OROVILLE CITY COUNCIL
Council Chambers
1735 Montgomery Street
Oroville, CA. 95965

August 04, 2026
REGULAR MEETING
CLOSED SESSION 3:30 PM
OPEN SESSION 4:30 PM
AGENDA

PUBLIC ACCESS AND PARTICIPATION

Please review the options below for ways to participate or observe the Council Meetings.

To Observe the Meeting:

1. Live Feed: https://www.youtube.com/channel/UCAoRW34swYl85UBfYqT7IbQ/
2. Zoom Link: https://zoom.us/j/96870319529?pwd=dW9kMGRZSFo5MFFNQk5wVDUzRkRrZz09
3. Zoom Application: Meeting ID: 968 7031 9529 Passcode: 67684553
4. By Phone: Telephone: 1-669-900-6833 Meeting ID: 968 7031 9529 Passcode: 67684553

To Provide Comment to the Council:

1. Attend the meeting in person
2. Send an Email by 2:00 PM the day before the meeting to publiccomment@cityoforoville.org. All comments emailed will be provided to the Council Members for their consideration.

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 (1.5) 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: Chuck Reynolds, Scott Thomson, Tracy Johnstone, Janet Goodson, Shawn Webber, Vice Mayor Eric Smith, Mayor David Pittman

CLOSED SESSION

The City Council shall hold a Closed Session on the following:

1. Pursuant to Government Code Section 54957(b), the Council will meet with the Personnel Officer to discuss Public Employee Performance Evaluations. Position Title: Department Heads and Contract Employees.

2. The City Council will meet for a Conference with Legal Counsel – Anticipated Litigation, pursuant to Gov. Code § 54956.9(d): (two (2) cases).

3. The City Council will meet to confer regarding Real Property Negotiations under Government Code § 54956.8:

A.) Property: 225 Chuck Yeager Way, Oroville, CA 95965 Agency Negotiator(s): Brian Ring, City Administrator, David Ritchie, Asst. City Attorney. Negotiating Parties: All current Ground Lease Tenants. Under Negotiation: price, terms of payment.

B.) Property: APN 035-470-014 Agency Negotiator: Brian Ring Negotiating Parties: TBD Under Negotiation: Price, Terms

OPEN SESSION

1. Announcement from Closed Session
2. Pledge of Allegiance
3. Corrections/Changes to the Agenda
4. Recusals
5. Adoption of Agenda

RULES OF DECORUM

The Oroville City Council welcomes the public to its meetings and encourages and appreciates public engagement. The City Council expects members of the public to act in a courteous, civil, and respectful manner, and not make personal, slanderous, or profane remarks to any member of the Council, staff, or the general public. The City Council will not tolerate loud, threatening, personal, or abusive language, or disorderly conduct, which disrupts, disturbs, or otherwise impedes the orderly conduct of City Council meetings. Violation of these rules of decorum will result in the meeting being recessed.

PRESENTATIONS AND PROCLAMATIONS

None.

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.

REPORTS / DISCUSSIONS

1. Council Announcements and Reports
2. Administration Reports

CONSENT CALENDAR

Consent calendar **items 1 - 4** 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. AGREEMENT WITH CIVICPLUS SELECT FOR REQUIRED AGENDA MANAGEMENT SOFTWARE UPDATE

The City Council shall consider approving an agreement with CivicPlus for their CivicPlus Select agenda management software service in the annual amount of $7,500. Current version of CivicPlus will soon no longer be supported.

ACTION REQUESTED -

APPROVE THE AGREEMENT WITH CIVICPLUS AND AUTHORIZE THE MAYOR TO SIGN.

2. LETTER OF SUPPORT FOR STATE FUNDING TO RESTORE THE STORAGE CAPACITY OF CONCOW RESERVOIR

The City Council shall consider approving a Letter of Support for the Thermalito Water and Sewer District who is seeking state funding to restore the storage capacity of the Concow Reservoir.

ACTION REQUESTED -

APPROVE THE LETTER OF SUPPORT AND AUTHORIZE THE MAYOR TO SIGN.

3. SECOND READING OF ORDINANCE 1899 AMENDING OROVILLE MUNICIPAL CODE 17.48 WITH A NEW ENTREPRENEUR-FRIENDLY FEE INCENTIVE PROGRAM

The City Council shall consider an incentive fee policy recommended by the citizen Ad Hoc Business Advocacy Committee that encourages new businesses to re-use the city's vacant commercial spaces.

ACTION REQUESTED -

ADOPT ORDINANCE NO. 1899 AMENDING SECTION 17.48 OF THE OROVILLE MUNICIPAL CODE FOR THE ADOPTION OF ENTREPRENEUR-FRIENDLY FEES.

4. APPROVAL OF CITY COUNCIL REGULAR MEETING MINUTES FROM JULY 21, 2026

The City Council shall consider approving the regular meeting minutes from the July 21, 2026 City Council meeting.

ACTION REQUESTED -

APPROVE MINUTES AND AUTHORIZE THE MAYOR TO SIGN.

REGULAR BUSINESS

5. OROVILLE DOWNTOWN BUSINESS ASSOCIATION ANNUAL REPORT

The City Council shall consider the 2026-27 annual budget for the Oroville Downtown Business Improvement District (BID).

ACTION REQUESTED -

APPROVE FISCAL YEAR 2026-27 BUDGET.

6. AGREEMENT WITH RESTORATION MANAGEMENT COMPANY FOR FIRE STATION KITCHEN REMODEL

The City Council shall consider an agreement with Restoration Management Company (RMC) for the renovation of the Oroville Fire Station kitchen, not to exceed $111,421.08

ACTION REQUESTED -

APPROVE THE CONTRACT AND AUTHORIZE THE MAYOR TO SIGN THE AGREEMENT WITH RESTORATION MANAGEMENT COMPANY IN THE AMOUNT OF $101,291.89, AND APPROVE A 10% CONTINGENCY IN THE AMOUNT OF $10,129.19, FOR THE OROVILLE FIRE STATION KITCHEN REMODEL.

7. PROFESSIONAL SERVICE AGREEMENT FOR SOFTWARE, INSPECTION EQUIPMENT, AND DEFECT GRADING WITH GRANITENET

The City Council shall consider approving an agreement with GraniteNet for underground infrastructure inspection equipment, sewer inspection, and defect grading services.

ACTION REQUESTED -

APPROVE THE AGREEMENT WITH GRANITENET AND AUTHORIZE THE MAYOR TO SIGN.

8. CERTIFICATION OF ANNUAL SANITARY SEWER SERVICE TO BE LEVIED ON THE 2026-27 TAX ROLL

The City Council shall consider adopting Resolution No. 9478 certifying that the Sewer Service charges to be levied on the 2026/27 tax roll are in compliance with Proposition 218.

ACTION REQUESTED -

ADOPT RESOLUTION NO. 9478 - A RESOLUTION OF THE OROVILLE CITY COUNCIL CERTIFYING TO THE COUNTY OF BUTTE THE VALIDITY OF THE LEGAL PROCESS USED TO PLACE DIRECT CHARGES (SPECIAL ASSESSMENTS) ON THE SECURED TAX ROLL.

9. ANNUAL SPECIAL TAX FOR THE CITY'S COMMUNITY FACILITIES DISTRICT NO. 2006-1 (WESTSIDE PUBLIC SAFETY FACILITIES) ANd DISTRICT NO. 2006-2 (PUBLIC SAFETY SERVICES) FOR FISCAL YEAR 2026/27

The City Council shall consider the annual special tax relating to the City's Community Facilities Districts ("CFDs").

ACTION(S) REQUESTED -

ADOPT RESOLUTION NO. 9479 - A RESOLUTION OF THE CITY COUNCIL ESTABLISHING THE ANNUAL SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT NO. 2006-1, WESTSIDE PUBLIC SAFETY FACILITIES, FOR FISCAL YEAR 2026/27; AND

ADOPT RESOLUTION NO. 9480 - A RESOLUTION OF THE CITY COUNCIL ESTABLISHING THE ANNUAL SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT NO. 2006-2, PUBLIC SAFETY SERVICES, FOR FISCAL YEAR 2026/27; AND

AUTHORIZE THE MAYOR OR FINANCE DIRECTOR TO SIGN THE PROPOSITION 218 CERTIFICATES FOR INCLUSION ON THE 2026/27 BUTTE COUNTY TAX ROLL.

10. CREATION OF POLICE ADMINISTRATIVE MANAGER CLASSIFICATION

The City Council shall consider approving the addition of a Police Administrative Manager (PAM) position and the deletion of one vacant Administrative Assistant position. Collectively, with the other deletions made during the budget process, this restructure is projected to provide approximately $250,000 in savings.

ACTION(S) REQUESTED -

DELETE REMAINING ADMINISTRATIVE ASSISTANT ALLOCATION (OTHER REMOVED THROUGH BUDGET APPROVAL 7-7-26); AND

CREATE AND ADDITION OF ONE POLICE ADMINISTRATIVE MANAGER POSITION; AND

APPROVE SALARY SCHEDULE FOR POLICE ADMINISTRATIVE POSITION.

11. DIRECTION TO SEEK OUTSIDE COUNsel TO ASSIST WITH THE REVIEW AND DRAFTING RESPONSE TO GRAND JURY REPORT

Staff is requesting City Council approval to seek outside counsel to assist with the review and drafting of response to Grand Jury Report.

ACTION REQUESTED –

DIRECT STAFF TO SEEK OUTSIDE COUNSEL TO ASSIST WITH THE REVIEW AND DRAFTING OF RESPONSE TO GRAND JURY REPORT.

12. TABLE FOR 8 AT THE 2026 OROVILLE ECONOMIC ALLIANCE ANNUAL BBQ

The City Council shall consider purchasing a table for 8 at the annual Oroville Economic Alliance BBQ for a price of $550.00.

ACTION REQUESTED -

APPROVE THE PURCHASE OF A TABLE FOR AN AMOUNT NOT-TO-EXCEED $550.00.

13. EMPLOYMENT CONTRACT WITH PATRICK PIATT FOR POSITION OF DIRECTOR – COMMUNITY DEVELOPMENT

The City Council shall consider entering into a new employment contract with Patrick Piatt for the position of Director – Community Development, with an annual salary of $158,028.

ACTION(S) REQUESTED -

1. APPROVE EMPLOYMENT CONTRACT NO. 3592; AND

2. ADOPT RESOLUTION NO. 9481 - A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN EMPLOYMENT AGREEMENT BETWEEN THE CITY OF OROVILLE AND PATRICK PIATT.

PUBLIC HEARINGS

The Public Hearing Procedure is as follows:

- Mayor or Chairperson opens the public hearing and staff will present the item and answer Council questions.
- 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 and then the Council will debate and take action
- Those wishing to speak at the public hearings below, but unable to attend before 5pm, may request that the council consider holding the public hearing after 5pm by emailing cityclerk@cityoforoville.org or calling 530-538-2535. Please submit request 24 hours before the meeting.
- Individuals may email comments for council consideration to publiccomment@cityoforoville.org

14. 5:00PM - ANNUAL ASSESSMENTS FOR THE CITY'S CONSOLIDATED BENEFIT ASSESSMENT DISTRICT, ZONES 1, 2, 3, 4, 6, 7, 8

The City Council shall accept information regarding the Annual Assessments for Fiscal Year 2026/27.

ACTION REQUESTED -

NO ACTION IS REQUIRED THIS YEAR AS NONE OF THE ZONES WILL BE ASSESSED. ACCEPT FOR INFORMATION.

15. 5:00PM - ANNUAL ASSESSMENTS FOR THE CITY'S CONSOLIDATED BENEFIT ASSESSMENT DISTRICT, ZONES 5, 9

The City Council shall accept information regarding the Annual Assessments for Fiscal Year 2026/27.

ACTION REQUESTED -

NO ACTION IS REQUIRED THIS YEAR AS NONE OF THE ZONES WILL BE ASSESSED. ACCEPT FOR INFORMATION.

16. 5:00PM - ANNUAL ASSESSMENTS FOR THE CITY'S CONSOLIDATED LANDSCAPE AND LIGHTING MAINTENANCE ASSESSMENT DISTRICTS, ZONES 2, 3, 5, 7, 10, 11, 12, 14, 15, 17

The City Council shall consider adopting Resolution No 9482 approving the Annual Assessment Report and authorizing the levy and collection of assessments for the Oroville Consolidated Landscape and Lighting Maintenance Assessment District for Fiscal Year 2026/27.

ACTION REQUESTED -

ADOPT RESOLUTION NO. 9482 TO APPROVE THE ANNUAL ASSESSMENT REPORT AND AUTHORIZE THE LEVY AND COLLECTION OF ASSESSMENTS FOR THE OROVILLE CONSOLIDATED LANDSCAPE AND LIGHTING MAINTENANCE ASSESSMENT DISTRICT.

17. 5:00PM - ANNUAL ASSESSMENTS FOR THE CITY'S CONSOLIDATED LANDSCAPE AND LIGHTING MAINTENANCE ASSESSMENT DISTRICTS, ZONES 1, 4, 6, 8, 9, 13, 16, 18

The City Council shall consider adopting Resolution No. 9483 approving the Annual Assessment Report and authorizing the levy and collection of assessments for the Oroville Consolidated Landscape and Lighting Maintenance Assessment District for Fiscal Year 2026/27.

ACTION REQUESTED -

ADOPT RESOLUTION NO. 9483 TO APPROVE THE ANNUAL ASSESSMENT REPORT AND AUTHORIZE THE LEVY AND COLLECTION OF ASSESSMENTS FOR THE OROVILLE CONSOLIDATED LANDSCAPE AND LIGHTING MAINTENANCE ASSESSMENT DISTRICT.

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.

FUTURE AGENDA ITEMS / CORRESPONDENCE

1. Future Agenda Items
2. Correspondence
   - **i. Notice of PG&E Shareholder Award Request**
   - **ii. Correspondence from McNeill Law Offices**
   - **iii. Correspondence from Jeff McClure**

ADJOURN THE MEETING

The meeting will be adjourned. A regular meeting of the Oroville City Council will be held on August 18, 2026 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.

CITY OF OROVILLE
STAFF REPORT

TO: **MAYOR PITTMAN & COUNCIL MEMBERS**

FROM: **KAYLA REASTER, ASSISTANT CITY CLERK**

RE: **AGREEMENT WITH CIVICPLUS SELECT FOR REQUIRED AGENDA MANAGEMENT SOFTWARE UPDATE**

DATE: **AUGUST 4, 2026**

SUMMARY

The City Council shall consider approving an agreement with CivicPlus for their CivicPlus Select agenda management software service in the annual amount of $7,500. Current version of CivicPlus will soon no longer be supported.

DISCUSSION

The City currently utilizes CivicPlus Municode Meetings as its agenda management software for the preparation, review, publication, and archival of agendas and agenda packets for the City Council, as well as all City commissions and committees. CivicPlus has notified the City that the Municode Meetings platform will be sunset at the end of the current fiscal year and will no longer be supported.

To ensure uninterrupted agenda management services and continued compliance with the Brown Act and other public meeting requirements, staff evaluated the replacement platform offered by CivicPlus. CivicPlus Select is the company's successor management solution and provides the functionality necessary to continue the City's legislative management processes

Approval of this agreement will authorize the City to migrate from CivicPlus Municode Meetings to CivicPlus Select prior to the discontinuation of the existing software. The new platform provides agenda creation, workflow management, packet assembly, legislative tracking, publication, and archival capabilities for all legislative bodies of the City, including the City Council, commissions, and committees.

Remaining within the CivicPlus software ecosystem will streamline implementation, minimize staff training, and facilitate migration of existing meeting data and historical records. Staff anticipates a smooth transition with little interruption to daily operations.

The annual subscription cost for CivicPlus Select is $7,500. Currently, we are paying $5040. Staff compared available agenda management solutions and determined that CivicPlus Select offers a significantly lower annual cost than comparable agenda management systems while continuing to provide the functionality necessary to support the City's meeting management needs. Additionally,

remaining with CivicPlus avoids the increased implementation costs, longer deployment timelines, and more extensive staff training that would likely accompany a transition to a different software provider.

FISCAL IMPACT

The annual subscription cost for CivicPlus Select is $7,500. Funding would come from within the City Clerk's operating budget.

ACTION REQUESTED -

APPROVE THE AGREEMENT WITH CIVICPLUS AND AUTHORIZE THE MAYOR TO SIGN.

ATTACHMENTS

Agreement with CivicPlus
Invoice for current software for 2025-2026

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

Statement of Work

Quote #: Q-123951-1
CivicPlus Pricing
Approval Date:
Expires On: 12/1/2026

Client:
City of Oroville, CA

Bill To:
OROVILLE CITY, CALIFORNIA

SALESPERSON	Phone	EMAIL	DELIVERY METHOD	PAYMENT METHOD
Armel Kouassi		armel.kouassi@civicplus.com		Net 30

One-time(s)

QTY	PRODUCT NAME	DESCRIPTION
1.00	AMM Select: Conversion Pro Premium Implementation	AMM Select: Conversion Pro Premium Implementation

Recurring Service(s)

QTY	PRODUCT NAME	DESCRIPTION
1.00	AMM Select: AI Editing Assistant	AMM Select: AI Editing Assistant
1.00	AMM Select: Pro Annual Fee	AMM Select: Pro Annual Fee

QTY	PRODUCT NAME	DESCRIPTION
1.00	Conversion Pro Premium Package	Conversion Pro Premium Package

Total Investment - Initial Term	USD 7,500.00
Annual Recurring Services (Subject to Uplift)	USD 7,500.00

Initial Term	12/1/2026 - 11/30/2027, Renewal Term 12/1 each calendar year
Initial Term Invoice Schedule	100% Invoiced on Initial Term Start Date

Renewal Procedure	Automatic 1 year renewal term, unless 60 days notice provided prior to renewal date
Annual Uplift	5% to be applied in year 2

This Statement of Work ("SOW") shall be subject to the terms and conditions of the CivicPlus Master Services Agreement and the applicable Solution and Services terms and conditions located at https://www.civicplus.help/hc/en-us/p/legal-stuff (collectively, the "Binding Terms"). By signing this SOW, Client expressly agrees to the terms and conditions of the Binding Terms throughout the term of this SOW.

Please note that this document is a SOW and not an invoice. Upon signing and submitting this SOW, Client will receive the applicable invoice according to the terms of the invoicing schedule outlined herein.

Client may issue purchase orders for its internal, administrative use only, and not to impose any contractual terms. Any terms contained in any such purchase orders issued by the Client are considered null and will not alter the Binding Terms, the Agreement or this SOW.

Acceptance of Quote # Q-123951-1

The undersigned acknowledges having read, understood, and agreed to be bound by the binding terms and conditions incorporated into this SOW. This SOW shall become effective as of the date of the last signature below ("Effective Date").

For CivicPlus Billing Information, please visit https://www.civicplus.com/verify/

Authorized Client Signature	CivicPlus
_____	_____
By (please sign):	By (please sign):
_____	_____
Printed Name:	Printed Name:
_____	_____
Title:	Title:
_____	_____
Date:	Date:

_____
Organization Legal Name:

_____
Billing Contact:

_____
Title:

_____
Billing Phone Number:

_____
Billing Email:

_____
Billing Address:

_____
Mailing Address: (If different from above)

_____
PO Number: (Info needed on Invoice (PO or Job#) if required)

CONTRACT- 260047 - 1991 - 1-1070-60 SD

CIVICPLUS

Invoice

Updated Remittance Address:
(FOR PAYMENTS ONLY)
CivicPlus LLC
PO Box 737311
Dallas TX 75373-7311

#351370

12/1/2025

Bill To

City of Oroville, CA
1735 Montgomery Street
Oroville CA 95965

TOTAL DUE

$5,040.00

Due Date: 12/31/2025

Terms	Customer	Approving Authority
Net 30	City of Oroville, CA	

Qty	Item	Start Date	End Date
1	Municode Codification Meetings Premium Annual Renewal	12/1/2025	11/30/2026

Total	$5,040.00
Due	**$5,040.00**

To pay your invoice with a credit card **Click Here**.

Please submit payment via ACH using the details below. Please send notification of ACH transmission via email to remittance@civicplus.com. That address is not monitored for other inquiries or notifications. For any other invoice questions or information, please contact us at accounting@civicplus.com.

Bank Name	Account Name	Account Number	Routing Number
JPMorgan Chase	CivicPlus LLC	[redacted]	

CITY OF OROVILLE
STAFF REPORT

TO: **VICE MAYOR SMITH & COUNCIL MEMBERS**

FROM: **MAYOR PITTMAN**

RE: **LETTER OF SUPPORT FOR STATE FUNDING TO RESTORE THE STORAGE CAPACITY OF CONCOW RESERVOIR**

DATE: **AUGUST 4, 2026**

SUMMARY

The City Council shall consider approving a Letter of Support for the Thermalito Water and Sewer District who is seeking state funding to restore the storage capacity of the Concow Reservoir.

DISCUSSION

The Thermalito Water and Sewer District is seeking state funding to restore the storage capacity of Concow Reservoir, which serves as the primary drinking water source for approximately 12,200 residents.

Following the 2018 Camp Fire, significant sediment was deposited into Concow Reservoir, substantially reducing its storage capacity. This reduction has affected the long-term reliability and resilience of the District's drinking water supply. Restoration of the reservoir's capacity is intended to improve water security, strengthen emergency preparedness, and support the continued recovery of communities impacted by the Camp Fire.

The proposed letter expresses the City of Oroville's support for the project and requests that the California Legislature prioritize funding through the State budget process. Specifically, the letter highlights the project's alignment with statewide priorities, including:

- Safe and reliable drinking water;
- Wildfire recovery;
- Infrastructure resilience;
- Support for disadvantaged communities; and
- Long-term climate adaptation.

FISCAL IMPACT

None.

ACTION REQUESTED -

APPROVE THE LETTER OF SUPPORT AND AUTHORIZE THE MAYOR TO SIGN.

ATTACHMENTS

Letter of Support

City of Oroville

OFFICE OF THE MAYOR

David Pittman
Office of the Mayor

1735 Montgomery Street
Oroville, CA 95965-4897
(530) 538-2535 FAX (530) 538-2468
www.cityoforoville.org

July 27, 2026

The Honorable John Laird
1021 O Street, Suite 8720
Sacramento, CA 95814
Chair, Senate Budget and Fiscal Review Committee

The Honorable Jesse Gabriel
1021 O Street, Suite 8230
Sacramento, CA 95814
Chair, Assembly Budget Committee

RE: Support for Funding the Restoration of Concow Reservoir Storage Capacity

Dear Chair Laird and Chair Gabriel:

I am writing to express my strong support for state funding to restore the storage capacity of the Concow Reservoir, the primary drinking water source for the Thermalito Water and Sewer District.

As a Mayor for the City of Oroville, I understand firsthand how essential reliable drinking water infrastructure is to public safety, economic opportunity, and community resilience. The communities served by the Thermalito Water and Sewer District continue to recover from the impact of the Camp Fire. While significant progress has been made, restoring critical public infrastructure remains one of the most important investments the State can make to support long-term recovery.

The sediment deposited following the Camp Fire substantially reduced the reservoir's storage capacity, threatening long-term drinking water reliability for approximately 12,200 residents. Restoring that capacity will improve water security for the community while strengthening resilience against future emergencies.

This project advances several statewide priorities, including:
• Safe and reliable drinking water
• Wildfire recovery
• Infrastructure resilience
• Support for disadvantaged communities
• Long-term climate adaptation

For many rural communities, local governments simply do not have the financial capacity to undertake projects of this magnitude without state partnership. Proposition 4 provides an opportunity to make a lasting investment in safe drinking water and community resilience.

I respectfully ask that you prioritize funding for this project during this year's budget process. Ensuring safe and reliable drinking water is one of government's most fundamental responsibilities, and this investment will provide benefits to the region for decades to come.

Thank you for your consideration.

This letter was passed and adopted by the City of Oroville City Council on August 4, 2026.

Sincerely,

David Pittman
Mayor
City of Oroville

CITY OF OROVILLE
STAFF REPORT

TO: **MAYOR PITTMAN AND COUNCIL MEMBERS**

FROM: **PATRICK PIATT, COMMUNITY DEVELOPMENT DIRECTOR**

EMILY MARTIN, ADMIN ASSISTANT PLANNING DIVISION

RE: **SECOND READING OF ORDINANCE 1899 AMENDING OROVILLE MUNICIPAL CODE 17.48 WITH A NEW ENTREPRENEUR-FRIENDLY FEE INCENTIVE PROGRAM**

DATE: **AUGUST 4, 2026**

SUMMARY

The City Council shall consider an incentive fee policy recommended by the citizen Ad Hoc Business Advocacy Committee that encourages new businesses to re-use the city's vacant commercial spaces.

DISCUSSION

On February 18, 2025, at the request of a group of citizens, the City Council created the ad hoc Business Advocacy Committee to reduce potentially overly burdensome permit processes. The goals of the committee included improving the relationship between the city and the business community, ensuring an objective, clear and expeditious permit process, identifying permits and processes that could be made less onerous for applicants, and reducing the number of Use Permits.

The committee met several times and conducted several interviews with businesses and city staff to gather information. The committee's recommendations for Zoning code changes and staff responses were presented to the City Council on April 7th and 24th 2026. At that time the recommendations did not include a new entrepreneur-friendly fee structure. The committee requested that the entrepreneur-friendly fee structure be presented now to align with the Master Fee Schedule Update.

The committee recommends establishing an entrepreneur-friendly fee incentive program to encourage new retail, service, restaurant, and lodging businesses to occupy vacant commercial spaces within the city. Under the proposed program, qualifying businesses establishing in a commercial space that has been vacant for at least six months would receive a reduced Administrative Permit fee of $50 (currently $463) or a

reduced Minor Use Permit fee of $500 (currently $3,729). The City's standard six percent (6%) Technology Cost Recovery Fee would continue to apply.

The proposed incentive would apply only to new businesses operating from a single location within the City and would remain in effect for two years, until June 30, 2028, unless extended by the City Council.

The committee believes reducing the initial cost of establishing a business will encourage the reuse of vacant commercial storefronts, support local entrepreneurship, and stimulate investment in existing commercial corridors.

This fee change ordinance is not a project under CEQA.

FISCAL IMPACT

Adoption of the ordinance will reduce revenue collected from qualifying Administrative Permit and Minor Use Permit applications. Because the program applies only to businesses occupying commercial spaces that have been vacant for at least six months, staff anticipate a limited number of qualifying applications and, therefore, a minimal impact on permit revenue. Increased business activity may also generate additional sales tax and, where applicable, transient occupancy tax revenue, which could partially offset the reduction in permit fee revenue.

ACTION REQUESTED -

ADOPT ORDINANCE NO. 1899 AMENDING SECTION 17.48 OF THE OROVILLE MUNICIPAL CODE FOR THE ADOPTION OF ENTREPRENEUR-FRIENDLY FEES.

ATTACHMENTS

Ordinance No. 1899

CITY OF OROVILLE
ORDINANCE NO. 1899

AN ORDINANCE OF THE CITY COUNCIL ADDING SECTION 17.48.110 OF THE OROVILLE MUNICIPAL CODE ESTABLISHING AN ENTREPRENEUR-FRIENDLY FEE INCENTIVE PROGRAM TO ENCOURAGE THE REUSE OF VACANT COMMERCIAL SPACES.

WHEREAS, the City Council finds that vacant commercial storefronts negatively impact economic vitality, neighborhood character, and sales tax generation within the City; and

WHEREAS, encouraging new businesses to occupy existing vacant commercial spaces promotes economic development, revitalization of commercial districts, increased employment opportunities, and additional sales and transient occupancy tax revenues; and

WHEREAS, the City Council finds that reducing the cost of certain permits for qualifying businesses will encourage investment in vacant commercial properties while maintaining appropriate regulatory review; and

WHEREAS, the City Council desires to establish a temporary incentive program to encourage entrepreneurs and small businesses to locate within the City of Oroville; and

WHEREAS, this ordinance was introduced and read for the first time at a regular meeting of the Oroville City Council held on July 21, 2026; and this ordinance was read for the second time at a regular meeting held on August 18, 2026.

WHEREAS, this ordinance has been determined to be exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b)(3), the Common Sense Exemption, because it can be seen with certainty that adoption of this ordinance will not result in a direct or reasonably foreseeable physical change in the environment.

NOW, THEREFORE, THAT THE CITY COUNCIL OF THE CITY OF OROVILLE DOES ORDAIN AS FOLLOWS:

SECTION 1: **Purpose.**

The City Council hereby finds and determines that the foregoing recitals are true and correct and are incorporated by this reference as though fully set forth herein. The City Council further finds that this ordinance promotes the public health, safety, and welfare by encouraging the productive reuse of existing vacant commercial properties, reducing commercial vacancies, stimulating private investment, supporting local entrepreneurship, expanding employment opportunities, increasing economic activity, and strengthening the City's tax base, while maintaining appropriate regulatory oversight through the City's permitting process.

SECTION 2: **Purpose.**

The purpose of this ordinance is to establish a temporary Entrepreneur-Friendly Fee Incentive Program to encourage the occupancy and reuse of vacant commercial and mixed-use buildings by new retail, service, restaurant, and lodging businesses.

SECTION 3: Addition to Chapter 17.48.

Chapter 17.48.110 of the Oroville Municipal Code is hereby added to read as follows:

17.48.110 Entrepreneur-Friendly Fee Incentive Program

A. A qualifying applicant establishing a new retail, service, restaurant, or lodging business within an eligible vacant commercial or mixed-use space shall be eligible for reduced Administrative Permit and Minor Use Permit fees, as established by resolution of the City Council adopting the City's Master Fee Schedule.

B. For purposes of this section:

1. "Eligible Vacant commercial or mixed-use space" means a commercial or mixed-use tenant space that has not been occupied by an operating business for at least six (6) consecutive months immediately preceding submission of the permit application.
2. "New business" means a business newly established at a single location within the City of Oroville. A business shall be considered a new business regardless of whether its owner owns, operates, or has an ownership interest in other businesses.

C. The City Planner, or designee, may establish reasonable administrative procedures and application requirements consistent with this section to implement the Entrepreneur-Friendly Fee Incentive Program; and, shall determine eligibility for the fee incentive based upon documentation submitted by the applicant.

D. The reduced permit fees shall apply only to Administrative Permit and Minor Use Permit applications submitted while this program is in effect.

E. Participation in the Entrepreneur-Friendly Fee Incentive Program shall not create any vested right to a reduced fee or other benefit except as expressly provided in this section. Nothing in this section shall be construed to waive compliance with any applicable provision of this Code or any other applicable law.

SECTION 4: Existing Code Requirements Remain.

Except as expressly provided herein, all applicable provisions of the Oroville Municipal Code, applicable design standards, building regulations, zoning regulations, and permit requirements shall remain fully applicable.

SECTION 5: Expiration.

The provisions of this ordinance shall expire on June 30, 2028 unless they are extended by ordinance adopted by the City Council of the City of Oroville. Applications determined complete prior to June 30, 2028 shall remain eligible for the incentive even if permit processing extends beyond that date.

SECTION 6: **Severability.**

If any section, subsection, sentence, clause, or phrase of this ordinance is held invalid or unconstitutional by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance.

SECTION 7: **Effective Date.**

This ordinance shall take effect thirty (30) days after its adoption. The City Clerk shall certify to its adoption and cause it to be published according to law.

PASSED AND ADOPTED by the Oroville City Council at a regular meeting held on August 4th, 2026, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

_____

DAVID PITTMAN, Mayor

ATTEST:

_____

Kayla Reaster, Assistant City Clerk

APPROVED AS TO FORM:

_____

DAVID RITCHIE, City Attorney

OROVILLE CITY COUNC
Council Chambers
1735 Montgomery Street
Oroville, CA. 95965

July 21, 2026
REGULAR MEETING
MINUTES

CALL TO ORDER / ROLL CALL

Council Members: Chuck Reynolds, Scott Thomson **(absent)**, Tracy Johnstone, Janet Goodson, Shawn Webber, Vice Mayor Eric Smith, Mayor David Pittman

CLOSED SESSION

The Council held a Closed Session on the following:

1. Pursuant to Government Code Section 54957(b), the Council met with the Personnel Officer to discuss Public Employee Performance Evaluations. Position Title: Department Heads and Contract Employees.

2. Pursuant to Government Code section 54957.6, the Council met with Labor Negotiators and City Attorney to discuss labor negotiations for the following represented groups: All Units.

3. The City Council met for a Conference with Legal Counsel – Anticipated Litigation, pursuant to Gov. Code § 54956.9(d): (two (2) cases).

4. The City Council met to confer regarding Real Property Negotiations under Government Code § 54956.8:

    1. Property: 012-061-001; 012-061-009; 012-061-010; 012-061-018 Negotiator(s): Brian Ring, City Administrator, David Ritchie, Asst. City Attorney. Negotiating Parties: Pioneer Collision Center. Under Negotiation: price.

       The following member(s) of the public submitted public comment on this item: Raquel Nolind.

OPEN SESSION

1. Announcement from Closed Session – No reportable action taken; direction given to staff.

2. Pledge of Allegiance – Led by Council Member Johnstone.

3. Corrections/Changes to the Agenda – Item 13: Please note staff will add a note on the bottom of page 33 of the Fee Schedule noting that “Sewer Collection Fees were approved through a fee study and 218 process in 2024, approved by the Council through a public hearing on June 2, 2024.”

4. Recusals – See vote on item number(s) 9-12.

5. Adoption of Agenda –

Motioned by: Council Member Goodson Seconded by: Council Member Johnstone

AYES: Council Member(s) Reynolds, Johnstone, Goodson, Webber, Vice Mayor Smith, Mayor Pittman

NOES: None

ABSENT: Council Member Thomson

ABSTAINED: None

PRESENTATIONS AND PROCLAMATIONS

1. BLESSINGS PLAQUE FOR CITY COUNCIL

Ron La Gatta of Raven Ministries presented each Oroville City Council Member a Blessings Plaque. The Council received this presentation for information.

PUBLIC COMMUNICATION – HEARING OF NON-AGENDA ITEMS

The following member(s) of the public submitted public comment on this item: Rhonda Magnusson, Bill Williams, Natalie Sheard, The CameraMan, and Shane Gower.

REPORTS / DISCUSSIONS

1. Council Announcements and Reports:
   Mayor Pittman: Stated a PG&E workshop will be happening at the Southside Community Center on the 22nd of July from 11AM-2PM. Additionally, he mentioned a groundbreaking ceremony at the Afterbay on July 24th from 10AM-12AM.

   Council Member Reynolds: Stated an ad hoc committee is required to be formed based on the Grand Jury report.

   Council Member Johnstone: Reminded the public about a community meeting on the Airport Zoning Project on Wednesday 7/29 at 5PM.

2. Administration Reports
   Brian Ring, City Administrator: DWR will be doing gravel replacement for the salmon spawning from north of the green bridge to north of Bedrock Park. Mr. Ring met with our federal lobbyists and staff are looking into potentially applying for a law enforcement grant to help with staffing in the Police Department. The lobbyists are working on the earmark process. The ATP grant that the City applied for requires match funding. Core sampling on the levy will be needed. State legislation is in recess, but staff is currently watching the bill regarding reform of the PRA process. The pension reform bill is also being watched.

Jason Wines, Chief of Police: Reminded the public that what they see online or on social media is not always the truth. There is information circulating regarding the flock cameras. Because of this, there will be a town hall meeting on August 11th at the Police Department from 5:30PM-7:30PM/ National Night Out is scheduled for August 4 at 4:30PM at Hewitt Park. On July 23 Chief Wines and Lt. Johnson will be going to Sacramento with Officer Moreno to recognize Moreno receiving an award. At the next Council meeting there will be a swearing in of new officers.

Tim Kaber, Director of Public Works: See attached report.

CONSENT CALENDAR

Consent calendar **items 1 - 5** were adopted in one action by the Council.

Motioned by: Council Member Goodson Seconded by: Council Member Johnstone

AYES: Council Member(s) Reynolds, Johnstone, Goodson, Webber, Vice Mayor Smith, Mayor Pittman

NOES: None

ABSENT: Council Member Thomson

ABSTAINED: None

1. RESOLUTION RECOGNIZING THE LAKE OROVILLE AREA GARDEN CLUB FOR THEIR OUTSTANDING VOLUNTEER SERVICE TO THE CITY OF OROVILLE

The City Council adopted Resolution No. 9470 recognizing and commending the Lake Oroville Garden Club for its outstanding volunteer service, beautification efforts, and enduring contributions to the City of Oroville.

2. 2024 HOME INVESTMENT PARTNERSHIP APPLICATION

The City Council authorized the submittal of an application to the State Department of Housing and Community Development (HCD) for the 2024 HOME Investment Partnerships Program (HOME) in the amount of $1,000,000 for First Time Homebuyer (FTHB) and Owner-occupied Rehabilitation (OOR) activities ($500,000 FTHB and $500,000 OOR).

In addition, Council may approved revising the 2025 HOME Program Income Only grant application and resolution that was approved by Council on December 16, 2025, to include both FTHB and OOR and to increase the overall application from $2,000,000 to $2,022,636. The Council did this by adopting Resolution Nos. 9471 and 9427.

3. ADOPTION OF HOME INVESTMENT PARTNERSHIP PROGRAM (HOME) OWNER-OCCUPIED (OOR) REHABILITATION LOAN PROGRAM GUIDELINES

The City Council authorized the adoption of the HOME Program Guidelines for the Owner-Occupied Rehabilitation Loan Program by adopting Resolution No. 9472.

4. PROFESSIONAL SERVICES AGREEMENT WITH NHA ADVISORS, LLC FOR CONTINUED FINANCIAL ADVISOR SERVICES

The City Council renewed of the professional services agreement (A-3591) with NHA Advisors, LLC, for financial advisor services.

5. APPROVAL OF THE JULY 7, 2026 CITY COUNCIL REGULAR MEETING MINUTES

The City Council approved the regular meeting minutes of the July 7, 2026 City Council meeting.

REGULAR BUSINESS

6. OROVERDE ENERGY INITIATIVE UPDATE

The following member(s) of the public submitted public comment on this item: Bonita Malone, Jeremy Webster, Linda Draper, Brian Wong, Daniel Webster (electronic).

Staff have continued evaluating opportunities to provide competitively priced energy within the City through the newly created OroVerde public utility. Following technical and financial analyses conducted by NewGen Solutions, staff has concluded that development of a traditional municipal electric utility utilizing existing transmission and distribution infrastructure or by installing new parallel lines is not financially feasible in current markets where electricity is currently being provided by an Investor-Owned Utility (IOU), under current market and regulatory conditions. The Council received and filed the update regarding the OroVerde Energy Initiative.

7. AGREEMENT WITH CIVICPLUS RECREATION MANAGEMENT SYSTEM FOR FACILITY RENTAL AND PAYMENT PROCESSING SERVICES

The City Council instructed staff to bring this item back at a later date with more information.

8. APPOINTMENT OF A THREE-MEMBER AD HOC COMMITTEE FOR DEVELOPMENT OF DRAFT RESPONSE TO 2025/26 BUTTE COUNTY GRAND JURY REPORT

The City Council appointed three Council Members to work with City Administrator and City Attorney in the development of a draft response to the findings and recommendations of the 2025/26 Butte County Grand Jury report related to the City of Oroville. The Council Members selected for this were Vice Mayor Smith, Council Member Goodson, and Council Member Reynolds. This was done by general consensus.

9. ANNUAL ASSESSMENTS FOR THE CITY'S CONSOLIDATED BENEFIT

ASSESSMENT DISTRICT, ZONES 1, 2, 3, 4, 6-8

The City Council initiated proceedings, preliminarily approving the Annual Assessment Report and declaring its intention to levy and collect assessments for the Oroville Consolidated Benefit Assessment District for Fiscal Year 2026/27. This was done by adopting Resolution No. 9473 and authorizing any necessary budget adjustments to be annual assessment report. This was done by the following vote:

Motioned by: Council Member Webber Seconded by: Vice Mayor Smith

AYES: Council Member(s) Reynolds, Johnstone, Goodson, Webber, Vice Mayor Smith, Mayor Pittman

NOES: None

ABSENT: Council Member Thomson

ABSTAINED: None

10. ANNUAL ASSESSMENTS FOR THE CITY'S CONSOLIDATED BENEFIT

ASSESSMENT DISTRICT, ZONES 5 AND 9

The City Council initiated proceedings, preliminarily approving the Annual Assessment Report and declaring its intention to levy and collect assessments for the Oroville Consolidated Benefit Assessment District for Fiscal Year 2026/27. This was done by adopting Resolution No. 9474 and authorizing any necessary budget adjustments to the annual assessment report. This was done by the following vote:

Motioned by: Vice Mayor Smith Seconded by: Council Member Goodson

AYES: Council Member(s) Reynolds, Goodson, Webber, Vice Mayor Smith, Mayor Pittman

NOES: None

ABSENT: Council Member Thomson

ABSTAINED: Council Member Johnstone

11. ANNUAL ASSESSMENTS FOR THE CITY'S CONSOLIDATED LANDSCAPE AND LIGHTING MAINTENANCE ASSESSMENT DISTRICTS, ZONES 1, 4, 6, 13, 16 and 18

The City Council initiated proceedings, preliminarily approving the Annual Assessment Report and declaring its intention to levy and collect assessments for the Oroville Consolidated Landscape and Lighting Maintenance Assessment District for Fiscal Year 2026/27. This was done by adopting Resolution No. 9475 and authorizing any necessary budget adjustments to the annual assessment report. This was done by the following vote:

Motioned by: Council Member Webber Seconded by: Council Member Goodson

AYES: Council Member(s) Johnstone, Goodson, Webber, Mayor Pittman

NOES: None

ABSENT: Council Member Thomson

ABSTAINED: Council Member Reynolds, Vice Mayor Smith

12. ANNUAL ASSESSMENTS FOR THE CITY'S CONSOLIDATED LANDSCAPE AND LIGHTING MAINTENANCE ASSESSMENT DISTRICTS, ZONES 2, 3, 5, 7-12, 14, 15 AND 17

The City Council initiated proceedings, preliminarily approving the Annual Assessment Report and declaring its intention to levy and collect assessments for the Oroville Consolidated Landscape and Lighting Maintenance Assessment District for Fiscal Year 2026/27. This was done by adopting Resolution No. 9476 and authorizing any necessary budget adjustments to the annual assessment report. This was done by the following vote:

Motioned by: Vice Mayor Smith Seconded by: Council Member Goodson

AYES: Council Member(s) Reynolds, Johnstone, Goodson, Webber, Vice Mayor Smith, Mayor Pittman

NOES: None

ABSENT: Council Member Thomson

ABSTAINED: None

PUBLIC HEARINGS

13. 5:00PM - UPDATE OF USER AND REGULATORY FEES

Opened at: 5:44PM Closed at: 5:49PM

The following member(s) of the public submitted public comment on this item: Walt McNeill

The City Council conducted a public hearing adopted Resolution No. 9477 updating and establishing user and regulatory fees by the following vote:

Motioned by: Council Member Reynolds Seconded by: Council Member Goodson

AYES: Council Member(s) Reynolds, Johnstone, Goodson, Webber, Vice Mayor Smith, Mayor Pittman

NOES: None

ABSENT: Council Member Thomson

ABSTAINED: None

14. **5:00PM - FIRST READING OF ORDINANCE NO. 1899 AMENDING OROVILLE MUNICIPAL CODE 17.48 WITH A NEW ENTREPRENEUR-FRIENDLY FEE INCENTIVE PROGRAM**

Opened at: 5:54PM Closed at: 6:08PM

The following member(s) of the public submitted public comment on this item: Natalie Sheard.

The City Council conducted a public hearing and waived the first reading of the ordinance and instructed staff to bring this ordinance back for formal adoption. This was done by the following vote:

Motioned by: Council Member Reynolds Seconded by: Council Member Goodson

AYES: Council Member(s) Reynolds, Johnstone, Goodson, Webber, Vice Mayor Smith, Mayor Pittman

NOES: None

ABSENT: Council Member Thomson

ABSTAINED: None

PUBLIC COMMUNICATION – HEARING OF NON-AGENDA ITEMS

None.

FUTURE AGENDA ITEMS / CORRESPONDENCE

1. Future Agenda Items – Council Member Johnstone may need to vacate her seat on Council due to a residence relocation. This may come as a future agenda item.

2. Correspondence

   i. 2nd Quarter 2026 - Butte County Mosquito and Vector Control District Newsletter

   ii. Housing and Community Services Monthly Report – June 2026

   iii. Butte County Airport Zoning Alignment Project Correspondence

ADJOURN THE MEETING

The meeting was adjourned at 7:18PM.

Kayla Reaster, Assistant City Clerk

David Pittman, Mayor

CITY OF OROVILLE

PUBLIC WORKS DEPARTMENT CITY COUNCIL UPDATE

June – July 2026

Prepared by: Tim, Cody, Jamie, Wade, and Nancy

Date: 07/21/2026

This monthly newsletter highlights key activities in each Public Works division with visuals and brief updates.

Misc. Notes:

- Continuing making changes and working on new Website
- Continuing to work through requests via 311 system
    - 35 requests submitted during reporting period
    - 15 open (Tree cleanup, broken sidewalks, missing road signs)

Airport Division

Operations:

- Extensive work and coordination with the legal team and City Administrator regarding current and upcoming ground lease expirations (ongoing).
- Worked with Butte County Assessor and ground lease tenant regarding unpaid property tax assessment concerns
- Completed lease documents for DMV / CDL test area on Chuck Yeager Way and submitted to State of California
- Vegetation management on BCMVCD taxiway and plans for internal crack seal work
- Continued work on ALP update
- Prepared and submitted additional FAA grant drawdown packages for AIP028, AIP029, and AIP030.
- Coordination with Butte County General Services for airport area property re-zoning meeting
- Extensive vegetation management / flail mowing all runway and taxiway edges and Luma Curves, areas near Graphic Packaging (ongoing)
- Coordination with / support Cal Fire burning operations throughout airport property
- Updated DOT logs
- Performed tests on fuel island backup power generation system
- Accept and test 8,000 gallon load of Jet A
- Accept and test 6,000 gallon load of 100LL aviation gasoline
- **Fuel Sales:**
    - 1,822 gallons of AvGas sold (69 transactions)
    - 1,125 gallons of Jet A sold (11 transactions)
    - 837 gallons of Jet A sold from the fuel truck (1 transaction)

Maintenance:

- Daily Lighting Inspections
- Daily OFD inspections

Projects:

- Long term ground lease proposals / options

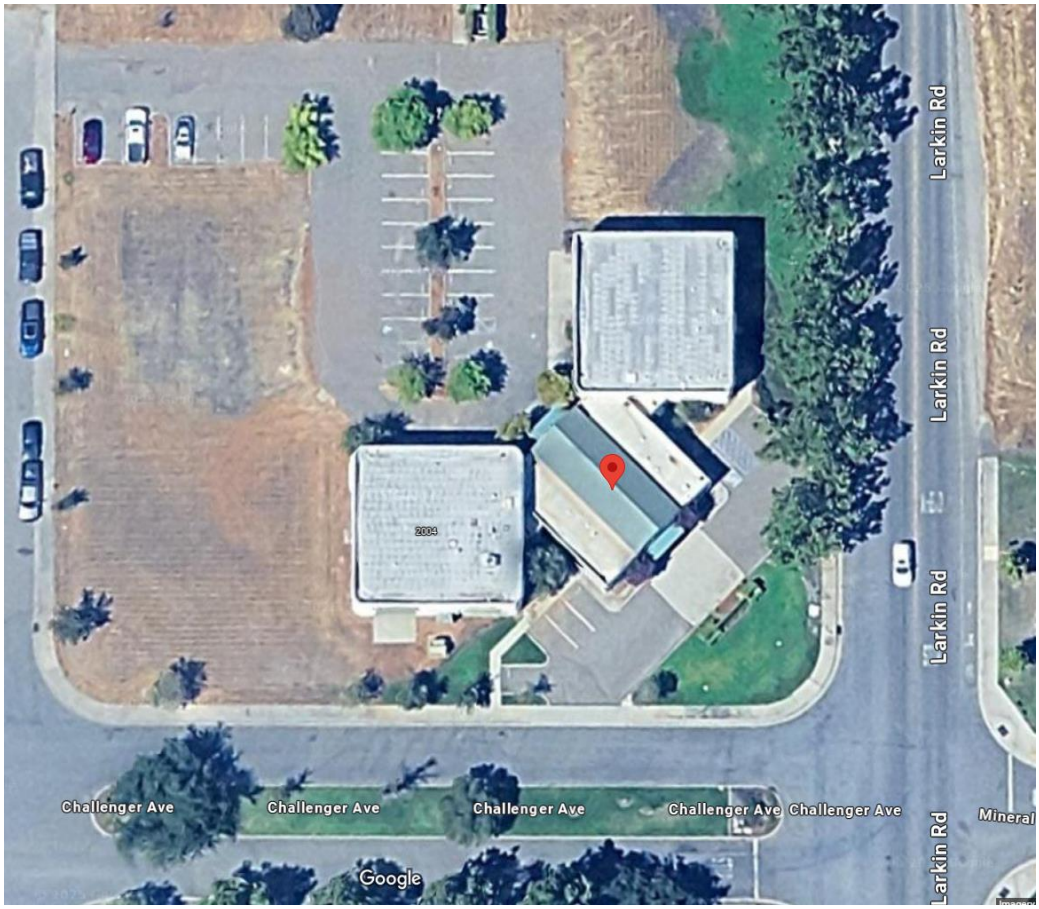
- Reached out to other local airports regarding their policies on ground leases / reversions

Engineering Division

2000 Challenger Avenue Update

Draft contract is in review by Staff. Anticipate presenting to Council 2nd meeting in August for award.

The design will be complete prior to the anticipated CBDG deadline in the 2027 cycle.



Hewitt Park Update

Work not yet scheduled:

- Parking Lot lights – Installation will begin July 22nd
- Final invoice received, which will allow for submission of final reimbursement request from the state

Parks Commission has asked to review the rental periods for the pavillion. They will also review the scheduling of the athletic courts.

Corporation Yard Update

Contractor: United Building Contractors (UBC)

Architect: Studio W

Phase II contract award: April 21, 2026

Amount: $1,747,985.00.

Discussion:

Design phase ongoing. Design phase will last approx. 4 months, after which construction will begin.

Expect construction to begin in late September. Field office will be placed by end of August.

Bedrock Park

Contract Award Date: April 15, 2025

Contractor: Melton Design Group, Inc.

Contract Amount: $103,175

Project Phasing:

- ✓ Task 1 – Project Launch and Coordination
- ✓ Task 2 – Site Analysis, Topographic Survey, Base Development
- ✓ Task 3 – Master Plan, Program Development, Cost Analysis

•Task 4 – Design Development to 50% (Phase 1 only) - Current phase in execution

•Task 5 – Construction Drawings, Specs, Submittals (Phase 1 Only)

•Task 6 – Bid and Construction Administration (Phase 1 Only)

South Oroville Drainage Improvements

Project is moving forward with American Engineering. They are focusing their attention on Greenville and the culvert issue there and the right-of-way needed for drainage and street improvements on Elgin and Fort Wayne. Greenville Drainage Plans complete, working on Specification package. Working through property ownership and construction easements on the far West end of Greenville.

Greenville culvert repair will be a priority prior to the next rainy season.

Washington and Table Mountain Complete Streets Project

Project is underway with Mark Thomas. 60% Design was submitted and is currently under review.

Information regarding the project is now posted on the City's website at [City Projects | Oroville, CA.]

ATP Grant package was submitted to the state on June 22nd, with receipt confirmation.

Estimated project cost is $65.4M. The ATP grant requires a 20% match, which is $13.7M. This match can be achieved via CMAQ, local, and/or earmarks. BCAG has stated they will work with us should the need arise.



Norton Street Repave Project

Project final design will be submitted by EOM July.

Anticipate award in September with a 45 work-day schedule for completion prior to rainy season.

CalWater is currently relocating water lines prior to construction contract award.

Acacia and Orange

Design for a Roundabout will start in Fall 2026 provided CMAQ funds awarded. Anticipate $1M in CMAQ funding once federally approved.

Lincoln Street/Boulevard Project

ATP Grant package was submitted to the state on June 22nd, with receipt confirmation.

Grant is for bike paths, sidewalk closures, and possible roundabouts at Wyandotte and Myers. This project compliments a County complete streets project south of City Limits.

Staff is also pursuing CMAQ funding for feasibility and design activities.

Estimated project cost is $22.5M. The ATP grant requires a 20% match, which is $5.4M. This match can be achieved via CMAQ, local, and/or earmarks.

We will need to work on setting aside road funds - $3.5M already received.

Streets and Storm Drain Division

During June, the Streets Division continued essential roadway maintenance, public safety support, and interdepartmental assistance throughout the City of Oroville. Crews completed major asphalt and concrete repair projects, vegetation management, traffic control improvements, and ongoing public safety cleanups. Seasonal fire-prevention work and annual alley maintenance also began this month.

Key Accomplishments in June

Ehmann Property Demolition and Grading

Completed demolition activities at the Ehmann Property in support of Oroville Police Department (OPD) operations



Fire Break Construction

Constructed fire breaks using the motor grader at multiple locations citywide, including areas surrounding the Oroville Airport, as part of seasonal wildfire-prevention efforts.



Roadside Herbicide Spraying

Conducted targeted roadside weed and vegetation control to maintain right-of-way visibility and reduce fire fuel loads.

Staff Training

Multiple employees attended training sessions focused on safety standards, equipment operation, and refresher certifications.

Asphalt Grinding & Paving – Highlands Blvd

Installed 102 tons of hot-mix asphalt.

Total paved/rehabilitated area: 12,120 square feet.

Work included grinding, compaction, and full site restoration.





Concrete Repairs

Poured 4 cubic yards of concrete for sidewalk repairs and sinkhole remediation at various locations.

- 

Traffic Markings & Painting

Completed repainting at multiple sites, including:

Crosswalks, STOP legends, Directional arrows



Street Sweeping

Continued routine street sweeping throughout the city, removing debris and improving roadway appearance and safety.

Hewitt Park Parking Lot

Repainted and re-striped the Hewitt Park parking lot, implementing a new One-Way traffic flow system to improve circulation and public safety.






Road Reflectors Installation

Installed new roadway reflectors on Highlands Blvd for enhanced night-time visibility.





Blinking Crosswalk Installation – Washington Avenue

Installed new blinking pedestrian crosswalk systems to improve pedestrian safety and vehicle awareness.





Annual Alley Work & Cleanup Program

Initiated seasonal alley grading, trash removal, and vegetation cleanup throughout priority neighborhoods.





Code Enforcement Assistance

Assisted Code Enforcement with homeless camp removals using the front-end loader, including debris clearing and site restoration.



Service Requests & Work Orders

Common requests: potholes, vegetation trimming, street painting, debris removal, and sidewalk issues.

Staffing & Resources

Trainings attended: 811 Safe Excavations, Sidewalk Trip Hazards

Equipment utilized: motor grader, front-end loader, skid steer, back hoe, striping equipment, sweepers, dump trucks, asphalt grinder.

The month of June was busy for the Parks Department. Personnel were busy preparing for a wedding at the Lott Home, events in parks every weekend and performing major sprinkler repairs. We cleaned, prepped, and overseen 25 reservations in the parks. We cleaned parks and green areas 4 days a week. We cleaned public restrooms daily. We continued our 102 hours out of 168 hours in a week coverage for a wide range of assignments. We mowed on a routine basis.

Tree Department

The Tree Division pruned 106 trees in the month of June. The Tree Crew responded to numerous 311 inquiries. They also stump grinded in numerous locations. They also watered street trees 40 hours a week.

Hewitt Park

- 15 Reservations (2 of which were for the pickle ball courts)
- Performed weekly pressure washing of park sidewalks, splash pad, shade structure and trash can areas
- Removed a few small areas of lawn closest to the splash pad and installed 4-6 in cobble to try and help reduce the amount of mud getting into the system
- The YMCA has been enjoying the park a few days a week for their summer programs
- At the end of the month, we took over maintenance of the new landscaping in the park
- Still spending 45-50 hours a week opening, cleaning, and maintaining the park. Since we took over the landscaping, crew hours will probably increase.
- Irrigation costs are a little over $3000 a month and chemicals for the splash pad are running around $900





Lott Home

- Wedding preparations: staff pulled weeds, trimmed hedges and plants hanging over walkways

- We also had a major sprinkler line break under the sidewalk. Thanks to the help of the Street Crew, we were able to saw cut and jack hammer the section of walkway out of the way so that we could successfully make the repair and get the system back working properly.





Hammon Park

- 5 reservations

Rotary Park

- 4 reservations
- Park employees responded to water gushing from a valve box and determined the leak was coming from a broken fitting on the main line. Repairs were performed and water was restored to the park in a timely manner.

- Museum Assistant facilitated a volunteer workshop about research resources (May 2).
- Museum Assistant, as representative of the Chinese Temple, will participate in Ophir Elementary's Multicultural Day (May 21)
- Museum Assistant and Cultural Facilities Curator to host a 4th grade field trip at the Feather River Nature Center (May 29).
- Continued public and private tours, including two docent and staff-led private tours of the Chinese Temple.

Electrical Division

The month of June the electrical department facilitated the routine maintenance on traffic signals and streetlights. The electrical crew repaired several streetlights this month, with some being wire theft and others being faulty fixture heads. Electrical crew also repaired a faulty relay and contactor at Orangewood lift station. Moved a light fixture and electrical outlet as well as fixed subpar electrical work in attic at P.D. for a wall to be moved in the I.T. Department.







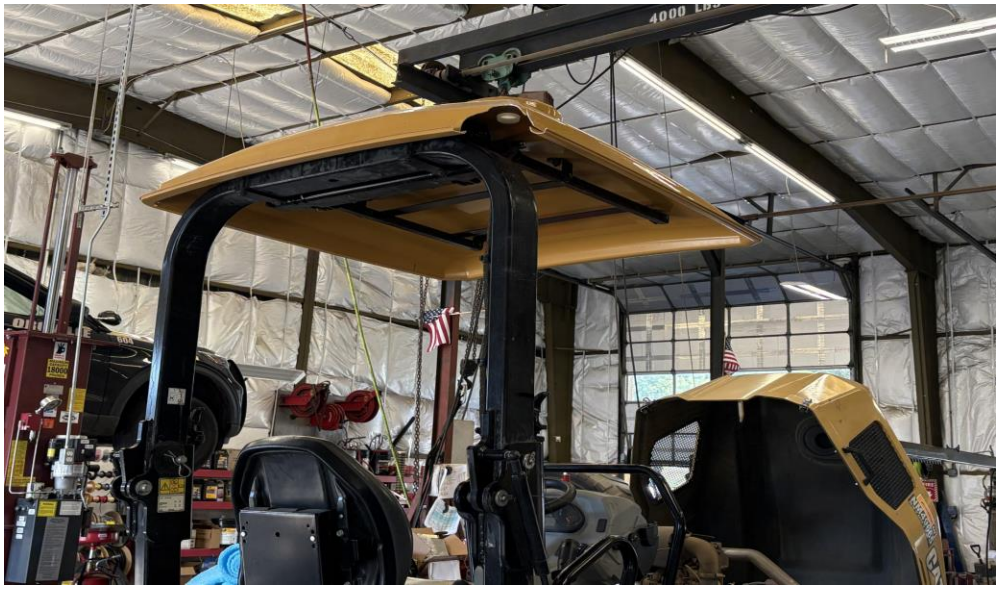
Fleet Division

Operations:

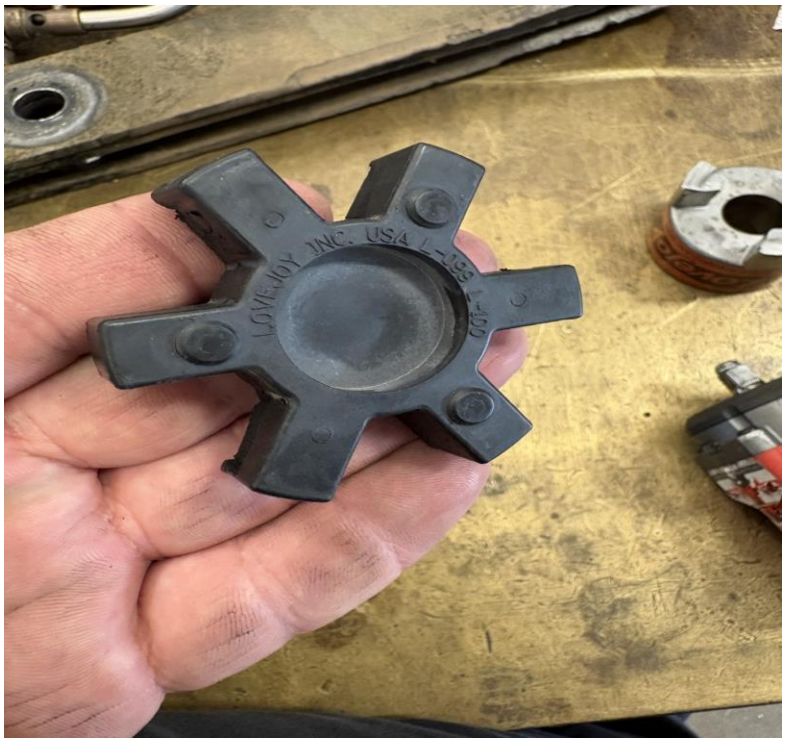
In the month of June, the fleet department repaired/serviced 21 Police vehicles - 22 Street/Parks vehicles – 4 Code enforcement vehicles – 11 Sewer vehicles – 2 fleet department vehicles for a total of 60.


POLICE
CAT
201
OROVILLE
POLICE

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LOVEJOY INC. USA L-99



Sewer Division

In the month of June sewer crews cleaned 23,564 = 4.4 miles of city sewer main. CCTV inspected 5,035 FT =.95 miles of city sewer main. Assisted SCOR with repairing the force main air relief valve covers on Feather River Blvd.





Conducted lift station inspections.


HOOK UP
HEAT STRIP
IN WINTER



Conducted Quarterly Vac and cleaning of lift station wetwells.






VACTOR
2100
1643313





Greased the centrifugal pumps at Olive Glen lift station.





Mandatory 3-year training for Forklift. Sewer, Fleet, Electrical departments







Closed Session public comment on #4

OROVILLE CITY COUNCIL
JULY 21,2026 MEETING

RE: ALLEY ABANDONMENT AB26-01

FOR YOUR CONSIDERATION REGARDING THE FINAL APPROVAL OF OUR ALLEY ABANDOMENT APPLICATION, WE WOULD LIKE TO ADVISE THAT THIS ALLEY IS NOT A TRUE ALLEY WAY- THERE HAS BEEN A BRICK WALL THAT BLOCKS OFF THE END TO 780 MONTGOMERY STREET PROPERTY (CURRENT VACANT LOT), THERE IS NO APN – PROPERTY TAXES/FEES PAID ON PARCEL, HAS NOT BEEN MAINTAINED/ SERVICED OR UPKEPT BY ANY CITY ENTITY FOR OVER 60YRS. THE LAND/ PROPERTY IS PARTIAL DIRT/ WORN ASPHALT AND CLOSED OFF VIA A SECURITY GATE & FENCING TO PREVENT ACCESS TO BACKSIDE OFF MONTGOMERY PROPERTIES (GOLD CITY MARKET/ SYNDICATE CYLES/ 780 MONTGOMERY EMPTY LOT) AND BACKSIDE OF SAFFORD PROPERTY (PIONEER COLLISION). WE HAVE AND CURRENTLY UPKEEP PARCEL AND REMOVE WEEDS FROM PROPERTY. CURRENT USE IS FOR SCRAP METAL WAITING TO BE HAULED OFF/ STORAGE OF TRASH BINS/ OVERFLOW VEHICLE PARKING.

OUR CURRENT PAYMENT OUTLAYS FOR ALLEY ABANDONMENT:

CITY OF OROVILLE PLANNING $1358.00
EVANS FUN WORKS- PROPERTY ADMIN/ RESEARCH TO PROVIDE APPLICATION DOCUMENTATION TO CITY PLANNING DEPARTMENT $1030.00
JOHNSON LAND SURVEYING- PLAT & LEGAL DESCRIPTION OF ALLEY PARCEL $1200.00
MID VALLEY TITLE-ESCROW DEPOSIT $500.00

PAYMENTS OUTSTANDING TO FINALIZE ALLEY ABANDOMENT:

FINAL CITY OF OROVILLE PLANNING FEES?
FINAL ESCROW FEES?
COUNTY SUPPLEMENTAL PROPERTY TAX FEES?

THANK YOU FOR YOUR CONSIDERATION ON OUR ALLEY ABANDONMENT APPLICATION FOR FINAL/ ADDITIONAL FEES.

RACQUEL & JOHN NOLIND TRUST

Racquel Nolind

General public comment on non-agenda it...

Good afternoon. My name is Bill Williams, and I'm here to ask questions about Oroville's awareness and oversight of surveillance data sharing and data retention connected to Flock cameras.

First: Transparency and Controls. If Oroville deploys or has deployed Flock, what exact settings or sharing options are enabled—such as any 'national' or cross-agency lookup capability—and who is responsible for approving them? I'm asking for a clear description of what Oroville has allowed in practice, not just what is intended on paper.

Second: Retention. What is the city's data retention policy for Flock-derived information—how long data or matches are stored, and what is deleted when retention ends? Also, if Flock is the vendor controlling any logs or vendor-side records, do we know whether Flock retains sufficient records to let the city verify what access occurred and when?

Third: Accountability. After a deployment or any configuration change, what audits or reporting does Oroville conduct? And if residents request information—through public records requests or internal review—what documentation exists to confirm whether data sharing happened within approved boundaries?

I want to reference a concrete example from another California city: Mountain View said it discovered that federal agencies accessed its Flock ALPR data through a 'nationwide' search setting that was enabled without its permission or knowledge, and it also reported system-control problems with 'statewide' access. Mountain View further stated it was unclear what searches resulted in sharing partly because vendor retention of records was limited for that period.

My question for Oroville is simple: are we confident that our system configuration prevents out-of-bound data sharing, and are we able to verify access and outcomes afterward—especially given retention limits?

I appreciate the work the city does on public safety. I'm asking for clear answers at the next meeting, and at that ten-minute session I'll propose specific questions, documentation requests, and safeguards. Thank you.

Dioxin Education Committee (DEC)

Talking Points: Proposed Biomass Facilities in South Oroville

Mission Statement

The Dioxin Education Committee (DEC) is sounding the alarm for the citizens of Oroville and Butte County regarding two proposed biomass energy facilities slated for historically contaminated land in South Oroville. The environmental and public health risks associated with these projects are profound, yet development is progressing with critical questions left unanswered and minimal public awareness. The DEC firmly maintains that all project operations must be halted immediately until rigorous, transparent, and independent evaluations are conducted.

Key Talking Points

1. Environmental Justice Concerns

- **Inequitable Pollution Burden:** The placement of these gasification plants directly violates the Environmental Justice policies outlined in the *Butte County General Plan 2040* by imposing an excessive, inequitable pollution burden on historically disadvantaged and low-income neighborhoods in South Oroville.[^1]
- **Superfund Site Reactivation:** The proposed sites—the former "POPI" biomass facility and the Koppers facility on South 5th Avenue—are federally designated toxic Superfund sites.[^2] District Attorney Mike Ramsey has noted that these areas contain severe dioxin soil contamination, presenting immediate public health hazards if disturbed or reactivated. Given existing health disparities, South Oroville represents one of the least suitable locations for an emissive industrial project.
- **Violation of State CAP Mandates:** The state-mandated Community Air Protection Program (CAP Program) explicitly requires local air districts to partner with community members, local governments, and grassroots organizations to reduce air pollution emissions and exposure in heavily impacted neighborhoods.
- **Failure of Local Governance:** Under the *Butte County General Plan 2040*, the county commits to reducing unique and compounded health risks within designated Community Opportunity Zones (including Palermo, South Oroville, and Thermalito). To date, the Oroville City Council has failed to demonstrate meaningful public efforts to implement or uphold these legally binding environmental justice goals.

2. Economic Impact and Subsidies

- **Vanishing Subsidies:** Biomass energy generation is economically non-viable without heavy public subsidization. Crucially, the California Public Utilities Commission (CPUC) is winding down its primary biomass subsidy framework, the BioMAT program, with standard procurement avenues scheduled to cease.[^3] State policy is increasingly shifting away from biomass, recognizing it as an inefficient, costly liability.
- **Inflated Utility Costs:** Because biomass electricity is exceptionally expensive to produce, its integration threatens consumers with inflated utility bills. Furthermore, Oroville residents may

Dioxin Education Committee (DEC)
Talking Points: Proposed Biomass Facilities in South Oroville

bear the secondary legal and administrative costs of navigating complex utility infrastructure agreements with PG&E to utilize existing grid networks. Proponents have provided no verifiable evidence that this project will lower local energy costs.

3. Local Transportation and Infrastructure

- **Continuous Diesel Traffic:** Operation of these facilities would introduce thousands of heavy-duty diesel trucks moving through local corridors 24 hours a day, 7 days a week. This continuous traffic will generate severe localized air and noise pollution while accelerating structural wear on municipal and county roadways, leaving local taxpayers to cover the repair costs.

4. Forest Management, Deforestation, and Feedstock Creep

- **Flawed Wildfire Logic:** Scientific data demonstrates that forest thinning cannot stop extreme, wind-driven wildfires, which are heavily exacerbated by climate change. In many cases, aggressive thinning alters microclimates—making forests hotter, drier, and more wind-prone—which can paradoxically cause fires to burn faster and more intensely.[^4]
- **Ecological Alternatives:** When wood management is necessary for public safety, ecological alternatives such as mulching, converting residues to wood shavings, or controlled biomass burial are far more sustainable.
- **Misallocated Funding:** The destructive Los Angeles area fires of January 2026 occurred primarily in shrublands and grasslands, underscoring that forest thinning is a highly flawed, over-funded framework for comprehensive wildfire safety. True community protection is best achieved via localized home hardening and halting new developments in high-risk zones.
- **The Risk of Feedstock Creep:** Long-term feedstock availability remains a critical vulnerability. Project parameters indicate the feedstock would include freshly cut trees from forest thinning, not just dead wood, which accelerates deforestation. Once immediate local forest residues are depleted, these facilities risk pivoting toward "feedstock creep," including the thermal processing of agricultural waste.

5. Public Health and Groundwater Risks

- **Pre-Existing Health Vulnerabilities:** Local health vulnerabilities are already acute. Butte County's overall cancer rates are estimated to be 14% higher than the California state average, with elevated rates for colorectal, pancreatic, and lung cancers.[^5]
- **Broad Medical Opposition:** Leading public health organizations—including the American Lung Association, the American Academy of Pediatrics, Physicians for Social Responsibility, the Asthma and Allergy Foundation, and the National Association of County and City Health Officials—strongly oppose biomass-to-energy technologies due to lifecycle emissions and pollutants.[^6]
- **Particulate Matter & Solid Waste Dangers:** The overall operational footprint of a commercial gasification plant is a significant source of fine particulate matter (PM2.5) and localized air pollution.[^7] These microscopic particles are released during the initial thermal breakdown of the biomass, extensive material handling, and necessary emergency syngas flaring. Once airborne, they travel deep into the lungs and bloodstream, triggering severe health conditions.

Dioxin Education Committee (DEC)
Talking Points: Proposed Biomass Facilities in South Oroville

Furthermore, most of the processed material is converted into concentrated solid waste, which can harbor heavy metals and require hazardous disposal.

- **Agricultural Waste Toxins:** Expanding fuel sources into agricultural waste introduces additional public dangers. Processing orchard waste, walnut shells, or animal manure risks aerosolizing concentrated residues from chemical fertilizers, heavy metals, and persistent pesticides during the thermal conversion lifecycle.
- **Feather River Watershed Threat:** The physical sites are located on highly porous river rock directly connected to the adjacent Feather River watershed. During seasonal flooding events, this geography presents a severe risk of sudden groundwater contamination from historically bound industrial toxins.

25' above water table

Conclusion

California already possesses scalable, cost-effective, and genuinely clean alternatives: solar energy, wind power, robust battery storage, and localized community home-hardening programs. Given the generational public health and environmental ramifications of this project, the Dioxin Education Committee ~~demands~~ an immediate suspension of all fast-tracked approvals to allow for a thorough, transparent review by independent experts and the general public.

for Biomass facilities

DEC recommend

Sources & Footnotes

[^1]: **Butte County General Plan 2040 (Environmental Justice Element):** Outlines policies to address the needs of "Communities of Opportunity" and mitigate inequitable pollution burdens. View General Plan Updates

[^2]: **Environmental Protection Agency (EPA):** Superfund Record of Decision detailing the extensive soil and groundwater remediation for the Koppers Co. Inc. site in Oroville. View EPA Record of Decision

[^3]: **California Public Utilities Commission (CPUC) BioMAT Framework:** Regulatory actions signaling the wind-down of the Bioenergy Market Adjusting Tariff (BioMAT) program. View RCRC BioMAT Report

[^4]: **Flawed Wildfire Logic & Forest Thinning:** Environmental science consensus on altered microclimates and wind-driven fire intensity.

* California Coastal Commission Public Works Plan Correspondence (PDF)

* Tomales Bay State Park Forest Health Project Correspondence (PDF)

[^5]: **Butte County Cancer Rates:** Statistical incidence rates compiling regional cancer burdens and lasting environmental contamination impacts.

Dioxin Education Committee (DEC)
Talking Points: Proposed Biomass Facilities in South Oroville

* California State Cancer Profiles (Incidence Rates)

* Climate Change and Cancer Care: Disruptions, Disparities, and Strategies (ASCO Publications)

[^6]: **Medical Opposition to Biomass:** Public health consensus and coalition documentation detailing the severe health risks of biomass energy production.

* AAFA Signs-on to Letter about the Health Harms of Biomass (PDF)

* Medical Statements Opposing Biomass (Energy Justice Network)

* IRS Implementation of IRA - Comments by Lung Association and PSR (PDF)

[^7]: **Biomass Gasification Lifecycle Emissions:** The broader gasification plant infrastructure—including wood processing, thermal breakdown, and syngas flaring—remains a documented source of particulate matter and criteria pollutants. Assessment of the emissions and energy impacts of biomass and biogas use in California (California Air Resources Board)

Formal Public Comment Submission

TO: Oroville City Clerk & Members of the Oroville City Council

FROM: The Dioxin Education Committee (DEC)

DATE: July 20, 2026

SUBJECT: URGENT PUBLIC INQUIRY – Item Regarding OroVerde Energy Initiative Update (Agenda Packet Pages 194–195) for the July 21, 2026 City Council Meeting

Dear City Clerk, Mayor, and Council Members,

The Dioxin Education Committee (DEC) is writing to formally request immediate public clarification regarding the "OroVerde Energy Initiative Update" scheduled for discussion at tomorrow's City Council meeting on Tuesday, July 21, 2026.

According to the staff summary on pages 194 and 195 of the official agenda packet:

"Staff has identified an alternative path that may support economic development through the delivery of off-grid energy systems serving new greenfield development (new development/project). Staff is currently working with an energy provider and project developer to further evaluate this concept."

While we acknowledge NewGen Solutions' conclusion that a traditional parallel grid utility model is financially unfeasible, the pivot to an un-mapped "off-grid" system serving new greenfield developments raises critical regulatory, environmental, and public safety questions that must be addressed transparently before the City moves forward.

On behalf of the public interest and regional environmental safety, the DEC formally requests that City Staff and Council explicitly answer the following questions during tomorrow's presentation:

1. **Identity of Private Entities:** Who is the unnamed "energy provider" and who is the "project developer" currently collaborating with City staff on this alternative off-grid framework?
2. **Technological Specifications:** What specific technology will be utilized to generate power for these off-grid systems? Does this plan involve high-heat thermal processing, biomass gasification, or chemical thermolysis systems similar to other proposed projects in the South Oroville industrial corridor?
3. **Site Location:** Which specific "greenfield developments" or undeveloped parcels are currently being evaluated to host these off-grid energy systems?
4. **Environmental Oversight:** Will these off-grid systems bypass traditional regional infrastructure reviews, and how will the City ensure strict compliance with the Environmental Justice policies mandated by the *Butte County General Plan 2040*?

The citizens of Oroville have a right to full transparency regarding public utility partnerships, particularly when they involve localized energy generation infrastructure. We request that this inquiry be read into the official record and explicitly addressed by staff during the OroVerde update presentation.

Thank you for your time and your commitment to transparent governance.

Sincerely,

The Dioxin Education Committee (DEC)

Oroville, CA

Public comment on Item #13

McNeillLawOffices
CIVIL LITIGATION & APPEALS

July 20, 2026

OROVILLE CITY COUNCIL
Council Chambers
1735 Montgomery Street
Oroville, CA 95965
by Email: publiccomment@cityoforoville.org

Comment and objection submitted to the Oroville City Council at its regular meeting of July 21, 2026, for consideration on its Agenda Item No. 13, entitled "UPDATE OF USER AND REGULATORY FEES" AND "Resolution No. 9477 Adjusting and Establishing User and Regulatory Fees" insofar as this item purports to increase or establish new rates for "Sewer Connection Impact Fees" and "Monthly Sewer Service Rates" for Multi-Family Units (apartments) rates in conflict with the unamended Oroville Municipal Code §13.04.040 (Connection Fees) and §13.04.090 (Rates & Charges).

To the honorable City Council of the City of Oroville:

I represent K&M Butte Developers, LLC -- the developers of at least 299 Multi-Family Units (MFUs) of affordable housing in the City of Oroville. Please refer to my previous correspondence of July 7, 2026 on behalf of K&M Developers, LLC objecting to your proposed amendment of your Municipal Code §13,04.040; that correspondence and materials outline why the City's proposed "Sewer Connection Impact" fees and "Monthly Rates" for MFUs are substantively illegally excessive and untenable. However, you are now compounding the problem by attempting to approve by resolution a Master Fee Schedule that includes the increased rates before you have even voted on an amendment of your Municipal Code.

It is clearly established law that "A city cannot adopt a resolution that is in conflict with an existing city ordinance. Because there is a substantive legal difference between a resolution and an ordinance, a resolution is not

U.S. MAIL P.O. Box 2274, Nevada City, CA 95959 I EMAIL WMcNeill@McNLaw.com
OFFICE TEL. 530.222.8992 I CELL 530.355.8974

the legal equivalent of an ordinance and cannot be used to amend, supersede, or conflict with a validly enacted municipal ordinance." *San Diego City Firefighters, Local 145 v. Bd. of Admin. of San Diego City Emples. Ret. Sys.*, 206 Cal. App. 4th 594 (2012), *Pinewood Investors v. City of Oxnard,* 133 Cal. App. 3d 1030 (1982).

Copies of pages 22 and 33 from your proposed Master Fee Schedule (agenda package pp. 377 and 388) are attached and show, respectively, the Sewer Connection Impact fee and the Monthly Sewer Rates. The Fees and Rates listed are in conflict with the existing unamended Municipal Code. Furthermore, neither the Fees nor Rates pages show different reduced rates for MFUs as compared to Single Family Homes (SFHs), regardless of whether the City intends to reduce rates for MFUs in any amount based on reduced flows from MFUs. On its face your charges for connections and monthly rates are the same for MFUs and SFHs.

When your rates and charges are --as here-- the product of your ordinances, inconsistent resolutions are invalid and have no effect. You should remove the sewerage connection impact charges and the monthly charges from this resolution, while the rest of the charges may pass. Lets have an honest debate about the legality and amount of your connection charges monthly rates through the ordinance process as required.

Thank you for your attention to this matter.

Very truly yours,

MCNEILL LAW OFFICES

Walter P. McNeill

WALTER P. MCNEILL

U.S. MAIL P.O. Box 2274, Nevada City, CA 95959 I EMAIL WMcNeill@McNLaw.com
OFFICE TEL. 530.222.8992 I CELL 530.355.8974

City of Oroville

LAND DEVELOPMENT ENGINEERING AND ENCROACHMENT PERMIT FEES

Description	Fee	Charge Basis	Note	Yearly Adjust
IMPACT FEES				
28 Traffic Impact Fee				
a) Single Family	$961	per unit		N
b) Multi Family	$745	per unit		N
c) Commercial	$2,091	per 1,000 sq ft		N
d) Office	$1,105	per 1,000 sq ft		N
e) Industrial	$575	per 1,000 sq ft		N
29 Facilities Impact Fees				
a) General Government				
i) Single Family	$1,135	per unit		N
ii) Multi Family	$676	per unit		N
iii) Commercial	$590	per 1,000 sq ft		N
iv) Office	$770	per 1,000 sq ft		N
v) Industrial	$286	per 1,000 sq ft		N
b) Fire				
i) Single Family	$804	per unit		N
ii) Multi Family	$648	per unit		N
iii) Commercial	$507	per 1,000 sq ft		N
iv) Office	$662	per 1,000 sq ft		N
v) Industrial	$246	per 1,000 sq ft		N
c) Law Enforcement				
i) Single Family	$1,393	per unit		N
ii) Multi Family	$1,122	per unit		N
iii) Commercial	$393	per 1,000 sq ft		N
iv) Office	$514	per 1,000 sq ft		N
v) Industrial	$192	per 1,000 sq ft		N
d) Parks				
i) Single Family	$3,843	per unit		N
ii) Multi Family	$3,095	per dwelling unit		N
30 Drainage Impact Fee				
a) Single Family	$2,572			N
b) Multi Family Per Unit	$1,029			N
c) Commercial	$1,466			N
d) Office	$1,440			N
e) Industrial	$1,388			N
f) Thermalito	see fee schedule			N
31 Sewer Connection				
a) Impact Fee	$1,794	per EDU		N
b) SCOR	$6,638	per EDU		N

City of Oroville
MONTHLY SEWER RATES

YEAR	SCOR	CITY	TOTAL
2019-20	$13.85	$23.56	$37.41
2020-21	$15.85	$23.56	$39.41
2021-22	$17.85	$23.56	$41.41
2022-23	$19.85	$23.56	$43.41
2023-24	$23.85	$23.56	$47.41
2024-25	$24.49	$26.06	$50.55
2025-26	$25.71	$27.88	$53.59
2026-27	$27.00	$29.83	$56.83
2027-28	$28.35	$31.92	$60.27
2028-29	$29.77	$34.15	$63.92

CITY OF OROVILLE
STAFF REPORT

TO: **MAYOR PITTMAN AND COUNCIL MEMBERS**

FROM: **PAT PIATT, COMMUNITY DEVELOPMENT DIRECTOR**

RE: **OROVILLE DOWNTOWN BUSINESS ASSOCIATION ANNUAL REPORT**

DATE: **AUGUST 4, 2026**

SUMMARY

The City Council shall consider the 2026-27 annual budget for the Oroville Downtown Business Improvement District (BID).

DISCUSSION

Pursuant to section 5.06.100 of Ordinance No. 1839 the Council will review and approve the annual budget for the Oroville Downtown Business Association. Pursuant to said Ordinance, the City shall not adopt, modify or amend the proposed budget unless a written majority protest exists from business owners which pay 50% or more of the assessments.

Representatives of the ODBA will provide the presentation and be available to answer questions from the City Council.

FISCAL IMPACT

None.

ACTION REQUESTED -

APPROVE FISCAL YEAR 2026-27 BUDGET.

ATTACHMENTS

Presentation
Municipal Code Sections 5.06.010 – 5.06.130



ANNUAL REPORT AND BUDGET 2026/2027

DOWNTOWN OROVILLE BUSINESS ASSOCIATION

Bringing Downtown Oroville Together

The Oroville Downtown Business Association (ODBA), also known as Downtown Oroville is a 501(c6) non-profit organization run by a board of directors made up of **downtown business owners** and operators.

The ODBA organization has been around for over 40 years.



BUSINESS IMPROVEMENT DISTRICT

BID

In 2019 a BID was formed by a group of business owners as an assessment to help fund Downtown Oroville Marketing & Beautification initiatives.

The ODBA was chosen as the managing organization of the BID funds.



THE HEART OF ODBA

What guides the work we do?

MISSION

Downtown Oroville works to ensure a thriving business economy in the Historic Downtown District through; marketing, beautification, and business advocacy.

VISION

Create a sustainable, vibrant, and beautiful business community. Attract customers to the downtown commercial district and inspire them to shop small. Work with the city to create a welcoming place to do business.

ODBA BOARD MEMBER VOLUNTEER HOURS

Putting in the WORK

8 Business owner/operators

Over **600** volunteer hours per year

Equaling a value of over **$25,000**

- **Manage TEN events per year**
- **Maintain string lights, light polls, flags, and flowers**
- **Provide a united voice on upcoming city policies.**
- **Greet new businesses with a welcome packet**
- **Sit on working committees**

All while running open door businesses downtown!



BID ASSESSMENT PROJECTED

2026/2027

$16,200 Total Expected Membership Income

$9,720 Marketing (60% of Membership Income)

$6,480 Beautification (40% of Membership Income)



WHAT ARE THE FUNDS USED FOR?

Marketing & Promotion

Website: A collective site ranks higher than a single small business can on its own, pulling in tourists and new shoppers

Website Directory listing: We provide a dedicated profile page with contact details, operating hours, and direct links to their own pages.

Social Media Posting: (12K followers)

- Average 100 posts per week (*shares & content creation)*
- 140k views per month!

Host 10 Annual Events: Designed to drive traffic into businesses & create awareness. Average cost to ODBA for a First Friday is $600, Christmas Tree Lighting up to $6,000.

Compare the value of this assessment fee of $250-$350 a year to one ad in a magazine for $400 - $1000.

WHAT ARE THE FUNDS USED FOR?

Beautification Projects for Safety and Charm

Signage

for Downtown Oroville Gateway



Maintain

string lights, light polls, flags, and flowers



DESTINATION MARKETING

Approach:
Promote Downtown Oroville as a Destination.





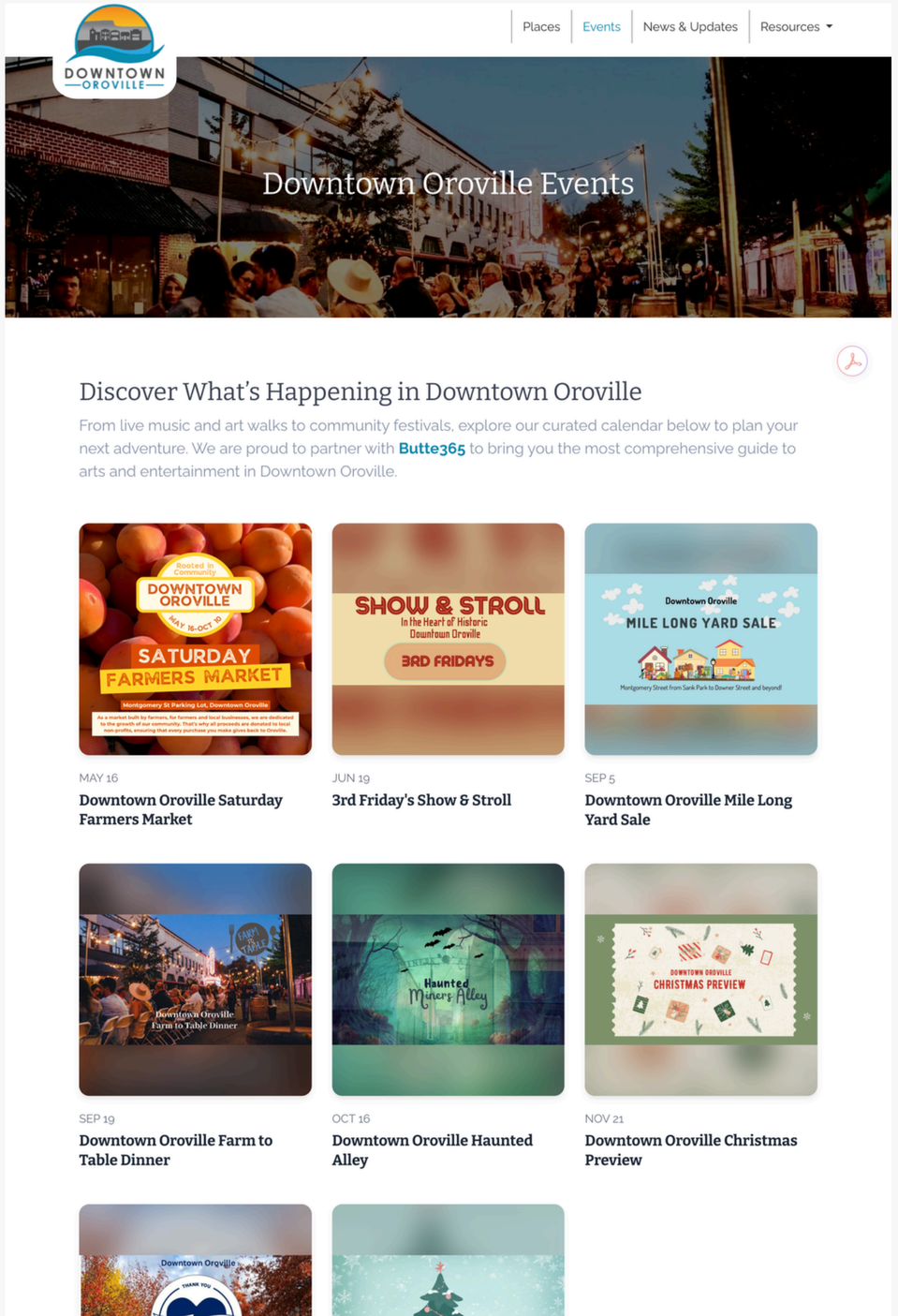


WHAT DOES THIS LOOK LIKE?

Promote ALL Downtown Events

Target Tourism

Community Outreach



EVENT CATEGORIES

Shopping and Dining:

Around the World, Salsa Taste-Off,
Hollywood Walk,
Christmas Preview, Shop Small Saturday,
Mile-Long Yard Sale

Signature Community Events:

Haunted Miners Alley, Farm to Table,
Christmas Tree Lighting

Special Events: Dueling Pianos





INVESTING IN OUR COMMUNITY

The ODBA believes strongly in supporting our local economy, and wherever possible, we hire locally to invest in our community.

For every $1 spent at a small, local, independently owned business, 67¢ stays in the local economy.

THANK YOU

GET INVOLVED!
PLEASE JOIN US AT OUR MONTHLY MEETING.
WE WOULD LOVE TO SEE YOU THERE.

DOWNTOWN
OROVILLE

§ 5.06.010. Definitions.

To distinguish between district businesses and for the purpose of calculating and applying the amount of assessments owed, the following definitions shall apply:

"Billing period" shall refer to the fiscal year, commencing July 1 of the initial year and each and every year thereafter unless disestablished per Section 5.06.130 of this chapter.

"Financial" includes banks, savings & loans, credit unions, etc.

"Fiscal year" means July 1st to and including June 30th of the following calendar year.

"Professional" includes attorneys, architects, accountants, engineers, surveyors, physicians, dentists, optometrists, chiropractors and others in a medical/health service field, consultants, real estate brokers, financial advisors, laboratories (including dental and optical), hearing aid services, artists, photographers and designers.

"Restaurants" include cafes, eating establishments, sandwich shops, dinner houses, restaurants and fast food services and other similar businesses.

"Retail businesses" include all businesses not covered by other definitions set out in this section, at least 50% of whose gross income is derived from "retail sales" as that term is defined under the California Sales and Use Tax Law. The fact that a substantial part of its business consists of sales other than retail sales does not exclude said business from this classification so long as such other business component does not account for more than 50% of said business' gross income.

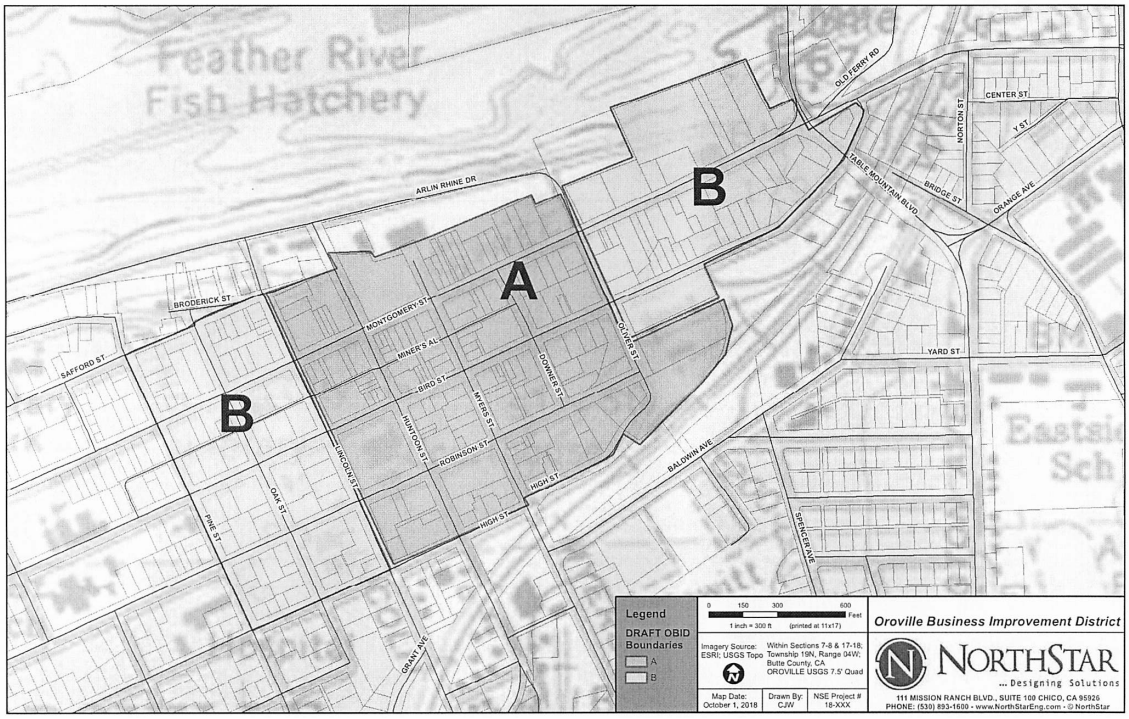
"Sales and service" businesses include businesses that combine retail and product services. Examples are appliance stores, most automotive-oriented businesses, repair shops, repairing and servicing businesses and service stations. Other businesses of a general service-type nature such as personal care salons, lodging, general office, news and advertising media, printers, renting and leasing businesses, utilities, vending machine businesses, household finance companies, entertainment businesses and other similar businesses not otherwise included in this section.
(Ord. 1839 § 1, 2019)

§ 5.06.020. Establishment of boundaries.

A Parking and Business Improvement District is hereby established pursuant to the Parking and Business Improvement Area Law of 1989, Streets and Highways Code Section 36500 et seq. The boundaries of the district and the benefit zones within the district shall be as set forth on Exhibit "A". This district shall be known as the "Downtown Oroville Business Improvement District," (the "District").

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Exhibit A



(Ord. 1839 § 1, 2019)

§ 5.06.030. Establishment of district board of directors.

There shall be a board of directors ("board") of the district to administer the affairs of the district. Said board shall be constituted of businesses within the district. Within the board there shall be a president, vice-president, secretary and treasurer elected by the membership, and such other officers as deemed necessary by the board. Such other officers shall be appointed by the board of directors at their discretion. All voting within the district regarding election of board members and any actions regarding the normal and routine conducting of district business shall be based on one vote per assessed dollar, and said business must be current in payment of their district assessment(s) to participate in such votes.
(Ord. 1839 § 1, 2019)

§ 5.06.040. Establishment of benefit assessment.

All businesses, trades, and professionals located within the district shall, commencing July 1, 2019, pay an annual benefit assessment to the district in the following amounts:

Zones of Benefit:	Zone A	Zone B
Retailers and restaurants	(Small) $250	$150
	(Large) $350	$150

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Zones of Benefit:	Zone A	Zone B
Service Businesses	$200	$100
Professional Businesses	$200	$100
Financial	$500	$500

A. The average benefit assessment is $196.37 per year.

B. Zones of benefit are determined by the map in Exhibit A of the resolution of intent.

C. Size category is determined by number of full-time employees as follows:

1. Small is 1-3 full-time employees including owner

2. Large is 4 or more full-time employees including owner.

D. Business type definitions are as follows:

1. Retail and Restaurant. Businesses that buy and resell goods, examples are clothing stores, shoe stores, office supplies as well as businesses that sell prepared foods.

2. Service Businesses. Businesses that sell services. Examples are beauty and barber shops, repair shops, most automotive-oriented businesses, lodging businesses, entertainment businesses such as theaters, etc.

3. Professional Businesses. Includes architects, engineers, attorneys, dentists, doctors, accountants, optometrists, realtors, insurance offices, mortgage brokers and most other businesses that require advanced and/or specialized licenses and/or advanced academic degrees.

4. Financial Institutions. Includes banking and savings and loan institutions as well as credit unions, etc.

(Ord. 1839 § 1, 2019)

§ 5.06.050. Purpose and use of benefit assessments.

The types of improvements and activities proposed to be funded by the levy of assessments on businesses in the district are to be determined by the board of directors of the ODBA, but initially 40% to civic beautification and signage programs and 60% to commercial marketing and special events, generally as follows:

A. The acquisition, construction, installation, or maintenance of any tangible property with an estimated useful life of 5 years or more including, but not limited to, the following improvements:

1. Benches;

2. Trash receptacles;

3. Decorations;

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4. Facade improvements;

5. Permanent landscaping.

B. Activities including, but not limited to, the following:

1. Promotion of public events which benefit businesses in the area and which take place on or in public places within the area;

2. Furnishing of music in any public place in the area;

3. Any other activities which benefit businesses located and operating in the area, including, but not limited to, downtown markets, commercial marketing, advertising and promotional programs.

(Ord. 1839 § 1, 2019)

§ 5.06.060. Exclusions from benefit assessment.

No person or business within the district shall be required to pay an assessment based on: (a) a residential use of the property within the district; or (b) a nonprofit organization as defined by Section 501 (C) (3) or (C) (6) of the Internal Revenue Service Code.
(Ord. 1839 § 1, 2019)

§ 5.06.070. New business assessment waiver.

Any new business established within the district shall not be required to pay an assessment for the billing period during which said business is initiated. The business will have been considered initiated on the date of issuance of the business license. This waiver shall not apply to an existing business that has changed ownership or location within the district. The city agrees to supply the district with timely information regarding new businesses initiated within the district.
(Ord. 1839 § 1, 2019)

§ 5.06.080. Collection of benefit assessment.

The benefit assessment authorized by Section 5.06.040 for Oroville businesses shall be billed each calendar year on January 1, and collected on July 1. The city will bill and collect the assessments, at no charge to the district and forward all funds collected to the district within 30 days of collection.
(Ord. 1839 § 1, 2019)

§ 5.06.090. Voluntary contributions to district.

Contributions to the district shall be permitted on a voluntary basis. The boundary of the district shall not be modified as a result of the contribution. Said contributing business may be considered a member of the district for voting or other purposes upon approval by the board of directors. However, said business making a voluntary contribution may be entitled to participate in the programs of the district upon a finding by the board of directors that the district derives a benefit from said business' participation in the program.

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(Ord. 1839 § 1, 2019)

§ 5.06.100. Annual budget process.

Pursuant to the act, it shall be necessary for the district board of directors to present an annual budget for city council review and approval prior to the beginning of each fiscal year. The purpose of this process is to comply with the act provisions regarding public notice and hearing prior to establishing the benefit assessments for the following fiscal year. The city shall not adopt, modify or otherwise amend any fiscal year budget of the district that is inconsistent in any way with said fiscal year's budget as agreed to and presented by the district board of directors except in the case of a written majority protest (regarding elimination or modification of any specific budget item) from business owners which will pay 50% or more of the assessments proposed to be levied as to any specific budget item pursuant to California Government Code Section 36525(b) . In such case the written protest regarding any specific budget item shall be grounds to eliminate or modify said expenditure from the district's proposed budget pursuant to the written protest.
(Ord. 1839 § 1, 2019)

§ 5.06.110. Decisions regarding expenditure of funds.

As provided for within the guidelines of Streets and Highways Code Section 36500 et seq. (SB 1424 - Parking and Business Improvement Law of 1989, Chapter 2), decisions of the district board of directors regarding expenditure of all funds generated under this program shall be final.
(Ord. 1839 § 1, 2019)

§ 5.06.120. District proceeds do not offset city services.

City specifically finds and declares that the funds derived from the district shall not be used to offset or diminish current maintenance, capital improvement programs, including, but not limited to, public property and sidewalk cleaning, street cleaning and maintenance, tree maintenance, restroom cleaning and maintenance. The city declares its intent to provide at least the same level and standard of maintenance and repair of public property within the district providing city funds are available from year to year.
(Ord. 1839 § 1, 2019)

§ 5.06.130. Disestablishment of the district.

Proceeding to disestablish the district shall be initiated by the city council following the presentation of a petition to the city council signed by business owners paying 50% or more of the assessments levied in the district. Proceedings to disestablish the district shall follow the procedures set forth in California Government Code Section36550. The city council shall disestablish the district if, following the public hearing prescribed in California Government Code Section36550(b), written protests are not withdrawn as to reduce the protests below the 50% level. In the event of disestablishment of the district, remaining revenues of the district shall be refunded to paying business owners in a pro-rata manner calculated in the same manner as was used to establish the most recent

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assessments applied in the district.
(Ord. 1839 § 1, 2019)

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CITY OF OROVILLE
STAFF REPORT

TO: **MAYOR PITTMAN AND COUNCIL MEMBERS**

FROM: **CHRIS TENNS, FIRE CHIEF**

RE: **AGREEMENT WITH RESTORATION MANAGEMENT COMPANY FOR FIRE STATION KITCHEN REMODEL**

DATE: **AUGUST 4, 2026**

SUMMARY

The City Council shall consider an agreement with Restoration Management Company (RMC) for the renovation of the Oroville Fire Station kitchen, not to exceed $111,421.08

DISCUSSION

On April 7, 2026, the City Council approved a capital improvement project to renovate the Fire Station kitchen by replacing the original cabinetry installed in the 1980s, upgrading the countertops, and replacing the worn laminate flooring installed in approximately 2011. The original project budget was established at $60,000. After obtaining contractor proposals from the City CUPCCAA list, the lowest responsive quote submitted by Restoration Management Company totaled $101,291.89.

Due to the higher-than-anticipated construction costs, the City Council subsequently approved an additional appropriation of $41,291.89, bringing the total authorized project budget to $101,291.89. Staff now requests authorization for the mayor to execute the construction agreement. In addition, staff requests approval of a 10% contingency in the amount of $10,129.19, bringing the total project authorization to $111,421.08.

The Oroville Fire Station kitchen is used every day by on duty firefighters and serves as an important workspace. The existing cabinets were installed in the 1980s and have reached the end of their useful life. The laminated flooring, installed around 2011, is also showing significant wear. Renovating the kitchen will improve safety, functionality, and provide a more durable workspace for Fire Department personnel.

The project includes:

- Removal and replacement of the original kitchen cabinets.

- Installation of new countertops.
- Removal and replacement of the existing laminate flooring.
- Associated construction and finish work necessary to complete the remodel.

Restoration Management company submitted the lowest responsive proposal in the amount of $101,291.89. Staff has reviewed the proposal and found the pricing to be fair and consistent with the work being completed. Approval of the agreement will allow project to move forward as planned.

FISCAL IMPACT

Funding for this project is available through the approved Capital Improvement Project Budget. With the additional of the 10% contingency, the total project authorization will be $111,421.08.

ACTION REQUESTED -

APPROVE THE CONTRACT AND AUTHORIZE THE MAYOR TO SIGN THE AGREEMENT WITH RESTORATION MANAGEMENT COMPANY IN THE AMOUNT OF $101,291.89, AND APPROVE A 10% CONTINGENCY IN THE AMOUNT OF $10,129.19, FOR THE OROVILLE FIRE STATION KITCHEN REMODEL.

ATTACHMENTS

Agreement with RMC
Proposal

AGREEMENT FOR FIRE STATION 91 KITCHEN REMODEL AND CONSTRUCTION SERVICES

xxxx

This Agreement is made and entered into as of **August 4, 2026** by and between the **City of Oroville** ("City") and **Restoration Management Company (RMC)** ("Contractor").

RECITALS

A. The Contractor is specially trained, experienced and competent to perform construction and remodeling services including kitchen renovation and flooring improvements.

B. The Contractor possesses the skill, experience, ability, background, license, certification, and knowledge to provide the services described in this Agreement on the terms and conditions described herein.

C. City desires to retain Contractor to perform remodeling work at the Oroville Fire Station in accordance with the terms and conditions of this Agreement.

AGREEMENT

1. Scope of Services. The Contractor shall furnish the following services in a professional manner. Contractor shall perform the scope of services described in Exhibit "A" which is attached hereto and incorporated herein by reference.

2. Time of Performance. The services shall commence upon execution of this Agreement and approval by the City. The estimated start date is **October 2026** and the Contractor shall diligently pursue the work to completion within a reasonable timeframe mutually agreed upon by the parties.

3. Compensation. Compensation to be paid to Contractor shall be in accordance with the pricing set forth in Exhibit "B" – Quote. **In no event shall the total compensation exceed the amount of $111,421.08 without additional written authorization from the City governing body.** Payment

by City under this Agreement shall not be deemed a waiver of defects in Contractor's services, even if such defects were known to the City at the time of payment.

4. Method of Payment. Contractor shall submit monthly billing to City describing the work performed during the preceding month. Contractor's bills shall include a brief description of the services performed, the date the services were performed, the number of hours spent and by whom, and a description of any reimbursable expenditures. City shall pay Contractor no later than 30 days after approval of the monthly invoice by City staff.

5. Extra Work. At any time during the term of this Agreement, City may request that Contractor perform Extra Work. As used herein, "Extra Work" means any work which is determined by City to be necessary for the proper completion of Contractor's services, but which the parties did not reasonably anticipate would be necessary at the execution of this Agreement. Contractor shall not perform, nor be compensated for, Extra Work without prior written authorization from City.

6. Termination. This Agreement may be terminated by the City immediately for cause or by either party without cause upon fifteen days' written notice of termination. Upon termination, Contractor shall be entitled to compensation for services properly performed up to the effective date of termination.

7. Ownership of Documents. All plans, drawing, specifications, reports and related documents prepared by and for **Contractor** in connection with this Agreement shall become the property of the City upon payment for such work. The City shall have the sole right to use such materials in its discretion without further compensation

to **Contractor** or to any other party. **Contractor** shall, at **Contractor's** expense, provide such reports, plans, studies, documents, and other writings to the City within three (3) days after written request.

8. Licensing of Intellectual Property. This Agreement creates a nonexclusive and perpetual license for City to copy, use, modify, reuse, or sublicense any and all copyrights, designs, and other intellectual property embodied in documents or works of authorship fixed in any tangible medium of expression including, but not limited to, data magnetically or otherwise recorded on computer diskettes, which are prepared or caused to be prepared by Contractor under this Agreement ("Documents and Data"). Contractor shall require all subcontractors to agree in writing that City is granted a nonexclusive and perpetual license for any Documents and Data the subcontractor prepares under this Agreement. Contractor represents and warrants that Contractor has the legal right to license any and all Documents and Data. Contractor makes no such representation and warranty in regard to Documents and Data which may be provided to Contractor by City. City shall not be limited in any way in its use of the Documents and Data at any time, provided that any such use not within the purposes intended by this Agreement shall be at City's sole risk.

9. Confidentiality. All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other Documents and Data either created by or provided to Contractor in connection with the performance of the Agreement shall be held confidential by Contractor. Such materials shall not, without the prior written consent of City, be used by Contractor for any purposes other than the performance of the services under this Agreement. Nor shall such materials

be disclosed to any person or entity not connected with the performance of the services under this Agreement. Nothing furnished to Contractor which is otherwise known to Cotractor is generally known, or has become known, to the related industry shall be deemed confidential. Contractor shall not use City's name or insignia, photographs relating to project for which Contractor's services are rendered, or any publicity pertaining to the Contractor's services under this Agreement in any magazine, trade paper, newspaper, television, or radio production or other similar medium without the prior written consent of City.

10. Contractor's Books and Records

a. Contractor shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services, expenditures, and disbursements charged to City for a minimum period of three (3) years, or for any longer period required by law, from the date of final payment to Contractor to this Agreement.

b. Contractor shall maintain all documents and records which demonstrate performance under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of termination or completion of the Agreement.

c. Any records or documents required to be maintained pursuant to this Agreement shall be made available for inspection or audit, at any time during regular business hours, upon written request by the City Administrator, City Attorney, City Finance Director, or a designated representative of these officers. Copies of such documents shall be provided to the City for inspection at 1735 Montgomery Street, Oroville,

California when it is practical to do so. Otherwise, unless an alternative is mutually agreed upon, the records shall be available at Contractor's address indicated for receipt of notices in this Agreement.

d. Where City has reason to believe that such records or documents may be lost or discarded due to dissolution, disbandment, or termination of Contractor's business, City may, by written request by any of the above named officers, require that custody of the records be given to the City and that documents be maintained by City Hall.

11. Independent Contractor. It is understood that Contractor, in the performance of the work and services agreed to be performed, shall act as and be an independent contractor and shall not act as an agent or employee of the City. Contractor shall obtain no rights to retirement benefits or other benefits which accrue to City's employees, and Contractor hereby expressly waives any claim it may have to any such rights.

12. Interest of Contractor. Contractor (including principals, associates, and professional employees) covenants and represents that it does not now have any investment or interest in real property and shall not acquire any interest, direct or indirect, in the area covered by this Agreement or any other source of income, interest in real property or investment which would be affected in any manner or degree by the performance of Contractors's services hereunder. Contractor further covenants and represents that in the performance of its duties hereunder no person having any such interest shall perform any services under this Agreement.

Contractor is not a designated employee within the meaning of the Political Reform Act because Contractor:

a. will conduct research and arrive at conclusions with respect to its rendition of information, advice, recommendation, or counsel independent of the control and direction of the City or any City official, other than normal agreement monitoring; and

b. possesses no authority with respect to any City decision beyond rendition of information, advice, recommendation, or counsel. (FPPC Reg. 18700(a)(2).)

13. Professional Ability of Contractor. City has relied upon the professional training and ability of Contractor to perform the services hereunder as a material inducement to enter into this Agreement. All work performed by Contractor under this Agreement shall be in accordance with applicable legal requirements and shall meet the standard of quality ordinarily to be expected of competent professionals in Contractor's field of expertise.

14. Compliance with Laws. Contractor shall use the standard of care in its profession to comply with all applicable federal, state, and local laws, codes, ordinances, and regulations.

15. Licenses. Contractor represents and warrants to City that it has all licenses, permits, qualifications, insurance, and approvals of whatsoever nature which are legally required of Contractor to practice its profession. Contractor represents and warrants to City that Contractor shall, at its sole cost and expense, keep in effect or obtain at all times during the term of this Agreement, any licenses, permits, insurance, and approvals which are required by the City for its business.

16. Indemnity. Contractor agrees to defend, indemnify, and hold harmless the City, its officers, officials, agents, employees, and volunteers from and against any and all claims, demands, actions, losses, damages, injuries, and liability,

direct or indirect (including any and all costs and expenses in connection therein), arising from its performance of this Agreement or its failure to comply with any of its obligations contained in this Agreement, except for any such claim arising from the sole negligence or willful misconduct of the City, its officers, agents, employees, or volunteers.

17. Insurance Requirements. Contractor, at Contractor's own cost and expense, shall procure and maintain, for the duration of the Agreement, the insurance coverage and policies as set for Exhibit "C".

18. Notices. Any notice required to be given under this Agreement shall be in writing and either served personally or sent prepaid, first class mail. Any such notice shall be addressed to the other party at the address set forth below. Notice shall be deemed communicated within 48 hours from the time of mailing if mailed as provided in this section.

If to City: **City of Oroville**
1735 Montgomery Street
Oroville, CA 95965-4897

If to Contractor: **Restoration Management Company**
4142 Point Eden Way
Hayward CA 94545

19. Entire Agreement. This Agreement constitutes the complete and exclusive statement of Agreement between the City and Contractor. All prior written and oral communications, including correspondence, drafts, memoranda, and representations are superseded in total by this Agreement.

20. Amendments. This Agreement may be modified or amended only by a written document executed by both Contractor and City and approved as to form by the City Attorney.

21. Assignments and Subcontracting. The parties recognize that a substantial inducement to City for entering into this Agreement is the professional reputation, experience, and competence of Contractor. Assignments of any or all rights, duties, or obligations of the Contractor under this Agreement will be permitted only with the express prior written consent of the City. Contractor shall not subcontract any portion of the work to be performed under this Agreement without the prior written authorization of the City. If City consents to such subcontract, Contractor shall be fully responsible to City for all acts or omissions of the subcontractor. Nothing in this Agreement shall create any contractual relationship between City and subcontractor not shall it create any obligation on the part of the City to pay or to see to the payment of any monies due to any such subcontractor other than as otherwise required by law.

22. Waiver. Waiver of a breach or default under this Agreement shall not constitute a continuing waiver of a subsequent breach of the same or any other provision under this Agreement.

23. Severability. If any term or portion of this Agreement is held to be invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions of this Agreement shall continue in full force and effect.

24. Controlling Law Venue. This Agreement and all matters relating to it shall be governed by the laws of the State of California and any action brought relating to this Agreement shall be held exclusively in a state court in the County of Butte.

25. Litigation Expenses and Attorney's Fees. If either party to this Agreement commences any legal action against the other part arising out of this Agreement, the prevailing party shall be entitled to recover its reasonable

litigation expenses, including court costs, expert witness fees, discovery expenses, and attorney's fees.

26. Mediation. The parties agree to make a good faith attempt to resolve any disputes arising out of this Agreement through mediation prior to commencing litigation. The parties shall mutually agree upon the mediator and shall divide the costs of mediation equally. If the parties are unable to agree upon a mediator, the dispute shall be submitted to American Arbitration Association (AAA) or its successor interest. AAA shall provide the parties with the names of five qualified mediators. Each party shall have the option to strike two of the five mediators selected by AAA and thereafter the mediator remaining shall hear the dispute. If the dispute remains unresolved after mediation, either party may commence litigation.

27. Execution. This Agreement may be executed in several counterparts, each of which shall constitute one and the same instrument and shall become binding upon the parties when at least one copy hereof shall have been signed by both parties hereto. In approving this Agreement, it shall not be necessary to produce or account for more than one such counterpart.

28. Authority to Enter Agreement. Contractor has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each party warrants that the individuals who have signed this Agreement have the legal power, right, and authority, to make this Agreement and to bind each respective party.

29. Prohibited Interests. Contractor maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Contractor, to solicit or secure this Agreement. Further, Contractor warrants that it has not paid nor has it agreed to pay any

company or person, other than a bona fide employee working solely for Contractor, any fee, commission, percentage, brokerage fee, gift, or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, City shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer, or employee of City, during the term of his or her service with City, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

30. Equal Opportunity Employment. Contractor represents that is and equal opportunity employer and it shall not discriminate against any subcontractor, employee, or applicant for employment because of race, religion, color, national origin, disability, ancestry, sex, or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, or termination.

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

CITY OF OROVILLE

By: _____
Mayor David Pittman

APPROVED AS TO FORM:

By: _____
Dave Ritchie, City Attorney

ATTEST:

By: _____
Kayla Reaster, Assistant City Clerk

Restoration Management Company

By: _____

Title: _____

Business License #: _____

Tax ID No.: _____

Attachments: Exhibit A – Scope of Services & Quote
Exhibit B – Insurance Proof

Exhibit A - SOW and Quote

STATE OF CALIFORNIA
dca
DEPARTMENT OF CONSUMER AFFAIRS

CONTRACTORS
STATE LICENSE BOARD
ACTIVE LICENSE

License Number **765595** Entity CORP

Business Name RESTORATION MANAGEMENT COMPANY

Classification(s) C15 B ASB C22

Expiration Date 07/31/2027 www.cslb.ca.gov



Registration Dates

Contractor	Registration Start Date	Registration End Date	Registration Status
1000008793 - JON K TAKATA CORPORATION	2025-07-01	2028-06-30	Active
1000008793 - JON K TAKATA CORPORATION	2022-07-01	2025-06-30	Expired
1000008793 - JON K TAKATA CORPORATION	2019-07-01	2022-06-30	Expired
1000008793 - JON K TAKATA CORPORATION	2018-05-22	2019-06-30	Expired
1000008793 - JON K TAKATA CORPORATION	2017-05-03	2018-06-30	Expired
1000008793 - JON K TAKATA CORPORATION	2016-06-09	2017-06-30	Expired
1000008793 - JON K TAKATA CORPORATION	2015-06-30	2016-06-30	Expired
1000008793 - JON K TAKATA CORPORATION	2015-02-08	2015-06-30	Expired

Item 6.

Terms & Conditions

Privacy Policy

Disclaimer

Nondiscrimination Notice

Accessibility

dir.ca.gov

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Rows 1 - 8 of 8

Restoration Management Company - Hayward

4142 Point Eden Way
Hayward, CA 94545
Phone: 800-400-5058
License #:765595
Tax ID#: 94-3267563

Client:	City of Oroville - Fire Dept. Kitchen	Business:	(530) 538-2401
Property:	2550 Lincoln St. Oroville, CA 95966		
Operator:	CGERSTEL		
Estimator:	Cody Gerstell	Business:	(408) 694-7775
Position:	Project Director	E-mail:	cgerstell@rmc.com
Company:	Restoration Management Company		
Business:	1804 Enterprise Blvd. West Sacramento , CA 95691		
Type of Estimate:	Repairs		
Date Entered:	5/11/2026	Date Assigned:	
Price List:	CASA8X_MAY26		
Labor Efficiency:	Restoration/Service/Remodel		
Estimate:	CIT255SACC237640		
File Number:	CIT255SACC237640_ Fire Dept Kitchen		

Fire Department Kitchen Remodel and Concrete Polishing Project

Prevailing Wage Rates

Work to be performed during normal business hours 8am-5pm, Monday through Friday

Restoration Management Company - Hayward

4142 Point Eden Way
Hayward, CA 94545
Phone: 800-400-5058
License #:765595
Tax ID#: 94-3267563

CIT255SACC237640

Main Level

Kitchen & Conference	**Height: 8'**
DESCRIPTION	**QTY**
Remove Demo Existing Vinyl Tile & Scrape Glue Residue (NON HAZARD PRICING - PENDING ASBESTOS TESTING)	915.17 SF
Asbestos Survey Report - test - base fee	1.00 EA
Concrete Polishing w/ Textured Finish - Grind, Rough & Seal	915.17 SF
Department Logo Floor Stencil - PENDING DESIGN / SIZE, ETC	1.00 EA
Cove base molding - rubber or vinyl, 6" high	218.50 LF
General Demolition - per hour - Kitchen cabinets, Countertops, Backsplash, etc.)	16.00 HR
Single axle dump truck - per load - including dump fees	1.00 EA
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Rewire\wire - avg. residence - boxes & wiring with conduit (BY OTHERS) [BY OTHERS]	**915.17 SF**
Rough-in Gas Line to relocate Range - Plumber - per hour	8.00 HR
Material Only 5/8" drywall - hung, taped, textured, ready for paint	64.00 SF
Drywall Installer / Finisher - per hour	8.00 HR
Prep & Paint Walls - 2 Colors	1,748.00 SF
Painter - per hour	16.00 HR
Material Only Kitchen Cabinetry - upper & lower; soft close; knobs/pulls; Spice Rack and Trash Pullouts	1.00 EA
Carpenter - Finish, Trim / Cabinet - per hour	32.00 HR
Quartz Slab Countertops w/ 6" Backsplash	1.00 EA
Full Height backsplash - stainless steel	1.00 EA
Material Only Kitchen Sink	1.00 EA
Material Only Sink faucet - Kitchen	1.00 EA
Material Only Garbage disposal / disposer	1.00 EA
Material Only P-trap assembly, Stops, and Supply lines	1.00 EA
Plumber - per hour	8.00 HR
Built-in Microwave Oven	1.00 EA
Install (RESET) Dishwasher	1.00 EA
Install (RESET) Range - freestanding - gas	1.00 EA
Install (RESET) Range hood	1.00 EA
Progressive Jobsite Houskeeping & Final Janitorial - Cleaning Technician - per hour	16.00 HR
Commercial Supervision / Project Management - per hour	16.00 HR
Permit Fees - NO PLANS	1.00 EA

OFFICE	**Height: 8'**
DESCRIPTION	**QTY**

Restoration Management Company - Hayward

4142 Point Eden Way
Hayward, CA 94545
Phone: 800-400-5058
License #:765595
Tax ID#: 94-3267563

CONTINUED - OFFICE

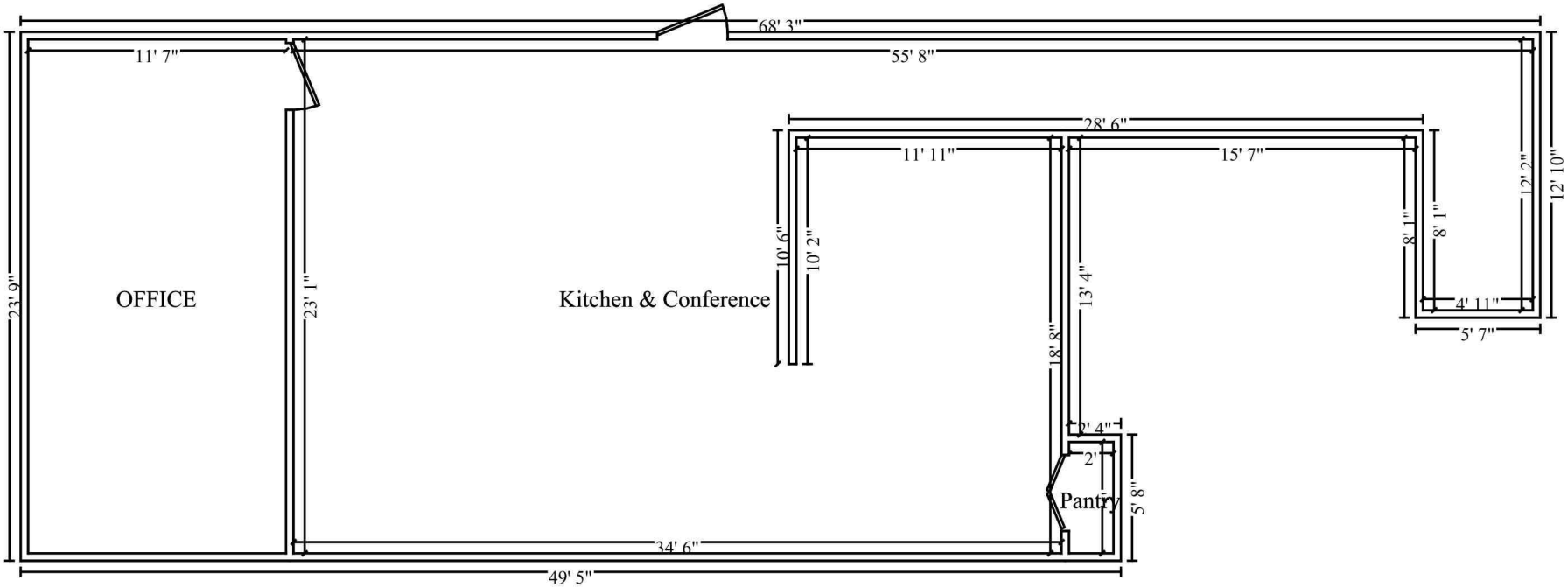
DESCRIPTION	QTY
Remove Demo Existing Vinyl Tile & Scrape Glue Residue (NON HAZARD PRICING - PENDING ASBESTOS TESTING)	267.38 SF
Concrete Polishing w/ Textured Finish - Grind, Rough & Seal	267.38 SF
Cove base molding - rubber or vinyl, 6" high	69.33 LF

Grand Total $101,291.89

Cody Gerstell
Project Director

Grand Total Areas:

2,414.67	SF Walls	1,192.55	SF Ceiling	3,607.22	SF Walls and Ceiling
1,192.55	SF Floor	132.51	SY Flooring	301.83	LF Floor Perimeter
0.00	SF Long Wall	0.00	SF Short Wall	301.83	LF Ceil. Perimeter
1,192.55	Floor Area	1,277.25	Total Area	2,777.33	Interior Wall Area
1,843.50	Exterior Wall Area	204.83	Exterior Perimeter of Walls		
0.00	Surface Area	0.00	Number of Squares	0.00	Total Perimeter Length
0.00	Total Ridge Length	0.00	Total Hip Length		


68' 3"
11' 7"
55' 8"
28' 6"
11' 11"
15' 7"
12' 2"
12' 10"
8' 1"
8' 1"
4' 11"
5' 7"
23' 9"
OFFICE
23' 1"
Kitchen & Conference
10' 6"
10' 2"
13' 4"
18' 8"
2' 4"
2"
Pantry
5' 8"
34' 6"
49' 5"

N

Main Level

Exhibit B - Insurance

ACORD®

CERTIFICATE OF LIABILITY INSURANCE

DATE(MM/DD/YYYY)
07/27/2026

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

Holder Identifier :

PRODUCER	CONTACT NAME:	
Aon Risk Insurance Services West, Inc. San Francisco CA Office 425 Market Street Suite 2800 San Francisco CA 94105 USA	PHONE (A/C. No. Ext): (866) 283-7122	FAX (A/C. No.): (800) 363-0105
	E-MAIL ADDRESS:	

INSURED	INSURER(S) AFFORDING COVERAGE	NAIC #
Restoration Management Company 3090 Independence Dr Livermore CA 94551 USA	INSURER A: Zurich American Ins Co	16535
	INSURER B: Nautilus Insurance Company	17370
	INSURER C:	
	INSURER D:	
	INSURER E:	
	INSURER F:	

COVERAGES **CERTIFICATE NUMBER:** 570122042933 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

Limits shown are as requested

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
B	X **COMMERCIAL GENERAL LIABILITY** CLAIMS-MADE X OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: POLICY X PRO-JECT X LOC OTHER:			ECP204708611	06/01/2026	06/01/2027	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG Deductible	$1,000,000 $500,000 $25,000 $1,000,000 $2,000,000 $2,000,000 $25,000
A	**AUTOMOBILE LIABILITY** X ANY AUTO OWNED AUTOS ONLY HIRED AUTOS ONLY SCHEDULED AUTOS NON-OWNED AUTOS ONLY			BAP 0297398 - 09	06/01/2026	06/01/2027	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	$2,000,000
B	X **UMBRELLA LIAB** X OCCUR **EXCESS LIAB** CLAIMS-MADE DED RETENTION			FFX204708711	06/01/2026	06/01/2027	EACH OCCURRENCE AGGREGATE	$10,000,000 $10,000,000
A	**WORKERS COMPENSATION AND EMPLOYERS' LIABILITY** ANY PROPRIETOR / PARTNER / EXECUTIVE OFFICER/MEMBER EXCLUDED? Y / N: Y **(Mandatory in NH)** If yes, describe under DESCRIPTION OF OPERATIONS below	N / A		WC029739609	06/01/2026	06/01/2027	X PER STATUTE OTH-ER E.L. EACH ACCIDENT E.L. DISEASE-EA EMPLOYEE E.L. DISEASE-POLICY LIMIT	$1,000,000 $1,000,000 $1,000,000
B	Contractors Pollution Liabili			ECP204708611	06/01/2026	06/01/2027	Aggregate Limit Deductible	$1,000,000 $10,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Certificate Holder is included as Additional Insured in accordance with the policy provisions of the General Liability, Automobile Liability, Professional Liability and Pollution Liability policies. General Liability, Automobile Liability, Umbrella Liability, Professional Liability and Pollution Liability policies evidenced herein are Primary and Non-Contributory to other insurance available to Additional Insured, but only in accordance with the policy's provisions. A Waiver of Subrogation is granted in favor of Certificate Holder in accordance with the policy provisions of the General Liability, Automobile Liability, Umbrella Liability, Professional Liability, Pollution Liability and Workers' Compensation policies. Certificate Holder is included as Loss Payee with respect to the physical damage Auto policy of covered vehicles by the Named

Certificate No : 570122042933

CERTIFICATE HOLDER

City of Oroville
1735 Montgomery Street
Oroville CA 95965 USA

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Aon Risk Insurance Services West, Inc.

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AGENCY CUSTOMER ID: 570000090377

LOC #:

ADDITIONAL REMARKS SCHEDULE

AGENCY	NAMED INSURED
Aon Risk Insurance Services West, Inc.	Restoration Management Company
POLICY NUMBER: See Certificate Number: 570122042933	
CARRIER: See Certificate Number: 570122042933 / NAIC CODE	EFFECTIVE DATE:

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
FORM NUMBER: ACORD 25 **FORM TITLE:** Certificate of Liability Insurance

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER	
INSURER	
INSURER	
INSURER	

ADDITIONAL POLICIES If a policy below does not include limit information, refer to the corresponding policy on the ACORD certificate form for policy limits.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS	
	OTHER							
B	Environmental Professional (E&O) Liab			ECP204708611 Claims Made	06/01/2026	06/01/2027	Aggregate Limit	$1,000,000
							Deductible	$10,000

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AGENCY CUSTOMER ID: 570000090377

LOC #:

ADDITIONAL REMARKS SCHEDULE

AGENCY	NAMED INSURED
Aon Risk Insurance Services West, Inc.	Restoration Management Company
POLICY NUMBER	
See Certificate Number: 570122042933	
CARRIER / NAIC CODE	EFFECTIVE DATE:
See Certificate Number: 570122042933	

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,

FORM NUMBER: ACORD 25 **FORM TITLE:** Certificate of Liability Insurance

Additional Description of Operations / Locations / Vehicles:

Insured in accordance with the policy provisions. Should General Liability, Automobile Liability, Professional Liability, Pollution Liability and Workers' Compensation policies be cancelled before the expiration date thereof, the policy provisions of each policy will govern how notice of cancellation may be delivered to certificate holders in accordance with the policy provisions of each policy. Deductibles shown on Addendum.

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AGENCY CUSTOMER ID: 570000090377

LOC #:

ADDITIONAL REMARKS SCHEDULE

AGENCY	NAMED INSURED
Aon Risk Insurance Services West, Inc.	Restoration Management Company
POLICY NUMBER	
See Certificate Number: 570122042933	
CARRIER / NAIC CODE	EFFECTIVE DATE:
See Certificate Number: 570122042933	

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,

FORM NUMBER: ACORD 25 **FORM TITLE:** Certificate of Liability Insurance

Deductibles

All Vehicles, Except Below Comp/Coll Ded: 2,500
2019 Chevy 4500 Comp/Coll Ded: 1,000

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Coverage Extension Endorsement

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.	
Policy No. BAP 0297398–09	Effective Date: 06/01/2026

This endorsement modifies insurance provided under the:

Business Auto Coverage Form
Motor Carrier Coverage Form

A. Amended Who Is An Insured

1. The following is added to the **Who Is An Insured** Provision in **Section** – **Covered Autos Liability Coverage**:

   The following are also "insureds":

   a. Any "employee" of yours is an "insured" while using a covered "auto" you don't own, hire or borrow for acts performed within the scope of employment by you. Any "employee" of yours is also an "insured" while operating an "auto" hired or rented under a contract or agreement in an "employee's" name, with your permission, while performing duties related to the conduct of your business.

   b. Anyone volunteering services to you is an "insured" while using a covered "auto" you don't own, hire or borrow to transport your clients or other persons in activities necessary to your business.

   c. Anyone else who furnishes an "auto" referenced in Paragraphs **A.1.a.** and **A.1.b.** in this endorsement.

   d. Where and to the extent permitted by law, any person(s) or organization(s) where required by written contract or written agreement with you executed prior to any "accident", including those person(s) or organization(s) directing your work pursuant to such written contract or written agreement with you, provided the "accident" arises out of operations governed by such contract or agreement and only up to the limits required in the written contract or written agreement, or the Limits of Insurance shown in the Declarations, whichever is less.

2. The following is added to the **Other Insurance** Condition in the Business Auto Coverage Form and the **Other Insurance – Primary and Excess Insurance Provisions Condition** in the Motor Carrier Coverage Form:

   Coverage for any person(s) or organization(s), where required by written contract or written agreement with you executed prior to any "accident", will apply on a primary and non–contributorybasis and any insurance maintained by the additional "insured" will apply on an excess basis. However, in no event will this coverage extend beyond the terms and conditions of the Coverage Form.

B. Amendment – Supplementary Payments

Paragraphs **a.(2)** and **a.(4)** of the **Coverage Extensions** Provision in **Section** – **Covered Autos Liability Coverage** are replaced by the following:

(2) Up to $5,000 for the cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.

(4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to $500 a day because of time off from work.

C. Fellow Employee Coverage

The **Fellow Employee** Exclusion contained in **Section** – **Covered Autos Liability Coverage** does not apply.

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D. Driver Safety Program Liability and Physical Damage Coverage

1. The following is added to the **Racing** Exclusion in **Section II – Covered Autos Liability Coverage**:

   This exclusion does not apply to covered "autos" participating in a driver safety program event, such as, but not limited to, auto or truck rodeos and other auto or truck agility demonstrations.

2. The following is added to Paragraph **2.** in **B. Exclusions** of **Section III – Physical Damage Coverage** of the Business Auto Coverage Form and Paragraph **2.b.** in **B. Exclusions** of **Section IV – Physical Damage Coverage** of the Motor Carrier Coverage Form:

   This exclusion does not apply to covered "autos" participating in a driver safety program event, such as, but not limited to, auto or truck rodeos and other auto or truck agility demonstrations.

E. Lease or Loan Gap Coverage

The following is added to the **Coverage** Provision of the **Physical Damage Coverage** Section:

Lease Or Loan Gap Coverage

In the event of a total "loss" to a covered "auto", we will pay any unpaid amount due on the lease or loan for a covered "auto", less:

a. Any amount paid under the **Physical Damage Coverage** Section of the Coverage Form; and

b. Any:

(1) Overdue lease or loan payments at the time of the "loss";

(2) Financial penalties imposed under a lease for excessive use, abnormal wear and tear or high mileage;

(3) Security deposits not returned by the lessor;

(4) Costs for extended warranties, credit life insurance, health, accident or disability insurance purchased with the loan or lease; and

(5) Carry-over balances from previous leases or loans.

F. Towing and Labor

Paragraph **A.2.** of the **Physical Damage Coverage** Section is replaced by the following:

We will pay up to $75 for towing and labor costs incurred each time a covered "auto" that is a "private passenger type", light truck or medium truck is disabled. However, the labor must be performed at the place of disablement.

As used in this provision, "private passenger type" means a private passenger or station wagon type "auto" and includes an "auto" of the pickup or van type if not used for business purposes.

G. Extended Glass Coverage

The following is added to Paragraph **A.3.a.** of the **Physical Damage Coverage** Section:

If glass must be replaced, the deductible shown in the Declarations will apply. However, if glass can be repaired and is actually repaired rather than replaced, the deductible will be waived. You have the option of having the glass repaired rather than replaced.

H. Hired Auto Physical Damage – Increased Loss of Use Expenses

The **Coverage Extension** for **Loss Of Use Expenses** in the **Physical Damage Coverage** Section is replaced by the following:

Loss Of Use Expenses

For Hired Auto Physical Damage, we will pay expenses for which an "insured" becomes legally responsible to pay for loss of use of a vehicle rented or hired without a driver under a written rental contract or written rental agreement. We will pay for loss of use expenses if caused by:

(1) Other than collision only if the Declarations indicate that Comprehensive Coverage is provided for any covered "auto";

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(2) Specified Causes Of Loss only if the Declarations indicate that Specified Causes Of Loss Coverage is provided for any covered "auto"; or

(3) Collision only if the Declarations indicate that Collision Coverage is provided for any covered "auto".

However, the most we will pay for any expenses for loss of use is $100 per day, to a maximum of $3000.

I. Personal Effects Coverage

The following is added to the **Coverage** Provision of the **Physical Damage Coverage** Section:

Personal Effects Coverage

a. We will pay up to $750 for "loss" to personal effects which are:

(1) Personal property owned by an "insured"; and

(2) In or on a covered "auto".

b. Subject to Paragraph **a.** above, the amount to be paid for "loss" to personal effects will be based on the lesser of:

(1) The reasonable cost to replace; or

(2) The actual cash value.

c. The coverage provided in Paragraphs **a.** and **b.** above, only applies in the event of a total theft of a covered "auto". No deductible applies to this coverage. However, we will not pay for "loss" to personal effects of any of the following:

(1) Accounts, bills, currency, deeds, evidence of debt, money, notes, securities, or commercial paper or other documents of value.

(2) Bullion, gold, silver, platinum, or other precious alloys or metals; furs or fur garments; jewelry, watches, precious or semi-precious stones.

(3) Paintings, statuary and other works of art.

(4) Contraband or property in the course of illegal transportation or trade.

(5) Tapes, records, discs or other similar devices used with audio, visual or data electronic equipment.

Any coverage provided by this Provision is excess over any other insurance coverage available for the same "loss".

J. Tapes, Records and Discs Coverage

1. The Exclusion in Paragraph **B.4.a.** of **Section III – Physical Damage Coverage** in the Business Auto Coverage Form and the Exclusion in Paragraph **B.2.c.** of **Section IV – Physical Damage Coverage** in the Motor Carrier Coverage Form does not apply.

2. The following is added to Paragraph **1.a. Comprehensive Coverage** under the **Coverage** Provision of the **Physical Damage Coverage** Section:

We will pay for "loss" to tapes, records, discs or other similar devices used with audio, visual or data electronic equipment. We will pay only if the tapes, records, discs or other similar audio, visual or data electronic devices:

(a) Are the property of an "insured"; and

(b) Are in a covered "auto" at the time of "loss".

The most we will pay for such "loss" to tapes, records, discs or other similar devices is $500. The **Physical Damage Coverage Deductible** Provision does not apply to such "loss".

K. Airbag Coverage

The Exclusion in Paragraph **B.3.a.** of **Section III – Physical Damage Coverage** in the Business Auto Coverage Form and the Exclusion in Paragraph **B.4.a.** of **Section IV – Physical Damage Coverage** in the Motor Carrier Coverage Form does not apply to the accidental discharge of an airbag.

L. Two or More Deductibles

The following is added to the **Deductible** Provision of the **Physical Damage Coverage** Section:

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If an accident is covered both by this policy or Coverage Form and by another policy or Coverage Form issued to you by us, the following applies for each covered "auto" on a per vehicle basis:

1. If the deductible on this policy or Coverage Form is the smaller (or smallest) deductible, it will be waived; or
2. If the deductible on this policy or Coverage Form is not the smaller (or smallest) deductible, it will be reduced by the amount of the smaller (or smallest) deductible.

M. Temporary Substitute Autos – Physical Damage

1. The following is added to **Section I – Covered Autos**:

   Temporary Substitute Autos – Physical Damage

   If Physical Damage Coverage is provided by this Coverage Form on your owned covered "autos", the following types of vehicles are also covered "autos" for Physical Damage Coverage:

   Any "auto" you do not own when used with the permission of its owner as a temporary substitute for a covered "auto" you do own but is out of service because of its:

   1. Breakdown;
   2. Repair;
   3. Servicing;
   4. "Loss"; or
   5. Destruction.

2. The following is added to the Paragraph **A. Coverage** Provision of the **Physical Damage Coverage** Section:

   Temporary Substitute Autos – Physical Damage

   We will pay the owner for "loss" to the temporary substitute "auto" unless the "loss" results from fraudulent acts or omissions on your part. If we make any payment to the owner, we will obtain the owner's rights against any other party.

   The deductible for the temporary substitute "auto" will be the same as the deductible for the covered "auto" it replaces.

N. Amended Duties In The Event Of Accident, Claim, Suit Or Loss

Paragraph **a.** of the **Duties In The Event Of Accident, Claim, Suit Or Loss** Condition is replaced by the following:

a. In the event of "accident", claim, "suit" or "loss", you must give us or our authorized representative prompt notice of the "accident", claim, "suit" or "loss". However, these duties only apply when the "accident", claim, "suit" or "loss" is known to you (if you are an individual), a partner (if you are a partnership), a member (if you are a limited liability company) or an executive officer or insurance manager (if you are a corporation). The failure of any agent, servant or employee of the "insured" to notify us of any "accident", claim, "suit" or "loss" shall not invalidate the insurance afforded by this policy.

Include, as soon as practicable:

(1) How, when and where the "accident" or "loss" occurred and if a claim is made or "suit" is brought, written notice of the claim or "suit" including, but not limited to, the date and details of such claim or "suit";

(2) The "insured's" name and address; and

(3) To the extent possible, the names and addresses of any injured persons and witnesses.

If you report an "accident", claim, "suit" or "loss" to another insurer when you should have reported to us, your failure to report to us will not be seen as a violation of these amended duties provided you give us notice as soon as practicable after the fact of the delay becomes known to you.

O. Waiver of Transfer Of Rights Of Recovery Against Others To Us

The following is added to the **Transfer Of Rights Of Recovery Against Others To Us** Condition:

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This Condition does not apply to the extent required of you by a written contract, executed prior to any "accident" or "loss", provided that the "accident" or "loss" arises out of operations contemplated by such contract. This waiver only applies to the person or organization designated in the contract.

P. Employee Hired Autos – Physical Damage

Paragraph **b.** of the **Other Insurance** Condition in the Business Auto Coverage Form and Paragraph **f.** of the **Other Insurance – Primary and Excess Insurance Provisions** Condition in the Motor Carrier Coverage Form are replaced by the following:

For Hired Auto Physical Damage Coverage, the following are deemed to be covered "autos" you own:

(1) Any covered "auto" you lease, hire, rent or borrow; and

(2) Any covered "auto" hired or rented under a written contract or written agreement entered into by an "employee" or elected or appointed official with your permission while being operated within the course and scope of that "employee's" employment by you or that elected or appointed official's duties as respect their obligations to you.

However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

Q. Unintentional Failure to Disclose Hazards

The following is added to the **Concealment, Misrepresentation Or Fraud** Condition:

However, we will not deny coverage under this Coverage Form if you unintentionally:

(1) Fail to disclose any hazards existing at the inception date of this Coverage Form; or

(2) Make an error, omission, improper description of "autos" or other misstatement of information.

You must notify us as soon as possible after the discovery of any hazards or any other information that was not provided to us prior to the acceptance of this policy.

R. Hired Auto – World Wide Coverage

Paragraph **7.b.(5)** of the **Policy Period, Coverage Territory** Condition is replaced by the following:

(5) Anywhere else in the world if a covered "auto" is leased, hired, rented or borrowed for a period of 60 days or less,

S. Bodily Injury Redefined

The definition of "bodily injury" in the **Definitions** Section is replaced by the following:

"Bodily injury" means bodily injury, sickness or disease, sustained by a person including death or mental anguish, resulting from any of these at any time. Mental anguish means any type of mental or emotional illness or disease.

T. Expected Or Intended Injury

The **Expected Or Intended Injury** Exclusion in Paragraph **B. Exclusions** under **Section II – Covered Auto Liability Coverage** is replaced by the following:

Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the "insured". This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property.

U. Physical Damage – Additional Temporary Transportation Expense Coverage

Paragraph **A.4.a.** of **Section III – Physical Damage Coverage** is replaced by the following:

4. Coverage Extensions

a. Transportation Expenses

We will pay up to $50 per day to a maximum of $1,000 for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type. We will pay only for those covered "autos" for which you carry either Comprehensive or Specified Causes of Loss Coverage. We will pay for temporary transportation expenses incurred during the period beginning 48 hours after the theft and ending, regardless of the policy's expiration, when the covered "auto" is returned to use or we pay for its "loss".

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V. Replacement of a Private Passenger Auto with a Hybrid or Alternative Fuel Source Auto

The following is added to Paragraph **A. Coverage** of the **Physical Damage Coverage** Section:

In the event of a total "loss" to a covered "auto" of the private passenger type that is replaced with a hybrid "auto" or "auto" powered by an alternative fuel source of the private passenger type, we will pay an additional 10% of the cost of the replacement "auto", excluding tax, title, license, other fees and any aftermarket vehicle upgrades, up to a maximum of $2500. The covered "auto" must be replaced by a hybrid "auto" or an "auto" powered by an alternative fuel source within 60 calendar days of the payment of the "loss" and evidenced by a bill of sale or new vehicle lease agreement.

To qualify as a hybrid "auto", the "auto" must be powered by a conventional gasoline engine and another source of propulsion power. The other source of propulsion power must be electric, hydrogen, propane, solar or natural gas, either compressed or liquefied. To qualify as an "auto" powered by an alternative fuel source, the "auto" must be powered by a source of propulsion power other than a conventional gasoline engine. An "auto" solely propelled by biofuel, gasoline or diesel fuel or any blend thereof is not an "auto" powered by an alternative fuel source.

W. Return of Stolen Automobile

The following is added to the **Coverage Extension** Provision of the **Physical Damage Coverage** Section:

If a covered “auto” is stolen and recovered, we will pay the cost of transport to return the “auto” to you. We will pay only for those covered “autos" for which you carry either Comprehensive or Specified Causes of Loss Coverage.

All other terms, conditions, provisions and exclusions of this policy remain the same.

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POLICY NUMBER: BAP 0297398-09

COMMERCIAL AUTO
CA 20 01 10 13

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LESSOR – ADDITIONAL INSURED AND LOSS PAYEE

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured:
Endorsement Effective Date:

SCHEDULE

Insurance Company:	ZURICH AMERICAN INSURANCE COMPANY		
Policy Number:	BAP 0297398-09	**Effective Date:**	06-01-2026
Expiration Date:	06-01-2027		
Named Insured:	RESTORATION MANAGEMENT COMPANY		
Address:	3090 INDEPENDENCE DR LIVERMORE CA 94551-9493		
Additional Insured (Lessor): **Address:**	ALL LESSORS - -, CA USA 94545		
Designation Or Description Of "Leased Autos":	ALL LEASED AUTOS		

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Coverages	Limit Of Insurance
Covered Autos Liability	Each "Accident"
Comprehensive	Actual Cash Value Or Cost Of Repair Whichever Is Less, Minus Deductible For Each Covered "Leased Auto"
Collision	Actual Cash Value Or Cost Of Repair Whichever Is Less, Minus Deductible For Each Covered "Leased Auto"
Specified Causes Of Loss	Actual Cash Value Or Cost Of Repair Whichever Is Less, Minus Deductible For Each Covered "Leased Auto"
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. Coverage

1. Any "leased auto" designated or described in the Schedule will be considered a covered "auto" you own and not a covered "auto" you hire or borrow.
2. For a "leased auto" designated or described in the Schedule, the **Who Is An Insured** provision under **Covered Autos Liability Coverage** is changed to include as an "insured" the lessor named in the Schedule. However, the lessor is an "insured" only for "bodily injury" or "property damage" resulting from the acts or omissions by:
   a. You;
   b. Any of your "employees" or agents; or
   c. Any person, except the lessor or any "employee" or agent of the lessor, operating a "leased auto" with the permission of any of the above.
3. The coverages provided under this endorsement apply to any "leased auto" described in the Schedule until the expiration date shown in the Schedule, or when the lessor or his or her agent takes possession of the "leased auto", whichever occurs first.

B. Loss Payable Clause

1. We will pay, as interest may appear, you and the lessor named in this endorsement for "loss" to a "leased auto".
2. The insurance covers the interest of the lessor unless the "loss" results from fraudulent acts or omissions on your part.
3. If we make any payment to the lessor, we will obtain his or her rights against any other party.

C. Cancellation

1. If we cancel the policy, we will mail notice to the lessor in accordance with the Cancellation Common Policy Condition.
2. If you cancel the policy, we will mail notice to the lessor.
3. Cancellation ends this agreement.

D. The lessor is not liable for payment of your premiums.

E. Additional Definition

As used in this endorsement:

"Leased auto" means an "auto" leased or rented to you, including any substitute, replacement or extra "auto" needed to meet seasonal or other needs, under a leasing or rental agreement that requires you to provide direct primary insurance for the lessor.

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Blanket Notification to Others of Cancellation or Non-Renewal

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.
BAP 0297398-09	06/01/2026	06/01/2027		70134000	**INCL**	

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial Automobile Coverage Part

A. If we cancel or non-renew this Coverage Part by written notice to the first Named Insured, we will mail or deliver notification that such Coverage Part has been cancelled or non-renewed to each person or organization shown in a list provided to us by the first Named Insured if you are required by written contact or written agreement to provide such notification. However, such notification will not be mailed or delivered if a conditional notice of renewal has been sent to the first Named Insured. Such list:

1. Must be provided to us prior to cancellation or non-renewal;

2. Must contain the names and addresses of only the persons or organizations requiring notification that such Coverage Part has been cancelled or non-renewed; and

3. Must be in an electronic format that is acceptable to us.

B. Our notification as described in Paragraph **A.** of this endorsement will be based on the most recent list in our records as of the date the notice of cancellation or non-renewal is mailed or delivered to the first Named Insured. We will mail or deliver such notification to each person or organization shown in the list:

1. Within seven days of the effective date of the notice of cancellation, if we cancel for non-payment of premium; or

2. At least 30 days prior to the effective date of:

a. Cancellation, if cancelled for any reason other than nonpayment of premium; or

b. Non-renewal, but not including conditional notice of renewal.

C. Our mailing or delivery of notification described in Paragraphs **A.** and **B.** of this endorsement is intended as a courtesy only. Our failure to provide such mailing or delivery will not:

1. Extend the Coverage Part cancellation or non-renewal date;

2. Negate the cancellation or non-renewal; or

3. Provide any additional insurance that would not have been provided in the absence of this endorsement.

D. We are not responsible for the accuracy, integrity, timeliness and validity of information contained in the list provided to us as described in Paragraphs **A.** and **B.** of this endorsement.

All other terms and conditions of this policy remain unchanged.

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WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

This agreement shall not operate directly or indirectly to benefit anyone not named in the Schedule.

Schedule

ALL PERSONS AND/OR ORGANIZATIONS, OTHER THAN MANUFACTURERS OF ASBESTOS, MANUFACTURERS WHOSE COMPONENT PARTS INCLUDE ASBESTOS, OR DISTRIBUTORS OF A PRODUCT THAT CONTAINS ASBESTOS, THAT ARE REQUIRED BY WRITTEN CONTRACT OR WRITTEN AGREEMENT WITH YOU, EXECUTED PRIOR TO THE ACCIDENT OR LOSS, THAT WAIVER OF SUBROGATION BE PROVIDED UNDER THIS POLICY FOR WORK PERFORMED BY YOU FOR THAT PERSON AND/OR ORGANIZATION.

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.
(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective **6/1/2026** Policy No. **WC 0297396-09** Endorsement No.

Insured **RESTORATION MANAGEMENT COMPANY** Premium $ **INCL.**

Insurance Company **ZURICH AMERICAN INSURANCE COMPANY**

Countersigned By _____

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BLANKET NOTIFICATION TO OTHERS OF CANCELLATION OR NONRENEWAL ENDORSEMENT

This endorsement adds the following to Part Six of the policy.

PART SIX
CONDITIONS

Blanket Notification to Others of Cancellation or Nonrenewal

1. If we cancel or non-renew this policy by written notice to you, we will mail or deliver notification that such policy has been cancelled or non-renewed to each person or organization shown in a list provided to us by you if you are required by written contract or written agreement to provide such notification. However, such notification will not be mailed or delivered if a conditional notice of renewal has been sent to you. Such list:
   a. Must be provided to us prior to cancellation or non-renewal;
   b. Must contain the names and addresses of only the persons or organizations requiring notification that such policy has been cancelled or non-renewed; and
   c. Must be in an electronic format that is acceptable to us.
2. Our notification as described in Paragraph 1. above will be based on the most recent list in our records as of the date the notice of cancellation or non-renewal is mailed or delivered to you. We will mail or deliver such notification to each person or organization shown in the list:
   a. Within seven days of the effective date of the notice of cancellation, if we cancel for non-payment of premium; or
   b. At least 30 days prior to the effective date of:
      (1) Cancellation, if cancelled for any reason other than nonpayment of premium; or
      (2) Non-renewal, but not including conditional notice of renewal.
3. Our mailing or delivery of notification described in Paragraphs 1. and 2. above is intended as a courtesy only. Our failure to provide such mailing or delivery will not:
   a. Extend the policy cancellation or non-renewal date;
   b. Negate the cancellation or non-renewal; or
   c. Provide any additional insurance that would not have been provided in the absence of this endorsement.
4. We are not responsible for the accuracy, integrity, timeliness and validity of information contained in the list provided to us as described in Paragraphs 1. and 2. above.

All other terms and conditions of this policy remain unchanged.

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.

(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective **6/1/2026** Policy No. **WC-0297396-09** Endorsement No.
Insured Premium $
RESTORATION MANAGEMENT COMPANY
Insurance Company
ZURICH AMERICAN INSURANCE COMPANY

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FOLLOW FORM EXCESS LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the company providing this insurance. The word "insured" means any person or organization qualifying as such under the **controlling underlying insurance**.

Other words and phrases that appear in **bold** in this Coverage Form have special meaning. Refer to Section **IV** - Definitions. Other words and phrases that are not defined under this Coverage Form but defined in the **controlling underlying insurance** will have the meaning described in the policy of **controlling underlying insurance**.

This policy is subject to the same representations and warranties as are contained in the application for any **controlling underlying insurance,** and the insurance provided under this Coverage Form will follow the same terms, conditions, agreements, exclusions, definitions and limitations that are contained in the applicable **controlling underlying insurance**, unless otherwise directed by this insurance. To the extent such provisions differ or conflict, the provisions of this Coverage Form will apply. However, the coverage provided under this Coverage Form will not be broader than that provided by the applicable **controlling underlying insurance**.

There may be more than one **controlling underlying insurance** listed in the Declarations and provisions in those policies conflict, and which are not superseded by the provisions of this Coverage Form. In such a case, the terms, conditions, agreements, exclusions, definitions and limitations of the **controlling underlying insurance** applicable to the particular **event** for which a claim is made or suit is brought will apply.

SECTION I - COVERAGES

1. Insuring Agreement

a. We will pay on behalf of the insured the **ultimate net loss** in excess of the **retained limit** for **injury or damage** to which insurance provided under this Coverage Form applies, however, coverage under this policy will not be available unless and until the full amount of all **controlling underlying insurance** has been exhausted by the **actual payment** by the **controlling underlying insurer** of the applicable **retained limit** as shown in the Schedule of Controlling Underlying Insurance. Where the **controlling underlying insurance** has the duty to defend, we will have the right and duty to defend the insured against any suit seeking damages for such **injury or damage** under this Coverage Form when the applicable limits of **controlling underlying insurance** have been exhausted through the payment of the underlying limits in full in accordance with the provisions of such **controlling underlying insurance**.

When we have no duty to defend, we will have the right to defend, or to participate in the defense of, the insured against any other suit seeking damages for **injury or damage**.

However, we will have no duty to defend the insured against any suit seeking damages for which insurance under this policy does not apply.

At our discretion, we may investigate any **event** that may involve this insurance and settle any resultant claim or suit, for which we have the duty to defend.

But:

(1) The amount we will pay for **ultimate net loss** is limited as described in Section II - Limits Of Insurance; and

(2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of **defense costs**, judgments or settlements under this Coverage Form.

b. This insurance applies to **injury or damage** that is subject to an applicable **retained limit**. If any other limit, such as a sublimit, is specified in the **controlling underlying insurance**, this insurance does not apply to **injury or damage** arising out of that exposure unless that limit is specified in the Declarations under the Schedule of Controlling Underlying Insurance.

Furthermore, if any **controlling underlying insurance** shown in the Schedule of Controlling Underlying Insurance

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(**SCHEDULE**) attached hereto has a limit of liability:

(1) Greater than the amount shown in such Schedule of Controlling Underlying Insurance, then this policy will apply in excess of the greater amount; or

(2) Less than the amount shown in such Schedule of Controlling Underlying Insurance, then this policy will apply in excess of the amount shown in such Schedule of Controlling Underlying Insurance.

c. (1) If the **controlling underlying insurance** requires, for a particular claim, that the **injury or damage** occur during its policy period in order for that coverage to apply, then this insurance will only apply to that **injury or damage** if it occurs during the policy period of this Coverage Form. If the **controlling underlying insurance** requires that the **event** causing the particular **injury or damage** takes place during its policy period in order for that coverage to apply, then this insurance will apply to the claim only if the **event** causing that **injury or damage** takes place during the policy period of this Coverage Form.

(2) If any **controlling underlying insurance** is written on a claims-made or discovery basis, the following applies to the insurance provided by this Coverage Form which is excess over that underlying insurance:

If the **controlling underlying insurance** requires, for a particular claim, that the **injury or damage** occur on or after the Retroactive Date shown in the Declarations of that insurance in order for that coverage to apply, then this insurance will only apply to that **injury or damage** which occurs on or after the Retroactive Date shown in the **controlling underlying insurance** but before the end of the policy period of this Coverage Form. If the **controlling underlying insurance** requires, for a particular claim, that the **event** causing the particular **injury or damage** takes place on or after the Retroactive Date shown in the Declarations of that insurance in order for that coverage to apply, then this insurance will apply to the claim only if the **event** causing that **injury or damage** takes place on or after the Retroactive Date shown in the **controlling underlying insurance** but before the end of the policy period of this Coverage Form.

A claim for damages for such **injury or damage** must be first made against the insured during this policy period or any extended reporting period provided under this Coverage Form. A claim will be considered first made under this Coverage Form:

(1) When notice of such claim is received and recorded by any insured or by us, whichever comes first, if the **controlling underlying insurance** is written on a claims-made and recorded basis; or

(2) When notice of such claim, after being received by any insured, is reported to us in writing, if the **controlling underlying insurance** is written on any other claims-made basis.

d. Any additional insured under any policy of **controlling underlying insurance** will automatically be an additional insured under this insurance, but only to the extent consistent with the Construction Anti-indemnity Statute(s) held in the applicable jurisdiction. If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the lesser of the amount of insurance required by the contract or agreement, or the Each Occurrence Limit of this policy, less any amounts payable by any **controlling underlying insurance**.

Additional insured coverage provided by this insurance will not be broader than coverage provided by the **controlling underlying insurance**.

2. Exclusions

The following exclusions, and any other exclusions added by endorsement, apply to this Coverage Form. In addition, the exclusions applicable to any **controlling underlying insurance** apply to this insurance unless superseded by the following exclusions, or superseded by any other exclusions added by endorsement to this Coverage Form.

Insurance provided under this Coverage Form does not apply to **Injury or damage**, costs and expenses, because of, caused by or arising out of, either directly or indirectly, in whole or in part, by:

a. Auto

Any loss, cost or expense payable under or resulting from any of the following auto coverages:

(1) First-party physical damage coverage;

(2) No-fault coverage;

(3) Personal injury protection or auto medical payments coverage; or

(4) Uninsured or underinsured motorists' coverage.

b. Medical Payments

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Medical payments coverage or expenses that are provided without regard to fault, whether or not provided applicable **controlling underlying insurance**.

c. Workers' Compensation And Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

SECTION II - LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations, and the rules below fix the most we will pay regardless of the number of:

a. Insureds;

b. Claims made or suits brought, or number of vehicles involved;

c. Persons or organizations making claims or bringing suits; or

d. Limits available under any **controlling underlying insurance**.

2. The Limits of Insurance of this Coverage Form will apply as follows:

a. This insurance only applies in excess of the **retained limit**.

b. The Aggregate Limit is the most we will pay for all **ultimate net loss**, for all **injury or damage** including **defense costs** covered under this Coverage Form. **Defense costs** are part of, and not in addition to, the limits of insurance, and the payment of **defense costs** reduces the limits of insurance.

However, this Aggregate Limit only applies to **injury or damage** that is subject to an aggregate limit of insurance under the **controlling underlying insurance**.

c. Subject to Paragraph **2.b.** above, the Each Occurrence Limit is the most we will pay for all **ultimate net loss** including **defense costs** under this insurance for all **injury or damage** arising out of any one **event**. **Defense costs** are part of, and not in addition to, the limits of insurance, and the payment of **defense costs** reduces the limits of insurance.

3. If any **controlling underlying insurance** has a policy period that is different from the policy period of this Coverage Form then, for the purposes of this insurance, the **retained limit** will only be reduced or exhausted by **actual payment(s)** made in full by the **controlling underlying insurer** for **injury or damage** covered under this insurance.

4. The Limits of Insurance shown in the Declarations will not ever be reinstated.

SECTION III - CONDITIONS

The following conditions apply. In addition, the conditions applicable to any **controlling underlying insurance** are also applicable to the coverage provided under this insurance unless superseded by the following conditions.

1. Appeals

If the **controlling underlying insurer** or insured elects not to appeal a judgment in excess of the amount of the **retained limit**, we may do so at our own expense. We will also pay for taxable court costs, pre-and post-judgment interest and disbursements associated with such appeal. In no event will this provision increase our liability beyond the applicable Limits of Insurance described in Section **II** - Limits Of Insurance.

2. Bankruptcy

a. Bankruptcy Of Insured

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Form.

b. Bankruptcy Of Controlling Underlying Insurer

Bankruptcy or insolvency of the **controlling underlying insurer** will not relieve us of our obligations under this Coverage Form.

However, insurance provided under this Coverage Form will not replace any **controlling underlying insurance** in the event of bankruptcy or insolvency of the **controlling underlying insurer**. The insurance provided under this Coverage Form will apply as if the **controlling underlying insurance** were in full effect and recoverable.

3. Duties In The Event Of An Event, Claim Or Suit

a. You must see to it that we are notified as soon as practicable of an **event**, regardless of the amount, which

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result in a claim under this insurance. To the extent possible, notice should include:

(1) How, when and where the **event** took place;

(2) The names and addresses of any injured persons and witnesses; and

(3) The nature and location of any **injury or damage** arising out of the **event**.

b. If a claim is made or suit is brought against any insured, you must:

(1) Immediately record the specifics of the claim or suit and the date received; and

(2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or suit as soon as practicable.

c. You and any other insured involved must:

(1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or suit;

(2) Authorize us to obtain records and other information;

(3) Cooperate with us in the investigation or settlement of the claim or defense against the suit; and

(4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of **injury or damage** to which this insurance may also apply.

d. No insured will do or omit to do anything to prejudice our rights under this Coverage Form, and no insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

4. First Named Insured Duties

The first Named Insured is the person or organization first named in the Declarations and is responsible for the payment of all premiums. The first Named Insured will act on behalf of all other Named Insureds for giving and receiving of notice of cancellation or the receipt of any return premium that may become payable. At our request, the first Named Insured will furnish us, as soon as practicable, with a complete copy of any **controlling underlying insurance** and any subsequently issued endorsements or policies which may in any way affect the insurance provided under this Coverage Form.

5. Cancellation

a. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.

b. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:

(1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or

(2) 30 days before the effective date of cancellation if we cancel for any other reason.

c. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.

d. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.

e. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.

f. If notice is mailed, proof of mailing will be sufficient proof of notice.

6. Changes

This Coverage Form contains all the agreements between you and us concerning the insurance afforded. The first Named Insured is authorized by all other insureds to make changes in the terms of this Coverage Form with our consent. No change in, modification of, or assignment of interest under this Coverage Form shall be effective except when made by written endorsement to this Coverage Form which is signed by our authorized representative. This Coverage Form shall become subject to any changes upon the effective date of the changes in the **controlling underlying insurance**, but only upon the condition that we agree to follow such changes by written endorsement attached hereto and the Insured pays when due any additional premium required by us relating to such changes and / or agrees to any amendment of the provisions of this Coverage Form required by us relating to such changes.

7. Maintenance Of / Changes To Controlling Underlying Insurance

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The insured warrants that the **retained limit**, where applicable, as shown in the Schedule of Controlling Und Insurance, shall be unimpaired as of the effective date of this policy.

Any **controlling underlying insurance** must be maintained in full effect without reduction of coverage or limits except for the reduction of aggregate limits in accordance with the provisions of such **controlling underlying insurance** that results from **injury or damage** to which this insurance applies.

Such exhaustion or reduction is not a failure to maintain **controlling underlying insurance**.

The Insured, not the Insurer, will bear the risk that any **controlling underlying insurance** is or may be uncollectible. This Coverage Form will not drop down for any reason, including, but not limited to, the uncollectibility (in whole or in part) of the **controlling underlying insurance**, even if such uncollectibility is due to the financial impairment or insolvency of the issuer of any **controlling underlying insurance**. Coverage under this policy will not be available unless and until all **controlling underlying insurance** has been exhausted by the **actual payment** by the **controlling underlying insurer** of the applicable **retained limit** as shown in the Schedule of Controlling Underlying Insurance.

The first Named Insured must notify us in writing with full particulars as soon as practicable in the event:

a. Any **controlling underlying insurance** is cancelled, not renewed, replaced or otherwise terminated;

b. The limits or scope of coverage of any **controlling underlying insurance** is changed;

c. The aggregate limits of liability of any **controlling underlying insurance** become exhausted;

d. Any **controlling underlying insurance** is not maintained in full effect during the policy period; or

e. Any insurer issuing any **controlling underlying insurance** becomes subject to receivership, liquidation, dissolution, rehabilitation, or similar proceeding or being taken over by any regulatory authority.

8. Other Insurance

a. This insurance is excess over, and shall not contribute with any of the other insurance, whether primary, excess, contingent or on any other basis. This condition will not apply to insurance specifically written as excess over this Coverage Form.

When this insurance is excess, if no other insurer defends, we may undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

b. When this insurance is excess over other insurance, we will pay only our share of the **ultimate net loss** that exceeds:

(1) The total amount that all such other insurance would pay for the loss in the absence of the insurance provided under this Coverage Form; plus

(2) The total of all deductible and self-insured amounts under all that other insurance.

9. Premium Audit

a. We will compute all premiums for this Coverage Form in accordance with our rules and rates.

b. If this policy is auditable, the premium shown in this Coverage Form as advance premium is a deposit premium only. At the close of each audit period, we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit premium is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.

c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

10. Loss Payable

Liability under this Coverage Form does not apply to a given claim unless and until:

a. The insured or insured's **controlling underlying insurer** has become obligated to pay the **retained limit;**

b. The full amount of the applicable **retained limit** described in **a.** above has been exhausted as a result of **actual payment** made in full by a **controlling underlying insurer**; and

c. The obligation of the insured to pay the **ultimate net loss** in excess of the **retained limit** has been determined by a final settlement or judgment or written agreement among the insured, claimant, **controlling underlying insurer** (or a representative of one or more of these) and us, and first-party claim amount that we, at our sole discretion, agree in writing to be necessary and reasonable.

11. Legal Action Against Us

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No person or organization has a right under this Coverage Form:

a. To join us as a party or otherwise bring us into a suit asking for damages from an insured; or

b. To sue us on this Coverage Form unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Form or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured, **controlling underlying insurer** and the claimant or the claimant's legal representative.

12. Transfer Of Defense

a. Defense Transferred To Us

When the limits of **controlling underlying insurance** have been exhausted, in accordance with the provisions of **controlling underlying insurance**, we may elect to have the defense transferred to us. We will cooperate in the transfer of control to us of any outstanding claims or suits seeking damages to which this insurance applies and which would have been covered by the **controlling underlying insurance** had the applicable limit not been exhausted.

b. Defense Transferred By Us

When our limits of insurance have been exhausted our duty to provide a defense will cease.

We will cooperate in the transfer of control of defense to any insurer specifically written as excess over this Coverage Form of any outstanding claims or suits seeking damages to which this insurance applies and which would have been covered by the **controlling underlying insurance** had the applicable limit not been exhausted.

In the event that there is no insurance written as excess over this Coverage Form, we will cooperate in the transfer of control to the insured and its designated representative.

13. When We Do Not Renew

If we decide not to renew this Coverage Form, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

14. Claims-Made Extended Reporting Period

a. Any provisions under the **controlling underlying insurance** relating to an Extended Reporting Period for which a separate premium charge is made do not apply to this insurance, unless an Extended Reporting Period is purchased under this insurance.

b. An Extended Reporting Period, consistent with the terms, conditions and duration of any Extended Reporting Period available in accordance with the terms of any **controlling underlying insurance**, will be available for this Coverage Form by endorsement, for an additional charge, if:

(1) This policy is cancelled or not renewed; or

(2) This policy is renewed or replaced with insurance that:

i. Has a Retroactive Date later than the date shown in the **controlling underlying insurance**; or

ii. Does not apply to **injury or damage** on a claims-made basis.

c. If this policy and the **controlling underlying insurance** are cancelled or not renewed and an Extended Reporting Period has been provided under the **controlling underlying insurance**, then an Extended Reporting Period will be available for this Coverage Form. The Extended Reporting Period available under this Coverage Form will be consistent with the terms, conditions and duration of any Extended Reporting Period provided in accordance with the terms of the **controlling underlying insurance**.

d. You must give us a written request for the Extended Reporting Period endorsement under this Coverage Form no later than the time allowed to purchase such endorsement under the **controlling underlying insurance**. The Extended Reporting Period will not go into effect unless you pay the additional premium promptly when due and any premium you owe us for coverage provided under this policy.

e. We will determine the additional premium in accordance with our rules and rates. In doing so, we may take into account the following:

(1) The exposures insured;

(2) Previous types and amounts of insurance;

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(3) Limits of Insurance available under this policy for future payment of damages; and

(4) Other related factors.

SECTION IV - DEFINITIONS

The definitions applicable to any **controlling underlying insurance** also apply to this insurance. In addition, the following definitions apply.

1. **Actual payment** means remittance in currency, not credits or debits, from a **controlling underlying insurer** to an insured or a claimant.
2. **Controlling underlying insurance** means any policy of insurance or self-insurance listed in the Declarations under the Schedule of Controlling Underlying Insurance.
3. **Controlling underlying insurer** means any insurer who provides any policy of insurance listed in the Declarations under the Schedule of Controlling Underlying Insurance.
4. **Defense Costs** means any reasonable and necessary fees charged by an attorney and designated by the company, and where the insured has the right to select independent counsel, the rates we would actually pay to counsel that we retain in the ordinary course of business in the defense of a similar claim or suit in the community where the claim or suit arose or is being defended, as well as other reasonable and necessary costs, including expert witness and court reporters, in connection with the investigation, adjustment, settlement, defense or appeal of a claim or suit. It does not include the salaries of our regular employees or supervisory counsel retained by us, or any cost or expense incurred by the insured in assisting in the investigation or defense of the claim or suit.
5. **Event** means an occurrence, offense, accident, act, discovery, claim or suit or other event, to which the applicable **controlling underlying insurance** applies.
6. **Injury or damage** means any injury or damage, covered in the applicable **controlling underlying insurance** arising from an **event**.
7. **Retained limit** means the available limits of **controlling underlying insurance** applicable to the claim.
8. **Ultimate net loss** means the amount covered by this Coverage Form, after reduction for recoveries, or salvages collectible, that the insured becomes legally obligated to pay as damages by reason of:
   - **a.** **Defense costs**, settlements, judgments, binding arbitration; plus
   - **b.** Other binding alternate dispute resolution proceeding entered into with our consent, plus
   - **c.** Any first-party claim amount that we, at our sole discretion, agree in writing to be necessary and reasonable.

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FOLLOW FORM EXCESS LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the company providing this insurance. The word "insured" means any person or organization qualifying as such under the **controlling underlying insurance**.

Other words and phrases that appear in **bold** in this Coverage Form have special meaning. Refer to Section **IV** - Definitions. Other words and phrases that are not defined under this Coverage Form but defined in the **controlling underlying insurance** will have the meaning described in the policy of **controlling underlying insurance**.

This policy is subject to the same representations and warranties as are contained in the application for any **controlling underlying insurance,** and the insurance provided under this Coverage Form will follow the same terms, conditions, agreements, exclusions, definitions and limitations that are contained in the applicable **controlling underlying insurance**, unless otherwise directed by this insurance. To the extent such provisions differ or conflict, the provisions of this Coverage Form will apply. However, the coverage provided under this Coverage Form will not be broader than that provided by the applicable **controlling underlying insurance**.

There may be more than one **controlling underlying insurance** listed in the Declarations and provisions in those policies conflict, and which are not superseded by the provisions of this Coverage Form. In such a case, the terms, conditions, agreements, exclusions, definitions and limitations of the **controlling underlying insurance** applicable to the particular **event** for which a claim is made or suit is brought will apply.

SECTION I - COVERAGES

1. Insuring Agreement

a. We will pay on behalf of the insured the **ultimate net loss** in excess of the **retained limit** for **injury or damage** to which insurance provided under this Coverage Form applies, however, coverage under this policy will not be available unless and until the full amount of all **controlling underlying insurance** has been exhausted by the **actual payment** by the **controlling underlying insurer** of the applicable **retained limit** as shown in the Schedule of Controlling Underlying Insurance. Where the **controlling underlying insurance** has the duty to defend, we will have the right and duty to defend the insured against any suit seeking damages for such **injury or damage** under this Coverage Form when the applicable limits of **controlling underlying insurance** have been exhausted through the payment of the underlying limits in full in accordance with the provisions of such **controlling underlying insurance**.

When we have no duty to defend, we will have the right to defend, or to participate in the defense of, the insured against any other suit seeking damages for **injury or damage**.

However, we will have no duty to defend the insured against any suit seeking damages for which insurance under this policy does not apply.

At our discretion, we may investigate any **event** that may involve this insurance and settle any resultant claim or suit, for which we have the duty to defend.

But:

(1) The amount we will pay for **ultimate net loss** is limited as described in Section II - Limits Of Insurance; and

(2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of **defense costs**, judgments or settlements under this Coverage Form.

b. This insurance applies to **injury or damage** that is subject to an applicable **retained limit**. If any other limit, such as a sublimit, is specified in the **controlling underlying insurance**, this insurance does not apply to **injury or damage** arising out of that exposure unless that limit is specified in the Declarations under the Schedule of Controlling Underlying Insurance.

Furthermore, if any **controlling underlying insurance** shown in the Schedule of Controlling Underlying Insurance

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(**SCHEDULE**) attached hereto has a limit of liability:

(1) Greater than the amount shown in such Schedule of Controlling Underlying Insurance, then this policy will apply in excess of the greater amount; or

(2) Less than the amount shown in such Schedule of Controlling Underlying Insurance, then this policy will apply in excess of the amount shown in such Schedule of Controlling Underlying Insurance.

c. (1) If the **controlling underlying insurance** requires, for a particular claim, that the **injury or damage** occur during its policy period in order for that coverage to apply, then this insurance will only apply to that **injury or damage** if it occurs during the policy period of this Coverage Form. If the **controlling underlying insurance** requires that the **event** causing the particular **injury or damage** takes place during its policy period in order for that coverage to apply, then this insurance will apply to the claim only if the **event** causing that **injury or damage** takes place during the policy period of this Coverage Form.

(2) If any **controlling underlying insurance** is written on a claims-made or discovery basis, the following applies to the insurance provided by this Coverage Form which is excess over that underlying insurance:

If the **controlling underlying insurance** requires, for a particular claim, that the **injury or damage** occur on or after the Retroactive Date shown in the Declarations of that insurance in order for that coverage to apply, then this insurance will only apply to that **injury or damage** which occurs on or after the Retroactive Date shown in the **controlling underlying insurance** but before the end of the policy period of this Coverage Form. If the **controlling underlying insurance** requires, for a particular claim, that the **event** causing the particular **injury or damage** takes place on or after the Retroactive Date shown in the Declarations of that insurance in order for that coverage to apply, then this insurance will apply to the claim only if the **event** causing that **injury or damage** takes place on or after the Retroactive Date shown in the **controlling underlying insurance** but before the end of the policy period of this Coverage Form.

A claim for damages for such **injury or damage** must be first made against the insured during this policy period or any extended reporting period provided under this Coverage Form. A claim will be considered first made under this Coverage Form:

(1) When notice of such claim is received and recorded by any insured or by us, whichever comes first, if the **controlling underlying insurance** is written on a claims-made and recorded basis; or

(2) When notice of such claim, after being received by any insured, is reported to us in writing, if the **controlling underlying insurance** is written on any other claims-made basis.

d. Any additional insured under any policy of **controlling underlying insurance** will automatically be an additional insured under this insurance, but only to the extent consistent with the Construction Anti-indemnity Statute(s) held in the applicable jurisdiction. If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the lesser of the amount of insurance required by the contract or agreement, or the Each Occurrence Limit of this policy, less any amounts payable by any **controlling underlying insurance**.

Additional insured coverage provided by this insurance will not be broader than coverage provided by the **controlling underlying insurance**.

2. Exclusions

The following exclusions, and any other exclusions added by endorsement, apply to this Coverage Form. In addition, the exclusions applicable to any **controlling underlying insurance** apply to this insurance unless superseded by the following exclusions, or superseded by any other exclusions added by endorsement to this Coverage Form.

Insurance provided under this Coverage Form does not apply to **Injury or damage**, costs and expenses, because of, caused by or arising out of, either directly or indirectly, in whole or in part, by:

a. Auto

Any loss, cost or expense payable under or resulting from any of the following auto coverages:

(1) First-party physical damage coverage;

(2) No-fault coverage;

(3) Personal injury protection or auto medical payments coverage; or

(4) Uninsured or underinsured motorists' coverage.

b. Medical Payments

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Medical payments coverage or expenses that are provided without regard to fault, whether or not provided applicable **controlling underlying insurance**.

c. Workers' Compensation And Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

SECTION II - LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations, and the rules below fix the most we will pay regardless of the number of:

a. Insureds;

b. Claims made or suits brought, or number of vehicles involved;

c. Persons or organizations making claims or bringing suits; or

d. Limits available under any **controlling underlying insurance**.

2. The Limits of Insurance of this Coverage Form will apply as follows:

a. This insurance only applies in excess of the **retained limit**.

b. The Aggregate Limit is the most we will pay for all **ultimate net loss**, for all **injury or damage** including **defense costs** covered under this Coverage Form. **Defense costs** are part of, and not in addition to, the limits of insurance, and the payment of **defense costs** reduces the limits of insurance.

However, this Aggregate Limit only applies to **injury or damage** that is subject to an aggregate limit of insurance under the **controlling underlying insurance**.

c. Subject to Paragraph **2.b.** above, the Each Occurrence Limit is the most we will pay for all **ultimate net loss** including **defense costs** under this insurance for all **injury or damage** arising out of any one **event**. **Defense costs** are part of, and not in addition to, the limits of insurance, and the payment of **defense costs** reduces the limits of insurance.

3. If any **controlling underlying insurance** has a policy period that is different from the policy period of this Coverage Form then, for the purposes of this insurance, the **retained limit** will only be reduced or exhausted by **actual payment(s)** made in full by the **controlling underlying insurer** for **injury or damage** covered under this insurance.

4. The Limits of Insurance shown in the Declarations will not ever be reinstated.

SECTION III - CONDITIONS

The following conditions apply. In addition, the conditions applicable to any **controlling underlying insurance** are also applicable to the coverage provided under this insurance unless superseded by the following conditions.

1. Appeals

If the **controlling underlying insurer** or insured elects not to appeal a judgment in excess of the amount of the **retained limit**, we may do so at our own expense. We will also pay for taxable court costs, pre-and post-judgment interest and disbursements associated with such appeal. In no event will this provision increase our liability beyond the applicable Limits of Insurance described in Section **II** - Limits Of Insurance.

2. Bankruptcy

a. Bankruptcy Of Insured

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Form.

b. Bankruptcy Of Controlling Underlying Insurer

Bankruptcy or insolvency of the **controlling underlying insurer** will not relieve us of our obligations under this Coverage Form.

However, insurance provided under this Coverage Form will not replace any **controlling underlying insurance** in the event of bankruptcy or insolvency of the **controlling underlying insurer**. The insurance provided under this Coverage Form will apply as if the **controlling underlying insurance** were in full effect and recoverable.

3. Duties In The Event Of An Event, Claim Or Suit

a. You must see to it that we are notified as soon as practicable of an **event**, regardless of the amount, which

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result in a claim under this insurance. To the extent possible, notice should include:

(1) How, when and where the **event** took place;

(2) The names and addresses of any injured persons and witnesses; and

(3) The nature and location of any **injury or damage** arising out of the **event**.

b. If a claim is made or suit is brought against any insured, you must:

(1) Immediately record the specifics of the claim or suit and the date received; and

(2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or suit as soon as practicable.

c. You and any other insured involved must:

(1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or suit;

(2) Authorize us to obtain records and other information;

(3) Cooperate with us in the investigation or settlement of the claim or defense against the suit; and

(4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of **injury or damage** to which this insurance may also apply.

d. No insured will do or omit to do anything to prejudice our rights under this Coverage Form, and no insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

4. First Named Insured Duties

The first Named Insured is the person or organization first named in the Declarations and is responsible for the payment of all premiums. The first Named Insured will act on behalf of all other Named Insureds for giving and receiving of notice of cancellation or the receipt of any return premium that may become payable. At our request, the first Named Insured will furnish us, as soon as practicable, with a complete copy of any **controlling underlying insurance** and any subsequently issued endorsements or policies which may in any way affect the insurance provided under this Coverage Form.

5. Cancellation

a. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.

b. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:

(1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or

(2) 30 days before the effective date of cancellation if we cancel for any other reason.

c. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.

d. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.

e. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.

f. If notice is mailed, proof of mailing will be sufficient proof of notice.

6. Changes

This Coverage Form contains all the agreements between you and us concerning the insurance afforded. The first Named Insured is authorized by all other insureds to make changes in the terms of this Coverage Form with our consent. No change in, modification of, or assignment of interest under this Coverage Form shall be effective except when made by written endorsement to this Coverage Form which is signed by our authorized representative. This Coverage Form shall become subject to any changes upon the effective date of the changes in the **controlling underlying insurance**, but only upon the condition that we agree to follow such changes by written endorsement attached hereto and the Insured pays when due any additional premium required by us relating to such changes and / or agrees to any amendment of the provisions of this Coverage Form required by us relating to such changes.

7. Maintenance Of / Changes To Controlling Underlying Insurance

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The insured warrants that the **retained limit**, where applicable, as shown in the Schedule of Controlling Und Insurance, shall be unimpaired as of the effective date of this policy.

Any **controlling underlying insurance** must be maintained in full effect without reduction of coverage or limits except for the reduction of aggregate limits in accordance with the provisions of such **controlling underlying insurance** that results from **injury or damage** to which this insurance applies.

Such exhaustion or reduction is not a failure to maintain **controlling underlying insurance**.

The Insured, not the Insurer, will bear the risk that any **controlling underlying insurance** is or may be uncollectible. This Coverage Form will not drop down for any reason, including, but not limited to, the uncollectibility (in whole or in part) of the **controlling underlying insurance**, even if such uncollectibility is due to the financial impairment or insolvency of the issuer of any **controlling underlying insurance**. Coverage under this policy will not be available unless and until all **controlling underlying insurance** has been exhausted by the **actual payment** by the **controlling underlying insurer** of the applicable **retained limit** as shown in the Schedule of Controlling Underlying Insurance.

The first Named Insured must notify us in writing with full particulars as soon as practicable in the event:

a. Any **controlling underlying insurance** is cancelled, not renewed, replaced or otherwise terminated;

b. The limits or scope of coverage of any **controlling underlying insurance** is changed;

c. The aggregate limits of liability of any **controlling underlying insurance** become exhausted;

d. Any **controlling underlying insurance** is not maintained in full effect during the policy period; or

e. Any insurer issuing any **controlling underlying insurance** becomes subject to receivership, liquidation, dissolution, rehabilitation, or similar proceeding or being taken over by any regulatory authority.

8. Other Insurance

a. This insurance is excess over, and shall not contribute with any of the other insurance, whether primary, excess, contingent or on any other basis. This condition will not apply to insurance specifically written as excess over this Coverage Form.

When this insurance is excess, if no other insurer defends, we may undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

b. When this insurance is excess over other insurance, we will pay only our share of the **ultimate net loss** that exceeds:

(1) The total amount that all such other insurance would pay for the loss in the absence of the insurance provided under this Coverage Form; plus

(2) The total of all deductible and self-insured amounts under all that other insurance.

9. Premium Audit

a. We will compute all premiums for this Coverage Form in accordance with our rules and rates.

b. If this policy is auditable, the premium shown in this Coverage Form as advance premium is a deposit premium only. At the close of each audit period, we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit premium is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.

c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

10. Loss Payable

Liability under this Coverage Form does not apply to a given claim unless and until:

a. The insured or insured's **controlling underlying insurer** has become obligated to pay the **retained limit;**

b. The full amount of the applicable **retained limit** described in **a.** above has been exhausted as a result of **actual payment** made in full by a **controlling underlying insurer**; and

c. The obligation of the insured to pay the **ultimate net loss** in excess of the **retained limit** has been determined by a final settlement or judgment or written agreement among the insured, claimant, **controlling underlying insurer** (or a representative of one or more of these) and us, and first-party claim amount that we, at our sole discretion, agree in writing to be necessary and reasonable.

11. Legal Action Against Us

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No person or organization has a right under this Coverage Form:

a. To join us as a party or otherwise bring us into a suit asking for damages from an insured; or

b. To sue us on this Coverage Form unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Form or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured, **controlling underlying insurer** and the claimant or the claimant's legal representative.

12. Transfer Of Defense

a. Defense Transferred To Us

When the limits of **controlling underlying insurance** have been exhausted, in accordance with the provisions of **controlling underlying insurance**, we may elect to have the defense transferred to us. We will cooperate in the transfer of control to us of any outstanding claims or suits seeking damages to which this insurance applies and which would have been covered by the **controlling underlying insurance** had the applicable limit not been exhausted.

b. Defense Transferred By Us

When our limits of insurance have been exhausted our duty to provide a defense will cease.

We will cooperate in the transfer of control of defense to any insurer specifically written as excess over this Coverage Form of any outstanding claims or suits seeking damages to which this insurance applies and which would have been covered by the **controlling underlying insurance** had the applicable limit not been exhausted.

In the event that there is no insurance written as excess over this Coverage Form, we will cooperate in the transfer of control to the insured and its designated representative.

13. When We Do Not Renew

If we decide not to renew this Coverage Form, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

14. Claims-Made Extended Reporting Period

a. Any provisions under the **controlling underlying insurance** relating to an Extended Reporting Period for which a separate premium charge is made do not apply to this insurance, unless an Extended Reporting Period is purchased under this insurance.

b. An Extended Reporting Period, consistent with the terms, conditions and duration of any Extended Reporting Period available in accordance with the terms of any **controlling underlying insurance**, will be available for this Coverage Form by endorsement, for an additional charge, if:

(1) This policy is cancelled or not renewed; or

(2) This policy is renewed or replaced with insurance that:

i. Has a Retroactive Date later than the date shown in the **controlling underlying insurance**; or

ii. Does not apply to **injury or damage** on a claims-made basis.

c. If this policy and the **controlling underlying insurance** are cancelled or not renewed and an Extended Reporting Period has been provided under the **controlling underlying insurance**, then an Extended Reporting Period will be available for this Coverage Form. The Extended Reporting Period available under this Coverage Form will be consistent with the terms, conditions and duration of any Extended Reporting Period provided in accordance with the terms of the **controlling underlying insurance**.

d. You must give us a written request for the Extended Reporting Period endorsement under this Coverage Form no later than the time allowed to purchase such endorsement under the **controlling underlying insurance**. The Extended Reporting Period will not go into effect unless you pay the additional premium promptly when due and any premium you owe us for coverage provided under this policy.

e. We will determine the additional premium in accordance with our rules and rates. In doing so, we may take into account the following:

(1) The exposures insured;

(2) Previous types and amounts of insurance;

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(3) Limits of Insurance available under this policy for future payment of damages; and

(4) Other related factors.

SECTION IV - DEFINITIONS

The definitions applicable to any **controlling underlying insurance** also apply to this insurance. In addition, the following definitions apply.

1. **Actual payment** means remittance in currency, not credits or debits, from a **controlling underlying insurer** to an insured or a claimant.
2. **Controlling underlying insurance** means any policy of insurance or self-insurance listed in the Declarations under the Schedule of Controlling Underlying Insurance.
3. **Controlling underlying insurer** means any insurer who provides any policy of insurance listed in the Declarations under the Schedule of Controlling Underlying Insurance.
4. **Defense Costs** means any reasonable and necessary fees charged by an attorney and designated by the company, and where the insured has the right to select independent counsel, the rates we would actually pay to counsel that we retain in the ordinary course of business in the defense of a similar claim or suit in the community where the claim or suit arose or is being defended, as well as other reasonable and necessary costs, including expert witness and court reporters, in connection with the investigation, adjustment, settlement, defense or appeal of a claim or suit. It does not include the salaries of our regular employees or supervisory counsel retained by us, or any cost or expense incurred by the insured in assisting in the investigation or defense of the claim or suit.
5. **Event** means an occurrence, offense, accident, act, discovery, claim or suit or other event, to which the applicable **controlling underlying insurance** applies.
6. **Injury or damage** means any injury or damage, covered in the applicable **controlling underlying insurance** arising from an **event**.
7. **Retained limit** means the available limits of **controlling underlying insurance** applicable to the claim.
8. **Ultimate net loss** means the amount covered by this Coverage Form, after reduction for recoveries, or salvages collectible, that the insured becomes legally obligated to pay as damages by reason of:
   - **a.** **Defense costs**, settlements, judgments, binding arbitration; plus
   - **b.** Other binding alternate dispute resolution proceeding entered into with our consent, plus
   - **c.** Any first-party claim amount that we, at our sole discretion, agree in writing to be necessary and reasonable.

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CITY OF OROVILLE
STAFF REPORT

TO: **MAYOR PITTMAN AND COUNCIL MEMBERS**

FROM: **TIM KABER – DIRECTOR OF PUBLIC WORKS**

RE: **PROFESSIONAL SERVICE AGREEMENT FOR SOFTWARE, INSPECTION EQUIPMENT, AND DEFECT GRADING WITH GRANITENET**

DATE: **AUGUST 4, 2026**

SUMMARY

The City Council shall consider approving an agreement with GraniteNet for underground infrastructure inspection equipment, sewer inspection, and defect grading services.

DISCUSSION

The Public Works Department Sewer Division aims to enhance the inspection capabilities and maintenance of the City's sewer system in order to comply with findings from the 2024 State Water Resources Control Board sanitary sewer system inspection. The State found that the City was in violation of Statewide Water Discharge Requirements in that the City did not have a defect grading system for sewer pipes. The first corrective step was to adopt an updated Sewer System Mater Plan, which was completed on April 21, 2026. The next step is to perform defect grading on the City sewer mains with properly qualified personnel.

The State inspection findings require National Association of Sewer Service Companies (NASSCO) certified personnel to grade pipe defects. There is currently no one on staff NASSCO certified.

The current vendor for sewer inspections is Granite. This service does not include NASSCO defect identification or grading. Sewer Division staff is recommending upgrading our current Granite sewer support to GraniteNet, which is the updated version of Granite software, and is capable of performing NASSCO inspection and grading of sewer mains. This service will also include inspection and grading of sewer lift stations and manholes, which is a current blind spot for the Sewer Division. This service will charge $0.34/foot of inspected and graded sewer main. The City averages roughly 10 miles of sewer main inspection per year, which would be a cost of approximately $18,000/year for graded sewer mains.

FISCAL IMPACT

The first year cost for upgrading the software and infrastructure package is $58,613.00. This includes robust onsite training for the sewer division staff and inspection equipment. Follow-on

years will be approximately $32,000/year, which includes software licensing for the inspection vehicles and defect coding.

Each year would also have an approximate cost of $18,000 for sewer main grading.

Funds will come from the Sewer Fund.

ACTION REQUESTED -

APPROVE THE AGREEMENT WITH GRANITENET AND AUTHORIZE THE MAYOR TO SIGN.

ATTACHMENTS:

Service Agreement

GRANITENET SOFTWARE CLOUD SERVICE SUBSCRIPTION AGREEMENT

This **GRANITENET SOFTWARE CLOUD SERVICE SUBSCRIPTION AGREEMENT** (“Agreement”) by and between **CUES, Inc.** a Delaware corporation, located at 3600 Rio Vista Ave, Orlando, Florida 32805 ("Provider"), and **City of Oroville**, located at 1735 Montgomery Street, Oroville, California 95965 ("Subscriber") Hereinafter, the Provider and Subscriber may be collectively referred to as “the Parties” or where appropriate singularly, as a “Party”.

WHEREAS, Provider desires to provide Subscriber with access to Provider’s GraniteNet Software Cloud Service (referred to herein as “GNET Cloud”) hosted on the Amazon Web Services (“AWS”) platform; and

AND WHEREAS, Subscriber desires to subscribe to Provider’s Services (defined below) pursuant to this Agreement at the rates and terms set forth in the Products and Service Order defined in Section 1 and attached hereto and incorporated in this Agreement.

NOW THEREFORE, In consideration of the mutual covenants, promises, terms, and conditions contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, intending to be legally bound hereby, Provider and Subscriber agree as follows:

Contract Documents. The Agreement between the Parties includes the following exhibits which are attached hereto are hereby incorporated in this Agreement.

1. Product and Service Order (**Exhibit 1**)
2. CUES Representations about GraniteNet Cloud Security & SLA’s (**Exhibit 2**).

1. Definitions

1.1 “AWS” means the Amazon Web Services Platform on which the Provider’s Services are hosted.

1.2 “Documentation” means certain Provider documentation that describes the use, functions, features, or purpose of the Services or any component thereof, in any medium, which is delivered to Subscriber by Provider under this Agreement, including, but not limited to, Provider's user manuals, recommended best practices, training materials, instructions, and complete or partial copies of the foregoing.

1.3 “Effective Date” means the date on which the Subscriber’s responsible designee signs this Agreement.

1.4 “GNET Access” means the process by which Provider enables its subscribers to access the AWS Platform.

1.5 “Initial Subscription Term” means the period of time specified on the Product and Service Order.

1.6 “Intellectual Property Rights” means patent, copyright, trade secret, know-how, trademark, trade dress rights, and any other intellectual property or proprietary rights in the Services, Software, and all processes and facilities utilized by or on behalf of Provider to provide the services contemplated herein.

1.7 “Product and Service Order” (hereinafter “Order” or “Exhibit 1”) means the Products and Service Order, attached hereto as Exhibit 1, that sets forth the software and subscription details to which the Agreement applies, and any unique product-specific terms applicable to Subscriber’s

subscription, which may be updated from time-to-time with additional Products and Services as requested by the Subscriber to the Provider in writing according to the terms of this Agreement.

1.8 "Permitted Users" means (a) Subscriber's employees (including temporary employees and contract employees) authorized by Subscriber, in a writing with Provider, to access and use the Services on Subscriber's behalf, and (b) Subscriber's service providers that need to access to the Services, provided such third parties are subject to written restrictions comparable to the restrictions on use in this Agreement and may only use the Services for purposes of providing Services to Subscriber. The acts and omissions of Permitted Users shall be deemed the acts and omissions of Subscriber.

1.9 "Renewal Subscription Term" means any extension to this Agreement, commencing upon the expiration of the Initial Subscription Term or any extensions thereto, as provided in this Agreement or otherwise in the Order as defined herein.

1.10 "Services" means the hosted cloud solution provided to the Subscriber for use by Permitted Users, which may include GNET WebOffice, WebSync and WebInspect software applications and other desired GNET Cloud Products, depending upon what applications are included in the Order (Exhibit 1).

1.11 "Subscriber Content" or "Subscriber Data" (used interchangeably) means the data or content Subscriber collects or stores using GNET Cloud and any data entered into and/or generated by Subscriber and its Permitted Users using the Services.

1.12 "Subscription Fees" means Subscriber's fees for various packages and options of different services pursuant to the applicable sales offering as set forth in the Order, which is paid by Subscriber for access to the Services.

1.13 "Subscription Term" means the Initial Subscription Term together with any renewal Subscription Terms.

1.14 "Term" means the term of the Agreement, which begins on the Effective Date and continues until: (i) this Agreement is terminated by a Party as provided herein or (ii) this Agreement expires as provided herein, whichever is earlier.

1.15 "Usage Observations" has the meaning set out in Section 6.9.

2. Access Rights, License and Services

2.1. Access. Subject to the terms of this Agreement and during the Subscription Term, Provider grants to Subscriber non-exclusive, non-transferable access rights for each Permitted User using GNET Access to access and use the Services specified in the Order, which may include: GraniteNet "WebOffice", "WebSync", "WebInspect" and other desired GNET Cloud products available through the Provider and accessible on the Amazon Web Services (AWS) Platform in accordance with the terms of this Agreement.

2.2. Adding Permitted Users and/or Modifying Services. In the event that the Subscriber desires to increase the Services being purchased, the Subscriber and Provider must enter into an agreed amendment to the Order to provide for the additional modified Services and corresponding Subscription Fees. In the event that Subscriber desires to add Permitted Users, the Subscriber

must (a) first pay a one-time User Activation fee to Provider to set up and configure a user account for each such requested Permitted User to set up and configure a user account for each such requested Permitted User; and and (b) enter into an agreed amendment to the Order to pay for the additional Subscription Fees. Any amendments to the Order shall be in writing, reflect the new scope and Subscription Fee(s) and be agreed to by both Parties. Notwithstanding anything herein to the contrary, amendments to the Order may also be accomplished by the issuance of an additional purchase order by the Subscriber and accepted, in writing, by the Provider, with the understanding between the Parties that, beyond updates to the quantity of Permitted Users, revised Subscription Fees, and/or any additional Services purchased by Subscriber, no new terms or conditions will be introduced via this method or accepted by the Provider.

2.3. AWS Platform. Subscriber understands and acknowledges that the Services are hosted by AWS within a cloud environment owned and operated by AWS.

2.4. Obligations, Responsibilities and Restrictions of Subscriber and Permitted Users: Log-In Credentials provided by the Provider are for Subscriber's internal use only by Permitted Users performing work on Subscriber's behalf in accordance with the subsections below, and Subscriber shall not sell, transfer or otherwise provide Log-In Credentials to or allow access to the Services by any other entity or person. Permitted Users of Subscriber will be required to comply with Amazon Web Services (AWS) Terms of Use and/or Privacy Policies, as applicable, available at http://aws.amazon.com/aup/ and http://aws.amazon.com/privacy/ in order to gain access the Services.

2.4.1. Subscriber is responsible for all activities that occur under Subscriber's account, unless such activities are due to the gross negligence or willful misconduct of Provider.

2.4.2. Subscriber may allow Permitted Users to use the Services as intended, including, as applicable, rights to upload, download, store, view, retrieve, query, serve, and execute Subscriber Data, and use GraniteNet WebSync Modules and the WebInspect application to upload Subscriber Data, provided such Subscriber Data is owned, licensed or lawfully obtained by the Subscriber. Subscriber is solely responsible for the introduction and use of its associated Content stored within the GNET Cloud. Subscriber is responsible for ensuring that its Subscriber Data and use of the Services by Subscriber and its Permitted Users complies with the terms of this Agreement as well as any applicable third party provider terms and all applicable laws, including data protection and export control laws.

2.4.3. Subscriber shall not, and shall not permit any Authorized User to, without the express written consent of Provider: (a) reverse engineer, reverse assemble, decompile, or disassemble any technology or software included or used in the underlying the Services; (b) otherwise attempt to discover the source code to any underlying technology or software included in the Services; (c) translate or migrate any of the underlying technology or software underlying the Services into another format, language, or hardware platform; (d) make the Services available to anyone other than Permitted Users; (e) alter or remove any copyright, trademark or other proprietary notices on or within the Services, underlying software or Documentation; (f) create derivative works based upon the Services or underlying software in whole or in part; (g) develop or modify any software based on ideas, processes or materials incorporated into the Services or (h) knowingly permit any third party to do any of the foregoing.

2.4.4. The Services may be unavailable and/or their performance may be negatively affected by scheduled and unscheduled maintenance. Provider will use reasonable efforts to notify Subscriber in advance of scheduled maintenance, but Provider may be unable to provide advance notice of unscheduled or emergency maintenance. Notwithstanding the foregoing, the Provider shall use commercially reasonable efforts to provide the Services in accordance with the provisions contained in Exhibit 2 attached hereto and incorporated herein.

3. Payment

3.1. Subscription Fees. Subscriber shall pay Provider the Fees ("Subscription Fees") set forth in the Order. Such Subscription Fees may include the following:

3.1.1. Implementation Fee. This fee is a one-time fee for the set-up and implementation of the Services.

3.1.2. Annual Subscription Fee. This fee is payable annually in advance for Subscriber's access to the Services. The annual Subscription Fees for the first year of the Subscription Term will be invoiced upon the commencement of the Subscription Term. The annual Subscription Fees for all subsequent years of the Subscription Term will be payable prior to the anniversary date of the start of the Subscription Term.

3.1.3. User Activation Fee. This fee is a one-time fee for the Provider to set up each Permitted User to be provisioned to use the Services in accordance with this Agreement.

3.1.4. Fees for Additional Services. In the event that Subscriber increases the scope of Services, Provider shall invoice Subscriber the applicable fees as identified in an updated Order.

3.1.5. During any Subscription Term, Provider shall have the right, in its sole discretion, to increase the Subscription Fees by up to three percent (3%) for any Renewal Subscription Term by providing Subscriber with at least thirty [30] days' notice before the end of the then-current Subscription Term. Provider reserves the right to increase the Subscription Fees (including any Fees for Additional Services) at a higher percentage for a subsequent Renewal Subscription Term in its sole discretion by providing Subscriber at least sixty (60) days' notice before the end of the then-current Subscription Term.

3.2. Taxes. Fees stated in any Order do not include applicable taxes. Unless Subscriber is a tax-exempt entity and provides Provider with reasonable documentation demonstrating tax-exempt status, Subscriber agrees to pay all taxes required of it by law.

3.3. Invoice Terms. Subscriber shall pay in full all amounts owed in an invoice within thirty (30) days from the invoice date except as otherwise provided in an Order.

4. Term and Termination

4.1. Initial Subscription Term. The Services will be provided for the Initial Subscription Term agreed to between the Parties and stated in the Order. In no event, however, shall the Initial Subscription Term be less than one year.

4.2. Renewal Subscription Term. Upon the expiration of the Initial Subscription Term, the Agreement shall be automatically renewed for consecutive one (1) year periods, unless at least sixty (60) days prior to the renewal date, either Party gives the other Party written notice of its intent not to renew the Agreement. During any renewal term of the Agreement, the terms, conditions and provisions set forth in this Agreement shall remain in effect unless modified in accordance with the terms of this Agreement.

4.3. Material Breach by Provider. Subscriber may terminate this Agreement, including any and all access and usage rights for the Services provided herein, upon written notice, for a material breach by the Provider that is not cured within thirty (30) days after written notice of such material breach is provided. If Subscriber terminates this Agreement in accordance with this Section 4.3, and if such termination occurs within the first twelve (12) months of the Initial Term of this Agreement, Subscriber shall be entitled to receive a refund of its Implementation Fee, as well as, a prorated refund of its Service Fees within 30 days of termination.

4.4. Material Breach by Subscriber. Provider may terminate this Agreement and all access and usage rights for the Services in the event of a material breach by the Subscriber that is not cured within thirty (30) days after written notice of such material breach is provided. Subscriber's failure to pay any invoiced Subscription Fees or taxes when due is a material breach.

4.5. Other Grounds for Termination. Either Party may, upon the provision of written notice, immediately terminate this Agreement and or suspend its performance thereunder, if the other Party (i) files for bankruptcy, (ii) becomes insolvent, (iii) ceases to do business, or (iv) violates any terms of use of this Agreement, any third party providers terms of use and/or any violation of laws.

4.6. Termination by Provider. Provider may terminate this Agreement, on written notice, if: (i) the Parties agree that the provision of the Services to Subscriber is no longer commercially viable, (ii) the Services are deemed, or Provider reasonably believes the Services, or any portion thereof, violate an applicable local, state, or federal law or regulation, (iii) Provider has a reasonable belief that the continued provision of Services puts Provider, or its systems at any operational or security risk, or (iv) the underlying software or technology is no longer used in connection with the Services. If such an event happens within the first twelve (12) months of the Initial Term of the Agreement, Subscriber shall be entitled to receive a refund of its one-time Implementation Fee, as well as, a prorated refund of remaining Subscription Fees and Additional Service Fees within 30 days of termination.

4.7. Effect of Termination. Access and usage rights for the Services will automatically terminate upon termination of this Agreement. Notwithstanding anything to the contrary in the Agreement, after the termination or expiry of this Agreement the Subscriber shall be allowed up to thirty (30) days to retrieve its Subscriber Data from storage. Subscriber will have no further right to access or use the Services. After thirty (30) days from the termination date, Subscriber content may be deleted or inaccessible to Subscriber. Provider shall reasonably cooperate with Subscriber to facilitate export of Subscriber's Data with an understanding that should Subscriber's Data exceed its monthly download quota as defined in the Order, an additional charge may be incurred. Within thirty (30) days from termination, Subscriber will immediately return or, if instructed by Provider, destroy all GNET cloud materials, documents related to the Provider's Services, Documentation, and/or any other Provider Confidential Information.

4.8. Unless Provider terminated this Agreement pursuant to Sections 4.3 or 4.4, Subscriber may continue to utilize the Services for a "Transition Period" of up to thirty (30) days after termination of this Agreement, subject to payment of all applicable Subscription Fees ("the "Transition Period"). Should Subscriber require further assistance during the Transition Period, Provider may, in its sole discretion, offer additional transition services at Provider's then-current rates. In any event, upon request from Subscriber, Provider shall reasonably cooperate with Subscriber to export Subscriber's Data with an understanding that should Subscriber's Data exceed its monthly download quota, additional charges may be incurred.

5. Confidential Information

5.1. "Confidential Information" means any trade secret or other information of Provider or Subscriber, whether of a technical, business, or other nature, which is disclosed by one Party ("Discloser") to the other Party ("Recipient") orally or in writing and that (a) is marked "confidential" or (b) is of a nature that a reasonable person would understand to be confidential, but specifically excludes any anonymized data.

5.2. Provider Confidential Information specifically includes, but is not limited to: Documentation, GNET Cloud Materials, Usage Observations, and suggestions concerning the GNET Cloud Service, or any other information about or involving the GNET Cloud Service. Subscriber shall not disclose (including, but not limited to, in a press release or other public statement) any Provider Confidential Information, except as agreed by Provider in writing in advance of such disclosure.

5.3. Confidential Information does not include any information that: (a) was known to Recipient before receiving it from the Discloser; (b) is independently developed by Recipient without use of or reference to any Confidential Information of the Discloser; (c) is received from a third party who had a lawful right to disclose such information (without corresponding confidentiality obligations) to it; or (d) is or becomes part of the public domain through no fault or action of the Recipient.

5.4. Recipient will: (a) use the Confidential Information of the Discloser solely for the purpose(s) for which it is provided; (b) not disclose Confidential Information to competitors of the Discloser, (c) not disclose such Confidential Information to any third party, and (d) protect such Confidential Information from unauthorized use and disclosure to the same extent that it protects its own Confidential Information of a similar nature, but using no less than a reasonable degree of care in consideration of the nature of the Confidential Information. However, Recipient may disclose Confidential Information to its employees, agents or contractors who need to know such Confidential Information in order to obtain or provide the Services hereunder so long as Recipient limits the scope of disclosure of Confidential Information to only that which is necessary under the circumstances. Recipient shall be responsible for ensuring that all such employees, agents or contractors to whom it discloses Confidential Information are subject to written confidentiality obligations substantively similar to this Agreement and are restricted to using the Confidential Information for the sole purpose of obtaining or providing the Services. Each Party will be responsible for any improper disclosure of Confidential Information by such Party's employees, agents, or contractors.

5.5. Recipient may disclose Confidential Information of Discloser to the extent required to satisfy any legal requirement of a competent governmental or regulatory authority, provided that (to the extent permitted by law) it promptly advises Discloser prior to making such disclosure and

provides Discloser a reasonable opportunity to object to such disclosure or take such other action as it considers appropriate to protect the Confidential Information.

5.6. Upon the expiry or termination of this Agreement and at the request of the Discloser, Recipient will promptly return or destroy (and provide certification of such destruction) any materials in any medium that contains or refers to Discloser's Confidential Information and in no event more than thirty (30) days of the request to do so. Subject to the confidentiality obligations herein, Recipient may retain copies of Discloser's Confidential Information to the extent required to document its performance or for compliance with applicable laws or regulations and Provider may also retain Subscriber Data in its backups, archives and disaster recovery systems until such Subscriber Data is deleted in the ordinary course.

5.7. Subscriber shall take all necessary steps designed to ensure that the provisions of this Section are not violated by any employee, service provider, Permitted User or any other person under Subscriber's control or in its service.

6. **Ownership, Restricted Rights, Security**

6.1. Provider IP Rights. Provider owns and shall retain all rights, title and interests in and to the Services, including all intellectual property rights in and to the Services (including all Usage Observations and any other improvements, enhancements, modifications and derivative works for the Services) and the software incorporated therein, and the Documentation, as the proprietary product of Provider.

6.2. Data Ownership. Subscriber shall retain ownership of all Subscriber Data. Subscriber shall have no rights to any data in Provider's proprietary format; however, Provider shall reasonably cooperate with Subscriber to export Subscribers Data from the GNET Cloud in a mutually agreed file format at Subscriber's request in accordance with the terms herein. Subscriber warrants and represents that it has obtained all required consents and/or provided all required notifications to allow Provider to collect, use, process, transfer, store, access, disclose and use Subscriber Data as contemplated under this Agreement.

6.3. Anonymized Data License. Subscriber hereby grants Provider a limited right to aggregate and/or anonymize the Subscriber Data during the Term of this Agreement and an unlimited, perpetual and irrevocable rights and permissions as are necessary or useful to use, reproduce, and distribute such aggregated and/or anonymized Subscriber Data for any legal purpose. Provider's rights to collect, use process, transfer, store, access, disclose and use Subscriber Data are limited to those necessary to deliver the Services and as set out herein.

6.4. Subscriber's Usage Information. To improve its Services and the technical performance of the Services, Provider shall be permitted to collect information about Subscriber's use of the GNET Cloud, including CPU and GPU utilization, memory usage, IO performance, content type, client session length, transmission latency, client geographic and network locations, video and audio quality, and error and information messages.

6.5. Subscriber Branded License. Certain features of the Services may require the use of Subscriber's name, logo, trademarks, and/or tradenames ("Subscriber Branding"). Should Subscriber's use of the Services require Subscriber Branding, upon Subscriber's prior written approval, Subscriber grants Provider a license to reproduce, copy, distribute and use such Subscriber Branding in Provider's provision of the Services. Subscriber represents and warrants

that Subscriber has the necessary rights and consents to grant the use of the Subscriber Branding to Provider.

6.6. Provider Intellectual Property. Certain portions of the Services may be branded with Provider's or other third party providers' trademarks, logos and copyright notices. Subscriber agrees that it will not hide, remove, obscure, modify or otherwise change any such trademarks, logos or notices.

6.7. Security and Data Privacy. This Agreement permits the Subscriber to store Subscriber Data in the GNET Cloud, which is hosted in a certified data center which is external to the Subscriber's premises. Provider acknowledges that Subscriber's Data is a valuable asset of the Subscriber and that, in entering into this Agreement, the Subscriber is relying upon Provider's representations of the security, availability, and processing within the GNET Cloud to protect through encryption and preserve the confidentiality and privacy of Subscriber's Data.

6.7.1. Subscriber shall be responsible for managing Subscriber Data and the management, operation and verification of local IT controls to access the GNET Cloud and the Services. Subscriber shall be responsible for all activities that occur under its account by its Permitted Users and for unauthorized access due to the fault of Subscriber. Provider shall only be responsible for unauthorized access to Subscriber's account as set forth in this Section 6.

6.7.2. Provider shall be responsible for protecting and securing Subscriber Data from unauthorized access, loss or corruption of Subscriber Data due to the gross negligence or willful misconduct of Provider and in the event thereof, to the extent reasonable, restoration of Subscriber Data. Provider shall be responsible for the security configuration and management tasks within the GNET Cloud Service (including backup of data, updates and security patches), any application software or utilities installed on the instances, the configuration of the firewall (called a security group) on each instance. Unless due to the default of the Subscriber or a party contracted by the Subscriber other than the Provider, Provider shall, in the event of any such loss, corruption or destruction due to the gross negligence or willful misconduct of Provider, restore the Subscriber Data to the restoration point in the last daily backup performed. This restoration will be Provider's sole obligation and liability and Subscriber's sole remedy in the event of loss, corruption or destruction of Subscriber Data.

6.7.3. Subscriber shall be responsible for all activities of persons, employees, subcontractors, customers and service providers that have a direct relationship with Subscriber, including but not limited to those contracted with, operated, maintained, controlled and managed by Subscriber and including Permitted Users and parties with which the Subscriber has a contractual relationship, such as internet service providers, IT subcontractors and data security providers.

6.7.4. Subscriber shall be responsible to ensure Subscriber's Data is free from viruses when uploaded in the GNET Cloud.

6.8. Provider Access to Content. Provider will not access or use Subscriber's Data except as necessary to maintain or provide the Services, or as necessary to comply with the law or a binding order of a governmental body. Provider will not (a) disclose Subscriber's Data to any government or third party or (b) move Subscriber's Data from the GNET Cloud, except in each case as necessary to comply with the law or a binding order of a governmental body. Unless it would violate applicable law or a binding order of a governmental body, Provider will give Subscriber notice of any legal requirement or order referred to in this Section.

6.9. Service Improvement. To improve and enhance the GNET Cloud Service, Provider may request and Subscriber agrees to confidentially provide information relating to Subscriber's access and functional use of the GNET Cloud Service, including observations or information regarding the performance, features and functionality of the GNET Cloud Service, when and in the form reasonably requested by Provider ("Usage Observations"). Provider will own and may use and evaluate all Usage Observations for its own purposes to improve the Service. Subscriber will not use any Usage Observations except for Subscriber's internal business purposes of identifying improvements for the Provider's GNET Cloud Service.

7. Warranties; Disclaimers

7.1. Each Party warrants that it has the right and power to enter into this Agreement and to perform its obligations herein. Provider hereby warrants that it has the right to provide the Services and grant access to Subscriber in the manner provided in this Agreement.

7.2. Provider warrants that the Services shall materially conform to the specifications in the then-current Documentation. Provider's sole obligation under this warranty (which shall be Subscriber's exclusive remedy) shall be to use reasonable efforts to correct demonstrated material defects in the Services, and supply Subscriber with access to a corrected version of such Services, or a commercially reasonable workaround as soon as practicable after Subscriber has notified Provider of such defects. Provider's warranty obligations hereunder shall not apply to the extent a non-conformity results from use of the Services or Software contrary to the terms of this Agreement or the instructions in any related materials.

7.3. EXCEPT AS SPECIFICALLY SET FORTH ABOVE IN SECTIONS 7.1 AND 7.2, TO THE MAXIMUM EXTENT ALLOWED BY LAW, THE SERVICES ARE PROVIDED "AS IS." AND PROVIDER AND ITS LICENSORS, VENDORS AND SERVICE PROVIDERS DO NOT MAKE ANY EXPRESS OR IMPLIED WARRANTIES, INCLUDING BUT NOT LIMITED TO THE WARRANTIES OF DESIGN, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, OR ARISING FROM A COURSE OF DEALING OR USAGE OF TRADE, AND PROVIDER EXPRESSLY DISCLAIMS ANY AND ALL SUCH WARRANTIES.

7.4. PROVIDER DOES NOT WARRANT THAT: (A) OPERATION OF ANY OF THE SERVICES SHALL BE UNINTERRUPTED OR ERROR-FREE OR (B) THAT FUNCTIONS CONTAINED IN THE SERVICES SHALL MEET THE SUBSCRIBER'S REQUIREMENTS.

7.5. SUBCRIBER ACKNOWLEDGES AND AGREES THAT PROVIDER IS NOT RESPONSIBLE FOR: (I) THE ACCURACY OR INTEGRITY OF ANY DATA SUBMITTED BY SUBSCRIBER OR PERMITTED USERS OR (II) THE PERFORMANCE OF SUBSCRIBER'S OR PERMITTED USER'S EQUIPMENT, SUBSCRIBER OR (III) ANY DOWNTIME, LOSS OR CORRUPTION OF, BREACH OF OR LOSS OF DATA THAT OCCURS AS A RESULT OF TRANSMITTING OR RECEIVING DATA OR VIRUSES BY OR FROM SUBSCRIBER VIA THE INTERNET.

8. Infringement Remedy

8.1. In the event the Services become, or in Provider's opinion are likely to become, the subject of a claim of infringement of a patent, trade secret or copyright, Provider may, in its sole discretion, (a) procure for Subscriber, at no cost to Subscriber, the right to continue to use the Services, (b) replace or modify the Services, at no cost to Subscriber, to make them non-infringing, provided that substantially the same functionality is provided by the replacement or modified Services, or (c) if in Provider's judgment the right to continue to use the Services cannot be reasonably

procured or the Services cannot reasonably be replaced or modified, terminate the Agreement with respect to all or part of the Services and grant Subscriber a pro-rated refund on any advance Subscription Fees already paid for such terminated Services for the remainder of the Subscription Term paid.

8.2. In addition to its obligations under Section 8.1 above, Provider will fully defend, indemnify, and hold Subscriber and Subscriber's Indemnitees (for example council members, officers, partners, employees, and agents) harmless from and against any loss, cost, and expense in connection with a third-party claim that the Services infringe on any trade secret or copyright of others. Provider's obligations under this indemnification are expressly conditioned on the following:

8.2.1. Subscriber must promptly notify Provider in writing of any such claim; and

8.2.2. Provider or its vendor or service providers, as applicable, must have sole control of the defense of any such claim and of all negotiations for its settlement or compromise; and

8.2.3. Subscriber must reasonably cooperate with Provider to facilitate the settlement or defense of the claim.

8.2.4. Provider will have no obligation under this Section 8.2 or otherwise with respect to any infringement claim based on or relating to: (i) any intellectual property provided by Subscriber which is included or embedded in, or interfaces with, the Services: (ii) modification of the Services, or Documentation, by a person other than Provider, or on Provider's behalf; (iii) use of the Services other than in accordance with this Agreement; or (iv) use of the Services in combination with other products or services where such combination or use was not required or approved in writing by Provider.

9. Limitation of Liability

9.1. IN NO EVENT WILL SUBSCRIBER OR PROVIDER BE LIABLE TO THE OTHER PARTY FOR SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL, PUNITIVE, OR EXEMPLARY DAMAGES IN CONNECTION WITH THE PROVISION, USE OR PERFORMANCE OF THE SERVICES OR SOFTWARE REGARDLESS OF THE THEORY OF LIABILITY EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. IN NO EVENT WILL PROVIDER BE LIABLE TO SUBSCRIBER FOR ANY LOSS OF REVENUES, LOSS OF PROFITS, OR LOSS OF BUSINESS ARISING OUT OF OR IN CONNECTION WITH SUBSCRIBER'S USE OF, OR INABILITY TO USE, OR THE PERFORMANCE OR NONPERFORMANCE OF, THE SERVICES OR THE UNDERLYING SOFTWARE.

9.2. IN NO EVENT SHALL THE MAXIMUM AGGREGATE LIABILITY OF ANY PARTY EXCEED THE AMOUNT OF SUBSCRIPTION FEES PAID BY SUBSCRIBER DURING THE TWELVE (12) MONTHS PRECEDING THE DATE ON WHICH THE CLAIM FIRST ACCRUED.

10. Miscellaneous

10.1. Conflicts. In the event of a conflict between the terms of this Agreement and any Exhibit hereto, the Agreement is controlling.

10.2. Public Announcements. Conditional upon Subscriber's prior written approval, Subscriber grants Provider and its affiliates the right to use Subscriber's name, logo, trademarks and/or trade names in press releases, product brochures, internal reports, shareholder reports, proposals and demos indicating that Subscriber is a Subscriber of Provider. Except for disclosures required by public companies, all other public statements or releases shall require the mutual consent of the Parties.

10.3. Independent Contractor. The relationship of the Parties hereunder is that of independent contractors, and neither Party shall be considered to be a partner, joint venture, employer or employee of the other under this Agreement. This Agreement creates no agency in either Party, and neither Party has any authority whatsoever to bind the other Party in any transaction or make any representations on behalf of the other Party.

10.4. Audit. Provider, in its sole discretion, may audit Subscriber's use of the Services at any time to verify compliance with the terms of this Agreement. Subscriber agrees to cooperate with such audit and provide Provider with reasonable assistance and access to information. If the audit reveals a violation by Subscriber, Subscriber shall pay Provider all fees actually due and pay all costs and fees for such audit in addition to any other remedy available to Provider under the terms of this Agreement. If Provider determines or reasonably believes any Subscriber Data violates the terms of this Agreement, Provider will notify Subscriber and request that such data be removed from GNET Cloud. If Subscriber fails to remove the data within two (2) business days of its receipt of Provider Notice, Provider shall remove or suspend Subscriber's Services in its sole discretion.

10.5. Survival. Neither expiration nor termination of this Agreement shall terminate those obligations and rights of the Parties pursuant to provisions of this Agreement which by their express terms are intended to survive and such provisions shall survive the expiration or termination of this Agreement. Without limiting the foregoing, the respective rights and obligations of the Parties under Sections 5, 6, 7, 8, 9 and 10 shall survive the expiration or termination of this Agreement regardless of when such termination becomes effective.

10.6. Amendment. No change or modification of this Agreement shall be valid unless in writing and signed by all Parties to this Agreement; provided, however, Exhibit 1 can be updated as provided in Section 2.2.

10.7. Notice. Any claim, payment, demand, invoice, notice or declaration of any kind which must be delivered to the other Party, shall be in writing and served: (i) personally; (ii) by a recognized overnight courier providing a written confirmation of delivery; or (iii) by United States first-class mail (postage prepaid), addressed to the Party at its address set forth below or at such address as either Party may advise the other in writing from time-to-time. Notices given hereunder shall be deemed to have been given on: (i) the date of personal delivery; (ii) the date of delivery as documented by the overnight courier; or (iii) on the third business day after the date of mailing.

To Provider at:

Cues, Inc.
Attn: President & Legal Counsel
3600 Rio Vista Ave
Orlando, FL 32895

To Subscriber at:

Tim Kaber
Attn: Director of Public Works
City of Oroville
1735 Montgomery Street
Oroville, CA 95965

10.8. Assignment. Except as otherwise provided in this section, neither Party will assign this Agreement or delegate any of its duties, in whole or in part, without the prior written consent of the other Party. No consent of the other Party will be required when the assignment is to one of the assigning Party's Affiliates, or through a change of control of the assigning Party, including through merger, acquisition, or a sale of all or substantially all of its business related to this Agreement. An authorized assignee of either Party will be subject to and bound by the terms of this Agreement. If any assignee does not agree to be bound by all of the terms and obligations of this Agreement, or if any assignment is made in breach of the terms of this Agreement, then that assignment is and will be null and void and of no force or effect.

10.9. Force Majeure. Neither Party shall be in default or otherwise liable for any delay in or failure of its performance under this Agreement if such delay or failure arises by any reason beyond its reasonable control, including any act of God or the common enemy or earthquakes, floods, fires, epidemics, pandemics, riots, telecommunications delays, failure of electrical power, lightning, national emergency, war, action of court or public authority, terrorist act, military action, civil disturbance, internet outages, failures or delay in transportation or communications. The Parties will promptly inform and consult with each other as to any of the above causes which in their judgment may or could be the cause of a delay in the performance of this Agreement.

10.10. Waiver. The waiver by either Party of a breach or violation of any provision of this Agreement shall not operate as, or be construed to be, a waiver of any subsequent breach of the same or any other provision hereof.

10.11. Severability. In the event any provision of this Agreement is held to be unenforceable for any reason, the unenforceability thereof shall not affect the remainder of this Agreement, which shall remain in full force and effect and enforceable in accordance with its terms. With respect to any unenforceable provision, the applicable arbitrator or court shall deem the provision modified to the extent necessary, in such adjudicator's opinion, as to render such term or provision enforceable, and the rights and obligations of the Parties shall be construed and enforced accordingly, preserving to the fullest permissible extent the intent and agreements of the Parties set forth herein.

10.12. Governing Law and Venue. The laws of the State of Delaware, without regard to conflict of laws principles, will govern all matters relating to or arising out of this Agreement, its subject matter and the transactions it contemplates, including, without limitation, the validity, construction, performance and enforcement of the Agreement and any legal actions relating to its subject matter. Each Party hereto submits to and accepts generally and unconditionally the jurisdiction of those courts with respect to any dispute arising related to this Agreement. Each Party hereby irrevocably waives any objection to the laying of venue of any such action or proceeding in the above-described courts. The prevailing Party to any dispute or litigation concerning or related

to this Agreement shall be entitled to recover its costs, expenses and reasonable attorney fees incurred in connection with the dispute or litigation.

10.13. Dispute Resolution.

10.13.1. Good Faith Negotiation –The parties agree to engage in good faith efforts to settle any Disputes (hereinafter "Dispute") by negotiations between them prior to engaging in arbitration. Such negotiations are to include, at a minimum, (a) written notice by the party asserting a Dispute describing in detail the legal, evidentiary, and business bases of the Dispute and any proposed remedy or solution; (b) a written response to such notice describing in detail the receiving party's disagreements, if any, with the sending party's description of the bases of the Dispute and proposed remedy or solution; and (c) one or more discussions between executives with authority to resolve the Dispute. Unless otherwise mutually agreed by the Parties in writing, the period for negotiation will be deemed ended forty-five (45) days after receipt of the initial written notice. Arbitrator(s) shall have the authority to award sanctions for any party's failure to participate in good faith in these required notices, responses, and negotiations.

10.13.2. Arbitration. The parties agree to first utilize good faith efforts to resolve any Dispute informally between the parties in accordance with the terms of this Section 10.13 of this Agreement. Within ten (10) days after good faith attempts to resolve the underlying matter have proven to be unsuccessful, any unresolved controversy or claim arising out of or relating to this Agreement, or breach thereof, shall be referred to nonbinding arbitration administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules. The arbitration shall be conducted as swiftly as is reasonably possible under the circumstances. The arbitration shall be conducted before one neutral arbitrator to be selected in accordance with the Commercial Rules of the American Arbitration Association and shall proceed under the Expedited Procedures of said Rules, irrespective of the amount in dispute. The arbitration shall be held in the venue established in Section 10.12 unless the Parties mutually agree upon another place. In its award, the arbitral authority shall fix and apportion the costs of arbitration. Except as provided in this Agreement, no lawsuit shall be filed prior to the entry of a written award by the arbitral authority. The award of the arbitral authority shall be non-binding, however, if after forty-five (45) days from the date of the award, no party files a separate lawsuit in a court of competent jurisdiction to resolve the dispute, controversy or claim, the award will become final and non-appealable and the award may be enforced by any court having jurisdiction over the Party according to Section 10.12 of this Agreement. Each party will be responsible for its own attorneys' fees and an equal portion of any costs related to the arbitration.

11. Insurance. Provider shall maintain cyber liability insurance coverage with a limit of liability of at least $1,000,000.00 USD per occurrence and in the aggregate during the term of this Agreement and deliver a certificate of insurance evidencing such coverage to Subscriber.

12. Counterparts. This Agreement may be signed and delivered by the Parties in counterparts, with the same effect as if each of the Parties had signed and delivered the same document, and that execution and delivery will be valid and legally effective.

SIGNATURES TO FOLLOW ON NEXT PAGE

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their properly and duly authorized officers or representatives as of the date first set forth below.

SUBSCRIBER	CUES, INC.
	Joe Purtell Digitally signed by: Joe Purtell DN: CN = Joe Purtell email = joep@cuesinc.com C = US O = CUES Date: 2026.07.29 17:33:45 -04'00'
Signature	*Signature*
David Pittman	Joseph Purtell *Printed Name*
Mayor	Managing Director, Software Div. *Title*
Date	July 29.2026 *Date*

Business Tax Certificate No._____
(As applicable)

Approved as to form and legality:

Entity's Attorney Signature (As applicable)	Date

EXHIBIT 1
Product and Service Order



7/28/2026
Quote#Q-07590

Tyson Pardee
OROVILLE, CITY OF

Office: (530) 538-2493
tpardee@cityoforoville.org

Tyson,

Thank you for the opportunity to quote the GraniteNet Asset Inspection and Decision Support software platform from CUES, the most trusted brand in North America for pipeline inspection technology.

For more than a decade, CUES has supplied the industry with the most innovative and extensible software platform available to help utilities and contractors alike achieve their regulatory and productivity goals. Our clients demand software that is able to be customized to meet their needs while supporting the process flows unique to their organization. GraniteNet offers unmatched flexibility to create many different types of inspections in addition to CCTV assessments such as cleaning inspections, smoke test inspections, GPS surveys, inclination surveys, hydrant inspections, light pole inspections etc. Additionally, this new software platform offers a very simple User Interface to allow people to quickly become proficient users, often in a matter of minutes.

For those organizations that desire more advanced capabilities such as GIS map (ESRI/Cartegraph) integration, CMMS integration (Cityworks, Maximo, Infor Hansen), User Management controls, enterprise database support (Oracle & SQL), a Web-based Portal, custom Scoring formulas, etc., the CUES GraniteNet software platform can meet the needs of the Southeast Metro Stormwater Authority now or in the future as the requirements evolve.

The following is a short description of each GraniteNet software package and the suggested optional modules to be included in the software package for the City of Oroville.

Please feel free to contact me with any questions, comments or concerns.

Sincerely,

Phil Dehais
CUES Inc.
pdehais@cuesinc.com
(619) 753-6823

GraniteNet PACP v8 Module

The GraniteNet NASSCO PACP 8 Module is a certified solution that enables organizations to collect, manage, and exchange mainline inspection data in accordance with the latest NASSCO 8 standards.

Designed for organizations implementing NASSCO 8 for the first time, this module provides full support for the latest PACP business rules, defect coding standards, and data validation requirements to ensure accurate, consistent, and compliant inspection data.

The module includes NASSCO compliant import and export capabilities, allowing seamless data exchange with other certified systems and simplifying long term data management.

The Mainline Inspection Module, included with the GraniteNet Premium Inspection Package, is required to utilize the PACP 8 Module.

Features:

- Full support for NASSCO 8 PACP standards and defect codes
- Built in validation to ensure required fields and NASSCO data standards are met
- Import and export capabilities for NASSCO compliant data exchange
- Support for NASSCO custom fields
- Comprehensive evaluation and condition assessment reporting, including PACP grading
- Streamlined workflows that improve data consistency, accuracy, and compliance
- Enhanced interoperability with other NASSCO certified systems
- Seamless integration into existing GraniteNet inspection workflows

This module provides organizations with a modern, NASSCO compliant mainline inspection solution built to support accurate data collection, efficient reporting, and long term asset management.

GraniteNet Cloud SaaS WebOffice/Inspect

The **GraniteNet SAAS Cloud Hosting Service**, powered by Amazon Web Services, is a complete solution provided by CUES to enable each organization to transform their on-premise infrastructure to the Cloud to build an effective business and technology strategy. CUES, as an Amazon Technology Partner, provides a turnkey solution comprised of Wastewater/Public Works asset management software - and hosting - that can be implemented by CUES cloud specialists in amazingly fast turnaround times. The GraniteNet SAAS Cloud Service is offered as a one year contract which includes by default a dedicated virtual database server, a web server, a 8 TB storage volume for inspection media, a 1 TB monthly data download capacity from the Cloud, and access for 1 administrative Permitted User. Increased Permitted Users, storage capacity or monthly download capacities can be added for an additional annual cost as needed. CUES Cloud customers immediately gain access to and redundancy from the AWS infrastructure that CUES configures for its Cloud customers including back-ups, server patch maintenance and OS upgrades. CUES and AWS are responsible for protecting the infrastructure that runs all of the services offered in the AWS Cloud, commonly referred to as “Security of the Cloud”. GraniteNet’s Web applications are secured via Amazon Security Groups and an Amazon Web Application Firewall (WAF). The GraniteNet SAAS Cloud Service will substantially carry forward AWS’ standard service level commitment policies published online. The service is subject to the acceptance of the terms and conditions of the GraniteNet Software Cloud Service Subscription Agreement (a separate contract) which is renewable annually through a contract extension.

The complete Cloud Hosting service also includes the **GraniteNet WebOffice (Viewer)** solution which is a browser-based, read only Web Application built for assessing infrastructure, videos and statuses about assets from virtually any portable device (iPad, Android, Chrome Book, Surface Pro, smart phone, etc.) with an internet connection. It streamlines operations by enabling real time, map-driven views into the condition of utility infrastructure as well as the status of tasks assigned to crews for greater efficiency and

productivity. No software needs to be installed by end users. Simply log in and view productivity dashboards, review inspections, run filtered reports, and generate PDF's to share to others from virtually any internet-connected device.

By default the Cloud SAAS service also provides **GraniteNet WebSync** which is a powerful connectivity tool that enables entities with vehicular field crews to use encrypted internet connectivity to transmit inspection data and video from the field (such as trucks, mobile inspectors, etc.) wirelessly to the Cloud SAAS. There's no need for carrying storage drives. Inspectors simply finish their inspection and the transfer will begin automatically in the background while new inspections are started or while crews move to the next location.

Unlike some inferior methods being used by others, WebSync is unique in that it truly synchronizes data instead of merely making a copy of a file at a location such as Drop Box or Google Docs - which requires a manual two-step process susceptible to human error. Whether synching out new, incomplete inspection tasks to the field trucks from WebOffice or synching in data from the field to the Cloud, WebSync happens at the database level to ensure precise, up-to-the-minute statuses that do not require human intervention. Additionally with growing cyber threats, many organizations can no longer afford to risk intrusions that can happen when portable media devices are connected to the network. WebSync is highly secure because it uses Web API's that provide Secure Sockets Layer (SSL) security that can be encrypted. Data exchange happens quickly so that QA/QC reviewers do not have to wait for inspectors to physically return with storage drives.

GraniteNet WebInspect is a browser-based inspection application that provides subscribed users with out-of-the-box capability to perform inspections such as manhole inspections, including MACP v7 Level 1, assess and complete field tasks such as cleaning & jetting (*hydrants, lift stations, etc.), and collect GPS coordinates – virtually anything about municipal assets from virtually any connected device such as a mobile phone or tablet. Task/Inspection attributes, and status information are updated in real time so a Supervisor in the office can track the progress of tasks completed and "see" color coded maps in WebOffice when crews have finished their work. Additional custom tasks can also be added to WebInspect for an additional cost. There's no software to install on any user devices to use GraniteNet WebInspect.

SaaS Terms and Conditions:

The CUES SaaS solution is provided under the GraniteNet Software Cloud Service Terms and Conditions available in the following link: **SaaS Terms:**https://saasterms.granitenetweb.com

These terms are specifically aligned with the scope of services outlined in this Sales Order and it is CUES expectation that upon receipt of a corresponding Purchase Order, these Terms will prevail in the event of any conflict. During any Subscription Term, Provider shall have the right, in its sole discretion, to increase the Subscription Fees by up to three percent (3%) for any Renewal Subscription Term by providing Subscriber with at least thirty [30] days' notice before the end of the then-current Subscription Term.

GraniteNet WebOffice Edit User Annual Subscription

GraniteNet WebOffice Edit User is an annual subscription which enables a user to connect from any computer to securely log in to the GraniteNet Web environment with the ability to perform the following tasks:

- Create, edit and delete objects
- Edit media of objects (take snapshot, link observations)
- Calculate scores
- Accept/reject tasks

WebOffice Edit User Activation

For activation of user for use on GraniteNet WebOffice.

WebInspect User Activation

Activation of GraniteNet Web Inspect User(s).

DCAAS Implementation

DCAAS Terms and disclosures https://dcaasterms.granitenetweb.com

GraniteNet Web Server Implementation

The GraniteNet Web Server Implementation Includes the following provided by a CUES Web Software Implementation Specialist:

- Dedicated project management for installation and configuration of Web Server
- Remote web sessions to plan, execute, and test implementation of Web Server into GraniteNet Office Environment and GIS maps (if available)
- Office training and access to follow-up sessions as needed

Before a CUES technical resource is assigned to the implementation project, a Pre-Implementation Checklist must be completed by the client and submitted to CUES. Once it is received by CUES and verified that all prerequisites are met to begin the work, the client's Implementation Service request will be placed into a queue where CUES will assign the appropriate implementation specialist Project Manager based on the order in which the Checklist was received. Due to the fluctuating availability of resources needed by both parties to complete the implementation, the actual start date for the project may vary.

The Checklist requests that a "Readiness Date" be provided which means the date the customer will be ready to start the implementation work with CUES. CUES will plan its resource availability around this important date so that it can establish the date for the completion of the work which shall be within forty five (45) business days from the Organization's readiness date. For each business day the implementation extends beyond the Readiness Date due to the Organization's failure to complete its key tasks or other Organization delays impacting the implementation, a "Time Extension Fee" will be applied on the 46th business day following the Organization's readiness date in the amount of fifty dollars ($50) per business day, invoiced monthly, until the implementation is completed.

GraniteNet WebSync Module

The GraniteNet WebSync Module allows users to transfer encrypted inspection data, asset information, and media, via the internet, back and forth between a GraniteNet license in the field and the office.

GraniteNet ESRI Implementation

The implementation service of ESRI maps and map data within CCTV operations includes integration consultation, documentation, and training with the client's office staff by a CUES software division implementation specialist in accordance with the unique business requirements of the organization. An ESRI Implementation service with GraniteNet is required for any organization that has not defined, or has changed, their GIS mapping profiles which allow for the seamless import and export of GIS data. CUES shall provide integration consultation, documentation, and training with the client's office staff through a series of guided instruction sessions performed via a remote virtual meeting tool called Zoom. CUES will work with an appointed resource/project

manager from the organization to define the goals and then collaboratively create the standard operating procedures desired by the organization. As a best practice, initiating the Implementation Service well in advance of receiving a vehicle/field equipment is critical to ensure a smooth deployment, often with basic field training, that leverages the integration. Before a CUES technical resource is assigned to the implementation project, a GraniteNet ESRI Pre-Implementation Checklist must be completed by the client and submitted to CUES. Once it is received by CUES and verified that all prerequisites are met to begin the work, the client's Implementation Service request will be placed into a queue where CUES will assign the appropriate implementation specialist Project Manager based on the order in which the Checklist was received. Due to the fluctuating availability of resources needed by both parties to complete the implementation, the actual start date for the project may vary.

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Software

PART #	GraniteNet Software & Services	Asset Id	PRICE	QTY	Subtotal	Actual
GN626	GraniteNet PACP v8 Module	507377	$3,000.00	2	$3,000.00	$6,000.00
GY113	GraniteNet Cloud SaaS WebOffice/Inspect		$26,523.00	1	$26,523.00	$26,523.00
GY107	GraniteNet WebOffice Edit User Annual Subscription		$520.00	1	$520.00	$520.00
GN615	WebOffice Edit User Activation		$1,100.00	1	$1,100.00	$1,100.00
GN608	WebInspect User Activation		$1,100.00	1	$1,100.00	$1,100.00
GN618	DCAAS Implementation		$5,500.00	1	$5,500.00	$5,500.00
GN579	GraniteNet Web Server Implementation		$6,600.00	1	$6,600.00	$6,600.00
GN600	GraniteNet WebSync Module	503885	$2,000.00	2	$2,000.00	$4,000.00
GN576	GraniteNet ESRI Implementation		$7,270.00	1	$7,270.00	$7,270.00

Software TOTAL: $58,613.00

TOTAL: $58,613.00

Estimated Annual Recurring Costs for additions: $31,533 + $0.34/foot for Defect Coding
- Defect Coding $0.34 billed per coded linear foot - invoiced monthly
- GY113 GraniteNet Cloud SaaS WebOffice/Inspect $26,523
- GY107 WebOffice Edit Per User Subscription $520

This Quotation is valid for 90 days for the itemized products and services listed herein and is subject to the following Terms and Conditions. Delivery of a purchase order by Buyer pursuant to this quotation shall be deemed to be an acceptance by Buyer of these Terms and Conditions. Pro-rata payments shall become due upon the shipment of goods and/or delivery of services. Seller shall not be liable or penalized for any delays beyond its reasonable control, including but not limited to acts of God, acts of Buyer, carrier delays, accidents, etc. In the event of any such delay, delivery or performance shall be extended accordingly and shall not relieve Buyer of its obligation to accept and make payment net 30 days from the date deliverables are provided. Past due invoices are subject to 1.5% per month (18% APR) charge or as permitted by applicable law. Payments made by credit card may be subject to an additional 3% finance fee at the time of processing. No merchandise will be acceptable for return without a Material Return Authorization Number written on the outside of the package. No returns will be accepted on used electrical parts. This quote is provided in US dollars and does not include tax.

EXHIBIT 2

CUES Representations about GraniteNet Cloud Security and SLA's

CUES is an Amazon Technology Partner that provides software and connectivity services on AWS.

As a customer of CUES, you (the "Subscriber") gain access to Cloud hosted infrastructure that CUES will configure for you that will run GraniteNet software using AWS services specified within the GraniteNet Cloud service Product and Service Order. This "Representations" document is intended to be made a part of your **GRANITENET SOFTWARE CLOUD SERVICE SUBSCRIPTION AGREEMENT** (the "Agreement") with CUES. It is expected that detailed technical evaluations and demonstrations have been completed previously through a customer's internal due diligence process. Furthermore, it is understood that that you are solely responsible for limiting the sharing of your organization's sensitive data, adhering to your organization's security requirements, and complying with all applicable laws and regulations. You are responsible for any personal data that you transmit into or out of the GraniteNet Cloud. For more detailed "Security and Data Privacy" legal information please review the relevant sections of the above referenced Agreement. The following representations shall set forth at a high level the technical safeguards that CUES implements to protect its customers' Content within the GraniteNet Cloud.

Security and Data Protection

CUES and AWS are responsible for protecting the infrastructure that runs all of the services offered in the AWS Cloud, commonly referred to as "Security of the Cloud". However, Security and Compliance are a shared responsibility among all of the parties who utilize the Cloud.

Cloud security is a high priority for CUES to provide to its customers. As a Technology Partner of the largest Cloud infrastructure provider in the world, GraniteNet Cloud leverages the certifications that AWS has gained for compliance with ISO/IEC 27001:2013, 27017:2015, 27018:2019, and ISO/IEC 9001:2015 and CSA STAR CCM v3.0.1.

These certifications are performed by independent third-party auditors on behalf of AWS and this widely-recognized international security standard specifies that AWS:

- Systematically evaluates its information security risks, taking into account the impact of threats and vulnerabilities.
- Designs and implements a comprehensive suite of information security controls and other forms of risk management to address customer and architecture security risks.
- Executes an overarching management process to ensure that the information security controls meet AWS's needs on an ongoing basis.

Certification for compliance with ISO/IEC has been achieved by AWS for the following components used in the GraniteNet Cloud:

Amazon Elastic Compute Cloud (EC2)	AWS Backup
Amazon CloudWatch	Amazon Virtual Private Cloud (VPC)
Amazon Elastic Block Store (EBS)	Amazon Route 53
AWS Web Application Firewall (WAF)	Elastic Load Balancing (ELB)

In addition to providing the software, infrastructure and services for the GraniteNet Cloud, CUES also implements a pre-defined set of AWS blueprints and guardrails to help CUES customers adopt Security Best Practices. The GraniteNet Cloud leverages the robust AWS toolsets noted below to govern and enforce policies and to detect violations for a comprehensive and layered security posture:

Amazon Control Tower	Amazon Config
Amazon Security Hub	AWS GuardDuty & Guardrails

Password Management, Authentication Controls and Encryption

While CUES is responsible for providing continuous oversight over the data hosted on the infrastructure it provides, you as the customer ("Subscriber"), assume responsibility for any activities that occur under the Log-In Credentials issued to your Permitted Users by CUES ("Provider"), regardless of whether such activities are undertaken by you, your employees, agents, subcontractors, or any other third party. You are responsible for maintaining the secrecy and security of the Log-In Credentials provided to you.

CUES provides you with application-level User Access Controls via the GraniteNet User Management Module to set up groups, roles and privileges for GraniteNet Permitted Users. Additionally, to access the GraniteNet Cloud, CUES shall provision Log-In access to enable Permitted Users to use the GraniteNet Cloud service that runs the GraniteNet suite of applications. You are responsible for the security of both of these separate User Account Log-Ins and you should never provide or share your credentials with a third party. CUES will deploy a password policy that will regularly require users to create and regularly change complex passwords.

CUES uses AWS encryption solutions by default for industry-standard Transport Layer Security (TLS) encryption to encrypt customer content in transit for transport layer security via web communication sessions. Additionally by default, CUES uses encryption at rest with a minimum encryption protocol of Advanced Encryption Standard (AES) 256-bit encryption. In addition, CUES also provides by default additional layers of protection through encryption for backups and snapshots within the GraniteNet Cloud service.

Service Commitments:

As a Technology Partner of AWS, CUES will honor and follow the service commitment policies detailed for each of the services provided within the GraniteNet Cloud service as published online by AWS for failure to meet the service commitments and hourly commitments specified. Several examples are provided below and any can be referenced online as needed.

Since Amazon AppStream 2.0 is the primary connectivity service that CUES will provide, it uses commercially reasonable efforts to make AppStream available to you with a Monthly Uptime Percentage of at least 99.9% during any monthly billing cycle. CUES will follow the policies detailed in the Amazon AppStream Service Level Agreement published online by Amazon should it fail to meet its Service Commitment. [AppStream SLA]

Under the Amazon Compute Service Level Agreement for single EC2 Instances, CUES will use commercially reasonable efforts to ensure that each individual Amazon EC2 instance ("Single EC2 Instance") has an Hourly Uptime Percentage of at least 90% of the time in which that Single EC2 Instance is deployed during each clock hour (the "Hourly Commitment"). In the event any Single EC2 Instance does not meet the Hourly Commitment, you will not be charged for that instance hour of Single EC2 Instance usage. [AWS EC2 SLA]

Central to GraniteNet Cloud is Amazon S3, an object storage built to store and retrieve any amount of data from anywhere on the Internet. It's a simple storage service that offers industry leading durability, availability, performance, security, and virtually unlimited scalability at very low costs. The S3 Standard storage class is designed for 99.99% availability, the S3 Standard-IA storage class is designed for 99.9% availability. Please refer to its SLA published online. [AWS S3 SLA] For more detailed information please contact your technical resource at CUES.

CITY OF OROVILLE
STAFF REPORT

TO: **MAYOR PITTMAN AND COUNCIL MEMBERS**

FROM: **RUTH DUNCAN, ASSISTANT CITY ADMINISTRATOR-ADMINISTRATIVE SERVICES**

RE: **CERTIFICATION OF ANNUAL SANITARY SEWER SERVICE TO BE LEVIED ON THE 2026-27 TAX ROLL**

DATE: **AUGUST 4, 2026**

SUMMARY

The City Council shall consider adopting Resolution No. 9478 certifying that the Sewer Service charges to be levied on the 2026/27 tax roll are in compliance with Proposition 218.

DISCUSSION

For the 2026/27 fiscal year, the sewer rate is increasing for both the City and Sewerage Commission Oroville Region (SCOR). There is a planned increase in the monthly wastewater treatment charges for Sewerage Commission – Oroville Region (SCOR) for a total of $27.00 per month. There is a planned increase in the monthly wastewater collection charges for the City of Oroville for a total of $29.83 per month. The total monthly wastewater charges will be $56.83 per month.

The City and SCOR monthly sewer service rates for 2027 and 2028 are summarized below.

Service Provider	Service	July 1, 2026	July 1, 2027	July 1, 2028
SCOR	Wastewater Treatment	27.00	28.35	29.77
City of Oroville	Wastewater Collection	29.83	31.92	34.15
	Total	56.83	60.27	63.92

Both the City's and SCOR's sewer charges are collected through placement on the Butte County property tax bills by the City.

FISCAL IMPACT

Revenue obtained from the sewer collection and treatment charges funds the City's and SCOR's operations, planned maintenance and capital improvement projects.

ACTION REQUESTED -

ADOPT RESOLUTION NO. 9478 - A RESOLUTION OF THE OROVILLE CITY COUNCIL CERTIFYING TO THE COUNTY OF BUTTE THE VALIDITY OF THE LEGAL PROCESS USED TO PLACE DIRECT CHARGES (SPECIAL ASSESSMENTS) ON THE SECURED TAX ROLL.

ATTACHMENTS

Resolution No. 9478

CITY OF OROVILLE
RESOLUTION NO. 9478

A RESOLUTION OF THE OROVILLE CITY COUNCIL CERTIFYING TO THE COUNTY OF BUTTE THE VALIDITY OF THE LEGAL PROCESS USED TO PLACE DIRECT CHARGES (SPECIAL ASSESSMENTS) ON THE SECURED TAX ROLL AND AUTHORIZING THE MAYOR TO EXECUTE THE PROPOSITION 218 CERTIFICATION OR COMPLIANCE CERTIFICATION AND HOLD HARMLESS STATEMENT OF TAX BILL LEVY

WHEREAS, the notices and election for special assessment fees for the purpose of the collection of sewer service charges to be included on the regular County property tax bill for property owners of the City of Oroville was completed on this day August 4, 2026; and

WHEREAS, the City of Oroville (City) is placing the special assessments on the Butte County secured property tax roll for collection; and

WHEREAS, the City has complied with all laws pertaining to the levy of the special assessments, including compliance certification, to be collected per Health and Safety Code section 5470, et seq; and

WHEREAS, the assessment is being levied without regard to property valuation of the properties involved; and

WHEREAS, the City agrees that it shall be solely liable and responsible, and will defend and hold the County of Butte harmless from any liability as a result of claims or claims for refunds and related interest due filed by taxpayers against any assessments, fees, charges or taxes placed on the roll for the City by the County; and

NOW THEREFORE BE IT RESOLVED by the Oroville City Council that the list submitted with parcel numbers and amounts are certified as being correct, the Finance Director is hereby authorized to sign any documents required and directed to give the list to the Butte County Auditor on behalf of the City for placement on the secured tax roll for collection.

PASSED AND ADOPTED by the Oroville City Council at a regular meeting held on August 4, 2026, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

David Pittman, Mayor

APPROVED AS TO FORM:

David Ritchie, City Attorney

ATTEST:

Brian Ring, City Clerk

CITY OF OROVILLE
STAFF REPORT

TO: **MAYOR PITTMAN AND COUNCIL MEMBERS**

FROM: **RUTH DUNCAN, ASSISTANT CITY ADMINISTRATOR-ADMINISTRATIVE SERVICES**

RE: **ANNUAL SPECIAL TAX FOR THE CITY'S COMMUNITY FACILITIES DISTRICT NO. 2006-1 (WESTSIDE PUBLIC SAFETY FACILITIES) AND DISTRICT NO. 2006-2 (PUBLIC SAFETY SERVICES) FOR FISCAL YEAR 2026/27**

DATE: **AUGUST 4, 2026**

SUMMARY

The City Council shall consider the annual special tax relating to the City's Community Facilities Districts ("CFDs").

DISCUSSION

In October 2006, the City completed the formation of two CFDs designed to establish a special tax for subdivision projects in the Thermalito area. CFD No. 2006-1 was formed to fund the design and construction of a fire and police facility to be located at the Oroville Airport. CFD No. 2006-2 was formed to provide ongoing funding to maintain and staff these facilities in perpetuity. Both CFDs are funded through the collection of a special tax attached to the property tax bill issued by the Butte County Tax Collector's Office. Currently, four subdivisions are included in these CFDs. The rate and method of apportionment provides for the collection of certain tax amounts for both final mapped property without building permits issued (final mapped property) and final mapped property that have had a building permit issued (developed property).

Per Senate Bill 165, an annual Report for each CFD must be filed with the City Council. The annual report shall contain all of the following:

- The amount of funds collected and expended.
- The status of any project required or authorized to be funded as identified in subdivision (a) of Section 50075.1 or Section 53410.

The annual Reports fulfill these minimum requirements and will be submitted at a later date.

The City Council will consider the following items for the CFDs that will:

1. Establish the annual special tax for Fiscal Year 2026/27 for the two CFDs.

2. Direct the Butte County Auditor-Controller's Office to attach the special tax to the property tax bill of those final mapped and developed parcels within the two CFDs.

FISCAL IMPACT

Funds are collected through the Butte County secured property tax roll and placed into a "Special Fund" account for specified expenses within the two CFDs.

ACTION(S) REQUESTED -

1. **ADOPT RESOLUTION NO. 9479 - A RESOLUTION OF THE CITY COUNCIL ESTABLISHING THE ANNUAL SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT NO. 2006-1, WESTSIDE PUBLIC SAFETY FACILITIES, FOR FISCAL YEAR 2026/27; AND**

2. **ADOPT RESOLUTION NO. 9480 - A RESOLUTION OF THE CITY COUNCIL ESTABLISHING THE ANNUAL SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT NO. 2006-2, PUBLIC SAFETY SERVICES, FOR FISCAL YEAR 2026/27; AND**

3. **AUTHORIZE THE MAYOR OR FINANCE DIRECTOR TO SIGN THE PROPOSITION 218 CERTIFICATES FOR INCLUSION ON THE 2026/27 BUTTE COUNTY TAX ROLL.**

ATTACHMENTS

Resolution No. 9479
Resolution No. 9480
Proposition 218 or Compliance Certification of Special Tax Levy

CITY OF OROVILLE
RESOLUTION NO. 9479

A RESOLUTION OF THE CITY COUNCIL ESTABLISHING THE ANNUAL SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT NO. 2006-1, WESTSIDE PUBLIC SAFETY FACILITIES, FOR FISCAL YEAR 2026/27

WHEREAS, the Oroville City Council (hereafter referred to as the "legislative body"), has initiated proceedings, held a public hearing, conducted an election and received a favorable vote from the qualified electors relating to the levy of a special tax in a special tax district, all as authorized pursuant to the terms and provisions of the "Mello Roos Community Facilities Act of 1982", being Chapter 2.5, Part 1, Division 2, Title 5 of the California Government Code. Said special tax district is known and designated as Community Facilities District No. 2006-1, Westside Public Safety Facilities (hereafter referred to as "CFD No. 2006-1") and,

WHEREAS, the legislative body, by ordinance and as authorized by Section 53340 of the California Government Code, has authorized the levy of a special tax to pay the costs and expenses related to CFD No. 2006-1 and this legislative body desires to establish the specific special tax rate to be collected for the upcoming fiscal year.

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE LEGISLATIVE BODY AS FOLLOWS:

Section 1 That the above recitals are true and correct.

Section 2 The specific special tax rate to be collected for CFD No. 2006-1 for the upcoming fiscal year (2026/27) is hereby determined and established in the table below. A listing of individual parcels, showing the corresponding special tax rate, is attached hereto as "Exhibit A".

TYPE	RATE
Developed Property	$600.00 per Developed Property
Final Mapped Property	$300.00 per Final Mapped Property

Section 3 That the special tax rate as set forth above does not exceed the amount as previously authorized by ordinance of this legislative body and is not in excess of that as previously approved by the qualified electors of CFD No. 2006-1, and is in compliance with Proposition 218, Section XIII D of the Constitution of the State of California.

Section 4 That the proceeds of the special tax shall be used to pay, in whole or in part, the costs of the following:

A. **Preliminary and Incidental Expense and Appurtenant Work and Improvements** – the authorized facilities shall be deemed to include the costs and expenses of mobilization, clearing, grubbing, protective fencing and erosion control, excavation, dewatering, lime treatment, drainage ditches, rock outfalls, curb, gutter and sidewalks, base and finishing pavement, striping, traffic signals, street lights, landscaping, irrigation, soundwalls, retaining walls, barricades and related appurtenant work and facilities, together with the costs and expenses of engineering design, environmental analysis, utility relocation, permits for work in jurisdictional waters, right-of-way acquisition, plan review, project management, construction related surety bonds or like security instruments, construction staking and management, inspection and any like fees and costs incidental to such acquisition, construction and installation.

B. Fire station and related firefighting and suppression equipment, furniture and furnishings.

C. Police substation and related furniture, furnishings and equipment.

The proceeds of the special tax shall be used as set forth above and shall not be used for any other purpose.

Section 5 The special tax shall be collected in the same manner as ordinary ad valorem property taxes are collected and shall be subject to the same penalties and same procedure and sale in cases of delinquency for ad valorem taxes, and the Tax Collector is hereby authorized to deduct reasonable administrative costs incurred in collecting said special taxes.

Section 6 All monies collected shall be paid into a fund for CFD No. 2006-1, including any reserve fund amounts.

Section 7 The County Auditor is hereby directed to enter in the next County assessment roll on which taxes will become due, opposite each lot or parcel of land affected in a space marked “public services” or “special tax” or by any other suitable designation, the installment of the special tax and the exact rate of the special tax as stated above.

Section 8 The County Auditor shall then, at the close of the tax collection period, promptly render to the City of Oroville, a detailed report showing the amount(s) of such special tax installments, interest, penalties and percentages so collected and from what property collected, and also provide a statement of any percentages retained for the expense of making such collection.

PASSED AND ADOPTED by the Oroville City Council at a regular meeting held on August 4, 2026, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

David Pittman, Mayor

APPROVED AS TO FORM:

David Ritchie, City Attorney

ATTEST:

Brian Ring, City Clerk

EXHIBIT A – 2026/27 SPECIAL TAX ROLL

Tract Name	APN	Lot	Special Tax
Calle Vista 2	030-490-074-000	1	600.00
Calle Vista 2	030-490-075-000	2	600.00
Calle Vista 2	030-490-076-000	3	600.00
Calle Vista 2	030-490-077-000	4	600.00
Calle Vista 2	030-490-078-000	5	600.00
Calle Vista 2	030-490-079-000	6	600.00
Calle Vista 2	030-490-080-000	7	600.00
Calle Vista 2	030-490-081-000	8	600.00
Calle Vista 2	030-490-082-000	9	600.00
Calle Vista 2	030-490-083-000	10	600.00
Calle Vista 2	030-490-084-000	11	600.00
Calle Vista 2	030-490-085-000	12	600.00
Calle Vista 2	030-490-086-000	13	600.00
Calle Vista 2	030-490-087-000	14	600.00
Calle Vista 2	030-490-088-000	15	600.00
Calle Vista 2	030-490-089-000	16	600.00
Calle Vista 2	030-490-090-000	17	600.00
Calle Vista 2	030-490-091-000	18	600.00
Calle Vista 2	030-490-092-000	19	600.00
Calle Vista 2	030-490-093-000	20	600.00
Calle Vista 2	030-490-094-000	21	600.00
Calle Vista 2	030-490-095-000	22	600.00
Calle Vista 2	030-490-096-000	23	600.00
Calle Vista 2	030-490-097-000	24	600.00
Calle Vista 2	030-490-098-000	25	600.00
Calle Vista 2	030-490-099-000	26	600.00
Calle Vista 2	030-490-100-000	27	600.00
Calle Vista 2	030-490-101-000	28	600.00
Calle Vista 2	030-490-102-000	29	600.00
Calle Vista 2	030-490-103-000	30	600.00
Calle Vista 2	030-490-104-000	31	600.00
Calle Vista 2	030-490-105-000	32	600.00
Calle Vista 2	030-490-106-000	33	600.00
Calle Vista 2	030-490-107-000	34	600.00
Calle Vista 2	030-490-108-000	35	600.00
Calle Vista 2	030-490-109-000	36	600.00
Calle Vista 2	030-490-110-000	37	600.00
Calle Vista 2	030-490-111-000	38	600.00
Calle Vista 2	030-490-112-000	39	600.00
Calle Vista 2	030-490-113-000	40	600.00
Calle Vista 2	030-490-114-000	41	600.00
Calle Vista 2	030-490-115-000	42	600.00
Calle Vista 2	030-490-116-000	43	600.00
Calle Vista 2	030-490-117-000	44	600.00
Vista Del Oro	030-580-001-000	92	600.00
Vista Del Oro	030-580-002-000	91	600.00
Vista Del Oro	030-580-003-000	90	600.00
Vista Del Oro	030-580-004-000	89	600.00

Tract Name	APN	Lot	Special Tax
Vista Del Oro	030-580-005-000	88	600.00
Vista Del Oro	030-580-006-000	87	600.00
Vista Del Oro	030-580-007-000	86	600.00
Vista Del Oro	030-580-008-000	85	600.00
Vista Del Oro	030-580-009-000	80	600.00
Vista Del Oro	030-580-010-000	81	600.00
Vista Del Oro	030-580-011-000	82	600.00
Vista Del Oro	030-580-012-000	83	600.00
Vista Del Oro	030-580-013-000	84	600.00
Vista Del Oro	030-580-014-000	74	600.00
Vista Del Oro	030-580-015-000	75	600.00
Vista Del Oro	030-580-016-000	76	600.00
Vista Del Oro	030-580-017-000	77	600.00
Vista Del Oro	030-580-018-000	78	600.00
Vista Del Oro	030-580-019-000	79	600.00
Vista Del Oro	030-580-020-000	68	600.00
Vista Del Oro	030-580-021-000	69	600.00
Vista Del Oro	030-580-022-000	70	600.00
Vista Del Oro	030-580-023-000	71	600.00
Vista Del Oro	030-580-024-000	72	600.00
Vista Del Oro	030-580-025-000	73	600.00
Vista Del Oro	030-580-026-000	61	600.00
Vista Del Oro	030-580-027-000	62	600.00
Vista Del Oro	030-580-028-000	63	600.00
Vista Del Oro	030-580-029-000	64	600.00
Vista Del Oro	030-580-050-000	65	600.00
Vista Del Oro	030-580-051-000	66	600.00
Vista Del Oro	030-580-032-000	67	600.00
Vista Del Oro	030-580-033-000	54	600.00
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Vista Del Oro	030-580-041-000	34	600.00
Vista Del Oro	030-580-042-000	35	600.00
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Vista Del Oro	030-580-045-000	38	600.00
Vista Del Oro	030-580-046-000	39	600.00
Vista Del Oro	030-590-001-000	1	600.00
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Vista Del Oro	030-590-003-000	3	600.00
Vista Del Oro	030-590-004-000	4	600.00
Vista Del Oro	030-590-005-000	5	600.00
Vista Del Oro	030-590-049-000	6	600.00
Vista Del Oro	030-590-050-000	7	600.00
Vista Del Oro	030-590-051-000	8	600.00

Tract Name	APN	Lot	Special Tax
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Vista Del Oro	030-590-010-000	10	600.00
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Vista Del Oro	030-590-012-000	12	600.00
Vista Del Oro	030-590-013-000	13	600.00
Vista Del Oro	030-590-014-000	14	600.00
Vista Del Oro	030-590-015-000	15	600.00
Vista Del Oro	030-590-016-000	16	600.00
Vista Del Oro	030-590-017-000	17	600.00
Vista Del Oro	030-590-018-000	18	600.00
Vista Del Oro	030-590-019-000	19	600.00
Vista Del Oro	030-590-020-000	20	600.00
Vista Del Oro	030-590-021-000	21	600.00
Vista Del Oro	030-590-022-000	22	600.00
Vista Del Oro	030-590-023-000	23	600.00
Vista Del Oro	030-590-024-000	24	600.00
Vista Del Oro	030-590-025-000	25	600.00
Vista Del Oro	030-590-026-000	26	600.00
Vista Del Oro	030-590-027-000	27	600.00
Vista Del Oro	030-590-028-000	28	600.00
Vista Del Oro	030-590-029-000	29	600.00
Vista Del Oro	030-590-030-000	30	600.00
Vista Del Oro	030-590-031-000	31	600.00
Vista Del Oro	030-590-032-000	32	600.00
Vista Del Oro	030-590-033-000	33	600.00
Vista Del Oro	030-590-034-000	34	600.00
Vista Del Oro	030-590-035-000	35	600.00
Vista Del Oro	030-590-036-000	36	600.00
Vista Del Oro	030-590-037-000	37	600.00
Vista Del Oro	030-590-038-000	38	600.00
Vista Del Oro	030-590-039-000	39	600.00
Vista Del Oro	030-590-040-000	40	600.00
Vista Del Oro	030-590-041-000	41	600.00
Vista Del Oro	030-590-042-000	42	600.00
Vista Del Oro	030-590-043-000	43	600.00
Vista Del Oro	030-590-044-000	44	600.00
Vista Del Oro	030-590-045-000	45	600.00
Vista Del Oro	030-590-046-000	46	600.00
	Totals:	**136**	**$81,600.00**

CITY OF OROVILLE
RESOLUTION NO. 9480

A RESOLUTION OF THE CITY COUNCIL ESTABLISHING THE ANNUAL SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT NO. 2006-2, PUBLIC SAFETY SERVICES, FOR FISCAL YEAR 2026-27

WHEREAS, the Oroville City Council (hereafter referred to as the "legislative body"), has initiated proceedings, held a public hearing, conducted an election and received a favorable vote from the qualified electors relating to the levy of a special tax in a special tax district, all as authorized pursuant to the terms and provisions of the "Mello Roos Community Facilities Act of 1982", being Chapter 2.5, Part 1, Division 2, Title 5 of the California Government Code. Said special tax district is known and designated as Community Facilities District No. 2006-2, Public Safety Services (hereafter referred to as "CFD No. 2006-2") and,

WHEREAS, the legislative body, by ordinance and as authorized by Section 53340 of the California Government Code, has authorized the levy of a special tax to pay the costs and expenses related to CFD No. 2006-2 and this legislative body desires to establish the specific special tax rate to be collected for the upcoming fiscal year.

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE LEGISLATIVE BODY AS FOLLOWS:

Section 1 That the above recitals are true and correct.

Section 2 The specific special tax rate to be collected for CFD No. 2006-2 for the upcoming fiscal year (2026-27) is hereby determined and established in the table below. A listing of individual parcels, showing the corresponding special tax rate, is attached hereto as "Exhibit A".

TYPE	RATE
Developed Property	$600.00 per Developed Property
Final Mapped Property	$300.00 per Final Mapped Property

Section 3 That the special tax rate as set forth above does not exceed the amount as previously authorized by ordinance of this legislative body and is not in excess of that as previously approved by the qualified electors of CFD No. 2006-2, and is in compliance with Proposition 218, Section XIII D of the Constitution of the State of California.

Section 4 That the proceeds of the special tax shall be used to pay, in whole or in part, the costs of the following:

A. Fire protection and suppression.

B. Police protection.

The proceeds of the special tax shall be used as set forth above and shall not be used for any other purpose.

Section 5 The special tax shall be collected in the same manner as ordinary ad valorem property taxes are collected and shall be subject to the same penalties and same procedure and sale in cases of delinquency for ad valorem taxes, and the Tax Collector is hereby authorized to deduct reasonable administrative costs incurred in collecting said special taxes.

Section 6 All monies collected shall be paid into a fund for CFD No. 2006-2, including any reserve fund amounts.

Section 7 The County Auditor is hereby directed to enter in the next County assessment roll on which taxes will become due, opposite each lot or parcel of land affected in a space marked "public services" or "special tax" or by any other suitable designation, the installment of the special tax and the exact rate of the special tax as stated above.

Section 8 The County Auditor shall then, at the close of the tax collection period, promptly render to the City of Oroville, a detailed report showing the amount(s) of such special tax installments, interest, penalties and percentages so collected and from what property collected, and also provide a statement of any percentages retained for the expense of making such collection.

PASSED AND ADOPTED by the Oroville City Council at a regular meeting held on August 4, 2026, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

David Pittman, Mayor

APPROVED AS TO FORM:

David Ritchie, City Attorney

ATTEST:

Brian Ring, City Clerk

EXHIBIT A – 2026/27 SPECIAL TAX ROLL

Tract Name	APN	Lot	Special Tax
Calle Vista 2	030-490-074-000	1	600.00
Calle Vista 2	030-490-075-000	2	600.00
Calle Vista 2	030-490-076-000	3	600.00
Calle Vista 2	030-490-077-000	4	600.00
Calle Vista 2	030-490-078-000	5	600.00
Calle Vista 2	030-490-079-000	6	600.00
Calle Vista 2	030-490-080-000	7	600.00
Calle Vista 2	030-490-081-000	8	600.00
Calle Vista 2	030-490-082-000	9	600.00
Calle Vista 2	030-490-083-000	10	600.00
Calle Vista 2	030-490-084-000	11	600.00
Calle Vista 2	030-490-085-000	12	600.00
Calle Vista 2	030-490-086-000	13	600.00
Calle Vista 2	030-490-087-000	14	600.00
Calle Vista 2	030-490-088-000	15	600.00
Calle Vista 2	030-490-089-000	16	600.00
Calle Vista 2	030-490-090-000	17	600.00
Calle Vista 2	030-490-091-000	18	600.00
Calle Vista 2	030-490-092-000	19	600.00
Calle Vista 2	030-490-093-000	20	600.00
Calle Vista 2	030-490-094-000	21	600.00
Calle Vista 2	030-490-095-000	22	600.00
Calle Vista 2	030-490-096-000	23	600.00
Calle Vista 2	030-490-097-000	24	600.00
Calle Vista 2	030-490-098-000	25	600.00
Calle Vista 2	030-490-099-000	26	600.00
Calle Vista 2	030-490-100-000	27	600.00
Calle Vista 2	030-490-101-000	28	600.00
Calle Vista 2	030-490-102-000	29	600.00
Calle Vista 2	030-490-103-000	30	600.00
Calle Vista 2	030-490-104-000	31	600.00
Calle Vista 2	030-490-105-000	32	600.00
Calle Vista 2	030-490-106-000	33	600.00
Calle Vista 2	030-490-107-000	34	600.00
Calle Vista 2	030-490-108-000	35	600.00
Calle Vista 2	030-490-109-000	36	600.00
Calle Vista 2	030-490-110-000	37	600.00
Calle Vista 2	030-490-111-000	38	600.00
Calle Vista 2	030-490-112-000	39	600.00
Calle Vista 2	030-490-113-000	40	600.00
Calle Vista 2	030-490-114-000	41	600.00
Calle Vista 2	030-490-115-000	42	600.00
Calle Vista 2	030-490-116-000	43	600.00
Calle Vista 2	030-490-117-000	44	600.00
Vista Del Oro	030-580-001-000	92	600.00
Vista Del Oro	030-580-002-000	91	600.00
Vista Del Oro	030-580-003-000	90	600.00
Vista Del Oro	030-580-004-000	89	600.00

Tract Name	APN	Lot	Special Tax
Vista Del Oro	030-580-005-000	88	600.00
Vista Del Oro	030-580-006-000	87	600.00
Vista Del Oro	030-580-007-000	86	600.00
Vista Del Oro	030-580-008-000	85	600.00
Vista Del Oro	030-580-009-000	80	600.00
Vista Del Oro	030-580-010-000	81	600.00
Vista Del Oro	030-580-011-000	82	600.00
Vista Del Oro	030-580-012-000	83	600.00
Vista Del Oro	030-580-013-000	84	600.00
Vista Del Oro	030-580-014-000	74	600.00
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Vista Del Oro	030-580-023-000	71	600.00
Vista Del Oro	030-580-024-000	72	600.00
Vista Del Oro	030-580-025-000	73	600.00
Vista Del Oro	030-580-026-000	61	600.00
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Vista Del Oro	030-580-032-000	67	600.00
Vista Del Oro	030-580-033-000	54	600.00
Vista Del Oro	030-580-034-000	55	600.00
Vista Del Oro	030-580-035-000	56	600.00
Vista Del Oro	030-580-052-000	57	600.00
Vista Del Oro	030-580-053-000	58	600.00
Vista Del Oro	030-580-054-000	59	600.00
Vista Del Oro	030-580-039-000	60	600.00
Vista Del Oro	030-580-040-000	33	600.00
Vista Del Oro	030-580-041-000	34	600.00
Vista Del Oro	030-580-042-000	35	600.00
Vista Del Oro	030-580-043-000	36	600.00
Vista Del Oro	030-580-044-000	37	600.00
Vista Del Oro	030-580-045-000	38	600.00
Vista Del Oro	030-580-046-000	39	600.00
Vista Del Oro	030-590-001-000	1	600.00
Vista Del Oro	030-590-002-000	2	600.00
Vista Del Oro	030-590-003-000	3	600.00
Vista Del Oro	030-590-004-000	4	600.00
Vista Del Oro	030-590-005-000	5	600.00
Vista Del Oro	030-590-049-000	6	600.00
Vista Del Oro	030-590-050-000	7	600.00
Vista Del Oro	030-590-051-000	8	600.00

Tract Name	APN	Lot	Special Tax
Vista Del Oro	030-590-052-000	9	600.00
Vista Del Oro	030-590-010-000	10	600.00
Vista Del Oro	030-590-011-000	11	600.00
Vista Del Oro	030-590-012-000	12	600.00
Vista Del Oro	030-590-013-000	13	600.00
Vista Del Oro	030-590-014-000	14	600.00
Vista Del Oro	030-590-015-000	15	600.00
Vista Del Oro	030-590-016-000	16	600.00
Vista Del Oro	030-590-017-000	17	600.00
Vista Del Oro	030-590-018-000	18	600.00
Vista Del Oro	030-590-019-000	19	600.00
Vista Del Oro	030-590-020-000	20	600.00
Vista Del Oro	030-590-021-000	21	600.00
Vista Del Oro	030-590-022-000	22	600.00
Vista Del Oro	030-590-023-000	23	600.00
Vista Del Oro	030-590-024-000	24	600.00
Vista Del Oro	030-590-025-000	25	600.00
Vista Del Oro	030-590-026-000	26	600.00
Vista Del Oro	030-590-027-000	27	600.00
Vista Del Oro	030-590-028-000	28	600.00
Vista Del Oro	030-590-029-000	29	600.00
Vista Del Oro	030-590-030-000	30	600.00
Vista Del Oro	030-590-031-000	31	600.00
Vista Del Oro	030-590-032-000	32	600.00
Vista Del Oro	030-590-033-000	33	600.00
Vista Del Oro	030-590-034-000	34	600.00
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Vista Del Oro	030-590-046-000	46	600.00
	Totals:	**136**	**$81,600.00**

PROPOSITION 218 OR COMPLIANCE CERTIFICATION AND HOLD HARMLESS STATEMENT 2026-2027

The Agency/District of City of Oroville certifies the following:

I have read and am familiar with the requirements of Article XIIIC and XIIID of the State Constitution as revised by Proposition 218, including the articles cited below, and believe that all of the taxes, assessments, levies and fees accompanying the **2026-2027** submission to the County-Auditor for inclusion on the Secured Property Tax roll are in compliance with the law.

Article XIII C. Sec. 2 (c) "*Any general tax imposed, extended, or increased, without voter approval, by any local government on or after January 1, 1995, and prior to the effective date of this article, shall continue to be imposed only if approved by a majority vote of the voters voting in an election on the issue of the imposition, which election shall be held within two years of the effective date of this article and in compliance with subdivision (b).*"

Article XIII D. Sec. 5 *"…this article shall become effective the day after the election unless otherwise provided. Beginning July 1, 1997, all existing, new, or increased assessments shall comply with this article."*

Article XIII E. Sec. 6 (d) *Beginning July 1, 1997, all fees or charges shall comply with this section."*

The Agency/District agrees that it shall be solely liable and responsible and will defend and hold harmless the County of Butte, the Board of Supervisors, the Auditor-Controller, the Tax Collector, its officers and employees, from litigation over whether the requirements of Proposition 218 were met with respect to such levy (levies).

If any judgment is entered against any indemnified party as a result of not meeting the requirements of Proposition 218 for such special tax(es), fee(s) or assessment(s), the Agency/District agrees that County may offset the amount of any judgment paid by an indemnified party from any moneys collected by County on Agency/District's behalf, including property taxes, special taxes, fees, or assessments. In addition, the Agency/District shall be solely liable and responsible and will defend and hold the County and the County Auditor harmless from any and all legal fees or other costs incurred related to such a claim.

By: _____

ASSESSMENT TITLE: Westwide Public Safety Facilities CFD No. 2006-1 TAXCODE: 94000

PLEASE ONLY CHECK ONE:

Is This a Compliance Certification_____X_____ OR A Proposition 218 Certification_____?

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By: _____

ASSESSMENT TITLE: Westwide Public Safety Facilities CFD No. 2006-2 TAXCODE: 94001

PLEASE ONLY CHECK ONE:

Is This a Compliance Certification_____X_____ OR A Proposition 218 Certification_____?

CITY OF OROVILLE
STAFF REPORT

TO: **MAYOR PITTMAN AND COUNCIL MEMBERS**

FROM: **JASON WINES, POLICE CHIEF**

RE: **CREATION OF POLICE ADMINISTRATIVE MANAGER CLASSIFICATION**

DATE: **AUGUST 4, 2026**

SUMMARY

The City Council shall consider approving the addition of a Police Administrative Manager (PAM) position and the deletion of one vacant Administrative Assistant position. Collectively, with the other deletions made during the budget process, this restructure is projected to provide approximately $250,000 in savings.

DISCUSSION

The Oroville Police Department has been undergoing a comprehensive organizational restructuring to improve operational efficiency, effectiveness, and long-term sustainability. In addition to these organizational changes, ongoing budget constraints have become a significant factor in evaluating the Department's staffing structure and resource allocation.

In January 2025, the Department had two vacant Lieutenant positions. One of these vacancies was filled in late spring 2025. However, due to a limited pool of qualified candidates and fiscal challenges, filling the remaining Lieutenant position has not been feasible. After careful evaluation, the Department has determined that, at this time, eliminating the third authorized Lieutenant position was the most prudent course of action. Eliminating the position is expected to generate an estimated annual savings of approximately $227,000. This reduction was approved as part of the 2026/27 budget.

The Police Department had previously employed two Administrative Assistants allocations. While these positions perform essential administrative functions that support daily operations, they are entry-level classifications. The Department believes there is insufficient work to justify maintaining two separate positions. Both administrative positions are vacant with one of the positions being removed as part of the 2026/27 budget. In light of the removal of one Lieutenant position, and after evaluating current workloads and organizational needs, the Department proposes eliminating the remaining Administrative Assistant position.

With the reduction of both Administrative Assistant positions and the reduction of one Lieutenant, the department has a large gap in operational ability. The Department requests, in lieu of the vacated positions, to create a singular, management level position designed to address operation and administrative tasks. The Department recommends a new classification of Police Administrative Manager (PAM) be added to the Police Department.

The proposed PAM will provide centralized oversight of the Records Division while assuming responsibility for a broad range of administrative functions, as detailed in the attached job description. In addition to performing many of the duties currently assigned to the Administrative Assistants, the PAM will assume several high-level administrative responsibilities that would otherwise fall to the vacant Lieutenant position. This restructuring will improve coordination, strengthen administrative oversight, and allow sworn personnel to remain focused on law enforcement and operational responsibilities.

Due to the scope of responsibility and level of independent decision-making required, the PAM is proposed as a management classification within the City's Management Association. The recommended salary schedule is attached for consideration. Replacing two Administrative Assistant positions with one PAM position is projected to result in an annual savings of approximately $28,000.

Overall, this proposal reflects a balanced approach that addresses the City's current fiscal constraints while maintaining essential administrative support for Department operations. Although the Department continues to believe a third Lieutenant position is ultimately necessary to support future growth and organizational effectiveness, temporarily eliminating the position and establishing the PAM classification represents the most responsible and efficient use of City resources. As stated above, The Department recommends reevaluating the need for the third Lieutenant position within the next three to five years as staffing levels, operational demands, and financial conditions evolve.

FISCAL IMPACT

Elimination of one Police Lieutenant results in an annual savings of approximately $227,000.

Elimination of two administrative assistant positions in exchange for one Police Administrative Manager position will result in annual savings of approximately $28,000; for an overall annual savings of approximately $255,000.

ACTION(S) REQUESTED -

1. **DELETE REMAINING ADMINISTRATIVE ASSISTANT ALLOCATION (OTHER REMOVED THROUGH BUDGET APPROVAL 7-7-26); AND**
2. **CREATE AND ADDITION OF ONE POLICE ADMINISTRATIVE MANAGER POSITION; AND**
3. **APPROVE SALARY SCHEDULE FOR POLICE ADMINISTRATIVE POSITION.**

ATTACHMENTS

Police Administrative Manager job description
Police Administrative Manager salary schedule

POLICE ADMINISTRATIVE MANAGER

DEFINITION

The Police Administrative Manager, reporting to the Chief of Police, oversees the Police Department's administrative functions as the highest non-sworn position. The role manages the Records Division, department-wide training, personnel and HR coordination, budgeting and financial processes, and grant research and preparation. This position serves on the leadership team and ensures compliance with all applicable laws, policies, and accreditation standards.

SUPERVISION RECEIVED AND EXERCISED

Receives general direction from the Chief of Police.

EXAMPLES OF ESSENTIAL FUNCTIONS - *Essential functions may include, but are not limited to, the following:*

Direct, supervise, and evaluate the operations of the Police Records Division.

Ensure the accuracy, security, retention, and dissemination of police records in accordance with state and federal laws.

Develop and implement policies and procedures related to records management and public records requests.

Ensure compliance with Criminal Justice Information Services (CJIS) requirements and other applicable regulations.

Oversee records management systems and coordinate technology improvements.

Coordinate department-wide training programs and professional development opportunities.

Schedule and track employee certifications, licenses, and continuing education requirements.

Work with supervisors, training providers, and regulatory agencies to identify training needs and opportunities.

Prepare reports related to training compliance and department readiness.

Coordinate with Human Resources for items involving recruitment, hiring, onboarding, promotions, transfers, and separations.

Serve as a liaison between the Police Department and Human Resources.

Monitor the department's annual operating and capital budgets.

Track expenditures, revenues, prepare basic financial reports, completes A/P and budget projections.

Coordinate purchasing, procurement, and contract administration,

Monitor grants, asset forfeiture funds, compliance requirements, reporting deadlines, and performance measures, and other special funding sources.

Ensure compliance with municipal financial policies and auditing requirements.

Assist with research, identify, and pursue grant funding opportunities.

Assist in preparing and submitting grant applications and supporting documentation.

Coordinate grant-funded projects and ensure proper fiscal accountability.

Assist in preparing grant status reports for department leadership and funding agencies.

Develop and implement administrative policies, procedures, and best practices.

Prepare reports, presentations, statistical analyses, and other management documents.

Analyze operational and administrative data to support strategic planning and decision-making.

Ordering and maintaining office supplies.

Serve as a member of the department's management team and participate in organizational planning.

MINIMUM QUALIFICATIONS

Knowledge of:

Principles and practices of public administration and police administration.

Records management laws, regulations, and best practices.

Budget preparation, financial management, and governmental accounting principles.

Human resources administration and employment regulations.

Grant research, writing, administration, and compliance.

Training program development and regulatory compliance requirements.

Knowledge of CJIS requirements and law enforcement records systems.

Modern office technologies, records management systems, and database applications.

Ability to:

Plan, organize, and supervise complex administrative operations.

Analyze problems and develop effective solutions.

Interpret and apply laws, regulations, policies, and procedures.

Prepare clear and concise reports, correspondence, and grant applications.

Manage multiple projects and deadlines simultaneously.

Maintain confidentiality and exercise sound judgment.

Establish and maintain effective working relationships with employees, government agencies, and community stakeholders.

Communicate effectively both orally and in writing.

Education:

Bachelor's degree in public administration, Business Administration, Criminal Justice, Human Resources, Finance, Accounting, or a closely related field.

Experience:

Five (5) years professional administrative experience; three (3) years supervisory experience required; law enforcement experience desirable.

Substitution:

A master's degree in public administration, Business Administration, Criminal Justice, Human Resources, Finance, Accounting, or a closely related field may be substituted for one year of the required experience.

Additional Requirements:

Possession and maintenance of a valid California Class C Driver License

TYPICAL WORKING CONDITIONS

Work typically is performed in a normal office environment. Occasionally work is performed outdoors, possibly exposing employee to traffic and construction hazards, adverse weather conditions, wetness and humidity, above-average noise, air contaminants, fumes, and dust.

TYPICAL PHYSICAL REQUIREMENTS

Requires the ability to sit at desk for long periods of time and intermittently walk, stand, stoop, kneel, crouch, and reach while performing office and field inspection duties; lift and/or move objects weighing up to 25 pounds; use hands to finger, handle or feel objects, tools, or controls. Must be able to maintain effective audio-visual discrimination and perception needed for making observations, communicating with others, reading, and writing, and operating office equipment. Must be able to use a telephone to communicate verbally and a keyboard to communicate through written means, to review information and enter/retrieve data, to see and read characters on a computer screen.

This class specification lists the major duties and requirements of the job and is not all-inclusive. Incumbents may be expected to perform job-related duties other than those contained in this document.

e Administrative Manager	$75,400.85	$79,170.89	$83,129.43	$87,285.90	$91,650.20	$96,232.71	$101,044.34	$106,096.56	Annual
	$6,283.40	$6,597.57	$6,927.45	$7,273.83	$7,637.52	$8,019.39	$8,420.36	$8,841.38	Monthly
	$36.2504	$38.0629	$39.9661	$41.9644	$44.0626	$46.2657	$48.5790	$51.0080	Hourly

CITY OF OROVILLE
STAFF REPORT

TO: **MAYOR PITTMAN AND COUNCIL MEMBERS**

FROM: **BRIAN RING, CITY ADMINISTRATOR**

RE: **DIRECTION TO SEEK OUTSIDE COUNSEL TO ASSIST WITH THE REVIEW AND DRAFTING RESPONSE TO GRAND JURY REPORT**

DATE: **AUGUST 4, 2026**

SUMMARY

Staff is requesting City Council approval to seek outside counsel to assist with the review and drafting of response to Grand Jury Report.

DISCUSSION

The 2025/26 Butte County Grand Jury report was completed and released to the public on June 26, 2026. Included in the report is one section titled “City of Oroville, Good Intentions Gone Awry.” There are seven findings including in the section along with seven recommendations. Pursuant to Penal Code sections 933 and 933.05, the Oroville City Council must respond to the findings and the recommendations within 90 days. At the July 21, 2026 City Council meeting, the Council appointed a 3-member ad hoc committee to review the findings and recommendations of the report and assemble a draft response which would be presented to the entire Council for consideration prior to submitting.

With the recusal of Assistant City Attorney on this matter, staff are requesting ability to seek outside counsel to assist.

FISCAL IMPACT

To be determined – estimated to be under $7,500.

ACTION REQUESTED –

DIRECT STAFF TO SEEK OUTSIDE COUNSEL TO ASSIST WITH THE REVIEW AND DRAFTING OF RESPONSE TO GRAND JURY REPORT.

ATTACHMENTS

None.

2026 OEA ANNUAL BBQ

From Independence to Opportunity

CELEBRATING AMERICA'S PAST. BUILDING OROVILLE'S FUTURE.



THURSDAY, SEPTEMBER 3, 2026

★ 6:00 PM – 8:00 PM ★

RIFFLES RESORT

4488 PACIFIC HEIGHTS RD., OROVILLE

★ CATERED BY HUNTER DRAKE CATERING INC. ★

An Evening of Great Food, Community & Hometown Pride

- HUNTER DRAKE BBQ DINNER
- NETWORKING WITH COMMUNITY LEADERS
- LIVE MUSIC
- RAFFLE PRIZES
- PRESENTATION BY CEO ERIC SMITH
- BEAUTIFUL OUTDOOR SETTING AT RIFFLES RESORT

★ ABOUT THE EVENT ★

Join the Oroville Economic Alliance for an evening of great food, community connections, and hometown celebration. Proceeds from the Annual BBQ help support the OEA's events and tourism initiatives, including Feather Fiesta Days, the Fourth of July Celebration, the Annual BBQ, the Salmon Festival, and other efforts that promote Oroville as a destination to live, work, and visit.

★ TICKETS ★

INDIVIDUAL TICKET
$75

RESERVED TABLE OF 8
$550
Reserved tables are perfect for businesses, organizations, families, and groups of friends.

PURCHASE TICKETS & LEARN MORE → VISITOROVILLE.COM/OEA-ANNUAL-BBQ

★ THANK YOU SPONSORS ★

OROVILLE ECONOMIC ALLIANCE

E Center

CITY OF OROVILLE
STAFF REPORT

TO: **MAYOR PITTMAN AND COUNCIL MEMBERS**

FROM: **BRIAN RING, CITY ADMINISTRATOR**

RE: **EMPLOYMENT CONTRACT WITH PATRICK PIATT FOR POSITION OF DIRECTOR – COMMUNITY DEVELOPMENT**

DATE: **AUGUST 4, 2026**

SUMMARY

The City Council shall consider entering into a new employment contract with Patrick Piatt for the position of Director – Community Development, with an annual salary of $158,028.

DISCUSSION

Pat Piatt, Director – Community Development has been employed by the City since August 7, 2023 when he was initially hired as Director – Community Development.

The Government Code requires that all contracts for employment, including amendments, be approved at a regularly scheduled Council Meeting. This new agreement with Mr. Piatt calls for the following adjustments in comparison to her existing expiring contract:

- No change in compensation, remaining at Step F on the Department Head salary schedule, with an annual salary of $158,028.
- Advancement of vacation accrual from one hundred sixty-eight (168) hours per year, to one hundred seventy-six (176) hours per year, with an effective date of August 7, 2026.

Staff have prepared an employment contract with Mr. Piatt with an annual salary of $158,028 (Step F of the Department Heads salary schedule), for a term of two years, from August 7, 2026 through August 6, 2028.

FISCAL IMPACT

There are sufficient appropriations in the Fiscal Year 2025-26 budget**.**

ACTION(S) REQUESTED –

1. **APPROVE EMPLOYMENT CONTRACT NO. 3592; AND**
2. **ADOPT RESOLUTION NO. 9481 - A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN EMPLOYMENT AGREEMENT BETWEEN THE CITY OF OROVILLE AND PATRICK PIATT.**

ATTACHMENTS:

Employment Contract No. 3592
Resolution No. 9482

EMPLOYMENT AGREEMENT FOR DIRECTOR OF COMMUNITY DEVELOPMENT BETWEEN THE CITY OF OROVILLE AND PATRICK PIATT

The employment agreement (“Agreement”) is made by and between the City of Oroville ("City") and Patrick Piatt ("Piatt"), collectively, the “Parties”, effective August 7, 2026. The Parties hereby agree as follows:

WHEREAS, City desires to employ the services of Piatt as its Director of Community Development; and

WHEREAS, it is the desire of the City Council (“Council”) of the City to provide certain benefits, to establish certain conditions of employment and to set working conditions for Piatt; and

WHEREAS, Piatt desires to be employed as the Director of Community Development of the City.

NOW THEREFORE, in consideration of the mutual covenants herein contained, the parties agree that the Agreement supersedes in total any prior employment agreements or Memorandum of Understandings between the parties, and further agree as follows:

Section 1. Duties:

City hereby agrees to employ Piatt as the Director of Community Development of City to perform the functions and duties specified for the position in the City Charter, Municipal Code of the City and such other legally permissible and proper duties and functions as the Council shall from time to time assign him.

Section 2. Term; Termination: Severance Compensation:

A. The term of this Agreement shall be effective August 7, 2026, and shall continue until August 6, 2028. On or before February 8, 2028, Piatt shall give written notice to City if he wishes to extend the agreement on the same terms and conditions. Thereafter the Council shall determine, within 30 days, whether it wishes to continue and/or extend the agreement and shall give written notice to Piatt of its decision. If the Council approves the continuation and/or extension, the parties shall meet to agree upon the terms of a new or extended agreement. If the Council disapproves the continuation and/or extension, or if the parties fail to agree upon the terms of a new or extended agreement, this Agreement shall terminate as outlined above, and thereafter Piatt shall not be entitled to any compensation except for any accrued vested benefits as listed below.

B. If Piatt resigns him position as Director of Community Development before the expiration date of the initial or any extended term of this Agreement, Piatt shall give the City a sixty (60) day written notice in advance. In such event, Piatt shall not be entitled to the severance compensation provided for in Section 2.C of this Agreement. The City Administrator, in concurrence with the Council, may reduce the required notice to not less than thirty (30) days without penalty should Piatt make such request.

C. City may terminate this Agreement at any time with or without cause. If the City discharges Piatt from him position, without cause, as Director of Community Development, the City shall pay Piatt a lump-sum cash payment equal to six (6) months’ salary. In addition, Piatt shall also be compensated for all vested accrued leave time, which is currently defined as all accumulated and unused vacation. However, in the event Piatt is discharged for cause or for conviction of a crime, City shall have no obligation to pay any severance compensation and will only be obligated to pay out vested accrued vacation time. In any event, if the City chooses to terminate the agreement, Piatt shall have the opportunity, if eligible, to retire from City employment through PERS, in lieu of termination.

Section 3. Drug Testing Policy:

Piatt agrees to comply with the City of Oroville's Substance Abuse Policy Statement, as outlined in the City of Oroville's Policy and Procedures.

Section 4. Non-Industrial Injury/ Illness:

If Piatt becomes permanently disabled or is otherwise unable to perform his duties because of sickness, accident, injury, mental incapacity, or health for a period of four successive weeks beyond exhaustion of any accrued leave, City shall have the option to terminate the Agreement without any lump sum payment due as articulated in section 2. C., provided, however City shall be required to comply with the provisions of the Americans with Disabilities Act and the California Fair Employment and Housing Act. Piatt acknowledges and agrees that his position meets the definition of a "Key employee" for purposes of these laws.

Section 5. Salary:

City agrees to continue to pay Piatt at Step F of the department head salary schedule, an annual base salary of $158,028, upon the effective date noted above and payable at the same time and manner as other Council Appointed Employees of the City are paid.

Section 6. Performance Evaluation:

The Council shall direct the City Administrator to complete a performance evaluation of Piatt each year of the contract and during any extension period of the contract. Upon the Council's concurrence with the satisfactory review, Piatt will be eligible for a step increase within the overall range for the position. Such review and evaluation shall be in accordance with specific criteria developed jointly by the City Administrator and Piatt. Such criteria may be added to or deleted from, as the City Administrator may determine from time to time, in consultation with Piatt. The City Administrator's evaluation of Piatt will be shared with the Mayor and Council. The Mayor and Council may add additional comments to Piatt's final evaluation.

Section 7. Hours of Work; Administrative Leave:

Piatt shall be employed on a full-time basis, and for optimal customer service should perform such work during normal business hours. However, it is recognized that Piatt shall be required to devote a great deal of time outside of normal office hours on business of City, and to that end he shall be allowed to take 85 hours per fiscal year of Administrative Leave. Such leave may be taken only upon approval of the City Administrator. Any remaining unused Administrative leave, up to a maximum of 40 hours shall be cashed out on the 2nd pay period in June of each year. Administrative leave balances remaining after cash-out at the end of each fiscal year are lost.

Section 8. Bereavement Leave:

When compelled to be absent from work by reason of death of an immediate family member, or where death appears imminent, Piatt shall be entitled to receive up to forty (40) hours of Bereavement Leave, which shall not be charged against his sick leave. Before taking such leave, Piatt shall notify the City Administrator in writing of the time of absence needed and the expected date of return to work. For purposes of this section, immediate family is defined as spouse; natural, step or legal child; parent; brother; sister; grandparent; grandchild; mother-in-law or father-in-law.

Section 9. Automobile Allowance:

City shall provide an automobile to Piatt suitable for his use while performing his duties as the Director of Community Development or compensate him, if no vehicle is available, at the rate of $300.00 per month in compliance with Internal Revenue Regulation Section 1.274.5T(k)(6).

Section 10. Vacation and Sick Leave:

Section 10.1 Sick Leave:
Piatt shall continue to accumulate sick leave at the rate of eight (8) hours for each month of employment. Piatt shall be permitted to accumulate an unlimited amount of sick leave.

Section 10.2 Vacation Leave:
Piatt shall accumulate vacation leave at the maximum rate of one hundred seventy-six (176) hours of vacation per year. Eight (8) additional hours per year shall be added to the accumulation rate, listed above, on the employees' anniversary date in his department head position until a maximum rate of two hundred (200) hours per year is reached.

Vacation accruals shall be limited to a maximum of three times (3x) the annual accrual rate.

Piatt may request to cash out up to 120 hours of accrued, unused vacation time in each fiscal year. The City's retains sole discretion to approve or disapprove any request, in whole or in part, dependent on budget conditions.

Section 11. Medical, Vision, Life, Disability and Dental Insurance:

The City shall pay one hundred percent (100%) of the premiums for Medical, Dental, Vision, Long-Term Disability and Life Insurance for Piatt and his eligible dependents.

City Paid Medical Benefit after Retirement

This section will terminate in five years on June 4, 2029, without reconsideration or negotiations with the Department Head. The Oroville City Council, at its sole discretion, may reinstate and/or continue this program if it is economically sustainable.

1. The City agrees to provide 100% of the cost of the least expensive health insurance plan available for employees for employee only, after retirement to employees who have completed 20 years of service with the City of Oroville and are at least 5 years past their earliest retirement date provide by their CalPERS retirement plan. For example: An employee that has 2%@55 CalPERS formula would be eligible for retiree medical insurance after 20 years of service and is at least 60 years old. This benefit will continue until the employee reaches the age required to receive Medicare benefits. If the employee wises to add a spouse to this benefit all increased costs will be paid by the employee. Once the employee has retired and is on this benefit, the City may not withdraw from this agreement, even if this benefit is discontinued for future employees.

2. The City agrees to provide 75% of the cost for the least expensive health insurance plan available for employees for employee only, after retirement for employees who have completed 15 years of service with the City of Oroville and are at least 5 years past their earliest retirement date provide by their CalPERS retirement plan. This benefit will continue until the employee reaches the age required to receive Medicare benefits. If the employee wishes to add a spouse to this benefit all increased costs will be paid by the employee. Once the employee has retired and is on this benefit, the City may not withdraw from this agreement, even if this benefit is discontinued for future employees.

3. The City agrees to provide 50% of the cost for the least expensive health insurance plan available for employees for employee only, after retirement for employees who have completed 10 years of service with the City of Oroville and are at least 5 years past their earliest retirement

date provide by their CalPERS retirement plan. This benefit will continue until the employee reaches the age required to receive the Medicare benefit. If the employee wishes to add a spouse to this benefit all increased costs will be paid by the employee. Once the employee has retired and is on this benefit, the City may not withdraw from this agreement, even if this benefit is discontinued for future employees.

Section 12. Holidays: Piatt is authorized to celebrate the following holidays:

1. New Year's Day
2. Martin Luther King Day
3. Lincoln's Birthday
4. President's Day
5. Memorial Day
6. Juneteenth
7. Independence Day
8. Labor Day
9. Veteran's Day
10. Thanksgiving Day
11. The Day After Thanksgiving Day
12. Last Workday Before Christmas Day
13. Christmas Day

Piatt shall be compensated for each holiday at the straight time compensation rate.

Section 13. Technology Fee:

City shall provide a technology allowance to Piatt in the amount of $100/month to compensate him for the use of his private cell phone and laptop/tablet for City business.

Section 14. Retirement:

Piatt will pay 7% of the employee share of his CalPERS retirement contribution upon commencement of this agreement. If any legislation mandates that the employee share increase above 7% during the term of this agreement or any extensions. Piatt and City agree to negotiate terms for the implementation of any increase.

The City will continue to provide the single highest year benefit calculation for Classic CalPERS members and for PEPRA CalPERS members the highest annual average pensionable compensation earned during 36 consecutive months of service. Both Classic and PEPRA CalPERS members shall receive the 1959 Survivor Benefit at the 4th level.

Sick Leave Conversion at the Time of Retirement:

Upon regular retirement from the City of Oroville, Piatt shall have the option to convert his unused sick leave balance to CalPERS service credit or he may convert it to a dollar value to pay premiums for medical, and dental, insurance. Piatt may also elect to split his unused sick leave between the CalPERS service credit and dollar value account for insurance, subject to CalPERS requirements.

If Piatt elects to convert his unused sick leave to a dollar value account to pay for medical, and dental insurance and it becomes exhausted, Piatt shall have the option of continuing medical, and dental insurance coverage at his own expense, consistent with current City policy and Federal law. If, after his retirement, Piatt becomes deceased before his dollar value account has been completely utilized, the remaining benefits shall be available to the surviving eligible family members.

Section 15. Deferred Compensation Plan:

The City shall provide a Deferred Compensation Plan for Piatt. The City shall contribute 3% of Piatt's base salary to Piatt's Deferred Compensation Plan. In addition, the City shall match the first 2% that Piatt contributes to Piatt's Deferred Compensation Plan.

Section 16. Outside Employment:

During the term of the Agreement, and any extensions thereof, Piatt shall only accept outside employment that involves teaching or training related to his profession and any existing agreements. Any outside employment shall not interfere with Piatt's duties while employed by the City and no other outside employment of any kind or character is permitted without having first obtained the prior approval of the Council.

Section 17. Dues and Subscriptions:

City agrees to budget for and to pay for professional dues and subscriptions of Piatt necessary for his continuation and full participation in national, regional, state, and local associations and organizations as are desirable for his continued professional participation, growth, and advancement, and for the good of the City; provided, however, the amount of such dues and subscriptions shall not exceed the amount appropriated in the annual budget.

Section 18. Professional Development:

A. City agrees to budget for and to pay for travel and subsistence expenses of Piatt for professional and official travel, meetings, and occasions to continue the professional development of Piatt, and to adequately pursue necessary official functions for City and such other national, regional, state and local governmental groups and committees thereof which Piatt serves as a member; provided, however, the amount of such travel and subsistence shall not exceed the amount appropriated in the annual budget.

B. City also agrees to budget for and to pay for travel and subsistence expenses of Piatt for short courses, institutes and seminars that are necessary for his professional development, and for the good of the City; provided, however, the amount of such travel and subsistence shall not exceed the amount appropriated in the annual budget.

Section 19. General Expenses:

City recognizes that certain expenses of a non-personal and generally job-affiliated nature shall be incurred by Piatt, and hereby agrees to reimburse or to pay such general expenses up to an amount not to exceed the amount provided for such purposes in the Department's portion of the annual City budget. The Finance Department is hereby authorized to disburse such monies in accordance with adopted City expense reimbursement policies.

Section 20. Civic Club Membership:

City recognizes the desirability of representation in and before local civic and other organizations, and Piatt is authorized to become a member of such civic clubs or organizations. During the term of the agreement, City, at its sole discretion, may elect to pay some or all of Piatt's civic club membership expenses.

Section 21. Indemnification:

In addition to the requirements of state and local law, City shall defend, save harmless, and indemnify Piatt against any tort, professional liability claim or demand, or other legal action, whether groundless or otherwise, arising out of an alleged act or omission occurring in the performance of Piatt's duties as Director of Community Development, except for any civil action or proceeding brought against Piatt for actual fraud, corruption or actual malice. City, at its sole discretion, shall compromise and settle any such claim or suit and pay the amount of any settlement or judgment rendered thereon.

Section 22. Bonding:

City shall bear the full cost of any fidelity or other bonds required of Piatt under any law or ordinance.

Section 23. Other Terms and Conditions of Employment:

It is understood and agreed by City and Piatt that Piatt is an "at will" employee of the City appointed by the Council under the provisions of the City Charter. As such, Piatt serves at the pleasure of City and is not subject to the provisions of the City of Oroville Personnel Rules and Regulations providing for progressive discipline or appeal rights for disciplinary actions. Piatt acknowledges and agrees that he is otherwise subject to all other City Personnel Rules and Regulations.

Section 24. Notices:

Notices pursuant to this Agreement shall be given by deposit in the custody of the United States Postal Service, postage prepaid, addressed as follows:

A. TO CITY: Mayor, City of Oroville, 1735 Montgomery Street, Oroville, CA 95965
B. TO PIATT: Piatt at his permanent residence address on record with the City of Oroville

Alternatively, notices required pursuant to this Agreement may be personally served to the same persons as is applicable to civil judicial practice. Notice shall be deemed given as of the date of personal service or as of the date of deposit of such written notice in the United States Postal Service.

Section 25. General Provisions:

A. The text herein shall constitute the entire agreement between the parties.
B. Agreement shall be binding upon and inure to the benefit of the heirs at law and executors of Piatt.
C. This Agreement shall not be assigned by Piatt or City.
D. This Agreement shall not be modified without the written consent of Piatt and City.
E. If any provision, or any portion thereof, contained in this Agreement is held un-constitutional, invalid or unenforceable, the remainder of this Agreement or portion thereof, shall be deemed severable, shall not be affected, and shall remain in full force and effect.

Approved by the City Council of the City of Oroville at a meeting held August 4, 2026.

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

CITY OF OROVILLE

David Pittman, Mayor

Patrick Piatt, Director of Community Development

APPROVED AS TO FORM:

Dave Ritchie, Assistant City Attorney

OROVILLE CITY COUNCIL
RESOLUTION NO. 9482

A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE EMPLOYMENT AGREEMENT BETWEEN THE CITY OF OROVILLE AND PATRICK PIATT

(Agreement No. 3592)

BE IT HEREBY RESOLVED by the Oroville City Council as follows:

1. The Mayor is hereby authorized and directed to execute employment agreement between the City of Oroville and Patrick Piatt. A copy is attached hereto as Exhibit "A".

2. The City Clerk shall attest to the adoption of this Resolution.

PASSED AND ADOPTED by the Oroville City Council at a regular meeting held on August 4, 2026 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

David Pittman, Mayor

APPROVED AS TO FORM:

Dave Ritchie, Assistant City Attorney

ATTEST:

Kayla Reaster, Assistant City Clerk

CITY OF OROVILLE
STAFF REPORT

TO: **MAYOR PITTMAN AND COUNCIL MEMBERS**

FROM: **RUTH DUNCAN, ASSISTANT CITY ADMINISTRATOR-ADMINISTRATIVE SERVICES**

RE: **ANNUAL ASSESSMENTS FOR THE CITY'S CONSOLIDATED BENEFIT ASSESSMENT DISTRICT, ZONES 1, 2, 3, 4, 6, 7, 8,**

DATE: **AUGUST 4, 2026**

SUMMARY

The City Council shall accept information regarding the Annual Assessments for Fiscal Year 2026/27.

DISCUSSION

As a condition of approval for each subdivision identified below, the developer was required to establish or annex into a benefit assessment district. Each subdivision represents a Zone within the larger district. Each Zone is financially responsible for the operations, maintenance, and servicing of the storm drainage improvements that benefit properties within that Zone. The particular Zones within the City's Consolidated Benefit Assessment District ("CBAD") are identified below.

ZONE NUMBER AND NAME
Zone 1 – Linkside Place
Zone 2 – Foothill Estates
Zone 3 – Mission Olive Ranch
Zone 4 – Vista Del Oro
Zone 6 – Martin Ranch
Zone 7 – Jake Richter Estates
Zone 8 – Acacia Estates

Pursuant to the Benefit Assessment Act of 1982, which authorizes the formation and annual assessment of such districts, an Annual Assessment Report was prepared and filed with the City Clerk prior to the July 21, 2026 City Council meeting. The purpose of the report is to document the annual costs involved in the operation, maintenance and servicing of all improvements, adjust the annual assessments to incorporate any surplus or deficit from the previous year and to determine the actual annual assessment for each assessable parcel within

the CBAD.

The City Council will consider the following items for the CBAD:

1. Open and conduct a public hearing to receive public comment regarding the CBAD and/or the assessments for Fiscal Year 2026/27.

2. After any public comment, close the public hearing.

FISCAL IMPACT

Assessments are collected for the City of Oroville by the Butte County Tax Collector to reimburse the City for the costs of operating, maintaining, and servicing the storm water infrastructure within the CBAD.

ACTION REQUESTED -

NO ACTION IS REQUIRED THIS YEAR AS NONE OF THE ZONES WILL BE ASSESSED. ACCEPT FOR INFORMATION.

ATTACHMENTS

2026/27 Assessment Summary from the CBAD Annual Assessment Report

NOTE: *In order to reduce copying costs, only the Executive Summary of the Annual Assessment Report is attached to this staff report. The complete Annual Assessment Report for the CBAD is available for review in the City Clerk's office.*

CBAD FISCAL YEAR 2026-27 ASSESSMENT SUMMARY

Zone Name	Total Assessable Unit	Total Assessable Cost	Maximum Assessment Rate per Unit	Proposed Assessment Rate per Unit
Zone 1 – Linkside Place, Phase 1	65	$0.00	$462.11	$0.00
Zone 2 – Foothill Estates	25	$0.00	$537.54	$0.00
Zone 3 – Mission Olive Ranch	19	$0.00	$468.39	$0.00
Zone 4 – Vista Del Oro	92	$0.00	$377.25	$0.00
Zone 5 – Calle Vista Estates, Unit 2	44	$0.00	$279.14	$0.00
Zone 6 – Martin Ranch	0	$0.00	$0.00	$0.00
Zone 7 – Jake Richter	8	$0.00	$399.48	$0.00
Zone 8 – Acacia Estates	20	$0.00	$278.68	$0.00
Zone 9 – Ruddy Creek	97	$0.00	$134.98	$0.00
TOTALS:	**370**	**$0.00**		

CITY OF OROVILLE
STAFF REPORT

TO: **MAYOR PITTMAN AND COUNCIL MEMBERS**

FROM: **RUTH DUNCAN, ASSISTANT CITY ADMINISTRATOR-ADMINISTRATIVE SERVICES**

RE: **ANNUAL ASSESSMENTS FOR THE CITY'S CONSOLIDATED BENEFIT ASSESSMENT DISTRICT, ZONES 5, 9**

DATE: **AUGUST 4, 2026**

SUMMARY

The City Council shall accept information regarding the Annual Assessments for Fiscal Year 2026/27.

DISCUSSION

As a condition of approval for each subdivision identified below, the developer was required to establish or annex into a benefit assessment district. Each subdivision represents a Zone within the larger district. Each Zone is financially responsible for the operations, maintenance, and servicing of the storm drainage improvements that benefit properties within that Zone. The particular Zones within the City's Consolidated Benefit Assessment District ("CBAD") are identified below.

ZONE NUMBER AND NAME
Zone 5 – Calle Vista
Zone 9 – Ruddy Creek

Pursuant to the Benefit Assessment Act of 1982, which authorizes the formation and annual assessment of such districts, an Annual Assessment Report was prepared and filed with the City Clerk prior to the July 21, 2026 City Council meeting. The purpose of the report is to document the annual costs involved in the operation, maintenance and servicing of all improvements, adjust the annual assessments to incorporate any surplus or deficit from the previous year and to determine the actual annual assessment for each assessable parcel within the CBAD.

The City Council will consider the following items for the CBAD:

1. Open and conduct a public hearing to receive public comment regarding the CBAD and/or the assessments for Fiscal Year 2026/27.

2. After any public comment, close the public hearing.

FISCAL IMPACT

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ACTION REQUESTED -

NO ACTION IS REQUIRED THIS YEAR AS NONE OF THE ZONES WILL BE ASSESSED. ACCEPT FOR INFORMATION.

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Zone 7 – Jake Richter	8	$0.00	$399.48	$0.00
Zone 8 – Acacia Estates	20	$0.00	$278.68	$0.00
Zone 9 – Ruddy Creek	97	$0.00	$134.98	$0.00
TOTALS:	**370**	**$0.00**		

CITY OF OROVILLE
STAFF REPORT

TO: **MAYOR PITTMAN AND COUNCIL MEMBERS**

FROM: **RUTH DUNCAN, ASSISTANT CITY ADMINISTRATOR-ADMINISTRATIVE SERVICES**

RE: **ANNUAL ASSESSMENTS FOR THE CITY'S CONSOLIDATED LANDSCAPE AND LIGHTING MAINTENANCE ASSESSMENT DISTRICTS, ZONES 2, 3, 5, 7, 10, 11, 12, 14, 15, 17**

DATE: **AUGUST 4, 2026**

SUMMARY

The City Council shall consider adopting Resolution No 9482 approving the Annual Assessment Report and authorizing the levy and collection of assessments for the Oroville Consolidated Landscape and Lighting Maintenance Assessment District for Fiscal Year 2026/27.

DISCUSSION

As a condition of approval for each subdivision identified below, the developer was required to establish or annex into a landscape and lighting maintenance assessment district. Each subdivision represents a Zone within the larger district. Each Zone is financially responsible for the maintenance of the landscaped areas dedicated to the City and for the cost of maintaining the City owned street lights within the individual subdivisions. The particular Zones within the City's Consolidated Landscape and Lighting Maintenance Assessment District ("CLLMAD") are identified below:

ZONE	ZONE
Zone 2 – The Buttes	Zone 11 – Mission Olive Ranch
Zone 3 – Deer Creek Estates, Phase 1	Zone 12 – Vista Del Oro
Zone 5 – Cherokee Estates, Phase 1	Zone 14 – Martin Ranch
Zone 7 – Grayhawk	Zone 15 – Jake Richter Estates
Zone 10 – Foothill Estates	Zone 17 – Feather River Bluffs

Pursuant to the Landscape and Lighting Act of 1972, which authorizes the formation and annual assessment of such districts, an Annual Assessment Report was prepared and filed with the City Clerk prior to the July 21, 2026 City Council meeting. The purpose of the report is to document the annual costs involved in the operation,

maintenance and servicing of all improvements, adjust the annual assessments, to incorporate any surplus or deficit from the previous year and to determine the actual annual assessment for each assessable parcel within the CLLMAD.

The City Council will consider the following items for the CLLMAD:

1. Open and conduct a public hearing to receive public comment regarding the CLLMAD and/or the assessments for Fiscal Year 2026/27.
2. After any public comment, close the public hearing and consider approval of the Resolution authorizing the levy and collection of assessments.

FISCAL IMPACT

Assessments are collected for the City of Oroville by the Butte County Tax Collector to reimburse the City for the costs of operating, maintaining and servicing the landscape and lighting improvements within the CLLMAD.

ACTION REQUESTED -

ADOPT RESOLUTION NO. 9482TO APPROVE THE ANNUAL ASSESSMENT REPORT AND AUTHORIZE THE LEVY AND COLLECTION OF ASSESSMENTS FOR THE OROVILLE CONSOLIDATED LANDSCAPE AND LIGHTING MAINTENANCE ASSESSMENT DISTRICT.

ATTACHMENTS

Resolution No. 9482
Proposition 218 or Compliance Certification and Hold Harmless Statement 2026-2027
2026/27 Assessment Summary from the CLLMAD Annual Assessment Report

NOTE: *In order to reduce copying costs, only the Executive Summary of the Annual Assessment Report is attached to this staff report. The complete Annual Assessment Report for the CLLMAD is available for review in the City Clerk's office.*

CITY OF OROVILLE
RESOLUTION NO. 9482

A RESOLUTION OF THE CITY COUNCIL APPROVING THE ANNUAL ASSESSMENT REPORT, AS SUBMITTED OR AMENDED, AND ORDERING THE LEVY AND COLLECTION OF ASSESSMENTS FOR THE OROVILLE CONSOLIDATED LANDSCAPE AND LIGHTING MAINTENANCE ASSESSMENT DISTRICT, ZONES 2, 3, 5, 7, 10, 11, 12, 14, 15, 17, FOR FISCAL YEAR 2026/27

WHEREAS, the Oroville City Council, pursuant to the terms of the "Landscaping and Lighting Act of 1972" (the "1972 Act"), Division 15, Part 2, Chapter 1, Article 1 of the Streets and Highways Code of the State of California (Section 22645 et seq.) did by previous Resolutions, initiate proceedings and approve the Annual Assessment Report (the "Report"), on a preliminary basis, for the special maintenance district known and designated as "The Oroville Consolidated Landscape and Lighting Maintenance Assessment District" (the "District"). The District is comprised of several Zones which are identified below:

ZONE	ZONE
Zone 2 – The Buttes	Zone 11 – Mission Olive Ranch
Zone 3 – Deer Creek Estates, Phase 1	Zone 12 – Vista Del Oro
Zone 5 – Cherokee Estates, Phase 1	Zone 14 – Martin Ranch
Zone 7 – Grayhawk	Zone 15 – Jake Richter Estates
Zone 10 – Foothill Estates	Zone 17 – Feather River Bluffs

WHEREAS, the District is placing special assessments on the Butte County secured property tax roll for collection; and charges will be as follows:

For Zone 2, Annual Consolidated LLMAD Maintenance Fee is **$122.96 Per Parcel**
For Zone 3, Annual Consolidated LLMAD Maintenance Fee is **$30.12 Per Parcel**
For Zone 5, Annual Consolidated LLMAD Maintenance Fee is **$79.08 Per Parcel**
For Zone 7, Annual Consolidated LLMAD Maintenance Fee is **$197.62 Per Parcel**
For Zone 10, Annual Consolidated LLMAD Maintenance Fee is **$110.00 Per Parcel**
For Zone 11, Annual Consolidated LLMAD Maintenance Fee is **$406.10 Per Parcel**
For Zone 12, Annual Consolidated LLMAD Maintenance Fee is **$265.72 Per Parcel**
For Zone 14, Annual Consolidated LLMAD Maintenance Fee is **$0.00 Per Parcel**
For Zone 15, Annual Consolidated LLMAD Maintenance Fee is **$385.62 Per Parcel**
For Zone 17, Annual Consolidated LLMAD Maintenance Fee is **$0.00 Per Parcel**

WHEREAS, the engineer selected by the City Council has prepared and filed with the City Clerk, the Report in connection with the proposed levy and collection of assessments upon eligible parcels of land within each Zone. The Report has been prepared based on the estimated costs to operate, maintain and service the improvements located within particular Zones of the District; and,

WHEREAS, the City Council has carefully examined and reviewed the Report and is satisfied with each of the items and documents as presented therein, and finds that the assessments have been spread to the eligible parcels within each Zone in accordance with the special benefit received from said improvements; and,

WHEREAS, the assessments are not based on the assessed value of the properties within the Zones but are based on the special benefit conferred upon said eligible parcels from the improvements, and the maintenance and operation thereof; and,

WHEREAS, the assessments are in compliance with all laws pertaining to the levy and collection of assessments, including Proposition 218; and,

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

1. Following notice duly given, the City Council has held a full and fair public hearing regarding the Report and the levy and collection of assessments within the District. The City Council received and considered all written and oral statements, including any and all protests or other communications made or filed by any interested persons.
2. Based upon its review (and any applicable amendments) of the Report, a copy of which has been filed with the City Clerk, the City Council hereby finds and determines that:
    a. The assessable properties within the Zones will receive special benefit from the operation, maintenance and servicing of the landscape and lighting improvements.
    b. The Zones include all properties receiving such special benefit.
    c. The net amount to be assessed upon the properties is based on the historical and estimated costs to provide said maintenance and servicing and is apportioned by a formula that fairly distributes the net amount among all assessable parcels in proportion to the estimated special benefit received from the improvements and services.
3. The Report and assessments, as presented and which are on file with the office of the City Clerk, are hereby confirmed as filed.
4. The City Council hereby orders the maintenance and servicing of the improvements to be made in accordance with the Report and the 1972 Act.
5. The maintenance, operation and servicing of the landscape and lighting improvements shall be performed pursuant to the 1972 Act and the County Auditor of Butte County shall enter onto the County Tax Roll, opposite each assessable parcel of land, the assessment amount and such assessments shall be collected at the same time and in the same manner as the County taxes are collected. After collection of the assessments by the County, the net amount of said assessments shall be paid to the City Treasurer.
6. The City Treasurer shall deposit all money representing assessments collected by the County to the credit of a fund especially for the District. Such money shall be expended only for the maintenance, operations and servicing of the landscape and lighting improvements located within the District boundaries.
7. The adoption of this Resolution constitutes the levy of assessments within the Zones for the fiscal year beginning July 1, 2026 and ending June 30, 2027.
8. The City Clerk is hereby authorized and directed to file the levy with the County Auditor upon adoption of this Resolution.
9. A certified copy of this Resolution shall be filed in the office of the City Clerk and shall remain open for public inspection.

PASSED AND ADOPTED by the Oroville City Council at a regular meeting held on August 4, 2026, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

David Pittman, Mayor

APPROVED AS TO FORM:

David Ritchie, City Attorney

ATTEST:

Brian Ring, City Clerk

PROPOSITION 218 OR COMPLIANCE CERTIFICATION AND HOLD HARMLESS STATEMENT 2026-2027

The Agency/District of City of Oroville certifies the following:

I have read and am familiar with the requirements of Article XIIIC and XIIID of the State Constitution as revised by Proposition 218, including the articles cited below, and believe that all of the taxes, assessments, levies and fees accompanying the **2026-2027** submission to the County-Auditor for inclusion on the Secured Property Tax roll are in compliance with the law.

Article XIII C. Sec. 2 (c) "*Any general tax imposed, extended, or increased, without voter approval, by any local government on or after January 1, 1995, and prior to the effective date of this article, shall continue to be imposed only if approved by a majority vote of the voters voting in an election on the issue of the imposition, which election shall be held within two years of the effective date of this article and in compliance with subdivision (b).*"

Article XIII D. Sec. 5 *"…this article shall become effective the day after the election unless otherwise provided. Beginning July 1, 1997, all existing, new, or increased assessments shall comply with this article."*

Article XIII E. Sec. 6 (d) *Beginning July 1, 1997, all fees or charges shall comply with this section."*

The Agency/District agrees that it shall be solely liable and responsible and will defend and hold harmless the County of Butte, the Board of Supervisors, the Auditor-Controller, the Tax Collector, its officers and employees, from litigation over whether the requirements of Proposition 218 were met with respect to such levy (levies).

If any judgment is entered against any indemnified party as a result of not meeting the requirements of Proposition 218 for such special tax(es), fee(s) or assessment(s), the Agency/District agrees that County may offset the amount of any judgment paid by an indemnified party from any moneys collected by County on Agency/District's behalf, including property taxes, special taxes, fees, or assessments. In addition, the Agency/District shall be solely liable and responsible and will defend and hold the County and the County Auditor harmless from any and all legal fees or other costs incurred related to such a claim.

By: _____

ASSESSMENT TITLE: Lighting and Landscaping Maintenance Districts TAXCODE: 78001

PLEASE ONLY CHECK ONE:

Is This a Compliance Certification_____ OR A Proposition 218 Certification_____X_____?

CLLMAD FISCAL YEAR 2026-27 ASSESSMENT SUMMARY

Zone Name	Total Assessable Parcels/Units	Total Assessment	Maximum Assessment Rate per Unit	Proposed Assessment Rate per Unit
Zone 1 – Grandview Estates	21	$2,944.62	$212.08	$140.22
Zone 2 – The Buttes	58	$7,131.68	$122.96	$122.96
Zone 3 – Deer Creek Estates, Phase 1	72	$2,168.64	$30.12	$30.12
Zone 4 – Calle Vista Estates, Phase 1	70	$5,327.00	$76.11	$76.10
Zone 5 – Cherokee Estates, Phase 1	12	$948.96	$79.08	$79.08
Zone 6 – Sherwood Estates, 1 & 2	49	$2,058.00	$42.00	$42.00
Zone 7 – Grayhawk	30	$5,928.60	$197.63	$197.62
Zone 8 – Cherokee Estates, Phase 2	20	$3,800.40	$585.22	$190.02
Zone 9 – Linkside Place, Phase 1	65	$4,225.00	$608.94	$65.00
Zone 10 – Foothill Estates	25	$2,750.00	$902.00	$110.00
Zone 11 – Mission Olive Ranch	19	$7,715.90	$676.76	$406.10
Zone 12 – Vista Del Oro	92	$24,446.24	$265.72	$265.72
Zone 13 – Calle Vista Estates, Unit 2	44	$4,847.04	$369.96	$110.16
Zone 14 – Martin Ranch	0	$0.00	$0.00	$0.00
Zone 15 – Jake Richter	8	$3,084.96	$395.17	$385.62
Zone 16 – Feather River Bluffs	121	$0.00	$67.40	$0.00
Zone 17 – Acacia Estates	20	$0.00	$127.47	$0.00
Zone 18 – Ruddy Creek	97	$0.00	$170.14	$0.00
TOTALS:	**823**	**$77,377.04**		

CITY OF OROVILLE
STAFF REPORT

TO: **MAYOR PITTMAN AND COUNCIL MEMBERS**

FROM: **RUTH DUNCAN, ASSISTANT CITY ADMINISTRATOR-ADMINISTRATIVE SERVICES**

RE: **ANNUAL ASSESSMENTS FOR THE CITY'S CONSOLIDATED LANDSCAPE AND LIGHTING MAINTENANCE ASSESSMENT DISTRICTS, ZONES 1, 4, 6, 8, 9, 13, 16, 18**

DATE: **AUGUST 4, 2026**

SUMMARY

The City Council shall consider adopting Resolution No. 9483 approving the Annual Assessment Report and authorizing the levy and collection of assessments for the Oroville Consolidated Landscape and Lighting Maintenance Assessment District for Fiscal Year 2026/27.

DISCUSSION

As a condition of approval for each subdivision identified below, the developer was required to establish or annex into a landscape and lighting maintenance assessment district. Each subdivision represents a Zone within the larger district. Each Zone is financially responsible for the maintenance of the landscaped areas dedicated to the City and for the cost of maintaining the City owned street lights within the individual subdivisions. The particular Zones within the City's Consolidated Landscape and Lighting Maintenance Assessment District ("CLLMAD") are identified below:

ZONE
Zone 1 – Grandview Estates
Zone 4 – Calle Vista 1
Zone 6 – Sherwood
Zone 8 – Cherokee Estates, Phase 2
Zone 9 – Linkside
Zone 13 – Calle Vista 2
Zone 16 – Acacia Estates
Zone 18 – Ruddy Creek

Pursuant to the Landscape and Lighting Act of 1972, which authorizes the formation and annual assessment of such districts, an Annual Assessment Report was prepared and filed with the City Clerk prior to the July 21, 2026 City Council meeting. The purpose of the report is to document the annual costs involved in the operation, maintenance and servicing of all improvements, adjust the annual assessments, to incorporate any surplus or deficit from the previous year and to determine the actual annual assessment for each assessable parcel within the CLLMAD.

The City Council will consider the following items for the CLLMAD:

1. Open and conduct a public hearing to receive public comment regarding the CLLMAD and/or the assessments for Fiscal Year 2026/27.
2. After any public comment, close the public hearing and consider approval of the Resolution authorizing the levy and collection of assessments.

FISCAL IMPACT

Assessments are collected for the City of Oroville by the Butte County Tax Collector to reimburse the City for the costs of operating, maintaining and servicing the landscape and lighting improvements within the CLLMAD.

ACTION REQUESTED -

ADOPT RESOLUTION NO. 9483 TO APPROVE THE ANNUAL ASSESSMENT REPORT AND AUTHORIZE THE LEVY AND COLLECTION OF ASSESSMENTS FOR THE OROVILLE CONSOLIDATED LANDSCAPE AND LIGHTING MAINTENANCE ASSESSMENT DISTRICT.

ATTACHMENTS

Resolution No. 9483
Proposition 218 or Compliance Certification and Hold Harmless Statement 2026-2027
FY 2026/27 Assessment Summary from the CLLMAD Annual Assessment Report

NOTE: *In order to reduce copying costs, only the Executive Summary of the Annual Assessment Report is attached to this staff report. The complete Annual Assessment Report for the CLLMAD is available for review in the City Clerk's office.*

CITY OF OROVILLE
RESOLUTION NO. 9483

A RESOLUTION OF THE CITY COUNCIL APPROVING THE ANNUAL ASSESSMENT REPORT AND ORDERING THE LEVY AND COLLECTION OF ASSESSMENTS FOR THE OROVILLE CONSOLIDATED LANDSCAPE AND LIGHTING MAINTENANCE ASSESSMENT DISTRICT, ZONES 1, 4, 6, 8, 9, 13, 16, 18, FOR FISCAL YEAR 2026/27

WHEREAS, the Oroville City Council, pursuant to the terms of the "Landscaping and Lighting Act of 1972" (the "1972 Act"), Division 15, Part 2, Chapter 1, Article 1 of the Streets and Highways Code of the State of California (Section 22645 et seq.) did by previous Resolutions, initiate proceedings and approve the Annual Assessment Report (the "Report"), on a preliminary basis, for the special maintenance district known and designated as "The Oroville Consolidated Landscape and Lighting Maintenance Assessment District" (the "District"). The District is comprised of several Zones which are identified below:

ZONE
Zone 1 – Grandview Estates
Zone 4 – Calle Vista 1
Zone 6 – Sherwood
Zone 8 – Cherokee Estates, Phase 2
Zone 9 – Linkside
Zone 13 – Calle Vista 2
Zone 16 – Acacia Estates
Zone 18 – Ruddy Creek

WHEREAS, the District is placing special assessments on the Butte County secured property tax roll for collection; and charges will be as follows:

For Zone 1, Annual Consolidated LLMAD Maintenance Fee is **$140.22 Per Parcel**
For Zone 4, Annual Consolidated LLMAD Maintenance Fee is **$76.10 Per Parcel**
For Zone 6, Annual Consolidated LLMAD Maintenance Fee is **$42.00 Per Parcel**
For Zone 8, Annual Consolidated LLMAD Maintenance Fee is **$190.02 Per Parcel**
For Zone 9, Annual Consolidated LLMAD Maintenance Fee is **$65.00 Per Parcel**
For Zone 13, Annual Consolidated LLMAD Maintenance Fee is **$110.16 Per Parcel**
For Zone 16, Annual Consolidated LLMAD Maintenance Fee is **$0.00 Per Parcel**
For Zone 18, Annual Consolidated LLMAD Maintenance Fee is **$0.00 Per Parcel**

WHEREAS, the engineer selected by the City Council has prepared and filed with the City Clerk, the Report in connection with the proposed levy and collection of assessments upon eligible parcels of land within each Zone. The Report has been prepared based on the estimated costs to operate, maintain and service the improvements located within particular Zones of the District; and,

WHEREAS, the City Council has carefully examined and reviewed the Report and is satisfied with each of the items and documents as presented therein, and finds that the

assessments have been spread to the eligible parcels within each Zone in accordance with the special benefit received from said improvements; and,

WHEREAS, the assessments are not based on the assessed value of the properties within the Zones but are based on the special benefit conferred upon said eligible parcels from the improvements, and the maintenance and operation thereof; and,

WHEREAS, the assessments are in compliance with all laws pertaining to the levy and collection of assessments, including Proposition 218; and,

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

1. Following notice duly given, the City Council has held a full and fair public hearing regarding the Report and the levy and collection of assessments within the District. The City Council received and considered all written and oral statements, including any and all protests or other communications made or filed by any interested persons.
2. Based upon its review (and any applicable amendments) of the Report, a copy of which has been filed with the City Clerk, the City Council hereby finds and determines that:
    a. The assessable properties within the Zones will receive special benefit from the operation, maintenance and servicing of the landscape and lighting improvements.
    b. The Zones include all properties receiving such special benefit.
    c. The net amount to be assessed upon the properties is based on the historical and estimated costs to provide said maintenance and servicing and is apportioned by a formula that fairly distributes the net amount among all assessable parcels in proportion to the estimated special benefit received from the improvements and services.
3. The Report and assessments, as presented and which are on file with the office of the City Clerk, are hereby confirmed as filed.
4. The City Council hereby orders the maintenance and servicing of the improvements to be made in accordance with the Report and the 1972 Act.
5. The maintenance, operation and servicing of the landscape and lighting improvements shall be performed pursuant to the 1972 Act and the County Auditor of Butte County shall enter onto the County Tax Roll, opposite each assessable parcel of land, the assessment amount and such assessments shall be collected at the same time and in the same manner as the County taxes are collected. After collection of the assessments by the County, the net amount of said assessments shall be paid to the City Treasurer.
6. The City Treasurer shall deposit all money representing assessments collected by the County to the credit of a fund especially for the District. Such money shall be expended only for the maintenance, operations and servicing of the landscape and lighting improvements located within the District boundaries.
7. The adoption of this Resolution constitutes the levy of assessments within the Zones for the fiscal year beginning July 1, 2026 and ending June 30, 2027.
8. The City Clerk is hereby authorized and directed to file the levy with the County Auditor upon adoption of this Resolution.

9. A certified copy of this Resolution shall be filed in the office of the City Clerk and shall remain open for public inspection.

PASSED AND ADOPTED by the Oroville City Council at a regular meeting held on August 4, 2026, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

David Pittman, Mayor

APPROVED AS TO FORM:

David Ritchie, City Attorney

ATTEST:

Brian Ring, City Clerk

PROPOSITION 218 OR COMPLIANCE CERTIFICATION AND HOLD HARMLESS STATEMENT 2026-2027

The Agency/District of City of Oroville certifies the following:

I have read and am familiar with the requirements of Article XIIIC and XIIID of the State Constitution as revised by Proposition 218, including the articles cited below, and believe that all of the taxes, assessments, levies and fees accompanying the **2026-2027** submission to the County-Auditor for inclusion on the Secured Property Tax roll are in compliance with the law.

Article XIII C. Sec. 2 (c) "*Any general tax imposed, extended, or increased, without voter approval, by any local government on or after January 1, 1995, and prior to the effective date of this article, shall continue to be imposed only if approved by a majority vote of the voters voting in an election on the issue of the imposition, which election shall be held within two years of the effective date of this article and in compliance with subdivision (b).*"

Article XIII D. Sec. 5 *"…this article shall become effective the day after the election unless otherwise provided. Beginning July 1, 1997, all existing, new, or increased assessments shall comply with this article."*

Article XIII E. Sec. 6 (d) *Beginning July 1, 1997, all fees or charges shall comply with this section."*

The Agency/District agrees that it shall be solely liable and responsible and will defend and hold harmless the County of Butte, the Board of Supervisors, the Auditor-Controller, the Tax Collector, its officers and employees, from litigation over whether the requirements of Proposition 218 were met with respect to such levy (levies).

If any judgment is entered against any indemnified party as a result of not meeting the requirements of Proposition 218 for such special tax(es), fee(s) or assessment(s), the Agency/District agrees that County may offset the amount of any judgment paid by an indemnified party from any moneys collected by County on Agency/District's behalf, including property taxes, special taxes, fees, or assessments. In addition, the Agency/District shall be solely liable and responsible and will defend and hold the County and the County Auditor harmless from any and all legal fees or other costs incurred related to such a claim.

By: _____

ASSESSMENT TITLE: Lighting and Landscaping Maintenance Districts TAXCODE: 78001

PLEASE ONLY CHECK ONE:

Is This a Compliance Certification_____ OR A Proposition 218 Certification_____X_____?

CLLMAD FISCAL YEAR 2026-27 ASSESSMENT SUMMARY

Zone Name	Total Assessable Parcels/Units	Total Assessment	Maximum Assessment Rate per Unit	Proposed Assessment Rate per Unit
Zone 1 – Grandview Estates	21	$2,944.62	$212.08	$140.22
Zone 2 – The Buttes	58	$7,131.68	$122.96	$122.96
Zone 3 – Deer Creek Estates, Phase 1	72	$2,168.64	$30.12	$30.12
Zone 4 – Calle Vista Estates, Phase 1	70	$5,327.00	$76.11	$76.10
Zone 5 – Cherokee Estates, Phase 1	12	$948.96	$79.08	$79.08
Zone 6 – Sherwood Estates, 1 & 2	49	$2,058.00	$42.00	$42.00
Zone 7 – Grayhawk	30	$5,928.60	$197.63	$197.62
Zone 8 – Cherokee Estates, Phase 2	20	$3,800.40	$585.22	$190.02
Zone 9 – Linkside Place, Phase 1	65	$4,225.00	$608.94	$65.00
Zone 10 – Foothill Estates	25	$2,750.00	$902.00	$110.00
Zone 11 – Mission Olive Ranch	19	$7,715.90	$676.76	$406.10
Zone 12 – Vista Del Oro	92	$24,446.24	$265.72	$265.72
Zone 13 – Calle Vista Estates, Unit 2	44	$4,847.04	$369.96	$110.16
Zone 14 – Martin Ranch	0	$0.00	$0.00	$0.00
Zone 15 – Jake Richter	8	$3,084.96	$395.17	$385.62
Zone 16 – Feather River Bluffs	121	$0.00	$67.40	$0.00
Zone 17 – Acacia Estates	20	$0.00	$127.47	$0.00
Zone 18 – Ruddy Creek	97	$0.00	$170.14	$0.00
TOTALS:	**823**	**$77,377.04**		

DATE: July 16, 2026
TO: STATE, CITY AND LOCAL OFFICIALS

NOTICE OF PACIFIC GAS AND ELECTRIC COMPANY'S SHAREHOLDER AWARD REQUEST FOR ITS CORE PROCUREMENT INCENTIVE MECHANISM (CPIM) YEAR 30 APPLICATION TO THE CALIFORNIA PUBLIC UTILITIES COMMISSION (CPUC) A.26-06-025

What is Being Requested?
PG&E is requesting to allocate $26.629 million as a shareholder award for savings achieved when purchasing natural gas for its core gas customers from November 1, 2022 – October 31, 2023 (CPIM Year 30). This request reflects PG&E's savings of approximately $170 million for customers through gas procurement at the lowest reasonable cost. These natural gas purchases are reviewed under the CPIM, which encourages utilities to secure lower-priced natural gas and share savings with customers and shareholders.

How Would This Impact the Typical Residential Customer?
If the request is approved, a typical residential customer using 31 therms per month would see a rate increase of approximately $.41 per month. The actual impact will vary based on usage and are subject to CPUC regulatory approval.

Additional Information
An administrative law judge will hold hearings, consider evidence, testimony and public comments before drafting a proposed decision on this application. CPUC Commissioners will then vote on a final decision at a public meeting.

You can read more about the utility's request and make public comment by visiting apps.cpuc.ca.gov/c/A2606025. For questions about participating in CPUC matters, you can contact the Public Advisor's Office at Public.Advisor@cpuc.ca.gov, 1-866-849-8390, or 505 Van Ness Ave., San Francisco, CA 94102. Please reference A.26-06-025 in any communication with the CPUC.

Questions About the Request
Detailed rate information will be sent directly to customers in a bill insert in July 2026.

If you have questions about PG&E's request, please contact PG&E at **1-800-743-5000**. For TTY, call **711**. Para obtener más información sobre cómo este cambio podría afectar su pago mensual, llame al 1-800-660-6789 • 詳情請致電 1-800-893-9555.

If you would like an electronic copy of the filing and exhibits, please write to the address below:

Pacific Gas and Electric Company
Core Procurement Incentive Mechanism Year 30 Application **(A.26-06-025)**
P.O. Box 1018
Oakland, CA 94604-1018

Message paid for by customers.

McNeillLawOffices
CIVIL LITIGATION & APPEALS

July 20, 2026

OROVILLE CITY COUNCIL
Council Chambers
1735 Montgomery Street
Oroville, CA 95965
by Email: publiccomment@cityoforoville.org

Comment and objection submitted to the Oroville City Council at its regular meeting of July 21, 2026, for consideration on its Agenda Item No. 13, entitled "UPDATE OF USER AND REGULATORY FEES" AND "Resolution No. 9477 Adjusting and Establishing User and Regulatory Fees" insofar as this item purports to increase or establish new rates for "Sewer Connection Impact Fees" and "Monthly Sewer Service Rates" for Multi-Family Units (apartments) rates in conflict with the unamended Oroville Municipal Code §13.04.040 (Connection Fees) and §13.04.090 (Rates & Charges).

To the honorable City Council of the City of Oroville:

I represent K&M Butte Developers, LLC -- the developers of at least 299 Multi-Family Units (MFUs) of affordable housing in the City of Oroville. Please refer to my previous correspondence of July 7, 2026 on behalf of K&M Developers, LLC objecting to your proposed amendment of your Municipal Code §13,04.040; that correspondence and materials outline why the City's proposed "Sewer Connection Impact" fees and "Monthly Rates" for MFUs are substantively illegally excessive and untenable. However, you are now compounding the problem by attempting to approve by resolution a Master Fee Schedule that includes the increased rates before you have even voted on an amendment of your Municipal Code.

It is clearly established law that "A city cannot adopt a resolution that is in conflict with an existing city ordinance. Because there is a substantive legal difference between a resolution and an ordinance, a resolution is not

U.S. MAIL P.O. Box 2274, Nevada City, CA 95959 I EMAIL WMcNeill@McNLaw.com
OFFICE TEL. 530.222.8992 I CELL 530.355.8974

the legal equivalent of an ordinance and cannot be used to amend, supersede, or conflict with a validly enacted municipal ordinance." *San Diego City Firefighters, Local 145 v. Bd. of Admin. of San Diego City Emples. Ret. Sys.*, 206 Cal. App. 4th 594 (2012), *Pinewood Investors v. City of Oxnard,* 133 Cal. App. 3d 1030 (1982).

Copies of pages 22 and 33 from your proposed Master Fee Schedule (agenda package pp. 377 and 388) are attached and show, respectively, the Sewer Connection Impact fee and the Monthly Sewer Rates. The Fees and Rates listed are in conflict with the existing unamended Municipal Code. Furthermore, neither the Fees nor Rates pages show different reduced rates for MFUs as compared to Single Family Homes (SFHs), regardless of whether the City intends to reduce rates for MFUs in any amount based on reduced flows from MFUs. On its face your charges for connections and monthly rates are the same for MFUs and SFHs.

When your rates and charges are --as here-- the product of your ordinances, inconsistent resolutions are invalid and have no effect. You should remove the sewerage connection impact charges and the monthly charges from this resolution, while the rest of the charges may pass. Lets have an honest debate about the legality and amount of your connection charges monthly rates through the ordinance process as required.

Thank you for your attention to this matter.

Very truly yours,

MCNEILL LAW OFFICES



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City of Oroville

LAND DEVELOPMENT ENGINEERING AND ENCROACHMENT PERMIT FEES

	Description	Fee	Charge Basis	Note	Yearly Adjust
	IMPACT FEES				
28	Traffic Impact Fee				
	a) Single Family	$961	per unit		N
	b) Multi Family	$745	per unit		N
	c) Commercial	$2,091	per 1,000 sq ft		N
	d) Office	$1,105	per 1,000 sq ft		N
	e) Industrial	$575	per 1,000 sq ft		N
29	Facilities Impact Fees				
	a) General Government				
	i) Single Family	$1,135	per unit		N
	ii) Multi Family	$676	per unit		N
	iii) Commercial	$590	per 1,000 sq ft		N
	iv) Office	$770	per 1,000 sq ft		N
	v) Industrial	$286	per 1,000 sq ft		N
	b) Fire				
	i) Single Family	$804	per unit		N
	ii) Multi Family	$648	per unit		N
	iii) Commercial	$507	per 1,000 sq ft		N
	iv) Office	$662	per 1,000 sq ft		N
	v) Industrial	$246	per 1,000 sq ft		N
	c) Law Enforcement				
	i) Single Family	$1,393	per unit		N
	ii) Multi Family	$1,122	per unit		N
	iii) Commercial	$393	per 1,000 sq ft		N
	iv) Office	$514	per 1,000 sq ft		N
	v) Industrial	$192	per 1,000 sq ft		N
	d) Parks				
	i) Single Family	$3,843	per unit		N
	ii) Multi Family	$3,095	per dwelling unit		N
30	Drainage Impact Fee				
	a) Single Family	$2,572			N
	b) Multi Family Per Unit	$1,029			N
	c) Commercial	$1,466			N
	d) Office	$1,440			N
	e) Industrial	$1,388			N
	f) Thermalito	see fee schedule			N
31	Sewer Connection				
	a) Impact Fee	$1,794	per EDU		N
	b) SCOR	$6,638	per EDU		N

City of Oroville

MONTHLY SEWER RATES

YEAR	SCOR	CITY	TOTAL
2019-20	$13.85	$23.56	$37.41
2020-21	$15.85	$23.56	$39.41
2021-22	$17.85	$23.56	$41.41
2022-23	$19.85	$23.56	$43.41
2023-24	$23.85	$23.56	$47.41
2024-25	$24.49	$26.06	$50.55
2025-26	$25.71	$27.88	$53.59
2026-27	$27.00	$29.83	$56.83
2027-28	$28.35	$31.92	$60.27
2028-29	$29.77	$34.15	$63.92

Outlook

7/21/2026 City Council Meeting Public Comment

From Jeff McClure <jeffery.mcclure3@gmail.com>
Date Mon 7/20/2026 9:52 AM
To CityHall_PublicComment <publiccomment@cityoforoville.org>
Cc Scott Huber <shuber@colehuber.com>; David G. Ritchie <dritchie@colehuber.com>; Brian Ring <bring@cityoforoville.org>; Kayla Reaster <kreaster@cityoforoville.org>; Chuck Reynolds <creynolds@cityoforoville.org>; Scott Thomson <sthomson@cityoforoville.org>; Tracy Johnstone <tjohnstone@cityoforoville.org>; David Pittman <dpittman@cityoforoville.org>; Janet Goodson <jgoodson@cityoforoville.org>; Eric Smith <esmith@cityoforoville.org>; Shawn Webber <swebber@cityoforoville.org>

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Mayor and Council Members,

I support transparency, accountability, and ethical government. I believe everyone in this community does. But transparency and accountability only have value when they are applied equally, consistently, and without exception.

After reading Councilmember Webber's proposed Public Trust and Accountability Ordinance, which he posted online, comparing it to the City's existing Code of Ethics, and reviewing both the MRG Report and the Butte County Grand Jury Report, I keep coming back to one simple question.

If the reports found that the City's existing policies, procedures, and Code of Ethics were not consistently followed and enforced, why are we rewriting the rulebook instead of making sure the one we already have is followed and enforced?

The City already has a comprehensive Code of Ethics. It already requires public officials to act impartially, avoid special treatment, avoid using public office for personal gain, protect confidential information, avoid ex parte influence, and avoid even the appearance of a conflict of interest. Many of the ethical principles in this proposed ordinance already exist within that Code. The primary additions are process, reporting, and contract-review requirements. Those are governance and contract-management issues, not fundamentally new ethical standards.

What many people may not realize is that many of the new provisions being proposed aren't really ethics issues at all. They're contract administration and project management practices. Requirements like complete contract documents, reviewing all exhibits before approval, performance milestones, financial capacity reviews, public benefit findings, and remedies for default are all concepts commonly addressed during contract negotiations and construction project management. These are just standard principles of contract administration and project management.

Having spent more than twenty years in financial advising and construction project management, I've negotiated, reviewed, and administered multimillion-dollar contracts throughout my career. From that perspective, many of these provisions don't strike me as new ethical standards. They strike me as basic due diligence and sound contract management.

So I respectfully ask, are we trying to solve an ethics problem or are we trying to correct a failure in contract review, legal review, administrative oversight, and Council due diligence? Because those are two very different problems requiring two very different solutions.

Councilmember Webber, what experience or expertise did you rely upon in proposing changes to public contracting procedures and development agreements? Were these provisions developed with input from experienced contract negotiators, construction professionals, municipal procurement experts, or attorneys specializing in public contracts? And lastly, based on your proposal, what specifically would you have required the City Attorney, City Administrator, staff, or the Council to do differently during the Gateway transaction?

The MRG Report and the Grand Jury Report identified failures involving the City Attorney, the City Administrator, City staff, and a City Council that unanimously approved the Gateway agreement. Those are systemic process failures, not simply the actions of one individual. It's also important to recognize that several current members of this Council were serving on the Council when that agreement was approved.

So again, why aren't we fixing the process before rewriting the ethics rules? If the existing policies and Code of Ethics were not followed or enforced, shouldn't understanding why that happened be our first priority?

Over the past year and a half, I have submitted numerous public comments, letters, California Public Records Act requests, and other correspondence raising concerns regarding transparency, conflicts of interest, the appearance of conflicts of interest, abuse of power, and accountability. In my experience, many of those questions have gone unanswered, have not been substantively addressed, or have been redirected away from the specific concerns I raised. Rather than addressing the evidence and questions I presented, the discussion has often shifted to the conduct of others. I was told I was misinformed and that I was personally attacking a councilmember. Instead of accepting that, I continued reviewing the public record and filing additional California Public Records Act requests. Because these issues involve public governance and taxpayer resources, I believe the public has a legitimate interest in reviewing the same information that has been provided to this Council.

Then, during a Planning Commission meeting, former City Administrator Bill LaGrone publicly stated:

"Quite honestly, we got a little bit ahead of ourselves and acted too quickly on it, but as soon as we became aware of the fact that we needed to have more permitting than what we thought, we did apply for a permit for this or begin the process."

Those are not my words. Those are his.

I'd also like to thank Councilmember Webber for adding language regarding intimidation and retaliation. That raises a question because this issue is personal to me.

I've already spoken in open session on August 5, 2025, about what happened. After I submitted what I believed was a confidential complaint to the City, Brian Wong came to me and told me he had just come from a meeting in which member(s) of **this Council** were present, where my letter had been shared. He then told me I should talk to people who know what's going on before writing a letter throwing a councilmember under the bus. I perceived that as retaliation and an attempt to intimidate me into remaining silent. I notified this Council, City Attorney and City Administrator, yet I continued to experience what I believe to be retaliation. Whether others view it that way or not, that was my experience.

So my question is this:

If retaliation protections are important enough to include in this ordinance today, would those protections have applied to me? Would they protect citizens who report concerns in good faith, or only City officials and employees?

I also want to thank Councilmembers Scott Thomson, Eric Smith, and even Chuck Reynolds for askin difficult questions when the ordinance included language regarding the “non-binding” removal or requested resignation of an elected councilmember. From my research, California law provides the recall process as the mechanism by which voters remove elected officials from office, and that is why I appreciated the questions that were raised regarding the Council’s authority. Myself and others in the public recognized what was being done there.

Finally, I have several questions regarding fiscal responsibility.

The City is now projecting approximately a **$2.5 million budget deficit**, yet this Council has approved hiring another outside law firm to conduct an additional investigation related to the Gateway Project by the law firm Peters, Habib, McKenna, Cardoza.

So I respectfully ask:

- What specific questions remain unanswered after the MRG Report and the Butte County Grand Jury Report?
- What deficiencies require another outside investigation?
- How much has already been paid, or committed, to the new law firm?
- What is the maximum amount authorized under that agreement?
- And given the City's financial condition, how is this the best use of taxpayer dollars?
- Who voted in favor of this investigation and has the scope of work for this engagement been made available to the public?

The public doesn't lose confidence because there aren't enough rules. The public loses confidence when the rules already on the books are not followed and enforced equally.

The citizens of Oroville don’t expect perfection. We expect honesty. We expect accountability. We expect consistency. We expect our elected officials to do the job they were elected to do, to follow and enforce the policies, procedures, and Code of Ethics already in place, to hold everyone, including themselves, to the same standard, and to be responsible stewards of taxpayer dollars.

If we can accomplish those things, public trust will take care of itself. Because accountability should never depend on who someone is, it should depend on applying the same standards to everyone.

Thank you.

Jeff McClure