CITY OF ROSEVILLE CALIFORNIA

AGENDA

January 13, 2021

LEGISLATIVE PLATFORM WORKSHOP
4:30 p.m.
CITY COUNCIL
6:00 p.m.
Council Chambers
311 Vernon Street
Roseville, California
www.roseville.ca.us/CORTV

To help minimize the spread of COVID-19, members of the public may not attend in person, but may view the meeting on Comcast channel 14, Consolidated Communications channel 73, and AT&T U-Verse. City Council meetings are also video streamed live and are available on the City's website and YouTube channel. Members of the public may offer public comment by the following means:

Dial in Phone Number: 916-774-5353
Email: publiccomment@roseville.ca.us

If you need a disability-related modification or accommodation to participate in this meeting, please contact Voice: 916-774-5200, TDD: 916-774-5220. Requests must be made as early as possible.

THE CITY OF ROSEVILLE WELCOMES YOUR PARTICIPATION

If an agenda item is open to public comment, such public comment shall be addressed to the chair of the meeting.

Public Comment - Speakers have three minutes under Public Comment to speak on issues that are not listed on the agenda and are within the City's jurisdiction. The Brown Act does not permit any action or discussion on items not listed on the agenda.

Consent Calendar - If applicable, the Consent Calendar consists of routine items that may be approved by one motion. Any person can remove an item from the Consent Calendar to be discussed separately.

Agenda Items - Speakers have five minutes to address items that are listed on the agenda.

Americans with Disabilities Act - Notify the City Clerk or Secretary at least 72 hours in advance if special assistance is required to participate in a meeting including the need of auxiliary aids or services.

Audio/Visual Presentations - If making a presentation regarding an agenda item, audio/visual materials must be submitted to the City Clerk or Secretary at least 72 hours in advance.

Security procedures are in place to attend Roseville City Council meetings. All attendees must successfully pass through a security metal detector. Any person with a prohibited item will not be allowed entry. Prohibited items include, but are not limited to: firearms (even with valid CCW), knives, pepper spray/mace, explosives of any kind/ any weapons and/or dangerous devices of any kind, illegal drugs and alcohol.

Roseville City Clerk 311 Vernon Street, Roseville, CA 916-774-5200 TDD 916-774-5220

1. CALL TO ORDER

2. ROLL CALL

3. PLEDGE OF ALLEGIANCE

4. MEETING PROCEDURES

5. PRESENTATIONS

5.1. Legislative Platform Workshop

CONTACT: Mark Wolinski 916-774-5179 mwolinski@roseville.ca.us

5.2. City Response to COVID-19

CONTACT: Dominick Casey 916-774-5362 dcasey@roseville.ca.us

6. PUBLIC COMMENTS

7. CONSENT CALENDAR

BEGINNING OF CONSENT CALENDAR

Resolutions

7.1. John L. Sullivan Park - Notice of Completion

Memo from Park Development Analyst Heather Buck and Parks, Recreation & Libraries Director Jill Geller recommending the City Council adopt RESOLUTION NO. 21-003 ACCEPTING THE PUBLIC WORK KNOWN AS THE JOHN L. SULLIVAN PARK PROJECT, APPROVING THE “NOTICE OF COMPLETION”, AND AUTHORIZING THE PARKS, RECREATION AND LIBRARIES DIRECTOR TO EXECUTE SAID NOTICE ON BEHALF OF THE CITY OF ROSEVILLE. The Parks, Recreation & Libraries Department has made a final inspection of the John L. Sullivan Park Project (formerly parksite WB-51) and has found that all contract work has been completed in accordance with the improvement plans and specifications. The project is now ready for acceptance. This 4.5 acre park is located at the intersection of Solaire Drive and Summerfaire Drive in the Sierra Vista Specific Plan. The project included a shaded picnic area, a concrete foosball table, two concrete cornhole courts, a practice disc golf goal, a half-court for basketball, a children's play area, adult fitness equipment, multi-use turf, landscape, and irrigation. In accordance with City specifications, the contractor shall guarantee the installation of these improvements for a period of twelve (12) months from the date of this Notice of Completion. The project was funded with monies from Westbrook Neighborhood Park Fund. Maintenance of the park will be funded from the Westbrook Community Facilities District No. 2 (Public Services).

CC #: 1200

File #: 0704-01

CONTACT: Heather Buck 916-774-5254 hcbuck@roseville.ca.us

7.2. Maidu Soccer Fields Renovation Project - Funding and Use Agreement

Memo from Recreation & Libraries Supervisor Dustin DiPlacito and Parks, Recreation & Libraries Director Jill Geller recommending the City Council adopt RESOLUTION NO. 21-007 APPROVING A FUNDING AND USE AGREEMENT, BY AND BETWEEN THE CITY OF ROSEVILLE AND GRANITE BAY FC, AND AUTHORIZING THE CITY MANAGER TO EXECUTE IT ON BEHALF OF THE CITY OF ROSEVILLE. Granite Bay FC will contribute $40,625 to the Maidu Soccer Field Renovations project. The Parks, Recreation & Libraries Department created a Maidu Soccer Field Funding Agreement between the City and Granite Bay FC that memorializes the commitment. The City approved the Maidu Soccer Field Renovations project in February 2020 utilizing General Fund resources and contributions from partners, including $40,625 from Granite Bay FC.

CC #: 1205

File #: 0900-07

CONTACT: Dustin DiPlacito 916-774-5923 ddiplacito@roseville.ca.us

7.3. Maidu Soccer Fields Renovation Project - Funding and Use Agreement

Memo from Recreation & Libraries Supervisor Dustin DiPlacito and Parks, Recreation & Libraries Director Jill Geller recommending the City Council adopt RESOLUTION NO. 21-006 APPROVING A FUNDING AND USE AGREEMENT, BY AND BETWEEN THE CITY OF ROSEVILLE AND THE ROSEVILLE YOUTH SOCCER CLUB, AND AUTHORIZING THE CITY MANAGER TO EXECUTE IT ON BEHALF OF THE CITY OF ROSEVILLE. Roseville Youth Soccer Club has agreed to contribute $121,875 to the Maidu Soccer Field Renovations project. The Parks, Recreation & Libraries Department created a Maidu Soccer Field Funding Agreement between the City and the Roseville Youth Soccer Club that memorializes the commitment. The City approved the Maidu Soccer Field Renovations project in February 2020 utilizing General Fund resources and contributions from partners, including $121,875 from the Roseville Youth Soccer Club.

CC #: 1204

File #: 0900-07

CONTACT: Dustin DiPlacito 916-774-5923 ddiplacito@roseville.ca.us

7.4. Conflict of Interest Disclosure Amendment

Memo from Assistant City Clerk Audrey Byrnes and City Clerk Sonia Orozco recommending the City Council adopt RESOLUTION NO. 21-008 READOPTING THE FAIR POLITICAL PRACTICES COMMISSION MODEL CONFLICT OF INTEREST CODE AND REPEALING RESOLUTION NO. 20-010. The Fair Political Practices Commission requires local government agencies to adopt and implement a conflict of interest code which establishes categories of public officials and employees who must disclose their personal financial interests. Filing of Statements of Economic Interest (Form 700) enables the organization to identify areas of potential conflicts so that government officials and employees can refrain from making or participating in government decisions that have a reasonably foreseeable material financial effect on his or her personal interests. The California Government Code requires local agencies to annually review its Conflict of Interest Code to accurately reflect required filers of (Form 700) as designated by the City Attorney. Council adopted the last update in January 2020. There is no fiscal impact.

CC #: 1203

File #: 0503-02

CONTACT: Audrey Byrnes 916-774-5268 abyrnes@roseville.ca.us

Ordinances (for introduction and first reading)

7.5. Municipal Code Amendments - Consistency with the City Charter

Memo from Assistant City Attorney Michelle Sheidenberger and City Attorney Robert Schmitt recommending the City Council introduce for first reading ORDINANCE OF THE COUNCIL OF THE CITY OF ROSEVILLE AMENDING SECTION 2.06.020 OF CHAPTER 2.06 OF TITLE 2 OF THE ROSEVILLE MUNCIPAL CODE REGARDING MUNICIPAL ELECTIONS, REPEALING CHAPTER 2.34 OF TITLE 2 OF THE ROSEVILLE MUNICIPAL CODE REGARDING INDEPENDENT REDISTRICTING COMMISSION, AND AMENDING SECTIONS 4.12.090, 4.12.095 AND 4.12.100 OF CHAPTER 4.12 OF TITLE 4 OF THE ROSEVILLE MUNICIPAL CODE REGARDING PURCHASING SYSTEM FOR CONSISTENCY WITH THE CITY CHARTER. On November 3, 2020, Roseville voters approved nine amendments to the City Charter. Due to the adoption of these amendments, various revisions are needed to the Roseville Municipal Code in order to make the Code consistent with these new Charter amendments. There is no fiscal impact associated with adoption of this ordinance.

CC #: 1197

File #: 0502-06

CONTACT: M. Sheidenberger 916-774-5325 msheidenberger@roseville.ca.us

END OF CONSENT CALENDAR

8. SPECIAL REQUESTS/REPORTS/PRESENTATION

8.1. Roseville Community Development Corporation - Annual Corporate Update, Reappointment of Director, and Direction to Wind-Up and Dissolve

Memo from Development Services Director Mike Isom and Roseville Community Development Corporation Chief Executive Officer recommending the City Council adopt RESOLUTION NO. 21-004 AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE TO TAKE ALL ACTIONS NECESSARY TO ASSIST IN THE ROSEVILLE COMMUNITY DEVELOPMENT CORPORATION (RCDC) DISSOLUTION PROCESS AND ALL ACTIONS NECESSARY FOR THE DISPOSITION OF THE CITY'S LOAN; and adopt RESOLUTION NO. 21-005 RESOLUTION TO WIND UP AND DISSOLVE RESOLUTION OF THE SOLE MEMBER OF ROSEVILLE COMMUNITY DEVELOPMENT CORPORATION, INC., A CALIFORNIA NONPROFIT CORPORATION. This item provides the required annual update to the City Council regarding the Roseville Community Development Corporation's (RCDC) FY2020-21 budget and its FY2019-20 audited financial statement report, consistent with the RCDC bylaws. The Council is also requested to take action to reappoint Director Howard Rudd to the RCDC Board of Directors for a term to expire February 2024 or upon dissolution of the corporation, whichever occurs first. Lastly, staff is requesting direction from the Council to begin the process to wind-up and dissolve the RCDC. The Roseville Community Development Corporation is a private, charitable, nonprofit Section 501(c) (3) corporation. The RCDC is focused on physical, economic and educational development through the community to create expanded employment, economic prosperity and housing opportunities. Its focus has been to help the City of Roseville achieve the revitalization goals through the reuse of existing buildings or new construction in Roseville's downtown. Board members are appointed by the Roseville City Council and receive no compensation for their service. The RCDC has generated nearly $1.2 million in tangible financial return to the City to date, in addition to intangible benefits to the citywide economy.

CC #: 1201

File #: 0103-15-02

CONTACT: Mike Isom 916-774-5527 misom@roseville.ca.us

8.2. Central Park Phase 3 Project - Notice of Completion

Memo from Park Development Analyst Joel De Jong and Parks, Recreation & Libraries Director Jill Geller recommending the City Council adopt RESOLUTION NO. 21-001 ACCEPTING THE PUBLIC WORK KNOWN AS THE CENTRAL PARK PHASE 3 PROJECT, APPROVING THE "NOTICE OF COMPLETION", AND AUTHORIZING THE PARKS, RECREATION AND LIBRARIES DIRECTOR TO EXECUTE SAID NOTICE ON BEHALF OF THE CITY OF ROSEVILLE. Staff has made a final inspection of the Central Park Phase 3 project and has found that all contract work has been completed in accordance with the approved plans and specifications. The project is now ready for acceptance. In accordance with City specifications, the contractor shall guarantee the installation of these improvements for a period of twelve (12) months from the date of this Notice of Completion. Funding for the project was provided through the Citywide Park Fund and was allocated in the FY2014-15 budget, in combination with funding through the Public Facilities Fund. Maintenance of the Phase 3 acreage and amenities will be a new obligation funded by the additional General Fund resources provided by the voter-approved Measure B half-cent local sales tax.

CC #: 1198

File #: 0704-01

CONTACT: Joel De Jong 916-774-5924 jdejong@roseville.ca.us

8.3. Harry Crabb Park Phase 2 Project - Notice of Completion

Memo from Park Development Analyst Joel De Jong and Parks, Recreation & Libraries Director Jill Geller recommending the City Council adopt RESOLUTION NO. 21-002 ACCEPTING THE PUBLIC WORK KNOWN AS THE HARRY CRABB PARK PHASE 2 PROJECT, APPROVING THE “NOTICE OF COMPLETION”, AND AUTHORIZING THE PARKS, RECREATION AND LIBRARIES DIRECTOR TO EXECUTE SAID NOTICE ON BEHALF OF THE CITY OF ROSEVILLE. Staff has made a final inspection of the Harry Crabb Park Phase 2 project and has found that all contract work has been completed in accordance with the approved plans and specifications. The project is now ready for acceptance. In accordance with City specifications, the contractor shall guarantee the installation of these improvements for a period of twelve (12) months from the date of this Notice of Completion. Funding for the project was partially provided through the Citywide Park Fund and was allocated in the FY2014-15 budget. An interfund loan from the Automotive Replacement Fund was approved at contract award. Savings recognized in FY2018-19 and FY2019-20 from the Roseville Finance Authority's 2017A bond refunding associated with the Stoneridge and Crocker Ranch community was also allocated to the project. The repayment of Loan A42 will be applied at an annual amount through the Roseville Finance Authority’s 2017A (Stoneridge and Crocker Ranch) bond refunding. Maintenance of the Phase 2 acreage and amenities will be a new obligation funded by the additional General Fund resources provided by the voter-approved Measure B half-cent local sales tax.

CC #: 1199

File #: 0704-01

CONTACT: Joel De Jong 916-774-5924 jdejong@roseville.ca.us

9. APPOINTMENTS

9.1. Board and Commissions Bi-Annual Vacancies

Memo from Deputy City Clerk Katrina Six and City Clerk Sonia Orozco recommending the City Council appoint five (5) individuals to the Board of Appeals to terms expiring December 31, 2024 from the applications received from: Pete Constant, Jason Douglas, Deanna Erdman, Bruce Hagler, Debbie Leong, Stephanie Nunez, Andrea Seminer, Richard Stalker, and Brian Stenklyft; appoint two (2) individuals to the Library Board to terms expiring December 31, 2024 from the applications received from: Renee Ambrozy, Neil Pople, Laxmi Rao, and Kayla Scott; appoint four (4) individuals to the Parks & Recreation Commission to terms expiring December 31, 2024 from the applications received from: Nick Alexander, Stanley Ambrozy, Matthew Bridge, Sandra Pollack-Cushing, Monique Cuvelier, John "Corey" Eames, Renee Erwin, Mike

Esparza, Debbie Leong, Richard Ortiz, Neva Marie Parker, Neil Pople, John Rector, Sharon Sims, Richard Stalker, and Vicken Yanikian; appoint three (3) individuals to the Personnel Board to terms expiring December 31, 2024 from the applications received from: Robert Brittany, Kathleen Crawford, Basil Deem, Herbert Long, Sr., Stephanie Nunez, Nicholas O'Neill, and Charles Sandoval; appoint four (4) individuals to the Senior Commission to terms expiring December 31, 2024 from the applications received from: Renee Ambrozy, Kathleen Crawford, Bobbi Knapp, and Brian Parry; appoint three (3) individuals to the Transportation Commission to terms expiring December 31, 2024 from the applications received from: Jason Douglas, Audrey Huisking, Kenneth Isenhower III, Nicholas O'Neill, Derek Pell, and Jason Probst.

CC #: 1202

File #: 0103 & 0103-41-02 & 0103-04-02 & 0103-05-02 & 0103-06-02 & 0103-13-02 & 0103-12-02

CONTACT: Katrina Six 916-774-5267 kmsix@roseville.ca.us

10. DEPARTMENT UPDATES

10.1. Environmental Utilities Department

CONTACT: Richard Plecker 916-746-1719 rplecker@roseville.ca.us

11. COUNCIL REPORTS / PUBLIC COMMENTS

12. ADJOURNMENT

COUNCIL COMMUNICATION

CC #:
File #:

Title:	Meeting Heading
Contact:	

Meeting Date: 1/13/2021
Item #: 0.1.

COUNCIL COMMUNICATION

CC #:
File #:

Title: Consent Calendar
Contact:

Meeting Date: 1/13/2021
Item #:

COUNCIL COMMUNICATION

CC #: 1200
File #: 0704-01

Title:	John L. Sullivan Park - Notice of Completion
Contact:	Heather Buck 916-774-5254 hcbuck@roseville.ca.us

Meeting Date: 1/13/2021
Item #: 7.1.

RECOMMENDATION TO COUNCIL

Accept the John L. Sullivan Park Project as complete and adopt a resolution authorizing the Parks, Recreation & Libraries Director to execute the attached Notice of Completion.

BACKGROUND

The Parks, Recreation & Libraries Department has made a final inspection of the John L. Sullivan Park Project (formerly parksite WB-51) and has found that all contract work has been completed in accordance with the improvement plans and specifications. The project is now ready for acceptance. This 4.5 acre park is located at the intersection of Solaire Drive and Summerfaire Drive in the Sierra Vista Specific Plan. The project included a shaded picnic area, a concrete foosball table, two concrete cornhole courts, a practice disc golf goal, a half-court for basketball, a children's play area, adult fitness equipment, multi-use turf, landscape, and irrigation. In accordance with City specifications, the contractor shall guarantee the installation of these improvements for a period of twelve (12) months from the date of this Notice of Completion.

FISCAL IMPACT

The project was funded with monies from Westbrook Neighborhood Park Fund (Fund 3318). Maintenance of the park will be funded from the Westbrook Community Facilities District No. 2 (Public Services).

ENVIRONMENTAL REVIEW

The California Environmental Quality Act (CEQA) does not apply to activities that will not result in a direct or reasonably foreseeable indirect physical change in the environment, or is otherwise not considered a project as defined by CEQA Statute §21065 and CEQA State Guidelines §15060(c)(3) and §15378.

This Notice of Completion meets the above criteria and is not subject to CEQA. No additional environmental review is required.

Respectfully Submitted,

Heather Buck, Park Development Analyst

Jill Geller, Director, Parks, Recreation & Libraries

Dominick Casey, City Manager

ATTACHMENTS:

Description

Resolution 21-003

Notice of Completion

RESOLUTION NO. 21-003

ACCEPTING THE PUBLIC WORK KNOWN AS THE JOHN L. SULLIVAN PARK PROJECT, APPROVING THE “NOTICE OF COMPLETION”, AND AUTHORIZING THE PARKS, RECREATION AND LIBRARIES DIRECTOR TO EXECUTE SAID NOTICE ON BEHALF OF THE CITY OF ROSEVILLE

BE IT RESOLVED by the City Council of the City of Roseville as follows:

1. The “Notice of Completion” on file in the City Clerk’s Department relative to that public work known as the John L. Sullivan Park Project, has been approved and the public work accepted.

2. The Parks, Recreation and Libraries Director is hereby authorized and directed to execute said Notice on behalf of the City of Roseville.

PASSED AND ADOPTED by the Council of the City of Roseville this_____day of ______________________, 20______, by the following vote on roll call:

AYES COUNCILMEMBERS:

NOES COUNCILMEMBERS:

ABSENT COUNCILMEMBERS:

____
MAYOR

ATTEST:

____
City Clerk

RECORDING REQUESTED BY AND WHEN
RECORDED MAIL TO:

CITY CLERK
CITY OF ROSEVILLE
311 VERNON STREET
ROSEVILLE, CA 95678

Exempt from recording fees
Pursuant to Gov't Code §27383

NOTICE OF COMPLETION

NOTICE IS HEREBY GIVEN that the public work of improvement known as the ____ Project was completed and accepted by the City of Roseville on _________________________________. The location is situated in the City of Roseville, County of Placer, State of California and is indicated on the attached map, marked as Exhibit "A" and incorporated herein by this reference. The real property herein described is owned by the City of Roseville, 311 Vernon Street, Roseville CA 95678.

The direct/general contractor on said project was _________________________________.

The surety on said project was ____

____.

____

City of Roseville
Owner

ATTEST:

____
Sonia Orozco, City Clerk

State of California)
County of Placer)

I,______________________________, being first duly sworn, depose and say: I am the ________________________________ of the City of Roseville, a municipal corporation in the State of California, owner of the property described in the above Notice. I am duly authorized to make this verification for and on behalf of the City of Roseville. I have read the Notice of Completion and know its contents and the facts stated therein are true.

____

City of Roseville

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 Placer)

Subscribed and sworn to (or affirmed) before me on this _____ day of _________________,

20___, ________________________________

proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

Place Notary Seal and/or Stamp Above

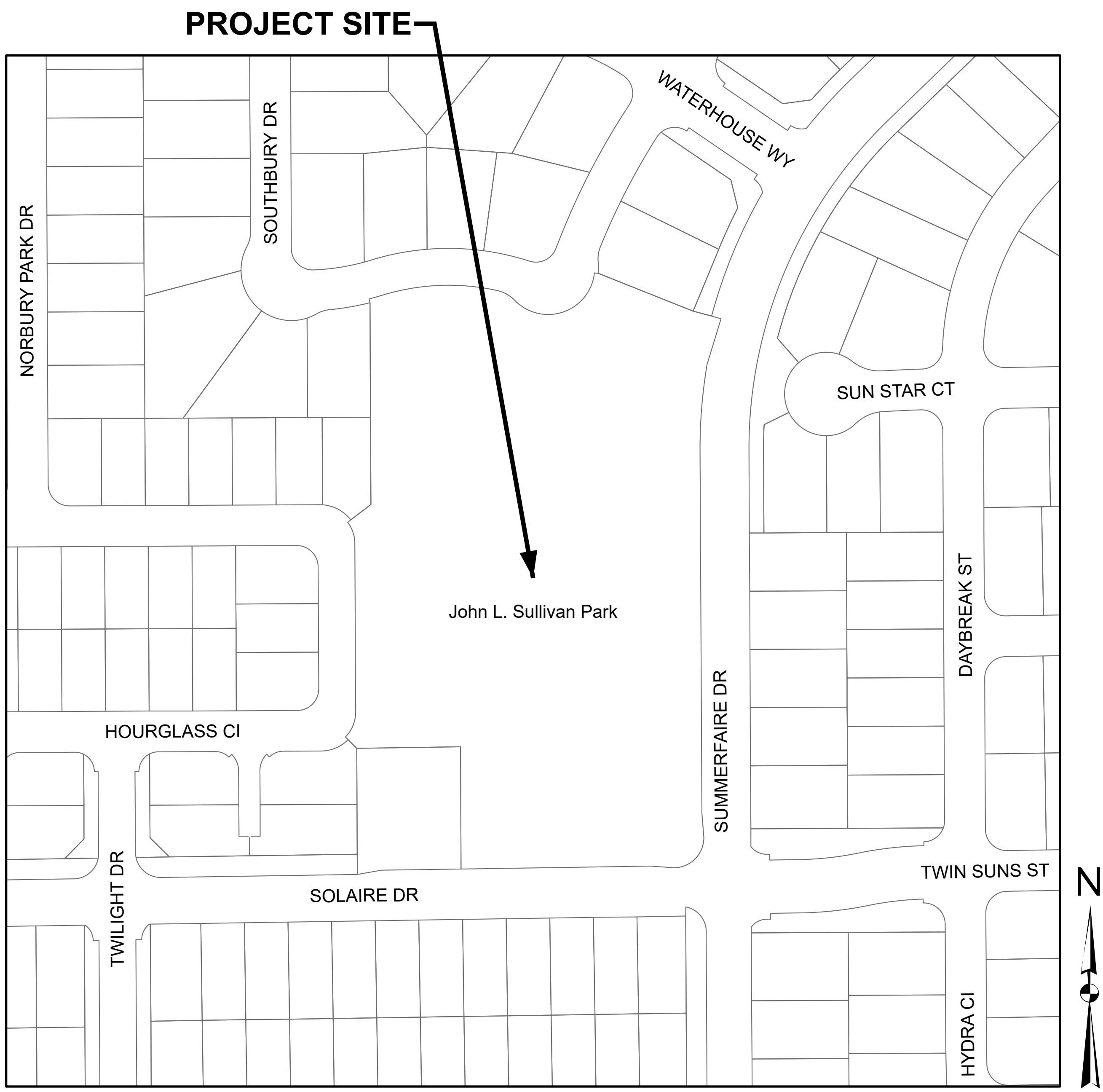
____

Signature of Notary Public

Exhibit A

John L. Sullivan Park

The project included a shaded picnic area, a concrete foosball table, two concrete cornhole courts, a practice disc golf goal, a half-court for basketball, a children's play area, adult fitness equipment, multi-use turf, landscape and irrigation.



COUNCIL COMMUNICATION

CC #: 1205
File #: 0900-07

Title:	Maidu Soccer Fields Renovation Project - Funding and Use Agreement
Contact:	Dustin DiPlacito 916-774-5923 ddiplacito@roseville.ca.us

Meeting Date: 1/13/2021
Item #: 7.2.

RECOMMENDATION TO COUNCIL

Adopt a resolution to approve the Funding and Use Agreement for the Maidu Soccer Fields Renovation Project, by and between the City of Roseville and Granite Bay FC, and authorize the City Manager to execute it on behalf of the City of Roseville.

BACKGROUND

The Maidu Soccer Complex is located on the 152-acre regional park site, east of Rocky Ridge Drive and south of Douglas Boulevard. The soccer complex is used extensively by Roseville Youth Soccer Club and Granite Bay FC for league play, and hosts numerous tournaments and events every year. Other regional and state-wide tournaments/events are also held at this complex. The project included renovations and upgrades to the existing irrigation system to provide better irrigation coverage and improved water efficiency, which will aide in reducing ongoing maintenance costs.

Granite Bay FC has agreed to contribute $40,625 to the project. The Maidu Soccer Field Funding Agreement between the City and Granite Bay FC memorializes the commitment.

As part of the Agreement with Granite Bay FC, the City agrees to guarantee one field allocation (Field #2) starting in the 2021 season (which runs from the first Monday in August through the first Saturday in December) and continuing through the 2025 season. Additionally, Granite Bay FC's use of all five fields for an annual tournament, typically held in October, is included in this Agreement.

Use of Field #6 is to be shared between the Roseville Youth Soccer Club and Granite Bay FC.

FISCAL IMPACT

The City approved the Maidu Soccer Field Renovations project in February 2020 utilizing General Fund resources and contributions from partners, including $40,625 from Granite Bay FC.

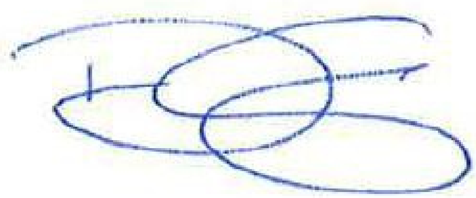
ENVIRONMENTAL REVIEW

The California Environmental Quality Act (CEQA) does not apply to activities that will not result in a direct or reasonably foreseeable indirect physical change in the environment, or is otherwise not considered a project as defined by CEQA Statute §21065 and CEQA State Guidelines §15060(c)(3) and §15378.
The Funding and Use Agreement meets the above criteria and is not subject to CEQA. No additional environmental review is required.

Respectfully Submitted,

Dustin DiPlacito, Recreation & Libraries Supervisor

Jill Geller, Parks, Recreation & Libraries Director



Dominick Casey, City Manager

ATTACHMENTS:

Description

Resolution 21-007

Agreement

RESOLUTION NO. 21-007

APPROVING A FUNDING AND USE AGREEMENT, BY AND BETWEEN THE CITY OF ROSEVILLE AND GRANITE BAY FC, AND AUTHORIZING THE CITY MANAGER TO EXECUTE IT ON BEHALF OF THE CITY OF ROSEVILLE

WHEREAS, a Funding and Use Agreement for the Maidu Soccer Field Renovation project, by and between the City of Roseville and Granite Bay FC, has been reviewed by the Council; and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Roseville that said agreement is approved and that the City Manager is authorized to execute it on behalf of the City of Roseville.

PASSED AND ADOPTED by the Council of the City of Roseville this ____day of _______________, 20_, by the following vote on roll call:

AYES COUNCILMEMBERS:

NOES COUNCILMEMBERS:

ABSENT COUNCILMEMBERS:

____
MAYOR

ATTEST:

____
City Clerk

FUNDING AND USE AGREEMENT
FOR THE MAIDU SOCCER FIELDS RENOVATION PROJECT

THIS FUNDING AND USE AGREEMENT ("Agreement") is entered into this ____ day of ________, 20____, by Granite Bay FC, a California nonprofit corporation ("GBFC") and the City of Roseville, a municipal corporation ("CITY") (collectively "the Parties").

WITNESSETH:

WHEREAS, CITY is the owner and operator of Maidu Regional Park located at 1550 Maidu Drive in Roseville, CA; and

WHEREAS, within Maidu Regional Park is the Joe Tapia, Jr. Soccer Complex ("Maidu Soccer Fields") consisting of five (5) grass soccer fields; numbered as Maidu #1, 2, 4, 5, and 6, and

WHEREAS, GBFC is a youth soccer organization and member of the City of Roseville Youth Sports Coalition; and

WHEREAS, GBFC is currently allocated soccer fields at the Maidu Soccer Fields from August through December via its membership in the Youth Sports Coalition; and

WHEREAS, CITY is currently undertaking a project to renovate the Maidu Soccer Fields with upgraded irrigation and durable grass turf ("the Project"); and

WHEREAS, GBFC will substantially benefit from the Project through future allocations at the Maidu Soccer Fields; and

WHEREAS, GBFC and has agreed to provide a grant to CITY to partially fund the Project in exchange for guaranteed future allocations at the Maidu Soccer Fields as described in this Agreement; and

WHEREAS, it is to the benefit of CITY and GBFC to contribute jointly to the Project, which will serve the needs of GBFC and the general public for years to come.

NOW, THEREFORE, the Parties agree as follows:

1. Grant. GBFC agrees to grant to CITY forty thousand six hundred twenty five dollars ($40,625) (the "Grant") towards the Project. The Grant shall be due and payable to CITY within thirty (30) days following execution of this Agreement by both Parties.

2. Field Allocation. In consideration of the Grant by GBFC to CITY, CITY agrees to guarantee field allocations to GBFC at the Maidu Soccer Fields starting in the 2021 season and continuing through the 2025 season as follows:

   a. Maidu #2 - Mondays through Saturdays (4pm - 10pm on weekdays, 9am - 10pm on Saturdays) from the first Monday in August until the first Saturday in December.

   b. Maidu #1, 2, 4, 5, 6 - Friday through Sunday during the last weekend of October for the annual "Ghosts and Goals" tournament (9am - 10pm each day). GBFC shall pay CITY the applicable tournament rental rate.

   c. Maidu #6 – to be shared between Roseville Youth Soccer Club ("RYSC") and GBFC Mondays through Saturdays (4pm - 10pm on weekdays, 9am - 10pm on Saturdays) from the first Monday in August until the first Saturday in December. Generally, usage of Maidu #1 will be allocated 75% to RYSC and 25% to GBFC, but actual days and hours of use may be determined through cooperative discussion between the two clubs and in consultation with CITY. If the clubs cannot agree on days and hours of use, CITY will allocate Maidu #1 per the percentages previously referenced.

d. Maidu #2 – For two weeks in May, 4pm – 9pm, GBFC shall have first option of use for GBFC tryouts, and GBFC must notify CITY four weeks in advance of such use. Use of Maidu #6 during this same time frame will be shared with RYSC. Generally, usage of Maidu #6 will be allocated 75% to RYSC and 25% to GBFC, but actual days and hours of use may be determined through cooperative discussion between the two clubs and in consultation with CITY. If the clubs cannot agree on days and hours of use, CITY will allocate Maidu #6 per the percentages previously referenced. GBFC shall pay CITY the applicable field rental fee for this use.

e. Maidu #2 – Mondays through Saturdays (4pm - 10pm on weekdays, 9am - 10pm on Saturdays), during April and May <u>in 2021 only</u>, *providing* the turf is well established and the fields are ready to withstand such use, as determined by CITY. Should Maidu #2 not be available for use in April/May 2021, CITY will guarantee use of alternate fields to meet GBFC's needs. GBFC shall pay CITY the applicable field rental fee for this use.

3. <u>Term of Agreement.</u> This Agreement shall commence upon execution and terminate on December 31, 2025, unless otherwise terminated by mutual agreement of the parties.

4. Youth Sports Coalition Membership. The Parties agree that the field allocations described in section 2 above are not contingent upon GBFC's continued membership in the Youth Sports Coalition. In the event that GBFC's membership in the Youth Sports Coalition is withdrawn, cancelled or terminated for any reason, GBFC shall still be entitled to such field allocations pursuant to this Agreement. However, GBFC shall continue to abide by the then-applicable Field Use Master Agreement and pay a reasonable rental fee for the field allocations commensurate with the then-current Youth Sports Coalition fees.

5. Indemnification. Each party shall defend, indemnify, and save and hold harmless the other party, its officers, agents, employees and volunteers from any claims, suits or actions of every name, kind and description brought forth, or on account of, injuries to or death of any person (including but not limited to workers and the public), or damage to property, resulting from or arising out of the indemnifying party's willful misconduct or negligent act or omission while engaged in the performance of obligations or exercise of rights created by this Agreement, except those matters arising from the sole negligence or willful misconduct of the other party. The parties intend that this provision shall be broadly construed.

Each party's responsibility for such defense and indemnity obligations shall survive the termination or completion of this Agreement for the full period of time allowed by law. The defense and indemnity obligations of this Agreement are undertaken in addition to, and shall not in any way be limited by, the insurance obligations contained in this Agreement.

6. Insurance. CITY and GBFC agree to continuously maintain, in full force and effect, at a minimum the following policies of insurance, or equivalent self-insurance, during the term of this Agreement:

COVERAGE	LIMITS OF LIABILITY
Workers Compensation	Statutory
Commercial General Liability	$1,000,000 each occurrence $2,000,000 aggregate Personal Injury: $1,000,000 each occurrence $2,000,000 aggregate
Automobile Liability	Bodily Injury: $500,000 per person $1,000,000 per accident Property Damage: $100,000 per occurrence

7. Attorney's Fees; Venue; Governing Law. If either party commences any legal action against the other party arising out of this Agreement or the performance hereof, the prevailing party in such action shall be entitled to recover its reasonable litigation expenses, including but not limited to, court costs, expert witness fees, discovery expenses, and attorney's fees. Any action arising out of this Agreement shall be brought in Placer County, California, regardless of where else venue may lie. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

8. Force Majeure. Neither party shall be responsible for delays or failures in performance resulting from acts beyond the control of such party. Such acts include, but are not limited to, acts of God, riots, acts of war, epidemics, fire, earthquakes or other disasters.

9. Modification. This Agreement and each provision contained herein may be waived, amended, supplemented or eliminated only by mutual written agreement of the parties.

10. Severability. If any of the provisions contained in this Agreement are for any reason held invalid or unenforceable, such holding shall not affect the remaining provisions or the validity and enforceability of the Agreement as a whole.

11. Notices. Any notices to parties required by this Agreement shall be delivered personally or mailed, U.S. first class postage prepaid, addressed as follows:

CITY	GBFC
City of Roseville Parks, Recreation and Libraries Attn: Dustin DiPlacito 316 Vernon Street Suite 400 Roseville, CA 95678	Granite Bay FC Attn: Jason Sommer P.O Box 2221 Granite Bay, CA 95746

Either party may amend its address for notice by giving notice to the other party in writing.

12. Integrated Agreement. This is an integrated agreement and contains all of the terms, considerations, understanding and promises of the parties. It shall be read as a whole.

IN WITNESS WHEREOF, the City of Roseville, a municipal corporation, has authorized the execution of this Agreement in duplicate by its City Manager and attested to by its City Clerk under the authority of Resolution No. ______, adopted by the Council of the City of Roseville on the ___ day of ____________, 20__, and GBFC has caused this Agreement to be executed.

CITY OF ROSEVILLE, a
municipal corporation

BY:________________________
DOMINICK CASEY
City Manager

ATTEST:

BY:________________________
SONIA OROZCO
City Clerk

GRANITE BAY FC,
a California nonprofit corporation

BY: Jason J Sommer
its: President

and

BY: [signature]
its: Secretary

APPROVED AS TO FORM:

BY: ___________________________
ROBERT R. SCHMITT
City Attorney

APPROVED AS TO SUBSTANCE:

BY: Jill Geller
JILL GELLER
Director of Parks, Recreation and Libraries

COUNCIL COMMUNICATION

CC #: 1204
File #: 0900-07

Title: Maidu Soccer Fields Renovation Project - Funding and Use Agreement
Contact: Dustin DiPlacito 916-774-5923 ddiplacito@roseville.ca.us

Meeting Date: 1/13/2021
Item #: 7.3.

RECOMMENDATION TO COUNCIL

Adopt a resolution to approve the Funding and Use Agreement for the Maidu Soccer Fields Renovation Project, by and between the City of Roseville and the Roseville Youth Soccer Club, and authorize the City Manager to execute it on behalf of the City of Roseville.

BACKGROUND

The Maidu Soccer Complex is located on the 152-acre regional park site, east of Rocky Ridge Drive and south of Douglas Boulevard. The soccer complex is used extensively by the Roseville Youth Soccer Club and Granite Bay FC for league play, and hosts numerous tournaments and events every year. Other regional and state-wide tournaments/events are also held at this complex. The project included renovations and upgrades to the existing irrigation system to provide better irrigation coverage and improved water efficiency, which will aide in reducing ongoing maintenance costs.
Roseville Youth Soccer Club has agreed to contribute $121,875 to the project. The Maidu Soccer Field Funding Agreement between the City and the Roseville Youth Soccer Club memorializes the commitment.
As part of the Agreement with the Roseville Youth Soccer Club, the City agrees to guarantee three field allocations (Fields #1, 4 & 5) starting in the 2021 season (which runs from the first Monday in August through the first Saturday in December) during the week and on Saturdays. This allocation will continue through the 2025 season.
Additionally, Roseville Youth Soccer Club's use of all five fields for an annual tournament, typically held each July, is also included in the Agreement.
Use of Field #6 is to be shared between the Roseville Youth Soccer Club and Granite Bay FC.

FISCAL IMPACT

The City approved the Maidu Soccer Field Renovations project in February 2020 utilizing General Fund resources and contributions from partners, including $121,875 from the Roseville Youth Soccer Club.

ENVIRONMENTAL REVIEW

The California Environmental Quality Act (CEQA) does not apply to activities that will not result in a direct or reasonably foreseeable indirect physical change in the environment, or is otherwise not considered a project as defined by CEQA Statute §21065 and CEQA State Guidelines §15060(c)(3) and §15378.
The Funding and Use Agreement meets the above criteria and is not subject to CEQA. No additional environmental review is required.

Respectfully Submitted,

Dustin DiPlacito, Recreation & Libraries Supervisor

Jill Geller, Parks, Recreation & Libraries Director

____
Dominick Casey, City Manager

ATTACHMENTS:

Description

Resolution 21-006

Agreement

RESOLUTION NO. 21-006

APPROVING A FUNDING AND USE AGREEMENT, BY AND BETWEEN THE CITY OF ROSEVILLE AND THE ROSEVILLE YOUTH SOCCER CLUB, AND AUTHORIZING THE CITY MANAGER TO EXECUTE IT ON BEHALF OF THE CITY OF ROSEVILLE

WHEREAS, a Funding and Use Agreement for the Maidu Soccer Field Renovation project, by and between the City of Roseville and the Roseville Youth Soccer Club, has been reviewed by the Council; and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Roseville that said agreement is approved and that the City Manager is authorized to execute it on behalf of the City of Roseville.

PASSED AND ADOPTED by the Council of the City of Roseville this ____ day of _______________, 20_, by the following vote on roll call:

AYES COUNCILMEMBERS:

NOES COUNCILMEMBERS:

ABSENT COUNCILMEMBERS:

____
MAYOR

ATTEST:

____
City Clerk

FUNDING AND USE AGREEMENT
FOR THE MAIDU SOCCER FIELDS RENOVATION PROJECT

THIS FUNDING AND USE AGREEMENT ("Agreement") is entered into this ____ day of ________, 20____, by Roseville Youth Soccer Club, a California nonprofit corporation ("RYSC") and the City of Roseville, a municipal corporation ("CITY") (collectively "the Parties").

WITNESSETH:

WHEREAS, CITY is the owner and operator of Maidu Regional Park located at 1550 Maidu Drive in Roseville, CA; and

WHEREAS, within Maidu Regional Park is the Joe Tapia, Jr. Soccer Complex ("Maidu Soccer Fields") consisting of five (5) grass soccer fields; numbered as Maidu #1, 2, 4, 5, and 6, and

WHEREAS, RYSC is a youth soccer organization and member of the City of Roseville Youth Sports Coalition; and

WHEREAS, RYSC is currently allocated soccer fields at the Maidu Soccer Fields from August through December via its membership in the Youth Sports Coalition; and

WHEREAS, CITY is currently undertaking a project to renovate the Maidu Soccer Fields with upgraded irrigation and durable grass turf ("the Project"); and

WHEREAS, RYSC will substantially benefit from the Project through future allocations at the Maidu Soccer Fields; and

WHEREAS, RYSC and has agreed to provide a grant to CITY to partially fund the Project in exchange for guaranteed future allocations at the Maidu Soccer Fields as described in this Agreement; and

WHEREAS, it is to the benefit of CITY and RYSC to contribute jointly to the Project, which will serve the needs of RYSC and the general public for years to come.

NOW, THEREFORE, the Parties agree as follows:

1. Grant. RYSC agrees to grant to CITY one hundred twenty one thousand eight hundred seventy five dollars ($121,875) (the "Grant") towards the Project. The Grant shall be due and payable to CITY within thirty (30) days following execution of this Agreement by both Parties.

2. Field Allocation. In consideration of the Grant by RYSC to CITY, CITY agrees to guarantee field allocations to RYSC at the Maidu Soccer Fields starting in the 2021 season and continuing through the 2025 season as follows:

a. Maidu #1, 4, 5 - Mondays through Saturdays (4pm - 10pm on weekdays, 9am - 10pm on Saturdays) from the first Monday in July until the first Saturday in December (except for Friday-Saturday during the last weekend of October, at which time these fields are allocated to Granite Bay FC for its "Ghosts and Goals" Tournament).

b. Maidu #1, 2, 4, 5, 6 - Saturday and Sunday during the third weekend of July for annual tournament (8am - 9pm each day). RYSC shall pay City the applicable tournament rental rate for this use.

c. Maidu #6 – to be shared between RYSC and Granite Bay FC("GBFC") Mondays through Saturdays (4pm - 10pm on weekdays, 9am - 10pm on Saturdays) from the first Monday in August until the first Saturday in December (except for Friday-Saturday during the last weekend of October, at which time this field is allocated solely to GBFC for its

"Ghosts and Goals" Tournament). Generally, usage of Maidu #6 will be allocated 75% to RYSC and 25% to GBFC, but actual days and hours of use may be determined through cooperative discussion between the two clubs and in consultation with CITY. If the clubs cannot agree on days and hours of use, CITY will allocate Maidu #6 per the percentages previously referenced.

d. Maidu #1, 4, 5 – For two weeks in May, 4pm – 9pm, RYSC shall have first option of use for RYSC tryouts, and RYSC must notify CITY four weeks in advance of such use. Use of Maidu #6 during this same time frame will be shared with GBFC. Generally, usage of Maidu #6 will be allocated 75% to RYSC and 25% to GBFC, but actual days and hours of use may be determined through cooperative discussion between the two clubs and in consultation with CITY. If the clubs cannot agree on days and hours of use, CITY will allocate Maidu #6 per the percentages previously referenced. RYSC shall pay CITY the applicable field rental fee for this use.

e. Maidu #1, 4, 5 – Mondays through Saturdays (4pm - 10pm on weekdays, 9am - 10pm on Saturdays), during April and May <u>in 2021 only</u>, *providing* the turf is well established and the fields are ready to withstand such use, as determined by CITY. Should Maidu #1, 4, 5 not be available for use in April/May 2021, CITY will guarantee use of alternate fields to meet RYSC's needs. RYSC shall pay CITY the applicable field rental fee for this use.

3. Term of Agreement. This Agreement shall commence upon execution and terminate on December 31, 2025, unless otherwise terminated by mutual agreement of the parties.

4. Youth Sports Coalition Membership. The Parties agree that the field allocations described in section 2 above are not contingent upon RYSC's continued membership in the Youth Sports Coalition. In the event that RYSC's membership in the Youth Sports Coalition is withdrawn, cancelled or terminated for any reason, RYSC shall still be entitled to such field allocations pursuant to this Agreement. However, RYSC shall continue to abide by the then-applicable Field Use Master Agreement and pay a reasonable rental fee for the field allocations commensurate with the then-current Youth Sports Coalition fees.

5. Indemnification. Each party shall defend, indemnify, and save and hold harmless the other party, its officers, agents, employees and volunteers from any claims, suits or actions of every name, kind and description brought forth, or on account of, injuries to or death of any person (including but not limited to workers and the public), or damage to property, resulting from or arising out of the indemnifying party's willful misconduct or negligent act or omission while engaged in the performance of obligations or exercise of rights created by this Agreement, except those matters arising from the sole negligence or willful misconduct of the other party. The parties intend that this provision shall be broadly construed.

Each party's responsibility for such defense and indemnity obligations shall survive the termination or completion of this Agreement for the full period of time allowed by law. The defense and indemnity obligations of this Agreement are undertaken in addition to, and shall not in any way be limited by, the insurance obligations contained in this Agreement.

6. Insurance. CITY and RYSC agree to continuously maintain, in full force and effect, at a minimum the following policies of insurance, or equivalent self-insurance, during the term of this Agreement:

COVERAGE	LIMITS OF LIABILITY
Workers Compensation	Statutory
Commercial General Liability	$1,000,000 each occurrence $2,000,000 aggregate Personal Injury: $1,000,000 each occurrence $2,000,000 aggregate
Automobile Liability	Bodily Injury: $500,000 per person $1,000,000 per accident Property Damage: $100,000 per occurrence

7. Attorney's Fees; Venue; Governing Law. If either party commences any legal action against the other party arising out of this Agreement or the performance hereof, the prevailing party in such action shall be entitled to recover its reasonable litigation expenses, including but not limited to, court costs, expert witness fees, discovery expenses, and attorney's fees. Any action arising out of this Agreement shall be brought in Placer County, California, regardless of where else venue may lie. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

8. Force Majeure. Neither party shall be responsible for delays or failures in performance resulting from acts beyond the control of such party. Such acts include, but are not limited to, acts of God, riots, acts of war, epidemics, fire, earthquakes or other disasters.

9. Modification. This Agreement and each provision contained herein may be waived, amended, supplemented or eliminated only by mutual written agreement of the parties.

10. Severability. If any of the provisions contained in this Agreement are for any reason held invalid or unenforceable, such holding shall not affect the remaining provisions or the validity and enforceability of the Agreement as a whole.

11. Notices. Any notices to parties required by this Agreement shall be delivered personally or mailed, U.S. first class postage prepaid, addressed as follows:

CITY	RYSC
City of Roseville Parks, Recreation and Libraries Attn: Dustin DiPlacito 316 Vernon Street Suite 400 Roseville, CA 95678	P.O. Box 355 Roseville, CA 95678

Either party may amend its address for notice by giving notice to the other party in writing.

12. Integrated Agreement. This is an integrated agreement and contains all of the terms, considerations, understanding and promises of the parties. It shall be read as a whole.

IN WITNESS WHEREOF, the City of Roseville, a municipal corporation, has authorized the execution of this Agreement in duplicate by its City Manager and attested to by its City Clerk under the authority of Resolution No. ______, adopted by the Council of the City of Roseville on the ___ day of ____________, 20__, and RYSC has caused this Agreement to be executed.

CITY OF ROSEVILLE, a
municipal corporation

BY:____________________________
DOMINICK CASEY
City Manager

ROSEVILLE YOUTH SOCCER CLUB,
a California nonprofit corporation

BY:____________________________
its: President
and John Sommerkamp

ATTEST:

BY: ______________________________
its: ______________________________

BY: ______________________________
SONIA OROZCO
City Clerk

APPROVED AS TO FORM:

BY: ______________________________
ROBERT R. SCHMITT
City Attorney

APPROVED AS TO SUBSTANCE:

BY: Jill Geller
JILL GELLER
Director of Parks, Recreation and Libraries

COUNCIL COMMUNICATION

CC #: 1203
File #: 0503-02

Title: Conflict of Interest Disclosure Amendment

Contact: Audrey Byrnes 916-774-5268 abyrnes@roseville.ca.us

Meeting Date: 1/13/2021
Item #: 7.4.

RECOMMENDATION TO COUNCIL

Staff recommends Council adopt a Resolution updating the City of Roseville's Conflict of Interest Code to accurately reflect positions and disclosure requirements subject to the Code.

BACKGROUND

The Fair Political Practices Commission (FPPC) requires local government agencies to adopt and implement a conflict of interest code which establishes categories of public officials and employees who must disclose their personal financial interests. Filing of Statements of Economic Interest (Form 700) enables the organization to identify areas of potential conflicts so that government officials and employees can refrain from making or participating in government decisions that have a reasonably foreseeable material financial effect on his or her personal interests. The California Government Code requires local agencies to annually review its Conflict of Interest Code to accurately reflect required filers of Form 700 as designated by the City Attorney. Council adopted the last update in January 2020.

FISCAL IMPACT

There is no fiscal impact.

ENVIRONMENTAL REVIEW

The California Environmental Quality Act (CEQA) does not apply to activities that will not result in a direct or reasonably foreseeable indirect physical change in the environment, or is otherwise not considered a project as defined by CEQA Statute §21065 and CEQA State Guidelines §15060(c)(3) and §15378. Adoption of the Fair Political Practices Commission regulations meets the above criteria and is not subject to CEQA. No additional environmental review is required.

Respectfully Submitted,

Audrey Byrnes, Assistant City Clerk

Sonia Orozco, City Clerk

Dominick Casey, City Manager

ATTACHMENTS:

Description

Resolution 21-008

Appendix I

Appendix II

Redline Appendix I

RESOLUTION NO. 21-008

READOPTING THE FAIR POLITICAL PRACTICES COMMISSION MODEL CONFLICT OF INTEREST CODE AND REPEALING RESOLUTION NO. 20-010

WHEREAS, the Political Reform Act of 1974, as amended (“the Act”, California Government Code §81000 et seq.) requires in Government Code §87300 that each agency subject to the Act, including the City of Roseville, adopt a local Conflict of Interest Code ("the Code"); and

WHEREAS, the Act provides in §87302 that each such local Conflict of Interest Code shall designate positions within each agency subject to the Code and further designate the types of reportable interests which much be disclosed by such designated employees; and

WHEREAS, the Fair Political Practices Commission in administering the Act has adopted a regulation (California Code of Regulations Title 2, §18730) which permits agencies subject to the Act to adopt by reference a Model Conflict of Interest Code developed by the Fair Political Practices Commission; and

WHEREAS, any designated board or commission member or designated employee who fails to timely file a required statement of economic interest is subject to a fine in accordance with the provisions of the Political Reform Act of 1974, together with any other penal or remedial measure authorized by that Act; and

WHEREAS, when the board or commission member’s failure to file persists for more than thirty (30) days after the final filing date, the City Clerk will forthwith notify the member that he or she is disqualified from any participation in the meetings or other activities of the board or commission, until the member both files the required statement of economic interests and pays any fines associated with the failure to file. If the member’s failure to file and/or pay the associated fine persists for more than sixty (60) days after the final filing date, the member shall be removed from the board or commission by Council action; and

WHEREAS, by Resolution No. 20-010, the City of Roseville has previously adopted said Model Code; and

WHEREAS, the City Council now desires to readopt said Model Code to change the list of designated classifications and categories of disclosure required.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Roseville that:

1. Pursuant to the provisions of California Government Code §87300 and the California Code of Regulations Title 2, §18730, the Council hereby readopts the Model Conflict of Interest Code of the Fair Political Practices Commission, as such Code currently exists or may hereafter be amended, as the local Conflict of Interest Code of the City of Roseville (“the Code”).
2. Said Code shall apply and be applicable to those persons in the classified or unclassified service of the City of Roseville as listed in Appendix “I”, attached hereto. Each designated board or commission member or designated employee in each designated classification shall be assigned to a disclosure category also set forth in Appendix “I”.
3. Each designated board or commission member or designated employee in each designated classification, as listed in Appendix “I”, shall report as required by the Code, all reportable interests for his or her particular disclosure category as shown in Appendix “II”, attached hereto and as required by the Code.

BE IT FURTHER RESOLVED, that each designated employee in the Code shall be required to comply with AB 1234 ethics training requirements and failure to comply may result in disciplinary action; and

BE IT FURTHER RESOLVED, that all board and commission members shall be required to comply with AB 1234 regarding ethics training requirements and failure to comply shall result in removal from the board or commission; and

BE IT FURTHER RESOLVED, that all board and commission members shall be required to comply with AB 1661 regarding sexual harassment prevention training requirements and failure to comply shall result in removal from the board or commission; and

BE IT FURTHER RESOLVED, that the City Clerk is directed to act as Filing Officer for all designated filers, and shall be responsible for the administration of the Conflict of Interest Code; and

BE IT FURTHER RESOLVED, that Resolution No. 20-010 (adopted January 15, 2020) is hereby repealed.

PASSED AND ADOPTED by the City Council of the City of Roseville, Placer County, California this __________________day of_____________________, 2021, by the following roll call:

AYES COUNCILMEMBERS

NOES COUNCILMEMBERS

ABSENT COUNCILMEMBERS

ATTEST:

____
MAYOR

____
CITY CLERK

APPENDIX I

CLASSIFICATION	DESIGNATED CATEGORY
Accounting Manager	2
Administrative Analyst	3
Alternative Transportation Analyst	3
Alternative Transportation Manager	2
AMI Project Manager	3
Assistant City Attorney	1
Assistant City Clerk	3
Assistant City Manager	1
Assistant Electric Utility Director	1
Assistant Engineer	3
Assistant Environmental Utilities Director	1
Assistant Finance Director	2
Assistant Fire Chief	2
Assistant Human Resources Director	2
Assistant Information Technology Director	2
Assistant Planner	3
Assistant Police Chief	1
Associate Engineer	3
Associate Planner	3
Billing Services Manager	2
Boards & Commissions	1
Design Committee	
Economic Development Advisory Committee	
Grants Advisory Commission	
Public Utilities Commission	
Transportation Commission	
Budget Analyst	3
Budget Manager	2
Building Inspection Supervisor	2
Building Inspector	3
Building Official	2
Building Plans Examiner	3
Business Systems Analyst	3
Buyer	3
Chief Information Officer	1
City Clerk	1
City Engineer	2
Code Enforcement Inspector	3
Code Enforcement Supervisor	3
Community Relations Analyst	3
Construction Inspection Superintendent	3
Construction Inspection Supervisor	3
Construction Inspector	3
Crime Analyst	3
Database Analyst	3
Data Management System Administrator	3
Department Public Information Officer	3
Deputy City Attorney	1
Deputy City Manager	1
Development Analyst	3
Development Services Administrator	3
Development Services Analyst	3
Development Services Director	1
Development Services Manager	2

Economic Development Analyst	3
Economic Development Director	1
Economic Development Project Manager	3
Electric Business Analyst	3
Electric Compliance Analyst	3
Electric Customer Programs Supervisor	3
Electric Operations Manager	2
Electric Resources Analyst	3
Electric Risk and Compliance Supervisor	3
Electric Technology Systems Administrator	3
Electric Utility Director	1
Electric Utility Financial Administrator	3
EMS Quality Assurance Coordinator	3
Energy Services Account Representative	3
Engineering Manager	2
Environmental Coordinator	2
Environmental Utilities Business Analyst	3
Environmental Utilities Business Services Administrator	3
Environmental Utilities Compliance Administrator	3
Environmental Utilities Director	1
Environmental Utilities Rate Analyst	3
Environmental Utilities Superintendent	3
Equipment Maintenance Supervisor	3
ERP Business Analyst	3
ERP Manager	3
Facilities Manager	3
Finance Manager	3
Finance Utility Billing Analyst	3
Fire & Environmental Safety Inspector	3
Fire & Environmental Inspection Supervisor	2
Fire Battalion Chief	2
Fire Chief	1
Fire Division Chief	2
Fleet Manager	3
GIS Analyst	3
Government Relations Administrator	2
Government Relations Representative	3
Housing Analyst	3
Housing Manager	3
Housing Supervisor	3
Human Resources Analyst	3
Human Resources Director	1
Human Resources Manager	3
Information Security Administrator	3
Interpretive Services Supervisor	3
IT Analyst	3
IT Client Services Supervisor	3
IT Programs Manager	2
Management Analyst	3
Marketing & Communications Analyst	3
Park Development Analyst	3
Park Development Project Manager	3
Park Planning & Development Superintendent	3
Parks, Recreation & Libraries Director	1
Parks, Recreation & Libraries Manager	3
Parks, Recreation & Libraries Superintendent	3
Permits Supervisor	3
Planning Manager	2
Police Captain	2

Police Chief	1
Police Lieutenant	2
Police Services Administrator	3
Police Social Services Practitioner	3
Power Engineer	3
Power Engineering Manager	2
Power Generation Superintendent	3
Power Plant Engineer	3
Power Plant Operations & Maintenance Supervisor	3
Power Supply & Portfolio Administrator	3
Principal Engineer	2
Principal Planner	2
Process Engineer	3
Project Coordinator	3
Public Information Officer	2
Public Works Director	1
Purchasing and Warehouse Manager	2
Refuse Superintendent	3
Refuse and Stormwater Manager	2
Risk Manager	3
Roseville Community Development Corporation – CEO	1
Senior Building Inspector	3
Senior Building Plans Examiner	3
Senior Business Systems Analyst	3
Senior Buyer	3
Senior Construction Inspector	3
Senior Database Analyst	3
Senior Deputy City Attorney	1
Senior Development Services Analyst	3
Senior Electric Business Analyst	3
Senior Electric Technology Systems Analyst	3
Senior Energy Services Account Representative	3
Senior Engineer	2
Senior Environmental Utilities Business Analyst	3
Senior GIS Analyst	3
Senior Human Resources Analyst	3
Senior IT Analyst	3
Senior Planner	2
Senior Power Engineer	3
Senior Power Plant Engineer	3
Senior Utility Billing Analyst	3
Streets Maintenance Superintendent	3
Utility Billing and Field Services Supervisor	3
Utility Billing Operations Manager	2
Utility Customer Service Supervisor	3
Transit Operations Analyst	3
Transportation Grants Analyst	3
Utility Government Relations Administrator	3
Wastewater Treatment Plant Chief Operator	3
Water Distribution Supervisor	3
Water Quality Lab Supervisor	3
Water Treatment Plant Chief Operator	3
Consultants	*

* To be determined on a case by case basis by the City Manager

87200 Filers: City Council, Planning Commission, City Manager, City Attorney, Chief Financial Officer

APPENDIX II

The types of economic interests that must be reported for each category are listed in the following chart. Letter designations of reportable interests correspond to applicable reporting schedules for Form 700.

Schedule	Category 1	Category 2	Category 3
A-1 Investments (less than 10% ownership)	x	x	
A-2 Investments (greater than 10% ownership)	x	x	
B Real Property	x	x	x
C Income, Loans, and Business Positions	x		
D Income – Gift	x	x	x
E Income – Travel Payments	x	x	

Disclosure Categories

There are three (3) disclosure categories for designated employees listed in Appendix I. Classification within one of the three categories is based upon the category descriptions as follows:

Category 1
Employees with a high level of decision-making authority. This category includes department heads and those employees in secondary levels of management involved in the land use, development, or contracting processes. Also included are selected employees with substantial responsibility in the area of construction of public facilities such as buildings and roads or employees involved in a broad spectrum of activities.

Category 2
Employees involved in the land use, development, or contracting processes who are not listed in Category 1 but provide significant services in the form of analysis and advice to decision makers.

Category 3
Employees generally uninvolved in the land use, development, or contracting processes but who provide significant services in the form of analysis and advice to decision makers.

APPENDIX I

CLASSIFICATION	DESIGNATED CATEGORY
Accounting Manager	2
Administrative Analyst	3
Alternative Transportation Analyst	3
Alternative Transportation Manager	2
AMI Project Manager	3
Assistant City Attorney	1
Assistant City Clerk	3
Assistant City Manager	1
Assistant Electric Utility Director	1
Assistant Engineer	3
Assistant Environmental Utilities Director	1
Assistant Finance Director	2
Assistant Fire Chief	2
Assistant Human Resources Director	2
Assistant Information Technology Director	2
Assistant Planner	3
Assistant Police Chief	1
Associate Engineer	3
Associate Planner	3
Billing Services Manager	2
Boards & Commissions	1
Design Committee	
Economic Development Advisory Committee	
Grants Advisory Commission	
Public Utilities Commission	
Transportation Commission	
Budget Analyst	3
Budget Manager	2
Building Inspection Supervisor	2
Building Inspector	3
Building Official	2
Building Plans Examiner	3
Business Systems Analyst	3
Buyer	3
Chief Information Officer	1
City Clerk	1
City Engineer	2
Code Enforcement Inspector	3
Code Enforcement Supervisor	3
Community Relations Analyst	3
Construction Inspection Superintendent	3
Construction Inspection Supervisor	3
Construction Inspector	3
~~Controller~~	~~2~~
Crime Analyst	3
Database Analyst	3
Data Management System Administrator	3
Department Public Information Officer	3
Deputy City Attorney	1
Deputy City Manager	1
Development Analyst	3
Development Services Administrator	3
Development Services Analyst	3
Development Services Director	1
Development Services Manager	2

Commented [BA1]: 111820

Commented [BA2]: 030420

Commented [BA3]: 030720

Commented [BA4]: 111820

Economic Development Analyst	3	Commented [BA5]: 110420
Economic Development Director	1	
Economic Development Project Manager	3	
Electric Business Analyst	3	
Electric Compliance Analyst	3	
Electric Customer Programs Supervisor	3	
Electric Operations Manager	2	
Electric Resources Analyst	3	
Electric Risk and Compliance Supervisor	3	
Electric Technology Systems Administrator	3	
Electric Utility Director	1	
Electric Utility Financial Administrator	3	
EMS Quality Assurance Coordinator	3	
Energy Services Account Representative	3	
Engineering Manager	2	
Environmental Coordinator	2	
Environmental Utilities Business Analyst	3	Commented [BA6]: 110420
Environmental Utilities Business Services Administrator	3	
Environmental Utilities Compliance Administrator	3	
Environmental Utilities Director	1	
Environmental Utilities Rate Analyst	3	
Environmental Utilities Superintendent	3	Commented [BA7]: 021920
Equipment Maintenance Supervisor	3	
ERP Business Analyst	3	
ERP Manager	3	
Facilities Manager	3	
Finance Manager	3	
~~Finance Supervisor~~	~~3~~	Commented [BA8]: 110420
Finance Utility Billing Analyst	3	
~~Financial Analyst~~	~~3~~	Commented [BA9]: 110420
Fire & Environmental Safety Inspector	3	
Fire & Environmental ~~Safety~~ Inspection Supervisor	2	Commented [BA10]: 011520
Fire Battalion Chief	2	
Fire Chief	1	
Fire Division Chief	2	
~~Fire Inspector~~	~~3~~	Commented [BA11]: 050620
Fleet Manager	3	
GIS Analyst	3	
Government Relations Administrator	2	
Government Relations Representative	3	
Housing Analyst	3	
Housing Manager	3	
Housing Supervisor	3	
Human Resources Analyst	3	
Human Resources Director	1	
Human Resources Manager	3	
Information Security Administrator	3	
Interpretive Services Supervisor	3	
IT Analyst	3	
IT Client Services Supervisor	3	
IT Programs Manager	2	
Management Analyst	3	
Marketing & Communications Analyst	3	
Park Development Analyst	3	
Park Development Project Manager	3	Commented [BA12]: 110420
Park Planning & Development Superintendent	3	
Parks, Recreation & Libraries Director	1	
Parks, Recreation & Libraries Manager	3	
Parks, Recreation & Libraries Superintendent	3	

Permits Supervisor	3	
Planning Manager	2	
Police Captain	2	
Police Chief	1	
Police Lieutenant	2	
Police Services Administrator	3	
Police Social Services ~~Administrator~~Practitioner	3	**Commented [BA13]:** 050620
Power Engineer	3	
Power Engineering Manager	2	
Power Generation Superintendent	3	
Power Plant Engineer	3	
Power Plant Operations & Maintenance Supervisor	3	
Power Supply & Portfolio Administrator	3	
Principal Engineer	2	
Principal Planner	2	
Process Engineer	3	
Project Coordinator	3	
Public Information Officer	2	
Public Works Director	1	
Purchasing and Warehouse Manager	2	
Refuse Superintendent	3	
Refuse and Stormwater Manager	2	
Risk Manager	3	
Roseville Community Development Corporation – CEO	1	
Senior Building Inspector	3	
Senior Building Plans Examiner	3	
Senior Business Systems Analyst	3	
Senior Buyer	3	
Senior Construction Inspector	3	
Senior Database Analyst	3	
Senior Deputy City Attorney	1	
Senior Development Services Analyst	3	
Senior Electric Business Analyst	3	
Senior Electric Technology Systems Analyst	3	**Commented [BA14]:** 021920
Senior Energy Services Account Representative	3	
Senior Engineer	2	
Senior Environmental Utilities Business Analyst	3	**Commented [BA15]:** 110420
Senior GIS Analyst	3	
Senior Human Resources Analyst	3	
Senior IT Analyst	3	
Senior Planner	2	
Senior Power Engineer	3	
Senior Power Plant Engineer	3	
Senior Utility Billing Analyst	3	**Commented [BA16]:** 050620
Streets Maintenance Superintendent	3	
Utility Billing and Field Services Supervisor	3	**Commented [BA17]:** 110420
Utility Billing Operations Manager	2	**Commented [BA18]:** 110420
Utility Customer Service Supervisor	3	**Commented [BA19]:** 110420
Transit Operations Analyst	3	**Commented [BA20]:** 110420
Transportation Grants Analyst	3	**Commented [BA21]:** 110420
Utility Government Relations Administrator	3	
Wastewater Treatment Plant Chief Operator	3	
Water Distribution Supervisor	3	
Water Quality Lab Supervisor	3	
Water Treatment Plant Chief Operator	3	
Consultants	*	

* To be determined on a case by case basis by the City Manager

87200 Filers: City Council, Planning Commission, City Manager, City Attorney, Chief Financial Officer

COUNCIL COMMUNICATION

CC #: 1197
File #: 0502-06

Title:	Municipal Code Amendments - Consistency with the City Charter
Contact:	M. Sheidenberger 916-774-5325 msheidenberger@roseville.ca.us

Meeting Date: 1/13/2021
Item #: 7.5.

RECOMMENDATION TO COUNCIL

Recommend the Council introduce for first reading an ordinance amending Sections 2.06.020, 4.12.090, 4.12.095, and 4.12.100 of the Roseville Municipal Code and repealing Chapter 2.34 of the Roseville Municipal Code in order to make the Code consistent with the newly approved City Charter amendments.

BACKGROUND

On November 3, 2020, Roseville voters approved nine amendments to the City Charter. Due to the adoption of these amendments, various revisions are needed to the Roseville Municipal Code in order to make the Code consistent with these new Charter amendments.

Specifically, voters approved Measure L, which outlined the process for the selection of the next vice mayor by the drawing of lots and established a district-based rotational process for the seating of the mayor and vice mayor commencing in 2022. Conflicting provisions in Section 2.06.020, which authorizes the City Council to select a vice mayor from its membership, must be revised to reference the new selection process set forth in the City Charter.

Voters also approved Measure O, which raised the formal, sealed bid limit to $75,000 and eliminated the annual inflationary or deflationary adjustment to said bid limit. Changes to Sections 4.12.090, 4.12.095, and 4.12.100 of the Code are needed to eliminate references to the bid limit being established by ordinance and to cross reference the new bid limit set forth in the Charter.

Additional language also needs to be added to Section 4.12.095. By approving Measure J, the voters repealed Section 7.23 of the Charter dealing with the use of City forces to perform public works projects. The Charter Review Commission had recommended, and the Council had agreed, that this subject matter should be addressed in the Code instead. Both bodies previously approved the proposed language being added as Section 4.12.095(I).

Finally, voters also approved Measure R, which added Article 11 to the City Charter establishing the Roseville Independent Redistricting Commission. However, Chapter 2.34 of the Roseville

Municipal Code, which was adopted by the City Council in June 2020, already established the Redistricting Commission. By approving Measure R, Chapter 2.34 has been incorporated into the City Charter and accordingly must be repealed in the Code. In addition, references in Section 2.06.020 of the Code to the City Council amending electoral district boundaries after each federal decennial census must be replaced with references to the Redistricting Commission. The Redistricting Commission now has the exclusive authority to redraw Council district boundaries after every census, not the Council.

FISCAL IMPACT

There is no fiscal impact associated with adoption of this ordinance.

ENVIRONMENTAL REVIEW

The California Environmental Quality Act (CEQA) only applies to projects which have the potential to cause a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. (CEQA Guidelines §15061(b)(3)).

Respectfully Submitted,

Michelle Sheidenberger, Assistant City Attorney

Robert Schmitt, City Attorney

____

Dominick Casey, City Manager

ATTACHMENTS:

Description

Redline Ordinance

ORDINANCE NO. ____

ORDINANCE OF THE COUNCIL OF THE CITY OF ROSEVILLE AMENDING SECTION 2.06.020 OF CHAPTER 2.06 OF TITLE 2 OF THE ROSEVILLE MUNCIPAL CODE REGARDING MUNICIPAL ELECTIONS, REPEALING CHAPTER 2.34 OF TITLE 2 OF THE ROSEVILLE MUNICIPAL CODE REGARDING INDEPENDENT REDISTRICTING COMMISSION, AND AMENDING SECTIONS 4.12.090, 4.12.095 AND 4.12.100 OF CHAPTER 4.12 OF TITLE 4 OF THE ROSEVILLE MUNICIPAL CODE REGARDING PURCHASING SYSTEM FOR CONSISTENCY WITH THE CITY CHARTER

THE CITY OF ROSEVILLE ORDAINS:

SECTION 1. Section 2.06.020 of Chapter 2.06 of Title 2 of the Roseville Municipal Code is hereby amended to read as follows:

2.06.020 By-district elections.

A. City Councilmember Districts and District Elections. Pursuant to California Government Code Section 34886, all members of the city council of the City of Roseville shall be elected by-district as that term is defined in Government Code Section 34871, meaning that each of the five councilmembers shall be elected one from each district, by the voters of that district alone. All five councilmembers shall be elected in the electoral districts established by this chapter and as subsequently reapportioned pursuant to state law.

B. District Map. The boundaries of the council districts shall be shown upon the map designated as the "City of Roseville District Map" (referred to herein as the "District Map"), a copy of which shall be placed on file with the city clerk and available for public review. The District Map has been adopted by the council in compliance with applicable law, and is hereby incorporated into this chapter by reference as though it were fully set forth herein. All five councilmembers shall be elected on a by-district basis from the council districts shown and numbered on the District Map.

C. Amendment of District Boundaries. Pursuant to California Elections Code Section 21620 et seq., as it may be amended from time to time, the ~~approval authority~~Roseville Independent Redistricting Commission shall update the District Map and adjust the boundaries of any or all of the districts following each federal decennial census to ensure that the districts are in compliance with all applicable provisions of law. ~~The approval authority shall be the city council unless the city charter specifies otherwise.~~

D. District Sequencing and Timing. In November, 2020, and every four years thereafter, the following three city council seats shall be elected by-district: District 1; District 3; and District 5. In November, 2022, and every four years thereafter, the following two city council seats shall be elected by-district: District 2 and District 4. The city council may, by future enactment, change the dates of these elections as required and/or authorized by applicable law.

E. Residency. Any councilmember elected or appointed to represent a district must reside in that district and be a registered voter in that district, and any candidate for city council must reside in, and be a registered voter in, the district in which he or she seeks election at the time nomination papers are issued. Termination of residency in a district by a councilmember elected or appointed to that district seat shall create a vacancy for that city council district unless a substitute residence within the district is immediately declared and established within 30 calendar days after the termination of residency. Vacancies shall be filled in accordance with City Charter Section 3.09.

F. Incumbent City Councilmembers at Time of Adoption. Notwithstanding any other provision of this section, all councilmembers in office at the time this chapter takes effect shall continue in office until the expiration of the at-large term to which they were elected. In the event a vacancy occurs before the expiration of the term of a councilmember in office at the time this Chapter 2.06 takes effect, a person who is appointed or elected by special election to fill such vacancy may reside anywhere within the corporate boundaries of the city and shall serve only through the remainder of the vacated term.

G. Mayor and Vice-Mayor. ~~As soon as practicable following the certification of the 2020 general election and following every general election thereafter, the city council shall select a vice-mayor from its membership. The vice-mayor in office at the time this Chapter 2.06 takes effect shall become mayor following the November 2020 general election and shall serve a two-year term as mayor. As soon as practicable following the certification of the 2022 general election and following every general election thereafter, the city council shall select a mayor from its membership.~~Seating of the mayor and vice-mayor shall be as set forth in City Charter Section 2.03. The mayor and vice-mayor shall each serve a two year term unless stated otherwise in the city charter. ~~In the event of a vacancy of the mayor or vice-mayor, the remaining council members shall appoint from its membership a replacement for the remaining term.~~

H. General Principles of Governance. The city council understands the value of at-large governance regardless of the method from which city councilmembers are elected. Governing in the interest of all residents and not just the residents of a single district allows for the continuation of accessible customer service, the most effective use of taxpayer resources, and consistency in city services. Therefore, each councilmember will govern in the interest of the entire community regardless of the district from which they are elected. The city council shall remain united in its service to the community, and understands that customer service is a priority. Any member of the city council may respond to and assist anyone in the community who calls or contacts them regardless of residence in or representation of any particular district. Professional management in a city manager form of government will continue, with all of the best management practices that the city council expects, and supporting resources will be allocated based on expenses and expertise. Current practices regarding invitations to members of the city council to events and activities, and the process with respect to appointments to committees and various bodies will remain in effect, unless and until changed by the city council.

SECTION 2. Chapter 2.34 of Title 2 of the Roseville Municipal Code is hereby repealed in its entirety.

SECTION 3. Section 4.12.090 of Chapter 4.12 of Title 4 of the Roseville Municipal Code is hereby amended to read as follows:

4.12.090 Purchasing of supplies – Formal bidding procedure.

A. Purchase of supplies or equipment of an estimated value equal to or greater than the bid amount established ~~by ordinance, adopted by the city council, and amended yearly in~~

~~conjunction with the annual budget~~in the city's Charter, shall be by written purchase order with the lowest responsible bidder in accordance with this section.

B. Notice to Bidders. The purchasing officer shall prepare and send to prospective bidders a notice inviting bids and detailed specifications of the supplies or equipment.

1. Published Notice. The notice inviting bids shall be published at least five working days before the date of bid opening. For purposes of this section, "working days" means Monday through Friday, except federal holidays. The notice shall be published at least once in a newspaper of general circulation in the city, and shall include a general description of the articles to be purchased. The notice shall state where bid specifications may be obtained.

2. Bidders List. The purchasing officer shall also solicit bids from all responsible persons whose names are on the bidders list (see Section 4.12.030(J)) or who have requested their names to be added to the bidders list.

C. Bidders Security. The purchasing officer may, in his or her discretion, demand as security a deposit or bid bond from each bidder in an amount which shall be specified in the call for bids. The security of the successful bidder shall be held to secure the capacity, readiness, and willingness of the successful bidder to execute the purchase order. The successful bidder shall forfeit the security upon refusal or failure to execute the purchase order within 15 calendar days after the notice of award of purchase order has been mailed, unless the city is responsible for the delay. The city council may, on refusal or failure of the successful bidder to execute the purchase order, award the purchase order to the next lowest responsible bidder; the amount of the successful bidder's security shall be applied by the city to the difference between the successful bid and the next lowest responsible bid; and the surplus, if any, shall be returned to the successful bidder that refused or failed to execute the purchase order. The securities of unsuccessful bidders shall be returned following the execution of the purchase order by the successful bidder.

D. Bid Opening. All bids shall be submitted to the city clerk, and shall be opened by the person and at the time and place stated in the published notice. Bids shall be identified as bids on the envelope. Bids shall be reviewed by the purchasing officer in consultation with the using department, if any, and a recommendation submitted to the city council for award. A tabulation of all bids received shall be made available for public inspection.

E. Rejection of Bids. At its discretion, the city council may reject any and all bids presented or may request that the notice inviting bids be readvertised.

F. Award of Bids. Bids shall be awarded by the city council, and a purchase order issued by the purchasing officer, to the lowest responsible bidder except as otherwise provided herein.

G. Tie Bids. If two or more bids received are for the same total amount or unit price, quality and service being equal, the city council may, in its discretion, either accept the one it chooses, or accept the lowest bid made by negotiation with the tie bidders.

H. Bid Irregularity. Relief from bidder's errors may be granted in the sole discretion of the city council as provided in the specifications of a particular bid.

I. Standardization. Where the purchasing officer has determined that it is required by the health, safety or welfare of the people of the city, or by the effectiveness and efficiency of city operations, standardization of supplies or equipment with existing supplies or equipment, or with supplies or equipment needed for regional task forces or partnerships, is permitted and the specifications may limit the purchase to a single brand or trade name. The factors that shall be considered in determining to standardize on a single brand or trade name include:

1. Repair and maintenance costs would be minimized.

2. User personnel training would be facilitated.

3. Supplies or spare parts would be minimized.

4. Modifications to existing equipment would be minimized or made unnecessary.

5. Training requirements for repair and maintenance personnel would be minimized.

6. Proper operation of a function or program requires single brand or trade name supplies or equipment to be compatible with existing supplies or equipment.

7. Overall purchase or operational costs would be minimized.

SECTION 4. Section 4.12.095 of Chapter 4.12 of Title 4 of the Roseville Municipal Code is hereby amended to read as follows:

4.12.095 Public works and services—Formal bidding and contract procedure.

A. Contracts for public works or services estimated to have a value equal to or greater than, or to cost equal to or greater than, the bid amount established ~~by ordinance, adopted by the city council, and amended yearly in conjunction with the annual budget~~in the city's Charter, shall be awarded to the lowest responsible bidder after receipt of sealed formal bids in accordance with this section.

B. Notice to Bidders. The using department shall prepare and send to prospective bidders a notice inviting bids and detailed plans and specifications of the public works or service being bid. The plans and specifications shall be approved by the city council prior to requesting bids.

1. Published Notice. The notice to bidders shall be published at least five working days before the date of bid opening. The notice shall be published at least once in a newspaper of general circulation in the city, and shall include a general description of the public work or services. The notice shall state where bid specifications may be secured, and the time and place for bid opening.

2. Bidders List. The using department shall also solicit bids from all responsible persons whose names are on a bidders list or who have requested their names to be added thereto.

C. Bids for public works shall require a bidder's bond or security in the amount of 10 percent of the amount of the bid. The security of the successful bidder shall be held to secure the capacity, readiness, and willingness of the successful bidder to execute the contract. The successful bidder shall forfeit the security upon refusal or failure to execute the contract within 15 calendar days after the notice of award of contract has been mailed, unless the city is responsible for the delay. The city council may, on refusal or failure of the successful bidder to execute the contract, award the contract to the next lowest responsible bidder. If the city council awards the contract to the next lowest responsible bidder, the amount of the successful bidder's security shall be applied by the city to the difference between the successful bid and the next lowest responsible bid, and the surplus, if any, shall be returned to the successful bidder that refused or failed to execute the contract. The deposits shall be returned to the unsuccessful bidders following the execution of the contract by the successful bidder.

D. Bid Opening. All bids shall be submitted to the city clerk, and shall be opened by the person and at the time and place stated in the published notice. Bids shall be identified as bids on the envelope. Bids shall be reviewed by the using department, and a recommendation submitted to the city council for award. A tabulation of all bids received shall be made available for public inspection.

E. Rejection of Bids. At its discretion, the city council may reject any and all bids presented or may request that bids be readvertised.

F. Award of Contracts. Contracts shall be awarded by the city council to the lowest responsible bidder except as otherwise provided herein.

G. Tie Bids. If two or more bids received are for the same total amount or unit price, quality and service being equal, if the public interest will not permit the delay of readvertising for the bids, the city council may accept the one it chooses or accept the lowest bid made by negotiation with the tie bidders.

H. Bid Irregularity. Relief from bidder's errors may be granted in the sole discretion of the city council as provided in the specifications of a particular bid.

I. Use of City Employees. In lieu of the bidding and contract procedures set forth in this section, public works and services may be performed by city employees at the discretion of the city manager.

SECTION 5. Section 4.12.100 of Chapter 4.12 of Title 4 of the Roseville Municipal Code is hereby amended to read as follows:

4.12.100 Purchasing—Open market procedure.

Purchases of supplies, equipment, contractual services, and sales of personal property, of an estimated value less than the bid amount established ~~by ordinance, adopted by the city~~

~~council, and amended yearly in conjunction with the annual budget~~in the city's Charter, may be made by the purchasing officer in the open market without observing the procedure prescribed in Section 4.12.090.

A. Minimum Number of Bids. Open market purchases shall, whenever possible, be based on at least three bids, and shall be awarded to the lowest vendor with the lowest responsible bid.

B. Notice Inviting Bids. The purchasing officer shall solicit bids from prospective vendors by written requests, by telephone or by published notice to bidders.

C. Record of Bids. For open market purchases of less than the bid amount established ~~by ordinance, adopted by the city council, and amended yearly in conjunction with the budget~~in the city's Charter, the purchasing officer shall keep a record of all open market orders and bids which may be received in writing or orally for a period of one year after the submission of bids or the placing of orders. This record, while so kept, shall be open to public inspections at the purchasing officer's office.

SECTION 6. This ordinance shall be effective at the expiration of thirty (30) days from the date of adoption.

SECTION 7. The City Clerk is hereby directed to cause this ordinance to be published in full at least once within fourteen (14) days after it is adopted in a newspaper of general circulation in the City, or shall within fourteen (14) days after its adoption cause this ordinance to be posted in full in at least three (3) public places in the City and enter in the Ordinance Book a certificate stating the time and place of said publication by posting.

PASSED AND ADOPTED by the Council of the City of Roseville this ___ day of

________________, 20__, by the following vote on roll call:

AYES COUNCILMEMBERS:

NOES COUNCILMEMBERS:

ABSENT COUNCILMEMBERS:

____

MAYOR

ATTEST:

____

City Clerk

COUNCIL COMMUNICATION

CC #:
File #:

Title:	Consent Calendar
Contact:	

Meeting Date: 1/13/2021
Item #:

COUNCIL COMMUNICATION

CC #: 1201
File #: 0103-15-02

Title:	Roseville Community Development Corporation - Annual Corporate Update, Reappointment of Director, and Direction to Wind-Up and Dissolve
Contact:	Mike Isom 916-774-5527 misom@roseville.ca.us

Meeting Date: 1/13/2021
Item #: 8.1.

RECOMMENDATION TO COUNCIL

Staff recommends that the City Council:

1. Receive a report regarding the Roseville Community Development Corporation's (RCDC) fiscal status, audited financial statements, and budget for the 2020-21 fiscal year;
2. Reappoint Howard Rudd to the Board of Directors for the Roseville Community Development Corporation for a term to expire February 2024 or upon dissolution of the corporation, whichever occurs first;
3. Adopt a resolution directing the Board of Directors to initiate winding up and dissolution of the Roseville Community Development Corporation; and,
4. Adopt a resolution authorizing the City Manager or designees to take all actions necessary to assist in the dissolution process and all actions necessary for the disposition of the City's loan.

BACKGROUND

The following report provides the City Council with a summary of the Roseville Community Development Corporation's (RCDC) FY2020-21 budget and an overview of the FY2019-20 audited financial statement report, consistent with the requirements of Article 9, Section 1 and Article 13, Section 3, respectively, of the RCDC bylaws.

In addition to the required annual reporting, this report presents the value of direct and indirect financial benefit to the City of Roseville as a result of RCDC investment and operations. The purpose is to present the RCDC's accomplishments resulting in tangible and intangible benefit to the City, and to present the RCDC's total liabilities in contrast to its cash position as of November 30, 2020.

FISCAL YEAR 2019-20 BUDGET

The budget for FY2020-21 (attached) was approved by the RCDC's Board of Directors at its

June 25, 2020 meeting.

The approved budget includes RCDC Operations and 110 Pacific Street, LLC. The following tables summarize both budgets, with detail presented in the attached FY2020-21 approved budget spreadsheet (Attachment 1). Note that the budget assumed sale of the 110 Pacific Street (Odd Fellows) property with net proceeds of $350,000. The 110 Pacific property ultimately closed escrow on November 6, 2020. Net proceeds of the sale were $319,782.

Operations Budget

Revenues and Expenses for the RCDC Operations

Line	Revenue	FY2020-21
18	Investment Revenue (Interest)	**$6,849**
10	Gain/Loss on Investment	**$21,703**
Line	**Expenses**	**FY2020-21**
27 - 57	Contract Administration (Staff)	$12,914
	Office (printing, supplies, postage, phone line)	$450
	Contract Services	$0.00
	Insurance (L, D & O)	$13,145
	Legal Fees & Accounting (Audit)	$29,500
	Travel & Board Meeting Expenses	$175
78	Deferred Interest	$113,142
82	**Total Expenses (before adjustments)**	**$185,942**
78	Deferred Interest adjustments (add back)	($113,142)
82	**Total Expenses Adjusted FY2020-21**	**$185,942**
86	**Net Income/(Loss) (Financial Statements)**	**($157,390)**

The Operations budget for the RCDC is $50,819, down 9% from the FY2020 budget of $55,705 due primarily to reduced demand for contract staffing as the Corporation winds down. The current operating budget is comprised of basic operating expenses such as costs for contract staff, insurance, accounting & audit, legal fees, and other miscellaneous operating expenses. Since the nominal revenue from money market interest earnings is the only revenue for the RCDC operations, it creates a net loss (adjusting for deferred interest) of $157,390. Cash resources as of June 30, 2020 were $2,722,037, which will offset the projected net loss.

The operating budget for 110 Pacific Street assumed minimal revenue ($21,703) resulting from anticipated sale of the property. Ordinary expenses for 110 Pacific, LLC total $19,754 for legal, insurance, audit, property tax, and depreciation. The budget assumes expenses for the full year, as the dissolution process is likely to take until the end of the fiscal year to complete.

WORK PROGRAM

At the City Council/RCDC Workshop held on February 7, 2018, RCDC staff was directed to conduct the actions necessary to complete a “strategic pause” of corporation activities. In doing so, the Council directed the Corporation to proceed in a manner that resolves all liabilities and liquidates all assets, thus providing the sole member a cash payout as soon as reasonably possible. Accordingly, the RCDC’s work program consists of nothing more than executing this direction; no new programs, services, or property acquisitions are proposed.

As of November 2020, all Corporation-owned properties have been sold, consistent with Council direction. The 242-246 and 240 Vernon Street properties were marketed for sale and subsequently closed escrow on June 11, 2018 and October 1, 2018, respectively. The 238 Vernon Street property closed escrow on February 14, 2020. After a lengthy and unexpected delay, the 110 Pacific Street property closed escrow on November 6, 2020. For the past several years, 110 Pacific Street was the subject of litigation filed by a neighboring property owner under various causes of action in state and federal court. The state and federal suits were dismissed in 2019. However, the delay caused by these court actions resulted in significant financial cost to the Corporation, most notably the scuttling of an imminent purchase agreement for the building with a notable regional brewery, in addition to legal defense fees.

The extended delay caused by the court actions also delayed the Corporation's ability to begin the dissolution process, which resulted in more than two years' worth of unexpected operational costs without offsetting revenue (since the other revenue-producing assets had already been sold). As a direct result, the Corporation is not in as strong a cash position as it had expected following Council's direction to liquidate assets. Consequently, the Corporation's liabilities to the City of Roseville and Successor Agency exceed available resources.

FISCAL YEAR 2019-20 AUDIT

During the week of August 17, 2020, Eide Bailly, LLP of Sacramento, an independent certified professional accounting firm, performed their fieldwork and testing as it related to the RCDC's financial transactions and operations for the year ending June 30, 2020. The audit was conducted in accordance with auditing standards generally accepted in the United States of America. The consolidated financial statements were issued a clean opinion by the auditors in their Independent Auditor's Report included in the financial statement report.

Material Weakness

Eide Bailly identified one repeat of a material weakness from the prior year as it pertains to internal controls and the procedure for preparation of the financial statements and review and approval of journal entries. With respect to the issue of financial statement preparation, the auditing firm produces the financial statements and accompanying notes from financial documents and schedules extracted from the accounting system and prepared by accounting staff. This has been the historical practice for the RCDC and is common for an organization of our size. The auditors suggest, however, that staff with the necessary knowledge, skills and experience produce the financial statements and accompanying notes in order to mitigate the possibility of misstatement.

With respect to journal entries, RCDC staff engaged the City's Finance Department accounting staff in response to last year's finding to develop a procedure for accounting staff to review and approve journal entries posted by RCDC staff. Staffing challenges and other complications during the year resulted in inconsistent application of this procedure. This resulted in posting one or more entries in error for the subsidiary and consolidated general ledgers resulting in understatement of liabilities and overstatement of revenues and expenses. In response to the repeat finding, RCDC management has secured commitment from the City that its Accounting Supervisor will review and approve all future journal entries.

Going Concern

Eide Bailly prepared the financial statements on a going concern basis, which assumes the Corporation will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. Due to the Corporation's Sole Member and Board of Directors decision to pursue a "strategic pause" in activity and liquidate assets in February 2018, the auditors raise substantial doubt about the Corporation's ability to continue as a going concern within twelve months. This opinion is not unexpected since the Corporation has sold its revenue-producing properties and has no other viable revenue streams. The RCDC has resolved outstanding litigation related to its 110 Pacific Street property, and recently sold the property on November 6. The 110 Pacific property was the remaining asset to be sold before the Corporation could settle its outstanding loan obligations and seek approval from the Sole Member to begin the wind up and dissolution process.

Despite the repeat finding and going concern, it did not adversely affect the opinion by the auditors that the "financial statements present fairly, in all material respects, the financial positon of the Organization at June 30, 2020."

The RCDC Board of Directors took action to approve the financial statement report at a November 18, 2020 special board meeting. The final report is included as Attachment 2.

ELECTION OF CORPORATE DIRECTORS

Article 7, Section 3 of the RCDC Bylaws provide for the election of directors by the Sole Member (City Council) every three years after the expiration of initial terms. In the absence of an election of new members, current members of the Board remain in office until they resign or a successor has been elected and qualified.

The term of current Director Howard Rudd expires in February 2021. Staff and the RCDC Board recommend continuing with the current members to provide continuity as the RCDC works toward dissolution. The Bylaws permit directors to serve any number of three-year terms and Director Rudd has expressed interest in re-election to serve an additional three year term that will expire in February 2024 or upon dissolution of the Corporation, whichever occurs first. The terms of the remaining directors expire in February 2022 (Norman) and February 2023 (Alexander/Walker).

VALUE OF RCDC INVESTMENT & PROGRAMS

The following summarizes the tangible outcomes of RCDC operations and investment:

Property value increases – The 200 block of Vernon Street alone has experienced a 76% increase in property tax assessments since the RCDC began operating in 2012. Total property tax assessments rose from $60,108 in 2012 to $105,859 per year in 2019 (pre-COVID). Assuming 2012 as the "baseline" year, the cumulative increase in property tax revenue above the baseline year totals nearly $190,000, of which the City of Roseville receives approximately 15%, or $28,500.

Increase in Sales Tax – Vernon Street has also generated a 30% increase in sales tax revenue in the same approximate timeframe, with cumulative sales tax revenue totaling over $225,000 to date. The RCDC's successes on the street helped spur other private investment and business openings, including Audacity, School of Rock, Goose Port Public House, and 105 Noshery.

Commercial Building Renovation – The RCDC was directly responsible for acquiring and stabilizing and/or renovating three commercial buildings on the 200 block of Vernon Street and returning them to private ownership. These properties were initially acquired to preempt warehouse uses and other uses that would not contribute to the revitalization of the downtown.

In addition, the RCDC acquired 110 Pacific Street (IOOF Building) in 2016 at a Placer County tax default sale. This property has been secured, cleaned, stabilized and weatherproofed to prepare it for private development. This property has also been returned to private ownership.

Residential Real Estate – The RCDC residential rehabilitation program rehabilitated three homes in three different Roseville neighborhoods. The rehabilitation of the three distressed homes had positive impacts in each of the neighborhoods encouraging investment in neighboring properties. Each of the three homes were marketed and sold to buyers meeting affordable purchase criteria.

Increased Rent on Vernon Street - The RCDC has been a significant influence in raising rents in the downtown, resulting in some cases more than a threefold increase. The increase of rents on Vernon Street is essential for for-profit entities to justify the expense of building renovations.

Reimbursement to City for staff and operational costs - Since its inception, the RCDC has reimbursed the City in excess of $900,000 for staff and operational costs.

Earned Media – The RCDC has generated many earned media spots attracting attention and bringing recognition to the revitalization of the downtown.

Advantage Roseville – Until this year, the RCDC was charged with administering the Advantage Roseville business attraction and retention effort. In six years, the Advantage Roseville program has directly contributed to capital investment commitments for new construction and payroll totaling over $1 billion, and has assisted in the recruitment of over 6,325 jobs to Roseville. The program has also sponsored 2,460 hours of small business training at no cost to participants.

Downtown Partnership – The RCDC was instrumental in the funding of startup of the Downtown Roseville Property and Business Improvement District (DRPBID). The PBID - known as the Downtown Roseville Partnership - has been successful in providing enhanced maintenance, day porters and events such as Downtown Tuesday Nights and the Holiday Parade.

RCDC FINANCIAL STATUS & LOAN LIABILITIES

In summary, the RCDC has two remaining outstanding debt obligations:

Loan #1 -	$1,475,951	– City of Roseville
Loan #2 -	$3,469,049	– Successor Agency to the former Redevelopment Agency
Deferred Interest -	$510,087	– (Loan #1)
Deferred Interest -	$1,195,613	– (Loan #2)
Total =	**$6,550,700**	

A third loan with a remaining balance of $476,512 payable to the Successor Agency was already in place and acquired by the RCDC upon purchase of the 238 Vernon Street building prior to tax default auction. This loan was required to be paid in full immediately upon sale of the property, and accordingly, was satisfied in February 2020 upon sale of 238 Vernon.

Loan #1

The RCDC entered into a Funding Agreement with the City of Roseville following dissolution of the Roseville Redevelopment Agency (RDA). The principal amount for this loan was initially

$1,530,951. On September 5, 2018, the Roseville City Council approved an amendment to the funding agreement to reduce the loan amount by $55,000 in consideration of the Corporation's transfer of ownership of the 98 Jefferson property to the City for public parking. The remaining principal loan balance now stands at $1,475,951.

The term of the loan is 20 years at a variable rate (currently 2.288% with scheduled resets) equal to the City's average interest earnings, plus one percent, with no payments required for the first ten years following the date of the first disbursement. Annual principal payments of $153,095 are scheduled to begin in 2023. As of November 30, 2020, the loan has accrued $247,028 in deferred interest. The loan would accrue $510,087 in deferred interest through the full 20-year term, which is required to be paid in a lump sum with the final principal payment in 2032.

Loan #2

The second loan is payable to the Successor Agency in the amount of $3,469,049, with terms identical to the City loan. Similar to the City loan, principal payments of $346,905 are also scheduled to begin in 2023. As of November 30, 2020, this loan has accrued $636,684 in deferred interest, and would ultimately accrue $1,195,612.99 in deferred interest through the 20-year term. Similar to the City loan, the total accrued interest would be paid in a lump sum with the final principal payment in 2032.

Cash Assets

Total Corporation cash assets based on checking and money market balances are valued at ±$3.01 million as of November 30, 2020. Aside from Loans #1 and 2, there are no other outstanding debt obligations or significant liabilities aside from ordinary operating expenses.

Assets vs Liabilities

As of November 30, 2020:

$1,756,749 – City of Roseville principal + interest accrued to date
+ $4,129,057– Successor Agency principal + interest accrued to date
$5,885,806– Total loan liability

$3,011,230 – Available resources
- $5,885,806 – Loan liability
($2,874,576) – Shortfall

SUMMARY

The RCDC has demonstrated success in commercial and residential real estate, business and job recruitment, supported small businesses with training opportunities, media promotion of the City's and RCDC's economic development platform, and was an active participant in the revitalization of the Downtown. To date, the RCDC's efforts have resulted in nearly $1.2 million in direct financial benefit to the City in the form of reimbursement for staff and overhead costs, as well as increased sales and property tax on Vernon Street alone. This does not factor additional revenues realized from employment growth and significant capital investment elsewhere in the city. The direct financial benefit of the RCDC's other accomplishments – particularly job creation and capital investment resulting from the Advantage Roseville program - is not easily quantified in a dollar value, but their indirect effects will have a tremendous positive and lasting impact on the community.

The RCDC financial structure was originally designed in anticipation of having access to some form of tax increment financing following the dissolution of redevelopment agencies statewide. Unfortunately, the State eliminated tax increment financing as a viable source of funding for revitalization activities. As a result, the RCDC was forced to rely on income derived only from its property investments, along with other one-time grants from the City, to sustain operations. The Corporation has sold all of its revenue-generating properties, consistent with Council direction provided in February 2018. Accordingly, the RCDC has no source of operating income. Meanwhile, the RCDC will continue to incur costs at an average rate of approximately $10,000-15,000 per month for deferred interest ($8,463/mo), staffing costs ($1,000-2,000/mo), and legal expenses ($2,000/mo), in addition to annual costs associated with tax filings, financial audit, and insurance. Without a reliable and renewable source of income, this negative financial position cannot improve. Every month the RCDC continues to operate – "paused" or otherwise – the shortfall grows by this amount, presenting an unsustainable financial situation of which the RCDC is unable to resolve absent a significant cash infusion, dissolution, or bankruptcy.

As demonstrated above, the RCDC falls short of sufficient cash resources necessary to retire the principal and accrued deferred interest on both loans. Preliminary research indicates that – while we can ask for a pro-rated amount - the State will likely require that all available resources be directed to first satisfy the Successor Agency obligations. Should that be the case, no assets would remain available to repay the City loan. As noted above, the RCDC's efforts over the past nine years have resulted in direct and tangible financial return to the City of $1.2 million to date, in addition to other ongoing intangible benefits linked to job creation and the citywide economy. The net effect is projected to exceed the value of the loan over time, resulting in a long-term positive fiscal impact.

By all accounts, the work of the RCDC has created jobs and improved the local economy, meeting the underlying purposes for creating the RCDC. Now that remaining properties have sold and final assets are known, staff and the Board of Directors is seeking direction from the City Council to begin the process to wind-up and dissolve the Corporation.

NEXT STEPS

The following outlines high-level next steps necessary to complete the winding up and dissolution process:

1. City, acting as Sole Member of the Corporation, adopts Resolution to Wind Up and Dissolve Corporation.
2. Officers and Directors arrange for payment/forgiveness of all known debts, setting aside of sufficient funds to wind up and dissolve and distribution of assets – this will entail payment of known debts and some agreement with City/Successor Agency regarding outstanding loan repayment/forgiveness
3. Pursue waiver of objections to proposed distribution from the Attorney General
4. Send notice of dissolution to members and creditors
5. Wind up business operations
6. Pay or adequately provide for all liabilities.
7. Distribute assets in accordance with approved plan.
8. File Certificate of Dissolution with Secretary of State [by mail or hand delivered for over-the-counter processing in Sacramento], including Attorney General Waiver letter
9. Notify Attorney General of Dissolution
10. File final tax return

If directed by the Council to proceed, staff will seek to complete all tasks by the end of the fiscal year.

FISCAL IMPACT

The Roseville Community Development Corporation is a private, charitable, nonprofit Section 501(c) (3) corporation. The RCDC is focused on physical, economic and educational development through the community to create expanded employment, economic prosperity and housing opportunities. Its focus has been to help the City of Roseville achieve the revitalization goals through the reuse of existing buildings or new construction in Roseville's downtown. Board members are appointed by the Roseville City Council and receive no compensation for their service.

Direction to wind up and dissolve the RCDC could result in the loss of immediate recovery of $1.76 million in principal and deferred interest with respect to the City loan (Loan #1). This amount could be reduced in the unlikely event the State Department of Finance (DOF) agrees to a pro-rata distribution of assets to the City *and* Successor Agency. City staff is currently working to set up a meeting with the DOF to discuss the resolution of the City's loan.

Nonetheless, as noted above, the RCDC has generated nearly $1.2 million in tangible financial return to the City to date, in addition to intangible benefits to the citywide economy. It is also worth noting that the City will receive a one-time payment of approximately 15% of the amount repaid to the Successor Agency through the property tax allocation process. If the remaining ±$3 million in remaining assets is repaid to the Successor Agency, the City would receive a distribution of approximately $450,000. Collectively, the net effect of the RCDC's programs is projected to exceed the value of the loan over time, resulting in a long-term positive fiscal impact.

ENVIRONMENTAL REVIEW

The California Environmental Quality Act (CEQA) does not apply to activities that will not result in a direct or reasonably foreseeable indirect physical change in the environment (CEQA Guidelines §15061(b)(3). Direction to dissolve the Roseville Community Development Corporation does not include the potential for a significant environmental effect, and therefore is not subject to CEQA.

Respectfully Submitted,

Mike Isom, Development Services Director / RCDC Chief Executive Officer

Dominick Casey, City Manager

ATTACHMENTS:

Description

Resolution 21-004

Resolution to Windup and Dissolve 21-005

Attachment 1 - RCDC 2020-2021 Budget

Attachment 2 - RCDC Audited Consolidated Financial Statement - year ending June 30, 2020

RESOLUTION NO. 21-004

AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE TO TAKE ALL ACTIONS NECESSARY TO ASSIST IN THE ROSEVILLE COMMUNITY DEVELOPMENT CORPORATION (RCDC) DISSOLUTION PROCESS AND ALL ACTIONS NECESSARY FOR THE DISPOSITION OF THE CITY'S LOAN

WHEREAS, the Roseville Community Development Corporation (RCDC) entered into a Funding Agreement with the City of Roseville following dissolution of the Roseville Redevelopment Agency (RDA); and

WHEREAS, the remaining principal loan balance now stands at $1,475,951; and

WHEREAS, a second loan is payable to the Successor Agency in the amount of $3,469,049, with terms identical to the City loan; and

WHEREAS, currently, the RCDC falls short of sufficient cash resources necessary to retire the principal and accrued deferred interest on both loans; and

WHEREAS, the following steps are necessary to complete the winding up and dissolution process of the RCDC:

1. City, acting as Sole Member of the Corporation, adopts Resolution to Wind Up and Dissolve Corporation
2. Officers and Directors arrange for payment/forgiveness of all known debts, setting aside of sufficient funds to wind up and dissolve and distribution of assets – this will entail payment of known debts and some agreement with City/Successor Agency regarding outstanding loan repayment/forgiveness
3. Pursue waiver of objections to proposed distribution from the Attorney General
4. Send notice of dissolution to members and creditors
5. Wind up business operations
6. Pay or adequately provide for all liabilities
7. Distribute assets in accordance with approved plan
8. File Certificate of Dissolution with Secretary of State [by mail or hand delivered for over-the-counter processing in Sacramento], including Attorney General Waiver letter
9. Notify Attorney General of Dissolution
10. File final tax return

WHEREAS, staff recommends following all of the steps necessary to assist in the RCDC dissolution process and all actions necessary for the disposition of the City's loan.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Roseville that the City Manager or his designee, is hereby authorized to take all actions necessary to assist in the Roseville Community Development Corporation (RCDC) dissolution process and all actions necessary for the disposition of the City's loan, on behalf of the City of Roseville.

PASSED AND ADOPTED by the Council of the City of Roseville this ___ day of _______________, 2021, by the following vote on roll call:

AYES COUNCILMEMBERS:

NOES COUNCILMEMBERS:

ABSENT COUNCILMEMBERS:

____
MAYOR

ATTEST:

____
City Clerk

CITY OF ROSEVILLE
Resolution No. 21-005

Resolution to Wind Up and Dissolve

RESOLUTION OF THE SOLE MEMBER OF
ROSEVILLE COMMUNITY DEVELOPMENT CORPORATION, INC.,
A CALIFORNIA NONPROFIT CORPORATION

WHEREAS, the CITY OF ROSEVILLE is the Sole Member of the Roseville Community Development Corporation, Inc., a California nonprofit corporation;

WHEREAS, the City Council of the CITY OF ROSEVILLE held a meeting to consider the winding up and dissolution of the corporation. After discussion, the following resolutions were adopted by the CITY OF ROSEVILLE acting as the Sole Member of the corporation:

RESOLVED, that the Sole Member has determined that it is in the best interests of this corporation and the Sole Member that this corporation be wound up and dissolved.

RESOLVED FURTHER, that the directors and officers of the corporation are authorized and directed to take all appropriate actions to wind up and dissolve this corporation.

RESOLVED FURTHER, that on the commencement of dissolution proceedings, the officers and directors of this corporation are authorized and directed to take all other actions as may be necessary or reasonable in connection with the winding up and dissolution of this corporation.

RESOLVED FURTHER, that the directors and officers are authorized and directed to secure the Attorney General's written waiver of objections to the proposed distribution and to distribute the corporation's remaining assets in accordance with its articles of incorporation.

RESOLVED FURTHER, that the directors and officers are authorized and directed to execute any instrument as may be necessary or reasonable to complete the dissolution and wind up the corporation's affairs, including the filing of a certificate of dissolution in accordance with Corporations Code Section 6716.

PASSED AND ADOPTED by the Council of the CITY OF ROSEVILLE this _____ day of ______________, 2021, by the following vote on roll call:

AYES COUNCILMEMBERS:

NOES COUNCILMEMBERS:

ABSENT COUNCILMEMBERS:

____
MAYOR

ATTEST:

____
City Clerk

ROSEVILLE COMMUNITY DEVELOPMENT CORPORATION, INC.
FY2020-21 PROPOSED BUDGET

FY2020-21

	Account	CONSOLIDATED CONSOLIDATED FY2020-21 BUDGET	RCDC BUDGET RCDC OPERATIONS	LLC BUDGET 110 Pacific LLC	Description
	REVENUES / INCOME				
1	**43400 · DIRECT PUBLIC SUPPORT-DONATIONS**				
2	43410 · Corporate Contributions	-	-		Contributions were transferred to City of Roseville Economic Development Department in FY2020. Future corporate contributions, if any, made directly to City.
3	43420 · Government Contributions	-			
4	**SUBTOTAL**	-	-		
6	**45000 · INVESTMENT**				
7	43500 · Rental Income	-	-	-	
8	Property Sale (see Cash Flow)	-	-	-	
10	45010 · Gain/Loss on Investment	**21,703**	-	21,703	Depr.
11	**SUBTOTAL**	**21,703**	**-**	**21,703**	
13	**47200 · PROGRAM**				
14	47250 · Loan Payoffs - Principle	-	-	-	
15	**SUBTOTAL**	-	-		
17	**46400 · OTHER INCOME**				
18	45030 · Money Market Interest	**6,849**	6,849	-	Interest received from Money Market ($2.283m x .003%)
19	**SUBTOTAL**	**6,849**	**6,849**	**-**	
21	**TOTAL REVENUES**	**28,552**	**6,849**	**21,703**	
24	**EXPENSES**				
26	**MANAGEMENT & GENERAL**				
26.1	24200 · Prepaid Rent	-	-	-	
26.2	24800 · Tenant Security Deposit	-	-	-	
27	60920 · Business Reg / Filing Fees	**65**	65	-	filing fees
28	62110 · Accounting	**9,500**	8,500	1,000	Could be additonal costs due to the closure of LLC's
29	62140 · Legal Fees	**20,000**	15,000	5,000	litigation, dissolution of corporation
30	62180 · Contract Execuitve Assistant	**5,036**	5,036		Executive Assistant, based on avg 5 hrs per week
31	62190 · Contract Chief Exec Officer	**7,878**	7,878		CEO, based on avg 3 hrs per week
32	62870 · Property Insurance	**2,179**	-	2,179	
33	65010 · Books, Subscriptions, Reference	-	-		Books, subscriptions, reference materials, periodicals for use
34	65020 · Postage, Mailing Service	**300**	300	-	Postage, parcel delivery, local courier
35	65030 · Printing and Copying	-	-	-	Printing, copying, duplicating, recording
36	65040 · Office Supplies	**100**	100	-	Supplies and materials for admin operations
37	65050 · Phone Line	**50**	50		
38	65070 - Memberships	**185**	185		Roseville Chamber Membership
39	65120 · Insurance -Directors & Officers	**7,373**	7,373		Total Insurance cost $13,145
40	65120 - Insurance - General Liability	**1,463**	1,463		
41	65120 - Insurance - Excess Liability	**2,130**	2,130		
42	65130 · Bank Service Charges	**350**	350	-	Bank Charges
43	65150 · Software/Hardware	-	-	-	
44	65170 · Indirect Costs-COR Executive Assistant	**932**	932		Indirect Costs 18.5% charged thru 12/31/18
45	65170 · Indirect Costs-COR Dev. Svcs Director	**1,457**	1,457		Indirect Costs 18.5% charged thru 12/31/18
46	65180 · Property Taxes	**6,501**	-	6,501	Property taxes
47	65190 · State/Federal Income Tax	**800**	-	800	
48	65210 · Professional/Contract Services	-	-	-	Misc. Professional and Contract Services
49	65220 · Miscellaneous	-	-	-	0
50	65230 · Sponsorships / RCDC	-	-		
50.1	66700 · Professional Fees	-	-		Broker Fees for sale of property
51	67200 · Property Repairs/Maintenance	-	-	-	Misc. repairs/maintenance for properties
52	67300 · Equipment Rental	-	-	-	
53	68310 · Training Registration Expense	-	-		
54	68320 · Travel/Meetings	-	-		Misc. travel expenses
55	68330 · Board Meeting Expense	-	-		Refreshments/Facility rental for Board
56	68600 · Utilities	-	-	-	
57	62400 · Depreciation	**6,501**		6,501	
58	**SUBTOTAL**	**72,800**	**50,819**	**21,981**	
75	**DEBT SERVICE**				
78	80030 · Interest Exp-Deferred - $5 million City Loan	**113,142**	113,142		Deferred Interest Expense on $5million Loan (not current expense)
79		-			
80	**SUBTOTAL**	**113,142**	**113,142**	**-**	
82	**TOTAL EXPENSES**	**185,942**	**163,961**	**21,981**	

ROSEVILLE COMMUNITY DEVELOPMENT CORPORATION, INC.
FY2020-21 PROPOSED BUDGET

		CONSOLIDATED	RCDC BUDGET	LLC BUDGET	
	FY2020-21 Account	CONSOLIDATED FY2020-21 BUDGET	RCDC OPERATIONS	110 Pacific LLC	Description
83					
84	TOTAL REVENUES	28,552	6,849	21,703	
85	TOTAL EXPENSES	(185,942)	(163,961)	(21,981)	
86	NET INCOME (LOSS) (FINANCIAL STATEMENTS)	(157,390)	(157,112)	(278)	
87					
88	*ADJUSTMENTS: NET INCOME TO CASH FLOW*	CONSOLIDATED	RCDC OPERATIONS	110 PACIFIC LLC	
89	TOTAL REVENUES (CASH)	356,849	6,849	350,000	Assumes sale of 110 Pacific at $350000
90	TOTAL EXPENSES	(185,942)	(163,961)	(21,981)	
91	Add Back Depreciation	6,501	-	6,501	
92	Add Back Deferred Interest	113,142	113,142		
93	TOTAL EXPENSES (Less Depreciation and Deferred Interest	(66,299)	(50,819)	(15,480)	
95	NET INCOME (LOSS) CASH FLOW	290,550	(43,970)	334,520	
96					

Financial Statements
June 30, 2020

Roseville Community Development Corporation, Inc.

(a component unit of the City of Roseville, California)

EideBailly

eidebailly.com

Board of Directors i

Independent Auditor's Report 1

Basic Financial Statements

Government-Wide Financial Statements
Statement of Net Position 3

Statement of Activities 4

Governmental Fund Financial Statements
Balance Sheet 5

Reconciliation of Governmental Fund Balance Sheet to the Statement of Net Position 6

Statement of Revenues, Expenditures and Changes in the Fund Balance 7

Reconciliation of the Change in Fund Balance to the Change in Net Position 8

Notes Financial Statements 9

Roseville Community Development Corporation, Inc.

Board of Directors

June 30, 2020

Howard Rudd, Chair

John Norman, Secretary/Treasurer

Nick Alexander

Louise Walker

EideBailly

CPAs & BUSINESS ADVISORS

Independent Auditor's Report

To the Board of Directors
Roseville Community Development Corporation, Inc.
Roseville, California

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities and general fund of the Roseville Community Development Corporation, Inc. (Corporation), a component unit of the City of Roseville, California (City), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements as listed in the table of contents.

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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Corporation's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing opinions on the effectiveness of the Corporation's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and the general fund of the Corporation as of June 30, 2020, and the respective changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Substantial Doubt About the Entity's Ability to Continue as a Going Concern
The accompanying financial statements have been prepared assuming that the Corporation will continue as a going concern. As discussed in Note 6 to the financial statements, the Corporation has sold the last income generating property, is on a strategic pause in operations, and has stated that substantial doubt exists about the Corporation's ability to continue as a going concern. Management's evaluation of the events and conditions and management's plans regarding these matters are also described in Note 6. The financial statements do not include any adjustments that might result from the outcome of this uncertainty. Our opinion is not modified with respect to this matter.

Other Matters
Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America requires to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by the missing information.

Eide Bailly LLP

Sacramento, California
November 6, 2020

	Governmental Activities
Assets	
Current Assets	
Cash	$ 2,699,533
Noncurrent Assets	
Capital assets	
Land	98,851
Capital assets being depreciated, net	229,446
Total noncurrent assets	328,297
Total assets	3,027,830
Liabilities	
Noncurrent Liabilities	
Accrued interest payable	860,443
Advances due to the City of Roseville	1,475,951
Notes payable to the City of Roseville Successor Agency	3,469,049
Total noncurrent liabilities	5,805,443
Total liabilities	5,805,443
Net Position	
Investment in capital assets	229,446
Unrestricted	(3,007,059)
Total net position	$ (2,777,613)

	Expenses	Net (Expense) Revenues and Changes in Net Position
Governmental Activities		
Development and operations	$ 1,295,622	$ (1,295,622)
Refund of contributions from member agencies	156,150	(156,150)
Interest expense	124,813	(124,813)
Total governmental activities	$ 1,576,585	(1,576,585)
General Revenues		
Investment income		9,742
Change in Net Position		(1,566,843)
Net Position (deficit), Beginning of year		(1,210,770)
Net Position (deficit), End of year		$ (2,777,613)

	General Fund
Assets	
Cash	$ 2,699,533
Liabilities	
Advances due to the City of Roseville	$ 1,475,951
Fund Balances	
Unassigned	1,223,582
Total liabilities and fund balances	$ 2,699,533

Fund balance of governmental fund	$	1,223,582
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental fund.		328,297
Long-term liabilities are not due and payable in the current period and therefore, are not reported in the governmental fund		
Interest payable		(860,443)
Notes payable due to the City of Roseville Successor Agency		(3,469,049)
Net position of governmental activities	$	(2,777,613)

	General Fund
Revenues	
Interest income	$ 9,742
Expenditures	
Current	
Development and operations	143,497
Refund of contributions from member agencies	152,946
Other expenses	3,204
Debt service	
Principal	495,030
Interest	11,672
Total expenditures	806,349
Excess (Deficiency) of Revenues over (under) Expenditures	(796,607)
Other Financing Sources (Uses)	
Proceeds from the sale of capital assets	880,994
Net Change in Fund Balance	84,387
Fund Balance, Beginning of Year	1,139,195
Fund Balance, End of Year	$ 1,223,582

Net change in fund balance - governmental fund	$	84,387
Amounts reported for governmental activities in the Statement of Activities differs from the amounts reported in the Statement of Revenues, Expenditures and Changes in Fund Balance because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the costs of those assets are capitalized and allocated over their estimated useful lives as depreciation expense:		
The difference between the proceeds from the sale of and the loss on disposal of capital assets		(2,030,676)
Depreciation expense		348,544
Recognition of revenue in the governmental fund is subject to availability criteria. The change in unavailable revenue represents the elimination of a receivable that was deemed as uncollectible during the fiscal year.		(350,987)
Repayment of principal is an expenditure in the governmental fund but in the Statement of Net position the transaction reduces long-term debt.		495,030
The amounts below included in the statement of activities do not require the use of current financial resources and therefore are not reprted as expenditures in governmental funds:		
The increase in interest payable		(113,141)
Change in net position of governmental activities	$	(1,566,843)

Note 1 - Reporting Entity

The Roseville Community Development Corporation, Inc. (Corporation) was incorporated on January 3, 2011 as a 501(c)(3) not-for-profit corporation whose purpose is to engage in the activity of physical, economic and educational development and revitalization efforts that result in expanded employment, economic prosperity and business and housing opportunities for the businesses and residents of the City of Roseville, California (City).

These basic financial statements present only the activities of the Corporation and are not intended to present the financial position of the City, or the results of its operations. The financial statements of the Corporation are included as a special revenue fund in the City's financial statements.

The Corporation is governed by a volunteer four-member board appointed by the City Council. The members, all from the community, have development, financing and business operations related experience. The board has operations, management, budget approval and strategy implementation authority that are separate from the City Council. Although the Corporation is separate legal entity, the City has a benefit/burden relationship with the Corporation and the Corporation is considered a component unit of the City.

Note 2 - Summary of Significant Accounting Policies

The following items comprise the significant accounting policies of the Corporation, and its wholly owned subsidiary 238 Vernon Street LLC and 110 Pacific Street LLC (the LLCs). 238 Vernon Street LLC activities were completed during the fiscal year and the entity is now closed. The policies reflect industry practices and conform to accounting principles generally accepted in the United States of America.

A. Basis of Accounting and Financial Statement Presentation

Government-Wide Statements

Government-wide financial statements consist of the statement of net position and the statement of activities. These statements are presented on an economic resources measurement focus. All economic resources and obligations of the reporting government are reported in the financial statements.

The government-wide financial statements have been prepared on the accrual basis of accounting. Under the accrual basis of accounting all assets, liabilities and deferred outflows and inflows of the Corporation are included on the statement of net position. The difference between the Corporation's assets, liabilities, deferred outflows and inflows of resources is net position. Net position represents the resources the Corporation has available for use in providing services. The Corporation's spending priority is to spend restricted resources first, followed by unrestricted. The Corporation's net position is classified as follows:

<u>Investment in Capital Assets</u> – This amount represents the Corporation's capital assets, net of accumulated depreciation.

Unrestricted – This category represents neither restrictions nor investment in capital assets and may be used by the Corporation for any purpose though they may not be necessarily liquid.

Fund Financial Statements

The fund financial statements consist of the balance sheet and the statement of revenues, expenditures and changes in fund balance of the Corporation's general fund. These statements are presented on a current financial resources measurement focus. Generally, only current assets and current liabilities are included on the balance sheet. The statement of revenues, expenditures and changes in fund balance for the governmental fund generally presents increases (revenues) and decreases (expenditures) in current resources. All operations of the Corporation are accounted for in the general fund.

The fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Grants and contributions, interest and certain grant payments are accrued when their receipt occurs within 120 days after the end of the accounting period so as to be both measurable and available. Expenditure-driven grant revenues are accrued when their receipt occurs within one year.

B. Capital Assets, Net of Accumulated Depreciation

Capital assets are reported at cost, net of accumulated depreciation in the government-wide financial statements.

The Corporation capitalizes assets with an initial cost in excess of $5,000 and a useful life greater than one year. The Corporation depreciates capital assets using a straight-line method over the estimated useful life of each asset. Buildings and improvements are depreciated over 39 years and furniture and equipment is depreciated over 5 years.

C. Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

D. Cash and Cash Equivalents

The Corporation considers all short term deposits purchased with an original maturity of three months or less to be cash equivalents.

Cash in bank	$ 35,063
Savings	2,664,470
Total cash and cash equivalents	$ 2,699,533

The Corporation maintains its cash in bank deposit accounts (checking and savings) which, at times, may exceed federally insured limits of $250,000. As of June 30, 2020, the uninsured portion of this balance was $2,449,533.

E. Fund Balance

Fund balance presented in the governmental fund financial statements is classified into the following categories based upon the type of constraints imposed on the use of funds:

Nonspendable – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted – This classification includes amounts that have constraints placed on the use of resources that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.
Committed – This classification includes amounts that can be used only for the specific purposes determined by a formal action by the entity's highest level of decision-making authority.

Assigned – This classification includes amounts intended to be used by the entity for specific purposes but do not meet the criteria to be classified as restricted or committed.

Unassigned – This classification is the residual amount for the Corporation's General Fund and includes all spendable amounts not contained in the other classifications.

F. Budget

The Corporation does not legally adopt a budget for the General Fund.

Note 3 - Capital Assets

Capital assets consist of the following at June 30:

	Balance at June 30, 2019	Additions	Deletions	Balance at June 30, 2020
Capital assets, not being depreciated:				
Land	$ 344,183	$ -	$ (245,332)	$ 98,851
Capital assets, being depreciated:				
Building and improvements	1,925,159	-	(1,671,605)	253,554
Furniture and equipment	113,739	-	(113,739)	-
Total Capital Assets being depreciated	2,038,898	-	(1,785,344)	253,554
Less accumulated depreciation for:				
Building and improvements	(258,913)	(47,823)	282,628	(24,108)
Furniture and equipment	(113,739)	-	113,739	-
Total accumulated depreciation	(372,652)	(47,823)	396,367	(24,108)
Net capital assets being depreciated	1,666,246	(47,823)	(1,388,977)	229,446
Governmental activities capital assets, net	$ 2,010,429	$ (47,823)	$ (1,634,309)	$ 328,297

The land and building and improvements consist of commercial buildings and a vacant lot in downtown Roseville, California, which are held by the Corporation. Currently, the buildings are being rented to local businesses under month-to-month leases. Depreciation expense of $47,823 was charged during the year.

Note 4 - Notes Payable

A. Current Year Transactions and Balances

	Original Issue Amount	Balance June 30, 2019	Retirements	Balance June 30, 2020
City of Roseville Successor Agency, 2.034%, due June 30, 2030	$ 3,469,049	$ 3,469,049	$ -	$ 3,469,049
City of Roseville Successor Agency, 4%, due June 1, 2023	603,525	495,030	(495,030)	-
Total	$ 4,072,574	$ 3,964,079	$ (495,030)	$ 3,469,049

On August 30, 2011, the former Redevelopment Agency of the City of Roseville loaned the Corporation $3,469,049, The note accrues interest at a rate equal to the City's average interest earnings rate plus 1 percent, adjusted every 5 years. Principal payments begin ten years from the date of first disbursement, commencing on June 30, 2021, and will be due annually with final payment maturing on June 30, 2030. As of June 30, 2020, the notes bear interest at 2.034 percent, and accrued interest on the loan is $603,631. Interest is due and payable on the final payment of principal on the loan.

During fiscal year ended June 30, 2014, the Corporation assumed a loan payable between KMS Vernon Street LLC and the former Redevelopment Agency of the City of Roseville in the amount of $603,525 made in connection with the acquisition of 238 Vernon Street. In the current fiscal year, the Corporation made debt principal payments in the amount of $495,030, thereby extinguishing the loan.

B. Debt Service Requirements

Debt service requirement are shown below for all loans:

	Notes Payable	
Year Ended June 30,	Principal	Interest
2021	$ -	$ -
2022	-	-
2023	346,905	-
2024	346,905	-
2025	346,905	-
2026-2030	1,734,525	-
2031-2032	693,809	1,195,613
Totals	$ 3,469,049	$ 1,195,613

Note 5 - Advances Due to the City of Roseville

	Original Issue Amount	Balance June 30, 2019	Retirements	Balance June 30, 2020
City of Roseville				
2.034%, due June 30, 2030	$ 1,530,951	$ 1,475,951	$ -	$ 1,475,951

In 2013, the City of Roseville loaned $1,530,951 to the Corporation in addition to the loan from the Successor Agency described in Note 4. Accrued interest on the loan is $256,812. Interest is payable in January and June of each year. Beginning in January 2023, principal will be due semi-annually in January and June with the final payment scheduled for June 2032. The outstanding principal at June 30, 2020 is $1,475,951.

Note 6 - Going Concern

The financial statements have been prepared on a going concern basis which assumes the Corporation will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future.

On February 7, 2018, the Corporation's Board of Directors agreed to a strategic pause in activity to allow for time to decide the direction of the Corporation. This plan will include the sale of the remaining capital asset and the settlement of loans payable to the City of Roseville and the Successor Agency of the City of Roseville Redevelopment Agency. With the sale of the Corporation's remaining property, 110 Pacific Street, the Corporation expects the operation to wind down by June 30, 2021.

As the corporation has put a strategic pause in activity, the Corporation has no identified revenue streams as of the end of the fiscal year. The corporation will pursue direction from the City Council to wind down the corporation, followed by filing appropriate paperwork with the California Office of Attorney General and Secretary of State.

The Corporation is planning to wind down operations with the remaining cash directed to both the City and Successor Agency loans; however, there is not enough to satisfy either in full. The corporation expects the Successor Agency, through Oversight Board action, to forgive the remaining balance on the Successor Agency loan, and City Council to forgive the remaining balance of the city loan. The Oversight Board, however, has yet to take action to make that decision.

Management believes these conditions raise substantial doubt about the Corporation's ability to continue as a going concern within twelve months, and a reasonable period from the date of these financials.

Note 7 - Subsequent Events

Management has evaluated subsequent events for recognition and disclosure through November 6, 2020, which is the date of the financial statements were available to be issued. Management anticipates that the Corporation's remaining property, 110 Pacific Street, will close escrow on November 6, 2020.

EideBailly
CPAs & BUSINESS ADVISORS

November 6, 2020

To the Board of Directors
Roseville Community Development Corporation, Inc.
Roseville, California

We have audited the governmental activities and general fund of the Roseville Community Development Corporation, Inc. (a non-profit organization) (Organization) a component unit of the City of Roseville, California as of and for the year ended June 30, 2020, and have issued our report thereon dated November 6, 2020. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our letter dated April 20, 2020, our financial responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the Organization solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our comments regarding a significant control deficiency during our audit in our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards dated November 6, 2020.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm, and other firms utilized in the engagement, if applicable, have complied with all relevant ethical requirements regarding independence.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the Organization is included in Note 2 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during 2020. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments. No such significant accounting estimates were identified.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the Organization's financial statements relate to the Organization's contingency relating to its strategic pause and its substantial doubt to continue as a going concern. Management's evaluation of the events and conditions and management's plan regarding these matters are also described in Note 6 to the financial statements.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit.

The following misstatements that we identified as a result of our audit procedures were brought to the attention of, and corrected by, management:

Reverse client entry affecting beginning net position that should have been recorded in the current year and eliminated upon consolidation and to reconcile prior year ending net position to current year beginning net position.

Account Description	Debit	Credit
Members Equity	$ 194,559	
Int Exp Deferred RDA/City Loan		$ 194,559

Adjust Member's Equity for immaterial revenue attributable, but not included in the prior year financials.

Account Description	Debit	Credit
Members Equity	$ 3,000	
Rental Income		$ 3,000

The following summarizes uncorrected financial statement misstatements whose effects in the current and prior periods, as determined by management, are immaterial, both individually and in the aggregate, to the financial statements taken as a whole and each applicable opinion unit.

Passed Adjustments related to the interest rate utilized to calculate deferred interest being higher than the amount stipulated in the debt agreement.

Account Description	Debit	Credit
Deferred Liability Int (COR)	$ 12,560	
Int Exp Deferred RDA/City Loan		$ 12,560

The effect of these uncorrected misstatements, including the effect of the reversal of prior year uncorrected misstatements as of and for the year ended June 30, 2020, is an understatement of fund balance of approximately $12,560, and overstatement of liabilities of approximately $12,560.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the organization's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management which are included in the management representation letter dated November 6, 2020.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the Organization, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the Organization's auditors.

Substantial Doubt on the Entity's Ability to Continue as a Going Concern

We believe that the following events or conditions identified during the course of the audit raise substantial doubt about the entity's ability to continue as a going concern for a reasonable period of time:

The Corporation has sold the last income generating property, is on a strategic pause in operations, and has stated that substantial doubt exists about the Corporation's ability to continue as a going concern. The Corporation is planning to wind down operations with the remaining cash directed to both it's loan obligations to the City and Successor Agency, however there is not enough to satisfy either in full.

This report is intended solely for the information and use of the Board of Directors, and management of the Organization and is not intended to be, and should not be, used by anyone other than these specified parties.

Eide Bailly LLP

Sacramento, California

November 6, 2020

To the Board of Directors
Roseville Community Development Corporation, Inc.
Roseville, California

In planning and performing our audit of the basic financial statements of Roseville Community Development Corporation, Inc.(Organization) as of and for the year ended June 30, 2020, in accordance with auditing standards generally accepted in the United States of America, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we do not express an opinion on the effectiveness of Organization's internal control over financial reporting.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and therefore, significant deficiencies or material weaknesses may exist that have not been identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be a material weakness.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

- *Reasonably possible.* The chance of the future event or events occurring is more than remote but less than likely.
- *Probable.* The future event or events are likely to occur.

We consider the following deficiencies in the organization's internal control to be a material weakness:

Repeat of prior year material weakness - The Organization does not have an internal control system designed to provide for the preparation of the financial statements and related financial statement disclosures being audited. In conjunction with the completion of our audit, we were requested to draft the financial statements and accompanying notes to those financial statements. Although this circumstance is not unusual for an organization of your size, it is incumbent upon management to appoint an individual with the necessary skills, knowledge, and experience to evaluate the nonaudit services. The absence of this person increases the possibility that a misstatement of the financial statements could occur and not be prevented, or detected and corrected, by the entity's internal control.

We noted steps were taken to remediate the identified weakness from the prior year, however material audit adjustments were still made to the financial statements. Additionally, we noted that documented evidence of journal entry review and approval from the appointed personnel with the skills, knowledge, and experience to evaluate the entries were not consistent throughout the entire fiscal year. Entries were posted in error for the subsidiary and consolidated general ledgers resulting in understatement of liabilities and overstatement of revenues and expenses. We proposed a material audit adjustment to entries affecting fund balance which should have flowed through current year statements. As a response to this finding, Management is utilizing appropriate personnel from the City of Roseville with skills, knowledge, and experience to perform the final review of the financial statements.

Eide Bailly LLP

Sacramento, California

COUNCIL COMMUNICATION

CC #: 1198
File #: 0704-01

Title:	Central Park Phase 3 Project - Notice of Completion
Contact:	Joel De Jong 916-774-5924 jdejong@roseville.ca.us

Meeting Date: 1/13/2021
Item #: 8.2.

RECOMMENDATION TO COUNCIL

Accept the Central Park Phase 3 Project as complete and adopt a resolution authorizing the Parks, Recreation & Libraries Director to execute the attached Notice of Completion.

BACKGROUND

The Parks, Recreation & Libraries Department has made a final inspection of the Central Park Phase 3 Project and has found that all contract work has been completed in accordance with the approved plans and specifications. The project is now ready for acceptance.

The project scope of work included installation of two softball fields, two tennis courts, basketball courts, sports field and sports courts lighting, a swing area, covered picnic area, paved parking lot and on-street parking, security lighting, landscaping and irrigation. In accordance with our specifications, the Contractor shall guarantee the installation of these improvements for a period of twelve (12) months from the date of this Notice of Completion.

FISCAL IMPACT

Funding for the project was provided through the Citywide Park Fund (3303) and was allocated in the FY2014-15 budget, in combination with funding through the Public Facilities Fund (3355). Maintenance of the Phase 2 acreage and amenities will be a new obligation funded by the additional General Fund resources provided by the voter-approved Measure B half-cent local sales tax.

ENVIRONMENTAL REVIEW

The California Environmental Quality Act (CEQA) does not apply to activities that will not result in a direct or reasonably foreseeable indirect physical change in the environment, or is otherwise not considered a project as defined by CEQA Statute §21065 and CEQA State Guidelines §15060(c)(3) and §15378. The Notice of Completion meets the above criteria and is not subject to CEQA. No additional environmental review is required.

Respectfully Submitted,

Joel De Jong, Park Development Analyst

Jill Geller, Director, Parks, Recreation & Libraries

Dominick Casey, City Manager

ATTACHMENTS:

Description

Resolution 21-001

Notice of Completion

RESOLUTION NO. 21-001

ACCEPTING THE PUBLIC WORK KNOWN AS THE CENTRAL PARK PHASE 3 PROJECT, APPROVING THE "NOTICE OF COMPLETION", AND AUTHORIZING THE PARKS, RECREATION AND LIBRARIES DIRECTOR TO EXECUTE SAID NOTICE ON BEHALF OF THE CITY OF ROSEVILLE

BE IT RESOLVED by the City Council of the City of Roseville as follows:

1. The "Notice of Completion" on file in the City Clerk's Department relative to that public work known as the Central Park Phase 3 Project, has been approved and the public work accepted.

2. The Parks, Recreation and Libraries Director is hereby authorized and directed to execute said Notice on behalf of the City of Roseville.

PASSED AND ADOPTED by the Council of the City of Roseville this_____day of _____________________, 20______, by the following vote on roll call:

AYES COUNCILMEMBERS:

NOES COUNCILMEMBERS:

ABSENT COUNCILMEMBERS:

____
MAYOR

ATTEST:

____
City Clerk

RECORDING REQUESTED BY AND WHEN
RECORDED MAIL TO:

CITY CLERK
CITY OF ROSEVILLE
311 VERNON STREET
ROSEVILLE, CA 95678

Exempt from recording fees
Pursuant to Gov't Code §27383

NOTICE OF COMPLETION

NOTICE IS HEREBY GIVEN that the public work of improvement known as the ____ Project was completed and accepted by the City of Roseville on __________________________________. The location is situated in the City of Roseville, County of Placer, State of California and is indicated on the attached map, marked as Exhibit "A" and incorporated herein by this reference. The real property herein described is owned by the City of Roseville, 311 Vernon Street, Roseville CA 95678.

The direct/general contractor on said project was __________________________________.

The surety on said project was ____

____.

____

City of Roseville
Owner

ATTEST:

____
Sonia Orozco, City Clerk

State of California)
County of Placer)

I,______________________________, being first duly sworn, depose and say: I am the _________________________________ of the City of Roseville, a municipal corporation in the State of California, owner of the property described in the above Notice. I am duly authorized to make this verification for and on behalf of the City of Roseville. I have read the Notice of Completion and know its contents and the facts stated therein are true.

____

City of Roseville

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 Placer)

Subscribed and sworn to (or affirmed) before me on this _____ day of _________________,

20___, _________________________________

proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

Place Notary Seal and/or Stamp Above

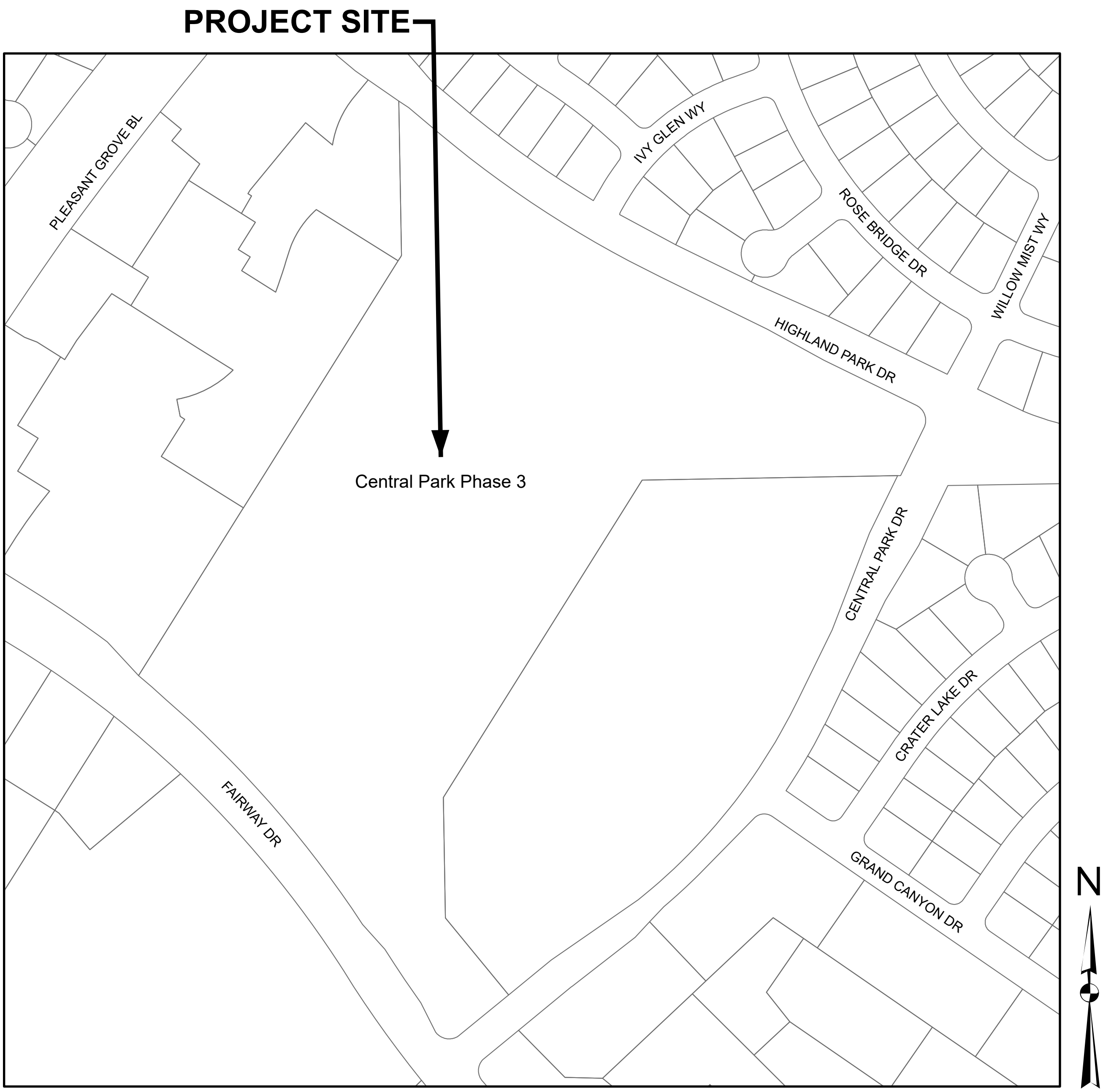
____

Signature of Notary Public

Exhibit A

Central Park Phase 3

The project included installation of two softball fields, two tennis courts, basketball courts, sports field and sports courts lighting, a swing area, covered picnic area, paved parking lot and on-street parking, security lighting, landscaping and irrigation.



COUNCIL COMMUNICATION

CC #: 1199
File #: 0704-01

Title: Harry Crabb Park Phase 2 Project - Notice of Completion
Contact: Joel De Jong 916-774-5924 jdejong@roseville.ca.us

Meeting Date: 1/13/2021
Item #: 8.3.

RECOMMENDATION TO COUNCIL

Accept the Harry Crabb Park Phase 2 Project as complete and adopt a resolution authorizing the Parks, Recreation & Libraries Director to execute the attached Notice of Completion.

BACKGROUND

The Parks, Recreation & Libraries Department has made a final inspection of the Harry Crabb Park Phase 2 Project and has found that all contract work has been completed in accordance with the approved plans and specifications. The project is now ready for acceptance.

The project scope of work included installation of a recirculating spray ground (water play area), restroom, covered picnic area, expansion and paving of the parking lot, baseball fields, a full basketball court, tennis and pickle ball courts, a shade sail for the water play area, multi-use turf area, landscaping and irrigation. In accordance with our specifications, the Contractor shall guarantee the installation of these improvements for a period of twelve (12) months from the date of this Notice of Completion.

FISCAL IMPACT

Funding for the project was partially provided through the Citywide Park Fund (3305) and was allocated in the FY2014-15 budget. An interfund loan (Loan A42) from the Automotive Replacement Fund was approved at contract award. Savings recognized in FY2018-19 and FY2019-20 from the Roseville Finance Authority's 2017A bond refunding associated with the Stoneridge and Crocker Ranch community was also allocated to the project. The repayment of Loan A42 will be applied at an annual amount through the Roseville Finance Authority's 2017A (Stoneridge and Crocker Ranch) bond refunding. Maintenance of the Phase 2 acreage and amenities will be a new obligation funded by the additional General Fund resources provided by the voter-approved Measure B half-cent local sales tax.

ENVIRONMENTAL REVIEW

The California Environmental Quality Act (CEQA) does not apply to activities that will not result in a direct or reasonably foreseeable indirect physical change in the environment, or is otherwise not considered a project as defined by CEQA Statute §21065 and CEQA State Guidelines §15060(c)(3) and §15378. Acceptance of a Notice of Completion meets the above criteria and is not subject to CEQA. No additional environmental review is required.

Respectfully Submitted,

Joel De Jong, Park Development Analyst

Jill Geller, Director, Parks, Recreation & Libraries

Dominick Casey, City Manager

ATTACHMENTS:

Description

21-002

Notice of Completion

RESOLUTION NO. 21-002

ACCEPTING THE PUBLIC WORK KNOWN AS THE HARRY CRABB PARK PHASE 2 PROJECT, APPROVING THE “NOTICE OF COMPLETION”, AND AUTHORIZING THE PARKS, RECREATION AND LIBRARIES DIRECTOR TO EXECUTE SAID NOTICE ON BEHALF OF THE CITY OF ROSEVILLE

BE IT RESOLVED by the City Council of the City of Roseville as follows:

1. The “Notice of Completion” on file in the City Clerk’s Department relative to that public work known as the Harry Crabb Park Phase 2 Project, has been approved and the public work accepted.

2. The Parks, Recreation and Libraries Director is hereby authorized and directed to execute said Notice on behalf of the City of Roseville.

PASSED AND ADOPTED by the Council of the City of Roseville this_____day of ______________________, 20______, by the following vote on roll call:

AYES COUNCILMEMBERS:

NOES COUNCILMEMBERS:

ABSENT COUNCILMEMBERS:

____
MAYOR

ATTEST:

____
City Clerk

RECORDING REQUESTED BY AND WHEN
RECORDED MAIL TO:

CITY CLERK
CITY OF ROSEVILLE
311 VERNON STREET
ROSEVILLE, CA 95678

Exempt from recording fees
Pursuant to Gov't Code §27383

NOTICE OF COMPLETION

NOTICE IS HEREBY GIVEN that the public work of improvement known as the ____ Project was completed and accepted by the City of Roseville on _________________________________. The location is situated in the City of Roseville, County of Placer, State of California and is indicated on the attached map, marked as Exhibit "A" and incorporated herein by this reference. The real property herein described is owned by the City of Roseville, 311 Vernon Street, Roseville CA 95678.

The direct/general contractor on said project was _________________________________.

The surety on said project was ____

____.

____

City of Roseville
Owner

ATTEST:

____

Sonia Orozco, City Clerk

State of California)
County of Placer)

I,______________________________, being first duly sworn, depose and say: I am the ________________________________ of the City of Roseville, a municipal corporation in the State of California, owner of the property described in the above Notice. I am duly authorized to make this verification for and on behalf of the City of Roseville. I have read the Notice of Completion and know its contents and the facts stated therein are true.

____

City of Roseville

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 Placer)

Subscribed and sworn to (or affirmed) before me on this _____ day of _________________,

20___, ________________________________

proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

____

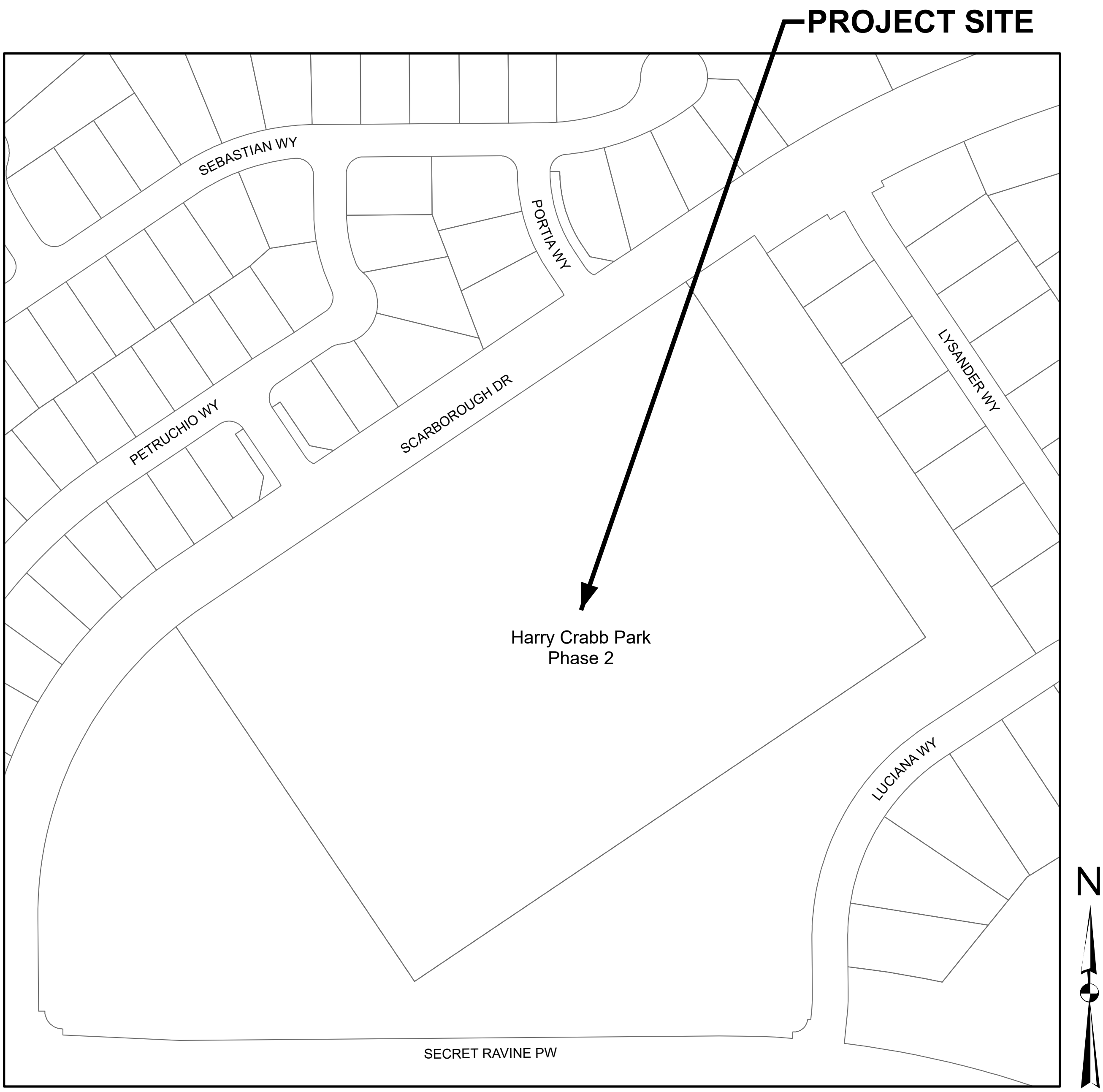
Place Notary Seal and/or Stamp Above

Signature of Notary Public

Exhibit A

Harry Crabb Park Phase 2

The project included a recirculating spray ground (water play area), restroom, covered picnic area, expansion and paving of the parking lot, baseball fields, full basketball court, tennis and pickle ball courts, multi-use turf area, landscaping, and irrigation.



COUNCIL COMMUNICATION

CC #: 1202
File #: 0103 & 0103-41-02 & 0103-04-02 & 0103-05-02 & 0103-06-02 & 0103-13-02 & 0103-12-02

Title:	Board and Commissions Bi-Annual Vacancies
Contact:	Katrina Six 916-774-5267 kmsix@roseville.ca.us

Meeting Date: 1/13/2021
Item #: 9.1.

RECOMMENDATION TO COUNCIL

Recommending Council appoint five (5) individuals to the Board of Appeals to terms expiring December 31, 2024 from the applications received from: Pete Constant, Jason Douglas, Deanna Erdman, Bruce Hagler, Debbie Leong, Stephanie Nunez, Andrea Seminer, Richard Stalker, and Brian Stenklyft.

Appoint two (2) individuals to the Library Board to terms expiring December 31, 2024 from the applications received from: Renee Ambrozy, Neil Pople, Laxmi Rao, and Kayla Scott.

Appoint four (4) individuals to the Parks & Recreation Commission to terms expiring December 31, 2024 from the applications received from: Nick Alexander, Stanley Ambrozy, Matthew Bridge, Sandra Pollack-Cushing, Monique Cuvelier, John "Corey" Eames, Renee Erwin, Mike Esparza, Debbie Leong, Richard Ortiz, Neva Marie Parker, Neil Pople, John Rector, Sharon Sims, Richard Stalker, and Vicken Yanikian.

Appoint three (3) individuals to the Personnel Board to terms expiring December 31, 2024 from the applications received from: Robert Brittany, Kathleen Crawford, Basil Deem, Herbert Long, Sr., Stephanie Nunez, Nicholas O'Neill, and Charles Sandoval.

Appoint four (4) individuals to the Senior Commission to terms expiring December 31, 2024 from the applications received from: Renee Ambrozy, Kathleen Crawford, Bobbi Knapp, and Brian Parry.

Appoint three (3) individuals to the Transportation Commission to terms expiring December 31, 2024 from the applications received from: Jason Douglas, Audrey Huisking, Kenneth Isenhower III, Nicholas O'Neill, Derek Pell, and Jason Probst.

BACKGROUND

Appointments to the Board of Appeals, Library Board, Parks & Recreation Commission, Personnel Board, Senior Commission, and Transportation Commission are due to be made as part of the bi-annual recruitment process. Recruitment for all vacancies occurred in October, November, and December 2020, video interviews of the applicants were conducted by the City Clerk Department, and the City Attorney's Office reviewed the Statement of Economic Interest (Form 700) for potential conflicts of interest. The application, video interviews, and attorney review are compiled and provided to the City Council for consideration.

FISCAL IMPACT

There is no fiscal impact.

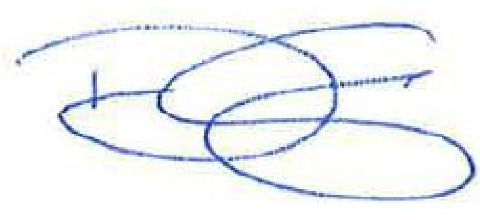
ENVIRONMENTAL REVIEW

The California Environmental Quality Act (CEQA) does not apply to activities that will not result in a direct or reasonably foreseeable indirect physical change in the environment, or is otherwise not considered a project as defined by CEQA Statute §21065 and CEQA State Guidelines §15060(c)(3) and §15378. The appointment of members to boards or commissions meets the above criteria and is not subject to CEQA. No additional environmental review is required.

Respectfully Submitted,

Katrina Six, Deputy City Clerk

Sonia Orozco, City Clerk



Dominick Casey, City Manager