were unsuccessful. The project grant application fell just short of receiving the requested funding for design/engineering and environmental clearance phases. Reviewers cited wanting additional details on the type of people who would use this type of facility. Regional partners (SacRT / State Parks) and extensive public outreach were cited as positives, but the project still lacked a detailed connection to disadvantaged communities. After receiving feedback from the ATP Cycle 7 application, staff applied to SACOGs Technical Assistance Program, at no cost to the city, to help refine and improve a grant application for ATP Cycle 8.

The current Safe Streets For All grant applications are due May 26, 2026, and the Active Transportation Program Cycle 8 grants applications are due June 22, 2026.

POLICY / RULE

The City Council adopted Resolution No. 10405 Amending Financial Policies of the City of Folsom regarding grant administration on April 14, 2020. Section D – Intergovernmental Revenues, Paragraph A – Grant Applications states, “Grant application shall be the responsibility of the department seeking the grant. Grant applications that require an expenditure of funds by the City of less than or equal to the City Manager contract authority amount may be approved by the City Manager prior to submittal to the grantor. All other grant applications, including any requiring an ongoing commitment of resources or staff, shall be reviewed and approved by the City Council prior to submittal. In circumstances where it is not possible for the City Council to approve the grant application prior to submittal, the City Manager may approve the application, subject to the City Council ratification as soon as practicable to do so.

Requests to the City Council or the City Manager for approval of a grant application shall identify anticipated long-term maintenance and/or renovation costs, required City matching funds, and additional personnel that may be needed if the grant is awarded for a capital project. Concerning

grants for staffing, the source of funds for long-term staffing after the expiration of the grant shall also be identified in the request for approval of the grant application.

All grant applications on behalf of the City shall be reviewed by the Finance Director before submittal to the City Council or the grantor."

ANALYSIS

According to the SS4A Grant Program guidelines, eligible projects for Implementation Grants typically focus on infrastructure, operational, and behavioral interventions aimed at eliminating roadway fatalities and serious injuries. Project categories encouraged under the program include:

- Improved pedestrian and bicycle infrastructure, such as sidewalk gap closures, curb extensions, high-visibility crosswalks, pedestrian refuge islands, and protected bicycle lanes.
- Traffic calming measures that reduce vehicle speeds and improve safety for vulnerable road users, including road diets, raised intersections, and neighborhood traffic management features.
- Intersection safety improvements, such as roundabouts, protected left-turn phases, signal upgrades including leading pedestrian intervals, and improved sight distance.
- Enhancements to promote safe speeds, including automated speed enforcement technology (where authorized), speed feedback signage, and corridor-wide speed management strategies.
- Safe routes to school improvements, focusing on improved pedestrian and bicycle access to educational facilities.
- Improvements to transit access and safety, including better pedestrian infrastructure around transit stops and integration of transit priority features into roadway designs.
- Lighting improvements for pedestrian crossings and corridors with nighttime crash histories.
- Systemic safety analysis projects, involving data-driven identification of high-risk locations and proactive interventions even where crash histories are lower.

Active Transportation Program (ATP) Cycle 8 (2027) aims to fund projects increasing walking/biking trips, safety, and greenhouse gas reductions. Criteria prioritize projects benefiting disadvantaged communities, demonstrating high safety improvements, and proving project deliverability. Applications are graded on alignment with state goals, including public health and, in some areas, housing element compliance.

Key elements for Cycle 8 include:

- Focus Areas: Increased biking/walking, enhanced safety (reducing injuries/fatalities), and public health improvements.
- Disadvantaged Communities: At least 25% of regional funds must benefit these communities.
- Project Types: Infrastructure, non-infrastructure (education/encouragement), and plans.
- Deliverability: Rigorous requirements for cost estimates, schedules, and maps in the project application.

- Regional Requirements: Specific guidelines (e.g., SCAG/SACOG) often require high-scoring projects to align with local regional transportation plans and, in some cases (e.g., MTC), require certified housing elements.

City staff from both the Parks and Recreation and Public Works Departments evaluated candidate projects using the City's Local Roadway Safety Plan (LRSP), Capital Improvement Program (CIP), and Active Transportation Plan (ATP) to identify projects that best align with the grant program's focus areas, and it was determined that the Folsom Boulevard Pedestrian Overcrossing Project was the most appropriate project for the SS4A and ATP Cycle 8 applications.

FINANCIAL IMPACT

There is no additional financial impact associated with submitting the grant applications. Grant application assistance will be done with Kimley-Horn and Associates, Inc., through a prior-approved contract.

If awarded, the SS4A grant would require a minimum local match of 20% of the total project or planning cost. The ATP grant would not require a minimum local match. The exact match requirement and funding amounts will depend on the final application scope and award conditions. The local match would be determined through eligible local funding sources and brought back to Council at a future date for acceptance of the grant and approval of the award.

ENVIRONMENTAL REVIEW

Submission of a grant application is not a project under the California Environmental Quality Act (CEQA) and does not require environmental review. Should the City be awarded funding, any projects resulting from the grant would undergo appropriate environmental review prior to implementation.

ATTACHMENT

1. 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

Submitted,

Kelly Gonzalez, Parks & Recreation Director

Attachment 1

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

WHEREAS, the City of Folsom desires to provide a safe, direct, grade-separated crossing of Folsom Boulevard to connect residents, workers, and visitors to a larger network of trails in the region; and

WHEREAS, in June 2022, the City adopted an Active Transportation Plan that identified a Folsom Boulevard bicycle and pedestrian overcrossing as a "high-priority" project; and

WHEREAS, on January 23, 2024, City Council approved the North Alternative Alignment as the preferred alternative for the Folsom Boulevard POC from the approved Feasibility Study; and,

WHEREAS, the City of Folsom proposes to apply for SS4A and ATP grants to fund environmental review compliance and design/engineering for the Folsom Boulevard Bicycle and Pedestrian Overcrossing Project; and

WHEREAS, once the project is awarded grant funding, staff will return to Council for approval of the source of the required match funding:

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Folsom authorizes 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.

PASSED AND ADOPTED this 28th day of April 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:	4/28/2026
AGENDA SECTION:	Consent Calendar
ITEM TITLE:	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
FROM:	Utilities Department

RECOMMENDATION / CITY COUNCIL ACTION

The Utilities Department recommends the City Council pass and adopt the following resolutions:

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

BACKGROUND / ISSUE

The Utilities Department identifies projects that are critical to ensuring the delivery of adequate and high-quality water supply to all water customers through water master plans, ongoing condition assessment programs, and regulatory changes. Through these efforts, City staff identified the Water Treatment Plant Caustic Soda System Project as a priority project.

This project involves removal of existing, decommissioned steel tanks and associated piping, modifications to the existing tank containment wall, installation of new caustic feed tank and new caustic containment area, installation of new caustic feed pumps and caustic feed pipeline, removal of existing lime feed piping and abandoned aqua ammonia tank, miscellaneous civil sitework including AC pavement and concrete replacement associated with the Work, and associated electrical, instrumentation, and controls.

These resolutions will accept the request from American Integrated Services, Inc. to withdraw their bid and will authorize the City Manager to execute an agreement with BWD Construction, Inc. dba BWD General Engineering Contractors for construction of the Water Treatment Plant Caustic Soda Storage and Feed System Project for a not-to-exceed amount of $2,186,200 including a 10% contingency in the amount of $218,620, and an agreement with Inferrera Construction Management Group, Inc. for construction management and inspection services for a not-to-exceed amount of $375,285.

POLICY / RULE

In accordance with Chapter 2.36 of the Folsom Municipal Code, supplies, equipment, services, and construction with a value of $77,426 or greater shall be awarded by City Council.

ANALYSIS

i. Construction:

The City completed plans and specifications for the Water Treatment Plant Caustic Soda Storage and Feed System Project and publicly advertised in the Sacramento Bee for bids on February 2, 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 March 3, 2026, for construction of the Water Treatment Plant Caustic Soda Storage and Feed System Project:

Contractor	Bid Amount

American Integrated Services, Inc.	$1,794,800.00*
BWD Construction, Inc. dba BWD General Engineering Contractors	$2,186,200.00
TNT Industrial Contactors, Inc.	$2,320,450.00
Auburn Constructors LLC	$2,382,300.00
Swierstok Enterprise Inc. dba Pro Builders	$2,388,000.00
GSE Construction Co. Inc	$2,388,600.00

Table 1: Construction Bids

**Bid determined as non-responsive due to inclusion of non-approved alternative pump package*

Upon review, the bid from American Integrated Services, Inc. was shown to include an alternative pump package as part of their bid. The required pre-approved pump package was identified in the technical specifications of the project manual of the bid documents. The alternative pump package proposed by American Integrated Services, Inc. does not meet the project technical specifications and is not approved by the city for use at the Water Treatment Plant. In consultation with the City Attorney's office, the bid from American Integrated Services, Inc. was determined to be non-responsive.

BWD Construction, Inc., dba BWD General Engineering Contractors, was therefore determined to be the lowest responsible and responsive bidder who meets the requirements and specifications set forth in the invitation for bids.

This resolution will authorize the City Manager to execute an agreement with BWD Construction, Inc. dba BWD General Engineering Contractors for Construction of the Water Treatment Plant Caustic Soda Storage and Feed System Project for a not-to-exceed amount of $2,186,200.

ii. Construction Management and Inspection:

In January 2025, the Utilities Department completed a pre-qualification process for consultants for construction management services for water and wastewater projects. The firms Albat, Inferrera Construction Management (ICM) Group, Inc., and Psomas were among a group of firms selected to provide these services for this type of project through this previously completed pre-qualification process.

On November 13, 2025, the City requested proposals from these consultants to provide construction management services consisting of full-time resident engineer services, full-time on-site inspection, project schedule tracking, coordination of project submittals, coordination with the other on-going City construction projects, labor compliance review, customer coordination, materials testing, and overall owner representation throughout construction of the Water Treatment Plant Caustic Soda Storage and Feed System Project. On December 12, 2025, Utilities Department staff received proposals from Albat, ICM Group, Inc., and Psomas.

Based on the scope of work assumptions described above, Utilities Department staff assumed a maximum of 1,998 hours of work would be required for the duration of the project. This includes inspection time during regular working hours, nightwork inspection hours, resident engineer time, and administration support time for the project. These assumptions are based on previous City

projects of similar size and scope. Each consultant had the opportunity to adjust hours based on the scope of work provided and is outlined in Table 3 below.

The proposals were evaluated by three Utilities Department staff members for technical evaluation prior to reviewing project costs. The proposals were reviewed and scored for project understanding, project team qualifications and experience, recent relevant project experience, and understanding of the scope of work. The technical evaluations were scored as shown in Table 2.

Consultant	UT 1	UT 2	UT 3	Average
ICM Group, Inc.	73	74	69	72
Albat	65	65	56	62
Psomas	72	75	75	74

Table 2: Consultant Technical Scores without Costs

After reviewing each proposal for project understanding, project team qualifications and experience, recent relevant project experience, and understanding of the scope of work, the proposals were reviewed for project costs.

Utilities Department staff compared the direct hours and corresponding direct costs from each proposal for work expected to be performed by the Project Manager, Resident Engineer, Inspector (regular time), Inspector (night work), and Administration for pre-construction services, services during construction and post-construction services. These were then compared to the assumptions included in the RFP described above. The direct hours from each consultant, direct cost per hour (not including subconsultants), and total project costs are shown in Table 3.

Consultant	Fee Amount	Direct Consultant Hours	Direct Cost Per Hour Construction Phase
ICM Group, Inc.	$375,285.00	1,897	$190.30
Albat	$468,867.83	1,998	$229.82
Psomas	$522,553.00	2,482	$208.12

Table 3: Consultant Direct Hours, Cost per Hour, and Total Project Costs

Table 4 shows the overall total scores including project costs based on a maximum score of 100:

Consultant	Technical Score (Avg.)	Cost Score	Total Score
Inferrera Construction Management Group, Inc.	72.0	20	92.0
Albat	62.0	16.3	78.3
Psomas	74.0	16.3	90.3

Table 4: Consultant Overall Scoring Including Project Costs

ICM Group, Inc. was determined to provide the best value to the City based on the scope of work provided in their proposal, the project team, their expertise for this type of project, and the fee amount that aligned with the assumptions provided in the RFP.

This resolution will authorize the City Manager to execute an agreement with Inferrera Construction Management Group, Inc. for Construction Management and Inspection services for the Water Treatment Plant Caustic Soda Storage and Feed System Project for a not-to-exceed amount of $375,285.

FINANCIAL IMPACT

The current Lime Feed System at the Water Treatment Plant (WTP) can treat 30 million gallons a day (MGD) with a current overall WTP capacity of 50 MGD. The new Caustic Soda Feed System will have the capacity to treat the maximum 50 MGD. Therefore, project funding is split 60/40 between the Water Operating Fund (Fund 520) and the Water Capital Fund (Fund 521).

i. Construction:

The Utilities Department recommends that the contract be awarded to the lowest responsible, responsive bidder, BWD Construction, Inc. dba BWD General Engineering Contractors for $2,186,200 with the project budgeted for this agreement in the amount of $2,404,820 which will include a 10% contingency in the amount of $218,620.

The Water Treatment Plant Caustic Soda Storage and Feed System Project (WA2401) is included in the Fiscal Year 2025-26 Capital Improvement Plan with a total project budget of $3,222,500 with $1,933,500 in the Water Operating Fund (Fund 520) and $1,289,000 in the Water Capital Fund (Fund 521).

Sufficient funds in the amount of $1,311,720 are budgeted and available in the Water Operating Fund (Fund 520) and $874,480 the Water Capital Fund (Fund 521).

ii. Construction Management and Inspection:

The Utilities Department recommends that the contract be awarded to Inferrera Construction Management Group, Inc. for $375,285.

The Water Treatment Plant Caustic Soda Storage and Feed System Project (WA2401) is included in the Fiscal Year 2025-26 Capital Improvement Plan with a total project budget of $3,222,500 with $1,933,500 from the Water Operating Fund (Fund 520) and $1,289,000 from the Water Capital Fund (Fund 521).

Planned project costs to date, including design, advertisement, construction, and construction management and inspection services total approximately $3,257,500, with $1,954,500 from the Water Operating Fund (Fund 520) and $1,303,000 from the Water Capital Fund (Fund 521).

An appropriation is therefore needed for the costs of construction management and inspection services. Staff is requesting an appropriation in the amount $21,000 in the Water Operating Fund (Fund 520) and $14,000 in the Water Capital Fund (Fund 521) for this agreement. Sufficient funds are available in both funds. The updated total project budget will be $3,257,500

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).

ATTACHMENTS

1. Resolution No. 11598 – A Resolution Authorizing the City Manager to Execute an Agreement with BWD Construction, Inc. dba BWD General Engineering Contractors for $1,311,600 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)

2. 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

Submitted,

_____

Marcus Yasutake, Director
UTILITIES DEPARTMENT

Attachment 1

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)

WHEREAS, the City identified that the project is critical to ensuring the treatment of high quality water supply to be delivered to all residents; and

WHEREAS, the City of Folsom has identified this project as a priority to maintain the integrity and operation of the water treatment system; and

WHEREAS, the current Lime Feed System at the Water Treatment Plant (WTP) can treat 30 million gallons a day (MGD) with a current overall WTP capacity of 50 MGD. The new Caustic Soda Feed System will have the capacity to treat the maximum 50 MGD. Therefore, project funding is split 60/40 between the Water Operating Fund (Fund 520) and the Water Capital Fund (Fund 521); and

WHEREAS, plans and specifications were prepared for this work and publicly advertised for bids on February 2, 2026; and

WHEREAS, on March 3, 2026, the Utilities Department received bids for construction of the Water Treatment Plant Caustic Soda Storage and Feed System Project; and

WHEREAS, BWD Construction, Inc. dba BWD General Engineering Contractors was the lowest responsible and responsive bidder, with an amount of $2,186,200; and

WHEREAS, the Water Treatment Plant Caustic Soda Storage and Feed System Project (WA2401) was included in the FY 2025-26 Capital Improvement Plan with a total project budget of $3,222,500 with $1,933,500 in the Water Operating Fund (Fund 520) and $1,289,000 in the Water Capital Fund (Fund 521); and

WHEREAS, sufficient funds are budgeted and available in the Water Operating Fund (Fund 520) and in the Water Capital Fund (Fund 521) for this project; 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 BWD Construction, Inc. dba BWD General Engineering Contractors for Construction of the Water Treatment Plant Caustic Soda Storage and Feed System Project (WA2401) in them amount of $2,186,200 with the budgeted amount to include a 10% contingency of $218,620 for a total not to exceed amount of $2,404,820 with $1,442,892 from the Water Operating Fund (Fund 520) and $961,928 from the Water Capital

Fund (Fund 521).

PASSED AND ADOPTED this 28th day of April 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. 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

WHEREAS, the City identified that the project is critical to ensuring the treatment of high quality water supply to be delivered to all residents; and

WHEREAS, the City of Folsom has identified this project as a priority to maintain the integrity and operation of the water treatment system; and

WHEREAS, the current Lime Feed System at the Water Treatment Plant (WTP) can treat 30 million gallons a day (MGD) with a current overall WTP capacity of 50 MGD. The new Caustic Soda Feed System will have the capacity to treat the maximum 50 MGD. Therefore, project funding is split 60/40 between the Water Operating Fund (Fund 520) and the Water Capital Fund (Fund 521); and

WHEREAS, Inferrera Construction Management Group, Inc. by reason of their past experience, knowledge, and abilities for performing these types of services, are qualified to perform the required construction management and inspection services for the project; and

WHEREAS, the Water Treatment Plant Caustic Soda Storage and Feed System Project (WA2401) was included in the FY 2025-26 Capital Improvement Plan with a total project budget of $3,222,500 with $1,933,500 in the Water Operating Fund (Fund 520) and $1,289,000 in the Water Capital Fund (Fund 521) and staff is now projecting the total project costs will be $3,257,500; and

WHEREAS, an additional appropriation of funds in the amount of $35,000 is needed for a revised project budget of $3,257,500; 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 Inferrera Construction Management Group, Inc. for Construction Management and Inspection Services for the Water Treatment Plant Caustic Soda Storage and Feed System Project (WA2401) for $375,285 with $225,171 funded from the Water Operating Fund (Fund 520) and $150,114 funded from the Water Capital Fund (Fund 521); and

BE IT FURTHER RESOLVED that the Finance Director is authorized to appropriate $35,000 for this agreement. The appropriation will be from the Water Operating Fund (Fund 520) in the amount of $21,000 and from the Water Capital Fund (Fund 521) in the amount of $14,000,

for a total project budget of $3,257,500.

PASSED AND ADOPTED this 28th day of April 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:	4/28/2026
AGENDA SECTION:	Consent Calendar
ITEM TITLE:	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
FROM:	Public Works Department

RECOMMENDATION / CITY COUNCIL ACTION

The Public Works Department recommends that the City Council pass and adopt 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.

BACKGROUND / ISSUE

The Sacramento Area Council of Governments (SACOG) is the metropolitan planning organization (MPO) for the greater Sacramento region, which is a six-county region including Sacramento, Yolo, Sutter, Yuba, Placer, and El Dorado counties. SACOG is also the transportation planning agency for the four-county sub-region of Sacramento, Yolo, Sutter, and Yuba counties (El Dorado County and Placer County both have their own transportation planning agencies).

The SACOG plays a central role in funding transportation improvements throughout the region by administering Surface Transportation Block Grant (STBG) and Congestion Mitigation and Air Quality (CMAQ) funds across three programs. For the first time, the 2026 funding cycle includes

all six counties - El Dorado, Placer, Sacramento, Sutter, Yolo, and Yuba - marking a more comprehensive, region-wide approach.

This competitive process now establishes performance-based funding targets for each county to ensure resources are distributed in line with regional priorities and measurable outcomes. Through its three core programs - Next Generation Solutions & Clean Air, System Performance, and System Preservation - SACOG directs federal funds to projects that improve mobility, enhance safety, support sustainability, and advance equity.

Project eligibility for the funding programs requires the projects to be either listed in the 2025 Blueprint or fit within 2025 Blueprint lump-sum project categories, including but not limited to road maintenance and reconstruction, transit vehicle replacements, operational improvements, Intelligent Transportation Systems, and bicycle and pedestrian investments.

Program Structure

The Federal Funding Cycle is organized into three distinct programs that help direct federal transportation dollars to the region's highest priorities in the six-county region.

Each program supports different types of projects that collectively aim to improve air quality, enhance mobility, and keep our transportation system in good working condition.

- **Next Generation Solutions & Clean Air (CMAQ)**
  - Goal of Program: Reduce emissions & advance clean mobility
  - Funds projects like:
    - High-capacity transit improvements
    - Zero-emission vehicles & charging/fueling stations
    - Bikeways, trails & Complete Streets
    - Traffic flow & smart signal upgrades
    - Carpool/vanpool, micromobility & clean travel programs

- **System Performance (STBG)**
  - Goal of Program: Improve how the transportation system functions
  - Funds projects like:
    - Roadway and safety improvements
    - Transit vehicle and facility upgrades
    - EV charging infrastructure
    - New bike/ped connections & grade separations
    - Mobility hubs
    - Intelligent Transportation Systems (ITS)

- **System Preservation (STBG)**
  - Goal of Program: Maintain and extend the life of key roadways
  - Funds pavement maintenance & resurfacing on major arterials and collectors that support:
    - Transit routes

- Freight and goods movement
- Equity-priority communities
- Emergency/evacuation routes
- Key destinations and commercial corridors

Available Funding for 2026 Program

SACOG intends to program three years of funding in the 2026 Program covering Federal Fiscal Years (FFYs) 2028 through 2030. The current estimated total available funding for the six-county region for this cycle is approximately $203 million.

- CMAQ Funds: Approximately $92 million
- STBG Funds: Approximately $111 million

The revenue target ranges available for each of the six-county regions are shown below and reflect the range of available federal transportation funding for the funding round; however, the amounts are not guaranteed, are not for individual jurisdictions, and are not program specific. These targets are intended to assist sponsors in making informed decisions regarding grant application amounts and to address what constitutes a reasonable funding request.

2026 Federal Funding Countywide Performance-Based Revenue Target Ranges (in Millions)						
	El Dorado	**Placer**	**Sacramento**	**Sutter**	**Yolo**	**Yuba**
120%	$15.3	$40.4	$139.8	$10.4	$26.4	$11.0
100%	$12.8	$33.6	$116.5	$8.6	$22.0	$9.2
80%	$10.2	$26.9	$93.2	$6.9	$17.6	$7.3

Agencies may submit up to three (3) applications per program, for a total of up to nine (9) across the three funding programs.

The following tentative timeline has been established by SACOG for the three programs.

Program Category	Call for Projects	Application Closing Date	Anticipated SACOG Board Action
System Preservation	Ongoing	May 8, 2026	August 19, 2026
System Performance	June 1, 2026	September 19, 2026	December 17, 2026
Next Generation and Clean Air	June 1, 2026	September 19, 2026	December 17, 2026

POLICY / RULE

The City Council adopted Resolution No. 10405, Amending the Financial Policies of the City of Folsom regarding grant administration on April 14, 2020. Section D – Intergovernmental Revenues, Paragraph A – Grant Applications states, "Grant application shall be the responsibility of the department seeking the grant. Grant applications which require an expenditure of funds by the City of less than or equal to the City Manager contract authority amount may be approved by the City Manager prior to submittal to the grantor. All other grant applications, including any requiring an ongoing commitment of resources or staff, shall be reviewed and approved by the City Council prior to submittal. In circumstances where it is not possible for the City Council to approve the grant application prior to submittal, the City Manager may approve the application subject to the City Council's ratification as soon as practicable to do so.

Requests to the City Council or the City Manager for approval of a grant application shall identify anticipated long-term maintenance and/or renovation costs, required City matching funds, and additional personnel that may be needed if the grant is awarded for a capital project. With respect to grants for staffing, the source of funds for long-term staffing after the expiration of the grant shall also be identified in the request for approval of the grant application.

All grant applications on behalf of the City shall be reviewed by the Finance Director before submittal to the City Council or the grantor."

ANALYSIS

In the previous two funding rounds (2020-21 and 2022-23), staff submitted a total of 17 grant applications to SACOG and were awarded over $11.5 million in funding for five projects; the results are summarized below:

2020-21 Funding Round

- US50/East Bidwell Improvement Project, 2020-21: $4.6 million
- ITS Master Plan Implementation, 2020-21, $4.3 million
- US50/Empire Ranch Interchange Design, 2020-21: $2.5 million
- Central Business District Streetscape, 2020-21: $100,000
- Natoma Street Drainage, Phase 2, 2020-21: Not awarded
- Folsom-Placerville Rail Trail, 2020-21: Not awarded
- Oak Avenue Complete Streets, 2020-21: Not awarded
- Blue Ravine Road Pavement Rehab, 2020-21: Not awarded
- Folsom Boulevard Bicycle Overcrossing, 2020-21: Not awarded
- American River Canyon Road Diet, 2020-21: Not awarded

2022-23 Funding Round

- Roundabout Feasibility Assessment 2022-23: $400,000
- Class I Trail Maintenance and Repair 2022-23: *Not awarded*
- Folsom-Placerville Rail Trail Gap Closure 2022-23: *Not awarded* (Note: Funded through Regional Active Transportation Program)
- Natoma Street Drainage Phase 3 Project 2022-23: *Not awarded*
- Santa Juanita Realignment Project 2022-23: *Not awarded*
- East Bidwell Pavement Resurfacing Project 2022-23: *Not awarded*
- US 50 at Empire Ranch Road Interchange 2022-23: *Not awarded*

In March 2026, staff from Public Works, Community Development, and Parks & Recreation collaborated to identify candidate projects for the current 2026 SACOG Federal Funding cycle. Project selection was guided by priorities established in the City's foundational planning documents, including, but not limited to, the 2035 General Plan, the 2022 Active Transportation and Local Roads Safety Plans, the Central Business District Vision Plan, the Capital Improvement Plan, and City Council's Strategic Plan and Priorities. By evaluating these priorities against SACOG's specific competitiveness criteria, staff finalized the project list presented today. As required by SACOG guidelines, staff will rank these projects by relative priority to assist the selection committee in evaluating the City's multiple applications.

RECOMMENDED PROJECTS FOR THE 2026 SACOG FEDERAL FUNDING PROGRAM

After conferring with SACOG Staff, City Staff recommends the following projects, along with their corresponding programs.

East Bidwell Operational and Pavement Improvements (System Preservation Program): Pavement Rehabilitation from Clarksville Road/Scholar Way to approximately 500' south of Eastbound US50 Offramp. The project will provide necessary pavement treatments on East Bidwell Street to increase pavement life.

Prairie City Road Pavement Improvements (System Preservation Program): Pavement Rehabilitation from US50 to Levy Road. This project will improve the Pavement Condition Index and extend the pavement life of the corridor through a variety of treatments including grind and overlay, dig outs and deep lift base repairs, crack seal, and slurry.

Iron Point Road Pavement Improvements (System Preservation Program): Through a variety of pavement treatments, this project will address the Iron Point Road corridor between Folsom Boulevard and Prairie City Road which serves a key commercial and economic generation area of the City.

East Bidwell Pedestrian Overcrossing (Next Generation Solutions and Clean Air Program): Requesting construction funding for the East Bidwell Pedestrian Overcrossing located between Via Sole and Iron Point Road on East Bidwell Street to provide a pedestrian and bicycle overcrossing over East Bidwell Street.

Folsom Boulevard Pedestrian Overcrossing (Next Generation Solutions and Clean Air Program): Requesting PA/ED funding for a pedestrian and bicycle overcrossing over Folsom Boulevard near the Glenn Drive Light Rail Station to provide connectivity from the American River Bike Trail to Regional Transit.

East Natoma/Folsom Lake Crossing Roundabout (Next Generation Solutions and Clean Air Program): Requesting project funding to convert the existing traffic signal at East Natoma Street and Folsom Lake Crossing to roundabout control to improve safety, reduce delays, and provide improved bicycle and pedestrian connections to the Johnny Cash Trail.

Empire Ranch Road Interchange Phase 1 Overcrossing (System Performance Program): Requesting partial construction funding for Phase 1 of the overcrossing of Empire Ranch Road over US50.

Central Business District Complete Streets (System Performance Program): Pavement Rehabilitation from Montrose Drive to Riley Street along East Bidwell Street in the Central Business District. Complete streets project to close gaps in sidewalk, lane reductions, on street bike lanes to increase multimodal connections.

Riley Street Active Transportation Project (System Performance Program): Requesting construction funding for Riley Street between East Bidwell Street and Sutter Street to construct active transportation elements identified in the current Riley Street Complete Streets project.

Cost estimates and grant request amounts are still in process for each of these applications with attention and efforts focused on the System Preservation applications with a near term due date of May 8, 2026.

FINANCIAL IMPACT

There is no direct financial impact associated with this action at this point. Should the City be awarded grant funding for any of these projects, the City would be required to provide local matching funds of approximately 11.47 percent of the amount granted. Once any of the projects are awarded grant funding, staff will return to Council to identify the source of the required match and accept the grant if approved.

ENVIRONMENTAL REVIEW

The proposed action (submitting grant applications) is not a project as defined by the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15378(b)(5), as it constitutes an administrative activity that will not result in a direct or indirect physical change in the environment.

ATTACHMENTS

1. 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

2. Table 1: SACOG 2026 Funding Round, City of Folsom Applications

3. Table 2: SACOG 2026 Funding Round, Preliminary Project Grant Requests and Required City Match

Submitted,

_____

Rebecca Neves, PUBLIC WORKS DIRECTOR/CITY ENGINEER

ATTACHMENT 1

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

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

WHEREAS, the Sacramento Area Council of Governments (SACOG) has announced three 2026 Federal Funding Cycle Programs (Funding Programs), which are open to sponsoring agencies within the six-county SACOG region: System Preservation Program, System Performance Program, and Next Generation Solutions & Clean Air Program; and

WHEREAS, the System Preservation Program invests in maintaining and resurfacing major roadways that keep people and goods moving; and

WHEREAS, the System Performance Program funds projects that improve how the transportation system functions day-to-day, including roadway and safety improvements, transit upgrades, EV charging, new bike and pedestrian connections, mobility hubs, and smart-transportation technologies that help manage traffic and improve reliability; and

WHEREAS, the Next Generation Solutions & Clean Air Program supports projects that reduce emissions and improve air quality—such as high-capacity transit, zero-emission vehicles and charging infrastructure, bikeways and trails, Complete Streets, traffic flow improvements, and programs that encourage carpooling, transit use, and other clean transportation options; and

WHEREAS, eligible projects for Funding Programs must be listed in the 2025 Blueprint or fit within 2025 Blueprint lump-sum project categories, including but not limited to road maintenance and reconstruction, transit vehicle replacements, operational improvements, Intelligent Transportation Systems, and bicycle and pedestrian investments; and

WHEREAS, SACOG limits Funding Programs grant applications to no more than three applications per sponsoring agency for any one of the three different Funding Programs to SACOG, up to a maximum of nine total applications per sponsoring agency; and

WHEREAS, applicants shall affirm their commitment to delivering projects in accordance with the requirements of the Surface Transportation Block Grant (STBG) Program and Congestion Mitigation & Air Quality (CMAQ) Improvement Program, as applicable; and

WHEREAS, grant proposals for construction work shall obligate Funding Program dollars for construction activities no later than the end of federal fiscal year 2028-29; and

WHEREAS, SACOG will not provide additional federal or state funding if cost overruns

are identified; and

WHEREAS, project sponsors shall commit to providing local matching dollars, typically 11.47% of the total project cost; and

WHEREAS, SACOG requires that if awarded federal funds by the SACOG Board, City of Folsom staff responsible for project delivery must attend quarterly project delivery meetings with SACOG staff to receive assistance until project closeout; and

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Folsom authorizes the following for grant funding from the Sacramento Area Council of Governments 2026 Federal Funding Programs:

1. The City Manager or designee is authorized to execute all documents necessary to commit the City of Folsom to federal, state, and regional funding and project delivery requirements, including but not limited to abiding by Funding Program guidelines.

2. Acknowledges that in the event of receiving an award by the SACOG Board of Funding Program dollars, that the City of Folsom will be required to abide by multiple timely use of funding requirements described in Funding Program guidelines and SACOG's Regional Delivery Policies, including but not limited to, obligating federal funding no later than the end of federal fiscal year 2028-2029 for construction activities, committing to securing required local match dollars, acknowledging that SACOG does not cover cost overruns, and committing staff to attend delivery meetings until project closeout.

3. The City Manager or designee is directed to submit the following applications for the 2026 Six-County Federal Funding Cycle Programs.

- **East Bidwell Operational and Pavement Improvements (System Preservation Program):** Pavement Rehabilitation from Clarksville Road/Scholar Way to approximately 500' south of Eastbound US50 Offramp. The project will provide necessary pavement treatments on East Bidwell Street to increase pavement life.

- **Prairie City Road Pavement Improvements (System Preservation Program):** Pavement Rehabilitation from US50 to Levy Road. This project will improve the Pavement Condition Index and extend the pavement life of the corridor through a variety of treatments including grind and overlay, dig outs and deep lift base repairs, crack seal, and slurry.

- **Iron Point Road Pavement Improvements (System Preservation Program):** Through a variety of pavement treatments, this project will address the Iron Point Road corridor between Folsom Boulevard and Prairie City Road which serves a key commercial and economic generation area of the City.

- **East Bidwell Pedestrian Overcrossing (Next Generation Solutions and Clean Air Program):** Requesting construction funding for the East Bidwell Pedestrian Overcrossing located between Via Sole and Iron Point Road on East Bidwell Street to provide pedestrian and bicycle overcrossing over East Bidwell Street.

- **Folsom Boulevard Pedestrian Overcrossing (Next Generation Solutions and Clean Air Program):** Requesting PA/ED funding for pedestrian and bicycle overcrossing over Folsom Boulevard near the Glenn Drive Light Rail Station to provide connectivity from the American River Bike Trail to Regional Transit.

- **East Natoma/Folsom Lake Crossing Roundabout (Next Generation and Clean Air Program):** Requesting project funding to convert the existing traffic signal at East Natoma Street and Folsom Lake Crossing to roundabout control to improve safety, reduce delays, and provide improved bicycle and pedestrian connections to Johnny Cash Trail.

- **Empire Ranch Road Interchange Phase 1 Overcrossing (System Performance Program):** Requesting Partial Construction Funding for Phase 1 overcrossing of Empire Ranch Road over US50.

- **Central Business District Complete Streets (System Performance Program):** Pavement Rehabilitation from Montrose Drive to Riley Street along East Bidwell Street in the Central Business District. Complete streets project to close gaps in sidewalk, lane reductions, on street bike lanes to increase multimodal connections.

- **Riley Street Active Transportation Project (System Performance Program):** Requesting construction funding for Riley Street between East Bidwell Street and Sutter Street to construct active transportation elements in the current Riley Street Safety Improvement Project.

PASSED AND ADOPTED this 28th day of April 2026, by the following roll-call vote:

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

_____
Justin Rathiel, MAYOR

ATTEST:

_____
Christa Freemantle, CITY CLERK

ATTACHMENT 2

Table 1: SACOG 2026 Funding Round, City of Folsom Applications

Table 1: SACOG 2026 Federal Funding Round – City of Folsom Grant Applications

Draft Priority	Project Title	Program	Project Description
1	East Bidwell Operational and Pavement Improvements	System Preservation	Pavement Rehabilitation from Clarksville/Scholar to approximately 500' south of the Eastbound US50 Offramp. The project will provide necessary pavement treatments on East Bidwell Street to increase pavement life.
2	Prairie City Road Pavement Improvements	System Preservation	Pavement Rehabilitation from US50 to Levy Road. This project will improve the Pavement Condition Index and extend the pavement life of the corridor through a variety of treatments including grind and overlay, dig outs and deep lift base repairs, crack seal, and slurry.
3	Iron Point Road Pavement Improvements	System Preservation	Through a variety of pavement treatments, this project will address the Iron Point Road corridor between Folsom Boulevard and Prairie City Road which serves a key commercial and economic generation area of the City.
4	East Bidwell Pedestrian Overcrossing	Next Generation and Clean Air	Construction funding for the East Bidwell Pedestrian Overcrossing located between Via Sole and Iron Point on East Bidwell to provide a pedestrian and bicycle overcrossing over East Bidwell.
5	Folsom Boulevard Pedestrian Overcrossing	Next Generation and Clean Air	Requesting PA/ED funding for pedestrian and bicycle overcrossing over Folsom Blvd near the Glenn Drive Light Rail Station to provide connectivity from the American River Bike Trail to Regional Transit.
6	East Natoma/Folsom Lake Crossing Roundabout	Next Generation and Clean Air	Requesting project funding to convert the existing traffic signal at East Natoma Street and Folsom Lake Crossing to roundabout control to improve safety, reduce delay, and provide improved bicycle and pedestrian connections to Johnny Cash Trail.
7	Empire Ranch Road Interchange Phase 1 Overcrossing	System Performance	Requesting Partial Construction Funding for Phase 1 overcrossing of Empire Ranch Road over US50.
8	Central Business District Revitalization Project	System Preservation	Pavement Rehabilitation from Montrose Drive to Riley Street along East Bidwell in the Central Business District. Complete streets project to close gaps in sidewalk, lane reductions, on street bike lanes to increase multimodal connections.

9	Riley Street Safety Improvements Project	System Performance	Requesting construction funding for Riley Street between East Bidwell and S construct active transportation elements identified in the current design project.

ATTACHMENT 3

Table 2: SACOG 2026 Funding Round, Preliminary Project Grant Requests and Required City Match

Table 2: SACOG 2026 Federal Funding Round – Preliminary Project Grant Requests and Required City Match

Draft Priority	Project Title	Program	Requested Program Amount (Preliminary)	Approximate City Required Match (11.47%)
1	East Bidwell Operational and Pavement Improvements	System Preservation	$7,000,000	$802,900
2	Prairie City Road Pavement Improvements	System Preservation	$3,000,000	$345,000
3	Iron Point Road Pavement Improvements	System Preservation	$2,500,000	$287,000
4	East Bidwell Pedestrian Overcrossing	Next Generation and Clean Air	$10,000,000	$1,147,000
5	Folsom Boulevard Pedestrian Overcrossing	Next Generation and Clean Air	$2,000,000	$229,400
6	East Natoma/Folsom Lake Crossing Roundabout	Next Generation and Clean Air	$12,000,000	$1,376,400
7	Empire Ranch Road Interchange Phase 1 Overcrossing	System Performance	$30,000,000	$3,441,000
8	Central Business District Revitalization Project	System Preservation	$8,000,000	$917,600
9	Riley Street Safety Improvements Project	System Performance	$5,000,000	$573,500

Folsom City Council
Staff Report

MEETING DATE:	4/28/2026
AGENDA SECTION:	Consent Calendar
SUBJECT:	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
FROM:	Public Works Department

RECOMMENDATION / CITY COUNCIL ACTION

The Public Works Department recommends that the City Council pass and adopt 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.

BACKGROUND / ISSUE

The City of Folsom currently owns and maintains a storm drain system along Bidwell Street that collects runoff from portions of Riley Street, Comstock Drive, Wool Street, and Decatur Street, as well as adjacent residential and commercial private properties. The storm drain line along Bidwell Street consists of an 18-inch pipe running north to south, joining with a second 18-inch pipe at the intersection of Bidwell Street and Decatur Street, and connecting east. Most segments of the pipe are corrugated metal pipe (CMP).

In 2020, during routine storm drain inspections, the Public Works Department determined that a section of storm drain line along Bidwell Street south of Wool Street had never been

constructed, and the line was plugged. During rain events, accumulated runoff bubbles up out of a slotted manhole lid and into the adjacent unpaved roadside ditch. Over the years, this has caused erosion along the edge of the pavement and carried sediment into the next downstream drain inlet located at Decatur Street.

On October 25, 2022, the City Council approved Resolution No. 10937, authorizing a Green Means Go grant application under the Capital category for the Bidwell Street Storm Drain Replacement Project to address the identified issue. The City received a full grant award from the Sacramento Area Council of Governments (SACOG), and on April 25, 2023, the City Council approved Resolution No. 11027 to accept the grant. Acceptance of the $305,000 fully funded Capital grant award provides funding for the replacement of approximately 500 linear feet of the 18-inch storm drain line, associated manholes, and additional curb and gutter along the length from Wool Street to Decatur Street to prevent any future erosion.

The project was originally advertised for construction in June 2025, and the City only received one bid. Upon review, staff did not recommend awarding the project given the lack of additional bids and some discrepancies with noticing through the original bid platform, and on August 12, 2025, City Council approved Resolution No. 11448 to reject bids, with the intent for staff to immediately readvertise the project on another bidding platform.

The project was readvertised for construction in August 2025, and the City received several bids. On October 14, 2025, City Council approved Resolution No. 11472, awarding the construction contract to Imperial Construction & Engineering, Inc. Prior to proceeding with construction of the Bidwell Street Storm Drain Replacement Project, the City solicited for construction management services from multiple qualified engineering consultants to assist City staff with managing construction of the project.

POLICY / RULE

Section 2.36.080, Award of Contracts 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 City Council. While the contract value is below the adjusted threshold for City Council award per Section 2.36.080, Council action is required to authorize the appropriation of additional funds into the project budget.

ANALYSIS

City staff received proposals from qualified engineering consultants in response to a solicitation for construction management services for the Bidwell Street Drainage Improvements Project. The Public Works Department has evaluated the proposals and recommends the contract be awarded to Dewberry Engineers, Inc.

Staff will use the City’s standard Consulting Services Agreement in a form acceptable to the City Attorney.

FINANCIAL IMPACT

The Bidwell Street Storm Drain Replacement Project, Project No. 2499, is included in the Fiscal Year 2025-26 Capital Improvement Plan with a project budget of $305,000 in the Drainage Capital Improvement Fund (Fund 448), which consists of $300,000 of Green Means Go grant funds. The grant program does not require a local match contribution.

The construction contract with Imperial Construction & Engineering, Inc. was authorized for $233,000, with the total budget for the agreement in the amount of $256,300, which included a 10% contingency of $23,300 for potential change orders.

If approved, the contract with Dewberry Engineers, Inc. would be authorized in the amount of $57,376.80. Staff is requesting an appropriation in the Drainage Capital Improvement Fund (Fund 448) in the amount of $8,676.80 to cover the contract amount over the remaining project budget amount of $48,700.

If approved, the total project budget for the Bidwell Street Storm Drain Replacement Project, Project 2499, would increase to $313,676.80. Sufficient funds are available in the Drainage Capital Improvement Fund (Fund 448) for the appropriation.

ENVIRONMENTAL REVIEW

This project is a rehabilitation of existing infrastructure and, therefore, is categorically exempt from environmental review under the California Environmental Quality Act (CEQA) Guidelines Section 15301.

ATTACHMENTS

1. 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

2. Bidwell Street Drainage Improvements Project Exhibit

Submitted,

Rebecca Neves, PUBLIC WORKS DIRECTOR/CITY ENGINEER

ATTACHMENT 1

A Resolution Authorizing the City Manager to Execute a Consultant Service 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

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

WHEREAS, the City of Folsom desires to receive construction management services for the Bidwell Street Storm Drain Replacement Project; and

WHEREAS, the project was included in the Fiscal Year 2025-26 Capital Improvement Plan with a project budget of $305,000, which consists of a $300,000 Green Means Go grant award with no required local match; and

WHEREAS, in October 2025, the City Council approved Resolution No. 11472 – A Resolution Authorizing the City Manager to Execute a Construction Agreement with Imperial Construction & Engineering, Inc. in the amount of $233,000 Using Green Means Go Grant Funds in the Drainage Capital Improvement Fund (Fund 448) for the Bidwell Street Storm Drain Replacement Project, Project No. 2499; and

WHEREAS, prior to construction, the City of Folsom received proposals from qualified engineering consultants in response to a solicitation for construction management services, and after evaluating the proposals, Public Works staff recommend that the contract be awarded to Dewberry Engineers, Inc. in the amount of $57,376.80; and

WHEREAS, an appropriation in the amount of $8,676.80 in the Drainage Capital Improvement Fund (Fund 448) for a Consultant Services Agreement with Dewberry Engineers, Inc. will be required for a new total project budget of $313,676.80; and

WHEREAS, sufficient funds are available in the Drainage Capital Improvement Fund (Fund 448) for the appropriation; 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 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.

NOW, THEREFORE, BE IT FURTHER RESOLVED that the Finance Director is authorized to appropriate $8,676.80 in the Drainage Capital Improvement Fund (Fund 448) for the

Bidwell Street Storm Drain Replacement Project, Project No. 2499, for a total project budget of $313,676.80.

PASSED AND ADOPTED this 28th day of April, 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

Bidwell Street Drainage Improvements Project Exhibit

CITY OF FOLSOM
DISTINCTIVE BY NATURE

N

Bidwell Street Drainage Improvements Project

Install 48" Storm Drain Manhole
H=4.75'

Slope to Match Existing Grade

21" PVC SDR-26
L=30'
S=0.01 Min

Remove Storm Drain Structure
Replace with 48" SD Manhole
H=4.17'

Abandon Storm Drain Pipe
Fill with CLSM
L=15'

21" PVC SDR-26
L=420'
S=0.01 Min

Type III
Curb and Gutter
L=500'
Slope to Drain

21" PVC SDR-26
L=11'
S=0.01 Min

Abandon Storm Drain Pipe
Fill with CLSM
L=35'

48" Storm Drain Manhole
Match Existing Pipe Invert
H=4.5' (+/-)

Slope to Match Existing Grade

48" Storm Drain Manhole
H=4.50'

21" PVC SDR-26
L=38'
S=0.01 Min

DECATUR ST

BIDWELL ST

DI-17152
MH-18679
DI-16681
MH-18678
DI-16690
MH-20813
MH-17231

Construction Notes:

- Contractor to pothole utility crossings as first order of work.
- Protect all existing utilities in-place unless otherwise noted.
- 21" SDR-26 PVC Pipe will be provided by the City.

GAS
HYDRANTS
ROAD ASSETS
SEWER FOG FACILITIES
SEWER PIPES (Gravity Line)
SEWER SERVICE LATERALS
SEWER STRUCTURES
STORM STRUCTURES
STREET LIGHT INVENTORY
WATER DIST AMR DEVICES
WATER DIST METER DEVICE
WATER DIST NODES
WATER DIST PIPES
WATER DIST SERVICE LATERALS
WATER DIST VALVES
2' DIAMETER COMMS SLEEVE
STORM DRAIN
PROPOSED STORM DRAIN

Folsom City Council
Staff Report

MEETING DATE:	4/28/2026
AGENDA SECTION:	Consent Calendar
SUBJECT:	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
FROM:	Police Department

RECOMMENDATION / CITY COUNCIL ACTION

Staff recommends the City Council pass and adopt 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.

BACKGROUND / ISSUE

In 2021, Council approved (Resolution 10647) a 5 year lease for Body-worn cameras (BWC) and in-car cameras (ICC) to provide officers with a reliable and compact tool to systematically and automatically record their field observations and encounters. Taser electronic control devices were included in this contract. The cameras have proven successful for documentation purposes, to include interactions with victims, witnesses, and others during police-public encounters, arrests, and critical incidents. Additionally, body-worn cameras can be used for training and evaluation purposes, allowing the police department to identify and address performance deficiencies with their officers.

The renewal of this contract to extend for another 5 year period increases the costs by about 10%. In addition to the existing products and software, the new contract includes analytical cloud-based software to better observe officers in the field and provide supervisors with tools for oversight over field activity. Additionally, a virtual reality training is platform designed for reinforcing deescalation techniques and proper use of force will be included.

POLICY / RULE

This purchase is exempt from competitive bids due to Axon being the sole manufacturer, distributor, and retailer of all TASER brand products.

Section 2.36.080 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

Axon is the manufacturer of TASER, the electronic control device (ECD) deployed by Folsom Police Officers for more than a decade and the ECD of choice for law enforcement agencies across the nation. Axon's firmly established relationship with law enforcement provided them the opportunity to move into the in-car camera (ICC) and body-worn camera (BWC) industry. As technology advanced, Axon began integrating all three technologies, and they now integrate additional software based tools to manage the inventory, and oversee the use of the tools.

The Axon products have proven reliable, are accepted and integrated with the Sacramento County District Attorney's Office and the infrastructure is already in place. Staff recommends renewing the contract with Axon to secure costs for the next 5 years.

FINANCIAL IMPACT

If approved, the renewal agreement with Axon Enterprise for the lease of software services, body-worn and in-car cameras, and tasers would be for a five-year term with a total amount not to exceed $1,705,343. The proposed renewal reflects an annual increase of $31,000 compared to the current agreement.The agreement would take effect in FY 2026-27 and will continue to be funded through the General Fund (Fund 010) with appropriations to be requested annually as part of the City's budget process.

ATTACHMENT

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

Submitted,

_____

Adam Green, Chief of Police

Attachment 1

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

WHEREAS, In 2021, Folsom City Council adopted Resolution 10647 approving a 5-year lease agreement with Axon Enterprise, Inc. to provide Body-Worn and In-Car Camera systems, as well as Taser devices and software services for the Police Department; and

WHEREAS, Axon Enterprise, Inc. has performed well and Police Staff recommend renewing the contract for an additional 5 years with Axon, who is a sole-source provider of the cameras and Taser devices currently in use with the Police Department; and

WHEREAS, the agreement with Axon Enterprise, Inc. will be for the not-to-exceed amount of $1,705,343, to be paid over 5 years; and

WHEREAS, the agreement will take effect in FY 2026-27 and will continue to be funded through the General Fund (Fund 010) with appropriations to be requested annually as part of the City's budget process; and

WHEREAS, the contract with Axon Enterprise, Inc. will be in a format 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 Axon Enterprise, Inc. for a total amount not to exceed $1,705,343 for Cameras, Tasers and technology.

PASSED AND ADOPTED this 28th day of April 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:	4/28/2026
AGENDA SECTION:	Public Hearing
SUBJECT:	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
FROM:	Parks and Recreation Department

RECOMMENDATION / CITY COUNCIL ACTION

Staff recommends that the City Council conduct a public hearing to receive testimony and to allow for the submittal of ballots before the close of the public hearing.

Staff recommends following the close of the public hearing, the item be continued to the next City Council meeting scheduled for May 12, 2026, so the City Clerk can tabulate the ballots on Wednesday, April 29, 2026, at 9 a.m. in the Large Public Works Conference Room at City Hall, 50 Natoma Street, Folsom, CA 95630. This ballot tabulation is open to the public. Results from the tabulation will be presented at the May 12, 2026, City Council meeting.

BACKGROUND / ISSUE

On June 24, 2025, the City Council approved Resolution No. 11403 - A Resolution Initiating Proceedings for the Formation of a Landscaping and Lighting Assessment District to be known as the Natoma Station Maintenance Assessment District No. 2025-2.

On February 10, 2026, the City Council approved Resolution No. 11548 - A Resolution Approving the Preliminary Engineers Report, Declaring the Intention to Order the Formation of the Natoma Station Maintenance Assessment District No. 2025-2, to Levy and Collect Assessments, to Provide Notice of Public Hearing and Direct the Mailing of Assessment Ballots Within the Proposed District in the City of Folsom.

Pursuant to Government Code Section 53753, ballots were mailed to all current property owners within the proposed district.

Under the provisions of Proposition 218, a public hearing must be held on the levy of new assessments at least 45 days after notice of the proposed assessment was mailed to record owners of each parcel in the new district. The public hearing was set in Resolution No. 11548 on February 10, 2026, and published in the Folsom Telegraph on April 17, 2026. The public hearing was set for April 28, 2026, at 6:30 p.m. in the City Council Chambers, 50 Natoma Street, Folsom, California 95630.

POLICY / RULE

The City Council is required to approve, or modify and approve, the Engineer's Report as part of the formation process pursuant to the Landscaping and Lighting Act of 1972 (Streets and Highways Code Section 22586). The City Council shall comply with the hearing procedures pursuant to Section 22588 of the Streets and Highways Code.

Pursuant to Section 22605(d) of the Streets and Highways Code, the original Natoma Station Landscaping and Lighting District will be consolidated with the Natoma Station Maintenance Assessment District No. 2025-2 if a majority is in favor.

Pursuant to Section 22611 of the Streets and Highways Code, all assets, liabilities, revenues, expenses, and installments of the original Natoma Station Landscaping and Lighting District shall be transferred to, and assumed by, the Natoma Station Maintenance Assessment District No. 2025-2 for the continued maintenance and servicing of the improvements.

ANALYSIS

The Natoma Station Landscaping and Lighting District was formed by Resolution No. 3024 on June 18, 1990, to maintain improvements within the District. These improvements include landscaping and associated improvements along Iron Point Road, Blue Ravine Road, Turnpike Drive, Black Diamond Drive, and Natoma Station Drive, as well as the subdivision’s streetlights, landscape lighting, irrigation systems, open space, monument entry signage, soundwalls, mini-parks, and art monuments. This District was formed prior to Proposition 218 and, therefore, does not have an escalator built into the annual rate.

There are 1,272 single-family dwelling units within the District, and it is one of the older Districts in the city. In early 2025, the District pursued the Proposition 218 reassessment process; however, the resulting ballot measure did not receive sufficient support, with voters opposing the assessment. The District is increasingly unable to keep pace with rising operational and maintenance costs, which have placed significant strain on its financial resources. The District maintains the aforementioned improvements along the frontages and medians of Iron Point Road, Blue Ravine Road, Turnpike Drive, Black Diamond Drive, and Natoma Station Drive. In addition to maintaining these areas, the District is responsible for servicing costs for irrigation, water, and electricity to the street and landscape lights.

Revenue from the existing assessment (approximately $170,000 annually) is allocated yearly to maintain the District’s features. The existing per-unit rate of $91.70 has not been increased since

it was established over 36 years ago. Approximately 37% of the budget currently covers scheduled and unscheduled landscape maintenance; 9% to streetlight maintenance and supplies; 23% to water and electricity; and 31% to incidental cost (non-landscape contract services, electrical repairs, vandalism response/repairs, hazard tree removal, sidewalk repair, yearly backflow testing, preparation of Engineer's Reports, publications/mailings, staff, overhead, county auditor fee). The existing revenue from collected assessments has been unable to fund the expected day-to-day unscheduled costs, such as irrigation repairs and plant/tree replacements, as well as not being able to set aside funds for life-cycle costs in the District.

The primary objective of forming a new District to replace the existing District is to specifically provide the level of service originally intended, address deferred maintenance of the improvements within the District, plan for life-cycle replacements and repairs for years into the future, and provide for an annual inflationary adjustment as needed. Such deferred items include outdated and un-centralized irrigation systems, replacement of missing landscaping, addressing tree care, and implementing water conservation measures such as replacing dead/dying trees and shrubs with water-wise plantings and LED streetlight retrofits. Should the new Landscaping and Lighting District be formed, it is proposed to complete many of the deferred maintenance improvements over the first few years, as well as embark on the phased replacement plan for the older landscape areas.

Staff conducted community outreach meetings on May 20, 2025, and May 28, 2025, to inform property owners of the results of the failed assessment and to solicit input regarding potential next steps, including interest in initiating a subsequent reassessment in accordance with Proposition 218. Based on feedback from community outreach meetings and subsequent communications, a majority of participating property owners supported pursuing another assessment effort. In response to this demonstrated interest, staff initiated a reassessment process in accordance with the requirements of Proposition 218 and applicable state law. As part of the process to form a new assessment District, staff initiated a public outreach program for the Natoma Station community with two public meetings that were held on January 22, 2026, and January 29, 2026. The intent of the meetings was to discuss the option proposed to address the District's financial condition and develop a viable option that will ultimately be voted on and approved (or denied) by the property owners within the District. Staff presented an option for the District utilizing the trips method of apportionment. This proposal would create a new District that consolidates and replaces the existing District. This new District would cover the regular maintenance and servicing of the District assets, cover the deficit, address all deferred maintenance, and provide some enhancements. There was a thoughtful discussion to ensure those in attendance had their questions answered. As a result of these two public meetings, those in attendance were supportive of the proposed option for the District; as such, it was the option that appeared on the ballot for the entire community to vote on.

The property owners of Natoma Station Landscaping and Lighting District were sent a ballot to vote on the proposal to form a new assessment district in the middle of February 2026, meeting the 45-day period for the district property owners to consider the proposed assessment. At the public hearing, ballots will be collected by the close of the Public Hearing. Ballots are scheduled to be tabulated on Wednesday, April 29, 2026, at 9 a.m. in the Large Public Works Conference Room located at 50 Natoma Street, Folsom, CA 95630. This tabulation is open to the Public. After

confirmation of the ballot tabulation, results from the tabulation will be made public by posting on the City website located at www.folsom.ca.us, the afternoon of April 29, 2026. Results will be presented at the City Council meeting scheduled for May 12, 2026.

FINANCIAL IMPACT

The maximum assessment amount is calculated as the total cost of improvements, less the portion attributable to general benefit in accordance with Proposition 218. The general benefit of $53,617.44, determined to be 15.095% of total improvement costs, includes benefits to the broader community, including Sheldon Park and Mann Park. In addition to the funding for this general benefit portion, the City will contribute an additional $30,492.10 annually from the General Fund (Fund 010) to further offset general benefit costs associated with Sheldon Park and Mann Park. The total maximum amount to be assessed in Fiscal Year 2026-2027 is $527,371.40. The remaining costs of the District will be funded through the assessment and will directly benefit properties within the District boundaries.

ENVIRONMENTAL REVIEW

The formation of a financing District, maintaining and servicing existing landscaping and lighting improvements, is not a project under the California Environmental Quality Act. No environmental review is required.

Submitted,

Kelly Gonzalez, Parks & Recreation Director

Folsom City Council
Staff Report

MEETING DATE:	4/28/2026
AGENDA SECTION:	Public Hearing
SUBJECT:	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)
FROM:	City Manager's Office

RECOMMENDATION / CITY COUNCIL ACTION

Staff Recommends the City Council hold final public hearing, declare results of majority protest proceedings, and, if no majority protest exists, adopt 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.

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.

PROPOSED MODIFICATION

Folsom Tourism and Economic Development Corporation (TEDCorp), serving as the Owners' Association for FTBID, has 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 89 Law and Ordinance No. 1171 allow the Folsom City Council (Council) to modify the FTBID in accordance generally with Section 36540 of the 89 Law.

TEDCorp staff evaluated lodging assessments (both through TBIDs and Transient Occupancy Tax) in nearby jurisdictions. This information is included in Attachment 2, and indicates that an increase of four percent (4%) will not affect the competitiveness of Folsom lodging against other lodging choices in the region.

To initiate the modification process, TEDCorp requested that Council increase the FTBID assessment rates. The proposed modified assessment rate is eight percent (8%) of gross room rental revenue, increasing the current rate of four percent (4%) of gross room rental revenue. The additional four percent (4%) assessment will 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. The increased assessments will provide specific benefit to the Folsom lodging businesses that are assessed that it does not provide to those not charged.

To continue the modification process, Council adopted a Resolution of Intention to Modify the FTBID (Attachment 3). Since the adoption of the Resolution of Intention to Modify the FTBID,

TEDCorp as the Owners' Association for the FTBID, has continued to conduct outreach with lodging businesses in the boundaries of the existing FTBID. Council continued the public hearing that was previously scheduled for January 27, 2026 and February 24, 2026 to April 28, 2026, to allow TEDCorp to continue outreach and discussions with lodging businesses and community members.

Based on feedback received from the lodging businesses that will be subject to the proposed increased assessment, TEDCorp will establish the FTBID Capital Improvement Committee (Committee) and adopt a Governance Policy (Attachment 4). 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, if adopted. The City will require an amendment to the agreement with the Owners' Association to incorporate these requirements and ensure they are in place if the proposed modification is adopted.

To complete the modification process, Council must adopt this Resolution of Modification. Holding the final hearing, declaring results of the majority protest proceedings, and adopting the Resolution Modifying the Assessment Rate will result in the modification of the Folsom Tourism Business Improvement District (FTBID). The businesses within the FTBID shall be specifically benefitted by the activities and improvements funded by the assessments.

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.

ANALYSIS

FTBID MODIFICATION PROCESS

October 24, 2025 — WRITTEN REQUEST **(COMPLETED)**

TEDCorp, serving as Owners' Association, provided a letter requesting modification of the FTBID. This written request allowed the Council to initiate proceedings for FTBID modification at the November 12, 2025 meeting.

November 12, 2025 — RESOLUTION OF INTENTION TO MODIFY FTBID **(COMPLETED)**

Upon the written request of the Owners' Association, the City may propose to modify the FTBID.

NOTICE **(COMPLETED)**

A copy of the Notice and Resolution of Intention to Modify shall be mailed by first class mail to the owners of all lodging businesses within the FTBID. Mailing the notice begins a mandatory forty-five (45) day period in which owners may protest FTBID modification.

January 13, 2026 PUBLIC MEETING **(COMPLETED)**
Allow public testimony on the proposed modification of the FTBID. No Council action required.

January 27, 2026 PUBLIC HEARING **(CONTINUED)**
Council continued the public hearing on the proposed modifications to the FTBID.

February 24, 2026 PUBLIC HEARING **(CONTINUED)**
Council continued the public hearing on the proposed modifications to the FTBID.

April 28, 2026 **PUBLIC HEARING**
Hold a public hearing on the proposed modification to the FTBID.

If written protests are received from the owners of businesses in the modified FTBID which will pay fifty percent (50%) or more of the assessments proposed to be levied, and protests are not withdrawn so as to reduce the protests to less than fifty percent (50%), no further proceedings to modify the proposed assessment against such businesses shall be taken.

If the Council, following the public hearing and a determination that no majority protest exists, decides to modify the FTBID as described in the Resolution of Intention to Modify, the Council shall adopt a Resolution Modifying the Assessment Rate.

June 1, 2026 Target date for FTBID assessment modification to take effect. City will require an amendment to its agreement with the Owners' Association to reflect the Committee and Governance Policy requirements before the modification takes effect.

Assuming no majority protest at this Public Hearing, the Council could adopt a resolution of modification on the same night. The increased rate and list of authorized expenditures of the FTBID would be effective as soon as practicable following the modification proceedings for the FTBID, which effective date is estimated for June 1, 2026. Before the modification takes effect, the City will require an amendment to its agreement with the Owners' Association to include requirements for the Committee and the Governance Policy, as requested by the lodging businesses that will be subject to the increased assessment.

FINANCIAL IMPACT

None immediately. In FY24/25, the FTBID assessments generated approximately $1,248,000 in revenue. The proposed modifications would increase the assessment rate from 4% of gross room rental revenue to 8% of gross room rental revenue. In addition, because the FTBID assessments levied on lodging businesses are intended to increase room rentals on lodging business being assessed within the City, there may be an increase in transient occupancy tax and sales tax collections.

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. 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
2. TEDCorp Lodging Assessment Evaluation
3. November 12, 2025, Resolution No. 11506 - Resolution of Intention
4. FTBID Capital Improvement Committee Governance Policy

Submitted,
Bryan Whitemyer
City Manager

Attachment 1

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

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 (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 Folsom Tourism and Economic Development Corporation (TEDCorp), as the FTBID Owners' Association, has facilitated the request to modify the FTBID; and

WHEREAS, on November 12, 2025 at 6:30 PM at 50 Natoma Street, Folsom, CA 95630, the Council adopted a Resolution of Intention, Resolution No. 11506; and

WHEREAS, the public meeting and the public hearing to consider the modification of the FTBID have each been properly noticed in accordance with Folsom Municipal Code Section 3.100.090 and Government Code §54954.6; and

WHEREAS, on January 13, 2026 at 6:30 PM at 50 Natoma Street, Folsom, CA 95630, the Council held a public meeting regarding the proposed modification of the FTBID, and the Council heard and received objections and protests, if any, to the modification of the FTBID assessment rate and the levy of the proposed assessment; and

WHEREAS, on January 27, 2026 at 6:30 PM at 50 Natoma Street, Folsom, CA 95630, the Council continued the public hearing regarding the proposed modification of the FTBID to February 24, 2026; and

WHEREAS, on February 24, 2026 at 6:30 PM at 50 Natoma Street, Folsom, CA 95630, the Council continued the public hearing regarding the proposed modification of the FTBID to April 28, 2026; and

WHEREAS, on April 28, 2026 at 6:30 PM at 50 Natoma Street, Folsom, CA 95630, the Council held a public hearing regarding the proposed modification of the FTBID, and the Council heard and received all objections and protests, if any, to the modification of the FTBID assessment rate; and

WHEREAS, pursuant to Folsom Municipal Code §3.100.110, business owners subject to the assessment may request disestablishment; 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 has determined that there exists a conditional majority protest 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 (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, the City bears the burden of proving by a preponderance of the evidence that an assessment imposed for a specific benefit or specific government service is not a tax, that the amount is no more than necessary to cover the costs to the City in providing the specific benefit or specific government service, and that the manner in which those costs are allocated to a payor bear a fair or reasonable relationship to the specific benefits or specific government services received by the payor.

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

1. The recitals set forth herein are adopted by the City Council as findings and they are true and correct.

2. The Council hereby modifies the assessment rate 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.

3. The additional four percent (4%) assessment will be dedicated to improvements including but not limited to development of facilities that attract overnight visitation to businesses paying the FTBID assessment, infrastructure improvements, and marketing and development efforts directly related to the facilities and associated visitor growth.

4. 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.

5. 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.

6. The increased assessment shall not be levied until the Committee has been established and the contract amendment described in Paragraph 5 has become effective.

7. The FTBID modified pursuant to this Resolution will be subject to any amendments to the Folsom Municipal Code chapter 3.100.

8. The City Clerk, or his or her designee, is directed to take all necessary actions to complete the modification of the FTBID assessment rate.

9. This Resolution shall take effect immediately upon its adoption by the Council.

PASSED AND ADOPTED this 28th day of April 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

Current Regional TBID Rates

Jurisdiction	TOT Rate	TBID Assessment	TOTAL		CA State Tourism Assessment
Rancho Cordova	12%	4.50%	16.50%	+	0.195%
Placer Valley (Roseveille, Rocklin, Lincoln)	10%	$6.50 per room nt (4.55% at $143 ADR)	14.55%	+	0.195%
City of Sacramento	12%	3.45%, 2.875%, 2.3%, 1.15% by zone +1% STID)	15.45%	+	0.195%
Elk Grove	12%	4% City; 1% County	17%	+	0.195%
Folsom	8%	4%	12%	+	0.195%

Proposed TBID Rates

- Increase TBID to 8% combine with TOT at 8%
- Total of 16% puts Folsom on par with surrounding cities

Attachment 3

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RESOLUTION NO. 11506

A RESOLUTION OF THE CITY OF FOLSOM DECLARING ITS INTENTION TO MODIFY THE ASSESSMENT RATE OF THE FOLSOM TOURISM BUSINESS IMPROVEMENT DISTRICT, FIXING THE TIME AND PLACE OF A PUBLIC MEETING AND PUBLIC HEARING THEREON, AND GIVING NOTICE THEREOF

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 areas for the purpose of promoting tourism; and

WHEREAS, the City of Folsom (City) adopted Ordinance No. 1171, which establishes procedures for forming parking and business improvement areas supplemental to the 1989 Law; and

WHEREAS, pursuant to Ordinance No. 1171, the City Council established the Folsom Tourism Business Improvement District (FTBID) on October 23, 2012, by Resolution No. 9071; and

WHEREAS, the FTBID includes all lodging businesses with twenty or more rooms, existing and in the future, within the boundaries of the City; and

WHEREAS, Ordinance No. 1171 authorizes the District Owners' Association at any time to recommend the City modify the assessment rate of the FTBID; and

WHEREAS, the Folsom Tourism and Economic Development Corporation (TEDCorp) has facilitated the request to modify the FTBID; and

WHEREAS, modifications to the FTBID are limited to those described in this Resolution of Intention as set forth below.

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

1. The recitals set forth herein are true and correct.

2. The City Council declares its intention to modify the FTBID assessment rate pursuant to the Parking and Business Improvement Area Law of 1989, Streets and Highways Code §36500 et seq. and Folsom Municipal Code section 3.100.010 et seq. The current assessment rate is four percent (4%) of gross room rental revenue. The modified assessment rate is eight percent (8%) of gross room rental revenue. The additional 4% assessment will be dedicated to improvements and activities related to improvements, including but not limited to development of facilities that attract overnight visitation to businesses paying the FTBID assessment, infrastructure improvements, and marketing and development efforts directly related to the facilities and associated visitor growth.

3. New lodging businesses with twenty or more rooms within the FTBID boundaries will be

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subject to the levy of assessment as authorized by Streets and Highways Code §36531.

4. The time and place for a public meeting for comments on the proposed FTBID and the levy of assessments are set for 6:30 PM on January 13, 2026 at 50 Natoma Street, Folsom, CA 95630.

5. The time and place for the public hearing to modify the FTBID and levy assessments are set for 6:30 PM on January 27, 2026 at 50 Natoma Street, Folsom, CA 95630.

6. At the public meeting and public hearing, the testimony of all interested persons for or against modifying the FTBID will be heard.

7. A protest against modifying the FTBID, the extent of the FTBID, or the furnishing of a specified type of improvement or activity, as provided in Streets and Highways Code §36524, may be made in writing. To count as a protest against the FTBID, a protest must be made in writing. A written protest may be withdrawn, in writing, at any time before the conclusion of the public hearing. Each written protest shall contain a description of the business in which the person signing the protest is interested, sufficient to identify the business and its address. If the person signing the protest is not shown on the official records of the City as the owner of the business, then the protest shall contain or be accompanied by written evidence that the person is the owner of the business, or the authorized representative. Any protest as to the regularity or evidence of the proceedings shall be in writing and clearly state the irregularity or defect to which objection is made. Written protests must be received by the Clerk of the City of Folsom before the close of the public hearing scheduled herein, and may be delivered or mailed to the City Clerk at 50 Natoma Street, Folsom, CA 95630.

8. If, at the conclusion of the public hearing, there are of record written protests by the owners of businesses within the FTBID that will collectively pay fifty percent or more of the total FTBID assessment, no further proceedings to modify the FTBID shall occur. If the majority of written protest is only as to a proposed improvement or activity, then that type of improvement or activity shall not be included in the FTBID. The FTBID shall be effective on April 1, 2026 or as soon as possible thereafter.

9. Further information regarding the proposed FTBID may be obtained from the City Clerk, at 50 Natoma Street, Folsom, CA 95630.

10. The City Clerk is instructed to provide notice of the public meeting and public hearing as follows:

    a. Mail a complete copy of this Resolution of Intention to each and every business owner proposed to be assessed in the FTBID within seven days of the adoption of this Resolution; and
    b. Provide notice of the Public Meeting and the Public Hearing on the Resolution of Modification as provided in Folsom Municipal Code Section 3.100.090 and pursuant to Gov. Code § 54954.6.

11. This resolution shall take effect immediately upon its adoption, and the City Clerk shall certify

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the vote adopting this resolution.

I HEREBY CERTIFY that the foregoing Resolution of Intention was introduced and adopted at a regular meeting of the City Council on the 12th day of November 2025, by the following vote**:**

AYES: Councilmember(s): Rohrbough, Kozlowski, Leary, Raithel, Aquino
NOES: Councilmember(s): None
ABSENT: Councilmember(s): None
ABSTAIN: Councilmember(s): None

Sarah Aquino
Sarah Aquino, MAYOR

ATTEST:
Christina Kelley, CITY CLERK SPECIALIST

Attachment 4

Attachment 4

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.

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CITY OF
FOLSOM
DISTINCTIVE BY NATURE

Folsom City Council
Staff Report

MEETING DATE:	4/28/2026
AGENDA SECTION:	Public Hearing
SUBJECT:	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
FROM:	Finance Department

RECOMMENDATION / CITY COUNCIL ACTION

Staff requests the City Council conduct the public hearing and adopt 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.

BACKGROUND / ISSUE

In May 2006, the City Council adopted Resolution No. 7812 which established new city impact and connection fees for law enforcement, fire suppression, general facilities, vehicles and equipment, park improvement, Humbug-Willow Creek, housing trust, water, sanitary sewer, transportation improvement, drainage, and light rail. Resolution No. 7812 also approved an annual inflationary adjustment.

POLICY / RULE

Folsom Municipal Code

The Folsom Municipal Code sets impact fees in various code sections as follows:

- Section 03.20.045 – Solid Waste Fee
- Section 03.80.040 – Police, Fire, and General Government Improvement
- Section 03.90.010 – Housing Trust Fee
- Section 04.10.010 – Park Improvement
- Section 04.12.010 – Humbug-Willow Creek Fee
- Section 10.50.040 – Light Rail
- Section 12.04.060 – Transportation Improvement
- Section 13.24.050 – Water Connection
- Section 13.25.010 – Sewer Connection
- Section 13.30.010 – Water Impact Fee
- Section 17.95.010 – Drainage Improvement

ANALYSIS

In accordance with Resolution No. 7812, adopted May 23, 2006, Staff have calculated proposed fee schedules to be effective July 1, 2026. The annual inflationary adjustment to be applied is 2.43%. This percentage adjustment is based on the *Engineering News Record Construction Cost Index* Annual Average for January through December 2025. The proposed fee schedules were derived by applying the annual inflationary adjustment to the current fee.

Government Code section 66018 requires a public hearing for certain fee increases. Government Code section 66017 states fees may be effective no sooner than 60 days following the adoption of the increase in the fee or charge.

The proposed July 1, 2026, fee schedules are included in Resolution No. 11601 as Attachment 1 and the Construction Cost Index obtained from the Engineering News Record is included as Attachment 2.

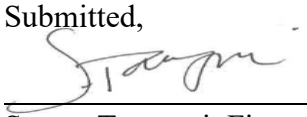
ATTACHMENTS

1. 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.

2. Engineering News Record Construction Cost Index

3. Resolution No. 7812 - A Resolution Rescinding Resolution Nos. 6222 And 6684 And Establishing New City Impact and Connection Fees for Law Enforcement, Fire Suppression, General Facilities, Vehicles and Equipment, Water, Sanitary Sewer, Transportation Improvement, Drainage, and Light Rail

Submitted,



Stacey Tamagni, Finance Director

Attachment 1

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

WHEREAS, the Folsom Municipal Code sets impact fees in various code sections as follows:

1). Section 03.20.045 – Solid Waste Fee
2). Section 03.80.040 – Police, Fire, and General Government Improvement
3). Section 03.90.010 – Housing Trust Fee
4). Section 04.10.010 – Park Improvement
5). Section 04.12.010 – Humbug-Willow Creek
6). Section 10.50.040 – Light Rail
7). Section 12.04.060 – Transportation Improvement
8). Section 13.24.050 – Water Connection
9). Section 13.25.010 – Sewer Connection
10). Section 13.30.010 – Water Impact Fee
11). Section 17.95.010 – Drainage Improvement; and

WHEREAS, Resolution No. 7812 adopted by the Folsom City Council on May 23, 2006, allowed for an annual inflationary adjustment to selected City Impact and Connection fees each fiscal year; and

WHEREAS, the City Council on April 28, 2026, held a public hearing on the proposed fee updates and considered public comment; and

WHEREAS, the annual inflationary adjustment is based on the *Engineering News Record Construction Cost Index* Annual Average for January through December 2025 and the annual adjustment to be applied is 2.43%; and

WHEREAS, notice has been given at the time and in the manner required by State Law and City Code;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Folsom replaces Resolution No. 11366 and approves the updated City Impact and Connection Fees as of July 1, 2026 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.

PASSED AND ADOPTED this 28th day of April 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

City of Folsom Impact and Connection Fee Schedule Fee Description	BASIS	FEE 7/1/2025 Reso 11366	Annual Inflation Adjustment Annual CCI[1]	FEE 7/1/2026 Proposed
Police (FMC 3.80.010)				
Single Family Residential	Unit	$711	$17	$728
Multi-Family Residential	Unit	$807	$20	$827
Mobile Dwellings	Unit	$184	$4	$188
Commercial Lodging	Unit	$41	$1	$42
Commercial Development	Sq. Ft.	$1.198	$0.03	$1.228
Industrial Development	Sq. Ft.	$1.035	$0.03	$1.065
Fire (FMC 3.80.010)				
Single Family Residential	Unit	$1,285	$31	$1,316
Multi-Family Residential	Unit	$1,243	$30	$1,273
Mobile Dwellings	Unit	$1,281	$31	$1,312
Commercial Lodging	Unit	$1,112	$27	$1,139
Commercial Development	Sq. Ft.	$0.75	$0.02	$0.77
Industrial Development	Sq. Ft.	$0.33	$0.01	$0.34
General Facilities (FMC 3.80.010)				
Single Family Residential	Unit	$1,890	$46	$1,936
Multi-Family Residential	Unit	$1,890	$46	$1,936
Mobile Dwellings	Unit	$1,881	$46	$1,927
Commercial Lodging	Unit	$269	$7	$276
Commercial Development	Sq. Ft.	$0.59	$0.01	$0.60
Industrial Development	Sq. Ft.	$0.59	$0.01	$0.60
General Park Equip (FMC 3.80.010)				
Single Family Residential	Unit	$111	$3	$114
Multi-Family Residential	Unit	$111	$3	$114
Mobile Dwellings	Unit	$52	$1	$53
Commercial Development	Sq. Ft.	$0.022	$0.001	$0.023
Industrial Development	Sq. Ft.	$0.022	$0.001	$0.023
Drainage (FMC 17.95.030)				
Single Family Residential	Unit	$1,227	$30	$1,257
Multi-Family Residential	Unit	$1,227	$30	$1,257
Mobile Dwellings	Unit	$1,227	$30	$1,257
Commercial Development/Office	Acre	$7,459	$181	$7,640
Industrial Development	Acre	$7,459	$181	$7,640
Light Rail Impact Fee (FMC 10.50.040)				
Single Family Residential	Unit	$857	$21	$878
Multi-Family Residential	Unit	$589	$14	$603
Mobile Dwellings	Unit	$589	$14	$603
Commercial Development/Office	Sq. Ft.	$0.272	$0.007	$0.279
Industrial Development	Sq. Ft.	$0.113	$0.003	$0.116

Transportation Improv Fee (FMC 12.04.060)				
Single Family Residential	Unit	$9,668	$235	$9,903
Multi-Family Residential	Unit	$6,767	$164	$6,932
Mobile Dwellings	Unit	$6,767	$164	$6,932
Commercial	Sq Ft.	$14.52	$0.35	$14.87
Industrial/Office	Sq Ft.	$6.30	$0.15	$6.45
Other	Sq Ft.	$6.30	$0.15	$6.45
Additional Land Uses				
High Trip Commercial	Sq Ft.	$57.61	$1.40	$59.01
Gas Stations (per fueling station)	Sq Ft.	$12,919	$314	$13,233
Water Impact Fees (FMC 13.30.010)				
Single Family Residential	Unit	$1,166	$28	$1,194
Multi-Family Residential	Unit	$628	$15	$643
Commercial	Acre	$1,570	$38	$1,608
Industrial/Office	Acre	$1,570	$38	$1,608
Water Connection Fees (FMC 13.24.010)				
Residential				
Single Family Residential	Unit	$3,978	$97	$4,075
Multi-Family Residential	Unit	$2,586	$63	$2,649
Lexington Hills	Unit	$2,464	$60	$2,524
Mobile Home	Unit	$2,586	$63	$2,649
Commercial				
3/4” meter		$3,968	$96	$4,064
1” meter		$9,896	$240	$10,136
1 1/2” meter		$19,798	$481	$20,279
2” meter		$31,682	$770	$32,452
3” meter		$63,381	$1,540	$64,921
4” meter		$99,066	$2,407	$101,473
6” meter		$198,204	$4,816	$203,020
8” meter		$317,232	$7,709	$324,941
10” meter		$456,428	$11,091	$467,519
Sewer Connection Fees (FMC 13.25.010)				
Residential				
Single Family Residential	Unit	$1,270	$31	$1,301
Multi-Family Residential	Unit	$993	$24	$1,017
Lexington Hills	Unit	$989	$24	$1,013
Mobile Home	Unit	$1,123	$27	$1,150
Commercial				
3/4” meter		$1,270	$31	$1,301
1” meter		$1,270	$31	$1,301
1 1/2” meter		$2,543	$62	$2,605
2” meter		$4,069	$99	$4,168
3” meter		$7,630	$185	$7,815
4” meter		$12,717	$309	$13,026
6” meter		$25,434	$618	$26,052
8” meter		$40,693	$989	$41,682
10” meter		$58,495	$1,421	$59,916

Solid Waste Capital Improvement Fee (FMC 3.20.045)				
Residential				
Single Family Residential	Unit	$429	$10	$439
Mobile Homes	Unit	$197	$5	$202
Commercial/ Multi Family				
2 yard dumpster		$4,811	$117	$4,928
3 yard dumpster		$4,843	$118	$4,961
4 yard dumpster		$4,911	$119	$5,030
6 yard dumpster		$5,112	$124	$5,236
15 yard roll-off		$15,748	$383	$16,131
20 yard roll		$16,170	$393	$16,563
30 yard roll		$16,821	$409	$17,230
40 yard roll		$17,185	$418	$17,603
Park Construction Capital Impact (FMC 4.10)				
Single Family Residential	Unit	$8,330	$202	$8,532
Multi-Family Residential	Unit	$5,534	$134	$5,668
Senior Residential Housing	Unit	$4,277	$104	$4,381
Mobile Dwellings	Unit	$3,197	$78	$3,275
Commercial Development	Sq. Ft.	$0.564	$0.014	$0.578
Industrial Development	Sq. Ft.	$0.564	$0.014	$0.578
Humbug-Willow Creek (FMC 4.12)				
Single Family Residential	Unit	$327	$8	$335
Multi-Family Residential	Unit	$206	$5	$211
Mobile Dwellings	Unit	$179	$4	$183
Commercial Development	Sq. Ft.	$0.079	$0.002	$0.081
Industrial Development	Sq. Ft.	$0.079	$0.002	$0.081

[1] *Engineering News Record Construction Cost Index - 2025 Annual Average*

City of Folsom Impact and Connection Fee Schedule		FEE 7/1/2025	Annual Inflation Adjustment	FEE 7/1/2026
Fee Description		Reso 11366	Annual CCI[1]	Proposed
Housing Trust (FMC 3.90.010)				
Office	Sq. Ft.	$2.08	$0.051	$2.13
Retail	Sq. Ft.	$2.08	$0.051	$2.13
Light Industrial	Sq. Ft.	$2.08	$0.051	$2.13
Heavy Industrial/Manufacturing	Sq. Ft.	$2.08	$0.051	$2.13
Light Industrial/Manufacturing	Sq. Ft.	$2.08	$0.051	$2.13

[1] *Engineering News Record Construction Cost Index - 2025 Annual Average*

Attachment 2

Construction Cost Index History - As of March 2026

HOW ENR BUILDS THE INDEX: 200 hours of common labor at the 20-city average of common labor rates, plus 25 cwt of standard structural steel shapes at the mill price prior to 1996 and the fabricated 20-city price from 1996, plus 1.128 tons of portland cement at the 20-city price, plus 1,088 board ft of 2 x 4 lumber at the 20-city price.

View the ANNUAL AVERAGE FOR ENR'S CONSTRUCTION COST INDEX.

ENR'S CONSTRUCTION COST INDEX HISTORY (1908-2026)

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVG.
2026	14118.53	14131.61	14156.75										
2025	13731.60	13766.30	13782.50	13798.28	13838.59	13871.21	13892.84	13913.52	13927.75	14073.99	14097.71	14118.46	13901.06
2024	13515.02	13518.12	13532.01	13532.08	13532.44	13546.80	13556.09	13593.65	13632.23	13632.34	13632.39	13632.41	13571.30
2023	13175.03	13175.93	13176.30	13229.57	13288.27	13345.00	13424.98	13472.56	13485.67	13497.97	13510.57	13514.76	13358.05
2022	12555.55	12683.97	12791.43	12898.96	13004.47	13110.50	13167.84	13171.07	13173.43	13174.92	13174.98	13175.00	13006.84
2021	11627	11698	11749	11849	11989	12112	12237	12463	12464	12464	12467	12481	12,133
2020	11392	11396	11397	11412	11418	11436	11439	11455	11499	11539	11579	11626	11465.67
2019	11206	11213	11228	11228	11230	11268	11293	11311	11311	11326	11381	11381	11281
2018	10878	10889	10959	10971	11013	11069	11116	11124	11170	11183	11184	11186	11062
2017	10542	10559	10667	10678	10692	10703	10789	10826	10823	10817	10870	10873	10737

ATTACHMENT 3

RESOLUTION NO. 7812

A RESOLUTION RESCINDING RESOLUTION NOS. 6222 AND 6684 AND ESTABLISHING NEW CITY IMPACT AND CONNECTION FEES FOR LAW ENFORCEMENT, FIRE SUPPRESSION, GENERAL FACILITIES, VEHICLES AND EQUIPMENT, WATER, SANITARY SEWER, TRANSPORTATION IMPROVEMENT, DRAINAGE, AND LIGHT RAIL

WHEREAS, California Government Code Section 66000, Fees for Development Projects, et. al., of the State of California, mandates numerous detailed and stringent requirements for all development fees levied by local government on new construction projects; and

WHEREAS, Section 66017 of the California Government Code requires a 60-day "waiting period" before any development fee increase can become effective; and

WHEREAS, pursuant to Government Code Section 66016, et seq., specific fees to be charged for services must be adopted by City Council resolution or ordinance, after providing notice and holding a public hearing; and

WHEREAS, The City of Folsom General Plan, Urban Development Policy No. 11.6, Policy on Municipal Services and Facilities states in part that "It is the policy of the City of Folsom to require new development to bear the cost of its increased demand/effect on municipal services and facilities so as to not create a greater burden on existing residents. . .it is the policy of the City of Folsom to require certain necessary improvements as a part of the development and/or the payment of the proportional effect of the development on such services. . .the City will periodically update its fees to reflect the cost of providing municipal services and facilities."; and

WHEREAS, Section 17.95.030 (Drainage Impact Fee), and section 10.50.040 (Light Rail Capital Impact Fee) of the Folsom Municipal Code allows for an annual inflationary fee increase; and

WHEREAS, the proposed fee implementation schedule complies with the legal requirement of a 60-day waiting period, assuming that City Council adopts the new fee schedule at its May 23, 2006 meeting; and

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Folsom rescinds Resolution Nos. 6222 and 6684 and authorizes the following:

1) Establish New City Impact and Connection Fees for Law Enforcement, Fire Suppression, General Facilities, Vehicles and Equipment, Water, Sanitary Sewer, Drainage, and Light Rail per the rate schedules attached hereto, to be effective in four steps as follows:

a. October 1, 2006: Fees will increase by the cumulative Consumer Price Index (CPI) since the last date applied.

b. July 1, 2007: Fees will increase by 50% of the remaining increase over the cumulative CPI.

c. January 1, 2008: Fees will increase by 25% of the remaining increase over the cumulative CPI.

d. July 1, 2008: Fees will increase by the final remaining 25% of the increase over the cumulative CPI applied; and

2) Establish New City Impact fees for Transportation Improvement with the fee option of "Six Lanes over River" per the rate schedules attached hereto, to be effective in the same four steps noted in (1); and

3) For building permits where a complete building permit application has been submitted and accepted by the City prior to October 1, 2006, impact and connection fees will be charged based on the current fee structure; or

4) For building permits where a complete building permit application has been submitted and accepted by the City on or after October 1, 2006, impact and connection fees will be charged based on the newly adopted fee structure per this resolution; and

5) The City will adjust the impact and connection fees annually, commencing July 1, 2007 and on July 1 annually thereafter, by an escalation factor to reflect the cost of interest and inflation using the *Engineering News Record Construction Cost Index- Annual Average.* The escalation factor will be applied annually to the *Total Proposed Fee* as if it had been adopted in full on October 1, 2006.; and

6) Impact and Connection fees will be reviewed and updated every three years.

PASSED AND ADOPTED this 23rd day of May 2006, by the following roll call vote:

AYES:	COUNCIL MEMBERS:	Miklos, Starsky, Howell, Morin
NOES:	COUNCIL MEMBERS:	King
ABSTAIN:	COUNCIL MEMBERS:	None
ABSENT:	COUNCIL MEMBERS:	None

Andrew J. Morin, MAYOR

ATTEST:

Christa Schmidt, CITY CLERK

City of Folsom
Impact and Connection Fee Implementation

FEE DESCRIPTION	BASIS	PROPOSED FEE TOTAL FEE	FEE 10/1/2006 STEP 1 FEE AT CUM CPI	INCREASE 07/01/07 STEP 2 50% OF REMAINDER	INCREASE 01/01/08 STEP 3 25% OF REMAINDER	INCREASE 07/01/08 STEP 4 25% OF REMAINDER
Police, Fire, & Gen Fac (FMC 3.80.010)						
POLICE						
Single Family Residential	Unit	$ 491	$ 405	$ 43	$ 22	$ 22
Multi-Family Residential	Unit	$ 557	$ 557	$ -	$ -	$ -
Mobile Dwellings	Unit	$ 127	$ 127	$ -	$ -	$ -
Commercial Lodging	Unit	$ 28	$ 28	$ -	$ -	$ -
Commercial Development	Sq. Ft.	$ 0.831	$ 0.421	$ 0.205	$ 0.102	$ 0.102
Industrial Development	Sq. Ft.	$ 0.720	$ 0.019	$ 0.351	$ 0.175	$ 0.175
FIRE						
Single Family Residential	Unit	$ 891	$ 540	$ 176	$ 88	$ 88
Multi-Family Residential	Unit	$ 862	$ 385	$ 239	$ 119	$ 119
Mobile Dwellings	Unit	$ 891	$ 259	$ 316	$ 158	$ 158
Commercial Lodging	Unit	$ 772	$ 386	$ 193	$ 97	$ 97
Commercial Development	Sq. Ft.	$ 0.520	$ 0.520	$ -	$ -	$ -
Industrial Development	Sq. Ft.	$ 0.226	$ 0.064	$ 0.081	$ 0.041	$ 0.041
GEN FACILITIES						
Single Family Residential	Unit	$ 1,307	$ 1,065	$ 121	$ 60	$ 60
Multi-Family Residential	Unit	$ 1,307	$ 1,065	$ 121	$ 60	$ 60
Mobile Dwellings	Unit	$ 1,307	$ 214	$ 546	$ 273	$ 273
Commercial Lodging	Unit	$ 187	$ 94	$ 47	$ 23	$ 23
Commercial Development	Sq. Ft.	$ 0.407	$ 0.407	$ -	$ -	$ -
Industrial Development	Sq. Ft.	$ 0.407	$ 0.038	$ 0.18	$ 0.09	$ 0.09

City of Folsom
Impact and Connection Fee Implementation

FEE DESCRIPTION	BASIS	PROPOSED FEE TOTAL FEE	FEE 10/1/2006 STEP 1 FEE AT CUM CPI	INCREASE 07/01/07 STEP 2 50% OF REMAINDER	INCREASE 01/01/08 STEP 3 25% OF REMAINDER	INCREASE 07/01/08 STEP 4 25% OF REMAINDER
Drainage (FMC 17.95.030)						
Single Family Residential	Unit	$ 850	$ 639	$ 106	$ 53	$ 53
Multi-Family Residential	Unit	$ 850	$ 639	$ 106	$ 53	$ 53
Mobile Dwellings	Unit	$ 850	$ 639	$ 106	$ 53	$ 53
Commercial Development/Office	Acre	$ 5,164	$ 3,882	$ 641	$ 321	$ 321
Industrial Development	Acre	$ 5,164	$ 3,882	$ 641	$ 321	$ 321
Light Rail Impact Fee (FMC 10.50.040)						
Single Family Residential	Unit	$ 594	$ 489	$ 52	$ 26	$ 26
Multi-Family Residential	Unit	$ 408	$ 335	$ 36	$ 18	$ 18
Mobile Dwellings	Unit	$ 408	$ 335	$ 36	$ 18	$ 18
Commercial Development/Office	Sq. Ft.	$ 0.189	$ 0.156	$ 0.016	$ 0.008	$ 0.008
Industrial Development	Sq. Ft.	$ 0.079	$ 0.064	$ 0.007	$ 0.004	$ 0.004
Transportation Improvement Fee (FMC 12.04.060)						
Six Lanes Over River						
Single Family Residential	Unit	$ 6,699	$ 4,452	$ 1,124	$ 562	$ 562
Multi-Family Residential	Unit	$ 4,689	$ 3,116	$ 786	$ 393	$ 393
Mobile Dwellings	Unit	$ 4,689	$ 3,116	$ 786	$ 393	$ 393
Commercial	Sq Ft.	$ 10.06	$ 6.43	$ 1.82	$ 0.91	$ 0.91
Industrial/Office	Sq Ft.	$ 4.37	$ 2.79	$ 0.79	$ 0.39	$ 0.39
Other	Sq Ft.	$ 4.37	$ 2.79	$ 0.79	$ 0.39	$ 0.39
Additional Land Uses						
High Trip Commercial	Sq Ft.	$ 40.05	$ 6.43	$ 16.81	$ 8.41	$ 8.41
Gas Stations[1]	Sq Ft.	$ 8,963	$ 4,482	$ 2,238	$ 1,119	$ 1,119

[1] Current per square foot, proposed per fueling station

City of Folsom
Impact and Connection Fee Implementation

FEE DESCRIPTION	BASIS	PROPOSED FEE TOTAL FEE	FEE 10/1/2006 STEP 1 FEE AT CUM CPI	INCREASE 07/01/07 STEP 2 50% OF REMAINDER	INCREASE 01/01/08 STEP 3 25% OF REMAINDER	INCREASE 07/01/08 STEP 4 25% OF REMAINDER
Water Connection Fees (FMC 13.24.010)						
Single Family Residential	Unit	$ 2,750	$ 2,750	$ -	$ -	$ -
Multi-Family Residential	Unit	$ 1,789	$ 1,789	$ -	$ -	$ -
Lexington Hills [1]	Unit	$ 1,705	$ 1,705	$ -	$ -	$ -
Mobile Home	Unit	$ 1,789	$ 1,789	$ -	$ -	$ -
[1] Lexington Hills receives a credit per developer agreement						
Commercial						
3/4" meter		$ 2,750	$ 1,817	$ 467	$ 233	$ 233
1" meter		$ 6,875	$ 1,817	$ 2,529	$ 1,265	$ 1,265
1 1/2" meter		$ 13,750	$ 4,086	$ 4,832	$ 2,416	$ 2,416
2" meter		$ 22,000	$ 7,266	$ 7,367	$ 3,683	$ 3,683
3" meter		$ 44,000	$ 16,351	$ 13,824	$ 6,912	$ 6,912
4" meter		$ 68,750	$ 29,073	$ 19,839	$ 9,919	$ 9,919
6" meter		$ 137,500	$ 65,409	$ 36,045	$ 18,023	$ 18,023
8" meter		$ 220,000	$ 116,284	$ 51,858	$ 25,929	$ 25,929
10" meter		$ 316,250	$ 210,381	$ 52,934	$ 26,467	$ 26,467
Sewer Connection Fees (FMC 13.25.010)						
Single Family Residential	Unit	$ 880	$ 625	$ 128	$ 64	$ 64
Multi-Family Residential	Unit	$ 688	$ 489	$ 100	$ 50	$ 50
Lexington Hills [1]	Unit	$ 686	$ 395	$ 145	$ 73	$ 73
Mobile Home	Unit	$ 778	$ 553	$ 113	$ 56	$ 56
[1] Lexington Hills receives a credit of per developer agreement						
Commercial						
3/4" meter		$ 880	$ 625	$ 128	$ 64	$ 64
1" meter		$ 880	$ 625	$ 128	$ 64	$ 64
1 1/2" meter		$ 1,762	$ 1,251	$ 255	$ 128	$ 128
2" meter		$ 2,818	$ 2,001	$ 408	$ 204	$ 204
3" meter		$ 5,285	$ 3,753	$ 766	$ 383	$ 383
4" meter		$ 8,808	$ 6,255	$ 1,276	$ 638	$ 638
6" meter		$ 17,617	$ 12,511	$ 2,553	$ 1,277	$ 1,277
8" meter		$ 28,187	$ 20,017	$ 4,085	$ 2,042	$ 2,042
10" meter		$ 40,518	$ 28,774	$ 5,872	$ 2,936	$ 2,936

Folsom City Council
Staff Report

MEETING DATE:	4/28/2026
AGENDA SECTION:	Public Hearing
SUBJECT:	Resolution No.11604- A Resolution Replacing Resolution No. 11364, 11365 and 11371 and Enacting the Annual Inflationary Adjustment for City User Fees
FROM:	Finance Department

RECOMMENDATION / CITY COUNCIL ACTION

Staff recommends the City Council conduct the public hearing and adopt Resolution No.11604- A Resolution Replacing Resolution No. 11364, 11365 and 11371 and Enacting the Annual Inflationary Adjustment for City User Fees

BACKGROUND / ISSUE

In May 2006, the Folsom City Council adopted Resolution No. 7815 which established a new user fee schedule for selected city services and also adopted an annual inflationary adjustment. City User Fees for Selected City Services had the inflationary adjustment last applied on July 1, 2025, adopted with Resolution No. 11364.

Community Development User Fees had the inflationary adjustment last applied on July 1, 2025, adopted with Resolution No. 11365.

In May 2025, the Folsom City Council adopted Resolution No. 11371 which established an amended user fee schedule for Police User Fees. This fee schedule became effective June 13, 2025.

POLICY / RULE

City of Folsom Municipal Code Section 3.50.020 Direction to recover costs. states, “The amount of fees and charges established under this chapter shall be sufficient to recover a

percentage of the costs reasonably borne in providing the services for which the fees and charges are imposed. Costs reasonably borne shall be as defined in Section 3.50.030. The percentage of the cost to be recovered by the fee shall be at the sole discretion of the council but shall not exceed one hundred percent, as set forth by Section 3.50.040. (Ord. 1344 § 2, 2024; Ord. 609 § 1, 1988)."

City Council Resolution No. 7815 adopted on May 23, 2006, approved an annual inflationary adjustment to be applied each fiscal year for selected city user fees along with fee increases based on a fee study.

City Council Resolution No. 11186 adopted on May 28, 2024, adopted an amended user fee schedule for Community Development Engineering and Building Services based on a fee study. This study included a fee schedule with identified fees assessing and annual CPI increase.

On May 13, 2025, Resolution No. 11371 adopted an amended user fee schedule for Police user fees with an annual CPI increase.

ANALYSIS

The annual inflationary adjustment to be applied is 3.04%. This is based on the *US Bureau of Labor Statistics & CA Department of Finance CPI-West Urban Consumers, all items, San Francisco CMSA, Annual amount as of December of the previous calendar year* as set forth in Resolution No. 7815. The proposed fee schedules were derived by applying the annual inflationary adjustment to the current fees if allowed.

The proposed April 28, 2026, City user fee schedule for selected City Services is included as part of Resolution No. 11604 and will be effective July 1, 2026.

FINANCIAL IMPACT

This inflationary adjustment will enable the City to improve cost recovery and reduce the financial burden on the General Fund as long as User Fee activity continues.

ATTACHMENTS

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

2. United States Consumer Price Index – All Urban Consumers as published by the United States Bureau of Labor Statistics CPI-West Urban consumers, all items, San Francisco CMSA as of December 2025

Submitted,

Stacey Tamagni, Finance Director

Attachment 1

RESOLUTION NO. 11604

A RESOLUTION REPLACING RESOLUTION NO. 11364, 11365 AND 11371 AND ENACTING THE ANNUAL INFLATIONARY ADJUSTMENT FOR CITY USER FEES

WHEREAS, City of Folsom Municipal Code Section 3.50.020 Direction to recover cost. states "The amount of fees and charges established under this chapter shall be sufficient to recover a percentage of the costs reasonably borne in providing the services for which the fees and charges are imposed. Costs reasonably borne shall be as defined in Section 3.50.030. The percentage of the cost to be recovered by the fee shall be at the sole discretion of the council but shall not exceed one hundred percent, as set forth by Section 3.50.040. (Ord. 1344 § 2, 2024; Ord. 609 § 1, 1988)"; and

WHEREAS, Resolution No. 7815 adopted by the Folsom City Council on May 23, 2006, allowed for an annual inflationary adjustment to User Fees each fiscal year; and

WHEREAS, Resolution No. 11364 adopted by City Council on April 22, 2025, set the most recent User Fee schedule for selected City Services; and

WHEREAS, Resolution No. 11365 adopted by City Council on April 22, 2025, set the most recent User Fee schedule for Community Development; and

WHEREAS, Resolution No. 11371 adopted by City Council on May 13, 2025, set the most recent User Fee schedule for Police; and

WHEREAS, the annual inflationary adjustment is based on the *US Bureau of Labor Statistics & CA Department of Finance CPI-West Urban Consumers, all items, San Francisco CMSA annual amount as of December of the previous calendar year*; and

WHEREAS, as of December 31, 2025, the annual inflationary adjustment to be applied is 3.04%;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Folsom Replaces Resolution No. 11364, 11365 and 11371 and Enacts the Annual Inflationary Adjustment for City User Fees as of July 1, 2026 as set forth in the fee schedules attached hereto;

PASSED AND ADOPTED this 28th day of April, 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

#	City of Folsom User Fee Schedule DEPARTMENT/SERVICE	FEE 07/01/2025 Reso 11364	ANNUAL INFLATION ADJUSTMENT Annual CPI[1]	FEE 07/01/2026 Proposed
	Finance			
FN-1a	Returned Check Fee - Initial	$25		$25
FN-1b	Returned Check Fee - Additional	$35		$35
FN-2	Lien/Delinquency Admin Fee	$125		$125
FN-2a	Admin/Disconnect Fee	$75		$75
FN-2b	Reconnect Fee - during business hours	$50		$50
FN-2c	Reconnect Fee - after business hours	$135		$135
	Business License Certificate			
FN-4	New License Review Fee	$29	$1	$30
FN-5	License Reprint Fee	$14	$0	$14
FN-7	Customer Business Lists - Year	$21	$1	$22
FN-8	Customer Business Lists - 1 month	$21	$1	$22
	Annual Historic District Surcharge Tax	$60		$60
	Home Occupation Annual Certificate	$40		$40
	Business License Certificate Fee Table	Class. A-C		Class. A-C
	Specialty Operations	Class. D		Class. D
	Cardroom Business License Fees			
FN-9	Application and investigation	$725	$22	$747
FN-10	Annual License Renewal	$96	$3	$99
FN-12	PER Table Fee per QUARTER	$287	$9	$296
FN-13	Alternative Method of Payment	2.75% - 3%		2.75% - 3%
	Water			
W-3	Construction Meter Rental Rate per Month	$100		$100
W-4	Security Deposit for 2.5 inch Construction Meter	$900		$900
W-5	Security Deposit for 4 inch Construction Meter	$2,700		$2,700
W-6	Relocation of Construction Meter	$25		$25
W-7	Repeat Disinfection Testing of New Facilities	$200		$200
W-8	Backflow Testing Tag	$15		$15
W-9	Testing of Backflow Device	$100		$100
W-10	Backflow Test Submission Fee	$15		$15
	Wastewater			
WW-1	Emergency Call Out (After Hours/Hourly Rate)	$135		$135
WW-2	Clean up of Sanitary Sewer Overflow From Private Lateral or collection ssytem (Hourly rate)	$200		$200
WW-3	Inspection of Private Collection Systems to Include Manholes, Maines and Laterals (Hourly Rate)	$150		$150

#	City of Folsom User Fee Schedule DEPARTMENT/SERVICE	FEE 07/01/2025 Reso 11364	ANNUAL INFLATION ADJUSTMENT Annual CPI [1]	FEE 07/01/2026 Proposed
	Police [2]			
P1	Alarm Permit	$47	$1	$48
P2	Alarm Permit (Renewal - Commercial)	$20	$1	$21
P3	False Alarm (2nd in 365 day period)	$0	$0	$0
P4	False Alarm (3rd in 365 day period)	$150	$5	$155
P5	False Alarm (4rd in 365 day period)	$175	$5	$180
P6	False Alarm (5th + in 365 day period)	$200	$6	$206
P7	Alarm Permit: Failure to Register	$20	$1	$21
P8	Police Report Copy	$25	$1	$26
P9	Digital Media Storage	$12	$0	$12
P10	Audio/Visual/Media reprod. (per 15min)	$20	$1	$21
P11	DUI COST RECOVERY	Hourly Rates		Hourly Rates
P12	Law Enforcement Svcs: Officer (per hour)	$149	$5	$154
P13	Law Enforcement Svcs: Corporal (per hour)	$165	$5	$170
P14	Law Enforcement Svcs: Sergeant (per hour)	$178	$5	$183
P15	Law Enforcement Svcs: Lieutenant (per hour)	$269	$8	$277
P16	Vehicle Release	$200	$6	$206
P17	Livescan	$50	$2	$52
P18	Repossessions	$15	$0	$15
P19	VIN Verification	$70	$2	$72
P20	Clearance Letter	$25	$1	$26
P21	Vehicle Sign-off	$60	$2	$62
P22	Adult Businesses	$360	$11	$371
P23	Subpoena Duces Tecum	$15	$0	$15
P24	Civil Subpoena	$275	$8	$283
P25	Factual Innocence Petition	$100	$3	$103
	Fire			
FR-1	California Fire Code Inspection - HSC 13146.2 and 13146.3	$210	$6	$216
	Pre-license Inspection < 25 - HSC 13235	$54	$2	$56
	Pre-license Inspection > 25 - HSC 13235	$110	$3	$113
FR-2	Re-Inspection (2nd and subsequent reinspections)	$259	$8	$267
FR-3	Fire Stand Pipe System Plan Review	bldg pmt val	bldg pmt val	bldg pmt val
FR-4	Fire Hydrant System PC	bldg pmt val	bldg pmt val	bldg pmt val
FR-5	Fire Sprinkler System Plan Review	bldg pmt val	bldg pmt val	bldg pmt val
FR-6	Fire Pump Plan Review	bldg pmt val	bldg pmt val	bldg pmt val
FR-7	Fire Alarm System Plan Review	bldg pmt val	bldg pmt val	bldg pmt val
FR-10	Fixed Fire Protection System Plan Review	bldg pmt val	bldg pmt val	bldg pmt val
FR-11	Gas System Plan Review (Medical, LPG, Compressed, etc)	bldg pmt val	bldg pmt val	bldg pmt val
FR-14	Public Fireworks Display PC	bldg pmt val	bldg pmt val	bldg pmt val
FR-15	Special Fire Inspection (after hours or by request)	$279	$8	$287
FR-16	Annual Fire Inspection	N/A	N/A	$216
FR-23	Safe & Sane Fireworks Stand Inspection	$370	$11	$381
FR-24	Incident/Inspection Report Copy	$20		$20
FR-25	Patient Care Report (PCR) and/or Medical Billing	$32		$32
FR-26	Fire Hazard/Vegetation Management Adminitrative fee per Re Inspection	$173	$5	$178
	Weed Abatement Cost - City's cost	$1000 Minimum		$1000 Minimum

#	City of Folsom User Fee Schedule DEPARTMENT/SERVICE	FEE 07/01/2025 Reso 11364	ANNUAL INFLATION ADJUSTMENT Annual CPI [1]	FEE 07/01/2026 Proposed
FR-28	False Alarm (2nd false alarm - infor. not updated)	$103	$3	$106
FR-28b	False Alarm (3rd false alarm)	$103	$3	$106
FR-28c	False Alarm (4th false alarm)	$123	$4	$127
FR-28d	False Alarm (5th+ false alarm)	$182	$6	$188
FR-36	Fire Hydrant Flow Test	$228	$7	$235
FR-39	Fire Photograph(s) Flash Drive	$34	$1	$35
FR-42	Expedited Services Fee	1.5 X Reg Fee		1.5 X Reg Fee
FR-43	Fire Safety Officer Standby, Third Party review or Inspection	Actual Cost		Actual Cost
	Ambulance Services			
	Base Rate Witin Corporate City Limits	$2,158		$2,158
	Base Rate Outside Corporate City Limits	$2,158		$2,158
	Patient Assessment/Treatment - No Transport	$425		$425
	Milage (per mile)	$39		$39
	ALS Supplies	$105		$105
	Oxygen	$165		$165
	Cardiac Monitor/Debibbrillator	$168		$168
	Continuous Positive Airway Pressure (CPAP)	$225		$225
	Bone Drill	$305		$305
	Community Development			
PE-77	Protected Tree removed or impacted within the buildable area of a residential lot (DSH-diameter per inch)	125.00 (DSH)		125.00 (DSH)
PE-78	Protected Tree removed or impacted (DSH-diameter per inch)	250.00 (DSH)		250.00 (DSH)
	City Clerk			
CC-2a	Document Printing & Copying (First 10 pages free)	$0.10	$0.00	$0.10
CC-3	Document Printing Pages greater than 17x14 or color copies (per side/per page)	$5	$0	$5
CC-6	Copy DVD	$5	$0	$5
CC-8	Folsom Municipal Code	Cost to Produce	Cost to Produce	Cost to Produce
CC-9	Updates to Folsom Municipal Code	Cost to Produce	Cost to Produce	Cost to Produce
CC-13	Code Enforcement Administrative Hearing	$203	$6	$209
	Library			
LB-6	Returned check fee	City standard fee (see Finance)	N/A	City standard fee (see Finance)
LB-8a	Self service copy charges - (B & W)	$0.15		$0.15
LB-8b	Self service copy charges - (Color)	$.50/page		$.50/page
LB-10	Interlibrary loan/item (plus add'l lending library fees)	$5		$5
LB-11	Lost or damaged books in Folsom collection	Up to cost of item plus $5.00 processing fee		Up to cost of item plus $5.00 processing fee
LB-12	Lost or damaged materials from interlibrary loan	Up to cost of item, plus charges form lending library, plus $5.00 local		Up to cost of item, plus charges form lending library, plus $5.00 local
LB-13	Referral fee for material and fee recovery services (for accounts with billed overdue materials and total outstanding charges of $25 or more)	$10		$10

[1] Annual inflationary adjustment based on the ***US Bureau of Labor Statistics & CA Department of Finance CPI-West Urban Consumers, all items, San Francisco CMSA, Annual amount as of December of the previous calendar year.***

[2] Police User Fees updated with Reso 11371

#	City of Folsom User Fee Schedule DEPARTMENT/SERVICE	FEE 07/01/2025 Approved	ANNUAL INFLATION ADJUSTMENT Annual CPI [1]	FEE 07/01/2026 Proposed	Charge Basis	Note
	Engineering Fees					
1	Assessment District/CFD Payment Processing	$4,800	$146	$4,946	Fixed Fee	a
2	**Encroachment Permit**					a
2a	a) Encroachment Contract for Parking/Staging					
	i. 0-6 calendar days	$50	$2	$52	Fixed Fee	
	ii. 7-14 calendar days	$100	$3	$103	Fixed Fee	
	iii. 14+days	$200	$6	$206	Fixed Fee	
2b	b) Utility Work/Connections (Individual Permits)					
	i. Wet Utilities/Service Connections				Fixed Fee	
	a. Base Fee	$200	$6	$206		
	b. Plus per LF of Trench in ROW/City Easement	$5	$0	$5		
	ii. Dry Utilities (per site/location)				Fixed Fee	
	a. Base Fee	$200	$6	$206		
	b. Plus per LF of Trench in ROW/City Easement	$5.00	$0	$5		
	iii. Misc. per LF of Trench in ROW/City Easement	$5	$0	$5	Fixed Fee	
	iv. Inspections and Testing (when applicable)	$400	$12	$412	Fixed Fee	
2c	c) Driveways/Minor Frontage Improvements					
	i. Residential (per driveway)	$400	$12	$412	Fixed Fee	
	ii. Commercial (per driveway)	$400	$12	$412	Fixed Fee	
2d	d) Pools and Spas (in ground)	$400	$12	$412	Fixed Fee	
2e	e) Traffic Control/Equipment Staging					
	i. Isolated Site	$200	$6	$206	Fixed Fee	
	ii. Multiple Closures/Staging	$1,000	$30	$1,030	Fixed Fee	
2f	f) Permit Extensions					
	i. Active Work Zone	$50	$2	$52	Fixed Fee	
	ii. Inactive Work Zone (4+ months inactivity)	$200	$6	$206	Fixed Fee	
2g	g) Annual Permits					
	i. Wet Utilities	$6,000	$182	$6,182	Fixed Fee	
	ii. Dry Utilities	$20,800	$632	$21,432	Fixed Fee	
	iii. General Maintenance/Misc. (Not Wet or Dry Utilities)	T&M		T&M	T&M	b
	iv. Vegetation Management (Utilities)	$20,800	$632	$21,432	Fixed Fee	
	v. Long Term/Revocable Encroachments (paid annually)	$200	$6	$206	Fixed Fee	
2h	h) Long Term/Revocable Encroachments (new permits only)	$2,400	$73	$2,473	Fixed Fee	c
3	**Engineering and Landscape Plan Check and Inspection** (Fee Includes Up to 3 Cycle Reviews - Hourly Billing Applies for Reviews Required Beyond 3rd Cycle)					
3a	a) Project Value Up to $10,000	8.00%		8.00%	Fixed Fee	
3b	b) Project Value $10,001 - $100,000					
	i. Base Fee for First $10,000	$800		$800	Fixed Fee	
	ii. Fee for Each Add'l $1 Up to $100,000	8.00%		8.00%	Fixed Fee	
3c	c) $100,001 - $199,999					
	i. Base Fee for First $100,000	$8,000		$8,000	Fixed Fee	
	ii. Fee for Each Add'l $1 Up to $200,000	6.40%		6.40%	Fixed Fee	
3d	d) $200,001 - $299,999					
	i. Base Fee for First $200,000	$14,400		$14,400	Fixed Fee	
	ii. Fee for Each Add'l $1 Up to $300,000	4.80%		4.80%	Fixed Fee	
3e	e) $300,000 or more					
	i. Base Fee for First $300,000	$19,200		$19,200	T & M with Initial Deposit	
	ii. Fee for Each Add'l $1	3.60%		3.60%	T & M with Initial Deposit	
3f	f) Miscellaneous Landscape Plan Review					
	i. Non-Development Landscape Plan Review	$200		$200	Per Hour	
	ii. New Custom Home	$1,100		$1,100	Fixed Fee	
	iii. Production Home/Subdivision (Typ. Tract Home)					
	a. 0-4 Planting Schemes/Master Plans	$2,300		$2,300	Fixed Fee	
	b. 5+ Planting Schemes/Master Plans	$2,500 + 10% per Scheme above 5 Schemes		$2,500 + 10% per Scheme above 5 Schemes	Fixed Fee	

#	City of Folsom User Fee Schedule DEPARTMENT/SERVICE	FEE 07/01/2025 Approved	ANNUAL INFLATION ADJUSTMENT Annual CPI [1]	FEE 07/01/2026 Proposed	Charge Basis	Note
4	**Final Map and Parcel Map**					a
4a	a) Parcel Map Check	$8,050	$245	$8,295	Fixed Fee	
4b	b) Final Map Check					
	i. Base Fee/Final Map Amendment	$11,500	$350	$11,850	Fixed Fee	
	ii. Plus, Per Lot Fee	$144	$4	$148	Fixed Fee	
4c	c) Certificate of Correction/Certificate of Compliance (including Parcel Mergers)	$2,000	$61	$2,061	T & M with Initial Deposit	
4d	d) Lot Line Adjustment Check	$8,050	$245	$8,295	Fixed Fee	
5	**Right of Ways (ROW) and Easements**					a
5a	a) Review of ROW/Easement Documents	$3,450	$105	$3,555	Fixed Fee	
5b	b) ROW/Easement Abandonment	$5,750	$175	$5,925	Fixed Fee	
6	Agreement Processing	$5,750	$175	$5,925	Fixed Fee	a
7	Transportation Permit (Per State Regulation)					
7a	a) Permit	$16		$16	Fixed Fee	
7b	b) Annual Permit	$90	$3	$93	Fixed Fee	
8	**Tree Removal/Work Permit**					a
8a	a) Permitted Pruning/Cabling	$40	$1	$41	Fixed Fee	
8b	b) Permitted Removal/Work					
	i. Existing Occupied Structure					
	a. 0-4 Trees	$100	$3	$103	Fixed Fee	
		$150	$5	$155	Fixed Fee	
	b. 5+ Trees	+ 10% per tree above 5 trees		+ 10% per tree above 5 trees		
	c. "In Decline" Tree (Requires City Arborist Concurrence)	$100	$3	$103	Fixed Fee	
	ii. New Construction (e.g. Custom Home, Subdivision, Parcel Map, Multi-family, Commercial, etc.):					
	a. 0-4 Trees	$1,200	$36	$1,236	Fixed Fee	
		$1,400	$43	$1,443	Fixed Fee	
	b. 5+ Trees	+ 10% per tree above 5 trees		+ 10% per tree above 5 trees		
	iii. Misc.	$200	$6	$206	Per Hour	
8c	c) w/o Permit (Does not include sanctions or mitigation) Double the Permit Rate	2x permit amount		2x permit amount	Fixed Fee	
	Other Fees for Service					a
9	Research of Engineering Records	$200	$6	$206	Per Hour	
10	Miscellaneous Engineering Services	$200	$6	$206	Per Hour	
11	Excess Plan Review Fee (4th and subsequent)	$200	$6	$206	Per Hour	
12	Revisions	$200	$6	$206	Per Hour	
13	After Hours Inspection (per hour) (2-hour minimum)	$240	$7	$247	Per Hour	
14	Re-inspection Fee (2nd Time or More) (each)	$200	$6	$206	Each	
15	Missed Inspection Fee	$200	$6	$206	Each	
16	Expedited Services Fee	1.5x Regular Fee		1.5x Regular Fee	Fixed Fee	
17	Residential Landscape Review	Hourly Rate of Arborist		Hourly Rate of Arborist	Per Hour	
18	Technical Assistance/Third Party Review or Inspection	Actual Cost		Actual Cost	T & M	

#	City of Folsom User Fee Schedule DEPARTMENT/SERVICE	FEE 07/01/2025 Approved	ANNUAL INFLATION ADJUSTMENT Annual CPI [1]	FEE 07/01/2026 Proposed	Charge Basis	Note
	Building Fees					
1	HVAC Change-Out - Residential	$235	$7	$242	per permit	
2	Water Heater Change-Out - Residential	$188	$6	$194	per permit	
3	Residential Re-Roof	$377	$11	$388	per permit	
4	Siding Replacement	$330	$10	$340	per permit	
5	Service Panel Upgrade - Residential	$283	$9	$292	per permit	
6	Battery Backup Storage	$377	$11	$388	per permit	
7	Electric Vehicle Charger	$377	$11	$388	per permit	
8	Generator	$377	$11	$388	per permit	
9	Residential Solar Photovoltaic System - Solar Permit					
9a	a) Plan Review					
	i) Base Fee for 15kW or Less	$200		$200	per permit	d,e
	ii) Fee for Each Additional kW above 15kW	$15		$15	per permit	d,e
	b) Permit	$250		$250	per permit	d,e
10	Commercial Solar Photovoltaic System - Solar Permit					
10a	a) Plan Review					
	i) Base Fee 50kW or Less	$444		$444	per permit	d,e
	ii) Fee for Each Add'l kW above 50kW up to 250kW	$7		$7	per permit	d,e
	ii) Fee for Each Add'l kW above 250kW	$5		$5	per permit	d,e
	b) Permit	$555		$555	per permit	d,e
11	Pool Solar	$188	$6	$194	per permit	
12	Swimming Pool Replaster / Equipment Change-Out	$470	$14	$484	per permit	
13	Swimming Pool Remodel (e.g., Changing Pool Shape, Adding Cabo Shelf, etc.)	$941	$29	$970	per permit	
14	Retaining Wall					
	a) One Type of Retaining Wall Type/Configuration	$565	$17	$582	per permit	
	b) Each Additional Wall Type/Configuration	$282	$9	$291	per permit	
15	Window / Sliding Glass Door - Retrofit / Repair					
	a) Up to 5	$188	$6	$194	per permit	
	b) Per Window Over 5 Windows	$37	$1	$38	per permit	
16	Fences Requiring a Building Permit	$376	$11	$387	per permit	
17	Electrical and Irrigation Pedestals per pedestal	$282	$9	$291	per permit	
18	Detached and Attached ADUs	$4,709	$143	$4,852	per permit	
19	Junior ADUs	$2,260	$69	$2,329	per permit	
	Other Building Fees					
1	Permit Processing Fee	$79	$2	$81	per permit	
2	Strong Motion Instrumentation (SMI) Fee Calculation					f
	a) Residential	$0.50 or valuation x .00013		$0.50 or valuation x .00013		f
	b) Commercial	$0.50 or valuation x .00028		$0.50 or valuation x .00028		f

#	City of Folsom User Fee Schedule DEPARTMENT/SERVICE	FEE 07/01/2025 Approved	ANNUAL INFLATION ADJUSTMENT Annual CPI [1]	FEE 07/01/2026 Proposed	Charge Basis	Note
3	Building Standards (SB 1473) Fee Calculation (Valuation)					f
	a) $1 - $25,000	$1		$1		f
	b) $25,001 - $50,000	$2		$2		f
	c) $50,001 - $75,000	$3		$3		f
	d) $75,001 - $100,000	$4		$4		f
	e) Each Add'l $25,000 or fraction thereof	Add $1		Add $1		f
4	Business License Fee	$25		$25		
5	CASP Training Fund Fee	$3.60		$3.60		
6	State Disability Access Fee	$0.40		$0.40		
7	General Plan/Zoning Code Update Fee (percent of building permit fee)	5%		5%		g
8	Temporary Certificate of Occupancy (Phasing Plan) Fee	$942	$29	$971		
9	Permit Extension	$0	$0	$0		
10	Permit Reactivation Fee					
10a	a) Reactivation Fee if All Inspections Have Been Performed and Approved Up to But Not Including Final Inspection	$188	$6	$194		
10b	b) Reactivation Fee - All Other Scenarios					
10i	i) Permit Expired Up to One Year	50% of Original Base Building Permit Fee		50% of Original Base Building Permit Fee		
10ii	ii) Permit Expired More than One Year	100% of Original Base Building Permit Fee		100% of Original Base Building Permit Fee		
11	Permit Reissuance Fee	$188	$6	$194		
12	Damaged Building Survey (Fire, Flood, Vehicle Damage, Etc.) (per hour)	$188	$6	$194		
13	Phased Inspection Fee (per inspection)	$188	$6	$194		
14	After Hours Inspection (per hour) (4-hour minimum)	$226	$7	$233		
15	Re-inspection Fee (2nd Time or More) (each)	$188	$6	$194		h
16	Missed Inspection Fee	$188	$6	$194		
17	Duplicate Copy of Permit	$79	$2	$81	Per Permit	
18	Duplicate Copy of Certificate of Occupancy	$79	$2	$81	Per Permit	
19	Fees for Services Not Listed in this Fee Schedule (per 1/2 hour)	$94	$3	$97	Per .5 Hour	
	Violation Fees					
20	Investigation Fee For Work Done Without Permits (In addition to applicable permit fees)	equal to permit fee		equal to permit fee		
	Building Plan Review Fees					i
1	**Building Plan Check Fees - Building**					
	a) Plan Review Fee, if applicable	80%	-	80%		j
	b) Expedited Plan Check - At Application Submittal (when applicable)	1.5x standard plan check fee	-	1.5x standard plan check fee		
	c) Tract Home / Master Plan Construction (Production Units)	20% of standard plan check fee	-	20% of standard plan check fee		k
	d) Production Permit for Multi-family permit	$1,507	$46	$1,553	Per Permit	
	e) Production Permit for Fire permits and other misc. permits	$471	$14	$485	Per Permit	
	f) Alternate Materials and Methods Review (per hour)	$188	$6	$194	Per Hour	
	g) Excess Plan Review Fee (4th and subsequent) (per hour)	$188	$6	$194	Per Hour	
	h) Revisions to an Approved Permit (per hour)	$188	$6	$194	Per Hour	
	i) Deferred Submittal (per hour)	$188	$6	$194	Per Hour	

Note:
a - Fee is subject to annual updates based on changes to the Consumer Price Index (CPI).
b - Use time and materials with initial deposit to be determined by City Engineer, based on anticipated scope of work.
c - Encroachment agreement required in addition to insurance (e.g., parklets).
d - Total fees shall not exceed amounts outlined in California Government Code 66015(a)(1).
e - The City will not collect additional permit processing fees. Amounts shown are total amount due for permit processing, plan review, and permit.
f - Amounts established by State of California. In the case of discrepancy between this schedule and amounts established by the State, State amounts shall supersede these amounts.
g - Fee applies to new construction, additions, tenant improvements, and residential remodels requiring building permits.
h - Reinspection fee applies after the first re-inspection.
i - When applicable, plan check fees shall be paid at the time of application for a building permit. The plan checking fee is in addition to the building permit fee.
j - Includes up to three plan checks. The City will bill hourly for additional plan review required.
k - For identical buildings built by the same builder on the same lot or in the same tract and for which building permits are issued at the same time.

Business License Certificate Classification Fee Tables

Classifation A - Business License Certificate Gross Receipts

Non-Residential

Category	Lower Gross Receipts	Upper Gross Receipts	Annual Fee
1	$ -	$ 99,999.99	$ 40.00
2	$ 100,000.00	$ 899,999.99	$ 125.00
3	$ 900,000.00	$ 5,099,999.99	$ 250.00
4	$ 5,100,000.00	$10,899,999.99	$ 500.00
5	$10,900,000.00	$25,099,999.99	$ 1,000.00
6	$25,100,000.00	Max	100 + .05/$1,000 GR

Classification B - Service Professions, Manufacturing, Wholesale Based on Employee Count

Manufacturing, Wholesale and Service Professions

Category	Lower Employee Count	Upper Employee Count	Annual Fee
1	0	1	$ 40.00
2	2	4	$ 125.00
3	5	8	$ 175.00
4	9	12	$ 220.00
5	13	25	$ 250.00
6	26	55	$ 500.00
7	56	124	$ 1,000.00
8	125	Max	$100 + $10 per Employee

Classification C - Commercial, Industrial, Research & Development

Based on Square Feet

Category	Lower Sq Ft	Upper Sq Ft	Annual Fee
1	0	2000	$ 40.00
2	2000	18000	$ 125.00
3	18000	102000	$ 250.00
4	102000	218000	$ 500.00
5	218000	502000	$ 1,000.00
6	502000	Max	100 + $2.50/1,000 Sq. Ft.

Classification D - Business License Certificate Specialty Operations

Fee	$0.00
Building Contractors	$25 per building permit
Street Stand) Flat Annual	$500.00
Daily Specialty - Fixed Location	$25.00
Monthly Specialty - Fixed Location	$30.00
Quartery Specialty - Fixed Location	$75.00
Annual Specialty - Fixed Location	$200.00
Branch Location Certificate	$25.00
Bingo Halls	$25.00

Attachment 2

ATTACHMENT 2

Consumer Price Index for All Urban Consumers (CPI-U)
Original Data Value

Series Id: CUURS49BSA0,CUUSS49BSA0
Not Seasonally Adjusted
Series Area: All items in San Francisco-Oakland-
San Francisco-Oakland-Hayward, CA
Item: All items
Base Years: 1982-84=100
2016 to 2026

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
2016		262.600		264.565		266.041		267.853		270.306		269.483	266.344	263.911	268.777
2017		271.626		274.589		275.304		275.893		277.570		277.414	274.924	273.306	276.542
2018		281.308		283.422		286.062		287.664		289.673		289.896	285.550	282.666	288.435
2019		291.227		294.801		295.259		295.490		298.443		297.007	295.004	293.150	296.859
2020		299.690		298.074		300.032		300.182		301.736		302.948	300.084	299.109	301.059
2021		304.387		309.419		309.497		311.167		313.265		315.805	309.721	306.724	312.718
2022		320.195		324.878		330.539		328.871		332.062		331.222	327.060	323.408	330.711
2023		337.173		338.496		340.056		340.094		341.219		339.915	339.050	337.689	340.411
2024		345.151		351.247		351.064		349.290		349.370		348.001	348.417	347.857	348.977
2025		354.432		355.707		356.460		357.992				358.568	356.005	354.522	357.786
2026		363.211													

Source: Bureau of Labor Statistics

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CITY OF
FOLSOM
DISTINCTIVE BY NATURE

Folsom City Council
Staff Report

MEETING DATE:	4/28/2026
AGENDA SECTION:	Old Business
ITEM TITLE:	Resolution No. 11596 – A Resolution Approving the Parks & Recreation Commission's Recommendation to Approve the Benevento Family Park Master Development Plan
FROM:	Parks and Recreation Department

RECOMMENDATION / CITY COUNCIL ACTION

The Parks and Recreation Commission recommends approval of Resolution No. 11596 – A Resolution Approving the Parks & Recreation Commission's Recommendation to Approve the Benevento Family Park Master Development Plan

BACKGROUND / ISSUE

The City of Folsom Parks & Recreation Master Plan (PRMP), adopted in 2015, identifies a future 19.0-acre park site located at 421 Carpenter Hill Road. The site is bordered by Broadstone Parkway and Carpenter Hill Road and features distinct topography consisting of three primary terraces and a centrally located pond. The terrain slopes downward toward Vista del Lago High School and includes natural features that both inform and constrain the park design.

The Parks & Recreation Commission previously approved a Master Development Plan for Benevento Family Park in 2022. Since that time, staff have continued to refine the design and conduct extensive community outreach to ensure the plan reflects community priorities.

In September 2025, staff presented an update on the project to the community and received feedback indicating a lack of support for the proposed 2022 plan. In response, staff undertook a comprehensive revision process. Additional community meetings were held in October and December 2025, culminating in a "Big Design Reveal" where the revised plan received overall positive feedback and community support.

The plan was presented to the Parks & Recreation Commission on January 6, 2026; however, the Commission deferred action and directed staff to conduct further analysis, including additional cost estimating and continued community engagement. Staff subsequently met with the

Planning, Development & Renovations Subcommittee on January 16, 2026, and continued outreach with residents, the Folsom Cordova Unified School District, and other stakeholders. Project updates were provided at Commission meetings on February 3 and March 3, 2026.

Community input has been a central component of the planning process. Input included a July 2021 petition opposing parking access from Carpenter Hill Road and a January 2026 petition supporting a community-prepared concept that included a parking lot off Carpenter Hill Road and active park amenities on the upper terraces, including a children's play area and a basketball court. To further ensure balanced and representative input, the City conducted an online survey from March 3–11, 2026, which received over 500 responses.

Based on the extensive community engagement and input received along with consideration of site constraints, topography, and available project funding, staff developed a revised Master Development Plan that balances active and passive recreation opportunities while remaining feasible to construct. (See Attachment Master Development Plan) The revised plan reflects community priorities, addresses key concerns related to access, noise, and usability, and aligns with the project budget.

On March 31, 2026, the Parks & Recreation Commission unanimously approved a recommendation to forward the updated Master Development Plan to the City Council for approval.

POLICY / RULE

The proposed Master Development Plan is consistent with the City of Folsom Parks & Recreation Master Plan 2015 Update and the 2035 Folsom General Plan Goal PR 1.1 – Develop and maintain quality parks that support the diverse needs of the community.

The project will be implemented in compliance with the Folsom Municipal Code, including the requirement that public works construction contracts include a 10% construction contingency.

ANALYSIS

Community involvement has been a key component of the Master Development Plan process and included multiple community meetings in fall 2025, ongoing Parks & Recreation Commission updates, and a City-sponsored online survey conducted March 3–11, 2026, with over 500 responses. The purpose of this online survey was to ensure a fair and balanced representation of community input toward finalizing the Master Development Plan. Feedback from these efforts directly informed revisions to the plan and helped establish overall community support for the proposed design.

The survey asked participants to evaluate two concepts:

- **Concept A:** Passive-focused amenities on the upper terraces (estimated $6.0 million construction cost)
- **Concept B:** Active-focused amenities on the upper terraces (estimated $8.1 million construction cost)

Survey results showed a strong preference for Concept B, particularly for active amenities such as playgrounds, courts, and flexible-use spaces. Respondents prioritized the following sports amenities, listed in preferred order:

- Pickleball courts (highest ranked)
- Multi-use field
- Basketball courts
- Volleyball courts

Support was also expressed for lighting to extend usability, though some concerns regarding noise and light impacts were noted. Passive amenities and the fishing dock ranked lower overall when prioritizing due to budget constraints.

Master Development Plan

The proposed plan reflects community priorities while balancing site constraints and available funding. (See Attachment Master Development Plan)

Key features include:

- Parking: 26 spaces (Carpenter Hill Rd.) and 61 spaces (Broadstone Pkwy)
- Upper terrace scenic overlook
- ADA-accessible circulation to all terraces (stairs and ramps)
- Two playgrounds (ages 2–5 and 5–12) with shade
- Group picnic areas on the middle and lower terraces
- Sports amenities:
    - Four lighted pickleball courts
    - Basketball court (lighting as add alternate)
    - Multi-use turf field
- Open lawn and flexible-use space
- Natural surface trail around pond
- Looping concrete pathways
- Two-stall all-gender restroom building
- Maintenance area

Nature and Wellness Theme

The proposed Master Development Plan for Benevento Family Park is guided by a cohesive theme centered on Nature and Wellness, reflecting both the site’s existing environmental assets and the legacy of the park’s namesake.

The Nature component emphasizes preservation and enhancement of the site’s natural character, including the established flora and fauna that have evolved on the property. The pond will serve as a defining feature, offering habitat value, scenic views, and opportunities for recreation such as walking, seating, and nature observation. Additional elements may include native and drought-tolerant landscaping, shaded tree groves, interpretive signage, and nature-themed play

areas that incorporate logs, boulders, and landforms to create an immersive and educational environment for all ages.

Complementing this, the Wellness component promotes active recreation, physical health, and community connection while honoring the Benevento family's contributions to athletics, including the Folsom Athletic Association and chiropractic care. In response to community input, the park will emphasize active recreational opportunities such as pickleball courts, basketball courts, and a multi-use soccer field. These amenities will be complemented by walking and jogging loops, and open turf spaces that encourage daily exercise, informal gathering, and social interaction. Together, these elements support active lifestyles, strengthen community connections, and create a meaningful link between the park and the Benevento family legacy.

Additive Alternates

Following the March 31, 2026, Parks & Recreation Commission meeting, staff evaluated potential enhancements and developed an alternative approach to the Master Development Plan, incorporating additional park amenities as additive alternates for City Council consideration. (See Attachment 3 - Master Development Plan Alternate)

Additive alternates are optional components of a project that are fully designed and included in the bid documents but are priced separately by contractors at the time of bidding. This approach allows the City to maintain flexibility by establishing a base project cost (base bid) and identifying additional scope to add if sufficient funding is available. Following receipt of bids, staff evaluates the base bid and alternate pricing and determines which, if any, add alternates can be awarded within the approved project budget. This method is commonly used in projects to maximize project value while maintaining fiscal control.

The add alternates proposed for the Benevento Family Park project include:

1. Basketball Court Lighting – Adds lighting to the basketball court to extend usability into evening hours. Estimated Cost - $68,200
2. Two Sand Volleyball Courts (Lighted) – Proposed on the middle terrace, where the layout is more suitable. This requires relocation of the group picnic area. Under the base bid, the picnic area is located north of the primary east-west walkway; the add alternate would shift the picnic area to the opposite side of the walkway to accommodate the volleyball courts. Estimated Cost - $250,720
3. Fishing Dock – Includes construction of a dock at the pond, along with an accessible concrete pathway to provide ADA-compliant access. Estimated Cost $419,725

The complexity of these add alternates varies. The basketball court lighting is relatively straightforward and requires minimal additional design and engineering. The fishing dock requires more extensive work, including grading an accessible pathway through a moderately sloped area and constructing the dock using cofferdams to allow work within the pond. The volleyball court add alternate is the most complex, as it includes both deductive and additive

components. It removes the originally planned picnic area and associated grading, planting, and irrigation, and reconstructs those elements in a new location, in addition to constructing the volleyball courts with associated grading and site improvements.

Incorporation of these add alternates also results in additional soft costs. The project consultant team has estimated approximately $74,000 in additional design and engineering services to fully develop these alternates. If, at the time of bidding, there is insufficient funding to include the add alternates in the construction contract, these additional design costs would not be recoverable.

Contingency Considerations

Project budgets include both a construction contingency and a project contingency, each serving a distinct purpose. The construction contingency, required by the Folsom Municipal Code at 10% of the construction contract, is used during construction to address unforeseen field conditions, quantity adjustments, or minor design modifications that arise once work is underway. The project contingency is a broader reserve managed by the City and is intended to address uncertainties outside of construction, including design development, site engineering, environmental mitigation requirements, permitting conditions, and unforeseen site constraints.

At the Master Development Plan stage, it is industry standard practice to maintain a larger project contingency due to the number of unknowns that remain as the project advances into design, site engineering, environmental review, and permitting. Inclusion of the proposed add alternates at this stage of the project, the Master Development Plan stage, would likely require the use of project contingency funds to supplement the available budget. Staff have concerns with utilizing this contingency at this stage, given known site challenges and potential unknowns associated with the CEQA process and permitting requirements. The site includes complex grading conditions identified in the geotechnical investigation, including undocumented fill requiring over-excavation and recompacting, shallow metavolcanic bedrock that may require heavy excavation equipment and may present drainage considerations, and areas with large boulders that must be removed, buried, or reduced in size to meet compaction standards. These conditions introduce cost uncertainty at this stage and until design progresses. However, if directed by the City Council, staff can utilize a portion of the project contingency to attempt to incorporate the add alternates and bring the overall project estimate closer to the available budget, recognizing the associated risks.

In addition, the project contingency must also account for escalation in construction costs that may occur between the time the Master Development Plan is approved and when the project is ultimately advertised for bid. Based on data from the Department of General Services (DGS), construction cost escalation has averaged approximately 7% annually over the past five years. Depending on the timing, this impact can vary; for example, if the project is advertised for bid within approximately six months, the escalation may be closer to 3.5%. For a $6 million construction project, this equates to an increase of roughly $200,000 at best and up to approximately $350,000 under higher escalation conditions. Given the anticipated timeline for design, environmental clearance, and permitting, this escalation factor represents a meaningful

potential impact to the overall project budget. Maintaining sufficient contingency at this stage helps ensure the project remains financially viable and reduces the likelihood of scope reductions or funding gaps at the time of bid.

FINANCIAL IMPACT

The Benevento Family Park Project (Project #2604) is included in the FY 2025-26 Capital Improvement Plan budget in the amount of $7,973,288. The project is funded by the Supplemental Park Fee Fund (Fund 411) for $290,864, the Parks Improvements Fund (Fund 412) for $7,182,424, and the Park Dedication Fund (Fund 240) for $500,000.. Staff's goal is to construct the park in a single phase. The Master Development Plan has been developed to maximize amenities within the available budget while accounting for site constraints, including the existing pond and varying topography.

Approval of the Master Development Plan does not have a direct financial impact on the current project budget; however, staff anticipates bringing forward future contract amendments for both the design consultant and environmental consultant to account for additional services performed beyond the original scopes of work. The design consultant has been working outside of their initial scope to revise the Master Development Plan in response to community feedback and direction from the Parks & Recreation Commission. These additional costs are anticipated to remain within the $800,000 currently identified for design and engineering in the overall project budget.

Below is a summary of the current estimated project costs:

Funding Summary:

Item	Cost
Park Construction	$6,000,000 (includes 10% construction contingency)
Design & Engineering	$800,000
Permit Fees	$65,000
Staff Administration	$220,000
Project Contingency	$760,000
Total	**$7,845,000**

The inclusion of add alternates and associated design costs may require the use of project contingency funds and could impact the final project scope depending on bid results and Council direction.

ENVIRONMENTAL REVIEW

Approval of the Master Development Plan is a planning-level action. Following approval, environmental review will be completed in accordance with the California Environmental Quality Act (CEQA), and all required permits will be obtained. The completed CEQA document

will be brought back to the City Council for consideration and approval at a future date. If there is any consideration of including the proposed add alternates, it is important that they are incorporated into the approved Master Development Plan so they can be fully evaluated as part of the CEQA analysis and permitting process. Including these elements at this stage ensures environmental impacts are properly assessed and maintains flexibility for potential implementation as the project moves forward.

ATTACHMENTS

1. Resolution No. 11596 – A Resolution Approving the Parks & Recreation Commission's Recommendation to Approve the Benevento Family Park Master Development Plan
2. Master Development Plan
3. Master Development Plan - Alternate

Submitted,

Kelly Gonzales,
Parks & Recreation Director

Attachment 1

RESOLUTION NO. 11596

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FOLSOM APPROVING THE PARKS & RECREATION COMMISSION'S RECOMMENDATION TO APPROVE THE BENEVENTO FAMILY PARK MASTER DEVELOPMENT PLAN

WHEREAS, the City Council of the City of Folsom has adopted the Parks and Recreation Master Plan (2015), which identifies a future 19.0-acre park site located at 421 Carpenter Hill Road; and

WHEREAS, the site includes unique topographical features, including three terraces and a centrally located pond, which influence park design and development; and

WHEREAS, a Master Development Plan for Benevento Family Park was previously approved in 2022 and has since been refined through extensive staff analysis and community outreach; and

WHEREAS, the City conducted multiple community meetings, stakeholder engagement efforts, and an online survey in March 2026 with over 500 responses to ensure broad and balanced public input; and

WHEREAS, community feedback indicated a preference for active recreational amenities, including pickleball courts, a multi-use field, and a basketball court, while also supporting passive recreational features and preservation of natural elements; and

WHEREAS, the revised Master Development Plan reflects a balance of active and passive recreational opportunities, incorporates community feedback, addresses site constraints, and aligns with available project funding; and

WHEREAS, the proposed plan is consistent with the City of Folsom Parks and Recreation Master Plan and the 2035 General Plan Goal PR 1.1 to develop and maintain quality parks that support diverse community needs; and

WHEREAS, on March 31, 2026, the Parks and Recreation Commission unanimously recommended approval of the updated Master Development Plan; and

WHEREAS, environmental review pursuant to the California Environmental Quality Act (CEQA) will be completed following approval of the Master Development Plan and brought back to the City Council for consideration.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Folsom hereby approves the Parks & Recreation Commission's recommendation and adopts the Benevento Family Park Master Development Plan.

PASSED AND ADOPTED this 28th day of April, 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



LAYOUT KEYNOTES

1. PARK SIGNAGE, TYP. OF (2)
2. BROADSTONE PARKWAY PARKING LOT WITH 61 PARKING SPACES
3. CONCRETE PATHWAY, TYP.
4. TWO-STALL, ALL GENDER RESTROOM
5. ELECTRICAL/MAINTENANCE AREA
6. (4) LIGHTED PICKLEBALL COURTS WITH BENCH SEATING
7. BASKETBALL COURT WITH BENCH SEATING
8. 24' SQ. SHADE STRUCTURE W/ PICNIC TABLE SEATING
9. MULTI-USE FIELD (240' X 195')
10. 10' WIDE GRAVEL ACCESS ROAD CONNECTION TO HIGH SCHOOL FOR CAMPUS MAINTENANCE
11. CONCRETE ADA RAMP & STAIR CONNECTION TO POND AREA
12. EXISTING FOOT PATH TO BE RETAINED
13. CONCRETE ADA RAMP & STAIRS CONNECTION TO CHILDREN'S PLAY AREA
14. UNPROGRAMMED LAWN/GREEN SPACE
15. 2-5 YEAR CHILDREN'S PLAY AREA WITH OVERHEAD SHADE AND BENCH SEATING
16. 5-12 YEAR CHILDREN'S PLAY AREA WITH OVERHEAD SHADE AND BENCH SEATING
17. 40' X 30' SHADE STRUCTURE W/ PICNIC TABLE SEATING
18. 10' WIDE MAINTENANCE ACCESS PATHWAY
19. POND OVERLOOK WITH BENCH SEATING
20. CONCRETE ADA RAMP & STAIRS CONNECTION TO UPPER PARKING AREA
21. CARPENTER HILL ROAD PARKING LOT WITH 26 PARKING SPACES
22. OVERLOOK WITH SHADE TREES & BENCH SEATING
23. NATIVE HYDROSEED

0' 15' 30'
(1" = 30'-0")

CITY OF FOLSOM PARKS & RECREATION

BENEVENTO FAMILY PARK

FOLSOM, CA

MASTER DEVELOPMENT PLAN

MARCH 31, 2026

wilson design studio
2020 I Street., Suite 220
Sacramento, CA 95811
916.524.5614 | www.wdsla.com

Attachment 3



LAYOUT KEYNOTES

1. PARK SIGNAGE, TYP. OF (2)
2. BROADSTONE PARKWAY PARKING LOT WITH 61 PARKING SPACES
3. CONCRETE PATHWAY, TYP.
4. TWO-STALL, ALL GENDER RESTROOM
5. ELECTRICAL/MAINTENANCE AREA
6. (4) LIGHTED PICKLEBALL COURTS WITH BENCH SEATING
7. BASKETBALL COURT WITH BENCH SEATING
8. 24' SQ. SHADE STRUCTURE W/ PICNIC TABLE SEATING
9. MULTI-USE FIELD (240' X 195')
10. 10' WIDE GRAVEL ACCESS ROAD CONNECTION TO HIGH SCHOOL FOR CAMPUS MAINTENANCE
11. CONCRETE ADA RAMP & STAIR CONNECTION TO POND AREA
12. EXISTING FOOT PATH TO BE RETAINED
13. CONCRETE ADA RAMP & STAIRS CONNECTION TO CHILDREN'S PLAY AREA
14. UNPROGRAMMED LAWN/GREEN SPACE
15. 2-5 YEAR CHILDREN'S PLAY AREA WITH OVERHEAD SHADE AND BENCH SEATING
16. 5-12 YEAR CHILDREN'S PLAY AREA WITH OVERHEAD SHADE AND BENCH SEATING
17. 40' X 30' SHADE STRUCTURE W/ PICNIC TABLE SEATING
18. 10' WIDE MAINTENANCE ACCESS PATHWAY (8' AC WITH 12" CONCRETE BANDS
19. POND OVERLOOK WITH BENCH SEATING
20. CONCRETE ADA RAMP & STAIRS CONNECTION TO UPPER PARKING AREA
21. CARPENTER HILL ROAD PARKING LOT WITH 26 PARKING SPACES
22. OVERLOOK WITH SHADE TREES & BENCH SEATING
23. NATIVE HYDROSEED

ADD ALTERNATES

24. ADD ALT #1: LIGHTING AT THE BASKETBALL COURT
25. ADD ALT #2: (2) LIGHTED SAND VOLLEYBALL COURTS WITH PROTECTIVE FENCING ADJACENT TO BROADSTONE PARKWAY
26. ADD ALT #3: 6' WIDE ACCESSIBLE CONCRETE PATHWAY AROUND POND TO FISHING DOCK

0' 15' 30'
(1" = 30'-0")

CITY OF FOLSOM PARKS & RECREATION

BENEVENTO FAMILY PARK

FOLSOM, CA

MASTER DEVELOPMENT PLAN - ALTERNATE

APRIL 28, 2026

wilson design studio
2020 I Street., Suite 220
Sacramento, CA 95811
916.524.5614 | www.wdsla.com

Folsom City Council
Staff Report

MEETING DATE:	4/28/2026
AGENDA SECTION:	Old Business
SUBJECT:	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)
FROM:	Public Works Department

RECOMMENDATION / CITY COUNCIL ACTION

The Public Works Department recommends that the City Council pass and adopt 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)

BACKGROUND / ISSUE

The Riley Street Safety Improvement Project is a high-priority initiative to improve pedestrian safety and connectivity along Riley Street between East Bidwell Street and Sutter Street. Riley Street serves as a critical corridor linking Sutter Middle School, the Central Business District, and Historic Folsom.

A 2020 feasibility study prepared by R.E.Y. Engineers, Inc., segmented the corridor into three primary areas, documenting severe deficiencies in sidewalk continuity, Americans with Disabilities Act (ADA) compliance, storm drainage, and pedestrian crossings. Key hazards include substandard or missing sidewalks, non-compliant curb ramps, inadequate stormwater

infrastructure, and challenging grades along the section of Riley Street between Mormon Street and Sutter Street.

In February 2022, Congressman Bera's office requested a call for projects for potential federal funding that included a City cost share requirement of 11.47%. Public Works staff submitted a request for the Riley Street Safety Improvement Project, and the project was ultimately chosen to receive $4 million in project funding with a local cost share requirement of $518,243. This Congressionally Directed Spending grant funding includes a requirement that funds must be obligated to the appropriate project phase by September 30, 2026.

On November 14, 2023, City Council authorized the City Manager to execute a Program Supplement Agreement with Caltrans Local Assistance to accept $400,000 of the grant funding that is allocated to the preliminary engineering phase and allowed the City to proceed with design. Below is a summary of the original project funding.

Project Phase	Federal Funding	City Cost Share
Design	$400,000	$51,825
Right of Way	$200,000	$25,912
Construction	$3,400,000	$440,506
Total	**$4,000,000**	**$518,243**

In August 2025, City Council approved Resolution No. 11452 to execute a design and engineering contract with R.E.Y. Engineers for the project to initiate project approval and environmental document (PA&ED) tasks. The intent as outlined in the staff report for that August 2025 item was to complete PA&ED tasks for the entire project length, along Riley Street from Sutter Street to East Bidwell Street. Upon completion of the environmental document, staff would return to City Council to present options to proceed with the final design of a Phase 1 portion of the project that could be designed and constructed within the remaining funding timelines required by the federal grant.

As both the preliminary design and environmental clearance have progressed on the project, the design team identified multiple unanticipated project constraints and challenges that are impacting our project delivery timeline and have required staff to consider options to ensure we can maximize the use of the available grant funding. As noted above, the Congressionally Directed Spending grant funding requires funds to be obligated by September 30, 2026. In discussions with Caltrans Local Assistance staff who process the requests for obligation, such requests should be submitted approximately six weeks in advance to ensure approval by the deadline. Therefore, in order to obligate construction funds by September 30, 2026, the project would need to obtain environmental document approval and complete the final design of a Phase 1 project by approximately August 15, 2026.

Staff and the project team attended a Field Review meeting with Caltrans on January 14, 2026, and following that meeting, Caltrans environmental reviewers provided feedback that requires more extensive and detailed environmental technical studies than were initially anticipated and were originally included in the scope of work. Preparation and approval of these additional

technical studies is anticipated to take several months and will not allow sufficient time for final design and obligation of construction funds for a Phase 1 project.

Additionally, as part of preliminary design efforts, the Utilities Department was consulted with, and it was found that there are planned water and sewer infrastructure improvements anticipated for Riley Street within the project limits within the next five years. In order to avoid trenching through new pavement, the Departments agreed that there would be mutual benefit to incorporating the necessary water and sewer infrastructure into the Riley Street Safety Improvement Project.

Staff requested a contract amendment proposal from R.E.Y. Engineers to incorporate the additional environmental technical study efforts, add in the water and sewer infrastructure design, and complete full right of way and design services for the entire project.

POLICY / RULE

Section 2.36.080 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 proposed contract amendment #1 includes the following expanded services:

- Water and sewer system improvements have been added to the scope of the project to ensure that all underground infrastructure improvement and repairs are completed prior to pavement treatment within the project limits. Water system improvements consist of the complete replacement of the existing water main and associated water services. Sewer system improvements consist of partial mainline replacement, targeting the repair of identified areas. To effectively connect these proposed improvements to the existing water and sewer systems, the limits of the project will be extended on the north and south ends of Riley Street as well as within the side streets including Peddlers Lane, Figueroa Street, Figueroa/Mormon Alley, Mormon Street, Mormon/Natoma Alley, Natoma Street, and Persifer Street. The assumed limits of the water and sewer system improvements are shown on the attached draft APE map dated February 2026.
- Since this project utilizes federal funding sources, it is subject to the requirements of the National Environmental Policy Act (NEPA) and compliance with Caltrans Local Assistance procedures. After reviewing the project information and meeting with the project team on site, Caltrans environmental reviewers have required more extensive and detailed environmental technical studies than were initially anticipated and were included in the scope of work. Additionally, the footprint of the originally scoped technical studies has increased to accommodate the water and sewer system improvements.
- The initial scope of work from August 2025 focused on providing PA&ED services for the entire project length – from a point south of Sutter Street to a point south of Bidwell Street – and right of way and plans, specifications, and estimates (PS&E) services for a Phase 1 segment of the project that was assumed to include improvements from Natoma Street to

a point south of Bidwell Street. The proposed amendment #1 revises the scope of work to include right of way and final design services for the entire length of the project.

Staff is working with Caltrans and SACOG to move the construction grant funding to the design phase to fund this additional design work, as summarized in the table below.

Project Phase	Federal Funding	City Cost Share
Design	$3,800,000	$492,331
Right of Way	$200,000	$25,912
Construction	$0	$0
Total	**$4,000,000**	**$518,243**

Staff have reviewed the R.E.Y. Engineers' scope and fee to provide the additional services and concur with the level of effort required to comply with Caltrans requests and full design efforts for this phase of the project.

Staff will use the City's standard contract amendment in a form acceptable to the City Attorney.

FINANCIAL IMPACT

The City of Folsom applied for and successfully secured $4,000,000 in Congressionally Directed Spending during Fiscal Year 2023 to fund the design and construction of the Riley Street Safety Improvement Project with a total local cost share of $518,243 (11.47%). These federal funds are being administered through the Sacramento Area Council of Governments (SACOG), and the Preliminary Engineering phase has already been formally programmed in the Metropolitan Transportation Improvement Program (MTIP) under SACOG ID SAC25350.

The Riley Street Safety Improvement Project, Project PW2101, was included in the Fiscal Year 2025-2026 Capital Improvement Plan with a budget of $587,902 in the Transportation Improvement Fund (Fund 446). Resolution No. 11452 approved an additional appropriation of $170,340 in the Transportation Improvement Fund (Fund 446) to cover the cost of the original design and engineering consultant agreement.

If approved, the contract amendment #1 would require an additional appropriation of $1,616,074, for a new total contract amount of $2,276,038. Costs would be initially funded through the Transportation Improvement Fund (Fund 446) and reimbursed by the federal grant at an 88.53% rate.

If approved, the total project budget for the Riley Street Safety Improvement Project, Project No. PW2101 would increase to $2,374,316. Sufficient funds are available in the Transportation Improvement Fund (Fund 446) for this appropriation.

ENVIRONMENTAL REVIEW

The Riley Street Safety Improvement Project is expected to be categorically exempt under the California Environmental Quality Act (CEQA) pursuant to Section 15301 – Existing Facilities. Environmental studies are ongoing and CEQA and NEPA compliance documentation will be brought to City Council at a later date.

ATTACHMENTS

1. 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)

2. Project Area of Potential Effects (APE) Map

Submitted,

_____

Rebecca Neves, PUBLIC WORKS DIRECTOR/CITY ENGINEER

ATTACHMENT 1

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)

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)

WHEREAS, the City of Folsom has identified the Riley Street Safety Improvement Project as a priority to improve pedestrian safety along the Riley Street corridor; and

WHEREAS, the project was selected to receive $4 million in Congressionally Directed Spending funds with a local cost share of $518,243 and is eligible for federal reimbursement; and

WHEREAS, City Council approved Resolution No. 11452 authorizing the City Manager to execute a design and engineering contract with R.E.Y. Engineers, Inc. to prepare project approval and environmental document (PA&ED) for the Riley Street Safety Improvement Project; and

WHEREAS, Caltrans environmental review feedback and comments have led to expanded technical studies from the initial scope to obtain approval of the environmental document; and

WHEREAS, the City desires additional planned water and sewer infrastructure improvements along Riley Street to be included in the project scope; and

WHEREAS, an appropriation in the amount of $1,616,074 in the Transportation Improvement Fund (Fund 446) will be required, for a new total not-to-exceed contract amount of $2,276,038; and

WHEREAS, sufficient funds are available in the Transportation Improvement Fund (Fund 446) for the appropriation, for a new total project budget of $2,374,316; and

WHEREAS, reimbursement in the amount of $1,430,710 will be received through Caltrans invoicing and will be credited to the Transportation Improvement Fund (Fund 446), resulting in a net financial impact of $185,364; and

WHEREAS, the contract 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 Contract Amendment #1 with R.E.Y. Engineers, Inc. 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) for an updated not to exceed contract amount of $2,276,038 for the Riley Street Safety Improvement Project, Project No. PW2101.

NOW, THEREFORE, BE IT FURTHER RESOLVED that the Finance Director is

authorized to appropriate $1,616,074 in the Transportation Improvement Fund (Fund 446) for the Riley Street Safety Improvement Project, Project No. PW2101.

PASSED AND ADOPTED on this 28th day of April 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

Project Area of Potential Effects (APE) Map

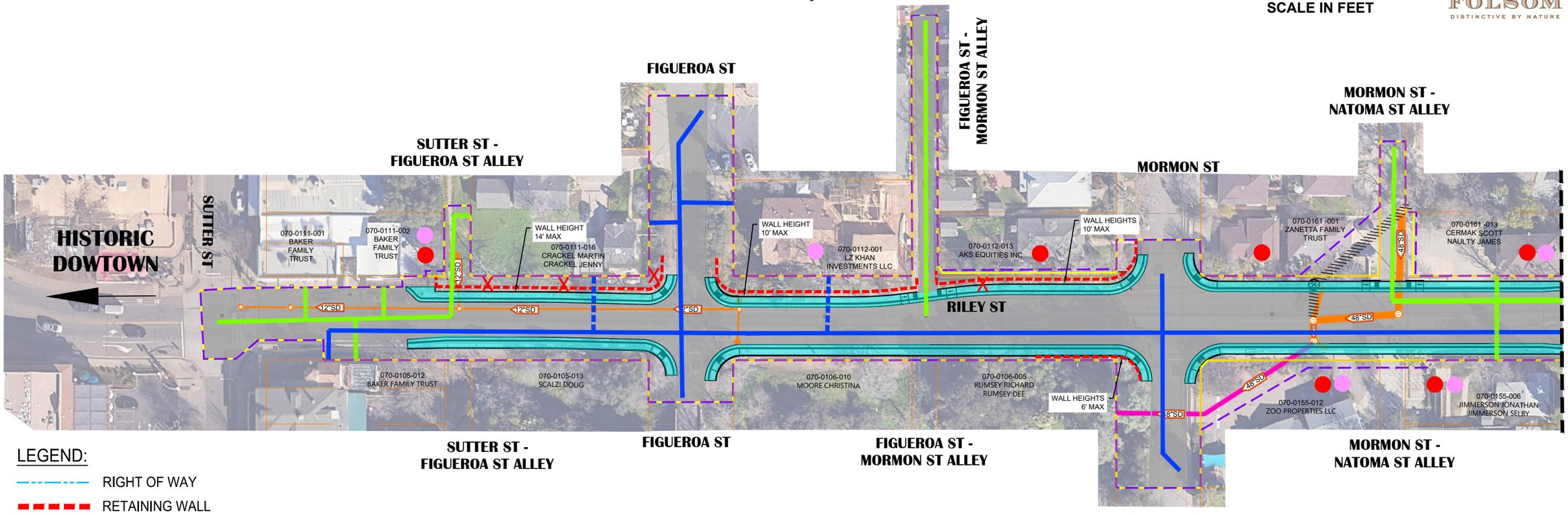
R.E.Y. ENGINEERS, INC.
CIVIL ENGINEERING | LAND SURVEYING | REMOTE SENSING

RILEY STREET SAFETY IMPROVEMENT PROJECT

APE MAP
February 2026

0 40' 80' 160'
SCALE IN FEET

CITY OF FOLSOM
DISTINCTIVE BY NATURE



LEGEND:

- RIGHT OF WAY
- RETAINING WALL
- WATER IMPROVEMENTS (OPEN TRENCH)
- SEWER IMPROVEMENTS (OPEN TRENCH)
- STORM DRAIN IMPROVEMENTS (OPEN TRENCH)
- STORM DRAIN IMPROVEMENTS (NON DESTRUCTIVE CIPP LINING)
- (E)STORM DRAIN TO BE ABANDONED
- CONCRETE IMPROVEMENTS
- PAVEMENT IMPROVEMENTS
- X REMOVE TREE
- AFFECTED PARCEL (PERMANENT ACQUISITION)
- AFFECTED PARCEL (TCE OR PTEC)
- AREA OF DIRECT EFFECT (ADE)
- AREA OF POTENTIAL EFFECT (APE)

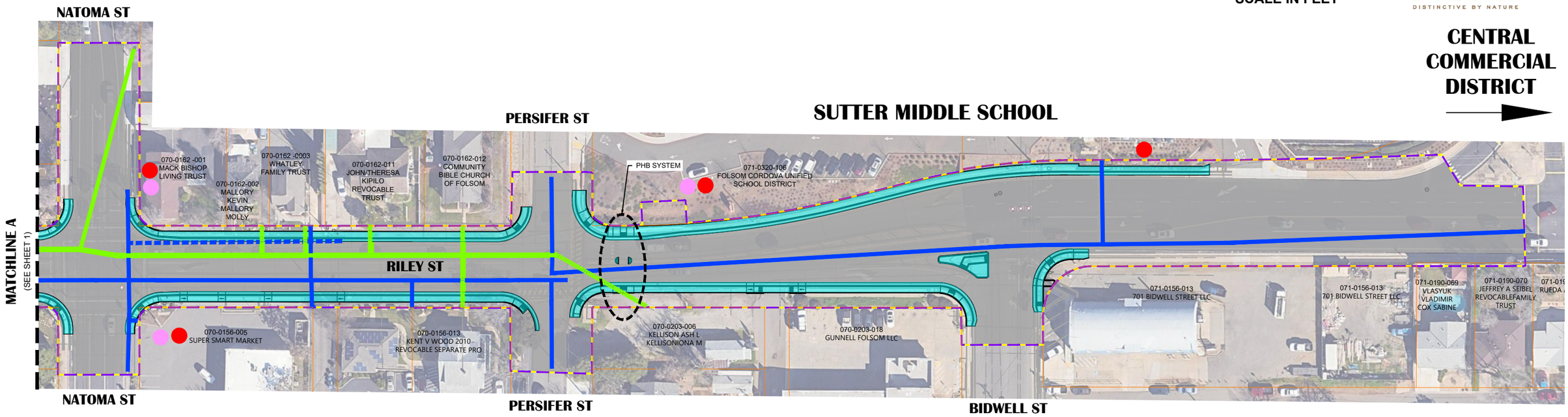
R.E.Y. ENGINEERS, INC.
CIVIL ENGINEERING | LAND SURVEYING | REMOTE SENSING

RILEY STREET SAFETY IMPROVEMENT PROJECT

APE MAP
February 2026

0 40' 80' 160'
SCALE IN FEET

CITY OF FOLSOM
DISTINCTIVE BY NATURE



LEGEND:

- RIGHT OF WAY
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- AREA OF POTENTIAL EFFECT (APE)

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CITY OF
FOLSOM
DISTINCTIVE BY NATURE

Folsom City Council Meeting

Additional Information Transmittal

MEETING DATE:	4/28/2026
AGENDA SECTION:	Old Business
STAFF REPORT TITLE	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)
FROM:	Public Works Department

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

City of Folsom City Council
50 Natoma Street
Folsom, CA 95630
via email to: cfreemantle@folsom.ca.us for distribution to City Council

SUBJECT: Comments to City Council re: April 28, 2026, Agenda Item No. 19 – Resolution No. 11603 Amending Contract for Riley Street Safety Improvement Project

Dear City Councilmembers:

The conceptual design of sidewalks and retaining walls along Riley Street between Bidwell Street and Sutter Street as illustrated on the "Riley Street Safety Improvement Project APE Map, February 2026" (Sheets 1 and 2, pkt. pgs. 390 and 391) of the City Council's Agenda Item No. 19 staff report would result in substantial modifications along this primary corridor through Folsom's Historic District and would adversely affect the historic quality and character of historic resources.

I request that the City Council reconsider the conceptual design for Riley Street improvements prior to advancing additional funds for the current design concept. The current design concept would have a substantial adverse effect on the character of the Historic District and would not be eligible for a California Environmental Quality Act (CEQA) categorical exemption as contemplated in the staff report.

The staff report acknowledges that, "Caltrans environmental reviewers provided feedback that requires more extensive and detailed environmental technical studies than were initially anticipated and were originally included in the scope of work." That the necessary environmental technical studies were underestimated in the original scope of work is just one indication that the City is prematurely pursuing improvements along Riley Street. This project is in need of a process that identifies alternatives that would achieve the project objectives while lessening the significant effects on historic resources that will result from the current conceptual design.

The conceptual design represents substantial alteration to the existing condition of Riley Street and intersecting side streets, and fails to integrate with the historic character of the Historic District and its neighborhood streets. By way of example, under existing conditions, the north side of Mormon Street east of Riley Street contains a sidewalk separated from the street by a landscaped median and elevation change. The conceptual design illustrates a new sidewalk at street grade typical of a modern residential area design and without any apparent attempt to interconnect with the existing sidewalk along the north side of Mormon Street, and nowhere does the conceptual plan demonstrate any effort to integrate the proposed Riley Street design with Historic District character.

Protection of the character of the Historic District requires more thorough consideration of project alternatives to minimize impacts on the Historic District.

Sincerely,

Bob Delp
Historic District - Folsom, CA 95630 - [redacted] - [redacted]