*Mission Statement: To foster a safe, vibrant, and prosperous community that enhances the quality of life for all*

# CITY OF SONORA
# City Council Regular Meeting
# Agenda
# Monday, August 04, 2025
# 5:00 PM

**NOTICE IS HEREBY GIVEN** that the Sonora City Council will have their regular meeting on August 4, 2025, at 5:00 PM in the City of Sonora Council Chambers located at 94 N. Washington Street Sonora, CA 95370.

**This meeting is physically open to the Public** and citizens who wish to provide public comment during the meeting will be invited to do so by the Mayor.

Written comments can be submitted to be included as part of the administrative record; they will not be read during the meeting. All comments must be received by 3:00 pm on the day of the noticed meeting and can be submitted to the City Clerk at 94 N. Washington Street Sonora, CA 95370, or via email to tskelly@sonoraca.com.

**Public Access Audio and Video Live Streaming**

The Public will not have access to give public comments via public access audio and video live streaming; they are available for audio and visual only; and can be accessed via our website at www.sonoraca.com.

Remote viewing of the meeting via live streaming is provided to members of the public as a courtesy. If the live streaming connection malfunctions for any reason and no Council Members are attending via teleconference, the City Council will continue the public meeting in Chambers without remote access.

**CITY COUNCIL** appreciates your interest and encourages participation. Regularly scheduled meetings are held on the 1st and 3rd Monday of each month.

The numerical order of the items on this agenda is for convenience of reference. Items may be taken out of order upon request of the Mayor or Council Members. All questions shall be directed to the Mayor who, at their discretion, will refer to Staff.

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**Mayor Ann Segerstrom**

**Vice Mayor Andy Merrill**

**Council Members Bess Levine, Stephen Opie, Mark Plummer**

**City Administrator Melissa Eads**

**City Attorney Douglas White**

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**CLOSED SESSION** - 4:00 PM

1. **CALL TO ORDER**

2. **ROLL CALL**

3. **PUBLIC COMMENTS**

4. **ADJOURN INTO CLOSED SESSION**

   A. Public Employee Appointment (Government Code Section §54957): Public Works Specialist; Doug White, City Attorney, Melissa Eads, City Administrator.

   B. Conference with Legal Counsel - Anticipated Litigation. Significant Exposure to Litigation Pursuant to Government Code Section §54956.9, Paragraph (2) of Subdivision (d): One (1) Potential Case; Rachel Rappaport, City Attorney, Tyler Summersett, Community Development Director.

5. **RECONVENE INTO OPEN SESSION**

   **OPEN SESSION** - 5:00 PM

6. **REPORT OUT OF CLOSED SESSION**

7. **PLEDGE OF ALLEGIANCE**

8. **ROLL CALL**

9. **CITY CLERK'S REPORT ON AGENDA POSTING**

10. **APPROVAL OF THE AGENDA**

11. **PUBLIC COMMENT** (NON-AGENDA ITEMS)

    *The public may address the Council on any item of public interest not otherwise on the agenda that is within the jurisdiction of the City. No action may be taken. Matters to be addressed may be referred to City Staff or placed on a subsequent meeting Agenda. Speakers are limited to a three (3) minute presentation.*

12. **PRESENTATIONS**

    A. Receive an Update from the President of the Sonora Chamber of Commerce Katie Dunn; Melissa Eads, City Administrator.

**13. CONSENT CALENDAR**

*Items on the Consent Calendar are considered routine and will be voted on in one motion unless a Council member or member of the public has a question or wishes to discuss an item. In that case, the item will be removed from the Consent Calendar and considered separately.*

A. Consider Approval of the City of Sonora Meeting Minutes from July 21, 2025; Stacy Enos-Del Razo, Deputy City Clerk.

B. Consider Acceptance of the Quarterly Investment Report for the Period Ended June 30, 2025; Chris Gorsky, Assistant City Administrator.

C. Consider Declaration of City Vehicles as Surplus Property Pursuant to Government Code Section 54221 and Council Authorization to Sell the Vehicles at Fair Market Value and/or at a Public Auction; Chris Gorsky, Assistant City Administrator.

D. Consider the Adoption of Resolution 08-02-2025-C and Approval of the Updated Records Retention Policy and Schedule; Tracy Skelly, Administrative Services Officer/City Clerk.

**14. NEW BUSINESS**

A. Consider Adoption of Resolution 08-04-2025-A, Approving the Vacation of Excess Right-of-Way Located Within APN 056-108-015; and Resolution 08-04-2025-B Approving and Authorizing Execution of a Roadway Vacation Agreement with the Applicant for the 956 Oregon Street Project; Tyler Summersett, Community Development Director, Josh Varinsky, City Attorney.

B. Receive a Presentation from Przybyla Advisors and Give Direction on Economic Development Strategies; Cole Przybyla, Przybyla Advisors.

**15. COMMUNICATIONS**

A. Receive Communications on the Reviewed Financial Statements for Visit Tuolumne County for the Year Ending June 20, 2023 and 2024.

B. Receive Communications Regarding Pioneer Community Energy Joint Powers Agreement Amendment Filing with the California Public Utilities Commission (CPUC).

**16. COUNCIL MEMBER REPORTS**

**17. ADJOURNMENT**

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# CITY COUNCIL AGENDA REPORT

CITY HALL

CITY OF SONORA 94 N. WASHINGTON STREET, SONORA, CA 95370 P: (209) 532-4541

***SERVICE, INNOVATION, INTEGRITY, COLLABORATION, RESPECT, LEADERSHIP***

**DATE:** August 4, 2025

**TO:** Honorable Mayor and Members of the City Council

**FROM:** Melissa Eds, City Administrator

**SUBJECT:** Receive an Update from the President of the Sonora Chamber of Commerce Katie Dunn.

**RECOMMENDATION:**

Receive an Update from the President of the Sonora Chamber of Commerce Katie Dunn.

**DISCUSSION / ANALYSIS:**

President of the Sonora Chamber of Commerce Katie Dunn will Present and Update the City council on the Chambers Activities.

**FISCAL IMPACT:**

No Fiscal impact on the General Fund.

**CORE COUNCIL PRIORITIES:**

There are no Core Priorities.

PROPOSAL FOR A BEAUTIFICATION PILOT PROJECT FOR DOWNTOWN SONORA

# “Art everywhere on Washington St.”

From Vacant to Vibrant: Art in Storefronts

This proposal expands upon the success of 2nd Saturday Art Walk, which is now a recognized institution, that brings arts and culture to our downtown every month of the year.

This is an opportunity to employ artists by using vacant buildings to showcase local art in public downtown windows. The City of Sonora, with a grant from the VTC, support and guidance from the Sonora Chamber, and Tuolumne County Arts, will work with local artists to complete a pilot project that showcases artworks in empty storefronts, attacking the problem of empty buildings through public art. The objective of this program is to activate main street corridors bringing beauty to blighted facades.

Problems to consider:

- Businesses in our downtown remain empty or poorly maintained, sometimes for years.
- Our downtown has little public art.
- Artwork can be expensive, particularly permanent installations.
- Artwork can at times be a target for vandalism.

Solution:

A flexible and creative way to deal with this problem through a pilot project that will utilize already completed original artwork by local artists. Artist’s’ work will be digitized, enlarged and printed on inexpensive banner material, allowing for rotation in and out of storefronts and mobility of placement. This process has been done with great effect in many towns and cities.[1]

Initial Goals:

1) Activating main street areas to improve livability, promote commerce, and create more engagement from residents, businesses, and visitors.

2) Creating spaces to inspire community interaction and inspiration, support downtown as the center of community life.

[1] https://www.phantomgalleriesla.com/

3) Employing local artists.

4) Encouraging community ‘identity’ or values around public art.

5) Contributing to the visual impact of Second Saturday with public art, that encourages walking/shopping (pedestrian connectivity).

6) Connections include the possibility for extending and sharing artwork through selfies as well as through a digital and analogue map and catalogue of local artists. (Each one will have a QR code for visitors to interact further with the artwork).

7). Artists will be paid for “use” of their images that will be printed on a banner that will be installed inside the window of the storefronts.

Secondary goal: to improve downtown vitality through policy

The City of Sonora could adopt several strategies to make their arts and cultural development efforts a success and begin to develop an Arts and Culture strategic plan for 2026 for the city of Sonora

1. Commit to consistent funding.
2. Plan for long-term cultural development.
3. Use underutilized spaces creatively.
4. Nurture private sector involvement.
5. Invest in public spaces to strengthen our arts offerings and position the city to take advantage (strategically) to develop the downtown into cultural districts.

Storefront window installations include a “tidying up of windows” to remove webs and other debris from commercial facades. Printed banners of original artworks will increase interest in the downtown street corridor while creating greater public space activation, increasing foot traffic, and encouraging downtown development. Supporting the Sonora downtown community from the ground up, generative economic and community development will employ the arts and artists to envision a vibrant business core and welcoming public common-spaces.

This pilot project seeks to:

1. Mitigate blight caused by empty buildings and businesses in our downtown area through temporary, removable artwork created by local artists and designers.

2. Develop a vetting process, through the development of a policy for evaluating public art, that includes:

    - Guidelines for production and display

- Pay scale that is fair and meets or exceeds compensation that is commensurate with market rates for the artwork produced or used for the purpose of beautification.
- Establishment of a panel that consists of artists, interested citizens, business owners and trusted parties.
- Establishment of a process by which each proposed public project is understood to improve and enhance the downtown space and will be evaluated using fair criteria that is known ahead of submissions.

In the future, if our pilot is well received, “The call for artwork” could be thematic, or it could be seasonal.

Initial Research
Examples

Phantom Galleries L.A. (PGLA): revitalizes and energizes communities and pedestrian thoroughfares by converting vacant storefronts throughout Los Angeles County into temporary galleries and pedestrian viewing only galleries transforming districts into vibrant cultural hubs through the 24/7 public presentation of art.

Project for Public Spaces San Jose: Three vacant buildings lining the street on San Fernando and half a dozen more continuing around the corner on South First Street are now filled with artists' displays and installations. Phantom Galleries was created to both renew the magic in the daily journey downtown and increase the awareness of the importance of our local artists in the cultural/economic development of our city. [2]

Arts in storefronts, San Francisco from 2010, funded by National Endowment for the Arts: [3] * note they have links to two documents as sample agreements between landlords and one for artists

Vacant to Vibrant: San Francisco arts commission evolved out of the 2010 Arts in storefronts mentioned above. [4]

[2] https://www.pps.org/places/phantom-galleries

[3] https://www.sfartscommission.org/resources/art-in-storefronts-toolkit

[4] https://www.vibrantsf.org/

We propose that this pilot project (or proof of concept), begin with one or two of the facades that we have already identified and measured. * See page 4 images as our working examples.

Installing the banners on the inside of the storefront would prevent damage from vandalism. Each piece would be fitted to the orientation of the storefront window or windows in a way that will not cause harm to the window structure.

Example cost for window artwork at the vacant Superior Court,
for 8 panels (3' x 7') is approximately $500.00 [5]

Initial artists for this pilot should represent different styles and topics:
Eleanor BonBon— Artist/Muralist and Policy Lead has provided an example of an expressive image so we can imagine the impact of color, emotion and visual interest.

As per our research:

- The original work by the artist would be $250.00 to use their image. Artists would need to fill out licensing agreement with TCA, the Sonora Chamber of Commerce, the City of Sonora and the Visitor's bureau.
- ALL images must be the original work of the artist.
- All artists must provide an initial digital image in the format (orientation) H X W required.
- If selected, the image must be 300ppi for printing purposes.
- Building owners submission form, where they submit location and all information to aid, size photo of storefront.
- Initial pilot will provide a stipend for two facilitators who will work with the city and be responsible for organizing and implementing the installation.

Although this is for a mural project, some of the wording is pertinent:

**https://www.stanislausarts.org/news/now-accepting-artist-proposals-jennys-place-public-mural-project?**

[5] https://www.vistaprint.com/signs-posters/vinyl-banners









Superior Court Example Right Side Building, 4 panels, another 4 to the left.














By far the worst! This has been like this forever!



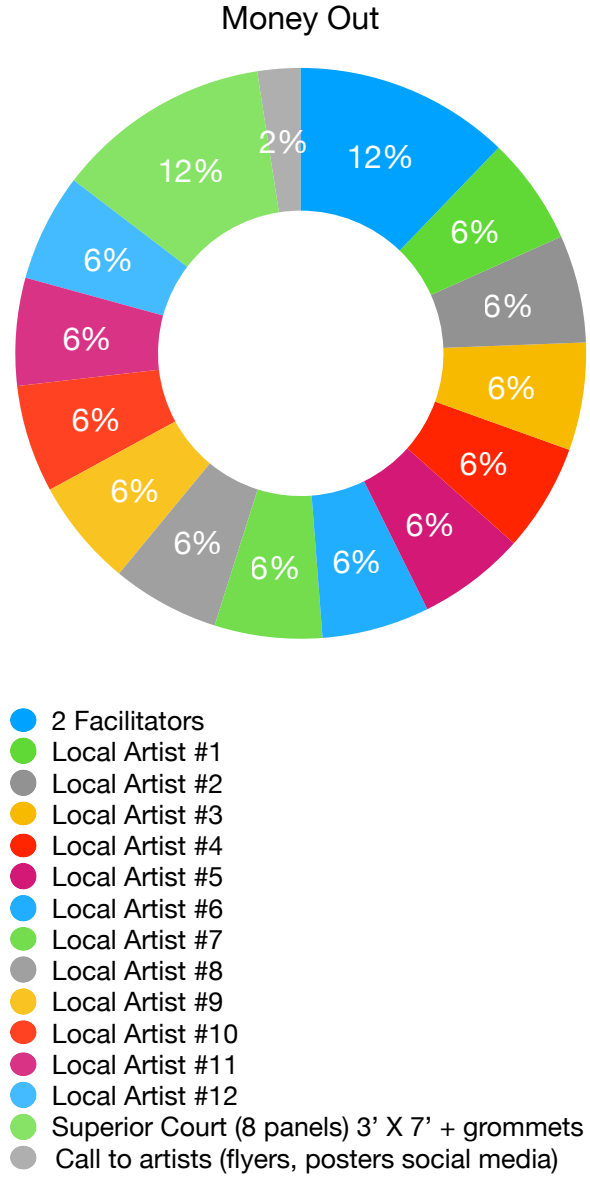



Original Artwork by Eleanor BonBon

# Pilot Project: Beautification of Downtown

| Money In | |
|---|---|
| Sonora Chamber/ Visit Tuolumne | $7,500 |
| Additional income | $0 |
| **Total income** | **$7,500** |

| Money Out | |
|---|---|
| 2 Facilitators | $500 |
| Local Artist #1 | $250 |
| Local Artist #2 | $250 |
| Local Artist #3 | $250 |
| Local Artist #4 | $250 |
| Local Artist #5 | $250 |
| Local Artist #6 | $250 |
| Local Artist #7 | $250 |
| Local Artist #8 | $250 |
| Local Artist #9 | $250 |
| Local Artist #10 | $250 |
| Local Artist #11 | $250 |
| Local Artist #12 | $250 |
| Superior Court (8 panels) 3’ X 7’ + grommets | $500 |
| Call to artists (flyers, posters social media) | $100 |
| 6’ x 8’ | $110 |



| Money Out | |
|---|---|
| 6’ x 8’ | $110 |
| 6’ x 8’ | $110 |
| 10’ x 5’ | $120 |
| 10’ x 5’ | $120 |
| 10’ x 5’ | $120 |
| 5’ x 8’ | $96 |
| 5’ x 8’ | $96 |
| 5’ x 8’ | $96 |
| 7’ x 5’ | $90 |
| 7’ x 5’ | $90 |
| 7’ x 5’ | $90 |
| 4’ x 8’ | $85 |
| 4’ x 8’ | $85 |
| 4’ x 8’ | $85 |
| 8’ x 8’ | $145 |
| 8’ x 8’ | $145 |
| 8’ x 8’ | $145 |
| 10' x 8’ | $189 |
| 10' x 8’ | $189 |
| 10' x 8’ | $189 |
| **Total expenses** | **$6,605** |
| **Money Left Over** | |
| Income minus expenses | $895 |

Respectfully submitted by: Laurie Livingston
Executive Director, Tuolumne County Arts Alliance, Inc.

Eleanor Bonbon
Small Business Owner, Unicorn Tattoo

# CITY COUNCIL AGENDA REPORT

CITY HALL

CITY OF SONORA 94 N. WASHINGTON STREET, SONORA, CA 95370 P: (209) 532-4541

***SERVICE, INNOVATION, INTEGRITY, COLLABORATION, RESPECT, LEADERSHIP***

**DATE:** August 4, 2025

**TO:** Honorable Mayor and Members of the City Council

**FROM:** Stacy Enos-Del Razo, Deputy City Clerk

**SUBJECT:** Meeting Minutes from July 21, 2025.

**RECOMMENDATION:**

Consider Approval of the City of Sonora Meeting Minutes from July 21, 2025.

**DISCUSSION / ANALYSIS:**

Staff Recommends that the City Council Approve the Meeting Minutes from July 21, 2025.

**FISCAL IMPACT:**

No Fiscal Impact on the General Fund.

**ATTACHMENTS:**

Meeting Minutes from July 21, 2025

**CORE COUNCIL PRIORITIES:**

Fiscal Responsibility and Stability, Infrastructure and Engineering, Public Safety and Disaster Preparedness, Economic Development/Growth and General Plan, Homelessness Issues, Staffing - Salary, Benefits, Training, and Retention

***Mission Statement: To foster a safe, vibrant, and prosperous community that enhances the quality of life for all***

# CITY OF SONORA
# City Council Regular Meeting
# Minutes
# Monday, July 21, 2025
# 5:00 PM

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**Mayor Ann Segerstrom**

**Vice Mayor Andy Merrill**

**Council Members Bess Levine, Stephen Opie, Mark Plummer**

**City Administrator Melissa Eads**

**City Attorney Douglas White**

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***Vision Statement: With leadership and integrity, the City of Sonora commits to excellent service through collaboration and innovation***

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**CLOSED SESSION** - 4:30 PM

**CALL TO ORDER**

Called to order at 4:31 PM.

**ROLL CALL**

**PRESENT**
**Vice Mayor Andy Merrill**
**Councilmember Bess Levine**
**Councilmember Stephen Opie**
**Councilmember Mark Plummer**

**ABSENT**
**Mayor Ann Segerstrom**

**PUBLIC COMMENTS**

No public comment.

**ADJOURN INTO CLOSED SESSION**

1. Conference with Labor Negotiators (Gov. Code Section § 54957.6): Agency Designated Representatives: Melissa Eads, City Administrator; Chris Gorsky, Administrative Services Director; Employee Organization: Sonora Fire Fighters Association (SFFA).

**RECONVENE INTO OPEN SESSION**

**OPEN SESSION** - 5:00 PM

Called to order at 5:00 PM.

**REPORT OUT OF CLOSED SESSION**

**Vice Mayor Andy Merrill** stated direction was given to staff.

**PLEDGE OF ALLEGIANCE**

**Councilmember Bess Levine** led the Pledge of Allegiance.

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**ROLL CALL**

**PRESENT**
**Vice Mayor Andy Merrill**
**Councilmember Bess Levine**
**Councilmember Stephen Opie**
**Councilmember Mark Plummer**

**ABSENT**
**Mayor Ann Segerstrom**

**CITY CLERK'S REPORT ON AGENDA POSTING**

The Agenda was posted on Friday, July 18, 2025, at 8:46 AM.

**APPROVAL OF THE AGENDA**

**Motion made by Councilmember Mark Plummer. Seconded by Councilmember Stephen Opie. Voting Yea: Vice Mayor Andy Merrill, Councilmember Bess Levine, Councilmember Stephen Opie, Councilmember Mark Plummer.**

**PUBLIC COMMENT** (NON-AGENDA ITEMS)

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**Lisa Mayo President and CEO of Visit Tuolumne County** thanked the Sonora Police Department.

**A member of the public** made comments and shared statistics.

**PRESENTATIONS**

2. Receive a Presentation of the Proposed Scope of Work from Visit Tuolumne County for Tourism Marketing Services, Effective July 1, 2025 through June 30, 2026, in the Amount of $100,000, and Authorize Notice to Proceed; Jen Lopez, Visit Tuolumne Marketing Manager.

   **Lisa Mayo President and CEO Visit Tuolumne County** reviewed the 2024 Visitation and Impacts; The Opportunity; introduced the proposed campaign "Step Into Sonora"; and Enhancing Visibility; J**en Lopez Marketing Manager Visit Tuolumne County** introduced Special Projects; Advertising; Familiarization Trips; Marketing Costs; and the Tourism Summit Awards and Partner Showcase is Thursday October 16, 2025.

3. Receive a Presentation Regarding Pioneer Community Energy's Planned Expansion into the City of Sonora with a Service Launch in October 2027; Gina Stassi-Vanacore, Pioneer Community Energy Director of Communications.

   **Gina Stassi-Vanacore Director of Communications Pioneer Community Energy** gave an overview of the Background; additional New Members; Communications and Outreach; Information Available on their Website; Multi-Phase Planning; and What to Expect.

   Councilmember Mark Plummer asked about community outreach.

   **Gina Stassi-Vanacore** explained the outreach campaign.

   Public comment was called for both Presentations. There was no public comment for either Presentation.

**CONSENT CALENDAR**

*Items on the Consent Calendar are considered routine and will be voted on in one motion unless a Council member or member of the public has a question or wishes to discuss an item. In that case, the item will be removed from the Consent Calendar and considered separately.*

4. Consider Approval of the Meeting Minutes from June 21, 2022, and July 7, 2025; Stacy Enos-Del Razo, Deputy City Clerk.

5. Consider Acceptance of an Informational Report for May and June Accounts Payable Payment Register and Void Report; Chris Gorsky, Assistant City Administrator

6. Consider Approval of Disbursements in the Amount of $203,385.36, $206,742.10, $203,131.19, $214,137.94, and $245,104.00 for Payroll, Including Employee Salaries, Employer and Employee Taxes, Retirement Contributions, Miscellaneous Voluntary Employee Deductions, Holiday Pay, and Other Adjustments, Including Retro-Pay; Tracy Skelly, Administrative Services Officer.

7. Consider Approval of the Statement of Work No. 3 with Diamond Digital Marketing Co. for Expanded Social Media, Public Relations, and Communications Services, Effective July 1, 2025, Through June 30, 2026, in the Amount of $36,000, and Authorize the City Administrator to Execute the Agreement; Melissa Eads, City Administrator.

8. Consider Adoption of Resolution No. 07-21-2025-A Approving Side Letters to the Memorandum of Understanding (MOUs) with the Sonora Management Employees Association (SMEA) and the Sonora Confidential Employees Association (SCEA) to Comply with California Code of Regulations (CCR) sections 571 and 571.1, and Resolution No. 07-21-2025-B Approving Updated Salary Range Tables for Each Group Reflecting Accurate Reporting of Compensation to CalPERS; Chris Gorsky, Assistant City Administrator, Tracy Skelly, Administrative Services Officer.

**Councilmember Mark Plummer** asked to remove Item 8.

**William Creger White Brenner** explained to those in attendance the Side Letters for the MOU's.

No public comment.

**Motion made by Councilmember Bess Levine. Seconded by Councilmember Mark Plummer. Voting Yea: Vice Mayor Andy Merrill, Councilmember Bess Levine, Councilmember Stephen Opie, Councilmember Mark Plummer**

9. Waive the Second Reading and Approve Resolution 07-21-2025-C and Ordinance No. 905 Updating the 2025 City of Sonora Emergency Operations Plan and Revision of the City of Sonora Municipal Code Chapter 2.28 – Emergency Services; Paul Bockrath, Preparative Consulting, Melissa Eads, City Administrator.

**A member of the public** made a comment on the Minutes.

**Tracy Skelly City Clerk** addressed the comment.

**Motion made by Mark Plummer for Items A, B, C, D and F. Seconded by Councilmember Bess Levine. Voting Yea: Vice Mayor Andy Merrill, Councilmember Bess Levine, Councilmember Stephen Opie, Councilmember Mark Plummer**

**NEW BUSINESS**

10. Consider Approval of the Proposed Mutual Aid Agreement Between the City of Sonora and Chicken Ranch Tribal Fire Department and Authorize the Interim Fire Chief to Sign the Agreement and any Related Documents Necessary to Implement the Agreement; Gary Carlson, Fire Chief.

**Gary Carlson Fire Chief** explained to those in attendance the Proposed Mutual Aid Agreement.

**Councilmember Mark Plummer and Gary Carlson** discussed the County and other entities in the agreement.

**Motion made by Councilmember Mark Plummer. Seconded by Councilmember Stephen Opie. Voting Yea: Vice Mayor Andy Merrill, Councilmember Bess Levine, Councilmember Stephen Opie, Councilmember Mark Plummer**

11. Receive a Presentation from Westside Forestry Consulting on Recommended Treatments for Dragoon Gulch and Consider Giving Direction to Project Partners on the Preferred Fuel Treatment for Dragoon Gulch Trail Network; Tyler Summerstt, Community Development Director.

**Tyler Summersett Community Development Director** explained to those in attendance the background of the Cal Fire Grant for Dragoon Gulch Fuel Reduction; **Adam Frese a Forester for Westside Forestry Consulting** presented the Fuel Treatment for the Dragoon Gulch Trail Network; Scope of Work; and Questions from the City of Sonora.

**Councilmembers** made comments, asked questions, and discussed with Adam Frese.

**Melissa Eads City Administrato**r made comments.

**Councilmembers and Tyler Summersett** discussed community outreach.

**Vice Mayor Andy Merrill** summarized the Council's priorities.

**A member of the public** made comments.

**COMMUNICATIONS**

12. Receive Communications from Citygate Associates, LLC. Regarding the Organizational Review and Budget Stabilization Study Update.

**COUNCIL MEMBER REPORTS**

**Councilmember Stephen Opie** attended a field trip to the Stanislaus-Tuolumne Experimental Forest.

**Councilmember Bess Levine** attended Visit Tuolumne County Board meeting; and the Commission on Homelessness.

**Councilmember Mark Plummer** meetings were cancelled for the month.

**Vice Mayor Andy Merrill** did not have any meetings.

**ADJOURNMENT**

Adjourned at 6:10 PM.

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# CITY COUNCIL AGENDA REPORT

CITY HALL

CITY OF SONORA 94 N. WASHINGTON STREET, SONORA, CA 95370 P: (209) 532-4541

***SERVICE, INNOVATION, INTEGRITY, COLLABORATION, RESPECT, LEADERSHIP***

**DATE:** August 04, 2025

**TO:** Honorable Mayor and Members of the City Council

**FROM:** Chris Gorsky, Assistant City Administrator

**SUBJECT:** Consider Acceptance of the Quarterly Investment Report for the Period Ended June 30, 2025

**RECOMMENDATION:**

Staff Recommend that the City Council Receive and File this Quarterly Investment Report for Informational Purposes. No Further Action is Required at this time, as the Portfolio Remains in Compliance with all Applicable Policies and Regulations. This Report Fulfills the Reporting Requirements Under California Government Code Section 53601 and City Policy.

**BACKGROUND:**

The City of Sonora maintains an investment portfolio to manage surplus funds generated from taxes, fees, grants, and other revenues. The portfolio is governed by the City's Investment Policy, last updated and adopted by the City Council on January 15, 2024, which emphasizes the principles of safety, liquidity, and return in that order of priority. Investments are limited to those authorized under California Government Code Section 53601.

This quarterly report is prepared to provide transparency on the status of the City's investments, as required by the City's Investment Policy. The portfolio's performance is benchmarked against indicators such as the LAIF apportionment rate and short-term U.S. Treasury yields.

**DISCUSSION / ANALYSIS:**

The City's investment portfolio as of June 30, 2025, totaled $20,417,839 in market value. The portfolio is well diversified, with a heavy allocation to highly liquid assets like LAIF (34.6%) to ensure funds are readily available for operational and capital needs.

Key performance metrics include:

- **Quarterly Earnings:** $208,193, primarily from LAIF, Money Markets, and CDs, reflecting stable short-term rates.
- **Year to Date Earnings:** $742,531.

# CITY COUNCIL AGENDA REPORT

CITY HALL

CITY OF SONORA 94 N. WASHINGTON STREET, SONORA, CA 95370 P: (209) 532-4541

***SERVICE, INNOVATION, INTEGRITY, COLLABORATION, RESPECT, LEADERSHIP***

- **Rate of Return:** The weighted average yield to maturity was 4.2%. This annualized rate aligns closely with the LAIF benchmark of 4.4% and the 3-month U.S. Treasury Bill rate of 4.25%. No unrealized losses exceeded 1% of book value, indicating low volatility.

The following table details the holdings by investment type, and market values. Earnings are accrued and include interest income and any amortization or accretion. Market values are sourced from reliable providers such as the State Treasurer's Office or custodian reports.

**FISCAL IMPACT:**

The quarterly earnings of $208,193 contribute positively to the City's General Fund and other funds, providing additional revenue for operations without increasing taxes or fees. Fiscal Year 2024-25 earnings total approximately $742,531, which supports budgetary flexibility and helps offset inflationary pressures on expenditures. There are no negative fiscal impacts noted; the portfolio's conservative approach is to minimize risk. Future rate changes could affect yields, but the current structure ensures stability.

**ATTACHMENTS:**

- Quarterly Investment Report for the Quarter Ending June 30, 2025

**CORE COUNCIL PRIORITIES:**

Fiscal Responsibility and Stability, Infrastructure and Engineering, Public Safety and Disaster Preparedness, Economic Development/Growth and General Plan, Homelessness Issues, Staffing - Salary, Benefits, Training, and Retention

# Quarterly Investment Report
# For the Quarter Ending: June 30, 2025

| Investment Type | Issuer/Institution | Purchas Date | Maturity Date | Market Value | Interest Rate | Days to Maturity |
|---|---|---|---|---|---|---|
| **Cash** | | | | | | |
| Checking Account | Bank of Stockton | Various | Liquid | $577,692 | 0.50% | - |
| **State Pooled Investments** | | | | | | |
| LAIF Pooled Investment Fund | CA State Treasurer | Various | Liquid | $7,053,864 | 4.40% | 248 |
| **Pension Trust** | | | | | | |
| CalPERS 115 Trust Account | CalPERS | Various | Restricted | $948,945 | 4.80% | |
| **Money Market Accounts** | | | | | | |
| Money Market | Bank of Stockton | Various | Liquid | $6,813,691 | 3.87% | - |
| FDIC Insured Sweeps | Bank of Stockton | Various | Liquid | $1,826,382 | 4.20% | - |
| **CD's** | | | | | | |
| Fidelity Bank CD | Bank of Stockton | 04/02/25 | 04/03/28 | $245,000 | 4.50% | 1008 |
| Bradesco Bank CD | Bank of Stockton | 04/02/25 | 09/30/25 | $245,000 | 4.40% | 92 |
| Northpointe Bank CD | Bank of Stockton | 04/03/25 | 09/29/25 | $245,000 | 4.52% | 91 |
| **Government Bonds** | | | | | | |
| Federal Farm Credit U.S. Gov. Agency Bond | Bank of Stockton | 05/07/25 | 07/23/29 | $800,423 | 4.60% | 1484 |
| **Corporate Bonds** | | | | | | |
| United Health Bond | Bank of Stockton | 04/01/25 | 01/15/30 | $101,543 | 4.80% | 1660 |
| State Street Bank Bond | Bank of Stockton | 04/01/25 | 11/23/29 | $102,094 | 4.78% | 1607 |
| Pacific Corp Bond | Bank of Stockton | 04/01/25 | 06/15/29 | $96,638 | 3.62% | 1446 |
| Honeywell International Bond | Bank of Stockton | 04/01/25 | 07/30/27 | $101,040 | 4.65% | 760 |
| Hershey Company Bond | Bank of Stockton | 04/01/25 | 02/24/30 | $101,970 | 4.75% | 1700 |
| Federal Home Loans Bond | Bank of Stockton | 04/09/25 | 04/10/29 | $300,029 | 4.69% | 1380 |
| Walt Disney Bond | Bank of Stockton | 04/01/25 | 03/22/30 | $98,454 | 3.80% | 1726 |
| Conoco Phillips Bond | Bank of Stockton | 04/01/25 | 10/01/27 | $98,986 | 3.75% | 823 |
| Centerpointe Energy Bond | Bank of Stockton | 04/01/25 | 03/15/30 | $101,725 | 4.80% | 1719 |
| Archer Daniels Midland Bond | Bank of Stockton | 04/01/25 | 03/27/30 | $95,412 | 3.76% | 1731 |
| **Mutual Funds** | | | | | | |
| Vanguard Short Term Federal | Bank of Stockton | Various | - | $463,950 | 3.51% | - |

**Total City Portfolio:** **$20,417,839**

**Total Investment Income FY24-25 (All Funds):** **$742,531**

Compliance: All investments are in compliance with the City's Investment Policy and Government Code Section 53601

# CITY COUNCIL AGENDA REPORT

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CITY OF SONORA 94 N. WASHINGTON STREET, SONORA, CA 95370 P: (209) 532-4541

***SERVICE, INNOVATION, INTEGRITY, COLLABORATION, RESPECT, LEADERSHIP***

**DATE:** August 4, 2025

**TO:** Honorable Mayor and Members of the City Council

**FROM:** Chris Gorsky, Assistant City Administrator

**SUBJECT:** Declaration of City Vehicles as Surplus Property pursuant to Government Code Section 54221 and Council Authorization to sell them at fair market value and/or at a Public Auction.

**RECOMMENDATION:**

It is recommended that the City Council declare the identified City-owned property as surplus and authorize staff to dispose of the surplus property. For the surplus fire truck this will be accomplished via a private sale to the Chicken Ranch Tribal Fire Department at the fair market value and for the police cars through the City's contracted Lease provider (Enterprise eFleets) which will auction vehicles on the behalf of the City.

**BACKGROUND:**

The City periodically reviews its real and personal property assets to determine if any items are no longer required for municipal operations. City staff have identified the following property as no longer necessary for public use:

- Seven (7) Police Vehicles
- One (1) Fire Engine

Pursuant to **Government Code Section 54220 et seq.**, public agencies must declare property surplus prior to disposal. Declaring the property surplus confirms that it is not needed for City purposes and allows staff to initiate sale procedures.

**DISCUSSION / ANALYSIS:**

Once declared surplus, the property will be sold at fair market value or at a public auction in accordance with **Government Code Sections 37350–37351** and the City's purchasing and disposition policies. This will be

Proceeds from the sale will be used to offset the costs of replacement of City Fleet.

- If the property fails to sell at auction, staff may re-list or explore other disposal methods consistent with state law.

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**FISCAL IMPACT:**

The sale of surplus property is anticipated to generate one-time revenue that will be used to offset costs to replace future city fleet needs. The sales will generate approximately $40,000.

**ATTACHMENTS:**

- Disposition Unit #4
- Disposition Unit #5
- Disposition Unit #6
- Disposition Unit #7
- Disposition Unit #22
- Disposition Unit #29
- Disposition Unit #30
- Disposition E755

**CORE COUNCIL PRIORITIES:**

Fiscal Responsibility and Stability, Infrastructure and Engineering, Public Safety and Disaster Preparedness, Economic Development/Growth and General Plan, Homelessness Issues, Staffing - Salary, Benefits, Training, and Retention

# CITY OF SONORA
# DISPOSITION OF CITY VEHICLE

VIN # 2B3AA4CT9AH304165 License Plate # 1348538

Assigned Department POLICE City Unit Number #4

Reason for Disposition of Vehicle:
2010, Dodge Charger, 94,000 miles on engine, surpassed usable lifespan.

PLEASE CHECK THE METHOD OF DISPOSITION RECOMMENDED:

✔ Sale

_____ Transfer *(no money to be received)*

_____ Parted Out/Junked

**NO VEHICLE MAY BE DISPOSED OF BY THE CITY WITHOUT THE TITLE BEING TRANSFERRED TO THE APPROPRIATE PERSON/ENTITY AND/OR NOTIFICATION TO THE DEPARTMENT OF MOTOR VEHICLES THAT THE VEHICLE HAS BEEN JUNKED.**

The following procedures shall be followed in determining that a vehicle should be disposed of by the City:

1. Department shall determine that the vehicle is no longer needed.
2. Vehicle shall be offered to other City Departments.
3. City Equipment Mechanic shall recommend whether vehicle should be sold, parted out or junked.
4. The City Equipment Mechanic and Finance Director shall coordinate the transfer of title.

Department Head Signature Recommending Disposition — Date: 07-24-25

As the City's Equipment Mechanic, I have inspected the vehicle and based upon that inspection, I recommend:

_____ Sale/Transfer

_____ Part Out/Junk

Equipment Mechanic Signature *(Recommending Type of Disposition)* — Date

City Administrator Signature *(Authorizing Disposition)* — Date

*Pink Slip Given To & Date Given* _____ Date

Finance Director Signature *(Accepting Disposition as Complete)* — Date

COMMENTS ON REVERSE SIDE

# CITY OF SONORA
# DISPOSITION OF CITY VEHICLE

VIN # 6G3NS5U27EL944864 License Plate # 1421348

Assigned Department POLICE City Unit Number #5

Reason for Disposition of Vehicle:
2014 Chevrolet Caprice, 49,654 miles on engine - Totaled; major body and frame damage.

PLEASE CHECK THE METHOD OF DISPOSITION RECOMMENDED:

- ✔ Sale
- _____ Transfer *(no money to be received)*
- _____ Parted Out/Junked

**NO VEHICLE MAY BE DISPOSED OF BY THE CITY WITHOUT THE TITLE BEING TRANSFERRED TO THE APPROPRIATE PERSON/ENTITY AND/OR NOTIFICATION TO THE DEPARTMENT OF MOTOR VEHICLES THAT THE VEHICLE HAS BEEN JUNKED.**

The following procedures shall be followed in determining that a vehicle should be disposed of by the City:

1. Department shall determine that the vehicle is no longer needed.
2. Vehicle shall be offered to other City Departments.
3. City Equipment Mechanic shall recommend whether vehicle should be sold, parted out or junked.
4. The City Equipment Mechanic and Finance Director shall coordinate the transfer of title.

Department Head Signature Recommending Disposition — Date: 05-21-24

As the City's Equipment Mechanic, I have inspected the vehicle and based upon that inspection, I recommend:

- _____ Sale/Transfer
- _____ Part Out/Junk

Equipment Mechanic Signature *(Recommending Type of Disposition)* — Date

City Administrator Signature *(Authorizing Disposition)* — Date

*Pink Slip Given To & Date Given* _____ Date

Finance Director Signature *(Accepting Disposition as Complete)* — Date

COMMENTS ON REVERSE SIDE

# CITY OF SONORA
# DISPOSITION OF CITY VEHICLE

VIN # 1FAFP53U96A236964 License Plate # 1260634

Assigned Department POLICE City Unit Number #6

Reason for Disposition of Vehicle:
2006 Ford Taurus, 65,504 miles on engine - Body damage exceeds vehicle value (kbb.com $700 - $1,100).

PLEASE CHECK THE METHOD OF DISPOSITION RECOMMENDED:

- ✔ Sale
- _____ Transfer *(no money to be received)*
- _____ Parted Out/Junked

**NO VEHICLE MAY BE DISPOSED OF BY THE CITY WITHOUT THE TITLE BEING TRANSFERRED TO THE APPROPRIATE PERSON/ENTITY AND/OR NOTIFICATION TO THE DEPARTMENT OF MOTOR VEHICLES THAT THE VEHICLE HAS BEEN JUNKED.**

The following procedures shall be followed in determining that a vehicle should be disposed of by the City:

1. Department shall determine that the vehicle is no longer needed.
2. Vehicle shall be offered to other City Departments.
3. City Equipment Mechanic shall recommend whether vehicle should be sold, parted out or junked.
4. The City Equipment Mechanic and Finance Director shall coordinate the transfer of title.

Department Head Signature Recommending Disposition — Date: 05-21-24

As the City's Equipment Mechanic, I have inspected the vehicle and based upon that inspection, I recommend:

- _____ Sale/Transfer
- _____ Part Out/Junk

Equipment Mechanic Signature *(Recommending Type of Disposition)* — Date

City Administrator Signature *(Authorizing Disposition)* — Date

*Pink Slip Given To & Date Given* _____ Date

Finance Director Signature *(Accepting Disposition as Complete)* — Date

COMMENTS ON REVERSE SIDE

# CITY OF SONORA
# DISPOSITION OF CITY VEHICLE

VIN # 2FAFP73W41X171552 License Plate # 1107680

Assigned Department POLICE City Unit Number #7

Reason for Disposition of Vehicle:
2001 Crown Victoria Unmarked, 133,757 mileage on vehicle - No longer needed.

PLEASE CHECK THE METHOD OF DISPOSITION RECOMMENDED:

- ✔ Sale
- _____ Transfer *(no money to be received)*
- _____ Parted Out/Junked

**NO VEHICLE MAY BE DISPOSED OF BY THE CITY WITHOUT THE TITLE BEING TRANSFERRED TO THE APPROPRIATE PERSON/ENTITY AND/OR NOTIFICATION TO THE DEPARTMENT OF MOTOR VEHICLES THAT THE VEHICLE HAS BEEN JUNKED.**

The following procedures shall be followed in determining that a vehicle should be disposed of by the City:

1. Department shall determine that the vehicle is no longer needed.
2. Vehicle shall be offered to other City Departments.
3. City Equipment Mechanic shall recommend whether vehicle should be sold, parted out or junked.
4. The City Equipment Mechanic and Finance Director shall coordinate the transfer of title.

7/25/25
Department Head Signature Recommending Disposition Date

As the City's Equipment Mechanic, I have inspected the vehicle and based upon that inspection, I recommend:

- _____ Sale/Transfer
- _____ Part Out/Junk

Equipment Mechanic Signature *(Recommending Type of Disposition)* Date

City Administrator Signature *(Authorizing Disposition)* Date

*Pink Slip Given To & Date Given* _____
Date

Finance Director Signature *(Accepting Disposition as Complete)* Date

COMMENTS ON REVERSE SIDE

# CITY OF SONORA
# DISPOSITION OF CITY VEHICLE

VIN # 1GNSKDEC8KR349815 License Plate # 1565836

Assigned Department POLICE City Unit Number #22

Reason for Disposition of Vehicle:
2023 Chevy Tahoe Pursuit; 31,326 miles on engine.- Major body and frame damage.

PLEASE CHECK THE METHOD OF DISPOSITION RECOMMENDED:

_____ Sale
_____ Transfer *(no money to be received)*
✔ Parted Out/Junked

**NO VEHICLE MAY BE DISPOSED OF BY THE CITY WITHOUT THE TITLE BEING TRANSFERRED TO THE APPROPRIATE PERSON/ENTITY AND/OR NOTIFICATION TO THE DEPARTMENT OF MOTOR VEHICLES THAT THE VEHICLE HAS BEEN JUNKED.**

The following procedures shall be followed in determining that a vehicle should be disposed of by the City:

1. Department shall determine that the vehicle is no longer needed.
2. Vehicle shall be offered to other City Departments.
3. City Equipment Mechanic shall recommend whether vehicle should be sold, parted out or junked.
4. The City Equipment Mechanic and Finance Director shall coordinate the transfer of title.

Department Head Signature Recommending Disposition — Date: 07/24/25

As the City's Equipment Mechanic, I have inspected the vehicle and based upon that inspection, I recommend:

_____ Sale/Transfer
_____ Part Out/Junk

Equipment Mechanic Signature *(Recommending Type of Disposition)* — Date

City Administrator Signature *(Authorizing Disposition)* — Date

*Pink Slip Given To & Date Given* _____ Date

Finance Director Signature *(Accepting Disposition as Complete)* — Date

COMMENTS ON REVERSE SIDE

# CITY OF SONORA
# DISPOSITION OF CITY VEHICLE

VIN # 2FAHP71W35X123851 License Plate # 1246499

Assigned Department POLICE City Unit Number #29

Reason for Disposition of Vehicle:
2005 Ford Crown Victoria Interceptor, 110, 026 miles on engine - High mileage vehicle - Unsupported parts and equipment.

PLEASE CHECK THE METHOD OF DISPOSITION RECOMMENDED:

- ✔ Sale
- _____ Transfer *(no money to be received)*
- _____ Parted Out/Junked

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The following procedures shall be followed in determining that a vehicle should be disposed of by the City:

1. Department shall determine that the vehicle is no longer needed.
2. Vehicle shall be offered to other City Departments.
3. City Equipment Mechanic shall recommend whether vehicle should be sold, parted out or junked.
4. The City Equipment Mechanic and Finance Director shall coordinate the transfer of title.

05-21-24

Department Head Signature Recommending Disposition Date

As the City's Equipment Mechanic, I have inspected the vehicle and based upon that inspection, I recommend:

- _____ Sale/Transfer
- _____ Part Out/Junk

Equipment Mechanic Signature *(Recommending Type of Disposition)* Date

City Administrator Signature *(Authorizing Disposition)* Date

*Pink Slip Given To & Date Given* _____

Date

Finance Director Signature *(Accepting Disposition as Complete)* Date

COMMENTS ON REVERSE SIDE

# CITY OF SONORA
# DISPOSITION OF CITY VEHICLE

VIN # ZFAHP71W05X127176 License Plate # 1260600

Assigned Department POLICE City Unit Number #30

Reason for Disposition of Vehicle:
2005 Ford Crown Victoria Interceptor, 118,028 miles on engine - High mileage vehicle - Unsupported parts and equipment.

PLEASE CHECK THE METHOD OF DISPOSITION RECOMMENDED:

✔ Sale
_____ Transfer *(no money to be received)*
_____ Parted Out/Junked

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The following procedures shall be followed in determining that a vehicle should be disposed of by the City:

1. Department shall determine that the vehicle is no longer needed.
2. Vehicle shall be offered to other City Departments.
3. City Equipment Mechanic shall recommend whether vehicle should be sold, parted out or junked.
4. The City Equipment Mechanic and Finance Director shall coordinate the transfer of title.

05-21-24
Department Head Signature Recommending Disposition Date

As the City's Equipment Mechanic, I have inspected the vehicle and based upon that inspection, I recommend:

_____ Sale/Transfer
_____ Part Out/Junk

Equipment Mechanic Signature *(Recommending Type of Disposition)* Date

City Administrator Signature *(Authorizing Disposition)* Date

*Pink Slip Given To & Date Given* _____
Date

Finance Director Signature *(Accepting Disposition as Complete)* Date

COMMENTS ON REVERSE SIDE

# CITY OF SONORA
# DISPOSITION OF CITY VEHICLE

VIN # 44KFT4286VWZ18376 License Plate # _____

Assigned Department Fire Department City Unit Number # E755

Reason for Disposition of Vehicle: _____

Fire Truck E755 is Surplus. Fire Department replaced with new Fire truck. This will be sold at fair market value of $35,000.

PLEASE CHECK THE METHOD OF DISPOSITION RECOMMENDED:

- ✓ Sale
- _____ Transfer *(no money to be received)*
- _____ Parted Out/Junked

**NO VEHICLE MAY BE DISPOSED OF BY THE CITY WITHOUT THE TITLE BEING TRANSFERRED TO THE APPROPRIATE PERSON/ENTITY AND/OR NOTIFICATION TO THE DEPARTMENT OF MOTOR VEHICLES THAT THE VEHICLE HAS BEEN JUNKED.**

The following procedures shall be followed in determining that a vehicle should be disposed of by the City:

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2. Vehicle shall be offered to other City Departments.
3. City Equipment Mechanic shall recommend whether vehicle should be sold, parted out or junked.
4. The City Equipment Mechanic and Finance Director shall coordinate the transfer of title.

Department Head Signature Recommending Disposition Date

As the City's Equipment Mechanic, I have inspected the vehicle and based upon that inspection, I recommend:

- ✓ Sale/Transfer
- _____ Part Out/Junk

Equipment Mechanic Signature *(Recommending Type of Disposition)* Date

City Administrator Signature *(Authorizing Disposition)* Date

*Pink Slip Given To & Date Given* _____ Date

Finance Director Signature *(Accepting Disposition as Complete)* 7/30/25 Date

COMMENTS ON REVERSE SIDE

# CITY COUNCIL AGENDA REPORT

CITY HALL

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***SERVICE, INNOVATION, INTEGRITY, COLLABORATION, RESPECT, LEADERSHIP***

**DATE:** August 4, 2025

**TO:** Honorable Mayor and Members of the City Council

**FROM:** Tracy Skelly, Administrative Services Officer/City Clerk

**SUBJECT:** Consider the Adoption of Resolution 08-02-2025-C and Approval of the Updated Records Retention Policy and Schedule

**RECOMMENDATION:**

Consider the Adoption of Resolution 08-02-2025-C and Approval of the Updated Records Retention Policy and Schedule.

**BACKGROUND:**

The existing policy (Resolution 06-05-2006-A) has not been substantially reviewed or updated in nearly two decades. The Secretary of State's Local Government Records Program (LoCal) recommends periodic review and alignment with current guidelines and legal changes. New state laws (e.g. AB 1637) introduce additional requirements regarding electronic record access and usage by City agencies.

**DISCUSSION / ANALYSIS:**

Key changes include newly structured destruction procedures, including formal certification, legal review, and record-keeping of destruction. Defined Legal Hold provisions to suspend destruction of records under investigation or litigation. Clarified retention periods aligned with audits, federal/state requirements, and administrative business needs. Formal authority delegated to the City Clerk / Department Heads, and notification to the City Administrator to destroy records in compliance with the Council-adopted schedule and Government Code requirements. Policy includes a review cycle every five years or upon legislative updates.

Ensures compliance with Government Code §§ 34090, 34090.7, and § 12236. Reduces storage costs and administrative burden by removing obsolete records systematically. Protects the City in litigation by following formally adopted retention periods and documented destruction. Enhances public transparency and responsiveness through a clear policy structure.

**FISCAL IMPACT:**

No Fiscal Impact to the General Fund. Potential savings on storage and compliance risk.

# CITY COUNCIL AGENDA REPORT

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***SERVICE, INNOVATION, INTEGRITY, COLLABORATION, RESPECT, LEADERSHIP***

**ATTACHMENTS:**

- Updated Records Retention Schedule
- Resolution 08-04-2025-C

**CORE COUNCIL PRIORITIES:**

Fiscal Responsibility and Stability, Infrastructure and Engineering

**RESOLUTION NO. 08-04-2025-C**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SONORA ADOPTING AN UPDATED RECORDS RETENTION POLICY AND SCHEDULE INCLUDING DIGITAL RECORDS MANAGEMENT**

**WHEREAS**, the City Council recognizes the importance of a records retention policy to ensure efficient government operations, legal compliance, public transparency, and proper management of historical records; and

**WHEREAS**, California Government Code § 34090 authorizes public entities to prescribe retention and destruction procedures for records that are no longer required, and § 34090.7 permits the destruction of duplicate records less than two years old; and

**WHEREAS**, California Government Code § 12236 mandates that local government agencies follow guidelines published by the Secretary of State's Local Government Records Program; and

**WHEREAS**, new state law (e.g. 2025 updates) reinforces electronic access requirements per AB 1637;

**WHEREAS**, Government Code § 34090.5 permits the destruction of original records after they have been duly reproduced in a trustworthy electronic format, such as scanned images or PDF/A files, provided they are retained in accordance with best practices and are accessible for public inspection when required; and

**WHEREAS**, the City's updated Records Retention Policy includes procedures for maintaining scanned and digitized records, including ensuring fidelity, access, and long-term storage integrity; and

**NOW, THEREFORE, BE IT RESOLVED** as follows:

1. The City Council hereby adopts the Records Retention Policy and Schedule (Attachment A), which classifies all City records by category and establishes authorized retention and disposition periods.

2. The City Administrator, City Clerk, or designee is authorized to destroy records in accordance with the adopted Schedule, provided any duplicates less than two years old may be removed per GC §34090.7.

3. Records destruction must follow documented procedures, including review, certification by department heads, review by the City Attorney where required, and retention of a destruction log.

4. This Resolution supersedes Resolution No. 06-05-2006-A and remains in effect until revised or rescinded by the Council.

5. Records that have been scanned or digitized in accordance with California Government Code § 34090.5 and the California Secretary of State's Local Government Records Management Guidelines may be retained in digital format, and the original paper records may thereafter be destroyed, provided the following conditions are met:

    - The digital version is accurate, complete, and readable.
    - The digital format is non-proprietary and compliant with industry standards (e.g., PDF/A or TIFF).
    - The digital files are stored securely, backed up, and remain accessible throughout the retention period.
    - A certificate or log of scanning and destruction is maintained.
    - Destruction of original paper copies must follow the same approval and documentation process as other destruction of records.

**PASSED AND ADOPTED** by the City Council at its regular meeting on August 4, 2025, by the following vote:

AYES: _____

NOES: _____

ABSTAIN: _____

ABSENT: _____

_____
Ann Segerstrom, Mayor, City of Sonora

ATTEST:_____
Tracy Skelly, City Clerk, City of Sonora

Resolution 08-04-2025-C

# City of Sonora
# Records Retention Policy

(Attachment A)

**POLICY**

- **Scope:** Covers all records in any format (paper, electronic, audio, etc.). Applies to original records; duplicates and non-records may be destroyed at any time.

- **Purpose:** A Records Retention Policy saves both physical and electronic storage space. Retaining and disposing of records according to the Retention Schedule creates a regular, controlled flow of records through the office. Records may move through multiple storage locations throughout their life, such as internal office storage, departmental storage, or external storage facilities.

- **Administrative Value of Records:** Records are created to document the functions the City performs day-to-day. Records have administrative value so long as they assist the City in conducting either current or future work. The primary administrative use for most records is exhausted when the transactions to which they relate have been completed. From that point on, the records begin to lose their administrative value.
    - Some administrative records contain basic facts concerning the City's origin, policies, functions, organization, and significant administrative decisions. These records should be preserved to provide documentation of the City's operations in the past, present, and future.

- **Legal Value of Records:** Records have legal value if they contain evidence of legally enforceable rights or obligations to the City, both those of the City and those of persons directly affected by the City's activities. These records must be made available if they are requested for litigation or legal hold and may not be destroyed once requested while the hold is still in place, even if the records have come to the end of their scheduled retention period.
    - Determining the legal value often means consulting with the City's attorney and reviewing statutes and regulations for rules specific about a program or function, and asking questions like:
        - Would these records be useful in case of litigation -- when would they stop being useful (i.e., is there a statute of limitations, etc.)?
        - Are there any statutes, regulations, or memorandums of understanding that require the records to be kept for a minimum amount of time?
        - Are some of the records different than others -- should the record series be split up into different descriptions with different retention periods?

- **Fiscal Value of Records:** Records of fiscal value are those which document financial authorizations, obligations, and transactions, and provide an audit trail; or those records that pertain to the financial transactions of the City. Some examples of fiscal records include budgets, ledgers, payrolls, and vouchers. After records have served their basic administrative functions, they may still have sufficient fiscal value to justify their retention in storage to protect the City from litigation, or to account for the expenditure of funds. Records with fiscal value may be subject to audit and may need to be retained for a period of time allowing for an audit to be

initiated. Once audits have been resolved, fiscal records often lose their value. When considering fiscal value, which is about financial planning, budgets, and audits, consider questions like:

- Do the records contain financial information that would be relevant or required in an audit?
- Do the records help support the budget process now or in the future?
- What is the audit period for those programs/records?

- **Destruction Procedures:**
  - Annual review of inactive records by the Departments.
  - Preparation of a Records Destruction Certification listing records slated for destruction.
  - Approval by City Clerk, Department Head, City Attorney (if required), and notification to City Administrator.
  - Secure destruction (shredding, electronic wiping) with documentation retained.
  - A Destruction Log is maintained by the records coordinator.

- **Policy Review:** At least every five years or as state law changes.

- **Compliance:** Failure to comply may result in disciplinary action.

**DIGITIZED RECORDS / SCANNED COPIES**

City departments may scan or digitize original paper records into a reliable electronic storage system. Once verified for quality and completeness, the original physical records may be destroyed if:

- The scanned copy is maintained in accordance with Government Code § 34090.5.

- The scanned copy is stored in a format compliant with long-term preservation standards (e.g., PDF/A).

- The scanned files are indexed, searchable (where applicable), and protected from unauthorized alteration or deletion.

- A Scanning Certification Log or digital asset record is created and retained, documenting:
  - Record title/series
  - Date scanned
  - Person responsible
  - Format used
  - Confirmation that records were verified prior to destruction

Records retention periods apply to the scanned version starting from the date of creation or receipt of the original document, not the scan date.

# CITY OF SONORA RECORDS RETENTION SCHEDULE

("Current" = most recent fiscal or calendar year; "Closed" = finalized status)

| TYPE OF RECORD | YEARS | REMARKS |
|---|---|---|
| Correspondence | 3 | Reports, General/Public |
| **FINANCIAL** | Audit Date + 4/7 | 4-years City, 4-years State, 7-years Federal |
| Expense Reports | Audit Date + 4/7 | Or until audited, whichever is first |
| Budget and Related Items | Audit Date + 4/7 | Or until audited, whichever is first |
| Billing/Invoices/Accounting Reports & Records | Audit Date + 4/7 | Or until audited, whichever is first |
| Audits/Taxes | Audit Date + 4/7 | |
| Checks/Ledgers/Registers Business Licenses | Audit Date + 4/7 | Or until audited, whichever is first<br>*Note: Checks are to be kept for 5 years* |
| Fees/Receipts/Accounts Payable/Receivables/Deposits | Audit Date + 4/7 | Or until audited, whichever is first |
| Grants | Active +5 | Active until the end of the grant year, or refer to the grant application close-out procedures |
| **HUMAN RESOURCES** | | |
| PERS, Social Security, SSI | Permanent | EEOC/ADEA |
| Training Records:<br>Miscellaneous Safety<br>*(Police/Fire)* | Current Yr +7<br>Terminated +7 | Employee training applications, volunteer program training, class training materials, internships, etc. For Safety: Paperwork documenting internal and external training |
| Recruitment | Closed +3 | May include, but not limited to: Applications, resumes, alternate lists/logs, indices, ethnicity disclosures examination, materials examination, answer sheets, job bulletins, eligibility, electronic database, interview documents, etc. |
| Employee Rights:<br>Miscellaneous<br>Safety *(Police/Fire)* | Terminated + 2<br>Terminated + 5 | May include, but not limited to: Arbitration, grievances, sexual harassment, Civil Rights, complaints, terminations, disciplinary actions, etc. |

| | | |
|---|---|---|
| Personnel Files:<br>Miscellaneous Safety<br>*(Police/Fire)* | Terminated +3<br>Terminated +5 | May include, but not limited to:<br>Release authorizations, certifications, reassignments, outside employment, commendations, disciplinary actions, Terminations, oaths of office, evaluations, pre-employment medicals, fingerprints, IDs, etc. |
| Medical Leave Includes | Closed +30 | Family Leave, certifications, etc. |
| Toxic Exposure Reports | Active | Until the employee leaves/terminates |
| Negotiations | Permanent | Notes, notebooks, correspondence, contracts, and Memorandum of Understandings |
| Associations | Active | Active while membership is current |
| Payroll | 5 | General |
| Employee Time Sheets | Audit Date + 6 | |
| Attendance | Active+1 | Active until the employee terminates |
| Payroll Register | Permanent | |
| Federal and State Tax | Audit Date +4 | W-4's and W-2's (also 1099's) |
| Salary Records | Terminated+ 3 | Deduction authorization, beneficiary designations, unemployment claims, garnishments, etc. |
| **EQUIPMENT /SUPPLIES** | | |
| Inventory | Active | Active until revised |
| Purchase Request/Order | Audit Date + 4/7 | Or until audited, whichever is first |
| Vehicle File Records | 2 | |
| Inspection Reports | Active | Active until revised/rescinded |
| Vendor Information | Active | Active until revised/rescinded |
| Building Leases | Active | Active until the lease terminates |
| **POLICY/PROCEDURES/ ORGANIZATION** | | |
| Polices/Procedures (All) | Active | Active until revised/rescinded |
| Organization Charts | Active | Active until revised |
| Vision/Mission Statements | Active | Active until revised |

| | | |
|---|---|---|
| Agenda Reports | Current + 2 | Documentation received, created, and/or submitted to the council |
| Tapes, Audio/Video | Current + 2 | When used for minute preparation, and may have historical value |
| Request for Proposals Request for Qualifications | 3 | |
| Resolutions/Ordinances/ Minutes/Code Book/Council Agendas | Permanent | Original resolutions, ordinances, minutes, agendas, and special meeting notices, including certificates of posting, original summaries, original communications, and action agendas for councils, boards, and commissions |
| Contracts | Active 4/7 | Active until contract terminates - + 4/7 if subject to audit |
| Public Hearings | 5 | |
| Health/Safety Documents | 3 | |
| Studies/Feasibility Studies | 5 | |
| Monthly Activity Reports | 2 | |
| Plans and Goals | Active | Active until revised/rescinded/superseded/ completed |
| **RECORDS MANAGEMENT** | | |
| Records Retention Schedule | Active | Active until revised |
| Records Transfer List | Active | Active until the disposal of records |
| Legal Opinions | Active +1 | Active until issues are resolved |
| Lawsuits/Small Claims Large Lawsuits | Active +1 Permanent | Active until litigation is complete |
| **FAIR POLITICAL PRACTICES** | | |
| Administration/Campaign Statements and Conflict of Interest | Current +5 | FPPC Opinions |
| Statement of Economic Interest<br>Oath of Office<br>Certificates of Election | Terminated +7<br>Terminated +6<br>Terminated +4 | FPPC Opinions |

| RISK MANAGEMENT | | |
|---|---|---|
| Accident/Incident Reports | Closed +7 | Reports and related records |
| Insurance Certificates | Permanent | Liability, workers' compensation, property |
| Workers Compensation | Claim Closed, Terminated +5 | Claim files, reports, and incident working files |
| Claims, Damage | Closed +5 | Paid/Denied |
| Risk Management Reports | Closed +5 | Federal OSHA forms, loss analysis reports, safety reports, etc. |
| Bonds, Insurance | Permanent | Bonds and insurance policies insuring city property and other assets |
| **DEVELOPMENT** | | |
| Development Agreements, Development Standards, CEQA Documents, General Plan Documents, Deeds & Notes, Building Permits | Permanent | |
| Logs | Current +5 | Records listing permits, certificates of occupancy, inspections, building activity, daily, plan check |
| Maps/Plats/Permits/Surveys | Permanent | Plans, building, signs, grading, encroachment, blueprints, and specifications, etc. |
| Violations, Building, Property & Zoning | Closed +2 | |
| Property Acquisition/Disposition | Closed+10 | Sale, purchase, exchange, lease, rental, etc. |
| Redevelopment Budgets | Permanent | |
| Assessment Districts | Permanent | |
| Annexations | Permanent | |
| Emergency Management Plan | Permanent | Unless revised |

If not listed above, City of Sonora Records management guidelines will subscribe and defer to the Secretary of State's Local Government Records Management Guidelines.

# CITY COUNCIL AGENDA REPORT

CITY HALL

CITY OF SONORA 94 N. WASHINGTON STREET, SONORA, CA 95370 P: (209) 532-4541

***SERVICE, INNOVATION, INTEGRITY, COLLABORATION, RESPECT, LEADERSHIP***

**DATE:** August 4, 2025

**TO:** Honorable Mayor and Members of the City Council

**FROM:** Tyler Summersett, Community Development Director, Josh Varinsky, City Attorney

**SUBJECT:** Resolution 08-04-2025-A Approving the Vacation of Excess Right-of-Way Located Within APN 056-108-015; and Resolution 08-04-2025-B Approving and Authorizing Execution of a Roadway Vacation Agreement with the Applicant for the 956 Oregon Street Project.

**RECOMMENDATION:**

Consider Adoption of Resolution 08-04-2025-A Approving the Vacation of Excess Right-of-Way Located Within APN 056-108-015; and Resolution 08-04-2025-B Approving and Authorizing Execution of a Roadway Vacation Agreement with the Applicant for the 956 Oregon Street Project.

**BACKGROUND:**

This item follows previous actions taken by the Planning Commission and the City Council, which approved entitlements for a 12-unit residential and commercial mixed-use project at 956 Oregon Street.

On May 13, 2024, the Sonora Planning Commission approved the Design Review, Site Plan, and Use Permit to allow a 40-foot residential and commercial mixed-use project at 956 Oregon Street (APNs: 056-106-004 and 056-108-015) (the "Project"). The Planning Commission also recommended a rezone for the Project from General Commercial (GC) to Commercial (C).

Following the Planning Commission's approval, the Project approvals were appealed to the City Council. On June 17, 2024, the City Council denied the appeals and upheld the Planning Commission's decision. The City Council also introduced and subsequently adopted the rezoning for the property.

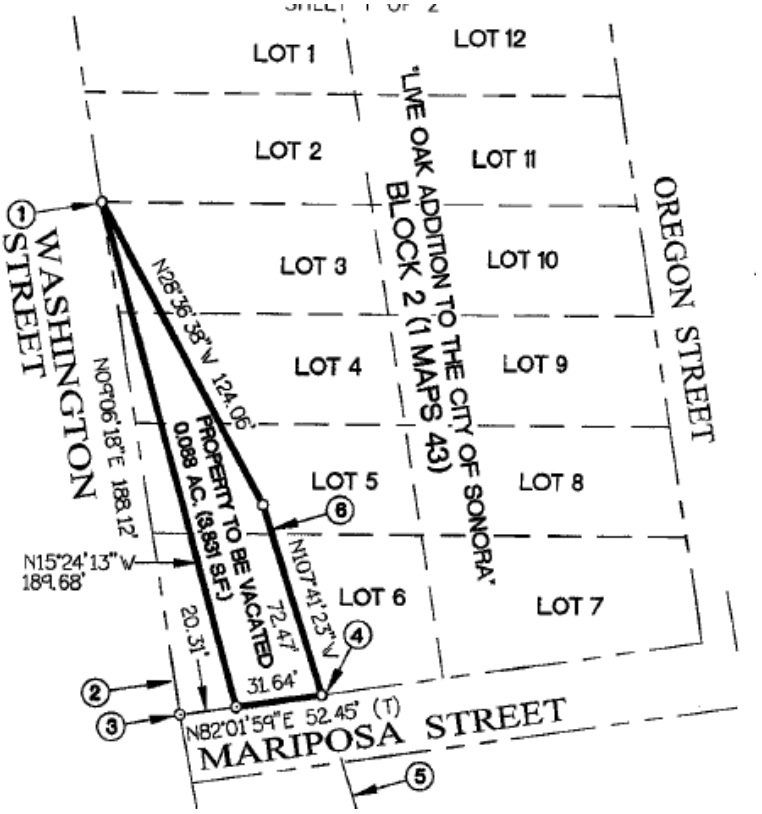
As discussed in prior hearings for the Project, the City has a small strip of right-of-way which sits in between South Washington Street and the Project site (the "Right-of-Way Area"), shown below, and in Attachment 1.

# CITY COUNCIL AGENDA REPORT

CITY HALL

CITY OF SONORA 94 N. WASHINGTON STREET, SONORA, CA 95370 P: (209) 532-4541

***SERVICE, INNOVATION, INTEGRITY, COLLABORATION, RESPECT, LEADERSHIP***




The Project applicant filed a Vacation Application with the City for the purpose of acquiring the right-of-way from the City, as the land is necessary for the Project to proceed as approved. The Right-of-Way Area is approximately 3,831 square feet (~0.088 acres). The City originally inherited this right-of-way from the State on February 6, 1995, when the State relinquished specific right-of-way segments to the City.

**RESOLUTION TO FORMALLY VACATE THE RIGHT-OF-WAY AREA:**

Roadway vacations are governed by the California Streets and Highways Code. The Project applicant filed all application materials with the City, including referral letters to utilities that may require public utility easements to be reserved in the Right-of-Way Area.

The Planning Commission reviewed the proposed vacation for consistency with the City's circulation element of the General Plan, to determine if the right-of-way is excess not necessary for present of future public use. The Planning Commission made such findings by resolution 05-13-2024-A (Attachment A).

# CITY COUNCIL AGENDA REPORT

CITY HALL

CITY OF SONORA 94 N. WASHINGTON STREET, SONORA, CA 95370 P: (209) 532-4541

***SERVICE, INNOVATION, INTEGRITY, COLLABORATION, RESPECT, LEADERSHIP***

The attached resolution 08-04-2025-A (Attachment B) for consideration by the Council deems the area as excess right-of-way not necessary for public use or future travel needs and formally abandons and vacates the City's interest in the right-of-way area.

**AGREEMENT WITH PROJECT APPLICANT:**

The second resolution (Attachment C) approves and authorizes the execution of a Roadway Vacation Agreement with the Project applicant, as the area is proposed to be transferred to the Project applicant for future development of the 956 Oregon Street Project.

The attached Vacation Agreement includes the following terms and conditions between the City and the Project applicant:

- The necessary public utility easements must be recorded for the Tuolumne Utilities District.
- The existing property is composed of multiple lot lines; therefore, the applicant will file a merger application with the City to formalize the new property boundary as one lot.
- The property owner will have the obligation of maintaining the area of Mariposa Street south of the property, which is to be developed as part of the Project.
- Frontage trees along South Washington Street and Oregon Street will be installed as part of the landscaping plan for the Project.
- The Project applicant will install a new "Welcome to Sonora" sign at the intersection of South Washington Street and Mariposa Street, similar to the existing signage along State Route 49 at the northern entrance to the City.
- The Project applicant will also reimburse the City Five Thousand Dollars ($5,000.00) for its costs incurred in processing all prior development applications.
- The Vacation Agreement will run with the land because of the ongoing maintenance obligations of the property owner.

**FISCAL IMPACT**

No Fiscal impact to the General Fund.

# CITY COUNCIL AGENDA REPORT

CITY HALL

CITY OF SONORA 94 N. WASHINGTON STREET, SONORA, CA 95370 P: (209) 532-4541

***SERVICE, INNOVATION, INTEGRITY, COLLABORATION, RESPECT, LEADERSHIP***

**ATTACHMENTS:**

1. Project Site Map (including Vacation Area)

A. Planning Commission Resolution No. 05-13-24-A (General Plan Conformance Findings)

B. Resolution No. 08-04-2025-A
   EXHIBIT A: Legal Description of Vacation Area

C. Resolution No. 08-04-2025-B
   EXHIBIT A: Vacation Agreement

**CORE COUNCIL PRIORITIES:**

Fiscal Responsibility and Stability, Infrastructure and Engineering, Economic Development/Growth and General Plan

# EXHIBIT A

## LEGAL DESCRIPTION

### THE PROPERTY TO BE VACATED BY THE CITY OF SONORA

ALL THAT REAL PROPERTY SITUATE IN THE CITY OF SONORA, COUNTY OF TUOLUMNE, STATE OF CALIFORNIA. DESCRIBED AS FOLLOWS:

A PORTION OF LOTS 3, 4, 5 AND 6, IN BLOCK 2 OF THE MAP ENTITLED "LIVE OAK ADDITION TO THE CITY OF SONORA" AS SHOWN ON SAID MAP THEREOF MADE BY J.G. HOPPER IN JANUARY, 1899 AS FILED IN THE OFFICE OF THE COUNTY RECORDER OF TUOLUMNE COUNTY, IN BOOK 1 OF MAPS, AT PAGE 43, SITUATE IN THE NORTHEAST ONE-QUARTER OF SECTION 1, TOWNSHIP 1 NORTH, RANGE. 14 EAST, MOUNT DIABLO MERIDIAN.

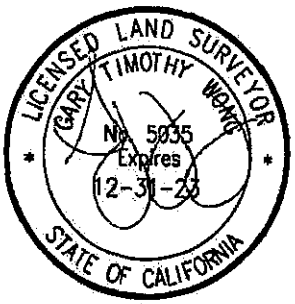
**BEGINNING AT THE INTERSECTION** OF THE NORTHERLY LINE OF MARIPOSA STREET, AS SAID MARIPOSA STREET IS SHOWN ON SAID MAP AND THE EASTERLY LINE OF THE PARCEL OF LAND AS DESCRIBED IN THE GRANT DEED FILED IN VOLUME 763, PAGE 442, OF OFFICIAL RECORDS OF TUOLUMNE COUNTY; THENCE ALONG SAID EASTERLY LINE OF THE PARCEL OF LAND THE FOLLOWING TWO (2) COURSE: : 1) NORTH 17°41'23" WEST 72.47 FEET AND 2) NORTH 28°36'38" WEST 124.66 FEET TO THE INTERSECTION OF THE NORTHERLY LINE OF SAID LOT 3 AND THE EASTERLY LINE OF WASHINGTON STREET, AS SAID INTERSECTION IS SHOWN ON SAID MAP; THENCE LEAVING SAID INTERSECTION OF THE NORTHERLY LINE OF LOT 3 AND THE EASTERLY LINE OF WASHINGTON STREET, SOUTH 15°24'13" EAST 189.68 FEET TO THE SAID NORTHERLY LINE OF MARIPOSA STREET; THENCE ALONG SAID NORTHERLY LINE OF MARIPOSA STREET, NORTH 82°01'59" EAST 31.64 FEET TO THE SAID **POINT OF BEGINNING**.

THE ABOVE-DESCRIBED PARCEL OF LAND CONTAINS APPROXIMATELY 0.088 OF AN ACRE (3,831SQUARE FEET).

THE ABOVE-DESCRIBED PROPERTY IS A PORTION OF THE PROPERTY AS DESCRIBED IN THE GRANT DEED FILED IN VOLUME 763, PAGE 442, OF OFFICIAL RECORDS OF TUOLUMNE COUNTY.

THE ABOVE DESCRIPTION IS BASED ON THE CALIFORNIA COORDINATE SYSTEM, ZONE 3.

THE ABOVE-DESCRIBED DESCRIPTION IS SHOWN ON THE CALTRANS RIGHT OF WAY RECORD MAP, DISTRICT 10, TUOLUMNE COUNTY, ROUTE 108, POST MILE 0.9, SHEET 10 (DRAWING NO. 074502).



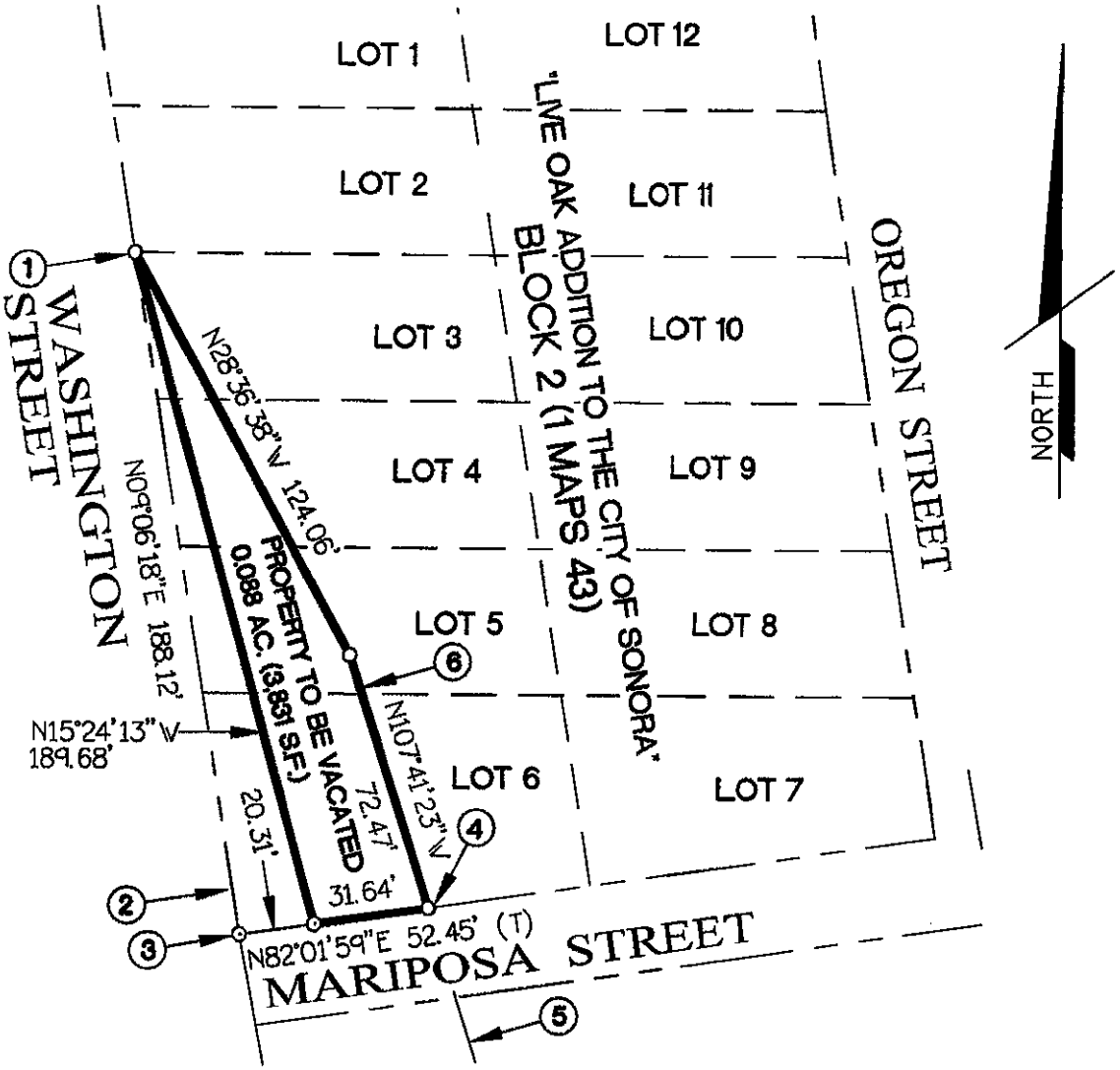

07-06-2023

# EXHIBIT "B"

VACATED PROPERTY

**A PORTION OF LOTS 3, 4, 5, AND 6 OF "LIVE OAK ADDITION YO THE CITY OF SONORA" FILED IN BOOK 1 OF MAPS, AT PAGE 43**

CITY OF SONORA, COUNTY OF TUOLUMNE, STATE OF CALIFORNIA
JULY, 2023 SCALE: 1"=50'
SHEET 1 OF 2




## EXHIBIT NOTES

1. POINT OF BEGINNING – INTERSECTION OF THE EASTERLY LINE OF WASHINGTON STREET AND THE NORTHERLY LINE OF LOT 3 (1 MAPS 43).
2. EASTERLY LINE OF WASHOINGTON STREET PER 1 MAPS 43.
3. INTERSECTION OF THE NORTHERLY LINE OF MARIPOSA STREET AND THE EASTERLY LINE OF WASHINGTON STREET PER 1 MAPS 43.
4. INTERSECTION OF THE EASTERLY LINE OF THE PROPERTY DESCRIBED THE GRANT DEED FIELED IN VOLUME 763, PAGE 442, OF O.R. AND NORTHERLY LINE OF MARIPOSA STREET
5. EASTERLY LINE OF STATE HIGHWAY 108

# EXHIBIT "B"

VACATED PROPERTY

**A PORTION OF LOTS 3, 4, 5, AND 6 OF "LIVE OAK ADDITION YO THE CITY OF SONORA" FILED IN BOOK 1 OF MAPS, AT PAGE 43**

CITY OF SONORA, COUNTY OF TUOLUMNE, STATE OF CALIFORNIA
JULY, 2023 SCALE: NONE
SHEET 2 OF 2

## LEGEND

| | |
|---|---|
| MAPS | BOOK OF MAPS |
| o | DIMENSION POINT, NOTHING FOUND OR SET |
| O.R. | OFFICIAL RECORDS |
| AC. | ACRES |
| S.F. | SQUARE FEET |

## BASIS OF BEARINGS

THE BEARINGS SHOWN ON THIS EXHIBIT ARE BASED ON THE CALIFORIA COORDINATE SYSTEM ZONE 3

## SURVEYOR'S NOTES

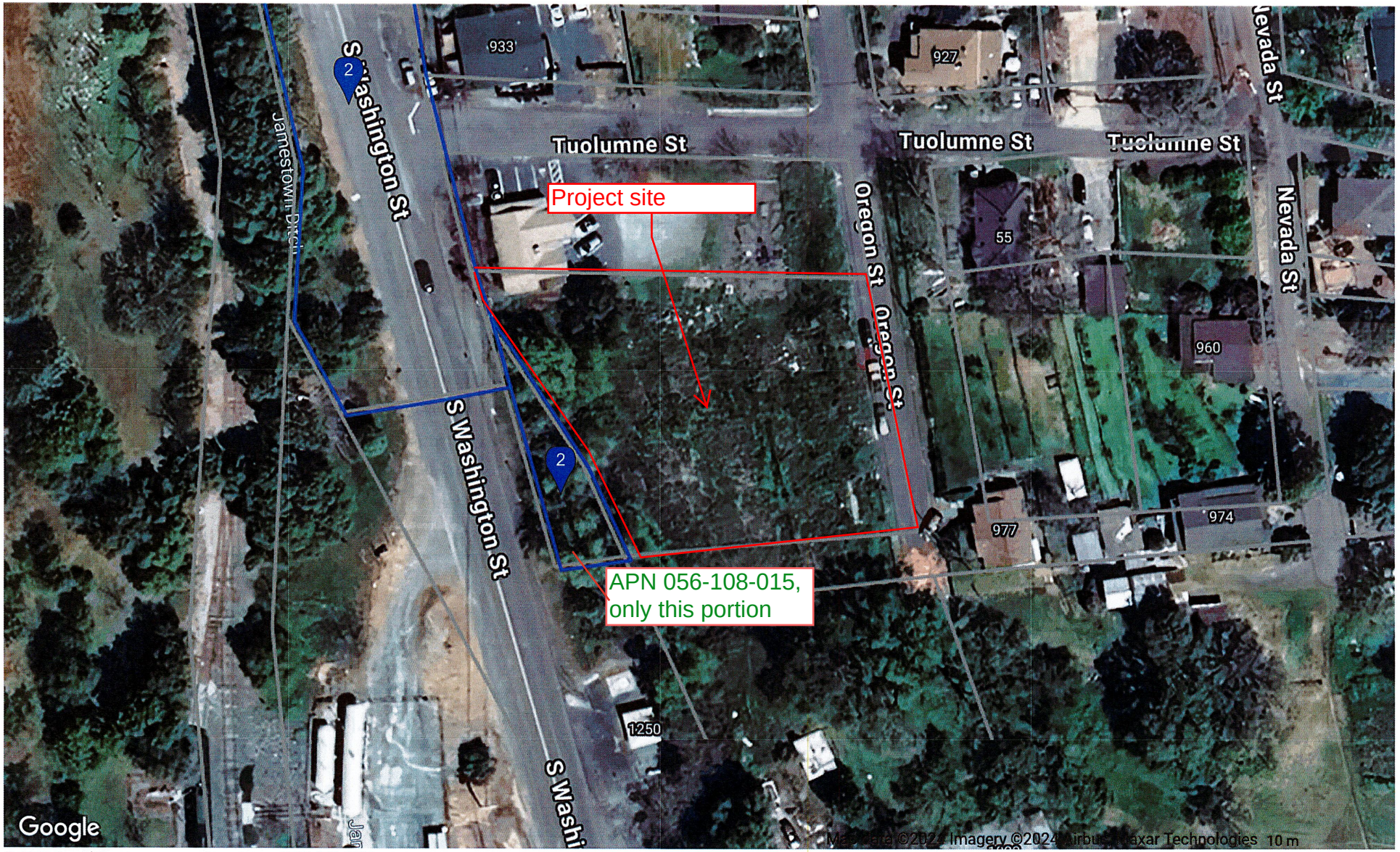
NO FIELD SURVEY WAS PERFORMED FOR THIS EXHIBIT, THIS EXHIIBIT WAS PREPARED BASED ON THE CALTRANS RIGHT OF WAY RECORD MAP, DISTRICT 10, TUOLUNE COUNTY, ROUTE 108, POST MILE 0.9, SHEET 10 (DRAWING NO. 074502).

## SURVEYOR'S STATEMENT

THIS DRAWING WAS PREPARED BY ME OR UNDER MY DIRECTION IN ACCORDANCE WITH SECTION 8761.1 OF THE PROFESSIONAL LAND SURVEYOR'S ACT.

GARY TIMOTHY WONG, P.L.S. 5035 — DATE 07-06-2023

LICENSED LAND SURVEYOR
GARY TIMOTHY WONG
No. 5035
Expires
12-31-23
STATE OF CALIFORNIA




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# PLANNING COMMISSION RESOLUTION

## RESOLUTION NO. 05-13-2024-A
## A RESOLUTION RECOMMENDING TO THE SONORA CITY COUNCIL
**adoption of an ordinance rezoning**
**Assessor's Parcel Numbers 056-106-004 and 056-106-001**
**from General Commercial (CG) to Commercial (C)**

**WHEREAS**, the City of Sonora Planning Commission is formed by Chapter 2.32 of the Sonora Municipal Code (SMC); and

**WHEREAS**, pursuant to Section 2.32.080(B) of the SMC, the Planning Commission shall investigate and make recommendations to the City Council upon reasonable and practicable means for putting the General Plan into effect, in order that it will serve as a pattern and guide for the orderly physical growth and development of the City; and

**WHEREAS**, zoning is one of the primary means for promoting the comprehensive and adequate planning of the City and for implementing the General Plan; and

**WHEREAS**, at its regular meeting conducted on November 13, 2023, the Planning Commission conducted a public hearing to consider the rezoning of APNs 056-106-004 and 056-106-001 from General Commercial (CG) to Commercial (C); and

**WHEREAS,** at its regular meeting conducted on May 13, 2024, the Planning Commission conducted a second public hearing to reconsider the rezoning of APNs 056-106-004 and 056-106-001 from General Commercial (CG) to Commercial (C); and

**WHEREAS,** the proposed rezoning from General Commercial (CG) to Commercial (C) will improve consistency with the corresponding General Plan designation of Commercial (C). The proposed rezoning will also allow and advance the project proposed in conjunction with this rezoning, by conforming the zoning district to the uses and standards of the proposed project; and

**WHEREAS,** City staff recommends that the Planning Commission make the following findings, that the proposed rezoning:

A. Is compatible with, and physically suited for, the uses authorized in, and the regulations prescribed for, the proposed zoning district in which the real property is located;

B. Is consistent with the objectives, policies, general land uses and programs specified in the General Plan;

C. Is in conformity with public convenience, general welfare and good land use practice;

D. Will not be detrimental to the health, safety and general welfare;

E. Will not adversely affect the orderly development of property or the preservation of property values; and

**WHEREAS,** the project has been reviewed in compliance with the California Environmental Quality Act ("CEQA"), and it was determined that the project is exempt from environmental review pursuant to CEQA Guidelines section 15332 (In-Fill Exemption) and CEQA Guidelines section 15061(b)(3) (Commonsense Exemption), as further described in the record for this action.

**NOW, THEREFORE, BE IT RESOLVED THAT THE SONORA PLANNING COMMISSION HEREBY RECOMMENDS to the Sonora City Council the rezoning of Assessor's Parcel Numbers 056-106-004 and 056-106-001, from General Commercial (CG) to Commercial (C), as contained in the attached Ordinance and based on the findings contained herein and all documents and testimony in the record.**

**PASSED AND ADOPTED as a resolution by the Sonora Planning Commission on this 13th day of May 2024, by the following vote:**

**Members of the Commission:**

**AYES:** Morales, Opie, Ghiorso

**NOES:** Anderson, Levine

**ABSENT:**

**ABSTAIN:**

SIGNED:

Kevin Anderson, Chair
Planning Commission

ATTEST:

Tyler Summersett, Secretary
Planning Commission

{CW138232.1}

**RECORDING REQUESTED BY**
**AND WHEN RECORDED RETURN TO:**

City of Sonora
City Hall
94 N. Washington Street
Sonora, CA 95370
Attn: City Clerk

No recording fee per Gov. Code §§ 6103, 27383

**RESOLUTION 08-04-2025-A**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SONORA APPROVING THE VACATION OF EXCESS RIGHT-OF-WAY LOCATED WITHIN APN 056-108-015**

**WHEREAS**, on February 6, 1995, the Sonora City Council accepted certain relinquished state highways as city streets from the California Transportation Commission (Resolution No. 2-6-95-B), including the real property identified as a portion of APN 056-108-015, as more particularly described and depicted in **Exhibit A** attached hereto (the "Right-of-Way Area"); and

**WHEREAS**, the Right-of-Way Area is approximately 3,831 square feet (~0.088 acres); and

**WHEREAS**, the City has received development applications to develop a multi-family and commercial project on a site adjacent to and including the Right-of-Way Area (the "Project"); and

**WHEREAS,** the Project is located at 956 Oregon Street (APNs: 056-106-004 and 056-108-015) and involves the development of twelve (12) residential units and commercial spaces; and

**WHEREAS,** on May 13, 2024, the Sonora Planning Commission approved the design review, site plan, and use permit for the Project, and recommended to the City Council approval of a rezoning for the Project; and

**WHEREAS,** the City received three (3) appeal filings for the Project approved by the Planning Commission, for consideration and determination by City Council; and

**WHEREAS,** on June 17, 2024, the City Council voted to uphold the decision of the Planning Commission, and introduced an ordinance to rezone the property; and

**WHEREAS,** the Project applicant filed a vacation application with the City to acquire the Right-of-Way Area from the City, for purposes of developing the Project; and

**WHEREAS,** on August 19, 2024, the City Council adopted a resolution declaring the Right-of-Way Area as "exempt surplus land," pursuant to the California Surplus Land Act (at Gov. Code, § 54220 et seq.), as acknowledged by the California Department of Housing and Community Development in correspondence delivered to the City (dated October 1, 2024); and

**WHEREAS,** the Right-of-Way Area abuts South Washington Street, a two-lane major collector running north-south through the City and connecting to State Route 108; and

**WHEREAS,** on December 9, 2024, the Sonora Planning Commission evaluated the proposed vacation for conformance with the City's General Plan and forwarded its recommendation to the City Council; and

**WHEREAS,** notice of this public hearing has been provided in accordance with the California Streets & Highways Code; and

**WHEREAS,** City staff recommends that the City Council make the following findings for the proposed vacation:

1. The Right-of-Way Area is excess right-of-way and is not necessary for present or prospective public use or traffic needs in the area.

2. Vacation of the Right-of-Way Area conforms to the City's General Plan, as described in Planning Commission Resolution No. 05-13-2024-A. The findings of Planning Commission Resolution No. 05-13-2024-A are hereby incorporated by reference.

**WHEREAS,** the proposed vacation is subject to the terms and conditions agreed to between the City and the Project applicant, approved by the City Council in conjunction with this Resolution; and

**WHEREAS,** the roadway vacation is a component of the Project previously approved by the City Council, which has already been determined to be exempt from the California Environmental Quality Act (CEQA Guidelines, § 15378); and

**WHEREAS,** the purpose of this Resolution is to approve the vacation of the Right-of-Way Area described in **Exhibit A**.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SONORA AS FOLLOWS:**

**1.** The City Council hereby finds that the above recitals are true and correct and are made part of this Resolution.

**2.** The Right-of-Way Area is hereby deemed excess and not required for current or future public use or traffic needs in the area.

**3.** The City Council hereby approves vacation of the Right-of-Way Area described in **Exhibit A**.

**4.** Prior to recordation of the vacation, public utility easements shall be reserved along the vacated Right-of-Way Area, with the location and width of the easements as approved by the City Engineer and affected utility companies.

**PASSED AND ADOPTED as a resolution by the Sonora City Council on this 4th day of August 2025, by the following vote:**

**Members of the City Council:**

**AYES:**_____

**NOES:** _____

**ABSENT:**_____

**ABSTAIN:** _____

Signed and dated: _____, 2025

SIGNED:

_____
Ann Segerstrom
Mayor, City of Sonora

ATTEST:

_____
Tracy Skelly
City Clerk, City of Sonora

**EXHIBIT A + B:**

**Legal Description of Right-of-Way Area**

**RECORDING REQUESTED BY**
**AND WHEN RECORDED RETURN TO:**

City of Sonora
City Hall
94 N. Washington Street
Sonora, CA 95370
Attn: City Clerk

No recording fee per Gov. Code §§ 6103, 27383

**RESOLUTION 08-04-2025-B**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SONORA APPROVING AND AUTHORIZING EXECUTION OF A ROADWAY VACATION AGREEMENT WITH THE APPLICANT FOR THE 956 OREGON STREET PROJECT**

**WHEREAS**, the City has received development applications to develop a multi-family and commercial project (the "Project"); and

**WHEREAS,** the Project is located at 956 Oregon Street (APNs: 056-106-004 and 056-108-015) and involves the development of twelve (12) residential units and commercial spaces; and

**WHEREAS,** on May 13, 2024, the Sonora Planning Commission approved the design review, site plan, and use permit for the Project, and recommended to the City Council approval of a rezoning for the Project; and

**WHEREAS,** the City received three (3) appeal filings for the Project approved by the Planning Commission, for consideration and determination by City Council; and

**WHEREAS,** on June 17, 2024, the City Council voted to uphold the decision of the Planning Commission, and introduced an ordinance to rezone the property; and

**WHEREAS,** the Project applicant filed a vacation application with the City to acquire a portion of City right-of-way approximately 3,831 square feet along South Washington Street (the "Right-of-Way Area"), for purposes of developing the Project; and

**WHEREAS,** on August 19, 2024, the City Council adopted a resolution declaring the Right-of-Way Area as "exempt surplus land," pursuant to the California Surplus Land Act (at Gov. Code, § 54220 et seq.), as acknowledged by the California Department of Housing and Community Development in correspondence delivered to the City (dated October 1, 2024); and

**WHEREAS,** the Project applicant and the City have agreed to terms and conditions for the transfer and acquisition of the Right-of-Way area, as contained in the Vacation Agreement, attached and incorporated hereto as **Exhibit A**; and

**WHEREAS,** the roadway vacation is a component of the Project previously approved by the City Council, which has already been determined to be exempt from the California Environmental Quality Act (CEQA Guidelines, § 15378); and

**WHEREAS,** the purpose of this Resolution is to approve and authorize execution of the attached Vacation Agreement.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SONORA** that the City Manager is hereby authorized to execute the Vacation Agreement attached hereto as **Exhibit A**, and take all acts necessary and incidental to carry out the terms of the Vacation Agreement.

**PASSED AND ADOPTED as a resolution by the Sonora City Council on this 4th day of August 2025, by the following vote:**

**Members of the City Council:**

**AYES:**_____

**NOES:** _____

**ABSENT:**_____

**ABSTAIN:** _____

Signed and dated: _____, 2025

SIGNED:

_____
Ann Segerstrom
Mayor, City of Sonora

ATTEST:

_____
Tracy Skelly
City Clerk, City of Sonora

**EXHIBIT A:**

**Vacation Agreement**
**Between the City of Sonora and the William Canning and Margaret Lee Trust**

**RECORDING REQUESTED BY**
**AND WHEN RECORDED RETURN TO:**

City of Sonora
City Hall
94 N. Washington Street
Sonora, CA 95370
Attn: City Clerk

No recording fee per Gov. Code §§ 6103, 27383

APNs / ADDRESS: 056-106-004 (956 Oregon Street, Sonora, CA);
Portion of APN 056-108-015
(collectively referred to as the "Property", as further described in **Exhibit A** attached hereto)

PROJECT: 956 Oregon Street Project (as approved by City Council Resolution No. 06-17-2024-A on June 17, 2024) (the "Project")

**VACATION AGREEMENT FOR RIGHT-OF-WAY**
**CITY OF SONORA**

The CITY OF SONORA, a California municipal corporation ("City"), and the WILLIAM CANNING AND MARGARET LEE TRUST ("Applicant"), for valuable consideration and in exchange of the mutual covenants set forth below, hereby agree that the following terms and conditions shall apply to the vacation of the right-of-way area (as described in the vacation application filed by Applicant with the City on May 16, 2024):

1. *TUOLUMNE UTILITIES DISTRICT.* The Tuolumne Utilities District ("TUD") has notified City that it has utility facilities in the right-of-way area being vacated by City. The necessary easements for the benefit of TUD shall be recorded with the Tuolumne County Recorder's Office. The TUD easements shall be recorded prior to formal vacation of the right-of-way area, or at a later time agreed to between City and Applicant.

2. *LOT LINE MERGER.* City has previously approved entitlements for Applicant's project located at 956 Oregon Street, Sonora, CA ("Project"). The Project as approved is to be developed on multiple parcels of real property, as shown by the existing lot lines of the underlying parcels. Applicant shall file the necessary lot line merger application materials with City to update the lot lines to conform to the Project. City shall have no obligation to issue any certificate to occupancy for the

Project until the merger application has been formally approved by City and recorded with the Tuolumne County Recorder's Office.

3. *CONSIDERATION.* In consideration for conveying the right-of-way area to Applicant, the parties agree to the following:

    a. As contained in the conditions of approval for the Project, Applicant shall grade and improve the width of Mariposa Street to serve as an alley abutting the Project. The design and improvement of Mariposa Street shall be subject to City's approval. Applicant hereby agrees to provide for the ongoing care and maintenance of Mariposa Street. At City's written request, Applicant at its own expense shall make repairs requested by City within thirty (30) days. If Applicant fails to make the repairs requested within the allotted time period, Applicant shall be subject to a One Hundred Dollar ($100.00) penalty for each day that Applicant fails to make the requested repairs.

    b. Applicant shall install trees along the frontage of South Washington Street and Oregon Street, within the boundaries of the Project to the extent practicable or the public right-of-way. The additional frontage trees shall be included in the Landscaping Plan approved by City. Applicant shall be obligated to provide for the ongoing maintenance and replacement of the frontage trees. In the event that Applicant fails to provide for the maintenance and replacement of the frontage trees, City may, after written notice, make the repairs or replacements and charge Applicant for its costs.

    c. Applicant shall install a "Welcome to Sonora" sign in the City right-of-way near the intersection of South Washington Street and Mariposa Street. The text, design, and dimensions of the sign may be similar to the existing welcome signage along State Route 49 at the northern entrance to the City, subject to the approval of the Community Development Director. Upon its construction and inspection by City, the sign shall be considered dedicated to City, and City shall assume ownership and control of the sign.

4. *QUITCLAIM DEED.* Concurrent with recordation of the vacation, City shall execute, acknowledge and deliver a Quitclaim Deed conveying the right-of-way area to Applicant, in a form agreed to by the parties.

5. *PROCESSING FEE.* Prior to issuance of a building permit for the Project, or at such other time agreed to by the parties, Applicant shall pay Five Thousand Dollars

($5,000.00) to City for reimbursement of City's processing costs related to the Project.

6. *CLOSING COSTS.* Applicant shall be responsible for all closing costs associated with this transaction (including but not limited to, escrow costs, recording fees, and transfer taxes, as may be applicable).

7. *PERPETUAL AGREEMENT.* Due to the ongoing maintenance obligations for Mariposa Street and the frontage trees described in Section 3, this Agreement is intended to be perpetual and binding on all successors acquiring any portion of the Property. In the event this Agreement is terminated, the Parties agree to effectuate and record an instrument with the Tuolumne County Recorder's Office to remove this Agreement from the title to the Property.

8. *COVENANT RUNNING WITH THE LAND.* This Vacation Agreement is binding upon Applicant and its successors-in-interest. All terms, covenants, and conditions contained herein shall be binding on all parties having or acquiring any legal title or interest in the parcels described herein or any part thereof.

9. *RECORDATION.* City shall record this Agreement with the Tuolumne County Recorder's Office.

10. *AUTHORITY.* Each person executing this Vacation Agreement certifies that they are authorized to sign this Vacation Agreement and bind the parties to the terms and conditions contained herein.

[ *Signatures on following page* ]

By execution with the signatures below, the parties agree to be bound to the terms and conditions contained in this Vacation Agreement.

**CITY OF SONORA:**

By: _____
Melissa Eads, City Administrator

Dated: _____

**APPLICANT:**

WILLIAM CANNING AND MARGARET LEE TRUST

By: _____

Print: _____

Its: Trustee

Dated: _____

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

STATE OF CALIFORNIA )
)
COUNTY OF _____ )

On _____ before me, _____, a notary public, personally appeared _____ who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature_____(Seal)

# EXHIBIT A

## Legal Description of Property

July 22, 2025

Community Developer Director

Tyler Summersett

Subject: City of Sonora to give away part of South Washington Street

While the portion of South Washington Street between the railroad tracks and the Bypass is currently only two lanes, the City owns the extra shoulder is that section that can be used for emergencies. In a wildfire situation, we want as many lanes as possible for evacuation simultaneous emergency responder access. The shoulder could even be developed into another paved traffic lane in the future, if it is not sold by the city first.

Selling this important right-of-way, which makes up ½ the usable width of South Washington street, seems very short-sighted. It would be a huge mistake, especially when you consider it is part of our main evacuation route for the city.

There is no reason to give away part of South Washington Street. In fact, there are multiple reasons to NOT give it away.

Let the property at 956 Oregon St. be developed without giving away part of South Washington St.

Don't give away public property that is much more valuable to our community as a resource for improving traffic conditions and evacuation safety than it is as a parking lot.

Giving away an important corridor should not even be legal!!

This is an issue that affects the entire county and visitors alike and will do so for years to come. Don't be shortsighted in this decision.

Fred Buess
911 Oregon Street
Sonora, CA 95370

Received By
JUL 3 0 2025
City of Sonora

Sonora City Council
94 N. Washington Street
Sonora, CA 95370

RE: Conveyance of Washington Street ROW to ex-Mayor Bill Canning

I spend nearly every day in the old Tuolumne Foundry neighborhood working and caring for my disabled son, and I strongly object to the conveyance of Washington Street right-of-way in our community to the former city councilman and mayor.

Have we learned nothing from Pacific Palisades and Paradise? Washington Street is a primary escape route in the event of fire and should be widened and improved—not given away to the former mayor for his parking lot.

Have you seen the traffic backups in this area in the afternoon stretching almost to Calaveras Street? A responsible, forward looking City Council would make plans to widen Washington, add a dedicated right-turn lane for cars leaving town, or perhaps a dedicated left-turn lane, not give valuable right-of-way for a former mayor's pet project.

It is one thing to encourage a property owner to do anything he wants on his own land.

It is quite another thing to give away precious public resources that are needed for other purposes, and sell out the people who rely on you for sound judgement, in order to help him fulfill his dreams. This is small town cronyism at its worst and should be investigated as such.

EVERY single property owner and resident in the neighborhood of this project—from Calaveras Street to The Bypass, and from the west side of Washington Street to Hospital Road—HAS SIGNED A PETITION asking you to scale down or eliminate this project.

You have received that petition and you treated it with NO REGARD whatsoever. You are not leaders. You are sellouts to an influential buddy hoping to profit from his relationship with you.

Why not replace the two homes that used to stand on this lot and let all of us live our lives in peace? Why not limit the height of this disturbingly high structure running the entire length of the property so that the neighbors retain some sort of view? Why not reduce the size of this monstrosity to the previously determined legal limits so that we don't have a 50-space parking lot with floodlights in our delightful, historic, residential neighborhood? Why are you changing regulations to shoehorn a major commercial and

high density housing project that requires a much bigger piece of property onto this tiny lot accessed with one-way streets? Why are you bending over backwards?

It's insane or corrupt. What's your game?

The fact that you insist on pushing this through in spite of its negative impacts on every neighbor—including the eyesore factor, intolerable lighting in the massive parking lot, increased noise, doubling the local population, greatly increased traffic on single lane streets, destruction of ANY view from Oregon Street that has been enjoyed since the first house was built here over 100 years ago, obliteration of a seasonal creek, removal of trees, blight at the entrance to our town, the disturbing element of society you are inviting into our tight-knit community—is proof that you care more about greasing the palm of a buddy than for the welfare of Sonora.

Of course none of you live in this neighborhood and neither does the former mayor, so what do you care?

It is disgusting. It is stupid. It is shortsighted. It is corrupt.

The deterioration of Sonora over the past twenty years has been breathtaking and can be laid at the feet of the Sonora City Council.

When we moved here this was a town with no empty commercial spaces, restaurants such as Banny's, Backstreet and Miners Shack with people waiting outside to get in, thriving wedding venues and busy B&Bs all over town. Downtown motels like Inns of California, Gunn House and Sonora Inn weren't disgusting. There was a little pride in these. You did everything in your power to destroy all that—you raised taxes and regulated "charming" right out of existence—you certainly didn't support it. You encouraged just the sort of development we are discussing here and the town has suffered in every way.

You've invited the worst elements into our town and this project will do the same. The travelers that used to enjoy spending time in Sonora go somewhere else and yet you continue to jack up the TOT and sales tax as if you are offering them something irresistible. You aren't. They can walk the streets with the homeless and wander the aisles of Dollar General without traveling here. Thanks a lot!

We never would have moved here if we had known the direction you would take this community and that you continue to pursue right now. You've taken care of yourselves and city employees and that's about it. If I thought you cared, I'd have written a respectful, persuasive letter, but you clearly don't and you've proven that with every interaction I've had with you.

P.S. NOW CUTE ARE YOUR FINELY PRINTED NOTICES AROUND THE PROPERTY?

Fred Buess

NOT ASHAMED OF YOUR CORRUPTION ARE YOU?

**Tracy Skelly**

**From:** Lee Pagni <lee@studiomundo.com>
**Sent:** Thursday, July 31, 2025 11:33 AM
**To:** tskelly@sonoraca.com
**Cc:** Tyler Summersett
**Subject:** comments for August 4th City Council Meeting

Please include in the packet that will be made available to the public.
Thank you,
Lee

July 31, 2025
55 Tuolumne St.
Sonora, CA 95370

City of Sonora
94 N. Washington St.
Sonora, CA 95370

Dear Councilmembers,

I am writing in advance of your August 4, 2025 meeting regarding the proposal to vacate a portion of APN 056-108-015 (hereafter referred to as "The Parcel").

As I have previously stated in public comments, vacating The Parcel would be both detrimental to public safety and financially burdensome for taxpayers, far outweighing any perceived benefits of relinquishing the property.

The Parcel is part of the South Washington Street corridor, a critical transportation artery connecting the City of Sonora to Highway 108. This corridor is prominently featured in multiple transportation planning documents, including the Vision Sonora Plan (2013) and the 2024 Tuolumne County Regional Transportation Plan. Disposing of a property so clearly identified as integral to future mobility and planning efforts would not only be short-sighted, but potentially negligent.

Moreover, vacating The Parcel would severely compromise what is currently the primary fire evacuation route for downtown Sonora residents. As detailed in the County's 2024 Downtown Sonora Evacuation Map (https://www.tuolumnecounty.ca.gov/DocumentCenter/View/22173/Sonora-Downtown---Updated-2024), the existing corridor is approximately 60 feet wide. This proposed action would eliminate roughly 30 feet – half of its usable width – dramatically limiting the city's options for future roadway improvements or emergency access enhancements.

To date, the City Council has not publicly articulated a rationale for vacating The Parcel, despite its known long-term value for transportation and emergency planning. In light of the serious and permanent consequences of this decision, I believe it is imperative that the Council provide a clear explanation of the public interest served by this action – particularly when it would reduce the City's flexibility for future development and safety planning.

I respectfully urge the Council to reconsider this proposal in the interest of public safety, responsible fiscal planning, and long-term community resilience.

Lee Pagni

# CITY COUNCIL AGENDA REPORT

CITY HALL

CITY OF SONORA 94 N. WASHINGTON STREET, SONORA, CA 95370 P: (209) 532-4541

***SERVICE, INNOVATION, INTEGRITY, COLLABORATION, RESPECT, LEADERSHIP***

**DATE:** August 4, 2025

**TO:** Honorable Mayor and Members of the City Council

**FROM:** Tyler Summersett, Community Development Director, Cole Przybyla, Przybyla Advisors

**SUBJECT:** Receive a Presentation from Przybyla Advisors and Consider Giving Direction on Economic Development Strategies.

**RECOMMENDATION:**

Receive a Presentation from Przybyla Advisors and Give Direction on Economic Development Strategies.

**BACKGROUND:**

The City completed an Organization Review and Budget Stabilization Study in 2023. This plan included a Five-Year Strategic and Implementation Plan that outlined a number of priorities for the City across various sectors and responsibility areas. Identified tasks within the document were prioritized as well. Numerous strategies fell into the category of Economic Development. As a result, Community Development staff brought Economic Development goals from the Strategic Plan forward for implementation.

**DISCUSSION / ANALYSIS:**

Scope of Work items included a broad spectrum of possible activities over a one (1) to three (3) year timeline. Included below are a menu of activities that can be prioritized or delayed based on reactions to data collected and recommendations within the presentation.

Year One Activities: (including but not limited to)

Three Year Strategic Plan for Economic Development
Vacant Properties index
Welcome to Sonora package
Locals First Ordinance
Identify Grant Funding Opportunities
Submittal of at least one grant (Dome Property—CDBG)
Parking Signage Plan implementation
City Beautification award program

# CITY COUNCIL AGENDA REPORT

CITY HALL

CITY OF SONORA 94 N. WASHINGTON STREET, SONORA, CA 95370 P: (209) 532-4541

***SERVICE, INNOVATION, INTEGRITY, COLLABORATION, RESPECT, LEADERSHIP***

Year Two Activities:

Strategic Growth Plan-Annexation, incorporate into General Plan
Cannabis Distribution ordinance
Business Attraction/expansion/retention activities
Submittal of at least one grant
Grant Management (if awarded)

Year Three Activities:

Economic Development Element—General Plan
Grant Management
Business Recruitment

**FISCAL IMPACT:**

This project is working from a previously approved budget of $50,000 to hire for outside services.

**ATTACHMENTS:**

Presentation of Economic Development accomplishments to date

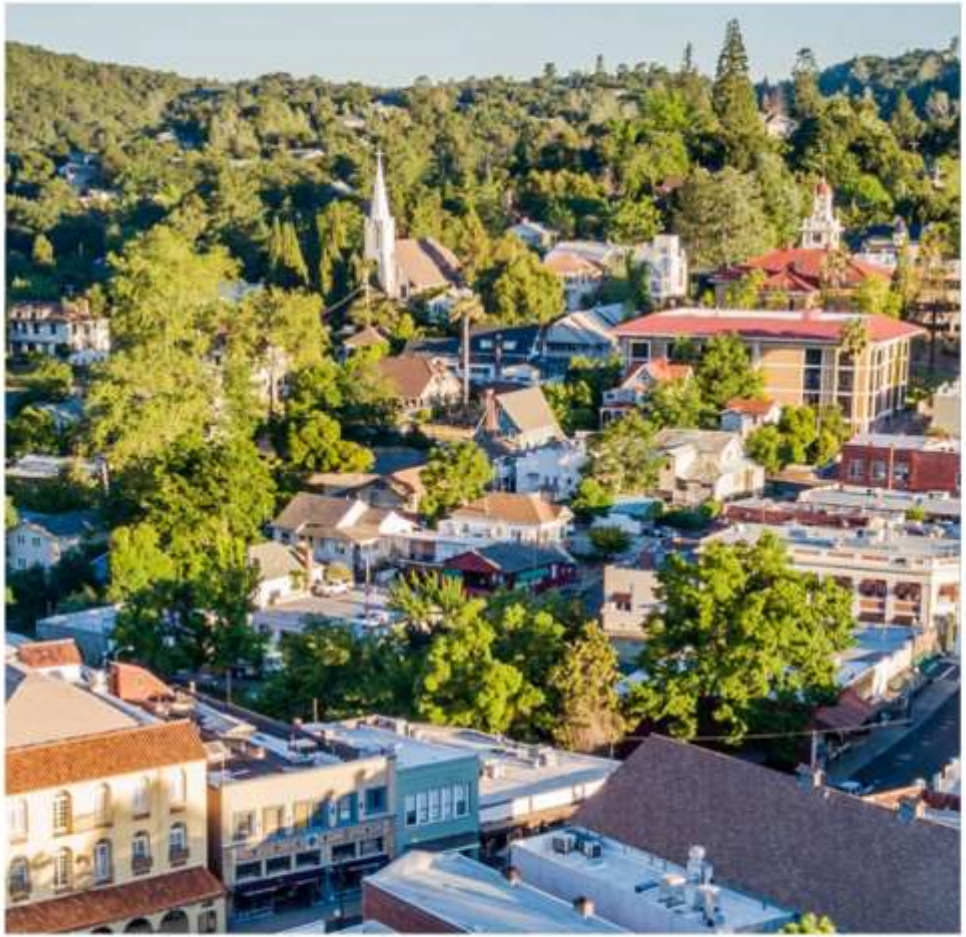
**CORE COUNCIL PRIORITIES:**

Fiscal Responsibility and Stability, Infrastructure and Engineering, Public Safety and Disaster Preparedness, Economic Development/Growth and General Plan, Homelessness Issues, Staffing - Salary, Benefits, Training, and Retention



# STRATEGIC ECONOMIC DEVELOPMENT UPDATE - CITY OF SONORA

A plan to transform Sonora into a regional lifestyle and retail destination



# GUIDING SONORA'S ECONOMIC FUTURE

WORK INITIATED THROUGH COUNCIL-APPROVED ECONOMIC DEVELOPMENT RFP

GOAL: DEVELOP STRATEGY TO STRENGTHEN SONORA'S ECONOMY AND QUALITY OF LIFE

FOCUS: BUSINESS ATTRACTION, RETAIL RETENTION, SITE ACTIVATION, AND LONG-TERM VISION

# CITY OVERVIEW

## Population

~5,000 (City), ~55,000 (Regional Trade Area)

## Daily Transient Population Increase

+25,000 people

## Median Household Income

$62,621

## Education Level

30.2% with a Bachelor's Degree or Higher

## Top Economic Sectors

Government, Retail, Tourism

# WHY THIS WORK MATTERS



Long-term community members — deeply invested in Sonora's future



Leakage in retail and visitor spending means lost local jobs and service revenue



We have a narrow window to shape growth proactively — or risk being shaped by it

Sonora's economic development efforts are essential for retaining long-term residents, addressing revenue leakage, and proactively shaping the city's future growth.

# WHAT WE HAVE DONE SO FAR



Surveyed Residents and Businesses



Key stakeholder interviews



Sites assessed across downtown, Sanguinetti, Mono Way and Childs Road



Benchmarked peer cities

By conducting comprehensive research and analysis, the City of Sonora has laid the groundwo for a strategic economic development plan that will guide the city's growth and transformation.

# WHAT WE HEARD



475 Respondents

76% Live in Sonora

67% 10+ Years



Desire for better retail, family-friendly dining, and more local activity options



Top mentions: Trader Joe's, REI, In-N-Out, Chipotle



94% Supportive for growth — but only if it fits Sonora's character

The community has clearly expressed a desire for a more diverse and vibrant retail, dining, and activity landscape, while emphasizing the importance of preserving Sonora's distinctive character.

# WHAT THE DATA SHOWS

| Metric | Value |
|---|---|
| Annual Retail Leakage | $30M+ |
| TOT Revenue Seasonality | Peaks in July, dips sharply in February |
| Peer City Performance | Outperform Sonora |
| Renter-Occupied Housing | Over 50% with rising rents outpacing wage growth |
| Median Age | Over 45 |



*City of Sonora Economic Development Data

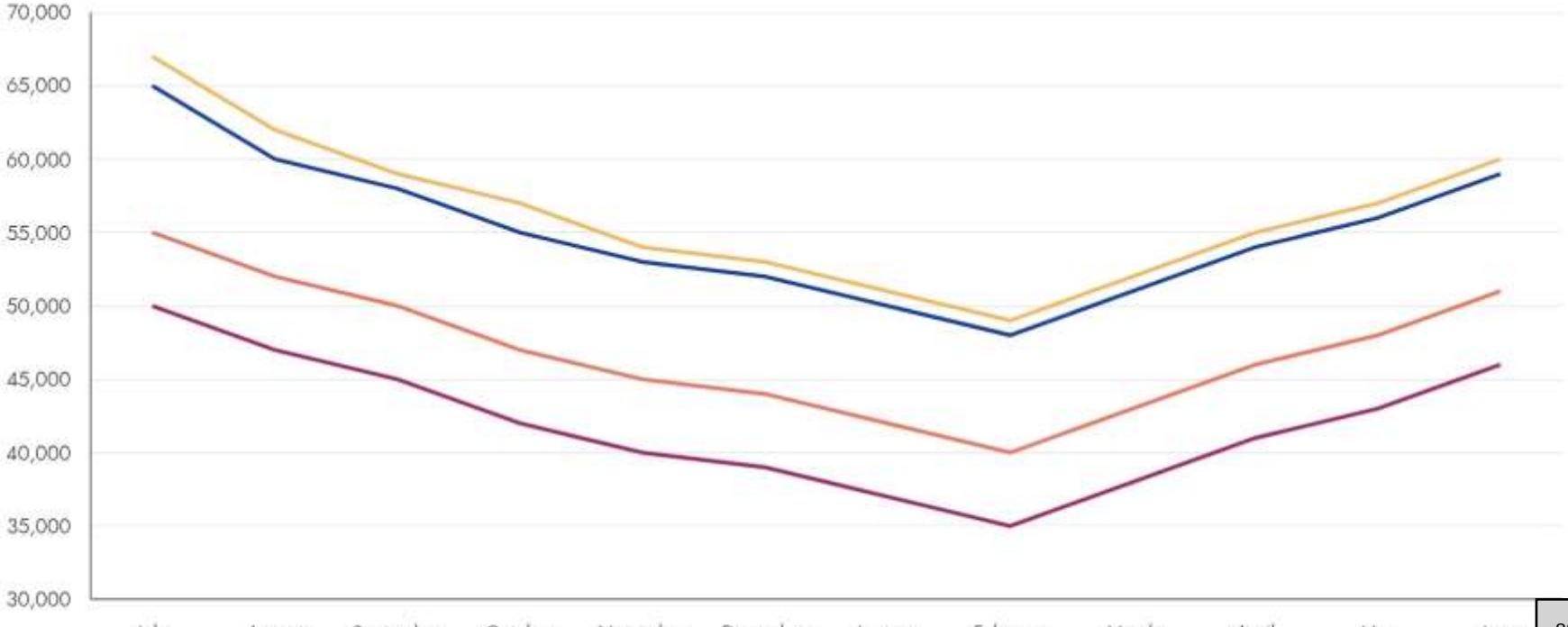
# SONORA REVENUE TRENDS

| Revenue Type | 2024/25 (Projected) | 2023/24 | 2022/23 | 2021/22 | 2020/21 |
|---|---|---|---|---|---|
| Sales Tax (Incl. Measure Y) | $7,852,000 | $8,321,392 | $6,366,783 | $5,843,336 | $5,433,288 |
| Transient Occupancy Tax (TOT) | $628,800 | $702,269 | $682,409 | $559,545 | $518,126 |
| Property Tax | $1,479,600 | $1,457,028 | $1,205,042 | $1,154,730 | $1,123,091 |
| Business Licenses Issued | 1,070 | 1,126 | 1,049 | 1,115 | 1,108 |



*This data was provided in the prompt.

# TOT BREAKDOWN BY MONTH AND FISCAL YEAR






*TOT Breakdown table

# HOUSING MARKET SNAPSHOT

Median home value (2023 ACS): $379,300

Median gross rent: $1,000–$1,200/month

Homeownership rate: 41%,

Renter rate: 59%

Vacancy rate: 8.5%

New housing units added, 2013–2023: ~68 units%

# PEER MARKET HOUSING DATA

| City | Median Home Value | Median Age | % Owner-Occupied |
|---|---|---|---|
| Sonora | $379,300 | 38.2 | 41 |
| Angels Camp | $444,400 | 54.1 | 64 |
| Nevada City | $607,300 | 49.4 | 45 |
| Grass Valley | $458,400 | 50 | 40 |



*Source: U.S. Census Bureau, American Community Survey (2019 data)

# PEER CITY KEY METRICS

| City (County) | Population (Year) | Weekday Influx | TOT Revenue (Year) |
|---|---|---|---|
| Sonora (Tuolumne Co.) | 5,067 (2023) | ~22,000–25,000 | $503,312 (12% TOT) (2021) |
| Angels Camp (Calaveras Co.) | 3,542 (2023) | ~8,000–10,000 (county fair, weekends) | $1,308,455 (10% TOT) (2021) |
| Nevada City (Nevada Co.) | ~3,100 (2020) | ~8,000+ (weekday govt + tourists) | $487,965 (10% TOT) (2021) |
| Big Bear Lake (San Bernardino Co.) | 5,046 (2020) | 100,000+ (winter & summer weekends) | $11,045,573 (8% TOT) (2021) |



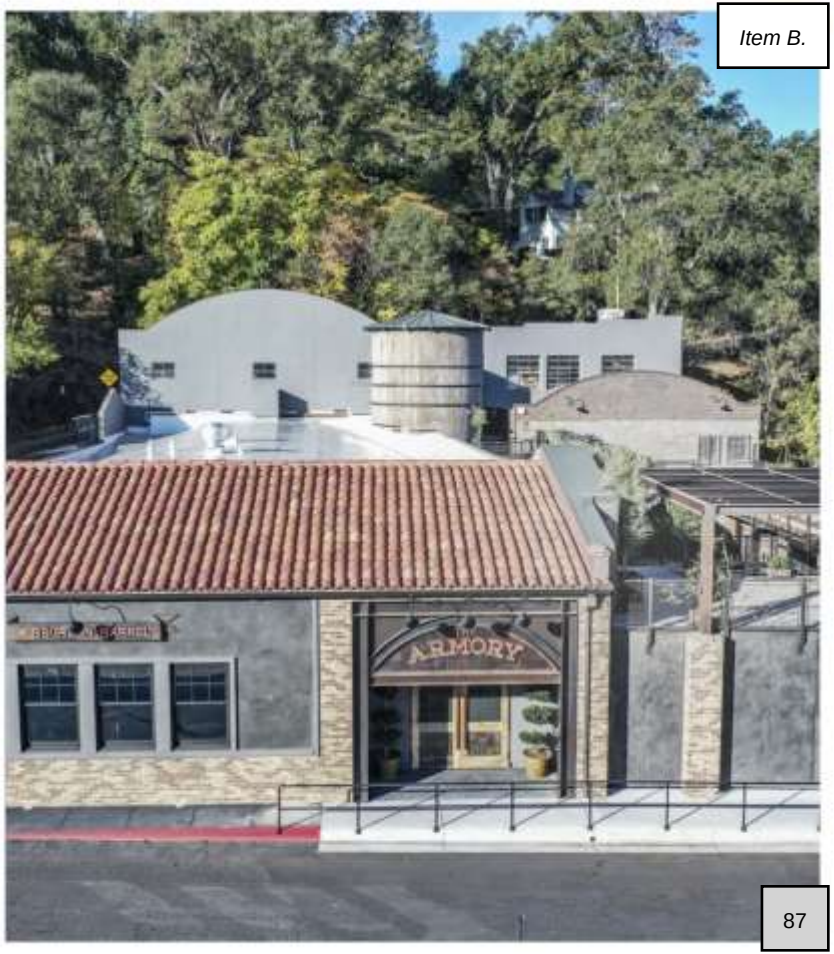
*Data from mymotherlode.com, sonoraca.com, sco.ca.gov, en.wikipedia.org

# REPOSITIONING SONORA'S ECONOMIC NICHE



# THE COST OF DOING NOTHING

- Inaction in economic development can have significant consequences for the City of Sonora.
- Revenue shrinkage will constrain essential services, amenities, and staffing, while vacant storefronts can hurt community confidence and make new investment harder to attract.
- However, Sonora has the vision, data, and community support to drive proactive change.



# BALANCING BIG BOX AND MOM-AND-POP STORES FOR SONORA'S ECONOMIC HEALTH

Sonora's economic health relies on a balance between big-box stores and local mom-and-pop businesses. Big-box stores provide a significant portion of the city's sales tax revenue, which funds essential public services. Simultaneously, small, independent businesses shape Sonora's downtown character, foster community connections, and promote walkability.



# WHO WE'RE TARGETING: LOW-HANGING FRUIT VS. LONG SHOTS




Businesses we can realistically attract now, such as Fast Food, Grocery Outlet expansion, boutique hotels, and scaling up successful local brands.

In-N-Out, Hobby Lobby, regional health or fitness providers, likely with modest site upgrades or proof of sustained demand.

Trader Joe's, Target, Whole Foods — brands with strict requirements. These become possible if we build momentum, increase traffic capture, and position Sonora as a true regional hub.

# WHERE WE CAN INVEST NOW

## Sanguinetti Triangle:

Large parcel, anchored, ideal for fast-casual or mid-sized retail.

## Downtown Sonora:

High charm, walkability, strong fit for experiential or boutique retail.

## Childs Road:

Long-term potential for health, service, or mixed-use investment.

## Mono Way:

High Visibility, close to highway, suitable for hospitality.

# THE OPPORTUNITY TO GROW

1 Sonora must thoughtfully consider expansion beyond its current boundaries.

2 Planning now preserves options later.

# NEXT STEPS



Develop and launch a business outreach plan



Create a detailed Economic Development Strategic Plan by Dec 2025



Guide growth through 2030 with community and Council alignment

By focusing on these key next steps, Sonora can proactively shape its economic future, attract new businesses, and enhance the quality of life for its residents.

# STRATEGIC ECONOMIC DEVELOPMENT UPDATE - CITY OF SONORA

The City of Sonora is poised to embark on a strategic economic development plan that builds on its rich Gold Rush heritage while transforming the city into a regional lifestyle and retail destination. By addressing key data points, balancing the needs of large and small businesses, and targeting specific investment opportunities, Sonora can proactively shape its growth and ensure long-term prosperity for its residents.

July 3, 2025

Hi Melissa,

Enclosed please find the reviewed financial statements for Visit Tuolumne County for year ending June 30, 2024 and 2023 for your records and information.

Please let me know if you have any questions.

Thank you,

Lisa Mayo
President & CEO
Visit Tuolumne County

# TUOLUMNE COUNTY VISITORS BUREAU INCORPORATED

## Financial Statements (Reviewed)
## and Supplementary Information (Prepared)
For the Years Ended June 30, 2024 and 2023

# TUOLUMNE COUNTY VISITORS BUREAU INCORPORATED

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WHEELER & EGGER CPAs, LLP

E. SAMUEL WHEELER
KIMBERLY A. EGGER
Certified Public Accountants

# INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors
Tuolumne County Visitors Bureau Incorporated

We have reviewed the accompanying financial statements of Tuolumne County Visitors Bureau Incorporated (a nonprofit organization), which comprise the statement of financial position as of June 30, 2024, the related statement of activities and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of entity management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

**Management's Responsibility for the Financial Statements**

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

**Accountant's Responsibility**

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Tuolumne County Visitors Bureau and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.



Ph. 209.536.1218 • Fax 209.536.1259 • Web: www.WEcpas4u.com • P.O. Box 3718 • Sonora, CA 95370

MEMBER: AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS • CALIFORNIA SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS

**Accountant's Conclusion**

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

**Supplementary Information**

The accompanying supplementary information included in Schedule I is presented for the purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements and supplementary information. We have not audited or reviewed the supplementary information and we do not express an opinion, a conclusion, nor provide any assurance on it.

**Summarized Comparative Information**

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with Tuolumne County Visitors Bureau Incorporated's financial statements for the year ended June 30, 2023, from which the summarized information was derived.

We are not aware of any material modifications that should be made to the summarized comparative information presented herein as of and for the year ended June 30, 2023, for it to be consistent with the reviewed financial statements from which it has been derived.

**Report on 2023 Financial Statements**

We previously reviewed Tuolumne County Visitors Bureau Incorporated's 2023 financial statements and in our conclusion dated May 6, 2024, stated that based on our review, we were not aware of any material modifications that should be made to the 2023 financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Wheeler & Egger, CPAs, LLP

Wheeler & Egger CPAs, LLP
Sonora, CA
May 13, 2025

# TUOLUMNE COUNTY VISITORS BUREAU INCORPORATED
## STATEMENT OF FINANCIAL POSITION
## JUNE 30, 2024 AND 2023

| | 2024 | 2023 (For Comparative Purposes Only) |
|---|---|---|
| ASSETS | | |
| Current Assets | | |
| Cash and cash equivalents | $ 802,847 | $ 580,475 |
| Investments | 273,558 | 271,575 |
| Accounts receivable | 3,434 | 26,594 |
| Transient Occupancy Tax (TOT) receivable | 288,815 | 281,280 |
| Inventory | 2,251 | 2,382 |
| Prepaid expenses | 44,461 | 22,926 |
| TOTAL CURRENT ASSETS | 1,415,366 | 1,185,232 |
| Property and Equipment | | |
| Equipment | 4,114 | 4,114 |
| Furniture and fixtures | 27,389 | 27,389 |
| Vehicle | 95,308 | 95,308 |
| Leasehold improvements | 23,434 | 23,434 |
| | 150,245 | 150,245 |
| Less accumulated depreciation | 78,760 | 66,344 |
| NET PROPERTY AND EQUIPMENT | 71,485 | 83,901 |
| Other Assets | | |
| Deferred compensation plan assets | 109,292 | 110,443 |
| Right-of-use lease | 41,371 | 60,194 |
| SAF Investment fund | 52,900 | 49,900 |
| Security deposits | 1,845 | 1,845 |
| | 205,408 | 222,382 |
| TOTAL ASSETS | $ 1,692,259 | $ 1,491,515 |
| LIABILITIES | | |
| Current Liabilities | | |
| Accounts payable | $ 52,193 | $ 75,609 |
| Lease liability - current | 21,860 | 20,328 |
| Credit cards payable | 576 | 8,621 |
| Accrued vacation wages | 13,728 | 11,501 |
| Accrued wages | 4,309 | 2,769 |
| Payroll taxes payable | 341 | 214 |
| Prepaid partner dues | 2,000 | 225 |
| TOTAL CURRENT LIABILITIES | 95,007 | 119,267 |
| Long-term Liabilities | | |
| Deferred compensation plan liabilities | 109,292 | 110,443 |
| Lease liability - long-term | 19,511 | 39,866 |
| TOTAL LONG-TERM LIABILITIES | 128,803 | 150,309 |
| TOTAL LIABILITIES | 223,810 | 269,576 |
| NET ASSETS | | |
| Without revenue source restrictions | 1,468,449 | 1,221,939 |
| TOTAL NET ASSETS | 1,468,449 | 1,221,939 |
| TOTAL LIABILITIES AND NET ASSETS | $ 1,692,259 | $ 1,491,515 |

*See accompanying notes and independent accountant's review report.*

# TUOLUMNE COUNTY VISITORS BUREAU INCORPORATED
## STATEMENT OF ACTIVITIES
## FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

| | 2024 | | | |
|---|---|---|---|---|
| | Without Source Restrictions | With Source Restrictions | Total | 2023 (For Comparative Purposes Only) |
| CHANGES IN NET ASSETS | | | | |
| Transient Occupancy Tax (TOT) - County | $ 1,613,403 | $ - | $ 1,613,403 | $ 1,606,146 |
| Transient Occupancy Tax (TOT) - City | 150,000 | - | 150,000 | 152,097 |
| Partner dues | 34,975 | - | 34,975 | 37,424 |
| *Vacation Planner* advertising (net of revenue adjustments) | 34,015 | - | 34,015 | 29,828 |
| Marketing cooperatives | 36,955 | - | 36,955 | 11,215 |
| Interest income | 17,410 | - | 17,410 | 9,368 |
| Sale of merchandise (net of cost of goods sold) | 133 | - | 133 | 128 |
| TOTAL REVENUES | $ 1,886,891 | $ - | $ 1,886,891 | $ 1,846,206 |
| NET ASSETS RECEIVED WITHOUT SOURCE RESTRICTIONS | $ 1,886,891 | $ - | $ 1,886,891 | $ 1,846,206 |
| NET ASSETS RECEIVED WITH SOURCE RESTRICTIONS | - | - | - | - |
| TOTAL REVENUES | $ 1,886,891 | $ - | $ 1,886,891 | $ 1,846,206 |

## TUOLUMNE COUNTY VISITORS BUREAU INCORPORATED
### STATEMENT OF ACTIVITIES (Continued)
### FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

| | 2024 | | | |
|---|---|---|---|---|
| | Payments Without Source Restrictions | Payments Which Satisfy Restrictions | Total Expenses Incurred | 2023 (For Comparative Purposes Only) |
| EXPENSES | | | | |
| *Management and General* | | | | |
| Salaries and wages | $ 10,753 | $ - | $ 10,753 | $ 8,831 |
| Accounting | 11,108 | - | 11,108 | 4,992 |
| Employee benefits | 751 | - | 751 | 621 |
| Insurance | 44 | - | 44 | 44 |
| Lease expense | 388 | - | 388 | 461 |
| Payroll tax expenses | 523 | - | 523 | 561 |
| Utilities | 217 | - | 217 | 165 |
| Office expenses | 361 | - | 361 | 264 |
| Telephone | 101 | - | 101 | 93 |
| Equipment leases and repairs | 61 | - | 61 | 154 |
| Office supplies | 32 | - | 32 | 41 |
| Janitorial and landscaping | 14 | - | 14 | 102 |
| Fees and permits | 1,604 | - | 1,604 | 976 |
| 401(k) safe harbor contribution | 175 | - | 175 | 289 |
| *Total Management and General* | 26,132 | - | 26,132 | 17,594 |

## TUOLUMNE COUNTY VISITORS BUREAU INCORPORATED
### STATEMENT OF ACTIVITIES (Continued)
### FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

| | 2024 | | | |
|---|---|---|---|---|
| | Payments Without Source Restrictions | Payments Which Satisfy Restrictions | Total Expenses Incurred | 2023 (For Comparative Purposes Only) |
| EXPENSES (Continued) | | | | |
| *Marketing Programs* | | | | |
| Salaries and wages | $ 315,343 | $ - | $ 315,343 | $ 334,256 |
| Depreciation | 12,416 | - | 12,416 | 12,494 |
| Advertising and promotion | 457,813 | - | 457,813 | 663,811 |
| Media marketing | 185,740 | - | 185,740 | 186,288 |
| Internet marketing, website, and mobile technology | 97,644 | - | 97,644 | 72,670 |
| Strategic partnerships | 77,690 | - | 77,690 | 69,552 |
| *Vacation Planner* | 83,354 | - | 83,354 | 87,315 |
| Seminars, conferences, shows, and conventions | 148,796 | - | 148,796 | 172,766 |
| Community sponsorships | 46,946 | - | 46,946 | 100,246 |
| Employee benefits | 34,993 | - | 34,993 | 35,314 |
| Payroll tax expenses | 25,963 | - | 25,963 | 27,436 |
| Lease expense | 25,189 | - | 25,189 | 25,921 |
| Accounting | 20,996 | - | 20,996 | 24,088 |
| Dues and subscriptions | 14,880 | - | 14,880 | 14,276 |
| Utilities | 10,658 | - | 10,658 | 8,654 |
| Telephone | 7,142 | - | 7,142 | 6,891 |
| Office expenses | 10,741 | - | 10,741 | 24,243 |
| Office supplies | 1,696 | - | 1,696 | 3,969 |
| Professional fees | 11,035 | - | 11,035 | 24,860 |
| Travel | 7,269 | - | 7,269 | 11,372 |
| Insurance | 3,395 | - | 3,395 | 4,163 |
| Equipment leases and repairs | 2,865 | - | 2,865 | 3,562 |
| Janitorial and landscaping | 709 | - | 709 | 4,998 |
| Film commission | 2,361 | - | 2,361 | 300 |
| 401(k) safe harbor contribution | 8,615 | - | 8,615 | 8,649 |
| *Total Marketing Programs* | 1,614,249 | - | 1,614,249 | 1,928,094 |
| TOTAL EXPENSES | 1,640,381 | - | 1,640,381 | 1,945,688 |
| INCREASE (DECREASE) IN NET ASSETS | 246,510 | - | 246,510 | (99,482) |
| NET ASSETS BEGINNING OF YEAR | 1,221,939 | - | 1,221,939 | 1,271,521 |
| Prior Period Adjustment | - | - | - | 49,900 |
| NET ASSETS END OF YEAR (RESTATED) | $ 1,468,449 | $ - | $ 1,468,449 | $ 1,221,939 |

*See accompanying notes and independent accountant's review report.*

# TUOLUMNE COUNTY VISITORS BUREAU INCORPORATED
## STATEMENT OF CASH FLOWS
## FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

| | 2024 | 2023 (For Comparative Purposes Only) |
|---|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Increase (Decrease) in net assets without revenue restrictions | $ 246,510 | $ (99,482) |
| Increase (Decrease) in net assets with revenue restrictions | - | - |
| Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities: | | |
| Depreciation | 12,416 | 12,494 |
| Amortization of right-of-use lease | 20,328 | 3,360 |
| (Increase) decrease in: | | |
| Accounts receivable | 23,161 | (25,841) |
| Prepaid expenses | (21,535) | 72,869 |
| Inventory | 131 | 147 |
| Transient Occupancy Tax (TOT) receivable | (7,536) | (96,043) |
| Increase (decrease) in: | | |
| Accounts payable | (23,417) | (134,822) |
| Credit cards payable | (8,045) | (5,253) |
| Accrued vacation wages | 2,227 | 5,063 |
| Accrued wages | 1,540 | (331) |
| Payroll taxes payable | 127 | (32) |
| Prepaid partner dues | 1,775 | (3,225) |
| NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES | 247,682 | (271,096) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| SAF Investment fund | (3,000) | - |
| Right-of-use lease | (20,328) | (63,554) |
| Investment in CD | (1,982) | (9,270) |
| NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES | (25,310) | (72,824) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Right-of-use lease obligation | 21,833 | 63,554 |
| Reduction in lease obligation | (21,833) | (3,360) |
| NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES | - | 60,194 |
| NET INCREASE (DECREASE) IN CASH | 222,372 | (283,726) |
| BEGINNING CASH AND CASH EQUIVALENTS | 580,475 | 864,201 |
| ENDING CASH AND CASH EQUIVALENTS | $ 802,847 | $ 580,475 |

# TUOLUMNE COUNTY VISITORS BUREAU INCORPORATED

## Notes to Financial Statements

## TUOLUMNE COUNTY VISITORS BUREAU INCORPORATED
## NOTES TO FINANCIAL STATEMENTS

### NOTE 1 - NATURE OF ACTIVITIES AND FUNDING

Tuolumne County Visitors Bureau Incorporated (TCVB) is a nonprofit mutual benefit corporation, organized November 23, 1983, under the laws of the State of California and under Section 501(c)(6) of the Internal Revenue Code, and operates under the name Visit Tuolumne County. TCVB was formed by an organizing committee consisting of the Tuolumne County Lodging Association, the Tuolumne County Chamber of Commerce, the Highway 120 Association, and the Sonora Pass Vacationland Association. TCVB is the designated Destination Marketing Organization for promoting Tuolumne County, California and the Yosemite Gold Country to visitors on a regional, statewide, national, and global level with a focus on historical towns, four-season recreation, arts and theater, farms, wineries, and accommodations. TCVB is funded mainly through a portion of the Transient Occupancy Tax (TOT) charged on overnight lodging stays. TCVB leverages marketing funds by closely partnering with larger organizations, such as Brand USA, Visit California, and San Francisco Travel. Each year, through its budget, TCVB creates a year-long multi-platform marketing plan that includes print, on-line, social media, television, radio, and public relations. TCVB has several additional ongoing responsibilities including serving as the Tuolumne County Film Commission. Tourism is Tuolumne County's number one private sector industry.

### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Basis of Accounting

The financial statements of TCVB have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Basis of Presentation

TCVB is a nonprofit mutual benefit corporation and as such does not receive public charitable contributions from donors. TCVB reports information regarding its financial position and activities according to two (2) classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its revenue source: net assets without revenue source restrictions and net assets with revenue source restrictions.

Net assets without revenue source restrictions are resources available to support operations and not subject to revenue source restrictions. The only limits on the use of net assets without revenue source restrictions are the broad limits resulting from the nature of TCVB, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with governmental sources and others that are entered into in the course of its operations.

Net assets with revenue source restrictions are resources that are subject to revenue source-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by the revenue source for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by the revenue source that the resources be maintained in perpetuity.

TCVB's unspent source restricted revenue is reported in net assets with revenue source restrictions. Revenue in the form of property at fair market value (FMV) and equipment at FMV or cash restricted to acquisition of property and equipment are reported as assets with revenue source restrictions if the revenue source has restricted the use of the property or equipment to a particular program. These restrictions expire when the assets are placed in service.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation (Continued)

When a revenue source's restriction is satisfied, either by using the resources in the manner specified by the revenue source or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with revenue source restrictions to net assets without revenue source restrictions.

TCVB did not have any net assets with revenue source restrictions as of June 30, 2024 or 2023. Revenue received is recorded as net assets without revenue source restrictions and net assets with revenue source restrictions depending on the existence or nature of any revenue source restrictions. All of TCVB's revenue received during the years ended June 30, 2024 and 2023, was unrestricted.

Functional Allocation of Expenses to Marketing

Due to the nature of TCVB's activities and overall marketing purpose, the costs of providing programs have been summarized on a natural basis in the statements of activities, and certain amounts have been attributed to TCVB marketing, based on an allocation method determined by duties performed by the employees and the related costs.

Comparative Financial Information

The financial statements include certain prior-year summarized comparative information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles in the United States of America (U.S. GAAP). Accordingly, such information should be read in conjunction with TCVB's financial statements for the year ended June 30, 2023, from which the summarized information was derived. Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform with the presentation in the current year financial statements.

Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, the reported revenues and expenses, and the functional allocation of expenses. On an ongoing basis, management evaluates the estimates and assumptions based on new information. Management believes that the estimates and assumptions are reasonable in the circumstances; however, actual results could differ from those estimates.

Cash and Cash Equivalents

The Organization considers all highly liquid investments with an initial maturity of three (3) months or less to be cash equivalents, unless the investments are held for meeting restrictions for purchase of property and equipment, payment of long-term debt, endowment, or the pre-tax employee-contributed funds for a deferred compensation retirement plan (Section 457(b)) described in Note 11.

SAF Investment Fund

The Organization holds funds with Sonora Area Foundation (SAF), a local non-profit that assists donors and provides grants within the local community. Annually, the Organization contributes any unutilized funds budgeted for Community Events, Destination Development and Stewardship & Sustainability, to SAF that are then retained for future use. These funds are utilized to provide grants and financial support to local agencies for local events and activities that support Community Events, Destination Development and Stewardship & Sustainability. The balance held in the fund as of the years ended June 30, 2024 and 2023, was $52,900 and $49,900 respectively. (See Note 13)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair Value of Financial Instruments

The Organization's financial instruments are cash and cash equivalents, investments (CDs), accounts receivable, and accounts payable. These assets and liabilities are reflected at fair value, or at the carrying amount that approximates fair value because of the short maturity of the instruments. The carrying values of the TCVB's debt instruments approximate their fair values as of June 30, 2024, and 2023, based on current incremental borrowing rates for similar types of borrowing arrangements. Held to maturity debt instruments charge non-temporary losses to earnings and do not recognize other unrealized gains and losses.

Accounts Receivable

Accounts receivable at the balance sheet date, if any, are stated at the amounts expected to be collected from partners (formerly called members) and customers. As of June 30, 2024 and 2023, accounts receivable was $3,434 and $26,594, respectively. All accounts determined to be uncollectible, if any, are written off during the year they become uncollectible. The effects of using the direct write-off method approximate those of the allowance method. There were no accounts determined to be uncollectible during the years ended June 30, 2024 and 2023.

Transient Occupancy Tax (TOT) Receivable

TOT revenue comes from a three (3) party contract between TCVB, the County of Tuolumne (County), and the City of Sonora (City). The contract with the County allocates 25 percent (25%) of the 10% of the TOT collected to TCVB and the contract with the City allocates 25 percent (25%) of the TOT collected to TCVB . As of June 30, 2024 and 2023, the TOT receivable consisted of the balances receivable from the County and the City for the TOT collected during the months of April through June of 2024 and 2023, respectively. These funds were paid in full subsequent to year-end. (See Note 14.)

The three (3) party contract was redrawn and signed by all three (3) parties on January 16, 2018, originally in effect until June 30, 2022, and extended first until December 31, 2022, and again until June 30, 2023. Effective July 1, 2023, TCVB entered into new contracts with the County and City. The collective updates to the contract serve to more clearly define and document the responsibilities of each party, but do not materially affect the financial statements. (See Note 6.)

There was no allowance for doubtful accounts as of June 30, 2024 and 2023, since all of the outstanding balances were subsequently collected according to the schedule, as outlined in the contract with the local governments. (See Note 13.)

Inventory

Inventory consists of merchandise held for resale. Inventories are stated using the average cost method, which approximates the lower of cost or market value, and excludes any consigned and donated inventory items.

Property and Equipment

All acquisitions of property and equipment in excess of $500 and all expenditures for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Property and equipment are carried at cost or, if donated, at the approximate FMV at the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, usually five (5) to fifteen (15) years.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leasing Activities

As of July 1, 2022, the Company changed its accounting method for leases as a result of implementation the requirements in the FASB ASC 842, Leases. There was no cumulative effect adjustment to the Company's balance sheet as of July 1, 2022. Comparative information has not been restated and continues to be reported under the accounting standards in effect for the prior period.

TCVB has an operating lease for its corporate office and postage machine, as well as, other short-term operating leases for property and equipment. TCVB has not elected to account for short-term leases [defined as a term of twelve (12) months or less] by recognizing the lease payments as a change in net assets on a straight-line basis over the lease term. TCVB recognizes such short-term lease payments as an expense in the amount of the lease payment in the month the lease payment is due.

The long-term operating leases of the TCVB office and postage machine are operating leases and are accounted for under FASB ASC 842 which requires TCVB to report long-term leases as assets and liabilities and amortize them over the term of the lease. The office lease provides for an annual increase of 5 percent (5%) per year. Because the discounted amortization rate is implicit in the term of the leases, TCVB uses the monthly payment amounts as the amortization amount of the right-of-use lease amortization and the lease obligation.

Compensated Absences

Full-time employees of TCVB are entitled to vacation pay based on length of service and hours worked. A liability for accrued vacation pay has been recorded, because it is TCVB's policy to recognize the costs of vacation pay when earned by employees. Because the long-term component of the compensated absences liability is not determinable, the full amount has been classified as a current liability. Vacation pay is payable to the employee as additional wages upon termination. Although employees can earn sick pay, a liability for sick pay is not recorded because, unlike vacation pay, it is not payable upon termination.

Partner Dues

Partner dues (formerly called membership dues) are recognized as revenue in the accounting period to which they apply. For the years ending June 30, 2024 and 2023, the partner dues rate was $200 and $150, respectively per partner per year, plus a per-room charge for hotels, campgrounds, and other multi-occupancy facilities. For the years ended June 30, 2024 and 2023, TCVB gave annual partnerships (memberships) to ten (10) and ten (10) other local organizations, respectively, in exchange for reciprocal annual partnerships in those local organizations. The value of the reciprocal partnership benefits has been estimated and recorded as $2,000 and $1,500 of dues revenue and $2,000 and $1,500 of dues expense for the years ended June 30, 2024 and 2023, respectively.

Income Taxes

TCVB is a nonprofit organization that is exempt from federal income taxes under Section 501(c)(6) of the Internal Revenue Code and is exempt from State income taxes under Section 23701(e) of the California Revenue and Taxation Code. TCVB is classified by the Internal Revenue Service as "other than a private foundation" under Section 509(a)(2).

TCVB's income tax filings are subject to audit by various taxing authorities. The open audit periods are June 30, 2021 through June 30, 2024, for the Internal Revenue Service (generally for three (3) years after they are filed) and June 30, 2020 through June 30, 2024, for the Franchise Tax Board (generally for four (4) years after they are filed).

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contributions

TCVB is a nonprofit mutual benefit corporation and as such does not receive public charitable contributions which are deductible as charitable contributions by the donor.

Donated Services

No amounts have been reflected in the financial statements for donated services. TCVB generally pays for services requiring specific expertise. Although many individuals volunteer their time and perform a variety of tasks that assist TCVB, these services do not meet the criteria for recognition as contributed services. TCVB did not utilize qualifying volunteer hours for the years ended June 30, 2024 and 2023, respectively.

NOTE 3 – ADVERTISING

TCVB's primary purpose revolves around advertising and marketing. TCVB employs many types of techniques that stimulate tourism in the County, which generates revenue for TCVB. TCVB expenses the advertising, marketing costs, and other costs when the advertising first takes place, including the costs of its annual Tuolumne County *Vacation Planner* publication, all website and social media development and maintenance costs, as well as other related costs. The amount of advertising and marketing expense is disclosed in the statement of activities under Marketing Programs. (See Note 7.)

The *Vacation Planner* advertising revenue has been recorded (net of discounts and other revenue adjustments) as $34,015 and $29,828 for the years ended June 30, 2024 and 2023, respectively.

NOTE 4 - INVESTMENTS

A certificate of deposit (CD) totaling $9,939 and $9,934, respectively, as of June 30, 2024 and 2023, is included in the accompanying financial statements. The CD bears interest of 0.05 percent (0.05%) per annum and has maturity of six (6) months, with penalties for early withdrawal. Any penalties for early withdrawal would not have a material effect on the financial statements.

The Organization also has investment funds that are held in a flexinsured account bearing interest at a rate of 3.65% per annum with a balance of $263,619 and $261,641 as of the years ended June 30, 2024 and 2023, respectively.

NOTE 5 - RELATED PARTIES

Due to the large number of TCVB Board Members who are local small business owners, occasional related-party transactions are inevitable. However, no significant transactions with related parties occurred during the years ended June 30, 2024 and 2023. Board Members abstain from voting on business decisions directly affecting their own business interests.

The President and CEO of TCVB is also President of Gold Country Visitors Association (GCVA), which raises the awareness of the attractions in the Gold Country area of California.

TCVB advances some marketing and operating expenses on behalf of GCVA that are billed and reimbursed. For the years ended June 30, 2024 and 2023, TCVB billed GCVA for $2,160 and $1,964, respectively, for reimbursement of expenses. There was a balance of $927 and $1,412 due from GCVA in accounts receivable as of June 30, 2024 and 2023, respectively. All balances were paid in full subsequent to year-end.

NOTE 5 - RELATED PARTIES (Continued)

TCVB and GCVA also partner on some marketing programs for which TCVB reimburses GCVA for its share of the marketing costs. TCVB paid $4,057 and $3,500 to GCVA during the years ended June 30, 2024 and 2023, respectively on co-op marketing programs. There were no balances outstanding as of June 30, 2024 and 2023.

Additionally, TCVB pays dues to GCVA in the amount of $1,500 annually. There was a balance of $1,500 and $0 due to GCVA in accounts payable as of the years ended June 30, 2024 and 2023, respectively.

NOTE 6 - CONCENTRATIONS

Concentration of Revenue and Receivables

Approximately 93 percent (93%) and 95 percent (95%) of TCVB's revenue comes from a three (3) party contract between TCVB, the County, and the City for the years ended June 30, 2024 and 2023, respectively. The original contract, signed in 1988, allocates 25 percent (25%) of the TOT collected by each local government to TCVB. The contract is substantially similar to the previous agreement and originally expired on June 30, 2022. (See Note 2.) Per Amendment #1 to the Tourism Promotion Agreement, effective June 21, 2022, the contract was extended until December 31, 2022, and was cancellable upon a ninety (90) day written notice by any one of the three (3) parties to the contract. Then on December 6, 2022, per Amendment #2, the contract was extended until June 30, 2023. Under the contract, TCVB must provide its annual Marketing Plan and Budget for the subsequent two (2) fiscal years to the County and City no later than April of each year for their comments prior to approval by TCVB.

On June 6, 2023, TCVB entered into a new ten (10) year Tourism Promotion Agreement with the County effective as of July 1, 2023. Under the terms of the agreement, TCVB shall receive "compensation" for services based on the following schedule:

| | |
|---|---|
| FY 2023/2024 | 18% of 12% of the TOT collected |
| FY 2024/2025 | 17% of 12% of the TOT collected |
| FY 2025/2026 - 2032/2033 | 16% of 12% of the TOT collected |

In exchange, TCVB is to perform services maximizing tourism throughout all the unincorporated areas of the County. It is further agreed that by May 1, 2026, the County and TCVB will meet to review the rate of compensation to determine if TCVB has secured an alternative funding mechanism. If TCVB does not have an alternative funding mechanism in place by such date, the parties will renegotiate the agreement, including the rate of compensation by June 30, 2026.

On July 3, 2023, TCVB entered into a new five (5) year Tourism Marketing Agreement with the City effective as of July 1, 2023. Under the terms of the agreement, TCVB (as the "consultant") shall be paid "compensation" equal to the greater of 25 percent (25%) of the TOT, up to $150,000 annually, in quarterly installments of 25 percent (25%) of the TOT or $37,500. In exchange, TCVB is to design and implement marketing campaigns that focus on the two top travel trends of 2023 and 2024, small town and wellness, which align with the City's assets.

Concentration of Credit Risk

TCVB maintains its cash and cash equivalent balances in three (3) financial institutions which are insured by the Federal Deposit Insurance Corporation up to $250,000. As of June 30, 2024 and 2023, the Organization's cash and cash equivalents were uninsured in the amounts of $322,464 and $16,753, respectively. TCVB has not experienced any losses resulting from uninsured funds and believes it is not exposed to any significant credit risk to cash.

NOTE 7 - PREPAID EXPENSES

As of June 30, 2024 and 2023, respectively, prepaid expenses consisted of the following:

| | 2024 | 2023 |
|---|---|---|
| Prepaid dues | $ 11,235 | $ 1,312 |
| Prepaid marketing | 8,513 | - |
| Travel trade shows | 3,448 | 3,994 |
| Prepaid *Vacation Planner* distribution | 14,059 | 10,250 |
| Prepaid insurance | 5,133 | 5,391 |
| Prepaid rent | 2,073 | 1,979 |
| Total Prepaid Expenses | $ 44,461 | $ 22,926 |

NOTE 8 - LEASES

TCVB leases one (1) of its locations, as well as, two (2) pieces of equipment under operating leases.

Effective January 15, 2017, TCVB entered into an office building lease for facilities located in downtown Sonora, California. The original three (3) year non-cancelable lease was for $1,600 per month and ended January 14, 2020. This lease was not renewed but TCVB continued to rent the facilities on a month-to-month lease. Effective May 1, 2023, TCVB entered into a new three (3) year lease ending April 30, 2026, at a rate of $1,680 per month, increasingly 5 percent (5%) annually. For the years ended June 30, 2024 and 2023, the lease expense for the new Sonora office was $20,328 and $19,360, respectively.

The office copier is leased from Ricoh USA for $137 per month under a non-cancelable sixty (60) month lease beginning September 27, 2016, and ending September 26, 2021. The lease was not renewed but TCVB continues to rent the copier on a month-to-month basis. For the years ended June 30, 2024 and 2023, the lease expense for the new copier, which includes additional taxes and fees for the office copier, was $2,326 and $2,303, respectively.

TCVB originally leased a postage machine from FP Mailing Solutions for $34 per month under a non-cancelable thirteen (13) month lease beginning February 21, 2019, and ending March 20, 2020. On March 20, 2020, this lease was renewed for twenty-four (24) months ending March 20, 2022. This lease was not renewed, but TCVB continued to rent the postage machine on a month-to-month basis, with no changes in equipment or monthly fee. Effective June 3, 2024, TCVB entered into a new non-cancelable thirty-six (36) month lease at a rate of $43 per month. For the years ended June 30, 2024 and 2023, the annual lease expense, which includes additional taxes and fees for the postage meter was $557 and $572, respectively.

Future lease obligations under the above leases (not including month-to-month) are as follows:

| June 30, | |
|---|---|
| 2025 | $ 21,860 |
| 2026 | 19,038 |
| 2027 | 473 |
| 2028 and thereafter | - |
| Total | $ 41,371 |

## NOTE 9 - HEALTH INSURANCE

TCVB elects to provide a group health insurance plan to its eligible employees beginning ninety (90) days after beginning full-time employment. Family members of employees are not covered and TCVB may require an employee to contribute a portion of the premiums. The plan is not organized under a tax-benefit program so employee contributions are made from after-tax dollars.

## NOTE 10 - SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

There were no noncash transactions during the years ended June 30, 2024 and 2023.

Additionally, there were no cash payments for interest and/or income taxes during the years ended June 30, 2024 and 2023.

## NOTE 11 – DEFERRED COMPENSATION RETIREMENT PLAN (SECTION 457(b))

During a prior fiscal year, TCVB elected to freeze the plan and chose to disallow any new contributions and new enrollees into the plan. Formerly, eligible employees could elect to contribute pre-tax dollars from their wages up to the maximum dollar amount under Section 457(e)(15) of the Internal Revenue Code. TCVB could not make employer contributions to the plan, and the balance in the fund consists of pre-tax dollars contributed by eligible employees, plus earnings on funds contributed by eligible employees.

Plan assets are invested in ING Fixed Income Fund, which consists 100 percent (100%) of fixed-income debt securities. The total plan assets at market value, which equals the cost of the assets together with interest earnings, was $109,292 and $110,443 as of June 30, 2024 and 2023, respectively. Income earned and expenses incurred by the fund are not reflected in the statement of activities. Changes in the account balance also reflect disbursements made in accordance with plan requirements.

By IRS Statute 457(b), funds may not be restricted to the provision of the plan benefits or set aside for participants or their beneficiaries until paid to the participant or beneficiary. As a result, such plan assets may be subject to certain liabilities of the organization prior to such disbursement.

## NOTE 12 – PENSION PLAN

In January 2020, the Organization adopted what is known as a code section 401(k) Profit-Sharing Plan (Plan) covering all eligible employees. Eligible employees may elect to have a portion of their compensation contributed to the Plan under a salary reduction agreement (deferral). The total salary deferral, per employee, cannot exceed $23,000 for the 2024 Plan year, plus a catch-up contribution of $7,500 for employees age 50 and over. Under this Plan, TCVB is required to make a non-elective safe harbor contribution of 3 percent (3%) of each eligible employee's compensation. For the years ended June 30, 2024 and 2023, TCVB was required to make a nonelective safe harbor contribution of $8,789 and $8,938, respectively.

## NOTE 13 – PRIOR PERIOD ADJUSTMENT

The prior period adjustment represents the balance held as an investment fund with Sonora Area Foundation as of June 30, 2023. During the prior fiscal year ending June 30, 2023, the Organization contributed $82,000 to Sonora Area Foundation to support community events and destination development, of which $32,100 was distributed as grants to local agencies. The balance of $49,900 was retained and held as an Investment Fund with Sonora Area Foundation for future giving. The funds contributed were expensed as Community Sponsorships in the prior year financial statements.

## NOTE 14 – SUBSEQUENT EVENTS

Date of Management's Review

Subsequent events have been evaluated through May 13, 2025, which is the date the financial statement review work was completed.

Subsequent Events Regarding TOT

As described in Note 2, all TOT revenue recorded as receivable as of fiscal year-end June 30, 2024, was subsequently collected as of August 2024, according to the schedule outlined in the contract with the County and the City.

As described in Note 5, all balances due from the related party as of the fiscal year-end June 30, 2024, were subsequently collected from GCVA as of July 2024.

# TUOLUMNE COUNTY VISITORS BUREAU INCORPORATED

## Supplementary Information (Prepared)

**TUOLUMNE COUNTY VISITORS BUREAU INCORPORATED**
**SUPPLEMENTARY INFORMATION - SCHEDULE I**
**BUDGET VS. ACTUAL COMPARISON (PREPARED)**
**FOR THE YEAR ENDED JUNE 30, 2024**

| | Budget | Actual | Variance with Final Budget |
|---|---|---|---|
| INCOME | | | |
| Partnership Income | | | |
| Partnership renewals | $ 30,000.00 | $ 32,750.00 | $ 2,750.00 |
| New partner | - | 2,225.00 | 2,225.00 |
| TOTAL MEMBER INCOME | 30,000.00 | 34,975.00 | 4,975.00 |
| Other Income | | | |
| Interest income | 1,500.00 | 17,409.87 | 15,909.87 |
| Marketing co-ops | 5,000.00 | 36,955.02 | 31,955.02 |
| TOTAL OTHER INCOME | 6,500.00 | 54,364.89 | 47,864.89 |
| Retail Sales | 500.00 | 338.40 | (161.60) |
| TOTAL RETAIL SALES | 500.00 | 338.40 | (161.60) |
| Services | | | |
| Transient Occupancy Tax - City of Sonora | 150,000.00 | 150,000.00 | - |
| Transient Occupancy Tax - County of Tuolumne | 1,500,000.00 | 1,613,402.98 | 113,402.98 |
| TOTAL SERVICES | 1,650,000.00 | 1,763,402.98 | 113,402.98 |
| Vacation Planner | | | |
| Ad sales | 40,000.00 | 34,015.00 | (5,985.00) |
| TOTAL VACATION PLANNER | 40,000.00 | 34,015.00 | (5,985.00) |
| TOTAL INCOME | 1,727,000.00 | 1,887,096.27 | 160,096.27 |
| COST OF GOODS SOLD | | | |
| Cost of Merchandise | 250.00 | 204.52 | (45.48) |
| TOTAL COST OF GOODS SOLD | 250.00 | 204.52 | (45.48) |
| GROSS PROFIT | 1,726,750.00 | 1,886,891.75 | 160,141.75 |

**TUOLUMNE COUNTY VISITORS BUREAU INCORPORATED**
**SUPPLEMENTARY INFORMATION - SCHEDULE I (Continued)**
**BUDGET VS. ACTUAL COMPARISON (PREPARED)**
**FOR THE YEAR ENDED JUNE 30, 2024**

| | Budget | Actual | Variance with Final Budget |
|---|---|---|---|
| EXPENSES | | | |
| Automobile | | | |
| Auto insurance | $ 3,500.00 | $ 3,246.26 | $ 253.74 |
| Auto maintenance and repair | 2,500.00 | 1,073.86 | 1,426.14 |
| Fuel | 2,500.00 | 2,025.30 | 474.70 |
| Mileage | 750.00 | 63.54 | 686.46 |
| Registration | 800.00 | 793.00 | 7.00 |
| Transportation - other | 500.00 | 66.64 | 433.36 |
| TOTAL AUTOMOBILE | 10,550.00 | 7,268.60 | 3,281.40 |
| Conference and Education | | | |
| Additional Opportunities | 1,000.00 | 27.50 | 972.50 |
| Cal Travel Tourism Summit | 4,000.00 | 4,461.58 | (461.58) |
| One West Board Meeting | 800.00 | 815.19 | (15.19) |
| One West Education Summit | 2,000.00 | 1,930.81 | 69.19 |
| One West Leadership Summit | 2,000.00 | 2,015.58 | (15.58) |
| One West Tech Summit | 1,250.00 | 3,220.16 | (1,970.16) |
| Visit CA Marketing Outlook Forum | 4,000.00 | 5,176.84 | (1,176.84) |
| TOTAL CONFERENCE AND EDUCATION | 15,050.00 | 17,647.66 | (2,597.66) |
| Film Commission Expenses | | | |
| Advertising | - | 1,250.00 | (1,250.00) |
| CA Film Commission | 350.00 | 300.00 | 50.00 |
| Cola Sponsor and Awards Show | 2,500.00 | 810.79 | 1,689.21 |
| TOTAL FILM COMMISSION EXPENSES | 2,850.00 | 2,360.79 | 489.21 |
| Insurance | | | |
| Business insurance | 1,000.00 | 477.16 | 522.84 |
| Directors | 2,000.00 | 1,545.75 | 454.25 |
| TOTAL INSURANCE | 3,000.00 | 2,022.91 | 977.09 |

**TUOLUMNE COUNTY VISITORS BUREAU INCORPORATED**
**SUPPLEMENTARY INFORMATION - SCHEDULE I (Continued)**
**BUDGET VS. ACTUAL COMPARISON (PREPARED)**
**FOR THE YEAR ENDED JUNE 30, 2024**

| | Budget | Actual | Variance with Final Budget |
|---|---|---|---|
| EXPENSES (Continued) | | | |
| Marketing | | | |
| Advertising | | | |
| Ad Creative | $ 24,000.00 | $ 24,453.72 | $ (453.72) |
| Billboards | 19,740.00 | 19,740.00 | - |
| Digital ads | 29,500.00 | 33,316.74 | (3,816.74) |
| Print ads | 35,000.00 | 39,195.00 | (4,195.00) |
| Radio | 10,000.00 | 10,000.00 | - |
| Social Media Ads | 8,000.00 | 6,925.04 | 1,074.96 |
| Television | 75,000.00 | 75,067.50 | (67.50) |
| TOTAL ADVERTISING | 201,240.00 | 208,698.00 | (7,458.00) |
| Agency | | | |
| Media buys | 195,000.00 | 194,999.90 | 0.10 |
| Special projects | 10,000.00 | 5,000.00 | 5,000.00 |
| TOTAL AGENCY | 205,000.00 | 199,999.90 | 5,000.10 |
| Community Relations | | | |
| Community event sponsorships | 25,000.00 | 15,697.16 | 9,302.84 |
| Destination development, stewardship, & sustain | 25,000.00 | 31,000.00 | (6,000.00) |
| Gift baskets and auction items | 500.00 | 248.42 | 251.58 |
| TOTAL COMMUNITY INVESTMENTS | 50,500.00 | 46,945.58 | 3,554.42 |
| Digital Content Development | | | |
| Platforms | 31,509.00 | 20,045.29 | 11,463.71 |
| Promotional giveaway | 2,000.00 | 237.70 | 1,762.30 |
| Social media contract | 55,000.00 | 48,905.60 | 6,094.40 |
| Social media influencer | 7,500.00 | 5,898.36 | 1,601.64 |
| Technology | 1,000.00 | 580.00 | 420.00 |
| TOTAL DIGITAL CONTENT DEVELOPMENT | 97,009.00 | 75,666.95 | 21,342.05 |

**TUOLUMNE COUNTY VISITORS BUREAU INCORPORATED**
**SUPPLEMENTARY INFORMATION - SCHEDULE I (Continued)**
**BUDGET VS. ACTUAL COMPARISON (PREPARED)**
**FOR THE YEAR ENDED JUNE 30, 2024**

| | Budget | Actual | Variance with Final Budget |
|---|---|---|---|
| EXPENSES (Continued) | | | |
| Marketing (Continued) | | | |
| Dues and Subscriptions | | | |
| Additional Opportunities | $ - | $ - | $ - |
| CalTravel | 770.00 | 1,148.85 | (378.85) |
| Destinations International | 3,190.00 | 3,254.00 | (64.00) |
| GCVA | 1,500.00 | 1,500.00 | - |
| HSVC | 2,500.00 | 2,500.00 | - |
| Meeting Planners International | 575.00 | - | 575.00 |
| NTA | 800.00 | 800.00 | - |
| One West Tourism Alliance | 1,200.00 | 1,300.00 | (100.00) |
| Reciprocal memberships | 1,500.00 | 2,000.00 | (500.00) |
| San Francisco Travel | 1,140.00 | 390.00 | 750.00 |
| US Travel Association | 3,938.00 | 1,987.50 | 1,950.50 |
| Visit USA | 1,800.00 | - | 1,800.00 |
| TOTAL COMMUNITY INVESTMENTS | 18,913.00 | 14,880.35 | 4,032.65 |
| Professional Photography | | | |
| Still photos | 1,000.00 | 325.00 | 675.00 |
| TOTAL PROFESSIONAL PHOTOGRAPHY | 1,000.00 | 325.00 | 675.00 |
| Public Relations | | | |
| Black Diamond public relations | 30,000.00 | 46,686.01 | (16,686.01) |
| Crisis Communication | 20,000.00 | 12,250.52 | 7,749.48 |
| DCI | 50,000.00 | 49,489.12 | 510.88 |
| GMS - Mexico | 22,700.00 | 20,971.24 | 1,728.76 |
| International Media Marketplace | 4,000.00 | 4,476.41 | (476.41) |
| IPW media marketplace | 1,185.00 | 2,158.84 | (973.84) |
| Media and Fam Hosting | | | |
| Domestic | 3,000.00 | 8,316.53 | (5,316.53) |
| Promotional giveaways | 2,000.00 | 2,354.98 | (354.98) |
| Transportation costs | 5,000.00 | 1,303.92 | 3,696.08 |
| Muck Ruck Database | 12,000.00 | 12,000.00 | - |
| Public Relations Contract | 27,000.00 | 25,000.00 | 2,000.00 |
| Visit California media event | 3,800.00 | 732.21 | 3,067.79 |
| TOTAL PUBLIC RELATIONS | 180,685.00 | 185,739.78 | (5,054.78) |

**TUOLUMNE COUNTY VISITORS BUREAU INCORPORATED**
**SUPPLEMENTARY INFORMATION - SCHEDULE I (Continued)**
**BUDGET VS. ACTUAL COMPARISON (PREPARED)**
**FOR THE YEAR ENDED JUNE 30, 2024**

| | Budget | Actual | Variance with Final Budget |
|---|---|---|---|
| EXPENSES (Continued) | | | |
| Marketing (Continued) | | | |
| Regional Co-op Marketing | | | |
| Gold Country Visitors Association | $ 4,200.00 | $ 2,474.91 | $ 1,725.09 |
| High Sierra Visitors Council | 1,000.00 | - | 1,000.00 |
| TOTAL REGIONAL CO-OP MARKETING | 5,200.00 | 2,474.91 | 2,725.09 |
| Research | | | |
| AirDNA | - | 179.40 | (179.40) |
| Placer.ai | 40,000.00 | 40,000.00 | - |
| TOTAL RESEARCH | 40,000.00 | 40,179.40 | (179.40) |
| Special Promotions | | | |
| Special Promotions | 15,000.00 | 6,135.68 | 8,864.32 |
| Stewardship & Sustainability | 2,500.00 | 632.92 | 1,867.08 |
| TOTAL SPECIAL PROMOTIONS | 17,500.00 | 6,768.60 | 10,731.40 |
| Strategic Partnerships | | | |
| Brand USA | 25,000.00 | 25,000.00 | - |
| Visit California | 58,500.00 | 52,056.82 | 6,443.18 |
| TOTAL STRATEGIC PARTNERSHIPS | 83,500.00 | 77,056.82 | 6,443.18 |
| Travel Shows and Conventions | | | |
| Collateral material | | | |
| Display | 1,000.00 | 180.07 | 819.93 |
| Promotional giveaways | 1,000.00 | 350.42 | 649.58 |
| Travel show shipping | 1,500.00 | 1,261.40 | 238.60 |
| Consumer shows | | | |
| Inernational Sports Expo | 2,500.00 | 2,358.25 | 141.75 |
| US Commercial Service | 1,500.00 | - | 1,500.00 |
| Travel trade shows | | | |
| Additional opportunities | 1,000.00 | - | 1,000.00 |
| Go West | 4,200.00 | 3,734.55 | 465.45 |
| IPW | 20,000.00 | 24,942.51 | (4,942.51) |
| Meeting Planners International | 500.00 | 99.00 | 401.00 |
| Northstar Meetings Group | 15,000.00 | 7,763.24 | 7,236.76 |
| NTA | 13,500.00 | 11,828.68 | 1,671.32 |
| TOTAL TRAVEL SHOWS AND CONVENTIONS | 61,700.00 | 52,518.12 | 9,181.88 |

**TUOLUMNE COUNTY VISITORS BUREAU INCORPORATED**
**SUPPLEMENTARY INFORMATION - SCHEDULE I (Continued)**
**BUDGET VS. ACTUAL COMPARISON (PREPARED)**
**FOR THE YEAR ENDED JUNE 30, 2024**

| | Budget | Actual | Variance with Final Budget |
|---|---|---|---|
| EXPENSES (Continued) | | | |
| Marketing (Continued) | | | |
| Travel Trade | | | |
| Black Diamond Public Relations | $ 30,000.00 | $ 29,085.38 | $ 914.62 |
| GMS - Travel Trade | 22,700.00 | 21,195.18 | 1,504.82 |
| Group meeting incentives | 2,500.00 | 500.00 | 2,000.00 |
| Travel Trade fams | 5,500.00 | 9,237.21 | (3,737.21) |
| TOTAL TRAVEL TRADE | 60,700.00 | 60,017.77 | 682.23 |
| Vacation Planner & Other Collateral Assets | | | |
| Vacation Planner | | | |
| Vacation Planner distribution | 16,155.00 | 23,448.68 | (7,293.68) |
| Vacation Planner postage | 5,500.00 | 6,500.00 | (1,000.00) |
| Vacation Planner printing | 53,000.00 | 53,405.65 | (405.65) |
| TOTAL VACATION PLANNER & OTHER COLLATERAL ASSETS | 74,655.00 | 83,354.33 | (8,699.33) |
| Website and Mobile Technology | | | |
| On-Line reservation system | 5,785.00 | 5,293.75 | 491.25 |
| Search engine opt. and marketing | 7,800.00 | 8,040.00 | (240.00) |
| Website domain expense | 1,000.00 | 1,363.49 | (363.49) |
| Website maintenance | 6,780.00 | 7,280.00 | (500.00) |
| TOTAL WEBSITE AND MOBILE TECHNOLOGY | 21,365.00 | 21,977.24 | (612.24) |
| TOTAL MARKETING | 1,118,967.00 | 1,076,602.75 | 42,364.25 |
| Membership Expense | | | |
| Advocacy | 500.00 | 383.34 | 116.66 |
| Board meetings and retreat | 1,000.00 | - | 1,000.00 |
| Business and association meetings | 3,000.00 | 4,904.20 | (1,904.20) |
| Partnership Acknowledgements | 500.00 | - | 500.00 |
| Partnership Summit/Town Hall | 1,500.00 | - | 1,500.00 |
| Tourism Marketing District | - | 13,324.79 | (13,324.79) |
| TOTAL MEMBERSHIP EXPENSE | 6,500.00 | 18,612.33 | (12,112.33) |

## TUOLUMNE COUNTY VISITORS BUREAU INCORPORATED
## SUPPLEMENTARY INFORMATION - SCHEDULE I (Continued)
## BUDGET VS. ACTUAL COMPARISON (PREPARED)
## FOR THE YEAR ENDED JUNE 30, 2024

| | Budget | Actual | Variance with Final Budget |
|---|---|---|---|
| EXPENSES (Continued) | | | |
| Office Expense | | | |
| Bank service charges | $ 1,450.00 | $ 1,858.77 | $ (408.77) |
| Computer/software/office equipment | 5,500.00 | 5,716.76 | (216.76) |
| Depreciation expense | - | 12,416.00 | (12,416.00) |
| Equipment lease | 2,500.00 | 2,883.74 | (383.74) |
| Equipment maintenance and repair | 500.00 | 40.00 | 460.00 |
| Janitorial | 3,000.00 | 723.57 | 2,276.43 |
| Miscellaneous | - | 42.75 | (42.75) |
| Office maintenance and repairs | 750.00 | - | 750.00 |
| Office meeting supplies | 750.00 | 677.73 | 72.27 |
| Office supplies | 2,000.00 | 1,718.36 | 281.64 |
| Postage | 3,000.00 | 2,497.73 | 502.27 |
| Printing | 1,500.00 | 152.78 | 1,347.22 |
| Professional fees | 50,000.00 | 10,681.51 | 39,318.49 |
| Lease expense | 26,500.00 | 25,577.77 | 922.23 |
| Signage | - | 218.21 | (218.21) |
| Staff retention, recognition and incentives | 1,500.00 | - | 1,500.00 |
| Telephone | 7,000.00 | 1,298.33 | 5,701.67 |
| Uniform branding | 750.00 | 7,243.05 | (6,493.05) |
| Utilities | 10,000.00 | 10,875.40 | (875.40) |
| TOTAL OFFICE EXPENSE | 116,700.00 | 84,622.46 | 32,077.54 |
| Payroll | | | |
| 401(k) Retirement plan | 10,000.00 | 8,789.32 | 1,210.68 |
| Bookkeeping services | 25,000.00 | 21,422.10 | 3,577.90 |
| Health insurance | 38,000.00 | 35,743.76 | 2,256.24 |
| Payroll services | 13,000.00 | 11,290.41 | 1,709.59 |
| Payroll taxes | 30,000.00 | 26,486.02 | 3,513.98 |
| Wages and salaries | 335,333.00 | 326,095.96 | 9,237.04 |
| Workers' comp insurance | 1,800.00 | 1,417.21 | 382.79 |
| TOTAL PAYROLL | 453,133.00 | 431,244.78 | 21,888.22 |
| TOTAL EXPENSES | 1,726,750.00 | 1,640,382.28 | 86,367.72 |
| Net Operating Income (Loss) | $ - | $ 246,509.47 | $ 246,509.47 |
| INCREASE (DECREASE) IN NET ASSETS | $ - | $ 246,509.47 | $ 246,509.47 |
| NET ASSETS - BEGINNING OF YEAR | | 1,221,939.00 | |
| Prior period adjustment | | 49,900.00 | |
| NET ASSETS - END OF YEAR | | $ 1,518,348.47 | |

PIONEER COMMUNITY ENERGY

July 18, 2025

**** ELECTRONIC MAIL -and- US MAIL ****

Melissa Eads, CAO
City of Sonora
94 North Washington Street
Sonora CA 95370

RE: JPA Amendment Filing – Pioneer Community Energy

Subsequent to the February 27, 2025, action taken by the Pioneer Community Energy Board of Directors to adopt **Resolution 2025-8** Approving Amendment No. 7 to the Amended and Restated Joint Exercise of Powers Agreement for Pioneer Community Energy Expanding Pioneer Community Energy's Joint Powers Authority Membership. Effective Date: Immediately upon certification of Addendum No. 3 to the Implementation Plan and Statement of Intent (Attachment 1), the following steps have been taken to complete that action.

- On June 9, 2025, Pioneer Community Energy received the California Public Utilities Commission certification of Addendum No. 3 to the Implementation Plan and Statement of Intent, thus effectuating Amendment No. 7 to the Amended and Restated Joint Exercise of Powers Agreement for Pioneer Community Energy's Joint Powers Authority Membership (Attachment 2).

- Per the effective date, June 9, 2025, documents for Amendment No. 7 were filed with the Secretary of State and State Controller's Office; and, with the County Clerk-Recorder and County LAFCo for each member agency's jurisdiction.

The Amended and Restated Joint Exercise of Powers Agreement for Pioneer Community Energy per Amendment No. 7 is being provided to all Member Agencies (Attachment 3); and, is available on the Pioneer Community Energy website: https://pioneercommunityenergy.org/about-us/key-documents/ (+Formation Documents).

Enclosures pertaining to the Amended and Restated Joint Exercise of Powers Agreement for Pioneer Community Energy are attached for your reference and record.

If you have any further questions, please contact me at Don.Eckert@PioneerCommunityEnergy.org or (916) 251.8575.

Sincerely,

Donald Eckert
Chief Executive Officer

Electronic Cc:
Ann Sergerstrom, Mayor
Tracy Skelly, City Clerk

Enclosures

1. Resolution 2025-8 JPA Amendment No. 7 (adopted 2-27-2025)
2. California Public Utilities Commission (CPUC) Expansion Certification Letter No. 3 (6-9-2025)
3. Amended and Restated JPA per Amendment No. 7 (effective 6-9-2025)
4. Secretary of State Notice of Amendment-JPA Amendment No. 7 (filed 7-7-2025)

# Before the Governing Board of Pioneer Community Energy

**In the matter of: RESOLUTION APPROVING AMENDMENT NO. 7 TO THE AMENDED AND RESTATED JOINT EXERCISE OF POWERS AGREEMENT FOR PIONEER COMMUNITY ENERGY EXPANDING PIONEER COMMUNITY ENERGY'S JOINT POWERS AUTHORITY MEMBERSHIP**

Resolution No.: 2025-8

The following Resolution was duly passed by the Governing Board of Pioneer Community Energy at a regular meeting held February 27, 2025, by the following vote on roll call:

Ayes: Carter, DeMattei, Dowdin Calvillo, Ivy, Janda, Jones, Lomen, Pearl, Ring.
Noes: None.
Absent: Parlin, Petersen.

Signed and approved by me after its passage.

Chair of the Governing Board

Attest:

Secretary

---

**WHEREAS**, the Sierra Valley Energy Authority was established on September 9, 2015, between the County of Placer and the City of Colfax; and

**WHEREAS,** the Sierra Valley Energy Authority was originally created for the purpose of providing a financing conduit and program expansion platform for the mPOWER Program; and

**WHEREAS,** counties and cities have the power under California law to aggregate electric load, to purchase and supply electricity for themselves and customers within their jurisdictions, by providing a Community Choice Aggregation Program, pursuant to Public Utilities Code Sections 331.1 and 366.2; and

**WHEREAS,** the Amended and Restated Joint Exercise of Powers Agreement for the Sierra Valley Energy Authority (the "Amended and Restated JPA") became effective on February 22, 2017; and

**WHEREAS,** the Amended and Restated JPA allowed for the establishment of a Community Choice Aggregation Program within the jurisdiction of the Voting Members and authorized the Cities of Auburn, Lincoln, Rocklin, and the Town of Loomis to become Voting Members; and

**WHEREAS,** on July 17, 2017, the Governing Board of the Sierra Valley Energy Authority took action to rename and brand Sierra Valley Energy Authority as Pioneer Community Energy ("Pioneer"); and

**WHEREAS,** the current members of Pioneer include the Cities of Auburn, Colfax, Grass Valley, Lincoln, Nevada City, Placerville, and Rocklin, the Town of Loomis, and unincorporated Placer and El Dorado Counties; and

**WHEREAS,** prior to providing service pursuant to an expansion, Public Utilities Code Section 366.2 requires that Pioneer prepare and adopt a Revised Implementation Plan to be filed with the California Public Utilities Commission; and

**WHEREAS,** the Cities of Chico, Live Oak, Orland, Oroville, Sonora, Willows, and Yuba City, the Town of Paradise, and Unincorporated Counties of Butte, Glenn, Nevada, Sutter, and Tuolumne expressed a desire to join Pioneer for the purpose of participating in Pioneer's Community Choice Aggregation Program ("CCA Program") and

**WHEREAS,** the Cities of Chico, Live Oak, Orland, Oroville, Sonora, Willows, and Yuba City, the Town of Paradise, and Unincorporated Counties of Butte, Glenn, Nevada, Sutter, and Tuolumne took appropriate steps toward offering CCA service within their respective communities, adopting requisite resolutions and ordinances at duly noticed meetings of the agencies' governing bodies; and

**WHEREAS,** an impact assessment study was performed to analyze the feasibility of expanding Pioneer's CCA Program service territory to include these prospective members, the results of which showed such an expansion to be beneficial to both existing Pioneer ratepayers, and potential ratepayers in the Cities of Chico, Live Oak, Orland, Oroville, Sonora, Willows, and Yuba City, the Town of Paradise, and Unincorporated Counties of Butte, Glenn, Nevada, Sutter, and Tuolumne; and

**WHEREAS,** the City Councils of the Cities of Chico, Live Oak, Orland, Oroville, Sonora, Willows, and Yuba City, the Town Council of the Town of Paradise, and the Board of Supervisors of Unincorporated Counties of Butte, Glenn, Nevada, Sutter, and Tuolumne, have adopted respective resolutions approved the Amended and Restated JPA; and

**WHEREAS,** pursuant to section 8 of the Amended and Restated JPA, an amendment requires an affirmative vote of at least two-thirds of the Pioneer Board Members; and

**WHEREAS,** Pioneer provided written notice to each Member 30 days prior to the date the Pioneer Board intended to vote on an amendment to the Amended and Restated JPA as required by section 19 of the Amended and Restated JPA; and

**WHEREAS,** to these ends, the Pioneer Board desires to approved Amendment No. 7 to the Amended and Restated JPA to provide for the Cities of Chico, Live Oak, Orland, Oroville, Sonora, Willows, and Yuba City, the Town of Paradise, and Unincorporated Counties of Butte, Glenn, Nevada, Sutter, and Tuolumne to become Voting Members under the Amended and Restated JPA for Pioneer Community Energy conditioned on an effective upon receipt of certification of Addendum No. 3 to the Implementation Plan and Statement of Intent from the California Public Utilities Commission; and

**WHEREAS,** representatives of the New Members will assume their seat as a Voting Member of the Pioneer Community Energy Board of Directors in compliance with Pioneer's JPA, Bylaws, and other applicable policies and rules.

**BE IT RESOLVED,** the Governing Board of Pioneer Community Energy, State of California, hereby finds, declares, and resolves as follows:

1. The above recitals are true and correct.

2. This Amendment No. 7 to the Amended and Restated Joint Exercise of Powers Agreement for Pioneer Community Energy provides for admission of the Cities of Chico, Live Oak, Orland, Oroville, Sonora, Willows, and Yuba City, the Town of Paradise, and Unincorporated Counties of Butte, Glenn, Nevada, Sutter, and Tuolumne as Voting Members.

3. The Pioneer Community Energy Board of Directors hereby approves Amendment No. 7 to the Amended and Restated Joint Exercise of Powers Agreement for Pioneer Community Energy under the Joint Exercise of Powers Law, which amends Exhibit A to the Amended and Restated Joint Exercise of Powers Agreement in the form attached hereto as Exhibit A.

4. Pioneer Staff is hereby authorized to file Amendment No. 7 to the Amended and Restated Joint Powers Agreement for Pioneer Community Energy with the Secretary of State, LAFCos with jurisdiction over Pioneer's service territory, and to take all other necessary steps to implement Amendment No. 7.

5. This Resolution shall take effect immediately upon certification of Addendum No. 3 to the Implementation Plan and Statement of Intent.

Exhibit A: Exhibit A of the Amended and Restated JPA listing of Voting Members and Associate Members

# AMENDMENT NO. 7 TO THE AMENDED AND RESTATED JOINT EXERCISE OF POWERS AGREEMENT FOR PIONEER COMMUNITY ENERGY

Exhibit A to the Agreement listing Voting and Associate Members of Pioneer Community Energy is hereby amended to reflect the current membership as follows:

## Exhibit A

## Voting Members and Associate Members

### Section A.1 Voting Members

City of Auburn

City of Chico

City of Colfax

City of Grass Valley

City of Lincoln

City of Live Oak

City of Nevada City

City of Orland

City of Oroville

City of Placerville

City of Rocklin

City of Sonora

City of Willows

City of Yuba City

County of Butte

County of El Dorado

County of Glenn

County of Nevada

County of Placer

County of Sutter

County of Tuolumne

Town of Loomis

Town of Paradise

**Section A.2 Associate Members**

City of Folsom

County of Sacramento

Town of Truckee

STATE OF CALIFORNIA Gavin Newsom, Governor

PUBLIC UTILITIES COMMISSION
505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298

June 9, 2025

Donald Eckert Jr., Chief Executive Officer
Pioneer Community Energy
2510 Warren Dr., Suite B,
Rocklin, CA 95677
Don.Eckert@PioneerCommunityEnergy.org

**RE: Letter Certifying Pioneer Community Energy's *Addendum No. 3 to the Community Choice Aggregation Implementation Plan and Statement of Intent Addressing Pioneer Expansion to the Cities of Chico, Live Oak, Orland, Oroville, Sonora, Willows, And Yuba City; The Town of Paradise; The Counties of Butte, Glenn, Nevada, Sutter, And Tuolumne***

Dear Donald Eckert Jr.:

I am writing to certify receipt of Pioneer Community Energy's *Addendum No. 3 to the Community Choice Aggregation Implementation Plan* to expand to include the Cities of Chico, Live Oak, Orland, Oroville, Sonora, Yuba City, and Willows, the Town of Paradise and unincorporated Counties of Butte, Glenn, Nevada, Sutter, and Tuolumne. *Addendum No. 3 to the Community Choice Aggregation Implementation Plan* was submitted to the Energy Division on March 11, 2025, to begin service in these municipalities effective after October 1, 2027.

Pursuant to Public Utilities Code Section 366.2 (c)(7), within 90 days after the Community Choice Aggregator (CCA) establishing load aggregation files and submitting an Implementation Plan, the Commission is required to certify that it has received the Implementation Plan, including any additional information necessary to determine a cost-recovery mechanism.

Public Utilities Code Section 366.2 (c)(3) requires a CCA Implementation Plan to contain all of the following:

A) An organizational structure of the program, its operations, and its funding.
B) Ratesetting and other costs to participants.
C) Provisions for disclosure and due process in setting rates and allocating costs among participants.
D) The methods for entering and terminating agreements with other entities.
E) The rights and responsibilities of program participants, including, but not limited to, consumer protection procedures, credit issues, and shutoff procedures.

F) Details regarding the termination of the program.

G) A description of the third parties that will be supplying electricity under the program, including, but not limited to, information about financial, technical, and operational capabilities.

H) The methods for ensuring procurement from small, local, and diverse business enterprises in all categories, including but not limited to, renewable energy, energy storage system, and smart grid projects.

Pursuant to Public Utilities Code Section 366.2 (c)(4), a CCA is also to prepare and provide for all of the following:

A) A statement of intent; and

B) Provision(s) that provide for:

1. Universal access;
2. Reliability;
3. Equitable treatment of all classes of customers; and
4. Compliance with any legal requirements concerning aggregated service.

On June 29, 2023, in Decision (D.) 23-06-029, the CPUC adopted new requirements based on resource adequacy program compliance for load serving entities that elect to expand service (collectively, "RA LSE Expansion Requirements"). Because Pioneer Community Energy submitted *Amendment No.7 to Pioneer's JPA - Expansion* following the effective date of the RA LSE Expansion Requirements, it is therefore subject to this new rule. Id. at 41.

Having found that *Amendment No.7 to Pioneer's JPA - Expansion* complies with other applicable expansion requirements, CPUC staff evaluated the expansion effective date based solely on Pioneer Community Energy's compliance with the RA LSE Expansion Requirements. Pursuant to this guidance, the CPUC reviewed Pioneer Community Energy's RA filings. Energy Division staff have determined that Pioneer Community Energy is in compliance with the RA LSE Expansion Requirements and confirms October 1, 2027 as the effective date.

Energy Division staff confirms that Pioneer Community Energy's *Amendment No.7 to Pioneer's JPA – Expansion* contains the information required by Public Utilities Code Section 366.2 (c). Should there be any modification to the Implementation Plan, including but not limited to the start date, anticipated load, and phase-in schedule, Pioneer Community Energy shall submit an updated Implementation Plan to the Commission in the same manner it submitted the original plan.

Pursuant to P.U. Code Section 366.2 (c)(7), the Commission is required to provide Pioneer Community Energy with "its findings regarding any cost recovery that must be paid by customers of the community choice aggregator to prevent a shifting of costs as provided for in

P.U. Code Section 366.2 subdivisions (d), (e) and (f).” The costs referenced in P.U. Code Section 366.2 subdivisions (d), (e) and (f) are recovered via separate charges for: (1) Power Charge Indifference Adjustment (per kWh); (2) DWR Bond Charge (per kWh); and (3) Competition Transition Charge (CTC) (per kWh). By this letter, the Commission informs Pioneer Community Energy that these costs are identified on each of PG&E’s customer-class-specific tariff sheets, in the Electric Rates Schedules section.[1]

Sincerely,



Leuwam Tesfai
Deputy Executive Director for Energy and Climate Policy/
Director, Energy Division
California Public Utilities Commission

cc:

Scott Blaising (blaising@braunlegal.com)
Gina Stassi-Vanacore (ginas@pioneercommunityenergy.org)
Jen-Ann Lee (lee@braunlegal.com)
Molly Sterkel (molly.sterkel@cpuc.ca.gov)
Christine Hammond (Christine.Hammond@cpuc.ca.gov)
Aaron Jacobs-Smith (Aaron.Jacobs-Smith@cpuc.ca.gov)
Dina Mackin (Dina.Mackin@cpuc.ca.gov)
Mary Taylor (Mary.Taylor@cpuc.ca.gov)
CCA Notices (CCA.Notices@cpuc.ca.gov)

[1] PG&E Tariffs under Electric Rate Schedules: Schedule CCA-CRS

# State of California
## Secretary of State

FILE NO. 3131

**FILED**
Secretary of State
State of California
JUL 07 2025

(Office Use Only)

## AMENDMENT OF A JOINT POWERS AGREEMENT
(Government Code section 6503.5)

Instructions:

1. Complete and mail to: Secretary of State, P.O. Box 942870, Sacramento, CA 94277-2870.
2. Include filing fee of $1.00.
3. Do not include attachments.
4. A copy of the full text of the joint powers agreement and amendments, if any, must be submitted to the State Controller's office. For address information, contact the State Controller's office at www.sco.ca.gov.

Date of filing initial notice with the Secretary of State: October 1, 2015

File number of initial notice: 2316

Name of the agency or entity created under the agreement and responsible for the administration of the agreement:
Pioneer Community Energy

Agency's or Entity's Mailing Address: 2510 Warren Drive, Suite B, Rocklin, CA 95677

Title of the agreement: Amended and Restated Joint Exercise of Powers Agreement

Complete one or more boxes below. The agreement has been amended to:

[ ✓ ] Change the parties to the agreement as follows: Add the Counties of Butte, Glenn, Sutter, Nevada, Tuolumne; add the Cities of Chico, Live Oak, Orland, Oroville, Sonora, Willows, Yuba City; and, add the Town of Paradise.

[ ] Change the name of the administering agency or entity as follows: _____

[ ] Change the purpose of the agreement or the powers to be exercised as follows: _____

[ ] Change the short title of the agreement as follows: _____

[ ] Make other changes to the agreement as follows: _____

RETURN ACKNOWLEDGMENT TO: (Type or Print)

NAME: Teresa Willock, Board Clerk
Pioneer Community Energy

ADDRESS: 2510 Warren Drive, Suite B

CITY/STATE/ZIP: Rocklin, CA 95677

07/07/2025
Date

Signature

David J. Ruderman, General Counsel
Typed Name and Title

SEC/STATE NPSF 404B Rev 04/2015

# Pioneer Community Energy

# Joint Exercise of Powers Agreement

**Effective September 9, 2015**
**As amended and restated effective February 22, 2017**
**As amended by Amendment No. 1 dated December 27, 2020**
**As further amended by Amendment No. 2 dated January 21, 2021**
**As further amended by Amendment No. 3 dated April 15, 2021**
**As further amended by Amendment No. 4 dated January 20, 2022**
**As further amended by Amendment No. 5 dated November 17, 2022**
**As further amended by Amendment No. 6 dated February 27, 2025**
**As further amended by Amendment No. 7 dated February 27, 2025**

**Among the Following Parties:**
**City of Auburn**
**City of Chico**
**City of Colfax**
**City of Grass Valley**
**City of Lincoln**
**City of Live Oak**
**City of Nevada City**
**City of Orland**
**City of Oroville**
**City of Placerville**
**City of Rocklin**
**City of Sonora**
**City of Willows**
**City of Yuba City**
**County of Butte**
**County of El Dorado**
**County of Glenn**
**County of Nevada**
**County of Placer**
**County of Sutter**
**County of Tuolumne**
**Town of Loomis**
**Town of Paradise**

# AMENDED AND RESTATED JOINT EXERCISE OF POWERS AGREEMENT FOR PIONEER COMMUNITY ENERGY

THIS Amended and Restated Joint Exercise of Powers Agreement (hereafter "Agreement") amends and restates the Joint Exercise of Powers Agreement for the SIERRA VALLEY ENERGY AUTHORITY, originally entered as of September 9, 2015, (the "Original Agreement") which was by and between the COUNTY OF PLACER, and the CITY OF COLFAX, both public entities of the State of California. By this amendment and restatement it becomes a Joint Exercise of Powers Agreement for PIONEER COMMUNITY ENERGY (hereafter "Pioneer") by and among Voting Members (including New Voting Members) and the Associate Members listed in Exhibit A to this Agreement, all public entities of the State of California who become signatories to this Agreement, and relates to the joint exercise of powers among all of the signatories hereto either as Voting Members or Associate Members (hereafter collectively referred to as the "Members").

RECITALS:

A. Whereas, each of the Members has a vested interest in the economic well-being of its respective jurisdiction and the region as a whole as well as energy efficiency and clean energy growth and development;

B. Whereas, the Members desire to enter into this Agreement to provide for local control of energy resources, the adoption of programs to foster economic development, energy efficiency, and resource conservation, and to further define and describe the scope of powers to be exercised by Pioneer;

C. Whereas, the Members share various powers under California law, including but not limited to the power to aggregate electric load, to purchase and supply electricity for themselves and customers within their jurisdictions, and the power to enter into voluntary contractual assessments with property owners to provide financing for the installation of public and private improvements authorized within their jurisdictions;

D. Whereas, the purposes for entering into this restated Agreement include, but are not limited to:

1) Providing electric power and other forms of energy to customers at a competitive cost;

2) Promoting long-term electric rate stability and energy security and reliability for residents through local control of electric generation resources and the overall power supply portfolio.

3) Carrying out programs to reduce energy consumption;

4) Stimulating and sustaining the local economy by developing local jobs in renewable energy; and

5) Reducing greenhouse gas emissions related to the use of electric power and other forms of energy in Placer County and neighboring regions;

E. Whereas, it is the intent of this Agreement to promote the development and use of a wide range of energy sources and energy efficiency programs, including but not limited to hydroelectric, biomass, landfill gas, conversion of waste-to-energy, solar, and wind energy production;

F. Whereas, Pacific Gas and Electric and Liberty Energy are the investor owned providers of retail electric service throughout the Voting Member jurisdictions and a Community Choice Aggregator is authorized to aggregate electrical load served by such investor owned providers within its members' jurisdiction. Each of the Voting Members must adopt an ordinance electing to implement through Pioneer a common Community Choice Aggregation pursuant to California Public Utilities Code Sections 331.1(b) and 366.2(12)(A).

NOW THEREFORE, in consideration of the mutual promises, covenants and conditions herein, the Members hereto agree to establish a joint powers authority as follows:

Section 1. Authority for this Joint Exercise of Powers Agreement

This Agreement is made pursuant to Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (commencing with Section 6500) relating to the joint exercise of power common to the counties and public agencies and other powers specified therein (hereinafter the "Act"). Under Sections 6505 and 6507 of the Act, Pioneer is a public agency separate from its Members. As provided by Section 6508.1 of the Act, and Section 12 hereof the debts, liabilities or obligations of Pioneer shall not be the debts, liabilities or obligations of the individual Members, unless the governing body of a Member agrees in writing to assume any of those debts, liabilities or obligations.

The Members are each empowered by the laws of the State of California to exercise, in their respective jurisdictions, the powers set forth herein, including but not limited to the power to aggregate electric load, to purchase and supply electricity for themselves and customers within their jurisdictions, and the power to enter into voluntary contractual assessments with properties owners for authorized improvements within their jurisdictions.

Section 2. Purpose of Agreement

The purpose of this Agreement is to establish an independent public agency in order to exercise powers common to the Members and other powers granted to Pioneer under the Act, to study, promote, develop, conduct, operate, and manage energy, energy efficiency and conservation, and other energy-related programs, to exercise all other powers necessary and incidental to accomplishing these purposes, and to provide a Community Choice

Aggregation (hereinafter "CCA") Program, pursuant to California Public Utilities Code Sections 331.1 and 366.2, and as further described in Section 10.

Without limiting the generality of the foregoing, the Members also intend for this Agreement to be used as a mechanism by which Voting Members and non-voting Associate Members may authorize Pioneer to provide Property Assessed Clean Energy ("PACE") Programs pursuant to Chapter 29 of the Improvement Bond Act of 1911, Division 7 of the California Streets and Highways Code ("Chapter 29"). Pioneer may provide PACE Programs pursuant to Chapter 29 within the boundaries of each Voting Member as set forth in Section 10(C) herein, and within the boundaries of each non-voting Associate Member as set forth in Sections 16 herein. The Members intend that other agreements with Associate Members shall define the terms and conditions associated with the implementation of the CCA Program, the PACE Program, and any other energy programs approved by Pioneer within the territorial jurisdiction of such Associate Members.

Section 3. Effective Date and Term

This Agreement shall be effective as an amendment and restatement of the Original Agreement, and Pioneer shall continue to exist as a separate public agency under the terms of this Agreement upon execution by the County of Placer and the City of Colfax. This Agreement shall be in full force and effect until terminated in the manner herein provided, subject to the rights of the Members to withdraw from Pioneer.

Section 4. Powers

Pioneer shall have all powers common to the Members, and such additional powers accorded to it by law, including the power to develop and implement comprehensive energy and resource development and conservation programs, as described herein. Unless state or federal law provides otherwise, any facilities, buildings or structures located, constructed, or caused to be constructed by Pioneer within the territory of Pioneer shall comply with the General Plan, zoning and building laws of the local jurisdiction within which the facilities, buildings or structures are constructed and comply with the California Environmental Quality Act (CEQA). As required by Government Code Section 6509, the power of Pioneer is subject to the restrictions upon the manner of exercising power possessed by the City of Colfax.

Pioneer is authorized, in its own name, to exercise all powers and do all acts necessary and proper to carry out the provisions of this Agreement and fulfill its purposes, including, but not limited to, each of the following powers, subject to the voting requirements set forth in Section 5C and Section 8:

A. to make and enter into contracts;

B. to employ agents and employees, including but not limited to an Chief Executive Officer;

C. to acquire, contract, manage, maintain, and operate any buildings, infrastructure, works, or improvements;

D. to acquire property by eminent domain, or otherwise, except as limited under Section 6508 of the Act, and to hold or dispose of any property;

E. to lease any property;

F. to sue and be sued in its own name;

G. to incur debts, liabilities, obligations and to issue bonds, and to make and enter into agreements and other documents of any nature whatsoever as may be necessary or convenient in the exercise of the powers provided under the Marks- Roos Local Bond Pooling Act of 1985, as amended, and other provisions of California law that authorize public agencies to issue bonds and incur indebtedness, including but not limited to loans from private lending sources pursuant to its temporary borrowing powers such as Government Code Sections 53850 et. seq.;

H. to form subsidiary or independent corporations or entities, if necessary to carry out energy supply and energy conservation programs and to take advantage of legislative or regulatory changes;

I. to deposit its money pursuant to Section 6505.5 of the Act and to invest its money which is not required for the immediate use of Pioneer, as Pioneer determines is advisable in the same manner and upon the same conditions as local agencies, pursuant to Section 53635 of the California Government Code;

J. to apply for, accept, and receive all licenses, permits, grants, loans or other aids from any federal, state, or local public agency;

K. to submit documentation and notices, register, and comply with orders, tariffs and agreements for the establishment and implementation of the CCA Program and other energy programs;

L. to adopt rules, regulations, policies, bylaws and procedures governing the operation of Pioneer ("Operating Rules and Regulations");

M. to establish and operate a CCA program, and make and enter into service agreements relating to the provision of services necessary to plan, implement, operate and administer the CCA Program, including the acquisition of electric power supply and the provision of retail and regulatory support services;

N. to establish and operate one or more PACE programs pursuant to Chapter 29, and to enter into one or more agreements, including without limitation, participation agreements, implementation agreements and joint powers agreements and amendments thereto to fulfill such programs both within and outside the jurisdictional boundaries of Pioneer;

O. to establish a non-voting "Associate Member" status that provides membership in Pioneer to jurisdictions that are outside jurisdictional boundaries of Pioneer's Voting Members, but within whose boundaries a PACE, CCA, or other energy program is established and implemented by Pioneer on behalf of the Associate Member. Said jurisdictions shall adopt one or more agreements (a "PACE Agreement", "CCA Agreement", or other energy program agreement, as applicable) on terms and conditions established by Pioneer. The rights of Associate Members shall be limited solely to those terms and conditions expressly set forth in the PACE Agreement, CCA Agreement or other energy program agreement for the purposes of implementing the PACE Program, CCA Program or other energy program, respectively, within the jurisdictional boundaries of the Associate Member. Except as expressly provided for by the PACE Agreement, CCA Agreement or other energy program agreement, Associate Members shall not have any rights otherwise granted to Pioneer Members by this Agreement, including but not limited to the right to vote, the right to amend this Agreement and the right to sit on committees or boards established under this Agreement;

P. to execute agreements for the purpose of authorizing Pioneer to implement, manage and administer area-wide and regional programs in the interest of providing energy supply, development of energy generation, energy efficiency, resource conservation, local public welfare and other economically related energy programs. The costs incurred by Pioneer in implementing a program, including indirect costs, shall be costs of Pioneer and shall not be assessed to the Members, unless approved by the Governing Body of the Member.

Section 5. Governance and Internal Organization

A. Governing Board. The governing body of Pioneer shall consist of two (2) members of the Placer County Board of Supervisors, and one (1) member each for all other Voting Members, appointed respectively by each Voting Member that is or becomes a signatory to this Agreement ("Board Member"). The total number of Board Members shall equal the total number of Voting Members listed in Exhibit A plus one (1).

The Boards of Supervisors, City Councils and Town Councils of the Voting Members listed in Exhibit A shall respectively appoint such member(s) set out above and not less than one alternate member per Board Member. The term of office of each Board Member and respective alternate may be terminated at any time by the appointing Board of Supervisors, City Council or Town Council. The designated alternate shall have authority to attend, participate, and vote at any meeting of the Board whenever the regular member, for whom they are designated to act as an alternate, is absent from the meeting.

B. Quorum. The majority of the members of the Board shall constitute a quorum. No action may be taken by the Board unless a quorum is present, except that less than a quorum may adjourn a meeting from time to time.

C. Powers and Function of Board. The Board will exercise governance, policy guidance and oversight over the business and activities of Pioneer, consistent with this Agreement and applicable law. Unless otherwise specified in Section 8, action by Pioneer Board will be taken by majority vote of the Board Members present.

D. Chairperson. The Chairperson and Vice Chairperson of the Board shall be selected by the Board from its members. The term of office of the Chairperson and Vice Chairperson shall each be one calendar year.

E. Secretary. The Board shall appoint a Secretary to the Board who need not be a member of the Board, who shall be responsible for keeping the minutes of all meetings of the Board and all other official records of Pioneer.

F. Meetings. All meetings of the Board shall be held subject to the provisions of the Ralph M. Brown Act, Division 2, Chapter 9 of the California Government Code (hereafter, the "Brown Act"). The Board shall hold at least four regular meetings per year, but the Board may provide for the holding of regular meetings at more frequent intervals. The date, hour and place of each regular meeting shall be fixed by resolution or ordinance of the Board. Regular meetings may be adjourned to another meeting time. Special meetings of the Board may be called in accordance with the provisions of California Government Code Section 54956. Directors may participate in meetings telephonically, with full voting rights, only to the extent permitted by law.

G. Bylaws. The Board shall adopt bylaws for the conduct of business that shall not be inconsistent with the provisions of this Agreement, and the laws of the State of California.

H. Board Member Compensation. Board Members shall serve without compensation from Pioneer. However, Board Members may be compensated by their respective appointing authorities. The Board, however, may adopt by resolution a policy relating to the reimbursement by Pioneer of expenses incurred by Board Members.

Section 6. Chief Executive Officer and Other Staff

A. Chief Executive Officer. The Board shall appoint a Chief Executive Officer for Pioneer, who shall be responsible for the day-to-clay operation and management of Pioneer. The Chief Executive Officer may exercise all powers of Pioneer, except the powers specifically set forth in Section 4, or those powers that by law must be exercised by the Board. The Chief

Executive Officer shall hire and supervise any Pioneer employees or consultants.

B. Chief Executive Officer Reports to the Board. The Chief Executive Officer shall prepare, no later than the 20th day of each first month of each fiscal quarter, a report to the Board on the operations of Pioneer during the preceding fiscal quarter. The Bylaws shall specify the information to be included in the Chief Executive Officer's reports.

C. Services Providers. The Chief Executive Officer may appoint one or more services providers to serve as Pioneer's agent(s) for planning, implementing, operating and administering the PACE Program, the CCA Program, and any other program approved by the Board, in accordance with the provisions of a written agreement between Pioneer and the appointed administrative services provider or providers (a "Services Agreement"). The appointed services provider may be one of the Voting Members. A Services Agreement shall set forth the terms and conditions by which the appointed administrative services provider shall perform or cause to be performed all tasks necessary for planning, implementing, operating and administering the PACE Program, the CCA Program and other approved programs. The Services Agreement shall set forth the term of the Agreement and the circumstances under which the Services Agreement may be terminated by Pioneer. This section shall not in any way be construed to limit the discretion of Pioneer to hire its own employees to administer the PACE Program, the CCA Program or any other program.

D. Independent Monitor. The Board may appoint or contract for the services of an independent monitor to review programs operated by Pioneer and to report to the Board.

E. Advisory Commissions, Boards or Committees. The Board may establish any advisory commissions, boards, and committees as the Board deems appropriate to assist the Board in carrying out its functions and implementing the CCA Program, other energy programs and the provisions of this Agreement which shall comply with the requirements of the Brown Act. The Board may establish rules, regulations, policies, bylaws or procedures to govern any such commissions, boards, or committees.

Section 7. Treasurer and Auditor-Controller

The Governing Board shall appoint a Treasurer for Pioneer. The Treasurer shall be the depository of Pioneer and shall have all of the duties and responsibilities specified in Section 6505.5 of the Act. The duties and obligations of the Treasurer are further specified in Section 9. The Governing Body shall appoint an Auditor-Controller for Pioneer in compliance with the Act. The Auditor-Controller of Pioneer shall make or contract with a certified public accountant to cause an annual audit in compliance with Section 6506 of the Act. Pioneer of the Board to appoint a Treasurer and Auditor/Controller shall include

Pioneer to combine both offices to be held by one officer or employee pursuant to section 6505.6 of the Act.

Section 8. Special Voting Requirements and Voting Shares

A. Involuntary Termination or Amendment. Action of the Board on matters set forth in Section 15A (involuntary termination of a Member), or Section 19 (amendment of this Agreement) shall require the affirmative vote of at least two-thirds of the Board Members; provided, however, that for votes to involuntarily terminate a Member under Section 15A, the Board Member(s) for the Member subject to involuntary termination may not vote, and the number of Board Members constituting two-thirds of all Board Members shall be recalculated as if the Voting Member subject to possible termination were not a Voting Member.

B. Eminent Domain. A decision to exercise the power of eminent domain on behalf of Pioneer to acquire any property interest other than an easement, right-of-way, or temporary construction easement shall require a vote of at least two-thirds of all Board Members.

C. Contributions by Members. The imposition on any Member of any obligation to make contributions or pledge assets as a condition of continued participation in the PACE Program, the CCA Program, or other energy programs shall require a vote of at least two-thirds of all Board Members and the approval of the governing boards of the Members and Associate Members who are being asked to make such contribution or pledge.

Section 9. Financial Provisions

A. Fiscal Year. For the purposes of this Agreement, Pioneer shall have such fiscal year from July 1 to and including the following June 30.

B. Depository. All funds of Pioneer shall be held in separate accounts in the name of Pioneer and not commingled with funds of any Member or any other person or entity. All funds of Pioneer shall be strictly and separately accounted for, and regular reports shall be rendered of all receipts and disbursements, at least quarterly during the fiscal year. The books and records of Pioneer shall be open to inspection by the Members at all reasonable times. The Board shall contract with a certified public accountant to make an annual audit of the accounts and records of Pioneer, which shall be conducted in accordance with the requirements of Section 6505 of the Act.

C. Expenditures. All expenditures shall be made in accordance with the approved budget and upon the approval of any officer so authorized by the Board in accordance with its Operating Rules and Regulations. The Treasurer shall draw checks or warrants or make payments by other means

for claims or disbursements not within an applicable budget only upon the prior approval of the Board.

D. Budget. The initial budget shall be approved by the Board. The Board may revise the budget from time to time through an Pioneer Document as may be reasonably necessary to address contingencies and unexpected expenses. All subsequent budgets of Pioneer shall be approved by the Board in accordance with the Operating Rules and Regulations.

E. Funding of Initial Costs. The County of Placer funded certain activities necessary to implement the CCA Program. These costs have been repaid in full.

F. CCA Program Costs. The Members desire that all costs incurred by Pioneer that are directly or indirectly attributable to the provision of electric, conservation, efficiency, incentives, financing, or other services provided under the CCA Program, including but limited to the establishment and maintenance of various reserves and performance funds and administrative, accounting, legal, consulting, and other similar costs, shall be recovered through charges to CCA customers receiving such electric services, or from revenues from grants or other third-party sources.

Section 10. Implementation Action and Pioneer Documents

A. Each Member shall adopt an ordinance in accordance with Public Utilities Code Section 366.2(c)(12) for the purpose of specifying that the Member intends to implement a CCA Program by and through its participation in Pioneer.

B. Each Member that wishes to participate in the CCA Program shall adopt a resolution expressing its desire to become a Member to this Agreement, and its intention to have the territory of the Member's jurisdiction included in the service territory of the CCA.

C. Each New Voting Member that wishes to participate in the PACE Program shall adopt a resolution authorizing it to become a Voting Member under this Agreement. Execution by such New Voting Member of this Agreement shall constitute consent to Pioneer undertaking contractual assessment proceedings under Chapter 29 for all of the properties in such New Voting Member's incorporated area and to the contractual assessment financing of certain improvements (as enumerated from time to time in Chapter 29, "Improvements") by Pioneer, upon the request by and voluntary agreement of owners of such properties, in compliance with the laws, rules and regulations applicable to Pioneer's PACE Program, and to the assumption of jurisdiction thereover by Pioneer for the purposes thereof. Execution by such New Voting Member of this Agreement shall also serve to authorize Pioneer to take each step required for it to provide contractual assessment financing

for the Improvements, including the levying, collecting and enforcement of contractual assessments to finance the Improvements and the issuance and enforcement of bonds and other financing instruments to represent and be secured by such contractual assessments. The New Voting Members shall not be required to adopt a PACE Agreement and shall not be subject to the rights and obligations set forth therein, but shall instead, upon becoming Voting Members hereunder, be subject to the rights and obligations expressly set forth herein.

Pioneer may additionally provide PACE Programs pursuant to Chapter 29 within the boundaries of non-voting Associate Members, as described further in Section 16 herein.

D. Implementation Plan and Statement of Intent. Pioneer shall cause to be prepared an Implementation Plan and Statement of Intent meeting the requirements of California Public Utilities Code Section 366.2 and any applicable California Public Utilities Commission regulations. The Implementation Plan and Statement of Intent shall specify the service territory of the CCA to be within the boundaries of the Member jurisdictions that have taken the actions specified in A and B above. The Implementation Plan and Statement of Intent shall not be filed with the California Public Utilities Commission until it is approved by the Board in the manner provided by Section 5.

If a City or County adopts an ordinance and resolution pursuant to A and B above, expressing its desire to become a Member to this Agreement subsequent to the filing of the then most recently filed Implementation Plan and Statement of Intent, the Board shall direct the preparation and filing of a new or amended Implementation Plan and Statement of Intent to include the territory of the County or City as soon as reasonably practicable. The Board may require the County or City to pay the cost of preparation and submission of the Implementation Plan and Statement of Intent. Upon California Public Utilities Commission certification of the new or amended Implementation Plan and Statement of Intent, the Board shall take action to approve membership of the County or City. The County or City shall then be entitled to all rights under this Agreement, including a seat on the Board and voting rights pursuant to Section 5.A and Section 8.

E. Termination of CCA and PACE Program. Nothing contained in this Article or this Agreement shall be construed to limit the discretion of Pioneer to terminate the implementation or operation of the CCA or the PACE Program at any time in accordance with any applicable requirements of state law.

F. Pioneer Documents. The Members acknowledge and agree that the affairs of Pioneer will be implemented through various documents duly adopted by the Board through Board resolution. The Members agree to abide by and comply with the terms and conditions of all such documents that may be adopted by

the Board, subject to the Members' right to withdraw from Pioneer as described in Section 14.

Section 11. Records and Reports

The Board shall establish reporting requirements and direct staff to maintain such reports, including, but not limited to, funds and accounts as may be required by good accounting practice or by law. All books and records of Pioneer shall be open to inspection at all reasonable times by any Member to this Agreement or its representatives. Annual audits of Pioneer's accounts and records shall be made by an independent CPA firm, and reports shall be filed in the manner provided in Section 6505 of the California Government Code.

Section 12. Debts, Liabilities and Obligations

Pioneer is a public agency separate from the Members. Pursuant to Sections 6508.1 of the Act, the debts, liabilities or obligations of Pioneer shall not be debts, liabilities or obligations of the individual Members unless the governing board of a Member agrees in writing to assume any of the debts, liabilities or obligations of Pioneer. A Member who has not agreed to assume a Pioneer debt, liability or obligation shall not be responsible in any way for such debt, liability or obligation even if a majority of the Members agree to assume the debt, liability or obligation of Pioneer. Should any debt, liability or obligation of Pioneer not be waived or allowed payable through assets of Pioneer, none of the County or City members shall be liable, except as provided by Government Code sections 895 through 895.8.

Section 13. Insurance and Indemnity

Pioneer shall acquire and maintain such insurance coverage as is necessary to protect the interests of Pioneer, the Members, and the public. The insurance shall also contain a written endorsement to such policy or policies, which names each of the Voting Members as additional insureds. Pioneer shall defend, indemnify, and hold harmless the Members, and each of their respective Board or Council members, officers, agents and employees, from any and all claims, losses, damages, costs, injuries, and liabilities of every kind arising directly or indirectly from the conduct, activities, operations, acts, and omissions of Pioneer under this Agreement.

Section 14. Withdrawal

A. Right to Withdraw by Voting Member. A Voting Member may withdraw its participation in the CCA Program, effective as of the beginning of Pioneer's fiscal year, by giving no less than 12 months advance written notice of its election to do so, which notice shall be given to Pioneer and each Voting Member. Withdrawal of a Voting Member shall require an affirmative vote of its governing board.

B. Right to Withdraw By Voting Member After Amendment. Notwithstanding Section 14A, a Voting Member may withdraw its membership in Pioneer following an amendment to this Agreement adopted by the Board which the

Board Member appointed as the representative of a Voting Member voted against provided such notice is given in writing within thirty (30) days following the date of the vote. Withdrawal of a Member shall require an affirmative vote of its governing board and shall not be subject to the twelve month advance notice provided in Section 14A. In the event of such withdrawal, the Member shall be subject to the provisions of Section 15B.

C. Continuing Liability; Further Assurances. A Voting Member that withdraws its participation in the CCA Program may be subject to certain continuing liabilities, as described in Section 15B. The withdrawing Voting Member and Pioneer shall execute and deliver all further instruments and documents, and take any further action that may be reasonably necessary, as determined by the Board, to effectuate the orderly withdrawal of such Voting Member from participation in the CCA Program.

D. Withdrawal of Associate Member. The rights of an Associate Member to withdraw from Pioneer shall be governed by the applicable PACE Agreement or CCC Agreement.

Section 15. Termination

A. Involuntary Termination of a Member. Participation of a Member in the CCA program may be terminated for material non-compliance with provisions of this Agreement or any other agreement relating to the Member's participation in the CCA Program upon a vote of Board Members as provided in Section 8A. Prior to any vote to terminate participation with respect to a Member, written notice of the proposed termination and the reason(s) for such termination shall be delivered to the Member whose termination is proposed at least 30 days prior to the regular Board meeting at which such matter shall first be discussed as an agenda item. The written notice of proposed termination shall specify the particular provisions of this Agreement or other agreement that the Member has allegedly violated. The Member subject to possible termination shall have the opportunity at the next regular Board meeting to respond to any reasons and allegations that may be cited as a basis for termination prior to a vote regarding termination. A Member that has had its participation in the CCA Program terminated may be subject to certain continuing liabilities, as described in Section 15B.

B. Continuing Liability; Refund. Upon a withdrawal or involuntary termination of a Member, the Member shall remain responsible for any claims, demands, damages, or liabilities arising from the Member's membership or participation in the CCA Program through the date of its withdrawal or involuntary termination, it being agreed that the Member shall not be responsible for any liabilities arising after the date of the Member's withdrawal or involuntary termination. Claims, demands, damages, or liabilities for which a withdrawing or terminated Member may remain liable include, but are not limited to, losses from the resale of power contracted for by Pioneer to serve the Member's load. With respect to such liability, upon

notice by an Member that it wishes to withdraw from the program, Pioneer shall notify the Member of the minimum waiting period under which the Member would have no costs for withdrawal if the Member agrees to stay in the CCA Program for such period. The waiting period will be set to the minimum duration such that there are no costs transferred to remaining ratepayers. If the Member elects to withdraw before the end of the minimum waiting period, the charge for exiting shall be set at a dollar amount that would offset actual costs to the remaining ratepayers, and may not include punitive charges that exceed actual costs. In addition, such Member also shall be responsible for any costs or obligations associated with the Member's participation in any program in accordance with the provisions of any agreements relating to such program provided such costs or obligations were incurred prior to the withdrawal of the Member. Pioneer may withhold funds otherwise owing to the Member or may require the Member to deposit sufficient funds with Pioneer, as reasonably determined by Pioneer and approved by a vote of the Board, to cover the Member's liability for the costs described above. Any amount of the Member's funds held on deposit with Pioneer above amounts not required to pay any liabilities or obligations shall be returned to the Member. The liability of any Member under this section 15B is subject and subordinate to the provisions of Section 12, and nothing in this section 15B shall reduce, impair, or eliminate any immunity from liability provided by Section 12.

C. Mutual Termination. This Agreement may be terminated by mutual agreement of all the Voting Members; provided, however, the foregoing shall not be construed as limiting the rights of a Voting Member to withdraw its participation in the CCA Program, as described in Section 14A.

Disposition of Property upon Termination of Pioneer. Upon termination of this Agreement, any surplus money or assets in possession of Pioneer for use under this Agreement, after payment of all liabilities, costs, expenses, and charges incurred under this Agreement and under any program documents, shall be returned to the then-existing Voting Members in proportion to the contributions made by each. If no such contributions have been made, then such surplus after payment of all liabilities, costs, expenses, and charges shall be distributed to each Voting Member based on Annual Energy Use Divided by Total Annual Energy, multiplied by 100. "Annual Energy Use" means the annual electricity usage, expressed in kilowatt hours ("kWh") within the Voting Member's respective jurisdiction, and "Total Annual Energy" means the sum of all the Members Annual Energy Use. All measures of kilowatt hours shall be set using the electric load forecast upon which the current annual budget was based. If a Member has more than one Board Member, the distribution will be made pursuant to the above calculation as it relates to the respective jurisdiction.

D. Negotiations with Associate Members. If the Voting Members wish to terminate this Agreement, or if the Voting Members elect to withdraw from

the CCA Program following an amendment to this Agreement as provided in Section 14B, but two or more Associate Members wish to continue to participate in the CCA Program, the Voting Members will negotiate in good faith with such Associate Members to allow the Associate Members to become the Voting Members to this Agreement or to effect a transfer of CCA Program operations to another entity.

Section 16. Associate Members

A. With the approval of the Board, any qualified public agency (as defined by Section 6500 of the JPA law) may become a non-voting Associate Member of this Agreement for purposes of participating in the CCA Program. A public agency requesting such membership may apply by presenting to Pioneer a resolution of the public agency approving of this form of participation.

B. Any qualified public agency (as defined by Section 6500 of the JPA law) may become a non-voting Associate Member of this Agreement for purposes of participating in the PACE Program upon (i) such qualified public agency (a) adopting a resolution expressing its desire to become a non-voting Associate Member to this Agreement and authorizing the implementation of a PACE Program within the boundaries of its jurisdiction and (b) executing a PACE Agreement and (ii) the Board approving the qualified public agency as a non- voting Associate Member.

C. The date and terms upon which the applying public agency will become a non- voting Associate Member will be determined by the Board and set forth in a CCA Agreement or PACE Agreement, as applicable.

Section 17. Termination of Powers

Pioneer shall continue to exercise the powers herein conferred upon it until termination of this Agreement, and thereafter shall continue to exercise only such powers as to enable it to pay and discharge all costs, expenses, and charges legally incurred hereunder, and to dispose of, divide and distribute any property required as a result of the joint exercise of such powers.

Section 18. Disposition of Assets; Property and Money

Upon termination of this Agreement under Section 15, all costs, expenses, and charges legally incurred by Pioneer shall be paid and discharged; and Pioneer shall sell such property as may be necessary and shall distribute to the federal or State government such property and funds as are lawfully required; the balance of such property and any surplus money on hand shall be distributed or returned in proportion to contributions made by the affected Members except to the extent otherwise agreed upon by the affected Members.

Section 19. Amendments

This Agreement may only be amended by a written amendment approved by a vote of Board Members as provided in Section 8. Pioneer shall provide written notice to all Members of amendments to this Agreement at least 30 days prior to the date upon which the proposed amendment is being considered by the Board. If the proposed amendment is adopted by the Board, Pioneer shall provide prompt written notice to all Members of the effective date of such amendment along with a copy of the amendment.

Section 20. Severability

Should any part, term or provision of this Agreement be decided by a court of competent jurisdiction to be illegal or in conflict with any law of the State of California, or otherwise be rendered unenforceable or ineffectual, the validity of the remaining portions of provisions shall not be affected thereby.

Section 21. Entire Agreement

This Agreement contains the entire agreement between the Members and supersedes all prior understanding between them with respect to the subject matter of this Agreement. There are no promises, terms, conditions or obligations, oral or written, between or among the Members relating to the subject matter of this Agreement that are not fully expressed in this Agreement. This Agreement may not be modified, changed, supplemented or terminated, nor may any obligation under this Agreement be waived, except as provided in Section 19.

Section 22. Counterparts and Effective Date

This Agreement may be executed in counterparts and be as valid and binding as if each Member signed the same copy. A faxed copy of the executed signature page shall be sufficient to cause the terms of this Agreement to become fully operative. The effective date of the Agreement shall be the date the second member has executed the Agreement.

WITNESS THE AGREEMENT HEREOF the date set opposite our respective entities:

*[Signatures on following page]*

CITY OF AUBURN, a Municipal Corporation

EXECUTED ON

And approved as to form _____
Gary Bell, City Attorney

By _____
Mayor, City Council

ATTEST:

_____
Amy Lind, City Clerk

**SIGNATURES CONTINUED ON NEXT PAGE**

CITY OF CHICO, a Municipal Corporation

EXECUTED ON

Date: 06-05-2025

By: _____

Title: Mark Sorensen
City Manager
~~City of Chico, CA~~

**SIGNATURES CONTINUED ON NEXT PAGE**

CITY OF COLFAX, a Municipal Corporation

EXECUTED ON

And approved as to form

ATTEST:

By

City Manager, Wes Heathcock

Marguerite Bailey

**SIGNATURES CONTINUED ON NEXT PAGE**

EXECUTED ON

CITY OF GRASS VALLEY, a Municipal Corporation

And approved as to form _____

By _____
Mayor, City Council

ATTEST: _____

**SIGNATURES CONTINUED ON NEXT PAGE**

CITY OF LINCOLN, a Municipal Corporation

EXECUTED ON

And approved as to form

By _____
Mayor, City Council

ATTEST:

_____

**SIGNATURES CONTINUED ON NEXT PAGE**

CITY OF LIVE OAK, a Municipal Corporation

EXECUTED ON

Date: 6/25/25

By: _____

Title: City Manager

**SIGNATURES CONTINUED ON NEXT PAGE**

EXECUTED ON

By _____
Mayor, City Council

CITY OF NEVADA CITY, a Municipal Corporation

And approved as to form _____

ATTEST:

_____

**SIGNATURES CONTINUED ON NEXT PAGE**

CITY OF ORLAND, a Municipal Corporation

EXECUTED ON

Date: June 23, 2025

By: Janet Packerman

Title: Interim City Manager

**SIGNATURES CONTINUED ON NEXT PAGE**

CITY OF OROVILLE, a Municipal Corporation

EXECUTED ON

Date: 6.23.25

By: David M. Pittman

Title: Mayor

**SIGNATURES CONTINUED ON NEXT PAGE**

EXECUTED ON

CITY OF PLACERVILLE, a Municipal Corporation

And approved as to form _____

By _____
Mayor, City Council

ATTEST:

_____

**SIGNATURES CONTINUED ON NEXT PAGE**

CITY OF ROCKLIN, a Municipal Corporation

EXECUTED ON

And approved as to form _____
Sheri Chapman, City Attorney

By _____
Mayor, City Council

ATTEST:

_____
Hope Ithurburn, City Clerk

**SIGNATURES CONTINUED ON NEXT PAGE**

CITY OF SONORA, a Municipal Corporation

EXECUTED ON:

Date: 11/25/25 And approved as to form

By:

Melissa Eads

Title: City Administrator

FOR Douglas L. White, City Attorney

ATTEST: Tracy L Skelly

Tracy Skelly, City Clerk

**SIGNATURES CONTINUED ON NEXT PAGE**

CITY OF WILLOWS, a Municipal Corporation

EXECUTED ON

Date: 6/10/25

By: Marti Brown

Title: City Manager

**SIGNATURES CONTINUED ON NEXT PAGE**

CITY OF YUBA CITY, a Municipal Corporation

EXECUTED ON

Date: 6/16/25

By: _____

Title: INTERIM CITY MANAGER

**SIGNATURES CONTINUED ON NEXT PAGE**

PGE - JPA

COUNTY OF BUTTE, a Political Subdivision

EXECUTED ON

Date: 6/10/25

By: _____

Title: Chair, Butte County Board of Supervisors

**SIGNATURES CONTINUED ON NEXT PAGE**

EXECUTED ON

By _____
Chairman, Board of Supervisors

COUNTY OF EL DORADO, a political subdivision

And approved as to form 10/25/2022

ATTEST:

_____

**SIGNATURES CONTINUED ON NEXT PAGE**

COUNTY OF GLENN, a Political Subdivision

EXECUTED ON

Date: 6-17-25

By: _____

Title: VICE CHAIR

**SIGNATURES CONTINUED ON NEXT PAGE**

COUNTY OF NEVADA, a Political Subdivision

EXECUTED ON

Date: 6/11/25

By: [signature]

Title: CEO

**SIGNATURES CONTINUED ON NEXT PAGE**

EXECUTED ON

COUNTY OF PLACER, a political subdivision

And approved as to form _____

By _____
Chairman, Board of Supervisors

ATTEST:

**SIGNATURES CONTINUED ON NEXT PAGE**

COUNTY OF SUTTER, a Political Subdivision

EXECUTED ON

Date: 6/25/25

By: _____

Title: Chairman

Approved as to Form
County Counsel
Sutter County, California

By _____

**SIGNATURES CONTINUED ON NEXT PAGE**

COUNTY OF TUOLUMNE, a Political Subdivision

EXECUTED ON

Date: 6/13/25

By: [signature]

Title: Acting CAO

**SIGNATURES CONTINUED ON NEXT PAGE**

EXECUTED ON:
October 11, 2022

By _____
Mayor, Town Council

TOWN OF LOOMIS, a Municipal Corporation And

approved as to form

_____
Town Manager

ATTEST:

_____
Deputy Town Clerk

TOWN OF PARADISE, a Municipal Corporation

EXECUTED ON

Date: 6/11/2025

By: _____

Title: Town Manager

# Exhibit A

## Voting Members and Associate Members

### Section A.1 Voting Members

City of Auburn

City of Chico

City of Colfax

City of Grass Valley

City of Lincoln

City of Live Oak

City of Nevada City

City of Orland

City of Oroville

City of Placerville

City of Rocklin

City of Sonora

City of Willows

City of Yuba City

County of Butte

County of El Dorado

County of Glenn

County of Nevada

County of Placer

County of Sutter

County of Tuolumne

Town of Loomis

Town of Paradise

### Section A.2 Associate Members

City of Folsom

County of Sacramento

Town of Truckee