



OROVILLE CITY COUNCIL

Council Chambers
1735 Montgomery Street
Oroville, CA. 95965

March 01, 2022
REGULAR MEETING
CLOSED SESSION 3:30 PM
OPEN SESSION 4:30 PM
AGENDA

PUBLIC ACCESS AND PARTICIPATION

To view the meeting, attend the meeting or provide comment, please see the options below. All comments emailed will be provided to the Council Members for their consideration.

To View the Meeting:

1. Watch our live feed <https://www.youtube.com/channel/UCAoRW34swYI85UBfYqT7IbQ/>
2. Watch via Zoom
<https://zoom.us/j/96870319529?pwd=dW9kMGRZSFo5MFFNQk5wVDUzRkRrZz09>
Meeting ID: 968 7031 9529
Passcode: 67684553
3. Listen via Telephone
Telephone: 1-669-900-6833
Meeting ID: 968 7031 9529
Passcode: 67684553

To Provide Comment to the Council:

1. Email before the meeting by 2:00 PM your comments to publiccomment@cityoforoville.org
2. Attend the meeting in person.

If you would like to address the Council at this meeting, you are requested to complete the blue speaker request form (located on the wall by the agendas) and hand it to the City Clerk, who is seated on the right of the Council Chamber. The form assists the Clerk with minute taking and assists the Mayor or presiding chair in conducting an orderly meeting. Providing personal information on the form is voluntary. For scheduled agenda items, **please submit the form prior to the conclusion of the staff presentation for that item.** Council has established time limitations of three (3) minutes per speaker on all items and an overall time limit of thirty minutes for non-agenda items. If more than 10 speaker cards are submitted for an item, the time limitation would be reduced to one and a half minutes per speaker for that item. If more than 15 speaker cards are submitted for non-agenda items, the first 15 speakers will be randomly selected to speak at the beginning of the meeting, with the remaining speakers given an opportunity at the end. **(California Government Code §54954.3(b)).** Pursuant to Government Code Section 54954.2, the Council is prohibited from taking action except for a brief response from the Council or staff to statements or questions relating to a non-agenda item.

CALL TO ORDER / ROLL CALL

Council Members: David Pittman, Eric Smith, Krysi Riggs, Art Hatley, Janet Goodson, Vice Mayor Scott Thomson, Mayor Chuck Reynolds

CLOSED SESSION

The Council will hold a Closed Session on the following:

1. Pursuant to Government Code Section 54957(b), the Council will meet with City Administrator, Personnel Officer, and/or City Attorney to consider the public employment related to the following position: Police Chief, Assistant Community Development Director, Business and Housing Director
2. Pursuant to Government Code section 54956.8, the Council will meet with Real Property Negotiators, Acting City Administrator and City Attorney, regarding the property commonly known as 225 Chuck Yeager Way, Oroville, CA 95965.
3. Pursuant to Government Code section 54957.6, the Council will meet with Labor Negotiators and City Attorney to discuss labor negotiations for the following represented groups: Oroville Fire Fighters' Association

OPEN SESSION

1. Announcement from Closed Session
2. Pledge of Allegiance
3. Adoption of Agenda

PRESENTATIONS AND PROCLAMATIONS

1. Introduction and Swearing in of three new Fire Employees

PUBLIC COMMUNICATION – HEARING OF NON-AGENDA ITEMS

This is the time to address the Council about any item not listed on the agenda. If you wish to address the Council on an item listed on the agenda, please follow the directions listed above.

CONSENT CALENDAR

Consent calendar **items 1 - 8** are adopted in one action by the Council. Items that are removed will be discussed and voted on immediately after adoption of consent calendar items.

1. **ADOPTION OF THE MINUTES**

The City Council may approve the minutes of February 1, 2022 and February 2, 2022

RECOMMENDATION

Approve the minutes from February 1, 2022 and February 2, 2022

2. **PAYROLL SOFTWARE SELECTION**

The Council may consider approving an agreement with UKG Ready for payroll time and attendance software and Human Resource management software.

RECOMMENDATION

Approve the Mayor to sign a contract with UKG Ready.

3. AGREEMENT FOR AS NEEDED PROFESSIONAL ENGINEERING AND PLANNING SERVICES WITH STREAMLINE ENGINEERING

The Council may consider authorizing the Mayor to execute an agreement for as needed professional structural engineering and design services with Streamline Engineering.

RECOMMENDATION

Authorize the Mayor to contract with Streamline Engineering for as needed professional structural engineering and design services.

4. AUTHORIZATION TO TRANSFER CITY OF OROVILLE VEHICLE 34, 1991 FORD F-350 1 YARD DUMP TRUCK TO THE HOPE CENTER/CITY WORKS PROGRAM.

The Council will consider authorizing the transfer of City Vehicle 34, the 1991 Ford F350 pickup from Public Works to the Hope Center/City Works Program.

RECOMMENDATION

Authorize the transfer of City Vehicle 34, the 1991 Ford F350 pickup from Public Works to the Hope Center/City Works.

5. AUTHORIZATION TO RELEASE A REQUEST FOR PROPOSAL FOR TREE PRUNING SERVICES

The Council may provide direction to the City Administrator to release a Request for Proposal (RFP) for tree pruning services for City and public right of way trees.

RECOMMENDATION

Authorize staff to release a Request for Proposal for tree pruning services for the City of Oroville.

6. CLARIFICATION FOR THE APPOINTMENT OF THE PART-TIME ASSISTANT PLANNER POSITION

The Council may receive information regarding the May 18, 2021 appointment of a part-time assistant planner.

RECOMMENDATION

Accept the appointment of the part-time Assistant Planner as an employee of the City of Oroville and recognized by the Oroville City Employees Association effective May 18, 2021.

7. TRANSPARENCY SOFTWARE FOR BUDGETING

The Council may consider approving the authorization of software for digital budgeting with a portal for citizen transparency and engagement.

RECOMMENDATION

Approve the Mayor to sign a contract with ClearGov.

8. AMENDMENT AGREEMENT WITH HOPE CENTER (CITY WORKS)

The Council will consider reviewing the Agreement with the Hope Center, City Works Program to continue to provide services to the City of Oroville and to increase the budget for the City Works Program.

RECOMMENDATION

Adopt Resolution No. 9028 - A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO AMEND THE AGREEMENT WITH HOPE CENTER (CITY WORKS) TO CONTINUE TO PROVIDE SERVICES TO THE CITY OF OROVILLE. (Agreement 3204-1)

PUBLIC HEARINGS – 5:15pm

The Public Hearing Procedure is as follows:

- Mayor or Chairperson opens the public hearing.
- Staff presents and answers questions from Council
- The hearing is opened for public comment limited to three (3) minutes per speaker. In the event of more than ten (10) speakers, time will be limited to one and a half (1.5) minutes. Under Government Code 54954.3, the time for each presentation may be limited.
- Speakers are requested to provide a speaker card to the City Clerk
- Public comment session is closed
- Council debate and action

9. PUBLIC HEARING FOR ANNEXATION OF TERRITORY INTO THE CITY'S ASSESSMENT DISTRICTS

The City previously formed several maintenance districts to serve as a funding source to pay for the maintenance and servicing of certain improvements within certain residential housing tracts located throughout the City. The Consolidated Landscape and Lighting Maintenance Assessment District (the "LLMAD") funds landscape and lighting improvements; the Consolidated Benefit Assessment District (the "BAD") that funds drainage and storm water improvements and related services. The City also manages Community Facilities District No. 2006-1 and Community Facilities District No. 2006-2 (the CFD's"). Those Districts provide fire, police and emergency services facilities and services, respectively. The Council will conduct a public hearing to finalize the annexation of the Village at Ruddy Creek development into these assessment districts.

RECOMMENDATION

Open the Public Hearing and accept any testimony

Close the Public Hearing – Discussion – Tabulate Ballots – Announce Results

Adopt Resolution No. 9030 Ordering the Annexation for the LLMAD

Adopt Resolution No. 9029 Ordering the Annexation for the BAD

Adopt Resolution No. 9031 Declaring Results of Special Election for CFD 2006-1

Adopt Resolution No. 9032 Declaring Results of Special Election for CFD 2006-2

Adopt Resolution No. 9033 Authorizing the Levy of Special Taxes for CFD 2006-1

Adopt Resolution No. 9034 Authorizing the Levy of Special Taxes for CFD 2006-2

REGULAR BUSINESS

10. AUTHORIZE INCREASED PURCHASE AMOUNT FOR STREET DEPARTMENT EQUIPMENT

Council may consider and approve the increase in the budgeted purchase amount of City Street Department equipment.

RECOMMENDATION

Approve the \$65,976.00 increase in the purchase price of new 2021 Street Sweeper

Approve the \$7,985.68 increase in purchase price of new Paving and Compaction equipment

11. AMEND AXON CONTRACT TO INCLUDE TASERS

The Council may consider a change to the body camera lease agreement with Axon to include Tasers and drone licensing. The new contract will be a five-year contract and cost \$324,430.42 over the life of the contract.

RECOMMENDATION

Authorize staff to sign the new five-year contract with Axon for \$324,430.42.

12. MID YEAR FINANCIAL REVIEW

The Council may receive a mid-year financial report.

RECOMMENDATION

Staff recommends the following budget adjustments:

Expenditures

- Risk Management increase \$87,644 to cover increased property insurance.
- Public Works increase of \$45,000 in the District Tax Fund to cover increases in position costs related to the City Engineer. This position was originally budgeted as part time and has increased.
- Expenditures in the Supplemental Benefits Fund need to increase to cover outstanding approved expenditures. At the time the budget was created it was thought the projects would be completed in the previous year, but they have carried over into this fiscal year. Increase of \$500,000.00

REPORTS / DISCUSSIONS / CORRESPONDENCE

1. Council Announcements and Reports
2. Future Agenda Items
3. Administration Reports
4. Correspondence

- i. CPUC Public Hearings Regarding PG&E's Rate increase request of 18% for Customers and PG&E's execution of 2021 Public Safety Power Shutoff (PSPS)

ADJOURN THE MEETING

The meeting will be adjourned. A regular meeting of the Oroville City Council will be held on March 15, 2022 at 4:00 p.m.

Accommodating Those Individuals with Special Needs – In compliance with the Americans with Disabilities Act, the City of Oroville encourages those with disabilities to participate fully in the public meeting process. If you have a special need in order to allow you to attend or participate in our public meetings, please contact the City Clerk at (530) 538-2535, well in advance of the regular meeting you wish to attend, so that we may make every reasonable effort to accommodate you. Documents distributed for public session items, less than 72 hours prior to meeting, are available for public inspection at City Hall, 1735 Montgomery Street, Oroville, California.

Recordings - All meetings are recorded and broadcast live on cityoforoville.org and YouTube.

**February 01, 2022
MINUTES**

This meeting agenda was posted on January 28, 2021. This meeting was recorded and may be viewed at Cityoforoville.org or on YouTube.

CALL TO ORDER / ROLL CALL

Mayor Reynolds called the meeting to order at 1pm.

PRESENT: Council Members: David Pittman, Eric Smith, Krysi Riggs, Art Hatley, Janet Goodson (approximately 1:45pm), Vice Mayor Scott Thomson, Mayor Chuck Reynolds

Staff Present: City Administrator Bill LaGrone, Assistant City Administrator Ruth Wright, Assistant City Clerk Jackie Glover, Assistant Community Development Director Dawn Nevers, City Attorney Scott Huber, Code Enforcement Director Ron Belser, Interim Fire Chief Chris Tennes, Management Analyst III Amy Bergstrand, City Treasurer Karolyn Fairbanks

Pledge of Allegiance led by Mayor Reynolds

Motion by Vice Mayor Thomson and second by Council Member Smith to Adopt the agenda. Motion passed.

AYES: Hatley, Smith, Riggs, Pittman, Thomson, Reynolds
NOES: None
ABSTAIN: None
ABSENT: Goodson

CLOSED SESSION

The Council convened to Closed Session on the following:

1. Pursuant to Government Code Section 54957(b), the Council met with City Administrator, Personnel Officer, and/or City Attorney to consider the public employment related to the following position: Police Chief

OPEN SESSION

1. Announcement from Closed Session – Mayor Reynolds announced that direction was given; no action taken
2. Pledge of Allegiance – Led by Mayor Reynolds
3. Adoption of Agenda – Motion by Council Member Smith and second by Council Member Goodson to adopt the agenda. Motion passed.

AYES: Hatley, Smith, Pittman, Goodson, Riggs, Thomson, Reynolds
NOES: None
ABSTAIN: None
ABSENT: None

PRESENTATIONS AND PROCLAMATIONS

1. Optimist Day Proclamation Presentation - Mayor Reynolds presented Scott Lawrence from Optimist Club International with the Proclamation.
2. Code Enforcement Department Presentation – Presented by Code Enforcement Director Ron Belser.

Mayor Reynolds spoke to the public about a personal matter with the IRS.

PUBLIC COMMUNICATION – HEARING OF NON-AGENDA ITEMS

The following individuals spoke on non-agenda items:

- | | | |
|-----------------|----------------------|------------------|
| - The Cameraman | - Anna Kastner | - Tasha Levinson |
| - Cathryn Hudin | - Stephanie Holstein | - Ken Malone |
| - Bill Speer | - Bryan Williams | - Freda Flint |

Mayor Reynolds requested a moment of silence for Machele Conn, Lead City Docent and Parks Commissioner who recently passed away.

The Following individuals spoke on Agenda Items:

- | | |
|-----------------------------|-------------------------------|
| - Bill Speer – Item 3, 7 | - Natalie Sheard – Item 7 |
| - Anna Kastner – Item 6 | - Bryan Williams – Item 7 |
| - Joan Bosque – Item 6 | - Stephanie Holstein – Item 7 |
| - Nikki Small – Item 7 | - Ken Malone – Item 7 |
| - Stephanie Eirish – Item 7 | - Celia Hirschman – Item 7 |
| - Julie Miller – Item 7 | - Bobby O'Reiley – Item 7 |

CONSENT CALENDAR

Motion by Council Member Goodson and second by Council Member Smith to approve the consent calendar excluding items 3, 6, 7. Motion passed.

AYES: Hatley, Smith, Pittman, Goodson, Riggs, Thomson, Reynolds
 NOES: None
 ABSTAIN: None
 ABSENT: None

1. APPROVAL OF THE MINUTES

City Council approved the minutes of December 16, 2021, January 4, 2022, January 6, 2022 and January 11, 2022.

2. PAVING PROJECT TASK ORDERS

The Council directed staff to issue task orders for the design of pavement reconstruction projects for the 2021-22 construction season.

4. DECLARE BY RESOLUTION, AUTHORIZATION OF THE CITY ADMINISTRATOR TO EXECUTE ALL GRANT DOCUMENTS TO CALRECYCLE FOR AN SB 1383 LOCAL ASSISTANCE GRANT IN THE AMOUNT OF \$24,450

The Council considered a resolution authorizing the City Administrator to execute all grant documents for the CalRecycle application for an SB 1383 Local Assistance Grant funding in the

amount of \$24,450, and adopted Resolution No. 9025 - RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OROVILLE, STATE OF CALIFORNIA, AUTHORIZING THE CITY ADMINISTRATOR TO SUBMIT TO THE DEPARTMENT OF RESOURCES RECYCLING AND RECOVERY (CALRECYCLE) AN APPLICATION FOR A SB 1383 LOCAL ASSISTANCE GRANT IN THE AMOUNT OF \$24,450 AND EXECUTE ALL NECESSARY GRANT RELATED DOCUMENTS

5. COUNCIL APPOINTMENTS TO COMMITTEES, COMMISSIONS AND BOARDS

The Mayor's appointment of council members to various boards, committees and commissions made and Council approved the appointments.

3. OAK TREE MITIGATION AGREEMENT FOR APN: 026-010-068 & 026-010-069

The Council received information regarding a mitigation agreement to the City's Oak Tree Loss Mitigation for property owner of APN: 026-010-068 & 026-010-069.

Motion by Council Member Smith and second by Council Member Goodson to move forward with the agreement with the property owner. Motion passed.

AYES: Hatley, Smith, Pittman, Goodson, Riggs, Thomson, Reynolds
 NOES: None
 ABSTAIN: None
 ABSENT: None

6. CULTURAL FACILITIES CURATOR / VOLUNTEER COORDINATOR

The City Council considered amending the previously adopted job description for a Cultural Facilities Curator / Volunteer Coordinator from a part-time position to a fulltime benefitted position.

Motion by Council Member Goodson and Second by Council Member Smith to amend the previously adopted Cultural Facilities Curator / Volunteer Coordinator position from a part-time 28-hour position with no benefits to a fulltime 40-hour benefitted position. Motion passed.

AYES: Hatley, Smith, Pittman, Goodson, Riggs, Thomson, Reynolds
 NOES: None
 ABSTAIN: None
 ABSENT: None

7. AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF OROVILLE CALIFORNIA, AMENDING TITLE 2, CHAPTER 2.08 OF THE MUNICIPAL CODE OF THE CITY OF OROVILLE AND ADOPTING REVISED DISTRICT VOTING BOUNDARIES AND ESTABLISHING A SEQUENCE FOR EACH DISTRICT ELECTION (SECOND READING)

The Council considered the adoption of Ordinance No. 1862 to amend Title 2, Chapter 2.08 of the Municipal code of the City of Oroville to adopt revised District voting boundaries and to establish a sequence for each District election.

Motion by Mayor Reynolds and second by Vice Mayor Thomson to amend the ordinance to have Districts A, C, and F up for election in 2022. Motion failed.

AYES: Smith, Thomson, Reynolds
 NOES: Hatley, Riggs, Goodson, Pittman
 ABSTAIN: None
 ABSENT: None

Motion by Council Member Pittman and seconded by Council Member Goodson to waive the second reading and Adopt Ordinance No. 1862 – AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF OROVILLE ADOPTING AMENDMENTS TO TITLE 2, CHAPTER 2.08 OF THE MUNICIPAL CODE OF THE CITY OF OROVILLE AND ADOPTING REVISED DISTRICT VOTING BOUNDARIES. Motion passed.

AYES: Hatley, Riggs, Goodson, Pittman
 NOES: Smith, Thomson, Reynolds
 ABSTAIN: None
 ABSENT: None

REGULAR BUSINESS

8. AUTHORIZATION TO RELEASE A REQUEST FOR PROPOSAL FOR MARKETING SERVICES

This item was continued to February 15, 2022.

9. AMERICAN RESCUE PLAN LOANS FOR SMALL BUSINESSES NEGATIVELY IMPACTED BY COVID

The City Council received information and provided direction on a potential loan problem to assist small businesses that have been negatively impacted by the pandemic.

Motion by Vice Mayor Thomson and seconded by Council Member Smith to approve a loan program for business significantly impacted by COVID 19. Motion passed.

AYES: Hatley, Smith, Pittman, Goodson, Riggs, Thomson, Reynolds
 NOES: None
 ABSTAIN: None
 ABSENT: None

REPORTS / DISCUSSIONS / CORRESPONDENCE

1. Council Announcements and Reports
 - a. Smith – Participated in the Point in Time Survey gathering; spoke about the upcoming Arbor Day Event and Explore Butte County Museum Week.
 - b. Pittman – provided a Butte County Housing Authority update; attended the groundbreaking for the Hampton Inn
2. Future Agenda Items –
 - a. Oak Tree Ordinance (Requested by Mayor Reynolds),
 - b. Museum Week Fee Waiver (Requested by Council Member Smith)
3. Administration Reports
 - a. Wright – Payroll software implemented recently and did not meet the needs of the city therefore the city pulled the plug and is currently looking at two other payroll software programs.
 - b. Huber – Mentioned he would send the council members a zoom link for the closed session for February 2, 2022.
4. Correspondence
 - i. FERC Correspondence

ADJOURN THE MEETING

Mayor Reynolds adjourned the meeting at 7:43pm.

APPROVED:

ATTESTED:

Mayor Chuck Reynolds

Assistant City Clerk Jackie Glover



**February 02, 2022
SPECIAL MEETING
MINUTES**

This agenda was posted on February 1, 2022 at 9:14am.

OPEN SESSION / CALL TO ORDER / ROLL CALL

Mayor Reynolds called the meeting to order at 1:00 PM

1. PRESENT: Council Member Art Hatley, Janet Goodson, David Pittman, Krysi Riggs, Eric Smith, Vice Mayor Scott Thomson (1:03pm), Mayor Chuck Reynolds
2. STAFF PRESENT: City Administrator Bill LaGrone, Program Specialist Jordan Daley, Human Resource Manager Liz Ehrenstrom
3. Pledge of Allegiance – Led by Mayor Reynolds
4. Adoption of Agenda – Motion by Council Member Pittman and seconded by Council Member Smith to adopt the agenda. Motion passed.

AYES: Council Member Hatley, Goodson, Pittman, Riggs, Smith, Reynolds
NOES: None
ABSTAIN: None
ABSENT: None

CLOSED SESSION

1. Pursuant to Government Code Section 54957(b), the Council met with City Administrator, Personnel Officer, and/or City Attorney to consider the public employment related to the following position: Police Chief

OPEN SESSION

1. Announcement out of closed session – Mayor Reynolds announced that direction was given; no action was taken.

ADJOURNMENT

Mayor Reynolds adjourned the meeting at 4:17pm.

Approved:

Attested:

Mayor Chuck Reynolds

Assistant City Clerk Jackie Glover



CITY OF OROVILLE STAFF REPORT

TO: MAYOR REYNOLDS AND CITY COUNCIL MEMBERS

**FROM: RUTH WRIGHT, ASSISTANT CITY ADMINISTRATOR,
ADMINISTRATIVE SERVICES**

RE: PAYROLL SOFTWARE SELECTION

DATE: MARCH 1, 2022

SUMMARY

The Council may consider approving an agreement with UKG Ready for payroll time and attendance software and Human Resource management software.

DISCUSSION

On June 15, 2021, the Oroville City Council approved the issuance of an RFP for payroll time and attendance software.

The City received five proposals. Of those, the committee participated in 4 demonstrations. While they were all worthy solutions, one stood out in performance and lowest cost. On October 19th, 2021, Council approved staff recommendation to proceed with ADP for our payroll software. That project failed in the beginning of January as we were slated to have our first payroll with them on January 14th, 2022. The timesheets were not fully set up and two attempts at a test payroll did not happen. Staff lost confidence that the software could meet our needs and we went back to our current software Central Square. After the fail we went back to the next top two finalists and conducted another round of demonstrations with them. Staff is recommending the City contract with UKG Ready for payroll, time and attendance and Human Resource software. Below is a summary of costs for the next top two providers:

Cost Summary Break Down

	<u>UKG Ready</u>	<u>Tyler Tech</u>
Time Attendance, Payroll and HR modules	33,528.00	37,775.00
One time Implementation fees	7,375.00	
Total	<u>\$ 40,903.00</u>	<u>\$ 37,775.00</u>

FISCAL IMPACT

Annual contract of \$33,528 Plus one-time implementation cost of \$7,375 for a total cost of \$40,903 for the first year and \$33,528 each year thereafter. This cost will be paid out of the Finance Department software budget.

RECOMMENDATION

Approve the Mayor to sign a contract with UKG Ready.

ATTACHMENTS

Software agreement



Quote#: Q-97237
Expires: 18 Mar, 2022
Sales Executive: Duane Kennedy

ORDER FORM

Order Type: Quote
Date: 22 Feb, 2022

Bill To Contact:

Bill To: OROVILLE CITY OF INC
1735 MONTGOMERY ST
OROVILLE, CA 95965-4820 USA

Ship To Contact: Ruth Wright

Ship To: OROVILLE CITY OF INC
1735 MONTGOMERY ST
OROVILLE, CA 95965-4820 USA

Ship to Phone:
Ship to Mobile:
Contact: Ruth Wright
Email: rwright@cityoforoville.org

Currency: USD
Customer PO Number:
Solution ID: 6185504
Initial Term: 36 months
Billing Start Date: 120 Days from Execution of Order Form

Shipping Terms: Shipping Point
Ship Method: FedEx Ground
Freight Term: Prepay & Add
Renewal Term: 12 months
Payment Terms: Net 30 Days

Order Notes:

The Professional Services Engagement Overview attached to this Order Form is a summary for the implementation services to be provided by UKG for the UKG Ready Setup Fees set forth on this Order Form.

SaaS Services

Billing Frequency: Monthly in Arrears

Product Name	Quantity	PEPM	Monthly Price
UKG READY TIME	110	USD 4.85	USD 533.50
UKG READY ACCRUALS MANAGER	110	USD 0.81	USD 89.10
UKG READY LEAVE	110	USD 1.21	USD 133.10
UKG READY SCHEDULER	75	USD 2.02	USD 151.50
UKG READY HR	110	USD 4.85	USD 533.50
UKG READY BENEFITS	110	USD 4.44	USD 488.40
UKG READY PAYROLL	110	USD 4.85	USD 533.50
UKG READY ACA MANAGER	110	USD 0.40	USD 44.00
UKG READY RECRUITING	110	USD 0.81	USD 89.10

Product Name	Quantity	PEPM	Monthly Price
UKG READY INTEGRATION HUB	1	USD 0.00	USD 0.00
UKG READY PAYROLL SERVICES	110	USD 1.75	USD 192.50
Total Price			USD 2,788.20

One Time Setup Fee

Billing Frequency: Billed 100% upon signature of the order form

Item	Total Price
One Time Setup Fees	USD 7,625.00

Quote Summary

Item	Total Price
Minimum Monthly SaaS Service & Equipment Rental Fee	USD 2,788.20

Item	Total Price
Minimum Annual SaaS Service & Equipment Rental Fee	USD 33,458.40

Item	Total Price
Total One Time Fees	USD 7,625.00

OROVILLE CITY OF INC

Kronos SaaShr, Inc.

Signature: _____

Signature: _____

Name: _____

Name: _____

Title: _____

Title: _____

Effective Date: _____

Effective Date: _____

Invoice amount will reflect deposit received. All professional services are billed as delivered with payment due, in accordance with the Payment Term set out in this Order Form. Unless otherwise indicated above, this order is subject to the relevant Kronos Terms and Conditions executed between the parties. THIS ORDER IS SUBJECT TO APPLICABLE TAXES. THE ACTUAL TAX AMOUNT TO BE PAID BY CUSTOMER WILL BE SHOWN ON CUSTOMER'S INVOICE. Shipping and handling charges will be reflected on the final invoice. The Monthly Price on this Order Form has been rounded to two decimal places for display purposes. As many as eight decimal places may be present in the actual price. Due to the rounding calculations, the actual price may not display as expected when displayed on your Order Form. Nonetheless, the actual price on your invoice is the true and binding total for this order for purposes of amounts owed for the term. If you are tax exempt; please provide a copy of your "Tax Exempt Certificate" with your signed quote.



Professional Services Engagement Overview

Purpose and Overview of Engagement

This Professional Services Engagement Overview outlines the scope of services to be provided by Kronos for the Setup Fees indicated on the applicable Order for, to OROVILLE CITY OF INC ("Customer") related to the Core Modules, Value-add Modules, and/or Optional Services contained in the document. Our Professional Services engagements are designed to help our Customers successfully implement your Core Modules, as well as enable you to easily layer Value-add Modules and functionality over time based on your priorities, schedule, and resources.

The Ready® Professional Services engagement described herein is fixed price based and is subject to the terms and conditions governing your Ready – Software as a Service (the "Agreement"). Unless otherwise defined herein, words and expressions defined in the Agreement shall have the same meaning in this Professional Services Engagement Overview.

Your Ready SaaS Solution

OROVILLE CITY OF INC and Kronos are deploying the following Ready modules with 1 location(s), EINS and 1 collective bargaining agreements(s).

Core Modules	Employees	Deployments	Estimated Duration
UKG READY TIME	110	1	145 Days
UKG READY ACCRUALS MANAGER	110	1	
UKG READY SCHEDULER	75	1	
UKG READY HR	110	1	
UKG READY PAYROLL	110	1	
UKG READY PAYROLL SERVICES	110	1	
Value Add Modules	Employees	Deployments	Estimated Duration
UKG Ready ACA Manager	110	1	15 Days
UKG Ready Recruiting	110	1	30 Days
UKG Ready Leave	110	1	30 Days

OROVILLE CITY OF INC and Kronos Collaboration

A successful Professional Services Engagement will require close collaboration between OROVILLE CITY OF INC and Kronos. The Kronos Professional Services team is equipped to help keep you on target for meeting project milestones and requirements, as well as to assist you in configuring and deploying the Ready solution that meets your organization's specific requirements. Your organization's participation and commitment to the project goals and timeline are critical to help ensure success.

The Estimated Duration stated above is an estimate based upon our experience with our customers and products. Depending upon the preparation and engagement of your organization, there may be opportunity to accelerate the completion of this engagement. However, the Estimated Duration may be exceeded based on the level of preparedness, bandwidth, and skill level of your available resources. Other examples that may extend the Estimated Duration include: separate deployments of the solution, having a unionized workforce, and policies that vary across employee groups.

Core Functionality Deliverables

Working in close collaboration, OROVILLE CITY OF INC and Kronos will deploy the following core modules and functionality in 145 estimated days from project kick-off. Any quantified deliverables listed herein are based on services deliverables and are not to be considered system constraints.

Ready Core	Kronos Delivered Value
UKG Ready Time	UKG Ready Time deployment gets you started with the ability to accept punches and pay employees accurately through these core components: • Total Cost Centers • Profiles • Timesheet • Time Off Request • Pay Calculations • Pay Prep • Security • Points • Tables • Rate • Holiday • Manager Levels • Employee Perspective Scorecards • Workflows • Time Off Requests • Timesheet Change Requests • Schedules • Daily Rules • Work Schedule Profiles • Pay Periods • Counters • Time Off Categories • Reports • 61 commonly used pre-configured reports are included in the implementation • Kronos will configure up to 5 additional custom reports using the standard functionality in the software • Timekeeping Admin Training
UKG Ready Accruals Manager	UKG Ready Accruals Manager adds comprehensive accrual administration to UKG Ready Time by automatically enforcing your time off policies through: • Consistent enforcement of policy • Configurable calculation methods & grants • Time-Off routing & approval workflow (requires UKG Ready Time) • Time-Off requests at data collection devices • Automatic updates to schedule & timecard (requires UKG Ready Time) • Visibility to projected balances • Automatic balance reduction (requires UKG Ready Time or UKG Ready Payroll) • View time-off calendars for groups

	• Mobile access • One-Time data load using customer-supplied data for current year in a standard Kronos-supplied format • Configure accruals profiles and assign to employees Please note that UKG Ready Accruals Manager requires UKG Ready Time.
UKG Ready HR	UKG Ready HR <i>core functionality</i> deployment gets you started by establishing HR as the system of record for employees, one of the most important foundational components, through: • Core employee demographics • Onboarding • Checklists • Up to 10 will be configured by the Kronos project team, however the Customer can configure as many as needed • Personnel management • Benefits administration • Open enrollment / life event • Work Flows • Up to 10 will be configured by the Kronos project team, however the Customer can configure as many as needed • HR documents & forms • Up to 10 custom forms will be configured by the Kronos project team, however the Customer can configure as many as needed • Incident tracking • Certification / Credential • Asset management • Compliance reporting • Standard reporting • One-Time data load using customer-supplied data for current year in a standard Kronos-supplied format • Interface bundle using customer supplied data in standard file formats • HR Admin Training
UKG Ready Payroll	UKG Ready Payroll deployment gets you started with the end-to-end payroll process with the ability to calculate gross-to-net, pay employees, make adjustments and export data needed for tax filing (if using a provider other than UKG Ready Payroll Services) through: • Pay Period Profiles • Up to two Parallel Payroll Tests • Company Tax Setup (Jurisdictions) • Custom Exports/Reports • Company Deduction Types • Company Earning Types • Configure Default Banks • Workers Comp Types • Payroll History up to 4 Quarter of Current Year • All Payroll Configurations Include: • Standard Dashboard Widgets

	• Global Payroll Settings • Standard Notifications • GL Set Up • In-house manual check printing • Employee Imports • Vendor Payments (ACH/Check) • Payroll Administrative Training Please note: If UKG Ready Payroll Services module has been purchased, see UKG Ready Payroll Services deliverables in this document. If UKG Ready Payroll Services module has not been purchased, Kronos will configure tax filing options for one of the following vendors – BSI, ADP, Ceridian.
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UKG Ready Payroll Services	UKG Ready Payroll Services deployment prepares you to manage post payroll calculation functions utilizing the services as indicated in the Payroll Processing Addendum through: • Election of services • Confirmation of Funding method • Testing of Funding bank account • Tax Account ID, Frequency & Rate* • Balancing Current Year Payroll Tax Payments • Collection of Power of Attorney forms for all jurisdictions • Delivery policy configuration • Shipping account authorization and configuration • Confirmation Multi-state new hire registration (if applicable) • Master Vendor maintenance • Payroll Processing Notifications • Tax Code configuration verification reporting • UKG Ready Payroll Services New administrator training <i>*Services can only be provided for tax accounts with valid Tax ID provided</i> Please note: It is the responsibility of the customer to provide all requested information including year-to-date payroll and tax payment information, valid tax account ID's for all active tax jurisdictions and requested Power-of-attorney forms.
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UKG Ready Scheduler	UKG Ready Scheduler provides the automated tools and high-quality information to create accurate schedules aligning staffing requirements with budget and business demand through: • Schedule build based on budget & demand • Fill w/best-fit employee preferences & skills • Drag-n-Drop scheduling tools • Configurable color-coded scheduling views • Budgeting constraint visibility • Configurable routing & approval workflow • Tools for determining schedule effectiveness • True rate cost of schedule*
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	*Scheduler function requires UKG Ready Time
UKG Ready Benefits	UKG Ready Benefits deployment gets you started with the end-to-end benefit administration process with the ability to automate carrier connectivity through: • Employee Self-Service capabilities including open enrollment/life events • Dependent and beneficiary record keeping • Drag-n-Drop scheduling tools • One time data load of benefit enrollments, including dependents and beneficiaries • Benefit maintenance training • 10 carrier feeds including benefit providers, COBRA connectivity to a TPA, and Financial Connectivity (Each file needed, even to the same vendor, will count as one feed) • Smart Forms • Standard Reporting Please note: UKG Ready Benefits requires UKG Ready HR for benefit plan feeds and UKG Ready Payroll for retirement/401(k) feeds

Value-Add Functionality Deliverables

Once your core functionality is deployed, Kronos will work in close collaboration with OROVILLE CITY OF INC to deploy the following Value-Add modules and/or functionality over time in short, agile deployments aligned with your priorities, schedule, and resources:

Value-Add	Kronos Delivered Value
UKG Ready Leave	UKG Ready Leave adds comprehensive leave administration through: • Federal & state leave policy enforcement • Employer-specific leave policy enforcement • Qualifying questionnaire • Leave eligibility, type & duration determination • Leave case routing workflow • Leave case life cycle monitoring • Leave hour interface with timesheets • Employee self-service leave request & history • Standard reporting & email notification alerts • One-Time data load using customer-supplied data – current leave cases, leave case entries & entitlement balances in a standard Kronos-supplied format Please note: This module provides maximum value when used with UKG Ready Time, UKG Ready Accruals & UKG Ready HR.
UKG Ready ACA Manager	UKG Ready ACA Manager provides proactive administration of your ACA compliance strategy across the Ready solution through: • Configurable time periods & rules

	• Set measurement periods & hours threshold • Calculation of employee ACA full-time (FT) status • Identify employees ACA standing by month • Flag part-time (PT) employees approaching ACA FT status • Flag ACA FT employees no longer qualifying • Calculation of plan's affordability* • Settings for minimum value plan** • Year-End government compliant forms • Standard ACA compliance reporting • One-Time Data load using customer-supplied data – EE hours for look back in a standard Kronos-supplied format *ACA Function requires UKG Ready Payroll **ACA Function requires UKG Ready HR Please note: This module provides maximum value when used with UKG Ready Time, UKG Ready HR & UKG Ready Payroll.
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UKG Ready Recruiting	UKG Ready Recruiting provides proactive administration of your Recruitment strategy across the Ready solution through: • Applicant Configuration • Job Requisitions • Work Flows • Up to 5 will be configured by the Kronos project team, however the Customer can configure as many as needed • Applicant Administration • Checklists • Up to 5 will be configured by the Kronos project team, however the Customer can configure as many as needed • Tracking/recruitment custom forms • Up to 5 custom forms will be configured by the Kronos project team, however the Customer can configure as many as needed • Talent tracking – training, skills, certifications • Communication and Notification templates • Up to 5 will be configured by the Kronos project team, however the Customer can configure as many as needed • Standard reporting Please note: UKG Ready Recruiting requires UKG Ready HR.
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UKG Ready Integration Hub	UKG Ready Integration Hub enables data to flow between Ready and 3rd party applications and/or vendors. If the 3rd party application and/or vendor does not accept the standard Ready formatting and/or methods for automated delivery, a formatted file will be delivered instead. The customer is responsible for providing import files to Kronos in the standard Ready format and utilizing the standard Ready delivery method. Kronos will deliver a standard bundle of up to 5 interfaces as part of this project. Each direction (to/from) any 3rd party system and Kronos is considered a separate interface. Interfaces will be accomplished via standard file
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Exchange. Customer will work with Kronos and 3rd party vendors to facilitate design and testing. The Method of the file exchange will be determined by UKG Ready Professional Services Delivery Team. Kronos will provide standard Import/Export files using UKG Ready Integration Hub. Customer will work with the 3rd parties and Kronos to provide the data in the Kronos format for imports. Kronos will create a report from standard Ready fields in the 3rd party format to send to the 3rd party system. The types of interfaces/integrations that can be supplied under this project include:

- UKG Ready Time Interface bundle using customer-supplied data in standard file formats
 - UKG Ready Accruals Interface bundle using customer-supplied
- UKG Ready Scheduler Interface bundle using customer-supplied data in standard file formats
 - Employee Availability Import from 3rd party system
 - Schedule detail export
- UKG Ready HR Interface bundle using customer-supplied data in standard file formats
 - Benefit enrollment exports
 - Employee deduction election imports
 - Employee demographic exports
- UKG Ready Payroll Interface bundle using customer-supplied data in standard file formats
 - ACH payroll employee direct deposit file exports
 - ACH payroll payment for vendors (e.g. 401k, HSA, garnishments, etc.)
 - Payroll employee withholding amount exports
 - Pension enrollment export (e.g. 401k)
 - Pension census export (e.g. 401k)
 - New hire reporting export
 - Positive pay export
 - Payroll journal export to G/L, 1 acct structure
 - Tax payment & filing Interface

Kronos will use commercially reasonable effort to ensure all integrations/interfaces provide for the vendors below are designed in a manner which they can successfully pass data contained in standard Ready data fields to said 3rd party vendor and/or can accept data from said 3rd party vendor into Ready standard data fields. Below are some examples of interfaces which are typically part of the Integration Hub. Vendors and integration types may vary by customer.

- John Hancock Retirement Planning Service
- Blue Cross Blue Shield of Texas
- HSA Bank
- Discovery Benefits
- Bankers Fidelity
- The Standard

Please note: Non-standard, multi-directional, or API based integrations/interfaces are not included in the scope of this project. Custom Reports that cannot be delivered through the standard software functionality are also not included. If such integrations

	or reports are required, a separate quote will be provided after all requirements and specifications have been received.

Administrator and Super User Training

Included in each Customer's software subscription, Kronos will provide the following training:

Ready Core Training	Kronos Delivered Value
Administrator and Super User Training	Each Customer will have access to: • Learning Center, Ready's learning management system and training delivery platform, for each user. Learning experiences found within include, but not limited to: • Interactive self-paced, on-demand modules • "How to" videos and snippets • Printable job aids • Recommended learning plan(s) aligned to each user's roles within Ready • Online, public instructor-led class(es) • "Train the Trainer" enablement and materials • Editable templates and tools to be leveraged by the administrators to deliver manager and employee training • Manager and employee-focused job aids for common tasks within Ready
Change Management and User Adoption Training	Each Customer will have access to: • Change management training for the project team on building a change management plan for Customer's organization • Change management toolkit that includes pre-populated templates and supporting resources to be leveraged to deliver Customer's change management plan

Assumptions & Notes

Kronos has used the following assumptions and dependencies in preparing this Professional Services Engagement Overview:

- All services will be delivered remotely, unless otherwise stated in the Order Form or this Professional Services Engagement Overview.
 - Please note that In the event that Customer requests Kronos to travel to Customer's location during the implementation, Customer agrees to pay any travel expenses, such as airfare, lodging, meals and local transportation, incurred by Kronos.
 - Such expenses shall be subject to the then-current standard Kronos travel and expense policies, which Kronos will provide to Customer upon request.
 - Kronos shall bill Customer for such travel expenses and payment thereof shall be due net thirty (30) days from date of invoice.
- The project kick-off date will be determined based on complexity of the implementation and resource

availability, and may occur up to 30 days after a Ready Order Form is executed by the Customer.

- The customer agrees to accept specific responsibilities as part of this project including:
 - Completing all required, Kronos supplied templates used to complete the Discovery process
 - Physical installation and/or mounting of all time clocks associated with this project.
 - Kronos will complete the configuration of up to 5 clocks and will provide training to the Customer's staff to replicate additional configurations
 - The Customer will configure any additional clocks unless otherwise agreed upon by both parties
 - Configuring the Customer's network to allow inbound/outbound communications to and from the clocks, based on specifications provided by Kronos
 - Providing all required tax and wage history information (when applicable) for the configuration of Tax Filing services
 - Providing all required data imports in the approved Kronos format
 - Providing all required specifications for any exports from Kronos to a 3rd party system
- Prior to the start of the configuration build, the Customer will confirm (in writing) the business and technical requirements of the project as part of the Ready Professional Services Discovery process.
- Kronos will communicate with Customer's Project Manager, the appointed Point of Contact for Customer on this project. He/she will be responsible for all communications and project management among all Customer parties (staff, vendors, consultants) and for the escalation and resolution of any issues for Customer.
- Customer is responsible for all hardware, software, and services provided by other consultants or third party vendors that may also be involved with the project.
- Kronos will not be responsible for troubleshooting the Customer's environment such as their operating system, hardware resources, database schema, or any applications and/or hardware not provided by Kronos.
- Change Orders are subject to scope review and may impact the project timeline or cost. If additional work beyond the initial scope of this Professional Services Engagement Overview is required as a result of a Change Order, the Customer may be charged.
- During the testing phase, the customer will be responsible for leading testing and providing documentation of testing results back to the Kronos implementation team.

Project Delays

Should the need arise to place a project on hold due to issues not controlled by Kronos, Kronos will collaborate with a client to ensure appropriate project hold/delay procedures are executed. Secondly, Kronos reserves the right to execute project hold/delay procedures as a result of, but not limited to (1) a client not attending or cancelling more than three scheduled meetings or (2) if the client has been unable to contribute required deliverables to milestones to close the project or (3) has become non-responsive after 10 business days. Please note that any project hold and/or delays, whether approved or otherwise, will not impact the Fees and Payment Terms of the Agreement unless otherwise agreed to by both parties.

When resuming the project Kronos will follow normal assignment and staffing procedures. This may result in a new or modified project team based on resource availability at the time of re-engagement.

Change Orders

Requests for change to this Professional Services Engagement Overview or the project it covers must be submitted to your Kronos Sales Executive and UKG Ready Consultant in writing.

Any of the following items will be considered Out of Scope and require a Change Order:

- Material changes in the Scope or effort (i.e. # of deployments or EIN's, request of onsite assistance, etc.)

- Material changes in the number or type of Deliverables to meet the defined scope of effort (i.e. additional integrations, profiles, etc.)
- Changes to the project resource requirements
- Changes to scheduled dates after acceptance of the Project Plan

Kronos will estimate the time and fixed cost needed to implement the change and the impact it may have on the delivery of project covered under this Professional Services Engagement Overview. Kronos will perform the requested work once the Change Order has been completed and signed by the Customer.

Completion Criteria

The project covered under this Professional Services Engagement Overview will be considered complete when any one of the following completion criteria is met. Once one of these is met, no further work will be completed. If additional work is required, a Change Order or new Professional Services Engagement Overview must be generated.

Completion Criteria:

- The Customer has approved in writing
- The system has been used to generate, retain, or export data that is used to produce a live pay statement for an active employee
- More than twelve (12) months has passed since the date of signature of the Ready Order Form

The Customer may provide approval in writing via email or an alternative agreed upon method.

UKG READY - SOFTWARE AS A SERVICE TERMS AND CONDITIONS

Customer and Kronos SaaS, Inc., a UKG company (“UKG”) agree that the terms and conditions set forth below shall apply to the UKG supply of the commercially available version of the UKG Ready® SaaS Applications in UKG’s hosting environment, the services related thereto, and the sale or rental of Equipment (if any) specified on a UKG Order Form. The Applications described on the Order Form shall be delivered by means of Customer’s permitted access to the infrastructure hosting such Applications.

BY MANUALLY OR ELECTRONICALLY EXECUTING AN INITIAL ORDER FORM REFERENCING THESE TERMS AND CONDITIONS OR TO WHICH THESE TERMS ARE ATTACHED, CUSTOMER AGREES TO THESE TERMS AND CONDITIONS FOR ALL ORDER FORMS. THE INDIVIDUAL ACCEPTING THESE TERMS AND CONDITIONS ON BEHALF OF CUSTOMER REPRESENTS THAT HE/SHE HAS THE AUTHORITY TO CONTRACTUALLY BIND CUSTOMER. THESE TERMS AND CONDITIONS AND THE ORDER FORM(S) (AND ANY ATTACHMENTS THERETO) TOGETHER FORM A BINDING AND EXECUTED WRITTEN AGREEMENT BETWEEN CUSTOMER AND UKG.

1. DEFINITIONS

“**Agreement**” means these terms and conditions and the Order Form(s).

“**Application(s)**” or “**SaaS Application(s)**” means those UKG software application programs set forth on an Order Form which are made accessible for Customer to use under the terms of this Agreement.

“**Billing Start Date**” means the date the billing of the Monthly Service Fees begin to accrue as indicated on the applicable Order Form. The Billing Start Date of the Monthly Service Fees for any Services ordered by Customer after the date of this Agreement which are incremental to Customer’s then-existing Services shall be the date the applicable Order Form is executed by UKG and Customer.

“**Confidential Information**” means any non-public information of a party or its Suppliers relating to such entity’s business activities, financial affairs, technology, marketing or sales plans that is disclosed pursuant to this Agreement and reasonably should have been understood by the receiving party, because of (i) legends or other markings, (ii) the circumstances of disclosure or (iii) the nature of the information itself, to be proprietary and confidential to the disclosing party or its Suppliers.

“**Customer Content**” means all content Customer, or others acting on behalf of or through Customer, posts or otherwise inputs into the Services.

“**Documentation**” means technical publications published by UKG relating to the use of the Services.

“**Educational Content**” has the meanings ascribed in Section 7.4.

“**Equipment**” means the UKG equipment purchased or rented by Customer under this Agreement.

“**Initial Term**” means the initial term of the Services as indicated on the Order Form.

“**Monthly Service Fee(s)**” means the monthly fees described in an Order Form. Monthly Service Fees include fees for usage of the Applications, the Services, and Equipment rental, if any. Billing of the Monthly Service Fee(s) commences on the Billing Start Date.

“**Order Form**” means an order form mutually agreed upon by UKG and Customer setting forth the items ordered by Customer and to be provided by UKG and the fees to be paid by Customer.

“**Personally Identifiable Data**” means information concerning individually identifiable employees of Customer that is protected against disclosure under applicable law or regulation.

“**Renewal Term**” means the renewal term of the Services as indicated on the Order Form.

“**Services**” means (i) accessibility to the commercially available version of the Applications by means of access to the password protected customer area of a UKG website, and all such services, items and offerings accessed by Customer therein, and (ii) the Equipment rented hereunder, if any.

“**Supplier**” means any contractor, subcontractor or licensor of UKG providing software, equipment and/or services to UKG which are incorporated into or otherwise related to the Services.

“**Term**” means the Initial Term and any Renewal Terms thereafter.

2. TERM

2.1 The Services shall commence on the Billing Start Date, and shall continue for the Initial Term or until terminated in accordance with the provisions hereof. At the expiration of the Initial Term and each Renewal Term as applicable, the Services shall automatically renew for additional Renewal Terms until terminated in accordance with the provisions hereof.

2.2 Either party may terminate the Services and this Agreement to be effective at the expiration of the then current Term upon no less than sixty (60) days prior written notice.

2.3 Either party may terminate the Services and the Agreement upon a material breach of the Agreement by the other party if such breach is not cured within fifteen (15) days after receipt of written notice. Notwithstanding the foregoing, UKG may suspend the Services immediately upon notice in the event of any Customer breach of Sections 4 (Rights to Use), 5 (Acceptable Use), or 15 (Confidential Information).

2.4 In the event that either party becomes insolvent, makes a general assignment for the benefit of creditors, is adjudicated a bankrupt or insolvent, commences a case under applicable bankruptcy laws, or files a petition seeking reorganization, the other party may request adequate assurances of future performance. Failure to provide adequate assurances, in the requesting party's reasonable discretion, within ten (10) days of delivery of the request shall entitle the requesting party to terminate the Agreement immediately upon written notice to the other party.

2.5 If the Agreement is terminated for any reason:

(a) Customer shall pay UKG within thirty (30) days of such termination, all fees accrued under this Agreement prior to the effective date of such termination, provided however, if Customer terminates for material breach of the Agreement by UKG, UKG shall refund Customer any pre-paid fees for services not delivered by UKG;

(b) Customer's right to access and use the Applications shall be revoked and be of no further force or effect;

(c) Customer shall return any rented Equipment as provided in Section 9.1 below;

(d) Customer agrees to timely return all UKG-provided materials related to the Services to UKG at Customer's expense or, alternatively, destroy such materials and provide UKG with an officer's certification of the destruction thereof; and

(e) All provisions in the Agreement, which by their nature are intended to survive termination, shall so survive.

2.6 Unless otherwise mutually agreed to by the parties, Customer Content shall be available to Customer to retrieve at any time and at no additional charge throughout the Term and for no more than thirty (30) days after expiration or termination of the Agreement for any reason. After such time period, UKG shall have no further obligation to store or make available the Customer Content. UKG will delete Customer Content after Customer's rights to access the Services and retrieve Customer Content have ended.

3. FEES AND PAYMENT

3.1 Customer shall pay UKG the Setup Fees, the Monthly Service Fees and any additional one time, set-up or recurring fees, all as defined on the Order Form or subject to Section 17.9 below. Billing will commence on the Billing Start Date with the Monthly Service Fees to be billed on the frequency set forth on the Order Form ("Billing Frequency"). Unless otherwise indicated on the Order Form, UKG will bill Customer for all implementation services in advance. Purchased Equipment will be billed upon shipment of such Equipment. Customer authorizes UKG to charge the debit card or credit card on file with UKG in an amount equal to the Monthly Service Fees as all such fees become due under this Agreement. For all other payments and fees due under this Agreement, payment shall be due 30 days following date of invoice unless otherwise indicated on an Order Form. Except as expressly set forth in the Agreement, all amounts paid to UKG are non-refundable. Customer is responsible for all applicable taxes relating to the goods and services provided by UKG hereunder (including without limitation GST and/or VAT if applicable), excluding taxes based on UKG's income or business privilege.

3.2 Unless otherwise indicated on the Order Form, the Setup Fees shall be invoiced upon execution of the Agreement and shall be due net thirty (30) days following date of invoice. Monthly Service fees shall be based on monthly periods that begin on the Billing Start Date. Monthly Service Fees shall include fees for Equipment rental, if any. Monthly Service Fees for Services added on or before the 15th day of a given month will be charged for that full monthly period and each monthly period of the Term thereafter; Monthly Service Fees for Services added after the 15th day of a given month will begin to accrue as of the 1st day of the following month and will be charged for each monthly period of the Term thereafter. Monthly Service Fees shall be invoiced promptly following the end of the calendar month in which the Monthly Service Fees were accrued. UKG will monitor Customer's "Usage" of the Services (as defined below) in order to calculate the

Usage portion of the Monthly Service Fees to be charged. Usage of the Services, depending on applicable features, components, or services, shall be priced as identified on the Order Form either on a: (a) per month basis; (b) per active employee (herein “Active Employee”) per month usage basis; (c) per transaction basis (e.g.: pay statement); or, (d) per access point. For purposes of the Agreement, an employee shall be deemed an Active Employee during any applicable billing period if through the Services: (i) time has been entered for such employee; (ii) records have been included for such employee for the purpose of processing payroll; (iii) records have been included for such employee within an import/export process; (iv) such employee has accessed the Services, regardless of the purpose; (v) benefit time has been accrued for such employee; or (vi) such employee has been marked by Customer as having an “Active” status during the period.

3.3 Customer agrees that except in those circumstances in which Customer is entitled to invoke the termination for cause provision set forth in Section 2.3 above, in consideration of UKG’s delivery of the Services on a variable fee basis, Customer agrees to pay UKG each month during the Term in which charges accrue no less than the minimum monthly fees (“Minimum Monthly Fees”) which shall be calculated by UKG based the amounts identified on all Order Forms for Customer’s Usage of the Services, plus Equipment rental fees, if any. In the event that Customer does not reach the anticipated Usage upon which the Minimum Monthly Fees was based for any given month during the Term, Customer shall remain responsible for paying the Minimum Monthly Fees for that month. If an Order Form or the Agreement is suspended by UKG for non-payment or otherwise terminated by UKG for cause, Customer shall remain liable to pay the applicable Minimum Monthly Fees through the then-current Term.

3.4 If any amount owing under this or any other agreement between the parties is thirty (30) days or more overdue, UKG may, without limiting UKG’s rights or remedies, suspend Services until such amounts are paid in full. UKG will provide at least seven (7) days prior written notice that Customer’s account is overdue before suspending Services.

3.5 At the later of (i) one (1) year after the effective date of this Agreement, or (ii) expiration of the Initial Term, and at each annual anniversary of that date thereafter, UKG may increase the Monthly Service Fee rates in an amount not to exceed four percent (4%). The increased Monthly Service Fees will be reflected in the monthly invoice following the effective date of such increase without additional notice. For renewals based on the Annual in Advance Billing Frequency, UKG will provide Customer with the renewal invoice prior to commencement of the Renewal Term and payment will be made by Customer in accordance with the payment terms agreed upon with Customer for the Initial Term.

4. RIGHTS TO USE

4.1 Subject to the terms and conditions of the Agreement, UKG hereby grants Customer a limited, revocable, non-exclusive, non-transferable, non-assignable right to use during the Term and for internal business purposes only: a) the Applications and related services, including the Documentation and training materials; and, b) any embedded third party software, libraries, or other components, which form a part of the Services. The Services contain proprietary trade secret technology of UKG and its Suppliers. Unauthorized use and/or copying of such technology are prohibited by law, including United States and foreign copyright law. Customer shall not reverse compile, disassemble or otherwise convert the Applications or other software comprising the Services into uncompiled or unassembled code. Customer acknowledges and agrees that the right to use the Services is limited based upon unauthorized Usage and the amount of the Monthly Service Fees to be paid by Customer. Customer agrees to use only the modules and/or features described on the Order Form. Customer agrees not to use any other modules or features unless Customer has licensed such additional modules or features. Customer may not sublicense or sublicense the Services, or otherwise permit use of the Services (including timesharing or networking use) by any third party. Customer may not provide service bureau or other data processing services that make use of the Services without the express prior written consent of UKG. No license, right, or interest in any UKG trademark, trade name, or service mark, or those of UKG’s licensors or Suppliers, is granted hereunder. When using and applying the information generated by the Services, Customer is responsible for ensuring that Customer complies with applicable laws and regulations.

4.2 Customer may authorize its third party contractors and consultants to access the Services through Customer’s administrative access privileges on an as needed basis, provided Customer: a) abides by its obligations to protect Confidential Information as set forth in this Agreement; b) remains responsible for all such third party usage and compliance with the Agreement; and c) does not provide such access to a competitor of UKG who provides workforce management services.

4.3 Customer acknowledges and agrees that, as between Customer and UKG, UKG retains ownership of all right, title and interest to the Services, all of which are protected by copyright and other intellectual property rights, and that, other than the express rights granted herein and under any other agreement in writing with Customer, Customer shall not obtain or claim any rights in or ownership interest to the Services or any associated intellectual property rights in any of the foregoing. Customer agrees to comply with all copyright and other intellectual property rights notices contained on or in any information obtained or accessed by Customer through the Services.

4.4 UKG will make updates and upgrades to the Services (tools, utilities, improvements, third party applications, general enhancements) available to Customer at no charge as they are released generally to its customers as part of the Services. Customer agrees to receive those updates automatically as part of the Services. UKG also may offer new products and/or services to Customer at an additional charge. Customer shall have the option of purchasing such new products and/or services under a separate Order Form or in accordance with Section 17.9 below.

4.5 UKG reserves the right to change the Services, in whole or in part, including but not limited to, the Internet based services, technical support options, and other Services-related policies. Customer's continued use of the Services after UKG posts or otherwise notifies Customer of any changes indicates Customer's agreement to those changes.

4.6 Benefits Center. If Customer has purchased the Benefits Center offering as indicated on an Order Form, the terms and conditions located at <https://www.ukg.com/benefits-center-terms-and-conditions> will apply. The Benefits Center offering is only available within the United States.

5. ACCEPTABLE USE

5.1 Customer shall take all reasonable steps to ensure that no unauthorized persons have access to the Services, and to ensure that no persons authorized to have such access shall take any action that would be in violation of this Agreement.

5.2 Customer represents and warrants to UKG that Customer has the right to publish and disclose the Customer Content in connection with the Services. Customer represents and warrants to UKG that the Customer Content: (a) does not infringe or violate any third-party right, including but not limited to intellectual property, privacy, or publicity rights, (b) is not abusive, profane, or offensive to a reasonable person, or, (c) is not hateful or threatening.

5.3 Customer will not (a) use, or allow the use of, the Services in contravention of any federal, state, local, foreign or other applicable law, or rules or regulations of regulatory or administrative organizations; (b) introduce into the Services any virus or other code or routine intended to disrupt or damage the Services, or alter, damage, delete, retrieve or record information about the Services or its users; (c) excessively overload the UKG systems used to provide the Services; (d) perform any security integrity review, penetration test, load test, denial of service simulation or vulnerability scan; (e) use any tool designed to automatically emulate the actions of a human user (e.g., robots); or, (f) otherwise act in a fraudulent, malicious or negligent manner when using the Services.

6. CONNECTIVITY AND ACCESS

Customer acknowledges that Customer shall (a) be responsible for securing, paying for, and maintaining connectivity to the Services (including any and all related hardware, software, third party services and related equipment and components); and (b) provide UKG and UKG's representatives with such physical or remote access to Customer's computer and network environment as UKG deems reasonably necessary in order for UKG to perform its obligations under the Agreement. Customer will make all necessary arrangements as may be required to provide access to Customer's computer and network environment if necessary for UKG to perform its obligations under the Agreement. UKG is hereby (i) granted access to such Customer data to perform its obligations under the Agreement and (ii) authorized to audit the number of Active Employee counts or other transactions that have occurred to measure Usage.

7. IMPLEMENTATION AND SUPPORT

7.1 Implementation. UKG will configure the Services utilizing scheduled remote resources. Software module configuration will be based on information and work flows obtained from Customer during the discovery portion of the implementation. Customer shall provide UKG with necessary configuration-related information in a timely manner to ensure that mutually agreed implementation schedules are met. UKG and Customer's implementation responsibilities are described more specifically in the Services

Implementation Guideline set forth at: <https://www.ukg.com/products/ukg-ready/implementation-guidelines>

7.2 Standard Support. UKG will provide telephone support 8:00 a.m. to 5:00 p.m., local time, Monday – Friday. Customers also shall be provided the capability to log questions online via the UKG Customer Portal.

7.3 Equipment Support. If Equipment is rented in accordance with Section 9.1 below or if Equipment Support Services are purchased for Equipment purchased in accordance with Section 9.2 below, UKG will provide the following Depot Exchange Support Services to Customer:

(a) Upon the failure of installed Equipment, Customer shall notify UKG of such failure and UKG will provide remote fault isolation at the FRU (Field Replacement Unit) or subassembly level and attempt to resolve the problem. Those failures determined by UKG to be Equipment related shall be dispatched to a UKG Depot Repair Center, and Customer will be provided with a Return Material Authorization Number (RMA) for the failed Equipment if Customer is to return the failed Equipment to UKG, as reasonably determined by UKG. Customer must return the failed Equipment with the supplied RMA number. Hours of operation, locations and other information related to UKG' Depot Repair Centers are available upon request and are subject to change. Return and repair procedures for failed Equipment shall be provided based on the Depot option - Depot Exchange or Depot Repair - selected by Customer on the applicable Order Form and as specified herein and in UKG's then-current Support Services Policies.

(b) UKG will provide a replacement for the failed Equipment at the FRU or subassembly level on an "advanced exchange" basis, utilizing a carrier of UKG's choice. Replacement Equipment will be shipped the same day, for delivery to Customer's location as further described in the Support Policies. REPLACEMENT EQUIPMENT MAY BE NEW OR RECONDITIONED. Customer shall specify the address to which the Equipment is to be shipped. All shipments will include the UKG provided RMA designating the applicable UKG Depot Repair Center, as the recipient. Customer, upon receipt of the replacement Equipment from UKG, shall package the defective Equipment in the materials provided by UKG, with the RMA supplied and promptly return failed Equipment directly to UKG.

(c) Equipment support also includes Customer access to Equipment service packs via the UKG Customer Portal.

7.4 Educational Materials and Content. Customer will have access to certain educational materials and content (the "Educational Content") within the Services. Customer recognizes and agrees that the Educational Content is copyrighted by UKG. Customer is permitted to make copies of the Educational Content provided in *pdf form solely for Customer's internal training purposes and may not disclose such Educational Content to any third party other than Customer's employees. Customer may not edit, modify, revise, amend, change, alter, customize or vary the Educational Content without the written consent of UKG, provided that Customer may download and modify contents of Training Kits solely for Customer's internal use.

7.5 Technical Account Manager. Customers purchasing a UKG Technical Account Manager ("TAM") as indicated on the Order Form shall receive the services of a dedicated, but not exclusive, TAM for one production instance of the Software. Customer will designate up to two primary and three secondary backup technical contacts ("Technical Contacts") to be the sole contacts with the TAM. Upon request, Customer may designate a reasonable number of additional and/or backup Technical Contacts. Customer is required to place all primary Technical Contacts through UKG training for the Applications covered under this Agreement at Customer's expense.

8. CUSTOMER CONTENT

Customer shall own all Customer Content. UKG acknowledges that all of the Customer Content is deemed to be the Confidential Information of Customer. Notwithstanding the foregoing, Customer grants UKG permission to combine Customer's business data with that of other customers in a manner that does not identify the Customer or any individual in order to evaluate and improve the services UKG offers to customers. In addition, UKG may, but shall have no obligation to, monitor Customer Content from time to time to ensure compliance with the Agreement and applicable law.

9. EQUIPMENT

If Customer purchases or rents Equipment from UKG, a description of such Equipment (model and quantity), the applicable pricing, and delivery terms shall be listed on the Order Form.

9.1 Rented Equipment. The following terms apply only to Equipment Customer rents from UKG:

- (a) **Rental Term and Warranty Period.** The term of the Equipment rental and the “Warranty Period” for such Equipment shall run coterminously with the Term of the other Services provided under the Agreement.
- (b) **Insurance.** Customer shall insure the Equipment for an amount equal to the replacement value of the Equipment for loss or damage by fire, theft, and all normal extended coverage at all times. No loss, theft or damage after shipment of the Equipment to Customer shall relieve Customer from Customer’s obligations under the Agreement.
- (c) **Location/Replacement.** Customer shall not make any alterations or remove the Equipment from the place of original installation without UKG’s prior written consent. UKG shall have the right to enter Customer’s premises to inspect the Equipment during normal business hours. UKG reserves the right, at its sole discretion and at no additional cost to Customer, to replace any Equipment with newer or alternative technology Equipment as long as the replacement Equipment at least provides the same level of functionality as that being replaced.
- (d) **Ownership.** All Equipment shall remain the property of UKG. All Equipment is, and at all times shall remain, separate items of personal property, notwithstanding such Equipment’s attachment to other equipment or real property. Customer shall not sell or otherwise encumber the Equipment. Customer shall furnish any assurances, written or otherwise, reasonably requested by UKG to give full effect to the intent of terms of this paragraph (d).
- (e) **Equipment Support.** UKG shall provide to Customer the Equipment support services described in Section 7.
- (f) **Return of Equipment.** Upon termination of the Agreement or the applicable Order Form, Customer shall return, within thirty (30) days of the effective date of termination and at Customer’s expense, the Equipment subject to this Section 9.1. Equipment will be returned to UKG in the same condition as and when received, reasonable wear and tear excepted. If Customer fails to return Equipment within this time period, upon receiving an invoice from UKG, Customer shall pay UKG the then list price of the unreturned Equipment.

9.2 Purchased Equipment. The following terms apply only to Equipment Customer purchases from UKG:

- (a) **Ownership and Warranty Period.** Title to the Equipment shall pass to Customer upon delivery to the carrier. The “Warranty Period” for the Equipment shall be for a period of 90 days from such delivery (unless otherwise required by law).
- (b) **Equipment Support.** UKG shall provide to Customer the Equipment support services described in this Agreement if purchased separately by Customer as indicated on the applicable Order Form. If purchased, Equipment support services have a term of one (1) year commencing upon expiration of the Warranty Period. Equipment support services will be automatically extended for additional one year terms on the anniversary of its commencement date (“Renewal Date”), unless either party has given the other thirty (30) days written notification of its intent not to renew. UKG may change the annual support charges for Equipment support services effective at the end of the initial one (1) year term or effective on the Renewal Date, by giving Customer at least thirty (30) days prior written notification.

9.3 Finger Scan and Facial Recognition Equipment. For Customer’s use of Equipment containing finger scan sensor and/or facial recognition technology (“FS/FR Equipment”), Customer warrants that it is compliant and will maintain compliance with all applicable biometric privacy laws with respect to its use of FS/FR Equipment. If required by law, Customer further warrants that prior to using FS/FR Equipment it shall: (i) obtain signed releases from employees consenting to the use of the applicable FS/FR Equipment for employee timekeeping purposes; (ii) issue policies to their employees and the public regarding its retention and destruction of the finger scan or facial recognition data, and (iii) ensure that any releases, consents, or policies required by applicable law shall expressly apply to UKG, its affiliates, and its authorized subcontractors. CUSTOMER AGREES TO DEFEND, HOLD HARMLESS AND INDEMNIFY UKG, ITS EMPLOYEES, DIRECTORS, PARENT, SUBSIDIARIES AND AUTHORIZED PARTNERS AND SUBCONTRACTORS (COLLECTIVELY, “UKG INDEMNITEES”) FOR ANY CLAIMS, DAMAGES, PENALTIES OR FINES ASSERTED OR AWARDED AGAINST A UKG INDEMNITEE ARISING OUT OF OR RELATING TO CUSTOMER’S BREACH OF ANY OF THE WARRANTIES IN THIS SECTION 9.3 WITH RESPECT TO FS/FR EQUIPMENT. UPON RECEIPT OF NOTICE OF SUCH A CLAIM, CUSTOMER SHALL ASSUME SOLE CONTROL OF THE DEFENSE AND SETTLEMENT OF SUCH CLAIM; PROVIDED THAT: (I) UKG SHALL BE ENTITLED TO PARTICIPATE IN THE DEFENSE OF SUCH CLAIM AND TO EMPLOY COUNSEL AT ITS OWN EXPENSE TO ASSIST IN THE HANDLING OF SUCH CLAIM, ON A MONITORING AND A NON-CONTROLLING BASIS; (II) CUSTOMER SHALL NOT SETTLE ANY CLAIM ON ANY TERMS OR IN ANY MANNER THAT

ADVERSELY AFFECTS THE RIGHTS OF UKG WITHOUT ITS PRIOR WRITTEN CONSENT; AND (III) UKG SHALL PROVIDE REASONABLE COOPERATION AND ASSISTANCE AT CUSTOMER'S SOLE COST AND EXPENSE.

10. SERVICE LEVEL AGREEMENT

UKG shall: (a) provide basic support for the Services at no additional charge, (b) use commercially reasonable efforts to make the Services available 24 hours a day, 7 days a week, except for: (i) planned downtime in accordance with UKG's standard maintenance windows, or (ii) any unavailability caused by circumstances beyond UKG's reasonable control, including without limitation, acts of nature, acts of government, floods, fires, earthquakes, civil unrest, acts of terror, strikes or other labor problems (other than those involving UKG employees), internet service provider failures or delays, or denial of service attacks, and (c) provide Services in accordance with applicable laws and government regulations.

11. LIMITED WARRANTY; DISCLAIMERS OF WARRANTY

11.1 UKG represents and warrants to Customer that the Services, under normal operation as specified in the Documentation and when used as authorized herein, will perform substantially in accordance with such Documentation during the Term.

11.2 UKG's sole obligation and Customer's sole and exclusive remedy for any breach of the foregoing warranty is limited to UKG's reasonable commercial efforts to correct the non-conforming Services at no additional charge to Customer. In the event that UKG is unable to correct material deficiencies in the Services arising during the Warranty Period, after using UKG's commercially reasonable efforts to do so, Customer shall be entitled to terminate the then remaining Term of the Agreement as Customer's sole and exclusive remedy. UKG's obligations hereunder for breach of warranty are conditioned upon Customer notifying UKG of the material breach in writing, and providing UKG with sufficient evidence of such non-conformity to enable UKG to reproduce or verify the same.

11.3 UKG warrants to Customer that each item of Equipment shall be free from defects in materials and workmanship during the Warranty Period. In the event of a breach of this warranty, Customer's sole and exclusive remedy shall be UKG's repair or replacement of the deficient Equipment, at UKG's option, provided that Customer's use, installation and maintenance thereof have conformed to the Documentation for such Equipment. This warranty is extended to Customer only and shall not apply to any Equipment (or parts thereof) in the event of:

- (a) damage, defects or malfunctions resulting from misuse, accident, neglect, tampering, (including without limitation modification or replacement of any UKG components on any boards supplied with the Equipment), unusual physical or electrical stress or causes other than normal and intended use;
- (b) failure of Customer to provide and maintain a suitable installation environment, as specified in the published specifications for such Equipment; or
- (c) malfunctions resulting from the use of badges or supplies not approved by UKG.

EXCEPT AS PROVIDED FOR IN THIS SECTION 11, UKG HEREBY DISCLAIMS ALL WARRANTIES, CONDITIONS, GUARANTIES AND REPRESENTATIONS RELATING TO THE SERVICES, EXPRESS OR IMPLIED, ORAL OR IN WRITING, INCLUDING WITHOUT LIMITATION THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE AND NON-INFRINGEMENT, AND WHETHER OR NOT ARISING THROUGH A COURSE OF DEALING. THE SERVICES ARE NOT GUARANTEED TO BE ERROR-FREE OR UNINTERRUPTED. EXCEPT AS SPECIFICALLY PROVIDED IN THIS AGREEMENT, UKG MAKES NO WARRANTIES OR REPRESENTATIONS CONCERNING THE COMPATIBILITY OF THE SERVICES, THE SAAS APPLICATIONS OR THE EQUIPMENT NOR ANY RESULTS TO BE ACHIEVED THEREFROM.

12. DATA SECURITY AND PRIVACY

12.1 As part of the Services, UKG shall provide administrative, physical, and technical safeguards for the protection of the security, confidentiality and integrity of Customer data. Customer acknowledges that such safeguards endeavor to mitigate security incidents, but such incidents may not be mitigated entirely or rendered harmless. Customer should consider any particular UKG supplied security-related safeguard as just one tool to be used as part of Customer's overall security strategy and not a guarantee of security. Both parties agree to comply with all applicable privacy or data protection statutes, rules, or regulations governing the respective activities of the parties under the Agreement.

12.2 As between Customer and UKG, all Personally Identifiable Data is Customer's Confidential Information and will remain the property of Customer. Customer represents that to the best of Customer's knowledge such Personally Identifiable Data supplied to UKG is accurate. Customer hereby consents to the use, processing or disclosure of Personally Identifiable Data by UKG and UKG's Suppliers wherever located only for the purposes described herein and only to the extent such use or processing is necessary for UKG to carry out UKG's duties and responsibilities under the Agreement or as required by law.

12.3 Prior to initiation of the Services under the Agreement and on an ongoing basis thereafter, Customer agrees to provide notice to UKG of any extraordinary privacy or data protection statutes, rules, or regulations which are or become applicable to Customer's industry and which could be imposed on UKG as a result of provision of the Services. Customer will ensure that: (a) the transfer to UKG and storage of any Personally Identifiable Data by UKG or UKG's Supplier's data center is permitted under applicable data protection laws and regulations; and, (b) Customer will obtain consents from individuals for such transfer and storage to the extent required under applicable laws and regulations.

12.4 UKG will notify Customer in accordance with applicable laws upon becoming aware of an unauthorized access of Customer Content.

12.5 Customer agrees that UKG may use sub-processors to fulfill its contractual obligations under the Agreement. The list of sub-processors that are engaged by UKG to carry out processing activities on Customer Content on behalf of Customer can be found at: <https://www.ukg.com/products/ukg-ready/subprocessors>

13. INDEMNIFICATION

13.1 UKG shall defend Customer and its respective directors, officers, and employees (collectively, the "**Customer Indemnified Parties**"), from and against any and all notices, charges, claims, proceedings, actions, causes of action and suits, brought by a third party (each a "**Claim**") alleging that the permitted uses of the Services infringe or misappropriate any United States or Canadian copyright or patent and will indemnify and hold harmless the Customer Indemnified Parties against any liabilities, obligations, costs or expenses (including without limitation reasonable attorneys' fees) actually awarded to a third party as a result of such Claim by a court of applicable jurisdiction or as a result of UKG's settlement of such a Claim. In the event that a final injunction is obtained against Customer's use of the Services by reason of infringement or misappropriation of such copyright or patent, or if in UKG's opinion, the Services are likely to become the subject of a successful claim of such infringement or misappropriation, UKG, at UKG's option and expense, will use commercially reasonable efforts to (a) procure for Customer the right to continue using the Services as provided in the Agreement, (b) replace or modify the Services so that the Services become non-infringing but remain substantively similar to the affected Services, and if neither (a) or (b) is commercially feasible, to (c) terminate the Agreement and the rights granted hereunder after provision of a refund to Customer of the Monthly Service Fees paid by Customer for the infringing elements of the Services covering the period of their unavailability.

13.2 UKG shall have no liability to indemnify or defend Customer to the extent the alleged infringement is based on: (a) a modification of the Services by anyone other than UKG; (b) use of the Services other than in accordance with the Documentation for such Service or as authorized by the Agreement; (c) use of the Services in conjunction with any data, equipment, service or software not provided by UKG, where the Services would not otherwise itself be infringing or the subject of the claim; or (d) use of the Services by Customer other than in accordance with the terms of the Agreement. Notwithstanding the foregoing, with regard to infringement claims based upon software created or provided by a licensor to UKG or Suppliers, UKG's maximum liability will be to assign to Customer UKG's or Supplier's recovery rights with respect to such infringement claims, provided that UKG or UKG's Supplier shall use commercially reasonable efforts at Customer's cost to assist Customer in seeking such recovery from such licensor.

13.3 Customer shall defend UKG, its Suppliers and their respective directors, officers, employees, agents and independent contractors (collectively, the "**UKG Indemnified Parties**") harmless, from and against any and all Claims alleging that: (a) employment-related claims arising out of Customer's configuration of the Services; (b) Customer's modification or combination of the Services with other services, software or equipment not furnished by UKG, infringes or misappropriates any copyright or patent, provided that such Customer modification or combination is the cause of such infringement and was not authorized by UKG; or, (c) a claim that the Customer Content infringes in any manner any intellectual property right of any third party, or any of the Customer Content contains any material or information that is obscene, defamatory, libelous, or slanderous violates any person's right of publicity, privacy or personality, or has otherwise caused

or resulted in any tort, injury, damage or harm to any other person. Customer will have sole control of the defense of any such action and all negotiations for its settlement or compromise. UKG will cooperate fully at Customer's expense with Customer in the defense, settlement or compromise of any such action. Customer will indemnify and hold harmless the UKG Indemnified Parties against any liabilities, obligations, costs or expenses (including without limitation reasonable attorneys' fees) actually awarded to a third party as a result of such Claims by a court of applicable jurisdiction or as a result of Customer's settlement of such a Claim.

13.4 The Indemnified Party(ies) shall provide written notice to the indemnifying party promptly after receiving notice of such Claim. If the defense of such Claim is materially prejudiced by a delay in providing such notice, the purported indemnifying party shall be relieved from providing such indemnity to the extent of the delay's impact on the defense. The indemnifying party shall have sole control of the defense of any indemnified Claim and all negotiations for its settlement or compromise, provided that such indemnifying party shall not enter into any settlement which imposes any obligations or restrictions on the applicable Indemnified Parties without the prior written consent of the other party. The Indemnified Parties shall cooperate fully, at the indemnifying party's request and expense, with the indemnifying party in the defense, settlement or compromise of any such action. The indemnified party may retain its own counsel at its own expense, subject to the indemnifying party's rights above.

14. LIMITATION OF LIABILITY

14.1 EXCEPT AS SPECIFICALLY PROVIDED IN THIS AGREEMENT, UKG AND ITS SUPPLIERS WILL NOT BE LIABLE FOR ANY DAMAGES OR INJURIES CAUSED BY THE USE OF THE SERVICES OR BY ANY ERRORS, DELAYS, INTERRUPTIONS IN TRANSMISSION, OR FAILURES OF THE SERVICES.

14.2 EXCEPT FOR UKG' INDEMNIFICATION OBLIGATIONS SET FORTH IN SECTION 13 ABOVE, THE TOTAL AGGREGATE LIABILITY OF UKG OR UKG'S SUPPLIERS TO CUSTOMER AND/OR ANY THIRD PARTY IN CONNECTION WITH THE AGREEMENT SHALL BE LIMITED TO DIRECT DAMAGES PROVEN BY CUSTOMER, SUCH DIRECT DAMAGES NOT TO EXCEED AN AMOUNT EQUAL TO THE TOTAL NET PAYMENTS RECEIVED BY UKG FOR THE SERVICES IN THE TWELVE (12) MONTH PERIOD IMMEDIATELY PRECEDING THE DATE IN WHICH SUCH CLAIM ARISES.

14.3 EXCEPT FOR UKG'S INDEMNIFICATION OBLIGATIONS SET FORTH IN SECTION 13 ABOVE, IN NO EVENT SHALL UKG OR UKG'S SUPPLIERS, THEIR RESPECTIVE AFFILIATES, SERVICE PROVIDERS, OR AGENTS BE LIABLE TO CUSTOMER OR ANY THIRD PARTY FOR ANY INCIDENTAL, SPECIAL, PUNITIVE, CONSEQUENTIAL OR OTHER INDIRECT DAMAGES OR FOR ANY LOST OR IMPUTED PROFITS OR REVENUES, LOST DATA OR COST OF PROCUREMENT OF SUBSTITUTE SERVICES RESULTING FROM DELAYS, NONDELIVERIES, MISDELIVERIES OR SERVICES INTERRUPTION, HOWEVER CAUSED, ARISING FROM OR RELATED TO THE SERVICES OR THE AGREEMENT, REGARDLESS OF THE LEGAL THEORY UNDER WHICH SUCH LIABILITY IS ASSERTED, WHETHER BREACH OF WARRANTY, INDEMNIFICATION, NEGLIGENCE, STRICT LIABILITY OR OTHERWISE, AND WHETHER LIABILITY IS ASSERTED IN CONTRACT, TORT OR OTHERWISE, AND REGARDLESS OF WHETHER UKG OR SUPPLIER HAS BEEN ADVISED OF THE POSSIBILITY OF ANY SUCH LIABILITY, LOSS OR DAMAGE.

14.4 EXCEPT WITH RESPECT TO LIABILITY ARISING FROM UKG'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, UKG DISCLAIMS ANY AND ALL LIABILITY, INCLUDING WITHOUT LIMITATION LIABILITY RELATED TO A BREACH OF DATA SECURITY AND CONFIDENTIALITY OBLIGATIONS, RESULTING FROM ANY EXTERNALLY INTRODUCED HARMFUL PROGRAM (INCLUDING WITHOUT LIMITATION VIRUSES, TROJAN HORSES, AND WORMS), CUSTOMER'S CONTENT OR APPLICATIONS, THIRD PARTY UNAUTHORIZED ACCESS OF EQUIPMENT, SAAS APPLICATIONS OR SYSTEMS, OR MACHINE ERROR.

15. CONFIDENTIAL INFORMATION

15.1 Each Party shall protect the Confidential Information of the other Party with at least the same degree of care and confidentiality, but not less than a reasonable standard of care, which such Party utilizes for its own information of similar character that it does not wish disclosed to the public. Neither Party shall disclose to third parties the other Party's Confidential Information, or use it for any purpose not explicitly authorized herein, without the prior written consent of the other Party. The obligation of confidentiality shall survive

for five (5) years after the return of such Confidential Information to the disclosing party or five (5) years after the expiration or termination of the Agreement, whichever is later, as applicable.

15.2 Notwithstanding the foregoing, a party may disclose Confidential Information to the extent required: (a) to any subsidiary or affiliate of such Party, or (b) to any consultants, contractors, and counsel who have a need to know in connection with the Agreement and have executed a non-disclosure agreement with obligations at least as stringent as this Section 15, or (c) by law, or by a court or governmental agency, or if necessary in any proceeding to establish rights or obligations under the Agreement; provided, the receiving party shall, unless legally prohibited, provide the disclosing party with reasonable prior written notice sufficient to permit the disclosing party an opportunity to contest such disclosure. If a party commits, or threatens to commit, a breach of this Section 15, the other party shall have the right to seek injunctive relief from a court of competent jurisdiction.

15.3 This Agreement imposes no obligation upon either Party with respect to the other Party's Confidential Information which the receiving Party can establish: (a) is or becomes generally known through no breach of the Agreement by the receiving party, or (b) is already known or is independently developed by the receiving party without use of or reference to the Confidential Information.

16. EXPORT

Customer understands that any export of the Equipment may require an export license and Customer assumes full responsibility for obtaining such license. Customer must obtain UKG's prior written consent before exporting the Equipment.

17. GENERAL

17.1 This Agreement shall be governed by and construed in accordance with the laws of the state, province and country in which UKG is incorporated without regard to any conflict of law provisions. The parties waive the application of the United Nations Commission on International Trade Law and United Nations Convention on Contracts for the International Sale of Goods as to the interpretation or enforcement of the Agreement and waive and "opt out" of the Uniform Computer Information Transactions Act (UCITA), or such other similar law.

17.2 The invalidity or illegality of any provision of the Agreement shall not affect the validity of any other provision. The parties intend for the remaining unaffected provisions to remain in full force and effect.

17.3 Customer shall not assign the Agreement or the rights to use the Services without the prior written consent of UKG and any purported assignment, without such consent, shall be void.

17.4 Neither Party shall be responsible for any failure to perform or delay in performing any of its obligations under this Agreement (other than a failure to comply with payment obligations) where and to the extent that such failure or delay results from an unforeseeable event beyond a party's reasonable control, including but not limited to, acts of war; acts of nature; earthquake; flood; embargo; riot; sabotage; labor shortage or dispute; changes in government codes, ordinances, laws, rules, regulations or restrictions; failure of the Internet; terrorist acts; failure of data, products or services controlled by any third party, including the providers of communications or network services; utility power failure; material shortages or unavailability or other delay in delivery not resulting from the responsible party's failure to timely place orders therefor, or lack of or delay in transportation (each a "Force Majeure Event").

17.5 All notices given under the Agreement shall be in writing and sent postage pre-paid, if to UKG, to the UKG address on the Order Form, or if to Customer, to the billing address on the Order Form.

17.6 No action regardless of form, may be brought by either party more than two (2) years after the cause of action has arisen.

17.7 The section headings herein are provided for convenience only and have no substantive effect on the construction of the Agreement.

17.8 The parties agree that if the Agreement is accepted by the parties and that acceptance is delivered via fax or electronically delivered via email or the internet it shall constitute a valid and enforceable agreement.

17.9 Use of the Service includes the ability to enter into agreements and/or to make transactions electronically. CUSTOMER ACKNOWLEDGES THAT WHEN IT INDICATES ACCEPTANCE OF AN AGREEMENT AND/OR TRANSACTION ELECTRONICALLY, THAT ACCEPTANCE WILL CONSTITUTE ITS LEGAL AGREEMENT AND INTENT TO BE BOUND BY AND TO PAY FOR SUCH AGREEMENTS AND TRANSACTIONS. THIS ACKNOWLEDGEMENT THAT CUSTOMER INTENDS TO BE BOUND BY SUCH ELECTRONIC ACCEPTANCE APPLIES TO ALL AGREEMENTS AND TRANSACTIONS CUSTOMER ENTERS INTO THROUGH THE SERVICE,

SUCH AS ORDERS, CONTRACTS, STATEMENTS OF WORK, AND NOTICES OF CANCELLATION.

17.10 No third party beneficiaries exist under this Agreement.

17.11 This Agreement and any information expressly incorporated by reference herein, together with the applicable Order Form, constitute the entire agreement between the parties for the Services described herein and supersede all prior or contemporaneous representations, negotiations, or other communications between the parties relating to the subject matter of this Agreement. This Agreement may be amended only in writing signed by authorized representatives of both parties. Customer understands and acknowledges that while UKG may disclose to customers certain confidential information regarding general Service or product development direction, potential future Services, products or product enhancements under consideration, Customer is not entitled to any Services, products or product enhancements other than those contained on the Order Form. Customer has not relied on the availability of any future version of the Services (including SaaS Applications or equipment) identified on an Order Form, nor any other future product in executing the Agreement.

Customer
Dated:
By:
Name:
Title:

Kronos SaaShr, Inc.
Dated:
By:
Name:
Title:

UKG Ready Payroll Services Addendum

This Payroll Services Addendum, and all included exhibits, schedules, attachments or other addenda (the “**Addendum**”) is made part of the Kronos Workforce Ready Software-as-a-Service Agreement or the UKG Ready Software-as-a-Service Agreement (the “**Agreement**”) and governs the provision of the UKG Ready Payroll Services (the “**Payroll Services**”) by Kronos SaaS, Inc., a UKG Company (“**UKG**”) to the Customer defined below and, if applicable, any of Customer’s Covered Entities (“**Customer**”).

In rendering the Payroll Services, UKG will use the UKG Ready software-as-a-service platform (the “**UKG Ready Platform**”). Attachment 1 sets forth the applicable entities, including Customer itself (collectively the “**Covered Entities**”), along with each of their EINs and other information, if these Covered Entities are receiving Payroll Services from UKG. Customer is responsible for ensuring that all Covered Entities are bound by and comply with this Addendum. Covered Entities may be added or removed from Attachment 1, by Customer completing and signing the appropriate change form provided by UKG. Capitalized terms not defined within this Addendum are defined in the Agreement.

General Terms and Conditions

Article 1. Payroll Services

1.1 Subject to all of the terms and conditions of the Agreement and this Addendum, UKG shall provide Customer with the Payroll Services during the Term to the extent set forth on an Order Form. The Payroll Services are provided only in the United States (which includes Puerto Rico, U.S. Virgin Islands, Guam and Marianna) and shall only be provided with respect to Customer’s payroll obligations for United States-based employees of Customer and those Covered Entities included in Attachment 1. The following provisions shall apply to the extent the Payroll Service listed below is selected by Customer as indicated in writing on the Order Form or as part of the UKG Payroll Services (KPS) Services Election Form to be completed by the parties during implementation:

1.1.1 Payroll Services.

- a. Customer agrees that the Payroll Services shall be provided in accordance with the pricing set forth on the Order Form and the responsibilities of Customer and UKG set forth throughout this Agreement. UKG’s standard fees for certain miscellaneous services, such as W2/1099 printing, fees for tax accounts with an “applied for” status, ACH returns, off-cycle payrolls, split wrap (delivery of checks to multiple locations, stop payment fees (for Customers purchasing UKG SmartCheck) and preparing/filing of amended returns, can be found in the Payroll Services Pricing Exhibit located at <https://www.UKG.com/UKG-payroll-services-miscellaneous-pricing-schedule-August2019> (“**Payroll Services Pricing Exhibit**”). Customer will submit payroll and tax monies via one of two funding methods (“**Funding Method**”): (i) Automated Clearing House (**ACH**) funding, or (ii) draw down wire (“**Draw Down Wire**”) funding. Customer is only eligible for ACH funding if approved by UKG. Customer will be required to utilize the Draw Down Wire Funding Method if Customer is not approved for ACH funding.
- b. Customer will submit the payroll information to UKG in the format and including the information specified by UKG from time to time. Submission is expected to occur two (2) Business Days prior to Customer’s scheduled check date. “**Business Day**” means any day of the

year other than (a) a Saturday, Sunday or (b) on day on which banking institutions in any jurisdiction of the banking institution of any applicable Client Entity are closed or (c) a statutory or civic holiday in the United States. The deadline for Customer's submission of payroll is determined by the applicable Funding Method. On the date Customer's payroll is submitted, if the Funding Method is ACH, then the deadline for submission is 3:00 p.m. Eastern Time; if the Funding Method is Draw Down Wire, then the deadline for submission is 1:30 p.m. Eastern Time on the scheduled processing date, and, provided Customer's payroll is submitted timely, UKG will initiate a Draw Down Wire not later than 2:30 p.m. Eastern Time, to be settled not later than 4:30 p.m. Eastern Time on the date the payroll is finalized. If payroll is submitted after the applicable submission deadline, payroll will be finalized the following day. Submission by Customer of payroll less than two (2) Business Days prior to Customer's scheduled check data may result in the requirement to utilize an alternative Funding Method, delayed processing of banking, and other transaction or additional fees may be imposed, including, without limitation, by the applicable financial institutions and/or as set forth in the Payroll Services Pricing Exhibit. Customer shall indemnify, defend and hold UKG harmless from and against claims, losses or any other liabilities arising from or relating to Customer's late submission of transactions. If Customer has elected for UKG to provide direct deposit services, UKG will provide on behalf of Customer electronic money movement and related banking services via its ACH credit facilities at one or more financial institutions in support of the direct deposit of funds into Customer's employee and third-party vendor accounts. If payroll is submitted less than two (2) Business Days prior to Customer's scheduled check date (by the deadline times set forth above), funds may not be available in employee accounts at the opening of the banking day.

- c. Customer will notify UKG if Customer is providing instructions to UKG to process payroll on behalf of a third party. Without limitation, UKG is not responsible for Customer errors, wage and hour violations, wage assignment errors, employment discrimination, or other employment policies that may violate any applicable laws, codes, legislative acts, regulations, ordinances, rules, rules of court, orders or similar, as well as any National Automated Clearing House Association ("**NACHA**") operating rules ("**Applicable Law(s)**"). Customer agrees to be bound by the then-current NACHA operating rules. "**ACH**" means the network used for electronic payments and money transfers, Automated Clearing House. UKG reserves the right to audit Customer's compliance with the NACHA operating rules and the terms of this Agreement.
- d. Customer authorizes UKG to prepare and file payroll tax returns and cause the issuance of payments on related tax obligations for Covered Entities and tax jurisdictions. Customer authorizes UKG via the applicable Funding Method and in accordance with the terms of this Agreement to: (a) debit Customer's or as applicable a Client Entity's demand deposit account or accounts at an applicable financial institution to be used in connection with the Payroll Services (the "**Customer Account**") for all payroll tax obligations and credit a like amount to an account designated by UKG, which may be held in trust by a third party trustee (the "**Payroll Services Accounts**"), which funds shall be held in such Payroll Services Accounts until such time as such funds are due to the appropriate taxing authorities; (b) remit such funds by electronic funds transfer ("**EFT**") or via check to the appropriate taxing authority; and (c) prepare, sign, and file with the appropriate taxing authorities all returns for such taxes on an ongoing basis.
- e. UKG shall not be responsible for the payment of any Customer taxes or the filing of any Customer tax returns prior to the check date of the payroll under this Addendum, nor is UKG

responsible in relation to any taxes which UKG did not collect from Customer (including without limitation, failure to collect due to non-sufficient funds or other funding issues (“NSF”). Customer should confirm the appropriate federal tax deposits are being paid on behalf of the applicable Client Entity by enrolling in the Electronic Federal Tax Payment System (please visit: <https://www.eftps.gov/eftps>).

- f. Customer shall maintain and provide UKG accurate tax identification numbers, filing frequencies, filing jurisdictions, tax rates, tax types, and employee tax forms to enable UKG to properly complete all applicable tax returns and payments. If, as an accommodation to Customer and without implying any obligation, UKG files a tax return containing “Applied For” status, then Customer agrees and acknowledges that it releases UKG from any and all liability that may arise in connection with such accommodation (including without limitation, penalties and interest).

1.1.2 Additional Payroll Services.

- a. **UKG SmartCheck** – means the Payroll Services with the issuing of employee payroll checks from UKG Payroll Services Accounts. This service is only available if UKG Payroll Services with UKG SmartCheck appears on Customer’s Order Form. If Customer uses UKG Payroll Services Accounts for distribution of funds via check, any stale dated checks will be voided and the funds returned to the Customer. The Customer is responsible for complying with all applicable unclaimed property reporting requirements. Customers electing this service must ensure that checks are not distributed to employees for payment prior to the Check Date. All checks issued on a Payroll Services Account must be printed by UKG for distribution.
- b. **Check Printing and Fulfillment Services.** - means the printing of employee payroll checks, direct deposit advices and third party checks drawn on Customer’s bank account, to distribute same to locations/destinations via FedEx or UPS either Next Day Air or Ground, all as directed by Customer. For delivery purposes, Customer shall obtain and provide either a FedEx or UPS account number for use by UKG for shipping of documents and/or checks. Unless Customer has purchased UKG SmartCheck, employee payroll checks will be drawn on the Customer’s bank account.
- c. **ACH Child Support & Third Party Vendor Processing** - means the impoundment and remittance of funds for third party payments, such as child support, via ACH to the applicable state child support agencies or other applicable payees.
- d. **W2 Filing** - means the electronic filing of employee W2 forms with all applicable Federal and State tax jurisdictions. Specific timelines are established for Customer to promptly complete its year end requirements in order for UKG to fulfill its obligations in a timely manner. This service includes filing of employee W2 information with the SSA, as well as all 50 State and local tax agencies, **excluding** Puerto Rico, U.S. Virgin Islands, Guam and Marianna.
- e. **1099 Filing**- means the electronic filing of contractor forms with the IRS only. Specific timelines are established for Customer to complete its year end requirements in order for UKG to timely fulfill its obligations.
- f. **New Hire Reporting** – means the electronic filing of new hire reports based on applicable state reporting requirements. Customer will be required to register for Multiple State reporting if required to file in more than one State and to maintain the registration as may be required. UKG will only report new hires to States that will accept electronic filing.

1.1.3 **UKG Ready Platform.** Customer acknowledges and agrees that the Payroll Services may only be used in conjunction with the UKG Ready Platform or any other product expressly authorized by UKG, and hereby authorizes and directs UKG to interface the UKG Ready Platform with such product for the purpose of providing the Payroll Services. Furthermore, Customer hereby grants UKG consent to administrative access rights to the UKG Ready Platform for the purpose of fulfilling UKG' obligations under this Addendum.

Article 2. Fees; Billing

Payroll Services shall be considered part of the Services for purposes of Fees and Billing under the Agreement. The Fees set forth in the Payroll Services Pricing Exhibit are subject to change after the Initial Term (as defined in the Agreement) upon thirty (30) days written notice from UKG to Customer.

Article 3. Customer Content

3.1.1 UKG will not be responsible for storing copies of Customer Content when UKG no longer requires such information to provide Payroll Services to Customer, and Customer shall be responsible for retaining its own tax and payroll records according to the schedules established by governmental authorities for Customer. Customer will reimburse UKG for the costs of producing any information in UKG' possession or control relating to Customer's business or employees that UKG produces in response to a Customer request or court order. Unless otherwise required by Applicable Law, upon termination of this Addendum, UKG may dispose of Customer Content in accordance with UKG' data retention policy in effect from time to time. In the case of termination of one but not all Payroll Services, UKG may dispose of Customer Content not related to the remaining Payroll Services, unless otherwise required by Applicable Law, in accordance with UKG' data retention policy in effect from time to time.

3.1.2 Notwithstanding anything to the contrary in this Addendum, each party's use and disclosure of tax return information pursuant to or in connection with this Addendum shall be conducted in compliance with and subject to the limitations of Section 7216 of the Internal Revenue Code of 1986, as amended.

Article 4. Customer Covenants

4.1 Customer shall, and shall cause any Covered Entities to, accurately and timely complete all forms and documents requested by UKG from time to time in order for UKG to provide the applicable Payroll Services, including, without limitation, all necessary credential and related action required by UKG to integrate Payroll Services with the UKG Ready Platform as described in Section 1.1.3. Payroll Services will not commence until Customer (or the applicable Client Entity) provides to UKG all of the forms and documents requested by UKG, and any agreed timelines shall be automatically adjusted accordingly with no liability to UKG attributable to any failure or delay by Customer with respect to the foregoing. In addition to forms and documents requested at the commencement of Payroll Services, Customer shall, and shall cause any Client Entity to, timely provide to UKG other forms and documents requested by UKG necessary to deliver the Payroll Services during the Term.

4.2 To the extent required in connection with any Payroll Services, Customer hereby appoints UKG as its attorney-in-fact with authority to receive, sign and file state and local tax returns and to cause the issuance of payments in connection therewith. UKG shall also be authorized as Customer's designee to receive

correspondence and transcripts with respect to federal, state or local tax returns designated by Customer. Customer shall cooperate in executing and filing any and all forms or other documents required by a taxing authority to appoint UKG as its reporting agent, or otherwise to make effective the appointments and designations described in the preceding two sentences, including but not limited to IRS Form 8655. Such appointment and authorization shall commence as of the Effective Date and remain in effect through subsequent tax periods until the earlier of the termination date of this Addendum and the date UKG is notified by Customer of revocation of the authorization, and Customer shall cooperate in executing and filing any and all forms and documents required by any taxing authority to do so. Customer hereby revokes all earlier powers of attorney and tax authorizations on file with the respective taxing authorities with respect to the same tax matters and tax period covered by this Addendum and shall execute and file all documents necessary to effectuate such revocation. UKG reserves the right to remove itself as attorney-in-fact or reporting agent in its sole discretion, upon at least ten (10) Business Days' written notice to Customer. An authorization does not relieve the Customer of responsibility (or from liability for failing) to ensure that all tax returns are filed timely and that all FTDs and FTPs are made timely.

4.3 Customer shall at all times maintain balances sufficient to fund its payroll and related obligations. Customer acknowledges that if Customer fails to properly fund the Customer Account or otherwise prevents the timely receipt of funds, then Customer's payroll and related services will be delayed and/or suspended at UKG's sole discretion and UKG may immediately terminate this Addendum upon notice to Customer.

4.4 Banking and Funding Covenants

4.4.1 Funding Payroll Obligations All monies caused to be transferred by UKG on behalf of Customer will be funded via the applicable Funding Method initiated by UKG to Customer's account in accordance with this Section 4.4.1. Customer agrees to execute with its financial institution any agreements necessary to allow UKG to cause the initiation of the Funding Method to and from Customer's bank account in accordance with the operating rules governing such transactions. Customer acknowledges that if Customer fails to properly fund its account or otherwise prevents the successful completion of the Funding Method, then Customer's payroll and related services will be delayed or suspended. Customer shall indemnify, defend and hold UKG harmless from and against claims, losses or any other liabilities arising from or relating to Customer's failure to properly fund its account or its other prevention of UKG from effecting the Funding Method. For quarter end and year end reconciliation purposes, UKG will utilize standard ACH services to reconcile Customer tax remittances and liability variances. UKG shall use commercially reasonable efforts to notify Customer not less than five (5) Business Days prior to UKG causing a debit of the Customer's bank account for the amount required to satisfy such variances.

4.4.2 Funding Payroll Obligations via Direct Wire In the sole discretion and upon the written authorization of UKG, a direct wire (Customer initiates Customer's own wire transfer to a Payroll Services Account) may be utilized as a Funding Method on an exception-only basis. Exceptions may arise for various reasons, including (a) due to funds not being available in the Customer Account at the time that other Funding Method(s) are initiated, or (b) proper authorization was not granted to UKG to cause the collection of funds via the other Funding Method(s), or (c) Customer is approved for ACH Funding but fails to submit payroll timely or submits a payroll that exceeds the approved ACH limit. Any exception processing, by its very nature, runs the risk of delayed funding to third parties such as employees, tax agencies, and child support or garnishment recipients. Penalties, interest and other charges related to Customer's failure in

meeting timelines, sufficient debit limit authorization or funding adequacy will be the liability of the Customer, and Customer shall indemnify, defend and hold UKG harmless from and against claims, losses or any other liabilities arising from or relating to exception processing, except to the extent arising from UKG' gross negligence or willful misconduct.

4.4.3 Payment Scheduling Collection for payroll direct deposits, vendor or garnishment payments, and payroll tax liabilities will be made as needed, based on the Payroll Services elected, and will depend on the payroll schedules that Customer utilizes to pay its employees and/or contractors. The draft for the collection will be via the Funding Method request mechanism. Payments made to employees on Customer's behalf are dependent on the check date associated with those payments. Payments made to agencies and garnishment recipients are based on payroll check date(s). These payments are disbursed to the receiving parties utilizing the ACH network (where possible) in compliance with the NACHA guidelines and regulations or by check drawn on Customer's account. For customers funding via Draw Down Request or by Direct Wire on an exception basis as noted above, all payments made on Customer's behalf via ACH money movement will be caused to be released by UKG only after UKG receives confirmation of collection of amounts drafted from Customer's account. Therefore, even if amounts are due, UKG will not cause the release of the ACH payments unless confirmation of receipt of funds has been received by UKG.

4.4.4 Collection Account Testing. Customer hereby authorizes UKG to perform collection account testing as described in this Section 4.4.4. The Customer's collection account(s) used for funding and the drafting process is required to be thoroughly tested to avoid funding failures. Any such failure may result in agency penalties, delayed employee direct deposit payments, etc. This funding account test will ensure the originating bank identifiers for the applicable Payroll Services Accounts have successfully been added to Customer's debit filters. To test the collection account(s), UKG will cause the initiation of test transactions in the amount of \$1.00 each. The transactions will be initiated from every unique Payroll Services Account provided to Customer during implementation. Testing of the funding account(s) shall occur two (2) to four (4) weeks prior to the first payroll check date to insure a successful processing of the first payroll. Customer must notify UKG in writing not less than two (2) weeks prior to the effective date of a change in Customer bank account(s).

4.4.5 Customer agrees to: (a) complete and execute any necessary forms with Customer's Receiving Depository Financial Institution ("RDFI") providing authorization that will require Customer's RDFI to honor all drawdown requests and standard ACH transfers received from UKG and/or its agent, (b) promptly notify UKG of any discrepancies between transaction amounts and the amounts expected by Customer; and (3) notify UKG immediately if any circumstances arise that could impact the collection of sufficient funds from Customer's account.

4.5 The ACH Reversal function allows Customer to submit a request to cancel a previously submitted ACH transaction. This function is utilized primarily to reverse direct deposits from employee accounts where the original direct deposits were in error. UKG' and/or the applicable financial institution's then-standard fees for ACH reversals will apply. Customer may initiate an ACH reversal request by submitting a voiding transaction in the UKG Ready Platform. Once the ACH reversal request is submitted to the financial institution, a credit is generated to the Customer Account and a request to debit the funds is sent to the employee's bank account. If the debit request for the ACH reversal to the employee's account is denied (for example, due to NSF), UKG will debit the total amount of the NSF and any banking fees/charges associated with the NSF from Customer's authorized funding account. UKG will not reattempt collection

of any NSF's from employee accounts. Customer shall be solely responsible for obtaining reimbursement from its employees for the NSF amounts and any related fees/charges, whether the employees are active or terminated.

4.6 If Customer defaults under this Addendum, including, without limitation, by Customer's failure to have in the Customer Account sufficient, readily available funds to cover the payroll, payroll tax, and other disbursements, or if a financial institution rescinds a Customer credit to one or more Payroll Services Accounts, then UKG may, in its sole discretion: (a) terminate this Addendum with written notice, and/or (b) exercise any and all reasonable actions necessary and appropriate to limit the loss to, or liability of, UKG or its Affiliates. "**Affiliate**" means any entity that, directly or indirectly, controls, is controlled by or is under common control with such entity (but only for so long as such control exists), where "Control" (in this context) means the possession, directly or indirectly, of the power to direct or cause the direction of the management and operating policies of the entity in respect of which the determination is being made through the ownership of the majority of its voting or equity securities, contract, voting trust or otherwise.

4.7 Customer shall promptly review all reports and documents provided or made accessible by UKG or through the Payroll Services and shall inform UKG of any inaccuracies not later than five (5) Business Days after receipt or notification of availability.

4.8 Customer is responsible for ensuring that the use of the Payroll Services to effect payments to or for its authorized users does not contravene any Applicable Law, including, without limitation, the Bank Secrecy Act, as amended by the USA PATRIOT Act, and any and all anti-money laundering laws and regulations now existing or promulgated after the date of this Addendum. Any use of the Payroll Services in contravention of the foregoing sentence will be a material breach of this Addendum by Customer.

4.9 **Credentialing.** Customer understands and acknowledges that the implementation and ongoing provision of Payroll Services are conditioned upon Customer and each Client Entity passing (and continuing to pass) a credentialing process that UKG may deem necessary in connection with the provision of Payroll Services. UKG shall have the right to (i) refuse to provide the Payroll Services for Customer with respect to any Client Entity that does not pass UKG's initial credentialing process (ii) terminate the Payroll Services for Customer with respect to any Client Entity that does not continue to pass UKG's ongoing credentialing process and (iii) terminate this Addendum, and the Agreement, if Customer does not continue to pass UKG's ongoing credentialing process. Customer shall be solely responsible for complying with all Applicable Laws, including, without limitation, ensuring the Covered Entities and payees of Customer on whose behalf UKG is causing the delivery of payments are not sanctioned parties under the regulations promulgated by the Office of Foreign Assets Control (OFAC). Customer shall also be responsible for (i) performing, and ensuring passage of, know your customer due diligence on all Covered Entities prior to requesting UKG to provide any Payroll Services to such Covered Entities, and (ii) providing UKG with the information as may be reasonably requested by UKG, for each Client Entity prior to UKG providing Payroll Services to such Client Entity. Customer agrees to provide UKG with an accurate and complete listing of Covered Entities receiving any Payroll Services and to inform UKG promptly of any changes in any Client Entity information previously provided to UKG.

Article 5. Warranty

5.1 UKG warrants that the Payroll Services will be provided in a professional and workmanlike manner. TO THE EXTENT PERMITTED UNDER APPLICABLE LAW, UKG DISCLAIMS ALL OTHER WARRANTIES RELATED TO THE SERVICES, EITHER EXPRESS OR IMPLIED, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. If Customer informs UKG in writing that there is a material deficiency in the Payroll Services which is making this warranty untrue, UKG will use its commercially reasonable efforts to correct the non-conforming Payroll Service at no additional charge, which, subject to Section 5.2 below, will be Customer's sole and exclusive remedy. Customer shall provide UKG with reasonable information and assistance to enable UKG to reproduce or verify the non-conforming aspect of the Payroll Services.

5.2 If UKG makes an error or omission in the preparation or filing of Customer payroll tax returns, or breaches its obligation to cause the issuance of timely payments of payroll tax and/or business tax obligations, which error or failure results in an assessment of penalty or interest by any taxing authority against Customer, then UKG's sole responsibility, and Customer's only remedy, will be for UKG to correct the error or omission under this Addendum and pay such penalty and interest (notwithstanding the dollar limitation on UKG liability contained in this Addendum). As a condition precedent to UKG's obligation to pay such penalty and interest, Customer will provide UKG timely notice of any such assessment, and UKG shall be responsible for all defense actions for any such tax claim for penalties and interest, provided however, Customer shall be consulted during all stages of any defense. Timely notice to UKG shall mean within ten (10) Business Days of receipt of the initial notice of assessment by Customer delivered to UKG in accordance with the notice provisions described in the Agreement. Customer's failure to provide timely notice to UKG shall release UKG from any and all obligations to indemnify Customer for the payment of penalty and interest hereunder and/or for effecting such payments on Customer's behalf, but only to the extent such delay caused such or additional penalty, interest or other losses. At all times as between UKG and Customer, Customer shall be exclusively responsible for any tax assessed but without limiting UKG's remittance obligations included in the Payroll Services.

Article 6. Independent Contractor and Subcontractors

6.1 UKG is acting as an independent contractor of Customer under this Addendum. Without limiting the foregoing, UKG shall serve as a limited agent for Customer solely for purposes of any required agency for filings and/or payments with the appropriate taxing authorities. UKG is not otherwise an agent of Customer, nor are the Parties in a partnership, joint venture, or other similar relationship, and this Addendum shall not be construed to authorize either Party to act as agent for the other except as expressly provided herein.

6.2 Customer acknowledges that in providing the Payroll Services, UKG may use any agent, subcontractor or third party and may delegate its duties to such agent or third party to perform such tasks and functions as UKG chooses, including without limitation, third party software to perform Payroll Services and to store Customer Data, data security, and other services provided by third parties.

6.3 Customer acknowledges that UKG is not rendering legal, tax, or accounting advice in connection with the Payroll Services, including without limitation Customer's obligation to withhold in a particular jurisdiction, nor is UKG a fiduciary of Customer.

6.4 No third-party beneficiaries exist under this Addendum.

Article 7. Effects of Termination

7.1 If this Addendum is terminated or expires in accordance with its terms or otherwise terminated pursuant to a termination of the Agreement, for any reason, all rights and obligations of the parties hereunder shall terminate upon such expiration or termination, provided that all Customer indemnification obligations in Sections 1.1.1(b), 4.4.1, 4.4.2 and Article 8, as well as Sections 2 (with respect to amounts owed through the effective date of termination), 3, and 5 through and including 9 shall survive any expiration or termination of this Agreement.

Article 8. Indemnification

8.1 Customer will, at its own expense, indemnify, defend and hold UKG and its third-party technology suppliers and each of their respective directors, officers, employees, agents and independent contractors (the “**UKG Indemnified Parties**”) harmless from and against any and all notices, charges, claims, proceedings, actions, causes of action and suits, brought by a third party (“**Claims**”) arising from or related to: (a) any expense or financial obligation which is the responsibility of Customer hereunder; (b) any allegation that the Customer Content or its collection or use by Customer violates Applicable Laws; (c) the performance by UKG of any of Customer's payroll tax duties (including, without limitation, acting as Customer's attorney-in-fact or reporting agent), except to the extent attributable to the gross negligence or willful neglect of UKG; (d) the breach of any agreement, covenant, duty or obligation of Customer arising hereunder, (e) UKG filing an "APPLIED FOR" return as an accommodation to Customer, or (f) Customer directing UKG to make a payment to any person or entity where issuance or receipt of such payment violates Applicable Law. UKG will cooperate fully (at Customer's expense) in the defense, settlement or compromise of any such action. Customer will indemnify and hold harmless the UKG Indemnified Parties against any liabilities, obligations, costs or expenses (including, without limitation, reasonable attorneys' fees) incurred in connection with any such Claims, including, without limitation, any such amounts awarded to a third party as a result of such Claims by a court of applicable jurisdiction or as a result of Customer's settlement of such a Claim. Customer's indemnity under this Section 8.1 shall survive the termination of this Addendum.

8.2 UKG and/or the applicable UKG Indemnified Party will provide written notice to Customer promptly after receiving notice of any third-party Claim for which it seeks indemnification under this Addendum. If the defense of such Claim is materially prejudiced by a delay in providing such notice, Customer will be relieved from providing such indemnity to the extent of the delay's impact on the defense. Customer shall immediately take control of the defense and investigation of such Claim and shall employ counsel reasonably acceptable to the applicable UKG Indemnified Party to handle and defend the same, at the Customer's sole cost and expense. Customer will have sole control of the defense of any indemnified Claim and all negotiations for its settlement or compromise, provided that (i) Customer will not enter into any settlement which imposes any obligations or restrictions on the applicable UKG Indemnified Parties without the prior written consent of applicable UKG Indemnified Parties; and (ii) if Customer has refused or failed to assume control of the defense or to diligently pursue the defense thereafter, UKG and/or applicable UKG Indemnified Parties may assume sole control of the defense and all negotiation for any settlement or compromise of the applicable Claim in such a manner as UKG and/or applicable UKG Indemnified Parties may deem appropriate, at the applicable UKG Indemnified Party's sole expense, until such time as Customer does assume such control. The applicable UKG Indemnified Parties will cooperate

fully (at Customer's request and expense) with Customer in the defense, settlement or compromise of any such action. The applicable UKG Indemnified Parties may retain their own counsel at its own expense, subject to Customer's rights above.

Article 9. Extent and Limitations of Liability

9.1 THE TOTAL AGGREGATE LIABILITY (REGARDLESS OF THE NUMBER OF CLAIMS) OF UKG TO CUSTOMER OR TO ANY THIRD PARTY IN CONNECTION WITH THIS ADDENDUM AND THE PROVISION OF PAYROLL SERVICES WILL BE LIMITED TO ACTUAL AND DIRECT DAMAGES PROVEN BY CUSTOMER, SUCH DAMAGES NOT TO EXCEED AN AMOUNT EQUAL TO THE TOTAL NET PAYMENTS RECEIVED BY UKG FOR THE PAYROLL SERVICES IN THE TWELVE (12) MONTH PERIOD IMMEDIATELY PRECEDING THE DATE ON WHICH THE FIRST CLAIM GIVING RISE TO LIABILITY ARISES.

9.2 EXCEPT AS EXPRESSLY STATED IN THIS ADDENDUM, NEITHER PARTY WILL BE LIABLE FOR ANY INDIRECT, CONSEQUENTIAL, INCIDENTAL, SPECIAL, OR PUNITIVE DAMAGES. NEITHER PARTY WILL BE LIABLE FOR THE COST OF ACQUIRING SUBSTITUTE OR REPLACEMENT SERVICES. NEITHER PARTY WILL BE LIABLE FOR ANY LOST OR IMPUTED PROFITS OR REVENUES OR LOST DATA RESULTING FROM DELAYS, NONDELIVERIES, MISDELIVERIES OR SERVICES INTERRUPTION, HOWEVER CAUSED, ARISING FROM OR RELATED TO THE PAYROLL SERVICES OR THIS ADDENDUM. THESE LIMITATIONS APPLY FOR ANY REASON, REGARDLESS OF ANY LEGAL THEORY AND FOR WHATEVER REASON LIABILITY IS ASSERTED. THIS IS TRUE EVEN IF UKG AND CUSTOMER HAVE TOLD EACH OTHER THAT EITHER ONE IS CONCERNED ABOUT A PARTICULAR TYPE OF LIABILITY.

Effective Date: _____

Customer:

By: _____

Name: _____

Title: _____

UKG:

By: _____

Name: _____

Title: _____

Attachment 1
Covered Entities

Company Name	FEIN	Address	City	State	Zip

UKG READY BENEFITS ADDENDUM

This addendum ("Addendum") is entered into as of the date of last signature hereto between Kronos SaaS, Inc., a UKG Company, ("UKG") and OROVILLE CITY OF INC ("Customer"), and is an addendum to the agreement governing Customers provision of UKG Ready SaaS (formerly known as Workforce Ready SaaS) services entered into between UKG and Customer (the "Agreement"). Capitalized terms not defined within this Addendum are defined in the Agreement.

WHEREAS, the parties wish to amend the Agreement as indicated herein in order that Customer may access UKG Ready Benefits ("Ready Benefits") through the one or more of the following: Carrier Connectivity, Financial Connectivity and/or COBRA Link as further described herein and in the applicable Order. Except as provided in this Addendum, all terms and conditions in the Agreement related to the Applications apply to Ready Benefits.

WHEREAS, the parties wish to add the terms and conditions contained herein without striking any of the existing terms and conditions in the Agreement unless expressly stated.

WHEREAS, in the event of a conflict between the terms and conditions of this Addendum and the terms and conditions of the Agreement, the terms and conditions of this Addendum shall prevail.

WHEREAS, all other terms and conditions of the Agreement shall continue to remain in full force and effect.

NOW THEREFORE, in consideration of the foregoing facts stated above, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto, intending to be legally bound hereby, agree that the terms of the Agreement shall be amended as follows:

1. CONNECTIVITY AND ACCESS; SERVICES AND APPLICATION NOTICES

Customer agrees to receive electronic communications relating to Customer's use of the Services and Applications. UKG may communicate with Customer by email or by posting notices within the Applications. Customer agrees that all agreements, notices, disclosures and other communications that are provided to Customer electronically satisfy any legal requirement that such communications be in writing. All notices intended for receipt by Customer will be deemed delivered and effective when sent to the email address that Customer provides within the Applications. By creating an account, submitting information or otherwise providing UKG with Customer's email address, postal address or phone number, Customer is agreeing that UKG or the UKG's agents may contact Customer at that address or number.

2. DISCLAIMERS

UKG IS A TECHNOLOGY PLATFORM PROVIDER AND MAKES NO REPRESENTATIONS AND/OR WARRANTIES WITH RESPECT TO, AND HAS NO RESPONSIBILITY OR LIABILITY IN CONNECTION WITH, THE OPERATION, PERFORMANCE OR SUITABILITY OF, ANY THIRD-PARTY BENEFIT OR INSURANCE PRODUCT OR SERVICE AVAILABLE FOR ENROLLMENT, REGISTRATION, USE OR CONNECTION THROUGH THE

SERVICE. UKG IS NOT RESPONSIBLE FOR ACCURACY OF THE DATA COMMUNICATED TO ANY THIRD-PARTY PROVIDERS. CUSTOMER FURTHER RECOGNIZES THAT IN THE DELIVERY OF THE SERVICE, UKG MAY WORK WITH THIRD PARTY PROVIDERS AND UKG CANNOT BE AND IS NOT LIABLE FOR ISSUES, ACTIONS AND/OR OMISSIONS ON THEIR PART THAT ARE OUTSIDE OF UKG'S REASONABLE OVERSIGHT OR CONTROL.

3. DATA SECURITY AND PRIVACY; HIPAA

In the event that UKG will create, receive, maintain or transmit protected health information ("PHI" as defined under HIPAA) on behalf of Customer in providing the Services, Customer agrees to disclose the fact that Customer is a covered entity or business associate, as defined under the Health Insurance Portability & Accountability Act of 1996, P.L. 104-191, as amended from time to time ("HIPAA"), to UKG prior to entering into this Agreement and the Parties agree to enter into a HIPAA business associate agreement prior to Customer transmitting and/or UKG accessing any PHI. If applicable, the HIPAA business associate agreement is hereby incorporated by reference into this Agreement.

4. NATIONAL AUTOMATED CLEARING HOUSE (NACHA) AGREEMENT

Customer agrees not to provide UKG with any payroll information or entries which violate the laws or regulations of the United States or of any state or jurisdiction in which Customer does business. Customer agrees to be in compliance with all National Automated Clearing House Association ("Nacha") Operating Rules and Guidelines and to notify UKG in advance if any transactions would be considered International ACH Transactions ("IATs"). UKG's policy is not to process IATs. Customer agrees to indemnify UKG and its affiliates against any loss experienced by UKG due to Customer's noncompliance with Nacha Operating Rules and Guidelines. UKG and its originating financial institution maintain the right to audit compliance with this Agreement and to terminate this Agreement for noncompliance with the Nacha Operating Rules and Guidelines.

5. GENERAL

5.1 All notices given under the Agreement, except electronic notices from UKG to Customer relating to the Services and Applications as set forth in Section 1 of this Addendum, shall be in writing and sent postage pre-paid, if to UKG, to the UKG address on the Order Form, or if to Customer, to the billing address on the Order Form.

5.2 These terms do not create a partnership, franchise, joint venture, agency, fiduciary or employment relationship between the parties.

5.3 Customer acknowledges and agrees that any regulated financial services, including regulated aspects of any applicable payment services provided hereunder will be performed by Kronos SaaShr, Inc. Customer further acknowledges and agrees that any regulated third party administrator services provided hereunder will be performed by EverythingBenefits, Inc. Neither Kronos SaaShr or UKG are considered Plan Administrators under the Employee Retirement Income Security Act of 1996 ("ERISA"). Both Kronos SaaShr, Inc. and EverythingBenefits, Inc., are subsidiary companies of UKG, Inc.

IN WITNESS WHEREOF, the parties have caused this Addendum to be executed and shall be effective as of the date last signed below.

OROVILLE CITY OF INC

By: _____
Name: _____
Title: _____
Date: _____

UKG:

By: _____
Name: _____
Title: _____
Date: _____



CITY OF OROVILLE STAFF REPORT

TO: MAYOR REYNOLDS AND COUNCIL MEMBERS

FROM: DAWN NEVERS, ASSISTANT COMMUNITY DEVELOPMENT DIRECTOR

RE: AGREEMENT FOR AS NEEDED PROFESSIONAL ENGINEERING AND PLANNING SERVICES WITH STREAMLINE ENGINEERING

DATE: MARCH 1ST, 2022

SUMMARY

The Council may consider authorizing the Mayor to execute an agreement for as needed professional structural engineering and design services with Streamline Engineering.

DISCUSSION

The City has requested an informal proposal from Streamline Engineering, a qualified professional structural engineering firm, to provide professional commercial structural engineering and design services to support the City's numerous facility improvement projects.

While the City has an engineering division and is currently contracted with other consulting firms for as-needed civil engineering services, the need for further assistance with structural engineering of existing and new facility projects, is immediate.

The contract shall be "as needed" and may be terminated at the sole discretion of the City. The contracts will allow the City to issue task orders to the consultant. Each task order shall define the exact scope of work for each project and what services the selected consultant shall provide. The consultant shall provide a not-to-exceed cost proposal and a schedule for each task order issued. The selected consultant's proposal for each task order shall identify the deliverables to be provided and any work proposed to be performed by City staff.

Prior to issuing a task order, City staff will seek authorization from the Council. The budget for each task order shall be tracked separately.

At this time staff is recommending Streamline Engineering for the professional structural engineering and design services. This firm is from Chico and is known by staff to do quality work.

FISCAL IMPACT

The fiscal impact will need to be assessed as task orders are presented to Council for authorization.

RECOMMENDATION

Authorize the Mayor to contract with Streamline Engineering for as needed professional structural engineering and design services.

ATTACHMENTS

Agreement No. _____ – Streamline Engineering

SERVICES AGREEMENT (PROFESSIONAL SERVICES)
On-Call Civil Engineering & Planning Services
City Agreement No.

This Services Agreement (Professional Services) for On-Call Civil Engineering and Planning Services (“**Agreement**”) by and between the City of Oroville, a California charter city (“**City**”), and **Streamline Engineering, a corporation** (“**Consultant**”), is effective on the Effective Date identified on the signature page.

RECITALS

A. The City desires to obtain the Services more particularly described in this Agreement and Exhibit “A,” and generally including professional civil engineering and planning Services on an on-call basis.

B. On February 14, 2022 the Consultant submitted a proposal demonstrating the Consultant’s qualifications and experiences to provide such Services.

NOW, THEREFORE, the City and the Consultant, for the mutual consideration described herein, agree as follows:

1. SCOPE OF SERVICES.

1.1. Services. Consultant, acting in its capacity as an engineer, licensed and in good standing under California law, will perform the Services described in the *Scope of Services and Schedule of Performance*, attached hereto as **Exhibit “A”** and incorporated herein by reference (“**Services**”), in accordance with the terms and conditions of this Agreement and to the satisfaction of the City’s authorized representative, the City Administrator (“**City’s Authorized Representative**”). Services required by the City shall be determined by task orders issued by the City and accepted by Consultant.

1.2. Standard of Care. In performing the Services, Consultant will meet or exceed the applicable standard of care for and exercise the degree of skill and diligence ordinarily used by reputable professionals within the State of California who provide the same or similar type of professional Services as the Services required under this Agreement. Consultant will require and ensure that all of its employees, subconsultants, or agents performing or contributing to the Services will comply with the requirements of this Agreement.

1.3. Independent Contractor. Consultant will control the manner and means for performing the Services, acting as an independent contractor and not as an employee of the City. Consultant will not be entitled to any of the benefits that the City provides to its employees, including, but not limited to, health or retirement benefits.

1.4. Subcontracting. If Consultant subcontracts with a subconsultant to perform any of the Services, the City is deemed an intended beneficiary of that subcontract and the subconsultant will owe a duty of due care to the City. City reserves the right to approve or reject any proposed subconsultant, based on the subconsultant's qualifications, relevant experience, or reputation.

1.5. Third Party Beneficiaries. Except to the extent expressly stated herein, this Agreement will not be construed to create any rights in third parties.

Time for Performance. Time is of the essence for the performance of all Services and duties under this Agreement. Consultant will commence and complete all Services by the dates and within any timeframes set forth in task orders issued by the City and accepted by the Consultant. Consultant will submit all requests for extensions of time to the City in writing no later than ten days after the start of the circumstances or events giving rise to the delay, and no later than the time by which performance is due. The City's approval of any extension of time for performance of the Services will not operate to waive the City's rights or remedies with respect to damages caused by Consultant's delay.

1.6. Errors and Omissions. Consultant is solely responsible for costs arising from its errors and omissions, including increased construction costs or delay costs. Upon City's request, Consultant will promptly correct its errors and omissions, at no cost to the City.

1.7. Unsatisfactory Services. Upon written notice from the City that any of the Services are unsatisfactory or fail to comply with the requirements of this Agreement (collectively, "**Unsatisfactory Services**"), Consultant will promptly correct or cure any such Unsatisfactory Services as specified in the City's written notice. Consultant will not be entitled to any additional compensation or extension of time to correct or cure the Unsatisfactory Services. Consultant's correction or cure of Unsatisfactory Services will not operate to waive the City's rights or remedies with respect to any damages caused by the Unsatisfactory Services, the cost of which may be recovered by the City as an offset from payment otherwise due or to become due to Consultant.

2. COMPENSATION.

2.1. Payment. The City will pay Consultant for Consultant's time and authorized expenses necessary to perform the Services, at the rates and charges set forth in the *Compensation Rates and Charges* attached hereto as **Exhibit "B"** and incorporated herein by reference, as compensation in full for Services satisfactorily performed under task orders accepted by Consultant and in compliance with this Agreement. Consultant's total compensation for performing the Services may not exceed the amount specified in task orders without prior written authorization from the City. If the City authorizes Consultant to perform Services in addition to the Scope of Services set forth in Exhibit "A," Consultant will be compensated in accordance with the rates and charges in Exhibit "B." Consultant will not be entitled to any compensation for additional Services performed without the City's prior written consent, or which exceed the scope of the City's written consent.

2.2. Invoices. Consultant will submit a monthly itemized invoice to the City's Authorized Representative for the Services provided during the preceding month. At a minimum, the invoice will identify the Services performed, the hours spent performing the Services, the applicable hourly rate(s), and any authorized expenses based on the rates and charges authorized in Exhibit "B." The City will pay the Consultant within 30 days after approval of each invoice, with the exception of any disputed amounts. Separate invoices shall be submitted for individual task orders.

3. AUTHORIZED REPRESENTATIVE. Consultant hereby assigns **Jeff Richelieu**, to serve as the Consultant's authorized representative ("**Consultant's Authorized Representative**"), to personally participate in and manage the Services provided under this Agreement, and to serve as the primary point of contact for all matters pertaining to this Agreement.

3.1. Substitutions. As a material inducement to entering into this Agreement, the City has relied upon Consultant's representations regarding Consultant's qualifications (including the qualifications of Consultant's Authorized Representative, its personnel, and its subconsultants, if any, as identified on Exhibits "A" and "B"). Consultant will not replace Consultant's Authorized Representative (or any of its personnel or its subconsultants, if any, as identified on Exhibits "A" and "B") without the City's prior written consent.

4. NOTICES. All notices or requests required or contemplated by this Agreement will be in writing and delivered to the other party's Authorized Representative by personal delivery, U.S. Mail, nationwide overnight delivery service, email, or as otherwise specified herein. Delivery is deemed effective upon the first to occur of: (a) actual receipt by a party's Authorized Representative, (b) actual receipt at the address identified below, or (c) three business days following deposit in the U.S. Mail of registered or certified mail sent to the address identified below. A party's contact information, below, may be changed by providing written notice of any change to the other party.

TO CITY: Dawn Nevers, Asst. Community Development Director
City of Oroville
1735 Montgomery Street
Oroville, CA 95965
dnevers@cityoforoville.org

TO CONSULTANT: Jeff Richelieu, PE
President, Streamline Engineering, Inc.
2571 California Park Drive, Ste. 210
Chico, CA 95928-4042
jeff@streamlinechico.com

5. TERM. The term of this Agreement begins on the date it is signed by the City Clerk, below, attesting full execution of the Agreement by both parties (“**Effective Date**”), and ends upon Consultant’s completion of the Services required by this Agreement, unless terminated earlier as provided herein. The following provisions will survive expiration or termination of this Agreement: Section 7.2 (Dispute Resolution), Section 8.1 (Confidentiality), Section 8.4 (Records of Performance), Section 10 (Indemnification), Section 11.4 (Professional Liability), Section 13.3 (Taxes), and Section 14 (General Provisions).

6. CITY’S RIGHT TO TERMINATE. The City may terminate this Agreement for convenience (with or without cause) by providing written notice of termination to Consultant, effective upon the date stated in the notice. If the City terminates the Agreement it will pay Consultant for all Services satisfactorily performed up to and including the effective date of the termination, subject to the provisions of Sections 2 and 8.2.

7. DEFAULT AND DISPUTE RESOLUTION.

7.1. Default. Consultant will be deemed in default of this Agreement if Consultant is not complying with the terms of this Agreement, or the City has reason to believe that Consultant’s ability to perform the Services has been or will be impaired. If either of these circumstances exist, the City may give written notice of default to Consultant and demand that the default be cured or corrected within ten days of the notice, unless the City determines that additional time is reasonably necessary to cure the default. If Consultant fails to cure the default within of the time specified in the notice, and the Consultant fails to give adequate written assurance of due performance within the specified time, then the City may terminate this Agreement in accordance with Section 6, or the City may pursue dispute resolution in accordance with Section 7.2.

7.2. Dispute Resolution. If any dispute arises between the parties in relation to this Agreement, the Authorized Representatives for each party will meet, in person, as soon as practicable, to engage in a good faith effort to resolve the dispute informally. If the parties are unable to resolve the dispute, in whole or in part, through informal discussions, the parties agree to participate in mediation. Notwithstanding the existence of a dispute, the Consultant will continue providing the Services during the course of any dispute, unless otherwise directed by the City.

7.2.1. Either party may give written notice to the other party of a request to submit a dispute to mediation, and a mediation session will take place within 60 days of the date that such notice is given, or sooner if reasonably practicable. The parties will jointly appoint a mutually acceptable mediator. The parties will share equally the costs of the mediator; however, each party will pay its own costs of preparing for and participating in the mediation, including any legal costs.

7.2.2. Good faith participation in mediation pursuant to this Section is a condition precedent to either party commencing litigation in relation to the dispute. In addition, any

claims by Consultant arising from or related to this Agreement, are subject to the claim presentation requirements in the Government Claims Act (Government Code section 900 et seq.).

8. INFORMATION AND RECORDS.

8.1. Confidentiality. Consultant will not disclose any information or records related to the performance of this Agreement, including information and records received from the City, as well as information and records created by the Consultant, to any person other than a City employee, unless and only to the extent that the City provides the Consultant with prior written consent to make a disclosure. Consultant will notify the City's Authorized Representative of any request for disclosure of information, or any actual or potential disclosure of information, under this Agreement. Consultant's obligations under this section will survive the termination of this Agreement.

8.2. Title to Records. All original documents or records ("**work product**"), whether paper or electronic, required by this Agreement to be prepared by Consultant (including its employees and subconsultants), whether complete or in progress, are the property of the City. Consultant will promptly deliver all such work product to the City at the completion of the Services, upon termination, or upon demand by the City. However, Consultant may make and keep copies of the work product.

8.3. Contract Cost Disclosure. For any document or report prepared in whole or in part by Consultant pursuant to this Agreement, Consultant will include the numbers and dollar amounts of related contracts or subcontracts as further specified by Government Code Section 7550.

8.4. Records of Performance. Consultant will maintain adequate records of performance under this Agreement (including Services provided, invoices for payment, and payments received) and make these records available to the City for inspection, audit, and copying, during the term of this Agreement and until four years after the Agreement has expired or been terminated.

8.5. Electronic Communications. Consultant will use reasonable good faith efforts to avoid transmitting electronic viruses or other damaging coding, and will promptly advise the City if Consultant discovers that an electronic virus or similar destructive coding may have been transmitted to the City.

8.6. Copyrights/Patents. In performing the Services under this Agreement, Consultant will not unlawfully infringe on any copyrighted or patented work. Consultant is solely responsible for the cost of any authorizations necessary to use any copyrighted or patented work.

9. ACCIDENT REPORT. If any death, personal injury, or property damage occurs in connection with the performance of the Services, Consultant will promptly submit to the

City Clerk's Office a written notice of the incident of damage with the following information:

9.1. A description of the damage including date, time, and location, and whether any City property was involved;

9.1.1. Name and contact information of any witness;

9.1.2. Name and address of the injured or deceased person(s); and

9.1.3. Name and address of Consultant's insurance company.

10. INDEMNIFICATION. To the full extent permitted by law, Consultant will indemnify, hold harmless, release, and defend the City (including its officers, elected or appointed officials, employees, volunteers, and agents) from and against any and all liability or claims (including actions, demands, damages, injuries, settlements, losses, or costs [including legal costs and attorney's fees]) (collectively, "**Liability**") of any nature, arising out of, pertaining to, or relating to Consultant's negligence, recklessness, or willful misconduct in the performance of this Agreement. Consistent with Civil Code Section 2782, Consultant will not be obligated to indemnify City for the proportionate share of the Liability caused by the City's active negligence, sole negligence, or willful misconduct. To the extent that Services are "design professional Services," as defined by Civil Code Section 2782.8, the cost to defend charged to the Consultant will not exceed the Consultant's proportionate percentage of fault. Consultant's indemnification obligations under this Agreement are not limited by any limitations of any insurance held by Consultant, including, but not limited to, workers' compensation insurance.

11. INSURANCE. Without limiting Consultant's indemnification obligations in section 10, Consultant will procure and maintain throughout the period of this Agreement, the following policies of insurance and endorsements from insurers (if other than the State Compensation Fund) with a current A.M. Best rating of no less than A:VII or its equivalent against injury/death to persons or damage to property which may arise from or in connection with the activities hereunder of Consultant, its agents, employees or subcontractors:

11.1. General Liability Policy. Comprehensive or Commercial General Liability Insurance ("**CGL**") at least as broad as Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001), in an amount of \$1,000,000 per occurrence. If the Services involve explosive, underground or collapse risks, XCU will be included. If a general aggregate limit is used, either the general aggregate limit will apply separately to this Agreement or the general aggregate will be twice the required occurrence limit.

11.2. Automobile Liability Policy. Automobile liability insurance with coverage at least as broad as ISO Form numbers CA 0001 06 92, Code 1 (any auto), for vehicles used in the performance of this Agreement with minimum coverage of not less than \$1,000,000 per accident, combined single limit.

11.3. Workers' Compensation. Workers' Compensation insurance meeting statutory limits of the Labor Code. The workers' compensation policy will contain or be endorsed to contain a waiver of subrogation against the City, its officials, officers, agents, and employees.

11.4. Professional Liability. Professional liability insurance insuring against Consultant's errors and omissions in performing the Services, with a policy limit of at least \$1,000,000. The professional liability insurance will include prior acts coverage sufficient to cover all Services provided by Consultant, and which will remain in effect for four years following expiration or termination of this Agreement.

11.5. Endorsements. The CGL and automotive liability policies will contain or be endorsed with the following provisions:

11.5.1. The City, its officers, elected or appointed officials, employees, volunteers, and agents, are covered as additional insureds for liability arising out of the operations performed by or on behalf of Consultant. The coverage will contain no special limitations on the scope of protection afforded to the City, its officers, officials, employees, volunteers, and agents.

11.5.2. The Consultant's insurance is primary and no insurance held by the City will be called upon to contribute to a loss. The inclusion of more than one insured will not operate to impair or limit the rights of one insured against another, and the coverage will apply as though separate policies have been issued to each insured.

11.6. All Policies.

11.6.1. For all insurance policies required under this Agreement, prior to the City's execution of this Agreement, Consultant will furnish the City with certificates and original endorsements effecting the required coverage. Each certificate of insurance will state that the coverage afforded by the policy or policies will not be reduced, cancelled, or allowed to expire without at least 30 days written notice to City, unless due to non-payment of premiums, in which case at least 10 days written notice is required. Notice required under this subsection will be sent by certified mail. Each required policy will include an endorsement providing that the insurer agrees to waive any right of subrogation it may have against the City. The endorsements will be on forms provided by City or as approved by City's Risk Manager.

11.6.2. Any deductible or self-insured retention of \$100,000 or more will be disclosed to the City prior to the City's execution of this Agreement and is subject to approval by the City.

11.6.3. If Consultant does not keep all required insurance policies in full force and effect, the City may, in addition to other remedies under this Agreement, terminate or suspend this Agreement.

12. CONFLICTS OF INTEREST. Consultant warrants that as of the Effective Date of this Agreement it has no interest and will not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of the Services. Consultant further warrants that in the performance of the Services, Consultant will not employ or enter into a subcontract with any person or entity having any such conflict of interest.

12.1. Financial Interest. Consultant will not make or participate in making or in any way attempt to use Consultant's position to influence a City decision in which Consultant knows, or has reason to know, Consultant has a financial interest other than the compensation promised by this Agreement. Consultant represents that it has diligently conducted a search and inventory of its financial interests, as defined in the regulations promulgated by the Fair Political Practices Commission, and has determined that Consultant does not, to the best of Consultant's knowledge, have a financial interest that would conflict with Consultant's duties under this Agreement. Consultant will immediately notify the City in writing if Consultant learns of a financial interest that may conflict with Consultant's obligations under this Agreement.

12.2. Covenant Against Contingent Fees. Consultant warrants that it has not employed, retained, or entered into a contract with any person or entity, other than a bona fide employee working for the Consultant, to solicit or secure this Agreement; and that it has not paid or agreed to pay any person or entity, other than a bona fide employee, any fee, commission, percentage, brokerage fee, gift, or any other consideration, contingent upon or resulting from the making of this Agreement. For breach or violation of this warranty, the City may void this Agreement without liability or any further obligation to Consultant, or, alternatively, may elect to deduct from payments due or to become due to Consultant, the full amount of such fee, commission, percentage, brokerage fee, gift, or other consideration.

12.3. Statement of Economic Interest. If the City determines Consultant (or any of its employees or subconsultants) is subject to disclosure requirements under the Political Reform Act (Government Code section 87100 et seq.), Consultant (including any required employees or subconsultants) will complete and file a "Statement of Economic Interest" (Form 700) with the City Clerk's Office disclosing Consultant's financial interests.

13. COMPLIANCE WITH LAW.

13.1. Legal and Licensing Compliance. Consultant will comply with all applicable federal, state and local laws, rules, and regulations related to the Services under this Agreement. Consultant represents and warrants to City that Consultant has and will keep in effect during the term of this Agreement all licenses (including, but not limited to, the City of Oroville business license), permits, qualifications, and approvals of whatsoever nature which are legally required for Consultant to practice Consultant's profession or perform the Services.

13.2. Nondiscrimination. At all times during the term of this Agreement, Consultant will comply with all applicable federal, state, and local laws, rules, and regulations prohibiting discrimination based on race, ethnicity, color, national origin, religion, marital status, age, sex, sexual orientation, disability (including any physical or mental impairment that substantially limits a major life activity), medical condition, or any protected class.

13.3. Taxes. Consultant will file tax returns as required by law and pay all applicable taxes on amounts paid pursuant to this Agreement. Consultant will be solely liable and responsible to pay such taxes and other obligations, including, but not limited to, state and federal income and FICA taxes.

13.4. Provisions Deemed Inserted. Every provision of law required to be inserted or referenced in this Agreement will be deemed to be inserted or referenced.

14. GENERAL PROVISIONS.

14.1. Headings. The heading titles for each section of this Agreement are included only as a guide to the contents and are not to be considered as controlling, enlarging, or restricting the interpretation of the Agreement.

14.2. Severability. If any term of this Agreement (including any phrase, provision, covenant, or condition) is held by a court of competent jurisdiction to be invalid or unenforceable, the Agreement will be construed as not containing that term, and the remainder of this Agreement will remain in full force and effect; provided, however, this section will not be applied to the extent that it would result in a frustration of the parties' intent under this Agreement.

14.3. Governing Law, Jurisdiction, and Venue. The interpretation, validity, and enforcement of this Agreement will be governed and interpreted in accordance with the laws of the State of California. Any suit, claim, or legal proceeding of any kind related to this Agreement will be filed and heard in a court of competent jurisdiction in the County of Butte.

14.4. Attorney's Fees. If any litigation is commenced to enforce or interpret this Agreement, the prevailing party is entitled to reasonable attorney's fees, costs, and expenses incurred.

14.5. Assignment and Delegation. This Agreement will not be assigned or transferred in whole or in part, nor will any of the Consultant's duties be delegated, without the City's prior written consent. Any attempt to assign, transfer, or delegate this Agreement, in whole or any part, without the City's prior written consent will be void and of no force or effect. Any consent by the City to one assignment, transfer, or delegation will not be deemed to be consent to any subsequent assignment, transfer, or delegation.

14.6. Modifications. This Agreement may not be amended or modified orally. No amendment or modification of this Agreement is binding unless it is in a writing signed by both parties.

14.7. Waivers. No waiver of a breach, default, or duty under this Agreement will be effective unless it is in writing and signed by the party waiving the breach, default, or duty. Waiver of a breach, default, or duty under this Agreement will not constitute a continuing waiver or a waiver of any subsequent breach, default, or duty under this Agreement.

14.8. Entire Agreement. This Agreement, including all documents incorporated herein by reference, comprises the entire integrated understanding between the parties concerning the Services. This Agreement supersedes all prior negotiations, agreements, and understandings regarding this matter, whether written or oral. The documents incorporated by reference into this Agreement are complementary; what is called for in one is binding as if called for in all. If any provision in any document attached or incorporated into this Agreement conflicts or is inconsistent with a provision in the body of this Agreement, the provisions in the body of this Agreement will control over any such conflicting or inconsistent provisions.

14.9. Interpretation. Each party to this Agreement has had an opportunity to review the Agreement, and to consult with its respective legal counsel regarding the meaning of the Agreement. Accordingly, Civil Code Section 1654 will not apply to interpret any uncertainty in the meaning of the Agreement.

15. SIGNATURES.

15.1. Counterparts. This Agreement may be executed in counterparts, each one of which is deemed an original, but all of which together constitute a single instrument.

15.2. Signatures. The individuals executing this Agreement represent and warrant that they have the right, power, legal capacity, and authority to enter into and to execute this Agreement on behalf of the respective legal entities of the Consultant and the City.

#####

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective on the Effective Date set forth below.

CITY:
CITY OF OROVILLE,
a California charter city

CONSULTANT:
Streamline Engineering Inc.
a corporation,

By: _____
Chuck Reynolds, Mayor

By: _____
Jeff Richelieu, President

ATTEST:

By: _____
Jackie Glover, City Clerk

Date: _____ (**“Effective Date”**)

APPROVED AS TO FORM:

Scott Huber, City Attorney

EXHIBIT “A”

SCOPE OF SERVICES AND SCHEDULE OF PERFORMANCE

1) SCOPE OF SERVICES. Consultant will perform the Services described in this Exhibit “A,” in accordance with the terms of the Agreement.

2) SCHEDULE OF PERFORMANCE.

a) REQUESTS FOR SERVICES. Upon request by City, Consultant will provide the Services described above, beginning and ending on dates as provided in the individual tasks orders. The Services will be provided for a variety of individual matters, as required by the City. Upon request by the City’s Authorized Representative for Consultant to perform Services for a particular matter, Consultant will provide a written estimate of the time within which Services for the matter will be completed, and the estimated cost for providing the requested Services. Following written authorization from the City’s Authorized Representative, Consultant will perform and complete the Services as specified in the written authorization. Consultant is not entitled to payment for any Services performed without a written authorization, or for Services that exceed the scope of a written authorization. For purposes of this Section, the written estimate and written authorization may be provided on paper or in an electronic form.

3) PREVAILING WAGE COMPLIANCE. If this Agreement includes work performed during the “design and preconstruction phases of construction” (including inspection or field surveying Services), as defined by “Prevailing Wage Laws” (as set forth in the California Labor Code, including section 1720 et seq.), the City hereby determines that those Services are “public works,” and this Agreement is subject to all applicable requirements of Chapter 1 of Part 7 of Division 2 of the Labor Code, and all related regulations, including requirements pertaining to wages, working hours, and workers’ compensation insurance, and the following provisions. Subconsultants performing “public works” under this Agreement are subject to all of the requirements of this Section.

4) PREVAILING WAGES. Consultant must comply with the prevailing wage requirements applicable in Butte County for each craft, classification, or type of worker needed to perform the Services, including employer payments for health and welfare, pension, vacation, and apprenticeship. The prevailing wage rates are on file with the City Engineer’s office and are also available online at <http://www.dir.ca.gov/DLSR>. Pursuant to Labor Code section 1775, Consultant will forfeit to City as a penalty up to \$200 for each calendar day, or portion of a day, for each worker paid less than the applicable prevailing wage rate, in addition to paying each such worker the difference between the applicable prevailing wage rate and the amount actual paid to the worker.

5) WORKING HOURS. Pursuant to Labor Code section 1810, eight hours of labor constitutes a legal day’s work. Pursuant to Labor Code section 1813, Consultant will forfeit to City as a penalty, the sum of \$25 for each day during which a worker employed by

Consultant is required or permitted to work more than eight hours during any one calendar day, or more than 40 hours per calendar week, unless such worker is paid overtime wages pursuant to Labor Code section 1815. All Services must be performed during City's regular business days and hours, except as otherwise specified in this Agreement or subject to City's prior written authorization.

6) PAYROLL RECORDS. Consultant must maintain certified payroll records in compliance with Labor Code sections 1776 and 1812, and any implementing regulations promulgated by the Department of Industrial Relations ("DIR"). For each payroll record, Consultant must certify under penalty of perjury that the information in the payroll is true and correct and complies with the requirements of Labor Code sections 1771, 1861, and 1815. Consultant must electronically submit certified payroll records as required by Labor Code section 1771.4(a).

7) APPRENTICES. If the total compensation payable under this Agreement is \$30,000 or more, Consultant must comply with the apprenticeship requirements in Labor Code section 1777.5.

8) COMPLIANCE. The Agreement is subject to compliance monitoring and enforcement by the DIR. Pursuant to Labor Code section 1725.5, Consultant must be registered with the DIR to perform public works projects, subject to any applicable exceptions, if any. Consultant must post all job site notices required by laws or regulations pursuant to Labor Code section 1771.4. Pursuant to Labor Code section 1861, by executing this Agreement, Consultant certifies as follows: "I am aware of the provisions of Labor Code 3700 which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing performance of the work on this contract."

EXHIBIT “B” COMPENSATION RATES AND CHARGES

1. AUTHORIZED HOURLY RATES:

Consultant will be compensated for time reasonably necessary to provide the Services based on the following hourly rate schedule, subject to the not-to-exceed limit in Section 2.1 of the Agreement. Specific personnel shall be identified in task orders.

Streamline Engineering

Engineering Personnel	Hourly Rate
Principal Civil Engineer	\$175.00
Engineering Technician	\$125.00
Principal Designer	\$125.00
Drafting Technician	\$75.00
Administrative	Hourly Rate
Administrative	\$ 75.00

2. AUTHORIZED EXPENSES AND RATES:

Consultant will be reimbursed for costs incurred to provide the Services only as follows and subject to the not- to-exceed limit in Section 2.1 of the Agreement:

<u>Expense:</u>	<u>Reimbursement Rate</u>
Black & White Copies 8.5 x 11	\$0.25 each
Black & White Copies 11 x 17	\$0.50 each
Black & White Prints 24 x 36	\$5.00 each
Mileage	\$0.75 / mile

Notwithstanding the requirements of Section 2.2 of the Agreement, the Consultant is not required to identify hourly rates for Services performed under this Agreement. Rather, the Consultant will submit invoices to the City based on completion of the “Performance Tasks” identified in task orders, for which, upon approval of completion by the City’s Authorized Representative, the City will pay the Consultant within 30 days after approval of each invoice the corresponding lump sum payment, as set forth in task orders subject to the not-to-exceed limit in Section 2.1 of the Agreement:



CITY OF OROVILLE STAFF REPORT

TO: MAYOR CHUCK REYNOLDS AND COUNCIL MEMBERS

FROM: RON BELSER, DIRECTOR OF CODE ENFORCEMENT

**RE: AUTHORIZATION TO TRANSFER CITY OF OROVILLE VEHICLE 34,
1991 FORD F-350 1 YARD DUMP TRUCK TO THE HOPE CENTER/CITY
WORKS PROGRAM.**

DATE:

SUMMARY

The Council will consider authorizing the transfer of City Vehicle 34, the 1991 Ford F350 pickup from Public Works to the Hope Center/City Works Program.

DISCUSSION

In December 2016 the City of Oroville entered into an agreement with the Hope Center creating the City Works program. The program is partially funded by the City of Oroville. The program has shown success by beautifying our city and helping City Works employees to better their lives, build confidence and take pride in work.

City Works is in much need of equipment to upsurge their work productivity. They currently have one truck that is used to haul the copious amounts of junk trash and debris abated from city properties and roadways and often use personal equipment for hauling. With this one-yard work truck they would have a larger load capacity, time savings and less trips to the dumping area.

It should also be noted the City's Ford is slated for auction and is not currently assigned to Public Works fleet.

When the transfer is complete, the Hope Center will take full ownership of this truck. All future registration responsibilities and maintenance would be the responsibility of the Hope Center.

RECOMMENDATION:

Authorize the transfer of City Vehicle 34, the 1991 Ford F350 pickup from Public Works to the Hope Center/City Works.

ATTACHMENTS:

Photograph of City of Oroville's Ford F-350 one-yard pickup.





CITY OF OROVILLE STAFF REPORT

TO: MAYOR REYNOLDS AND CITY COUNCIL MEMBERS

FROM: DAWN NEVERS, ASSISTANT COMMUNITY DEVELOPMENT DIRECTOR

RE: AUTHORIZATION TO RELEASE A REQUEST FOR PROPOSAL FOR TREE PRUNING SERVICES

DATE: MARCH 1ST, 2022

SUMMARY

The Council may provide direction to the City Administrator to release a Request for Proposal (RFP) for tree pruning services for City and public right of way trees.

DISCUSSION

The City of Oroville has been seeking a qualified tree worker for several years now. Receiving no qualified applicants, the City, approved by City Council in 2019 and 2020 published two Request for Proposals (RFP) for tree pruning services for trees within the City's public right of ways. This has happened the last two fiscal years. The RFP and tree pruning services provided relief to the Parks and Trees Department while eliminating many safety issues within the City's tree inventory. The City Arborist reviewed work performed and was satisfied with the work that was done.

To continue to improve the safety and overall health of our City Trees, staff is requesting permission to release an RFP for professional tree pruning services. See attached suggested RFP for additional details of Tree Pruning Services to be provided. Once the proposals are submitted staff will return to Council with a proposed contract for Council consideration.

FISCAL IMPACT

The funds in the amount of \$200,000 are budgeted in 2021/2022 Parks and Trees Operations Account No. 3112-6360 – Outside Services.

RECOMMENDATION

Authorize staff to release a Request for Proposal for tree pruning services for the City of Oroville.

ATTACHMENTS

Request for Proposal for Tree Pruning Services



CITY OF OROVILLE

**1735 MONTGOMERY STREET
OROVILLE, CALIFORNIA 95965
(530) 538-2401**

PARKS AND TREES

PROPOSAL

FOR

TREE PRUNING SERVICES

Bid Submission and Opening Date: March 31, 2022, at 2:00 PM

CITY OF OROVILLE

PUBLIC NOTICE

Sealed Proposal for the following are being accepted:

Tree Trimming Services

at the City Hall, 1735 Montgomery Street, Oroville, CA 95965 until March 31, 2022, 2:00 P.M., at which time they will be publicly opened and read.

A mandatory “Walk Through” of the project with a detailed explanation of expected level of services and specific criteria will be conducted on March 14, 2022 at 9am at 1735 Montgomery Street, City Council Chambers.

Bid specifications including bid proposal forms are available at City Hall - 1735 Montgomery Street, Oroville, CA 95965. Any questions should be directed to Wade Atteberry at (530) 693-0396.

BID FORM

Tree Trimming Services

TOTAL COST FOR SERVICES PER DAY		\$ _____.
All-inclusive Total Cost for Services per Day will be _____ (This entry must be written out)		

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

In case of a discrepancy between words and figures, the words shall prevail.

The undersigned hereby certifies that this bid is genuine and not a sham or collusive, or made in the interest of or in behalf of any person not herein named, and that the undersigned has not directly or indirectly induced or solicited any other bidder to put in a sham bid, or any other person, firm or corporation to refrain from bidding, and that the undersigned has not in any manner sought by collusion to secure for himself an advantage over any other bidder.

The City reserves the right to reject any or all bids. The City reserves the right to delete or award all or part of the bid.

It is agreed that this bid may not be withdrawn for a period of forty-five (45) days from the opening thereof.

The terms and conditions of the final contract when executed shall control and supersede anything herein to the contrary or inconsistent with such contract.

	_____ Company Name
Date	_____ Print Name
Area Code/Phone	_____ Signature

SPECIFICATIONS

For Tree Trimming Services

For City Street Trees and Public right of way Trees

SCOPE:

- A. The “City Representative” shall refer to the City’s Parks and Trees Supervisor, or his or her designee. The terms “Contract” shall refer to the contract entered between City and the selected Contractor.
- B. The Contractor shall take a proactive approach in correcting problems within the Contractors’ span of responsibility and control. Other problems and suggestions for improvements, both short and long term, must be submitted promptly to the City Representative for appropriate action.
- C. Contractor’s employees shall wear proper protective clothing, and their clothing shall bear their business name or be unmarked. When needed, the Contractor’s staff will utilize rain gear, rain boots, safety shoes, and other high visibility and protective equipment. All contracted employees while on the site shall exhibit a professional appearance. Contractor’s equipment and vehicles shall also be professional in appearance and be well maintained for safe operation.
- D. In order to submit a bid for Routine Work, the Contractor must have a maintenance yard in the Oroville Area, Shall have a Certified Arborist on Staff and have Ariel trucks in their work fleet
- E. Scheduled operations for residential zones shall commence no earlier than 7:00 A.M. and shall be completed each day no later than 6:00 P.M. The use of power equipment or other work close to residential areas that results in noises shall not be permitted before 8:00 AM or after 5:00 PM. Work along major arterial streets may be subject to additional time restrictions
- F. Any private property or City property damaged or altered in any way during the performance of the work under this contract shall be reported promptly to the City Representative and shall be rectified in an approved manner back to its condition prior to damage, at the Contractor's expense, within 72 hours. Any hazardous conditions noted, or seen, by the Contractor that have occurred by any means other than during the performance of the Contractor's work, whether by vandalism or any other means, shall be promptly reported to the City Representative. The Contractor is responsible for securing any immediate hazards with caution tape, safety cones, and/or barricades until a City Representative arrives to the location.

G. Contractor agrees to perform all work outlined in the Contract in such a manner as to meet all accepted standards for safe practices during the maintenance operation and to safely maintain stored equipment, machines, and materials or other hazards consequential or related to the work; and agrees additionally to accept the sole responsibility for complying with all City, County, State or other legal requirements including, but not limited to, full compliance with the terms of the applicable O.S.H.A., ANSI Z133 Safety Requirements and CAL E.P.A. Safety Orders at all times so as to protect all person, including Contractor's employees, agents of the City, vendors, members of the public or others from foreseeable injury, or damage to their property. Contractor shall cooperate fully with City in the investigation of any accident, injury or death occurring on City property, including a complete written report thereof to the City Representative within twenty-four (24) hours following the occurrence.

H. The Contractor will be permitted to reduce traffic to one through lane except on arterial or collector streets. On arterial or collector streets, the Contractor shall maintain traffic as directed by the City Representative. All traffic control shall conform to the requirements of the California Manual on Uniform Traffic Control Devices (CAMUTCD), Revision 3 for construction and maintenance work zones. Contractor at its own expense shall ensure proper signage, as approved by the City Representative, during lane closures. Traffic Control may include: lights, flares, signs, temporary railings, flag person(s), or other devices as required by the City Representative. It shall be the Contractor's responsibility to post no parking areas as required to perform work. Barricades can be provided by the City, if available, for pickup at the City Corporation Yard. Arrangements for signs and barricades can be made by verbal or written request to the City Representative five working days in advance of the need for signs and barricades. Full compensation for conforming to the requirements of this Section including Traffic Control shall be considered as included in the contract prices paid for the various items of work and no separate payment may be made.

I. Adjacent property and improvements shall be protected from damage and intrusion at all times during the execution of the work embraced herein. Any damage to adjacent properties shall be repaired or replaced by the Contractor at its sole expense. Work shall be carried out in a manner to avoid all conflicts with use of and access to adjacent properties.

J. During the progress of the work, if latent physical conditions are encountered at the site differing materially from those indicated in the Contract, or if unknown physical conditions of an unusual nature differing materially from those ordinarily encountered and generally recognized as inherent in the work provided for in the Contract are encountered at the site, the party discovering such conditions shall promptly notify the City Representative in writing of such specific differing conditions before they are disturbed and before the affected work is performed. Upon notification, the City Representative will investigate the conditions, and if the City Representative determines that the conditions materially differ and cause an increase or decrease in the cost or time required for the performance of the work under the Contract, an adjustment will be

made, and the Contract modified in writing accordingly. The City Representative will notify the Contractor of his determination if an adjustment of the Contract is warranted in writing. No Contract adjustment which results in a benefit to the Contractor will be allowed unless the Contractor has requested such in writing. No Contract adjustment will be allowed under provisions specified in this section for any effects on unchanged work.

K. Contractor shall invoice the City monthly in a form approved by the City representative. Invoicing shall include a detail of costs for work performed during the payment period, a summary of current invoice amounts, previous payments, and total payments to date. The Contractor shall provide monthly progress reports with the monthly invoices. These reports are to include the following information:

1. - Date of work performed
2. - Description of work performed
3. - Tree location (street address and side)
4. - Tree condition

L. Payment will be made for work satisfactorily completed as called for in the Contract. The City Representative shall inspect and notify the Contractor of any unsatisfactory work. Unsatisfactory work shall be corrected within 24 hours. Contractor or Contractor's representative shall meet with a representative from the City as requested by the City, during the life of the Contract, in order to inspect work performed. Full compensation for conforming to the work of these specifications shall be considered as included in the Contract unit prices, or the proposed hourly rates and material markup, and no further payment may be made thereof. The Contract rates shall include full compensation for furnishing all labor, materials, tools, equipment, and incidentals, and for doing all the work involved in completing the work as specified herein, and as directed by the City.

M. If City gives reasonable notice to Contractor, City may propose in writing changes to Contractor's work within the Scope of Services described. If Contractor believes any proposed change causes an increase or decrease in the cost, or a change in the schedule for performance, of the services, Contractor shall notify City in writing of that fact within five (5) days after receipt of written proposal for changes. Contractor may also initiate such notification, upon identifying a condition which may change the Scope of Services as agreed at the time of execution of this Agreement covering such Scope of Services. When and if City and Contractor reach agreement on any such proposed change and its effect on the cost and time for performance, they shall confirm such agreement in writing as an amendment to this Agreement. In the event the Parties cannot reach agreement as to the proposed change, at the City's sole discretion, Contractor shall perform such work and will be paid for labor, materials, equipment rental, etc., used to perform the work. City shall not be liable for payment of any changes in this section, nor shall Contractor be obligated to perform any such changes, except upon such written amendment or supplement; provided that if, upon City's written request, Contractor begins work in accordance with a proposed change, City

shall be liable to Contractor for the amounts due with respect to Contractor's work pursuant to such change, unless and until City notifies Contractor to stop work on such change. Any additional work requested once the not-to-exceed amounts for the term of the Contract have been reached will require a formal amendment to the Contract.

N. Rates shall include all direct and indirect costs. For labor or equipment not listed in the Bid Proposal which is needed to perform additional work, the hourly rate shall be agreed upon between the City and Contractor before the services are performed.

O. Routine work shall be scheduled with the City Representative and must be performed within the prescribed amount of time. It will be necessary to perform some of the assignments on weekends (Saturdays and Sundays) or during nighttime hours due to the location of the work to be performed. The necessity of this will be determined by the City Representative. Compensation for work completed on a weekend or at night will be in accordance with the State of California labor codes and based on normal working hour rates.

P. The Contractor shall have experience conducting routine and emergency tree services over the past five (5) years and shall be duly registered and licensed with either a C61-D49 or C27-D49 license in the State of California. The Contractor's employees shall be subject to the following minimum requirements, skills, abilities and knowledge:

1. • Demonstrated knowledge of tree care and related operations.
2. • Current licenses for operation of equipment utilized by such employee.
3. • Ability to operate and maintain equipment in accordance with the manufacturer's recommendations
4. • Mechanical ability to make required operator adjustments to the equipment being used.
5. • Knowledge of safety regulations as they relate to tree care and traffic control.
6. • At all times during contracted tree maintenance activities, the firm shall have work crews on site that have a foreperson who can effectively communicate with residents and receive and complete instructions given by City staff and proper authorities. The City has the right to determine crew size for all City tree work assignments.

Q. It will be the responsibility of the Contractor to provide all equipment and labor as necessary to perform the work described in these documents in a safe, efficient, aesthetically pleasing, and legal manner. All equipment, vehicles, and tools must be kept in a clean and safe condition as directed by OSHA at all times during the Contract. All vehicles that are used by the Contractor shall have the Contractor's company name, logo, and vehicle number on it. The Contractor shall always furnish and maintain sufficient equipment as necessary to perform the work of the Contract. Such equipment shall be subject to the inspection and approval of the City Representative. If the

contractor is unable to consistently provide the necessary equipment to perform the work, it may be considered a breach of the Contract.

R. For all Routine Work the Contractor shall, with City approval, aggregate or collect tree work that needs to be performed so that work is performed on a reasonable number of trees on the same day (a standard work day is considered at least 8 hours of field work) to maximize efficiency. All scheduled work shall be preapproved by the City Representative. The City intends to only schedule routine maintenance when the tree contractor crew can fill up a standard work day

S. Tree Trimming and Pruning Standards:

Trimming and pruning operations shall be coordinated with the City Representative and meet the most current editions of the following benchmark standards:

- American National Standards Institute (ANSI) A300 Pruning Standards
- ANSI Z133.1 Safety Standards
- ISA Best Management Practices: Tree Pruning

To ensure that pruning is appropriate for the species and tree/site conditions, it is important to have a clear understanding of the specific needs of the tree and the objectives for pruning. Pruning objectives include the following:

- Improve structural strength and reduce failure potential
- Provide clearance for pedestrians, vehicles, structures and low voltage utilities
- Improve safety and security for residents and visitors
- Repair structural damage from wind loading
- Improve aesthetic characteristics
- Reduce maintenance costs
- Prevent or mitigate a pest problem

Standard 1: All pruning cuts shall conform to ANSI A300 standards (Part 1: Pruning). Do not make flush cuts or leave branch stubs. Cuts shall be made outside the branch collar in a manner that promotes callous growth to cover wounds.

Standard 2: Not more than 25% of the crown shall be removed within an annual growing season. The percentage of foliage removed shall be adjusted according to age, health, and species considerations. Up to 30% crown removal may be accepted for *Ulmus parvifolia* or other special species after consultation with the City Arborist.

Standard 3: Pruning equipment shall be sharp and sized appropriately for the pruning cut. Chainsaws shall not be used to remove branches 2" or less in diameter. Avoid the use of any pruning and climbing equipment that may cause damage to bark tissue. Spikes (climbing spurs) shall not be used for climbing trees unless the tree is being removed. Pruning tools shall be treated with a disinfectant (such as Lysol) when pruning trees infected with a pathogen that may be transmitted (on tools) from one tree to another of the same species, such as elms (*Ulmus* spp.). Disinfectants should be used before and after pruning individual trees.

Standard 4: All persons engaged in tree pruning shall be familiar with each of the pruning types. Selection of the pruning type(s) shall be based on pruning objectives. Refer to publication ISA Best Management Practices Tree Pruning for descriptions of

pruning types. Clearance pruning that does not comply with Standard 2 shall be conducted only under the supervision of the City Arborist.

Standard 5: Heading cuts shall not be used when pruning mature trees, except in very limited cases with approval from the City Arborist. Whenever possible, use reduction cuts to reduce height and branch removal cuts (thinning cuts) to reduce branch end weights. When reduction and branch removal cuts are not possible (such as when interior lateral branches are not present) and tree hazard potential is high, then heading cuts may be needed, but their use should be minimized.

Standard 6: Clearance pruning shall be defined as to provide the following distances:

- Roadway- not less than 14' from road surfaces
- Sidewalk- not less than 7' from sidewalk surfaces
- Building- not less than 8' from vertical building surfaces
- Roofs and street lights- not less than 10' from building roof surfaces or street lamps
- Utility and telecom drop lines- not less than 2' or sufficient clearance to prevent service interruption and vascular tree growth onto wires

Standard 7: Wildlife Protection: Prior to the commencement of any work near any tree, each tree shall be visually surveyed, from all sides, for the sole purpose of detecting the presence of bird nests or wildlife of any type. If a nest is found and is determined to be active, there shall be no work of any type in the tree in which the nest is found without the written permission of the City's designated representative. At no time shall any nest or wildlife be removed from its location. If wildlife is accidentally displaced, the Contractor shall notify the City representative for assistance.

T. Prior to beginning City tree pruning, removal and maintenance work, the Contractor shall review with the City Representative various methods, tools, and work scheduling to be used on the project(s). Any structural weakness, decayed trunk or branches, split crotches or limbs and included bark discovered by the Contractor while trimming shall be reported to the City Representative for determination of action, as soon as it is discovered. When working on a tree, the Contractor shall be responsible for the removal of all vines entwined in the tree or around its trunk, and for the removal of sucker growth from tree trunks. Limbs over one inch in diameter shall be precut to prevent splitting or ripping bark. Removal from a tree of branches three and one-half inches (3.5") or larger in diameter shall be lowered by proper ropes to the ground. Potentially damaging limbs that can damage property must be rope lowered. Any damage caused by dropping limbs shall be repaired within three (3) days at the Contractor's expense and to the satisfaction of the City Representative. All debris resulting from tree pruning operations shall be removed from the work site daily. A work zone shall be established and maintained for each tree trimming or other operation. The Contractor shall use all appropriate methods used in the field of tree trimming and tree maintenance for establishing and maintaining such work zone. No person other than members of the Contractor's work crew may be allowed to enter such work zone. If any person enters such work zone, the Contractor shall immediately cease all work and operation of all equipment until the work zone is clear. The Contractor agrees to provide

the highest quality commercially accepted methods, procedures and controls for tree pruning, removal and maintenance consistent with the International Society of Arboriculture Pruning Standards (BMPs), ANSI A300 Standards and information in standard arboriculture industry references. This shall include the use of proper knowledge, skills, materials and equipment of a timely basis to maintain all areas in a clean, safe, healthy, and aesthetically acceptable manner during the entire term of the Contract. The Contractor shall furnish tree services by qualified arborists, site managers and tree worker crews to provide tree pruning, removal and maintenance activities that comply with this Specification. It will be the responsibility of the Contractor to provide all equipment, materials, and labor as necessary to perform the work described in these documents in a safe, efficient and legal manner.

U. Types of Tree Work

a. Pruning

i. Pruning for Structure:

Structural pruning is the removal of live branches and stems to influence the orientation, spacing, growth rate, strength of attachment and ultimate size of branches and stems. It is used on young and medium aged trees to help engineer a sustainable trunk and branch arrangement. It is used on large maturing trees to reduce certain defects and space main branches along one dominant trunk. This pruning type can be summed –up in the phrase: subordinate or remove codominant stems. This practice can limit the failure potential of included branch attachments. The maximum diameter of reduction cuts will be specified. Structural pruning is also the foundation for the following pruning types.

ii. Pruning to Raise:

Raising is the selective removal of branches to provide vertical clearance. Crown raising shortens or removes lower branches of a tree to provide clearance for buildings, signs, vehicles, pedestrians and views. Live crown ratio should be no less than 66% when raising is completed and some structural pruning is considered by the City to be part of this pruning. Clearance objectives are specified above in Tree Pruning Standard 6.

iii. Pruning to Clean:

Crown Cleaning or cleaning out is the removal of dead, diseased, detached and broken branches 1/2" or larger. This type of pruning is done to reduce the risk of falling branches and to reduce the risk of decay spreading into the tree from dead or dying branches. Cleaning is the preferred pruning method for mature trees. Cleaning removes branches with cracks that may be prone to fail. Care must be used to avoid stripping branches of too foliage at the interior of the tree crown. This practice which is known as "lion tailing" is unacceptable. The location and diameter of branches to be removed may be specified.

iv. Pruning to Reduce:

Crown Reduction is the selective removal of branches and stems to decrease the height and/or spread of a tree. This is done to minimize risk of failure, to reduce height or spread, to clear vegetation form buildings, structures or utilities. Crown reduction should be accomplished with reduction cuts, not heading cuts. While reducing a crown, tree workers must adhere to basic tree trimming practices involving limb/branch size relationships and use of the branch bark collar to avoid the onset of decay at cut sites

v. Pruning to Restore:

Crown Restoration is the selective removal of branches, sprouts and stubs from trees that have been previously topped, severely headed, lion tailed or otherwise damaged. One to three sprouts are selected for retention on trees with many sprouts originating at the tips of branches. Location and percentage of sprouts are specified

vi. Grid Pruning:

A Consists of pruning 7 or more trees located at the same or at consecutive street addresses. The term is used to reflect an economy of scale when pruning trees in one location and shall be reflected with bid pricing reduced from the single tree pruning bid price.

B Stump Grinding and Tree Removal Tree removal consists of the removal of the above ground portion of a hardwood tree or palm tree. Stump removal consists of the removal of the tree root crown and tree roots to a depth of 18" or until roots are no longer encountered and distances of at least 24" from the outer circumference of the tree stump or until roots are no longer encountered.

b. The Contractor shall comply with all general standards described herein.

i. The price given by the Contractor for tree removals shall be inclusive of all staff, materials and equipment necessary to remove trees as described herein

ii. The City is responsible for marking trees for removal so that they are easily identified for Underground Service Alert (USA) and the Contractor. The Contractor shall be required to contact USA at least 2 working days prior to stump grinding. The Contractor is hereby made aware that many trees in the downtown area are located adjacent to street lighting or other utilities within, which are within 12" of finished grade.

iii. The Contractor shall notify the City Representative in writing of any condition that prevents the removal of a tree and/or the removal of its root system. The Contractor shall take all responsibility for any damage that occurs once the process of removing a tree and/or associated root removal begins.

iv. The Contractor shall comply with wildlife protection standards described herein whenever removing a tree: The Contractor shall not remove any tree without first confirming that the tree being considered is indeed the tree to be removed. Any confusion should be resolved by contacting the City Arborist for assistance. The errant removal of trees shall be penalized up to but limited to the cost of the replacement.

v. During a tree removal, the Contractor shall maintain control of the tree and its parts at all times, which shall include the selection and use of proper techniques and equipment. At no time shall branches, limbs or tree trunks be allowed to freefall and create damage of any type. The Contractor will be held liable for loss of control incidents and shall pay for all damages and associated costs.

vi. Cranes and other rigging equipment shall be properly certified, with evidence of such available for inspection prior to use of said equipment in the City. Crane operators shall be certified by the National Commission for the Certification of Crane Operators (NCCCO) and shall display current certification prior to operating a crane in the City. The use of cranes and certified operators shall not result in additional charges to the City beyond the unit price for the work being performed (e.g., the price for tree removal).

vii. While loading and handling debris, the Contractor shall maintain control at all times so as not to result in damage to the public rights of way or private property. In

addition, the Contractor shall not drop logs or trunks as to create undue noise or shock impact related damages to public and/or private property.

viii. The Contractor shall be responsible for the repair of any private property including any irrigation system components damaged during a tree removal or stump grinding. Repairs shall be made using components matching those that were damaged.

c. Clean up and Debris Disposal

i. Contractor shall clean all job sites when work is completed and/or daily, including the raking of leaves, twigs, etc. from the lawns, street gutters, sidewalks and parkways and the sweeping or blowing of streets. Each day's scheduled work shall be completed and cleaned up and only under City approved emergency circumstances may any brush, leaves, debris or equipment be left on the street overnight. The City Representative shall be the sole judge as to the adequacy of the cleanup.

ii. Wood waste generated from tree removals shall be chipped. Diseased trees shall not be commingled with regular trees in the creation of wood chips. The disease-free chips shall be dumped and spread in specified locations in the City at the direction of the City Representative. It is the responsibility of the Contractor to appropriately dispose of diseased trees. Wood and branches not suitable for chipping may be dumped at the City Green Waste disposal site. All tree branches produced because of the Contractor's operations under the Contract will be reduced, reused, recycled, and/or transformed.

V. Non-City Maintained Trees

The Contractor shall NOT perform any work on non-City maintained trees without the direction from the City Representative. The Contractor shall NOT perform work for adjacent homeowners; all inquiries to this effect shall be forwarded to the City Representative.

X. Insurance Requirements

The City requires contractors to obtain and maintain insurance throughout the contract term, as described in the attached draft Contract for Routine Tree Services. The required insurance certificates must comply with all requirements described in and must be provided with the Contract. The City will award one contract for Routine Work to a responsive and responsible bidder, provided that the Bidder is determined to be qualified based on the requirements listed herein. In order to be determined responsive, a Bidder must respond to all requested information and supply all required information in this RFP. Any bid may be rejected if it is conditional, incomplete, or contain irregularities. Minor or immaterial irregularities in a bid may be waived. Waiver of an irregularity shall in no way modify this RFP nor affect recommendation for award of contract

Your proposal will require a returned signed copy of this Specification from the authorized submitter of the bid for this service:

Name of Company or Business

Printed Name of Signatory

Signature

Date



CITY OF OROVILLE STAFF REPORT

TO: MAYOR REYNOLDS AND CITY COUNCIL MEMBERS

**FROM: DAWN NEVERS, ASSISTANT COMMUNITY DEVELOPMENT
DIRECTOR**

**RE: CLARIFICATION FOR THE APPOINTMENT OF THE PART-TIME
ASSISTANT PLANNER POSITION**

DATE: MARCH 1, 2022

SUMMARY

The Council may receive information regarding the May 18, 2021 appointment of a part-time assistant planner.

DISCUSSION

In July of 2020, Housing and Community Development (HCD) release funding for the REAP grant program to allow regional entities to collaborate on projects that have a broader regional impact on housing.

City staff submitted a request a part-time Associate Planner for approximately 1-year for a cost of \$46,000. This Assistant Planner was to assist with expediting planning activities of processing applications that include conditional use permits, variances, subdivisions and design review to accommodate the development of housing.

On April 28, 2021, the City of Oroville received the Letter Agreement for the sub-allocated funds and on May 18th, 2021, staff requested approval to establish a budget for the part-time assistant planner.

The former student intern, now Assistant Planner, had interned with the City since September of 2019 and has performed at the level of an assistant planner. Staff asked to appoint, then student intern, as the part-time Assistant Planner.

SUMMARY

With the appointment, it was intended for the Assistant Planner to be an employee for the City of Oroville and be recognized by the Oroville City Employee Association, but to has his part-time wage covered by the REAP grant for a period of 1 year.

FISCAL IMPACT

No change. BCAG is suballocating the REAP funding to the City of Oroville for completion of the Project per the REAP grant application approved by HCD on January 26, 2021. Following the close-out of the REAP grant suballocation, the Assistant Planner wage will be covered within the Planning Division budget of the General Fund.

RECOMMENDATION

1. Accept the appointment of the part-time Assistant Planner as an employee of the City of Oroville and recognized by the Oroville City Employees Association effective May 18, 2021.

ATTACHMENTS

None



CITY OF OROVILLE STAFF REPORT

TO: MAYOR REYNOLDS AND CITY COUNCIL MEMBERS

**FROM: RUTH WRIGHT, ASSISTANT CITY ADMINISTRATOR,
ADMINISTRATIVE SERVICES**

RE: TRANSPARENCY SOFTWARE FOR BUDGETING

DATE: MARCH 1, 2022

SUMMARY

The Council may consider approving the authorization of software for digital budgeting with a portal for citizen transparency and engagement.

DISCUSSION

Staff is asking the Council to consider a powerful budgeting tool for both staff and citizens engagement. This tool would aid greatly in our budgeting process. Currently we are utilizing our software by exporting everything into excel and emailing the worksheets back and forth between departments. With this software everyone can log in to a central portal and enter their budget requests directly. There is also an outward facing component that will allow citizens to view the budget in greater detail than we are providing currently. Currently our budget is posted to our website as a pdf document.

This expenditure would qualify as an eligible expenditure of the Local Recovery Funds the City has been allocated. This allocation is over 4 million and has not been allocated yet.

FISCAL IMPACT

\$7,400 annual subscription services and a one-time setup cost of \$1,800 for a total of \$9,200 for the first year and \$7,400 for each subsequent year. Utilizing the Local Recovery Funds.

RECOMMENDATION

Approve the Mayor to sign a contract with ClearGov.

ATTACHMENTS

Software contract
Brief Product Summary



2 Mill & Main; Suite 630; Maynard, MA 01754

Service Order

Created by	Joe Eiskant
Contact Phone	607-760-0524
Contact Email	jeiskant@cleargov.com

Order Date	Feb 17, 2022
Order valid if signed by	Feb 18, 2022

Customer Information					
Customer	City of Oroville	Contact	Ruth Wright	Billing Contact	
Address	1735 Montgomery Street	Title	Finance Director	Title	
City, St, Zip	Oroville, CA 95965	Email	rwright@cityoforoville.org	Email	
Phone	530-538-2436			PO # (If any)	

To be clear, you will be billed as follows...		
Billing Date(s)	Amount(s)	Notes
Feb 18, 2022	\$1,800.00	One Time Setup Fee
Feb 18, 2022	\$7,400.00	Annual Subscription Fee
Additional subscription years and/or renewals will be billed annually in accordance with pricing and terms set forth herein.		

ClearGov will provide your Services according to this schedule...			
Period	Start Date	End Date	Description
Setup	Feb 18, 2022	Feb 18, 2022	ClearGov Setup Services
Initial	Feb 18, 2022	Feb 17, 2023	ClearGov Subscription Services

The Services you will receive and the Fees for those Services are...		
Set up Services		Tier/Rate
ClearGov Setup: Includes activation, onboarding and training for ClearGov solutions.		Tier 2
		\$ 1,800.00
		Total ClearGov Setup Service Fee - Billed ONE-TIME
		\$ 1,800.00
Subscription Services		Tier
ClearGov Digital Budget Book - Civic Edition		Tier 2
		\$ 7,400.00
		Total ClearGov Subscription Service Fee - Billed ANNUALLY IN ADVANCE
		\$ 7,400.00
Billing Terms and Conditions		
Valid Until	Feb 18, 2022	Pricing set forth herein is valid only if ClearGov Service Order is executed on or before this date.
Payment	Net 30	All invoices are due Net 30 days from the date of invoice.
Rate Increase	3% per annum	After the Initial Service Period, the Annual Subscription Service Fee shall automatically increase by this amount.

General Terms & Conditions	
Customer Satisfaction Guarantee	During the first thirty (30) days of the Service, Customer shall have the option to terminate the Service, by providing written notice. In the event that Customer exercises this customer satisfaction guarantee option, such termination shall become effective immediately and Customer shall be eligible for a full refund of the applicable Service Fees.
Statement of Work	ClearGov and Customer mutually agree to the ClearGov Service activation and onboarding process set forth in the attached Statement of Work.
Taxes	The Service Fees and Billing amounts set forth above in this ClearGov Service Order DO NOT include applicable taxes. In accordance with the laws of the applicable state, in the event that sales, use or other taxes apply to this transaction, ClearGov shall include such taxes on applicable invoices and Customer is solely responsible for such taxes, unless documentation is provided to ClearGov demonstrating Customer's exemption from such taxes.
Term & Termination	Subject to the termination rights and obligations set forth in the ClearGov Service Agreement, this ClearGov Service Order commences upon the Order Date set forth herein and shall continue until the completion of the Service Period(s) for the Service(s) set forth herein. Each Service shall commence upon the Start Date set forth herein and shall continue until the completion of the applicable Service Period.
Auto-Renewal	After the Initial Period, the Service Period for any ClearGov Annual Subscription Services shall automatically renew for successive annual periods (each an "Annual Term"), unless either Party provides written notice of its desire not to renew at least sixty (60) days prior to the end of the then current Annual Term.

Agreement	Item 7. This ClearGov Service Order shall become binding upon execution by both Parties. The signature herein affirms your commitment for the Service(s) ordered in accordance with the terms set forth in this ClearGov Service Order and also acknowledges that you have read and agree to the terms and conditions set forth in the ClearGov Service Agreement found at the following URL: http://www.ClearGov.com/terms-and-conditions . This Service Order incorporates by reference the terms of such ClearGov Service Agreement.
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Customer	
Signature	
Name	Ruth Wright
Title	Finance Director

ClearGov, Inc.	
Signature	
Name	Bryan A. Burdick
Title	President

Please e-mail signed Service Order to Orders@ClearGov.com or Fax to (774) 759-3045

Statement of Work

This Statement of Work outlines the roles and responsibilities by both ClearGov and Customer required for the activation and onboarding of the ClearGov Service. ClearGov will begin this onboarding process upon execution of this Service Order. All onboarding services and communications will be provided through remote methods - email, phone and web conferencing.

ClearGov Responsibilities

- ClearGov will activate ClearGov Service subscription(s) as of the applicable Start Date(s). ClearGov will create the initial Admin User account, and the Customer Admin User will be responsible for creating additional User accounts.
- ClearGov will assign a Client Success Manager (CSM) responsible for managing the activation and onboarding process. ClearGov CSM will coordinate with other ClearGov resources, as necessary.
- ClearGov CSM will provide a Kickoff Call schedule to Customer's Primary Contact - to be scheduled within two weeks after the Service Order has been executed.
- ClearGov will provide Customer with financial data requirements and instructions, based on the ClearGov Service subscription(s). If necessary, ClearGov will set up a Data Discovery call to assist with such requirements/instructions.
- ClearGov will review financial data files and confirm that data is complete, or request additional information, if necessary. Once complete financial data files have been received, ClearGov will format the data, upload it to the ClearGov platform and complete an initial mapping of the data.
- After initial mapping, ClearGov will schedule a Data Review call with a ClearGov Data Onboarding Consultant (DOC), who will present how the data was mapped, ask for feedback and get answers to open questions. Depending upon Customer feedback and the complexity of data mapping requests, there may be additional follow up calls or emails required to complete the data onboarding process.
- ClearGov will make Customer aware of all training, learning and support options. ClearGov recommends all Users attend training sessions and/or read Support Center articles before using the ClearGov Service to ensure a quick ramp and success. As needed, ClearGov will design and deliver one customized remote training session for Admins and one for End Users - via video conference - and these sessions will be recorded for future reference.
- ClearGov will make commercially reasonable efforts to complete the onboarding process in a timely fashion, provided Customer submits financial data files and responds to review and approval requests by ClearGov in a similarly timely fashion. Any delay by Customer in meeting these deliverable requirements may result in a delayed data onboarding process. Any such delay shall not affect or change the Service Period(s) as set forth in the applicable Service Order.

Customer Responsibilities

- Customer's Primary Contact will coordinate the necessary personnel to attend Kickoff Call within two weeks after the Service Order has been executed. If Customer needs to change the date/time of the Kickoff Call, the Primary Contact will notify the ClearGov CSM at least one business day in advance.
- Customer will provide requested financial data files (revenue, expense, chart of accounts, etc.) to ClearGov in accordance with the requirements provided by ClearGov.
- Customer's Primary Contact will coordinate the necessary personnel to attend the Data Review call. It is recommended that all stakeholders with input on how data should be mapped should attend. Based on the Data Review call and any subsequent internal review, Customer shall provide a detailed list of requested changes in a timely manner, and Customer will approve the final data mapping, once completed to Customer's satisfaction.
- Customer shall be solely responsible for inputting applicable text narrative, custom graphics, performance metrics, capital requests and personnel data and other such information for budget books, projects, dashboards, etc.

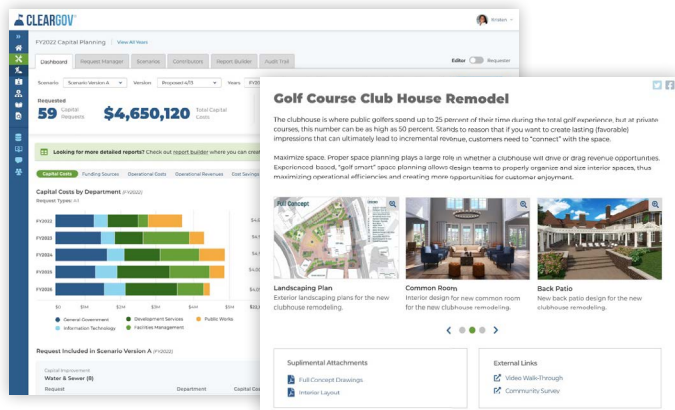
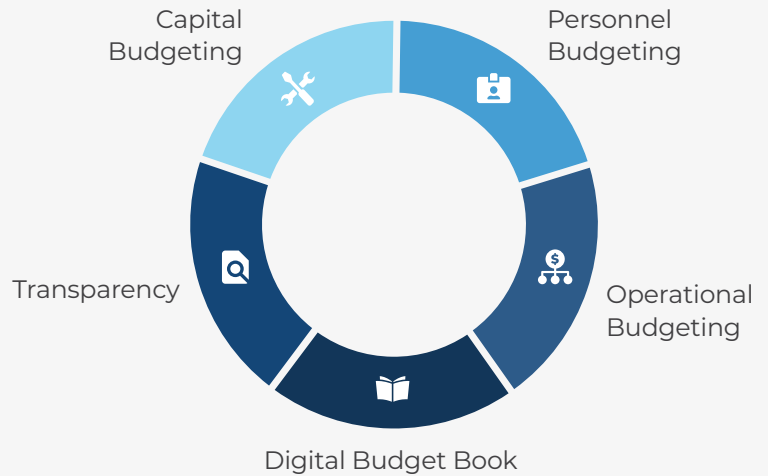
Budget Cycle Management Suite

PRODUCT BRIEF



Local governments have faced the same challenges and limitations for years as they navigate their budget cycles using spreadsheets. The reality is that spreadsheets do not adequately address the unique needs of building different types of budgets, communicating those budgets, and maintaining transparency year-round.

ClearGov's cloud-native Budget Cycle Management suite provides efficiency at every step of the process so you can budget better. Our financial solutions are easy-to-use, complement existing ERP and accounting systems, and automatically deliver website-based results that your community and stakeholders will appreciate.



Capital Budgeting

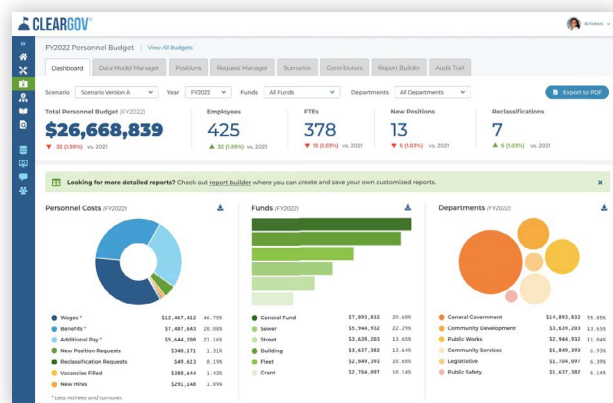
Automate the way you collect capital requests and prioritize projects to streamline your CIP process.

- Eliminate manual spreadsheet work with web-based request forms and scenario planning tools.
- Collaborate with contributors directly in the budget - the audit trail is automatic.
- Effortlessly produce professional, website-based project pages to share with the public.

Personnel Budgeting

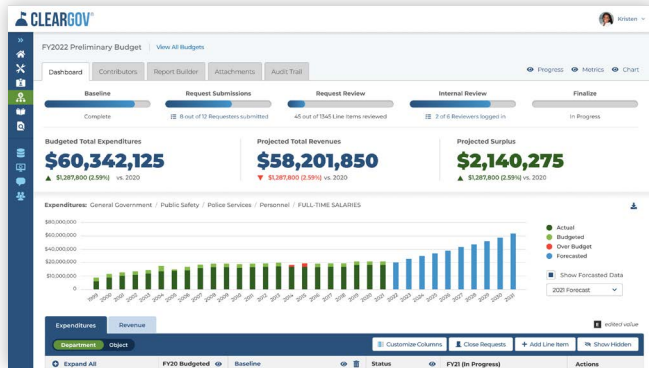
Build your personnel budget with powerful cloud-native tools that ensure you've calculated every layer of cost.

- Easily manage salaries, benefits, vacancies, and inform union negotiations from one dashboard.
- Plan future scenarios and analyze how each impacts your budget at multiple levels.
- Streamline position requests from department heads and easily include them in your plan.



Budget Cycle Management Suite

PRODUCT BRIEF



Operational Budgeting

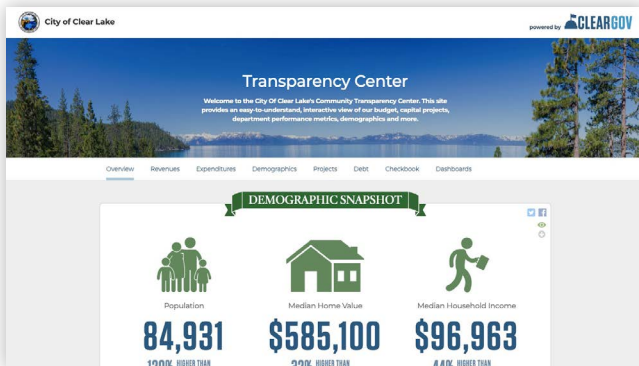
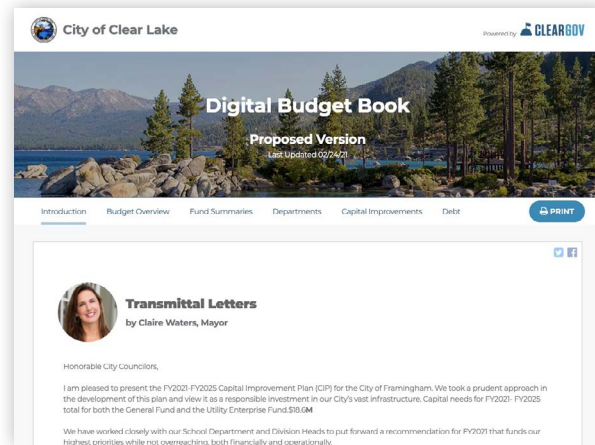
Eliminate spreadsheet errors and version control issues with cloud-native budgeting.

- Build your budget with ease as requests flow in from departments automatically for approval.
- Create AI-driven forecasts for long-term planning or use as a baseline for your budget.
- Collaborate with contributors as you edit line items - the audit trail is automatic.

Digital Budget Book

The industry's first website-based solution that builds a budget book in a fraction of the time.

- Automate the creation of fund summary pages, charts, tables and more.
- Invite contributors to create new pages quickly with easy-to-use templates.
- Meet GFOA award criteria with built-in guidelines.
- Share online or print with just one click.



Transparency

Tell your financial story in a way everyone can understand, and that's ADA-optimized by design.

- This turnkey, website-based solution is pre-populated with state-available data using dynamic infographics.
- Customize your profile with charts, department pages, and commentary to build community trust.
- Add narrative to the numbers that help stakeholders understand your finances and performance.



"From start to finish, ClearGov Budget Cycle Management is a suite that's well thought out. They clearly did their homework and did a great job integrating all of the products. ClearGov software is worth more than what we're paying for it!"

-Brandon Neish, Finance Director, Sweet Home, OR



CITY OF OROVILLE STAFF REPORT

TO: MAYOR REYNOLDS AND COUNCIL MEMBERS

FROM: RON BELSER, DIRECTOR OF CODE ENFORCEMENT

RE: AMENDMENT AGREEMENT WITH HOPE CENTER (CITY WORKS)

DATE: MARCH 1, 2022

SUMMARY

The Council will consider reviewing the Agreement with the Hope Center, City Works Program to continue to provide services to the City of Oroville and to increase the budget for the City Works Program.

DISCUSSION

The City of Oroville and the Hope Center are in an agreement to fund the City Works Program and has been so since December 2016. The City of Oroville and the Hope Center have met and continue to meet all the guidelines under this agreement. After a 6-year period it is time to reexamine this agreement. The Hope Center has seen an increase in operating cost for fuel, equipment, supplies and vehicle maintenance. As a result of changes in the State of California minimum wage laws and the fact the Hope Center had to reclass their contract employees to employees there has been a significant increase in payroll expenses. I am requesting to increase the current annual budget of this program from \$15,000 to \$30,000. The partnership with the City of Oroville and the Hope Center is a proven successful program that is necessary for the betterment of our city and the betterment of the Hope Center's employees.

FISCAL IMPACT

\$30,000.00

RECOMMENDATION

Adopt Resolution No. 9028 - A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO AMEND THE AGREEMENT WITH **HOPE CENTER (CITY WORKS)** TO CONTINUE TO PROVIDE SERVICES TO THE CITY OF OROVILLE. (Agreement 3204-1)

ATTACHMENTS

AGREEMENT 3204
AGREEMENT 3204-1

RESOLUTION 9028



**CITY OF OROVILLE
PUBLIC SAFETY DEPARTMENT**

2055 LINCOLN STREET • OROVILLE, CALIFORNIA 95966-5385

**BILL F. LAGRONE
DIRECTOR OF PUBLIC SAFETY
(530) 538-2451**



AGREEMENT FOR COMMUNITY CLEANING AND WEED ABATEMENT PROJECTS BETWEEN

CITY OF OROVILLE

AND

THE HOPE CENTER

This is an agreement between the City of Oroville (Hereinafter referred to as "City"), and The Hope Center (Hereinafter referred to as "Service Provider"). In consideration of the services rendered, the sum to be paid and each and every covenant and condition contained herein, the City and Service Provider agree as follows:

RECITALS

- A. SERVICE PROVIDER is experienced and competent to perform the services which will be required by this Agreement under the terms and conditions described herein.
- B. SERVICE PROVIDER possess the skill, the experience, ability, background and knowledge to provide the services described in this Agreement under the terms and conditions described herein.
- C. CITY desires to retain SERVICE PROVIDER to render professional services as set forth in the Agreement.

1. Definitions

- A. "Community Cleaning": Community Cleaning includes, but is not limited to, activities such as those listed in Attachment A.
- B. "Weed Abatement": Weed Abatement includes, but is not limited to, activities such as those listed in Attachment A.
- C. "Community Cleaning / Weed Abatement Program": Any effort, or collection of efforts, focused on Community Cleaning / Weed Abatement, as defined above.

2. TERMS & TERMINATION of AGREEMENT- This agreement shall take effect October 15, 2016 and shall continue unless terminated by either party at any time with thirty (30) days written notice.

3. COMPENSATION-

- a. Compensation rates as are set forth in Attachment B and incorporated herein by this reference
- b. At or near the end of each month, SERVICE PROVIDER shall submit to CITY an invoice for serviced provided during the preceding month. The invoice shall include a brief description of the work performed, the dates of work, the number of hours worked, location of work performed, and payments. City shall pay the invoice within 30 days of its receipt.
- c. In no event shall the total compensation and cost payable to SERVICE PROVIDER under this Agreement exceed the sum of Fifteen Thousand Dollars (\$15,000.00) unless specifically approved in advance and in writing by the CITY.

4. STATUS OF RELATIONSHIP- It is the intent of both parties under this agreement that SERVICE PROVIDER, its agents and employees, shall be independent contractors and not relationship between the parties to this agreement.

5. INDEMNIFICATION – SERVICE PROVIDER shall indemnify the CITY as follows: Indemnitor shall defend, indemnify, save and hold harmless Indemnatee, its officers, agents, and employees against any and all cost, losses, liabilities, expenses (including reasonable attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred in connection with any claims arising out of the performance of this Agreement, unless the claim arises from the gross negligence or willful misconduct of Indemnatee as determined by the Court or other forum of competent jurisdiction. The Indemnitor's duty to defend, indemnify, save and hold harmless indemnatee shall arise immediately upon tender of any matter or claim potentially covered by the indemnitor's obligation to defend, indemnify, and save and hold harmless indemnatee under this Agreement.

The provision shall be in addition to any rights to defense, being held harmless, and/or indemnification that indemnatee may have under the laws and shall survive and remain in effect following the termination of this Agreement. Should any part of this provision be determined to be unenforceable, the parties agree that the remainder of the provision shall apply to the maximum extent permitted by law.

6. INSURANCE –

- a. SERVICE PROVIDER, at SERVICE PROVIDER's own cost and expense, shall procure and maintain, for the duration of the contract, the following insurance policies.
 - i. Workers' Compensation Coverage. SERVICE PROVIDER shall maintain Workers' Compensation Insurance and Employer's Liability Insurance for his/her employees, if any, in accordance with the laws of the State of California. In addition, SERVICE PROVIDER shall require each subcontractor to similarly maintain Workers' Compensation Insurance and Employer's Liability Insurance in accordance with the laws of the State of California for all of the subcontractor's employees. Any notice of cancellation of all Workers' Compensation policies must be received by the CITY at least thirty (30) days prior to such change. SERVICE PROVIDER shall provide thirty (30) days written notice of nonrenewal of any Workers' Compensation policies. The insurer shall agree to waive all rights of subrogation against City, its officers, agents, employees and volunteers for losses arising from work performed by SERVICE PROVIDER for CITY.
 - ii. General Liability Coverage. SERVICE PROVIDER shall maintain commercial general liability insurance no less broad than ISO form CG 00 01 in an amount not less than one million dollars (1,000,000.00) per occurrence for bodily injury, personal injury and property damage.
 - iii. Automobile Liability Coverage. SERVICE PROVIDER shall maintain automobile liability insurance of \$500,000.00 and Umbrella Policy \$500,000.00 (Combined \$1,000,000.00 coverage)
- b. Endorsements. Each general liability and automobile liability insurance policy shall be with insurers possessing and AM Best's rating of no less than A: VII and shall name the City as an additional insured.
- c. Deductibles and Self-Insured Retentions. The SERVICE PROVIDER shall be responsible for all deductibles in all of SERVICE PROVIDER's insurance policies.
- d. Certificates of Insurance. SERVICE PROVIDER shall provide certificates of insurance with original endorsements to City as evidence of the insurance coverage required herein. SERVICE PROVIDER shall not commence work under this contract until all insurance required under this section has been approved by CITY as to form, amount and carrier, nor shall SERVICE PROVIDER allow any subcontractor to commence work on any subcontract until all similar insurance required and reasonably consistent limits of the subcontractor has been so obtained and approved.

7. DISPUTE RESOLUTION – The parties agree that any and all disputes, claims or controversies arising out of or relating to this Contract shall be filed in Butte County Superior Court or in the U.S. District court, Eastern District of California. The parties may elect to submit the dispute, claim or controversy to mediation upon mutual agreement of the Parties.

8. **ATTORNEYS' FEES-** In the event of any controversy, claim or dispute between the parties hereto arising out of or relating to this Agreement or the interpretation, performance, or breach thereof, the prevailing party shall be entitled to recover from the other party reasonable fees and expenses (including attorneys' fees) and cost incurred therein or in the enforcement or collection of any judgment or award rendered therein.



Larry Haden, Hope Center



Date



Bill LaGrone, City of Oroville



Date

ATTACHMENT A

SCOPE OF WORK

The scope of this work for this Agreement includes, without limitation, the following task:

1. City Park grounds keeping such as weeding, watering, cleaning (to include restrooms) and any other function mutually agreed upon for care of park facility
2. Street gutter cleaning to include the removal of debris, weeds, or buildup of excess of dirt
3. Alley maintenance to include weed removal, debris removal and any other activity mutually agreed upon
4. Fire Department weed abatement projects
5. City owned property weed abatement projects
6. Graffiti removal
7. Public area/ Public Parking lot clean up
8. Any other duty that would benefit the City of Oroville and be mutually beneficial and agreeable to the Hope Center

ATTACHMENT B

APPROVED FEE SCHEDULE

This Contract Shall NOT exceed \$15,000.00

- | | |
|---|-----------------------------|
| 1. One (1) Supervisor and One (1) Worker | \$32.00 per hour |
| 2. One (1) Supervisor and Two (2) Workers | \$42.00 per hour |
| 3. Each additional Worker | \$10.00 per hour per Worker |

**CITY OF OROVILLE
RESOLUTION NO. 9028**

A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO AMEND THE AGREEMENT WITH HOPE CENTER (CITY WORKS) TO CONTINUE TO PROVIDE SERVICES TO THE CITY OF OROVILLE.

(Agreement 3204-1)

NOW, THEREFORE, BE IT RESOLVED by the Oroville City Council as follows:

1. The Mayor is hereby authorized and directed to execute an amended agreement with the Hope Center (City Works). A copy of the amended agreement is attached hereto.
2. The City Clerk shall attest to the adoption of this Resolution.

PASSED AND ADOPTED by the City Council of the City of Oroville at a regular meeting on March 01, 2022, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Chuck Reynolds, Mayor

APPROVED AS TO FORM:

ATTEST:

Scott E. Huber, City Attorney

Jackie Glover, Assistant City Clerk

**AMENDMENT TO AGREEMENT NO. 3204
BETWEEN THE CITY OF OROVILLE AND HOPE CENTER (CITY WORKS).**

(Agreement No. 3204)

This First Amendment ("Amendment") dated February 2, 2022, is to Agreement No. 3204 between the City of Oroville and the Hope Center. In consideration of the terms and conditions herein, the City of Oroville and the Hope Center agree that Agreement No. 3204 shall be amended as follows:

1. Increase the current budget from \$15000 per year to \$30000 per year.

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

CITY OF OROVILLE

THE HOPE CENTER

By: _____
Mayor Chuck Reynolds

By: _____

APPROVED AS TO FORM:

ATTEST:

By: _____
Scott Huber, City Attorney

By: _____
Jackie Glover, Assistant City Clerk



CITY OF OROVILLE STAFF REPORT

TO: MAYOR REYNOLDS AND COUNCIL MEMBERS

**FROM: RUTH WRIGHT, FINANCE DIRECTOR
CONNOR MUSLER, ASSISTANT PLANNER**

**RE: PUBLIC HEARING FOR ANNEXATION OF TERRITORY INTO THE
CITY'S ASSESSMENT DISTRICTS**

DATE: MARCH 1, 2022

SUMMARY

The City previously formed several maintenance districts to serve as a funding source to pay for the maintenance and servicing of certain improvements within certain residential housing tracts located throughout the City. The Consolidated Landscape and Lighting Maintenance Assessment District (the "LLMAD") funds landscape and lighting improvements; the Consolidated Benefit Assessment District (the "BAD") that funds drainage and storm water improvements and related services. The City also manages Community Facilities District No. 2006-1 and Community Facilities District No. 2006-2 (the CFD's"). Those Districts provide fire, police and emergency services facilities and services, respectively. The Council will conduct a public hearing to finalize the annexation of the Village at Ruddy Creek development into these assessment districts.

DISCUSSION

At the January 4, 2022 City Council meeting, Council adopted Resolutions of Intent, which accomplished several things, including the authorization to mail assessment ballots to the property owner of the Ruddy Creek development, and established the date for tonight's public hearing.

On January 6, assessment ballots were mailed. Proposition 218, which governs any new or increased assessments, requires a 45 day waiting period between the time the ballots are mailed and the public hearing. Proposition 218 also allows for a waiver of that waiting period, so long as a waiver is signed by 100% of the property owners within the proposed Annexation. The Village at Ruddy Creek has a single property owner and the appropriate waiver was signed. It is included as an attachment.

Tonight, we are here to finalize the process to annex the Ruddy Creek development

into the LLMAD, BAD and the two CFD's (2006-1 and 2006-2).

Below are the steps required to annex the development into the LLMAD and the BAD:

1. Adopt a City Council Resolution to Initiate Proceedings
2. Approve an Engineer's Report for the Annexation
3. Send Assessment Ballot(s) and Notice(s) to all property owners in the Annexation
4. Conduct a Public Hearing
5. Tabulate returned Assessment Ballots
6. Adopt a City Council Resolution Ordering the Annexation

Steps 1 and 2 above were addressed at the January 4th Council meeting. Step 3 was completed on January 6th. The remaining steps will be addressed tonight.

The requirements for annexing the development into the CFD's include the following steps:

1. Adopt a City Council Resolution Announcing Intent to Annex
2. Send Property Owner Ballot(s) and Notice(s)
3. Create and record annexation boundary maps
4. Conduct a Public Hearing
5. Tabulate returned Ballots
6. Adopt a City Council Resolution of Annexation
7. Adopt a City Council Resolution Announcing Results of a Ballot Procedure
8. Record Notice of Special tax Lien

Step 1 above was accomplished at the January 4th Council meeting. Step 2 was completed on January 6th. Step 3 was completed on February 4th. Steps 4 through 7 will be addressed tonight and the final step will be completed within 15 days of tonight's meeting.

FISCAL IMPACT

There is no fiscal impact to the City. Districts are designed to pay for themselves and there should be no impact on the City's General Fund.

RECOMMENDATION

1. Open the Public Hearing and accept any testimony
2. Close the Public Hearing – Discussion – Tabulate Ballots – Announce Results
3. Adopt Resolution No. 9030 Ordering the Annexation for the LLMAD
4. Adopt Resolution No. 9029 Ordering the Annexation for the BAD
5. Adopt Resolution No. 9031 Declaring Results of Special Election for CFD 2006-1
6. Adopt Resolution No. 9032 Declaring Results of Special Election for CFD 2006-2

7. Adopt Resolution No. 9033 Authorizing the Levy of Special Taxes for CFD 2006-1
8. Adopt Resolution No. 9034 Authorizing the Levy of Special Taxes for CFD 2006-2

ATTACHMENTS

Resolutions

Engineer's Reports (LLMAD & BAD)

Signed Waiver and Consent form (Appendix C in Engineer's Reports)

Sample Notice of Special Tax Lien to be Recorded with the Clerk-Recorder

**CITY OF OROVILLE
RESOLUTION NO. 9029**

A RESOLUTION OF THE CITY COUNCIL APPROVING THE ENGINEER'S REPORT AND ORDERING THE ANNEXATION OF TERRITORY INTO THE CITY'S CONSOLIDATED BENEFIT ASSESSMENT DISTRICT AND THE LEVY AND COLLECTION OF ASSESSMENTS FOR FISCAL YEAR 2022/23

WHEREAS, the City Council of the City of Oroville has, by previous Resolutions, initiated proceedings and declared its intention to annex territory (the "Annexation" or "Ruddy Creek") into the Consolidated Benefit Assessment District (the "District"), and the levy and collection of annual assessments pursuant to the terms of the "Benefit Assessment Act of 1982" , Section 5 of the California Government Code, beginning with Section 54703 (the "1982 Act"), and the provisions of Section 53753 of the California Government Code, and Chapter 1, Article 4 of the Act and the provisions of the California Constitution Article XIID ("Proposition 218");

WHEREAS, at this time all notice and Public Hearing requirements as required by the 1982 Act and Proposition 218 have been met relating to the Annexation and annual levy of assessments; and,

WHEREAS, the City Council has received and reviewed the Engineer's Report (the "Report") regarding the Annexation of the Village at Ruddy Creek and is satisfied with the assessments, diagram and all other matters as contained in the Report for final consideration and approval; and,

WHEREAS, the City Council has set Tuesday, March 1, 2022 as the time and place for the public hearing on the matter of the proposed Annexation and levy of annual assessments; and,

WHEREAS, the assessments are in compliance with all laws pertaining to the levy of District assessments; said assessments are levied without regard to property valuation and are in compliance with the provisions of Proposition 218 as the Annexation was approved by 100% of the property owners casting ballots at the time of the Annexation; and,

NOW, THEREFORE, IT IS HEREBY RESOLVED, by the City Council of the City of Oroville:

1. That the foregoing recitals are true and correct.
2. This City Council hereby finds and determines that the procedures for the annexation of territory and levy of assessments therein have been undertaken in accordance with the 1982 Act and Proposition 218.
3. The public hearing has been duly held and, after the tabulation of returned assessment ballots, it has been determined there is no majority protest, as defined in Proposition 218.

4. The Annexation and diagram for the proceedings, are hereby approved and confirmed.

Based upon the Report and the testimony and other evidence presented at the Public Hearing, the City Council hereby makes the following determinations regarding the proposed Annexation:

- The proportionate special benefit derived by each assessed parcel has been determined in relationship to the entirety of the cost of the operations, maintenance and servicing of the improvements.
- The assessments do not exceed the reasonable cost of the proportional special benefit conferred on each parcel.
- Only special benefits have been assessed.

The assessments for the Annexation into the District, as contained in the Report for Fiscal Year 2022/23 are hereby confirmed and are levied upon the assessable parcels within the Annexation in the amounts set forth therein.

5. The public interest and convenience requires and this legislative body does hereby order the maintenance work to be performed as said maintenance work is set forth in the Report and as previously declared and set forth in the Resolution of Intention.

6. The above referenced Report shall be filed in the Office of the City Clerk and shall remain open for public inspection.

7. The County Auditor shall enter onto the County Assessment roll, opposite each assessable parcel, the amount assessed thereupon, as shown in the Report.

8. The assessments shall be collected at the same time and in the same manner as County taxes are collected and all laws providing for the collection and enforcement of County Taxes shall apply to the collection and enforcement of the assessments.

9. The assessments as above authorized and levied for these proceedings will provide revenue for District purposes related to the fiscal year commencing July 1, 2022 and ending June 30, 2023.

PASSED AND ADOPTED by the Oroville City Council at a regular meeting held on March 1, 2022, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Chuck Reynolds, Mayor

APPROVED AS TO FORM:

ATTEST:

Scott Huber, City Attorney

Jackie Glover, Assistant City Clerk

**CITY OF OROVILLE
RESOLUTION NO. 9030**

A RESOLUTION OF THE CITY COUNCIL APPROVING THE ENGINEER'S REPORT AND ORDERING THE ANNEXATION OF TERRITORY INTO THE CITY'S CONSOLIDATED LANDSCAPE AND LIGHTING MAINTENANCE ASSESSMENT DISTRICT AND THE LEVY AND COLLECTION OF ASSESSMENTS FOR FISCAL YEAR 2022/23

WHEREAS, the City Council of the City of Oroville has, by previous Resolutions, initiated proceedings and declared its intention to annex territory (the "Annexation" or "Ruddy Creek") into the Consolidated Landscape and Lighting Maintenance Assessment District (the "District"), and the levy and collection of annual assessments pursuant to the terms of the "Landscaping and Lighting Act of 1972", being Division 15, Part 2 of the Streets and Highways Code of the State of California (the "1972 Act"), and the provisions of Section 53753 of the California Government Code, and Chapter 1, Article 4 of the Act and the provisions of the California Constitution Article XIID ("Proposition 218");

WHEREAS, at this time all notice and Public Hearing requirements as required by the 1982 Act and Proposition 218 have been met relating to the Annexation and annual levy of assessments; and,

WHEREAS, the City Council has received and reviewed the Engineer's Report (the "Report") regarding the Annexation of the Village at Ruddy Creek and is satisfied with the assessments, diagram and all other matters as contained in the Report for final consideration and approval; and,

WHEREAS, the City Council has set Tuesday, March 1, 2022 as the time and place for the public hearing on the matter of the proposed Annexation and levy of annual assessments; and,

WHEREAS, the assessments are in compliance with all laws pertaining to the levy of District assessments; said assessments are levied without regard to property valuation and are in compliance with the provisions of Proposition 218 as the Annexation was approved by 100% of the property owners casting ballots at the time of the Annexation; and,

NOW, THEREFORE, IT IS HEREBY RESOLVED, by the City Council of the City of Oroville:

1. That the foregoing recitals are true and correct.
2. This City Council hereby finds and determines that the procedures for the annexation of territory and levy of assessments therein have been undertaken in accordance with the 1982 Act and Proposition 218.
3. The public hearing has been duly held and, after the tabulation of returned assessment ballots, it has been determined there is no majority protest, as defined in Proposition 218.

4. The Annexation and diagram for the proceedings, are hereby approved and confirmed.

Based upon the Report and the testimony and other evidence presented at the Public Hearing, the City Council hereby makes the following determinations regarding the proposed Annexation:

- The proportionate special benefit derived by each assessed parcel has been determined in relationship to the entirety of the cost of the operations, maintenance and servicing of the improvements.
- The assessments do not exceed the reasonable cost of the proportional special benefit conferred on each parcel.
- Only special benefits have been assessed.

The assessments for the Annexation into the District, as contained in the Report for Fiscal Year 2022/23 are hereby confirmed and are levied upon the assessable parcels within the Annexation in the amounts set forth therein.

5. The public interest and convenience requires and this legislative body does hereby order the maintenance work to be performed as said maintenance work is set forth in the Report and as previously declared and set forth in the Resolution of Intention.

6. The above referenced Report shall be filed in the Office of the City Clerk and shall remain open for public inspection.

7. The County Auditor shall enter onto the County Assessment roll, opposite each assessable parcel, the amount assessed thereupon, as shown in the Report.

8. The assessments shall be collected at the same time and in the same manner as County taxes are collected and all laws providing for the collection and enforcement of County Taxes shall apply to the collection and enforcement of the assessments.

9. The assessments as above authorized and levied for these proceedings will provide revenue for District purposes related to the fiscal year commencing July 1, 2022 and ending June 30, 2023.

PASSED AND ADOPTED by the Oroville City Council at a regular meeting held on March 1, 2022, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Chuck Reynolds, Mayor

APPROVED AS TO FORM:

ATTEST:

Scott Huber, City Attorney

Jackie Glover, Assistant City Clerk

**CITY OF OROVILLE
RESOLUTION NO. 9031**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OROVILLE DECLARING
RESULTS OF SPECIAL ANNEXATION ELECTION, DETERMINING VALIDITY OF
PRIOR PROCEEDINGS AND DIRECTING THE RECORDING OF AN AMENDED
NOTICE OF SPECIAL TAX LIEN – VILLAGE AT RUDDY CREEK ANNEXATION**

**THE CITY COUNCIL (THE “COUNCIL”) OF THE CITY OF OROVILLE (THE “CITY”)
DOES HEREBY RESOLVE THAT:**

WHEREAS, in proceedings conducted by this Council pursuant to the provisions of the “Mello-Roos Community Facilities Act of 1982, as amended (the “Act”), on the date hereof, this Council adopted a resolution titled “Resolution of Annexation of Territory to Community Facilities District No. 2006-1 (Westside Public Safety Facilities) (the “District”), Authorizing the Levy of Special Taxes therein and Submitting Levy of Special Taxes to Qualified Elector(s) – Village at Ruddy Creek Annexation” (the “Resolution of Annexation”), which called for a special election of the qualified elector(s) within the territory of land proposed to be annexed to the District; and

WHEREAS, pursuant to the terms of the Resolution of Annexation, which is by this reference incorporated herein, the special election has been held and the City Clerk has filed a Canvass and Statement of Result of Election, a copy of which is attached hereto as Exhibit A; and.

WHEREAS, this Council has reviewed said canvass and hereby approves it.

NOW, THEREFORE, IT IS ORDERED as follows:

Section 1 Issues Presented: The issue presented at the special election was the levy of special taxes within the territory annexed to the District, to be levied in accordance with the formula heretofore approved by this Council, all as described in Resolution No. 9019, titled “A Resolution of the City Council Declaring Intent to Annex Territory into Community Facilities District No. 2006-1 (Westside Public Safety Facilities), Village at Ruddy Creek Annexation and to Authorize the Levy of Special Taxes Therein.

Section 2 Canvass and Issues Approved: Pursuant to the Canvass on file with the City Clerk, the issue presented at the special election was approved by the sole landowner of the territory annexed into the District at the special election.

Section 3 Proceedings Approved: Pursuant to voter approval, the annexed territory is hereby declared to be fully annexed to and part of the District, and this Council may levy special taxes therein as heretofore provided in these proceedings.

Section 4 Prior Proceedings Valid: It is hereby found that all prior proceedings and actions taken by this Council, with respect to the District and territory annexed thereto, were valid and in conformance with the Act.

Section 5 Amended Notice of Special Tax Lien: Within 15 days of the date of the adoption of this Resolution, the City Clerk shall execute and cause to be recorded in the Office of the County Recorder of Butte County, an Amendment to the Notice of Special Tax Lien, as required by Section 3117.5 of the California Streets and Highways Code.

Section 6 Effective Date: This Resolution shall take effect upon its adoption by the Council.

PASSED AND ADOPTED by the Oroville City Council at a regular meeting held on March 1, 2022, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Chuck Reynolds, Mayor

APPROVED AS TO FORM:

ATTEST:

Scott Huber, City Attorney

Jackie Glover, Assistant City Clerk

**CITY OF OROVILLE
RESOLUTION NO. 9032**

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OROVILLE DECLARING RESULTS OF SPECIAL ANNEXATION ELECTION, DETERMINING VALIDITY OF PRIOR PROCEEDINGS AND DIRECTING THE RECORDING OF AN AMENDED NOTICE OF SPECIAL TAX LIEN – VILLAGE AT RUDDY CREEK ANNEXATION

THE CITY COUNCIL (THE “COUNCIL”) OF THE CITY OF OROVILLE (THE “CITY”) DOES HEREBY RESOLVE THAT:

WHEREAS, in proceedings conducted by this Council pursuant to the provisions of the “Mello-Roos Community Facilities Act of 1982, as amended (the “Act”), on the date hereof, this Council adopted a resolution titled “Resolution of Annexation of Territory to Community Facilities District No. 2006-2 (Westside Public Safety Services) (the “District”), Authorizing the Levy of Special Taxes therein and Submitting Levy of Special Taxes to Qualified Elector(s) – Village at Ruddy Creek Annexation” (the “Resolution of Annexation”), which called for a special election of the qualified elector(s) within the territory of land proposed to be annexed to the District; and

WHEREAS, pursuant to the terms of the Resolution of Annexation, which is by this reference incorporated herein, the special election has been held and the City Clerk has filed a Canvass and Statement of Result of Election, a copy of which is attached hereto as Exhibit A; and.

WHEREAS, this Council has reviewed said canvass and hereby approves it.

NOW, THEREFORE, IT IS ORDERED as follows:

Section 1 Issues Presented: The issue presented at the special election was the levy of special taxes within the territory annexed to the District, to be levied in accordance with the formula heretofore approved by this Council, all as described in Resolution No. -9019, titled “A Resolution of the City Council Declaring Intent to Annex Territory into Community Facilities District No. 2006-2 (Westside Public Safety Services), Ruddy Creek Annexation and to Authorize the Levy of Special Taxes Therein.

Section 2 Canvass and Issues Approved: Pursuant to the Canvass on file with the City Clerk, the issue presented at the special election was approved by the sole landowner of the territory annexed into the District at the special election.

Section 3 Proceedings Approved: Pursuant to voter approval, the annexed territory is hereby declared to be fully annexed to and part of the District, and this Council may levy special taxes therein as heretofore provided in these proceedings.

Section 4 Prior Proceedings Valid: It is hereby found that all prior proceedings and actions taken by this Council, with respect to the District and territory annexed thereto, were valid and in conformance with the Act.

Section 5 Amended Notice of Special Tax Lien: Within 15 days of the date of the adoption of this Resolution, the City Clerk shall execute and cause to be recorded in the Office of the County Recorder of Butte County, an Amendment to the Notice of Special Tax Lien, as required by Section 3117.5 of the California Streets and Highways Code.

Section 6 Effective Date: This Resolution shall take effect upon its adoption by the Council.

PASSED AND ADOPTED by the Oroville City Council at a regular meeting held on March 1, 2022, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Chuck Reynolds, Mayor

APPROVED AS TO FORM:

ATTEST:

Scott Huber, City Attorney

Jackie Glover, Assistant City Clerk

**CITY OF OROVILLE
RESOLUTION NO. 9033**

**RESOLUTION OF ANNEXATION OF TERRITORY TO COMMUNITY FACILITIES
DISTRICT NO. 2006-1 (WESTSIDE PUBLIC SAFETY FACILITIES), AUTHORIZING
THE LEVY OF SPECIAL TAXES THEREIN AND SUBMITTING LEVY OF SPECIAL
TAXES TO QUALIFIED ELECTORS – VILLAGE AT RUDDY CREEK ANNEXATION**

**THE CITY COUNCIL (THE “COUNCIL”) OF THE CITY OF OROVILLE (THE “CITY”)
DOES HEREBY RESOLVE THAT:**

WHEREAS, the Council, on January 4th, 2022, adopted Resolution No. 9019 entitled, “A Resolution of the City Council Declaring Intent to Annex Territory into Community Facilities District No. 2006-1 (Westside Public Safety Facilities), Ruddy Creek Annexation (the “District”) and to Authorize the Levy of Special Taxes Therein” (the “Resolution of Intention”) stating its intention to annex territory into the District, pursuant to Chapter 2.5 of Part 1 of Division 2 of Title 5, commencing with Section 53311 of the California Government Code (the “Act”); and

WHEREAS, a copy of the Resolution of Intention, incorporating a description and map of the proposed boundaries of the territory to be annexed into the District, and describing the facilities funded by the District, and the rate and method of apportionment of the special taxes levied within the District to pay for the facilities is on file with the City Clerk and the provisions thereof are fully incorporated herein by this reference as if fully set forth herein; and

WHEREAS, on March 1, 2022 this Council held a noticed public hearing as required by the Act and the Resolution of Intention relative to the proposed annexation of territory into the District; and

WHEREAS, at the public hearing all interested persons were afforded the opportunity to hear and be heard on all matters pertaining to the annexation of territory to the District and the levy of special taxes within the area annexed; and

WHEREAS, Annexation Map No. 1 to the District has been filed with the County Recorder of the County of Butte, which map shows the territory to be annexed in these proceedings, and a copy of the map is on file with the City Clerk.

**NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED BY
THE COUNCIL AS FOLLOWS:**

Section 1 Findings. The Council finds that:

- (a) **Recitals:** The foregoing recitals are true and correct;
- (b) **No Majority Protest:** The proposed special tax to be levied within the territory to be annexed has not been precluded by majority protest, pursuant to Section 53324 of the Act;

(c) **Prior Proceedings Valid:** All prior proceedings taken by the Council with respect to the District and the proposed annexation of territory thereto have been duly considered and are hereby determined to be valid and in conformity with the Act, and the District has been validly established pursuant to the Act;

(d) **Boundaries of the District:** The boundaries of the territory to be annexed into the District, as described in Annexation Map No. 1 to the District is on file with the City Clerk and heretofore recorded on February 4th, 2022 in the Butte County Recorder's Office in Volume 5 at Page 22 of Maps of Assessment and Community Facilities Districts (Document No. 2022-0016722), are hereby finally approved, are incorporated herein by reference, and shall be included within the boundaries of the District, and said territory is hereby ordered annexed into the District, subject to voter approval of the levy of special taxes herein as hereinafter provided.

(e) **Issue Submitted:** Pursuant to the provisions of the Act, the proposition of the levy of the special tax within the territory to be annexed into the District shall be submitted to the qualified electors of the area to be annexed into the District at an election called therefore as hereinafter provided;

(f) **Qualified Electors:** This Council hereby finds that fewer than 12 persons have been registered to vote within the territory proposed to be annexed into the District for each of the 90 days preceding the close of the public hearing held on February 15, 2022 heretofore conducted and concluded by this Council for the purposes of these annexation proceedings. Accordingly, and pursuant to Section 53326 of the Act, this Council finds that the qualified electors, for purposes of this annexation, are the sole landowners within the territory proposed to be annexed into the District and that the vote shall be by said landowners, having one vote for each acre or portion thereof said landowners own in the territory proposed to be annexed into the District;

(g) **Conduct of Election:** This Council called a special election to consider the measure described in Section (f) above, which election was held immediately following adoption of Resolution No. 9019. The City Clerk was designated as the official to conduct said election. It is hereby acknowledged that the City Clerk has on file the Resolution of Intention, a certified map of the proposed boundaries of the territory to be annexed into the District, and a sufficient description to allow the City Clerk to determine the boundaries of the territory to be annexed into the District.

The voted ballot was returned to the City Clerk; and when the qualified electors returned such voted ballot, the election closed on March 1, 2022.

Pursuant to Section 53327 of the Act, the election was conducted by messenger or mail-delivered ballot pursuant to the California Elections Code.

(h) **Ballot:** This Council acknowledges that the City Clerk has caused to be delivered to the qualified electors of the territory to be annexed, a ballot in the form set forth in Exhibit A, attached hereto;

The ballot was accompanied by all supplies and written instruction necessary for the use and return of the ballot. The envelope used to return the ballot was enclosed with the ballot, had the postage prepaid, and contained the following: (i) the name and address of the landowners, (ii) a declaration, under penalty of perjury, stating that the voters are the owners of record or the authorized representatives of the landowners entitled to vote and are the persons whose names appear on the envelope,

(iii) the printed names, signatures and address of the voters, (iv) the date of signing and place of execution of the declaration pursuant to clause (ii) above, and (v) a notice that the envelope contains an official ballot and was opened only by the canvassing Council's designated official as described in Section (g) above.

Analysis and arguments with respect to the ballot measure is hereby waived, as provided in Section 53327 of the Act.

(i) **Receipt of Ballot:** The City Clerk accepted the ballot of the qualified electors prior to the adoption of this Resolution, personally delivered or received via the U.S. Postal Service. The City Clerk had available a ballot marked at said location on the Election Day by the qualified electors;

(j) **Waivers:** This Council further finds that the provisions of Section 53326 of the Act requiring a minimum of 90 days following the adoption of the Resolution to lapse before said special election is for the protection of the qualified electors of the territory to be annexed into the District. A petition and waiver executed by the qualified electors, and on file with the City Clerk, of the area to be annexed into the District contains a waiver of any time limit pertaining to the conduct of the election and a waiver of any requirement for ballot measure analysis and arguments in connection with the election. Accordingly, this Council finds and determines that the qualified electors have been fully apprised of and have agreed to the shortened time for the election and waiver of ballot measure analysis and arguments, and will have hereby been fully protected in these proceedings. This Council also finds and determines that the City Clerk has concurred in the shortened time for the election; and

(k) **Effective Date:** This Resolution shall take effect upon its adoption by the Council.

Section 2 Annexation. The Council declares that it authorizes the annexation of territory of Annexation No. 1 (Ruddy Creek) to the District.

Section 3 Authorization. The Council declares that it authorizes the levy of Special Taxes therein.

PASSED AND ADOPTED by the Oroville City Council at a regular meeting held on March 1, 2022, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Chuck Reynolds, Mayor

APPROVED AS TO FORM:

ATTEST:

Scott Huber, City Attorney

Jackie Glover, Assistant City Clerk

**A CITY OF OROVILLE
RESOLUTION NO. 9034**

**RESOLUTION OF ANNEXATION OF TERRITORY TO COMMUNITY FACILITIES
DISTRICT NO. 2006-2 (WESTSIDE PUBLIC SAFETY SERVICES), AUTHORIZING
THE LEVY OF SPECIAL TAXES THEREIN AND SUBMITTING LEVY OF SPECIAL
TAXES TO QUALIFIED ELECTORS – VILLAGET AT RUDDY CREEK ANNEXATION**

**THE CITY COUNCIL (THE “COUNCIL”) OF THE CITY OF OROVILLE (THE “CITY”)
DOES HEREBY RESOLVE THAT:**

WHEREAS, the Council, on January 4, 2022, adopted Resolution No. 9019 entitled, “A Resolution of the City Council Declaring Intent to Annex Territory into Community Facilities District No. 2006-2 (Westside Public Safety Services), Ruddy Creek Annexation (the “District”) and to Authorize the Levy of Special Taxes Therein” (the “Resolution of Intention”) stating its intention to annex territory into the District, pursuant to Chapter 2.5 of Part 1 of Division 2 of Title 5, commencing with Section 53311 of the California Government Code (the “Act”); and

WHEREAS, a copy of the Resolution of Intention, incorporating a description and map of the proposed boundaries of the territory to be annexed into the District, and describing the services funded by the District, and the rate and method of apportionment of the special taxes levied within the District to pay for the services is on file with the City Clerk and the provisions thereof are fully incorporated herein by this reference as if fully set forth herein; and

WHEREAS, on March 1, 2022 this Council held a noticed public hearing as required by the Act and the Resolution of Intention relative to the proposed annexation of territory into the District; and

WHEREAS, at the public hearing all interested persons were afforded the opportunity to hear and be heard on all matters pertaining to the annexation of territory to the District and the levy of special taxes within the area annexed; and

WHEREAS, Annexation Map No. 1 to the District has been filed with the County Recorder of the County of Butte, which map shows the territory to be annexed in these proceedings, and a copy of the map is on file with the City Clerk.

**NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED BY
THE COUNCIL AS FOLLOWS:**

Section 1 Findings. The Council finds that:

- (a) **Recitals:** The foregoing recitals are true and correct;
- (b) **No Majority Protest:** The proposed special tax to be levied within the territory to be annexed has not been precluded by majority protest, pursuant to Section 53324 of the Act;

(c) **Prior Proceedings Valid:** All prior proceedings taken by the Council with respect to the District and the proposed annexation of territory thereto have been duly considered and are hereby determined to be valid and in conformity with the Act, and the District has been validly established pursuant to the Act;

(d) **Boundaries of the District:** The boundaries of the territory to be annexed into the District, as described in Annexation Map No. 1 to the District is on file with the City Clerk and heretofore recorded on February 4, 2022 in the Butte County Recorder's Office in Volume 5 at Page 22 of Maps of Assessment and Community Facilities Districts (Document No. 2022-0016722), are hereby finally approved, are incorporated herein by reference, and shall be included within the boundaries of the District, and said territory is hereby ordered annexed into the District, subject to voter approval of the levy of special taxes herein as hereinafter provided.

(e) **Issue Submitted:** Pursuant to the provisions of the Act, the proposition of the levy of the special tax within the territory to be annexed into the District shall be submitted to the qualified electors of the area to be annexed into the District at an election called therefore as hereinafter provided;

(f) **Qualified Electors:** This Council hereby finds that fewer than 12 persons have been registered to vote within the territory proposed to be annexed into the District for each of the 90 days preceding the close of the public hearing held on February 15, 2022 heretofore conducted and concluded by this Council for the purposes of these annexation proceedings. Accordingly, and pursuant to Section 53326 of the Act, this Council finds that the qualified electors, for purposes of this annexation, are the sole landowners within the territory proposed to be annexed into the District and that the vote shall be by said landowners, having one vote for each acre or portion thereof said landowners own in the territory proposed to be annexed into the District;

(g) **Conduct of Election:** This Council called a special election to consider the measure described in Section (f) above, which election was held immediately following adoption of Resolution No. 9019. The City Clerk was designated as the official to conduct said election. It is hereby acknowledged that the City Clerk has on file the Resolution of Intention, a certified map of the proposed boundaries of the territory to be annexed into the District, and a sufficient description to allow the City Clerk to determine the boundaries of the territory to be annexed into the District.

The voted ballot was returned to the City Clerk; and when the qualified electors returned such voted ballot, the election closed on March 1, 2022.

Pursuant to Section 53327 of the Act, the election was conducted by messenger or mail-delivered ballot pursuant to the California Elections Code.

(h) **Ballot:** This Council acknowledges that the City Clerk has caused to be delivered to the qualified electors of the territory to be annexed, a ballot in the form set forth in Exhibit A, attached hereto;

The ballot was accompanied by all supplies and written instruction necessary for the use and return of the ballot. The envelope used to return the ballot was enclosed with the ballot, had the postage prepaid, and contained the following: (i) the name and address of the landowners, (ii) a declaration, under penalty of perjury, stating that the voters are the owners of record or the authorized representatives of the landowners entitled to vote and are the persons whose names appear on the envelope,

(iii) the printed names, signatures and address of the voters, (iv) the date of signing and place of execution of the declaration pursuant to clause (ii) above, and (v) a notice that the envelope contains an official ballot and was opened only by the canvassing Council's designated official as described in Section (g) above.

Analysis and arguments with respect to the ballot measure is hereby waived, as provided in Section 53327 of the Act.

(i) **Receipt of Ballot:** The City Clerk accepted the ballot of the qualified electors prior to the adoption of this Resolution, personally delivered or received via the U.S. Postal Service. The City Clerk had available a ballot marked at said location on the Election Day by the qualified electors;

(j) **Waivers:** This Council further finds that the provisions of Section 53326 of the Act requiring a minimum of 90 days following the adoption of the Resolution to lapse before said special election is for the protection of the qualified electors of the territory to be annexed into the District. A petition and waiver executed by the qualified electors, and on file with the City Clerk, of the area to be annexed into the District contains a waiver of any time limit pertaining to the conduct of the election and a waiver of any requirement for ballot measure analysis and arguments in connection with the election. Accordingly, this Council finds and determines that the qualified electors have been fully apprised of and have agreed to the shortened time for the election and waiver of ballot measure analysis and arguments, and will have hereby been fully protected in these proceedings. This Council also finds and determines that the City Clerk has concurred in the shortened time for the election; and

(k) **Effective Date:** This Resolution shall take effect upon its adoption by the Council.

Section 2 Annexation. The Council declares that it authorizes the annexation of territory of Annexation No. 1 (Ruddy Creek) to the District.

Section 3 Authorization. The Council declares that it authorizes the levy of Special Taxes therein.

PASSED AND ADOPTED by the Oroville City Council at a regular meeting held on March 1, 2022, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Chuck Reynolds, Mayor

APPROVED AS TO FORM:

ATTEST:

Scott Huber, City Attorney

Jackie Glover, Assistant City Clerk



Harris & Associates

CITY OF OROVILLE

ENGINEER'S REPORT FOR CONSOLIDATED LANDSCAPE AND LIGHTING MAINTENANCE ASSESSMENT DISTRICT VILLAGE AT RUDDY CREEK ANNEXATION – ZONE 18

JANUARY 2022

PREPARED BY

Harris & Associates

22 Executive Park, Suite 200

Irvine, CA 92614

www.weareharris.com



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STATEMENT OF ASSESSMENT ENGINEER

AGENCY: CITY OF OROVILLE

PROJECT: ANNEXATION OF THE VILLAGE AT RUDDY CREEK
CONSOLIDATED BENEFIT ASSESSMENT DISTRICT

TO: CITY COUNCIL
CITY OF OROVILLE
COUNTY OF BUTTE
STATE OF CALIFORNIA

ENGINEER'S ANNEXATION REPORT

Pursuant to the provisions of Section 22565 through 22574 of the Landscaping and Lighting Act of 1972 ("1972 Act"), said Act being Part 2 of Division 15 of the Streets and Highways Code of the State of California, Section 4 of Article XIII D of the California Constitution ("Proposition 218"), and direction from the City Council of the City of Oroville, I submit herewith the following Engineer's Annexation Report ("Report").

This Report provides for the annexation of the Village at Ruddy Creek development into the City's Consolidated Benefit Assessment District, and establishes the Maximum Assessment to be levied in the fiscal year commencing on July 1, 2022 and ending on June 30, 2023, and continuing in all subsequent years, for this area to be known and designated as:

The Village at Ruddy Creek Annexation – Zone 18 **Consolidated Landscape and Lighting Maintenance Assessment District**

(Hereinafter referred to as the "District"),

I, Alison Bouley, authorized representative of the District, the duly appointed Assessment Engineer, submit the following Report consisting of the following three (3) parts and Appendices:

PART I

PLANS AND SPECIFICATIONS

This part provides a general description of improvements proposed to be maintained and serviced in the Annexation. Plans and specifications for the improvements are on file at the City offices.



PART II

ESTIMATE OF COSTS

This part contains the cost estimate to maintain and service the improvements to be installed for the Annexation, including incidental costs and expenses, for Fiscal Year 2022-23.

PART III

METHOD OF ASSESSMENT

The method of apportionment of assessments, indicating the proposed assessment of the net amount of the costs and expenses of the improvements to be assessed upon the several lots and parcels of land within the Annexation in proportion to the estimated benefits to be received by such lots and parcels.

Appendices

Appendix A – Annexation Diagram

Appendix B – Assessment Roll

Appendix C – Waiver and Consent

In conclusion, it is my opinion that the costs and expenses of the Annexation have been assessed to the lots and parcels within the boundaries of the Annexation in proportion to the estimated benefits to be received by each lot or parcel from the services provided.

DATED this ____ day of _____ 2022



Alison Bouley, P.E., Assessment Engineer

R.C.E. No. C61383

Engineer of Work

State of California



PART I – PLANS AND SPECIFICATIONS

Purpose

The Annexation is proposed to provide certain improvements and services specifically within, and related to, the Village at Ruddy Creek development. As part of the District, parcels in the Annexation will be assessed for the annual costs to maintain and service the improvements (the "Improvements") listed below.

The plans and specifications for the Improvements, showing the general nature, location and the extent of the Improvements, are on file with the City and are by reference herein made a part of this report.

Location of the Annexation

The Village at Ruddy Creek is located on the southeast corner of Feather Avenue and 18th Street, north of the Ghianda Heights Unit #2 development. The Annexation will consist of 97 single-family residential lots when developed.

- Assessor Parcel Number(s) as of the date of this Report:

030-360-091 (6.27 acres) and 030-360-092 (17.70 acres)

Description of Improvements and Services

The District provides funding for the maintenance and servicing of the following Improvements and includes all appurtenant facilities, personnel and equipment required to properly maintain and service said Improvements:

- Landscape maintenance at the entrances of the tract, off 18th Street and Feather Avenue.
- Street lighting within the interior of the tract.
- Sidewalks within the interior of the tract.
- Utilities – Water for landscaping improvements.
- Utilities – Electricity for streetlights and irrigation systems.
- Irrigation Materials (sprinklers, lines, controllers, etc.)
- Plant Materials (includes trees, shrubs, bushes and turf).

The assessments collected may also fund any and all incidental expenses in connection therewith, all as more particularly authorized pursuant to the 1972 Act.



PART II –ESTIMATE OF COSTS

The Fiscal Year 2022-23 Estimated Budget for the Annexation is shown on the following page. Section 22569(a) of the 1972 Act provides that estimate of costs includes the total cost of improvements to be made for the year, being the total costs of constructing or installing all proposed improvements and of maintaining and servicing all existing and proposed improvements, including all incidental expenses. This may include an operating reserve which shall not exceed the estimated costs of maintenance and servicing to December 10 of the fiscal year, or whenever the City expects to receive its apportionment of special assessments and tax collections from the County, whichever is later.



DIRECT COSTS	
Utilities – Water	\$550.00
Utilities – Electricity	\$500.00
Streetlight Maintenance	\$350.00
Sidewalks	\$250.00
Irrigation Materials	\$300.00
Plant Materials	\$500.00
Weed Abatement	\$2,500.00
Personnel – Parks & Trees	\$1,500.00
Personnel – Public Works	<u>\$2,500.00</u>
Direct Costs Sub-Total	\$8,950.00
INDIRECT COSTS	
CLLMAD Annual Administration Fee	\$1,000.00
Maintenance Contracts	\$0.00
City Personnel/Parks & Trees/New Park Tech II	\$3,200.00
Truck/Equipment	\$625.00
County Administration Fee – \$0.30 per parcel	\$29.10
Advertising	\$15.00
Rounding Adjustment	<u>\$0.46</u>
Indirect Costs Sub-Total	\$4,869.56
SUB-TOTAL COSTS	\$13,819.56
Contingency Reserve – 20 % of Total Costs	\$2,763.91
TOTAL COSTS	\$16,583.47
Estimated Reserve Fund Beginning Balance (7/1/2022)	\$0.00
2022-23 Reserve Contribution/Reduction	<u>\$1,658.35</u>
Estimated Reserve Fund Ending Balance (6/30/2023)	\$1,658.35
2022-23 TOTAL ASSESSMENT	\$18,241.82
Total Number of Assessable Parcels	97
2022-23 MAXIMUM ASSESSMENT PER PARCEL	\$188.06



PART III – METHOD OF ASSESSMENT

Method of Assessment

The following is a brief description of the manner in which the annual assessments will be apportioned to each parcel in the Annexation and is consistent with the original method of assessment for the District.

General

The 1972 Act permits the establishment of assessment Districts by cities for the purpose of providing certain public improvements which include the construction, maintenance and servicing of street lights and landscaping facilities.

Street and Highways Code Section 22573 requires that maintenance assessments be levied according to benefit rather than according to assessed value. This section states:

The net amount to be assessed upon lands within an assessment District may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the improvements.

The 1972 Act permits the designation of areas of benefit within any individual assessment District if "...by reason of variations in the nature, location, and extent of the improvements, the various areas will receive different degrees of benefit from the improvements." (Sec. 22574). Thus, the 1972 Act requires the levy of a true "assessment" rather than a "special tax."

In addition, Proposition 218 (Prop. 218), the "Right to Vote on Taxes Act" which was approved on the November 1996 Statewide ballot and added Article XIII D to the California Constitution, requires that a parcel's assessment may not exceed the reasonable cost of the proportional special benefit conferred on that parcel. Prop. 218 provides that only special benefits are assessable and the City must separate the general benefits from the special benefits. Prop. 218 also requires that publicly owned property which benefit from the improvements be assessed, unless that parcel can show no benefit from the improvements.

Special Benefit

Special Benefit from Landscape Maintenance

All parcels within the Annexation receive special benefit from Landscape Improvements. Trees, landscaping, hardscapes, ornamental structures and appurtenant facilities, if well maintained, confer a particular and distinct special benefit upon real property within the District by providing beautification, shade and positive enhancement of the community character, attractiveness and desirability of the surroundings. In addition, all of the aforementioned contributes to a specific increase in property desirability and a specific enhancement of the property within the District.



Special Benefit from Street Lighting Maintenance

All parcels within the Annexation receive special benefit from Street Lighting Improvements. The special benefit from street lighting can be measured by increased safety to people and property, as well as the increased availability of lighting. The safety to people results in a special benefit to residential parcels because street lighting improves traffic safety during ingress to and egress from the property and creates a deterrent to crime against people on the property. The safety to property results in a special benefit to both residential and vacant non-developable parcels because street lighting operation, maintenance and servicing provides for the protection of buildings and personal property against crimes such as theft and vandalism.

It has been determined that the ongoing maintenance, servicing and operation of the Improvements provide no measurable benefit to properties outside the Annexation or to the public at large, but clearly provide distinct and special benefits to properties within the Annexation.

One hundred percent (100%) of the costs associated with the maintenance and operation of the Improvements, including incidentals and appurtenances, is of special benefit to parcels within the Annexation and shall be spread to all parcels within the Annexation in the same manner as established in the District for all other Zones.

METHOD OF ASSESSMENT

The Method of Assessment outlines the formula by which property receiving special benefit from the improvements and services provided will be assessed annually. The Method of Assessment for the District and Annexation follows:

Each parcel within the District is deemed to receive special benefit from the Improvements. Each parcel that has a special benefit conferred upon it as a result of the maintenance and operation of the Improvements is identified and the proportionate special benefit derived by each identified parcel is determined in relationship to the entirety of the costs of the maintenance, operation, and servicing of the Improvements.

The benefit formula used to determine the financial obligation for each parcel should be based on the improvements benefitting the parcels, as well as the use, or type, of each parcel as compared to other parcels that benefit from said improvements. One of the more common approaches to fairly distributing District costs to the benefitting parcels in maintenance districts such as this utilizes a methodology referred to as the Per Parcel method of apportionment. This method recognizes that each parcel within a particular Zone benefits equally from the Improvements. This is typical when all parcels within a Zone are single-family residential parcels.

The Annexation is comprised of single-family residential parcels ("SFR") and as such, all are deemed to benefit equally from the Improvements. The "Total Assessment", as shown on the Cost Estimate table, is divided equally among each assessable parcel within the Annexation, determining the annual assessment rate per parcel.



ASSESSMENT RANGE FORMULA

It is generally recognized that most budgetary items will be impacted by inflation in future years. In accordance with the California Constitution, Section 53739 (b)(1), assessments "...may be adjusted for inflation pursuant to a clearly defined formula..." A formula for an inflationary adjustment is therefore included as part of the maximum assessment for the Annexation. Said inflationary adjustment is authorized by the City Council and approved by the property owner(s) at the time of annexation. The formula, as described below, allows for annual adjustments to the maximum assessments.

The initial maximum assessment rate for parcels in the Annexation is \$188.06 per parcel. The initial maximum assessment rate shall be adjusted each subsequent fiscal year by the following Assessment Range Formula:

- The Maximum Assessment Rate allowed each fiscal year (the "Adjusted Maximum Assessment Rate") shall be based on the initial maximum assessment rate established in Fiscal Year 2022-23, adjusted annually by the Bureau of Labor Statistics, Consumer Price Index for the San Francisco-Oakland-Hayward area, All Urban Consumers, ("CPI") for the month of February. Should the Bureau of Labor Statistics revise or discontinue the preparation of such index, the City reserves the right to use such revised index or a comparable system to determine fluctuations in the annual cost of living.
- Each fiscal year, the February CPI shall be applied to the Maximum Assessment Rate established the previous fiscal year to calculate the appropriate Adjusted Maximum Assessment Rate for the then current fiscal year.
- If the proposed Rate per parcel for the upcoming fiscal year is less than or equal to the Adjusted Maximum Assessment Rate established for that fiscal year, then the proposed annual assessment is not considered an increased assessment.

Beginning in the second fiscal year after the Annexation (2023-24) and each subsequent fiscal year, the Maximum Assessment Rate shall be recalculated and a new Maximum Assessment Rate shall be established, using the Assessment Range Formula described above. The initial Maximum Assessment Rate has been established as **\$188.06**. As stated above, if the proposed annual assessment rate for any fiscal year does not exceed the Adjusted Maximum Assessment Rate established for that year, it is not considered an increased assessment under the terms of Proposition 218.

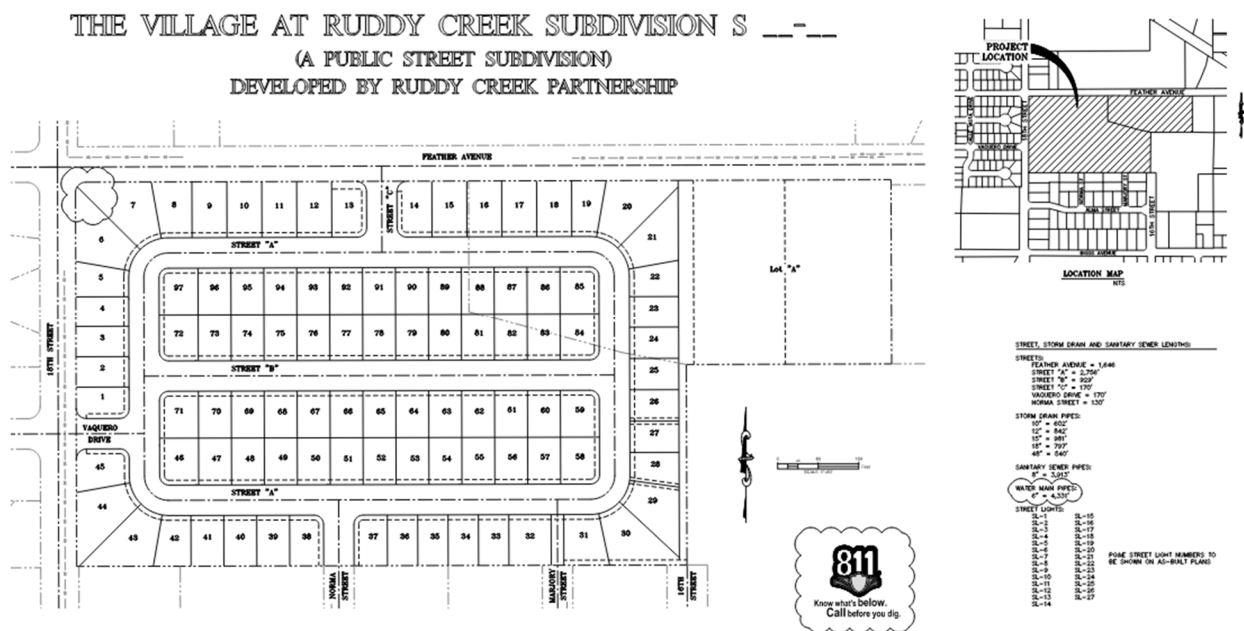
To impose a new assessment or increased assessment in excess of the Maximum Assessment Rate for the current fiscal year, as provided by the preceding Assessment Range Formula, the City must comply with the provisions of the California Constitution, Article XIII D, Section 4c that requires a public hearing and certain protest procedures including mailed notice of the public hearing and property owner protest balloting. Property owners must approve the proposed new or increased assessment via a property owner protest balloting process before any such new or increased assessment can be imposed. A protest occurs when, at the public hearing, the returned assessment ballots opposed to the new or increased assessment outweigh the returned ballots in favor of the new or increased assessment, weighting those assessment ballots by the financial obligation of each parcel.

The definition of new or increased assessments includes any assessment which, 1) did not previously exist or, 2) exceeds a previously approved assessment amount or assessment range formula. Any assessment range formula must have been previously adopted by the agency and approved by the property owners in the area where the assessment is imposed.



APPENDIX A – ASSESSMENT DIAGRAM

Below is the Assessment Diagram for the Annexation. Please note the lines and dimensions of each parcel, are shown on the assessor's maps at the County of Butte Assessor's Office.





APPENDIX B – ASSESSMENT ROLL

The FY 2022-23 Assessment Roll (at the time this Report was prepared) for the Annexation is shown below. Specifics for each parcel are shown on the assessor's maps of County of Butte Assessor's Office.

APN	Unit/Lot Number	Assessable Parcels	2022-23 Maximum Assessment Rate Per Parcel
030-360-092	1	1.00	\$188.06
030-360-092	2	1.00	\$188.06
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030-360-092	63	1.00	\$188.06
030-360-092	64	1.00	\$188.06
030-360-092	65	1.00	\$188.06
030-360-092	66	1.00	\$188.06



APN	Unit/Lot Number	Assessable Parcels	2022-23 Maximum Assessment Rate Per Parcel
030-360-092	67	1.00	\$188.06
030-360-092	68	1.00	\$188.06
030-360-092	69	1.00	\$188.06
030-360-092	70	1.00	\$188.06
030-360-092	71	1.00	\$188.06
030-360-092	72	1.00	\$188.06
030-360-092	73	1.00	\$188.06
030-360-092	74	1.00	\$188.06
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030-360-092	83	1.00	\$188.06
030-360-092	84	1.00	\$188.06
030-360-092	85	1.00	\$188.06
030-360-092	86	1.00	\$188.06
030-360-092	87	1.00	\$188.06
030-360-092	88	1.00	\$188.06
030-360-092	89	1.00	\$188.06
030-360-092	90	1.00	\$188.06
030-360-092	91	1.00	\$188.06
030-360-092	92	1.00	\$188.06
030-360-092	93	1.00	\$188.06
030-360-092	94	1.00	\$188.06
030-360-092	95	1.00	\$188.06
030-360-092	96	1.00	\$188.06
030-360-092	97	1.00	\$188.06
030-360-091	A	0.00	\$0.00
TOTALS:		97.00	\$18,241.82



APPENDIX C – WAIVER AND CONSENT

Waiver and Consent to Annex

There is one property owner within the proposed boundaries of the Annexation. Said property owner has executed a "Waiver and Consent to Annex" allowing for the public hearing and ballot tabulation to be held on February 15, 2022. A signed copy of said waiver is below.

WAIVER AND CONSENT TO ANNEXATION

CITY OF OROVILLE
CONSOLIDATED LANDSCAPE & LIGHTING MAINTENANCE ASSESSMENT DISTRICT
CONSOLIDATED BENEFIT ASSESSMENT DISTRICT
RUDDY CREEK ANNEXATIONS

To expedite the completion of the proceedings for the Annexations, all notices of hearings and applicable waiting periods for annexation proceedings are hereby waived for the City of Oroville's Consolidated Landscape and Lighting Maintenance Assessment District and Consolidated Benefit Assessment District (the "Districts"). The Annexations will be known and designated as Zone 18 and Zone 9, respectively, in the Districts. The undersigned landowner does hereby waive the noticing requirements of Proposition 218 (California Constitution Articles XIII C and XIII D), the Proposition 218 Omnibus Implementation Act (Government Code Section 53750, et seq).

The undersigned landowner certifies that he or she owns 100% of the assessable land contained within the area to be annexed.

Charles Laflamme
Ruddy Creek Partnership, a California General Partnership
APN(s) 030-360-091 & 030-360-092

The person completing and submitting this waiver must be the record owner of the property or the representative of the record owner of such property who is legally authorized to complete and submit this waiver for and on behalf of the record owner.

Kindly sign and return the waiver to the office of the Assistant Planner, City of Oroville.

CERTIFICATE OF ENTITLEMENT

The undersigned certifies under penalty of perjury that he/she is entitled to complete and submit this waiver.


Signature of Property Owner

13 Dec 21
Date



Harris & Associates

CITY OF OROVILLE

ENGINEER'S REPORT FOR CONSOLIDATED BENEFIT ASSESSMENT DISTRICT VILLAGE AT RUDDY CREEK ANNEXATION – ZONE 9

JANUARY 2022

PREPARED BY

Harris & Associates

22 Executive Park, Suite 200

Irvine, CA 92614

www.weareharris.com



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- Appendix B – Assessment Roll
- Appendix C – Waiver and Consent



STATEMENT OF ASSESSMENT ENGINEER

AGENCY: CITY OF OROVILLE

PROJECT: ANNEXATION OF THE VILLAGE AT RUDDY CREEK DEVELOPMENT
CONSOLIDATED BENEFIT ASSESSMENT DISTRICT

TO: CITY COUNCIL
CITY OF OROVILLE
COUNTY OF BUTTE
STATE OF CALIFORNIA

ENGINEER'S ANNEXATION REPORT

Pursuant to the provisions of the Benefit Assessment Act of 1982, Section 5 of the California Government Code, beginning with Section 54703 (the "1982 Act"), Section 4 of Article XIII D of the California Constitution ("Proposition 218"), and direction from the City Council of the City of Oroville, I submit herewith the following Engineer's Annexation Report ("Report").

This Report provides for the annexation of the Village at Ruddy Creek development into the City's Consolidated Benefit Assessment District, and establishes the Maximum Assessment to be levied in the fiscal year commencing on July 1, 2022 and ending on June 30, 2023, and continuing in all subsequent years, for this area to be known and designated as:

The Village at Ruddy Creek Annexation – Zone 9 Consolidated Benefit Assessment District

(Hereinafter referred to as the "District"),

I, Alison Bouley, authorized representative of the District, the duly appointed Assessment Engineer, submit the following Report consisting of the following three (3) parts and Appendices:

PART I

PLANS AND SPECIFICATIONS

This part provides a general description of improvements proposed to be maintained and serviced in the Annexation. Plans and specifications for the improvements are on file at the City offices.



PART II

ESTIMATE OF COSTS

This part contains the cost estimate to maintain and service the improvements to be installed for the Annexation, including incidental costs and expenses, for Fiscal Year 2022-23.

PART III

METHOD OF ASSESSMENT

The method of apportionment of assessments, indicating the proposed assessment of the net amount of the costs and expenses of the improvements to be assessed upon the several lots and parcels of land within the Annexation in proportion to the estimated benefits to be received by such lots and parcels.

Appendices

Appendix A – Annexation Diagram

Appendix B – Assessment Roll

Appendix C – Waiver and Consent

In conclusion, it is my opinion that the costs and expenses of the Annexation have been assessed to the lots and parcels within the boundaries of the Annexation in proportion to the estimated benefits to be received by each lot or parcel from the services provided.

DATED this ____ day of _____ 2022



Alison Bouley, P.E., Assessment Engineer

R.C.E. No. C61383

Engineer of Work

State of California



PART I – PLANS AND SPECIFICATIONS

Purpose

The Annexation is proposed to provide certain improvements and services specifically within, and related to, the Village at Ruddy Creek development. As part of the District, parcels in the Annexation will be assessed for the annual costs to maintain and service the improvements (the "Improvements") listed below.

The plans and specifications for the Improvements, showing the general nature, location and the extent of the Improvements, are on file with the City and are by reference herein made a part of this report.

Location of the Annexation

The Village at Ruddy Creek is located on the southeast corner of Feather Avenue and 18th Street, north of the Ghianda Heights Unit #2 development. The Annexation will consist of 97 single-family residential lots when developed.

- Assessor Parcel Number(s) as of the date of this Report:

030-360-091 (6.27 acres) and 030-360-092 (17.70 acres)

Description of Improvements and Services

The District provides funding for the maintenance and servicing of the following Improvements and includes all appurtenant facilities, personnel and equipment required to properly maintain and service said Improvements:

- Flood control facilities including basins, channels, pipes, culverts, pumps, etc.
- Storm water control facilities including inlets and manhole covers.
- Masonry walls or fencing related to drainage improvements, including graffiti removal.

The assessments collected may also fund any and all incidental expenses in connection therewith, all as more particularly authorized pursuant to the 1982 Act.



PART II –ESTIMATE OF COSTS

The Fiscal Year 2022-23 Estimated Budget for the Annexation is shown on the following page. Section 54716 (3) of the 1982 Act provides that estimate of costs includes the total cost of improvements to be made for the year, being the total costs of constructing or installing all proposed improvements and of maintaining and servicing all existing and proposed improvements, including all incidental expenses. This may include an operating reserve which shall not exceed the estimated costs of maintenance and servicing to December 10 of the fiscal year, or whenever the City expects to receive its apportionment of special assessments and tax collections from the County, whichever is later.



DIRECT COSTS	
Detention Pond Maintenance	\$1,500.00
Masonry Walls/Fencing	\$1,000.00
Drainage Pipes	250.00
Pump Station Electricity	750.00
Direct Costs Sub-Total	\$3,500.00
INDIRECT COSTS	
Maintenance Repairs & Contingency	\$500.00
City Personnel/Overhead	\$1,000.00
City Personnel/New Park Tech II	\$1,495.00
Truck/Equipment	\$1,495.00
CBAD Annual Administration Fee	725.00
Professional Fees	0.00
County Administration Fee – \$0.30 per assessed parcel	29.10
Rounding Adjustment	0.60
Indirect Costs Sub-Total	\$5,244.70
SUB-TOTAL COSTS	\$8,744.70
Contingency Reserve – 20 % of Total Costs	\$1,748.94
TOTAL COSTS	\$10,493.64
Estimated Reserve Fund Beginning Balance (7/1/2022)	\$0.00
2022-23 Reserve Contribution/Reduction	<u>\$1,049.36</u>
Estimated Reserve Fund Ending Balance (6/30/2023)	\$1,049.36
2022-23 TOTAL ASSESSMENT	\$11,543.00
Total Number of Assessable Parcels	97
2022-23 MAXIMUM ASSESSMENT PER PARCEL	\$119.00



PART III – METHOD OF ASSESSMENT

Method of Apportionment

The following is a brief description of the manner in which the annual assessments will be apportioned to each parcel in the Annexation and is consistent with the original method of assessment for the District.

General

The 1982 Act permits the establishment of assessment Districts by cities for the purpose of providing certain public improvements which include the construction, maintenance and servicing of drainage and flood control facilities, streets and streetlights.

Street and Highways Code Section 22573 requires that maintenance assessments be levied according to benefit rather than according to assessed value. This section states:

The net amount to be assessed upon lands within an assessment District may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the improvements.

Section 54715 (b) of the 1982 Act permits the designation of areas of benefit within any individual assessment District, which requires the levy of a true "assessment" rather than a "special tax."

In addition, Proposition 218 (Prop. 218), the "Right to Vote on Taxes Act" which was approved on the November 1996 Statewide ballot and added Article XIID to the California Constitution, requires that a parcel's assessment may not exceed the reasonable cost of the proportional special benefit conferred on that parcel. Prop. 218 provides that only special benefits are assessable and the City must separate the general benefits from the special benefits. Prop. 218 also requires that publicly owned property benefitting from the improvements be assessed, unless that parcel can show no benefit from the improvements.

Special Benefit

Special Benefit from Drainage, Storm Water and Related Facilities

All parcels within the Annexation receive special benefit from the drainage and storm water Improvements. The Improvements for which the properties will be assessed have been identified as necessary, were required as a part of the development plans specifically for the tract and are also in compliance with the development plans and General Plan of the City. As such, the continuing maintenance and servicing of the Improvements are strictly the obligation of the properties within the Annexation.

Although the Improvements may include drainage and/or storm water facilities that connect to similar facilities outside the Annexation's boundaries, the construction, maintenance and operation of these Improvements are necessary for the development of properties within the Annexation.



It has been determined therefore, that the ongoing maintenance, servicing and operation of the Improvements provide no measurable benefit to properties outside the Annexation or to the public at large, but clearly provide distinct and special benefits to properties within the Annexation.

One hundred percent (100%) of the costs associated with the maintenance and operation of the Improvements, including incidentals and appurtenances, is of special benefit to parcels within the Annexation and shall be spread to all parcels within the Annexation in the same manner as established in the District for all other Zones.

METHOD OF ASSESSMENT

The Method of Assessment outlines the formula by which property receiving special benefit from the improvements and services provided will be assessed annually. The Method of Assessment for the District and Annexation follows:

Each parcel within the District is deemed to receive special benefit from the Improvements. Each parcel that has a special benefit conferred upon it as a result of the maintenance and operation of the Improvements is identified and the proportionate special benefit derived by each identified parcel is determined in relationship to the entirety of the costs of the maintenance, operation, and servicing of the Improvements.

The benefit formula used to determine the financial obligation for each parcel should be based on the improvements benefitting the parcels, as well as the use, or type, of each parcel as compared to other parcels that benefit from said improvements. One of the more common approaches to fairly distributing District costs to the benefitting parcels in maintenance districts such as this utilizes a methodology referred to as the Per Parcel method of apportionment. This method recognizes that each parcel within a particular Zone benefits equally from the Improvements. This is typical when all parcels within a Zone are single-family residential parcels.

The Annexation is comprised of single-family residential parcels ("SFR") and as such, all are deemed to benefit equally from the Improvements. The "Total Assessment", as shown on the Cost Estimate table, is divided equally among each assessable parcel within the Annexation, determining the annual assessment rate per parcel.

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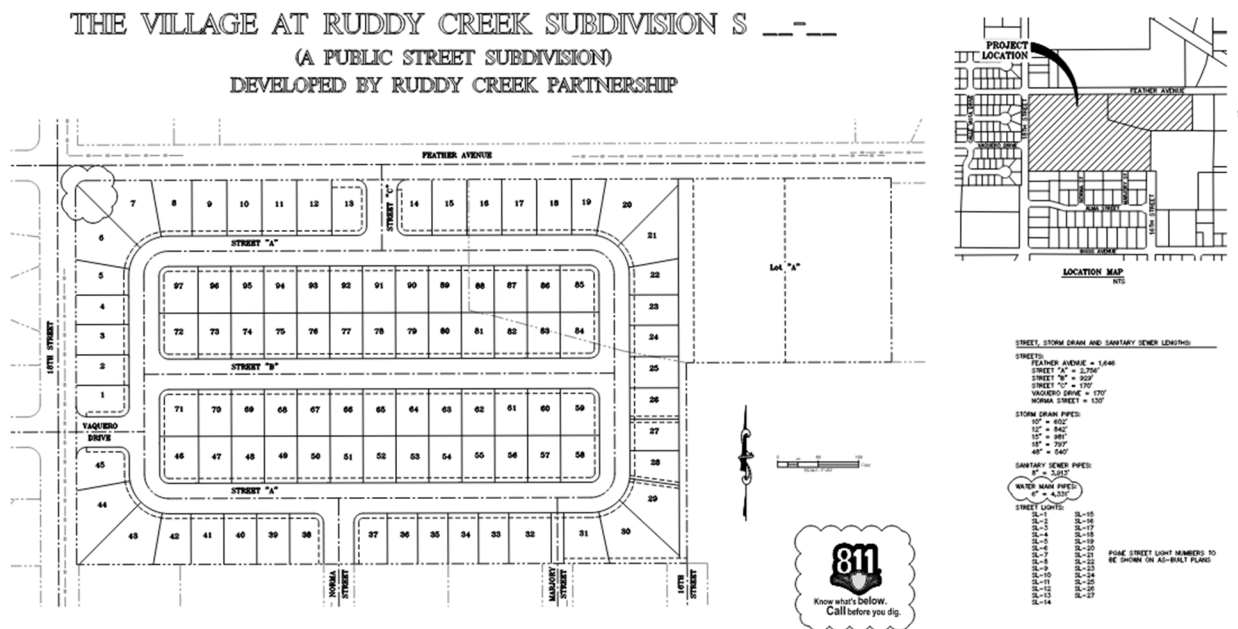
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030-360-092	49	1.00	\$119.00
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030-360-092	62	1.00	\$119.00
030-360-092	63	1.00	\$119.00
030-360-092	64	1.00	\$119.00



APN	Unit/Lot Number	Assessable Parcels	2022-23 Maximum Assessment Rate Per Parcel
030-360-092	65	1.00	\$119.00
030-360-092	66	1.00	\$119.00
030-360-092	67	1.00	\$119.00
030-360-092	68	1.00	\$119.00
030-360-092	69	1.00	\$119.00
030-360-092	70	1.00	\$119.00
030-360-092	71	1.00	\$119.00
030-360-092	72	1.00	\$119.00
030-360-092	73	1.00	\$119.00
030-360-092	74	1.00	\$119.00
030-360-092	75	1.00	\$119.00
030-360-092	76	1.00	\$119.00
030-360-092	77	1.00	\$119.00
030-360-092	78	1.00	\$119.00
030-360-092	79	1.00	\$119.00
030-360-092	80	1.00	\$119.00
030-360-092	81	1.00	\$119.00
030-360-092	82	1.00	\$119.00
030-360-092	83	1.00	\$119.00
030-360-092	84	1.00	\$119.00
030-360-092	85	1.00	\$119.00
030-360-092	86	1.00	\$119.00
030-360-092	87	1.00	\$119.00
030-360-092	88	1.00	\$119.00
030-360-092	89	1.00	\$119.00
030-360-092	90	1.00	\$119.00
030-360-092	91	1.00	\$119.00
030-360-092	92	1.00	\$119.00
030-360-092	93	1.00	\$119.00
030-360-092	94	1.00	\$119.00
030-360-092	95	1.00	\$119.00
030-360-092	96	1.00	\$119.00
030-360-092	97	1.00	\$119.00
030-360-091	A	0.00	\$0.00
TOTALS:		97.00	\$11,543.00



APPENDIX C – WAIVER AND CONSENT

Waiver and Consent to Annex

There is one property owner within the proposed boundaries of the Annexation. Said property owner has executed a "Waiver and Consent to Annex" allowing for the public hearing and ballot tabulation to be held on February 15, 2022. A signed copy of said waiver is below.

WAIVER AND CONSENT TO ANNEXATION

CITY OF OROVILLE
CONSOLIDATED LANDSCAPE & LIGHTING MAINTENANCE ASSESSMENT DISTRICT
CONSOLIDATED BENEFIT ASSESSMENT DISTRICT
RUDDY CREEK ANNEXATIONS

To expedite the completion of the proceedings for the Annexations, all notices of hearings and applicable waiting periods for annexation proceedings are hereby waived for the City of Oroville's Consolidated Landscape and Lighting Maintenance Assessment District and Consolidated Benefit Assessment District (the "Districts"). The Annexations will be known and designated as Zone 18 and Zone 9, respectively, in the Districts. The undersigned landowner does hereby waive the noticing requirements of Proposition 218 (California Constitution Articles XIII C and XIII D), the Proposition 218 Omnibus Implementation Act (Government Code Section 53750, et seq).

The undersigned landowner certifies that he or she owns 100% of the assessable land contained within the area to be annexed.

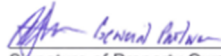
Charles Laflamme
Ruddy Creek Partnership, a California General Partnership
APN(s) 030-360-091 & 030-360-092

The person completing and submitting this waiver must be the record owner of the property or the representative of the record owner of such property who is legally authorized to complete and submit this waiver for and on behalf of the record owner.

Kindly sign and return the waiver to the office of the Assistant Planner, City of Oroville.

CERTIFICATE OF ENTITLEMENT

The undersigned certifies under penalty of perjury that he/she is entitled to complete and submit this waiver.



Signature of Property Owner



Date

**NOTICE OF SPECIAL TAX LIEN
CITY OF OROVILLE COMMUNITY FACILITIES DISTRICT NO. 2006-1
(WESTSIDE PUBLIC SAFETY FACILITIES)
THE VILLAGE AT RUDDY CREEK ANNEXATION**

Pursuant to the requirements of Section 3114.5 of the Streets and Highways Code and Section 53328.3 of the Government Code, the undersigned clerk of the legislative body of the City of Oroville, State of California, hereby gives notice that a lien to secure payment of a special tax is hereby imposed by the City Council of the City of Oroville, County of Butte, State of California. The special tax secured by this lien is authorized to be levied for the purpose of providing for public safety facilities including, fire services and law enforcement. Funding will also include the costs of equipment replacement, maintenance, and services related thereto.

The special tax is authorized to be levied within Community Facilities District No. 2006-1 (Westside Public Safety Facilities) that has been officially formed and the lien of the special tax is a continuing lien that shall secure each annual levy of the special tax and that shall continue in force and effect until the special tax obligation ceases to be levied and a notice of cessation of special tax is recorded in accordance with Section 53330.5 of the Government Code.

The rate, method of apportionment, and manner of collection of the authorized special tax is as follows: (please refer to the attached Rate and Method of Apportionment, as taken from the resolution of formation, of City of Oroville Community Facilities District No. 2006-1 (Westside Public Safety Facilities). Conditions under which the obligation to pay the special tax may be prepaid and permanently satisfied and the lien of the special tax canceled are as follows: The Special Tax may not be prepaid.

Notice is further given that upon the recording of this notice in the office of the county recorder, the obligation to pay the special tax levy shall become a lien upon all nonexempt real property within City of Oroville Community Facilities District No. 2006-1 (Westside Public Safety Facilities) in accordance with Section 3115.5 of the Streets and Highways Code.

The name of the owner and the assessor's tax parcel numbers of the real property included within this community facilities district and not exempt from the special tax are as follows:

**Ruddy Creek Partnership, LLC
APN(s): 030-360-091 and 030-360-092**

Reference is made to the amended boundary map of the community facilities district recorded at **Volume 5** of Maps of Assessment and Community Facilities Districts at **Page 22**, in the office of the County Recorder for the County of Butte, State of California which map is now the final boundary map of the community facilities district.

For further information concerning the current and estimated future tax liability of owners or purchasers of real property subject to this special tax lien, interested persons should contact the Finance Department of the City of Oroville, 1735 Montgomery Street, Oroville, CA 95965 (530) 538-2410.

Attest:

Jackie Glover

Assistant City Clerk, City of Oroville



CITY OF OROVILLE STAFF REPORT

TO: MAYOR REYNOLDS AND CITY COUNCIL MEMBERS

FROM: DAWN NEVERS, ASSISTANT COMMUNITY DEVELOPMENT DIRECTOR

**RE: AUTHORIZE INCREASED PURCHASE AMOUNT FOR STREET
DEPARTMENT EQUIPMENT**

MARCH 1, 2022

SUMMARY

Council many consider and approve the increase in the budgeted purchase amount of City Street Department equipment.

DISCUSSION

Council approved the budgeted amount for the purchase price of a new 2021 Freightliner M2 Chassis "Xbroom" Street Sweeper at \$276,000.00. The total cost for this purchase is now \$345,137.51, which includes \$3,160.50 for DMV fees, tire tax, and estimated unit freight: outbound freight. This is an increase of \$65,976.00. Please see the Kellar Equipment invoice attached.

Council approved the budgeted amount for the purchase of One (1) New Caterpillar Model: CB2.5-MB Paving and Compaction at \$49,747.25. The total cost for this purchase is now \$57,732.93, an increase of \$7,985.68. Please see the updated Peterson CAT invoice attached.

FISCAL IMPACT

Total increase of \$73,961.68 for both pieces of equipment from the originally approved Capital Asset Replacement Fund

RECOMMENDATION

Approve the \$65,976.00 increase in the purchase price of new 2021 Street Sweeper

Approve the \$7,985.68 increase in purchase price of new Paving and Compaction equipment

ATTACHMENTS

Keller Equipment Quote
Peterson CAT Quote



Customer Quote Rev 012022

Customer: City of Oroville June 2022

Item	Price
2022 Freightliner Xbroom NON CDL	
2022 Freightliner Xbroom CDL	Included
2022 Freightliner Xbroom CNG	
Backup Camera Only	
Dual Camera-Hopper and Backup	
Triple Camera-Hopper/Backup/LH GB	
Quad Camera System (4):	Included
Front	
LT Gutter	
RT Gutter	
Inside Hopper	Included
Top Hopper	
Back RT Fender/ENDSLIDES	Included
Back LT Fender/ENDSLIDES	Included
Backup Camera	Included
Beacon, Wired to Top of Hopper, Incl Work Light in Hopper	Included
Aluminum Wheels, 6 Polished Turbo	Included
Chrome Heated/Power Mirrors	Included
Chrome Front Bumper	Included
Power Windows/Door Locks	Included
Front Fiberglass Cab Visor	Included
Advanced Arrow Board	Included
Optional Main Broom (Strip Broom)	
Optional 60" Wafer Spacer Main Broom w Additional Core	Included
Main Broom Down Pressure Control	Included
Stainless Steel Hopper Bottom, Door	
Work Lights on Top of Rear Panel	Included
Left Hand Wide Sweep	
Fill Hose and Assembly (15' Hose)	Included
Fill Hose and Assembly (25' Hose)	
Stainless Steel Toolbox	
Door Controls	Included
25' Truck Washdown Kit	
Optional Custom Color	Included
Extra Endslides	
Light Package (8 strobes, 1 light bar)	Included
Variable Width Gutter Brooms (R & L)	Included

Piranha Brush Segments	
Clear Lense Package (Arrow Board, Stop/Turn Reverse, Marker)	
Broom Shovel Holder	Included
Pressure Washer/Hose	Included
Poly Flight Rubbers	
Optional Gutter Broom Holder	
Winterization	
Poly Elevator Shim Kit (Spacer)	
Extra Work Lights	
10" Mirrors	
Hopper Mirror	
Extended Elevator Bearing Grease Hoses	
Hopper Door Seal	
Round End Slide Tie Bar	
Main Broom Cover Insert	Included
Admin Fee	Included
Doc Fee	Included
*Material Surcharge	\$ 8,250.00
SUBTOTAL	\$ 310,685.00
Sales Tax	\$ 25,631.51
DMV	\$ 2,650.00
Tire Tax	\$ 10.50
Shipping Out	\$ 3,000.00
**TOTAL	\$ 341,977.01

***SURCHARGE BASED ON CURRENT BUILD SPOTS AVAILABLE. SUBJECT TO CHANGE UNTIL DEPOSIT AND SIGNED BUILD SHEET IS RECEIVED**

****DUE TO THE EXTREME MARKET VOLATILITY AND INFLATION, PRICING PROVIDED IS SUBJECT TO INCREASES AS ANNOUNCED BY NESCON LLC AND/OR THEIR SUPPLIERS**



February 14, 2022

CITY OF OROVILLE
1735 MONTGOMERY ST
OROVILLE
California
95965

RE: Quote 201317-02

Dear Sir,

We would like to thank you for your interest in our company and our products, and are pleased to quote the following for your consideration.

One (1) New Caterpillar Model: CB2.5-MB Paving and Compaction

MACHINE SPECIFICATIONS

CB2.5 03A UTILITY COMPACTOR	562-0799
LANE 2 - AVAILABLE FROM MINERBIO FACTORY	
LANE 3 - AVAILABLE FROM MINERBIO FACTORY	

Double drum vibratory compactor with 1000mm (39") drum width

AVAILABLE FOR: AM-N & PUERTO RICO

ENGINE, CAT C1.7T	621-4038
LIGHTS, WORKING, LED	568-5154
SWITCH, BATTERY DISCONNECT	565-3708
SEAT, WITH SAFETY SWITCH	573-5962
SUPPORT, SLIDING FOR SEAT	364-2279
SEAT BELT, 3"	542-6995
ROPS, FOLDABLE, LOCKABLE	574-6088
TRAVEL CONTROL, CUP HOLDER	453-9461
PRODUCT LINK, CELLULAR PL243	577-1414
PLUG (NON SINGLE LIFT)	503-1603
GUARDS, BUMPER	569-8093
DRUM SCRAPER, FOLDING	603-5171
OIL, HYD, STANDARD	574-6039
INSTRUCTIONS, ANSI	574-6030

SERIALIZED TECHNICAL MEDIA KIT
CONTROL, TRACTION
DOMESTIC TRUCK
ROLL ON-ROLL OFF

421-8926
561-3543
0G-0055
0G-0044

SELL PRICE	\$64,668.90
EXT WARRANTY	Included
FREIGHT, PDI, MAKE READY, WARRANTY	\$5,618.06
SOURCEWELL DISCOUNT 19% OF LIST	(\$11,954.00)
NET BALANCE DUE	\$53,332.96
PETERSON DISCOUNT	(\$5,000.00)
SALES TAX (8.25%)	\$4,399.97
AFTER TAX BALANCE	\$57,732.93

WARRANTY

Standard Warranty: 12 Month, Unlimited Hours Standard Warranty
Extended Warranty: CB2.5-60 MO/3000 HR Powertrain + Hydraulics + Tech Tier 4

F.O.B/TERMS: Delivered

Accepted by _____ on _____

Signature

This Quote is valid for 30 days, after which time we reserve the right to re-quote. If there are any questions, please do not hesitate to contact me.

Sincerely,

Travis Boyan
Machine Sales Representative
Peterson CAT
(530) 990-0961
TLBoyan@petersoncat.com



CITY OF OROVILLE STAFF REPORT

TO: MAYOR AND CITY COUNCIL MEMBERS

FROM: BILL LAGRONE, CITY ADMINISTRATOR

TYSON PARDEE, MANAGER
INFORMATION TECHNOLOGY DIVISION

RE: AMEND AXON CONTRACT TO INCLUDE TASERS

DATE: MARCH 1, 2022

SUMMARY

The Council may consider a change to the body camera lease agreement with Axon to include Tasers and drone licensing. The new contract will be a five-year contract and cost \$324,430.42 over the life of the contract.

DISCUSSION

The Police Department is at the midpoint in their 5 year contract with Axon for body cameras. At this point in the contract all body cameras are replaced with the latest body camera Axon has to offer. While working on the replacement Axon noticed that the Oroville Police Department was no longer in a contract for their Tasers and that there are some tasers in the fleet that are starting to fail. Axon is willing to rewrite the body camera contract to include the Tasers as well as licensing for storing drone footage. This new contract will be for 5 years and will include the following items.

- 1) Body cameras – This is already in the contract but what would change is the users licensing option. The new license would be a “Pro License” for every officer and include unlimited cloud storage. The unlimited storage will would allow officers to gather citizen digital evidence if a case required it. Currently the amount of storage the agency has will only allow for the officer’s body camera footage and only for the set retention timeframe.
- 2) Tasers – From the start of the contract each officer will receive a new Taser. The agreement also includes all cartridges needed during the life of the contract.
- 3) Signaling devices – These devices, when activated, will automatically send a signal to all body cameras, within signal range, to start recording. The signals may originate from Taser activation, a sidearm being pulled from the holster or even many triggering possibilities within the car.
- 4) Drone footage – This license will allow incident drone footage to be stored as digital evidence in the evidence.com cloud.

FISCAL IMPACT

Funding is available

RECOMMENDATION

Authorize staff to sign the new five-year contract with Axon for \$324,430.42.

ATTACHMENTS

Axon - Core+ Contract Rewrite



Axon Enterprise, Inc.
 17800 N 85th St.
 Scottsdale, Arizona 85255
 United States
 VAT: 86-0741227
 Domestic: (800) 978-2737
 International: +1.800.978.2737

Q-351283-44607

Item 11.

Issued: 02/15/2022

Quote Expiration: 03/31/2022

EST Contract Start Date: 04/15/2022

Account Number: 113458

Payment Terms: N30

Delivery Method: Fedex - Ground

SHIP TO	BILL TO
Business;Delivery;Invoice-2055 Lincoln St 2055 Lincoln St Oroville, CA 95966-5325 USA	Oroville Police Dept. - CA 2055 Lincoln St Oroville, CA 95966-5325 USA Email:

SALES REPRESENTATIVE	PRIMARY CONTACT
Matt Appelbaum Phone: Email: mappelbaum@axon.com Fax:	Tyson Pardee Phone: 5305382493 Email: tpardee@cityoforoville.org Fax:

Program Length	60 Months
TOTAL COST	\$310,238.94
ESTIMATED TOTAL W/ TAX	\$324,430.42

Bundle Savings	\$105,083.14
Additional Savings	\$22,971.33
TOTAL SAVINGS	\$128,054.47

PAYMENT PLAN		
PLAN NAME	INVOICE DATE	AMOUNT DUE
Year 1	Feb, 2022	\$62,047.78
Year 2	Feb, 2023	\$62,047.78
Year 3	Feb, 2024	\$62,047.78
Year 4	Feb, 2025	\$62,047.78
Year 5	Feb, 2026	\$62,047.78

Quote Details

Bundle Summary

Item	Description	QTY
DynamicBundle	Dynamic Bundle	1
ProLicense	Pro License Bundle	7
DynamicBundle	Dynamic Bundle	1
CoreBWC	2021 Core BWC	4
Core+	2021 Core+	27
AB3C	AB3 Camera Bundle	1

Bundle: Dynamic Bundle Quantity: 1 Start: 4/15/2022 End: 4/14/2027 Total: 10907.43 USD

Category	Item	Description	QTY	List Price	Discount	Tax	Net Price	Total(USD)
Other	70033	WALL MOUNT BRACKET, ASSY, EVIDENCE.COM DOCK	1	\$43.90	100.00%	\$0.00	\$0.00	\$0.00
Other	20050	HOOK-AND-LOOP TRAINING (HALT) SUIT	1	\$789.75	0.00%	\$65.16	\$789.75	\$789.75
Other	20120	TASER 7 INSTRUCTOR COURSE VOUCHER	1	\$375.00	0.00%	\$0.00	\$375.00	\$375.00
Other	70117	AXON SIGNAL UNIT, CABLE ASSEMBLY	27	\$25.00	0.00%	\$55.69	\$25.00	\$675.00
Other	70112	AXON SIGNAL UNIT	27	\$279.00	0.00%	\$621.47	\$279.00	\$7,533.00
Other	80379	EXT WARRANTY, FLEET 2 SIGNAL UNIT	27	\$1.16	0.00%	\$126.61	\$1.16	\$1,534.68

Bundle: Pro License Bundle Quantity: 7 Start: 4/15/2022 End: 4/14/2027 Total: 16380 USD

Category	Item	Description	QTY	List Price	Discount	Tax	Net Price	Total(USD)
E.com License	73746	PROFESSIONAL EVIDENCE.COM LICENSE (Formerly SKU 73746)	7	\$39.00	0.00%	\$0.00	\$39.00	\$16,380.00
A La Carte Storage	73683	10 GB EVIDENCE.COM A-LA-CART STORAGE-	21	\$0.00	0.00%	\$0.00	\$0.00	\$0.00

Bundle: Dynamic Bundle Quantity: 1 Start: 4/15/2022 End: 4/14/2027 Total: 16740 USD

Category	Item	Description	QTY	List Price	Discount	Tax	Net Price	Total(USD)
Other	100112	AXON AIR, E.COM PILOT DATA LIC	1	\$30.00	100.00%	\$0.00	\$0.00	\$0.00

Other	12023	AXON AIR, CLASS 2 UAS LICENSE	1	\$279.00	0.00%	\$0.00	\$279.00	\$16	Item 11.
Other	12021	AXON AIR, VIRTUAL TRAINING	1	\$500.00	100.00%	\$0.00	\$0.00	\$0.00	

Bundle: 2021 Core BWC Quantity: 4 Start: 4/15/2022 End: 4/14/2027 Total: 28559.98 USD								
Category	Item	Description	QTY	List Price	Discount	Tax	Net Price	Total(USD)
Signal Sidearm Kit	75015	SIGNAL SIDEARM KIT	4	\$249.00	24.04%	\$61.58	\$189.14	\$756.56
Warranty	80465	EXT WARRANTY, MULTI-BAY DOCK (TAP)	1	\$21.00	24.04%	\$75.31	\$15.95	\$957.09
Camera Warranty	80464	EXT WARRANTY, CAMERA (TAP)	4	\$11.67	24.04%	\$167.40	\$8.86	\$2,127.48
E.com License	73746	PROFESSIONAL EVIDENCE.COM LICENSE (Formerly SKU 73746)	4	\$39.00	24.04%	\$0.00	\$29.62	\$7,109.84
Respond License	73449	RESPOND DEVICE LICENSE	4	\$5.00	24.04%	\$0.00	\$3.80	\$911.52
Multi-bay Dock Refresh 1	73689	MULTI-BAY BWC DOCK 1ST REFRESH	1	\$1,610.00	24.04%	\$99.55	\$1,222.95	\$1,222.95
Device Storage	73686	EVIDENCE.COM UNLIMITED AXON DEVICE STORAGE	4	\$24.00	24.04%	\$0.00	\$18.23	\$4,375.29
Auto Tagging	73682	AUTO TAGGING LICENSE	4	\$9.00	24.04%	\$0.00	\$6.84	\$1,640.73
Camera Refresh 1 with Spares	73309	AXON CAMERA REFRESH ONE	4	\$755.00	24.04%	\$186.72	\$573.50	\$2,293.99
Camera Refresh 2 with Spares	73310	AXON CAMERA REFRESH TWO	4	\$790.00	24.04%	\$195.38	\$600.08	\$2,400.33
Multi-bay Dock Refresh 2	73688	MULTI-BAY BWC DOCK 2ND REFRESH	1	\$1,685.00	24.04%	\$104.18	\$1,279.92	\$1,279.92
Auto Tagging Implementation	79999	AUTO TAGGING / PERFORMANCE IMPLEMENTATION SERVICE	1	\$0.00	0.00%	\$0.00	\$0.00	\$0.00
A La Carte Storage	73683	10 GB EVIDENCE.COM A-LA-CART STORAGE-	12	\$0.40	24.04%	\$0.00	\$0.30	\$218.76
Signal Sidearm Batteries	71044	BATTERY, SIGNAL SIDEARM, CR2430 SINGLE PACK	8	\$1.00	24.04%	\$0.49	\$0.76	\$6.08
Camera	73202	AXON BODY 3 - NA10 - US - BLK - RAPIDLOCK	4	\$699.00	24.04%	\$172.87	\$530.96	\$2,123.84
Camera Mount	74028	WING CLIP MOUNT, AXON RAPIDLOCK	5	\$0.00	0.00%	\$0.00	\$0.00	\$0.00
USB	11534	USB-C to USB-A CABLE FOR AB3 OR FLEX 2	5	\$0.00	0.00%	\$0.00	\$0.00	\$0.00
Dock	74210	AXON BODY 3 - 8 BAY DOCK	1	\$1,495.00	24.04%	\$92.44	\$1,135.60	\$1,135.60
Power Cord	71019	NORTH AMER POWER CORD FOR AB3 8-BAY, AB2 1-BAY / 6-BAY DOCK	1	\$0.00	0.00%	\$0.00	\$0.00	\$0.00

Bundle: 2021 Core+ Quantity: 27 Start: 4/15/2022 End: 4/14/2027 Total: 237651.53 USD								
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Category	Item	Description	QTY	List Price	Discount	Tax	Net Price	Total	Item 11.
Signal Sidearm Kit	75015	SIGNAL SIDEARM KIT	27	\$249.00	27.16%	\$404.00	\$181.37	\$4,897.03	
Warranty	80465	EXT WARRANTY, MULTI-BAY DOCK (TAP)	4	\$21.00	27.16%	\$302.87	\$15.30	\$3,671.14	
Camera Warranty	80464	EXT WARRANTY, CAMERA (TAP)	27	\$11.67	27.16%	\$1,136.08	\$8.50	\$13,770.70	
E.com License	73746	PROFESSIONAL EVIDENCE.COM LICENSE (Formerly SKU 73746)	27	\$39.00	34.95%	\$0.00	\$25.37	\$41,100.33	
Respond License	73449	RESPOND DEVICE LICENSE	27	\$5.00	27.16%	\$0.00	\$3.64	\$5,900.04	
Multi-bay Dock Refresh 1	73689	MULTI-BAY BWC DOCK 1ST REFRESH	4	\$1,610.00	27.16%	\$387.00	\$1,172.72	\$4,690.90	
Device Storage	73686	EVIDENCE.COM UNLIMITED AXON DEVICE STORAGE	27	\$24.00	35.64%	\$0.00	\$15.45	\$25,022.26	
Auto Tagging	73682	AUTO TAGGING LICENSE	27	\$9.00	27.16%	\$0.00	\$6.56	\$10,620.08	
Camera Refresh 1 with Spares	73309	AXON CAMERA REFRESH ONE	27	\$755.00	27.16%	\$1,225.00	\$549.94	\$14,848.44	
Camera Refresh 2 with Spares	73310	AXON CAMERA REFRESH TWO	27	\$790.00	27.16%	\$1,281.79	\$575.44	\$15,536.78	
Multi-bay Dock Refresh 2	73688	MULTI-BAY BWC DOCK 2ND REFRESH	4	\$1,685.00	27.16%	\$405.03	\$1,227.35	\$4,909.42	
Auto Tagging Implementation	79999	AUTO TAGGING / PERFORMANCE IMPLEMENTATION SERVICE	1	\$0.00	0.00%	\$0.00	\$0.00	\$0.00	
A La Carte Storage	73683	10 GB EVIDENCE.COM A-LA-CART STORAGE-	81	\$0.40	27.16%	\$0.00	\$0.29	\$1,416.01	
Signal Sidearm Batteries	71044	BATTERY, SIGNAL SIDEARM, CR2430 SINGLE PACK	54	\$1.00	27.16%	\$3.24	\$0.73	\$39.33	
Holsters	20160	TASER 7 HOLSTER - SAFARILAND, RH+CARD CARRIER	27	\$84.24	27.16%	\$136.68	\$61.36	\$1,656.73	
Handle License	20248	TASER 7 EVIDENCE.COM LICENSE	27	\$5.00	27.16%	\$0.00	\$3.64	\$5,900.04	
Live Cartridges	22175	TASER 7 LIVE CARTRIDGE, STANDOFF (3.5-DEGREE) NS	81	\$38.95	27.16%	\$189.60	\$28.37	\$2,298.07	
Live Cartridges	22176	TASER 7 LIVE CARTRIDGE, CLOSE QUARTERS (12-DEGREE) NS	81	\$38.95	27.16%	\$189.59	\$28.37	\$2,298.07	
Handles	20008	TASER 7 HANDLE, YLW, HIGH VISIBILITY (GREEN LASER), CLASS 3R	27	\$1,810.00	27.16%	\$2,936.75	\$1,318.40	\$35,596.92	
Inert Cartridges	22179	TASER 7 INERT CARTRIDGE, STANDOFF (3.5-DEGREE) NS	27	\$50.23	27.16%	\$81.50	\$36.59	\$987.86	
Inert Cartridges	22181	TASER 7 INERT CARTRIDGE, CLOSE QUARTERS (12-DEGREE) NS	27	\$50.23	27.16%	\$81.50	\$36.59	\$987.86	
Admin License	20248	TASER 7 EVIDENCE.COM LICENSE	1	\$5.00	27.16%	\$0.00	\$3.64	\$218.52	
Taser 7 Target	80087	TASER 7 TARGET, CONDUCTIVE, PROFESSIONAL (RUGGEDIZED)	1	\$157.95	27.16%	\$9.49	\$115.05	\$115.05	

Taser 7 Target Frame	80090	TARGET FRAME, PROFESSIONAL, 27.5 IN. X 75 IN., TASER 7	1	\$78.98	27.16%	\$4.74	\$57.53	Item 11. \$57.53
Training Live Cartridges	22175	TASER 7 LIVE CARTRIDGE, STANDOFF (3.5-DEGREE) NS	54	\$38.95	27.16%	\$126.39	\$28.37	\$1,532.04
Training Live Cartridges	22175	TASER 7 LIVE CARTRIDGE, STANDOFF (3.5-DEGREE) NS	54	\$38.95	27.16%	\$126.39	\$28.37	\$1,532.04
Training Live Cartridges	22175	TASER 7 LIVE CARTRIDGE, STANDOFF (3.5-DEGREE) NS	54	\$38.95	27.16%	\$126.39	\$28.37	\$1,532.04
Training Live Cartridges	22175	TASER 7 LIVE CARTRIDGE, STANDOFF (3.5-DEGREE) NS	54	\$38.95	27.16%	\$126.39	\$28.37	\$1,532.04
Training Live Cartridges	22175	TASER 7 LIVE CARTRIDGE, STANDOFF (3.5-DEGREE) NS	54	\$38.95	27.16%	\$126.39	\$28.37	\$1,532.04
Training Live Cartridges	22176	TASER 7 LIVE CARTRIDGE, CLOSE QUARTERS (12-DEGREE) NS	54	\$38.95	27.16%	\$126.39	\$28.37	\$1,532.04
Training Live Cartridges	22176	TASER 7 LIVE CARTRIDGE, CLOSE QUARTERS (12-DEGREE) NS	54	\$38.95	27.16%	\$126.39	\$28.37	\$1,532.04
Training Live Cartridges	22176	TASER 7 LIVE CARTRIDGE, CLOSE QUARTERS (12-DEGREE) NS	54	\$38.95	27.16%	\$126.39	\$28.37	\$1,532.04
Training Live Cartridges	22176	TASER 7 LIVE CARTRIDGE, CLOSE QUARTERS (12-DEGREE) NS	54	\$38.95	27.16%	\$126.39	\$28.37	\$1,532.04
Training Live Cartridges	22176	TASER 7 LIVE CARTRIDGE, CLOSE QUARTERS (12-DEGREE) NS	54	\$38.95	27.16%	\$126.39	\$28.37	\$1,532.04
Batteries	20018	TASER 7 BATTERY PACK, TACTICAL	32	\$90.56	27.16%	\$174.15	\$65.96	\$2,110.85
Training Halt Cartridges	22177	TASER 7 HOOK-AND-LOOP TRN (HALT) CARTRIDGE, STANDOFF NS	54	\$38.95	27.16%	\$126.39	\$28.37	\$1,532.04
Training Halt Cartridges	22177	TASER 7 HOOK-AND-LOOP TRN (HALT) CARTRIDGE, STANDOFF NS	54	\$38.95	27.16%	\$126.39	\$28.37	\$1,532.04
Training Halt Cartridges	22178	TASER 7 HOOK-AND-LOOP TRN (HALT) CARTRIDGE, CLOSE QUART NS	54	\$38.95	27.16%	\$126.39	\$28.37	\$1,532.04
Training Halt Cartridges	22178	TASER 7 HOOK-AND-LOOP TRN (HALT) CARTRIDGE, CLOSE QUART NS	54	\$38.95	27.16%	\$126.39	\$28.37	\$1,532.04
Duty Cartridge Replenishment Program	20246	TASER 7 DUTY CARTRIDGE REPLACEMENT LICENSE	27	\$2.50	27.16%	\$243.38	\$1.82	\$2,950.02
Docks	74200	TASER 7 6-BAY DOCK AND CORE	1	\$1,500.00	27.16%	\$90.15	\$1,092.60	\$1,092.60
Dock Mount	70033	WALL MOUNT BRACKET, ASSY, EVIDENCE.COM DOCK	1	\$43.90	27.16%	\$2.64	\$31.98	\$31.98
Dock Power Cord	71019	NORTH AMER POWER CORD FOR AB3 8-BAY, AB2 1-BAY / 6-BAY DOCK	1	\$10.45	27.16%	\$0.63	\$7.61	\$7.61
Camera	73202	AXON BODY 3 - NA10 - US - BLK - RAPIDLOCK	27	\$699.00	89.21%	\$168.03	\$75.43	\$2,036.61
Camera Mount	74028	WING CLIP MOUNT, AXON RAPIDLOCK	30	\$0.00	0.00%	\$0.00	\$0.00	\$0.00

USB	11534	USB-C to USB-A CABLE FOR AB3 OR FLEX 2	30	\$0.00	0.00%	\$0.00	\$0.00	Item 11.
Dock	74210	AXON BODY 3 - 8 BAY DOCK	4	\$1,495.00	27.16%	\$359.36	\$1,088.96	\$4,355.83
Power Cord	71019	NORTH AMER POWER CORD FOR AB3 8-BAY, AB2 1-BAY / 6-BAY DOCK	4	\$0.00	0.00%	\$0.00	\$0.00	\$0.00
Other	80395	EXT WARRANTY, TASER 7 HANDLE	27	\$6.58	27.16%	\$523.13	\$4.79	\$6,340.97
Other	80374	EXT WARRANTY, TASER 7 BATTERY PACK	32	\$0.44	27.16%	\$41.46	\$0.32	\$502.54
Other	80396	EXT WARRANTY, TASER 7 SIX BAY DOCK	1	\$6.58	27.16%	\$19.38	\$4.79	\$234.85

Bundle: AB3 Camera Bundle Quantity: 1 Start: 4/15/2022 End: 4/14/2027 Total: 0 USD								
Category	Item	Description	QTY	List Price	Discount	Tax	Net Price	Total(USD)
Camera	73202	AXON BODY 3 - NA10 - US - BLK - RAPIDLOCK	1	\$699.00	100.00%	\$0.00	\$0.00	\$0.00

INDIVIDUAL ITEMS								
Category	Item	Description	QTY	List Price	Discount	Tax	Net Price	Total(USD)
Total:								0

Tax is estimated based on rates applicable at date of quote and subject to change at time of invoicing. If a tax exemption certificate should be applied, please submit prior to invoicing.

Axon Enterprise Inc. Sales Terms and Conditions

Axon Master Services and Purchasing Agreement:

This Quote is limited to and conditional upon your acceptance of the provisions set forth herein and Axon's Master Services and Purchasing Agreement (posted at www.axon.com/legal/sales-terms-and-conditions), as well as the attached Statement of Work (SOW) for Axon Fleet and/or Axon Interview Room purchase, if applicable. In the event you and Axon have entered into a prior agreement to govern all future purchases, that agreement shall govern to the extent it includes the products and services being purchased and does not conflict with the Axon Customer Experience Improvement Program Appendix as described below.

ACEIP:

The Axon Customer Experience Improvement Program Appendix, which includes the sharing of de-identified segments of Agency Content with Axon to develop new products and improve your product experience (posted at www.axon.com/legal/sales-terms-and-conditions), is incorporated herein by reference. By signing below, you agree to the terms of the Axon Customer Experience Improvement Program.

Acceptance of Terms:

Any purchase order issued in response to this Quote is subject solely to the above referenced terms and conditions. By signing below, you represent that you are lawfully able to enter into contracts. If you are signing on behalf of an entity (including but not limited to the company, municipality, or government agency for whom you work), you represent to Axon that you have legal authority to bind that entity. If you do not have this authority, please do not sign this Quote.

Exceptions to Standard Terms and Conditions

Item 11.

Agency has existing contract 21706 & 21707 (originated via Q-207113) and is terminating that contract upon the new license start date (3/1/2022) of this quote.

The parties agree that Axon is granting a refund of \$6,162.00 to refund paid, but undelivered services. This discount is based on a ship date range of 2/1/2022-2/14/2022, resulting in a 3/1/2022 license date. Any change in this date and resulting license start date will result in modification of this discount value which may result in additional fees due to or from Axon.

Signature

Date Signed

2/15/2022



CITY OF OROVILLE STAFF REPORT

TO: MAYOR REYNOLDS AND CITY COUNCIL MEMBERS

**FROM: RUTH WRIGHT, ASSISTANT CITY ADMINISTRATOR,
ADMINISTRATIVE SERVICES**

RE: MID YEAR FINANCIAL REVIEW

DATE: MARCH 1, 2022

SUMMARY

The Council may receive a mid-year financial report.

DISCUSSION

OVERVIEW

A look at the budgets vs actuals for the first half of the fiscal year 2021-22. With the new District Sales tax, the budget outlook is very positive. Staffing levels are being restored and much needed public services are being restored.

GENERAL FUND

General Fund expenditures are for the core functions of the City. Administration, Police, Fire and Public Works are some of the departments budgeted here. Overall the General Fund has 57% of the expenditure budget still available at mid-year.

Revenues

Overall the revenues are better than expected. The City received \$2,480,366 in unanticipated revenue in July 2021, that has not been appropriated by Council. This was received from the Coronavirus Local Fiscal Recovery Funds.

Planning and Development fees are already above the annual estimate. This revenue source is hard to estimate as there is an large variance that flows with development going on in the City.

Expenditures

A few new positions have been created after the budget document was prepared. Council has approved a full time Museum Curator and a new Code Enforcement Director. Insurance has

also come in higher than budgeted by \$87,644. This increase is significant as last year was an additional \$68,884 increase.

DISTRICT TAX FUND

Revenues

Revenues for the new District Sales Tax is exceeding budget estimates. Original budget of 7.5 million looks to be right on track.

Expenditures

District Tax expenditures are coming in much less than budgeted. This budget overall will be much less than anticipated. Much of the budget savings are related to position vacancies.

DEBT

The City completed a new bond issuance for Pension Obligation Bonds in November 2012. The bonds were issued for 17 million dollars at a rate of 3.2%. This is not considered new debt as we already owed this liability, rather a transfer of debt from CalPERS to our bond holder, US Bank.

OPEN GOV

For more financial details please visit our OpenGov transparency portal at:
<https://orovilleca.opengov.com>

Data is uploaded monthly.

FISCAL IMPACT

None, budgetary estimates only.

RECOMMENDATION

Staff recommends the following budget adjustments:

Expenditures

- Risk Management increase \$87,644 to cover increased property insurance.
- Public Works increase of \$45,000 in the District Tax Fund to cover increases in position costs related to the City Engineer. This position was originally budgeted as part time and has increased.
- Expenditures in the Supplemental Benefits Fund need to increase to cover outstanding approved expenditures. At the time the budget was created it was thought the projects would be completed in the previous year, but they have carried over into this fiscal year. Increase of \$500,000.00

ATTACHMENTS

Budget worksheets



CITY OF OROVILLE
General Fund Revenues
July 1, 2021 through December 31, 2021

Department	Annual Budget	Year to Date Revenues	Budget Remaining	Percentage Remaining 50%
City Clerk	2,040	350	1,690	83%
City Hall	1,800	892	908	50%
Information Technology	30,000	14,910	15,090	0%
Finance	13,600	13,401	199	1%
Planning & Development Services	163,700	177,738	(14,038)	-9%
Building	1,056,276	350,225	706,051	67%
Code Enforcement	4,651	12,900	(8,249)	0%
Police	534,970	177,353	357,617	67%
Fire	703,379	162,785	540,594	77%
Public Works	49,532	18,378	31,154	63%
Streets	457,717	237,105	220,612	48%
Parks & Trees	36,199	12,378	23,821	66%
General Government	16,170,253	5,669,125	10,501,128	65%
TOTALS	\$ 19,224,117	\$ 6,847,540	\$ 12,376,577	64%



CITY OF OROVILLE
General Fund Expenditures
July 1, 2021 through December 31, 2021

Department	Annual Budget	Year to Date Expenditures	Budget Remaining	Percentage Remaining 50%
City Administrator	414,784	166,476	248,308	60%
City Attorney	265,450	111,228	154,222	58%
City Clerk	158,036	63,965	94,071	60%
City Hall	102,509	58,590	43,919	43%
Human Resources	265,834	108,285	157,549	59%
Information Technology	553,934	221,093	332,841	60%
Risk Management	440,000	527,644	(87,644)	-20%
Mayor and Council	208,033	100,964	107,069	51%
Finance	1,059,718	430,498	629,220	59%
Treasurer	39,318	18,554	20,764	53%
Planning & Development Services	654,468	335,694	318,774	49%
Building	609,547	183,050	426,497	70%
Code Enforcement	35,958	16,459	19,499	54%
Police	5,931,407	2,571,440	3,359,967	57%
Animal Control	406,943	232,416	174,527	43%
Fire	3,684,644	1,977,098	1,707,546	46%
Public Works	300,550	104,826	195,724	65%
Streets	1,110,827	469,852	640,975	58%
Drainage	460,700	28,971	431,729	94%
Parks & Trees	2,715,228	636,991	2,078,237	77%
General Government	275,500	110,000	165,500	60%
TOTALS	19,693,388	8,474,094	11,219,294	57%



CITY OF OROVILLE
District Tax Revenues
July 1, 2021 through December 31, 2021

Department	Annual Budget	Year to Date Revenues	Budget Remaining	Percentage Remaining 50%
General Government-Sales Tax	7,498,035	2,510,151	4,987,884	67%
TOTALS	\$ 7,498,035	\$ 2,510,151	\$ 4,987,884	67%



CITY OF OROVILLE
District Tax Expenditures
July 1, 2021 through December 31, 2021

Department	Annual Budget	Year to Date Expenditures	Budget Remaining	Percentage Remaining 50%
City Administrator	80,331	42,095	38,236	48%
City Hall	67,810	17,501	50,309	74%
Planning	88,122	3,194	84,928	96%
Code Enforcement	280,128	64,808	215,320	77%
Police	1,102,168	356,976	745,192	68%
Fire	408,596	124,660	283,936	69%
Public Works	35,751	39,204	(3,453)	-10%
Streets	1,827,868	109,614	1,718,254	94%
Parks & Trees	566,448	113,921	452,527	80%
General Government	3,000,000	1,500,000	1,500,000	50%
General Reserve	1,500,000	750,000	750,000	50%
TOTALS	8,957,222	3,121,974	5,835,248	65%



California Public Utilities Commission
505 Van Ness Ave., San Francisco

FOR IMMEDIATE RELEASE

Media Contact: Terrie Prosper, 415.703.1366, news@cpuc.ca.gov

MEDIA ADVISORY

Docket #: A.21-06-021

CPUC TO HOLD REMOTE PUBLIC FORUMS (PUBLIC PARTICIPATION HEARINGS) ON PG&E'S RATE CASE FOR 2023-2026

SAN FRANCISCO, February 17, 2022 - The California Public Utilities Commission (CPUC) will hold six remote public forums (otherwise known as Public Participation Hearings) to provide an opportunity for customers of Pacific Gas and Electric Company (PG&E) to offer their perspective and input to the CPUC about the company's rate increase request (described below), as follows:

WHEN:

- March 1, 2022, 2 p.m. AND 6 p.m.
- March 10, 2022, 2 p.m. AND 6 p.m. (open to all PG&E customers and will focus on PG&E customers in the San Joaquin Valley/Fresno area)
- March 22, 2022, 2 p.m. AND 6 p.m.

WHERE: Remote access via video webcast (observe/watch/listen-only) and phone (listen and participate) for ALL public forums:

- Live video webcast with English or Spanish captions via: www.adminmonitor.com/ca/cpuc
 - Webcast: Participants who access the forum via webcast-only will just have audio and video but will not be able to make verbal comments. If you want to make live verbal comments during the forum, you must call into the meeting with the call-in information below:
 - Phone (English): 800-857-1917, passcode: 6032788# (Participants will have audio in English and will be able to make comments in English.)
 - Phone (Spanish): 800-857-1917, passcode: 3799627# (Participants will have audio in Spanish and will be able to make comments in Spanish.)

- For captions (English or Spanish), do the following: (1) click on the name of the meeting at www.adminmonitor.com/ca/cpuc, (2) click the **green button** below the video for captions, and (3) click on the **white icon** next to the word “live” at the bottom of the video.
- The forums will be recorded and archived on the Commission’s website for future viewing.

The CPUC welcomes remote attendance and comment on PG&E’s rate increase request at the six public forums, and customers from all parts of PG&E’s service area are encouraged to attend. Comments from customers will help the CPUC reach an informed decision on PG&E’s request. The Administrative Law Judges assigned to the proceeding (A.21-06-021) will issue a written recommendation in the case in early 2023 and the CPUC Commissioners will consider and vote on that recommendation (or a different recommendation) to adopt any final rate adjustments.

You can also make your voice heard in this proceeding and read the written comments posted by others via our online **Docket Card** on the Commission’s website at apps.cpuc.ca.gov/c/A2106021.

On June 30, 2021, PG&E submitted its General Rate Case application (A.21-06-021) requesting CPUC approval to increase rates for its electric and natural gas customers over four years, 2023 through 2026. Under PG&E’s proposal, the monthly bill for a typical residential customer, including customers enrolled in the assistance program [California Alternate Rates for Energy \(CARE\)](#), is estimated to increase by 18% in 2023, if approved by the CPUC.

Under PG&E’s June 30, 2021 request, PG&E is requesting a reduction of revenue for anticipated operations and maintenance expenses and an increase of revenue for administration costs, for proposed new capital investments to replace and upgrade its facilities, and for wildfire risk mitigation activities to allow its electric system to better withstand fire dangers. PG&E is also requesting the CPUC approve additional expenses and capital costs for its natural gas operations related to its natural gas distribution system as well as its natural gas transmission and storage systems.

As a result, the monthly electric costs for a typical residential customer (500 kwh/month) would increase by \$25.19 in 2023 and an additional \$3.94 in 2024, \$2.40 in 2025, and \$0.72 in 2026. Under PG&E’s

request, the monthly natural gas costs for a typical residential customer (33 therms/month) would increase by \$10.81 in 2023 and an additional \$5.55 in 2024, \$5.03 in 2025, and \$5.34 in 2026. The total requested increase over these four years for both electric and natural gas would be \$58.89 monthly for the typical residential customer with electric usage of 500 kwh/month and gas usage of 33 therms/month. (These estimates are based on a comparison with PG&E rates in effect on March 1, 2021.) These estimates do not include costs related to PG&E's recent announcement of its proposal to underground 10,000 miles of infrastructure. Details regarding the costs of PG&E's undergrounding proposal will be provided by PG&E to the CPUC on February 25, 2022 and will be accessible on the CPUC's website at the **Docket Card** for this proceeding (A.21-06-021). Other recent rate increases announced by PG&E, which have already been approved by the CPUC, are not reflected in these figures. These recent rate increases include those previously approved by the Commission related to the costs of gas and electricity purchases (A.21-06-001), prior general rate case costs, transmission costs, and insurance costs (PG&E Advice Letter 6408). Further information, including a fact sheet in English and Spanish, is available on the CPUC's website at: <https://www.cpuc.ca.gov/pph>

Consistent with Governor Newsom's directive concerning restrictions on public gatherings to protect customers and community members during COVID-19, these public forums (otherwise known as Public Participation Hearings) will not have in-person attendance. Members of the public can view the public forums via the Internet (webcast) and listen and make comment via the toll-free phone line. Those who would like to make public comment must call in by phone.

While a quorum of CPUC's Commissioners and/or their staff may attend, listen, and participate at these remote public forums, no official CPUC action will be taken on this matter during the remote public forums.

If special accommodations are needed to attend or participate, such as non-English translators or sign language interpreters, please contact the CPUC's Public Advisor's Office at public.advisor@cpuc.ca.gov or toll-free at 866-849-8390 at least three business days in advance of the public forum.

Further information on public forums is available on the CPUC's website at: www.cpuc.ca.gov/pph.

The Ruling setting the public forums is available on the CPUC's website at <https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M447/K264/447264149.PDF>.

Documents related to this proceeding are available on the CPUC's website at: https://apps.cpuc.ca.gov/apex/f?p=401:56:0::NO:RP,57,RIR:P5_PROCEEDING_SELECT:A2106021.

To receive electronic updates on CPUC proceedings, sign-up for the CPUC's free subscription service on the CPUC's website at: <http://subscribe.puc.ca.gov>.

The CPUC regulates utilities, protects consumers, safeguards the environment, and assures Californians' access to safe and reliable utility infrastructure and services. For more information on the CPUC, please visit the website at: www.cpuc.ca.gov.

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California Public Utilities Commission
505 Van Ness Ave., San Francisco

FOR IMMEDIATE RELEASE

MEDIA ADVISORY

Media Contact: Terrie Prosper, 415.703.1366, news@cpuc.ca.gov

CPUC TO HOLD PUBLIC BRIEFINGS ON UTILITY EXECUTION OF 2021 PSPS EVENTS TO IMPROVE FUTURE PERFORMANCE

SAN FRANCISCO, February 15, 2022 - The California Public Utilities Commission (CPUC), in ongoing efforts to reduce the impacts of utility Public Safety Power Shutoff (PSPS) events, will hold public briefings on the operations and performance of the state's investor-owned utilities during the 2021 PSPS events in California to capture lessons learned and improve performance in 2022.

WHEN: Two days, as follows:

- February 23, 2022, 9 a.m. - 12:30 p.m.: Pacific Gas and Electric Company (PG&E), PacifiCorp, and Liberty Utilities
- February 25, 2022, 1 - 4:30 p.m.: Southern California Edison (SCE) and San Diego Gas & Electric (SDG&E)

WHY: The CPUC is requiring utilities to publicly address their execution and performance of PSPS events during the last wildfire season. At the briefings, PG&E, PacifiCorp, Liberty, SCE, and SDG&E will provide information on their 2021 PSPS performance, including lessons learned and improvements planned in preparation for the 2022 wildfire season.

WHERE: Access each briefing virtually via webcast or phone, as follows:

- Live video broadcast with English or Spanish captions via webcast:
www.adminmonitor.com/ca/cpuc
 - Participants who choose to view via webcast will have audio and video, but will not be able to make verbal comment. If you would like to make comments during the briefings, refer to the phone-in information below.

- For captions, after clicking on the name of the briefing, click the green button below the video for captions. Then select captions by clicking on the white icon next to the word “live” at the bottom of the video.
- The briefings will be recorded and archived for future viewing.
- Phone (English): 800-857-1917, passcode: 7218384#
 - Participants will have audio (in English) and will be able to make comments.

The most updated information related to the briefings, including an agenda, will be posted on www.cpuc.ca.gov/psps.

In response to Governor Gavin Newsom’s directive concerning restrictions on public gatherings to protect customers and community members during COVID-19, the briefings will not have in-person attendance. Members of the public can view the briefings via the Internet, or listen and make comment by toll-free phone line. Those who would like to make public comment must participate by phone.

While a quorum of Commissioners and/or their staff may attend the remote access briefings, no official action will be taken on this matter.

If specialized accommodations are needed to attend, such as non-English or sign language interpreters, please contact the CPUC’s Public Advisor’s Office at public.advisor@cpuc.ca.gov or toll free at 866-849-8390 at least three business days in advance of the briefings.

The CPUC regulates services and utilities, protects consumers, safeguards the environment, and assures Californians’ access to safe and reliable utility infrastructure and services. For more information on the CPUC, please visit www.cpuc.ca.gov.

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Joint IOUs Workshop on 2021 Public Safety Power Shutoff Events

Day 1: February 23, 2022, 9 a.m. – 12:30 p.m.

Day 2: February 25, 2022, 1 p.m. – 4:30 p.m.

Webcast: www.adminmonitor.com/ca/cpuc

Public Comment (English): 1-800-857-1917 passcode: 7218384#

DRAFT AGENDA

Day 1: February 23, 2022

- | | |
|-------------------------|---|
| 9 - 9:15 a.m. | <p>Opening Remarks</p> <ul style="list-style-type: none"> • CPUC Commissioner • CAL FIRE Representative • Office of Energy Infrastructure Safety (Energy Safety) Representative |
| 9:15 - 10:15 a.m. | PG&E Presentation and Questions from Dais: 2021 Performance and Lessons Learned for 2022 Wildfire Season |
| 10:15 - 10:45 a.m. | PacifiCorp Presentation and Questions from Dais: 2021 Performance and Lessons Learned for 2022 Wildfire Season |
| 10:45 - 11:15 a.m. | Liberty Utilities Presentation and Questions from Dais: 2021 Performance and Lessons Learned for 2022 Wildfire Season |
| 11:15 a.m. - 12:15 p.m. | <p>Public Comments*</p> <p><i>*Any member of the public may make public comments including parties to the proceeding. Comments may not address issues pertaining to PSPS events that are subject to and within the scope of an open Commission adjudicatory proceeding.</i></p> |
| 12:15 - 12:30 p.m. | <p>Closing Remarks</p> <ul style="list-style-type: none"> • CPUC Commissioner • CAL FIRE Representative • Energy Safety Representative |

Day 2: February 25, 2022

- | | |
|------------------|---|
| 1 - 1:15 p.m. | <p>Opening Remarks</p> <ul style="list-style-type: none"> • CPUC Commissioner • CAL FIRE Representative • Energy Safety Representative |
| 1:15 - 2:15 p.m. | SCE Presentation and Questions from Dais: 2021 Performance and Lessons Learned for 2022 Wildfire Season |
| 2:15 - 3:15 p.m. | SDG&E Presentation and Questions from Dais: 2021 Performance and Lessons Learned for 2022 Wildfire Season |
| 3:15 - 4:15 p.m. | Public Comments* |

**Any member of the public may make public comments including parties to the proceeding. Comments may not address issues pertaining to PSPS events that are subject to and within the scope of an open Commission adjudicatory proceeding.*

4:15 -4:30 p.m.

Closing Remarks

- CPUC Commissioner
- CAL FIRE Representative
- Energy Safety Representative