



AGENDA

April 2, 2025

CITY COUNCIL
HOUSING AUTHORITY
6:00 p.m.
Council Chambers
311 Vernon Street
Roseville, CA
www.roseville.ca.us

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.

Levine Act Provisions - The Levine Act requires a Party (or its agent (s)) to a Proceeding before the City of Roseville that involves any action or consideration to their contract, license, permit, or other entitlement for use, to disclose any campaign contribution made to City elected or appointed officers (including Councilmembers, Planning Commissioners, and members of other City boards and commissions) totaling more than \$250 within the 12 months before the City decision.

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. Proclamation - Fair Housing Month April 2025

Proclaim the month of April 2025 as Fair Housing Month and encourage all residents and community organizations to celebrate the value of harmonious, inclusive, and diverse communities of neighbors and to support the goal of equal housing opportunity for all people.

CONTACT: Blair Hutchison 916-774-5266 bmhutchison@roseville.ca.us

6. **PUBLIC COMMENTS**
7. **CONSENT CALENDAR**

BEGINNING OF CONSENT CALENDAR

Minutes

7.1. Minutes of Prior Meeting

Memo from City Clerk Technician Melissa Lipp and City Clerk Carmen Avalos recommending the City Council approve the minutes of the March 5, 2025 City Council and Housing Authority Meeting and the March 19, 2025 City Council Meeting.

CC #: 3825

File #: 0102-03

CONTACT: Melissa Lipp mllipp@roseville.ca.us 916-774-5268

Bids / Purchases / Services

7.2. Cooling Tower Fan Motor (RFQ 10-3409) – Purchase Order

Memo from Senior Buyer Joanna Oukrop and Finance Director Scott Pettingell recommending the City Council approve a purchase order with Mechanical Analysis Repair, Inc., which submitted the lowest responsive and responsible bid for a cooling tower fan motor in response to Request for Quotations No. 10-3409. This fan motor will serve as a spare to replace the existing motor in case of equipment failure at the Roseville Energy Plant. The low bid amount for the spare cooling fan motor is \$83,890.00. With a six percent tariff for products shipped after April 2, 2025, of \$5,033.40, the grand total will be \$95,814.96 including \$6,891.56 of sales tax. There is adequate funding in the FY2024-25 Electric Fund budget for this purchase.

CC #: 3809

File #: 0203-04

CONTACT: Joanna Oukrop 916-746-1102 joukrop@roseville.ca.us

7.3. Fuel and Lubricants (SACOG RFP 2023-24-10) - Contract Purchase Agreement

Memo from Purchasing Supervisor Becky Philipp and Finance Director Scott Pettingell recommending the City Council adopt RESOLUTION NO. 25-072 APPROVING A CONTRACT PURCHASE AGREEMENT, BY AND BETWEEN THE CITY OF ROSEVILLE AND HUNT OIL OF CALIFORNIA, INC., AND AUTHORIZING THE CITY MANAGER TO EXECUTE IT ON BEHALF OF THE CITY OF ROSEVILLE (3004242). Staff requests Council approval of a contract purchase agreement with Hunt Oil of California, Inc. as the selected bidder of the Sacramento Area Council of Governments Request for Proposals No. 2023-24-10 to supply and deliver propane and various lubricants for multiple City departments. The initial contract through August 31, 2027, is for \$526,000, and funding is included in multiple City department budgets. The bid allowed for two optional renewal years at one-year intervals. Staff requests authorization to continue utilizing the remaining optional renewal years of the bid without further Council approvals until the contract expires or until City staff determines that continuing with the same vendor is not in the City's best interest.

CC #: 3810

File #: 0203-04

CONTACT: Becky Philipp 916-746-1110 bphilipp@roseville.ca.us

7.4. Riego Creek Park Turf Installation Project - Award of Bid and Budget Adjustment

Memo from Park Development Project Manager Kelly Appier and Parks, Recreation & Libraries Director Jill Geller recommending the City Council adopt RESOLUTION No. 25-080 APPROVING AN AGREEMENT, BY AND BETWEEN THE CITY OF ROSEVILLE AND BRIGHTVIEW LANDSCAPE DEVELOPMENT, INC., AND AUTHORIZING THE CITY MANAGER TO EXECUTE IT ON BEHALF OF THE CITY OF ROSEVILLE; and adopt ORDINANCE 6925 OF THE COUNCIL OF THE CITY OF ROSEVILLE AUTHORIZING CERTAIN AMENDMENTS TO THE FISCAL YEAR 2024-25 BUDGET AND DECLARING THIS ORDINANCE TO BE IMMEDIATELY EFFECTIVE AS AN APPROPRIATION MEASURE. Staff requests Council award an agreement to the apparent low bidder, Brightview Landscape Development, Inc. for the Riego Creek Park turf installation, and adopt a resolution to authorize the City Manager to execute the agreement with Brightview Landscape Development, Inc. in the amount of \$282,356, as well as authority to approve change order requests in an amount not to exceed 10% of the contracted amount; and adopt an ordinance to approve a budget adjustment in the amount of \$175,000 from the Neighborhood Park - West Roseville Specific Plan (SP) Fund, to the Riego Creek Park (formerly, F-51) Project. Riego Creek Park is located on the 12.15-acre site off North Hayden and Holt Parkways, adjacent to Riego Creek Elementary School in the Fiddymont Farm area of West Roseville. The Riego Creek Park turf installation project includes converting two landscaped areas along North Hayden Parkway to

turf grass. Staff recommends award of the base bid plus alternates 1, 2, and 3 for a total contract award amount of \$282,356 to Brightview Landscape Development, Inc. Staff requests authorization to approve change order requests in an amount not to exceed 10% of the contracted amount. Funding for the construction project was approved in the FY2021-22 CIP budget using the Neighborhood Park - West Roseville SP Fund. A budget adjustment is requested to fully fund the turf installation. Ongoing maintenance costs are funded through the Fiddymont Ranch Community Facilities District #2 (Public Services) Fund. There will be no General Fund impact.

CC #: 3820

File #: 0203-10 & 0201-01

CONTACT: Kelly Appier 916-774-5927 ksappier@roseville.ca.us

7.5. Dry Creek Wastewater Treatment Plant Gearbox Replacement - Sole Source Purchase Order

Memo from Administrative Technician Audrey Ficker and Environmental Utilities Director Sean Bigley recommending the City Council adopt RESOLUTION NO. 25-081 APPROVING A SOLE SOURCE PURCHASE ORDER FOR REPLACEMENT MIXING GEARBOXES. Staff requests Council approval of a sole source purchase order with Philadelphia Mixing Solutions, LLC for the purchase of eight (8) replacement mixing gearboxes for the aeration process at the Dry Creek Wastewater Treatment Plant. Philadelphia Mixing Solutions, LLC is the only supplier of its named equipment. The cost of this purchase is \$206,355 including tax and estimated shipping cost with a ten percent contingency of \$20,635, for a total not-to-exceed cost of \$226,990. Funding will be provided from the Environmental Utilities Department's annual approved budgets for the Wastewater Operations Fund.

CC #: 3821

File #: 0203-09

CONTACT: Audrey Ficker 916-746-1865 agficker@roseville.ca.us

Resolutions

7.6. Civic Center Heating, Ventilation and Air Conditioning Boxcar Replacement Project - Notice of Completion

Memo from Project Coordinator Rebecca McCoy and Public Works Director Jason Shykowski recommending the City Council adopt RESOLUTION NO. 25-074 ACCEPTING THE PUBLIC WORK KNOWN AS THE CIVIC CENTER HVAC BOXCAR REPLACEMENT PROJECT, APPROVING THE "NOTICE OF COMPLETION", AND AUTHORIZING THE PUBLIC WORKS DIRECTOR TO EXECUTE SAID NOTICE ON BEHALF OF THE CITY OF ROSEVILLE. Staff requests Council accept the Civic Center HVAC Boxcar Replacement project as complete. The Civic Center Heating, Ventilation and Air Conditioning (HVAC) Replacement units AC-2, AC-3, and AC-4 are fully operational, and the occupied spaces served by these units are maintaining both temperature and airflow setpoints. The total cost of this project was \$1,059,780. The Civic Center HVAC Boxcar Replacement Project was budgeted in the Public Works FY2021-22 Civic Center – Renovation and Rehabilitation Project and the FY2022-

23 Civic Center – HVAC Boxcar Replacement Project budgets in the Facility Rehabilitation Fund.

CC #: 3814

File #: 0900-01

CONTACT: Rebecca McCoy 916-774-5706 ramccoy@roseville.ca.us

7.7. Fire Station No. 8 Project - Notice of Completion

Memo from Project Supervisor Andre Baranov and Public Works Director Jason Shykowski recommending the City Council adopt RESOLUTION NO. 25-077 ACCEPTING THE PUBLIC WORK KNOWN AS THE FIRE STATION NO. 8 PROJECT, APPROVING THE “NOTICE OF COMPLETION”, AND AUTHORIZING THE PUBLIC WORKS DIRECTOR TO EXECUTE SAID NOTICE ON BEHALF OF THE CITY OF ROSEVILLE. Staff request Council accept the work performed by Carter-Kelly, Inc. as complete, and authorize the Public Works Director to execute the Notice of Completion, releasing the 5% Retention Funds and beginning the warranty period for the Fire Station No. 8 construction project located at 7951 Painted Desert Dr., Roseville, CA 95747. The project was funded by the Fire Facilities Fund and no additional funding is being requested.

CC #: 3817

File #: 0900-01

CONTACT: Andre Baranov 916-774-5342 ajbaranov@roseville.ca.us

7.8. Low Carbon Fuel Standard Customer Program - Low-Income Definition Policy Approval

Memorandum from Energy Services Account Representative Sarah Kaufman and Electric Utility Director Dan Beans recommending the City Council adopt RESOLUTION NO. 25-078 ADOPTING A LOW-INCOME DEFINITION POLICY FOR ROSEVILLE ELECTRIC'S LOW CARBON FUEL STANDARD CUSTOMER PROGRAMS. Staff requests Council adopt a resolution to authorize the City Manager, or his designee, to execute a Low-Income Definition Policy for Roseville Electric Utility's Low Carbon Fuel Standard Customer Programs. This recommendation has no financial impact to the Electric Fund or the General Fund.

CC #: 3818

File #: 0800-03

CONTACT: Sarah Kaufman 916-774-5656 smkaufman@roseville.ca.us

7.9. Pleasant Grove Wastewater Treatment Plant Ultraviolet Disinfection Addition Project – Notice of Completion

Memo from Preventative Maintenance Supervisor Jeremy Snyder and Environmental Utilities Director Sean Bigley recommending the City Council adopt RESOLUTION NO. 25-079 ACCEPTING THE PUBLIC WORK KNOWN AS THE PLEASANT GROVE WASTEWATER TREATMENT PLANT ULTRAVIOLET DISINFECTION ADDITION PROJECT, APPROVING THE “NOTICE OF COMPLETION”, AND AUTHORIZING THE ENVIRONMENTAL UTILITIES DIRECTOR TO EXECUTE SAID

NOTICE ON BEHALF OF THE CITY OF ROSEVILLE. Staff requests Council approval of the Notice of Completion for the Pleasant Grove Wastewater Treatment Plant Ultraviolet Disinfection Addition Project. The total cost of the construction contract with Auburn Constructors LLC is \$2,255,365.22. Funding for this project was provided by the South Placer Wastewater Authority.

CC #: 3819

File #: 0900-01

CONTACT: Jeremy Snyder 916-413-9236 jsnyder@roseville.ca.us

7.10. Financial Policies for Fiscal Year 2025-26

Memo from Finance Director Scott Pettingell and Assistant City Manager/Chief Financial Officer Dennis Kauffman recommending the City Council adopt RESOLUTION NO. 25-076 ADOPTING THE CITY OF ROSEVILLE FINANCIAL POLICIES, EFFECTIVE JULY 1, 2025. Staff recommends Council approve the annual update of its financial policies. The recommended updates to the Investment Policy incorporate provisions of Assembly Bill 2618, Surplus Funds: Investment, and make nonsubstantive edits to the policy to improve clarity. The recommended updates to the Budget Development Policy improve clarity regarding the City's indirect cost allocation plan. The recommended Federal Stimulus Reserve Fund Policy change clarifies the deadline for obligating federal stimulus funding. Approval of the financial policies has no fiscal impact. However, implementing the policies is expected to improve the City's fiscal position and financial health. The Fiscal Year 2025-26 Proposed Budget is being developed based on these recommended financial policies.

CC #: 3816

File #: 0200

CONTACT: Scott Pettingell 916-746-1306 spettingell@roseville.ca.us

7.11. Downtown Roseville Property and Business Improvement District - 2024 Annual Report and 2025 Budget

Memo from Economic Development Analyst Gina McColl and Economic Development Director Melissa Anguiano recommending the City Council adopt RESOLUTION NO. 25-075 APPROVING THE 2024 DOWNTOWN ROSEVILLE PROPERTY AND BUSINESS IMPROVEMENT DISTRICT ANNUAL REPORT AND 2025 BUDGET. Staff requests Council receive an update regarding the 2024 Downtown Roseville Property and Business Improvement District Annual Report including current activities and future operations and approve the annual report and the 2025 Budget for the Downtown Roseville Partnership. The City contributes to the Property and Business Improvement District each year in the form of parcel assessments for City-owned property in Downtown Roseville. The 2024 City assessment was approximately \$70,690 and the total assessment collected for the district was \$215,513. Receiving the annual report has no impact on the General Fund and a maximum of 2% of the property assessment will be retained by the City to cover the costs of administration of the management agreement.

CC #: 3815

Ordinances (for introduction and adoption - appropriation/urgency measures)

7.12. Accela Cloud Migration - Budget Adjustment

Memo from Management Analyst Stacie Marchetti and Development Services Director Mike Isom recommending the City Council adopt ORDINANCE NO. 6924 AUTHORIZING CERTAIN AMENDMENTS TO THE FISCAL YEAR 2024-25 BUDGET AND DECLARING THIS ORDINANCE TO BE IMMEDIATELY EFFECTIVE AS AN APPROPRIATION MEASURE. Staff requests Council approve a budget adjustment appropriating \$100,000 in the Development Services Department's Technology Replacement Fund to the Accela Cloud Migration Capital Improvement Project, increasing the total project budget to \$995,000. The City's on-premise enterprise permitting software, Accela Automation, will no longer be supported by the vendor after June 30, 2025, and all users must migrate to its new cloud-hosted system in order to continue receiving product support, updates, and maintenance. The Council authorized the upgrade project in the FY2024-25 budget. Unexpected staff vacancies have increased the need for consultant support to complete the project on time. The proposed budget adjustment would appropriate an additional \$100,000 needed to complete the project. The Technology Replacement Fund receives funding from a fee associated with building permit issuance and was specifically established to pay for technology platforms that benefit development. There is no impact to the General Fund.

CC #: 3811

File #: 0203-06 & 0201-01

CONTACT: Stacie Marchetti 916-774-5278 smarchetti2@roseville.ca.us

Ordinances (for second reading and adoption)

7.13. Second Reading - Roseville Municipal Code Amendment – Regulations for Fireworks

ORDINANCE NO. 6926 AMENDING SECTION 16.16.140 OF CHAPTER 16.16 OF TITLE 16 OF THE ROSEVILLE MUNICIPAL CODE REGARDING REGULATIONS FOR FIREWORKS, for second reading and adoption.

CC #: 3824

File #: 0102

CONTACT: Travis Cochran 916-774-5325 tecochran@roseville.ca.us

Reports / Requests

7.14. Annual Comprehensive Financial Report and Other Audit Reports for the Fiscal Year ended June 30, 2024

Memo from Accounting Manager Teri Quinlan and Finance Director Scott Pettingell recommending the City Council receive three informational financial reports for the fiscal year ended June 30, 2024, along with two required auditor

communication letters. There is no impact to the City's General Fund.

CC #: 3813

File #: 0202

CONTACT: Teri Quinlan 916-774-5316 tquinlan@roseville.ca.us

END OF CONSENT CALENDAR

8. SPECIAL REQUESTS/REPORTS/PRESENTATION

8.1. Roseville Power Plant #2 Repower Project - New Capital Improvement Project Approval, Third Amended and Restated Site Use and Installation Agreement, Second Amended and Restated Operations and Maintenance Agreement, Design-Build Construction Agreement, and Budget Adjustment

Memo from Electric Utility Chief Operating Officer Shawn Matchim and Electric Utility Director Dan Beans recommending the City Council adopt RESOLUTION NO. 25-082 APPROVING A THIRD AMENDED AND RESTATED SITE USE AND INSTALLATION AGREEMENT, BETWEEN THE CITY OF ROSEVILLE AND THE CALIFORNIA DEPARTMENT OF WATER RESOURCES, AND AUTHORIZING THE CITY MANAGER TO EXECUTE IT ON BEHALF OF THE CITY OF ROSEVILLE; and adopt RESOLUTION NO. 25-083 APPROVING A SECOND AMENDED AND RESTATED OPERATIONS AND MAINTENANCE AGREEMENT, BY AND BETWEEN THE CITY OF ROSEVILLE AND THE CALIFORNIA DEPARTMENT OF WATER RESOURCES, AND AUTHORIZING THE CITY MANAGER TO EXECUTE IT ON BEHALF OF THE CITY OF ROSEVILLE; and adopt RESOLUTION NO. 25-084 APPROVING A DESIGN-BUILD CONSTRUCTION AGREEMENT, BY AND BETWEEN INTEGRATED ENGINEERS AND CONTRACTORS CORPORATION DBA IEC CORPORATION AND THE CITY OF ROSEVILLE, AND AUTHORIZING THE CITY MANAGER TO EXECUTE IT ON BEHALF OF THE CITY OF ROSEVILLE; and adopt RESOLUTION NO 25-085 OF THE CITY COUNCIL OF THE CITY OF ROSEVILLE DECLARING INTENTION TO REIMBURSE EXPENDITURES FROM PROCEEDS OF TAX-EXEMPT OBLIGATIONS FOR THE ELECTRIC SYSTEM; and adopt ORDINANCE NO. 6927 ORDINANCE OF THE COUNCIL OF THE CITY OF ROSEVILLE AUTHORIZING CERTAIN AMENDMENTS TO THE FISCAL YEAR 2024-25 BUDGET AND DECLARING THIS ORDINANCE TO BE IMMEDIATELY EFFECTIVE AS AN APPROPRIATION MEASURE. Staff requests Council approval of the Third Amended and Restated Site Use and Installation Agreement and the Second Amended and Restated Operations and Maintenance Agreement between the City of Roseville and the California Department of Water Resources. Staff also requests approval of the creation of a new Capital Improvement Project – Roseville Power Plant #2 Repower, and approval and award of a Design-Build Construction Agreement with Integrated Engineers and Contractors Corporation dba IEC Corporation in the amount of \$38,835,925. Staff also requests authorization for the City Manager or his designee to approve and pay for contract change orders for this project that could increase the contract amount by no more than 5 percent (\$1,941,796) or a not-to-exceed total contract amount

of \$40,777,721. Staff also requests approval of a budget adjustment appropriating \$17,000,000 from the FY2024-25 Electric Fund to the Project and adding \$4,000,000 in expected revenue from CDWR to the FY2024-25 budget, with the total estimated cost of these agreements to be approximately \$46,000,000, with funding in future fiscal years dependent on City Council approval. Staff further requests that the City Council adopt a resolution declaring its intention to reimburse expenditures related to the Roseville Power Plant #2 Repower Project activities from bond proceeds in the event that bonds are issued in the future to fund project costs. There is no financial impact to the General Fund.

CC #: 3826

File #: 0900-03 & 0201-01

CONTACT: Shawn Matchim 916-746-1620 smatchim@roseville.ca.us

8.2. Long-Term Liabilities Update - Pension and Other Postemployment Benefits

Memo from Finance Director Scott Pettingell and Assistant City Manager/Chief Financial Officer Dennis Kauffman recommending the City Council receive a presentation on the City's long-term liabilities for pension and other postemployment benefits. There is no fiscal impact. This is for informational purposes only.

CC #: 3813

File #: 0600-04

CONTACT: Scott Pettingell 916-746-1306 spettingell@roseville.ca.us

9. **APPOINTMENTS**

9.1. Personnel Board & Senior Commission - Unscheduled Vacancy Appointments

Memo from City Clerk Technician Katrina Six and City Clerk Carmen Avalos recommending the City Council appoint one (1) individual to the Personnel Board to a term expiring December 31, 2026 from the applications received from: Richard Plecker and Cheri Polan; and appoint Linda Richardson Soto to the Senior Commission to a term expiring December 31, 2026 as the sole application received.

CC #: 3823

File #: 0103-06-03 & 0103-12-03

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

10. **PUBLIC HEARING**

NOTICE TO THE PUBLIC

City Council, when considering the matter scheduled for hearing, will take the following actions:

1. Open the Public Hearing
2. Presentation by Staff
3. Presentation by applicant or Appellant
4. Accept Public Testimony

5. Appellant or Applicant Rebuttal Period
6. Close the Public Hearing
7. City Council Comments and Questions
8. City Council Action

In the future, if you wish to challenge in court any of the matters on this agenda for which a public hearing is to be conducted, you may be limited to raising only those issues, which you, or someone else raised orally at the Public Hearing or in written correspondence received by the City on or before the hearing.

Public Hearings listed for continuance will be continued as noted and posting of this agenda serves as notice of continuation.

10.1. HOUSING AUTHORITY - Five Year Plan and Fiscal Year 2025-26 Annual Plan

Memo from Housing Supervisor Suzi Cook-Turner and Economic Development Director Melissa Anguiano recommending the City Council acting as the Board of Directors for the Roseville Housing Authority, adopt RESOLUTION NO. 1-25 OF THE HOUSING AUTHORITY OF THE CITY OF ROSEVILLE AUTHORIZING THE EXECUTIVE DIRECTOR TO SUBMIT THE ROSEVILLE HOUSING AUTHORITY FIVE YEAR PLAN AND ANNUAL PLAN FOR FISCAL YEAR 2025-26 TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT ALONG WITH ALL THE REQUIRED CERTIFICATIONS, DISCLOSURES, AND RELATED DOCUMENTS. Staff requests Council receive the Housing Authority's Five Year and Annual Plans for submission to the U.S. Department of Housing & Urban Development. These plans have no impact on the City's General Fund.

CC #: 3812

File #: 0103-03-02

CONTACT: Suzi Cook-Turner 916-774-5414 smcook-turner@roseville.ca.us
Trisha Isom 916-746-1239 tisom@roseville.ca.us

11. COUNCIL REPORTS / PUBLIC COMMENTS

12. ADJOURNMENT



COUNCIL COMMUNICATION

CC #:

File #:

Title: Meeting Heading

Contact:

Meeting Date: 4/2/2025

Item #: 0.1.



COUNCIL COMMUNICATION

CC #: 3822
File #: 0102-06

Title: Proclamation - Fair Housing Month April 2025
Contact: Blair Hutchison 916-774-5266 bmhutchison@roseville.ca.us

Meeting Date: 4/2/2025
Item #: 5.1.

RECOMMENDATION TO COUNCIL

Proclaim the month of April 2025 as Fair Housing Month and encourage all residents and community organizations to celebrate the value of harmonious, inclusive, and diverse communities of neighbors and to support the goal of equal housing opportunity for all people.

BACKGROUND

Not applicable.

FISCAL IMPACT

Not applicable.

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. Ceremonial documents meet the above criteria and are not subject to CEQA. No additional environmental review is required.

CITY COUNCIL STRATEGIC PLAN/OVERARCHING GOALS

Goal B - Support community engagement and advocacy

Respectfully Submitted,

Blair Hutchison, City Clerk Technician

Carmen Avalos, City Clerk



Dominick Casey, City Manager

ATTACHMENTS:

Description

Fair Housing Month April 2025

Proclamation

FAIR HOUSING MONTH APRIL 2025

WHEREAS, adequate housing is a basic need and right of all people; and

WHEREAS, this year we celebrate the 57th Anniversary of the enactment of the Federal Fair Housing Act of 1968 (Title VIII of the Civil Rights Act), which states that discrimination in the sale and rental of housing is illegal when based on race, color, religion, sex, or national origin; and

WHEREAS, the Fair Housing Amendments Act of 1988 extends fair housing rights on the basis of familial status to families with children, and on the basis of handicap to disabled persons; and

WHEREAS, California statutes additionally protect citizens on the basis of age, marital status, sexual orientation, gender identity and source of income; and California celebrates the 65th Anniversary of the Fair Employment and Housing Act (FEHA); and

WHEREAS, the City of Roseville supports fair housing efforts to eliminate discrimination in housing and recognizes the benefits of Project Sentinel to educate home seekers, apartment managers, and apartment owners on federal and state housing laws, and to investigate complaints of illegal housing discrimination in Roseville; and

WHEREAS, to heighten public awareness, the City of Roseville wishes to focus public attention on April as Fair Housing Month.

NOW, THEREFORE, I, KRISTA BERNASCONI, MAYOR OF THE CITY OF ROSEVILLE, CALIFORNIA, do hereby proclaim the month of **April 2025** as **FAIR HOUSING MONTH** and encourage all residents and community organizations to celebrate the value of harmonious, inclusive, and diverse communities of neighbors and to support the goal of equal housing opportunity for all people.

SIGNED AND APPROVED this 2nd day of April 2025.



KRISTA BERNASCONI, MAYOR





COUNCIL COMMUNICATION

CC #:

File #:

Title: Consent Calendar

Contact:

Meeting Date: 4/2/2025

Item #:



COUNCIL COMMUNICATION

CC #: 3825
File #: 0102-03

Title: Minutes of Prior Meeting
Contact: Melissa Lipp mllipp@roseville.ca.us 916-774-5268

Meeting Date: 4/2/2025
Item #: 7.1.

RECOMMENDATION TO COUNCIL

Approve the minutes of the March 5, 2025 City Council and Housing Authority Meeting and the March 19, 2025 City Council Meeting.

BACKGROUND

Not applicable.

FISCAL IMPACT

There is no fiscal impact associated with this request.

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 City Council minutes are not subject to CEQA. No additional environmental review is required.

CITY COUNCIL STRATEGIC PLAN/OVERARCHING GOALS

Respectfully Submitted,

Melissa Lipp, City Clerk Technician

Carmen Avalos, City Clerk

A handwritten signature in blue ink, consisting of several overlapping loops and a horizontal line, likely representing the name Dominick Casey.

Dominick Casey, City Manager

ATTACHMENTS:

Description

March 5, 2025

March 19, 2025



MINUTES

March 5, 2025

**CITY COUNCIL
HOUSING AUTHORITY**
6:00 p.m.
Council Chambers
311 Vernon Street
Roseville, CA
www.roseville.ca.us

1. CALL TO ORDER

Mayor Krista Bernasconi called the meeting to order at 6:01 p.m.

2. ROLL CALL

Present: Vice Mayor Karen Alvord, Councilmember Bruce Houdesheldt, Councilmember Tracy Mendonsa, Councilmember Pauline Roccucci, Mayor Krista Bernasconi.

3. PLEDGE OF ALLEGIANCE

Claire Sheidenberger led the Pledge of Allegiance.

4. MEETING PROCEDURES

City Clerk Carmen Avalos announced the procedures for addressing the City Council.

5. PUBLIC COMMENTS

Diya Sandeep spoke on Sewa Diwali food drive.

Venkata Manish Maramreddy spoke on Health for Humanity Yogathon.

Ishaha Datusalia spoke on the Maha Kumbh Mela festival in India.

6. CONSENT CALENDAR

BEGINNING OF CONSENT CALENDAR

Motion by Bruce Houdesheldt, seconded by Tracy Mendonsa, to approve the Consent Calendar as recommended. The Motion Passed.

Roll call vote: Ayes: Alvord, Bernasconi, Houdesheldt, Mendonsa, Roccucci

Minutes

6.1. Minutes of Prior Meeting

Memo from City Clerk Technician Melissa Lipp and City Clerk Carmen Avalos recommending the City Council approve the minutes of the February 19, 2025 City Council Meeting.

CC #: 3785

File #: 0102-03

CONTACT: Melissa Lipp 916-774-5268 mllipp@roseville.ca.us

Bids / Purchases / Services

6.2. Fertilizer Plus Dimension (RFQ 10-3410) - Purchase Order

Memo from Buyer Sue Jessup and Assistant City Manager/Chief Financial Officer Dennis Kauffman recommending the City Council adopt RESOLUTION NO. 25-052 APPROVING A PURCHASE ORDER FOR FERTILIZER PLUS DIMENSION. Staff requests Council authorize open purchase orders with SiteOne Landscape Supply as the lowest responsive and responsible bidder for the purchase of Fertilizer plus Dimension in response to Request for Quotations No. 10-3410. The initial contract period will be from the date of award through December 31, 2025. Funding is included in the Park Maintenance Division's FY2024-25 budget and will be included in the proposed FY2025-26 budget. Funding is provided by the General Fund and the City's community facilities districts. The estimated total annual spend is \$75,000 with an estimated increase of up to 8% per year due to potential increases caused by inflation. The bid allowed for four optional renewal calendar years at one-year intervals. Staff requests authorization to continue utilizing the remaining optional renewal calendar years without further Council approval, provided that the applicable budget is approved by the City Council each year, until the contract expires or until City staff determines that continuing with the same vendor is not in the City's best interest.

CC #: 3769

File #: 0203-04

CONTACT: Sue Jessup 916-746-1107 sjessup@roseville.ca.us

6.3. Glycerin-Based Carbon – Contract Purchase Agreement Amendment

Memo from Wastewater Operations Superintendent Jason Fick and Environmental Utilities Director Sean Bigley recommending the City Council adopt RESOLUTION NO. 25-053 APPROVING AMENDMENT #1 TO CONTRACT PURCHASE AGREEMENT, BY AND BETWEEN THE CITY OF ROSEVILLE

AND MOMAR, INC., AND AUTHORIZING THE CITY MANAGER TO EXECUTE IT ON BEHALF OF THE CITY OF ROSEVILLE (3003703). Staff requests Council approval of Amendment No. 1 to the contract purchase agreement with Momar, Inc., to increase the agreement total not-to-exceed amount from \$113,000 to \$148,000 to cover the purchase of glycerin-based carbon at the Dry Creek Wastewater Treatment Plant. Funding for this purchase will be provided from the Environmental Utilities Department's budget in the Wastewater Operations Fund.

CC #: 3770

File #: 0203-09

CONTACT: Jason Fick 916-746-1940 jfick@roseville.ca.us

6.4. Sodium Hypochlorite and Sodium Hydroxide Tank Replacements - Sole Source Purchase Order

Memo from Preventative Maintenance Coordinator Blaine Wiegel and Environmental Utilities Director Sean Bigley recommending the City Council approval of a sole source purchase order with TW Associates, LLC dba MISCOWater, for the purchase of two (2) replacement chemical tanks used in the process of disinfecting water at the Barton Road Water Treatment Plant. The cost of this purchase is \$104,225.94 and will be funded from the Environmental Utilities Department annual budget for the Water Treatment Plant in the Water Operations Fund.

CC #: 3772

File #: 0203-09

CONTACT: Blaine Wiegel 916-746-1833 bwiegel@roseville.ca.us

6.5. Electric Vehicle Chargers - Contract Purchase Agreement

Memo from Park Planning and Development Manager Tara Gee and Parks, Recreation & Libraries Director Jill Geller recommending the City Council adopt RESOLUTION NO. 25-055 APPROVING A CONTRACT PURCHASE AGREEMENT, BY AND BETWEEN THE CITY OF ROSEVILLE AND RENEWAGE ENERGY SOLUTIONS, AND AUTHORIZING THE CITY MANAGER TO EXECUTE IT ON BEHALF OF THE CITY OF ROSEVILLE (3004392). Staff requests Council approve a contract purchase agreement (CPA) with RenewAge Energy Solutions in the amount of \$293,836.93 to supply, install and activate Electric Vehicle (EV) chargers at Riego Creek Park, Byouk Park and the Placer Valley Soccer Complex. Funding for the EV chargers will include a \$120,000 contribution from Roseville Electric, with the balance funded through the Capital Improvement Project budgets for the three parks included in this CPA. Maintenance of the chargers will be managed by Loop, the selected charging network. Loop recovers maintenance and customer service costs by adding a small percentage to each customer transaction.

CC #: 3774

File #: 0704

CONTACT: Tara Gee 916-774-5253 tgee@roseville.ca.us

Resolutions

6.6. Barton Road Water Treatment Plant Communication Facility - Mast Installation Lease Agreement Amendment

Memo from Business Systems Analyst Christian Barajas and Chief Information Officer Hong Sae recommending the City Council adopt RESOLUTION NO. 25-051 APPROVING A REINSTATEMENT AND SECOND AMENDMENT TO MAST INSTALLATION LEASE AGREEMENT, BY AND BETWEEN THE CITY OF ROSEVILLE AND SPRINT SPECTRUM REALTY COMPANY, LLC, AND AUTHORIZING THE CITY MANAGER TO EXECUTE IT ON BEHALF OF THE CITY OF ROSEVILLE. Staff requests Council approve the Reinstatement and Second Amendment to Mast Installation Agreement for the Barton Road Water Treatment Plant Communications Facility, and authorize the City Manager to execute it. West Coast PCS/T-Mobile is currently leasing space on a cell tower at the City's water treatment plant, at 9595 Barton Road. This amendment is to reinstate the expired lease and update the conditions. The City will receive \$2,000 per month from T-Mobile to lease space, and that revenue will be deposited into the General Fund.

CC #: 3767

File #: 0708

CONTACT: Christian Barajas 916-774-5431 cjbarajas@roseville.ca.us

6.7. Placer Valley Soccer Complex – Spending Authority Increase Approval

Memo from Park Planning and Development Manager Tara Gee and Parks, Recreation & Libraries Director Jill Geller recommending the City Council adopt RESOLUTION NO. 25-059 APPROVING AN INCREASE IN SPENDING AUTHORITY. Staff requests Council approve an increase to contract spending authority by an additional \$600,000 under the current design-assist contract with Bothman Construction, Inc. for the Placer Valley Soccer Complex Project. To maximize cost efficiencies and avoid duplication of efforts, additional changes, which include completion of the Traffic Signalization Project and sidewalk construction along Westbrook Boulevard, have been requested to be included in the design-assist contract with Bothman Construction, Inc. Based on this, it is projected that additional improvements combined with approved and pending change orders will exceed the approved authorization amount. As such, staff is seeking Council approval to increase the contract spending authority by \$600,000. Offsets for the traffic signal related items remain allocated through the Traffic Signalization capital improvement project, and funding for the additional sidewalk connection is provided by the Electric Department, who owns the property immediately north of the Complex. The remaining added improvements will be absorbed within the Complex Project budget. No additional funding is being requested.

CC #: 3781

File #: 0900-07

CONTACT: Tara Gee 916-774-5253 tgee@roseville.ca.us

6.8. Weber Park Renovation Project - Notice of Completion

Memo from Park Development Project Manager Joel De Jong and Parks, Recreation & Libraries Director Jill Geller recommending the City Council adopt RESOLUTION NO. 25-061ACCEPTING THE PUBLIC WORK KNOWN AS WEBER PARK RENOVATION 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 requests Council approval to accept the Weber Park Renovation Project as complete. The Parks, Recreation & Libraries Department has made a final inspection of the Weber Park Renovation 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. Funding was allocated and approved in the FY2022-23 and FY2023-24 budgets from the American Rescue Plan Act. Maintenance costs are provided through the General Fund and are anticipated to be unchanged.

CC #: 3783

File #: 0704-01

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

6.9. Designation of the Law and Regulation Committee Meeting Day and Time

Memo from Government & Community Relations Manager Rob Baquera and Deputy City Manager Megan Scheid recommending the City Council adopt RESOLUTION NO. 25-058 ADOPTING A RESOLUTION REPEALING RESOLUTION NO. 23-048 AND ADOPTING A 2025 MEETING SCHEDULE FOR THE LAW AND REGULATION COMMITTEE. Staff requests Council repeal resolution 23-048 and adopt a new resolution to establish the 2025 Law and Regulation Committee meeting schedule. Meetings will be held on the third Thursday of March, May, and August at 9:00 a.m., and on Wednesday, November 19, from 4:30 to 5:30 p.m. before the City Council meeting. These changes align meetings with key legislative milestones. Meetings will be held in the City Council Chambers and broadcast on Comcast channel 14. There is no financial impact associated with this action.

CC #: 3780

File #: 0103-32

CONTACT: Rob Baquera 916-746-1170 rbaquera@roseville.ca.us

6.10. Sierra Vista Specific Plan Mitigation Fee Program Administration - Sole Source Professional Services Agreement

Memo from Management Analyst Stacie Marchetti and Development Services Director Mike Isom recommending the City Council adopt RESOLUTION NO. 25-056 APPROVING A PROFESSIONAL SERVICES AGREEMENT, BY AND BETWEEN THE CITY OF ROSEVILLE AND ECONOMIC AND PLANNING SYSTEMS, INC., AND AUTHORIZING THE CITY MANAGER TO EXECUTE IT ON BEHALF OF THE CITY OF ROSEVILLE. Staff requests Council approval of a sole source professional services agreement with Economic and Planning Systems, Inc. (EPS) for Sierra Vista Specific Plan Mitigation Fee Program

administration. EPS has been the designated third party administrator of the SVSP Fee Program since adoption. Based on the experience and knowledge EPS has with the program and the nature of the fee program, staff recommends continuing to contract with EPS to manage the SVSP Fee Program. The total cost of the service is \$300,000 which is funded through the developer-paid Sierra Vista Infrastructure Fee program. There is no impact to the General Fund.

CC #: 3776

File #: 0400-04-12 & 0800-06

CONTACT: Stacie Marchetti 916-774-5278 smarchetti2@roseville.ca.us

6.11. Resolution Declaring Public Weeds and Rubbish a Public Nuisance - Setting a Public Hearing Date

Memo from Fire Division Chief Michael Bradley and Fire Chief Ryan Harrigan recommending the City Council adopt RESOLUTION NO. 25-054 DECLARING ALL WEEDS, DIRT, RUBBISH, AND/OR RANK GROWTHS WITHIN THE CITY OF ROSEVILLE TO BE A NUISANCE; ORDERING THE FIRE CHIEF TO GIVE NOTICE OF THE PASSAGE OF THIS RESOLUTION; AND SETTING A TIME AND PLACE FOR HEARING ANY OBJECTIONS TO THE PROPOSED DESTRUCTION OR REMOVAL OF SUCH WEEDS, DIRT, RUBBISH, OR RANK GROWTHS. Staff requests Council approval of a resolution declaring weeds, rubbish, dirt, and/or rank growth within the City to be a public nuisance, as well as ordering the Fire Chief to give notice of the passage and setting a time and place for the required public hearing. The public hearing will be scheduled for the City Council meeting on Wednesday, April 16, 2025. Owners of private parcels that are abated by the City are responsible for the costs associated with providing abatement services. This item has no fiscal impact on the General Fund.

CC #: 3773

File #: 0324-01

CONTACT: Michael Bradley 916-774-5806 mbradley@roseville.ca.us

6.12. CalHome Homeownership Program - Grant Application

Memo from Housing Analyst Kristine Faelz and Economic Development Director Melissa Anguiano recommending the City Council adopt RESOLUTION NO. 25-057 APPROVING THE SUBMITTAL OF AN APPLICATION TO THE CALIFORNIA STATE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT FOR FUNDING UNDER THE CALHOME PROGRAM; AUTHORIZING THE CITY MANAGER TO EXECUTE A STANDARD AGREEMENT IF SELECTED FOR SUCH FUNDING AND ANY AMENDMENTS THERETO; AND ANY RELATED DOCUMENTS NECESSARY TO PARTICIPATE IN THE CALHOME PROGRAM. Staff requests Council approve an application to the State of California Department of Housing and Community Development for the CalHome Program in the amount of \$1,261,500 to assist with homeownership programs and to execute the necessary application, standard agreement and relevant documents for the CalHome grant program. The recommended action does not impact the City's General Fund.

CC #: 3777

File #: 0709-04

CONTACT: Kristine Faelz 916-774-5451 kpfaelz@roseville.ca.us

6.13. Northern California Power Agency Combustion Turbine Project - Intent to Reimburse

Memo from Acting Assistant Electric Utility Director Joanna Cucchi and Electric Utility Director Daniel Beans recommending the City Council adopt RESOLUTION NO. 25-062 OF THE CITY OF ROSEVILLE REGARDING REIMBURSEMENT WITH PROCEEDS OF TAX-EXEMPT OBLIGATIONS. Staff requests Council declare its intention to reimburse expenditures related to Phase 2 activities of the Combustion Turbine No. 2 Repower Project from the proceeds of bonds issued by the Northern California Power Agency. There is no fiscal impact related to this recommendation.

CC #: 3784

File #: 0800-03

CONTACT: Joanna Cucchi 916-746-1609 jcucchi@roseville.ca.us

Ordinances (for introduction and first reading)

6.14. Roseville Municipal Code Ordinance - Military Equipment Policy

Memo from Police Lieutenant Scott Blynn and Lieutenant Darren Kato recommending the City Council adopt findings pursuant to California Government Code Sections 7071 and 7072, and introduce for first reading an ORDINANCE RENEWING CITY OF ROSEVILLE ORDINANCE 6463 AND READOPTING AND CONTINUING ROSEVILLE POLICE DEPARTMENT POLICY NO. 706, TITLED "MILITARY EQUIPMENT", thereby authorizing the Roseville Police Department's continued use of "military equipment", as defined by Government Code Section 7070. Assembly Bill 481 required the City Council to adopt an ordinance and policy allowing the Police Department to use and acquire "military equipment". To continue to use "military equipment" each year, the City Council is required to review and renew the ordinance and military equipment policy. There is no fiscal impact associated with this action.

CC #: 3779

File #: 0323

CONTACT: Scott Blynn 916-774-5040 sblynn@roseville.ca.us
Darren Kato 916-774-5040 dkato@roseville.ca.us

Ordinances (for introduction and adoption - appropriation/urgency measures)

6.15. Community Facilities Districts - Budget Adjustments

Memo from Management Analyst Jeannine Thrash and Assistant City Manager/Chief Financial Officer Dennis Kauffman recommending the City Council adopt ORDINANCE NO. 6913 AUTHORIZING CERTAIN AMENDMENTS TO THE FISCAL YEAR 2024-25 BUDGET AND DECLARING THIS

ORDINANCE TO BE IMMEDIATELY EFFECTIVE AS AN APPROPRIATION MEASURE. Staff requests Council approve budget adjustments for the City's community facilities districts (CFDs) to true up the district budgets to the FY2024-25 tax levies that were submitted to Placer County for the property tax roll and to budget for CFD bond issuances and draws since the beginning of the fiscal year. The City's budget is developed and proposed for adoption before the final tax levy budget for each CFD is determined. The recommended budget adjustment trues up the budgets after the final expenditure estimates, including pay-as-you-go developer reimbursements, are taken into consideration. Also, this budget adjustment will realign the budget for debt service-related fees to improve the accounting and financial reporting. There are sufficient fund balances in all the identified CFDs to accommodate the budget adjustments. There is no impact to the General Fund.

CC #: 3768

File #: 0210 & 0201-01

CONTACT: Jeannine Thrash 916-774-5473 jthrash@roseville.ca.us

6.16.Home Investment Partnerships Program - Budget Adjustment

Memo from Housing Analyst Kristine Faelz and Economic Development Director Melissa Anguiano recommending the City Council adopt ORDINANCE NO. 6914 AUTHORIZING CERTAIN AMENDMENTS TO THE FISCAL YEAR 2024-25 BUDGET AND DECLARING THIS ORDINANCE TO BE IMMEDIATELY EFFECTIVE AS AN APPROPRIATION MEASURE. Staff requests Council approval of a budget adjustment for the FY2024-25 HOME Investment Partnerships Program (HOME) Fund to increase the expenditure budget in the amount of \$250,000 to fund additional owner-occupied housing rehabilitation projects and program administrative costs for FY2024-25 from the HOME Investment Partnerships Program Fund. This budget adjustment uses HOME funds and will not impact the City's General Fund.

CC #: 3771

File #: 0709

CONTACT: Kristine Faelz 916-774-5451 kpfaelz@roseville.ca.us

Claudia Carreno 916-774-5486 ccarreno@roseville.ca.us

6.17.Martha Riley Library Cooling Tower Replacement Project - New Capital Improvement Project Approval and Budget Adjustment

Memo from Design & Construction Project Manager Andre Baranov and Public Works Director Jason Shykowski recommending the City Council approve the establishment of a new capital improvement project, the Martha Riley Library Cooling Tower Replacement project; and adopt ORDINANCE NO. 6915 AUTHORIZING CERTAIN AMENDMENTS TO THE FISCAL YEAR 2024-25 BUDGET AND DECLARING THIS ORDINANCE TO BE IMMEDIATELY EFFECTIVE AS AN APPROPRIATION MEASURE. Staff requests approval of the establishment of the new Martha Riley Library Cooling Tower Replacement project and a \$150,000 budget adjustment (\$131,100 from the Facility Rehabilitation Fund; \$3,150 each from the Water, Wastewater, and Waste Services Operations Funds; and \$9,450 from the Electric Fund) to fund it. The project will replace the Cooling Tower

serving the main air handler unit at the Martha Riley Library using an existing on-call agreement.

CC #: 3778

File #: 0900-04

CONTACT: Andre Baranov 916-774-5342 ajbaranov@roseville.ca.us

Reports / Requests

6.18.2025 Legislative and Regulatory Platform for State and Federal Advocacy

Memo from Government Relations Manager Rob Baquera and Deputy City Manager Megan Scheid recommending the City Council adopt the 2025 Legislative and Regulatory Platform to guide the City's state and federal advocacy efforts. This platform reflects the City Council's priorities and provides a framework for legislative, regulatory, and judicial engagement. Annual updates will ensure alignment with evolving legislative environments and Roseville's interests.

CC #: 3780

File #: 0114

CONTACT: Rob Baquera 916-774-5179 rbaquera@roseville.ca.us

END OF CONSENT CALENDAR

7. SPECIAL REQUESTS/REPORTS/PRESENTATION

7.1. HOUSING AUTHORITY/CITY COUNCIL – Quarterly Status Update 4th Qtr 2024

Memo from Housing Analyst Danielle O'Connell and Economic Development Director Melissa Anguiano recommending the City Council receive a quarterly report on the Housing Authority's Housing Choice Voucher Program. This report is for informational purposes only and has no impact on the City's General Fund.

CC #: 3775

File #: 0709-01

CONTACT: Danielle O'Connell 916-774-5277 doconnell@roseville.ca.us
Suzi Cook-Turner 916-774-5414 smcook-turner@roseville.ca.us

Housing Manager Trisha Isom introduced Housing Supervisor Suzi Cook-Turner, who made the presentation.

No public comment received.

For information only. No action taken.

8. PUBLIC HEARING

8.1. Appeal of Infill Parcels 183, 229, 305 - Sunrise Office Center Design Review Permit, Flood Encroachment Permit, and Tree Permit

Memo from Associate Planner Shelby Maples and Development Services Director Mike Isom recommending the City Council adopt RESOLUTION NO. 25-060 DENYING THE APPEAL FROM THE JANUARY 9, 2025 APPROVAL BY THE PLANNING COMMISSION, ADOPTING THE SUNRISE OFFICE CENTER INITIAL STUDY/MITIGATED NEGATIVE DECLARATION (SCH #2024120281) AND MITIGATION MONITORING AND REPORTING PROGRAM, ADOPTING THE FOUR FINDINGS OF FACT FOR THE DESIGN REVIEW PERMIT AND APPROVING THE DESIGN REVIEW PERMIT, ADOPTING THE TWO FINDINGS OF FACT AND APPROVING THE FLOOD ENCROACHMENT PERMIT, AND ADOPTING THE TWO FINDINGS OF FACT AND APPROVING THE TREE PERMIT. This will uphold the Planning Commission's approval of a Design Review Permit, Flood Encroachment Permit, and Tree Permit to allow the construction of a 7,300-square-foot medical office building and associated site improvements including parking, lighting, and landscaping. Staff also recommends that the City Council deny the request to refund the appeal fee.

CC #: 3782

File #: 0400-04-17 & 0400-08

CONTACT: Shelby Maples 916-746-1347 smaples@roseville.ca.us

Mayor Krista Bernasconi declared a conflict of interest as she owns property within 500 feet of the subject property, and left the dais.

Vice Mayor Karen Alvord opened the public hearing at 6:19 p.m.

Development Services Director Mike Isom introduced Planning Manager Greg Bitter, Senior Planner Derek Ogden, Associate Planner Shelby Maples, and Engineering Manager Marc Stout.

Associate Planner Shelby Maples made the presentation to the City Council.

Engineering Manager Marc Stout continued the presentation.

Millennium Planning & Engineering Principal Planner, Robert Wood, spoke in support of the project.

Jennifer Chapman presented her objections to the Planning Commission's decision.

John Prior spoke in opposition to removal of the large oak tree.

Jennifer Chapman continued her presentation.

Robert Wood, Principal Planner, rebutted the appellant's objections.

Vice Mayor Karen Alvord closed the public hearing at 7:20 p.m.

Motion by Bruce Houdesheldt, seconded by Tracy Mendonsa, to adopt RESOLUTION NO. 25-060 DENYING THE APPEAL FROM THE JANUARY 9, 2025 APPROVAL BY THE PLANNING COMMISSION, ADOPTING THE SUNRISE OFFICE CENTER INITIAL STUDY/MITIGATED NEGATIVE DECLARATION (SCH #2024120281) AND MITIGATION MONITORING AND REPORTING PROGRAM, ADOPTING THE FOUR FINDINGS OF FACT AND APPROVING THE DESIGN REVIEW PERMIT SUBJECT TO SIXTY-FIVE CONDITIONS OF APPROVAL, ADOPTING THE TWO FINDINGS OF FACT AND APPROVING THE FLOOD ENCROACHMENT PERMIT SUBJECT TO TWELVE CONDITIONS OF APPROVAL, AND ADOPTING THE TWO FINDINGS OF FACT AND APPROVING THE TREE PERMIT SUBJECT TO MODIFIED CONDITIONS OF APPROVAL THAT CORRECT THE NUMBER OF TREES AND INCHES TO BE REMOVED AS WELL AS ADDING THE APPROPRIATE CONDITIONS TO IMPLEMENT THE STANDARD POLICIES AND PROCEDURES FOR WORK WITHIN THE DRIP LINE OF PROTECTED TREES AS FOUND IN SECTION 19.66.060 OF THE ROSEVILLE MUNICIPAL CODE, AND DENY THE REQUEST TO REFUND THE APPEAL FEE. The Motion Passed.

Roll call vote: Ayes: Alvord, Houdesheldt, Mendonsa, Roccucci

Absent: Bernasconi

9. COUNCIL REPORTS / PUBLIC COMMENTS

No public comment received.

Northern California Power Association Meeting - Councilmember Pauline Roccucci reported on attendance.

Regional Water Authority Meeting - Councilmember Pauline Roccucci reported on attendance.

Council Priorities Workshop - Councilmember Pauline Roccucci reported on attendance.

Councilmember Pauline Roccucci reported on various community events.

Councilmember Tracy Mendonsa thanked staff for their work on the Council Priorities Workshop.

Vice Mayor Karen Alvord reported on various community events.

10. ADJOURNMENT

Vice Mayor Karen Alvord adjourned the meeting at 7:52 p.m.



MINUTES

March 19, 2025

CITY COUNCIL
6:00 p.m.
Council Chambers
311 Vernon Street
Roseville, CA
www.roseville.ca.us

1. CALL TO ORDER

Mayor Krista Bernasconi called the meeting to order at 6:00 p.m.

2. ROLL CALL

Present: Vice Mayor Karen Alvord, Councilmember Bruce Houdesheldt, Councilmember Tracy Mendonsa, Councilmember Pauline Roccucci, Mayor Bruce Houdesheldt

3. PLEDGE OF ALLEGIANCE

City Manager Dominick Casey led the Pledge of Allegiance.

4. MEETING PROCEDURES

City Clerk Carmen Avalos announced the procedures for addressing the City Council.

5. PRESENTATIONS

5.1. Retirement Resolution - Art Vogtlin

Commend Art Vogtlin for his 18 years of outstanding service and dedication to the City of Roseville and the Information Technology Department, congratulate him for his accomplishments and wish him a long, healthy, and enjoyable retirement.

CONTACT: Blair Hutchison 916-774-5266 bmhutchison@roseville.ca.us

City Council made the presentation to Assistant Information Technology Director Art Vogtlin, who responded.

5.2. Sacramento Area Council of Governments - Blueprint Project

The 2024 Blueprint will outline recommendations for public land use policy and transportation investment strategies for the Sacramento region for the next 30 years. This plan will lay out a set of strategies for an integrated, multimodal transportation system and a regional land use development pattern that can create a more thriving region that works for all residents. The plan aims to connect housing to jobs, education, goods and services, and recreational opportunities while protecting and enhancing our region's natural and working landscapes.

CONTACT: Carmen Avalos 916-774-5269 cavalos@roseville.ca.us

Sacramento Area Council of Governments Executive Director James Corliss made the presentation to the City Council.

Senior Planner Lauren Hocker continued the presentation.

6. PUBLIC COMMENTS

Laurel Peterson spoke on the need for affordable housing for individuals with intellectual and development disabilities.

Kim Zarin spoke on the need for affordable housing for individuals with intellectual and development disabilities.

Jennifer Chapman read comments made by individuals at most recent Council meeting.

7. CONSENT CALENDAR

BEGINNING OF CONSENT CALENDAR

Motion by Bruce Houdesheldt, seconded by Pauline Roccucci, to drop item 7.9 to be relisted on April 16, 2025 and remove item 7.11 for discussion. The Motion Passed.

Roll call vote: Ayes: Alvord, Bernasconi, Houdesheldt, Mendonsa, Roccucci

Bids / Purchases / Services

7.1. Adventure Club Heating, Ventilation, & Air Conditioning Replacement Project (RFQ 10-3399) – Contract Purchase Agreement

Memo from Buyer Tiffany Valdez and Finance Director Scott Pettingell recommending the City Council adopt RESOLUTION NO. 25-070 APPROVING A CONTRACT PURCHASE AGREEMENT, BY AND BETWEEN THE CITY OF ROSEVILLE AND THP MECHANICAL, LLC, AND AUTHORIZING THE CITY MANAGER TO EXECUTE IT ON BEHALF OF THE CITY OF

ROSEVILLE (3004220). Staff requests Council approve a contract purchase agreement with THP Mechanical LLC as the lowest responsive and responsible bidder for Request for Quotations No. 10-3399 Adventure Club Heating Ventilation, Air Conditioning Replacement. The cost of the agreement is \$230,469. Additionally, adopt a resolution authorizing the City Manager to sign the contract purchase agreement and authorizing the Parks, Recreation & Libraries Director or designee to approve change order requests for this project up to 10% (\$23,046.90) as a construction contingency, for a grand total of \$253,515.90. Funding is included in the FY2024-25 Youth Development Fund budget.

CC #: 3801

File #: 0203-10

CONTACT: Tiffany Valdez 916-746-1109 tvaldez@roseville.ca.us

7.2. Rocky Rockholm (FD-51) Park Project - Approval of Plans and Specifications and Authorize Staff to Call for Bids

Memo from Park Development Project Manager Joel De Jong and Parks, Recreation & Libraries Director Jill Geller recommending the City Council approve the plans and specifications for the Rocky Rockholm (formerly FD-51) Park Project and authorize staff to call for bids. This 1.12-acre park site is located off Earl Rush Drive at Market Street in the Sierra Vista Specific Plan area. The architect's estimate for construction for the base bid is \$419,000. Funding for design was included in FY2021-22 budget with construction of the park included in the FY2023-24 Capital Improvement Project budget in the Neighborhood Park - Sierra Vista Fund. Maintenance costs will be funded by the Sierra Vista Community Facilities District No. 2 (Public Services). There will be no General Fund impact.

CC #: 3791

File #: 0704-01

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

7.3. Lower Bank (formerly C-63) Park Project - Approval of Plans and Specifications and Authorization to Call for Bids

Memo from Park Development Project Manager Joel De Jong and Parks, Recreation & Libraries Director Jill Geller recommending the City Council approve the plans and specifications for the Lower Bank (formerly C-63) Park Project and authorize staff to call for bids. This 2.5-acre neighborhood park is located off of Lemonade Lane at Lower Bank Drive within the Creekview area of Roseville. The architect's estimate for construction for the base bid is \$880,000. Funding for construction of this park was initially included in the FY2023-24 Capital Improvement Project budget in the Neighborhood Park - Creekview Fund. Maintenance costs will be funded by the Creekview Community Facilities District No.2 (Public Services). There will be no General Fund impact.

CC #: 3788

File #: 0704-01

CONTACT: Joel De Jong 916-774-5624 jdejong@roseville.ca.us

7.4. Woodbridge Park Tennis & Pickleball Court Renovations Project - Approval of Plans and Specifications and Authorization to Call for Bids

Memo from Park Development Project Manager Joshua Cervantes and Parks, Recreation & Libraries Director Jill Geller recommending the City Council approve the plans and specifications for Woodbridge Park Tennis & Pickleball Court Renovations and authorize staff to call for bids. The Woodbridge Park Tennis & Pickleball Court Renovation Project is at Woodbridge Park, a 7.2-acre neighborhood park located at 415 Sierra Blvd. The scope of work for the project includes renovating the court foundation, reestablishing one of the two tennis courts with a pickleball striping overlay on the tennis court, converting the second tennis court into two pickleball-only courts and adding a new shaded seating area for the pickleball courts. Funding for this Project was approved in the Parks, Recreation and Library Capital Project Fund through the FY2024-25 Capital Improvement Project budget process. There are negligible increases to maintenance costs. The funding source for maintenance will continue to be the General Fund.

CC #: 3793

File #: 0704-01

CONTACT: Joshua Cervantes 916-866-2553 jrcervantes@roseville.ca.us

7.5. Fleet Equipment Purchase – Purchase Order

Memo from Management Analyst Lea Schroeder and Public Works Director Jason Shykowski recommending the City Council approve a sole source purchase order to Volvo Construction Equipment & Service for one (1) Avant 860GT compact loader with attachments in the amount of \$185,367. The FY2024-25 Fleet Replacement Fund budget includes funding for this equipment purchase.

CC #: 3786

File #: 0203-02

CONTACT: Lea Schroeder 916-774-5503 lschroeder@roseville.ca.us

7.6. RPEAK Evaporative Cooling - Sole Source Contract Purchase Agreement

Memo from Senior Power Plant Engineer Oscar Plasencia and Electric Utility Director Dan Beans recommending the City Council adopt RESOLUTION NO. 25-069 APPROVING A CONTRACT PURCHASE AGREEMENT, BY AND BETWEEN THE CITY OF ROSEVILLE AND GE VERNOVA OPERATIONS, LLC, AND AUTHORIZING THE CITY MANAGER TO EXECUTE IT ON BEHALF OF THE CITY OF ROSEVILLE. Staff requests Council approve a sole source contract purchase agreement with GE Vernova Operations, LLC for the control system design and technical advisory services needed for the installation of evaporative cooling systems on each of the GE TM2500 combustion turbines at the RPEAK site for an amount of \$286,524.40 and to approve change order authority for unforeseen change orders up to 10% of the cost, or \$28,652.44, for a total of \$315,176.84. GE Vernova Operations, LLC is the original equipment manufacturer of the evaporative cooling system and, as such, is required to design the necessary control system and be onsite during installation to provide technical advisory services. Funding is included in the Electric Department's FY2024-25 budget in the Electric Fund.

CC #: 3799

File #: 0203-09

CONTACT: Oscar Plasencia 916-746-1648 oplasencia@roseville.ca.us

Resolutions

7.7. Judicial Foreclosure of Delinquent Special Taxes Pursuant to the Mello-Roos Community Facilities Act of 1982, as Amended

Memo from Management Analyst Jeannine Thrash and Assistant City Manager/Chief Financial Officer Dennis Kauffman recommending the City Council adopt RESOLUTION NO. 25-063 ACTING AS THE GOVERNING BODY OF ALL OF ITS COMMUNITY FACILITIES DISTRICTS ORDERING JUDICIAL FORECLOSURE OF DELINQUENT SPECIAL TAXES PURSUANT TO THE MELLO-ROOS COMMUNITY FACILITIES ACT OF 1982, AS AMENDED, AND ORDERING THAT THE PLACER COUNTY TAX COLLECTOR REMOVE CURRENT AND FUTURE DELINQUENT SPECIAL TAXES FOR THE COMMUNITY FACILITIES DISTRICTS FROM THE TAX ROLL. Certain property owners have become delinquent in payments of the special taxes associated with some of the City's community facilities districts (CFDs). Bonds have been issued in connection with each of these CFDs and payments of these bonds are secured by special taxes levied upon individual property owners within each of these CFD boundaries. To comply with the City's bond covenants, when certain delinquency thresholds have been met, the City is required to commence foreclosure actions against any delinquent parcel(s). The combined special tax delinquencies recommended for judicial foreclosure action is \$9,716.07. There is no fiscal impact to the City's General Fund. All legal fees are borne by the property owners and all penalties and interest collected will be credited to the subject CFDs.

CC #: 3789

File #: 0206-03-01

CONTACT: Jeannine Thrash 916-774-5473 jthrash@roseville.ca.us

7.8. 2024 Housing Element Annual Progress Report and 2024 General Plan Annual Progress Report

Memo from Housing Manager Trisha Isom, Senior Planner Lauren Hocker, and Economic Development Director Melissa Anguiano recommending the City Council adopt RESOLUTION NO. 25-064 APPROVING THE 2024 HOUSING ELEMENT ANNUAL PROGRESS REPORT AND APPROVING THE 2024 GENERAL PLAN ANNUAL PROGRESS REPORT. Staff requests Council approve an annual informational report on the status of the annual progress reports for the Housing Element and the General Plan progress implementation, as required by the State of California. The staff cost to develop the progress reports was included in the FY2024-25 adopted budget. There is no additional fiscal impact to the City's General Fund.

CC #: 3790

File #: 0709

CONTACT: Trisha Isom 916-746-1239 tisom@roseville.ca.us

7.9. Five Star Intertie Improvement Project – Construction Agreement

Memo from Assistant Engineer William Montz and Environmental Utilities Director Sean Bigley recommending the City Council adopt RESOLUTION NO. 25-068 APPROVING AN AGREEMENT, BY AND BETWEEN THE CITY OF ROSEVILLE AND SIERRA NATIONAL CONSTRUCTION, INC., AND AUTHORIZING THE CITY MANAGER TO EXECUTE IT ON BEHALF OF THE CITY OF ROSEVILLE. Staff requests Council approval and award of a Construction Agreement to Sierra National Construction, Inc. for the Five Star Intertie Improvement Project in the amount of \$698,640 and authorization for the City Manager or his designee to approve and pay for contract change orders for the project that could increase the contract amount by no more than 10% (\$69,864), for a not-to-exceed total contract amount of \$768,504. This project will be funded from available resources in the Water Construction Fund. The Water Construction Fund is funded by water connection fees paid for by developers.

CC #: 3798

File #: 0800-02

CONTACT: William Montz 916-938-0154 wlmontz@roseville.ca.us

7.10. Utility Legal Services - Legal Services Agreement

Memo from Paralegal Gretchen Hakala and City Attorney Michelle Sheidenberger recommending the City Council adopt RESOLUTION 25-066 APPROVING AN AGREEMENT FOR LEGAL SERVICES, BY AND BETWEEN THE CITY OF ROSEVILLE AND CLIMATE EDGE LAW GROUP, AND AUTHORIZING THE CITY MANAGER TO EXECUTE IT ON BEHALF OF THE CITY OF ROSEVILLE. Staff requests Council approve a Legal Services Agreement with Climate Edge Law Group to provide legal services related to regulatory and commercial matters regarding utilities and environmental law. Legal services provided by this contract will be dependent upon needs as they occur during the year and thus cannot be forecast. All expenses will be paid from the Roseville Electric Department operating budget in the Electric Fund, as needed.

CC #: 3795

File #: 0500-01

CONTACT: Gretchen Hakala 916-774-5325 ghakala@roseville.ca.us

7.11. Multi-Hazard Mitigation Plan - 2024 Progress Report

Memo from Associate Engineer Joe Anderson and Public Works Director Jason Shykowski recommending the City Council adopt RESOLUTION NO. 25-065 ACCEPTING THE 2023 CITY OF ROSEVILLE MULTI-HAZARD MITIGATION PLAN 2024 PROGRESS REPORT. The Federal Emergency Management Agency requires that the City evaluate its Multi-Hazard Mitigation Plan (MHMP) action items for progress annually to maintain its Community Rating System Class 1 rating. This is the complete first annual progress report of the adopted 2023 MHMP. Staff time spent preparing the Annual Progress Report is included within the project budget for the MHMP Plan Update Project, funded

annually by the General Fund. Mitigation measures are implemented as various City departments have funding within their regular work programs or operating budgets, and as grant funding is received by various City departments.

CC #: 3794

File #: 0307-02

CONTACT: Joe Anderson 916-774-5440 jjanderson@roseville.ca.us

Item removed by Jennifer Chapman to speak on vulnerable populations within the plan.

Motion by Pauline Roccucci, seconded by Bruce Houdesheldt, to adopt RESOLUTION NO. 25-065 ACCEPTING THE 2023 CITY OF ROSEVILLE MULTI-HAZARD MITIGATION PLAN 2024 PROGRESS REPORT. The Motion Passed.

Roll call vote: Ayes: Alvord, Bernasconi, Houdesheldt, Mendonsa, Roccucci

7.12. Rubberized Pavement Grant Program - Grant Authorization

Memo from Assistant Public Works Director Stefanie Kemen and Public Works Director Jason Shykowski recommending the City Council adopt RESOLUTION NO. 25-071 APPROVING A GRANT APPLICATION TO THE CALIFORNIA DEPARTMENT OF RESOURCES RECYCLING AND RECOVERY, AND AUTHORIZING THE ASSISTANT PUBLIC WORKS DIRECTOR TO EXECUTE ALL FORMS AND AGREEMENTS ON BEHALF OF THE CITY OF ROSEVILLE. Staff requests Council authorization for the City Manager to designate the Assistant Public Works Director to execute all forms pertaining to the Rubberized Pavement Grant Program. No General Fund resources will be used for the project.

CC #: 3802

File #: 0214 & 0800-04

CONTACT: Stefanie Kemen 916-774-5372 skemen@roseville.ca.us

Ordinances (for introduction and adoption - appropriation/urgency measures)

7.13. Fleet Services Vehicle Replacement - Budget Adjustment

Memo from Fleet Manager Brandy LeBeau and Public Works Director Jason Shykowski recommending the City Council adopt ORDINANCE NO. 6916 AUTHORIZING CERTAIN AMENDMENTS TO THE FISCAL YEAR 2024-25 BUDGET AND DECLARING THIS ORDINANCE TO BE IMMEDIATELY EFFECTIVE AS AN APPROPRIATION MEASURE. Staff requests Council approve a \$240,000 budget adjustment to cover the additional cost of equipping 36 new Police Interceptor Utility replacements with the EcoBoost engine option (at \$5,000 per vehicle) and incorporating updated upfit requirements to align with the Police Department's operational needs. This investment ensures that the replacement vehicles meet law enforcement operations' performance, efficiency, and safety demands. The

total cost, including sales tax, will be a one-time request out of the FY2024-25 General Fund contingency budget.

CC #: 3787

File #: 0203-02 & 0201-01

CONTACT: Brandy LeBeau 916-774-5531 blebeau@roseville.ca.us

7.14. Old Fiddymment Road Emergency Culvert Repair Project - Capital Improvement Project Approval, Contract Purchase Agreement, and Budget Adjustment

Memo from Senior Engineer Jesse Khatkar and Public Works Director Jason Shykowski recommending the City Council approve the establishment of a new capital improvement project; and adopt RESOLUTION NO. 24-067 ADOPTING A FINDING THAT AN EMERGENCY JUSTIFYING WAIVER OF THE BIDDING REQUIREMENTS UNDER SECTION 7.21 OF THE CHARTER EXISTED AND APPROVING AND RATIFYING A CONTRACT PURCHASE AGREEMENT, BY AND BETWEEN THE CITY OF ROSEVILLE AND DESILVA GATES CONSTRUCTION, LLC (3004406); and adopt ORDINANCE NO. 6917 AUTHORIZING CERTAIN AMENDMENTS TO THE FISCAL YEAR 2024-25 BUDGET AND DECLARING THIS ORDINANCE TO BE IMMEDIATELY EFFECTIVE AS AN APPROPRIATION MEASURE. Staff requests Council ratify a February 7th, 2025 contract purchase agreement with DeSilva Gates Construction LLC for \$600,000. Staff also requests approval of a budget adjustment in the amount of \$600,000 to fund emergency repairs to the Old Fiddymment Road culvert bridge crossing Pleasant Grove Creek. Funding of \$300,000 will come from the General Fund Contingency and \$300,000 from the Local Transportation Fund. Repairs are currently ongoing.

CC #: 3796

File #: 0900-04 & 0201-01

CONTACT: Jesse Khatkar 916-774-5434 jskhatkar@roseville.ca.us

7.15. Staffing Changes

Memo from Human Resources Manager Macy Dippert and Human Resources Director Stacey Peterson recommending the City Council adopt ORDINANCE NO. 6919 AMENDING ORDINANCE NO. 6897, THE SALARY ORDINANCE FOR MANAGEMENT EMPLOYEES, AS AMENDED BY APPENDIX "I" TO BE EFFECTIVE MARCH 22, 2025, AS AN URGENCY MEASURE; and adopt ORDINANCE NO. 6920 AMENDING ORDINANCE NO. 6911, THE SALARY ORDINANCE FOR EMPLOYEES REPRESENTED BY THE INTERNATIONAL UNION OF OPERATING ENGINEERS, STATIONARY ENGINEERS, LOCAL 39, AS AMENDED BY APPENDIX "G" TO BE EFFECTIVE MARCH 22, 2025, AS AN URGENCY MEASURE; and adopt ORDINANCE NO. 6921 AMENDING ORDINANCE NO. 6901, THE SALARY ORDINANCE FOR SEASONAL/TEMPORARY EMPLOYEES, AS AMENDED BY APPENDIX "X" TO BE EFFECTIVE MARCH 22, 2025, AS AN URGENCY MEASURE; and adopt ORDINANCE NO. 6922 AMENDING ORDINANCE NO. 6895, THE SALARY ORDINANCE FOR NON-SWORN EMPLOYEES REPRESENTED BY THE ROSEVILLE POLICE ASSOCIATION, AS AMENDED BY APPENDIX "D" TO BE EFFECTIVE MARCH 22, 2025 AS AN

URGENCY MEASURE. As part of an ongoing assessment of the appropriate staffing levels to provide a high level of service to the community, staff requests Council approve the Management A & B salary schedules reflecting the addition of a Business Systems Supervisor, Information Technology Supervisor, and Database Supervisor; the International Union of Operating Engineers, Stationary Engineers, Local 39 A & B salary schedules reflecting the deletion of the Courier classification; the Temporary salary schedule adding a Courier classification; the Roseville Police Association (RPA) A & B Salary Schedules reflecting the addition of Police Community Outreach Specialist classification; adding two (2) regular full-time positions of a Inventory Control and Supply Worker I/II, and a Police Community Outreach Specialist; deletion of one (1) regular full-time Economic Development Project Manager position; and six (6) reclassifications from three (3) Senior Business Systems Analyst to Business Systems Supervisor, one (1) Senior Database Analyst to Database Supervisor, one (1) Senior Information Technology Analyst to Information Technology Supervisor, and one (1) Data Management Specialist to Electric Business Analyst I/II. For the remainder of FY2024-25, the financial impact of the recommendations is: (1) General Fund - \$14,488, (2) Information Technology Operations Fund - \$7,399, (3) Fleet Services Fund - \$27,645, and (4) Electric Fund - \$15,091. All net budget increases can be covered by existing appropriations in these funds, so no budget adjustments are requested at this time.

CC #: 3800

File #: 0600-01

CONTACT: Macy Dippert 916-774-5215 mdippert@roseville.ca.us

7.16. Electric New Services - Budget Adjustment

Memo from Assistant Electric Utility Director Chris Porter and Electric Utility Director Dan Beans recommending the City Council adopt ORDINANCE NO. 6918 AUTHORIZING CERTAIN AMENDMENTS TO THE FISCAL YEAR 2024-25 BUDGET AND DECLARING THIS ORDINANCE TO BE IMMEDIATELY EFFECTIVE AS AN APPROPRIATION MEASURE. Staff requests Council approve a budget adjustment to the Electric New Services Project of \$2,500,000 to continue to provide infrastructure installation services for development, with an offsetting increase to the Contribution in Aid of Construction revenue budget for the same amount. There is no net impact to the Electric Fund.

CC #: 3797

File #: 0800-03 & 0201-01

CONTACT: Chris Porter 916-774-5615 cporter@roseville.ca.us

Ordinances (for second reading and adoption)

7.17. Second Reading - Roseville Municipal Code Ordinance - Military Equipment Policy

ORDINANCE NO. 6923 RENEWING CITY OF ROSEVILLE ORDINANCE 6463 AND READOPTING AND CONTINUING ROSEVILLE POLICE DEPARTMENT POLICY NO. 706, TITLED "MILITARY EQUIPMENT", for second reading and adoption.

CC #: 3803

File #: 0323

END OF CONSENT CALENDAR

8. ORDINANCES

8.1. Roseville Municipal Code Amendment – Regulations for Fireworks

Memo from Senior Deputy City Attorney Travis Cochran and City Attorney Michelle Sheidenberger recommending the City Council introduce for first reading ORDINANCE AMENDING SECTION 16.16.140 OF CHAPTER 16.16 OF TITLE 16 OF THE ROSEVILLE MUNICIPAL CODE REGARDING REGULATIONS FOR FIREWORKS. The proposed revisions to Section 16.16.140 build upon the changes adopted by the City Council last year, and will make the ordinance clearer and allow for better and more efficient enforcement against illegal fireworks. Specifically, the revised ordinance clarifies that the term “possession” of prohibited fireworks includes actual, constructive, or joint possession; expands the concept of “host liability” to include the street and/or sidewalk that is immediately adjacent to the host’s property as well as any other property where a host is exercising apparent control of the property; and clarifies that each individual prohibited firework constitutes a separate violation of the Roseville Municipal Code. There is no direct fiscal impact associated with the proposed ordinance, although the proposed changes may lead to higher numbers of administrative citations being issued for fireworks violations and/or more successful collection of the corresponding fines.

CC #: 3792

File #: 0102

CONTACT: Travis Cochran 916-774-5325 tecochran@roseville.ca.us

Senior Deputy City Attorney Travis Cochran introduced Public Affairs & Communications Manager Erin Dunley and made the presentation to City Council.

Public Affairs & Communications Manager Erin Dunley continued the presentation.

Dennis Ravell spoke in support of the item.

Motion by Bruce Houdesheldt, seconded by Tracy Mendonsa, to introduce for first reading ORDINANCE AMENDING SECTION 16.16.140 OF CHAPTER 16.16 OF TITLE 16 OF THE ROSEVILLE MUNICIPAL CODE REGARDING REGULATIONS FOR FIREWORKS. The Motion Passed.

Roll call vote: Ayes: Alvord, Bernasconi, Houdesheldt, Mendonsa, Roccucci

9. COUNCIL REPORTS / PUBLIC COMMENTS

No public comment received.

Councilmember Tracy Mendonsa acknowledged City employees who addressed the rainy conditions.

Councilmember Pauline Roccucci reported on various community events.

Northern California Water Association Meeting - Councilmember Pauline Roccucci reported on attendance.

10. ADJOURNMENT

Mayor Krista Bernasconi adjourned the meeting at 7:14 p.m.



COUNCIL COMMUNICATION

CC #: 3809
File #: 0203-04

Title: Cooling Tower Fan Motor (RFQ 10-3409) – Purchase Order
Contact: Joanna Oukrop 916-746-1102 joukrop@roseville.ca.us

Meeting Date: 4/2/2025
Item #: 7.2.

RECOMMENDATION TO COUNCIL

Staff recommends that the City Council approve a purchase order for a cooling tower fan motor from Mechanical Analysis Repair, Inc.

BACKGROUND

A cooling tower fan motor is needed at the Roseville Energy Plant (REP) to serve as a spare to replace an existing motor in case of equipment failure. The plant always operates with four cooling tower fans in service. If one of the motors fails during the summer, the plant would need to de-rate by approximately five megawatts, which could result in significant costs (thousands of dollars) depending on the market value at that time. The repair turnaround time for a fan motor is about four to six weeks. However, with a spare motor available, staff could remove the faulty fan motor and install the new spare motor in approximately ten hours.

A formal bid was issued with the following responses:

<u>Bidder</u>	<u>Amount</u>
---------------	---------------

Mechanical Analysis/Repair, Inc.	\$83,890.00
Lodi, CA	

American Chiller Service, Inc.	\$96,200.00
Rancho Cordova, CA	

Valve Industries, Inc.	\$99,924.00
Woodland Park, NJ	

Mechanical Analysis/Repair, Inc. submitted the lowest responsive and responsible bid in response to Request for Quotations No. 10-3409.

FISCAL IMPACT

The low bid amount for the spare cooling fan motor is \$83,890.00. With a six percent tariff for products shipped after April 2, 2025, of \$5,033.40, the grand total will be \$95,814.96 including \$6,891.56 of sales tax. There is adequate funding in the FY2024-25 Electric Fund budget for this purchase.

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 purchase of a cooling tower fan motor meets the above criteria and is not subject to CEQA. No additional environmental review is required.

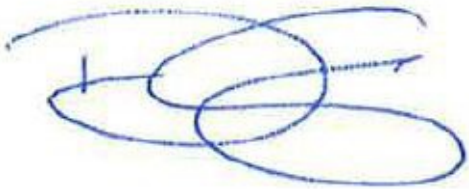
CITY COUNCIL STRATEGIC PLAN/OVERARCHING GOALS

Goal F - Invest in well-planned infrastructure and growth

Respectfully Submitted,

Joanna Oukrop, Senior Buyer

Scott Pettingell, Finance Director



Dominick Casey, City Manager

ATTACHMENTS:

Description



COUNCIL COMMUNICATION

CC #: 3810
File #: 0203-04

Title: Fuel and Lubricants (SACOG RFP 2023-24-10) - Contract Purchase Agreement
Contact: Becky Philipp 916-746-1110 bphilipp@roseville.ca.us

Meeting Date: 4/2/2025
Item #: 7.3.

RECOMMENDATION TO COUNCIL

Staff recommends that the City Council adopt a resolution to approve a contract purchase agreement (3004242) with Hunt Oil of California, Inc. as the selected bidder for Sacramento Area Council of Governments (SACOG) Request for Proposals No. 2023-24-10 (RFP) for the supply and delivery of propane and various lubricants to multiple City departments and authorize the City Manager to execute it on behalf of the City of Roseville.

The bid allowed for two optional renewal years at one-year intervals. Staff further requests authorization to continue utilizing the remaining optional renewal years of the bid contract without further Council approvals, provided that the applicable budget is approved by the City Council each year, or until the contract expires, or until City staff determines that continuing with the same vendor is not in the City's best interest.

BACKGROUND

Multiple City departments have recurring demands for propane and various lubricants used in ongoing operations to operate equipment.

In May 2024, the City participated in a regional RFP led by SACOG. The RFP was for the purchase of bulk automotive fuels, renewable diesel fuel, commercial cardlock automotive fuels, automotive oil propane and lubrication products and other related products on an as-needed basis. SACOG is an association of local governments representing six counties, twenty-two cities, as well as special districts and school districts in the Sacramento Region. The regional consolidation of fuel and lubricant purchases into a single bid results in significant cost savings for the City.

FISCAL IMPACT

The initial contract through August 31, 2027 is \$526,000. Funding is included in department budgets in various City funds. Future spending is contingent upon Council approval of the City

budget. The estimated spending for the optional renewal years, by fiscal year, is as follows: FY2027-28, \$175,000; FY2028-29, \$175,000; FY2029-30 \$60,000.

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)). The hauling and delivery of hazardous substances is regulated by the state. Hazardous material transport consistent with applicable safety regulations should not result in a significant environmental effect. Therefore, the proposed contract purchase agreement does not include the potential for significant environmental effect and is not subject to CEQA.

CITY COUNCIL STRATEGIC PLAN/OVERARCHING GOALS

Goal A - Remain fiscally responsible in a changing world

Respectfully Submitted,

Becky Philipp, Purchasing Supervisor

Scott Pettingell, Finance Director

A handwritten signature in blue ink, consisting of several overlapping loops and a horizontal line, likely belonging to Dominick Casey.

Dominick Casey, City Manager

ATTACHMENTS:

Description

Resolution 25-072

Contract Purchase Agreement

RESOLUTION NO. 25-072

APPROVING A CONTRACT PURCHASE AGREEMENT, BY AND BETWEEN THE CITY OF ROSEVILLE AND HUNT OIL OF CALIFORNIA, INC., AND AUTHORIZING THE CITY MANAGER TO EXECUTE IT ON BEHALF OF THE CITY OF ROSEVILLE

WHEREAS, a contract purchase agreement (3004242) to provide fuel and lubricants to various City departments, by and between the City of Roseville and Hunt Oil of California, Inc., has been reviewed by the City Council; and

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

BE IT FURTHER RESOLVED, that the City Manager or his or her designee is authorized to execute two (2) additional one (1) year renewals without further City Council approval, provided that the applicable budget is approved by the City Council, or until staff determines that continuing with this consultant is not in the best interest of the City.

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



Contract Purchase Agreement 3004242

Supplier Details:

Company Hunt Oil of California Inc
Contact Josh Hunt
Address 5750 South Watt Ave

Sacramento, CA 95827

Submit your response to:

Company City of Roseville
Contact "Becky" Rebecca Philipp
Address Purchasing Division
311 Vernon St
Roseville, CA 95678
Phone (916) 746-1110
Fax (916) 746-1115
E-mail BPhilipp@roseville.ca.us

This Contract Purchase Agreement is sent for your review and acceptance. Notify the Buyer via email of any needed changes to the company name, address, and contact information. The Buyer will update the agreement prior to you signing the document.

Return signed copies of the agreement to the Buyer noted on the agreement. Alterations or modifications to the agreement are not allowed. Upon receipt of all necessary documents, the City will sign the agreement and return a fully executed copy to you. Receipt of the signed copy will be your notice to proceed with the work in accordance with the terms and conditions of the agreement. Work must not begin until the contract has been fully executed.

The following guidelines must be followed for the signature block on the agreement:

Sole proprietorship - **By owner**

Partnership - **Any general partner**

Corporation - **Two options:**

(1) A signature from the President and the corporate seal; **OR**

(2) One signature from the Chairman of the Board, President, or any Vice President **AND** one signature from the Secretary, any Assistant Secretary, Chief Financial Officer, or any Treasurer or Assistant Treasurer of the corporation

*General Manager, Office Manager and/or Sales Manager are **not** corporate officer titles. The agreement will be rejected if not signed in accordance with these guidelines.

Insurance requirements:

The City's insurance requirements are referenced on Attachment A of the agreement. By signing the agreement, you are confirming that your company has the minimum insurance limits required.



Contract Purchase Agreement 3004242

Agreement	3004242
Agreement Date	13-DEC-2024
Revision	0
Agreement Amount	526,000.00 USD

Invoice To **City of Roseville**
Accounts Payable
311 Vernon St
ROSEVILLE CA 95678

Phone: (916) 774-5488
Fax: (916) 784-3796
Email: accountspayable@roseville.ca.us

Supplier **Hunt Oil of California Inc**
 5750 South Watt Ave

Sacramento, CA 95827

Phone: ()
Fax: ()
Email: RMENDEZ@HUNTNSONS.COM

Description of Labor, equipment and/or materials THE SERVICES CALLED FOR UNDER SACRAMENTO AREA COUNCIL OF GOVERNMENTS (SACOG) REQUEST FOR PROPOSAL FOR COOPERATIVE PURCHASING AGREEMENT FOR FUELS AND LUBRICANTS RFP 2023-24-10 AND CONTRACTOR'S PROPOSAL THERETO TITLED PROPANE AND VARIOUS LUBRICANTS (HEREINAFTER "PROPOSAL") THE TERMS AND SCOPE OF WORK OF SACRAMENTO AREA COUNCIL OF GOVERNMENT (SACOG) FOR RFP 2023-24-10 AND CONTRACTOR'S PROPOSAL ARE HEREIN MADE PART OF THIS CONTRACT PURCHASE AGREEMENT AND FULLY INCORPORATED BY REFERENCE.

START DATE: UPON EXECUTED AGREEMENT
 END DATE: 8/31/27

PLEASE CONTACT AMY KEEMA IN THE FLEET DIVISION AT (916) 774-1730 OR
 AKEEMA@ROSEVILLE.CA.US FOR QUESTIONS REGARDING THIS AGREEMENT.

*The total agreement amount is an approximation only. The City does not guarantee whatsoever the actual value of this contract.

Customer #	Supplier #	Payment Terms	Freight Terms	FOB	Shipping Method
	10399	Net 30	Freight on Board at the destination	Destination	Best Method
Start Date	End Date	Confirm To			
"Becky" Rebecca Philipp Phone 1-916-746-1110					

Attention: Total Cost not to exceed the agreement amount without prior approval of the Purchasing office.

Contract Purchase Agreement 3004242

Contract Terms and Conditions

1. To the fullest extent allowed by law, Contractor shall defend, indemnify, and save and hold harmless City, 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 Contractor'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 City's sole negligence or willful misconduct. The parties intend that this provision shall be broadly construed. Contractor'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.
2. Contractor is an independent contractor, and shall not be considered an officer, agent or employee of the City.
3. Without the written consent of the City, this Agreement is not assignable by Contractor either in whole or in part.
4. Time is of the essence of this Agreement.
5. At any time during the term of this Agreement, the City has the right to terminate this Agreement, provided Contractor is given thirty (30) days written notice. City's termination shall be without further liability to City; however, Contractor shall be entitled to all costs reasonably incurred prior to the date of termination. Contractor acknowledges that City may terminate this Agreement should funds not be appropriated by its governing body to continue services under this Agreement.
6. This Agreement may only be amended or modified in writing. It is integrated and contains the complete understanding of the parties.
7. All equipment, supplies and services sold to the City of Roseville shall conform to the general safety orders of the State of California.
8. Unless notified to the contrary, in writing, the City assumes that the Contractor has accepted the work in accordance with the plans and specifications (if any) and agrees to do the work in compliance with this Agreement.
9. All fair employment practices must be adhered to. In addition, if the project referenced on this service agreement is a Public Works project, all prevailing wage laws must be complied with. For prevailing wage contracts over \$25,000, copies of certified payroll must be submitted with invoices. Prevailing wage rates may be obtained from the State Department of Industrial Relations and/or the following website address: <http://www.dir.ca.gov/dlsr/DPreWageDetermination.htm>. In compliance with Labor Code Section 1773.2, as may be amended from time to time, Contractor shall cause a copy of this website to be posted at each jobsite, as applicable.
10. Contractor agrees to the below insurance requirements:
 - a. Unless otherwise specified, the Contractor shall maintain the policies of insurance outlined in Attachment A, incorporated herein by this reference, in full force and effect during the term of this Agreement. The City of Roseville retains sole discretion in determining the types and proper levels of insurance coverage.
 - b. Form. Contractor shall submit a certificate evidencing such coverage for the period covered by this Agreement in a form satisfactory to Risk Management and the City Attorney, prior to undertaking any work hereunder. Any insurance written on a claims made basis is subject to the approval of Risk Management

Contract Purchase Agreement 3004242

and the City Attorney.

- c. **Additional Insureds.** Contractor shall also provide a separate endorsement or section of the policy showing City, its officers, agents, employees, and volunteers as additional insureds for each type of coverage, except for Workers' Compensation. Such insurance shall specifically cover the contractual liability of Contractor. The additional insured coverage under the Contractor's policy shall be primary and noncontributory, as evidenced by a separate endorsement or section of the policy, and shall not seek contribution from City's insurance or self-insurance. In addition, the additional insured coverage shall be at least as broad as the Insurance Services Office (ISO) CG 20 01 Endorsement. Any available insurance proceeds in excess of the specified minimum insurance coverage requirements and limits shall be available to the additional insureds. Furthermore, the requirements for coverage and limits shall be:
 - (1) the minimum coverage and limits specified in this Agreement; or
 - (2) the full coverage and maximum limits of any insurance proceeds available to the named insureds, whichever is greater.
 - d. **Cancellation/Modification.** Contractor shall provide thirty (30) days written notice to City prior to cancellation or modification of any insurance required by this Agreement.
 - e. **Umbrella/Excess Insurance.** The limits of insurance required in this Agreement may be satisfied by a combination of primary and excess insurance. Any excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and noncontributory basis for the benefit of City (if agreed to in a written contract) before City's own insurance shall be called upon to protect it as a named insured.
 - f. **Subcontractors.** Contractor agrees to include in its contracts with all subcontractors the same requirements and provisions of this Agreement, including the indemnity and insurance requirements, to the extent they apply to the scope of the subcontractor's work. Furthermore, Contractor shall require its subcontractors to agree to be bound to Contractor and City in the same manner and to the same extent as Contractor is bound to City under this Agreement. Additionally, Contractor shall obligate its subcontractors to comply with these same provisions with respect to any tertiary subcontractor, regardless of tier. A copy of City's indemnity and insurance provisions will be furnished to the subcontractor or tertiary subcontractor upon request.
 - g. **Self-Insured Retentions.** All self-insured retentions (SIR) must be disclosed to Risk Management for approval and shall not reduce the limits of liability. Policies containing any SIR provision shall provide or be endorsed to provide that the SIR may be satisfied by either the named insured or City. City reserves the right to obtain a full certified copy of any insurance policy and endorsements. The failure to exercise this right shall not constitute a waiver of such right.
 - h. **Waiver of Subrogation.** Contractor hereby agrees to waive subrogation which any insurer of Contractor may acquire from Contractor by virtue of the payment of any loss under a Workers Compensation, Commercial General Liability or Automobile Liability policy. All Workers Compensation, Commercial General Liability and Automobile Liability policies shall be endorsed with a waiver of subrogation in favor of City, its officers, agents, employees and volunteers for all work performed by Contractor, its employees, agents and subcontractors.
 - i. **Liability/Remedies.** Insurance coverage in the minimum amounts set forth herein shall not be construed to relieve Contractor of liability in excess of such coverage, nor shall it preclude City from taking such other actions as are available to it under any other provisions of this Agreement or law.
11. Contractor shall comply with all federal, state, and local laws and ordinances, including

Contract Purchase Agreement 3004242

but not limited to the City's storm water regulations, as may be applicable to the performance of services under this Agreement. Failure to comply with local ordinances may result in monetary fines and cancellation of this Agreement. Refer to www.roseville.ca.us/stormwater for links to more information on the City's storm water regulations.

12. In the event that the terms of any attachment or exhibit conflict with any terms of this Agreement, the terms of this Agreement shall control.
13. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. In the event that any signature is delivered by facsimile transmission or by e-mail delivery of a ".pdf" format data file, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or ".pdf" signature page were an original hereof.
14. If either party commences any legal action against the other party arising out of this Agreement or the performance thereof, 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 attorneys' 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.
15. This Agreement shall be binding upon the heirs, successors, executors, administrators and assigns of the respective parties hereto.
16. 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.
17. For purposes of this Agreement, the terms "Contractor," "Consultant," and "Supplier" are used interchangeably.
18. If the project referenced on this agreement is a Public Works project, then the following shall apply: No contractor or subcontractor may work on a public works project unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5. During the performance of this agreement, Contractor and its subcontractors shall have a continuing legal obligation to maintain current registration with the Department of Industrial Relations. Contractor is hereby notified that this project is subject to compliance monitoring and enforcement by the Department of Industrial Relations.
19. Vehicles with a gross vehicle weight rating (GVWR) greater than 8,500 lbs. and light-duty package delivery vehicles operated in California may be subject to the California Air Resources Board (CARB) Advanced Clean Fleets regulations. Such vehicles may therefore be subject to requirements to reduce emissions and air pollutants. For more information, visit the CARB Advanced Clean Fleet webpage at <https://ww2.arb.ca.gov/our-work/programs/advanced-clean-fleets>.
20. Contractor/consultant's duties and services under this agreement shall not include preparing or assisting the public entity with any portion of the public entity's preparation of a request for proposals, request for qualifications, or any other solicitation regarding a subsequent or additional contract with the public entity. The public entity entering this agreement shall at all times retain responsibility for public contracting, including with respect to any subsequent phase of this project. Contractor/consultant's participation in the planning, discussions, or drawing of project plans or specifications, if any, shall be limited to conceptual, preliminary, or initial plans or specifications. Contractor/consultant shall cooperate with the public entity to ensure that all bidders for a subsequent contract on any subsequent phase of this project have access to the same information, including all conceptual, preliminary, or initial plans or specifications prepared by contractor pursuant to this agreement.
21. If the project referenced on this agreement is a Public Works project, then the following

Contract Purchase Agreement 3004242

shall apply: Contractor must submit all claims as defined in and in accordance with the claim resolution process set forth in Section 9204 of the Public Contract Code. Each such claim must be sent to the City by registered mail or certified mail with return receipt requested and must contain reasonable documentation to support the claim. All claims must be received prior to acceptance of the work.

22. Contractor certifies that Contractor, its employees, directors, officers, agents, subcontractors, vendors, and volunteers are not presently debarred, excluded, suspended, declared ineligible, voluntarily excluded, or proposed for debarment, exclusion, suspension, or ineligibility by any federal, state, or local department or agency.
23. The Levine Act (Govt. Code, Section 84308) requires a Party (and its agent(s), if any) to a Proceeding before the City of Roseville that involves any action or consideration related to their contract, license, permit, or other entitlement for use, to disclose any campaign contributions made to City elected or appointed officers totaling more than \$250 within the twelve (12) months prior to the City decision and while a proceeding is pending, and includes certain prohibitions on contribution activity thereafter. If applicable campaign contributions have been made by Contractor and/or its agent(s), Contractor is responsible for compliance, including for its disclosure obligations, if any, as further described at: https://www.roseville.ca.us/government/departments/city_clerk/transparency/levine_act.
24. This Agreement may be amended via change order, but only if such change order is made in writing, approved by the City, and signed by both parties.
25. CONTRACTOR agrees to defend and indemnify CITY if, despite the parties intent and practice, any venue, agency, or court with competent jurisdiction determines that CONTRACTOR and/or any of its agents, officers, employees, volunteers, independent contractors, or subcontractors, are characterized as employee(s) of CITY.

CONTRACTOR and CITY agree that: (a) CONTRACTOR is free from the control and direction of CITY in connection with the performance of the work; (b) CONTRACTOR is providing services directly to CITY; (c) CONTRACTOR has and will maintain at all relevant times a business license; (d) CONTRACTOR maintains a business location that is separate from CITY; (e) CONTRACTOR is customarily engaged in an independently established business of the same nature as that involved in the work performed hereunder; (f) CONTRACTOR actually contracts with other businesses to provide the same or similar services and maintains a clientele without restrictions from CITY; (g) CONTRACTOR advertises and holds itself out to the public as available to provide the same or similar services; (h) CONTRACTOR provides its own tools, vehicles, and equipment to perform the services; (i) CONTRACTOR has negotiated its own rates; (j) CONTRACTOR set its own hours and location of work in accomplishing CITY's on-call needs; and (k) CONTRACTOR has the right to control the manner and means of accomplishing the result desired and exercises its own expert independent judgement.

The supplier named hereon by the acceptance of this order agrees to the provisions of this document titled "Contract Purchase Agreement" and all accompanying terms, conditions, and attachments.

Roseville Business License No. N/A

Contractor License No. EN/A

DIR Registration No. N/A

Check mark the applicable company type below:

☒ Corporation

☐ Limited Liability Company

☐ Partnership

☐ Sole Proprietor

Contract Purchase Agreement 3004242

City Reserves the right to withhold any payments to contractor in the event of noncompliance with insurance requirements or if required by law.
General T&C
REV 3/21/24 JS

Contract Purchase Agreement 3004242

**ATTACHMENT A
HUMAN RESOURCES/RISK MANAGEMENT DIVISION
INSURANCE REQUIREMENTS
AGREEMENT OVER FORMAL BID LIMIT OR INVOLVING HIGH RISK ACTIVITIES**

General - Required Coverage/Documentation

- General Liability: \$1 Million per occurrence /\$2 Million aggregate
- Automobile Liability: \$1 Million combined single limit
- Workers' Compensation: Statutory *Must provide a Waiver of subrogation
- Additional Insured Endorsement (AIE) - General Liability policy: CG 20 38 04 13 or an equivalent, blanket endorsement or section of the policy. Endorsement shall cover the City of Roseville, its officers, agents, employees and volunteers as additional insured.
- Policies must be primary and non-contributory
- A 30 day notice of cancellation must be provided
- List certificate holder as: The City of Roseville - Insurance Compliance, PO Box 100085-R1, Duluth, GA 30096

Additional Liability/Insurance Requirements if required by Agreement (and marked below):

Construction: _____

General Liability:
\$2 Million/occurrence
\$4 Million aggregate

Design Professional: _____

General Liability:
\$2 Million/occurrence
\$4 Million aggregate
Professional Liability:
\$2 Million/occurrence

Professional Consultant: _____

Professional Liability:
\$1 Million/occurrence

IT Services: _____

Professional Liability:
\$1 Million/occurrence
No auto required
Cyber Liability:
\$1 Million/occurrence

Hazardous Materials: _____

Pollution Liability:
\$1 Million/occurrence

Special Events/Caterers-Vendors: _____

No auto required
No workers' comp required

Professional Counseling/ Psychological: _____

Professional Liability:
\$1 Million/occurrence
No auto required

Contract Purchase Agreement 3004242

Pyrotechnics: _____

General Liability:
\$5 Million/occurrence
\$10 Million aggregate
Auto - \$2 Million/occurrence

Chemical/Environmental: X

General Liability:
\$3 Million/occurrence
\$6 Million aggregate
Pollution - \$2 Million/Occurrence
Auto - \$2 Million/Occurrence

Insurance Submission Process

The City of Roseville Human Resources/Risk Management Department uses a service called EBIX to manage our insurance certificate tracking.

How It Works

- The vendor's contact information is entered into EBIX. EBIX will contact the vendor to request proof of insurance.
- The Vendor can forward the request to their Insurance Agent(s) if necessary.
- Vendor/Insurance Agent submits insurance to EBIX by email to roseville@ebix.com or by fax to (770) 325-5727. After faxing or emailing the certificate, please DO NOT send the certificate by mail to EBIX. Please do not mail, email or fax any certificates to the City of Roseville.
- Once submitted, EBIX reviews the insurance documentation. If there are deficiencies, EBIX will send a follow up letter or email requesting additional information.

Questions Regarding Insurance Submission: Contact EBIX at (951) 652-4239

Questions Regarding Insurance Requirements Contact Risk Management at (916) 774-5202

Contract Purchase Agreement 3004242

CALIFORNIA AIR RESOURCES BOARD REGULATION COMPLIANCE

Please indicate whether the Contractor is subject to, and/or in compliance with, the following regulations of the California Air Resources Board.

In-Use Off-Road Diesel-Fueled Fleets Regulation

- 1) Will vehicles subject to Cal. Code Regs., tit. 13, §§ 2449 et seq. be used for the project?
This includes, but is not limited to:
 - a) Vehicles with a diesel-fueled or alternative diesel fueled off-road compression-ignition engine with maximum power (max hp) of 25 horsepower (hp) or greater provided that the vehicle cannot be registered and driven safely on-road or was not designed to be driven on-road, even if it has been modified so that it can be driven safely on-road
 - b) Workover rigs
 - c) Certain two-engine vehicles

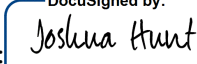
Yes ____ **No** ____
- 2) If you answered "Yes" to 1), you **must** submit a valid Certificate of Reported Compliance to the City as provided in Cal. Code Regs., tit. 13, § 2449(n).

Advanced Clean Fleets Regulation

Pursuant to Cal. Code Regs., tit. 13, § 2013(i)(1), the Contractor shall submit to the City a document evidencing that it is listed on the CARB Advanced Clean Fleets webpage as a compliant fleet **OR** a signed statement stating that it is not subject to the High Priority and Federal Fleets regulation of title 13, CCR section 2015 through 2015.6.

The High Priority Fleets regulation applies to, without limitation, entities with more than \$50 million in gross annual revenues and/or which own, operate, or direct the operation of 50 or more vehicles in the total fleet.

- 1) Is the Contractor subject to the High Priority and Federal Fleets regulation of title 13, CCR section 2015 through 2015.6?
Yes ____ **No** ____
- 2) If you answered "Yes" to 1), you **must** submit a document evidencing that you are listed on the CARB Advanced Clean Fleets webpage as a compliant fleet.

Signature:  _____
DocuSigned by:
AD6998DB3A06495...
 Title: CEO

CARB Compliance
Rev 2/15/24 MC

Contract Purchase Agreement 3004242

Supplier

DocuSigned by:
Signature: Joshua Hunt
AD6998DB3A06495...

Print Name: Joshua Hunt

Title: President

Date: 1/14/2025

Supplier

DocuSigned by:
Signature: Joseph Hunt
1904AC2F62D14F0...

Print Name: Joseph Hunt

Title: Secretary

Date: 1/14/2025

City of Roseville, A Municipal Corporation

Signature: _____

Print Name: **Dominick Casey**

Title: **City Manager**

Date: _____



COUNCIL COMMUNICATION

CC #: 3820

File #: 0203-10 & 0201-01

Title: Riego Creek Park Turf Installation Project - Award of Bid and Budget Adjustment

Contact: Kelly Appier 916-774-5927 ksappier@roseville.ca.us

Meeting Date: 4/2/2025

Item #: 7.4.

RECOMMENDATION TO COUNCIL

Staff recommends that the City Council:

- 1) Award an agreement to the apparent low bidder, Brightview Landscape Development, Inc. for the Riego Creek Park turf installation, and adopt a resolution to authorize the City Manager to execute the agreement with Brightview Landscape Development, Inc. in the amount of \$282,356, as well as authority to approve change order requests in an amount not to exceed 10% of the contracted amount; and
- 2) Adopt an ordinance to approve a budget adjustment in the amount of \$175,000 from the Neighborhood Park - West Roseville Specific Plan (SP) Fund, to the Riego Creek Park (formerly, F-51) Project.

BACKGROUND

Riego Creek Park (formerly, F-51 Park) is located on the 12.15-acre site off North Hayden and Holt Parkways, adjacent to Riego Creek Elementary School in the Fiddymont Farm area of West Roseville. Construction of the park was completed in December of 2024. As the park project is complete and all expenses have been accounted for, staff proposes to utilize unspent funds to convert two large landscape areas along North Hayden into turf grass. These areas include the large spaces outside the outfield fences. The addition of this turf is in response to resident feedback seeking more turf areas within the park.

The base bid includes the conversion of one large landscaped area (Area A) into turf. Add alternates include:

1. Convert a second large landscaped area (Area B) into turf.
2. Re-locate the bark mulch removed from Riego Creek Park (Area A) to Gibson Park for The Courts at Gibson Park Frontage Project (500465).
3. Re-locate the bark mulch removed from Riego Creek Park (Area B) to Gibson Park for The Courts at Gibson Park Frontage Project (500465).

City Council approved the plans and specifications and authorized the call for bids at the February

5, 2025 meeting. Bids were opened on February 25, 2025. Staff received three bids for the project. The bid results are as follows:

<u>Bidder</u>	<u>Total Lump Sum Bid and Add Alternates</u>
Brightview Landscape Development, Inc.	\$282,356
Procida Landscape, Inc.	\$291,224
Parker Landscape Development, Inc.	\$343,190
 Engineer's Estimate	 \$374,261

Staff recommends award of the base bid plus add alternates 1, 2, and 3 for a total contract award amount of \$282,356 to Brightview Landscape Development, Inc.

FISCAL IMPACT

Funding for the park construction project was approved in the FY2021-22 CIP budget using the Neighborhood Park - West Roseville SP Fund. A budget adjustment is requested to supplement the current project balance in the Riego Creek Park (formerly, F-51) project budget by \$175,000. Ongoing maintenance costs are funded through the Fiddymont Ranch Community Facilities District #2 (Public Services) Fund. There will be no General Fund impact.

ENVIRONMENTAL REVIEW

Development of the F-51 Neighborhood Park site was previously evaluated in the West Roseville Specific Plan (WRSP) EIR (certified and SCH No.2002082057), and identified in the associated West Roseville Specific Plan. As proposed, construction of the F-51 Neighborhood Park is within the scope of the project covered by the WRSP Final EIR. As discussed in the Specific Plan EIR, the EIR provides environmental analyses of community infrastructure and facilities, including parks, pedestrian bridges, and bike trails, to the extent applicable. Because the project is consistent with the WRSP Final EIR and Specific Plan, no new effects would be expected to occur and all applicable mitigation measures from the WRSP EIR will be implemented during the design and construction of the F-51 Neighborhood Park. Because the proposed project meets the requirements identified in Section 15183 of the State CEQA Guidelines, no additional CEQA review is required.

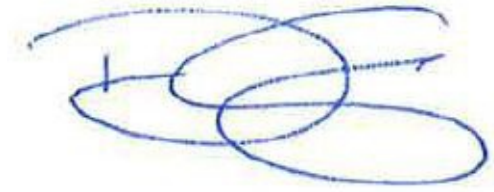
CITY COUNCIL STRATEGIC PLAN/OVERARCHING GOALS

- Goal A – Remain fiscally responsible in a changing world
- Goal B – Support community engagement and advocacy
- Goal C – Maintain a safe and healthy community
- Goal E – Deliver exceptional city services
- Goal F – Invest in well-planned infrastructure and growth

Respectfully Submitted,

Kelly Appier, Park Development Project Manager

Jill Geller, Director, Parks, Recreation & Libraries



Dominick Casey, City Manager

ATTACHMENTS:

Description

Vicinity Map

Resolution 25-080

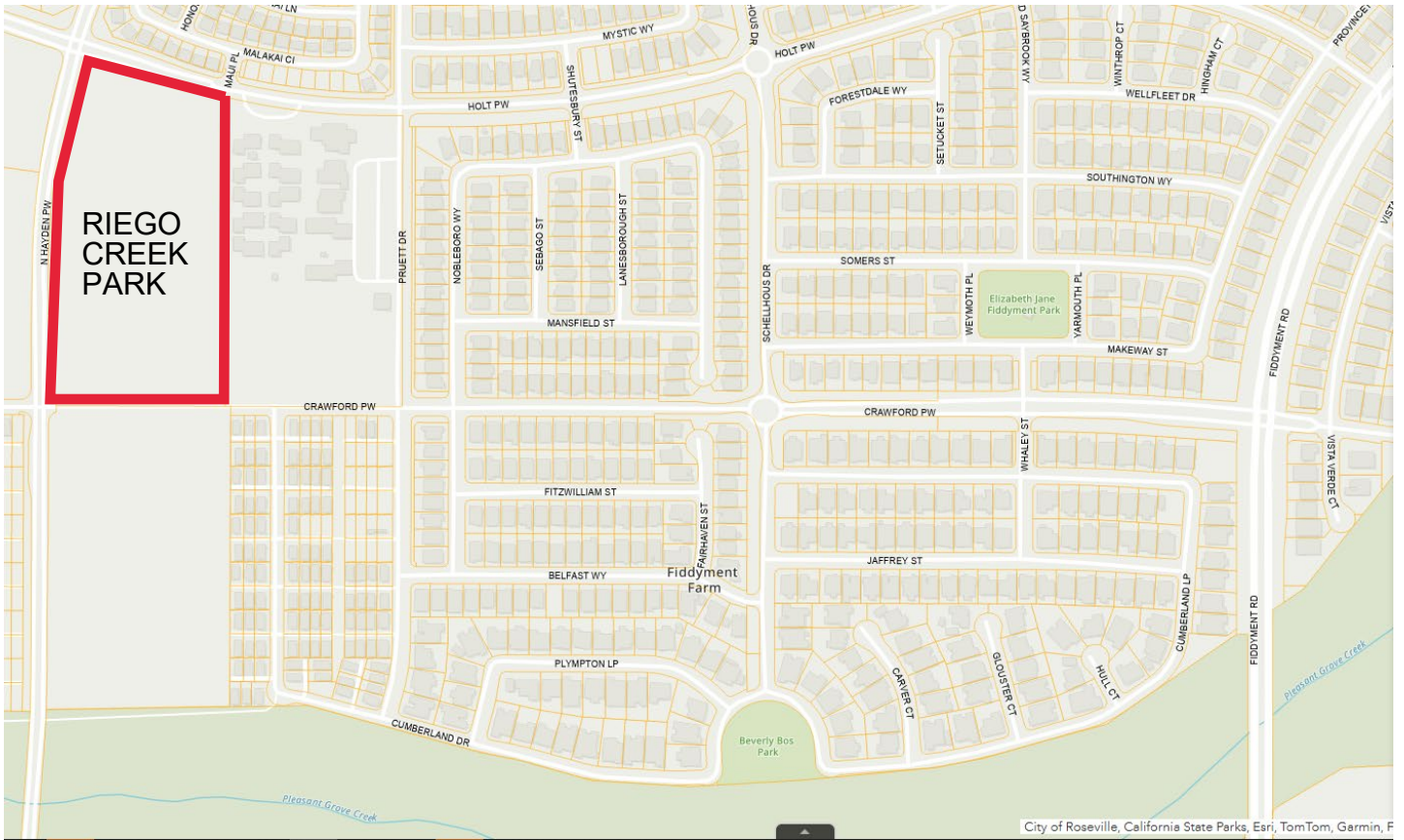
Agreement

Ordinance 6925

Bid Results

Riego Creek Park

Vicinity Map



RESOLUTION NO. 25-080

APPROVING AN AGREEMENT, BY AND BETWEEN THE CITY OF ROSEVILLE AND BRIGHTVIEW LANDSCAPE DEVELOPMENT, INC., AND AUTHORIZING THE CITY MANAGER TO EXECUTE IT ON BEHALF OF THE CITY OF ROSEVILLE

WHEREAS, an Agreement for the Riego Creek Park Turf Conversion project, by and between the City of Roseville and Brightview Landscape Development, Inc., has been reviewed by the City Council; and

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

BE IT FURTHER RESOLVED that the City Manager or his designee is authorized to approve change orders for the project, consistent with the contract terms, provided that the net cost of all change orders shall not exceed ten percent (10%) of the contract price.

PASSED AND ADOPTED by the Council of the City of Roseville this ____ day of _____, 2025, by the following vote on roll call:

AYES COUNCILMEMBERS:

NOES COUNCILMEMBERS:

ABSENT COUNCILMEMBERS:

MAYOR

ATTEST:

City Clerk

A G R E E M E N T

THIS AGREEMENT, is made and entered into this ____ day of _____,
20____, by and between the City of Roseville, a municipal corporation, ("CITY"), and
Brightview Landscape Development, Inc. _____, a California Corporation _____,
("CONTRACTOR"); and

W I T N E S S E T H:

WHEREAS, the City Council of the CITY, at a meeting held on the 5th day of
February, 20 25, approved plans and specifications for the _____
Riego Creek Park Turf Conversion Project

and directed the City Clerk to advertise for sealed proposals for doing said work and providing
that bids be submitted on the 25th day of February, 2025; and

WHEREAS, the City Clerk, thereafter duly and regularly caused a notice to be published
in the manner and for the time prescribed by law; and

WHEREAS, CONTRACTOR, pursuant to the provisions of said notice duly filed a bid
with the City Clerk, a true copy of which bid is now on file in the office of the City Clerk, and is
hereby referred to and by this reference made a part hereof as fully as if set forth at length herein;
and

WHEREAS, all bids received pursuant to said notice were opened and examined and
publicly declared at the time specified in said advertisement for bids and at a meeting of the City
Council held on the ____ day of _____, 20____, the Council found and

declared the bid of CONTRACTOR to be the lowest responsible bid and thereupon awarded a contract to CONTRACTOR to do the work referred to in the aforementioned specifications.

NOW, THEREFORE, the parties agree as follows:

1. THE WORK. CONTRACTOR agrees:

a. To do the work and furnish all the labor, materials, tools, supplies, equipment, superintendence, insurance, and bonds required for the _____
Riego Creek Park Turf Conversion Project

in accordance with the Contract Documents (the Work).

b. To do and perform the Work contemplated hereby in a good and workmanlike manner under the direction of and to the satisfaction of the Director of Public Works of the City of Roseville.

2. PAYMENT. CITY shall pay CONTRACTOR Two hundred eighty two thousand three hundred fifty six dollars and no/100 dollars (\$ 282,356) for the Work to be done under this Agreement in accordance with the Contract Documents.

3. CONTRACT DOCUMENTS. The complete Agreement between the parties hereto consists of the following documents:

- a. The advertisement for bids (including the notice to bidders, instructions to bidders and proposals);
- b. The accepted bid;
- c. Plans and specifications (including standard construction specifications, special provisions and construction details);
- d. Bonds and insurance required by the specifications; and

e. This contract.

All documents specified above are intended to operate so that any work called for in any one and not mentioned in the other, or vice versa, is to be executed the same as if mentioned in all said documents.

4. LIQUIDATED DAMAGES. In the event CONTRACTOR does not complete the Work within the time specified, CONTRACTOR agrees that CITY will suffer damages. Inasmuch as the actual damages which would result from such breach by CONTRACTOR under this Agreement are uncertain, and would be impractical or extremely difficult to fix, CONTRACTOR agrees that it shall pay, or CITY shall deduct from CONTRACTOR's fee, the amount of \$ 1000 per day as liquidated damages, in the event of such delay.

5. TIME OF COMPLETION. Time is of the essence of this Agreement. CONTRACTOR shall complete all Work under the Contract Documents within 45 Days of the date of this Contract. CONTRACTOR shall begin work by the date specified in the "Notice to Proceed" letter and shall diligently prosecute all of the Work under this Contract in all parts and requirements as defined in the Contract Documents.

6. SERVICE OF NOTICE. Any notice required or permitted to be given under this Agreement shall be deemed given when (a) personally delivered to the recipient identified below; (b) mailed by registered or certified mail, return receipt requested, postage pre-paid, to the address specified below; or (c) sent by facsimile, with confirmation of receipt, to the facsimile number identified below.

CITY OF ROSEVILLE

Jill Geller
Parks, Recreation & Libraries Director
316 Vernon Street, Suite 400
Roseville, CA 95678

CONTRACTOR

Matt Trenary
Brightview Landscape Development, Inc.
20 Business Park Way, Suite 200
Sacramento, CA 95828

CITY may also act through either its architect or construction manager if CITY expressly gives notice to CONTRACTOR, in writing, that CITY's designee has authority to act for CITY in a specific capacity.

7. DISPUTES. Disputes arising from this Agreement will be determined in accordance with the Contract Documents and Public Contract Code Sections 10240-10240.13.

8. GOVERNING LAW. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

9. INDEPENDENT CONTRACTOR. CONTRACTOR shall act as an independent contractor, and covenants and agrees that it will conduct itself consistent with such status, that it will neither hold itself out as, nor claim to be, an officer or employee of CITY by reason of this Agreement.

10. SUCCESSORS IN INTEREST. This Agreement shall be binding upon the heirs, successors, executors, administrators and assigns of the respective parties hereto.

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

12. 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.

13. 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.

14. CONTRACTORS LICENSE LAW. CONTRACTORS ARE REQUIRED BY LAW TO BE LICENSED AND REGULATED BY THE CONTRACTORS' STATE LICENSE BOARD WHICH HAS JURISDICTION TO INVESTIGATE COMPLAINTS AGAINST CONTRACTORS IF A COMPLAINT REGARDING A PATENT ACT OR OMISSION IS FILED WITHIN FOUR (4) YEARS OF THE DATE OF THE ALLEGED VIOLATION. A COMPLAINT REGARDING A LATENT ACT OR OMISISON PERTAINING TO STRUCUTRAL DEFECTS MUST BE FILED WITHIN TEN (10) YEARS OF THE DATE OF THE ALLEGED VIOLATION. ANY QUESTIONS CONCERNING A CONTRACTOR MAY BE REFERRED TO THE REGISTRAR, CONTRACTORS' STATE LICENSE BOARD, P.O. BOX 26000, SACRAMENTO, CALIFORNIA 95826.

IN WITNESS WHEREOF, the City of Roseville, a municipal corporation, has authorized the execution of this Agreement in duplicate by its City Manager and attestation by its City Clerk under authority of Resolution No. _____, adopted by the Council of the City of Roseville on the ____ day of _____, 20____, and CONTRACTOR has caused this Agreement to be duly executed.

CITY OF ROSEVILLE, a
municipal corporation

BrightView Landscape Development, Inc.
_____, a
Corporation

BY: _____
DOMINICK CASEY
City Manager

BY: Dan Harper
its: Vice President



and

ATTEST:

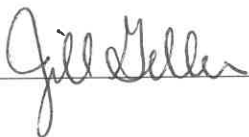
BY: _____
its: _____

BY: _____
CARMEN AVALOS
City Clerk

APPROVED AS TO FORM:

BY: _____
MICHELLE SHEIDENBERGER
City Attorney

APPROVED AS TO SUBSTANCE:

BY: _____


Print Name: Jill Geller

Title: Parks, Recreation & Libraries Director

INSURANCE BROKER INFORMATION PACKET

Project: Riego Creek Park Turf Conversion Project

NOTICE TO CONTRACTOR:

For your convenience, this package contains the Requirements for Insurance and Bonds for this project, including the necessary City forms. You are required to return these forms in addition to the executed Contract within fifteen (15) calendar days after the award of the Bid, unless otherwise directed by City in writing. (See the Instructions to Bidders.)

Please insert the dollar amount of your accepted Bid into the blank on page INS-1 and present this entire package to your insurance broker if you are awarded the Bid.

TABLE OF CONTENTS

Notice to Insurance Broker	INS-1
Insurance Requirements	INS-2
Public Works Faithful Performance Bond	INS-8
Public Works Payment Bond	INS-10

NOTICE TO INSURANCE BROKER

Your client has been awarded a bid by the City Council of the City of Roseville to perform a public works project known as Riego Creek Park Turf Conversion Project. The Contract Conditions for that project require your client ("the Contractor") to return certain evidence of insurance and bonds to the City Attorney of the City within fifteen (15) days after the Bid award, unless otherwise directed by the City in writing, or else the Bid award may be terminated and awarded to another company.

This package contains the information you will need as an insurance broker to provide the appropriate insurance and bonds to the City. The insurance coverages the Contractor needs are specified in the section entitled "Insurance Requirements." Please note that, in addition to the insurance certificate itself, copies of several endorsements must be actually furnished.

Please refer to the Supplemental Conditions for modifications of the General Conditions, if any, and the requirements of this insurance packet.

Please use the standard City of Roseville Bond Forms provided in this package.

The Bonds required must each be in the penal amount of: \$ _____.

Bonds must be sent to the following staff person:

Insurance documents must be provided using one of the following methods:

- a. By email to roseville@ebix.com
- b. By fax to (770) 335-5727

After using one of these methods, please **DO NOT** also send the insurance certificate(s) by mail.

- c. Or mail the documents to

City of Roseville
Insurance Compliance
P.O. Box 100085-R1
Duluth, GA 30096

When forwarding the documents, please refer to the project name so that the documents can be matched with the Contract for which they are submitted.

Thank you.

INSURANCE REQUIREMENTS

The following sections are quoted from the General Conditions:

5-1.23 **INSURANCE COVERAGE.**

A. **Evidence of Maintenance Required.** The Contractor shall, at its expense, procure and at all times maintain in full force and effect at a minimum the insurance required by this section on all of its operations; and the Contractor shall not allow any Subcontractor to commence work until similar insurance required of the Subcontractor has been obtained and filed. An original Certificate of Insurance, and copies of all required endorsements, all in a form approved by the Risk Manager, evidencing all required coverage or policies shall be filed after the award of the bid and prior to approval of the Contract by the City Council. Contractor shall provide ten (10) days prior written notice to the City of any reduction of coverage limits or cancellation of the coverage or policies shall be given to the City of Roseville as Certificate holder.

B. **Qualifying Insurers.** With the exception of the State Compensation Insurance Fund, all required insurance policies shall be issued by companies acceptable to the City and licensed to do business in the State of California and who hold a current policy holders alphabetic and financial size category rating of not less than AVII according to the most recent issue of Best's Insurance Reports.

C. **Insurance Required.**

1. **Commercial General Liability (CGL):** Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations with limits of no less than Two Million Dollars (\$2,000,000) per occurrence for bodily injury, personal injury and property damage for projects under One Million Dollars (\$1,000,000) and

limits of no less than Five Million Dollars (\$5,000,000) per occurrence for bodily injury, personal injury and property damage for projects over One Million Dollars (\$1,000,000). If a general aggregate limit applies, either the aggregate limit shall apply separately to this project or the general aggregate limit shall be twice the required occurrence limit.

The Commercial General Liability insurance shall include the following, copies of which shall be provided:

a. Inclusion of the City of Roseville, and its officers, agents, employees, and volunteers, as additional insureds (except for workers' compensation) as respects services or operations under the Contract. The additional insured endorsement for the general liability policy shall be at least as broad as the ISO CG 2010 10 01 combined with ISO CGL Endorsement CG 2037 10 01. Any other endorsement must be approved in writing by the City. Endorsements must include coverage for on-going and completed operations, which coverage shall be maintained for four (4) years following completion of the Project. Endorsements shall cover the City of Roseville, its officers, agents, employees, and volunteers.

b. The insurance shall provide coverage for claims by one insured against another insured and the policies shall not contain any cross-suits exclusions, cross-liability exclusions, or insured versus insured exclusions. The policies shall not contain any classification exclusions purporting to deny coverage for any work to be performed by Contractor or any of its Subcontractors.

c. Stipulation that the insurance is primary and noncontributory, as evidenced by a separate endorsement (CG 20 01 04 13 or an equivalent) or section of the policy, and that neither the City nor its insurers will be called upon to contribute to a loss.

d. Such insurance shall specifically cover the contractual liability of

the Contractor.

e. Any available insurance proceeds in excess of the specified minimum insurance coverage requirements and limits shall be available to the additional insureds. Furthermore, the requirements for coverage and limits shall be: (1) the minimum coverage and limits specified in this Agreement; or (2) the full coverage and maximum limits of any insurance proceeds available to the named insureds, whichever is greater.

f. Waiver of subrogation endorsement.

g. The Contractor shall furnish a certificate for the period covered.

2. **Automobile Liability:** Insurance Services Office Form Number CA 0001 covering Code 1 (any auto), or if Contractor has no owned autos, Code 8 (hired) and Code 9 (non-owned), with limits of no less than One Million Dollars (\$1,000,000) per accident for bodily injury and property damage.

3. **Workers' Compensation:** In accordance with the provisions of the California Labor Code, Contractor is required to be insured against liability for Workers' Compensation or to undertake self-insurance. Statutory Workers' Compensation and Employers' Liability of at least One Million Dollars (\$1,000,000) shall cover all Contractors staff while performing any work incidental to the performance of this Agreement.

4. **Professional Liability:** Professional Liability (Errors and Omission) Insurance appropriate to Contractor's profession, with a limit of liability not less than One Million Dollars (\$1,000,000) per occurrence or claim and Two Million Dollars (\$2,000,000) aggregate to cover all design and engineering services rendered by Contractor pursuant to the Agreement. Coverage must commence from the first day that Contractor or any of its Subcontractors provided any design or engineering services in connection with the Project.

5. **Builder's Risk/Course of Construction Insurance Is ____ OR Is Not**

X **Required by Risk Management:** The Contractor shall be responsible for all loss, damage or destruction whatsoever to the work called for by this Contract until the approval of a Notice of Completion or acceptance of the Work if no Notice of Completion is to be recorded.

The Contractor shall secure "All Risk" type of builder's Risk Insurance of the type covering one hundred percent (100%) of the value of the work performed under this Contract (the value is presumed to be the Contract amount unless otherwise stated in Supplemental Conditions) and all materials, equipment, or other items to be incorporated therein while the same are located at the construction site, a bonded warehouse, or its place of manufacture. At any time, the policy shall cover the value of the work completed. The policy shall cover hazards including the losses due to fire, explosion, hail, rain, lightning, flood (separate insurance as needed), vandalism, malicious mischief, wind, collapse, aircraft, and smoke.

The policies providing such insurance shall name the City as a loss payee as its respective interests may appear, and certified copies of such policies shall be filed with the City. The maximum deductible allowable under the Builder's All Risk policy shall be five percent (5%) of the Contract amount.

Builder's Risk Insurance is not required for coverage of losses in excess of five percent (5%) of the Contract amount for damages resulting from earthquake in excess of a magnitude of 3.5 on the Richter scale, or tidal waves. Coverage in the amount of five percent (5%) of the Contract amount for such losses is required.

6. **Pollution Coverage:** Contractor shall procure pollution liability coverage or other insurance covering claims for bodily injury or property damage arising out of the abatement, removal, storage, transportation, or other exposure to hazardous materials or

pollutants, in limits not less than Two Million Dollars (\$2,000,000). Contractor shall add the City and all parties required to be indemnified by Contractor as additional insured on all pollution liability policies. ***POLLUTION COVERAGE IS NOT REQUIRED.**

7. **Higher Coverage Limits:** If Contractor maintains higher coverage limits than the amounts shown above, then the City requires and shall be entitled to coverage for the higher coverage limits maintained by Contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

8. **Claims Made Coverage:** Liability insurance coverage may not be written on a “claims made” or modified occurrence basis. The Certificate of Insurance must clearly provide that the coverage is on an “occurrence” basis.

5-1.24 **OTHER INSURANCE PROVISIONS.**

A. The requirements of the Standard Specifications as to types and limits of insurance coverage to be maintained by the Contractor, and any approval of insurance by the City, are not intended to, and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by the Contractor pursuant to the Contract, including, but not limited to, the provisions concerning indemnification, nor preclude the City from taking any other action available to it under any other provision of the Contract or law.

B. The City acknowledges that some insurance requirements contained in these Standard Specifications may be fulfilled by self-insurance on the part of the Contractor. However, this shall not in any way limit liabilities assumed by Contractor under the Contract. Any self-insurance must be approved in writing by the City, in its sole discretion and shall not reduce the limits of liability. Any deductibles or self-insured retentions (“SIR”) must be declared on the certificate of insurance and approved by City in writing. Policies containing any

SIR provision shall provide or be endorsed to provide that the SIR may be satisfied by either the named insured or City. City reserves the right to obtain a full certified copy of any insurance policy and endorsements. The failure to exercise this right shall not constitute a waiver of such right.

C. The Contractor agrees to include in its contracts with all subcontractors the same requirements and provisions of this Contract, including the indemnity and insurance requirements, to the extent they apply to the scope of the subcontractor's work. Furthermore, the Contractor shall require its subcontractors to agree to be bound to the Contractor and the City in the same manner and to the same extent as the Contractor is bound to the City under this Contract. Additionally, the Contractor shall obligate its subcontractors to comply with these same provisions with respect to any tertiary subcontractor, regardless of tier. A copy of the City's indemnity and insurance provisions will be furnished to the subcontractor or tertiary subcontractor upon request. Alternatively, the Contractor may insure subcontractor(s) under its own policy.

D. The City, its officers, agents, employees, and volunteers are to be covered as insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Contractor; and with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts or equipment furnished in connection with such work or operations. Coverage shall not extend to any indemnity coverage for the active negligence of the additional insured in any case where an agreement to indemnify the additional insured would be invalid under California Insurance Code Section 11580.04.

E. The limits of insurance required in this Contract may be satisfied by a combination of primary and excess insurance. Any excess insurance shall contain or be

endorsed to contain a provision that such coverage shall also apply on a primary and noncontributory basis for the benefit of the City (if agreed to in a written contract) before the City's own insurance shall be called upon to protect it as a named insured.

F. The insurance procured by Contractor shall be subject to the approval of the City, but any acceptance of insurance certificates by the City shall in no way limit or relieve Contractor of its duties and responsibilities under the Agreement.

G. Contractor shall be responsible for all premiums, deductibles, and self-insured retention applicable to the insurance it is required to procure under the Contract: All deductibles or self-insured retentions over five hundred thousand dollars (\$500,000) must be approved by the City, in writing. Contractor shall be responsible for all deductibles, self-insured retention payments, and/or increased premiums incurred if the City's policies of insurance are forced to cover damages or respond to claims for which Contractor or its Subcontractors were obligated to provide insurance under the Contract.

H. Failure of the City to enforce in a timely manner any of the requirements of these insurance provisions shall not act as a waiver to enforcement of any of these provisions at a later date.

I. Contractor's indemnity obligations shall not be limited by these insurance provisions and shall survive the expiration of the Contract and the insurance provisions of the Contract shall likewise not be limited by the indemnity provisions of the Contract.

J. THE CITY RESERVES THE RIGHT TO WITHHOLD ANY PROGRESS PAYMENTS TO THE CONTRACTOR IN THE EVENT OF NONCOMPLIANCE WITH ANY INSURANCE REQUIREMENTS.

ORDINANCE NO. 6925

ORDINANCE OF THE COUNCIL OF THE CITY OF ROSEVILLE
AUTHORIZING CERTAIN AMENDMENTS TO THE FISCAL YEAR 2024-25
BUDGET AND DECLARING THIS ORDINANCE TO BE IMMEDIATELY
EFFECTIVE AS AN APPROPRIATION MEASURE

THE CITY OF ROSEVILLE ORDAINS:

SECTION 1. The City of Roseville Annual Budget, Fiscal Year 2024-25, is hereby amended as listed on the attached budget adjustment for the Riego Creek Park Turf Installation project.

SECTION 2. This ordinance is hereby declared to be an appropriation measure, immediately effective pursuant to the provisions of Section 5.03 of the Charter.

SECTION 3. The City Clerk is hereby authorized and directed to post a true copy of the foregoing ordinance in each of three (3) conspicuous locations in the City and she shall immediately after such posting enter in the ordinance book, under the record of the ordinance, a certificate under her hand stating the time and place of such publication by posting.

PASSED AND ADOPTED by the Council of the City of Roseville, this
_____ day of _____, 2025, by the following vote on roll call:

AYES COUNCILMEMBERS:

NOES COUNCILMEMBERS:

ABSENT COUNCILMEMBERS:

MAYOR

ATTEST:

City Clerk



REQUEST FOR BUDGET ADJUSTMENT

Updated 11/22/2024

Please complete the cells highlighted in yellow.

REQUESTER NAME & TITLE:	Kelly Appier, Park Development Project Manager	FISCAL YEAR:	2024-25
PREPARER NAME & TITLE:	Lisa Saunders, Management Analyst	ORDINANCE:	
DEPARTMENT/DIVISION:	Parks, Recreation & Libraries		

EXPENDITURES/EXPENSES/TRANSFERS OUT

ACCOUNT STRING				BUDGET (\$)	DESCRIPTION
Fund	Account	Center	Project	Adjustment	
3311	6587	84001	500040	175,000	Increase project budget - Riego Creek Park - F-51
EXPENDITURES/EXPENSES/TRANSFERS OUT TOTAL				175,000	

REVENUES/TRANSFERS IN

ACCOUNT STRING				BUDGET (\$)	DESCRIPTION
Fund	Account	Center	Project	Adjustment	
REVENUES/TRANSFERS IN TOTAL				-	

NET ADJUSTMENT	175,000
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FUND BALANCE

ACCOUNT STRING				BUDGET (\$)	DESCRIPTION
Fund	Account	Center	Project	Adjustment	
3311	3601	00000	000000	(175,000)	Decrease Neighborhood Park - West Roseville SP Fund Balance
	3601	00000	000000		
	3601	00000	000000		
	3601	00000	000000		
	3601	00000	000000		
	3601	00000	000000		
FUND BALANCE TOTAL				(175,000)	

Justification for Budget Adjustment:

The Parks, Recreation & Libraries Department is requesting a budget adjustment to increase the Riego Creek Park - F-51 project budget (#500040) in the amount of \$175,000, increasing the total project budget to \$7,275,000. Construction of Riego Creek Park was completed in December 2024. The additional funds are required to convert two large landscape areas along North Hayden into turf grass. These areas include the large spaces outside the outfield fences. The addition of these turf areas is a response to resident feedback seeking more turf areas within the park.

RFP # 13-160

DATE: February 25, 2025

TIME: 3:00 PM

BID BOND REQUIRED: Yes

BID SUMMARY SHEET

BID OPENING FOR:

**Riego Creek Park Turf Conversion
Project**



Bidders Name City, State	Addendum 1	Bid Bond	Grand Total
PRDCIDA LANDSCAPE INC. SACRAMENTO, CA	✓	✓	\$ 291,224.00/xx
BRIGHT VIEW LANDSCAPE DEVELOPMENT SACRAMENTO, CA	✓	✓	\$ 282,356.00/xx
PARKER LANDSCAPE DEVELOPMENT SACRAMENTO, CA	✓	✓	\$ 343,190.85/xx

Please Sign-In

Staff

Visitors (Name & Company)

Visitors (Name & Company)

Melissa Lipp
Kelly Appier
My Fien Doan
Carmen Avalos
Joshua Cervantes



COUNCIL COMMUNICATION

CC #: 3821
File #: 0203-09

Title: Dry Creek Wastewater Treatment Plant Gearbox Replacement - Sole Source Purchase Order
Contact: Audrey Ficker 916-746-1865 agficker@roseville.ca.us

Meeting Date: 4/2/2025
Item #: 7.5.

RECOMMENDATION TO COUNCIL

Staff recommends that the City Council adopt a resolution approve a sole source purchase order with Philadelphia Mixing Solutions, LLC. gearboxes for the aeration process at the Dry Creek Wastewater Treatment Plant, and authorize the City Manager or his designee to approve change orders for the project, consistent with the contract terms, provided that the net cost of all change orders shall not exceed ten percent (10%) of the contract price.

BACKGROUND

The Dry Creek Wastewater Treatment Plant (DCWWTP) has eight (8) mixing gearboxes on aeration basins 100 & 200. These gearboxes have outlived their life expectancy, replacement and repair parts are obsolete, and predictive and preventative maintenance have slotted these for replacement. Philadelphia Mixing Solutions, LLC manufactures the only direct replacement for these mixing gearboxes.

Philadelphia Mixing Solutions, LLC designs and manufactures equipment for the water and wastewater industries. All the equipment and components are specified according to each application per a set of specifications, tolerances, and standards. Philadelphia Mixing Solutions, LLC is the only supplier of its named equipment.

FISCAL IMPACT

The cost of this purchase is \$206,355 including tax and estimated shipping cost with a ten percent contingency of \$20,635, for a total not-to-exceed cost of \$226,990. Funding will be provided from the Environmental Utilities Department's annual approved budgets for the Wastewater Operations Fund.

ENVIRONMENTAL REVIEW

The proposed project involves the replacement of existing equipment. This activity is

categorically exempt from CEQA as a Class 1 Exemption (State CEQA Guidelines Section 15301). The Exemption has been prepared and no further CEQA action is required.

CITY COUNCIL STRATEGIC PLAN/OVERARCHING GOALS

Goal C - Maintain a safe and healthy community

Goal E - Deliver exceptional city services

Goal F - Invest in well-planned infrastructure and growth

Respectfully Submitted,

Audrey Ficker, Administrative Technician

Sean Bigley, Environmental Utilities Director



Dominick Casey, City Manager

ATTACHMENTS:

Description

Resolution 25-081

CEQA Notice of Exemption - Class 1

RESOLUTION NO. 25-081

APPROVING A SOLE SOURCE PURCHASE ORDER
FOR REPLACEMENT MIXING GEARBOXES

WHEREAS, a sole source purchase order for the purchase of eight (8) replacement mixing gearboxes for the aeration process at the Dry Creek Wastewater Treatment Plant, by and between the City of Roseville and Philadelphia Mixing Solutions, LLC, has been reviewed by the City Council; and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Roseville that said purchase order is approved.

BE IT FURTHER RESOLVED that the City Manager or his designee is authorized to approve change orders for the project, consistent with the contract terms, provided that the net cost of all change orders shall not exceed ten percent (10%) of the contract price.

PASSED AND ADOPTED by the Council of the City of Roseville this ____ day of _____, 2025, by the following vote on roll call:

AYES COUNCILMEMBERS:

NOES COUNCILMEMBERS:

ABSENT COUNCILMEMBERS:

MAYOR

ATTEST:

City Clerk



Notice of Exemption

To: Placer County Clerk
Recorder's Office
2954 Richardson Drive
Auburn, CA 95603

From: City of Roseville
Development Services Dept.
311 Vernon Street
Roseville, CA 95678

Project Title: Replacement Mixing Gearboxes for the Aeration Process at Dry Creek Wastewater Treatment Plant - Sole Source Purchase Order

Project Location(s): 1800 Booth Road, Roseville, CA 95747. Assessor's Parcel Numbers 474-080-009-000, 474-110-001-000, 474-110-002-000, 473-080-000-000, and 473-080-002-000.

Project Description: The Environmental Utilities Department is requesting requests City Council approval of a sole source purchase order with Philadelphia Mixing Solutions, LLC for the purchase of eight (8) replacement mixing gearboxes for the aeration process at the Dry Creek Wastewater Treatment Plant (DCWWTP). DCWWTP currently has 8 mixing gearboxes on aeration basins 100 and 200. These gearboxes have outlived their life expectancy, replacement and repair parts are obsolete, and must now be replaced. The project would not result in an expansion of use or capacity.

Public Agency Approving Project: Roseville City Council

Agency/Individual Carrying Out Project: City of Roseville Environmental Utilities Department

Reason why this Project is Exempt: The project qualifies for a Class 1 Categorical Exemption as described in Section 15301 of the California Environmental Quality Act (CEQA) guidelines which states:

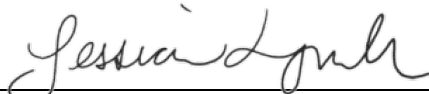
"Class 1 (Existing Facilities) consists of ... maintenance... of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use.

Examples include but are not limited to:...(b) Existing facilities of both investor and publicly owned utilities to provides electric power, natural gas, sewerage, or other public utilities."

The project consists of the purchase of new mixing gearboxes needed for ongoing maintenance of the DCWWTP. The project would not result in expansion of use. Consequently, the Class 1 and Categorical Exemption applies.

Lead Agency Contact Person: Audrey Ficker, Roseville Department of Environmental Utilities – Wastewater Division (916) 746-1865.

Signature:



Jessica Lynch, Environmental Coordinator
City of Roseville

Date: 3/4/2025



COUNCIL COMMUNICATION

CC #: 3814
File #: 0900-01

Title: Civic Center Heating, Ventilation and Air Conditioning Boxcar Replacement Project - Notice of Completion
Contact: Rebecca McCoy 916-774-5706 ramccoy@roseville.ca.us

Meeting Date: 4/2/2025
Item #: 7.6.

RECOMMENDATION TO COUNCIL

Staff recommends Council accept the Civic Center Heating, Ventilation and Air Conditioning Boxcar Replacement Project as complete and adopt a resolution to authorize the Public Works Director to execute the attached Notice of Completion.

BACKGROUND

The City of Roseville Civic Center, located at 311 Vernon St., is a two-story building housing multiple departments including the City Manager's Office, City Attorney's Office, City Clerk, Development Services, Economic Development, Finance, Human Resources, Public Affairs and Communications, and Public Works. Heating, Ventilation, and Air Conditioning (HVAC) provided to these and other spaces within the building are served by boxcar units on the roof, identified as AC-2, AC-3, and AC-4. These units were original to the building (24 years old) and had exceeded their useful lives. The Purchasing Division issued Request for Quotations No. 10-3380 for the replacement of all three units and the City awarded a Contract Purchase Agreement to B&M Builders, Inc. at the City Council Meeting on March 20, 2024, for the amount of \$1,059,780. The work was successfully completed on March 11, 2025. Staff has inspected the work and found it complete.

FISCAL IMPACT

The total cost of this project was \$1,059,780. The Civic Center HVAC Boxcar Replacement Project was budgeted in the Public Works FY2021-22 Civic Center – Renovation and Rehabilitation Project and the FY2022-23 Civic Center – HVAC Boxcar Replacement Project budgets in the Facility Rehabilitation Fund.

ENVIRONMENTAL REVIEW

The project involved the repair of an existing facility. This activity is categorically exempt from CEQA as a Class 1 Exemption (State CEQA Guidelines Section 15301). The Exemption has been prepared and no further CEQA action is required.

CITY COUNCIL STRATEGIC PLAN/OVERARCHING GOALS

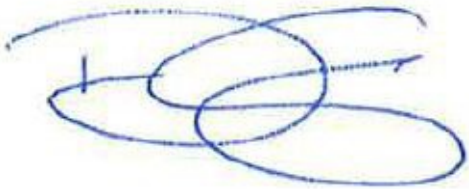
Goal C – Maintain a safe and healthy community

Goal F – Invest in well-planned infrastructure and growth

Respectfully Submitted,

Rebecca McCoy, Project Coordinator

Jason Shykowski, Public Works Director



Dominick Casey, City Manager

ATTACHMENTS:

Description

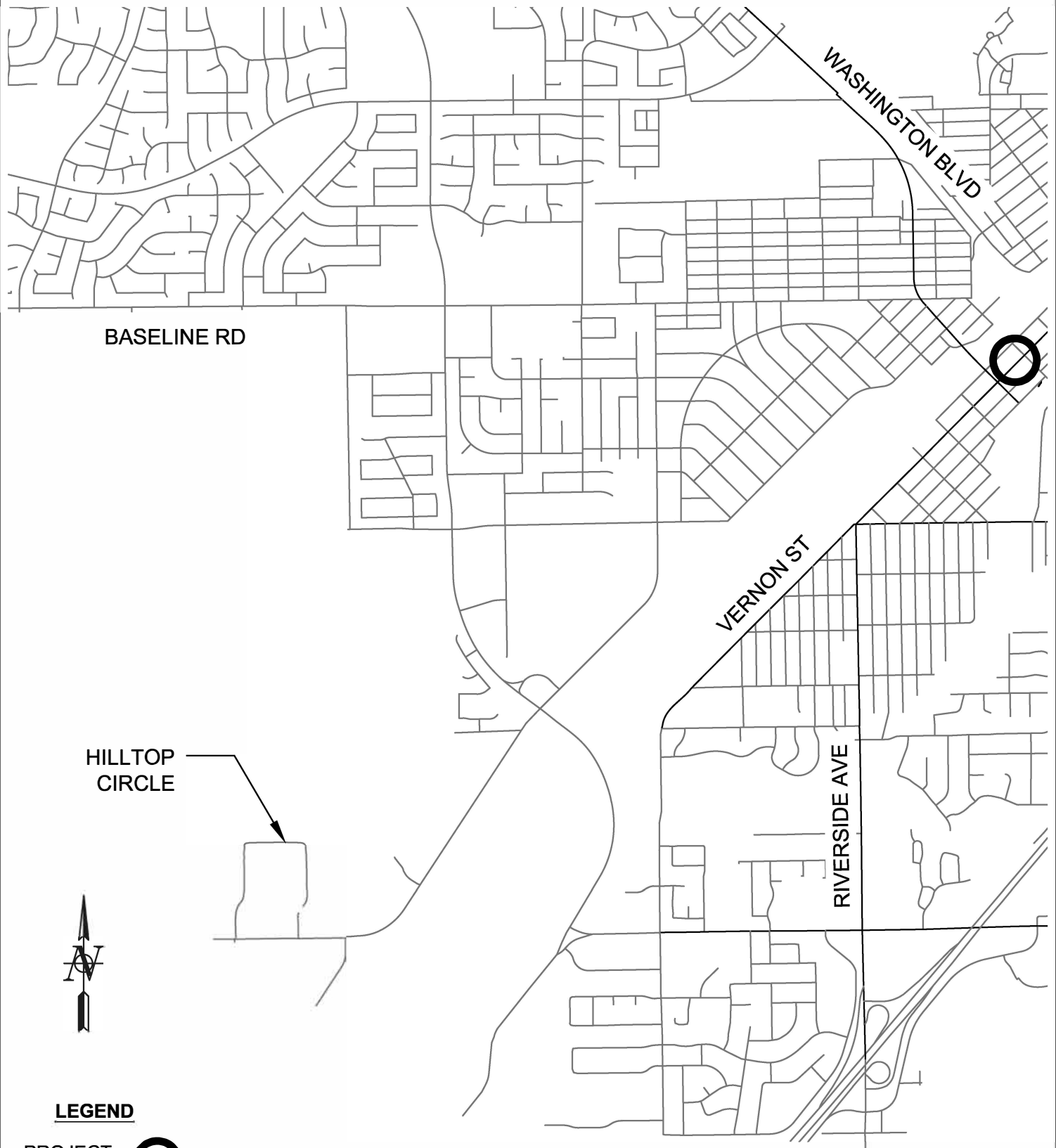
Exhibit A - Location Map

Resolution 25-074

Notice of Completion

CEQA Exemption

"EXHIBIT A"
CIVIC CENTER BOXCAR REPLACEMENT PROJECT
PROJECT VICINITY MAP



LEGEND

PROJECT
LOCATION



RESOLUTION NO. 25-074

ACCEPTING THE PUBLIC WORK KNOWN AS THE CIVIC CENTER HVAC BOXCAR REPLACEMENT PROJECT, APPROVING THE “NOTICE OF COMPLETION”, AND AUTHORIZING THE PUBLIC WORKS 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 Civic Center HVAC Boxcar Replacement Project, has been approved and the public work accepted.
2. The Public Works 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 _____, 2025, 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
Civic Center HVAC Boxcar Replacement (AC-2,3,4) Project was completed and
accepted by the City of Roseville on March 11, 2025. 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 B&M Builders.

The surety on said project was Travelers Casualty and Surety Company of America.

Jason Shykowski
Public Works Director
City of Roseville
Owner

ATTEST:

Carmen Avalos, City Clerk

State of California)
County of Placer)

I, Jason Shykowski, being first duly sworn, depose and say: I am the Public Works Director 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.

Jason Shykowski
Public Works Director
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____, Jason Shykowski
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



Notice of Exemption

To: Placer County Clerk
Recorder's Office
2954 Richardson Drive
Auburn, CA 95603

From: City of Roseville
Development Services Dept.
311 Vernon Street
Roseville, CA 95678

Project Title: Civic Center Boxcar Units Replacement – Contract Purchase Agreement

Project Location(s): 311 Vernon Street, Roseville, California 95678

Project Description: This project would approve the authorization of a contract purchase agreement and replacement of the existing outdated Civic Center Boxcar Units with new Heating, Ventilation, and Air Conditional (HVAC) equipment for the Civic Center. The existing units have reached the end of their useful life and require replacement. The new HVAC units will not require any modifications to the building's structural, electrical, or HVAC distribution systems, and there would be no expansion of use.

Public Agency Approving Project: Roseville City Council

Agency/Individual Carrying Out Project: City of Roseville Public Works Department

Reason why this Project is Exempt: This project qualifies for a Class 1 Exemption as described in Section 15301 of the California Environmental Quality Act (CEQA) guidelines which states:

"Class 1 consists of the...repair...of existing public...structures, facilities, [or] mechanical equipment...involving negligible or no expansion of existing or former use.... Examples include but are not limited to: (a) Interior or exterior alterations involving such things as interior partitions, plumbing, and electrical conveyances..."

The project is confined to within the existing Civic Center located at 311 Vernon Street and would not result in expansion of use. No environmentally sensitive resources are located within or adjacent to the property; therefore the Class 1 exemption is applicable to the proposed project.

Lead Agency Contact Person: Tiffany Valdez, Finance Department - Purchasing, 311 Vernon Street, Roseville, CA 95678. (916) 746-1109.

Signature: _____

A handwritten signature in cursive script, appearing to read "Jessica Lynch", is written over a horizontal line.

Jessica Lynch, Environmental Coordinator, City of
Roseville

Date: 2/27/2024



COUNCIL COMMUNICATION

CC #: 3817
File #: 0900-01

Title: Fire Station No. 8 Project - Notice of Completion
Contact: Andre Baranov 916-774-5342 ajbaranov@roseville.ca.us

Meeting Date: 4/2/2025
Item #: 7.7.

RECOMMENDATION TO COUNCIL

Staff recommends that the City Council accept the construction project work at the Fire Station No. 8 performed by Carter-Kelly, Inc. as complete and adopt a resolution to authorize the Public Works Director to execute the attached Notice of Completion.

BACKGROUND

On June 6, 2022, the City released a Request for Proposals for a design-assist construction contract for Fire Station No. 8. That project, now complete, has been inspected by City staff, found to be in compliance with the plans and specifications, and is ready for acceptance by the City.

FISCAL IMPACT

The total project cost including construction costs, FFE (furniture, fixtures, and equipment), design costs, construction soft costs, and a 5% contingency was \$14,480,000. The project was funded by the Fire Facilities Fund and no additional funding is being requested.

ENVIRONMENTAL REVIEW

Development of the Fire Station 8 project was previously evaluated in the Hewlett Packard Master Plan EIR, certified May 15, 2008 (SCH No. 1995112022), and subsequently the Campus Oaks Master Plan Amendment to the Hewlett Packard Master Plan EIR on May 20, 2020 (Resolution 20-168). The Fire Station 8 project is within the scope of the project covered by the Hewlett Packard Master Plan Final EIR, and Campus Oaks Master Plan Amendment. As discussed in the Specific Plan EIR, the EIR provides environmental analysis of community infrastructure and facilities, to the extent applicable.

Because the project is consistent with the Hewlett Packard Master Plan EIR and Campus Oaks

Master Plan Amendment, no new effects occurred and all applicable mitigation measures from the Hewlett Packard Master Plan EIR and Campus Oaks Master Plan Amendment were implemented during the design and construction of the Fire Station 8 project. As such, no additional environmental documentation is required for the Notice of Completion.

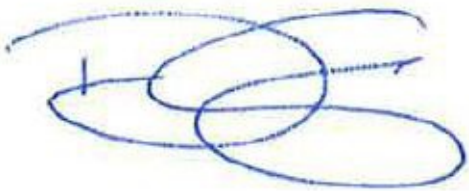
CITY COUNCIL STRATEGIC PLAN/OVERARCHING GOALS

Goal C - Maintain a safe and healthy community
Goal E - Deliver exceptional city services
Goal F - Invest in well-planned infrastructure and growth

Respectfully Submitted,

Andre Baranov, Project Supervisor

Jason Shykowski, Public Works Director



Dominick Casey, City Manager

ATTACHMENTS:

Description

Location Map

Resolution 25-077

Notice of Completion

"EXHIBIT A"
FIRE STATION 8
VICINITY MAP



LEGEND

PROJECT
LOCATION



RESOLUTION NO. 25-077

ACCEPTING THE PUBLIC WORK KNOWN AS THE FIRE STATION NO. 8 PROJECT,
APPROVING THE “NOTICE OF COMPLETION”, AND AUTHORIZING THE PUBLIC
WORKS 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 Fire Station No. 8 Project, has been approved and the public work accepted.
2. The Public Works 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 _____, 2025, 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
Fire Station No. 8 _____ 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 Carter-Kelly, Inc.

The surety on said project was Travelers Casualty and Surety Company of America

Jason Shykowski
Public Works Director
City of Roseville
Owner

ATTEST:

Carmen Avalos, City Clerk

State of California)
County of Placer)

I, Jason Shykowski, being first duly sworn, depose and say: I am the Public Works Director 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.

Jason Shykowski
Public Works Director
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____, Jason Shykowski
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



COUNCIL COMMUNICATION

CC #: 3818
File #: 0800-03

Title: Low Carbon Fuel Standard Customer Program - Low-Income Definition Policy Approval
Contact: Sarah Kaufman 916-774-5656 smkaufman@roseville.ca.us

Meeting Date: 4/2/2025
Item #: 7.8.

RECOMMENDATION TO COUNCIL

Staff recommends that the City Council adopt a resolution to authorize the City Manager, or his designee, to execute a Low-Income Definition Policy for Roseville Electric Utility's Low Carbon Fuel Standard (LCFS) Customer Programs.

BACKGROUND

Since 2017, Roseville Electric Utility has enrolled in the California Air Resource Board LCFS program and generates LCFS credits by providing electricity for electric vehicles in Roseville. The Utility sells the credits, and uses the proceeds to support transportation electrification in the City. Additionally, participation in the LCFS program benefits the Roseville community without the use of rate payer funds. A required percentage of credit proceeds must be spent on low-income projects. To meet the LCFS low-income spending requirement, Section §95483 of the LCFS regulation allows the Publicly Owned Utility's governing body to establish a definition of low-income.

The purpose of the LCFS regulation is to reduce the carbon intensity of transportation fuels used in California, to incentivize the production of low-carbon and renewable alternatives, and to increase energy security in the transportation sector. Roseville Electric Utility has contributed LCFS funds, as part of the LCFS low-income spending requirement, to increase electric vehicle and electric vehicle charger rebates for income-qualified residential customers and electrification of school and transit buses that operate in Roseville.

At least 50 percent of Roseville Electric Utility's LCFS credit proceeds must be used to support transportation electrification for the primary benefit of disadvantaged communities, low-income communities, rural areas, or low-income individuals. The low-income criteria included in the LCFS regulation does not consider the characteristics and preferences of Roseville's customers or transportation electrification gaps within Roseville's service territory. Establishing a definition of low-income for Roseville's service territory will expand the impacts of LCFS low-income spending to more of Roseville Electric Utility's under-resourced residential and commercial customers that

are facing heightened barriers to transportation electrification or are disproportionately burdened by pollution.

By developing and adopting a low-income definition policy, Roseville Electric Utility will position itself to better serve the community's transportation electrification needs. The adoption of a low-income definition policy will provide access to funding, when available, to the Roseville low-income community through both individual and community projects that work to support zero-emission vehicles by installing charging infrastructure and supporting other projects beneficial to transportation electrification.

For Roseville Electric Utility's LCFS Customer Programs and associated low-income spending requirement, the proposed policy defines low-income or primary benefit of low-income as meeting any of the criteria in LCFS regulation or any of the following criteria:

- Census tracts with a CalEnviroScreen overall percentile greater than 50 percent.
- Census tracts with a CalEnviroScreen poverty percentile greater than 50 percent.
- Community gathering places located in Roseville service territory.
- Public schools located in Roseville service territory.
- Multifamily housing complexes with affordable units and located in Roseville service territory.
- Not-for-profit organizations located in Roseville service territory that provide supportive services to under-resourced individuals and communities.
- A location in Roseville service territory identified as a priority location by public agencies representing regional jurisdictions.

FISCAL IMPACT

This recommendation has no financial impact to the Electric Fund or the General Fund.

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. Approval of this policy meets the above criteria and is not subject to CEQA. No additional environmental review is required.

CITY COUNCIL STRATEGIC PLAN/OVERARCHING GOALS

Goal B - Support community engagement and advocacy
Goal C - Maintain a safe and healthy community
Goal F - Invest in well-planned infrastructure and growth

Respectfully Submitted,

Sarah Kaufman, Energy Services Account Representative

Dan Beans, Electric Utility Director



Dominick Casey, City Manager

ATTACHMENTS:

Description

Resolution 25-078

Low Carbon Fuel Standard Low-Income Policy

RESOLUTION NO. 25-078

ADOPTING A LOW-INCOME DEFINITION POLICY FOR ROSEVILLE ELECTRIC'S
LOW CARBON FUEL STANDARD CUSTOMER PROGRAMS

WHEREAS, since 2017, Roseville Electric Utility has enrolled in the California Air Resource Board Low Carbon Fuel Standard (LCFS) program and generates LCFS credits by providing electricity for electric vehicles in Roseville; and

WHEREAS, Roseville Electric sells the credits, and uses the proceeds to support transportation electrification in the City; and

WHEREAS, a required percentage of credit proceeds must be spent on low-income projects, and to meet the LCFS low-income spending requirement, Section §95483 of the LCFS regulation allows the Publicly Owned Utility's governing body to establish a definition of low-income; and

WHEREAS, staff recommends that the City Council adopt the Low-Income Definition Policy for Low Carbon Fuel Standard Customer Programs for the City of Roseville.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Roseville that Low-Income Definition Policy for Low Carbon Fuel Standard Customer Programs for the City of Roseville is hereby adopted.

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

Low-Income Definition Policy for Low Carbon Fuel Standard Customer Programs

April 2, 2025

Purpose

The purpose of this policy is the creation of a Low-Income Definition for the Low Carbon Fuel Standard (LCFS) Customer Programs, in an effort to adequately allocate the LCFS low-income spending requirement to electric vehicle (EV) projects that support the Roseville low-income community.

Background

The purpose of the California Air Resource Board's (CARB) LCFS regulation is to reduce the carbon intensity of transportation fuels used in California, to incentivize the production of low-carbon and renewable alternatives, and to increase energy security in the transportation sector.

Roseville Electric Utility generates LCFS credits for providing electricity to EVs in Roseville Electric Utility's service territory. Roseville Electric Utility sells these credits and uses the proceeds to support transportation electrification in Roseville service territory.

A required percentage of credit proceeds must be used to support transportation electrification for the primary benefit of disadvantaged communities, low-income communities, rural areas, or low-income individuals. In the LCFS regulation, low-income individuals are defined by the Department of Housing and Community Development State Income Limits. Whereas the definition of low-income communities includes 4 census tracts in Roseville that qualify as California Climate Investments Priority Populations which are low-income communities and households with incomes either at or below 80 percent of the statewide median or below a threshold designated as low-income by the Department of Housing and Community Development. Roseville does not have SB 535 disadvantaged communities, or rural areas.

The LCFS regulation does not consider the unique characteristics and preferences of Roseville Electric Utility customers or transportation electrification gaps within Roseville service territory. However, Section §95483 of the LCFS regulation states that a definition of low-income can be established by the publicly owned utility's governing body. Staff provides the following justification for the proposed definition of low-income in Roseville service territory specific to CARB's LCFS regulation.

In addition to the criteria in the LCFS regulation, staff recommends using the Office of Environmental Health Hazard Assessment's CalEnviroScreen overall and poverty percentiles. CalEnviroScreen is a screening methodology that can be used to identify California communities that are disproportionately burdened by multiple sources of pollution. Staff recommends a CalEnviroScreen percentile threshold of 50 percent or greater because it is reflective of the census tracts in Roseville most affected by CalEnviroScreen indicators. This will allow Roseville Electric Utility to expand access to LCFS funds for EV projects that support

electrification of fleets and increased access to workplace and public EV charging in more areas of Roseville.

Additionally, staff recommends including community gathering places located in Roseville service territory, public schools located in Roseville service territory, multifamily housing complexes located in Roseville service territory with affordable units, and not-for-profit organizations located in Roseville service territory that provide supportive services to under-resourced individuals and communities. This will allow Roseville Electric Utility to expand access to LCFS funds for EV projects all throughout Roseville, particularly in locations where people spend lengths of time conducive to EV charging.

Furthermore, to encourage regional collaboration, prevent EV charging gaps in Roseville, and support electrification of public transit and fleets, staff recommends including any location in Roseville service territory identified as a priority location by public agencies representing regional jurisdictions.

Policy

The definition of low-income in Roseville Electric Utility service territory, specific to the California Air Resource Board's Low Carbon Fuel Standard regulation, shall include the following criteria in addition to existing criteria in the regulation:

- Census tracts with a CalEnviroScreen overall percentile greater than 50 percent.
- Census tracts with a CalEnviroScreen poverty percentile greater than 50 percent.
- Community gathering places located in Roseville service territory.
- Public schools located in Roseville service territory.
- Multifamily housing complexes with affordable units and located in Roseville service territory.
- Not-for-profit organizations located in Roseville service territory that provide supportive services to under-resourced individuals and communities.
- A location in Roseville service territory identified as a priority location by public agencies representing regional jurisdictions.

Anticipated Outcome

Roseville Electric Utility's adoption of this low-income definition policy for meeting the LCFS low-income spending requirement will impact the Roseville community in positive ways. This policy will allow for transportation electrification funds earmarked for low-income projects to be utilized in a wider array of potential projects that will benefit the Roseville low-income community. Additionally, the low-income definition policy will allow for Roseville Electric Utility to provide funding for EV charging projects in Roseville, benefitting our community.



COUNCIL COMMUNICATION

CC #: 3819
File #: 0900-01

Title: Pleasant Grove Wastewater Treatment Plant Ultraviolet Disinfection Addition Project
– Notice of Completion
Contact: Jeremy Snyder 916-413-9236 jsnyder@roseville.ca.us

Meeting Date: 4/2/2025
Item #: 7.9.

RECOMMENDATION TO COUNCIL

Staff recommends that the City Council accept the Pleasant Grove Wastewater Treatment Plant Ultraviolet Disinfection Addition Project as complete and adopt a resolution to authorize the Director of Environmental Utilities to execute the Notice of Completion.

BACKGROUND

The Pleasant Grove Wastewater Treatment Plant (PGWWTP) Ultraviolet Disinfection Addition Project equipped a fourth channel, that existed from original construction, but was left empty, and added a fourth bank to all four channels. The project expanded the UV System from nine banks to 16 banks. Instruments, controls and SCADA equipment were upgraded as part of this expansion. During this Project the PGWWTP Title 22 Recycled Water Report was updated and submitted to and approved by the Department of Drinking Water (DDW) and the Regional Water Quality Control Board (RWQCB).

On November 1, 2023, City Council approved and awarded a Design-Assist and Construction Agreement to Auburn Constructors LLC for the Project in the amount of \$2,993,300. In addition, the City Council authorized the Environmental Utilities Director or his designee to approve and pay for contract change orders for the Project that could increase the contract amount by no more than 10% or \$299,330.

Auburn Constructors LLC received a Notice to Proceed on November 9, 2023. The City's Environmental Utilities Department completed final inspection of the Project on December 17, 2024, and found the work to be completed in accordance with the Contract Documents. Therefore, the Project is now ready for final acceptance and approval of the Notice of Completion.

FISCAL IMPACT

A Design-Assist Construction Contract was awarded to Auburn Constructors LCC in the amount

of \$2,993,300. City Council also approved an allowance to pay contract change orders of up to 10% of the value of the contract (\$299,330). There was only one negotiated change order at the end of construction, and it was a deductive change order for shared savings in the amount of \$737,934.78. The contractor completed the project under their guaranteed maximum price (GMP) by a total of \$1,054,192.54. Per the agreement, the split of the savings is 70% to the City and 30% to Auburn Constructors. Therefore, the final amount of the construction contract is \$2,255,365.22. Funding for this project was provided by the South Placer Wastewater Authority.

ENVIRONMENTAL REVIEW

Implementation of the PGWWTP Ultraviolet Disinfection Addition Project was previously evaluated in the original Council Communication for the Design-Assist and Construction Agreement and it was determined to involve minor alterations of an existing facility. This activity was deemed categorically exempt from the California Environmental Quality Act (CEQA), as a Class 1 Exemption (State CEQA Guidelines Section 15301). The Exemption was prepared and no further CEQA action is required for the approval of this Notice of Completion.

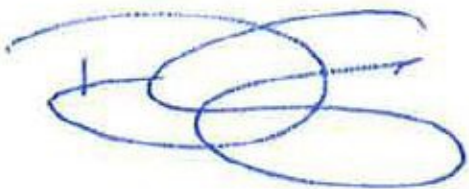
CITY COUNCIL STRATEGIC PLAN/OVERARCHING GOALS

Goal F - Invest in well-planned infrastructure and growth

Respectfully Submitted,

Jeremy Snyder, Preventative Maintenance Supervisor

Sean Bigley, Environmental Utilities Director



Dominick Casey, City Manager

ATTACHMENTS:

Description

Resolution 25-079

Attachment A - Notice of Completion and Vicinity Map

CEQA Notice of Exemption - Class 1

RESOLUTION NO. 25-079

ACCEPTING THE PUBLIC WORK KNOWN AS THE PLEASANT GROVE
WASTEWATER TREATMENT PLANT ULTRAVIOLET DISINFECTION ADDITION
PROJECT, APPROVING THE “NOTICE OF COMPLETION”, AND AUTHORIZING THE
ENVIRONMENTAL UTILITIES 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 Pleasant Grove Wastewater Treatment Plant Ultraviolet Disinfection Addition Project, has been approved and the public work accepted.
2. The Environmental Utilities 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
Pleasant Grove Wastewater Treatment Plant Ultraviolet Disinfection Addition 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 Auburn Constructors LLC.

The surety on said project was Travelers Casualty and Surety Company of America

SEAN BIGLEY

Environmental Utilities Director
City of Roseville
Owner

ATTEST:

Carmen Avalos, City Clerk

State of California)
County of Placer)

I, SEAN BIGLEY, being first duly sworn, depose and say: I am the Environmental Utilities Director 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.

SEAN BIGLEY

Environmental Utilities Director
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____, SEAN BIGLEY

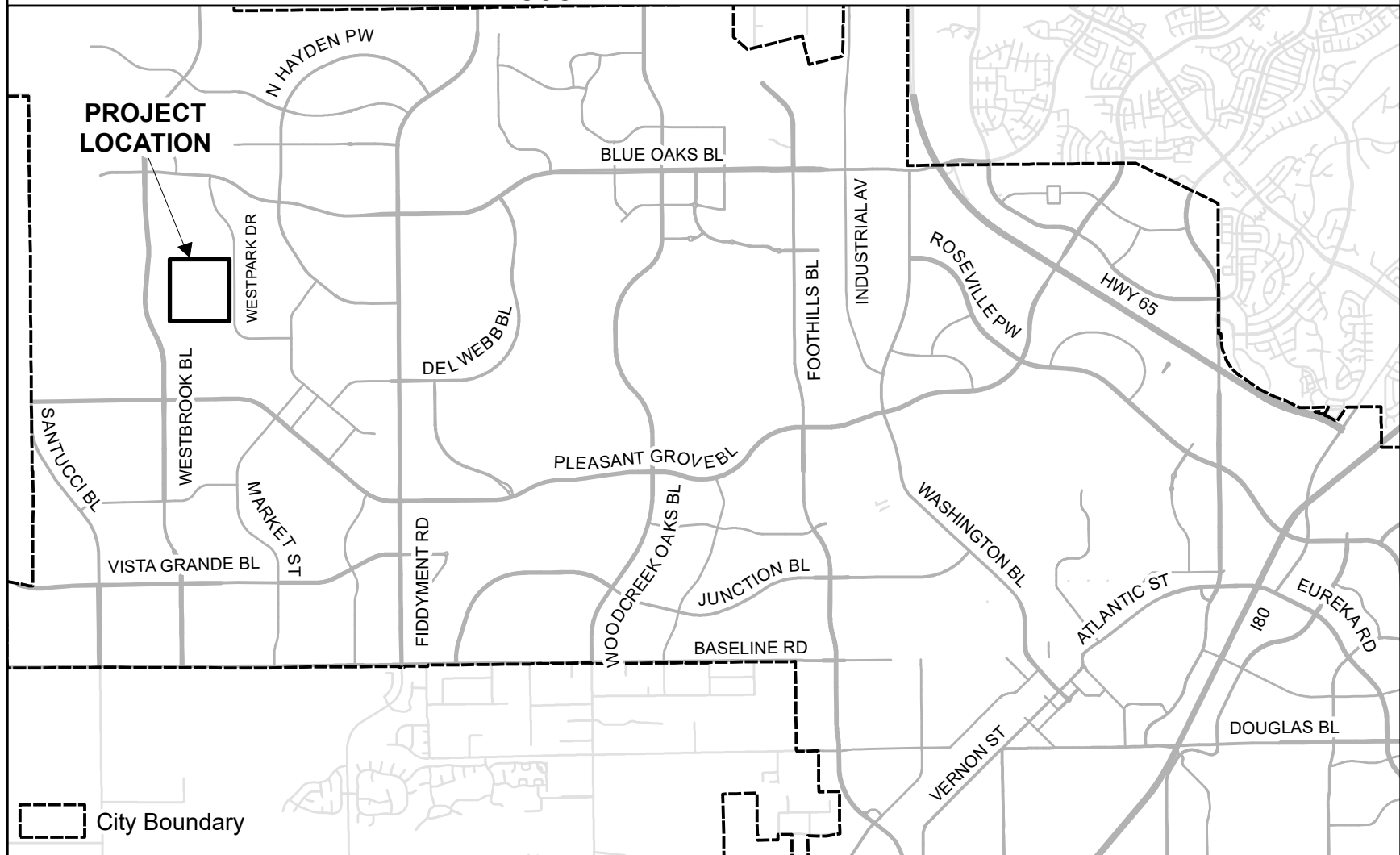
proved to me on the basis of satisfactory
evidence to be the person(s) who appeared
before me.

Place Notary Seal and/or Stamp Above

Signature of Notary Public

Exhibit "A"

PLEASANT GROVE WASTEWATER TREATMENT PLANT
ULTRAVIOLET DISINFECTION ADDITION PROJECT
5051 WESTPARK DRIVE





Notice of Exemption

To: Placer County Clerk
Recorder's Office
2954 Richardson Drive
Auburn, CA 95603

From: City of Roseville
Development Services Dept.
311 Vernon Street
Roseville, CA 95678

Project Title: Pleasant Grove Wastewater Treatment Plant Ultraviolet Disinfection System Addition Construction

Project Location(s): 5051 Westpark Drive, Roseville, CA 95747. Assessor's Parcel Number 017-101-025-000.

Project Description: The Environmental Utilities Department (EU) recommends City Council adopt a resolution authorizing the City Manager to execute a design-assist agreement, for the Construction Contractor, with Auburn Constructors to provide channel modifications to accommodate a fourth bank in each channel, installation of new UV equipment including a complete installation in channel 4, installation of all new programmable logic controllers and new transformers for electrical infrastructure, testing, and commissioning for the Pleasant Grove Wastewater Treatment Plant (PGWWTP) Ultraviolet Disinfection Addition Project. When originally constructed, only three channels were needed and the fourth channel was built for system expansion to plant designed flow rates and was to be equipped when the treatment flow approached the capacity of the first three channels. Growth in the Pleasant Grove WWTP service area is now generating sufficient flow to justify equipping the fourth channel. The project would accommodate planned growth that has already been considered and evaluated in the Roseville General Plan and General Plan EIR (SCH#2019080418). The project would not result in any additional new capacity or unplanned expansion beyond that which has already been approved.

Public Agency Approving Project: Roseville City Council

Agency/Individual Carrying Out Project: City of Roseville Environmental Utilities Department

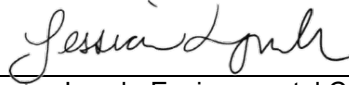
Reason why this Project is Exempt: The project qualifies for a Class 1 Categorical Exemption as described in Section 15301 of the California Environmental Quality Act (CEQA) guidelines which states:

"Class 1 (Existing Facilities) consists of the... minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use. Examples include but are not limited to: (b) Existing facilities of both investor and publicly owned utilities used to provide electric power, natural gas, sewerage, or other public utility services."

The project consists of ultraviolet channel modifications, demolition of some old equipment, installation of new equipment, testing, and commissioning of ultraviolet disinfection equipment, automation equipment (programmable logic controllers, instrumentation and electrical infrastructure) for the fourth and last remaining treatment channel located at the PGWWTP. The project would not result in increased capacity or unplanned expansion of use. Consequently, the Class 1 Categorical Exemption applies.

Lead Agency Contact Person: Jeremy Snyder, Roseville Department of Environmental Utilities
(916-746-1829).

Signature:



Jessica Lynch, Environmental Coordinator
City of Roseville

Date: 10-9-2023



COUNCIL COMMUNICATION

CC #: 3816

File #: 0200

Title: Financial Policies for Fiscal Year 2025-26

Contact: Scott Pettingell 916-746-1306 spettingell@roseville.ca.us

Meeting Date: 4/2/2025

Item #: 7.10.

RECOMMENDATION TO COUNCIL

Staff recommends that the City Council adopt a resolution to approve the annual update of its financial policies.

BACKGROUND

The purpose of the City's financial policies is to determine appropriate and responsible financial guidelines for staff to follow when developing the budget, making recommendations, and fulfilling their role as fiscal stewards of public funds. As new policies are developed and approved by the City Council, they will be added to this document. Each year, the policies will be reviewed by staff, updated where recommended, and submitted to Council for approval. A summary of the current policies is provided below:

Investment Policy

The purpose of the Investment Policy is to establish cash management and investment guidelines for the Assistant City Manager/Chief Financial Officer, who is responsible for the stewardship of the City of Roseville's investment program. Each transaction and the entire portfolio must comply with California Government Code Sections 53600 and 53635 et seq. and the Investment Policy. The Investment Policy conforms to the customary standards of prudent investment management, and any changes to the policy must be adopted by the City Council. The Investment Policy has been certified by the California Municipal Treasurers Association through their Investment Policy Certification Program. The recommended updates to the Investment Policy incorporate provisions of Assembly Bill (AB) 2618, Surplus Funds: Investment, and make nonsubstantive edits to the policy to improve clarity. AB 2618 provides for an increase in the percentage of local agency bank deposits that may be placed with a private company for allocation to multiple banks to maintain deposit insurance. Staff have incorporated this permitted investment into the policy and reflected the percentage limitation.

Debt Management Policy and Swap Policy

The purpose of the Debt Management Policy and Swap Policy is to provide guidelines for the

issuance of bonds and other forms of indebtedness to finance necessary land acquisitions, capital construction, equipment, and other items for the City. There are no proposed changes to the existing policy.

Budget Development Policy

The purpose of the Budget Development Policy is to establish guidelines for developing the annual operating and capital budget. The policy maintains a citywide focus during the budget development process consistent with the General Principles of Governance adopted by the City Council. The policy includes guidelines for general revenues, a balanced budget, and public involvement. The recommended update clarifies how a smoothing period may be used for the City's indirect cost allocation plan.

General Fund Reserves Policy

The purpose of the General Fund Reserves Policy is to establish a targeted level of General Fund operating reserves, a basic component of a financially strong city. The policy maintains an amount equal to 10% of annual General Fund budgeted operating costs as the minimum level of funding in the City's General Fund Emergency Reserve and 15% of annual General Fund budgeted operating costs as the target level of funding for the City's new General Fund Stabilization Reserve Fund. Appropriation from the Emergency Reserve and Stabilization Reserve Funds requires the approval of at least four City Council members. The policy also includes the Litigation Reserve Fund, which was established to address legal matters that require proactive handling and funding. There are no proposed changes to the existing policy.

Development Services Stabilization Reserve Fund Policy

The purpose of the Development Services Stabilization Reserve (DSSR) Fund Policy is to maintain resources in a reserve that the City Council may draw from to maintain adequate staffing to continue delivering development services during an economic downturn. The City will use the DSSR to bridge gaps between projected and actual development revenues during periods of significant revenue decline. The reserve will be funded by fee revenue collected by Development Services in years when actual revenue exceeds budget estimates. The fee revenue used to fund the reserve will be General Fund fee revenue, which is often collected in one fiscal year and expended over more than one fiscal year (e.g., for building inspections); no nexus-based development impact fee revenue will be used to fund the reserve. The DSSR target goal is equivalent to six months of estimated Development Services Department Building, Planning, and Engineering General Fund revenues. There are no proposed changes to the existing policy.

Federal Stimulus Reserve Fund Policy

The purpose of this Federal Stimulus Reserve Fund Policy is to establish a temporary Federal Stimulus Reserve Fund with the City's allocation of the federal stimulus (2021 Coronavirus State and Local Fiscal Recovery Funds) until one-time expenditures or transfers to other City funds are approved and the funds are expended. The recommended change clarifies the December 31, 2024, deadline to obligate federal stimulus funding. The policy states that the fund will be closed after all funding, including interest earned, has been distributed.

Internal Service Funds - Operating and Replacement Reserves Policy

The purpose of the Internal Service Funds - Operating and Replacement Reserves Policy is to

establish (1) operating reserves to provide for continuity of service in the event of unanticipated changes to revenues or expenditures, particularly within a single fiscal year when charges for service on client operating departments already have been fixed through the adopted budget, and (2) replacement reserves to provide funding for capital improvement, rehabilitation, and replacement of capital assets, whose costs yield a burdensome or unaffordable peak in expenditure if assessed on client operating departments as they occur. There are no proposed changes to the existing policy.

Capital Improvement Program Rehabilitation Funding Policy

The purpose of the Capital Improvement Program Rehabilitation Funding Policy is to address funding for the City's General Fund infrastructure rehabilitation and replacement. There are no proposed changes to the existing policy.

Pension Funding Policy

The Pension Funding Policy documents the City's method to determine its actuarially determined contributions to fund the long-term cost of pension benefits. The policy also guides annual budget decisions, demonstrates prudent financial management practices, reassures bond rating agencies, and shows employees and the public how pensions will be funded. There are no proposed changes to the existing policy.

Other Post-Employment Benefits (OPEB) Funding Policy

The purpose of the Other Post-Employment Benefits (OPEB) Funding Policy is to accumulate sufficient assets to fully finance the retiree healthcare benefits that retired employees receive throughout retirement. There are no proposed changes to the existing policy.

Workers' Compensation and General Liability Funding Policy

The purpose of the Workers' Compensation and General Liability Funding Policy is to provide adequate financial resources to fund the City's Workers' Compensation and General Liability Programs and establish and maintain adequate reserves in the Workers' Compensation and General Liability Internal Service Funds. There are no proposed changes to the existing policy.

Interfund Loan Policy

The City's Interfund Loan Policy documents the methods used by the City to demonstrate prudent financial management over interfund loans. There are no proposed changes to the existing policy.

Request for Proposals (RFP) Policy

The purpose of the Request for Proposals (RFP) Policy is to provide a uniform process for the issuance, evaluation, and selection of competitive proposals for services and/or customized goods. There are no proposed changes to the existing policy.

Internal Control Policy

The purpose of the Internal Control Policy is to document the internal control framework adopted by the City and formalize certain policies and procedures to further the goal of fiscal responsibility through effective and comprehensive internal controls. There are no proposed changes to the

existing policy.

Procurement Code of Ethics Policy

The purpose of the Procurement Code of Ethics Policy is to provide a well-defined and established code of ethics for City employees, including public procurement professionals, who interact with the public and represent the City in any way in relation to all procurement activities and to ensure integrity in the procurement and contracting process. There are no proposed changes to the existing policy.

Roseville Electric Utility Financial Policy

The purpose of Roseville Electric Utility's financial policies is to provide management guidance to maintain a fiscally sound utility. Roseville Electric Utility uses financial ratios from these policies to analyze performance trends and compare financial results to other utilities. Credit rating agencies, investors, and bond insurers also use these ratios and benchmarks to measure creditworthiness. There are no proposed changes to the existing policy.

Environmental Utilities Financial Management Policy

The purpose of this Financial Management Policy is to give each utility a set of guidelines with which it can successfully and prudently manage its finances. The Policy affirms the currently used rehabilitation and enterprise fund guidelines, clarifies and adjusts targets for cash flows available for debt service and operating costs, and establishes targets for sizing reserves. There are no proposed changes to the existing policy.

Other Policies

In addition to the policies recommended for updates, staff is developing new financial policies in accounting and purchasing. Staff will bring forward new and updated policies for Council consideration individually or in annual updates of this Financial Policies document.

FISCAL IMPACT

Approval of the policies has no fiscal impact. However, implementing the policies is expected to improve the City's fiscal position and financial health. The Fiscal Year 2025-26 Proposed Budget is being developed based on these recommended financial policies.

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 financial policies meets the above criteria and is not subject to CEQA. No additional environmental review is required.

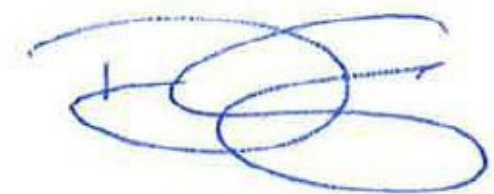
CITY COUNCIL STRATEGIC PLAN/OVERARCHING GOALS

Goal A - Remain fiscally responsible in a changing world

Respectfully Submitted,

Scott Pettingell, Finance Director

Dennis Kauffman, Assistant City Manager/Chief Financial Officer



Dominick Casey, City Manager

ATTACHMENTS:

Description

Resolution 25-076

Financial Policies Effective July 1 2025 - Clean

Financial Policies Effective July 1 2025 - Redline

RESOLUTION NO. 25-076

ADOPTING THE CITY OF ROSEVILLE FINANCIAL POLICIES,
EFFECTIVE JULY 1, 2025

WHEREAS, the City of Roseville Financial Policies, effective July 1, 2025, have been reviewed by the City Council; and

NOW, THEREFORE, BE IT RESOLVED by the Council of the city of Roseville that the City of Roseville Financial Policies, effective July 1, 2025 are hereby adopted.

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

City of Roseville Financial Policies



Effective July 1, 2025

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City of Roseville Investment Policy

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I. INTRODUCTION

The purpose of this document is to identify various policies and procedures that enhance opportunities for a prudent and systematic investment policy and to organize and formalize investment-related activities.

The investment policies and practices of the City of Roseville (City) are based on state law and prudent money management. All funds will be invested in accordance with this investment policy and Article 2 of Chapter 4 of the California Government Code. This policy is in compliance with the provisions of the California Government Code, Sections 53600 through 53659, and the authority governing investments for municipal governments.

II. SCOPE

The investment policy applies to all financial assets of the City as accounted for in the Annual Comprehensive Financial Report (ACFR). Policy statements outlined in this document focus on the City's pooled funds, but will also apply to all other funds under the City's Assistant City Manager/Chief Financial Officer's span of control unless specifically exempted by statute or ordinance.

Proceeds of debt issuance shall be invested in accordance with the permitted investment provisions of their specific bond indentures. If, in the opinion of the City's Assistant City Manager/Chief Financial Officer, matching the segregated investment portfolio of the bond reserve fund with the maturity schedule of an individual bond issue is prudent given current economic analysis, the investment policy authorizes beyond the five-year maturity limitation as outlined in this document. The intent to invest in securities with longer maturities shall be disclosed in the permitted investment language authorized by the City Council in an indenture of trust.

This policy does not cover funds held by the California Public Employees Retirement System, nor funds of the City's deferred compensation program, Other Post Employment Benefit Trust or Pension Trust.

III. PRUDENCE

The standard of care to be used by investment officials shall be the "prudent investor" standard and shall be applied in the context of managing an overall portfolio. The "prudent investor" standard states that:

When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency.

Investment officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

IV. OBJECTIVES

The primary objectives, in priority order, of the investment activities of the City shall be:

A. Safety

Safety of principal is the foremost objective of the investment program. City investments shall be undertaken in a manner that seeks to ensure preservation of Capital in the portfolio. To further achieve the safety objective, the amount invested in all investment categories is limited to a percentage of the portfolio as defined in the section "VIII. PERMITTED INVESTMENT INSTRUMENTS".

B. Liquidity

The investment portfolio of the City will remain sufficiently liquid to enable the City to meet its cash flow requirements.

C. Return on Investment

The investment portfolio of the City shall be designed with the objective of attaining a market rate of return on its investments consistent with the constraints imposed by its safety objective and cash flow considerations.

V. DELEGATION OF AUTHORITY

The City Council hereby delegates management responsibility of the investment program to the Assistant City Manager/Chief Financial Officer. The Assistant City Manager/Chief Financial Officer shall be responsible for all transactions undertaken and shall establish

a system of controls to regulate the activities of subordinate officials. The Assistant City Manager/Chief Financial Officer may delegate investment decision making and execution to the Finance Director in absence of the Assistant City Manager/Chief Financial Officer. No person may engage in an investment transaction except as provided under the limits of this policy unless specifically exempted by statute or ordinance.

VI. ETHICS AND CONFLICT OF INTEREST

Officers and employees involved in the investment process shall refrain from personal business activities that could conflict with proper execution of the investment program, or which could impair their ability to make impartial decisions.

VII. AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS

The Assistant City Manager/Chief Financial Officer and/or his/her designee will maintain a list of approved financial institutions authorized to provide investment services to the City in the State of California. These may include “primary” dealers or regional dealers that qualify under Securities & Exchange Commission Rule 15C3-1. A determination should be made to confirm that all approved broker/dealer firms, and individuals covering the public agency, are reputable and trustworthy. In addition, the broker/dealer firms should have the ability to meet all of their financial obligations in dealing with the Public Agency. The firms, and individuals covering the agency, should be knowledgeable and experienced in Public Agency investing and the investment products involved. No public deposit shall be made except in a qualified public depository as established by the established state laws. All financial institutions and broker/dealers who desire to conduct investment transactions with the public agency must supply the Assistant City Manager/Chief Financial Officer with a completed broker/dealer questionnaire and certification of having read the City’s investment policy. In addition, broker/dealers must certify annually of having read the City’s investment policy.

VIII. PERMITTED INVESTMENT INSTRUCTIONS

The City shall limit investments in any one non-government issuer, except investment pools, to no more than 5% regardless of security type.

- A. **U.S. Treasury obligations** for which the full faith and credit of the United States are pledged for the payment of principal and interest. Up to 100% of the City’s investment portfolio may be invested in government obligations.
- B. **Federal agency or United States government-sponsored enterprise obligations**, participations, or other instruments, including those issued by or fully

guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises. This shall include any mortgage pass through security issued and guaranteed by a Federal Agency with a maximum final maturity of five years. Purchase of Federal Agency issued mortgage-backed securities authorized by this subdivision may not exceed 20% of the City's surplus money; all other investments in Federal Agency securities are unrestricted.

- C. **Obligations of the State of California or any local agency within the state**, including bonds payable solely out of revenues from a revenue producing property owned, controlled or operated by the state or any local agency or by a department, board, agency or authority of the state or any local agency, provided that the obligations are rated in one of the two highest categories by a nationally recognized statistical-rating organization (NRSRO). Up to 100% of the City's investment portfolio may be invested in California municipal obligations.
- D. **Registered treasury notes or bonds of any of the other 49 states** in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of these states.
- E. **Repurchase Agreements** used solely as short-term investments not to exceed 30 days. Up to 100% of the City's investment portfolio may be invested in repurchase agreements.

The following collateral restrictions will be observed:

- 1. Only U.S. Treasury securities or Federal Agency securities, as described in section VIII. PERMITTED INVESTMENT INSTRUMENTS, paragraph (A) and (B) will be acceptable collateral. All securities underlying Repurchase Agreements must be delivered to the City's custodian bank by book entry, physical delivery, or by a third party custodial agreement. The total of all collateral for each Repurchase Agreement must equal or exceed, on the basis of market value, 102% of the funds borrowed against those securities. For any Repurchase Agreement with a term of more than one day, the value of the underlying securities must be reviewed on a weekly basis and the value of the underlying securities brought back up to 102% no later than the next business day.
- 2. Market value must be calculated each time there is a substitution of collateral.

3. The City or its trustee shall have a perfected first security interest under the Uniform Commercial Code in all securities subject to Repurchase Agreement.
4. The City may enter into Repurchase Agreements only with primary dealers of the Federal Reserve Bank of New York.
5. The City will have specific written agreements with each firm with which it enters into Repurchase Agreements.
6. Reverse repurchase agreements will not be allowed.

- F. **Banker's Acceptances**, otherwise known as bills of exchange or time drafts that are drawn on and accepted by a commercial bank.

Purchases of Banker's Acceptances may not exceed 180 days maturity or 40% of the City's investment portfolio.

- G. **Commercial paper** of "prime" quality of the highest ranking or of the highest letter and number rating as provided for by a NRSRO. The entity that issues the commercial paper shall meet all of the following conditions in section "VIII. PERMITTED INVESTMENT INSTRUMENTS", paragraph (G1) or (G2).

1. The entity meets the following criteria:
 - a. Is organized and operating in the United States as a general corporation.
 - b. Has total assets in excess of five hundred million dollars (\$500,000,000).
 - c. Has debt other than commercial paper, if any, that is rated "A" or higher by a NRSRO.
2. The entity meets the following criteria:
 - a. Is organized within the United States as a special purpose corporation, trust, or limited liability company.
 - b. Has program wide credit enhancements including, but not limited to, over collateralizations, letters of credit, or surety bond.

- c. Has commercial paper that is rated “A-1” or higher, or the equivalent, by a NRSRO.

Purchases of eligible commercial paper may not exceed 270 days maturity nor represent more than 10% of the outstanding paper of an issuing corporation.

Purchases of commercial paper may not exceed 40% of the City’s investment portfolio.

- H. **Medium-term corporate notes** issued by corporations organized and operating within the United States or by depository institutions licensed by the U.S. or any state and operating within the U.S. Medium-term corporate notes shall be rated in a rating category "A" or its equivalent or better by a nationally recognized rating service.

Purchase of medium-term corporate notes may not exceed 30% of the City’s investment portfolio.

- I. **Federal Deposit Insurance Corporation (FDIC) insured or fully collateralized time certificates of deposit.** Purchases of time certificates of deposit in combination with negotiable certificates of deposit may not exceed 30% of the City’s investment portfolio.

- J. **Negotiable certificates of deposit or deposit notes** issued by a nationally or state-chartered bank, a state or federal savings and loan association, a state or federal credit union, or a federally-licensed or state-licensed branch of a foreign bank provided that the senior debt obligations of the issuing institution are rated "A" or better by an NRSRO.

The legislative body of a local agency and the treasurer or other official of the local agency having legal custody of the money are prohibited from investing local agency funds, or funds in the custody of the local agency, in negotiable certificates of deposit issued by a state or federal credit union if a member of the legislative body of the local agency or any person with investment decision making authority in the administrative office manager’s office, budget office, auditor-controller’s office, or treasurer’s office of the local agency also serves on the board of directors, or any committee appointed by the board of directors, or the credit committee or the supervisory committee of the state or federal credit union issuing the negotiable certificates of deposits.

All certificates of deposit must be properly collateralized in accordance with Section 53652 of the California Government Code or fully insured by the Federal Deposit Insurance Corporation (FDIC).

Purchase of time certificates of deposit in combination with negotiable certificates of deposit may not exceed 30% of the City's investment portfolio.

- K. **Investment in placement service assisted deposits, including certificates of deposit**, is limited to 50% of funds that local agencies invest in depository institutions until January 1, 2031. On January 1, 2031, the limit will return to 30% of the amount local agencies invest in depository institutions. Placement service assisted deposits provide allocation to multiple financial institutions in order to maintain deposit insurance from the FDIC or the National Credit Union Association.
- L. **State of California's Local Agency Investment Fund** is an investment pool managed by the State Treasurer's Office. The Local Agency Investment Fund (LAIF) portfolio should be reviewed periodically. Investment in LAIF may not exceed the legally authorized limits.
- M. **Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission** under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1, et seq.). To be eligible for investment pursuant to this subdivision these companies shall either: (1) have attained the highest ranking or the highest letter and numerical rating provided by not less than two nationally recognized statistical rating organizations or (2) have an investment advisor registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience managing money market mutual funds and with assets under management in excess of \$500,000,000.

The purchase price of shares of beneficial interest purchased shall not include any commission that the companies may charge and shall not exceed 20% of the City's investment portfolio. Further, no more than 10% of the City's investment portfolio may be invested in shares of beneficial interest of any one money market fund.
- N. **Shares in a California common law trust** established pursuant to Title 1, Division 7, Chapter 5 of the Government Code of the State of California that invests exclusively in investments permitted by Section 53635 of Title 5, Division 2, Chapter 4 of the Government Code of the State of California, as it may be amended. Up to 100% of the City's investment portfolio may be invested in this investment type.
- O. **Supranationals** are United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the

International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC), or Inter-American Development Bank (IADB), with a maximum remaining maturity of five years or less, and eligible for purchase and sale within the United States. Investments under this subdivision shall be rated "AA-", its equivalent, or better by an NRSRO.

Purchases of supranationals shall not exceed 30% of the investment portfolio of the City. Supranationals are permitted by California Government Code § 53601 (q) effective January 1, 2015.

- P. **A mortgage pass-through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment leased-back certificate, consumer receivable passthrough certificate, or consumer receivable-backed bond.** Securities issued by private companies eligible for investment under this subdivision shall be rated in a rating category of "AA" or its equivalent or better by an NRSRO and have a maximum remaining maturity of five years or less. Securities issued or guaranteed by the United States, a federal agency or United States government-sponsored enterprise are not subject to the limitations placed on privately issued securities. No more than 20% of the City's surplus funds may be invested in this type of security.

Where this section specifies a percentage limitation for a particular category of investment, that percentage is applicable only on the date of purchase. Credit criteria listed in this section refers to the credit of the issuing organization at the time the security is purchased. If an investment falls below the minimum purchase rating, the Investment Review Committee will perform a timely review to sell or hold the investment.

Q. **Prohibited Investments**

For purposes of this policy, a derivative is defined as any security where the value is linked to or derived from an underlying asset or benchmark. Any security type or structure not specifically approved by this policy is hereby specifically prohibited. The City will not use such derivatives as range notes, dual index notes, inverse floating rate notes, deleveraged notes, or notes linked to lagging indices or to long-term indices, nor will the City invest in reverse repurchase agreements or interest-only strips derived from a pool of mortgages. The City will not invest in securities that could result in zero or negative interest accrual if held to maturity, except, in the event of, and for the duration of, a period of negative market interest rates, securities issued by, or backed by, the U.S. Government to preserve principal. This policy does not preclude the use of

repurchase agreements and callable securities, as they do not fall within the definition of a derivative as described herein.

Summary of Maximum Percentage Limitations of Investments by Investment Type

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Minimum Credit Quality at Time of Purchase</u>	<u>Maximum Percentage Allowed</u>	<u>Maximum Investment In One Issuer</u>
U.S. Treasury Obligations	5 Years	None	None	None
U.S. Agency Securities	5 Years	None	None	None
State Obligations - California and others	5 Years	None	None	None
California Local Agency Bonds	5 Years	None	None	None
Repurchase Agreements	30 days	None	None	None
Bankers' Acceptances	180 days	None	40%	30%
Commercial Paper	270 days	A-1	40%	10%
Medium-Term Corporate Notes	5 Years	A	30%	10%
Collateralized Time Deposits	5 Years	None	30%	None
Negotiable Certificates of Deposit	5 Years	A	30%	None
Placement Service Deposits	5 Years	None	50%	None
Placement Service Certificates of Deposit	5 Years	None	50%	None
Local Agency Investment Fund (LAIF)	N/A	None	None	LAIF limit
Insured Saving Accounts	N/A	None	None	None
Money Market Mutual Funds	N/A	None	20%	10%
Shares in a California Common Law Trust	N/A	None	None	None
Interest Rate Swaps	N/A	None	None	None
Supranational Obligations	5 Years	AA-	30%	None
Mortgage Pass-Through Securities	5 Years	AA	20%	None

IX. REVIEW OF INVESTMENT PORTFOLIO

The securities held by the City must be in compliance with Permitted Investments at the time of purchase. Because some securities may not comply subsequent to the date of purchase, the Assistant City Manager/Chief Financial Officer shall at least annually review the portfolio to identify those securities that do not comply. The Assistant City Manager/Chief Financial Officer shall report major and critical incidences of noncompliance identified through the review of the portfolio.

The Investment Review Committee will meet at least quarterly to discuss the investments in the City's portfolios.

X. INVESTMENT POOLS

A thorough investigation of any investment pool is required prior to investing and should be monitored on an ongoing basis. The following information should be obtained and analyzed.

- A. A description of eligible of investment securities.
- B. A written statement of investment policies and objectives.
- C. A description of interest calculations and their distribution, and the treatment of gains and losses.
- D. A description of how the securities are safeguarded (including the settlement processes), and how often the securities are priced and the program audited.
- E. A description of who may invest in the program, how often, and what size of deposits and withdraws are allowed.

XI. COLLATERALIZATION

Collateral for Non-negotiable Certificates of Deposit and Negotiable Certificates of Deposit must comply with California Government Code section 53652. In addition, if the Certificate of Deposit is not FDIC insured, collateral is required equal to 110% of principal.

XII. SAFEKEEPING AND CUSTODY

The City shall take from such financial institution a receipt for securities so deposited. All security transactions, including collateral for repurchase agreements, entered into the City shall be conducted on a delivery-versus-payment (DVP) basis pursuant to the approved custodial safekeeping agreements. The authority of the legislative body to deposit for safekeeping may be delegated by the legislative body to the Assistant City Manager/Chief Financial Officer of the City; the Assistant City Manager/Chief Financial Officer shall not be responsible for securities delivered to and receipted for by a financial institution until they are withdrawn from the financial institution by the Assistant City Manager/Chief Financial Officer.

XIII. DIVERSIFICATION

The City's investment pool will be diversified to avoid incurring unreasonable and avoidable risks. The investments will be diversified by security type, maturities of those investments, and institutions in which those investments are made.

XIV. MAXIMUM MATURITY

Investment maturities shall be based on a review of cash flow forecasts. Maturities will be scheduled to permit the City to meet all projected obligations while minimizing interest rate risk and maximizing earnings. Unless specified below, the maximum maturity will be no more than five years from purchase settlement date to final maturity date.

City Council has granted permission to invest the following fund accounts where liquidity is not the primary investment objective, in Federal Treasury or Agency securities with maturities up to ten years. The specified fund accounts include:

- The City's Pooled Fund, limited to 25% of the total pool
- Citizens' Benefit Fund
- North Central Wetlands Endowment
- Aquatics Complex Maintenance
- Woodcreek West Endowment

XV. INTERNAL CONTROLS

The Assistant City Manager/Chief Financial Officer is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft, fraud or misuse. An analysis by an external independent accounting firm shall be conducted annually to review internal controls, account activity, and compliance with the investment policies.

XVI. PERFORMANCE BENCHMARK

The investment portfolio will be designed to obtain a market rate of return during budgetary and economic cycles, taking into account the City's investment risk constraints and cash flow needs. The Investment Review Committee has elected to use for its performance standard the Constant Maturity Treasury (CMT) Index. For the Pooled Portfolio, the 12 month moving average yield on 3Yr CMT will be used and for Citizens' Benefit Fund portfolio, the 12 month moving average yield on 5Yr CMT will be used. All other City portfolios will follow the 2Yr CMT.

XVII. REPORTING REQUIREMENTS

The Assistant City Manager/Chief Financial Officer shall submit monthly investment reports to the City Manager and make these reports available to the City Council in the Finance Department office. The reports shall include, at a minimum, the following information for each individual investment:

- Description of investment instrument
- Issuer name
- Yield on cost
- Purchase date
- Maturity date
- Book value
- Par value
- Current market value
- Transaction activity
- Interest earnings summary

XVIII. INVESTMENT POLICY ADOPTION

The City's investment policy shall be adopted by resolution by the City Council. The policy shall be reviewed annually by the Assistant City Manager/Chief Financial Officer and/or his/her designee and any modifications made thereto must be approved by the City Council.

XIX. GLOSSARY

Agencies - Federal agency and instrumentality securities.

Asked - The price at which securities are offered.

Bid - The price offered by a buyer of securities (when one sells securities, one asks for a bid). See "Offer".

Benchmark - A comparative base for measuring the performance or risk tolerance of the investment portfolio. A benchmark should represent a close correlation to the level of risk and the average duration of the portfolio's investments.

Broker-Dealer – a person or a firm who can act as a broker or a dealer depending on the transaction. A broker brings buyers and sellers together for a commission. They do not take a position. A dealer acts as a principal in all transactions, buying and selling for his own account.

Certificate of Deposit (CD) – A time deposit with a specific maturity evidenced by a Certificate. Large-denomination CDs are typically negotiable.

Collateral – Securities, evidence of deposit or other property, which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

Custody – Safekeeping services offered by a bank, financial institution or trust company, referred to as the “custodian.” Service normally includes the holding and reporting of the customer’s securities, the collection and disbursement of income, securities settlement and market values.

Delivery Versus Payment –A type of securities transaction in which the purchaser pays for the securities when they are delivered either to the purchaser or custodian. It ensures that securities are deposited in an eligible financial institution prior to the release of funds. Securities should be held by a third-party custodian as evidenced by safekeeping receipts.

Diversification – Dividing investment funds among a variety of securities offering independent returns.

Federal Agency Obligation – A debt instrument issued by one of the federal agencies. Federal agencies are considered second in credit quality and liquidity only to U.S. Treasuries.

Investment Review Committee –The investment review committee consists of the City Manager, Assistant City Manager/Chief Financial Officer and members of the Finance Department.

Liquidity – An investment that can be converted easily and rapidly into cash without a substantial loss of value.

Local Agency Investment Fund (LAIF) – The aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment and reinvestment.

Market Value – The price at which a security is trading and could presumably be purchased or sold on a specific date.

Maturity – The date upon which the principal or stated value of an investment becomes due and payable.

Money Market Fund – a type of safe investment comprising a variety of short-term securities with high quality and high liquidity. The fund provides interest to shareholders and must maintain a stable net asset value (NAV) of \$1 per share.

Offer - The price asked by a seller of securities (when one buys securities, one asks for an offer). See “Asked” and “Bid”.

Portfolio – Collection of securities held by an investor.

Principal – the original cost of a security. It represents the amount of capital or money that the investor pays for the investment.

Prudent Investor Standard – An investment standard that all investments should be made with care, skill, prudence and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency.

Rate of Return - The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity; on a bond, the current income return.

U.S. Treasury – Government debt issued by the United States Department of the Treasury through the Bureau of the Public Debt. Treasury securities are the debt financing instruments of the United States federal government, and they are often referred to simply as Treasuries. There are four types of marketable treasury securities: Treasury bills, Treasury notes, Treasury bonds, and Treasury Inflation Protected Securities (TIPS). All of the marketable Treasury securities are very liquid and are heavily traded on the secondary market.

Yield - The rate of annual income return on an investment, expressed as a percentage.

Yield-To-Call (YTC) - The rate of return an investor earns from a bond assuming the bond is redeemed (called) prior to its nominal maturity date.

Yield-To-Maturity - The current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity.

City of Roseville

Debt Management Policy

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I. INTRODUCTION

The Finance Department of the City of Roseville (the “City”) has developed this Debt Management Policy (the “Debt Policy”) to provide guidelines for the issuance of bonds and other forms of indebtedness to finance necessary land acquisitions, capital construction, equipment, and other items for the City.

While the issuance of debt is frequently an appropriate method of financing capital projects and major equipment acquisitions, such issuance must be carefully monitored to preserve the City’s credit strength and to provide the necessary flexibility to fund future capital needs.

II. SCOPE

This Debt Policy shall govern, except as otherwise covered by the law, City Charter and City Code, the issuance and management of all debt and lease financings funded in the capital markets. While adherence to the Debt Policy is desired, the City recognizes that changes in the capital markets as well as unforeseen circumstances, may from time to time produce situations that are not covered by the Debt Policy and may require modifications or exceptions to achieve City goals.

The City’s Debt Policy shall be reviewed, and updated if necessary, on an annual basis. The Assistant City Manager/Chief Financial Officer (CFO), with the assistance of the General Accounting staff, shall have the responsibility and authority for structuring, implementing and managing the City’s debt and financing program, in accordance with City Council authorizations.

III. OBJECTIVES AND POLICY GOALS

The City has earned some of the highest credit ratings in the nation and as a result receives some of the lowest possible interest rates on its debt. These low interest rates result in a lower overall cost of capital to the City. This Debt Policy will assist the City in determining appropriate uses of debt financing, establish certain debt management goals and assist the City in maintaining its high credit ratings, while assuming a prudent level of financial risk and preserving the City’s flexibility to finance future capital programs and requirements. Additionally, this Debt Policy is intended to set forth criteria for selecting firms to provide certain financial, legal, and other related services that will ensure that a fair and open selection process is used which provides opportunities for all qualified firms, including minority and women owned businesses.

IV. DEBT ISSUANCE

There are three general methods of issuing debt obligations, a competitive sale, negotiated sale and private placement.

A. Types of Bond Sales

1. Competitive Sale

In a competitive sale, security dealers submit bids either in a sealed bid or electronically secure process and the security dealer with the lowest True Interest Cost (TIC) and in compliance with the bid parameters is awarded the bonds.

2. Negotiated Sale

In a negotiated sale, an underwriter or underwriter syndicate is selected through a Request for Qualifications (RFQ) process or a Request for Proposal (RFP) process. The interest rate and underwriter's fee are negotiated prior to the sale, based on market conditions.

3. Private Placement/Bank Direct Purchase (BDP)

A private placement or bank direct purchase is a sale that is structured specifically for one purchaser, such as a mutual fund or a bank. BDPs are usually quicker and less expensive for municipalities than competitive or negotiated bond sales because they impose fewer requirements on the issuer. The interest rate may be a fixed or variable rate, as agreed between the issuer and purchaser. The term of the bonds may range from under 10 years to 15 years or not much longer, as agreed between the issuer and purchaser. The bonds may or may not be tax-exempt bonds for federal income tax purposes. If the CFO, or his/her designee, determines that it is in the best interest of the City from a cost or administrative standpoint, the Finance Department may negotiate financing terms with banks and financial institutions for specific borrowings.

It shall be the policy of the City to ensure the lowest risk and lowest overall interest rate to the City when issuing debt either through a competitive sale, negotiated sale or private placement, where appropriate. The City shall use the following criteria to determine whether a competitive or negotiated sale should be used.

B. Issuer Characteristics

1. Market Familiarity

A frequent issuer of a well-recognized credit such as general obligation bonds can generally sell these bonds through a competitive sale since investors and underwriters are familiar with the quality of the credit. A negotiated sale may be appropriate if extensive pre-marketing to investors is desired or required.

2. Credit Strength

The higher the credit quality of the bonds being issued, the more likely the bonds can be sold using a competitive sale due to the high demand for high quality municipal bonds. High quality credits fare well in competitive sales.

3. Policy Goals

A competitive sale does not provide the City with the flexibility of choosing the underwriter or underwriter syndicate. If the CFO concludes that determining the composition of the underwriter syndicate to achieve certain policy objectives is important, then a negotiated sale will be required. However, if the CFO selects the negotiated sale solely for policy reasons then the specific rationale and criteria for selection should clearly be specified.

C. Financing Characteristics

1. Type of Debt Instrument

The market favors familiar debt instruments such as general obligation bonds backed by the full faith and credit of the City. New credit types may require an education process that is more conducive to a negotiated sale until the market becomes comfortable with the credit.

2. Issue Size

The size of the bond sale will influence both investor interest in the bonds and the market's ability to absorb the bonds. In general if the bond sale is too small or too large, a negotiated sale may be necessary. A small

sale may require greater marketing to garner investor interest while a large sale may be difficult for the market to absorb without the presale activity available in the negotiated sale process.

3. Market Conditions and Timing

During periods of stable interest rates, market timing is not as critical. However, during periods of volatile interest rates, the timing of the sale becomes more critical. Bond refundings are also often very interest rate sensitive in terms of the potential level of savings or the general feasibility of the refunding. The negotiated sale provides more flexibility in terms of the structure of the bond sale as well as the timing of the bond sale and may be more appropriate when issuing refunding bonds and when interest rates are volatile.

4. Story Bonds

Bonds that require a detailed explanation due to the complexity of the credit or the repayment of the bonds are often referred to as “Story Bonds”. Due to their complexity and the additional explanation these bonds require, an extensive pre-marketing campaign is necessary. Story Bonds often require a negotiated sale composed of an underwriting syndicate that is qualified to market the bonds in order to obtain the lowest financing cost for the City.

V. FINANCIAL SERVICE PROVIDERS

A. Selection

In connection with debt financings, financial advisors, underwriters, and other service providers will be selected from a Qualified Vendors List (QVL) developed through a periodic Request for Qualifications (RFQ) process or, for individual financings, through a Request for Proposals (RFP) process, whichever method is deemed most appropriate given the specifics of the financing. At the discretion of the CFO, contracts may be awarded on a sole source basis if it is clear that an RFQ/RFP process is not feasible or not in the best interest of the City.

For competitive sales, any security dealer meeting the qualification criteria outlined in the competitive bid notice may bid in the competitive sale. For negotiated sales, only those underwriters qualified under the RFQ/RFP process may be selected. Underwriters or underwriter syndicates will be selected by the CFO. The allocation of bonds among syndicate members will be at the sole discretion of the CFO with the approval of the City Manager or his/her designee.

B. Use of Independent Financial Advisors

The City will hire financial advisors who are independent. In the event the best available financial advisor is an investment banking firm, the firm will under no circumstances be permitted to participate as the lead underwriter or as a member of an underwriter syndicate that is bidding on the bonds for which the firm is acting as a financial advisor. In addition, if the firm has any profit sharing or other type of agreement with any member of the underwriting syndicate for the transaction in question, they will not be allowed to act as the financial advisor. In general, no agreement will be permitted that would compromise the firm's ability to provide independent advice or that could be reasonably perceived by the City as a conflict of interest. Advisors must alert the CFO, in writing, of any conflict, potential conflict, or potentially perceived conflict prior to entering into an agreement with the City, or if occurring after entering into an agreement with the City, as soon as the conflict, potential conflict, or potentially perceived conflict arises.

C. Communication/Solicitation

All financial consultants, including all investment banking firms, financial advisors, bond counsel, and other consultants hired in connection with any bond transaction will direct all communications, solicitations and questions to the CFO or his/her designee. Underwriters are reminded that under Rule G-37 of the Municipal Securities Rulemaking Board (MSRB) that a firm may be banned from providing underwriting services to the City for two years for making any political contributions to elected City officials.

VI. DEBT MANAGEMENT PROCESS – TAX STATUS

Prior to the issuance of any bonds, the Finance Department, in conjunction with bond counsel and the City Attorney's Office will evaluate the tax status of any bond sales.

A. Tax-Exempt

Interest on tax-exempt bonds is excluded from the gross income of its owners for federal income tax purposes and from California income taxes and as a result tax-exempt bonds can be sold at a lower true interest cost than taxable bonds. The City, along with bond counsel, will evaluate all projects to be funded to assess their eligibility to be funded by tax-exempt bonds. The City will make every effort to ensure that all tax regulations are complied with to ensure the bonds maintain their tax-exempt status.

B. Taxable

Certain municipal bonds are sold as taxable bonds because they are issued for purposes that the federal government deems do not provide a significant benefit to the public at large or involve “private activity”. In addition, certain tax laws such as the alternative minimum tax (AMT) reduced the tax exemption applicable to certain types of bonds and to certain taxpayers. Taxable bonds will be used whenever a particular project has the potential for private activity or other uses that may call into question the eligibility to use tax-exempt financing.

VII. DEBT MANAGEMENT PROCESS – TYPE OF DEBT

A. Fixed Rate Debt

Longer term debt usually consists of fixed interest rates over the term of the bonds and should be used to finance essential capital facilities, projects and certain equipment where it is appropriate to spread the cost of the project over more than one budget year and generally for a period not to exceed the useful life of the project being financed. In so doing, the City recognizes that future taxpayers who will benefit from the project will pay a share of its cost. Fixed rate debt provides the benefit of fixed payments during the life of the bonds and budget certainties for long-term capital planning. However, fixed rate debt is typically longer term and carries higher interest payments (assuming an upward sloping yield curve) than variable rate debt but is not subject to changes in interest rates. Fixed rate debt is the most common type of debt issued by the City.

B. Variable Rate Debt

The municipal bond market has developed several vehicles by which municipalities can borrow at short-term, variable interest rates. Variable Rate Demand Notes may be issued with interest rates that “reset” daily, weekly, monthly or semiannually at the option of the City. Commercial paper is issued with a maturity of up to 270 days at the City’s option. As the commercial paper matures, it is resold by a commercial paper dealer for another period up to 270 days.

These products are structured as a rolling series of short-term investments and therefore are priced at the short-end of the yield curve at lower interest rates than long-term fixed rate bonds (assuming an upward sloping yield curve). By

accepting the risks inherent in variable interest rates, the City can take advantage of the lowest rates available in the current market.

Factors that will be considered in the use of variable rate debt are the availability and size of fund balances to cover variable rate risk, and the budget flexibility of the program being financed. Programs with large complex capital programs may use short-term financing to fund uncertain construction cash flow requirements. The short-term debt can be refinanced as fixed-rate, long term debt once the projects are complete. A project that must be carried in anticipation of grant funding may also be a candidate for the use of variable rate financing. Examples are the Electric, Water, and Wastewater enterprise funds.

C. Use of Alternative Debt Instruments

1. Derivative Products

The use of certain derivative products, such as swaps, swaptions and the sale of call options, allow the City to realize lower all-in costs on a new debt issuance or to receive an upfront payment. One type of swap that may be used would allow the City to issue variable rate debt in exchange for fixed payments that are typically lower than fixed rate debt. However, such products have unique risks that the City and its financial advisors will evaluate as per the City's Swap Policy. The current Swap Policy is included in Appendix A.

VIII. DEBT MANAGEMENT PROCESS – DEBT CAPACITY

The determination of how much indebtedness the City can afford begins by assessing the sufficiency of future revenues. The amount of debt issued is based on the requirements of the approved 5-year CIP, subject to the condition that sufficient revenues are projected to be available. Factors such as debt service coverage requirements outlined in the bond indentures, the impact on the residents (tax rates), and any impact on the bond ratings will be carefully considered. Different factors are considered for each type of credit. For example, Revenue or Certificates of Participation bonds for electric, water and wastewater bonds will consider the impact on customer utility bills. In the case of general obligation debt, State Statutes and the Constitution limit the amount of debt that a municipality can have outstanding.

IX. DEBT MANAGEMENT PROCESS – SECURITY OF DEBT

A. General Obligation (G.O.) Bonds

G.O. bonds are backed by the full-faith and credit of the City and are secured by secondary property taxes.

B. Revenue Bonds

Revenue bonds are supported solely from fees generated from specific Enterprise Funds. Accordingly, in order to preserve debt capacity and budget flexibility, the City will issue revenue bonds when an identifiable revenue stream can be dedicated to support the payment of debt service. The final maturity of revenue obligations will be determined by the expected life of the project to be financed and the revenues available to repay the debt. The City's various Enterprise Funds – Electric, Water, and Wastewater issue bonds backed by revenues of the enterprise. Revenue bonds are generally issued through the Roseville Finance Authority.

C. Certificates of Participation (COP) Bonds

COP bonds are an instrument evidencing a pro rata share in a specific pledged revenue stream, usually lease payments by the issuer that are typically subject to annual appropriation. The certificate generally entitles the holder to receive a share, or participation, in the payments from a particular project. The payments are passed through the lessor to the certificate holders. The lessor typically assigns the lease and the payments to a trustee, which then distributes the payments to the certificate holders.

D. Housing Bonds

Tax-exempt housing bonds are an important source of capital, providing loans for single-family homeownership and rental housing for very-low, low and moderate-income individuals and families. The relatively low tax-exempt interest rates, combined with federal, state, and local housing assistance programs, provide the necessary subsidy to create a supply of much needed, below market interest-rate loans.

E. Community Facilities District (CFD) Bonds

CFD bonds are issued and backed entirely by a Community Facilities District established under State Statutes for the purpose of managing and financing

public improvements benefiting the property within the CFD. Any CFDs established by the City are reviewed by the Finance Department, and the Finance Department will supervise the issuance of the debt on behalf of the CFD with the CFD paying all costs of issuance including administrative support. The creation of a CFD must be approved by City Council and follow a detailed legal process. Please refer to the City's Goals and Policies Concerning Use of Mello-Roos Community Facilities Act of 1982, available on the City's website, concerning CFD bonds.

F. Special Assessment Bonds

Special assessment bonds are a special type of municipal bond used to fund development projects that benefit a discrete group of taxpayers within a special assessment district. Principal and interest owed on the bonds is paid from assessments on the property benefiting from the particular bond-funded project. The creation of an Assessment District must be approved by City Council and follow a detailed legal process.

X. DEBT MANAGEMENT PROCESS – PURPOSE OF FINANCING

Generally, financings may be undertaken to fund new projects “new money financing” or to refund existing bonds.

A. New Money Financing

New money issues are those financings that generate funding for capital projects. These funds will be used for necessary land acquisitions, capital construction, equipment, and other items for the City. New money bond proceeds are generally not used to fund operational activities. The City also may use its commercial paper programs to provide interim new money funding. The commercial paper notes are retired upon receipt of bond proceeds from a long-term fixed rate financing.

B. Refunding Bonds

A periodic review of the City's outstanding debt will be undertaken by the Finance Department to determine refunding opportunities.

Refunding bonds are issued to retire all or a portion of an outstanding bond issue. Most typically this is done to refinance at a lower interest rate to reduce overall debt service. Alternatively, some refundings are undertaken for reasons other than to achieve cost savings, such as to restructure debt service payments,

to change the type of debt instruments being used, or to eliminate undesirable covenants.

In any event, a present value savings analysis must be prepared that identifies the economic effects of any refunding being considered by the City. The savings from any particular refunding candidate shall generally be at least 5% of the refunded par amount, net of all transaction expenses. This 5% savings target may be waived by the CFO, or his/her designee, upon a finding that such a refunding is in the City's best overall financial interest and shall not be applicable for refunding transactions that are not solely undertaken to achieve cost savings.

XI. DEBT MANAGEMENT PROCESS - CREDIT RATINGS

The City seeks to obtain and maintain the highest possible credit ratings for all categories of short- and long-term debt. The City will not issue bonds that do not carry investment grade ratings, except for CFD and Special Assessment bonds.

A. Rating Agency Relationships

The CFO, or his/her designee, shall be responsible for maintaining relationships with rating agencies that assign ratings to the City's various debt obligations. This responsibility shall include coordinating meetings and presentations in conjunction with the issuance of debt. Full disclosure of operations and open lines of communication shall be maintained with the rating agencies used by the City.

B. Use of Rating Agencies

The City may obtain a rating from at least one nationally recognized rating agency on all new bond issues being sold in the public market. The CFO, or his/her designee, shall determine whether or not any additional ratings will be requested on a particular financing. The CFO, or his/her designee, shall determine which major rating agencies will be asked to provide a rating. Exceptions to this requirement, such as when using a private placement, are permissible, if warranted by the circumstances and approved by the CFO, or his/her designee.

The City and/or the financing team shall notify the rating agencies by telephone or through written correspondence when the City anticipates issuing bonds. Bond documentation shall be sent several weeks prior to the bond sale to the selected rating agencies in order to provide the rating agencies sufficient time to perform their review. A personal meeting with the selected rating agencies may be scheduled if, in the opinion of the CFO, or his/her designee, such a meeting is

in the best interest of the City in order to obtain the highest possible credit rating.

The City shall make every reasonable effort to maintain or improve its high quality credit ratings.

The City may request an underlying rating and an insured rating on all bond issues utilizing bond insurance.

The City shall submit its audited annual comprehensive financial report to all rating agencies utilized by the City.

XII. DEBT MANAGEMENT PROCESS – CREDIT ENHANCEMENT

Although the City has high credit ratings, credit enhancement through the use of bond insurance or a bank facility such as a letter of credit to strengthen the underlying credit rating of certain bonds may be financially beneficial. Bonds insured by insurers rated AAA will also receive the AAA rating and thus be able to be sold at a lower interest rate. Bank facilities, such as letters of credit from highly rated banks, can also be used to provide credit enhancement.

A. Bond Insurance

Bond insurance will be considered when it provides an economic benefit to a particular bond maturity or entire issue. Bond insurance provides improved credit quality for the bonds as a result of the insurance provider's guarantee of the payment of principal and interest on the bonds. Because of the decreased risk of non-payment, investors are willing to purchase insured bonds at lower yields than uninsured bonds, thus providing the issuer with interest cost savings.

1. Benefit Analysis

The decision to use bond insurance is an economic decision. A benefit analysis compares the present value of the interest savings to the cost of the insurance premium. Insurance will be purchased when the premium cost is less than the present value of the projected interest savings. A copy of the benefit analysis shall be maintained in the files of the Finance Department.

2. Selection

The City or its financial advisor will undertake a competitive selection process when soliciting pricing for bond insurance, or in the case of a

competitive sale, facilitating the prequalification of bonds by insurance providers. The City recognizes that all providers may not be interested in providing bids to the City or pre-qualifying the issue. The winning security dealer in a competitive sale will determine whether it will purchase insurance for the issue. For a negotiated sale, the CFO shall have the authority to purchase bond insurance when deemed advantageous and the terms and conditions governing the guarantee are satisfactory.

B. Bank Facilities (Letters of Credit)

When used for credit enhancement, letters of credit (“LOC”) represent a bank’s promise to pay principal and interest when due for a defined period of time, subject to certain conditions. In the case of a direct-pay LOC, the trustee will draw upon the LOC to make debt service payments and the City will reimburse the LOC provider the amount drawn on the LOC by the trustee. A stand-by LOC is used to ensure the availability of funds to pay principal and interest of an obligation only if the funds in the debt service account held by the trustee are insufficient to make the debt service payment on the bonds.

XIII. DEBT MANAGEMENT PROCESS – STRUCTURAL FEATURES

A. Maturity

The final maturity of a bond sale shall be equal to or less than the remaining useful life of the assets being financed, and the average life of the financing shall not exceed 120% of the average useful life of the assets being financed.

B. Debt Service Structure

The Finance Department will carefully consider the debt service structure for each bond issue. Factors such as the flow of revenues available for a particular credit, the need to fill in gaps created by refunding specific principal maturities or to structure savings from a refunding in a particular year will be considered. Accelerated repayment may be considered within the bonding capacity constraints to provide capacity for future capital programs. Bonds will be amortized over a period of time not to exceed the useful life of the assets being financed.

C. Lien Levels

Senior, Junior and Subordinated Junior Liens for each revenue source will be utilized in a manner that will maximize the most critical constraint - typically

either cost or capacity - thus allowing for the most beneficial use of the revenue source securing the bond.

D. Capitalized Interest

Subject to Federal and State law, interest may be capitalized from the date of issuance of the debt. Interest may also be capitalized for projects in which the revenue designated to pay debt service on the bonds will be collected at a future date, not to exceed six months from estimated completion of construction. Any use of capitalized interest will require a review by bond counsel and approval by the CFO.

XIV. INVESTMENT OF BOND PROCEEDS

The City shall comply with all applicable Federal, State, and Indenture restrictions, if any, regarding the use and investment of bond proceeds. This includes compliance with any restrictions on the types of investment securities allowed, restrictions on the allowable yield of invested funds, as well as restrictions on the time period over which some bond proceeds may be invested. The CFO, or his/her designee, will direct the investment of bond proceeds in accordance with the permitted investments for each particular bond issue. Investments such as guaranteed investment contracts may be considered when their use is in the best interest of the City and will be selected on a competitive basis.

XV. CONTINUING DISCLOSURE

The City will comply when applicable with Rule 15(c)2-12 of the Securities and Exchange Commission by filing an annual report and annual financial information with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System (EMMA) and filing material event notices within 10 days of occurrence of certain events as required by the Rule.

XVI. ARBITRAGE REBATE

The City shall comply with all arbitrage rebate requirements as established by the Internal Revenue Service and the Finance Department shall establish a system of record keeping and reporting to meet the arbitrage rebate compliance requirements of the federal tax code. This effort shall include tracking project expenditures financed with bond proceeds, tracking investment earnings on bond proceeds, calculating rebate payments in compliance with tax law, and remitting any rebate earnings to the federal government in a timely manner in order to preserve the tax-exempt status of the City's outstanding tax-exempt debt issues. The CFO, or his/her designee, may enter into agreements with arbitrage service providers to assist the City with complying with arbitrage regulations.

XVII. INTERNAL CONTROLS AND POST ISSUANCE COMPLIANCE

The City shall comply with all applicable laws and regulations to ensure the tax-exempt status of its bonds. The Finance Department shall maintain written procedures to document the processes used to monitor the appropriate use of bond proceeds and to ensure compliance with applicable laws and regulations, and shall specify the positions and individuals responsible for these processes.

APPENDIX A

Swap Policy

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I. INTRODUCTION

The swap guidelines outlined herein are only intended to provide general procedural direction regarding the future use, procurement and execution of interest rate swaps and options. These guidelines are intended to relate to various interest rate hedging techniques, including the contractual exchange of different fixed and variable rate payment streams through interest rate swap agreements. The swap policies are not intended in any way to require the City to modify or terminate existing interest rate swaps. The City maintains the right to modify these guidelines and may make exceptions to any of them at any time in its sole discretion. Failure to comply in any manner with these swap guidelines shall not result in liability on the part of the City to any party.

II. APPROACH AND OBJECTIVES

Interest rate swaps and options are appropriate interest rate management tools that can help the City meet important financial objectives. Properly used, these instruments can increase the City's financial flexibility, provide opportunities for interest rate savings or enhanced investment yields, and help the City manage its balance sheet through better matching of assets and liabilities. Swaps should be integrated into the City's overall debt and investment management guidelines and should not be used for speculation.

Swaps are appropriate to use when they achieve a specific objective consistent with the City's overall financial strategies. Swaps may be used, for example, to lock-in a current market fixed rate or create additional variable rate exposure. Swaps may be used to produce interest rate savings, to alter the pattern of debt service payments, or for asset/liability matching purposes. Swaps may be used to cap, limit or hedge variable rate payments. Options granting the right to commence or cancel an underlying swap may be used to the extent the swap itself is consistent with these guidelines or the City determines there are other advantages to be derived in granting the option; however, the City must determine if the use of any such option is appropriate and warranted given the potential benefit, risks, and objectives of the City. The City's staff, together with its Bond Counsel and its Financial Advisor, periodically shall review the City's swap guidelines and recommend appropriate changes.

In connection with the use of any swaps, the City Council shall make a finding that, per Government Code Section 5922, the applicable swap is designed to reduce the amount or duration of the interest rate risk or result in a lower cost of borrowing when used in combination with the issuance or carrying of the Bonds or enhance the relationship between the risk and return with respect to the City's investments or program of investment, as applicable.

Rationales for Utilizing Interest Rate Swaps and Options

- A. Optimize capital structure; including schedule of debt service payments and/or fixed vs. variable rate allocations
- B. Achieve appropriate asset/liability match
- C. Reduce risk, including:
 - 1. Interest rate risk;
 - 2. Tax risk; or
 - 3. Liquidity renewal risk
- D. Provide greater financial flexibility
- E. Generate interest rate savings
- F. Enhance investment yields
- G. Manage exposure to changing markets in advance of anticipated bond issuances (through the use of anticipatory hedging instruments)

III. PERMITTED INSTRUMENTS

The City may utilize the following financial products on a current or forward basis, after identifying the objective(s) to be realized and assessing the attendant risks.

- A. Interest rate swaps, including fixed, floating and/or basis swaps; and
- B. Options, including swaptions, caps, floors, collars and/or cancellation or index-based features

IV. PROCEDURE FOR SUBMISSION AND EXECUTION

Unsolicited proposals are to be mailed to the Chief Financial Officer and the Financial Advisor for evaluation. Such unsolicited proposals need to be received four weeks prior to the next City Council meeting for consideration at such meeting. For proposals received within four weeks of the next City Council meeting, the City reserves the right to consider the proposal at the following month's Council meeting.

Legal costs incurred in connection with an unsolicited proposal shall be paid by the firm submitting the proposal if for whatever reason the proposal does not close or should the City elect for any reason not to proceed. If the City elects to proceed with the

proposed transaction and the proposed transaction closes, the City will absorb such legal costs through costs of issuance.

The City staff and the Financial Advisor shall review all unsolicited proposals prior to presentation to the City Council. The City shall only present proposals to the Council that the City, in its sole discretion, believes should be considered further given, for example, the projected savings or other benefits and the ability to meet one or more of the objectives outlined herein. Only proposals that meet the savings guidelines (as described in the “Guidelines for Financing and Selection of the Financing Team”) or that the City staff find compelling for other reasons, shall be presented.

Procurement and Execution

The City will not have a fixed guideline with respect to swap procurement. The City will assess the benefits of competitively bidding financial products that are non-proprietary or generally available in the marketplace. On a product-by-product basis, the City will have the authority to negotiate the procurement of financial instruments that have customized or specific attributes designed on the City’s behalf.

The use of financial derivative products will be recommended if they meet one of the benefits outlined herein or if they:

- A. Provide a specific benefit not otherwise available;
- B. Produce greater expected interest rate savings or incremental yield than cash market alternatives;
- C. Are not speculative or do not create unreasonable leverage or risk;
- D. Result in an improved capital structure or better asset/liability match; or
- E. Reasonably pass the risk evaluation required by these guidelines

Conformance with Dodd-Frank

It is the intent of the City to conform this policy to the requirements relating to legislation and regulations for over-the-counter derivatives transactions under Title VII of the Wall Street Transparency and Accountability Act of 2010, as supplemented and amended from time to time (herein collectively referred to as “Dodd-Frank”). Pursuant to such intent, it is the policy of the City that: (i) each swap advisor engaged or to be engaged by the City will function as the designated qualified investment representative of the City, sometimes referred to as the “Designated QIR”; (ii) each swap advisor agrees to meet and meets the requirements specified in Commodity Futures Trading

Commission Regulation 23.450(b)(1) or any successor regulation thereto (herein referred to as the “Representative Regulation”); (iii) each swap advisor provide a written certification to the City to the effect that such swap advisor agrees to meet and meets the requirements specified in the Representative Regulation; (iv) the City monitor the performance of each swap advisor consistent with the requirements specified in the Representative Regulation; (v) the City exercise independent judgment in consultation with its swap advisor in evaluating all recommendations, if any, presented by any counterparty with respect to transactions authorized pursuant to this Debt Policy; and (vi) the City rely on the advice of its swap advisor with respect to transactions authorized pursuant to this Debt Policy and not rely on recommendations, if any, presented by any counterparty with respect to transactions authorized pursuant to this Debt Policy.

Counter-Party Risk Assessment

The City will only do business with highly rated counter parties or counter parties whose obligations are supported by highly rated parties. The City will structure swap agreements to protect itself from credit deterioration of counter parties, including the use of credit support annexes or other forms of credit enhancement to secure counter party performance. Such protection shall include any terms and conditions which in the City’s sole discretion are necessary or appropriate or in the City’s best interest.

The City shall enter into interest rate swap transactions only with qualified swap counter parties. Qualified swap counter parties are investment banks as will be identified by the Financial Advisor. Qualified swap counter parties should be rated at least “Aa3” or “AA-” by one of the nationally recognized rating agencies (i.e. Moody’s, Standard and Poor’s, and Fitch) and not rated lower than “A2” or “A” by any nationally recognized rating agency. In addition, the counter party must have a demonstrated record of successfully executing swap transactions as well as creating and implementing innovative ideas in the swap market. Each counter party shall have minimum capitalization of at least \$150 million.

The City should not have an immutable credit standard. However, the City will attempt to do business with highly rated counter parties of “Aa3” or “AA-” or better. For lower rated (below “Aa3” or “AA-”) counter parties, the City should seek credit enhancement in the form of:

- A. Contingent credit support or enhancement; or
- B. Collateral consistent with the policies contained herein

V. SWAP ANALYSIS AND PARTICIPANT REQUIREMENTS

In connection with any swap, the City and its Financial Advisor shall review the proposed transaction and outline any considerations associated with the transaction to the City Council. Such a review should include the following:

- A. The identification of the proposed benefit and potential risks, which shall include, but not necessarily be limited to, those risks outlined herein
- B. Independent analysis of potential savings from a proposed transaction
- C. Fixed versus variable rate and swap exposure before and after the proposed transaction
- D. Market Net Termination Exposure (as outlined herein) for all existing and proposed transactions at the City

Swap Risks

- A. Counter party Risk – The risk of a payment default on a swap by an issuer’s counter party
- B. Termination Risk - The risk that a swap has a negative value and the issuer owes a “breakage” fee if the contract has to be liquidated
- C. Tax Risk – A mismatch between changes in the rate or price on an issuer’s underlying bonds and the swap caused by a reduction or elimination in the benefits of the tax exemption for municipal bonds, e.g. a tax cut, which results in an increase in the ratio of tax-exempt to taxable yields
- D. Basis Risk – A mismatch between the rate on an issuer’s underlying bonds and the rate paid under the swap, e.g. a tax-exempt variable rate issue which trades at 62% of LIBOR while the issuer only receives 60% of LIBOR under the swap
- E. Tax Exemption Risk – The risk that the transaction may make the issuer’s related bonds taxable
- F. Liquidity/Remarketing Risk – The risk that an issuer cannot secure a cost-effective renewal of a Letter or Line of Credit or suffers a failed auction or remarketing with respect to its variable-rate bonds

Benefit Expectation

Financial transactions, using fixed rate swaps or other derivative products, should generate 2% greater projected savings than the savings guidelines (as described in the “Guidelines for Financing and Selection of the Financing Team”) then in effect for traditional bonds. This threshold will serve as a guideline and will not apply should the transaction, in the City’s sole judgment, help to meet any of the objectives outlined herein. The higher savings target reflects the greater complexity and higher risk of derivative financial instruments. At a minimum, such financial transactions should provide a savings of no less than 5% over refunded par regardless of the spread between the financial transaction and a traditional bond refunding.

For example, assuming a refunding of \$100 million of existing bonds, a traditional fixed rate advance refunding that does not use derivative products would have a present value savings threshold of \$5 million, which is 5% of the refunded par. If the refunding structure utilizes a derivative product, the threshold would be \$7 million in present value savings, 7% of the refunded par. Therefore, the transaction utilizing a swap or other derivative product would have to generate an additional \$2 million to meet the target.

For variable rate or other swap transactions that do not result in a fixed interest rate, the City will evaluate any additional value generated through the transaction in assessing the benefits of proceeding, including the ability to meet the objectives outlined herein. These benefits include, for example, reducing interest rate or tax risk, optimizing the capital structure or further reducing interest expense.

In determining any benefit in implementing a fixed-to-variable swap, the cost of remarketing, in addition to the cost of credit enhancement or liquidity fees must be added to the projected variable rate. Such a calculation should consider the trading performance of comparable bonds and any trading premium resulting from a specific form of credit enhancement or liquidity and/or any impact related to broader industry trends.

VI. LEGAL AND CONTRACTUAL REQUIREMENTS

Unless otherwise approved by Council, the City will use standard ISDA swap documentation including the Schedule to the Master Agreement and a Credit Support Annex. The City may use additional documentation if the product is proprietary or the City deems in its sole discretion that such documentation is otherwise in its interest.

Terms and Notional Amount of Swap Agreement

The City shall determine the appropriate term for an interest rate swap agreement on a case-by-case basis. In connection with the issuance or carrying of bonds, the term of the swap agreement between the City and a qualified swap counter party shall not extend beyond the final maturity date of existing debt of the City on the related Project, or in the case of a refunding transaction, beyond the final maturity of the refunding bonds. For purposes of calculating net exposure, credit shall be given to any fixed versus variable rate swaps that offset termination exposure for a specific Project or bond transaction. For variable rate transactions, credit may also be given for any assets that are used to hedge a transaction as long as in the City's judgment such assets are reasonably expected to remain in place on a coterminous basis with the swap.

Terms and conditions of any swap shall be negotiated by the City in the best interests of the City subject to the provisions of the California Government Code and, unless otherwise waived or altered by the City, these guidelines. The swaps between the City and each counter party shall include, as appropriate, payment, term, security, collateral, default, remedy, termination, and other terms, conditions and provisions as the City, in consultation with its Bond Counsel and Financial Advisor, deems necessary or desirable.

Subject to the provisions contained herein, the City swap documentation and terms should include the following:

- A. Downgrade provisions triggering termination shall in no event be worse than those affecting the counter party
- B. Governing law for swaps will be New York law, but should reflect California authorization provisions
- C. The specified indebtedness related to credit events in any swap agreement should be narrowly drafted and refer only to specific project debt
- D. Collateral thresholds should be set on a sliding scale reflective of credit ratings (see Collateral below)
- E. Eligible collateral as set forth in the Collateral section below.
- F. Termination value should be set by "market quotation" methodology, when the City deems appropriate
- G. The City should only agree to an Additional Termination Event for the City to the extent that the ratings on the applicable the City bonds fall below a ratings

trigger acceptable to the City and the counter party and no form of credit support or enhancement is in place

Termination Provision

All swap transactions shall contain provisions granting the City the right to optionally terminate a swap agreement at any time over the term of the agreement. Such a provision shall be required even if any termination is at market. In general, exercising the right to terminate an agreement should produce a benefit to the City, either through the receipt of a payment from a termination or, if the termination payment is made by the City, in conjunction with a conversion to a more beneficial (desirable) debt obligation of the City.

Collateral

As part of any swap agreement, the City shall require collateralization or other forms of credit enhancements to secure any or all swap payment obligations. As appropriate, the City, in consultation with its Bond Counsel and Financial Advisor, may require collateral or other credit enhancement to be posted by each swap counter party under the following circumstances:

- A. Each counter party to the City may be required to post collateral if the credit rating of the counter party or parent falls below the “AAA” category. Additional collateral for further decreases in credit ratings of each counter party shall be posted by each counter party in accordance with the provisions contained in the collateral support agreement to each counter party with the City the City. Maximum un-collateralized exposure for: (i) “AAA” rated counter parties is \$40 million; (ii) “AA” rated counter parties is \$10 million; and (iii) below “AA” category, uncollateralized exposure is zero
- B. Threshold amounts shall be determined by the City on a case-by-case basis. The City will determine the reasonable threshold limits for the initial deposit and for increments of collateral posting thereafter
- C. Collateral shall be deposited with a third party trustee, or as mutually agreed upon between the City and the counter party
- D. A list of acceptable securities that may be posted as collateral and the valuation of such collateral will be determined and mutually agreed upon during negotiation of the swap agreement with each swap counter party. A complete list of acceptable securities and valuation percentages are included as Attachment A

- E. The market value of the collateral shall be determined on at least a monthly basis, or more frequently if the City determines it is in the City's best interest given the specific collateral security
- F. It shall be determined on a case-by-case basis whether other forms of credit enhancement are more beneficial to the City

VII. LIMITATIONS ON TERMINATION EXPOSURE

In order to diversify the City's counter party credit risk, and to limit the City's credit exposure to any one counter party, limits will be established for each counter party based upon both the credit rating of the counter party as well as the relative level of risk associated with each existing and projected swap transaction. The guidelines below provide general termination exposure guidelines with respect to whether the City should enter into an additional transaction with an existing counter party. The City Council may make exceptions to the guidelines at any time to the extent that the execution of a swap achieves one or many of the goals outlined in these guidelines or provides other benefits to the City.

Such guidelines will also not mandate or otherwise force automatic termination by the City or the counter party. Maximum Net Termination Exposure is not intended to impose retroactively any terms and conditions on existing transactions. Such provisions will only act as guidelines in making a determination as to whether or not a proposed transaction should be executed given certain levels of existing and projected net termination exposure to a specific counter party. Additionally, the guidelines below are not intended to require retroactively additional collateral posting for existing transactions. Collateral posting guidelines are described in the "Collateral" section above. The calculation of net termination exposure per counter party will take into consideration multiple transactions, some of which may offset the overall exposure to the City.

Maximum Net Termination Exposure will be based on the sum of (i) the market value of existing transactions as of the first day of the month prior to the execution of any new transaction plus (ii) the expected worse case termination value of the new transaction. The maximum termination exposure will also be tied to the credit rating of a counter party and whether or not the counter party has posted collateral against this exposure.

Under this approach, the City will set limits on individual counter party exposure based on existing as well as new or proposed transactions. For existing transactions, exposure will be based on the market value as of the last quarterly swap valuation report provided by the Financial Advisor. For a new or proposed transaction, the City will calculate the projected maximum exposure based on the estimated maximum exposure assuming two standard deviations. Standard deviation is a statistic obtained by squaring

the average difference from the mean of a distribution of numbers. Two standard deviations capture 95% of the population of a distribution of numbers. For purposes of the calculation, two standard deviations shall be calculated as the annualized standard deviation of weekly swap rates over the preceding 52 weeks. The time period may vary according to market conditions which could range from flat to volatile.

The sum of the existing market value and the projected maximum exposure shall constitute the Maximum Net Termination Exposure. For purposes of this calculation, the City shall include all existing and projected transactions of an individual counter party and all transactions will be analyzed in aggregate such that the maximum exposure will be additive and netted on a per project basis. The rationale behind aggregating and netting on a Project basis is that the exposure will vary for individual members depending on their participation in different projects.

For example, if the City has \$13 million (i.e. the City would owe termination payment) of exposure to a counter party, the Maximum Net Termination Exposure under the definition above, is the projected maximum termination exposure less the outstanding exposure. If projected maximum termination exposure on the proposed transaction, assuming two standard deviations, is \$20 million, net termination exposure would be \$7 million.

The exposure thresholds, which will be reviewed periodically to ensure that they remain appropriate, will also be tied to credit ratings of the counter parties and whether or not collateral has been posted. If collateral has been posted, the City cannot exceed \$30.0 million of collateralized exposure. In addition, there would be a further limit on the amount of uncollateralized exposure, including any threshold amounts under the Credit Support Annex. For AAA-rated counter parties, the City could have up to \$40.0 million of uncollateralized exposure; for counter parties in the AA category, the City could have up to \$10.0 million of uncollateralized exposure and for counter parties below the AA category, the City could have no uncollateralized exposure. If a counter party has more than one rating, the lowest rating will govern for purposes of the calculating the level of exposure. A summary table is provided below.

Credit Ratings	Maximum Collateralized Exposure	Maximum Uncollateralized Exposure	Maximum Total Termination Exposure
AAA	NA	\$40 million	\$40 million
AA Category	\$30 million	\$10 million	\$40 million
Below AA	\$30 million	None	\$30 million

Assuming the same example as above, if the counter party is currently rated “Aa2” and “AA+,” the exposure thresholds would only take effect if Net Termination Exposure increased an additional \$3 million (from the original \$7 million above).

If the exposure limit is exceeded by a counter party, the City shall conduct a review of the exposure limit per counter party. The City, in consultation with its Bond Counsel and Financial Advisor, shall explore remedial strategies to mitigate this exposure.

VIII. ONGOING MANAGEMENT

The City will seek to maximize the benefits and minimize the risks it carries by actively managing its swap program. This will entail frequent monitoring of market conditions, by both the Financial Advisor and swap counter party, for emergent opportunities and risks. Active management may require modifications of existing positions including, for example:

- A. Early termination;
- B. Shortening or lengthening the term;
- C. Sale or purchase of options; or
- D. Use of basis swaps.

On an overall basis, the City's swap program is not expected to be very large relative to all of its investment and debt activities. Swaps will be used in response to particular market conditions and needs of the City for which swaps are the best investment or debt-management option.

IX. ONGOING REPORTING REQUIREMENTS

A written report providing the status of all interest rate swap agreements entered into by the City will be provided to the City Council on an annual basis (or other basis, if so directed by Council) and shall include the following:

- A. A description of all outstanding interest rate swap agreements, including project and bonds series, type of swap, rates paid and received by the City, total notional amount, average life of each swap agreement, remaining term of each swap agreement
- B. Highlights of all material changes to swap agreements or new swap agreements entered into by the City since the last report
- C. Termination exposure of each of the City's interest rate swap agreements
- D. The credit rating of each swap counter party and credit enhancer insuring swap payments, if any

- E. If applicable, information concerning any default by a swap counter party to the City, including but not limited to the financial impact to the City, if any
- F. If applicable, information concerning any default by the City to a swap counter party
- G. A summary of swap agreements that were terminated or that have expired
- H. For a swap transaction entered into to generate debt service savings, the City will calculate on an annual basis the actual debt service requirements versus the projected debt service on the swap transaction at the original time of execution. Such a calculation shall include a determination of the cumulative actual savings (or, if applicable, additional payments made by the City) versus the projected savings at the time the swap was executed.

Attachment A – Acceptable Collateral

Security	Valuation Percentage
Cash	100%
Negotiable debt obligations issued by the U.S. Treasury Department or the Government National Mortgage Association (“Ginnie Mae”), or (y) mortgage backed securities issued by Ginnie Mae (but with respect to either (x) or (y) excluding interest only or principal only stripped securities, securities representing residual interests in mortgage pools, or securities that are not listed on a national securities exchange or regularly quoted in a national quotation service) and in each case having a remaining maturity of: (i) less than one year (ii) one year or greater but less than 10 years (iii) 10 years or greater	100% 98% 95%
Negotiable debt obligations issued by the Federal Home Loan Mortgage Corporation (“Freddie Mac”) or the Federal Home Loan Mortgage Association (“Fannie Mae”) or (y) mortgage backed securities issued by Freddie Mac or Fannie Mae but excluding interest only or principal only stripped securities, securities representing residual interests in mortgage pools, or securities that are not listed on a national securities exchange or regularly quoted in a national quotation service	95%
Any other collateral acceptable to the City in its sole discretion. The valuation percentage shall be determined by the Valuation Agent from time to time and in its reasonable discretion	The valuation percentage shall be determined by the Valuation Agent from time to time and in its reasonable discretion.

For example, if a counter party is required to post \$1 million of collateral and wished to use bonds issued by Ginnie Mae with five years remaining to maturity, it would be required to post \$1,020,409 (\$1 million/0.98) to satisfy the collateral requirement.

City of Roseville Budget Development Policy

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I. INTRODUCTION

This policy outlines the City of Roseville's (City) guidelines for budget development. Consistently following adopted policies will assist the City in achieving its current and future goals in a fiscally responsible and sustainable manner. This policy establishes guidelines for developing the City's annual operating and capital budget as recommended by the Government Finance Officers Association (GFOA) and the National Advisory Council on State and Local Budgeting (NACSLB). This document shall be reviewed on an annual basis to reflect the highest standards of fiscal management and the City's budgetary goals.

II. POLICY

A. Citywide Focus

Consistent with the General Principles of Governance adopted by the City Council in the Elections Ordinance, the City shall maintain a citywide focus during the budget development process and in the adopted budget. Revenues and expenditures shall be budgeted on a citywide basis and not tracked by Council district.

B. General Revenues

General revenues shall be deposited in the General Fund and appropriated during the budget process or by a separate Council action. General Fund revenues shall not be earmarked for any particular purpose, unless required by law or Generally Accepted Accounting Principles (GAAP).

C. Balanced Budget

The City shall adopt and maintain a balanced annual operating budget and an integrated capital budget throughout the fiscal year. For each fund, annual expenditures shall not exceed annual revenues plus available fund balances. It shall remain a goal of the City to maintain a long-term structurally balanced budget, where ongoing revenues support ongoing expenditures.

The City will achieve a structurally balanced budget through efficiencies (i.e., streamlining), permanent reductions to the expenditure base (e.g., eliminating lower priority vacant positions and reducing service levels), and ongoing revenue enhancements. In addition, the City's budget will not rely on reserves or the use of one-time revenues for ongoing expenditures.

D. Public Involvement

Public involvement shall be encouraged in the annual budget decision-making process through public hearings, public outreach, and the dissemination of accessible information. Public participation efforts allow the City to improve performance by identifying general needs, priorities, and service delivery expectations. Public involvement enables the City to be more responsive to the community's needs, thereby increasing the value that the public receives from the City.

E. Operating Budget

The operating budget document shall contain the expected revenue and expenditure appropriations, staffing levels, and summaries for each department. Summary information for each department featured in the budget shall include the primary services, strategic goals and strategies, accomplishments and initiatives, and key performance and workload measures. Department summaries shall be updated annually to illustrate how each department's priorities and performance measures support the City Council's Strategic Plan.

F. Capital Improvement Program (CIP) and Budget

The City shall develop a Five-Year CIP, which reflects a comprehensive approach to addressing the City's capital needs and the identification of resources for those needs. Critical inputs include infrastructure condition assessments, service level evaluations, asset management information, and review of available funding sources. The Five-Year CIP shall be the basis for the development of the annual CIP budget.

The annual CIP budget shall be developed in conjunction with the operating budget to ensure the effective utilization of the City's overall resources to operate and maintain facilities. The annual CIP budget shall include projects that span multiple fiscal years and result in capitalized assets. The CIP budget may consist of other projects of a capital nature that may not result in an asset and that span multiple fiscal years and have significant cost estimates.

The annual CIP budget shall reflect total estimated project costs for Council approved projects by including all historical expenditures, available appropriations, and future funding needs. CIP projects shall only be established with partial funding if there is a reasonable expectation that the remaining funding will be identified within a reasonable timeframe.

CIP appropriations remaining unspent at the end of each fiscal year shall be carried forward to the subsequent fiscal year until the project is completed or cancelled. CIP projects, however, shall be reviewed at least annually to identify projects that are not progressing to consider reprogramming project resources.

G. Indirect Cost Allocation Plan

The City shall use an indirect cost allocation plan (CAP) to allocate the costs of those general government activities without significant assets or liabilities to all City funds and departments, except those between General Fund departments. General government activities include City Council, City Manager, City Attorney, City Clerk, Finance, Human Resources, Public Affairs and Communications, and Economic Development. Substantial changes in the allocable indirect costs may be amortized or smoothed over a period not to exceed three fiscal years to allow receiving funds to adjust their rates. At the end of the maximum three-year smoothing period, any remaining difference between the total indirect costs and the allocated indirect costs shall be paid in full in the fiscal year immediately following the smoothing period.

The CAP is also used to allocate indirect costs in Public Works Administration and Engineering and Parks, Recreation and Library Administration to their departmental divisions they support.

H. Indirect Costs Charged to Projects

The City shall use indirect cost rates to allocate the costs of overhead to all multi-year capital improvement projects for proper asset capitalization. Exceptions, other than federal or state grants that don't allow indirect costs, must be approved by the Finance Department.

I. Internal Service Funds

The City shall use internal service funds to allocate general government costs for activities with significant assets and/or liabilities to all City funds and departments. Internal service fund costs are budgeted in and allocated to General Fund departments. The City's internal service fund activities include information technology, fleet management, facilities management, and risk management (general liability and workers compensation).

J. General Fund Five-Year Forecast

The City shall maintain a five-year forecast for the General Fund as an essential fiscal planning tool. The forecast shall be based on the current budget and

projections of future expenditures, revenues, and other funding sources over a multi-year period. The evaluation of recommended fiscal actions will focus on a longer-term, rather than short-term context. The five-year forecast is based on a set of point-in-time assumptions. The projected expenditure growth shall be realistic, mainly through the term of the current labor contracts. All revenue forecasts will utilize objective external research and internal forecasting methods. City revenues are economically sensitive, and the five-year revenue forecasts are subject to the same uncertainty and downside risk surrounding national economic forecasts. It is important to note that the City's significant tax revenues, property and sales taxes, trail economic trends.

K. Basis of Budgeting

The City's budgets for governmental funds, such as the General Fund, special revenue funds, debt service funds, and capital project funds, shall be prepared based on the modified accrual basis of accounting. In other words, revenues are recognized in the accounting period in which they become available and measurable, and expenditures are recognized in the accounting period in which the liability is incurred. An exception to this basis is that disbursements of interfund loans are budgeted as expenditures in lender funds and revenue in borrower funds, and repayments of interfund loans are budgeted as expenditures in borrower funds and revenue in lender funds.

The budget for the City's proprietary funds, consisting of enterprise funds and internal service funds, shall be prepared on the full accrual basis of accounting for all operating revenues and most operating expenses. In other words, revenues are recognized when they are earned, and expenses are recognized when the liability is incurred. Expenses related to long-term assets, primarily capital outlay, and long-term liabilities, including repayment of bonded debt as well as pension and other post-employment benefit expenses, are budgeted on the modified accrual basis of accounting. Repayments of interfund loans are budgeted as expenditures in borrower funds and revenue in lender funds.

The City's budget shall exclude unrealized gains or losses resulting from the change in fair value of investments, as well as amortization of premiums and discounts on the City's investments. These calculations are performed solely for financial statement reporting purposes to comply with GAAP.

City of Roseville

General Fund Reserves Policy

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I. INTRODUCTION

The purpose of this policy is to establish targeted levels of General Fund reserves, a basic component of a financially strong city. Adequate reserves help sustain City operations when adverse or unexpected circumstances affect the City, providing resources to minimize service disruption in the event of temporary revenue shortfalls, declared disasters, or unpredicted one-time expenditures. This policy establishes the amounts the City will strive to maintain in the Emergency Reserve, Stabilization Reserve, and Litigation Reserve, and the conditions under which the reserves may be used.

II. BACKGROUND

Financial reserves strengthen the City's financial status and provide valuable resources for managing through economic cycles and addressing unexpected events. Every fund of the City represents a stand-alone financial set of accounts and has its own operating characteristics, financial capabilities, and constraints. The level of reserves needed should be based on the financial and operating characteristics of each fund.

According to the Government Finance Officers Association (GFOA), it is essential that governments maintain adequate levels of fund balance to mitigate current and future risks (e.g., revenue shortfalls and unanticipated expenditures) in order to protect taxpayers and employees from unexpected changes in financial conditions. GFOA recommends, at a minimum, that general-purpose governments, regardless of size, maintain an unrestricted budgetary fund balance in their General Fund of no less than two months of regular general fund operating revenues or regular General Fund operating expenditures (an amount equivalent to 16.67% of the annual budget).

This policy establishes three months of operating costs (25% of annual budgeted General Fund operating costs) as the City's target level of reserves. This targeted level of reserves consists of the City's Emergency Reserve (10% of annual budgeted General Fund operating costs) and the City's Stabilization Reserve (15% of annual budgeted General Fund operating costs). This policy also establishes \$250,000 as the minimum level in the City's Litigation Reserve. The policy also outlines the methods the City will utilize to achieve the target reserve levels, defines the conditions under which these funds can be used and describes how the City's expenditure and/or revenue levels will be adjusted to match any new economic realities that are causing the use of fund balance reserves as a financing bridge.

III. POLICY

A. Minimum and Target Reserve Levels

The City will maintain an Emergency Reserve at a minimum of 10% of budgeted General Fund operating expenditures. Because the City relies on property tax and sales tax revenue to support over two-thirds of the City's General Fund budget and the negative effects on property and sales tax revenue can be significant during economic downturns, the City will seek to build up and maintain a General Fund Stabilization Reserve equal to 15% of budgeted General Fund operating expenditures as the target reserve level. The Emergency Reserve and Stabilization Reserve shall be reported as commitments of fund balance in the General Fund for external financial reporting. Appropriations from the Emergency Reserve may only be made by a vote of the City Council to meet a critical, unpredictable financial need such as a declared emergency. Appropriations from the Stabilization Reserve may only be made by a vote of the City Council in the event of temporary revenue shortfalls caused by an economic downturn.

B. Methods to Achieve Funding Levels

Funding of the General Fund Reserves will generally come from the adopted budget, year-end excess revenues over expenditures or anticipated one-time revenues. At a minimum, during the budget process, staff shall review the current and five-year projected reserves to ensure that they are appropriate given the economic and financial risk factors the City faces.

C. Criteria for Expenditure of Reserve Funds

The Reserve Funds shall not normally be applied to recurring annual operating expenditures. Appropriation from the Emergency Reserve and Stabilization Reserve Funds requires approval of at least four City Council members. The Litigation Reserve is appropriated annually in the adopted budget.

1. Emergency Reserve

The Emergency Reserve may be used to contend with significant short-term issues such as declared emergencies. It is the intent of the Council to limit use of the Emergency Reserve to addressing unanticipated, nonrecurring needs.

2. Stabilization Reserve

The Stabilization Reserve may be used strategically to allow time for the City to restructure its operation in a deliberate manner as required in an economic downturn while minimizing service disruption. Use of the Stabilization Reserve will only take place in the context of a Council-adopted long-term plan. The Stabilization Reserve is intended to be used to address significant revenue shortfalls that occur during an economic downturn until the City's operating expenditure and revenue levels are adjusted to eliminate structural deficits.

3. Litigation Reserve

The Litigation Reserve may be used for legal matters that are unforeseen and/or unusual in nature and, as a result, typically require reactive measures such as seeking a budget adjustment and a funding source. Some examples are contract disputes, municipal code enforcement, and other public safety enforcement matters. The purpose of this reserve is to address these situations by allowing for proactive handling and funding of such matters.

D. Timeline for Replenishment of the General Fund Reserves

If the General Fund Reserves are drawn down below the minimum levels, a plan will be developed and implemented to replenish the reserves. Replenishing the reserves will be a priority use of one-time resources. Generally, the City should seek to replenish the Emergency Reserve and the Litigation Reserve within one year and the Stabilization Reserve to the minimum reserve level within three years.

City of Roseville
Development Services Stabilization Reserve (DSSR)
Fund Policy

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I. PURPOSE

The purpose of the Development Services Stabilization Reserve (DSSR) Fund (Fund #1013) Policy is to maintain resources in a reserve fund that the City Council may draw from in years of lower development activity. The City will use the DSSR to bridge gaps between budgeted and actual development revenues during periods of significant revenue decline.

II. BACKGROUND

A sustainable funding plan for the Development Services Department's building, planning, and engineering operations is necessary to respond to changes in the economic climate. Establishing a DSSR Fund will provide the department resources during a downturn in development-related activity and time to react to those changes.

III. POLICY

The DSSR shall be established as set forth below, and any changes to the policy will be recommended to the City Council for approval.

- A. The DSSR target goal is equivalent to six months of estimated building, planning and engineering revenues.
- B. Actual year-end General Fund revenues in excess of budget from select accounts in Development Service's Building, Planning and Engineering operations will be transferred to the DSSR, provided that the net year-end General Fund results (revenue and expenditure budget variance) of the Development Services Department are positive and the reserve is below the target goal.
- C. If, at year-end, the amount in reserve exceeds the six-month estimate for the current fiscal year, the City Manager can transfer the excess amount to the General Fund or maintain reserve levels above the six-month estimate if revenues are anticipated to grow in the future fiscal year.
- D. The year-end calculation will occur each year in the summer following the fiscal year end (June 30). The six-month revenue estimate will be based on the current year's budget. For example, the year-end calculation for FY2023-24 will occur in summer 2024, and the six-month revenue estimate calculation will be based on the FY2024-25 budget.
- E. The City will only use the DSSR to bridge gaps between projected and actual development-related revenues in Development Services during periods of significant revenue shortfalls. The reserve will help the department maintain

services during a short-term drop in revenue and will provide time to react to changes necessary during a long-term economic decline.

- F. Appropriation from the DSSR Fund requires approval of at least four City Council members.

City of Roseville
Federal Stimulus Reserve Fund Policy

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I. PURPOSE

The purpose of this policy is to establish a temporary Federal Stimulus Reserve Fund with the City's allocation of the federal stimulus (2021 Coronavirus State and Local Fiscal Recovery Funds) until one-time expenditures or transfers to other City funds are approved over the remaining course of the pandemic.

The City is required to obligate the federal stimulus funding by December 31, 2024. This temporary reserve fund will be closed after all funding, including interest earned thereon, has been distributed.

Staff will recommend one-time expenditures, or transfers to other City funds, for Council approval consistent with the requirement for the use of the funds to:

- A. respond to or mitigate the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19) or its negative economic impacts;
- B. cover otherwise unreimbursed costs incurred as a result of such emergency;
- C. replace revenue that was lost, delayed, or decreased as a result of such emergency; or
- D. address the negative economic impacts of such emergency.

The federal stimulus funding shall not be applied to new ongoing operating expenditures.

City of Roseville
Internal Service Funds - Operating and Replacement Reserves
Policy

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I. PURPOSE

As separate budget and accounting entities, internal service funds (ISFs) need to manage cash reserves within their funds. The purpose of cash reserves in the ISFs is two-fold:

- Operating Reserves - To provide for continuity of service in the event of unanticipated changes to revenues or expenditures, particularly within a single fiscal year when charges for service on client operating departments already have been fixed through the adopted budget.
- Replacement Reserves - To provide funding for capital improvement, rehabilitation, and replacement of capital assets managed, whose useful lives span multiple fiscal years and whose costs yield a burdensome or unaffordable peak in expenditure if assessed on client operating departments as they occur.

In the ISFs, the accumulation and expenditure of reserve balances, including the establishment of targeted reserve levels, shall be as follows.

II. POLICY

A. Operating Reserves

1. Applicability

The following ISFs manage ongoing operations and therefore would benefit from the establishment of an operating reserve:

- Fleet Services
- Facility Services
- Information Technology Operations

Because ISFs do not function within a traditional retail environment, their revenues are not a material factor in the underlying risk to its financial sufficiency. An operating reserve incorporating the effects of billing cycles and collection rates is not applicable. Therefore, the operating reserve shall be established based singularly on a cushion for unforeseen change to critical cost drivers.

2. Targeted Reserve Level

An operating reserve equal to 5-15 percent of annual operating expenditures is appropriate among these service types. Fleet Services and Facility Services will target a 10-15 percent operating reserve level, and Information Technology Operations will target a 5-10 percent operating

reserve level. The fund balance of each ISF will serve as its operating reserve. For purposes of calculating the reserve target, operating expenditures include labor expenses and materials, services, and supplies expenses in the fund. As a metric for calculating a reserve level, operating expenditures should not include capital outlay, debt service, or transfers to other funds.

3. Initial Establishment of the Reserve

The available cash balance in the ISF may be used immediately to establish the operating reserve to its minimum level. If the minimum level is not feasible with existing cash, staff will develop a plan to begin adjusting the charges for service to begin funding the reserve, as described in the following paragraph.

4. Annual Funding of the Reserve

When the reserve is at its minimum level, there is no need to assess client operating departments for additional reserve funding in their annual charge for service. The reserve exists until it is used and falls below its minimum threshold, as designed.

When the operating reserve falls below its minimum level, a plan for replenishing the reserve shall be established as part of the next fiscal year's annual rate calculation process. Under staff discretion at that time, options for replenishing the reserve may include:

- Immediate replenishment to the minimum level in one fiscal year, accomplished by an additional component to the annual charge for service, assessed on client operating departments in proportion to their total charge for services.
- Replenishment to the minimum level over multiple fiscal years, such as two or three, depending on fiscal conditions determined at that time. This moderated plan is also accomplished as an additional component to the annual charge for service assessed on client operating departments in proportion to their total charge for services.

5. Excess Reserves

When cash held in the fund exceeds the minimum operating reserve level, fund managers should determine appropriate uses to avoid over-accumulation and stranding of City resources, as part of the annual rate calculation process in the next fiscal year. Under staff discretion at that time, options for reducing excess reserves may include:

- Reduce client operating department charges for service on a one-time basis in proportion to their total charge for service. This option alternatively may be viewed as reducing the total cost pool driving charges for services by using reserves to fund planned operating expenditures in a single fiscal year.
- Fund previously deferred special projects associated with ISF operations, particularly those projects of broad benefit to all client operating departments.
- Transfer excess cash to the ISF's companion asset replacement/rehabilitation fund to reduce long-term deficiencies or accelerate funding for defined capital needs as allowed by accounting controls.

B. Replacement Reserves

1. Applicability

The following ISFs manage capital assets and therefore would benefit from the establishment of a replacement reserve:

- Fleet Replacement
- Fleet Operations
- Equipment Replacement
- Facility Rehabilitation
- Information Technology Replacement

The replacement reserve shall be based on analysis of long-term scheduled capital improvement, rehabilitation, and replacement of capital assets and equipment managed by the ISF in order to sustain municipal services and prevent City assets' physical deterioration.

Replacement reserves are not typically managed to handle increases in assets and equipment in service. Funding for new or growth in assets and equipment will need to be identified as a special funding component for client operating departments, the general resources of the City, or the ISF outside of this replacement reserve structure.

2. Targeted Reserve Level

Replacement reserves are dynamic: They are continually added to and spent as assets are rehabilitated or replaced. These ISF's will not target a minimum cash balance but instead manage the reserve's annual funding to enable adequate resources when expenditures are scheduled or needed.

3. Initial Establishment of the Reserve

The available cash balance in these ISF's may be used immediately to establish the replacement reserve. These are the resources available to meet near-term scheduled expenditures and the resources being accumulated for expenditure later as assets require reinvestment or replacement. In ideal circumstances, the cash currently available equals the amount of resources needed along current replacement schedules for all assets in service. The reasonableness of this circumstance will differ depending on the ISF evaluated for one or more of several reasons, such as:

- Past charges for service did not include any funding or included insufficient annual funding for future replacement.
- Assets are routinely replaced beyond their scheduled lives, particularly when ongoing maintenance can extend in-service timelines without unmanageable costs or effort.
- Assets are ultimately replaced by another asset of entirely different cost structure, particularly in areas of more rapid technological change.
- The total value of future replacement needs may not be supportable by charges for service and will require identification of additional funding outside the ISF in the future.

Regardless of the initial reserve establishment's adequacy, charges for service in the next fiscal year should be set to continue funding the reserve on an annual basis, as described in the following paragraph.

4. Annual Funding of the Reserve

The replacement reserve's underlying intention is to distribute the cost of asset replacement evenly over the life of the asset. Therefore, analysis by (individual or category of) asset is required to determine a total annual funding level. Steps for analyzing assets and determining their corresponding reserve funding component are as follows:

- Original Cost Basis: Record assets when placed in service. Assign an expected useful life. Calculate a straight-line annual depreciation amount based on the original cost. This value represents the minimum annual replacement reserve funding amount for assets expected to be replaced at the end of their life cycle.
- Replacement Cost Basis: Alternatively, record assets when placed in service. Assign an expected useful life. Project a replacement cost based on estimated cost inflation indices from original cost or a known replacement value. Calculate a straight-line depreciation amount based on estimated replacement cost, reducing for any material expected salvage value for fully depreciated assets. The resulting value represents the maximum annual reserve amount for assets expected to be replaced at the end of their life cycle.
- The method chosen – original cost or replacement cost basis – should be determined at staff discretion in each ISF. Factors influencing the choice of the method include impact to charges for service on client operating departments; external factors that substantially impact asset management between life cycles, such as rapid technological change; and magnitude of interest earnings in the replacement reserve contributing toward total resources available for asset replacement.

- The sum of annual funding amounts by asset (or asset category) represents the total annual reserve contribution to be collected through the ISF's charges for service, dependent upon funding available for rehabilitation and replacement (See Capital Improvement Program Rehabilitation Funding Policy). This annual funding requirement should be allocated to the client operating departments based on the selected allocation metric for asset replacement in the ISF's rate method, typically in proportion to the department's use of the asset.

5. Excess Reserves

In the unlikely event that replacement reserves are found to exceed scheduled needs, as part of the annual rate calculation process in the next fiscal year, fund managers should determine appropriate uses to avoid over-accumulation and stranding of City resources. Under staff discretion at that time, options for reducing excess reserves may include:

- A planned, one-time reduction to service charges on client operating departments in proportion to their total charge for asset replacement-related services.
- Funding previously deferred special projects associated with asset management for the ISF, particularly those projects of broad benefit to all client operating departments.

City of Roseville
Capital Improvement Program Rehabilitation Funding Policy

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I. INTRODUCTION

The City has significant investments in facilities, equipment, park and recreation amenities and information technology (IT) hardware and software which require ongoing maintenance and eventual replacement. The CIP Rehabilitation funds, i.e., the Facility Rehabilitation Fund; the Equipment Replacement Fund, the Parks, Recreation and Library Capital Projects Fund; and the Information Technology Replacement Fund, are used to fund infrastructure needs for City buildings, equipment, park and recreation amenities and information technology capital replacement. In addition, the City maintains its significant investment in streets with external funding sources that are currently inadequate.

II. BACKGROUND

The City maintains 10-Year Rehabilitation/Replacement plans for its General Fund assets used in service delivery. The 10-year plans reflect an annual General Fund funding requirement of over \$10 million, however the actual amount budgeted in FY2021-22 was \$3.2 million leaving an annual gap of approximately \$7 million.

The City performs an annual review of the 10-year plans to develop CIP Rehabilitation budget recommendations for the City Manager that includes a prioritized list of capital projects that can be recommended for funding or deferral in conjunction with the adoption of the City's CIP Rehabilitation budget.

The expectation is that the annual average demand will continue to trend upward based on projects being deferred and new replacement costs.

Addressing these infrastructure needs has been a stated priority of the City Council and was reaffirmed at the City Council priorities workshop meeting on February 22, 2022. As outlined at that workshop, the proposed budget for CIP Rehabilitation will be increased for FY2022-23 to include \$1.6 million of General Fund resources for street maintenance.

III. POLICY

On an annual basis during each budget process, and until the annual required funding level is attained, the General Fund contribution to CIP Rehabilitation shall increase by \$1,000,000.

City of Roseville
Pension Funding Policy
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I. PURPOSE

The City's Pension Funding Policy documents the method the City will use to determine its actuarially determined contributions to fund the long-term cost of benefits to the plan participants and annuitants. The policy also:

- Provides guidance in making annual budget decisions;
- Demonstrates prudent financial management practices;
- Reassures bond rating agencies; and
- Shows employees and the public how pensions will be funded.

II. BACKGROUND

The City provides defined benefit retirement benefits through the California Public Employees' Retirement System (CalPERS). CalPERS is a multiple-employer public employee defined benefit pension plan.

All full-time and certain part-time City employees are eligible to participate in CalPERS. CalPERS provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members and their beneficiaries. CalPERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by state statute.

The financial objective of a defined benefit pension plan is to fund the long-term cost of benefits provided to the plan participants. In order to assure that the plan is financially sustainable, the plan should accumulate adequate resources in a systematic and disciplined manner over the active service life of benefitting employees. This funding policy outlines the method the City will utilize to determine its actuarially determined contributions to fund the long-term cost of benefits to the plan participants and annuitants.

Pension Funding: A Guide for Elected Officials, issued by eleven national groups including the U.S. Conference of Mayors, the International City/County Management Association, and the Government Finance Officers Association, established the following five general policy objectives for a pension funding policy:

- **Actuarially Determined Contributions.** A pension funding plan should be based upon an actuarially determined contribution (ADC) that incorporates both the cost of benefits in the current year and the amortization of the plan's unfunded actuarial accrued liability.

- **Funding Discipline.** A commitment to make timely, actuarially determined contributions to the retirement system is needed to ensure that sufficient assets are available for all current and future retirees.
- **Intergenerational equity.** Annual contributions should be reasonably related to the expected and actual cost of each year of service so that the cost of employee benefits is paid by the generation of taxpayers who receives services from those employees.
- **Contributions as a stable percentage of payroll.** Contributions should be managed so that employer costs remain consistent as a percentage of payroll over time.
- **Accountability and transparency.** Clear reporting of pension funding should include an assessment of whether, how, and when the plan sponsor will ensure sufficient assets are available for all current and future retirees.

III. POLICY

A. Actuarially Determine Contribution (ADC)

CalPERS actuaries will determine the City's ADC to CalPERS based on annual actuarial valuations. The ADC will include the normal cost for current service and amortization of any under-funded amount. The normal cost will be calculated using the entry age normal cost method using economic and non-economic assumptions approved by the CalPERS Board of Administration.

The City will review the CalPERS annual actuarial valuations to validate the completeness and accuracy of the member census data and the reasonableness of the actuarial assumptions.

B. Additional Discretionary Payment (ADP) Contribution

The City will consider making ADP contributions with one-time General Fund resources, with the objectives of increasing the plan's funded status, by reducing the unfunded actuarially accrued liability, and reducing ongoing pension costs.

C. Pension Reserve Trust Fund Contribution

The City will establish and consider making contributions to an Internal Revenue Code Section 115 Pension Trust, with the objective of setting aside extra resources for future pension contributions at reduced investment risk to help smooth volatility from year-to-year fluctuations in annual required contributions.

D. Transparency and Reporting

Funding of the City's pension plans should be transparent to vested parties including plan participants, annuitants, the City Council and Roseville residents. In order to achieve this transparency, the following information shall be available:

- Copies of the annual actuarial valuations for the City's CalPERS plans shall be made available to the City Council.
- The City's Annual Comprehensive Financial Report shall be published on its website. This report includes information on the City's annual contributions to the pension systems and their funded status.
- The City's annual operating budget shall include the City's contributions to CalPERS.

E. Review of Funding Policy

Funding a defined benefit pension plan requires a long-term horizon. As such, the City will review this policy at least every five years to determine if changes to this policy are needed to ensure adequate resources are being accumulated.

City of Roseville

Other Post-Employment Benefits (OPEB) Funding Policy

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I. INTRODUCTION

The purpose of this Funding Policy is to state the overall funding goals for the City of Roseville OPEB Trust. The objective is to accumulate sufficient assets to fully finance the retiree healthcare benefits that the retired employees receive throughout retirement. In meeting this objective, the City will strive to meet the following funding goals:

- A. The City plans to continue to fund retiree medical benefits from operations until such a time as those expenses exceed the City's Actuarially Determined Contribution (ADC). At that time withdrawals from the OPEB Trust will be necessary.
- B. The City intends and plans to ultimately achieve full funding of its actuarially determined OPEB contributions by making increasing contributions to the OPEB trust, to the extent feasible, in the context of other competing demands for public services and employee compensation.
- C. Nothing in this funding policy shall constitute an obligation upon the City, nor an implied contract. The City Council may revoke or amend this policy in the best interests of the City.
- D. Funding of the OPEB Trust does not change the City's obligation or intent to fully pay annual medical costs for retirees.

II. BACKGROUND

The City of Roseville has provided a retiree health benefit to its employees for many years. As a cost reduction strategy, this benefit was eliminated for all bargaining unit employees classified as Tier III. Although eliminated for new employees, this benefit still remains in effect for the majority of the City's employees and must be addressed during the annual budget process.

In an effort to address the long-term costs of this expense, a trust was created to begin funding this benefit. The process currently in place is to fund all actual retiree expenses incurred in the current year on a pay-as-you-go basis and make additional contributions to the trust fund.

III. POLICY

The City will engage an OPEB actuary to determine the City's ADC based on biennial actuarial valuations. The ADC will include the normal cost for current service and amortization of the under-funded liability. The normal cost is the current year cost of the program to provide the benefit for current employees in the future. The normal cost

will be calculated using the entry age normal cost method using appropriate economic and non-economic assumptions approved by the City.

The City will review the actuarial valuations to validate the completeness and accuracy of the employee census data and the reasonableness of the actuarial assumptions. Actuarial valuations involve estimates and assumptions about the probability of occurrence of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

The City will continue to appropriate the ADC in the annual budget for the pay-as-you-go costs of OPEB for current retirees and contributions to the OPEB Trust. In addition, a portion of any one-time monies remaining at the end of each fiscal year may be deposited into the trust, which amount will be determined by Council based on available funds and other priorities.

Funding OPEB requires a long-term horizon. The City will review this policy at a minimum biennially, coincident with preparation of the actuarial valuations, to determine if changes to this policy are necessary to ensure adequate resources are being accumulated to fund OPEB benefits.

City of Roseville
Workers’ Compensation and General Liability Funding Policy

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I. INTRODUCTION

The Workers' Compensation and General Liability Funding Policy documents the City's approach to providing adequate financial resources to fund the City's Workers' Compensation and General Liability Programs and establishing and maintaining adequate reserves in the Workers' Compensation and General Liability Internal Service Funds.

II. BACKGROUND

The City is self-insured for workers' compensation and for general liability. The Workers' Compensation and General Liability and Programs charge City departments and funds for the costs of providing for claims, as well as for the cost of administering the claims.

III. POLICY

In order to methodically and consistently measure the City's projected claims, the City will contract with a professional outside actuary to prepare annual actuarial valuation reports for both categories of claims. Program funding will be based on the annual actuarial valuation reports.

The City's funding policy will provide program funding at the 75% confidence level, including recognition of anticipated investment income. Confidence level is used by actuaries to determine the realistic possibilities that a given funding rate will be sufficient to cover all claims that might be incurred in any one program year. A 75% confidence level indicates that the funding rate should be adequate 75% of the time.

If either program maintains a balance above the minimum funding requirement, the excess reserves will be used to subsidize City contributions over a 1-5 year period depending upon the amount of the excess and the City's economic condition.

If either program has excess claims requiring additional contributions to the fund, the City will increase contributions over a 1-3 year period depending on the amount of the shortfall and the City's economic condition to get to the minimum funding requirement.

City of Roseville
Interfund Loans Policy

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I. PURPOSE

The City's Interfund Loan Policy documents the methods used by the City to demonstrate prudent financial management over interfund loans. The policy:

- Requires City Council approval of interfund loans, except for short-term working capital loans,
- Permits short-term interfund loans for working capital to cover Council-approved reimbursable grants and projects and other temporary timing differences in cash flows, and
- Prohibits interfund loans from being used to solve ongoing structural budget issues or hindering the accomplishment of any function or project for which the lending fund was established.

II. BACKGROUND

Interfund loans are the lending of cash from one City fund to another for a specific purpose and with a requirement for repayment. The practice of interfund loans is a recognized and necessary aspect of municipal finance. Such loans are typically short-term in nature and constitute the allocation of resources between individual funds for working capital purposes.

III. POLICY

A. Long-term Loans

Interfund loans, other than short-term working capital loans, must be approved by the City Council. Council approval will include the following terms of the loan:

- Purpose of Interfund Loan
- Identification of the source fund
- Availability of unrestricted funds in the source fund
- Review of multi-year plans for use of source fund cash
- Analysis of legal or contractual restrictions
- Repayment of Interfund Loan

- Repayment must have a payment source and funding stream
- Specific repayment schedule
- Interest imposed at a rate equal to at least investment earnings if loan did not occur
- Other Considerations
- Feasibility of repayment
- Internal controls to monitor repayment

B. Short-term Loans

Short-term interfund loans for working capital to provide cash for Council-approved reimbursable grants and projects, are permitted. Short-term working capital loans are also permitted for temporary timing differences in cash flows when expenditures are incurred before revenue is collected. The source funds for working capital interfund loans are the General Fund and the Automotive Replacement Fund.

C. Prohibited Uses

- Interfund loans will not be used to solve ongoing structural budget issues.
- Interfund loans will not hinder the accomplishment of any function or project for which the lending fund was established.

City of Roseville
Request for Proposals (RFP) Policy
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I. INTRODUCTION

The purpose of this policy is to provide a uniform process for the issuance, evaluation, and selection of competitive proposals for services and/or customized goods.

II. DEFINITION

Request for Proposals (“RFP”) is a competitive proposal process whereby the City solicits proposals from potential proposers. The RFP process is used for requirements in which the desired outcome is known, but it is difficult to define the methodology or the exact materials or services required to achieve the desired results.

Objectives of the RFP process are to:

- A. Describe the City’s requirements and desired outcomes within a written specification;
- B. Solicit proposers for their proposed solutions;
- C. Describe key criteria to be used in the evaluation of proposals;
- D. Outline the terms and conditions under which the proposer(s) will operate or supply goods and/or services.

The City should use its best efforts to ensure that any RFP is as complete and thorough as possible, however should the scope of work or services of any RFP increase by twenty-five percent (25%) or more after publishing the RFP, that RFP should be withdrawn and any proposals rejected and a new RFP should be issued that includes the increased scope of work or services.

III. USE OF AN RFP

- A. Contracts for goods or services with an estimated value greater than the amount stated in Roseville Municipal Code (“RMC”) Sections 4.12.090 and 4.12.095 must be awarded by the use of competitive bids or an RFP, unless exempted by the City Council or law. Contracts for goods or services estimated to be equal or less than the amount stated in RMC Sections 4.12.090 and 4.12.095 may be awarded upon conclusion of informal interviews by representatives of the initiating department and other City staff, including the Purchasing Division (“Purchasing”), or by an RFP, as may be appropriate.
- B. Notwithstanding the foregoing, qualifying goods or services may be procured without issuing a RFP. A qualifying good or service is one where there is only a

single source for obtaining the particular good and/or service. Examples of sole source goods or services include, but are not limited to, patented, copyrighted, licensed items, specialized test equipment/facilities, critical schedule requirements, unique services, and standardized goods or services for which there is only a single source. Prior to contracting with a sole source, the initiating department shall complete the sole source authorization form. Furthermore, with respect to professional services with an estimated amount exceeding the amount stated in RMC Sections 4.12.090 and 4.12.095, such services may not be procured through sole source without the prior authorization of the City Manager and City Attorney.

IV. PUBLIC NOTICE

Public notice of the RFPs shall be given in the same manner as provided in RMC Section 4.12.090.

The originating department ("Department") should also generate a list of potential proposers to notify and direct them to the RFP section of the City's website to access the RFP.

V. FORM OF PROPOSAL

- A. City staff must use the City's latest version of the RFP template for the initial framework of the document and the City's Purchasing Guidelines should also be referred to. The RFP content should define the Department's needs and describe the scope of the work, allowing the potential proposer to develop the project details.
- B. Late proposals shall not be accepted, however staff may extend the time for submission of all proposals.
- C. Each proposal must be signed by an authorized representative of the proposer and include the legal name of the proposing organization and the signer's title. By signing the proposal it is presumed that the signer has authority to bind the proposer to the proposal's terms.
- D. RFPs are scored based on the criteria presented in the RFP. Proposers may propose any method or process to satisfy the scope of work in the RFP that maximizes responsiveness to the criteria stated in the RFP.

VI. EVALUATION FACTORS

Award of a RFP shall be made to the responsible proposer whose proposal is determined, through a formal evaluation panel process, to be the most advantageous to the City after the evaluation panel has taken into consideration the evaluation factors set forth in the RFP. A master averaged score sheet shall be created based on the evaluation panel's initial evaluation. Proposals shall be scored according to the criteria stated in the RFP.

Proposals submitted will be reviewed by an evaluation panel. Members of the evaluation panel shall be comprised of City staff and at the option of City may include non-City staff upon approval of the City Manager and City Attorney. After the initial evaluation, proposers that have submitted the best and most complete proposals may be invited to one or more interviews. The number of proposers invited to an interview may vary depending upon the number of proposals submitted.

The RFP may indicate the relative importance of evaluation factors. The following are representative evaluation criteria that may be considered by the Department when preparing a RFP:

- A. Reputation and Experience. Does the proposer have a reputation of being reliable, delivering on schedule, and performing tasks to the satisfaction of his/her clients? Does the proposer have sufficient experience in the kind of work required?
- B. Capability and Availability of Staff. Does the proposer have qualified and experienced staff needed to perform the work?
- C. Understanding of the Problem. Does the proposer demonstrate a thorough understanding of the issues and has it developed a relevant and effective approach?
- D. Proximity of the Proposer. Although no preference shall be given to local businesses, proposer's office and/or staff proximity to City of Roseville offices or work location as it relates to the proposer's ability to be responsive to the project requirements may be considered.
- E. Cost. Whenever possible and appropriate, a proposer's fee or hourly rate should be secured as part of the proposal and considered in the evaluation process. Whenever possible, RFPs should specify methods of submitting proposed costs that can be compared directly with competing proposals.

The City reserves the right to make a selection without interviews; therefore, the proposal should be submitted on the most favorable terms that the proposer might propose.

Should the City elect to conduct interviews with any proposers, the following criteria shall be considered and each proposer ranked by the evaluation panel during the interview process:

- Quality of presentation
- Ability to meet the City's business goals
- Communication style

A contract will be negotiated with the proposer considered best meeting the City's need for the project. In the event a mutually satisfactory contract cannot be negotiated with the City's first choice, negotiations may be terminated and commenced with the proposer considered next best in meeting the City's needs for the particular project.

The selected proposer will be required to execute a City prepared contract. The contract may further refine the scope of services and will provide for the terms and conditions of employment.

Evaluation Score Sheets. Upon a request pursuant to section 1.8 below, a proposer is entitled to a master averaged score sheet that reflects the averaged evaluation scores of the proposers during the evaluation panel's initial evaluation and the ranking of proposers from any interview (individual score sheets and/or notes are temporary and are not retained following a determination of the evaluation panel). The master score sheet and ranking shall be prepared by City staff prior to notifying any proposers of the results.

VII. DISCUSSIONS WITH PROPOSERS AND REVISIONS TO PROPOSALS

- A. As provided in the RFP, discussions may be conducted with responsible proposers. These discussions shall be for the purpose of clarification to assure full understanding of, and responsiveness to the solicitation requirements. The proposers shall be accorded fair and equal treatment with respect to any opportunity for discussion and revision of proposals, and such revisions may be permitted prior to the evaluation panel's determination of the award recommendation for the purpose of obtaining best and final proposals. In conducting discussions, there shall be no disclosure of any information derived from proposals submitted by competing proposers.
- B. After the evaluation panel has determined the proposer(s) to be recommended for award, the Department may enter negotiations with the recommended

proposer(s) to finalize proposed services and price before the evaluation panel's formal notice of intent to award is made.

VIII. AWARD PROCESS

- A. The award is made to the proposer(s) that is determined to best meet the overall needs of the City. For contracts for goods or services with an estimated value greater than the amount stated in RMC Sections 4.12.090 and 4.12.095, the award of such contract is expressly contingent upon City Council approval and the availability of funds. City staff may not legally bind the City to a contract with an estimated value greater than the amount stated in RMC Sections 4.12.090 and 4.12.095.
- B. Rejection of RFP. The City reserves the right to reject any or all proposals, to waive defects or irregularities in any proposal or in the RFP process, and to offer to negotiate or contract with any proposer(s) in response to any RFP. RFPs do not constitute any form of offer to contract.
- C. Multiple Award. The City reserves the right to award the contract to multiple proposers when applicable.
- D. A formal notice of the intent to award to the recommended proposer(s) shall be made by the Department.

IX. PUBLIC DISCLOSURE

In accordance with the California Public Records Act, proposals submitted in response to a RFP, master averaged score sheets from the initial evaluation, and/or rankings from any interview shall be made available upon a public records request only after: (1) the proposal evaluation process is complete, (2) a contract has been negotiated, and (3) notice of intent to award has been made and/or the contract is placed on a City Council meeting agenda.

X. PROTESTS

- A. Protest Requirements
 - 1. Any proposer who is aggrieved in connection with the solicitation or award of a contract may file a protest with the City Clerk's office. The protest must be received in writing by the City Clerk's office within seven (7) calendar days after such aggrieved proposer 1) knows or should have known of the facts giving rise thereto or 2) the date of the notice of intent to award, whichever is sooner. In no event shall a protest be

allowed after an award has been made by City Council. If the seventh calendar day falls on a weekend or City holiday, the protesting party may submit the protest prior to close of business on the first business day following such weekend or holiday. Failure to submit a timely protest shall bar consideration of a protest.

2. RFPs must include a notification to prospective proposers of this protest policy.
3. Departments must notify and consult with Purchasing and the City Attorney's Office immediately upon becoming aware of any potential or actual protest. In the event of a proper protest, the RFP process shall be stayed pursuant to Section X (D) of this Policy.

B. Grounds for Protest

1. The alleged grounds for protest shall be limited to the following: (a) computation errors, (b) violations of local, state, or federal law, or (c) the City failed to follow the procedures specified in this Policy.
2. The protest shall state all grounds claimed for the protest and include supporting documentation. Failure to clearly state the grounds for the protest and provide supporting documentation shall be deemed a waiver of all protest rights.

C. Administrative Review

Upon receipt of the protest in accordance with Section X (A), and after determining the protest was properly filed, the Department Director shall provide a copy of the protest to other proposers who might become aggrieved as a result of the protest and issue a written decision within fourteen (14) calendar days after receipt of the protest. The protest will be evaluated by the Department Director, the City Attorney's Office, and the Purchasing Manager. The protesting proposer shall promptly provide any information requested by City staff as part of such investigation. The decision shall either deny or uphold the protest and include reasons for the decision. The written decision shall be final.

D. Stay of Action during a Protest

In the event a protest is filed under Section X, the City shall not proceed further with the award of the contract until the protest is resolved, unless:

1. The City Manager or designee makes a determination that the award of the contract without delay is necessary to protect a substantial interest of the City, or
2. The City decides to reject all proposals and issue a new RFP.

City of Roseville
Internal Control Policy

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I. INTRODUCTION

The purpose of this City policy is to document the internal control framework adopted by the City and to formalize certain policies and procedures to further the goal of fiscal responsibility through effective and comprehensive internal controls.

II. BACKGROUND

The City has a responsibility to taxpayers, ratepayers and constituents regarding stewardship of public funds and other assets. In the City's efforts to serve the public as City officials or employees, the City establishes this Internal Control Policy using recognized best practices and state and federal guidelines. California Government Code (GC) section 12422.51 requires the State Controller to develop internal control guidelines applicable to local agencies. The intent of the legislation was to assist local agencies in establishing a system of internal control to safeguard assets and prevent and detect financial errors and fraud. The City's Internal Control Policy conforms to the State Controller's Office (SCO) Internal Control Guidelines for California Local Agencies, as well as to the federal Office of Management and Budget (OMB)'s "Green Book", Standards for Internal Control in the Federal Government. The internal control framework adopted by the SCO and OMB in their guidelines was originally developed by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), an organization that develops guidelines for businesses to evaluate internal controls, risk management, and fraud deterrence.

Internal control is defined as a process effected by an entity's oversight body, management and other personnel that provides reasonable assurance the entity's objectives will be achieved. Internal controls are policies and procedures put in place to help achieve goals and objectives. There is however an inherent limitation on the effectiveness of any internal control due to the cost/benefit relationship that must be considered, meaning that the cost of the internal control should not outweigh the potential benefit of the control.

III. FIVE COMPONENTS OF INTERNAL CONTROL

Internal control is comprised of five components that work together in an integrated framework:

- Control Environment
- Risk Assessment
- Control Activities
- Information and Communication
- Monitoring Activities

A. Control Environment

The control environment is the foundation for all other components of internal control, providing discipline and structure. Moreover, management establishes the tone at the top regarding the importance of internal control and expected standards of conduct and reinforces expectations at various levels. Control environment factors include the integrity, ethical values and competence of the City's personnel; the way management assigns authority and responsibility and organizes and develops its personnel; and the attention and direction provided by the City Council.

The control environment is the set of standards, processes, and structures that provide the basis for carrying out internal control across the City. The City Council and management establish the “tone at the top” regarding the importance of internal control, including expected standards of conduct, which then cascade down throughout the various levels of the organization and have a pervasive effect on the overall system of internal control. The control environment extends beyond the idea of culture and comprises the following:

1. The City's integrity and ethical values
2. The City Council's oversight responsibilities
3. The assignment of authority and responsibility
4. The process for attracting, developing, and retaining employees
5. The measures, incentives, and rewards to drive accountability for performance

The City's control environment is influenced by a variety of factors including its history, values, market, and the competitive and regulatory landscape. An organization that establishes and maintains a strong control environment positions itself to be more resilient in the face of internal and external pressures.

The City's policies and procedures include but are not limited to:

1. City Management has established the values and operating style for the organization through its Core Competencies, policies and procedures, and communicated them to all employees.
2. City Council and management receive and update their ethics training as required by AB 1234.

3. The City regularly considers the structure of the organization in terms of its size and the nature of its operation.
4. Management has established policies and practices reflecting expectations of competence.
5. Management provides the mentoring and training needed to attract, develop, and retain sufficient and competent personnel.

B. Risk Assessment

A local government's risk assessment process involves identifying risks to achieving organizational objectives, assessing the design of internal controls that mitigate these risks, and assessing whether the controls are effective. Risk assessment must be conducted by management on an on-going basis and include the following steps:

1. Define objectives clearly to enable the identification of risks and define risk tolerances.
2. Identify, analyze and respond to risks related to achieving the defined objectives.
3. Consider the potential for fraud when identifying, analyzing and responding to risks.
4. Identify, analyze and respond to significant changes that could impact the internal control system.

Internal changes such as changes in operating activities, the control environment, or organizational structure in addition to external changes such as changes within the regulatory environment, technological and economic changes all have an effect on risk. For this reason, a continuing effort to assess changes in risk and their effect on internal controls must be conducted.

The City's policies and procedures include but are not limited to:

1. City management addresses risk assessment in conjunction with the supervision of staff. When providing direction to staff in the performance of their duties, management may identify information as to the types of errors, policy violations, fraud, or noncompliance to which they should be attentive in the performance of their duties.

2. City Department Head Team communicates regularly about new or changed risks, conditions, actions, or events that may impact the ability of departments to manage the risks relevant to their operations.
3. Finance personnel attend training sessions to become aware of new accounting pronouncements and emerging issues in order to further identify and manage risks associated with proper financial reporting.
4. Departments send staff to conferences and program training sessions for the purpose of identifying likely risks of noncompliance, fraud, and error relevant to the programs that they manage.
5. The Information Technology (IT) Department periodically identifies and communicates risks for which employees should be particularly vigilant.

C. Control Activities

Control activities are the policies and procedures that help ensure that management directives are carried out. Control activities, whether within IT or manual systems, have various objectives and are applied at various organizational and functional levels. Examples of specific control activities include those relating to the following:

1. Authorization
2. Financial performance reviews
3. Information processing
4. Physical controls
5. Segregation of duties

The City's policies and procedures include but are not limited to:

1. Staff perform timely bank reconciliations as an effective tool to detect errors.
2. Internal financial reports are reviewed and compared to budget on a periodic basis and variances are investigated.
3. Purchasing guidelines are established that detail authorization limits, when contracts are required, and when purchases are subject to bidding or informal quotes.

4. Positive pay, which is a banking service to quickly detect check fraud, is employed.
5. Investment and debt policies are approved by Council to define the parameters and authorizations for investing and issuing long-term debt.
6. Procedures are established to ensure timely repayment and compliance with on-going debt covenants.
7. The Council-adopted budget ordinance is the policy used to establish budgetary control and the approval process required for budget adjustments.
8. Exceptions to any City policy or Administrative Regulation must be documented in writing and approved by an Assistant City Manager or the City Manager.

D. Information and Communication

Information is necessary for an entity to carry out internal control responsibilities to support the achievement of its objectives. Management obtains or generates and uses relevant and quality information from both internal and external sources to support the functioning of other components of internal control. Communication is the continual, iterative process of providing, sharing, and obtaining necessary information. Internal communication is the means by which information is disseminated throughout the organization, flowing up, down, and across the entity. It enables staff to receive a clear message from management that control responsibilities must be taken seriously. External communication is twofold as it enables inbound communication of relevant external information and provides information to external parties in response to requirements and expectations.

Communication is not an isolated internal control component. It affects every aspect of an organization's operations and helps support the system of internal control. The feedback from this communication network can help management evaluate how well the various components of the system of internal control are working.

The City's policies and procedures include but are not limited to:

1. The City Council adopts annual budgets and budget adjustments after a budget development process that encourages public engagement.

2. Staff provide quarterly financial reports to the City Council for review.
3. City management provides written instructions to all financial personnel with a role in the budget development and year-end close processes.
4. The City uses intranet and internet sites to communicate important information to employees, the City Council, and the public. Information provided on internet sites includes annual financial reports, adopted budgets, and summaries of City Council actions.
5. The City uses management-authorized job descriptions for all personnel.
6. The City monitors events at the state and national levels for pertinent legislative and regulatory actions.
7. Meetings of management personnel are conducted to review City Council agenda items, new initiatives, budget updates, and other important information.
8. City departments conduct staff meetings which provide an opportunity for information sharing up, down, and across the organization.
9. The City uses a whistleblower communication protocol called “Speak Up” for reporting potential wrongdoing, which allows anonymous reporting as an option and is a direct communication channel to the City Manager.

E. Monitoring

Monitoring involves evaluating the effectiveness of internal controls on an on-going basis and taking remedial actions when necessary. On-going monitoring activities often are built into the normal recurring activities and include regular management and supervisory activities. Management’s monitoring of controls includes considering whether they are operating as intended and that they are modified as appropriate for changes in conditions.

The City’s policies and procedures include but are not limited to:

1. Staff use the quarterly review of budget-to-actual reports to ascertain the on-going quality of the accounting controls that are used to produce reliable and consistent financial information about the City.
2. Staff respond to information received from employees regarding the accuracy of their payroll checks in order to give the City information

about the quality of the internal controls associated with the payroll process.

3. Staff respond to information received from vendors regarding the accuracy of payments made on vendor invoices in order to give the City information about the quality of the internal controls associated with the accounts payable process.
4. Staff respond to information received from customers regarding the accuracy of utility billings in order to give the City information about the quality of the internal controls associated with the utility billing system.
5. Staff follow up on corrective action plans for audit findings until recommendations are implemented.

City of Roseville

Procurement Code of Ethics Policy

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I. INTRODUCTION

Public employees are stewards of public funds and must ensure that expenditures of public funds, such as through the procurement and contracting process, occur in an ethical and responsible manner. All employees must perform their duties impartially to assure fair, competitive access to governmental procurement and to discourage conduct that is inconsistent with the proper execution of the employee's duties. Moreover, public employees must maintain a standard of conduct that inspires public confidence and trust in the integrity of the City's procurement process.

II. PURPOSE

The purpose of this policy is to provide a well-defined and established code of ethics for City of Roseville employees, including public procurement professionals, who interact with the public and represent the City in any way in relation to all procurement activities and to ensure integrity in the procurement and contract process.

III. POLICY

It is the policy of the City of Roseville to foster public confidence in the integrity of the City's procurement process by ensuring that all employees who engage in public procurement adhere and commit to the City's Procurement Code of Ethics Policy to perform their duties with integrity, honesty, fairness, and transparency and to avoid conflict of interests, engaging in questionable practices, and offers of personal benefit. All employees shall uphold the following standards:

IV. GENERAL STANDARDS OF CONDUCT

- A. Employees shall act impartially and with the highest degree of integrity to foster public confidence in city government and will make every effort to ensure open and fair competition for all available City business in accordance with the Roseville Municipal Code and this Policy.
- B. Employees shall conduct themselves in a courteous and professional manner with vendors, contractors, consultants and suppliers, henceforth referred to as "vendors"; internal customers, and members of the public with whom they come into contact, striving to act objectively and without discrimination or bias of any form.
- C. Employees shall not use confidential or sensitive information acquired in the course of their duties for personal gain or for the benefit of family or friends, and will act only within the official level of their authority.

- D. Employees shall keep their supervisor informed as necessary, immediately upon learning of a potential or existing problem that may impact the integrity of a procurement or contract activity.
- E. Employees shall not willfully or unlawfully conceal, remove, mutilate, falsify, or destroy any government document or record, nor shall they make any false or fictitious statements in connection with any official procurement matter, document or record.

V. CONDUCT WITH OUTSIDE VENDORS AND CONTRACTORS

- A. Employees shall base all purchases on the principle of competitive bidding/quotes consistent with the existing laws and policies of the City.
- B. Employees shall grant all competitive quotes or bids equal consideration, regard each transaction on its own merits, and promote fair, ethical, and legal trade practices. Employees shall not give out information about bids or bidders prior to bid opening. Any information provided must be provided in a controlled manner to ensure that all potential bidders receive the same information at the same time.
- C. Employees shall refrain from showing favoritism or being influenced by outside vendors through the acceptance of gifts, gratuities, loans or favors.
- D. Employees shall refrain from requiring outside vendors to pay to be included on an approved or preferred vendor/contractor list.
- E. Employees shall refrain from requesting donations of goods or services to the City.
- F. Employees shall avoid the exertion of undue influence or abuse of power.

VI. CONFLICT OF INTEREST IN PROCUREMENT

- A. Employees shall avoid all potential or actual conflicts of interest to ensure that all procurement decisions are made in an independent and impartial manner.
- B. Purchasing staff and others who regularly participate in contract activities on behalf of the City must disclose relevant financial interests as required by State

Law and by City policy and to annually review those statements in conjunction with this Policy and other ethical standards.

- C. If a possible conflict of interest is identified, it must be reported to the Department Head and reviewed and documented with the City Attorney's Office.
- D. Employees involved in a procurement selection process shall not accept, directly or indirectly, any tangible or intangible benefit valued at \$50.00 or more (including, but not limited to, money, gifts, favors, entertainment, discounts, passes, transportation, accommodation, hospitality, meals or offers of employment, etc.) from any person, firm, organization, company or corporation, that may influence or give the appearance of influencing procurement-related decisions, within six months before or after a contract award.
- E. Employees shall declare a conflict when a vendor is to be selected for contract award that employs them, or their immediate family member or partner, or is about to employ them.
- F. Employees shall, upon learning that the City is conducting or intends to conduct business with a vendor with which they, or a member of their immediate family have a financial interest, immediately disclose this real or apparent potential conflict of interest to their supervisor and refrain from all activity with respect to this vendor.
- G. Employees shall not, in the performance of their official duties, participate directly or indirectly in any matter pertaining to any contract, or subcontract, and any solicitation or proposal thereof, in which to the employee's knowledge:
 - 1. They or any member of their immediate family has a substantial financial interest;
 - 2. A business or organization in which they or any member of their immediate family has a substantial financial interest as an officer, director, trustee, partner or employee, is a party; or
 - 3. Any other person, business, or organization with whom they or a member of their immediate family is negotiating or has an agreement concerning prospective employment, is a party.

- H. Direct or indirect participation, for purposes for Section (VI)(G), shall include, but is not limited to, involvement through decision, approval, disapproval, recommendation, preparation of any part of a procurement transaction, influencing the content of any specification or purchase standard, rendering of advice, investigation, auditing, or in any other advisory capacity.
- I. Employees and members of the employee's immediate family shall not enter into an agreement (contract or purchase order) with the City of Roseville, and the City shall reject all bids and proposals that are submitted by a City employee's immediate family.

VII. CONFLICT OF INTEREST CHECKLIST

- A. Employees should consider all of the following questions to determine whether a potential or actual conflict of interest exists through their participation in a proposed procurement or contract activity:
 - 1. Personal Relationships
 - a) Do you currently have or have had any official, professional, financial, or personal relationships with any person or firm associated with this assignment?
 - b) In your opinion, might this affect your judgment or your ability to execute this assignment in a fair and impartial manner?
 - 2. Stock and Investments
 - a) Do you own any stock in any company likely to be affected by or involved in the proposed procurement activity?
 - b) Does your spouse, domestic partner, or a dependent own any stock in any company likely to be affected by or involved in the proposed procurement activity?
 - c) Do you hold any investments in any entity (e.g., partnership, limited liability company, or a trust) likely to be affected by or involved in the proposed procurement activity?

- d) Does your spouse, domestic partner, or a dependent hold any investments in any entity (e.g., partnership, limited liability company, or a trust) likely to be affected by or involved in the proposed procurement activity?

3. Employment and Consulting

- a) Is your spouse, domestic partner, or a dependent employed/retained by anyone likely to be affected by or involved in the proposed procurement activity?
- b) Has your spouse, domestic partner, or dependent been previously employed/retained by anyone likely to be affected by or involved in the proposed procurement activity?
- c) Have you been employed/retained by anyone likely to be affected by or involved in the proposed procurement activity?

4. Payment or Gifts

- a) Within the past 12 months, have you received any payments or gifts of \$50.00 or more from anyone likely to be affected by or involved in the proposed procurement activity?
- b) Within the past 12 months, has your spouse, domestic partner, or a dependent received any payments or gifts of \$50.00 or more from anyone likely to be affected by or involved in the proposed procurement activity?

5. Real Estate

- a) Do you own real property that is likely to be affected by or involved in the proposed procurement activity?
- b) Does your spouse, domestic partner, or a dependent own real property that is likely to be affected by or involved in the proposed procurement activity?

6. Positions

- a) Do you currently hold a position (e.g., member of a board of directors) of any entity (e.g., a company, partnership, association, nonprofit) that is likely to be affected by or involved in the proposed procurement activity?
- b) Does your spouse, domestic partner, or a dependent hold a position (e.g., member of a board of directors) of any entity (e.g., a company, partnership, association, nonprofit) that is likely to be affected by or involved in the proposed procurement activity?

7. Are you aware of any facts or circumstances that might give someone the impression that your participation in this process would create a conflict of interest?

VIII. CONFIDENTIALITY DURING THE EVALUATION PROCESS

City employees, vendors, and outside evaluators who participate in the evaluation process shall not share any information about responses received and the evaluation process until the City issues a Notice of Intent to Award.

City of Roseville

Roseville Electric Utility Financial Policy

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I. PURPOSE

The purpose of Roseville Electric Utility's financial policies is to provide management guidance to maintain a fiscally sound utility.

II. BACKGROUND

Establishing financial policies assists the utility by:

1. Providing long term direction
2. Providing guidance for managing resources
3. Setting goals for rate planning
4. Maintaining and improving bond ratings and outlooks
5. Adopting metrics to measure and sustain a strong financial position.

Roseville Electric Utility uses financial ratios from these policies to analyze performance trends and compare financial results to other utilities. These ratios and benchmarks are also used by credit rating agencies, investors, and bond insurers to measure credit worthiness.

III. POLICY

The five financial policies include:

- Rate Stabilization Fund
- Debt Service Coverage Ratio
- Days Cash on Hand
- Fixed Cost Coverage
- Debt Service Reserve

1. Rate Stabilization Fund

Maintain a rate stabilization fund (contingency reserves) balance of a minimum 40% and maximum 90% of operating expenses with a target balance of 65%.

The purpose of the rate stabilization fund is to provide reserves to cover large contingencies such as fluctuation in fuel costs, while limiting or leveling out the impact of cost increases to rate payers. Reserve adequacy is reviewed carefully by rating agencies, bond insurers, and bondholders when evaluating a company's financial position.

The balance in the rate stabilization fund will fluctuate from year to year as funds are transferred into and from operations, maintaining level rates for our customers. The goal is to maintain an average target for the rate stabilization fund of 65% of the annual operating expenses, accepting a range of 40% to 90% in any fiscal year. By establishing a goal to maintain the rate stabilization fund at 65% of operating costs, Roseville Electric Utility should possess sufficient reserves available for contingencies.

2. Debt Service Coverage Ratio

Maintain an annual debt service coverage ratio of minimum 2.0. Maintain a debt service coverage requirement as required by bond covenants.

The debt service coverage ratio is one of the primary measures of a utility's financial position. This ratio calculates funds available to pay debt service and measures a utility's ability to meet its annual debt obligations. This is a key indicator used by rating agencies, bond insurers, and investors in evaluating our ability to meet our annual debt obligations. The formula is (annual net revenues annual debt service obligations).

3. Days Cash on Hand

Maintain a cash balance (excluding restricted items) greater than 250 days.

Days cash on hand is an indication of how many days operating expenses could be paid before additional income is needed. It measures a utility's ability to meet its annual operating obligations. This is a key indicator used by rating agencies, bond insurers, and investors in evaluating our ability to meet our operating obligations. The formula is (cash*365 / annual operating expenses - depreciation).

Restricted cash and cash held with joint powers agencies are excluded from the calculation.

4. Fixed Cost Coverage

Minimum fixed cost coverage ratio of 1.5.

Fixed cost coverage is an indication of how many times fixed costs can be paid from income. This is a key indicator used by rating agencies, bond insurers, and investors in evaluating the utility's ability to pay fixed costs. The formula is (Net revenue – net transfers (including General Fund transfers) not included in net revenue + total debt service) / (total debt service). The debt service includes Roseville's off balance sheet debt obligation held by joint powers agencies.

5. Debt Service Reserve

Maintain a fully funded debt service reserve as required by bond covenants.

Debt service reserve ensures adequate cash is available to fund payments to bond holders. Actual cash is held by a fiscal agent and a reservation of fund balance is recorded in the financial statements. The value is set by bond covenant documents and is typically equal to one full year of debt service.

City of Roseville
Environmental Utilities Financial Management Policy

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April 2015

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1. Executive Summary

The Roseville Environmental Utilities Department (the “EUD” or the “Department”) manages the city’s water, wastewater and solid waste utilities (the “Utilities”). The Utilities are separately managed financial entities and as such, each faces different constraints and environments and must manage its finances accordingly. With this notion in mind, the Utilities developed this Financial Management Policy (the “Policy”) with the intent of giving each Utility a set of guidelines with which it can successfully and prudently manage its finances.

The Policy affirms the currently used Rehabilitation and Enterprise Fund guidelines, clarifies and adjusts targets for cash flows available for debt service and operating costs, and establishes targets for sizing Reserves (previously 10% of Operating Expenses).

Specifically, the Policy sets cash flow management guidelines for both the debt holding and non-debt holding enterprises and recommends reserve levels based on each Utility’s respective risk profile. To the extent that a Utility holds public debt, the Policy establishes Debt Service Coverage (“DSC”) targets to ensure the Utility’s ability to meet both its operating and debt service obligations; otherwise, the Policy recommends managing cash flow by targeting an Operating Ratio (Operating Income divided by Operating Expenses). The Policy then sets recommends reserve levels in order to help the Utilities manage exposure to operating risks, critical failures, and rate volatility. The Policy also provides recommended conditions for rate actions when cash flows and/or Reserves deviate from their prescribed targets.

2. Introduction

The Utilities are publicly-owned community assets for the City of Roseville (“Roseville” or the “City”) that provide safe, reliable, competitively-priced water, wastewater, solid waste, and recycled water services to all of their customers. The Utilities prepared the Policy with the intent of establishing guidelines for managing the financial profiles of each Utility.¹

The Policy is divided into six sections: Purpose, Defining Financial Strength, Enterprise Fund Fees and Rates, Rehabilitation Funds, Recommended Debt Service Coverage and Operating Ratio Policies, Recommended Reserve Policies, and Interaction between Coverage and Reserves.

It is intended that to maintain relevance, the Utilities will revisit the Policy periodically if there is a material change in risk exposures or conditions.

¹The Policy focuses on the Water, Wastewater, and Solid Waste Utilities as the Recycled Water Utility does not keep independent financial records but is currently part of the Wastewater Utility.

3. Purpose

The purpose of this Financial Management Policy is to provide a set of guidelines for prudently managing the financial profiles of the Utilities. In practice, this Policy will discipline the budgeting and rate setting practices, establish guidelines to improve the financial health of each Utility over the long term, and seek to balance the need for capacity growth while maintaining competitively low rates.

Like all enterprises, the Utilities manage cash flow to cover expenditures and hold reserves to address anticipated and unanticipated funding requirements.

The Policy is based upon the understanding that the following factors are important and should serve as the relevant goals of the Policy. These goals establish that each Utility should:

1. Manage rates to avoid significant year-over-year rate adjustments.
2. Strive to maintain and invest in its respective system.
3. Maintain reserves for financial exposures.
4. Cost-effectively obtain funds to maintain and invest in its respective system.

The Policy is further intended to offer the Roseville City Council (the “City Council”) guiding directives to staff for decisions and recommendations related to the financial profile of each Utility.

The Policy is not prescriptive in terms of how the Utilities set rates; however, there is a nexus between the rates that each Utility charges and its respective financial profile. While the Policy attempts to recognize the balance between each enterprise’s risk management, financial risk management and rate setting, the Policy cannot resolve conflicts between competing objectives and so it instead provides guidelines for the financial management of each Utility to be considered by the City Council and staff in coordination with other considerations.

4. Defining Financial Strength and Credit Considerations

The Utilities’ businesses are subject to a number of significant environmental, market, and regulatory considerations on national, state, and local levels. The determination of financial strength is subjective, but it ultimately relates to the expectation that the Utilities can continue to meet their primary financial goals in the context of the macro considerations that each Utility faces.

Anticipated and Unanticipated Financial Considerations

One characteristic of financial strength is the ability to prepare for anticipated events and obligations including, but not limited to:

- Operation and maintenance expenses (O&M).
- Debt service payments.
- Exposure to weather related events such as droughts.
- Response to existing or impending regulations.

Another characteristic of financial strength is the ability to address unanticipated considerations including, but not limited to:

- Unanticipated general reduction in customer demand.
- One or more operational events (natural disaster or other events including force majeure, etc.) that could dramatically increase costs or reduce resource options, the loss of one or more large customers.
- Market disruption that increases the cost of borrowed funds.
- Counterparty's inability to perform on a contract.
- Change in regulatory or environmental regulations.
- Unanticipated increase in compensation costs.

While such considerations are by nature, unanticipated, the Policy recognizes that the financial strength of each Utility is at least partially related to the ability to address such considerations should they arise.

Ratings as Indicators of Financial Strength

While credit ratings are important yardstick indicators of financial strength, the Policy is not focused on maintaining credit ratings but rather the overall financial strength of the Utilities as only some of the Utilities have or will have ratings. It is expected, however, that by following the guidelines of the Policy, the Utilities will maintain strong credit ratings.

Specifically, it is expected that the Water Utility will be able to maintain A+ category ratings and will be able to make a strong case for AA- category ratings while the Wastewater Utility will be able to support the South Placer Wastewater Authority ("SPWA") in maintaining A or higher, category ratings. SPWA issues debt on behalf of the City of Roseville, Placer County and South Placer Municipal Utility District for regional wastewater treatment facilities to be used by these agencies.

5. Enterprise Fund Rates and Fees

Environmental Utilities are 100% self-sufficient. The primary revenue streams for the Utilities are rates and fees established by the City Council. This Policy identifies the manner in which rates and fees are set and the extent to which they cover the cost of services provided. A revenue system that requires the identification of both the cost of the programs and the portions of the cost that will be recovered through those revenues allow the Department and its utility customers to develop a better understanding of the cost of services and to consider the appropriateness of established rates and fees.

Policy

The City will set rates and fees at levels related to cover the reasonable cost of providing services which includes direct and indirect costs such as operating and maintenance, overhead, infrastructure rehabilitation, and debt service. The Department will review these rates and fees annually in the budget process and will recommend rates that are expected to produce revenues sufficient to fully fund the reasonable costs of providing services. Further,

- All rates and fees shall be adopted in accordance with the provisions of Prop 218 and AB1600.
- The City will examine utility rates through the cost of service process every two years or as otherwise determined in an effort to avoid the rate shock that occurs when rates are evaluated less frequently.
- Revenue and expenses will be projected using conservatism.
- Revenue requirements will be based on long-term planning objectives.

During the rate and fee setting process, the City will consider the rates and fees of other agencies as comparing the City's rates and fees to other agencies' provides useful background information because:

- Other agencies' rates and fees reflect in some ways the current "market's" rates for similar services provided by the Utilities and can assist the City is assessing the reasonableness of proposed rate and fee changes.
- They can serve as a benchmark for how cost-effectively the Utilities are providing their services.

Rates and fee comparisons, however, should never be the sole or primary criteria used in the City's rate and fee setting process. The City should also place under consideration:

- What level of cost recovery is the rate and/or fee intended to achieve?
- What costs are considered in the computation of rates and fees?
- Timing: When was the last time the other agencies' fees were comprehensively evaluated?

- What level of service do the other agencies provide compared to the City's?
- Are other agencies' rate structures significantly different than the City's and what is each entities' rate structure intended to achieve?

6. Rehabilitation Funds

The Utilities have established Water, Wastewater and Solid Waste Rehabilitation Funds (the "Rehabilitation Funds". The Water and Wastewater Rehabilitation Funds administer the capital rehabilitation and replacement of existing infrastructure assets. Solid Waste Rehabilitation Funds are used for the rehabilitation and replacement of bins and cans.

Policy

Sources of Revenue

The primary source of revenue for the Rehabilitation Funds is Utility rates. City Council adopted Utility rate schedules include an amount for the rehabilitation or replacement of infrastructure assets or capital assets for each utility. The rates are collected in the Operations Funds and transferred to the Rehabilitation Funds.

The Wastewater Rehabilitation Fund also includes local wastewater connection fees. These fees are collected for the specific purpose of purchasing and/or replacing capital equipment required for the maintenance of wastewater facilities. Other sources of revenue for the Wastewater Rehabilitation Fund include:

- Interest earned on unexpended funds or reserves that will remain in the Rehabilitation Funds and be available for approved expenditures.
- Any grant, loan, or other source of revenue obtained for the purpose of capital rehabilitation or replacement or infrastructure assets will be included in the Rehabilitation Fund, made available for approved expenditures, and accounted for as required by the grant, loan, or other source.

Expenditures

Rehabilitation Funds may only be used for Water and Wastewater infrastructure asset or Solid Waste capital asset capital rehabilitation or replacement expenditures. These expenditures:

- Must serve the purpose of benefiting the existing Water, Wastewater, or Solid Waste Utility customers.
- Must be approved by City Council.
- Must be included in the Rehabilitation Plan unless needed for unanticipated utility emergency purposes.

- May include updates necessary to comply with changes to regulatory requirements.
- Must be necessary to maintain the existing level of service which may include technological advancements.
- Must not increase capacity or conduct improvements beyond the scope described above.
- May be approved to pay for the respective utilities' debt service.
- If incurred in conjunction with an outside source of revenue (i.e. grant), must be accounted for as required by the outside revenue source.

Investments

Investments must be made in accordance with City investment policies.

Fund Balances

The Rehabilitation Funds will be administered independent of each other and of any other funds within the Utilities or the City. Lending of funds to or from the Rehabilitation Funds must be approved by City Council, must be considered only for the benefit of the respective water, wastewater, and solid waste systems and utility funds, and only for the benefit of the respective water, wastewater, and solid waste customers. Interest will be paid at the then prevailing interest rate for city-pooled investments. Further, the majority of each Utility's Rehabilitation Fund balances should be invested or held in "liquid" assets (e.g. cash, money market accounts, treasuries, etc.) in order to ensure that immediate rehabilitation expenses can be met in a timely manner. Lending from the Rehabilitation funds will only be considered if they do not conflict with planned capital plan needs over the horizon of the repayment period.

Assessment of Capital Plan

The water and wastewater capital rehabilitation and replacement needs will be reevaluated periodically. Items to be considered include, but are not limited to:

- Asset lifetimes by class of asset
- Inflation rates for both operating and capital costs
- Unit costs for asset replacement
- Fund interest yield rates
- Condition, criticality, and operational usefulness of assets
- Desired levels of service
- Consequences when desired levels are not met
- Risk of asset failure and level of acceptable risk of failure
- Measurements of various asset attributes that indicate how well an asset performs

The amounts transferred from Operation Funds to Rehabilitation Funds will be adjusted as necessary to reflect changes in the rehabilitation and replacement funding requirements. The impact of such adjustments on utility rates will also be analyzed to determine if an adjustment to water, wastewater, or solid waste utility rates is necessary.

Roseville Public Utilities Commission

The Roseville Public Utilities Commission will provide recommendations on the implementation of these policies, as appropriate, consistent with their role as an advisory body to the Roseville City Council.

Rehabilitation Fund Policy Review

The Rehabilitation Fund Policies designate a reassessment of the policies from time to time to determine if any changes are necessary. Any changes must be approved by the City Council.

7. Recommended Debt Service Coverage and Operating Ratio Policies

This Policy recommends managing funds primarily to Debt Service Coverage (“DSC”) or Operating Ratios while maintaining a focus on reserves as well in order to meet each Utility’s management goals.

Policy

A practical minimum DSC is 1.00x without reserves because at 1.00x, the Utilities are paying operating costs and debt service on a cash flow basis. There are, however, below the line cash outflows that should also be considered.

Direct Debt Service Coverage and Operating Ratio Policy

This Policy recommends the Water and Wastewater Utilities maintain DSC of 1.80x. This level maintains a cushion above the bond covenant requirement of 1.10x for the Wastewater Utility and 1.20x for the Water Utility. At 1.80x DSC, the Water and Wastewater Utilities can reliably use cash flow to pay for their operations including related depreciation expenses. The 1.80x DSC would leave adequate cash funding available to invest in general system improvements; however, significant capital improvements or additions would probably have to be financed with debt. This strikes a balance between funding capital through higher rates paid by current customers and funding capital through bond financing paid by future customers.

The Solid Waste Utility has historically enjoyed stable Net Operating Revenues. Due to the lack of volatility and overall lack of depreciable assets, it is recommended that the Solid Waste Utility maintain an Operating Ratio of 1.30x. The 1.30x Operating Ratio would leave

sufficient cash funding available to invest in any necessary capital improvements on a pay-go basis.

Using Reserves to Meet Coverage

The Policy recommends that the Utilities calculate DSC and Operating Ratios without Reserves and without accounting for Rate Stabilization Fund draws. The use of rolling coverage in calculating DSC is very useful for legal compliance purposes but it is not recommended for operating and financial management purposes as it may give an inaccurate depiction of financial health.

8. Recommended Reserve Policy

Reserves are important to the Utilities because they help to:

- Ensure cash exists for the timely payment of bills.
- Maintain the short-term and long-term financial health of each Utility.
- Maintain stable rates for customers.
- Fund unanticipated cost contingencies.
- Ensure funds exist for system improvements.
- Act as a significant factor in bond ratings.
- Identify when financing should be procured.
- Identify the need for rate actions.

Policy

The most common approach to sizing Reserves is by number of days of expenses. Water and wastewater utilities of about equivalent size to the City of Roseville Water and Wastewater Utilities typically have reserves of at least 250 days. Reserves of approximately 365 Days' Cash would be more typical for AA-/A+ category rated utilities and would be more appropriate to match the risks that the Water and Wastewater Utilities manage. It is recommended that the Solid Waste Utility maintain Days' Cash of approximately 90 days for the reasons described below.

Operating Risk Management

The Utilities use reserves to handle fluctuations and adjustments in every day expenses. It is recommended that each Utility maintains approximately 90 days' worth of Operating Expenses as one subcomponent of the Reserves. Such reserves would, amongst other things, be intended to cover timing issues with regard to payments, fluctuations in purchased water costs, and other operational issues. In consideration of these fluctuations in cost and cash requirement, 90 Days' Cash for regular operation management is a modest first component of the recommended Reserves.

System Critical Failure

Each Utility should consider maintaining a portion of the Reserves that is for a single emergency event (e.g. treatment facility closure, conveyance disruption, etc.). In total, it is recommended that the Reserves set aside for system critical failure be equivalent to approximately 1.0 - 2.0% of the Capital Assets belonging to each respective Utility. Due to the lack of Capital Assets possessed by the Solid Waste Utility, it is not recommended that the Solid Waste Utility keep any reserves for the event of a system critical failure. This component of the Reserves may be forgone if it is determined that each Utility's exposure to critical failures is adequately covered through insurance.

Rate Stabilization

In addition to addressing operating and maintenance issues, Reserves serve two other important purposes:

1. Reserves act as a shock absorber for ratepayers.
2. Reserves offer security to each Utility's debt holders. If an unusual financial or operating event leaves a Utility short of cash, Reserves can be used to avoid an immediate increase in rates to cover the shortfall.

Keeping some Reserves for rate stabilization would allow the Utilities to ensure that under virtually no circumstance would an Event of Default situation occur within a single year, and that the City Council would have the year to contemplate ways to prevent investors from enforcing rate actions on the Utilities' customers.

For such reasons, it is advisable that the Water and Wastewater Utilities target Reserves sized for rate stabilization at approximately 50% of annual operating expenses or roughly 180 Days' Cash.

Because the Solid Waste Utility does not hold any debt and has historically experienced very stable net revenues, it is recommended that the Solid Waste Utility not hold any reserves for the purpose of rate stabilization.

Other Uses for Reserves

The aforementioned categories are those that most clearly merit the allocation of Reserves but are by no means the only categories of financial exposure that the Utilities could manage with Reserves. For instance, the Utilities have significant Pension and Other Post-Employment Benefit liabilities that could generate a cash requirement. Further, to the extent that the Solid Waste Utility faces fees for the closure of a landfill or similar occurrence, it may be prudent to hold additional reserves for such an event. Other risk categories such as interest rate exposure are relatively small and do not need to be reserved for separately, but are real risks that could potentially be managed with Reserves.

Reserve Policy Summary

These recommendations would suggest that the following would be the appropriate Reserve levels for each Utility:

- Operating Risk Management: 90 Days' Cash
- System Critical Failure (Water and Wastewater Only): 1.0 - 2.0% of Capital Assets
- Rate Stabilization (Water and Wastewater only): ~180 Days' Cash
- Total Reserves: ~270 Days' Cash plus 1.0 - 2.0% of Capital Assets (Water and Wastewater); 90 Days' Cash (Solid Waste)

While these areas of consideration were evaluated in order to conceptualize the appropriate size of the Reserves, each Utility intends to maintain a single Reserve without separate buckets. These Reserve allocations are neither abnormally high nor low for industry standards. Each component of the Reserves is sized at less than the maximum possible exposure for each component because there is a recognition that it is unlikely several of the risks each Utility faces would materialize simultaneously.

Building and Drawing Upon Reserves

The Water and Wastewater Utilities are targeting Reserves of about 270 Days' Cash plus 1.0 - 2.0% of Capital Assets while the Solid Waste Utility is targeting 90 Days' Cash, however, there is no intention of setting rates to maintain Reserves equal to the levels prescribed above. The purpose of Reserves is to address the financial impacts of revenue and expense fluctuations and unanticipated events. Excess reserves can be used for several financial imperatives including but not limited to: financing capital improvements on a pay-go basis, paying down existing debt, or lowering rates. The general philosophy of the proposed range is that the Water and Wastewater Utilities should target 270 Days' Cash plus 1.0 - 2.0% of Capital Assets and the Solid Waste Utility should target reserves of 90 Days' Cash. Each of the Utilities should limit reserves to 130% of the respective reserve targets. Each Utility's Reserves would increase or decrease depending upon many factors for a given year; however, to the extent that each Utility achieves its DSC or Operating Ratio Policy targets, Reserves would remain fairly stable. Reserves would increase or decrease under the following conditions:

- Net Revenues Available for Debt Service are higher or lower than budgeted/projected as a result of higher or lower Revenues and Expenses
- Debt Service is higher or lower than budgeted/projected
- Capital investment in the system from Net Revenues is higher or lower than budgeted/projected
- Debt issued for capital investment is greater or less than budgeted/projected

9. Interaction Between Coverage and Ratios, Reserves, and Rates

For reasons described in the sections above, the Policy prescribed specific targets for DSC and Operating Ratios and Reserves. However, the Policy anticipates that in practice there is a range of acceptable results and a balance between cash flow and reserve levels is warranted.

A rate increase should be considered by the City Council if any of the following conditions (the “Rate Increase Conditions”) are projected in the five-year forecast:

- DSC without Reserves will be less than 1.80x
- Operating Ratios (Solid Waste Only) without Reserves will be less than 1.30x
- Any rate increase would be greater than six percent
- A major expenditure is expected

Rate increases indicated by the above conditions that would exceed six percent in any one year can be spread over multiple years.

No rate increase for the purpose of increasing reserves or DSC should be considered if DSC or Operating Ratios without Reserves are above their respective targeted levels and Reserves are projected to be greater than the targeted levels of 270 Days’ Cash plus 1.0 – 2.0% of Capital Assets for the Water and Wastewater Utilities and 90 Days’ Cash for the Solid Waste Utility.

Lastly, it is important to note that recommendations in the Policy are associated with projected financial conditions for the Fiscal Year End of future years. Actual results will vary based on weather, market conditions, etc. In addition, Reserves and cash flow may be more or less robust within a Fiscal Year, relative to the Fiscal Year End but considering such fluctuations within a year would overly complicate monitoring with only marginal benefit.

10. Conclusion

The Policy was drafted with the intent of providing guiding directives to the Utilities’ management and staff for decisions and recommendations related to each Utility’s financial profile.

The Policy is a fairly incremental change from existing policies. Specifically, the Policy affirms the currently used Rehabilitation and Enterprise Fund guidelines, clarifies and adjusts targets for cash flows available for debt service and operating costs, and adjusts targets for sizing Reserves (previously 40% of Operating Expenses).

In its most abbreviated form, the Policy targets 1.80x DSC without Reserves for the Water and Wastewater Utilities and an Operating Ratio of 1.30x for the Solid Waste Utility. It targets Unrestricted Reserves sized at 270 Days’ Cash plus 1.0 – 2.0% of Capital Assets for

the Water and Wastewater Utilities and 90 Days' Cash for the Solid Waste Utility and establishes tolerable maximums. The Policy also provides recommended conditions for rate actions when cash flows and/or Reserves deviate from the targets. The table below summarizes the policy targets described above.

Summary of Policy Targets			
Utility	Water	Wastewater	Solid Waste
Debt Service Coverage or Operating Ratio (x)	1.80 DSC	1.80 DSC	1.30
Reserves (Days' Cash)			
Operating Risk Management	90	90	90
System Critical Failure (% of Capital Assets)	1-2%	1-2%	0%
Rate Stabilization	180	180	0
Total	270 + 1-2% of Capital Assets	270 + 1-2% of Capital Assets	90

The Policy is intended to be revisited and updated periodically if there are material changes in the risk exposures or conditions each Utility faces.

Finally, and perhaps most importantly, the Policy is ultimately intended to serve as a guide and it in no way restricts the ability of the City Council to review proposed rate actions, debt issuances, or other actions of substance to each Utility.

Appendix I –Peer Water Utility Financial Management Results

Peer Water Utility Financial Results (FY2014)			
Utility	City of Redding ¹	City of Sacramento ²	Yuba City
Ratings (M/S/F)	-/AA/-	-/AA-/AA-	-/A+/AA-
Revenues/Expenses			
Operating Revenues	\$18,423,339	\$94,382,000	\$11,794,764
Operating Expenses (Excluding Depreciation)	\$13,245,963	\$43,215,000	\$4,815,664
Net Operating Revenue	\$5,177,376	\$51,167,000	\$6,979,100
Non-Operating Revenue (Expenses)	\$1,074,049	(\$4,373,000)	\$2,468,918
Net Revenue Available for Debt Service ³	\$6,515,804	\$46,794,000	\$5,204,350
Depreciation & Amortization	\$3,457,758	\$16,951,000	\$4,718,299
Net Revenue after Depreciation & Amortization	\$2,793,667	\$29,843,000	\$4,729,719
Cash			
Unrestricted ⁴	\$23,402,105	\$71,087,000	\$14,543,831
Days' Cash on Hand	645	600	1,102
Debt			
Total Debt Outstanding	\$5,925,956	\$399,134,612	\$50,214,569
Annual Debt Service	\$1,091,335	\$11,279,000	\$2,915,149
Debt Service Coverage (Operating)	5.97x	4.15x	1.79x
Debt Service Coverage	4.74x	4.54x	2.39x

¹Issues debt through the Redding Joint Powers Financing Authority

²City of Sacramento reports data rounded to the nearest thousand

³If not specified, assumed to be Net Operating Revenue (Excluding Depreciation) plus Non-Operating Income

⁴Unrestricted Cash defined as: "Unrestricted Net Assets"

Data from City of Redding, City of Sacramento, and Yuba City comprehensive annual financial reports

Appendix II –Peer Wastewater Utility Financial Management Results

Peer Wastewater Utility Financial Results (FY2014)			
Utility	City of Redding ¹	City of Stockton	City of Vacaville
Ratings (M/S/F)	-/AA/-	Ba1/-/A-	-/-/-
Revenues/Expenses			
Operating Revenues	\$22,720,092	\$59,953,318	\$32,219,462
Operating Expenses (Excluding Depreciation)	\$12,527,074	\$40,172,822	\$18,603,458
Net Operating Revenue	\$10,193,018	\$19,780,496	\$13,616,004
Non-Operating Revenue (Expenses)	(\$175,350)	(\$3,662,856)	(\$662,109)
Net Revenue Available for Debt Service ²	\$11,645,032	\$21,057,331	\$12,953,895
Depreciation & Amortization	\$5,924,400	\$11,161,304	\$5,367,829
Net Revenue after Depreciation & Amortization	\$4,093,268	\$4,956,336	\$7,586,066
Cash			
Unrestricted ³	\$20,151,993	\$38,576,321	\$61,918,880
Days' Cash on Hand	587	350	1,215
Debt			
Total Debt Outstanding	\$91,119,042	\$81,270,000	\$168,768,665
Annual Debt Service	\$8,117,463	\$7,373,138	\$8,557,860
Debt Service Coverage (Operating)	1.26x	2.68x	1.59x
Debt Service Coverage	1.43x	2.86x	1.51x

¹Issues debt through the Redding Joint Powers Financing Authority

²If not specified, assumed to be Net Operating Revenue (Excluding Depreciation) plus Non-Operating Income

³Unrestricted Cash defined as: "Unrestricted Net Assets"

Data from City of Redding, City of Stockton, and City of Vacaville comprehensive annual financial reports

City of Roseville Financial Policies



Effective July 1, ~~2024~~2025

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City of Roseville Investment Policy

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I. INTRODUCTION

The purpose of this document is to identify various policies and procedures that enhance opportunities for a prudent and systematic investment policy and to organize and formalize investment-related activities.

The investment policies and practices of the City of Roseville (City) are based on state law and prudent money management. All funds will be invested in accordance with this investment policy and Article 2 of Chapter 4 of the California Government Code. This policy is in compliance with the provisions of the California Government Code, Sections 53600 through 53659, and the authority governing investments for municipal governments.

II. SCOPE

The investment policy applies to all financial assets of the City as accounted for in the Annual Comprehensive Financial Report (ACFR). Policy statements outlined in this document focus on the City's pooled funds, but will also apply to all other funds under the City's Assistant City Manager/Chief Financial Officer's span of control unless specifically exempted by statute or ordinance.

Proceeds of debt issuance shall be invested in accordance with the permitted investment provisions of their specific bond indentures. If, in the opinion of the City's Assistant City Manager/Chief Financial Officer, matching the segregated investment portfolio of the bond reserve fund with the maturity schedule of an individual bond issue is prudent given current economic analysis, the investment policy authorizes beyond the five-year maturity limitation as outlined in this document. The intent to invest in securities with longer maturities shall be disclosed in the permitted investment language authorized by the City Council in an indenture of trust.

This policy does not cover funds held by the California Public Employees Retirement System, nor funds of the City's deferred compensation program, Other Post Employment Benefit Trust or Pension Trust.

III. PRUDENCE

The standard of care to be used by investment officials shall be the "prudent investor" standard and shall be applied in the context of managing an overall portfolio. The "prudent investor" standard states that:

When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency.

Investment officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

IV. OBJECTIVES

The primary objectives, in priority order, of the investment activities of the City shall be:

A. Safety

Safety of principal is the foremost objective of the investment program. City investments shall be undertaken in a manner that seeks to ensure preservation of Capital in the portfolio. To further achieve the safety objective, the amount invested in all investment categories is limited to a percentage of the portfolio as defined in the section "VIII. PERMITTED INVESTMENT INSTRUMENTS".

B. Liquidity

The investment portfolio of the City will remain sufficiently liquid to enable the City to meet its cash flow requirements.

C. Return on Investment

The investment portfolio of the City shall be designed with the objective of attaining a market rate of return on its investments consistent with the constraints imposed by its safety objective and cash flow considerations.

V. DELEGATION OF AUTHORITY

The City Council hereby delegates management responsibility of the investment program to the Assistant City Manager/Chief Financial Officer. The Assistant City Manager/Chief Financial Officer shall be responsible for all transactions undertaken and shall establish

a system of controls to regulate the activities of subordinate officials. The Assistant City Manager/Chief Financial Officer may delegate investment decision making and execution to the ~~Controller~~ [Finance Director](#) in absence of the Assistant City Manager/Chief Financial Officer. No person may engage in an investment transaction except as provided under the limits of this policy unless specifically exempted by statute or ordinance.

VI. ETHICS AND CONFLICT OF INTEREST

Officers and employees involved in the investment process shall refrain from personal business activities that could conflict with proper execution of the investment program, or which could impair their ability to make impartial decisions.

VII. AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS

The Assistant City Manager/Chief Financial Officer and/or his/her designee will maintain a list of approved financial institutions authorized to provide investment services to the City in the State of California. These may include “primary” dealers or regional dealers that qualify under Securities & Exchange Commission Rule 15C3-1. A determination should be made to confirm that all approved broker/dealer firms, and individuals covering the public agency, are reputable and trustworthy. In addition, the broker/dealer firms should have the ability to meet all of their financial obligations in dealing with the Public Agency. The firms, and individuals covering the agency, should be knowledgeable and experienced in Public Agency investing and the investment products involved. No public deposit shall be made except in a qualified public depository as established by the established state laws. All financial institutions and broker/dealers who desire to conduct investment transactions with the public agency must supply the Assistant City Manager/Chief Financial Officer with a completed broker/dealer questionnaire and certification of having read the City’s investment policy. In addition, broker/dealers must certify annually of having read the City’s investment policy.

VIII. PERMITTED INVESTMENT INSTRUCTIONS

The City shall limit investments in any one non-government issuer, except investment pools, to no more than 5% regardless of security type.

- A. **U.S. Treasury obligations** for which the full faith and credit of the United States are pledged for the payment of principal and interest. Up to 100% of the City’s investment portfolio may be invested in government obligations.
- B. **Federal agency or United States government-sponsored enterprise obligations**, participations, or other instruments, including those issued by or fully

guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises. This shall include any mortgage pass through security issued and guaranteed by a Federal Agency with a maximum final maturity of five years. Purchase of Federal Agency issued mortgage-backed securities authorized by this subdivision may not exceed 20% of the City's surplus money; all other investments in Federal Agency securities are unrestricted.

- C. **Obligations of the State of California or any local agency within the state**, including bonds payable solely out of revenues from a revenue producing property owned, controlled or operated by the state or any local agency or by a department, board, agency or authority of the state or any local agency, provided that the obligations are rated in one of the two highest categories by a nationally recognized statistical-rating organization (NRSRO). Up to 100% of the City's investment portfolio may be invested in California municipal obligations.
- D. **Registered treasury notes or bonds of any of the other 49 states** in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of these states.
- E. **Repurchase Agreements** used solely as short-term investments not to exceed 30 days. Up to 100% of the City's investment portfolio may be invested in repurchase agreements.

The following collateral restrictions will be observed:

- 1. Only U.S. Treasury securities or Federal Agency securities, as described in section VIII. PERMITTED INVESTMENT INSTRUMENTS, paragraph (A) and (B) will be acceptable collateral. All securities underlying Repurchase Agreements must be delivered to the City's custodian bank by book entry, physical delivery, or by a third party custodial agreement. The total of all collateral for each Repurchase Agreement must equal or exceed, on the basis of market value, 102% of the funds borrowed against those securities. For any Repurchase Agreement with a term of more than one day, the value of the underlying securities must be reviewed on a weekly basis and the value of the underlying securities brought back up to 102% no later than the next business day.
- 2. Market value must be calculated each time there is a substitution of collateral.

3. The City or its trustee shall have a perfected first security interest under the Uniform Commercial Code in all securities subject to Repurchase Agreement.
 4. The City may enter into Repurchase Agreements only with primary dealers of the Federal Reserve Bank of New York.
 5. The City will have specific written agreements with each firm with which it enters into Repurchase Agreements.
 6. Reverse repurchase agreements will not be allowed.
- F. **Banker's Acceptances**, otherwise known as bills of exchange or time drafts that are drawn on and accepted by a commercial bank.

Purchases of Banker's Acceptances may not exceed 180 days maturity or 40% of the City's investment portfolio.

- G. **Commercial paper** of "prime" quality of the highest ranking or of the highest letter and number rating as provided for by a NRSRO. The entity that issues the commercial paper shall meet all of the following conditions in section "VIII. PERMITTED INVESTMENT INSTRUMENTS", paragraph (G1) or (G2).
1. The entity meets the following criteria:
 - a. Is organized and operating in the United States as a general corporation.
 - b. Has total assets in excess of five hundred million dollars (\$500,000,000).
 - c. Has debt other than commercial paper, if any, that is rated "A" or higher by a NRSRO.
 2. The entity meets the following criteria:
 - a. Is organized within the United States as a special purpose corporation, trust, or limited liability company.
 - b. Has program wide credit enhancements including, but not limited to, over collateralizations, letters of credit, or surety bond.

- c. Has commercial paper that is rated “A-1” or higher, or the equivalent, by a NRSRO.

Purchases of eligible commercial paper may not exceed 270 days maturity nor represent more than 10% of the outstanding paper of an issuing corporation.

Purchases of commercial paper may not exceed 40% of the City’s investment portfolio.

- H. **Medium-term corporate notes** issued by corporations organized and operating within the United States or by depository institutions licensed by the U.S. or any state and operating within the U.S. Medium-term corporate notes shall be rated in a rating category "A" or its equivalent or better by a nationally recognized rating service.

Purchase of medium-term corporate notes may not exceed 30% of the City’s investment portfolio.

- I. **Federal Deposit Insurance Corporation (FDIC) FDIC insured or fully collateralized time certificates of deposit.** Purchases of time certificates of deposit in combination with negotiable certificates of deposit may not exceed 30% of the City’s investment portfolio.

- J. **Negotiable certificates of deposit or deposit notes** issued by a nationally or state-chartered bank, a state or federal savings and loan association, a state or federal credit union, or a federally-licensed or state-licensed branch of a foreign bank provided that the senior debt obligations of the issuing institution are rated "A" or better by an NRSRO.

The legislative body of a local agency and the treasurer or other official of the local agency having legal custody of the money are prohibited from investing local agency funds, or funds in the custody of the local agency, in negotiable certificates of deposit issued by a state or federal credit union if a member of the legislative body of the local agency or any person with investment decision making authority in the administrative office manager’s office, budget office, auditor-controller’s office, or treasurer’s office of the local agency also serves on the board of directors, or any committee appointed by the board of directors, or the credit committee or the supervisory committee of the state or federal credit union issuing the negotiable certificates of deposits.

All certificates of deposit must be properly collateralized in accordance with Section 53652 of the California Government Code or fully insured by the Federal Deposit Insurance Corporation (FDIC).

Purchase of time certificates of deposit in combination with negotiable certificates of deposit may not exceed 30% of the City's investment portfolio.



K. Investment in placement service assisted deposits, including certificates of deposit, is limited to 50% of funds that local agencies invest in depository institutions until January 1, 2031. On January 1, 2031, the limit will return to 30% of the amount local agencies invest in depository institutions. Placement service assisted deposits provide allocation to multiple financial institutions in order to maintain deposit insurance from the FDIC or the National Credit Union Association.

K.L. State of California's Local Agency Investment Fund is an investment pool managed by the State Treasurer's Office.

The Local Agency Investment Fund (LAIF) portfolio should be reviewed periodically. Investment in LAIF may not exceed the legally authorized limits.

L.M. **Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission** under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1, et seq.). To be eligible for investment pursuant to this subdivision these companies shall either: (1) have attained the highest ranking or the highest letter and numerical rating provided by not less than two nationally recognized statistical rating organizations or (2) have an investment advisor registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience managing money market mutual funds and with assets under management in excess of \$500,000,000.

The purchase price of shares of beneficial interest purchased shall not include any commission that the companies may charge and shall not exceed 20% of the City's investment portfolio. Further, no more than 10% of the City's investment portfolio may be invested in shares of beneficial interest of any one money market fund.

M.N. **Shares in a California common law trust** established pursuant to Title 1, Division 7, Chapter 5 of the Government Code of the State of California that invests exclusively in investments permitted by Section 53635 of Title 5, Division 2, Chapter 4 of the Government Code of the State of California, as it may be amended. Up to 100% of the City's investment portfolio may be invested in this investment type.

N.O. **Supranationals** are United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC), or Inter-American Development Bank (IADB), with a maximum remaining maturity of five years or less, and eligible for purchase and

sale within the United States. Investments under this subdivision shall be rated "AA-", its equivalent, or better by an NRSRO.

Purchases of supranationals shall not exceed 30% of the investment portfolio of the City. Supranationals are permitted by California Government Code § 53601 (q) effective January 1, 2015.

P. **A mortgage pass-through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment leased-back certificate, consumer receivable passthrough certificate, or consumer receivable-backed bond.** Securities issued by private companies eligible for investment under this subdivision shall be rated in a rating category of “AA” or its equivalent or better by an NRSRO and have a maximum remaining maturity of five years or less. Securities issued or guaranteed by the United States, a federal agency or United States government-sponsored enterprise are not subject to the limitations placed on privately issued securities. No more than 20% of the City's surplus funds may be invested in this type of security.

Where this section specifies a percentage limitation for a particular category of investment, that percentage is applicable only on the date of purchase. Credit criteria listed in this section refers to the credit of the issuing organization at the time the security is purchased. If an investment falls below the minimum purchase rating, the Investment Review Committee will perform a timely review to sell or hold the investment.

PQ. **Prohibited Investments**

For purposes of this policy, a derivative is defined as any security where the value is linked to or derived from an underlying asset or benchmark. Any security type or structure not specifically approved by this policy is hereby specifically prohibited. The City will not use such derivatives as range notes, dual index notes, inverse floating rate notes, deleveraged notes, or notes linked to lagging indices or to long-term indices, nor will the City invest in reverse repurchase agreements or interest-only strips derived from a pool of mortgages. The City will not invest in securities that could result in zero or negative interest accrual if held to maturity, except, in the event of, and for the duration of, a period of negative market interest rates, securities issued by, or backed by, the U.S. Government to preserve principal. This policy does not preclude the use of repurchase agreements and callable securities, as they do not fall within the definition of a derivative as described herein.

Summary of Maximum Percentage Limitations of Investments by Investment Type

Authorized Investment Type	Maximum Maturity	Minimum Credit Quality at Time of Purchase	Maximum Percentage Allowed	Maximum Investment In One Issuer
U.S. Treasury Obligations	5 Years	None	None	None
U.S. Agency Securities	5 Years	None	None	None
Forward-Delivery Agreements	N/A	A	None	None
State Obligations - California and others	5 Years	None	None	None
California Local Agency Bonds	5 Years	None	None	None
Repurchase Agreements	30 days	None	None	None
Bankers' Acceptances	180 days	None	40%	30%
Commercial Paper	270 days	A-1	40%	10%
Medium-Term Corporate Notes	5 Years	A	30%	10%
Collateralized Time Deposits	5 Years	None	30%	None
Negotiable Certificates of Deposit	5 Years	A	30%	None
Placement Service Deposits	5 Years	None	50%	None
Placement Service Certificates of Deposit	5 Years	None	50%	None
Local Agency Investment Fund (LAIF)	N/A	None	None	LAIF limit
Insured Saving Accounts	N/A	None	None	None
Money Market Mutual Funds	N/A	None	20%	10%
Shares in a California Common Law Trust	N/A	None	None	None
Interest Rate Swaps	N/A	None	None	None
Supranational Obligations	5 Years	AA-	30%	None
Mortgage Pass-Through Securities	5 Years	AA	20%	None

IX. REVIEW OF INVESTMENT PORTFOLIO

The securities held by the City must be in compliance with Permitted Investments at the time of purchase. Because some securities may not comply subsequent to the date of purchase, the Assistant City Manager/Chief Financial Officer shall at least annually review the portfolio to identify those securities that do not comply. The Assistant City Manager/Chief Financial Officer shall report major and critical incidences of noncompliance identified through the review of the portfolio.

The Investment Review Committee will meet at least quarterly to discuss the investments in the City's portfolios.

X. INVESTMENT POOLS

A thorough investigation of any investment pool is required prior to investing and should be monitored on an ongoing basis. The following information should be obtained and analyzed.

- A. A description of eligible of investment securities.
- B. A written statement of investment policies and objectives.
- C. A description of interest calculations and their distribution, and the treatment of gains and losses.
- D. A description of how the securities are safeguarded (including the settlement processes), and how often the securities are priced and the program audited.
- E. A description of who may invest in the program, how often, and what size of deposits and withdraws are allowed.

XI. COLLATERALIZATION

Collateral for Non-negotiable Certificates of Deposit and Negotiable Certificates of Deposit must comply with California Government Code section 53652. In addition, if the Certificate of Deposit is not FDIC insured, collateral is required equal to 110% of principal.

XII. SAFEKEEPING AND CUSTODY

The City shall take from such financial institution a receipt for securities so deposited. All security transactions, including collateral for repurchase agreements, entered into the City shall be conducted on a delivery-versus-payment (DVP) basis pursuant to the approved custodial safekeeping agreements. The authority of the legislative body to deposit for safekeeping may be delegated by the legislative body to the Assistant City Manager/Chief Financial Officer of the City; the Assistant City Manager/Chief Financial Officer shall not be responsible for securities delivered to and receipted for by a financial institution until they are withdrawn from the financial institution by the Assistant City Manager/Chief Financial Officer.

XIII. DIVERSIFICATION

The City's investment pool will be diversified to avoid incurring unreasonable and avoidable risks. The investments will be diversified by security type, maturities of those investments, and institutions in which those investments are made.

XIV. MAXIMUM MATURITY

Investment maturities shall be based on a review of cash flow forecasts. Maturities will be scheduled to permit the City to meet all projected obligations while minimizing interest rate risk and maximizing earnings. Unless specified below, the maximum maturity will be no more than five years from purchase settlement date to final maturity date.

City Council has granted permission to invest the following fund accounts where liquidity is not the primary investment objective, in Federal Treasury or Agency securities with maturities up to ten years. The specified fund accounts include:

- The City's Pooled Fund, limited to 25% of the total pool
- Citizens' Benefit ~~Trust~~[Fund](#)
- North Central Wetlands Endowment
- Aquatics Complex Maintenance
- Woodcreek West Endowment

XV. INTERNAL CONTROLS

The Assistant City Manager/Chief Financial Officer is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft, fraud or misuse. An analysis by an external independent accounting firm shall be conducted annually to review internal controls, account activity, and compliance with the investment policies.

XVI. PERFORMANCE BENCHMARK

The investment portfolio will be designed to obtain a market rate of return during budgetary and economic cycles, taking into account the City's investment risk constraints and cash flow needs. The Investment Review Committee has elected to use for its performance standard the Constant Maturity Treasury (CMT) Index. For the Pooled Portfolio, the 12 month moving average yield on 3Yr CMT will be used and for Citizens' Benefit ~~Trust~~[Fund](#) portfolio, the 12 month moving average yield on 5Yr CMT will be used. All other City portfolios will follow the 2Yr CMT.

XVII. REPORTING REQUIREMENTS

The Assistant City Manager/Chief Financial Officer shall submit monthly investment reports to the City Manager and make these reports available to the City Council in the Finance Department office. The reports shall include, at a minimum, the following information for each individual investment:

- Description of investment instrument
- Issuer name
- Yield on cost
- Purchase date
- Maturity date
- Book value
- Par value
- Current market value
- Transaction activity
- Interest earnings summary

XVIII. INVESTMENT POLICY ADOPTION

The City's investment policy shall be adopted by resolution by the City Council. The policy shall be reviewed annually by the Assistant City Manager/Chief Financial Officer and/or his/her designee and any modifications made thereto must be approved by the City Council.

XIX. GLOSSARY

Agencies - Federal agency and instrumentality securities.

Asked - The price at which securities are offered.

Bid - The price offered by a buyer of securities (when one sells securities, one asks for a bid). See "Offer".

Benchmark - A comparative base for measuring the performance or risk tolerance of the investment portfolio. A benchmark should represent a close correlation to the level of risk and the average duration of the portfolio's investments.

Broker-Dealer – a person or a firm who can act as a broker or a dealer depending on the transaction. A broker brings buyers and sellers together for a commission. They do not take a position. A dealer acts as a principal in all transactions, buying and selling for his own account.

Certificate of Deposit (CD) – A time deposit with a specific maturity evidenced by a Certificate. Large-denomination CDs are typically negotiable.

Collateral – Securities, evidence of deposit or other property, which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

Custody – Safekeeping services offered by a bank, financial institution or trust company, referred to as the “custodian.” Service normally includes the holding and reporting of the customer’s securities, the collection and disbursement of income, securities settlement and market values.

Delivery Versus Payment –A type of securities transaction in which the purchaser pays for the securities when they are delivered either to the purchaser or custodian. It ensures that securities are deposited in an eligible financial institution prior to the release of funds. Securities should be held by a third-party custodian as evidenced by safekeeping receipts.

Diversification – Dividing investment funds among a variety of securities offering independent returns.

Federal Agency Obligation – A debt instrument issued by one of the federal agencies. Federal agencies are considered second in credit quality and liquidity only to U.S. Treasuries.

Investment Review Committee –The investment review committee consists of the City Manager, Assistant City Manager/Chief Financial Officer and members of the Finance Department.

Liquidity – An investment that can be converted easily and rapidly into cash without a substantial loss of value.

Local Agency Investment Fund (LAIF) – The aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment and reinvestment.

Market Value – The price at which a security is trading and could presumably be purchased or sold on a specific date.

Maturity – The date upon which the principal or stated value of an investment becomes due and payable.

Money Market Fund – a type of safe investment comprising a variety of short-term securities with high quality and high liquidity. The fund provides interest to shareholders and must maintain a stable net asset value (NAV) of \$1 per share.

Offer - The price asked by a seller of securities (when one buys securities, one asks for an offer). See “Asked” and “Bid”.

Portfolio – Collection of securities held by an investor.

Principal – the original cost of a security. It represents the amount of capital or money that the investor pays for the investment.

Prudent Investor Standard – An investment standard that all investments should be made with care, skill, prudence and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency.

Rate of Return - The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity; on a bond, the current income return.

U.S. Treasury – Government debt issued by the United States Department of the Treasury through the Bureau of the Public Debt. Treasury securities are the debt financing instruments of the United States federal government, and they are often referred to simply as Treasuries. There are four types of marketable treasury securities: Treasury bills, Treasury notes, Treasury bonds, and Treasury Inflation Protected Securities (TIPS). All of the marketable Treasury securities are very liquid and are heavily traded on the secondary market.

Yield - The rate of annual income return on an investment, expressed as a percentage.

Yield-To-Call (YTC) - The rate of return an investor earns from a bond assuming the bond is redeemed (called) prior to its nominal maturity date.

Yield-To-Maturity - The current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity.

City of Roseville

Debt Management Policy

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I. INTRODUCTION

The Finance Department of the City of Roseville (the “City”) has developed this Debt Management Policy (the “Debt Policy”) to provide guidelines for the issuance of bonds and other forms of indebtedness to finance necessary land acquisitions, capital construction, equipment, and other items for the City.

While the issuance of debt is frequently an appropriate method of financing capital projects and major equipment acquisitions, such issuance must be carefully monitored to preserve the City’s credit strength and to provide the necessary flexibility to fund future capital needs.

II. SCOPE

This Debt Policy shall govern, except as otherwise covered by the law, City Charter and City Code, the issuance and management of all debt and lease financings funded in the capital markets. While adherence to the Debt Policy is desired, the City recognizes that changes in the capital markets as well as unforeseen circumstances, may from time to time produce situations that are not covered by the Debt Policy and may require modifications or exceptions to achieve City goals.

The City’s Debt Policy shall be reviewed, and updated if necessary, on an annual basis. The Assistant City Manager/Chief Financial Officer (CFO), with the assistance of the General Accounting staff, shall have the responsibility and authority for structuring, implementing and managing the City’s debt and financing program, in accordance with City Council authorizations.

III. OBJECTIVES AND POLICY GOALS

The City has earned some of the highest credit ratings in the nation and as a result receives some of the lowest possible interest rates on its debt. These low interest rates result in a lower overall cost of capital to the City. This Debt Policy will assist the City in determining appropriate uses of debt financing, establish certain debt management goals and assist the City in maintaining its high credit ratings, while assuming a prudent level of financial risk and preserving the City’s flexibility to finance future capital programs and requirements. Additionally, this Debt Policy is intended to set forth criteria for selecting firms to provide certain financial, legal, and other related services that will ensure that a fair and open selection process is used which provides opportunities for all qualified firms, including minority and women owned businesses.

IV. DEBT ISSUANCE

There are three general methods of issuing debt obligations, a competitive sale, negotiated sale and private placement.

A. Types of Bond Sales

1. Competitive Sale

In a competitive sale, security dealers submit bids either in a sealed bid or electronically secure process and the security dealer with the lowest True Interest Cost (TIC) and in compliance with the bid parameters is awarded the bonds.

2. Negotiated Sale

In a negotiated sale, an underwriter or underwriter syndicate is selected through a Request for Qualifications (RFQ) process or a Request for Proposal (RFP) process. The interest rate and underwriter's fee are negotiated prior to the sale, based on market conditions.

3. Private Placement/Bank Direct Purchase (BDP)

A private placement or bank direct purchase is a sale that is structured specifically for one purchaser, such as a mutual fund or a bank. BDPs are usually quicker and less expensive for municipalities than competitive or negotiated bond sales because they impose fewer requirements on the issuer. The interest rate may be a fixed or variable rate, as agreed between the issuer and purchaser. The term of the bonds may range from under 10 years to 15 years or not much longer, as agreed between the issuer and purchaser. The bonds may or may not be tax-exempt bonds for federal income tax purposes. If the CFO, or his/her designee, determines that it is in the best interest of the City from a cost or administrative standpoint, the Finance Department may negotiate financing terms with banks and financial institutions for specific borrowings.

It shall be the policy of the City to ensure the lowest risk and lowest overall interest rate to the City when issuing debt either through a competitive sale, negotiated sale or private placement, where appropriate. The City shall use the following criteria to determine whether a competitive or negotiated sale should be used.

B. Issuer Characteristics

1. Market Familiarity

A frequent issuer of a well-recognized credit such as general obligation bonds can generally sell these bonds through a competitive sale since investors and underwriters are familiar with the quality of the credit. A negotiated sale may be appropriate if extensive pre-marketing to investors is desired or required.

2. Credit Strength

The higher the credit quality of the bonds being issued, the more likely the bonds can be sold using a competitive sale due to the high demand for high quality municipal bonds. High quality credits fare well in competitive sales.

3. Policy Goals

A competitive sale does not provide the City with the flexibility of choosing the underwriter or underwriter syndicate. If the CFO concludes that determining the composition of the underwriter syndicate to achieve certain policy objectives is important, then a negotiated sale will be required. However, if the CFO selects the negotiated sale solely for policy reasons then the specific rationale and criteria for selection should clearly be specified.

C. Financing Characteristics

1. Type of Debt Instrument

The market favors familiar debt instruments such as general obligation bonds backed by the full faith and credit of the City. New credit types may require an education process that is more conducive to a negotiated sale until the market becomes comfortable with the credit.

2. Issue Size

The size of the bond sale will influence both investor interest in the bonds and the market's ability to absorb the bonds. In general if the bond sale is too small or too large, a negotiated sale may be necessary. A small

sale may require greater marketing to garner investor interest while a large sale may be difficult for the market to absorb without the presale activity available in the negotiated sale process.

3. Market Conditions and Timing

During periods of stable interest rates, market timing is not as critical. However, during periods of volatile interest rates, the timing of the sale becomes more critical. Bond refundings are also often very interest rate sensitive in terms of the potential level of savings or the general feasibility of the refunding. The negotiated sale provides more flexibility in terms of the structure of the bond sale as well as the timing of the bond sale and may be more appropriate when issuing refunding bonds and when interest rates are volatile.

4. Story Bonds

Bonds that require a detailed explanation due to the complexity of the credit or the repayment of the bonds are often referred to as “Story Bonds”. Due to their complexity and the additional explanation these bonds require, an extensive pre-marketing campaign is necessary. Story Bonds often require a negotiated sale composed of an underwriting syndicate that is qualified to market the bonds in order to obtain the lowest financing cost for the City.

V. FINANCIAL SERVICE PROVIDERS

A. Selection

In connection with debt financings, financial advisors, underwriters, and other service providers will be selected from a Qualified Vendors List (QVL) developed through a periodic Request for Qualifications (RFQ) process or, for individual financings, through a Request for Proposals (RFP) process, whichever method is deemed most appropriate given the specifics of the financing. At the discretion of the CFO, contracts may be awarded on a sole source basis if it is clear that an RFQ/RFP process is not feasible or not in the best interest of the City.

For competitive sales, any security dealer meeting the qualification criteria outlined in the competitive bid notice may bid in the competitive sale. For negotiated sales, only those underwriters qualified under the RFQ/RFP process may be selected. Underwriters or underwriter syndicates will be selected by the CFO. The allocation of bonds among syndicate members will be at the sole discretion of the CFO with the approval of the City Manager or his/her designee.

B. Use of Independent Financial Advisors

The City will hire financial advisors who are independent. In the event the best available financial advisor is an investment banking firm, the firm will under no circumstances be permitted to participate as the lead underwriter or as a member of an underwriter syndicate that is bidding on the bonds for which the firm is acting as a financial advisor. In addition, if the firm has any profit sharing or other type of agreement with any member of the underwriting syndicate for the transaction in question, they will not be allowed to act as the financial advisor. In general, no agreement will be permitted that would compromise the firm's ability to provide independent advice or that could be reasonably perceived by the City as a conflict of interest. Advisors must alert the CFO, in writing, of any conflict, potential conflict, or potentially perceived conflict prior to entering into an agreement with the City, or if occurring after entering into an agreement with the City, as soon as the conflict, potential conflict, or potentially perceived conflict arises.

C. Communication/Solicitation

All financial consultants, including all investment banking firms, financial advisors, bond counsel, and other consultants hired in connection with any bond transaction will direct all communications, solicitations and questions to the CFO or his/her designee. Underwriters are reminded that under Rule G-37 of the Municipal Securities Rulemaking Board (MSRB) that a firm may be banned from providing underwriting services to the City for two years for making any political contributions to elected City officials.

VI. DEBT MANAGEMENT PROCESS – TAX STATUS

Prior to the issuance of any bonds, the Finance Department, in conjunction with bond counsel and the City Attorney's Office will evaluate the tax status of any bond sales.

A. Tax-Exempt

Interest on tax-exempt bonds is excluded from the gross income of its owners for federal income tax purposes and from California income taxes and as a result tax-exempt bonds can be sold at a lower true interest cost than taxable bonds. The City, along with bond counsel, will evaluate all projects to be funded to assess their eligibility to be funded by tax-exempt bonds. The City will make every effort to ensure that all tax regulations are complied with to ensure the bonds maintain their tax-exempt status.

B. Taxable

Certain municipal bonds are sold as taxable bonds because they are issued for purposes that the federal government deems do not provide a significant benefit to the public at large or involve “private activity”. In addition, certain tax laws such as the alternative minimum tax (AMT) reduced the tax exemption applicable to certain types of bonds and to certain taxpayers. Taxable bonds will be used whenever a particular project has the potential for private activity or other uses that may call into question the eligibility to use tax-exempt financing.

VII. DEBT MANAGEMENT PROCESS – TYPE OF DEBT

A. Fixed Rate Debt

Longer term debt usually consists of fixed interest rates over the term of the bonds and should be used to finance essential capital facilities, projects and certain equipment where it is appropriate to spread the cost of the project over more than one budget year and generally for a period not to exceed the useful life of the project being financed. In so doing, the City recognizes that future taxpayers who will benefit from the project will pay a share of its cost. Fixed rate debt provides the benefit of fixed payments during the life of the bonds and budget certainties for long-term capital planning. However, fixed rate debt is typically longer term and carries higher interest payments (assuming an upward sloping yield curve) than variable rate debt but is not subject to changes in interest rates. Fixed rate debt is the most common type of debt issued by the City.

B. Variable Rate Debt

The municipal bond market has developed several vehicles by which municipalities can borrow at short-term, variable interest rates. Variable Rate Demand Notes may be issued with interest rates that “reset” daily, weekly, monthly or semiannually at the option of the City. Commercial paper is issued with a maturity of up to 270 days at the City’s option. As the commercial paper matures, it is resold by a commercial paper dealer for another period up to 270 days.

These products are structured as a rolling series of short-term investments and therefore are priced at the short-end of the yield curve at lower interest rates than long-term fixed rate bonds (assuming an upward sloping yield curve). By

accepting the risks inherent in variable interest rates, the City can take advantage of the lowest rates available in the current market.

Factors that will be considered in the use of variable rate debt are the availability and size of fund balances to cover variable rate risk, and the budget flexibility of the program being financed. Programs with large complex capital programs may use short-term financing to fund uncertain construction cash flow requirements. The short-term debt can be refinanced as fixed-rate, long term debt once the projects are complete. A project that must be carried in anticipation of grant funding may also be a candidate for the use of variable rate financing. Examples are the Electric, Water, and Wastewater enterprise funds.

C. Use of Alternative Debt Instruments

1. Derivative Products

The use of certain derivative products, such as swaps, swaptions and the sale of call options, allow the City to realize lower all-in costs on a new debt issuance or to receive an upfront payment. One type of swap that may be used would allow the City to issue variable rate debt in exchange for fixed payments that are typically lower than fixed rate debt. However, such products have unique risks that the City and its financial advisors will evaluate as per the City's Swap Policy. The current Swap Policy is included in Appendix A.

VIII. DEBT MANAGEMENT PROCESS – DEBT CAPACITY

The determination of how much indebtedness the City can afford begins by assessing the sufficiency of future revenues. The amount of debt issued is based on the requirements of the approved 5-year CIP, subject to the condition that sufficient revenues are projected to be available. Factors such as debt service coverage requirements outlined in the bond indentures, the impact on the ~~citizens~~ residents (tax rates), and any impact on the bond ratings will be carefully considered. Different factors are considered for each type of credit. For example, Revenue or Certificates of Participation bonds for electric, water and wastewater bonds will consider the impact on customer utility bills. In the case of general obligation debt, State Statutes and the Constitution limit the amount of debt that a municipality can have outstanding.

IX. DEBT MANAGEMENT PROCESS – SECURITY OF DEBT

A. General Obligation (G.O.) Bonds

G.O. bonds are backed by the full-faith and credit of the City and are secured by secondary property taxes.

B. Revenue Bonds

Revenue bonds are supported solely from fees generated from specific Enterprise Funds. Accordingly, in order to preserve debt capacity and budget flexibility, the City will issue revenue bonds when an identifiable revenue stream can be dedicated to support the payment of debt service. The final maturity of revenue obligations will be determined by the expected life of the project to be financed and the revenues available to repay the debt. The City's various Enterprise Funds – Electric, Water, and Wastewater issue bonds backed by revenues of the enterprise. Revenue bonds are generally issued through the Roseville Finance Authority.

C. Certificates of Participation (COP) Bonds

COP bonds are an instrument evidencing a pro rata share in a specific pledged revenue stream, usually lease payments by the issuer that are typically subject to annual appropriation. The certificate generally entitles the holder to receive a share, or participation, in the payments from a particular project. The payments are passed through the lessor to the certificate holders. The lessor typically assigns the lease and the payments to a trustee, which then distributes the payments to the certificate holders.

D. Housing Bonds

Tax-exempt housing bonds are an important source of capital, providing loans for single-family homeownership and rental housing for very-low, low and moderate-income individuals and families. The relatively low tax-exempt interest rates, combined with federal, state, and local housing assistance programs, provide the necessary subsidy to create a supply of much needed, below market interest-rate loans.

E. Community Facilities District (CFD) Bonds

CFD bonds are issued and backed entirely by a Community Facilities District established under State Statutes for the purpose of managing and financing

public improvements benefiting the property within the CFD. Any CFDs established by the City are reviewed by the Finance Department, and the Finance Department will supervise the issuance of the debt on behalf of the CFD with the CFD paying all costs of issuance including administrative support. The creation of a CFD must be approved by City Council and follow a detailed legal process. Please refer to the City's Goals and Policies Concerning Use of Mello-Roos Community Facilities Act of 1982, available on the City's website, concerning CFD bonds.

F. Special Assessment Bonds

Special assessment bonds are a special type of municipal bond used to fund development projects that benefit a discrete group of taxpayers within a special assessment district. Principal and interest owed on the bonds is paid from assessments on the property benefiting from the particular bond-funded project. The creation of an Assessment District must be approved by City Council and follow a detailed legal process.

X. DEBT MANAGEMENT PROCESS – PURPOSE OF FINANCING

Generally, financings may be undertaken to fund new projects “new money financing” or to refund existing bonds.

A. New Money Financing

New money issues are those financings that generate funding for capital projects. These funds will be used for necessary land acquisitions, capital construction, equipment, and other items for the City. New money bond proceeds are generally not used to fund operational activities. The City also may use its commercial paper programs to provide interim new money funding. The commercial paper notes are retired upon receipt of bond proceeds from a long-term fixed rate financing.

B. Refunding Bonds

A periodic review of the City's outstanding debt will be undertaken by the Finance Department to determine refunding opportunities.

Refunding bonds are issued to retire all or a portion of an outstanding bond issue. Most typically this is done to refinance at a lower interest rate to reduce overall debt service. Alternatively, some refundings are undertaken for reasons other than to achieve cost savings, such as to restructure debt service payments,

to change the type of debt instruments being used, or to eliminate undesirable covenants.

In any event, a present value savings analysis must be prepared that identifies the economic effects of any refunding being considered by the City. The savings from any particular refunding candidate shall generally be at least 5% of the refunded par amount, net of all transaction expenses. This 5% savings target may be waived by the CFO, or his/her designee, upon a finding that such a refunding is in the City's best overall financial interest and shall not be applicable for refunding transactions that are not solely undertaken to achieve cost savings.

XI. DEBT MANAGEMENT PROCESS - CREDIT RATINGS

The City seeks to obtain and maintain the highest possible credit ratings for all categories of short- and long-term debt. The City will not issue bonds that do not carry investment grade ratings, except for CFD and Special Assessment bonds.

A. Rating Agency Relationships

The CFO, or his/her designee, shall be responsible for maintaining relationships with rating agencies that assign ratings to the City's various debt obligations. This responsibility shall include coordinating meetings and presentations in conjunction with the issuance of debt. Full disclosure of operations and open lines of communication shall be maintained with the rating agencies used by the City.

B. Use of Rating Agencies

The City may obtain a rating from at least one nationally recognized rating agency on all new bond issues being sold in the public market. The CFO, or his/her designee, shall determine whether or not any additional ratings will be requested on a particular financing. The CFO, or his/her designee, shall determine which major rating agencies will be asked to provide a rating. Exceptions to this requirement, such as when using a private placement, are permissible, if warranted by the circumstances and approved by the CFO, or his/her designee.

The City and/or the financing team shall notify the rating agencies by telephone or through written correspondence when the City anticipates issuing bonds. Bond documentation shall be sent several weeks prior to the bond sale to the selected rating agencies in order to provide the rating agencies sufficient time to perform their review. A personal meeting with the selected rating agencies may be scheduled if, in the opinion of the CFO, or his/her designee, such a meeting is

in the best interest of the City in order to obtain the highest possible credit rating.

The City shall make every reasonable effort to maintain or improve its high quality credit ratings.

The City may request an underlying rating and an insured rating on all bond issues utilizing bond insurance.

The City shall submit its audited annual comprehensive financial report to all rating agencies utilized by the City.

XII. DEBT MANAGEMENT PROCESS – CREDIT ENHANCEMENT

Although the City has high credit ratings, credit enhancement through the use of bond insurance or a bank facility such as a letter of credit to strengthen the underlying credit rating of certain bonds may be financially beneficial. Bonds insured by insurers rated AAA will also receive the AAA rating and thus be able to be sold at a lower interest rate. Bank facilities, such as letters of credit from highly rated banks, can also be used to provide credit enhancement.

A. Bond Insurance

Bond insurance will be considered when it provides an economic benefit to a particular bond maturity or entire issue. Bond insurance provides improved credit quality for the bonds as a result of the insurance provider's guarantee of the payment of principal and interest on the bonds. Because of the decreased risk of non-payment, investors are willing to purchase insured bonds at lower yields than uninsured bonds, thus providing the issuer with interest cost savings.

1. Benefit Analysis

The decision to use bond insurance is an economic decision. A benefit analysis compares the present value of the interest savings to the cost of the insurance premium. Insurance will be purchased when the premium cost is less than the present value of the projected interest savings. A copy of the benefit analysis shall be maintained in the files of the Finance Department.

2. Selection

The City or its financial advisor will undertake a competitive selection process when soliciting pricing for bond insurance, or in the case of a

competitive sale, facilitating the prequalification of bonds by insurance providers. The City recognizes that all providers may not be interested in providing bids to the City or pre-qualifying the issue. The winning security dealer in a competitive sale will determine whether it will purchase insurance for the issue. For a negotiated sale, the CFO shall have the authority to purchase bond insurance when deemed advantageous and the terms and conditions governing the guarantee are satisfactory.

B. Bank Facilities (Letters of Credit)

When used for credit enhancement, letters of credit (“LOC”) represent a bank’s promise to pay principal and interest when due for a defined period of time, subject to certain conditions. In the case of a direct-pay LOC, the trustee will draw upon the LOC to make debt service payments and the City will reimburse the LOC provider the amount drawn on the LOC by the trustee. A stand-by LOC is used to ensure the availability of funds to pay principal and interest of an obligation only if the funds in the debt service account held by the trustee are insufficient to make the debt service payment on the bonds.

XIII. DEBT MANAGEMENT PROCESS – STRUCTURAL FEATURES

A. Maturity

The final maturity of a bond sale shall be equal to or less than the remaining useful life of the assets being financed, and the average life of the financing shall not exceed 120% of the average useful life of the assets being financed.

B. Debt Service Structure

The Finance Department will carefully consider the debt service structure for each bond issue. Factors such as the flow of revenues available for a particular credit, the need to fill in gaps created by refunding specific principal maturities or to structure savings from a refunding in a particular year will be considered. Accelerated repayment may be considered within the bonding capacity constraints to provide capacity for future capital programs. Bonds will be amortized over a period of time not to exceed the useful life of the assets being financed.

C. Lien Levels

Senior, Junior and Subordinated Junior Liens for each revenue source will be utilized in a manner that will maximize the most critical constraint - typically

either cost or capacity - thus allowing for the most beneficial use of the revenue source securing the bond.

D. Capitalized Interest

Subject to Federal and State law, interest may be capitalized from the date of issuance of the debt. Interest may also be capitalized for projects in which the revenue designated to pay debt service on the bonds will be collected at a future date, not to exceed six months from estimated completion of construction. Any use of capitalized interest will require a review by bond counsel and approval by the CFO.

XIV. INVESTMENT OF BOND PROCEEDS

The City shall comply with all applicable Federal, State, and Indenture restrictions, if any, regarding the use and investment of bond proceeds. This includes compliance with any restrictions on the types of investment securities allowed, restrictions on the allowable yield of invested funds, as well as restrictions on the time period over which some bond proceeds may be invested. The CFO, or his/her designee, will direct the investment of bond proceeds in accordance with the permitted investments for each particular bond issue. Investments such as guaranteed investment contracts may be considered when their use is in the best interest of the City and will be selected on a competitive basis.

XV. CONTINUING DISCLOSURE

The City will comply when applicable with Rule 15(c)2-12 of the Securities and Exchange Commission by filing an annual report and annual financial information with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System (EMMA) and filing material event notices within 10 days of occurrence of certain events as required by the Rule.

XVI. ARBITRAGE REBATE

The City shall comply with all arbitrage rebate requirements as established by the Internal Revenue Service and the Finance Department shall establish a system of record keeping and reporting to meet the arbitrage rebate compliance requirements of the federal tax code. This effort shall include tracking project expenditures financed with bond proceeds, tracking investment earnings on bond proceeds, calculating rebate payments in compliance with tax law, and remitting any rebate earnings to the federal government in a timely manner in order to preserve the tax-exempt status of the City's outstanding tax-exempt debt issues. The CFO, or his/her designee, may enter into agreements with arbitrage service providers to assist the City with complying with arbitrage regulations.

XVII. INTERNAL CONTROLS AND POST ISSUANCE COMPLIANCE

The City shall comply with all applicable laws and regulations to ensure the tax-exempt status of its bonds. The Finance Department shall maintain written procedures to document the processes used to monitor the appropriate use of bond proceeds and to ensure compliance with applicable laws and regulations, and shall specify the positions and individuals responsible for these processes.

APPENDIX A

Swap Policy

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I. INTRODUCTION

The swap guidelines outlined herein are only intended to provide general procedural direction regarding the future use, procurement and execution of interest rate swaps and options. These guidelines are intended to relate to various interest rate hedging techniques, including the contractual exchange of different fixed and variable rate payment streams through interest rate swap agreements. The swap policies are not intended in any way to require the City to modify or terminate existing interest rate swaps. The City maintains the right to modify these guidelines and may make exceptions to any of them at any time in its sole discretion. Failure to comply in any manner with these swap guidelines shall not result in liability on the part of the City to any party.

II. APPROACH AND OBJECTIVES

Interest rate swaps and options are appropriate interest rate management tools that can help the City meet important financial objectives. Properly used, these instruments can increase the City's financial flexibility, provide opportunities for interest rate savings or enhanced investment yields, and help the City manage its balance sheet through better matching of assets and liabilities. Swaps should be integrated into the City's overall debt and investment management guidelines and should not be used for speculation.

Swaps are appropriate to use when they achieve a specific objective consistent with the City's overall financial strategies. Swaps may be used, for example, to lock-in a current market fixed rate or create additional variable rate exposure. Swaps may be used to produce interest rate savings, to alter the pattern of debt service payments, or for asset/liability matching purposes. Swaps may be used to cap, limit or hedge variable rate payments. Options granting the right to commence or cancel an underlying swap may be used to the extent the swap itself is consistent with these guidelines or the City determines there are other advantages to be derived in granting the option; however, the City must determine if the use of any such option is appropriate and warranted given the potential benefit, risks, and objectives of the City. The City's staff, together with its Bond Counsel and its Financial Advisor, periodically shall review the City's swap guidelines and recommend appropriate changes.

In connection with the use of any swaps, the City Council shall make a finding that, per Government Code Section 5922, the applicable swap is designed to reduce the amount or duration of the interest rate risk or result in a lower cost of borrowing when used in combination with the issuance or carrying of the Bonds or enhance the relationship between the risk and return with respect to the City's investments or program of investment, as applicable.

Rationales for Utilizing Interest Rate Swaps and Options

- A. Optimize capital structure; including schedule of debt service payments and/or fixed vs. variable rate allocations
- B. Achieve appropriate asset/liability match
- C. Reduce risk, including:
 - 1. Interest rate risk;
 - 2. Tax risk; or
 - 3. Liquidity renewal risk
- D. Provide greater financial flexibility
- E. Generate interest rate savings
- F. Enhance investment yields
- G. Manage exposure to changing markets in advance of anticipated bond issuances (through the use of anticipatory hedging instruments)

III. PERMITTED INSTRUMENTS

The City may utilize the following financial products on a current or forward basis, after identifying the objective(s) to be realized and assessing the attendant risks.

- A. Interest rate swaps, including fixed, floating and/or basis swaps; and
- B. Options, including swaptions, caps, floors, collars and/or cancellation or index-based features

IV. PROCEDURE FOR SUBMISSION AND EXECUTION

Unsolicited proposals are to be mailed to the Chief Financial Officer and the Financial Advisor for evaluation. Such unsolicited proposals need to be received four weeks prior to the next City Council meeting for consideration at such meeting. For proposals received within four weeks of the next City Council meeting, the City reserves the right to consider the proposal at the following month's Council meeting.

Legal costs incurred in connection with an unsolicited proposal shall be paid by the firm submitting the proposal if for whatever reason the proposal does not close or should the City elect for any reason not to proceed. If the City elects to proceed with the

proposed transaction and the proposed transaction closes, the City will absorb such legal costs through costs of issuance.

The City staff and the Financial Advisor shall review all unsolicited proposals prior to presentation to the City Council. The City shall only present proposals to the Council that the City, in its sole discretion, believes should be considered further given, for example, the projected savings or other benefits and the ability to meet one or more of the objectives outlined herein. Only proposals that meet the savings guidelines (as described in the “Guidelines for Financing and Selection of the Financing Team”) or that the City staff find compelling for other reasons, shall be presented.

Procurement and Execution

The City will not have a fixed guideline with respect to swap procurement. The City will assess the benefits of competitively bidding financial products that are non-proprietary or generally available in the marketplace. On a product-by-product basis, the City will have the authority to negotiate the procurement of financial instruments that have customized or specific attributes designed on the City’s behalf.

The use of financial derivative products will be recommended if they meet one of the benefits outlined herein or if they:

- A. Provide a specific benefit not otherwise available;
- B. Produce greater expected interest rate savings or incremental yield than cash market alternatives;
- C. Are not speculative or do not create unreasonable leverage or risk;
- D. Result in an improved capital structure or better asset/liability match; or
- E. Reasonably pass the risk evaluation required by these guidelines

Conformance with Dodd-Frank

It is the intent of the City to conform this policy to the requirements relating to legislation and regulations for over-the-counter derivatives transactions under Title VII of the Wall Street Transparency and Accountability Act of 2010, as supplemented and amended from time to time (herein collectively referred to as “Dodd-Frank”). Pursuant to such intent, it is the policy of the City that: (i) each swap advisor engaged or to be engaged by the City will function as the designated qualified investment representative of the City, sometimes referred to as the “Designated QIR”; (ii) each swap advisor agrees to meet and meets the requirements specified in Commodity Futures Trading

Commission Regulation 23.450(b)(1) or any successor regulation thereto (herein referred to as the “Representative Regulation”); (iii) each swap advisor provide a written certification to the City to the effect that such swap advisor agrees to meet and meets the requirements specified in the Representative Regulation; (iv) the City monitor the performance of each swap advisor consistent with the requirements specified in the Representative Regulation; (v) the City exercise independent judgment in consultation with its swap advisor in evaluating all recommendations, if any, presented by any counterparty with respect to transactions authorized pursuant to this Debt Policy; and (vi) the City rely on the advice of its swap advisor with respect to transactions authorized pursuant to this Debt Policy and not rely on recommendations, if any, presented by any counterparty with respect to transactions authorized pursuant to this Debt Policy.

Counter-Party Risk Assessment

The City will only do business with highly rated counter parties or counter parties whose obligations are supported by highly rated parties. The City will structure swap agreements to protect itself from credit deterioration of counter parties, including the use of credit support annexes or other forms of credit enhancement to secure counter party performance. Such protection shall include any terms and conditions which in the City’s sole discretion are necessary or appropriate or in the City’s best interest.

The City shall enter into interest rate swap transactions only with qualified swap counter parties. Qualified swap counter parties are investment banks as will be identified by the Financial Advisor. Qualified swap counter parties should be rated at least “Aa3” or “AA-” by one of the nationally recognized rating agencies (i.e. Moody’s, Standard and Poor’s, and Fitch) and not rated lower than “A2” or “A” by any nationally recognized rating agency. In addition, the counter party must have a demonstrated record of successfully executing swap transactions as well as creating and implementing innovative ideas in the swap market. Each counter party shall have minimum capitalization of at least \$150 million.

The City should not have an immutable credit standard. However, the City will attempt to do business with highly rated counter parties of “Aa3” or “AA-” or better. For lower rated (below “Aa3” or “AA-”) counter parties, the City should seek credit enhancement in the form of:

- A. Contingent credit support or enhancement; or
- B. Collateral consistent with the policies contained herein

V. SWAP ANALYSIS AND PARTICIPANT REQUIREMENTS

In connection with any swap, the City and its Financial Advisor shall review the proposed transaction and outline any considerations associated with the transaction to the City Council. Such a review should include the following:

- A. The identification of the proposed benefit and potential risks, which shall include, but not necessarily be limited to, those risks outlined herein
- B. Independent analysis of potential savings from a proposed transaction
- C. Fixed versus variable rate and swap exposure before and after the proposed transaction
- D. Market Net Termination Exposure (as outlined herein) for all existing and proposed transactions at the City

Swap Risks

- A. Counter party Risk – The risk of a payment default on a swap by an issuer’s counter party
- B. Termination Risk - The risk that a swap has a negative value and the issuer owes a “breakage” fee if the contract has to be liquidated
- C. Tax Risk – A mismatch between changes in the rate or price on an issuer’s underlying bonds and the swap caused by a reduction or elimination in the benefits of the tax exemption for municipal bonds, e.g. a tax cut, which results in an increase in the ratio of tax-exempt to taxable yields
- D. Basis Risk – A mismatch between the rate on an issuer’s underlying bonds and the rate paid under the swap, e.g. a tax-exempt variable rate issue which trades at 62% of LIBOR while the issuer only receives 60% of LIBOR under the swap
- E. Tax Exemption Risk – The risk that the transaction may make the issuer’s related bonds taxable
- F. Liquidity/Remarketing Risk – The risk that an issuer cannot secure a cost-effective renewal of a Letter or Line of Credit or suffers a failed auction or remarketing with respect to its variable-rate bonds

Benefit Expectation

Financial transactions, using fixed rate swaps or other derivative products, should generate 2% greater projected savings than the savings guidelines (as described in the “Guidelines for Financing and Selection of the Financing Team”) then in effect for traditional bonds. This threshold will serve as a guideline and will not apply should the transaction, in the City’s sole judgment, help to meet any of the objectives outlined herein. The higher savings target reflects the greater complexity and higher risk of derivative financial instruments. At a minimum, such financial transactions should provide a savings of no less than 5% over refunded par regardless of the spread between the financial transaction and a traditional bond refunding.

For example, assuming a refunding of \$100 million of existing bonds, a traditional fixed rate advance refunding that does not use derivative products would have a present value savings threshold of \$5 million, which is 5% of the refunded par. If the refunding structure utilizes a derivative product, the threshold would be \$7 million in present value savings, 7% of the refunded par. Therefore, the transaction utilizing a swap or other derivative product would have to generate an additional \$2 million to meet the target.

For variable rate or other swap transactions that do not result in a fixed interest rate, the City will evaluate any additional value generated through the transaction in assessing the benefits of proceeding, including the ability to meet the objectives outlined herein. These benefits include, for example, reducing interest rate or tax risk, optimizing the capital structure or further reducing interest expense.

In determining any benefit in implementing a fixed-to-variable swap, the cost of remarketing, in addition to the cost of credit enhancement or liquidity fees must be added to the projected variable rate. Such a calculation should consider the trading performance of comparable bonds and any trading premium resulting from a specific form of credit enhancement or liquidity and/or any impact related to broader industry trends.

VI. LEGAL AND CONTRACTUAL REQUIREMENTS

Unless otherwise approved by Council, the City will use standard ISDA swap documentation including the Schedule to the Master Agreement and a Credit Support Annex. The City may use additional documentation if the product is proprietary or the City deems in its sole discretion that such documentation is otherwise in its interest.

Terms and Notional Amount of Swap Agreement

The City shall determine the appropriate term for an interest rate swap agreement on a case-by-case basis. In connection with the issuance or carrying of bonds, the term of the swap agreement between the City and a qualified swap counter party shall not extend beyond the final maturity date of existing debt of the City on the related Project, or in the case of a refunding transaction, beyond the final maturity of the refunding bonds. For purposes of calculating net exposure, credit shall be given to any fixed versus variable rate swaps that offset termination exposure for a specific Project or bond transaction. For variable rate transactions, credit may also be given for any assets that are used to hedge a transaction as long as in the City's judgment such assets are reasonably expected to remain in place on a coterminous basis with the swap.

Terms and conditions of any swap shall be negotiated by the City in the best interests of the City subject to the provisions of the California Government Code and, unless otherwise waived or altered by the City, these guidelines. The swaps between the City and each counter party shall include, as appropriate, payment, term, security, collateral, default, remedy, termination, and other terms, conditions and provisions as the City, in consultation with its Bond Counsel and Financial Advisor, deems necessary or desirable.

Subject to the provisions contained herein, the City swap documentation and terms should include the following:

- A. Downgrade provisions triggering termination shall in no event be worse than those affecting the counter party
- B. Governing law for swaps will be New York law, but should reflect California authorization provisions
- C. The specified indebtedness related to credit events in any swap agreement should be narrowly drafted and refer only to specific project debt
- D. Collateral thresholds should be set on a sliding scale reflective of credit ratings (see Collateral below)
- E. Eligible collateral as set forth in the Collateral section below.
- F. Termination value should be set by "market quotation" methodology, when the City deems appropriate
- G. The City should only agree to an Additional Termination Event for the City to the extent that the ratings on the applicable the City bonds fall below a ratings

trigger acceptable to the City and the counter party and no form of credit support or enhancement is in place

Termination Provision

All swap transactions shall contain provisions granting the City the right to optionally terminate a swap agreement at any time over the term of the agreement. Such a provision shall be required even if any termination is at market. In general, exercising the right to terminate an agreement should produce a benefit to the City, either through the receipt of a payment from a termination or, if the termination payment is made by the City, in conjunction with a conversion to a more beneficial (desirable) debt obligation of the City.

Collateral

As part of any swap agreement, the City shall require collateralization or other forms of credit enhancements to secure any or all swap payment obligations. As appropriate, the City, in consultation with its Bond Counsel and Financial Advisor, may require collateral or other credit enhancement to be posted by each swap counter party under the following circumstances:

- A. Each counter party to the City may be required to post collateral if the credit rating of the counter party or parent falls below the “AAA” category. Additional collateral for further decreases in credit ratings of each counter party shall be posted by each counter party in accordance with the provisions contained in the collateral support agreement to each counter party with the City the City. Maximum un-collateralized exposure for: (i) “AAA” rated counter parties is \$40 million; (ii) “AA” rated counter parties is \$10 million; and (iii) below “AA” category, uncollateralized exposure is zero
- B. Threshold amounts shall be determined by the City on a case-by-case basis. The City will determine the reasonable threshold limits for the initial deposit and for increments of collateral posting thereafter
- C. Collateral shall be deposited with a third party trustee, or as mutually agreed upon between the City and the counter party
- D. A list of acceptable securities that may be posted as collateral and the valuation of such collateral will be determined and mutually agreed upon during negotiation of the swap agreement with each swap counter party. A complete list of acceptable securities and valuation percentages are included as Attachment A

- E. The market value of the collateral shall be determined on at least a monthly basis, or more frequently if the City determines it is in the City's best interest given the specific collateral security
- F. It shall be determined on a case-by-case basis whether other forms of credit enhancement are more beneficial to the City

VII. LIMITATIONS ON TERMINATION EXPOSURE

In order to diversify the City's counter party credit risk, and to limit the City's credit exposure to any one counter party, limits will be established for each counter party based upon both the credit rating of the counter party as well as the relative level of risk associated with each existing and projected swap transaction. The guidelines below provide general termination exposure guidelines with respect to whether the City should enter into an additional transaction with an existing counter party. The City Council may make exceptions to the guidelines at any time to the extent that the execution of a swap achieves one or many of the goals outlined in these guidelines or provides other benefits to the City.

Such guidelines will also not mandate or otherwise force automatic termination by the City or the counter party. Maximum Net Termination Exposure is not intended to impose retroactively any terms and conditions on existing transactions. Such provisions will only act as guidelines in making a determination as to whether or not a proposed transaction should be executed given certain levels of existing and projected net termination exposure to a specific counter party. Additionally, the guidelines below are not intended to require retroactively additional collateral posting for existing transactions. Collateral posting guidelines are described in the "Collateral" section above. The calculation of net termination exposure per counter party will take into consideration multiple transactions, some of which may offset the overall exposure to the City.

Maximum Net Termination Exposure will be based on the sum of (i) the market value of existing transactions as of the first day of the month prior to the execution of any new transaction plus (ii) the expected worse case termination value of the new transaction. The maximum termination exposure will also be tied to the credit rating of a counter party and whether or not the counter party has posted collateral against this exposure.

Under this approach, the City will set limits on individual counter party exposure based on existing as well as new or proposed transactions. For existing transactions, exposure will be based on the market value as of the last quarterly swap valuation report provided by the Financial Advisor. For a new or proposed transaction, the City will calculate the projected maximum exposure based on the estimated maximum exposure assuming two standard deviations. Standard deviation is a statistic obtained by squaring

the average difference from the mean of a distribution of numbers. Two standard deviations capture 95% of the population of a distribution of numbers. For purposes of the calculation, two standard deviations shall be calculated as the annualized standard deviation of weekly swap rates over the preceding 52 weeks. The time period may vary according to market conditions which could range from flat to volatile.

The sum of the existing market value and the projected maximum exposure shall constitute the Maximum Net Termination Exposure. For purposes of this calculation, the City shall include all existing and projected transactions of an individual counter party and all transactions will be analyzed in aggregate such that the maximum exposure will be additive and netted on a per project basis. The rationale behind aggregating and netting on a Project basis is that the exposure will vary for individual members depending on their participation in different projects.

For example, if the City has \$13 million (i.e. the City would owe termination payment) of exposure to a counter party, the Maximum Net Termination Exposure under the definition above, is the projected maximum termination exposure less the outstanding exposure. If projected maximum termination exposure on the proposed transaction, assuming two standard deviations, is \$20 million, net termination exposure would be \$7 million.

The exposure thresholds, which will be reviewed periodically to ensure that they remain appropriate, will also be tied to credit ratings of the counter parties and whether or not collateral has been posted. If collateral has been posted, the City cannot exceed \$30.0 million of collateralized exposure. In addition, there would be a further limit on the amount of uncollateralized exposure, including any threshold amounts under the Credit Support Annex. For AAA-rated counter parties, the City could have up to \$40.0 million of uncollateralized exposure; for counter parties in the AA category, the City could have up to \$10.0 million of uncollateralized exposure and for counter parties below the AA category, the City could have no uncollateralized exposure. If a counter party has more than one rating, the lowest rating will govern for purposes of the calculating the level of exposure. A summary table is provided below.

Credit Ratings	Maximum Collateralized Exposure	Maximum Uncollateralized Exposure	Maximum Total Termination Exposure
AAA	NA	\$40 million	\$40 million
AA Category	\$30 million	\$10 million	\$40 million
Below AA	\$30 million	None	\$30 million

Assuming the same example as above, if the counter party is currently rated “Aa2” and “AA+,” the exposure thresholds would only take effect if Net Termination Exposure increased an additional \$3 million (from the original \$7 million above).

If the exposure limit is exceeded by a counter party, the City shall conduct a review of the exposure limit per counter party. The City, in consultation with its Bond Counsel and Financial Advisor, shall explore remedial strategies to mitigate this exposure.

VIII. ONGOING MANAGEMENT

The City will seek to maximize the benefits and minimize the risks it carries by actively managing its swap program. This will entail frequent monitoring of market conditions, by both the Financial Advisor and swap counter party, for emergent opportunities and risks. Active management may require modifications of existing positions including, for example:

- A. Early termination;
- B. Shortening or lengthening the term;
- C. Sale or purchase of options; or
- D. Use of basis swaps.

On an overall basis, the City's swap program is not expected to be very large relative to all of its investment and debt activities. Swaps will be used in response to particular market conditions and needs of the City for which swaps are the best investment or debt-management option.

IX. ONGOING REPORTING REQUIREMENTS

A written report providing the status of all interest rate swap agreements entered into by the City will be provided to the City Council on an annual basis (or other basis, if so directed by Council) and shall include the following:

- A. A description of all outstanding interest rate swap agreements, including project and bonds series, type of swap, rates paid and received by the City, total notional amount, average life of each swap agreement, remaining term of each swap agreement
- B. Highlights of all material changes to swap agreements or new swap agreements entered into by the City since the last report
- C. Termination exposure of each of the City's interest rate swap agreements
- D. The credit rating of each swap counter party and credit enhancer insuring swap payments, if any

- E. If applicable, information concerning any default by a swap counter party to the City, including but not limited to the financial impact to the City, if any
- F. If applicable, information concerning any default by the City to a swap counter party
- G. A summary of swap agreements that were terminated or that have expired
- H. For a swap transaction entered into to generate debt service savings, the City will calculate on an annual basis the actual debt service requirements versus the projected debt service on the swap transaction at the original time of execution. Such a calculation shall include a determination of the cumulative actual savings (or, if applicable, additional payments made by the City) versus the projected savings at the time the swap was executed.

Attachment A – Acceptable Collateral

Security	Valuation Percentage
Cash	100%
Negotiable debt obligations issued by the U.S. Treasury Department or the Government National Mortgage Association (“Ginnie Mae”), or (y) mortgage backed securities issued by Ginnie Mae (but with respect to either (x) or (y) excluding interest only or principal only stripped securities, securities representing residual interests in mortgage pools, or securities that are not listed on a national securities exchange or regularly quoted in a national quotation service) and in each case having a remaining maturity of: (i) less than one year (ii) one year or greater but less than 10 years (iii) 10 years or greater	100% 98% 95%
Negotiable debt obligations issued by the Federal Home Loan Mortgage Corporation (“Freddie Mac”) or the Federal Home Loan Mortgage Association (“Fannie Mae”) or (y) mortgage backed securities issued by Freddie Mac or Fannie Mae but excluding interest only or principal only stripped securities, securities representing residual interests in mortgage pools, or securities that are not listed on a national securities exchange or regularly quoted in a national quotation service	95%
Any other collateral acceptable to the City in its sole discretion. The valuation percentage shall be determined by the Valuation Agent from time to time and in its reasonable discretion	The valuation percentage shall be determined by the Valuation Agent from time to time and in its reasonable discretion.

For example, if a counter party is required to post \$1 million of collateral and wished to use bonds issued by Ginnie Mae with five years remaining to maturity, it would be required to post \$1,020,409 (\$1 million/0.98) to satisfy the collateral requirement.

City of Roseville Budget Development Policy

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I. INTRODUCTION

This policy outlines the City of Roseville's (City) guidelines for budget development. Consistently following adopted policies will assist the City in achieving its current and future goals in a fiscally responsible and sustainable manner. This policy establishes guidelines for developing the City's annual operating and capital budget as recommended by the Government Finance Officers Association (GFOA) and the National Advisory Council on State and Local Budgeting (NACSLB). This document shall be reviewed on an annual basis to reflect the highest standards of fiscal management and the City's budgetary goals.

II. POLICY

A. Citywide Focus

Consistent with the General Principles of Governance adopted by the City Council in the Elections Ordinance, the City shall maintain a citywide focus during the budget development process and in the adopted budget. Revenues and expenditures shall be budgeted on a citywide basis and not tracked by Council district.

B. General Revenues

General revenues shall be deposited in the General Fund and appropriated during the budget process or by a separate Council action. General Fund revenues shall not be earmarked for any particular purpose, unless required by law or Generally Accepted Accounting Principles (GAAP).

C. Balanced Budget

The City shall adopt and maintain a balanced annual operating budget and an integrated capital budget throughout the fiscal year. For each fund, annual expenditures shall not exceed annual revenues plus available fund balances. It shall remain a goal of the City to maintain a long-term structurally balanced budget, where ongoing revenues support ongoing expenditures.

The City will achieve a structurally balanced budget through efficiencies (i.e., streamlining), permanent reductions to the expenditure base (e.g., eliminating lower priority vacant positions and reducing service levels), and ongoing revenue enhancements. In addition, the City's budget will not rely on reserves or the use of one-time revenues for ongoing expenditures.

D. Public Involvement

Public involvement shall be encouraged in the annual budget decision-making process through public hearings, public outreach, and the dissemination of accessible information. Public participation efforts allow the City to improve performance by identifying general needs, priorities, and service delivery expectations. Public involvement enables the City to be more responsive to the community's needs, thereby increasing the value that the public receives from the City.

E. Operating Budget

The operating budget document shall contain the expected revenue and expenditure appropriations, staffing levels, and summaries for each department. Summary information for each department featured in the budget shall include the primary services, strategic goals and strategies, accomplishments and initiatives, and key performance and workload measures. Department summaries shall be updated annually to illustrate how each department's priorities and performance measures support the City Council's Strategic Plan.

F. Capital Improvement Program (CIP) and Budget

The City shall develop a Five-Year CIP, which reflects a comprehensive approach to addressing the City's capital needs and the identification of resources for those needs. Critical inputs include infrastructure condition assessments, service level evaluations, asset management information, and review of available funding sources. The Five-Year CIP shall be the basis for the development of the annual CIP budget.

The annual CIP budget shall be developed in conjunction with the operating budget to ensure the effective utilization of the City's overall resources to operate and maintain facilities. The annual CIP budget shall include projects that span multiple fiscal years and result in capitalized assets. The CIP budget may consist of other projects of a capital nature that may not result in an asset and that span multiple fiscal years and have significant cost estimates.

The annual CIP budget shall reflect total estimated project costs for Council approved projects by including all historical expenditures, available appropriations, and future funding needs. CIP projects shall only be established with partial funding if there is a reasonable expectation that the remaining funding will be identified within a reasonable timeframe.

CIP appropriations remaining unspent at the end of each fiscal year shall be carried forward to the subsequent fiscal year until the project is completed or cancelled. CIP projects, however, shall be reviewed at least annually to identify projects that are not progressing to consider reprogramming project resources.

G. Indirect Cost Allocation Plan

The City shall use an indirect cost allocation plan (CAP) to allocate the costs of those general government activities without significant assets or liabilities to all City funds and departments, except those between General Fund departments. General government activities include City Council, City Manager, City Attorney, City Clerk, Finance, Human Resources, Public Affairs and Communications, and Economic Development. Substantial changes in the allocable indirect costs may be amortized or smoothed over a period not to exceed three fiscal years to allow receiving funds to adjust their rates. At the end of the maximum three-year smoothing period, any remaining difference between the total indirect costs and the allocated indirect costs shall be paid in full in the fiscal year immediately following the smoothing period.

The CAP is also used to allocate indirect costs in Public Works Administration and Engineering and Parks, Recreation and Library Administration to their departmental divisions they support.

H. Indirect Costs Charged to Projects

The City shall use indirect cost rates to allocate the costs of overhead to all multi-year capital improvement projects for proper asset capitalization. Exceptions, other than federal or state grants that don't allow indirect costs, must be approved by the Finance Department.

I. Internal Service Funds

The City shall use internal service funds to allocate general government costs for activities with significant assets and/or liabilities to all City funds and departments. Internal service fund costs are budgeted in and allocated to General Fund departments. The City's internal service fund activities include information technology, fleet management, facilities management, and risk management (general liability and workers compensation).

J. General Fund Five-Year Forecast

The City shall maintain a five-year forecast for the General Fund as an essential fiscal planning tool. The forecast shall be based on the current budget and

projections of future expenditures, revenues, and other funding sources over a multi-year period. The evaluation of recommended fiscal actions will focus on a longer-term, rather than short-term context. The five-year forecast is based on a set of point-in-time assumptions. The projected expenditure growth shall be realistic, mainly through the term of the current labor contracts. All revenue forecasts will utilize objective external research and internal forecasting methods. City revenues are economically sensitive, and the five-year revenue forecasts are subject to the same uncertainty and downside risk surrounding national economic forecasts. It is important to note that the City's significant tax revenues, property and sales taxes, trail economic trends.

K. Basis of Budgeting

The City's budgets for governmental funds, such as the General Fund, special revenue funds, debt service funds, and capital project funds, shall be prepared based on the modified accrual basis of accounting. In other words, revenues are recognized in the accounting period in which they become available and measurable, and expenditures are recognized in the accounting period in which the liability is incurred. An exception to this basis is that disbursements of interfund loans are budgeted as expenditures in lender funds and revenue in borrower funds, and repayments of interfund loans are budgeted as expenditures in borrower funds and revenue in lender funds.

The budget for the City's proprietary funds, consisting of enterprise funds and internal service funds, shall be prepared on the full accrual basis of accounting for all operating revenues and most operating expenses. In other words, revenues are recognized when they are earned, and expenses are recognized when the liability is incurred. Expenses related to long-term assets, primarily capital outlay, and long-term liabilities, including repayment of bonded debt as well as pension and other post-employment benefit expenses, are budgeted on the modified accrual basis of accounting. Repayments of interfund loans are budgeted as expenditures in borrower funds and revenue in lender funds.

The City's budget shall exclude unrealized gains or losses resulting from the change in fair value of investments, as well as amortization of premiums and discounts on the City's investments. These calculations are performed solely for financial statement reporting purposes to comply with GAAP.

City of Roseville

General Fund Reserves Policy

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I. INTRODUCTION

The purpose of this policy is to establish targeted levels of General Fund reserves, a basic component of a financially strong city. Adequate reserves help sustain City operations when adverse or unexpected circumstances affect the City, providing resources to minimize service disruption in the event of temporary revenue shortfalls, declared disasters, or unpredicted one-time expenditures. This policy establishes the amounts the City will strive to maintain in the Emergency Reserve, Stabilization Reserve, and Litigation Reserve, and the conditions under which the reserves may be used.

II. BACKGROUND

Financial reserves strengthen the City's financial status and provide valuable resources for managing through economic cycles and addressing unexpected events. Every fund of the City represents a stand-alone financial set of accounts and has its own operating characteristics, financial capabilities, and constraints. The level of reserves needed should be based on the financial and operating characteristics of each fund.

According to the Government Finance Officers Association (GFOA), it is essential that governments maintain adequate levels of fund balance to mitigate current and future risks (e.g., revenue shortfalls and unanticipated expenditures) in order to protect taxpayers and employees from unexpected changes in financial conditions. GFOA recommends, at a minimum, that general-purpose governments, regardless of size, maintain an unrestricted budgetary fund balance in their General Fund of no less than two months of regular general fund operating revenues or regular General Fund operating expenditures (an amount equivalent to 16.67% of the annual budget).

This policy establishes three months of operating costs (25% of annual budgeted General Fund operating costs) as the City's target level of reserves. This targeted level of reserves consists of the City's Emergency Reserve (10% of annual budgeted General Fund operating costs) and the City's Stabilization Reserve (15% of annual budgeted General Fund operating costs). This policy also establishes \$250,000 as the minimum level in the City's Litigation Reserve. The policy also outlines the methods the City will utilize to achieve the target reserve levels, defines the conditions under which these funds can be used and describes how the City's expenditure and/or revenue levels will be adjusted to match any new economic realities that are causing the use of fund balance reserves as a financing bridge.

III. POLICY

A. Minimum and Target Reserve Levels

The City will maintain an Emergency Reserve at a minimum of 10% of budgeted General Fund operating expenditures. Because the City relies on property tax and sales tax revenue to support over two-thirds of the City's General Fund budget and the negative effects on property and sales tax revenue can be significant during economic downturns, the City will seek to build up and maintain a General Fund Stabilization Reserve equal to 15% of budgeted General Fund operating expenditures as the target reserve level. The Emergency Reserve and Stabilization Reserve shall be reported as commitments of fund balance in the General Fund for external financial reporting. Appropriations from the Emergency Reserve may only be made by a vote of the City Council to meet a critical, unpredictable financial need such as a declared emergency. Appropriations from the Stabilization Reserve may only be made by a vote of the City Council in the event of temporary revenue shortfalls caused by an economic downturn.

B. Methods to Achieve Funding Levels

Funding of the General Fund Reserves will generally come from the adopted budget, year-end excess revenues over expenditures or anticipated one-time revenues. At a minimum, during the budget process, staff shall review the current and five-year projected reserves to ensure that they are appropriate given the economic and financial risk factors the City faces.

C. Criteria for Expenditure of Reserve Funds

The Reserve Funds shall not normally be applied to recurring annual operating expenditures. Appropriation from the Emergency Reserve and Stabilization Reserve Funds requires approval of at least four City Council members. The Litigation Reserve is appropriated annually in the adopted budget.

1. Emergency Reserve

The Emergency Reserve may be used to contend with significant short-term issues such as declared emergencies. It is the intent of the Council to limit use of the Emergency Reserve to addressing unanticipated, nonrecurring needs.

2. Stabilization Reserve

The Stabilization Reserve may be used strategically to allow time for the City to restructure its operation in a deliberate manner as required in an economic downturn while minimizing service disruption. Use of the Stabilization Reserve will only take place in the context of a Council-adopted long-term plan. The Stabilization Reserve is intended to be used to address significant revenue shortfalls that occur during an economic downturn until the City's operating expenditure and revenue levels are adjusted to eliminate structural deficits.

3. Litigation Reserve

The Litigation Reserve may be used for legal matters that are unforeseen and/or unusual in nature and, as a result, typically require reactive measures such as seeking a budget adjustment and a funding source. Some examples are contract disputes, municipal code enforcement, and other public safety enforcement matters. The purpose of this reserve is to address these situations by allowing for proactive handling and funding of such matters.

D. Timeline for Replenishment of the General Fund Reserves

If the General Fund Reserves are drawn down below the minimum levels, a plan will be developed and implemented to replenish the reserves. Replenishing the reserves will be a priority use of one-time resources. Generally, the City should seek to replenish the Emergency Reserve and the Litigation Reserve within one year and the Stabilization Reserve to the minimum reserve level within three years.

City of Roseville
Development Services Stabilization Reserve (DSSR)
Fund Policy

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I. PURPOSE

The purpose of the Development Services Stabilization Reserve (DSSR) Fund (Fund #1013) Policy is to maintain resources in a reserve fund that the City Council may draw from in years of lower development activity. The City will use the DSSR to bridge gaps between budgeted and actual development revenues during periods of significant revenue decline.

II. BACKGROUND

A sustainable funding plan for the Development Services Department's building, planning, and engineering operations is necessary to respond to changes in the economic climate. Establishing a DSSR Fund will provide the department resources during a downturn in development-related activity and time to react to those changes.

III. POLICY

The DSSR shall be established as set forth below, and any changes to the policy will be recommended to the City Council for approval.

- A. The DSSR target goal is equivalent to six months of estimated building, planning and engineering revenues.
- B. Actual year-end General Fund revenues in excess of budget from select accounts in Development Service's Building, Planning and Engineering operations will be transferred to the DSSR, provided that the net year-end General Fund results (revenue and expenditure budget variance) of the Development Services Department are positive and the reserve is below the target goal.
- C. If, at year-end, the amount in reserve exceeds the six-month estimate for the current fiscal year, the City Manager can transfer the excess amount to the General Fund or maintain reserve levels above the six-month estimate if revenues are anticipated to grow in the future fiscal year.
- D. The year-end calculation will occur each year in the summer following the fiscal year end (June 30). The six-month revenue estimate will be based on the current year's budget. For example, the year-end calculation for FY2023-24 will occur in summer 2024, and the six-month revenue estimate calculation will be based on the FY2024-25 budget.
- E. The City will only use the DSSR to bridge gaps between projected and actual development-related revenues in Development Services during periods of significant revenue shortfalls. The reserve will help the department maintain

services during a short-term drop in revenue and will provide time to react to changes necessary during a long-term economic decline.

- F. Appropriation from the DSSR Fund requires approval of at least four City Council members.

City of Roseville
Federal Stimulus Reserve Fund Policy

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I. PURPOSE

The purpose of this policy is to establish a temporary Federal Stimulus Reserve Fund with the City's allocation of the federal stimulus (2021 Coronavirus State and Local Fiscal Recovery Funds) until one-time expenditures or transfers to other City funds are approved over the remaining course of the pandemic.

The City is required to ~~disburse~~obligate the federal stimulus funding by December 31, 2024. This temporary reserve fund will be closed after all funding, including interest earned thereon, has been distributed.

Staff will recommend one-time expenditures, or transfers to other City funds, for Council approval consistent with the requirement for the use of the funds to:

- A. respond to or mitigate the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19) or its negative economic impacts;
- B. cover otherwise unreimbursed costs incurred as a result of such emergency;
- C. replace revenue that was lost, delayed, or decreased as a result of such emergency; or
- D. address the negative economic impacts of such emergency.

The federal stimulus funding shall not be applied to new ongoing operating expenditures.

City of Roseville
Internal Service Funds - Operating and Replacement Reserves
Policy

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I. PURPOSE

As separate budget and accounting entities, internal service funds (ISFs) need to manage cash reserves within their funds. The purpose of cash reserves in the ISFs is two-fold:

- Operating Reserves - To provide for continuity of service in the event of unanticipated changes to revenues or expenditures, particularly within a single fiscal year when charges for service on client operating departments already have been fixed through the adopted budget.
- Replacement Reserves - To provide funding for capital improvement, rehabilitation, and replacement of capital assets managed, whose useful lives span multiple fiscal years and whose costs yield a burdensome or unaffordable peak in expenditure if assessed on client operating departments as they occur.

In the ISFs, the accumulation and expenditure of reserve balances, including the establishment of targeted reserve levels, shall be as follows.

II. POLICY

A. Operating Reserves

1. Applicability

The following ISFs manage ongoing operations and therefore would benefit from the establishment of an operating reserve:

- Fleet Services
- Facility Services
- Information Technology Operations

Because ISFs do not function within a traditional retail environment, their revenues are not a material factor in the underlying risk to its financial sufficiency. An operating reserve incorporating the effects of billing cycles and collection rates is not applicable. Therefore, the operating reserve shall be established based singularly on a cushion for unforeseen change to critical cost drivers.

2. Targeted Reserve Level

An operating reserve equal to 5-15 percent of annual operating expenditures is appropriate among these service types. Fleet Services and Facility Services will target a 10-15 percent operating reserve level, and Information Technology Operations will target a 5-10 percent operating

reserve level. The fund balance of each ISF will serve as its operating reserve. For purposes of calculating the reserve target, operating expenditures include labor expenses and materials, services, and supplies expenses in the fund. As a metric for calculating a reserve level, operating expenditures should not include capital outlay, debt service, or transfers to other funds.

3. Initial Establishment of the Reserve

The available cash balance in the ISF may be used immediately to establish the operating reserve to its minimum level. If the minimum level is not feasible with existing cash, staff will develop a plan to begin adjusting the charges for service to begin funding the reserve, as described in the following paragraph.

4. Annual Funding of the Reserve

When the reserve is at its minimum level, there is no need to assess client operating departments for additional reserve funding in their annual charge for service. The reserve exists until it is used and falls below its minimum threshold, as designed.

When the operating reserve falls below its minimum level, a plan for replenishing the reserve shall be established as part of the next fiscal year's annual rate calculation process. Under staff discretion at that time, options for replenishing the reserve may include:

- Immediate replenishment to the minimum level in one fiscal year, accomplished by an additional component to the annual charge for service, assessed on client operating departments in proportion to their total charge for services.
- Replenishment to the minimum level over multiple fiscal years, such as two or three, depending on fiscal conditions determined at that time. This moderated plan is also accomplished as an additional component to the annual charge for service assessed on client operating departments in proportion to their total charge for services.

5. Excess Reserves

When cash held in the fund exceeds the minimum operating reserve level, fund managers should determine appropriate uses to avoid over-accumulation and stranding of City resources, as part of the annual rate calculation process in the next fiscal year. Under staff discretion at that time, options for reducing excess reserves may include:

- Reduce client operating department charges for service on a one-time basis in proportion to their total charge for service. This option alternatively may be viewed as reducing the total cost pool driving charges for services by using reserves to fund planned operating expenditures in a single fiscal year.
- Fund previously deferred special projects associated with ISF operations, particularly those projects of broad benefit to all client operating departments.
- Transfer excess cash to the ISF's companion asset replacement/rehabilitation fund to reduce long-term deficiencies or accelerate funding for defined capital needs as allowed by accounting controls.

B. Replacement Reserves

1. Applicability

The following ISFs manage capital assets and therefore would benefit from the establishment of a replacement reserve:

- Fleet Replacement
- Fleet Operations
- Equipment Replacement
- Facility Rehabilitation
- Information Technology Replacement

The replacement reserve shall be based on analysis of long-term scheduled capital improvement, rehabilitation, and replacement of capital assets and equipment managed by the ISF in order to sustain municipal services and prevent City assets' physical deterioration.

Replacement reserves are not typically managed to handle increases in assets and equipment in service. Funding for new or growth in assets and equipment will need to be identified as a special funding component for client operating departments, the general resources of the City, or the ISF outside of this replacement reserve structure.

2. Targeted Reserve Level

Replacement reserves are dynamic: They are continually added to and spent as assets are rehabilitated or replaced. These ISF's will not target a minimum cash balance but instead manage the reserve's annual funding to enable adequate resources when expenditures are scheduled or needed.

3. Initial Establishment of the Reserve

The available cash balance in these ISF's may be used immediately to establish the replacement reserve. These are the resources available to meet near-term scheduled expenditures and the resources being accumulated for expenditure later as assets require reinvestment or replacement. In ideal circumstances, the cash currently available equals the amount of resources needed along current replacement schedules for all assets in service. The reasonableness of this circumstance will differ depending on the ISF evaluated for one or more of several reasons, such as:

- Past charges for service did not include any funding or included insufficient annual funding for future replacement.
- Assets are routinely replaced beyond their scheduled lives, particularly when ongoing maintenance can extend in-service timelines without unmanageable costs or effort.
- Assets are ultimately replaced by another asset of entirely different cost structure, particularly in areas of more rapid technological change.
- The total value of future replacement needs may not be supportable by charges for service and will require identification of additional funding outside the ISF in the future.

Regardless of the initial reserve establishment's adequacy, charges for service in the next fiscal year should be set to continue funding the reserve on an annual basis, as described in the following paragraph.

4. Annual Funding of the Reserve

The replacement reserve's underlying intention is to distribute the cost of asset replacement evenly over the life of the asset. Therefore, analysis by (individual or category of) asset is required to determine a total annual funding level. Steps for analyzing assets and determining their corresponding reserve funding component are as follows:

- Original Cost Basis: Record assets when placed in service. Assign an expected useful life. Calculate a straight-line annual depreciation amount based on the original cost. This value represents the minimum annual replacement reserve funding amount for assets expected to be replaced at the end of their life cycle.
- Replacement Cost Basis: Alternatively, record assets when placed in service. Assign an expected useful life. Project a replacement cost based on estimated cost inflation indices from original cost or a known replacement value. Calculate a straight-line depreciation amount based on estimated replacement cost, reducing for any material expected salvage value for fully depreciated assets. The resulting value represents the maximum annual reserve amount for assets expected to be replaced at the end of their life cycle.
- The method chosen – original cost or replacement cost basis – should be determined at staff discretion in each ISF. Factors influencing the choice of the method include impact to charges for service on client operating departments; external factors that substantially impact asset management between life cycles, such as rapid technological change; and magnitude of interest earnings in the replacement reserve contributing toward total resources available for asset replacement.

- The sum of annual funding amounts by asset (or asset category) represents the total annual reserve contribution to be collected through the ISF's charges for service, dependent upon funding available for rehabilitation and replacement (See Capital Improvement Program Rehabilitation Funding Policy). This annual funding requirement should be allocated to the client operating departments based on the selected allocation metric for asset replacement in the ISF's rate method, typically in proportion to the department's use of the asset.

5. Excess Reserves

In the unlikely event that replacement reserves are found to exceed scheduled needs, as part of the annual rate calculation process in the next fiscal year, fund managers should determine appropriate uses to avoid over-accumulation and stranding of City resources. Under staff discretion at that time, options for reducing excess reserves may include:

- A planned, one-time reduction to service charges on client operating departments in proportion to their total charge for asset replacement-related services.
- Funding previously deferred special projects associated with asset management for the ISF, particularly those projects of broad benefit to all client operating departments.

City of Roseville
Capital Improvement Program Rehabilitation Funding Policy

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I. INTRODUCTION

The City has significant investments in facilities, equipment, park and recreation amenities and information technology (IT) hardware and software which require ongoing maintenance and eventual replacement. The CIP Rehabilitation funds, i.e., the Facility Rehabilitation Fund; the Equipment Replacement Fund, the Parks, Recreation and Library Capital Projects Fund; and the Information Technology Replacement Fund, are used to fund infrastructure needs for City buildings, equipment, park and recreation amenities and information technology capital replacement. In addition, the City maintains its significant investment in streets with external funding sources that are currently inadequate.

II. BACKGROUND

The City maintains 10-Year Rehabilitation/Replacement plans for its General Fund assets used in service delivery. The 10-year plans reflect an annual General Fund funding requirement of over \$10 million, however the actual amount budgeted in FY2021-22 was \$3.2 million leaving an annual gap of approximately \$7 million.

The City performs an annual review of the 10-year plans to develop CIP Rehabilitation budget recommendations for the City Manager that includes a prioritized list of capital projects that can be recommended for funding or deferral in conjunction with the adoption of the City's CIP Rehabilitation budget.

The expectation is that the annual average demand will continue to trend upward based on projects being deferred and new replacement costs.

Addressing these infrastructure needs has been a stated priority of the City Council and was reaffirmed at the City Council priorities workshop meeting on February 22, 2022. As outlined at that workshop, the proposed budget for CIP Rehabilitation will be increased for FY2022-23 to include \$1.6 million of General Fund resources for street maintenance.

III. POLICY

On an annual basis during each budget process, and until the annual required funding level is attained, the General Fund contribution to CIP Rehabilitation shall increase by \$1,000,000.

City of Roseville

Pension Funding Policy

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I. PURPOSE

The City's Pension Funding Policy documents the method the City will use to determine its actuarially determined contributions to fund the long-term cost of benefits to the plan participants and annuitants. The policy also:

- Provides guidance in making annual budget decisions;
- Demonstrates prudent financial management practices;
- Reassures bond rating agencies; and
- Shows employees and the public how pensions will be funded.

II. BACKGROUND

The City provides defined benefit retirement benefits through the California Public Employees' Retirement System (CalPERS). CalPERS is a multiple-employer public employee defined benefit pension plan.

All full-time and certain part-time City employees are eligible to participate in CalPERS. CalPERS provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members and their beneficiaries. CalPERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by state statute.

The financial objective of a defined benefit pension plan is to fund the long-term cost of benefits provided to the plan participants. In order to assure that the plan is financially sustainable, the plan should accumulate adequate resources in a systematic and disciplined manner over the active service life of benefitting employees. This funding policy outlines the method the City will utilize to determine its actuarially determined contributions to fund the long-term cost of benefits to the plan participants and annuitants.

Pension Funding: A Guide for Elected Officials, issued by eleven national groups including the U.S. Conference of Mayors, the International City/County Management Association, and the Government Finance Officers Association, established the following five general policy objectives for a pension funding policy:

- Actuarially Determined Contributions. A pension funding plan should be based upon an actuarially determined contribution (ADC) that incorporates both the cost of benefits in the current year and the amortization of the plan's unfunded actuarial accrued liability.

- **Funding Discipline.** A commitment to make timely, actuarially determined contributions to the retirement system is needed to ensure that sufficient assets are available for all current and future retirees.
- **Intergenerational equity.** Annual contributions should be reasonably related to the expected and actual cost of each year of service so that the cost of employee benefits is paid by the generation of taxpayers who receives services from those employees.
- **Contributions as a stable percentage of payroll.** Contributions should be managed so that employer costs remain consistent as a percentage of payroll over time.
- **Accountability and transparency.** Clear reporting of pension funding should include an assessment of whether, how, and when the plan sponsor will ensure sufficient assets are available for all current and future retirees.

III. POLICY

A. Actuarially Determine Contribution (ADC)

CalPERS actuaries will determine the City's ADC to CalPERS based on annual actuarial valuations. The ADC will include the normal cost for current service and amortization of any under-funded amount. The normal cost will be calculated using the entry age normal cost method using economic and non-economic assumptions approved by the CalPERS Board of Administration.

The City will review the CalPERS annual actuarial valuations to validate the completeness and accuracy of the member census data and the reasonableness of the actuarial assumptions.

B. Additional Discretionary Payment (ADP) Contribution

The City will consider making ADP contributions with one-time General Fund resources, with the objectives of increasing the plan's funded status, by reducing the unfunded actuarially accrued liability, and reducing ongoing pension costs.

C. Pension Reserve Trust Fund Contribution

The City will establish and consider making contributions to an Internal Revenue Code Section 115 Pension Trust, with the objective of setting aside extra resources for future pension contributions at reduced investment risk to help smooth volatility from year-to-year fluctuations in annual required contributions.

D. Transparency and Reporting

Funding of the City's pension plans should be transparent to vested parties including plan participants, annuitants, the City Council and Roseville residents. In order to achieve this transparency, the following information shall be available:

- Copies of the annual actuarial valuations for the City's CalPERS plans shall be made available to the City Council.
- The City's Annual Comprehensive Financial Report shall be published on its website. This report includes information on the City's annual contributions to the pension systems and their funded status.
- The City's annual operating budget shall include the City's contributions to CalPERS.

E. Review of Funding Policy

Funding a defined benefit pension plan requires a long-term horizon. As such, the City will review this policy at least every five years to determine if changes to this policy are needed to ensure adequate resources are being accumulated.

City of Roseville

Other Post-Employment Benefits (OPEB) Funding Policy

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I. INTRODUCTION

The purpose of this Funding Policy is to state the overall funding goals for the City of Roseville OPEB Trust. The objective is to accumulate sufficient assets to fully finance the retiree healthcare benefits that the retired employees receive throughout retirement. In meeting this objective, the City will strive to meet the following funding goals:

- A. The City plans to continue to fund retiree medical benefits from operations until such a time as those expenses exceed the City's Actuarially Determined Contribution (ADC). At that time withdrawals from the OPEB Trust will be necessary.
- B. The City intends and plans to ultimately achieve full funding of its actuarially determined OPEB contributions by making increasing contributions to the OPEB trust, to the extent feasible, in the context of other competing demands for public services and employee compensation.
- C. Nothing in this funding policy shall constitute an obligation upon the City, nor an implied contract. The City Council may revoke or amend this policy in the best interests of the City.
- D. Funding of the OPEB Trust does not change the City's obligation or intent to fully pay annual medical costs for retirees.

II. BACKGROUND

The City of Roseville has provided a retiree health benefit to its employees for many years. As a cost reduction strategy, this benefit was eliminated for all bargaining unit employees classified as Tier III. Although eliminated for new employees, this benefit still remains in effect for the majority of the City's employees and must be addressed during the annual budget process.

In an effort to address the long-term costs of this expense, a trust was created to begin funding this benefit. The process currently in place is to fund all actual retiree expenses incurred in the current year on a pay-as-you-go basis and make additional contributions to the trust fund.

III. POLICY

The City will engage an OPEB actuary to determine the City's ADC based on biennial actuarial valuations. The ADC will include the normal cost for current service and amortization of the under-funded liability. The normal cost is the current year cost of the program to provide the benefit for current employees in the future. The normal cost

will be calculated using the entry age normal cost method using appropriate economic and non-economic assumptions approved by the City.

The City will review the actuarial valuations to validate the completeness and accuracy of the employee census data and the reasonableness of the actuarial assumptions. Actuarial valuations involve estimates and assumptions about the probability of occurrence of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

The City will continue to appropriate the ADC in the annual budget for the pay-as-you-go costs of OPEB for current retirees and contributions to the OPEB Trust. In addition, a portion of any one-time monies remaining at the end of each fiscal year may be deposited into the trust, which amount will be determined by Council based on available funds and other priorities.

Funding OPEB requires a long-term horizon. The City will review this policy at a minimum biennially, coincident with preparation of the actuarial valuations, to determine if changes to this policy are necessary to ensure adequate resources are being accumulated to fund OPEB benefits.

City of Roseville
Workers’ Compensation and General Liability Funding Policy

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I. INTRODUCTION

The Workers' Compensation and General Liability Funding Policy documents the City's approach to providing adequate financial resources to fund the City's Workers' Compensation and General Liability Programs and establishing and maintaining adequate reserves in the Workers' Compensation and General Liability Internal Service Funds.

II. BACKGROUND

The City is self-insured for workers' compensation and for general liability. The Workers' Compensation and General Liability and Programs charge City departments and funds for the costs of providing for claims, as well as for the cost of administering the claims.

III. POLICY

In order to methodically and consistently measure the City's projected claims, the City will contract with a professional outside actuary to prepare annual actuarial valuation reports for both categories of claims. Program funding will be based on the annual actuarial valuation reports.

The City's funding policy will provide program funding at the 75% confidence level, including recognition of anticipated investment income. Confidence level is used by actuaries to determine the realistic possibilities that a given funding rate will be sufficient to cover all claims that might be incurred in any one program year. A 75% confidence level indicates that the funding rate should be adequate 75% of the time.

If either program maintains a balance above the minimum funding requirement, the excess reserves will be used to subsidize City contributions over a 1-5 year period depending upon the amount of the excess and the City's economic condition.

If either program has excess claims requiring additional contributions to the fund, the City will increase contributions over a 1-3 year period depending on the amount of the shortfall and the City's economic condition to get to the minimum funding requirement.

**City of Roseville
Interfund Loans Policy**

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I. PURPOSE

The City's Interfund Loan Policy documents the methods used by the City to demonstrate prudent financial management over interfund loans. The policy:

- Requires City Council approval of interfund loans, except for short-term working capital loans,
- Permits short-term interfund loans for working capital to cover Council-approved reimbursable grants and projects and other temporary timing differences in cash flows, and
- Prohibits interfund loans from being used to solve ongoing structural budget issues or hindering the accomplishment of any function or project for which the lending fund was established.

II. BACKGROUND

Interfund loans are the lending of cash from one City fund to another for a specific purpose and with a requirement for repayment. The practice of interfund loans is a recognized and necessary aspect of municipal finance. Such loans are typically short-term in nature and constitute the allocation of resources between individual funds for working capital purposes.

III. POLICY

A. Long-term Loans

Interfund loans, other than short-term working capital loans, must be approved by the City Council. Council approval will include the following terms of the loan:

- Purpose of Interfund Loan
- Identification of the source fund
- Availability of unrestricted funds in the source fund
- Review of multi-year plans for use of source fund cash
- Analysis of legal or contractual restrictions
- Repayment of Interfund Loan

- Repayment must have a payment source and funding stream
- Specific repayment schedule
- Interest imposed at a rate equal to at least investment earnings if loan did not occur
- Other Considerations
- Feasibility of repayment
- Internal controls to monitor repayment

B. Short-term Loans

Short-term interfund loans for working capital to provide cash for Council-approved reimbursable grants and projects, are permitted. Short-term working capital loans are also permitted for temporary timing differences in cash flows when expenditures are incurred before revenue is collected. The source funds for working capital interfund loans are the General Fund and the Automotive Replacement Fund.

C. Prohibited Uses

- Interfund loans will not be used to solve ongoing structural budget issues.
- Interfund loans will not hinder the accomplishment of any function or project for which the lending fund was established.

City of Roseville

Request for Proposals (RFP) Policy

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I. INTRODUCTION

The purpose of this policy is to provide a uniform process for the issuance, evaluation, and selection of competitive proposals for services and/or customized goods.

II. DEFINITION

Request for Proposals (“RFP”) is a competitive proposal process whereby the City solicits proposals from potential proposers. The RFP process is used for requirements in which the desired outcome is known, but it is difficult to define the methodology or the exact materials or services required to achieve the desired results.

Objectives of the RFP process are to:

- A. Describe the City’s requirements and desired outcomes within a written specification;
- B. Solicit proposers for their proposed solutions;
- C. Describe key criteria to be used in the evaluation of proposals;
- D. Outline the terms and conditions under which the proposer(s) will operate or supply goods and/or services.

The City should use its best efforts to ensure that any RFP is as complete and thorough as possible, however should the scope of work or services of any RFP increase by twenty-five percent (25%) or more after publishing the RFP, that RFP should be withdrawn and any proposals rejected and a new RFP should be issued that includes the increased scope of work or services.

III. USE OF AN RFP

- A. Contracts for goods or services with an estimated value greater than the amount stated in Roseville Municipal Code (“RMC”) Sections 4.12.090 and 4.12.095 must be awarded by the use of competitive bids or an RFP, unless exempted by the City Council or law. Contracts for goods or services estimated to be equal or less than the amount stated in RMC Sections 4.12.090 and 4.12.095 may be awarded upon conclusion of informal interviews by representatives of the initiating department and other City staff, including the Purchasing Division (“Purchasing”), or by an RFP, as may be appropriate.
- B. Notwithstanding the foregoing, qualifying goods or services may be procured without issuing a RFP. A qualifying good or service is one where there is only a

single source for obtaining the particular good and/or service. Examples of sole source goods or services include, but are not limited to, patented, copyrighted, licensed items, specialized test equipment/facilities, critical schedule requirements, unique services, and standardized goods or services for which there is only a single source. Prior to contracting with a sole source, the initiating department shall complete the sole source authorization form. Furthermore, with respect to professional services with an estimated amount exceeding the amount stated in RMC Sections 4.12.090 and 4.12.095, such services may not be procured through sole source without the prior authorization of the City Manager and City Attorney.

IV. PUBLIC NOTICE

Public notice of the RFPs shall be given in the same manner as provided in RMC Section 4.12.090.

The originating department ("Department") should also generate a list of potential proposers to notify and direct them to the RFP section of the City's website to access the RFP.

V. FORM OF PROPOSAL

- A. City staff must use the City's latest version of the RFP template for the initial framework of the document and the City's Purchasing Guidelines should also be referred to. The RFP content should define the Department's needs and describe the scope of the work, allowing the potential proposer to develop the project details.
- B. Late proposals shall not be accepted, however staff may extend the time for submission of all proposals.
- C. Each proposal must be signed by an authorized representative of the proposer and include the legal name of the proposing organization and the signer's title. By signing the proposal it is presumed that the signer has authority to bind the proposer to the proposal's terms.
- D. RFPs are scored based on the criteria presented in the RFP. Proposers may propose any method or process to satisfy the scope of work in the RFP that maximizes responsiveness to the criteria stated in the RFP.

VI. EVALUATION FACTORS

Award of a RFP shall be made to the responsible proposer whose proposal is determined, through a formal evaluation panel process, to be the most advantageous to the City after the evaluation panel has taken into consideration the evaluation factors set forth in the RFP. A master averaged score sheet shall be created based on the evaluation panel's initial evaluation. Proposals shall be scored according to the criteria stated in the RFP.

Proposals submitted will be reviewed by an evaluation panel. Members of the evaluation panel shall be comprised of City staff and at the option of City may include non-City staff upon approval of the City Manager and City Attorney. After the initial evaluation, proposers that have submitted the best and most complete proposals may be invited to one or more interviews. The number of proposers invited to an interview may vary depending upon the number of proposals submitted.

The RFP may indicate the relative importance of evaluation factors. The following are representative evaluation criteria that may be considered by the Department when preparing a RFP:

- A. Reputation and Experience. Does the proposer have a reputation of being reliable, delivering on schedule, and performing tasks to the satisfaction of his/her clients? Does the proposer have sufficient experience in the kind of work required?
- B. Capability and Availability of Staff. Does the proposer have qualified and experienced staff needed to perform the work?
- C. Understanding of the Problem. Does the proposer demonstrate a thorough understanding of the issues and has it developed a relevant and effective approach?
- D. Proximity of the Proposer. Although no preference shall be given to local businesses, proposer's office and/or staff proximity to City of Roseville offices or work location as it relates to the proposer's ability to be responsive to the project requirements may be considered.
- E. Cost. Whenever possible and appropriate, a proposer's fee or hourly rate should be secured as part of the proposal and considered in the evaluation process. Whenever possible, RFPs should specify methods of submitting proposed costs that can be compared directly with competing proposals.

The City reserves the right to make a selection without interviews; therefore, the proposal should be submitted on the most favorable terms that the proposer might propose.

Should the City elect to conduct interviews with any proposers, the following criteria shall be considered and each proposer ranked by the evaluation panel during the interview process:

- Quality of presentation
- Ability to meet the City's business goals
- Communication style

A contract will be negotiated with the proposer considered best meeting the City's need for the project. In the event a mutually satisfactory contract cannot be negotiated with the City's first choice, negotiations may be terminated and commenced with the proposer considered next best in meeting the City's needs for the particular project.

The selected proposer will be required to execute a City prepared contract. The contract may further refine the scope of services and will provide for the terms and conditions of employment.

Evaluation Score Sheets. Upon a request pursuant to section 1.8 below, a proposer is entitled to a master averaged score sheet that reflects the averaged evaluation scores of the proposers during the evaluation panel's initial evaluation and the ranking of proposers from any interview (individual score sheets and/or notes are temporary and are not retained following a determination of the evaluation panel). The master score sheet and ranking shall be prepared by City staff prior to notifying any proposers of the results.

VII. DISCUSSIONS WITH PROPOSERS AND REVISIONS TO PROPOSALS

- A. As provided in the RFP, discussions may be conducted with responsible proposers. These discussions shall be for the purpose of clarification to assure full understanding of, and responsiveness to the solicitation requirements. The proposers shall be accorded fair and equal treatment with respect to any opportunity for discussion and revision of proposals, and such revisions may be permitted prior to the evaluation panel's determination of the award recommendation for the purpose of obtaining best and final proposals. In conducting discussions, there shall be no disclosure of any information derived from proposals submitted by competing proposers.
- B. After the evaluation panel has determined the proposer(s) to be recommended for award, the Department may enter negotiations with the recommended

proposer(s) to finalize proposed services and price before the evaluation panel's formal notice of intent to award is made.

VIII. AWARD PROCESS

- A. The award is made to the proposer(s) that is determined to best meet the overall needs of the City. For contracts for goods or services with an estimated value greater than the amount stated in RMC Sections 4.12.090 and 4.12.095, the award of such contract is expressly contingent upon City Council approval and the availability of funds. City staff may not legally bind the City to a contract with an estimated value greater than the amount stated in RMC Sections 4.12.090 and 4.12.095.
- B. Rejection of RFP. The City reserves the right to reject any or all proposals, to waive defects or irregularities in any proposal or in the RFP process, and to offer to negotiate or contract with any proposer(s) in response to any RFP. RFPs do not constitute any form of offer to contract.
- C. Multiple Award. The City reserves the right to award the contract to multiple proposers when applicable.
- D. A formal notice of the intent to award to the recommended proposer(s) shall be made by the Department.

IX. PUBLIC DISCLOSURE

In accordance with the California Public Records Act, proposals submitted in response to a RFP, master averaged score sheets from the initial evaluation, and/or rankings from any interview shall be made available upon a public records request only after: (1) the proposal evaluation process is complete, (2) a contract has been negotiated, and (3) notice of intent to award has been made and/or the contract is placed on a City Council meeting agenda.

X. PROTESTS

- A. Protest Requirements
 - 1. Any proposer who is aggrieved in connection with the solicitation or award of a contract may file a protest with the City Clerk's office. The protest must be received in writing by the City Clerk's office within seven (7) calendar days after such aggrieved proposer 1) knows or should have known of the facts giving rise thereto or 2) the date of the notice of intent to award, whichever is sooner. In no event shall a protest be

allowed after an award has been made by City Council. If the seventh calendar day falls on a weekend or City holiday, the protesting party may submit the protest prior to close of business on the first business day following such weekend or holiday. Failure to submit a timely protest shall bar consideration of a protest.

2. RFPs must include a notification to prospective proposers of this protest policy.
3. Departments must notify and consult with Purchasing and the City Attorney's Office immediately upon becoming aware of any potential or actual protest. In the event of a proper protest, the RFP process shall be stayed pursuant to Section X (D) of this Policy.

B. Grounds for Protest

1. The alleged grounds for protest shall be limited to the following: (a) computation errors, (b) violations of local, state, or federal law, or (c) the City failed to follow the procedures specified in this Policy.
2. The protest shall state all grounds claimed for the protest and include supporting documentation. Failure to clearly state the grounds for the protest and provide supporting documentation shall be deemed a waiver of all protest rights.

C. Administrative Review

Upon receipt of the protest in accordance with Section X (A), and after determining the protest was properly filed, the Department Director shall provide a copy of the protest to other proposers who might become aggrieved as a result of the protest and issue a written decision within fourteen (14) calendar days after receipt of the protest. The protest will be evaluated by the Department Director, the City Attorney's Office, and the Purchasing Manager. The protesting proposer shall promptly provide any information requested by City staff as part of such investigation. The decision shall either deny or uphold the protest and include reasons for the decision. The written decision shall be final.

D. Stay of Action during a Protest

In the event a protest is filed under Section X, the City shall not proceed further with the award of the contract until the protest is resolved, unless:

1. The City Manager or designee makes a determination that the award of the contract without delay is necessary to protect a substantial interest of the City, or
2. The City decides to reject all proposals and issue a new RFP.

**City of Roseville
Internal Control Policy**

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I. INTRODUCTION

The purpose of this City policy is to document the internal control framework adopted by the City and to formalize certain policies and procedures to further the goal of fiscal responsibility through effective and comprehensive internal controls.

II. BACKGROUND

The City has a responsibility to taxpayers, ratepayers and constituents regarding stewardship of public funds and other assets. In the City's efforts to serve the public as City officials or employees, the City establishes this Internal Control Policy using recognized best practices and state and federal guidelines. California Government Code (GC) section 12422.51 requires the State Controller to develop internal control guidelines applicable to local agencies. The intent of the legislation was to assist local agencies in establishing a system of internal control to safeguard assets and prevent and detect financial errors and fraud. The City's Internal Control Policy conforms to the State Controller's Office (SCO) Internal Control Guidelines for California Local Agencies, as well as to the federal Office of Management and Budget (OMB)'s "Green Book", Standards for Internal Control in the Federal Government. The internal control framework adopted by the SCO and OMB in their guidelines was originally developed by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), an organization that develops guidelines for businesses to evaluate internal controls, risk management, and fraud deterrence.

Internal control is defined as a process effected by an entity's oversight body, management and other personnel that provides reasonable assurance the entity's objectives will be achieved. Internal controls are policies and procedures put in place to help achieve goals and objectives. There is however an inherent limitation on the effectiveness of any internal control due to the cost/benefit relationship that must be considered, meaning that the cost of the internal control should not outweigh the potential benefit of the control.

III. FIVE COMPONENTS OF INTERNAL CONTROL

Internal control is comprised of five components that work together in an integrated framework:

- Control Environment
- Risk Assessment
- Control Activities
- Information and Communication
- Monitoring Activities

A. Control Environment

The control environment is the foundation for all other components of internal control, providing discipline and structure. Moreover, management establishes the tone at the top regarding the importance of internal control and expected standards of conduct and reinforces expectations at various levels. Control environment factors include the integrity, ethical values and competence of the City's personnel; the way management assigns authority and responsibility and organizes and develops its personnel; and the attention and direction provided by the City Council.

The control environment is the set of standards, processes, and structures that provide the basis for carrying out internal control across the City. The City Council and management establish the “tone at the top” regarding the importance of internal control, including expected standards of conduct, which then cascade down throughout the various levels of the organization and have a pervasive effect on the overall system of internal control. The control environment extends beyond the idea of culture and comprises the following:

1. The City’s integrity and ethical values
2. The City Council’s oversight responsibilities
3. The assignment of authority and responsibility
4. The process for attracting, developing, and retaining employees
5. The measures, incentives, and rewards to drive accountability for performance

The City’s control environment is influenced by a variety of factors including its history, values, market, and the competitive and regulatory landscape. An organization that establishes and maintains a strong control environment positions itself to be more resilient in the face of internal and external pressures.

The City’s policies and procedures include but are not limited to:

1. City Management has established the values and operating style for the organization through its Core Competencies, policies and procedures, and communicated them to all employees.
2. City Council and management receive and update their ethics training as required by AB 1234.

3. The City regularly considers the structure of the organization in terms of its size and the nature of its operation.
4. Management has established policies and practices reflecting expectations of competence.
5. Management provides the mentoring and training needed to attract, develop, and retain sufficient and competent personnel.

B. Risk Assessment

A local government's risk assessment process involves identifying risks to achieving organizational objectives, assessing the design of internal controls that mitigate these risks, and assessing whether the controls are effective. Risk assessment must be conducted by management on an on-going basis and include the following steps:

1. Define objectives clearly to enable the identification of risks and define risk tolerances.
2. Identify, analyze and respond to risks related to achieving the defined objectives.
3. Consider the potential for fraud when identifying, analyzing and responding to risks.
4. Identify, analyze and respond to significant changes that could impact the internal control system.

Internal changes such as changes in operating activities, the control environment, or organizational structure in addition to external changes such as changes within the regulatory environment, technological and economic changes all have an effect on risk. For this reason, a continuing effort to assess changes in risk and their effect on internal controls must be conducted.

The City's policies and procedures include but are not limited to:

1. City management addresses risk assessment in conjunction with the supervision of staff. When providing direction to staff in the performance of their duties, management may identify information as to the types of errors, policy violations, fraud, or noncompliance to which they should be attentive in the performance of their duties.

2. City Department Head Team communicates regularly about new or changed risks, conditions, actions, or events that may impact the ability of departments to manage the risks relevant to their operations.
3. Finance personnel attend training sessions to become aware of new accounting pronouncements and emerging issues in order to further identify and manage risks associated with proper financial reporting.
4. Departments send staff to conferences and program training sessions for the purpose of identifying likely risks of noncompliance, fraud, and error relevant to the programs that they manage.
5. The Information Technology (IT) Department periodically identifies and communicates risks for which employees should be particularly vigilant.

C. Control Activities

Control activities are the policies and procedures that help ensure that management directives are carried out. Control activities, whether within IT or manual systems, have various objectives and are applied at various organizational and functional levels. Examples of specific control activities include those relating to the following:

1. Authorization
2. Financial performance reviews
3. Information processing
4. Physical controls
5. Segregation of duties

The City's policies and procedures include but are not limited to:

1. Staff perform timely bank reconciliations as an effective tool to detect errors.
2. Internal financial reports are reviewed and compared to budget on a periodic basis and variances are investigated.
3. Purchasing guidelines are established that detail authorization limits, when contracts are required, and when purchases are subject to bidding or informal quotes.

4. Positive pay, which is a banking service to quickly detect check fraud, is employed.
5. Investment and debt policies are approved by Council to define the parameters and authorizations for investing and issuing long-term debt.
6. Procedures are established to ensure timely repayment and compliance with on-going debt covenants.
7. The Council-adopted budget ordinance is the policy used to establish budgetary control and the approval process required for budget adjustments.
8. Exceptions to any City policy or Administrative Regulation must be documented in writing and approved by an Assistant City Manager or the City Manager.

D. Information and Communication

Information is necessary for an entity to carry out internal control responsibilities to support the achievement of its objectives. Management obtains or generates and uses relevant and quality information from both internal and external sources to support the functioning of other components of internal control. Communication is the continual, iterative process of providing, sharing, and obtaining necessary information. Internal communication is the means by which information is disseminated throughout the organization, flowing up, down, and across the entity. It enables staff to receive a clear message from management that control responsibilities must be taken seriously. External communication is twofold as it enables inbound communication of relevant external information and provides information to external parties in response to requirements and expectations.

Communication is not an isolated internal control component. It affects every aspect of an organization's operations and helps support the system of internal control. The feedback from this communication network can help management evaluate how well the various components of the system of internal control are working.

The City's policies and procedures include but are not limited to:

1. The City Council adopts annual budgets and budget adjustments after a budget development process that encourages public engagement.

2. Staff provide quarterly financial reports to the City Council for review.
3. City management provides written instructions to all financial personnel with a role in the budget development and year-end close processes.
4. The City uses intranet and internet sites to communicate important information to employees, the City Council, and the public. Information provided on internet sites includes annual financial reports, adopted budgets, and summaries of City Council actions.
5. The City uses management-authorized job descriptions for all personnel.
6. The City monitors events at the state and national levels for pertinent legislative and regulatory actions.
7. Meetings of management personnel are conducted to review City Council agenda items, new initiatives, budget updates, and other important information.
8. City departments conduct staff meetings which provide an opportunity for information sharing up, down, and across the organization.
9. The City uses a whistleblower communication protocol called “Speak Up” for reporting potential wrongdoing, which allows anonymous reporting as an option and is a direct communication channel to the City Manager.

E. Monitoring

Monitoring involves evaluating the effectiveness of internal controls on an on-going basis and taking remedial actions when necessary. On-going monitoring activities often are built into the normal recurring activities and include regular management and supervisory activities. Management’s monitoring of controls includes considering whether they are operating as intended and that they are modified as appropriate for changes in conditions.

The City’s policies and procedures include but are not limited to:

1. Staff use the quarterly review of budget-to-actual reports to ascertain the on-going quality of the accounting controls that are used to produce reliable and consistent financial information about the City.
2. Staff respond to information received from employees regarding the accuracy of their payroll checks in order to give the City information

about the quality of the internal controls associated with the payroll process.

3. Staff respond to information received from vendors regarding the accuracy of payments made on vendor invoices in order to give the City information about the quality of the internal controls associated with the accounts payable process.
4. Staff respond to information received from customers regarding the accuracy of utility billings in order to give the City information about the quality of the internal controls associated with the utility billing system.
5. Staff follow up on corrective action plans for audit findings until recommendations are implemented.

City of Roseville

Procurement Code of Ethics Policy

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I. INTRODUCTION

Public employees are stewards of public funds and must ensure that expenditures of public funds, such as through the procurement and contracting process, occur in an ethical and responsible manner. All employees must perform their duties impartially to assure fair, competitive access to governmental procurement and to discourage conduct that is inconsistent with the proper execution of the employee's duties. Moreover, public employees must maintain a standard of conduct that inspires public confidence and trust in the integrity of the City's procurement process.

II. PURPOSE

The purpose of this policy is to provide a well-defined and established code of ethics for City of Roseville employees, including public procurement professionals, who interact with the public and represent the City in any way in relation to all procurement activities and to ensure integrity in the procurement and contract process.

III. POLICY

It is the policy of the City of Roseville to foster public confidence in the integrity of the City's procurement process by ensuring that all employees who engage in public procurement adhere and commit to the City's Procurement Code of Ethics Policy to perform their duties with integrity, honesty, fairness, and transparency and to avoid conflict of interests, engaging in questionable practices, and offers of personal benefit. All employees shall uphold the following standards:

IV. GENERAL STANDARDS OF CONDUCT

- A. Employees shall act impartially and with the highest degree of integrity to foster public confidence in city government and will make every effort to ensure open and fair competition for all available City business in accordance with the Roseville Municipal Code and this Policy.
- B. Employees shall conduct themselves in a courteous and professional manner with vendors, contractors, consultants and suppliers, henceforth referred to as "vendors"; internal customers, and members of the public with whom they come into contact, striving to act objectively and without discrimination or bias of any form.
- C. Employees shall not use confidential or sensitive information acquired in the course of their duties for personal gain or for the benefit of family or friends, and will act only within the official level of their authority.

- D. Employees shall keep their supervisor informed as necessary, immediately upon learning of a potential or existing problem that may impact the integrity of a procurement or contract activity.
- E. Employees shall not willfully or unlawfully conceal, remove, mutilate, falsify, or destroy any government document or record, nor shall they make any false or fictitious statements in connection with any official procurement matter, document or record.

V. CONDUCT WITH OUTSIDE VENDORS AND CONTRACTORS

- A. Employees shall base all purchases on the principle of competitive bidding/quotes consistent with the existing laws and policies of the City.
- B. Employees shall grant all competitive quotes or bids equal consideration, regard each transaction on its own merits, and promote fair, ethical, and legal trade practices. Employees shall not give out information about bids or bidders prior to bid opening. Any information provided must be provided in a controlled manner to ensure that all potential bidders receive the same information at the same time.
- C. Employees shall refrain from showing favoritism or being influenced by outside vendors through the acceptance of gifts, gratuities, loans or favors.
- D. Employees shall refrain from requiring outside vendors to pay to be included on an approved or preferred vendor/contractor list.
- E. Employees shall refrain from requesting donations of goods or services to the City.
- F. Employees shall avoid the exertion of undue influence or abuse of power.

VI. CONFLICT OF INTEREST IN PROCUREMENT

- A. Employees shall avoid all potential or actual conflicts of interest to ensure that all procurement decisions are made in an independent and impartial manner.
- B. Purchasing staff and others who regularly participate in contract activities on behalf of the City must disclose relevant financial interests as required by State

Law and by City policy and to annually review those statements in conjunction with this Policy and other ethical standards.

- C. If a possible conflict of interest is identified, it must be reported to the Department Head and reviewed and documented with the City Attorney's Office.
- D. Employees involved in a procurement selection process shall not accept, directly or indirectly, any tangible or intangible benefit valued at \$50.00 or more (including, but not limited to, money, gifts, favors, entertainment, discounts, passes, transportation, accommodation, hospitality, meals or offers of employment, etc.) from any person, firm, organization, company or corporation, that may influence or give the appearance of influencing procurement-related decisions, within six months before or after a contract award.
- E. Employees shall declare a conflict when a vendor is to be selected for contract award that employs them, or their immediate family member or partner, or is about to employ them.
- F. Employees shall, upon learning that the City is conducting or intends to conduct business with a vendor with which they, or a member of their immediate family have a financial interest, immediately disclose this real or apparent potential conflict of interest to their supervisor and refrain from all activity with respect to this vendor.
- G. Employees shall not, in the performance of their official duties, participate directly or indirectly in any matter pertaining to any contract, or subcontract, and any solicitation or proposal thereof, in which to the employee's knowledge:
 - 1. They or any member of their immediate family has a substantial financial interest;
 - 2. A business or organization in which they or any member of their immediate family has a substantial financial interest as an officer, director, trustee, partner or employee, is a party; or
 - 3. Any other person, business, or organization with whom they or a member of their immediate family is negotiating or has an agreement concerning prospective employment, is a party.

- H. Direct or indirect participation, for purposes for Section (VI)(G), shall include, but is not limited to, involvement through decision, approval, disapproval, recommendation, preparation of any part of a procurement transaction, influencing the content of any specification or purchase standard, rendering of advice, investigation, auditing, or in any other advisory capacity.
- I. Employees and members of the employee's immediate family shall not enter into an agreement (contract or purchase order) with the City of Roseville, and the City shall reject all bids and proposals that are submitted by a City employee's immediate family.

VII. CONFLICT OF INTEREST CHECKLIST

- A. Employees should consider all of the following questions to determine whether a potential or actual conflict of interest exists through their participation in a proposed procurement or contract activity:
 - 1. Personal Relationships
 - a) Do you currently have or have had any official, professional, financial, or personal relationships with any person or firm associated with this assignment?
 - b) In your opinion, might this affect your judgment or your ability to execute this assignment in a fair and impartial manner?
 - 2. Stock and Investments
 - a) Do you own any stock in any company likely to be affected by or involved in the proposed procurement activity?
 - b) Does your spouse, domestic partner, or a dependent own any stock in any company likely to be affected by or involved in the proposed procurement activity?
 - c) Do you hold any investments in any entity (e.g., partnership, limited liability company, or a trust) likely to be affected by or involved in the proposed procurement activity?

- d) Does your spouse, domestic partner, or a dependent hold any investments in any entity (e.g., partnership, limited liability company, or a trust) likely to be affected by or involved in the proposed procurement activity?

3. Employment and Consulting

- a) Is your spouse, domestic partner, or a dependent employed/retained by anyone likely to be affected by or involved in the proposed procurement activity?
- b) Has your spouse, domestic partner, or dependent been previously employed/retained by anyone likely to be affected by or involved in the proposed procurement activity?
- c) Have you been employed/retained by anyone likely to be affected by or involved in the proposed procurement activity?

4. Payment or Gifts

- a) Within the past 12 months, have you received any payments or gifts of \$50.00 or more from anyone likely to be affected by or involved in the proposed procurement activity?
- b) Within the past 12 months, has your spouse, domestic partner, or a dependent received any payments or gifts of \$50.00 or more from anyone likely to be affected by or involved in the proposed procurement activity?

5. Real Estate

- a) Do you own real property that is likely to be affected by or involved in the proposed procurement activity?
- b) Does your spouse, domestic partner, or a dependent own real property that is likely to be affected by or involved in the proposed procurement activity?

6. Positions

- a) Do you currently hold a position (e.g., member of a board of directors) of any entity (e.g., a company, partnership, association, nonprofit) that is likely to be affected by or involved in the proposed procurement activity?
- b) Does your spouse, domestic partner, or a dependent hold a position (e.g., member of a board of directors) of any entity (e.g., a company, partnership, association, nonprofit) that is likely to be affected by or involved in the proposed procurement activity?

7. Are you aware of any facts or circumstances that might give someone the impression that your participation in this process would create a conflict of interest?

VIII. CONFIDENTIALITY DURING THE EVALUATION PROCESS

City employees, vendors, and outside evaluators who participate in the evaluation process shall not share any information about responses received and the evaluation process until the City issues a Notice of Intent to Award.

City of Roseville

Roseville Electric Utility Financial Policy

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I. PURPOSE

The purpose of Roseville Electric Utility's financial policies is to provide management guidance to maintain a fiscally sound utility.

II. BACKGROUND

Establishing financial policies assists the utility by:

1. Providing long term direction
2. Providing guidance for managing resources
3. Setting goals for rate planning
4. Maintaining and improving bond ratings and outlooks
5. Adopting metrics to measure and sustain a strong financial position.

Roseville Electric Utility uses financial ratios from these policies to analyze performance trends and compare financial results to other utilities. These ratios and benchmarks are also used by credit rating agencies, investors, and bond insurers to measure credit worthiness.

III. POLICY

The five financial policies include:

- Rate Stabilization Fund
- Debt Service Coverage Ratio
- Days Cash on Hand
- Fixed Cost Coverage
- Debt Service Reserve

1. Rate Stabilization Fund

Maintain a rate stabilization fund (contingency reserves) balance of a minimum 40% and maximum 90% of operating expenses with a target balance of 65%.

The purpose of the rate stabilization fund is to provide reserves to cover large contingencies such as fluctuation in fuel costs, while limiting or leveling out the impact of cost increases to rate payers. Reserve adequacy is reviewed carefully by rating agencies, bond insurers, and bondholders when evaluating a company's financial position.

The balance in the rate stabilization fund will fluctuate from year to year as funds are transferred into and from operations, maintaining level rates for our customers. The goal is to maintain an average target for the rate stabilization fund of 65% of the annual operating expenses, accepting a range of 40% to 90% in any fiscal year. By establishing a goal to maintain the rate stabilization fund at 65% of operating costs, Roseville Electric Utility should possess sufficient reserves available for contingencies.

2. Debt Service Coverage Ratio

Maintain an annual debt service coverage ratio of minimum 2.0. Maintain a debt service coverage requirement as required by bond covenants.

The debt service coverage ratio is one of the primary measures of a utility's financial position. This ratio calculates funds available to pay debt service and measures a utility's ability to meet its annual debt obligations. This is a key indicator used by rating agencies, bond insurers, and investors in evaluating our ability to meet our annual debt obligations. The formula is (annual net revenues annual debt service obligations).

3. Days Cash on Hand

Maintain a cash balance (excluding restricted items) greater than 250 days.

Days cash on hand is an indication of how many days operating expenses could be paid before additional income is needed. It measures a utility's ability to meet its annual operating obligations. This is a key indicator used by rating agencies, bond insurers, and investors in evaluating our ability to meet our operating obligations. The formula is (cash*365 / annual operating expenses - depreciation).

Restricted cash and cash held with joint powers agencies are excluded from the calculation.

4. Fixed Cost Coverage

Minimum fixed cost coverage ratio of 1.5.

Fixed cost coverage is an indication of how many times fixed costs can be paid from income. This is a key indicator used by rating agencies, bond insurers, and investors in evaluating the utility's ability to pay fixed costs. The formula is (Net revenue – net transfers (including General Fund transfers) not included in net revenue + total debt service) / (total debt service). The debt service includes Roseville's off balance sheet debt obligation held by joint powers agencies.

5. Debt Service Reserve

Maintain a fully funded debt service reserve as required by bond covenants.

Debt service reserve ensures adequate cash is available to fund payments to bond holders. Actual cash is held by a fiscal agent and a reservation of fund balance is recorded in the financial statements. The value is set by bond covenant documents and is typically equal to one full year of debt service.

City of Roseville
Environmental Utilities Financial Management Policy

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April 2015

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1. Executive Summary

The Roseville Environmental Utilities Department (the “EUD” or the “Department”) manages the city’s water, wastewater and solid waste utilities (the “Utilities”). The Utilities are separately managed financial entities and as such, each faces different constraints and environments and must manage its finances accordingly. With this notion in mind, the Utilities developed this Financial Management Policy (the “Policy”) with the intent of giving each Utility a set of guidelines with which it can successfully and prudently manage its finances.

The Policy affirms the currently used Rehabilitation and Enterprise Fund guidelines, clarifies and adjusts targets for cash flows available for debt service and operating costs, and establishes targets for sizing Reserves (previously 10% of Operating Expenses).

Specifically, the Policy sets cash flow management guidelines for both the debt holding and non-debt holding enterprises and recommends reserve levels based on each Utility’s respective risk profile. To the extent that a Utility holds public debt, the Policy establishes Debt Service Coverage (“DSC”) targets to ensure the Utility’s ability to meet both its operating and debt service obligations; otherwise, the Policy recommends managing cash flow by targeting an Operating Ratio (Operating Income divided by Operating Expenses). The Policy then sets recommends reserve levels in order to help the Utilities manage exposure to operating risks, critical failures, and rate volatility. The Policy also provides recommended conditions for rate actions when cash flows and/or Reserves deviate from their prescribed targets.

2. Introduction

The Utilities are publicly-owned community assets for the City of Roseville (“Roseville” or the “City”) that provide safe, reliable, competitively-priced water, wastewater, solid waste, and recycled water services to all of their customers. The Utilities prepared the Policy with the intent of establishing guidelines for managing the financial profiles of each Utility.¹

The Policy is divided into six sections: Purpose, Defining Financial Strength, Enterprise Fund Fees and Rates, Rehabilitation Funds, Recommended Debt Service Coverage and Operating Ratio Policies, Recommended Reserve Policies, and Interaction between Coverage and Reserves.

It is intended that to maintain relevance, the Utilities will revisit the Policy periodically if there is a material change in risk exposures or conditions.

¹The Policy focuses on the Water, Wastewater, and Solid Waste Utilities as the Recycled Water Utility does not keep independent financial records but is currently part of the Wastewater Utility.

3. Purpose

The purpose of this Financial Management Policy is to provide a set of guidelines for prudently managing the financial profiles of the Utilities. In practice, this Policy will discipline the budgeting and rate setting practices, establish guidelines to improve the financial health of each Utility over the long term, and seek to balance the need for capacity growth while maintaining competitively low rates.

Like all enterprises, the Utilities manage cash flow to cover expenditures and hold reserves to address anticipated and unanticipated funding requirements.

The Policy is based upon the understanding that the following factors are important and should serve as the relevant goals of the Policy. These goals establish that each Utility should:

1. Manage rates to avoid significant year-over-year rate adjustments.
2. Strive to maintain and invest in its respective system.
3. Maintain reserves for financial exposures.
4. Cost-effectively obtain funds to maintain and invest in its respective system.

The Policy is further intended to offer the Roseville City Council (the “City Council”) guiding directives to staff for decisions and recommendations related to the financial profile of each Utility.

The Policy is not prescriptive in terms of how the Utilities set rates; however, there is a nexus between the rates that each Utility charges and its respective financial profile. While the Policy attempts to recognize the balance between each enterprise’s risk management, financial risk management and rate setting, the Policy cannot resolve conflicts between competing objectives and so it instead provides guidelines for the financial management of each Utility to be considered by the City Council and staff in coordination with other considerations.

4. Defining Financial Strength and Credit Considerations

The Utilities’ businesses are subject to a number of significant environmental, market, and regulatory considerations on national, state, and local levels. The determination of financial strength is subjective, but it ultimately relates to the expectation that the Utilities can continue to meet their primary financial goals in the context of the macro considerations that each Utility faces.

Anticipated and Unanticipated Financial Considerations

One characteristic of financial strength is the ability to prepare for anticipated events and obligations including, but not limited to:

- Operation and maintenance expenses (O&M).
- Debt service payments.
- Exposure to weather related events such as droughts.
- Response to existing or impending regulations.

Another characteristic of financial strength is the ability to address unanticipated considerations including, but not limited to:

- Unanticipated general reduction in customer demand.
- One or more operational events (natural disaster or other events including force majeure, etc.) that could dramatically increase costs or reduce resource options, the loss of one or more large customers.
- Market disruption that increases the cost of borrowed funds.
- Counterparty's inability to perform on a contract.
- Change in regulatory or environmental regulations.
- Unanticipated increase in compensation costs.

While such considerations are by nature, unanticipated, the Policy recognizes that the financial strength of each Utility is at least partially related to the ability to address such considerations should they arise.

Ratings as Indicators of Financial Strength

While credit ratings are important yardstick indicators of financial strength, the Policy is not focused on maintaining credit ratings but rather the overall financial strength of the Utilities as only some of the Utilities have or will have ratings. It is expected, however, that by following the guidelines of the Policy, the Utilities will maintain strong credit ratings.

Specifically, it is expected that the Water Utility will be able to maintain A+ category ratings and will be able to make a strong case for AA- category ratings while the Wastewater Utility will be able to support the South Placer Wastewater Authority ("SPWA") in maintaining A or higher, category ratings. SPWA issues debt on behalf of the City of Roseville, Placer County and South Placer Municipal Utility District for regional wastewater treatment facilities to be used by these agencies.

5. Enterprise Fund Rates and Fees

Environmental Utilities are 100% self-sufficient. The primary revenue streams for the Utilities are rates and fees established by the City Council. This Policy identifies the manner in which rates and fees are set and the extent to which they cover the cost of services provided. A revenue system that requires the identification of both the cost of the programs and the portions of the cost that will be recovered through those revenues allow the Department and its utility customers to develop a better understanding of the cost of services and to consider the appropriateness of established rates and fees.

Policy

The City will set rates and fees at levels related to cover the reasonable cost of providing services which includes direct and indirect costs such as operating and maintenance, overhead, infrastructure rehabilitation, and debt service. The Department will review these rates and fees annually in the budget process and will recommend rates that are expected to produce revenues sufficient to fully fund the reasonable costs of providing services. Further,

- All rates and fees shall be adopted in accordance with the provisions of Prop 218 and AB1600.
- The City will examine utility rates through the cost of service process every two years or as otherwise determined in an effort to avoid the rate shock that occurs when rates are evaluated less frequently.
- Revenue and expenses will be projected using conservatism.
- Revenue requirements will be based on long-term planning objectives.

During the rate and fee setting process, the City will consider the rates and fees of other agencies as comparing the City's rates and fees to other agencies' provides useful background information because:

- Other agencies' rates and fees reflect in some ways the current "market's" rates for similar services provided by the Utilities and can assist the City is assessing the reasonableness of proposed rate and fee changes.
- They can serve as a benchmark for how cost-effectively the Utilities are providing their services.

Rates and fee comparisons, however, should never be the sole or primary criteria used in the City's rate and fee setting process. The City should also place under consideration:

- What level of cost recovery is the rate and/or fee intended to achieve?
- What costs are considered in the computation of rates and fees?
- Timing: When was the last time the other agencies' fees were comprehensively evaluated?

- What level of service do the other agencies provide compared to the City's?
- Are other agencies' rate structures significantly different than the City's and what is each entities' rate structure intended to achieve?

6. Rehabilitation Funds

The Utilities have established Water, Wastewater and Solid Waste Rehabilitation Funds (the "Rehabilitation Funds". The Water and Wastewater Rehabilitation Funds administer the capital rehabilitation and replacement of existing infrastructure assets. Solid Waste Rehabilitation Funds are used for the rehabilitation and replacement of bins and cans.

Policy

Sources of Revenue

The primary source of revenue for the Rehabilitation Funds is Utility rates. City Council adopted Utility rate schedules include an amount for the rehabilitation or replacement of infrastructure assets or capital assets for each utility. The rates are collected in the Operations Funds and transferred to the Rehabilitation Funds.

The Wastewater Rehabilitation Fund also includes local wastewater connection fees. These fees are collected for the specific purpose of purchasing and/or replacing capital equipment required for the maintenance of wastewater facilities. Other sources of revenue for the Wastewater Rehabilitation Fund include:

- Interest earned on unexpended funds or reserves that will remain in the Rehabilitation Funds and be available for approved expenditures.
- Any grant, loan, or other source of revenue obtained for the purpose of capital rehabilitation or replacement or infrastructure assets will be included in the Rehabilitation Fund, made available for approved expenditures, and accounted for as required by the grant, loan, or other source.

Expenditures

Rehabilitation Funds may only be used for Water and Wastewater infrastructure asset or Solid Waste capital asset capital rehabilitation or replacement expenditures. These expenditures:

- Must serve the purpose of benefiting the existing Water, Wastewater, or Solid Waste Utility customers.
- Must be approved by City Council.
- Must be included in the Rehabilitation Plan unless needed for unanticipated utility emergency purposes.

- May include updates necessary to comply with changes to regulatory requirements.
- Must be necessary to maintain the existing level of service which may include technological advancements.
- Must not increase capacity or conduct improvements beyond the scope described above.
- May be approved to pay for the respective utilities' debt service.
- If incurred in conjunction with an outside source of revenue (i.e. grant), must be accounted for as required by the outside revenue source.

Investments

Investments must be made in accordance with City investment policies.

Fund Balances

The Rehabilitation Funds will be administered independent of each other and of any other funds within the Utilities or the City. Lending of funds to or from the Rehabilitation Funds must be approved by City Council, must be considered only for the benefit of the respective water, wastewater, and solid waste systems and utility funds, and only for the benefit of the respective water, wastewater, and solid waste customers. Interest will be paid at the then prevailing interest rate for city-pooled investments. Further, the majority of each Utility's Rehabilitation Fund balances should be invested or held in "liquid" assets (e.g. cash, money market accounts, treasuries, etc.) in order to ensure that immediate rehabilitation expenses can be met in a timely manner. Lending from the Rehabilitation funds will only be considered if they do not conflict with planned capital plan needs over the horizon of the repayment period.

Assessment of Capital Plan

The water and wastewater capital rehabilitation and replacement needs will be reevaluated periodically. Items to be considered include, but are not limited to:

- Asset lifetimes by class of asset
- Inflation rates for both operating and capital costs
- Unit costs for asset replacement
- Fund interest yield rates
- Condition, criticality, and operational usefulness of assets
- Desired levels of service
- Consequences when desired levels are not met
- Risk of asset failure and level of acceptable risk of failure
- Measurements of various asset attributes that indicate how well an asset performs

The amounts transferred from Operation Funds to Rehabilitation Funds will be adjusted as necessary to reflect changes in the rehabilitation and replacement funding requirements. The impact of such adjustments on utility rates will also be analyzed to determine if an adjustment to water, wastewater, or solid waste utility rates is necessary.

Roseville Public Utilities Commission

The Roseville Public Utilities Commission will provide recommendations on the implementation of these policies, as appropriate, consistent with their role as an advisory body to the Roseville City Council.

Rehabilitation Fund Policy Review

The Rehabilitation Fund Policies designate a reassessment of the policies from time to time to determine if any changes are necessary. Any changes must be approved by the City Council.

7. Recommended Debt Service Coverage and Operating Ratio Policies

This Policy recommends managing funds primarily to Debt Service Coverage (“DSC”) or Operating Ratios while maintaining a focus on reserves as well in order to meet each Utility’s management goals.

Policy

A practical minimum DSC is 1.00x without reserves because at 1.00x, the Utilities are paying operating costs and debt service on a cash flow basis. There are, however, below the line cash outflows that should also be considered.

Direct Debt Service Coverage and Operating Ratio Policy

This Policy recommends the Water and Wastewater Utilities maintain DSC of 1.80x. This level maintains a cushion above the bond covenant requirement of 1.10x for the Wastewater Utility and 1.20x for the Water Utility. At 1.80x DSC, the Water and Wastewater Utilities can reliably use cash flow to pay for their operations including related depreciation expenses. The 1.80x DSC would leave adequate cash funding available to invest in general system improvements; however, significant capital improvements or additions would probably have to be financed with debt. This strikes a balance between funding capital through higher rates paid by current customers and funding capital through bond financing paid by future customers.

The Solid Waste Utility has historically enjoyed stable Net Operating Revenues. Due to the lack of volatility and overall lack of depreciable assets, it is recommended that the Solid Waste Utility maintain an Operating Ratio of 1.30x. The 1.30x Operating Ratio would leave

sufficient cash funding available to invest in any necessary capital improvements on a pay-go basis.

Using Reserves to Meet Coverage

The Policy recommends that the Utilities calculate DSC and Operating Ratios without Reserves and without accounting for Rate Stabilization Fund draws. The use of rolling coverage in calculating DSC is very useful for legal compliance purposes but it is not recommended for operating and financial management purposes as it may give an inaccurate depiction of financial health.

8. Recommended Reserve Policy

Reserves are important to the Utilities because they help to:

- Ensure cash exists for the timely payment of bills.
- Maintain the short-term and long-term financial health of each Utility.
- Maintain stable rates for customers.
- Fund unanticipated cost contingencies.
- Ensure funds exist for system improvements.
- Act as a significant factor in bond ratings.
- Identify when financing should be procured.
- Identify the need for rate actions.

Policy

The most common approach to sizing Reserves is by number of days of expenses. Water and wastewater utilities of about equivalent size to the City of Roseville Water and Wastewater Utilities typically have reserves of at least 250 days. Reserves of approximately 365 Days' Cash would be more typical for AA-/A+ category rated utilities and would be more appropriate to match the risks that the Water and Wastewater Utilities manage. It is recommended that the Solid Waste Utility maintain Days' Cash of approximately 90 days for the reasons described below.

Operating Risk Management

The Utilities use reserves to handle fluctuations and adjustments in every day expenses. It is recommended that each Utility maintains approximately 90 days' worth of Operating Expenses as one subcomponent of the Reserves. Such reserves would, amongst other things, be intended to cover timing issues with regard to payments, fluctuations in purchased water costs, and other operational issues. In consideration of these fluctuations in cost and cash requirement, 90 Days' Cash for regular operation management is a modest first component of the recommended Reserves.

System Critical Failure

Each Utility should consider maintaining a portion of the Reserves that is for a single emergency event (e.g. treatment facility closure, conveyance disruption, etc.). In total, it is recommended that the Reserves set aside for system critical failure be equivalent to approximately 1.0 - 2.0% of the Capital Assets belonging to each respective Utility. Due to the lack of Capital Assets possessed by the Solid Waste Utility, it is not recommended that the Solid Waste Utility keep any reserves for the event of a system critical failure. This component of the Reserves may be forgone if it is determined that each Utility's exposure to critical failures is adequately covered through insurance.

Rate Stabilization

In addition to addressing operating and maintenance issues, Reserves serve two other important purposes:

1. Reserves act as a shock absorber for ratepayers.
2. Reserves offer security to each Utility's debt holders. If an unusual financial or operating event leaves a Utility short of cash, Reserves can be used to avoid an immediate increase in rates to cover the shortfall.

Keeping some Reserves for rate stabilization would allow the Utilities to ensure that under virtually no circumstance would an Event of Default situation occur within a single year, and that the City Council would have the year to contemplate ways to prevent investors from enforcing rate actions on the Utilities' customers.

For such reasons, it is advisable that the Water and Wastewater Utilities target Reserves sized for rate stabilization at approximately 50% of annual operating expenses or roughly 180 Days' Cash.

Because the Solid Waste Utility does not hold any debt and has historically experienced very stable net revenues, it is recommended that the Solid Waste Utility not hold any reserves for the purpose of rate stabilization.

Other Uses for Reserves

The aforementioned categories are those that most clearly merit the allocation of Reserves but are by no means the only categories of financial exposure that the Utilities could manage with Reserves. For instance, the Utilities have significant Pension and Other Post-Employment Benefit liabilities that could generate a cash requirement. Further, to the extent that the Solid Waste Utility faces fees for the closure of a landfill or similar occurrence, it may be prudent to hold additional reserves for such an event. Other risk categories such as interest rate exposure are relatively small and do not need to be reserved for separately, but are real risks that could potentially be managed with Reserves.

Reserve Policy Summary

These recommendations would suggest that the following would be the appropriate Reserve levels for each Utility:

- Operating Risk Management: 90 Days' Cash
- System Critical Failure (Water and Wastewater Only): 1.0 - 2.0% of Capital Assets
- Rate Stabilization (Water and Wastewater only): ~180 Days' Cash
- Total Reserves: ~270 Days' Cash plus 1.0 - 2.0% of Capital Assets (Water and Wastewater); 90 Days' Cash (Solid Waste)

While these areas of consideration were evaluated in order to conceptualize the appropriate size of the Reserves, each Utility intends to maintain a single Reserve without separate buckets. These Reserve allocations are neither abnormally high nor low for industry standards. Each component of the Reserves is sized at less than the maximum possible exposure for each component because there is a recognition that it is unlikely several of the risks each Utility faces would materialize simultaneously.

Building and Drawing Upon Reserves

The Water and Wastewater Utilities are targeting Reserves of about 270 Days' Cash plus 1.0 - 2.0% of Capital Assets while the Solid Waste Utility is targeting 90 Days' Cash, however, there is no intention of setting rates to maintain Reserves equal to the levels prescribed above. The purpose of Reserves is to address the financial impacts of revenue and expense fluctuations and unanticipated events. Excess reserves can be used for several financial imperatives including but not limited to: financing capital improvements on a pay-go basis, paying down existing debt, or lowering rates. The general philosophy of the proposed range is that the Water and Wastewater Utilities should target 270 Days' Cash plus 1.0 - 2.0% of Capital Assets and the Solid Waste Utility should target reserves of 90 Days' Cash. Each of the Utilities should limit reserves to 130% of the respective reserve targets. Each Utility's Reserves would increase or decrease depending upon many factors for a given year; however, to the extent that each Utility achieves its DSC or Operating Ratio Policy targets, Reserves would remain fairly stable. Reserves would increase or decrease under the following conditions:

- Net Revenues Available for Debt Service are higher or lower than budgeted/projected as a result of higher or lower Revenues and Expenses
- Debt Service is higher or lower than budgeted/projected
- Capital investment in the system from Net Revenues is higher or lower than budgeted/projected
- Debt issued for capital investment is greater or less than budgeted/projected

9. Interaction Between Coverage and Ratios, Reserves, and Rates

For reasons described in the sections above, the Policy prescribed specific targets for DSC and Operating Ratios and Reserves. However, the Policy anticipates that in practice there is a range of acceptable results and a balance between cash flow and reserve levels is warranted.

A rate increase should be considered by the City Council if any of the following conditions (the “Rate Increase Conditions”) are projected in the five-year forecast:

- DSC without Reserves will be less than 1.80x
- Operating Ratios (Solid Waste Only) without Reserves will be less than 1.30x
- Any rate increase would be greater than six percent
- A major expenditure is expected

Rate increases indicated by the above conditions that would exceed six percent in any one year can be spread over multiple years.

No rate increase for the purpose of increasing reserves or DSC should be considered if DSC or Operating Ratios without Reserves are above their respective targeted levels and Reserves are projected to be greater than the targeted levels of 270 Days’ Cash plus 1.0 – 2.0% of Capital Assets for the Water and Wastewater Utilities and 90 Days’ Cash for the Solid Waste Utility.

Lastly, it is important to note that recommendations in the Policy are associated with projected financial conditions for the Fiscal Year End of future years. Actual results will vary based on weather, market conditions, etc. In addition, Reserves and cash flow may be more or less robust within a Fiscal Year, relative to the Fiscal Year End but considering such fluctuations within a year would overly complicate monitoring with only marginal benefit.

10. Conclusion

The Policy was drafted with the intent of providing guiding directives to the Utilities’ management and staff for decisions and recommendations related to each Utility’s financial profile.

The Policy is a fairly incremental change from existing policies. Specifically, the Policy affirms the currently used Rehabilitation and Enterprise Fund guidelines, clarifies and adjusts targets for cash flows available for debt service and operating costs, and adjusts targets for sizing Reserves (previously 40% of Operating Expenses).

In its most abbreviated form, the Policy targets 1.80x DSC without Reserves for the Water and Wastewater Utilities and an Operating Ratio of 1.30x for the Solid Waste Utility. It targets Unrestricted Reserves sized at 270 Days’ Cash plus 1.0 – 2.0% of Capital Assets for

the Water and Wastewater Utilities and 90 Days' Cash for the Solid Waste Utility and establishes tolerable maximums. The Policy also provides recommended conditions for rate actions when cash flows and/or Reserves deviate from the targets. The table below summarizes the policy targets described above.

Summary of Policy Targets			
Utility	Water	Wastewater	Solid Waste
Debt Service Coverage or Operating Ratio (x)	1.80 DSC	1.80 DSC	1.30
Reserves (Days' Cash)			
Operating Risk Management	90	90	90
System Critical Failure (% of Capital Assets)	1-2%	1-2%	0%
Rate Stabilization	180	180	0
Total	270 + 1-2% of Capital Assets	270 + 1-2% of Capital Assets	90

The Policy is intended to be revisited and updated periodically if there are material changes in the risk exposures or conditions each Utility faces.

Finally, and perhaps most importantly, the Policy is ultimately intended to serve as a guide and it in no way restricts the ability of the City Council to review proposed rate actions, debt issuances, or other actions of substance to each Utility.

Appendix I –Peer Water Utility Financial Management Results

Peer Water Utility Financial Results (FY2014)			
Utility	City of Redding ¹	City of Sacramento ²	Yuba City
Ratings (M/S/F)	-/AA/-	-/AA-/AA-	-/A+/AA-
Revenues/Expenses			
Operating Revenues	\$18,423,339	\$94,382,000	\$11,794,764
Operating Expenses (Excluding Depreciation)	\$13,245,963	\$43,215,000	\$4,815,664
Net Operating Revenue	\$5,177,376	\$51,167,000	\$6,979,100
Non-Operating Revenue (Expenses)	\$1,074,049	(\$4,373,000)	\$2,468,918
Net Revenue Available for Debt Service ³	\$6,515,804	\$46,794,000	\$5,204,350
Depreciation & Amortization	\$3,457,758	\$16,951,000	\$4,718,299
Net Revenue after Depreciation & Amortization	\$2,793,667	\$29,843,000	\$4,729,719
Cash			
Unrestricted ⁴	\$23,402,105	\$71,087,000	\$14,543,831
Days' Cash on Hand	645	600	1,102
Debt			
Total Debt Outstanding	\$5,925,956	\$399,134,612	\$50,214,569
Annual Debt Service	\$1,091,335	\$11,279,000	\$2,915,149
Debt Service Coverage (Operating)	5.97x	4.15x	1.79x
Debt Service Coverage	4.74x	4.54x	2.39x

¹Issues debt through the Redding Joint Powers Financing Authority

² City of Sacramento reports data rounded to the nearest thousand

³If not specified, assumed to be Net Operating Revenue (Excluding Depreciation) plus Non-Operating Income

⁴Unrestricted Cash defined as: "Unrestricted Net Assets"

Data from City of Redding, City of Sacramento, and Yuba City comprehensive annual financial reports

Appendix II –Peer Wastewater Utility Financial Management Results

Peer Wastewater Utility Financial Results (FY2014)			
Utility	City of Redding ¹	City of Stockton	City of Vacaville
Ratings (M/S/F)	-/AA/-	Ba1/-/A-	-/-/-
Revenues/Expenses			
Operating Revenues	\$22,720,092	\$59,953,318	\$32,219,462
Operating Expenses (Excluding Depreciation)	\$12,527,074	\$40,172,822	\$18,603,458
Net Operating Revenue	\$10,193,018	\$19,780,496	\$13,616,004
Non-Operating Revenue (Expenses)	(\$175,350)	(\$3,662,856)	(\$662,109)
Net Revenue Available for Debt Service ²	\$11,645,032	\$21,057,331	\$12,953,895
Depreciation & Amortization	\$5,924,400	\$11,161,304	\$5,367,829
Net Revenue after Depreciation & Amortization	\$4,093,268	\$4,956,336	\$7,586,066
Cash			
Unrestricted ³	\$20,151,993	\$38,576,321	\$61,918,880
Days' Cash on Hand	587	350	1,215
Debt			
Total Debt Outstanding	\$91,119,042	\$81,270,000	\$168,768,665
Annual Debt Service	\$8,117,463	\$7,373,138	\$8,557,860
Debt Service Coverage (Operating)	1.26x	2.68x	1.59x
Debt Service Coverage	1.43x	2.86x	1.51x

¹Issues debt through the Redding Joint Powers Financing Authority

²If not specified, assumed to be Net Operating Revenue (Excluding Depreciation) plus Non-Operating Income

³Unrestricted Cash defined as: "Unrestricted Net Assets"

Data from City of Redding, City of Stockton, and City of Vacaville comprehensive annual financial reports



COUNCIL COMMUNICATION

CC #: 3815

File #: 0206-10-01

Title: Downtown Roseville Property and Business Improvement District - 2024 Annual Report and 2025 Budget

Contact: Gina McColl 916-774-5452 gmccoll@roseville.ca.us

Meeting Date: 4/2/2025

Item #: 7.11.

RECOMMENDATION TO COUNCIL

Staff recommends that the City Council adopt a resolution approving the 2024 Downtown Roseville Property and Business Improvement District Annual Report and approving the 2025 Budget for the Downtown Roseville Partnership.

BACKGROUND

On July 16, 2014, the City Council approved the formation of the Downtown Roseville Property and Business Improvement District (DRPBID) for a term of five years commencing January 1, 2015, and terminating December 31, 2019. The overarching goal of the DRPBID was to facilitate improvements and activities that would provide a special benefit to assessed parcels. Based on the success of the DRPBID, on January 9, 2019, Council adopted a resolution renewing the DRPBID and Management Plan. With that approval, the amended documents established the assessment formula, required indemnification terms, insurance coverage limits, and levying of the annual assessments for an additional ten-year period (beginning January 1, 2020 and ending December 31, 2029).

The annual assessment provides funding for a budget that is managed by the established owner's association, the Downtown Roseville Partnership (DRP). The DRP Board ensures that the budget is applied to activities and expenses defined in the Management Plan/Engineer's Report accepted by Council as part of the district formation. In addition, the Management Plan includes the following requirement:

"VI. GOVERNANCE

C. Annual Report

The Downtown Roseville Partnership shall present an annual report at the end of each year of operation to the City Council pursuant to Streets and Highways Code §36650.... The annual report is a prospective report for the upcoming year and must include:

- Any proposed changes in the boundaries of the DRPID or in any benefit zones or classifications of property within the district;

- The improvements and activities to be provided for that fiscal year;
- An estimate of the cost of providing the improvements or activities for that fiscal year;
- The method and basis of levying the assessment in sufficient detail to allow each real property owner to estimate the amount of the assessment to be levied against his or her property for the fiscal year;
- The amount of any surplus of deficit revenues to be carried over from a previous fiscal year; and
- The amount of any contributions to be made from sources other than assessments levied pursuant to this Plan.”

The 2024 DRPBID Annual Report is provided in Attachment 1 of this staff report. Additional supporting documents that further address the elements required in each annual report to Council are the 2024 financial statements and district map and assessment roll, which are included within Attachments 2, 3 and 4. The 2025 budget is included as Attachment 2 for reference and has been approved by the DRP Board. No changes to the district boundaries or levying of assessments is proposed. The 2025 assessment for the district totals approximately \$215,513.

As highlighted in the 2024 DRPBID Annual Report, the DRP budget was divided between four categories that relate to administrative activities, sponsorship of events, visitor experience, and clean and safe activities. To note, in 2024 the DRP completed a strategic plan (Attachment 5), formed an advisory committee, contracted with private security to provide additional support, added holiday wreaths and continued support of several existing programs such as the Façade Improvement Rebate Program, Mural Program, Shuttle Program, tree lighting, sidewalk power washing, and Boy Scout alley clean ups. Additionally, the DRP provided sponsorship for 10 different events occurring in the Downtown, including Downtown Tuesday Nights that run for seven evenings in the summer and attract (on average) 2,500 attendees per event.

Compared to last year’s budget, the DRP did allocate additional expenditures in 2025, including funds for replacement of aging banner signs and reservation of \$50,000 towards a potential artificial ice rink during the holiday season. The total 2025 budget is \$253,650, utilizing \$41,650 from reserves, leaving \$60,734 in contingency/reserves. The key elements of this year’s budget are broken down into four service categories followed by the approximate percentage of funds allocated to each sector:

- Improvements - 25%
- Marketing & Events - 27%
- Clean & Safe - 26%
- Administration - 21%

It should be noted that the above referenced allocations are not anticipated to significantly change; however, it may be necessary to redistribute funds between categories to provide flexibility in addressing impacts related to the changing economy. Expenditure of the funds within the DRP budget are at the discretion of the DRP Board as outlined in the DRP’s Management Plan.

FISCAL IMPACT

The City contributes to the PBID each year in the form of parcel assessments for City-owned property in Downtown Roseville. The 2024 City assessment was approximately \$70,690 and the total assessment collected for the district was \$215,513. Receiving the annual report has no impact on the General Fund and a maximum of 2% of the property assessment will be retained by the City to cover the costs of administration of the management agreement.

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 this resolution meets the above criteria and is not subject to CEQA. No additional environmental review is required.

CITY COUNCIL STRATEGIC PLAN/OVERARCHING GOALS

Goal D - Enhance economic vitality

Respectfully Submitted,

Gina McColl, Economic Development Analyst

Melissa Anguiano, Economic Development Director



Dominick Casey, City Manager

ATTACHMENTS:

Description

Resolution 25-075

DRP Annual Report 2024

2024 Financial Statement and 2025 Budget

District Map

Tax Role

DRP Strategic Plan

RESOLUTION NO. 25-075

APPROVING THE 2024 DOWNTOWN ROSEVILLE PROPERTY AND BUSINESS
IMPROVEMENT DISTRICT ANNUAL REPORT AND 2025 BUDGET

WHEREAS, on July 16, 2014, the City Council approved the formation of the Downtown Roseville Property and Business Improvement District (“DRPBID”) to facilitate improvements and activities ; and

WHEREAS, the annual assessment provides funding for a budget that is managed by the established owner’s association, the Downtown Roseville Partnership (DRP); and

WHEREAS, the DRP Board ensures that the budget is applied to activities and expenses defined in the Management Plan/Engineer’s Report accepted by Council as part of the district formation; and

WHEREAS, the DRP is required to submit an annual report and budget to the City; and

WHEREAS, the 2024 Downtown Roseville Property and Business Improvement District Annual Report and 2025 Budget have been reviewed by the City Council.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Roseville that the 2024 Downtown Roseville Property and Business Improvement District Annual Report and the 2025 Budget are hereby approved.

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



DOWNTOWN
ROSEVILLE

PARTNERSHIP

2024

ANNUAL REPORT



PRESIDENT'S MESSAGE

VISION

The Downtown Roseville Partnership is an action-oriented, collaborative group of volunteers that champions a vibrant and authentic downtown.

MISSION

We are proactive in promoting, marketing and providing services that attract businesses and visitors to the District and manage the District's business affairs in a transparent, fiscally-responsible manner.



As President of the Downtown Roseville Partnership, I am proud to reflect on the progress we have made together in 2024. This past year has been one of growth, collaboration, and continued investment in our downtown community. Through the dedication of our board, Downtown business owners, and community partners, we have strengthened Downtown Roseville's position as a vibrant destination for commerce, culture, and connection.

A key focus this year has been enhancing the downtown experience for both residents and visitors. We have made strategic investments in beautification, safety, and event programming, ensuring our district remains welcoming and engaging. From improved lighting and landscaping to expanded maintenance efforts, we have worked to create an inviting atmosphere that supports local businesses and encourages foot traffic.

Our commitment to economic vitality has been evident in the continued support of small businesses. We have facilitated initiatives that promote business visibility, foster entrepreneurship, and drive engagement through marketing and community outreach. Signature events and activations have played a crucial role in bringing people downtown, strengthening connections, and celebrating all that Roseville has to offer.

None of these accomplishments would be possible without the dedication of our board, the hard work of our partners, and the support of the entire community. As we look ahead, we remain committed to building on this momentum, fostering innovation, and ensuring Downtown Roseville continues to thrive.

Thank you for your ongoing support and partnership. Together, we are shaping a downtown that is not only a great place to do business but also a dynamic and welcoming hub for all.

Warmly,

Dave Piches, AIA LEED AP
2024 President, Downtown Roseville Partnership



2024 BOARD OF DIRECTORS



Pictured from left to right: David Piches, Mark Vespoli, Frank Van Sant, Jaime Hazen, David Herrick, Lisa Peters, Marytess Mayhall, Mike Esparza Not pictured: Tom Carlson, Wayne Wiley, Ed Mojica

Tom Carlson is the owner of Carlson Tax Consultants Inc. and a member of the AICPA and the Roseville Area Chamber of Commerce. As a board member with DRP, he is able to serve downtown business and property owners and give back to the local business community.

Mike Esparza is president and CFO of All-Cal Insurance Agency. He owns properties located at 501, 503 and 505 Vernon Street and joined the DRP board to further the future plans and expected growth of the District.

Jamie Hazen is the owner of Jamie Hazen Consulting and serves as the Executive Director of the Roseville Police Activities League (RPAL). Jamie has been active in our community for decades and serves on the board for the Downtown Roseville Merchants, the Performing Arts of Roseville and the Placer Visitors Bureau.

David Herrick is SVP/Controller for Consolidated Communications, one of the larger employers in Downtown Roseville. He enjoys supporting the interests of residents and businesses.

David Piches founded Piches Architecture at 115 Taylor Street in Downtown Roseville. He has served on many boards, including the Roseville Area Chamber of Commerce, Roseville Merchant's Association, Roseville Arts Center and Roseville Urban Forest Foundation. With DRP, Dave works to foster creative design solutions and encourage actions that will maintain existing improvements.

Lisa Peters is the CEO and president of Randy Peters Catering and Events Center, a certified woman-owned business. Lisa has been a staple in the business community for decades and brings unparalleled experience as a small business owner.

Mark Vespoli owns several Downtown Roseville properties, including 219, 400, 404 and 601 Vernon Street and 106 Judah Street. He brings to the board the perspective of a property owner and entrepreneur in Downtown Roseville.

Wayne Wiley is the economic development manager for the City of Roseville, where he helps develop and implement economic development initiatives to ensure business enrichment within our community. Wayne has always had a passion for Downtown and enjoys working closely with the merchants, business owners and residents.

Ed Mojica is the owner of masmojica architecture studio, a local boutique architecture firm located in Downtown Roseville. The firm maintains a focus on retail, office, and hospitality projects in Roseville and the South Placer region. Raised in Roseville, he desires to facilitate authentic spaces and places such as our downtown area. Inspired by the great projects of the DRP to date, he hopes to continue the excellent work of making these spaces a reality in downtown Roseville.

Frank Van Sant is a native of New Mexico, Frank served in the US Navy for nearly 30 years, retiring as an officer, receiving numerous awards, even moving six times in eight years. He relocated to the Sacramento area in 2014 after retiring from Raytheon as a defense contractor. As a Mason since 2007, he is active in the fraternity's Roseville chapter, diligently managing the organization's building on Vernon Street and its tenants. As a busy volunteer, he also works on behalf of disabled veterans, emergency responders, and his local church.

MaryTess Mayall serves as the Executive Director for Blue Line Arts, a nonprofit arts organization at 405 Vernon Street in Downtown Roseville. Born and raised in Roseville, MaryTess is passionate about building a vibrant arts & culture scene in the downtown area. She currently serves on the boards of both the Downtown Roseville Partnership and the Downtown Roseville Merchants.

***Kat Maudru** is DRP's director of operations and is instrumental in promoting Downtown through community and public relations.

ABOUT DOWNTOWN ROSEVILLE PARTNERSHIP

A coalition of business and property owners formed Downtown Roseville Partnership (DRP) in 2014, collaborating with the City of Roseville redevelopment organization (RCDC) and major businesses. The DRP is funded from tax assessments paid by its property owners.

Downtown by the numbers



54
Residential
Parcels

321
Residents

79
Property
Owners

131
Commercial
Parcels

2,343
Employees

221
Businesses



**Direct access to 6
mile-long trail**



**2
Parks**



**Transit service
4 times per hour**



**5 transit
stops**



**1,584 Free
parking spaces**



**18.5 acres
of parks**



13
Restaurants



2
Coffee
shops



125
Events
(118,000 Attendees)



10
Public murals



5
Live music
venues



3
Arts & culture
venues



2
Theaters

5 mile
Residents **312,022**
Median Household Income **\$100,988**
Housing Units **121,404**
Average Residential Age **40.3**

1 mile
Residents **15,181**
Median Household Income **\$73,990**
Housing Units **6,530**
Average Residential Age **38.6**



\$164 Million

Public Investment in Downtown since 2009

2024 ACCOMPLISHMENTS AT-A-GLANCE

Administration

- Board Advisory Committee formed
- Strategic Plan review, revision and enhancements
- Researched and interviewed prospective grant writers

View the Strategic Plan



Sponsorships

DRP proudly sponsored a number of successful community-building events in 2024, including the following signature events planned and organized by the Downtown Roseville Merchant Association:

- Seven Downtown Tuesday Nights averaging 2,500 attendees per event
- Family Fun Night boasting approximately 3,000 guests

Other DRP sponsored community events included:

- Blue Line Arts Gallery, Lottery for the Arts
- City of Roseville State of the City
- Placer SPCA Woof, Wine and Dine
- Roseville Chamber of Commerce, IGNITE Bash
- Roseville Chamber of Commerce, Leadership Roseville
- Roseville Police Activities League, Bacon & Brew
- Sylvia Besana Holiday Parade
- Union Pacific Railroad Big Boy Event

In addition, the DRP provided \$5,000 in matching funds to Blue Line Arts to be used for artist commissions for public art projects in the district.

Visitor Experience

DRP organized and managed many improvement projects in the District

- Façade Grant Program
- Holiday Décor – holiday wreath and light installation and maintenance
- Mural Program
- Shuttle Program

Clean and Safe

- Security - contracted with an outside security firm to provide additional support in the DRP footprint
- Bi-annual sidewalk power washing
- Boy Scouts Troop - Alley Clean-up

New Businesses & Tenants

We are pleased to welcome these businesses to the District:

- Pedal Care Pizza and Gelato is coming soon to 222 Vernon St
- The Zivar Luxury Apartments, 129 Vernon St
- Lux Studios photography studio opened at 509 Vernon St
- Fallen Angel Tattoo opened at 514 Vernon St
- The Robin's Nest Antique Store at 517 Vernon St

New Locations

Please visit these businesses at their new addresses:

- Threads Clothing Exchange moved to 225 Vernon St
- Noel Flynn Gallery & Frame Factory moved to 404 Vernon St
- Lucy's Salon will be moving soon to 129 Vernon St



2025 OUTLOOK

Creating a vibrant sense of place and community is a high priority for the Downtown Roseville Partnership. Some items on the horizon for 2025 include:

- Execute strategic plan recommendations and outcomes
- Expanding security and clean and safe initiatives
- Exploring improvement and beautification opportunities including enhancing holiday décor and atmosphere
- Evaluating new signature events and activities to
- Continuing the façade grant program
- Address localized homeless issues by working with elected officials, law enforcement and professional homeless assistance organizations

New Development Projects

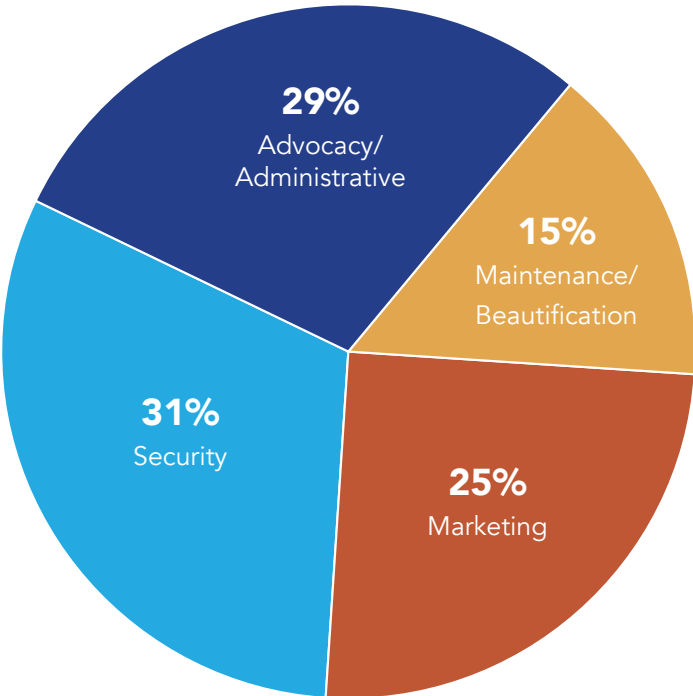
- 129 Vernon Street - Mixed use
- 200 Vernon Street – Mixed use
- 330 Vernon – Old Town Pizza restaurant and bar

Space Available to Lease





2024 FINANCIALS



Revenue	
Tax Assessments	\$ 207,210
Sponsorship revenue	6,235
	\$ 213,345
Expenditures by Category	
Maintenance and Beautification	37,350
Marketing	62,951
Security	78,280
Advocacy/Administrative	72,912
Contingency	-
	\$ 251,493
Other	(2,115)
Funding From Carryover Balance	\$ (40,023)

Downtown Roseville Partnership

P. O. Box 238

Roseville, CA 95678



GET IN TOUCH

Downtown Roseville Partnership

P. O. Box 238

Roseville, CA 95678

CONNECT WITH US:

godowntownroseville.com



Sign-up for our newsletter



MEETINGS

Regular meetings are held on the fourth Wednesday of every month at 3:00 pm at Randy Peters Catering and Event Center, 105 Vernon Street, Roseville. The public is always invited to attend.

Downtown Roseville Partnership
For the year ended December 31, 2024
Statement of Activity - Summarized

Revenue

Tax Assessments	\$	207,110
Sponsorship revenue		6,235
	\$	213,345

Expenditures by Category

Maintenance and Beautification	\$	37,350
Marketing		62,951
Security		78,280
Advocacy/Administrative		72,912
Contingency		-
	\$	251,493

Other \$ (1,875)

Net Income for the year \$ (40,023)

Downtown Roseville Partnership
Statement of Financial Position
As of December 31, 2024

ASSETS

Current Assets

Cash	\$	179,538
Accounts Receivable		-
Total Current Assets	\$	179,538

Other Assets, net of amortization		1,433
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TOTAL ASSETS	\$	180,971
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LIABILITIES AND EQUITY

Liabilities

Accounts Payable	\$	-
Total Liabilities	\$	-

Equity

Retained Earnings	\$	220,995
Current Year Income		(40,023)

Total Equity	\$	180,971
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TOTAL LIABILITIES AND EQUITY	\$	180,971
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Downtown Roseville Partnership
Beginning and End of Year 2024 Reserves

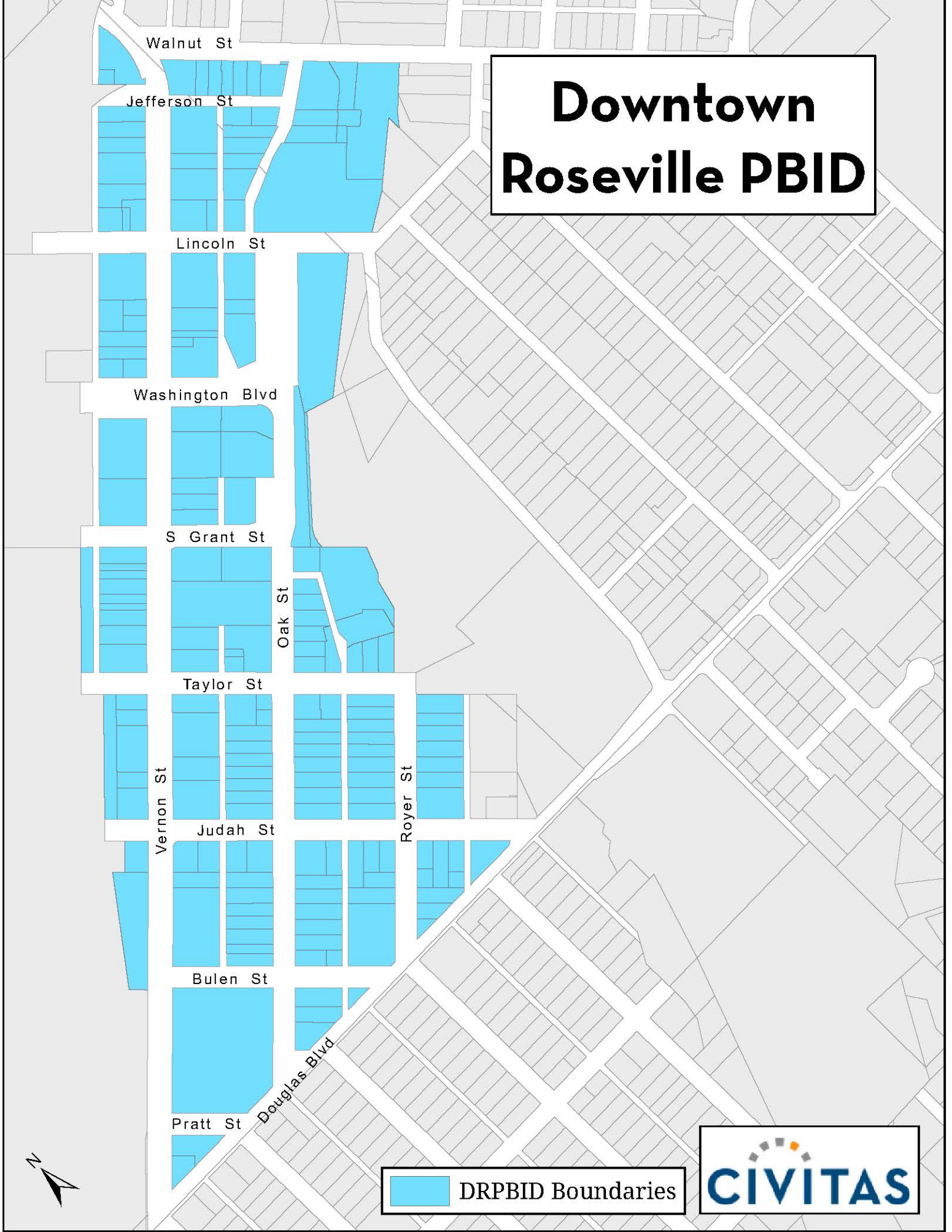
Reserve Category	2024 BOY Reserve	Assessment Allocation Rate	2024 Budgeted Assessment	2024 Final Assessments and Other Deposits	2024 Spend	12.31.24 Committed Spend (a)	2024 EOY Reserve (includes Committed)	2025 Budgeted Assessments	2025 Available Funds
Improvements	\$ 95,074.30	18%	\$ 38,700.00	\$ 38,402.08	\$ (37,350.00)	\$ (21,083.60)	\$ 75,042.78	\$ 38,160.00	\$ 113,202.78
Marketing & Events	28,996.66	30%	64,500.00	64,003.46	(62,950.85)	(39,000.00)	(8,950.73)	63,600.00	\$ 54,649.27
Clean & Safe	29,326.26	26%	55,900.00	55,469.67	(78,280.00)	(9,000.00)	(2,484.07)	55,120.00	\$ 52,635.93
Administration	33,651.01	21%	45,150.00	44,802.42	(72,912.32)	(5,065.00)	476.12	44,520.00	\$ 44,996.12
Contingency & Reserve	39,466.58	5%	10,750.00	10,667.24	-	-	50,133.82	10,600.00	\$ 60,733.82
	\$ 226,514.81	100%	\$ 215,000.00	\$ 213,344.88	\$ (251,493.17)	\$ (74,148.60)	\$ 114,217.92	\$ 212,000.00	\$ 326,217.92

(a) Committed funding approved by the Board in 2024, unspent at December 31, 2024.

Downtown Roseville Partnership
2025 Budget by Category

Category	Program	Available Funds (BOY Reserves Plus 2025 Budget)	2025 Allocated Assessments	2025 Budget
Improvements		\$ 113,203	\$ 38,160	
	Façade Program			\$ 15,000
	Mural Program			10,000
	Tree Lighting			12,000
	Banners			6,850
	Other			7,500
				<u>\$ 51,350</u>
Marketing and Events		\$ 54,649	\$ 63,600	
	Consulting services			\$ 25,300
	Downtown Tuesday Night			20,000
	Other sponsorships			10,000
				<u>\$ 55,300</u>
Clean & Safe		\$ 52,636	\$ 55,120	
	Security Services			\$ 24,000
	Power washing			9,500
	Homeless Outreach			15,000
	Alley Cleanup			2,000
	Other			2,500
				<u>\$ 53,000</u>
Administration		\$ 44,996	\$ 44,520	
	Accounting Services			\$ 2,500
	Memberships			500
	Annual Report			4,500
	Consulting services			27,500
	Strategic planning			1,500
	Insurance			2,000
	Legal Services			3,000
	Support services			2,500
				<u>\$ 44,000</u>
Contingency & Reserve		\$ 60,734	\$ 10,600	
	Ice Rink			\$ 50,000
Total 2025 Budget				<u><u>\$ 253,650</u></u>
Funding from current year assessment				<u><u>\$ 212,000</u></u>
Funding from Reserves				<u><u>\$ 41,650</u></u>

Downtown Roseville PBID



DRPBID Boundaries



APN	Owner	S Street Address
013124017000	ROSEVILLE CITY OF	311 VERNON ST
013131021000	ROSEVILLE CITY OF	207 TAYLOR ST
013250013000	UNION PACIFIC RAILROAD COMPANY	
013250014000	UNION PACIFIC RAILROAD COMPANY	
013290005000	ROSEVILLE CITY OF	505 ROYER ST
013123025000	CITY OF ROSEVILLE	116 S GRANT ST
013124011000	ROSEVILLE CITY OF	115 S GRANT ST
013092014000	ROSEVILLE VERNON STREET LLC	200 VERNON ST
013071002000	ROSEVILLE TELEPHONE CO	106 VERNON ST
013070001000	CITY OF ROSEVILLE	98 JEFFERSON ST
013070004000	CITY OF ROSEVILLE	100 VERNON ST
013071001000	ROSEVILLE TELEPHONE CO	106 VERNON ST
013071003000	ROSEVILLE TELEPHONE CO	108 VERNON ST
013073016000	DE SEBLO MARGUERITE B TR	
013092011000	ROSEVILLE VERNON STREET LLC	319 ATLANTIC ST
013094001000	ROSEVILLE CITY OF	LINCOLN ST
013124006000	ROSEVILLE CITY OF	329 VERNON ST
013124007000	ROSEVILLE CITY OF	325 VERNON ST
013124018000	ROSEVILLE CITY OF	309 VERNON ST
013124022000	ROSEVILLE CITY OF	
013124023000	PLA CO RSVL CIVIC CTR IMP AUTH	
013290003000	CITY OF ROSEVILLE	
013290002000	CITY OF ROSEVILLE	401 OAK ST
013101031000	CITY OF ROSEVILLE	80 LINCOLN ST
013290004000	ROSEVILLE CITY OF	225 TAYLOR ST
013123026000	HC REAL ESTATE HOLDING INC	
013124008000	ROSEVILLE CITY OF	323 VERNON ST
013290007000	ROSEVILLE CITY OF	
013290009000	ROSEVILLE CITY OF	
013091010000	ROSEVILLE CITY OF	
013101025000	CITY OF ROSEVILLE	
013101027000	CITY OF ROSEVILLE	
013101029000	CITY OF ROSEVILLE	
013071004000	ROSEVILLE TELEPHONE CO	114 VERNON ST
013071007000	ROSEVILLE TELEPHONE CO	LINCOLN ST
013071009000	ROSEVILLE TELEPHONE CO	120 VERNON ST
013071010000	ROSEVILLE TELEPHONE CO	ATLANTIC ST
013154019000	BOEHM ROBERT J & LIGAMARI JOANNE TR	210 TAYLOR ST
013152021000	MERCY HOUSING CALIFORNIA 48	623 VERNON ST
013122002000	TITAN REAL ESTATE FUND LLC	404 VERNON ST
013122005000	LEE YOUNG JA & LEE JONG HWAN TR	414 VERNON ST
013122009000	DE GRAAFF PROPERTIES LLC	432 VERNON ST
013152012000	CALIFORNIA PREMIER COMMERCIAL PROPERTIES LLC	605 VERNON ST

013153013000	STAMAS GUS I TR ET AL	515 VERNON ST
013153014000	ESPARZA MICHAEL A & ESPARZA APRIL L TR	501 VERNON ST
013153019000	THREE OAKS PROPERTIES LIMITED PARTNERSHIP	521 VERNON ST
013250032000	YANCHUCK VITALY	628 VERNON ST
013071006000	RSVL AERIE FRAT ORD OF EAGLES	124 VERNON ST
013072009000	PATTERSON LUKE ANDREW ET AL	104 LINCOLN ST
013072010000	SCHROEDLE MICHAEL J & LYNETTE A TRUSTEES	119 VERNON ST
013092005510	FL INVESTMENT LLC ET AL	214 VERNON ST
013093001000	WAGEMANN DOUGLAS G & WAGEMANN RITA V TR	103 LINCOLN ST
013093005000	PAHK THE CAH LLC	VERNON ST
013072011000	SMITH JERRY B & SMITH SANDRA L TR	111 VERNON ST
013092006000	KLINE JASON C	228 VERNON ST
013092009000	DOYLE KIRK C & DOYLE LORETTA TR	246 VERNON ST
013093006000	219 VERNON STREET L P	219 VERNON ST
013093007000	BOGETICH FRANCESCA A TR	201 VERNON ST
013101028000	CROUCH STEVE & JUDY	127 LINDA DR
013121002000	SHAW SUSAN IRWIN TR	520 VERNON ST
013121005000	RJSD PROPERTIES LLC	510 VERNON ST
013121006000	CARDENAS FAMILY ENTERPRISES INC	500 VERNON ST
013122001000	VESPOLI MARK	400 VERNON ST
013122004000	GKG LLC	408 VERNON ST
013163005000	GERAMIAN DARIUSH TR	701 OAK ST
013072001000	HILL WILLIAM J TR	222 JEFFERSON ST
013072003000	CLEMENTS D MICHAEL	126 LINDA DR
013072004000	ADAIR JOHN J & REBECCA L TRUSTEES	122 LINDA DR
013072005000	ARREOLA CONSUELO V TR	116 LINDA DR
013073002000	COMISKEY PAUL W TR	205 JEFFERSON ST
013073015000	FRAKES JOHN C & CARRILLO NATALIE J	213 JEFFERSON ST
013073017000	DE SEBLO MARGUERITE B TR	225 JEFFERSON ST
013073019000	MAXWELL JACOB MICHAEL & HICKS REBECCA SUE	217 JEFFERSON ST
013073020000	GARCIA KARLA M	223 JEFFERSON ST
013073021000	REAFSNYDER SHERLYN A TR	221 JEFFERSON ST
013131007000	NOVA HOLDINGS INC	427 OAK ST
013131008000	NOVA HOLDINGS INC	423 OAK ST
013152004000	DIPROSPER ANTHONY F	608 OAK ST
013152005000	HOWARD KELLY L	612 OAK ST
013152007000	ONISKO VITALIY V	624 OAK ST
013152008000	PAZGOMEZ LILIAN H	628 OAK ST
013152009000	GUERRA ARTURO V	632 OAK ST
013152020000	KINCAID CONNIE L TR	616 OAK ST
013153001000	ESIDGE PAUL R & ESIDGE DONNA PICHES TR	114 TAYLOR ST
013153004000	ROWLAND CHRISTOPHER J & MOJICA EDWARD	514 OAK ST
013153005000	HUDSON RANDOLPH W & HUDSON SHANNON TR	518 OAK ST
013153006000	WILSON HOLLY & WILSON TIM	522 OAK ST

013153007000	TKD INVESTMENTS LLC	526 OAK ST
013153022000	WILLIAMS ERIK	500 OAK ST
013154001000	BAILEY DONALD LYLE & BAILEY KAREN LYNN BUSBY TR	500 ROYER ST
013154002000	CONCHAS ISABEL	504 ROYER ST
013154003000	LONGWAY CURTIS S TTEE	508 ROYER ST
013154005000	CARSON SEAN	516 ROYER ST
013154006000	MATTEI CARLA	520 ROYER ST
013154007000	CHAN NORMAN & CHAN SONDR	524 ROYER ST
013154008000	SOLARI BART L TR	528 ROYER ST
013154009000	THEIS DAVID & MARSHA L TTEE	532 ROYER ST
013154011000	FUENTES TYLER	527 OAK ST
013154012000	LOHSE PATRICIA L	523 OAK ST
013154013000	JOHNSON RICHARD A & PATRICIA L	519 OAK ST
013154014000	KITE LEELA & KITE DAVID	515 OAK ST
013154015000	WILFLEY LISA M	511 OAK ST
013154016000	MCDUGALL DOUGLAS R & LARocca ROSEMARIE E TR	509 OAK ST
013154018000	PEAT LISA ANN TR ET AL	202 TAYLOR ST
013164002000	STROMBOM RYAN J ET AL	218 JUDAH ST
013164004000	ANTONE EUGENE L TR ET AL	612 ROYER ST
013164005000	TROY ADAM & TROY MICHAEL A ET AL	616 ROYER ST
013164009000	WARD DANIEL R & WARD LINDA L TR	629 OAK ST
013164011000	BALASSI TED	625 OAK ST
013164012000	BALASSI TED	621 OAK ST
013164013000	THOMAS MARK	619 OAK ST
013164014000	KINCAID CONNIE L TR	615 OAK ST
013171002000	DOMINGO AMY & NATHAN	623 ROYER ST
013171003000	BAIMAS DEBORAH	619 ROYER ST
013171004000	MASCORRO HOMER TR	615 ROYER ST
013171005000	HENSON ROBERT D & SHAUNA L TRUSTEES	611 ROYER ST
013171006000	PAIVA ISABEL & PAIVA ALEXA TR	417 DOUGLAS BLVD
013172007000	LOPAZAN MIHAEL & LOPAZAN AUDRA	523 ROYER ST
013172008000	ROYER CAROLYN TTEE	519 ROYER ST
013172009000	CUNNINGHAM THOMAS G & CUNNINGHAM JENICE M	515 ROYER ST
013172010000	BATES MICHAEL C	509 ROYER ST
013091003000	LENOX HILL INTERIORS INC	324 VERNON ST
013093004000	ANDERSON DAVID G & ANDERSON RUBY CHERYLENE	231 VERNON ST
013122010000	VERITAS INNOVATIVE INVESTMENTS LLC	424 VERNON ST
013123017000	BAYGELL NOAH A & BAYGELL KATHERINE BONA TR	401 VERNON ST
013123018000	ALIZADEH AZITA	424 OAK ST
013123027000	PICHES DAVID R TR	115 TAYLOR ST
013131013000	RYAN DOUGLAS J TR ET AL	415 OAK ST
013131014000	RYAN DOUGLAS J TR ET AL	411 OAK ST
013131016000	RYAN DOUGLAS J TR ET AL	417 OAK ST
013131022000	RYAN DOUGLAS J TR ET AL	419 OAK ST

013152016000	RAMSEY JAMIE LYNNE TR	110 JUDAH ST
013153003000	CARLSON DARLENE M & CARLSON THOMAS A TR	510 OAK ST
013153008000	GUZMANI LLC	530 OAK ST
013153009000	CAROTHERS DAVID L TR	534 OAK ST
013153023000	PLACER ARC	531 VERNON ST
013154004000	KNOBLICH PETER J & MABERY DARLA J TR	512 ROYER ST
013154010000	STILWELL WAYNE E & DIANE M TRUSTEES	531 OAK ST
013161001000	PROJECT GO INCORPORATED	801 VERNON ST
013164001000	DUTRA ALAN JESS & JANET KAREN TRUSTEES	214 JUDAH ST
013164003000	PIETAK JOSHUA RYAN	222 JUDAH ST
013164010000	MASTERBUILT SPACES LLC	211 BULEN ST
013164015000	BROWN DAVID M & PATRICIA B TR	609 OAK ST
013164016000	ALCALA TERRI & ALCALA ANDREW A TR	605 OAK ST
013164017000	AHST 184 LLC	212 JUDAH ST
013171007000	MISAKI TAKESHI TRUSTEE ET AL	300 JUDAH ST
013171009000	GYPSY DVM LLC	308 JUDAH ST
013172020000	EVANS & COMPANY INVESTMENTS LLC	311 JUDAH ST
013092010000	FREDIANI KATHRYN L TTEE	343 ATLANTIC ST
013101024000	MCCURRY KEVIN S & CHERYL M TTEES	140 FOLSOM RD
013152002000	YERGATIAN REAL ESTATE GROUP LLC	600 OAK ST
013072002000	CLEMENTS D MICHAEL	
013123021000	BRAR JASBIR S TR	431 VERNON ST
013152019000	SCHWARTZ JOSEPH & SCHWARTZ JANINE	620 OAK ST
013153021000	WILLIAMS ERIK	OAK ST
013163003000	ABDJOSEPH OLA YOUSEF	711 OAK ST
013163004000	ABDJOSEPH OLA YOUSEF	705 OAK ST
013092007000	238 VERNON ST LLC	238 VERNON ST
013092008000	MMM VERNON LLC	240 VERNON ST
013122003000	GKG LLC	406 VERNON ST
013121004000	JAVIDAN JOHN M	534 VERNON ST
013151004000	MAYS PHILLIP D	600 VERNON ST
013152018000	MARK V REAL ESTATE ENTERPRISES	106 JUDAH ST
013161002000	HAYES JOHN A & HAYES LISA J TR	803 VERNON ST
013171011000	HAYES JOHN A & HAYES LISA J TR	501 DOUGLAS BLVD
013072008000	JAVANMARD HOLDINGS LLC	129 VERNON ST
013093008000	CITY OF ROSEVILLE	103 LINCOLN ST
013093009000	ROSEVILLE CITY OF	OAK ST
013101022000	MARONG INTERNATIONAL EDUCATIONAL CORPORATION	FOLSOM RD
013122011000	VERITAS INNOVATIVE INVESTMENTS LLC	VERNON ST
013122012000	LEE YOUNG JA & LEE JONG HWAN TR	VERNON ST
013152017000	MARK V REAL ESTATE ENTERPRISES	601 VERNON ST
013163001000	GERAMIAN DARIUSH TR	DOUGLAS BLVD
013171008000	MISAKI TAKESHI TRUSTEE ET AL	306 JUDAH ST
013290001000	CITY OF ROSEVILLE	

013290010000	ROSEVILLE CITY OF	
013072012000	105 VERNON STREET PARTNERS LLC	105 VERNON ST
013101026000	GALACTIC WAX LLC	129 LINDA DR
013123024000	ROSEVILLE CITY OF	419 VERNON ST
013093003000	MASONIC HALL ASSN	235 VERNON ST
013072006000	SALVATION ARMY THE	100 LINCOLN ST
013072007000	SALVATION ARMY THE	100 LINCOLN ST
013073011000	HERBERGER CRAIG C TR	97 VERNON ST
013164018000	HORIZON CHURCH OF ROSEVILLE INC	628 ROYER ST
013121003000	PLACER ARC	524 VERNON ST
013162001000	ACTON ACADEMY PLACER CALIFORNIA LLC	725 VERNON ST

S City State Zip	M Street Address	M City State Zip
ROSEVILLE CA 95678-2649	311 VERNON ST	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2626	311 VERNON ST	ROSEVILLE CA 95678
ROSEVILLE CA 95678	1400 DOUGLAS ST #1640	OMAHA NE 68179
ROSEVILLE CA 95678	1400 DOUGLAS ST #1640	OMAHA NE 68179
ROSEVILLE CA 95678-2622	311 VERNON ST	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2648	311 VERNON ST	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2656	311 VERNON ST	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2633	250 W MAIN ST #101	WOODLAND CA 95695
ROSEVILLE CA 95678-2631	121 S 17TH ST	MATTOON IL 61938
ROSEVILLE CA 95678-2645	311 VERNON ST	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2631	311 VERNON ST	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2631	121 S 17TH ST	MATTOON IL 61938
ROSEVILLE CA 95678-2631	121 S 17TH ST	MATTOON IL 61938
ROSEVILLE CA 95678	PO BOX 147	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2644	250 W MAIN ST #101	WOODLAND CA 95695
ROSEVILLE CA 95678	311 VERNON ST	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2634	311 VERNON ST	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2634	311 VERNON ST	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2634	311 VERNON ST	ROSEVILLE CA 95678
	311 VERNON ST	ROSEVILLE CA 95678
	311 VERNON ST	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2655	311 VERNON ST	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2611	311 VERNON ST	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2626	311 VERNON ST	ROSEVILLE CA 95678
	33 E COLLEGE ST	HILLSDALE MI 49242
ROSEVILLE CA 95678-2634	311 VERNON ST	ROSEVILLE CA 95678
	311 VERNON ST	ROSEVILLE CA 95678
	311 VERNON ST	ROSEVILLE CA 95678
	311 VERNON ST	ROSEVILLE CA 95678
	311 VERNON ST	ROSEVILLE CA 95678
	311 VERNON ST	ROSEVILLE CA 95678
	311 VERNON ST	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2631	121 S 17TH ST	MATTOON IL 61938
ROSEVILLE CA 95678	ASSESSED BY S B E	
ROSEVILLE CA 95678-2631	121 S 17TH ST	MATTOON IL 61938
ROSEVILLE CA 95678	ASSESSED BY S B E	
ROSEVILLE CA 95678-2667	3708 SUDOR LN	LOOMIS CA 95650
ROSEVILLE CA 95678-3297	2512 RIVER PLAZA DR #200	SACRAMENTO CA 95833
ROSEVILLE CA 95678-2637	PO BOX 1355	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2641	1230 SAN SIMEON DR	ROSEVILLE CA 95661
ROSEVILLE CA 95678-2637	1412 W COLONIAL PKWY	ROSEVILLE CA 95661-5007
ROSEVILLE CA 95678-3250	5471 GRANITE DELL CT	LOOMIS CA 95650-9227

ROSEVILLE CA 95678-2666	503 RIVERSIDE AVE	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2638	642 AMBER CT	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2638	821 LOS MOLINOS WAY	SACRAMENTO CA 95864-5251
ROSEVILLE CA 95678-3255	8860 W RANCH DR	ORANGEVALE CA 95662
ROSEVILLE CA 95678-2631		
ROSEVILLE CA 95678-2613	2015 NICKLAUS CIR	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2630	1421 DORCHESTER DR	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2633	2140 PROFESSIONAL DR #115	ROSEVILLE CA 95661
ROSEVILLE CA 95678-2612	160 BELFONT CIR	SACRAMENTO CA 95835
ROSEVILLE CA 95678	3800 LEISURE LN	PLACERVILLE CA 95667
ROSEVILLE CA 95678-2630	5113 OAK CANYON LN	FAIR OAKS CA 95628
ROSEVILLE CA 95678-2633	9045 ELK GROVE BLVD	ELK GROVE CA 95624
ROSEVILLE CA 95678-2633	209 HARDING BLVD	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2632	PO BOX 1355	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2632	3016 MARLYNN ST	CARMICHAEL CA 95608
ROSEVILLE CA 95678-2616	127 LINDA DR	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2639	1 SIERRA CT	TIBURON CA 94920-1348
ROSEVILLE CA 95678-2639	8690 SIERRA COLLEGE BLVD #160-284	ROSEVILLE CA 95661
ROSEVILLE CA 95678-2639	1105 DANIELLE DR	ROSEVILLE CA 95747
ROSEVILLE CA 95678-2637	P O BOX 1355	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2637	1971 SANTA MARIA WAY	SACRAMENTO CA 95864
ROSEVILLE CA 95678-3247	8140 OLD AUBURN RD	CITRUS HEIGHTS CA 95610
ROSEVILLE CA 95678-2605	222 JEFFERSON ST	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2617	126 LINDA DR	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2617	1105 MUIR CT	ROSEVILLE CA 95661
ROSEVILLE CA 95678-2617	116 LINDA DR	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2604	205 JEFFERSON ST	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2604	213 JEFFERSON ST	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2604	PO BOX 147	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2604	217 JEFFERSON ST	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2604	223 JEFFERSON ST	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2604	10708 HOLCOMB DR	GRASS VALLEY CA 95949
ROSEVILLE CA 95678-2618	423 OAK ST	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2618	423 OAK ST	ROSEVILLE CA 95678
ROSEVILLE CA 95678-3246	1633 CANTAMAR WAY	ROSEVILLE CA 95747
ROSEVILLE CA 95678-3246	9033 PINTO CANYON WAY	ROSEVILLE CA 95747
ROSEVILLE CA 95678-3246	624 OAK ST	ROSEVILLE CA 95678
ROSEVILLE CA 95678-3246	628 OAK ST	ROSEVILLE CA 95678
ROSEVILLE CA 95678-3246	7689 WALNUT DR	CITRUS HEIGHTS CA 95610
ROSEVILLE CA 95678-3246	101 FULL MOON CT	ROSEVILLE CA 95747
ROSEVILLE CA 95678-2625	406 HIGHLAND AVE	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2621	514 OAK ST	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2621	1551 MISTY WOOD DR	ROSEVILLE CA 95747
ROSEVILLE CA 95678-2621	522 OAK ST	ROSEVILLE CA 95678

ROSEVILLE CA 95678-2621	401 WATT AVE #200	SACRAMENTO CA 95864
ROSEVILLE CA 95678-2621	500 OAK ST	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2623	9478 LAKE NATOMA DR	ORANGEVALE CA 95662
ROSEVILLE CA 95678-2623	102 CIRCUIT DR	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2623	1024 MELROSE AVE	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2623	516 ROYER ST	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2623	520 ROYER ST	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2623	524 ROYER ST	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2623	400 HIGHLAND AVE	ROSEVILLE CA 95678-4005
ROSEVILLE CA 95678-2623	6700 CEDAR GLEN WAY	NEWCASTLE CA 95658
ROSEVILLE CA 95678-2620	527 OAK ST	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2620	523 OAK ST	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2620	303 LORRAINE AVE	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2620	PO BOX 689	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2620	511 OAK ST	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2620	6040 WISE RD	NEWCASTLE CA 95658
ROSEVILLE CA 95678-2627	2850 SHIRLAND TRACT RD	AUBURN CA 95603-7741
ROSEVILLE CA 95678-2608	218 JUDAH ST	ROSEVILLE CA 95678
ROSEVILLE CA 95678-3249	1275 PLEASANT GROVE BLVD #331	ROSEVILLE CA 95747
ROSEVILLE CA 95678-3249	616 ROYER ST	ROSEVILLE CA 95678
ROSEVILLE CA 95678-3245	6075 CAVITT STALLMAN RD	GRANITE BAY CA 95746
ROSEVILLE CA 95678-3245	210 N HARRISON ST	FORT BRAGG CA 95437
ROSEVILLE CA 95678-3245	210 N HARRISON ST	FORT BRAGG CA 95437
ROSEVILLE CA 95678-3245	619 OAK ST	ROSEVILLE CA 95678
ROSEVILLE CA 95678-3245	101 FULL MOON CT	ROSEVILLE CA 95747
ROSEVILLE CA 95678-3248	PO BOX 1629	EL DORADO CA 95623-1629
ROSEVILLE CA 95678-3248	6724 DONERAIL DR	SACRAMENTO CA 95842
ROSEVILLE CA 95678-3248	930 LAWTON AVE	ROSEVILLE CA 95678
ROSEVILLE CA 95678-3248	2180 KRAIG LN	AUBURN CA 95603
ROSEVILLE CA 95678-3241	417 DOUGLAS BLVD	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2622	523 ROYER ST	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2622	519 ROYER ST	ROSEVILLE CA 95678-2622
ROSEVILLE CA 95678-2622	515 ROYER ST	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2622	509 ROYER ST	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2635	760 REDWOOD AVE	SAND CITY CA 93955
ROSEVILLE CA 95678-2632	337 KEENA DR	AUBURN CA 95603
ROSEVILLE CA 95678-2637	424 VERNON ST	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2600	4441 AUBURN BLVD #G	SACRAMENTO CA 95841
ROSEVILLE CA 95678-2619	PO BOX 537	ROSEVILLE CA 95661
ROSEVILLE CA 95678-2624	7780 ORIANA CT	FAIR OAKS CA 95628
ROSEVILLE CA 95678-2618	1735 CROCKETT LN	HILLSBOROUGH CA 94010
ROSEVILLE CA 95678-2618	1735 CROCKETT LN	HILLSBOROUGH CA 94010
ROSEVILLE CA 95678-2618	1735 CROCKETT LN	HILLSBOROUGH CA 94010
ROSEVILLE CA 95678-2618	1735 CROCKETT LN	HILLSBOROUGH CA 94010

ROSEVILLE CA 95678-2606	110 JUDAH ST	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2621	4013 OAKHURST CT	ROSEVILLE CA 95747-6345
ROSEVILLE CA 95678-2621	7630 MEMORY LN	GRANITE BAY CA 95746
ROSEVILLE CA 95678-2621	901 SUNRISE AVE #A16	ROSEVILLE CA 95661
ROSEVILLE CA 95678-2638	522 VERNON ST	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2623	P O BOX 6625	AUBURN CA 95604
ROSEVILLE CA 95678-2615	PO BOX 1405	LOOMIS CA 95650
ROSEVILLE CA 95678-3149	801 VERNON ST	ROSEVILLE CA 95678-3149
ROSEVILLE CA 95678-2608	2015 ROBERTA CT	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2608	PO BOX 2731	ROCKLIN CA 95677
ROSEVILLE CA 95678-3237	209 BULEN ST	ROSEVILLE CA 95678
ROSEVILLE CA 95678-3245	915 RUTH CT	PACIFIC GROVE CA 93950
ROSEVILLE CA 95678-3224	603 KEEHNER AVE	ROSEVILLE CA 95678-4049
ROSEVILLE CA 95678-2608	10100 WILLEY CT	GRANITE BAY CA 95746-9640
ROSEVILLE CA 95678-2610	300 JUDAH ST	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2610	1591 STEINBECK DR	ROSEVILLE CA 95747-6916
ROSEVILLE CA 95678-2609	1624 SANTA CLARA DR #240	ROSEVILLE CA 95661
ROSEVILLE CA 95678-2644	347 ATLANTIC ST	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2744	145 N CONNOR ST #2	SHERIDAN WY 82801-4348
ROSEVILLE CA 95678-3246	4931 WATERSTONE DR	ROSEVILLE CA 95747
ROSEVILLE CA 95678	126 LINDA DR	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2636	1721 DASHWOOD DR	ROSEVILLE CA 95747
ROSEVILLE CA 95678-3246	4490 HOOD RD	ROCKLIN CA 95765
ROSEVILLE CA 95678	500 OAK ST	ROSEVILLE CA 95678
ROSEVILLE CA 95678-3247	709 MAPLE DR	ROSEVILLE CA 95678
ROSEVILLE CA 95678-3247	709 MAPLE DR	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2633	1209 21ST ST	SACRAMENTO CA 95811
ROSEVILLE CA 95678-2633	4419 VAN NUYS #300	SHERMAN OAK CA 91403
ROSEVILLE CA 95678-2637	1971 SANTA MARIA WAY	SACRAMENTO CA 95864
ROSEVILLE CA 95678-2650	9631 BASE LINE RD	ELVERTA CA 95626-9411
ROSEVILLE CA 95678-3251	600 VERNON ST	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2606	P O BOX 1355	ROSEVILLE CA 95678
ROSEVILLE CA 95678-3149	119 RIVERSIDE AVE	ROSEVILLE CA 95678
ROSEVILLE CA 95678-3254	119 RIVERSIDE AVE	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2630	9700 VILLAGE CENTER DR #120	GRANITE BAY CA 95746
ROSEVILLE CA 95678-2612	311 VERNON ST	ROSEVILLE CA 95678
ROSEVILLE CA 95678	311 VERNON ST	ROSEVILLE CA 95678
ROSEVILLE CA 95678	915 HIGHLAND POINTE DR #241	ROSEVILLE CA 95678
ROSEVILLE CA 95678	424 VERNON ST	ROSEVILLE CA 95678
ROSEVILLE CA 95678	1230 SAN SIMEON DR	ROSEVILLE CA 95661
ROSEVILLE CA 95678-3250	P O BOX 1355	ROSEVILLE CA 95678
ROSEVILLE CA 95678	8140 OLD AUBURN RD	CITRUS HEIGHTS CA 95610
ROSEVILLE CA 95678-2610	300 JUDAH ST	ROSEVILLE CA 95678
	311 VERNON ST	ROSEVILLE CA 95678

	311 VERNON ST	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2630	105 VERNON ST	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2616	6208 CHANNEL ISLANDS LN	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2636	311 VERNON ST	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2632	P O BOX 760	ROSEVILLE CA 95678-0760
ROSEVILLE CA 95678-2613	P O BOX 348000	SACRAMENTO CA 95834-8000
ROSEVILLE CA 95678-2613	P O BOX 348000	SACRAMENTO CA 95834-8000
ROSEVILLE CA 95678-2629	97 VERNON ST	ROSEVILLE CA 95678
ROSEVILLE CA 95678-3249	628 ROYER ST	ROSEVILLE CA 95678
ROSEVILLE CA 95678-2639	522 VERNON ST	ROSEVILLE CA 95678
ROSEVILLE CA 95678-3252	725 VERNON ST	ROSEVILLE CA 95678-3252

Use Code	Use Type	Lot SqFt	Bldg/Liv Area	County Zoning	Handbills
0	VACANT	23630			X
0	VACANT	5514			X
0	VACANT	15923			X
0	VACANT	15950			X
0	VACANT	16425			X
17	OFFICE	17424	56248		X
17	OFFICE	14954	3932		X
17	OFFICE	22684	43300		X
19	MEDICAL/DENTAL/LABS	7588	1570		X
20	VACANT	2323			X
20	VACANT	15172			X
20	VACANT	7581			X
20	VACANT	7583			X
20	VACANT	253			X
27	PARKING LOT	7670			X
27	PARKING LOT	69696			X
27	PARKING LOT	7429			X
27	PARKING LOT	7431			X
27	PARKING LOT	12909			X
27	PARKING LOT	14219			X
27	PARKING LOT	23858			X
27	PARKING LOT	12632			X
29	COMMERCIAL	60983	42030		X
31	INDUSTRIAL	93654	2440		X
38	INDUSTRIAL	58243			X
62	RECREATIONAL	10856	9650		x
68	RECREATIONAL	7490			X
68	RECREATIONAL	7405			X
68	RECREATIONAL	3920			X
69	RECREATIONAL	29108			X
69	RECREATIONAL	9198			X
69	RECREATIONAL	3763			X
69	RECREATIONAL	1754			X
81	UTILITY	15163			X
81	UTILITY	1899			X
81	UTILITY	9474			X
81	UTILITY	5800			X
2	RESID. MULTIPLE FAMILY	5326	2004		
5	RESID. APARTMENTS	37461	75314		
11	RETAIL SALES	3552	3034		
11	RETAIL SALES	7405	6850		
11	RETAIL SALES	13503	10800		
11	RETAIL SALES	7405	3750		

11	RETAIL SALES	20908	15550		
11	RETAIL SALES	8832	4302		
11	RETAIL SALES	11212	3130		
11	RETAIL SALES	32234	12717		
11	RETAIL SALES	5754	10480		
11	RETAIL SALES	3489	2886		
11	RETAIL SALES	14813	5960		
11	RETAIL SALES	3484	4088		
11	RETAIL SALES	14911	3961		
11	RETAIL SALES	3049	2800		
12	RETAIL SALES	7396	7250		
12	RETAIL SALES	3484	3000		
12	RETAIL SALES	4356	4980		
12	RETAIL SALES	11029	9531		
12	RETAIL SALES	26136	19338		
12	RETAIL SALES	8712	468		
12	RETAIL SALES	14939	4680		
12	RETAIL SALES	4791	2500		
12	RETAIL SALES	4961	1738		
12	RETAIL SALES	7405	8094		
12	RETAIL SALES	7586	3114		
12	RETAIL SALES	9031	1317		
16	RESIDENTIAL	5227	1104		
16	RESIDENTIAL	6314	956		
16	RESIDENTIAL	6969	965		
16	RESIDENTIAL	6010	1103		
16	RESIDENTIAL	4520	858		
16	RESIDENTIAL	4356	1040		
16	RESIDENTIAL	7929	1492		
16	RESIDENTIAL	4264	1468		
16	RESIDENTIAL	4356	1210		
16	RESIDENTIAL	4356	1641		
16	RESIDENTIAL	5008	1676		
16	RESIDENTIAL	5007	1270		
16	RESIDENTIAL	7491	1388		
16	RESIDENTIAL	7493	1024		
16	RESIDENTIAL	7504	1247		
16	RESIDENTIAL	4504	308		
16	RESIDENTIAL	6012	1044		
16	RESIDENTIAL	6062	1330		
16	RESIDENTIAL	9984	1001		
16	RESIDENTIAL	5994	1092		
16	RESIDENTIAL	5987	1106		
16	RESIDENTIAL	5989	1834		

16	RESIDENTIAL	5985	1658		
16	RESIDENTIAL	2496	754		
16	RESIDENTIAL	6018	759		
16	RESIDENTIAL	6018	968		
16	RESIDENTIAL	6017	1400		
16	RESIDENTIAL	5907	1462		
16	RESIDENTIAL	7522	836		
16	RESIDENTIAL	7522	1781		
16	RESIDENTIAL	7523	1224		
16	RESIDENTIAL	7522	1848		
16	RESIDENTIAL	7507	1056		
16	RESIDENTIAL	7509	1737		
16	RESIDENTIAL	7467	1008		
16	RESIDENTIAL	6013	1052		
16	RESIDENTIAL	6015	931		
16	RESIDENTIAL	6015	1304		
16	RESIDENTIAL	6708	2671		
16	RESIDENTIAL	5011	1044		
16	RESIDENTIAL	5010	1024		
16	RESIDENTIAL	7628	848		
16	RESIDENTIAL	4997	1029		
16	RESIDENTIAL	7495	1150		
16	RESIDENTIAL	7495	1092		
16	RESIDENTIAL	7495	780		
16	RESIDENTIAL	6878	1654		
16	RESIDENTIAL	2141	532		
16	RESIDENTIAL	4462	1067		
16	RESIDENTIAL	6834	1281		
16	RESIDENTIAL	3009	720		
16	RESIDENTIAL	2509	600		
16	RESIDENTIAL	7526	1466		
16	RESIDENTIAL	7527	812		
16	RESIDENTIAL	7452	1222		
16	RESIDENTIAL	7290	1022		
17	OFFICE	22982	19485		
17	OFFICE	2178	3725		
17	OFFICE	9078	4074		
17	OFFICE	16117	5664		
17	OFFICE	18107	2252		
17	OFFICE	4505	795		
17	OFFICE	4810	1238		
17	OFFICE	4116	1088		
17	OFFICE	5508	864		
17	OFFICE	5034	960		

17	OFFICE	6534	1237		
17	OFFICE	7490	1118		
17	OFFICE	6098	956		
17	OFFICE	7490	1376		
17	OFFICE	18730	6500		
17	OFFICE	6018	1956		
17	OFFICE	7503	3650		
17	OFFICE	9661	7871		
17	OFFICE	7486	941		
17	OFFICE	4791	962		
17	OFFICE	2499	1530		
17	OFFICE	6534	1440		
17	OFFICE	10991	3934		
17	OFFICE	5501	2121		
17	OFFICE	4514	3803		
17	OFFICE	4791	1235		
17	OFFICE	14810	5400		
18	RESID. HOTEL/MOTEL/RESORTS	4598	8472		
19	MEDICAL/DENTAL/LABS	18295	2542		
19	MEDICAL/DENTAL/LABS	8276	2685		
20	VACANT	5101			
20	VACANT	10948			
20	VACANT	5662			
20	VACANT	2496			
20	VACANT	7742			
20	VACANT	7481			
21	RESTAURANT	7405	9584		
21	RESTAURANT	6059	6000		
21	RESTAURANT	3927	3424		
26	AUTOMOTIVE USES	9950	1780		
26	AUTOMOTIVE USES	7840	2470		
26	AUTOMOTIVE USES	7074	4900		
26	AUTOMOTIVE USES	5332	720		
26	AUTOMOTIVE USES	10890	1152		
27	PARKING LOT	11325			
27	PARKING LOT	4474			
27	PARKING LOT	14480			
27	PARKING LOT	47916			
27	PARKING LOT	7576			
27	PARKING LOT	4356			
27	PARKING LOT	7776			
27	PARKING LOT	2391			
27	PARKING LOT	7524			
27	PARKING LOT	21344			

27	PARKING LOT	305			
29	COMMERCIAL	22651	14328		
38	INDUSTRIAL	7405	5520		
62	RECREATIONAL	47916			
64	RECREATIONAL	17177	24852		
71	CHURCH	8680			
71	CHURCH	6781	8006		
71	CHURCH	11325	3870		
71	CHURCH	29835	9170		
72	SCHOOLS	4973	4000		
72	SCHOOLS	126324	22130		

Assessment	RoundedDC	Frontage
\$4,477.17		150
\$738.19		0
\$2,131.96		0
\$2,135.71		0
\$2,025.24		0
\$2,333.07		0
\$2,002.21		0
\$4,350.50		150
\$1,453.65		50
\$310.92		0
\$4,220.28		250
\$1,452.85		50
\$1,453.11		50
\$33.74		0
\$1,026.88		0
\$9,332.29		0
\$1,432.36		50
\$1,432.76		50
\$2,408.64		78
\$1,903.79		0
\$3,194.45		0
\$869.01		0
\$4,388.57		0
\$12,540.27		0
\$4,173.93		0
\$2,077.37		71
\$1,440.66		50
\$601.34		0
\$382.02		0
\$5,813.90		219
\$1,231.48		0
\$503.87		0
\$234.86		0
\$2,905.69		100
\$254.14		0
\$1,706.32		50
\$776.62		0
\$1,080.72	1080.72	250
\$681.22	681.22	24
\$1,429.28	1429.28	50
\$2,598.63	2598.62	90
\$1,429.28	1429.28	50

[illegible]

\$801.39	801.38	0
\$805.81	805.8	0
\$805.14	805.14	0
\$4,390.41	4390.4	150
\$545.53	545.52	29
\$1,742.02	1742.02	60
\$3,048.36	3048.36	102
\$2,424.53	2424.52	0
\$603.22	603.22	0
\$644.06	644.06	0
\$551.13	551.12	0
\$737.39	737.38	0
\$674.05	674.04	

\$874.90	874.9	0
\$1,002.78	1002.78	0
\$816.52	816.52	0
\$1,002.78	1002.78	0
\$540.62	540.62	125
\$805.68	805.68	0
\$1,004.65	1004.64	0
\$279.40	279.4	65
\$1,002.38	1002.38	0
\$641.51	641.5	0
\$334.48	334.48	0
\$874.90	874.9	0
\$1,471.56	1471.56	0
\$736.58	736.58	0
\$604.42	604.42	0
\$641.51	641.5	0
\$1,983.06	1983.06	0
\$615.54	615.54	0
\$2,449.70	2449.7	0
\$1,108.16	1108.16	0
\$2,102.73	2102.72	73
\$758.14	758.14	0
\$334.21	334.2	0
\$1,036.65	1036.64	0
\$1,001.57	1001.56	0
\$1,429.28	1429.28	50
\$1,163.69	1163.68	40
\$753.32	753.32	26
\$2,208.86	2208.86	100
\$1,925.28	1925.28	100
\$947.07	947.06	0
\$1,684.88	1684.88	111
\$1,458.17	1458.16	0
\$2,391.92	2391.92	100
\$1,189.53	1189.52	20
\$758.37	758.36	20
\$1,740.82	1740.82	80
\$320.02	320.02	0
\$1,007.46	1007.46	0
\$2,698.75	2698.74	0

\$4,346.22	4346.22	150
\$991.53	991.52	0
\$476.33	476.32	100
\$174.32	174.32	0
\$136.18	136.18	0
\$382.43	382.42	118
\$599.24	599.24	0
\$165.55	165.54	50
\$3,062.52	3062.52	400
\$215,513.40		

Downtown Roseville Partnership Strategic Plan

Mission, Vision, Values & Strategic Plan Initiatives

Mission:

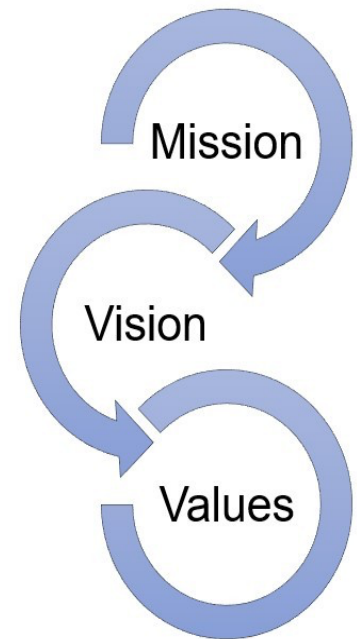
Cultivate a prosperous and popular downtown to attract business and visitors.

Vision:

Downtown is the thriving center of Roseville and a great place to visit and do business.

Values:

- Stimulate Economic Prosperity with Fiscal Prudence
- Foster Community & Quality of Life
- Celebrate Roseville's Unique History & Heritage
- Teamwork, Collaboration & Visionary Leadership



Strategic Plan Initiatives:

1. A Vibrant and Enjoyable Place
2. Economic Growth & Prosperity
3. Marketing, Branding & Visitor Attraction
4. Organizational Effectiveness & Leadership



Strategic Plan Initiatives, Goals & Objectives

Strategic Plan Initiative 1: A Vibrant and Enjoyable Place

Downtown Roseville is safe, clean and attractive with a strong sense of place that attracts visitors and customers through events, programs and physical enhancement.

Goal A: Attract Visitors and Create a Vibrant Downtown Experience through Programs, Events & Placemaking Activities

Objectives:

- 1) Support and organize events, festivals, and cultural activities that attract visitors, increase foot traffic, and showcase the unique character and offerings of downtown Roseville.
- 2) Activate the Town Square and other key downtown District locations with special events, art, music, and entertainment amenity attractions through placemaking, including programming.
- 3) Promote and support community use of Downtown Roseville and the Town Square by nonprofits and community organizations.
- 4) Support and assist the Parks, Recreation and Library Department and the Downtown Merchants to provide community events, festivals and other programs to attract visitors.
- 5) Support developing and operating seasonal improvements and facilities that attract visitors to Downtown.

Goal B: Downtown Roseville is Safe, Clean, Attractive & Welcoming

Objectives:

- 1) Implement programs and services to maintain cleanliness, sanitation, and in the downtown area, including trash pickup, sidewalk power washing, and maintenance of certain public infrastructure.
- 2) Collaborate with law enforcement agencies, security providers, and other agencies and groups to enhance public safety and address issues related to crime, vandalism, and disorderly conduct.
- 3) Improve the physical appearance and ambiance of downtown streetscapes through beautification efforts, public art installations, and landscaping initiatives and other capital improvements.
- 4) Enhance place making amenities, such as sidewalks, lighting, holiday décor, seating, transportation services, and wayfinding signage, to create a safe, inviting, and pedestrian-friendly environment.
- 5) The DRP effectively advocates for the development of improvements and enhancements of infrastructure, programs and service levels with the City of Roseville, the Downtown Merchants and other partners that make Downtown Roseville a great place.

Strategic Plan Initiative 2: Economic Growth & Prosperity

DRP efforts attract visitors, stimulate business activity & investment, and support the overall economic vitality of Downtown Roseville through strategic investment of District funds.

Goal A: Foster & Support Economic Vitality

Objectives:

- 1) The DRP provides marketing assistance, technical guidance, and access to resources to help local District businesses thrive and grow.
- 2) The DRP helps attract new businesses and investments to downtown Roseville by promoting its competitive advantages, such as its central location, historic charm, and business-friendly environment.
- 3) Partnerships are developed with the City, property owners, developers, and investors to encourage redevelopment and adaptive reuse in the Downtown District particularly with underutilized and vacant properties.

Goal B: Promote Downtown as a Great Place for Business

Objectives:

- 1) The DRP educates and assists new and existing businesses in accessing resources and working through City processes and permitting.
- 2) Works effectively with property owners, developers, business operators and the leasing community in support of Downtown retail and office tenants.
- 3) Promotes Downtown Roseville as a place for mixed use business such as professional offices, nonprofits, retail, restaurants, etc.
- 4) Assists District Businesses with improvement initiatives such as Facade Improvement Grant Program and Public Art.

Strategic Plan Initiative 3: Marketing, Branding & Visitor Attraction

Downtown Roseville is well branded, and effective marketing strategies are employed to showcase the programs, events and the businesses located within the District.

Goal A: Market and Promote Downtown Roseville

Objectives:

- 1) A comprehensive marketing plan & communications strategy is developed and implemented.
- 2) Awareness of the services and value proposition of the DRP is expanded and enhanced through outreach and education with the community and stakeholders.
- 3) Online and other multimedia platforms that promote the people, businesses, & activities in Downtown Roseville are developed, enhanced and expanded.
- 4) The number of people that visit and return to Downtown Roseville are increased through DRP's efforts.

Goal B: Develop and Promote the "Downtown Roseville" Brand

Objectives:

- 1) A comprehensive branding strategy that highlights Downtown Roseville's distinct character, history, features, events and programs is developed and showcased.
- 2) Visually appealing and unified marketing materials, including logos, banners, signage and promotional materials to support the brand identity of Downtown Roseville as a great place are developed.
- 3) Social media platforms, local publications, City media sources and tourism websites that promote the Downtown Roseville brand are effectively utilized.

Strategic Plan Initiative 4: Organizational Effectiveness & Leadership

The DRP is an effective and valued organization that leverages its capacity to positively impact Downtown Roseville through its leadership, resources and work programs.

Goal A: Operate in an Efficient, Effective and Fiscally Responsible Manner

Objectives:

- 1) The Partnership adheres to, and complies with the adopted Management District Plan and Engineers Report in the governance, management, administration and operation of the PBID.
- 2) The DRP is operated in a transparent and fiscally responsible manner through Board best practice governance policies and practices that keep stakeholders and the community informed & engaged.
- 3) A capable and diverse team of Board members, employees, contractors and strategic partners effectively plan, manage and work to achieve the Downtown Roseville Partnership's goals and work programs.
- 4) The DRP's annual budget is aligned with the Strategic Plan and operational needs & priorities.
- 5) An operational and staffing plan is developed by the DRP and is annually evaluated relative to capacity, capability, efficiency and effectiveness.
- 6) Annual work programs, action plans and key performance indicators are established for the Partnership.
- 7) The DRP measures establishes key performance indicators, such as visitation, business growth, occupancy, sales & property tax and visitor satisfaction to measure the success of its efforts.
- 8) The DRP periodically conduct surveys and solicits feedback from residents, visitors, and business owners to assess perceptions, satisfaction and identify areas for improvement in Downtown.

Goal B: Foster Collaboration, Strategic Partnerships & Community Engagement

Objectives:

- 1) Work collaboratively and partner with the City, the Downtown Merchants, the Chamber of Commerce and other community organizations to expand and enhance Downtown improvements, programs and events.
- 2) Public and private projects, policies, initiatives and laws & regulations that are important to the viability of Downtown are actively tracked and supported or opposed.
- 3) Residents, business owners, workers, and visitors are engaged in the planning and decision-making processes related to downtown development and programming.
- 4) Community members are provided opportunities to participate in volunteer activities, district area cleanups, and community-building events that foster a sense of ownership and pride.
- 5) Communication strategies are employed to keep stakeholders informed about downtown projects, initiatives, events, and opportunities for involvement.
- 6) An annual report is prepared, and a presentation is made to the Roseville City Council by the DRP on the accomplishments, challenges, opportunities and future goals of the Partnership in making Downtown Roseville a great place to visit and do business.



COUNCIL COMMUNICATION

CC #: 3811

File #: 0203-06 & 0201-01

Title: Accela Cloud Migration - Budget Adjustment

Contact: Stacie Marchetti 916-774-5278 smarchetti2@roseville.ca.us

Meeting Date: 4/2/2025

Item #: 7.12.

RECOMMENDATION TO COUNCIL

Staff recommends that the City Council adopt an ordinance to approve a budget adjustment appropriating \$100,000 in the Development Services Department's Technology Replacement Fund to the Accela Cloud Migration Capital Improvement Project.

BACKGROUND

On April 3, 2024, City Council adopted Ordinance 6793 which approved the establishment of the Accela Cloud Migration Capital Improvement Project and adoption of a project budget allocation of \$895,596.

The City relies on Accela Automation as its enterprise permitting platform, which is currently configured as a City-hosted / on-premise solution. Accela informed its clients that they will no longer support on-premise architecture as of June 30, 2025 and all system users must migrate to its new cloud-hosted system in order to continue receiving product support, updates, and maintenance. As a result, the Accela Cloud Migration Project was established and staff have been working with Accela to migrate data from the current environment to Accela's Software as a Service (SaaS) cloud hosted environment in order to maintain business continuity.

Since the project's inception, unexpected staff vacancies have required greater reliance on contracted consulting services to maintain the critical timeline. This budget adjustment requests additional spending authority to enable City staff, in collaboration with consultants, to complete the project on schedule.

FISCAL IMPACT

The proposed budget adjustment would appropriate an additional \$100,000 from the Technology Replacement Fund to the Accela Cloud Migration Capital Improvement Project. The funding source is the Technology Replacement Fund, which is supported entirely by development through permit fees for development-driven technology improvements. Any remaining funds available in

the project budget at project close will be returned to the Technology Replacement Fund. There is no impact to the General Fund.

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. Approval of a budget adjustment meets the above criteria and is not subject to CEQA. No additional environmental review is required.

CITY COUNCIL STRATEGIC PLAN/OVERARCHING GOALS

Goal E - Deliver exceptional city services

Respectfully Submitted,

Stacie Marchetti, Management Analyst

Mike Isom, Development Services Director

A handwritten signature in blue ink, consisting of several overlapping loops and a horizontal line, likely belonging to Dominick Casey.

Dominick Casey, City Manager

ATTACHMENTS:

Description

Ordinance 6924

ORDINANCE NO. 6924

ORDINANCE OF THE COUNCIL OF THE CITY OF ROSEVILLE
AUTHORIZING CERTAIN AMENDMENTS TO THE FISCAL YEAR 2024-25
BUDGET AND DECLARING THIS ORDINANCE TO BE IMMEDIATELY
EFFECTIVE AS AN APPROPRIATION MEASURE

THE CITY OF ROSEVILLE ORDAINS:

SECTION 1. The City of Roseville Annual Budget, Fiscal Year 2024-25, is hereby amended as listed on the attached budget adjustment for the Accela Cloud Migration project.

SECTION 2. This ordinance is hereby declared to be an appropriation measure, immediately effective pursuant to the provisions of Section 5.03 of the Charter.

SECTION 3. The City Clerk is hereby authorized and directed to post a true copy of the foregoing ordinance in each of three (3) conspicuous locations in the City and she shall immediately after such posting enter in the ordinance book, under the record of the ordinance, a certificate under her hand stating the time and place of such publication by posting.

PASSED AND ADOPTED by the Council of the City of Roseville, this
_____ day of _____, 2025, by the following vote on roll call:

AYES COUNCILMEMBERS:

NOES COUNCILMEMBERS:

ABSENT COUNCILMEMBERS:

MAYOR

ATTEST:

City Clerk



REQUEST FOR BUDGET ADJUSTMENT

Updated 11/22/2024

Please complete the cells highlighted in yellow.

REQUESTER NAME & TITLE:	Stacie Marchetti, Management Analyst II	FISCAL YEAR:	2024-25
PREPARER NAME & TITLE:	Stacie Marchetti, Management Analyst II	ORDINANCE:	
DEPARTMENT/DIVISION:	Development Services/Business & Admin Services		

EXPENDITURES/EXPENSES/TRANSFERS OUT

ACCOUNT STRING				BUDGET (\$)	DESCRIPTION
Fund	Account	Center	Project	Adjustment	
2401	5301	84001	500521	100,000	Increase professional services budget for the Accela Cloud Migration project
EXPENDITURES/EXPENSES/TRANSFERS OUT TOTAL				100,000	

REVENUES/TRANSFERS IN

ACCOUNT STRING				BUDGET (\$)	DESCRIPTION
Fund	Account	Center	Project	Adjustment	
REVENUES/TRANSFERS IN TOTAL				-	

NET ADJUSTMENT	100,000
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FUND BALANCE

ACCOUNT STRING				BUDGET (\$)	DESCRIPTION
Fund	Account	Center	Project	Adjustment	
2401	3601	00000	000000	(100,000)	Decrease Technology Replacement Fund Balance
	3601	00000	000000		
	3601	00000	000000		
	3601	00000	000000		
	3601	00000	000000		
	3601	00000	000000		
FUND BALANCE TOTAL				(100,000)	

Justification for Budget Adjustment:

The Accela Cloud Migration Project requires an additional \$100,000 from the available resources in the Technology Replacement Fund for additional consultant time due to unexpected internal staff vacancies. To ensure that the project stays on track and meets its required go-live date, additional consultant hours are necessary. This request will bring the total project budget to \$995,596.



COUNCIL COMMUNICATION

CC #: 3824

File #: 0102

Title: Second Reading - Roseville Municipal Code Amendment – Regulations for Fireworks

Contact: Travis Cochran 916-774-5325 tecochran@roseville.ca.us

Meeting Date: 4/2/2025

Item #: 7.13.

RECOMMENDATION TO COUNCIL

ORDINANCE NO. 6926 AMENDING SECTION 16.16.140 OF CHAPTER 16.16 OF TITLE 16 OF THE ROSEVILLE MUNICIPAL CODE REGARDING REGULATIONS FOR FIREWORKS, for second reading and adoption.

BACKGROUND

Not applicable.

FISCAL IMPACT

Not applicable.

ENVIRONMENTAL REVIEW

Not applicable.

CITY COUNCIL STRATEGIC PLAN/OVERARCHING GOALS

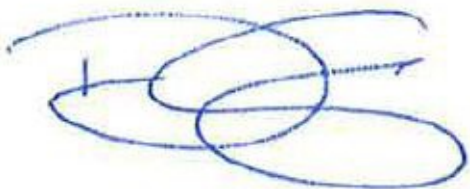
Goal A – Maintain a safe and healthy community

Goal F – Deliver exceptional City services

Respectfully Submitted,

Travis Cochran, Senior Deputy City Attorney

Michelle Sheidenberger, City Attorney



Dominick Casey, City Manager

ATTACHMENTS:

Description

Ordinance 6926

ORDINANCE NO. 6926

ORDINANCE OF THE COUNCIL OF THE CITY OF ROSEVILLE AMENDING SECTION
16.16.140 OF CHAPTER 16.16 OF TITLE 16 OF THE ROSEVILLE MUNICIPAL CODE
REGARDING REGULATIONS FOR FIREWORKS

THE CITY OF ROSEVILLE ORDAINS:

SECTION 1. Section 16.16.140 of Chapter 16.16 of Title 16 of the Roseville Municipal Code is hereby amended to read as follows:

16.16.140. Regulations for fireworks.

A. Chapter 56, Section 5608.1 of the California Fire Code, as adopted by the city, is hereby amended to read as follows:

5608.1 General. Outdoor fireworks displays, use of pyrotechnics before a proximate audience and pyrotechnic special effects in theatrical and group entertainment productions shall comply with California Code of Regulations, Title 19, Division 1, Chapter 6- Fireworks, and this chapter.

B. Prohibited Fireworks. Except as otherwise provided in this section, no person shall possess, manufacture, sell, use, display, manipulate, discharge, or explode any dangerous fireworks, or assist any other person therewith, including, but not limited to, any rocket, firecracker, roman candle, squib, torpedo, wire core sparkler, wooden core sparkler, black cartridge, aerial shell or other combustible device or explosive substance or any kind of fireworks, by whatsoever name known, or any altered safe and sane fireworks within the city. For purposes of this paragraph, "possession" of dangerous fireworks may be actual possession, constructive possession, or joint possession.

C. Public Displays. Public displays of fireworks may be given under permit issued by the fire code official consistent with state law where such displays will take place under the direction and supervision of a state of California licensed pyrotechnic operator.

D. Public Notice. Applicants for a fireworks public display permit shall provide notice to the surrounding community prior to the public display in accordance with standards approved by the fire code official.

E. Safe and Sane Fireworks. It shall not be unlawful to possess, use, display or discharge, within the city, those fireworks that are defined and classified as "safe and sane fireworks" by Health and Safety Code section 12529, as may be amended from time to time, during the period from noon on the 28th of June through 11:59 pm on the 4th of July of the same calendar year. Any fireworks that are not defined and classified as "safe and sane fireworks" by Health and Safety Code Section 12529, as may be amended from time to time, are "dangerous fireworks" for purposes of this section.

F. Host Liability. No host shall knowingly allow any person to violate a provision of

this section on: (i) the host's property; (ii) any sidewalk, street, or other public right of way immediately adjacent to the host's property; or (iii) any other public or private property to which the host has demonstrated apparent ownership or control of the property, or the right to use such property. For purposes of this section, "host" means: (i) any person having ownership, control, the right to use, and/or possess a property; and/or (ii) is responsible for hosting, organizing, supervising, officiating, conducting, allowing, and/or accepts responsibility for a gathering. Additionally, for purposes of this section, "knowingly" shall mean that a person knew or reasonably should have known, looking at the totality of the circumstances. The provisions of this section shall not apply to:

1. The possession, manufacture, storage, display, sale, use, or discharge of fireworks as permitted under federal law, state law, and/or this section;
2. A host who seeks immediate assistance from any law enforcement agency to remove any person who refuses to abide by the host's performance of the duties imposed by this section, or to terminate the gathering because the host has been unable to prevent violation of this section, despite having taken reasonable steps to do so;
3. A host who seeks immediate medical assistance to provide care for a person in danger, due to a violation of this section.

- G. Sale of Safe and Sane Fireworks. The sale of "safe and sane fireworks", authorized and labeled in accordance with Health and Safety Code section 12529, as may be amended from time to time, within the city, shall be permitted only between noon and 10:00 p.m. on the 28th of June of each year and 9:00 a.m. through 10:00 p.m. on June 29th through the 4th of July of the same calendar year.

Exception: No person shall sell or offer to sell or expose for sale any safe and sane fireworks to any person under the age of 18 years.

- H. Permits. It is unlawful for any person, firm, or corporation to sell safe and sane fireworks within the city without having first applied for and received a city permit therefor, in addition to the required state license.
- I. Permit Requirements. The following are requirements for an application for a permit to sell safe and sane fireworks in the city:
1. No permit to sell safe and sane fireworks shall be issued to any person or business entity except nonprofit organizations.
 - a. "Nonprofit organization" means: (i) any nonprofit association, charity or corporation organized pursuant to the Internal Revenue Code or California Revenue and Taxation Code; or (ii) a group which is an integral part of a recognized national organization having such tax-exempt status; or (iii) an organization officially affiliated with and officially recognized by: (A) an elementary school, middle school, and/or high school and/or school district that serves, in whole or in part, the residents of the city, or (B) a public and/or private community college, college and/or university which is located within the boundaries of the city.
 2. Any nonprofit organization that is qualified to sell safe and sane fireworks must meet all of the following criteria for a continuous period of not less than one full year preceding submittal of an application for a permit to sell fireworks required

by this section and which continues to meet the criteria for the duration of any permit to sell fireworks issued by the city.

- a. The organization must have its principal and permanent meeting place within the city.
- b. The organization must have a demonstrated benefit or provide a service to the citizens of Roseville.
- c. The organization must have a minimum bona fide membership of at least 20 members who either reside in the city or are owners or operators of a business or other establishment located in the city or attest that the otherwise qualified organization will have a minimum of 20 volunteers to staff a fireworks booth. The organization shall provide documentation demonstrating the minimum bona fide membership to the satisfaction of the fire chief.
- d. The organization must not have been found by any court of competent jurisdiction or city administrative hearing officer to be in violation of any civil or criminal local, state or federal law within 24 calendar months prior to the organization's submittal of an application for a permit to sell fireworks.
- e. All applications for permits shall be accompanied by a California State Board of Equalization temporary sales tax permit.
- f. All applications for permits shall be in writing to the fire department on forms supplied by the city.
- g. Applications must be filed 30 days prior to the actual sale or display.
- h. Applications shall set forth the proposed location of the fireworks stand.
- i. Applications shall be accompanied by a certificate of insurance in a form approved by the city attorney showing public liability insurance coverage in a minimum amount of \$1,000,000.00.
- j. All applications for permits shall be accompanied by a retail sales permit issued by the California State Fire Marshal.
- k. Applicants shall furnish such other data or information as may be required relating to the issuance of such fireworks permits.
- l. Applications shall identify the name, organizational form, address of the principal meeting place, number of members, the purpose of the organization or corporation and the date it came into existence within the city. Only those organizations that are located within the city limits will be allowed to sell fireworks. Each organization, and its affiliated groups, will be limited to no more than one booth.
- m. Every application shall designate one or more individuals as the fireworks stand safety officer. That individual shall be required to attend a fireworks stand operators safety seminar and orientation session conducted or approved by the city's fire department prior to issuance of the permit. The fireworks stand safety officer(s) must attend the seminar each year regardless of whether or not they have previously attended such a seminar in the past.

- n. Each application shall be accompanied by the applicable permit fee. Such fee shall be nonrefundable. The fee shall be used to defray the expense of administering the provisions of this section and to provide safety and informational material and programming relative to fireworks.
- J. Permit Revocation. The fire chief may suspend or revoke any permit upon proof that the permitted organization or corporation, or any of its members, has violated any of the provisions of this section relating to fireworks. If the fire chief determines that the suspension occurred too late in the limited sales period to have the necessary deterrent effect, he or she may disqualify the permitted person or organization from obtaining a permit for a period of up to two additional years. Such additional disqualifications may be appealed to the city manager in writing within 15 calendar days of the action.
- K. Number of Permits Issued. Except as otherwise provided, not more than 15 permits for fireworks shall be issued during any one calendar year. In the event more than 15 applications for permits are received, priorities for issuing of permits shall be determined by the fire chief as follows:
 - 1. First priority shall be to those applicants who received a permit in the prior calendar year and actually operated a fireworks stand. Provided, however, that such priority shall expire after five consecutive years, and that nothing herein shall be construed so as to permit more than one fireworks stand per organization.
 - 2. Second priority shall be to those otherwise qualified organizations.
 - 3. In the event that the number of applicants within a given class of priority exceeds the number of permits remaining to be granted, then the selection of permittees shall be by lot. Such lottery shall be conducted in public by the fire chief who shall notify all applicants at least five days in advance of the date and time of the lottery.
- L. Temporary Fireworks Stands. Retail sales of safe and sane fireworks are permitted only from within a temporary fireworks stand and subject to the following provisions:
 - 1. No person other than the permitted organization shall operate the fireworks stand for which the permit is issued or share or otherwise participate in the profits of the operation of such stand.
 - 2. No person other than the individuals who are members of the permitted organization shall sell or otherwise participate in the sale of safe and sane fireworks.
 - 3. Each fireworks stand shall have a responsible adult in attendance and in charge of the stand at all times while it is being used for the display or storage of safe and sane fireworks.
 - 4. Each fireworks stand shall have a fireworks stand safety officer in attendance and in charge at all times while it is being used for the sale or the offering for sale of safe and sane fireworks.

5. All safe and sane fireworks shall be retained or stored at the approved location of the fireworks stand, and in no event shall fireworks, other than those which have been sold, be removed from the approved fireworks stand location to any other place within the city.
 6. There shall be no drinking or possession of alcoholic beverages in or about the fireworks stand or storage site at any time.
 7. Fireworks stands may only be located on property zoned C-C, G-C, M-1, or M-2.
 8. No fireworks stand shall be located within 25 feet of any other building or within 50 feet of any gasoline station, fuel pump, storage tank, generator or bulk plant.
 9. Fireworks stands shall be located at least 100 feet apart from any other fireworks stand.
 10. Fireworks stands shall comply with the provisions of the Building Code as determined by and at the discretion of the building official. All stands shall be erected under the supervision of the building official. The building official shall require that stands be constructed in a manner which will reasonably insure safety of attendants and patrons.
 11. Temporary electrical wiring within the fireworks stand shall be prohibited.
 12. Electrically powered equipment shall be located at least 10 feet from the fireworks stand.
 13. Each stand shall have at least two approved exits located at opposite ends of the stand.
 14. Any relocation of a fireworks stand shall be subject to prior approval of the fire chief.
 15. Each fireworks stand shall be provided with two two-and-one-half-gallon "water-type" fire extinguishers approved by the fire chief, in good working order and easily accessible for use in case of fire. Such fire extinguishers shall be kept at or immediately near the fireworks stand.
 16. All weeds and combustible materials shall be cleared from the location of the fireworks stand, to a distance of at least 30 feet.
 17. When the fireworks stand is not being used for the sale and/or display of fireworks, all fireworks shall be stored in a manner consistent with one of the following:
 - a. Within a reinforced, heavy metal, fully-enclosed container, walk-in type drop box, or its equivalent, as approved by the fire code official; or
 - b. Returned daily to the licensed fireworks wholesaler for storage at an approved location.
- M. Igniting Fireworks Near Stand. It is unlawful to discharge or ignite fireworks of any type within 25 feet of a fireworks stand.
- N. Removal of Fireworks Stand. Fireworks stands shall be removed from the temporary locations by noon on the 6th day of July, and all accompanying litter shall be cleared from the locations by that time.
- O. Penalties.

1. It is unlawful and a public nuisance to violate any of the provisions of this section.
Violation of this section shall be charged as a misdemeanor.
 2. For purposes of this section, each individual dangerous firework possessed, manufactured, sold, used, manipulated, displayed, discharged, or exploded may constitute a separate violation by the responsible person, including a host.
 3. The city shall be entitled to recover response costs required to address any provision of this section, including from a host. "Response costs" shall mean those reasonable and necessary costs directly incurred by city personnel for a response to an illegal discharge or illegal storage of fireworks, and include the cost of providing law enforcement, firefighting, and/or other emergency services at the scene of the violation.
- P. Civil Injunction. The violation of any provision of this section shall be and is hereby declared to be contrary to the public interest and shall, at the discretion of city, create a cause of action for injunctive relief.
- Q. Administrative Remedies. In addition to the civil remedies and criminal penalties set forth herein, any person that violates the provisions of this section may be subject to administrative remedies, as set forth by city ordinance, including the recovery of any response cost. Each individual dangerous firework and/or illegal discharge or storage may be charged as a separate violation.
- R. Cumulative Remedies, Procedures and Penalties. Unless otherwise expressly provided, the remedies, procedures and penalties provided by this section are cumulative to each other and to any others available under state law or other city ordinances.
- S. Effect on Criminal Prosecution. Nothing in the adoption or administration of this section shall be construed as affecting the ability to initiate or continue concurrent or subsequent criminal prosecution for any violation of the provisions of this code or any state law arising out of the same circumstances necessitating the application of this section.
- T. Severability. The provisions of this section are hereby declared to be severable. If any section, sentence, clause, phrase, word, portion or provision of the ordinance codified in this section is held invalid, or unconstitutional, or unenforceable, by any court of competent jurisdiction, such holding shall not affect, impair, or invalidate any other section, sentence, clause, phrase, word, portion, or provision of said ordinance which can be given effect without the invalid portion. In adopting said ordinance, the city council affirmatively declares that it would have approved and adopted said ordinance even without any portion which may be held invalid or unenforceable.

SECTION 2. This ordinance shall be effective at the expiration of thirty (30) days from the date of adoption.

SECTION 3. 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:

ATTEST:

MAYOR

City Clerk



COUNCIL COMMUNICATION

CC #: 3813

File #: 0202

Title: Annual Comprehensive Financial Report and Other Audit Reports for the Fiscal Year ended June 30, 2024
Contact: Teri Quinlan 916-774-5316 tquinlan@roseville.ca.us

Meeting Date: 4/2/2025

Item #: 7.14.

RECOMMENDATION TO COUNCIL

Staff recommends that the City Council receive three informational financial reports and two required auditor communication letters for the fiscal year ended June 30, 2024. This item requires no Council action and is for information purposes only

BACKGROUND

The following informational financial reports and auditor communication letters are included with this communication:

- City of Roseville Annual Comprehensive Financial Report (ACFR)
- City of Roseville School-Age Child Care Report
- City of Roseville Independent Accountant's Report on Applying Agreed-Upon Procedures Related to the Article XIII-B Appropriations Limit for the year ended June 30, 2024
- City of Roseville Auditor Communication Letter
- City of Roseville Auditor Report on Internal Controls over Financial Reporting and Compliance and Other Matters

The City Charter requires that the City Council engage an independent certified public accounting firm to conduct an annual financial audit of the City. Lance, Soll, and Lunghard, LLP (LSL), a certified public accounting firm, conducted the audits of the City's financial statements for the fiscal year ended June 30, 2024. The City received an unmodified (clean) opinion on the ACFR. The ACFR conforms to generally accepted accounting principles and the latest applicable Governmental Accounting Standards Board (GASB) Statements. This report continues to reflect the City's financial stability and proper accounting practices. In addition, the 2023 ACFR received the Government Finance Officers Association's (GFOA) Certificate of Achievement for Excellence in Financial Reporting. GFOA awarded this certificate to the City for the 19th consecutive year, and it is included in the 2024 ACFR.

Separately issued financial statements are required to be completed for the School-Age Child Care Fund (also referred to as the Youth Development Fund). This report details activity in the

current fiscal year and year-end balances.

The California State Constitution Article XIII-B Appropriations Limit places limits on the growth of expenditures for publicly funded programs. The Independent Accountant's Report on Applying Agreed-Upon Procedures Related to the Article XIII-B Appropriations Limit for the year ended June 30, 2024, was performed to assist the City in meeting the requirements of Section 1.5 of Article XIII-B, which requires the annual calculation of the appropriations limit to be reviewed as part of an annual financial audit. No findings were included in this year's report.

The auditor's letter to the City Council is an additional communication required by audit standards which conveys that there were no significant difficulties or disagreements encountered in dealing with management in performing and completing the audit and that the completion of the audit was delayed due to adjustments required after the commencement of the scheduled audit fieldwork. The letter also includes information about significant estimates and footnote disclosures included in the financial statements.

The Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters is required communication that includes one audit finding regarding the City not having all necessary documentation and reconciliations completed prior to the commencement of the audit. Accounting staff were getting caught up and performing additional analysis to prepare for a clean audit, resulting in a delayed timeline this year. Staff agrees with the finding and, being fully staffed in the Accounting team this year, expects to complete documentation and reconciliations before starting the fiscal year 2025 audit fieldwork.

FISCAL IMPACT

There is no fiscal impact as a result of these informational reports.

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 financial reports meet the above criteria and are not subject to CEQA. No additional environmental review is required.

CITY COUNCIL STRATEGIC PLAN/OVERARCHING GOALS

Goal A - Remain fiscally responsible in a changing world

Respectfully Submitted,

Teri Quinlan, Accounting Manager

Scott Pettingell, Finance Director



Dominick Casey, City Manager

ATTACHMENTS:

Description

FY24 Annual Comprehensive Financial Report

FY24 School-Age Child Care Report

FY24 Appropriations Limit Report

FY24 Auditor Communication Letter

FY24 Auditor Report on Internal Controls



Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2024

CITY OF ROSEVILLE, CALIFORNIA
Annual Comprehensive Financial Report
For the Year Ended June 30, 2024

PREPARED BY
FINANCE DEPARTMENT

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CITY OF ROSEVILLE, CALIFORNIA
Annual Comprehensive Financial Report
For the Year Ended June 30, 2024

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February 11, 2025

Honorable Mayor, Members of the City Council, and Citizens of the City of Roseville:

The Finance Department is pleased to present the Annual Comprehensive Financial Report (ACFR) of the City of Roseville (City) for the fiscal year that ended June 30, 2024. Article VII of the City Charter and federal and state law requires that the City issue an annual report on its financial position and activity, and that the report be audited by an independent firm of certified public accountants. The format and content of this ACFR comply with the principles and standards of accounting and financial reporting adopted by the Governmental Accounting Standards Board (GASB) and contain all information needed for readers to gain a reasonable understanding of the City's financial activities.

Management takes sole responsibility for the completeness and reliability of the information in this report, based upon a comprehensive internal control framework established for this purpose. The objective of internal controls is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The City's financial statements have been audited by LSL, Certified Public Accountants. The goal of the audit is to obtain reasonable assurance that the financial statements are free of material misstatements and are fairly presented in conformity with generally accepted accounting principles (GAAP). The City's auditors have issued an unmodified opinion on the City's financial statements for the fiscal year ended June 30, 2024. The independent auditors' report is presented as the first component of the financial section of this report.

Management's discussion and analysis (MD&A), immediately following the independent auditors' report, provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

THE REPORTING ENTITY AND ITS SERVICES

Roseville is a charter city in the State of California. The City was incorporated on April 10, 1909, and operates under a Council-Manager form of government. The City Council, the City's political and legislative body, is empowered by the City's charter to formulate citywide policy, including a fiscal program, City services, and appointment of the City Manager and City Attorney. There are five City Council members who are elected by district for staggered four-year terms, and the Mayor and Vice-Mayor are determined by rotation in sequential order of the five districts.

Residents of the City may assist the City Council in formulating government policy by serving on a City commission, committee, or board. The following commissions, committees, and boards act in an advisory capacity to the City Council:

- Board of Appeals
- Design Committee
- Economic Development Advisory Committee
- Grants Advisory Commission
- Law & Regulation Committee
- Library Board
- Local Sales Tax Citizens' Oversight Committee
- Parks & Recreation Commission
- Personnel Board
- Placer Mosquito & Vector Control District
- Planning Commission
- Public Utilities Commission
- Senior Commission
- Transportation Commission

Roseville is a full-service city that provides a comprehensive range of municipal utilities and services. These services include police; fire; parks, recreation and libraries; economic development and housing; planning; building and public facility inspection; engineering; streets; electric, water, wastewater and solid waste utilities; and general administrative services.

The ACFR presents the financial status of the City and its five component units:

- Roseville Finance Authority (Finance Authority)
- Roseville Natural Gas Financing Authority (RNGFA)
- City of Roseville Housing Authority (Housing Authority)
- Successor Agency to the City of Roseville Redevelopment Agency (Successor Agency)
- City of Roseville Other Post-Employment Benefits Trust (OPEB Trust)

Component units are separate legal entities included in this report due to significant operational or financial relationships with the City. The Finance Authority, RNGFA, Housing Authority, and OPEB Trust are separate legal entities from the City but have the same governing board. The Successor Agency has a governing board determined by State law that does not report to the City Council. RNGFA and the OPEB Trust issue separate component unit financial statements. Separate financial statements are not issued for the Finance Authority, the Housing Authority, or the Successor Agency.

LOCAL ECONOMY

The City of Roseville is the largest city in Placer County with a population of 154,329 as of January 1, 2024, an increase of 1,603 residents from the previous year (California Department of Finance). More than 14,000 businesses operate within the City, supporting approximately 90,200 jobs in the past year. The overall local unemployment rate for the City of Roseville is at 3.8 percent and the

median household income is \$111,466. The largest industry sector is health care and social assistance at approximately 22 percent. Retail businesses are second at approximately 15 percent. Rounding out the remaining top business sectors are food service, government, and construction.

The housing market in Roseville is very healthy, with consistent growth year over year. Currently, there are 61,976 completed housing units and the median home value is \$649,000, an increase of six percent compared to the prior year.

BUDGET INITIATIVES

The 2025 budget includes funding for the planned 10-field Placer Valley Soccer Complex, designed to strengthen the region's position in sports tourism. The complex will host a blend of local, regional, and national tournaments, driving visitors to the community while addressing the needs of local sports clubs and organizations for dedicated sports facilities. Groundbreaking for the Placer Valley Soccer Complex took place in June 2023, and the facility is expected to open in late 2025.

The \$63 million complex will feature 10 lighted artificial turf fields, two plaza areas with restrooms, picnic spaces, and concessions, and a universally accessible playground. The fields will be available by reservation only and will support local team practices, games, and regional and national tournaments. The playground, however, will remain open to the public. The complex is expected to attract significant sports tourism, complementing Roseville's existing amenities, which include aquatics, softball, volleyball, and basketball facilities. Youth sports, a consistently resilient industry, have continued to thrive during economic fluctuations as families prioritize opportunities for their children. To further support the development, the 2025 budget includes \$6.3 million for traffic signal improvements near the complex to manage traffic flow and reduce congestion.

The 2025 budget also allocates \$90.1 million for capital improvement projects, reflecting the City's commitment to growth and maintaining existing infrastructure. Investments include \$30.3 million for electric infrastructure, \$16 million for public works, \$12.3 million for wastewater, \$8.9 million for parks and recreation, \$6.8 million for waste services, and \$6.4 million for water infrastructure. Key projects include the rebuilding of the Vernon substation, construction of the Creekview substation, development of the Environmental Utilities Operations Center, streetscape improvements, and the creation of Campus Oaks Park, which will include a skate park and BMX track. These investments also fund critical projects such as roadway resurfacing, public safety dispatch upgrades, and enhancements to the VHF radio system to support emergency services.

The 2025 budget reflects a net increase of 18 new positions to address the growing demands of the City. This modest staffing increase responds to factors such as population growth, new developments, legislative requirements, and the need for enhanced service levels in alignment with City Council priorities. New positions include a Principal Engineer and a Traffic Operations Center role in Public Works, park maintenance staff to care for new facilities, and additional staff in the Police Department and Parks, Recreation & Libraries to support community safety and services. These strategic staffing changes ensure Roseville can continue delivering high-quality services to residents as the community grows.

The budget also includes measures to strengthen pension stability and reduce future costs. It allocates \$1.8 million in one-time General Fund resources for the CalPERS Additional Discretionary Payments (ADP) option and transfers \$2.9 million to the Pension Reserve Trust to safeguard against future increases in pension costs. Including this year's transfer, the City has transferred a total of \$21 million to the trust to date. These actions are part of a broader strategy to maintain service levels during economic downturns and ensure long-term fiscal health.

LONG-TERM FINANCIAL PLANNING

The City has consistently planned its budgets with a focus on long-term sustainability. This is accomplished through financial policies and the establishment of several funds that serve to direct City revenues to long-term financial needs. This ensures that funding is available for needs as they arise. These funds include:

Operating Reserves: The City maintains an emergency reserve in its General Fund of 10 percent of operating expenditures. The City also maintains a stabilization reserve in its General Fund of 15 percent of operating expenditures, bringing the total operating reserve target to 25 percent of operating expenditures.

Federal Stimulus Reserve: The City established a temporary federal stimulus reserve for the City's allocation of the American Rescue Plan Act federal stimulus (2021 Coronavirus State and Local Fiscal Recovery Funds) until one-time expenditures or transfers to other City funds are approved over the remaining course of the pandemic. The City has adhered to all federal compliance requirements, including the mandate to ensure that funds are fully obligated by December 31, 2024, and fully expended by December 31, 2026.

Rate Stabilization Funds: Roseville Electric Utility has a rate stabilization reserve policy with a minimum reserve level of 40 percent of operating expenditures, a target level of 65 percent, and a maximum level of 90 percent. The intent of this reserve is to provide the City time to react to major changes to the cost of electricity without having to impose an emergency rate increase. During fiscal year 2023, the Electric Utility strategically repaid its variable rate debt and associated interest rate swap, which decreased the reserve balance to \$31.9 million, or 19 percent of operating expenditures, at June 30, 2024. To replenish the reserve, the Electric Utility plans to utilize interest income earned from the Rate Stabilization Fund (RSF), revenues associated with the implementation of a 0.5 percent rate increase for both residential and commercial energy charges, and the transfer of surplus funds from the Electric Operations Fund into the RSF. Rate stabilization funds are also used in the Environmental Utilities Department funds, e.g., Water, Wastewater, and Waste Services, to help ease the impacts of rate increases over a period of years.

Fleet Replacement Fund: The City funds the cost of replacement vehicles over the useful life of the vehicle. This ensures that money is available to keep the City's vehicle fleet operating properly and safely.

Strategic Improvement Fund: The City developed a fund that provides Council with resources that can be used for periodic, strategic investments on behalf of the City. This fund has been used to acquire land and construct improvements, primarily in redevelopment areas. This fund is included in the City's General Fund for financial reporting.

OPEB Trust Fund: The City established an irrevocable trust in fiscal year 2011 to address the City's long-term liability for post-retirement health benefits and transferred \$34 million of accumulated resources into the OPEB Trust. In fiscal year 2014, the City negotiated with labor groups to cap future liabilities by creating a Tier III benefit for new hires. Tier III employees are required to set aside a portion of their salary into a Retirement Health Savings account. The investments in the OPEB Trust have performed well, achieving a return of 7.50 percent since inception. In fiscal year 2024, the OPEB plan assets gained 12.08 percent, growing to \$159.3 million during a period of disinflation and a wait-and-see Federal Reserve monetary policy stance. With the City's OPEB funding policy, the OPEB unfunded liability is decreasing with increased contributions and investment returns.

Pension Trust Fund: The City established a Pension Reserve Trust in fiscal year 2024 as a reserve against future pension cost increases. The trust is included in the City's General Fund for financial reporting. The Section 115 trust was funded in fiscal year 2024 with \$17.1 million of accumulated General Fund resources.

MAJOR ACTIVITIES IN THE CITY

Many of the major activities undertaken in fiscal year 2024 are consistent with the City Council's direction to focus on projects and funding that provide economic stability and enhance the City's long-term financial condition while maintaining high levels of service to the older parts of the community. Major activities included:

- **Public Works:** In fiscal year 2024, the Public Works Department made progress across several key projects. In Alternative Transportation, the department secured a \$6.1 million grant to construct the Dry Creek Greenway East Phase 2 Trail and an \$11.6 million grant to purchase 15 electric buses, chargers, and infrastructure. The 30th Annual Bikefest returned as an in-person event, providing bike safety resources and distributing over 500 helmets to local residents. The Safe Routes to School program engaged over a dozen schools with events like Walk to School Day, Winter Walk to School Day, and Bike Rodeos. In Facilities, Phase II of the 116 South Grant Street tenant improvement project is moving forward, with construction set to begin in late summer, and space utilization and feasibility studies for the City Council Chambers and downtown buildings have been completed. In Street Maintenance, the 5-year resurfacing plan was completed, over 450,000 linear feet of pavement cracks were sealed, 420,000 square feet of asphalt were paved, and over 24,000 miles of street sweeping were performed. Engineering accomplishments include finishing the \$7 million Washington Boulevard Roundabout Project and making great strides on the \$31 million Roseville Parkway Extension, \$13 million Pleasant Grove Blvd Widening, and \$9.5 million Soccer Complex Intersection Improvements.
- **Water Utility:** In 2024, City staff worked diligently on the Barton Road Water Treatment Plant Reclaimed Basin Project. This project includes replacement of a vital part of the water treatment plant process, which is currently damaged and requires some design upgrades. When constructed, the project will provide treatment plant reliability and decreased maintenance due to design flaws. The project is slated to begin construction in 2025.

The City has continued to make significant progress on the design and construction of six new additional aquifer storage and recovery (ASR) wells. As part of drought mitigation measures, Roseville began construction on two of the ASR wells in 2021 and they have now been completed. In addition, the drilling of the two new wells have been completed in fiscal year 2024. Design of the top side improvements at Misty Wood and Campus Oaks wells has been completed and construction began in early 2025. The remaining wells and pump stations will be constructed over the next few years.

With the West Side Tank and Pump Station Project complete, a new crew facility project has been constructed on the same site. This project built an office facility and mechanics shop, which was completed in July 2024. This facility will serve as the workplace for numerous water operations personnel and will also function as a central operations hub for remote water facilities.

The City continued to work on a joint water project with the Placer County Water Agency (PCWA) to increase the capacity of water intakes and to build higher capacity conveyance within the PCWA service area that will ultimately allow access to existing contract water supplies upstream of Folsom Reservoir for greater water delivery reliability. This joint agency project is anticipated to be complete by 2027, subject to funding.

- Wastewater Utility: In 2024, significant progress was made in enhancing and maintaining wastewater utility infrastructure to ensure sustainable and efficient operations. Some key achievements include:
 - A comprehensive analysis was conducted to evaluate current and future treatment plant capacity, ensuring preparedness for growth and regulatory compliance.
 - Initiated the evaluation of critical force main infrastructure to identify areas requiring maintenance, upgrade, or replacement, aiming to enhance the reliability and reduce risks.
 - Continued to rehabilitate over 35,000 linear feet of sewer pipelines since 2018 using a cured in place pipeline repair technique that avoids costly and intrusive trenches in public roadways.
 - The recycled water tank rehabilitation project was in construction during fiscal year 2024 and should be completed in spring of 2025. This project aims to rehabilitate two recycled water tanks located on the west side of the city which help support efforts to maximize recycled water usage and promote sustainable water practices.
- Solid Waste Utility: The Environmental Utilities Operation Center Project is underway to develop a new corporation yard and solid waste facilities designed to support the needs of our growing city. This modernized facility will enhance operational efficiency, provide space for future expansion, and ensure compliance with emerging regulations, including the Advanced Clean Fleets requirements. The project reflects our commitment to sustainable practices and aligns with regulatory requirements for cleaner, greener operations.

- **Electric Utility:** The Advanced Metering Infrastructure project, completed in June 2024, upgraded 67,000 existing electric meters to industry-standard models with wireless capabilities for transmitting readings and essential utility service information. The City also continued ongoing expansion of its electric distribution system to serve new customers and rehabilitation of existing electric assets to maintain reliable service.
- **Parks, Recreation and Libraries:** The City completed construction on four (4) neighborhood parks, The Courts at Gibson Park, Crimson Ridge Improvements, Campus Oaks and Solaire parks. Construction continues on the Placer Valley Soccer Complex, Riego Creek, and Denio Family parks. Construction started on John Byouk Park. Public outreach was completed for three (3) new parks, C-63, KT-52 and FD-51 plus the re-master plan for Pistachio Regional Park. Major renovations are also underway at Weber Park, Johnson Pool and plans are under development for Saugstad Park. Rehabilitation projects completed include basketball court renovations, wind damage repairs at the Diamond Oaks driving range and Mahany Park backstop, replacement of the water feature at Davis Park, and play structure replacements including locations at Veterans and Hall parks. Planning for other rehabilitation projects include play structures at Pineschi and Twinwood parks.
- **Development Services:** Development activity remained strong throughout the year. While new residential subdivision construction experienced a slight increase compared to the previous fiscal year, the surge observed in fiscal year 2023 in multi-family housing, tenant improvements, and commercial construction sectors has begun to slow and stabilize. Despite these shifting development trends in Roseville, the City issued a total of 6,452 building permits in fiscal year 2024, reflecting consistent and steady growth compared to the prior years. Overall, development activity remains above historical annual averages.

Specifically, there has been a slight increase in single-family residential permits, with 1,259 units issued in fiscal year 2024 compared to 1,093 units issued in the previous fiscal year. The surge in multi-family apartment construction observed last fiscal year continued into fiscal year 2024, though the total number of multi-family permits decreased to 544 units compared to 896 units in the preceding year. However, an additional 1,185 multi-family units are in various stages of development at the end of the fiscal year, with a significant portion being deed-restricted affordable housing.

The commercial construction sector continues to see positive momentum, although the number of new commercial construction and tenant improvement permits decreased compared to the prior fiscal year, from 42 to 30 and 290 to 250, respectively. Despite this decline in fiscal year 2024, significant large projects continue to drive commercial activity, including the Kaiser Roseville Medical Center expansion, Sutter Health expansion, Blue Oaks Retail Center Phase 2 (featuring Dutch Bros and Chick-fil-A), West Roseville Marketplace, Erikson Senior Living, Costco Wholesale, Sprinter Roseville, Electric Pickle, and three new hotels.

Ongoing developments at the Robert Bosch Corporation on Foothills Boulevard, where over \$1.5 billion will be invested in facility upgrades and equipment over the next seven to ten years, and the new Costco in West Roseville anchoring the future Baseline Marketplace retail center are expected to continue driving commercial construction activity steadily in the coming years.

Development efforts remain concentrated in the City's newest specific plan areas, including Sierra Vista, Creekview, and Amoruso Ranch, with a notable increase in residential development expected to continue in the Amoruso Ranch Specific Plan area.

Key roadway connections are progressing as part of the backbone roadway network expansion in the West Plan areas.

AWARDS AND ACKNOWLEDGMENTS

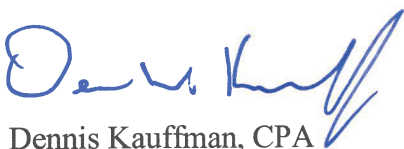
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its ACFR for the fiscal year ended June 30, 2023. The organization of the City's ACFR follows the guidelines set forth by GFOA. This marks the nineteenth consecutive year the City has been recognized with this award.

The City must publish an easily readable and efficiently organized ACFR to be awarded a Certificate of Achievement. The report must satisfy both generally accepted accounting principles and applicable legal requirements. This ACFR also meets the program's requirements, and staff will submit it to GFOA to determine its eligibility for the certificate.

The City of Roseville also received the Government Finance Officers Association's (GFOA) Distinguished Budget Award and the California Society of Municipal Finance Officer's (CSMFO) Operating Budget Excellence Award for the fiscal year 2024 budget.

The Finance Department, particularly the Accounting Division, takes great pride in preparing the ACFR. The professionalism, commitment, and effort of each employee of the Accounting Division have made this report possible. We also want to thank the other employees of the Finance Department as well as those in other City departments who contributed to the preparation of this report. Finally, we thank the Mayor and City Council for their support, interest, and integrity in directing the financial affairs of the City in a responsible, professional, and progressive manner.

Respectfully submitted,



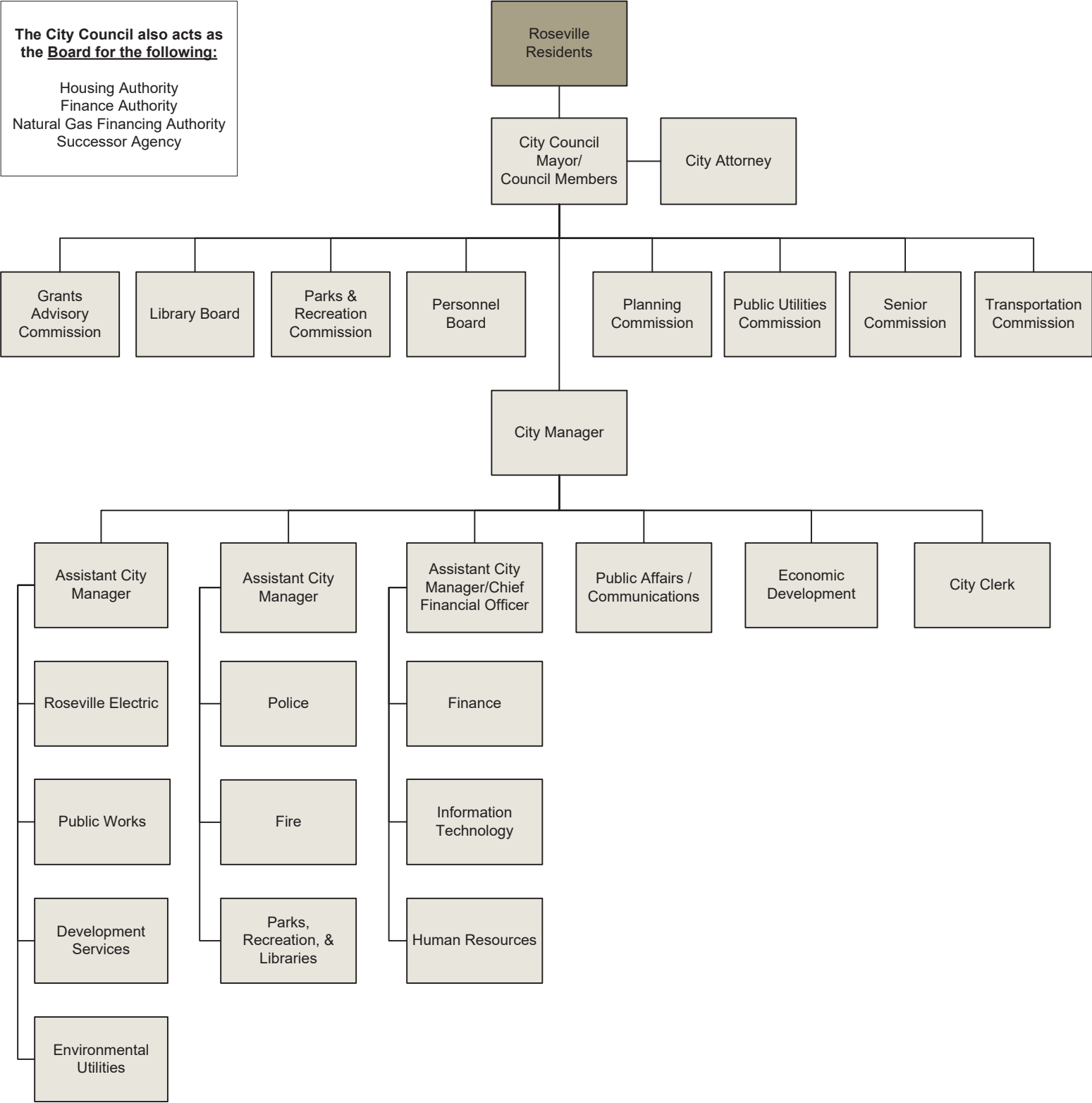
Dennis Kauffman, CPA
Assistant City Manager/Chief Financial Officer



Teri Quinlan, CPA
Accounting Manager

The City Council also acts as the Board for the following:

Housing Authority
Finance Authority
Natural Gas Financing Authority
Successor Agency



CITY OF ROSEVILLE
ELECTED OFFICIALS
JUNE 30, 2024

Mayor	Bruce Houdesheldt
Vice Mayor	Krista Bernasconi
Council Member	Scott Alvord
Council Member	Tracy Mendonsa
Council Member	Pauline Roccucci



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Roseville
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morill

Executive Director/CEO

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INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of the City Council
City of Roseville, California

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Roseville, California (the "City"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.



To the Honorable Mayor and Members of the City Council
City of Roseville, California

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and required pension and other postemployment benefits schedules, as listed on the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



To the Honorable Mayor and Members of the City Council
City of Roseville, California

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining and individual fund financial statements and schedules ("supplementary information") are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 11, 2025, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

LSL, LLP

Irvine, California
February 11, 2025

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CITY OF ROSEVILLE, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024

The following discussion provides readers of the City of Roseville's (City) financial statements a narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2024. The City recommends that this document be read in conjunction with the accompanying Letter of Transmittal and Basic Financial Statements.

FISCAL YEAR 2024 FINANCIAL HIGHLIGHTS

Financial highlights of the City's fiscal year 2024 include the following:

- The City's General Fund revenue and other financing sources (uses) exceeded expenditures by \$21.4 million in fiscal year 2024. This was primarily attributable to higher property tax and development-related revenues exceeding expectations, partly offset by underperforming sales tax revenue, as well as expenditure savings primarily attributable to vacancy savings.
- The voter-approved Measure B local sales tax generated General Fund revenue totaling \$29.9 million. The additional revenue allowed the City to maintain essential services and its General Fund Stabilization Reserve to address future economic downturns.
- The City's voters approved Measure C in the November 2022 election to increase the City's transient occupancy tax (TOT), or hotel tax, from six percent to ten percent. As a result, TOT revenues reached \$7.2 million in fiscal year 2024.
- The City added \$3.9 million to its General Fund reserves, to maintain a 25% reserve for emergencies and economic stabilization. The City also committed \$4.6 million to deposit into its new Pension Reserve Trust in fiscal year 2024, bringing the total to \$17.4 million.
- Total assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources, as of June 30, 2024, by \$3.9 billion, an increase of \$346.4 million or 6.8 percent over the prior year, primarily related to infrastructure investments associated with new development in the City.

OVERVIEW OF THE CITY'S ANNUAL COMPREHENSIVE FINANCIAL REPORT

The City's Annual Comprehensive Financial Report (ACFR) is divided into four sections:

- The introductory section includes the letter of transmittal, a list of city elected officials, and the city's organizational chart.
- The financial section includes the independent auditors' report, management's discussion and analysis, the basic financial statements, and the footnotes to the basic financial statements.
- The supplementary information section includes the required supplementary information and supplementary information.
- The statistical section is comprised of unaudited data organized to present financial trends, revenue capacity, debt capacity, and demographic and economic information.

Government-wide financial statements provide long-term and short-term information about the City's overall financial status. The fund financial statements focus on individual parts of the City government, reporting the City's operations in more detail than the government-wide statements.

CITY OF ROSEVILLE, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024

The notes to the basic financial statements provide additional information essential to understanding the data contained in the government-wide and fund financial statements. The statements and notes are followed by the required supplementary information: Budgetary Comparison Schedule for the General Fund, Schedule of Changes in Net Pension Liability and Related Ratios, Schedule of Contributions for the City's pension plans, Schedule of Changes in Net Other Post-Employment Benefits (OPEB) Liability and Related Ratios, and the Schedule of Contributions for the City's OPEB plan. In addition to these required elements, this report includes combining statements and schedules that provide details about the City's non-major governmental funds, non-major enterprise funds, internal service funds, private purpose trust funds, and custodial funds, each of which is presented in a column in the basic financial statements.

Government-wide Financial Statements

The government-wide statements report information about the City using accounting methods like those used by private-sector companies. The statement of net position includes all the City's assets and liabilities, and any deferred outflows or inflows of resources. The statement of activities includes all current year revenues and expenses regardless of when cash is received or paid. These government-wide statements report the city's net position and how it changed during the fiscal year.

The government-wide financial statements of the City present information about the following:

- *Governmental Activities:* Most of the City's basic services are considered governmental activities. These services are supported by general City revenues, such as taxes, and by specific program revenues, such as user fees and charges.
- *Business-type Activities:* Certain services provided by the City are funded by customer fees. The City's utility services, local transportation, and school-age childcare are among these.

Fund Financial Statements

A fund is a group of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. Fund financial statements provide more detailed information about the City's largest funds, not the City as a whole.

The City has three types of fund financial statements:

- Governmental fund statements provide information about how general government services such as police, fire, and public works were financed in the short-term, and what remains for future spending. Most of the City's basic services are included in governmental funds, which focus on (1) short-term inflows and outflows of spendable resources and (2) the remaining year-end balances available for spending. Because this information does not encompass the additional long-term focus of the government-wide statements, reconciliations that explain the relationship (or differences) between governmental funds and governmental activities follow the governmental fund statements.
- Proprietary fund statements provide information about the services for which customer fees are intended to finance the costs of operations. Proprietary fund statements, like government-wide statements, provide short-term and long-term financial information about the activities the City operates like businesses, such as utility services.

CITY OF ROSEVILLE, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024

- Fiduciary fund statements provide information about the financial relationships in which the City acts solely as a trustee or agent for the benefit of others to whom the resources belong. The City is the trustee or fiduciary for assets reported in a private-purpose trust fund, which, because of trust agreements, can be used only for the trust beneficiaries. The City elected to serve as the successor agency for its former redevelopment agency, which was dissolved by state law. The successor agency activity is accounted for in a private-purpose trust fund. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the City's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. The City excluded these activities from the City's government-wide financial statements because the City cannot use these resources to finance its operations.

FINANCIAL ANALYSIS OF THE GOVERNMENT-WIDE STATEMENTS

This analysis focuses on the City's net position and changes of its governmental and business-type activities for the fiscal year ending June 30, 2024.

Statement of Net Position - Primary Government
As of June 30, 2024 and 2023
(in millions)

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Assets						
Cash and investments	\$ 499.4	\$ 482.3	\$ 485.0	\$ 431.3	\$ 984.4	\$ 913.6
Other assets	161.9	145.7	295.4	304.0	457.3	449.7
Capital assets	1,383.8	1,195.4	2,022.9	1,968.7	3,406.7	3,164.1
Total Assets	2,045.1	1,823.4	2,803.3	2,704.0	4,848.4	4,527.4
Deferred Outflows of Resources	102.3	96.6	57.3	56.4	159.6	153.0
Liabilities						
Long-term debt outstanding	19.3	18.9	268.7	269.8	288.0	288.7
Other liabilities	428.8	416.8	258.1	248.0	686.9	664.8
Total Liabilities	448.1	435.7	526.8	517.8	974.9	953.5
Deferred Inflows of Resources	43.9	47.7	41.8	77.9	85.7	125.6
Net Position						
Net investment in capital assets	1,364.5	1,173.2	1,821.2	1,780.5	3,185.7	2,953.7
Restricted	328.0	305.3	32.7	28.4	360.7	333.7
Unrestricted	(37.1)	(41.9)	438.1	355.8	401.0	313.9
Total Net Position	\$ 1,655.4	\$ 1,436.6	\$ 2,292.0	\$ 2,164.7	\$ 3,947.4	\$ 3,601.3

The largest portion of the City's net position is the net investment in capital assets category totaling \$3.2 billion. This category reports capital assets less any related outstanding debt that the City used to acquire those assets. The City uses these capital assets to provide services to its residents and businesses.

The restricted portion of the City's net position of \$360.7 million represents resources that are restricted for use by external sources. The remaining net position of \$401.0 million is unrestricted and can be used to meet the ongoing obligations of the City, subject to the purpose of the individual funds in which it is held.

CITY OF ROSEVILLE, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024

Governmental Activities

Government Activities – Net Position

This analysis focuses on the net position and changes in net position of the City's governmental activities, presented in the Government-wide Statement of Net Position and Statement of Activities.

Statement of Net Position - Governmental Activities

As of June 30, 2024 and 2023

(in millions)

	2024	2023	Increase/ Decrease
Assets			
Cash and investments	\$ 499.4	\$ 482.3	\$ 17.1
Other assets	161.9	145.7	16.2
Capital assets	1,383.8	1,195.4	188.4
Total Assets	2,045.1	1,823.4	221.7
Deferred Outflows of Resources	102.3	96.6	5.7
Liabilities			
Long-term debt outstanding	19.3	18.9	0.4
Other liabilities	428.8	416.8	12.0
Total Liabilities	448.1	435.7	12.4
Deferred Inflows of Resources	43.9	47.7	(3.8)
Net Position			
Net investment in capital assets	1,364.5	1,173.2	191.3
Restricted	328.0	305.3	22.7
Unrestricted	(37.1)	(41.9)	4.8
Total Net Position	\$ 1,655.4	\$ 1,436.6	\$ 218.8

The City's governmental activities net position increased by \$218.8 million to \$1.66 billion as of June 30, 2024, primarily due to increases in capital assets. The increase in capital assets is mainly related to the acquisition and construction of infrastructure improvements and land dedications in West Roseville.

CITY OF ROSEVILLE, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024

Changes in Net Position - Governmental Activities
As of June 30, 2024 and 2023
(in millions)

	<u>2024</u>	<u>2023</u>	<u>Increase/ Decrease</u>
Revenues			
Program Revenues			
Charges for services	\$ 69.2	\$ 78.7	\$ (9.5)
Operating contributions and grants	34.3	30.1	4.2
Capital contributions and grants	167.2	65.9	101.3
Total Program Revenues	<u>270.7</u>	<u>174.7</u>	<u>96.0</u>
General Revenues			
Taxes	203.7	195.0	8.7
Franchise Fees	2.4	2.5	(0.1)
Use of money and property	23.8	(0.9)	24.7
Miscellaneous	14.9	3.7	11.2
Total General Revenues	<u>244.8</u>	<u>200.3</u>	<u>44.5</u>
Total Revenues	<u>515.5</u>	<u>375.0</u>	<u>140.5</u>
Expenses			
General government	31.5	30.4	1.1
Police	78.2	57.9	20.3
Fire	53.0	46.0	7.0
Economic development	4.3	4.0	0.3
Parks and recreation	59.5	45.6	13.9
Public works	25.2	25.6	(0.4)
Library	6.4	5.7	0.7
Development services	25.2	30.1	(4.9)
Annexation payments	11.8	10.1	1.7
Housing assistance payments	9.9	7.9	2.0
Interest on long-term debt	2.4	2.7	(0.3)
Total Expenses	<u>307.4</u>	<u>266.0</u>	<u>41.4</u>
Changes in Net Position before Transfers	<u>208.1</u>	<u>109.0</u>	<u>99.1</u>
Transfers	10.7	19.4	(8.7)
Changes in Net Position after Transfers	<u>218.8</u>	<u>128.4</u>	<u>90.4</u>
Net Position-Beginning	<u>1,436.6</u>	<u>1,306.4</u>	<u>130.2</u>
Restatement	<u>-</u>	<u>1.8</u>	<u>(1.8)</u>
Net Position-Ending	<u><u>\$ 1,655.4</u></u>	<u><u>\$ 1,436.6</u></u>	<u><u>\$ 218.8</u></u>

The fiscal year 2023 capital contributions and grants revenue and most of the functional expenses have been restated for a reclassification, with no net result of net position.

Capital grants and contributions, which consist mainly of land and infrastructure dedications and community facilities district bond proceeds, increased by \$101.3 million to \$167.2 million due to a greater number and larger infrastructure dedications and bond issues in 2024.

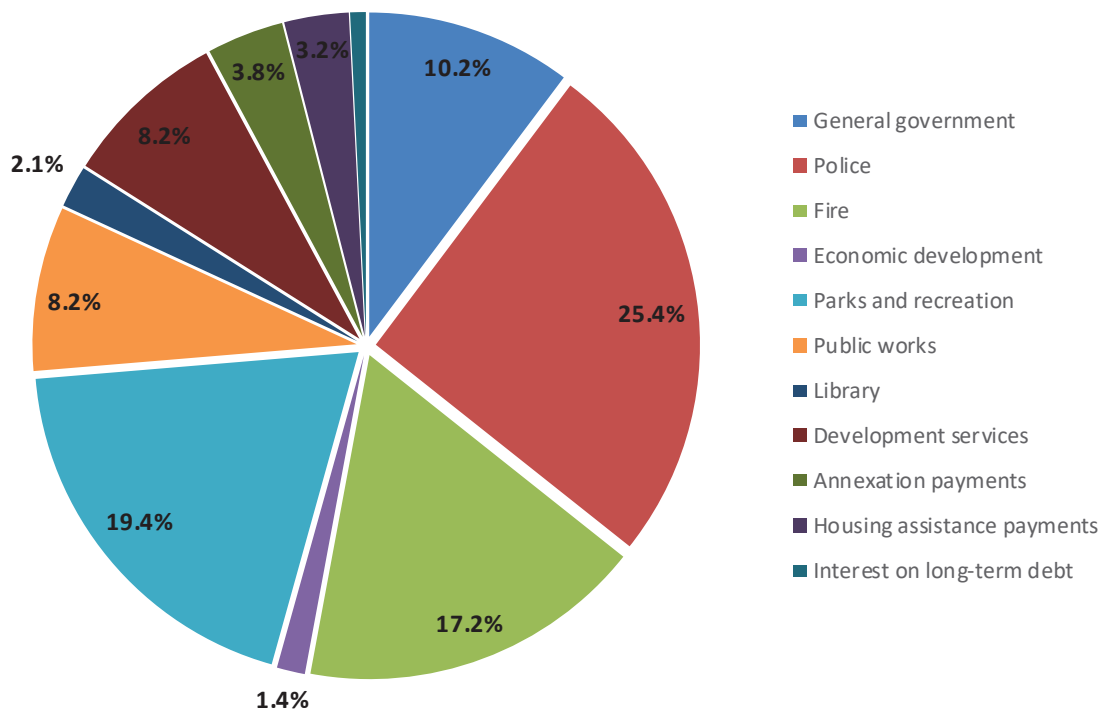
CITY OF ROSEVILLE, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024

General revenues, comprised mainly of property and sales taxes, increased by \$44.5 million compared to 2023. While property tax revenues increased due to higher assessed property values and development activity, sales tax revenue decreased due to changes in consumer behavior and inflation. The City's TOT revenue ended fiscal year 2024 at \$7.2 million an increase \$1.7 million over the prior year, primarily due to the voter approval of Measure M which raised the rate from six percent to ten percent. The use of money and property was \$23.8 million in 2024, compared to the negative \$0.9 million ,in 2023, due to higher interest income and a reversal of the temporary market value adjustment on the City's bond portfolio due to changes in market interest rates. Because general revenues are not allocable to specific programs, the City uses them to pay the net cost of governmental programs.

Total expenses for governmental activities increased by \$41.4 million compared to the prior year, primarily related to increased bond disbursements from community facility districts and inflationary impacts on labor and other costs of doing business. The most significant increases were in police, fire, and parks and recreation, due to cost increases in labor, services and supplies, and other operational costs.

Governmental Activities – Functional Expenses

The functional expenses chart below includes only current year expenses for governmental activities.



Capital outlay is excluded from functional expenses because they are added to the City's capital assets and depreciated over the useful lives of the assets. As the chart reflects, police was 25.4% (\$78.2 million) of total governmental activities expenses; fire was 17.2% (\$53.0 million); parks and recreation was 19.4% (\$59.5 million); development services was 8.2% (\$25.2 million); public works was 8.2% (\$25.2 million); general government was 10.2% (\$31.5 million); and the remainder was for other governmental programs and functions, as shown above.

CITY OF ROSEVILLE, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024

Business-type Activities

The Statement of Net Position and Statement of Activities present a summary of the City's business-type activities that are composed of the City's enterprise funds.

Statement of Net Position - Business-type Activities
As of June 30, 2024 and 2023
(in millions)

	<u>2024</u>	<u>2023</u>	<u>Increase/ Decrease</u>
Assets			
Cash and investments	\$ 485.0	\$ 431.3	\$ 53.7
Other assets	295.4	304.0	(8.6)
Capital assets	2,022.9	1,968.7	54.2
Total Assets	<u>2,803.3</u>	<u>2,704.0</u>	<u>99.3</u>
Deferred Outflows of Resources	<u>57.3</u>	<u>56.4</u>	<u>0.9</u>
Liabilities			
Long-term debt outstanding	268.7	269.8	(1.1)
Other liabilities	258.1	248.0	10.1
Total Liabilities	<u>526.8</u>	<u>517.8</u>	<u>9.0</u>
Deferred Inflows of Resources	<u>41.8</u>	<u>77.9</u>	<u>(36.1)</u>
Net Position			
Net investment in capital assets	1,821.2	1,780.5	40.7
Restricted	32.7	28.4	4.3
Unrestricted	438.1	355.8	82.3
Total Net Position	<u>\$ 2,292.0</u>	<u>\$ 2,164.7</u>	<u>\$ 127.3</u>

The net position of business-type activities amounted to \$2.3 billion in fiscal year 2024, an increase of \$127.3 million from fiscal year 2023, primarily due to increases in cash and investments and capital assets and a decrease in the deferred inflows of resources, primarily related to a decline in the fair market value of the commodity swap derivative. Cash and investments increased in 2024 due to higher revenue in the Electric utility from higher-than-expected customer usage during times of warmer-than-average temperatures, a one-time wholesale energy sale of nearly \$7 million, and sales of greenhouse gas emission allowances for \$12 million. Expenditures were lower than expected in the Electric utility due to lower power supply costs, routine maintenance expenses, public program rebates, and other savings. The City's other utilities experienced expense savings that led to higher cash balances, primarily due to vacancy labor cost savings project delays. Capital assets increased primarily due to new utility infrastructure in new development areas in West Roseville. The deferred inflow of resources related to the Roseville Natural Gas Financing Authority commodity swap declined by \$33 million due to the lower notional amount of the swap, higher interest rates, and inflation expectations which imply higher future gas commodity prices resulting in lower fair market value of the swap and the associated deferred inflows.

CITY OF ROSEVILLE, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024

Changes in Net Position - Business-type Activities
As of June 30, 2024 and 2023
(in millions)

	<u>2024</u>	<u>2023</u>	<u>Increase/ Decrease</u>
Revenues			
Program Revenues			
Charges for services	\$ 364.6	\$ 349.4	\$ 15.2
Operating contributions and grants	19.6	15.1	4.5
Capital contributions and grants	91.7	108.4	(16.7)
Total Program Revenues	<u>475.9</u>	<u>472.9</u>	<u>3.0</u>
General Revenues			
Use of money and property	27.3	9.5	17.8
Miscellaneous	15.8	12.9	2.9
Gain (loss) on sale of capital assets	(6.6)	(0.6)	(6.0)
Total General Revenues	<u>36.5</u>	<u>21.8</u>	<u>14.7</u>
Total Revenues	<u>512.4</u>	<u>494.7</u>	<u>17.7</u>
Expenses			
Electric	189.2	176.5	12.7
Water	43.0	39.5	3.5
Wastewater	64.0	66.3	(2.3)
Waste services	38.4	34.8	3.6
Roseville Natural Gas Financing Authority	20.8	33.0	(12.2)
Local transportation	11.5	10.1	1.4
School-age child care	7.2	7.4	(0.2)
Total Expenses	<u>374.1</u>	<u>367.6</u>	<u>6.5</u>
Changes in Net Position before Transfers	<u>138.3</u>	<u>127.1</u>	<u>11.2</u>
Transfers	(10.7)	(19.4)	8.7
Changes in Net Position after Transfers	<u>127.6</u>	<u>107.7</u>	<u>19.9</u>
Net Position-Beginning	<u>2,164.7</u>	<u>2,056.9</u>	<u>107.8</u>
Restatement	<u>(0.3)</u>	<u>0.1</u>	<u>(0.4)</u>
Net Position-Ending	<u>\$ 2,292.0</u>	<u>\$ 2,164.7</u>	<u>\$ 127.3</u>

Business-type program revenues and general revenues totaled \$512.4 million while business-type expenses and transfers out were \$384.8 million in 2024. Capital contribution revenue was lower than the prior year due to a decrease in infrastructure dedications funded by developers in new growth areas. Use of money and property was higher than the prior year due to higher interest income and reversal of the temporary market value adjustment on the City's bond portfolio. Major enterprise fund activity is discussed in the Proprietary Funds section below.

CITY OF ROSEVILLE, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024

FINANCIAL ANALYSIS OF THE FUND STATEMENTS

Governmental Funds

The City's governmental funds provide information on near-term inflows, outflows, and balances of spendable resources.

General Fund

General Fund revenues increased by \$14.0 million from the prior year, primarily due to increases in taxes of \$4.7 million, use of money and property of \$7.1 million and charges for services of \$1.7 million. Investment income was higher in 2024 due to higher interest rates and a reversal of the temporary market value adjustment on the City's bond portfolio due to changes in market interest rates.

Property tax and TOT revenue were higher in 2024, while the Bradley Burns sales tax decreased by \$1.1 million and the voter-approved local Measure B sales tax increased by \$0.8 million. The decrease in Bradley Burns is associated to higher interest rates and shifts in consumer spending toward service-related purchases that are not taxable. Property tax increased due to continued growth in the City and increasing assessed property values, while TOT increased largely due to the voters passing Measure C to raise the tax rate from six percent to ten percent, effective January 1, 2023.

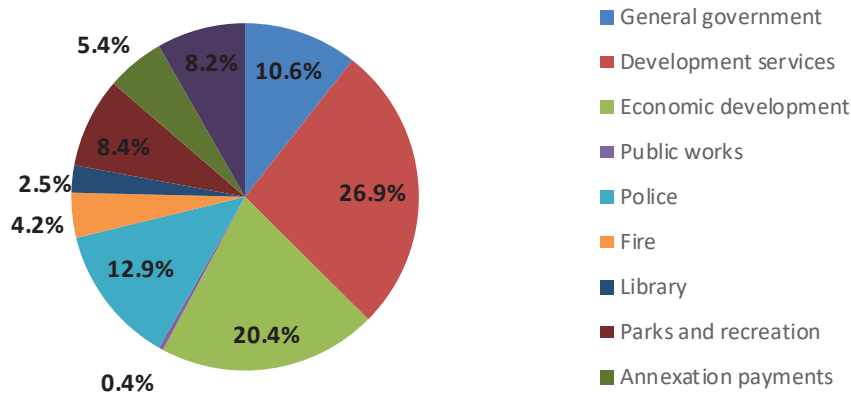
Total revenues were higher than the final budget by \$8.8 million, primarily due to:

- Bradley Burns sales tax revenue ended the year below the budget estimate by \$2.6 million, while the local Measure B sales tax revenue was \$0.2 million above the budgeted amount.
- Property tax revenue was \$2.2 million higher than budget due to continued growth in the City exceeding projections and increasing assessed property values.
- TOT revenue ended 2024 on budget at approximately \$7.2 million.
- Charges for services revenue ended the 2024 higher than the final budget by \$3.1 million primarily attributable to development-related revenue collected by the Development Services Department.
- Use of Money and Property exceeded estimates by \$4.7 million due to stronger than anticipated investment returns from higher interest rates and improvements in the City's bond portfolio.

General Fund expenditures increased by \$19.4 million from the prior year, primarily caused by increases in police, fire, parks and recreation, and most other departments. General government expenditures are higher due to labor costs increases, including salaries, health benefits, and pension costs, as well new positions added in the 2024 budget including ten in fire, one in development services, and seven in parks and recreation.

CITY OF ROSEVILLE, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024

Expenditures



All General Fund departments ended the year within their appropriated expenditure budgets. Total expenditures were lower than the final budget by \$72.2 million, with the following major drivers:

- Multi-year capital project budgets are inception-to-date budgets for projects that may take several years to complete, resulting in significant budget-to-actual variances for budgets that roll forward to 2025.
- Vacancy savings in most General Fund departments generated significant budget savings during periods when positions were in the recruitment phase.

As of June 30, 2024, the General Fund's fund balance totaled \$187.8 million, including \$20.9 million nonspendable fund balance, primarily for notes receivable; \$48.4 million committed for emergency and economic stabilization reserves, \$17.4 million restricted for the City's pension trust, \$50.7 million committed for capital projects, \$0.5 million assigned fund balance, and the balance of \$49.9 million considered unassigned. Only the unassigned portion of fund balance represents available resources, since the nonspendable, restricted, committed, and assigned portions of the fund balance is represented by non-cash assets, contracts, open purchase orders, capital projects, and Council-adopted reserves. However, the unassigned fund balance also includes the strategic improvement funds and other Council-adopted reserves.

Non-Major Governmental Funds

The rest of the City's governmental funds are presented in the basic financial statements as non-major governmental funds as required by generally accepted accounting principles. They are individually presented as supplemental information.

Proprietary Funds

Electric Fund

The net position of the Electric Fund increased by \$36.1 million in fiscal year 2024, primarily due to several key factors. These include higher customer receipts resulting from rate increases, a one-time \$6.9 million energy wholesale sale to trading partners in the Pacific Northwest during a significant power shortage in mid-January, and a one-time \$12.2 million proceeds from a non-recurring Greenhouse Gas (GHG) allowance

CITY OF ROSEVILLE, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024

sale. Additionally, the fund received higher capital contributions, largely driven by increased aid for construction and developer contributions. As of June 30, 2024, the fund's net position was \$555.6 million, of which \$420.3 million was invested in capital assets; \$9.5 million was restricted for debt service; \$6.3 million was restricted for the sustainable energy program; and \$119.5 million was unrestricted as to use.

Water Fund

Net position of the Water Fund increased \$34.7 million in fiscal year 2024 primarily due to an increase in capital assets of \$19.6 million and an increase in cash and investments of \$13.6 million. As of June 30, 2024, the fund's net position was \$781.7 million, of which \$653.2 million was invested in capital assets; \$4.1 million was restricted for debt service; and \$124.4 million was unrestricted as to use.

Wastewater Fund

Net position of the Wastewater Fund increased \$40.4 million in fiscal year 2024, primarily due to an increase in capital assets of \$12.6 million and an increase in cash and investments of \$19.5 million. As of June 30, 2024, the fund's net position was \$873.7 million of which \$684.3 million was invested in capital assets; \$5.5 million was restricted for debt service; and \$183.9 million was unrestricted as to use.

Waste Services Fund

Net position of the Waste Services Fund increased by \$7.1 million in fiscal year 2024, primarily due to an increase in cash and investments of \$8.5 million. As of June 30, 2024, the fund's net position was \$33.3 million, of which \$5.4 million was invested in capital assets and \$27.9 million was unrestricted as to use.

Roseville Natural Gas Financing Authority

This fund was created as the financing mechanism to purchase prepaid natural gas for the Roseville Energy Park, an electric power plant, through the issuance of revenue bonds. Bonds payable totaling \$61.9 million remain due, while the balance of prepaid natural gas at June 30, 2024 was \$61.3 million. As of June 30, 2024, the fund's net position was \$2.6 million of which \$7.2 million was restricted for debt service and a negative \$4.6 million was unrestricted as to use.

Non-Major Enterprise Funds

The remaining enterprise funds are presented in the basic financial statements as non-major enterprise funds as required by generally accepted accounting principles. They are individually presented as supplemental information.

CAPITAL ASSETS

As of June 30, 2024, the City had invested \$3.4 billion in a broad range of capital assets, including land, buildings, vehicles, parks and park improvements, roads, and bridges, and water, wastewater, and storm drainage transmission and distribution systems, as well as the electric generation and distribution system. Current year capital asset additions of \$340.7 million were offset by current year depreciation expense of \$91.1 million and retirements of \$7 million, for a net increase in capital assets of \$242.6 million. The table below presents a summary of the City's capital assets for governmental and business-type activities:

CITY OF ROSEVILLE, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024

Capital Assets
As of June 30, 2024 and 2023
(in millions)

	2024	2023	Increase/ Decrease
Governmental Activities			
Land and easements	\$ 237.3	\$ 166.9	\$ 70.4
Streets (modified approach)	419.0	411.2	7.8
Construction in progress	205.1	94.2	110.9
Buildings	185.0	185.0	-
Improvements	50.1	50.0	0.1
Vehicles and equipment	109.5	101.9	7.6
Parks	119.0	112.5	6.5
Landscaping	77.9	75.5	2.4
Bike paths	16.1	14.6	1.5
Bridges	86.0	86.0	-
Culverts	21.0	21.0	-
Curb, gutter, sidewalk, and median curbs	201.1	196.8	4.3
Drain inlets	22.1	22.1	-
Soundwall	53.7	52.5	1.2
Storm drains	148.0	142.4	5.6
Traffic signals	1.8	1.8	-
Right-to-use leased assets	2.2	2.5	(0.3)
Right-to-use subscriptions	5.0	4.7	0.3
Less: accumulated depreciation	(576.1)	(546.2)	(29.9)
Governmental Activity Capital Assets, Net	\$ 1,383.8	\$ 1,195.4	\$ 188.4
	2024	2023	Increase/ Decrease
Business-Type Activities			
Land	\$ 19.4	\$ 19.4	\$ -
Streets (modified approach)	2.3	2.3	-
Construction in progress	81.6	181.8	(100.2)
Buildings	40.2	38.8	1.4
Improvements	71.2	43.5	27.7
Vehicles and equipment	81.3	61.2	20.1
Landscaping	2.4	2.4	-
Bike paths	6.5	6.5	-
Bridges	12.0	12.0	-
Culverts	0.4	0.4	-
Curb, gutter, sidewalk, and median curbs	1.2	1.2	-
Drain Inlets	0.1	0.1	0.0
Storm drains	0.2	0.1	0.1
Traffic signals	78.1	75.7	2.4
Plant and substations	508.9	419.5	89.4
Distribution	1,838.2	1,775.0	63.2
Generation	219.6	218.1	1.5
Right-to-use subscriptions	2.4	2.3	0.1
Less: accumulated depreciation	(943.1)	(891.6)	(51.5)
Business-Type Activity Capital Assets, Net	\$ 2,022.9	\$ 1,968.7	\$ 54.2

CITY OF ROSEVILLE, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024

Details on capital assets, current year additions, construction in progress and depreciable lives can be found in Note 8 to the financial statements.

The City depreciates all its capital assets over their estimated useful lives, except for streets which, are reported using the modified approach. The purpose of depreciation is to spread the cost of a capital asset over the years of its useful life so that all users bear an allocable portion of the cost of the asset. The modified approach requires the City to employ an asset management system that maintains a current inventory of these assets, estimates annual costs to maintain them, and assesses the condition of the assets in a replicable way.

The City uses a computerized pavement management system to track the condition levels of each of the street sections. The City's policy, based on current funding, is to maintain arterial and collector roadways at an average Pavement Quality Index (PQI) of 72 and residential roadways at an average PQI of 65, based on a study conducted every three years. This policy allows for minor pavement cracking and revealing and minor roughness that could be noticeable to drivers traveling at posted speed.

On June 30, 2024, the City's streets averaged 75 PQI for arterial and collector roadways and 68 PQI for residential roadways. The City expended \$12.8 million on preservation of its streets in fiscal year 2024, compared to the budgeted amount of \$17.2 million.

DEBT ADMINISTRATION

The City made all scheduled repayments of existing debt. In fiscal year 2024, the City completed draws from its state revolving fund loans for the Pleasant Grove Wastewater Treatment Plant Expansion and Energy Recovery Projects. Each of the City's debt issues is discussed in detail in Note 10 to the financial statements. As of June 30, 2024 the City's debt portfolio comprised:

CITY OF ROSEVILLE, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024

Outstanding Debt
As of June 30, 2024 and 2023
(in millions)

	<u>2024</u>	<u>2023</u>	<u>Increase/ Decrease</u>
<u>Governmental Activity Debt</u>			
Lease			
2013 Public Facilities Refunding, 2.15%, due 8/1/25	\$ 2.0	\$ 3.4	\$ (1.4)
Certificates of Participation			
2015 316 Vernon Street Project, 2.00%-5.00%, due 2/1/34	12.3	12.6	(0.3)
Add: deferred debt premium	0.6	0.6	-
Total Governmental Activity Debt	<u><u>\$ 14.9</u></u>	<u><u>\$ 16.6</u></u>	<u><u>\$ (1.7)</u></u>
<u>Business-type Activity Debt</u>			
Loans			
State Revolving Fund Loans, 1.30%, due 6/10/52	\$98.5	\$77.1	\$ 21.4
Total loans	<u>98.5</u>	<u>77.1</u>	<u>21.4</u>
Direct Placement Certificates of Participation			
Certificates of Participation			
2015 Water Utility Revenue Refunding, 2.00%-5.00%, due 12/1/29	18.7	21.8	(3.1)
Add deferred bond premium	2.8	3.2	(0.4)
Total certificates of participation	<u>21.5</u>	<u>25.0</u>	<u>(3.5)</u>
Revenue Bonds			
2007 Gas Revenue Bonds			
4.00%-5.00%, due 2/15/28	59.7	72.9	(13.2)
Add: deferred bond premium	2.2	2.9	(0.7)
2017A Electric System Revenue Refunding			
3.0%-5.00%, due 2/1/37	49.7	53.3	(3.6)
Add: deferred bond premium	3.1	3.4	(0.3)
2020 Refunding Electric System Revenue Bonds			
0.39%-2.08%, due 2/1/34	32.5	33.2	(0.7)
Total Revenue Bonds	<u>147.2</u>	<u>165.7</u>	<u>(18.5)</u>
Total Business-type Activity Debt	<u><u>\$ 267.2</u></u>	<u><u>\$ 267.8</u></u>	<u><u>\$ (0.6)</u></u>

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Economic Factors

Development activity in Roseville remained strong in fiscal year 2024, with the city issuing 6,452 building permits, reflecting steady growth above historical averages. While there was a slight increase in single-family residential permits, with 1,259 units issued in fiscal year 2024 compared to 1,093 the previous year, the rapid growth in multi-family housing, tenant improvements, and commercial construction seen in fiscal year 2023 has begun to stabilize. Multi-family permits decreased to 544 units in fiscal year 2024 from 896 units the previous year, but 1,185 additional multi-family units, including a significant portion of deed-restricted affordable housing, are currently in development.

The City continues to grow westward, with significant growth occurring in the Sierra Vista, Creekview, and Amoruso Ranch Specific Plan areas. Unemployment in Roseville remained steady at approximately 4% in 2024, unchanged from the previous fiscal year. The City of Roseville, California, continues to face a number of headwinds. While inflation has moderated, higher interest rates influence borrowing costs and consumer spending. Labor shortages remain an issue, contributing to competition for skilled workers.

CITY OF ROSEVILLE, CALIFORNIA
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024

Next Year’s Budget

Total net appropriations in the fiscal year 2025 budget are \$768 million, of which General Fund budget appropriations are \$229.1 million, an increase of seven percent compared to the fiscal year 2024 approved budget. The approved fiscal year 2025 General Fund budget incorporates the costs of the City’s negotiated labor agreements and unavoidable cost increases in other spending categories, but it includes only the most critical augmentations to maintain service levels and address Council priorities given the continued uncertainty surrounding the economy. In accordance with the Council’s financial policies, the fiscal year 2025 General Fund budget matches budgeted expenses with projected revenues, with resources available to increase reserves up to Council-adopted targets, address underfunded pension liabilities, and transfer funding to the new pension reserve trust.

CONTACTING THE CITY’S FINANCIAL MANAGEMENT

This financial report is intended to provide residents, businesses, customers, investors and creditors with a general overview of the City’s finances. Please direct any questions about this report to the City of Roseville Finance Department at 311 Vernon Street, Roseville, California, 95678, or to finance@roseville.ca.us.

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BASIC FINANCIAL STATEMENTS

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STATEMENT OF NET POSITION AND STATEMENTS OF ACTIVITIES

The purpose of the Statement of Net Position and the Statement of Activities is to summarize the entire City's financial activities and financial position.

The Statement of Net Position reports the difference between the City's total assets and deferred outflows of resources and the City's total liabilities and deferred inflows of resources, including all the City's capital assets and all its long-term debt. The Statement of Net Position focuses the reader on the composition of the City's net position, by subtracting total liabilities and deferred inflows of resources from total assets and deferred outflows of resources and summarizes the financial position of all the City's governmental activities in a single column, and the financial position of all the City's business-type activities in a single column; these columns are followed by a total column that presents the financial position of the entire City.

The City's governmental activities include the activities of its General Fund, along with the special revenue, capital projects, debt service, and permanent funds. Since the City's internal service funds predominately service these funds, their activities are consolidated with governmental activities, after eliminating inter-fund transactions and balances. The City's business-type activities include activities of the enterprise funds. Fiduciary activities are excluded.

The Statement of Activities reports increases and decreases in the City's net position. Consistent with the Statement of Net Position, it is prepared on the full accrual basis, which means it includes all the City's revenues and all its expenses, regardless of when cash changes hands. This differs from the modified accrual basis used in the governmental fund financial statements, which reflect only current assets, current liabilities, available revenues and measurable expenditures.

The Statement of Activities and the Statement of Net Position include the financial activities of the City, the Roseville Finance Authority, the City of Roseville Housing Authority, and the Roseville Natural Gas Financing Authority, which are legally separate, but are component units of the City because they are controlled by the City which is financially accountable for the activities of these entities.

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CITY OF ROSEVILLE, CALIFORNIA
Statement of Net Position
June 30, 2024

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets:			
Cash and Investments in City Treasury	\$ 496,665,192	\$ 461,564,049	\$ 958,229,241
Receivables	55,215,003	61,691,832	116,906,835
Notes and loans	64,408,027	95,303,606	159,711,633
Internal balances	2,502,403	(2,502,403)	-
Prepaid items and other assets	2,779,409	5,612,198	8,391,607
Developer permit fees receivable	14,900,335	-	14,900,335
Due from other governments	3,798,483	-	3,798,483
Inventories	1,649,782	25,220,340	26,870,122
Restricted assets:			
Cash with fiscal agent	2,716,646	23,409,212	26,125,858
Leases receivable	16,619,532	742,577	17,362,109
Investment in NCPA reserves	-	6,675,685	6,675,685
Investment in SPWA reserves	-	14,072,945	14,072,945
Prepaid purchased gas	-	61,251,875	61,251,875
Derivatives at fair value	-	27,384,851	27,384,851
Capital assets not being depreciated	861,461,226	103,336,682	964,797,908
Capital assets, net of depreciation/amortization	522,338,026	1,919,573,415	2,441,911,441
Total Assets	2,045,054,064	2,803,336,864	4,848,390,928
Deferred Outflows of Resources:			
Deferred charge on refunding	-	5,112,371	5,112,371
Deferred outflows related to OPEB	9,674,225	5,084,000	14,758,225
Deferred outflows related to pensions	92,642,685	47,088,295	139,730,980
Total Deferred Outflows of Resources	102,316,910	57,284,666	159,601,576
Liabilities:			
Accounts payable	25,095,358	17,477,202	42,572,560
Accrued liabilities	8,471,585	6,630,184	15,101,769
Unearned revenue	21,563,702	17,940,744	39,504,446
Deposits payable	177,532	5,193,557	5,371,089
Due to other governments	547,286	-	547,286
Compensated absences:			
Due in one year	7,826,102	5,381,270	13,207,372
Due in more than one year	9,477,075	5,810,767	15,287,842
Self-insurance claims payable and litigation settlement:			
Due in one year	5,283,013	-	5,283,013
Due in more than one year	11,650,418	-	11,650,418
Other long-term liabilities:			
Due in one year	2,433,701	24,847,164	27,280,865
Due in more than one year	16,891,348	243,874,176	260,765,524
Long-term liabilities due in one year:			
Landfill closure and post closure liability	-	254,000	254,000
Long-term liabilities due in more than one year:			
Landfill closure and post closure liability	-	2,760,000	2,760,000
Net OPEB liability	46,126,653	27,351,000	73,477,653
Net pension liability	292,541,953	169,294,386	461,836,339
Total Liabilities	448,085,726	526,814,450	974,900,176
Deferred Inflows of Resources:			
Accumulated increase in fair value of hedging derivatives	-	27,384,851	27,384,851
Deferred inflows related to OPEB	26,163,135	13,700,000	39,863,135
Deferred inflows related to pensions	1,744,661	-	1,744,661
Deferred inflows related to leases	15,986,161	711,327	16,697,488
Total Deferred Inflows of Resources	43,893,957	41,796,178	85,690,135
Net Position:			
Net investment in capital assets	1,364,474,203	1,821,203,859	3,185,678,062
Restricted			
Community development	266,129,888	-	266,129,888
Capital projects	29,648,559	-	29,648,559
Pension trust	17,361,915	-	17,361,915
Debt service	-	26,400,789	26,400,789
Global warming prevention (AB 32)	-	6,264,572	6,264,572
Nonexpendable	14,886,578	-	14,886,578
Unrestricted	(37,109,852)	438,141,682	401,031,830
Total Net Position	\$ 1,655,391,291	\$ 2,292,010,902	\$ 3,947,402,193

See Notes to Financial Statements.

CITY OF ROSEVILLE, CALIFORNIA
Statement of Activities
Year Ended June 30, 2024

		Program Revenues		
		Charges for	Operating	Capital
	Expenses	Services	Contributions and Grants	Contributions and Grants
Functions/Programs				
Primary Government:				
Governmental Activities:				
General government	\$ 31,537,475	\$ 9,888,344	\$ 212,606	\$ 22,976
Police	78,246,619	4,586,426	499,653	-
Fire	52,951,565	1,088,165	11,579	-
Economic development	4,260,139	3,838	16,443,121	57,198,451
Park and recreation	59,532,932	19,814,429	455,916	70,556,146
Public works	25,441,993	7,509,297	16,598,576	38,538,384
Library	6,436,607	-	-	-
Development services	25,239,615	26,350,762	42,151	852,453
Annexation payments	11,755,506	-	-	-
Housing assistance payments	9,889,257	-	-	-
Interest on long-term debt	2,449,436	-	-	-
Total Governmental Activities	307,741,144	69,241,261	34,263,602	167,168,410
Business-Type Activities:				
Electric	195,703,403	198,748,979	-	18,577,601
Water	43,052,512	41,853,395	-	31,031,960
Wastewater	64,049,565	58,297,263	-	41,241,051
Waste Services	38,397,224	42,914,350	-	767,407
Roseville Natural Gas Financing Authority	20,842,072	16,565,863	-	-
Local Transportation	11,441,873	518,454	19,205,640	117,766
School-Age Child Care	7,197,895	5,709,278	435,248	-
Total Business-Type Activities	380,684,544	364,607,582	19,640,888	91,735,785
Total Primary Government	\$ 688,425,688	\$ 433,848,843	\$ 53,904,490	\$ 258,904,195

General Revenues:

Taxes:

Property taxes
Bradley-Burns sales taxes
Local sales taxes
Transient occupancy taxes
Other taxes
Franchise fees
Use of money and property
Miscellaneous revenues

Transfers

**Total General Revenues,
and Transfers**

Change in Net Position

Net Position at Beginning of Year, as originally reported

Restatement of Net Position - Correction of Error

Net Position at Beginning of Year, as restated

Net Position at End of Year

Net (Expenses) Revenues and Changes in Net Position		
Primary Government		
Governmental Activities	Business-Type Activities	Total
\$ (21,413,549)	\$ -	\$ (21,413,549)
(73,160,540)	-	(73,160,540)
(51,851,821)	-	(51,851,821)
69,385,271	-	69,385,271
31,293,559	-	31,293,559
37,204,264	-	37,204,264
(6,436,607)	-	(6,436,607)
2,005,751	-	2,005,751
(11,755,506)	-	(11,755,506)
(9,889,257)	-	(9,889,257)
(2,449,436)	-	(2,449,436)
(37,067,871)	-	(37,067,871)
-	21,623,177	21,623,177
-	29,832,843	29,832,843
-	35,488,749	35,488,749
-	5,284,533	5,284,533
-	(4,276,209)	(4,276,209)
-	8,399,987	8,399,987
-	(1,053,369)	(1,053,369)
-	95,299,711	95,299,711
(37,067,871)	95,299,711	58,231,840
92,306,536	-	92,306,536
70,122,618	-	70,122,618
29,944,203	-	29,944,203
7,216,331	-	7,216,331
4,195,688	-	4,195,688
2,431,708	-	2,431,708
23,771,910	27,259,495	51,031,405
15,178,439	15,768,330	30,946,769
10,723,990	(10,723,990)	-
255,891,423	32,303,835	288,195,258
218,823,552	127,603,546	346,427,098
1,436,567,739	2,164,653,500	3,601,221,239
-	(246,144)	(246,144)
1,436,567,739	2,164,407,356	3,600,975,095
\$ 1,655,391,291	\$ 2,292,010,902	\$ 3,947,402,193

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FUND FINANCIAL STATMENTS

Major funds are defined generally as having significant activities or balances in the current year.

The funds described below were determined to be major funds by the City in fiscal year 2024. Individual non-major funds may be found in the supplementary information section.

General Fund

The General Fund is used for all the general revenues of the City not specifically levied or collected for other City funds and the related expenditures. The General Fund accounts for all financial resources of a governmental unit which are not accounted for in another fund.

Community Facilities Districts

This fund is used to account for the construction of infrastructure improvements, or reimbursement to developers for such improvements, funded by special taxes levied against benefited properties.

CITY OF ROSEVILLE, CALIFORNIA
Balance Sheet
Governmental Funds
June 30, 2024

		Capital Projects Fund		
	General	Community Facilities Districts	Total Nonmajor Funds	Total Governmental Funds
ASSETS				
Cash and investments	\$ 159,248,801	\$ 4,702,342	\$ 249,007,231	\$ 412,958,374
Receivables (net of allowance for uncollectible):				
Accounts	27,692,738	29,469	24,494,977	52,217,184
Leases	16,619,532	-	-	16,619,532
Due from other governments	-	-	3,798,483	3,798,483
Developer permit fees	2,034,138	-	12,866,197	14,900,335
Notes and loans	11,877,750	-	52,530,277	64,408,027
Due from other funds	4,383,744	-	-	4,383,744
Prepays	60,635	-	-	60,635
Inventories	309,638	-	-	309,638
Advances to other funds	8,017,212	-	-	8,017,212
Restricted assets:				
Cash and investments with fiscal agents	-	1,050,993	1,665,653	2,716,646
Total assets	\$ 230,244,188	\$ 5,782,804	\$ 344,362,818	\$ 580,389,810
LIABILITIES				
Accounts payable	\$ 8,633,893	\$ 139,031	\$ 13,612,997	\$ 22,385,921
Accrued liabilities	5,150,458	-	2,483,550	7,634,008
Unearned revenues	11,391,826	-	10,171,876	21,563,702
Deposits payable	177,532	-	-	177,532
Due to other governments	123	-	547,163	547,286
Due to other funds	-	-	3,171,720	3,171,720
Advances from other funds	-	-	10,254,890	10,254,890
Total liabilities	25,353,832	139,031	40,242,196	65,735,059
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	1,096,913	-	65,081,990	66,178,903
Leases	15,986,161	-	-	15,986,161
Total deferred inflows of resources	17,083,074	-	65,081,990	82,165,064
FUND BALANCES (DEFICITS)				
Non-spendable	20,916,493	-	14,886,578	35,803,071
Restricted	17,361,915	5,643,773	223,955,771	246,961,459
Committed	99,102,888	-	-	99,102,888
Assigned	497,642	-	2,447,436	2,945,078
Unassigned	49,928,344	-	(2,251,153)	47,677,191
Total fund balances (deficits)	187,807,282	5,643,773	239,038,632	432,489,687
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 230,244,188	\$ 5,782,804	\$ 344,362,818	\$ 580,389,810

CITY OF ROSEVILLE, CALIFORNIA
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2024

Total Fund Balances - Total Governmental Funds	\$	432,489,687
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Amounts reported for governmental activities in the Statement of Net Position are different from those reported in the governmental funds above because of the following:

Capital Assets

Capital assets used in Governmental Activities are not current assets or financial resources and therefore are not reported in the Governmental Funds.		1,257,880,394
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Allocation of Internal Service Fund Net Position

Internal service funds are used to charge the costs of certain activities such as insurance, post employment benefits, facility maintenance, and information technology. The net position of the internal service funds are therefore included in governmental activities in the statement of net position.		168,994,062
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Long-Term Liabilities

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds:		
Direct placement debt and certificates of participation	\$ (14,820,870)	
Lease payable	(1,840,295)	
Interest payable	(248,419)	
Compensated absences	(15,432,552)	
Net OPEB liability	(42,210,653)	
Net pension liability	<u>(262,594,307)</u>	(337,147,096)

Deferred Outflows/(Inflows) of Resources

Deferred outflows related to pensions	84,312,912	
Deferred inflows related to pensions	(1,744,661)	
Deferred outflows related to OPEB	9,124,225	
Deferred inflows related to OPEB	(24,697,135)	
Unavailable revenue in the governmental funds is revenue in the governmental activities	<u>66,178,903</u>	<u>133,174,244</u>

Net Position of Governmental Activities		<u>\$ 1,655,391,291</u>
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CITY OF ROSEVILLE, CALIFORNIA
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2024

		Capital Projects Fund <i>Formerly Nonmajor Fund</i>		
	General	Community Facilities Districts	Total Nonmajor Funds	Total Governmental Funds
REVENUES				
Taxes	\$ 184,056,908	\$ -	\$ 19,728,468	\$ 203,785,376
Licenses and permits	4,494,585	-	-	4,494,585
Subventions and grants	1,976,213	-	31,251,694	33,227,907
Charges for services	23,447,313	-	40,899,386	64,346,699
Use of money and property	8,717,509	513,635	11,415,540	20,646,684
Fines, forfeitures and penalties	299,730	-	225,167	524,897
Contributions from developers and others	157,940	-	3,723,027	3,880,967
Impact Fees	-	-	199,847	199,847
Miscellaneous revenues	1,769,420	2,599,853	2,117,548	6,486,821
Revenue from others	-	35,742,165	-	35,742,165
Total revenues	224,919,618	38,855,653	109,560,677	373,335,948
EXPENDITURES				
Current:				
General government	23,078,621	-	4,417,135	27,495,756
Police	58,289,624	-	6,712,122	65,001,746
Fire	44,196,925	-	-	44,196,925
Economic development	874,710	-	2,440,542	3,315,252
Parks and recreation	28,052,935	-	16,756,028	44,808,963
Public works	9,135,621	-	7,768,098	16,903,719
Library	5,455,548	-	-	5,455,548
Development services	18,229,744	1,285,631	3,242,766	22,758,141
Housing assistance payments	-	-	9,646,964	9,646,964
Annexation payment	11,755,506	-	-	11,755,506
Capital outlay	17,845,192	37,790,215	57,773,041	113,408,448
Debt service:				
Principal retirement	-	-	1,743,672	1,743,672
Interest expense and fiscal charges	5,791	1,620,491	919,593	2,545,875
Total expenditures	216,920,217	40,696,337	111,419,961	369,036,515
Excess (deficiency) of revenues over (under) expenditures	7,999,401	(1,840,684)	(1,859,284)	4,299,433
OTHER FINANCING SOURCES (USES)				
Transfers in	17,498,894	-	8,174,061	25,672,955
Transfers out	(4,061,656)	-	(10,943,327)	(15,004,983)
Proceeds from sale of capital assets	9,077	-	-	9,077
Total other financing sources (uses)	13,446,315	-	(2,769,266)	10,677,049
Net change in fund balances	21,445,716	(1,840,684)	(4,628,550)	14,976,482
Fund balances-beginning	166,361,566	-	251,151,639	417,513,205
Restatements - Change in reporting entity	-	7,484,457	(7,484,457)	-
Fund balances (deficit)-beginning	166,361,566	7,484,457	243,667,182	417,513,205
Fund balances (deficit)-ending	\$ 187,807,282	\$ 5,643,773	\$ 239,038,632	\$ 432,489,687

See Notes to Financial Statements.

CITY OF ROSEVILLE, CALIFORNIA
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Year Ended June 30, 2024

Net Change in Fund Balances - Total Governmental Funds \$ 14,976,482

Amounts reported for governmental activities in the statement of activities are different from those reported in the governmental funds because of the following:

Capital Assets Transactions

Governmental funds report capital outlays as expenditures.	\$ 78,602,127	
In the statement of activities the cost of capital assets is allocated over their estimated useful lives as depreciation/amortization expense (net of depreciation/amortization on internal service fund capital assets of \$13,270,048).	(19,074,375)	
Proceeds from the sale of assets	(9,077)	
Contributed assets	<u>127,603,110</u>	187,121,785

Long Term Debt Transactions

Issuance of debt and repayment of principal is an other financing source and expenditure, respectively, in the governmental funds but in the statement of net position the transactions increase and reduce long term liabilities.		
Payment of debt principal	1,743,674	
Amortization of premium	27,809	
Payment of lease principal	<u>146,131</u>	1,917,614

Pension Related Items

Governmental funds report pension contributions as expenditures. However, in the Statement of Activities, pension expense is measured as the change in net pension liability and the amortization of deferred outflows and inflows related to pensions. This amount represents the net change in pension related amounts.		(6,443,438)
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OPEB Related Items

Governmental funds report OPEB contributions as expenditures. However, in the Statement of Activities, OPEB expense is measured as the change in net OPEB liability and the amortization of deferred outflows and inflows related to OPEB. This amount represent the net change in OPEB related amounts.		8,265,390
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Accrual of Non-Current Items

Certain amounts included in the Statement of Activities do not require the use of current financial resources and therefore are not reported as revenue or expenditures in governmental funds (net change):		
Compensated absences	(35,890)	
Interest payable	<u>19,257</u>	(16,633)

Unavailable Revenues

Revenue and other resources not available to fund liabilities of the current period are not recognized in governmental funds. Revenue in the statement of activities is not limited by availability, so certain revenues need to be reduced by the amounts that were unavailable at the beginning of the year and increased by the amounts that were unavailable at the end of the year. This adjustment is the change between prior year's unavailable revenues and the current year unavailable revenues.		11,378,422
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Allocation of Internal Service Fund Activity

Internal Service Funds are used by management to charge the costs of certain activities, such as equipment acquisition, maintenance, and insurance to individual funds. The portion of the net revenue (expense) of these Internal Service Funds arising out of their transactions with Governmental Funds is reported with governmental activities because they service those activities.		<u>1,623,930</u>
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Change in Net Position of Governmental Activities	\$ 218,823,552
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PROPRIETARY FUNDS

Proprietary funds account for City operations financed and operated in a manner similar to a private business enterprise. The intent of the City is that the cost of providing goods and services be financed primarily through user charges.

The City has identified the funds below as major enterprise funds in fiscal year 2024.

Electric Fund

This fund accounts for all financial transactions relating to the City's electric services. Services are on a user charge basis to residents and business owners located in the City.

Water Fund

This fund accounts for all financial transactions relating to the City's water services. Services are on a user charge basis to residents and business owners located in the City.

Wastewater Fund

This fund accounts for all financial transactions relating to the City's wastewater collection and treatment services. Services are on a user charge basis to residents and business owners located in the City.

Waste Services Fund

This fund accounts for all financial transactions relating to the City's solid waste services. Services are on a user charge basis to residents and business owners located in the City.

Roseville Natural Gas Financing Authority

This fund accounts for financing and purchasing pre-paid natural gas for the generation of power at the Roseville Energy Park.

Internal Service Funds

These funds account for activities and services performed by a designated department for other departments in the City.

CITY OF ROSEVILLE, CALIFORNIA
Statement of Net Position
Proprietary Funds
June 30, 2024

	Business-Type Activities			
	Electric	Water	Wastewater	Waste Services
ASSETS				
Current assets:				
Cash and investments	\$ 149,146,902	\$ 139,670,262	\$ 110,855,738	\$ 48,326,583
Receivables (net of uncollectibles):				
Accounts	29,497,685	9,552,941	11,278,908	4,935,954
Notes and loans	791,487	23,343	94,488,776	-
Leases	110,526	-	-	-
Inventories	23,055,490	1,759,015	153,847	251,988
Prepaid costs	4,452,290	132,553	-	-
Due from other funds	-	-	-	-
Restricted:				
Cash and investments with fiscal agents	10,792,185	5,374,057	-	-
Total current assets	217,846,565	156,512,171	216,777,269	53,514,525
Noncurrent:				
Leases	632,051	-	-	-
Prepaid purchased gas	-	-	-	-
Investment in NCPA reserves	6,675,685	-	-	-
Investment in SPWA reserves	-	-	14,072,945	-
Derivative instruments	-	-	-	-
Advances to other funds	-	-	-	-
Capital assets not being depreciated	15,869,692	31,888,761	23,157,796	2,891,166
Capital assets - net of accumulated depreciation/amortization	486,462,810	642,002,699	759,975,383	2,561,477
Total noncurrent assets	509,640,238	673,891,460	797,206,124	5,452,643
Total assets	727,486,803	830,403,631	1,013,983,393	58,967,168
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charge on refunding	4,089,910	1,022,461	-	-
Deferred pension related items	21,750,929	6,770,278	9,491,617	5,594,233
Deferred OPEB related items	1,930,000	910,000	1,170,000	616,000
Total deferred outflows of resources	27,770,839	8,702,739	10,661,617	6,210,233
LIABILITIES				
Current liabilities:				
Accounts payable	8,616,163	2,615,726	1,977,939	1,316,382
Accrued liabilities	2,629,203	577,356	1,650,287	379,850
Unearned revenues	3,751	258,925	2,235,086	541,492
Deposits payable	2,626,087	66,749	62,696	56,270
Due to other funds	-	-	-	-
Subscriptions	318,000	86,946	109,651	35,138
Accrued compensated absences	2,555,042	791,459	1,101,562	638,930
Accrued claims and judgments	-	-	-	-
Long-term debt - due in less than one year	4,320,000	3,290,000	2,822,164	-
Landfill closure and post closure liability	-	-	-	254,000
Total current liabilities	21,068,246	7,687,161	9,959,385	3,222,062
Noncurrent liabilities:				
Advances from other funds	-	-	-	-
Subscriptions	511,368	168,499	217,614	53,042
Accrued compensated absences	2,921,861	728,589	1,248,765	612,264
Accrued claims and judgments	-	-	-	-
Long-term debt - due in more than one year	81,013,533	18,196,786	95,675,320	-
Landfill closure and post closure liability	-	-	-	2,760,000
Pension liability	78,200,115	24,340,865	34,124,773	20,112,699
Net OPEB liability	10,071,000	3,782,000	6,545,000	3,447,000
Total noncurrent liabilities	172,717,877	47,216,739	137,811,472	26,985,005
Total liabilities	193,786,123	54,903,900	147,770,857	30,207,067
DEFERRED INFLOWS OF RESOURCES				
Accumulated increase in fair value of hedging derivatives	-	-	-	-
Deferred OPEB related items	5,206,000	2,471,000	3,147,000	1,657,000
Lease deferred inflows	711,327	-	-	-
Total deferred inflows of resources	5,917,327	2,471,000	3,147,000	1,657,000
NET POSITION				
Net investment in capital assets	420,259,511	653,171,690	684,308,430	5,364,463
Restricted for debt service	9,507,484	4,134,075	5,516,260	-
Restricted for sustainable energy program (AB 32)	6,264,572	-	-	-
Unrestricted	119,522,625	124,425,705	183,902,463	27,948,871
Total net position	\$ 555,554,192	\$ 781,731,470	\$ 873,727,153	\$ 33,313,334

CITY OF ROSEVILLE, CALIFORNIA
Statement of Net Position
Proprietary Funds
June 30, 2024

	Business-Type Activities			Governmental Activities
	Roseville Natural Gas Financing	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
ASSETS				
Current assets:				
Cash and investments	\$ -	\$ 13,564,564	\$ 461,564,049	\$ 83,706,818
Receivables (net of uncollectibles):				
Accounts	-	6,426,344	61,691,832	2,997,819
Notes and loans	-	-	95,303,606	-
Leases	-	-	110,526	-
Inventories	-	-	25,220,340	1,340,144
Prepaid costs	-	1,027,355	5,612,198	2,718,774
Due from other funds	-	-	-	827,509
Restricted:				
Cash and investments with fiscal agents	7,242,970	-	23,409,212	-
Total current assets	7,242,970	21,018,263	672,911,763	91,591,064
Noncurrent:				
Leases	-	-	632,051	-
Prepaid purchased gas	61,251,875	-	61,251,875	-
Investment in NCPA reserves	-	-	6,675,685	-
Investment in SPWA reserves	-	-	14,072,945	-
Derivative instruments	27,384,851	-	27,384,851	-
Advances to other funds	-	-	-	4,237,678
Capital assets not being depreciated	-	29,529,267	103,336,682	7,609,537
Capital assets - net of accumulated depreciation/amortization	-	28,571,046	1,919,573,415	118,309,321
Total noncurrent assets	88,636,726	58,100,313	2,132,927,504	130,156,536
Total assets	95,879,696	79,118,576	2,805,839,267	221,747,600
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charge on refunding	-	-	5,112,371	-
Deferred pension related items	-	3,481,238	47,088,295	8,329,773
Deferred OPEB related items	-	458,000	5,084,000	550,000
Total deferred outflows of resources	-	3,939,238	57,284,666	8,879,773
LIABILITIES				
Current liabilities:				
Accounts payable	15,068	2,935,924	17,477,202	2,709,437
Accrued liabilities	1,119,281	274,207	6,630,184	589,158
Unearned revenues	-	14,901,490	17,940,744	-
Deposits payable	2,381,755	-	5,193,557	-
Due to other funds	447,403	55,000	502,403	1,537,130
Subscriptions	-	265	550,000	1,028,422
Accrued compensated absences	-	294,277	5,381,270	927,867
Accrued claims and judgments	-	-	-	5,283,013
Long-term debt - due in less than one year	13,865,000	-	24,297,164	-
Landfill closure and post closure liability	-	-	254,000	-
Total current liabilities	17,828,507	18,461,163	78,226,524	12,075,027
Noncurrent liabilities:				
Advances from other funds	-	2,000,000	2,000,000	-
Subscriptions	-	283	950,806	1,635,462
Accrued compensated absences	-	299,288	5,810,767	942,758
Accrued claims and judgments	-	-	-	11,650,418
Long-term debt - due in more than one year	48,037,731	-	242,923,370	-
Landfill closure and post closure liability	-	-	2,760,000	-
Pension liability	-	12,515,934	169,294,386	29,947,646
Net OPEB liability	-	3,506,000	27,351,000	3,916,000
Total noncurrent liabilities	48,037,731	18,321,505	451,090,329	48,092,284
Total liabilities	65,866,238	36,782,668	529,316,853	60,167,311
DEFERRED INFLOWS OF RESOURCES				
Accumulated increase in fair value of hedging derivatives	27,384,851	-	27,384,851	-
Deferred OPEB related items	-	1,219,000	13,700,000	1,466,000
Lease deferred inflows	-	-	711,327	-
Total deferred inflows of resources	27,384,851	1,219,000	41,796,178	1,466,000
NET POSITION				
Net investment in capital assets	-	58,099,765	1,821,203,859	123,254,974
Restricted for debt service	7,242,970	-	26,400,789	-
Restricted for sustainable energy program (AB 32)	-	-	6,264,572	-
Unrestricted	(4,614,363)	(13,043,619)	438,141,682	45,739,088
Total net position	\$ 2,628,607	\$ 45,056,146	\$ 2,292,010,902	\$ 168,994,062

See Notes to Financial Statements.

CITY OF ROSEVILLE, CALIFORNIA
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2024

	Business-Type Activities			
	Electric	Water	Wastewater	Waste Services
OPERATING REVENUES				
Charges for services	\$ 198,748,979	\$ 41,853,395	\$ 58,297,263	\$ 42,914,350
Miscellaneous	14,298,946	110,708	291,276	258,507
Total operating revenues	213,047,925	41,964,103	58,588,539	43,172,857
OPERATING EXPENSES				
Administration and general	31,205,737	12,761,019	14,465,217	10,077,410
Operations	41,997,634	16,089,891	47,699,385	27,953,354
Depreciation and amortization	26,786,709	13,328,837	16,722,374	364,200
Power supply	86,917,593	-	-	-
Claims expense	-	-	-	-
Total operating expenses	186,907,673	42,179,747	78,886,976	38,394,964
Operating income (loss)	26,140,252	(215,644)	(20,298,437)	4,777,893
NONOPERATING REVENUES (EXPENSES)				
Subventions and grants	149,011	26,898	37,275	56,271
Lease revenues	1,785,905	-	-	-
Interest income (loss)	6,858,825	6,343,253	5,740,431	2,000,567
Interest expense	(2,835,292)	(846,312)	(1,124,188)	(2,260)
Increase (decrease) in JPA reserves	555,447	-	16,043,368	-
Gains (losses) on sale of capital assets	(6,515,885)	(26,453)	(81,769)	-
Total nonoperating revenues (expenses)	(1,989)	5,497,386	20,615,117	2,054,578
Income (loss) before capital contributions and transfers	26,138,263	5,281,742	316,680	6,832,471
Capital contributions - connection/impact fees	1,882,559	14,733,363	18,143,075	711,136
Capital contributions from developers and other agencies	8,710,776	16,271,699	23,060,701	-
Contributions in aid of construction	7,835,255	-	-	-
Transfers in	-	-	-	-
Transfers out	(8,511,171)	(1,547,909)	(1,121,824)	(477,538)
Change in net position	36,055,682	34,738,895	40,398,632	7,066,069
Net position-beginning	519,498,510	746,992,575	833,328,521	26,247,265
Restatements - Correction of error	-	-	-	-
Net position-beginning, as restated	519,498,510	746,992,575	833,328,521	26,247,265
Net position-ending	\$ 555,554,192	\$ 781,731,470	\$ 873,727,153	\$ 33,313,334

CITY OF ROSEVILLE, CALIFORNIA
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2024

	Business-Type Activities			Governmental Activities
	Roseville Natural Gas Financing	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
OPERATING REVENUES				
Charges for services	\$ 16,565,863	\$ 6,227,732	\$ 364,607,582	\$ 63,114,169
Miscellaneous	-	808,893	15,768,330	1,827,758
Total operating revenues	16,565,863	7,036,625	380,375,912	64,941,927
OPERATING EXPENSES				
Administration and general	7,377	4,926,452	73,443,212	23,163
Operations	-	11,830,692	145,570,956	43,453,368
Depreciation and amortization	-	1,863,713	59,065,833	13,270,048
Power supply	17,436,112	-	104,353,705	-
Claims expense	-	-	-	10,140,927
Total operating expenses	17,443,489	18,620,857	382,433,706	66,887,506
Operating income (loss)	(877,626)	(11,584,232)	(2,057,794)	(1,945,579)
NONOPERATING REVENUES (EXPENSES)				
Subventions and grants	-	19,743,021	20,012,476	31,360
Lease revenues	-	-	1,785,905	-
Interest income (loss)	3,862,415	668,099	25,473,590	3,561,407
Interest expense	(3,398,583)	(38,994)	(8,245,629)	(69,541)
Increase (decrease) in JPA reserves	-	-	16,598,815	-
Gains (losses) on sale of capital assets	-	20,083	(6,604,024)	(9,735)
Total nonoperating revenues (expenses)	463,832	20,392,209	49,021,133	3,513,491
Income (loss) before capital contributions and transfers	(413,794)	8,807,977	46,963,339	1,567,912
Capital contributions - connection/impact fees	-	-	35,470,133	-
Capital contributions from developers and other agencies	-	15,633	48,058,809	-
Contributions in aid of construction	-	-	7,835,255	-
Transfers in	-	934,452	934,452	56,018
Transfers out	-	-	(11,658,442)	-
Change in net position	(413,794)	9,758,062	127,603,546	1,623,930
Net position-beginning	3,042,401	35,544,228	2,164,653,500	167,370,132
Restatements - Correction of error	-	(246,144)	(246,144)	-
Net position-beginning, as restated	3,042,401	35,298,084	2,164,407,356	167,370,132
Net position-ending	\$ 2,628,607	\$ 45,056,146	\$ 2,292,010,902	\$ 168,994,062

CITY OF ROSEVILLE, CALIFORNIA
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2024

	Business-Type Activities			
	Electric	Water	Wastewater	Waste Services
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 194,595,821	\$ 42,044,896	\$ 62,207,556	\$ 43,135,793
Receipts from interfund charges	-	-	-	-
Payments to suppliers and service providers	(115,090,435)	(15,135,798)	(50,167,495)	(28,030,416)
Payments to employees for salaries and benefits	(44,133,468)	(11,835,633)	(11,491,957)	(10,310,210)
Collateral Receipts from counterparties	7,900,000	-	-	-
Collateral returned to counterparties	(7,900,000)	-	-	-
Other receipts (payments)	14,175,905	-	-	-
Net cash provided by (used for) operating activities	49,547,823	15,073,465	548,104	4,795,167
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers from other funds	-	-	-	-
Transfers to other funds	(8,511,171)	(1,547,909)	(1,121,824)	(477,538)
Interest paid on non-capital debt	-	-	(18,944,619)	(2,260)
Payments from other funds on interfund borrowings	-	-	-	-
Landfill closure payments (increase)	-	-	-	2,643,817
Loans to developers	(791,487)	-	-	-
Subvention and grants	179,090	26,898	18,180,350	767,407
Net cash provided by (used for) noncapital financing activities	(9,123,568)	(1,521,011)	(1,886,093)	2,931,426
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Proceeds from capital debt	-	-	21,436,838	-
Capital contributions	7,835,255	-	-	-
Acquisition and construction of capital assets	(36,221,312)	(16,675,401)	(6,247,933)	(847,897)
Principal paid on long term debt	(4,250,000)	(3,125,000)	-	-
Principal paid on subscriptions	(331,476)	(72,695)	(90,095)	(24,045)
Interest paid on capital debt	(2,787,867)	(1,164,320)	-	-
Connection/impact fees	1,882,559	14,733,363	-	-
Proceeds from sales of assets	61,845	-	(81,769)	-
Net cash provided by (used for) capital and related financing activities	(33,810,996)	(6,304,053)	15,017,041	(871,942)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	-	-	-	-
Interest on investments	3,387,453	3,534,340	3,552,327	671,161
Fair value adjustment	3,066,949	2,809,930	2,189,373	965,441
Lease revenue received	1,825,112	-	-	-
Net cash provided by (used for) investing activities	8,279,514	6,344,270	5,741,700	1,636,602
Net increase (decrease) in cash and cash equivalents	14,892,773	13,592,671	19,420,752	8,491,253
Cash and cash equivalents-beginning	145,046,314	131,451,648	91,434,986	39,835,330
Cash and cash equivalents-ending	\$ 159,939,087	\$ 145,044,319	\$ 110,855,738	\$ 48,326,583

See Notes to Financial Statements.

CITY OF ROSEVILLE, CALIFORNIA
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2024

	Business-Type Activities			
	Electric	Water	Wastewater	Waste Services
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES				
Operating income (loss)	\$ 26,140,252	\$ (215,644)	\$ (20,298,437)	\$ 4,777,893
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation/amortization expense	26,786,709	13,328,837	16,722,374	364,200
(Increase) decrease in accounts receivable	(4,427,075)	(54,287)	3,667,969	(367,639)
(Increase) decrease in notes and loans receivable	-	-	-	-
(Increase) decrease in leases receivable	-	-	-	-
(Increase) decrease in inventories	(1,439,114)	1,991,514	(32,852)	11,318
(Increase) decrease in prepaid items	-	(84,785)	47,572	24,833
(Increase) decrease in prepaid gas	(1,566,503)	-	-	-
Increase (decrease) in accounts payable	696,640	(952,636)	(2,482,830)	(113,213)
Increase (decrease) in accrued liabilities	-	98,654	344,953	87,652
Increase (decrease) in deposits payable	(27,586)	135,080	(48,952)	330,575
Increase (decrease) in unearned revenue	-	-	-	-
Increase (decrease) in compensated absences	199,580	(60,861)	196,270	90,641
Increase (decrease) in claims and judgments	-	-	-	-
Increase (decrease) in net pension items	3,685,920	1,251,593	1,856,037	177,907
Increase (decrease) in net OPEB items	(501,000)	(364,000)	576,000	(589,000)
Total adjustments	23,407,571	15,289,109	20,846,541	17,274
Net cash provided by (used for) operating activities	\$ 49,547,823	\$ 15,073,465	\$ 548,104	\$ 4,795,167
SCHEDULE OF NON-CASH NONCAPITAL, CAPITAL, AND INVESTING ACTIVITIES				
Change in JPA reserves	\$ 555,447	\$ -	\$ 16,043,368	\$ -
Contributions of capital assets	8,710,776	16,271,699	23,060,701	-
Amortization on bond discount/(premium)	(241,425)	(461,965)	-	-
Gain/(loss) on disposition of capital assets	(6,577,730)	(26,453)	(81,769)	-
Initiation of subscriptions	22,964	10,329	14,420	10,072

CITY OF ROSEVILLE, CALIFORNIA
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2024

	Business-Type Activities			Governmental Activities
	Roseville Natural Gas Financing	Other Enterprise Funds	Totals	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 17,005,863	\$ 8,573,130	\$ 367,563,059	\$ -
Receipts from interfund charges	-	-	-	64,891,687
Payments to suppliers and service providers	(2,790,675)	(10,284,058)	(221,498,877)	(28,669,944)
Payments to employees for salaries and benefits	(246,657)	(6,586,670)	(84,604,595)	(14,750,900)
Collateral Receipts from counterparties	-	-	7,900,000	-
Collateral returned to counterparties	-	-	(7,900,000)	-
Other receipts (payments)	-	(45)	14,175,860	(7,501,766)
Net cash provided by (used for) operating activities	13,968,531	(8,297,643)	75,635,447	13,969,077
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers from other funds	-	934,452	934,452	56,018
Transfers to other funds	-	-	(11,658,442)	-
Interest paid on non-capital debt	-	-	(18,946,879)	(2,940)
Payments from other funds on interfund borrowings	258,273	-	258,273	2,213,501
Landfill closure payments (increase)	-	-	2,643,817	-
Loans to developers	-	-	(791,487)	-
Subvention and grants	-	14,751,077	33,904,822	31,360
Net cash provided by (used for) noncapital financing activities	258,273	15,685,529	6,344,556	2,297,939
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Proceeds from capital debt	-	-	21,436,838	-
Capital contributions	-	-	7,835,255	-
Acquisition and construction of capital assets	-	(11,421,016)	(71,413,559)	(14,776,318)
Principal paid on long term debt	(13,155,000)	(55,000)	(20,585,000)	-
Principal paid on subscriptions	-	(563)	(518,874)	(725,419)
Interest paid on capital debt	(4,134,493)	(38,995)	(8,125,675)	(66,240)
Connection/impact fees	-	-	16,615,922	-
Proceeds from sales of assets	-	20,083	159	(9,735)
Net cash provided by (used for) capital and related financing activities	(17,289,493)	(11,495,491)	(54,754,934)	(15,577,712)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	3,862,415	-	3,862,415	-
Interest on investments	-	291,863	11,437,144	1,998,859
Fair value adjustment	-	362,010	9,393,703	1,563,138
Lease revenue received	-	-	1,825,112	-
Net cash provided by (used for) investing activities	3,862,415	653,873	26,518,374	3,561,997
Net increase (decrease) in cash and cash equivalents	799,726	(3,453,732)	53,743,443	4,251,301
Cash and cash equivalents-beginning	6,443,244	17,018,296	431,229,818	79,455,517
Cash and cash equivalents-ending	\$ 7,242,970	\$ 13,564,564	\$ 484,973,261	\$ 83,706,818

See Notes to Financial Statements.

CITY OF ROSEVILLE, CALIFORNIA
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2024

	Business-Type Activities			Governmental Activities
	Roseville Natural Gas Financing	Other Enterprise Funds	Totals	Internal Service Funds
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES				
Operating income (loss)	\$ (877,626)	\$ (11,584,232)	\$ (2,057,794)	\$ (1,945,579)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation/amortization expense	-	1,863,713	59,065,833	13,270,048
(Increase) decrease in accounts receivable	-	138,055	(1,042,977)	(50,240)
(Increase) decrease in notes and loans receivable	-	-	-	-
(Increase) decrease in leases receivable	-	-	-	-
(Increase) decrease in inventories	-	-	530,866	55,865
(Increase) decrease in prepaid items	-	(1,006,654)	(1,019,034)	(111,354)
(Increase) decrease in prepaid gas	14,645,945	-	13,079,442	(125,653)
Increase (decrease) in accounts payable	6,869	2,021,436	(823,734)	90,963
Increase (decrease) in accrued liabilities	(246,657)	48,002	332,604	-
Increase (decrease) in deposits payable	440,000	1,103,529	1,932,646	95,576
Increase (decrease) in unearned revenue	-	157,524	157,524	1,484,570
Increase (decrease) in compensated absences	-	73,733	499,363	2,941,881
Increase (decrease) in claims and judgments	-	-	-	(1,737,000)
Increase (decrease) in net pension items	-	440,251	7,411,708	-
Increase (decrease) in net OPEB items	-	(1,553,000)	(2,431,000)	-
Total adjustments	14,846,157	3,286,589	77,693,241	15,914,656
Net cash provided by (used for) operating activities	\$ 13,968,531	\$ (8,297,643)	\$ 75,635,447	\$ 13,969,077
SCHEDULE OF NON-CASH NONCAPITAL, CAPITAL, AND INVESTING ACTIVITIES				
Change in JPA reserves	\$ -	\$ -	\$ 16,598,815	\$ -
Contributions of capital assets	-	-	48,043,176	-
Amortization on bond discount/(premium)	-	-	(703,390)	-
Gain/(loss) on disposition of capital assets	-	20,083	(6,665,869)	(9,735)
Initiation of subscriptions	-	825	58,610	99,106

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FIDUCIARY FUNDS

Fiduciary funds are presented separately from the government-wide and fund financial statements. The City had the following types of fiduciary funds in fiscal year 2024:

Other Post-Employment Benefits Trust Fund

This fund is used to account for assets held by the City as a trustee agent for the members and beneficiaries of the other post-employment benefit plan.

Private-Purpose Trust Funds

These funds are used to account for trust arrangements under which principal and income benefit private organizations or other governments.

Custodial Funds

These funds are used to account for assets held by the City custodian for individuals, private organizations, and other governments.

CITY OF ROSEVILLE, CALIFORNIA
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2024

	Other Post Employment Benefits Trust	Private Purpose Trust Funds	Custodial Funds
ASSETS			
Cash and investments in City Treasury	\$ -	\$ 4,573,139	\$ 229,420,105
OPEB plan assets:			
Money market funds	1,064,093	-	-
Domestic equity funds	88,514,417	-	-
Fixed income securities	56,644,410	-	-
Real estate partnership	12,195,365	-	-
Cash equivalents	626,724	-	-
Receivables:			
Accounts	220,364	24,684	24,210,708
Due from developers	-	-	447,724
Restricted assets:			
Cash and investments with fiscal agents	-	57,722	85,272,677
Total assets	159,265,373	4,655,545	339,351,214
LIABILITIES			
Accounts payable	5,705	34	4,998,778
Accrued liabilities	-	754,451	1,857,583
Unearned revenues	-	-	50,342
Deposits payable	-	-	229,064
Arbitrage liability	-	-	295,337
Due to beneficiaries	-	36,842,605	331,352,789
Total liabilities	5,705	37,597,090	338,783,893
NET POSITION			
Restricted for:			
Restricted for OPEB	159,259,668	-	-
Restricted for private purposes, organization and other governments	-	(32,941,545)	567,321
Total net position	\$ 159,259,668	\$ (32,941,545)	\$ 567,321

CITY OF ROSEVILLE, CALIFORNIA
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2024

	Other Post Employment Benefits Trust	Private Purpose Trust Funds	Custodial Funds
ADDITIONS			
Property taxes, net of pass through payments	\$ -	\$ 1,418,763	\$ 43,152,636
Investment income	17,394,918	228,968	13,450,710
Contributions from City	10,315,668	-	-
Contributions from members	-	-	25,143,508
Levies assessed	-	-	42,448,942
Miscellaneous	47,045	-	17,339,145
Total additions	27,757,631	1,647,731	141,534,941
DEDUCTIONS			
Retiree health plan benefits	9,348,549	-	-
Administrative expenses	25,317	-	1,386,839
Contractual services	-	142,399	-
Payments to beneficiaries	-	1,042,377	140,279,747
Payments to City	-	-	60
Total deductions	9,373,866	1,184,776	141,666,646
Net increase (decrease) in fiduciary net position	18,383,765	462,955	(131,705)
Net position-beginning	140,875,903	(33,404,500)	14,153,048
Restatements - Correction of error	-	-	(13,454,022)
Net position-beginning, as restated	140,875,903	(33,404,500)	699,026
Net position-ending	\$ 159,259,668	\$ (32,941,545)	\$ 567,321

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NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Roseville (City) was incorporated on April 10, 1909, under provisions of Act 279, P.A. 1909, as amended (Home Rule City). The City operates under the Council-Manager form of government and provides the following services: public safety (police and fire), streets, water, wastewater, waste services, electric, local transportation, school-age child care, golf course, parks and recreation, public improvements, planning and zoning, libraries, general administration services, economic development, and housing.

The financial statements and accounting policies of the City conform with generally accepted accounting principles in the United States of America applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Significant accounting policies are summarized below:

A. Reporting Entity

The accompanying basic financial statements present the financial activity of the City, which the primary government presented, along with the financial activities of its component units, which are entities for which the City is financially accountable. Although they are separate legal entities, blended component units are, in substance, part of the City's operations and are reported as an integral part of the City's financial statements. The City's component units which are described below are all blended component units.

The **Roseville Finance Authority** is a separate government entity whose purpose is to assist with the financing or refinancing of certain public capital facilities within the City. The Authority has the power to purchase bonds issued by any local agency at public or negotiated sale and may sell such bonds to public or private purchasers at public or negotiated sale. The Authority is controlled by the City and has the same governing body as the City, which also performs all accounting and administrative functions for the Authority. The financial activities of the Authority are included in the Roseville Finance Authority Debt Service Fund and Capital Projects Fund.

The **City of Roseville Housing Authority** is a separate government entity whose purpose is to assist with the housing for the City's extremely low and very low-income residents. The Authority is controlled by the City and has the same governing body as the City, which also performs all accounting and administrative functions for the Authority. The financial activities of the Authority are included in the Housing Authority Housing Choice Voucher Special Revenue Fund.

The **Roseville Natural Gas Financing Authority** is a Joint Exercise Powers Agency created on December 6, 2006, for the purpose of acquiring, financing, and supplying natural gas to the City of Roseville. The members of the Authority are the City of Roseville and the former City of Roseville Redevelopment Agency. The Roseville Natural Gas Financing Authority is governed by a five-member Board. City Council serves as the governing body of the Authority and officers of the Authority are employees of the City. The financial activities of the Authority have been included in these financial statements in the Roseville Natural Gas Financing Authority Enterprise Fund.

The **City of Roseville Other Post-Employment Benefits Trust** is governed by the City's Resolution 10-275 and is used to account for contributions and investment income restricted to pay medical benefits. Benefit and contribution provisions are established by the City Council. Eligibility, actuarial interest rates, administration and certain other tasks are the responsibility of the Council established by the above resolution. The financial activities of the plan have been included in these financial statements in the Other Post-Employment Benefits Trust Fund.

The **Successor Agency to the Redevelopment Agency of the City of Roseville (Successor Agency)** is a separate government entity which was created after the dissolution of the City of Roseville Redevelopment Agency (RDA) to serve as a custodian for assets and to wind down the affairs of the RDA. The City was designated to serve as the Successor Agency subject to control of an Oversight Board. The Oversight Board is comprised of seven members of the local agencies that serve the RDA project area: two appointed by the mayor, two by the County of Placer, one by the Placer County Superintendent of Schools, one by the Chancellor of Sierra Community College and one by the Cities of Rocklin and Newcastle and the Gold Hill Cemetery District. The financial activities of the Successor Agency are included in the Successor Agency to the Redevelopment Agency Private Purpose Trust Fund.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial statements for the Roseville Natural Gas Financing Authority and the City of Roseville Other Post-Employment Benefits Trust may be obtained from the City of Roseville at 311 Vernon Street, Roseville, California, 95678. Separate financial statements for the Roseville Finance Authority, Roseville Housing Authority, and the Successor Agency are not issued.

The California Joint Powers Risk Management Authority, the Local Agency Workers' Compensation Excess Joint Powers Authority, the Highway 65 Joint Powers Authority, and the South Placer Wastewater Authority are not included in the accompanying basic financial statements because they do not meet the above financial accountability criteria as these entities are administered by governing boards separate from and wholly independent of the City.

B. Basis of Presentation

Government-wide Statements: The Statement of Net Position and the Statement of Activities display information about the primary government, the City and its component units. These statements include the financial activities of the overall City government, excluding fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. However, the interfund services provided and used are not eliminated in the process of consolidation. These statements distinguish between the *governmental* and *business-type activities* of the City. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by user charges and fees charged to external parties.

The Statement of Activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs, (b) grants and contributions that are restricted to meeting the operational needs of a particular program and (c) fees, grants and contributions that are restricted to financing the acquisition or construction of capital assets. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues. Certain indirect costs are included in the program expense reported for individual functions and activities.

Fund Financial Statements: The fund financial statements provide information about the City's funds, including fiduciary funds and blended component units. Separate statements for each fund category—*governmental*, *proprietary*, and *fiduciary*—are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each of which is displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds in the supplemental section.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

C. Major Funds

Major funds are defined as funds that have either assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues or expenditures/expenses equal to ten percent of their fund-type total and five percent of the grand total. The General Fund is always a major fund. The City may also select other funds it believes should be presented as major funds.

The City reported the following major governmental funds in the accompanying financial statements:

General Fund – This is used as the main operating governmental fund of the City to account for the general revenues of the City not specifically levied or collected for other City funds and the related expenditures. The General Fund accounts for all financial resources of a governmental unit which are not accounted for in another fund.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Community Facilities Districts Capital Projects Fund – This fund is used to account for specific public improvements such as streets, sewers, storm drains, sidewalks or other amenities funded by special taxes levied against benefited properties.

The City reported the following enterprise funds as major funds in the accompanying financial statements:

Electric Fund – This fund accounts for all financial transactions relating to the City's electric service. Services are on a user charge basis to residents and business owners located in the City.

Water Fund – This fund accounts for all financial transactions relating to the City's water services. Services are on a user charge basis to residents and business owners located in the City.

Wastewater Fund – This fund accounts for all financial transactions relating to the City's wastewater collection and treatment. Services are on a user charge basis to residents and business owners located in the City.

Waste Services Fund – This fund accounts for all financial transactions relating to the City's waste services. Services are on a user charge basis to residents and business owners located in the City.

Roseville Natural Gas Financing Authority – This fund accounts for financing and purchasing pre-paid natural gas for the generation of power for the Roseville Energy Park.

The City also reports the following funds:

Special Revenue Funds – The funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Internal Service Funds – The funds account for automotive, facilities services, information technology, general equipment replacement, workers' compensation, general liability, unemployment reserve, and general benefits such as vision, dental, and section 125 benefits all of which are provided to other departments on a cost reimbursement basis.

Fiduciary Funds – These funds account for assets held by the City as a fiduciary for various functions. The Endowment Private-Purpose Trust Fund is used to account for assets held by the City as a fiduciary for various endowment funds for the benefits of certain private-purpose trust funds. The Successor Agency to the Redevelopment Agency Private-Purpose Trust Fund accounts for the accumulation of resources to be used for payments at appropriate amounts and times in the future. The Other Post-Employment Benefits Trust Fund accounts for the accumulation of resources to be used for retiree medical benefit payments at appropriate amounts and times in the future. The Custodial Funds are used to account for assets held by the City as a fiduciary for certain special assessment districts in the City, North Roseville-Rocklin Sewer Refunding District, Foothills Boulevard Extension Assessments, Dry Creek Drainage Basin, County Capital Facilities Fee, South Placer Wastewater Authority, Special Sewer Benefit Areas, South Placer County Tourism Business Improvement District (SPCTBID), South Placer County Safe Kids Coalition, Highway 65 JPA, external traffic mitigation fees and other programs for the benefits of parties outside of the City. The financial activities of these funds are excluded from the government-wide financial statement but are presented in separate Fiduciary Fund financial statements.

D. Basis of Accounting

The government-wide, proprietary, and fiduciary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis* of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

Governmental funds 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*. The City considers all revenues reported in the governmental funds to be available if the revenues are collected within one

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

hundred twenty (120) days after year-end with the exception of property and sales taxes which is considered available if collected within sixty (60) days. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under leases are reported as *other financing sources*.

Governmental fund revenues subject to accrual are property, sales tax, transient occupancy tax, franchise fees, certain other intergovernmental revenues, certain charges for services and interest revenue. Fines, licenses and permits, and charges for services are not subject to accrual because they are not measurable until received in cash.

Non-exchange transactions, in which the City gives or receives value without directly receiving or giving equal value in exchange, include taxes, grants, entitlements, and donations. On the accrual basis, revenue from taxes is recognized in the fiscal year for which the taxes are levied or assessed. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The City may fund programs with a combination of cost-reimbursement grants, categorical block grants, and general revenues. Thus, both restricted and unrestricted net position may be available to finance program expenditures. The City's policy is to first apply restricted grant resources to such programs, followed by general revenues if necessary.

E. Cash, Cash Equivalents, and Investments

The City pools its available cash for investment purposes. The City considers pooled cash and investment amounts, with original maturities of three months or less, to be cash equivalents. Highly liquid market investments with maturities of one year or less at time of purchase are stated at amortized costs. All other investments are stated at fair value. For purposes of reporting cash flows, the City considers each fund's share in the cash and investments pool to be cash and cash equivalents.

F. Revenue Recognition for Electric, Water, Wastewater, and Waste Services Funds

Revenues are recognized based on services rendered to customers. All residential and commercial utility customers are billed once per month. There are twenty-four billing cycles per month which include all types of customers, based on their location within the City. Revenues for services provided but not billed at the end of a fiscal year are accrued. Contributions of cash or assets to proprietary funds from state and federal agencies, developers and others are recorded as revenue at acquisition value.

G. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and balance sheet reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has four items that qualify for reporting in this category on the government-wide and proprietary fund statements of net position. They are the deferred amounts on refunding, accumulated decrease in fair value of hedging derivatives, deferred outflows related to other postemployment benefits (OPEB), and deferred outflows related to pensions. A deferred amount on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The accumulated decrease in fair value of hedging derivatives represents the change in fair value for the City's derivative liabilities that have been determined to be not effective. The deferred outflows related to pensions and OPEB are described in Note 13 and Note 14, respectively. The deferred lease items are described in Note 9.

In addition to liabilities, the statement of net position and balance sheet reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflow of resources*, represents an acquisition of net assets that applies to a future period and so will not be recognized as an inflow of resources

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(revenue) until that time. The City has four types of these items reported in the government-wide and proprietary fund statements of net position and the governmental funds balance sheet. They are the accumulated increase in fair value of hedging derivatives, deferred inflows related to pensions, the deferred inflows related to OPEB, and unavailable revenues. The accumulated increase in fair value of hedging derivatives represents the change in fair value for the City's derivative assets that have been determined to be effective.

The deferred inflows related to pensions and OPEB are described in Note 13 and 14, respectively. Unavailable revenue represents revenues which has been earned but will not be collected within the City's period of availability as defined in Note 1D.

In the governmental funds balance sheet, the unavailable revenue category arises only under a modified accrual basis of accounting. When amounts have been earned, but have not been received within the availability period, these amounts are deferred and recognized as revenue in the period that the amounts become available.

H. Property Tax

Placer County assesses properties and bills, collects, and distributes property taxes to the City. The County remits the entire amount levied and handles all delinquencies, retaining interest and penalties. Secured and unsecured property taxes are levied on July 1st of the preceding fiscal year.

Secured property tax is due in two installments, on November 1st and February 1st, and becomes a lien on those dates. It becomes delinquent on December 10th and April 10th, respectively. Unsecured property tax is due on July 1st and becomes delinquent on August 31st. Collection of delinquent accounts is the responsibility of the County, which retains all penalties.

The term "unsecured" refers to taxes on personal property other than real estate, land and buildings. These taxes are secured by liens on the property being taxed. Property tax revenues are recognized by the City in the fiscal year they are assessed provided they become available as defined above.

I. Compensated Absences

Compensated absences comprise unused vacation leave, vested sick pay and certain compensated time off, which are accrued as earned. The City's liability for compensated absences is recorded in various governmental funds or proprietary funds as appropriate. The liability for compensated absences is determined annually. For all governmental funds, a liability of these amounts is reported only if they have matured, for example, as a result of employee resignations and retirements. The remaining portion is recorded as a liability in the statement of net position. Proprietary funds' liability for compensated absences is recorded in each proprietary fund.

The changes in compensated absence balances were as follows:

	Governmental Activities	Business Activities	Total
Beginning Balance	\$ 17,171,711	\$ 10,692,674	\$ 27,864,385
Additions	4,046,398	3,310,977	7,357,375
Payments	(3,914,932)	(2,811,614)	(6,726,546)
Ending Balance	<u>\$ 17,303,177</u>	<u>\$ 11,192,037</u>	<u>\$ 28,495,214</u>
Current Portion	<u>\$ 7,826,102</u>	<u>\$ 5,381,270</u>	<u>\$ 13,207,372</u>

Compensated absences are liquidated by the fund that has recorded the liability. Governmental activities compensated absences are liquidated primarily by the General Fund.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Inventories

Inventories are valued at cost, using the weighted-average method. Inventories of the governmental funds consist of expendable supplies held for consumption. The cost is recorded as an expenditure in the governmental funds at the time individual inventory items are consumed. Inventories reported in governmental funds are equally offset by nonspendable fund balance which indicates that they do not constitute available spendable resources even though they are a component of net current assets. Inventories of the proprietary funds consist primarily of supplies and equipment held for internal consumption.

K. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. In governmental funds, prepaid items are not in spendable form and are therefore included in nonspendable fund balance and recorded on the consumption method.

L. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

M. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's California Public Employees Retirement System (CalPERS) plan and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

N. Other Postemployment Benefits (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City of Roseville Retiree Healthcare Plan (Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

O. Fair Value Measurement

The City categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

P. Net Position

Net position is the excess of all the City's assets and deferred outflows of resources over all its liabilities and deferred inflows of resources, regardless of fund. Net position is divided into three categories. These categories apply only to net position, which is determined only for proprietary funds and at the government-wide level, and are described below:

Net investment in capital assets describes the portion of net position which is represented by the current net book value of the capital assets, less the outstanding balance of any debt issued to finance these assets.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Restricted describes the portion of net position which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions which the City cannot unilaterally alter. These principally include developer fees received for use on capital projects (expended) or contributions received in permanent funds (unexpended), debt service requirements, and redevelopment funds restricted to low and moderate income purposes.

Unrestricted describes the portion of net position which is not restricted to use.

The City applies restricted resources when an expense is incurred for purposes which both restricted and unrestricted net position are available.

Q. Fund Balance

In the fund financial statements, fund balances represent the net current assets of each fund. Net current assets generally represent a fund's assets and deferred outflows of resources, less its liabilities and deferred inflows of resources.

The City's fund balances are classified based on spending constraints imposed on the use of resources. For programs with multiple funding sources, the City prioritizes and expends funds in the following order: restricted, committed, assigned, and unassigned. Each category in the following hierarchy is ranked according to the degree of spending constraint:

Nonspendable represents balances set aside to indicate items do not represent available, spendable resources even though they are a component of assets. Fund balances required to be maintained intact, such as permanent endowments, and assets not expected to be converted to cash, such as prepaids, notes receivable, and land held for redevelopment are included. However, if proceeds realized from the sale or collection of nonspendable assets are restricted, committed or assigned, then nonspendable amounts are required to be presented as a component of the applicable category.

Restricted fund balances have external restrictions imposed by creditors, grantors, contributors, laws, regulations, or enabling legislation which requires the resources to be used only for a specific purpose. Encumbrances and nonspendable amounts subject to restrictions are included along with spendable resources.

Committed fund balances have constraints imposed by formal action of the City Council, such as an ordinance, which may be altered only by the same formal action of the City Council. Encumbrances and nonspendable amounts subject to council commitments are included along with spendable resources.

Assigned fund balances are amounts intended to be used by the City for specific purposes but do not meet the criteria to be classified as committed. Assignments may be made by the City Council or its designee, the Assistant City Manager/Chief Financial Officer. Unlike commitments, assignments generally only exist temporarily. Thus, additional action does not normally have to be taken for the removal of an assignment.

Unassigned fund balance represents residual amounts that have not been restricted, committed, or assigned. This includes the residual General Fund balance and residual fund deficits, if any, of other governmental funds.

It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

R. Capital Assets

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Contributed capital assets are valued at their estimated acquisition value on the date contributed. The City has recorded all its public domain (infrastructure) capital assets, which include roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems.

Capital assets with limited useful lives are depreciated over their estimated useful lives. Alternatively, the modified approach is used for certain capital assets. Depreciation is not provided under this approach, but all costs associated with these assets are expensed, unless they are additions or improvements.

The purpose of depreciation is to spread the cost of capital assets equitably among all users over the life of these assets. The amount charged to depreciation expense each year represents that year's pro rata share of the cost of capital assets.

Depreciation is provided using the straight-line method which means the cost of the asset is divided by its expected useful life in years and the result is charged to expense each year until the asset is fully depreciated. The City has assigned the useful lives and capitalization thresholds listed below to capital assets:

	Useful Lives	Capitalization Thresholds
Buildings	40 years	\$ 20,000
Improvements	20 -75 years	no threshold
Equipment	6 - 20 years	5,000
Computer Equipment	6 years	5,000
Vehicles	6 - 8 years	5,000
Parks	25 years	5,000
Landscaping	12 years	20,000
Bike Paths	20 years	20,000
Bridges	90 years	20,000
Culverts	75 years	20,000
Crain Inlets	50 years	20,000
Roadway Minor Concrete	20 years	20,000
Sound Walls	35 years	20,000
Storm Drains	75 years	20,000
Traffic Signals	20 years	no threshold
Electric Distributions System	15 - 60 years	no threshold
Sewer and Water Distributions Systems	75 years	no threshold
Electric Generation	15 - 30 years	5,000
Electric Power Plants and Substation	40 years	5,000
Sewer and Water Treatment Plants	50 years	5,000

Major outlays for capital assets and improvements are capitalized as projects are constructed.

S. Leases

Lessee: The City of Roseville is a lessee for a noncancellable lease of equipment. The City of Roseville recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The City of Roseville recognizes lease liabilities with an initial, individual value of \$75,000 or more.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

At the commencement of a lease, the City of Roseville initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life. Key estimates and judgments related to leases include how the City of Roseville determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The City of Roseville uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City of Roseville generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City of Roseville is reasonably certain to exercise.

The City of Roseville monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Lessor: The City of Roseville is a lessor for a noncancellable lease of a building. The City of Roseville recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the City of Roseville initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the City of Roseville determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The City of Roseville uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The City of Roseville monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

T. Subscription-Based Information Technology Arrangements

The City of Roseville is a subscriber for a noncancellable subscription of information technology services. The City of Roseville recognizes a subscription liability and an intangible right-to-use subscription asset (subscription asset) in the government-wide financial statements. The City of Roseville recognizes subscription liabilities with an initial, individual value of \$75,000 or more.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

At the commencement of a subscription, the City of Roseville initially measures the subscription liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of subscription payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for subscription payments made at or before the subscription commencement date, plus certain initial direct costs. Subsequently, the subscription asset is amortized on a straight-line basis over its useful life. Key estimates and judgments related to subscriptions include how the City of Roseville determines (1) the discount rate it uses to discount the expected subscription payments to present value, (2) lease term, and (3) subscription payments.

- City of Roseville uses the interest rate charged by the vendor as the discount rate. When the interest rate charged by the vendor is not provided, the City of Roseville generally uses its estimated incremental borrowing rate as the discount rate for subscriptions.
- The subscription term includes the noncancellable period of the subscription. Subscription payments included in the measurement of the subscription liability are composed of fixed payments that the City of Roseville is reasonably certain to exercise.

The City of Roseville monitors changes in circumstances that would require a remeasurement of its subscriptions and will remeasure the subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the subscription liability.

Subscription assets are reported with other capital assets and subscription liabilities are reported with long-term debt on the statement of net position.

U. New Accounting Pronouncements

Effective in Current Fiscal Year

GASB Statement No. 99 – In April 2022, the GASB issued Statement No. 99, *Omnibus 2022*. The requirements related to the classification and reporting of derivative instruments within the scope of Statement No. 53 have been implemented as of July 1, 2023 without material impact.

GASB Statement No. 100 – In June 2022, the GASB issued Statement No. 100, *Accounting Changes and Error Corrections*. The objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The Statement is effective for reporting periods beginning after June 15, 2023. Further information regarding this implementation can be found in Note 23.

Effective in Future Fiscal Years

GASB Statement No. 101– In June 2022, the GASB issued Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The Statement is effective for reporting periods beginning after December 15, 2023. The City has not determined the effect of this Statement.

GASB Statement No. 102 – In December 2023, the GASB issued Statement No. 102, *Certain Risk Disclosures*. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024. The City has not determined the effect of this Statement.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

GASB Statement No. 103 – In April 2024, the GASB issued Statement No. 103, *Financial Reporting Model Improvements*. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025. The City has not determined the effect of this Statement.

GASB Statement No. 104 – In September 2024, the GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*. The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. The new standard is effective for periods beginning after June 15, 2025. Application of this statement is effective for the City's year ending June 30, 2026.

NOTE 2: CASH AND INVESTMENTS

The City pools cash from all sources and all funds, except certain specific investments within funds and cash with fiscal agents, so that it can be invested at the maximum yield, consistent with safety and liquidity, while individual funds can make expenditures at any time.

The City and its fiscal agents invest in individual investments and in investment pools. Individual investments are evidenced by specific identifiable pieces of paper called securities instruments, or by an electronic entry registering the owner in the records of the institution issuing the security, called the book entry system.

Individual investments are generally made by the City's fiscal agents as required under its debt issues. In order to maximize security, the City employs the Trust Department of a bank as the custodian of all City managed investments, regardless of their form.

The City's investments are reported at fair value, as required by generally accepted accounting principles. The City adjusts the carrying value of its investments to reflect fair value at each fiscal year end, and it includes the effects of these adjustments in income for that fiscal year.

A. Classification

Cash and investments are classified in the financial statements as shown below:

Primary Government:	
Cash and investment in City Treasury	\$ 958,229,241
Restricted cash and investments with fiscal agents	26,125,858
Total city cash and investments with primary government	<u>984,355,099</u>
Fiduciary Funds (separate statement):	
Cash and investments in City Treasury	393,038,253
Restricted cash and investments with fiscal agents	85,330,399
Total cash and investments	<u>\$ 1,462,723,751</u>
Cash and investments as of June 30, 2024, consist of the following:	
Cash in bank and on hand	\$ 5,886,263
Investments	1,456,837,488
Total cash and investments	<u>\$ 1,462,723,751</u>

NOTE 2: CASH AND INVESTMENTS (CONTINUED)

Cash and investments with original maturities of three months or less are treated as cash and equivalents for purpose of preparing Proprietary Fund statements of cash flows. Also, each Proprietary Fund's portion of the City's overall cash and investment pool is treated as cash and equivalents since these amounts are in substance demand deposits.

B. Investments Authorized by the California Government Code and the City's Investment Policy

The City's Investment Policy and the California Government Code allow the City to invest in the following, provided the credit ratings of the issuers are acceptable to the City and approved percentages and maturities are not exceeded. The table below also identifies certain provisions of the California Government Code or the City's Investment Policy where it is more restrictive:

Authorized Investment Type	Maximum Maturity	Minimum Credit Quality	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
U.S. Treasury Obligations ⁽¹⁾	5 years	None	None	None
U.S. Agencies Securities ⁽¹⁾	5 years	None	None	None
Forward Delivery Agreements	N/A	A	None	None
Local Agency	5 years	None	None	N/A
Repurchase Agreements	1 Year	None	None	None
Bankers' Acceptance	180 Days	None	40%	30%
Commercial Paper	270 Days	A - 1	25%	10% ⁽²⁾
Medium Term Notes	5 years	A	30%	None
Collateralized Time Deposit	5 years	None	30%	None
Negotiable Certificate of Deposit	5 years	A	30%	None
Local Agency Investment Fund (LAIF)	N/A	None	None	LAIF Limit
Insured Savings Accounts	N/A	None	None	None
Money Market Mutual Funds	N/A	None	20	10%
Shares in a California Common Law Trust	N/A	None	None	None
Supranationals	5 years	AA	30%	None
Mortgage Pass-Through Securities	5 years	AA	20%	None

⁽¹⁾ In specified fund accounts where liquidity is not the primary investment objective, the maximum maturity can be up to ten years with granted express authority by the City Council. Such investments cannot be made less than three months following the approval of extended investment terms. All longer-term investments must be Federal Treasury or Agency securities. The specified fund accounts are:

- City Pool, subject to 25%
- Citizens Benefit Permanent Fund
- Roseville Aquatics Complex Maintenance Fund
- Endowment Private-Purpose Trust Fund
- All future trust and/or endowment funds established by the City with no anticipated use of principal

⁽²⁾Eligible commercial paper may not represent more than 10% of the outstanding paper of an issuing corporation.

NOTE 2: CASH AND INVESTMENTS (CONTINUED)

C. Investments Authorized by Debt Agreements

The City must maintain required amounts of cash and investments with trustees or fiscal agents under the terms of certain debt issues. These funds are unexpended bond proceeds or are pledged reserves to be used if the City fails to meet its obligations under these debt issues. The California Government Code requires these funds to be invested in accordance with City resolutions, bond indentures or State statutes. The table below identifies the investment types that are authorized for investments held by fiscal agents. The table also identifies certain provisions of these debt agreements:

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Minimum Credit Quality</u>
U.S. Treasury Obligations	N/A	None
U.S. Agencies Securities	N/A	None
Certificates of Deposit	N/A - 30 days	None to A-1
Time Deposits	N/A - 30 days	None to A-1
Repurchase Agreements	N/A - 30 days	None to A
Bankers' Acceptance	N/A - 270 days	None to A-1
Money Market Funds	N/A	None to Aam-G
Taxable Governmental Money	N/A	None
Commercial Paper	180 - 270 days	A-1 to AA
Special Revenue Bonds	N/A	AA
Pre-refunded Municipal Obligations	N/A	AAA
Municipal Obligations	N/A	AAA
Common Law Trust	N/A	None
California Asset Management Pool (CAMP)	N/A	None
Lawful Investments	N/A	None
Investment Agreements	N/A	A+ to AA
Local Agency Investment Fund (LAIF)	N/A	None
Placer County Investment Pool	N/A	None
Supranationals	N/A	None
Mortgage Pass - Through Securities	N/A	None

CITY OF ROSEVILLE, CALIFORNIA
Notes to the Financial Statements
For the Year Ended June 30, 2024

NOTE 2: CASH AND INVESTMENTS (CONTINUED)

D. Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Normally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The City also manages its interest rate risk by holding most investments to maturity.

Information about the sensitivity of the fair values of the City's investments (including investments held by bond trustees) to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity or earliest call date:

	Remaining Maturity (in Months)				Total
	12 Months or Less	13 to 24 Months	25 to 60 Months	More Than 60 Months	
Federal Agency Securities	\$ 86,148,622	\$ 86,048,880	\$ 299,656,196	\$ 200,456,989	\$ 672,310,687
Forward Purchase Agreement	4,223,827	-	-	-	4,223,827
Local Agency Bonds	2,275,000	3,890,211	6,106,726	-	12,271,937
Corporate Notes	28,978,075	151,863,458	100,647,711	-	281,489,244
Money Market Mutual Funds	163,935,162	-	-	-	163,935,162
Roseville Advantage Banks	8,952,385	-	-	-	8,952,385
Guaranteed Investment Contracts (GIC)	-	-	3,918,124	2,150,737	6,068,861
Local Agency Investment Fund	60,920,048	-	-	-	60,920,048
Other Post Employment Benefits (OPEB)	158,418,285	-	-	-	158,418,285
Supranationals	-	-	4,888,650	-	4,888,650
Pension Trust	17,338,017	-	-	-	17,338,017
California Asset Management Pool	66,020,385	-	-	-	66,020,385
Total	<u>\$ 597,209,806</u>	<u>\$ 241,802,549</u>	<u>\$ 415,217,407</u>	<u>\$ 202,607,726</u>	<u>\$ 1,456,837,488</u>

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The City reports its investment in LAIF at the fair value amount provided by LAIF, which is the same as the value of the pool share. At June 30, 2024, the fair value was \$225,259 less than the City's cost. The balance is available for withdrawal on demand and is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. Included in LAIF's investment portfolio are collateralized mortgage obligations, mortgage-backed securities, other asset-backed securities, loans to certain state funds, and floating rate securities issued by federal agencies, government-sponsored enterprises, United States Treasury Notes and Bills, and corporations. At June 30, 2024, these investments matured in an average of 260 days. LAIF is not registered with the Securities and Exchange Commission and is not rated.

The City is a participant in the California Asset Management Program (CAMP). CAMP is an investment pool offered by the California Asset Management Trust (Trust). The Trust is a joint powers authority and public agency created by the Declaration of Trust and established under the provisions of the California Joint Exercise of Powers Act (California Government Code Sections 6500 et seq., or the "Act") for the purpose of exercising the common power of its Participants to invest certain proceeds of debt issues and surplus funds. The Pool's investments are limited to investments permitted by subdivisions (a) to (n), inclusive, of Section 53601 of the California Government Code. The City reports its investments in CAMP at the fair value amounts provided by CAMP, which is the same as the value of the pool share. At June 30, 2024, the fair value approximated is the City's cost, and these investments had an average maturity of 26 days.

Money market mutual funds were available for withdrawal on demand and at June 30, 2024 and had an average maturity of 7 days for the Dreyfus U.S. Treasury Money Market Fund and 7 days for the First American Money Market Fund.

CITY OF ROSEVILLE, CALIFORNIA
Notes to the Financial Statements
For the Year Ended June 30, 2024

NOTE 2: CASH AND INVESTMENTS (CONTINUED)

E. Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

Presented below is the actual rating as of June 30, 2024, for each investment type as provided by Standard and Poor's investment rating system:

	AAA / AAAm	AA+ / AA / AA-	A+ / A / A-	Total
Investments:				
Federal Agency Securities	\$ -	\$ 434,059,482	\$ -	\$ 434,059,482
Forward Purchase Agreement	-	-	4,223,827	4,223,827
Local Agency Bonds	-	12,271,937	-	12,271,937
Corporate Notes	-	105,407,406	176,081,838	281,489,244
Supranationals	4,888,650	-	-	4,888,650
California Asset Management Program	66,020,385	-	-	66,020,385
Total	<u>\$ 70,909,035</u>	<u>\$ 551,738,825</u>	<u>\$ 180,305,665</u>	802,953,525
Not Rated:				
Local Agency Investment Fund				60,920,048
Money Market Mutual Funds				163,935,162
Roseville Advantage Banks				8,952,385
Guaranteed Investment Contracts				6,068,861
Other Post Employment Benefits (OPEB)				158,418,285
Pension Trust				17,338,017
U.S. Treasury and Agency Obligations				238,251,205
Total investments				<u>\$ 1,456,837,488</u>

F. Concentration of Credit Risk

Investments in any one issuer, other than U. S. Treasury securities, money market mutual funds, and investment pools that represent 5 percent or more of total entity-wide investments are as follows at June 30, 2024:

Issuer	Investment Type	Amount	% of Portfolio
Federal Farm Credit Bank	Federal agency securities	\$ 142,774,049	9.76%
Federal Home Loan Bank	Federal agency securities	330,233,585	22.58%
Federal Agricultural Mortgage Corporation (FAMC)	Federal agency securities	115,201,397	7.88%

Investments in any one issuer that represent 5 percent or more of total investments by individual funds were as follows at June 30, 2024:

Fund	Issuer	Investment Type	Amount
Major Enterprise Funds:			
Roseville Natural Gas Financing Authority	Wachovia Bank	Forward Purchase Agreement	\$ 4,223,827

CITY OF ROSEVILLE, CALIFORNIA
Notes to the Financial Statements
For the Year Ended June 30, 2024

NOTE 2: CASH AND INVESTMENTS (CONTINUED)

G. Fair Value Measurements

The City's Pool categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. These principles recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Investments reflect prices quoted for identical assets in active markets;
- Level 2: Investments reflect prices that are based on a similar observable inputs;
- Level 3: Investments reflect prices based on unobservable inputs.

The asset's level within the hierarchy is based on the lowest level of input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. The determination of what constitutes observable requires judgment by management. City management consider observable data to be that market data, which is readily available, regularly distributed or updated, reliable, and verifiable, not proprietary, and provided by multiple independent sources that are actively involved in the relevant market. The categorization of an investment within the hierarchy is based upon the relative observability of the inputs to its fair value measurement and does not necessarily correspond to City management's perceived risk of that investment. The Pool's asset market prices are derived from closing bid prices as of the end of business day as supplied by U.S. Bank. Where prices are not available from generally recognized sources, the securities are priced using a yield-based matrix system to arrive at an estimated fair value. Prices that fall between data points are interpolated. The City has a forward purchase agreement that is measured using level 3 inputs. This item is valued using the discounted cash flows approach. Deposits and withdrawals in governmental investment pools, such as LAIF and CAMP Investment Pools, are made on the basis of \$1 and not fair value. Accordingly, the City's measured fair value of its proportionate share in these types of investments is based on uncategorized inputs not defined as a Level 1, Level 2, or Level 3 input.

The Pool has the following recurring fair value measurements as of June 30, 2024:

Investments at Fair Value	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Federal Agency Securities	\$ 672,310,687	\$ -	\$ 672,310,687	\$ -
Corporate Notes	281,489,244	-	281,489,244	-
Municipal Securities	12,271,937	-	12,271,937	-
Forward Purchase Agreements	4,223,827	-	-	4,223,827
Other Post Employment Benefits (OPEB)	158,418,285	1,064,093	145,158,827	12,195,365
Money Market Mutual Funds	163,935,162	163,935,162	-	-
Total Investments at Fair Value	1,292,649,142	\$ 164,999,255	\$ 1,111,230,695	\$ 16,419,192
Investments measured at amortized cost				
Guaranteed Investment Contracts (GIC's)	6,068,861			
Investments with uncategorized inputs				
Local Agency Investment Fund	60,920,048			
California Asset Management Program	66,020,385			
Roseville Advantage Bank	8,952,385			
Supranationals	4,888,650			
Pension Trust	17,338,017			
Total investments measured with uncategorized inputs	158,119,485			
Total investments	\$ 1,456,837,488			

CITY OF ROSEVILLE, CALIFORNIA
Notes to the Financial Statements
For the Year Ended June 30, 2024

NOTE 3: INTERFUND TRANSACTIONS

A. Transfers Among Funds

With City Council approval, resources may be transferred from one City fund to another. Transfers between funds during the fiscal year ended June 30, 2024, were as follows:

<u>Fund Receiving Transfer</u>	<u>Fund Making Transfer</u>	<u>Amount Transferred</u>
<i>Governmental Funds:</i>		
General Fund		
	Electric Fund	\$ 8,075,815 (C)
	Non-Major Governmental Funds	9,423,079 (A), (C)
	<i>Total General Fund</i>	<u>17,498,894</u>
Non-Major Governmental Funds		
	General Fund	3,127,204 (A), (B)
	Electric Fund	390,662 (B)
	Water Fund	1,547,909 (B), (C)
	Wastewater Fund	1,121,824 (B), (C)
	Waste Services Fund	477,538 (B), (C)
	Non-Major Governmental Funds	1,508,924 (A), (B)
	<i>Total Non-Major Governmental Funds</i>	<u>8,174,061</u>
	<i>Total Governmental Funds</i>	<u>25,672,955</u>
<i>Enterprise Funds:</i>		
Non-Major Enterprise Funds		
	General Fund	934,452 (A)
	<i>Total Enterprise Funds</i>	<u>934,452</u>
<i>Internal Service Funds:</i>		
Fleet Fund		
	Electric Fund	44,694 (A)
	Non-Major Governmental Funds	11,324 (B)
	<i>Total Internal Service Funds</i>	<u>56,018</u>
	Total Interfund Transfers	<u><u>\$ 26,663,425</u></u>

(A) Transfers to fund operations

(B) Transfers to fund various projects and/or pay debt service

(C) Transfers to fund in-lieu franchise fees

CITY OF ROSEVILLE, CALIFORNIA
Notes to the Financial Statements
For the Year Ended June 30, 2024

NOTE 3: INTERFUND TRANSACTIONS (CONTINUED)

B. Current Interfund Balances

Current interfund balances arise in the normal course of business and are expected to be repaid shortly after the end of the fiscal year. At June 30, 2024, interfund balances comprised the following:

Due to Other Funds	Due From Other Funds	Amount
Governmental Activities		
Non-Major Governmental Funds:		
Non-Major Governmental Funds	General Fund	\$ 2,399,211 (A),(B)
	Internal Service Funds	772,509 (A)
	Total Non-Major Governmental Funds	<u>3,171,720</u>
Non-Major Internal Service Funds	General Fund	1,537,130 (B)
	Total Governmental Activities	<u>4,708,850</u>
Enterprise Activities		
Roseville Natural Gas Financing	General Fund	447,403 (B)
Non-Major Enterprise Funds	Internal Service Funds	55,000 (A)
	Total Enterprise Activities	<u>502,403</u>
		<u>\$ 5,211,253</u>

(A) Current portion of the advances mentioned in 3C below.

(B) To cover negative cash balances as of June 30.

C. Long-Term Interfund Advances

At June 30, 2024, the funds below had made advances which were not expected to be repaid within the next year:

Fund Receiving Advance	Fund Making Advance	Amount of Advance
Governmental Activities		
Non-Major Governmental Funds	General Fund	\$ 8,017,212
	Internal Service Funds	2,237,678
	Total Governmental Activities	<u>10,254,890</u>
Enterprise Activities		
Non-Major Enterprise Funds	Internal Service Funds	2,000,000
		<u>\$ 12,254,890</u>

Golf Course advance from the Fleet Fund bears interest at the prior fiscal year's average interest rate of the City's pooled investments. Principal is paid annually in the amount of \$127,000 with the final principal payment in fiscal year 2037. Simple interest is deferred for the life of the loan and a lump-sum deferred interest payoff is due in fiscal year 2037. As of June 30, 2024, the accrued deferred interest payable not included in the advance amount in the table above is \$2,403,159.

Development Impact has two advances from the General Fund that bears interest at the prior fiscal year's average interest rate of the City's pooled investments. The first advance has principal payments of \$409,042 and interest was being paid over the period beginning in fiscal year 2018 and ending in fiscal year 2028. The second advance has principal and interest that are deferred until fiscal year 2022. Deferred interest was added to the principal balance annually as incurred. Beginning in fiscal year 2022, principal of \$571,393 and interest are payable over seven years with final payment in fiscal year 2028.

NOTE 3: INTERFUND TRANSACTIONS (CONTINUED)

Development Impact has two advances from the Fleet Fund. The first advance bears interest at the prior fiscal year's average interest rate of the City's pooled investments plus one-half percent. Interest only payments were made the first three years of the advance beginning in fiscal year 2015. Principal payments of \$33,345 plus interest are being paid over an 18-year term beginning in fiscal year 2018 and ending in fiscal year 2035. The second advance bears interest at the prior fiscal year's interest rate of the City's pooled investments. Principal and interest are being paid annually over six years starting in fiscal year 2021 with the final payment in fiscal year 2026.

School-Age Child Care advance from the Fleet Fund bears interest at the prior fiscal year's average interest rate of the City's pooled investments. In fiscal year 2018 two prior advances and one new \$300,000 advance were consolidated into one total advance. Principal and interest payments are being paid over a 15-year term beginning in fiscal year 2018 and ends in fiscal year 2037. In fiscal year 2020, \$340,000 was added. Principal amount repayments are \$55,000 annually.

D. Internal Balances

Internal balances are presented in the City-wide financial statements only. They represent the net interfund receivables and payables remaining after the elimination of all such balances within governmental and business - type activities.

NOTE 4: RECEIVABLES

The City combines Accounts, Interest, and Due From Other Agency receivables together and presents this amount as Receivables in the financial statements. These separate receivables are classified below for the Governmental and Proprietary funds:

	General	Community Facilities District	Non-Major Governmental Funds	Total Governmental Funds	Governmental Activities Internal Service Funds	Total Governmental Activities
Accounts receivables	\$ 23,742,655	\$ -	\$ 17,586,197	\$ 41,328,852	\$ 166,870	\$41,495,722
Taxes receivable	3,152,894	-	374,260	3,527,154	-	3,527,154
Interest receivable	797,189	29,469	6,534,520	7,361,178	2,830,949	10,192,127
Total	<u>\$ 27,692,738</u>	<u>\$ 29,469</u>	<u>\$ 24,494,977</u>	<u>\$ 52,217,184</u>	<u>\$ 2,997,819</u>	<u>\$55,215,003</u>
Business-Type Activities - Enterprise Funds						
	Electric	Water	Wastewater	Waste Services	Non-Major Enterprise Funds Total	Totals
Accounts receivables	\$ 27,975,275	\$ 5,413,800	\$ 7,682,050	\$ 4,723,656	\$ 6,352,247	\$52,147,028
Taxes receivable	25,679	-	-	-	-	25,679
Interest receivable	889,848	578,208	1,391,143	169,730	39,919	3,068,848
Permits receivables	606,883	3,560,933	2,205,715	42,568	34,178	6,450,277
Total	<u>\$ 29,497,685</u>	<u>\$ 9,552,941</u>	<u>\$ 11,278,908</u>	<u>\$ 4,935,954</u>	<u>\$ 6,426,344</u>	<u>\$61,691,832</u>

NOTE 5: NOTES RECEIVABLE

The City engages in programs designed to encourage business enterprises, construction or improvement in low-to-moderate income housing, or other projects. Under these programs, grants or loans are provided with favorable terms to businesses, homeowners or developers who agree to spend these funds in accordance with the City's terms. Although these notes are expected to be repaid in full, their balances have been offset in the fund financial statements by unavailable revenue, due to other government agencies or fund balance. Notes receivable were comprised of the following at June 30, 2024:

Flood Loan Notes Receivable	\$ 6,633
Housing Elevation Notes	5,000
Water Meter Notes Receivable	23,342
Flood Control Loan	43,838
SPWA Loan	94,488,776
First Time Home-Buyer Notes	2,728,213
Due From Successor Agency	11,541,355
Housing Rehabilitation and Affordable Housing Notes	47,497,923
Small Business Stabilization Program (SBSP)	24,000
Westbrook Blvd. Segment 4 Loan	3,352,553
Total	<u>\$ 159,711,633</u>

A. Flood Loan Notes Receivable

The City has provided notes to various homeowners and businesses for rehabilitation due to flood damage. The maximum note amount is \$5,000 carrying various interest rates and payment dates. The balance of these notes receivable at June 30, 2024 was \$6,633.

B. Housing Elevation Notes Receivable

In fiscal year 1997, the Federal Emergency Management Agency (FEMA) approved Hazard Mitigation Grant Program funds to be used for residential home elevation projects in the City at a maximum of \$5,000 per household, with the total federal share not to exceed \$1,493,096. The City provided matching funds to each eligible household at a maximum of \$5,000 in the form of a zero percent, deferred loan payable upon sale, change of title or change of use. As of June 30, 2024, two notes funded through the FEMA Hazard Mitigation Grant Program were outstanding with a total balance of \$5,000.

C. Water Meter Notes Receivable

The City entered into an agreement with Stonesfair Management for Water Meter Installations at Windscape Apartments. The original note amount is payable in 120 monthly installments. The balance of note at June 30, 2024 was \$23,342.

D. Flood Control Loan

On May 10, 2017, the City entered into an agreement with the Placer County Flood Control and Water Conservation District to fund the Antelope Creek Flood Control project with a loan to be paid back with future development fees. The loan bears simple interest based on the Construction Cost Index. As of June 30, 2024, the balance of the loan was \$43,838.

NOTE 5: NOTES RECEIVABLE (CONTINUED)

E. SPWA Loan

In June 2020, the City entered into loan agreements with the State Water Resources Control Board to secure funding for the Pleasant Grove Wastewater Treatment Plant Expansion and Energy Recovery Projects in the form of loans from the Clean Water State Revolving Fund. The City then entered into a reimbursement agreement with the South Placer Wastewater Authority as the Authority was responsible for the completion of these projects. The loans bear interest at the rate of 1.30% and are payable in 30 annual payments beginning on June 10, 2023. The balance of the loan receivable at June 30, 2024 was \$94,488,776.

F. First Time Home-Buyer Notes Receivable

The City engages in a first-time home-buyer program designed to encourage home ownership among low - income residents. Under this program, grants are provided at no interest and are due upon sale or transfer of the property. Although these notes are expected to be repaid in full, their balance has been offset with deferred inflow of resources, as they are not expected to be repaid during the next fiscal year and any repayments will be used to reduce future grant draw-downs by the City. The balance of the notes receivable arising from this program at June 30, 2024, was \$2,728,213.

G. Successor Agency Loans

Prior to July 1, 2011, the former Redevelopment Agency had received various advances from various City funds. These advances bore interest at the average interest rate of the City's pooled investments. Principal and accrued interest on the advances totaled \$32,768,517 at July 1, 2011. During fiscal year 2012, the City and Redevelopment Agency determined that certain advances should have instead been funded by bond proceeds of the Agency. Therefore, the Redevelopment Agency repaid advances from the City in the amount of \$7,309,447 prior to the dissolution of the Agency on January 31, 2012.

With the dissolution of the Agency effective February 1, 2012, the Successor Agency assumed the balance of the obligation to repay the advances in the amount of \$25,603,129 for principal and accrued interest and recorded a notes payable to the Low and Moderate Income Housing Asset Fund equal to twenty percent of the balance of the notes. During fiscal year 2013, the State Department of Finance denied the prepaid advance and required the return of \$7,309,447 to the Successor Agency. The General Fund returned the cash to the Successor Agency during fiscal year 2013. The Successor Agency received its Finding of Completion in August 2013 determining that notes are enforceable obligations.

During fiscal year 2014, the Successor Agency completed its Long-Range Property Management Plan which was approved by the Department of Finance in May 2014 and as a result, the Successor Agency transferred land that was designated for governmental use to the City in the amount of \$7,107,581. As a result of the transfer, the City cancelled the notes that had been made to the former Redevelopment Agency for the purchase of those properties, including accrued interest, in the amount of \$5,902,331.

During fiscal year 2014, the Department of Finance clarified how the interest is to be calculated on each note to the Successor Agency. The City recalculated the interest due on the notes using the revised guidance and as a result the interest receivable was reduced by \$3,030,067. The principal balance of the notes as of June 30, 2024 is \$11,541,355.

NOTE 5: NOTES RECEIVABLE (CONTINUED)

H. Housing Rehabilitation and Affordable Housing Notes Receivable

The City engages in programs designed to encourage construction or improvement in low-to-moderate income housing or other projects. Under these programs, grants or notes are provided under favorable terms to home-owners or developers who agree to spend these funds in accordance with the City's or Agency's terms. Although these notes are expected to be repaid in full, their balance has been offset with a deferred inflow of resources as they are not expected to be repaid during the next fiscal year and any repayments will be used to reduce future grant draw-downs by the City. With the dissolution of the Agency effective February 1, 2012, the assets of the Low and Moderate Income Housing Fund, including affordable housing notes receivable, were assumed by the Low and Moderate Income Housing Asset Fund. The balance of the notes receivable arising from these programs at June 30, 2024, was \$47,497,923.

I. Westbrook Boulevard Segment 4 Loan

Under the Sierra Vista Specific Plan developer agreement, developers are required to build infrastructure upon reaching certain build-out milestones. For segment 4 of Westbrook Boulevard the milestones have yet to be reached. However, the City determined the Westbrook Boulevard segment improvements included in the developer agreement were needed to improve street accessibility and prevent congestion on streets. The City and a developer entered into agreement in fiscal year 2024 for the City to loan the developer the funds to build the segment sooner. The loan is expected to be repaid within a three-year time period based on current absorption rates of single-family housing development, but the agreement also provides for repayment in full in not more than ten years. The balance of this loan on June 30, 2024, is \$3,352,553.

NOTE 6: DEVELOPER PERMIT FEES RECEIVABLE

The City has entered into a number of agreements with developers to defer permit fees for various projects within the City. Although these fees are expected to be repaid in full, their balance has been offset by unavailable revenue in governmental funds, as they are not expected to be repaid early enough to be reported as a current asset. The receivable was valued at \$14,900,335 at June 30, 2024.

NOTE 7: DEVELOPMENT AGREEMENTS

The City may enter into development agreements in an effort to provide incentives to develop new businesses and new tax revenues. The substance of these agreements is that developers or other public agencies will be paid a portion of future sales tax or traffic mitigation fee revenues produced by their developments. These payments are conditioned on the generation of sales tax revenues or traffic mitigation fee revenues by these developments and the City is not required to use any other resources to pay these amounts.

CITY OF ROSEVILLE, CALIFORNIA
Notes to the Financial Statements
For the Year Ended June 30, 2024

NOTE 8: CAPITAL ASSETS

A. Capital Asset Additions, Retirements and Transfers

Capital asset activity for the year ended June 30, 2024, was as follows:

	Balance July 1, 2023	Additions	Deletions	Transfers	Balance June 30, 2024
Governmental activities:					
Capital assets, not being depreciated/amortized					
Land	\$ 165,109,683	\$ 70,404,659	\$ -	\$ -	\$ 235,514,342
Easements (Land)	1,814,353	-	-	-	1,814,353
Streets	411,166,354	7,842,293	-	-	419,008,647
Construction-in-progress	94,239,858	128,478,065	-	(17,594,039)	205,123,884
Total capital assets, not being depreciated/amortized	672,330,248	206,725,017	-	(17,594,039)	861,461,226
Capital assets, being depreciated/amortized					
Buildings	185,028,959	-	-	-	185,028,959
Improvements	50,001,629	45,945	-	-	50,047,574
Vehicles and equipment	101,818,844	1,418,674	(2,519,949)	8,732,158	109,449,727
Parks	112,479,912	696,647	-	5,861,688	119,038,247
Landscaping	75,506,747	949,535	-	1,428,909	77,885,191
Bike paths	14,606,701	95,730	-	1,343,692	16,046,123
Bridges	86,023,531	-	-	-	86,023,531
Culverts	21,029,296	-	-	-	21,029,296
Curb, gutter, sidewalk and median curbs	196,821,032	4,291,417	-	-	201,112,449
Drain inlets	22,061,941	-	-	-	22,061,941
Soundwall	52,545,112	1,172,175	-	-	53,717,287
Stormdrains	142,442,995	5,316,832	-	227,592	147,987,419
Traffic signals	1,817,599	-	-	-	1,817,599
Leased assets	2,470,979	-	(289,554)	-	2,181,425
Subscriptions	4,718,948	259,356	-	-	4,978,304
Total capital assets, being depreciated/amortized	1,069,374,225	14,246,311	(2,809,503)	17,594,039	1,098,405,072
Less accumulated depreciation/amortization					
Buildings	(86,958,750)	(4,551,302)	-	-	(91,510,052)
Improvements	(18,342,576)	(997,298)	-	-	(19,339,874)
Vehicles and equipment	(73,668,219)	(9,337,392)	2,511,021	-	(80,494,590)
Parks	(62,847,290)	(3,498,271)	-	-	(66,345,561)
Landscaping	(53,208,062)	(2,766,659)	-	-	(55,974,721)
Bike paths	(8,990,753)	(425,470)	-	-	(9,416,223)
Bridges	(18,006,829)	(955,817)	-	-	(18,962,646)
Culverts	(8,075,389)	(280,390)	-	-	(8,355,779)
Curb, gutter, sidewalk and median curbs	(152,348,289)	(4,329,245)	-	-	(156,677,534)
Drain inlets	(12,561,186)	(441,239)	-	-	(13,002,425)
Soundwall	(21,342,492)	(1,482,480)	-	-	(22,824,972)
Stormdrains	(28,326,518)	(1,944,438)	-	-	(30,270,956)
Traffic signals	(379,409)	(90,880)	-	-	(470,289)
Leased assets	(179,296)	(139,174)	-	-	(318,470)
Subscriptions	(998,586)	(1,104,368)	-	-	(2,102,954)
Total accumulated depreciation/amortization	(546,233,644)	(32,344,423)	2,511,021	-	(576,067,046)
Total capital assets, being depreciated/amortized, net	523,140,581	(18,098,112)	(298,482)	17,594,039	522,338,026
Total governmental activities capital assets	\$ 1,195,470,829	\$ 188,626,905	\$ (298,482)	\$ -	\$ 1,383,799,252

CITY OF ROSEVILLE, CALIFORNIA
Notes to the Financial Statements
For the Year Ended June 30, 2024

NOTE 8: CAPITAL ASSETS (CONTINUED)

	Balance July 1, 2023	Additions	Deletions	Transfers	Balance June 30, 2024
Business-type activities:					
Capital assets, not being depreciated/amortized					
Land	\$ 19,438,885	\$ -	\$ -	\$ -	\$ 19,438,885
Construction-in-progress	181,751,714	69,761,168	-	(169,919,576)	81,593,306
Streets	2,304,491	-	-	-	2,304,491
Total capital assets, not being depreciated/amortized	203,495,090	69,761,168	-	(169,919,576)	103,336,682
Capital assets, being depreciated/amortized					
Buildings	38,802,781	383,811	-	1,039,055	40,225,647
Improvements	43,513,531	24,750	-	27,640,889	71,179,170
Vehicles and equipment	61,152,517	565,190	(1,367,707)	20,930,433	81,280,433
Landscaping	2,421,681	-	-	-	2,421,681
Bike paths	6,531,682	-	-	-	6,531,682
Bridges	12,022,926	-	-	-	12,022,926
Culverts	348,248	-	-	-	348,248
Curb, gutter, sidewalk and median curbs	1,223,107	-	-	-	1,223,107
Drain inlets	75,699	-	-	-	75,699
Storm drains	164,362	-	-	-	164,362
Traffic signals	75,646,364	1,939,814	(711,238)	1,208,443	78,083,383
Plants and substations	419,495,715	55,596	(59,000)	89,381,433	508,873,744
Distribution	1,775,029,086	46,758,600	(12,096,367)	28,569,114	1,838,260,433
Generation	218,132,940	335,455	-	1,150,209	219,618,604
Subscriptions	2,318,010	58,608	-	-	2,376,618
Total capital assets, being depreciated/amortized	2,656,878,649	50,121,824	(14,234,312)	169,919,576	2,862,685,737
Less accumulated depreciation/amortization					
Buildings	(11,712,808)	(987,917)	-	-	(12,700,725)
Improvements	(6,884,390)	(1,562,063)	-	-	(8,446,453)
Vehicles and equipment	(42,663,931)	(5,692,846)	1,179,588	-	(47,177,189)
Landscaping	(1,032,337)	(153,737)	-	-	(1,186,074)
Bike paths	(4,018,755)	(295,546)	-	-	(4,314,301)
Bridges	(743,939)	(133,590)	-	-	(877,529)
Culverts	(67,538)	(4,643)	-	-	(72,181)
Curb, gutter, sidewalk and median curbs	(324,019)	(61,155)	-	-	(385,174)
Drain inlets	(6,921)	(1,514)	-	-	(8,435)
Storm drains	(17,451)	(2,192)	-	-	(19,643)
Traffic signals	(51,472,513)	(2,578,635)	322,544	-	(53,728,604)
Plants and substations	(180,261,543)	(10,591,996)	21,488	-	(190,832,051)
Distribution	(472,696,936)	(28,182,661)	6,024,731	-	(494,854,866)
Generation	(119,209,996)	(8,301,348)	-	-	(127,511,344)
Subscriptions	(481,763)	(515,990)	-	-	(997,753)
Total accumulated depreciation/amortization	(891,594,840)	(59,065,833)	7,548,351	-	(943,112,322)
Total capital assets, being depreciated/amortized, net	1,765,283,809	(8,944,009)	(6,685,961)	169,919,576	1,919,573,415
Total business-type activities capital assets	\$ 1,968,778,899	\$ 60,817,159	\$ (6,685,961)	\$ -	\$ 2,022,910,097

NOTE 8: CAPITAL ASSETS (CONTINUED)

B. Depreciation/Amortization Allocation

Depreciation expense is charged to functions and programs based on their usage of the related assets. The amounts allocated to each function or program is as follows:

Governmental Activities	
General Government	\$ 2,488,400
Development & Operations	788,256
Public Works	4,349,110
Police	1,700,794
Fire	1,946,535
Library	176,990
Parks & Recreation	7,624,290
Internal service funds	13,270,048
Total depreciation/amortization expense	<u>\$ 32,344,423</u>
Business-Type Activities	
Electric	\$ 26,786,709
Water	13,328,837
Wastewater	16,722,374
Waste Services	364,200
Local Transportation	1,742,840
School-Age Child Care	120,873
Total depreciation/amortization expense	<u>\$ 59,065,833</u>

C. Streets Covered By the Modified Approach

The City has elected to use the modified approach with respect to its streets. The City's policy based on current funding is to maintain the arterial and collector roadways at an average Pavement Quality Index (PQI) of 72 and residential roadways at an average PQI of 68, instead of providing depreciation. During fiscal year 2024, the City expended \$12,791,606 to preserve its streets. The City estimates that it will be required to expend approximately \$16,192,769 in fiscal year 2025 to maintain its streets at this condition level.

NOTE 9: LEASES AND SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

Leases

Lessee Leases

Lease Liability

As of June 30, 2024, City of Roseville, CA had three active leases. The leases have payments that range from \$42,000 to \$60,000 and interest rates that range from 0.5770% to 3.3220%. As of June 30, 2024, the total combined value of the lease liability is \$1,840,295, the total combined value of the short-term lease liability is \$103,362. The combined value of the asset, as of June 30, 2024 of \$2,181,425 with accumulated amortization of \$318,470 is included within Note 8 – Governmental Activities.

CITY OF ROSEVILLE, CALIFORNIA
Notes to the Financial Statements
For the Year Ended June 30, 2024

NOTE 9: LEASES AND SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS
(CONTINUED)

Lease type	Balance as of July 1, 2023	Additions	Reductions	Balance as of June 30, 2024	Due within one year
Governmental Activities					
Land Improvements	\$ 128,325	\$ -	\$ 41,369	\$ 86,956	\$ 41,608
Infrastructure	2,157,733	-	404,394	1,753,339	61,754
Total Lease Liability	<u>\$ 2,286,058</u>	<u>\$ -</u>	<u>\$ 445,763</u>	<u>\$ 1,840,295</u>	<u>\$ 103,362</u>

Fiscal Year	Principal	Interest	Total
2025	\$ 103,362	\$ 58,638	\$ 162,000
2026	105,655	56,346	162,001
2027	69,424	54,076	123,500
2028	68,115	51,885	120,000
2029	70,378	49,622	120,000
2030 - 2034	390,952	211,448	602,400
2035 - 2039	510,180	139,534	649,714
2040 - 2043	522,229	44,469	566,698
Total	<u>\$ 1,840,295</u>	<u>\$ 666,018</u>	<u>\$ 2,506,313</u>

Leased Assets

Lease type	Amount of Leased Assets	Accumulated Amortization
Land Improvements	\$ 208,246	\$ 121,957
Infrastructure	1,973,179	196,513
Total leased assets	<u>\$2,181,425</u>	<u>\$ 318,470</u>

NOTE 9: LEASES AND SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS
(CONTINUED)

Lessor Leases

Lease Receivable

The value of these lease receivable for governmental and business-type activities is described below:

GOVERNMENTAL ACTIVITIES:	Balance as of July 1, 2023	Additions	Reductions	Balance as of June 30, 2024
Lease Receivable				
Buildings	\$ 1,531,520	\$ 1,616,564	\$ 722,696	\$ 2,425,388
Infrastructure	13,282,996	1,363,562	2,064,070	12,582,488
Land	1,635,602	175,797	199,743	1,611,656
Total Lease Receivable	<u>\$ 16,450,118</u>	<u>\$ 3,155,923</u>	<u>\$ 2,986,509</u>	<u>\$ 16,619,532</u>
BUSINESS-TYPE ACTIVITIES:	Balance as of July 1, 2023	Additions	Reductions	Balance as of June 30, 2024
Lease Receivable				
Buildings	\$ 851,902	\$ -	\$ 109,325	\$ 742,577
Land	1,748,570	-	1,748,570	-
Total Lease Receivable	<u>\$ 2,600,472</u>	<u>\$ -</u>	<u>\$ 1,857,895</u>	<u>\$ 742,577</u>

Deferred Inflows of Resources

GOVERNMENTAL ACTIVITIES:	Balance as of July 1, 2023	Additions	Reductions	Balance as of June 30, 2024
Deferred Inflow of Resources:				
Buildings	\$ 1,488,267	\$ 1,603,802	\$ 736,057	\$ 2,356,012
Infrastructure	13,070,714	1,347,195	2,334,864	12,083,045
Land	1,614,542	143,477	210,915	1,547,104
Total Deferred Inflow of Resources	<u>\$ 16,173,523</u>	<u>\$ 3,094,474</u>	<u>\$ 3,281,836</u>	<u>\$ 15,986,161</u>
BUSINESS-TYPE ACTIVITIES:	Balance as of July 1, 2023	Additions	Reductions	Balance as of June 30, 2024
Deferred Inflow of Resources:				
Buildings	\$ 829,881	\$ -	\$ 118,554	\$ 711,327
Land	1,710,342	-	1,710,342	-
Total Deferred Inflow of Resources	<u>\$ 2,540,223</u>	<u>\$ -</u>	<u>\$ 1,828,896</u>	<u>\$ 711,327</u>

The City leases land, infrastructure and buildings to various companies and individuals. As of June 30, 2024, the value of the leases receivable is \$16,619,532 and \$742,577 respectively for governmental and business-type activities.

**NOTE 9: LEASES AND SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS
(CONTINUED)**

Subscription-Based Information Technology Arrangements

The City of Roseville is a subscriber for noncancellable subscriptions of information technology services. The City of Roseville recognizes a subscription liability and an intangible subscription asset in the government-wide financial statements. The City of Roseville recognized subscription liabilities with an initial, individual value of \$75,000 or more.

At the commencement of a subscription, the City of Roseville initially measures the subscription liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of subscription payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for subscription payments made at or before the subscription commencement date, plus certain initial direct costs. Subsequently, the subscription asset is amortized on a straight-line basis over its useful life. Key estimates and judgments related to subscriptions include how the City of Roseville determines (1) the discount rate it uses to discount the expected subscription payments to present value, (2) lease term, and (3) subscription payments.

- The City of Roseville uses the interest rate charged by the vendor as the discount rate. When the interest rate charged by the vendor is not provided, the City of Roseville generally uses its estimated incremental borrowing rate as the discount rate for subscriptions.
- The subscription term includes the noncancellable period of the subscription. Subscription payments included in the measurement of the subscription liability are composed of fixed payments that the City of Roseville is reasonably certain to exercise.

The City of Roseville monitors changes in circumstances that would require a remeasurement of its subscriptions and will remeasure the subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the subscription liability.

As of June 30, 2024, City of Roseville, CA had 10 active subscriptions. The subscriptions have payments that range from \$31,631 to \$605,818 and interest rates that range from 2.1840% to 3.6310%. As of June 30, 2024, the total combined value of the subscription liability is \$4,164,690, and the total combined value of the short-term subscription liability is \$1,578,422. The combined value of the asset, as of June 30, 2024 of \$7,354,922 with accumulated amortization of \$3,100,707 is included within the Subscription Class activities table found below.

Governmental Activities		
Subscription Type	Amount of SBITA Assets	Accumulated Amortization
Software as a service	\$ 4,978,304	\$ 2,102,954
Business-type Activities		
Subscription Type	Amount of SBITA Assets	Accumulated Amortization
Software as a service	2,376,618	997,753
Total	\$ 7,354,922	\$ 3,100,707

CITY OF ROSEVILLE, CALIFORNIA
Notes to the Financial Statements
For the Year Ended June 30, 2024

NOTE 9: LEASES AND SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (CONTINUED)

Subscription liability principal and interest payments are found in the table below.

	Balance as of July 1, 2023	Additions	Reductions	Balance as of June 30, 2024	Due within one year
Governmental Activities					
Subscriptions	\$ 3,388,352	\$ 279,010	\$ 1,003,478	\$ 2,663,884	\$ 1,028,422
Total governmental activities	<u>3,388,352</u>	<u>279,010</u>	<u>1,003,478</u>	<u>2,663,884</u>	<u>1,028,422</u>
Business-Type Activities					
Subscriptions	1,993,084	38,954	531,232	1,500,806	550,000
Total business-type activities	<u>1,993,084</u>	<u>38,954</u>	<u>531,232</u>	<u>1,500,806</u>	<u>550,000</u>
Total Subscription Liability	<u>\$ 5,381,436</u>	<u>\$ 317,964</u>	<u>\$ 1,534,710</u>	<u>\$ 4,164,690</u>	<u>\$ 1,578,422</u>

Fiscal Year	Principal	Interest	Total
2025	\$ 1,578,422	\$ 96,098	\$ 1,674,520
2026	1,332,116	59,733	1,391,849
2027	1,254,152	28,615	1,282,767
Total	<u>\$ 4,164,690</u>	<u>\$ 184,446</u>	<u>\$ 4,349,136</u>

NOTE 10: LONG-TERM DEBT

The City generally incurs long-term debt to finance projects or purchase assets, which will have useful lives equal to or greater than the related debt.

For governmental fund types, bond premiums and discounts, as well as issuance costs, are recognized during the current period. Bond proceeds are reported as other financing sources gross of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures. For proprietary fund types included, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Any differences between proprietary and government-wide refunded debt and the debt issued to refund it, is amortized over the remaining life of either the refunded debt or the refunding debt, whichever is shorter.

CITY OF ROSEVILLE, CALIFORNIA
Notes to the Financial Statements
For the Year Ended June 30, 2024

NOTE 10: LONG-TERM DEBT (CONTINUED)

A. Current Year Transactions and Balances

	Original Issue Amount	Balance June 30, 2023	Additions	Deletions	Balance June 30, 2024	Short term Portion
Governmental Activities Debt:						
Direct Placement Debt:						
Sub-Lease Certificates of Participation:						
2013 Public Facilities Refunding						
2.15%, due 8/1/25	\$ 16,324,609	\$ 3,382,764	\$ -	\$ 1,423,674	\$ 1,959,090	\$ 966,917
Total Direct Placement Debt	16,324,609	3,382,764	-	1,423,674	1,959,090	966,917
Certificates of Participation						
2015 316 Vernon Street Project						
2.00% - 5.25%, due 8/1/45	14,425,000	12,570,000	-	320,000	12,250,000	335,000
Add: debt premium	-	639,589	-	27,809	611,780	-
Total Certificates of Participation	14,425,000	13,209,589	-	347,809	12,861,780	335,000
Total Governmental-Type Activities Debt:	\$ 30,749,609	\$ 16,592,353	\$ -	\$ 1,771,483	\$ 14,820,870	\$ 1,301,917
Business-Type Activities Debt:						
Direct Placement Debt:						
Loans						
Projects State Revolving Fund						
1.30% Interest, due 7/03/2053	103,040,170	77,060,646	21,979,523	542,684	98,497,485	2,822,164
Total Direct Placement Debt	103,040,170	77,060,646	21,979,523	542,684	98,497,485	2,822,164
Certificates of Participation						
2004 Electric System Revenue,						
3.00% - 5.25%, due 2/1/34	39,940,000	5,000	-	-	5,000	-
Less: bond discount	(728,254)	-	-	-	-	-
2015 Water Utility Revenue Refunding						
2.00% - 5.00%, due 12/1/30	42,565,000	21,840,000	-	3,125,000	18,715,000	3,290,000
Add: bond premium	6,899,891	3,233,750	-	461,964	2,771,786	-
Total Certificates of Participation	88,676,637	25,078,750	-	3,586,964	21,491,786	3,290,000
Revenue Bonds						
2007 Gas Revenue Bonds						
4.00% - 4.00%, due 2/15/28	209,350,000	72,850,000	-	13,155,000	59,695,000	13,865,000
Add: bond premium	15,454,116	2,943,641	-	735,911	2,207,730	-
2017A Electric System Revenue Refunding						
3.00% - 5.00%, due 2/1/37	56,210,000	53,270,000	-	3,605,000	49,665,000	1,170,000
Add: bond premium	5,069,937	3,379,958	-	241,425	3,138,533	-
2020 Refunding Electric System Revenue Bonds						
0.39%-2.08%, due 2/1/34	34,770,000	33,170,000	-	645,000	32,525,000	3,150,000
Total Revenue Bonds	320,854,053	165,613,599	-	18,382,336	147,231,263	18,185,000
Total Business-Type Activities Debt:	\$ 512,570,860	\$ 267,752,995	\$ 21,979,523	\$ 22,511,984	\$ 267,220,534	\$ 24,297,164

NOTE 10: LONG-TERM DEBT (CONTINUED)

B. Direct Placement Debt

2013 Public Facilities Refunding Lease

On June 1, 2013, the City entered into a Lease and Sublease Agreement in the amount of \$16,324,609 to refund the outstanding 2003A Public Facilities Refunding Certificates of Participation (2003A COPs) and the 2003B Golf Course Refunding Certificates of Participation (2003B COPs). The 2003A and 2003B COPs were called on August 1, 2013. The Lease is repayable from any source of available funds of the City which includes the General Fund; however, the Golf Course Special Revenue Fund repaid the portion of the lease related to the refunding of the 2003B Certificates of Participation with the last payment made in fiscal year 2024. Principal and interest payments on the portion of the lease relating to the 2003A Certificates of Participation are payable semi-annually on February 1 and August 1 through 2025. The amount outstanding as of June 30, 2024 was \$1,959,090 in governmental activities.

2020 State Revolving Fund Loan

In June 2020, the City entered into loan agreements with the State Water Resources Control Board to secure funding for the Pleasant Grove Wastewater Treatment Plant Expansion and Energy Recovery projects in the form of loans from the Clean Water State Revolving Fund. The loans were approved for up to \$108,021,755, and the City drew \$103,040,170 from the loans. Through an agreement with South Placer Wastewater Authority, the City's loan draws were passed through to the Authority as reimbursement for costs of the two projects and the Authority pays the City the debt service costs of the loans. The loans bear interest at the rate of 1.30% and are payable in 30 annual payments beginning in 2024. The amount outstanding as of June 30, 2024 is \$98,497,485.

C. Certificates of Participation

2015 316 Vernon Street Project Certificates of Participation

On July 14, 2015, the Roseville Finance Authority issued the Certificates of Participation, Series 2015 (316 Vernon Street Project), in the principal amount of \$14,425,000 to fund a portion of the acquisition and construction of an office building located at 316 Vernon Street. The Lease bears interest at 2.00 percent to 5.25 percent and is due semi-annually at February 1 and August 1 of each year. The Lease is repayable from any source of legally available funds of the City, including (but not limited to) amounts held by the City in its General Fund according to the Lease Agreement in the official statement. Principal payments are due annually on August 1 through 2045. The amount outstanding as of June 30, 2024 is \$12,250,000.

2004 Electric System Revenue Certificates of Participation

On July 1, 2004, the City issued \$39,940,000 of Certificates of Participation to finance capital improvements to the City's Electric System. The COPs are repayable from net revenue of the Electric Utility System. The COPs bear interest at 3.00 percent to 5.25 percent and are due semi-annually on February 1 and August 1 of each year beginning February 1, 2005. Principal payments are due annually on February 1 through February 2034. The COPs were partially refunded by the 2013 Electric System Revenue Refunding Bonds as discussed below. In August 2014, the 2004 Electric System Revenue Certificates of Participation were partially refunded by the 2014 Electric System Revenue Refunding Bonds leaving a par amount of \$5,000.

2015 Water Utility Revenue Refunding Certificates of Participation

On August 20, 2015, the Roseville Finance Authority issued the Water Revenue Certificates of Participation, Series 2015, in the principal amount of \$42,565,000 to refund the 2007 Water Utility Certificates of Participation. The Bonds bear interest at 2.00 percent to 5.00 percent and are due semi-annually on December 1 and June 1 of each year. The Bonds are repayable by a pledge of net revenue from the Water Utility System. Principal payments are due annually on December 1 through 2030.

NOTE 10: LONG-TERM DEBT (CONTINUED)

As of June 30, 2024, the total principal and interest remaining to be paid on the bonds was \$21,164,975. As disclosed in the official statement, all net revenues of the Water Utility System are expected to provide coverage over debt service of 120 percent over the life of the Bonds. For fiscal year 2024, net revenues amounted to \$28,094,499 which represented coverage of 683 percent over the \$4,115,988 in debt service. The balance outstanding as of June 30, 2024 is \$18,715,000.

D. Revenue Bonds

2007 Roseville Natural Gas Financing Authority Gas Revenue Bonds

On January 24, 2007, the Authority issued \$209,350,000 of Gas Revenue Bonds, Series 2007 (the Bonds), to finance a lump sum prepayment to a Gas Supplier (See Note 21A) in order to acquire a supply of natural gas to be delivered over a period of twenty years. The gas purchased by the Authority will be sold to the City pursuant to a Natural Gas Supply Agreement (See Note 21C) to produce revenues to be used for debt service on the Bonds.

Principal payments are due annually on February 15 through 2028 and interest is payable semiannually on February 15 and August 15. The balance outstanding as of June 30, 2024 is \$59,695,000. As of June 30, 2024, the total principal and interest to be paid on the bonds was \$67,338,000. For fiscal year 2024, net revenues amounted to \$20,672,109, which represented coverage of 123 percent over the \$16,767,500 in debt service.

2017A Electric System Revenue Refunding Bonds

On February 8, 2017, the City issued Revenue Bonds in the original principal amount of \$56,210,000. The Bonds were issued to refund a portion of the 2009 Electric System Revenue Refunding Certificates of Participation and the 2010 Electric System Revenue Refunding Bonds. The Revenue Bonds bear interest at 3.00 percent to 5.00 percent and are due semi-annually on February 1 and August 1 of each year. Principal payments are due annually on February 1 through 2037. The balance outstanding as of June 30, 2024 is \$49,665,000.

2020 Taxable Electric System Revenue Refunding Bonds

On September 2020, the City issued Taxable Revenue Bonds in the original principal amount of \$34,770,000. The Bonds were issued to refund a portion of the 2013 and 2014 Electric System Revenue Refunding Bonds. The Revenue Bonds bear interest at 0.389 percent to 2.081 percent and are due semi-annually on February 1 and August 1 of each year. Principal payments are due annually on February 1 through 2034. The balance outstanding as of June 30, 2024 is \$32,525,000.

Electric Bonds Net Revenue Summary

As of June 30, 2024, the total principal and interest remaining to be paid on the 2004 Electric System Revenue COPs, the 2017A Electric System Revenue Refunding bonds and the 2020 Taxable Electric System Revenue Refunding bonds was \$106,484,066. As disclosed in the official statements, all net revenues of the Electric System are expected to provide coverage over debt service of 110% over the lives of the Bonds. For fiscal year 2024, net revenues amount to \$47,342,500 which represents coverage of 678% over the \$6,981,435 in debt service.

CITY OF ROSEVILLE, CALIFORNIA
Notes to the Financial Statements
For the Year Ended June 30, 2024

NOTE 10: LONG-TERM DEBT (CONTINUED)

E. Debt Service Requirements

Debt service requirements are shown below for the remaining long-term debt:

Year Ending June 30	Governmental Activities				Total	
	Principal	Interest	Private Placement Lease and Loans Principal	Interest	Principal	Interest
2025	\$ 335,000	\$ 549,713	\$ 966,917	\$ 36,923	\$ 1,301,917	\$ 586,636
2026	355,000	532,462	992,173	10,666	1,347,173	543,128
2027	370,000	514,338	-	-	370,000	514,338
2028	390,000	495,337	-	-	390,000	495,337
2029	410,000	475,337	-	-	410,000	475,337
2030-2034	2,345,000	2,068,069	-	-	2,345,000	2,068,069
2035-2039	2,865,000	1,540,841	-	-	2,865,000	1,540,841
2040-2044	3,520,000	859,134	-	-	3,520,000	859,134
2045-2049	1,660,000	84,000	-	-	1,660,000	84,000
Totals	12,250,000	\$ 7,119,231	1,959,090	\$ 47,589	14,209,090	\$ 7,166,820
Reconciliation of long-term debt						
Add deferred bond premium	611,780		-		611,780	
Net long-term debt	\$ 12,861,780		\$ 1,959,090		\$ 14,820,870	

Year Ending June 30	Business-Type Activities				Total	
	Principal	Interest	Private Placement Lease and Loans Principal	Interest	Principal	Interest
2025	\$ 21,475,000	\$ 6,413,967	\$ 2,822,164	\$ 1,186,545	\$ 24,297,164	\$ 7,600,512
2026	22,385,000	5,465,651	2,764,930	1,243,779	25,149,930	6,709,430
2027	23,345,000	4,465,891	2,800,874	1,207,835	26,145,874	5,673,726
2028	24,415,000	3,409,223	2,837,285	1,171,424	27,252,285	4,580,647
2029	32,815,000	11,382,741	2,874,170	1,134,539	35,689,170	12,517,280
2030-2034	36,170,000	3,244,319	5,828,384	2,030,424	41,998,384	5,274,743
2035-2039	-	-	15,329,947	4,713,598	15,329,947	4,713,598
2040-2044	-	-	16,352,640	3,690,905	16,352,640	3,690,905
2045-2049	-	-	17,443,559	2,599,986	17,443,559	2,599,986
2050-2054	-	-	29,443,532	1,822,227	29,443,532	1,822,227
Totals	160,605,000	\$ 34,381,792	98,497,485	\$ 20,801,262	259,102,485	\$ 55,183,054
Reconciliation of long-term debt						
Add deferred bond premium	8,118,049		-		8,118,049	
Net long-term debt	\$ 168,723,049		\$ 98,497,485		\$ 267,220,534	

CITY OF ROSEVILLE, CALIFORNIA
Notes to the Financial Statements
For the Year Ended June 30, 2024

NOTE 10: LONG-TERM DEBT (CONTINUED)

F. Special Assessment Districts

Special Assessment Districts, including Mello Roos Districts, in various parts of the City have issued debt to finance infrastructure improvements and facilities within their boundaries. The City is the collecting and paying agent for the debt issued by these Districts but has no direct or contingent liability or moral obligation for the payment of this debt. Therefore, this debt is not recorded as long-term debt of the City. The outstanding balance of each of these issues as of June 30, 2024, is as follows:

	<u>Maturity</u>	<u>Outstanding</u>
Highland Reserve North Community Facilities District No. 1, Series 2006	9/1/2027	\$ 6,038,000
Woodcreek East Community Facilities District No. 1, Series 2006	9/1/2027	1,664,000
Crocker Ranch Community Facilities District No. 1, Series 2007	9/1/2033	10,681,500
Stoneridge West Community Facilities District No. 1, Series 2007	9/1/2031	5,991,000
Stoneridge East Community Facilities District No. 1, Series 2007	9/1/2031	7,690,000
Stoneridge Parcel 1 Community Facilities District No. 1, Series 2007	9/1/2030	840,000
Diamond Creek Community Facilities District No. 1, Series 2019	9/1/2037	4,270,000
Roseville Fiddymment Ranch Community Facilities District No. 1, Series 2017	9/1/2036	37,390,000
Roseville Fiddymment Ranch Community Facilities District No. 5, Series 2017	9/1/2047	23,190,000
Roseville Fiddymment Ranch Community Facilities District No. 5, Series 2019	9/1/2049	15,880,000
City of Roseville Fiddymment Ranch Community Facilities District No. 5 Special Tax Bonds Series 2021	9/1/1950	29,220,000
Fountains Community Facilities District No. 1, Series 2016	9/1/2038	8,490,000
Longmeadow Parkside Community Facilities District No. 1, Series 2013	9/1/2036	4,795,000
Woodcreek West Community Facilities District No. 1 Refunding Bonds, Series 2015	9/1/2030	7,195,000
Placer Valley Sports Complex and Tourism Marketing District, Series 2017	8/5/2037	28,770,000
Stone Point Community Facilities District No. 1, Series 2017	9/1/2028	2,770,000
Stone Point Community Facilities District No. 5, Series 2017	9/1/2036	3,565,000
SVSP Westpark-Federico Community Facilities District No. 1, Series 2019	9/1/2049	7,625,000
SVSP Westpark-Federico Community Facilities District No. 1, Series 2021	9/1/2049	8,030,000
SVSP Westpark-Federico Community Facilities District No. 1, Series 2022	9/1/2052	9,735,000
Villages at Sierra Vista Community Facilities District No. 1, Series 2019	9/1/2049	12,270,000
Villages at Sierra Vista Community Facilities District No. 1, Series 2020	9/1/2049	9,655,000
Villages at Sierra Vista Community Facilities District No. 1, Series 2021	9/1/2051	10,285,000
Villages at Sierra Vista Community Facilities District No. 1, Series 2022	9/1/2052	3,395,000
Villages at Sierra Vista Community Facilities District No. 1, Series 2023	9/1/2053	4,115,000
Westpark Community Facilities District No. 1, Series 2015	9/1/2037	54,680,000
Westbrook Community Facilities District No. 1, Series 2014	9/1/2044	13,425,000
Westbrook Community Facilities District No. 1, Series 2018	9/1/2048	11,240,000
Westbrook Community Facilities District No. 1, Series 2019	9/1/2049	13,735,000
Westbrook Community Facilities District No. 1 (Public Facilities) , Series 2023	9/1/1951	3,540,000
HP Campus Oaks Community Facilities District No. 1, Series 2016	9/1/2046	17,710,000
Creekview Community Facilities District No.1, Series 2020	9/1/2050	10,825,000
Creekview Community Facilities District No.1, Series 2021	9/1/2051	12,415,000
Creekview Community Facilities District No.1, Series 2023	9/1/2053	14,300,000
Ranch at Sierra Vista Community Facilities District No. 1, Series 2020	9/1/2050	20,580,000
Ranch at Sierra Vista Community Facilities District No. 1, Series 2021	9/1/2051	13,205,000
Ranch at Sierra Vista Community Facilities District No. 1, Series 2023	9/1/2053	16,000,000
Baseline at Sierra Vista Community Facilities District No. 1, Series 2021	9/1/2051	6,835,000
Torrent at Sierra Vista Community Facilities District No. 1, Series 2023	9/1/2023	7,425,000
		<u>\$479,464,500</u>

NOTE 11: DERIVATIVE INSTRUMENTS

A. Summary of Notional Amounts and Fair Values

The City enters into contracts to hedge its price exposures to power and natural gas, and to procure energy supplies. These contracts are evaluated pursuant to GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, to determine whether they meet the definition of derivative instruments, and, if so, whether they effectively hedge the expected cash flows associated with interest rate and energy exposures.

The City applies hedge accounting for derivatives that are deemed effective hedges. Under hedge accounting, the increase (decrease) in the fair value of a hedge is reported as a deferred inflow or outflow of resources on the statement of net position. For the reporting period, all of the City's derivatives are considered effective hedges.

For energy derivatives, fair values are estimated by comparing contract prices to forward market prices quoted by third party market participants or provided in relevant industry publications.

The following is a summary of the fair values and notional amounts of derivative instruments outstanding as of June 30, 2024.

	2024 Change in Fair Value		Fair Value, at June 30, 2024		Notational	Level
	Classification	Amount	Classification	Amount		
Effective Cash Flow Hedges						
Roseville Natural Gas Financing Authority						
Pay Fixed SWAP, Natural Gas	Deferred Inflow	\$ 1,198,497	Derivative	\$ 5,445,741	34,513,500 mmBtu	2
					75,000-372,000	
Receive Fixed SWAP, Natural Gas	Deferred Outflow	32,113,648	Derivative	21,939,110	monthly mmBtu	2
				\$ 27,384,851		

B. Objective and Terms of Hedging Derivative Instruments

The objectives and terms of the City's hedging derivative instruments that were outstanding at June 30, 2024, are summarized in the next table. The table is aggregated by the credit ratings of the City's counterparties. For counterparties having multiple ratings, the rating indicating the greatest degree of risk is used.

Objectives and terms of the City's hedging derivative instruments that were outstanding at June 30, 2024 are summarized in the table below:

Type and Objective	Notational Amount	Effective Date	Maturity Date	Terms	Counterparty	Rating
Commodity Swaps, Gas:						
Prepayment 20-year supply of Natural Gas	20,426,500 mmBtu	1/1/2008	12/31/2027	Pay index minus 0.68; Receive NGI	Merryll Lynch	A+
	From 75,000 to					
Hedge on Cash Flows on prepayment of	372,000 mmBtu per			Pay NGI PG&E citygate price; Receive		
20-year supply of Natural Gas	month	1/24/2007	1/24/2028	\$7.7224 per mmBtu	JPMorgan Chase Bank, NA	A+

C. Risks of Derivative Instruments

Credit risk – Credit risk is the risk of loss due to a counterparty defaulting on its obligations. The City seeks to minimize credit risk by transacting with creditworthy counterparties. Interest rate swap counterparties are evaluated at the time of transaction execution. The procedure prohibits the City from executing energy hedge transactions with counterparties rated lower than BBB by Standard & Poor's or Fitch rating services, or Baa2 by Moody's. Subsequent to entering into transactions, the credit ratings of one or more counterparties may deteriorate. If so, the City's credit risk management policies increase the amount of collateral that the counterparty must post with the City when the counterparty owes the City, thereby reducing credit risk associated with the decline in the counterparty's credit worthiness.

NOTE 11: DERIVATIVE INSTRUMENTS (CONTINUED)

Termination risk – Termination risk is the risk that a derivative will terminate prior to its scheduled maturity due to a contractual event. Contractual events include bankruptcy, illegality, default, and mergers in which the successor entity does not meet credit criteria. One aspect of termination risk is that the City would lose the hedging benefit of a derivative that becomes subject to a termination event. Another aspect of termination risk is that, if at the time of termination, the mark-to-market value of the derivative was a liability to the City, the City could be required to pay that amount to the counterparty. Termination risk is associated with all of the City's derivatives up to the fair value amounts.

NOTE 12: NET POSITION AND FUND BALANCES

A. Fund Balance and Net Position Deficits

The City reported the following deficit net position and fund balances:

The School-Age Child Care Fund had a deficit net position of at June 30, 2024 of \$8,000,055. The City is expecting to eliminate this deficit with future program revenues and transfers from the general fund.

The Golf Fund had a deficit fund balance as of June 30, 2024 of \$2,142,291. The City is expecting to eliminate this deficit with future program revenues and transfers from the general fund.

The Roseville Finance Authority debt service fund had a deficit fund balance as of June 30, 2024 of \$108,862. The City is expecting to eliminate this deficit with future transfers from other funds.

The Information Technology Fund had deficit net position at June 30, 2024 of \$1,967,053. The City is expecting to eliminate this deficit through future internal service rates.

The Workers' Compensation Fund had deficit net position at June 30, 2024 of \$4,447,582. The City is expecting to eliminate this deficit through future internal service rates.

The General Liability Fund had deficit net position at June 30, 2024 of \$5,813,184. The City is expecting to eliminate this deficit through future internal service rates.

CITY OF ROSEVILLE, CALIFORNIA
Notes to the Financial Statements
For the Year Ended June 30, 2024

NOTE 12: NET POSITION AND FUND BALANCES (CONTINUED)

B. Classifications

Detailed classifications of the City's Fund Balances, as of June 30, 2024, are below:

Fund Balance Classification	General Fund	Community Facility District Capital Project Fund	Non-Major Governmental Funds	Total
Nonspendable:				
Items not in spendable form:				
Notes and loans	\$ 11,877,750	\$ -	\$ -	\$ 11,877,750
Deferred developer permit fees	651,258	-	-	651,258
Prepays	60,635	-	-	60,635
Advances	8,017,212	-	-	8,017,212
Inventories	309,638	-	-	309,638
Subtotal	20,916,493	-	-	20,916,493
Amounts required to be maintained intact:				
Permanent funds	-	-	14,886,578	14,886,578
Total nonspendable fund balances	20,916,493	-	14,886,578	35,803,071
Restricted for:				
Community facilities districts	-	5,643,773	-	5,643,773
Landscape and lighting	-	-	19,471,388	19,471,388
Street projects	-	-	20,970,806	20,970,806
Affordable housing	-	-	8,386,040	8,386,040
Technology replacement	-	-	3,186,144	3,186,144
Local access television	-	-	2,800,853	2,800,853
Public safety services and projects	-	-	418,023	418,023
Open space maintenance	-	-	777,318	777,318
Federal grant programs	-	-	4,657,119	4,657,119
Opioid settlement	-	-	187	187
Wildlife preservation	-	-	1,462,735	1,462,735
Community development	-	-	153,894,539	153,894,539
Tree propagation	-	-	2,165,573	2,165,573
Aquatics complex maintenance	-	-	273,437	273,437
Other capital projects	-	-	5,491,609	5,491,609
Pension trust	17,361,915	-	-	17,361,915
Total restricted fund balances	17,361,915	5,643,773	223,955,771	246,961,459
Committed to:				
Emergency reserve	19,350,522	-	-	19,350,522
Economic stabilization reserve	29,007,719	-	-	29,007,719
Capital projects	50,744,647	-	-	50,744,647
Total committed fund balances	99,102,888	-	-	99,102,888
Assigned to:				
Police operations and supplies	75,873	-	-	75,873
Fire operations and supplies	65,573	-	-	65,573
Parks, Recreation and Libraries operations and suppli	105,475	-	-	105,475
Various contracts	250,721	-	-	250,721
Building and general rehabilitation projects	-	-	2,447,436	2,447,436
Total assigned fund balances	497,642	-	2,447,436	2,945,078
General Fund	49,928,344	-	-	49,928,344
Other governmental fund deficit residuals	-	-	(2,251,153)	(2,251,153)
Unassigned:				
Total unassigned fund balances	49,928,344	-	(2,251,153)	47,677,191
Total fund balances	\$ 187,807,282	\$ 5,643,773	\$ 239,038,632	\$ 432,489,687

NOTE 12: NET POSITION AND FUND BALANCES (CONTINUED)

C. Emergency Reserve

The City maintains an Emergency Reserve Committed Fund Balance that is set at a minimum of 10% of budgeted General Fund operating expenditures. Appropriations from the Emergency Reserve may only be made by a vote of the City Council to meet a critical, unpredictable financial need such as a declared emergency.

D. Stabilization Reserve

The City also maintains a Stabilization Reserve reported as part of the committed fund balance. The stabilization reserve is equal to 15% of budgeted General Fund operating expenditures as the target reserve level.

Appropriations may only be made by a vote of the City Council in the event of temporary revenue shortfalls caused by an economic downturn.

NOTE 13: PENSION PLANS

Plan Descriptions – Substantially all full-time City employees are eligible to participate in the City's separate Safety (police and fire) and Miscellaneous (all other) Plans, agent-multiple employer defined benefit pension plans administered by the California Public Employees Retirement System (CalPERS), which acts as a common investment and administrative agent for its participating member employers. Benefit provisions under the Plans are established by State statute and may be amended by City resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided – CalPERS provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

CITY OF ROSEVILLE, CALIFORNIA
Notes to the Financial Statements
For the Year Ended June 30, 2024

NOTE 13: PENSION PLANS (CONTINUED)

The Plans' provisions and benefits in effect at the measurement date, are summarized as follows:

	Safety	
Hire date	Prior to January 1, 2013	After January 1, 2013
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 55	50 - 54
Monthly benefits, as a % of annual salary	3.000%	2.000% - 2.700%
Required employee contribution rates	9.000%	13.250% (Police) & 14.000% (Fire)
Required normal employer contribution rates	23.79%	28.100% (Police) & 29.130% (Fire)
Required employer payment of unfunded liability	\$8,852,093	\$ -

	Miscellaneous	
Hire date	Prior to January 1, 2013	After January 1, 2013
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 55	52 - 67
Monthly benefits, as a % of annual salary	2.0% - 2.7%	1.0% - 2.5%
Required employee contribution rates	8.000%	7.000%
Required normal employer contribution rates	11.04%	15.260%
Required employer payment of unfunded liability	\$20,349,467	\$ -

Employees Covered – As of the measurement date, the following employees were covered by the benefit terms for each Plan:

	Miscellaneous	Safety
Inactive employees or beneficiaries currently receiving benefits	1,027	278
Inactive employees entitled to but not yet receiving benefits	1,097	91
Active employees	1,131	236
Total	3,255	605

Contributions – Section 20814(c) of the California Public Employees' Retirement law requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. For the year ended June 30, 2024, the employer contributions recognized as a reduction to the net pension liability for the Miscellaneous Rate Plan and Safety Rate Plan were \$33,725,720 and \$23,593,505, respectively.

NOTE 13: PENSION PLANS (CONTINUED)

Net Pension Liability

The City's net pension liability for each Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of each of the Plans is measured as of June 30, 2023, using an annual actuarial valuation as of June 30, 2022 rolled forward to June 30, 2023. The net pension liability and related deferred outflows/inflows of resources are liquidated by the fund that has recorded the liability. The long-term portion of governmental activities net pension liability is liquidated primarily by the General Fund. A summary of principal assumptions and methods used to determine the net pension liability are described below and in the following pages.

Actuarial Assumptions – The total pension liabilities in the June 30, 2022 actuarial valuations were determined using the following actuarial assumptions:

Valuation Date	June 30, 2022
Measurement Date	June 30, 2023
Actuarial Cost Method	Entry Age Normal Cost Method
Actuarial Assumptions	
Discount Rate	6.80%
Inflation	2.80%
Payroll Growth	2.80%
Projected Salary Increase	Varies by entry age and service
Investment Rate of Return	7.00% (1)
Mortality (3)	Derived using CalPERS' Membership Data for all funds

(1) Net of Pension Plan Investment and Administrative Expenses; includes inflation

(2) The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from December 2017 that can be found on the CalPERS website.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. In determining the long-term expected rate of return on pension plan investments, CalPERS took into account both short and long-term market return expectations as well as the expected pension fund cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

NOTE 13: PENSION PLANS (CONTINUED)

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These geometric rates of return are net of administrative expenses.

Asset Class ¹	Assumed Asset Allocation	Real Return ^{1,2}
Global Equity - Cap-weighted	30.0%	4.54%
Global Equity - Non-Cap-weighted	12.0	3.84
Private Equity	13.0%	7.28
Treasury	5.0	0.27
Mortgage-backed Securities	5.0	0.50
Investment Grade Corporates	10.0	1.6%
High Yield	5.0	2.27
Emerging Market Debt	5.0	2.48
Private Debt	5.0	3.57
Real Assets	15.0	3.21
Leverage	-5.0	-0.59

¹ An expected inflation of 2.30% used for this period.

² Figures are based on the 2021 Asset Liability Management study.

Discount rate – The discount rate used to measure the total pension liability was 6.90 percent for each plan. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that the district's contributions will be made at rates equal to the difference between actuarially determined contributions rates and the employee rate. Based on those assumptions, each pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

CITY OF ROSEVILLE, CALIFORNIA
Notes to the Financial Statements
For the Year Ended June 30, 2024

NOTE 13: PENSION PLANS (CONTINUED)

Changes in the Net Pension Liability

The changes in the net pension liability for each Plan as of the measurement date of June 30, 2023 follows:

Miscellaneous Plan:

<i>Miscellaneous Plan:</i>	Increase(Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b) = (c)
Balances as of June 30, 2022 (Measurement Date)	\$ 853,633,718	\$ 544,790,532	\$ 308,843,186
Changes for the year:			
Service cost	18,658,132	-	18,658,132
Interest on total pension liability	59,159,485	-	59,159,485
Changes in assumptions	674,854	-	674,854
Differences between expected and actual experience	14,614,099	-	14,614,099
Contribution - employer	-	33,725,720	(33,725,720)
Contribution - employee	-	8,072,121	(8,072,121)
Net investment income	-	33,991,305	(33,991,305)
Benefit payments, including refunds of employee contributions	(41,735,837)	(41,735,837)	-
Administrative expenses	-	(400,613)	400,613
Net changes	51,370,733	33,652,696	17,718,037
Balances as of June 30, 2023 (Measurement Date)	\$ 905,004,451	\$ 578,443,228	\$ 326,561,223

Safety Plan:

<i>Safety Plan:</i>	Increase(Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b) = (c)
Balances as of June 30, 2022 (Measurement Date)	\$ 428,572,171	\$ 296,974,191	\$ 131,597,980
Changes for the year:			
Service cost	10,674,653	-	10,674,653
Interest on total pension liability	29,872,284	-	29,872,284
Changes in assumptions	127,277	-	127,277
Differences between expected and actual experience	8,715,140	-	8,715,140
Contribution - employer	-	23,593,505	(23,593,505)
Contribution - employee	-	3,569,890	(3,569,890)
Net investment income	-	18,767,204	(18,767,204)
Benefit payments, including refunds of employee contributions	(19,640,548)	(19,640,548)	-
Administrative expenses	-	(218,381)	218,381
Net changes	29,748,806	26,071,670	3,677,136
Balances as of June 30, 2023 (Measurement Date)	458,320,977	323,045,861	135,275,116
Total of both miscellaneous and safety plans	\$ 1,363,325,428	\$ 901,489,089	\$ 461,836,339

CITY OF ROSEVILLE, CALIFORNIA
Notes to the Financial Statements
For the Year Ended June 30, 2024

NOTE 13: PENSION PLANS (CONTINUED)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate – The following presents the net pension liability of the City for each Plan, calculated using the discount rate for each Plan, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1 percentage point higher than the current rate:

	Miscellaneous	Safety	Total
1% Decrease	5.90%	5.90%	5.90%
Net Pension Liability	\$ 449,830,650	\$ 203,979,962	\$ 653,810,612
Current Discount Rate	6.90%	6.90%	6.90%
Net Pension Liability	\$ 326,561,223	\$ 135,275,116	\$ 461,836,339
1% Increase	7.90%	7.90%	7.90%
Net Pension Liability	\$ 224,858,752	\$ 79,697,214	\$ 304,555,966

Pension Plan Fiduciary Net Position – Detailed information about each pension plans' fiduciary net position is available in the separately issued CalPERS financial reports.

Pension Expense and Deferred Outflows/Inflows of Resources Related to Pensions

For the year ended June 30, 2024, the City recognized pension expense of \$52,626,289 in the Miscellaneous Plan and \$17,762,072 in the Safety Plan. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Miscellaneous	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 36,094,715	\$ -
Changes of assumption	14,758,658	-
Difference between expected and actual experience	14,144,899	-
Net difference between projected and actual earnings on plan investments	25,832,922	-
Total	\$ 90,831,194	\$ -
	Safety	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 17,496,719	\$ -
Changes of assumption	8,416,549	-
Difference between expected and actual experience	8,605,557	(1,744,661)
Net difference between projected and actual earnings on plan investments	14,380,961	-
Total	48,899,786	(1,744,661)
Total Primary Government	\$ 139,730,980	\$ (1,744,661)

NOTE 13: PENSION PLANS (CONTINUED)

The amount of \$36,094,716 in the miscellaneous plan and \$17,496,719 in the safety plan reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year ended June 30:	Deferred Outflows		
	Miscellaneous	Safety	Total primary
2025	\$ 17,731,657	\$ 7,455,358	\$ 25,187,015
2026	14,767,156	6,148,292	20,915,448
2027	21,526,763	13,641,584	35,168,347
2028	710,903	2,413,172	3,124,075
	<u>\$ 54,736,479</u>	<u>\$ 29,658,406</u>	<u>\$ 84,394,885</u>

NOTE 14: OTHER POST EMPLOYMENT BENEFITS

Plan Description

The City provides medical benefits to substantially all retirees under the City of Roseville Retiree Healthcare Plan (Plan), a sole employer defined benefit healthcare plan administered by the Trust Investment Review Committee. The City is responsible for establishing and amending the funding policy of the Plan. The Plan financial statements can be obtained at www.roseville.ca.us or by contacting the City of Roseville Accounting Division at 311 Vernon Street, Roseville, California 95678.

Benefits Provided –The Plan provides medical, dental, and vision insurance benefits to eligible retirees and their dependents. Benefits are provided through a third-party insurer, and the full cost of the benefits is covered by the Plan. Benefit provisions are established and may be amended by City labor agreements, which are approved by the City Council.

Employees Covered By Benefit Terms – As of measurement date, the following employees were covered by the benefit terms:

	Number of Covered Participants
Active	889
Inactive employees or beneficiaries currently receiving benefits	106
Inactive employees entitled to, but not yet receiving benefits	1,492
Total	<u>2,487</u>

Contributions – The contribution requirements of plan members and the City are established and may be amended by the City Council. The City Council establishes rates based on an actuarially determined rate. For the year ended June 30, 2024, the City contributed \$12,510,667 to the Plan.

NOTE 14: OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

Net OPEB Liability

The City's net OPEB liability was measured as of June 30, 2024, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2023. The net OPEB liability and related deferred outflows/inflows of resources are liquidated by the fund that has recorded the liability. The long-term portion of governmental activities net OPEB liability is liquidated primarily by the General Fund.

Actuarial Assumptions – The total OPEB liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	June 30, 2023
Measurement Date	June 30, 2024
Contribution Policy	Pre-Funded with pay-go plus a percent of pay which varies by employee group
Discount Rate	6.25%
Expected Long-Term Rate of Return	5.75% - expected City contributions projected to keep sufficient plan assets to pay all benefits from trust
General Inflation	2.50%
Mortality, Retirement, Disability, Termination	CalPERS 1997-2015 Experience Study
Mortality Improvement	Mortality projected fully generational with Scale MP-2021
Salary Increases	Aggregate 2.75%
Medical Trend	Merit - CalPERS 1997-2015 Experience Study Non-Medicare - 7.90% for 2026, decreasing to an ultimate rate of 3.45% in 2076 Medicare - 6.28% for 2026, decreasing to an ultimate rate of 3.45% in 2076
Healthcare Participation	Tier 1: 100% Tier 2 & 3 RFF: 80% at 50% of cap to 100% at 100% of cap Tier 3 Non-RFF & Tier 4: 60%

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These geometric rates of return are net of administrative expenses.

Asset Class Component	Target Allocation	Expected Real Rate of Return
Global Equity	52%	4.65%
Private Equity	5%	7.09%
Fixed Income	33%	0.78%
Private Debt	5%	4.38%
Real Assets	5%	4.03%
	<u>100%</u>	
Assumed long-term rate of inflation		2.50%
Expected Long-Term Net Rate of Return, Rounded		5.75%

NOTE 14: OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

Discount rate – The discount rate used to measure the total OPEB liability was 6.25 percent. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Changes In Net OPEB Liability

	Total OPEB Liability (a)	Fiduciary Net Position	Net OPEB Liability
Balances as of June 30, 2023 (Measurement Date)	\$ 219,545,021	\$ 140,875,903	\$ 78,669,118
Changes for the year:			
Service cost	5,284,721	-	5,284,721
Interest on total pension liability	12,595,833	-	12,595,833
Differences between expected and actual experience	12,744,845	-	12,744,845
Changes in assumptions	(5,911,337)	-	(5,911,337)
Contribution - employer*	-	12,510,667	(12,510,667)
Net investment income	-	17,394,919	(17,394,919)
Benefit payments, including refunds of employee contributions	(11,543,549)	(11,543,549)	-
Administrative expenses	-	(59)	59
Net changes	13,170,513	18,361,978	(5,191,465)
Balances as of June 30, 2024 (Measurement Date)	\$ 232,715,534	\$ 159,237,881	\$ 73,477,653

* Contributions to the trust of \$12,510,667 plus \$9,348,549 cash benefit payments and \$2,195,000 implicit subsidy benefit

Sensitivity of the net OPEB liability to changes in the discount rate and healthcare cost trend rates – The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (4.75 percent) or 1 percentage point higher (6.75 percent) than the current discount rate:

	Discount Rate - 1% (5.25%)	Current Discount Rate (6.25%)	Discount Rate + 1% (7.25%)
Net OPEB Liability	\$ 103,902,742	\$ 73,477,653	\$ 48,366,021

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates – The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using healthcare cost trend rates, rather than the discount rate, that are 1 percentage point lower (5.5 percent decreasing to 2.75 percent) or 1 percentage point higher (7.5 percent decreasing to 4.75 percent) than the current healthcare cost trend rates:

	1% Decreasing (5.5% decreasing to 2.75%)	Current Healthcare Trend Rate (6.5% decreasing to 3.75%)	1% Increasing (7.5% decreasing to 4.75%)
Net OPEB Liability	\$ 52,167,889	\$ 73,477,653	\$ 94,633,493

OPEB plan fiduciary net position – Detailed information about the Plan's fiduciary net position is available in the separately issued City of Roseville Other Post-Employment Benefits Trust financial report.

NOTE 14: OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2024, the City recognized OPEB expense of \$77,277. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 11,089,670	\$ 19,309,387
Change of assumptions	3,668,555	17,842,519
Net difference between projected and actual earnings on pension plan investments	-	2,711,229
Total	<u>\$ 14,758,225</u>	<u>\$ 39,863,135</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:	Deferred Outflows/ (Inflows) of Resources
2025	\$ (7,633,951)
2026	(3,342,462)
2027	(7,511,128)
2028	(5,448,261)
2029	(2,677,802)
Thereafter	1,508,694
	<u>\$ (25,104,910)</u>

NOTE 15: POST EMPLOYMENT BENEFITS TRUST

Plan Description

Plan administration –The City of Roseville Retiree Healthcare Plan (Plan) is a single-employer defined benefit healthcare plan that is used to provide postemployment benefits other than pensions (OPEB), including medical, dental and vision insurance benefits to eligible retirees. Management of the plan is vested with the Trust Investment Review Committee (Committee). The Committee consists of eleven members appointed by the City Manager. It includes one member from each of the City's employee labor bargaining groups (5), four retirees, the City Human Resource Director, and the City Treasurer (Assistant City Manager/Chief Financial Officer).

The City has delegated authority of the OPEB trust to PFM Asset Management LLC (PFM), per the trust agreement. Upon signing the agreement, PFM has been deemed to have executed the Trust and during the term of this Agreement, PFM further agreed to serve as a discretionary trustee, with fiduciary oversight and authority over the operations and management of the Trust.

NOTE 15: POST EMPLOYMENT BENEFITS TRUST (CONTINUED)

Plan membership – At June 30, 2024, the Plan membership consisted of the following:

	Number of Covered Participants
Active	889
Inactive employees or beneficiaries currently receiving benefits	106
Inactive employees entitled to, but not yet receiving benefits	1,492
Total	<u>2,487</u>

Benefits Provided – The Plan provides medical, dental, and vision insurance benefits to eligible retirees and their dependents. Benefits are provided through a third-party insurer, and the full cost of the benefits is covered by the Plan. Benefit provisions are established and may be amended by City labor agreements, which are approved by the City Council.

Contributions – The contribution requirements of plan members and the City are established and may be amended by the City Council. The Council establishes rates based on an actuarially determined rate. For the year ended June 30, 2024, the City made contributions of \$12,510,667 plus \$9,348,549 cash benefit payments and \$2,195,000 implied subsidy benefit payments by the City. Plan members receiving benefits contributed \$0.

Investments Authorized for the Other Post-Employment Benefits Trust Fund

The authorized investments for the Other Post-Employment Benefits Trust (Trust) were established pursuant to the Trust Agreement. The City, as trustee, has elected to invest the Trust assets in up to six months of cash, cash equivalent and/or money market funds for near term Trust benefits and expenses. All remaining assets will be invested in longer-term securities and shall be diversified with the intent to minimize the risk of long-term investment losses. Consequently, the total portfolio will be constructed and maintained to provide diversification with regard to the concentration of holdings in individual issues, issuers, countries, governments or industries. To achieve the Trust's investment objectives and the best balance between risk and return for optimal diversification, assets will be invested in accordance with the targets for each asset class as follows to attempt to achieve a long-term average total annual rate of return that is equal to or greater than the Trust's actuarial discount rate as described above.

Asset Class Component	Target Allocation	Expected Real Rate of Return
Equities	52%	4.56%
Private Equity	5%	7.09%
Fixed Income	33%	0.78%
Private Debt	5%	4.38%
Real Assets	5%	4.03%
	<u>100%</u>	

Assumed long-term rate of inflation	2.50%
Expected Long-Term Net Rate of Return, Rounded	6.25%

Rate of return – For the year ended June 30, 2024, the annual money-weighted rate of return on investments, net of investment expense, was 12.08% percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

NOTE 15: POST EMPLOYMENT BENEFITS TRUST (CONTINUED)

Net OPEB Liability of The City

The components of the net OPEB liability of the City at June 30, 2024, were as follows:

Total OPEB Liability	\$ 232,715,534
Plan Fiduciary Net Position	159,237,881
City's Net OPEB Liability	<u>\$ 73,477,653</u>

Plan Fiduciary Net Position as a Percentage of the Total OPEB	68.4%
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Actuarial assumptions – The total OPEB liability was determined by an actuarial valuation as of June 30, 2023, using the following actuarial assumptions applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	June 30, 2023
Measurement Date	June 30, 2024
Contribution Policy	Pre-Funded with pay-go plus a percent of pay which varies by employee group
Discount Rate	6.25%
Expected Long-Term Rate of Return	5.75% - expected City contributions projected to keep sufficient plan assets to pay all benefits from trust
General Inflation	2.50%
Mortality, Retirement, Disability, Termination	CalPERS 2000-2019 Experience Study
Mortality Improvement	Mortality projected fully generational with Scale MP-2021
Salary Increases	Aggregate 2.75%
Medical Trend	Merit - CalPERS 2000-2019 Experience Study Non-Medicare - 7.90% for 2026, decreasing to an ultimate rate of 3.45% in 2076 Medicare - 6.28% for 2026, decreasing to an ultimate rate of 3.45% in 2076
Healthcare Participation	Tier 1: 100% Tier 2 & 3 RFF: 80% at 50% of cap to 100% at 100% of cap Tier 3 Non-RFF & Tier 4: 60%

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of June 30, 2024 (see the discussion of the Plan's investment policy).

NOTE 15: POST EMPLOYMENT BENEFITS TRUST (CONTINUED)

Sensitivity of the net OPEB liability to changes in the discount rate – The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (5.25 percent) or 1-percentage-point higher (7.25 percent) than the current discount rate:

	Discount Rate - 1% (5.25%)	Current Discount Rate (6.25%)	Discount Rate + 1% (7.25%)
Net OPEB Liability	\$ 103,902,742	\$ 73,477,653	\$ 48,366,021

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates – The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (5.50 percent decreasing to 2.75 percent) or 1-percentage-point higher (7.5 percent decreasing to 4.75 percent) than the current healthcare cost trend rates:

	1% Decreasing (5.5% decreasing to 2.75%)	Current Healthcare Trend Rate (6.5% decreasing to 3.75%)	1% Increasing (7.5% decreasing to 4.75%)
Net OPEB Liability	\$ 52,167,889	\$ 73,477,653	\$ 94,633,493

NOTE 16: RISK MANAGEMENT

The City manages risk of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters by participating in the public entity risk pools described below and by retaining certain risks.

Public entity risk pools are formally organized and separate entities established under the Joint Exercise of Powers Act of the State of California. As separate legal entities, those entities exercise full powers and authorities within the scope of the related Joint Powers Agreements including the preparation of annual budgets, accountability for all funds, the power to make and execute contracts and the right to sue and be sued. Each risk pool is governed by a board consisting of representatives from member agencies. Each board controls the operations of the respective risk pool, including selection of management and approval of operating budgets, independent of any influence by member agencies beyond their representation on that board. Obligations and liabilities of these risk pools are not the City's responsibility.

The contributions made to the risk pools below equal the ratio of the respective member payrolls to the total payrolls of all entities participating in the same layer of each program, in each program year. Actual surpluses or losses are shared according to a formula developed from overall loss costs and spread to member entities on a percentage basis after a retrospective rating.

A. Risk Coverage

General Liability, Property and Boiler and Machinery

The City is a member of the California Joint Powers Risk Management Authority (CJPRMA) which covers general liability claims, property, and boiler and machinery losses. Once the City's self-insured retention (SIR) is met, CJPRMA becomes responsible for payment of all claims up to the limit. Financial statements for the risk pool and more information may be obtained from CJPRMA, 3201 Doolan Road, Suite 285, Livermore, California 94551.

General Liability Coverage

The City has a SIR of \$1,000,000 per claim up to a \$40,000,000 limit. The City's premium was \$3,606,065.

NOTE 16: RISK MANAGEMENT (CONTINUED)

Property Coverage

CJPRMA has purchased commercial insurance against property damage, boiler and machinery claims. The City has a SIR of \$250,000 per claim up to a \$400,000,000 limit. The City's premium for coverage is \$1,386,466.

Roseville Energy Park Property Coverage

The City purchased commercial property insurance specifically to cover the Roseville Energy Park. The City has a SIR of \$250,000 per claim up to a \$200,000,000 limit. The City's premium for coverage is \$1,445,158.

Fiduciary Coverage

The City purchased fiduciary insurance specifically to cover the OPEB Trust. The SIR is \$25,000 per claim up to a \$3,000,000 limit. The City's premium for coverage is \$38,754.

Workers' Compensation

The City is also a member of the Local Agency Workers' Compensation Excess Joint Powers Authority (LAWCX), which covers workers' compensation claims up to \$5,000,000 and has excess coverage through CSAC-EIA up to the statutory limit. The City has a SIR of \$500,000 per claim. The total premium charged to the City was \$1,337,809.

Financial statements for the risk pool and more information may be obtained from LAWCX, 1750 Creekside Oaks Drive, Suite 200, Sacramento, California 95833.

B. Insurance Internal Service Funds

The Governmental Accounting Standards Board (GASB) requires municipalities to record their liability for uninsured claims and to reflect the current portion of this liability as an expense in their financial statements. As discussed above, the City has coverage for such claims, but it has retained the risk for the deductible or uninsured portion of these claims.

The change in the Workers' Compensation Internal Service Fund's claims liability, including claims incurred but not reported is based on an independent actuarial study prepared annually and was computed as follows for the years ended June 30:

	2024	2023
Claims liability, beginning of year	\$ 10,672,647	\$ 10,220,985
Current year claims	4,854,000	4,323,000
Change in prior year claims	1,906,241	259,163
Claims paid, current year claims	(391,144)	(636,495)
Claims paid, prior year claims	(3,941,243)	(3,494,006)
Claims liability, end of year	13,100,501	10,672,647
Current claims liabilities	<u>\$ 4,192,160</u>	<u>\$ 3,201,794</u>

NOTE 16: RISK MANAGEMENT (CONTINUED)

The City's liability for uninsured general liability claims, including claims incurred but not reported is reported in the General Liability Internal Service Fund. The liability is based on an independent actuarial study prepared annually and was computed as follows for the years ended June 30:

	2024	2023
Claims liability, beginning of year	\$ 4,776,215	\$ 2,887,386
Current year claims	1,672,000	1,373,000
Change in prior year claims	(600,187)	978,753
Claims paid, current year claims	(354,252)	(115,890)
Claims paid, prior year claims	(1,660,846)	(347,034)
Claims liability, end of year	3,832,930	4,776,215
Current claims liabilities	<u>\$ 1,090,853</u>	<u>\$ 1,671,675</u>

NOTE 17: NORTHERN CALIFORNIA POWER AGENCY (NCPA)

A. General

The City participates in joint ventures through Joint Powers Authorities (JPAs) established under the Joint Exercise of Powers Act of the State of California. As separate legal entities, these JPAs exercise full powers and authorities within the scope of the related Joint Powers Agreement, including the preparation of annual budgets, accountability for all funds, the power to make and execute contracts and the right to sue and be sued. Obligations and liabilities of the JPAs are not those of the City.

Each JPA is governed by a board consisting of representatives from each member agency. Each board controls the operations of its respective JPA, including selection of management and approval of operating budgets, independent of any influence by member agencies beyond their representation on the Board.

The City is a member of NCPA, a joint powers agency which operates under a joint powers agreement among fifteen public agencies. The purpose of NCPA is to use the combined strength of its members to purchase, generate, sell and interchange electric energy and capacity through the acquisition and use of electrical generation and transmission facilities, and to optimize the use of those facilities and the member's position in the industry. Each agency member has agreed to fund a pro rata share of certain assessments by NCPA and certain members have entered into take-or-pay power supply contracts with NCPA. While NCPA is governed by its members, none of its obligations are those of its members unless expressly assumed by them.

The City receives no income from NCPA, and does not participate in all of its projects. Further, NCPA does not measure or determine the City's equity in NCPA as a whole. NCPA reports only the City's share of its General Operating Reserve, comprised of cash and investments, and the City's share of those Projects in which the City is a participant. These amounts are reflected in the financial statements as Investment in NCPA Reserve.

During the year ended June 30, 2024, the City had expenses totaling \$7,425,716 from resource contracts and the sale of energy generated by NCPA.

NOTE 17: NORTHERN CALIFORNIA POWER AGENCY (NCPA) (CONTINUED)

The City’s interest in certain NCPA Projects and Reserve, as computed by NCPA using unaudited information, is set forth below:

	June 30, 2024
General operating reserve (including advances)	\$ 5,008,942
Associated member services (including advances)	100,313
Undivided equity interest, at cost, in certain NCPA power projects:	
Geothermal projects	762,998
Calveras hydroelectric project	490,690
Combustion turbine project no. 2	312,742
	<u>\$ 6,675,685</u>

The General Operating Reserve represents the City’s portion of funds which resulted from the settlement with third parties of issues with financial consequences and reconciliations of several prior years’ budgets for programs. It is recognized that all the funds credited to the City are linked to the collection of revenue from the City’s ratepayers, or to the settlement of disputes relating to electric power supply and that the money was collected from the City’s ratepayers to pay power bills. Additionally, the NCPA Commission identified and approved the funding of specific reserves for working capital, accumulated employees post-retirement medical benefits, and billed property taxes for the geothermal project. The Commission also identified a number of contingent liabilities that may or may not be realized, the cost of which in most cases is difficult to estimate at this time. One such contingent liability is the steam field depletion which will require funding to cover debt service and operational costs in excess of the expected value of the electric power. The General Operating Reserve is intended to minimize the number and amount of individual reserves needed for each project, protect NCPA’s financial condition and maintain its credit worthiness. These funds are available on demand, but the City has left them with NCPA as a reserve against these contingencies identified by NCPA

Members of NCPA may participate in an individual project of NCPA without obligation for any other project. Member assessments collected for one project may not be used to finance other projects of NCPA without the member’s permission.

B. Projects

Geothermal Projects

NCPA’s Geothermal Project has experienced a greater than originally anticipated decline in steam production from geothermal wells on its leasehold property. NCPA will continue to monitor the wells while pursuing alternatives for improving and extending reservoir performance, including supplemental water reinjection, plant equipment modifications, and changes in operating methodology. NCPA, along with other steam field operators, has observed a substantial increase in steam production in the vicinity of reinjection wells and is attempting to increase water reinjection at strategic locations. NCPA, together with other steam developers and the Lake County Sanitation District, has completed the construction of a wastewater pipeline project that greatly increased the amount of water available for reinjection.

NOTE 17: NORTHERN CALIFORNIA POWER AGENCY (NCPA) (CONTINUED)

Based on an internal assessment of the melded costs of power from the Geothermal Project and all other resources available to the members, NCPA believes its members will continue to be able to operate their electric utilities on a competitive basis, when compared to local investor-owned utility rates, while meeting all electric system obligations including those to NCPA. In March 2009, NCPA issued \$35,610,000 Geothermal Project Number 3 Revenue Bonds (2009 Series A). The proceeds were used to finance and operate the two NCPA 110 MW geothermal steam powered generating plants, Plant Number 1 and Plant Number 2. In 2012, NCPA issued \$12,910,000 Geothermal Project Number 3 Revenue Bonds to facilitate turbine upgrades (2012 Series A) for Plant Number 1. In 2016, NCPA refinanced a portion of the outstanding Geothermal Project Number 3 Revenue Bonds by the issuance of the \$17,530,000 Fixed Rate Geothermal Project Number 3 Revenue Bonds (2016 Refunding Series A). The City is obligated to pay its contractual share of 7.883% of the operating costs and debt service until it is fully satisfied, regardless of resulting cost or availability of energy. At June 30, 2024 the book value of this Project's plant, equipment and other assets was \$140,753,000 while its long-term debt totaled \$3,425,000 and other liabilities totaled \$127,654,794. The City's share of the Project's long-term debt amounted to \$269,993 at that date.

On October 28, 2004, NCPA approved a resolution to finance the expansion and remodeling of the NCPA main office building located in Roseville. The expansion is included as part of the Geothermal Projects funded by the bonds mentioned above. The City will recover its 7.883 percent share of the cost of the expansion which was \$204,958, with a 5 percent return on the investment over a ten year period. As of June 30, 2018 the City was paid in full.

Calaveras Hydroelectric Project

In July 1981, NCPA agreed with Calaveras County Water District to purchase the output of the North Fork Stanislaus River Hydroelectric Development Project and to finance its construction. Debt service payments to NCPA began in February 1990 when the project was declared substantially completed and power was delivered to the participants. Under its power purchase agreement with NCPA, the City is obligated to pay 12 percent of this Project's debt service and operating costs. In March 2018, NCPA refunded a portion of the outstanding Revenue Bonds with the \$70,215,000 2018 Hydroelectric Project Number One Revenue Bonds. The City's share of the 2018 bonds is 4.586 percent. In April 2019, NCPA refunded a portion of the outstanding Revenue Bonds with the \$39,250,000 2019 Hydroelectric Project Number One Revenue Bonds. In April 2022, NCPA refunded a portion of the outstanding Revenue Bonds with the \$132,310,000 2022 Hydroelectric Project Number One Revenue Bonds. As of June 30, 2024, the balance of 2019 Hydroelectric Project Number One Revenue Bonds was fully paid. At June 30, 2024 the book value of this Project's plant, equipment and other assets was \$222,953,000 while its long-term debt totaled \$174,117,786 and other liabilities totaled \$44,746,139. The City's share of the Project's long-term debt amounted to \$19,838,010 at that date.

Combustion Turbine Project No. 2 (Steam Injected Gas Turbine Project)

The City is a participant in a 49.8 megawatt Steam Injected Gas Turbine project which was built under turnkey contract near the City of Lodi and declared substantially complete on April 23, 1996. In October 1992, NCPA issued \$152,320,000 of Multiple Capital Facilities Revenue Bonds to finance this project. In January 2010, NCPA refinanced the outstanding Capital Facilities Revenue Bonds by the issuance of the \$55,120,000 Capital Facilities Revenue Bonds Series A (2010 Refunding Series A). In December 2019, NCPA refinanced the outstanding Capital Facilities Revenue Bonds by the issuance of the \$20,450,000 Capital Facilities Revenue Bonds Series A (2019 Refunding Series A). Under the NCPA power purchase agreement, the City is obligated to pay 36.50 percent of the debt service and operating costs for the Lodi unit.

The City's participation in procurement of natural gas for fuel for existing and new combustion turbine units was approved in 1993. Although there is currently no additional debt financing, the City and NCPA have committed to long-term payments for gas transmission pipeline capacity, and entered a purchase contract for natural gas. The City is obligated to pay 17.9218 percent of the natural gas purchase contract.

NOTE 17: NORTHERN CALIFORNIA POWER AGENCY (NCPA) (CONTINUED)

At June 30, 2024 the book value of this Project's plant, equipment and other assets was \$11,656,000, while its long-term debt totaled \$4,977,567 and other liabilities totaled \$5,821,605. The City's share of the Project's long-term debt amounted to \$1,816,812 at that date.

C. NCPA Financial Information

NCPA's financial statements can be obtained from NCPA, 651 Commerce Drive, Roseville, California 95678.

NOTE 18: SOUTH PLACER WASTEWATER AUTHORITY

The City is a member of the South Placer Wastewater Authority (SPWA), a joint powers agency which operates under a joint powers agreement among three public agencies, the City of Roseville, South Placer Municipal Utility District and Placer County. The purpose of SPWA is to provide for the planning, financing, acquisition, construction and operation of the Regional Wastewater Facilities. Under the terms of the amended and restated funding agreement, effective October 1, 2012, the City will own and operate the Regional Wastewater Facilities and the member agencies will share the operating costs of the Facilities after construction is complete. The Regional Wastewater Facilities include the Dry Creek Plant and the Pleasant Grove Plant.

Under the terms of the Reallocation and Repayment Agreement, effective October 1, 2012, the three agencies are responsible for the repayment of all the revenue bonds. The City's share of this obligation was 61.66 percent but with the second amendment to the funding agreement discussed below, the City's obligation is now 64.57 percent.

During the year ended June 30, 2024, the City paid \$17,343,258 to SPWA based on connection fees collected during the fiscal year.

The City records net investment in SPWA in the Wastewater Enterprise Fund and these changes are reflected in the Statement of Revenues, Expenses and Changes in Fund Net Position. The net investment in SPWA captures the City's portion of cash, investments, long term debt and other related items. The City's net investment in SPWA Reserves at June 30, 2024, was an asset of \$14,072,945, which includes the City's rate stabilization fund balance of \$120,996,609.

SPWA's financial statements can be obtained from the City of Roseville, 311 Vernon Street, Roseville, California, 95678.

NOTE 19: MUNICIPAL SOLID WASTE LANDFILL CLOSURE AND POST CLOSURE CARE COSTS

State and federal laws and regulations require the City to perform maintenance and monitoring functions at the Roseville sanitary landfill site, which is closed, for a period of not less than thirty years after the closure of the landfill. The City updated its liability for estimated future landfill post closure care costs in fiscal year 2024 based on new contracts to maintain compliance with state and local laws and regulations. The estimate may change due to factors such as inflation or deflation, new technology, or changes in applicable laws and regulations. As of June 30, 2024, the City's liability for estimated future landfill post closure care costs, reported in the Waste Services Operations Fund, is \$3,014,000.

NOTE 20: COMMITMENTS AND CONTINGENT LIABILITIES

A. NCPA, Transmission Agency of Northern California, and Western Area Power Administration

Under the terms of its NCPA joint venture agreement, the City is contingently liable for a portion of the bonded indebtedness issued by these agencies under take-or-pay or similar agreements, as discussed in Note 17. The City's estimated share of such debt outstanding at June 30, 2024, was \$21,924,815. Under certain circumstances, the City may also be responsible for a portion of the costs of operating these entities. Under certain circumstances, such as default or bankruptcy of other participants, the City may also be liable to pay a portion of the debt of these joint ventures on behalf of the other participants.

NOTE 20: COMMITMENTS AND CONTINGENT LIABILITIES (CONTINUED)

The City is a member of the Transmission Agency of Northern California (TANC), a joint powers agency. The City is entitled to 2.1119 percent of TANC's share of transfer capability in the California-Oregon Transmission Project (approximately 29.35MW). The City is responsible for a share of debt service on debt issued by TANC under a take-or-pay agreement, approximately \$350,000 annually through 2039. The City's estimated share of debt outstanding at June 30, 2024, was \$3,641,409.

In addition, the City has a long-term obligation to the United States Department of Energy, Western Area Power Administration, for 4.85333 percent of the output of the Central Valley Project, California. This contract, also known as the Western Base Resource, obligates the City to make payments on a take-or-pay basis through December 31, 2024. The City expects to pay approximately \$3.25 million annually for the term of this contract. The City receives approximately 155,000 MWh of energy per year under average hydro and storage conditions.

B. Federal and State Grant Programs

The City participates in Federal and State grant programs. These programs have been audited by the City's independent accountants in accordance with the provisions of the federal Single Audit Act as amended and applicable State requirements. No cost disallowances were proposed as a result of these audits; however, these programs are still subject to further examination by the grantors and the amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time. The City expects such amounts, if any, to be immaterial.

C. Litigation

The City is subject to litigation arising in the normal course of business. In the opinion of the City Attorney there is no pending litigation, other than disclosed above, which is likely to have a material adverse effect on the financial position of the City.

D. Encumbrances

The City uses an encumbrance system as an extension of normal budgetary accounting for governmental funds. Under this system, purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of applicable appropriations. Encumbrances outstanding at year-end are recorded as restricted, committed or assigned fund balance, depending on the classification of the resources to be used to liquidate the encumbrance, since they do not constitute expenditures or liabilities. Outstanding encumbrances at year-end may be re-appropriated for the following year. Unencumbered and unexpended appropriations lapse at year-end. Encumbrances outstanding as of June 30, 2024, by individual major funds and non-major funds in total were as follows:

Major Governmental Funds:	
General Fund	\$ 33,420,230
CFD Capital Project Fund	442,121
Non-Major Governmental Funds	66,591,807
Total Encumbrances	<u>\$ 100,454,158</u>

NOTE 20: COMMITMENTS AND CONTINGENT LIABILITIES (CONTINUED)

E. Other Commitments

The City had the following outstanding significant commitments at June 30, 2024:

Projects	Amount (in millions)
Purchase Contracts:	
Net Power Purchase Contracts	\$ 4.8
Net Natural Gas Forward Obligations	38.7
Renewable Power Purchase Obligations	7.6
Roseville Energy Park Long Term Service Agreement	26.4
SWAP Contracts:	
Forward Contract, Power	4.3
Forward Contract, Natural Gas	5.3
Projects:	
Dry Creek Greenway East Trail Phase 1	23.4
Roseville Parkway Extension	13.8
Electric - RPEAK CTs Upgrade	8.0
Aquifer Storage and Recovery Wells 13 Campus Oaks and 19 Misty Wood	13.5
Pleasant Grove Stormwater Retention Facility	7.9
Pleasant Grove Boulevard Widening Project	7.5
Purchase of Seven New Zero Emission Commuter Buses	7.0
Traffic Signal and Roadway Improvements for Citywide Sports Complex	6.2

NOTE 21: GAS SUPPLY ACQUISITIONS AND RESALE

The City operates certain electrical generating plants which provide power for sale to the public and needs reliable, economic supplies of natural gas to generate the needed electricity. In pursuit of that objective the City and its component unit, the former City of Roseville Redevelopment Agency formed the Roseville Natural Gas Financing Authority (Authority) for the purpose of acquiring, financing and supplying natural gas to the City.

Summarized below are various agreements entered into by the Authority to achieve its purpose.

A. Prepaid Gas Agreement

Pursuant to an Agreement for the Purchase and Sale of Natural Gas dated January 24, 2007, the Authority used a portion of the proceeds of its \$209,350,000 of Gas Revenue Bonds, Series 2007 (the Bonds) to prepay Merrill Lynch Commodities, Inc. (Gas Supplier) for a twenty year supply of natural gas. Commencing January 1, 2008, and continuing through December 31, 2027, the Gas Supplier is obligated to deliver daily contract quantities of natural gas on a firm basis to the designated delivery point. Daily contract quantities vary from month to month but not from year to year. This commitment totals 2,352,000 MMBtus (millions of British thermal units) per year or 47,040,000 MMBtus for the twenty year contract period. The Authority has recorded a Prepaid Natural Gas asset which is to be amortized as daily contract quantities are delivered.

NOTE 21: GAS SUPPLY ACQUISITIONS AND RESALE (CONTINUED)

The agreement provides for payments to be made by the Gas Supplier if it fails to deliver the daily contract quantities and may be terminated by the Authority in the event of non-performance by the Supplier. The Agreement will automatically terminate if there is a termination of the Commodity Swap (See Note 21 D) which is not due to default by the Authority or if there is an event of default under the swap agreement entered into by the Gas Supplier and a third party. Upon early termination, whether due to the above or due to any other optional termination event as defined in the agreement, the Gas Supplier is required to make a termination payment to the Authority that is expected to be sufficient, together with other available funds, to redeem the Bonds. The Gas Supplier's commitments under this agreement are guaranteed by its parent company, Merrill Lynch & Co. Inc. under a guarantee agreement with the Authority.

As of June 30, 2024, the book value of prepaid gas under this agreement amounted to \$61,251,875.

B. Funding Agreement

Under certain conditions specified in a Funding and Assignment Agreement dated January 24, 2007 between the Authority and Gas Supplier, the Gas Supplier has agreed to advance funds to the Trustee to pay debt service when due or to redeem bonds in the event of early termination. Advances are required under covered swap deficiencies and covered termination deficiencies and optional advances may also be made. Advances are repayable from by the responsible party causing the deficiency requiring an advance under this agreement. This agreement is coterminous with the Bonds. The Gas Supplier's commitment under this agreement is guaranteed by its parent company, Merrill Lynch & Co. Inc. under a guarantee agreement with the Authority.

There were no advances outstanding as of June 30, 2024.

C. Supply Agreement

Pursuant to a Natural Gas Supply Agreement dated February 1, 2007, the Authority has agreed to sell to the City a twenty-year supply of natural gas. This Supply Agreement is coterminous with and provides for the delivery of natural gas in quantities which are matched to the Prepaid Gas Agreement, discussed above. For each MMBtu delivered (sold) to the City, the Authority will receive a variable revenue stream based on a first of the month index for the delivery location. The Agreement terminates upon termination of the Prepaid Gas Agreement or upon the City's failure to make any required payment within two business days of the due date.

D. Commodity Swap Agreement

In order to have its gas price exposure consistent with prevailing market rates, the Authority entered into a natural gas Commodity Swap Agreement with JPMorgan Chase Bank (Counterparty). For the term of deliveries under the Prepaid Gas Agreement and the Supply Agreement, the Authority will pay an index price per MMBtu to the Counterparty, and the Counterparty will pay a fixed price to the Authority. The index price paid by the Authority is expected to approximate the price paid by the City under the Supply Agreement.

The monthly quantity and term of the Commodity Swap Agreement are matched to those of the Supply Agreement.

Detail of the commodity swap agreement is discussed in Note 11.

NOTE 22: REDEVELOPMENT AGENCY DISSOLUTION AND SUCCESSOR AGENCY ACTIVITIES

A. Redevelopment Dissolution

In an effort to balance its budget, the State of California adopted ABx1 26 on June 28, 2011, amended by AB1484 on June 27, 2012, which suspended all new redevelopment activities except for limited specified activities as of that date and dissolved redevelopment agencies on January 31, 2012.

The suspension provisions prohibited all redevelopment agencies from a wide range of activities, including incurring new indebtedness or obligations, entering into or modifying agreements or contracts, acquiring or disposing of real property, taking actions to adopt or amend redevelopment plans and other similar actions, except actions required by law or to carry out existing enforceable obligations, as defined in ABx1 26.

Effective January 31, 2012, the Redevelopment Agency was dissolved. Certain housing assets of the Redevelopment Agency were distributed to a Housing Successor; and all remaining Redevelopment Agency assets and liabilities were distributed to a Successor Agency.

Under the provisions of AB 1484, the City can elect to become the Housing Successor and retain the housing assets. The City elected to become the Housing Successor and on February 1, 2012, the housing assets were transferred to the City's Low and Moderate Income Housing Asset Special Revenue Fund. The activities of the Housing Successor are reported in the Low and Moderate Income Housing Assets Special Revenue Fund as the City has control of those assets, which may be used in accordance with the low and moderate income housing provisions of California Redevelopment Law.

The City also elected to become the Successor Agency and on February 1, 2012 the Redevelopment Agency's remaining assets were distributed to and liabilities were assumed by the Successor Agency.

The activities of the Successor Agency are reported in the Successor Agency to the Redevelopment Agency Private-Purpose Trust Fund as the activities are under the control of an Oversight Board. The City provides administrative services to the Successor Agency to wind down the affairs of the former Redevelopment Agency. With the dissolution of the Redevelopment Agency, pass-through payments to affected taxing entities become the responsibility of the County.

B. Cash and Investments

Cash and investments of the Successor Agency as of June 30, 2024, are included in the pooled cash and investments discussed in Note 2.

C. Long-Term Obligations

The Successor Agency assumed the long-term debt and loans of the Redevelopment Agency as of February 1, 2012. All of the long-term debt of the Successor Agency is comprised of Tax Allocation Bonds and loans issued by the Redevelopment Agency. The Bonds and Loans are special obligations of the Agency and are secured only by the Agency's tax increment revenues. Tax Allocation Bond and loan transactions were as follows:

CITY OF ROSEVILLE, CALIFORNIA
Notes to the Financial Statements
For the Year Ended June 30, 2024

NOTE 22: REDEVELOPMENT AGENCY DISSOLUTION AND SUCCESSOR AGENCY ACTIVITIES
(CONTINUED)

1. Debt Service Requirements

	Balance June 30, 2023	Additions	Reductions	Balance June 30, 2024	Current Portion
Tax Allocation Bonds:					
2014 Redevelopment Project Taxable Tax Allocation					
2.00% - 5.00%, due 9/1/33	\$ 6,890,000	\$ -	\$ 570,000	\$ 6,320,000	\$ 580,000
Add: bond premium	314,875	-	28,625	286,250	-
2016-T Redevelopment Project Taxable Tax Allocation					
1.02% - 4.066%, due 9/1/40	19,125,000	-	430,000	18,695,000	445,000
Total Tax Allocation Bonds	26,329,875	-	1,028,625	25,301,250	1,025,000
Loans from the City	12,798,103	-	1,256,748	11,541,355	1,653,285
Total	<u>\$ 39,127,978</u>	<u>\$ -</u>	<u>\$ 2,285,373</u>	<u>\$ 36,842,605</u>	<u>\$ 2,678,285</u>

Debt service requirements are shown below for all long-term debt except the advance made to the Successor Agency, because the ultimate repayment terms cannot be determined at this time as discussed in the Loans from the City section below.

For the Year Ending June 30	Principal	Interest
2025	\$ 1,025,000	\$ 914,176
2026	1,075,000	875,889
2027	1,115,000	835,194
2028	1,155,000	795,065
2029	1,185,000	757,602
2030-2034	6,840,000	3,125,058
2035-2039	8,655,000	1,688,122
2040-2044	3,965,000	162,742
Total	<u>\$ 25,015,000</u>	<u>\$ 9,153,848</u>

2. 2014 Roseville Redevelopment Project Tax Allocation Refunding Bonds

On September 9, 2014, the Roseville Successor Agency issued the Series 2014 Refunding Bonds, in the amount of \$10,740,000 for the purpose of refunding the 2002 Tax Allocation Bonds. The Bonds bear interest at rates ranging from 2.00 percent to 5.00 percent. Principal payments are due annually on September 1. Interest payments are due semi-annually on each September 1 and March 1, commencing on September 1, 2015 through September 1, 2033.

3. 2016-T Roseville Redevelopment Project Tax Allocation Bonds

On July 19, 2016, the Roseville Successor Agency issued the Series 2016-T Refunding Bonds, in the amount of \$21,520,000 for the purpose of refunding the 2006 Series A, 2006 Series A-T and 2006 Series H-T Tax Allocation Bonds. The Bonds bear interest at rates ranging from 1.021 percent to 4.066 percent. Principal payments are due annually on September 1. Interest payments are due semi-annually on each September 1 and March 1, commencing on September 1, 2017 through September 1, 2040.

CITY OF ROSEVILLE, CALIFORNIA
Notes to the Financial Statements
For the Year Ended June 30, 2024

NOTE 22: REDEVELOPMENT AGENCY DISSOLUTION AND SUCCESSOR AGENCY ACTIVITIES
(CONTINUED)

4. Loans from the City

Prior to July 1, 2011, the former Redevelopment Agency had received various advances from various City funds.

With the dissolution of the Agency effective February 1, 2012, the Successor Agency assumed the balance of the obligation to repay the advances and recorded a notes payable to the Low and Moderate Income Housing Asset Fund equal to twenty percent of the balance of the advances. The principal balance of the loans as of June 30, 2024, is \$11,541,355.

NOTE 23: RESTATEMENTS OF BEGINNING BALANCES

Correction of an Error in Previously Issued Financial Statements

Youth Development – During fiscal year 2024, the Child Care Program recognized a liability for overpayments from the Department of Social Services for the fiscal year 2021-2022 Child Care and Development apportionments. Therefore, state grant revenue was overstated by \$152,617 for the fiscal year ended June 30, 2022. As a result, ending June 30, 2023 net position has been restated.

Local Transportation – During fiscal year 2024, the City determined fiscal year 2023 local transportation revenues were overstated by \$93,527. Therefore, fund balance was overstated and unearned revenue was understated by this amount on June 30, 2023. As a result, ending June 30, 2023 net position has been restated.

External Traffic Mitigation - The City determined in fiscal year 2024 that its implementation of GASB Statement No. 84 in fiscal year 2021 for the External Traffic Mitigation Fees Fund should have resulted in a liability of \$13,454,022 for the amount due to beneficiaries. As a result, ending June 30, 2023 net position has been restated.

	Reporting Units Affected by Restatements of Beginning Balances			
	Funds			Government-wide
	Enterprise Funds		Custodial Fund	
	School-Age Child Care	Local Transportation	External Traffic Mitigation Fees	Business-type Activities
6/30/2023, as previously reported	\$ (1,860,207)	\$ 43,764,377	\$ 13,444,319	\$ (1,860,207)
Correction of an error				
School-Age Child Care overstated revenue	(152,617)	-	-	(152,617)
Transportation overstated revenue	-	(93,527)	-	(93,527)
External Traffic Mitigation Fees	-	-	-	-
understated due to beneficiaries	-	-	(13,454,022)	-
6/30/2024, as restated	<u>\$ (2,012,824)</u>	<u>\$ 43,670,850</u>	<u>\$ (9,703)</u>	<u>\$ (2,106,351)</u>

NOTE 24: SUBSEQUENT EVENTS

On November 1, 2024, the Electric Fund took title to two General Electric TM2500 combustion turbine generators (the "Units") from the California Department of Water Resources (CDWR). These Units, which were installed by CDWR at the Roseville Energy Park in 2021 to enhance grid reliability, were part of the State of California's response to projected energy supply challenges amid climate-driven emergencies. The net book value of these units and associated equipment was approximately \$71.6 million as of the transfer date. With immediate ownership, the Electric Fund anticipates leveraging the capacity and energy from the Units to benefit its customers, including reducing reliance on other generation sources during high-demand months.

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REQUIRED SUPPLEMENTARY INFORMATION

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CITY OF ROSEVILLE, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
General Fund
For the Year Ended June 30, 2024

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Taxes	\$ 184,032,000	\$ 184,032,000	\$ 184,056,908	\$ 24,908
Licenses and Permits	3,859,136	3,859,136	4,494,585	635,449
Subventions and grants	93,700	1,878,238	1,976,213	97,975
Charges for Services	23,036,405	20,371,272	23,447,313	3,076,041
Use of Money and Property	3,897,334	4,061,089	8,717,509	4,656,420
Fines, forfeitures and penalties	181,000	181,000	299,730	118,730
Contributions from developers and others	196,800	196,800	157,940	(38,860)
Miscellaneous revenues	1,274,643	1,519,976	1,769,420	249,444
Total revenues	216,571,018	216,099,511	224,919,618	8,820,107
EXPENDITURES				
Current:				
General government	31,778,076	30,974,693	23,078,621	7,896,072
Police	57,366,742	58,344,413	58,289,624	54,789
Fire	45,045,362	45,412,010	44,196,925	1,215,085
Economic development	913,156	915,697	874,710	40,987
Parks and recreation	29,439,336	29,553,501	28,052,935	1,500,566
Public works	11,249,400	11,264,833	9,135,621	2,129,212
Library	5,577,446	5,549,489	5,455,548	93,941
Development services	20,032,524	18,838,504	18,229,744	608,760
Annexation payment	11,625,000	11,625,000	11,755,506	(130,506)
Capital outlay	66,000,064	67,577,138	17,845,192	49,731,946
Debt service:				
Interest expense and fiscal charges	-	-	5,791	(5,791)
Total expenditures	279,027,106	280,055,278	216,920,217	63,135,061
Excess (deficiency) of revenues over (under) expenditures	(62,456,088)	(63,955,767)	7,999,401	71,955,168
OTHER FINANCING SOURCES (USES)				
Transfers in	19,895,150	20,877,953	17,498,894	(3,379,059)
Transfers out	(6,092,691)	(7,668,035)	(4,061,656)	3,606,379
Proceeds for sale of capital assets	-	-	9,077	9,077
Total other financing sources (uses)	13,802,459	13,209,918	13,446,315	236,397
Net change in fund balances	\$ (48,653,629)	\$ (50,745,849)	21,445,716	\$ 72,191,565
Fund balances-beginning			166,361,566	
Fund balances (deficit)-ending			\$ 187,807,282	

CITY OF ROSEVILLE, CALIFORNIA

Schedule of Changes in the City's Net Pension Liability and Related Ratios

Last Ten Years

Measurement Date	2015		2016	
	June 30, 2014		June 30, 2015	
	Miscellaneous	Safety	Miscellaneous	Safety
Total Pension Liability				
Service Cost	\$ 12,410,363	\$ 7,979,496	\$ 12,377,311	\$ 7,650,925
Interest on total pension liability	35,999,301	17,970,776	38,106,634	18,851,867
Differences between expected and actual experience	-	-	(1,796,891)	(4,348,535)
Changes in assumptions	-	-	(9,697,397)	(5,162,388)
Change in benefit terms	-	-	-	-
Benefit payments, including refunds of employee contributions	(18,188,166)	(9,003,224)	(19,339,004)	(9,908,333)
Net change in total pension liability	30,221,498	16,947,048	19,650,653	7,083,536
Total Pension Liability-beginning	482,879,572	240,122,220	513,101,070	257,069,269
Total Pension Liability-ending (a)	\$ 513,101,070	\$ 257,069,268	\$ 532,751,723	\$ 264,152,805
Plan Fiduciary Net Position				
Plan to plan resource movement	\$ -	\$ -	\$ 3,810	\$ (26,514)
Contributions-employer	14,691,280	8,482,557	15,901,790	9,010,440
Contributions-employee	5,879,856	2,321,899	5,785,312	2,299,042
Net investment income	51,318,939	26,953,304	7,885,768	4,110,266
Benefit payments	(18,188,166)	(9,003,224)	(19,339,004)	(9,908,333)
Administrative expenses	-	-	(401,772)	(210,832)
Other miscellaneous income/(expense)	-	-	-	-
Net change in plan fiduciary net position	53,701,909	28,754,536	9,835,904	5,274,069
Plan Fiduciary Net Position-beginning	293,249,174	153,271,540	346,951,083	182,026,076
Plan Fiduciary Net Position-ending (b)	\$ 346,951,083	\$ 182,026,076	\$ 356,786,987	\$ 187,300,145
Net pension liability-ending (a) - (b)	\$ 166,149,987	\$ 75,043,192	\$ 175,964,736	\$ 76,852,660
Plan fiduciary net position as a percentage of the total pension liability	67.62%	70.81%	66.97%	70.91%
Covered payroll	\$ 67,642,462	\$ 25,304,421	\$ 70,574,246	\$ 25,172,485
Net pension liability as a percentage of covered payroll	245.63%	296.56%	249.33%	305.30%

Notes to Schedule:

Benefit Changes: The figures above do not include any liability impact that may have resulted from plan changes which occurred after the Valuation Date. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Changes of Assumptions: None in 2023. In 2022, the discount rate was reduced from 7.15% to 6.90% None in 2019 - 2021. In 2018, demographic assumptions and inflation rates were changed in accordance with the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate. In 2017, the accounting discount rate reduced from 7.65 percent to 7.15 percent. In 2016, there were no changes. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense.) In 2014, amount reported were based on the 7.5 percent discount rate.

2017		2018		2019	
June 30, 2016		June 30, 2017		June 30, 2018	
Miscellaneous	Safety	Miscellaneous	Safety	Miscellaneous	Safety
\$ 12,872,902	\$ 7,764,644	\$ 14,861,538	\$ 9,405,915	\$ 15,197,311	\$ 8,932,221
40,468,522	20,340,470	42,476,046	21,361,661	44,939,359	22,591,319
316,698	3,415,651	(3,545,559)	(4,417,042)	8,065,105	5,319,784
-	-	36,462,156	19,842,134	(5,705,470)	(6,138,658)
-	-	-	-	-	-
(21,009,168)	(11,124,582)	(23,354,942)	(11,825,080)	(27,471,425)	(13,202,641)
32,648,954	20,396,183	66,899,239	34,367,588	35,024,880	17,502,025
532,751,723	264,152,805	565,400,677	284,548,988	632,299,916	318,916,576
\$ 565,400,677	\$ 284,548,988	\$ 632,299,916	\$ 318,916,576	\$ 667,324,796	\$ 336,418,601
\$ (386)	\$ -	\$ 7,316	\$ -	\$ (1,010)	\$ (530)
17,491,938	9,590,596	19,450,887	10,566,516	19,671,137	10,743,429
6,323,610	2,418,065	6,168,110	2,577,887	6,408,266	2,505,197
1,875,529	906,270	40,706,669	21,245,779	34,705,395	17,996,253
(21,009,168)	(11,124,582)	(23,354,942)	(11,825,080)	(27,471,425)	(13,202,641)
(217,443)	(114,150)	(533,363)	(279,011)	(629,069)	(329,205)
-	-	-	-	(1,194,613)	(625,166)
4,464,080	1,676,199	42,444,677	22,286,091	31,488,681	17,087,337
356,786,987	187,300,145	361,251,067	188,976,344	403,695,744	211,262,435
\$ 361,251,067	\$ 188,976,344	\$ 403,695,744	\$ 211,262,435	\$ 435,184,425	\$ 228,349,772
\$ 204,149,610	\$ 95,572,644	\$ 228,604,172	\$ 107,654,141	\$ 232,140,371	\$ 108,068,829
63.89%	66.41%	63.85%	66.24%	65.21%	67.88%
\$ 74,134,013	\$ 26,276,305	\$ 74,820,705	\$ 25,815,804	\$ 77,213,278	\$ 27,411,760
275.38%	363.72%	305.54%	417.01%	300.65%	394.24%

2020		2021		2022	
June 30, 2019		June 30, 2020		June 30, 2021	
Miscellaneous	Safety	Miscellaneous	Safety	Miscellaneous	Safety
\$ 14,927,042	\$ 9,116,368	\$ 14,943,938	\$ 9,042,832	\$ 15,491,153	\$ 9,468,729
47,819,167	23,857,020	50,429,001	25,312,431	53,007,373	26,769,989
9,146,285	(140,829)	5,475,145	2,619,056	4,497,247	2,340,001
-	-	-	-	-	-
-	-	-	-	-	-
(30,270,138)	(14,342,692)	(33,187,110)	(16,057,838)	(34,978,189)	(16,987,747)
41,622,356	18,489,867	37,660,974	20,916,481	38,017,584	21,590,972
667,324,796	336,418,601	708,947,152	354,908,468	746,608,126	375,824,949
\$ 708,947,152	\$ 354,908,468	\$ 746,608,126	\$ 375,824,949	\$ 784,625,710	\$ 397,415,921
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21,557,305	11,972,740	24,661,517	13,409,112	27,611,475	14,708,012
6,237,988	2,593,796	6,469,454	2,754,718	6,977,458	3,080,891
29,023,516	15,176,590	23,210,947	12,273,184	110,441,003	58,531,112
(30,270,138)	(14,342,692)	(33,187,110)	(16,057,838)	(34,978,189)	(16,987,747)
(310,557)	(162,955)	(650,494)	(343,399)	(481,417)	(255,352)
1,010	530	-	-	-	-
26,239,124	15,238,009	20,504,314	12,035,777	109,570,330	59,076,916
435,184,425	228,349,772	461,423,549	243,587,781	481,927,863	255,623,558
\$ 461,423,549	\$ 243,587,781	\$ 481,927,863	\$ 255,623,558	\$ 591,498,193	\$ 314,700,474
\$ 247,523,603	\$ 111,320,687	\$ 264,680,263	\$ 120,201,391	\$ 193,127,517	\$ 82,715,447
65.09%	68.63%	64.55%	68.02%	75.39%	79.19%
\$ 79,529,676	\$ 28,234,113	\$ 80,417,208	\$ 27,578,559	\$ 82,654,527	\$ 27,806,987
311.23%	394.28%	329.13%	435.85%	233.66%	297.46%

2023		2024	
June 30, 2022		June 30, 2023	
Miscellaneous	Safety	Miscellaneous	Safety
\$ 17,950,437	\$ 10,542,174	\$ 18,658,132	\$ 10,674,653
55,762,597	27,908,384	59,159,485	29,872,284
4,292,996	(2,818,119)	14,614,099	8,715,140
29,517,318	13,677,055	-	-
-	-	674,854	127,277
(38,515,340)	(18,153,244)	(41,735,837)	(19,640,548)
69,008,008	31,156,250	51,370,733	29,748,806
784,625,710	397,415,921	853,633,718	428,572,171
\$ 853,633,718	\$ 428,572,171	\$ 905,004,451	\$ 458,320,977
\$ -	\$ -	\$ -	\$ -
30,096,797	21,918,104	33,725,720	23,593,505
7,171,310	3,207,736	8,072,121	3,569,890
(45,091,960)	(24,502,839)	33,991,305	18,767,204
(38,515,340)	(18,153,244)	(41,735,837)	(19,640,548)
(368,468)	(196,040)	(400,613)	(218,381)
-	-	-	-
(46,707,661)	(17,726,283)	33,652,696	26,071,670
591,498,193	314,700,474	544,790,532	296,974,191
\$ 544,790,532	\$ 296,974,191	\$ 578,443,228	\$ 323,045,861
\$ 308,843,186	\$ 131,597,980	\$ 326,561,223	\$ 135,275,116
63.82%	69.29%	63.92%	70.48%
\$ 86,882,516	\$ 29,125,588	\$ 93,249,022	\$ 30,363,404
355.47%	451.83%	350.20%	445.52%

CITY OF ROSEVILLE, CALIFORNIA
Schedule of Contributions - Pensions
Last Ten Years

Valuation Date

Actuarial Determined Contribution

Contribution in relation to the Actuarially Determined Contribution

Contribution Deficiency (Excess)

Covered payroll

Contributions as a percentage of covered payroll

2015		2016	
June 30, 2013		June 30, 2014	
Miscellaneous	Safety	Miscellaneous	Safety
\$ 15,872,491	\$ 9,015,161	\$ 17,564,085	\$ 9,409,229
(15,872,491)	(9,015,161)	(17,564,085)	(9,409,229)
\$ -	\$ -	\$ -	\$ -
\$ 67,642,462	\$ 25,304,421	\$ 70,574,246	\$ 25,172,485
23.47%	35.63%	24.89%	37.38%

Notes to Schedule:

Methods and assumptions used to determine contribution rates:

Actuarial cost method
Amortization method

Entry age normal cost method

Level percentage of pay, a summary of the current policy is provided in the table below:

Driver	Source				
	(Gain)/Loss		Assumption/ Method Change	Benefit Change	Golden Handshake
	Investment	Non-investment			
Amortization Period	30 years	30 Years	20 Years	20 Years	5 Years
Escalation Rate					
- Active Plans	2.750%	2.750%	2.750%	2.750%	2.750%
- Inactive Plans	0%	0%	0%	0%	0%
Ramp Up	5	5	5	0	0
Ramp Down	5	5	5	0	0

Asset valuation method
Inflation
Salary increases
Payroll growth
Investment rate of return
Retirement age

Market Value

2.50%

Varies by Entry Age and Service

2.75%

7.00%, net of pension plan investment expenses, including inflation.

All other actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period from 1997 to 2015, including updates to salary increase, mortality and retirement rates. The Experience Study report may be accessed on the CalPERS website at www.calpers.ca.gov under Forms and Publications.

Mortality

The mortality table used was developed based on CalPERS' specific data. The table includes 15 years of mortality improvements using 90 percent of Society of Actuaries' Scale 2016. For more details on this table, please refer to the 2017 experience study report.

**Historical information is required only for measurement periods for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only nine years are shown.

2017		2018		2019	
June 30, 2015		June 30, 2016		June 30, 2017	
Miscellaneous	Safety	Miscellaneous	Safety	Miscellaneous	Safety
\$ 19,896,723	\$ 11,655,656	\$ 18,499,075	\$ 11,936,348	\$ 20,601,494	\$ 12,920,861
(19,896,723)	(11,655,656)	(18,499,075)	(11,936,348)	(20,601,494)	(12,920,861)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 74,820,705	\$ 25,815,804	\$ 79,210,839	\$ 27,559,890	\$ 81,801,133	\$ 26,701,606
26.59%	45.15%	23.35%	43.31%	25.18%	48.39%

2020		2021		2022	
June 30, 2018		June 30, 2019		June 30, 2020	
Miscellaneous	Safety	Miscellaneous	Safety	Miscellaneous	Safety
\$ 23,130,931	\$ 15,077,558	\$ 27,226,777	\$ 15,061,145	\$ 30,336,227	\$ 15,544,511
(23,130,931)	(15,077,558)	(27,226,777)	(15,061,145)	(30,336,227)	(15,544,511)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 80,417,208	\$ 27,578,559	\$ 82,654,527	\$ 27,806,987	\$ 86,882,516	\$ 29,125,588
28.76%	54.67%	32.94%	54.16%	34.92%	53.37%

2023		2024	
June 30, 2021		June 30, 2022	
Miscellaneous	Safety	Miscellaneous	Safety
\$ 33,473,482	\$ 17,136,360	\$ 36,094,716	\$ 17,496,719
(33,473,482)	(17,136,360)	(36,094,716)	(17,496,719)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 93,249,022	\$ 30,363,404	\$ 98,563,822	\$ 30,914,141
35.90%	56.44%	36.62%	56.60%

CITY OF ROSEVILLE, CALIFORNIA
Schedule of Changes in the City's Net OPEB Liability and Related Ratios
Last Ten Years**

	2018	2019	2020
Measurement Date	June 30, 2018	June 30, 2019	June 30, 2020
Total OPEB Liability			
Service cost	\$ 6,665,000	\$ 6,021,000	\$ 5,701,000
Interest on the total OPEB liability	15,256,000	14,291,000	14,961,000
Differences between expected and actual experiences	(29,958,000)	-	(17,999,000)
Changes in assumptions	11,123,000	-	(5,591,000)
Benefit payments, including refunds of employee contributions	(8,449,000)	(8,550,000)	(9,988,000)
Net change in total OPEB liability	(5,363,000)	11,762,000	(12,916,000)
Total OPEB liability - beginning	232,271,000	226,908,000	238,670,000
Total OPEB liability - ending (a)	226,908,000	238,670,000	225,754,000
Plan Fiduciary Net Position			
Contributions - employer	14,213,477	15,342,178	16,425,867
Miscellaneous revenue	-	69,429	-
Net investment income	5,902,312	7,122,750	5,318,871
Benefit payments	(8,449,000)	(8,550,000)	(9,988,000)
Administrative expenses	(210,775)	(144,591)	(34,934)
Net change in plan fiduciary net position	11,456,014	13,839,766	11,721,804
Plan fiduciary net position - beginning	72,663,626	84,119,640	97,959,406
Plan fiduciary net position - ending (b)	84,119,640	97,959,406	109,681,210
Net OPEB Liability/(Assets) - ending (a) - (b)	\$ 142,788,360	\$ 140,710,594	\$ 116,072,790
Plan fiduciary net position as a percentage of the total OPEB liability	37.07%	41.04%	48.58%
Covered-employee payroll	\$ 106,770,729	\$ 108,508,739	\$ 107,995,767
Net OPEB liability as a percentage of covered-employee payroll	133.73%	129.68%	107.48%

** Historical information is required only for the measurement periods for which GASB 75 is applicable. Fiscal Year 2018 was the first year of implementation. Future years' information will be displayed up to 10 years as information becomes available.

2021	2022	2023	2024
June 30, 2020	June 30, 2022	June 30, 2023	June 30, 2024
\$ 5,414,588	\$ 5,759,626	\$ 5,143,281	\$ 5,284,721
14,125,116	14,588,405	12,237,069	12,595,833
-	(21,544,252)	-	12,744,845
7,744,727	(17,673,776)	-	(5,911,337)
(10,333,464)	(10,649,042)	(11,021,257)	(11,543,549)
16,950,967	(29,519,039)	6,359,093	13,170,513
225,754,000	242,704,967	213,185,928	219,545,021
242,704,967	213,185,928	219,545,021	232,715,534
15,353,152	15,400,470	11,961,366	12,510,667
-	-	-	-
28,457,423	(18,288,503)	10,511,924	17,394,919
(10,333,464)	(10,649,042)	(11,021,257)	(11,543,549)
(81,197)	(75,790)	(40,390)	(58)
33,395,914	(13,612,865)	11,411,643	18,361,979
109,681,210	143,077,124	129,464,259	140,875,902
143,077,124	129,464,259	140,875,902	159,237,881
\$ 99,627,843	\$ 83,721,669	\$ 78,669,119	\$ 73,477,653
58.95%	60.73%	64.17%	68.43%
\$ 115,547,480	\$ 128,628,850	\$ 142,721,264	\$ 154,106,009
86.22%	65.09%	55.12%	47.68%

CITY OF ROSEVILLE, CALIFORNIA
Schedule of Contributions – OPEB
Last Ten Years**

	2018	2019	2020
Valuation Date	June 30, 2017	June 30, 2017	June 30, 2019
Actuarially Determined Contribution	\$ 15,132,000	\$ 15,342,000	\$ 13,739,000
Contribution in Relation to the Actuarially Determined Contributions	(14,213,000)	(15,226,000)	(16,485,000)
Contribution Deficiency (Excess)	<u>\$ 919,000</u>	<u>\$ 116,000</u>	<u>\$ (2,746,000)</u>
Covered-employee payroll	\$ 106,770,729	\$ 108,508,739	\$ 107,995,767
Contributions as a percentage of covered-employee payroll	13.31%	14.03%	15.26%

** Historical information is required only for the measurement periods for which GASB 75 is applicable. Fiscal Year 2018 was the first year of implementation. Future years' information will be displayed up to 10 years as information becomes available.

Notes to Schedule:

Methods and assumptions used to determine contributions:

Most Recent Valuation Date	June 30, 2023
Actuarial Cost Method	Entry Age Normal, level percent of payroll
Amortization Method	Level percent of pay
Asset Valuation Method	Investment gains and losses spread over 5 year rolling period
Inflation	2.50%
Salary Increase	Aggregate of 2.75%
Discount rate	5.75%
Mortality	Derived using CalPERS membership data

2021	2022	2023	2024
June 30, 2019	June 30, 2022	June 30, 2022	June 30, 2023
\$ 14,026,000	\$ 10,687,000	\$ 10,591,000	\$ 10,514,000
(15,353,152)	(15,400,470)	(11,961,366)	(12,510,667)
<u>\$ (1,327,152)</u>	<u>\$ (4,713,470)</u>	<u>\$ (1,370,366)</u>	<u>\$ (1,996,667)</u>
\$ 115,547,480	\$ 128,628,850	\$ 142,721,264	\$ 154,106,009
13.29%	11.97%	8.38%	8.12%

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MODIFIED APPROACH TO REPORTING STREET PAVEMENT COSTS

GASB Statement No. 34 allows the City to use the Modified Approach with respect to infrastructure assets instead of depreciating these assets. The Modified Approach may be used if two requirements are met:

- A. The City must have an asset management system (AMS) with certain features:
- It must maintain an up-to-date inventory of the infrastructure assets.
 - It must estimate the annual costs to maintain and preserve those assets at the condition level the City has established and disclosed through administrative or executive policy or legislative action.
 - The AMS must be used to assess the condition of the assets periodically, using a measurement scale.
 - The condition assessments must be replicable as those that are based on sufficiently understandable and complete measurement methods such that different measurers using the same methods would reach substantially similar results.
- B. The City must document that the roads are being preserved approximately at or above the condition level the City has established and disclosed. This documentation must include the results of the three most recent complete condition assessments and must provide reasonable assurance that the assets are being preserved approximately at or above the intended condition level.

Street Pavement

The City has elected to use the Modified Approach to report street pavement costs. The City uses a computerized Pavement Management System to track the condition levels of each of the street sections.

The condition of the pavement is based on a weighted average of seven distress factors found in pavement surfaces. The pavement management system uses a measurement scale that is based on a condition index ranging from zero for a failed pavement to 100 for pavement with perfect condition. The condition index is used to classify pavement in good or better condition (70-100), fair condition (55–69), and substandard condition (less than 55).

The City’s maintenance costs are budgeted to be \$16,192,769 in fiscal year 2025. The Pavement Quality Index (PQI) for the City’s street pavement for the last five years is as follows:

Fiscal Year	PQI		Maintenance Budget	Actual Maintenance
	Arterial/ Collector	Residential		
2020	70	66	\$ 5,265,978	\$ 10,948,940
2021	69	66	20,696,490	6,033,245
2022	66	63	18,035,155	13,658,427
2023	79	73	29,283,349	19,086,170
2024	75	68	17,176,924	12,791,606

The City’s policy based on current funding is to maintain arterial and collector roadways at an average Pavement Quality Index (PQI) of 72 and residential roadways at an average PQI of 65, based on a study conducted every three years. This rating allows for minor cracking and releveling of the pavement along with minor roughness that could be noticeable to drivers traveling at posted speed. The City expended \$12,791,606 for street preservation in fiscal year 2024.

NOTE 1: BUDGETING PROCEDURES

The City follows these procedures in establishing the budgetary data:

- A. The City Manager submits to the City Council a proposed budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing them.
- B. Public hearings are conducted to obtain taxpayer comments.
- C. The budget is legally enacted through the passage of minute order and ordinance.
- D. The City Manager or designee is authorized to apply prudent monitoring procedures to assure that actual expenditures/expenses of the City do not exceed the appropriations at the department level within each fund in conformance with the adopted policies set by the City Council. Capital Improvement Projects, including annual projects, may not exceed project budget by fund. Additional appropriations or interfund transfers not included in the annual budget ordinance require approval by the City Council.
- E. Expenditures may not legally exceed budgeted appropriations at the department by fund.
- F. A formal budgetary process is employed as a management control device during the year.
- G. Budgets are adopted for all governmental funds. Capital projects are budgeted on a project length basis and, therefore, are not comparable on an annual basis.

NOTE 2: ADJUSTMENTS TO GAAP BASIS FROM BUDGETARY BASIS

City budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) except that capital projects expenditures are budgeted on a project length basis rather than a fiscal year. The effects of these differences are shown as capital outlay in the budget and actual statements.

NOTE 3: ENCUMBRANCES

Under encumbrance accounting, purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation. Encumbrance accounting is employed as an extension of formal budgetary integration in all budgeted funds. Encumbrances outstanding at year end are reported as restricted, committed or assigned fund balances, as applicable, since they do not constitute expenditures or liabilities and are reappropriated in the following year. Unexpended appropriations lapse at year end and must be carried forward to be reappropriated in the following year.

NOTE 4: EXPENDITURES EXCEED APPROPRIATIONS

The following table shows the items in which actual expenditures exceed budgeted appropriations:

	Budgeted appropriations	Expenditures	Amount Exceeded
General Fund			
Annexation payment	\$ 11,625,000	\$ 11,755,506	\$ 130,506
Interest expense and fiscal charges	-	5,791	5,791

SUPPLEMENTARY INFORMATION

NON-MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Landscape and Lighting Districts and Services Districts Fund. To account for the collection of assessment revenue from property owners for the maintenance of surrounding park and landscaping improvements within the boundaries of each district.

State Gasoline Tax Fund. To account for revenue apportioned to the City from the State-collected gas tax revenues and spent for construction and maintenance of City streets.

Traffic Safety Fund. To account for the City's share of fines generated from violations of the State Motor Vehicle Code.

Trench Cut Recovery Fund. To account for the collection of fees charged by the City for cutting trenches in paved roadway and spent for maintaining the street if useful life is decreased.

Technology Replacement Fund. To account for the activities related to the City's permit system funded by a 3 percent technology fee on permits.

Open Space Fund. To account for the accumulation of funding for the maintenance of the City's bike trails and open spaces.

Tree Propagation Fund. To account for fees assessed on oak tree removal and expended on the continuation and preservation of tree planting within the City.

Grants Fund. To account for monies received from federal, state, and local grantors.

Housing Authority Housing Choice Voucher Fund. To account for monies received from the U.S. Department of Housing and Urban Development and expended for rental assistance to low-income households within the Roseville and Rocklin areas.

Affordable Housing Fund. To account for monies received from property whose land use was changed from residential to commercial and from affordable housing agreements. These monies are then used to fund other affordable housing projects.

Low/Mod Income Housing Asset Fund. To account for the activities related to the assets assumed by the City as Housing Successor to the housing activities of the former Redevelopment Agency of the City of Roseville.

Cable TV PEG Fund. To account for activity related to Public, Educational, and Governmental Access TV channels.

Police Evidence Fund. To account for confiscated property and evidence funds for the Police department.

Golf Fund. To account for all financial transactions relating to the development, operations, and maintenance of the City's public golf courses.

Roseville Aquatics Complex Maintenance Fund. A permanent fund established to account for contributions from the High School District. Only the interest earnings can be spent on helping maintain the Aquatics Complex.

Opioid Settlement Fund. To account for monies received from settlements with opioid manufacturers, distributors, and retailers for actions contributing to the current opioid epidemic. The monies must be spent on opioid remediation efforts as defined in the settlement agreement.

NON-MAJOR GOVERNMENTAL FUNDS (CONTINUED)

Capital Projects Funds

Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

Development Impact Fee Fund. To account for fees applied to new construction and expended for the development of public facilities for which it creates a need.

Traffic Mitigation Fund. To account for revenues and expenditures related to major roadways and related structures such as bridges or interchanges.

Al Johnson Wildlife Area Fund. To account for activity related to the maintenance of the Al Johnson Wildlife area.

Roadway Fund. To account for non-Gas Tax grants and other restricted revenues to construct and or maintain City streets.

General Fund Capital Projects Rehabilitation Fund. To account for the approved rehabilitation of existing City property funded by the General Fund.

RFA Capital Projects Fund. To account for specific public improvements such as streets, sewers, storm drains, sidewalks or other amenities funded by special assessments against benefited properties.

Debt Service Fund

Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

Roseville Finance Authority Fund. To account for the accumulation of resources from lease payments and the payment of long-term debt incurred by the Finance Authority.

Permanent Fund

Permanent funds are used to account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs—that is, for the benefit of the government or its citizenry.

Citizens Benefit Fund. A permanent fund established to account for the proceeds from the sale of a City owned hospital and interest earnings expended for improving the quality of life for the citizens of the City of Roseville.

CITY OF ROSEVILLE, CALIFORNIA
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2024

Special Revenue Funds				
	Landscape and Lighting Districts and Services Districts	State Gasoline Tax	Traffic Safety	Trench Cut Recovery
ASSETS				
Cash and investments	\$ 19,299,243	\$ 16,235,319	\$ 761,391	\$ 155,056
Receivables (net of allowance for uncollectible):				
Accounts	598,730	1,197,270	34,590	816
Due from other governments	-	-	-	-
Notes and loans	-	-	-	-
Developer permit fees	-	-	-	-
Due from other funds	-	-	-	-
Advances to other funds	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
Total assets	\$ 19,897,973	\$ 17,432,589	\$ 795,981	\$ 155,872
LIABILITIES				
Accounts payable	392,344	734,482	73,275	-
Accrued liabilities	-	26,734	-	-
Unearned revenues	34,241	-	-	-
Due to other governments	-	-	-	-
Due to other funds	-	-	-	-
Advances from other funds	-	-	-	-
Total liabilities	426,585	761,216	73,275	-
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	-	-	-	-
Total deferred inflows of resources	-	-	-	-
FUND BALANCES (DEFICITS)				
Non-spendable	-	-	-	-
Restricted	19,471,388	16,671,373	722,706	155,872
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances (deficits)	19,471,388	16,671,373	722,706	155,872
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 19,897,973	\$ 17,432,589	\$ 795,981	\$ 155,872

Special Revenue Funds				
	Technology Replacement	Open Space	Tree Propagation	Grants
ASSETS				
Cash and investments	\$ 3,177,043	\$ 777,185	\$ 2,251,051	\$ 10,504,339
Receivables (net of allowance for uncollectible):				
Accounts	11,352	3,323	15,882	7,322,110
Due from other governments	-	-	-	-
Notes and loans	-	-	-	11,703,257
Developer permit fees	-	-	-	-
Due from other funds	-	-	-	-
Advances to other funds	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
Total assets	\$ 3,188,395	\$ 780,508	\$ 2,266,933	\$ 29,529,706
LIABILITIES				
Accounts payable	2,251	3,190	101,360	2,005,324
Accrued liabilities	-	-	-	-
Unearned revenues	-	-	-	9,506,490
Due to other governments	-	-	-	-
Due to other funds	-	-	-	-
Advances from other funds	-	-	-	-
Total liabilities	2,251	3,190	101,360	11,511,814
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	-	-	-	13,360,773
Total deferred inflows of resources	-	-	-	13,360,773
FUND BALANCES (DEFICITS)				
Non-spendable	-	-	-	-
Restricted	3,186,144	777,318	2,165,573	4,657,119
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances (deficits)	3,186,144	777,318	2,165,573	4,657,119
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 3,188,395	\$ 780,508	\$ 2,266,933	\$ 29,529,706

CITY OF ROSEVILLE, CALIFORNIA
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2024

Special Revenue Funds				
	Housing Authority Housing Choice Voucher	Affordable Housing	Low/Mod Income Housing Asset	Cable TV Peg
ASSETS				
Cash and investments	\$ 823,623	\$ 2,897,734	\$ 1,756,037	\$ 2,360,383
Receivables (net of allowance for uncollectible):				
Accounts	120,067	1,365,525	2,358,488	440,915
Due from other governments	-	-	-	-
Notes and loans	-	26,857,409	13,925,412	-
Developer permit fees	-	-	-	-
Due from other funds	-	-	-	-
Advances to other funds	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
Total assets	\$ 943,690	\$ 31,120,668	\$ 18,039,937	\$ 2,801,298
LIABILITIES				
Accounts payable	14,303	-	248,884	445
Accrued liabilities	-	-	-	-
Unearned revenues	-	-	-	-
Due to other governments	94,097	-	-	-
Due to other funds	-	-	-	-
Advances from other funds	-	-	-	-
Total liabilities	108,400	-	248,884	445
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	-	28,194,433	13,166,538	-
Total deferred inflows of resources	-	28,194,433	13,166,538	-
FUND BALANCES (DEFICITS)				
Non-spendable	-	-	-	-
Restricted	835,290	2,926,235	4,624,515	2,800,853
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances (deficits)	835,290	2,926,235	4,624,515	2,800,853
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 943,690	\$ 31,120,668	\$ 18,039,937	\$ 2,801,298

Special Revenue Funds				
	Police Evidence	Golf	Roseville Aquatics Complex Maintenance	Opioid Settlement
ASSETS				
Cash and investments	\$ 418,665	\$ 1,373,134	\$ 271,781	\$ 630,674
Receivables (net of allowance for uncollectible):				
Accounts	1,482	655,352	1,674	658
Due from other governments	-	-	-	-
Notes and loans	-	-	-	-
Developer permit fees	-	-	-	-
Due from other funds	-	-	-	-
Advances to other funds	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
Total assets	\$ 420,147	\$ 2,028,486	\$ 273,455	\$ 631,332
LIABILITIES				
Accounts payable	2,124	160,618	18	-
Accrued liabilities	-	2,403,159	-	-
Unearned revenues	-	-	-	631,145
Due to other governments	-	-	-	-
Due to other funds	-	127,000	-	-
Advances from other funds	-	1,480,000	-	-
Total liabilities	2,124	4,170,777	18	631,145
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	-	-	-	-
Total deferred inflows of resources	-	-	-	-
FUND BALANCES (DEFICITS)				
Non-spendable	-	-	-	-
Restricted	418,023	-	273,437	187
Assigned	-	-	-	-
Unassigned	-	(2,142,291)	-	-
Total fund balances (deficits)	418,023	(2,142,291)	273,437	187
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 420,147	\$ 2,028,486	\$ 273,455	\$ 631,332

CITY OF ROSEVILLE, CALIFORNIA
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2024

	Capital Projects Funds			
	Development Impact	Traffic Mitigation	Al Johnson Wildlife Area	Roadway
ASSETS				
Cash and investments	\$ 111,921,133	\$ 50,331,151	\$ 1,456,548	\$ 668,691
Receivables (net of allowance for uncollectible):				
Accounts	7,028,176	204,841	6,187	2,878,570
Due from other governments	-	3,798,483	-	-
Notes and loans	43,838	361	-	-
Developer permit fees	8,211,593	4,654,604	-	-
Due from other funds	-	-	-	-
Advances to other funds	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
Total assets	\$ 127,204,740	\$ 58,989,440	\$ 1,462,735	\$ 3,547,261
LIABILITIES				
Accounts payable	2,067,411	7,785,761	-	-
Accrued liabilities	53,657	-	-	-
Unearned revenues	-	-	-	-
Due to other governments	326,660	-	-	126,406
Due to other funds	2,931,016	-	-	-
Advances from other funds	5,557,057	3,217,833	-	-
Total liabilities	10,935,801	11,003,594	-	126,406
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	6,561,763	3,798,483	-	-
Total deferred inflows of resources	6,561,763	3,798,483	-	-
FUND BALANCES (DEFICITS)				
Non-spendable	-	-	-	-
Restricted	109,707,176	44,187,363	1,462,735	3,420,855
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances (deficits)	109,707,176	44,187,363	1,462,735	3,420,855
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 127,204,740	\$ 58,989,440	\$ 1,462,735	\$ 3,547,261

	Capital Projects Funds		Debt Service Fund	Permanent Fund	
	General Fund Capital Projects	RFA Capital Projects	Roseville Finance Authority	Citizen Benefit	Total Nonmajor Funds
ASSETS					
Cash and investments	\$ 2,271,650	\$ 3,822,946	\$ -	\$ 14,842,454	\$ 249,007,231
Receivables (net of allowance for uncollectible):					
Accounts	186,122	3,010	4,842	54,995	24,494,977
Due from other governments	-	-	-	-	3,798,483
Notes and loans	-	-	-	-	52,530,277
Developer permit fees	-	-	-	-	12,866,197
Due from other funds	-	-	-	-	-
Advances to other funds	-	-	-	-	-
Restricted assets:					
Cash and investments with fiscal agents	-	1,665,653	-	-	1,665,653
Total assets	\$ 2,457,772	\$ 5,491,609	\$ 4,842	\$ 14,897,449	\$ 344,362,818
LIABILITIES					
Accounts payable	10,336	-	-	10,871	13,612,997
Accrued liabilities	-	-	-	-	2,483,550
Unearned revenues	-	-	-	-	10,171,876
Due to other governments	-	-	-	-	547,163
Due to other funds	-	-	113,704	-	3,171,720
Advances from other funds	-	-	-	-	10,254,890
Total liabilities	10,336	-	113,704	10,871	40,242,196
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues	-	-	-	-	65,081,990
Total deferred inflows of resources	-	-	-	-	65,081,990
FUND BALANCES (DEFICITS)					
Non-spendable	-	-	-	14,886,578	14,886,578
Restricted	-	5,491,609	-	-	223,955,771
Assigned	2,447,436	-	-	-	2,447,436
Unassigned	-	-	(108,862)	-	(2,251,153)
Total fund balances (deficits)	2,447,436	5,491,609	(108,862)	14,886,578	239,038,632
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 2,457,772	\$ 5,491,609	\$ 4,842	\$ 14,897,449	\$ 344,362,818

CITY OF ROSEVILLE, CALIFORNIA
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

	Special Revenue Funds			
	Landscape and Lighting Districts and Services Districts	State Gasoline Tax	Traffic Safety	Trench Cut Recovery
REVENUES				
Taxes	\$ 19,728,468	\$ -	\$ -	\$ -
Subventions and grants	151,487	4,744,627	150	-
Charges for services	-	-	-	-
Use of money and property	742,101	672,220	29,917	3,653
Fines, forfeitures and penalties	-	-	225,167	-
Contributions from developers and others	-	3,577,020	-	-
Miscellaneous revenues	39,487	-	-	-
Revenue from others	-	-	-	-
Total revenues	20,661,543	8,993,867	255,234	3,653
EXPENDITURES				
Current:				
General government	-	-	-	3
Police	-	-	135,013	-
Economic development	-	-	-	-
Parks and recreation	9,263,866	-	-	-
Public works	-	5,795,399	-	-
Development services	-	-	-	-
Housing assistance payments	-	-	-	-
Capital Outlay	268,712	883,108	70,090	-
Debt service:				
Principal Retirement	-	-	-	-
Interest Expense and Fiscal Charges	-	-	-	-
Total expenditures	9,532,578	6,678,507	205,103	3
Excess (deficiency) of revenues over (under) expenditures	11,128,965	2,315,360	50,131	3,650
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(9,008,576)	-	-	-
Total other financing sources (uses)	(9,008,576)	-	-	-
Net change in fund balances	2,120,389	2,315,360	50,131	3,650
Fund balances-beginning	17,350,999	14,356,013	672,575	152,222
Restatements - Change in reporting entity	-	-	-	-
Fund balances (deficit)-beginning	17,350,999	14,356,013	672,575	152,222
Fund balances (deficit)-ending	\$ 19,471,388	\$ 16,671,373	\$ 722,706	\$ 155,872

CITY OF ROSEVILLE, CALIFORNIA
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

(Continued)

	Special Revenue Funds			
	Technology Replacement	Open Space	Tree Propagation	Grants
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Subventions and grants	-	-	-	12,133,150
Charges for services	624,539	-	325,562	-
Use of money and property	145,052	42,380	101,244	748,514
Fines, forfeitures and penalties	-	-	-	-
Contributions from developers and others	-	-	-	-
Miscellaneous revenues	-	13,777	10,292	-
Revenue from others	-	-	-	48,574
Total revenues	769,591	56,157	437,098	12,930,238
EXPENDITURES				
Current:				
General government	-	-	-	695,636
Police	-	-	-	6,546,905
Economic development	-	-	-	-
Parks and recreation	-	765,763	312,678	-
Public works	505,562	-	-	40,087
Development services	227,036	-	-	2,056
Housing assistance payments	-	-	-	-
Capital Outlay	-	-	15,256	5,218,642
Debt service:				
Principal Retirement	-	-	-	-
Interest Expense and Fiscal Charges	-	-	-	-
Total expenditures	732,598	765,763	327,934	12,503,326
Excess (deficiency) of revenues over (under) expenditures	36,993	(709,606)	109,164	426,912
OTHER FINANCING SOURCES (USES)				
Transfers in	-	740,034	-	-
Transfers out	-	-	-	(135,000)
Total other financing sources (uses)	-	740,034	-	(135,000)
Net change in fund balances	36,993	30,428	109,164	291,912
Fund balances-beginning	3,149,151	746,890	2,056,409	4,365,207
Restatements - Change in reporting entity	-	-	-	-
Fund balances (deficit)-beginning	3,149,151	746,890	2,056,409	4,365,207
Fund balances (deficit)-ending	\$ 3,186,144	\$ 777,318	\$ 2,165,573	\$ 4,657,119

CITY OF ROSEVILLE, CALIFORNIA
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

	Special Revenue Funds			
	Housing Authority Housing Choice Voucher	Affordable Housing	Low/Mod Income Housing Asset	Cable TV Peg
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Subventions and grants	11,383,076	22,358	71,700	-
Charges for services	-	-	45,778	324,196
Use of money and property	923	195,709	102,855	114,077
Fines, forfeitures and penalties	-	-	-	-
Contributions from developers and others	-	-	-	-
Miscellaneous revenues	-	-	-	-
Revenue from others	-	-	-	-
Total revenues	11,383,999	218,067	220,333	438,273
EXPENDITURES				
Current:				
General government	-	-	-	63,172
Police	-	-	-	-
Economic development	1,526,844	-	913,698	-
Parks and recreation	-	-	-	-
Public works	-	-	-	-
Development services	-	2,714,287	-	-
Housing assistance payments	9,646,964	-	-	-
Capital Outlay	-	-	-	-
Debt service:				
Principal Retirement	-	-	-	-
Interest Expense and Fiscal Charges	-	-	-	-
Total expenditures	11,173,808	2,714,287	913,698	63,172
Excess (deficiency) of revenues over (under) expenditures	210,191	(2,496,220)	(693,365)	375,101
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	210,191	(2,496,220)	(693,365)	375,101
Fund balances-beginning	625,099	5,422,455	5,317,880	2,425,752
Restatements - Change in reporting entity	-	-	-	-
Fund balances (deficit)-beginning	625,099	5,422,455	5,317,880	2,425,752
Fund balances (deficit)-ending	\$ 835,290	\$ 2,926,235	\$ 4,624,515	\$ 2,800,853

CITY OF ROSEVILLE, CALIFORNIA
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

(Continued)

	Special Revenue Funds			
	Police Evidence	Golf	Roseville Aquatics Complex Maintenance	Opioid Settlement
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Subventions and grants	-	-	-	-
Charges for services	-	2,960,072	-	-
Use of money and property	16,867	31,258	13,958	199
Fines, forfeitures and penalties	-	-	-	-
Contributions from developers and others	-	-	-	-
Miscellaneous revenues	74,289	12,009	-	-
Revenue from others	-	-	-	-
Total revenues	91,156	3,003,339	13,958	199
EXPENDITURES				
Current:				
General government	-	-	-	12
Police	12,074	-	-	-
Economic development	-	-	-	-
Parks and recreation	-	2,968,936	104,476	-
Public works	-	-	-	-
Development services	-	-	-	-
Housing assistance payments	-	-	-	-
Capital Outlay	-	60,700	-	-
Debt service:				
Principal Retirement	-	-	-	-
Interest Expense and Fiscal Charges	-	32,042	-	-
Total expenditures	12,074	3,061,678	104,476	12
Excess (deficiency) of revenues over (under) expenditures	79,082	(58,339)	(90,518)	187
OTHER FINANCING SOURCES (USES)				
Transfers in	-	1,060,795	-	-
Transfers out	-	(479,193)	-	-
Total other financing sources (uses)	-	581,602	-	-
Net change in fund balances	79,082	523,263	(90,518)	187
Fund balances-beginning	338,941	(2,665,554)	363,955	-
Restatements - Change in reporting entity	-	-	-	-
Fund balances (deficit)-beginning	338,941	(2,665,554)	363,955	-
Fund balances (deficit)-ending	\$ 418,023	\$ (2,142,291)	\$ 273,437	\$ 187

CITY OF ROSEVILLE, CALIFORNIA
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

	Capital Projects Funds				
	Development Impact	Traffic Mitigation	Al Johnson Wildlife Area	Roadway	General Fund Capital Projects
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Subventions and grants	-	-	-	2,745,146	-
Charges for services	25,011,466	11,348,843	-	-	258,930
Use of money and property	5,102,649	2,262,241	123,797	24,109	103,581
Fines, forfeitures and penalties	-	-	-	-	-
Contributions from developers and others	-	146,007	-	-	-
Miscellaneous revenues	37,256	-	-	-	861
Revenue from others	57,915	398,531	-	-	250,000
Total revenues	30,209,286	14,155,622	123,797	2,769,255	613,372
EXPENDITURES					
Current:					
General government	3,530,977	127,301	34	-	-
Police	18,130	-	-	-	-
Economic development	-	-	-	-	-
Parks and recreation	2,614,808	73	-	-	725,428
Public works	167,947	1,229,243	-	29,860	-
Development services	28,430	-	-	-	-
Housing assistance payments	-	-	-	-	-
Capital Outlay	27,712,643	20,261,464	-	2,568,073	662,286
Debt service:					
Principal Retirement	-	-	-	-	-
Interest Expense and Fiscal Charges	205,901	49,372	-	-	-
Total expenditures	34,278,836	21,667,453	34	2,597,933	1,387,714
Excess (deficiency) of revenues over (under) expenditures	(4,069,550)	(7,511,831)	123,763	171,322	(774,342)
OTHER FINANCING SOURCES (USES)					
Transfers in	180,463	-	-	2,607,786	1,212,737
Transfers out	(109,233)	-	-	(1,200,000)	(11,325)
Total other financing sources (uses)	71,230	-	-	1,407,786	1,201,412
Net change in fund balances	(3,998,320)	(7,511,831)	123,763	1,579,108	427,070
Fund balances-beginning	113,705,496	51,699,194	1,338,972	1,841,747	2,020,366
Restatements - Change in reporting entity	-	-	-	-	-
Fund balances (deficit)-beginning	113,705,496	51,699,194	1,338,972	1,841,747	2,020,366
Fund balances (deficit)-ending	\$ 109,707,176	\$ 44,187,363	\$ 1,462,735	\$ 3,420,855	\$ 2,447,436

CITY OF ROSEVILLE, CALIFORNIA
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

(Continued)

	Capital Projects Funds		Debt Service Fund	Permanent Fund	
	<i>Formerly Nonmajor Fund</i>				
	RFA Capital Projects	Community Facilities Districts	Roseville Finance Authority	Citizen Benefit	Total Nonmajor Funds
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 19,728,468
Subventions and grants	-	-	-	-	31,251,694
Charges for services	-	-	-	-	40,899,386
Use of money and property	223,563	-	4,895	609,778	11,415,540
Fines, forfeitures and penalties	-	-	-	-	225,167
Contributions from developers and others	-	-	-	-	3,723,027
Miscellaneous revenues	-	-	-	11,876	199,847
Revenue from others	1,362,528	-	-	-	2,117,548
Total revenues	1,586,091	-	4,895	621,654	109,560,677
EXPENDITURES					
Current:					
General government	-	-	-	-	4,417,135
Police	-	-	-	-	6,712,122
Economic development	-	-	-	-	2,440,542
Parks and recreation	-	-	-	-	16,756,028
Public works	-	-	-	-	7,768,098
Development services	86	-	-	270,871	3,242,766
Housing assistance payments	-	-	-	-	9,646,964
Capital Outlay	52,067	-	-	-	57,773,041
Debt service:					
Principal Retirement	-	-	1,743,672	-	1,743,672
Interest Expense and Fiscal Charges	-	-	632,278	-	919,593
Total expenditures	52,153	-	2,375,950	270,871	111,419,961
Excess (deficiency) of revenues over (under) expenditures	1,533,938	-	(2,371,055)	350,783	(1,859,284)
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	2,372,246	-	8,174,061
Transfers out	-	-	-	-	(10,943,327)
Total other financing sources (uses)	-	-	2,372,246	-	(2,769,266)
Net change in fund balances	1,533,938	-	1,191	350,783	(4,628,550)
Fund balances-beginning	3,957,671	7,484,457	(110,053)	14,535,795	251,151,639
Restatements - Change in reporting entity	-	(7,484,457)	-	-	(7,484,457)
Fund balances (deficit)-beginning	3,957,671	-	(110,053)	14,535,795	243,667,182
Fund balances (deficit)-ending	\$ 5,491,609	\$ -	\$ (108,862)	\$ 14,886,578	\$ 239,038,632

CITY OF ROSEVILLE, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
Landscape and Lighting Districts and Service District
For the Year Ended June 30, 2024

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Taxes	\$ 21,915,202	\$ 20,308,988	\$ 19,728,468	\$ (580,520)
Subventions and grants	-	-	151,487	151,487
Use of Money and Property	179,279	179,279	742,101	562,822
Miscellaneous revenues	-	-	39,487	39,487
Total revenues	22,094,481	20,488,267	20,661,543	173,276
EXPENDITURES				
Current:				
Parks and recreation	10,596,539	10,785,403	9,263,866	1,521,537
Development services	-	-	-	-
Capital Outlay	658,466	578,412	268,712	309,700
Total expenditures	11,255,005	11,363,815	9,532,578	1,831,237
Excess (deficiency) of revenues over (under) expenditures	10,839,476	9,124,452	11,128,965	2,004,513
OTHER FINANCING SOURCES (USES)				
Transfers Out	(8,416,219)	(9,008,576)	(9,008,576)	-
Total other financing sources (uses)	(8,416,219)	(9,008,576)	(9,008,576)	-
Net change in fund balances	\$ 2,423,257	\$ 115,876	2,120,389	\$ 2,004,513
Fund balances (deficit)-beginning			17,350,999	
Fund balances (deficit)-ending			\$ 19,471,388	

CITY OF ROSEVILLE, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
State Gasoline Tax
For the Year Ended June 30, 2024

	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Subventions and grants	\$ 4,566,653	\$ 4,566,653	\$ 4,744,627	\$ 177,974
Use of Money and Property	103,326	103,326	672,220	568,894
Contribution Revenue	3,733,596	3,733,596	3,577,020	(156,576)
Total revenues	8,403,575	8,403,575	8,993,867	590,292
EXPENDITURES				
Current:				
Public works	6,708,248	6,604,563	5,795,399	809,164
Capital Outlay	10,408,816	13,088,537	883,108	12,205,429
Total expenditures	17,117,064	19,693,100	6,678,507	13,014,593
Net change in fund balances	<u>\$ (8,713,489)</u>	<u>\$ (11,289,525)</u>	2,315,360	<u>\$ 13,604,885</u>
Fund balances (deficit)-beginning			<u>14,356,013</u>	
Fund balances (deficit)-ending			<u>\$ 16,671,373</u>	

CITY OF ROSEVILLE, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
Traffic Safety
For the Year Ended June 30, 2024

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Subventions and grants	\$ -	\$ -	\$ 150	\$ 150
Use of Money and Property	8,577	8,577	29,917	21,340
Fines, forfeitures and penalties	206,000	206,000	225,167	19,167
Total revenues	214,577	214,577	255,234	40,657
EXPENDITURES				
Current:				
Police	135,761	135,761	135,013	748
Public Works	220,000	220,000	-	220,000
Capital Outlay	74,651	99,151	70,090	29,061
Total expenditures	430,412	454,912	205,103	249,809
Net change in fund balances	\$ (215,835)	\$ (240,335)	50,131	\$ 290,466
Fund balances (deficit)-beginning			672,575	
Fund balances (deficit)-ending			\$ 722,706	

CITY OF ROSEVILLE, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
Trench Cut Recovery
For the Year Ended June 30, 2024

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Charges for Services	\$ 500	\$ 500	\$ -	\$ (500)
Use of Money and Property	1,826	1,826	3,653	1,827
Total revenues	2,326	2,326	3,653	1,327
EXPENDITURES				
Current:				
General government	-	-	3	(3)
Total expenditures	-	-	3	(3)
Net change in fund balances	\$ 2,326	\$ 2,326	3,650	\$ 1,324
Fund balances (deficit)-beginning			152,222	
Fund balances (deficit)-ending			\$ 155,872	

CITY OF ROSEVILLE, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
Technology Replacement
For the Year Ended June 30, 2024

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Charges for Services	\$ 600,000	\$ 600,000	\$ 624,539	\$ 24,539
Use of Money and Property	32,969	32,969	145,052	112,083
Total revenues	632,969	632,969	769,591	136,622
EXPENDITURES				
Current:				
Development services	637,269	637,269	227,036	410,233
Public works	-	895,596	505,562	390,034
Total expenditures	637,269	1,532,865	732,598	800,267
Net change in fund balances	\$ (4,300)	\$ (899,896)	36,993	\$ 936,889
Fund balances (deficit)-beginning			3,149,151	
Fund balances (deficit)-ending			\$ 3,186,144	

CITY OF ROSEVILLE, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
Open Space
For the Year Ended June 30, 2024

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Use of Money and Property	\$ 10,938	\$ 10,938	\$ 42,380	\$ 31,442
Miscellaneous revenues	13,777	13,777	13,777	-
Total revenues	24,715	24,715	56,157	31,442
EXPENDITURES				
Current:				
Parks and recreation	815,142	840,142	765,763	74,379
Total expenditures	815,142	840,142	765,763	74,379
Excess (deficiency) of revenues over (under) expenditures	(790,427)	(815,427)	(709,606)	105,821
OTHER FINANCING SOURCES (USES)				
Transfers In	740,034	740,034	740,034	-
Total other financing sources (uses)	740,034	740,034	740,034	-
Net change in fund balances	\$ (50,393)	\$ (75,393)	30,428	\$ 105,821
Fund balances (deficit)-beginning			746,890	
Fund balances (deficit)-ending			\$ 777,318	

CITY OF ROSEVILLE, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
Tree Propagation
For the Year Ended June 30, 2024

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Charges for Services	\$ 10,000	\$ 295,914	\$ 325,562	\$ 29,648
Use of Money and Property	22,942	22,942	101,244	78,302
Miscellaneous revenues	-	-	10,292	10,292
Total revenues	32,942	318,856	437,098	118,242
EXPENDITURES				
Current:				
Parks and recreation	354,079	456,404	312,678	143,726
Capital Outlay	-	-	15,256	(15,256)
Total expenditures	354,079	456,404	327,934	128,470
Net change in fund balances	\$ (321,137)	\$ (137,548)	109,164	\$ 246,712
Fund balances (deficit)-beginning			2,056,409	
Fund balances (deficit)-ending			\$ 2,165,573	

CITY OF ROSEVILLE, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
Grants
For the Year Ended June 30, 2024

	Original	Final	Actual Amounts	Variance with Final Budget Positive Negative
REVENUES				
Subventions and grants	\$ 7,619,893	\$ 18,406,868	\$ 12,133,150	\$ (6,273,718)
Use of Money and Property	41,118	41,118	748,514	707,396
Revenue from others	30,000	30,000	48,574	18,574
Total revenues	7,691,011	18,477,986	12,930,238	(5,547,748)
EXPENDITURES				
Current:				
General government	2,365,517	2,963,970	695,636	2,268,334
Police	1,803,505	3,294,299	6,546,905	(3,252,606)
Public works	-	30,000	40,087	(10,087)
Development services	-	9,439	2,056	7,383
Capital Outlay	15,311,152	14,444,190	5,218,642	9,225,548
Total expenditures	19,480,174	20,741,898	12,503,326	8,238,572
Excess (deficiency) of revenues over (under) expenditures	(11,789,163)	(2,263,912)	426,912	2,690,824
OTHER FINANCING SOURCES (USES)				
Transfers Out	(135,000)	(135,000)	(135,000)	-
Total other financing sources (uses)	(135,000)	(135,000)	(135,000)	-
Net change in fund balances	\$ (11,924,163)	\$ (2,398,912)	291,912	\$ 2,690,824
Fund balances (deficit)-beginning			4,365,207	
Fund balances (deficit)-ending			\$ 4,657,119	

CITY OF ROSEVILLE, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
Housing Authority Housing Choice Voucher
For the Year Ended June 30, 2024

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Subventions and grants	\$ 9,265,108	\$ 9,365,108	\$ 11,383,076	\$ 2,017,968
Use of Money and Property	14,691	14,691	923	(13,768)
Total revenues	9,279,799	9,379,799	11,383,999	2,004,200
EXPENDITURES				
Current:				
Economic development	1,333,428	1,433,428	1,526,844	(93,416)
Housing assistance payments	7,831,919	7,831,919	9,646,964	(1,815,045)
Total expenditures	9,165,347	9,265,347	11,173,808	(1,908,461)
Net change in fund balances	\$ 114,452	\$ 114,452	210,191	\$ 95,739
Fund balances (deficit)-beginning			625,099	
Fund balances (deficit)-ending			\$ 835,290	

CITY OF ROSEVILLE, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
Affordable Housing
For the Year Ended June 30, 2024

	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Subventions and grants	\$ 250,000	\$ 250,000	\$ 22,358	\$ (227,642)
Use of Money and Property	77,226	77,226	195,709	118,483
Total revenues	<u>327,226</u>	<u>327,226</u>	<u>218,067</u>	<u>(109,159)</u>
EXPENDITURES				
Current:				
Development services	1,268,145	2,430,020	2,714,287	(284,267)
Capital Outlay	1,556,238	1,556,238	-	1,556,238
Total expenditures	<u>2,824,383</u>	<u>3,986,258</u>	<u>2,714,287</u>	<u>1,271,971</u>
Net change in fund balances	<u>\$ (2,497,157)</u>	<u>\$ (3,659,032)</u>	<u>(2,496,220)</u>	<u>\$ 1,162,812</u>
Fund balances (deficit)-beginning			<u>5,422,455</u>	
Fund balances (deficit)-ending			<u><u>\$ 2,926,235</u></u>	

CITY OF ROSEVILLE, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
Low/Mod Income Housing Asset
For the Year Ended June 30, 2024

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Subventions and grants	\$ 325,000	\$ 325,000	\$ 71,700	\$ (253,300)
Charges for Services	40,000	40,000	45,778	5,778
Use of Money and Property	48,916	48,916	102,855	53,939
Total revenues	413,916	413,916	220,333	(193,583)
EXPENDITURES				
Current:				
Economic development	1,323,346	1,323,346	913,698	409,648
Capital Outlay	278,300	278,300	-	278,300
Total expenditures	1,601,646	1,601,646	913,698	687,948
Excess (deficiency) of revenues over (under) expenditures	(1,187,730)	(1,187,730)	(693,365)	494,365
OTHER FINANCING SOURCES (USES)				
Transfers In	252,532	252,532	-	(252,532)
Total other financing sources (uses)	252,532	252,532	-	(252,532)
Net change in fund balances	\$ (935,198)	\$ (935,198)	(693,365)	\$ 241,833
Fund balances (deficit)-beginning			5,317,880	
Fund balances (deficit)-ending			\$ 4,624,515	

CITY OF ROSEVILLE, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
Cable TV Peg
For the Year Ended June 30, 2024

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Charges for Services	\$ 322,700	\$ 322,700	\$ 324,196	\$ 1,496
Use of Money and Property	24,672	24,672	114,077	89,405
Total revenues	347,372	347,372	438,273	90,901
EXPENDITURES				
Current:				
General government	165,950	165,950	63,172	102,778
Total expenditures	165,950	165,950	63,172	102,778
Net change in fund balances	\$ 181,422	\$ 181,422	375,101	\$ 193,679
Fund balances (deficit)-beginning			2,425,752	
Fund balances (deficit)-ending			\$ 2,800,853	

CITY OF ROSEVILLE, CALIFORNIA

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual

Police Evidence

For the Year Ended June 30, 2024

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Use of Money and Property	\$ 3,795	\$ 3,795	\$ 16,867	\$ 13,072
Miscellaneous revenues	40,000	40,000	74,289	34,289
Total revenues	43,795	43,795	91,156	47,361
EXPENDITURES				
Current:				
Police	23,000	23,000	12,074	10,926
Total expenditures	23,000	23,000	12,074	10,926
Net change in fund balances	\$ 20,795	\$ 20,795	79,082	\$ 58,287
Fund balances (deficit)-beginning			338,941	
Fund balances (deficit)-ending			\$ 418,023	

CITY OF ROSEVILLE, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
Golf
For the Year Ended June 30, 2024

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Charges for Services	\$ 2,800,000	\$ 2,800,000	\$ 2,960,072	\$ 160,072
Use of Money and Property	12,598	12,598	31,258	18,660
Miscellaneous revenues	-	-	12,009	12,009
Total revenues	2,812,598	2,812,598	3,003,339	190,741
EXPENDITURES				
Current:				
Parks and recreations	3,185,413	3,341,481	2,968,936	372,545
Capital Outlay	1,449,864	1,449,864	60,700	1,389,164
Debt service:				
Interest Expense and Fiscal Charges	-	-	32,042	(32,042)
Total expenditures	4,635,277	4,791,345	3,061,678	1,729,667
Excess (deficiency) of revenues over (under) expenditures	(1,822,679)	(1,978,747)	(58,339)	1,920,408
OTHER FINANCING SOURCES (USES)				
Transfers In	670,349	1,060,795	1,060,795	-
Transfers Out	(606,235)	(606,235)	(479,193)	127,042
Total other financing sources (uses)	64,114	454,560	581,602	127,042
Net change in fund balances	\$ (1,758,565)	\$ (1,524,187)	523,263	\$ 2,047,450
Fund balances (deficit)-beginning			(2,665,554)	
Fund balances (deficit)-ending			\$ (2,142,291)	

CITY OF ROSEVILLE, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
Roseville Aquatics Complex Maintenance
For the Year Ended June 30, 2024

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Use of Money and Property	\$ 12,000	\$ 12,000	\$ 13,958	\$ 1,958
Total revenues	12,000	12,000	13,958	1,958
EXPENDITURES				
Current:				
Parks and recreation	60,000	60,000	104,476	(44,476)
Total expenditures	60,000	60,000	104,476	(44,476)
Net change in fund balances	\$ (48,000)	\$ (48,000)	(90,518)	\$ (42,518)
Fund balances (deficit)-beginning			363,955	
Fund balances (deficit)-ending			\$ 273,437	

CITY OF ROSEVILLE, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
Roseville Finance Authority
For the Year Ended June 30, 2024

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Use of Money and Property	\$ -	\$ -	\$ 4,895	\$ 4,895
Total revenues	<u>-</u>	<u>-</u>	<u>4,895</u>	<u>4,895</u>
EXPENDITURES				
Debt service:				
Principal Retirement	1,743,672	1,743,672	1,743,672	-
Interest Expense and Fiscal Charges	614,675	614,675	632,278	(17,603)
Total expenditures	<u>2,358,347</u>	<u>2,358,347</u>	<u>2,375,950</u>	<u>(17,603)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,358,347)</u>	<u>(2,358,347)</u>	<u>(2,371,055)</u>	<u>(12,708)</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	2,370,449	2,370,449	2,372,246	1,797
Total other financing sources (uses)	<u>2,370,449</u>	<u>2,370,449</u>	<u>2,372,246</u>	<u>1,797</u>
Net change in fund balances	<u>\$ 12,102</u>	<u>\$ 12,102</u>	<u>1,191</u>	<u>\$ (10,911)</u>
Fund balances (deficit)-beginning			(110,053)	
Fund balances (deficit)-ending			<u>\$ (108,862)</u>	

CITY OF ROSEVILLE, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
Citizen Benefit
For the Year Ended June 30, 2024

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Use of Money and Property	\$ 322,159	\$ 322,159	\$ 609,778	\$ 287,619
Miscellaneous revenues	2,000	2,000	11,876	9,876
Total revenues	324,159	324,159	621,654	297,495
EXPENDITURES				
Current:				
Development services	252,145	281,593	270,871	10,722
Total expenditures	252,145	281,593	270,871	10,722
Net change in fund balances	\$ 72,014	\$ 42,566	350,783	\$ 308,217
Fund balances (deficit)-beginning			14,535,795	
Fund balances (deficit)-ending			\$ 14,886,578	

NON-MAJOR ENTERPRISE FUNDS

Local Transportation Fund

This fund accounts for the activities associated with the operations and maintenance of the City's public transit activities and has particular emphasis on serving the elderly and the handicapped.

School-Age Child Care Fund

The fund accounts for the receipt of parent fees and State grants used to finance child development programs.

CITY OF ROSEVILLE, CALIFORNIA
Combining Statement of Net Position
Other Enterprise Funds
June 30, 2024

	Local Transportation	School-Age Child Care	Total Other Enterprise Funds
ASSETS			
Current assets:			
Cash and investments	\$ 12,503,926	\$ 1,060,638	\$ 13,564,564
Receivables (net of uncollectibles):			
Accounts	6,278,800	147,544	6,426,344
Prepaid costs	1,027,355	-	1,027,355
Total current assets	19,810,081	1,208,182	21,018,263
Noncurrent:			
Capital assets not being depreciated	28,997,069	532,198	29,529,267
Capital assets - net of accumulated depreciation/amortization	25,731,510	2,839,536	28,571,046
Total noncurrent assets	54,728,579	3,371,734	58,100,313
Total assets	74,538,660	4,579,916	79,118,576
DEFERRED OUTFLOWS OF RESOURCES			
Deferred pension related items	1,013,134	2,468,104	3,481,238
Deferred OPEB related items	115,000	343,000	458,000
Total deferred outflows of resources	1,128,134	2,811,104	3,939,238
LIABILITIES			
Current liabilities:			
Accounts payable	2,812,273	123,651	2,935,924
Accrued liabilities	66,875	207,332	274,207
Unearned revenues	14,743,966	157,524	14,901,490
Due to other funds	-	55,000	55,000
Subscriptions	265	-	265
Accrued compensated absences	132,364	161,913	294,277
Total current liabilities	17,755,743	705,420	18,461,163
Noncurrent liabilities:			
Advances from other funds	-	2,000,000	2,000,000
Accrued compensated absences	160,093	139,195	299,288
Subscriptions	283	-	283
Pension liability	3,642,474	8,873,460	12,515,934
Net OPEB liability	743,000	2,763,000	3,506,000
Total noncurrent liabilities	4,545,850	13,775,655	18,321,505
Total liabilities	22,301,593	14,481,075	36,782,668
DEFERRED INFLOWS OF RESOURCES			
Deferred OPEB related items	309,000	910,000	1,219,000
Total deferred inflows of resources	309,000	910,000	1,219,000
NET POSITION			
Net investment in capital assets	54,728,031	3,371,734	58,099,765
Unrestricted	(1,671,830)	(11,371,789)	(13,043,619)
Total net position	\$ 53,056,201	\$ (8,000,055)	\$ 45,056,146

CITY OF ROSEVILLE, CALIFORNIA
Combining Statement of Revenues, Expenses and
Changes in Net Position
Other Enterprise Funds
For the Year Ended June 30, 2024

	Local Transportation	School-Age Child Care	Total Other Enterprise Funds
OPERATING REVENUES			
Charges for services	\$ 518,454	\$ 5,709,278	\$ 6,227,732
Miscellaneous	237,851	571,042	808,893
Total operating revenues	756,305	6,280,320	7,036,625
OPERATING EXPENSES			
Administration and general	2,354,168	2,572,284	4,926,452
Operations	7,364,933	4,465,759	11,830,692
Depreciation and amortization	1,742,840	120,873	1,863,713
Total operating expenses	11,461,941	7,158,916	18,620,857
Operating income (loss)	(10,705,636)	(878,596)	(11,584,232)
NONOPERATING REVENUES (EXPENSES)			
Subventions and grants	19,307,773	435,248	19,743,021
Interest income (loss)	622,061	46,038	668,099
Interest expense	(15)	(38,979)	(38,994)
Gains (losses) on sale of capital assets	20,083	-	20,083
Total nonoperating revenues (expenses)	19,949,902	442,307	20,392,209
Income (loss) before capital contributions and transfers	9,244,266	(436,289)	8,807,977
Capital contributions from developers and other agencies	15,633	-	15,633
Transfers in	125,452	809,000	934,452
Change in net position	9,385,351	372,711	9,758,062
Net position-beginning	43,764,377	(8,220,149)	35,544,228
Restatements - Correction of error	(93,527)	(152,617)	(246,144)
Net position-beginning	43,670,850	(8,372,766)	35,298,084
Net position-ending	\$ 53,056,201	\$ (8,000,055)	\$ 45,056,146

CITY OF ROSEVILLE, CALIFORNIA
Combining Statement of Cash Flows
Other Enterprise Funds
For the Year Ended June 30, 2024

Business-Type Activities

	Local Transportation	School-Age Child Care	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 1,859,834	\$ 6,713,296	\$ 8,573,130
Payments to suppliers and service providers	(8,670,435)	(1,613,623)	(10,284,058)
Payments to employees for salaries and benefits	(224,488)	(6,362,182)	(6,586,670)
Other receipts (payments)	-	(45)	(45)
Net cash provided by (used for) operating activities	(7,035,089)	(1,262,554)	(8,297,643)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers from other funds	125,452	809,000	934,452
Transfers to other funds	-	-	-
Operating grants and contributions	14,315,829	435,248	14,751,077
Net cash provided by (used for) noncapital financing activities	14,441,281	1,244,248	15,685,529
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and construction of capital assets	(10,982,214)	(438,802)	(11,421,016)
Principal paid on long term debt	-	(55,000)	(55,000)
Principal paid on subscriptions	(563)	-	(563)
Interest paid on capital debt	(15)	(38,980)	(38,995)
Proceeds from sales of assets	20,083	-	20,083
Net cash provided by (used for) capital and related financing activities	(10,962,709)	(532,782)	(11,495,491)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on investments	261,162	30,701	291,863
Fair value adjustment	362,010	-	362,010
Net cash provided by (used for) investing activities	623,172	30,701	653,873
Net increase (decrease) in cash and cash equivalents	(2,933,345)	(520,387)	(3,453,732)
Cash and cash equivalents-beginning	15,437,271	1,581,025	17,018,296
Cash and cash equivalents-ending	\$ 12,503,926	\$ 1,060,638	\$ 13,564,564

CITY OF ROSEVILLE, CALIFORNIA
Combining Statement of Cash Flows
Other Enterprise Funds
For the Year Ended June 30, 2024

	Business-Type Activities		
	Local Transportation	School-Age Child Care	Totals
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES			
Operating income (loss)	\$ (10,705,636)	\$ (878,596)	\$ (11,584,232)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation/amortization expense	1,742,840	120,873	1,863,713
(Increase) decrease in accounts receivable	-	138,055	138,055
(Increase) decrease in prepaid items	(1,021,384)	14,730	(1,006,654)
Increase (decrease) in accounts payable	2,070,050	(48,614)	2,021,436
Increase (decrease) in accrued liabilities	18,814	29,188	48,002
Increase (decrease) in deposits payable	1,103,529	-	1,103,529
Increase (decrease) in unearned revenue	-	157,524	157,524
Increase (decrease) in compensated absences	53,645	20,088	73,733
Increase (decrease) in pension and related items	149,053	291,198	440,251
Increase (decrease) in OPEB and related items	(446,000)	(1,107,000)	(1,553,000)
Total adjustments	3,670,547	(383,958)	3,286,589
Net cash provided by (used for) operating activities	\$ (7,035,089)	\$ (1,262,554)	\$ (8,297,643)
SCHEDULE OF NON-CASH NONCAPITAL, CAPITAL, AND INVESTING ACTIVITIES			
Gain/(loss) on disposition of capital assets	\$ 20,083	\$ -	\$ 20,083
Initiation of subscriptions	825	-	825

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INTERNAL SERVICE FUNDS

Internal Service Funds are used to finance and account for special activities and services performed by a designated department for other departments in the City on a cost reimbursement basis.

Financial reporting standards require that for the Statement of Activities, the net revenues or expenses of each internal service fund be eliminated by netting them against the operations of the other City departments which generated them. The remaining balance sheet items are consolidated with these same funds in the Statement of Net Position.

The internal service funds below are presented separately in the Internal Services Funds combining financial statements.

Fleet Fund. To account for the maintenance and replacement of vehicles used by City departments.

Facilities Fund. To account for building maintenance and custodial services for City departments.

Information Technology Fund. To account for the City's information technology infrastructure and related support services.

General Equipment Replacement Fund. To account for the replacement of equipment for City departments.

Worker's Compensation Fund. To account for the City's self-insurance program for workers' compensation benefits and for the administration of various preventative programs.

General Liability Fund. To account for the cost of claims and administrative costs of the City's self-insured general liability program.

Unemployment Reserve Fund. To account for state and federal mandated unemployment insurance benefits for employees.

General Benefits. To account for the City's insurance programs for employee benefits.

CITY OF ROSEVILLE, CALIFORNIA
Combining Statement of Net Position
Internal Service Funds
June 30, 2024

	Fleet	Facilities	Information Technology	General Equipment Replacement
ASSETS				
Current assets:				
Cash and investments	\$ 52,490,362	\$ 7,190,165	\$ 8,264,031	\$ 3,104,549
Receivables (net of uncollectibles):				
Accounts	2,757,771	109,638	40,172	12,968
Inventories	1,338,589	1,555	-	-
Prepaid costs	2,714,913	-	3,861	-
Due from other funds	827,509	-	-	-
Total current assets	60,129,144	7,301,358	8,308,064	3,117,517
Noncurrent:				
Advances to other funds	4,237,678	-	-	-
Capital assets not being depreciated	2,640,387	490,989	3,819,990	658,171
Capital assets - net of accumulated depreciation/amortization	22,007,402	90,131,775	4,334,810	1,835,334
Total noncurrent assets	28,885,467	90,622,764	8,154,800	2,493,505
Total assets	89,014,611	97,924,122	16,462,864	5,611,022
DEFERRED OUTFLOWS OF RESOURCES				
Deferred pension related items	1,635,539	1,386,706	4,905,079	-
Deferred OPEB related items	244,000	100,000	206,000	-
Total deferred outflows of resources	1,879,539	1,486,706	5,111,079	-
LIABILITIES				
Current liabilities:				
Accounts payable	1,615,415	288,133	277,971	92,346
Accrued liabilities	133,765	98,619	333,929	-
Due to other funds	-	-	-	-
Subscriptions	38,887	86	989,449	-
Accrued compensated absences	187,134	125,915	569,794	-
Accrued claims and judgments	-	-	-	-
Total current liabilities	1,975,201	512,753	2,171,143	92,346
Noncurrent liabilities:				
Accrued compensated absences	192,433	130,468	579,162	-
Accrued claims and judgments	-	-	-	-
Subscriptions	86,686	92	1,548,684	-
Pension liability	5,880,176	4,985,559	17,635,007	-
Net OPEB liability	1,769,000	1,096,000	1,051,000	-
Total noncurrent liabilities	7,928,295	6,212,119	20,813,853	-
Total liabilities	9,903,496	6,724,872	22,984,996	92,346
DEFERRED INFLOWS OF RESOURCES				
Deferred OPEB related items	650,000	260,000	556,000	-
Total deferred inflows of resources	650,000	260,000	556,000	-
NET POSITION				
Net investment in capital assets	24,522,216	90,622,586	5,616,667	2,493,505
Unrestricted	55,818,438	1,803,370	(7,583,720)	3,025,171
Total net position	\$ 80,340,654	\$ 92,425,956	\$ (1,967,053)	\$ 5,518,676

CITY OF ROSEVILLE, CALIFORNIA
Combining Statement of Net Position
Internal Service Funds
June 30, 2024

	Workers' Compensation	General Liability	Unemployment Reserve	General Benefits	Total Internal Service Funds
ASSETS					
Current assets:					
Cash and investments	\$ 9,571,816	\$ -	\$ 1,747,238	\$ 1,338,657	\$ 83,706,818
Receivables (net of uncollectibles):					
Accounts	53,800	13,107	6,505	3,858	2,997,819
Inventories	-	-	-	-	1,340,144
Prepaid costs	-	-	-	-	2,718,774
Due from other funds	-	-	-	-	827,509
Total current assets	<u>9,625,616</u>	<u>13,107</u>	<u>1,753,743</u>	<u>1,342,515</u>	<u>91,591,064</u>
Noncurrent:					
Advances to other funds	-	-	-	-	4,237,678
Capital assets not being depreciated	-	-	-	-	7,609,537
Capital assets - net of accumulated depreciation/amortization	-	-	-	-	118,309,321
Total noncurrent assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>130,156,536</u>
Total assets	<u>9,625,616</u>	<u>13,107</u>	<u>1,753,743</u>	<u>1,342,515</u>	<u>221,747,600</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred pension related items	269,470	132,979	-	-	8,329,773
Deferred OPEB related items	-	-	-	-	550,000
Total deferred outflows of resources	<u>269,470</u>	<u>132,979</u>	<u>-</u>	<u>-</u>	<u>8,879,773</u>
LIABILITIES					
Current liabilities:					
Accounts payable	212,637	63,272	45,974	113,689	2,709,437
Accrued liabilities	11,081	11,764	-	-	589,158
Due to other funds	-	1,537,130	-	-	1,537,130
Subscriptions	-	-	-	-	1,028,422
Accrued compensated absences	21,673	23,351	-	-	927,867
Accrued claims and judgments	4,192,160	1,090,853	-	-	5,283,013
Total current liabilities	<u>4,437,551</u>	<u>2,726,370</u>	<u>45,974</u>	<u>113,689</u>	<u>12,075,027</u>
Noncurrent liabilities:					
Accrued compensated absences	27,966	12,729	-	-	942,758
Accrued claims and judgments	8,908,341	2,742,077	-	-	11,650,418
Subscriptions	-	-	-	-	1,635,462
Pension liability	968,810	478,094	-	-	29,947,646
Net OPEB liability	-	-	-	-	3,916,000
Total noncurrent liabilities	<u>9,905,117</u>	<u>3,232,900</u>	<u>-</u>	<u>-</u>	<u>48,092,284</u>
Total liabilities	<u>14,342,668</u>	<u>5,959,270</u>	<u>45,974</u>	<u>113,689</u>	<u>60,167,311</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred OPEB related items	-	-	-	-	1,466,000
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,466,000</u>
NET POSITION					
Net investment in capital assets	-	-	-	-	123,254,974
Unrestricted	(4,447,582)	(5,813,184)	1,707,769	1,228,826	45,739,088
Total net position	<u>\$ (4,447,582)</u>	<u>\$ (5,813,184)</u>	<u>\$ 1,707,769</u>	<u>\$ 1,228,826</u>	<u>\$ 168,994,062</u>

CITY OF ROSEVILLE, CALIFORNIA
Combining Statement of Revenues, Expenses and
Changes in Net Position
Internal Service Funds
For the Year Ended June 30, 2024

	Fleet	Facilities	Information Technology	General Equipment Replacement
OPERATING REVENUES				
Charges for services	\$ 21,163,660	\$ 8,042,276	\$ 16,525,016	\$ 365,796
Miscellaneous	651,039	1,161	683,580	-
Total operating revenues	21,814,699	8,043,437	17,208,596	365,796
OPERATING EXPENSES				
Administration and general	-	17,468	-	-
Operations	11,424,904	7,869,865	15,007,846	51,329
Depreciation and amortization	5,505,851	4,256,679	3,007,031	500,487
Claims expense	-	-	-	-
Total operating expenses	16,930,755	12,144,012	18,014,877	551,816
Operating income (loss)	4,883,944	(4,100,575)	(806,281)	(186,020)
NONOPERATING REVENUES (EXPENSES)				
Subventions and grants	31,360	-	-	-
Interest income (loss)	2,393,879	321,445	360,702	144,329
Interest expense	(2,940)	(5)	(66,596)	-
Gains (losses) on sale of capital assets	(9,735)	-	-	-
Total nonoperating revenues (expenses)	2,412,564	321,440	294,106	144,329
Income (loss) before capital contributions and transfers	7,296,508	(3,779,135)	(512,175)	(41,691)
Transfers in	44,694	5,662	5,662	-
Change in net position	7,341,202	(3,773,473)	(506,513)	(41,691)
Net position-beginning	72,999,452	96,199,429	(1,460,540)	5,560,367
Net position-ending	\$ 80,340,654	\$ 92,425,956	\$ (1,967,053)	\$ 5,518,676

CITY OF ROSEVILLE, CALIFORNIA
Combining Statement of Revenues, Expenses and
Changes in Net Position
Internal Service Funds
For the Year Ended June 30, 2024

	Workers' Compensation	General Liability	Unemployment Reserve	General Benefits	Total Internal Service Funds
OPERATING REVENUES					
Charges for services	\$ 7,988,334	\$ 6,488,536	\$ 406,951	\$ 2,133,600	\$ 63,114,169
Miscellaneous	491,978	-	-	-	1,827,758
Total operating revenues	8,480,312	6,488,536	406,951	2,133,600	64,941,927
OPERATING EXPENSES					
Administration and general	-	-	5,695	-	23,163
Operations	2,776,187	5,877,025	143,515	302,697	43,453,368
Depreciation and amortization	-	-	-	-	13,270,048
Claims expense	7,386,420	1,007,294	-	1,747,213	10,140,927
Total operating expenses	10,162,607	6,884,319	149,210	2,049,910	66,887,506
Operating income (loss)	(1,682,295)	(395,783)	257,741	83,690	(1,945,579)
NONOPERATING REVENUES (EXPENSES)					
Subventions and grants	-	-	-	-	31,360
Interest income (loss)	389,124	(119,934)	60,177	11,685	3,561,407
Interest expense	-	-	-	-	(69,541)
Gains (losses) on sale of capital assets	-	-	-	-	(9,735)
Total nonoperating revenues (expenses)	389,124	(119,934)	60,177	11,685	3,513,491
Income (loss) before capital contributions and transfers	(1,293,171)	(515,717)	317,918	95,375	1,567,912
Transfers in	-	-	-	-	56,018
Change in net position	(1,293,171)	(515,717)	317,918	95,375	1,623,930
Net position-beginning	(3,154,411)	(5,297,467)	1,389,851	1,133,451	167,370,132
Net position-ending	\$ (4,447,582)	\$ (5,813,184)	\$ 1,707,769	\$ 1,228,826	\$ 168,994,062

CITY OF ROSEVILLE, CALIFORNIA
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2024

	Fleet	Facilities	Information Technology	General Equipment Replacement
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ -	\$ -	\$ -	\$ -
Receipts from interfund charges	21,679,715	8,030,558	17,176,004	361,954
Payments to suppliers and service providers	(6,204,295)	(7,901,579)	(4,233,654)	(845,959)
Payments to employees for salaries and benefits	(4,695,562)	(92,496)	(9,507,760)	-
Other receipts (payments)	-	-	-	-
Net cash provided by (used for) operating activities	10,779,858	36,483	3,434,590	(484,005)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers from other funds	44,694	5,662	5,662	-
Interest paid on noncapital debt	(2,940)	-	-	-
Payments from other funds on interfund borrowings	762,708	-	-	-
Operating grants and contributions	31,360	-	-	-
Net cash provided by (used for) noncapital financing activities	835,822	5,662	5,662	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and construction of capital assets	(9,403,963)	(328,785)	(3,922,191)	(1,121,379)
Principal paid on subscriptions	(36,583)	(183)	(688,653)	-
Interest paid on capital debt	-	356	(66,596)	-
Proceeds from sales of assets	(9,735)	-	-	-
Net cash provided by (used for) capital and related financing activities	(9,450,281)	(328,612)	(4,677,440)	(1,121,379)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on investments	1,313,782	171,554	197,273	82,483
Fair value adjustment	1,080,687	149,891	163,429	61,846
Net cash provided by (used for) investing activities	2,394,469	321,445	360,702	144,329
Net increase (decrease) in cash and cash equivalents	4,559,868	34,978	(876,486)	(1,461,055)
Cash and cash equivalents-beginning	47,930,494	7,155,187	9,140,517	4,565,604
Cash and cash equivalents-ending	\$ 52,490,362	\$ 7,190,165	\$ 8,264,031	\$ 3,104,549

CITY OF ROSEVILLE, CALIFORNIA
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2024

	Fleet	Facilities	Information Technology	General Equipment Replacement
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES				
Operating income (loss)	\$ 4,883,944	\$ (4,100,575)	\$ (806,281)	\$ (186,020)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation/amortization expense	5,505,851	4,256,679	3,007,031	500,487
(Increase) decrease in accounts receivable	(134,984)	(12,879)	(32,592)	(3,842)
(Increase) decrease in inventories	56,307	(442)	-	-
(Increase) decrease in prepaid items	(120,329)	4,051	4,924	-
Increase (decrease) in accounts payable	501,620	(17,855)	32,801	(794,630)
Increase (decrease) in accrued liabilities	26,758	34,731	31,698	-
Increase (decrease) in compensated absences	5,758	6,076	86,768	-
Increase (decrease) in claims and judgments	-	-	-	-
Increase (decrease) in pension and related items	353,933	452,697	1,962,241	-
Increase (decrease) in OPEB and related items	(299,000)	(586,000)	(852,000)	-
Total adjustments	5,895,914	4,137,058	4,240,871	(297,985)
Net cash provided by (used for) operating activities	<u>\$ 10,779,858</u>	<u>\$ 36,483</u>	<u>\$ 3,434,590</u>	<u>\$ (484,005)</u>
SCHEDULE OF NON-CASH NONCAPITAL, CAPITAL, AND INVESTING ACTIVITIES				
Gain/(loss) on disposition of capital assets	\$ (9,735)	\$ -	\$ -	\$ -
Initiation of subscriptions	126	268	98,712	-

CITY OF ROSEVILLE, CALIFORNIA
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2024

	Workers' Compensation	General Liability	Unemployment Reserve	General Benefits	Totals
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts from interfund charges	8,470,936	6,631,495	405,551	2,135,474	64,891,687
Payments to suppliers and service providers	(350,192)	(6,951,825)	(103,236)	(2,079,204)	(28,669,944)
Payments to employees for salaries and benefits	(387,838)	(67,244)	-	-	(14,750,900)
Other receipts (payments)	(6,558,481)	(943,285)	-	-	(7,501,766)
Net cash provided by (used for) operating activities	1,174,425	(1,330,859)	302,315	56,270	13,969,077
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers from other funds	-	-	-	-	56,018
Interest paid on noncapital debt	-	-	-	-	(2,940)
Payments from other funds on interfund borrowings	-	1,450,793	-	-	2,213,501
Operating grants and contributions	-	-	-	-	31,360
Net cash provided by (used for) noncapital financing activities	-	1,450,793	-	-	2,297,939
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition and construction of capital assets	-	-	-	-	(14,776,318)
Principal paid on subscriptions	-	-	-	-	(725,419)
Interest paid on capital debt	-	-	-	-	(66,240)
Proceeds from sales of assets	-	-	-	-	(9,735)
Net cash provided by (used for) capital and related financing activities	-	-	-	-	(15,577,712)
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest on investments	193,521	-	31,944	8,302	1,998,859
Fair value adjustment	195,603	(119,934)	28,233	3,383	1,563,138
Net cash provided by (used for) investing activities	389,124	(119,934)	60,177	11,685	3,561,997
Net increase (decrease) in cash and cash equivalents	1,563,549	-	362,492	67,955	4,251,301
Cash and cash equivalents-beginning	8,008,267	-	1,384,746	1,270,702	79,455,517
Cash and cash equivalents-ending	\$ 9,571,816	\$ -	\$ 1,747,238	\$ 1,338,657	\$ 83,706,818

CITY OF ROSEVILLE, CALIFORNIA
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2024

	Workers' Compensation	General Liability	Unemployment Reserve	General Benefits	Totals
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES					
Operating income (loss)	\$ (1,682,295)	\$ (395,783)	\$ 257,741	\$ 83,690	\$ (1,945,579)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:					
Depreciation/amortization expense	-	-	-	-	13,270,048
(Increase) decrease in accounts receivable	(9,376)	142,959	(1,400)	1,874	(50,240)
(Increase) decrease in inventories	-	-	-	-	55,865
(Increase) decrease in prepaid items	-	-	-	-	(111,354)
Increase (decrease) in accounts payable	203,237	(67,506)	45,974	(29,294)	(125,653)
Increase (decrease) in accrued liabilities	(7,390)	5,166	-	-	90,963
Increase (decrease) in compensated absences	(8,202)	5,176	-	-	95,576
Increase (decrease) in claims and judgments	2,427,855	(943,285)	-	-	1,484,570
Increase (decrease) in pension and related items	250,596	(77,586)	-	-	2,941,881
Increase (decrease) in OPEB and related items	-	-	-	-	(1,737,000)
Total adjustments	2,856,720	(935,076)	44,574	(27,420)	\$ 15,914,656
Net cash provided by (used for) operating activities	<u>\$ 1,174,425</u>	<u>\$ (1,330,859)</u>	<u>\$ 302,315</u>	<u>\$ 56,270</u>	<u>\$ 13,969,077</u>
SCHEDULE OF NON-CASH NONCAPITAL, CAPITAL, AND INVESTING ACTIVITIES					
Gain/(loss) on disposition of capital assets	\$ -	\$ -	\$ -	\$ -	\$ (9,735)
Initiation of subscriptions	-	-	-	-	99,106

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PRIVATE PURPOSE TRUST FUNDS

Private-Purpose Trust funds are used to account for trust arrangements under which principal and income benefit private organizations or other governments.

Endowment Private-Purpose Trust Fund. To account for trust arrangements under which principal and income benefit private organizations.

Successor Agency to the Redevelopment Agency Private-Purpose Trust Fund. To account for the activities of the Successor Agency to the former Redevelopment Agency of the City of Roseville.

CITY OF ROSEVILLE, CALIFORNIA
Combining Statement of Fiduciary Net Position
Fiduciary Funds - Private Purpose Trust Funds
June 30, 2024

	Endowment Private- Purpose Trust	Successor Agency to the Redevelopment Agency Private- Purpose Trust	Total Private Purpose Trust Funds
ASSETS			
Cash and investments in City Treasury	\$ 1,801,209	\$ 2,771,930	\$ 4,573,139
Receivables:			
Accounts	6,647	18,037	24,684
Restricted assets:			
Cash and investments with fiscal agents	-	57,722	57,722
Total assets	1,807,856	2,847,689	4,655,545
LIABILITIES			
Trade Accounts Payable	34	-	34
Accrued liabilities	-	754,451	754,451
Due to beneficiaries	-	36,842,605	36,842,605
Total liabilities	34	37,597,056	37,597,090
NET POSITION			
Restricted for private purposes, organization and other governments	1,807,822	(34,749,367)	(32,941,545)
Total net position	\$ 1,807,822	\$ (34,749,367)	\$ (32,941,545)

CITY OF ROSEVILLE, CALIFORNIA
Combining Statement of Changes in Fiduciary Net Position
Fiduciary Funds - Private Purpose Trust Funds
For the Year Ended June 30, 2024

	Endowment Private- Purpose Trust	Successor Agency to the Redevelopment Agency Private- Purpose Trust	Total Private Purpose Trust Funds
ADDITIONS			
Property taxes, net of pass through payments	\$ -	\$ 1,418,763	\$ 1,418,763
Investment income	72,147	156,821	228,968
Total additions	72,147	1,575,584	1,647,731
DEDUCTIONS			
Contractual services	14,225	128,174	142,399
Payments to beneficiaries	-	1,042,377	1,042,377
Total deductions	14,225	1,170,551	1,184,776
Net increase (decrease) in fiduciary net position	57,922	405,033	462,955
Net position-beginning	1,749,900	(35,154,400)	(33,404,500)
Net position-ending	\$ 1,807,822	\$ (34,749,367)	\$ (32,941,545)

CUSTODIAL FUNDS

Custodial Funds account for assets held by the City as a custodial for individuals, governmental entities, and non- public organizations. These funds include the following:

Special Assessments/Community Services Districts. To account for the monies collected and disbursed for land-based debt, where the City is not obligated for the debt. The beneficiaries of this fund are the bondholders.

North Roseville – Rocklin Sewer Refunding District. To account for debt service related to bonds issued to finance the construction of sewer infrastructure in North Roseville and Rocklin.

Foothills Boulevard Extension Assessment. To collect fees from new development to finance the extension of Foothills Boulevard.

Highway 65 JPA (Bizz Johnson JPA). This joint powers authority, which consists of the City, City of Rocklin and Placer County, was formed to fund interchanges off of Highway 65. The City acts as lead agency and treasurer. The fees are collected via building permits. The beneficiaries of this fund are the JPA participants.

Dry Creek Drainage Basin. Fees are collected via building permits for the Dry Creek area and submitted quarterly to Placer County for drainage mitigation. The beneficiary of this is Placer County.

County Capital Facilities Fee. This fee was established by Placer County to fund future county capital facilities from development. It is collected via building permits and submitted quarterly to the County. The beneficiary of this fund is the Placer County.

South Placer Wastewater Authority (SPWA). SPWA is a joint powers authority comprised of the City, Placer County and South Placer Municipal Utilities District. The City is acting as the treasurer and construction manager. This JPA was formed to issue debt to facilitate the construction of the regional wastewater infrastructure. The agencies collect regional wastewater connection fees and submit them to SPWA which is used for debt service payments and for the future expansion of facilities. The beneficiaries of this fund are the SPWA participants.

Special Sewer Benefit Areas. The Sewer Special Benefit Areas were established to reimburse from properties benefiting from certain sewer infrastructure and oversized pipelines in portions of the City. The reimbursements are made to various project participants.

South Placer County Tourism Business Improvement District (SPCTBID). All hotels in the region are assessed fees for the purpose of promoting tourism in the area. These fees are forwarded to the City quarterly and then submitted quarterly to the SPCTBID. The beneficiary of this fund is SPCTBID.

External Traffic Mitigation Fees. These fees are collected via building permits and submitted quarterly to Placer County and Placer County Transportation Authority to fund regional traffic mitigation due to new developments. The beneficiaries of this fund are Placer County and Southern Placer Regional Transportation Authority.

CUSTODIAL FUNDS

Placer County Air Pollution Control Fund. The fee is collected to contribute towards construction of a future animal shelter in South Placer County. The beneficiary of this fund is the Placer County Air Pollution Control District.

Sierra College Boulevard Fund. To account for contributions to provide maintenance of bike trails and open space. The beneficiaries of this fund is the Town of Loomis.

Special Assessment Collection Fees. To account for fees collected for Placer County's administration of the City's Special Assessments.

Developer Reimbursements. To account for developer reimbursements.

CITY OF ROSEVILLE, CALIFORNIA
Combining Statement of Fiduciary Net Position
Fiduciary Funds - Custodial Funds
June 30, 2024

	Special Assessments/ Community Facilities Districts	North Roseville - Rocklin Sewer Refunding District	Foothills Boulevard Extension Assessment	Highway 65 JPA (Bizz Johnson)
ASSETS				
Cash and investments in City Treasury	\$ 28,091,818	\$ 3,449	\$ 1,398	\$ 470,452
Receivables:				
Accounts	1,831,741	1	1	83,049
Due from developers	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	37,801,304	-	-	-
Total assets	67,724,863	3,450	1,399	553,501
LIABILITIES				
Accounts payable	-	2	1	71,216
Accrued liabilities	-	-	-	-
Unearned revenues	37,708	-	-	-
Deposits payable	-	-	-	-
Arbitrage liability	-	-	-	-
Due to beneficiaries	67,166,685	-	-	482,285
Total liabilities	67,204,393	2	1	553,501
NET POSITION				
Restricted for private purposes, organization and other governments	520,470	3,448	1,398	-
Total net position	\$ 520,470	\$ 3,448	\$ 1,398	\$ -

CITY OF ROSEVILLE, CALIFORNIA
Combining Statement of Fiduciary Net Position
Fiduciary Funds - Custodial Funds
June 30, 2024

(Continued)

	Dry Creek Drainage Basin	County Capital Facilities	South Placer Wastewater Authority (SPWA)	Special Sewer Benefit Areas
ASSETS				
Cash and investments in City Treasury	\$ 4,947	\$ 942,446	\$ 196,804,959	\$ 199,594
Receivables:				
Accounts	79	365	2,247,784	1,007
Due from developers	-	-	447,724	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	46,947,408	-
Total assets	5,026	942,811	246,447,875	200,601
LIABILITIES				
Accounts payable	8,475	1,034,414	522,359	-
Accrued liabilities	-	-	1,857,583	-
Unearned revenues	-	-	12,634	-
Deposits payable	-	-	-	148,857
Arbitrage liability	-	-	295,337	-
Due to beneficiaries	42	18,802	243,759,962	-
Total liabilities	8,517	1,053,216	246,447,875	148,857
NET POSITION				
Restricted for private purposes, organization and other governments	(3,491)	(110,405)	-	51,744
Total net position	\$ (3,491)	\$ (110,405)	\$ -	\$ 51,744

CITY OF ROSEVILLE, CALIFORNIA
Combining Statement of Fiduciary Net Position
Fiduciary Funds - Custodial Funds
June 30, 2024

	South Placer County Tourism Business Improvement District (SPCTBID)	External Traffic Mitigation Fees	Placer County Air Pollution Control Fund	Sierra College Boulevard Fund
ASSETS				
Cash and investments in City Treasury	\$ 28,299	\$ 2,121,998	\$ 5,202	\$ 2,527
Receivables:				
Accounts	1,099,274	18,917,227	26,605	54
Due from developers	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	523,965	-	-	-
Total assets	1,651,538	21,039,225	31,807	2,581
LIABILITIES				
Accounts payable	583,396	2,200,672	-	-
Accrued liabilities	-	-	-	-
Unearned revenues	-	-	-	-
Deposits payable	-	-	-	-
Arbitrage liability	-	-	-	-
Due to beneficiaries	1,068,141	18,845,790	7,107	3,975
Total liabilities	1,651,537	21,046,462	7,107	3,975
NET POSITION				
Restricted for private purposes, organization and other governments	1	(7,237)	24,700	(1,394)
Total net position	\$ 1	\$ (7,237)	\$ 24,700	\$ (1,394)

CITY OF ROSEVILLE, CALIFORNIA
Combining Statement of Fiduciary Net Position
Fiduciary Funds - Custodial Funds
June 30, 2024

	Special Assessment Collection Fees	Developer Reimbursements	Total Custodial Funds
ASSETS			
Cash and investments in City Treasury	\$ 13,360	\$ 729,656	\$ 229,420,105
Receivables:			
Accounts	5	3,516	24,210,708
Due from developers	-	-	447,724
Restricted assets:			
Cash and investments with fiscal agents	-	-	85,272,677
Total assets	13,365	733,172	339,351,214
LIABILITIES			
Accounts payable	7	578,236	4,998,778
Accrued liabilities	-	-	1,857,583
Unearned revenues	-	-	50,342
Deposits payable	-	80,207	229,064
Arbitrage liability	-	-	295,337
Due to beneficiaries	-	-	331,352,789
Total liabilities	7	658,443	338,783,893
NET POSITION			
Restricted for private purposes, organization and other governments	13,358	74,729	567,321
Total net position	\$ 13,358	\$ 74,729	\$ 567,321

CITY OF ROSEVILLE, CALIFORNIA
Combining Statement of Changes in Fiduciary Net Position
Fiduciary Funds - Custodial Funds
For the Year Ended June 30, 2024

	Special Assessments/ Community Facilities Districts	North Roseville - Rocklin Sewer Refunding District	Foothills Boulevard Extension Assessment	Highway 65 JPA (Bizz Johnson)
ADDITIONS				
Property taxes, net of pass through payments	\$ 39,002,249	\$ -	\$ -	\$ -
Investment income	2,494,585	151	62	12,315
Contributions from members	-	-	-	-
Levies assessed	42,448,942	-	-	-
Miscellaneous	-	-	-	-
Total additions	83,945,776	151	62	12,315
DEDUCTIONS				
Administrative expenses	1,375,951	-	-	-
Payments to beneficiaries	82,800,316	-	-	12,315
Payments to City	60	-	-	-
Total deductions	84,176,327	-	-	12,315
Net increase (decrease) in fiduciary net position	(230,551)	151	62	-
Net position-beginning	751,021	3,297	1,336	-
Restatements - Correction of error	-	-	-	-
Net position-beginning, as restated	751,021	3,297	1,336	-
Net position-ending	\$ 520,470	\$ 3,448	\$ 1,398	\$ -

CITY OF ROSEVILLE, CALIFORNIA
Combining Statement of Changes in Fiduciary Net Position
Fiduciary Funds - Custodial Funds
For the Year Ended June 30, 2024

(Continued)

	Dry Creek Drainage Basin	County Capital Facilities	South Placer Wastewater Authority (SPWA)	Special Sewer Benefit Areas
ADDITIONS				
Property taxes, net of pass through payments	\$ -	\$ -	\$ -	\$ -
Investment income	86	32,199	10,801,641	8,774
Contributions from members	-	-	25,143,508	-
Levies assessed	-	-	-	-
Miscellaneous	-	3,987,038	-	-
Total additions	86	4,019,237	35,945,149	8,774
DEDUCTIONS				
Administrative expenses	-	-	10,888	-
Payments to beneficiaries	42	3,980,511	35,934,261	5
Payments to City	-	-	-	-
Total deductions	42	3,980,511	35,945,149	5
Net increase (decrease) in fiduciary net position	44	38,726	-	8,769
Net position-beginning	(3,535)	(149,131)	-	42,975
Restatements - Correction of error	-	-	-	-
Net position-beginning, as restated	(3,535)	(149,131)	-	42,975
Net position-ending	\$ (3,491)	\$ (110,405)	\$ -	\$ 51,744

CITY OF ROSEVILLE, CALIFORNIA
Combining Statement of Changes in Fiduciary Net Position
Fiduciary Funds - Custodial Funds
For the Year Ended June 30, 2024

	South Placer County Tourism Business Improvement District (SPCTBID)	External Traffic Mitigation Fees	Placer County Air Pollution Control Fund	Sierra College Boulevard Fund
ADDITIONS				
Property taxes, net of pass through payments	\$ 4,150,387	\$ -	\$ -	\$ -
Investment income	7,524	71,290	3,448	2,377
Contributions from members	-	-	-	-
Levies assessed	-	-	-	-
Miscellaneous	-	13,320,951	19,981	11,175
Total additions	4,157,911	13,392,241	23,429	13,552
DEDUCTIONS				
Administrative expenses	-	-	-	-
Payments to beneficiaries	4,157,910	13,389,775	(6,570)	11,176
Payments to City	-	-	-	-
Total deductions	4,157,910	13,389,775	(6,570)	11,176
Net increase (decrease) in fiduciary net position	1	2,466	29,999	2,376
Net position-beginning	-	13,444,319	(5,299)	(3,770)
Restatements - Correction of error	-	(13,454,022)	-	-
Net position-beginning, as restated	-	(9,703)	(5,299)	(3,770)
Net position-ending	\$ 1	\$ (7,237)	\$ 24,700	\$ (1,394)

CITY OF ROSEVILLE, CALIFORNIA
Combining Statement of Changes in Fiduciary Net Position
Fiduciary Funds - Custodial Funds
For the Year Ended June 30, 2024

	Special Assessment Collection Fees	Developer Reimbursements	Total Custodial Funds
ADDITIONS			
Property taxes, net of pass through payments	\$ -	\$ -	\$ 43,152,636
Investment income	587	15,671	13,450,710
Contributions from members	-	-	25,143,508
Levies assessed	-	-	42,448,942
Miscellaneous	-	-	17,339,145
Total additions	587	15,671	141,534,941
DEDUCTIONS			
Administrative expenses	-	-	1,386,839
Payments to beneficiaries	-	6	140,279,747
Payments to City	-	-	60
Total deductions	-	6	141,666,646
Net increase (decrease) in fiduciary net position	587	15,665	(131,705)
Net position-beginning	12,771	59,064	14,153,048
Restatements - Correction of error	-	-	(13,454,022)
Net position-beginning, as restated	12,771	59,064	699,026
Net position-ending	\$ 13,358	\$ 74,729	\$ 567,321

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STATISTICAL SECTION

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STATISTICAL SECTION

This part of the City's Annual Comprehensive Financial Report presents detailed information as context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health. In contrast to the financial section, the statistical section information is not subject to independent audit.

Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and financial condition have changed over time:

- Net Position by Component
- Changes in Net Position
- Fund Balances of Governmental Funds
- Changes in Fund Balances of Governmental Funds

Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenue sources: sales tax, property tax, and electric revenue:

- Sales Tax Revenue
- Assessment Roll Values
- Property Tax Rates - Direct and Overlapping Governments
- Principal Property Taxpayers
- Property Tax Levies and Collections
- Electric Customers and Revenues
- Residential Energy Prices
- Business Energy Prices

Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future:

- Ratio of Outstanding Debt by Type
- Revenue Bond Coverage – 2014 Redevelopment Tax Allocation Bonds
- Revenue Bond Coverage – 2016 Redevelopment Tax Allocation Bonds
- Computation of Direct and Overlapping Debt
- Computation of Legal Bonded Debt Margin

Demographic and Economic Information

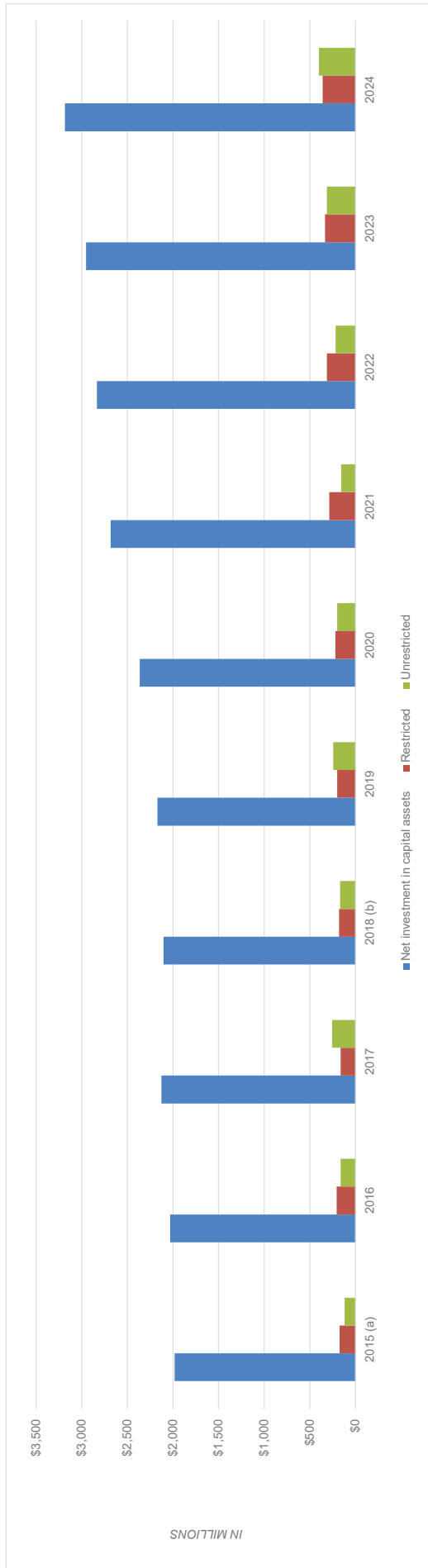
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place:

- Demographic and Economic Statistics
- Principal Employers
- Full-time Equivalent City Employees by Function
- Operating Indicators by Function/Program
- Capital Asset Statistics by Function/Program

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CITY OF ROSEVILLE, CALIFORNIA NET POSITION BY COMPONENT

(accrual basis of accounting)



	Fiscal Year Ended June 30, 2024									
	2015 (a)	2016	2017	2018 (b)	2019	2020	2021	2022	2023	2024
Governmental Activities										
Net Investment in Capital Assets	\$ 844,036,089	\$ 874,967,712	\$ 963,416,426	\$ 930,356,095	\$ 938,614,328	\$ 1,013,822,662	\$ 1,052,418,279	\$ 1,117,069,795	\$ 1,173,204,066	\$ 1,364,474,203
Restricted	139,686,598	171,581,599	128,500,453	130,786,912	155,247,564	166,271,014	248,627,815	270,592,148	305,246,667	328,026,940
Unrestricted	(94,115,158)	(93,575,847)	(42,897,806)	(125,570,328)	(101,759,015)	(132,007,818)	(101,767,672)	(81,202,973)	(41,882,994)	(37,109,852)
Total Governmental Activities Net Position	\$ 889,607,529	\$ 952,973,464	\$ 1,049,019,073	\$ 935,572,679	\$ 992,102,877	\$ 1,048,085,858	\$ 1,199,478,422	\$ 1,306,458,970	\$ 1,436,567,739	\$ 1,655,391,291
Business-Type Activities										
Net Investment in Capital Assets	\$ 1,137,488,311	\$ 1,156,762,308	\$ 1,164,442,267	\$ 1,174,477,350	\$ 1,231,485,112	\$ 1,350,027,938	\$ 1,630,310,774	\$ 1,715,883,382	\$ 1,780,454,523	\$ 1,821,203,859
Restricted	33,974,831	33,300,330	35,568,403	48,717,018	45,469,335	53,658,787	39,344,197	42,455,904	28,392,219	32,665,361
Unrestricted	214,253,723	255,100,345	298,014,583	294,622,023	345,923,257	333,608,421	260,050,162	298,513,226	355,806,758	438,141,882
Total Business-Type Activities Net Position	\$ 1,385,716,865	\$ 1,445,162,983	\$ 1,498,025,253	\$ 1,517,816,391	\$ 1,622,877,704	\$ 1,737,295,146	\$ 1,929,705,133	\$ 2,056,862,512	\$ 2,164,653,500	\$ 2,292,010,902
Primary Government										
Net Investment in Capital Assets	\$ 1,981,524,400	\$ 2,031,730,020	\$ 2,127,858,693	\$ 2,104,833,445	\$ 2,170,099,440	\$ 2,363,850,600	\$ 2,682,729,053	\$ 2,832,953,177	\$ 2,953,658,589	\$ 3,185,678,062
Restricted	173,661,429	204,881,929	164,068,856	179,503,930	200,716,899	219,929,801	288,172,012	313,048,052	333,638,886	360,692,301
Unrestricted	120,138,565	161,524,498	255,116,777	169,051,695	244,164,242	201,600,603	158,282,490	217,310,253	313,923,764	401,031,830
Total Primary Government Net Position	\$ 2,275,324,394	\$ 2,398,136,447	\$ 2,547,044,326	\$ 2,453,389,070	\$ 2,614,980,581	\$ 2,785,381,004	\$ 3,129,183,555	\$ 3,363,311,482	\$ 3,601,221,239	\$ 3,947,402,193

(a) The City implemented the provisions of GASB Statements 68 and 71 in fiscal year 2015; the statistics prior to 2015 have not been restated.

(b) The City implemented the provisions of GASB Statements 75 in fiscal year 2018 and restated certain balances.

CITY OF ROSEVILLE, CALIFORNIA
CHANGES IN NET POSITION
Last Ten Fiscal Years
(accrual basis of accounting)

	2015 (a)	2016	2017	2018 (b)(c)	2019 (e)	2020 (e)	2021 (d)(e)	2022	2023 (g)	2024
Expenses										
<i>Governmental Activities:</i>										
General Government	\$ 33,259,988	\$ 24,156,228	\$ 23,477,949	\$ 19,793,110	\$ 16,000,782	\$ 20,144,744	\$ 18,900,319	\$ 34,983,617	\$ 30,408,563	\$ 31,537,475
Police	33,815,163	34,215,809	27,989,234	46,653,023	51,686,063	47,310,738	50,161,215	45,040,064	57,910,588	78,246,619
Fire	28,710,164	28,336,652	21,870,763	38,336,994	42,893,789	36,861,715	36,101,836	34,771,572	46,008,926	52,961,565
Economic Development (e)	-	-	-	-	-	-	4,177,122	463,922	4,037,655	4,260,139
Parks and Recreation	21,676,006	21,289,788	19,273,481	28,648,589	29,543,138	31,791,977	34,984,176	28,571,207	45,569,443	59,532,932
Public Works	17,191,405	12,786,495	15,499,737	21,316,484	10,732,197	17,390,714	3,801,296	25,624,477	25,578,805	25,441,993
Library	4,728,411	4,675,146	3,356,837	5,888,252	6,095,245	4,756,588	5,960,578	5,400,847	5,717,895	6,436,607
Development and Operations (e)	20,677,108	21,661,632	22,387,337	25,227,086	28,989,867	57,985,840	-	-	-	-
Development Services (e)	-	-	-	-	-	-	32,782,151	38,471,718	30,046,226	25,239,615
Annexation Payments (e)	-	-	4,216,417	4,248,895	4,673,530	7,386,919	7,706,057	9,257,913	10,109,686	11,756,506
Housing Assistance Payments	4,046,250	4,077,451	4,285,329	4,798,427	1,304,195	1,484,120	1,549,203	6,908,949	7,833,095	9,889,257
Interest on Long-Term Debt	543,336	1,170,785	4,285,329	4,798,427	1,304,195	1,484,120	1,549,203	3,092,019	2,706,949	2,449,436
Total Governmental Activities Expenses	\$ 164,847,831	\$ 132,369,986	\$ 142,357,184	\$ 195,110,830	\$ 191,928,906	\$ 225,113,355	\$ 201,618,211	\$ 230,588,305	\$ 266,027,831	\$ 307,741,144
<i>Business-Type Activities:</i>										
Electric	\$ 139,307,833	\$ 141,831,457	\$ 150,984,130	\$ 149,337,786 (d)	\$ 140,049,539	\$ 139,578,420	\$ 154,771,931	\$ 147,513,838	\$ 176,493,665	\$ 195,703,403
Water	25,123,587	26,723,627	30,074,999	32,296,706	31,518,663	37,477,974	39,906,556	33,413,271	39,477,032	43,052,512
Wastewater	34,558,191	34,569,588	40,370,531	45,584,028	57,655,228	45,807,920	74,288,202	66,361,019	64,049,565	64,049,565
Solid Waste	17,028,218	17,778,395	18,307,460	22,628,907	24,131,176	26,480,550	25,082,857	27,344,263	34,853,055	38,397,224
Natural Gas	25,574,327	25,179,279	24,685,497	24,217,677	23,711,730	23,226,521	22,649,501	22,061,056	32,960,032	20,842,072
Golf Course	2,596,524	2,502,782	2,466,326	-	-	-	-	-	-	-
Local Transportation	8,918,391	8,195,099	9,895,357	10,441,459	10,441,459	10,790,475	9,544,110	11,588,006	10,084,151	11,441,873
School-Age Child Care	3,664,376	5,251,976	7,985,912	7,666,178	7,027,545	9,732,622	5,965,804	4,176,380	7,388,103	7,197,895
Total Business-Type Activities Expenses	256,773,447	281,823,006	280,879,266	292,226,639	294,535,340	293,103,482	332,208,961	321,298,361	367,817,057	380,684,544
Total Primary Government Expenses	\$ 421,421,278	\$ 414,192,992	\$ 423,236,450	\$ 487,337,469	\$ 486,464,246	\$ 518,216,837	\$ 533,827,172	\$ 551,884,666	\$ 633,844,888	\$ 768,426,688
Program Revenues										
<i>Governmental Activities:</i>										
Charges for Services:										
General Government	\$ 4,151,967	\$ 4,097,453	\$ 5,153,373	\$ 5,688,733	\$ 4,426,702	\$ 4,405,118	\$ 8,023,303	\$ 8,990,775	\$ 10,714,525	\$ 9,888,344
Police	1,384,407	1,354,837	1,322,984	1,473,504	1,535,265	1,020,556	2,836,860	5,129,861	5,272,051	4,586,426
Fire	1,525,539	1,704,523	2,377,309	2,138,165	2,619,760	1,271,615	933,148	1,082,341	984,538	1,088,165
Economic Development (e)	-	-	-	-	-	-	35,903	27,956	16,855	3,536
Parks and Recreation	13,361,020	13,093,192	14,657,957	17,469,661	18,747,740	6,445,595	16,731,091	18,943,647	20,919,645	19,814,429
Public Works	207,635	30,618	518,117	158,610	222,332	1,459,973	5,271,802	5,007,696	4,852,556	7,509,297
Library	137,575	128,689	24,085	18,561	15,069	94,298	134,472	45,688	46,492	-
Development and Operations (e)	9,016,571	8,941,215	10,370,206	12,440,599	12,124,757	15,847,685	-	-	-	-
Development Services (e)	-	-	-	-	-	-	27,002,711	30,095,194	35,920,467	26,350,782
Operating Contributions and Grants	12,420,283	18,730,677	21,033,377	17,220,739	16,951,285	18,652,630	28,456,130	31,679,581	30,067,233	34,263,602
Capital Contributions and Grants	29,638,252	38,641,052	36,523,513	27,774,425	40,652,774	69,325,319	85,770,557	54,421,381	65,893,965	167,168,410
Total Governmental Activities Program Revenues	\$ 72,043,249	\$ 86,722,256	\$ 90,980,928	\$ 84,382,997	\$ 97,295,684	\$ 118,522,789	\$ 175,195,977	\$ 155,424,120	\$ 174,887,327	\$ 270,673,273
<i>Business-Type Activities:</i>										
Charges for Services:										
Electric	\$ 168,349,951	\$ 167,160,777	\$ 166,006,839	\$ 168,559,762	\$ 168,047,418	\$ 162,547,979	\$ 165,995,197	\$ 169,089,053	\$ 179,185,698	\$ 198,748,979
Water	23,511,499	22,960,518	27,983,419	31,624,951	32,851,109	34,797,988	36,887,506	37,121,021	38,140,013	41,863,395
Wastewater	31,786,319	34,411,404	39,000,990	37,426,508	43,389,397	42,065,481	43,609,275	48,216,934	54,299,275	58,287,263
Solid Waste	22,002,869	22,403,352	23,111,497	24,257,746	25,227,177	26,859,636	28,638,281	35,553,901	41,683,100	42,914,350
Natural Gas	16,528,513	16,572,034	16,528,513	16,528,513	16,738,649	16,563,725	14,568,504	10,348,120	30,137,619	16,565,863
Golf Course	2,388,188	2,216,692	1,931,550	-	-	-	-	-	-	-
Local Transportation	1,201,224	1,177,935	1,386,957	1,138,726	1,114,798	923,491	268,884	371,942	386,541	518,454
School-Age Child Care	4,273,030	5,475,945	5,680,237	6,396,920	6,867,594	5,431,246	2,986,556	5,032,204	5,560,150	5,709,278
Operating Grants and Contributions	14,272,710	5,878,612	10,640,845	12,614,825	24,255,105	11,478,132	13,954,837	14,201,456	15,062,693	19,640,888
Capital Grants and Contributions	50,670,825	55,809,279	61,026,801	78,824,553	74,948,559	97,350,203	215,581,626	144,859,182	108,421,452	91,735,785
Total Business-Type Activities Program Revenues	334,983,128	334,066,548	353,307,648	377,372,504	393,439,806	398,917,881	522,490,666	464,793,813	472,876,623	475,984,255
Total Primary Government Program Revenues	\$ 407,026,377	\$ 420,788,804	\$ 444,288,576	\$ 461,755,501	\$ 490,735,490	\$ 516,540,670	\$ 697,686,643	\$ 620,217,933	\$ 647,563,950	\$ 746,657,528
Net (Expense)/Revenue										
Governmental Activities	\$ (92,604,582)	\$ (65,647,730)	\$ (51,376,256)	\$ (110,727,833)	\$ (94,633,222)	\$ (106,590,586)	\$ (26,422,234)	\$ (75,162,185)	\$ (91,340,504)	\$ (37,067,871)
Business-Type Activities	78,209,681	72,243,542	72,428,382	85,145,865 (d)	96,904,466 (d)	104,914,369 (d)	180,281,705 (d)	143,495,452	105,259,566	95,289,711
Total Primary Government Net Expense	\$ (14,394,901)	\$ 6,595,812	\$ 21,052,126	\$ (25,581,968)	\$ 4,271,244	\$ (1,676,167)	\$ 163,859,471	\$ 68,333,267	\$ 13,919,062	\$ 58,231,840

(Continued)

CITY OF ROSEVILLE, CALIFORNIA
CHANGES IN NET POSITION
Last Ten Fiscal Years
(accrual basis of accounting)

	2015 (a)	2016	2017	2018 (b)(c)	2019 (e)	2020 (e)	2021 (d)(e)	2022	2023 (g)	2024
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes:										
Property Taxes	\$ 34,728,281	\$ 37,998,872	\$ 40,689,765	\$ 44,646,475	\$ 48,647,608	\$ 52,375,495	\$ 60,084,347	\$ 76,267,537	\$ 85,942,237	\$ 92,306,536
Sales Taxes	\$48,094,824	\$52,993,394	\$51,646,625	\$50,710,102	\$56,355,528	52,699,584	63,700,772	70,621,977	70,753,558	\$70,122,818
Local Sales Taxes	-	-	-	-	4,218,786	19,669,535	24,509,762	28,328,053	28,827,172	29,944,203
Transient Occupancy Taxes	-	-	-	3,534,479	3,632,822	3,528,221	2,383,853	4,475,343	5,466,708	7,216,331
Other Taxes	7,186,709	7,745,155	7,104,703	4,854,967	4,725,497	15,357,338	27,582,248	4,737,994	4,097,937	4,195,688
Franchise Fees	2,057,707	2,168,413	2,310,192	2,363,377	2,280,503	2,023,411	2,401,039	2,513,172	2,548,454	2,431,708
Use of Money and Property	1,763,604	3,058,420	674,516	2,008,801	10,844,582	5,667,846	2,650,187	(22,222,277)	(926,797)	23,771,910
Miscellaneous Revenues	414,279	191,255	18,688,013	10,143,729	2,823,273	128,480	351,002	9,039,528	3,676,766	15,178,439
Transfers	277,704,787	24,853,427	20,662,506	16,710,815	16,110,901	10,223,786	8,681,939	8,320,211	19,371,222	10,723,990
Extraordinary Item:										
Gain/(Loss) from Sales of Capital Assets	1,699,847	4,729	25,137	3,522	1,523,918	899,851	-	-	-	-
Total Government Activities	\$ 123,650,038	\$ 129,013,665	\$ 141,801,457	\$ 134,976,267	\$ 151,163,420	\$ 162,573,547	\$ 176,521,119	\$ 182,081,538	\$ 219,757,257	\$ 255,891,423
Business-Type Activities:										
Use of Money and Property	\$ 11,274,851	\$ 12,055,004	\$ 8,940,537	\$ 8,829,420	(d) \$ 22,202,296	\$ 19,716,829	\$ 8,341,902	\$ (11,424,903)	\$ 9,447,311	\$ 27,289,465
Miscellaneous Revenues	-	-	-	-	-	-	2,750,278	3,228,066	12,831,214	15,768,330
Transfers	(27,704,787)	(24,853,427)	(20,662,506)	(16,710,815)	(16,110,901)	(10,223,786)	(8,681,939)	(8,320,211)	(19,371,222)	(10,723,990)
Gain/(Loss) from Sales of Capital Assets	(2,028,306)	-	-	(948,308)	65,452	-	(466,792)	168,975	(582,283)	-
Special Item	-	-	-	-	-	-	-	-	-	-
Total Business-Type Activities	(18,458,242)	(12,797,423)	(11,721,969)	(8,429,703)	6,156,847	9,493,043	1,943,449	(16,348,073)	2,425,020	32,303,835
Total Primary Government	\$ 105,191,796	\$ 116,216,242	\$ 130,079,488	\$ 126,546,564	\$ 157,320,267	\$ 172,066,590	\$ 178,464,568	\$ 165,733,465	\$ 222,182,277	\$ 288,195,258
Change in Net Position										
Governmental Activities	\$ 31,045,456	\$ 63,365,935	\$ 90,425,201	\$ 24,248,434	\$ 56,530,198	\$ 55,982,981	\$ 150,098,885	\$ 106,919,353	\$ 128,416,753	\$ 218,823,552
Business-Type Activities	59,751,439	59,446,119	60,706,413	76,716,162	105,061,313	114,407,442	192,225,154	127,147,379	107,684,586	127,603,546
Total Primary Government	\$ 90,796,895	\$ 122,812,054	\$ 151,131,614	\$ 100,964,596	\$ 161,591,511	\$ 170,390,423	\$ 342,324,039	\$ 234,066,732	\$ 236,101,339	\$ 346,427,098
Restatement of Net Position										
Governmental Activities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,753,211	(f) \$ -
Business-Type Activities	-	-	-	-	-	-	-	-	116,402	(f) (246,144)
Total Restatement of Net Position	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,869,613	\$ (246,144)

(a) The City implemented the provisions of GASB Statements 68 and 71 in fiscal year 2015; the statistics prior to 2015 have not been restated.

(b) The City implemented the provisions of GASB Statements 75 in fiscal year 2018 and restated certain balances.

(c) Net (Expense)/Revenue and Use of money and property for Business-Type activities for fiscal year 2018 have been updated to match with ACFR Statement of Activities.

(d) Beginning in the fiscal year ended June 30, 2021, the City began reporting development and operations as separate lines named Development Services, Economic Development, and Annexation Payments.

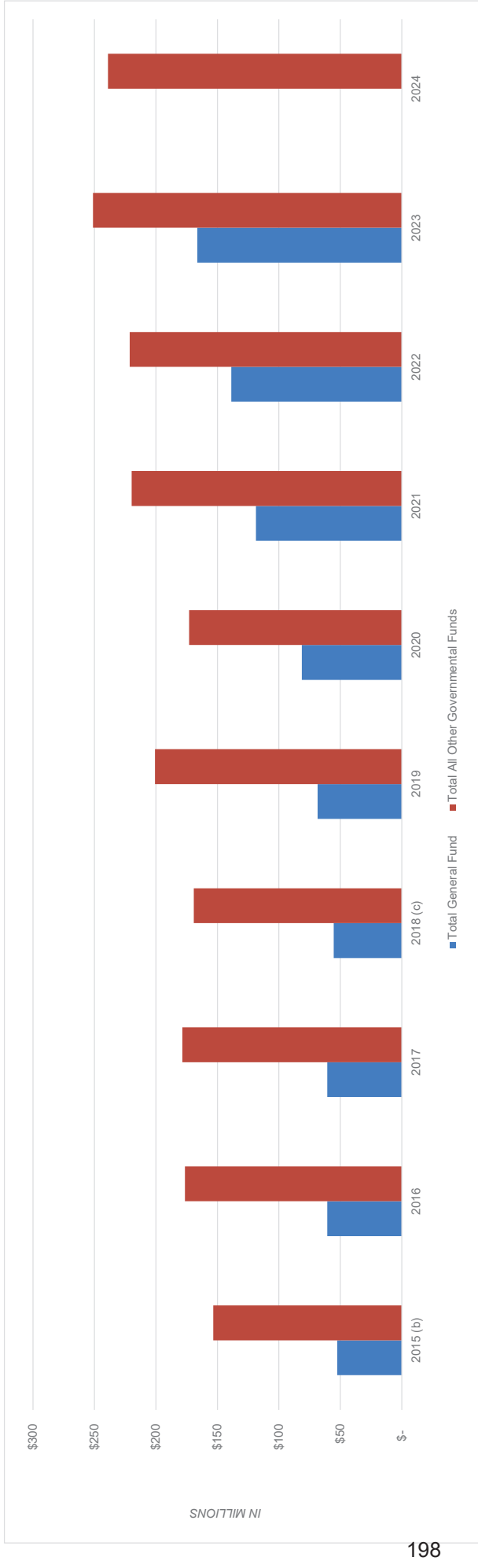
(e) The sales tax amounts have been restated back to 2019 to separate the local sales tax from the Bradley-Burns sales tax revenue.

(f) The governmental activities had a total prior period restatement of \$1,753,211. The general fund deferred inflows were overstated by \$130,178 and the other governmental funds had a net overstatement of \$1,623,041. The business-type activities had a total prior period restatement of \$116,402.

(g) The FY23 capital contributions had a total prior period restatement of \$1,869,613. The general fund deferred inflows were overstated by \$130,178 and the other governmental funds had a net overstatement of \$1,623,041. The business-type activities had a total prior period restatement of \$116,402.

(h) The FY23 capital contributions had a total prior period restatement of \$246,144 in FY24. The School-Age Child Care fund had overstated revenue of \$152,617 and the Local Transportation fund had overstated revenue of \$93,527.

CITY OF ROSEVILLE, CALIFORNIA
FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)



(a) The change in total fund balance for the General Fund and other governmental funds is explained in Management's Discussion and Analysis.
(b) The City implemented GASB Statements 68 and 71 in fiscal year 2015; years prior to 2015 have not been restated to conform with the new presentation.
(c) The City implemented the provisions of GASB Statements 75 in fiscal year 2018 and restated certain balances.

CITY OF ROSEVILLE, CALIFORNIA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)

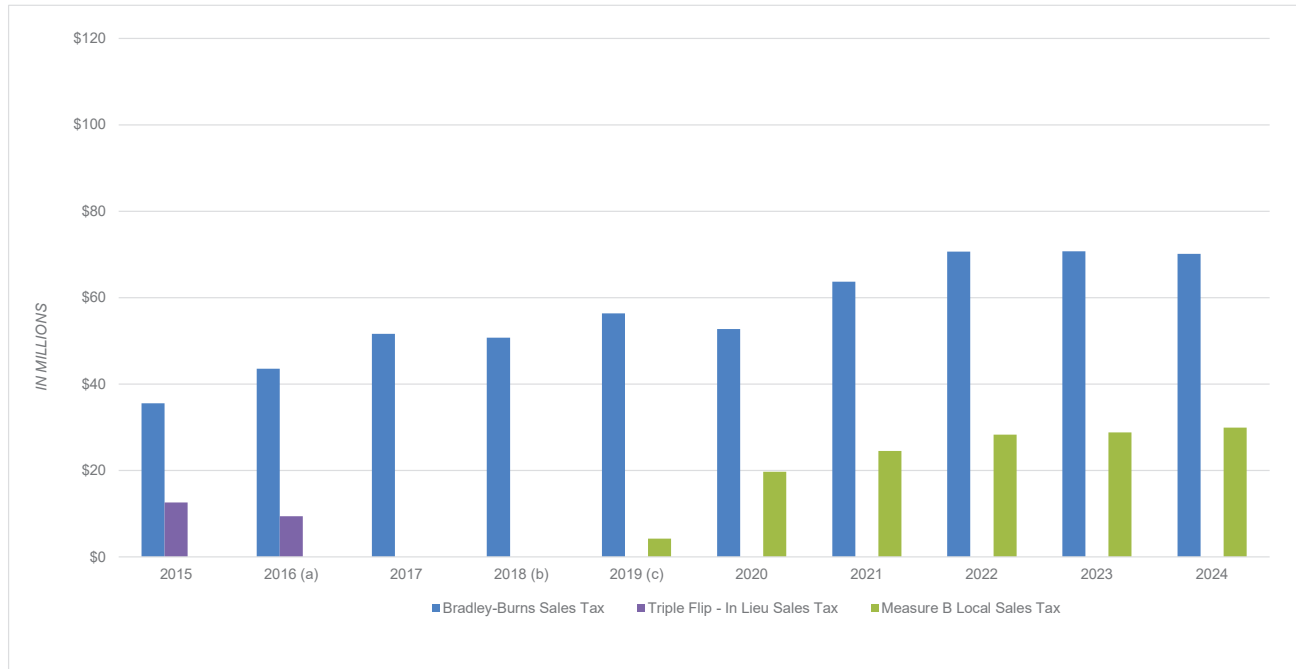
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues										
Taxes	\$ 96,055,076	\$ 106,209,940	\$ 106,882,600	\$ 111,838,688	\$ 127,146,378	\$ 142,385,091	\$ 166,131,671	\$ 186,944,076	\$ 197,636,066	\$ 203,785,376
Licenses and Permits	2,684,169	2,723,234	3,268,160	3,001,719	3,009,035	3,325,365	4,668,439	5,035,341	4,630,839	4,494,585
Subventions and Grants	15,082,197	10,662,888	17,814,381	12,925,977	11,936,638	10,018,531	30,258,509	27,924,403	28,824,254	33,227,907
Charges for Services	27,624,928	28,398,884	36,270,061	44,541,860	34,187,231	40,356,582	55,355,261	63,387,310	72,317,748	64,346,699
Use of Money and Property	2,273,687	3,608,140	8,063,026	13,580,949	13,263,366	8,981,599	1,424,915	(18,836,350)	(302,748)	20,646,684
Fine, Forfeitures and Penalties	1,226,611	1,192,435	1,231,989	1,399,287	1,265,762	960,400	229,578	470,530	401,617	524,897
Contributions from Developers and Others	15,321,286	4,847,097	2,256,674	2,260,841	29,979,263	562,934	3,907,958	4,677,528	4,983,628	3,880,967
Impact Fees	-	-	-	-	-	-	-	-	-	199,847
Miscellaneous Revenues	8,323,382	24,820,495	24,799,603	6,022,224	9,449,575	4,738,808	2,382,049	8,507,072	4,077,637	6,486,821
Revenues from Other Agencies	-	-	-	-	-	42,792,416	79,624,452	53,499,031	8,421,724	35,742,165
Total Revenues	\$ 168,591,336	\$ 182,463,113	\$ 200,586,494	\$ 195,571,545	\$ 230,237,248	\$ 254,121,726	\$ 344,182,832	\$ 331,608,941	\$ 320,990,765	\$ 373,335,948
Expenditures										
<i>Current:</i>										
General Government	\$ 25,135,288	\$ 26,308,369	\$ 31,494,060	\$ 15,296,075	\$ 8,137,625	\$ 19,257,171	\$ 19,760,855	\$ 29,039,710	\$ 26,699,042	\$ 27,495,756
Public safety:										
Police	31,917,720	34,565,899	35,785,791	39,817,024	41,422,622	46,233,948	48,827,743	55,404,248	57,732,240	65,001,746
Fire	27,328,554	28,792,370	30,357,023	32,689,465	34,056,248	36,192,976	35,706,906	43,675,124	42,419,179	44,196,925
Economic Development (a)	-	-	-	-	-	-	4,090,181	3,043,366	2,485,431	3,315,252
Parks and Recreation	20,854,408	21,111,520	21,451,673	25,483,508	26,124,783	27,726,357	29,493,997	32,809,285	39,579,895	44,808,963
Public Works	5,972,942	6,069,793	7,060,201	8,138,529	8,326,467	13,663,550	13,112,941	19,730,670	20,043,032	16,903,719
Library	3,979,158	4,120,111	4,155,157	5,224,590	5,039,164	5,017,004	5,241,683	5,540,892	5,305,710	5,455,548
Development and Operations (a)	14,979,353	16,042,793	21,992,856	16,435,711	18,745,408	50,790,267	-	-	-	-
Development Services (a)	-	-	-	-	-	-	34,739,488	38,095,930	28,078,125	22,758,141
Housing Assistance Payments	4,046,250	4,077,451	4,216,417	4,248,895	4,673,530	5,155,267	5,706,057	6,908,949	7,933,095	9,646,964
Capital Outlay	30,433,990	37,821,774	59,258,478	49,553,074	39,316,183	65,792,166	68,814,087	62,876,772	26,090,853	113,408,448
Payments Under Development Agreements	567,619	567,619	-	-	-	-	-	-	-	-
Annexation Payments	3,596,777	4,076,406	4,734,193	5,775,035	6,140,795	7,083,307	7,494,258	9,257,913	10,109,686	11,755,506
<i>Debt Service:</i>										
Principal Retirement	844,490	863,892	1,098,509	1,532,317	1,561,381	2,072,817	1,613,400	3,953,223	1,700,223	1,743,672
Interest and Fiscal Charges	393,375	1,079,183	4,221,646	4,948,323	1,510,734	1,524,178	1,590,708	3,125,875	2,666,495	2,545,875
Total Expenditures	\$ 170,049,924	\$ 185,497,180	\$ 225,826,004	\$ 209,142,546	\$ 195,054,940	\$ 280,509,008	\$ 276,192,304	\$ 313,461,957	\$ 270,843,006	\$ 369,036,515
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (1,458,588)	\$ (3,034,067)	\$ (25,239,510)	\$ (13,571,001)	\$ 35,182,308	\$ (26,387,282)	\$ 67,990,528	\$ 18,146,984	\$ 50,147,759	\$ 4,299,433
Other Financing Sources (Uses)										
Proceeds from Leases	\$ 104,580	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 208,245	\$ -	\$ -
Debt Issued	-	14,425,000	-	-	-	-	-	-	-	-
Premium on Debt Issued	-	862,056	-	-	-	-	-	-	-	-
Proceeds from Sale of Property	516,821	-	-	-	1,521,727	880,994	7,312,878	192,683	10,799	9,077
Transfers In	38,238,578	53,202,949	43,364,097	28,539,336	30,941,685	28,265,421	20,712,442	25,464,243	22,322,066	25,672,955
Transfers Out	(18,739,191)	(34,394,329)	(23,201,601)	(24,102,321)	(23,058,711)	(17,632,753)	(11,995,309)	(22,405,450)	(14,763,097)	(15,004,983)
Payment to Bond Escrow Agent	-	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	\$ 20,120,788	\$ 34,095,676	\$ 20,162,496	\$ 4,437,015	\$ 9,404,701	\$ 11,513,662	\$ 16,030,011	\$ 3,459,721	\$ 7,569,768	\$ 10,677,049
Net Change in Fund Balances Before Restatements	\$ 18,662,200	\$ 31,061,609	\$ (5,077,014)	\$ (9,133,986)	\$ 44,587,009	\$ (14,873,620)	\$ 84,020,539	\$ 21,606,705	\$ 57,717,527	\$ 14,976,482
Restatements	-	-	-	-	-	-	-	-	(221,584) (c)	-
Net Change in Fund Balances	\$ 18,662,200	\$ 31,061,609	\$ (5,077,014)	\$ (9,133,986)	\$ 44,587,009	\$ (14,873,620)	\$ 84,020,539	\$ 21,606,705	\$ 57,495,943	\$ 14,976,482
Debt Service as a Percentage of Noncapital Expenditures	1.3% (b)	1.3% (b)	3.2% (b)	4.1%	2.0%	1.7%	1.7%	3.1%	1.8%	1.7%

(a) Beginning in the fiscal year ended June 30, 2021, the City began reporting development and operations as separate lines named Development Services, Economic Development, and Annexation Payments

(b) In fiscal year 2018, the City recalculated these percentages.

(c) The governmental funds had a restatement that resulted in a decrease to fund balance of \$221,584.

CITY OF ROSEVILLE, CALIFORNIA
SALES TAX REVENUE
Last Ten Fiscal Years



Fiscal Year	Bradley-Burns Sales Tax	Triple Flip - In Lieu Sales Tax	Measure B Local Sales Tax
2015	\$ 35,531,876	\$ 12,562,948	\$ -
2016 (a)	43,559,785	9,433,609	-
2017	51,646,625	-	-
2018 (b)	50,710,102	-	-
2019 (c)	56,355,528	-	4,218,788
2020	52,699,584	-	19,669,535
2021	63,700,772	-	24,509,762
2022	70,621,977	-	28,328,053
2023	70,753,558	-	28,827,172
2024	70,122,618	-	29,944,203
TOTAL	\$ 565,702,425	\$ 21,996,557	\$ 135,497,513

(a) The State Triple Flip ended with a one-time additional payment for the final quarter.

(b) Sales tax decreased due to a one-time processing delay associated with the state implementing a new tax collection system.

(c) Voters approved the Measure B local sales tax in November 2018, effective April 1, 2019, increasing the sales tax rate from 7.25% to 7.75%.

CITY OF ROSEVILLE, CALIFORNIA
ASSESSMENT ROLL VALUES
Last Ten Fiscal Years

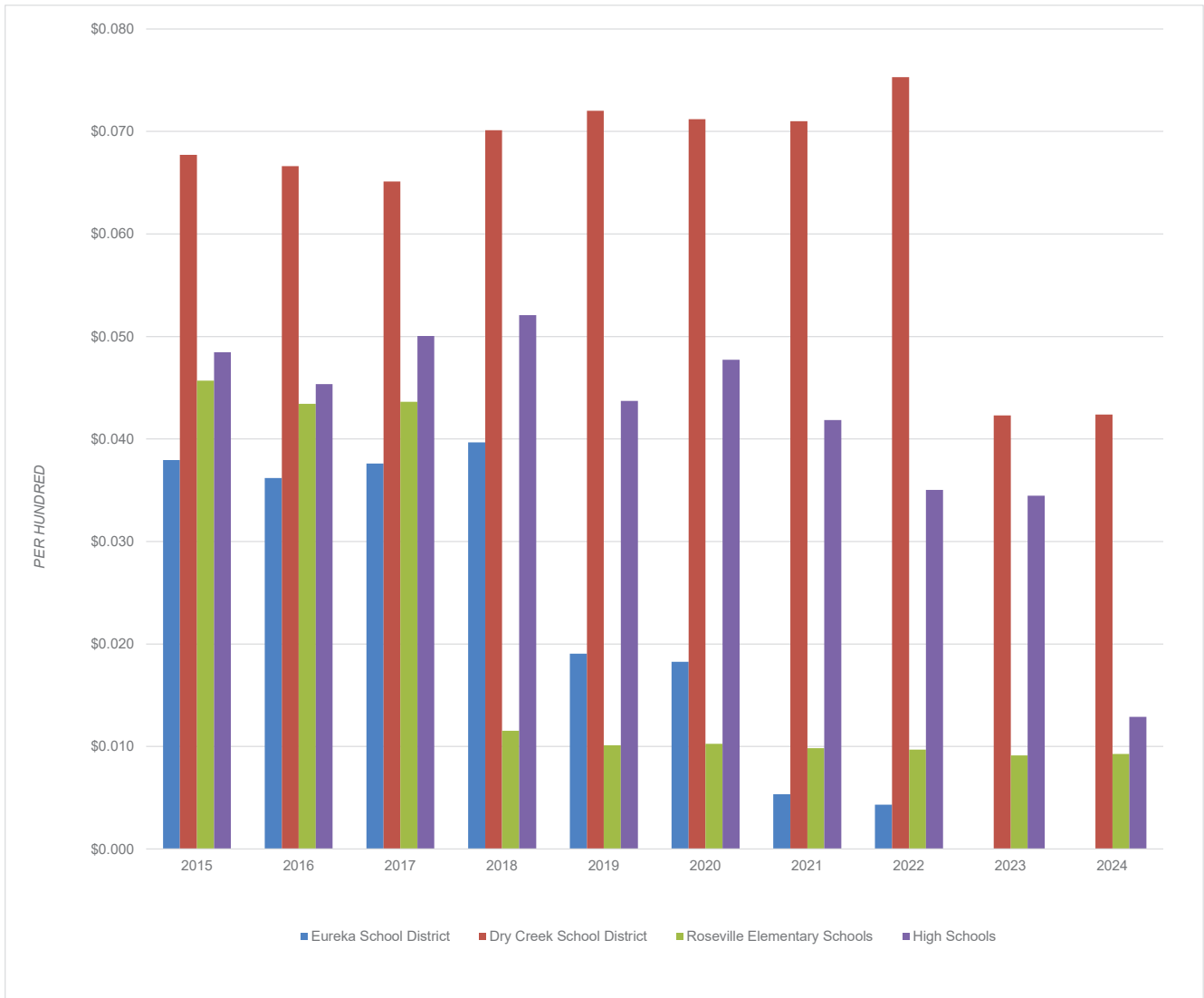
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Secured										
Land	\$ 4,811,588,559	\$ 5,038,592,302	\$ 5,343,255,434	\$ 5,619,414,445	\$ 5,929,903,660	\$ 6,340,278,943	\$ 6,679,852,992	\$ 7,075,833,844	\$ 7,649,096,782	\$ 8,157,770,073
Structure	12,621,412,601	13,670,305,499	14,619,778,326	15,565,619,635	16,427,163,485	18,093,106,729	19,204,141,847	20,547,280,455	22,412,961,248	24,026,203,423
Fixtures	86,169,588	72,381,116	54,816,121	71,994,553	71,059,765	72,781,190	52,101,460	109,605,403	142,133,251	166,271,542
Personal Property	199,577,920	176,564,870	173,880,661	128,012,551	146,059,048	185,285,472	240,746,236	214,126,109	212,551,774	222,900,004
Gross	\$ 17,718,748,668	\$ 18,957,843,787	\$ 20,191,730,542	\$ 21,385,041,184	\$ 22,574,185,958	\$ 24,691,432,334	\$ 26,176,842,535	\$ 27,946,845,811	\$ 30,416,743,055	\$ 32,573,145,042
Exemptions	(1,235,144,897)	(1,196,368,326)	(1,240,797,255)	(1,287,075,877)	(1,010,838,236)	(1,586,206,981)	(1,693,401,545)	(1,876,457,223)	(1,956,468,024)	(2,058,504,682)
Net Value	\$ 16,483,603,771	\$ 17,761,475,461	\$ 18,950,933,287	\$ 20,097,965,307	\$ 21,563,347,722	\$ 23,105,225,353	\$ 24,483,440,990	\$ 26,070,388,588	\$ 28,460,275,031	\$ 30,514,640,360
Unsecured										
Land	\$ 14,209,597	\$ 14,751,078	\$ 15,636,657	\$ 16,035,546	\$ 16,244,979	\$ 16,533,626	\$ 17,169,271	\$ 17,318,630	\$ 17,648,076	\$ 13,883,203
Structure	40,065,250	40,572,958	41,034,119	41,858,259	42,756,495	43,960,455	45,727,053	45,888,059	46,304,816	23,298,056
Fixtures	200,634,374	210,899,452	219,812,361	232,332,616	211,812,302	209,973,531	209,539,891	210,752,175	220,577,778	245,005,423
Personal Property	478,575,784	508,561,032	586,873,115	568,397,250	569,809,275	625,422,860	675,077,829	647,792,897	694,890,801	758,660,039
Gross	\$ 733,485,005	\$ 774,784,520	\$ 863,356,252	\$ 858,623,671	\$ 840,623,051	\$ 895,890,472	\$ 947,514,044	\$ 921,751,761	\$ 979,421,471	\$ 1,040,846,721
Exemptions	(61,105,400)	(93,563,794)	(114,427,088)	(112,467,389)	(109,637,206)	(104,116,407)	(99,538,096)	(123,172,469)	(130,797,312)	(141,646,325)
Net Value	672,379,605	681,220,726	748,929,154	746,156,282	730,985,845	791,774,065	847,975,948	798,579,292	848,624,159	899,200,396
Total Net Assessed Value (a)	\$ 17,155,983,376	\$ 18,442,696,187	\$ 19,699,862,441	\$ 20,844,121,589	\$ 22,294,333,567	\$ 23,896,999,418	\$ 25,331,416,938	\$ 26,868,967,880	\$ 29,308,899,190	\$ 31,413,840,756
Direct Tax Rate (b)	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%

(a) Article XIII A, added to the California Constitution by Proposition 13 in 1978 fixed the base for valuation of property subject to taxes at the full cash value which appeared on the Assessor's 1975/76 assessment roll. Thereafter, full cash value can be increased to reflect:

- annual inflation up to 2%; or
- market value at the time of ownership change; or
- market value for new construction.

(b) California cities do not set their own direct tax rate. The state constitution establishes the rate at 1% and allocates a portion of that amount, by an annual calculation, to all the taxing entities within a tax rate area.

**CITY OF ROSEVILLE, CALIFORNIA
PROPERTY TAX RATES
DIRECT & OVERLAPPING GOVERNMENTS
Last Ten Fiscal Years**



Fiscal Year	Direct Rate	Overlapping Rates				Total (a)
	Basic County Wide Levy	Eureka School District	Dry Creek School District	Roseville Elementary Schools	High Schools	
2015	1.0000	0.0379	0.0677	0.0457	0.0485	1.0989
2016	1.0000	0.0362	0.0666	0.0434	0.0454	1.0941
2017	1.0000	0.0376	0.0651	0.0436	0.0500	1.0988
2018	1.0000	0.0397	0.0701	0.0115	0.0521	1.0925
2019	1.0000	0.0190	0.0720	0.0101	0.0437	1.0774
2020	1.0000	0.0183	0.0712	0.0103	0.0477	1.0810
2021	1.0000	0.0053	0.0710	0.0098	0.0418	1.0706
2022	1.0000	0.0043	0.0753	0.0097	0.0350	1.0648
2023	1.0000	0.0000	0.0423	0.0091	0.0345	1.0516
2024	1.0000	0.0000	0.0424	0.0093	0.0129	1.0301

(a) Total Overlapping Rates uses an average of Eureka School District, Dry Creek School District and Roseville Elementary School

**CITY OF ROSEVILLE, CALIFORNIA
PRINCIPAL PROPERTY TAXPAYERS
Current Year and Nine Years Ago**

Property Owner	Primary Land Use	Rank	2024		Rank	2015	
			Taxable Assessed Value	Percent of Total City Taxable Assessed Value		Taxable Assessed Value	Percent of Total City Taxable Assessed Value
Roseville Shoppingtown LLC	Shopping Center	1	\$ 533,694,999	1.74%	1	\$ 409,391,842	2.46%
BREIT Wave MF SC Owner LLC	Apartments	2	164,001,133	0.53%			
Harvest-USIV LLC & Harvest-USIII LLC	Apartments	3	115,816,058	0.38%			
DC Roseville Owner LLC	Office Building	4	106,484,384	0.35%			
DDR Creekside LP	Commercial	5	100,956,386	0.33%			
DA - 20A Ascent LLC	Apartments	6	98,867,850	0.32%			
Rosemeade Residential Holdings LLC	Apartments	7	92,753,383	0.30%			
PPF AHP OFF Parkway Corporate Plaza Owner	Office Building	8	84,964,056	0.28%			
Eureka Development Company LLC	Shopping Center	9	80,774,371	0.26%			
Hometown Diamond K LLC	Mobile Home Park	10	80,628,500	0.26%			
Walmart Stores Inc.	Commercial	11	79,957,463	0.26%	6	63,723,637	0.38%
Roseville Fountains LP	Shopping Center	12	77,984,814	0.25%	5	64,756,742	0.39%
CW FBI Sacramento LLC	Industrial	13	76,711,129	0.25%			
Oakmonth Properties - Creekside LLC	Apartments	14	73,881,070	0.24%			
CPT Creekside Town Center LLC	Shopping Center	15	73,669,080	0.24%	7	61,498,981	0.37%
Cyrene at Fiddymet LLC	Residential Development	16	70,916,640	0.23%			
W2005 Fargo Hotels Pool C Realty LP	Hotel	17	68,341,198	0.22%	9	50,462,713	0.30%
Save Mart Portfolio Owner Fund V CA LLC	Supermarket	18	64,947,135	0.21%			
BRE Sierra View Owner LLC	Industrial	19	64,080,146	0.21%			
Safeway Inc.	Commercial	20	59,289,628	0.19%	16	38,053,367	0.23%
Hewlett Packard Co.	Industrial				2	142,638,230	0.86%
Slate Creek Roseville LLC	Apartments				3	80,079,410	0.48%
BEP Roseville Investors LLC	Office Building				4	76,312,316	0.46%
UCM Caiprosemeade LLC	Apartments				8	58,381,068	0.35%
BBC Roseville Oaks LLC	Commercial				10	50,000,000	0.30%
Timberpine Holdings LLC	Industrial				11	47,500,000	0.29%
John L. Sullivan Family LP	Auto Dealership				12	44,168,552	0.27%
Terraces at Highland Property Owner LLC	Apartments				13	41,626,345	0.25%
Pinnacle OPID LLC & Pinnacle PCC LLC	Apartments				14	40,148,000	0.24%
ATC Realty One LLC	Underdeveloped				15	39,463,407	0.24%
HD Development of Maryland Inc.	Commercial				17	37,714,704	0.23%
NNN Parkway Corporate Plaza LLC	Office Building				18	36,700,000	0.22%
Realty Associates Fund IX LP	Apartments				19	36,579,318	0.22%
Mourier Land Investment Corporation	Office Building				20	36,027,958	0.22%
Total			\$ 2,168,719,423	7.06%		\$ 1,455,226,590	8.74%
Fiscal Year:			2023-2024			2014-2015	
Local Secured Assessed Valuation:			\$ 30,698,201,360			\$ 16,656,713,771	

CITY OF ROSEVILLE, CALIFORNIA

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Fiscal Years



Fiscal Year Ended June 30	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy	
		Amount	Percentage of Levy
2015	\$ 26,562,322	\$ 26,328,574	99.12%
2016	28,692,626	28,454,477	99.17%
2017	30,888,183	30,650,344	99.23%
2018	33,112,938	32,881,148	99.30%
2019	35,949,987	35,709,122	99.33%
2020	39,271,409	38,729,463	98.62%
2021	42,188,818	41,859,745	99.22%
2022	45,487,115	45,123,218	99.20%
2023	50,393,320	49,970,016	99.16%
2024	54,835,038	54,363,457	99.14%

Notes:

Current tax collections beginning in 1993 have been reduced by a mandatory tax reallocation imposed by the State of California.

Placer County uses an estimate for the delinquency rate and compiles delinquency as a lump sum.

Subsequent collections are not broken out by fiscal year from the County, and therefore this information is not available.

CITY OF ROSEVILLE, CALIFORNIA
ELECTRIC CUSTOMERS AND REVENUES
Ten Largest Electric Customers as of June 30, 2024

Rank	Business Type (a)	kWh (kilowatt-hour)	Percent Total kWh	Revenue	Percent of Total Revenue
1	Manufacturing	46,102,000	3.97%	\$5,048,222	2.69%
2	Government and Utilities	37,956,348	3.27%	\$5,941,266	3.17%
3	Administrative/Office Space/ Research and Development	34,329,600	2.95%	\$3,991,401	2.13%
4	Medical Care	30,871,070	2.66%	\$4,098,400	2.19%
5	Medical Care	27,521,504	2.37%	\$3,536,562	1.89%
6	Manufacturing	23,120,000	1.99%	\$2,918,805	1.56%
7	Retail and Property Management	12,468,372	1.07%	\$1,894,389	1.01%
8	Electric Vehicle Charging	9,175,010	0.79%	\$1,331,178	0.71%
9	Retail	9,129,553	0.79%	\$1,317,371	0.70%
10	Elementary and Secondary Schools	8,066,682	0.69%	\$1,278,756	0.68%

Electric Sales Revenue as of June 30, 2024

Residential	\$	91,165,710
Commercial		<u>96,296,082</u>
Total	\$	<u><u>187,461,792</u></u>

(a) Customer's name are not shown in accordance with the City's Administrative Regulation regarding confidentiality of customers.

Source: City of Roseville Electric Department

CITY OF ROSEVILLE, CALIFORNIA

RESIDENTIAL ENERGY PRICES

Effective June 6, 2024

Residential	
Basic Service Charge (per meter, per month)	\$30.00
Energy Charge (\$/kWh)	
Tier 1- up to 500 kWh/month	\$0.1176
Tier 2- greater than 500 kWh/month	\$0.1568
Renewable Energy Surcharge (\$/kWh)	\$0.0056
Greenhouse Gas Surcharge (\$/kWh)	\$0.0002
Hydroelectric Adjustment (\$/kWh) ^(a)	\$0.00226
State Energy Surcharge (\$/kWh)	\$0.00030
Energy Cost Surcharge (\$/kWh) ^(b)	\$0.01354

Rates are prorated.

Solar Customer Buyback Rate

Net Energy Metering ^(c)	
Surplus Energy Compensation Rate (\$/kWh)	\$0.0931
Roseville Solar 2.0 ^(d)	
Surplus Energy Compensation Rate (\$/kWh)	\$0.0598

Special Residential Rates

Electric Rate Assistance Program

Residents meeting certain income criteria may be eligible for a 15% discount on electric service.

Medical Rate Assistance Program

Residents meeting certain income and medical device use criteria may be eligible for a 50% discount on the first 500 kWh and 15% on all other kWh electric usage.

Medical Notification Program

Residents can notify the City of Roseville of the residential use of essential medical support equipment. This program allows the City to comply with the California Public Utility code 10010.

(a) There is a hydroelectric adjustment in effect from July 2024 through June 2025.

(b) Energy cost surcharge: effective February 1, 2023 to December 31, 2024. The energy cost surcharge is not applicable to senior citizen rate reduction, low-income rate reduction, and medical support rate reduction customers.

(c) Rate closed October 1, 2018. Surplus energy compensation rates are subject to revision by City Council as energy prices and system requirements change.

(d) The State of California allows electric utilities to implement a new solar buyback rate once solar exceeds 5% of the utility's system peak. Roseville Electric Utility now exceeds 5% solar. Per the City of Roseville Municipal Code, beginning October 1, 2018 customers will be enrolled in Roseville Solar 2.0. This change will not affect customers who installed solar before October 1, 2018 until 2028. Net Energy Metering customers will continue with net energy metering for up to 20 years (10 minimum) from the date of system interconnection. Surplus energy compensation rates are subject to revision by City Council as energy prices and system requirements change.

CITY OF ROSEVILLE, CALIFORNIA
BUSINESS ENERGY PRICES
Effective June 6, 2024

Small General Service (GS-1) (Demand < 20 kW)	Winter	Summer
Basic Service Charge (per meter, per month)	\$44.00	\$44.00
Energy Charge (\$/kWh)	\$0.1150	\$0.1330
Renewable Energy Surcharge (\$/kWh)	\$0.0056	\$0.0056
Greenhouse Gas Surcharge (\$/kWh)	\$0.0002	\$0.0002
Hydroelectric Adjustment (\$/kWh)	\$0.00226	\$0.00226
State Energy Surcharge (\$/kWh)	\$0.00030	\$0.00030
Energy Cost Surcharge (\$/kWh) ^(a)	\$0.01235	\$0.01235
Medium General Service (GS-2) (20 kW < Demand ≤ 500 kW)	Winter	Summer
Basic Service Charge (per meter, per month)	\$65.00	\$65.00
Demand Charge (\$/kW-month)	\$6.16	\$6.16
Energy Charge (\$/kWh)	\$0.1186	\$0.1427
Renewable Energy Surcharge (\$/kWh)	\$0.0056	\$0.0056
Greenhouse Gas Surcharge (\$/kWh)	\$0.0002	\$0.0002
Hydroelectric Adjustment (\$/kWh)	\$0.00226	\$0.00226
State Energy Surcharge (\$/kWh)	\$0.00030	\$0.00030
Energy Cost Surcharge (\$/kWh) ^(a)	\$0.01143	\$0.01143
Large General Service (GS-3) (500 kW < Demand ≤ 1000 kW)	Winter	Summer
Basic Service Charge (per meter, per month)	\$561.00	\$561.00
Demand Charge (\$/kW-month)	\$6.60	\$11.57
Energy Charge		
Off Peak (\$/kWh)	\$0.0801	\$0.1045
On Peak (\$/kWh)	\$0.1045	\$0.1287
Super Peak (\$/kWh)	\$0.1045	\$0.1652
Renewable Energy Surcharge (\$/kWh)	\$0.0056	\$0.0056
Greenhouse Gas Surcharge (\$/kWh)	\$0.0002	\$0.0002
Hydroelectric Adjustment (\$/kWh)	\$0.00226	\$0.00226
State Energy Surcharge (\$/kWh)	\$0.00030	\$0.00030
Energy Cost Surcharge (\$/kWh) ^(a)	\$0.00992	\$0.00992
Very Large General Service (GS-4) (Demand > 1000 kW)	Winter	Summer
Basic Service Charge (per meter, per month)	\$641.00	\$641.00
Demand Charge (\$/kW-month)	\$6.71	\$11.51
Energy Charge		
Off Peak (\$/kWh)	\$0.0789	\$0.1028
On Peak (\$/kWh)	\$0.1009	\$0.1249
Super Peak (\$/kWh)	\$0.1009	\$0.1635
Renewable Energy Surcharge (\$/kWh)	\$0.0056	\$0.0056
Greenhouse Gas Surcharge (\$/kWh)	\$0.0002	\$0.0002
Hydroelectric Adjustment (\$/kWh)	\$0.00226	\$0.00226
State Energy Surcharge (\$/kWh)	\$0.00030	\$0.00030
Energy Cost Surcharge (\$/kWh) ^(a)	\$0.00843	\$0.00843

Rates are prorated and a 2% discount is available for primary service customers.

Note: General Service Customers include all commercial, industrial, governmental and other non-residential customers.

Time of Use (TOU) seasons, days, hours, holidays:

Winter - October through May // Summer - June through September

Off Peak: 10:00pm to 7:00am Monday through Friday (Except Holidays)

All Day Saturday, Sunday, and Holidays

On Peak: 7:00am to 4:00pm AND 7:00pm to 10:00pm

Monday through Friday (Except Holidays)

Super Peak: 4:00pm to 7:00pm Monday through Friday (Except Holidays)

Holidays are defined as: New Years Day, Martin Luther King Day, Presidents' Day, Memorial Day, Labor Day, Columbus Day, Veterans' Day, Thanksgiving Day, and Christmas Day.

There is a hydroelectric adjustment in effect from July 2024 through June 2025.

The California State Energy Surcharge may change from time to time as specified in State law.

(a) Energy cost surcharge: effective February 1, 2023 to December 31, 2024. The energy cost surcharge is not applicable to senior citizen rate reduction, low-income rate reduction, and medical support rate reduction customers.

CITY OF ROSEVILLE, CALIFORNIA
RATIO OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years

Fiscal Year	Governmental Activities					Business-Type Activities					Total Primary Government (e)	Percentage of Placer County Total Personal Income (a)	Debt Per Capita (a)
	Certificates of Participation (d)	Capital Lease	Participation Sub-Lease	Lease Liability	Subscription Liability	Loans	Total Governmental Activities	Certificates of Participation	Revenue Bonds	Certificates of Participation Sub-Leases	Subscription Liability	Loans	Total Business-Type Activities
2015	-	69,007	9,874,685	-	-	4,045,520	13,965,512	150,053,467	385,334,824	3,945,631	-	-	539,334,122
2016	-	34,928	24,347,067	-	-	4,030,681	28,412,676	152,649,025	368,091,795	3,536,160	-	-	524,279,980
2017	-	-	23,272,775	-	-	4,013,624	27,286,399	138,472,875	363,175,852	3,123,170	-	-	504,771,987
2018	-	-	24,823,067	-	-	3,981,145	28,804,212	133,923,531	363,838,283	-	-	-	497,761,814
2019	14,455,822	-	8,795,122	-	-	3,964,079	27,215,023	129,546,959	347,567,126	-	-	-	477,113,985
2020	14,163,014	-	7,482,335	-	-	3,489,049	25,114,398	88,959,644	327,768,646	(f)	-	-	416,728,290
2021	13,860,206	-	6,143,935	-	-	3,489,049	23,473,190	85,802,879	206,045,926	-	-	4,344,362 (h)	296,182,967
2022	13,542,596	-	4,777,967	169,456	-	-	18,468,841	82,515,715	183,892,263	-	-	31,851,283 (h)	296,259,261
2023	13,209,589	-	3,382,764	2,286,058	3,386,352	-	22,266,763	25,078,751 (g)	165,613,599	-	1,993,084	77,060,646 (h)	269,746,080
2024	12,861,780	-	1,959,090	1,840,295	2,663,884	-	19,325,049	21,491,786	147,231,263	-	1,500,806	98,497,485	268,721,340

- (a) These ratios are calculated using personal income and population as shown on the Demographics and Economic Statistics schedule.
(b) Total personal income information is not available.
(c) The Redevelopment Agency was dissolved effective January 31, 2012 and its liabilities were assumed by the Successor Agency.
(d) In 2013 the Certificates of Participation were refunded by the 2013 Public Facilities Refunding lease.
(e) Long term debt was restated in fiscal year 2014; statistics prior to 2014 have not been restated.
(f) Decrease mostly caused by electric fund debt payoff of \$36 million and wastewater debt refunding of \$38.3 million with revenue bonds.
(g) Decrease mostly caused by electric fund debt payoff of \$54 million.
(h) Increase from draws on State Revolving Fund loans for construction of PG&WTP Expansion and Energy Recovery projects.

Sources:
The City's Annual Comprehensive Financial Reports
State of California, Department of Finance (population)
U.S. Department of Commerce, Bureau of Economic Analysis - Local Data (personal income)

CITY OF ROSEVILLE, CALIFORNIA
2014 REDEVELOPMENT PROJECT TAX ALLOCATION BONDS
Last Ten Fiscal Years

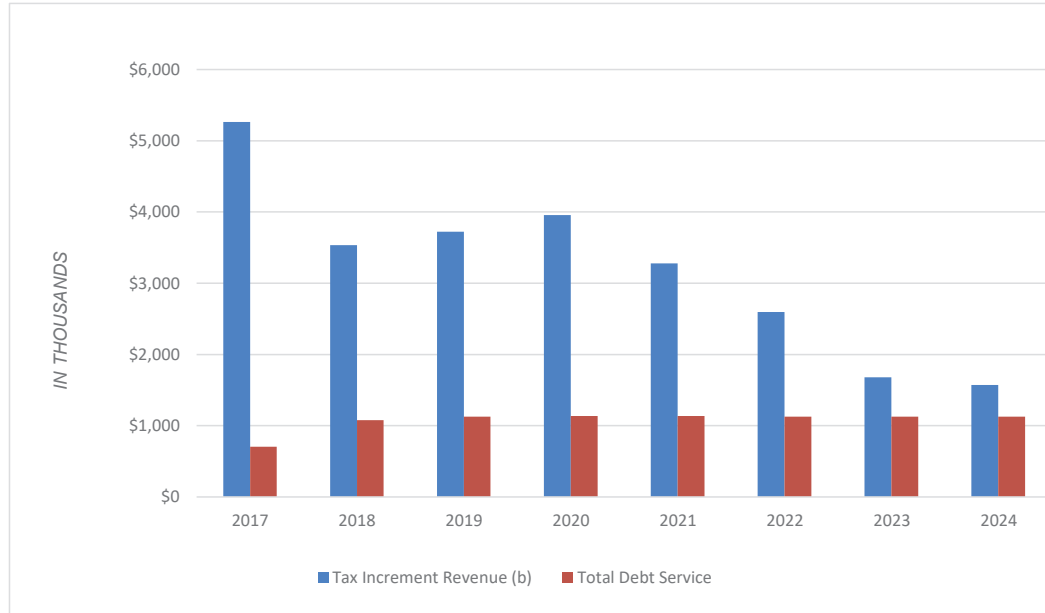


Fiscal Year	Tax Increment Revenue (a)	Debt Service Requirements			Coverage
		Principal	Interest	Total Debt Service	
2015	\$ 3,566,262	\$ -	\$ 132,646	\$ 132,646	26.89
2016	2,692,154 (b)	435,000	390,688	825,688	3.26
2017	5,263,766	435,000	378,363	813,363	6.47
2018	3,534,361	445,000	365,063	810,063	4.36
2019	3,723,819	465,000	343,463	808,463	4.61
2020	3,959,041	485,000	319,379	804,379	4.92
2021	3,280,510	505,000	302,713	807,713	4.06
2022	2,595,354	525,000	277,552	802,552	3.23
2023	1,679,567	555,000	260,109	815,109	2.06
2024	1,570,864	570,000	243,085	813,085	1.93

(a) Amounts reported include tax revenue and debt service of the Successor Agency.

(b) Restated

CITY OF ROSEVILLE, CALIFORNIA
2016 REDEVELOPMENT PROJECT TAX ALLOCATION BONDS
Last Eight Fiscal Years ^(a)



Fiscal Year	Tax Increment Revenue (b)	Debt Service Requirements			Coverage
		Principal	Interest	Total Debt Service	
2017	\$ 5,263,766	\$ -	\$ 703,884	703,884	7.48
2018	3,534,361	340,000	738,037	1,078,037	3.28
2019	3,723,819	395,000	733,439	1,128,439	3.30
2020	3,959,041	410,000	727,603	1,137,603	3.48
2021	3,280,510	415,000	721,408	1,136,408	2.89
2022	2,595,354	415,000	711,749	1,126,749	2.30
2023	1,679,567	420,000	705,422	1,125,422	1.49
2024	1,570,864	430,000	695,681	1,125,681	1.40

(a) Ten years of data are not available due to the bonds being issued on July 19, 2016

(b) Amounts reported include tax revenue and debt service of the Successor Agency.

CITY OF ROSEVILLE, CALIFORNIA COMPUTATION OF DIRECT AND OVERLAPPING DEBT

2023-2024 Assessed Valuation: \$31,599,280,877

	Total Debt 6/30/2024	% Applicable (a)	City's Share of Debt 6/30/2024
OVERLAPPING TAX AND ASSESSMENT DEBT:			
Sierra Joint Community College District SFID No. 4	\$ 201,485,000	34.787%	\$ 70,090,587
Roseville Joint Union High School District	97,157,578	75.983%	73,823,242
Roseville Joint Union High School District SFID No. 1	63,629,545	97.974%	62,340,410
Center Joint Unified School District	97,749,191	23.579%	23,048,282
Rocklin Unified School District	21,183,144	0.356%	75,412
Dry Creek Joint School District	21,602,589	53.977%	11,660,429
Roseville City School District	7,780,272	97.103%	7,554,878
City of Roseville Community Facilities Districts	450,658,500	100.000%	450,658,500
City of Roseville Placer Valley Sports Complex & Tourism Assessment District	28,770,000	100.000%	28,770,000
California Municipal Finance Authority Community Facilities Districts	10,752,000	100.000%	10,752,000
California Statewide Communities Development Authority Assessment Districts	18,884,001	100.000%	18,884,001
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT			\$757,657,741
DIRECT AND OVERLAPPING GENERAL FUND DEBT:			
Placer County General Fund Obligations	\$ 77,190,000	30.121%	\$ 23,250,400
Sierra Joint Community College District Certificates of Participation	406,000	23.090%	93,745
Roseville Joint Union High School District Certificates of Participation	59,375,000	75.983%	45,114,906
Rocklin Unified School District General Fund Obligations	18,184,000	0.356%	64,735
Eureka Union School District Certificates of Participation	1,625,000	33.655%	546,894
Roseville City School District General Fund Obligations	5,543,819	97.103%	5,383,215
Placer Mosquito and Vector Control District General Fund Obligations	1,566,000	30.121%	471,695
City of Roseville General Fund Obligation	14,209,093	100.000%	14,209,093
City of Roseville Debt Premium	639,589	100.000%	639,589
TOTAL DIRECT AND OVERLAPPING GENERAL FUND DEBT			\$89,774,272
OVERLAPPING TAX INCREMENT DEBT (Successor Agency):	\$ 25,015,000	100.000%	\$ 25,015,000
TOTAL DIRECT DEBT			\$ 19,325,049
TOTAL OVERLAPPING DEBT			\$ 853,121,964
COMBINED TOTAL DEBT			\$ 872,447,013 (b)

(a) The percentage of overlapping debt applicable to the city is estimated using taxable assessed property value.

Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the city divided by the district's total taxable assessed value.

(b) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

Ratios to 2023-2024 Assessed Valuation:

Total Overlapping Tax and Assessment Debt	2.40%
Total Direct Debt (\$19,325,049)	0.05%
Combined Total Debt	2.76%

Ratios to Redevelopment Successor Agency Incremental Valuation (\$1,208,748,566):

Total Overlapping Tax Increment Debt	2.07%
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Source: California Municipal Statistics, Inc.

CITY OF ROSEVILLE, CALIFORNIA
COMPUTATION OF LEGAL BONDED DEBT MARGIN
June 30, 2024

ASSESSED VALUATION:

Secured property assessed value, net of exempt real property	\$	30,698,201,360
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BONDED DEBT LIMIT (3.75% OF ASSESSED VALUE) (a)	\$	1,151,182,551
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AMOUNT OF DEBT SUBJECT TO LIMIT:

Total Bonded Debt	\$	214,952,197
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Less bonded debt not subject to limit	\$	(214,952,197)
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Amount of debt subject to limit		-
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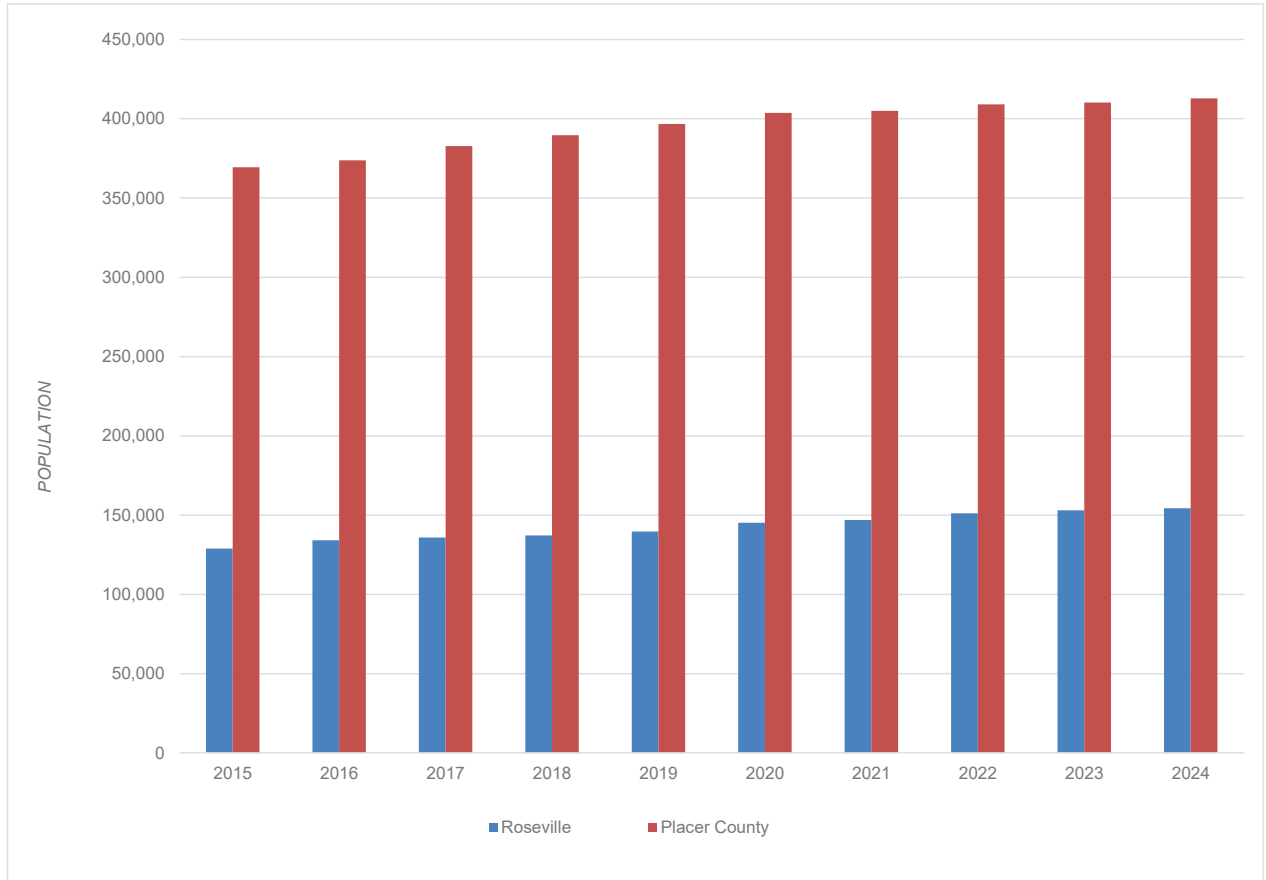
LEGAL BONDED DEBT MARGIN	\$	1,151,182,551
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Fiscal Year	Debt Limit	Total Net Debt Applicable to Limit	Legal Debt Margin	Total net debt applicable to the limit as a percentage of debt limit
2011	\$ 567,178,798	\$ -	\$ 567,178,798	0.00%
2012	560,837,192	-	560,837,192	0.00%
2013	536,758,408	-	536,758,408	0.00%
2014	578,172,662	-	578,172,662	0.00%
2015	624,626,766	-	624,626,766	0.00%
2016	672,531,992	-	672,531,992	0.00%
2017	717,170,366	-	717,170,366	0.00%
2018	760,269,304	-	760,269,304	0.00%
2019	815,306,847	-	815,306,847	0.00%
2020	873,200,181	-	873,200,181	0.00%
2021	924,988,530	-	924,988,530	0.00%
2022	984,602,595	-	984,602,595	0.00%
2023	1,074,196,141	-	1,074,196,141	0.00%
2024	1,151,182,551	-	1,151,182,551	0.00%

(a) California Government Code, Section 43605 sets the debt limit at 15%.

The Code section was enacted prior to the change in basing assessed value to full market value when it was previously 25% of market value. Thus, the limit shown as 3.75% is one-fourth the limit to account for the adjustment of showing assessed valuation at full cash value.

**CITY OF ROSEVILLE, CALIFORNIA
DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Fiscal Years**



Fiscal Year	City of Roseville Population	County Total Personal Income (in thousands)	County Per Capita Personal Income	City of Roseville Unemployment Rate (%)	Placer County Population	City Population % of County
2015	128,832	\$ 21,658,527	\$ 58,000	5.3%	369,454	34.87%
2016	134,073	22,741,453	59,000	4.5%	373,796	35.87%
2017	135,868	24,527,289	63,000	3.8%	382,837	35.49%
2018	137,213	26,223,081	67,000	3.0%	389,532	35.23%
2019	139,643	27,459,330	69,000	3.5%	396,691	35.20%
2020	145,163	29,124,683	72,000	3.0%	403,711	35.96%
2021	146,875	31,684,782	77,000	5.5%	404,994	36.27%
2022	151,034	34,170,169	82,000	2.8%	409,025	36.93%
2023	152,928	(a)	(a)	3.0%	410,305	37.27%
2024	154,329	(a)	(a)	3.8%	412,844	37.38%

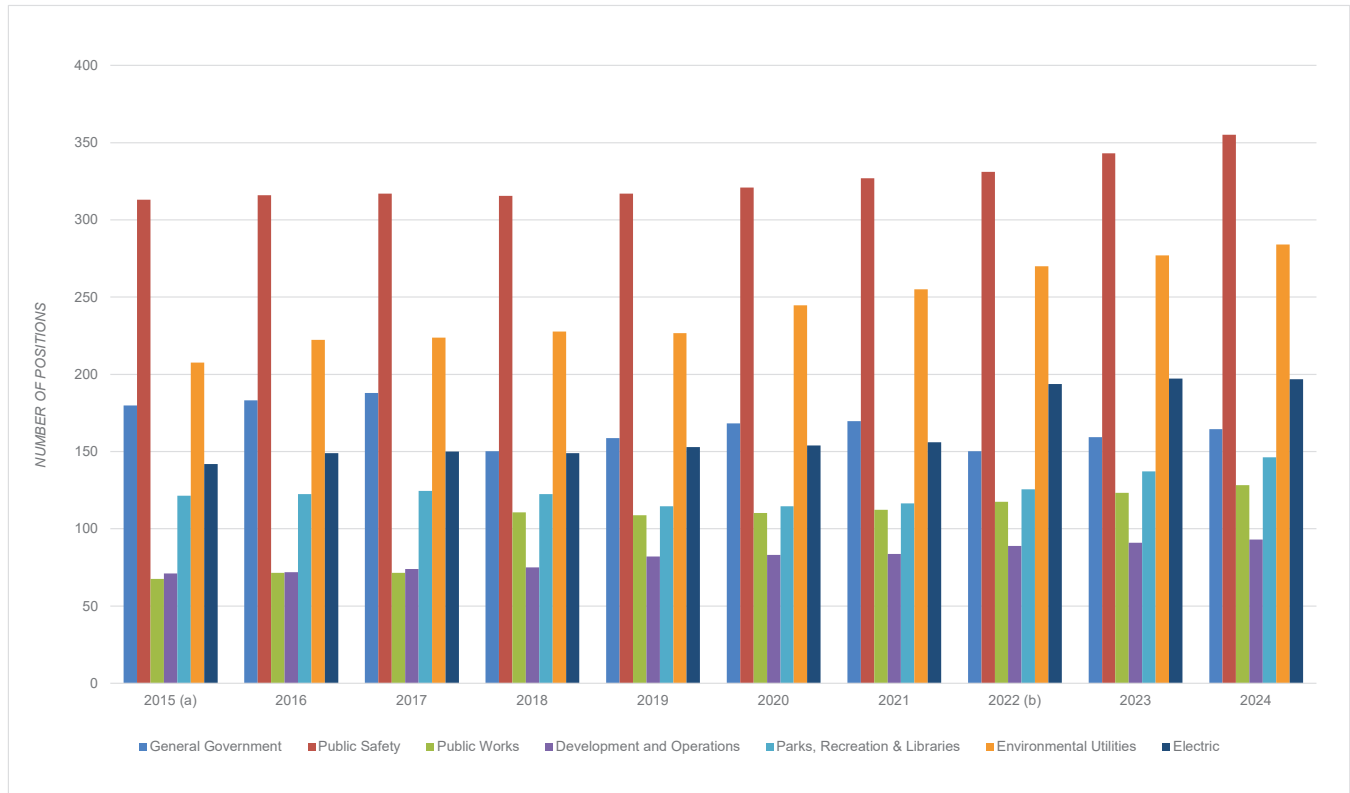
(a) Information not available

CITY OF ROSEVILLE, CALIFORNIA
PRINCIPAL EMPLOYERS
Current Year and Nine Years Ago

Employer	2024			2015	
	Number of Employees	Rank	Percentage of Total City Employees	Number of Employees	Rank
Kaiser Permanente	5,830	1	6.42%	3,231	1
Sutter Health Roseville Medical Group	5,080	2	5.59%	1,654	3
City of Roseville	1,730	3	1.91%	1,102	6
Adventist Health	1,620	4	1.78%	1,000	7
Roseville City School District	1,240	5	1.37%	1,000	8
Penumbra	1,100	6	1.21%	-	-
Roseville Joint Union High School	1,080	7	1.19%	1,434	4
Flexcare LLC	875	8	0.96%	-	-
PRIDE	650	9	0.72%	550	9
Hewlett-Packard	630	10	0.69%	2,548	2
Union Pacific Railroad Company	-	-	-	1,180	5
Solar City	-	-	-	475	10
<i>Subtotal</i>	<u>19,835</u>		<u>21.84%</u>	<u>14,174</u>	
Total Employment	<u>90,800</u> <i>(a)</i>			<u>70,969</u>	

(a) Total employment as used above represents the estimated total employment of all employees located within the City limits.

CITY OF ROSEVILLE, CALIFORNIA
FULL-TIME EQUIVALENT CITY POSITIONS BY FUNCTION
Last Ten Fiscal Years



Adopted for Fiscal Year Ended June 30, 2024

	2015 (a)	2016	2017	2018	2019	2020	2021	2022 (b)	2023	2024
Function										
General Government	179.81	183.11	187.98	150.23	158.73	168.23	169.73	150.23	159.23	164.60
Public Safety	313.00	316.00	317.00	315.50	317.00	321.00	327.00	331.00	343.00	355.00
Public Works	67.50	71.50	71.50	110.75	108.75	110.25	112.25	117.50	123.25	128.25
Development and Operations	71.00	72.00	74.00	75.00	82.00	83.00	83.75	89.00	91.00	93.00
Parks, Recreation & Libraries	121.50	122.50	124.50	122.50	114.50	114.50	116.50	125.50	137.25	146.25
Environmental Utilities	207.50	222.25	223.75	227.75	226.75	244.75	255.00	270.00	277.00	284.00
Electric	142.00	149.00	150.00	149.00	153.00	154.00	156.00	193.75	197.25	196.75
Total	1,102.31	1,136.36	1,148.73	1,150.73	1,160.73	1,195.73	1,220.23	1,276.98	1,327.98	1,367.85

(a) Decrease in FTE for fiscal year 2015 is due to no longer including FTEs attributable to temporary part-time staff.
(b) Decrease in General Government and increase in Electric due to transfer of utility billing staff to Electric Department

CITY OF ROSEVILLE, CALIFORNIA
OPERATING INDICATORS BY FUNCTION/PROGRAM
Last Ten Fiscal Years

Function/Program	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Public Safety:										
Fire:										
Number of Haz-Mat Alarms Responded	228	204	224	239	278	232	218	200	299	233
Number of Medical Emergencies Responded	11,015	10,694	10,545	10,993	11,078	10,835	11,124	12,285	12,051	12,045
Total Calls for Service	13,286	12,828	16,756	16,553	17,109	17,010	17,311	19,127	19,395	19,952
Police:										
Law Violations: (b)										
Physical Arrests (adult and juvenile)	3,295	4,057	3,734	4,554	4,061	4,417	4,297	3,132	3,311	3,465
Traffic Citations	1,839	2,702	3,036	4,187	3,180	4,024	3,386	2,343	4,149	4,627
Public Works: (d)										
Total Building Permits Issued	5,715	5,854	6,226	6,387	6,621	5,744	7,277	7,449	6,450	6,429
Total Square Feet of Street Maintenance Performed	1,971,986	3,468,666	12,190,840	1,564,362	2,866,227	2,713,778	880,033	3,035,171	6,947,598	3,459,889
Parks and Recreation: (c)										
Community Services:										
Total Attendance in Youth/Adult/Senior Programs	240,576	246,331	209,619	213,916	210,091	133,900	70,215	206,512	246,996	282,944
Total Attendance at Aquatic Facilities (e)	357,064	316,994	428,744	451,127	467,324	276,413	163,447	298,852	289,048	338,538
Library: (e)										
Number of Materials Checked Out	1,252,039	1,306,844	1,339,684	1,221,101	1,149,134	975,554	948,772	1,183,830	1,295,497	1,364,885
Water:										
Average Daily Consumption (in million gallons)	23.01	20.70	23.25	25.77	25.40	26.96	29.28	26.46	25.27	26.71
Number of Backflow Devices Tested	4,854	5,093	5,183	5,200	5,054	4,999	5,053	5,440	5,453	5,595
Number of Meters Sold	824	848	1,044	1,100	914	1,432	1,222	1,714	1,570	1,352
Wastewater:										
Number of Miles of Sewer Mains Flushed	284	266	294	283	273	264	296	289	301	296
% of Preventative Work Order Hours	41.3%	38.4%	46.4%	45.7%	48.1%	47.9%	43.5%	51.1%	55.1%	85.0%
Solid Waste:										
Tons of Solid Waste Collected	94,308	101,794	117,594	115,548	139,501	139,061	139,683	145,499	142,195	135,832

(a) The Library totals include Downtown Library, Maidu Library and Riley Library. The libraries were closed on Fridays between fiscal year 2018 and 2019.

(b) The City restarted Police law violations in fiscal year 2016 and 2017.

(c) Fiscal year 2021 indicators were impacted by COVID-19 pandemic restrictions which resulted in staff shortages in Parks and Recreation, aquatic facilities and community services.

(d) New home production resulted in an increase in Building permits. The total square feet of street maintenance performed decreased in fiscal year 2021 due to a large decrease in contract work performed.

(e) Roseville Aquatic Complex was closed to the public for most of fiscal year 2023 and Mike Sheffito Indoor Pool (MSIP) was closed to the public for the latter half of fiscal year 2023.

Johnson Pool was closed due to construction in June 2024.

CITY OF ROSEVILLE, CALIFORNIA
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
Last Ten Fiscal Years

Function/Program	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Public Safety:										
Fire Stations	8	8	8	8	8	8	8	8	8	8
Police Stations	1	1	1	1	1	1	1	1	1	1
Number of Police Patrol Vehicles (a)	67	77	91	88	93	97	99	99	95	94
Public Works:										
Miles of Streets	458	465	470	478	480	485	498	514	519	525
Number of Traffic Signals	171	175	180	183	187	188	189	191	192	193
Parks and Recreation: (b)										
Community Services:										
Golf Courses (18 holes)	2	2	2	2	2	2	2	2	2	2
Parks	66	66	68	71	72	76	79	81	84	87
Open Spaces/Preserves	3,801	3,801	3,895	3,910	3,910	3,910	3,910	3,913	3,992	4,232
Recreation Facilities (Community Centers and Pools)	7	7	7	7	7	7	7	9	7	7
Libraries	3	3	3	3	3	3	3	3	3	3
Adventure Clubs	17	17	18	18	18	19	19	20	21	21
Water:										
Miles of Water Mains	583	592	608	621	635	650	681	690	704	712
Fire Hydrants	4,654	4,735	4,763	5,007	5,087	5,212	5,443	5,526	5,641	5,710
Wastewater:										
Miles of Sanitary Sewers	497	505	517	529	542	552	577	586	598	607
Miles of Storm Drain	353	366	372	381	390	401	421	428	434	441
Solid Waste:										
Number of New Residential Refuse Customers	601	787	822	1,068	926	859	1,054	1,612	1,579	1,349
Electric:										
Number of Residential Customers	49,851	50,784	51,638	52,789	53,868	54,687	56,549	58,359	59,760	61,107
Number of Commercial Customers	6,673	6,700	6,759	6,812	6,884	6,975	7,059	7,133	7,194	7,305

(a) Prior to fiscal year (FY) 2017, the City only reported active patrol vehicles. In FY 2017 the City began reporting active patrol vehicles, which includes all police department vehicles that are patrolling the streets including undercover, community services, animal control, and citizens on patrol volunteer. No additional cars were purchased in FY 2017.

(b) In FY 2021 Roseville's Parks, Recreation and Libraries Department changed the listed capital assets to be more relevant. Parks were separated from Recreation Facilities.

(Community Centers and Pools) and Open Spaces/Preserves replaced Miles of Creek, which are a part of the open spaces and preserves. Adventure Club buildings were added as they are a city-owned asset.

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CITY OF ROSEVILLE
CALIFORNIA DEPARTMENT OF SOCIAL SERVICES
SCHOOL-AGE CHILD CARE PROGRAM
(AN ENTERPRISE FUND OF THE CITY OF ROSEVILLE, CALIFORNIA)
FOR THE YEAR ENDED JUNE 30, 2024

ANNUAL FINANCIAL REPORT

Focused
on YOU



CITY OF ROSEVILLE
CALIFORNIA DEPARTMENT OF SOCIAL SERVICES
SCHOOL-AGE CHILD CARE PROGRAM
(AN ENTERPRISE FUND OF THE CITY OF ROSEVILLE, CALIFORNIA)

Annual Financial Report

For the Year Ended June 30, 2024

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CITY OF ROSEVILLE
CALIFORNIA DEPARTMENT OF SOCIAL SERVICES
SCHOOL-AGE CHILD CARE PROGRAM
(AN ENTERPRISE FUND OF THE CITY OF ROSEVILLE, CALIFORNIA)

Annual Financial Report

For the Year Ended June 30, 2024

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INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of the City Council
City of Roseville, California

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the City of Roseville School-Age Child Care Program (Program), an enterprise fund of the City of Roseville, California, (City) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Program's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Program, as of June 30, 2024, and the changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and Program and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 1, the financial statements of the Program are intended to present the financial position, the changes in financial position, and cash flows of only that portion of the business-type activities of the City that is attributable to the transactions of the Program. They do not purport to, and do not, present fairly the financial position of the City, as of June 30, 2024, the changes in its financial position, or, where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management 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; and for 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.



To the Honorable Mayor and Members of the City Council
City of Roseville, California

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Program's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Reporting Responsibilities

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the pension and other post-employment benefits schedules, as listed on the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require 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 this missing information.



To the Honorable Mayor and Members of the City Council
City of Roseville, California

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the schedule of expenditures of state and federal awards and the financial statements. The accompanying combining statement of revenues, expenses, and changes in net position; the schedule of expenditures by state categories; the schedules of reimbursable equipment expenditures; the schedule of reimbursable administrative costs; and the attendance and fiscal reports (supplementary information), the supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 2024 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Program's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Lance, Soll & Lughard, LLP

Sacramento, California
December 12, 2024

CITY OF ROSEVILLE, CALIFORNIA DEPARTMENT OF SOCIAL SERVICES
SCHOOL-AGE CHILD CARE PROGRAM
Statement of Net Position
June 30, 2024

Assets:

Current:

Cash and investments in City Treasury	\$	985,286
Accounts receivable		140,439
Accrued interest		7,105

Restricted:

Cash and investments		75,352
----------------------	--	--------

Total Current Assets

1,208,182

Noncurrent:

Nondepreciable capital assets		532,198
Depreciable capital assets		4,309,964
Less: Accumulated depreciation		(1,470,428)

Total Noncurrent Assets

3,371,734

Total Assets

4,579,916

Deferred Outflows of Resources:

Deferred outflows related to pensions		2,468,104
Deferred outflows related to OPEB		343,000

Total Deferred Outflows of Resources

2,811,104

Liabilities:

Current:

Accounts payable		123,651
Accrued liabilities		207,332
Unearned revenues		80,238
Advance from the City		55,000
Compensated absences		161,913
Child development reserves		77,286

Total Current Liabilities

705,420

Noncurrent:

Compensated absences		139,195
Advances from the City		2,000,000
Net OPEB liability		2,763,000
Net pension liability		8,873,460

Total Noncurrent Liabilities

13,775,655

Total Liabilities

14,481,075

Deferred Inflows of Resources:

Deferred inflows related to OPEB		910,000
----------------------------------	--	---------

Total Deferred Inflows of Resources

910,000

Net Position (Deficit):

Invested in capital assets		3,371,734
Restricted for program reserves		75,352
Unrestricted		(11,447,141)

Total Net Position

\$ (8,000,055)

**CITY OF ROSEVILLE, CALIFORNIA DEPARTMENT OF SOCIAL SERVICES
SCHOOL-AGE CHILD CARE PROGRAM
Statement of Revenues, Expenses
And Changes in Fund Net Position
For the Year Ended June 30, 2024**

Operating Revenues:	
ASES program revenue	\$ 571,042
Department of Social Services grant	100,817
Federal grants	334,386
Parent fees - noncertified children	5,534,629
Recreation program revenue	174,694
Total Operating Revenues	6,715,568
Operating Expenses:	
Salaries	4,290,644
Employee benefits	1,770,650
Books and supplies	351,705
Services and other operating expenses	1,440,846
Pension expense	291,198
OPEB expense	(1,107,000)
Depreciation	120,873
Total Operating Expenses	7,158,916
Operating Income (loss)	(443,348)
Nonoperating Revenues (Expenses):	
Use of money and property	46,038
Interest and fiscal charges	(38,979)
Total Nonoperating Revenues (Expenses)	7,059
Income (loss) Before Transfers	(436,289)
Transfers from the City	809,000
Changes in Net Position	372,711
Net Position (Deficit):	
Beginning of Year, as originally reported	(8,220,148)
Restatements	(152,618)
Beginning of Fiscal Year, as restated	(8,372,766)
End of Fiscal Year	\$ (8,000,055)

CITY OF ROSEVILLE, CALIFORNIA DEPARTMENT OF SOCIAL SERVICES
SCHOOL-AGE CHILD CARE PROGRAM
Statement of Cash Flows
For the Year Ended June 30, 2024

Cash Flows from Operating Activities:

Receipts from customers	\$ 6,713,296
Department of Social Services grants and Federal grants	435,203
Cash paid to employees	(6,362,182)
Cash paid to suppliers	(1,613,623)

Net Cash Provided (Used) by Operating Activities **(827,306)**

Cash Flows from Non-Capital

Financing Activities:

Transfers from the City	809,000
-------------------------	---------

Net Cash Provided (Used) by Non-Capital Financing Activities **809,000**

Cash Flows from Capital

and Related Financing Activities:

Acquisition and construction of capital assets	(438,802)
Principal paid on long-term borrowings from City	(55,000)
Interest paid on long-term borrowings from City	(38,980)

Net Cash Provided (Used) by Capital and Related Financing Activities **(532,782)**

Cash Flows from Investing Activities:

Interest received	30,701
-------------------	--------

Net Cash Provided (Used) by Investing Activities **30,701**

Net Increase (decrease) in Cash and Cash Equivalents **(520,387)**

Cash and Cash Equivalents at Beginning of Year	1,581,025
--	-----------

Cash and Cash Equivalents at End of Year **\$ 1,060,638**

Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:

Operating Income (loss)	\$ (443,348)
-------------------------	--------------

Adjustments to Reconcile Operating Income (loss)

Net Cash Provided (Used) by Operating Activities:

Depreciation	120,873
Increase (decrease) in net pension related amounts	291,198
Increase (decrease) in OPEB related amounts	(1,107,000)
(Increase) decrease in accounts receivable	138,055
(Increase) decrease in prepaid expense	14,730
Increase (decrease) in accounts payable	(48,614)
Increase (decrease) in accrued liabilities	29,188
Increase (decrease) in unearned revenue	157,524
Increase (decrease) in compensated absences	20,088

Total Adjustments **(383,958)**

Net Cash Provided (Used) by Operating Activities **\$ (827,306)**

**CITY OF ROSEVILLE
CALIFORNIA DEPARTMENT OF SOCIAL SERVICES
SCHOOL-AGE CHILD CARE PROGRAM
Notes to the Financial Statements
For the Year Ended June 30, 2024**

NOTE 1: ORGANIZATION

The City of Roseville (City) operates the School-Age Child Care Program (Program) encompassing 21 childcare centers within the City. Three of these centers provide day care services to subsidized families under the Child Development Program funded by the California Department of Social Services. The City is financially accountable for the activities of the Program. The program reimburses the City for costs incurred while operating the Program, including costs for salaries and benefits.

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

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting

The School-Age Child Care Program Enterprise Fund is reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

The principal operating revenues of the Program are federal, state and local grants, and parent fees. Operating expenses include cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

B. Net Position

Net Position is the excess of all the Program's assets and deferred outflows of resources over its liabilities and deferred inflows of resources. As of June 30, 2024, the Program's Net Position is divided into the three classifications described below:

Invested in capital assets describes the portion of net position which is represented by the net book value of the Program's capital assets. The program does not currently have an outstanding balance of debt issued to finance these assets.

Restrict for program reserves describes apportionment monies received and earned through eligible service units but not yet expended and are restricted for use for the program.

Unrestricted describes the portion of net position which is not restricted to use.

C. Fair Value Measurement

The Program categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The Program held no investments outside of the City Pool as of June 30, 2024.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the Program's fiduciary net position in the City's California Public Employees Retirement System (CalPERS) miscellaneous plan (Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

E. Other Post-Employment Benefits (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows/deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City's OPEB Plan (Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

F. Deferred Inflows of Resources and Deferred Outflows of Resources

In addition to assets, the statement of net assets will report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense) until then.

In addition to liabilities, the statement of net assets will report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

The Program has two items that are reported in each of these categories relating to the net pension liability and net OPEB liability. These are described in Notes 8 and 9, respectively.

G. Cash and Investments

The Program's cash and investments are included in the City's investment pool (City Pool), which is described in the City's Annual Comprehensive Financial Report (ACFR). The City, as a charter city, has adopted its own investment guidelines, which are consistent with the requirements of the California Government Code. The City Council and the City's Assistant City Manager/Chief Financial Officer provide oversight of the City Pool and reaffirm its investment policy on an annual basis. The City Pool is not rated and is not registered with the Securities and Exchange Commission (SEC).

The Program's position in the City Pool at June 30, 2024 is stated at fair value. The value of the pool shares that may be withdrawn at any time is determined on an amortized cost basis, which is different than the fair value of the Program's position in the pool. The City Pool values participant shares at fair value year-round. For further information regarding the City Pool, refer to the City's ACFR on the internet at www.roseville.ca.us.

For the purposes of the statement of cash flows, the Program considers cash and cash equivalents to include all pooled cash and investments, including restricted assets, as these pooled balances have the general characteristics of a demand deposit.

**CITY OF ROSEVILLE
CALIFORNIA DEPARTMENT OF SOCIAL SERVICES
SCHOOL-AGE CHILD CARE PROGRAM
Notes to the Financial Statements
For the Year Ended June 30, 2024**

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Capital Assets

Capital assets are defined as assets with an initial, individual cost of more than \$5,000, and an estimated useful life greater than one year. Capital assets are recorded at historical cost. Contributions are recorded at acquisition cost. Depreciation of capital assets is provided on the straight-line method over estimated useful lives between 5 and 40 years.

I. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

J. Program Funding Terms & Conditions

In accordance with the applicable requirements from the Funding Terms & Conditions of the General Child Care and Development Program (Grant Program):

Interest expense is only allowable as a reimbursable cost in certain circumstances when it has been preapproved by the administering state department or relates to the lease, purchase, acquisition, or repair or renovation of early learning and cash facilities owned or leased by the contractor. No interest expense was claimed to a child development contract for the year ended June 30, 2024.

All expenses claimed for reimbursement under a related rent transaction must be supported by a fair market rental estimate from an independent appraiser, licensed by the California Office of Real Estate Appraisers. There were no related party rent expenses claimed for the year ended June 30, 2024.

Bad debt expense is unallowable unless it relates to uncollectible family fees where documentation of adequate collection attempts exists. No bad debt expense was claimed to a child development contract for the year ended June 30, 2024.

NOTE 3: CASH AND INVESTMENTS

The Program's cash and investments are included in a City Pool, the details of which is presented in the City's ACFR. The Program pools cash from all sources with the City so that it can be invested at the maximum yield, consistent with safety and liquidity, while individual funds can make expenditures at any time. The City's investment policy and the California Government Code permit investments in the securities of the federal government or its agencies, certificates of deposit, negotiable certificates of deposit, banker's acceptances, commercial paper, the State of California Local Authority Investment Fund (LAIF Pool), California Asset Management Program (CAMP), repurchase agreements, passbook savings account demand deposits, and interest rate swaps.

The Program's participation in the City Pool at June 30, 2024 was \$985,286, which was measured based on uncategorized inputs not defined as a Level 1, Level 2, or Level 3 input.

CITY OF ROSEVILLE
CALIFORNIA DEPARTMENT OF SOCIAL SERVICES
SCHOOL-AGE CHILD CARE PROGRAM
Notes to the Financial Statements
For the Year Ended June 30, 2024

NOTE 4: ADVANCE FROM THE CITY AND DUE TO THE CITY

The Program borrowed \$300,000 and \$205,000 from the City in fiscal years 2012 and 2014, respectively. The program borrowed an additional \$300,000 in fiscal year 2018 for the purpose of funding an additional site. The program borrowed an additional \$340,000 in fiscal year 2019 for the purpose of funding an additional site. The program borrowed an additional \$1,275,000 in fiscal year 2023 to finance buildings for two new sites. The total balance due to the City as of June 30, 2024 is \$2,055,000. Interest on outstanding amounts accrued is based upon the City's prior year average annual pooled interest rate of return.

The Program recorded a due to the City of \$55,000 that represents the amount that will be paid in the next fiscal year. The total balance of \$2,055,000 will be repaid in accordance with the below payment schedule:

Year Ending June 30,	Principal	Interest	Total
2025	\$ 55,000	\$ -	\$ 55,000
2026	55,000	-	55,000
2027	55,000	-	55,000
2028	55,000	-	55,000
2029	55,000	-	55,000
2030-2034	275,000	-	275,000
2035-2039	275,000	-	275,000
2040-2044	275,000	-	275,000
2045-2049	275,000	-	275,000
2050-2054	275,000	-	275,000
2055-2059	275,000	-	275,000
2060-2064	130,000	-	130,000
Total	<u>\$ 2,055,000</u>	<u>\$ -</u>	<u>\$ 2,055,000</u>

NOTE 5: CAPITAL ASSETS

Capital assets activity is summarized below for the year ended June 30, 2024:

	Balance at June 30, 2023	CIP Transfers	Additions	Balance at June 30, 2024
Capital assets, not being depreciated				
Construction in progress	\$ 727,621	\$ (634,225)	\$ 438,802	\$ 532,198
Capital assets, not being depreciated	<u>727,621</u>	<u>(634,225)</u>	<u>438,802</u>	<u>532,198</u>
Capital assets, being depreciated				
Building and improvements	3,494,786	634,225	-	4,129,011
Machinery and equipment	11,644	-	-	11,644
Computer equipment	169,309	-	-	169,309
Subtotal	<u>3,675,739</u>	<u>634,225</u>	<u>-</u>	<u>4,309,964</u>
Accumulated depreciation				
Building and improvements	(1,225,039)	-	(92,655)	(1,317,694)
Machinery and equipment	(11,644)	-	-	(11,644)
Computer equipment	(112,872)	-	(28,218)	(141,090)
Total accumulated depreciation	<u>(1,349,555)</u>	<u>-</u>	<u>(120,873)</u>	<u>(1,470,428)</u>
Net capital assets being depreciated	<u>2,326,184</u>	<u>634,225</u>	<u>(120,873)</u>	<u>2,839,536</u>
Capital assets, net	<u>\$ 3,053,805</u>	<u>\$ -</u>	<u>\$ 317,929</u>	<u>\$ 3,371,734</u>

CITY OF ROSEVILLE
CALIFORNIA DEPARTMENT OF SOCIAL SERVICES
SCHOOL-AGE CHILD CARE PROGRAM
Notes to the Financial Statements
For the Year Ended June 30, 2024

NOTE 6: COMPENSATED ABSENCES

Compensated absences comprise unused vacation leave, sick pay, and certain compensated time off, which are accrued as earned. Unused vacation time and personal holiday may be accumulated up to a specified maximum and are paid at the time of termination from Commission employment. Non-probationary employees in the classified service and unclassified service, whose separation is not caused by dismissal, shall be entitled to payment for sick leave accrued up to their date of separation. The changes in compensated absence balances were as follows:

Balance as of June 30, 2023	Additions	Decreases	Balance as of June 30, 2024	Due within one year
\$ 281,020	\$ 20,088	\$ -	\$ 301,108	\$ 161,913

NOTE 7: CONTINGENCIES

The Program participates in State grant programs which are subject to the provisions of applicable State requirements. Management is not aware of any cost differences; however, these programs are still subject to further examination by the grantors and the amount, if any, of expenses which may be disallowed by the granting agencies cannot be determined at this time. The Program expects such amounts, if any, to be immaterial.

NOTE 8: DEFINED BENEFIT PENSION PLAN

Plan Description – Substantially all full-time Program employees are eligible to participate in the City's Miscellaneous Plan, an agent multiple-employer defined benefit pension plan, administered by CalPERS, which acts as a common investment and administrative agent for its participating member employers. Benefit provisions under the Plan are established by State statute and may be amended by City resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website. For financial reporting purposes, the Program reports a proportionate share of the City's net pension liability. Accordingly, the disclosures and required supplementary information (RSI) has been reported for the Program as a cost-sharing participant.

Benefits Provided – CalPERS provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plan's provisions and benefits in effect at June 30, 2024, are summarized as follows:

	Classic	PEPRA
Hire date	Prior to January 1, 2013	On or after January 1, 2013
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50-55	52-67
Monthly benefits, as a % of annual salary	2.0-2.7%	1.0-2.5%
Required employee contribution rates	7.890%	7.000%
Required employer contribution rates	11.800%	7.750%

CITY OF ROSEVILLE
CALIFORNIA DEPARTMENT OF SOCIAL SERVICES
SCHOOL-AGE CHILD CARE PROGRAM
Notes to the Financial Statements
For the Year Ended June 30, 2024

NOTE 8: DEFINED BENEFIT PENSION PLAN (CONTINUED)

Contributions – Section 20814(c) of the California Public Employees’ Retirement Law requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in rate. Funding contributions for the Plan are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The Program is required to contribute the difference between the actuarially determined rate and the contribution rates of employees.

Employer contribution rates as of the measurement date were 11.80 percent for the Classic Plan Members and 7.75 percent for the PEPRA Plan members. The Program’s proportionate share of the City’s contributions to the Miscellaneous Plan was \$980,781 for the year ended June 30, 2024.

Pension Liability, Pension Expense and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2024, the Program reported a net pension liability of \$8,873,460 for its proportionate share of the City’s Miscellaneous Plan’s net pension liability.

The net pension liability of the Plan was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022 rolled forward to June 30, 2024. The Program’s proportion of the City’s Miscellaneous Plan’s net pension liability was based on the Program’s fiscal year 2023 contributions to the City’s Miscellaneous Plan relative to the total contributions of the City as a whole. The Program’s proportionate share of the City’s Miscellaneous Plan net pension liability, measured as of June 30, 2023, was 2.72 percent, which was an increase of 0.07 percent from its proportion measured as of June 30, 2023.

For the year ended June 30, 2024, the Program recognized pension expense of \$1,271,979. At June 30, 2024, the Program reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions paid by the program subsequent to measurement date	\$ 980,781	\$ -
Changes of assumptions	401,029	-
Difference between expected and actual experience	384,351	-
Net differences between projected and actual earnings on pension plan investments	701,943	-
Total	<u>\$ 2,468,104</u>	<u>\$ -</u>

CITY OF ROSEVILLE
CALIFORNIA DEPARTMENT OF SOCIAL SERVICES
SCHOOL-AGE CHILD CARE PROGRAM
Notes to the Financial Statements
For the Year Ended June 30, 2024

NOTE 8: DEFINED BENEFIT PENSION PLAN (CONTINUED)

The amount of \$980,781 reported in the fund as deferred outflows of resources related to pensions, resulting from the Program's contributions to the City's plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as a reduction to pension expense as follows:

Year Ending June 30,	
2025	482,301
2026	401,667
2027	585,528
Thereafter	17,827
Total	<u>\$ 1,487,323</u>

Actuarial Assumptions – The Program's proportion of the City's total pension liability in the June 30, 2024, actuarial valuation was determined using the following actuarial assumptions:

	Miscellaneous
Valuation Date	June 30, 2022
Measurement Date	June 30, 2023
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.50%
Payroll Growth	2.75%
Projected Salary Increase	3.3-14.2% (1)
Investment Rate of Return	7.00%
Mortality	Derived using CalPERS membership data

(1) Depending on age, service, and type of employment.

The mortality table used was developed based on CalPERS-specific data. For more details on this table, please refer to the December 2017 experience study report (based on CalPERS demographic data from 1997 to 2015) that can be found on the CalPERS website.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return on pension plan investments, CalPERS took into account both short and long-term market return expectations as well as the expected pension fund cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

**CITY OF ROSEVILLE
CALIFORNIA DEPARTMENT OF SOCIAL SERVICES
SCHOOL-AGE CHILD CARE PROGRAM
Notes to the Financial Statements
For the Year Ended June 30, 2024**

NOTE 8: DEFINED BENEFIT PENSION PLAN (CONTINUED)

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. The target allocation shown was adopted by the Pension Board.

	Assumed asset allocation	Real return ^{1, 2}
Global Equity - Cap weighted	30.00%	4.54%
Global Equity - Non-Cap weighted	12.00%	3.84%
Private Equity	13.00%	7.28%
Treasury	5.00%	0.27%
Mortgage-backed Securities	5.00%	0.50%
Investment Grade Corporates	10.00%	1.56%
High Yield	5.00%	2.27%
Emerging Market Debt	5.00%	2.48%
Private Debt	5.00%	3.57%
Real Assets	15.00%	3.21%
Leverage	-5.00%	-0.59%

(1) An expected inflation of 2.30% used for this period.

(2) Figures are based on the 2020-2021 Asset Liability Management study.

Discount Rate – The discount rate used to measure the total pension liability was 6.90 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that the Program's contributions will be made at rates equal to the difference between actuarially determined contributions rates and the employee rate. Based on those assumptions, each pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

NOTE 8: DEFINED BENEFIT PENSION PLAN (CONTINUED)

Sensitivity of the Program’s Proportionate Share of the City’s Miscellaneous Plan’s Net Pension Liability to Changes in the Discount Rate – The following presents the Program’s proportionate share of the net pension liability of the City’s Miscellaneous Plan’s net pension liability, calculated using the discount rate for the Plan, as well as what the Program’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Miscellaneous
1% Decrease	5.90%
Net Pension Liability	\$12,222,990
Current Discount Rate	6.90%
Net Pension Liability	\$8,873,460
1% Increase	7.90%
Net Pension Liability	\$6,109,958

Pension Plan Fiduciary Net Position – Detailed information about the City’s collective net pension liability is available in the City’s separately issued ACFR. The City’s ACFR may be obtained on the internet at www.roseville.ca.us.

NOTE 9: OTHER POST-EMPLOYMENT BENEFITS (OPEB)

Plan Description – The City provides medical benefits to substantially all retirees under the City of Roseville Other Post Employment Benefit Plan (Plan), a single-employer defined benefit healthcare plan. The City is responsible for establishing and amending the funding policy of the Plan. Benefit provisions under the Plan are established by agreements between the City and its labor units. The plan financial statements can be obtained by contacting the City of Roseville Finance Department at 311 Vernon Street, Roseville, California 95678. For financial reporting purposes, the Program reports a proportionate share of the City’s net OPEB liability. Accordingly, the disclosures and required supplementary information (RSI) have been reported for the Program as a cost-sharing participant.

Benefits Provided – The Plan provides medical, dental, and vision insurance benefits to eligible retirees and their dependents. Benefits are provided through a third-party insurer, and the full cost of the benefits are covered by the Plan.

Contributions – Contribution requirements of the Program are established and may be amended by the City Council. The Council establishes rates based on an actuarially determined rate. For the year ended June 30, 2024, the Program contributed \$372,000.

OPEB Liability, OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

As of June 30, 2024, the Program reported a net OPEB liability of \$2,763,000 for its proportionate share of the City’s net OPEB liability.

The net OPEB liability of the Plan was measured as of June 30, 2024, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2023 rolled forward to June 30, 2024. The Program’s proportion of the Plan’s net OPEB liability was based on the Program’s fiscal year 2023 contributions to the Plan relative to the total contributions of the City as a whole. The Program’s proportionate share of the Plan’s net OPEB liability, measured as of June 30, 2024, was 3.76 percent, which was a decrease of 0.72 percent from its proportion measured as of June 30, 2023.

CITY OF ROSEVILLE
CALIFORNIA DEPARTMENT OF SOCIAL SERVICES
SCHOOL-AGE CHILD CARE PROGRAM
Notes to the Financial Statements
For the Year Ended June 30, 2024

NOTE 9: OTHER POST-EMPLOYMENT BENEFITS (OPEB) (CONTINUED)

For the year ended June 30, 2024, the Program recognized an OPEB expense of \$1,107,000. At June 30, 2024, the Program reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ 85,258	\$ (407,310)
Difference between expected and actual experience	257,742	(440,798)
Net differences between projected and actual earnings on OPEB plan investments	-	(61,892)
Total	<u>\$ 343,000</u>	<u>\$ (910,000)</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as a reduction to pension expense/credit as follows:

Year Ending June 30,	
2025	\$ (164,559)
2026	(76,993)
2027	(173,018)
2028	(125,500)
2029	(61,683)
Thereafter	34,753
Total	<u>\$ (567,000)</u>

Actuarial Assumptions – The Program’s proportion of the City’s total OPEB liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions.

Valuation Date	June 30, 2023
Measurement Date	June 30, 2024
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions	
Discount Rate	6.25%
Inflation	2.50%
Payroll Growth	2.75%
Projected Salary Increase	2.76%
Investment Rate of Return	6.25%
Healthcare cost trend rate	Non-Medicare - 7.90%, decreasing to an ultimate rate of 3.45% in 2076 Medicare - 6.90%, decreasing to an ultimate rate of 3.45% in 2076
Mortality	CalPERS 2000-2019 Experience Study

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2023, valuation were based on the results of an actuarial experience study for the period of 1997 to 2015. Further details of the Experience Study can be found on the CalPERS website.

NOTE 9: OTHER POST-EMPLOYMENT BENEFITS (OPEB) (CONTINUED)

The long-term expected rate of return on OPEB plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense an inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. The target allocation shown was adopted by the City effective on July 1, 2019.

Asset Class	Target Allocation	Expected Real Return
Global Equity	52%	4.65%
Private Equity	5%	7.09%
Fixed Income	33%	0.78%
Private Debt	5%	4.38%
Real Assets	5%	4.03%
Total	100%	

Assumed Long-Term Rate of Inflation is 2.50%
Expected Long-Term Net Rate of Return Rounded is 6.25%

Discount Rate – The discount rate used to measure the net OPEB liability was 6.25 percent. The projection of cash flows used to determine the discount rate assumed that contributions will be made at the current contribution rate. Based on those assumptions, the Plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Program’s Proportionate Share of the Plan’s Net OPEB Liability to Changes in the Discount Rate – The following presents the Program’s proportionate share of the net OPEB liability, calculated using the discount rate for the Plan, as well as what the Program’s proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Discount Rate		
	1% Decrease (5.25%)	Current Rate (6.25%)	1% Increase (7.25%)
Program's net OPEB Liability	\$ 3,907,064	\$ 2,763,000	\$ 1,818,712

NOTE 9: OTHER POST-EMPLOYMENT BENEFITS (OPEB) (CONTINUED)

Sensitivity of the Program’s Proportionate Share of the Plan’s Net OPEB Liability to Changes in the Healthcare Cost Trend Rates – The following presents the Program’s proportionate share of the net OPEB liability, as well as what the Program’s proportionate share of the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	Healthcare Cost		
	Current Trend		
	1% Decrease	Rate	1% Increase
Program's net OPEB Liability	\$ 1,961,674	\$ 2,763,000	\$ 3,558,512

OPEB Plan Fiduciary Net Position – Detailed information about the City’s collective net OPEB liability is available in the City’s separately issued ACFR. The City’s ACFR may be obtained on the internet at www.roseville.ca.us.

NOTE 10: NEW AND FUTURE ACCOUNTING PRONOUNCEMENTS

Future Governmental Accounting Standards Board (GASB) Pronouncements

GASB Statement No. 99 – In April 2022, the GASB issued Statement No. 99, *Omnibus*. The objective of this Statement is to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees.

GASB Statement No. 101 – In June 2022, the GASB issued Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. The Statement is effective for reporting periods beginning after December 15, 2023. The City has not determined the effect on the Program’s financial statements.

NOTE 11: PRIOR PERIOD ADJUSTMENTS

A. Correction of an Error in Previously Issued Financial Statements

During fiscal year 2024, the Program recognized a liability for overpayments from the Department of Social Services for the fiscal year 2021-2022 Child Care and Development apportionments. Therefore, state grant revenue was overstated by \$152,618 for the fiscal year ended June 30, 2022. As a result, ending June 30, 2023 net position has been restated as shown in the table below.

June 30, 2023 As Previously Reported	Error Correction	June 30, 2023 As Restated
\$ (8,220,148)	\$ (152,618)	\$ (8,372,766)

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF ROSEVILLE, CALIFORNIA DEPARTMENT OF SOCIAL SERVICES
SCHOOL-AGE CHILD CARE PROGRAM
Schedule of Program's Proportionate Share of the City's Net Pension Liability (Miscellaneous Plan)
Last Ten Years**

	2015	2016	2017	2018
Measurement date	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017
Program's proportion of the City's Net Pension Liability (Miscellaneous Plan)	2.28%	2.45%	2.88%	3.91%
Program's proportionate share of the City's Net Pension Liability (Miscellaneous Plan)	\$ 3,788,219	\$ 4,166,408	\$ 5,879,509	\$ 8,934,765
Covered Payroll	\$ 1,968,152	\$ 2,053,457	\$ 2,157,033	\$ 2,385,506
Program's proportionate share of net pension liability as a percentage of covered payroll	192.48%	202.90%	272.57%	374.54%
Plan fiduciary net position as a percentage of the Total Pension Liability	67.62%	66.97%	63.89%	63.85%

(1) Fiscal Year 2015 was the first year of implementation, therefore only nine years are shown.

2019	2020	2021	2022	2023	2024
June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023
3.18%	3.29%	3.38%	2.68%	2.79%	2.72%
\$ 7,556,336	\$ 8,227,212	\$ 8,933,574	\$ 5,179,899	\$ 8,614,640	\$ 8,873,460
\$ 2,457,071	\$ 2,400,674	\$ 2,603,909	\$ 2,497,228	\$ 2,328,451	\$ 2,601,648
307.53%	342.70%	343.08%	207.43%	369.97%	341.07%
65.21%	65.09%	64.55%	75.39%	63.82%	63.92%

CITY OF ROSEVILLE, CALIFORNIA DEPARTMENT OF SOCIAL SERVICES
SCHOOL-AGE CHILD CARE PROGRAM
Schedule of the Program's Pension Contributions
Last Ten Years**

	2015	2016	2017	2018
Miscellaneous Rate Plan				
Actuarially Determined Contribution	\$ 361,740	\$ 506,156	\$ 588,625	\$ 723,026
Contribution in Relation to the Actuarially Determined Contribution	(361,740)	(506,156)	(588,625)	(723,026)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 2,053,457	\$ 2,157,033	\$ 2,385,506	\$ 2,457,071
Contributions as a Percentage of Covered Payroll	17.62%	23.47%	24.68%	29.43%

Notes to Schedule:

Methods and assumptions used to determine contribution rates:

Actuarial cost method
Amortization method

Entry age normal cost method
Level percentage of pay, a summary of the current policy is provided in the table below:

Driver	Source				
	(Gain)/Loss		Assumption/ Method Change	Benefit Change	Golden Handshake
	Investment	Non-investment			
Amortization Period	30 years	30 Years	20 Years	20 Years	5 Years
Escalation Rate					
- Active Plans	2.750%	2.750%	2.750%	2.750%	2.750%
- Inactive Plans	0%	0%	0%	0%	0%
Ramp Up	5	5	5	0	0
Ramp Down	5	5	5	0	0

Asset valuation method
Inflation
Salary increases
Payroll growth
Investment rate of return
Retirement age

Market Value
2.50%
Varies by Entry Age and Service
2.75%
7.00%, net of pension plan investment expenses, including inflation.
All other actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the period from 1997 to 2015, including updates to salary increase, mortality and retirement rates. The Experience Study report may be accessed on the CalPERS website at www.calpers.ca.gov under Forms and Publications.
The mortality table used was developed based on CalPERS' specific data. The table includes 15 years of mortality improvements using 90 percent of Society of Actuaries' Scale 2016. For more details on this table, please refer to the 2017 experience study report.

Mortality

**Historical information is required only for measurement periods for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only ten years are shown.

2019	2020	2021	2022	2023	2024
\$ 677,313 (677,313)	\$ 765,391 (765,391)	\$ 918,967 (918,967)	\$ 813,652 (813,652)	\$ 933,304 (933,304)	\$ 980,781 (980,781)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 2,400,674	\$ 2,603,909	\$ 2,497,228	\$ 2,328,451	\$ 2,601,648	\$ 2,680,936
28.21%	29.39%	36.80%	34.94%	35.87%	36.58%

CITY OF ROSEVILLE, CALIFORNIA DEPARTMENT OF SOCIAL SERVICES
SCHOOL-AGE CHILD CARE PROGRAM
Schedule of the Program's Proportionate Share of the City's Net OPEB Liability
Last Ten Fiscal Years**

Measurement date	2018	2019	2020
	June 30, 2018	June 30, 2019	June 30, 2020
Program's proportion of the City's net OPEB liability	3.22000%	2.21000%	2.35000%
Program's proportionate share of the City's net OPEB liability	\$ 4,589,000	\$ 3,257,000	\$ 4,349,000
Program's covered-employee payroll	\$ 1,523,361	\$ 2,400,674	\$ 2,603,909
Program's proportionate share of net OPEB liability as a percentage of covered-employee payroll	301.24%	135.67%	167.02%
Plan fiduciary net position as a percentage of the Total OPEB Liability	31.28%	37.07%	48.58%

(1) Fiscal Year 2018 was the first year of implementation, therefore only seven years are shown.

2021	2022	2023	2024
June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024
4.28093%	4.25695%	4.47826%	3.76033%
\$ 4,265,000	\$ 3,564,000	\$ 3,523,000	\$ 2,763,000
\$ 2,497,228	\$ 2,328,451	\$ 2,601,648	\$ 2,680,936
170.79%	153.06%	135.41%	103.06%
58.95%	60.73%	64.17%	68.43%

CITY OF ROSEVILLE, CALIFORNIA DEPARTMENT OF SOCIAL SERVICES
SCHOOL-AGE CHILD CARE PROGRAM
Schedule of the Program's OPEB Contributions
Last Ten Years**

	<u>2018</u>	<u>2019</u>	<u>2020</u>
Actuarially Determined Contribution	\$ 287,000	\$ 336,000	\$ 387,000
Contribution in Relation to the Actuarially Determined Contribution	<u>(287,000)</u>	<u>(336,000)</u>	<u>(387,000)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-Employee Payroll	\$ 1,523,361	\$ 2,400,674	\$ 2,603,909
Contributions as a Percentage of Covered-Employee Payroll	18.84%	14.00%	14.86%

(1) Fiscal Year 2018 was the first year of implementation, therefore only seven years are shown.

2021	2022	2023	2024
\$ 600,494	\$ 454,940	\$ 474,292	\$ 395,361
(600,494)	(454,940)	(535,661)	(470,442)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ (61,369)</u>	<u>\$ (75,081)</u>
\$ 2,497,228	\$ 2,328,451	\$ 2,601,648	\$ 2,680,936
24.05%	19.54%	20.59%	17.55%

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SUPPLEMENTARY INFORMATION

CITY OF ROSEVILLE, CALIFORNIA DEPARTMENT OF SOCIAL SERVICES
SCHOOL-AGE CHILD CARE PROGRAM
Schedule of Expenditures of Federal and State Awards
For the Year Ended June 30, 2024

Grantor/Program Title	Assistance Listing Number	Pass-Through's Unique ID	Award Amount	Revenue	Expenses
State Awards					
Passed through State of California, Department of Social Services					
Child Development Division					
General Child Care and Development Program	N/A	LDJ1MM9L56K7	\$ 258,341	\$ 100,817	\$ 100,817
Federal Awards					
Department of Health and Human Services					
Passed through State of California, Department of Social Services					
Child Development Division					
Child Care and Development Block Grant	93.596	LDJ1MM9L56K7		57,584	57,584
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.575	LDJ1MM9L56K7	-	276,802	276,802
Total Federal and State Awards			\$ 258,341	\$ 435,203	\$ 435,203

Footnote 1. Basis of Presentation

The Schedule of Expenditures of State and Federal Awards includes the expenditures of federal awards of the City. Expenditures are presented on the accrual basis of accounting. The federal information in this schedule is presented in accordance with the requirements of Uniform Guidance, 2 CFR Part 200, Subpart F. Thus, some amounts presented in this schedule may differ from amounts presented and/or used in the preparation of the financial statements.

**CITY OF ROSEVILLE, CALIFORNIA DEPARTMENT OF SOCIAL SERVICES
SCHOOL-AGE CHILD CARE PROGRAM
Combining Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended June 30, 2024**

	CCTR-2174	Total CDSS Contracts	Non-CDSS Programs	Total
Operating Revenues:				
ASES program revenue	\$ -	\$ -	\$ 571,042	\$ 571,042
Department of Social Services grants	100,817	100,817	-	100,817
Federal grants	-	-	334,386	334,386
Parent fees - noncertified children	192,739	192,739	5,341,890	5,534,629
Recreation program revenue	-	-	174,694	174,694
Total Operating Revenues	293,556	293,556	6,422,012	6,715,568
Operating Expenses:				
Salaries	457,815	457,815	3,832,829	4,290,644
Employee benefits	281,274	281,274	1,489,376	1,770,650
Books and supplies	10,301	10,301	341,404	351,705
Services and other operating expenses	79,878	79,878	1,360,968	1,440,846
Pension expense	-	-	291,198	291,198
OPEB expense	-	-	(1,107,000)	(1,107,000)
Depreciation	-	-	120,873	120,873
Total Operating Expenses	829,268	829,268	6,329,648	7,158,916
Operating Income	(535,712)	(535,712)	92,364	(443,348)
Nonoperating Revenues (Expenses):				
Use of money and property	-	-	46,038	46,038
Interest and fiscal charges	-	-	(38,979)	(38,979)
Total Nonoperating Revenues (Expenses)	-	-	7,059	7,059
Income Before Transfers	(535,712)	(535,712)	99,423	(436,289)
Transfers from the City	-	-	809,000	809,000
Changes in Net Position	\$ (535,712)	\$ (535,712)	\$ 908,423	372,711
Net Position:				
Beginning of Year				(8,220,148)
Restatements				(152,618)
Beginning of Fiscal Year, as restated				(8,372,766)
End of Fiscal Year				\$ (8,000,055)

CITY OF ROSEVILLE, CALIFORNIA DEPARTMENT OF SOCIAL SERVICES
 SCHOOL-AGE CHILD CARE PROGRAM
 Statement of Expenditures by State Categories
 For the Year Ended June 30, 2024

<u>Expenditure Codes</u>		<u>CDSS Contract CCTR-2174</u>	
2000	Classified Salaries	\$	457,815
3000	Employee Benefits		281,274
4000	Books and Supplies		10,301
5000	Services and Other Operating Expenses		79,878
Total Expenditures		\$	829,268

CITY OF ROSEVILLE, CALIFORNIA DEPARTMENT OF SOCIAL SERVICES
 SCHOOL-AGE CHILD CARE PROGRAM
 Schedule of Reimbursable Equipment Expenditures
 For the Year Ended June 30, 2024

Expenditures Under \$5,000 Unit Cost			Expenditures Over \$5,000 Unit Cost With CCD Approval			Expenditures Over \$5,000 Unit Cost Without CCD Approval		
Cost		Item	Cost		Item	Cost		Item
\$	-	None	\$	-	None	\$	-	None

CITY OF ROSEVILLE, CALIFORNIA DEPARTMENT OF SOCIAL SERVICES
 SCHOOL-AGE CHILD CARE PROGRAM
 Schedule of Reimbursable Equipment Expenditures for Renovation and Repairs
 For the Year Ended June 30, 2024

Expenditures Under \$10,000 Unit Cost			Expenditures Over \$10,000 Unit Cost With CCD Approval			Expenditures Over \$10,000 Unit Cost Without CCD Approval		
Cost		Item	Cost		Item	Cost		Item
\$	-	None	\$	-	None	\$	-	None

CITY OF ROSEVILLE, CALIFORNIA DEPARTMENT OF SOCIAL SERVICES
SCHOOL-AGE CHILD CARE PROGRAM
Schedule of Reimbursable Administrative Costs
For the Year Ended June 30, 2024

	CDSS Contract CCTR-2147
Administrative Salaries and Benefits	\$ 306,758
Indirect Costs	-
Toal Administrative Costs	<u>\$ 306,758</u>

AUDITED ENROLLMENT, ATTENDANCE AND FISCAL REPORT
FOR CHILD CARE AND DEVELOPMENT PROGRAMS

Fiscal Year Ending

Contract Number*

Vendor Code*

June 30, 2024

CCTR-2174

2191

Full Name of Contractor*

City of Roseville School-Age Child Care Program

Section 1 - Number of Counties Where Services are Provided

- Number of counties where the agency provided services to certified children (Form AUD 9500.1):* 1
- Number of counties where the agency provided mental health consultation services to certified children (Form AUD 9500.2):* 0
- Number of counties where the agency provided services to non-certified children (Form AUD 9500.3):* 1
- Number of counties where the agency provided mental health consultation services to non-certified children (Form AUD 9500.4):* 0
- Total enrollment and attendance forms to attach: 2

Note: For each of the above categories, submit one form for each service county for the fiscal year.

Section 2 - Days of Enrollment, Attendance and Operation

	Column A Cumulative FY CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit	Column D Adjusted Days per Audit
Total Certified Days of Enrollment	10,930		10,930	7,897.0900
Total Certified Days of Enrollment with Mental Health Consultation Services	0			
Days of Attendance (including MHCS)	10,930		10,930	N/A
Total Non-Certified Days of Enrollment	4,519		4,519	
Total Non-Certified Days of Enrollment with Mental Health Consultation Services	0			
Days of Operation	247		247	N/A

*Indicates field is required.

Full Name of Contractor

City of Roseville School-Age Child Care Program

Contract Number

CCTR-2174

Section 3 - Revenue

	Column A Cumulative FY CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit
Restricted Income - Child Nutrition Programs			
Restricted Income - County Maintenance of Effort (WIC Section 10308.5)			
Restricted Income - American Rescue Plan Act (ARPA)	160,382		160,382
Restricted Income - Other:	151,751		151,751
Restricted Income - Subtotal	312,133		312,133
Transfer From Reserve			
Waived Family Fees for Certified Children*	3,053		3,053
Family Fees Collected for Certified Children	1,223		1,223
Interest Earned on Child Development Apportionment Payments	0		
Unrestricted Income - Fees for Non-Certified Children	192,739		192,739
Unrestricted Income - Head Start			
Unrestricted Income - Other:			
Total Revenue (*Waived Family Fees Not Included)	506,095		506,095

Comments:

Full Name of Contractor **City of Roseville School-Age Child Care Program**Contract Number **CCTR-2174****Section 4 - Reimbursable Expenses**

	Column A Cumulative FY CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit
Direct Payments to Providers (FCCH only)			
1000 Certificated Salaries	0		
2000 Classified Salaries	457,815		457,815
3000 Employee Benefits	281,274		281,274
4000 Books and Supplies	10,301		10,301
5000 Services and Other Operating Expenses	79,878		79,878
6100/6200 Other Approved Capital Outlay			
6400 New Equipment (program-related)			
6500 Equipment Replacement (program-related)			
Depreciation or Use Allowance			
Start-up Expenses (service level exemption)			
Budget Impasse Credit			
Indirect Costs (include in Total Administrative Cost)			
Total Reimbursable Expenses	829,268		829,268
Total Administrative Cost (included in Section 4 above)	306,758		306,758
Total Staff Training Cost (included in Section 4 above)			

Approved Indirect Cost Rate: ☐ NO SUPPLEMENTAL REVENUE / EXPENSES Check this box and omit page 4.Audit Report Page

Full Name of Contractor **City of Roseville School-Age Child Care Program**Contract Number **CCTR-2174****Section 5 - Supplemental Revenue**

	Column A Cumulative FY CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit
Enhancement Funding			
Other:			
Other:			
Total Supplemental Revenue			

Section 6 - Supplemental Expenses

	Column A Cumulative FY CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit
1000 Certificated Salaries			
2000 Classified Salaries			
3000 Employee Benefits			
4000 Books and Supplies			
5000 Services and Other Operating Expenses			
6000 Equipment / Capital Outlay			
Depreciation or Use Allowance			
Indirect Costs			
Non-Reimbursable Supplemental Expenses			
Total Supplemental Expenses			

Full Name of Contractor **City of Roseville School-Age Child Care Program**Contract Number **CCTR-2174****Section 7 - Summary**

	Column A Cumulative FY CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit
Total Certified Days of Enrollment (including MHCS)	10,930		10,930
Days of Operation	247		247
Days of Attendance (including MHCS)	10,930		10,930
Restricted Program Income	312,133		312,133
Transfer from Reserve			
Family Fees Collected for Certified Children	1,223		1,223
Interest Earned on Child Development Apportionment Payments			
Direct Payments to Providers			
Start-up Expenses (service level exemption)			
Total Reimbursable Expenses	829,268		829,268
Total Administrative Cost	306,758		306,758
Total Staff Training Cost			
Non-Reimbursable (State use only)	N/A	N/A	

Total Certified Adjusted Days of Enrollment (including MHCS) **7,897.0900**

Total Non-Certified Adjusted Days of Enrollment (including MHCS)

Independent auditor's assurances on agency's compliance with contract funding terms and conditions and program requirements for programs that transferred to the California Department of Social Services on July 1, 2021 pursuant to WIC Section 10203(b):

Eligibility, enrollment and attendance records are being maintained as required (select YES or NO from the drop-down box): **Yes**

Reimbursable expenses claimed on page 3 are eligible for reimbursement, reasonable, necessary, and adequately supported (select YES or NO from the drop-down box):

Yes

Include any comments in the comments box on page 2. If necessary, attach additional sheets to explain adjustments.

Audit Report Page

**CHILD CARE AND DEVELOPMENT PROGRAMS
CERTIFIED CHILDREN DAYS OF ENROLLMENT AND
ATTENDANCE**Fiscal Year Ending **June 30, 2024**Contract Number **CCTR-2174**Vendor Code **2191**Full Name of Contractor **City of Roseville School-Aged Child Care Program**Service County: **Placer**

	Column A Cumulative FY CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
Infants (up to 18 months) Full-time-plus				2.8792	
Infants (up to 18 months) Full-time				2.4400	
Infants (up to 18 months) One-half-time				1.3420	
Toddlers (18 up to 36 months) Full-time-plus				2.1240	
Toddlers (18 up to 36 months) Full-time				1.8000	
Toddlers (18 up to 36 months) One-half-time				0.9900	
Three Years and Older Full-time-plus	373		373	1.1800	440.1400
Three Years and Older Full-time	3,668		3,668	1.0000	3,668.0000
Three Years and Older One-half-time	6,889		6,889	0.5500	3,788.9500
Exceptional Needs Full-time-plus				1.8172	
Exceptional Needs Full-time				1.5400	
Exceptional Needs One-half-time				0.8470	

Full Name of Contractor **City of Roseville School-Aged Child Care Program**Contract Number **CCTR-2174**

	Column A Cumulative FY CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
Dual Language Learner Full-time-plus				1.2980	
Dual Language Learner Full-time				1.1000	
Dual Language Learner One-half-time				0.5500	
At Risk of Abuse or Neglect Full-time-plus				1.2980	
At Risk of Abuse or Neglect Full-time				1.1000	
At Risk of Abuse or Neglect One-half-time				0.5500	
Severely Disabled Full-time-plus				2.2774	
Severely Disabled Full-time				1.9300	
Severely Disabled One-half-time				1.0615	
Total Certified Days of Enrollment	10,930		10,930	N/A	7,897.0900
Days of Attendance				N/A	N/A

Enter the sum of Total Certified Days of Enrollment from Form AUD9500.1(s) in the Total Certified Days of Enrollment line of AUD 9500, Section 2.

Enter the sum of Days of Attendance from all Form AUD9500.1(s) and Form AUD9500.2(s) in the Days of Attendance line of AUD 9500, Section 2.

**CHILD CARE AND DEVELOPMENT PROGRAMS
NON-CERTIFIED CHILDREN DAYS OF ENROLLMENT**

Fiscal Year Ending	June 30, 2024
Contract Number	CCTR-2174
Vendor Code	2191

Full Name of Contractor **City of Roseville School-Aged Child Care Program**Service County: **Placer**

	Column A Cumulative FY CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
Infants (up to 18 months) Full-time-plus				2.8792	
Infants (up to 18 months) Full-time				2.4400	
Infants (up to 18 months) One-half-time				1.3420	
Toddlers (18 up to 36 months) Full-time-plus				2.1240	
Toddlers (18 up to 36 months) Full-time				1.8000	
Toddlers (18 up to 36 months) One-half-time				0.9900	
Three Years and Older Full-time-plus	0			1.1800	
Three Years and Older Full-time	1,718		1,718	1.0000	1,718.0000
Three Years and Older One-half-time	2,801		2,801	0.5500	1,540.5500
Exceptional Needs Full-time-plus				1.8172	
Exceptional Needs Full-time				1.5400	
Exceptional Needs One-half-time				0.8470	

Full Name of Contractor **City of Roseville School-Aged Child Care Program**Contract Number **CCTR-2174**

	Column A Cumulative FY CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
Dual Language Learner Full-time-plus				1.2980	
Dual Language Learner Full-time				1.1000	
Dual Language Learner One-half-time				0.5500	
At Risk of Abuse or Neglect Full-time-plus				1.2980	
At Risk of Abuse or Neglect Full-time				1.1000	
At Risk of Abuse or Neglect One-half-time				0.5500	
Severely Disabled Full-time-plus				2.2774	
Severely Disabled Full-time				1.9300	
Severely Disabled One-half-time				1.0615	
Total Non-Certified Days of Enrollment	4,519		4,519	N/A	3,258.5500

Enter the sum of Total Non-Certified Days of Enrollment from all Form AUD 9500.3(s) in the Total Non-Certified Days of Enrollment line of AUD 9500, Section 2.

**AUDITED ENROLLMENT, ATTENDANCE AND FISCAL REPORT
FOR CHILD CARE AND DEVELOPMENT PROGRAMS
(FOR SINGLE SERVICE COUNTY)**

Fiscal Year Ending*

June 30, 2024

Contract Number*

CCTR-2174

Vendor Code*

2191

Full Name of Contractor*

City of Roseville School-Aged Child Care Program

Section 1 - Contractor Provided Services in Only One County

- ☒ Services were provided to certified children, check this box and **include** pages 6-7.*
- ☐ Mental health consultation services were provided to certified children, check this box and **include** pages 8-9.*
- ☒ Services were provided to non-certified children, check this box and **include** pages 10-11.*
- ☐ Mental health consultation services were provided to non-certified children, check this box and **include** pages 12-13.*

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Section 2 - Days of Enrollment, Attendance and Operation

	Column A Cumulative FY CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit	Column D Adjusted Days per Audit
Total Certified Days of Enrollment	10,930		10,930	7,897.0900
Total Certified Days of Enrollment with Mental Health Consultation Services				
Days of Attendance (including MHCS)	10,930		10,930	N/A
Total Non-Certified Days of Enrollment	4,519		4,519	3,258.5500
Total Non-Certified Days of Enrollment with Mental Health Consultation Services				
Days of Operation*	247		247	N/A

*Indicates field is required.

Full Name of Contractor

City of Roseville School-Aged Child Care Program

Contract Number

CCTR-2174

Section 3 - Revenue

	Column A Cumulative FY CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit
Restricted Income - Child Nutrition Programs			
Restricted Income - County Maintenance of Effort (WIC Section 10308.5)			
Restricted Income - American Rescue Plan Act (ARPA)	160,382		160,382
Restricted Income - Other:	151,751		151,751
Restricted Income - Subtotal	312,133		312,133
Transfer From Reserve	0		
Waived Family Fees for Certified Children*	3,053		3,053
Family Fees Collected for Certified Children	1,223		1,223
Interest Earned on Child Development Apportionment Payments			
Unrestricted Income - Fees for Non-Certified Children	192,739		192,739
Unrestricted Income - Head Start			
Unrestricted Income - Other:			
Total Revenue (*Waived Family Fees Not Included)	506,095		506,095

Comments:

Full Name of Contractor **City of Roseville School-Aged Child Care Program**Contract Number **CCTR-2174****Section 4 - Reimbursable Expenses**

	Column A Cumulative FY CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit
Direct Payments to Providers (FCCH only)			
1000 Certificated Salaries			
2000 Classified Salaries	457,815		457,815
3000 Employee Benefits	281,274		281,274
4000 Books and Supplies	10,301		10,301
5000 Services and Other Operating Expenses	79,878		79,878
6100/6200 Other Approved Capital Outlay			
6400 New Equipment (program-related)			
6500 Equipment Replacement (program-related)			
Depreciation or Use Allowance			
Start-up Expenses (service level exemption)			
Budget Impasse Credit			
Indirect Costs (include in Total Administrative Cost)			
Total Reimbursable Expenses	829,268		829,268
Total Administrative Cost (included in Section 4 above)	306,758		306,758
Total Staff Training Cost (included in Section 4 above)			

Approved Indirect Cost Rate: ☒ NO SUPPLEMENTAL REVENUE / EXPENSES Check this box and omit page 4.Audit Report Page

Full Name of Contractor **City of Roseville School-Aged Child Care Program**Contract Number **CCTR-2174****Section 5 - Supplemental Revenue**

	Column A Cumulative FY CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit
Enhancement Funding			
Other:			
Other:			
Total Supplemental Revenue			

Section 6 - Supplemental Expenses

	Column A Cumulative FY CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit
1000 Certificated Salaries			
2000 Classified Salaries			
3000 Employee Benefits			
4000 Books and Supplies			
5000 Services and Other Operating Expenses			
6000 Equipment / Capital Outlay			
Depreciation or Use Allowance			
Indirect Costs			
Non-Reimbursable Supplemental Expenses			
Total Supplemental Expenses			

Full Name of Contractor **City of Roseville School-Aged Child Care Program**Contract Number **CCTR-2174****Section 7 - Summary**

	Column A Cumulative FY CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit
Total Certified Days of Enrollment (including MHCS)	10,930		10,930
Days of Operation	247		247
Days of Attendance (including MHCS)	10,930		10,930
Restricted Program Income	312,133		312,133
Transfer from Reserve			
Family Fees Collected for Certified Children	1,223		1,223
Interest Earned on Child Development Apportionment Payments			
Direct Payments to Providers			
Start-up Expenses (service level exemption)			
Total Reimbursable Expenses	829,268		829,268
Total Administrative Cost	306,758		306,758
Total Staff Training Cost			
Non-Reimbursable (State use only)	N/A	N/A	

Total Certified Adjusted Days of Enrollment (including MHCS) **7,897.0900**Total Non-Certified Adjusted Days of Enrollment (including MHCS) **3,258.5500**

Independent auditor's assurances on agency's compliance with contract funding terms and conditions and program requirements for programs that transferred to the California Department of Social Services on July 1, 2021 pursuant to WIC Section 10203(b):

Eligibility, enrollment and attendance records are being maintained as required (select YES or NO from the drop-down box): **Yes**

Reimbursable expenses claimed on page 3 are eligible for reimbursement, reasonable, necessary, and adequately supported (select YES or NO from the drop-down box):

Yes

Include any comments in the comments box on page 2. If necessary, attach additional sheets to explain adjustments.

Audit Report Page

Full Name of Contractor **City of Roseville School-Aged Child Care Program**Contract Number **CCTR-2174**

CHILD CARE AND DEVELOPMENT PROGRAMS

CERTIFIED CHILDREN DAYS OF ENROLLMENT AND ATTENDANCE

Service County:* **Placer**

	Column A Cumulative FY CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
Infants (up to 18 months) Full-time-plus				2.8792	
Infants (up to 18 months) Full-time				2.4400	
Infants (up to 18 months) One-half-time				1.3420	
Toddlers (18 up to 36 months) Full-time-plus				2.1240	
Toddlers (18 up to 36 months) Full-time				1.8000	
Toddlers (18 up to 36 months) One-half-time				0.9900	
Three Years and Older Full-time-plus	373		373	1.1800	440.1400
Three Years and Older Full-time	3,668		3,668	1.0000	3,668.0000
Three Years and Older One-half-time	6,889		6,889	0.5500	3,788.9500
Exceptional Needs Full-time-plus				1.8172	
Exceptional Needs Full-time				1.5400	
Exceptional Needs One-half-time				0.8470	

*Indicates field is required.

Full Name of Contractor **City of Roseville School-Aged Child Care Program**Contract Number **CCTR-2174**

	Column A Cumulative FY CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
Dual Language Learner Full-time-plus				1.2980	
Dual Language Learner Full-time				1.1000	
Dual Language Learner One-half-time				0.5500	
At Risk of Abuse or Neglect Full-time-plus				1.2980	
At Risk of Abuse or Neglect Full-time				1.1000	
At Risk of Abuse or Neglect One-half-time				0.5500	
Severely Disabled Full-time-plus				2.2774	
Severely Disabled Full-time				1.9300	
Severely Disabled One-half-time				1.0615	
Total Certified Days of Enrollment	10,930		10,930	N/A	7,897.0900
Days of Attendance*	10,930		10,930	N/A	N/A

If no services were provided to certified children, omit pages 6-7.

*Indicates field is required for Days of Attendance.

Full Name of Contractor **City of Roseville School-Aged Child Care Program**Contract Number **CCTR-2174****CHILD CARE AND DEVELOPMENT PROGRAMS CERTIFIED CHILDREN RECEIVING MENTAL HEALTH CONSULTATION SERVICES DAYS OF ENROLLMENT AND ATTENDANCE**Service County:* **Placer**

	Column A Cumulative FY CDNFS 9500MHCS	Column B Audit Adjustments	Column C Cumulative per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
Infants (up to 18 months) Full-time-plus				2.9792	
Infants (up to 18 months) Full-time				2.5400	
Infants (up to 18 months) One-half-time				1.4420	
Toddlers (18 up to 36 months) Full-time-plus				2.2240	
Toddlers (18 up to 36 months) Full-time				1.9000	
Toddlers (18 up to 36 months) One-half-time				1.0900	
Three Years and Older Full-time-plus				1.2800	
Three Years and Older Full-time				1.1000	
Three Years and Older One-half-time				0.6500	
Exceptional Needs Full-time-plus				1.9172	
Exceptional Needs Full-time				1.6400	
Exceptional Needs One-half-time				0.9470	

*Indicates field is required.

Full Name of Contractor **City of Roseville School-Aged Child Care Program**Contract Number **CCTR-2174**

	Column A Cumulative FY CDNFS 9500MHCS	Column B Audit Adjustments	Column C Cumulative per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
Dual Language Learner Full-time-plus				1.3980	
Dual Language Learner Full-time				1.2000	
Dual Language Learner One-half-time				0.6500	
At Risk of Abuse or Neglect Full-time-plus				1.3980	
At Risk of Abuse or Neglect Full-time				1.2000	
At Risk of Abuse or Neglect One-half-time				0.6500	
Severely Disabled Full-time-plus				2.3774	
Severely Disabled Full-time				2.0300	
Severely Disabled One-half-time				1.1615	
TOTAL CERTIFIED DAYS OF ENROLLMENT WITH MENTAL HEALTH CONSULTATION SERVICES				N/A	
DAYS OF ATTENDANCE*				N/A	N/A

If no mental health consultation services were provided to certified children, omit pages 8-9.

*Indicates field is required for Days of Attendance.

Full Name of Contractor **City of Roseville School-Aged Child Care Program**Contract Number **CCTR-2174**

CHILD CARE AND DEVELOPMENT PROGRAMS NON-CERTIFIED CHILDREN DAYS OF ENROLLMENT

Service County:* **Placer**

	Column A Cumulative FY CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
Infants (up to 18 months) Full-time-plus				2.8792	
Infants (up to 18 months) Full-time				2.4400	
Infants (up to 18 months) One-half-time				1.3420	
Toddlers (18 up to 36 months) Full-time-plus				2.1240	
Toddlers (18 up to 36 months) Full-time				1.8000	
Toddlers (18 up to 36 months) One-half-time				0.9900	
Three Years and Older Full-time-plus				1.1800	
Three Years and Older Full-time	1,718		1,718	1.0000	1,718.0000
Three Years and Older One-half-time	2,801		2,801	0.5500	1,540.5500
Exceptional Needs Full-time-plus				1.8172	
Exceptional Needs Full-time				1.5400	
Exceptional Needs One-half-time				0.8470	

*Indicates field is required.

Full Name of Contractor **City of Roseville School-Aged Child Care Program**Contract Number **CCTR-2174**

	Column A Cumulative FY CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
Dual Language Learner Full-time-plus				1.2980	
Dual Language Learner Full-time				1.1000	
Dual Language Learner One-half-time				0.5500	
At Risk of Abuse or Neglect Full-time-plus				1.2980	
At Risk of Abuse or Neglect Full-time				1.1000	
At Risk of Abuse or Neglect One-half-time				0.5500	
Severely Disabled Full-time-plus				2.2774	
Severely Disabled Full-time				1.9300	
Severely Disabled One-half-time				1.0615	
Total Non-Certified Days of Enrollment	4,519		4,519	N/A	3,258.5500

If no services were provided to non-certified children, omit pages 10-11.

Full Name of Contractor **City of Roseville School-Aged Child Care Program**Contract Number **CCTR-2174****CHILD CARE AND DEVELOPMENT PROGRAMS NON-CERTIFIED CHILDREN RECEIVING MENTAL HEALTH CONSULTATION SERVICES DAYS OF ENROLLMENT**Service County:* **Placer**

	Column A Cumulative FY CDNFS 9500MHCS	Column B Audit Adjustments	Column C Cumulative per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
Infants (up to 18 months) Full-time-plus				2.9792	
Infants (up to 18 months) Full-time				2.5400	
Infants (up to 18 months) One-half-time				1.4420	
Toddlers (18 up to 36 months) Full-time-plus				2.2240	
Toddlers (18 up to 36 months) Full-time				1.9000	
Toddlers (18 up to 36 months) One-half-time				1.0900	
Three Years and Older Full-time-plus				1.2800	
Three Years and Older Full-time				1.1000	
Three Years and Older One-half-time				0.6500	
Exceptional Needs Full-time-plus				1.9172	
Exceptional Needs Full-time				1.6400	
Exceptional Needs One-half-time				0.9470	

*Indicates field is required.

Full Name of Contractor **City of Roseville School-Aged Child Care Program**Contract Number **CCTR-2174**

	Column A Cumulative FY CDNFS 9500MHCS	Column B Audit Adjustments	Column C Cumulative per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
Dual Language Learner Full-time-plus				1.3980	
Dual Language Learner Full-time				1.2000	
Dual Language Learner One-half-time				0.6500	
At Risk of Abuse or Neglect Full-time-plus				1.3980	
At Risk of Abuse or Neglect Full-time				1.2000	
At Risk of Abuse or Neglect One-half-time				0.6500	
Severely Disabled Full-time-plus				2.3774	
Severely Disabled Full-time				2.0300	
Severely Disabled One-half-time				1.1615	
TOTAL NON-CERTIFIED DAYS OF ENROLLMENT WITH MENTAL HEALTH CONSULTATION SERVICES				N/A	

If no mental health consultation services were provided to non-certified children, omit pages 12-13.

**AUDITED RESERVE ACCOUNT
ACTIVITY REPORT**

Fiscal Year End

June 30, 2024

Reserve Account Type

Center-Based

Vendor Code

312191

Full Name of Contractor **City of Roseville****Section 1 - Prior Year Reserve Account Activity**

1. Beginning Balance (2022–23 AUD 9530A Ending Balance)	72,603
2. Plus Transfers to Reserve Account:	Per 2022–23 Post-Audit CDNFS 9530
Contract No.	
Contract No.	
Contract No.	
Contract No.	
Contract No.	
Contract No.	
Total Transferred from 2022–23 Contracts to Reserve	0
3. Less Excess Reserve to be Billed	
4. Ending Balance per 2022-23 Post-Audit CDNFS 9530	72,603

Section 2 - Current Year (2023–24) Reserve Account Activity

	Column A CDNFS 9530A	Column B Audit Adjustments	Column C per Audit
5. Plus Interest Earned This Year on Reserve:	2,749		2,749
6. Less Transfers to Contracts from Reserve:			
Contract No.			0
Contract No.			0
Contract No.			0
Contract No.			0
Contract No.			0
Contract No.			0
Total Transferred to Contracts from Reserve Account	0	0	0
7. Ending Balance on June 30, 2024	75,352	0	75,352

COMMENTS - If necessary, attach additional sheets to explain adjustments.



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH APPLICABLE REQUIREMENTS AND ON INTERNAL CONTROL OVER COMPLIANCE

To the Honorable Mayor and Members of the City Council
City of Roseville, California

Opinions

We have audited the City of Roseville's (the City) School-Age Child Care Program's (the Program) compliance with the requirements described in the *CDSS Audit Guide* (the Guide) issued by the California Department of Social Services, August 2024, for the year ended June 30, 2024.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that are applicable to the Program for the year ended June 30, 2024.

Basis for Opinion

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the Guide. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report. We are required to be independent of the City and the Program and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's government programs.

Auditor's Responsibilities for the Audit of Compliance

Our responsibility is to express opinions on compliance with the requirements described in the Guide based on our audit. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in the *Government Auditing Standards*, issued by the Comptroller General of the United States; and the Guide. Those standards and the Guide require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a material effect on the City's Program. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.



To the Honorable Mayor and Members of the City Council
School-Age Child Care Program
City of Roseville, California

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Guide, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Guide, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency* in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A *material weakness* in internal control over compliance is a deficiency, or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Program's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.



To the Honorable Mayor and Members of the City Council
School-Age Child Care Program
City of Roseville, California

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the *CDSS Audit Guide* issued by the California Department of Social Services, August 2024. Accordingly, this communication is not suitable for any other purpose.

Lance, Soll & Loughard, LLP

Sacramento, California
December 12, 2024

**CITY OF ROSEVILLE
CALIFORNIA DEPARTMENT OF SOCIAL SERVICES
SCHOOL-AGE CHILD CARE PROGRAM
Summary of Findings and Questioned Costs
For the Year Ended June 30, 2024**

None noted.

**CITY OF ROSEVILLE
CALIFORNIA DEPARTMENT OF SOCIAL SERVICES
SCHOOL-AGE CHILD CARE PROGRAM
Summary Of Prior Year Findings and Questioned Costs
For the Year Ended June 30, 2023**

Reference Number: 2023-001

Response: This issue has been resolved at this time.



INDEPENDENT ACCOUNTANTS' REPORT ON AGREED-UPON
PROCEDURES APPLIED TO APPROPRIATIONS LIMIT WORKSHEETS

To the Honorable Mayor and Members of the City Council
City of Roseville, California

We have performed the procedures enumerated below on the accompanying Appropriations Limit Worksheet No. 6 (or other alternative computation) of the City of Roseville, California, for the year ended June 30, 2025. These procedures are the responsibility of the City, which were agreed to by the City of Roseville and the League of California Cities (as presented in the publication entitled Agreed-Upon Procedures Applied to the Appropriations Limitation Prescribed by Article XIII-B of the California Constitution), were performed solely to assist the City of Roseville in meeting the requirements of Section 1.5 of Article XIII-B of the California Constitution. The City of Roseville's management is responsible for the Appropriations Limit Worksheet No. 6 (or other alternative computation).

The City has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of recomputing the Appropriations Limit Worksheet No. 6 (or other alternative computation). This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures performed and our findings were as follows:

1. We obtained the completed Worksheets No. 1 through No. 7 (or other alternative computations) and compared the limit and annual adjustment factors included in those worksheets to the limit and annual adjustment factors that were adopted by resolution of the City Council. We also compared the population and inflation options included in the aforementioned worksheets to those that were selected by a recorded vote of the City Council.

Finding: No exceptions were noted as a result of our procedures.

2. For the accompanying Appropriations Limit Worksheet No. 6, we multiplied line A, last year's limit, by line D, ratio of change, and compared the resulting amount to line E, this year's limit.

Finding: No exceptions were noted as a result of our procedures.

3. We compared the current year information presented in the accompanying Appropriations Limit Worksheet No. 6 to the other worksheets described in No. 1 above.

Finding: No exceptions were noted as a result of our procedures.

4. We compared the prior year appropriations limit presented in the accompanying Appropriations Limit Worksheet No. 6 to the prior year appropriations limit adopted by the City Council for the prior year.

Finding: No exceptions were noted as a result of our procedures.



To the Honorable Mayor and Members of the City Council
City of Roseville, California

We were engaged by the City to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the accompanying Appropriations Limit Worksheet No. 6 (or other alternative computation). Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information of the City Council and management of the City of Roseville and is not intended to be, and should not be, used by anyone other than these specified parties.

Lance, Soll & Lughard, LLP

Sacramento, California
July 30, 2024

CITY OF ROSEVILLE
2024-2025
APPROPRIATIONS LIMIT CALCULATION

A.	2023-2024 APPROPRIATIONS LIMIT:	\$232,922,228	
B.	2024-2025 CHANGE IN PER CAPITA PERSONAL INCOME:		3.62%
C.	2024-2025 CHANGE IN POPULATION:		1.05%
D.	RATIO OF CHANGE (1.0362 X 1.0105):	<u>1.0471</u>	
E.	2024-2025 APPROPRIATIONS LIMIT: (\$232,922,228 X 1.0471)	<u>\$243,892,865</u>	



February 11, 2025

To the Honorable Mayor and Members of the City Council
City of Roseville, California

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Roseville, (the "City") for the year ended June 30, 2024. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards* as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated February 11, 2025. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City, are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2024-25. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's 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 significantly from those expected. The most sensitive estimates affecting the City's financial statements were:

Management's estimates of the pension, other postemployment benefits, and self-insured claims liabilities are based on actuarial valuations. We evaluated the methods, assumptions, and data used to develop the pension, other postemployment benefits, and self-insured claims liabilities in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

The completion of our audit was delayed because of adjustments required after the commencement of the scheduled audit fieldwork.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.



To the Honorable Mayor and Members of the City Council
City of Roseville, California

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated February 11, 2025.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to management's discussion and analysis, the budgetary comparison schedules for the general fund and major special revenue funds, and the required pension and other postemployment benefits schedules, which are required supplementary information ("RSI") that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the combining and individual fund statements and schedules, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the introductory and statistical sections of the Annual Comprehensive Financial Report, which accompany the financial statements but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.



To the Honorable Mayor and Members of the City Council
City of Roseville, California

Future GASB Pronouncements

The following Government Accounting Standards Board (GASB) pronouncements will be effective for the following fiscal years' audits and should be reviewed for proper implementation by management:

Fiscal Year 2024-2025

GASB Statement No. 101, *Compensated Absences*.

GASB Statement No. 102, *Certain Risk Disclosures*.

Fiscal Year 2025-2026

GASB Statement No. 103, *Financial Reporting Model Improvements*.

GASB Statement No. 104, *Disclosure of Certain Capital Assets*.

Future Projects

Comprehensive Project, *Revenue and Expense Recognition*.

Major Project, *Going Concern Uncertainties and Severe Financial Stress*.

Major Project, *Infrastructure Assets*.

Practice Issue, *Classification of Nonfinancial Assets*.

Practice Issue, *Risks and Uncertainties Disclosures*.

Practice Issue, *Subsequent Events*.

Restriction on Use

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

Very truly yours,

LSL, LLP



INDEPENDENT AUDITORS' 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

To the Honorable Mayor and Members of the City Council
City of Roseville, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Roseville, California (the "City"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated February 11, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City'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 City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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, 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 *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and responses as item 2024-001 that we consider to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.



To the Honorable Mayor and Members of the City Council
City of Roseville, California

City's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the findings identified in our audit and described in the accompanying schedule of findings and responses. The City's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

LSL, LLP

Irvine, California
February 11, 2025



To the Honorable Mayor and Members of the City Council
City of Roseville, California

SCHEDULE OF FINDINGS AND RESPONSES

Reference Number

2024-001

Evaluation of Finding

Significant Deficiency

Condition

During our audit, the City identified a number of journal entries that were necessary to fully close the City's books for the audit of the financial statements, after the commencement of the scheduled fieldwork dates.

Criteria

Effective internal controls over financial reporting should ensure that all transactions are accurately recorded in the general ledger in a timely manner. According to the Committee of Sponsoring Organizations of the Treadway Commission (COSO) framework, controls should be in place to prevent or detect misstatements on a timely basis. Furthermore, entities should be adequately prepared for audits to ensure that financial statements are accurate and complete.

Cause of Condition

Due to cleaning up of certain accounts and items the City did not have all necessary documentation and reconciliations completed prior to the commencement of the audit.

Effect or Potential Effect of Condition

The lack of preparedness for the audit resulted in delays and additional adjustments, further complicating the audit process.

Recommendation

We recommend that the City continue to improve its audit preparation processes by ensuring that all necessary documentation and reconciliations are completed prior to the start of the audit.

Client Response

The City agrees with the recommendation and was delayed in the current year due to the further analysis and review of several items required to close the books and prepare for the audit. The City expects to be on time for the FY2024-25 financial audit and issue the ACFR before December 31, 2025.



COUNCIL COMMUNICATION

CC #:

File #:

Title: Consent Calendar

Contact:

Meeting Date: 4/2/2025

Item #:



COUNCIL COMMUNICATION

CC #: 3826

File #: 0900-03 & 0201-01

Title:	Roseville Power Plant #2 Repower Project - New Capital Improvement Project Approval, Third Amended and Restated Site Use and Installation Agreement, Second Amended and Restated Operations and Maintenance Agreement, Design-Build Construction Agreement, and Budget Adjustment
Contact:	Shawn Matchim 916-746-1620 smatchim@roseville.ca.us

Meeting Date: 4/2/2025

Item #: 8.1.

RECOMMENDATION TO COUNCIL

Staff recommends that the City Council:

1. Approve the establishment of a new Capital Improvement Project – Roseville Power Plant #2 Repower;
2. Adopt resolutions authorizing the City Manager to execute the Third Amended and Restated Site Use and Installation Agreement (Agreement) and the Second Amended and Restated Operations and Maintenance Agreement (O&M Agreement) between the City of Roseville and the California Department of Water Resources (CDWR) and authorizing the City Manager to make necessary adjustments to the exhibits for the Agreement and O&M Agreement, as approved by the City Attorney, to remain in operational compliance and/or for reporting purposes, as required;
3. Adopt a resolution authorizing the City Manager to execute a Design-Build Construction Agreement with Integrated Engineers and Contractors Corporation dba IEC Corporation for the Roseville Power Plant #2 Repower Project in the amount of \$38,835,925 to decommission existing equipment, design and prepare the site, and install and commission CDWR's additional generators. Staff additionally requests authority for the City Manager, or his designee, to approve change orders up to five percent (5%) of the contract price for a total not to exceed \$40,777,721;
4. Adopt a resolution declaring the City's intention to reimburse expenditures related to the Roseville Power Plant #2 Repower Project activities from the proceeds of bonds that may be issued in the future; and
5. Adopt an ordinance to approve a budget adjustment appropriating \$17,000,000 in the FY2024-25 Electric Fund from the Electric Fund to the Project and adding \$4,000,000 in expected revenue from CDWR to the FY2024-25 budget.

BACKGROUND

In 2021, Roseville executed three agreements with the California Department of Water Resources (CDWR) to site two generating units (Units) at the Roseville Energy Park (REP) as part of the State of

California's overall efforts to improve electric system reliability. The agreements addressed site access, energy services, and operations and maintenance. In December 2023, Roseville and CDWR

executed the first amended and restated agreements which provided a path to ownership of the Units by Roseville that could be accelerated if Roseville made investments to benefit statewide grid reliability. In October 2024, Roseville and CDWR executed the Second Amended and Restated Site Use and Installation Agreement that gave date certain for Roseville to obtain ownership of the Units, and to undertake a due diligence study to assess the viability of siting other units (Additional Units) at the Roseville Power Plant #2 (RPP2) site. The due diligence study was the result of a proposal that Roseville Electric submitted to CDWR in response to a Request for Information (RFI) that was issued in March 2024. The conclusion of the due diligence study was replacing the nearly 40-year-old existing units at the RPP2 site with CDWR's new TM-2500 generators would provide many benefits to statewide reliability, while improving local air quality and local grid reliability.

Roseville and CDWR now seek to execute the Third Amended and Restated Site Use and Installation Agreement (Agreement) and the Second Amended and Restated Operations and Maintenance Agreement (O&M Agreement) to repower the RPP2 site with CDWR's Additional Units. The operational terms of the Agreement and O&M Agreement include requiring Roseville to make the units available for use in the event of an energy emergency alert for any California balancing authority area, while enabling Roseville to have the capacity and energy benefits of the actual output of the units. Importantly, the Agreement provides criteria where Roseville can use the Additional Units to meet local reliability needs if Roseville forecasted load is within eight percent of its resource capability level, factoring in outages or environmental and hydrology derates. The financial terms of the Agreement include an \$8,000,000 contribution of funds from CDWR to cover a portion of the installation costs of the Additional Units at RPP2. That Agreement also sets the term to October 31, 2029, and requires Roseville to pay CDWR \$9,000,000 as final contribution to take ownership of the Additional Units. Finally, the Agreement has a non-binding buyout provision that could enable Roseville to gain ownership as soon as October 31, 2028, at a price to be negotiated by the parties in the future.

As part of the due diligence study to determine permitting, licensing, and overall project feasibility, staff issued Request for Proposals No. 07-109 in November 2024 for engineering, procurement, and construction (EPC) services to decommission the existing units at RPP2 and install the CDWR Additional Units and associated equipment. The City received two bids which were evaluated and scored by Roseville's Electric and the City Attorney's Office, as well as CDWR staff. Based on the evaluating criteria of the RFP, it was determined Integrated Engineers and Contractors Corporation dba IEC Corporation's proposal provided the best value to the City. If the Design-Build Construction Agreement is approved by Council, construction is scheduled to commence on October 1st 2025 with the Additional Units fully commissioned and commercially available prior to June 1st 2026. Additional systems to increase generation capacity and operability have been designated as optional items to be later decided on depending on system needs and power supply market conditions.

Roseville Electric may issue tax-exempt debt in the future to fund the cost of this project. Under federal tax regulations, expenditures made prior to issuing tax-exempt debt are generally not eligible for reimbursement unless specific procedures are followed. One key requirement is a formal declaration of intent to reimburse such expenditures from bond proceeds. Roseville's bond counsel has recommended that the City adopt a resolution declaring the intent to reimburse in the event debt is issued in the future for the RPP2 Repower Project. This action does not obligate Roseville to issue bonds, but preserves the right to recover previously spent funds through a future bond issuance.

FISCAL IMPACT

Council approval of the Ordinance will result in a budget adjustment to establish the FY2024-25 budget authority for the new Capital Improvement Project – the Roseville Power Plant #2 Repower Project of \$17,000,000. The project is a capital project and will be funded by the City's Capital Improvement Fund. The project is a capital project and will be funded by the City's Capital Improvement Fund.

\$17,000,000. The design-build construction agreement has a lump sum price of \$38,835,925, plus a five percent (5%) contingency, or \$1,941,796, for a total of \$40,777,721. Funding for FY2024-25 of \$17,000,000 is available in the Electric Fund. Staff intends to seek Council approval in a future budget adjustment for the reduction in various FY2024-25 Capital Improvement Projects to offset this \$17,000,000 decrease in the Electric Fund. The FY2025-26 budget will request Council approval of the remaining funds for the design-build construction agreement, plus approximately \$4,000,000 associated with hiring an Owner's Engineer, internal staff labor, and other materials not included in the design-build construction agreement, estimated at \$27,887,721.

The Agreement will also result in CDWR providing Roseville an \$8,000,000 contribution to cover a portion of the installation costs of the Additional Units at RPP2. This payment will come in two installments. Roseville will receive the first installment of \$4,000,000 at the signing of the Agreement and the second installment of \$4,000,000 will be received once decommissioning of the existing units begins in October 2025. Roseville will pay CDWR \$9,000,000 in FY2029-30 as final contribution to take ownership of the Additional Units.

Funding of future year expenditures is contingent on future Council approval.

The total cost of the Roseville Power Plant #2 Repower Project is estimated to be approximately \$46,000,000. There is no financial impact to the General Fund.

The intent to reimburse action only states the intention that any expenditure can be reimbursed from bond proceeds if the City chooses to move forward with issuing debt associated with the Roseville Power Plant #2 Repower Project. This action does not obligate the City to issue bonds, but preserves the right to recover previously spent funds through a future bond issuance.

ENVIRONMENTAL REVIEW

The proposed project involves the reconstruction of existing structures and facilities. This activity is categorically exempt from CEQA as a Class 2 Exemption (State CEQA Guidelines Section 15302). The proposed project also involves an action taken by the City of Roseville to assure the maintenance, restoration, enhancement, or protection of the environment where the regulatory process involves procedures for protection of the environment. This activity is categorically exempt from CEQA as a Class 8 Exemption (State CEQA Guidelines Section 15308). The Exemption has been prepared and no further CEQA action is required.

CITY COUNCIL STRATEGIC PLAN/OVERARCHING GOALS

Goal A - Remain fiscally responsible in a changing world
Goal E - Deliver exceptional city services
Goal F - Invest in well-planned infrastructure and growth

Respectfully Submitted,

Shawn Matchim, Electric Utility Chief Operating Officer

Dan Beans, Electric Utility Chief Executive Officer

ATTACHMENTS:

Description

Third Amended and Restated Site Use and Installation Agreement

Resolution 25-082

Exhibit A - Access Area

Exhibit B- Unit Specifications- Additional Units

Exhibit C - Installation Plans and Specs

Exhibit C1

Exhibit F

Exhibit G

Second Amendment and Restated Operations and Maintenance Agreement

Resolution 25-083

Design Build Contract 1 of 2

Resolution 25-084

Design Build Contract 2 of 2

Resolution 25-085

Ordinance 6927

CEQA - Notice of Exemption

THIRD AMENDED AND RESTATED SITE USE AND INSTALLATION AGREEMENT

THIS THIRD AMENDED AND RESTATED SITE USE AND INSTALLATION AGREEMENT ("Agreement" or "Site Agreement"), dated as of the date of the last signature below ("Effective Date"), is made and entered into by and between THE CITY OF ROSEVILLE, a municipal corporation ("Roseville" or "Owner") and the CALIFORNIA DEPARTMENT OF WATER RESOURCES ("CDWR" or "Licensee"). Each of Owner and CDWR are also referred to herein as a "Party" and collectively as the "Parties."

RECITALS

A. On July 30, 2021, the Governor of the State of California proclaimed a state of emergency due to the accelerating and compounding effects of continuing wildfires, ongoing drought, and extreme heat conditions caused by climate change, which have resulted in an additional projected energy supply shortage of up to 3,500 megawatts during the afternoon-evening "net-peak" period of high power demand on days when there are extreme weather conditions. The proclamation directed CDWR to enter into contracts for the procurement of materials, goods and services necessary for projects likely to be online by October 31, 2021, that would expand energy supply and storage to respond to these projected energy supply shortages.

B. Pursuant to the emergency proclamation, Owner and CDWR entered into this Site Agreement to site, install, and interconnect two General Electric TM2500 combustion turbine generators with selective catalytic reduction systems and their associated equipment (the "RPEAK Units") initially through the end of 2023 as part of CDWR's State Power Augmentation Program ("SPAP" or "Program"). Since installation, the RPEAK Units have been used to provide additional energy to California's electric grid during grid emergency events.

C. The original Site Agreement was subsequently amended with its Term extended to facilitate Owner's application to and acceptance into the California Energy Commission's ("CEC") Distributed Electricity Backup Assets ("DEBA") program for the benefit of the California electric grid during grid emergencies. The Site Agreement was amended a second time to facilitate transfer of title to the RPEAK Units to Owner, and allow Owner and CDWR to continue their partnership on the Program by adding additional CDWR-owned generators and their associated equipment ("Additional Units") to this contract.

D. The Parties have successfully collaborated and continue to collaborate on the Program, and Owner responded to a 2024 CDWR Request for Information (RFI) regarding siting for additional General Electric TM2500 generators and associated equipment; and

E. Following discussion of the 2024 RFI, on the terms set forth below, the Parties have reached an agreement to amend and extend the term of this Site Agreement and the associated Second Amended Operations and Maintenance Agreement (collectively, the "Agreements")¹ in order to extend the Program through October 31, 2029.

NOW, THEREFORE, for good and valuable consideration, the Parties agree as follows:

1. Definitions.

¹ The First Amended Energy Services Agreement will expire at the end of its current term (April 30, 2025).

(a) When used herein, the following capitalized terms will have the meanings set forth below:

“Access Area” means the area designated “Access Area” on Exhibit A.

“Access License” has the meaning defined in Section 2(a)(ii).

“Additional Units” has the meaning defined in the Recitals and as listed on the inventory and receipt to be exchanged between the Parties when CDWR delivers the Additional Units to the delivery point designated by Roseville on or about January 13, 2026.

“Affiliate” means, with respect to any Person, each other Person that, directly or indirectly, through one or more intermediaries, controls, or is controlled by, that Person. For the purposes of this definition, “control” (including, with correlative meanings, the terms “controlled by” and “under common control with”), as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities or by contract or otherwise.

“BANC” means the Balancing Authority of Northern California, the Balancing Authority in which Roseville is located.

“Bankrupt” means with respect to any entity, such entity (i) files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause of action under any bankruptcy, insolvency, reorganization or similar law, or has any such petition filed or commenced against it and such petition filed or commenced against it is not stayed or dismissed within ninety (90) days thereafter, (ii) makes an assignment or any general arrangement for the benefit of creditors, (iii) otherwise becomes bankrupt or insolvent (however evidenced), (iv) has a liquidator, administrator, receiver, trustee, conservator or similar official appointed with respect to it or any substantial portion of its property or assets, or (v) is generally unable to pay its debts as they become due.

“Business Day” means any day other than Saturday, Sunday, and any day that is a holiday observed by Federal Reserve member banks in San Francisco, California.

“CAISO” means the California Independent System Operator Corporation or any successor entity performing similar functions.

“CAISO Tariff” means the California Independent System Operator Corporation Open Access Transmission Tariff, Business Practice Manuals (BPMs), and Operating Procedures, as the same may be amended or modified from time-to-time.

“CDWR Indemnified Parties” has the meaning defined in Section 12(b).

“CDWR’s Representative” has the meaning defined in Section 3(h).

“Claiming Party” has the meaning defined in Section 8(b).

“Confidential Information” means any information disclosed in writing or orally by one Party to the other Party that is or relates to (a) the terms and conditions of, and proposals and negotiations related to, this Agreement, (b) information necessary to protect the reliability and security of each Party’s electric systems, information defined as Critical Energy Infrastructure

Information, as defined in Title 18 of the Code of Federal Regulations, or information related to any aspect of the business of a Party which is either information not known by actual or potential competitors of the other Party or is proprietary information of a Party, whether of a technical nature or otherwise, or (c) information that the Disclosing Party stamps or otherwise identifies as “confidential” or “proprietary” before disclosing it to the Receiving Party; provided however, that Confidential Information shall not include (i) information that was publicly available at the time of the disclosure, other than as a result of a disclosure in breach of this Agreement; (ii) information that becomes publicly available through no fault of the Receiving Party after the time of the delivery; (iii) information that was rightfully in the possession of the Receiving Party (without confidential or proprietary restriction) at the time of delivery or that becomes available to the Receiving Party from a source not subject to any restriction against disclosing such information to the Receiving Party; and (iv) information that the Receiving Party independently developed without a violation of this Agreement.

“**Contract Year**” means, as applicable, (i) the period from the Effective Date through October 31, 2029 and (ii) each subsequent calendar year thereafter.

“**Contractor**” means a contractor engaged by either Party.

“**Contractor’s Representative**” has the meaning defined in Section 3(h).

“**Defaulting Party**” has the meaning set forth in Section 9.

“**Early Termination Date**” has the meaning set forth in Section 10(a)(i).

“**Effective Date**” has the meaning set forth on the Preamble.

“**EPC Contractor**” means the contractor engaged by Roseville to design the Site and install the Additional Units.

“**Event of Default**” has the meaning defined in Section 9.

“**Force Majeure**” has the meaning defined in Section 8(a).

“**Gas Interconnection Point**” has the meaning defined in Section 3(g).

“**GHG Costs**” means the cost of emission reduction credits (ERCs) and/or other pollution mitigation measures or offsets incurred by Owner in satisfying the conditions of any Required Permit to allow the units to be operated in the ordinary course of business and as required by its contractual obligations and the CAISO.

“**Good Industry Practice**” means those practices, methods and acts that would be implemented and followed by prudent builders, owners, lessors, and operators of electric generation facilities similar to the Additional Units in the western United States during the relevant time period, which practices, methods and acts, in the exercise of prudent and responsible professional judgment in the light of the facts known at the time the decision was made, could reasonably have been expected to accomplish the desired result consistent with good business practices, reliability and safety, and shall include, at a minimum, those professionally responsible practices, methods and acts described in the preceding sentence that comply with manufacturers’ warranties, restrictions in this Agreement, and the requirements of governmental authorities, NERC or WECC reliability standards, the CAISO and applicable Laws. Good Industry Practice is

not intended to be the optimum practice, method or act to the exclusion of all others, but rather is intended to be any of the practices, methods and/or actions generally accepted in the region.

“Governmental Authority” means any federal, state, local or municipal government, any political subdivision thereof or any other governmental, regulatory or judicial instrumentality, authority, body, agency, department, bureau, or entity with authority to bind a Party at law, including CAISO; provided, however, that “Governmental Authority” shall not in any event include any Party.

“Greenhouse Gases” or “GHGs” means emissions into the atmosphere of carbon dioxide (CO₂), nitrous oxide (N₂O), and methane (CH₄) which are produced as the result of combustion of fossil fuels and which have been found or determined by a Governmental Authority to contribute to global warming or climate change. Other greenhouse gases included in this definition are hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) and sulfur hexafluoride (SF₆). Greenhouse Gases may be defined or expressed in terms of a ton of CO₂-equivalent, in order to allow comparison between the different effects of gases on the environment.

“GSU” has the meaning defined in Section 3(g).

“GSU Interconnection Point” has the meaning defined in Section 3(g).

“Hazardous Substances” means (a) any chemical, material or substance that is listed or regulated under applicable Laws as a “hazardous” or “toxic” substance or waste, or as a “contaminant” or “pollutant” or words of similar import, (b) any petroleum or petroleum products, flammable materials, explosives, radioactive materials, asbestos, urea formaldehyde foam insulation, and transformers or other equipment that contain polychlorinated biphenyls, and (c) any other chemical or other material or substance, exposure to which is prohibited, limited or regulated by any Laws.

“Indemnified Party” means (i) if CDWR is the Indemnifying Party, each Owner Indemnified Party, and (ii) if Owner is the Indemnifying Party, each CDWR Indemnified Party.

“Indemnifying Party” means CDWR with respect to the indemnification obligations under Section 12(a), CDWR, and (ii) with respect to the indemnification obligations under Section 12(b), Owner.

“Installation Plans and Specifications” has the meaning defined in Section 3(a).

“Law” means any law, statute, rule, regulation, decision, writ, order, decree or judgment, permit, license or authorization, or any interpretation thereof, promulgated, adopted or issued by a Governmental Authority.

“Lender” means, individually and collectively, any bank, financial institution, insurance company or other lender, including its or their agents and trustees, providing Owner and/or its Affiliates with financing or other credit facilities.

“License” means each of the Access License, the Site License and the Utility License.

“License Area” means each of the Site, Access Area and Utility Installation Area.

“Losses” has the meaning defined in Section 12(a).

“Major Equipment Failure” means failure of one or both of Owner-supplied GSUs, medium voltage switchgear/controls, 60kv switchyard, Additional Unit combustion turbine, Additional Unit generator, Additional Unit auxiliary transformer, SCRs, or other component essential to the functioning of the Unit(s).

“NERC” means North American Electric Reliability Corporation.

“Non-Defaulting Party” has the meaning defined in Section 10(a).

“O&M Agreement” means that certain Operation and Maintenance Agreement and any amendments thereto, dated as of the Effective Date, by and between CDWR, as owner of the Additional Units, and the City of Roseville, as O&M Contractor.

“Owner Indemnified Parties” has the meaning defined in Section 12(a).

“Owner Supplied Facilities” has the meaning defined in Section 3(g).

“Owner’s Representative” has the meaning defined in Section 3(h).

“Permit” means any permit, authorization, consent, approval, license, order, filing, waiver, exception, variance or exemption filed with or issued by any Governmental Authority and shall include those siting and operating permits and licenses required for the installation, testing, commissioning, operation, maintenance, decommissioning or removal of the Units in compliance with all applicable Laws.

“Permit Applications” has the meaning defined in Section 5(a).

“Permitting Costs” means (i) all costs of preparing and submitting the Permit Applications, including the costs of all studies and modeling required for the Permit Applications and all costs of third party consultants or fees of attorneys engaged to prepare or assist in the preparation of the Permit Applications, (ii) all application fees and similar costs paid to Governmental Authorities in connection with submission of the Permit Applications, (iii) all other third party costs incurred by Owner or its Affiliates in applying for, acquiring and maintaining the Required Permits, (iv) all mitigation fees, ERCs, in lieu fees and other similar required to in order to obtain and maintain the Required Permits, (v) all GHG Costs, and (vi) other related costs.

“Person” means any individual, sole proprietorship, corporation, limited liability company, limited or general partnership, joint venture, association, joint-stock company, trust, incorporated organization, institution, public benefit corporation, unincorporated organization, government entity or other entity.

“Point of Change of Ownership” means the location where the Additional Units connect to Roseville’s Interconnection Facilities.

“Requested Confidential Information” has the meaning defined in Section 17(b).

“Required Permits” has the meaning defined in Section 6(a).

“SCR” means the selective catalytic reduction equipment developed for the Additional Units.

“Site” means the area designated as the “Site” on Exhibit A.

“Site License” has the meaning defined in Section 2(a)(i).

“Telemetry Interconnection Point” has the meaning defined in Section 3(g).

“Term” has the meaning defined in Section 5.

“Unit Specifications” has the meaning defined in Section 6(a).

“Utility Installation Area” means the area shown as “Utility Installation Area” on Exhibit A.

“Utility License” has the meaning defined in Section 2(a)(iii).

“WAPA” means the Western Area Power Administration.

“WECC” means the Western Electricity Coordinating Council.

“WEIM” means the Western Energy Imbalance Market, or any successor thereto.

(b) The following rules of interpretation shall apply to this Agreement, unless otherwise specified or required by the context:

(i) Terms defined in the singular shall include the plural and vice versa;

(ii) References to “Sections” and “Exhibits” shall be to sections or exhibits of this Agreement;

(iii) All references to a particular entity shall include a reference to such entity’s successors and permitted assigns;

(iv) The words “herein,” “hereof,” and “hereunder” shall refer to this Agreement as a whole and not to any particular section or subsection hereof;

(v) References to this Agreement shall include a reference to all exhibits hereto, as the same may be amended, modified, supplemented, or replaced from time to time;

(vi) Terms used in the masculine shall include the feminine and vice versa;

(vii) The terms “include” and “including,” when used in this Agreement, shall mean to include without limitation; and

(viii) The term “day” when used in this Agreement shall mean a calendar day unless specified otherwise.

Capitalized terms, used but not otherwise defined herein, shall have the meaning ascribed to them in the CAISO Tariff.

2. **Use of Site.**

(a) Roseville hereby grants to CDWR the following licenses on and subject to the terms of this Agreement:

(i) A license to use the Site for the purposes of installing, testing, commissioning, operating, maintaining, and decommissioning the Additional Units (the “**Site License**”);

(ii) A license to use the Access Area for purposes of access to the Site for the purposes of installing, testing, commissioning, operating, maintaining and decommissioning the Additional Units (the “**Access License**”); and

(iii) A license to use the Utility Installation Area for the purposes of using and maintaining (A) pipes and related gas facilities between the Additional Units and the Gas Interconnection Point, (B) electrical cables between the Additional Units and the GSU Interconnection Point, (C) pipes and related water facilities between the Additional Units and the Water Interconnection Point, (D) wires, meters and other telemetry and communications facilities and equipment between the Additional Units and the Telemetry Interconnection Point (the “**Utility License**”).

(b) The Site License will be an exclusive license with respect to the Utility Installation Area on which the Additional Units are physically located and a non-exclusive license for the remainder of the Site, but the use of the Site pursuant to the Site License shall be strictly limited to the purposes described in Section 2(a)(i) and must comply with the terms and conditions of this Agreement.

(c) The Access License and the Utility License will be non-exclusive licenses and will be subject to use by Owner and its Affiliates as needed to effectuate this Agreement; provided that such uses do not materially interfere with the essential purposes of each such License. The uses of the Access Area pursuant to the Access License and of the Utility Installation Area pursuant to the Utility License shall be strictly limited to the purposes described in Sections 2 and 3 and must comply with the terms and conditions of this Agreement, and shall not interfere with the use by Owner or its Affiliates of the Access Area or the Utility Installation Area, including for the installation of improvements, equipment and facilities for Owner’s or its Affiliate’s intended use of such property as described in the recitals to this Agreement.

(d) The Licenses granted under this Agreement are licenses only and do not convey any estate or interest in real property or any right or interest to use or occupy the Site, the Access Area or the Utility Installation Area beyond the Term or other than as expressly provided in this Agreement.

(e) All use of the Licenses by CDWR, its agents, employees, representatives, contractors and consultants, shall comply with applicable Law and Permits, as well as with Owner’s site safety and security rules as in effect from time to time. All Persons entering on to or using any of the License Areas shall be required to sign an agreement acknowledging such site safety and security rules and agreeing to comply with them.

3. **Installation of the Additional Units and Site Improvements.**

(a) For this phase of the Program, CDWR will supply the Additional Units and Roseville will be responsible for their installation through an EPC contractor selected by and paid by Roseville ("EPC Contractor"). Roseville and its Contractors, including the EPC Contractor, will be fully responsible for the design of the Site, procurement and delivery of appurtenant equipment, installation, testing, commissioning, operation, and maintenance of the Additional Units and for the acts and omissions of Roseville's EPC Contractor and its subcontractors, and of any other contractors or subcontractors engaged by Roseville. The Additional Units and related facilities and equipment shall be installed on the Site, the Access Area and the Utility Installation Area in accordance with the Installation Plans and Specifications attached hereto as Exhibit C, with such modifications and supplements as may be agreed to by both Parties in writing from time to time (the "**Installation Plans and Specifications**"), covering both the installation of the Additional Units.

(b) For this phase of the Program, Roseville's EPC Contractor will be performing work to prepare the Site for installation, testing, and commissioning of the Additional Units as provided in Exhibit C. Roseville shall provide a project schedule with milestone dates, including contingencies, for its EPC Contractor work within sixty (60) days of approval of this Agreement. Such preparation work will begin on or about October 1, 2025, depending on site availability due to weather, CAISO Energy Emergency Alert forecasts, etc. Roseville bears all responsibility and risk of loss associated with preparation work at the Site. CDWR will use its contractor to transport and deliver the Additional Units to Roseville at either the Site or the Roseville Energy Park, or nearby staging location, as designated by Roseville ("Delivery Point"). Delivery of the Additional Units by CDWR's contractor shall be on or about January 13, 2026, or other date mutually agreed-upon by the Parties in writing. CDWR acknowledges that delivery later than January 13, 2026, or other date mutually agreed-upon by the Parties in writing, may delay the commercial operation date of June 1, 2026. While the Additional Units remain in CDWR's custody, CDWR bears all responsibility and risk of loss of the Additional Units. Such responsibility transfers from CDWR to Roseville at the point and time of delivery from CDWR to Roseville. At the point and time of delivery, the Parties shall meet with their respective contractors and provide inventories and/or receipts for the Additional Units and all integral parts thereof, including spare parts in CDWR's possession. Such documents shall be in writing and signed by CDWR and Roseville. Upon such delivery from CDWR to Roseville, the Parties agree that Roseville shall have possession, custody, and control of the Additional Units, subject to any restrictions provided elsewhere in this Agreement and/or the related Second Amended Operations and Maintenance Agreement.

(i) Roseville agrees that any work related to the switchyard upgrade that does not meet the milestones set forth for such work in Exhibit C shall result in liquidated damages of \$5,000 per day payable from Roseville to CDWR. Such milestone dates may be changed and updated by mutual-agreement of the Parties not to be unreasonably withheld. However, such liquidated damages shall only become payable to CDWR if the Additional Units do not meet their commercial operation date of June 1, 2026. CDWR may also agree to waive such liquidated damages in its discretion.

(c) Except as provided in Section 9(a)(vii) and 10(b), CDWR will hold Owner harmless from any and all costs of purchasing and delivering the Additional Units. CDWR will keep the Site, the other License Areas and all other property of Owner and its Affiliates free and clean of all mechanic's and materialmen's liens and other liens or stop payment notices relating to payment or nonpayment of such costs and will pay or discharge any such liens within sixty-five

(65) days after notice thereof from Owner. If CDWR fails to do so, Owner may, without limiting its rights under Sections 9 and 10, pay or discharge any or all such liens, and CDWR shall promptly reimburse Owner for all amounts incurred in connection with the payment or discharge of such liens, including all amounts paid to the lien holder, attorneys' fees, filing or recording fees and title insurance costs.

(d) Although Roseville will be installing, testing, commissioning, and operating the Additional Units, CDWR may choose to have its own contractors present at the Site to assist or oversee the work. All CDWR contractors and subcontractors entering onto any of the License Areas shall be subject to Owner's prior review and approval, which will not be unreasonably withheld, prior to entry. Such approval may be conditioned on, among other things, proof that such contractor or subcontractor is properly licensed and is carrying adequate liability insurance that protects Owner and its Affiliates. In addition, all contractors and subcontractors entering on to any of the License Areas shall comply with Owner's safety and COVID-19 protocols.

(e) CDWR shall use commercially reasonable efforts to provide access to Roseville and/or Roseville's EPC Contractor during the demobilization of the Additional Units at their prior location before transportation to the Delivery Point. However, Roseville acknowledges that the prior location of the Additional Units is owned by a third-party, CDWR does not control this site, and access depends on the consent of this third-party.

(f) The Parties acknowledge that, as between them, operation and maintenance of the Units and the payment of the costs thereof are addressed in the O&M Agreement.

(g) In connection with the installation of the Units, Owner will provide the following (the "**Owner Supplied Facilities**"):

(i) Owner will provide an interconnection point to its two existing generation step up transformers (each a "**GSU**") in the location shown on the Installation Plans and Specifications (the "**GSU Interconnection Point**").

(ii) Owner will provide an interconnection point to its existing natural gas yard in the location shown on Exhibit C (the "**Gas Interconnection Point**").

(iii) Owner will provide an interconnection point to a supply of water in the location shown on Exhibit C (the "**Water Interconnection Point**").

(iv) Owner will provide an interconnection point to telemetry and communication facilities for communicating with WAPA and BANC in the location shown on Exhibit C (the "**Telemetry Interconnection Point**").

Owner's obligation for this phase of the SPAP Program is to provide the Owner Supplied Facilities, as well as installation, testing, commissioning, operation, maintenance, and dispatching of the Additional Units. The Parties do not intend for the Additional Units to be decommissioned, but rather Roseville shall purchase them from CDWR at the end of the Term. Owner shall make commercially reasonable efforts to meet the dates set forth in Exhibit C.

(h) CDWR will designate one or more individuals (collectively, "**CDWR's Representative**") to act as the point of contact between CDWR and Owner and its EPC Contractor and will notify Owner and the EPC Contractor of the name and contact information of such CDWR Representative. Owner will also designate one or more individuals (collectively,

“Owner’s Representative”) to act as the point of contact for CDWR and will cause its EPC Contractor to likewise designate one or more individuals (each a **“EPC Representative”**) to act as the point of contact for EPC Contractor and will notify CDWR or cause each Contractor to notify CDWR of the name and contact information of Owner’s Representative and the respective EPC Contractor Representatives.

(i) During the Term of this Agreement, the Additional Units will remain the personal property of CDWR and will not be deemed fixtures to the Site or any other License Area. However, Roseville shall own the energy and/or capacity generated by the Additional Units, as provided in Section 4. CDWR will be responsible for and will timely pay all property taxes and other taxes, including possessory interest taxes if applicable, assessed against or with respect to the Units. The Parties acknowledge and agree that Owner or its Affiliates own the GSUs, the gas yard, electrical switchyard, the municipal water facilities and the other gas, electric and utility facilities outside of the boundaries of the Site, except for the Additional Units. Owner will be responsible for and will timely pay all property taxes and other taxes assessed against or with respect to its property.

4. **Dispatch and Energy Services**

(a) For the Term of this Third Amended and Restated Site Use and Installation Agreement, Roseville agrees to provide energy services, fuel management, dispatch, and scheduling coordinator services as previously provided in the separate Energy Services Agreement which will expire on April 30, 2025. Roseville shall receive all energy and capacity benefits from the Additional Units during the Term, including market revenues. Roseville shall be responsible for procuring all fuel, transmission capacity, and greenhouse gas emissions compliance for the Additional Units during the Term. Roseville shall be responsible for integrating the Additional Units within WAPA, BANC, the CAISO/WEIM system, and any other applicable systems in accordance with BANC and WEIM scheduling practices and protocols, as necessary to effectuate this Agreement. Roseville agrees that the Additional Units will be dispatched in accordance with the Parties’ mutually-agreed-upon Additional Units Dispatch Protocol attached hereto as Exhibit G, as may be amended from time to time. Roseville further agrees that it shall communicate and coordinate with CDWR regarding any changes to CAISO or BANC’s operational procedures. For the avoidance of doubt, CDWR agrees that Roseville may use the Additional Units to count for Roseville’s planning reserve margin or similar “resource adequacy”-type mechanism.

(b) **Failure to Timely Dispatch in Accordance with Exhibit G.** The Parties agree that any failure to timely dispatch the Additional Units in accordance with Exhibit G shall result in a penalty of \$60,000 per occurrence, payable to CDWR within forty-five (45) days after the occurrence.

(c) **Outage Notifications.** Roseville shall provide outage notifications for the Additional Units to CDWR as provided in Exhibit G.

(d) **Reporting.** Roseville shall provide CDWR with reports as provided in Exhibit G. As needed, Roseville shall provide information on the Additional Units’ generator resource data template, customer inquiry dispute and information tickets, and outage management system.

(e) To the extent that NERC Reliability Standards apply, CDWR will be considered the “Generation Owner (GO)” and Roseville the “Generation Operator (GOP)” of the Units for purposes of the NERC Reliability Standards reporting, and shall perform all duties and

obligations of a "Generation Owner (GO)" and a Generation Operator (GOP)" of the Units. CDWR delegates GO and GOP responsibilities to Roseville and shall have no obligation to perform any such duties or obligations during the Term of this Agreement. To the extent that Roseville assumes ownership of the Units under the Site Agreement, CDWR shall cooperate with Roseville and provide all necessary information and records to support any NERC compliance responsibility for such Units.

5. **Term.** This Agreement will be effective as of the Effective Date and will continue in effect until October 31, 2029. The Term of the Operations and Maintenance Agreement will be extended commensurate with the Term of this Third Amended and Restated Site Use and Installation Agreement.

6. **Permitting.**

(a) Owner will use commercially reasonable efforts to (i) determine what new Permits, or amendments or modifications to existing Permits are necessary in order to permit the installation, testing, commissioning, operation, maintenance, decommissioning and removal of the Additional Units as contemplated by this Agreement and the O&M Agreement in accordance with all applicable Laws (the "**Required Permits**"), (ii) submit applications ("**Permit Applications**") for the Required Permits to the appropriate Governmental Authorities, and (iii) seek to obtain approval of the Required Permits on the terms and conditions proposed in the Permit Applications or on such other terms and conditions as may be approved by the applicable Governmental Authorities that will permit the installation, testing, commissioning, operation, maintenance, decommissioning and removal of the Units as described in clause (i); provided, however, that if the terms and conditions of approval of a Required Permit proposed by the applicable Governmental Authority are materially different from those proposed in the Permit Application, Owner will consult with CDWR before accepting such terms and conditions and will not accept such new terms and conditions without CDWR's written consent. The Permit Applications may be submitted, and the Required Permits may be obtained, in the name of Owner and/or one or more of its Affiliates, as Owner may consider necessary or appropriate. All Permit Applications will be based on the design and specifications of the Additional Units set forth on Exhibit B (the "**Unit Specifications**"), and Roseville shall not install, test or commission any Additional Unit, or permit or cause the installation, testing or commissioning of any Additional Unit, that differs from the Unit Specifications. Owner shall have the right to prohibit the installation, testing or commissioning of any Additional Unit that does not conform to the Unit Specifications. In the event that Owner is unable to obtain one or more Required Permits based on Additional Units as described in the Unit Specifications on terms and conditions that will permit the installation, testing, commissioning, operation, maintenance, decommissioning and removal of the Units as described in clause (i), the Parties will confer and use commercially reasonable efforts to agree on revisions to the Unit Specifications that will enable Owner to obtain the Required Permits consistent with the description in clause (i). Owner neither incurs nor assumes any liability under this Agreement if CDWR will not accept new terms and conditions proposed by the applicable Governmental Authority for a Required Permit.

(b) CDWR will reimburse Owner and its Affiliates for 40% of all Permitting Costs reasonably incurred in preparing the Permit Applications and applying for, obtaining and maintaining the Required Permits; provided that Permitting Costs shall not in the aggregate exceed one hundred thousand dollars (\$100,000) without CDWR's written consent, which will not be unreasonably withheld. Roseville will pay the 60% balance of the Permitting Costs. The Parties acknowledge and agree that there is no assurance that Owner and its Affiliates will be able to obtain the Required Permits, but agree that, so long as Owner uses commercially

reasonable efforts to obtain the Required Permits as provided herein, CDWR will reimburse Owner and its Affiliates all Permitting Costs reasonably incurred by Owner and its Affiliates (but not in excess of the maximum amount set forth above), regardless of whether or not the Required Permits are ultimately obtained or the Units are installed, tested and commissioned.

(c) If Owner is unable, despite using commercially reasonable efforts, to obtain one or more of the Required Permits by October 1, 2025, the Parties will convene in an attempt to reach an agreement on a course of action within 60-days, otherwise, either party may elect, by written notice to the other Party, to terminate this Agreement with no further liability on the part of either Party, except all indemnification obligations in Section 12 shall survive such termination and shall continue in effect.

(d) Subject to CDWR's obligation to timely supply the Additional Units, Roseville shall design, install, test, commission and operate and maintain the Units in accordance with the Required Permits, all other applicable Permits, and all applicable Laws.

(e) Owner shall use commercially reasonable efforts to amend or replace the Site's existing air permit with the Placer County Air Pollution Control District and comply with any other applicable permitting or environmental rules.

(f) Owner agrees to be the lead agency for purposes of the California Environmental Quality Act (CEQA). The Parties agree that this Agreement and the Parties' obligations hereunder is contingent upon full compliance with CEQA. The Parties agree that: (i) execution of this agreement does not represent a commitment to the Project on the part of either Party; (ii) before making its determination on the Project as a responsible agency under CEQA, CDWR will independently review the CEQA document prepared by the lead agency, will consider the environmental effects of the Project as shown in that CEQA document, and will make findings (if such findings are required by CEQA); and (iii) upon completion of the required CEQA review, one or both Parties may determine that they cannot approve the Project, in which case this agreement will be of no force or effect. The Parties further agree that all required CEQA determinations, including CDWR's, must be completed prior to October 1, 2025. Owner shall provide CDWR with all required documentation not less than twenty-one (21) calendar days prior to that date.

6. **Compensation and Billing.**

(a) In addition to the Permitting Costs and in lieu of ongoing site license fees, CDWR will pay to Owner eight million dollars (\$8,000,000) toward Owner's EPC Contractor costs of installation, testing, and commissioning the Additional Units ("CDWR EPC Payment"). The CDWR EPC Payment will be billed based on the milestone payment schedule provided by Roseville's EPC Contractor. The first four million (\$4,000,000) will be paid based on invoice from Roseville after approval of Roseville's contract with its EPC Contractor by the Roseville City Council. The second four million dollars (\$4,000,000) will be paid based on invoice from Roseville upon commencement of decommissioning of the existing Roseville-owned generators at the Site as provided in Exhibit C. The eight million dollars (\$8,000,000) may be paid from either this Third Amended and Restated Site Use and Installation Agreement or the Second Amended Operations and Maintenance Agreement, or both. But in no event shall the CDWR EPC Payment exceed eight million (\$8,000,000) across these two agreements. by Rosevill

(b) The CDWR EPC Payment shall be payable by CDWR to Owner in accordance with the amounts and dates set forth in Section 6(a) on or before the forty-fifth (45th) day after receipt of the invoice (California Prompt Payment Act; Government Code, Section 927, et seq). Subject to CDWR's rights under Section 6(d), payments for reimbursement of Permitting Costs

and other reimbursable amounts under this Agreement shall be made on or before the forty-fifth (45th) day after receipt of the invoice (California Prompt Payment Act; Government Code, Section 927, et seq). If the due date falls on a non-Business Day, then the payment shall be due on the following Business Day. Payment shall be deemed delivered on time if sent via electronic funds transfer, as set forth in Exhibit E, prior to 5 p.m. Pacific time on the due date. CDWR shall submit all payments under this Agreement to Owner at the payment address shown in Exhibit E. Any changes to the address designated for purposes of payment must be made by written notice to CDWR at the address listed in Exhibit E at least sixty (60) days prior to the first submittal of payment to the new address.

(c) The CDWR EPC Payment is a fixed amount and is not subject to dispute. If CDWR wishes to dispute an invoice for Permitting Costs or other reimbursable costs in whole or in part, it must give Owner written notice of the amount in dispute on or before the due date for the invoice, including a reasonably detailed statement of the basis for such dispute (including supporting documentation), but it shall nonetheless pay the amount billed, including any disputed portion, on the due date for the invoice. If it is determined by a court of applicable jurisdiction that a disputed amount or part thereof that was paid was not in fact due and owing, Owner shall refund such amount to CDWR within thirty (30) days after resolution of such dispute, together with interest on such amount from the date paid to, but not including, the date refunded at the interest rate set forth in Section 6(d).

(d) Penalties for delinquent payments shall be assessed in accordance with the California Prompt Payment Act (Government Code Section 927 et seq.) as may be amended. Interest on delinquent amounts (including amounts determined to be owed as a result of the resolution of a billing dispute) shall be calculated at the interest rate specified in the California Prompt Payment Act (Government Code Section 927 et seq.) as may be amended: from the original due date (or, for amounts not properly invoiced, the date that would have been the due date if such amounts were properly invoiced) to the date of payment.

(e) Owner and its Affiliates shall keep complete and accurate records of Permitting Costs and other reimbursable amounts hereunder and shall maintain records for a period of three (3) years from the due date of the applicable invoices. Within a three (3) year period from the original due date of an invoice, CDWR may request in writing copies of such records to the extent reasonably necessary to verify the accuracy of any invoice.

7. **Asset and Title Transfer.**

(a) At the end of the Term specified in Section 5, CDWR will transfer, and Owner will receive, Title to the Additional Units and their associated equipment, including the SCRs, control systems, etc. Consideration for the sale of the Additional Units shall be nine million dollars (\$9,000,000). Owner will be responsible for all property taxes and other taxes payable at the end of the Term. Such Title transfer will be facilitated using the Asset Transfer Agreement appended to and incorporated into this Site Agreement as Exhibit F, or a document in similar form mutually-agreed-upon by the Parties.

(b) The Parties agree that upon request by Roseville and as mutually negotiated on or before August 31, 2028, the Parties may agree to an early termination of this Agreement and sale of the Additional Units to Roseville one (1) year earlier than the end of the Term specified in Section 5.

8. **Force Majeure.**

(a) **"Force Majeure"** means: any cause or event beyond the reasonable control of the affected Party which causes the affected Party to fail to perform that (i) was not specifically foreseeable as of the Effective Date, (ii) was not due to the fault or negligence of the affected Party, and (iii) could not reasonably have been avoided, overcome, prevented, or mitigated, by the affected Party's exercise of due diligence and use of reasonable precautions and efforts. Subject to the foregoing requirements, events that could qualify as Force Majeure include (x) acts of God, such as droughts, floods, earthquakes, volcanic eruption, epidemics, pandemics or other natural disasters, (y) fires, explosions, or accidents that could not have been prevented by acting in accordance with Good Industry Practice, or (z) war (declared or undeclared), riots, insurrection, rebellion, acts of the public enemy, acts of vandalism, terrorism and/or sabotage, civil disturbance, public disorder, blockades, embargoes, sanctions, import-export controls, or industry-wide strikes. However, Force Majeure shall not include the following events except the portions of such events caused solely by an event of Force Majeure as enumerated in clauses (x), (y) and (z) of the preceding sentence: (1) general market conditions or the economic hardship of either Party, (2) events arising from the failure to design, install, test, commission, operate, maintain, decommission or remove the Additional Units in accordance with Good Industry Practice, (3) failure of third parties to provide goods or services essential to a Party's performance, (4) mechanical breakdown, or electrical breakdown, or failure of any machinery or equipment constituting all or part of an Additional Unit, (5) Owner's ability to license the use of the Site or the other Licenses Premises for more than the License Fee, (7) any delay in obtaining, or denial of, any Required Permit, (8) any delay in providing, failure to obtain, or cancellation of, Interconnection Service, (9) the inability of CDWR to make payments when due under this Agreement, (10) a strike, work stoppage or labor dispute limited only to any one or more of CDWR and its contractor or Roseville and its EPC Contractor, and their respective Affiliates or subcontractors or any other third party employed by Roseville to work on the Additional Units, or (11) any delay resulting from litigation relating to or affecting the Units or the Site.

(b) To the extent either Party is prevented by Force Majeure from carrying out, in whole or part, its obligations under this Agreement, and such Party (the **"Claiming Party"**) gives notice and details of the Force Majeure to the other Party as soon as practicable, then, unless as otherwise expressly provided herein, and as limited in Section 8(c), the Claiming Party shall be excused from the performance of its obligations (other than the obligation to make payments then due or becoming due with respect to performance prior to the Force Majeure) to the extent affected by the Force Majeure, and no Event of Default shall occur as a result of the failure to perform any excused obligation. The Claiming Party shall remedy the Force Majeure with all reasonable dispatch. The non-Claiming Party shall not be required to perform or resume performance of its obligations to the Claiming Party corresponding to the obligations of the Claiming Party excused by Force Majeure.

(c) Any Party claiming Force Majeure shall advise the other Party as soon as possible of the occurrence of the Force Majeure event and shall provide the other Party with the basis of the claim, in writing, within ten (10) days of the occurrence of the Force Majeure event. The Parties shall make reasonable efforts to avoid the adverse impacts of a Force Majeure and to resolve the event or occurrence once it has occurred to resume performance.

9. **Events of Default.** An **"Event of Default"** shall mean, with respect to a Party (a **"Defaulting Party"**), the occurrence of any of the following:

(a) With respect to either Party:

(i) The failure to make, when due, any payment required pursuant to this Agreement if such failure is not remedied within five (5) Business Days after written notice of the failure;

(ii) Any representation or warranty made by such Party herein that is false or misleading in any material respect when made or when deemed made or repeated if the representation or warranty is continuing in nature, which misrepresentation or breach of warranty is not cured within thirty (30) days after written notice thereof;

(iii) Except for an obligation to make payment when due, the failure to perform any material covenant or obligation set forth in this Agreement (except to the extent constituting a separate Event of Default or to the extent excused by a Force Majeure) if such failure is not remedied within sixty (60) days after written notice, which written notice sets forth in reasonable detail the nature of the failure; provided, however, that if such failure is not reasonably capable of being remedied within the sixty (60) day cure period, such Party may have such additional time as the Parties agree is reasonably necessary to remedy such failure, so long as such Party promptly commences and diligently pursues such remedy;

(iv) Such Party or Roseville's EPC Contractor becomes Bankrupt;

(v) Such Party consolidates or amalgamates with, or merges with or into, or transfers all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving or transferee entity fails to assume all the obligations of that Party under this Agreement to which it or its predecessor was a party by operation of law or pursuant to an agreement reasonably satisfactory to the other Party;

(vi) Such Party assigns this Agreement or any of its rights hereunder other than in compliance with Section 16;

(vii) Such Party fails to perform a material covenant or obligation set forth in this Agreement that has not been remedied within sixty (60) days (or a reasonable amount of time in the case of a Major Equipment Failure).

(b) With respect to Roseville as the Defaulting Party, the occurrence of any of the following:

(i) The installation, testing, or commissioning of any Additional Unit that does not conform to the Unit Specifications and the requirements of the Required Permits;

(ii) Failure of Roseville to comply and to cause its Contractors to timely comply with the obligations under Section 3;

(iii) Repeated failure by Roseville to comply with its obligations under Section 4;

(iv) Failure by Owner to use commercially reasonable efforts to prepare and submit the Permit Applications for the Required Permits as provided in Section 6, unless such failure is remedied within ten (10) Business Days after written notice thereof; or;

(v) Subject to CDWR's compliance with its obligations under this Agreement and receipt of the Required Permits, failure by Owner to provide CDWR access to the Site or other License Areas as provided in Section 2, unless such failure is remedied within ten (10) Business Days after written notice thereof;

(vi) The O&M Agreement is terminated as the result of an event of default by Roseville thereunder.

(c) With respect to CDWR as the Defaulting Party, the occurrence of any of the following:

(i) Failure to deliver the Additional Units to the Designated Site within forty-five (45) days of the date mutually agreed-upon by the Parties as the date for CDWR to deliver the Additional Units to Roseville's designated delivery location referenced in Section 3;

(ii) Use of any License Area other than as specifically permitted by the grant of the applicable License in Section 2, or interference with Owner or its Affiliates concurrent use of the Access Area or the Utility Installation Area, or any other property of Owner or its Affiliates, unless such non-licensed use or interference is remedied within ten (10) Business Days after written notice thereof; or

(iii) Failure by CDWR to timely comply with its obligations under Section 6 within the time frames provided therein, unless such failure is remedied within fifteen (15) days after notice by Roseville.

10. **Remedies; Termination Rights.**

(a) If an Event of Default with respect to a Defaulting Party has occurred and is continuing, the other Party ("**Non-Defaulting Party**") shall have the right to do any one or more of the following, which rights shall be cumulative and in addition to the rights of the Parties otherwise provided in this Agreement:

(i) Terminate this Agreement by sending a written notice, designating a day, no earlier than the sixty-fifth (65th) day after such notice is deemed to be received, as an early termination date of this Agreement ("**Early Termination Date**");

(ii) Accelerate all amounts owing between the Parties as of the Early Termination Date;

(iii) Withhold any payments due to the Defaulting Party under this Agreement pending resolution of amounts owed by or to each Party;

(iv) Suspend performance of its obligations under this Agreement;

(v) Subject to Section 15(c), recover monetary damages as allowed by law; and

(vi) Exercise any other rights or remedies available at law or in equity to the extent otherwise permitted under this Agreement.

The Non-Defaulting Party's election to exercise or not exercise any of the above rights following an Event of Default shall not constitute a waiver by the Non-Defaulting Party of any remedy with respect to any subsequent Event of Default by the Defaulting Party. Amounts accelerated pursuant to Section 10(a)(ii) shall be netted, and the Party owing the net amount shall pay such amount to the other Party (or apply such amount against other amounts owed by the Defaulting Party, if the Non-Defaulting Party owes the net amount).

(b) With respect to a Default by CDWR under Section 9(c)(i), Roseville may elect to assume CDWR's obligation to demobilize and transport the Additional Units from their prior location and CDWR will use commercially reasonable efforts to facilitate such demobilization and transportation. Should Roseville elect to assume this obligation, Roseville shall notify CDWR in writing. In response to such notification, CDWR shall make commercially reasonable efforts to provide site access to the Additional Units to Roseville and its EPC Contractor or other Roseville contractor to demobilize the Additional Units and transport them to the Roseville site, and to assist Roseville in procuring transportation insurance as necessary. The Parties agree that Roseville's costs under this provision shall be offset against the purchase price of the Additional Units provided in Section 7 up to a maximum cap of nine million dollars (\$9,000,000), and that Roseville assumes responsibility for any liability associated with its contractor's assumption of demobilization and transportation responsibilities.

(c) With respect to a default by Roseville that results in the Additional Units not being installed at the Site, Roseville shall provide a secure storage location for the Additional Units for up to twelve (12) months from the date CDWR provides notice of the Event of Default.

(d) In addition to a Non-Defaulting Party's right to terminate as the result of an Event of Default with respect to the Defaulting Party, the Parties will have the following rights to terminate this Agreement by sending written notice designating an Early Termination Date in the same manner as provided in Section 10(a)(i) (although such termination is not due to an Event of Default). Any such termination shall be with no further liability on the part of either Party and all indemnification obligations in Section 12 shall survive such termination and shall continue in effect:

(i) Either Party may terminate this Agreement as provided in Section 5(d); and

(iii) Owner may terminate this Agreement if after consultation with CDWR it reasonably determines that installation, testing, commissioning or operation of either or both Additional Units will violate the Required Permits or any other Laws or Permits applicable to Owner or its Affiliates or their respective properties for any reason other than the gross negligence or willful misconduct of Owner or Owner's Affiliates under this Agreement or the O&M Agreement.

11. **[RESERVED]**

12. **Indemnification.**

(a) To the fullest extent allowed by law, CDWR shall indemnify, defend, save and hold harmless Owner, its Affiliates and their respective officers, directors, employees, partners, lenders, agents and representatives, and their respective successors and assigns (the "**Owner Indemnified Parties**") from and against any and all losses, claims, demands, damages, liabilities, judgments, fines, penalties, costs and expenses, including reasonable attorneys' fees, expert fees and court costs ("**Losses**"), incurred by or asserted against any Owner Indemnified Party arising

out of or resulting from (i) any injury or damage to persons or property as a result of any acts or omissions of CDWR, its employees, agents, representative, contractors or subcontractors in, on or about the License Areas or in the performance of any work or activities related to this Agreement, or (ii) the breach of any covenant or representation made by CDWR under this Agreement.

(b) To the fullest extent allowed by law, Owner shall indemnify and hold harmless CDWR and its officers, directors, employees, agents and representatives, and their respective successors and assigns (the “**CDWR Indemnified Parties**”) from and against any and all Losses incurred by or asserted against any CDWR Indemnified Party arising out of or resulting from (i) any injury or damage to persons or property as a result of any acts or omissions of Owner, its employees, agents, representative, contractors or subcontractors in, on or about the License Areas or in the performance of any work or activities related to this Agreement, or (ii) the breach of any covenant or representation made by Owner under this Agreement.

(c) Promptly following receipt by an Indemnified Party of notice of a matter subject to indemnification under this Section 12, including the commencement of any action, administrative or legal proceeding, or investigation as to which an indemnity provided for in this Section 12 may apply, the Indemnified Party shall give the Indemnifying Party written notice of such matter. The Indemnifying Party shall assume the defense of such matter with, if applicable, counsel designated by the Indemnifying Party and reasonably satisfactory to the Indemnified Party, *provided*, if both the Indemnified Party and the Indemnifying Party are involved in such matter (including as co-defendants) and the Indemnified Party shall have reasonably concluded that there may be legal defenses available to it which are different from or additional to, or inconsistent with, those available to the Indemnifying Party or that there is a conflict of interest between the interests of the Indemnified Party and the Indemnifying Party in such matter, the Indemnified Party shall have the right to select and be represented by separate counsel, at the Indemnifying Party's expense. If the Indemnifying Party fails to assume the defense of a claim or other matter properly indemnifiable under Section 12, the Indemnified Party may at the expense of the Indemnifying Party contest, settle, or pay such claim as it considers appropriate.

(d) The provisions of this Section 12 shall survive the termination of this Agreement.

13. **Insurance.** Each Party will obtain and maintain in force the insurance described in Exhibit D. In addition, CDWR agrees that it will insure the Additional Units through its contractor while the Additional Units are being demobilized from their prior location and transported to the site designated by Roseville. Roseville also agrees that by the commercial operation date of the Additional Units at the Site, it will procure an insurance policy(ies) with terms to be agreed upon by CDWR that insures against Major Equipment Failures. Such agreement by CDWR shall not be unreasonably withheld and CDWR agrees to cooperate with Roseville in insurance procurement. However, such insurance shall not be a limitation on a Party's liabilities or obligations hereunder, nor will failure to obtain or maintain any insurance relieve a Party of any such obligations or liabilities. Each Party shall be responsible for all deductible amounts under such insurance policies. Roseville agrees that the only deductible amounts that may be claimed against the yearly Limitation of Liability provided in Section 15 are those attributable to claims related to the Additional Units, including if necessary a prorated calculation of the value of the Additional Units compared to all assets insured under the policy. The Parties agree they may adjust the insurance coverage on the Additional Units during the Term, if conditions change.

14. **Representations and Warranties.** As of the Effective Date, each Party represents and warrants to the other Party that:

(a) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation;

(b) except for the Required Permits and CEQA obligations as provided in Section 5(f), it has received all known regulatory authorizations necessary for it to legally perform its obligations under this Agreement;

(c) it is registered with the California Secretary of State to do business in California, except it is agreed that CDWR and Owner are not required to do so;

(d) the execution, delivery and performance of this Agreement are within its powers, have been duly authorized by all necessary action and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any applicable Law;

(e) this Agreement, and any other document executed and delivered in accordance with this Agreement, constitutes its legally valid and binding obligation enforceable against it in accordance with its terms, subject to Laws of general applicability limiting the enforcement of creditors' rights and to any equitable defenses;

(f) it is not Bankrupt and there are no proceedings pending or being contemplated by it or, to its knowledge, threatened against it which would result in it being or becoming Bankrupt; and

(g) there is not pending or, to its knowledge, threatened against it any legal proceedings that could materially adversely affect its ability to perform its obligations under this Agreement.

15. Limitations of Liability.

(a) Amounts due under this Agreement from CDWR shall not be payable from funds available in the State Water Resources Development Fund (which is authorized by statute at sections 12930 et seq. of the California Water Code), or any successor fund to which the funds currently allocated to the State Water Resources Development Fund may be reallocated. Notwithstanding anything herein to the contrary, except for liability resulting from its gross negligence or willful misconduct, CDWR's direct liability under this Agreement shall not exceed nine million dollars (\$9,000,000).

(b) Notwithstanding anything herein to the contrary, except for liability resulting from its gross negligence or willful misconduct, beginning with the partial Contract Year starting May 1, 2025 Owner's liability under this agreement in any Contract Year shall not exceed three and one-half million dollars (\$3,500,000).

(c) THE PARTIES CONFIRM THAT THE EXPRESS REMEDIES AND MEASURES OF DAMAGES PROVIDED IN THIS AGREEMENT SATISFY THE ESSENTIAL PURPOSES HEREOF. FOR BREACH OF ANY PROVISION FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, THE OBLIGOR'S LIABILITY SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. EXCEPT AS EXPRESSLY PROVIDED IN THIS AGREEMENT WITH RESPECT TO LIABILITIES TO THIRD PARTIES, NEITHER PARTY

SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS HEREIN IMPOSED ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID HEREUNDER ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED HEREUNDER CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS. THE PARTIES FURTHER AGREE THAT PAYMENT OF SUCH AMOUNT SHALL BE LIQUIDATED DAMAGES AND NOT AS A PENALTY, AND IS THEREFORE NOT SUBJECT TO AVOIDANCE UNDER CALIFORNIA CIVIL CODE SECTION 1671.

16. **Assignment.**

(a) Except as specifically provided herein, neither Party shall transfer or assign, or offer to transfer or assign, this Agreement or its rights hereunder, without the prior written consent of the other Party, which consent may not be unreasonably withheld, conditioned or delayed. Either Party may, without the consent of the other Party (and without relieving itself from any liabilities hereunder that arose prior to the date of such transfer unless assumed by the assignee) transfer or assign this Agreement or its rights hereunder: (i) to an Affiliate of such Party, or (ii) to any Person succeeding to all or substantially all of the assets of such Party; provided that the assignee assumes all of assignor's obligations; provided that such assignee assumes in writing all of assignor's obligations hereunder at least from and after the date of such assignment or transfer, and agrees to be bound by this Agreement. Owner also may, without CDWR's consent (and without relieving itself from any liabilities hereunder that arose prior to the date of such transfer unless assumed by the assignee) transfer or assign this Agreement or its rights hereunder to any purchaser of Owner's interest in the License Areas; provided that such purchaser assumes in writing all of Owner's obligations hereunder, at least from and after the date of such assignment or transfer, and agrees to be bound by this Agreement.

(b) Notwithstanding anything herein to the contrary, Owner may, without the consent of CDWR (and without relieving itself from any liabilities hereunder that arose prior to the date of such transfer), assign this Agreement to one or more Lenders as collateral for any financing or refinancing by Owner and/or its Affiliates. In connection with any such assignment of this Agreement by Owner, or any transfer, sale, pledge, encumbrance or assignment of this Agreement or the accounts, revenues or proceeds hereof in connection with any financing or other financial arrangements, if requested by Owner, CDWR (acting reasonably) shall enter into a mutually agreeable consent to collateral assignment with the Lender(s) on market terms and conditions and containing market notice and cure provisions, rights to payment and performance, limitations of liability and other provisions; provided that Owner shall be responsible at CDWR's request for CDWR's reasonable costs associated with the review, negotiation and execution of such consent to collateral assignment, including without limitation reasonable attorneys' fees.

(c) Subject to the foregoing, this Agreement shall benefit and be binding on the permitted successors and assigns of the Parties hereto. Any assignment or transfer not made in compliance with these provisions shall be null and void and of no force or effect.

17. **Confidentiality.**

(a) The Party receiving Confidential Information (the “**Receiving Party**”) from the other Party (the “**Disclosing Party**”) shall not disclose Confidential Information to a third party (other than the Party’s officers, employees, directors, Lenders (including potential Lenders), counsel, accountants, directors or advisors, or any such representatives of a Party’s Affiliates, who have a need to know such information and have agreed to keep such terms confidential as provided herein) except in order to comply with any applicable Law, regulation, or any exchange, balancing authority area or independent system operator rule or in connection with any court or regulatory proceeding applicable to such Party or any of its Affiliates; provided, each Party shall use commercially reasonable efforts to prevent or limit the disclosure. The Parties shall be entitled to all remedies available at law or in equity to enforce, or seek relief in connection with, this confidentiality obligation.

(b) The Parties acknowledge and agree that each Party, this Agreement and the transactions hereunder are subject to the requirements of the California Public Records Act (Government Code Section 7920 *et seq.*). Upon a Receiving Party’s receipt of a request or demand from any Person not a Party hereto pursuant to the California Public Records Act for production, inspection and/or copying of Confidential Information (“**Requested Confidential Information**”), such Receiving Party shall promptly notify the Disclosing Party in writing via email that such request has been made. The Disclosing Party shall have the right to take, at its sole expense, whatever legal steps are necessary to prevent release of the Requested Confidential Information to such Person by the Receiving Party. If the Disclosing Party takes no such action within a reasonable period of time after receiving the foregoing notice from the Receiving Party, the Receiving Party may, in its discretion, comply with such third party request or demand and is not required to defend against it. If the Disclosing Party does take or attempt to take such action, the Receiving Party shall cooperate with the Disclosing Party in a timely manner, if and as requested by the Disclosing Party, and the Disclosing Party shall indemnify and hold harmless the Receiving Party from the non-disclosure of any Requested Confidential Information.

(c) Each Party acknowledges that its obligations hereunder as Receiving Party are necessary and reasonable in order to protect Disclosing Party and Disclosing Party’s business, and expressly acknowledges that monetary damages would be inadequate to compensate Disclosing Party for any breach or threatened breach by Receiving Party of any covenants and agreements set forth herein. Accordingly, each Party acknowledges that any such breach or threatened breach by it as Receiving Party will cause irreparable injury to Disclosing Party and that, in addition to any other remedies that may be available, in law, in equity or otherwise, Disclosing Party will be entitled to obtain injunctive relief against the threatened breach of this Agreement or the continuation of any such breach, without the necessity of proving actual damages.

(d) Neither Party shall issue (or cause or permit its Affiliates to issue) a press release regarding the transactions contemplated by this Agreement unless both Parties have agreed upon the contents of any such public statement.

18. **Notices.** All notices required to be given under this Agreement shall, except as otherwise provided herein, be in writing and shall be sent by prepaid mail or overnight courier addressed to the respective Party at the addresses listed in Exhibit E or to such other address as may designated hereafter by a Party in writing by like notice from time to time. The Business Day the e-mail was sent shall be the date notice was deemed given if there is an electronic record on

the date of transmission. Any notice delivered after 5:00 p.m. Pacific Time on a Business Day shall be deemed to have been delivered on the following Business Day.

19. **General.**

(a) This Agreement shall be governed by, construed under and enforced in accordance with the laws of the State of California without regard to principles of conflicts of law. The venue for any court action brought pursuant to this Agreement shall be Sacramento, California. If any applicable law, regulation, or energy market rule is enacted, amended, granted, or revoked which has the effect of changing the material terms of this agreement, the Parties agree to work together in good faith to amend this Agreement to conform to such change in law in order to maintain the original intent of the Parties under this Agreement.

(b) To the extent that any provision of this Agreement or any paragraph, term, sentence, phrase, clause or word of this Agreement shall be found by a court of law having jurisdiction to be void, illegal or unenforceable for any reason, the Parties shall meet to determine whether this Agreement can fulfill the objectives of each Party notwithstanding such ruling. If either Party determines that this Agreement can no longer fulfill its objectives under such ruling, then either Party may terminate this Agreement. Otherwise, such paragraph, term, sentence, phrase, clause or word shall be deemed modified or deleted in such a manner as to make the Agreement, as so modified, legal and enforceable under applicable Laws. The remainder of the Agreement shall remain in full force and effect.

(c) This Agreement does not create, modify, or diminish any ownership or property rights, nor does it create any easements or rights of entry, except as set forth explicitly in this Agreement.

(d) This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which shall constitute one Agreement after each Party has signed at least one counterpart, and the Parties have exchanged signed counterparts. The exchange of copies of this Agreement and of signature pages by facsimile transmission, in portable document format (pdf) or by other electronic means shall constitute effective execution and delivery of this Agreement and may be used in lieu of the original Agreement for all purposes.

(e) Together with the O&M Agreement, as amended, and the respective exhibits attached thereto, this Agreement and the Exhibits attached hereto constitute the entire agreement and understanding between Owner and CDWR with respect to the subject matter hereof and supersedes all prior agreements relating to the subject matter hereof, which shall be of no further force or effect. The Exhibits attached hereto are integral parts of this Agreement and are made a part of this Agreement by reference.

(f) This Agreement may only be amended by an instrument in writing duly executed by CDWR and Owner.

(g) No waiver of either Party of an Event of Default by the other Party, nor any election to exercise or not exercise any rights following an Event of Default, shall constitute a waiver by such Party of any subsequent Event of Default by the other Party, whether similar or dissimilar, or of any remedy with respect thereto.

(h) Nothing herein is intended to create or is to be construed as creating a joint venture, partnership, agency or other similar relationship between the Parties other than that of

contracting parties as set forth in this Agreement. The rights and obligations of the Parties hereunder shall be independent of one another and shall be limited to those expressly set forth herein.

(i) This Agreement is for the benefit of the Parties hereto and is not intended to be for the benefit of any third party except their respective Affiliates and Lenders of the Parties to the extent expressly set forth herein.

(j) The Parties acknowledge and agree that each Party and its counsel have read this Agreement in its entirety, fully understand it and accept its terms and conditions. This Agreement shall be considered for all purposes as prepared through the joint efforts of the Parties and shall not be construed against one Party or the other as a result of the preparation, substitution, submission or other event of negotiation, drafting or execution hereof.

(k) Upon the receipt of a written request from the other Party, each Party shall execute such additional documents, instruments and assurances and take such additional actions as may be reasonably requested by the other Party which are consistent with the provisions of this Agreement and which do not involve the assumptions of obligations other than those provided for in this Agreement, to give full effect to this Agreement and to carry out the intent of this Agreement.

[The next page is the signature page.]

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 _____, 2025, and the CALIFORNIA DEPARTMENT OF WATER RESOURCES represents that it has caused this Agreement to be duly executed.

CITY OF ROSEVILLE, a
municipal corporation

CALIFORNIA DEPARTMENT OF
WATER RESOURCES

BY: _____
DOMINICK CASEY
City Manager

BY: Delphine Hou
DELPHINE HOU
Deputy Director, Statewide Energy

ATTEST:

By: _____
CARMEN AVALOS
City Clerk

APPROVED AS TO FORM:

APPROVED AS TO FORM AND LEGAL
SUFFICIENCY:

BY: _____
MICHELLE SHEIDENBERGER
City Attorney

BY: Colin A. Wood
COLIN A. WOOD
Attorney IV

APPROVED AS TO SUBSTANCE:

BY: _____
DAN BEANS
Electric Utility Director

Exhibit A –Access Area (PRELIMINARY; SUBJECT TO CHANGE)

Exhibit B – Unit Specifications (PRELIMINARY; SUBJECT TO CHANGE)

Exhibit C – Installation Plans and Specs (PRELIMINARY; SUBJECT TO CHANGE)

EXHIBIT D

INSURANCE

1. At all times during the Term of this Agreement, each Party shall maintain, at its own expense, with responsible insurers who maintain a financial strength rating of "A-" or higher and a financial size category of VIII or higher with AM Best, or through an applicable public agency insurance risk pool or other self-insurance, the insurance described below with coverages no less than the minimums indicated. If either Party fails to comply with the provisions of this Exhibit D, it shall hold harmless and indemnify the other Party from any direct or indirect losses and liability, including attorney's fees and costs of litigation, resulting from the injury or death of any person or damage to any property, to the extent the indemnified Party would have been protected had the indemnifying Party complied with the requirements of this Exhibit D.
 - (a) **General Liability.** Each Party shall maintain general liability on an occurrence form with limits not less than one million dollars (\$1,000,000) per occurrence for bodily injury and property damage liability and an annual policy aggregate of three million dollars (\$3,000,000). The policy shall include coverage for liabilities arising out of premises, operations, independent contractors, products, completed operations, personal & advertising injury, and liability assumed under an insured contract. This insurance shall apply separately to each insured against whom claim is made or suit is brought subject to each Party's limit of liability. The policy shall be endorsed to include the other Party, its officers, agents, and employees as additional insureds, but only with respect to work performed under the Agreement and the indemnity obligations hereunder.
 - (b) **Automobile Liability.** Each Party shall maintain motor vehicle liability with limits not less than one million dollars (\$1,000,000) combined single limit per accident. Such insurance shall cover liability arising out of a motor vehicle including owned, hired and non-owned motor vehicles. The policy shall be endorsed to include the other Party, its officers, agents, and employees as additional insureds, but only with respect to work performed under the Agreement and the indemnity obligations hereunder.
 - (c) **Worker's Compensation and Employer's Liability.** Each Party shall maintain statutory worker's compensation and employer's liability coverage for all its employees, or employees of its Affiliate, who will be engaged in the performance of the Agreement. Employer's liability insurance shall not be less than one million dollars (\$1,000,000) for injury or death occurring as a result of each accident.
 - (d) **Excess/Umbrella Liability Insurance.** Excess/umbrella liability insurance covering claims in excess of the underlying insurance described in Sections 1(a) through 1(c) with a combined single limit and annual aggregate limit of twenty-five million dollars (\$25,000,000). The policy shall be endorsed to include the other Party, its officers, agents, and employees as additional insureds, but only with respect to work performed under the Agreement and the indemnity obligations hereunder.

- (e) **Pollution Liability.** Each Party shall maintain pollution liability coverage with limits not less than five million dollars (\$5,000,000) per incident and ten million dollars (\$10,000,000) in the annual aggregate covering liability for bodily injury, property damage, and environmental damage resulting from pollution and related cleanup costs incurred, all arising under this Agreement. Coverage shall be provided for both work performed on site and during transportation as well as proper disposal of hazardous materials. Proof of Pollution Liability coverage during transportation can also be provided by endorsement to the Auto Liability policy.
 - (f) **Professional Liability.** As applicable, Roseville shall require any Contractor performing construction related services to maintain errors and omissions/professional liability coverage with limits not less than five million dollars (\$5,000,000) each occurrence and in the annual aggregate.
 - (g) **Property Insurance.** Each Party shall obtain and maintain in full force and effect during the term of this Agreement, all-risk property insurance in an amount equal to the full replacement cost value with respect to any equipment, parts, materials or other property owned by each Party with sub-limits as appropriate for facilities similar to this Site. Each Party shall be liable for all deductible amounts under any such all-risk property coverage. The policy shall waive all rights of subrogation against the other Party.
 - (h) **Builder's Risk Insurance.** As applicable, Roseville shall provide, or have its Contractor provide, builder's risk property insurance during the period of construction, including testing and commissioning, in an amount equal to the full replacement cost value with respect to any equipment, parts, materials or other property owned and with sublimits as appropriate for facilities similar to this Site. Roseville shall be responsible for any deductibles under such builder's risk policy.
2. If any policy is written on a claims-made basis, provide the following:
 - (a) The Retroactive Date must be shown and must be before the date of the Agreement or the beginning of work performed under the Agreement.
 - (b) Insurance must be maintained and evidence of insurance must be provided for at least three (3) years after completion of the Agreement.
 - (c) If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the Execution date, the Seller must purchase "extended reporting" coverage for a minimum of three (3) years after completion of the Agreement.
 3. **Coverage Term.** Coverage shall remain in force for the complete term of the Agreement. If insurance expires during the term of the Agreement, a new certificate must be provided to the other Party as soon as practicable but no later than 15 days following the expiration of the insurance.
 4. **Deductible.** Each Party is responsible for any deductible or self-insured retention contained within their insurance program.

5. Primary Clause. Any required insurance contained in this Agreement shall be primary, and not excess or contributory, to any other insurance carried by the other Party.
6. Inadequate Insurance. Inadequate or lack of insurance does not negate Each Party's obligations under the Agreement.
7. Should either party elect to self-insure for any required insurance, that Party shall be liable to O&M Contractor for the full equivalent of insurance coverage which would have been available to O&M Contractor the applicable insurance policies had been obtained by the Party from a third party insurer, in full compliance with the provisions under this Exhibit D, and shall pay on behalf of or indemnify O&M Contractor for all amounts which would have been payable by the third party insurer. In addition, CDWR shall act with the same promptness and be subject to the same standards of good faith as would apply to a third-party insurance company.
8. Waiver of Subrogation. All insurance or self-insurance required by this Exhibit D shall waive any right of recovery the insurer (or CDWR in the case of self-insurance) may have against the other Party because of payments the insurer or CDWR makes for injury or damage in connection with this Agreement.
9. Certificate(s). Certificate(s) shall include at least the following information: (i) the name of the insurance company, policy number and expiration date; (ii) the coverage and limits per required coverage, including the amounts of deductibles.

Exhibit E – Notices and Payments

Notice to DWR

Delphine Hou
Deputy Director, Statewide Energy
California Department of Water Resources
715 P Street, 8th Floor
Sacramento, CA 95814
Email: Delphine.Hou@water.ca.gov

Colin Wood
Office of General Counsel
California Department of Water Resources
715 P Street, 7th Floor
Sacramento, CA 95814
Email: Colin.Wood@water.ca.gov

Notice to Owner

City of Roseville
Attn: City Clerk
311 Vernon Street
Roseville, CA 95678

Roseville Electric
Attn: Electric Utility Director
116 S. Grant Street
Roseville, CA 95678

Exhibit F

[Asset Transfer Agreement for Additional Units]

Exhibit G

[Additional Units Dispatch Protocol]

RESOLUTION NO. 25-082

APPROVING A THIRD AMENDED AND RESTATED SITE USE AND INSTALLATION AGREEMENT, BETWEEN THE CITY OF ROSEVILLE AND THE CALIFORNIA DEPARTMENT OF WATER RESOURCES, AND AUTHORIZING THE CITY MANAGER TO EXECUTE IT ON BEHALF OF THE CITY OF ROSEVILLE

WHEREAS, a Third Amended and Restated Site Use and Installation Agreement, regarding electric generation facilities at the Roseville Power Plant #2, between the City of Roseville and the California Department of Water Resources, has been reviewed by the City Council; and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Roseville that said Third Amended and Restated Site Use and Installation Agreement is hereby approved and the City Manager is authorized to execute it on behalf of the City of Roseville.

BE IT FURTHER RESOLVED that the City Manager of the City of Roseville is authorized to approve necessary adjustments to the exhibits for the Agreement, as approved by the City Attorney, to remain in operational compliance and/or for reporting purposes, as required.

PASSED AND ADOPTED by the Council of the City of Roseville this ____ day of _____, 2025, by the following vote on roll call:

AYES COUNCILMEMBERS:

NOES COUNCILMEMBERS:

ABSENT COUNCILMEMBERS:

MAYOR

ATTEST:

City Clerk

- 1 TMS300
- 2 CONTROL BUILDING
- 3 SCR
- 4 TEMPERING AIR FANS
- 5 APCU
- 6 FUEL GAS FINAL FILTER
- 7 FUEL GAS COALESCING FILTER
- 8 FUEL GAS COMPRESSOR
- 9 AMMONIA STORAGE AND UNLOADING AREA
- 10 DEMINERALIZED WATER TANK
- 11 DEMINERALIZED WATER FORWARDING SKID
- 12 EXISTING WATER TREATMENT BUILDING
- 13 AIR COMPRESSOR SKID
- 14 OIL/WATER SEPARATOR
- 15 CEMS
- 16 EMERGENCY BACK-UP GENERATOR
- 17 13.8KV/4160V TRANSFORMER
- 18 4160V/480V TRANSFORMER
- 19 480V MCC
- 20 4160V SWITCHGEAR
- 21 EVAPORATIVE COOLER PUMP SKID
- 22 SAFETY SHOWER/EYE WASH
- 23 AIR/WATER SERVICE STATION
- 24 AUTOMATIC SLIDING GATE
- 25 MANUAL SLIDING GATE
- 26 UNDERGROUND WATER WASH DRAIN TANK
- 27 RO SKID
- 28 CHEMICAL DOSING SKID
- 29 CIP SKID
- 30 12'X12' CHEMICAL PAVILION
- 31 GSU FIREWALL
- 32 EMERGENCY SHUTDOWN SKID
- 33 CTC AREA PUMP
- 34 GSU TRANSFORMER
- 35 BUS DUCT
- 36 ANTI-ICING COIL MODULE
- 37 ANTI-ICING BLOWER
- 38 ESSENTIAL SERVICES SWITCHBOARD

[illegible]

Integrated Engineers & Contractors Corporation
8775 Folsom Blvd, Suite 110 Sacramento, CA 95826 Phone (916) 383-6000 Fax (916) 383-6010

**CITY OF
ROSEVILLE
CALIFORNIA**

Roseville Electric

ROSEVILLE
POWER PLANT #2 REPOWER
ROSEVILLE, CA

TM2500 PLANT & SUBSTATION GENERAL ARRANGEMENT

G1.1

A

SHEET SIZE: ARCH-D



GE GAS POWER

UNIT NET, KW 27125
BTU/KW-HR, LHV 9862
KJ/KW-HR, LHV 10405

EMISSIONS ARE VALID FOR T2 WITHIN 9°F TO 118°F AND
A GTG LOAD DOWN TO 50% AS DEFINED IN STEADY
STATE CONDITIONS FOR EMISSIONS GUARANTEE

NOX: 25 PPMVD AT 15% O₂
(50 mg/Nm³, AT 15% O₂)
CO: 203 PPMVD AT 15% O₂
(254 mg/Nm³)

NOT VALID WITHOUT SIGNATURE

VALID UNTIL 11/30/2021

BASIS OF GUARANTEE: BASE LOAD, GAS FUEL NOZZLE SYSTEM
NO BLEED OR EXTRACTED POWER

ENGINE: (1) GE TM2500+G4
FUEL: 20126 BTU/LB / (46814 kJ/kg) LHV, SITE GAS FUEL
FUEL SPEC: MID-TD-0000-1 LATEST REVISION
FUEL TEMP: 77.0°F / (25°C)
FUEL PRESS: 520 PSIG +/- 20 PSIG (3585 KPAG +/- 138 KPAG)

GENERATOR: GEPC A040
GENERATOR OUTPUT: 13.8 kV, 60 Hz
POWER FACTOR: 0.85
AMBIENT TEMP: 100°F / (37.8°C)
AMBIENT RH: 50.0%
INLET CONDITIONING: NONE
ALTITUDE: 7.0 ft / (2.134 m)
INLET FILTER LOSS: 5.8 inH₂O / (147.32 mmH₂O)
EXHAUST LOSS: 6.2 inH₂O / (157.48 mmH₂O)

NOX CONTROL: **Water**
INJECTION RATE: 14301 lb/h (6487 kg/h)
INJECTION TEMP: 100 F (37.8 °C)

ENGINE CONDITION: NEW AND CLEAN ≤ 200 SITE FIRED HOURS
FIELD TEST METHODS
PERFORMANCE: GE POWER & WATER SGTGPTM
NOX: EPA METHOD 20
CO: EPA METHOD 10

BASIS OF GUARANTEE IS NOT FOR DESIGN, REFER TO PROJECT DRAWINGS FOR DESIGN REQUIREMENTS.
SI VALUES ARE FOR REFERENCE PURPOSES ONLY.



GE GAS POWER

NOISE GUARANTEE IS FOR A SINGLE TM2500 GAS TURBINE PACKAGE
AND EXCLUDES BOP

NEAR FIELD NOISE:

90 DB(A) ARITHMETIC AVERAGE SOUND PRESSURE LEVEL (dB
REF 20 MICROPASCALS, RMS) OF LOCATIONS AROUND THE
PACKAGE (VERTICAL DISTANCE OF 5FT. (1.5M) ABOVE
PACKAGE BASE AT A HORIZONTAL DISTANCE OF 3FT. (1M)
FROM THE EXTERIOR PLANE OF EQUIPMENT AS TESTED IN A
FREE-FIELD CONDITION OVER A HARD REFLECTING GROUND
PLANE, OPERATING AT BASE LOAD)

NOT VALID WITHOUT SIGNATURE

VALID UNTIL 11/30/2021

BASIS OF GUARANTEE:	BASE LOAD, GAS FUEL NOZZLE SYSTEM NO BLEED OR EXTRACTED POWER
ENGINE:	(1) GE TM2500+G4
FUEL:	20126 BTU/LB / (46814 kJ/kg) LHV, SITE GAS FUEL
FUEL SPEC:	MID-TD-0000-1 LATEST REVISION
FUEL TEMP:	77.0°F / (25°C)
FUEL PRESS.:	520 PSIG+/-20 PSIG (3585 KPAG+/-138 KPAG)
GENERATOR:	GEPC A040
GENERATOR OUTPUT	13.8 kV, 60 Hz
POWER FACTOR:	0.85
AMBIENT TEMP:	100°F / (37.8°C)
AMBIENT RH:	50%
INLET CONDITIONING:	NONE
ALTITUDE:	7.0 ft / (2.134 m)
INLET FILTER LOSS:	5.8 inH2O / (147.32 mmH2O)
EXHAUST LOSS:	6.2 inH2O / (157.48 mmH2O)
NOX CONTROL:	Water
INJECTION RATE:	14301 lb/h (6487 kg/h)
INJECTION TEMP:	100 F (37.8 °C)
ENGINE CONDITION:	NEW AND CLEAN £ 200 SITE FIRED HOURS
FIELD TEST METHODS	
PERFORMANCE:	GE POWER & WATER SGTGPTM
NOX:	EPA METHOD 20
CO:	EPA METHOD 10

BASIS OF GUARANTEE IS NOT FOR DESIGN, REFER TO PROJECT DRAWINGS FOR DESIGN REQUIREMENTS.
SI VALUES ARE FOR REFERENCE PURPOSES ONLY.



GE GAS POWER

AUXILIARY LOADS FOR EQUIPMENT SUPPLIED BY GE AS INDICATED IN PROPOSAL

Normal Operating Auxiliary Loads for 1xTM2500 50Hz on NG with WI

August 6, 2021

STANDARD LOADS		
DESCRIPTION	QTY	KW
NOX WATER INJECTION PUMP	1	44.76
TURBINE ENCLOSURE VENT FAN	1	59.7
TURBINE LUBE OIL/HYDRAULIC OIL HEAT EXCHANGER FAN	1	5.6
GENERATOR LUBE OIL HEAT EXCHANGER FAN	1	5.6
LIGHTING AND DISTRIBUTION PANEL (230/133 3PH 4W 25 CKT)	1	10
LIGHTING AND DISTRIBUTION PANEL	1	45
TOTAL STANDARD LOADS:		171

BOP LOADS		
DESCRIPTION	QTY	KW
BOP LOADS	0	0
TOTAL OPTIONAL LOADS:		0

TOTAL LOADS: 170.66



GE POWER & WATER

Steady State Conditions for Emissions Guarantee

- | | | |
|----|---|-------------------------------------|
| 1. | Power Output (electrical) | $\pm 10.0\%$ / Min |
| 2. | T2 Compressor Inlet air temperature | $\pm 2.5^{\circ}\text{F}$ / 5.0 Min |
| 3. | Heat Value - gaseous fuel per unit volume | $\pm 0.25\%$ / Min |
| 4. | Pressure - gaseous fuel as supplied to engine | ± 10 PSIG / 5.0 Min |



GE POWER & WATER

Conditions for Near Field Noise Guarantee

1. Based on arithmetic average of sound pressure levels at locations around the package.
2. GTG auxiliary trailer must be located less than 6-ft of the main unit.
3. Intentional left blank
4. Intentional left blank
5. Intentional left blank
6. Intentional left blank
7. Intentional left blank
8. Per unit basis.
9. Start-up and Shut-down excluded.
10. GE Power & Water GTG package scope of supply only, customer supplied equipment is not included.
11. GE Power & Water GTG package scope of supply only, GE Power & Water supplied BOP equipment is not included.
12. If GE Power & Water supplies BOP equipment, then GE Power & Water is to advise best location.

Estimated Average Engine Performance NOT FOR GUARANTEE, REFER TO PROJECT F&ID FOR DESIGN



GE Gas Power

Performance By: Pintea, Mihai
Project Info:Engine: TM2500-G4 - TM2500-G4-A-0220-L3
Deck Info: GE166B - 8al.scp
Generator: GEPC A040, 60Hz, 13.8 kV, 0.85 PF
Fuel: Site GAS FUELDate: 06/08/2021
Time: 10:52:38**Case 100****Ambient Conditions**Dry Bulb Temp., °F 100
Wet Bulb Temp., °F 83.2
Relative Humidity, % 50
Elevation a.s.l., ft 7
Barometric Press., psi 14.686**Engine Inlet**Comp. Inlet Temp., °F 100
Comp. Inlet RH, % 50
Type None
Chill/Heat Cap., kBTU/h None**Pressure Losses**Inlet Press. Loss, inH2O 5.8
Exh. Press. Loss, inH2O 6.2**GTG Load, %**Gen. Output, Gross, kW 100
HR, btu/(kW*h) 27296
Aux Load, kW 9725
170.66**Gen. Output, Unit Net, kW**27125
G-HR, Unit Net, btu/(kW*h) 9862
Comp. Inlet Temp., °F 100**Fuel Flow**Fuel Number 801-3084
Fuel Name Pacific Gas S153
Fuel LHV, BTU/lb 20126
Heat Input, MMBTU/h 265.50
Fuel Flow, lb/s 3.66
Vol. Fuel Flow, scfm 5038.8
Fuel Temp., °F 77**NOx Control****Water****Diluent Injection**Diluent Flow, lb/h 14301
Diluent Temp., °F 100**Exhaust Parameters**Exhaust Temp., °F 982.7
Exhaust Flow, lb/s 178.1
Energy (Ref OR), BTU/s 67755**Emissions (ESTIMATED, NOT FOR GUARANTEE)**

NOx, Ref % O2, ppmvd 25

Aero Energy Fuel Number801-3084
Hydrogen, %Volume 0
Methane, %Volume 95.9653
Ethane, %Volume 0.2912
Ethylene, %Volume 0
Propane, %Volume 0.0086
Propylene, %Volume 0
Butane, %Volume 0.0047
Butylene, %Volume 0
Butadiene, %Volume 0
Pentane, %Volume 0.0008
Cyclopentane, %Volume 0
Hexane, %Volume 0.005
Heptane, %Volume 0
Carbon Monoxide, %Volume 0
Carbon Dioxide, %Volume 0.1161
Nitrogen, %Volume 3.6045
Water Vapor, %Volume 0
Oxygen, %Volume 0
Hydrogen Sulfide, %Volume 0
Ammonia, %Volume 0
LHV, BTU/lb 20126
HHV, BTU/lb 23348
NOx Scalar 0.949
Specific Gravity 0.5716
MWL (Btu/SCF)/SQRT(R) 50.308
LHV, BTU/scf 882
HHV, BTU/scf 978**Exh Wght % Wet (NOT FOR USE IN ENVIRONMENTAL PERMITS)**AR, % 1.2077
N2, % 70.9396
O2, % 14.021
CO2, % 5.3324
H2O, % 8.4943
SO2, % 0
CO, % 0.0019
HC, % 0.0002
NOX, % 0.0029**Exh Mole % Dry (NOT FOR USE IN ENVIRONMENTAL PERMITS)**AR, % 0.9684
N2, % 81.11
O2, % 14.0352
CO2, % 3.881
H2O, % 0
SO2, % 0
CO, % 0.0022
HC, % 0.0003
NOX, % 0.0029**Exh Mole % Wet (NOT FOR USE IN ENVIRONMENTAL PERMITS)**AR, % 0.8413
N2, % 70.4675
O2, % 12.1936
CO2, % 3.3718
H2O, % 13.1211
SO2, % 0
CO, % 0.0019
HC, % 0.0003
NOX, % 0.0025**Exhaust Parameters**Sp. Heat, BTU/(lb*°R) 0.285
Exh Mol Wght, lb/lb-mol 27.828
Exh Flow, ACFM 398392.5
Exh Flow, SCFM 145685.3

Estimated Average Engine Performance NOT FOR GUARANTEE, REFER TO PROJECT F&ID FOR DESIGN



GE Gas Power

Performance By: Pintea, Mihai
Project Info:

Engine: TM2500-G4 -TM2500-G4-A-0220-L3
Deck Info: GE166B - Bal.scp
Generator: GEPC A840, 60Hz, 13.8 kV, 0.85 PF
Fuel: Site GAS FUEL

Date: 06/08/2021
Time: 10:52:38

Case 100

Ambient Conditions

Dry Bulb Temp., °C 37.8
Wet Bulb Temp., °C 28.4
Relative Humidity, % 50
Elevation a.s.l., m 2.13
Barometric Press., kPa 101.23

Engine Inlet

Comp. Inlet Temp., °C 37.8
Comp. Inlet RH, % 50
Type None
Chill/Heat Cap., MJ/h None

Pressure Losses

Inlet Press. Loss, mmH2O 147.32
Exh. Press. Loss, mmH2O 157.48

GTG Load, %

Gen. Output, Gross, kW 27296
HR, kJ/(kW*h) 10260.46
Aux Load, kW 170.66

Gen. Output, Unit Net, kW

G-HR, Plant Net, kJ/(kW*h) 27125
Comp. Inlet Temp., °C 37.8

Fuel Flow

Fuel Number 801-3084
Fuel Name Pacific Gas 5153
Fuel LHV, kJ/kg 46813
Heat Input, MW 77.81
Fuel Flow, kg/s 1.66
Vol. Fuel Flow, Nm3/hr 8561
Fuel Temp., °C 25.0

NOx Control

Water

Diluent Injection

Diluent Flow, kg/h 6487
Diluent Temp., °C 37.78

Exhaust Parameters

Exhaust Temp., °C 528
Exhaust Flow, kg/s 80.8
Energy (Ref 0R), kW 71485.59

Emissions (ESTIMATED, NOT FOR GUARANTEE)

NOx, Ref % O2, mg/Nm3 51.3

Aero Energy Fuel Number

801-3084
Hydrogen, %Volume 0
Methane, %Volume 95.9693
Ethane, %Volume 0.2912
Ethylene, %Volume 0
Propane, %Volume 0.0086
Propylene, %Volume 0
Butane, %Volume 0.0047
Butylene, %Volume 0
Butadiene, %Volume 0
Pentane, %Volume 0.0068
Cyclopentane, %Volume 0
Hexane, %Volume 0.005
Heptane, %Volume 0
CarbonMonoxide, %Volume 0
Carbon Dioxide, %Volume 0.1161
Nitrogen, %Volume 3.6045
Water Vapor, %Volume 0
Oxygen, %Volume 0
HydrogenSulfide, %Volume 0
Ammonia, %Volume 0
LHV, kJ/kg 46814
HHV, kJ/kg 51982
NOx Scalar 0.949
Specific Gravity 0.5716
MWL (kJ/Nm3)/SQRT(K) 0.952
LHV, kJ/Nm3 34745
HHV, kJ/Nm3 38498

Exh Wght % Wet (NOT FOR USE IN ENVIRONMENTAL PERMITS)

AR, % 1.2077
N2, % 70.9396
O2, % 14.021
CO2, % 5.3324
H2O, % 8.4943
SO2, % 0
CO, % 0.0019
HC, % 0.0002
NOX, % 0.0029

Exh Mole % Dry (NOT FOR USE IN ENVIRONMENTAL PERMITS)

AR, % 0.9684
N2, % 81.11
O2, % 14.0352
CO2, % 3.881
H2O, % 0
SO2, % 0
CO, % 0.0022
HC, % 0.0003
NOX, % 0.0029

Exh Mole % Wet (NOT FOR USE IN ENVIRONMENTAL PERMITS)

AR, % 0.8413
N2, % 70.4675
O2, % 12.1936
CO2, % 3.3718
H2O, % 13.1211
SO2, % 0
CO, % 0.0019
HC, % 0.0003
NOX, % 0.0025

Exhaust Parameters

Sp. Heat, kJ/(kg*°K) 1.195
Exh Mtl Wght, kg/kmol 27.828
Exh. Flow, ACFM 398392.5
Exh. Flow, SCFM 145685.3



LM2X/TM2500 5-8-10 Minute Starts

Introduction

The GE AE LM2X/TM2500 (LM2500, +, G4) packages have the unique ability to reach full power from a cold start within 8 minutes, as standard offering with no impact to life. An 8-minute start cycle is significant since many power pools allow spinning reserve credit. The LM2X/TM2500 fast start capability is unique in that it does not increase maintenance costs or intervals. The operating flexibility of the utility grid will be greatly enhanced and the overall system production costs will be substantially lower.

A 5-minute start is also offered, as an option. This 5-minute start feature has a slight life estimated hit to the HPT rotor shaft on a LM2500+G4 engine with reduction in start attempts to 4000 total base. The LM2500+ engine has no impact to life and follows current O&M procedures.

Unlike turbo machinery using solid forgings and thick wall castings, the LM2500 gas turbine sections are designed as flight engine type, allowing a high tolerance to cyclic duty. Its lightweight design (rotor and castings are constructed of thin-wall, high-strength alloy materials) allows it to operate efficiently under high thermal stress gradients and concentrations. This design effort has dramatically increased low-cycle fatigue life.

Instrumentation and Components

Special provisions have been designed for the engine and its package auxiliaries to accommodate fast start capability.

There are no restrictions for 5-8-10 minute fast start for LM2X Gas Fuel SAC or DLE , or Liquid Fuel DF1, DF2, SAC applications. For Liquid Fuel DLE applications there are GT Package and customer supplied provisions required, as listed below this paper.

- 1. Enclosure Purging** – Turbine enclosure air purging is initiated before the exhaust system purge and the acceleration to HP core idle sequences begin. At least 1X air changes are typically processed to the enclosure.
- 2. Bearing Lubrication Systems – AC lube oil pumps and backup DC lube oil pumps lubricate (as applicable) Gearbox and Generator bearings.** During the start up sequence the AC lube oil pump supplies lubricant oil to the bearings. In the event of loss of AC power, the DC lube oil system or run down lube oil tanks, as applicable, operate as backup. For LM2X units with rundown tanks, as applicable, the AC lube oil pump can be operated continuously when the unit is at rest, to

assure the rundown tanks are kept full with freshly circulated warm lube oil to support fast start feature.

3. **Liquid Fuel Inlet Temperature** – For LM2X/TM2500 Liquid Fuel DLE applications, the liquid fuel inlet supply temperature at the GT package must be above 100 deg F prior to light-off. GE supplied liquid fuel boost skid consists of liquid fuel high pressure pump and inlet heater to ensure proper fuel temperature. In addition, the customer supplied liquid fuel interconnect piping supply and return from the boost skid to main package must be heat traced to maintain fuel temperature 70 deg F, +/- 10 deg F. For 5-minute start applications, customer supplied liquid fuel piping from liquid fuel forwarding pump to GE liquid fuel boost skid must be heat traced to maintain fuel temperature 90 deg F, +/- 10 deg F. This would ensure that the liquid fuel is at proper temperature for 5, 8-minute start feature.
4. **Gas Turbine Exhaust System and Stack (Simple Cycle)** – Exhaust system volume of exhaust duct to the Stack should be limited, as much as possible and ensure no long horizontal sections are installed. This would ensure short purge time as possible for ability to reach 5-minute start profile. If a Horizontal exhaust section is utilized GT Purge credit in accordance with NFPA 85, latest revision, may be required to achieve a 5-minute start (considered conservative for Simple Cycle application).
5. **Fuel System Valve Bottle Test** – In accordance to local AHJ (Authority Having Jurisdiction) there may be project specific requirements for Valve Proving tests, prior to start and ignition. The time to complete Valve Proving Tests is NOT included in the standard 5-minute start time profile. In accordance to some local AHJ (i.e. Australia, New Zealand) entities, there could be opportunity to supplement pressure plug in the fuel system bottle via inert gas medium. This would eliminate the requirement for Valve Proving prior to start up and ignition (considered conservative for Simple Cycle application).
6. **The gas turbine warm-up timer is set for 60-seconds** - During this 60-second warm-up timer the generator can be synchronized to utility grid and gas turbine would ramp to minimum load. Following completion of warm up timer the gas turbine could be ramped to full load.

LM2X/TM2500 System Control Start Sequences

Table 1 depicts the Optional 5-minute fast start schedule sequence and duration of each event. Figure 1 depicts the 5-minute start up procedure in graphic format for this application.

Table 2 depicts the 8-minute fast start schedule sequence and duration of each event. Figure 2 depicts the 8-minute start up procedure in graphic format for this application.

Table 3 depicts the 10-minute fast start schedule sequence and duration of each event. Figure 3 depicts the 10-minute start up procedure in graphic format for this application.

The engine purge times in the following Tables apply to exhaust systems that terminate to standard exhaust stack or connect to systems with a (SCR) Selective Catalytic Reduction Unit or Heat Recovery Steam Generator that is continually purged by a forced air purging system or has been pre-purged with GT Purge Credit in accordance to NFPA 85 and GEP guidelines.


Randy Kleen, P.E.
Chief Engineer – Electrical


Scott Neumueller
Consulting Engineer - Controls

Start initialization, Enclosure Purge	10 seconds
Engine/ Purge w/ ramp	20 seconds
Accel to sync idle	100 seconds
Warm up at sync idle	60 seconds
Accel to full load 333 kW/Sec	105 seconds
Total	5 minutes

Table 1, LM2X/TM2500 5-Minute Fast Start Sequence (Optional)

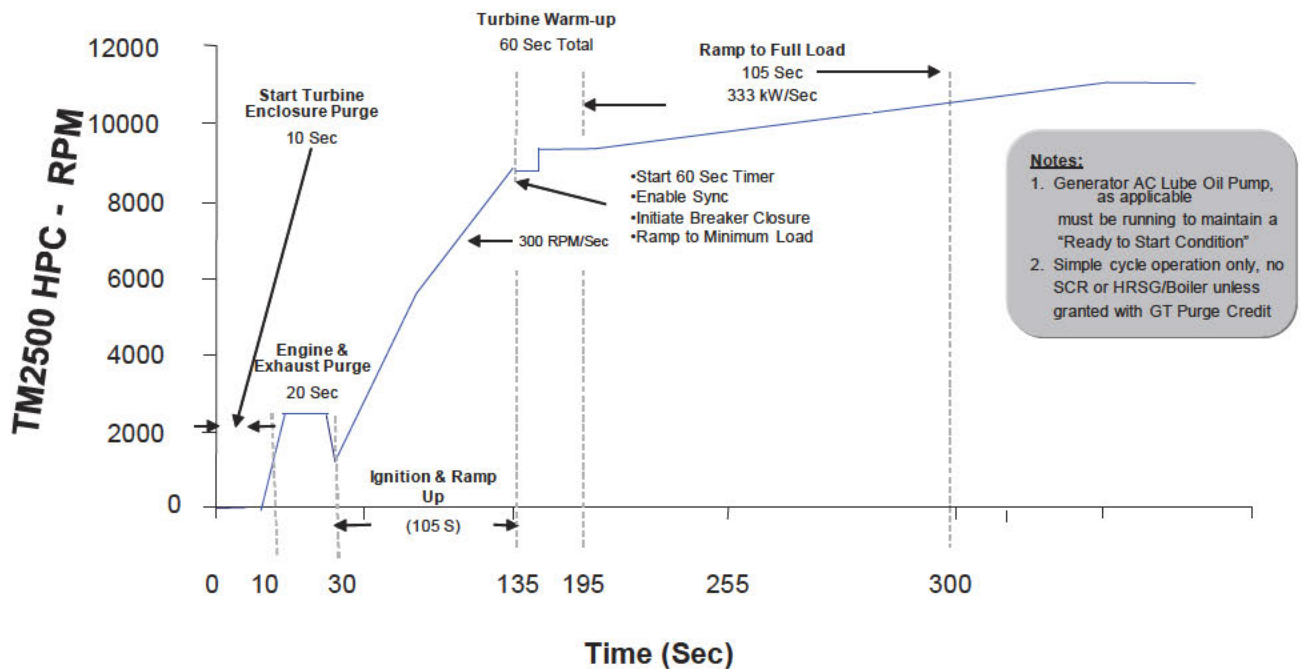


Figure 1, LM2X/TM2500 5-Minute Fast Start Profile

Start initialization, enclosure purge	10 seconds
Engine/ Purge w/ ramp	20 seconds
Accel to sync idle	110 seconds
Warm up at sync idle	120 seconds
Accel to full load (250 kW/Sec)	240 seconds
Total	8 minutes

Table 2, LM2X/TM2500 8-Minute Fast Start Sequence

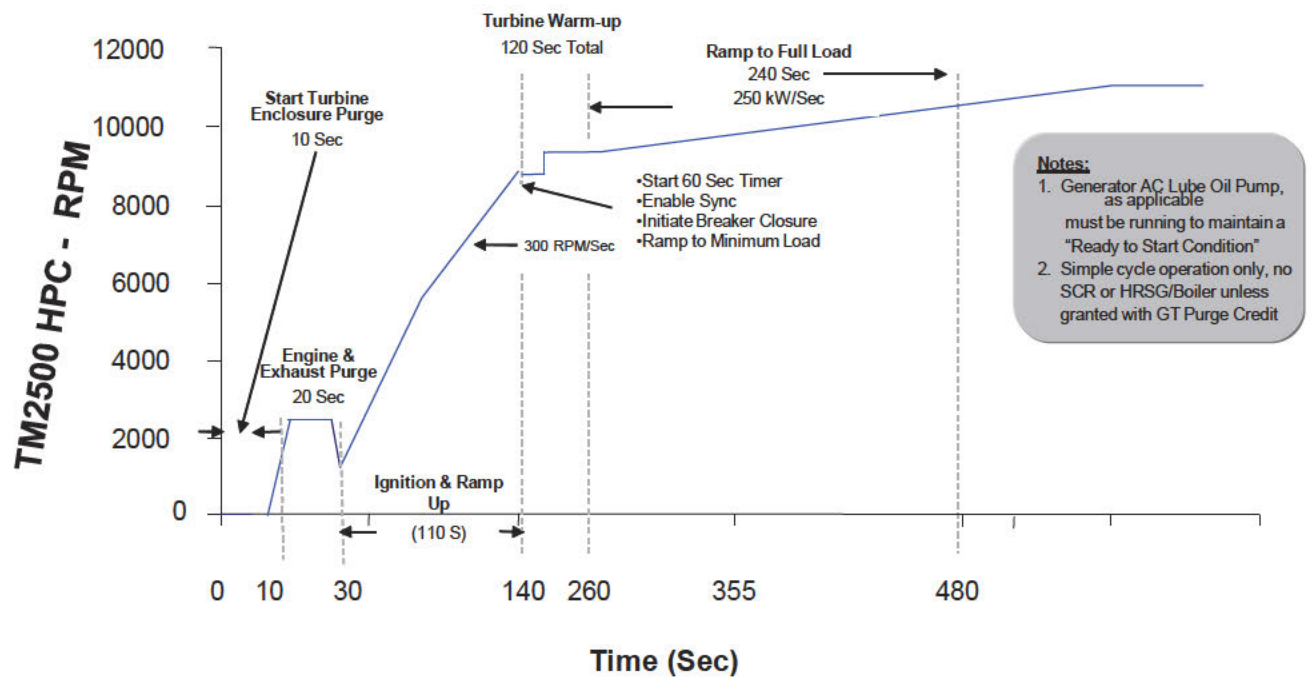


Figure 2, LM2X/TM2500 8-Minute Fast Start Profile

Start initialization, enclosure purge	30 seconds
Engine Purge w/ ramp / exhaust system HRSG/SCR with forced air purge fans	90 seconds
Accel to sync idle	120 seconds
Warm up at sync idle	240 seconds
Accel to full load 190 kW/Sec	120 seconds
Total	10 minutes

Table 3, 10 Minute Fast Start Sequence

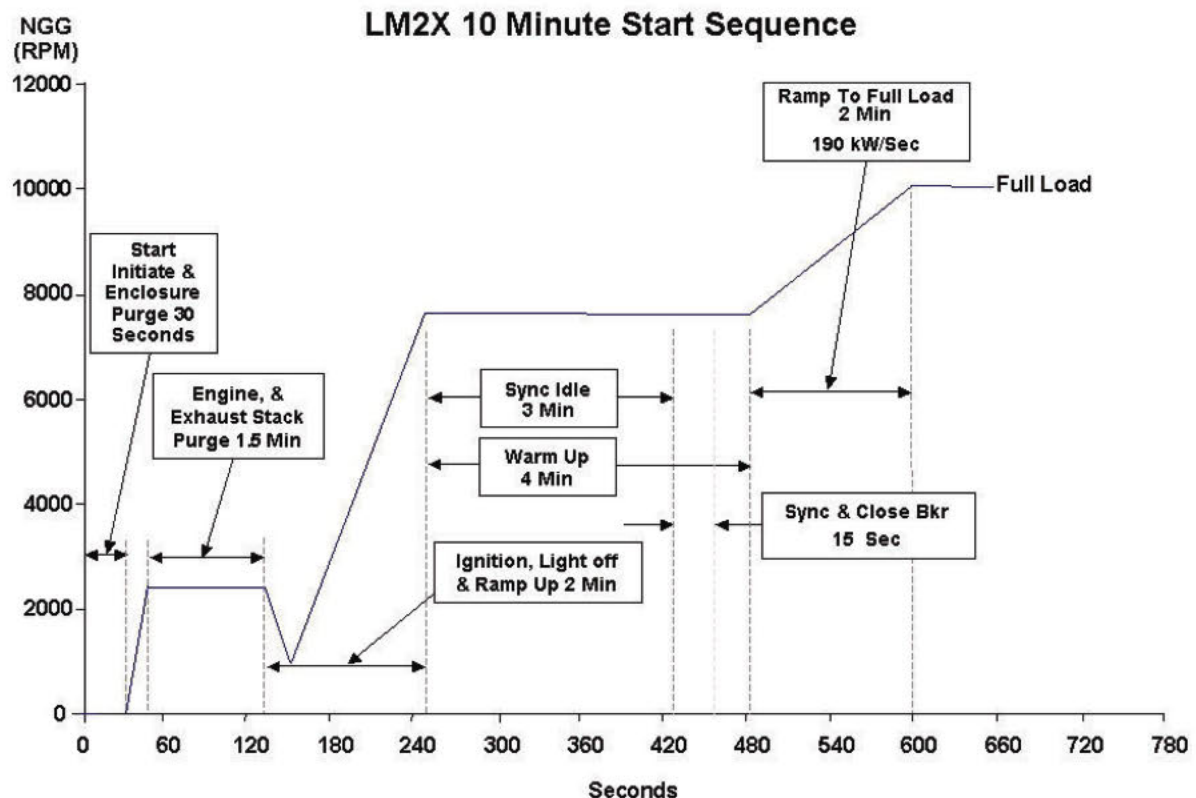


Figure 3, LM2X/TM2500 10-Minute Fast Start Profile

LM2X/TM2500 Extended Start Sequence

Table 4 represents an installation where the engine exhaust is connected to a Selective Catalytic Reduction Unit and or Heat Recovery Steam Generator, and the gas turbine is the **only** means used to purge the entire system prior to a fired start. In this case the length of the purge timer is increased to X minutes to provide > 5 air changes for the volume of the specific system. To determine the length of the X minute purge timer, an engineering model of the exhaust system, engine and forced air purging system, as applicable, would be in order. Reference NFPA 85 or consult GE Power Aero for recommendations to determine exact purge times.

Table 4, Extended Start Sequence

Start initialization, enclosure purge	60 seconds
Engine/SCR w/ or HRSG with or without air purge fans	X minutes, as Required for 5 Air Changes
Accel to sync idle	120 seconds
Warm up at sync idle	240 seconds
Accel to full load	120 seconds
<u>Total</u>	X minutes XX seconds



GE Gas Power Aero

Position Paper #63

Rev C

May 1, 2021

16415 Jacintoport Blvd
Houston, TX 77015
USA

T 001-713-249-1593

LM Gas Turbine Stopping Mode Description

Introduction

GE Aero Energy LM gas turbine packages are provided with several shutdown modes that are automatically executed by the control system upon detection of a system fault. The sequences are explained in this paper and should be taken into consideration for the plant design, and coordination with the customer's load and utility grid connection, as applicable.

Description

The following types of LM gas turbine shutdown modes are currently included in the GE Aero package main control system. For reference, see Figure 1 – LM Stopping Modes.

ALM* (ALARM) - ALM-NS**

- This gives an audio and visual indication of a fault condition only.
- This is not a shutdown condition.
- Some ALMs are classified as an NS (No-Start) alarm. An NS alarm allows the unit to continue running.
- Once the unit is stopped, the NS alarm condition must be reset before the unit can be started again.

Notes: Alarms generated from the control system require operator acknowledgement. When the alarm condition has been acknowledged and the condition has normalized back to within limits, the alarm can be reset by operator, so as to clear it from the HMI screen stack. **All Alarms should be treated seriously and addressed immediately by operations.**

NSD* (CDLO) - Normal ShutDown (CoolDown LockOut)**

- Shed MW and VAR loads and water / steam at the normal rate (Full load to Min load is around 4 minutes typical).
- Open breaker when minimum load is achieved, 2 to 3 MW.
- Idle at synchronous speed for 5 minutes maximum to cool down unit and then shut off fuel, water/steam
- When XN25 (HP shaft) coasts down to 1700 RPM, engage starter and high speed crank for 15 minutes for LM2X and LM6000. LMS100 will crank longer for MLO system cool down, typically at least 1 hour.
- If the NSD condition can be reset within the shutdown period, then the NSD shutdown is aborted and unit can be started back up immediately.

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Notes: Typical NSD shutdowns include air inlet filter high DP, battery system low voltage, etc.

ESN* (FSLO) - Emergency Stop No motoring (Fast Stop Lock-Out)**

- Immediately shutdown the unit by shutting off fuel, water / steam and trip generator breaker.
- As described below, ESN shutdowns (no cool down idle or automatically initiated crank) also require restrictions on re-starts.

Start lockout criteria for the LM2500

- When the GG (HP shaft) coasts down below 300 RPM and if the T48 temperature had reached 1150 degrees F (621 degrees C), after a 6-minute delay, a 4-hour start Lockout will be initiated.
- The 4-hour start lockout can be avoided if the ESN condition can be reset and a turbine crank or start is initiated within the 6-minute delay period.
- A 15-minute crank cycle must be complete to reset the 6-minute delay timer. If the crank cycle is interrupted, causing the GG to coast below 300 RPM, a 4-hour start lockout period is initiated.

Start lockout criteria for the LM6000

- When the XN25 (HP shaft) coasts down below 300 RPM and if the T48 temperature had reached 1150 degrees F (621 degrees C), after a 10-minute delay, a 4-hour start Lockout will be initiated.
- The 4-hour start lockout can be avoided if the ESN condition can be reset and a turbine crank or start is initiated within the 10-minute delay period.
- A 15-minute crank cycle must be complete to reset the 10-minute delay timer. If the crank cycle is interrupted, causing XN25 to coast below 300 RPM, a 4-hour start lockout period is initiated.

Start lockout criteria for the LMS100

- If the HP shaft of the engine reached 2700 RPM during a start attempt, and the start failed, a 30 minute crank time is required.
- If the HPC of the engine reached 6000 RPM during a start, and the start is terminated, a 60 minute crank time is required.
- If a crank for the duration of the above respective time periods is not initiated and successfully completed, or the engine is not successfully re-started within 10 minutes, start attempts are locked out for 4 hours.

Notes: Examples of ESN type shutdowns are emergency stop, overspeed, Fire Suppression Medium released – fire, bearing low lube oil pressure, not all inclusive.

ES* (FSWM) - Emergency Stop (Fast Stop With Motoring)**

- Immediately shutdown the unit by shutting off fuel, water / steam and trip the Generator breaker.

- When XN25 coasts down to 1700 RPM, engage starter and crank for 15 minutes. LMS100 will crank longer for MLO system cool down, typically at least 1 hour.
- GT can be restarted during the cool down crank, if T48 is below 1150 degrees F.

Notes: ES type shutdowns are 86 Lock Out Relay, high gas fuel supply pressure, high lube oil supply temperature, high generator stator temperature, not all inclusive.

SI* (SDTI) - Step to Idle (Step Decel To core Idle)**

- Immediately step the engine to core idle speed. The breaker will open upon reaching minimum load.
- If the SI condition cannot be reset within 10 seconds then a normal stop without motoring occurs.

Notes: Examples of SI type shutdowns are GT bearing high vibration, not all inclusive.

DM* (SML) - Decelerate to Minimum load (Slow to Minimum Load)**

- Fast load shed from full load to minimum load within 20 seconds
- (Decel rate at 9 RPM/Sec). If the DM condition cannot be reset within 5 minutes then an NSD occurs.

Notes: DM type shutdowns are GT module high temperature, fuel manifold High temperature, not all inclusive.

Conclusion

The GE Aero LM Gas Turbine package has several shutdown types that should be utilized for reference when designing plant operability, load connection to plant and utility grid. Contact your local GE Aero representative if there are any questions.

* Current designation

** Historical designation


Randy Kleen, P.E.
Chief Engineer – Electrical


Scott Neumueller
Consulting Engineer - Controls

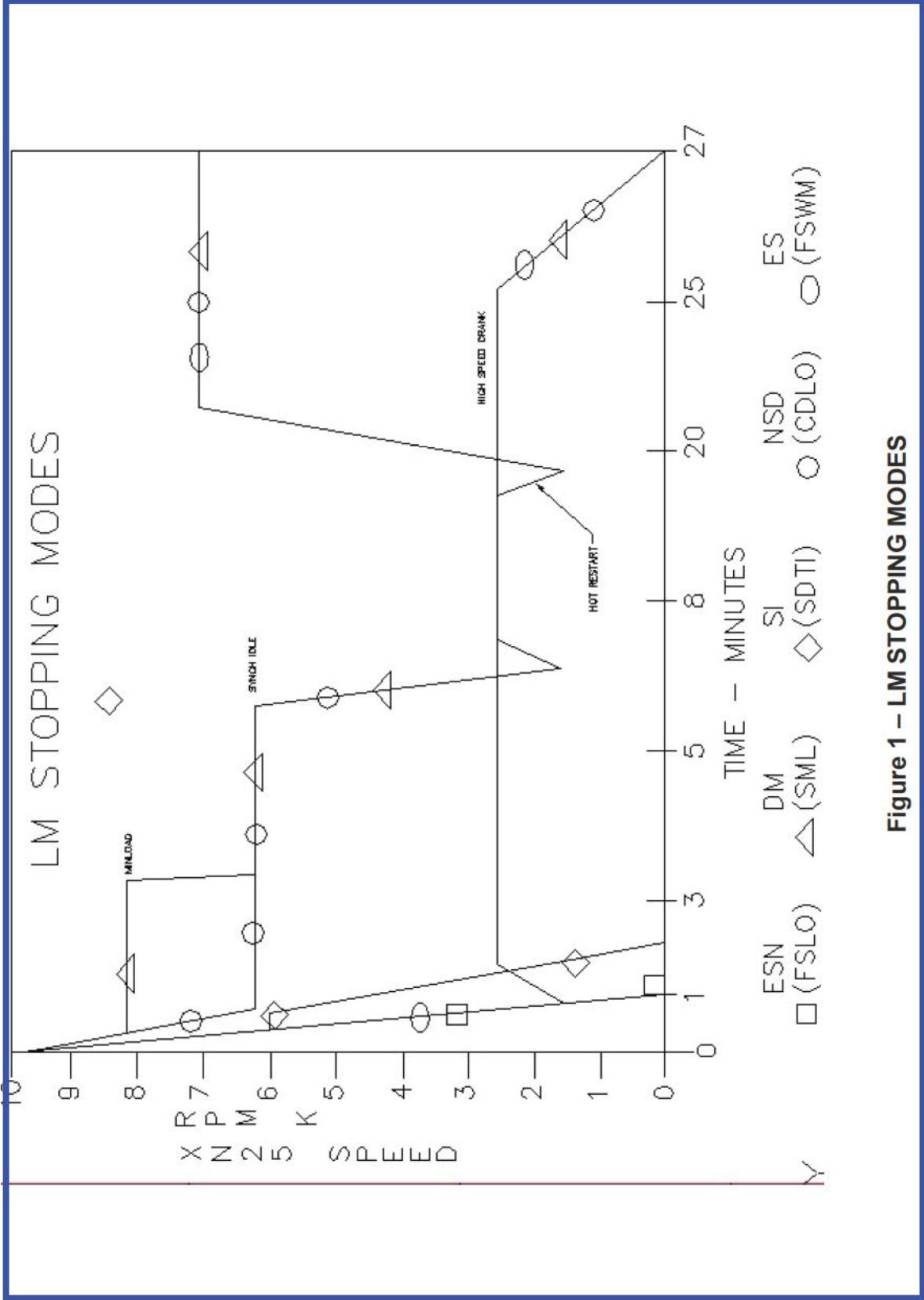


Figure 1 – LM STOPPING MODES



TM2500 GT Engine Purge Times

Introduction

The purpose of the position paper is to describe GE Power requirements for purging of the TM2500 mobile power generation plant's turbine exhaust system.

Description - General Reference

Standard Exhaust System, Simple Cycle: NFPA 37

Non-Standard Exhaust System with HRSG and/or SCR: NFPA 85
(Combined Cycle Application)

Standard Exhaust System – Simple Cycle

The standard TM2500 start cycle, includes a 30 second crank/purge of the engine and exhaust system produces a total exchange volume greater than the minimum 1X air exchanges in compliance to NFPA 37 referenced section. At the crank/purge cycle speed of 2400 RPM, the TM2500 engine airflow rate is 8167 SCFM. This total flow using the standard 30 second time duration results in at least 6 air exchanges through the turbine and exhaust system assembly.

Non-Standard Exhaust Systems – Combined Cycle

The gas turbine exhaust systems equipped as described in referenced section of NFPA 85, represent non-standard TM2500 applications (see nonstandard typical exhaust system examples below).

HRSG and/or SCR

TM2500 applications that do have both the standard exhaust system trailer and a HRSG and/or SCR, that is Combined Cycle Application, the exhaust system HRSG and/or SCR section(s) must be purged with at least 5 air changes, 5 minutes minimum before firing the engine in accordance to NFPA 85.

For these TM2500 applications, the pre-start exhaust purge time must be determined by calculation of the total volume to be purged and the resultant value of the required purge time entered into the control systems. With respect to the purge of combined cycle exhaust system, the volume that is to be purged per NFPA 85 is between the

outlet of the gas turbine to the outlet of HRSG super heater and/or the entire SCR system.

To reduce the risk of unburned fuels entering the gas turbine engine / exhaust system when off line, GE Energy has incorporated safety design features in accordance to NFPA 85 release to grant GT Purge Credit.

Gas Fuel System

Gas fuel system is incorporated with three block valves, with proof of closure, in series with two automatic vent valves connected in between these valves (triple block and double vent valve system).

- 1) GT Purge Credit allowed following Normal Shutdown, non-related to fuel system or ESD type.
- 2) All gas fuel block and vent valve positions monitored by the control system and if any valve tracks off its assigned position an alarm is annunciated and GT purge credit cancelled.
- 3) Pressure monitoring of cavity at the double block and vent pipe section exceeds 10 PSIG for 5 seconds, alarm and GT purge credit is cancelled.
- 4) Valve Proofing via Bottle test during startup and shutdown, which provides gas fuel block valve tightness verification.

During start up on liquid fuel for dual fuel applications, as applicable, bottle test to gas fuel train is performed prior to operating on liquid fuel. If gas fuel supply pressure is not available (refer to PP47) during the start up on liquid fuel or if bottle test fails or if previous bottle test has failed, transfer to gas fuel is not permissible. Start up and operation on liquid fuel is permissible regardless.

- 5) 8-day window allowed for GT Purge Credit. If successful startup or high speed crank is not processed during this 8-day window, GT Purge Credit is lost and annunciated from the control system
- 6) Triple block and Double Vent valve system. External block and vent valve bottle is typically left slightly pressurized to minimum to ensure there is no entrapped air.
- 7) Alternatively, the entire gas fuel pipeline from the external block and vent valve bottle can be de-pressurized to ambient pressure at each shutdown. The vent valve would be commanded open and block valve closed during the 8-day window. The amount of gas release from the pipeline due to the installed pipe length and far-field noise emitted at each shutdown should be considered.

Liquid Fuel System

Liquid fuel system is incorporated with three stop valves, with proof of closure, in series with drain valves connected between these valves (triple block and double drain valve system). The connected drain valves relieve pressure between the stop valves when GT is off line.

- 1) GT Purge Credit allowed following Normal Shutdown, non-related to fuel system or ESD type.
- 2) Monitor and ensure no liquid fuel pressure upstream of the most upstream block valve.
- 3) Liquid fuel block and drain valves positions continuously monitored by the control system and if any valve tracks off its assigned position an alarm is annunciated and GT purge credit cancelled.
- 4) Pressure monitoring of cavity at downstream bottle exceeds 3 PSIG an alarm is annunciated and GT purge credit is cancelled.
- 5) 8-day window allowed for GT Purge Credit. If successful startup or high speed crank is not processed during this 8-day window, GT Purge Credit is cancelled and annunciated by the control system.

If the HRSG contains duct burners, the fuel supply to these burners should include triple block and bleed valves and comply with NFPA 85 release to prevent gas leakage into an idle (or operating) boiler duct.

With GT purge credit feature active during the 8-day window the standard purge time is 30 seconds and provides at least 1.5 air changes to the engine and exhaust diffuser system. This provides standard 5 minute to full load start feature for the TM200 and is in accordance to OEM manufacture's recommendation and conforms to NFPA 85.

8 Minute Start Cycle

8 minute start is standard start time cycle for simple cycle applications to full load, reference PP108. For combined cycle exhaust systems GT Purge Credit must be enabled to obtain 8 minute start to full load. If GT Purge Credit not active long purge timer would be deployed by the control system, which would extend the start to full load time respectively.

If required, longer or shorter purge time requirements can be accommodated provided an adequate engineering model of the exhaust system supports the adequacy of the proposed purge time.

Conclusion

To request a non-standard purge time for specific applications, the customer must submit a formal request to their GE Power Aero representative with supporting documentation (dimensioned system drawings, volume calculations). This formal documentation must also include the customer's full acceptance of responsibility for purge time and associated incidents if the requested purge time does not meet our guidelines.



Randy Kleen, P.E.
Randy Kleen, P.E.
Chief Engineer – Electrical



Scott Neumueller
Scott Neumueller
Consulting Engineer - Controls

Exhibit C - Scope Of Work

Design, procure, construct and commission all materials, equipment and systems necessary for the installation and commercial operation of the Additional Units and ancillary equipment to include the following:

- Decommission the existing Roseville Power Plant 2 (RPP2) site consisting of:
 - Salvage all applicable major equipment
 - Dispose of all remaining unneeded equipment
 - Removal of all existing foundations and below ground facilities as necessary to accommodate repower
 - Fuel gas yard, generator step-up (GSU) transformers, warehouse and equipment specifically identified by Roseville to remain
- Design, procurement and construction of major RPP2 equipment/systems consisting of the following:
 - Transportation of CDWR supplied equipment from 5120 Phillip Road, Roseville to the RPP2.
 - Fuel gas and gas compression system
 - Chemical storage and containment
 - Instrument air system
 - Fire protection system
 - Demineralized water system and storage
 - Cathodic protection system
 - Generation yard 4160V and 480V electrical systems and equipment
 - Control system installation and programming
 - Turbine anti-icing system (optional)
 - Evaporative coolers (optional)
 - Civil construction of grading, ground grid, duct banks, conduit, piping and foundations
- Testing and commissioning of all Additional Units systems for commercial operation
- Design, procurement and construction of major 60kV Switchyard equipment/systems consisting of the following:
 - 60kV switchyard steel structures
 - 60kV circuit breakers, relay panels and control wiring (Roseville staff)
 - Civil construction of grading, ground grid, duct banks, conduit, piping and foundations
- Testing and commissioning of all 60kV Switchyard equipment (Roseville staff)

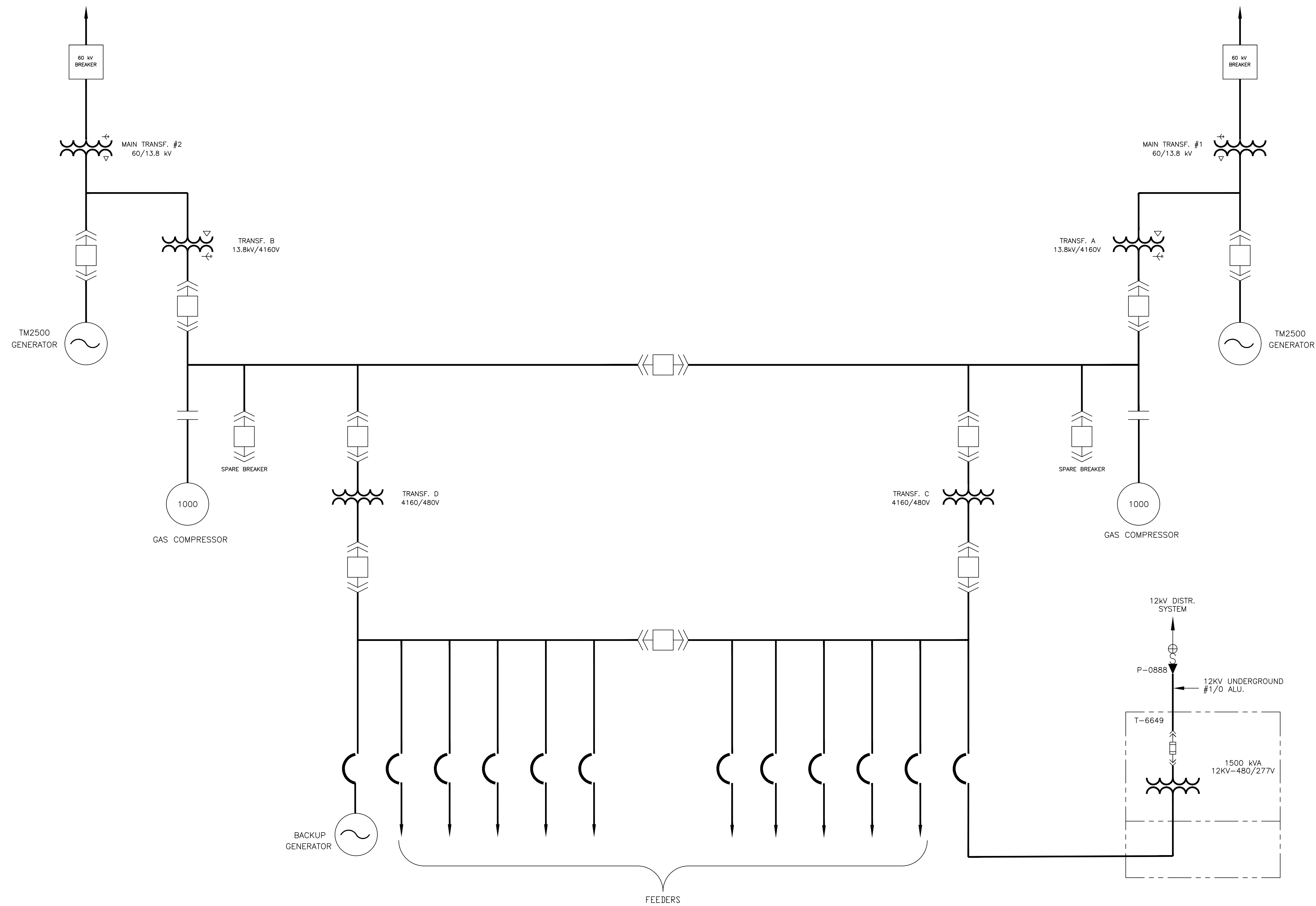
In order to maintain schedule to achieve a June 1, 2026, Commercial Operation Date, with the installation of gas compression and rebuild of the 60kV switchyard, the following tactics will be employed:

- Gas Compression
 - For a delay in the delivery of the gas compressors, blind flanges will be installed where the compressors would otherwise go. All necessary bypasses and valves will be installed as part of the system design in order to allow for operation if the gas compressors are not in place. The gas compressors will be installed and a future outage (outside the summer peak season) will be taken to finish installation and commissioning.
 - For a delay in electrical equipment required to power the gas compressors, the gas compressors will be installed and bypassed and a future outage (outside the summer peak season) will be taken to finish installation and commissioning.
- 60kV Switchyard
 - As the 60kV relay protection and controls need to be relocated from the Balance of Plant control building (which must be removed to accommodate the installation of the TM2500's) to the warehouse, this work is required even if the switchyard itself is left as is. Roseville plans to procure this equipment immediately and will be able to perform construction prior to having access to work on rebuilding the 60kV yard, keeping as many substation technician resources available as possible to expedite the rebuild.
 - Roseville will develop a detailed work plan for the 60kV yard rebuild to assure the necessary time is available, to determine critical path items and to have the ability to closely track progress and adjust resource allocation as necessary to maintain the schedule.
 - Roseville will prioritize the work that is absolutely required to connect the generating units to the 60kV system, which mainly consists of bus work and installation of the 60kV breakers for each of the GSU's.
 - 60kV disconnect switches were identified in IEC's bid as a long lead item that could jeopardize schedule. Roseville currently owns six sets of these switches that could be repurposed if necessary. As a last resort, all disconnect switch positions could be jumpered and installed during future outage (outside the summer peak season).

- As a final resort, Roseville will use existing inventory of equipment/parts to bring the facility online, including: existing 60kV circuit breakers, wood poles, overhead bare conductor and terminations. The 60kV yard would be constructed at a future outage (outside the summer peak season).

The RPP2 Site is located at:

Roseville Power Plant #2
2155 Nichols Drive
Rocklin, CA 95765



ROSEVILLE POWER PLANT 2

REV	BY	DATE	DESCRIPTION	APPR.
			ROSEVILLE POWER PLANT NO.2 STATION SERVICE ONE LINE	JOB NO. — ACCOUNT NO. —
TITLE		APPR.	SCALE —	DRAWING NO. 405E1-01
ENG.		DATE		
DR.				

ASSET TRANSFER AGREEMENT FOR ADDITIONAL UNITS BETWEEN THE CITY OF ROSEVILLE AND THE CALIFORNIA DEPARTMENT OF WATER RESOURCES

THIS AGREEMENT (ATA) is made and entered into this ____ day of _____, 2029, by and between the City of Roseville, a municipal corporation (“Roseville” or “Owner”), and the California Department of Water Resources (“CDWR”). Referred to as “Party” or “Parties.”

RECITALS

WHEREAS, on July 30, 2021, the Governor of the State of California proclaimed a state of emergency due to the accelerating and compounding effects of continuing wildfires, ongoing drought, and extreme heat conditions caused by climate change, which have resulted in an additional projected energy supply shortage of up to 3,500 megawatts during the afternoon-evening “net-peak” period of high power demand on days when there are extreme weather conditions. The proclamation directed CDWR to enter into contracts for the procurement of materials, goods and services necessary for projects likely to be online by October 31, 2021, that would expand energy supply and storage to respond to these projected energy supply shortages;

WHEREAS, pursuant to the emergency proclamation, Roseville and CDWR entered into three agreements, including the Site Use and Installation Agreement (Site Agreement, as amended), under the State Power Augmentation Program (“Program”) to site, install, and interconnect, and then subsequently operate and maintain, two General Electric TM2500 combustion turbine generators with selective catalytic reduction systems and their associated equipment (the “RPEAK Units”) initially through the end of 2023;

WHEREAS, the Site Agreement was subsequently amended with its Term extended to facilitate Owner’s application to and acceptance into the California Energy Commission’s Distributed Electricity Backup Assets program for the benefit of the California electric grid during grid emergencies;

WHEREAS, the Site Agreement was amended a second time to facilitate transfer of title to the RPEAK Units to Owner, and allow Owner and DWR to continue their partnership on the Program by adding additional DWR-owned generators and their associated equipment (“Additional Units”) to the Site Agreement; and

WHEREAS, the Site Agreement was amended a third time to install and operate the Additional Units through the end of the extended Term provided in the Third Amended Site Agreement; and

WHEREAS, DWR is transferring title to the Additional Units, as fully defined and inventoried in Exhibit 1 to, to Roseville in accordance with the terms and conditions of this Asset Transfer Agreement and the Site Agreement, as amended.

NOW, THEREFORE, in consideration of the mutual promises set forth herein, the Parties agree as follows:

1. Transfer. Effective November 1, 2029, CDWR hereby transfers to Roseville title to the Additional Units in exchange for the consideration identified in Section 2 below. Roseville

agrees to accept the Additional Units, subject to the terms and conditions of this ATA and the Site Agreement, which is incorporated by reference herein. The Additional Units shall be sold and accepted "AS IS" with no warranties, express or implied, of any kind whatsoever, including any warranties as may be implied at law. This transfer shall include all tangible assets associated with the Additional Units as well as CDWR's complete interest in any intellectual property associated with the Additional Units, including the selective catalytic-reduction systems. Such transfer renders the intellectual property license granted to Roseville on November 1, 2024 for the related RPEAK Units in the prior phase of the Program moot.

2. Consideration. The Parties agree that the consideration for this ATA shall be as specified in the Site Agreement (hereinafter "Consideration").
3. Documenting Transfer of Ownership. Any reporting or documentation of ownership transfer for regulatory or taxation purposes shall be as specified in the Site Agreement, specifically the Second Amendment.
4. Delivery and Transfer of Additional Units. The delivery and transfer of the Additional Units shall occur at midnight on November 1, 2029 at the Site in unincorporated Placer County located at 2155 Nichols Drive, Rocklin, California.. The Additional Units are located on land owned by Roseville and have been operated and maintained by Roseville. Therefore, there are no physical items for CDWR to provide to Roseville other than documentation associated with the transfer listed in Exhibit 2. The complete list of tangible assets is provided in Exhibit 1. CDWR will provide documentation by electronic file transfer or other means acceptable to both Parties as provided in Exhibit 2 that pertains or relates to the Additional Units. The Additional Units shall be transferred free of any liens or encumbrances.
5. Title/Risk of Loss. Title, ownership, and risk of loss or damage for the Additional Units shall transfer from CDWR to Roseville at midnight on November 1, 2029. After physical transfer of the Additional Units, Roseville shall be solely responsible for all maintenance and operation of the Additional Units, including but not limited to maintenance costs, insurance, and all items specified in the Site Agreement.
6. No Warranties or Right of Return. Roseville agrees that CDWR does not warrant the Additional Units in any way, express or implied. Roseville also agrees that it has no right to return the Additional Units. Any dispute as to the Additional Units condition or similar will first be resolved using the dispute resolution provision in the Site Agreement.
7. Indemnity. Shall be as provided in the Site Agreement, as amended.
8. Compliance with Laws. The parties acknowledges that the Additional Units may be subject to certain state and federal laws and regulations and agree to strict compliance with all applicable laws and regulations.
9. Venue; Governing Law. Any legal action arising out of this ATA shall be brought in Sacramento County, California, regardless of where else venue may lie. This ATA shall be governed by and construed in accordance with the laws of the State of California.

10. Modification. This ATA and each provision contained herein may be waived, amended, supplemented or eliminated only by mutual written agreement of the Parties.
11. Severability. If any of the provisions contained in this ATA are for any reason held invalid or unenforceable, such holding shall not affect the remaining provisions or the validity and enforceability of the ATA as a whole.
12. Entire Agreement. This ATA, including the incorporated Site Agreement, as amended, contains the entire agreement between Roseville and CDWR in connection with the transaction contemplated hereby and the subject matter hereof and this ATA supersedes and replaces any and all prior and contemporaneous agreements, understandings, and communications between the parties, whether oral or written, with regard to the subject matter hereof or any course of dealing, course of performance, or usage of the trade. The Parties acknowledge that they have not relied on any promise, representation or warranty, express or implied, not contained in this ATA. Should any term in this ATA be deemed to be unenforceable, that term shall be removed without impact to all remaining terms.

[Signature page follows]

IN WITNESS WHEREOF, the City of Roseville, a municipal corporation, has executed this agreement in duplicate and the California Department of Water Resources has caused this agreement to be duly executed.

CITY OF ROSEVILLE, a
municipal corporation

CALIFORNIA DEPARTMENT OF
WATER RESOURCES

BY: _____
DOMINICK CASEY
City Manager

BY: _____
DELPHINE HOU
Deputy Director, Statewide
Energy Office

ATTEST:

By: _____
CARMEN AVALOS
City Clerk

APPROVED AS TO FORM:

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:

BY: _____
MICHELLE SHEIDENBERGER
City Attorney

BY: _____
COLIN A. WOOD
Attorney IV

APPROVED AS TO

SUBSTANCE: BY: _____
DAN BEANS
Electric Utility Director

Exhibit 1

[Additional Units Equipment List.xlsx, provided by CDWR to Roseville electronically]

Exhibit 2

[Documentation provided by CDWR to Roseville via electronic file transfer]

Exhibit G- Additional Units Dispatch Protocol

1. Overview

During the Term of the Third Amended and Restated Site Use and Installation Agreement between the California Department of Water Resources (CDWR) and the City of Roseville (Roseville), the Additional Units at the Roseville Power Plant 2 site will be utilized only during times of stress on the California electric grid determined by a California Balancing Authority Area (BAA) or in support of Roseville's reliability when Available Supply resources owned by and/or contracted with Roseville are projected to be at or below an agreed-upon Reliability Threshold, as defined in Section 4.

2. Default Condition

In the default condition, the California and Roseville electric grids are functioning normally, and supply resources exceed the load forecast by a Reliability Threshold agreed upon between Roseville and CDWR, as discussed below. In this condition, the Additional Units are available but would be placed under an Environmental Outage, as defined by CAISO and/or BANC operating procedures, to prevent dispatch even if market prices exceed the marginal cost for the Additional Units.

3. Support for the California Electric Grid

The Additional Units will be dispatched to support the California electric grid and California Balancing Authority Areas (BAAs) during abnormal conditions as determined by a California BAA. For the purposes of this dispatch protocol, California BAAs are defined as:

1. California Independent System Operator (CAISO)
2. Balancing Authority of Northern California (BANC)
3. Imperial Irrigation District (IID)
4. Los Angeles Department of Water and Power (LADWP)
5. Turlock Irrigation District (TID)

As noted above, during the default condition, the Additional Units will be under an Environmental Outage to prevent dispatch for normal market operation. The Environmental Outage will be lifted by Roseville or its representative if either of the following conditions are declared by a California BAA or local transmission service provider:

- a. An Energy Emergency Alert (EEA) Notice is issued by RC West or a California BAA¹ or
- b. A local transmission emergency is declared by BANC or the Western Area Power Administration.

When either (or both) of the above conditions exists, Roseville or its representative shall immediately remove the Environmental Outage card for the Additional Units and release them to be available for dispatch in the Western Energy Imbalance Market (WEIM). If the Environmental Outage card is not lifted within one hour of Condition 3a occurring, a penalty of \$60,000 will be assessed against Roseville for each incident. Coincident or overlapping BAA EEA events will be considered a single incident. Failure of WEIM to dispatch, failure to

¹ An EEA Notice may be issued earlier than the EEA Declaration time.

start, or forced outages will be deemed as excused incidents for purposes of scheduling penalties for the Additional Units.

4. Roseville Reliability Support

In addition to Conditions 3a and 3b, the Additional Units may be utilized for the following conditions to support Roseville's reliability during stressed system conditions:

- a. Reliability Threshold - Roseville's Scheduling Coordinator declares that the total of Roseville's Available Supply including owned and contracted resources, cannot meet at least 108% of Roseville's forecasted load in the Real-Time Market (*i.e.*, the Western Energy Imbalance Market).
 - i. Available Supply – Available Supply is the total supply owned and contracted for by Roseville less the Additional Units, and reduced by various real-time conditions such as planned, unplanned or forced outages, derating of the transmission system used by Roseville for energy delivery, and hydro derates due to drought. Planned outages for the Additional Units will only take place between November 1st and April 30th.
- b. Maintenance and testing of the Additional Units.

During Conditions 4a and 4b described above, Roseville or its representative may lift the Environmental Outage card or base schedule the Additional Units for the duration of the event. The Additional Units will be shut down and return to the default condition within one hour after Available Supply resources exceed load by the agreed-upon Reliability Threshold.

5. Reporting

By December 15 of each year, Roseville shall provide a report to CDWR capturing the prior 12 months (November 1 – October 31). The report shall document the periods when Roseville had utilized the Additional Units under Conditions 4a and 4b. For Condition 4a, Roseville shall provide a summary at hourly granularity of when Available Supply was at or below the Reliability Threshold. For Condition 4b, Roseville shall provide a summary at daily granularity when the Additional Units were online for maintenance and testing and a brief description of the maintenance work and testing rationale. The annual report shall utilize settlement quality meter data, to conform to standards consistent with reporting to State and Federal regulatory bodies, and be signed by Roseville Electric's Utility Director or Chief Operating Officer as true and correct to the best of their knowledge.

By March 1 or the next business day of each year, Roseville shall provide CDWR with copies of any Quarterly Emissions Report(s) submitted to the United States Environmental Protection Agency (EPA), and by April 15 or the next business day of each year, shall provide copies of the Greenhouse Gas (GHG) emissions report(s) submitted to the California Air Resources Board (CARB) for the emissions of the Additional Units for the prior calendar year (January 1 – December 31), and any other emissions data requests for the Additional Units on which CDWR and Roseville mutually agree.

Roseville will develop a procedure, with input from CDWR, for prompt EEA event noticing to CDWR, and distribution of raw meter data from the Additional Units by the following morning.

6. Amendment

This Additional Units Dispatch Protocol may be amended in writing only by mutual agreement of the Parties, including temporary adjustment to the Reliability Threshold for exigent circumstances.

THIS SECOND AMENDED AND RESTATED OPERATIONS AND MAINTENANCE AGREEMENT ("**Agreement**"), dated as of the date of the last signature below (the "**Effective Date**"), is made by and between the CALIFORNIA DEPARTMENT OF WATER RESOURCES ("**CDWR**" or "**Owner**") and the CITY OF ROSEVILLE, a municipal corporation ("**ROSEVILLE**" or "**O&M Contractor**"). Each of Owner and O&M Contractor are also referred to herein as a "**Party**" and collectively as the "**Parties**".

RECITALS

A. On July 30, 2021, the Governor of the State of California proclaimed a state of emergency due to the accelerating and compounding effects of continuing wildfires, ongoing drought, and extreme heat conditions caused by climate change, which have resulted in an additional projected energy supply shortage of up to 3,500 megawatts during the afternoon-evening "net-peak" period of high power demand on days when there are extreme weather conditions. The proclamation directs CDWR to enter into contracts for the procurement of materials, goods and services necessary for projects likely to be online by October 31, 2021, that would expand energy supply and storage to respond to these projected energy supply shortages.

B. Pursuant to the foregoing proclamation, CDWR has purchased and currently owns two General Electric TM2500 combustion turbine generators with selective catalytic reduction systems (the "**Additional Units**") and has entered into the Site Agreement (as defined below) to obtain a site on which the Facility can be installed and operated through October 31, 2029, at which time the Additional Units would be purchased by Roseville. The Facility will be used to provide additional energy supplies to the California electric grid during grid emergencies as well as Roseville's local reliability needs during stressed conditions during this period.

C. CDWR wishes to engage Roseville to act as O&M Contractor of, and provide maintenance services for the Additional Units, and Roseville is willing to provide such services on the terms and conditions set forth herein.

NOW, THEREFORE, for good and valuable consideration, the Parties agree as follows:

1. **Definitions; Rules of Interpretation.**

Definitions. Unless otherwise required by the context in which a defined term appears, the following terms shall have the meanings specified in this Section 1. Terms that are defined in other Sections shall have the meanings given to them in those Sections.

"**Additional Units**" shall have the same meaning as provided in the concurrently executed Third Amended Site Use and Installation Agreement.

"**BANC**" means the Balancing Authority of Northern California, the Balancing Authority in which Roseville is located.

"**Bankrupt**" means with respect to any entity, such entity (i) files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause of action under any bankruptcy, insolvency, reorganization or similar law, or has any such petition filed or commenced against it and such petition filed or commenced against it is not stayed or dismissed within ninety (90) days thereafter, (ii) makes an assignment or any general arrangement for the benefit of creditors, (iii) otherwise becomes bankrupt or insolvent (however evidenced), (iv) has a liquidator, administrator, receiver, trustee, conservator or similar official appointed with respect to

it or any substantial portion of its property or assets, or (v) is generally unable to pay its debts as they become due.

“Business Day” means any day other than Saturday, Sunday, and any day that is a holiday observed by Federal Reserve member banks in San Francisco, California.

“CAISO” means the California Independent System Operator Corporation or any successor entity performing similar functions.

“Confidential Information” means any information disclosed in writing or orally by one Party to the other Party that is or relates to (a) the terms and conditions of, and proposals and negotiations related to, this Agreement, (b) information (i) necessary to protect the reliability and security of each Party’s electric systems, (ii) defined as Critical Energy Infrastructure Information, as defined in Title 18 of the Code of Federal Regulations, or (iii) related to any aspect of the business of a Party which is either information not known by actual or potential competitors of the other Party or is proprietary information of a Party, whether of a technical nature or otherwise and is marked as such, or (c) information that the Disclosing Party stamps or otherwise identifies as “confidential” or “proprietary” before disclosing it to the Receiving Party; provided however, that Confidential Information shall not include (i) information that was publicly available at the time of the disclosure, other than as a result of a disclosure in breach of this Agreement; (ii) information that becomes publicly available through no fault of the Receiving Party after the time of the delivery; (iii) information that was rightfully in the possession of the Receiving Party (without confidential or proprietary restriction) at the time of delivery or that becomes available to the Receiving Party from a source not subject to any restriction against disclosing such information to the Receiving Party; and (iv) information that the Receiving Party independently developed without a violation of this Agreement.

“Contract Year” has the same meaning as in the Site Agreement.

“Environmental Law” means any Law or Permit, or any lawfully promulgated regulation implementing such Law, and any binding judicial or administrative interpretation or requirement thereof, pertaining to (i) the regulation or protection of employee health or safety, public health or safety, or the indoor or outdoor environment; (ii) the conservation, management, development, control or use of land, natural resources, or wildlife; (iii) the protection or use of surface water or ground water; (iv) the management, manufacture, possession, presence, use, generation, treatment, storage, disposal, transportation, or handling of, or exposure to any Hazardous Substances; or (v) pollution (including release of any hazardous substance to air, land, surface water and ground water), including the Comprehensive Environmental Response, Compensation and Liability Act, the Superfund Amendments and Reauthorization Act of 1986, the Hazardous Material Transportation Act, the Resource Conservation and Recovery Act of 1976, the Toxic Substances Control Act, the Federal Water Pollution Control Act, the Clean Water Act, the Clean Air Act, the Occupational Safety and Health Act, any so-called “superlien” law, all as now or hereafter amended or supplemented, and any regulations promulgated thereunder, and any other similar federal, state, or local statutes, rules and regulations.

“EPC Contractor” has the same meaning as in the Site Agreement.

“Good Industry Practice” means those practices, methods and acts that would be implemented and followed by prudent builders, owners, lessors, and operators of electric generation facilities similar to the Units in the western United States during the relevant time period, which practices, methods and acts, in the exercise of prudent and responsible professional

judgment in the light of the facts known at the time the decision was made, could reasonably have been expected to accomplish the desired result consistent with good business practices, reliability and safety, and shall include, at a minimum, those professionally responsible practices, methods and acts described in the preceding sentence that comply with manufacturers' warranties, restrictions in this Agreement, and the requirements of governmental authorities, NERC or WECC reliability standards, the CAISO and Applicable Laws. Good Industry Practice is not intended to be the optimum practice, method or act to the exclusion of all others, but rather is intended to be any of the practices, methods and/or actions generally accepted in the region.

"Governmental Authority" means any federal, state, local or municipal government, any political subdivision thereof or any other governmental, regulatory or judicial instrumentality, authority, body, agency, department, bureau, or entity with authority to bind a Party at law, including CAISO; provided, however, that "Governmental Authority" shall not in any event include any Party.

"Hazardous Substances" means (a) any chemical, material or substance that is listed or regulated under applicable Laws as a "hazardous" or "toxic" substance or waste, or as a "contaminant" or "pollutant" or words of similar import, (b) any petroleum or petroleum products, flammable materials, explosives, radioactive materials, asbestos, urea formaldehyde foam insulation, and transformers or other equipment that contain polychlorinated biphenyls, and (c) any other chemical or other material or substance, exposure to which is prohibited, limited or regulated by any Laws.

"Law" means any law, statute, rule, regulation, decision, writ, order, decree or judgment, permit, license or authorization, or any lawfully promulgated regulation or any interpretation thereof, promulgated, adopted or issued by a Governmental Authority.

"Major Equipment Failure" has the meaning defined in the Site Agreement.

"NERC" means the North American Electric Reliability Corporation or any successor thereto.

"NERC Reliability Standards" shall mean the mandatory reliability standards developed by NERC and approved by the Federal Energy Regulatory Commission, as they apply to the Additional Units.

"Operations and Maintenance Manuals" means the operating data, design drawings, specifications, vendors' manuals, warranty requirements, procedures (including those for maintenance of the Additional Units and environmental and safety compliance), and similar materials with respect to the Additional Units.

"Permit" means any permit, authorization, consent, approval, license, order, filing, waiver, exception, variance or exemption filed with or issued by any Governmental Authority and shall include those siting and operating permits and licenses required for the installation, testing, commissioning, operation, maintenance, decommissioning or removal of the Units in compliance with all applicable Laws.

"Process Documentation" has the meaning set forth in Section 6.1.

"Project" means the installation, testing, commissioning, and operating the Additional Units at the Site.

"Project Agreements" means the agreements between CDWR and Roseville relating to the Project, including any Interconnection Agreement, this Agreement, Maintenance Service Agreement and Warranty Agreement and all other agreements applicable to the Project, permits, and licenses required for the operation, maintenance and management of the Project, as identified in writing by Owner.

"Reimbursable Costs" has the meaning set forth in Section 5.3.

"Services" has the meaning set forth in Section 3.1.

"Site" means the area designated as the "Site" on Exhibit A of the Third Amended and Restated Site Use and Installation Agreement.

"Site Agreement" means that certain Third Amended and Restated Site Use and Installation Agreement, as amended, dated as of the Effective Date of that agreement, by and between Roseville, as licensor, and CDWR, as licensee.

"WAPA" has the same meaning as in the Site Agreement.

"WECC" means Western Electricity Coordinating Council or any successor thereto.

"WEIM" has the same meaning as in the Site Agreement.

1.2 Rules of Interpretation.

(a) The following rules of interpretation shall apply to this Agreement, unless otherwise specified or required by the context:

(i) Terms defined in the singular shall include the plural and vice versa;

(ii) References to "Sections" and "Exhibits" shall be to sections or exhibits of this Agreement;

(iii) All references to a particular entity shall include a reference to such entity's successors and permitted assigns;

(iv) The words "herein," "hereof," and "hereunder" shall refer to this Agreement as a whole and not to any particular section or subsection hereof;

(v) References to this Agreement shall include a reference to all exhibits hereto, as the same may be amended, modified, supplemented, or replaced from time to time;

(vi) Terms used in the masculine shall include the feminine and vice versa;

(vii) The terms "include" and "including," when used in this Agreement, shall mean to include without limitation; and

(viii) The term "day" when used in this Agreement shall mean a calendar day unless specified otherwise.

(b) Capitalized terms, used but not otherwise defined herein, shall have the meaning ascribed to them in the CAISO Tariff.

(c) Any and all logs, records, reports, and other documents required to be maintained or provided to CDWR by Roseville may be provided in electronic form.

2. Engagement of O&M Contractor.

2.1. Engagement. Owner hereby engages O&M Contractor as an independent contractor to operate, and maintain and repair, to the extent required herein, the Additional Units on the Site, to perform certain administration and management services, and to perform certain other duties, all as set forth in this Agreement. O&M Contractor accepts such engagement and agrees to perform in accordance with the terms and conditions hereof.

2.2. Relationship. O&M Contractor is an independent contractor of Owner with respect to the performance of its obligations hereunder. Neither O&M Contractor nor its Affiliates, employees, subcontractors, vendors or suppliers, or the employees of any such parties employed in connection with this Agreement shall be deemed to be agents, representatives, employees, or servants of Owner. O&M Contractor shall not have the right or authority to assume, create or incur any liability or obligation, express or implied, against, in the name of, or on behalf of Owner. This Agreement is not intended to create, and shall not be construed to create, a relationship of partnership or an association of profit between Owner and O&M Contractor.

2.3. Engagement of Third Parties.

O&M Contractor may engage third party subcontractors for the purpose of performing Scheduled Maintenance, Emergency Actions, or other actions pursuant to Sections 3.8 and 3.9 under this Agreement; provided, however, that such engagement shall not relieve O&M Contractor of any of its obligations or liabilities under this Agreement, including those set forth in Section 14; and provided further that O&M Contractor's use of Subcontractors shall not modify or increase the compensation payable to O&M Contractor pursuant to Section 5.

As between Owner and O&M Contractor, and subject to the limitation of liability set forth in Section 14.2 herein, O&M Contractor shall be solely responsible for the acts, errors, omissions and defaults of its subcontractors and their employees, and all Persons engaged by O&M Contractor pursuant to this Section 2.3 with respect to services provided by such Person on behalf of O&M Contractor. Nothing in this Agreement shall be construed to impose on Owner any obligation, liability or duty to a subcontractor, or to create any contractual relationship between such subcontractor and Owner, including the obligation to pay or see to the payment of any moneys due such Subcontractor.

SECTION 3. SERVICES TO BE PROVIDED; DUTIES OF O&M CONTRACTOR.

3.1. Scope of Services. In consideration of the CDWR EPC Payment (as defined in Section 5.1) payable to O&M Contractor hereunder, O&M Contractor agrees to operate and maintain, to the extent required herein, the Additional Units at the Site in accordance with the terms of this Agreement and in accordance with the standards set forth herein, and in furtherance thereof to provide the following services during the Term of this Agreement.

O&M Contractor shall (i) operate, maintain and manage, to the extent required herein, the Additional Units on behalf of Owner ("Services") and (ii) also perform the specific duties set forth

in this Agreement if they are not otherwise required by the standards defined in Section 3.2 and Exhibit A.

3.2. Standards for Performance of the Services. O&M Contractor shall perform the Services required under this Agreement, including those set forth in Exhibit A, in a prudent, reasonable, and efficient manner and in accordance with (i) Operating Manuals, the Process Documentation (as defined in section 6.1) and applicable vendor warranties, (ii) [RESERVED], (iii) all applicable Laws, (iv) Good Industry Practice, (v) the Project Agreements, (vi) the requirements of BANC and WAPA instructions, tariffs, and business practices, and (vii) all insurance policies specified in Section 12 of this Agreement. O&M Contractor shall use all reasonable efforts to optimize the useful life of the Additional Units and to minimize Project outages or other unavailability.

3.3 General Operating Standards.

(a) In performing its obligations hereunder, O&M Contractor shall use commercially reasonable efforts to be consistent with the requirements of this Agreement and the Project Agreements, and shall use commercially reasonable efforts in meeting the Parties' respective goals for the Additional Units, this Agreement, the Site Agreement, and the dispatch protocol attached to the Site Agreement.

(b) O&M Contractor shall take all necessary steps to cause the Additional Units to operate in accordance with all applicable Laws or other requirements, including those set forth by the North American Electric Reliability Corporation, Environmental Laws, and safety laws, in each case, to the extent applicable to O&M Contractor's scope of work hereunder.

(c) O&M Contractor shall perform its obligations hereunder in accordance with the terms of this Agreement, Good Industry Practice, applicable Laws (including Environmental Laws and Safety Laws), and Permits,.

(d) [RESERVED]

3.4. O&M Contractor's Personnel Standards. O&M Contractor shall provide as reasonably necessary all labor and professional, supervisory and managerial personnel as are required to perform the Services. Such personnel shall be qualified to perform the duties to which they are assigned and shall meet any requirements for Project personnel under the Project Agreements. Working hours, rates of compensation and all other matters relating to their employment of all individuals employed by O&M Contractor to perform the Services shall be determined solely by O&M Contractor (other than any indirect impact on matters relating to employment that may result from the Owner's approval rights with respect to the Annual Budget). With respect to labor matters, hiring personnel, and employment policies, O&M Contractor shall comply with all applicable Laws. O&M Contractor also shall act in a reasonable manner that is consistent with the intent and purpose of this Agreement and with O&M Contractor's acknowledgment (hereby given) that O&M Contractor has no authority to enter into any contracts with respect to labor matters that purport to bind or otherwise obligate Owner.

3.5. Operating Records and Reports. O&M Contractor shall maintain, in electronic form accessible to Owner, the Project operating logs, records, and reports that document the operation and maintenance of the Project, all in form and substance sufficient to meet Owner's reporting requirements under the Project Agreements. O&M Contractor shall maintain current revisions of drawings, specifications, lists, clarifications and other materials related to operation and maintenance of the Project provided to O&M Contractor by Owner and vendors. O&M Contractor

shall provide Owner reasonably necessary assistance in connection with Owner's compliance with reporting requirements under the Project Agreements, applicable Laws or any other agreement to which Owner is a party relating to the Project. Such assistance shall include providing in electronic form reports, records, logs and other information that Owner may reasonably request as to the Project or its operation.

3.6. No Liens or Encumbrances. O&M Contractor shall maintain the Project free and clear of all liens and encumbrances resulting from any action of O&M Contractor or work done at the request of O&M Contractor, except for such liens or encumbrances that result directly from nonpayment by Owner of amounts due and owing to O&M Contractor under this Agreement.

3.7. No Action. Except where such action is expressly permitted by this Agreement, O&M Contractor shall not take any action that would cause a default under any Project Agreement.

3.8. Emergency Action. If an emergency endangering the safety or protection of persons, the Additional Units, or property located near the Additional Units occurs, O&M Contractor shall promptly notify Owner and take all necessary action to attempt to prevent or mitigate any such threatened damage, injury or loss. O&M Contractor shall make reasonable efforts to minimize any cost associated with remedial action in case of such an emergency.

3.9. Overhaul of Major Equipment and Capital Improvements. The cost of all major equipment teardowns and overhauls and all capital improvements shall be the responsibility of Roseville. Roseville agrees to insure the Additional Units against all Major Equipment Failures.

SECTION 4. OWNER RESPONSIBILITIES

4.1. Information. Owner shall provide O&M Contractor with all vendor manuals, spare parts lists, Project data books and drawings which are provided to Owner pursuant to any Project Agreement or by any contractor responsible for construction, installation, repair or maintenance of the Project or a part thereof. Subject to the standards of performance set forth in Section 3.2, O&M Contractor shall be entitled to rely upon such information in performance of the Services. Owner shall also provide O&M Contractor with copies of all Project Agreements and any amendments thereto and any other documents that define the Additional Units' operating requirements.

4.2. [RESERVED]

4.3. [RESERVED]

Section 5. Compensation.

5.1. Payments. As compensation to O&M Contractor for performance of the Services hereunder, CDWR will pay to Roseville the sum of eight million dollars (\$8,000,000) toward Owner's EPC Contractor costs of installation, testing, and commissioning the Additional Units ("CDWR EPC Payment"). The CDWR EPC Payment will be billed based on the milestone payment schedule provided by Roseville's EPC Contractor. The first four million dollars (\$4,000,000) will be paid based on invoice from Roseville after approval of Roseville's contract with its EPC Contractor by the Roseville City Council. The second four million dollars (\$4,000,000) will be paid based on invoice from Roseville upon commencement of decommissioning of the existing Roseville-owned generators at the Site as provided in Exhibit C. The eight million dollars (\$8,000,000) may be paid from either this Second Amended Operations and Maintenance Agreement or the Third Amended and Restated Site Use and Installation Agreement, or both. But in no event shall the CDWR EPC Payment exceed \$8,000,000 across these two agreements.

5.2. [RESERVED]

5.3. [RESERVED]

5.4. [RESERVED]

5.5. Billing and Payment.

Roseville shall invoice CDWR for the CDWR EPC Payments provided in Section 5.1. Within 45 days after receipt of any such invoice, CDWR shall:

(a) The CDWR EPC Payment shall be payable by CDWR to Owner in accordance with the amounts and dates set forth in Section 5.1 on or before the forty-fifth (45th) day after receipt of the invoice (California Prompt Payment Act; Government Code, Section 927, et seq). If the due date falls on a non-Business Day, then the payment shall be due on the following Business Day. Payment shall be deemed delivered on time if sent via electronic funds transfer, as set forth in Exhibit E, prior to 5 p.m. Pacific time on the due date. CDWR shall submit all payments under this Agreement to Owner at the payment address shown in Exhibit C. Any changes to the address designated for purposes of payment must be made by written notice to CDWR at the address listed in Exhibit C at least sixty (60) days prior to the first submittal of payment to the new address.

(b) The CDWR EPC Payment is a fixed amount and is not subject to dispute. If it is determined by a court of applicable jurisdiction that a disputed amount or part thereof that was paid was not in fact due and owing, Owner shall refund such amount to CDWR within thirty (30) days after resolution of such dispute, together with interest on such amount from the date paid to, but not including, the date refunded at the interest rate set forth in the California Prompt Payment Act (Government Code Section 927 et seq.).

(c) Penalties for delinquent payments shall be assessed in accordance with the California Prompt Payment Act (Government Code Section 927 et seq.) as may be amended. Interest on delinquent amounts (including amounts determined to be owed as a result of the resolution of a billing dispute) shall be calculated at the interest rate specified in the California Prompt Payment Act (Government Code Section 927 et seq.) as may be amended: from the original due date (or, for amounts not properly invoiced, the date that would have been the due date if such amounts were properly invoiced) to the date of payment.

Section 6. PROCEDURES, PLANS AND REPORTING

6.1. Process Documentation. Upon the execution of this Agreement, the parties will develop documented processes for any necessary (i) reporting and correspondence pursuant to this Agreement, (ii) procurement and contracting, and (iii) accounting, bookkeeping and record-keeping. The Process Documentation will outline the covered activities of O&M Contractor for the term of this Agreement, subject to such revision and amendment as agreed in writing by Owner and O&M Contractor.

6.2. [RESERVED]

6.3. [RESERVED]

6.4. Accounts and Reports. Any accounting and reporting for the Additional Units shall be as provided in the Site Agreement.

Section 7. Term. This Agreement will be effective as of the Effective Date and will continue in effect until October 31, 2029, unless sooner terminated as provided herein (the “**Term**”). There are no rights to extend the Term beyond that date.

Section 8. Force Majeure.

8.1 Definition. “**Force Majeure**” means: any cause or event beyond the reasonable control of the affected Party which causes the affected Party to fail to perform that (i) was not specifically foreseeable as of the Effective Date; (ii) was not due to the fault or negligence of the affected Party, and (iii) could not reasonably have been avoided, overcome, prevented, or mitigated, by the affected Party’s exercise of due diligence and use of reasonable precautions and efforts. Subject to the foregoing requirements, events that could qualify as Force Majeure include (a) acts of God, such as droughts, floods, earthquakes, volcanic eruption, epidemics, pandemics or other natural disasters, (b) fires, explosions, or accidents that could not have been prevented by acting in accordance with Good Industry Practice, or (c) war (declared or undeclared), riots, insurrection, rebellion, acts of the public enemy, acts of vandalism, terrorism and/or sabotage, civil disturbance, public disorder, blockades, embargoes, sanctions, import-export controls, or industry-wide strikes. However, Force Majeure shall not include the following events except the portions of such events caused solely by an event of Force Majeure as enumerated in clauses (a), (b) and (c) of the preceding sentence: (1) general market conditions or the economic hardship of either Party, (2) events arising from the failure to operate or maintain the Units in accordance with Good Industry Practice, (3) events that merely increase the cost of a Party’s performance; (4) failure of third parties to provide goods or services essential to a Party’s performance, (5) mechanical breakdown, or electrical breakdown, or failure of any machinery or equipment constituting all or part of the Additional Units, (6) [Reserved], (7) [Reserved], (8) any delay in obtaining, or denial of, any Permit, (9) any delay in providing, failure to obtain, or cancellation of, interconnection service, (10) the inability of a Party to make payments when due under this Agreement, (11) a strike, work stoppage or labor dispute limited only to a Party, its contractors, and their respective Affiliates or subcontractors or any other third party employed by such Party to perform its obligations hereunder, or (12) any delay resulting from litigation relating to or affecting the Additional Units or the Site.

8.2 Effect of Force Majeure. To the extent either Party is prevented by Force Majeure from carrying out, in whole or part, its obligations under this Agreement, and such Party (the “**Claiming Party**”) gives notice and details of the Force Majeure to the other Party as soon as practicable, then, unless as otherwise expressly provided herein, the Claiming Party shall be excused from the performance of its obligations (other than the obligation to make payments then due or becoming due with respect to performance prior to the Force Majeure) to the extent affected by the Force Majeure, and no Event of Default shall occur as a result of the failure to perform any excused obligation. The Claiming Party shall remedy the Force Majeure with all reasonable dispatch. The non-Claiming Party shall not be required to perform or resume performance of its obligations to the Claiming Party corresponding to the obligations of the Claiming Party excused by Force Majeure. If a Force Majeure event continues for six months, either party may terminate this Agreement upon proper notice under Section 10.1(a)(1).

8.3 Notice of Force Majeure. Any Party claiming Force Majeure shall advise the other Party as soon as possible of the occurrence of the Force Majeure event and shall provide the other Party with the basis of the claim, in writing, within ten (10) days of the occurrence of the

Force Majeure event. The Parties shall make reasonable efforts to avoid the adverse impacts of a Force Majeure and to resolve the event or occurrence once it has occurred to resume performance.

8.4 [RESERVED.]

Section 9. Events of Default. An “Event of Default” shall mean, with respect to a Party (a “Defaulting Party”), the occurrence of any of the following:

(a) With respect to either Party:

(i) the failure to make, when due, any payment required pursuant to this Agreement if such failure is not remedied within fifteen (15) Business Days after written notice of the failure,

(ii) any representation or warranty made by such Party herein is false or misleading in any material respect when made or when deemed made or repeated if the representation or warranty is continuing in nature, which misrepresentation or breach of warranty is not cured within thirty (30) days after written notice thereof,

(iii) except for an obligation to make payment when due, the failure to perform any material covenant or obligation set forth in this Agreement (except to the extent constituting a separate Event of Default or to the extent excused by a Force Majeure) if such failure is not remedied within sixty (60) days after written notice (or a reasonable amount of time in the case of a Major Equipment Failure), which written notice sets forth in reasonable detail the nature of the failure; provided, however, that if such failure is not reasonably capable of being remedied within the sixty (60) day cure period, such Party shall have such additional time (not exceeding an additional ninety (90) days) as is reasonably necessary to remedy such failure, so long as such Party promptly commences and diligently pursues such remedy;

(iv) Such Party becomes Bankrupt;

(v) Such Party consolidates or amalgamates with, or merges with or into, or transfers all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving or transferee entity fails to assume all the obligations of that Party under this Agreement to which it or its predecessor was a party by operation of law or pursuant to an agreement reasonably satisfactory to the other Party;

(vi) Such Party assigns this Agreement or any of its rights hereunder other than in compliance with Section 15;

(vii) A default under the provisions of the Site Agreement; or

(viii) A Force Majeure event continues for six (6) months, as described in Section 8.2.

10. **Remedies; Termination Rights.**

10.1 **Remedies for Events of Default.**

(a) If an Event of Default with respect to a Defaulting Party has occurred and is continuing, the other Party ("**Non-Defaulting Party**") shall have the right to do any one of more of the following, which rights shall be cumulative and in addition to the rights of the Parties otherwise provided in this Agreement:

(i) Terminate this Agreement by sending a written notice, designating a day, no earlier than the day such notice is deemed to be received and no later than sixty (60) days after such notice is deemed to be received, as an early termination date of this Agreement ("**Early Termination Date**");

(ii) Accelerate all amounts owing between the Parties as of the Early Termination Date;

(iii) Withhold any payments due to the Defaulting Party under this Agreement pending resolution of amounts owed by or to each Party;

(iv) Suspend performance of its obligations under this Agreement;

(v) Subject to Section 14, recover monetary damages as allowed by law; and

(vi) Exercise any other rights or remedies available at law or in equity to the extent otherwise permitted under this Agreement;

(b) The Non-Defaulting Party's election to exercise or not exercise any of the above rights following an Event of Default shall not constitute a waiver by the Non-Defaulting Party of any remedy with respect to any subsequent Event of Default by the Defaulting Party. Amounts accelerated pursuant to Section 10.1(a)(ii) shall be netted, and the Party owing the net amount shall pay such amount to the other Party (or apply such amount against other amounts owed by the Defaulting Party, if the Non-Defaulting Party owes the net amount).

10.2 [RESERVED].

10.3 **Other Termination Rights.** In addition to a Non-Defaulting Party's right to terminate as the result of an Event of Default with respect to the Defaulting Party, ROSEVILLE will have the following rights to terminate this Agreement by sending written notice designating an Early Termination Date in the same manner as provided in Section 10.1(a)(i) (although such termination is not due to an Event of Default). Any such termination shall be with no further liability on the part of either Party, except all indemnification obligations in Section 11 shall survive such termination and shall continue in effect. ROSEVILLE may terminate this Agreement if:

(a) [Reserved];

(b) ROSEVILLE reasonably determines that, through no default or failure of either Party, the Additional Units cannot be operated or dispatched in compliance with applicable Laws or Permits;

(c) [Reserved]; or

(d) the Site Agreement is terminated for any reason.

10.4. **[Reserved]**

11. **Indemnification.**

11.1 **Indemnification By CDWR.** To the fullest extent allowed by law, CDWR shall indemnify, defend, save and hold harmless ROSEVILLE, its Affiliates and their respective officers, directors, employees, partners, lenders, agents and representatives, and their respective successors and assigns (collectively, the “**ROSEVILLE Indemnified Parties**”) from and against any and all losses, claims, demands, damages, liabilities, judgments, fines, penalties, costs and expenses, including reasonable attorneys’ fees, expert fees and court costs (“**Losses**”), incurred by or asserted against any ROSEVILLE Indemnified Party arising out of or resulting from (i) any injury or damage to persons or property as a result of any acts or omissions of CDWR, its employees, agents, representatives, contractors or subcontractors in, on or about the Additional Units or in the performance of any work or activities related to this Agreement, or (ii) the breach of any covenant or representation made by CDWR under this Agreement.

11.2 **Indemnification By ROSEVILLE.** To the fullest extent allowed by law, ROSEVILLE shall indemnify and hold harmless CDWR and its officers, directors, employees, agents and representatives, and their respective successors and assigns (collectively, the “**CDWR Indemnified Parties**”) from and against any and all Losses incurred by or asserted against any CDWR Indemnified Party arising out of or resulting from (i) any injury or damage to persons or property caused by the gross negligence or willful misconduct of ROSEVILLE, its employees, agents, representative, contractors or subcontractors in, on or about the Units or in the performance of any work or activities related to this Agreement, or (ii) the breach of any covenant or representation made by ROSEVILLE under this Agreement.

11.3 **Indemnification Procedure.** Promptly following receipt by an Indemnified Party of notice of a matter subject to indemnification under Section 11.1 or 11.2, as applicable, including the commencement of any action, administrative or legal proceeding, or investigation as to which an indemnity provided for in Section 11.1 or 11.2, as applicable, may apply the Indemnified Party shall give the Indemnifying Party written notice of such matter. The Indemnifying Party shall assume the defense of such matter with, if applicable, counsel designated by the Indemnifying Party and reasonably satisfactory to the Indemnified Party, *provided*, if both the Indemnified Party and the Indemnifying Party are involved in such matter (including as co-defendants) and the Indemnified Party shall have reasonably concluded that there may be legal defenses available to it which are different from or additional to, or inconsistent with, those available to the Indemnifying Party or that there is a conflict of interest between the interests of the Indemnified Party and the Indemnifying Party in such matter, the Indemnified Party shall have the right to select and be represented by separate counsel, at the Indemnifying Party’s expense. If the Indemnifying Party fails to assume the defense of a claim or other matter properly indemnifiable under Section 9.1 or 11.2, as applicable, the Indemnified Party may at the expense of the Indemnifying Party contest, settle, or pay such claim as it considers appropriate.

11.4 **Survival.** The provisions of this Section 11 shall survive the termination of this Agreement.

12. **Insurance.** Each Party will obtain and maintain in force the insurance described in Exhibit D. However, such insurance shall not be a limitation on a Party’s liabilities or obligations hereunder, nor will failure to obtain or maintain any insurance relieve a Party of any such obligations or liabilities. Each Party shall be responsible for all deductible amounts under such insurance policies. Roseville also agrees that it will maintain an insurance policy(ies) with terms

to be agreed upon by CDWR that insures against Major Equipment Failures. Such agreement by CDWR shall not be unreasonably withheld and CDWR agrees to cooperate with Roseville in insurance procurement. However, such insurance shall not be a limitation on a Party's liabilities or obligations hereunder, nor will failure to obtain or maintain any insurance relieve a Party of any such obligations or liabilities. Each Party shall be responsible for all deductible amounts under such insurance policies. Roseville agrees that the only deductible amounts that may be claimed against the yearly Limitation of Liability provided in Section 14 are those attributable to claims related to the Additional Units, including if necessary a prorated calculation of the value of the Additional Units compared to all assets insured under the policy. The Parties agree they may adjust the insurance coverage on the Additional Units during the Term, if conditions change.

13. **Representations and Warranties.** As of the Effective Date, each Party represents and warrants to the other Party that:

(a) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation;

(b) except for the Permits necessary for the installation and operation of the Units, it has received all regulatory authorizations necessary for it to legally perform its obligations under this Agreement;

(c) the execution, delivery and performance of this Agreement are within its powers, have been duly authorized by all necessary action and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any applicable Law;

(d) this Agreement, and any other document executed and delivered in accordance with this Agreement, constitutes its legally valid and binding obligation enforceable against it in accordance with its terms, subject to Laws of general applicability limiting the enforcement of creditors' rights and to any equitable defenses;

(e) it is not Bankrupt and there are no proceedings pending or being contemplated by it or, to its knowledge, threatened against it which would result in it being or becoming Bankrupt; and

(f) there is not pending or, to its knowledge, threatened against it any legal proceedings that could materially adversely affect its ability to perform its obligations under this Agreement.

14. **Limitations of Liability.**

14.1 **CDWR Liability.** Amounts due under this Agreement from CDWR shall not be payable from funds available in the State Water Resources Development Fund (which is authorized by statute at sections 12930 et seq. of the California Water Code), or any successor fund to which the funds currently allocated to the State Water Resources Development Fund may be reallocated to the extent such reallocated fund represents amounts dedicated to the State Water Resources Development Fund. Notwithstanding anything herein to the contrary, except for liability resulting from its gross negligence or willful misconduct, CDWR's liability under this Agreement shall not exceed \$9,000,000 between this Agreement and the Site Agreement.

14.2 **ROSEVILLE Liability.** Notwithstanding anything herein to the contrary, except for liability resulting from its gross negligence or willful misconduct, ROSEVILLE's liability under this

Agreement in any Contract Year shall not exceed \$3,500,000 between this Agreement and the Site Agreement.

14.3 General Limitations. THE PARTIES CONFIRM THAT THE EXPRESS REMEDIES AND MEASURES OF DAMAGES PROVIDED IN THIS AGREEMENT SATISFY THE ESSENTIAL PURPOSES HEREOF. FOR BREACH OF ANY PROVISION FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, THE OBLIGOR'S LIABILITY SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. EXCEPT AS EXPRESSLY PROVIDED IN THIS AGREEMENT WITH RESPECT TO LIABILITIES TO THIRD PARTIES, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS HEREIN IMPOSED ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID HEREUNDER ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED HEREUNDER CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS. THE PARTIES FURTHER AGREE THAT PAYMENT OF SUCH AMOUNT SHALL BE LIQUIDATED DAMAGES AND NOT AS A PENALTY, AND IS THEREFORE NOT SUBJECT TO AVOIDANCE UNDER CALIFORNIA CIVIL CODE SECTION 1671.

15. Assignment.

15.1 When Consent Required. Except as specifically provided herein, neither Party shall transfer or assign this Agreement or its rights hereunder, without the prior written consent of the other Party, which consent may not be unreasonably withheld, conditioned or delayed. Either Party may, without the consent of the other Party (and without relieving itself from any liabilities hereunder that arose prior to the date of such transfer unless assumed by the assignee) transfer or assign this Agreement or its rights hereunder: (i) to an Affiliate of such Party, or (ii) to any Person succeeding to all or substantially all of the assets of such Party; provided that the assignee assumes all of assignor's obligations; provided that such assignee assumes in writing all of assignor's obligations hereunder at least from and after the date of such assignment or transfer, and agrees to be bound by this Agreement.

15.2 Binding Effect. Subject to the foregoing, this Agreement shall benefit and be binding on the permitted successors and assigns of the Parties hereto. Any assignment or transfer not made in compliance with these provisions shall be null and void and of no force or effect.

16. Confidentiality.

16.1 Nondisclosure of Confidential Information. The Party receiving Confidential Information (the "**Receiving Party**") from the other Party (the "**Disclosing Party**") shall not disclose Confidential Information to a third party (other than the Party's officers, employees, directors, lenders (including potential lenders), counsel, accountants, or advisors, or any such

representatives of a Party's Affiliates, who have a need to know such information and have agreed to keep such terms confidential as provided herein) except in order to comply with any applicable Law, regulation, or any exchange, control area or independent system operator rule or in connection with any court or regulatory proceeding applicable to such Party or any of its Affiliates; provided, each Party shall use commercially reasonable efforts to prevent or limit the disclosure. The Parties shall be entitled to all remedies available at law or in equity to enforce, or seek relief in connection with, this confidentiality obligation.

16.2 Public Records Act. The Parties acknowledge and agree that this Agreement and the transactions hereunder are subject to the requirements of the California Public Records Act (Government Code Section 7920 *et seq.*) and the Ralph M. Brown Act (Government Code Section 54590, *et seq.*). Upon either Party's receipt of a request or demand from any Person not a Party hereto pursuant to the California Public Records Act for production, inspection and/or copying of Confidential Information ("**Requested Confidential Information**"), the Party receiving the request shall promptly notify the other in writing via email that such request has been made. Either Party shall have the right to take, at its sole expense, whatever legal steps are necessary to prevent release of the Requested Confidential Information to such Person by the other Party. If either Party takes no such action within a reasonable period of time after receiving the foregoing notice either Party may, in its discretion, comply with such third-party request or demand and is not required to defend against it. If either Party does take or attempt to take such action, the Parties shall cooperate in a timely manner to prevent the release of the Requested Confidential Information.

16.3 Injunctive Relief. Each Party acknowledges that its obligations hereunder as Receiving Party are necessary and reasonable in order to protect Disclosing Party and Disclosing Party's business, and expressly acknowledges that monetary damages would be inadequate to compensate Disclosing Party for any breach or threatened breach by Receiving Party of any covenants and agreements set forth herein. Accordingly, each Party acknowledges that any such breach or threatened breach by it as Receiving Party will cause irreparable injury to Disclosing Party and that, in addition to any other remedies that may be available, in law, in equity or otherwise, Disclosing Party will be entitled to obtain injunctive relief against the threatened breach of this Agreement or the continuation of any such breach, without the necessity of proving actual damages.

16.4 Press Releases. Neither Party shall issue a press release regarding the transactions contemplated by this Agreement unless both Parties have agreed upon the contents of any such public statement.

17. Notices. All notices required to be given under this Agreement shall, except as otherwise provided herein, be in writing and shall be sent by prepaid mail or overnight courier addressed to the respective Party at the addresses listed in Exhibit C or to such other address as may designated hereafter by a Party in writing by like notice from time to time. Any notice delivered after 5:00 p.m. Pacific Time on a Business Day shall be deemed to have been delivered on the following Business Day.

18. General.

18.1 Governing Law. This Agreement shall be governed by, construed under and enforced in accordance with the laws of the State of California without regard to principles of conflicts of law. The venue for any court action brought pursuant to this Agreement shall be Sacramento, California.

18.2 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which shall constitute one Agreement after each Party has signed at least one counterpart, and the Parties have exchanged signed counterparts. The exchange of copies of this Agreement and of signature pages by facsimile transmission, in portable document format (pdf) or by other electronic means shall constitute effective execution and delivery of this Agreement and may be used in lieu of the original Agreement for all purposes.

18.3 Entire Agreement. Together with the O&M Agreement and the Site Agreement and the respective exhibits attached thereto, this Agreement and the Exhibits attached hereto constitute the entire agreement and understanding between CDWR and ROSEVILLE with respect to the subject matter hereof and supersedes all prior agreements relating to the subject matter hereof, which shall be of no further force or effect. The Exhibits attached hereto are integral parts of this Agreement and are made a part of this Agreement by reference. To the extent that any provision of this Agreement or any paragraph, term, sentence, phrase, clause or word of this Agreement shall be found by a court of law having jurisdiction to be void, illegal or unenforceable for any reason, the Parties shall meet to determine whether this Agreement can fulfill the objectives of each Party notwithstanding such ruling. If either Party determines that this Agreement can no longer fulfill its objectives under such ruling, then either Party may terminate this Agreement. Otherwise, such paragraph, term, sentence, phrase, clause or word shall be deemed modified or deleted in such a manner as to make the Agreement, as so modified, legal and enforceable under applicable Laws. The remainder of the Agreement shall remain in full force and effect. This Agreement does not create, modify, or diminish any ownership or property rights, nor creates any easements or rights of entry, except as set forth explicitly in this Agreement.

18.4 Amendments. This Agreement may only be amended by an instrument in writing duly executed by ROSEVILLE and CDWR.

18.5 No Waiver. No waiver of either Party of an Event of Default by the other Party, nor any election to exercise or not exercise any rights following an Event of Default, shall constitute a waiver by such Party of any subsequent Event of Default by the other Party, whether similar or dissimilar, or of any remedy with respect thereto.

18.6 No Partnership. Nothing herein is intended to create or is to be construed as creating a joint venture, partnership, agency or other similar relationship between the Parties other than that of contracting parties as set forth in this Agreement. The rights and obligations of the Parties hereunder shall be independent of one another and shall be limited to those expressly set forth herein.

18.7 Third Party Beneficiaries. This Agreement is for the benefit of the Parties hereto and is not intended to be for the benefit of any third party except their respective Affiliates and Lenders of the Parties to the extent expressly set forth herein.

18.8 Joint Efforts. The Parties acknowledge and agree that each Party and its counsel have read this Agreement in its entirety, fully understand it and accept its terms and conditions. This Agreement shall be considered for all purposes as prepared through the joint efforts of the Parties and shall not be construed against one Party or the other as a result of the preparation, substitution, submission or other event of negotiation, drafting or execution hereof.

18.9 Further Assurances. Upon the receipt of a written request from the other Party, each Party shall execute such additional documents, instruments and assurances and take such additional actions as may be reasonably requested by the other Party which are consistent with the provisions of this Agreement and which do not involve the assumptions of obligations other than those provided for in this Agreement, to give full effect to this Agreement and to carry out the intent of this Agreement.

18.10 Conflict in Agreements. The Parties agree that any conflict between this Agreement and the Site Agreement shall be resolved in favor of the Site Agreement.

* * * * *

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 _____, 2025, and the CALIFORNIA DEPARTMENT OF WATER RESOURCES represents that it has caused this Agreement to be duly executed.

**CITY OF ROSEVILLE, a
municipal corporation**

**CALIFORNIA DEPARTMENT OF
WATER RESOURCES**

BY: _____
DOMINICK CASEY
City Manager

BY: Delphine Hou
DELPHINE HOU
Deputy Director, Statewide Energy

ATTEST:

By: _____
SONIA OROZCO
City Clerk

APPROVED AS TO FORM:

APPROVED AS TO FORM AND LEGAL
SUFFICIENCY:

BY: _____
MICHELLE SHEIDENBERGER
City Attorney

BY: Colin A. Wood
COLIN A. WOOD
Attorney IV

APPROVED AS TO SUBSTANCE:

BY: _____
DAN BEANS
Electric Utility Director

EXHIBIT A

SCOPE OF SERVICES

O&M CONTRACTOR SHALL PERFORM EACH OF THE SERVICES LISTED IN THIS EXHIBIT A IN ACCORDANCE WITH THE STANDARDS REQUIRED UNDER SECTION 3.2 OF THE AGREEMENT.

The specific obligations of the O&M Contractor will depend on the Additional Units. The following provisions are illustrative and are provided to identify some of the possible areas of coverage and show the level of detail that may be appropriate.

I. Programs

- A. In addition to those responsibilities described in the Agreement, O&M Contractor shall be responsible for completing Preventative Maintenance (PM) activities as outlined and assigned in Table 1 below related to the Project.
 - 1. Perform, document, and report on Items in Table 1 identified to be completed by O&M Contractor.
 - 2. Perform tasks in Item A using qualified staff.
 - 3. Arrange for and facilitate the completion of Items in Table 1.
 - 4. Prepare supporting documentation, emission data, meter readings, and similar information necessary to to perform in accordance with the Site Agreement and Exhibit G thereto (“Dispatch Protocol”).
 - 5. Extend O&M Contractor’s Safety Program and requirements to include the Operation and Maintenance of the Project.
 - 6. Provide periodic reporting as required by the Site Agreement and Exhibit G thereto..
 - 7. Extend O&M Contractor’s security program for maintaining the security of the Project and surrounding area.

II. Project Preservation

- A. Table 2 in this Exhibit shall be adhered to in order to maintain the operational availability and readiness of the Project because of potential infrequent dispatch of the Project.

III. Specific Requirements

- A. O&M Contractor's scope of Services is based on the Project design as described in the different Project Agreements, the Project Operations and Maintenance Manuals, vendor manuals and design drawings. O&M Contractor will follow these documents when operating and maintaining the Project.
- B. O&M Contractor, as part of the Services, is responsible for:
 - 1. Providing such trained personnel as is reasonably necessary to operate and maintain the Project and provide the Services set forth in this Agreement.
 - 2. Operating and maintaining the Project in accordance with the Project Operations and Maintenance Manual.
 - 3. Planning and managing on-site operations and maintenance activities, following Good Industry Practice.

4. Assuring that the Project is operated in accordance with this Agreement and in a safe, reliable, efficient, and prudent manner.
5. Assuring that operations and maintenance personnel are trained and qualified for their assigned responsibilities and tasks, and that such qualification is maintained.
6. Assuring that the Project meets contract, regulatory, and environmental requirements and subject to the exceptions set forth in the Project Agreements or otherwise identified by Owner or O&M Contractor.
7. Managing and controlling costs consistent with budget requirements, consistent with the allowances set forth in the Agreement.
8. Planning, scheduling and managing work and maintenance activities.
9. [RESERVED].
10. Establishing labor relations and personnel programs that will meet state and federal requirements.
11. Maintaining a current inventory of Owner provided spare parts and materials. O&M Contractor will identify required items, cost, quantity and need date.
12. Managing outages, both planned and forced outages, by using detailed and integrated plans and schedules, and resource management.
13. Performing certain tasks, duties, responsibilities and obligations assigned to Owner under the Interconnection Agreements, including, but not limited to, the following:
 - a. Providing the System Operator and Owner with all required information regarding the Project's availability for generating, as required by the Site Agreement and Exhibit G thereto.
 - b. Responding to dispatch orders from the System Operator and Owner, subject to applicable NERC, WECC, BANC, and CAISO restrictions and requirements.
 - c. Monitoring and adjusting the reactive output of the generators to maintain transmission voltage levels within the capability of the Project's generators.
 - d. Responding to and correcting generator dynamic instability in accordance with instructions from the System Operator.
14. Oversight of periodic corrective maintenance ("CM") activities in accordance with Good Utility Practice to troubleshoot, inspect, and repair the equipment upon identification and detection of certain conditions, including without limitation to ensure operational availability of the Project.
 - a. Physical fault conditions such as:
 - A) Blocked / stopped flow
 - B) Fractures / break / breaches
 - C) Cracks
 - D) Distortion / displacement
 - E) Corrosion / discoloration
 - b. Out of specification conditions such as:
 - A) High / low flow, pressure, temperature, or chemistry
 - B) Off voltage

- C) Out of limits / adjustments
 - D) Erratic output
 - E) Intermittent / spurious operation
 - F) Failure to control / hold
 - G) High / low output
 - H) Improper timing
- c. Demand fault conditions such as failure to:
 - A) Start / run / operate
 - B) Stop
 - C) Open
 - D) Close
 - E) Move / release / respond
- d. Abnormal characteristics such as:
 - A) Overheating
 - B) Noise
 - C) Vibration
 - D) Chatter
 - E) False response
- e. Leakage conditions such as:
 - A) Leakage to surrounding environment
 - B) Leakage past seats / stems / packing / seals
- f. CM activities not requiring equipment shutdown shall be performed as soon as possible and in order of priority. CM activities requiring equipment shutdown shall be performed when equipment is removed from service.
- g. CM activities and preventive maintenance will be performed on a system-by-system basis and shall be according to Table 1
- 15. Performing such other tasks and services within the scope of the Project Agreements which Owner may reasonably request from time to time in connection with operation of the Project.

TABLE 1: TM2500 MAINTENANCE QUICK REFERENCE

SYSTEM	INSPECTED ITEM	INSPECTION FREQUENCY	RESPONSIBLE PARTY	REMARKS
Auxiliary System	On-Engine Electrical Harnesses & Cables	- First 500 Hours - Annually	GE	- Check for security. - Check ignition leads and thermocouple harness for burning or chafing.
Auxiliary System	Temperature Sensors(RTDs)	- First 500 Hours 1000 Hours - Annually	GE	- Visually inspect the element. Ensure element is not damaged. - Function check with a calibrated meter. If temperatures observed seem to be incorrect: - Replace element and seals whenever variation in the controlled temperature is noticed. - Inspect and clean engine cable connectors with contact cleaner. - Tighten cable connectors. - Replace on component failure.
Auxiliary System	On-Engine Thermocouple Temperature Elements	- First 500 Hours 1000 Hours - Annually	GE	- Visually inspect the element. Ensure element is not damaged. - Function check with a calibrated meter. If temperatures observed seem to be incorrect: - Replace element and seals whenever variation in the controlled temperature is noticed. - Inspect and clean engine cable connectors with contact cleaner. - Tighten cable connectors. - Replace on component failure.
Auxiliary System	Flow Control Valve (VSV)	Annually	GE	Inspect/verify proper operation per manufacturer recommendations.
Auxiliary System	Linear Variable differential Transformers (LVDT)	Annually	GE	- Visually inspect for any damage. - Verify operation. LVDT feedback should at least be verified at 0% and 100%. - Verify the actual position versus the control position.
Auxiliary System	Turbine Speed Elements	- Semi-Annually - Annually	GE	<u>Semi-Annually</u> As per table 11-2 in the engine manual, test the redundant overspeed protection by simulating and confirm functionality of system. <u>Annually</u> - Visually inspect the element to ensure it is not damaged. - Measure for any shorts between the signal common and the shield that could create ground loops and induce noise. Ensure that the noise level remains in accordance with the specification by which it is designed. If the sensor does not perform within the specified limits, send to repair.
Auxiliary System	Turbine Ignitor(s) and Exciter(s)	Annually	GE	- Check for moisture or other contaminants on the terminal where the lead and plug couple. - Exciters are designed to require little or no maintenance. - An ignition exciter often lasts to engine overhaul. Ignitor plug inspections consist of a simple distance measurement from the plug shell to the center electrode. - The amount of shell material necessary to survive between scheduled inspection periods is determined by the engine and plug manufacturers. When this gap limit is reached, the plug should be replaced.
Auxiliary System	Pressure Transmitters(PTs)	Annually	GE	- Visually inspect to ensure it is not damaged. - Ensure transmitter is free of moisture. - Ensure electrical connections are not damaged. Calibrate per manufacturer recommendation. Set zero and span to 4 and 20 mA at required pressures. Can be calibrated more often if drift occurs. - If malfunction is suspected, verify that the hardware and process connections are in good working order. - If the unit is still malfunctioning, refer to the manufacturer maintenance and troubleshooting manual for further instructions.
Auxiliary System	Turbine Flame Detectors	Annually	GE	The flame sensor output will deteriorate as the lens becomes dirty. It is recommended, when initially installed, that the signal level be recorded during normal operation. During subsequent running, the signal level should be compared with the initial values. If a significant reduction in the signal level is noticed, then it is recommended that the lens be cleaned at the next opportunity, with the turbine shut down and cold. - Clean the lens with isopropyl alcohol or other residue free solvent compatible with sapphire. In order to reduce the risk of galling, an anti-seize (refer to engine O&M for approved type) compound should be applied to the mounting thread prior to reinstallation of the sensor. - The UV flame detectors can be tested with a lighter. - Replace on component failure.
Control System	PLC Batteries	Semi-Annually	GE	Ensure LED is Green. If not replace batteries.
Control System	Electrical Connections	Annually	GE	Generally inspect for condition and tighten any loose connections.

Dual Fuel with Water Injection System	Ball Valves	• Annually	GE	- Check valve body for leakage. - If leakage occurs, tighten the valve connections or fasteners. - If valve is damaged or fails, replace valve.
Dual Fuel with Water Injection System	Globe/Instrument Valves	• Annually	GE	- Check valve stem for leakage. - If valve is damaged or fails, replace valve. - Inspect more often if repeated problems occur.
Dual Fuel with Water Injection System	Pressure Relief Valves	• Annually	GE	- Check valve stem for leakage. - If valve is damaged or fails, replace valve. - Inspect more often if repeated problems occur.
Dual Fuel with Water Injection System	Gas Fuel/Liquid Fuel Filter	• Daily	O&M Contractor	Replace on differential pressure as required.
Dual Fuel with Water Injection System	Pressure Differential Transmitters (PDTs)	• Annually	GE	- Visually inspect to ensure it is not damaged. - Ensure transmitter is free of moisture. - Ensure electrical connections are not damaged. - Calibrate per manufacturer recommendation. Set zero and span to 4 and 20 mA at required pressures. Can be calibrated more often if drift occurs. - If malfunction is suspected, verify that the hardware and process connections are in good working order. If the unit is still malfunctioning, refer to the manufacturer maintenance and troubleshooting manual for further instructions.
Dual Fuel with Water Injection System	Pressure Transmitters (PTs)	• Annually	GE	- Visually inspect to ensure it is not damaged. - Ensure transmitter is free of moisture. - Ensure electrical connections are not damaged. Calibrate per manufacturer recommendation. Set zero and span to 4 and 20 mA at required pressures. Can be calibrated more often if drift occurs. If malfunction is suspected, verify that the hardware and process connections are in good working order. If the unit is still malfunctioning, refer to the manufacturer maintenance and troubleshooting manual for further instructions.
Dual Fuel with Water Injection System	Flow Transmitter and Meters	• Annually	GE	- Visually inspect to ensure it is not damaged. - Ensure transmitter is free of moisture. - Ensure electrical connections are not damaged. - Calibrate per manufacturer recommendation. Set zero and span to 4 and 20 mA at required pressures. Can be calibrated more often if drift occurs. - If malfunction is suspected, verify that the hardware and process connections are in good working order. If the unit is still malfunctioning, refer to the manufacturer maintenance and troubleshooting manual for further instructions.
Dual Fuel with Water Injection System	Solenoid Operated Valves (SOVs)	• Annually	GE	- Ensure valve is not leaking or damaged. - If leak occurs, tighten connections as necessary and ensure electrical connection are tight with no damage.
Dual Fuel with Water Injection System	Temperature Sensors (RTDs)	• Annually	GE	- Visually inspect the element. Ensure element is not damaged. - Function check with a calibrated meter. If temperatures observed seem to be incorrect: - Replace element and seals whenever variation in the controlled temperature is noticed. - Inspect and clean engine cable connectors with contact cleaner. - Tighten cable connectors. - Replace on component failure.
Dual Fuel with Water Injection System	Temperature Sensors (RTDs)	• Annually	GE	- Visually inspect the element. Ensure element is not damaged. - Function check with a calibrated meter. If temperatures observed seem to be incorrect: - Replace element and seals whenever variation in the controlled temperature is noticed. - Inspect and clean engine cable connectors with contact cleaner. - Tighten cable connectors. - Replace on component failure.
Dual Fuel with Water Injection System	Gas and Liquid Fuel Flow Control Valve	• Annually	GE	- Calibrate as per manufacturer instructions. If malfunction is suspected, verify that the hardware and process connections are in good working order. - If the unit is still malfunctioning, refer to the manufacturer maintenance and troubleshooting manual for further instructions. - Ensure meter assembly is not damaged or leaking. - Ensure electrical connections are not damaged. - If plugs are removed, sensor case should be re purged with dry inert gas. - Lubricate the ball screw and bearing in accordance with the manufacturer installation and operation manual.
Dual Fuel with Water Injection System	Gas and Liquid fuel Flow Control Valve	• 6 Years	GE	Complete remanufacture (overhaul).

Dual Fuel with Water Injection System	Pressure Safety Valve	• Annually	GE	- Inspect for damage. - Replace if released.
Dual Fuel with Water Injection System	Check Valves	• Annually	GE	- Check valve body for leakage. - If leakage occurs, tighten the valve connections or fasteners. - If valve is damaged or fails, replace valve.
Dual Fuel with Water Injection System	Liquid Fuel Strainer	• Semi-Annually	GE	- Ensure strainer is not clogged, or damaged. - Check for pressure loss across strainer. If pressure loss or clogging is observed, remove access cover and clean strainer. Replace o-ring if necessary and re-install strainer and access cover. - Clean strainer, and ensure strainer is free from debris. - Ensure strainer is not leaking after replacement.
Dual Fuel with Water Injection System	Butterfly Valves	• Annually	GE	- Ensure valve is not leaking or damaged. - If leakage occurs, tighten the valve connections or fasteners. - Inspect and verify proper operation.
Dual Fuel with Water Injection System	Liquid Fuel Motor & Pump	• Refer to TP2010	O&M Contractor	Greasing inspection and storage requirements to be followed as per TP2010.
Dual Fuel with Water Injection System	Water Injection Motor & Pump	• Refer to TP2010	O&M Contractor	Greasing inspection and storage requirements to be followed as per TP2010.
Dual Fuel with Water Injection System	Pressure Control Valves	• Annually	GE	- Ensure the pressure regulator is not damaged or leaking. - Calibrate per manufacturer recommendation. - Ensure the valve is not damaged and the seat is not leaking. - Examine settings against manufacturer's standard. - Inspect and verify proper operation.
Dual Fuel with Water Injection System Engine Related	General Conditions	• Daily	O&M Contractor	General appearance and integrity of unit.
Dual Fuel with Water Injection System Engine Related	Engine Plumbing	• 500 hours	GE	Check fuel and oil plumbing line to and on engine for security, chafing, and leaks.
Dual Fuel with Water Injection System Engine Related	Fuel Filters	- Quarterly - As required by Delta P	O&M Contractor	- Check for cleanliness and damage. - Replace on Delta P.
Dual Fuel with Water Injection System Engine Related	Turbine First Stage	• Semi-Annually	GE	Inspect at 500 hours, then 4000 hours or 6 months.
Dual Fuel with Water Injection System Engine Related	Combustor	• Semi-Annually	GE	Maintenance findings will determine if Level III maintenance is needed.
Dual Fuel with Water Injection System Engine Related	Mount/Skid/Piping Valves	• Semi-Annually	GE	Check for leaks, cracks and proper alignment.
Fire and Gas Protection System	Gas Sensors	• Monthly	O&M Contractor	Calibrate
Fire and Gas Protection System	Aerosol Canister	• Semi-Annually	GE	Inspect as per instructions included in this supplement.
Fire and Gas Protection System	Backdraft Damper (part of ventilation fan)	• Semi-Annually	GE	Inspect and ensure damper fully closes when the ventilation fan is not running.
Fire and Gas Protection System	Visual/Audio Alarm	• Semi-Annually	GE	Test
Fire and Gas Protection System	Thermal Spot Detectors	• Semi-Annually	GE	Inspect
Fire and Gas Protection System	Manual Pull Stations	• Semi-Annually	GE	Test functionality (with system disabled).
Fire and Gas Protection System	IR Gas Sensors	• Semi-Annually	GE	Calibrate
Generator	Generator Frame	• Monthly	O&M Contractor	Conduct general inspection.
Generator	Grounding System	• Monthly	O&M Contractor	Verify shaft and frame grounding.
Generator	Vibration Signatures	• Daily	O&M Contractor	Check Bently Nevada gauges for measuring vibration.
Generator	Oil Pump Coupling	• Annually	GE	- Inspect - Note: This is a dry coupling and no grease is required. Check axial play according to generator manual.
Generator	Bearings	• Annually	GE	Maintenance level dependent on findings.

Generator	Bearing Insulation	• Annually	GE	• Check resistance.
Generator	Stator Core	After 1st year of operation After 3rd year of operation	GE	• Check air-gap side for shorts between laminations.
Generator	Stator Winding	• After 1st year of operation • After 5th year of operation	GE	• Check winding, insulation, and take measurements of resistance. • Verify radial wedge tightness. • Perform hi-pot tests.
Generator	Generator Inspection	• 50,000 HRS	GE	• Perform in accordance with Generator Operation and Maintenance Manual.
Generator	Generator Inspection	• 100,000 HRS	GE	• Perform in accordance with Generator Operation and Maintenance Manual.
Generator Lube Oil System	Lube Oil	• Semi-Annually	GE	• Have oil samples analyzed.
Generator Lube Oil System	Lube Oil Level	• Weekly	O&M Contractor	• Check reservoir sight gauge.
Generator Lube Oil System	Bearing Drains	• Weekly	O&M Contractor	• Check that flow is maintained.
Generator Lube Oil System	Filter	• Semi-Annually • As required by Delta P	GE	• Inspect filter element every six months or sooner if required. • Have ample supply of spare elements. If external leakage is noted, replace O-ring or bonded seal at leak. For bowl seal leaks, replace O-ring seal. If leakage persists, check sealing surfaces for scratches or cracks and replace any defective parts. • Differential pressure devices indicate when the element needs changing or because of high fluid viscosity in "cold start" conditions.
Generator Lube Oil System	Tank Level Transmitter	• Annually	GE	• Calibrate as necessary. Replace component if defective or fails. Calibrate at Least Once a Year (more often if drift occurs).
Generator Lube Oil System	Thermostatic 3-Way Control Valve	• Annually	GE	• Replace thermostatic element and seals whenever some variation in the controlled temperature is noticed. More often if repeated problems occur.
Generator Lube Oil System	DC Pump Relief Valve	• Annually	GE	• Check valve stem for leakage. If valve is damaged or fails, replace valve. More often if repeated problems occur.
Generator Lube Oil System	Tank Heater - Thermostatically Controlled Heater	• Semi-Annually	GE	• Check heaters for coatings and corrosion. Clean if necessary. • Check tank for sediment around the heater and remove as necessary. • Check heater and tank for accumulated sludge deposits and remove if necessary. Inspect for loose or corroded terminal connections/ends. • If corrosion is found, check box gasket and replace as necessary. • Check conduit layout to correct conditions that allow corrosion to enter terminal housing.
Generator Lube Oil System	Tank Level Gauge	• Annually	GE	• Replace component if damaged or fails.
Generator Lube Oil System	Tank Fill Cap and Strainer	• Annually	GE	• Inspect filler cap for missing parts which would prevent cap from sealing and allow water or contaminants to enter tank. Replace missing parts as needed. More often if repeated problems occur. • Remove access cover and clean strainer. Replace o-ring if necessary and re-install strainer and access cover.
Generator Lube Oil System	Suction Strainer - Basket	• Quarterly	O&M Contractor	• Check for pressure loss across strainer. If pressure loss or clogging is observed, remove access cover and clean strainer. Replace o-ring if necessary and re-install strainer and access cover.
Generator Lube Oil System	Tank Air/Oil Separator	• Weekly	O&M Contractor	• Check differential gauge filter element should be replaced when the differential pressure gauge reads 3" WC, per manufacturer guidelines. • Replace component if damaged or fails.
Generator Lube Oil System	Check Valves	• Annually	GE	• Check valve for stem seal leakage. • If leaking, tighten packing gland nuts until leakage stops. If valve is damaged or fails, replace valve. • More often if repeated problems occur.
Generator Lube Oil System	Ball Valves	• Annually	GE	• Check valve for stem seal leakage. • If leaking, tighten packing gland nuts until leakage stops. If valve is damaged or fails, replace valve. • More often if repeated problems occur.
Generator Lube Oil System	Cooler Drain/Vent Valve	• Annually	GE	• Check valve for stem seal leakage. • If leaking, tighten packing gland nuts until leakage stops. If valve is damaged or fails, replace valve. • More often if repeated problems occur.
Generator Lube Oil System	Instrument Valves	• Annually	GE	• Check valve for stem seal leakage. • If leaking, tighten packing gland nuts until leakage stops. If valve is damaged or fails, replace valve. • More often if repeated problems occur.
Generator Lube Oil System	Flow Indicator	• Annually	GE	• Replace component if damaged or fails.

Generator Lube Oil System	Temperature Sensors(RTDs)	• Annually	GE	- Visually inspect the element. Ensure element is not damaged. - Function check with a calibrated meter. If temperatures observed seem to be incorrect: - Replace element and seals whenever variation in the controlled temperature is noticed. - Inspect and clean engine cable connectors with contact cleaner. - Tighten cable connectors. - Replace on component failure.
Generator Lube Oil System	DC Pump Coupling	• Annually	GE	If coupling is defective or fails, replace coupling.
Generator Lube Oil System	Pressure Control Valve	• Annually	GE	- Inspect for damage or leaking. - If leaking is found, repair in accordance with manufacturer recommendations. - Inspect more often if repeated problems occur.
Generator Lube Oil System	DC Pump	• Annually	GE	Protect pump from freezing temperatures. Ensure motor is lubricated as per TP2010.
Generator Lube Oil System	Tank	Annually	GE	Replace component if damaged or fails.
Generator Lube Oil System	Orifice Plates	Annually	GE	Replace if component is damaged or fails.
Generator Lube Oil System	Pressure Differential Transmitters (PDTs)	Annually	GE	- Visually inspect to ensure it is not damaged. - Ensure transmitter is free of moisture. - Ensure electrical connections are not damaged. - Calibrate per manufacturer recommendation. Set zero and span to 4 and 20 mA at required pressures. Can be calibrated more often if drift occurs. If malfunction is suspected, verify that the hardware and process connections are in good working order. • If the unit is still malfunctioning, refer to the manufacturer maintenance and troubleshooting manual for further instructions.
Generator Lube Oil System	Pressure Transmitters(PTs)	Annually	GE	- Visually inspect to ensure it is not damaged. - Ensure transmitter is free of moisture. - Ensure electrical connections are not damaged. - Calibrate per manufacturer recommendation. Set zero and span to 4 and 20 mA at required pressures. Can be calibrated more often if drift occurs. If malfunction is suspected, verify that the hardware and process connections are in good working order. • If the unit is still malfunctioning, refer to the manufacturer maintenance and troubleshooting manual for further instructions.
Hydraulic Starter System	MOT-6015 Hydraulic Starter Motor	Quarterly As per TP2010	O&M Contractor	- Monitor oil temperature. Lubricate bearing (see placard with precise instructions at the pressure-feed lubrication nipples). - Renew grease in the bearings in accordance with TP2010.
Hydraulic Starter System	SOV-6019 Hydraulic Pump SOV Actuator	Quarterly	O&M Contractor	Check hoses for damage or aging. Replace if defective.
Hydraulic Starter System	Low Pressure Return Filter	Weekly Annually As required	O&M Contractor	- Check visual indicators on both sides of filters. If indicator is activated, replace filter element. - Replace filter on a regular basis and once a year regardless of visual indication.
Hydraulic Starter System	Hose Assemblies	Quarterly	O&M Contractor	Check hoses for damage or aging. Replace if defective.
Hydraulic Starter System	Starter Motor Assembly	Semi-Annually	GE	- Keep both interior and exterior of the motor free from dirt, water, oil, and grease. - Motors operating in dirty places should be periodically disassembled and thoroughly cleaned. - Check to see that all bolts and nuts are tightened securely.
Hydraulic Starter System	Charge Pump Filter Element	Weekly Annually As required	O&M Contractor	- Check visual indicator weekly. - Replace filter on a regular basis and replace filter once a year regardless of visual indicator indication.
Hydraulic Starter System	Main System Pressure Gauge	Annually	GE	- Check for broken glass, replace if necessary. - Disassemble and oil moving components with high grade instrument oil.
Hydraulic Starter System	Charge Pump Pressure Gauge	Annually	GE	- Check for broken glass, replace if necessary. - Disassemble and oil moving components with high-grade instrument oil.
Hydraulic Starter System	Starter Clutch Temp Element	Annually	GE	- Visually inspect the element. Ensure element is not damaged. - Function Check with a calibrated meter. If temperatures observed seem to be incorrect: - Replace element and seals whenever variation in the controlled temperature is noticed. - Inspect and clean engine cable connectors with contact cleaner. - Tighten cable connectors. - Replace on component failure.

Low Voltage AC/DC System	Batteries	Quarterly	O&M Contractor	- Inspect and ensure connections are clean. - Fill or replace as needed in accordance with manufacturer recommendations.
Low Voltage AC/DC System	General	Annually	GE	Generally inspect all system components. Replace or repair as needed.
Trailers	Hoses and Cables	5 Years		Inspect hoses and cables in the beam of the trailers for any signs of wear or damage repair and replace as necessary.
Trailers	Locking Pins	Annually		- Inspect for corrosion and ensure locking pin moves freely. - Grease if necessary.
Trailers	Electrical Cable Ends	Annually		- Inspect for damage, deterioration or corrosion. - Keep protected from the elements.
Trailers	Split and Air Line Couplings	Annually		- Inspect for damage, deterioration or corrosion. - Keep protected from the elements.
Trailers	All bushings (cams, lack adjusters)	Monthly		Grease as per manufacturer recommendations.
Trailers	Brake Lining	3 Months		Minimum thickness not to be less than 7mm.
Trailers	Tires	Monthly		Use a tire gauge to confirm correct pressure.
Trailers	Paintwork	3 Months		- Check for signs of corrosion. If damage to the paintwork cannot be rectified immediately, apply a thin layer of engine oil to the damaged areas as a temporary measure. - Repair according to TS-95953 Paint Specification, Application of Paint and Protective Coatings.
Trailers	Wheel Nuts	- After First 50 km - After First 150 km - Every 3 Months		Wheel nuts be tightened to the recommended torque setting (also after every wheel change).
Trailers	Wheel Bearings	- After First Month - Annually		Check play on wheel bearings
Trailers	Threaded Connections	- After First Month - Every 3 Months		All threaded connections to be checked and tightened to correct torque setting.
Trailers	Brake System	- After First Month - Before Re-transportation		- Check brakes for correct adjustment and efficiency (roller test). - Have the ABS system inspected and check for possible damage or wear to the cables.
Trailers	Air Bellows	Every 3 Months		Check air bellows or compensation cylinders for air leaks, damage, and dirt.
Trailers	Hydraulic System	Every 3 Months		Check hydraulic steering system (cylinders, rods, rotating elements and lines) for leaks, damage and dirt.
Trailers	Hydraulic System	Upon Installation Completion		Ensure hydraulic oil tanks of the Turbine and Generator trailers are fully topped off and add a high quality anti rust inhibitor for use with hydraulic oil.
Trailers	Tires	- Annually - Upon Installation Completion		Protect tires from sun damage. Inspect for deterioration and if necessary replace before re-transportation of the package.
Trailers	Air system	Annually		Inspect for deterioration.
Trailers	Lighting System	Annually		Inspect cables for deterioration and repair as necessary.
Turbine Enclosure	Paintwork	- After First Month - Every 3 Months	O&M Contractor	Enclosure ceiling coating maintenance, if necessary, shall be made in accordance with the latest revision TP2118 Instruction
Turbine Lube Oil System	Supply and Scavenge Filters	Semi-Annually	GE	- Inspect filter element every six months or as necessary. - Ensure an ample supply of spare elements. - Ensure filter is not leaking. - Replace on Differential Pressure (DP).
Turbine Lube Oil System	Thermostatic Control Valve	Annually	GE	- Ensure element is not damaged. - Replace the thermostatic element and seals whenever some variation in the controlled temperature is noticed.
Turbine Lube Oil System	Tank Level Transmitter	Semi-Annually	GE	- Visually inspect to ensure it is not damaged. - Ensure transmitter is free of moisture. - Ensure electrical connections are not damaged. - Calibrate per manufacturer recommendation. Set zero and span to 4 and 20 mA at required pressures. Can be calibrated more often if drift occurs. - If malfunction is suspected, verify that the hardware and process connections are in good working order. - If the unit is still malfunctioning, refer to the manufacturer maintenance and troubleshooting manual for further instructions.
Turbine Lube Oil System	Relief Valves	Annually	GE	Ensure the valve is not damaged, and the seat is not leaking.
Turbine Lube Oil System	Tank	Annually	GE	- Check tank for leaks and damage. - Ensure vents are free from debris.
Turbine Lube Oil System	Clutch Drain Return Strainer	Semi-Annually	GE	- Ensure strainer is not damaged. - Ensure strainer is free from debris and magnets are intact. - Ensure strainer is not leaking.

Turbine Lube Oil System	Tank Heater	• Annually	GE	- Check heaters for coatings and corrosion; clean if necessary. - Check for loose terminal connections and tighten as necessary. - The tank should be checked regularly for sediment around the heater. - Check thermostat for proper setting. - If adjustment is required, remove cover and calibrate per manufacturer recommendation.
Turbine Lube Oil System	VGV Pump Filter Element	• Semi-Annually	GE	- Replace filter element every six months or as necessary. - Ensure an ample supply of spare elements. - Ensure filter is not leaking.
Turbine Lube Oil System	Level Gauge	• Annually	GE	- Ensure the glass is free of scratches, chips or damage. - Ensure the connections are not leaking. - Ensure inside of the sight glass are free of foreign material.
Turbine Lube Oil System	Tank Fill Cap	• Annually	GE	- Ensure spring will let cap automatically close. - Clean cap seal. - Remove any spilled oil.
Turbine Lube Oil System	Filler Strainer	• Semi-Annually	GE	- Ensure strainer is not clogged, or damaged. - Clean strainer, and ensure strainer is free from debris.
Turbine Lube Oil System	Tank Flame Arrestor	• Annually	GE	- Loosen the wing nuts on the weather hood. Remove the weather hood to expose the flame arrester element. - Check the arrester assembly for debris; ensure the passage between the individual plates is clear.
Turbine Lube Oil System	Tank Demister	- Weekly - Annually	O&M Contractor	- Check differential gauge. - Filter element should be replaced when the differential pressure gauge reads 3" WC, per manufacturer guidelines. - Replace component if damaged or fails.
Turbine Lube Oil System	Check Valves	• Annually	GE	- Check valve body for leakage. - If leakage occurs, tighten the valve connections or fasteners. - If valve is damaged or fails, replace valve.
Turbine Lube Oil System	Ball Valves	• Annually	GE	- Check valve body for leakage. - If leakage occurs, tighten the valve connections or fasteners. - If valve is damaged or fails, replace valve.
Turbine Lube Oil System	Instrument Valves	• Annually	GE	- Check valve stem for leakage. - If valve is damaged or fails, replace valve. More often if repeated problems occur.
Turbine Lube Oil System	Magnetic Chip Detectors	• Annually	GE	Inspect per manufactures recommendations.
Turbine Lube Oil System	Relief Valves	• Annually	GE	- Ensure the pressure regulator is not damaged or leaking. - Calibrate per manufacturer recommendation. - Ensure the valve is not damaged and the seat is not leaking. - Examine setting against manufacturer's standard. - Inspect and verify proper operation.
Turbine Lube Oil System	Pressure Transmitters(PTs)	• Annually	GE	- Visually inspect to ensure it is not damaged. - Ensure transmitter is free of moisture. - Ensure electrical connections are not damaged. Calibrate per manufacturer recommendation. Set zero and span to 4 and 20 mA at required pressures. Can becalibrated more often if drift occurs. If malfunction is suspected, verify that the hardware and process connections are in good working order. • If the unit is still malfunctioning, refer to the Rosemount manufacturer maintenance and troubleshooting manual for further instructions.
Turbine Lube Oil System	Pressure Differential Transmitters (PDTs)	• Annually	GE	- Visually inspect to ensure it is not damaged. - Ensure transmitter is free of moisture. - Ensure electrical connections are not damaged. - Calibrate per manufacturer recommendation. Set zero and span to 4 and 20 mA at required pressures. Can becalibrated more often if drift occurs. If malfunction is suspected, verify that the hardware and process connections are in good working order. • If the unit is still malfunctioning, refer to the Rosemount manufacturer maintenance and troubleshooting manual for further instructions.
Turbine Lube Oil System	Bubble Eliminator	• Annually	GE	- Visually inspect to ensure it is not damaged. - Replace component if failure is suspected
Turbine Lube Oil System	Hose Assemblies	• Annually	GE	Check hoses for leaks and replace as necessary.
Turbine Lube Oil System	Hydraulic Charge Pump Filter	• Semi-Annually	GE	- Replace filter element every six months or as necessary. - Ensure an ample supply of spare elements. - Ensure filter is not leaking.

Turbine Lube Oil System	Temperature Sensors(RTDs)	Annually	GE	- Visually inspect the element. Ensure element is not damaged. - Function check with a calibrated meter. If temperatures observed seem to be incorrect: - Replace element and seals whenever variation in the controlled temperature is noticed. - Inspect and clean engine cable connectors with contact cleaner. - Tighten cable connectors. - Replace on component failure.
Turbine Lube Oil System	TLO/HLO Heat Exchanger Motor	Refer to TP2010	O&M Contractor	Greasing inspection and storage requirements to be followed as per TP2010.
Turbine Lube Oil System	TLO/HLO Heat exchanger	Annually	GE	- Perform inspection of the heat exchanger on a regular basis. - Check for external leaks. - Check flow and if less than normal an internal inspection is required.
Turbine Lube Oil System	Orifice Plate	Annually	GE	Replace if suspected of failure
Turbine Lube Oil System	Accumulator	- Annually - Monthly	O&M Contractor	- If there is external leakage, tighten all connections. If leakage continues, remove accumulator from system and replace faulty components. - After original installation, check pre-charge once during first week to see that no leak has developed. Thereafter, check pre-charge monthly. - Check pre-charge if the system is acting sluggish. If pre-charge is low, check gas valve for leakage and recharge. - If there is no gas in bladder and fluid appears at gas valve, unit must be removed and bladder replaced.
Ventilation and Combustion Air System	Exhaust Assembly Weld & Fastener Inspection	Semi-Annually (Increase frequency if excessive wear is noted.)	GE	Inspect per latest revision of TS00002199 Exhaust Assembly Weld & Fastener Inspection. Repair as necessary.
Ventilation and Combustion Air System	Inlet Silencer	Annually	GE	- Visually inspect per SPM-113 Ventilation and Combustion Air System Maintenance. - Ensure drains are clear.
Ventilation and Combustion Air System	Filter Module-to-Silencer Seals	Annually	GE	Visually inspect for cracks and other signs of separation and failure.
Ventilation and Combustion Air System	FOD Screen	Annually	GE	Inspect metal screen for damage, missing or loose hardware.
Ventilation and Combustion Air System	FOD Sock	Annually	GE	Inspect nylon mesh screen for damage, tears, material integrity or decay. Replace if necessary.
Ventilation and Combustion Air System	Combustion Air Path, Turbine Enclosure and Generator Cooling Filter Pressure Differential Transmitters (PDTs)	Annually	GE	- Visually inspect to ensure it is not damaged. - Ensure transmitter is free of moisture. - Ensure electrical connections are not damaged. - Calibrate per manufacturer recommendation. Set zero and span to 4 and 20 mA at required pressures. Can be calibrated more often if drift occurs. If malfunction is suspected, verify that the hardware and process connections are in good working order. • If the unit is still malfunctioning, refer to the Rosemount manufacturer maintenance and troubleshooting manual for further instructions.
Ventilation and Combustion Air System	Turbine Enclosure Ventilation Fan Motor MOT-4017	- Monthly - As required	O&M Contractor	Grease in accordance with TP2010
Ventilation and Combustion Air System	Temperature Sensors(RTDs)	Annually	GE	- Visually inspect the element. Ensure element is not damaged. - Function check with a calibrated meter if temperatures observed seem to be incorrect: - Replace element and seals whenever variation in the controlled temperature is noticed. - Inspect and clean engine cable connectors with contact cleaner. - Tighten cable connectors. - Replace on component failure.
Ventilation and Combustion Air System	Air Conditioner MOT-4270	Monthly	O&M Contractor	- Inspect to ensure temperature setting is correct as per site specific Flow and Instrumentation Diagram(F&ID). - Inspect for unwanted condensation.
Ventilation and Combustion Air System	Battery Compartment Ventilation Fan	Weekly	O&M Contractor	Confirm fan is ventilating the compartment as required.

Ventilation and Combustion Air System	Generator Space Heaters HE-4050 and HE-4051	• Annually	GE	Inspect per generator manufacturer's recommendations.
Ventilation and Combustion Air System	Generator Cooling Filtration Media	- Annually - As required	GE	- Change filtration media upon DP or annually. - Inspect regularly for visual signs of deterioration or problems.
Ventilation and Combustion Air System	Clean Air Filtration Media	- Annually - As required	GE	- Inspect filtration media as described in SPM-113 and change on DP. - Inspect for damage Inspect regularly for visual signs of deterioration or problems.
Vibration System	Vibration Proximity Probes	• Annually	GE	- Visually inspect the element to ensure it is not damaged. - Check the gap voltage. In the instance of a problem, look for short between the signal common and the shield that could create ground loops and induce noise. - Ensure that the noise level remains in accordance with the specification by which it was designed. If the sensor does not perform within the specified limits, send to repair or replace element.
Vibration System	Vibration Accelerometer Probes	• Annually	GE	- Visually inspect the element to ensure it is not damaged In the instance of a problem, look for short between the signal common and the shield that could create ground loops and induce noise. - Ensure that the noise level remains in accordance with the specification by which it designed. If the sensor does not perform within the specified limits, send to repair.
Vibration System	Generator Speed Element (SE8100)	Annually	GE	- Visually inspect the element to ensure it is not damaged. In the instance of a problem, look for short between the signal common and the shield that could create ground loops and induce noise. - Ensure that the noise level remains in accordance with the specification by which it designed. If the sensor does not perform within the specified limits, send to repair.
Water Wash System	Tank	Annually	GE	Inspect tank for leaks and damage, and to ensure vents are free from debris.
Water Wash System	Valves	Annually	GE	Ensure valve is not damaged and check for leaks at valve connections, tighten as necessary.
Water Wash System	Tank Level Transmitter	Annually	GE	- Ensure transmitter is free from moisture and that the cover and connections are tight. - Calibrate per manufacturer recommendation.
Water Wash System	Filter	Semi-Annually	GE	- Replace the in-line filter element with new seals every 6 months, or as necessary. - Ensure spring is not damaged. - Replace filter when clogged. - Ensure the in-line filter is not leaking after replacement.
Water Wash System	Pump	• Annually	GE	- Check pump and motor for excessive vibration during operation. - Ensure electrical connections are not damaged. - Ensure pump is not leaking or damaged. - If abnormal conditions exist; motor should be removed and pump disassembled per manufacturer instructions.
Water Wash System	Flow Meter	• Annually	GE	- Ensure meter assembly is not damaged or leaking. - Ensure electrical connection at pickoff is not damaged. - Ensure the meter is flowing freely.

TABLE 2: TM2500 PRESERVATION						
Item	INSTALLED ENGINE/POWER TURBINE		NON INSTALLED ENGINE/POWER TURBINE NOT STORED IN A CONTAINER		NON INSTALLED ENGINE/POWER TURBINE STORED IN A CONTAINER	
	≤30	>30	≤30	>30	≤30	>30
Storage Period (days)	≤30	>30	≤30	>30	≤30	>30
Follow requirements of WP 002 00	X	X	X	X	X	X
Inspection of Inlet and Exhaust	X	X	X	X		
Add 5% BRAYCO to lubricating oil		X		X		X
Water wash	X	X				
Operate engine at idle speed to wetbearings	X	X				
Oil wet bearings			X	X	X	X
Use a cover on inlet and exhaust			X	X		
Put a cover or plug on all engineopenings and unattached fittings	X	X	X	X	X	X
Repeat oil wetting procedure every30 days		X		X		
Maintain oil wetting/storage log		X		X		X
Applicable Paragraph	B1-8	B1-9	B1-10	B1-11	B1-13	B1-12

EXHIBIT B
[RESERVED]

EXHIBIT C
NOTICE AND COMMUNICATION PROTOCOLS

Notice to DWR

Delphine Hou
Deputy Director, Statewide Energy
California Department of Water Resources
715 P Street, 8th Floor
Sacramento, CA 95814
Email: Delphine.Hou@water.ca.gov

Colin A. Wood
Office of General Counsel
California Department of Water Resources
715 P Street, 7th Floor
Sacramento, CA 95814
Email: Colin.Wood@water.ca.gov

Notice to Owner

City of Roseville
Attn: City Clerk
311 Vernon Street
Roseville, CA 95678

Roseville Electric
Attn: Electric Utility Director
116 S. Grant Street
Roseville, CA 95678

EXHIBIT D

Insurance

1. At all times during the Term of this Agreement, each Party shall maintain, at its own expense, with responsible insurers who maintain a financial strength rating of "A-" or higher and a financial size category of VIII or higher with AM Best, or through an applicable public agency insurance risk pool or other self-insurance, the insurance described below with coverages no less than the minimums indicated. If either Party fails to comply with the provisions of this Exhibit D, it shall hold harmless and indemnify the other Party from any direct or indirect losses and liability, including attorney's fees and costs of litigation, resulting from the injury or death of any person or damage to any property, to the extent the indemnified Party would have been protected had the indemnifying Party complied with the requirements of this Exhibit D.
 - (a) **General Liability.** Each Party shall maintain general liability on an occurrence form with limits not less than one million dollars (\$1,000,000) per occurrence for bodily injury and property damage liability and an annual policy aggregate of three million dollars (\$3,000,000). The policy shall include coverage for liabilities arising out of premises, operations, independent contractors, products, completed operations, personal & advertising injury, and liability assumed under an insured contract. This insurance shall apply separately to each insured against whom claim is made or suit is brought subject to each Party's limit of liability. The policy shall be endorsed to include the other Party, its officers, agents, and employees as additional insureds, but only with respect to work performed under the Agreement and the indemnity obligations hereunder.
 - (b) **Automobile Liability.** Each Party shall maintain motor vehicle liability with limits not less than one million dollars (\$1,000,000) combined single limit per accident. Such insurance shall cover liability arising out of a motor vehicle including owned, hired and non-owned motor vehicles. The policy shall be endorsed to include the other Party, its officers, agents, and employees as additional insureds, but only with respect to work performed under the Agreement and the indemnity obligations hereunder.
 - (c) **Worker's Compensation and Employer's Liability.** Each Party shall maintain statutory worker's compensation and employer's liability coverage for all its employees, or employees of its Affiliate, who will be engaged in the performance of the Agreement. Employer's liability insurance shall not be less than one million dollars (\$1,000,000) for injury or death occurring as a result of each accident.
 - (d) **Excess/Umbrella Liability Insurance.** Excess/umbrella liability insurance covering claims in excess of the underlying insurance described in Sections 1(a) through 1(c) with a combined single limit and annual aggregate limit of twenty-five million dollars (\$25,000,000). The policy shall be endorsed to include the other Party, its officers, agents, and employees as additional insureds, but only with respect to work performed under the Agreement and the indemnity obligations hereunder.
 - (e) **Pollution Liability.** Each Party shall maintain pollution liability coverage with limits not less than five million dollars (\$5,000,000) per incident and ten million dollars

(\$10,000,000) in the annual aggregate covering liability for bodily injury, property damage, and environmental damage resulting from pollution and related cleanup costs incurred, all arising under this Agreement. Coverage shall be provided for both work performed on the Site and during transportation as well as proper disposal of hazardous materials. Proof of Pollution Liability coverage during transportation can also be provided by endorsement to the Auto Liability policy.

- (f) Professional Liability. As applicable, Roseville shall require any Contractor performing construction related services to maintain errors and omissions/professional liability coverage with limits not less than five million dollars (\$5,000,000) each occurrence and in the annual aggregate.
 - (g) Property Insurance. Roseville shall obtain and maintain in full force and effect during the term of this Agreement, all-risk property insurance in an amount equal to the full replacement cost value with respect to any equipment, parts, materials or other property, including but not limited to all property associated with the Project, owned by Roseville with sublimits as appropriate for facilities similar to this Site. Roseville shall be liable for all deductible amounts under any such all-risk property coverage. The policy shall waive all rights of subrogation against the other Party.
- 2. If any policy is written on a claims-made basis, provide the following:
 - (a) The Retroactive Date must be shown and must be before the date of the Agreement or the beginning of work performed under the Agreement.
 - (b) Insurance must be maintained and evidence of insurance must be provided for at least three (3) years after completion of the Agreement.
 - (c) If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the Execution date, the Seller must purchase "extended reporting" coverage for a minimum of three (3) years after completion of the Agreement.
 - 3. Coverage Term. Coverage shall remain in force for the complete term of the Agreement. If insurance expires during the term of the Agreement, a new certificate must be provided to the other Party as soon as practicable but no later than 15 days following the expiration of the insurance.
 - 4. Deductible. Each Party is responsible for any deductible or self-insured retention contained within their insurance program.
 - 5. Primary Clause. Any required insurance contained in this Agreement shall be primary, and not excess or contributory, to any other insurance carried by the other Party.
 - 6. Inadequate Insurance. Inadequate or lack of insurance does not negate Each Party's obligations under the Agreement.
 - 7. Should either party elect to self-insure for any required insurance, that Party shall be liable to O&M Contractor for the full equivalent of insurance coverage which would have been

available to O&M Contractor the applicable insurance policies had been obtained by the Party from a third party insurer, in full compliance with the provisions under this Exhibit D, and shall pay on behalf of or indemnify O&M Contractor for all amounts which would have been payable by the third party insurer. In addition, CDWR shall act with the same promptness and be subject to the same standards of good faith as would apply to a third party insurance company.

8. Waiver of Subrogation. All insurance or self-insurance required by this Exhibit D shall waive any right of recovery the insurer (or CDWR in the case of self-insurance) may have against the other Party because of payments the insurer or CDWR makes for injury or damage in connection with this Agreement.
9. Certificate(s). Certificate(s) shall include at least the following information: (i) the name of the insurance company, policy number and expiration date; (ii) the coverage and limits per required coverage, including the amounts of deductibles or self-insured retentions.

RESOLUTION NO. 25-083

APPROVING A SECOND AMENDED AND RESTATED OPERATIONS AND MAINTENANCE AGREEMENT, BY AND BETWEEN THE CITY OF ROSEVILLE AND THE CALIFORNIA DEPARTMENT OF WATER RESOURCES, AND AUTHORIZING THE CITY MANAGER TO EXECUTE IT ON BEHALF OF THE CITY OF ROSEVILLE

WHEREAS, a Second Amended and Restated Operations and Maintenance Agreement relating to electric generation facilities at the Roseville Power Plant #2, by and between the City of Roseville and the California Department of Water Resources, has been reviewed by the City Council; and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Roseville that said Second Amended and Restated Operations and Maintenance Agreement is hereby approved and the City Manager is authorized to execute it on behalf of the City of Roseville.

BE IT FURTHER RESOLVED that the City Manager of the City of Roseville is authorized to approve necessary adjustments to the exhibits for the Agreement, as approved by the City Attorney, to remain in operational compliance and/or for reporting purposes, as required.

PASSED AND ADOPTED by the Council of the City of Roseville this ____ day of _____, 2025, by the following vote on roll call:

AYES COUNCILMEMBERS:

NOES COUNCILMEMBERS:

ABSENT COUNCILMEMBERS:

MAYOR

ATTEST:

City Clerk

**DESIGN-BUILD CONSTRUCTION AGREEMENT
(PROJECT: ROSEVILLE POWER PLANT #2 REPOWER)**

This Design-Build Construction Agreement ("Agreement") is made and entered into this ____ day of _____, 20____, by and between the City of Roseville, a municipal corporation ("CITY") and Integrated Engineers & Contractors Corporation, a California corporation ("CONTRACTOR").

RECITALS

WHEREAS, CITY has issued a Request for Proposals pursuant to which CITY solicited proposals from design-build contractors to construct the ROSEVILLE POWER PLANT #2 REPOWER project ("Project"); and

WHEREAS, CONTRACTOR has submitted a Proposal, dated January 30, 2025 attached hereto and made a part hereof as Exhibit F, and CITY has selected CONTRACTOR to provide design and construction services as set forth in this Agreement; and

WHEREAS, CONTRACTOR is ready, willing and able to perform the aforementioned services required in accordance with the terms and conditions of this Agreement; and

NOW, THEREFORE, CITY and CONTRACTOR agree as follows:

ARTICLE 1

DEFINITIONS

1.1 "Applicable Laws" means all laws, codes, ordinances, rules and regulations of governmental authorities having jurisdiction over the Site and/or the Work.

1.2 "Application for Payment" means the document prepared by CONTRACTOR and submitted to CITY showing CONTRACTOR's entitlement to progress payments, the requirements of which are more fully described in Section 5.3 hereof.

1.3 "Architect/Engineer" means a licensed professional(s) (and/or entity(ies)) retained by CONTRACTOR, with the approval of CITY, who provides architectural, design and/or engineering services as may be required by the Work. The Architect/Engineer shall be registered in the State of California and the architect and/or engineer of record for the Work pursuant to their design responsibilities. The Architect/Engineer shall be the Architect/Engineer(s) stated in the Proposal, unless substituted by CONTRACTOR based upon CITY's written pre-approval.

1.4 "Authorized Representatives" means the Design-Build Team and those individuals appointed by CITY and CONTRACTOR from time to time in accordance with the provisions of Section 3.1.1.

1.5 "Business Day" means any day when the office of the City Clerk of the City of Roseville is open for business.

1.6 "Certificate of Substantial Completion" means a certificate prepared by CONTRACTOR in accordance with Section 5.12 and forwarded to CITY.

1.7 "Certificate of Final Completion" means a certificate prepared by CONTRACTOR and forwarded to CITY stating that the Project is finally complete and that CONTRACTOR is entitled to Final Payment in accordance with Article 5 hereof.

1.8 "Change Directive" means a written order signed by CITY directing a change in the Work. A Change Directive shall state a proposed basis for adjustment, if any, in the GMP or Schedule. CITY may order changes in the Work within the general scope of the Contract, and a Change Directive shall be used in the absence of total agreement on the terms of a Change Order.

1.9 "Change Order" means a written order signed by CONTRACTOR and CITY authorizing a change in the Work, which also may adjust the GMP and/or the Schedule, and which shall constitute a Modification. The GMP and/or Schedule may be changed only by Change Order.

1.10 "Change Proposal" means a proposal for a Change Order submitted by CONTRACTOR to CITY, either at the request of CITY, or at CONTRACTOR's own initiative.

1.11 "Construction Allowance Items" [reserved]

1.12 "Construction Documents" means the plans and specifications prepared by the Design-Build Team for the Project, approved by CITY, and incorporated into this Agreement by reference after such approval, to be used to construct the Project. The Construction Documents shall set forth in detail all items necessary to complete the construction of the Project in accordance with the Contract Documents (subject to their completion following commencement of the Construction Phase). All amendments and modifications to the Plans and Specifications must be approved by CITY prior to incorporation into this Agreement. CONTRACTOR's attention is hereby directed to the confidentiality requirements of Section 2.2.

1.13 "Construction Notice to Proceed" means the notice given by CITY to CONTRACTOR stating that the Site is available to CONTRACTOR and directing CONTRACTOR to commence construction of the Project in accordance with Section 4.2.1.

1.14 "Construction Phase" means the period beginning with the issuance of the Construction Notice to Proceed and ending on the date of Final Completion of the Project.

1.15 "Construction Work" means that portion of the Work consisting of the provision of labor, materials, equipment and services in connection with the construction of the Project as set forth in the Contract Documents.

1.16 "Contingency Costs" means those items of Cost of the Work attributable to a contingency for which CITY is responsible and which are payable by CITY to CONTRACTOR pursuant to a Change Order as provided in Article 6.

1.17 "Contract Documents" means this 1) Agreement, 2) its Exhibits, and 3) the Construction Documents, all of which, together with this Agreement, form the entire integrated agreement between CITY and CONTRACTOR. In the event of a conflict between any of these documents, this Agreement controls, followed by its Exhibits.

1.18 "Contract" or "Agreement" means this Design-Build Construction Agreement, its exhibits, and all amendments and/or modifications hereto executed by the parties.

1.19 "Contract Time" means the period of time, including authorized adjustments, allotted in the Schedule for the Final Completion of the Work.

1.20 "CONTRACTOR" means the individual or entity identified in the preamble to this Agreement.

1.21 "CONTRACTOR Event of Default" shall have the meaning set forth in Section 12.1 hereof.

1.22 "Cost of the Work" consists of those items of Work, which are paid for by CITY to CONTRACTOR, and consist of those categories of costs set forth as allowable on Exhibit A.

1.23 "CPM" means a critical path method schedule in the form of precedents, networks and time sequences.

1.24 "Day" or "Days" means calendar days.

1.25 "Delay Costs" means those items of Cost of the Work attributable to an Excusable Delay for which CITY is responsible and which are payable by CITY to CONTRACTOR pursuant to a Change Order as provided in Article 6.

1.26 "Design-Build Team" includes the following: Architect/Engineer; CONTRACTOR; and/or others as coordinated by CONTRACTOR and CITY.

1.27 "Design Development Documents" means the drawings, specifications and other documents prepared by the Design-Build Team for CITY's review and approval prior to the preparation of the Construction Documents. The Design Development Documents shall illustrate the scale and relationship of Project components, outline the nature and structural exterior and three dimensional scale of the Project and shall fix and describe in detail the configuration and character of the Project concerning all items of the Project necessary for the complete and final preparation of the Construction Documents in accordance with the requirements of the Contract Documents, including architectural and electrical systems, materials and such other elements as may be appropriate. CONTRACTOR's attention is hereby directed to the confidentiality requirements of Section 2.2.

1.28 "Design Materials" means any and all documents, shop drawings, electronic information, data, plans, drawings, sketches, illustrations, specifications, descriptions, models and other information developed, prepared, furnished, delivered or required to be delivered by CONTRACTOR to CITY under the Contract Documents or developed or prepared by CONTRACTOR specifically to discharge its duties under the Contract Documents. CONTRACTOR's attention is hereby directed to the confidentiality requirements of Section 2.2.

1.29 "Design Work" means that portion of the Work consisting of the design services required to be provided in connection with the design of the Project as set forth in the Contract Documents, which shall be performed consistent with the standards of professional care set forth herein.

1.30 "Excusable Delay" shall have the meaning set forth in Section 4.4.2 hereof.

1.31 "Fee", if applicable, means the fee payable to CONTRACTOR pursuant to this Contract and as part of the GMP, if shown on Exhibit A attached hereto.

1.32 "Final Completion" means the point at which the Work has been completed in accordance with the terms and conditions of the Contract Documents, including completion of all Punch list items.

1.33 "Force Majeure" means labor dispute (excluding labor shortage), fire, unusual delay in transportation or delivery, unavoidable casualty, flood (assuming CONTRACTOR has taken reasonable precautions), earthquake, epidemic, civil disturbance, war, freight embargo, riot, sabotage (by persons other than CONTRACTOR or Subcontractors), material shortage or any other similar act or condition, in each case only to the extent the event in question is beyond the reasonable control of and without the fault or negligence of CONTRACTOR.

1.34 "Governmental Approvals" means those CITY approvals necessary for the completion of the Project, including, but not limited to, modification of existing zoning, vacation of certain streets and/or alleys, and modifications to or variances from applicable building or zoning regulations.

1.35 "Guaranteed Maximum Price" or "GMP" means the amount set forth on Exhibit A hereto, which may be increased or decreased in accordance with the provisions of the Contract Documents.

1.36 "Hazardous Materials" means those items identified on Exhibit C hereto.

1.37 "Indemnified Parties" includes, but is not limited to, CITY, its agents, officers, employees, and volunteers.

1.38 "Liquidated Damages" means the damages payable by CONTRACTOR to CITY in the event CONTRACTOR does not achieve Final Completion of the Project by the date required on the Schedule, as adjusted, as more fully described in Section 4.6 hereof.

1.39 "Modification" means an amendment to this Agreement executed by the parties after the date hereof.

1.40 "Party" shall mean CITY or CONTRACTOR individually, and **"Parties"** shall mean CITY and CONTRACTOR collectively.

1.41 "Payment and Performance Bonds" means the payment bond and performance bond issued by an admitted Surety covering the faithful performance and completion of the Construction Work, including payment for all materials and labor furnished or supplied in connection with the Construction Work, by CONTRACTOR. Such bonds shall be in the form described in Exhibit E.

1.42 "Project" means the design and construction of the project described in the Recitals, together with all on-site infrastructure, site improvements and appurtenances to be designed, if any, constructed and installed in connection therewith, as more fully set forth and described in the Contract Documents and as required thereby or reasonably inferred therefrom.

1.43 "Project Manager" means the person assigned by the director of the CITY administering department to monitor the Project and Work.

1.44 "Punch List" means those minor items of Work to be completed after Substantial Completion and prior to Final Completion, which do not prevent the Project from being used for the purpose for which it is intended and which will not prevent beneficial occupancy or use.

1.45 "Retention" means the amount withheld from progress payments from CITY to CONTRACTOR from time to time, as more fully described in Article 5 hereof.

1.46 "Schedule" means the schedule pursuant to the Proposal and/or other Contract Documents to which CONTRACTOR has agreed to complete the Work. The Schedule shall be adjusted pursuant to the provisions of the Contract Documents. In the event the Schedule is not contained within the Proposal, then CONTRACTOR shall provide to CITY, within fifteen (15) days of issuance of a notice to proceed by CITY, with a complete milestone schedule identifying, among other things, critical paths (if any) and total calendar days until Substantial and Final Completion. In the event the Schedule is contained in the Proposal, the start of the Schedule shall be adjusted by the CONTRACTOR to reflect the date of the Notice To Proceed.

1.47 "Scheduled Date of Substantial Completion" means the date CONTRACTOR has agreed to achieve Substantial Completion of the Project in accordance with the Schedule, as adjusted.

1.48 "Scope Change Costs" means those items of Cost of the Work attributable to changes in scope of the Work and payable by CITY to CONTRACTOR pursuant to a Change Order, as provided in Article 6.

1.49 "Separate Contractors" means those individuals or entities (including, but not limited to, concessionaires) who have entered into arrangements with CITY for the provision of labor, materials or other services in connection with the Project.

1.50 "Site" is the real property on which the Project will be located.

1.51 "Subcontract" means an agreement between CONTRACTOR and another person or entity engaged to perform a portion of the Work.

1.52 "Subcontractor" means an individual or entity who has entered into an agreement with CONTRACTOR or another Subcontractor for the provision of labor, materials or other services required to be performed by CONTRACTOR under the Contract Documents.

1.53 "Substantial Completion" means the stage in the progress of the Work when the Work or a designated portion thereof is sufficiently complete in accordance with the Contract Documents so that CITY may use the Project for its intended purpose.

1.54 "Surety" means one or more issuers of the Payment and Performance Bonds, each of which shall be admitted and licensed to do business in the State of California.

1.55 "Unexcusable Delay" shall have the meaning set forth in Section 4.4.

1.56 "Work" or "Scope of Work" means the Project, inclusive of all labor, materials and services required to be performed or provided by CONTRACTOR officers, employees, agents, Subcontractors or Suppliers pursuant to the provisions of this Agreement and its Exhibits (including, the entirety of Exhibit F).

ARTICLE 2 SCOPE OF WORK / PROJECT REQUIREMENTS

2.1 Performance of Work. CONTRACTOR shall perform the Work in accordance with this Agreement. CONTRACTOR covenants and agrees that it shall be responsible for performing and completing, and for causing all Subcontractors (including Architect/Engineer) to perform and complete, the Work in accordance with the Contract Documents, standard professional and trade practices, and Applicable Laws. CONTRACTOR will retain an Architect/Engineer for design services required by the Work and the Architect/Engineer shall be the engineer of record. CONTRACTOR covenants that the Work and the materials provided thereunder shall be appropriate for the purposes stated in the Request for Proposal and Proposal. Although it is the responsibility of CONTRACTOR to conform the Work to Applicable Laws at all times, to the extent there is a change in one or more Applicable Laws after the date of execution of this Contract, and such change has the effect of increasing the cost or time of performance of the Work, such change may be the subject of a Change Order under the provisions of Article 6 hereof.

2.1.1. Noise and Night Work. CONTRACTOR shall comply with PLACER COUNTY AND CITY's noise ordinances.

2.2 Professional Standard; Ownership of Documents.

2.2.1 Standards of Performance. The Work shall be performed by CONTRACTOR in accordance with the professional standards applicable to projects, buildings or work of complexity, quality and scope comparable to the Work and the Project. CONTRACTOR may make such additions or substitutions to personnel and responsibilities as it deems necessary or appropriate in order to carry out its responsibilities hereunder, provided such personnel shall be suitably qualified. Nothing in this Agreement shall be construed to create any contractual liability with CITY toward any Subcontractor.

2.2.2 Design Documents and Materials, and Confidentiality.

2.2.2.1 CITY shall have unlimited rights to copy and use in connection with the Project all Design Materials, including the right to use same on the Project at no additional cost to CITY, regardless of degree of completion, provided that said services performed have been fully paid for as required by the terms of this Agreement. CONTRACTOR and its Subcontractors shall keep all design documents confidential, and shall not disclose such documents except as may be required in performance of the Work or pursuant to legal process.

2.3 Local Conditions; Environmental Site Conditions.

2.3.1 Local Conditions. CONTRACTOR represents that it has taken steps reasonably necessary to ascertain the nature and location of the Work, and that it has investigated and satisfied itself as to the general and local conditions which are applicable to the Work such as (a) conditions bearing on transportation, disposal, handling and storage of materials; (b) the availability of labor, water, power and roads; (c) normal weather conditions; (d) observable physical conditions at the Site; (e) the surface conditions of the ground; and (f) the character of equipment and facilities needed prior to and during the performance of the Work. To the extent CONTRACTOR encounters subsurface or concealed conditions which differ materially from that actually known by CONTRACTOR on the date of this Agreement or from those ordinarily found to exist and generally recognized as inherent in the activities of the character provided in the Contract Documents; then CONTRACTOR shall give notice to CITY promptly before conditions are disturbed and in no event later than two (2) Days after the first observance of the conditions if a Change Order is contemplated by CONTRACTOR due to such condition. Such materially different conditions may entitle CONTRACTOR to an equitable adjustment in the GMP and/or Schedule pursuant to the Change Order provisions of this Agreement.

2.3.2 Hazardous Materials. The Parties' agreement as to the handling of Hazardous Materials discovered at the Site (and not brought there by CONTRACTOR or any Subcontractor) is set forth in Exhibit C hereto, and the only duties and responsibilities of CONTRACTOR in connection therewith are as therein specified, notwithstanding any other provision of this Agreement.

2.4 Design Development Documents and Construction Documents.

2.4.1 General. The Design-Build Team understands that all construction documents, working drawings and specifications (“Submittals”) must be coordinated with, and approved by, CITY prior to construction. CONTRACTOR shall allow CITY a minimum of fourteen (14) days for review of Submittals and corrections made thereto. CONTRACTOR shall work with the Design-Build Team to prepare, for the approval of CITY, working drawings and specifications setting forth in detail the requirements for the construction of the Project in its entirety including the necessary bidding information. CITY’s review of the Design Development Documents and the Construction Documents shall not relieve CONTRACTOR from its responsibilities under this Agreement, or be deemed to be an approval or waiver by CITY of any deviation from, or of CONTRACTOR’s failure to comply with, any provision or requirement of the Contract Documents, unless such deviation or failure has been identified as such in writing in the document submitted for approval by CONTRACTOR and approved by CITY. CONTRACTOR shall comply with all CITY construction standards as deemed applicable by the CITY. CONTRACTOR shall provide CITY with a complete, accurate, full size, and current set of as-built drawings in a hard copy acceptable to City prior to Final Completion.

2.4.2 Reliance on Approvals. CONTRACTOR shall be entitled to rely on the approvals of CITY with respect to the Design Materials. If CITY revokes, modifies or otherwise changes in a material way its approval of a given system after such system has been designed and approved, or modifies the original Scope of Work in a material manner requiring modification to one or more systems which have been designed and approved, CONTRACTOR shall be entitled to a Change Order in accordance with the provisions of Article 6 hereof, provided that prior to such approval CONTRACTOR has made CITY aware of future design decisions which may be affected by such approval. No Change Order shall be issued to the extent such modification is due to the fault or neglect of CONTRACTOR.

2.4.3 Review of Contract Documents and Field Conditions. CONTRACTOR shall take field measurements and verify field conditions and shall carefully compare such field conditions and other information known to CONTRACTOR with the Contract Documents before commencing activities. CONTRACTOR shall perform the Work in accordance with the Contract Documents and submittals approved in accordance with the procedures set forth in this Agreement.

2.5 Legal Requirements. CONTRACTOR shall comply with Applicable Laws, and shall give applicable notices pertaining thereto. Except with respect to Governmental Approvals, CONTRACTOR shall prepare and file all documents required to obtain the necessary approvals of governmental authorities having jurisdiction over the Work and/or the Project and shall secure and pay for permits and governmental fees, licenses and inspections necessary for the proper execution of the Work and completion of the Project. Notwithstanding the foregoing, CITY has informed CONTRACTOR that fees in connection with building permits, street use permits, and similar permits relating to construction will be waived and are not to be included in the GMP. If and to the extent charges in the future for such permits are imposed in the future, such charges shall be paid by CITY, or shall be the subject of a Change Order to the Contract in accordance with the Change Order provisions of this Agreement.

2.6 Services and Facilities.

2.6.1 General. CONTRACTOR shall provide everything required for the orderly progress and proper execution and completion of the Work and the Project in accordance with the requirements of the Contract Documents, whether temporary or permanent and whether or not incorporated or to be incorporated into the Work, including, but not limited to, services, labor, materials, equipment, furnishings, tools, construction equipment and machinery, utilities, transportation and other facilities and services.

2.6.2 Supervision. CONTRACTOR shall supervise and direct the Work in accordance with its best skill and attention. CONTRACTOR shall be solely responsible for and have control over construction means, methods, techniques, sequences and procedures. CONTRACTOR shall be responsible to CITY for the acts and omissions of, and whenever this Contract refers to the negligence, fault or omission of CONTRACTOR, such term shall include the negligence, fault or omission of, CONTRACTOR's employees, Subcontractors and their agents and employees, and other persons performing portions of the Work under an agreement with CONTRACTOR. CONTRACTOR shall not be relieved of obligations to perform the Work in accordance with the Contract Documents by tests, inspections or approvals required or performed by persons other than CONTRACTOR.

2.6.3 Coordination. CONTRACTOR shall coordinate construction requirements with governmental agencies, utilities, and all other parties either involved in infrastructure improvements or otherwise affected by the design and construction requirements.

2.6.3.1 Design-Build Development Coordination. CONTRACTOR understands and agrees that all Design Development Documents and time schedules prepared by Architect/Engineer must be coordinated with CONTRACTOR and CITY. CONTRACTOR shall participate and provide recommendations in the development of the drawings and other documents to fix and describe the size and character of the Project in its entirety as to structural, and electrical systems, materials and other essentials as may be necessary according to good engineering and architectural practice.

2.6.3.2 Construction Documents Coordination. [reserved]

2.6.4. Cooperation. CONTRACTOR shall cooperate with the Architect/Engineer, and CITY's financial, design and construction consultants and all other designated representatives during the design and construction of the Project.

2.6.5 Management. CONTRACTOR shall implement suitable management systems and work plans for the Project relative to Project safety, quality assurance and managing and controlling the Work.

2.6.6 Reports. CONTRACTOR shall prepare and submit to CITY monthly progress reports on the Work accomplished during the previous monthly period, which reports shall be prepared in a manner and in a format reasonably acceptable to CITY. Such reports shall be

furnished at the time of submission of each monthly Application for Payment. As part of such report, CONTRACTOR shall provide an updated Schedule, including CPM, if any, illustrating the progress that has been made, by reference to the initial CPM, and specifying whether the Work is on schedule or behind schedule and actions being taken to correct Schedule slippage. The monthly report shall also set forth CONTRACTOR's projected progress for the forthcoming month.

2.7 Warranty. CONTRACTOR warrants to CITY that any and all materials, equipment and furnishings incorporated in the Work will be of good quality and new unless otherwise required or permitted by the Contract Documents, that the Work will be free from defects not inherent in the quality required or permitted, and that the Work will conform with the requirements of the Contract Documents. Work not conforming to these requirements, including substitutions not properly approved and authorized, may be considered defective by CITY at its sole discretion.

CONTRACTOR shall warranty the Work for materials and workmanship for a period of two-years commencing upon recording of the notice of completion. If within this two-year warranty period any of the Work is found to be defective or not in accordance with the requirements of the Contract Documents, CONTRACTOR shall correct it promptly after receipt of written notice from CITY to do so. CITY shall give such notice promptly after discovery of the condition. CONTRACTOR shall bear the cost of correction. All equipment warranties will be consistent with the manufacturer's standard warranties.

CONTRACTOR's attention is directed to Section 9.3 below regarding Warranty Bond requirements.

2.8 Taxes. CONTRACTOR shall pay, as Cost of the Work, all existing and future applicable federal, state and local sales, consumer, use and similar taxes, whether direct or indirect, relating to, or incurred in connection with, the performance of the Work (excluding taxes based on CONTRACTOR's income). In the event CONTRACTOR is obligated to pay any new or increased taxes or duties adopted after the date hereof, the amount of such new or increased taxes shall increase the GMP pursuant to the Change Order provisions of this Contract. In the event CONTRACTOR receives the benefit of a tax exemption or tax reduction taking effect after the date hereof, the amount of such exemption or reduction shall decrease the GMP pursuant to the Change Order provisions of this Contract

2.9 Access by CITY. CONTRACTOR shall afford CITY and its authorized designees access to the Project Site at all times, subject to reasonable prior notice for access outside of normal business hours.

2.10 Use of Site. CITY shall be permitted beneficial use of the Work.

2.11 Patents, Trademarks, Copyrights. CONTRACTOR shall pay, as a Cost of the Work, all-applicable royalties and license fees on any matters arising in connection with the Work. CONTRACTOR shall defend all suits or claims for infringement of patent, trademark, and copyrights against the Indemnified Parties, and shall save the Indemnified Parties harmless from loss on account thereof for any and all matters arising in connection with the Work or the Project

(such costs to be paid as Cost of the Work), except with respect to any particular design process or the product of a particular manufacturer or manufacturers specified and required by CITY, other than pursuant to the recommendation or suggestion of CONTRACTOR or a subcontractor; provided however, if CONTRACTOR has reason to believe that the design, process or product so specified is an infringement of a patent, CONTRACTOR shall be responsible for any loss resulting unless CONTRACTOR has provided CITY with prompt written notice of CONTRACTOR's belief, and CITY has nevertheless elected to go forward with such design, process or product so specified.

2.12 Rubbish; Debris; Cleanup. During the performance of all on-site Work, CONTRACTOR shall at all times, as a Cost of the Work, keep the Site and adjacent streets, properties and sidewalks reasonably free from waste materials, debris and/or rubbish, and shall employ adequate dust control measures. If accumulation of such materials, debris, rubbish or dust constitutes a nuisance or safety hazard or is otherwise objectionable in the reasonable opinion of CITY, CONTRACTOR shall promptly remove them. Upon Substantial Completion of the Work, or any portion or component thereof, CONTRACTOR shall remove from the Site, or applicable portion thereof, all tools, construction equipment, machinery, surplus materials, waste materials and rubbish and shall leave the Site in a "broom clean" condition. If CONTRACTOR fails to clean up as provided in the Contract Documents, CITY may do so and the cost thereof shall be charged to CONTRACTOR as a Cost of the Work.

2.13 Permits, Fees and Notices. Unless otherwise provided in the Contract Documents, and subject to the provisions of Section 2.5 hereof, CONTRACTOR shall secure all permits, governmental fees, licenses and inspections necessary for the proper execution and completion of the Work. To the extent there is a change in the type or cost of any of such permits, fees, licenses or inspection occurring after execution of this Agreement, there shall be an equitable adjustment in the GMP and Schedule on account of such change in accordance with the Change Order provisions. CONTRACTOR shall comply with and give notices required by Applicable Laws. CITY shall be responsible for obtaining California Energy Commission (CEC) and Air Board permitting.

2.14 Shop Drawings, Product Data, Samples and Other Submittals.

2.14.1 Documents and Samples at the Site. From and after commencement of the Construction Work, CONTRACTOR shall maintain at the site one record copy of the Construction Documents, and any and all amendments thereto, in good order and marked to record changes and selections made during the Construction Phase. In addition, CONTRACTOR shall maintain at the site approved shop drawings, product data, samples and similar required submittals. These shall be provided to CITY upon completion of the Work.

2.14.2 Shop Drawings, Product Data, Samples and Other Submittals.

2.14.2.1 Shop Drawings are drawings, diagrams, schedules and other data specially prepared for the Work by CONTRACTOR, a Subcontractor, manufacturer, supplier or distributor to illustrate some portion of the Work.

2.14.2.2 Product Data are illustrations, standard schedules, performance charts, instructions, brochures, diagrams and other information furnished by CONTRACTOR to illustrate materials or equipment for some portion of the Work.

2.14.2.3 Samples are physical examples, which illustrate materials, equipment or workmanship and establish standards by which the Work will be judged.

2.14.2.4 Shop Drawings, Product Data, Samples and similar submittals are not Contract Documents. The purpose of their submittal is to demonstrate for those portions of the Work for which submittals are required the way CONTRACTOR proposes to conform the construction to the Construction Documents.

2.14.2.5 Submission of items listed in section 2.14.2.4. [reserved]

2.14.3 Responsibility. CONTRACTOR shall not be relieved of responsibility for the deviations from requirements of the Contract Documents by CITY's approval of Shop Drawings, Product Data, Samples or similar submittals unless CONTRACTOR has specifically informed CITY of such deviation at the time of the submittal and CITY has given written approval to the specific deviation. CONTRACTOR shall not be relieved of responsibility for errors or omissions in Shop Drawings, Product Data, Samples or similar submittals by CITY's approval thereof.

2.15 Tests and Inspections

2.15.1 Initial Tests and Inspections. Tests, inspections and approvals of portions of the Construction Work shall be made as required by the Contract Documents, Applicable Laws or normal construction practices and/or as directed by CITY. Unless otherwise provided, CONTRACTOR shall make arrangements for such tests, inspections and approvals with an independent testing laboratory or entity acceptable to CITY, or with the appropriate public authority. The costs of such tests, inspections and approvals shall be a cost paid by CONTRACTOR. CONTRACTOR shall give CITY timely notice of when and where tests and inspections are to be made so that CITY may observe such procedures. All costs of tests, inspections or approvals imposed upon CONTRACTOR by changes in Applicable Laws occurring after execution of this Agreement shall be an increase to the GMP in accordance with the Change Order provisions herein.

2.15.2 Additional Tests and Inspections. If CITY, or any other public authority having jurisdiction, determines that portions of the Construction Work require additional testing, inspection or approval beyond that required by subsection 2.15.1, CITY will instruct CONTRACTOR to make arrangements for such additional testing, inspection or approval by an entity acceptable to CITY, and CONTRACTOR shall give timely notice to CITY of when and where tests and inspections are to be made so CITY may observe such procedures. If such additional tests and/or inspections reveal failure of the portions of the Work to comply with the requirements of the Contract Documents, the costs of such tests and required correction shall be paid as a Cost of the Work, subject to the limitations set forth in Section 2.22 hereof. If the additional tests and/or inspections show that the portions of the Work comply with the

requirements of the Contract Documents, the costs thereof shall be an increase to the GMP in accordance with the Change Order provisions of this Agreement.

2.15.3 Required Certificates. Required certificates of testing, inspection or approval shall, unless otherwise required by the Contract Documents, be secured by CONTRACTOR and promptly delivered to CITY.

2.15.4 Timing of Testing. Tests or inspections conducted pursuant to the Contract Documents shall be made promptly to avoid unreasonable delay in the Work.

2.16 Execution, Correlation and Intent.

2.16.1 Execution of Agreement. Execution of this Agreement by CONTRACTOR is a representation that CONTRACTOR has visited the Site, become familiar with the local conditions under which the Work is to be performed and correlated personal observations with requirements of the Contract Documents.

2.16.2 Intent of Contract Documents. The intent of the Contract Documents is to include all items necessary for the proper execution and completion of the Work by CONTRACTOR. The Contract Documents are complementary and what is required by one shall be as binding as if required by all; performance by CONTRACTOR shall be required only to the extent consistent with the Contract Documents and reasonably inferable from them as being necessary to produce the intended results.

2.16.3 Organization of Materials. Organization of the Design Materials into divisions, sections and articles, and arrangement of drawings does not necessarily control CONTRACTOR in dividing the Construction Work among Subcontractors or in establishing the extent of Construction Work performed by any trade.

2.16.4 Meaning of Words. Unless otherwise stated in this Agreement, words which have well-known technical or construction industry meanings are used in accordance with such recognized meanings.

2.17 Labor and Materials; Liens (Stop Payment Notice Claims); Indemnity. Unless otherwise provided in the Contract Documents, CONTRACTOR shall provide and pay for labor, materials, equipment, tools, construction equipment and machinery, water, heat, utilities, transportation, and other facilities and services necessary for the proper execution and completion of the Work, whether temporary or permanent and whether or not incorporated or to be incorporated in the Work. CONTRACTOR shall enforce strict discipline and good order among CONTRACTOR's employees, subcontractors, and other persons carrying out the Work. CONTRACTOR shall not permit employment of unfit persons or persons not skilled in tasks assigned to them.

CONTRACTOR shall not permit any Subcontractor, materialman, or laborer to place liens on the Project covering any portion of the Work for which CITY has made payment to CONTRACTOR. If any liens (e.g., stop payment notice claims) are imposed, CITY may

withhold payment in the amount of 125% of the claim until such time an unconditional release is provided in a form satisfactory to CITY. CONTRACTOR shall indemnify, defend, and hold harmless CITY regarding any claim or lien that proceeds to, or is the subject of litigation. CITY may withhold payment(s) pending compliance with this provision.

2.18 Cutting and Patching.

2.18.1 Cutting and Patching of the Work. CONTRACTOR shall be responsible for cutting, fitting, or patching required to complete the Work or to make its parts fit together properly.

2.18.2 Damage to Work of CITY or Separate Contractors. CONTRACTOR shall not damage or endanger a portion of the completed Work, fully or partially completed construction of CITY, or work or construction by Separate Contractor(s) by cutting, patching or otherwise altering such construction or work, or by excavation. CONTRACTOR shall not cut or otherwise alter such construction by CITY or a Separate Contractor except with written consent of CITY and of such Separate Contractor, such consent not to be unreasonably withheld.

2.19 Uncovering of Construction Work.

2.19.1 Uncovering. If a portion of the Construction Work is covered contrary to CITY's written request to observe such work prior to it being covered or contrary to requirements of the Contract Documents, it must, if directed in writing by CITY, be uncovered for CITY's observation and be replaced without change in the Schedule or GMP. The costs of such uncovering and replacement shall be Cost of the Work, subject to the limitation set forth in Section 2.22 hereof.

2.19.2 Covering of Work Requested to be Observed. If a portion of the Construction Work has been covered which CITY has not specifically requested to observe prior to it's being covered, CITY may request to see such Construction Work and it shall be uncovered by CONTRACTOR. If such Construction Work is in accordance with the Contract Documents, costs of uncovering and replacement shall, by appropriate Change Order, be charged to CITY and shall increase the GMP. An appropriate time extension shall also be given. If such Construction Work is not in accordance with the Contract Documents, CONTRACTOR shall pay such costs as Cost of the Work, unless such condition was caused by CITY or a Separate Contractor in which event CITY shall be responsible for payment of such costs by appropriate Change Order, and an appropriate time extension shall also be given.

2.20 Correction of Work.

2.20.1 Work Rejected by CITY. CONTRACTOR shall promptly correct Construction Work rejected by CITY or failing to conform to the requirements of the Contract Documents, whether observed before or after Substantial Completion and whether or not fabricated, installed or completed. CONTRACTOR shall bear the costs of correcting such rejected Construction Work, as a Cost of the Work, including additional testing and inspection and compensation for services and expenses of CITY made necessary thereby.

2.20.2 [Intentionally deleted].

2.20.3 Removal of Work. CONTRACTOR shall remove from the Site portions of the Construction Work, which are not in accordance with the requirements of the Contract Documents and are neither corrected by CONTRACTOR nor accepted by CITY. The costs incurred in removing such Work shall be a Cost of the Work, subject to the limitation set forth in Section 2.22 hereof.

2.20.4 Failure to Correct Nonconforming Work. If CONTRACTOR fails to correct nonconforming Construction Work within a reasonable time, CITY may correct it in accordance with the terms of this Agreement. If CONTRACTOR does not proceed with correction of such nonconforming Construction Work within a reasonable time fixed by written notice from CITY, CITY may remove it and store the salvageable materials or equipment at CONTRACTOR's expense. If CONTRACTOR does not pay costs of such removal and storage within ten (10) Days after written notice, CITY may, upon ten (10) additional Days written notice, sell such materials and equipment at auction or at private sale and shall account for the proceeds thereof, after deducting costs and damages that should have been borne by CONTRACTOR, including compensation for services and expenses made necessary thereby. If such proceeds of sale do not cover costs which CONTRACTOR should have borne, CONTRACTOR shall pay such excess to CITY. If such proceeds are in excess of the costs which CONTRACTOR should have borne, such excess shall be paid by CITY to CONTRACTOR. If such costs arise during the performance of the Work, such costs shall be charged against the Cost of the Work. If such costs arise after Substantial Completion, such costs shall be payable as provided in Section 5.1.

2.20.5 Damaged or Destroyed Work. CONTRACTOR shall bear the cost of correcting destroyed or damaged construction, whether completed or partially completed, of CITY or Separate Contractors caused by CONTRACTOR's correction or removal of Construction Work which is not in accordance with the requirements of the Contract Documents. If such costs arise during the performance of the Work, such costs shall be charged against the Cost of the Work. If such costs arise after Substantial Completion, such costs shall be payable as provided in Section 5.1.

2.20.6 No Limitation. Nothing contained in this section 2.20 shall be construed to establish a period of limitation with respect to other obligations which CONTRACTOR might have under the Contract Documents.

2.21 Value Engineering. CONTRACTOR shall suggest to CITY value engineering to reduce the cost of the Project, which CITY may accept at its sole discretion.

2.21.1 Subcontractors Bids. CONTRACTOR shall use its best effort to choose the highest quality of materials, equipment, component systems and types of construction for the most reasonable prices for inclusion in the Construction Documents, and make reasonable adjustments in the scope of the Project so that the total cost bid by the bidding Subcontractors will not exceed the estimate.

2.22 Acceptance of Nonconforming Work. If CITY prefers to accept Work, which is not in accordance with the requirements of the Contract Documents, CITY may do so instead of requiring its removal and correction, in which case the GMP will be reduced as appropriate and equitable. Such adjustment shall be effected whether or not final payment has been made.

2.23 Contractor Registration. No contractor or subcontractor may work on a public works project unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5. During the performance of this Contract, CONTRACTOR and its subcontractors shall have a continuing legal obligation to maintain current registration with the Department of Industrial Relations. CONTRACTOR is hereby notified that this Project is subject to compliance monitoring and enforcement by the Department of Industrial Relations.

ARTICLE 3 CITY'S RIGHTS AND RESPONSIBILITIES

3.1. Information and Services Required of CITY.

3.1.1 CITY Designation of Authorized Representative. Both Parties shall designate, from time to time, one or more representatives authorized to act on their behalf with respect to the Project, together with the scope of his/her respective authority. CONTRACTOR shall not be entitled to rely on directions from anyone outside the scope of that person's authority as set forth in written delegations pursuant to this Agreement. Directions and decisions made by Authorized Representative(s) of CITY shall be subject to any further approval(s) required by any provisions of CITY's Charter or the Roseville Municipal Code.

3.1.2 Communication. During the term of this Contract, CITY shall communicate with Subcontractors, suppliers and others performing any part of the Work only through CONTRACTOR's Authorized Representative.

3.1.3 Governmental Approvals. CITY shall be responsible for obtaining the Governmental Approvals. Any delay in obtaining the Governmental Approvals may entitle CONTRACTOR to an equitable adjustment in the Schedule and GMP in accordance with the Change Order provisions of this Agreement, except to the extent such delay is due to the fault or neglect of CONTRACTOR.

3.2 [Intentionally deleted.]

3.3 [Intentionally deleted.]

3.4 Activities on the Site by CITY or Separate Contractors.

3.4.1 CITY's Right to Award Separate Contracts. CITY reserves the right to perform work or operations related to the Project, with CITY's own forces, and to award separate contracts to Separate Contractors in connection with other portions of the Project.

3.4.2 Integration of the Work with Separate Contractors. Following the request of CITY, CONTRACTOR shall prepare a plan in order to integrate the work performed by Separate Contractors with the performance of the Work, and shall submit such plan to CITY for approval. The plan shall be fair and reasonable for CONTRACTOR and the Separate Contractors, and CONTRACTOR shall work with the Separate Contractors to reach agreement on such plan. CONTRACTOR shall arrange the performance of the Work so that the Work and the work of the Separate Contractors are, to the extent applicable, properly integrated, jointed in an acceptable manner, and performed in the proper sequence so that any disruption or damage to the Work or to any work of Separate Contractors is avoided.

3.4.3 Coordination. CONTRACTOR shall provide for the coordination of the activities of CONTRACTOR and its Subcontractors with the activities of the Separate Contractors. CONTRACTOR shall participate with all Separate Contractors and CITY in reviewing and coordinating the schedules of the Separate Contractors with the Schedule. CONTRACTOR shall make any revisions to the Schedule deemed necessary to properly incorporate the work of the Separate Contractors with the Work. To the extent (a) the date of Substantial Completion is extended by such Schedule revision; (b) CONTRACTOR is required to perform its Work materially out of sequence, and in a manner which is not as efficient or cost effective as originally planned; or (c) the Scope of Work is increased, an equitable adjustment in the GMP and the Schedule shall be made in accordance with the Change Order provisions of this Agreement.

3.4.4 Use of Site. CONTRACTOR shall afford CITY and all Separate Contractors reasonable opportunity for storage of materials and equipment and performance of their work. CONTRACTOR shall also connect and coordinate its Work and operations with CITY and all Separate Contractors' operations as required by the Contract Documents. CITY shall direct the Separate Contractors to cooperate with CONTRACTOR and to avoid actions or omissions, which could interfere with or delay the activities of CONTRACTOR.

3.4.5 Deficiency in Work of Contractors. If part of CONTRACTOR's Work depends upon proper execution or results upon construction or operations by CITY or a Separate Contractor, CONTRACTOR shall, prior to proceeding with that portion of the Work, promptly report to the Separate Contractor and CITY apparent discrepancies or defects in such other construction that would render it unsuitable for proper execution and results by CONTRACTOR. CONTRACTOR and the Separate Contractor shall use good faith efforts to resolve any such discrepancies or defects or any disagreements relating thereto. Failure of CONTRACTOR to report such discrepancies or defects shall constitute acceptance by CONTRACTOR of the work of Separate Contractors as fit and proper to receive CONTRACTOR's Work (except as to those defects or discrepancies that are not apparent).

3.4.6 Claims Involving Separate Contractors. In the event that CONTRACTOR unnecessarily and unreasonably delays the work of Separate Contractors by not cooperating with them as required hereby, or by not affording them reasonable opportunity to perform their work as stated herein, CONTRACTOR shall, in such event, pay, as Cost of the Work, all reasonable direct incremental costs and expenses incurred by such Separate Contractors due to any such delays. If any Separate Contractor shall assert a claim or bring an action against CITY alleging

damage due to the fault or neglect of CONTRACTOR, CITY shall immediately notify CONTRACTOR, who shall defend such claim. If it is determined that CONTRACTOR was at fault, CONTRACTOR shall pay all costs of defense, including attorney's fees, as well as any resulting judgment or settlement, as a Cost of the Work.

3.5 Assignment of Separate Contracts. If CITY determines that it wishes to assign to CONTRACTOR one or more contracts between CITY and a Separate Contractor, it shall give CONTRACTOR written notice of such desire, including in such notice a copy of such contract for CONTRACTOR's review and approval. The Separate Contractor shall be fully qualified to perform the work under the to-be-assigned contract, shall possess the financial capability to perform its obligations under such to-be-assigned contract, and shall provide one hundred percent (100%) payment and performance bonds covering such work from sureties meeting the standards set forth in Section 1.53 hereof. Such contract shall contain provisions similar to those contained in CONTRACTOR's agreements with its Subcontractors with respect to liability, indemnification, retention, payment, labor, warranty, and other material items. Upon CONTRACTOR's approval of the assignment of such contract, which approval shall not be unreasonably withheld, delayed or conditioned, such Separate Contractor shall cease to be a Separate Contractor and shall thereafter be deemed to be a Subcontractor of CONTRACTOR, and the GMP shall be increased by Change Order in the amount of (a) such assigned contract, and (b) the additional Fee pursuant to the provisions of Section 6.5.1.

3.6 CITY's Right to Stop the Work. If CONTRACTOR persistently fails to correct Work which is not in accordance with the requirements of the Contract Documents and this Agreement or persistently fails to carry out the Work in accordance with the Contract Documents, CITY, by written order signed by CITY, may deliver a notice to CONTRACTOR setting forth that such a persistent and material failure is occurring and has occurred, and demanding that CONTRACTOR commence a cure of such persistent and material failure within twenty (20) Days and diligently pursue such cure thereafter. In the event that the cure is not commenced and pursued diligently, CITY may, by written notice to CONTRACTOR, order CONTRACTOR to stop the Work, or any portion thereof, until the use for such order has been eliminated; provided, however, that the right of CITY to stop the Work shall not give rise to a duty on the part of CITY to exercise this right for the benefit of CONTRACTOR or any other person or entity and shall not give rise to any liability of CITY to CONTRACTOR resulting from any delay (except to the extent that such order is found to be improper).

3.7 CITY's Right to Carry out the Work. If CONTRACTOR defaults or neglects to carry out the Work in accordance with the Contract Documents and fails within a seven (7) Day period after receipt of written notice from CITY to commence and diligently continue correction of such default or neglect with diligence and promptness, CITY may after such seven (7) Day period give CONTRACTOR a second written notice to correct such deficiencies within such second seven (7) Day period. If CONTRACTOR within such second seven (7) Day period after receipt of such second notice fails to commence and diligently continue to correct any deficiencies, CITY, without prejudice to other remedies CITY may have, may correct such deficiencies. In such case an appropriate Change Order shall be issued deducting from payments then or thereafter due to CONTRACTOR the cost of correcting such deficiencies, including Compensation for additional services and expenses made necessary by such default, neglect or

failure. If payments then or thereafter due to CONTRACTOR are insufficient to cover such amounts, CONTRACTOR shall pay the difference to CITY.

ARTICLE 4 TIME

4.1. Progress and Completion. Time limits stated in the Contract Documents are of the essence of this Agreement. By executing this Agreement, CONTRACTOR confirms that the Contract Time is a reasonable period of time for achieving Final Completion of the Work.

4.2 Schedule Obligations.

4.2.1 Contract Schedule and Notice To Proceed. CONTRACTOR shall provide a schedule as stated in Section 1.46. CONTRACTOR shall begin work pursuant to this Agreement and in accordance with the Schedule (as described in Exhibit F) within fifteen (15) calendar Days of the date of issuance of a Notice To Proceed by CITY, unless extended at the request made to and at the sole discretion of City. CONTRACTOR shall update said schedule to commence from the date of this Agreement, and the overall timeline shall remain consistent with the original schedule. CITY may issue the Notice To Proceed within fifteen (15) Days of full execution of this Agreement.

4.2.2 Prosecution of the Work. CONTRACTOR shall prosecute the Work so that the portion of the Work completed at any point in time shall be not less than as required by the Schedule. If the rate of progress is such that the total amount of Work and/or the degree of completion of the Project accomplished by CONTRACTOR within any time period required by the Schedule is less than the amount therein specified, CONTRACTOR shall so notify CITY. If the delay is an Unexcused Delay, CONTRACTOR shall prepare a recovery schedule for CITY's review and approval, showing how CONTRACTOR will compensate for the delays and achieve Final Completion by the date shown on the Schedule. If CONTRACTOR is unable to demonstrate how it will overcome Unexcused Delays, CONTRACTOR shall employ such extraordinary measures as are necessary to bring the Work into conformity with the Final Completion Date set forth therein, the costs of which shall be a Cost of the Work and not exceed the GMP. If the delay is an Excusable Delay, CITY shall either (a) authorize an equitable extension in the Schedule to account for such delay, and equitably adjust the GMP on account of such delay, to the extent permitted by Article 6; or (b) request that CONTRACTOR prepare a recovery schedule showing how (if possible) CONTRACTOR can achieve Substantial Completion by the date shown on the Schedule (as modified), and equitably adjust the GMP in accordance with the Change Order provisions of this Agreement on account of any extraordinary activities required of CONTRACTOR on account of such recovery schedule. Schedule float (total float) shall be owned by CITY. As float is an expiring resource, if the Work is delayed on the critical path due to a delay caused by the CONTRACTOR and/or Architect/Engineer, the CONTRACTOR may not use any float created by such a delay on any other path without the express written approval of CITY.

4.3 Pre-construction Activities. Within thirty (30) Days after execution of this Agreement, CONTRACTOR shall submit to CITY for review a detailed schedule of pre-construction

activities, by expanding the pre-construction activities set forth on the Schedule. This pre-construction schedule shall be prepared using the CPM, and shall show in sufficient detail the starting and completion times sequences of Subcontract award activities of CONTRACTOR, and identify all interface activities of CITY.

4.4 Extensions of Time.

4.4.1 General. An extension in the scheduled date of Final Completion will only be granted in the event of Excusable Delays affecting Work activities on the critical path.

4.4.2 Excusable Delays. Subject to 4.4.1 and 4.5.2, to the extent any of the following events results in an actual delay in the Work affecting Work activities on the critical path, such shall constitute an "**Excusable Delay**" (to the extent not set forth below, a delay will be considered an "**Inexcusable Delay**").

4.4.2.1 Failure or inability of CITY to make available any or all of the Site in accordance with the requirements of the Schedule.

4.4.2.2 Failure or inability of CITY or CONTRACTOR to obtain necessary zoning changes, variances, code changes, permits or approvals from any governmental authority, or failure to obtain any street or alley vacations required for the performance of the Work, except to the extent due to the fault or neglect of CONTRACTOR.

4.4.2.3 Delays resulting solely from the acts or omissions of Separate Contractors; provided however, only to the extent Separate Contractors perform their work improperly and not in accordance with any applicable critical path schedule.

4.4.2.4 Delays resulting from Force Majeure.

4.4.2.5 Differing, unusual or concealed site conditions that could not reasonably have been anticipated by CONTRACTOR in preparing the Schedule.

4.4.2.6 Delays resulting from the existence or discovery of Hazardous Materials on the Site not brought to the site by CONTRACTOR or any Subcontractor.

4.4.2.7 Delays resulting from changes in Applicable Laws occurring after the date of execution of this Agreement.

4.4.2.8 Delays occurring solely due to the acts or omissions of CITY and those within the control of CITY, including, but not limited to, Separate Contractors.

4.4.2.9 Delays resulting from weather conditions, which shall be determined as follows: Should CONTRACTOR prepare to begin work at the regular starting time of any working day on which inclement weather, or the conditions resulting from the weather, prevents the Work from beginning at the usual starting time and the crew is dismissed as a result thereof and CONTRACTOR does not proceed with at least 75% of the normal labor and equipment force engaged in the current operations for at least 60% of the total daily time being spent,

CONTRACTOR will not be charged for a working day, even if the conditions change during the course of the day. At the start of such days, CONTRACTOR shall notify CITY if CONTRACTOR believes that inclement weather or conditions resulting from the weather exist. A non-working day determination of such conditions shall be made by CITY, who will immediately notify CONTRACTOR.

4.4.2.10 Delays resulting from unproductive work days, which shall be determined as follows: When CONTRACTOR is prevented from working on current operations due to site conditions, CITY action, or force majeure for at least 60% of the total daily time on the controlling operations. Controlling operations are determined by the critical path method schedule described in the applicable CITY construction standards. The critical path schedule used in this determination shall be no more than thirty (30) days old. CONTRACTOR shall notify CITY if CONTRACTOR believes an unproductive work day exists upon discovery of such condition. A non-working day determination of such conditions shall be made by CITY, who will immediately notify CONTRACTOR.

4.4.3 Requirements for Schedule Amendment due to Excusable Delays. In order to obtain an extension of time due to an Excusable Delay, CONTRACTOR shall comply with the following requirements:

4.4.3.1 CONTRACTOR shall notify CITY of the Excusable Delay as soon as practicable, but in no event more than four (4) Business Days after CONTRACTOR becomes aware of the occurrence of the Excusable Delay. Such notice shall describe the Excusable Delay and shall state the approximate number of Days CONTRACTOR expects to be delayed. After the cessation of the Excusable Delay, CONTRACTOR shall notify CITY of the number of Days CONTRACTOR believes that its activities were in fact delayed by the Excusable Delay. In the event that the delay arises as a result of a Change Order request by CITY, the request for an extension of time contained in the resulting Change Order proposal shall be deemed sufficient for purposes of this subsection.

4.4.3.2 CONTRACTOR shall demonstrate to the satisfaction of CITY that the Excusable Delay in fact delayed the critical path for performance of the Work (by use of CPM analysis). Any delay that impacts the CPM will be presented to the Project Manager at the monthly meeting, and prior to completion of each activity.

4.4.4 Decision by CITY. Within thirty (30) Days after cessation of an event giving rise to either an Excusable Delay or Inexcusable Delay, the parties will use good faith efforts to agree on the extent to which the Work has been delayed and whether the delay is an Excusable Delay or an Inexcusable Delay. In the absence of agreement between the parties as to the then current status of Excusable Delays and Inexcusable Delays, CITY will provide CONTRACTOR with written notice of CITY's determination of the respective number of Days of Excusable Delay and/or Unexcusable Delay within ten (10) Days after receipt by CITY of CONTRACTOR's written request for such determination. The issuance by CITY of such a determination shall not, however, be deemed a concurrence by CONTRACTOR of the matters set forth therein, and CONTRACTOR may invoke the dispute resolution procedures with respect to such determination. Pending completion of dispute resolution procedures, CONTRACTOR may take such acceleration or other measures required on account of CITY's determination of

Inexcusable Delay, and if completion of the dispute resolution procedures results in CITY's determination being changed to Excusable Delay, the costs associated with such measures shall be paid by CITY as an increase to the GMP in accordance with the Change Order provisions of this Agreement.

4.5 Adjustment in GMP on Account of Extensions of Time.

4.5.1 Certain Excusable Delays. Section 4.5 governs the extent to which CONTRACTOR is entitled to an extension of time due to Excusable Delays. Provisions governing the payment of additional compensation on account of such Excusable Delays, (if any) are set forth in Article 6.

4.5.2 Concurrent Delays. To the extent CONTRACTOR is entitled to an extension of time due to an Excusable Delay, but the performance of the Work would have been suspended, delayed or interrupted by the fault or neglect of CONTRACTOR, any subcontractor and/or by an Inexcusable Delay, CONTRACTOR shall not be entitled to any additional costs for the period of such concurrency.

4.6 Liquidated Damages.

4.6.1 General. CONTRACTOR and CITY acknowledge that in the event that CONTRACTOR fails to achieve Final Completion of the Project by the date established, CITY will incur substantial damages that shall be incapable of accurate measurement. Nonetheless, the parties acknowledge that on the date of this Agreement, the amount of liquidated damages set forth below represents a good faith estimate as to the actual potential damages that CITY would incur as a result of late Completion of the Project. Such liquidated damages shall be in-lieu of actual damages resulting from late completion. The amount of the liquidated damages calculated hereunder does not include any penalty.

4.6.2 Amount of Liquidated Damages. If CONTRACTOR fails to achieve Final Completion of the Work on or before the Notice of Completion date, as adjusted for Excusable Delays, CONTRACTOR shall pay to CITY liquidated damages in the amount of \$5000.00 (five thousand dollars) per Day for each calendar day the date of Final Completion is unexcusably delayed up to a maximum of two percent (2%) of the total Agreement price. Payment of liquidated damages shall be made contemporaneously with CITY's required payment to CONTRACTOR, and such payments may be offset against each other.

ARTICLE 5 PAYMENT AND COMPLETION

5.1 Guaranteed Maximum Price ("GMP") and GMP Shared Savings. CITY shall pay for CONTRACTOR's performance under this Agreement (as described in Exhibit A hereto) on a fixed price lump sum basis, as adjusted by Change Order/Directive in accordance with the Contract Documents. CONTRACTOR bears the risk of its increased costs due to market price

increases (including escalating costs for materials) but not including direct impacts from the imposition of tariffs which will be documented by CONTRACTOR and reimbursed by CITY.

5.1.1 Shared Savings. [reserved]

5.2 Schedule of Values. Before the first Application for Payment, CONTRACTOR shall submit to CITY, and CITY shall approve, a schedule of values, setting forth the various portions of the Work, and the portions of the GMP allocated to each portion. This schedule of values shall be used as a basis for payment.

5.3 Applications for Payment. CONTRACTOR shall deliver to CITY not more than once each month an Application for Payment covering the Cost of Work and Fee applicable to the Work performed during the immediately preceding month. With each Application for Payment CONTRACTOR shall submit such evidence as may be necessary to demonstrate costs incurred on account of Cost of the Work during such month and the percentage of completion of each category of Work. CITY may reject requests for payment, or portions thereof, for Work, or portions thereof, not performed or completed.

5.4 Amount of Progress Payments. CITY shall pay CONTRACTOR the actual Cost of the Work and Fee, if any, through the period covered by the Application for Payment, less Retention as set forth in Section 5.5 below, provided that the aggregate payment amount before retention will not exceed the percentage of completion of the Work multiplied by the GMP (excluding items of the GMP not subject to retention). CITY may additionally withhold from progress payments such amounts pursuant to stop payment notice claims as required by law and CITY administrative regulation 4.01.

5.5 Retention; Escrow Agreement; Final Payment. Five percent (5%) Retention shall be withheld from each progress payment until the expiration of thirty-five (35) days following the recordation of the notice of completion; provided however, City shall continue to retain such amount as required by law and/or CITY administrative regulation 4.01. CONTRACTOR may elect to establish an escrow account for securities in-lieu of the five percent (5%) Retention in a form of escrow agreement compliant with law and subject to approval by the City Attorney (form of escrow agreement is attached as Exhibit D). Release of Retention monies shall constitute the Final Payment.

5.6 Early Release of Subcontractor Retention. [reserved]

5.7 Payment for On-Site and Off-Site Stored Materials. [reserved]

5.8 Title to Construction Work. CONTRACTOR warrants that title to all Construction Work covered by an Application for Payment shall pass to CITY no later than the time of payment. CONTRACTOR further warrants that upon submittal of an Application for Payment, all Construction Work for which Applications for Payment have been previously issued and payments received from CITY shall, to the best of CONTRACTOR's knowledge, information and belief, be free and clear of liens, claims, security interests or encumbrances in favor of

CONTRACTOR, Subcontractors, material suppliers, or other persons or entities making a claim by reason of having provided labor, materials or equipment relating to the Construction Work.

5.9 Withholding of Payment. CITY may withhold payment on account of an Application for Payment if required or authorized by any Applicable Law, or to the extent necessary to protect CITY from loss because of:

5.9.1 defective Work not remedied;

5.9.2 third party claims filed or reasonable evidence indicating probable filing of such claims;

5.9.3 failure of CONTRACTOR to make payments of undisputed amounts to Subcontractors for labor, materials or equipment;

5.9.4 damage to CITY or a Separate Contractor caused by the fault or neglect of CONTRACTOR to the extent not reimbursed by insurance; or

5.9.5 reasonable evidence that the Work will not be Substantially Completed within the Contract Time due to Inexcusable Delay, and that the unpaid balance of the GMP would not be adequate to cover liquidated damages for the anticipated Inexcusable Delay.

5.10 Failure of Payment; Interest. In accordance with Public Contract Code §20104.50, CITY shall pay CONTRACTOR interest on any progress payment, which is made by CITY more than thirty (30) days after CITY receives an undisputed and properly submitted written payment request. Said interest shall be equal to the rate set forth in Code of Civil Procedure §685.010(a), and shall begin to accrue upon the expiration of said thirty (30) day period. Any written request for a progress payment which CITY determines to be disputed, improper or not suitable for payment for any reason shall be returned to CONTRACTOR within seven (7) days after receipt by CITY, along with a written statement of the reason or reasons why such request is disputed, improper or not suitable for payment.

5.11 Occupancy by CITY Prior to Acceptance. CITY reserves the right to Beneficial Occupancy and without charge by CONTRACTOR. In those areas of the Work which are completed, CITY may store materials, equipment, and supplies, and may perform partial operation.

5.12 Substantial Completion. When CONTRACTOR considers the entire Work complete and ready for its intended use, CONTRACTOR shall certify in writing to CITY that the entire Work is substantially complete by providing CITY with a Certificate of Substantial Completion. Within a reasonable time thereafter, CITY and CONTRACTOR shall make an inspection of the Work to determine the status of completion. If CITY does not consider the Work substantially complete, CITY will notify CONTRACTOR in writing giving reasons therefor. If CITY considers the Work substantially complete, CITY will accept a corresponding partial Certificate of Substantial Completion. There shall be attached to the Certificate a Punch List of items to be completed or corrected before Final Acceptance and Final Payment.

5.13 Final Completion. When the Work is fully completed, CONTRACTOR shall provide CITY with a Certificate of Final Completion and shall request final inspection in writing. Additionally, CONTRACTOR shall provide legally effective releases or waivers satisfactory to CITY of all lien rights arising out of or liens filed in connection with the Work. Within ten (10) calendar days of receipt of such completed request form, CITY shall make final inspection. If following final inspection CITY determines that the Work (including all Punch List items) has been fully completed, CITY will process a Notice of Completion. If CITY determines that the Work is not complete after receipt of certification from CONTRACTOR, CONTRACTOR shall be notified in writing of deficiencies. After the deficiencies have been corrected, the procedure for final inspection as set forth above shall again be initiated by CONTRACTOR. In the event CITY determines the Work is fully completed, CITY shall initiate process of attaining a notice of completion.

5.13.1 Waiver of Claims at Final Payment. Acceptance of final payment by CONTRACTOR shall constitute a waiver of all claims by CONTRACTOR, except those previously made in writing and identified as unsettled at the time of final payment.

5.14 Construction Allowance Items. [reserved]

5.15 Superintendent. CONTRACTOR shall employ a competent superintendent and necessary assistants who shall be in attendance at the Project site during performance of the Construction Work. The superintendent shall represent CONTRACTOR, and communications given to the superintendent shall be as binding as if given to CONTRACTOR.

5.16 Documents and Samples at the Site. CONTRACTOR shall maintain at the site for CITY one record copy of the drawings, specifications, addenda, Change Order and other Modifications, in good order and marked currently to record changes and selections made during construction, and in addition approved Shop Drawings, Product Data, Samples and similar required submittals. CONTRACTOR shall also prepare one reproducible set of as-built drawings. These shall be provided to CITY upon completion of the Work.

5.17 Contingency. [reserved]

ARTICLE 6 CHANGES IN THE WORK; CLAIMS

6.1 Changes. Changes in the Work shall be performed under applicable provisions of the Contract Documents. If unit prices are stated in the Contract Documents or subsequently agreed upon, and if quantities originally contemplated are so changed in a proposed Change Order or Change Directive that application of such unit prices to quantities of Work proposed will cause substantial inequity to CITY or CONTRACTOR, the applicable unit prices for such change order/directive shall be equitably adjusted. No GMP adjustment on account of a Change Order shall include CONTRACTOR's or Subcontractor's profit, Fee, home office overhead or a formula allocation of indirect costs unless otherwise specifically allowed hereunder.

6.2 Change Directives. The following procedures shall apply with respect to Change Directives:

6.2.1 Upon receipt of a Change Directive signed by CITY, CONTRACTOR shall promptly proceed with the change in the Work involved and advise CITY of CONTRACTOR's agreement or disagreement with the method, if any, provided in the Change Directive for determining the proposed adjustment in the GMP or the Schedule. If CONTRACTOR receives a written communication signed by CITY which CONTRACTOR believes is a Change Directive but is not so identified, it shall not proceed with the change in the Work until it receives from CITY a written confirmation that such communication is in fact a Change Directive.

6.2.2 A Change Directive signed by CONTRACTOR indicates the agreement of CONTRACTOR with the contents thereof, and shall convert the Change Directive to a Change Order.

6.2.3 If CONTRACTOR does not respond promptly or disagrees with the method for adjustment in the GMP or Schedule, the method and adjustment shall be determined as provided in Sections 6.5 or 6.10 below, as applicable. In such case, CONTRACTOR shall keep and present, in such form as CITY may request, an itemized accounting, together with appropriate supporting data.

6.2.4 Pending final determination of cost to CITY, amounts not in dispute shall be included in Applications for Payment. The amount of credit to be allowed by CONTRACTOR to CITY for a deletion or change which results in a net decrease in the GMP shall be actual net cost. When both additions and credits covering related Work or substitutions are involved in a change, the allowance for Fee shall be figured on the basis of net increase, if any, with respect to that change.

6.2.5 If CITY and CONTRACTOR do not agree with the adjustment in the Schedule or the GMP, such disagreement shall be submitted for dispute resolution in accordance with the provisions of this Contract.

6.3 Change Proposals. If CITY requests CONTRACTOR to submit a Change Proposal which would entitle CONTRACTOR to an increase in the GMP for costs of preparation of such Change Proposal pursuant to the provisions of this Section 6.3, CONTRACTOR shall first estimate the costs of preparing such Change Proposal and inform CITY in writing of such costs. CITY shall then direct CONTRACTOR either to proceed with the Change Proposal or cancel the Change Proposal. If CITY directs CONTRACTOR to proceed with the Change Proposal and then elects not to proceed with the Change Order contemplated therein, a Change Order shall be issued to reimburse CONTRACTOR for costs reasonably incurred by CONTRACTOR on account of such Change Proposal, but only to the extent the Change Order contemplated by such Change Proposal involves a material change to the scope of the Work requiring modification to one or more systems which have been designed and approved in accordance with the standards set forth in the technical specifications. To the extent the preparation of such Change Proposal impacts the Schedule (e.g., other Work is suspended pending a decision on such Change

Proposal or the Design Work is delayed due to the preparation of the Change Proposal), an equitable adjustment in the Schedule shall be made.

6.4 Claims. CONTRACTOR shall submit any claims for additional compensation to CITY in writing. The claim shall set forth the reason(s) that CONTRACTOR believes additional compensation will or may be due, the nature of the costs involved, and insofar as possible, the amount of the potential claim. The notice must be given to the Project Manager prior to the time that CONTRACTOR shall have performed the work giving rise to the potential work for additional compensation, if based on an act or failure to act by CITY, or in all other cases within fifteen (15) calendar days after happening of the event, thing or occurrence giving rise to the potential claim. Any and all Claims not presented as required herein shall be waived.

6.5 Change Orders Increasing or Decreasing Scope.

6.5.1 Increased Scope. With respect to Change Orders which increase the Scope of Work described on Exhibit F, are not due to the errors or omissions of CONTRACTOR and are not attributable to Excusable Delays or the contingencies set forth in Section 6.6 below, the GMP shall be increased by the following "Scope Change Costs":

6.5.1.1 Construction Work and Mark Ups.

6.5.1.1.1 The estimated increase in the Cost of the Work attributable to the Change Order and which would not have been incurred but for the Change Order and/or Work Directive. In addition, CONTRACTOR may add a markup of up to ten percent (10%), subject to the discretion of the Project Manager, to the increase in the Cost of the Work due to the Change Order. This markup shall constitute full compensation for all delay costs, overhead costs and profit. The GMP shall be revised accordingly.

6.5.1.1.2 When Change Order work is performed by a Subcontractor(s), each Subcontractor may add a markup of up to ten percent (10%), subject to the discretion of the Project Manager, to their direct costs for labor, materials and equipment used in performing the Change Order work. The GMP shall be revised accordingly.

6.5.2 Decreased Scope. With respect to Change Orders, which decrease the Scope of Work described on Exhibit F, the GMP shall be decreased by the Cost of Work attributable to such Change Order and/or Work Directive. Furthermore, if the Change Order deletes a part of the Scope of Work, CONTRACTOR shall be entitled to retain a value of five percent (5%) of the full value of the reduction in Cost of Work attributable only to the portion of the Scope of Work deleted from the Scope of Work. The GMP shall be revised accordingly.

6.6 Change Orders on Account of Contingencies. With respect to Change Orders which are attributable to the following contingencies, the GMP shall be adjusted (increased or decreased) by the following "**Contingency Costs**," consisting of the following:

6.6.1 With respect to new or increased taxes arising after the date of this Agreement (other than taxes assessed based on the income of CONTRACTOR), the Change Order shall

consist of the incremental amount of such new or increased taxes only. With respect to reductions in taxes arising after the date of this Agreement (other than taxes assessed based on the income of CONTRACTOR), the Change Order shall consist of the incremental amount of such reduced taxes only.

6.6.2 With respect to increases or decreases in fees for permits or other governmental certificates or instruments arising after the date of this Agreement, the Change Order shall consist of the incremental amount of such increases or decreases. To the extent this Agreement states that a permit or certificate is not required and CONTRACTOR is later required to procure such permit or certificate, all out-of-pocket costs reasonably associated therewith shall be included in the Change Order.

6.7 Change Orders on Account of Excusable Delay. With respect to Change Orders, which are attributable to Excusable Delays, and subject to the exceptions set forth in Section 6.7.3 below, the GMP shall be increased by the following "Delay Costs":

6.7.1 Construction Work.

6.7.1.1 Increased allowable labor costs resulting from wage increases paid due to the delay;

6.7.1.2 Premiums for overtime and extra shifts incurred in accelerating the Work, but only if acceleration is required in advance by CITY;

6.7.1.3 Proven increased material costs;

6.7.1.4 Additional general conditions costs which would not have been incurred but for the delay (itemized, and not based on a formula allocation);

6.7.1.5 Demobilization and remobilization costs; and

6.7.1.6 Additional items of Cost of the Work attributable to the Excusable Delay and which would not have been incurred but for the Excusable Delay.

6.7.2 Intentionally left blank.

6.7.3 Exceptions. The following exceptions to the provisions of Section 6.7.1 above shall apply:

6.7.3.1 With respect to the Excusable Delay described in Section 4.4.2.1, the cost described in Section 6.7.1 shall not be compensable delay costs if such Excusable Delay occurs prior to the commencement of the Construction Work.

6.7.3.2 With respect to the Excusable Delay described in Section 4.4.2.2, the cost described in Section 6.7.1 shall not be compensable delay costs if such Excusable Delay occurs prior to the commencement of the Construction Work.

6.7.3.3 With respect to the Excusable Delay described in Section 4.4.2.4, costs incurred in connection with such delay are chargeable against the Cost of the Work but shall not increase the GMP.

6.7.3.4 With respect to the Excusable Delay described in Section 4.4.2.5, in addition to the compensation provided in Section 6.7.1, CONTRACTOR shall be entitled to the additional costs set forth in Section 6.10.

6.7.3.5 With respect to the Excusable Delay described in Section 4.4.2.7, additional compensation shall only be paid if the change in Applicable Law is not a change in law of general application (e.g., CAL/OSHA), but is a change in law specifically affecting the Project.

6.8 Force Majeure. There shall be no additional compensation to CONTRACTOR on account of Force Majeure.

6.9 Intentionally left blank.

6.10 Change Orders on Account of Differing Site Conditions. If CONTRACTOR encounters conditions described in Section 4.4 which constitute Excusable Delay, in addition to the increase in the GMP on account of delay costs incurred by CONTRACTOR (as described in Section 6.7.1), the GMP shall also be increased by the additional Cost of the Work attributable to such conditions which would not have been incurred but for such conditions.

6.11 Time Extensions on Account of Change Orders. CONTRACTOR shall be entitled to a time extension in connection with any Change Order to the extent its time of performance is extended due to such Change Order. CONTRACTOR shall present to CITY a CPM analysis showing how the Change Order affects the critical path of the Work.

ARTICLE 7 CORRECTION OF WORK

7.1 Correction of Work Prior to Completion. Prior to the date of Final Completion, CONTRACTOR shall correct Work which (a) CITY reasonably rejects as being defective or nonconforming to the requirements of the Contract Documents in a written notice delivered to CONTRACTOR or (b) CONTRACTOR recognizes is defective or nonconforming to the Contract Documents. If other portions of the Work are adversely affected by or are damaged by such defective Work, CONTRACTOR shall also correct, repair or replace such affected or damaged Work, as well as any other property of CITY or others damaged by such defective or nonconforming Work. Prior to the date of Final Completion, the cost of correcting any damaged or defective work shall be paid as a Cost of the Work.

7.2 Correction of Work After Completion. For defects identified by CITY and for which CITY has notified CONTRACTOR within a period of twelve (12) months after the date of Final Completion, or within such longer period as may be provided by special warranties contained in

the Contract Documents, CONTRACTOR shall re-execute, correct, repair or replace all Work found to be defective or nonconforming to the Contract Documents (whether arising from a design or construction defect, error, omission or deficiency). If other portions of the Work are adversely affected by or damaged by such defective Work, CONTRACTOR shall also correct, repair or replace such affected or damaged Work, as well as any other property of CITY or others damaged by such defective or nonconforming Work.

7.3 Acceptance of Nonconforming Work. If CITY prefers to accept Work, which is not in accordance with the requirements of the Contract Documents, CITY may do so instead of requiring its removal and correction, in which case the GMP will be reduced as appropriate and equitable. Such adjustment shall be effected whether or not final payment has been made.

7.4 No Effect on Limitations. Nothing contained in this Article shall be construed to establish a period of limitation with respect to other obligations, which CONTRACTOR may have under the Contract Documents.

ARTICLE 8 SUBCONTRACTORS

8.1 Subcontracts

8.1.1 Incorporation of Contract Documents. CONTRACTOR may enter into Subcontracts with various Subcontractors for portions of the Work. The Subcontracts shall require each Subcontractor, to the extent of the Work to be performed by such Subcontractor, to assume towards CONTRACTOR all the obligations and responsibilities which CONTRACTOR assumes towards CITY. All Subcontracts shall incorporate the terms of this Agreement and the Contract Documents to the extent applicable to the Work to be performed by the Subcontractor.

8.1.2 Approval of Subcontractors. Those portions of the Construction Work that the CONTRACTOR does not intend to perform with CONTRACTOR's own personnel shall be performed under Subcontracts. A proposed list of Subcontractors shall be submitted to CITY for approval. Proposed Subcontractors will be deemed accepted unless CITY objects in writing within five (5) days after submission by CONTRACTOR.

ARTICLE 9 INSURANCE AND BONDS; INDEMNIFICATION

9.1 Insurance to be provided by CONTRACTOR:

A. Evidence of Coverage. CONTRACTOR shall, at all times, maintain in full force and effect at a minimum the insurance required by this section; and CONTRACTOR shall not allow any subcontractor to commence Work until similar insurance required of the subcontractor has been obtained and filed. An original Certificate of Insurance, and copies of all required endorsements, all in a form approved by the Risk Manager, evidencing all required coverage or

policies shall be filed after the award of the bid and prior to approval of the Contract by the City Council. CONTRACTOR shall provide ten (10) Days prior written notice to CITY of any reduction of coverage limits or cancellation of the coverage or policies shall be given to the City of Roseville as Certificate holder.

B. Qualifying Insurers. With the exception of the State Compensation Insurance Fund, all required insurance policies shall be issued by companies licensed to do business in the State of California and who hold a current policy holders alphabetic and financial size category rating of not less than AVII according to the most recent issue of Best's Insurance Reports.

C. Insurance Required. Commercial General Liability, automobile liability, and worker's compensation insurance shall be maintained as follows:

- | | | |
|----|--|--|
| 1. | Commercial General Liability
Minor Construction Project
(Projects under \$1,000,000) | \$2,000,000 each occurrence
\$4,000,000 aggregate |
| | | Personal Injury:
\$2,000,000 each occurrence
\$4,000,000 aggregate |
| | Commercial General Liability for
Major Construction Projects
(Projects over \$1,000,000) | \$5,000,000 each occurrence
\$10,000,000 aggregate
Personal Injury:
\$5,000,000 each occurrence
\$10,000,000 aggregate |
| 2. | Professional Liability (errors and
omissions) | \$2,000,000 per claim
\$4,000,000 aggregate |

The Commercial General Liability policy shall include coverage or endorsements for:

- a. Completed operations.
- b. Losses related to independent contractors, products and equipment.
- c. Explosion, collapse and underground hazards.

The Commercial General Liability Insurance shall include the following, copies of which shall be provided:

- a. Inclusion of the City of Roseville, and the California Department of Water Resources and their officers, agents, employees and volunteer, as additional insured (except for workers' compensation as respects services or operations under the Contract. The additional insured endorsement for the general liability policy shall be at least as broad as the Insurance Services Office ("ISO") CG 20 38 04 13 or an equivalent, blanket endorsement or section of the policy. Endorsements must include coverage for on-going and completed operations.

- Endorsements shall cover the City of Roseville, and the California Department of Water Resources and their officers, agents, employees, and volunteers.
- b. Cross liability and severability of interest clauses providing that the insurance applies separately to each insured except with respect to the limits of liability.
 - c. Stipulation that the insurance is primary and noncontributory, as evidenced by a separate endorsement (CG 20 01 04 13 or an equivalent) or section of the policy, and that neither CITY nor its insurers will be called upon to contribute to a loss.
 - d. Such insurance shall specifically cover the contractual liability of the CONTRACTOR.
 - e. Any available insurance proceeds in excess of the specified minimum insurance coverage requirements and limits shall be available to the additional insureds. Furthermore, the requirements for coverage and limits shall be: (1) the minimum coverage and limits specified in this Agreement; or (2) the full coverage and maximum limits of any insurance proceeds available to the named insureds, whichever is greater.
 - f. Waiver of subrogation endorsement.
 - g. CONTRACTOR shall furnish a certificate for the period covered.

SPECIAL NOTICE - CLAIMS MADE COVERAGE:

Liability insurance coverage may not be written on a "claims made" basis. The Certificate of Insurance must clearly provide that the coverage is on an "occurrence" basis.

2. Comprehensive Automobile Liability for bodily injury (including death) and property damage which provides total limits of not less than One Million Dollars (\$1,000,000) combined single limits per accident, applicable to all owned, non-owned, and hired vehicles.

3. Statutory Workers' Compensation and Employer's Liability Insurance, including a waiver of subrogation endorsement and a Broad Form "All-States" Endorsement for all employees engaged in services or operations under the Contract. The employer's liability insurance shall provide limits of not less than One Million Dollars (\$1,000,000) per occurrence. Both the worker's compensation and employer's liability policies shall contain the Insurer's waiver of subrogation in favor of CITY, its officers, agents, employees, and volunteers.

4. Builder's Risk/Course of Construction Insurance: CONTRACTOR shall be responsible for all loss, damage or destruction whatsoever to the Work called for by this Contract until the approval of a Notice of Completion. CONTRACTOR shall secure "All Risk" type of builder's Risk Insurance of the type covering one hundred percent (100%) of the value of the Work performed under this Contract (the value is presumed to be the Contract plus the purchase price of the relocated equipment specified in Attachment I Section 3.2) and all materials, equipment, or other items to be incorporated therein while the same are located at the construction site, a bonded warehouse, or its place of manufacture. At any time, the policy shall cover the value of the Work completed. The policy shall cover hazards including the losses due to fire, explosion, hail, rain, lightning, flood (separate insurance as needed), vandalism, malicious mischief, wind, collapse, aircraft, and smoke.

The policies providing such insurance shall name CITY as a loss payee as its respective interests may appear, and certified copies of such policies shall be filed with CITY. The maximum deductible allowable under the Builder's All Risk policy shall be five percent (5%) of the Contract amount.

Builder's Risk Insurance is not required for coverage of losses in excess of five percent (5%) of the Contract amount for damages resulting from earthquake in excess of a magnitude of 3.5 on the Richter scale, or tidal waves. Coverage in the amount of five percent (5%) of the Contract amount for such losses is required.

D. Other Insurance Provisions.

1. The requirements of the Contract Conditions as to types and limits of insurance coverage to be maintained by CONTRACTOR, and any approval of insurance by CITY, are not intended to, and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by CONTRACTOR pursuant to the Contract, including, but not limited to, the provisions concerning indemnification, nor preclude CITY from taking any other action available to it under any other provision of the Contract or law.

2. CITY acknowledges that some insurance requirements contained in the Contract Conditions may be fulfilled by self-insurance on the part of CONTRACTOR. However, this shall not in any way limit liabilities assumed by CONTRACTOR under the Contract. Any self-insurance must be approved in writing by CITY, in its sole discretion and shall not reduce the limits of liability. Any deductibles or self-insured retentions ("SIR") must be declared on the certificate of insurance and approved by CITY in writing. Policies containing any SIR provision shall provide or be endorsed to provide that the SIR may be satisfied by either the named insured or CITY. CITY reserves the right to obtain a full certified copy of any insurance policy and endorsements. The failure to exercise this right shall not constitute a waiver of such right.

3. CONTRACTOR agrees to include in its contracts with all subcontractors the same requirements and provisions of this Contract, including the indemnity and insurance requirements, to the extent they apply to the scope of the subcontractor's work. Furthermore, CONTRACTOR shall require its subcontractors to agree to be bound to CONTRACTOR and CITY in the same manner and to the same extent as CONTRACTOR is bound to CITY under this Contract. Additionally, CONTRACTOR shall obligate its subcontractors to comply with these same provisions with respect to any tertiary subcontractor, regardless of tier. A copy of CITY's indemnity and insurance provisions will be furnished to the subcontractor or tertiary subcontractor upon request. Alternatively, CONTRACTOR may insure subcontractor(s) under its own policy.

4. CITY, its officers, agents, employees and volunteers are to be covered as insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of CONTRACTOR; and with respect to liability arising out of work or operations performed by or on behalf of CONTRACTOR including materials, parts or equipment furnished in connection with such work or operations. Coverage shall not extend to any indemnity coverage for the active negligence of the additional insured in any case where an agreement to

indemnify the additional insured would be invalid under California Insurance Code Section 11580.04. In addition, the insurance policy may not contain language which prohibits additional insureds or other insurers from satisfying the self-insured retention or deductible.

5. The limits of insurance required in this Contract may be satisfied by a combination of primary and excess insurance. Any excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and noncontributory basis for the benefit of CITY (if agreed to in a written contract) before the CITY's own insurance shall be called upon to protect it as a named insured.

6. Unless provided by CONTRACTOR, CONTRACTOR shall require its Architect/Engineer to provide professional liability (errors and omissions) insurance (certificate and additional insured endorsement).

7. CITY RESERVES THE RIGHT TO WITHHOLD ANY PROGRESS PAYMENTS TO CONTRACTOR IN THE EVENT OF NONCOMPLIANCE WITH ANY INSURANCE REQUIREMENTS.

9.2 Insurance to be provided by CITY. [not applicable]

9.3 Payment, Performance and Warranty Bonds. CONTRACTOR shall furnish and deliver to CITY Performance, Labor & Materials, and Warranty Bonds issued by a surety prior to, and as a condition precedent to, commencement of the Construction Work on the Site; provided, however, the Warranty Bond shall be waived if such bond is not required pursuant to CITY's request for proposals for the Project. The Payment and Performance Bonds shall be in a penal sum equal to one hundred percent (100%) of the GMP, and the Warranty Bond shall be in the penal sum equal to ten percent (10%) of the GMP. All bonds shall be in the form as set forth in Exhibit E hereto. All premiums for the Performance, Labor & Materials, and Warranty Bonds shall be a Cost of the Work. CITY shall have the right to withhold any payment(s) under this Agreement until CONTRACTOR has fully complied with this sub-section.

9.4 Indemnification. To the fullest extent allowed by law, CONTRACTOR shall defend, indemnify, and hold harmless, CITY, its officers, employees, agents, and volunteers, and each and every one of them, from and against all actions, damages, claims, losses, expenses or other liabilities of every type and description, including reasonable attorney fees, to which they may be subjected or put for personal injury, death, or property damage to the extent caused by the willful or reckless misconduct and/or any negligent or wrongful act or omission of CONTRACTOR, any Subcontractor, and anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, CONTRACTOR does not assume any liability for the negligence of CITY regardless of whether active or passive.

CONTRACTOR'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.

9.5 Consequential Damages. Notwithstanding any other provision of this Agreement, and to the fullest extent permitted by law, neither the CITY nor CONTRACTOR, their respective officers, directors, partners, employees, contractors or subconsultants shall be liable to the other or shall make any claim for any incidental, indirect or consequential damages arising out of or connected in any way to the project or to this Agreement. This mutual waiver of consequential damages shall include, but is not limited to, loss of use, loss of profit, loss of business, loss of income, loss of reputation or any other consequential damages that either party may have incurred from any cause of action including negligence, strict liability, breach of contract and breach of strict or implied warranty.

9.6 Limit of Liability. To the maximum extent permitted by law, the CITY agrees to limit CONTRACTOR'S liability for any and all claims, losses, costs, damages of any nature whatsoever or claims expenses from any cause or causes, including attorneys' fees and costs and expert-witness fees and costs, so that the total aggregate liability of CONTRACTOR to the CITY shall not exceed the insurance coverage limits required by the Agreement. It is intended that this limitation apply to any and all liability or cause of action, however alleged or arising, unless otherwise prohibited by law.

ARTICLE 10 PROTECTION OF PERSONS AND PROPERTY

10.1 Safety Precautions and Programs.

10.1.1 Site Safety. CONTRACTOR shall be responsible for initiating, maintaining and providing supervision of safety precautions and programs in connection with the Work, and shall also comply with any and all insurance carrier-mandated safety requirements and programs.

10.1.2 Safety Notices. In connection with the performance of the Work, CONTRACTOR shall provide notices and comply with all Applicable Laws bearing on the safety of persons and property and their protection from damage, injury or loss.

10.2 Safety of Persons and Property.

It is the intent of the parties that CITY is not an exposing, creating, controlling, or correcting employer under California Labor Code Section 6400. In accordance with generally accepted fabrication and construction practices and all applicable Laws and Standards and Codes, CONTRACTOR shall have the authority and be solely and completely responsible for the safety of all property utilized and all persons performing under this Agreement. Moreover, the CONTRACTOR shall be the controlling employer and has the authority and responsibility to enforce safety for all fabrication, construction work, and Work performed under this Agreement. The services of CITY's contract administrator, if any, in conducting a review of CONTRACTOR's performance under this Agreement is not intended to include a review of the adequacy of CONTRACTOR's work methods, equipment or safety measures. If CITY and/or its contract administrator observes a safety violation related to the CONTRACTOR's performance under this Agreement, then CITY and/or its contract administrator will report the violation to the CONTRACTOR who is then responsible for assuring the violation is abated.

CONTRACTOR is hereby informed that work on this Project could be hazardous. CONTRACTOR shall carefully instruct all personnel performing under this Agreement in potentially hazardous work areas as to potential dangers and shall provide such necessary safety equipment and instructions as are necessary to prevent injury to personnel and damage to property.

All Equipment, Work and materials provided under this Agreement shall be in strict accordance with all applicable Laws and Standards and Codes, and attention is drawn to the requirements of CAL/OSHA.

CONTRACTOR shall perform under this Agreement so as not to expose personnel to, or to discharge into the atmosphere from any materials brought to the Site by CONTRACTOR, smoke, dust, asbestos, toxic chemicals or other air contaminants in violation of applicable Laws and Standards and Codes.

10.2.1 Reasonable Precautions. CONTRACTOR shall take all precautions and implement all safety measures and requirements imposed by any Applicable Law. Without limiting the generality of the foregoing, CONTRACTOR shall take necessary precautions for the safety of, and shall provide necessary protection to prevent damage, injury or loss to:

10.2.1.1 Employees on the Work and other persons who may be affected thereby;

10.2.1.2 The Work and materials and equipment to be incorporated therein, whether in storage on or off the Site under care, custody or control of CONTRACTOR; and

10.2.1.3 Other property at the Site or adjacent thereto, such as trees, shrubs, lawns, walks, pavements, roadways, structures and utilities not designated for removal, relocation or replacement in the course of the Construction Work.

10.2.2 Safeguards. CONTRACTOR shall erect and maintain, as required by existing conditions and performance of the Work, reasonable safeguards for safety and protection, including posting danger signs and other warnings against hazards, promulgating safety regulations and notifying CITY and users of adjacent sites and utilities, and shall comply fully with the requirements of CAL/OSHA.

10.2.3 Use of Explosives. Use of explosives is prohibited, unless approved in advance in writing by CITY. CITY may impose reasonable conditions on the use of explosives.

10.2.4 Remedy of Damage. CONTRACTOR shall promptly remedy damage and loss to property referred to in Sections 10.2.1.2 and 10.2.1.3 caused in whole or in part by CONTRACTOR, or anyone employed by or in control of CONTRACTOR, or any Subcontractor. All costs incurred by CONTRACTOR in connection with its obligations under this Section shall be cost of the Work, but shall not increase the GMP.

10.2.5 Designation of Safety Coordinator. [reserved]

10.2.6 Loads. CONTRACTOR shall not load or permit any part of the Construction Work or the Site to be loaded so as to endanger its safety.

10.3 Security. CONTRACTOR shall take any and all precautions that may be reasonably necessary to render all portions of the Work, the Site and any adjacent areas affected by the Work secure in all material respects, to decrease the likelihood of accidents, and to avoid vandalism and other contingencies which are liable to delay the Work or give rise to claims or liabilities. CONTRACTOR shall furnish and install all necessary facilities to provide safe means of access to all points where Work is being performed. CONTRACTOR shall take all precautions and measures as may be reasonably necessary to secure the Project at all hours, including evenings, holidays and non-work hours. Such precautions may include provision of security guards.

10.4 Damage to Property at the Site. CONTRACTOR shall be responsible for any and all damage or loss to property at the Site, except to the extent caused by the acts or omissions of CITY or its representatives, agents or employees. If such damage or loss is caused by CONTRACTOR, payment of such costs as Cost of the Work shall be limited by the provisions of Section 2.20.5 hereof.

10.5 Damage to Property of Others. CONTRACTOR shall avoid damage, as a result of CONTRACTOR's operations, to existing sidewalks, curbs, streets, alleys, pavements, utilities, adjacent property, the work of Separate Contractors and the property of CITY. CONTRACTOR shall repair any such damage caused by the operations of CONTRACTOR.

10.6 Failure of CONTRACTOR to Repair Damage. If CONTRACTOR fails to commence the repair of damage to property as set forth in this Article, and/or diligently pursue such repair, then CITY, after ten (10) Days prior written notice to CONTRACTOR (provided CONTRACTOR has not commenced such repair during such ten (10) Day period), may elect to repair such damages with its own forces and to deduct from payments due or to become due to CONTRACTOR amounts paid or incurred by CITY in correcting such damage.

10.7 Emergencies. In an emergency affecting the safety of persons or property, CONTRACTOR shall act, at CONTRACTOR's discretion, to prevent threatened damage, injury or loss. Additional costs or extensions of time caused by CONTRACTOR on account of an emergency not caused by the fault or neglect of CONTRACTOR shall be determined as provided in Section 6.2 hereof.

ARTICLE 11 DISPUTES

11.1 Disputes between CITY and CONTRACTOR. In the event of any dispute arising between CITY and CONTRACTOR regarding any part of the Contract or the Contract Documents, or the Parties' obligations or performance thereunder, and subject to any claims presentation requirements set forth in the Contract Documents, either Party may institute the

dispute resolution procedures set forth herein. The Parties shall continue performance of their respective obligation hereunder notwithstanding the existence of a dispute.

11.2 Dispute Resolution Procedures. CONTRACTOR must submit all claims as defined in and in accordance with the claim resolution process set forth in Section 9204 of the Public Contract Code. Each such claim must be sent to CITY by registered mail or certified mail with return receipt requested and must contain reasonable documentation to support the claim. All claims must be received prior to acceptance of the Work and will be handled in accordance with the procedures set forth in Section 9204 of the Public Contract Code.

ARTICLE 12

EVENTS OF DEFAULT AND REMEDIES; TERMINATION

12.1 CONTRACTOR Events of Default. The following shall be considered "CONTRACTOR Events of Default":

12.1.1 If CONTRACTOR fails or neglects to carry out the Work in accordance with the provisions of the Contract Documents, and fails, after seven (7) Days notice from CITY, to commence a cure to correct such failure or neglect and thereafter diligently pursue such cure to completion;

12.1.2 If CONTRACTOR materially breaches this Agreement and fails, after seven (7) Days notice from CITY, to commence a cure to correct such breach and thereafter diligently pursue such cure to completion (such breach to include, but not be limited to, failure to make payment to Subcontractors for materials or labor in accordance with the respective agreements between CONTRACTOR and the Subcontractors or violation of Applicable Laws);

12.1.3 If a custodian, trustee or receiver is appointed for CONTRACTOR, or if CONTRACTOR becomes insolvent or bankrupt, is generally not paying its debts as they become due or makes an assignment for the benefit of creditors, or CONTRACTOR causes or suffers an order for relief to be entered with respect to it under applicable bankruptcy law or applies for or consents to the appointment of a custodian, trustee or receiver for CONTRACTOR, or bankruptcy, reorganization, arrangement or insolvency proceedings, or other proceedings for relief under any bankruptcy or similar law or laws for the relief of debtors, are instituted by or against CONTRACTOR, and in any of the foregoing cases such action is not discharged or terminated within sixty (60) Days of its institution.

12.2 Remedies of CITY upon a CONTRACTOR Event of Default.

12.2.1 Termination of Contract. Upon the occurrence of a CONTRACTOR Event of Default, CITY shall have the right to terminate this Contract upon an additional seven (7) Days written notice to CONTRACTOR, provided that CONTRACTOR has not commenced a cure within such seven (7) Day period. Without prejudice to any other rights or remedies of CITY, CITY may:

12.2.1.1 Take possession of the Site and of all materials, equipment, tools and construction equipment thereon owned by CONTRACTOR, excluding equipment, tools and construction equipment owned by Contractor's subcontractors.

12.2.1.2 Accept assignment of Subcontracts; and

12.2.1.3 Finish the Work by whatever reasonable method CITY may deem expedient.

12.2.1.4 When CITY terminates the Contract as aforesaid, CONTRACTOR shall not be entitled to receive further payment until the Work is finished. If the unpaid balance of the GMP exceeds costs incurred in finishing the Work, such excess shall be paid to CONTRACTOR, up to the amount due CONTRACTOR for work performed prior to termination. If such costs exceed the unpaid balance of the GMP, CONTRACTOR shall pay the difference to CITY.

12.2.2 Recourse to Payment and Performance Bonds. Upon the occurrence of a CONTRACTOR Event of Default and termination of this Contract by CITY, CITY may call upon the Surety to perform its/their obligations under the Payment and Performance Bonds, if applicable.

12.3 Remedies not Exclusive. Except as otherwise provided in this Agreement, no remedy hereunder is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other available legal or equitable remedy, existing now or hereafter. No delay or omission to exercise any right or power accruing shall impair any such right or power nor shall it be construed to be a waiver of any Event of Default or acquiescence therein, and every such right and power may be exercised from time to time as often as may be deemed expedient.

12.4 Termination or Suspension for Convenience.

12.4.1 Termination for Convenience. CITY may, without cause, terminate this Contract, or any portion of Work to be performed hereunder at any time by a notice in writing from CITY to CONTRACTOR for CITY's convenience. In such case, CITY shall pay to CONTRACTOR all funds due CONTRACTOR for work performed up to the date of termination, plus all demobilization and close-out costs, including, but not limited to, any amounts payable to Subcontractors for early termination, plus reasonable overhead and profit on Work performed. All funds due hereunder, including unpaid Retention, shall be released within thirty (30) Days of termination of the Contract for convenience, subject to any withholding required or authorized by any Applicable Law. In no event shall such amounts owed to CONTRACTOR exceed the GMP.

12.4.2 Suspension for Convenience. CITY may, without cause, order CONTRACTOR in writing to suspend, delay or interrupt the Work in whole or in part for such period of time as CITY may determine. An adjustment shall be made for increases in the cost of performance of the Work, including Fee on the increased cost of performance, caused by the suspension, delay

or interruption, in accordance with the Change Order provisions of this Contract. No adjustment shall be made to the extent (1) the performance is, was or would have been so suspended, delayed or interrupted by another cause for which CONTRACTOR is responsible or (2) that an equitable adjustment to the GMP and/or Schedule is made or denied under another provision of this Contract. Adjustments made in the cost of performance may have a mutually agreed fixed or percentage Fee.

ARTICLE 13 MISCELLANEOUS PROVISIONS

13.1 Governing Law. This Contract shall be construed with and governed by the laws of the State of California.

13.2 Successors and Assigns. CITY and CONTRACTOR respectively bind themselves, their partners, shareholders, successors, assigns and legal representatives to the other Party hereto and to shareholders, successors, assigns and legal representatives of such other Party in respect to covenants, agreements and obligations contained in the Contract Documents. Neither Party shall assign the Contract without the prior written consent of the other.

13.3 Notice. Any notices to Parties required by this Agreement shall be delivered or mailed, U.S. first class, postage prepaid, addressed as follows:

If to CITY:

Electric Department
Ozro Corulli
2090 Hilltop Circle
Roseville, CA 95747

If to CONTRACTOR:

IEC Corporation
Eric Quintero, President
3100 Zinfandel Dr., Suite 350
Rancho Cordova, CA 95670

Address for Notice may be changed by Notice to the other Party.

13.4 Prevailing Wages. For purposes of this Agreement, CONTRACTOR and its Subcontractors shall comply with all applicable prevailing wage laws, e.g., but not limited to, California Labor Code Sections 1770 et seq. In accordance with said Section 1775, CONTRACTOR shall forfeit as a penalty to CITY Two Hundred Dollars (\$200) for each calendar Day or portion thereof for each worker paid less than the prevailing rates for such work or craft in which such worker is employed for any work done on-Site under the Agreement by CONTRACTOR or by any Subcontractor in violation of the provisions of the Labor Code and in particular, Labor Code Sections 1770 to 1780, inclusive. In addition to said penalty and pursuant to said Section 1775, the difference between such stipulated prevailing wage rates and the amount paid to each worker for each calendar Day or portion thereof for which each worker was paid less than the stipulated prevailing wage shall be paid to each worker by CONTRACTOR or the applicable Subcontractor.

Pursuant to the provisions of California Labor Code Section 1773, the Department of Industrial Relations has identified the source, stated below, of the General Prevailing Rate of Wages applicable to the work to be done, for straight time, overtime, and holiday work. The holiday wage rate listed shall be applicable to all holidays recognized in the collective bargaining agreement of the particular craft, classification or type of worker concerned. These wage rates may be obtained from the State Department of Industrial Relations and/or the following website address: <http://www.dir.ca.gov/dlsr/DPreWageDetermination.htm>, which is a part of this Agreement.

Pursuant to Labor Code Section 1773.2, the General Prevailing Wage Rates set forth above by the Department of Industrial Relations, which form a part of this Agreement, shall be posted by CONTRACTOR at a prominent place at the Site.

13.5 Modifications. No Modifications or Change Orders shall be valid unless in writing and signed by CITY and CONTRACTOR.

13.6 Interpretation. Any and all headings of this Agreement are for convenience of reference only and do not modify, define or limit the provisions thereof. Words of any gender shall be deemed and construed to include correlative words of the other gender. Words importing the singular number shall include the plural number and vice versa, unless the context shall otherwise be deemed to include all supplements and/or amendments to any such exhibits or documents entered into in accordance with the terms hereof and thereof. All references to any person or entity shall be deemed to include any person or entity succeeding to the rights, duties and obligations of such person or entity in accordance with the terms of this Agreement. Where reference is made in this Agreement to another Contract Document, the reference refers to that provision as amended or supplemented by the other provisions of the Contract Documents. In the event of any conflict between or among the Contract Documents, the provisions of this Agreement shall govern.

13.7 Severability. If any provision of this Agreement is held to be inoperative or unenforceable as applied in any particular case because it conflicts with any other provision hereof or any constitution, statute, ordinance, rule of law or public policy, or for any other reason, such holding shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case, or of rendering any other provision herein contained inoperative or unenforceable to any extent whatever. The invalidity of any one or more phrases, sentences, clauses or sections contained in this Agreement shall not affect the remaining portions of this Agreement or any part hereof, and they shall otherwise remain in full force and effect.

13.8 Whole Agreement. This Agreement, the Exhibits hereto and the Contract Documents, specifications and Drawings shall constitute the entire agreement between the Parties, and no inducements, considerations, promises or other references shall be implied in this Agreement that are not expressly addressed herein

13.9 Accounting Records. CONTRACTOR shall keep full and detailed accounts and exercise such controls as may be necessary for proper financial management under this Agreement; the accounting and control systems shall be reasonably satisfactory to CITY. CITY and CITY's accountants shall be afforded access to CONTRACTOR's records, books,

correspondence, instructions, drawings, receipts, Subcontracts, vouchers, memoranda and other data relating to this Agreement, and CONTRACTOR shall preserve these for a period of three (3) years after final payment, or for such longer period as may be required by law.

13.10 Intentionally left blank.

13.11 No Waiver. Neither the inspection by CITY or its agents, nor any order or certificate for payment of money, nor payment for, nor acceptance of the whole or any part of the work by CITY, nor any extensions of time, nor any position taken by CITY or its agents shall operate as a waiver of any provision of this Agreement or of any power herein reserved to CITY or any right to damages herein provided, nor shall any waiver of any breach of this Agreement be held to be a waiver of any other or subsequent breach. CONTRACTOR's waiver of any breach hereof shall not constitute a waiver of any subsequent breach of the same or any other provision hereof.

13.12 CONTRACTOR Shall Assume Risks. Until the Final Completion or acceptance by CITY of all Work under this Contract, the Work shall be under CONTRACTOR's responsible care and charge. CONTRACTOR shall rebuild, repair, restore and make good all injuries, damages, corrections, and repairs occasioned or rendered necessary by accidental causes of any nature, to all or any portions of the Work, except as otherwise stipulated.

13.13 General Liability of CONTRACTOR. Except as otherwise herein expressly stipulated, CONTRACTOR shall perform all the work and furnish all the labor, materials, tools power and light, and appliances, necessary or proper for performing and completing the Work herein required in the manner within the time herein specified. The mention of any specific duty or liability of CONTRACTOR shall not be construed as a limitation or restriction of any general liability or duty of CONTRACTOR and, any reference to any specific duty or liability shall be construed to be the purpose of explanation.

13.14 Attorney's Fees and Venue. If either Party commences any legal action against the other Party arising out of this Agreement or the performance thereof, the prevailing Party 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. To the extent permitted by applicable law, each Party waives any defense that it may have based on lack of *in personam* jurisdiction or *forum nonconveniens*.

13.15 Third Party Beneficiaries. There are no third party beneficiaries to this Agreement.

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 CONTRACTOR has caused this Agreement to be executed.

CITY OF ROSEVILLE, a
municipal corporation:

IEC Corporation, a
California corporation

BY: _____
DOMINICK CASEY
City Manager

BY: R Z
its: President

ATTEST:

and

BY: _____
CARMEN AVALOS
City Clerk

BY: Valerie M. Quinte
its: Secretary

APPROVED AS TO FORM:

BY: _____
MICHELLE SHEIDENBERGER
City Attorney

APPROVED AS TO SUBSTANCE:

By: DR
DAN BEANS
Electric Utility Director

LIST OF EXHIBITS:

Exhibit A	Guaranteed Maximum Price
Exhibit B	Construction Allowance Items [reserved]
Exhibit C	Hazardous Materials
Exhibit D	In Lieu of Securities Escrow Agreement
Exhibit E	Performance, Labor & Materials, and Warranty Bonds (Note: Warranty Bond may be waived at the option of CITY)
Exhibit F	CONTRACTOR's Proposal

EXHIBIT A

GUARANTEED MAXIMUM PRICE, FEE, AND COST OF WORK

A. GUARANTEED MAXIMUM PRICE: The **Guaranteed Maximum Price** as of the date of execution of this Agreement is thirty-eight million, eight hundred thirty-five thousand, nine hundred and twenty-five dollars (\$38,835,925), U.S. Currency.

B. FEE AND CONTINGENCY: The Fee and Contingency amounts, if any, are as stated in the Proposal.

C. COST OF THE WORK:

1. "Cost of the Work." The term "Cost of the Work" shall mean costs incurred by CONTRACTOR in the performance of the Work, that do not exceed the GMP. The following are categories of cost and expense to be paid by CITY to CONTRACTOR as Cost of the Work:

2. Construction Costs.

2.1 Labor Costs.

2.1.1 Wages of construction workers directly employed by CONTRACTOR to perform the construction of the Work at the Site or, with CITY's agreement, at off-site workshops.

2.1.2 Wages or salaries of CONTRACTOR's supervisory and administrative personnel when stationed at the Site and wages, salaries and other costs of project management, pre-construction services, form design, foundation engineering, manpower planning, purchasing, estimating and data processing, whether performed at the Site or in CONTRACTOR's offices, including, but not limited to services rendered during the Design Phase of the Project.

2.1.3 Wages and salaries of CONTRACTOR's supervisory or administrative personnel engaged at factories, workshops or on the road, in expediting the production or transportation of materials or equipment required for the Work, but only for that portion of their time required for the Work.

2.1.4 Costs paid or incurred by CONTRACTOR for taxes, insurance, contributions, assessments and benefits required by law or collective bargaining agreements and, for personnel not covered by such agreements, customary benefits such as sick leave, medical and health benefits, holidays, vacations and pensions, provided such costs are based on wages and salaries included in subsections 2.1.1 through 2.1.3 above.

2.2 Subcontract Costs. Amounts due Subcontractors for work, excluding Change Order work, in accordance with the requirements of the Subcontracts.

2.3 Costs of Materials and Equipment Incorporated in the Completed Construction. Costs, including transportation, of materials and equipment incorporated or to be incorporated in the completed construction.

2.4 Costs of other Materials and Equipment, Temporary Facilities, and Related Items.

2.4.1 Costs, including transportation, installation, maintenance, dismantling and removal of materials, supplies, temporary facilities, machinery, equipment and hand tools not customarily owned by the construction workers, which are provided by CONTRACTOR at the Site and fully consumed in the performance of the Work; and cost, less salvage value, on such items if not fully consumed, whether sold to others or retained by CONTRACTOR. Costs for items previously used by CONTRACTOR shall mean fair market value.

2.4.2 Rental charges for temporary facilities, machinery, equipment and hand tools not customarily owned by the construction workers, which are provided by CONTRACTOR at the Site, whether rented from CONTRACTOR or others, and costs of transportation, installation, minor repairs and replacements, dismantling and removal thereof. Rental charges for equipment owned by CONTRACTOR shall be at then prevailing rates.

2.4.3 Costs of removal of debris from the Site.

2.4.4 Costs of facsimiles, telegrams and long distance telephone calls, postage and delivery charges (whether originating at the Site or at the offices of CONTRACTOR or CONTRACTOR), telephone service at the Site and reasonable petty cash expenses of the Site office.

2.5 Premiums; Taxes; Fees; Royalties.

2.5.1 That portion directly attributable to this Agreement of premiums for insurance and the Payment and Performance Bonds.

2.5.2 Sales, use, gross receipts or similar taxes imposed by a governmental authority, which are related to the Work and for which CONTRACTOR is liable.

2.5.3 Fees and assessments for any permits, licenses and inspections required by the Contract Documents.

2.5.4 Fees of testing laboratories for tests required by the Contract Documents or government authorities.

2.5.5 Royalties and license fees paid for the use of a particular design, process or product required by the Contract Documents. The costs of defending suits or claims for infringement of patent rights arising from such requirement by the Contract Documents; payments made in accordance with legal judgments against CONTRACTOR or CONTRACTOR resulting from such suits or claims and payments of settlements in connection therewith.

2.5.6 Deposits lost for cause other than CONTRACTOR's negligence.

2.6 Emergencies. Costs incurred in taking action to prevent threatened damage, injury or loss in case of emergency affecting the safety of persons and property, as provided in Section 10.7 of this Agreement.

2.7 Other Costs. Other costs incurred in the performance of the Work, if and to the extent approved in writing by CITY, which approval shall not be unreasonably withheld.

3. Items not Included in Cost of the Work.

3.1 Salaries and other compensation of CONTRACTOR's personnel stationed at CONTRACTOR's principal office or offices other than the Site, except as specifically provided in subsections 2.1.2 and 2.1.3 above.

3.2 Expenses of CONTRACTOR's principal office and offices, other than the Site office.

3.3 Overhead and general expenses, except as may be included in Sections 1 and 2 above.

3.4 The capital expenses of CONTRACTOR, including interest on capital employed for the Work.

3.5 Costs that would cause the GMP to be exceeded.

EXHIBIT B
CONSTRUCTION ALLOWANCE ITEMS

(reserved)

EXHIBIT C

HAZARDOUS MATERIALS

1. Certain Definitions.

1.1 "Hazardous Materials" means any substance:

1.1.1 the presence of which requires investigation or remediation under federal, state or local law, statute, regulation, ordinance, order, action, policy or common law;

1.1.2 which is or becomes defined as a "hazardous waste," "hazardous substance," pollutant or contaminant under any federal, state or local law, statute, regulation, rule or ordinance or amendments thereto, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act, 42 USC §§9601 et seq. ("CERCLA"), as amended, or the Resource, Conservation and Recovery Act, as amended, 42 USC §§6901 et seq. ("RCRA");

1.1.3 which is petroleum, including crude oil or any fraction thereof not otherwise designated as a "hazardous substance" under CERCLA, including without limitation gasoline, diesel fuel or other petroleum hydrocarbons;

1.1.4 which is toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic, or otherwise hazardous and is or becomes regulated by any governmental authority or instrumentality;

1.1.5 the presence of which on the Site causes or threatens to cause a nuisance upon the Site or to the adjacent properties or poses or threatens to pose a hazard to the health or safety of persons on or about the Site; or

1.1.6 the presence of which on adjacent properties could constitute a trespass by CONTRACTOR or CITY.

1.2 "Underground Storage Tank" shall have the definition assigned to that term by RCRA §9001, 42 USC §6991, and also shall include:

1.2.1 any tank of 1,100 gallons or less capacity used for storing motor fuel;

1.2.2 any tank used for storing heating oil for consumption on the premises where stored;

1.2.3 any septic tank; and

1.2.4 any pipes connected to items 1.2.1-1.2.3.

1.3 "Environmental Requirements" means all Applicable Laws, statutes, regulations, rules, ordinances, codes, licenses, permits, orders and similar items of all federal, state or local governmental agencies or other instrumentalities and all applicable judicial, administrative and regulatory decrees, judgments and orders relating to the protection of human health or the environment, including, without limitation:

1.3.1 all requirements, including but not limited to, those pertaining to reporting, licensing, permitting, investigation and remediation of emissions, discharges, releases or threatened releases of Hazardous Materials into the air, surface water, ground water or land, or relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials; and

1.3.2 all requirements pertaining to the protection of the health and safety of employees or the public.

1.4 "Environmental Damages" means all claims, judgments, damages, losses, penalties, fines, liabilities, encumbrances, liens, costs and expenses of investigation and defense of any claim, including, without limitation, attorney's fees, which are incurred at any time as a result of the existence of Hazardous Materials upon, about or beneath the Site or migrating or threatening to migrate to or from the Site, and including, without limitation:

1.4.1 damages for personal injury, or injury to property or to natural resources occurring upon or off the Site;

1.4.2 fees incurred for the services of attorneys, consultants, CONTRACTOR, experts, laboratories and all other costs incurred in connection with the investigation or remediation of such Hazardous Materials or violation of Environmental Requirements; and

1.4.3 liability to any third party or governmental agency or political subdivision to indemnify such party, agency or political subdivision for costs expended in connection with the items listed in subparagraph 1.4.2.

1.5 "Environmental Conditions" means collectively, Hazardous Materials and Underground Storage Tanks existing on the Site and not brought there by CONTRACTOR or any Subcontractor.

2. Investigation of Site.

2.1 Upon written notice from CITY, CONTRACTOR shall prepare for approval and execution by CITY, one or more contracts ("Environmental Contracts") with suitably qualified consultants and/or engineers ("Environmental Engineers"), for purposes of performing an investigation and analysis of the Site prior to demolition and excavation activities, to determine the presence of any Environmental Conditions on, in or under the Site. The Environmental Contracts shall provide for a commercially reasonable scope of investigation approved by CITY, and may provide for conducting the investigation and testing in phases acceptable to CITY. The Environmental Contracts shall also provide that the Environmental Engineers shall begin their

tests and inspections at the Site as soon as CITY is able to arrange access to the Site, or any portions thereof, for such purposes. The Environmental Contracts shall provide that CONTRACTOR, acting as agent of CITY, shall coordinate the activities of the Environmental Engineers.

2.2 The Environmental Contracts shall provide that the Environmental Engineers shall prepare such reports, feasibility studies and remedial plans ("Environmental Assessments") as may be reasonably necessary in order to identify and explain the quantity, scope and nature of the Environmental Conditions found to exist at the Site. The Environmental Assessments shall contain a detailed analysis of the Environmental Conditions discovered, and the actions ("Remedial Actions") required for the response, removal, cleanup or remediation of such Environmental Conditions (i) which are required by Environmental Requirements, or (ii) which are reasonably necessary to mitigate Environmental Damages.

2.3 The Environmental Contracts shall provide that the Environmental Engineers shall promptly provide CITY and CONTRACTOR with a copy of each Environmental Assessment, together with any other reports and test results generated pursuant to the Environmental Contracts. CONTRACTOR shall, promptly after receipt of the foregoing matters from the Environmental Engineers, prepare and submit to CITY a written report setting forth CONTRACTOR's understanding of whether and to what extent any recommended Remedial Actions may result in an amendment to the Schedule and the progress of the Work.

2.4 The Environmental Contracts shall provide that it shall be the responsibility of the Environmental Engineers to give any necessary notice to the appropriate regulatory agency or agencies of the presence of any Environmental Conditions; to pursue all necessary negotiations with such agencies concerning preparation and approval of a plan for clean-up to the extent required; and to obtain all necessary permits to perform any Remedial Actions.

3. Remedial Actions.

3.1 If so instructed by CITY, based upon the results of the Environmental Assessments, CONTRACTOR shall, as agent for CITY, obtain bids from remediation contractors ("Remediation Contractors") suitably qualified and approved by CITY, to perform the Remedial Actions selected by CITY and shall submit such bids to CITY, together with CONTRACTOR's recommendation of the Remediation Contractor(s) to be retained. If CITY elects to go forward with all or any portion of the Remedial Actions covered by the bids submitted, CITY will so advise CONTRACTOR in a written notice on or before the date which is sixty (60) Days after receipt of the foregoing matters from CONTRACTOR. Promptly after receipt of such notice, CONTRACTOR shall prepare for CITY's execution remediation contracts ("Remediation Contracts") with the Remediation Contractors identified in such notice.

3.2 CONTRACTOR, as agent for CITY, shall be responsible for coordinating the work and services performed by the Remediation Contractors, and coordinating such remediation work with the Work.

3.3 If in the course of performance of the Work, CONTRACTOR encounters on the Site any Hazardous Materials not previously disclosed and remediated by the Environmental Engineers or the Remediation Contractors, CONTRACTOR shall immediately suspend the Work in the area affected and promptly thereafter report the condition to CITY.

4. Payments: Liability of CONTRACTOR.

4.1 All payments due under the Environmental Contracts and the Remediation Contracts shall be made by CITY directly to the Environmental Engineers and the Remediation Contractors. Such payments will be based on requisitions, which requisitions shall be approved by CONTRACTOR prior to submission to CITY.

4.2 All payments due under the Environmental Contracts, the Remediation Contracts and for Environmental Damages, shall not be a part of the GMP, and shall be the sole responsibility of CITY, except as expressly provided otherwise in Section 5 hereof.

4.3 It is understood and agreed that with respect to any Environmental Conditions existing on the Site, CONTRACTOR is not, and shall not be deemed to be, a generator, arranger, operator, treater, storer, transporter or disposer of, or otherwise responsible for, any such Environmental Conditions. It is understood and agreed that CONTRACTOR shall have no right to direct the means or methods of performance of any Environmental Engineer or Remediation Contractor.

4.4 CITY shall indemnify, defend and hold harmless CONTRACTOR, from and against any Environmental Damages asserted against or sustained by CONTRACTOR as a result of CONTRACTOR being deemed or determined to be a generator, arranger, operator, treater, storer, transporter or disposer of, or otherwise responsible for, any such Environmental Conditions.

5. Environmental Responsibilities of CONTRACTOR.

5.1 CITY acknowledges and agrees that CONTRACTOR shall not commence or continue any demolition or construction activities on any portion of the Site on or in which Remedial Actions are to be performed until such Remedial Actions are to the point where construction activities will not interfere with such Remedial Actions, as evidenced by appropriate certification by the applicable Environmental Engineer and/or Remediation CONTRACTOR and any required approval of any applicable government agency. CONTRACTOR agrees to use good faith diligent efforts to adjust and reschedule its activities at the Site so as to minimize, to the extent reasonably practical, the adverse effect on the progress of the Work resulting from any Remedial Actions.

5.2 CONTRACTOR shall not bring Hazardous Materials to the Site, and shall not include Hazardous Materials in any construction materials, unless permitted by Environmental Requirements. CONTRACTOR shall comply, and shall cause all Subcontractors to comply, with all Environmental Requirements regarding the generation, handling, storage, treatment and disposal of Hazardous Materials.

5.3 CONTRACTOR shall indemnify, defend and hold harmless the Indemnified Parties from and against any Environmental Damages asserted against or sustained by such parties as a result of any Environmental Conditions caused or created by CONTRACTOR or any Subcontractor, or of any violation by CONTRACTOR or the Subcontractors, of any Environmental Requirement arising out of the performance of the Work.

EXHIBIT D

IN LIEU OF SECURITIES ESCROW AGREEMENT

**(form of agreement follows this page)
(use is optional by Contractor)**

ESCROW AGREEMENT FOR SECURITY DEPOSITS IN LIEU OF RETENTION

(Project: _____)

THIS ESCROW AGREEMENT is made and entered into on this ____ day of _____, 20__ by and between the:

City of Roseville, whose address is:

311 Vernon Street
Roseville, CA 95678

(hereinafter called "CITY"); and

_____, whose address is:

(hereinafter called "CONTRACTOR"); and

_____, whose address is:

(hereinafter called "ESCROW AGENT").

For the consideration hereinafter set forth, CITY, CONTRACTOR, and ESCROW AGENT agree as follows:

1. Pursuant to Section 22300 of the Public Contract Code of the State of California, CONTRACTOR has the option to deposit securities, subject to prior approval of CITY, with ESCROW AGENT, as a substitute for retention earnings required to be withheld by CITY pursuant to the contract for public works entered into between the CITY and CONTRACTOR for the Project in the amount of _____

_____ dollars (\$_____) dated _____, (hereinafter referred to as the “Contract”). Alternatively, on written request of CONTRACTOR, CITY shall make payments of the retention earnings directly to the ESCROW AGENT.

When CONTRACTOR deposits the securities as a substitute for Contract earnings, the ESCROW AGENT shall notify CITY within ten (10) days of the deposit. The market value of the securities at the time of the substitution shall be at least equal to the cash amount then required to be withheld as retention under the terms of the Contract between CITY and CONTRACTOR. Securities shall be held in the name of ESCROW AGENT, and shall designate CONTRACTOR as the beneficial owner, and shall be limited to those types of acceptable securities as described in Public Contract Code Section 22300.

2. CITY shall make progress payments to CONTRACTOR for those funds which otherwise would be withheld from progress payments pursuant to the Contract provisions, provided that ESCROW AGENT holds securities in the form and amount specified above.

3. When CITY makes payment of retentions earned directly to ESCROW AGENT, ESCROW AGENT shall hold them for the benefit of CONTRACTOR until the time that the escrow created under this Agreement is terminated. CONTRACTOR may direct the investment of the payments into securities. All terms and conditions of this Agreement and the rights and responsibilities of the parties shall be equally applicable and binding when CITY pays ESCROW AGENT directly.

4. CONTRACTOR shall be responsible for paying all fees for the expenses incurred by ESCROW AGENT in administering the Escrow Account and all expenses of CITY. These expenses and payment terms shall be determined by CITY, CONTRACTOR, and ESCROW AGENT.

5. The interest earned on the securities or the money market accounts held in escrow and all interest earning on that interest shall be for the sole account of CONTRACTOR and shall be subject to withdrawal by CONTRACTOR at any time and from time to time without notice to CITY.

6. CONTRACTOR shall have the right to withdraw all or any part of the principal in the Escrow Account only by written notice to ESCROW AGENT accompanied by written authorization from CITY to ESCROW AGENT that CITY consents to the withdrawal of the amount sought to be withdrawn by CONTRACTOR.

7. CITY shall have a right to draw upon the securities in the event of default by CONTRACTOR. Upon seven (7) days' written notice to ESCROW AGENT from CITY of the default, ESCROW AGENT shall immediately convert the securities to cash and shall distribute the cash as instructed by CITY.

8. Only upon receipt of written notification from CITY certifying that the Contract is final and complete, and that CONTRACTOR has complied with all requirements and procedures applicable to the Contract, ESCROW AGENT shall release to CONTRACTOR all securities and interest on deposit less escrow fees and charges of the Escrow Account. The escrow shall be closed immediately upon disbursement of all moneys and securities on deposit and payments of fees and charges.

9. ESCROW AGENT shall rely on the written notifications from CITY and CONTRACTOR pursuant to Sections (5) to (8), inclusive, of this Agreement and CONTRACTOR shall hold ESCROW AGENT harmless from ESCROW AGENT's release and disbursement of the securities and interest as set forth above.

10. The parties hereto mutually agree that this Agreement is substantially similar to the form under Public Contracts Code Section 22300.

11. The names of the persons who are authorized to give written notice or to receive written notice on behalf of CITY and on behalf of CONTRACTOR in connection with the foregoing, and exemplars of their respective signatures are as follows:

On behalf of CITY:

Title

Name

Signature

Address

On behalf of CONTRACTOR:

Title

Name

Signature

Address

On behalf of ESCROW AGENT:

Title

Name

Signature

Address

12. At the time the Escrow Account is opened, CITY and CONTRACTOR shall deliver to ESCROW AGENT a fully executed counterpart of this Agreement.

IN WITNESS WHEREOF, the City of Roseville, a municipal corporation, has authorized the execution of this Agreement by its City Manager and attestation by its City Clerk under the authority of Resolution No. 87-141, adopted by the Council of the City of Roseville on the 5th day of August, 1987, and CONTRACTOR and ESCROW AGENT have authorized the execution of this Agreement.

CITY OF ROSEVILLE, a
municipal corporation:

CONTRACTOR:

_____, a

BY: _____
DOMINICK CASEY
City Manager

BY: _____

its: _____

and

ATTEST:

BY: _____

BY: _____
CARMEN AVALOS
City Clerk

its: _____

ESCROW AGENT:

BY: _____

APPROVED AS TO FORM:

its: _____

BY: _____
MICHELLE SHEIDENBERGER
City Attorney

and

BY: _____

APPROVED AS TO SUBSTANCE:

its: _____

BY: _____
DENNIS KAUFFMAN
Assistant City Manager/Chief Financial Officer

ACKNOWLEDGED BY ADMINISTERING DEPARTMENT:

BY: _____

EXHIBIT E

BOND FORMS

EXHIBIT F

CONTRACTOR'S PROPOSAL

RESOLUTION NO. 25-084

APPROVING A DESIGN-BUILD CONSTRUCTION AGREEMENT, BY AND BETWEEN
INTEGRATED ENGINEERS AND CONTRACTORS CORPORATION DBA IEC
CORPORATION AND THE CITY OF ROSEVILLE, AND AUTHORIZING THE CITY
MANAGER TO EXECUTE IT ON BEHALF OF THE CITY OF ROSEVILLE

WHEREAS, a Design-Build Construction Agreement for the Roseville Power Plant #2
Repower project, by and between Integrated Engineers and Contractors Corporation dba IEC
Corporation and the City of Roseville, has been reviewed by the City Council; and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Roseville that
said agreement is hereby approved.

BE IT FURTHER RESOLVED that the City Manager or his designee is authorized to
approve change orders for the project, consistent with the contract terms, provided that the net
cost of all change orders shall not exceed five percent (5%) of the contract price.

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



PROPOSAL FOR THE CITY OF ROSEVILLE
JANUARY 30, 2025

RFP #07-109

DESIGN AND CONSTRUCTION SERVICES FOR ROSEVILLE POWER PLANT #2 REPOWER



SUBMITTED BY:

IEC Corporation
3100 Zinfandel Dr., Suite 350
Rancho Cordova, CA 95670
Phone: 916.383.6000
Website: iec-corporation.com

SUBMITTED TO:

City of Roseville
Attn: City Clerk Department
311 Vernon Street
Roseville, CA 95678

TRUSTED TEAM



IEC Corporation

3100 Zinfandel Dr., Suite 350
Rancho Cordova, CA 95670

Main: 916.383.6000
Fax: 916.383.6010

www.iec-corporation.com

January 30, 2025

City of Roseville
Attn: City Clerk Department
311 Vernon Street
Roseville, CA 95678

SUBJECT: IEC Proposal for Design and Construction Services for Roseville Power Plant #2 Repower (RFP #07-109)

Dear Mr. Ozro Corulli,

IEC Corporation is pleased to submit this proposal for design and construction services for the Roseville Power Plant No. 2 Repower Project. Through this proposal, IEC will demonstrate that our team will not only meet these requested services, but exceed them in every area, with world-class customer service and local power plant expertise.

As requested in the RFP, IEC Corporation will perform the services and adhere to the requirements described in the subject RFP including any addenda (Addendum One, Two, and Three).

IEC has organized the remainder of this proposal to completely answer and satisfy each RFP requirement. However, should the City have any questions or require any additional information, our team would be happy to further discuss our response and capabilities in more detail.

The IEC Team looks forward to providing responsive and experienced design and construction services for Roseville Electric. If you have any questions regarding the proposal, please feel free to contact me at one of the following:

Direct: (916) 345-0301

Fax: (916) 383-6010

Email: equintero@iec-corporation.com

Mailing address of the firm is shown above.

Sincerely,



R. Eric Quintero, P.E.
President



Shaping the Future of Energy™

DESIGN AND CONSTRUCTION SERVICES
ROSEVILLE POWER PLANT #2 REPOWER

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A. Firm's Qualifications



Shaping the Future of Energy™

A. FIRM'S QUALIFICATIONS

Turnkey Services for the RPP2 Repower Project

The City of Roseville (City) requires comprehensive turnkey services for the RPP2 Repower Project. The ideal partner must demonstrate:

1. Proven engineering and design expertise
2. Direct construction experience with Roseville power plants
3. Flexibility to execute work in accordance with City policies, procedures, and schedule

IEC and our project team are uniquely positioned to meet and exceed these requirements.

Our team comprises **well-established companies** that have successfully supported the City for years in operations, maintenance, and capital projects at RPP2, REP, and RPEAK. Our extensive experience spans engineering, design, mechanical and electrical construction, controls upgrades, permitting, and a wide range of plant improvement initiatives.

Our deep understanding of the City's standards, policies, and procedures—combined with our proven track record of collaborating closely with plant staff to deliver projects on time and within budget—is unmatched by any other team.

Team Qualifications Overview

This section outlines our team's qualifications and includes the following subsections:

- A1. IEC Qualifications Overview: About IEC Corporation
- A2. IEC Letters of Recommendation
- A3. Subcontractor Overview and Project Organization Chart
- A4. Subcontractor Qualification Bios
- A5. IEC Team Added Value
- A6. Letter of Bondability

A1. About IEC Corporation

IEC Corporation is a multi-discipline engineering, design, and construction management firm headquartered in Sacramento, California. We specialize in providing professional services to utilities, supporting the design, expansion, modification, and upgrade of power generation facilities and power delivery systems. Our comprehensive expertise spans the entire project lifecycle—from feasibility studies and preliminary engineering to design, construction, and operations.

Our team includes a diverse group of licensed California professional engineers and construction management experts across all disciplines including electrical, controls, mechanical, civil, and structural. With extensive experience in both engineering and construction, we are well-equipped to handle complex, multi-discipline infrastructure projects of any scale.

Expertise in Power Generation and Delivery

IEC brings extensive experience in the design and implementation of power generation and delivery projects, with a particular focus on serving public agencies and utilities. We understand the rigorous standards and robust design requirements that public entities demand to meet long-term operational goals and accountability. Our field-tested designs align with the stringent reliability, maintenance, liability protection, and long-term return-on-investment expectations of our clients.

Commitment to Quality and Responsiveness

IEC has earned a strong reputation for delivering high-quality engineering and turnkey construction services to California's public agencies. Our commitment to excellence and responsiveness has positioned us as a trusted partner in the industry. We encourage the City to contact our references, as outlined in Section B, to gain further insight into our proven track record and unwavering dedication to client success.



IEC becomes much more than just a contractor, but rather an important partner in the successful completion of the project. This perspective means we see the project from the viewpoint of the City and will ensure that the RPP2 Repower Project exceeds City expectations.

IEC CORPORATION <i>"Shaping the Future of Energy"</i>	
Headquarters Office:	Sacramento, CA
Website:	iec-corporation.com
Year established:	2000
Size:	30+ Employees and Consultants
Licenses:	• A - General Engineering #786949 • C-10 Electrical Engineering #786949 • CA Electrical Engineers • CA Mechanical Engineers • CA Structural Engineers • CA Civil Engineers
Public Agency Expertise:	Similar generation engineering contract work for SMUD, TID, MID, SDG&E, LADWP, NCPA, and AML&P, among other clients.
Master Services Contracts:	More than 50 public agency contracts in the past decade.

A2. Letters of Recommendation

As evidence of our commitment to excellence, IEC has included letters of recommendation at the **end of this section**. The testimonials highlight IEC's continuous and consistent commitment to providing the highest level of expertise and responsiveness. This level of service is what the City of Roseville can expect from IEC for the RPP2 Repower Project.

A3. Subcontractor Overview and Project Organization Chart

IEC Corporation is complemented by a resource of proven subcontractors and industry experts (IEC Team). To maximize the quality of our services specific to the RPP2 Repower Project, IEC Corporation has formed an exclusive team who are intimately familiar with Roseville generation resources. These trusted partners include:

Professional Services

- Verve Industrial Protection
- REY Engineers Inc.
- Youngdahl Consulting Group, Inc.
- Trinity Consultants
- Power Systems Testing Co.

Construction Services

- Performance Mechanical, Inc.
- Placer Electric, Inc.
- Western States Fire Protection
- Superior Tank

Major Equipment Vendors

- General Electric
- Compass
- Cemtek
- Teledyne
- Eaton
- Siemens
- Ritz Usa
- Ecologix
- Envirogen Technologies

Project Organization Chart – The next page illustrates the project **team structure** and each of their **roles** for the project.

Project Organization Chart

ROSEVILLE POWER PLANT #2 REPOWER



IEC Corporation

ROLE:

ENGINEERING AND DESIGN
PROJECT/CONSTRUCTION MANAGEMENT
GENERAL CONTRACTOR

PROFESSIONAL SERVICES			
Verve Industrial Protection	REY Engineers, Inc.	Youngdahl Consulting Group, Inc.	Trinity Consultants
<u>ROLE:</u> CONTROLS	<u>ROLE:</u> CIVIL ENGINEERING	<u>ROLE:</u> GEOTECHNICAL ENGINEERING	<u>ROLE:</u> PERMITTING

UNION CONSTRUCTION		
Performance Mechanical, Inc.	Placer Electric, Inc.	Western States Fire Protection
<u>ROLE:</u> MECHANICAL/ CIVIL/DEMO CONTRACTOR	<u>ROLE:</u> ELECTRICAL CONTRACTOR	<u>ROLE:</u> FIRE PROTECTION CONTRACTOR

MAJOR EQUIP. VENDORS		
General Electric	Compass	Superior Tank Co.
EVAP COOLER AND TM2500 START-UP	GAS COMPRESSOR	DEMIN WATER TANK

OTHER EQUIPMENT VENDORS									
Generac	Hitachi	Siemens	Maddox	Tesco	Teladyne	Allen-Bradley	Envirogen Technologies	Floline	CEMTEK
DIESEL BACKUP GENERATOR	AIR COMPRESSOR	4160V SWITCHGEAR	TRANS-FORMERS	480V MCC	CEMS ANALYZERS	PLCS	WATER TREATMENT SYSTEM	PUMPS	CEMS

NOTE: Equipment vendors can be changed based on Roseville preferences.

A4. Subcontractor Qualification Bios

To demonstrate the capabilities of our Team, a brief introduction to each team member is provided below.

Performance Mechanical, Inc (PMI)

Performance Mechanical, Inc. (PMI) is a premiere specialty union industrial contractor primarily servicing the Power, Petrochemical, and Food and Beverage industries throughout California, with annual revenues ranging from \$100-140M annually. PMI was purchased by EMCOR in 2008. The acquisition provided financial strength and backing for significant growth. As the largest specialty mechanical and electrical contractor in the United States, EMCOR has annual combined volume of over \$5 billion. This provides PMI with the financial, bonding and insurance capabilities to perform projects of any size and complexity.



PERFORMANCE MECHANICAL, INC (PMI)

Headquarters Office: Pittsburg, CA

Website: perfmech.com

Year established: 1985

PMI has a reputation for providing the **highest level of skilled workmanship** and for completing projects on schedule, with excellent relationship with clients including Roseville Electric. PMI's safety and employee training programs have surpassed the standard requirements of the industry. As a local contractor, PMI is committed to the economy and workforce of the areas it serves. Over the years, PMI has developed strong relationships with local vendors and subcontractors that support its projects.

Highlights of PMI Strengths and Services:

- Pro-active safety program and excellent safety record, preventing needless loss of productivity due to incidents and resulting investigations.
- Ability to mobilize quickly, when needed, by moving company resources efficiently.
- Ability to accurately measure performance, assess current and projected costs to enable strategic and informed cost and execution decisions throughout the project life cycle.
- Ability to report costs daily to determine real-time strategic cost decisions and strategies.
- Core value to report the reality to clients so proper decisions and strategies can be made.
- A solid history and reputation for completing on time and within or under budgets.
- Top down "whatever it takes" attitude and willingness to pitch in to achieve desired results.
- Ability to adapt methods, procedures, and reporting to suit Client's needs.
- Reputation for being fair and honest with vendors and subcontractors to get the most qualified and cost-effective resources to Client's facilities. PMI subcontractors are subject to an extensive pre-qualification process.
- All projects in the Sacramento area and central and northern San Joaquin valley are managed from Sacramento Region office located in Sacramento. This workload includes power, refining, food and

beverage, and water treatment projects. Clients in this region include SMUD, Pacific Gas and Electric (PG&E), Procter and Gamble, Anheuser Busch, Buckeye / Lodi Gas Storage, Calpine, Wood Group Power Operations, Turlock Irrigation District, and Carson Energy.

- PMI team members included pipefitters, millwrights, boilermakers, carpenters and laborers for clients throughout California, with 300-500 union craftsmen at any given time.

Placer Electric, Inc. (PEI)

Placer Electric, Incorporated (PEI) is an electrical contracting firm serving Northern California and Nevada. PEI is one of the largest electrical contractors in the Sacramento Area and has served a varied clientele since 1978. The company's success has been achieved through sound management, an outstanding technical and professional staff, experience in all phases of communications and electrical contracting, and a commitment to service and quality. PEI is extremely committed to the safety of its staff and clients, and the general public. All of the field staff are trained with the required OSHA specific training and must complete the necessary site-specific training before being considered for a project.



PLACER ELECTRIC, INC. (PEI)

Headquarters Office: Sacramento, CA

Website: placerelectric.com

Year established: 1978

Company Highlights:

- 6,541 satisfied clients
- 10,460+ completed projects
- 48 years in power industry services

General Electric

Founded in 1892, General Electric (GE) is a world leader in gas power technology, services, and solutions. Through relentless innovation and continuous collaboration with our customers we engineer cleaner and more accessible energy that people depend on, powering growth and prosperity everywhere. With the world's largest installed base of gas turbines, GE offers advanced technology and a level of experience that is unmatched in the industry to build, operate, and maintain leading gas power plants. As the world



GENERAL ELECTRIC

Headquarters: Boston, MA

Website: ge.com

Year established: 1892

is shifting towards a lower carbon future, we are partnering with our power generation customers to help them succeed today, plan for tomorrow and be well positioned in the future.

Compass Energy Systems

Compass Energy Systems Ltd. is a private company of experts in compression, gas processing, and power systems based in Canada and the United States. Compass specializes in engineering, design, and fabrication of high-quality energy systems with offerings that include package assembly and support throughout the entire equipment lifecycle. Beyond fabrication, Compass offers retrofit, parts, and field servicing services. Compass products are found in over 20 countries around the world.



COMPASS ENERGY SYSTEM LTD. (COMPASS)

Headquarters Office: Houston, TX

Website: compassnrg.com

Verve Industrial Protection (Reddy Kallem)

Founded in 1994, the firm grew from its early days through a relentless focus on customer service, expanding from one successful customer to the next. Today our legacy lives on in the 1,000+ automation and control system projects we have completed.

Our engineers have worked with every major DCS, PLC, and SCADA system on the planet.

We have worked closely with our clients on their most pressing network and data needs. We have helped them evolve their networks to manage the increasing amount of connectivity necessary to drive increased efficiency and reliability. We understand how these networks work, their vulnerabilities, and the unique operational characteristics that separate controls networks (operating technology or OT) from IT networks. We always put our customers first and work hard to maintain our 97% client retention rate.



VERVE INDUSTRIAL PROTECTION

Headquarters Office: St. Louis, MO

Website: verveindustrial.com

Year established: 1994

R.E.Y. Engineers, Inc.

R.E.Y Engineers, Inc. is a civil engineering and land surveyor firm that provides civil engineering, land surveying, mobile LiDAR, terrestrial LiDAR, bathymetric surveying, and small unmanned aerial system surveying services.



R.E.Y. ENGINEERS, INC.

Headquarters Folsom, CA

Website: reyengineers.com

Year established: 1985

Youngdahl Consulting

Youngdahl Consulting Group, Inc., is a full-service civil engineering, geotechnical engineering, environmental compliance, and construction observation and materials testing firm working throughout northern and central California. The firm offers a complete range of consulting services, from conceptual planning through project completion on a large portfolio of projects. Founded in 1984, Youngdahl provides innovative engineering solutions to complex project problems. Whether collaborating with other design consultants or working independently, our experienced team of trusted advisors works closely with each client to provide a broad range of integrated services which are cost effective and adeptly combine client interests, peer scrutiny, and regulatory requirements.



YOUNGDAHL CONSULTING

Headquarters Office: Rocklin, CA

Website: youngdahl.net

Year established: 1984

Trinity Consultants

Trinity has assisted clients with nearly 500 power-related projects, offering an array of services, such as federal air permitting, due diligence environmental investigations, regulatory and environmental compliance management, and environmental regulations training.



TRINITY CONSULTANTS

Headquarters Office: Sacramento

Website: trinityconsultants.com

Year established: 1974

Notable Regulations, Standards & Codes

- Turbine NESHAP
- Affordable Clean Energy Rule
- Emissions Monitoring and Reporting Requirements for Fossil Fuel-Fired Electric Generating Units
- Clean Air Act
- Title V Permitting Program
- GHG Regulatory Reform
- Energy & Air Quality Regulation
- Cross-State Air Pollution Rule (CASPR)
- AERMO

Power Systems Testing Co.

Power Systems Testing Company (PSTC) is a full-service company relating to electrical power systems and testing. They provide acceptance or assurance testing on newly installed equipment and systems to confirm compliance with operating and safety standards. PSTC provides electrical testing and maintenance on existing operating systems to assure their continual safe and reliable operation. They provide engineering studies to determine proper sizing and settings of protective devices and field studies and measurements of electrical and physical parameters to determine that electrical power systems function with their design criteria. PSTC is available for unexpected emergency conditions to work with, or provide, guidance to the client's own electrical staff and provide consulting expertise for specific or unusual electrical occurrences. PSTC's staff of Registered Professional Engineers accomplishes engineering studies and services.



POWER SYTEMS TESTING CO.

Headquarters Office: Livermore, CA

Website: powersystemstesting.com

Year established: 1975

A5. Added Value

At IEC, we go beyond being just a contractor—we become a trusted partner dedicated to the successful completion of your project. We view the RPP2 Repower Project from the City's perspective, ensuring that we not only meet but exceed expectations. Our team brings unique qualifications that provide significant added value, including:

Commitment to Safety

Safety is our top priority and a core value embedded in our corporate philosophy and general practices. The well-being of our personnel, clients, subcontractors, and the surrounding community is paramount. IEC ensures all job sites are staffed with highly trained personnel who hold the appropriate safety certifications. We meticulously monitor every aspect of the project to ensure compliance with all federal, state, and local safety regulations, as well as specific jobsite requirements established by our customers. At IEC, we believe there is no excuse for poor safety management, and our clients should expect nothing less than an intentional and proactive approach to safety.

Corporate Stability & Strength

IEC Corporation has been a successful and profitable partner to electric utilities for over 25 years. With an established client base that includes major utilities across the West Coast, our solid reputation and long-term contracts affirm our financial strength and stability. Our current bonding capacity stands at \$50 million per project, providing confidence in our ability to manage projects of any scale.

Local Presence for Rapid Response

With headquarters located in Sacramento, just a short drive from RPP2, IEC offers unparalleled responsiveness and communication. Our close proximity allows for quick site access, enabling us to conduct face-to-face meetings and on-site evaluations at short notice. This ensures our project management team remains closely aligned with Roseville Electric's goals and requirements at all times.

Staff Continuity for Seamless Execution

Continuity of personnel is crucial to the success of complex projects. Our team comprises industry-leading experts with deep knowledge of City operations and expectations, ensuring seamless integration and execution. Dedicated lead engineers for each discipline will maintain consistency throughout the project, eliminating the need for extensive onboarding and allowing power plant staff to focus on operations without the burden of training new contractors.

Unmatched Familiarity with Roseville Electric

With over eight years of direct experience supporting Roseville Electric, IEC has built strong working relationships with plant engineers, managers, supervisors, operators, and maintenance teams. Our extensive knowledge of the City's standards, policies, and procedures—combined with our hands-on experience—ensures we can execute projects with unmatched efficiency.

Experienced Professional Utility Engineers

This project demands engineering expertise at a utility scale, and IEC delivers with a team of California Registered Professional Engineers across all key disciplines—electrical, mechanical, civil, structural, and instrumentation & controls (I&C). Our extensive experience working with public agencies ensures compliance with utility procedures, rigorous safety standards, meticulous documentation, and superior quality control.

Dedicated After-Hours Support

IEC is committed to providing responsive, first-class service whenever needed. We guarantee prompt responses to inquiries within hours and are prepared to work beyond standard business hours to meet the City's needs and project deadlines. Our dedication ensures that the City will receive exceptional support and professional construction services, exceeding expectations at every stage of the project.

A6. Letter of Bondability



ARIZONA NOTARY ACKNOWLEDGMENT

State of Arizona

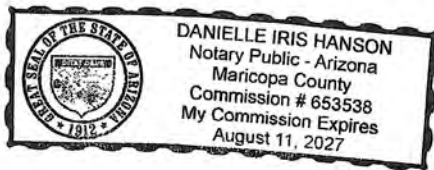
County of Maricopa

}

On this JAN 23 2025, before me Danielle Hanson
[Name of Notary Public]

personally appeared Emilie George, whose identity was proven
[Name of Signer]

to me on the basis of satisfactory evidence to be the person who he or she claims to be, and
acknowledged that he or she signed the above/attached document.



Witness my hand and official seal.

(Seal)
[Affix Seal Here]

Signature of Notary Public



Power of Attorney

KNOW ALL MEN BY THESE PRESENTS, that ATLANTIC SPECIALTY INSURANCE COMPANY, a New York corporation with its principal office in Plymouth, Minnesota, does hereby constitute and appoint: **Christine Woolford, Emilie Young, Irene Luong, James W. Moilanen, P. Austin Neff, Thao Luu, Yung T. Mullick**, each individually if there be more than one named, its true and lawful Attorney-in-Fact, to make, execute, seal and deliver, for and on its behalf as surety, any and all bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof; provided that no bond or undertaking executed under this authority shall exceed in amount the sum of: **unlimited** and the execution of such bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof in pursuance of these presents, shall be as binding upon said Company as if they had been fully signed by an authorized officer of the Company and sealed with the Company seal. This Power of Attorney is made and executed by authority of the following resolutions adopted by the Board of Directors of ATLANTIC SPECIALTY INSURANCE COMPANY on the twenty-fifth day of September, 2012:

Resolved: That the President, any Senior Vice President or Vice-President (each an "Authorized Officer") may execute for and in behalf of the Company any and all bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof, and affix the seal of the Company thereto; and that the Authorized Officer may appoint and authorize an Attorney-in-Fact to execute on behalf of the Company any and all such instruments and to affix the Company seal thereto; and that the Authorized Officer may at any time remove any such Attorney-in-Fact and revoke all power and authority given to any such Attorney-in-Fact.

Resolved: That the Attorney-in-Fact may be given full power and authority to execute for and in the name and on behalf of the Company any and all bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof, and any such instrument executed by any such Attorney-in-Fact shall be as binding upon the Company as if signed and sealed by an Authorized Officer and, further, the Attorney-in-Fact is hereby authorized to verify any affidavit required to be attached to bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof.

This power of attorney is signed and sealed by facsimile under the authority of the following Resolution adopted by the Board of Directors of ATLANTIC SPECIALTY INSURANCE COMPANY on the twenty-fifth day of September, 2012:

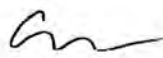
Resolved: That the signature of an Authorized Officer, the signature of the Secretary or the Assistant Secretary, and the Company seal may be affixed by facsimile to any power of attorney or to any certificate relating thereto appointing an Attorney-in-Fact for purposes only of executing and sealing any bond, undertaking, recognizance or other written obligation in the nature thereof, and any such signature and seal where so used, being hereby adopted by the Company as the original signature of such officer and the original seal of the Company, to be valid and binding upon the Company with the same force and effect as though manually affixed.

IN WITNESS WHEREOF, ATLANTIC SPECIALTY INSURANCE COMPANY has caused these presents to be signed by an Authorized Officer and the seal of the Company to be affixed this first day of January, 2023.

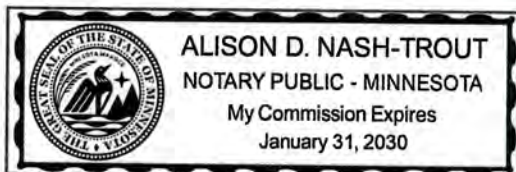
STATE OF MINNESOTA
HENNEPIN COUNTY



By


Sarah A. Kolar, Vice President and General Counsel

On this first day of January, 2023, before me personally came Sarah A. Kolar, Vice President and General Counsel of ATLANTIC SPECIALTY INSURANCE COMPANY, to me personally known to be the individual and officer described in and who executed the preceding instrument, and she acknowledged the execution of the same, and being by me duly sworn, that she is the said officer of the Company aforesaid, and that the seal affixed to the preceding instrument is the seal of said Company and that the said seal and the signature as such officer was duly affixed and subscribed to the said instrument by the authority and at the direction of the Company.




Notary Public

I, the undersigned, Secretary of ATLANTIC SPECIALTY INSURANCE COMPANY, a New York Corporation, do hereby certify that the foregoing power of attorney is in full force and has not been revoked, and the resolutions set forth above are now in force.

Signed and sealed. Dated 23rd day of January, 2025.

This Power of Attorney expires
January 31, 2030




Kara L.B. Barrow, Secretary

Letters of Recommendation



Roseville Electric Utility
2090 Hilltop Circle
Roseville, California 95747

October 22, 2021

To Whom It May Concern,

I am writing in regards to IEC Corporation (IEC) providing engineering services to Roseville Electric. I highly recommend IEC. It is always a pleasure to work with IEC due to their high levels of professionalism, experience, and flexibility. I have found that IEC delivers a level of value not found in other firms due to their responsiveness and their staff's personal dedication to project success.

IEC has been performing engineering services for Roseville Electric over the last four years. During this time, IEC completed feasibility studies, engineering, project and construction management, drafting, modeling, and field technical support services.

On multiple occasions, IEC has been able to support Roseville through facility outages that required coordination with multiple internal and external stakeholders, long hours, and managing complex schedules. IEC routinely completes tasks within the established timeline and under budget. I appreciate that even on the most strenuous projects IEC maintains their high level of performance.

If you would like to discuss any specific projects or have any additional questions, please call my office at (916) 746-1673.

Very Respectfully,

A handwritten signature in blue ink, appearing to read "N. Ribordy", is written over a faint, light blue circular stamp.

Nathan Ribordy, P.E.
Senior Power Plant Engineer

August 24, 2017

To Whom It May Concern,
RE: IEC Corporation

It is my pleasure to write this recommendation for IEC Corporation with regard to their engineering services for the Modesto Irrigation District on the Woodland Generation Station Unit 2, Woodland Generation Station Unit 3, and Ripon Generation Station. IEC provided construction management and owner's engineer services on all three plants during the engineering, procurement and construction phase. They brought a very professional and experienced team that worked well with the various contractors and was well respected.

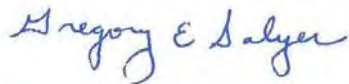
IEC staff was able to adjust to the varying schedules and expectations and support completion of the projects on time and within the budget established. They possess the rare ability to bring all of the required components for the project into focus and effectively work with other team members toward an established goal of quality and timeliness.

MID has worked on projects for 15 years with IEC and I have always found their team approach yielded effective results and was the basis for successful projects. They have been extremely responsive and provided a quality work product at a reasonable rate.

IEC has demonstrated professionalism through their services and I highly recommend them to any organization looking for a very talented engineering firm.

Should you need anything further or have any questions, please feel free to contact my office at (209) 526-7550.

Sincerely,



Greg Salyer
General Manager



1125 Muscat Ave
Sanger, California
USA 93657
Tel: 559.875.0800
Fax: 559.875.0667

October 08, 2021

To Whom It May Concern,

I am writing this testimonial on behalf of IEC. We have had the pleasure of working closely with IEC on numerous capital projects here at Liberty Power Sanger. IEC was the leading engineering firm that managed and coordinated the implementation of our LM6000 Package & Substation upgrade in 2007 that has been nothing but a great success for our facility. The project was completed on time and on budget.

I have personally developed close relationships with IEC personnel from working on projects over the last 14 years, we know we can always turn to IEC for technical support in any area of combined cycle plant generation regarding mechanical and or electrical expertise. They were instrumental in our Arc Flash Study to help maintain a safe electrical environment for plant personnel.

We here at Liberty Power Sanger hope to continue a strong relationship with IEC for years to come for any up and coming capital and none capital projects we have planned for our facility to continue to be a competitive resource for the California grid. We know we can count on IEC's well-rounded expertise and strongly recommend IEC to any organization as a resource for capital and none capital projects planning & implementation.

Sincerely,

Paul Grady / Plant Manager



UTILITIES DEPARTMENT
Engineering

1007 Elwell Court
Palo Alto, CA 94303
650.566.4500

October 1, 2021

Regarding: IEC Corporation

To Whom It May Concern,

It is my pleasure to write this recommendation for IEC Corporation with regard to their engineering and consulting services. IEC provided engineering design services and startup and commissioning support for the City of Palo Alto Utilities Department on the Hanover Substation Relay Replacement project. The City replaced outdated protection relays and associated feeder controls equipment on six (6) 12.47kV distribution feeders. The scope of work included creating the design package for construction, developing protection settings, and creating relay programming files for the new SEL relays, preparing a startup and commissioning plan, providing technical support during construction, providing onsite startup and commissioning support, and providing as-built drawings. IEC brought a very professional and experienced team that worked well with the City staff and was well respected.

The IEC team provided a rare combination of real-world experience coupled with the willingness to transfer that experience and knowledge in ways to positively impact the project. From recommendations on equipment, introducing alternative operational procedures, to implementing difficult protection scheme's, they brought unique solutions to site-specific problems. They understood our needs and effectively addressed any concerns we had.

The onsite startup and commissioning support provided by IEC was especially useful in troubleshooting relay testing software issues and performing onsite calculations to determine the appropriate test results. IEC demonstrated a strong ability to bring all the required components of a project into focus and effectively work with City staff to accomplish the startup and commissioning in a timely manner.

The City of Palo Alto Utilities Department has worked with IEC Corporation on several projects, and have always found them responsive, easy to work with, and provide a quality work product which results in successful projects. IEC has demonstrated professionalism through their services, and I highly recommend them to any utility or city government looking for a very talented engineering firm.

Should you need anything further or have any questions, please feel free to contact my office at (650) 566-4551.

Sincerely,

Mike Mintz

Mike Mintz
Senior Electrical Engineer
City of Palo Alto Utilities



CityOfPaloAlto.org

CITY OF VICTORVILLE



760.243.6340
FAX 760.269.0039
utilityservices@victorvilleca.gov
<https://www.victorvilleca.gov/>

14343 Civic Drive
P.O. Box 5001
Victorville, California 92393-5001

October 4, 2021

To Whom it May Concern:

It is my absolute pleasure to recommend IEC Corporation for utility scale electrical engineering projects. IEC has successfully completed over twenty (20) engineering projects under two separate master service agreements for Victorville Municipal Utility Services (VMUS). They have been responsible for designing the electrical distribution systems that provides utility grade service for our valuable customers.

Over the years, IEC has provided high quality and extremely responsive engineering support. Their teams of engineers and project managers are very thorough and able to provide valuable engineering solutions to meet our specific requirements. They have extensive power utility experience and have proven themselves to meet deadlines and adapt to any situation. IEC also has the unique ability to understand the engineering needs of our projects and turn them into well-defined project scopes that are clear and quantifiable. The support IEC has been able to provide for VMUS on short notice for critical system function analysis and project coordination has been invaluable.

VMUS very much appreciates IEC's professionalism and flexible approach to projects. They have been easy to work with and have been a valuable team member as we have gone through our fastest growth in the last 20 years. I highly recommend them to any public utility or governmental agency that is looking for an engineering firm that is client focused, understands the utility industry needs in real world scenarios, and has highly talented and experienced staff.

If you have any questions, please feel free to call or email me at 760-243-6345 or ncaracciolo@victorvilleca.gov.

Sincerely,

Noah Caracciolo
Utility Distribution Supervisor



5000 83rd St.
Sacramento, CA 95826
Phone: (916) 379-2041

October 4, 2021

To Whom It May Concern,
RE: IEC Corporation Recommendation

IEC Corporation has been providing engineering services to the Proctor and Gamble Power Plant and the Carson Power Plant for over 20 years.

IEC staff has supported the plants on a wide variety of projects including Peaking Turbine Design/Construction, Aux boiler design/Construction, Chiller Replacement, and various mechanical and electrical projects. The scope on the projects also varied. Engineering design, construction management, drawing update and review, and procurement services have all been provided through the years. They are deeply familiar with each of the power plants and its engineering standards.

IEC has the depth to provide engineering services across all regimens to include, Electrical, Mechanical and Civil. We've found them to be very responsive and have the ability to bring all of the required components for the project into focus and effectively work with other outside groups, contractors, etc toward an established goal of quality and timeliness.

IEC staff takes a consistent, professional approach to each and every project and are very thorough and easy to work with. I'd highly recommend them to any organization that is looking for a responsive, professional, well-qualified engineering firm.

A handwritten signature in black ink, appearing to read "Jefferey White", with a long horizontal flourish extending to the right.

Jefferey White
Ethos Energy Facility Manager
Proctor & Gamble Power Plant
Carson Power Plant



French Camp Latrop Manteca Weston Ranch
Manteca Unified School District

Victoria Brunn, Coordinator: Sustainability and Energy Education

Date: February 10, 2014

Subject: Letter of Recommendation, IEC Corporation

To Whom It May Concern:

The IEC Team acted as the general contractor for Manteca Unified School District's \$30 million Renewable Energy Efficiency Project (REEP) that included installation of 26 solar PV systems across the District. I had the pleasure of working with them during the preliminary design phase of the solar systems and appreciated their professionalism and attention to detail when it came to individual site considerations and constraints. Their Team was personable and responsive to our staff's questions and worked diligently to make the project as streamlined as possible for our Facilities staff. Additionally, the IEC Team has been a valued partner in education and a popular presenter at our Planet Party events for 6th graders. IEC also continues to participate as a member of the District's Leadership on Green Initiatives Committee (L.O.G.I.C) and provide input for Planet Party planning and other green projects.

Sincerely,

A handwritten signature in cursive script that reads 'Victoria Brunn'.

Victoria Brunn

Coordinator: Sustainability and Energy Education



SELMA UNIFIED SCHOOL DISTRICT
3036 THOMPSON AVE., SELMA, CA 93662
(559) 898-6500 FAX (559) 896-7147

January 10, 2014

**Subject: Letter of Recommendation
Integrated Engineers and Contractors**

To Whom It May Concern:

I had the pleasure of selecting and working with Integrated Engineers and Contractors (IEC) on Selma USD's \$13 million solar panel project. IEC assisted with planning the project and did the design work. They chose and supervised all of the subcontractors on the job.

The many challenges associated with the program required teamwork, leadership and dedication to ensure the SUSD's interests were protected. Due in large part to the management expertise and commitment of IEC and its staff, the projects were completed on schedule and on budget. Using an active and cooperative management approach, IEC has facilitated informed decision-making at all levels of the project from start to finish.

IEC's construction management expertise was evident in many facets of the program. Their ability to plan, coordinate and implement the projects allowed for a smooth running program. Their consistent performance was key in resolving issues, communicating solutions and minimizing overall impacts to the projects.

Their assigned management staff was instrumental to the success of the projects. Their extensive knowledge and experience, coupled with diligence and hard work, has made working on this program so much easier and less stressful than other projects that I have been involved with. From the start, their professionalism, knowledge and experience have shined through.

I highly recommend IEC for your solar needs—particularly on complex projects. Please do not hesitate to contact me should you need any additional information.

Sincerely,

Larry Teixeira
Assistant Superintendent

B. Experience and References

EXPERIENCE AND REFERENCES

Introduction

This Section includes a detailed description of our Team's **extensive experience** related to the scope of work for the RPP2 Repower Project.

- **Section B.1** presents the Team's technical experience through **project examples**.
- **Section B.2** presents the Team's quality of support through an extensive list of **project references**.

Together, they provide an in-depth overview of our value and what the City can expect from the IEC Team.

B.1 Team's Experience

B.1 TEAM'S EXPERIENCE

Proven Experience

To demonstrate the Team's technical breadth and depth, this section includes **detailed examples** of our **proven experience** related to all aspects of utility scale gas fired power plant facilities.

The section is divided by company to highlight each company's expertise and experience. Table B-1 summarizes the number of project examples included for each company.

Table B-1
Summary of Project Samples

Company	Area of Expertise	Number of Project Examples
IEC Corporation	General Contractor, Project Management Engineering & Design	3 project example narratives related to IEC's specific familiarity with the City of Roseville power facilities; 14 project narrative examples related to IEC's overall experience in power plant design and implementation.
Performance Mechanical, Inc.	Mechanical Contractor	A list of over 100 project examples related to BOP construction; 5 project narrative examples demonstrating experience with similar scopes of work.
Placer Electric, Inc.	Electrical Contractor	A list of 21 project examples related to electrical installation performed at Roseville Energy Park.
Western States Fire Protection	Fire Protection Contractor	20 project examples demonstrating the breadth of experience on a wide variety of projects.
Verve Industrial Protection	Controls Specialist	4 project example narratives highlighting Verve's (Reddy Kallem) experience with Ovation control system integration.
REY Engineers, Inc.	Civil Engineering	2 project example narratives demonstrating a wide range of civil service and experience.
Youngdahl Consulting Group	Geotechnical Engineering	3 project example narratives related to the environmental, geotechnical, and geologic engineering and studies performed on large-scale projects.
Trinity Consultants	Permitting Specialist	8 project examples related to emissions and air quality reports, assessments, permits and licensing.
Compass	Gas Compressor Supplier	A list of over 100 project examples related to 300 HP and higher projects.
Power Systems Testing Co.	Electrical Testing	A extensive list of clients, including Utilities, Cogeneration Facilities and Hydro-Electric Projects.

IEC Corporation Project Profiles



Gas Turbine Experience

The following summary demonstrates the IEC's extensive experience with gas turbine power projects.

CLIENT	PROJECT NAME	CONTRACT #	TURBINE/ CONFIGURATION	MEGAWATTS	ROLE & SERVICES	PROJECT SIZE
Modesto Irrigation District	WGS1 Conversion	MID8-36	GE LM6000 Simple Cycle	50 MW	Engineering, Construction Management	\$31 M
Roseville Electric Utility	RPP2 Rehabilitation	PO 9006739	GE Frame 5 Simple Cycle	48 MW	Engineering, Procurement, Construction (EPC)	\$9 M
International Paper	Mansfield Repower	IP-WS1	GE LM6000 Simple Cycle	45 MW	Engineering, Procurement, Construction (EPC)	\$30 M
Roseville Electric Utility	Master Services Agreement	K1801198	Siemens SGT-800 Combined Cycle (2x1)	160 MW	Project Management, Engineering, Technical Support	\$1.25 M
Roseville Electric Utility	Master Services Agreement	PO 9006428	Siemens SGT-800 Combined Cycle (2x1) GE TM2500 (2 Peakers)	160 MW & 60 MW	Project Management, Engineering, Technical Support	\$2 M
Liberty Power	Algonquin Sanger Cogen Repower	ALG3	GE LM6000 PC SPRINT Combined Cycle	57 MW	Detail Design, Project Management, Construction Management	\$10 M
Anchorage Municipal Light & Power	George M. Sullivan Power Plant 2 Expansion	ANC1	GE LM6000 PF SPRINT Combined Cycle	120 MW	Construction Management, Owner's Engineering, Project Management, Design, Inspection	\$306 M
Turlock Irrigation District	Almond 2 Power Plant Expansion	TID5 & TID6	GE LM6000 PG SPRINT Simple Cycle	200 MW	Construction Management, Project Management, Design Review	\$200 M
Modesto Irrigation District	Ripon Generation Station	MID2,3,5	GE LM6000 PC SPRINT Simple Cycle	100 MW	Project Management, Construction Management, Owner's Engineering, Design	\$65 M
Public Service Company of New Mexico	La Luz Energy Center	LLEC-NM	GE LM6000 PC SPRINT Simple Cycle	50 MW	Detail Design and Engineering	\$60 M

CLIENT	PROJECT NAME	CONTRACT #	TURBINE/ CONFIGURATION	MEGAWATTS	ROLE & SERVICES	PROJECT SIZE
San Diego Gas & Electric	Palomar Energy Repower Project	SDGE1	GE LM6000 PC SPRINT Simple Cycle	50 MW	Detail Design and Engineering	\$30 M
Sacramento Municipal Utility District	Procter & Gamble Cogen Plant	SMUD-PG	GE LM6000 PC SPRINT Simple Cycle	45 MW	Design and Construction Management	\$50 M
Modesto Irrigation District	Woodland Generation Station Unit 2	MID3	GE LM6000 PC SPRINT Combined Cycle	80 MW	Project Management, Design, Construction Management	\$60 M
Los Angeles Dept. of Water & Power	Haynes Generating Station Retrofit	LADWP-HGS	GE Frame 7FA Combined Cycle	500 MW	Construction Management, Quality Assurance	\$100 M
Redding Electric	Plant Engineering and Design	RED2	Gas Turbine	50 MW	Engineering Design	\$5 M
Fresno Cogeneration Partners	Fresno Peaker Facility	FRESNO1	FT-4 Power Pac Combustion Turbine	50 MW	Project and Design Engineering	\$20 M
Sacramento Municipal Utility District	Cosumnes Power Project	SMUD5	GE Frame 7FA Combined Cycle	500 MW	Construction Management, Project Management, Design Review	\$500 M
Sacramento Municipal Utility District	McClellan Peaker Project	SMUD6	GE 7EA Peaker Plant	80 MW	Owner's Engineering Services and Construction Management	\$10 M



Woodland Generation Station 1 Repower Project

Client: Modesto Irrigation District (MID)

IEC was responsible for the complete **detail design and construction management** of the Woodland Generation Station 1 (WGS1) Conversion Project for Modesto Irrigation District. The project entailed converting the existing LM5000 turbine package to a **GE LM6000 PC SPRINT** hot end drive package.

In addition to converting the gas turbine, the project included demolishing the existing HRSG and replacing it with a new and complete exhaust duct and stack along with a new ammonia injection system. The project also included installing a new packaged chiller system and modifying the existing medium voltage electrical systems.

IEC evaluated and designed the entire conversion including removing the existing steam systems and updating the remaining balance of plant systems to support the new GE LM6000 unit.

Once the project was in construction, IEC was responsible for **managing the entire project in the field including directing all construction work**. IEC provided construction management, field engineering, QA/QC assurance, inspections, equipment management, and budget management to ensure the project was built to specifications. IEC coordinated work between all the trades and the equipment suppliers including GE technical advisors in the field. The plant successfully achieved commercial operation in October 2023.

ENGINEERING DESIGN

- Process Flow Diagram
- P&IDs
- Anchorage & Foundation Plan & Details
- Piperack Plan & Detail Sheets
- Mechanical Layout Plan & Detail Sheets
- 3D Equipment Modeling
- Water Balance
- Equipment Specifications
- Single Line Diagrams
- Three Line Diagrams (Above 480V only)
- Grounding & Lightning Protection Drawings
- Raceway Layout Plan & Detail Sheets
- Conduit/Cable Fill Reports
- Wiring Diagrams
- Structural/Mechanical/Electrical Calcs.
- Field Engineering

Project Reference:	Paul Mercer 209-529-7616 Paul.Mercer@mid.org
Contract:	\$2,500,000
Contract Date:	2023

Roseville Power Plant 2 (RPP2) Rehabilitation Project

Client: Roseville Electric Utility

IEC Corporation provided complete turnkey project management, engineering, equipment procurement, construction/installation, and commissioning services for the rehabilitation of Roseville Power Plant No. 2 (RPP2). RPP2 is a simple cycle facility consisting of two GE MS5001P (Frame 5) combustion turbines and associated auxiliary equipment. The rehabilitation efforts primarily focused on overhauling the gas turbine units and upgrading the aging excitation and control systems to **improve start reliability and sustained cyclic operation**.

IEC performed the following planned scope of work on a turnkey basis including engineering, procurement, and construction in Phase 1 outage in 2021.

- Perform Gearbox Inspections
- Perform Generator Inspections
- Upgrade Bleed Valves
- Replace Excitation System in one CT Package
- Repair Fuel Nozzles
- Repair Transition Pieces
- Replace 1st and 2nd Stage Nozzles
- Performed Combustion Inspection and Hot Gas Path Inspection
- Performed Cleaning/Inspection/Testing of all MCCs
- Upgrade Instruments
- Resolve P2 Pressure Issue
- Re-commission Plant

In addition, IEC performed the following unplanned tasks as a result of the findings from the planned tasks.

- Performed Major Overhaul on One CT
- Performed Generator Overhaul, Testing, Cleaning, Stator/Rotating Field Inspection on One Generator

In Phase 2 outage in 2022, IEC will replace the control systems for both CT packages and replace the excitation system in one CT package.



QUALIFICATION CRITERIA

- | |
|--|
| ☒ Role: General Contractor |
| ☒ Combined Cycle |
| ☒ Simple Cycle |
| ☒ Retooling |
| ☒ Major Modifications |
| ☒ Public Utilities |

For the Phase 1 outage work, IEC was given 6 months to complete all of the planned tasks from client's notice to proceed. IEC met the fast-track outage schedule by completing the planned and unplanned tasks on time before the summer season.

IEC's cooperative approach, dedications, knowledge and understanding of power plant operations are what clearly set IEC apart from other prime contractors and competitors.

Contract Number:	PO #9006739
Project Reference:	Mr. Nathan Ribordy, P.E., Plant Engineering Manager Roseville Electric Utility nribordy@roseville.ca.us 916-746-1673
Professional Fees:	\$2,825,740
Construction Fees:	\$2,371,148
Material Fees:	\$3,795,752
TOTAL:	\$8,992,640
Contract Dates:	Jan 2021 to May 2022



IP Mansfield Repower Project

Client: International Paper

For the International Paper Mansfield Repower Project, IEC was awarded the Engineering Design and Construction contract to repower an aging GE Frame 5 turbine package with a GE/WattStock TUREPackage with LM6000 PF SPRINT turbine.

During the Engineering Design phase, IEC developed a detailed 3D model and engineered the necessary Issued for Construction (IFC) documents (including demolition, mechanical, electrical, civil, structural, and instrumentation and control drawings).



During the Outage Conversion phase, IEC's scope of work included 1) removing the GE Frame 5 turbine package and placing it in storage area in resellable condition and 2) installing the new repower equipment. IEC was contracted to complete the construction within four (4) weeks based on client's outage schedule. IEC provided 24-hour around the clock construction along with on-site field engineering and management (same staff during design phase) to support the construction progress seamlessly. IEC was able to complete the construction scope on time and on budget for startup and commissioning.

Throughout the project, IEC took every measure and went above and beyond the scope of work to demonstrate IEC's commitment and team spirit to the overall project success. IEC expedited the engineering without change orders to maintain the construction start date and worked around the clock (24/7) for 3 weeks to achieve substantial completion.

Master Services Agreement Generation Engineering Support

Client: Roseville Electric Utility

IEC has been awarded two (2) Master Services contracts with the Roseville Electric Utility consisting of multidisciplinary engineering services (electrical, civil, structural, mechanical, instrumentation and control, telecommunication, fire protection, etc.) for the Roseville Energy Park (**REP**) and Roseville Power Plant 2 (**RPP2**) generation facilities on an as-needed basis. To ensure responsive and effective engineering services both for scheduled projects and emergency unplanned outages, **IEC has remained responsive to provide qualified and experienced project managers, engineers and other technical support staff upon individual request to meet the City's schedule and operation requirements.** Our cooperative approach, dedications, knowledge and understanding of power plant operations are what clearly set IEC apart from other prime contractors and competitors.



Work Authorizations: Work Authorizations included 59-plus tasks to date:

Civil/Structural

- Civil and Structural Plant Improvements
- Steam Turbine Enclosure Structural Engineering

Mechanical

- Boiler Feedwater Pipeline Engineering
- Trunnion Design and Structural Engineering Support
- RPP2 Generator Protection Upgrade
- Detailed Engineering Cost Estimates
- REP Electric Boiler Preliminary Engineering Feasibility Study
- RPP2 Fire Protection Specification Development
- RPP2 Fire Protection Construction, Startup and Commissioning Support
- Inlet Chiller Evaluation
- RPP2 Exhaust Liner Retrofit Design Engineering and Construction Support
- REP Steam Turbine Blanket Electrical Design and Support
- REP Siemens Turbine Upgrade Permit Mod & CEC Amendment
- REP Permitting Support & GateCycle Thermal Modeling
- GateCycle Model Tuning and Plant Performance Investigation
- Boroscope Inspection Services at RPP2
- RPP2 Fire Protection Specifications
- RPP2 Exhaust Liner Retrofit Engineering & Construction Support
- CT1 Fire Protection System Management
- REP ZLD Improvements Engineering Support
- REP Ammonia Control Tuning
- Engineering Support for the Screw Press Project



QUALIFICATION CRITERIA

- | |
|---|
| ☒ Combined Cycle |
| ☒ Simple Cycle |
| ☒ Retooling |
| ☒ Major Modifications |
| ☒ Public Utilities |

- REP STG Thermal Blanket Updates
- Controls Specialist for ZLD Controls Upgrade & Revenue Meter Upgrade
- RPP2 Control TA Support
- REP Revenue Meter Upgrade
- REP Chiller Evaluation

Electrical

- RPP2 General Electrical Engineering Support
- REP Protection Engineering Support
- General Electrical Engineering Support
- RPP2 Generator Protection Upgrade Field Engineering and Construction Support
- Arc Flash Hazard Analysis at RPP2 & REP
- Arc Flash Hazard Training
- RPP2 Generator Protection Relay Upgrade
- RPP2 Generator Protection Upgrade Construction Support

Instrumentation and Controls

- REP AGC Control Improvement Project
- REP Emerson Remote I/O Control Relay Failure Investigation
- REP AGC Control Phase 2 Improvement Project
- REP AVR/PSS Upgrade Engineering Support

Drafting

- Professional Drafting Services to update plant drawings
- REP Drawing Consolidation
- RPeak As-Built Drawings

Onsite Support

- Construction Administration and Support for various plant projects

Miscellaneous

- REP and RPP2 Security Evaluation
- Asset Retirement Cost Estimate
- REP and RPP2 Spill Prevention Control and Countermeasure (SPCC) Plant Development
- REP CT1 Start Motor Feasibility Study
- REP Thermal Storage Evaluation

Contract Number:	K1801198
Project Reference:	Mr. Nathan Ribordy, Plant Engineer nribordy@roseville.ca.us 916-746-1673
Contract:	\$1,141,876
Contract Dates:	2017 to 2022

Contract Number:	PO 9006428
Project Reference:	Mr. Nathan Ribordy, Plant Engineer nribordy@roseville.ca.us 916-746-1673
Contract:	\$1,027,450 (billed to date)
Contract Dates:	2020 to 2025

Sanger Cogeneration Repower – Owner’s Engineering, Construction Management, & General Contractor Services

Client: Liberty Power (formerly Algonquin Sanger Power)

IEC provided preliminary design, **detailed design, project management and Construction Management** services for the Sanger Cogeneration Repower Project. The project was a repower of an existing Westinghouse 251 with a **GE LM6000 PC Sprint** at the Algonquin Sanger Cogeneration Facility for a total net plant generating capacity of 57 MW.



QUALIFICATION CRITERIA

- ☒ Combined Cycle
- ☒ Retooling
- ☒ Major Modifications

Preliminary Engineering Study: IEC initially performed an engineering feasibility study, with value engineering, which included developing a power plant simulation model using GE Gatecycle software to predict performance characteristics and adequacy of the existing equipment with the LM6000 PC or PC SPRINT combustion turbine. Major equipment includes two pressure level HRSG with SCR, 13 MW Westinghouse steam turbine, condenser, cooling tower, and water treatment facility. The study included project cost estimate, site plan layout, repower project scope of work, site plan review proposal for City of Sanger, and photo simulation of the plant with the new LM6000 turbine.

LM6000 Turbine Inspection: IEC inspected the condition of a new LM6000 S&S package that had been in storage for 4 years. IEC reviewed documentation for completeness, itemized and prioritized turbine upgrades product bulletins and service bulletins package options, and prepared a final recommendation to the client.

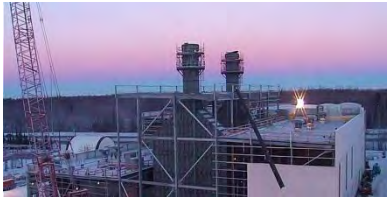
Project Reference:	Paul Grady 559-470-7994 Paul.Grady@algonquinpower.com
Professional Fees:	\$358,034
Construction Fees:	\$161,888
Material Fees:	\$33,462
TOTAL:	\$553,384

Repower Project Design: IEC performed the complete detailed design of the repower project. Responsibilities included equipment specifications development, bid evaluation, equipment procurement, vendor coordination, P&ID and drawing development, building permit application process, construction bid package development, mechanical design, structural design, natural gas system modification with new compressors system, natural gas emergency shutoff system design, anti-icing system design, turbine inlet coil design, DI water system modification, cooling water system modification, boiler blowdown system modification, turbine exhaust duct elbow modification, and steam turbine bypass system design.

Construction and Start-up Management: IEC engineers provided construction management services, including scheduling, field engineering support, project management support, contractor coordination, design review, document control, interfacing with City Building Department, and field inspection services. IEC oversaw TTSC as they performed the construction work. TTSC performed construction of the LM6000 PC SPRINT turbine and its ancillary equipment in parallel with existing plant operation. Upon full installation of the new equipment, TTSC decommissioned and removed the existing W251 Westinghouse gas turbine. A new turbine exhaust elbow was installed and tied-in with the existing HRSG. Other equipment such as natural gas compressor system and anti-icing system were also installed and connected. **The repower construction was completed in six months, with a plant outage period of only 45 days.**

George M. Sullivan Power Plant 2 Expansion Project Engineering & Construction Management

Client: Anchorage Municipal Light & Power



IEC provided Owner's Engineering and Project Management services to Anchorage Municipal Light & Power to support the development of a 120 MW, 2x1 combined cycle power project

that is designed to be the new primary base load facility for the utility. The Project was selected by Engineering News and Review as the ENR Northwest Owner of the Year for 2015.

IEC's initial work included developing design documents for a separate site preparation contract and analyzing the potential for teaming with the local water district to make use of waste heat. After the initial contract, AML&P awarded IEC with a \$6.9 million, two-and-a-half year contract extension to continue its on-site support and provide construction management, design review, field engineering, and special inspection services. Our team has been embedded with AML&P from Day one, collaborating on development of project scope, specifications and project execution.

The project includes an innovative cooling system design coupled with the water district to capture more than 50% of the plant's annual waste energy to heat the community potable water supply for the City of Anchorage. Additional waste heat will be used for a mass snow melt system on site. The cold, upstream City water will be used to cool the turbine combustion air during warm summer days. The new power plant is approximately 25 percent to 30 percent more efficient with a combined-cycle design that combines gas-fired turbines with sufficient waste heat recovery to drive an additional steam turbine.

The site makes use of a plume-abated cooling tower and a full Gas Insulated Switchgear (GIS) substation and switchyard. The administration building will also serve as the utility's new power generation engineering offices and will house a backup dispatch center for emergency situations.

ENGINEERING TASKS

- Project plan
- Feasibility Analysis
- Safety & regulatory compliance
- Outside services contracts
- Project communications and reporting
- Management briefings
- Change orders
- Project performance evaluations
- AML&P contracts and standards evaluation
- Agency approvals
- Cost estimates
- Budget reviews
- Scheduling and progress reporting
- Submittal management
- Constructability review
- Risk management
- Information management
- Quality control engineering
- Closeout and turnover
- Document control
- AML&P interface
- AML&P representation
- Project controls

Project Reference:	Eugene Ori, oriea@ci.anchorage.ak.us , (907) 279-7671
Project Value:	\$200 Million+
Professional Fees:	\$11.4 Million

Almond 2 Power Plant Expansion Project Engineering & Construction Management

Client: Turlock Irrigation District

As Project Manager and Construction Manager for the Almond Power Plant Expansion, IEC provided a wide range of project engineering, technical expert support, and project oversight throughout all phases of the Project as described below.

Preliminary Engineering & Cost Estimate: IEC developed six (6) preliminary site plan options for 50 MW, 100 MW, 150 MW and 200 MW power plant scenarios. IEC used various combinations of gas turbines including GE



LMS100 and **GE LM6000** units and presented the TID with six cases and layouts for varying capacities and configurations. The layouts were based on the actual size of the equipment needed including all the balance of plant equipment. IEC performed preliminary engineering and worked with reputable vendors to size and

select the equipment. IEC also prepared water balances for all six options. In addition, IEC prepared detailed total capital cost estimates for all six cases covering development, licensing, permitting, emission offsets, engineering, procurement, construction, start-up, and testing. **The estimate was accurate down to the skid level.** The cost estimate was adjusted for union considerations and escalated for the cost of raw materials.

Equipment Recommendations: Based on IEC's preliminary engineering and recommendations, TID selected three 58-MW General Electric LM6000PG turbines equipped with a water injection system to the turbine in order to reduce nitrogen oxide (NOx) formation, and a selective catalytic reduction system to further control NOx emissions.

ENGINEERING TASKS

- Day-to-day operations
- Project plan
- Design packages
- Consulting services
- Safety & regulatory compliance
- Outside services contracts
- Project communications and reporting
- Management briefings
- Cash flow projections
- Change orders
- Project performance evaluations
- TID contracts and standards evaluation
- Agency approvals
- Cost estimates
- Budget reviews
- Scheduling and progress reporting
- Submittal management
- Constructability review
- Risk management
- Information management
- Quality control engineering
- Closeout and turnover
- Document control
- TID interface
- TID representation
- Project controls

Construction Management & Field Engineering: Due to IEC's design experience, operational knowledge, and ability to maintain project quality, **TID requested that IEC provide complete construction management and engineering oversight for all disciplines including mechanical, electrical, civil/structural, and controls engineering.** IEC provided support throughout the construction phase to manage contractors and maintain permitting compliance.

Our experts also provided specialized documentation, inspection, and training to ensure successful commissioning, start-up, and long-term reliability. IEC's field team was responsible for achieving Mechanical Completion on schedule and with no claims. TID has since tasked IEC with ongoing site engineering support for plant operations. IEC will be available on an as-needed basis to coordinate, track, and resolve electrical engineering issues at the facility. IEC recently wrapped up its successful on-site support of the Turlock Irrigation District's (TID) Almond Power Plant Expansion Project.

Project Reference:	Mr. George Davies, GADavies@TID.org, (209) 883-3451
Project Value:	\$200 Million+
Professional Fees:	\$1,056,150

Ripon Generation Station Owner's Engineering & Construction Management

Client: Modesto Irrigation District

As a result of our responsiveness and quality of performance for the Woodland Unit 2 Project, MID contracted with IEC to completely manage their next project which was a 100 MW power plant project located in Ripon, California. MID gave IEC a sole source contract to serve as Owner's Engineer, Project Manager and Construction Manager for the Ripon Generation Station. The peaking facility consists of two (2) GE LM6000 natural-gas-fired combustion turbine generators in simple cycle configuration. Additional components include new 69kV subtransmission line and fiber optic cable, new 8-inch diameter natural gas pipeline, and tie-in lines into the City of Ripon water supply and wastewater lines.

IEC initially performed an evaluation for a variety of gas turbines. The evaluation compared performance, reliability, operational flexibility, maintenance, emissions and installed cost. The data was used to determine the "best fit" for MID based on their power needs and operational requirements. From the evaluation, MID was able to select the power generation configuration and resulted in the purchase of two LM6000's from GE at under market price with several options included at no charge to MID.

IEC provided design review, scheduling, engineering, construction management, field inspection services, and project management support for the project. The project was successfully installed, completed, and providing power in April of 2006.

The client was pleased with IEC's support and our ability to pull the schedule back onto track even though the project had incurred some delays due to equipment delivery and design issues.

Project Reference:	Greg Salyer, GregS@MID.org, (209) 526-7617
Project Value:	\$65 Million+
Professional Fees:	\$700,000

ENGINEERING TASKS

- Day-to-day operations
- Feasibility analysis
- Consulting services
- Project plan
- Safety & regulatory compliance
- Outside services contracts
- Project communications and reporting
- Management briefings
- Cash flow projections
- Change orders
- Project performance evaluations
- MID contracts and standards evaluation
- Agency approvals
- Cost estimates
- Budget reviews
- Scheduling and progress reporting
- Submittal management
- Constructability review
- Risk management
- Information management
- Quality control engineering
- Closeout and turnover
- Document control
- MID interface
- MID representation
- Project controls



La Luz Energy Center

Client: Public Service Company of New Mexico



ENGINEERING TASKS

- Design packages
- Project communications and reporting
- Management briefings
- Information management
- Quality control engineering
- Closeout and turnover
- Document control
- Contractor interface
- Project controls

IEC Corporation provided professional engineering services in support of the La Luz Energy Center Project (LLEC). This project consists of the installation of an LM6000 PC SPRINT in simple cycle configuration on behalf of Public Service Company of New Mexico (PNM). The site of the proposed project is located in a rural area adjacent to the PNM Belen Reactor Station/Belen Substation in Belen, New Mexico. Generation will step up from 13.8KV to 115 KV and pass-thru to PNM's Belen substation, via approximately 500 ft of overhead transmission line. IEC Corporation provided design engineering services and project document control as part of the contractors on the PEPC team (Permit, Engineer, Procure, and Construct).

Project Reference: Turner Scholl, tscholl@wellhead.com, 916-505-5676

Professional Fees: \$709,778



Palomar Energy Plant Repower Project, Escondido, California

Client: San Diego Gas & Electric



The Palomar Energy Plant in Escondido, California serves the growing energy needs of the greater San Diego area. IEC teamed up with TTS Construction on this Engineer, Procure, Construct (EPC) project. This project consisted of installing an **LM6000 PC SPRINT** in simple cycle configuration on behalf of San Diego Gas & Electric. IEC Corporation provided complete design engineering services. IEC's responsibilities included complete detailed engineering.

QUALIFICATION CRITERIA

- ☐ Combined Cycle
- ☒ Simple Cycle
- ☒ Retooling
- ☒ Major Modifications

ENGINEERING TASKS

- Design packages
- Project communications and reporting
- Management briefings
- Information management
- Quality control engineering
- Closeout and turnover
- Document control
- Contractor interface
- Project controls

Procter & Gamble Cogeneration Plant

Client: Sacramento Municipal Utility District

The Procter & Gamble Cogeneration Plant, also referred to as the SCA Cogen II, is owned by the Sacramento Municipal Utility District. The 120 MW power plant, located adjacent to the Procter & Gamble Manufacturing Facility in Sacramento, California, is powered by GE LM6000 CTGs in a combined cycle configuration. IEC was contracted to provide field engineering and inspections throughout the entire construction phase for the new plant.



Woodland Generation Station Unit 2 Owner's Engineering & Construction Management

Client: Modesto Irrigation District

The Modesto Irrigation District (MID) retained IEC to provide owner's engineering, project management, and construction management services for the development and construction of a new 80 MW gas turbine generating facility owned and operated by MID. The plant consists of a **47 MW GE LM6000** Sprint combustion turbine generator in combined cycle with a single 37 MW steam turbine generator. A state-of-the-art, customized duct-fired heat recovery steam generator allows the plant to use the steam turbine for load following and produce 80 MW net power at full-load condition. The plant also includes the Mark VI Control System, 2000-Ton Chiller, SCR and CO Emissions Systems and Cooling Tower.

Due to IEC's responsiveness and quality of work, the contract expanded from \$150,000 to \$900,000 to perform design reviews, provide construction management, prepare a complete engineering and construction schedule, develop a detailed budget schedule, provide full-service construction management and oversee additional management services for the Owner. IEC provided on-site support throughout the construction phase to monitor site work and contractors and maintain compliance.

IEC's field team was responsible for achieving Mechanical Completion on schedule and with no claims. The project was successfully installed, completed, and providing power in 2003. **The client was extremely pleased with our responsiveness and quality of performance and contracted with IEC to completely manage their next power project.**

Project Reference:	Greg Salyer, GregS@MID.org (209) 526-7617
Project Value:	\$60 Million+
Professional Fees:	\$900,000

ENGINEERING TASKS

- Day-to-day operations
- Consulting services
- Project plan
- Safety & regulatory compliance
- Outside services contracts
- Project communications and reporting
- Management briefings
- Cash flow projections
- Change orders
- Project performance evaluations
- MID contracts and standards evaluation
- Agency approvals
- Cost estimates
- Budget reviews
- Scheduling and progress reporting
- Submittal management
- Constructability review
- Risk management
- Quality control engineering
- Closeout and turnover
- Document control
- MID interface
- MID representation
- Project controls



Haynes Generating Station Retrofit

Client: Los Angeles Department of Water & Power (LADWP) (via PB Power)

IEC Corporation provided services to LADWP as a subcontractor for PB Power, Inc. under its contract to provide Owners Representative Services for the Haynes Generating Station Repowering Project (500 MW). PB Power solicited the services of IEC Corporation to provide site construction coordinating services, which included the oversight of the job site during construction including such functions as: Quality Assurance, site safety, monitoring the contractor's schedule and progress, validating and/or approving invoices, environmental compliance, material receiving inspections, contract compliance, plant utility interfaces, design review, reviewing and resolving of Requests for Information (RFIs) and Engineering Change Notices (ECNs) to support the owner at the project site.



Plant Engineering & Design

Client: Redding Electric

IEC provided the City of Redding with engineering and design services to support upgrade projects for its Unit 5 and Unit 6 gas turbine generators. IEC engineers provided on-call services and technical engineering support for mechanical, electrical, civil/structural, instrumentation & controls needs.



ENGINEERING TASKS

- Design packages
- Project communications and reporting
- Consulting services
- Site support
- Quality control engineering
- Contractor interface
- Project controls

Project Reference: Tom Cline, tcline@redding.ca.us, 530-245-7034

Fresno Peaker Facility

Client: Fresno Cogeneration Partners

IEC provided project and design engineering for the Fresno Peaker Facility exhaust duct upgrade involving an FT-4 Power Pac Combustion Turbine Generator. The original vertical exhaust discharge was changed into a side discharge configuration to allow for the new CO and SCR equipped exhaust duct. The project included the design and installation of a complete ammonia storage and forwarding system to support the new SCR equipment.

IEC also designed the transition ducting to mitigate thermal expansion loads on the turbine exhaust elbow as well as to provide an airtight seal for fire protection equipment operation. The PLC-based control system was modified to include the control of the SCR equipment and the Data Acquisition System (DAS).

ENGINEERING TASKS

- Design
- Site Support
- Project communications and reporting
- Constructability review
- Quality control engineering
- Closeout and turnover
- Document control
- Project controls



Cosumnes Power Plant Project

Client: Sacramento Municipal Utility District



The Cosumnes Power Plant is a 500 MW power plant located on a 30-acre site a half-mile south of the now closed Rancho Seco Plant in southeastern Sacramento County.

IEC provided a wide range of engineering services and project management tasks for the power plant and natural gas pipeline project. The work began as a small contract and quickly expanded into a multiple-year commitment for project management, owner's engineering, Chief Building Official services, and construction management services. IEC provided the licensing project manager, environmental specialist, structural, mechanical and electrical engineers, and a variety of subcontractor specialties, such as geotechnical services and pipeline inspection services. IEC also coordinated licensing, environmental documentation, mitigation planning, and the preliminary engineering layout for the plant, switchyard, and linear facilities.

IEC provided an electrical/controls field engineer to support construction and start-up activities for the plant. IEC's field engineer reviewed designs, supervised electrical installation, managed electrical subcontractors, provided technical guidance, and coordinated work with other disciplines. Services also included working with the plant quality control team to ensure compliance with the latest electrical codes, specifications, permit conditions, and accepted practices. IEC's field engineer supervised the installation of plant telecommunications equipment, including the interface with SBC and managed the installation and commissioning of SMUD's Remote Terminal Unit, including loop

ENGINEERING TASKS

- Day-to-day operations
- Safety & regulatory compliance
- Outside services contracts
- Permitting
- Design Packages
- Project communications and reporting
- Management briefings
- Cash flow projections
- Change orders
- Project performance evaluations
- SMUD contracts and standards evaluation
- Agency approvals
- Cost estimates
- Budget reviews
- Scheduling and progress reporting
- Submittal management
- Constructability review
- Risk management
- Quality control engineering
- Closeout and turnover
- Document control
- SMUD interface
- SMUD representation
- Project controls

check out and diagnostic review of communication links. IEC's field engineer also assisted startup lead contractor with commissioning activities throughout the facility as electrical systems were brought on line.

Project Reference:	Kevin Hudson, Kevin.Hudson@smud.org (916) 732-7101
Project Value:	\$500 Million+
Professional Fees:	\$5 Million

IEC managed subcontractors, provided technical guidance and leadership to craft labor, managed project priorities and schedule, and coordinated work with other disciplines. Our personnel worked with the CPP quality control team to ensure compliance with the latest codes, specifications, permit conditions, and accepted practices. IEC personnel also assisted the startup lead contractor with commissioning activities throughout the facility as systems were brought online. IEC provided more than 50 people to support this contract, including in-house staff, contract employees, and subcontractors. **The numerous assigned tasks were a direct result of IEC's commitment to providing the best people for the job, both IEC employees and specialty subcontractors alike.**

CPP Work Authorizations: Work Authorizations, in order of assignment, included 30-plus tasks:

- Cosumnes Licensing and Engineering
- SCA Peaker Project I&C Work
- Engineering Design to Modify Morrison Creek Cross-Tie Station
- Construction Services RFQ Development
- Cultural Resource Remote Sensing Geophysical Survey
- CBO Review Support
- Document Control
- Assistance with Permit Drawings
- Fire Protection Engineering
- Design and Drafting for Pipeline Extension
- CEC Compliance and CBO Document Control Support
- Gas Pipeline Inspection
- Quality Assurance Support
- Construction Engineering Services
- Licensing and Compliance Project Management
- Team Development & Right-of-Way Verification
- Team Development & Safety Program
- Worker Environmental Awareness Training Video Production
- Special Inspection, Testing, and Laboratory Services
- Development of Gas Pipeline Pigging RFP
- Surveying Services and Development of Base Map
- Development of Environmental Drawings
- Gas Pipeline Resident Engineer
- Inspector Training
- Construction Superintendent (Chief Inspector)
- Pre-Construction Surveying Support
- Gas Pipeline Inspection
- Contract Administration Support Services
- Field Electrical Engineer
- CBO Review Support Services
- Gas Pipeline Submittal Verification Coordinator
- Water Supply Integrity Evaluation
- Piping & Support Design Analysis

McClellan Peaker Project

Client: Sacramento Municipal Utility District

IEC Corporation provided owner's engineering services from conceptual engineering through construction for the McClellan Retrofit Project. This included project engineering, project management support, field engineering, and construction management services. The 80 MW GE 7EA Peaker Plant, owned and operated by SMUD, is located on the former McClellan Air Force Base. The retrofit was performed to ensure the plant complied with California emissions requirements. To assist SMUD in moving the project to completion, **IEC provided project and field engineering, construction management, contracts management, RFP development, quality control, cost control, contractor negotiations, and other project management duties.**

Part of our responsibilities also included developing project design criteria and detailed civil, mechanical and electrical specifications associated with the switchgear, power system stabilizer, fin fan coolers, exhaust duct system, inlet cooling system, SCR system, and continuous emissions monitoring equipment. Due to the tight specifications written by IEC, the Contractor was unable to avoid liability when an error was made on their part and the Contractor was forced to pay liquated damages to SMUD.

Project Reference:	Dick Wallace, Retired SMUD Manager
Project Value:	\$2 Million+
Professional Fees:	\$250,000

ENGINEERING TASKS

- Day-to-day operations
- Project plan
- Safety & regulatory compliance
- Site support
- Design packages
- Outside services contracts
- Project communications and reporting
- Management briefings
- Cash flow projections
- Change orders
- Project performance evaluations
- SMUD contracts and standards evaluation
- Agency approvals
- Cost estimates
- Budget reviews
- Scheduling and progress reporting
- Submittal management
- Constructability review
- Risk management
- Information management
- Quality control engineering
- Closeout and turnover
- Document control
- SMUD interface
- SMUD representation
- Project controls



Performance Mechanical, Inc. Project Profiles



Shaping the Future of Energy™

Mechanical Construction

Local Project List



Performance Mechanical, Inc. (PMI) has built power plants for nearly three decades. Our staff and crews are experienced in being part of an EPC Team, being the prime contractor, or being a subcontractor. We have fully erected units such as conventional natural gas, combined cycle power to alternative fuel, and alternative energy power plants, including biodiesel, landfill gas, and concentrated solar projects. Major components and systems installed by PMI include



natural gas turbine generators, steam turbine generators, heat recovery steam generators (HRSGs), air cooled condensers (ACCs), cooling towers, water systems, BOP piping and equipment, condensers, lube oil systems, structural steel erection, concrete foundations, and underground utilities.

The following pages include a list of **100+ projects** performed by PMI for local companies, utilities, and agencies including EthosEnergy, NCPA, and City of Redding.



Performance Mechanical, Inc.

General Mechanical Contractor

PMI Job History for References Provided

<u>Job #</u>	<u>Description</u>	<u>Client</u>	<u>Date Started</u>
92789	CPP Sidewalk Widening	Ethos Energy	1/31/2020
94229	HRS2 Drain Line Repair	Ethos Energy	1/31/2020
94228	Pressure Test Diesel Line	NCPA	1/28/2020
94219	Repair Desuperheater Nozzle	Ethos Energy	1/27/2020
94127	Vapor Repair	Ethos Energy	1/15/2020
94176	Demo Unit 2 & 3 ATU Line	Ethos Energy	1/15/2020
94209	CCI Valve Work Support	NCPA	12/31/2019
94213	McClellan Gearbox Inspection	Ethos Energy	12/13/2019
94208	Emergency Impeller Repair	Ethos Energy	11/30/2019
94195	SPA TriTool Machining Support	Ethos Energy	11/12/2019
94189	SPA Duct Burner Pipeline Mods	Ethos Energy	11/8/2019
94119	Oily Water Sump Pump Piping	Ethos Energy	8/31/2019
94133	Pump House Transformer Swap	Ethos Energy	8/31/2019
94122	6" Water Treatment Vent	Ethos Energy	7/31/2019
94112	Tube Leak Repair	Ethos Energy	7/26/2019
94088	Quality Weld Procedure	Ethos Energy	6/27/2019
94104	ZLD Condenser Crack Repair	Ethos Energy	6/21/2019
94117	CPP Shaft Guard Mods	Ethos Energy	6/21/2019
94103	U3 HRH Loop Emergency Repair	Ethos Energy	6/19/2019
94105	U3 Preheater Tube Leak	Ethos Energy	5/31/2019
94094	SPA Shaft Guard Window Mods	Ethos Energy	5/22/2019
94096	SPA Fuel Gas Valve & Piping	Ethos Energy	5/22/2019
94073	Repair Crack Unit 2 RH	Ethos Energy	3/31/2019
94081	Emergency RH Loop Leak	Ethos Energy	3/27/2019
92688	Unit 2 FG Shutoff Valve	Ethos Energy	2/28/2019
94046	Buff 10" Welds for NDE	Ethos Energy	2/25/2019
94047	Repair Cracked Valve Weld ZLD	Ethos Energy	2/20/2019
94057	Replace Gauge PI-3306	Ethos Energy	2/14/2019
94059	U2 Compressor Air Valves	Ethos Energy	2/10/2019
94060	Replace Two CCW	Ethos Energy	2/9/2019
94053	Remove Additional CW Elbow	Ethos Energy	2/9/2019
94056	Replace LPS Valve 3029	Ethos Energy	2/7/2019
94052	HP Steam Warm Up Drains	Ethos Energy	2/2/2019
92677	CPP Perf. Heater Replace	Ethos Energy	1/31/2019
94038	Remove CCW Elbow for Repair	Ethos Energy	1/31/2019
94009	Two BFW Bypass Lines	Ethos Energy	12/31/2018
93486	Repairs Steam Leaks	City of Redding	11/30/2018
93493	Fab & Install Ladder Cage	Ethos Energy	11/30/2018
94018	McClellan Shaft Guards	Ethos Energy	11/17/2018
93460	Modify BFW Pump Seal	Ethos Energy	10/31/2018
94008	Replace Leaking FG Drain Valve	Ethos Energy	10/31/2018





Performance Mechanical, Inc.

General Mechanical Contractor

93474	Cooling Tower 2" Sensor Mods	Ethos Energy	8/27/2018
93480	HP Bypass Weld Buffing	Ethos Energy	8/15/2018
93459	Repair Cracked Distillate Line	Ethos Energy	7/31/2018
93414	Assist CCI Valve Rework	NCPA	6/30/2018
93400	U9 Penstock Repairs	City of Redding	6/29/2018
93410	Repair Pressure Gauge Tee	Ethos Energy	6/27/2018
93453	Repair BFWP Unions	Ethos Energy	6/23/2018
93454	MOV Handrail Mods	Ethos Energy	6/20/2018
93403	Repair Pipe Shoe Leak BR002	NCPA	6/20/2018
93404	Replace Mag Ox	NCPA	6/18/2018
93407	HP Separator Leak I.D.	NCPA	6/17/2018
93405	Replace F91 Valve	NCPA	6/15/2018
93406	Add Flanges	NCPA	6/8/2018
93423	V-3024 Equalizing Line	Ethos Energy	5/29/2018
93429	ZLD Repairs	Ethos Energy	5/23/2018
93441	Replace MOV 1040	Ethos Energy	5/23/2018
93416	Repair Liner Plates & Insul	NCPA	4/30/2018
93419	Adjust Baffle Plates	NCPA	4/30/2018
94092	(SVP) April'19 Outage	NCPA	4/25/2018
93409	Repair Spring Hangers	Ethos Energy	4/22/2018
93246	GE Fuel Gas Shutoff Valve	Ethos Energy	4/20/2018
93430	Relocate Condensate Quill	Ethos Energy	4/16/2018
93436	Replace Valve Equalizing Lines	Ethos Energy	4/16/2018
93395	P.M.I. Equalizing Lines	Ethos Energy	4/12/2018
93417	Repair Tube Support Channel	NCPA	4/10/2018
93247	Buff Welds for NDE	Ethos Energy	4/10/2018
93418	Fix Broken Angle Iron	NCPA	4/7/2018
93425	Blowdown Valve	Ethos Energy	4/2/2018
94083	LEC OUTAGE	NCPA	4/2/2018
93433	Replace Leaking Valves	Ethos Energy	3/30/2018
93386	Repair Steam Leaks	City of Redding	1/31/2018
93358	Water Treatment Eye Wash	Ethos Energy	1/29/2018
93349	Aux Gearbox Inspection	Ethos Energy	12/21/2017
93366	Replace BD Tank Drain Valve	Ethos Energy	11/30/2017
93376	Unit 2 Performance Heater	Ethos Energy	11/27/2017
93377	Move-2100 Crack Repair	Ethos Energy	11/19/2017
93367	LP and IP Drain Valves	Ethos Energy	11/19/2017
93369	Seal Water Glass	Ethos Energy	11/18/2017
93368	Water Treatment 4" Cleanout	Ethos Energy	11/15/2017
93348	Unit 2 LP Section Tube Leak	Ethos Energy	11/1/2017
93318	Welding Support 7-8	Ethos Energy	8/10/2017
93317	Install Pressure Gauges	Ethos Energy	8/3/2017
93281	HP Evaporator Tube Repair	NCPA	6/29/2017
93255	Attemperators Replacement	Ethos Energy	6/29/2017





Performance Mechanical, Inc.

General Mechanical Contractor

93262	Replace HP Drum Manways	Ethos Energy	6/29/2017
93287	Clarifier Outlet Modifications	NCPA	6/23/2017
93288	Support CCI for Valve Demo	NCPA	6/22/2017
93289	Aux BFW Pump Piping	NCPA	6/20/2017
93290	P91 HP Steam Valve	NCPA	6/17/2017
93292	Relief Valve Demo Replace	NCPA	6/17/2017
93284	CT Bleed Pipe Outer Ring	NCPA	6/12/2017
93291	LP Condensate Valve	NCPA	6/12/2017
93275	ZLD Welding Support	Ethos Energy	6/10/2017
93258	Fuel Gas Block Valves	Ethos Energy	6/8/2017
93270	Remove 20" Tee	Ethos Energy	6/8/2017
93285	Main & Pilot Vent Extension	NCPA	6/7/2017
93280	U3 LP Tube Leak	Ethos Energy	6/7/2017
93282	Lodi, Reheater #3 Support	NCPA	6/5/2017
93283	HRSG Baffle Repair	NCPA	6/6/2017
93286	HRSG Hot Spot Repairs	NCPA	6/5/2017
93293	LEC IP RAC Olet	NCPA	6/5/2017
93260	HRSG Floor Repairs	Ethos Energy	6/5/2017
93261	Outage NDE Scope	Ethos Energy	6/2/2017
93271	Replace 20" Flanged Tee	Ethos Energy	6/2/2017
93274	ZLD Brine Pup	Ethos Energy	6/1/2017
93272	Oily Water Separator Piping	Ethos Energy	6/1/2017
93294	Evaporator Repair	Ethos Energy	6/1/2017
93302	Unit 3 Tube Leak 5-26-17	Ethos Energy	5/27/2017
93201	CT1 Secondary Containment	NCPA	5/24/2017
93259	Spring Hanger Outage Work	Ethos Energy	5/5/2017
93241	PCV-3021 Replacement	Ethos Energy	4/3/2017
93250	AuxCoolingWaterLeak Repairs	Ethos Energy	4/3/2017
93244	Repair Shell Leak	Ethos Energy	3/2/2017
93224	Potable Water Lab Eyewash	Ethos Energy	2/6/2017
93225	December Clarifier A Repair	NCPA	2/3/2017
93220	Aux Gearbox Inspection	Ethos Energy	12/20/2016
93216	Install Vacuum Pump B	NCPA	12/8/2016
93211	Install NH3 Flanges	NCPA	12/6/2016
93217	November Clarifier Repairs	NCPA	12/6/2016
93213	Ladder Cage Modifications	Ethos Energy	12/1/2016
93209	U9 Trash Screen Repairs	City of Redding	12/2/2016
93207	Emergency Weld Repair	Ethos Energy	11/2/2016
93204	Repair Clarifier & Drain Leaks	NCPA	10/20/2016
93205	Oct Clarifier Leak Repairs	NCPA	10/20/2016





Almond 2 Power Plant (A2PP)

Client: Turlock Irrigation District

PMI was the General Contractor on the Construction of a Natural Gas-Fired Simple Cycle Peaking Facility rated at gross generating capacity of 174 MW with three General Electric LM6000PG Turbines with SPRINT (SPRay INTERcooling) and associated support equipment including an 115kV Switch Yard. Implementation of CEC Staff Assessment compliance programs during construction: Biological, Cultural, Storm Water Pollution Prevention and Air Quality programs. Excavation of 6,071 cy of soil, back filled 2,500 cy of soil, installation of 1,500 tons of asphalt for Almond 2, new storm water drain system, modification of Winco yard storm water retention pond and construction of new storm water retention pond for Almond 1 and Almond 2 power plants.



- **Concrete:** 3,114 cy for Equipment Foundations and misc. pads & footings
- **Architectural:** 3,150 square feet expansion of existing warehouse and shop
- **Fence:** 2,730 lineal feet of new permanent fence and 2,137 lineal feet installation and removal of temporary fence and demolition of 1,896 lineal ft of existing fence.
- **Piping:** 21,481 ft. of underground piping, 6,267 ft. of above ground piping, lube oil flushing, gas lines air blows with targets, hydro and pneumatic testing.
- **Tie Ins:** Installed a total of 40 tie ins to interconnect new Almond 2 plant with existing plant during shut down with no impact to Almond 1 plant operations.
- **115kV Switch Yard Installation:** Installation of substation control house, breakers, transformers, structural, cabling and testing.
- **Electrical:** Installation of underground electrical duct banks, new grounding grid, cathodic protection, above ground electrical and instrumentation installation, calibration and testing including GE equipment. Interconnecting of new system to Almond 1 existing control centers, plus ADT plant security system and lighting.
- **GE LM600 CTG:** Installation of three GE LM6000 natural gas combustion turbine generator packages and supporting equipment.
- **SCR Erection:** Erection of three Selective Catalytic Reduction units and Catalyst Loading after first fire, including electrical and instrumentation, calibration and testing.

Rodeo Refinery Renewed

Client: Phillips 66



VALUE DELIVERED

Performance Mechanical Inc. (PMI) helped convert Phillips 66's San Francisco refinery into a site for renewable fuel production. PMI provided turnkey solutions for the project, overcoming a compressed schedule, congested work site, and inclement weather. Before the project, the refinery produced 120,000 barrels of gasoline per day, and now it will produce 680 million gallons of renewable diesel, renewable gasoline, and sustainable aviation fuel per year.



SOLUTIONS

PMI provided construction planning, staffing, supervision, fabrication, logistics, and installation services for pre-outage work. This included major equipment setting, piping, rotating equipment, and civil work over different units located throughout the refinery. The refinery facility is in Rodeo, CA. The project duration was 20 months.

In total, PMI installed the following:

- 27,465 linear feet of pipe, including supports and testing
- 115 tons of structural steel
- 26 pieces of equipment, including offloading, rigging, and setting
- 134 pipe tie-ins

CLIENT BACKGROUND

Phillips 66 is a diversified energy manufacturing and logistics company with unique businesses in refining, midstream, chemicals, and marketing/specialties.

CLIENT OBJECTIVES

Phillips wanted a cutting-edge site to refine and provide renewable fuels using waste oils, fats, greases, and vegetable oils as feedstock.

Solar Energy Project, Riverside County, CA

Client: Genesis Solar



VALUE DELIVERED

PMI provided mechanical equipment and pipe installation services for this concentrated solar power station located in the Mojave Desert. The station features two separate 125-MW solar generating units that utilize advanced solar trough technology. For the first unit, PMI completed 5,978 welds, with 324 of them tested and only four rejected for a 1.23 percent rejection rate. Then, for the second unit, PMI completed 6,006 welds with a zero-percent rejection rate after 398 tests. Altogether, 750,000 labor hours went into the project, spanning 21 months.

CLIENT OBJECTIVES

The client required a contractor with the capacity for this large-scale project and familiarity with solar power stations.

SOLUTIONS

We installed a wide range of mechanical equipment and piping systems, including:

- Balance of plant piping on both units
 - Carbon steel, stainless steel, alloy, and galvanized materials
 - 50,000 feet of pipe installed for Unit 1
 - 67,000 feet of pipe installed for Unit 2
 - All pipe supports
- Structural steel
- Anchors and grouting
- Rotating equipment
- Exchangers
- Tanks
- Vessels
- Auxiliary boilers
- Fin fans
- Power distribution center



CLIENT BACKGROUND

Genesis Solar is one of the world's largest producers of solar energy.

Brea Olinda Power II Facility

Client: Olinda Alpha Landfill



VALUE DELIVERED

For the new Brea Olinda Power II facility, Performance Mechanical, Inc. (PMI) installed mechanical equipment and piping designed to capture landfill gas from decaying trash to use as fuel for combustion turbines. Our solutions helped remove harmful contaminants in the gas, to allow for clean methane production.



CLIENT OBJECTIVES

The client needed full-service installation of mechanical equipment and piping to support their methane gas recovery system.

SOLUTIONS

Located at the Olinda Alpha Landfill, the Brea Olinda Power II project was comprised of two areas: gas collection/conditioning (GCC), and power block.

PMI installed mechanical equipment in the GCC area that was designed to chill and compress the captured methane gas before being used as fuel for the combustion turbines. In the power block area, PMI installed:

- Four Solar® Taurus 60 combustion turbine generators
- Two cooling towers
- Steam turbine generators
- Four heat-recovery steam generator units and associated
- pumps/equipment/piping

CLIENT BACKGROUND

Opened in 1960, the Olinda Alpha Landfill is a Class III site with 453 acres permitted for refuse disposal, and an average disposal rate of nearly 7,000 tons per day. Olinda was one of the first sites in the U.S. to construct a landfill-to-gas energy plant, powering 3,000 homes at the time.

BOP, STG & AG Electrical + HRSG and ACC Erection for GWF Tracy Combined Cycle Power Plant

Client: GWF Power Systems



Perform BOP and electrical for the 315 MW GWF Tracy combined cycle power plant. Scopes include installation an Alstom steam turbine and generator, installation of balance of plant equipment, large bore heavy wall chrome and carbon steel piping, fabrication and installation of small-bore piping, misc. equipment (i.e. BFW pumps, condensate pumps, etc.), erect STG enclosure. Coordination with major subcontractors (Electrical, insulation, painting, scaffold, heavy rigging and cranes). Work includes approximately 5,600 feet of large bore pipe, 4,800 feet of small-bore pipe, 3,811 diameter inches of shop fabrication and 319 tons of structural steel. Electrical and insulation subcontracts were added to scope during the project.

Erect 2 Alstom HRSGs for the 315 MW GWF Tracy combined cycle power plant. Scope includes installation of the large bore heavy wall carbon steel and 9Chrome pipe, fabricate and install the small-bore carbon steel and chrome pipe, and dismantling of the existing stack, SCR, tempering fans and a portion of the exhaust duct work. Work includes approximately 5,922 feet of large bore pipe, 10,112 feet of small-bore pipe, 7,254 diameter inches of shop fabrication and 103 tons of structural steel.

Field erection of 25 cell air cooled condenser and turbine exhaust duct. Work includes approximately 3,042 feet of large bore pipe, 1,320 feet of small-bore pipe, 1,424 tons of structural steel, 107 tons of platforms, and 170 cubic feet of grout.



Placer Electric, Inc. Project Profiles



Shaping the Future of Energy™

Electrical Construction

Local Projects



Client: City of Roseville, Ethos Energy, PG&E, Siemens, SMUD

Placer Electric has a vast experience working on industrial sites and Power Plants. Over the years, Placer Electric has worked on PG&E, SMUD and City of Roseville sites. PEI has completed a multitude of service projects at the Roseville Energy Park and has a current service agreement with the City of Roseville. Recently, Placer Electric provided support to REP on completing an unfinished project by relocating existing fiber communication runs around the existing site. PEI also provided Siemens electrical support in replacing a generator back in 2019. In 2019, PEI completed a project for the Colusa Generating Station where a new heat blanket system was installed. The system consisted of a new electrical distribution and required running large circuits through the existing cable tray system to provide all necessary circuits for this project. PEI has also worked for ETHOS Energy who manages the SMUD SPA Cogen III plant in South Sacramento and completed all the rework to install the new fire pump system and building at that site. Overall Placer Electric has staff that is familiar with Industrial/Power generating sites and are well versed in the safety and PPE protocols required when working at these facilities.



Below is a list of tasks performed for the City of Roseville at the **Roseville Energy Park**:

No.	Task	Date	Description
1	Relocate Fiber Cans to Adjacent Panels	October 2018	Provide labor and material to relocate fiber trunk lines and splice box into the adjacent cabinet. This includes mounting the fiber splice can, reconnection of the fiber cables to the fiber box, replacing chewed up fiber connections and adding new connectors, and performing tests on the fiber.
2	Conduit and Cabling for New AVR	April 2018	Provide all labor and material for installing cables and conduit from the existing cabinet to the new AVR, based on Siemens drawings. Also, install two (2) 60A 2-pole DC breakers without running cable or conduit to them.

3	Re-Install Generator	March 2018	Provide all labor and material to reinstall any electrical apparatuses such as conduit and cabling, electrically terminate any existing cable and wire, bolt any busses that need to be reinstalled, and label all conductors that were terminated.
4	Removing Electrical Components from Generator	August 2017	Provide all labor and material to remove any electrical apparatuses (conduit, cable, bussing) from the generator, and label all conductors to be removed for ease of re-installation.
5	Wire Upgrade for Existing Site Lighting	September 2016	Provide all labor and material for pulling out existing wire from poles and installing ~5000' of wire between electrical boxes, poles, and the lighting panel.
6	DCS Upgrade	February 2016	Provide all labor and materials for determining and reterminating 4,828 wires for the Siemens DCS upgrade. Also provide and install fiber optic cable and modbus cable runs from the control room to the cabinets 1CJP10, 1CJP20, 1CHA10, 1CHA20, 2CJP10, 2CJP20, 2CHA10, and 2CHA20.
7	Temporary Power Receptacles	September 2014	Provide all labor and materials for installing four (4) 50A temporary power receptacles and associated 2-pole breakers. Boxes are installed adjacent to panels feeding them.
8	Heat Tracing	December 2013	<u>Zero Liquid Discharge (ZLD) Area</u> Provide labor and material to remove existing six (6) cables from the wrong panel in the MCC and the devices in the field; remove existing six (6) breakers in that panel, pull and terminate existing cables that are coiled up on cable tray to the devices in the field; and install chases needed from the existing junction box to existing heat trace panel and pull in existing cables and terminate to the breakers we reinstalled from the other panel. <u>Steam Turbine Area</u> Provide labor and material to install three (3) new heat tracing circuits in the steam turbine area, including conduit installation, junction boxes, and heat tracing cable as needed.
9	4160V Conduit Repairs	April 2013	Repair PVC flex conduit connections between PVC hard conduit and motor head pecker at two motor locations
10	Boiler Feed Pump 1B & 2B Relocation	November 2010	Provide labor, material, and supervision for temporary relocation of all associated wiring for the boiler feed pumps
11	Con Ex Power & Lighting	May 2010	Provide labor, material, and supervision for the installation of a Con Ex box.

12	Monument Sign Lighting	May 2010	Provide all labor, material, and supervision for installing two (2) ground mounted light fixtures for illuminating the monument sign. New light fixtures are photocell controlled. Conduit is routed underground to the pullbox, into the building for power.
13	Power for Sump Pump	May 2010	Provide all labor, material, and supervision for installing a disconnecting means and hard wire to the sump pump.
14	Conduit and Power to Trasar Panel	April 2010	Provide all labor, material, and supervision for installation of conduit and cable to a new trasar panel.
15	Power to Nitrogen Generator	March 2010	Provide all labor, material, and supervision for installing a receptacle in the enclosure for the Nitrogen Generator. Conduit run from the surface into the enclosure is sealed and weatherproof.
16	Lighting to Lube Oil Storage Shed	March 2010	Provide all labor, material, and supervision for installing new lighting and reconnecting existing lighting at the lube oil storage shed. New conduit for this project is run underground.
17	Added Lighting at UF Addition Cover	January 2010	Provide all labor, material, and supervision for installing one (1) new 8' fluorescent light fixture. The new light is tied into the existing lighting circuit and is mounted to the new UF addition covered structure.
18	Added Lighting and Grounding Re-Route	August 2009	Provide all labor, material, and supervision for installing one (1) new wall pack light fixture, and to reroute the grounding that is a trip hazard in the steam turbine lube oil filtration area.
19	Lube Oil Shelter Lights & Receptacles	August 2009	Provide labor, material, and supervision for the installation of three (3) new light fixtures, four (4) new convenience receptacles, and grounding for the new structure. Provide electrical design drawings.
20	Miscellaneous Lighting	March 2009	Provide labor, materials, and supervision for the installation of eight (8) light fixtures. Submittals are provided for approval prior to ordering and installation. Lighting is tied to the lighting control system at REP.
21	Camera Cables	October 2008	Provide all labor and supervision for the installation of all necessary cables for a total of six (6) cameras. Three (3) of the cameras are located on a pole at the Northeast corner of the site, and the other three (3) are on a pole by the main gate.

Western States Fire Protection Project Profiles



Shaping the Future of Energy™



Bayview

Mountain View, CA

- Design Build GMP
- \$22 Million, 1,695,000sf
- 3 Building project connected by an underground parking garage. Fully covered by automatic wet sprinkler system and fire pump.



UC Merced Expansion

Merced, CA

- Design Build
- 13 building campus expansion including student housing, classrooms and laboratories.



Livermore Oaks

Livermore, CA

- Design Build
- New automatic fire sprinkler in 3 building totaling 1,450,000 sf



Travis AFB C-17 Hangar

Fairfield, CA

- Design Build
- Fully sprinklered
- 8 - Foam Systems
- Fire Pump



Sacramento Convention Center Renovation

Sacramento, CA

- Lump Sum
- \$3.4 Million

Tear down and rebuild of the Ballroom Area and modifications to the existing system. Multiple standpipes and risers tying into the existing dual fire water supply. AHJ City of Sacramento



SFO-11 Data Center

Hayward CA

- Lump sum
- \$1.6 Million
- 2 story data center shell with 3 phases of data room build out. Includes multiple pre-action systems for a NDA client.
- AHJ Hayward Fire Department



Westfield Valley Fair Mall Addition and New Parking Structure

San Jose, CA

- Lump Sum
- \$5.8 Million
- Fully sprinklered 5-story parking garage with escalator/stair system. New 2 story mall shop addition. Automatic wet standpipes and a fire pump. AHJ City of San Jose



Lemoore Naval Air Station

Lemoore, CA

- Lump sum
- \$250 Thousand
- Complete gut and new install of Buildings 960 and 961 Naval Training buildings.
- AHJ NAVFAC



California State University Sacramento Union Hall

Renovation

- Lump Sum
- \$2.2 Million
- Addition and renovation of the existing multi-story Union Hall with new wet sprinkler systems, anti-freeze and window sprinklers. New fire pump. AHJ CA State Fire Marshal



Civil Engineer Operations and Administration Building

Beale AFB, CA

- Lump sum
- \$278 Thousand
- Replacement building for the CEA Operations Facility. New wet sprinkler system.
- AHJ Army Corps of Engineers



Genentech Employee Centre

South San Francisco, CA

- Design Build
- 5 Story building fully covered by overhead wet sprinkler system with manual wet standpipe in stairwells.



San Francisco General Hospital

San Francisco, CA

- Design Build GMP
- \$12.8 Million, 800,000 sf
- Fully sprinklered new building with manual wet standpipes and pump.
- OSHPD, Level 1, and Big Room Project



Kaiser Capitol Gateway Medical

Office Building

- Sacramento, CA
- Design Build GMP
- \$2.1 Million
- 400,000sf
- Fully sprinklered 6-story medical office building with 3 stories parking and a penthouse Manual wet standpipes and a Diesel fire pump. AHJ Sac City FD



Kaiser Vallejo

- Design Build
- Redesign of the existing system in active hospital and CUP Building
- OSHPD Project



OSHPD Service and Tenant

Improvement Various Campuses, Northern California

- Fire Sprinkler Service and repairs in various hospital campuses and medical office buildings.



PG&E RAS Pre-con Building

Rocklin, CA

- Lump Sum
- \$290,000
- 72,700sf
- Fully sprinklered 1-story server building with wet and multiple pre-action systems zoned for each server room. AHJ Placer County FD



SMF Airport Ticketing Southwest ATO & OPS

- Lump Sum
- \$120,000
- Remodel the existing Southwest ATO & Operations areas fire sprinklers for new ceilings.
- Secured Areas, System Shutdown, Fire Pumps and safe offs.



McKesson Rack Storage Replacement System

- Lump Sum
- \$676,000
- Replacement of (14) 200lf storage rack sprinklers. Fire Pump. AHJ West Sacramento FD



Intel FM SPGC Improvement Folsom Campus

- Lump Sum
- \$171,000
- Remodel of an existing command control center to accommodate a new server room.



10th & O St Office Building, Sacramento

- Design Build GMP
- \$4.8 Million, 481,000sf
- 11 Story Office Building with 2 levels of parking and a penthouse. Vertical turbine fire pumps supplying automatic Standpipe, fire sprinkler and pre-action systems throughout. And NOVEC 1230 clean agent systems. AHJ SFM.

Verve Industrial Protection Project Profiles



Shaping the Future of Energy™

Turnkey Frame 7 DCS Upgrade Jack County 620MW Unit 1

Client: Brazos Electric Co-op

Jack County Unit 1 is a power plant owned and operated by Brazos Electric Power Co-op, Waco, Texas. The plant is a 2x1 650MW combined cycle with GE Frame 7FA CTGs.

Brazos Electric Co-op selected Verve Industrial Protection on a turnkey EPC (Engineering, procurement & construction) basis to upgrade the existing plant's DCS from Delta-V to Ovation. Verve's scope included project management, procurement of hardware/software from DCS/PLC vendors, preparation of panel layouts and assembly drawings for panel manufacturer use, and detailed design and engineering including electrical design, schematics, wiring termination drawings, logic programming and graphics. Verve also performed demolition of existing control cabinets and installation of new cabinets and rewiring. After construction, Verve performed I/O checkout, startup, testing and commissioning, tuning of combustion controls and closed loop process systems. Verve also developed operator training documents for providing necessary training to cover multiple shifts. Upon successful startup and commissioning, the engineering team incorporated all the redlines and updated any affected drawings and documents with the changes/modifications carried out on site and issued as-built documentation in both native and PDF format.



ENGINEERING TASKS

- Detailed electrical design
- Prepared panel layouts and assembly drawings for panel manufacture use
- Electrical drawing package including schematics, wiring termination drawings, logic programming and graphics
- Demolition/installation of control cabinets
- Startup, testing, and commissioning
- System training

Electrical Design for Frame 7 BOP Controls Neenah

Client: Alliant Energy

Neenah is a 372 MW natural gas-fired power plant owned by Alliant Energy. The plant has two (2) Frame 7EA Simple-Cycle Gas Turbines. Alliant Energy selected Verve Industrial to perform the electrical design of the BOP controls migration from GE9030 to Emerson Ovation.

To complete this scope of work, Verve Electrical Engineers performed on site visits to verify existing conditions of the site. With accurate documentation of the facility, Verve was able to prepare a construction package that included demolition drawings, wiring and termination drawings, network drawings, panel layout drawings, and a cable schedule.



ENGINEERING TASKS

- Electrical Design
- As-Built existing facility conditions
- Developed detailed construction package

Electrical Design for STG Controls Riverside

Client: Alliant Energy

Riverside is a 603MW combined cycle natural gas plant, owned by Alliant Energy. Alliant Energy selected Verve Industrial Protection to perform the electrical design of the STG controls migration from Siemens TXP to Emerson's Ovation.

To complete this scope of work, Verve Electrical Engineers performed on site visits to verify existing conditions of the site. With accurate documentation of the facility, Verve was able to prepare a construction package that included demolition drawings, wiring and termination drawings, network drawings, panel layout drawings, and a cable schedule.



ENGINEERING TASKS

- Electrical Design
- As-built existing facility conditions
- Developed detailed construction package

Electrical Design for BOP Controls Sheboygan Falls

Client: Alliant Energy

Sheboygan Falls is a 380 MW natural gas power plant owned by Alliant Energy. The plant has two (2) Frame 7EA Simple-Cycle Gas Turbines. Alliant Energy selected Verve Industrial to perform the electrical design of the BOP controls migration from GE9030 to Emerson Ovation.

To complete this scope of work, Verve Electrical Engineers performed on site visits to verify existing conditions of the site. With accurate documentation of the facility, Verve was able to prepare a construction package that included demolition drawings, wiring and termination drawings, network drawings, panel layout drawings, and a cable schedule.



ENGINEERING TASKS

- Electrical Design
- As-built Existing facility conditions
- Developed detailed construction package

REY Engineers, Inc. Project Profiles



Shaping the Future of Energy™

Meadows Energy Storage, Placer County, CA

R.E.Y. Engineers, Inc. provided comprehensive engineering and land surveying services for the Meadows Site in Roseville, California, including the development of conceptual and civil entitlement plans. Initially, R.E.Y. coordinated with ECORP, Ormat, and other consultants to create a conceptual site plan that adhered to client specifications and City requirements. R.E.Y. services included boundary resolution, topographic mapping, drafting conceptual utility, grading, and drainage plans based on the approved site plan and City standards.

R.E.Y. also assisted with preparing the civil entitlement package for submission to the City of Roseville Planning Division, updating the plans according to city review comments. The scope included preliminary stormwater quality compliance, involving an initial evaluation of source control, runoff reduction, and stormwater treatment needs.



R.E.Y. ENGINEERS



Valencia 1 – 3 Solar Energy Fields, Imperial County, CA

R.E.Y. provided engineering and surveying services for GL Renewable across three solar energy field projects in Imperial County, CA. Each project involved the development of solar energy infrastructure, including solar panel arrays, retention basins, transformers, inverters, transmission lines, and service roads.



R.E.Y. ENGINEERS

- **Valencia 1 Solar Energy Field:** Located south of the City of Westmorland, this 17-acre solar field was completed successfully with no design issues. R.E.Y. collaborated with Imperial County and the City of Westmorland to facilitate improvements and establish City right-of-way, including feasible entry points. R.E.Y. prepared and processed the necessary grading and improvement plan sets for the construction of the solar field infrastructure.
- **Valencia 2 Solar Energy Field:** This 10-acre solar field, situated off Highway 111, required design work for deceleration and acceleration tapers to ensure access to the site's entry gates. R.E.Y. designed multiple retention basins, calculated drain times, and evaluated the need for mosquito abatement measures. R.E.Y. was responsible for preparing and processing the grading and improvement plan sets needed for the solar facilities.
- **Valencia 3 Solar Energy Field:** Spanning 19 acres, this solar field is located adjacent to two County roads and bounded by County irrigation canals. R.E.Y. worked with GL Renewables to refine the site layout, optimizing the placement of retention basins and site grading to balance the site using on-site spoils. R.E.Y. prepared and processed the required grading and improvement plan sets.



Overall, R.E.Y. played a critical role in the successful planning and execution of these solar energy projects, ensuring that all required infrastructure and design elements were efficiently handled.

Youngdahl Consulting Group, Inc. Project Profiles

Cal ISO

Folsom, California

Client: Dreyfuss and Blackford
Architecture

Contact: Gus Fischer
gfischer@db-arch.com
(916) 453-1234

Project Cost: \$158 Million

Cost of Services: \$382,630.00

Key Elements

- Detailed Geotechnical Studies
- Geophysical Investigations
- Earthwork Observation and Testing
- All Special Inspection
 - Structural Concrete
 - Shotcrete
 - Pre-Cast Concrete
 - Post-tensioned Concrete
 - Masonry
 - Structural Steel Welding
 - Fireproofing
 - Non-Destructive Testing
- Laboratory Materials Testing (over 325 specimens)
- Rippability Evaluations
- Seismic Design Criteria Optimization
- Naturally Occurring Asbestos Assessments
- Historic Mining Contaminates Evaluation



Youngdahl Consulting Group, Inc. has performed multiple geotechnical engineering and geohazards studies and all special inspection and testing services for the new California ISO building in Folsom, California. Cal ISO is a not-for-profit public-benefit corporation charged with operating the majority of California's high-voltage wholesale power grid servicing more than 30 million consumers.

Youngdahl completed environmental engineering, geotechnical engineering and geologic hazards evaluations for various phases of project design and development.

Our studies have included detailed geotechnical and geophysical investigations for site characterization. Both surficial and down-hole geophysical studies were performed to evaluate rippability of the underlying bedrock materials and to optimize the seismic design criteria for design of this critical structure.

Since the site had been impacted by historic mining activities, both by gold dredging and hard rock mining, detailed historical research and subsurface exploration was performed. An evaluation for the presence of contaminants relating to former mining activities was performed as well as an assessment for naturally occurring asbestos.

Construction of the critical service structures was recently completed and Youngdahl continued our engineering services by providing complete earthwork, special inspection and materials testing observation and testing services during project construction. Our full range of capabilities has provided one stop shopping support for the project minimizing construction scheduling delays and enabling timely response to unanticipated field conditions.

SMUD Station E

Sacramento, California

Client: Sacramento Municipal Utility District (SMUD)

Contact: Ms. Joyce Hribar
(916) 732-5301

Project Cost: \$89 Million

Key Elements

- Detailed Geotechnical Studies
- 40-hour OSHA Personnel
- Alternative foundation designs including shallow footing, deep piles and mat foundations
- Detailed Settlement Assessment
- Site Specific Site Response
- Liquefaction Analysis
- Groundwater Elevation Assessment



Youngdahl Consulting Group, Inc. conducted a Geotechnical Engineering Study for the proposed relocation of the North City Substation which is owned and operated by the Sacramento Municipal Utility District (SMUD). The substation was relocated to the terminus of 20th Street in Sacramento, California, between the Southern Pacific Railroad Tracks and the American River.

The existing substation experienced significant settlement due to the presence of loose fills and native soils. A detailed subsurface investigation was performed to assess the subsurface conditions. The field exploration was conducted in conjunction with the environmental assessment to provide cost effective exploration for site development.

Youngdahl's scope of services initially included the advancing of 26 exploratory borings at locations predetermined by SMUD's subconsultant and was later expanded to address burn waste found during the construction process. Laboratory testing was performed in our in-house materials testing laboratory to evaluate the engineering characteristics of the underlying materials. We conducted a detailed engineering analysis of the site including settlement analysis and an assessment of the primary and secondary effects from seismic activity, including the potential for liquefaction and lateral spreading. Recommendations were provided for foundation support through the loose sandy soils with a deep foundation system, mitigation of the potential effects of liquefaction/seismically induced settlements, and overexcavation and recompaction of the surface soils for roadway and flatwork support.

Youngdahl continued services during grading operations in 2015. During the continued grading efforts, we have provided full time field inspection services with HAZWOPPER trained personnel to observe and document the compactive efforts. We also aided in the locating of geotechnically suitable and unsuitable soils and with the environmental group in visual classification of soil for the various hazardous waste accepting facilities.

El Dorado County Public Safety Facility

Placerville, California

Owner:

County of El Dorado Facilities Division

Point Of Contact:

Mr. Bob Christenson

bob.christenson@edcgov.us

(530) 621-5104

Project Cost: \$68 Million

Cost of Services: \$290,000.00

Key Elements

- Detailed Geotechnical Studies
- Geophysical Investigations
- Earthwork Observation and Testing
- All Special Inspection
 - Structural Concrete
 - Shotcrete
 - Pre-Cast Concrete
 - Post-tensioned Concrete
 - Masonry
 - Structural Steel Welding
 - Fireproofing
 - Non-Destructive Testing
- Laboratory Materials Testing



Youngdahl Consulting Group, Inc. began working on the site development for the new El Dorado County Public Safety Facility in 2007. The site was formerly used for lumber storage and unauthorized dumping. Youngdahl worked with prospective clients interested in the property to complete a Phase 1 Environmental Site Assessment (ESA) and Geotechnical Engineering Study (GES). Our firm evaluated these previous conditions with respect to the proposed site use and provided recommendations for remediation measures leading to a suitable site for construction.

In 2014, El Dorado County considered and ultimately selected the site for construction of the El Dorado County Public Safety Facility to centralize operations that currently were spread across 13 different locations in El Dorado County.

Construction operations for earthwork began in 2018; grading operations exposed large quantities of buried organic material that were generated during past site uses. Our firm worked with the County and the design build Contractor to place these materials on-site in a fashion that would mitigate both environmental and geotechnical concerns. Additional challenges included variable foundation support conditions (rock surface and rock quality). Our team assured that the required support conditions were achieved to support the planned structures.

Youngdahl continued to provide special inspection and materials testing services throughout site construction. When highly specialized fire damping evaluations were requested, Youngdahl subcontracted with a specialized firm from our experience on other projects, to quickly provide the County with the necessary resources. Youngdahl provided high-quality services while managing costs for this publicly funded project. We have continued to provide consulting services for stormwater compliance for the project.

Trinity Consultants Project Profiles



Shaping the Future of Energy™



Power Plant/Energy Facility Licensing

Managed the preparation of air quality licensing applications for over 2,000 megawatts of generating capacity in California. Generating technologies have included boilers, gas turbines, and reciprocating engines. Fuels include natural gas, distillate fuel, biomass, digester gas, and landfill gas.



BAAQMD Permitting and Emission Inventory Support

Prepared BAAQMD Rule 12-15 Refinery Emission Inventories for a hydrogen plant support facility. Prepared permit applications and provided compliance support for BAAQMD facilities in the wastewater treatment, asphaltic concrete, aggregate, cement, cogeneration, and steel recycling industries.

NANSR and PSD Air Permitting

Managed the preparation of air permit applications for a wide range of sources subject to nonattainment new source review and Prevention of Significant Deterioration requirements. Application contents have included applicability determinations, BACT/LAER analyses, air quality impact analyses, and health risk assessments. Support typically continues beyond permit issuance through construction, commissioning, and initial operation.



GHG Reporting, Verification, Rulemaking, and Compliance Support

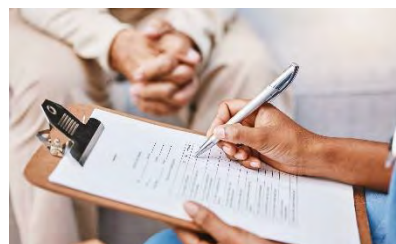
Prepared and submitted GHG emission reports under the U.S. Environmental Protection Agency and California Air Resources Board (CARB) Mandatory Reporting Rules for a variety of stationary sources, including and transportation fuels suppliers.



Assisted facilities in completing California GHG verification process. Negotiated various industry benchmark GHG emission values for the California Cap and Trade regulation. Provided compliance support for CARB enforcement actions.

AB 2588 Health Risk Assessment

Prepared facility-wide health risk assessments for various industrial sites and completed associated toxic emission inventory plans and reports in accordance with the regulations and guidance documents adopted pursuant to the California Air Toxics "Hot Spots" Information and Assessment Act of 1987 (AB 2588).



CEMS, Source Testing, and Ambient Monitoring

Designed and managed field programs for source (stack) testing for a variety of regulatory purposes. Reviewed design, assisted in the procurement and installation of, and assisted with initial certification testing for CEMS and supporting data acquisition systems.

Regulatory Applicability and Compliance Support

Supported a broad range of clients in assessing compliance (through audits and other means) and defending enforcement actions and litigation threats. Support has included regulatory compliance audits; review of audit reports prepared by others; due diligence assessments prior to acquisitions; preparation of responses to EPA §114 requests; and representation in compliance negotiations and in formal variance/enforcement hearings.

Acid Rain Applicability and Permitting Support

Prepared Title IV Acid Rain permit applications and monitoring plans for power plants and provided ongoing technical support for Electronic Data Reporting. Prepared and submitted applicability analyses to EPA.

Compass Energy Systems Project Profiles



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Account Name: Account Name	Location Country / International	Market	HP	Driver Manufacturer	Driver Model	Compressor Manufacturer	Compressor Model	Order Date
General Energy Recovery	Canada	Sale Compression	400	Electric		Ariel	JGR/4	15/04/2019
Shell Canada	Canada	Sale Compression	400	Waukesha	F18GL	Ariel	JGJ/2	05/02/2019
Advantage Energy Ltd.	Canada	Sale Compression	3875	Caterpillar		Ariel		06/03/2019
Advantage Energy Ltd.	Canada	Sale Compression	3875	Caterpillar		Ariel		06/03/2019
Orlen Upstream Canada Ltd.	Canada	Sale Compression	740	Waukesha	F3514GSI	Ariel	JGK/2	14/03/2019
Orlen Upstream Canada Ltd.	Canada	Sale Compression	740	Waukesha	F3514GSI	Ariel		14/03/2019
Hilcorp Alaska LLC	USA	Sale Process	1950	Electric		Frick		21/06/2019
Aspenleaf Energy Ltd. (ALE)	Canada	Retrofit	350					17/04/2019
Petronas Canada	Canada	Sale Compression	900	Electric		Ariel	JGK/2	30/04/2019
Caliber Midstream	USA	Rental	1150	Caterpillar		Frick		23/08/2019
NuVista Energy Ltd.	Canada	Sale Compression	300	Electric		Ariel	JGJ/2	16/05/2019
NuVista Energy Ltd.	Canada	Sale Compression	300	Electric		Ariel	JGJ/2	16/05/2019
Orlen Upstream Canada Ltd.	Canada	Sale Compression	2250	Waukesha		Ariel	JGD/4	08/05/2019
ONEOK, Inc.	USA	Sale Compression	2370	Caterpillar	G3608LE	Ariel	JGC/4	23/05/2019
ONEOK, Inc.	USA	Sale Compression	2370	Caterpillar	G3608LE	Ariel	JGC/6	23/05/2019
Shell Canada	Canada	Sale Compression	400	Waukesha	F18GL	Ariel		18/06/2019
Shell Canada	Canada	Sale Compression	400	Waukesha	F18GL	Ariel		18/06/2019
Shell Canada	Canada	Sale Compression	400	Waukesha	F18GL	Ariel		18/06/2019
Shell Canada	Canada	Sale Compression	400	Waukesha	F18GL	Ariel	JGJ/2	18/06/2019
Shell Canada	Canada	Sale Compression	400	Waukesha	F18GL	Ariel	JGJ/2	18/06/2019
Shell Canada	Canada	Sale Compression	400	Waukesha	F18GL	Ariel	JGJ/2	18/06/2019
ONEOK, Inc.	USA	Sale Compression	2500	Electric		Ariel		02/07/2019
ONEOK, Inc.	USA	Sale Compression	2500	Electric		Ariel		02/07/2019
ONEOK, Inc.	USA	Sale Compression	2500	Electric		Ariel		02/07/2019
ONEOK, Inc.	USA	Sale Compression	2500	Electric		Ariel		02/07/2019
ONEOK, Inc.	USA	Sale Compression	2500	Electric		Ariel		02/07/2019
ONEOK, Inc.	USA	Sale Compression	2500	Electric		Ariel		02/07/2019
ONEOK, Inc.	USA	Sale Compression	2500	Electric		Ariel		02/07/2019
Mitsui E&P Australia Pty Ltd. (MEPAU)	Australia	Sale Compression	1004	Caterpillar	G3512LE	Ariel	JGT/2	04/07/2019
Black Swan Energy (NOW Tourmaline Oil Corp.)	Canada	Sale Compression	3750	Caterpillar	G3612LE	Ariel	KBZ/4	20/07/2020
Black Swan Energy (NOW Tourmaline Oil Corp.)	Canada	Sale Compression	3750	Caterpillar	G3612LE	Ariel	KBZ/4	20/07/2020
Black Swan Energy (NOW Tourmaline Oil Corp.)	Canada	Sale Compression	3750	Caterpillar	G3612LE	Ariel	KBZ/4	20/07/2020
Black Swan Energy (NOW Tourmaline Oil Corp.)	Canada	Sale Compression	3750	Caterpillar	G3612LE	Ariel	KBZ/4	20/07/2020
Black Swan Energy (NOW Tourmaline Oil Corp.)	Canada	Sale Compression	3750	Caterpillar	G3612LE	Ariel	KBZ/4	20/07/2020
Black Swan Energy (NOW Tourmaline Oil Corp.)	Canada	Sale Compression	3750	Caterpillar	G3612LE	Ariel	KBZ/4	26/05/2021
Advantage Energy Ltd.	Canada	Sale Compression	3875	Caterpillar	G3612LE	Ariel	KBZ/4	29/10/2019
Crusoe Energy Systems Inc.	USA	Sale Compression	2500	Waukesha	P9394GSI S5			28/11/2019
Crusoe Energy Systems Inc.	USA	Sale Compression	2500	Waukesha	P9394GSI S5			28/11/2019
Northbase Finance Inc.	USA	Sale Compression	2500	Waukesha	P9394GSI S5			28/11/2019
Northbase Finance Inc.	USA	Sale Compression	2500	Waukesha	P9394GSI S5			28/11/2019
Northbase Finance Inc.	USA	Sale Compression	2500	Waukesha	P9394GSI S5			28/11/2019
Canadian Natural Resources Limited	Canada	Sale Compression	400	Electric		RoFlo		05/11/2019
Imperial Oil Resources Limited	Canada	Sale Compression	350	Electric		Ariel		06/12/2019
Husky Energy Inc (Now Cenovus)	Canada	Sale Compression	900	Electric		Ariel		12/12/2019
Outrigger Energy LLC	USA	Sale Compression	1800	Electric		Ariel		23/12/2019
Outrigger Energy LLC	USA	Sale Compression	1800	Electric		Ariel		23/12/2019
Northbase Finance Inc.	USA	Sale Compression	2500	Waukesha	P9394GSI S5			06/01/2020
Northbase Finance Inc.	USA	Sale Compression	2500	Waukesha	P9394GSI S5			06/01/2020
Northbase Finance Inc.	USA	Sale Compression	2500	Waukesha	P9394GSI S5			06/01/2020
Northbase Finance Inc.	USA	Sale Compression	2500	Waukesha	P9394GSI S5			06/01/2020
Northbase Finance Inc.	USA	Sale Compression	2500	Waukesha	P9394GSI S5			06/01/2020
ConocoPhillips Canada	Canada	Sale Compression	800	Electric		Ariel	JGT/4	28/09/2021

Crusoe Energy Systems Inc.	USA	Sale Compression	2500 Waukesha	P9394GSI			24/07/2022
Crusoe Energy Systems Inc.	USA	Sale Compression	2500 Waukesha	P9394GSI			24/07/2022
Crusoe Energy Systems Inc.	USA	Sale Compression	2500 Waukesha	P9394GSI			24/07/2022
Crusoe Energy Systems Inc.	USA	Sale Compression	2500 Waukesha	P9394GSI			24/07/2022
Crusoe Energy Systems Inc.	USA	Sale Compression	2500 Waukesha	P9394GSI			24/07/2022
Cenovus Energy Inc.	Canada	Sale Compression	1900 Waukesha	L7044GSI	Ariel		12/10/2022
Crusoe Energy Systems Inc.	USA	Sale Compression	2500 Waukesha	P9394GSI			13/10/2022
Crusoe Energy Systems Inc.	USA	Sale Compression	2500 Waukesha	P9394GSI			13/10/2022
Crusoe Energy Systems Inc.	USA	Sale Compression	2500 Waukesha	P9394GSI			13/10/2022
Crusoe Energy Systems Inc.	USA	Sale Compression	2500 Waukesha	P9394GSI			13/10/2022
Crusoe Energy Systems Inc.	USA	Sale Compression	2500 Waukesha	P9394GSI			13/10/2022
Crusoe Energy Systems Inc.	USA	Sale Compression	2500 Waukesha	P9394GSI			13/10/2022
Crusoe Energy Systems Inc.	USA	Sale Compression	2500 Waukesha	P9394GSI			13/10/2022
Hammerhead Resources Inc.	Canada	Sale Compression	300 Electric		Ariel	JGR/2	20/10/2022
CSV Midstream Solutions	Canada	Sale Compression	2500 Caterpillar	G3608LE	Ariel		14/11/2022
CSV Midstream Solutions	Canada	Sale Compression	2500 Caterpillar	G3608LE	Ariel		14/11/2022
CSV Midstream Solutions	Canada	Sale Compression	1875 Caterpillar	G3606LE	Ariel		14/11/2022
CSV Midstream Solutions	Canada	Sale Compression	2500 Caterpillar	G3608LE	Ariel		14/11/2022
CSV Midstream Solutions	Canada	Sale Compression	2500 Caterpillar	G3608LE	Ariel		14/11/2022
Whitecap Resources Inc.	Canada	Sale Compression	1480 Waukesha	L7044GSI	Ariel		16/12/2022
Whitecap Resources Inc.	Canada	Sale Compression	1480 Waukesha	L7044GSI	Ariel		16/12/2022
Whitecap Resources Inc.	Canada	Sale Compression	1480 Waukesha	L7044GSI	Ariel		16/12/2022
Whitecap Resources Inc.	Canada	Sale Compression	1480 Waukesha	L7044GSI	Ariel		16/12/2022
Crescent Point Energy Corp.	Canada	Sale Compression	400 Waukesha		Ariel	JGJ/2	12/01/2023
Crescent Point Energy Corp.	Canada	Sale Compression	400 Waukesha		Ariel	JGJ/2	12/01/2023
Petronas Canada	Canada	Sale Compression	3750 Caterpillar		Ariel		12/01/2023
Petronas Canada	Canada	Sale Compression	3750 Caterpillar		Ariel		12/01/2023
Petronas Canada	Canada	Sale Compression	3750 Caterpillar		Ariel		12/01/2023
Petronas Canada	Canada	Sale Compression	3750 Caterpillar		Ariel		12/01/2023
NA Helium	Canada	Sale Compression	400 Electric		Ariel	JGJ/2	05/01/2023
NA Helium	Canada	Sale Compression	400 Electric		Ariel	JGJ/2	05/01/2023
Petronas Canada	Canada	Sale Compression	2500 Caterpillar		Ariel		18/01/2023
Paramount Resources Ltd.	Canada	Sale Compression	3875 Caterpillar	G3612LE	Ariel	KBZ/4	11/01/2023
Paramount Resources Ltd.	Canada	Sale Compression	3875 Caterpillar	G3612LE	Ariel	KBZ/4	11/01/2023
NA Helium	Canada	Sale Compression	300 Electric		Frick		17/02/2023
NA Helium	Canada	Sale Compression	300 Electric		Frick		17/02/2023
Coelacanth Energy Inc.	Canada	Sale Compression	3850 Caterpillar		Ariel	KBZ/4	01/06/2023
Crusoe Energy Systems Inc.	USA	Sale Compression	2500 Waukesha	P9394GSI			28/04/2023
Crusoe Energy Systems Inc.	USA	Sale Compression	2500 Waukesha	P9394GSI			28/04/2023
Crusoe Energy Systems Inc.	USA	Sale Compression	2500 Waukesha	P9394GSI			28/04/2023
Crusoe Energy Systems Inc.	USA	Sale Compression	2500 Waukesha	P9394GSI			28/04/2023
Crusoe Energy Systems Inc.	USA	Sale Compression	2500 Waukesha	P9394GSI			28/04/2023
Crusoe Energy Systems Inc.	USA	Sale Compression	2500 Waukesha	P9394GSI			28/04/2023
Crusoe Energy Systems Inc.	USA	Sale Compression	2500 Waukesha	P9394GSI			28/04/2023
ONEOK, Inc.	USA	Sale Compression	2500 Waukesha	P9394GSI	Ariel	JGD/4	31/03/2023
Strathcona Resources Ltd.	Canada	Sale Compression	3750 Caterpillar		Ariel		29/03/2023
Insighia Energy Ltd.	Canada	Sale Compression	1900 Waukesha		Ariel		25/05/2023
NA Helium	Canada	Sale Compression	1500 Electric		Ariel		29/05/2023
NA Helium	Canada	Sale Compression	1500 Electric		Ariel		29/05/2023
OXY	USA	Sale Compression	1600 Electric		Ariel		14/07/2023
OXY	USA	Sale Compression	1600 Electric		Ariel		14/07/2023
Crescent Point Energy Corp.	Canada	Sale Compression	400 Waukesha	F18GL	Ariel	JGJ/2	31/07/2023
Crescent Point Energy Corp.	Canada	Sale Compression	400 Waukesha	F18GL	Ariel	JGJ/2	31/07/2023
Canadian Natural Resources Limited	Canada	Sale Compression	1250 Electric		Frick	SGC-2821	09/02/2024
NorthRiver Midstream	Canada	Sale Compression	2250				30/11/2023
NorthRiver Midstream	Canada	Sale Compression	2500 Electric		Ariel		30/11/2023
Crusoe Energy Systems Inc.	USA	Sale Compression	2500 Waukesha	P9394GSI			13/10/2023
Crusoe Energy Systems Inc.	USA	Sale Compression	2500 Waukesha	P9394GSI			13/10/2023
Crusoe Energy Systems Inc.	USA	Sale Compression	2500 Waukesha	P9394GSI			13/10/2023
Crusoe Energy Systems Inc.	USA	Sale Compression	2500 Waukesha	P9394GSI			13/10/2023
Crusoe Energy Systems Inc.	USA	Sale Compression	2500 Waukesha	P9394GSI			13/10/2023
Crusoe Energy Systems Inc.	USA	Sale Compression	2500 Waukesha	P9394GSI			13/10/2023
Crusoe Energy Systems Inc.	USA	Sale Compression	2500 Waukesha	P9394GSI			13/10/2023
Crusoe Energy Systems Inc.	USA	Sale Compression	2500 Waukesha	P9394GSI			13/10/2023
Crusoe Energy Systems Inc.	USA	Sale Compression	2500 Waukesha	P9394GSI			13/10/2023
Crusoe Energy Systems Inc.	USA	Sale Compression	2500 Waukesha	P9394GSI			13/10/2023
Paramount Resources Ltd.	Canada	Sale Compression	1200 Electric		Ariel	JGJ/4	21/11/2023
Paramount Resources Ltd.	Canada	Sale Compression	2500 Electric		Ariel	JGD/4	21/11/2023
Paramount Resources Ltd.	Canada	Sale Compression	2500 Electric		Ariel	JGD/4	21/11/2023
Tidewater Midstream and Infrastructure Ltd.	Canada	Sale Compression	6500 Electric		Ariel	KBZ/6	08/01/2024
Tidewater Midstream and Infrastructure Ltd.	Canada	Sale Compression	6500 Electric		Ariel	KBZ/6	08/01/2024
Tidewater Midstream and Infrastructure Ltd.	Canada	Sale Compression	5500 Electric		Ariel	KBZ/4	08/01/2024
Tidewater Midstream and Infrastructure Ltd.	Canada	Sale Compression	5500 Electric		Ariel	KBZ/4	08/01/2024
NorthRiver Midstream	Canada	Sale Compression	300 Electric		Ariel		30/01/2024
AltaGas Ltd.	Canada	Sale Compression	1900 Electric		Ariel		31/03/2024
AltaGas Ltd.	Canada	Sale Compression	1900 Electric		Ariel		31/03/2024
Bull Moose Capital Ltd.	Canada	Flip	400 Waukesha		Ariel		14/12/2021
Halo Exploration Ltd.	Canada	Flip	400 Waukesha		Ariel		01/04/2022

Power Systems Testing Co. Project Profiles



Shaping the Future of Energy™



CLIENT BASE

PST has been serving industrial, commercial, governmental, utility, agricultural and numerous other users of electrical energy throughout the State of California for more than 40 years. As a representative example of selected clients we are providing the following partial list:

ELECTRICAL EQUIPMENT MANUFACTURERS

General Electric Company, Westinghouse, Cutler Hammer, Square D, Toshiba, CGI, Zenith, IEM, Wesco, Gesco.

HOSPITALS

Washington Hospital, Sequoia Hospital, UCSF Medical Center, University of California San Diego Medical Center, Kaiser, Valley Medical Center, Alta Bates, Kaweah Delta Medical Center, Sierra Kings Hospital, Good Samaritan Hospital, VA Medical Center, Palomar Medical Center, Scripps, Sonoma State Hospital, Sutter Hospital.

UTILITIES

Southern California Edison, PG&E, City of Redding, City of Colton, Nevada Power Company, City of Anaheim.

CONTRACTORS

Blocka Construction, Industrial Electric, Albright Electric, Dynaelectric, Sasco, Kiewit, Redwood Electric Group, Cupertino Electric, Rosendin Electric, Kiewit Pacific, Morrow Meadows, Taft Electric, Southern Electric, Helix Electric, Anderson & Howard, Collins Electric, Con J Franke Electric.

DATA CENTERS

DuPont Data Center, Wells Fargo Bank, American Express, Bank of America, Great Western Bank, SBC, Disney Data Center, Franchise Tax Board.

GOVERNMENT

Long Beach Shipyard, Camp Pendleton, San Diego Naval Shipyard, Lawrence Livermore Lab, 29 Palms Marine Corp Air Station, Edwards Air Force Base, San Diego Submarine Base, Onizuka Air Force Base, Travis Air Force Base.

COMMUNICATIONS

Verizon, AT&T, SBC, Sprint, Cellular One, MCI.

COMPUTERS & ELECTRONICS

Apple, Google, Facebook, Microsoft, IBM, Intel, National Semiconductor, Hewlett Packard, Varian, AMD.

HYDRO-ELECTRIC PROJECTS

Stampede Power Plant, Stony Gorge Reservoir, Indian Valley Reservoir, Black Buttes Reservoir, Kern Power, Friant Power, Hetch Hetchy Water Authority.

CHEMICAL PRODUCERS

Koppers, Stauffer Chemicals, Chevron, Rhone Poulenc.

PROPERTY MANAGEMENET

Cushman & Wakefield, CB Commercial, QB Management, Koll Properties, Irvine Co., CB Richard Ellis.

COGENERATION FACILITIES

Destec, United Cogen, California State Prison, Monterey Regional Landfill, Sanger Power, Mendota Biomass, Sierra Pacific Industries, KES Cogen.

COLLEGES & UNIVERSITIES

UC San Diego, UC Berkeley, UC San Francisco, Cal State Poly, UC Davis, CSU Long Beach, CSU Los Angles, CSU San Marcos, CSU Fresno, CSU Irvine, CSU Fullerton, CSU Northridge, CSU Sacramento.

FOOD, NATURAL RESOURCES, PAPER

Gilroy Foods, Helm Tomato, Gallo Wines, Patterson Foods, Weyerhaeuser, Potlatch, Corn Products, Pan Pacific Toma-Tek.

B.2 Project References

B.2 PROJECT REFERENCES

The IEC Team's reputation for quality and responsiveness has earned it the reputation of being the premier provider for power plant services among utilities and power plant owners. Below are references for projects and services **similar to the nature and scope** for each of the IEC team members. This includes brief descriptions of the projects, dates, client names and contact persons' names, addresses and telephone numbers. **We encourage the City to contact our references for unbiased feedback and evidence of our expertise and responsiveness.**



IEC References:

Roseville Electric Utility (REU)

Modesto Irrigation District (MID)

Turlock Irrigation District (TID)

Sacramento Municipal Utility District (SMUD)

Anchorage Municipal Light & Power (AML&P)

Liberty Power (formerly Algonquin Power)



Shaping the Future of Energy™

Roseville Power Plant 2 (RPP2) Rehabilitation Project

Client: Roseville Electric Utility

IEC Corporation provided complete turnkey project management, engineering, equipment procurement, construction/installation, and commissioning services for the rehabilitation of Roseville Power Plant No. 2 (RPP2). RPP2 is a simple cycle facility consisting of two GE MS5001P (Frame 5) combustion turbines and associated auxiliary equipment. The rehabilitation efforts primarily focused on overhauling the gas turbine units and upgrading the aging excitation and control systems to **improve start reliability and sustained cyclic operation**.

IEC performed the following planned scope of work on a turnkey basis including engineering, procurement, and construction in Phase 1 outage in 2021.

- Perform Gearbox Inspections
- Perform Generator Inspections
- Upgrade Bleed Valves
- Replace Excitation System in one CT Package
- Repair Fuel Nozzles
- Repair Transition Pieces
- Replace 1st and 2nd Stage Nozzles
- Performed Combustion Inspection and Hot Gas Path Inspection
- Performed Cleaning/Inspection/Testing of all MCCs
- Upgrade Instruments
- Resolve P2 Pressure Issue
- Re-commission Plant



In addition, IEC performed the following unplanned tasks as a result of the findings from the planned tasks.

- Performed Major Overhaul on One CT
- Performed Generator Overhaul, Testing, Cleaning, Stator/Rotating Field Inspection on One Generator

In Phase 2 outage in 2022, IEC will replace the control systems for both CT packages and replace the excitation system in one CT package.

For the Phase 1 outage work, IEC was given 6 months to complete all of the planned tasks from client's notice to proceed. IEC met the fast-track outage schedule by completing the planned and unplanned tasks on time before the summer season.

IEC's cooperative approach, dedications, knowledge and understanding of power plant operations are what clearly set IEC apart from other prime contractors and competitors.

Roseville Electric Utility

Master Services Agreement Generation Engineering Support

This ongoing Master Services contract with the Roseville Electric Utility consists of multidisciplinary (electrical, civil, structural, mechanical, instrumentation and control, telecommunication, fire protection, etc.) engineering services for the Roseville Energy Park and Roseville Power Plant 2 generation facilities on an as-needed basis. To ensure responsive and effective engineering services both for scheduled projects and those that were on emergency unplanned schedule, IEC has remained flexible by being able to provide qualified and experienced project managers, engineers and other technical support staff upon request to meet the City's schedule and operation requirements.

Our cooperative approach, dedications, knowledge and understanding of power plant operations are what clearly set IEC apart from other prime contractors and competitors.

Type of Client: Electric Public Utility

Contact Person: Nathan Ribordy, P.E.

Address: 5120 Phillip Rd., Roseville, CA 95747

Telephone: (916) 746-1673

Services Dates: 2017-Present (ongoing contract)



Work Authorizations: Work Authorizations included 20-plus tasks:

- Civil and Structural Improvements
- Professional Drafting Services
- Steam Turbine Enclosure Structural Engineering
- Boiler Feedwater Pipeline Engineering
- RPP2 General Electrical Engineering Support
- REP Protection Engineering Support
- General Electrical Engineering Support
- Trunnion Design and Structural Engineering Support
- RPP2 Generator Protection Upgrade
- Detailed Engineering Cost Estimates
- Construction Administration and Support
- RPP2 Generator Protection Upgrade Field Engineering and Construction Support
- REP AGC Control Improvement Project
- REP Electric Boiler Preliminary Engineering Feasibility Study
- REP Emerson Remote I/O Control Relay Failure Investigation
- RPP2 Fire Protection Specification Development
- RPP2 Fire Protection Construction, Startup and Commissioning Support
- REP and RPP2 Security Evaluation
- Asset Retirement Cost Estimate
- Inlet Chiller Evaluation
- REP and RPP2 Sill Prevention Control and Countermeasure (SPCC) Plant Development

- REP AGC Control Phase 2 Improvement Project
- RPP2 Exhaust Liner Retrofit Design Engineering and Construction Support
- REP AVR/PSS Upgrade Engineering Support
- REP Steam Turbine Blanket Electrical Design and Support

Modesto Irrigation District - Ripon Generation Station

Owner's Engineering & Construction Management

As a result, our responsiveness and quality of performance for the Woodland Unit 2 Project, MID contracted with IEC to completely manage their next project which was a 100 MW power plant project located in Ripon, California. MID gave IEC a sole source contract to serve as Owner's Engineer, Project Manager and Construction Manager for the Ripon Generation Station. The peaking facility consists of two (2) GE LM6000 natural-gas-fired combustion turbine generators in simple cycle configuration. Additional components include new 69kV subtransmission line and fiber optic cable, new 8-inch diameter natural gas pipeline, and tie-in lines into the City of Ripon water supply and wastewater lines.

IEC initially performed an evaluation for a variety of gas turbines. The evaluation compared performance, reliability, operational flexibility, maintenance, emissions and installed cost. The data was used to determine the "best fit" for MID based on their power needs and operational requirements. From the evaluation, MID was able to select the power generation configuration and resulted in the purchase of two LM6000's from GE at under market price with several options included at no charge to MID.

IEC provided design review, scheduling, engineering, construction management, field inspection services, and project management support for the project.

The client was pleased with IEC's support and our ability to pull the schedule back onto track even though the project had incurred some delays due to equipment delivery and design issues.

Work Authorizations: Work Authorizations included 25-plus Engineering Tasks:

Type of Client: Electric Public Utility

Contact Person: Greg Salyer, retired

Telephone: (209) 526-7617

New Contact Person: Paul Mercer

Telephone: (209) 526-7616

Address: 1231 11th St., Modesto, CA 95354



- Day-to-day operations
- Feasibility analysis
- Consulting services
- Project plan
- Safety & regulatory compliance
- Outside services contracts
- Project communications and reporting
- Management briefings
- Cash flow projections
- Change orders
- Project performance evaluations
- MID contracts and standards evaluation
- Agency approvals

- Cost estimates
- Budget reviews
- Scheduling and progress reporting
- Submittal management
- Constructability review
- Risk management
- Information management
- Quality control engineering
- Closeout and turnover
- Document control
- MID interface
- MID representation
- Project controls

TID Almond 2 Power Plant Expansion

Project Engineering & Construction Management

As Project Manager and Construction Manager for the Almond Power Plant Expansion, IEC provided a wide range of project engineering, technical expert support, and project oversight throughout all phases of the Project as described below.

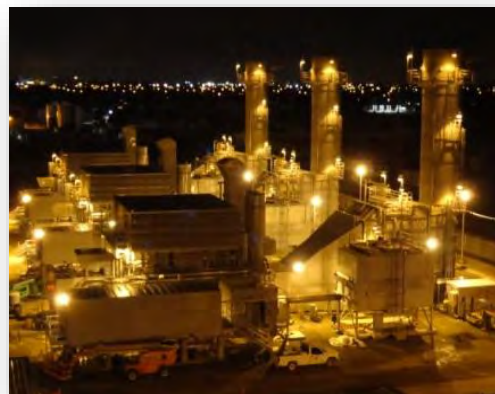
Preliminary Engineering & Cost Estimate: IEC developed six (6) preliminary site plan options for 50 MW, 100 MW, 150 MW and 200 MW power plant scenarios. IEC used various combinations of gas turbines including GE LMS100 and GE LM6000 units and presented the TID with six cases and layouts for varying capacities and configurations. The layouts were based on the actual size of the equipment needed including all the balance of plant equipment. IEC performed preliminary engineering and worked with reputable vendors to size and select the equipment. IEC also prepared water balances for all six options. In addition, IEC prepared detailed total capital cost estimates for all six cases covering development, licensing, permitting, emission offsets, engineering, procurement, construction, start-up, and testing. *The estimate was accurate down to the skid level.* The cost estimate was adjusted for union considerations and escalated for the cost of

Type of Client: Electric Public Utility

Contact Person: George Davies

Address: 333 E. Canal Dr., Turlock, CA 95380

Telephone: (209) 604-4648



raw materials.

Equipment Recommendations: Based on IEC's preliminary engineering and recommendations, TID selected three 58-MW General Electric LM6000PG turbines equipped with a water injection system to the turbine in order to reduce nitrogen oxide (NOx) formation, and a selective catalytic reduction system to further control NOx emissions.

Construction Management & Field Engineering: Due to IEC's design experience, operational knowledge, and ability to maintain project quality, *TID requested that IEC provide construction management and engineering oversight for all engineering disciplines including mechanical, electrical, civil/structural, and controls engineering.* IEC provided support throughout the construction phase to monitor site work and contractors and maintain compliance throughout facility development and operation. Our experts also provided specialized documentation, inspection, and training to ensure successful commissioning, start-up, and long-term reliability. IEC's field team was responsible for achieving Mechanical Completion on schedule and with no claims. TID has since tasked IEC with ongoing site engineering support for plant operations. IEC will be available on an as-needed basis to coordinate, track, and resolve electrical engineering issues at the facility. IEC recently wrapped up its successful on-site support of the Turlock Irrigation District's (TID) Almond Power Plant Expansion Project.

Work Authorizations: Work Authorizations included 25-plus Engineering Tasks:

- Day-to-day operations
- Project plan
- Design packages
- Consulting services
- Safety & regulatory compliance
- Outside services contracts
- Project communications and reporting
- Management briefings
- Cash flow projections
- Change orders
- Project performance evaluations
- TID contracts and standards evaluation
- Agency approvals
- Cost estimates
- Budget reviews
- Scheduling and progress reporting
- Submittal management
- Constructability review
- Risk management
- Information management
- Quality control engineering
- Closeout and turnover
- Document control
- TID interface
- TID representation
- Project controls

Sacramento Municipal Utility District - Master Services Agreement

Generation Facility Technical Engineering Support

This ongoing Master Services contract with the SMUD Generation Operations Department consists of multidisciplinary (electrical, civil, structural, mechanical, control systems, telecommunication) engineering services for all of SMUD's generation projects and supporting infrastructure on an as-needed basis.

Type of Client: Municipal Electric Utility

Contact Person: Kevin Hudson, PE

Address: 4401 Bradshaw Rd. #EA405, Sacramento, CA 95827

Telephone: (916) 732-7101

To ensure responsive engineering services both for scheduled projects and those that were not originally anticipated, IEC has remained flexible by being able to provide qualified engineers and other technical support staff beyond the original scope and proposed team. IEC managed more than 80 different people to support this contract, and has had no disputes with the clients, staff, or subcontractors throughout the years of support. Our cooperative approach is what clearly set IEC apart from other prime contractors and competitors. This ongoing contract has been renewed multiple times. We have provided more than \$10 million in engineering and staff augmentation services.



Work Authorizations: Work Authorizations included 60-plus tasks:

- FERC/NERC Critical Infrastructure Protection Assessment & Compliance
- Develop RFP for Meteorological Services for SMUD's Weather Modification Program
- Civil/Structural CBO Support for the Cosumnes Power Plant
- Solano Wind Project Engineering Support
- Solano Wind O&M Engineering Support
- Solano Wind RTU DCN Engineering Support
- Technical Support for Camino Hydro Powerhouse Unit #2 Outage
- Review and Calibration of CHEOPs Model for Hydro Relicensing of Upper American River Project (UARP)
- Design Services for Procter & Gamble Gas Pipeline Station Improvement
- Technical Proposal Writing Support for CHP Solicitation
- McClellan SCR Replacement Project Engineering Services
- Russell Substation Final Design and Project Engineering
- Engineering and Drafting Services for Hydro RTU Replacement Project
- Camp Far West Hydro Controller Upgrade Engineering
- Solano Wind Project Engineering Support and RFP Development
- Economic Impact Analysis of UARP Iowa Hill Pumped Storage Development
- Solano Wind Project Land Bank Engineering Support
- Iowa Hill Pumped Storage Property Value Study

- UARP Noise Assessment
- Renewable Power Resources Preparation of Request for Information and Request for Proposals
- Engineering and Specifications for UARP Governor/TSV Controls Upgrade Project
- Gas Pipeline High Consequence Area Determination
- Solano Wind Project Cal ISO Participating Intermittent Resource Program (PIRP) Engineering Support
- Jaybird Hydro Adit Repair and Gerle Canal Liner Construction Management Inspection
- UARP Relicensing Economic Studies Review
- Jaybird Hydro Adit Repair Geological Consulting
- Green Waste to Energy Economic Feasibility Study
- Combined Heat and Power Opportunities Assessment
- Solano Wind Project Engineering Support
- White Rock Hydro Unit #2 Inspection
- Solano Wind Project Construction Management Support
- Jaybird Canyon Hydro Powerhouse Rock Fall Inspection and Recommendations
- Review of Solar Thermal Power Purchase Agreement Proposals
- Gas Pipeline Integrity Management Review and Engineering Procedures Development
- PV Pioneer 1 Construction Management and Permitting Support
- FERC UARP Flood Study Scope Development
- Natural Gas Pipeline Vendor List Development and Pre-qualification
- Gas Pipeline Internal Line Inspection RFP Development
- Winters Inter-tie Station Improvement, Project Controls, and Coordination
- Jaybird Hydro Penstock Rock Fall Inspection and Recommendations
- Camp Far West Diversion Dam Level Sensing PLC Program Support
- UARP and Valley RTU Retrofits
- Civil/Structural Support for SMUD/El Dorado Irrigation District Bridge Proposal
- Controls Support for McClellan Turbine Controls Upgrade RFP
- Solano Wind Project Sale/Tax Benefit Monetization Technical Support
- Co-Gen Plant RTU Upgrade Project
- Gas Pipeline DOT Compliance Audit Support
- McClellan CT Repair
- UARP Governor/TSV Controls Upgrade and McClellan Controls Upgrade Projects DCN Packages
- Gas Pipeline Flow Study
- Business Continuity and Continuity of Operations Plans
- Environmental and Preliminary Engineering Services for LM6000 Fleet Upgrades
- Air Quality Compliance Audits
- Due Diligence on Sacramento County Airport's CHP and CUP system
- RTU Upgrade for Power Generation Facilities
- Solano Wind Project Meteorological Services
- Landfill Gas for Combustion Turbines Feasibility & Cost Estimating
- CVFA Digester Gas Processing
- CVFA/CPP Digester Gas Air Quality Support
- As-Built Pipeline Documentation for Campbell Soup Project
- Iowa Hill Pumping Facility RFP Development
- PV Repowering/Decommissioning

Anchorage Municipal Light & Power (AML&P)

Project Engineering & Construction Management

IEC provided Owner's Engineering and Project Management services to Anchorage Municipal Light & Power to support the development of a 120 MW, 2x1 combined cycle power project that is designed to be the new primary base load facility for the utility. The Project was selected by Engineering News and Review as the ENR Northwest Owner of the Year.

IEC's initial work included developing design documents for a separate site preparation contract and analyzing the potential for teaming with the local water district to make use of waste heat. After the initial contract, AML&P awarded IEC with a \$6.9 million, two-and-a-half year contract extension to continue its on-site support and provide construction management, design review, field engineering, and special inspection services. Our team has been embedded with AML&P from Day one, collaborating on development of project scope, specifications and project execution.

The project includes an innovative cooling system design coupled with the water district to capture more than 50% of the plant's annual waste energy to heat the community potable water supply for the City of Anchorage. Additional waste heat will be used for a mass snow melt system on site. The cold, upstream City water will be used to cool the turbine combustion air during warm summer days. The new power plant is approximately 25 percent to 30 percent more efficient with a combined-cycle design that combines gas-fired turbines with sufficient waste heat recovery to drive an additional steam turbine.

The site makes use of a plume-abated cooling tower and a full Gas Insulated Switchgear (GIS) substation and switchyard. The administration building will also serve as the utility's new power generation engineering offices and will house a backup dispatch center for emergency situations.

Work Authorizations: Work Authorizations included 20-plus Engineering Tasks:

- Project plan
- Feasibility Analysis
- Safety & regulatory compliance
- Outside services contracts
- Project communications and reporting
- Management briefings
- Change orders
- Project performance evaluations
- AML&P contracts and standards evaluation
- Agency approvals
- Cost estimates
- Budget reviews

Type of Client: Electric Public Utility

Contact Person: Eugene Ori

Address: 1200 East 1st Ave., Anchorage, AK 99501

Telephone: (907) 279-7671



- Scheduling and progress reporting
- Submittal management
- Constructability review
- Risk management
- Information management
- Quality control engineering
- Closeout and turnover
- Document control
- AML&P interface
- AML&P representation
- Project controls

Liberty Power (formerly Algonquin Power)

Algonquin Power Sanger Hot Section Overhaul

IEC was contracted to provide outage management for the major hot section overhaul resulted from a borescope inspection. The LM6000 PC Sprint at Algonquin Power Sanger Facility was found to have degradation at the high-pressure turbine (HPT) section. The degradation identified consisted of cracking in the HPT stage 2 nozzle platforms as well as a loss of coating and degradation of base metal of the row 1 turbine buckets.

The scope of work for IEC's outage management included:

- Overall onsite work management, coordination, and monitoring of all outage resources
- Review and approval of subcontractor change requests and timesheets.
- Assessment of inspection results during the removal and reinstallation of the turbine on site
- Inspection of rotatable exchange and hot section repair at the GE repair facility.
- Monitoring and reporting on project performance including safety, schedule, cost, quality, and risks
- Ensuring compliance with the processes and standards outlined in the quality plan
- Making adjustments to the detailed plan as necessary to provide a complete picture of the progress of the outage
- Providing engineering solutions quickly upon newly discovered issues
- Prepare daily outage reports



In parallel of the hot section overhaul, IEC also provided project management assistance to oversee the Ovation upgrade project on site.

Throughout the outage, IEC went above and beyond the scope of work to demonstrate IEC's commitment to the outage success. With IEC's outage management and engineering support, the outage was completed successfully within the scheduled timeframe, and with zero injuries.

Performance Mechanical, Inc. References



Shaping the Future of Energy™

References for Performance Mechanical, Inc. Mechanical Contractor

Reference #1:

Calpine Corporation
Terrence Robertson
Technical Advisor
5029 S. Township Road
Yuba City, CA 95993
612-685-5166
terrence.robertson@calpine.com

Reference #2:

Crockett Cogen
Scott Granica
Maintenance Manager
550 Loring Avenue
Crockett, CA 94525
510-787-4112
Scott.granica@ethosenergy.com

Reference #3:

Sunoco
Cody Cruthirds
Vice President, Project Engineering
19003 IH-10 West
San Antonio, TX 78257
210-296-8960
cody.cruthirds@sunoco.com

Reference #4:

Sunoco
Brent Rathka
Manager Project Engineering
19003 IH-10 West
San Antonio, TX 78257
210-918-2872
brent.rathka@sunoco.com

Reference #5:

Phillips 66
Stanley Hudson
Major Projects Construction Manager
1380 San Pablo Avenue
Rodeo, CA 94572
618-207-1778
stanley.hudson@p66.com

Placer Electric, Inc. References



Shaping the Future of Energy™

References for Placer Electric, Inc. Electrical Contractor

Reference #1:

Gold Resource Corporation
Jason Reid
(719) 330-0258

Reference #2:

KG Walters Construction
Dave Backman
(775) 741-3460

Reference #3:

Longo Construction
Tim Longo
(530) 308-0280

Reference #4:

RD 1000 Sacramento
Reclamation District
Don Caldwell
(916) 997-1246

Reference #5:

Relief Canyon Mine,
Lovelock, Nevada
Bob Cassinelli
(775) 772-9534

Reference #6:

Isabella Pearl Mine, Luning,
Nevada
Mark Henry
(775) 350-3727

Reference #7:

Natomas Water District
Sacramento
Brett Gray
(916) 826-7672

Reference #8:

NID Nevada Irrigation District
Steve Wilson
(916) 600-4739

Reference #9:

PCWA Martis Camp
Ben "Deed" Joy
(530) 448-5433

Reference #10:

NorthStar Water District
Matt Mackenzie
(530) 308-6053

Reference #11:

Tahoe City PUD
Tony Laliotis
(530) 583-3796

Reference #12:

NTPUD North Tahoe PUD
Suzi Gibbons
(530) 546-4212 X 140

Reference #13:

IVGID Incline Village General
Improvement District
Bradley Johnson
(775) 832-1268

Reference #14:

DCSID Douglas County Sewer
Improvement District
James Padilla
(775) 588-3558

Reference #15:

Serene Lakes Water District
Bill Quesnel
(530) 550-8068

Reference #16:

Whitehawk Ranch HOA
Tom Vannoy
(530) 394-7350

Reference #17:

Donner Summit PUD
Rick DeWante
(916) 849-9915

Reference #18:

Alpine Springs Community
Water District
John Collins
(530) 583-2342

Western States Fire Protection References



Shaping the Future of Energy™

References for Western States Fire Protection Fire Protection Contractor

Reference #1:

Roseville Electric Utility Dispatch
Center (2022)
CB2 Builders
Charlie Phipps
dnagle@webcor.com

Reference #2:

PG&E Rocklin Data Center RAS
(2023)
Turner Construction
Anthony Decosta
(916) 201-2698
adecosta@tcco.com

Reference #3:

Sacramento Convention Center
Renovation (2020)
City of Sacramento
AECOM Hunt
Alan Writz
(916) 828-6928
alan.writz@aecom.com

Reference #4:

Westfield Valley Fair Mall (2020)
VF Mall LLC
Westfield DDC LLC
David Lauer
(310) 689-2665
david.lauer@urw.com

Reference #5:

UC Merced Expansion (2020)
Regents of the University of
California
Webcor Builders
Derek Nagle
dnagle@webcor.com

Reference #6:

CSU Sacramento Union Expansion
North (2020)
Trustees of the California State
University
Flint Builders, Inc.
David Garner
(916) 275-4926
dgarner@flintbuilders.com

Reference #7:

Solano CCD Science Building (2019)
Solano Community College District
DPR Construction
Jason Bilinski
(916) 568-3434
jasonb@dpr.com

Reference #8:

Yerba Buena High School New
Student Union & Quad
Modernization (2018)
East Side Union High School District
Flint Builders, Inc.
David Garner
(916) 275-4926
dgarner@flintbuilders.com

Reference #9:

Bella Vista High School Science
Wing (2018)
San Juan Unified School District
McCarthy Building Companies, Inc.
Andrew Dressling
(916) 786-3234
adressling@mccarthy.com

Reference #10:

El Camino Performing Arts Center
(2018)
San Juan Unified School District
McCarthy Building Companies, Inc.
Richard Henry
(916) 786-3234
rhenry@mccarthy.com

Reference #11:

Apple ACII (2018)
Apple, Inc.
Holder Construction Group, LLP
Chad Smith
(408) 516-4401
chadsmith@holder.com

Reference #12:

Kaiser Capital Gateway (2018)
Kaiser Foundation Health Plan, Inc.
Whiting-Turner Contracting Co.
Mike Morris
(916) 355-1355
mikemorris@whiting-turner.com

REY Engineers, Inc. References



Shaping the Future of Energy™

References for REY Engineers, Inc. Engineering Consultant

Reference #1:

City of Folsom

Rebecca Neves, PE, *City Engineer (formerly City Engineer for City of Placerville)*

50 Natoma Street, Folsom, CA 95630

(916) 402-6606

Reference #2:

Johnson Controls, Inc.

Ricky S. Nelson, SME, *Senior Project Executive*

103 Woodmere Road, Folsom, CA 95630

(279) 220-1633

Reference #3:

ECORP Consulting, Inc.

Matt Trask, *Senior Environmental Planner*

2525 Warren Drive, Rocklin, CA 95677

(916) 804-7271

Compass Energy Systems References



Shaping the Future of Energy™

Project ID	Account Name: Account Name	HP	Driver Model	Compressor Model	Location Country / International	Contact Name	Contact Email
C1250	Advantage Energy Ltd.	3875	G3612LE	KBZ/4	Canada		
C1400	Advantage Energy Ltd.	5000	G3616LE	KBZ/6	Canada		
C1488	Paramount Resources Ltd.	3875	G3612LE	KBZ/4	Canada		
C1489	Paramount Resources Ltd.	3875	G3612LE	KBZ/4	Canada		
C582	Paramount Resources Ltd.	3550	G3612LE	KBZ/4	Canada		
US-2007-01	Stakeholder Midstream LLC	5000	G3616LE	KBZ/6	USA	Carl Fenderson	cfenderson@stakeholderdms.com
US-2007-02	Stakeholder Midstream LLC	5000	G3616LE	KBZ/6	USA	Carl Fenderson	cfenderson@stakeholderdms.com
US-2008-01	Stakeholder Midstream LLC	1875	G3606LE	JGC/4	USA	Carl Fenderson	cfenderson@stakeholderdms.com
US-2009-01	Stakeholder Midstream LLC	1875	G3606LE	KBK/4	USA	Carl Fenderson	cfenderson@stakeholderdms.com
US-2009-02	Stakeholder Midstream LLC	1875	G3606LE	KBK/4	USA	Carl Fenderson	cfenderson@stakeholderdms.com
US-2023-01	Western Midstream Partners (WES)	1875	G3606LE	JGC/4	USA	Rolando Abreu	Rolando.Abreu@westernmidstream.com
US-2023-02	Western Midstream Partners (WES)	1875	G3606LE	JGC/4	USA	Rolando Abreu	Rolando.Abreu@westernmidstream.com
US-2023-03	Western Midstream Partners (WES)	1875	G3606LE	JGC/4	USA	Rolando Abreu	Rolando.Abreu@westernmidstream.com
US-2023-04	Western Midstream Partners (WES)	1875	G3606LE	JGC/4	USA	Rolando Abreu	Rolando.Abreu@westernmidstream.com
US-2023-05	Western Midstream Partners (WES)	1875	G3606LE	JGC/4	USA	Rolando Abreu	Rolando.Abreu@westernmidstream.com
US-2023-06	Western Midstream Partners (WES)	1875	G3606LE	JGC/4	USA	Rolando Abreu	Rolando.Abreu@westernmidstream.com
US-2037-01	DT Midstream	1875	G3606LE	KBK/4	USA		
US-2037-02	DT Midstream	1875	G3606LE	KBK/4	USA		
US-2037-03	DT Midstream	1875	G3606LE	KBK/4	USA		
US-2037-04	DT Midstream	1875	G3606LE	KBK/4	USA		
US-2037-05	DT Midstream	1875	G3606LE	KBK/4	USA		
US-2042-01	Stakeholder Midstream LLC	5000	G3616LE	KBZ/6	USA	Carl Fenderson	cfenderson@stakeholderdms.com
US-2042-02	Stakeholder Midstream LLC	5000	G3616LE	KBZ/6	USA	Carl Fenderson	cfenderson@stakeholderdms.com
US-2042-03	Stakeholder Midstream LLC	5000	G3616LE	KBZ/6	USA	Carl Fenderson	cfenderson@stakeholderdms.com
C-1389	ONEOK, Inc.	2500	P9394GSI S5	JGD/4	USA		
C-1390	ONEOK, Inc.	2500	P9394GSI S5	JGD/4	USA		
C-1391	ONEOK, Inc.	2500	P9394GSI S5	JGD/4	USA		
C-1392	ONEOK, Inc.	2500	P9394GSI S5	JGD/4	USA		
C-1393	ONEOK, Inc.	2500	P9394GSI S5	JGD/4	USA		
C1506	ONEOK, Inc.	2500	P9394GSI	JGD/4	USA		
US-2038-01	Western Midstream Partners (WES)	1900	L7044GSI	KBK/4	USA	Rolando Abreu	Rolando.Abreu@westernmidstream.com
US-2038-02	Western Midstream Partners (WES)	1900	L7044GSI	KBK/4	USA	Rolando Abreu	Rolando.Abreu@westernmidstream.com
US-2038-03	Western Midstream Partners (WES)	1900	L7044GSI	KBK/4	USA	Rolando Abreu	Rolando.Abreu@westernmidstream.com
US-2038-04	Western Midstream Partners (WES)	1900	L7044GSI	KBK/4	USA	Rolando Abreu	Rolando.Abreu@westernmidstream.com
US-2038-05	Western Midstream Partners (WES)	1900	L7044GSI	KBK/4	USA	Rolando Abreu	Rolando.Abreu@westernmidstream.com
US-2038-06	Western Midstream Partners (WES)	1900	L7044GSI	KBK/4	USA	Rolando Abreu	Rolando.Abreu@westernmidstream.com
US-2038-07	Western Midstream Partners (WES)	1900	L7044GSI	KBK/4	USA	Rolando Abreu	Rolando.Abreu@westernmidstream.com
US-2038-08	Western Midstream Partners (WES)	1900	L7044GSI	KBK/4	USA	Rolando Abreu	Rolando.Abreu@westernmidstream.com
US-2038-09	Western Midstream Partners (WES)	1900	L7044GSI	KBK/4	USA	Rolando Abreu	Rolando.Abreu@westernmidstream.com
US-2038-10	Western Midstream Partners (WES)	1900	L7044GSI	KBK/4	USA	Rolando Abreu	Rolando.Abreu@westernmidstream.com
US-2038-11	Western Midstream Partners (WES)	1900	L7044GSI	KBK/4	USA	Rolando Abreu	Rolando.Abreu@westernmidstream.com

C. Qualifications of Team

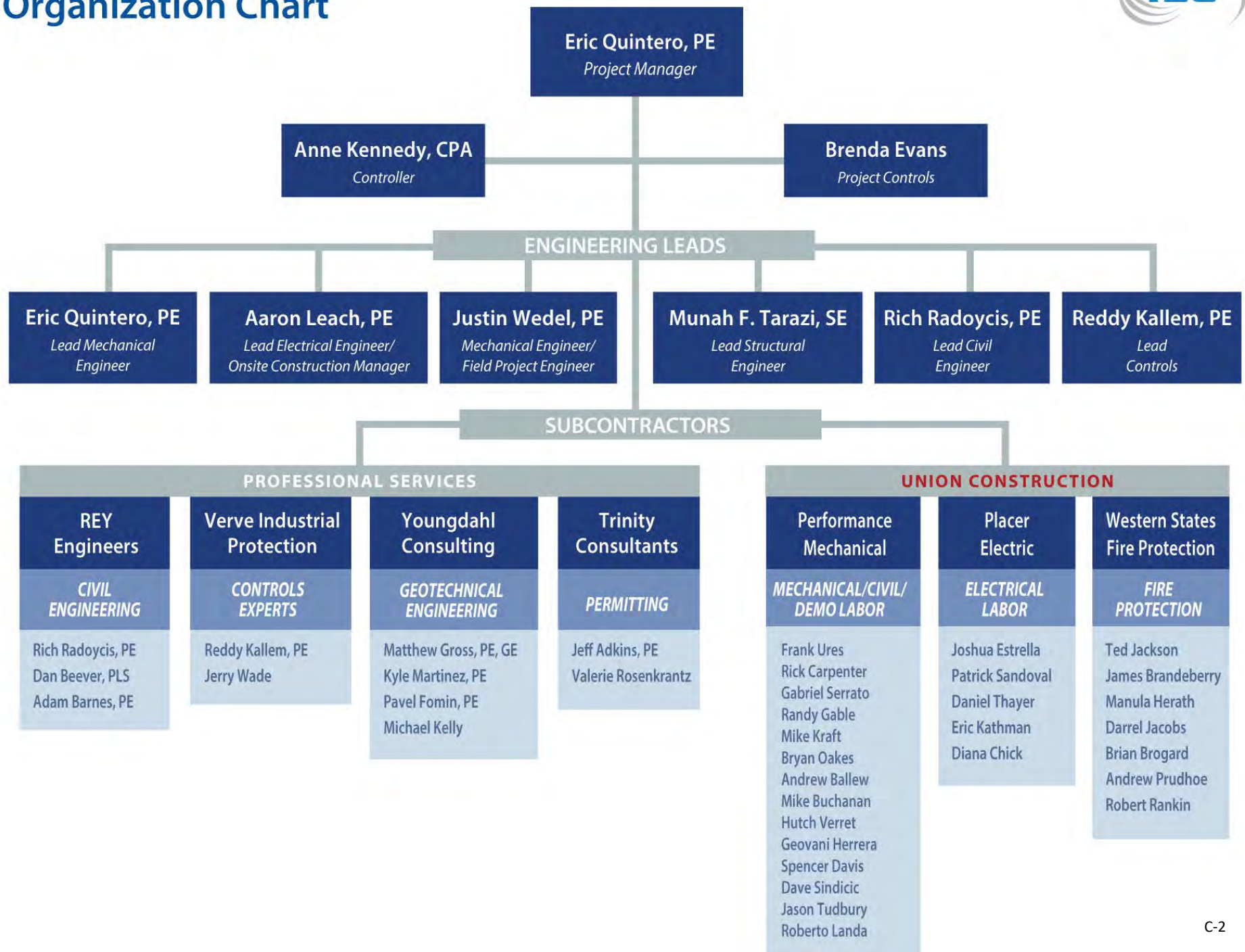
QUALIFICATIONS OF TEAM

IEC has formed a unique and exclusive team of engineers, construction staff, and major equipment suppliers with proven experience in working with Roseville Electric. To illustrate the breadth and depth and unique expertise of our personnel, the following page includes a Project Organization Chart which demonstrates how the IEC Team will organize to successfully execute the project.

Org Chart Highlights

- The proposed staff from IEC, PMI, and Placer Electric are all **extremely familiar** with Roseville Electric power plants, having provided engineering and construction services for REP and RPP2 over the past several years.
- IEC includes multiple California registered engineers across each engineering discipline to ensure compliance with California codes and regulations.
- The proposed Construction Team consist of Union Contractors for demolition, civil, mechanical, electrical, and fire protection.
- **Eric Quintero, PE** will be the Project Manager and Lead Mechanical Engineer for the RPP2 Repower Project and the single point of responsibility to ensure all its work (including subcontractor work) is executed consistently and in alignment with City expectations including budget, schedule, and quality of work. Mr. Quintero is extremely familiar with the City's policies, procedures, and protocol having managed multimillion engineering and construction contracts between IEC and the City of Roseville for the last 8 years.
- **Aaron Leach, PE** will support the team as the Lead Electrical Engineer and Onsite Construction Manager. Mr. Leach is very familiar with REP, RPP2, and RPEAK having prepared electrical designs and resolved complex electrical issues at all the sites, and provided construction management support for RPP2. Mr. Leach has a deep familiarity with Roseville's design standards and preferences, and is intimately familiar with the electrical design requirements for TM2500s.
- **Reddy Kallem, PE** will be Lead Control System Integration. He is extremely familiar with Roseville controls, having fully supported the control system integration at REP.
- **Justin Wedel, PE** will be Mechanical Engineer and overall Project Engineer to ensure the project meets the highest standards and Roseville's expectations. Mr. Wedel has significant experience collaborating with Roseville Electric engineers and O&M staff, having provided engineering support for key projects, including the REP Dewatering Project, REPEAK Gas Compression Project, and RPEAK As-Built Project. His familiarity with Roseville Electric's standards and expectations makes him a valuable asset to the project team.
- Our proposed personnel are all available and committed to support the City throughout the duration of the contract.

Project Personnel Organization Chart



1. Summary of Team Qualifications

As previously stated, the IEC Team is unique. It is comprised of multiple resources across all disciplines needed to specifically provide unmatched support for RPP2.

To summarize the teams' qualifications, **Table C-1** provides each Team member's role, years of experience, registration, location, onsite support, and union affiliation.

TABLE C-1: IEC TEAM KEY PERSONNEL

Key Assigned Personnel Name	Role / Labor Category	Firm Name	Years of Experience	Education / Registration	Location	On Site	Union Affiliate
Management and Engineering							
Eric Quintero, P.E.	Project Manager/ Lead Mechanical Engineer	IEC Corporation	32	BS Mechanical Engineering Mechanical #31050	Sacramento, CA	Partial	NA
Aaron Leach, P.E.	Lead Electrical Engineer/Onsite Construction Manager	IEC Corporation	20	BS Electrical Engineering Electrical #20071	Sacramento, CA	Full Time	NA
Justin Wedel, P.E.	Mechanical Engineer/Onsite Project Engineer	IEC Corporation	4	BS Mechanical Engineering Mechanical #42525	Sacramento, CA	Full Time	NA
Munah Tarazi, S.E.	Lead Structural Engineer	IEC Corporation	37	BS Civil Engineering, University of Illinois MS Structural Engineering & Mechanics, UC Berkeley Structural #3185 Civil #33624	Sacramento, CA	Partial	NA
Carlos Flores	Lead Designer	IEC Corporation	18	Certifications: Auto-CAD Levels 1 & 2 GIS Certificate ArcGIS Fundamentals of Cogen & Onsite Gen	Sacramento, CA	No	NA
Rich Radoycis, P.E., P.LS.	Principal Engineer	REY Engineers	38	BS Civil Engineering, Cal Poly, Pomona Civil #46122 Land Surveyor #7114	Sacramento, CA	Partial	NA
Dan Beever, P.LS.	Project Surveyor	REY Engineers	24	Land Surveyor #9377	Sacramento, CA	Yes	NA
Adam Barnes, P.E.	Senior Engineer	REY Engineers	20	BS Mechanical Engineering, UC Davis Civil #84189	Sacramento, CA	Yes	NA

TABLE C-1: IEC TEAM KEY PERSONNEL

Key Assigned Personnel Name	Role / Labor Category	Firm Name	Years of Experience	Education / Registration	Location	On Site	Union Affiliate
Reddy Kallem, P.E.	Lead Controls Engineer	Verve Industrial Protection	25	MS Mechanical Engineering Kentucky Mechanical #29105	Paducah, KY	Yes	NA
Jerry Wade	Sr. Controls Engineer	Verve Industrial Protection	-	BS Electrical Engineering, Industrial Control Systems	Paducah, KY	Yes	NA
Matthew Gross, P.E., G.E.	Lead Geotech Engineer	Youngdahl	18	MS Civil and Environmental Engineering, UC Davis GE #3088 Civil #77630	Sacramento, CA	Yes	NA
Kyle Martinez, P.E.	Senior Engineer	Youngdahl	24	BS Civil Engineering, Cal Poly, San Luis Obispo Civil #80666	Sacramento, CA	Yes	NA
Pavel Fomin, P.E.	Project Engineer	Youngdahl	4	BS Civil Engineering CSU Sacramento Civil #97349	Sacramento, CA	Yes	NA
Michael Kelley	Field Supervisor	Youngdahl	25	Certifications: <u>ICC</u> : Reinforced Concrete, Structural Masonry, Structural Steel & Bolting, Structural Welding, Master of Special Inspection <u>ACI</u> : Concrete Field Testing Tech, Masonry Field Testing <u>AWS</u> : Certified Welding Inspector <u>DSA</u> : Masonry Special Inspector	Sacramento, CA	Yes	NA
Jeff Adkins, P.E.	Lead Permit Specialist	Trinity Consultants	38	J.D., UC Hastings College of the Law, San Francisco	Sacramento, CA	No	NA

TABLE C-1: IEC TEAM KEY PERSONNEL

Key Assigned Personnel Name	Role / Labor Category	Firm Name	Years of Experience	Education / Registration	Location	On Site	Union Affiliate
				B.S., Chemical Engineering, Pennsylvania State University Member, State Bar of California, Environmental Section PE Chemical Engineering #4392			
Demolition Labor							
Rob Kay, P.E.	Project Executive	WC Maloney	19	Civil Engineer	Roseville, CA	Partial	Staff
Darren Firme	General Foreman	WC Maloney	25	NA	Roseville, CA	Part Time	Operators LU 3
Jose Aleman, JR	Operator	WC Maloney	15	NA	Roseville, CA	Yes	Operators LU 3
Jose Aleman, SR	Operator	WC Maloney	30	NA	Roseville, CA	Yes	Operators LU 3
Civil Labor							
Jason Tudbury	Civil Superintendent	Performance Mechanical Inc.	24	Continuous industry related training including the following: DISA Safety Trained – CPR and First Aid Certified – PMI Supervisor Training (STP) Modules 1 through 4, OSHA 500, PMI Crane Safety Course, Excavation and Trenching Competent Person, 40hr HAZWOPR Trained	Pittsburg, CA	Partial	Carpenters LU 152
Roberto Landa	Civil Lead	Performance Mechanical Inc.	22	4-Year Carpenter Apprentice Program;	Pittsburg, CA	Yes	Carpenters LU 152

TABLE C-1: IEC TEAM KEY PERSONNEL

Key Assigned Personnel Name	Role / Labor Category	Firm Name	Years of Experience	Education / Registration	Location	On Site	Union Affiliate
				Competent Person Excavation & Trenching; PMI Supervisor Training; Operation of Backhoe, Forklift & Aerial Lift Training			
Mechanical Labor							
Frank Ures	Construction Manager	Performance Mechanical, Inc.	30	Joint Apprenticeship of Plumbers & Pipefitters, Instructor	Pittsburg, CA	Yes	Pipefitters LU 447
Rick Carpenter	General Manager, Sac. Region	Performance Mechanical Inc.	16	BS Construction Management, CSU Chico MCAA Institute for PM Graduate, University of Texas, Austin	Pittsburg, CA	No	Staff
Gabriel Serrato	Project Manager	Performance Mechanical, Inc.	15.	BS Construction Management, CSU Chico	Pittsburg, CA	Yes	Staff
Randy Gable	Site Construction Manager	Performance Mechanical, Inc.	41	OSHA 500 Crane Safety DISA Safety MCA Supervisor	Pittsburg, CA	Yes	Millwrights LU 447
Mike Kraft	Pipefitter Lead	Performance Mechanical, Inc.	8	Joint Apprenticeship of Plumbers & Pipefitters, Instructor	Pittsburg, CA	Yes	Pipefitters LU 447
Bryan Oakes	Millwright Lead	Performance Mechanical, Inc.	30	Millwright apprenticeship	Pittsburg, CA	Yes	Millwrights LU 447

TABLE C-1: IEC TEAM KEY PERSONNEL

Key Assigned Personnel Name	Role / Labor Category	Firm Name	Years of Experience	Education / Registration	Location	On Site	Union Affiliate
Andrew Ballew	Boilermaker Superintendent	Performance Mechanical, Inc.	25	Boilermaker Apprenticeship	Pittsburg, CA	Partial	Boilermaker LU 549
Mike Buchanan	Boilermaker Lead	Performance Mechanical, Inc.	15	Boilermaker Apprenticeship	Pittsburg, CA	Yes	Boilermaker LU 549
Hutch Verret	Quality Control Lead	Performance Mechanical, Inc.	12	Certified Welding Inspector NACE CIP Level 2 API 1169	Pittsburg, CA	Yes	Staff
Geovani Herrera	Safety Lead	Performance Mechanical, Inc.	10	OSHA 10-Hour Osha 30-Hour OSHA 510 Certified Fall Protection Inspector Scaffold Competent Person	Pittsburg, CA	Yes	Staff
Spencer Davis	Director of Quality	Performance Mechanical, Inc.	21	ASNT CEU Courses: Radiographic Film Interpretation Levels I & II, Magnetic Particle Testing Levels I & II, Dye Penetrant Testing Levels I & II USACE (United States Army Corps of Engineers) Quality Management Training Course Tulsa Welding School Associate's degree - Welding QA/QC Inspection Non-destructive Examination (All Methods) Welding – SMAW, GMAW, GTAW Clinton Technical School Welding and Fabrication	Pittsburg, CA	Partial	Staff

TABLE C-1: IEC TEAM KEY PERSONNEL

Key Assigned Personnel Name	Role / Labor Category	Firm Name	Years of Experience	Education / Registration	Location	On Site	Union Affiliate
Dave Sindicic	Safety Director	Performance Mechanical, Inc.	38	CHST Cert., OSHA 510, TWIC, OSHA 30 hour, EPA Lead Renovator, LEED Green Associate, U.C. Davis Ext., classes in estimating and project management, Carpenters Union, Associated General Contractors, and Liberty Mutual Insurance Company, HAZWOPR & misc. safety classes, CCC College AA in Sociology	Pittsburg, CA	Partial	Staff
Electrical Labor							
Joshua Estrella	President	Placer Electric, Inc.	20	Penn State University CSU Sacramento Certified Project Manager TS/SCI Security Clearance	Sacramento, CA	No	NA
Patrick Sandoval	Superintendent	Placer Electric, Inc.	12	State Approved Electrical Apprenticeship, five year, 8000-hour IBEW Program	Sacramento, CA	Yes	Local 340
Daniel Thayer	Project Manager/ General Foreman	Placer Electric, Inc.	24	State Approved Electrical Apprenticeship, five year, 8000-hour IBEW Program Certified General Electrician (# 116087) NFPA 70E Trained Arc Flash Protection OSHA 10 & 30 Trained	Sacramento, CA	Yes	Local 340
Eric Kathman	General Manager	Placer Electric, Inc.	25	Associated Builders & Contractors – State Certified Electrical Apprenticeship Certificate	Sacramento, CA	Partial	Local 340

TABLE C-1: IEC TEAM KEY PERSONNEL

Key Assigned Personnel Name	Role / Labor Category	Firm Name	Years of Experience	Education / Registration	Location	On Site	Union Affiliate
				AS Sierra College, Business Administration			
Diana Chick	Special Projects Manager	Placer Electric, Inc.	10	NECA Basic Estimating of Electrical Construction	Sacramento, CA	Partial	NA
Fire Protection							
Ted Jackson	Superintendent	Western States Fire Protection Co.	25	UA Star Mastery Certified OSHA 30 Certified	Sacramento, CA	Yes	Local 669
James Brandeberry	Senior Project Manager	Western States Fire Protection Co.	34	NICET Level III Certification	Sacramento, CA	Partial	NA
Manual Herath	Operations/Project Manager	Western States Fire Protection Co.	13	BS Mechanical Engineering, University of Minnesota Certification of Project Management, UC Berkeley	Sacramento, CA	No	NA
Darrel Jacobs	Design Manager	Western States Fire Protection Co.	41	NA	Sacramento, CA	No	NA
Brian Brogard	Service Manager/ Quality Control	Western States Fire Protection Co.	33	OSHA 30 Certified	Sacramento, CA	Partial	NA
Andrew Prudhoe	Field Foreman	Western States Fire Protection Co.	32	OSHA 30 Certified Forklift Scissor Lift Gradall	Sacramento, CA	Yes	Local 669
Robert Rankin	Field Foreman	Western States Fire Protection Co.	25	OSHA 30 Certified OSHA 10 Certified Forklift Scissor Lift Gradall Nitrogen Certification	Sacramento, CA	Yes	Local 669
Testing							
Michael Kelley	Field Supervisor	Youngdahl	25	Certifications: <u>ICC</u> : Reinforced Concrete, Structural Masonry,	Sacramento, CA	Yes	NA

TABLE C-1: IEC TEAM KEY PERSONNEL

Key Assigned Personnel Name	Role / Labor Category	Firm Name	Years of Experience	Education / Registration	Location	On Site	Union Affiliate
				Structural Steel & Bolting, Structural Welding, Master of Special Inspection <u>ACI</u> : Concrete Field Testing Tech, Masonry Field Testing <u>AWS</u> : Certified Welding Inspector <u>DSA</u> : Masonry Special Inspector			
Frank Gonzales	Field Service Manager	Power Systems Testing Co.	19	NETA Level 11 Technician Testing & Maintenance of 480V to 230kV Equipment Infrared Scanning Transformer Testing & Troubleshooting Automatic Transfer Switches Testing & Maintenance 24-125 VDC Battery String Testing & Maintenance	Fresno, CA	Yes	NA
Neil Smith	NETA IV Technician	Power Systems Testing Co.	22	AVO Basic Relays AVO Medium-Voltage Breakers GE ATS Level I Thermographer Life of a Transformer Multiple NETA Power Test Seminars ARC Flash	Fresno, CA	Yes	NA
Torren Chung	NETA Level 2 Electrical Test Technician	Power Systems Testing Co.	10	Electrical Engineering, Lower-Level Coursework, UC Davis NETA Level 2 Technician	Fresno, CA	Yes	NA

TABLE C-1: IEC TEAM KEY PERSONNEL

Key Assigned Personnel Name	Role / Labor Category	Firm Name	Years of Experience	Education / Registration	Location	On Site	Union Affiliate
David Huffman, P.E.	Principal Electrical Engineer	Power Systems Testing Co.	37	BS Electrical Engineering Electrical #14811 Senior Test Technician (Level 4) NETA Certified Board of Directors Member for International Electrical Testing Association	Fresno, CA	No	NA
James Ferguson	Electrical Engineer	Power Systems Testing Co.	16	MS Electrical Engineering EIT #129152	Fresno, CA	No	NA

2. Availability of Proposed Personnel

The IEC Team is immediately available to devote the time and resources required to successfully complete the RPP2 Repower Project. The team is 100% committed to helping the City achieve its objectives with our proven ability to maintain staff continuity. We have carefully selected qualified professionals who are not only available but committed to the assignment. As a company policy, IEC does not reassign staff to other projects in the middle of an assignment. Therefore, it's expected that the key personnel proposed will be available for the City, absent any illnesses, accidents, or actions beyond the company's control.

3. Personnel Bios

Below are bios for each team member. Bios are separated by company for convenience.

Full resumes are presented in [Appendix A](#).

IEC Corporation

Eric Quintero, P.E. | IEC Corporation

Mr. Eric Quintero, P.E. will be the Project Manager overseeing this contract with Roseville Electric and each individual contract with IEC subcontractors. Mr. Quintero is the single point of responsibility for the entire IEC scope to ensure all its **work is executed consistently and in alignment** in accordance with client expectations including budget, schedule, and quality of work. With 25 years of experience as a project manager in the power industry, Mr. Quintero has successfully overseen more than 100 contracts for IEC, serving electric utilities across the nation. Mr. Quintero is extremely familiar with the City's policies, procedures, and protocol having managed the contracts between IEC and the City of Roseville for engineering and construction contracts for the last 10 years.

Aaron Leach, P.E. | IEC Corporation

Mr. Aaron Leach, P.E. will support the team as the Lead Electrical Engineer and Onsite Construction Manager. Mr. Leach is a California licensed electrical engineer with extensive experience with power facilities and electrical system design and installation. His hands-on experience includes detailed engineering, field engineering, troubleshooting, site inspections, and project management for utility clients. Mr. Leach is very familiar with REP, RPP2, and RPEAK having prepared electrical designs and resolved several electrical issues at all the sites. Recently, Mr. Leach was responsible for updating the electrical conduit and cables for REPEAK (TM2500 Peaker Plant) which required him to analyze and modify the electrical system. With his deep familiarity with Roseville's design standards for TM2500s and a

thorough understanding of the City's specific preferences, Mr. Leach is exceptionally well-prepared to contribute to the success of this project as the Lead Electrical Engineer and Onsite Construction Manager.

Justin Wedel, P.E. | IEC Corporation

Mr. Justin Wedel, P.E. is a California Licensed Mechanical Engineer and Assistant Project Manager with experience in the design and construction of utility-scale power plants. During the engineering phase, Mr. Wedel will be responsible for performing pipe stress analysis, piping design, pipe support design and analysis, foundation design, electrical design, and controls interface integration. In the construction phase, he will serve as the onsite field engineer, overseeing project execution, coordinating the construction team, addressing RFIs and field issues, and conducting quality control inspections. Mr. Wedel has significant experience collaborating with Roseville Electric engineers and O&M staff, having provided engineering support for key projects, including the REP Dewatering Project, REPEAK Gas Compression Project, and RPEAK As-Built Project. His familiarity with Roseville Electric's standards and expectations makes him a valuable asset to the project team.

Munah Tarazi, S.E. | IEC Corporation

Mr. Munah Tarazi, S.E. offers over 37 years of distinguished experience in structural engineering as Project Engineer, Engineer of Record and Principal-in-Charge on numerous projects for both the public and private sectors. His engineering background includes structural analysis and design of new facilities, seismic retrofit, structural rehabilitation, building evaluations, peer review, plan check and value engineering for various public and private facilities in California. Mr. Tarazi has been responsible for overall engineering quality and accuracy of preparation of structural design and specifications. He routinely provides informal peer review of the firm's projects.

Carlos Flores | IEC Corporation

Mr. Carlos Flores brings over 24 years of experience as a designer and drafting technician, specializing in utility drawings and drafting services for power projects. He has worked extensively with utility clients' document control departments to ensure compliance with drawing standards across all submittal packages. His recent experience includes providing comprehensive design and drafting support for the RPP2 Rehabilitation Project, RPEAK As-Built Project, and the MID Repower Project, covering civil, structural, mechanical, electrical, and instrumentation and controls (I&C) disciplines. In addition to his design expertise, Mr. Flores oversees quality management for all AutoCAD drawings, ensuring consistency and the highest level of accuracy to meet client expectations.

Performance Mechanical, Inc.

Frank Ures | Performance Mechanical, Inc.

Mr. Frank Ures is PMI's Sacramento Region Construction Manager. He has over 30 years of construction experience in commercial and industrial facilities. During his career he has performed the roles of Superintendent, General Foreman and Foreman responsible for the management and supervision of various projects. His skills include managing manpower of multiple crafts, the management and direction of subcontractors, scheduling, purchasing materials, rental of equipment and the management of change order work. He is an ASME Section IX Code Welder.

Rick Carpenter | Performance Mechanical, Inc.

Mr. Rick Carpenter has been with PMI since 2009. As the Sacramento Region General Manager, he manages work portfolios, oversees operations and manages labor and client relations for the Sacramento area. He is responsible for estimating, planning, executing and closing out projects. He works closely with clients such as PG&E, GWF, and other clients of various other power generating plants in the area.

Gabriel Serrato | Performance Mechanical, Inc.

Mr. Gabriel Serrato is the Sacramento Area Project Manager. As Project Manager, his role is to manage a wide range of Industrial projects across multiple crafts and scopes, such as civil, piping, pressure vessels, structural and misc. steel, mechanical, specialty metals, and much more. Mr. Serrato is the center point of contact for all involved parties in any given project. He ensures proper and efficient flow of project phases from an administrative to technical standpoint, from start to finish. He is also responsible for sustaining a close and healthy relationship with all clients. Mr. Serrato's vast experience includes managing projects in power plants, crude oil refineries, chemical plants, wastewater treatment facilities, CNG stations, and port terminals. He also provides small- to medium-size estimates for all his assigned clients.

Randy Gable | Performance Mechanical, Inc.

Mr. Randy Gable is the Site Construction Manager for PMI. He has 41 years of experience in construction at commercial and industrial facilities. He also has 41 years vested in Millwright Local 102. He is responsible for the supervision of various union crafts and the control of information for purchasing material and rental equipment. He is experienced in managing subcontractors and change order work. Mr. Gable specializes in Steam Combustion Turbine Assembly work.

Mike Kraft | Performance Mechanical, Inc.

Mr. Mike Kraft is the Pipefitter General Foreman for PMI. With over eight years' experience in construction of commercial and industrial facilities as General Foreman and Foreman, he is responsible

for the management and supervision of various projects. Duties include managing manpower of multiple crafts, the management and direction of subcontractors, scheduling, purchasing materials, rental of equipment and the management of change order work. He is an ASME Section IX Code Welder.

Bryan Oakes | Performance Mechanical, Inc.

Mr. Bryan Oakes is the Millwright General Foreman. He has 30 years' experience with PMI and 20 years vested in Millwright Local 102. He coordinates work with multiple craft labor, subcontractors, and plant personnel. Mr. Oakes has technical expertise in the installation of can lines and related equipment.

Andrew Ballew | Performance Mechanical, Inc.

Mr. Andrew Ballew is PMI's Boilermaker Superintendent. He has 25 years' experience in construction at industrial facilities serving positions of Foreman and General Foreman, and now Boilermaker Superintendent. He is responsible for the management and supervision of various projects. Duties include managing labor of multiple crafts, the direction of subcontractors, all purchasing of materials, rental of equipment and the management of change order work.

Michael Buchanan | Performance Mechanical, Inc.

Mr. Michael Buchanan is the Boilermaker General Foreman. He has 15 years' experience in a wide range of projects for clients such as PG&E, SMUD, and Chevron. He coordinates work with multiple craft labor, subcontractors, and plant personnel. He is a member of Boilermakers Local 549.

Hutch Verret | Performance Mechanical, Inc.

Mr. Hutch Verret is the site Quality Control Lead. His responsibilities include ensuring all work meets the required specifications of the owner, and all applicable codes for any other entities with jurisdiction over the site are met. He directly oversees or delegates the duty of verifying that the correct materials, procedures and inspections are used for all the construction processes involved during the course of a project. This includes civil, structural, as well as all mechanical.

Mr. Verret possesses a working knowledge and experience in welder testing, procedure testing, material handling, mechanical connection, NDE coordination, surface profile, coating inspection, package walkdown, consumable and parameter checks, pipe and structural inspection, HDPE and flex pipe inspections, trench inspection ROW inspections, OQ checks, filing, reporting, heat treating, weld mapping and tracking. He has knowledge of piping isometrics, P&IDs, structural and hanger drawings as well as performing system walk downs and punch listing.

Geovani Herrera | Performance Mechanical, Inc.

Mr. Geovani Herrera is PMI's Safety Lead. He has 10 years of construction safety experience. He is skilled in construction safety and field safety management. He has experience working on power plant projects

and is familiar with the associated safety concerns and requirements. He has expertise in training and communication of safety plans and programs.

Spencer Davis | Performance Mechanical, Inc.

Mr. Spencer Davis is Director of Quality for PMI. With 21 years' experience in construction of industrial facilities, starting as a fitter/welder early in his career, he quickly transitioned to Quality Control. Mr. Davis is responsible for ensuring all work meets the required specifications of the owner, and all applicable codes for any other entities, with jurisdiction over the site, are met. He possesses the knowledge and understanding of ASTM, AISC, CWB, ACI, MIL STD, ASNT, ICC, NFPA, ISO, ANSI, AWS, ASME, and API codes and standards as well as others, including individual customer contract documents and client/owner specifications.

Dave Sindicic | Performance Mechanical, Inc.

Dave Sindicic is PMI's Corporate Safety Director. He has 38 years of construction experience and 20 years of Health and Safety experience. He is skilled in construction safety and field safety management. He has experience working on power plant projects and is familiar with the associated safety concerns and requirements specific to those project sites. He has expertise in training and communication of safety plans and programs.

Jason Tudbury | Performance Mechanical, Inc.

Mr. Jason Tudbury has 24 years' experience in the construction of industrial facilities as Superintendent, General Foreman and Foreman. He is the Civil Superintendent for all Bay Area and Northern California projects. Mr. Tudbury manages civil craft labor on all civil and structural concrete projects, which includes carpenters, laborers, ironworkers, cement masons, and operating engineers. Coordinates and manages with project teams, including project managers, general foreman, and field personnel. Maintains relationships with owners, clients, and suppliers. Estimates civil-based projects.

Roberto Landa | Performance Mechanical, Inc.

Mr. Roberto Landa is a Civil Lead for PMI. With over 22 years' experience in construction of industrial facilities as General Foreman, Foreman and Journeyman, he is responsible for job site supervision on various types of civil, foundation and underground utility projects. Duties include site management of multiple crafts, direction of subcontractors, purchasing materials, rental of equipment, layout of foundations, anchor bolts, and utility trenches.

Placer Electric, Inc.

Joshua Estrella | Placer Electric, Inc.

Mr. Joshua Estrella is the co-owner and president of Utilion, Inc., parent company of Placer Electric, Inc. Mr. Estrella is responsible for managing and directing daily and strategic operations for Utilion, Inc., with a successful history working in the information technology, government, construction and utility industries. He is skilled in Organizational Leadership, Strategic Planning, Business Operations, Program, Project, Product and Quality Management, Customer Service and Training. An expert in implementing and delivering complex projects from start to finish with a proven ability to coach, mentor and manage multiple teams on a variety of diversified projects simultaneously. Educated and experienced in Business, Construction, PMI, SCRUM and Agile implementation methodologies.

Patrick Sandoval | Placer Electric, Inc.

As a Superintendent at PEI, **Mr. Patrick Sandoval** oversees and manages electrical projects from inception to completion, ensuring they adhere to timelines and budgets. He supervises and coordinates the work of electricians, foremen, and other team members, conducting regular site inspections to ensure compliance with safety standards and regulations. Patrick reviews and interprets electrical single-line diagrams and building management control drawings, effectively communicates with clients, contractors, and inspectors to address and resolve issues, and ensures all work meets National and California Electrical Codes and customer expectations. Additionally, he provides training and mentorship to apprentices and junior electricians, and coordinates with client stakeholders to mitigate risks during electrical installations.

Daniel Thayer | Placer Electric, Inc.

Mr. Daniel Thayer has held various positions in the industry but has acted in a leadership position of foreman or general foreman for the last 14 years. The position of general foreman requires field supervision of foremen, journeymen and apprentice electricians, planning, detailing, layout, and coordination of work with other trades, general contractors, and owners as well as handling all the reporting and filing of paperwork and payroll on a weekly basis. As a project manager Mr. Thayer can utilize his 24 years of field experience to great benefit while helping the field foremen plan, detail and control their respective projects.

Eric Kathman | Placer Electric, Inc.

As the General Manager at PEI, **Mr. Eric Kathman** oversees all aspects of electrical projects, from providing accurate estimates and developing project budgets to managing document controls and communication workflows. He is a people leader, manages risk, communicates design ambiguities with stakeholders, coordinates monthly billings, and negotiates contracts to ensure proper scope coverage. Eric's extensive hands-on experience in the electrical industry allows him to streamline operations, improve project management processes, and implement effective risk management tools.

Diana Chick | Placer Electric, Inc.

Ms. Diana Chick began her career at PEI with a focus in the Service Department but quickly honed her vast experience working with a diverse range of construction clients into overseeing all special projects. Ms. Chick has a unique ability and understanding of how crucial effective planning and communication is within construction projects. She enjoys the challenge of this industry and being a part of the team that is tasked with safely building a project on schedule, and within budget while making sure that clients are completely satisfied with the end results.

Western States Fire Protection Co.

Ted Jackson | Western States Fire Protection Co.

Mr. Ted Jackson has twenty-five years of experience in fire protection and the installation of automatic fire sprinkler and special hazard fire suppression systems. He is experienced with wet, dry, and pre-action systems, as well as fire pump and foam systems. Mr. Jackson's expertise was demonstrated on projects for CSU Merced, Livermore Oaks, Bayview Google Campus and Travis AFB, to name a few. He is UA Star Mastery certified and OSHA 30 certified.

James Brandeberry | Western States Fire Protection Co.

Mr. James Brandeberry's strong background in project management and design serves him well as Senior Project Manager at the Roseville, Western States branch. He entered the fire protection industry in 1991 as a CAD draftsman and has become very familiar with all types of buildings and construction methods. He has worked with State and Local Fire Marshals, Fire Departments, OSHPD, DSA, and Federal entities. During his 34 years in the industry, Mr. Brandeberry has maintained a consistent track record of delivering newly constructed and/or renovation projects ranging from design assist to construction build out. Mr. Brandeberry has worked on projects for the Sacramento Convention Center Renovation, Westfield Valley Fair Mall, CSU Sacramento Union Hall Renovation, Bayview Google Campus, Lemoore NAS, and Beal AFB. He holds NICET Level III Certification.

Manula Herath | Western States Fire Protection Co.

Mr. Manula Herath has 13 years' experience in the fire protection industry performing Project Manager and Engineer/BIM Manager duties. His experience engineering and designing automatic sprinkler systems including wet, dry, and pre-action systems, as well as coordinating the systems through BIM with numerous other trades makes Mr. Herath an exceptional Project Manager. He has also worked with specialty systems such as foam, spark extinguishing, and deluge systems. Mr. Herath has experience on multiple projects managing financials, labor, and materials. Mr. Herath's skills have been valuable on

projects for the Genentech Employee Center, Bayview Google Campus, and San Francisco General Hospital.

Darrell Jacobs | [Western States Fire Protection Co.](#)

Mr. Darrel Jacobs has 41 years of experience in the fire protection industry. He began his career as a system designer and project manager for all types of fire suppression systems. He then transitioned to the Design Manager role. As Designer and Project Manager Mr. Jacobs worked with wet, dry, pre-action, and foam fire suppression systems for private, public, State, Federal, and military projects. He is proficient in CAD and 3D BIM for deliverables and Pro-Core type platforms for Project Management. He has worked on projects such as Kaiser Capitol Gateway Medical Office Building, CSU Merced Expansion, San Francisco General Hospital, and Sacramento Convention Center Renovation.

Brian Brogard | [Western States Fire Protection Co.](#)

Mr. Brian Brogard's 29 years of experience in the installation of automatic fire sprinklers and special hazard fire suppression systems provide him with the skills to perform the Service Manager/Quality Control duties. He has experience with wet, dry, and pre-action systems, as well as fire pump and foam systems. He also has four years of experience as a team leader for the automatic sprinkler service department, quality control, scheduling work and overseeing all personnel. Mr. Brogard has worked on projects for Kaiser Capitol Gateway Medical Office Building, Kaiser Vallejo, CSU Sacramento Union Hall Renovation, and Office of Statewide Health Planning and Development (OSHPD) Service and Tenant Improvements.

Andrew Prudhoe | [Western States Fire Protection Co.](#)

Mr. Andrew Prudhoe has 32 years of experience in the commercial installation of automatic fire sprinklers and special hazard fire suppression systems, FM-200, NOVEC 1230, mist systems, nitrogen, wet, dry, and pre-action systems, as well as water storage tanks underground fire mains, hydrants, fire pumps and foam systems. Mr. Prudhoe is a member of the Local 669 Sprinkler Fitter Union and has worked on projects for PG&E RAS Pre-con Building, SMF Airport Ticketing Southwest, McKesson Rack Storage Replacement System, Intel FM SPGC Improvement, Folsom Campus.

Robert Rankin | [Western States Fire Protection Co.](#)

Mr. Robert Rankin has 25 years of experience in the commercial installation of automatic fire sprinklers and special hazard fire suppression systems, FM-200, NOVEC 1230, mist systems, nitrogen, wet, dry, and pre-action systems, as well as water storage tanks underground fire mains, hydrants, fire pumps and foam systems. Mr. Rankin is a member of the Local 669 Sprinkler Fitter Union and has worked on projects for high-rise office buildings, SMF Airport Ticketing Southwest, McKesson Rack Storage Replacement System, Intel FM SPGC Improvement, Folsom Campus.

Verve Industrial Protection

Reddy Kallem, P.E. | Verve Industrial Protection

Mr. Reddy Kallem's experience encompasses project management, detail engineering, field supervision, installation, startup, testing and commissioning of instrument and control systems including specification writing; programmable logic software design and implementation; Distributed Control System (DCS) design and implementation and control panel design; preparation of instrument indexes, instrument data sheets, input/output listings system descriptions; P&ID design; and development of equipment procurement and testing specifications. He is fully conversant with the combined cycle power plant process control system design & configuration including major systems such as gas turbine, boiler, steam turbine, mills, and Balance of Plant (BOP) equipment. Mr. Kallem has thorough knowledge in engineering, procurement and construction of fossil & gas turbine based combined cycle power projects from conceptual design through detailed engineering, construction, and startup & commissioning. He has also provided controls support for the [City of Roseville's REP facility](#).

Jerry Wade | Verve Industrial Protection

Mr. Jerry Wade's professional experience encompasses project management, design, engineering, and installation of instrument and control systems including specification writing; programmable logic software design and implementation; Distributed Control System design and implementation and control panel design; Electrical Schematics, Wiring & Termination drawings, preparation of instrument indexes, instrument data sheets, input/output listings system descriptions; Network Architecture design; and development of equipment procurement and testing specifications. Experience also encompasses field supervision, startup, testing and commissioning.

Mr. Wade is fully conversant with the various DCS platforms hardware, I/O design & configuration including wiring termination drawings and loop drawings. He has extensive experience in WDPF to Ovation migrations and PlantPax/Control Logix hardware assembly and design drawings.

REY Engineers, Inc.

Rich Radoycis, P.E. | REY Engineers, Inc.

Mr. Richard (Rich) Radoycis, P.E., P.L.S. is a registered Professional Engineer and Professional Land Surveyor with 38 years of civil engineering and land surveying experience specializing in the design and development of public and private site improvements, such as institutional facilities, commercial projects, residential subdivisions, educational facilities, and roadway designs. His expertise includes utility design, grading and erosion control, and hydrology and drainage studies. Rich's hands-on approach, commitment to quality, and ability to navigate regulatory requirements distinguish him in the field. His comprehensive

understanding of engineering and surveying ensures successful project outcomes from initial design through final construction.

Adam Barnes, P.E. | [REY Engineers, Inc.](#)

Mr. Adam Barnes, P.E. is a California registered Professional Engineer with 20 years of experience in a variety of engineering fields. As Senior Engineer, he is responsible for developing deliverables while meeting scope, schedule, and budget constraints. Duties include tentative map preparation, feasibility studies, water studies, sewer studies, drainage studies, terrain modeling, grading design, street/sidewalk/curb/ gutter design, wet utility design, street lighting design, striping, and parking design, cost estimates, earthwork quantities, erosion control plans, Storm Water Pollution Prevention Plan preparation, and grading and improvement plans.

Dan Beever, P.LS. | [REY Engineers, Inc.](#)

Mr. Daniel (Dan) Beever, P. LS. is a licensed Professional Land Surveyor with over 24 years of land surveying experience in both field and office surveying. His duties include project management of both land development and public projects. He is well-versed in records research, field crew management, analysis cadastral surveys, determination of land boundaries, topographic surveys, preparation of legal descriptions, tentative and final subdivision maps, parcel maps, and record of survey plans.

Youngdahl Consulting Group, Inc.

Matthew Gross, P.E., G.E. | [Youngdahl Consulting Group, Inc.](#)

Mr. Matthew Gross, P.E., G.E., is a registered Professional Engineer and Geotechnical Engineer with 18 years of experience specializing in the shallow foundation design, deep foundation design, expansive soils, liquefaction analysis, pavement design, slope stability analysis, seismic design criteria, soils remediation, construction QA/QC, and MSE and rock wall design. His utility experience includes, but is not limited to, completing geotechnical studies for substations and power plants.

Kyle Martinez, P.E. | [Youngdahl Consulting Group, Inc.](#)

Mr. Kyle Martinez, P.E. is a licensed Professional Civil Engineer with 24 years of experience. His expertise includes expansive soils, liquefaction analysis, pavement design, slope stability analysis, seismic design criteria, soils remediation, construction QA. His duties include providing geotechnical engineering services and construction oversight and performing geotechnical engineering studies for a wide range of projects.

Pavel Fomin, P.E. | [Youngdahl Consulting Group, Inc.](#)

Mr. Pavel Fomin, P.E. is a California licensed Professional Civil Engineer with expertise in geotechnical engineering, earthquake engineering, soil mechanics, groundwater, and global stability analysis. Mr.

Pavel's experience includes performing site reconnaissance, subsurface investigations, and geotechnical engineering studies.

Michael Kelley | Youngdahl Consulting Group, Inc.

Michael Kelley is a Field Supervisor and Special Inspector. His experience includes observing concrete and masonry placement, sampling material, performing laboratory testing of soils, concrete and aggregates, performing special inspections of rebar placement and load testing, field and shop welding inspector of structural steel, and providing construction quality assurance.

Trinity Consultants

Jeff Adkins | Trinity Consultants

Mr. Jeff Adkins, P.E., is the Lead Permit Specialist. He is a registered Professional Engineer in Chemical Engineering and a member of the State Bar of California. Mr. Adkins is a Principal Consultant whose responsibilities include: Compliance assistance and strategy development for facilities subject to U.S. EPA and local air district enforcement actions; Preparation of air district variance petitions and representation at variance hearings; Preparation of CEC Applications for Certification, Title V permit applications, and Title IV Acid Rain Monitoring Plans for power plants; Preparation of health risk assessments for entire industrial facilities and individual projects; and Preparation of permit applications for various industrial sources including Best Available Control Technology review, Offsets and emission reduction credit analyses, and PSD, NSPS, and NESHAPS applicability review. Earlier in his career, Mr. Adkins was a supervising air quality engineer with the Bay Area Air Quality Management District.

Power Systems Testing Co.

Frank Gonzales | Power Systems Testing Co.

Mr. Frank Gonzales is the Field Service Manager for Power Systems Testing Co. with 19 years of experience in testing electrical power systems. He is a NETA Level 11 Technician. Mr. Gonzales coordinates field technicians, conducts testing and maintenance of 480V to 230kV equipment, infrared scanning, transformer testing and troubleshooting, testing and maintenance of automatic transfer switches and 24 to 125VDC battery strings.

Neil Smith | Power Systems Testing Co.

Mr. Neil Smith is a NETA IV Technician with 22 years of experience. His field experience includes low voltage switchgear testing (1,000V and lower), medium voltage switchgear (35kV and lower), high voltage

substation testing (230kV to 69kV), power monitoring, infrared scanning, troubleshooting of low to high voltage equipment, and repair of low and medium voltage equipment.

Torren Chung | Power Systems Testing Co.

Mr. Torren Chung is a NETA Level 2 Technician with 10 years of experience. He performs electrical testing and repairs on various low, medium, and high voltage equipment. He has experience repairing and maintaining gas turbines, GE LM6000 and Pratt Whitney FT4, according to manufacturer O&M standards.

David Huffman | Power Systems Testing Co.

Mr. David Huffman is a licensed electrical engineer and NETA Level 4 Test Technician with 37 years of experience. He performs electrical testing on power distribution equipment, such as power circuit breakers, power transformers, relay systems and switchgear. He has performed short circuit, coordination, load flow, power factor correction and arc flash studies on more than 400 projects.

James Ferguson | Power Systems Testing Co.

Mr. James Ferguson is an electrical engineer with 16 years of experience. He performs electrical testing on power distribution equipment, such as power circuit breakers, transformers, relays, and switchgear. He has performed short circuit, coordination, and arc flash studies on more than 200 projects.

D. Project Understanding



Shaping the Future of Energy™

1. Preliminary Engineering



Shaping the Future of Energy™

SECTION D: PROJECT UNDERSTANDING

1. Preliminary Engineering

During the bid process, IEC invested substantial effort into developing Preliminary Engineering to provide a precise and well-informed representation of our design approach, equipment specifications, and labor requirements. This proactive approach ensures that our bid is both realistic and comprehensive, ultimately delivering significant benefits to the City.

First and foremost, the City can be confident that the bid price accurately reflects the true cost of constructing the project, minimizing the risk of unforeseen expenses or overlooked components. Secondly, by conducting thorough pre-engineering, **IEC significantly reduces the likelihood of costly change orders, as our scope is clearly defined and fully transparent from the outset.** This level of detail contrasts with the common industry practice where contractors may submit low bids with minimal engineering efforts, relying on change orders to recover actual costs as project complexities arise.

Additionally, IEC's approach enhances project efficiency by streamlining the review and approval process, as the pre-engineered design has already been developed and aligns with Roseville design standards and expectations. It also fosters a stronger partnership with the City by promoting trust and collaboration through open, upfront communication and detailed planning. **Lastly, this comprehensive approach allows the project to quickly order critical path major equipment immediately after award, ensuring that the project can meet the online date of May 30, 2026.**

By choosing IEC, the City gains a partner committed to delivering a project that is not only cost-effective but also well-planned and executed with precision and transparency.

SECTION OUTLINE
1. Preliminary Engineering
2. Design Drawings
3. Submittals and Deliverables
4. Project Design Narrative (Mechanical)
5. Project Design Narrative (Electrical)
6. Project Design Narrative (Control System)
7. Key Issues
8. Frame 5 Gen Set Resale

2. Design Drawings



Shaping the Future of Energy™

2. Design Drawings

This section includes IEC's preliminary engineering drawings for the RPP2 Repower Project:

G1.1	General Arrangement
M3.1	Potable Water P&ID
M3.2	Demin Water P&ID
M3.3	Fuel Gas P&ID
M3.3.1	Fuel Gas Filter Coalescing P&ID
M3.4	TM2500 Package P&ID
M3.5	Ammonia P&ID
M3.6	Compressed Air P&ID
M3.7	Wastewater P&ID

E2.1	Overall Single Line Switching Diagram
E2.2	Generator Single Line Diagram
E2.3	Medium Voltage Single Line Diagram
E2.4	Low Voltage Single Line Diagram
E2.5	Electrical Equipment MCC Elev.
E4.1	Underground Conduit and Duct Bank Plan - North
E4.2	Underground Conduit and Duct Bank Plan - South
E5.1	Underground Conduit and Pre-Cast Trench Details
E6.1	Ground Grid Layout

Design Highlights

Civil/Structural:

- IEC's civil/structural engineering team performed preliminary design for all foundations, roads, and other site utilities.
- IEC used the volume of the existing foundations and the expected design of the new foundations to calculate the expected cut and fill and determine no required exports are needed.
- IEC evaluated the pervious and impervious surfaces to determine the effects on stormwater

Mechanical:

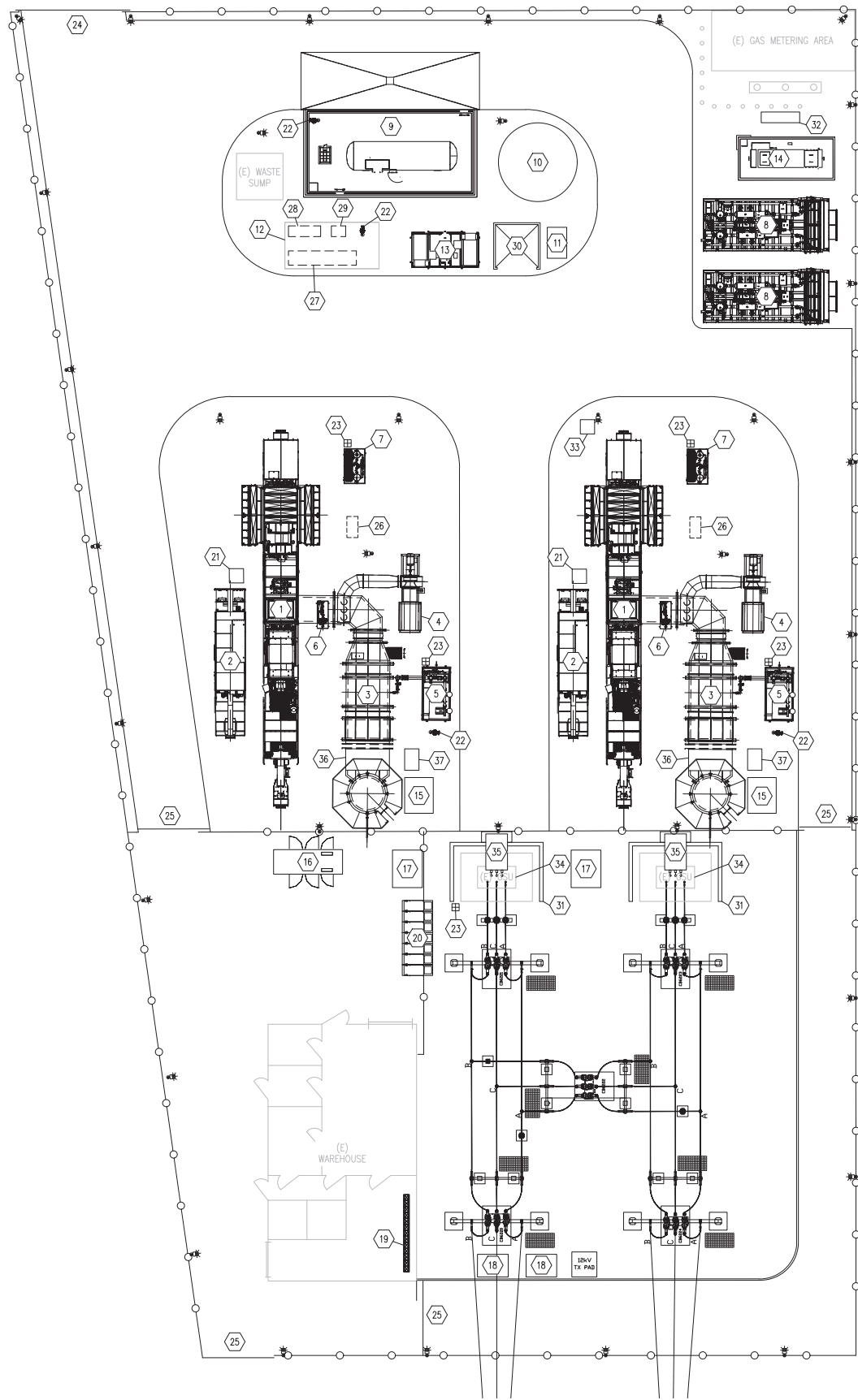
- In developing the P&IDs, IEC determined the quantity, sizing, and material of piping required for each system.
- IEC used the properly sized equipment to get firm quotes from reputable equipment suppliers to price all major equipment.
- IEC laid out the power plant to ensure access during construction and operation and maintenance.
- IEC also pre-engineered pipe runs and cable lengths throughout.

Electrical:

- IEC developed single line diagrams for all 13.8kV, 4160V, and 480V systems.
- IEC's electrical engineering team performed loading calculations and developed load tables to determine the sizing of the MCC, Switchgear, Transformers, Cable, and Conduit.
- IEC prepared specifications for all major equipment that complies with Roseville design standards.
- IEC used the electrical design above to obtain accurate firm equipment quotes for major electrical equipment, including realistic critical path lead times.

General Note:

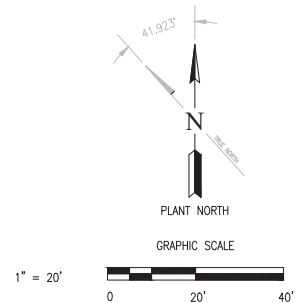
- IEC will reuse equipment provided by Roseville as part of the Greenleaf package. IEC will procure the remaining equipment shown in the attached drawings. Additional equipment or upgrades that are not shown in the drawings are not included.



LEGEND:

- 1 TM2500
- 2 CONTROL BUILDING
- 3 SCR
- 4 TEMPERING AIR FANS
- 5 APCU
- 6 FUEL GAS FINAL FILTER
- 7 FUEL GAS COALESCING FILTER
- 8 FUEL GAS COMPRESSOR
- 9 AMMONIA STORAGE AND UNLOADING AREA
- 10 DEMINERALIZED WATER TANK
- 11 DEMINERALIZED WATER FORWARDING SKID
- 12 EXISTING WATER TREATMENT BUILDING
- 13 AIR COMPRESSOR SKID
- 14 OIL/WATER SEPARATOR
- 15 CEMS
- 16 EMERGENCY BACK-UP GENERATOR
- 17 13.8kV/4160V TRANSFORMER
- 18 4160V/480V TRANSFORMER
- 19 480V MCC
- 20 4160V SWITCHGEAR
- 21 EVAPORATIVE COOLER PUMP SKID
- 22 SAFETY SHOWER/EYE WASH
- 23 AIR/WATER SERVICE STATION
- 24 AUTOMATIC SLIDING GATE
- 25 MANUAL SLIDING GATE
- 26 UNDERGROUND WATER WASH DRAIN TANK
- 27 RO SKID
- 28 CHEMICAL DOSING SKID
- 29 CIP SKID
- 30 12'X12' CHEMICAL PAVILION
- 31 GSU FIREWALL
- 32 EMERGENCY SHUTDOWN SKID
- 33 CTG AREA SUMP
- 34 GSU TRANSFORMER
- 35 BUS DUCT
- 36 ANTI-ICING COIL MODULE
- 37 ANTI-ICING BLOWER

PRELIMINARY



A	01/25	PRELIMINARY - FOR BID	CF	JW	
	NO	DATE	DRAWN	CHKD	APP'D
NO		DATE	REVISION DESCRIPTION		

CHECKED
APPROVED
DATE

IEC Integrated Engineers & Contractors Corporation
8775 Folsom Blvd, Suite 110 Sacramento, CA 95826 Phone (916) 383-6000 Fax (916) 383-6010

PROJECT OWNER
CITY OF ROSEVILLE CALIFORNIA
Roseville Electric

PROJECT TITLE
ROSEVILLE
POWER PLANT #2 REPOWER
ROSEVILLE, CA

SHEET TITLE
TM2500 PLANT & SUBSTATION
GENERAL ARRANGEMENT
DRAWING NO. G1.1
SCALE: 1" = 20'-0" SHEET SIZE: ARCH-D

REV. A

CAPACITY: 80 GPM (2x100%)
DISCHARGE PRESSURE: 50 PSIG
MOTOR DUTY: 7.5 HP
POWER: 480V/3PH/60HZ



A	01/25	PRELIMINARY -- FOR BID					CF	JW
NO	DATE	REVISION DESCRIPTION					DRAWN	CHKD APP'D

DATE _____



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**CITY OF
ROSEVILLE
CALIFORNIA**

Roseville Electric

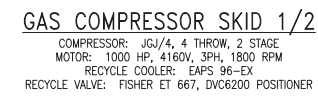
ROSEVILLE
POWER PLANT #2 REPOWER
ROSEVILLE, CA

P&ID
DEMIN. WATER

M3.2

SHEET SIZE: ARCH-D

A



A	01/25	PRELIMINARY -- FOR BID		CF	JW
NO	DATE	REVISION DESCRIPTION		DRAWN	CHKD APP'D

DATE _____

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**CITY OF
ROSEVILLE
CALIFORNIA**

Roseville Electric

ROSEVILLE
POWER PLANT #2 REPOWER
ROSEVILLE, CA

P&ID
FUEL GAS

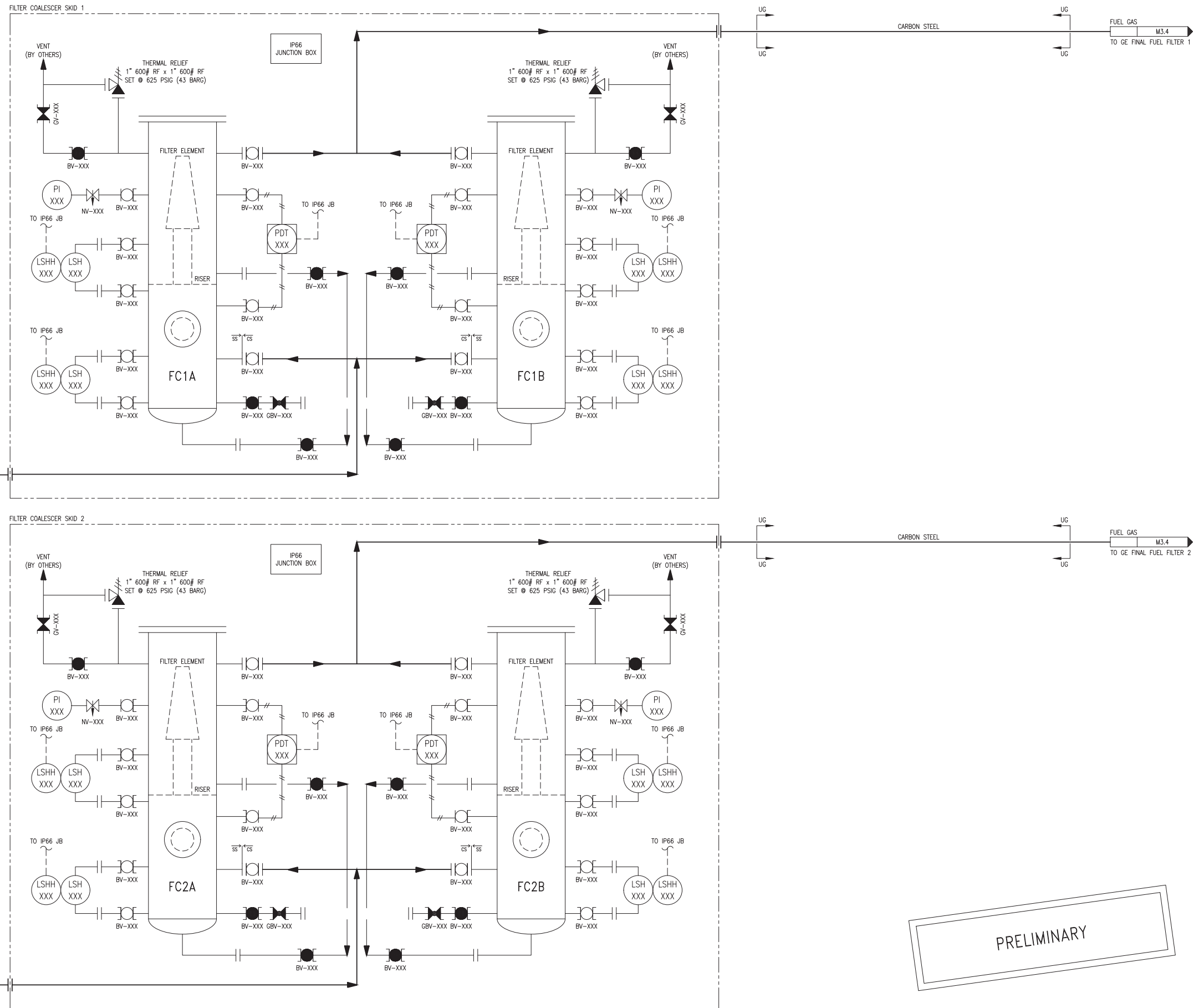
M3.3

REV.

SHEET SIZE: ARCH-D

FILTER COALESCER
VESSEL OD: 14" (355.60 MM)/ 2 ELEMENTS
MOC: 316/316L STAINLESS STEEL
EFFICIENCY: 99.9% FOR 0.3 MICRONS & LARGER
CODE STAMPED: YES PER ASME SEC. VIII, DIV. 1
DESIGN CONDITIONS: 1000 PSIG @ 350°F (69 BARG @ 177°C)
MDMT: -20°F (-29°C)/ CA: 0°

FILTER COALESCER
VESSEL OD: 14" (355.60 MM)/ 2 ELEMENTS
MOC: 316/316L STAINLESS STEEL
EFFICIENCY: 99.9% FOR 0.3 MICRONS & LARGER
CODE STAMPED: YES PER ASME SEC. VIII, DIV. 1
DESIGN CONDITIONS: 1000 PSIG @ 350°F (69 BARG @ 177°C)
MDMT: -20°F (-29°C)/ CA: 0"



PRELIMINARY

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APPROVED _____

DATE _____



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ROSEVILLE
POWER PLANT #2 REPOWER
ROSEVILLE, CA

SHEET TITLE		P&ID FUEL GAS FILTER COALESCING SKIDS	
DRAWING NO.		REV.	
M3.3.1		A	
SCALE: N.T.S.	SHEET SIZE: ARCH-D		

D

C

B

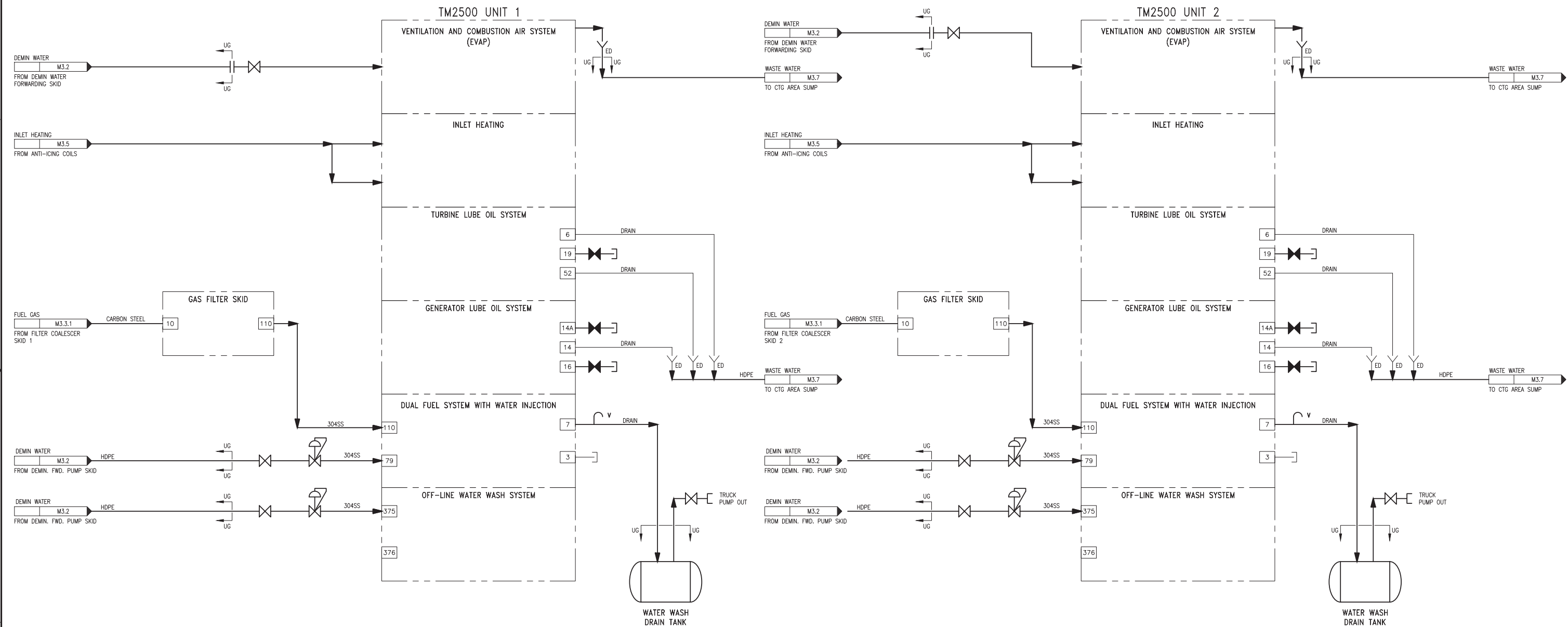
A

D

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A



PRELIMINARY

A	01/25	PRELIMINARY - FOR BID	CF	JW	
	NO	DATE	DRAWN	CHKD	APP'D
		REVISION DESCRIPTION			

CHECKED	
APPROVED	
DATE	



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PROJECT OWNER



PROJECT TITLE

ROSEVILLE
POWER PLANT #2 REPOWER
ROSEVILLE, CA

SHEET TITLE

P&ID
TM2500 TURBINE/GENERATOR PACKAGES

DRAWING NO.

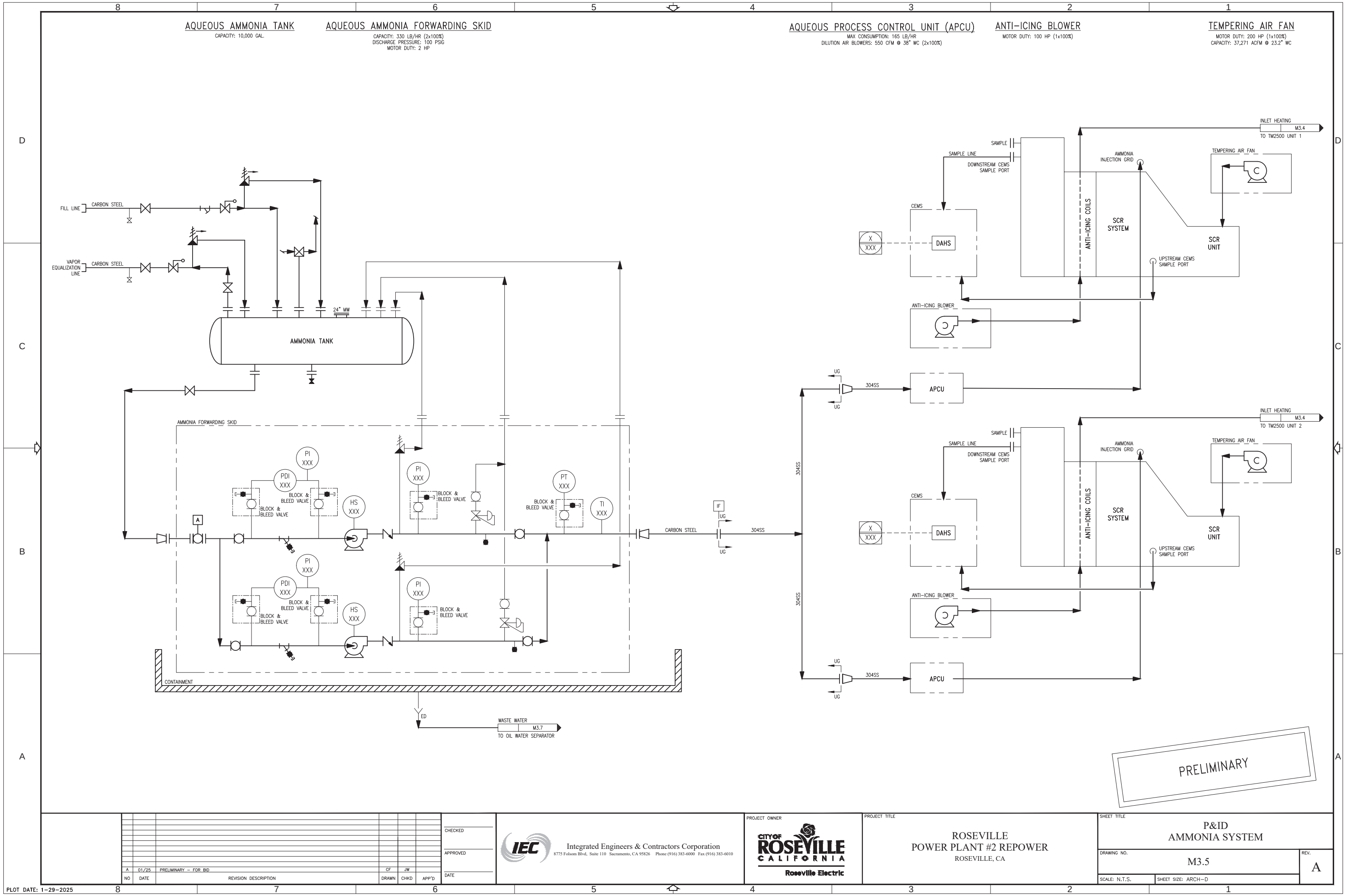
M3.4

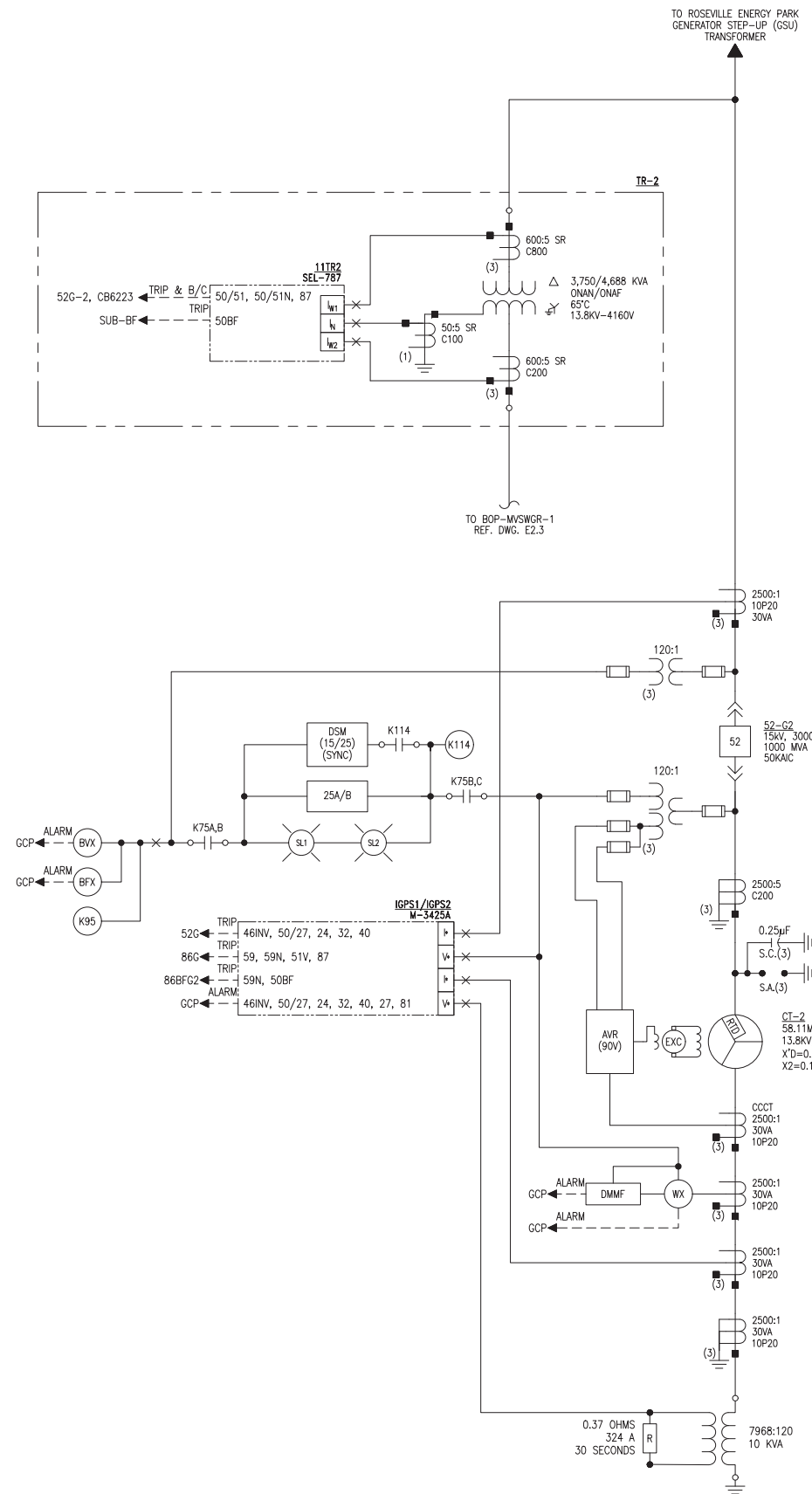
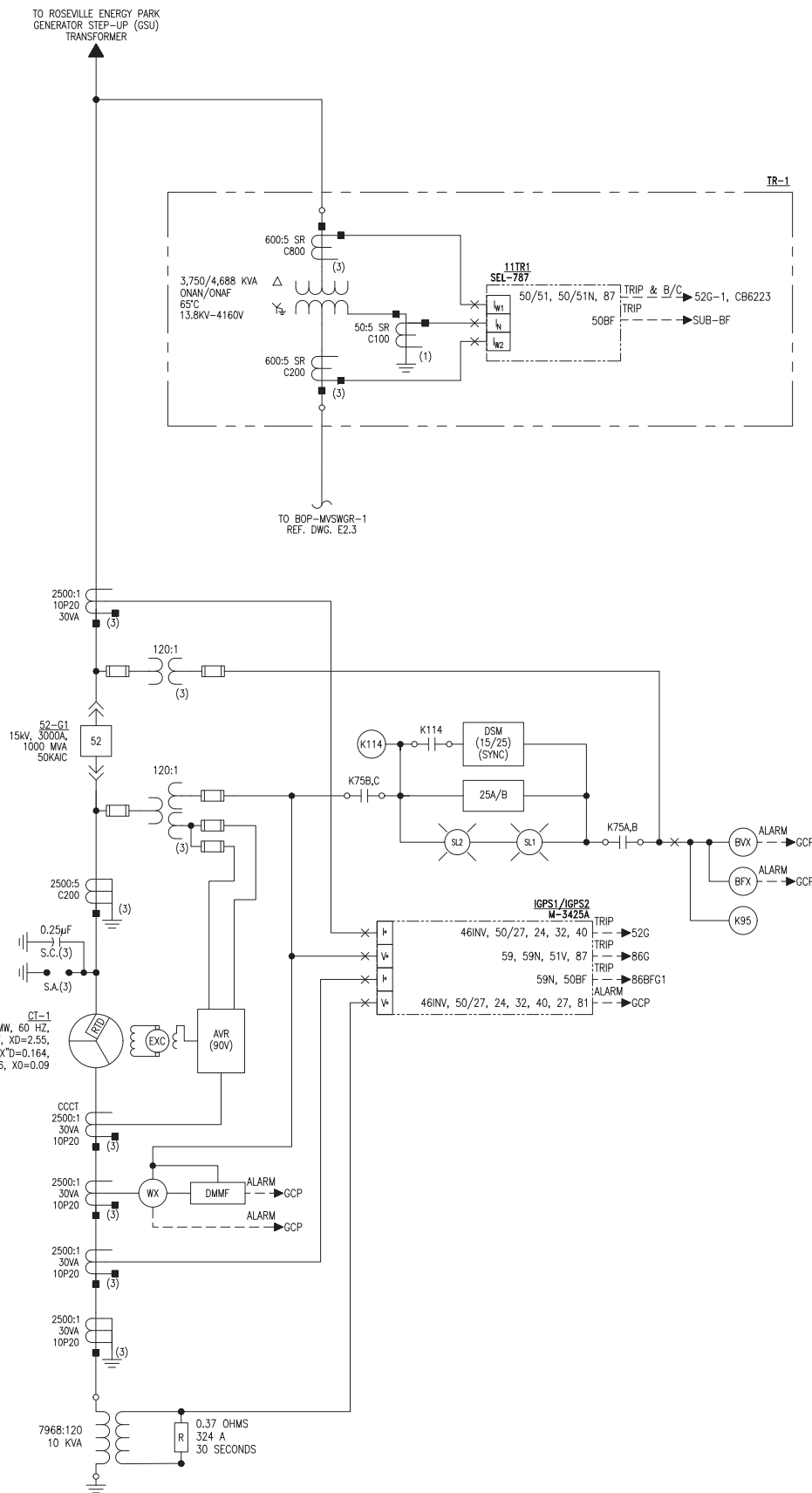
REV.

A

SCALE: N.T.S.

SHEET SIZE: ARCH-D





LEGEND

DEVICE	DESCRIPTION
11	MULTIFUNCTION DEVICE
11TR1	PROTECTION RELAY, TRANSFORMER 1
11TR2	PROTECTION RELAY, TRANSFORMER 2
15	SPEED – OR FREQUENCY, MATCHING DEVICE
24	VOLTZ PER HERTZ RELAY
25	SYNCHRONIZING OR SYNCHRONISM–CHECK DEVICE
27	UNDERVOLTAGE RELAY
32	DIRECTIONAL POWER RELAY OR REVERSE POWER RELAY
40	FIELD (OVER/UNDER EXCITATION) RELAY
46	REVERSE–PHASE OR PHASE–BALANCE CURRENT RELAY
46INW	INVERSE PHASE–BALANCE CURRENT RELAY
50	INSTANTANEOUS OVERCURRENT RELAY
50BF	BREAKER FAILURE INSTANTANEOUS OVERCURRENT RELAY
51	AC INVERSE TIME OVERCURRENT RELAY
51V	VOLTAGE CONTROLLED TIME OVERCURRENT RELAY
50/51N	NEUTRAL INSTANTANEOUS/TIME OVERCURRENT RELAY
52	AC CIRCUIT BREAKER
52G–1	MAIN BREAKER, GENERATOR 1
52G–2	MAIN BREAKER, GENERATOR 2
59	OVERVOLTAGE RELAY
59N	NEUTRAL OVERVOLTAGE RELAY
81	FREQUENCY RELAY
86	LOCKOUT RELAY
86G	GENERATOR LOCKOUT RELAY
86BFG1	BREAKER FAILURE GENERATOR LOCKOUT RELAY 1
86BFG2	BREAKER FAILURE GENERATOR LOCKOUT RELAY 2
87	DIFFERENTIAL PROTECTION RELAY
TR–1	TRANSFORMER 1
TR–2	TRANSFORMER 2
DSM	DIGITAL SYNCHRONIZING MODULE
GCP	GENERATOR CONTROL PANEL
AVR	AUTOMATIC VOLTAGE REGULATOR
DMWF	DIRECT MAGNETOMOTIVE FORCE
SL	SYNCHRONIZING LAMP
IGPS	INTEGRATED GENERATOR PROTECTION SYSTEM

PRELIMINARY

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APPROVED

DATE _____



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PROJECT OWNER



PROJECT TITLE

ROSEVILLE
POWER PLANT #2 REPOWER
ROSEVILLE, CA

	SHEET TITLE
--	-------------

GENERATOR SINGLE LINE DIAGRAM

DRAWING NO.

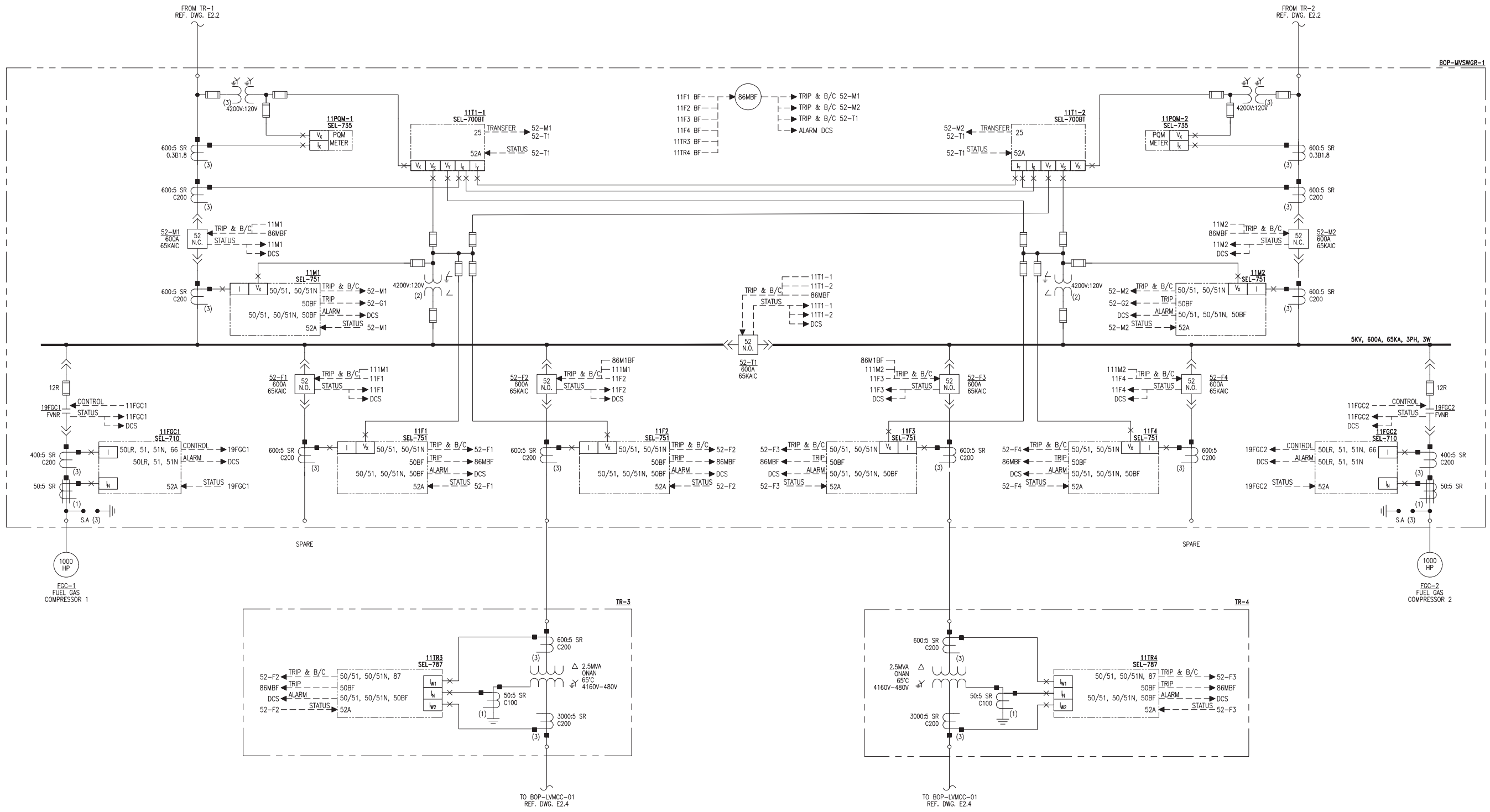
E2.2

A

SCALE: N.T.S.

SHEET SIZE: ARCH-D

PLOT DATE: 1-21-2025



PRELIMINARY

NO	DATE	REVISION DESCRIPTION	DRAWN	CHKD	APP'D
A	01/2025	PRELIMINARY - FOR BID			

CHECKED	
APPROVED	
DATE	

IEC Integrated Engineers & Contractors Corporation
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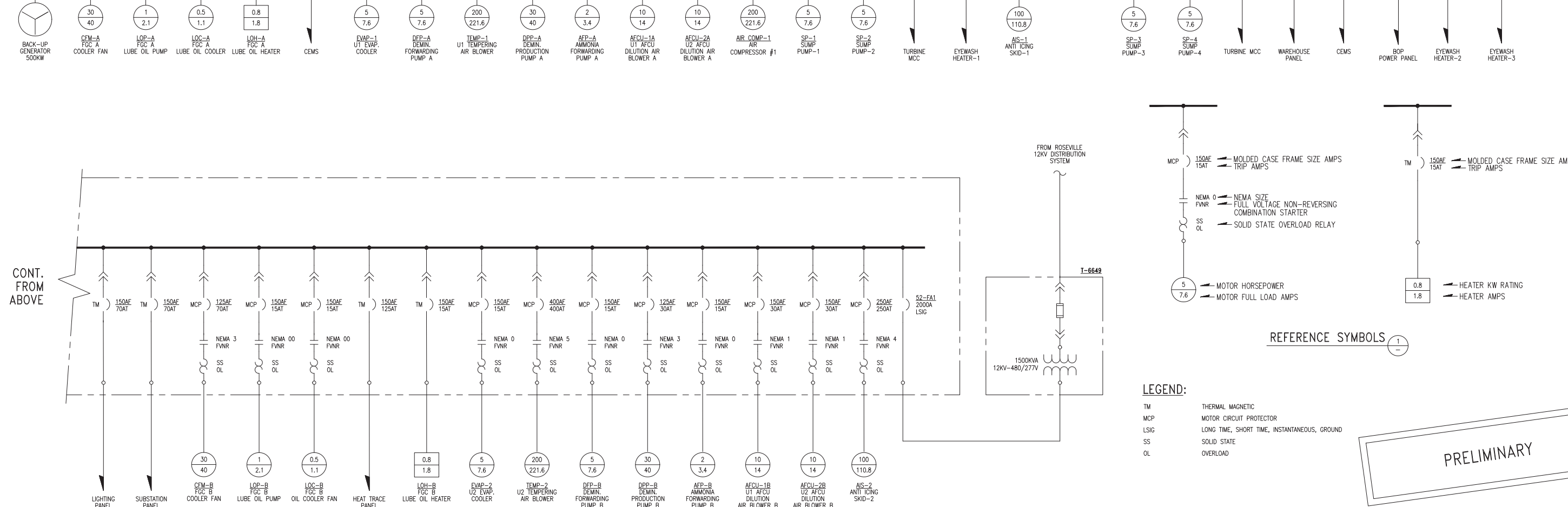
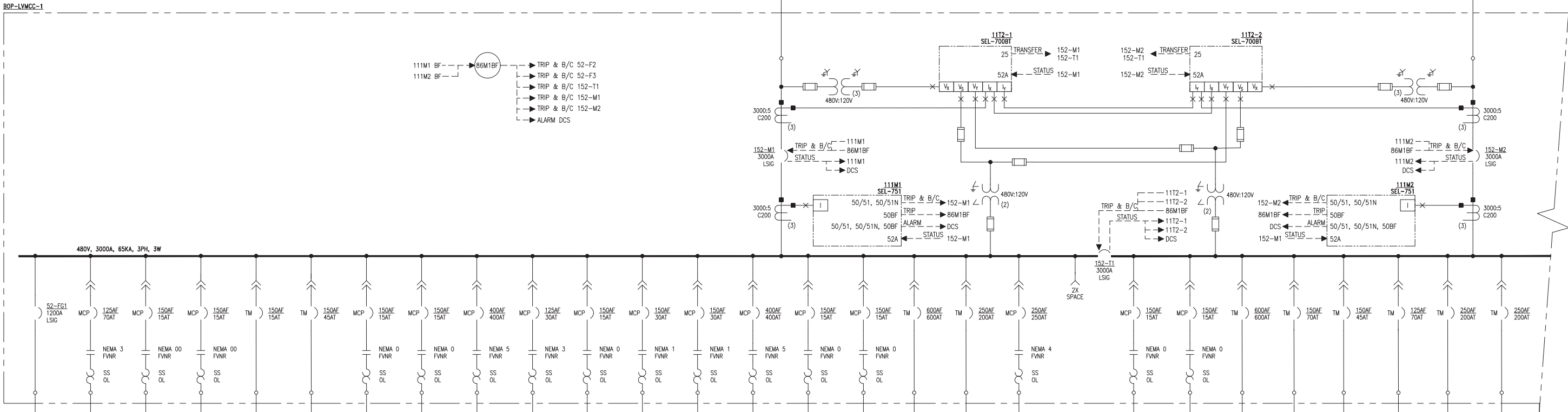
PROJECT OWNER
CITY OF ROSEVILLE CALIFORNIA
 Roseville Electric

PROJECT TITLE
 ROSEVILLE
 POWER PLANT #2 REPOWER
 ROSEVILLE, CA

SHEET TITLE
 SINGLE LINE DIAGRAM
 MEDIUM VOLTAGE

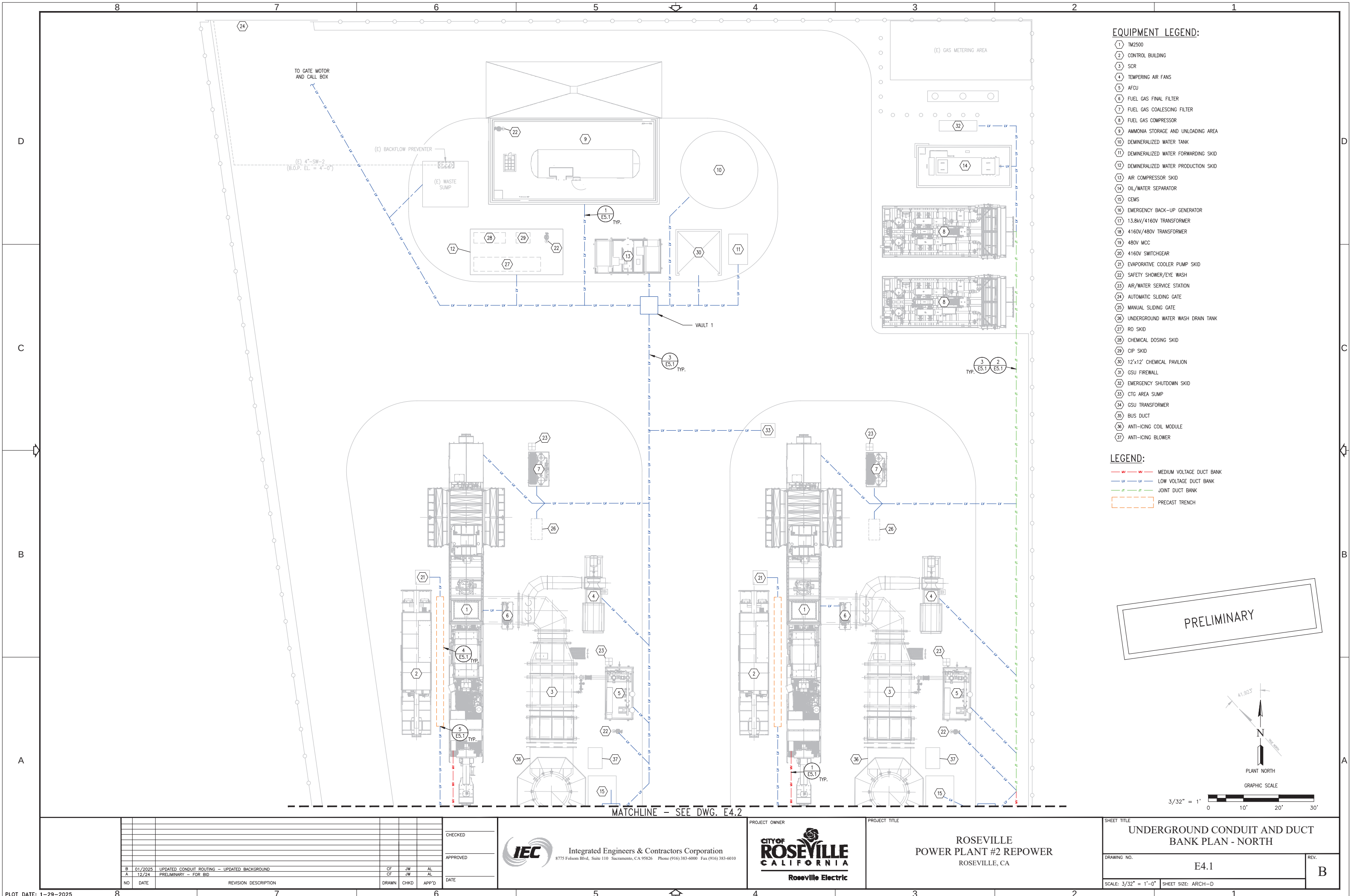
DRAWING NO. **E2.3** REV. **A**

SCALE: N.T.S. SHEET SIZE: ARCH-D



PLOT DATE: 1-28-2025				CHECKED				PROJECT OWNER				PROJECT TITLE				SHEET TITLE			
				APPROVED				CITY OF ROSEVILLE CALIFORNIA				ROSEVILLE POWER PLANT #2 REPOWER				SINGLE LINE DIAGRAM LOW VOLTAGE			
				DATE				Roseville Electric				ROSEVILLE, CA				DRAWING NO. E2.4			
				APP'D								SCALE: N.T.S.				SHEET SIZE: ARCH-D			
																REV. A			

PRELIMINARY



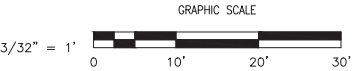
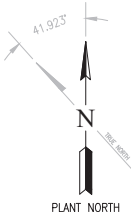
EQUIPMENT LEGEND:

- 1 TM2500
- 2 CONTROL BUILDING
- 3 SCR
- 4 TEMPERING AIR FANS
- 5 AFCU
- 6 FUEL GAS FINAL FILTER
- 7 FUEL GAS COALESCING FILTER
- 8 FUEL GAS COMPRESSOR
- 9 AMMONIA STORAGE AND UNLOADING AREA
- 10 DEMINERALIZED WATER TANK
- 11 DEMINERALIZED WATER FORWARDING SKID
- 12 DEMINERALIZED WATER PRODUCTION SKID
- 13 AIR COMPRESSOR SKID
- 14 OIL/WATER SEPARATOR
- 15 CEMS
- 16 EMERGENCY BACK-UP GENERATOR
- 17 13.8KV/4160V TRANSFORMER
- 18 4160V/480V TRANSFORMER
- 19 480V MCC
- 20 4160V SWITCHGEAR
- 21 EVAPORATIVE COOLER PUMP SKID
- 22 SAFETY SHOWER/EYE WASH
- 23 AIR/WATER SERVICE STATION
- 24 AUTOMATIC SLIDING GATE
- 25 MANUAL SLIDING GATE
- 26 UNDERGROUND WATER WASH DRAIN TANK
- 27 RO SKID
- 28 CHEMICAL DOSING SKID
- 29 CIP SKID
- 30 12'x12" CHEMICAL PAVILION
- 31 GSU FIREWALL
- 32 EMERGENCY SHUTDOWN SKID
- 33 CTG AREA SUMP
- 34 GSU TRANSFORMER
- 35 BUS DUCT
- 36 ANTI-ICING COIL MODULE
- 37 ANTI-ICING BLOWER

LEGEND:

- MEDIUM VOLTAGE DUCT BANK
- LOW VOLTAGE DUCT BANK
- JOINT DUCT BANK
- PRECAST TRENCH

PRELIMINARY



MATCHLINE - SEE DWG. E4.2

NO	DATE	REVISION DESCRIPTION	DRAWN	CHKD	APP'D
B	01/2025	UPDATED CONDUIT ROUTING - UPDATED BACKGROUND	CF	JW	AL
A	12/24	PRELIMINARY - FOR BID	CF	JW	AL

CHECKED

APPROVED

DATE



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8775 Folsom Blvd, Suite 110 Sacramento, CA 95826 Phone (916) 383-0000 Fax (916) 383-0010

PROJECT OWNER

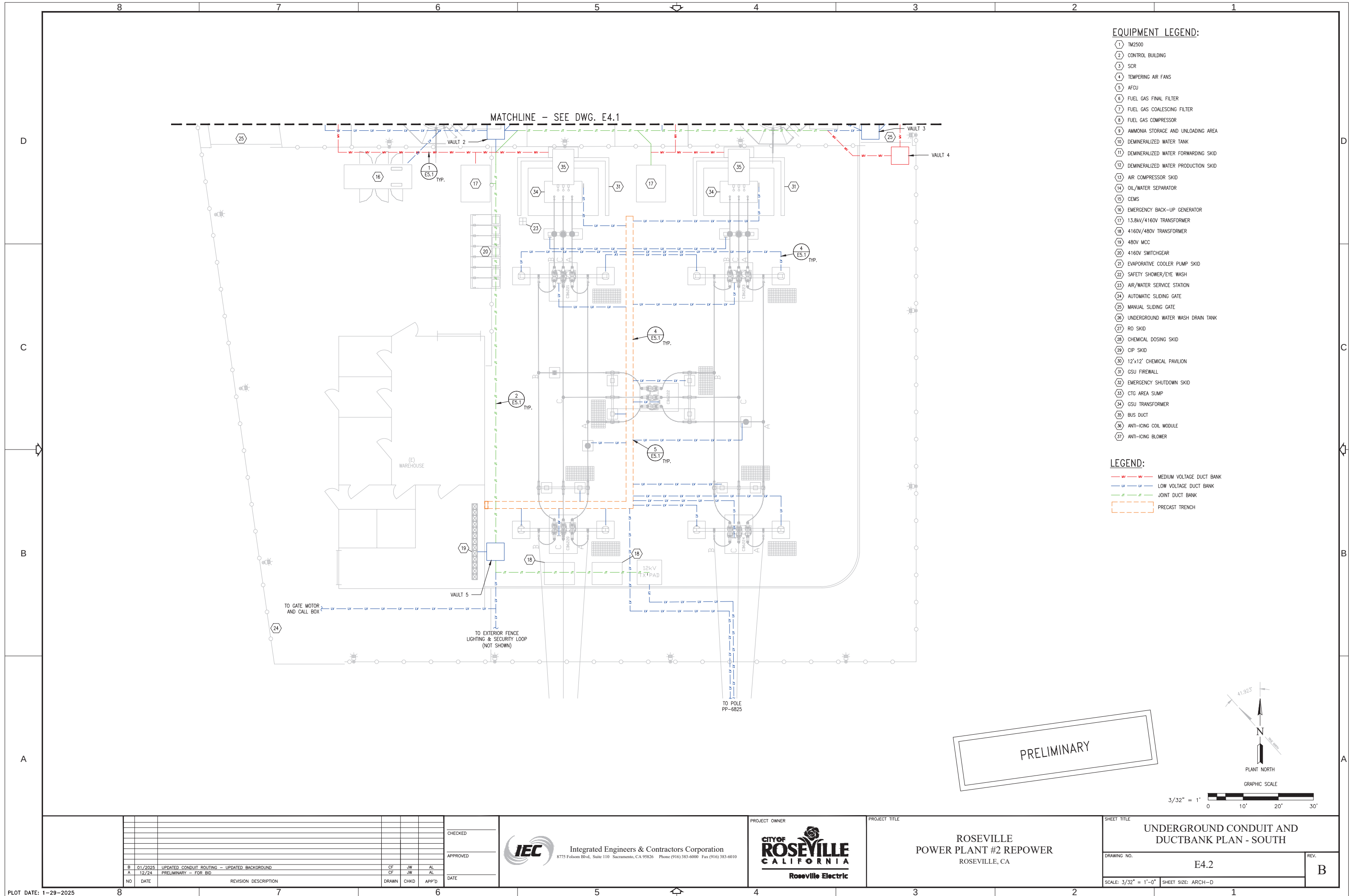


CITY OF ROSEVILLE CALIFORNIA
Roseville Electric

PROJECT TITLE

ROSEVILLE POWER PLANT #2 REPOWER
ROSEVILLE, CA

SHEET TITLE		REV. B
UNDERGROUND CONDUIT AND DUCT BANK PLAN - NORTH		
DRAWING NO. E4.1		
SCALE: 3/32" = 1'-0"		SHEET SIZE: ARCH-D



D

C

B

A

D

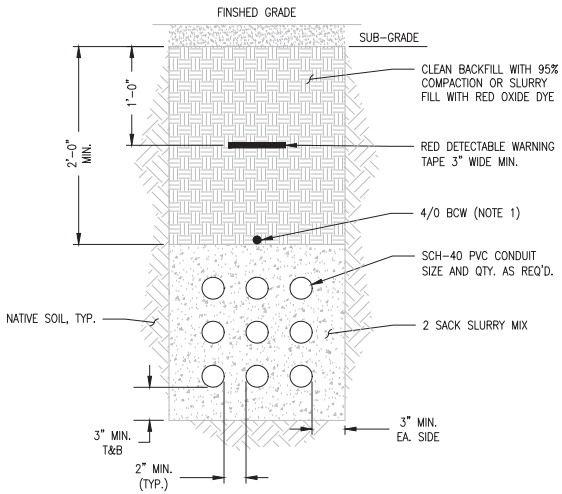
C

B

A

NOTES:

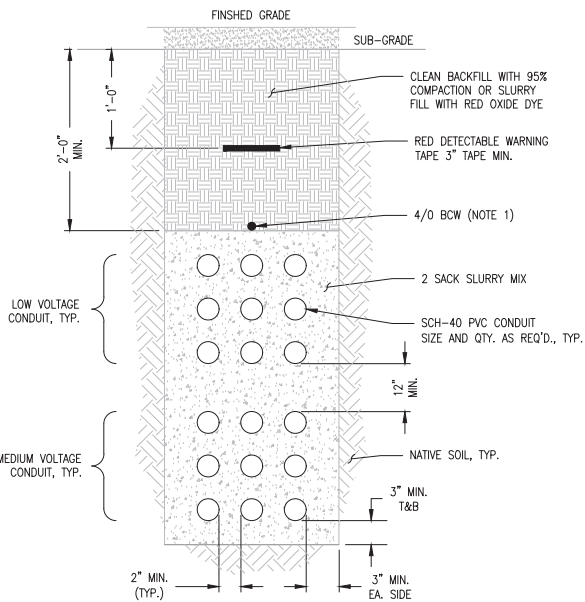
1. GROUND CABLE TO BE INCLUDED IN MAIN DUCT BANK SECTIONS ONLY. INDIVIDUAL CONDUIT ROUTED TO EQUIPMENT WILL HAVE EGC ONLY.



TYPICAL DUCT BANK DETAIL

SCALE: N.T.S.

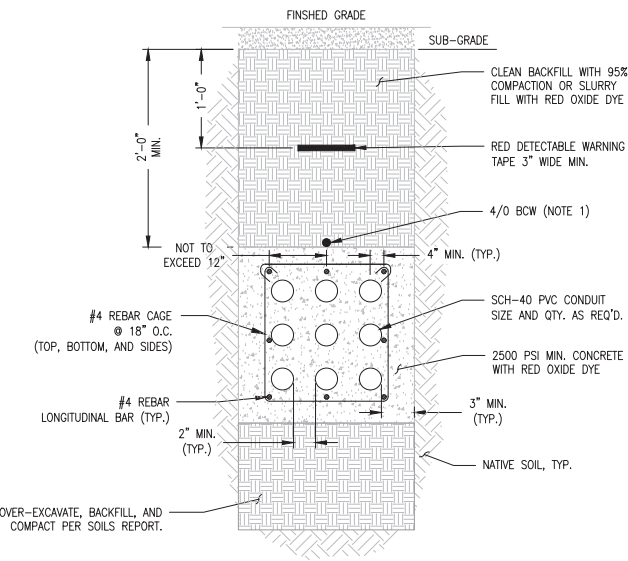
1



TYPICAL JOINT TRENCH DETAIL

SCALE: N.T.S.

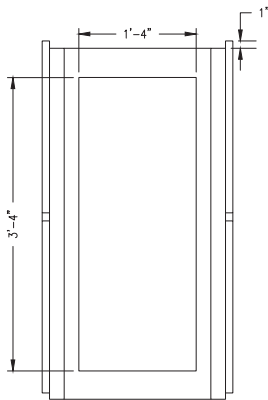
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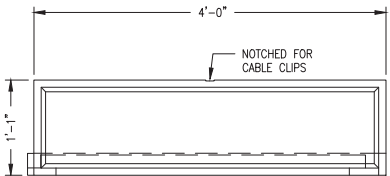
TYPICAL DUCT BANK REINFORCEMENT UNDER TRAFFIC AREA

SCALE: N.T.S.

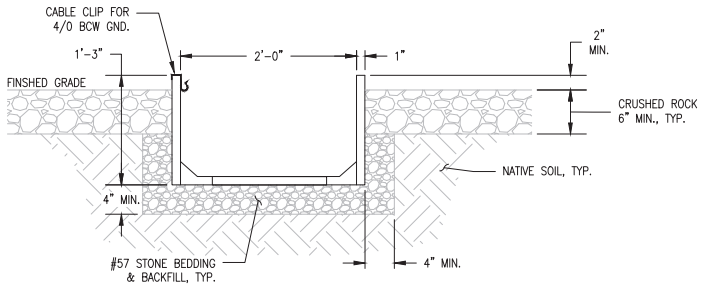
3



PLAN VIEW



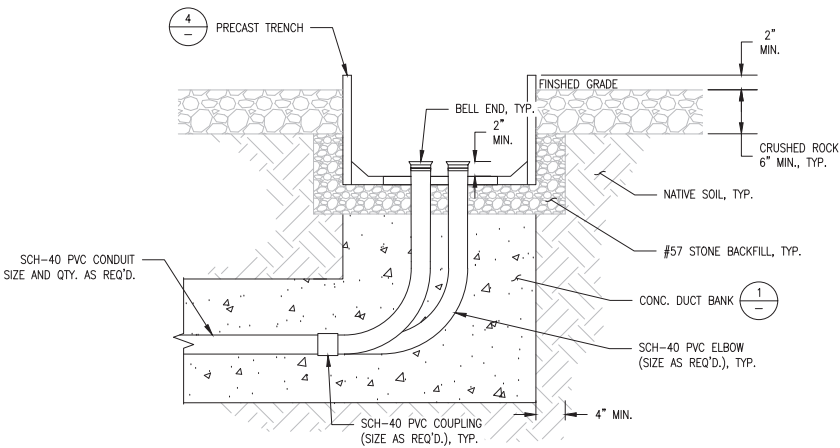
SIDE VIEW



TYP. PRECAST TRENCH DETAIL

SCALE: N.T.S.

4



TYP. PRECAST TRENCH STUB-UP DETAIL

SCALE: N.T.S.

5

- NOTES:
1. FOLLOW ALL MFR. INSTALLATION GUIDELINES.
2. REF. SOILS REPORT FOR DRAINAGE AND COMPACTION REQUIREMENTS.
3. TRENCH COVERS NOT SHOWN FOR CLARITY

- NOTES:
1. FOLLOW ALL MFR. INSTALLATION GUIDELINES.
2. REF. SOILS REPORT FOR DRAINAGE AND COMPACTION REQUIREMENTS.
3. TRENCH COVERS NOT SHOWN FOR CLARITY

NO	DATE	REVISION DESCRIPTION	DRAWN	CHKD	APP'D
B	01/2025	GENERAL REVISIONS	CF	GGO	AL
A	12/27/24	PRELIMINARY - FOR BID	CF	MM	AL

CHECKED

APPROVED

DATE



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8775 Folsom Blvd, Suite 110 Sacramento, CA 95826 Phone (916) 383-0000 Fax (916) 383-6010

PROJECT OWNER



PROJECT TITLE

ROSEVILLE
POWER PLANT #2 REPOWER
ROSEVILLE, CA

SHEET TITLE

UNDERGROUND CONDUIT
AND PRE-CAST TRENCH
DETAILS

DRAWING NO.

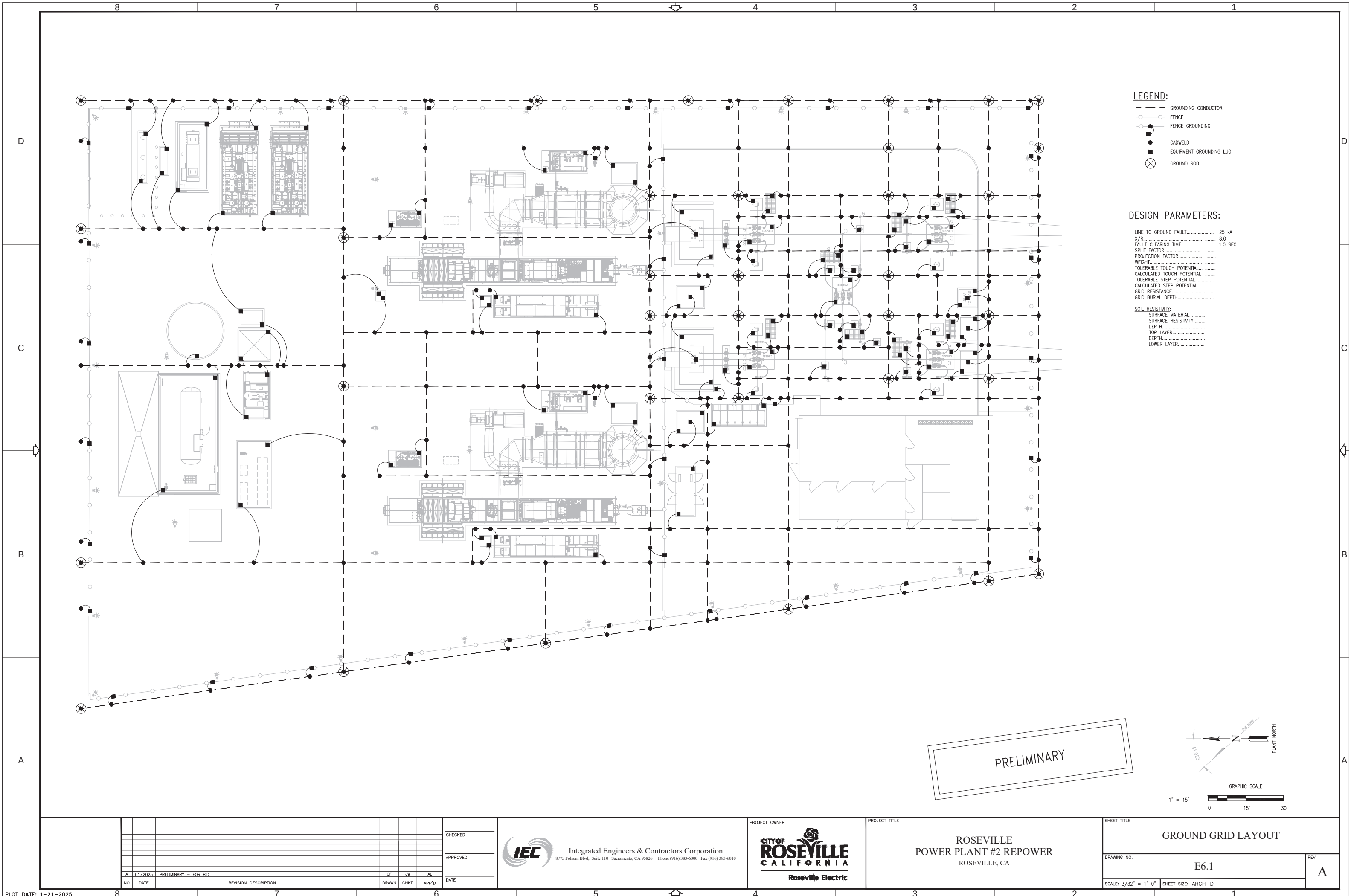
E5.1

REV.

B

SCALE: N.T.S.

SHEET SIZE: ARCH-D



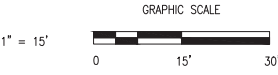
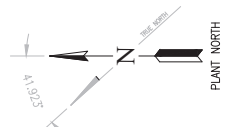
LEGEND:

- GROUNDING CONDUCTOR
- FENCE
- FENCE GROUNDING
- CADWELD
- EQUIPMENT GROUNDING LUG
- ⊗ GROUND ROD

DESIGN PARAMETERS:

LINE TO GROUND FAULT..... 25 kA
X/R..... 8.0
FAULT CLEARING TIME..... 1.0 SEC
SPLIT FACTOR.....
PROJECTION FACTOR.....
WEIGHT.....
TOLERABLE TOUCH POTENTIAL.....
CALCULATED TOUCH POTENTIAL.....
TOLERABLE STEP POTENTIAL.....
CALCULATED STEP POTENTIAL.....
GRID RESISTANCE.....
GRID BURIAL DEPTH.....
SOIL RESISTIVITY:
SURFACE MATERIAL.....
SURFACE RESISTIVITY.....
DEPTH.....
TOP LAYER.....
DEPTH.....
LOWER LAYER.....

PRELIMINARY



NO	DATE	REVISION DESCRIPTION	DRAWN	CHKD	APP'D
A	01/2025	PRELIMINARY -- FOR BID	CF	JW	AL

CHECKED
APPROVED
DATE

IEC Integrated Engineers & Contractors Corporation
8775 Folsom Blvd, Suite 110 Sacramento, CA 95826 Phone (916) 383-6000 Fax (916) 383-6010

PROJECT OWNER
CITY OF ROSEVILLE CALIFORNIA
Roseville Electric

PROJECT TITLE
ROSEVILLE
POWER PLANT #2 REPOWER
ROSEVILLE, CA

SHEET TITLE
GROUND GRID LAYOUT

DRAWING NO. E6.1

SCALE: 3/32" = 1'-0" SHEET SIZE: ARCH-D

REV. A

3. Submittals and Deliverables



Shaping the Future of Energy™

3. Submittals and Deliverables

3a. Equipment Specifications

Immediately after contract execution, IEC will prioritize finalizing equipment specifications for all major components, with a particular focus on long-lead items. The finalized specifications will cover the following equipment and systems:

- 480V MCC
- 4.16kV Switchgear
- 13.8kV:4160V Transformers
- 4160V:480V Transformers
- Demineralized Water Treatment Plant
- Ammonia Storage Tank
- Ammonia Forwarding Skid
- Oil/water separator

3b. Detailed Design Deliverables

Upon contract execution, IEC will also promptly commence detailed engineering, delivering a comprehensive design package that encompasses all required studies, calculations, drawings, and documentation. The design will be systematically submitted to Roseville for review and feedback at 30%, 60%, 90% and Issued for Construction (IFC) milestones. A detailed breakdown of the specific drawings and documents included at each stage can be found in **Table D-1**.

SECTION OUTLINE	
1.	Preliminary Engineering
2.	Design Drawings
3.	Submittals and Deliverables
4.	Project Design Narrative (Mechanical)
5.	Project Design Narrative (Electrical)
6.	Project Design Narrative (Control System)
7.	Key Issues
8.	Frame 5 Gen Set Resale

Table D-1
Design Submittals

		30%	60%	90%	IFC
Studies and Calculations					
	Geotechnical Report	✓	-	-	-
	Site Survey	✓	-	-	-
	Structural Steel Design		✓	-	-
	Civil Design		✓	-	-

	30%	60%	90%	IFC
Electrical Loading Calculations			✓	-
Arc Flash Study			✓	-
Protection and Relay Coordination Study			✓	-
Ground Grid Design using FEA			✓	-
Insulation Coordination Study			✓	-
Site Lighting Design			✓	-
Fire Protection Calculations			✓	-
Piping Stress Analysis			✓	-
Pressure drop calculations			✓	-
Valve sizing calculations			✓	-
Drawing Package				
<u>Civil</u>				
Plot Plan		✓	-	-
Grading and Drainage Plan		✓	-	-
Roads and Paving Plan		✓	-	-
Foundation Plan		✓	-	-
Roads and Paving Details			✓	-
Foundation Details			✓	-
<u>Mechanical</u>				
General Arrangement	✓	-	-	-
Water Balance	✓	-	-	-
Process and Instrumentation Diagrams (P&ID)	✓	-	-	-
Piping Layout		✓	-	-
Isometric Piping Drawings			✓	-
Pipe support details			✓	-
Hazardous Area Classification Drawings			✓	-
Lifting Drawings				✓
<u>Electrical</u>				
Single line diagrams	✓	-	-	-
Conduit and Ductbank layout		✓	-	-
Lighting Plan		✓	-	-
Schematic Diagrams for all equipment			✓	-
3-line diagrams for all equipment			✓	-
Wiring Diagrams for all equipment			✓	-
Conduit and Ductbank details			✓	-
Cable and Conduit Schedules			✓	-
Interconnection diagrams			✓	-
Ground Grid Layout			✓	-
Electrical Details			✓	-

		30%	60%	90%	IFC
<u>Controls</u>					
	Network Schematic			✓	-
	Loop diagrams			✓	-
<u>Fire Protection</u>					
	Sprinkler System Design			✓	-
<u>Datasheets</u>					
	Valves		✓	-	-
	Pumps		✓	-	-
	Relief valves		✓	-	-
	Storage tanks		✓	-	-
	Instrumentation		✓	-	-
	Packaged mechanical equipment		✓	-	-
Design Documentation					
	Piping line list		✓	-	-
	Electrical Load list		✓	-	-
	Tie-in list		✓	-	-
	Piping Material Specification		✓	-	-
	I/O list			✓	-
	System Descriptions			✓	-
	Equipment list			✓	-
	Valve list			✓	-
	Instrumentation list			✓	-
	Material Take Off (MTO)				✓
Procedures					
	Flushing Procedures				✓
	Pressure Testing Procedures				✓
Pre-construction documentation					
	SWPPP				✓
	Construction Schedule				✓

3c. Construction Submittals

During construction, IEC will provide the following documentation to Roseville as needed.

- 1) Progress Reporting
 - a) Weekly look-ahead report
 - b) Updated Schedules
- 2) QA/QC, Inspection, and Testing
 - a) Civil Inspection and Test Certificates

- b) Electrical Installation Certificates
 - c) Electrical Inspection and Test Procedures
 - d) Fire Water Test Certificates
 - e) Non-Destructive Examination (NDE) Reports/Records
 - f) Pressure Testing Results/Report
 - g) Code required test records
 - h) Factory Acceptance Test
 - i) Certified Test Reports
 - j) Commissioning and performance records
 - k) Weld Procedure Specifications (WPS)
 - l) Weld Procedure Qualification Records (WPQR)
 - m) Welder Qualification Certificates
- 3) Construction Documentation
- a) Shop fabrication drawings

3d. Post Construction Submittals

Upon project completion, IEC will compile all documents in the sections above and provide a complete turnover package. In addition to the design package and construction documentation, all O&M documentation will be provided, including:

- 1) O&M Manuals
- 2) Lube Oil, Fluids, and Utility Requirements
- 3) SPCC Plan
- 4) HMBP
- 5) Material Safety Data Sheets (MSDS)
- 6) Spare Parts List
- 7) Sound Propagation Study

4. Project Design Narrative (Mechanical)



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4. Project Design Narrative (Mechanical)

4a. Site Demolition

Understanding. IEC will demolish and dispose of existing equipment, foundations, and above/below ground facilities. The site will be returned to dirt in preparation for rebuilding. Underground facilities will be abandoned in place if they do not interfere with the new installation. IEC will comply with all local, state, and federal requirements for equipment and material disposal. Items listed in RFP (Section 2.2 of Attachment I) will not be demolition.

See Tab D, Section 8 for description of the Frame 5 Gen Set resale summary analysis.

Unique approaches/advantages. IEC has included testing of material for lead and asbestos prior to demolition.

Key Assumptions

- i. *IEC has included testing of material for lead and asbestos prior to demolition. IEC is assuming no hazardous material is discovered and has not included hazardous material remediation or handling.*

4b. TM2500 Transportation, Installation, and Conversion

Understanding. The TM2500 units and associated equipment provided by Roseville Electric will be transported by others to the laydown yard at Roseville Energy Park (5120 Phillip Rd). IEC will transport the units and associated equipment from Roseville Energy Park to RPP2 for reinstallation. IEC will provide all labor, tooling, and materials to provide a permanent installation for the TM2500's at RPP2

Proposed Design. Due to the unique design of the TM2500's, IEC will contract with GE to provide all specialty tooling and labor required to convert the TM2500 into a permanent installation including seismic upgrades, alignment, checkout, startup, and commissioning.

SECTION OUTLINE
1. Preliminary Engineering
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IEC will install the TM2500 foundations and provide additional onsite labor to GE to install the TM2500 seismic conversion kit. This kit will provide the necessary modifications for permanent installation in accordance with the California Building Code seismic requirements.

The GE TM2500 conversion kit is shown in the Cost Proposal as a separate line item for clarity and transparency, as the RFP and addendums did not formally include this in the scope of work. It was only discussed on the job walk.

Key Assumptions

- i. *IEC will provide lube oil flushing prior to startup. An onsite particle counter will be provided by the lube oil flushing contractor to determine adequate flushing. Third party oil testing is not included.*
- ii. *It is assumed that the TM2500, SCR, and related equipment will be clearly marked, tagged, and staged in the rocked lot on 4x4 dunnage. The equipment will be grouped together by unit with lifting eyes facing upwards and structural steel easily accessible. It is assumed that no improvements to existing access roads, or entry roads will be required.*

4c. TM2500 Anti-Icing

Understanding. IEC will supply anti-icing systems for both TM2500 units. Gas turbine icing conditions are generally encountered at ambient temperatures less than 40°F and relative humidity greater than 65%. (Please note that operators will typically refrain from operations below 45°F without an anti-icing system, regardless of humidity). Operating a unit in icing conditions can lead to ice formation in the intake system and can lead to unintended shutdowns or damage to the compressor. The units can only safely and reliably operate below 45°F if an anti-icing inlet heating system is provided.

Proposed Design. The SISU Freeheat inlet heating system will be provided for each turbine to protect against icing conditions with maximum efficiency and minimum upfront cost. The Freeheat system consists of one (1) blower, one (1) exhaust coil duct, two (2) spargers, and interconnecting air piping. The system takes ambient air and blows it through the exhaust coil duct. The heated air is then distributed over the face of the inlet filters using the spargers to raise the inlet temperature in accordance with GE guidelines.

The SISU Freeheat system is simple, reliable, efficient, and easy to integrate with the existing exhaust system, inlet filterhouse, and the new evaporative coolers. The exhaust coil module will be installed downstream of the SCR duct, reducing pressure loss and effects on the flow distribution. The exhaust coil duct section will also be provided with a manhole to help with access to the SCR.

Key Assumptions

- i. *IEC has assumed that the existing SCR and CO system will not need to be reanalyzed because we are placing the exhaust coil duct downstream of the SCR.*

4d. TM2500 Evaporative Cooling

Understanding. Evaporative coolers will be provided and installed by IEC for each TM2500 unit.

Proposed Design. IEC will provide and install GE Evaporative coolers to match the evaporative coolers purchased for RPEAK. IEC/GE will provide all necessary modifications needed to integrate the evaporative coolers into the TM2500 Woodward control system. Additionally, GE will be contracted to supervise installation, startup, and commissioning for the evaporative coolers.

Please note that other inlet cooling options are available for the TM2500 turbines that may be cheaper; however, IEC will be providing the GE Evaporative Coolers to match the units at RPEAK as requested in the RFP.

Key Assumptions

- i. GE Evaporative Coolers will be provided.
- ii. IEC will use 100% Demin water for evaporative cooler makeup water.

4e. TM2500 Performance and Operating Limitations

Understanding. Two (2) TM2500+G4 units will be provided by Roseville Electric for installation at RPP2. IEC will reuse the existing GSU transformers. All bus duct and 13.8kV equipment will be sized for full generator output capacity.

Proposed Design. IEC prepared a thermal model to predict the estimated performance and operating parameters of the TM2500 units at full capability at the RPP2 site. **Table D-2** summarizes the results.

Table D-2
TM2500 Performance at Full Capacity

2 Units – 100% Load						
Operating Conditions						
Ambient Temp	20	40	59	80	100	102
CT 5 Load, %	100%	100%	100%	100%	100%	100%
CT 5 Evap Status	Off	Off	Off	On	On	On
CT 6 Load, %	100%	100%	100%	100%	100%	100%
CT 6 Evap Status	Off	Off	Off	On	On	On
Power Output						
CT 5 Net Output, kW	37,553	36,986	36,120	35,564	32,873	32,574

CT 6 Net Output, kW	37,553	36,986	36,120	35,564	32,873	32,574
Plant Net Output, kW	75,107	73,973	72,240	71,129	65,745	65,149
Heat Rate						
CT 5 Net Heat Rate (HHV), Btu/kwh	10,556	10,576	10,502	10,504	10,646	10,650
CT 6 Net Heat Rate (HHV), Btu/kwh	10,556	10,576	10,502	10,504	10,646	10,650
Plant Net Heat Rate (HHV), Btu/kwh	10,556	10,576	10,502	10,504	10,646	10,650

As shown in the table, the units can provide up to an estimated **37.5 MW each at 20°F**. However, operations will be limited by the existing GSU transformers. As shown in **Figure 2**, the existing GSU transformers are only rated up to 32.1MVA or 28.9MW @ 0.9PF. To operate within the limits of the GSU, the TM2500 units will need to be operated at or below **28.9 MW**.

2. ** MAIN TRANSFORMER # 2 RATING
17.2/22.93/28.65 MVA @ 55°C RISE
19.26/25.68/32.10 MVA @ 65°C RISE
OA/FA/FA
13.4-63/61.5/60/58.5/55KV
BIL. WDG. H.V. - 350KV H.V. NEUT. - 350KV
LV-110KV-Z = 7% ± 7 1/2%(17.2 MVA BASE)
MFR.: H.K. PORTER

Figure 1: RPP2 Existing GSU Transformer Ratings

To predict gas turbine performance with the existing GSU transformers, IEC performed a second run with CTG's limited to **28.9 MW**. **Table D-3** summarizes the performance.

Table D-3
TM2500 Performance at Transformer Capacity

2 Units – Limited to 28.9 MW						
Operating Conditions						
Ambient Temp	20	40	59	80	100	102
CT 5 Load, %	77%	78%	80%	81%	88%	89%
CT 5 Evap Status	Off	Off	Off	On	On	On
CT 6 Load, %	77%	78%	80%	81%	88%	89%
CT 6 Evap Status	Off	Off	Off	On	On	On
Power Output						
CT 5 Net Output, kW	28,900	28,900	28,900	28,900	28,900	28,900

CT 6 Net Output, kW	28,900	28,900	28,900	28,900	28,900	28,900
Plant Net Output, kW	57,800	57,800	57,800	57,800	57,800	57,800
Heat Rate						
CT 5 Net Heat Rate (HHV), Btu/kwh	11,009	10,990	10,858	10,834	10,833	10,819
CT 6 Net Heat Rate (HHV), Btu/kwh	11,009	10,990	10,858	10,834	10,833	10,819
Plant Net Heat Rate (HHV), Btu/kwh	11,009	10,990	10,858	10,834	10,833	10,819

As shown in Table D-3, the units will need to operate between 77% and 89% load with a heat rate between 11,009 and 10,819 Btu/kwh depending on ambient temperature.

Key Assumptions

- i. IEC will design all components rated for full load output of the TM2500's
- ii. Performance testing or performance guarantees are not required for the contract.

4f. Exhaust Stack and SCR

Understanding. The exhaust stack, exhaust duct, SCR, and tempering air fan will be provided by Roseville Electric. IEC will transport and reinstall these components at RPP2 in accordance with the installation manual provided by REU.

Proposed Design. IEC will reuse the existing ductwork, stack, and SCR. IEC is assuming that the Cormetech SCR provided by Roseville is adequate for the new installation and will not need to be replaced. IEC will also reuse the existing CEMS umbilical and probe. Cemtek (the CEMS OEM) will supervise the umbilical reinstallation and perform the terminations to ensure proper installation.

Key Assumptions

- i. The exhaust duct, stack and SCR will not require modifications or re-engineering
- ii. IEC will procure and install new bolting and gaskets for the exhaust duct reinstallation
- iii. IEC will reuse the umbilical and exhaust stack probe

4g. Fuel Gas System

Understanding. IEC will design, procure, and construct equipment for the permanent installation of the fuel gas system for the TM2500's. The PG&E fuel gas yard will remain in place during demolition, and IEC will tie-in outside the fuel gas yard. IEC will also perform the removal of the PG&E pressure reducing valve in coordination with PG&E.

The following fuel gas skids will be provided as a part of the Greenleaf purchase: one (1) Emergency Shutdown Skid (ESV Skid) and two (2) Coalescing Filter Skids. The TM2500 units will also come with an additional Final Filter skid. IEC will provide all remaining equipment, material, and labor necessary.

Proposed Design. IEC's preliminary design is outlined in drawing **M3.3 – Fuel Gas P&ID**. The key design is the fuel gas compression area, which consists of two (2) Compass Fuel Gas Compressors.

The fuel gas compressors consist of an Ariel JGJ/4, 2 stage, 4 throw compressors driven by a 1000 BHP Hyundai motor. The compressor packages are designed for a suction pressure of 100-480 psig and a discharge pressure of up to 540 psig. The required flow for each compressor is 16,800 lb/hr. Air cooling will be provided with each compressor to maintain a discharge temperature of 70-135 degrees F. It is assumed that fuel gas heaters will not be required, based on knowledge of operations at RPEAK and the clean composition of the pipeline gas.



Figure 2: Compass Fuel Gas Compressor

From the compressors, the fuel gas is split and sent to each coalescing filter skid before being routed to the TM2500 fuel gas skid. The fuel gas skid is connected to the package with a GE provided flexible connection. A full flow bypass will be provided around the compressors.

Unique approaches/advantages. IEC is currently under contract to provide the gas compression system for the RPEAK facility, which also consists of two (2) TM2500's fueled by pipeline gas. IEC will provide the exact same design and equipment at RPP2 as RPEAK. The first reason this is beneficial for the City of Roseville is that the design, equipment, and schedule of the gas compressors is known at the award of the contract. IEC, Compass, and Roseville Engineers have already coordinated on the design of the compressor packages, so IEC can expedite engineering in the gas compressor procurement process. The second reason this is beneficial is that the equipment and design will be the exact same between the two plants. Therefore, operators of RPEAK and RPP2 will not need to become familiar with two different systems, and spare parts can easily be shared between the facilities.

Key Assumptions

- i. Assume gas chromatograph, flow meter, and fuel gas heaters will not be required
- ii. Roseville Electric will want the same RPP2 Gas Compressor upgrades as the ones requested for RPEAK

4h. Demin Water System

Understanding. IEC will provide a new demineralized water production, storage, and forwarding system. The demineralized water production skid and storage tank will be upsized from the current RPP2 configuration to accommodate evaporative cooling, water injection for NOx control, and the turbine water wash system. The system will be sized for 75 gal/min and the tank will be sized for a 12-hour storage duration. IEC will provide all equipment, material, and labor necessary.

Proposed Design. IEC's preliminary design is outlined in drawing **M3.2 – Demin Water P&ID**. The water treatment system is composed of reverse osmosis filters with clean-in-place capabilities and continuous electronic deionization in place of resin tanks to reduce long term maintenance costs. The projected recovery is 75% for the RO stage and 90% for the CEDI stage. Reject water is expected to be safe for direct discharge to the regional sewer system. The water treatment plant will produce water compliant with GE's demineralized water requirements in *MID-TD-0000-3* for water injection for NOx control.

A new demineralized water storage tank will be constructed. With a minimum operating capacity of 52,000-gallons, the tank can supply a minimum of 75 GPM for 12 hours in the event of maintenance or loss of water source. The tank is designed in accordance with Roseville Electric Technical Specification *ROSE-1-SP-191101*.

An upgraded new demineralized water forwarding pump will be provided. An existing demineralized forwarding pump skid will be provided from REU as part of the Greenleaf package; however, this skid is undersized for the requirements of the RPP2 repower.

Unique approaches/advantages. The existing demin water building will be reused to reduce overall project cost. The new water treatment skids have been sized and will fit in the existing building with room for operation and maintenance.

4i. Ammonia System

Understanding. IEC will provide an aqueous ammonia truck unloading station, 10,000-gallon storage tank, forwarding skid, and concrete containment for the ammonia storage area. This ammonia system will supply aqueous ammonia to the Ammonia Process Control Unit (APCU) and SCR which will be provided by Roseville Electric Utility as a part of the Greenleaf package. IEC will provide all remaining equipment, material, and labor necessary.

Proposed Design. IEC's preliminary design is outlined in drawing **M3.5 – Ammonia P&ID**. The ammonia system begins at the new truck unloading station and 10,000-gallon ammonia storage tank. Ammonia is handled and pumped to each unit by the ammonia forwarding skid. The ammonia forwarding skid is built in accordance with Roseville Electrical Technical Specification *ROSE-1-SP-093301*.

To ensure complete ammonia containment, the ammonia storage tank and ammonia forwarding skid are enclosed in a concrete containment. Runoff from the ammonia unloading area also drains to the plant drain system. Combination eyewash/safety showers with tepid water heaters are supplied for the ammonia area (see potable water system description).

Unique approaches/advantages. IEC based the design for the RPP2 ammonia system on the design at Roseville Energy Park (REP), as RPP2 shares the same operators and engineers as REP. Therefore, the system design will be familiar to REP engineers and operators.

Additionally, IEC has included a ladder and platform for the ammonia storage tank. Although not requested in the RFP, IEC included this item as a benefit to Roseville Electric Utility.

Key Assumptions

- i. *IEC will provide ladder and access platform for the ammonia storage tank*

4j. Compressed Air System

Understanding. IEC will provide an Instrument and Service Air system. The system will be capable of providing clean, dry, and consistent air flow to several service stations and skid instrumentation throughout the plant.

Proposed Design. IEC's preliminary design is outlined in drawing **M3.6 – Compressed Air P&ID**. The compressed air system is designed in accordance with Roseville Electric Compressed Air System Technical Specification *ROSE-1-SP-183001* and is comprised of an air compressor, a dual tower desiccant dryer, and an air receiver tank.

IEC will provide service air at each hose bibb, and at the warehouse. Additionally, instrument air is sent to instrumentation on both fuel gas compressor skids, in the demineralized water building, and ammonia storage and unloading area.

Unique approaches/advantages. Although not stated in the RFP, IEC provided air at each of the hose bibs, providing operators with complete air/water service stations at 5 locations throughout the plant (as shown on drawing **G1.1 – General Arrangement**)

4k. Waste Drain System

Understanding. IEC will provide a new plant waste drain system with an upgraded oil water separator. The system will collect process drains and wastewater from each equipment and containment for collection and discharge to the sewer system. Drains with potential oil contamination will be processed

through a new, double-walled oil water separator before collection with non-contaminated waste for discharge to the sewer system. IEC will also tie-in the existing sewer line servicing the warehouse.

Proposed Design. IEC's preliminary design is outlined in drawing **M3.7 – Wastewater P&ID**. The P&ID outlines the expected equipment, and containment drains that will be collected. A sump is provided in the turbine package area to collect drains before being pumped to the oil water separator. Discharge from the oil water separator will tie-in with sanitary sewer from the warehouse for discharge to the city sewer system. No additional wastewater treatment or retention is assumed for discharge to the sewer system.

Additionally, two (2) water wash drain tanks are provided for the TM2500's to provide separate water wash waste storage. This is outlined on **M3.4 – TM2500 Turbine/Generator Packages P&ID**.

Key Assumptions

- i. *No wastewater treatment besides an oil/water separator will be required for discharge to the sewer system. No active wastewater monitoring will be required.*

4I. Potable Water System

Understanding. IEC will provide a potable water system that will supply water to eye washes, safety showers, hose bibs, warehouse, and other service water loads. Combination eyewash and safety showers will be provided at each ammonia vaporization skid and in the ammonia unloading, storage, and forwarding area. Hose bibs will also be provided for each unit on the North and South ends.

Proposed Design. IEC's preliminary design for potable water distribution is outlined in drawing **M3.1 – Service Water P&ID**. In compliance with OSHA tepid water requirements, all eye washes and safety showers will be provided with tepid water. IEC will use instantaneous electric water heaters designed and certified for providing tepid water in accordance with OSHA. In addition, five hose bibs will be provided around the site in accordance with the RFP. Lastly, water will be provided to tie-in to the warehouse water supply.

Unique approaches/advantages. IEC will be providing instantaneous tepid water heaters for all eye wash/safety showers. Although required by OSHA, this is often overlooked by contractors and can be costly to implement later. Additionally, other methods of providing tepid water can be unreliable and are often not compliant with OSHA guidelines.

Key Assumptions

- i. *IEC will provide tepid water heaters for eyewash/safety showers*

4m. Fire Protection System

Understanding. IEC will provide a fire protection system for RPP2 that consists of an underground fire ring, a minimum of five (5) fire hydrants in a configuration capable of reaching all major equipment, fire detection systems for all outbuildings, provisions for a deluge system for the GSU, and a firewall between the GSU and generator package.

Proposed Design. IEC's preliminary design for fire water distribution is outlined in drawing **M3.1 – Service Water P&ID**. IEC will tie-in to the existing fire water feed at the existing backflow preventer. No additional pumps or tanks will be required due to the city water being a reliable source. A below ground fire loop will be installed, consisting of FM200 approved HDPE. Adequate Post Indicator Valves (PIVs) will be installed to allow for isolation of sections of the firewater loop which can be used for testing or in the event of a pipe failure. The fire loop will feed 5 hydrants throughout the plant, the warehouse sprinkler system, and a feed for a future GSU deluge system.

The warehouse sprinkler system will be removed and replaced. IEC has selected to replace the system with a pre-action system to protect the new sensitive electronics. Fire alarms/detectors will be provided in the outbuildings and integrated into the warehouse Fire Alarm Control Panel.

Unique approaches/advantages. IEC is proposing a pre-action sprinkler system for use in the warehouse. Pre-action sprinkler systems are preferred in areas that contain sensitive electronics, like relay panels and control cabinets. Pre-action sprinkler systems are not filled with pressurized water and will not release water in the event the sprinkler system is damaged. Wet sprinkler systems are prone to accidental discharge. Pre-action systems require additional valves and electrical work but can prevent a costly and dangerous accident that may occur due to an accidental sprinkler system discharge damaging equipment.

Key Assumptions

- i. *An upgraded pre-action sprinkler system will be provided to protect key electronics in the warehouse*
- ii. *Fire suppression will not be added to the demin water building or chemical storage pavilion*
- iii. *It is assumed fire water pumps will not be required*
- iv. *Fire detection and alarms in the warehouse will not need to be modified*

4n. Continuous Emissions Monitoring System (CEMS)

Understanding. The CEMS shelter and CEMS equipment will be provided as a part of the TM2500 transaction. IEC will install the CEMS and upgrade the system to include Allen Bradley CompactLogix 1769-L33ER PLC, and Teledyne T200H/T300 analyzers. IEC will also integrate the CEMS with the RPP2 and Roseville Energy Park (REP) control system. Finally, detailed and complete commissioning will be performed on the system to ensure optimal functionality and performance.



Figure 3: Cemtek CEMS at RPEAK

Proposed Design. IEC has teamed with Cemtek (the OEM CEMS integrator) to upgrade the necessary components of the CEMS unit to Roseville specification and provide recommissioning of the CEMS to ensure full functionality and regulatory compliance. Discussions with Cemtek have revealed that the CEMS provided at Greenleaf were provided with Teledyne analyzers and this upgrade will not be necessary.

Unique approaches/advantages. IEC is providing turn-key CEMS support using the OEM integrator.

Key Assumptions

- i. *Teledyne analyzers will not be provided by IEC. The CEMS provided by Roseville will already have Teledyne analyzers installed.*

5. Project Design Narrative (Electrical)

5. Project Design Narrative (Electrical)

5a. Relay Protection

Understanding. IEC will provide relay protection for BOP equipment in accordance with NEC requirements and IEEE recommendations.

Proposed Design. IEC has specified Schweitzer Engineering Laboratories (SEL) protection relays to maintain continuity with the Roseville Energy Park. Test switches for relay current and voltage inputs, as well as relay trip outputs, are used to simplify relay testing. An Electroschick lockout relay has been implemented as part of a breaker fail scheme for additional protection.

A SEL-RTAC Real Time Automation Controller will be integrated into the 4160 V switchgear to concentrate data from the protection relays and distribute the satellite-synchronized clock time signature. An IRIG-B satellite clock antenna will be connected to the RTAC for this purpose.

IEC will perform elemental calculations for each relay to develop settings and plot time-current curves to ensure overcurrent coordination. These settings will be implemented into the relay manufacturer's programming software, and the trip, permissive, and alarm logic schemes will be programmed. Programming files will be provided for each relay for implementation and testing.

Each TM2500 package uses a Beckwith M-3425A relay for generator protection. These relays are sufficient and will remain in place, with protection settings reviewed and evaluated for continued suitability.

Each of the four BOP unit auxiliary transformers has been specified with a SEL-787 differential protection relay, which will be supplied and installed in a case-mounted enclosure by the transformer manufacturer.

The 4160 V switchgear uses SEL-751 feeder protection relays on the mains and feeders. SEL-710 Motor Protection relays have been specified for the fuel gas compressor starters. SEL-700BT Bus Transfer relays will be used for transferring between sources and interlocking with the tie breaker.

The 480 V switchgear also uses SEL-751 feeder protection relays on the mains, with SEL-700BT Bus Transfer relays for transferring between sources and interlocking with the tie breaker.

Unique approaches/advantages. IEC will perform arc flash calculations using ETAP software to determine the incident energy at the appropriate equipment buses. If values exceed 8 calories/cm², IEC will

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implement a maintenance mode switch to reduce the arc flash incident energy values. This switch will be wired into the appropriate protection relay and implement a second set of protection settings. This solution enhances operator safety and is familiar to Roseville staff from their experience at the Roseville Energy Park.

5b. Third-Party Acceptance Testing

Understanding. IEC will provide startup and commissioning of the RPP2 facility.

Proposed Design. IEC has teamed with a third-party testing firm to commission and perform acceptance testing of major electrical equipment prior to energization. The testing firm will ensure the equipment is safe to energize and provide testing reports for the turnover package. Testing will be performed as follows:

Transformer "TR-1":	Combustion Turbine "CT-2":
One (1) 13.8kV-4.16kV Transformer	One (1) 15kV 3000A Main Circuit Breaker
One (1) SEL-787 Relay	One (1) M-3425A Relay
Three (3) Two (2) Sets of Current Transformers and One (1) Neutral CT	Six (6) Sets of Current Transformers
	Three (3) Sets of Potential Transformers
Transformer "TR-2":	Switchgear "BOP-MVSWG-1":
One (1) 13.8kV-4.16kV Transformer	One (1) Switchgear Inspection
One (1) SEL-787 Relay	Seven (7) MV 600A Circuit Breakers
Three (3) Two (2) Sets of Current Transformers and One (1) Neutral CT	Six (6) SEL-751 Relays
	Two (2) SEL-735 Relays
Transformer "TR-3":	Two (2) SEL-700BT Relays
One (1) 2.5MVA-4160/480V Transformer	Two (2) SEL-710 Relays
One (1) SEL-787 Relay	Fourteen (14) Sets of Current Transformers
Three (3) Two (2) Sets of Current Transformers and One (1) Neutral CT	Four (4) Sets of Potential Transformers
Transformer "TR-4":	Motor Control Center "BOP-LVMCC-1":
One (1) 2.5MVA-4160/480V Transformer	One (1) Motor Control Center Inspection
One (1) SEL-787 Relay	Three (3) 3000A LSIG Circuit Breakers
Three (3) Two (2) Sets of Current Transformers and One (1) Neutral CT	One (1) 2000A LSIG Circuit Breaker
	One (1) 1200A LSIG Circuit Breaker
Combustion Turbine "CT-1":	Two (2) 600AT Circuit Breakers
One (1) 15kV 3000A Main Circuit Breaker	Three (3) 400AT Circuit Breakers
One (1) M-3425A Relay	Three (3) 200AT Circuit Breakers
Six (6) Sets of Current Transformers	One (1) 125AT Circuit Breaker
Three (3) Sets of Potential Transformers	Two (2) SEL-751 Relays
	Two (2) SEL-700BT Relays
	Four (4) Sets of Current Transformers
	Four (4) Potential Transformers

5c. 60 kV Substation & Switchyard

Understanding. The 60kV substation and switchyard project will be a joint effort between IEC and the Roseville Electric Utility (REU). The existing substation will be completely demolished, except for the GSU transformers. The new substation and switchyard will feature a parallel overhead strain bus design with a tie breaker, creating a more flexible loop-fed system.

The project will begin with grading and site preparation, followed by the installation of foundations, asphalt, and rock surfacing. Conduit, precast trench, and a new ground grid will also be installed. IEC will supply steel structures, disconnect switches, CT/PT metering units, PTs, and surge arresters, which REU will install.

Roseville will handle the design, provision, and installation of low voltage power and control cables for the 60kV substation and switchyard. Additionally, Roseville will design, provide, and install relay protection, metering, and communications panels on the second-floor mezzanine in the warehouse, as well as a 125 VDC battery system.

Proposed Design. Effective coordination among construction personnel requires a comprehensive understanding of the project scope, clear lines of responsibility, and strong project management. To facilitate this aspect of the project, IEC has thoroughly reviewed the proposal scoping documents and drawings and developed a detailed division of responsibilities table to clarify the substation scope responsibilities between Roseville and IEC. **Table D-4** illustrates IEC's understanding of the scope delineation.

Table D-4
Substation Division of Responsibilities

	Design	Procure	Install
Decommissioning and Demolition			
60 kV Disconnect Switches	-	-	REU
60 kV Breakers	-	-	REU
60 kV PT's	-	-	REU
Alternative Feed 12kV Transformer	-	-	REU
Balance of Substation	-	-	IEC
Civil			
Grading and Site Preparation	IEC	IEC	IEC
Foundations for Steel Structures	IEC	IEC	IEC
Foundation for 12kV Alternate Feed Transformer	IEC	IEC	IEC
Concrete Bumper Blocks for Operator Platforms	IEC	IEC	IEC
Asphalt and Barrier Curb	IEC	IEC	IEC
Substation Rock Surfacing	IEC	IEC	IEC

Structural Steel				
	H-Frame Dead End, 35 ft, Qty (2)	IEC	IEC	REU
	H-Frame Dead End, 28 ft, Qty (2)	IEC	IEC	REU
	Disconnect Support, Qty (4)	IEC	IEC	REU
	CT/PT Support, Qty (2)	IEC	IEC	REU
	PT Support, Qty (2)	IEC	IEC	REU
	Bus Support, Qty (1)	IEC	IEC	REU
	Operator Platforms	REU	REU	IEC
	GSU Transformer Grating	IEC	IEC	IEC
Electrical				
	Precast Trench, Vaults, and Underground Conduit	IEC	IEC	IEC
	Aluminum Cable Riser into Warehouse 2 nd Floor	IEC	IEC	IEC
	Conduit Riser and Termination into Enclosure	IEC	IEC	IEC
	Structural Steel Mounted Enclosures or Junction Boxes	REU	REU	REU
	Above Ground Cable/Conduit on Steel Structures	REU	REU	REU
	Ground Grid and Grounding Electrodes	IEC	IEC	IEC
	Connection of Ground Risers to Equipment	IEC	IEC	IEC
	60 kV Gang-Operated Disconnect Switches	IEC	IEC	REU
	60 kV Surge Arrestors	IEC	IEC	REU
	60 kV PT's	IEC	IEC	REU
	60 kV Metering CT/PT units	IEC	IEC	REU
	60 kV Circuit Breakers	REU	REU	REU
	60 kV Strain Bus and Overhead Jumpers	REU	REU	REU
	60 kV Strain Bus and Jumper Hardware, Insulators, Lugs	REU	REU	REU
	60 kV Bus Support Insulator	REU	REU	REU
	5 KV Insulated Surge Arrester Ground Leads	REU	REU	REU
	Alternate 12 kV Transformer	REU	REU	REU
	Alternate 12 kV Transformer MV Cable	REU	REU	REU
	Alternate 12 kV Transformer LV Power Cable	IEC	IEC	IEC
	60 kV Breaker Control, Protection, Revenue Metering	REU	REU	REU
	GSU Transformer Protection	REU	REU	REU
	Protection and Metering Panels	REU	REU	REU
	RTAC, RTU, and JMUX Cabinet	REU	REU	REU
	LV Power, Control, and Comms Cables & Terminations	REU	REU	REU
	125 VDC Battery System, Rack and Charger(s)	REU	REU	REU
	AC/DC LV Panelboards for Substation Equipment	REU	REU	REU
	Cable Raceway Inside of Warehouse for Substation	REU	REU	REU
	Fiber/Telecom Service into Substation	REU	REU	REU

Unique approaches/advantages. IEC will supply an aluminum cable riser that connects the pre-cast concrete trench system to the second-floor mezzanine area of the warehouse. This riser, provided by the pre-cast trench manufacturer, ensures a seamless system. It includes a cable tray ladder mounted to the side of the warehouse for routing and supporting cables. The cable ladder is fully enclosed to protect the cables from weather conditions. A single building penetration will be made at the top of the cable tray riser to allow access into the warehouse.

5d. 13.8 kV System

Understanding. IEC will provide a 13.8 kV system for each unit, connecting the existing Generator Step-Up (GSU) transformer to the TM2500 Generator Switchgear and a unit auxiliary transformer. This system will supply power to the balance of plant loads.

Proposed Design. IEC's preliminary design for the 13.8 kV system is detailed in drawing **E2.2 (Single Line Diagram Generator)**. The 13.8 kV from the existing GSU transformer will transition to a new pad-mounted air terminal enclosure via a non-segregated bus duct. Medium voltage power cables will connect to the bus in the air terminal enclosure and be routed through underground conduit to the TM2500 generator switchgear. Additionally, medium voltage power cables will use underground conduit from the air terminal enclosure to a unit auxiliary transformer to power the balance of plant loads. Reference drawing **E4.2 (Underground Conduit and Ductbank Plan – South)** for the proposed routing of the 13.8 kV cabling.

To determine the 13.8 kV air terminal bus bracing, short circuit calculations were performed to determine the duty rating. A preliminary single line model of the RPP2 facility was created in ETAP software, and short circuit calculations were performed. The air terminal bus will be braced for a 65 kA symmetrical fault current.

Unique approaches/advantages. The output for each generator is currently limited to 32.1 MVA by the existing GSU transformer, even though the turbine is estimated to have a capability of 37.5 MW and the generator's nameplate rating is 58.11 MVA. To maximize facility output, REU may opt to install new GSU transformers with higher ratings in the future. In anticipation of such upgrades, IEC will provide a non-segregated bus duct fully rated for the larger turbine generator nameplate. Additionally, IEC will install sufficient spare conduit from the air terminal enclosure to the generator switchgear, allowing for the future installation of additional parallel sets of medium voltage cables. This will significantly simplify any future GSU transformer upgrade projects which maximize the turbine output capabilities.

5e. 4,160 V System

Understanding. For each unit, IEC will provide a 13.8 kV to 4,160 V unit auxiliary transformer to support the balance of plant loads. These transformers will feed a 4,160 V switchgear, which is to be located on the ground level of the existing warehouse near the 60 kV switchyard.

Proposed Design. IEC's preliminary design for the 4,160 V system is detailed in drawing **E2.3 (Single Line Diagram Medium Voltage)**. The two 13.8 kV to 4,160 V unit auxiliary transformers will feed a 4,160 V switchgear and Motor Control Center (MCC). These transformers are fully rated to support the entirety of the balance of plant loads, ensuring full redundancy and reliability. IEC performed preliminary loading calculations for the RPP2 facility to size the transformers and the 4,160 V switchgear. The 4,160 V load table is shown in **Table D-5**:

Table D-5
4,160 V Load Calculations

No.	Load Description	Rated [HP]	Amps [A]	Motor Efficiency [%]	Power Factor [PF]	Apparent Power [kVA]	Sum Column [A]	Sum Column [kVA]
1	Comp A Motor	1000	127.8	0.9	0.9	921.0	127.8	921.0
2	Comp B Motor	1000	127.8	0.9	0.9	921.0	127.8	921.0
3	MCC A Feed	-	143.7	-	0.9	1035.1	143.7	1035.1
4	MCC B Feed	-	131.0	-	0.9	943.7	131.0	943.7
TOTAL [AMPS]							530.3	
TOTAL [KVA]								3820.7

The 4,160 V switchgear includes a main-tie-main configuration with an automatic fast-bus transfer scheme. The tie breaker allows half of the switchgear to be de-energized for maintenance and testing purposes while still allowing both units to generate. The switchgear includes feeder breakers for two (2) 4,160 V to 480 V transformers, two (2) motor controllers with across-the-line starters for the fuel gas compressors, and two (2) spare cubicles for future expansion. Schweitzer Engineering Laboratories (SEL) protection relays are specified within the switchgear to maintain continuity with the Roseville Energy Park. A breaker fail scheme has been implemented with an Electroschick lockout relay to provide additional protection. The breakers will be configured for remote open and close functionality from the DCS for additional operator safety.

To determine the 4,160 V switchgear bus bracing and breaker interrupt capability rating, short circuit calculations were performed to determine the duty rating. A preliminary single line model of the RPP2 facility was created in ETAP software, and short circuit calculations were performed. The 4,160 V switchgear bus will be braced for a 65kA symmetrical fault current.

Unique approaches/advantages. The RFP specifies that the 4,160 V switchgear should be placed on the ground level of the existing warehouse, beneath the mezzanine where the substation relay and communication equipment will be located. To verify this location's suitability, IEC conducted a preliminary design and layout of the 4,160 V switchgear and MCC. The elevation details can be found in drawing **E2.5 (Electrical Equipment MCC Elevations)**. It was determined that the switchgear would not comply with NEC code requirements for the minimum depth of clear working space in the available area. Consequently, IEC explored alternative locations for the switchgear.

Another potential location within the warehouse is the machine shop area, which is regularly used for facility maintenance operations, parking machinery and equipment, and storing project materials. Although this area has sufficient space, placing the switchgear there would render it unusable as a machine shop, maintenance, and storage facility. Therefore, it was decided to locate the switchgear outdoors.

IEC will provide an outdoor-rated switchgear just north of the warehouse. The switchgear will face west, with its back towards the substation and switchyard. Refer to drawing **G1.1 (General Arrangement)** for the switchgear location.

5f. 480V System

Understanding. IEC will provide two (2) 4,160 V to 480 V unit auxiliary transformers to support the balance of plant loads. These transformers will feed a 480 V Switchgear and MCC, which is to be located on the ground level of the existing warehouse near the 60 kV switchyard.

Proposed Design. IEC's preliminary design for the 480 V system is detailed in drawing **E2.4 (Single Line Diagram Low Voltage)**. The two 4,160 V to 480 V unit auxiliary transformers will feed a 480 V switchgear and MCC. These transformers are fully rated to support the entirety of the balance of plant loads, ensuring full redundancy and reliability. IEC performed preliminary loading calculations for the RPP2 facility to size the transformers and the 480 V MCC. The 480 V load table is shown in **Table D-6**:

Table D-6
480 V Load Calculations

No.	Load Description	Rated HP	Amps [A]	Motor Efficiency [%]	Power Factor [PF]	Apparent Power [kVA]	Sum Column [A]	Sum Column [KVA]
1	FGC A Cooler Fan	30.0	33.2	0.9	0.9	27.6	33.2	27.6
2	FGC A Lube Oil Pump	1.0	1.1	0.9	0.9	0.9	1.1	0.9
3	FGC A Lube Oil Cooler	0.5	0.6	0.9	0.9	0.5	0.6	0.5
4	FGC A Lube Oil Heater	2.0	2.2	0.9	0.9	1.8	2.2	1.8

No.	Load Description	Rated HP	Amps [A]	Motor Efficiency [%]	Power Factor [PF]	Apparent Power [kVA]	Sum Column [A]	Sum Column [KVA]
5	U1 Evap Cooler	5.0	5.5	0.9	0.9	4.6	5.5	4.6
6	U1 Temp Air Blower	200.0	221.6	0.9	0.9	184.2	221.6	184.2
7	Demin Fwd Pump A	5.0	5.5	0.9	0.9	4.6	5.5	4.6
8	Demin Prod Pump A	70.0	77.5	0.9	0.9	64.5	77.5	64.5
9	NH3 Fwd Pump A	2.0	2.2	0.9	0.9	1.8	2.2	1.8
10	U1 AFCU Dilut Air Blwr A	10.0	11.1	0.9	0.9	9.2	11.1	9.2
11	U2 AFCU Dilut Air Blwr A	10.0	11.1	0.9	0.9	9.2	11.1	9.2
12	Air Comp 1	200.0	221.6	0.9	0.9	184.2	221.6	184.2
13	U1 Turbine MCC	-	543.6	-	0.9	451.9	543.6	451.9
14	Eye Wash Heater-1	-	151.0	-	0.9	125.5	0.0	0.0
15	U1 CEMS	-	27.1	-	0.9	22.5	27.1	22.5
16	BOP Power Panel	-	40.6	-	0.9	33.8	40.6	33.8
17	Sump Pump-1	5.0	5.5	0.9	0.9	4.6	0.0	0.0
18	Sump Pump-2	5.0	5.5	0.9	0.9	4.6	0.0	0.0
19	U1 Anti-Icing Skid	100.0	110.8	0.9	0.9	92.1	0.0	0.0
20	FGC B Cooler Fan	30.0	33.2	0.9	0.9	27.6	33.2	27.6
21	FGC B Lube Oil Pump	1.0	1.1	0.9	0.9	0.9	1.1	0.9
22	FGC B Lube Oil Cooler	0.5	0.6	0.9	0.9	0.5	0.6	0.5
23	FGC B Lube Oil Heater	2.0	2.2	0.9	0.9	1.8	2.2	1.8
24	U2 Evap Cooler	5.0	5.5	0.9	0.9	4.6	5.5	4.6
25	U2 Temp Air Blower	200.0	221.6	0.9	0.9	184.2	221.6	184.2
26	Demin Fwd Pump B	5.0	5.5	0.9	0.9	4.6	0.0	0.0
27	Demin Prod Pump B	70.0	77.5	0.9	0.9	64.5	0.0	0.0
28	NH3 Fwd Pump B	2.0	2.2	0.9	0.9	1.8	0.0	0.0
29	U1 AFCU Dil Air Blwr B	10.0	11.1	0.9	0.9	9.2	0.0	0.0
30	U2 AFCU Dil Air Blwr B	10.0	11.1	0.9	0.9	9.2	0.0	0.0
31	U2 Turbine MCC	-	543.6	-	0.9	451.9	543.6	451.9
32	Eye Wash Heater-2	-	151.0	-	0.9	125.5	0.0	0.0
33	Eye Wash Heater-3	-	151.0	-	0.9	125.5	0.0	0.0
34	U2 CEMS	-	27.1	-	0.9	22.5	27.1	22.5
35	Warehouse Panel	-	67.7	-	0.9	56.3	67.7	56.3
36	Heat Trace Panel	-	40.6	-	0.9	33.8	40.6	33.8
37	Lighting Panel	-	40.6	-	0.9	33.8	40.6	33.8
38	Substation Panel	-	40.6	-	0.9	33.8	40.6	33.8
39	Sump Pump-3	5.0	5.5	0.9	0.9	4.6	0.0	0.0
40	Sump Pump-4	5.0	5.5	0.9	0.9	4.6	0.0	0.0
41	U2 Anti-Icing Skid	100.0	110.8	0.9	0.9	92.1	110.8	92.1
TOTAL [AMPS]							2339.5	
TOTAL [KVA]							1945.0	

The 480 V Switchgear & MCC includes a main-tie-main configuration with an automatic transfer scheme. Each side of the MCC includes an alternate source. One side has a backup generator, and the other is fed from an alternate 12kV distribution transformer.

The switchgear breakers will utilize SEL protection relays, and a breaker fail scheme has been implemented with an Electroschick lockout relay to provide additional protection. The breakers will be configured for remote open and close functionality from the DCS for additional operator safety. The MCC will use motor circuit protectors, overload protection, and across-the-line starters. 480 V welding receptacles are not included as they were not listed in the scope of supply. The elevation details can be found on drawing **E2.5 (Electrical Equipment MCC Elevations)**. The 480 V MCC will be located on the ground level of the warehouse below the switchyard mezzanine. Refer to drawing **G1.1 (General Arrangement)** for the 480 V MCC location.

To determine the 480 V switchgear bus bracing and breaker interrupt capability rating, short circuit calculations were performed to determine the duty rating. A preliminary single line model of the RPP2 facility was created in ETAP software, and short circuit calculations were performed. The 480 V switchgear bus will be braced for a 65 kA symmetrical fault current.

Unique approaches/advantages. Some balance of plant loads are not fully redundant between each unit. Examples include the substation panelboard, warehouse panelboard, lighting and heat trace panelboard, and BOP panelboard. IEC has consolidated all these loads onto one side of the MCC, enabling the tie breaker to de-energize the other side while still operating both units. This setup offers additional operational flexibility and can also be used for maintenance purposes.

5g. 208 V / 120 V System

Understanding. IEC will provide 208/120 Volt power as necessary for a complete BOP system.

Proposed Design. IEC anticipates using the following low voltage panelboards at the RPP2 facility:

1. **Warehouse Panelboard:** This existing panelboard services all warehouse loads. It will be repowered from the new 480V MCC through an existing dry type transformer, with the existing loads remaining in place.
2. **BOP Panelboard:** This panelboard will service all 208/120V skid loads, locally switched lighting for buildings or pavilions, and facility receptacles.
3. **Substation Panelboard:** Powered from the 480V MCC through a dry type transformer, this panelboard will be supplied and installed by Roseville to power any 208/120V loads for the substation.
4. **Heat Trace & Lighting Panel:** This panelboard will feed the heat trace and lighting contactors and controllers for heat trace and lighting power.

Unique approaches/advantages. IEC plans to locate all the panelboards on the ground level of the warehouse, below the switchyard mezzanine. This setup will utilize the conditioned space near the 480V MCC, ensuring a compact footprint and efficient use of space.

5h. 125 VDC System

Understanding. Each TM2500 has a standalone DC battery system located in the PCM for package use. Additionally, a 125VDC battery system and charger will be installed on the second-floor mezzanine for switchyard protection, controls and communications. A separate 125VDC system for the BOP equipment is not part of the scope of supply for this project.

Proposed Design. IEC would prefer to power the protection relays and breaker trip/close coils from the switchyard 125VDC battery system. The following loads are proposed:

1. Qty (4) SEL-787 Relays
2. Qty (4) SEL-700BT Relays
3. Qty (8) SEL-751 Relays
4. Qty (2) SEL-710 Relays
5. Qty (2) SEL-735 Meters
6. Qty (1) SEL RTAC
7. Qty (10) Breaker Trip Coils
8. Qty (10) Breaker Close Coils

Unique approaches/advantages. Powering the facility relay protection devices from the 125VDC battery system offers several advantages for operation, control, and troubleshooting during relay trip events. Using a single battery system for the entire facility would also reduce the space required for equipment and simplify facility maintenance.

5i. Backup Generator

Understanding. IEC will provide a backup generator sized for essential plant loads. The generator will tie into the 480 V MCC.

Proposed Design. IEC identified the essential loads and performed preliminary loading calculations for the RPP2 facility to size the backup generator. The 480 V load table is shown in **Table D-7**.

Table D-7
Backup Generator 480 V Essential Load Calculations

No.	Load Description	Rated HP	Amps [A]	Motor Efficiency [%]	Power Factor [PF]	Apparent Power [kVA]	Sum Column [A]	Sum Column [KVA]
1	FGC A Lube Oil Heater	2.0	2.2	0.9	0.9	1.8	2.2	1.8
2	U1 Turbine MCC	-	73.7	-	0.9	62.2	73.7	62.2
3	U2 Turbine MCC	-	73.7	-	0.9	62.2	73.7	62.2
4	BOP Power Panel	-	40.6	-	0.9	33.8	40.6	33.8
5	FGC B Lube Oil Heater	2.0	2.2	0.9	0.9	1.8	2.2	1.8
6	Warehouse Panel	-	67.7	-	0.9	56.3	67.7	56.3
7	Heat Trace Panel	-	40.6	-	0.9	33.8	40.6	33.8
8	Lighting Panel	-	40.6	-	0.9	33.8	40.6	33.8
9	Substation Panel	-	40.6	-	0.9	33.8	40.6	33.8
TOTAL [AMPS]							381.8	
TOTAL [KVA]							319.4	

Based on the load table estimation, a 500-kW backup generator will be provided. Reference drawing **E2.4 (Single Line Diagram Low Voltage)** for the generator interconnection into the 480V MCC. The generator is a Teir 4 packaged unit with a diesel tank located in the base. The generator controller will be configured to operate in isochronous mode.

Unique approaches/advantages. IEC located the backup generator as close to the 480V MCC as possible to minimize system losses and voltage drop. The backup generator will be located north of the Warehouse. Refer to drawing **G1.1 (General Arrangement)** for the generator location.

5j. Site Lighting

Understanding. IEC will design and construct site lighting in accordance with the Illuminating Engineering Society of North America (IESNA) recommended practices and American National Standards Institute (ANSI) standards. The design will consider the existing RPP2 facility drawings E-262 (Station Lighting) and E-269 (Lighting Notes and Details).

Proposed Design. IEC will use photometric visual lighting software to model the facility and determine the optimal locations and orientations for light fixtures. Manufacturer-specific photometric files will be used to plot contour lines for each fixture. The fixture height will be set, and statistical zones will be used to calculate illuminance levels at specific locations. The fixture output will be adjusted and selected based on the recommended footcandles listed in the standards.

IEC will install high-quality, reliable Lithonia industrial LED fixtures at the RPP2 facility. These fixtures will be mounted to walls, structures, or poles as needed to illuminate roadways, the outer fence perimeter, and general facility areas. The fixtures will be powered by a lighting panel located in the warehouse and operated by a central lighting contactor and controller. The controller will utilize a clock timer and dusk to dawn sensor.

Unique approaches/advantages. A central lighting controller allows for simple configuration and adjustment of the lighting schedule and is a significant improvement over individual dusk to dawn sensors on each fixture. The controller also simplifies trouble shooting and maintenance of the lighting system.

5k. Heat Tracing

Understanding. Instrument sensing lines filled with water shall be heat traced where potentially exposed to freezing temperatures.

Proposed Design. IEC will install heat tracing on all piping that is 2" diameter and smaller. The following locations will be heat traced.

- | | |
|---|------------------------------|
| 1. Potable water riser to the demin water building | 8. Safety shower A |
| 2. Demineralized water tank supply | 9. Safety shower B |
| 3. Demineralized water forwarding skid suction | 10. Safety shower C |
| 4. Demineralized water forwarding skid discharge | 11. Safety shower D |
| 5. Demineralized water forwarding skid recycle line | 12. Unit 1 water wash supply |
| 6. Unit 1 demineralized water supply | 13. Unit 2 water wash supply |
| 7. Unit 2 demineralized water supply | |

For each location, IEC will use a self-regulating heat tracing cable. IEC employs manufacturer specific design software to ensure the cable is properly sized for the location, meeting minimum temperature requirements based on ambient temperatures, operating temperatures, piping type, and insulation. High profile sealing kits will be used so that a light activates in the field when the heat tracing is energized. The heat trace circuits will be powered by a panel in the warehouse and controlled by a central contactor and controller, which will use an adjustable thermostat to energize the circuits.

Unique approaches/advantages. A central heat trace controller offers straightforward configuration and adjustment, significantly improving upon the use of individual thermostats at each heat-traced location. This centralized approach also simplifies troubleshooting and maintenance of the heat trace system.

6. Project Design Narrative (Control System)



Shaping the Future of Energy™

6. Project Design Narrative (Control System)

Control System

Understanding. IEC will relocate the existing Ovation balance of plant controls enclosure from the BOP Electrical Room building to the second-floor mezzanine area of the warehouse for reuse. IEC will modify the existing Emerson Ovation Control System to achieve the following:

1. Ensure the Utility Distribution SCADA system can poll site data and respond to remote AGC commands from the REP BOP DCS.
2. Enable remote control of the RPP2 Units from the REP Control Room.
3. Provide provisions for a physical E-Stop of the RPP2 Units in the REP Control Room.
4. Integrate with each TM2500 Turbine Control System.
5. Provide graphics and macros for controlling the Turbine Control System.
6. Install a physical E-Stop for the RPP2 units in the warehouse.

SECTION OUTLINE
1. Preliminary Engineering
2. Design Drawings
3. Submittals and Deliverables
4. Project Design Narrative (Mechanical)
5. Project Design Narrative (Electrical)
6. Project Design Narrative (Control System)
7. Key Issues
8. Frame 5 Gen Set Resale

Proposed Design. IEC will review the new plant BOP I/O requirements to identify any additional hardware and software needed for utilizing the existing Emerson Ovation DCS hardware and software. They estimate the I/O count to be between 300 and 500. Any additional extension cabinets or I/O modules required will be provided to accommodate the new plant controls.

Database definitions will be created for all hardwired I/O associated with the BOP systems. The anticipated hardwired I/O systems include:

- | | |
|---------------------------|---|
| 1. Ammonia System | 9. Transformers |
| 2. Demin Water System | 10. Breakers |
| 3. Compressed Air System | 11. Protection Relays (via Modbus to RTAC concentrator) |
| 4. Potable Water System | 12. 4160V MCC |
| 5. Fire Protection System | 13. 480V MCC |
| 6. Fuel Gas System | 14. Lighting Contactor |
| 7. Wastewater System | 15. Heat Trace Contactor |
| 8. Substation | |

Logic and graphics will be developed for controlling all the listed BOP systems, conforming to industry standard practices with necessary permissive and trip interlocks. OEM-provided control narratives or logic references will be used for programming the logic in the DCS.

The DCS programming will also include the configuration of third-party data links in the Ovation Controller. Each data link is assumed to have fewer than 100 points, except for CT-1 & CT-2, which will be limited to reading 200-300 points each. The third-party systems include:

1. CT-1 & CT-2 (Woodward controls – Modbus over TCP)
2. Gas Compressor Skid (AB Control Logix – AB Protocol)
3. CEMS-1 & CEMS-2 (AB Control Logix – AB Protocol)
4. Demineralizer (AB Control Logix – AB Protocol)
5. Emergency Diesel Generator (AB Protocol or Modbus if different)
6. AGC (Modbus TCP for external load control, or through REP)

Basic overview graphics will be developed to display relevant process information. Limited controls, such as start/stop and alarm acknowledgment, will be configured. Simple keyboard logic will be created to accomplish this functionality with a maximum of 10 points for each system.

DCS programming includes configuring alarms and their priority using the Emerson Ovation alarm application. An alarm list will be created and reviewed with Roseville to alarm all critical process conditions and trips before implementation.

IEC will install a physical E-Stop for the RPP2 units inside the warehouse. IEC will provide and modify an enclosure with physical E-Stop push buttons, like the one located in the REP control room. The buttons will be equipped with guards and associated nameplates for clear identification.

Unique approaches/advantages. IEC has partnered with Verve Industrial for the control system integration. Verve brings extensive experience from their previous support of the Roseville Energy Park Ovation DCS system integration, along with the onsite support services of Reddy Kallem, P.E. This first-hand experience with the REP DCS system and Roseville SCADA network will be a significant advantage in implementing the DCS system at RPP2.

7. Key Issues



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7. Key Issues

7a. Soundwall

Gas turbine power facilities have several significant sources of noise pollution which can be a nuisance to nearby residences, including the future houses being built as part of the Placer Ranch development. Traditionally, walls are installed to reduce the sound impact to acceptable levels.

The RFP states that the contractor shall take responsibility for a soundwall, however, a masonry wall is already planned to be provided by the Placer Ranch development. **Figure 3** below shows the Placer Ranch Specific Plan for the RPP2 site.

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While not a component of the PRSP's backbone electric infrastructure, Roseville Power Plant 2 (RPP2) is located on a 1.79-acre site in the southeastern corner of the Plan Area. RPP2 is an electric peaking facility that is owned and operated by the City of Roseville, which is tied to Roseville Electric's backbone system. As noted on the land use plan, similar public utilities are located adjacent to RPP2, including sites for a substation and recycled water tank. These sites will ultimately be enclosed with walls to provide security and a visual buffer, as noted in PRDS Section 9.

Street lighting in the Plan Area, constructed to Placer County's standards, is to be provided along all public streets as part of the roadway frontage improvements. The location of backbone electric infrastructure facilities, including a site for PG&E's substation, is shown on Figure 9-5.

Figure 4: Excerpt from Placer Ranch Specific Plan

The plans for a masonry wall are also noted in the Placer Ranch Development Standards (PRDS) as seen in **Figure 4** below.

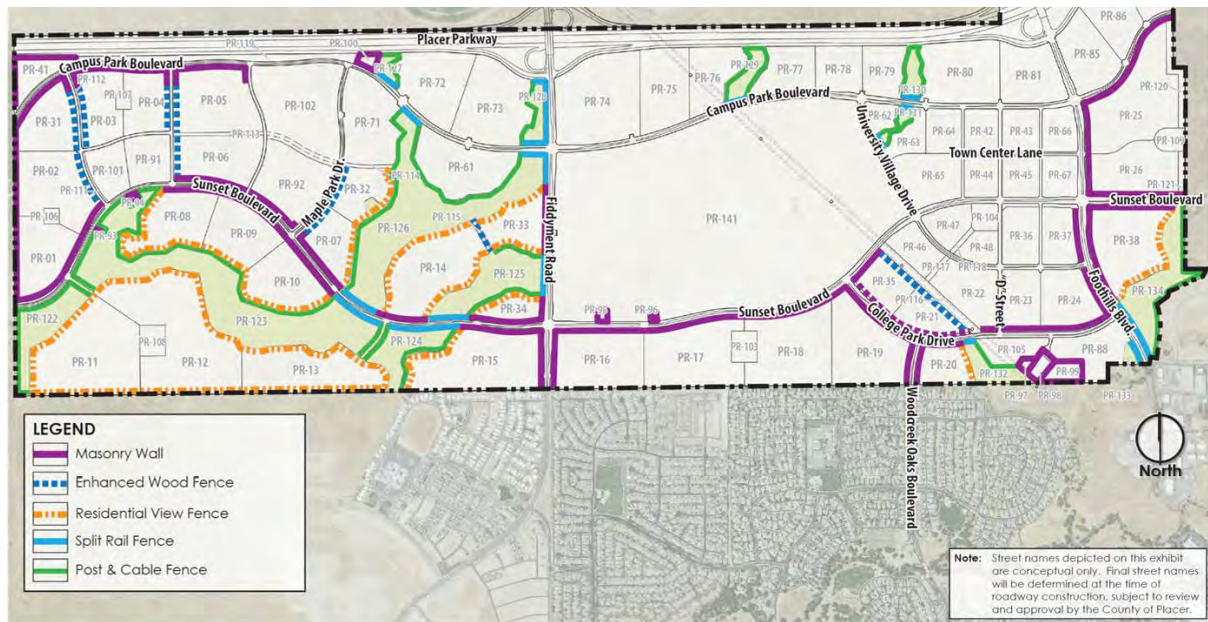


FIGURE 9-1: WALL & FENCE LOCATIONS

Figure 5: Page from PRDS

The sound wall (design, construction, and costs) will be significantly dependent on the wall being installed by the development, as well as the sound propagation study with this wall included. Therefore, IEC will work with Placer One developers, Placer County building department, and Roseville Electric to determine the scope of work required for additional sound mitigation if needed.

Key Assumptions

- i. IEC will provide a sound propagation study
- ii. IEC will coordinate with the developers for developer's construction of a masonry wall. IEC's proposal does not include the construction of a sound wall at this time. IEC can provide a quote once the requirements are known.

7b. Stormwater Management – Grading and Drainage

IEC will be responsible for the design and implementation of site drainage for rainwater. Stormwater management and drainage requires coordination with adjacent sites and overall area drainage masterplans. However, investigation into the Placer Ranch development revealed that the development has not accounted for the RPP2 site in the sizing of their stormwater drainage infrastructure (See Placer

Ranch Specific Plan – Drainage Master Plan Addendum, October 2023). Therefore, IEC will not be able to tie-in to their stormwater system without upgrades/modifications to the Placer Ranch infrastructure and their contractual obligations.

IEC is assuming that RPP2 will be able to maintain its existing drainage pattern. Currently, the RPP2 rainwater sheet flows southerly, and IEC assumes that it will continue to do so after the repower project, without the need for stormwater collection or retention. Any future non-containment areas that are impervious will also sheet flow to the south. Upon award, IEC will conduct meetings with the city to discuss implications to adjacent properties and best strategies. The cost of any upgrades required by the City will need to be addressed by Roseville Electric.

Key Assumptions

- iii. RPP2 rainwater will sheet drain south*
- iv. No stormwater collection or retention is required*

7c. Retaining Wall

As noted in the RFP and on the job walks, portions of the site perimeter are now susceptible to erosion due to grading and excavation of the adjacent site development. The RFP states that the bidders should take responsibility for providing retaining walls as needed around the site. However, because the erosion concerns are directly a result of property modifications from the Placer Ranch development, the development should have responsibility for erosion control at the property boundary, and the City of Roseville should not assume the financial burden of a retaining wall. IEC recommends addressing the issue first with Placer One Development and Placer County to determine who will pay for retaining wall improvements, as the developer is historically responsible for remedying any excavation damage along property boundary lines as part of their development costs. As such, IEC did not include the cost of a retaining wall at this time in our proposal.

8. Frame 5 Gen Set Resale



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8. Frame 5 Gen Set Resale and Spare Parts

IEC performed an extensive resale search to sell the Frame 5 Gen Sets and associated balance of plant equipment. We contacted 3 equipment brokers who were very interested in the units. Of the 3 equipment brokers, we identified the highest firm price bidder who was willing to purchase the gensets and transport them to their storage facility.

After much negotiation and evaluation, it was calculated that the extra cost to carefully and meticulously dismantle, label, and freight the gensets for resale was more than the firm price quoted by the Equipment Broker. Plus, the Broker wanted a guarantee that the units would be in “good operating” condition which added significant risk to the sale.

In addition, IEC performed a project schedule analysis showing the time impact between dismantling, labeling, and freighting the gensets versus demolition and scrapping. It was determined that the additional time to dismantle, label, and freight added significant time to the schedule for no cost savings to the bid.

Therefore, trying to resell the units provided no cost savings, and increased the risk and schedule of the project. As such, IEC decided to demo and scrap the gensets and all equipment instead of reselling them.

However, our Equipment Broker has offered a credit of **\$200,000 for the loose spare parts** which we are passing on to Roseville as part of our bid.

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E. Project Plan

SECTION E: PROJECT PLAN

To demonstrate our professional excellence and world-class service, IEC has included a discussion of how we will **successfully execute** the project using our approach to Project Management, Team Roles and Assignments, Scheduling and Project Sequencing, and Construction Personnel and Outage Management.

1. The IEC Difference

IEC Flexibility

IEC flexibility is the hallmark of our company. We recognize that project needs may evolve as work progresses, and our team is committed to adapting our schedule and strategies to align with the City's objectives. By collaborating closely with City staff, we ensure swift problem-solving and proactive solutions to keep the project on track and within budget. Our responsiveness and adaptability are what truly set IEC apart.

IEC Familiarity

IEC and its carefully selected subcontractors have been proud partners with Roseville Electric for several years, delivering comprehensive engineering, construction, and O&M support for REP, RPP2, and RPEAK. Throughout this collaboration, we have worked closely with City plant engineers, managers, supervisors, operators, and construction and maintenance crews, gaining an in-depth understanding of Roseville Electric's standards, policies, and procedures. Our extensive experience and proven track record of completing projects on time and within budget set us apart from any other team.

***The IEC Difference
will directly remove
risk from the RPP2
Repower Project.***

As a result, Roseville power plant staff can focus on their core responsibilities without the need to train the IEC Team. Our team is fully equipped to hit the ground running, with a clear understanding of the City's expectations and requirements from day one.

2. Project Management Plan

This project management plan outlines our **comprehensive strategy to successfully deliver the RPP2 Repower Project while mitigating risks.** Our focus is on maintaining the highest standards of safety, adhering to strict schedules and budgets, ensuring exceptional quality, fostering strong client relationships, and implementing thorough documentation practices. We aim to deliver a high-performance gas turbine facility on time, within budget, and with superior quality.

Safety

Safety is the cornerstone of our project management approach. Before construction begins, we conduct thorough hazard assessments to identify and address potential risks. Our safety program ensures that all team members receive OSHA-compliant training tailored to the specific requirements of gas turbine construction. We continuously monitor compliance with safety protocols, ensuring the proper use of personal protective equipment (PPE) and adherence to established guidelines including Roseville Electric's own safety protocol at the site. In addition, we establish an emergency response plan to handle medical incidents or environmental hazards effectively. Regular safety audits and daily safety talks further reinforce a proactive safety culture, emphasizing continuous improvement.

Schedule

To ensure timely project delivery, we employ a disciplined scheduling approach. We start by developing a detailed work breakdown structure (WBS) that divides the project into manageable tasks with clear milestones. Using the Critical Path Method (CPM), we prioritize critical activities to avoid delays and maintain momentum. Our integrated project schedule encompasses all phases, including design, procurement, and construction. Weekly schedule reviews allow us to monitor progress and make necessary adjustments, while buffer time for high-risk activities ensures that unforeseen challenges do not disrupt the overall timeline. **A summary schedule is included in this section along with a narrative on critical path activities and recommended mitigation measures.**

Quality

Quality assurance is central to delivering a high-performance, reliable gas turbine facility. Our Quality Control Plan (QCP) defines specific benchmarks for design, materials, and construction processes, ensuring that every aspect of the project meets or exceeds Roseville's stringent standards and expectations.

As part of our commitment to quality, IEC has thoroughly vetted all selected vendors and subcontractors on the IEC Team to confirm their adherence to Roseville's standards, procedures, and policies. **Furthermore, the preliminary design submitted with this proposal has already been cross-checked and validated against Roseville's design standards to ensure full compliance.**

Looking ahead, IEC will ensure that the detailed design phase continues to align with Roseville's standards, guaranteeing the same level of quality demonstrated in Roseville Energy Park. IEC's deep familiarity with these standards, developed through years of design support for REP, RPP2, and RPEAK, positions us to deliver excellence consistently.

During construction, IEC engineers who were integral to the design process will be onsite full-time to inspect, test, and verify compliance with the QCP. This continuity from design to construction ensures a

seamless quality assurance process. Additionally, our mechanical subcontractor, PMI, and electrical subcontractor, Placer Electric, bring invaluable experience with Roseville's quality control requirements, having provided construction and maintenance support for all three Roseville power plants for several years.

The combination of **IEC's rigorous oversight** during design and construction, coupled with the proven quality of work from PMI and Placer Electric, ensures that Roseville will receive a world-class power plant that meets the highest standards of performance, reliability, and longevity.

Client Interface and Involvement

Establishing strong communication channels and fostering collaboration with Roseville staff are critical to the success of the RPP2 Repower Project. Drawing from our extensive experience working with the City, IEC has consistently prioritized a collaborative, transparent, and proactive communication approach to streamline decision-making and align project objectives with Roseville's expectations. This proven strategy has consistently delivered successful outcomes on every project and task we have undertaken for Roseville Electric.

Weekly progress meetings form the backbone of our interface strategy with the City. These structured sessions provide a reliable platform for sharing updates, reviewing schedules and milestones, and discussing critical project aspects. Our detailed three-week lookahead schedules, comprehensive weekly status reports, and in-depth monthly summaries offer a complete and accurate view of the project's current status, upcoming activities, and any potential risks. **These tools empower Roseville to make informed decisions and maintain control over project direction.**

In addition, these meetings serve as a proactive forum to address concerns, exchange insights, and integrate the City's feedback into the project in real time. This ongoing dialogue fosters a partnership built on mutual trust and accountability, ensuring that the project progresses smoothly without delays or misunderstandings.

No other bidder brings the same depth of experience, familiarity, and proven success in working seamlessly with Roseville staff.

Our collaborative approach has consistently proven successful in avoiding disputes, resolving communication challenges, and maintaining project schedules. No other team brings the same depth of experience, familiarity, and proven success in working seamlessly with Roseville staff. With IEC as a partner, Roseville can be confident in achieving its goals for the RPP2 Repower Project efficiently and effectively.

Documentation

Maintaining high-quality documentation is not merely an administrative task; it is an essential practice that underpins the successful delivery and operation of gas turbine power projects. As our standard practice, **IEC puts a significant amount of effort into maintaining high-quality documentation** throughout the lifecycle of its projects. By prioritizing documentation, IEC ensures project success and contributes to long-term reliability and performance.

Below are specific actions IEC will take for the RPP2 Power Project to meet these rigorous documentation objectives:

1. Risk Mitigation

To minimize risks, IEC will:

- Maintain detailed records of design decisions, engineering calculations, and construction processes.
- Implement a robust change management system to document and track scope adjustments, ensuring alignment between the City and IEC.
- Conduct regular reviews and audits of project documentation to identify and address potential risks proactively.

These practices reduce the likelihood of errors, disputes, and miscommunications, keeping the project on schedule and within budget.

2. Warranty Management

IEC will ensure compliance with warranty requirements by:

- Creating and maintaining comprehensive records of equipment installation, testing, commissioning, and maintenance.
- Establishing a clear audit trail for all warranty-eligible equipment and systems, including documentation of vendor specifications and guidelines.
- Facilitating open communication with manufacturers to streamline warranty claims, when necessary.

This approach protects the City from unnecessary repair or replacement costs and ensures smooth resolution of warranty-related issues.

3. As-Built Documentation

IEC will prioritize accurate as-built documentation by:

- Updating and validating redlines throughout construction to reflect deviations from the original design.
- Developing a final set of as-built drawings that include system configurations, equipment locations, and interconnections.
- Providing the City with a complete and organized set of as-built documents upon project completion.

This ensures the City has a precise representation of the facility for future modifications, troubleshooting, and upgrades, saving time and resources.

4. Regulatory and Environmental Compliance

IEC will ensure compliance with all regulatory and environmental standards by:

- Maintaining detailed records of safety inspections and compliance activities.
- Providing transparent documentation for regulatory reviews and audits.
- Implementing systems to track and document adherence to all applicable codes, standards, and environmental requirements.

This safeguards the City from legal and financial liabilities while demonstrating transparency and accountability to regulatory bodies.

Meticulous document control is an essential practice that underpins the successful delivery and operation of gas turbine power projects.

Bottom Line: IEC's commitment to meticulous documentation will foster the reliability and sustainability of the RPP2 Repower Project. By creating a comprehensive, well-maintained documentation system, IEC ensures the plant is equipped for efficient operations, proactive maintenance, and future adaptability.

3. Selected Subcontractors – Assigned Tasks



Performance Mechanical Incorporated (PMI)

Role: PMI will perform the demolition, civil construction, and mechanical installation for the RPP2 Repower Project. PMI will utilize the following trades as a Union Contractor:

- Operating Engineers - Local 3
- Boilermakers - Local 549
- Millwrights - Local 102
- Pipefitters - Local 447
- Carpenters - Local 46
- Ironworkers - Local 118
- Laborers - 185

Benefit: PMI was selected for this project based on their extensive and proven track record with Roseville Electric, as well as their in-depth experience at the RPP2 site. Having successfully collaborated with IEC on the 2022 RPP2 overhaul, PMI possesses an intimate understanding of the logistical challenges associated with working within RPP2's confined footprint and the strategies required to overcome them. Furthermore, PMI is well-versed in the City's policies and procedures for operating within all Roseville power plant facilities. This valuable experience translates to a more efficient project execution, minimizing schedule risks and streamlining the decommissioning, demolition, and construction phases of the RPP2 Repower Project.



Placer Electric Incorporated (PEI)

Role: Placer Electric will perform the electrical installation for the RPP2 Repower Project. PEI will utilize the following trade as a Union Contractor:

- IBEW – Local 340

Benefit: Placer Electric was chosen for this project due to their extensive experience working with the City of Roseville and their established partnership with PMI. The strong working relationship between PMI and Placer Electric will help streamline operations, minimize logistical challenges on-site, and facilitate a seamless outage process. Additionally, Placer Electric's familiarity with Roseville's facilities ensures that all work will meet the City's high standards for quality and compliance.



Western States Fire Protection

Role: Western States Fire Protection (WSFP) will perform the replacement of the warehouse sprinkler system and installation of outbuilding fire detection for the RPP2 Repower Project. WSFP will utilize the following trade as a Union Contractor:

- Sprinkler Fitters – Local 669

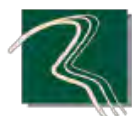
Benefit: WSFP has been selected for this project due to their local experience and experience working with Roseville Electric at other City locations. WSFP has provided fire protection services for Roseville Energy Park and the Roseville Electric Dispatch Center control room.



Verve Industrial Protection – Reddy Kallem

Role: Reddy Kallem with Verve Industrial Protection will perform the I&C design, onsite controls installation, and DCS programming for the RPP2 Repower Project.

Benefit: Reddy Kellem and Verve Industrial have been selected for this project for their understanding of each of Roseville’s control systems. Reddy has performed extensive work on the REP Ovation DCS, RPP2 Ovation DCS, and the City of Roseville SCADA system. This experience with Roseville’s control system allows Reddy to immediately start work without needing to become familiar with Roseville’s control system and practices. This will reduce the risk to scheduling and cost impacts for the job.



REY Engineers

Role: REY Engineers will perform all surveying and civil engineering work for the RPP2 Repower Project.

Benefit: REY Engineers has been selected for this project due to their experience at RPP2, their relationship with other selected contractors, and their extensive civil engineering capabilities as a company. REY has previous experience performing surveying work and civil engineering work for the City of Roseville and at RPP2. Additionally, REY has extensive experience working with IEC and other contractors selected for the job such as Youngdahl and PMI. REY Engineers is a local firm with extensive experience in Placer County.



Youngdahl

Role: Youngdahl Consulting Group (Youngdahl) will perform the geotechnical engineering, QSD/QSP services, and construction inspection/testing services for the RPP2 Repower Project.

Benefit: Youngdahl has been selected for this project due to their local experience and relationship with other selected contractors. Youngdahl performed the geotechnical

study for the Placer One development and is already familiar with the construction considerations for the area and the relationships with Placer One developers. Youngdahl often works with REY Engineers, making it easy to coordinate Geotech, SWPPP, Inspection, Civil Design, and surveying.



Compass

Role: Compass will provide the Gas Compressor Packages for the RPP2 Repower Project.

Benefit: Compass has been selected for this project as Compass and IEC are already under contract to install identical gas compressors at RPEAK. That is, IEC has already rigorously vetted Compass as the preferred equipment supplier that can meet Roseville's standards. Because the RPP2 gas compressors will follow the exact same specifications as the units at RPEAK, Compass will be able to expedite the design and production of the compressor packages, thereby removing the compressors as critical path long lead items. Compass is exclusive to the IEC team for the RPP2 Repower Project.



Cemtek

Role: Cemtek will perform the upgrade and recommissioning of the CEMS units for the RPP2 Repower Project.

Benefit: Cemtek has been selected for this project as they are the Original Equipment Manufacturer (OEM) for the CEMS units that will be installed. Cemtek is already intimately familiar with the CEMS units being purchased from the Greenleaf site and the CEMS units at RPEAK.



General Electric

Role: GE will provide the Evaporative Coolers, TM2500 conversion kits, and support Startup and Commissioning for the TM2500 units.

Benefit: GE has been selected to provide identical evaporative coolers to RPEAK as specified in the RFP. Additionally, GE was selected to provide startup and commissioning for the TM2500s (as the OEM) to ensure the highest level of expertise during startup.



Optional – Trinity Consultants

Role: As an option in the IEC proposal, IEC selected Trinity Consultants to perform Air Permitting support.

Benefit: Trinity Consultants have been selected for this project due to their long history in teaming with IEC for a variety of CEQA services including Environmental Impact Report (EIR), Environmental Impact Statement (EIS), Negative Declaration (ND), or Environmental Assessment (EA). In addition, Trinity Consultants is currently supporting the City of Roseville on permit modifications for RPEAK.

4. Schedule and Project Sequencing

IEC has prepared a preliminary Project Schedule that outlines the expected workflow, critical path, and key dates for Roseville switchyard activities. **Table E-1** below provides a summary of key milestone dates.

[A Gantt Chart Project Schedule is provided at the end of this section.](#)

Table E-1
Key Milestone Dates

Milestone	Expected Date
Contract Execution	3/5/25
Major Equipment Ordered	3/19/25
Demolition Begin	9/17/25
Outage Begin	10/1/25
Installation Begin	12/3/25
Switchyard Ready for REU Construction	1/21/26
Startup and Commissioning Begin	4/8/26
Outage Complete - Ready to Operate	5/29/26
Final Completion	6/19/26

IEC Schedule Development

During the bid process, IEC dedicated significant effort to ensure equipment lead times and project schedule durations were as accurate and realistic as possible. To achieve this, IEC sized all major equipment and secured firm quotes from equipment vendors resulting in precise lead time estimates as shown in the project schedule at the end of this section. This proactive approach was particularly crucial for long-lead items such as the MCC and Switchgear, which require extensive front-end engineering by vendors to generate firm quotes. **With this groundwork already completed, IEC is well-positioned to place orders for critical path items—such as the MCC, Switchgear, and 60kV breakers—without delay.** In contrast, competitors who have not undertaken this level of preliminary engineering and procurement preparation are likely to face delays in the procurement phase, potentially jeopardizing their ability to meet the construction schedule.

Substation Scheduling

IEC included key dates for switchyard activities in the overall project schedule to coordinate activities between the Generation Yard and Switchyard. REU switchyard tasks are highlighted in **purple** in the project schedule. With the exception of the disconnect switches, all required substation equipment will be onsite for REU mobilization by January 21, 2026. **This will provide REU with 14-weeks for installation of the substation, and 4 weeks to install the disconnect switches.**

Critical Path - Substation

IEC identified the 60 kV disconnect switches as the critical path for substation construction. The lead time for the requested 60 kV disconnect switch is approximately 54 weeks. IEC has included 2 weeks in the schedule to order the disconnect switches after contract award (assumed to be 3/5/2025). With this timeline, IEC estimates the switches will be delivered by March 31, 2026. This delivery date will leave approximately 4 weeks for REU substation crews to complete installation of the substation before the beginning of startup and commissioning of the generation yard.

Shorter lead times may be available for disconnect switches from other manufacturers, however, IEC did not vary from the specification and only quoted the disconnect switch identified in the RFP (USCO Type AGCH5V-06920). **IEC will work with REU staff to improve the delivery schedule for the disconnect switches after contract award.**

Critical Path - Generation

IEC identified the 480V MCC and 4160V Switchgear as the critical path items for the generation facility. However, IEC believes that these items will not have a negative impact to the overall construction schedule. The MCC and Switchgear are expected to arrive between March 31 and April 7, 2026. This will allow sufficient time for IEC to set the equipment, make the electrical terminations, and begin testing in preparation for energization to meet the overall project online date. Along with the 60kV disconnect switches for the substation, IEC plans to prioritize issuing the specification and ordering of these critical path items upon award.

All other major equipment (including fuel gas compressors, evaporative coolers, backup generator, etc.) have no negative impact on the project schedule or outage. Confirmed lead times for major equipment are included in the project schedule.

5. Construction Personnel and Outage Management

Construction Management

The IEC Team will implement a robust construction management structure with two levels of oversight: 1) Overall site construction management and inspection, and 2) discipline-specific management for individual trades, including civil, mechanical, electrical, and fire protection.

Mr. Aaron Leach of IEC will serve as the full-time, designated overall construction manager, acting as the single point of responsibility for the entire IEC team and its subcontractors onsite. With extensive experience in engineering and construction management for REP, RPP2, and RPEAK, Mr. Leach is well-versed in Roseville's policies and procedures. Additional details regarding Mr. Leach's credentials and qualifications are detailed in Section C.

Supporting Mr. Leach, IEC field engineers will be assigned to each specific discipline to inspect and verify compliance with IEC construction drawings, quality control standards, Roseville requirements, and plant procedures. These field engineers, who were directly involved in the engineering phase of the power plant, bring continuity and in-depth knowledge to ensure seamless execution and quality assurance.

In parallel, trade-specific construction management will be handled by union field supervisors from subcontracted firms. PMI will oversee demolition, civil, and mechanical work, Placer Electric will manage electrical installations, and Western States Fire Protection will handle fire protection systems. Each of these trade-specific managers will report directly to Mr. Leach, maintaining a clear chain of command and unified oversight under his leadership.

This comprehensive construction management structure offers significant value to the City by **ensuring independent oversight of all inspection and construction activities**. This approach enhances installation quality and guarantees conformance with applicable codes and standards, providing a reliable and utility-grade outcome for the project.

Our professional management approach sets us apart from our competitors who rely on their construction superintendents to fulfill professional management and independent oversight roles.

Monthly Onsite Personnel

Table E-2 is a preliminary manpower loading schedule that estimates the number of staff expected to be onsite during the outage. Minor roles are not included in the table such as consultants and equipment vendor startup support/training.

Table E-2
Onsite Staffing

CONTRACTOR	2025				2026					
	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
IEC – Management/Field Engineers/Inspectors	2	3	3	5	5	5	5	5	5	1
PMI - Construction Management	2	2	2	2	2	2	2	2	2	2
PMI - Demo	4	18	8	0	0	0	0	0	0	0
PMI - Civil	0	8	8	8	10	4	4	4	6	0
PMI - Millwright	6	6	9	9	10	4	6	1	1	0
PMI - Pipefitter	0	0	0	4	4	4	12	8	2	0
PMI - Boilermaker	0	0	0	0	0	6	0	0	0	0
Placer Electric	0	2	4	6	6	8	8	8	6	4
GE	0	0	0	0	0	0	0	7	5	0
Verve Industrial	0	0	0	0	0	0	0	1	1	0
Youngdahl	0	0	0	1	1	1	1	1	1	0
Western States Fire Protection	0	0	3	0	0	0	3	3	0	0
Superior Tank Company	0	0	6	6	0	0	0	0	0	0
Power Systems Testing	0	0	0	0	0	0	0	2	2	0
Total:	14	39	43	41	38	34	41	42	31	7

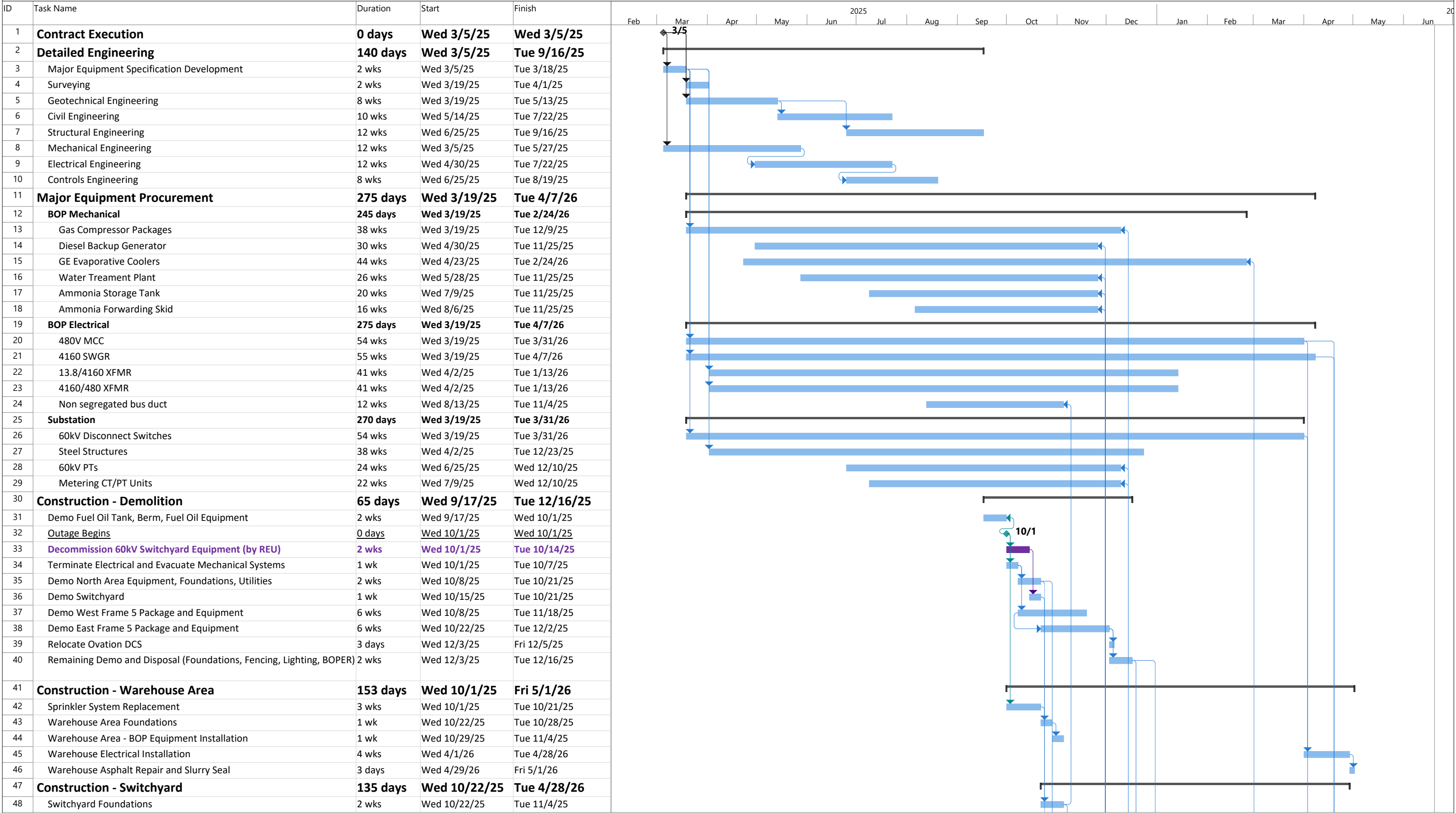
Project Schedule



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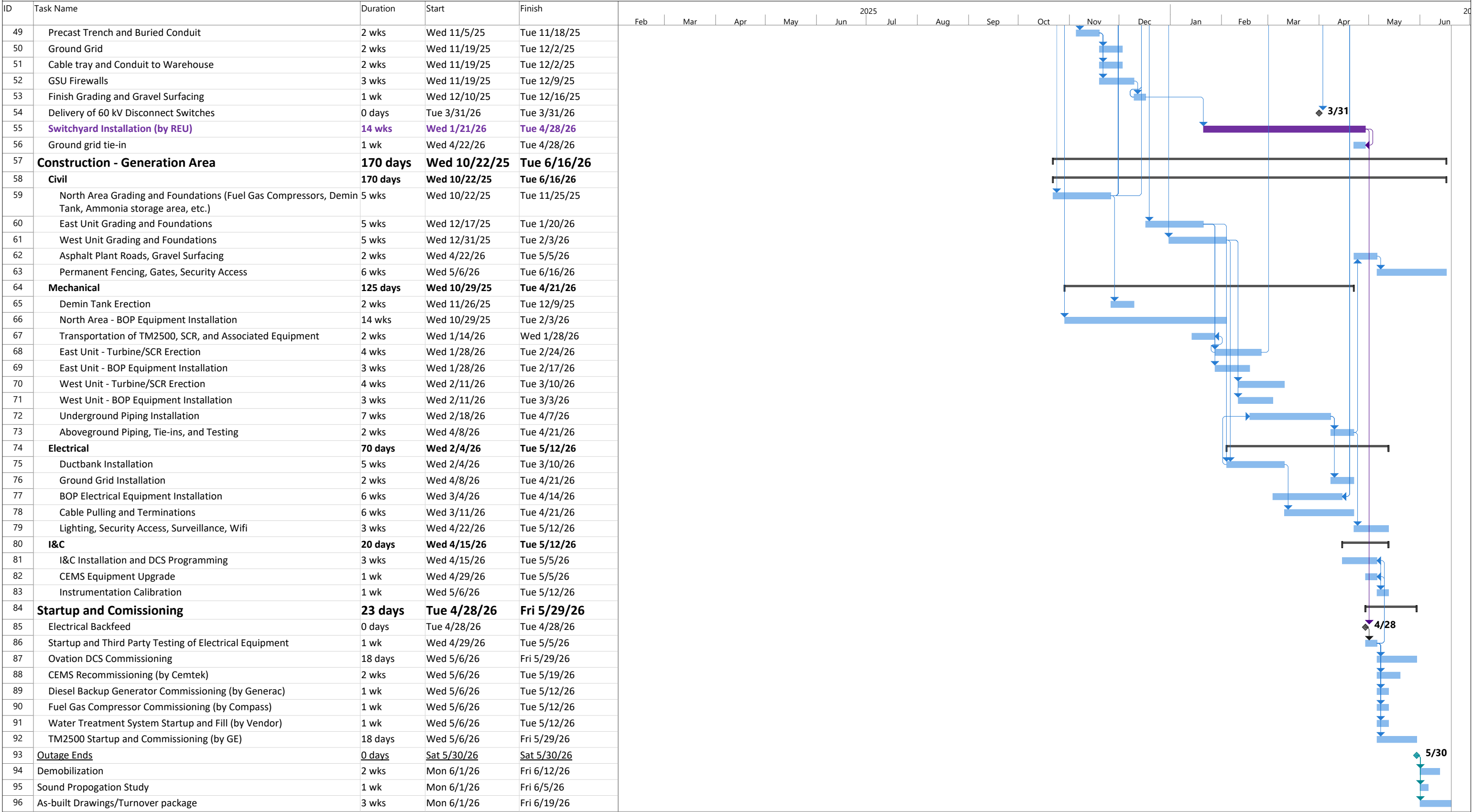


RPP2 Repower
Project Schedule
Preliminary - For Bid





RPP2 Repower
Project Schedule
Preliminary - For Bid



F. Cost Proposal



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I. Fixed Price Lump Sum (Base Price)

IEC proposes to perform the scope of work outlined in this proposal for a fixed price lump sum of **\$38,835,925**. A breakdown of the cost is provided below for information purposes.

Fixed Price Lump Sum (Base Price):		
Engineering and Management		
	Engineering and Management	\$1,215,604
Major Equipment		
	Generation	\$12,961,723
	60kV Switchyard	\$1,146,270
Construction		
	Demolition	\$1,222,210
	Offsite Laydown move from REP to RPP2	\$529,025
	Generation	\$15,701,308
	60kV Switchyard	\$949,929
Third Party Testing/Inspection		
	Third Party Electrical Testing	\$281,206
	Special Inspection	\$111,171
GE Installation		
	GE TM2500 Installation	\$1,560,000
	GE Evap Cooler Technical Support	\$186,456
Startup and Commissioning		
	Startup and Commissioning	\$685,506
Project Close out		
	Project Close out	\$54,954
Taxes		
	Sales Tax (7.75%)	\$1,059,408
Indirect		
	Overhead	\$ 613,590
	Bonding and Insurance	\$1,625,235
Adders/Deletions		
	Adders (see attached IEC Letter dated 3/19/25)	\$2,612,168
	Deletions (see attached IEC Letter dated 3/19/25)	(\$3,679,838)
Total Bid		\$38,835,925

II. Payment Schedule

IEC proposes the following Milestone Payment Schedule to maintain pace with the progress of the project. The Milestone by Phase column below is for information purposes only.

		Milestone	Milestone Payment (%)	Milestone by Phase (%)
Phase	Schedule	Descriptions		
CONTRACT	4/3/2025	Bonding and Insurance	2.50%	4.5%
		Notice to Proceed	2.00%	
ENGINEERING	4/4/25 - 10/1/25	Engineering (30% Complete)	1.00%	4.0%
		Engineering (60% Complete)	1.00%	
		Engineering (90% Complete)	1.00%	
		Engineering (For Construction)	1.00%	
PROCUREMENT	5/1/25- 10/1/25	Place Orders:		15.00%
		Switchgear	1.00%	
		60kV Disconnect Switches	0.50%	
		MCC	1.00%	
		Gas Compressors	2.00%	
		TM2500 Seismic/Wind Kit	3.50%	
		Transformers	1.00%	
		Diesel Backup Generator	0.25%	
		Substation Steel	0.25%	
		60kV Metering CT/PT Units	0.25%	
		Remaining Substation Eqpm	1.00%	
		Ammonia System	0.50%	
		Oil/Water Separator	0.25%	
		Demin Water Treatment Plant	0.50%	
		Air Compressor	0.50%	
		Demin forwarding skid	0.25%	
		Bus Duct	0.50%	
		Anti-Icing System	1.50%	
		CEMS Equipment (Compactlogix, Teladyne RegPerfect)	0.25%	

		Approval Drawings/Release for Fabrication:		
		Switchgear	0.25%	5.00%
		MCC	1.00%	
		Gas Compressors	1.50%	
		Substation Steel	0.25%	
		Ammonia System	0.25%	
		Demineralized Storage Tank	0.25%	
		Anti-Icing System	1.50%	
		Gas Compressor Milestone:		
		Receipt of Motors	2.50%	2.50%
		Ready to Ship:		
		Switchgear	2.50%	22.5%
		60kV Disconnect Switches	0.50%	
		MCC	0.50%	
		Gas Compressors	2.50%	
		Evaporative Cooler	5.00%	
		Transformers	2.00%	
		Diesel Backup Generator	1.00%	
		Substation Steel	1.00%	
		60kV Metering CT/PT Units	1.00%	
		Remaining Substation Eqpm	0.50%	
		Ammonia System	1.00%	
		Oil/Water Separator	0.50%	
		Demin Water Treatment Plant	1.00%	
		Air Compressor	0.50%	
		Demin forwarding skid	0.50%	
		Bus Duct	0.50%	
		Anti-Icing System	1.50%	
		CEMS Equipment (Compactlogix, Teladyne RegPerfect)	0.50%	
CONSTRUCTION	10/1/25 - 5/1/26	Construction Mobilization	5.00%	45.00%
		Demolition/Salvage 50% Complete	3.00%	
		Demolition/Salvage 100% Complete	5.00%	
		Foundations 50% Complete	2.00%	
		Foundations 100% Complete	7.00%	

		Demin Tank Erected	1.00%	
		UG/AG Pipe 50% Complete	3.00%	
		Major Equipment Set	7.00%	
		UG/AG Pipe 100% Complete	3.00%	
		Electrical Installed	4.00%	
		Mechanical Completion	5.00%	
START-UP	5/1/26 - 5/30/26	Start-Up & Testing Complete	1.00%	1.0%
CLOSEOUT	5/30/26 - 6/30/26	Punchlist Complete	0.50%	0.5%
		Total	100.00%	100.00%

IEC Corporation

3100 Zinfandel Dr., Suite 350
Rancho Cordova, CA 95670

Main: 916.383.6000
Fax: 916.383.6010

www.iec-corporation.com

March 19, 2025

City of Roseville
Attn: City Clerk Department
311 Vernon Street
Roseville, CA 95678

**SUBJECT: Final Pricing - IEC Proposal
Roseville Power Plant #2 Repower (RFP #07-109)**

Dear Mr. Ozro Corulli,

IEC Corporation is pleased to submit final pricing for the Roseville RPP2 Repower Project (RFP #07-109). This document supplements the original IEC Proposal dated January 30, 2025. The final pricing includes the original bid price plus adders and deletions requested by the City of Roseville.

Our final bid price is **\$38,835,925**. The breakdown is as follows:

Description	Bid Price
Original Bid Price	\$39,903,595
Requested Adders	\$2,612,168
Requested Deletions	(\$3,679,838)
Final Bid Price	\$38,835,925

Attached is an itemized breakdown of the adders and deletions for reference.

The IEC Team looks forward to providing responsive and experienced design and construction services for the City of Roseville. If you have any questions regarding the proposal, please feel free to contact me at 916.345.0301.

Sincerely,



R. Eric Quintero, P.E.
Managing Principal

**Itemize Breakdown of Final Pricing
Roseville RPP2 Repower Project
RFP #07-109**

Table 1- Base Bid Final Pricing

Item	Description	Ref. Notes	Price
Original Bid			\$ 39,903,595
Adders:			
1a	GE Seismic/Wind kit (x2)	Note 1a	\$ 1,138,963
1b	TM2500 Foundations (x2)	Note 1b	\$ 747,029
-	TM2500 Foundation Price Reduction		\$ (200,000)
2	Stainless Steel Demin Water Piping	Note 2	\$ 1,456
3	Stainless Steel Underground Air Piping	Note 3	\$ 28,274
4	Stainless Steel Fuel Gas Piping	Note 4	\$ 53,813
5	Dual Air Compressors	Note 6	\$ 178,697
6	Electrical Equipment Relocation	Note 7	\$ 195,392
7	ESS & Low Voltage Redundancy	Note 8	\$ 299,783
8	UPS Power	Note 9	\$ 22,840
9	Welding Receptacles	Note 10	\$ 59,445
10	60kV Switch Platforms	Note 11	\$ 11,420
11	Raceway for the Switchyard	Note 12	\$ 41,250
12	DC System	Note 13	\$ 33,806
13	Switchgear Expediting Fees (IEC to absorb)	-	\$ -
14	MCC Expediting Fees (IEC to absorb)	-	\$ -
Deletions			
15	Evaporative Cooler Credit	Note 14	\$ (2,845,793)
16	Evaporative Cooler Equipment Taxes	-	\$ (184,680)
17	Anti-Icing Credit	Note 15	\$ (617,559)
18	Anti-Icing Equipment Taxes	-	\$ (31,806)
IEC Final Bid			\$ 38,835,925

Table 2 - Optional Pricing

The following is supplemental optional pricing to the IEC Base Bid.

Description	Price
Loose Spare Parts	\$ (200,000)
Gas Compressor Sound Wall*, Note5	\$ 295,603
Evaporative Cooler including taxes*	\$ 3,030,473
Anti-Icing*	\$ 649,365
Trinity Support	\$ 260,000
Compliance and RATA Testing	\$ 131,400
<i>* Price is valid if executed in Phase 1.</i>	

Notes for Adders/Deletions:

1. TM2500 Permanent Conversion

1a. GE Seismic/Wind kit (x2)

- The seismic-wind kit is proposed by GE. Price includes GE kit, GE Technical Advisor during installation, and IEC labor/materials to support installation. IEC has not budgeted engineering time to validate or stamp the GE structural design nor have we budgeted additional construction costs to modify the GE design beyond the installation requirements shown.

1b. TM2500 Foundations (x2)

- Price includes installation of foundations for both turbine/generator units. This option will be required for installation of the GE Seismic kit.

2. Stainless Steel Demin Water Piping

- o IEC will upgrade demin water piping to stainless steel upstream of the demin water skid.

3. Stainless Steel Underground Air Piping

- o IEC will upgrade underground compressed air piping to stainless steel.

4. Stainless Steel Fuel Gas Piping

- o IEC will upgrade fuel gas piping to stainless steel between Coalescing Skids and GE Fuel Gas skid.

5. Gas Compressor Soundwall

- o Price assumes 10 ft tall by 150 linear ft sound absorption wall (long enough to surround 3 sides of the compressor station). The price assumes a PVC panel style sound wall system and includes additional pier footings and anchoring.

6. Dual Air Compressors

- o Price has been adjusted to assume purchasing a CISCO/Ingersoll Rand air compressor package.
- o Includes an additional bucket in the 480V MCC, cable, and conduit.
- o The addition of a second air compressor assumes the ESS bus is added. Otherwise, there is not enough space in the MCC for the new loads.

7. Electrical Equipment Relocation – One (1) 13.8kV/4160V transformer, the 4160V switchgear/MCC and the backup generator are to be relocated to allow vehicle parking to the north of the warehouse.

- o The backup generator has been relocated to a position just south of the CT5 control building.
- o The 13.8kV/4160V transformer has been relocated to a position just south of the CT6 control building.
- o The 4160V switchgear/MCC has been relocated to the east of the CT6 GSU transformer in the switchyard.
- o A housekeeping pad has been added to the front of the switchgear for breaker maintenance and accessibility.
- o Additional cable and conduit have been added to allow for the new equipment locations.
- o One additional vault has been added to allow for revised conduit routing.

8. ESS & Low Voltage Redundancy – Additional equipment was requested to allow redundancy on the low voltage systems.

- o Essential loads have been relocated to a new Essential Services Switchboard (ESS).
- o The ESS is fed from a new Automatic Transfer Switch (ATS). The non-emergency source of the ATS is the 480V low voltage MCC. The emergency source is from the backup generator.
- o This configuration has been designed for automatic switchover to backup generation upon loss of service.
- o The ESS and ATS will be located inside the warehouse electrical room.
- o The following loads were relocated to the ESS:
 - U1 Cems Panelboard
 - U2 Cems Panelboard
 - Warehouse Panelboard
 - Lighting Panelboard
 - Substation Panelboard
 - BOP Panelboard
 - Heat Trace Panelboard
 - Facility Battery Charger
- o Housekeeping pads have been assumed for the ESS and ATS.
- o Additional cable, conduit, and overhead raceway inside the warehouse are provided.

9. UPS Power – Additional equipment was requested to provide UPS power to critical loads.

- Point of use UPS have been provided for the following critical loads:
 - Qty (1) - U1 Cems
 - Qty (1) - U2 Cems
 - Qty (1) - The BOP controller
 - Qty (1) - The local operations terminal

10. Welding Receptacles – Welding receptacles were requested.

- Three (3) welding receptacles were added to the design. One on each outer side of the units, and one in the middle of the units.
- Additional buckets in the 480V MCC, cable and conduit are provided.
- The addition of welding receptacles assumes the ESS bus is added. Otherwise, there is not enough space in the MCC for the new loads.

11. 60kV Switch Platforms – Steel platforms were requested to be provided.

- Eight (8) steel operator platforms are now included.

12. Raceway For the Switchyard Internal to The Warehouse. – Requested for IEC to provide.

- An overhead cable tray has been provided in the mezzanine area to allow routing of cables from the switchyard to the new equipment supplied and installed by Roseville.

13. DC System – Roseville will Supply a DC system for the facility separate of the substation DC system.

- Assumes Roseville will provide a battery charger, batteries, battery rack and drip pan. IEC will provide installation of the equipment.
- DC system will be located in the warehouse electrical room.
- IEC will provide sizing calculations for the battery system.
- New DC panelboard, cable and conduit is provided.

14. Evaporative Coolers – The option includes purchasing and installing the evaporative coolers. The evaporative cooler foundations, MCC buckets, and cable and conduit to the skids are already included in the base bid.

15. Anti-Icing System – The option includes blower skids, piping, and inlet air spargers. The exhaust coil modules are already included in the base bid as part of the exhaust duct installation.

End

Rate Schedules

1. IEC Corporation Rate Schedule
2. Performance Mechanical Rate Schedule
3. Placer Electric Rate Schedule
4. Western States Rate Schedule



Shaping the Future of Energy™

IEC Corporation

8775 Folsom Boulevard, Suite 110
Sacramento, California 95826

916-383-6000 Main
916-383-6010 Fax

www.iec-corporation.com

2025-2026 RATE SCHEDULE

RPP2 Repower Project

Professional Engineering Services

Principal Engineer II	\$240
Principal Engineer I	\$215
Senior Engineer II	\$195
Senior Engineer I	\$170
Lead Associate Engineer	\$145
Associate Engineer II	\$135
Associate Engineer I	\$120

Technical Services

Project Professional II	\$145
Project Professional I	\$130
Senior Designer	\$145
Senior Multimedia Designer	\$125
Drafter	\$120
Project Assistant	\$95

Professional Management

Managing Principal	\$250
Project Manager II	\$240
Project Manager I	\$215

Other Costs

1. Direct Expenses (non-equipment) will be billed at cost.
2. Mileage will be billed at the published IRS mileage rates in effect.
3. Travel to and from client sites will be billed at hourly rates shown above.
4. Federal published per diem rates (GSA) will apply if applicable.
5. Subcontractors' labor and expenses will be marked up by 10%.



Performance Mechanical, Inc.



General Engineering Contractor

IEC

RPP2 Placer County

Labor Rates Effective:	1-Jul-24	To	30-Jun-25			
	ST	TH	DT	ST	TH	DT
BOILERMAKERS						
JOURNEYMAN	136.95	183.29	229.64			
TUBE WELDER	143.03	191.83	240.62			
ASST FOREMAN	140.97	188.94	236.90			
FOREMAN	145.00	182.70	234.65			
GENERAL FOREMAN	166.29	205.21	263.28			
SUPERINTENDENT	177.27	239.83	308.71			
HELPER	67.63	85.43	103.23			
APPR 1	112.78	149.42	192.39			
APPR 2	116.81	155.07	199.65			
APPR 3	120.84	160.71	206.92			
APPR 4	124.87	166.36	214.18			
APPR 5	128.89	172.00	221.44			
APPR 6	132.92	177.65	228.71			
CARPENTERS						
JOURNEYMAN	131.98	165.43	198.88			
FOREMAN	149.56	190.08	230.61			
GENERAL FOREMAN	169.73	218.35	266.98			
LABORERS						
JOURNEYMAN	96.10	117.82	139.55			
FOREMAN	101.50	125.40	149.30			
GENERAL FOREMAN	107.45	133.74	160.03			
MILLWRIGHTS						
JOURNEYMAN	137.51	172.40	207.29			
FOREMAN	150.37	190.43	230.49			
GENERAL FOREMAN	155.38	197.46	239.53			
APPR 1	78.61	99.54	120.48			
APPR 2	87.63	110.31	132.99			
APPR 3	97.60	122.02	146.45			
APPR 4	101.94	128.11	154.28			
APPR 5	120.14	148.06	175.97			
APPR 6	124.49	154.14	183.80			
APPR7	128.83	160.23	191.63			
APPR8	133.17	166.32	199.46			
				PIPEFITTERS -		
				Sacramento Shop		
PIPEFITTERS - FIELD						
JOURNEYMAN	133.06	170.10	207.15	137.59	174.63	211.68
ALLOY WELDER	140.43	180.44	220.45	144.96	184.97	224.98
FOREMAN	147.81	190.78	233.75	152.34	195.31	238.28
GENERAL FOREMAN	153.35	198.55	243.75	157.88	203.08	248.28

Sacramento Office
6001 Midway Street
Sacramento, CA 95828

Corporate Office
701 Willow Pass Road, Suite 2
Pittsburg, CA 94565

Los Angeles Office
5401 McFadden Ave.
Huntington Beach, CA 92649

SUPERINTENDENT	162.56	211.46	260.36	167.08	215.98	264.88
APPR 1	59.76	74.57	89.39	64.28	79.10	93.92
APPR 2	64.36	81.04	97.71	68.89	85.56	102.23
APPR 3	68.97	87.50	106.02	73.50	92.02	110.55
APPR 4	73.58	93.96	114.33	78.11	98.49	118.86
APPR 5	96.18	118.41	140.64	100.71	122.94	145.17
APPR 6	100.79	124.87	148.95	105.32	129.40	153.48
APPR 7	105.40	131.33	157.27	109.93	135.86	161.79
APPR 8	110.01	137.80	165.58	114.54	142.32	170.11
APPR 9	114.62	144.26	173.89	119.15	148.79	178.42
APPR 10	119.23	150.72	182.21	123.76	155.25	186.73
FIELD STAFF						
EST/PROJECT MGR	152.00	215.00	277.00			
PROJECT ENGINEER	115.00	160.00	206.00			
FIELD ENGINEER	100.00	139.00	178.00			
SCHEDULER	148.00	208.00	268.00			
QC	144.00	203.00	261.00			
SAFETY	123.00	172.00	221.00			
TIMEKEEPER	60.00	84.00	107.00			
CLERICAL	54.00	74.00	95.00			

NOTE: PMI RESERVES THE RIGHT TO ISSUE CHANGES AS
NEGOTIATED
WITH THE UNIONS/AND OR CHANGES RELATED TO OTHER
VARIABLES
WITHIN THE RATE STRUCTURE.
BOILERMAKER PER DIEM: \$95/DAY

**An annual escalation rate of 4% applies to the above labor rates
for work performed 7/1/2025 to 6/30/2026.**



exceeding
customer
expectations

www.placerelectelectric.com

TIME AND MATERIAL SMALL PROJECTS and CO's
(Valid through June 30, 2025)

Electrical billing rates are as follows:

Journeyman & Apprentice rates are as follows:

• Foreman Rate Straight Time.....	\$ 144.00 per hour
• Foreman Rate Overtime.....	\$ 191.00 per hour
• Journeyman Rate Straight Time.....	\$ 136.00 per hour
• Journeyman Rate First Shift.....	\$ 159.00 per hour
• Journeyman Rate Overtime.....	\$ 178.00 per hour
• Apprentice Rate Straight Time	\$ 106.00 per hour
• Apprentice Rate Overtime.....	\$ 136.00 per hour
• Materials are to be billed at cost plus.....	15%
• Subcontractors to be billed at cost plus.....	15%
• Equipment rentals will be billed at cost plus.....	10%
• Invoices paid within 15 days are discounted.....	2%
• Double time is only charged on Sundays or Holidays.	

Respectfully,

Richard Nogleberg
Preconstruction

5439 Stationers Way | Sacramento, CA | 95842
Office 916.338.4400 | 916.995.6456
2915 Highway 40 West | Verdi, NV | 89439
Email: RNogleber@msn.com

NOTE: PEI Placer Electric Inc. has the following DGS certifications:

- DVBE / SBE Certification ID No. 2012670
- State of California DIR No. 1000025176

Main Office: 5439 Stationers Way | Sacramento, CA 95842 | 916.338.4400
Verdi Office: 2915 Highway 40 West | Verdi, NV 89439 | 775.345.7383
California LIC. #C10 482432 | Nevada LIC. #C2 33942

WESTERN STATES FIRE PROTECTION COMPANY LABOR COST RATES - LOCAL 669
RATES EFFECTIVE 04/01/2024 CONTRACT PERIOD 4/1/21 - 03/31/25

	APPREN	J-MAN	F-MAN	GF-MAN
Straight	128.77	143.93	150.76	155.49
SHIFT	141.75	157.64	165.38	170.74
OT	172.03	189.61	199.49	206.33
DT	215.28	235.29	248.22	257.17

G. Required Statements/ Documents



Shaping the Future of Energy™

REQUIRED STATEMENTS/DOCUMENTS

As requested, IEC Corporation is providing the following statements of assurance regarding proposal requirements:

Section 5.0 - Assurance of Designated Project Team

IEC assures that the designated project team, including sub-consultants or sub-contractors will be used for this project. Departure or reassignment of, or substitution for, any member of the designated project team, sub-consultant(s) or sub-contractor(s) shall not be made without the prior written approval of the City.

Section 10.4 - Conflict of Interest

IEC warrants that no official or employee of the City has an interest, has been employed or retained to solicit or aid in the procuring of the resulting contract, nor that any such person will be employed in the performance of such contract without immediate divulgence of such fact to the City. IEC has no actual, apparent, direct, indirect, or potential conflicts of interest that may exist with respect to IEC or IEC's management or employees relative to the services to be provided to the City.

Section 10.7 - Indemnification & Insurance Requirements

IEC has reviewed the City's standard indemnification and insurance requirements provided in the sample contract, included in Attachment E of the RFP.

IEC would like to discuss possible changes to Section 9.1.C and Section 9.4 of the sample contract, as referenced in Section H of the proposal. IEC will provide insurance certificates at the City's request.

Section 10.23 - Proprietary Information

IEC agrees that nothing contained in the submitted proposal is proprietary. IEC will defend, indemnify and hold harmless the City regarding any claim by any third party for the public disclosure of the "confidential" portion of the proposal.

As requested, IEC Corporation is providing the following documents:

Section 1.4 – California Secretary of State Registration

IEC has attached a screen shot showing IEC’s “Active” status registration with the California Secretary of State at the back of this Section.

Attachment A - Proposer's Certification

IEC has attached an executed copy of our Proposer's Certification at the back of this Section.

Attachment B – Levine Act Disclosure Statement

IEC has attached an executed copy of the Levine Act Disclosure Statement form at the back of this Section.

Attachment F – Non-Collusion Declaration

IEC has attached an executed copy of the Non-Collusion Declaration at the back of this Section.

Attachment C - Contractor's Licenses

IEC has attached an executed copy of the Contractor’s Licenses form at the back of this Section.

Attachment D – Subcontractor List

IEC has attached an executed copy of the Subcontractor List at the back of this Section.

Attachment H – California Air Resources Board Regulation Compliance

IEC has attached an executed copy of the California Air Resources Board Regulation Compliance form at the back of this Section.

Addenda Acknowledgement

IEC has attached the following signed addenda for this RFP.

1. Addendum One
2. Addendum Two
3. Addendum Three
4. Jobwalk Attendance 11/20/2024
5. Jobwalk Attendance 12/11/2024
6. Public Purchase, Track Changes Addendum One through Addendum Five

California Secretary of State Registration – Active Status Screen Shot

(From <https://bizfileonline.sos.ca.gov/search/business>)

Basic Search

- A Basic search can be performed using an entity name or entity number. When conducting a search by an entity number, where applicable, **remove "C"** from the entity number. Note, a **basic search** will search **only ACTIVE entities** (Corporations, Limited Liability Companies, Limited Partnerships, Cooperatives, Name Reservations, Foreign Name Reservations, Unincorporated Common Interest Developments, and Out of State Associations). The basic search performs a contains ?keyword? search. The Advanced search allows for a ?starts with? filter. To search entities that have a status other than active or to refine search criteria, use the **Advanced** search feature.

Advanced Search

- An Advanced search is required when searching for publicly traded disclosure information or a status other than active.
- An Advanced search allows for searching by specific entity types (e.g., Nonprofit Mutual Benefit Corporation) or by entity groups (e.g., All Corporations) as well as searching by ?begins with? specific search criteria.

Disclaimer: Search results are limited to the 500 entities closest matching the entered search criteria. If your desired search result is not found within the 500 entities provided, please refine the search criteria using the Advanced search function for additional results/entities. The California Business Search is updated as documents are approved. The data provided is not a complete or certified record.

Although every attempt has been made to ensure that the information contained in the database is accurate, the Secretary of State's office is not responsible for any loss, consequence, or damage resulting directly or indirectly from reliance on the accuracy, reliability, or timeliness of the information that is provided. All such information is provided "as is." To order certified copies or certificates of status, (1) locate an entity using the search; (2) select Request Certificate in the right-hand detail drawer; and (3) complete your request online.



Advanced ▼

Results: 1

Entity Information	Initial Filing Date	Status	Entity Type	Formed In	Agent
INTEGRATED ENGINEERS AND CONTRACTORS CORPORATION (2230176)	04/25/2000	Active	Stock Corporation - CA - General	CALIFORNIA	RICHARD ERIC QUINTERO

INTEGRATED ENGINEERS AND CONTRACTORS CORPORATION (2230176)



Request Certificate

Initial Filing Date	04/25/2000
Status	Active
Standing - SOS	Good
Standing - FTB	Good
Standing - Agent	Good
Standing - VCFCF	Good
Formed In	CALIFORNIA
Entity Type	Stock Corporation - CA - General
Principal Address	8775 FOLSOM BLVD STE 110 SACRAMENTO, CA 95826
Mailing Address	8775 FOLSOM BLVD STE 110 SACRAMENTO, CA 95826
Statement of Info Due Date	04/30/2025
Agent	Individual RICHARD ERIC QUINTERO 8775 FOLSOM BLVD STE 110 SACRAMENTO, CA 95826



View History



Request Access

Attachment A

PROPOSER'S CERTIFICATION

I hereby propose to furnish the goods or services specified in the Request for Proposals ("RFP"). I agree that my proposal will remain firm for a period of up to ninety (90) days in order to allow the City of Roseville ("City") adequate time to evaluate the qualifications submitted.

I have carefully examined the Request for Proposals and any other documents accompanying or made a part of this RFP. The information contained in this proposal is true and correct to the best of my knowledge and is signed under penalty of perjury under the laws of the State of California. I further certify that I am duly authorized to submit this proposal on behalf of the firm as its authorized agent and that the firm is ready, willing and able to perform if awarded the contract.

I further certify that this proposal is made without prior understanding, agreement, connection, discussion, or conspiracy with any other person, firm or corporation submitting a proposal for the same product or service; that this proposal is fair and made without outside control, collusion, fraud or illegal action; that no officer, employee or agent of the City or any other proposer is financially interested in said proposal; that no undue influence or pressure was used against or in concert with any officer, employee or agent of the City in connection with the award or terms of the contract that will be executed as a result of this RFP; and that the undersigned executed this Proposer's Certification with full knowledge and understanding of the matters therein contained and was duly authorized to do so.

Integrated Engineers and Contractors Corporation
(dba IEC Corporation)

NAME OF BUSINESS



SIGNATURE

R. Eric Quintero, President

NAME & TITLE, TYPED OR PRINTED

3100 Zinfandel Dr., Ste 350, Rancho Cordova, CA 95670

MAILING ADDRESS

916-345-0301

TELEPHONE NUMBER

equintero@iec-corporation.com

EMAIL

Type of Organization:

☐ Sole Proprietorship ☒ Corporation ☐ State of Incorporation
☐ Partnership ☐ Limited Liability Company

Attachment B

LEVINE ACT DISCLOSURE STATEMENT

(The completed form submitted to the City of Roseville is a public record.)

California Government Code Section 84308, commonly referred to as the "Levine Act," prohibits any "Officer" (elected or appointed officer, any alternate thereto, and any candidate for elective office) from participating in any consideration or action related to a proceeding if they receive political contribution(s) from a party, or its agent(s), totaling more than \$250 within the previous twelve (12) months, while a proceeding is pending, and for twelve (12) months following the date of a final decision in a proceeding concerning a license, permit, other entitlement for use, franchise, or contract (collectively "license, permit, or contract"). For additional information: https://www.roseville.ca.us/government/departments/city_clerk/transparency/levine_act.

City Officers are listed at the following sites:

- The Members of City Council - https://www.roseville.ca.us/government/city_council/meet_council
- Boards & Commission Members - https://www.roseville.ca.us/government/boards_commissions

Parties and their Agents are responsible for reviewing and disclosing their applicable contributions to City Officers on the record of a proceeding.

1. Have you or your entity, or any agent on behalf of you or your entity, made any political contribution(s) totaling more than \$250 to any City Officer in the twelve (12) months preceding the date of the submission of your license, permit, or contract, or the anticipated date of any City Council, Board, or Commission consideration or action related to this license, permit, or contract?

YES _____ NO X

If yes, please identify the City Officer(s): _____

2. Do you or your entity, or any agent on behalf of you or your entity, anticipate or plan to make any political contribution(s) totaling more than \$250 to any City Officer in the twelve (12) months following any City Council, Board, or Commission consideration or action related to this license, permit, or contract?

YES _____ NO X

If yes, please identify the City Officer(s): _____

Answering yes to either of the two questions above does not preclude the City of Roseville from considering and/or taking action on a license, permit, or contract. It does, however, potentially preclude the identified City Officers from participating in consideration of and in taking any actions related to the license, permit, or contract. Please accurately complete and sign this form, under the penalty of perjury:

11/18/2024

(Date)

R. Eric Quintero, President

(Printed Name/Title of Authorized Representative)

Integrated Engineers & Contractors Corporation

(dba IEC Corporation)
(Name of business/legal entity)



(Signature)

You must submit a supplemental form if you make any new reportable contribution(s) while the contract, license, permit, or other entitlement is being considered. If this form has not previously been submitted in connection with a contracting, licensing, entitlement or permitting process, please provide the completed form to the Office of the City Clerk for appropriate departmental routing, at: City Clerk, 311 Vernon St., Roseville, CA 95678, CityClerkRoseville@roseville.ca.us

Attachment F

NONCOLLUSION DECLARATION TO BE EXECUTED BY BIDDER AND SUBMITTED WITH BID

The undersigned declares:

I am the President of Integrated Engineers and
Contractors Corporation
(dba IEC Corporation), the party making the foregoing bid.

The bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation. The bid is genuine and not collusive or sham. The bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid. The bidder has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, or to refrain from bidding. The bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the bidder or any other bidder, or to fix any overhead, profit, or cost element of the bid price, or of that of any other bidder. All statements contained in the bid are true. The bidder has not, directly or indirectly, submitted his or her bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, to any corporation, partnership, company, association, organization, bid depository, or to any member or agent thereof, to effectuate a collusive or sham bid, and has not paid, and will not pay, any person or entity for such purpose.

Any person executing this declaration on behalf of a bidder that is a corporation, partnership, joint venture, limited liability company, limited liability partnership, or any other entity, hereby represents that he or she has full power to execute, and does execute, this declaration on behalf of the bidder.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration is executed on November 19, 2024 [date], at Sacramento [city], California [state].



(Signature of Declarant)

CONTRACTOR LICENSES

List the licenses held by your company and/or employees. The following representations are made under penalty of perjury:

CA State Lic. No.	Name on License	Class/Type	Expiration Date
<u>786949</u>	<u>Inetgrated Engineers & Contractors Corporation</u>	<u>A</u>	<u>11/30/2026</u>
<u>786949</u>	<u>Integrated Engineers & Contractors Corporation</u>	<u>C10</u>	<u>11/30/2026</u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>

Do you have a City of Roseville Business License? Yes X No

License # 00840704

***For Public Works Projects (SB854):** Contractors must register with the Department of Industrial Relations (DIR) pursuant to Labor Code section 1725.5. The Contractor shall provide proof of current registration with the Department of Industrial Relations for both itself and all listed subcontractors with their proposal. Contractors may register at: <http://www.dir.ca.gov/public-works/publicworks.html>

DIR contractor registration number and expiration date:

* 1000023018, Expiration 6/30/2025

Attachment D

SUBCONTRACTOR LIST

If subcontractors will not be used, proposer must write "NONE". For construction contracts, in accordance with the Public Contract Code, Part 1, Chapter 4, Subletting and Subcontracting, Contractors must list the name and business address of each subcontractor who will perform work or labor or render service to the prime contractor in or about the construction of the work or improvement, or who will specially fabricate and install a portion of the work or improvement according to detailed drawings contained in the plans and specifications, in an amount in excess of one-half of one percent (0.5%) of the prime contractor's total bid, or in the case of bids or offers for the construction of streets and highways, including bridges, in excess of one-half of one percent (0.5%) of the prime contractor's total bid or ten thousand dollars (\$10,000) whichever is greater.

Company Name	<u>Performance Mechanical, Inc. (PMI)</u>
Principal	<u>Andy Hosler, President and CEO</u>
Address	<u>6001 Midway St.</u>
City	<u>Sacramento, CA 95828</u>
Phone	<u>(916) 421-4087</u>
Job capacity	<u>Construction</u>
Percentage of total work	<u>26.8%</u>
Licenses and numbers	<u>CA 475516 (A, B, C36)</u>
DIR Contractor Registration Number & Expiration Date	<u>1000004637, Exp 6/30/2026</u>

Company Name	<u>Placer Electric, Inc. (PEI)</u>
Principal	<u>Richard Nogleberg, RME</u>
Address	<u>5439 Stationers Way</u>
City	<u>Sacramento, CA 95842</u>
Phone	<u>(916) 338-4400</u>
Job capacity	<u>Electrical Contractor</u>
Percentage of total work	<u>5.6%</u>
Licenses and numbers	<u>CA 745212 (A, B, C10, C7, C61/D34)</u>
DIR Contractor Registration Number & Expiration Date	<u>1000025176, Exp 6/30/25</u>

Company Name	Western States Fire Protection Co.
Principal	James Brandberry
Address	188 Cirby Way
City	Roseville, CA 95678
Phone	(916) 924-1631
Job capacity	Fire Protection
Percentage of total work	0.92%
Licenses and numbers	CA 1092090 (C10, C16)
DIR Contractor Registration Number & Expiration Date	1000909011, Exp 6/30/26

Company Name	R.E.Y. Engineers, Inc.
Principal	Rich Radoycis
Address	905 Sutter St., Ste 200
City	Folsom, CA 95630
Phone	(916) 366-3040
Job capacity	Civil Engineering Design
Percentage of total work	0.4%
Licenses and numbers	N/A
DIR Contractor Registration Number & Expiration Date	1000011489, Exp 6/30/25

Company Name	Verve Industrial Protection
Principal	John Livingston, CEO
Address	1640 McCracken Blvd.
City	Paducah, KY 42001
Phone	(270) 442-9880
Job capacity	Controls Engineering
Percentage of total work	1.2%
Licenses and numbers	N/A
DIR Contractor Registration Number & Expiration Date	N/A

Company Name	Youngdahl Consulting Group, Inc.
Principal	Matthew Gross
Address	1234 Glenhaven Ct.
City	El Dorado Hills, CA 95762
Phone	(916) 933-0633
Job capacity	Geotechnical Engineering
Percentage of total work	0.38%
Licenses and numbers	N/A
DIR Contractor Registration Number & Expiration Date	1000008342, Exp 6/30/25

Company Name	Trinity Consultants
Principal	Jeff Adkins
Address	7919 Folsom Blvd., Ste 320
City	Sacramento, CA 95826
Phone	(916) 444-6666
Job capacity	Permitting
Percentage of total work	0.5%
Licenses and numbers	N/A
DIR Contractor Registration Number & Expiration Date	N/A

Company Name	Power Systems Testing Co.
Principal	David Casuga
Address	4688 W. Jennifer Ave., Ste 105
City	Fresno, CA 93722
Phone	(559) 275-2171, Ext 7023
Job capacity	Electrical Testing
Percentage of total work	0.62%
Licenses and numbers	CA 306378 (C10)
DIR Contractor Registration Number & Expiration Date	1000000898, Exp 6/30/25

Company Name	GE Packaged Power, Inc.
Principal	James Cannon
Address	500 10900 NE 4th Street
City	Bellevue, WA 98004
Phone	(425) 450-5089
Job capacity	Turbine Fabricator
Percentage of total work	9.8%
Licenses and numbers	N/A
DIR Contractor Registration Number & Expiration Date	NA

Company Name	
Principal	
Address	
City	
Phone	
Job capacity	
Percentage of total work	
Licenses and numbers	
DIR Contractor Registration Number & Expiration Date	

Company Name	
Principal	
Address	
City	
Phone	
Job capacity	
Percentage of total work	
Licenses and numbers	
DIR Contractor Registration Number & Expiration Date	

Attachment H

CALIFORNIA AIR RESOURCES BOARD REGULATION COMPLIANCE

Please indicate whether the Contractor is subject to, and/or in compliance with, the following regulations of the California Air Resources Board.

In-Use Off-Road Diesel-Fueled Fleets Regulation

- 1) Will vehicles subject to Cal. Code Regs., tit. 13, §§ 2449 et seq. be used for the project? This includes, but is not limited to:

- a) Vehicles with a diesel-fueled or alternative diesel fueled off-road compression-ignition engine with maximum power (max hp) of 25 horsepower (hp) or greater provided that the vehicle cannot be registered and driven safely on-road or was not designed to be driven on-road, even if it has been modified so that it can be driven safely on-road
- b) Workover rigs
- c) Certain two-engine vehicles

Yes ☐ No ☒

- 2) If you answered "Yes" to 1), you **must** submit with your proposal a valid Certificate of Reported Compliance to the City as provided in Cal. Code Regs., tit. 13, § 2449(n).

Advanced Clean Fleets Regulation

Pursuant to Cal. Code Regs., tit. 13, § 2013(i)(1), the Contractor shall submit to the City a document evidencing that it is listed on the CARB Advanced Clean Fleets webpage as a compliant fleet **OR** a signed statement stating that it is not subject to the High Priority and Federal Fleets regulation of title 13, CCR section 2015 through 2015.6.

The High Priority Fleets regulation applies to, without limitation, entities with more than \$50 million in gross annual revenues and/or which own, operate, or direct the operation of 50 or more vehicles in the total fleet.

- 1) Is the Contractor subject to the High Priority and Federal Fleets regulation of title 13, CCR section 2015 through 2015.6? Answering "No" constitutes a statement of exemption as required in Tab G.

Yes ☐ No ☒

- 2) If you answered "Yes" to 1), you **must** submit with your proposal a document evidencing that you are listed on the CARB Advanced Clean Fleets webpage as a compliant fleet.

Signature



Title

President

I M P O R T A N T

11/21/2024

To: Proposers
FROM: Ozro Corulli, Electric Department
RE: RFP 07-109 Roseville Power Plant 2 Repower

*****ADDENDUM ONE*****

Please note the following revisions, which represent one attachment:

Questions and clarifications from the jobwalk on 11/20/2024:

Question: Can the bid deadline be extended?

Answer: Yes, the new bid deadline is January 21st, 2025 with an award of contract tentatively March 5th, 2025.

Question: Was the diesel fuel tank cleaned when decommissioned?

Answer: Yes

Question: Is there a spare parts list for the Frame 5 units?

Answer: Yes – It, along with past inspection reports, wiring schematics, a parts list of new equipment coming with the TM2500 units, and other sensitive documents are available upon request after attending a jobwalk and signing the Non Disclosure Agreement.

Clarification: Sewage sump in remaining warehouse needs to be accessible.

Clarification: General layout of TM2500's is preferred to stay similar to existing units, however one may need to be rotated to allow access to major parts and/or provide adequate air flow between units.

Clarification: Fence may need to be moved in several feet once survey is complete to accommodate grounding ring outside of fence to reduce touch potential.

You must acknowledge receipt of this addendum by including a signed copy with your proposal submittal.

I acknowledge receipt of Addendum One

Name R. Eric Quintero

Signature 

Company IEC Corporation Date 11/25/2024

I M P O R T A N T

12/03/2024

To: Proposers
FROM: Ozro Corulli, Electric Department
RE: RFP 07-109 Roseville Power Plant 2 Repower

*****ADDENDUM TWO*****

Please note the following revisions, which represent one attachment:

SECOND PRE-PROPOSAL CONFERENCE OR JOB WALK

A second pre-proposal conference/job walk has been scheduled for December 11, 2024 at 8AM.

The job walk will be identical to the first jobwalk that was held on November 20, 2024. **Attendance to one of the jobwalks is mandatory to bid, prospective bidders may attend both jobwalks if desired.**

Additional identical job walks may be scheduled at the City's discretion and all potential bidders will be notified by an addendum posted in Public Purchase of the date and time. All prospective bidders are encouraged to pre-register for the job walk by contacting Ozro Corulli at ocorulli@roseville.ca.us. The job site will be visited to preview the project areas, locations, and accessibility. The job walk will last approximately 4 hours. Attendance will be taken at the beginning of the job walk.

Location: 5120 Phillip Road, Roseville, CA

All attendees are required to wear a hardhat, closed toe boots, and Flame Resistant (FR) long sleeve shirt and jeans rated to at least 8 cal/cm2. Failure to adhere to these requirements will be grounds for disqualification. Virtual attendance/conference call-in, shall not be counted as attendance. Proposals from Contractors who do not attend the mandatory pre-proposal conference/job walk will be rejected. The pre-proposal conference/job walk will begin at the designated start time. Attendance for the entire pre-proposal/job walk is required and tardiness will be grounds for disqualification.

The job walk will start at the Roseville Energy Park located at 5120 Phillip Road, Roseville CA where a tour of similar TM2500s will be given. Afterward traveling to the job site at 2115 Nichols Road, Rocklin, CA.

Interested firms will have an opportunity to submit questions regarding the requirements outlined in this RFP. In order to make the meeting more effective for all participants, attendees should read this document thoroughly prior to the meeting.

Substantial clarifications or changes required as a result of the meeting will be issued in the form of a written addendum to the RFP. A list of attendees will be distributed upon request.

The new deadline to submit questions is January 8th. Prospective bidders are encouraged to ask questions as early as possible.

The new deadline for City responses to questions is January 15th.

You must acknowledge receipt of this addendum by including a signed copy with your proposal submittal.

I acknowledge receipt of Addendum Two

Name R. Eric Quintero

Signature 

Company IEC Corporation Date 1/14/2025

IMPORTANT

1/23/2025

To: Proposers
FROM: Ozro Corulli, Electric Department
RE: RFP 07-109 Roseville Power Plant 2 Repower

*****ADDENDUM THREE*****

The following questions were asked and responded to:

Question #1

When will the TM2500's and associated equipment begin being dismantled (by others and not part of this contract)?

Dec 31, 2024 6:40:56 AM PST

By: [City of Roseville](#) - ocorulli

Answers

The units are scheduled to be in operation until October 1st, 2025. This date may shift slightly due to operational needs of the current owners.

Dec 31, 2024 6:46:50 AM PST

By: ocorulli

Question #2

When will the TM2500's and associated equipment arrive at the 5120 Phillip Road location?

Dec 31, 2024 6:47:23 AM PST

By: [City of Roseville](#) - ocorulli

Answers

Delivery of equipment will need to be coordinated with the company disassembling the units. Contractor should expect equipment available no later than January 1st, 2026.

Dec 31, 2024 6:59:30 AM PST

By: ocorulli

Question #3

A. Will any of the OEM's be a part of the dismantle process to ensure the equipment are being handled and documented according to the OEM requirements to maintain warranty?

Dec 31, 2024 7:11:58 AM PST

By: [City of Roseville](#) - ocorulli

B. Are the pieces being dismantled according to their original shipping arrangement (size and weights) per the OEM?

C. Is there a shipping matrix available?

Answers

This information is not available at this time, the City and contractor will need to coordinate with the company disassembling the units at a later date.

Dec 31, 2024 7:12:08 AM PST

By: ocorulli

Question #4

Will all of the equipment be offloaded by others including dunnage?

Dec 31, 2024 7:12:58 AM PST

By: [City of Roseville](#) - ocorulli

Answers

Yes, contractor will be responsible for picking up the equipment at 5120 Phillip Road and transporting/offloading at the jobsite.

Dec 31, 2024 7:13:07 AM PST

By: ocorulli

Question #5

With regard to permitting requirements, please clarify if contractor is responsible for air permit?

Dec 31, 2024 7:13:59 AM PST

By: [City of Roseville](#) - ocorulli

Answers

The City will obtain all necessary permits with the air board, contractor shall coordinate with the City prior to any run testing.

Jan 6, 2025 9:59:57 AM PST

By: ocorulli

Question #6

Please advise if each TM2500 unit will be limited to 25 MW.

Dec 31, 2024 7:14:09 AM PST

By: [City of Roseville](#) - ocorulli

Answers

The equipment shall be sized to run at full nameplate capacity.

Jan 8, 2025 3:42:54 PM PST

By: ocorulli

Clarification: Full generator nameplate capacity.

Jan 8, 2025 3:44:49 PM PST

By: ocorulli

Question #7

Please advise how many hours each TM2500 unit is expected to run annually.

Dec 31, 2024 7:14:21 AM PST

By: [City of Roseville](#) - ocorulli

Answers

Each unit is expected to run approximately 2,000 hours annually.

Jan 8, 2025 3:22:26 PM PST

By: ocorulli

Question #8

Please provide existing property information/drawings/survey etc. including the property/parcel boundaries/corners in particular as being relative to the existing fence.

Dec 31, 2024 7:14:42 AM PST

By: [City of Roseville](#) - ocorulli

Answers

All site drawings have been provided, the contractor is required to perform a site survey to verify parcel boundaries.

Jan 21, 2025 3:50:33 PM PST

By: ocorulli

Question #9

On the job walk it was noted that areas around the entire perimeter of the fenced site had eroded up to the fence line. The City commented it may require some type of retaining wall to be built to eliminate future erosion and maintain space outside of the fenced area (6'+/-). Please confirm retaining wall is a requirement and if so what is the direction including Lineal Footage (if not the entire perimeter)?

Dec 31, 2024 7:15:23 AM PST

By: [City of Roseville](#) - ocorulli

Answers

Areas of concern were pointed out during the job walk, the contractor can work with the Geotech firm to determine if a retaining wall is required in problem sections or if other methods are adequate.

Jan 21, 2025 3:50:20 PM PST

By: ocorulli

Question #10

If work is to be performed outside of the current fenced area, are there any easements or restrictions that we need to know of?

Dec 31, 2024 7:15:44 AM PST

By: [City of Roseville](#) - ocorulli

Answers

Drive area along the north west fence perimeter next to water retention basin is available for laydown. Work outside the property boundaries must be coordinated with the landowners.

Jan 21, 2025 4:07:56 PM PST

By: ocorulli

Question #11

The RFP notes "All onsite work shall be performed by union labor and meet prevailing wage requirements".
Please confirm:

Dec 31, 2024 7:16:54 AM PST

By: [City of Roseville](#) - ocorulli

A. If there is a Project Labor Agreement for this project at the 2115 Nichols Drive Location?

B. Should all labor meet prevailing wage requirements, with the assumption that union is preferred (but not required)?

Answers

Union labor is preferred but not required. All onsite work must meet prevailing wage requirements per the Department of Industrial Relations.

Dec 31, 2024 7:22:48 AM PST

By: ocorulli

Question #12

Will the City provide a bid extension to January 30th?

Jan 7, 2025 7:22:33 AM PST

By: [City of Roseville](#) - ocorulli

Answers

Yes - Bid are now due January 30th, 2025 at 3:00PM PST.

Jan 7, 2025 7:37:57 AM PST

Final questions are due January 14th with City response no later than January 21st.

By: ocorulli

Question #13

1. Will the development change significantly between now and when the project starts in October?

Jan 7, 2025 8:16:17 AM PST

By: [City of Roseville](#) - ocorulli

2. If the fence is moved, will the lights need to be relocated as well?

3. Will the new fence match the same chain link specification?

4. Will the southeast building remain, or will it need to be removed?

5. Do contractors need to coordinate with operations to ensure the units are de-energized, disconnected, and locked out?

6. Is it assumed that someone will buy the Frame 5 units currently located at the facility?

7. Will the 60 kV be de-energized?

8. Where can equipment be staged on-site?

9. Is the adjacent land zoned for parking and trailers?

10. Is a gate required on the west side?

11. Will there be need for access to the existing building throughout the entire construction period?

12. Will the existing building's walls and layout remain the same?

Answers

1. Will the development change significantly between now and when the project starts in October?

Jan 7, 2025 8:16:47 AM PST

a. No, most of the grading is complete or near completion.

By: ocorulli

2. If the fence is moved, will the lights need to be relocated as well?

a. Yes, new lighting will be required throughout the facility.

3. Will the new fence match the same chain link specification?
 - a. See fence specification in section 4 - construction standards.
4. Will the southeast building remain, or will it need to be removed?
 - a. The bopper building on the southeast side will need to be removed and is specified in the RFP.
5. Do contractors need to coordinate with operations to ensure the units are de-energized, disconnected, and locked out?
 - a. Yes, work can start prior to the October 1st shutdown if it does not affect plant operations but must be coordinated with the City.
6. Is it assumed that someone will buy the Frame 5 units currently located at the facility?
 - a. Yes, we expect the generation units to be sold. If not, disposal costs will need to be included in your bids.
7. Will the 60 kV be de-energized?
 - a. Yes, Roseville will disconnect the incoming 60kV line.
8. Where can equipment be staged on-site?
 - a. Equipment can be staged on the west side, near the diesel tank, just outside of the fence. If this area is used, it must be restored to its original condition as it is developer-owned. Roseville is working on an aerial view that will be provided.
9. Is the adjacent land zoned for parking and trailers?
 - a. Yes, parking, trailers, and equipment can be staged in that area. There is also a laydown yard at the Roseville Energy Park. Roseville is working on providing an aerial map that will be shared.
10. Is a gate required on the west side?
 - a. No, a gate is only required on the north and south sides.
11. Will there be need for access to the existing building throughout the entire construction period?
 - a. The building should remain accessible and powered as much as possible. Identify any required restrictions in your project plan.
12. Will the existing building's walls and layout remain the same?
 - a. Yes, but Roseville is open to suggestions due to space constraints and is willing to reevaluate.

Question #14

1. Please provide as-builts for the existing warehouse. - We are asking about this in regards to the utilities and any potential issues.
2. Who is the current security and gate access provider?
3. Page 440 d. iii. Curb "A concrete curb shall be installed around the crushed rock area to contain the crushed rock from spilling onto the asphalt." We have concerns regarding access for maintenance depending on the type of curb and location. What type of curb is going to be

Jan 21, 2025 12:29:04 PM PST

By: [City of Roseville](#) - ocorulli

required and does this include both generation and substation areas?

4. Are the TM2500 units coming with the oil in barrels that was used at the previous site?

5. If the frame 5 units are not sold, will the City handle the removal and disposal of the oil/fluids/hazardous materials for these units?

6. Please confirm if the backup generator should be sized to include the required 480V load and 4160V gas compressor load to start the TM2500.

7. Either during a response prior to bid time, or without disqualification of bidders proposal noting one, will the City consider a cap on the liquidated damages?

Answers

1. Please provide as-builts for the existing warehouse. - We are asking about this in regards to the utilities and any potential issues.

a. As-builts for the warehouse are unavailable.

2. Who is the current security and gate access provider?

a. Please see section 3.1.9.2 Physical Access Control System

3. Page 440 d. iii. Curb "A concrete curb shall be installed around the crushed rock area to contain the crushed rock from spilling onto the asphalt." We have concerns regarding access for maintenance depending on the type of curb and location. What type of curb is going to be required and does this include both generation and substation areas?

a. Please note the concern and provide an alternate design that allows for adequate crushed rock containment and water drainage.

4. Are the TM2500 units coming with the oil in barrels that was used at the previous site?

a. This detail will need to be coordinated with the contractor decommissioning the units.

5. If the frame 5 units are not sold, will the City handle the removal and disposal of the oil/fluids/hazardous materials for these units?

a. If a broker cannot be found for the frame 5 units, please quote to dispose of the units.

6. Please confirm if the backup generator should be sized to include the required 480V load and 4160V gas compressor load to start the TM2500.

a. Backup generator does not need to serve the 4160V gas compressors.

7. Either during a response prior to bid time, or without disqualification of bidders proposal noting one, will the City consider a cap on the liquidated damages?

a. The City is willing consider a cap to liquidated damages.

Jan 21, 2025 12:29:37 PM PST

By: ocorulli

Does the City have any concerns about starting the units in cold weather?

Jan 21, 2025 4:11:55 PM PST

By: [City of Roseville](#) - ocorulli

Answers

Yes, please include an anti-icing system to allow for cold weather start.

Jan 21, 2025 4:12:13 PM PST

By: ocorulli

You must acknowledge receipt of this addendum by including a signed copy with your proposal submittal.

I acknowledge receipt of Addendum Three

Name R. Eric Quintero

Signature 

Company IEC Corporation Date 1/24/2024

ROSEVILLE POWER PLANT #2 REPOWER DESIGN-BUILD PRE-BID CONFERENCE ATTENDANCE

8:00 A.M. at Roseville Energy Park, 5120 Philip Rd.

11/20/2024

NAME	COMPANY NAME	TELEPHONE NO.	EMAIL	ADDRESS
1 Ryan Robinette	Big Valley Electric	209-986-4593	rrobinette@bigvalleyelectric.com	
2 Rudge Wynn	TTS Construction	916-248-5432	rwynn@ttsconstruction.com	
3 Robert Hahn	Ulteig	916-267-5310	robert.hahn@ulteig.com	
4 Nick Rathsack	Boldt	920-716-0973	Nick.rathsack@boldt.com	
5 Eric Quintero	IEC	916-345-0301	equintero@iec-corporation.com	
6 Rick Carpentu	PMI	925-766-9299	Rmcalpeuu@perfect.com	
7 Aaron Leach	IEC	209-404-5631	aleach@iec-corporation.com	
8 Chris Miles	H&MW	530-309-5633	cmiles@henkeiswest.com	
9 Arslan Sabir	DWR	916-450-1102	arslan.sabir@water.ca.gov	
10 Justin Wedel	IEC	916-545-0330	jwedel@iec-corporation.com	
11 Christian Garcia	IEC	530-554-3837	cgarcia@iec-corporation.com	

ROSEVILLE POWER PLANT #2 REPOWER DESIGN-BUILD PRE-BID CONFERENCE ATTENDANCE

8:00 A.M. at Roseville Energy Park, 5120 Philip Rd.

12/11/2024

	NAME	COMPANY NAME	TELEPHONE NO.	EMAIL	ADDRESS
1	Tyler Haining	TTSC	209-747-0687	Thaining@ttsconstruction.com	1220 E. Pine Lodi, CA 95240
2	Nathen Howard	TTSC	916-804-3860	nhoward@ttsconstruction.com	1220 E. Pine Lodi, CA 95240
3	Randy Gable	PMI	925-246-3615	rgable@perfmech.com	701 Willow Pass Rd Suite 2 Pittsburg, CA 94563
4	Jason Tudbury	PMI	925-383-4130	jtudbury@perfmech.com	701 Willow Pass Rd Suite 2 Pittsburg, CA 94563
5	Kevin Pavlew	PMI	925-383-9430	kpavlew@perfmech.com	701 Willow Pass Rd Suite 2 Pittsburg, CA 94563
6	Derek Cedars	Burns & McDonnell	757-403-9997	dcedars@burnsmcd.com	2145 N California #400 Walnut Creek, CA
7	Justin Wedel	IEC	916-345-0330	jwedel@iec-corporation.com	8775 Folsom Blvd Suite 110 Sacramento, CA
8	Eric Quintero	IEC	916-345-0301	egintero@iec-corporation.com	8775 Folsom Blvd Suite 110 Sacramento, CA
9	Christian Garcia	IEC	530-554-3837	Cgarcia@iec-corporation.com	8775 Folsom Blvd Suite 110 Sacramento, CA

Information Deleted: Deleted

Information Added: Added

**Bid RFP #07-109 - Roseville Power Plant #2 Repower
Addendum #1 - Addendum**

Bid Type RFP
Bid Number 07-109
Title Roseville Power Plant #2 Repower
Start Date Nov 7, 2024 1:30:00 PM PST
End Date Jan 21, 2025 3:00:00 PM PST
Agency City of Roseville
Bid Contact Ozro Corulli
(916) 774-5586
ocorulli@roseville.ca.us
2090 Hilltop Circle
Roseville, CA 95747

Description

The City of Roseville is looking to install and commission two (2) previously acquired GE TM2500's, SCRs, and associated equipment at the existing Roseville Power Plant #2 site located at 2115 Nichols Drive in Rocklin. The plant currently utilizes two (2) GE Frame 5 gas turbines which will be decommissioned and sold at fair market value by the contractor. The site shall be cleared and prepared for the new TM2500 units which the contractor shall install and commission.

The GE TM2500's include ancillary equipment intended for a temporary installation, additional equipment will need to be designed and acquired for the permanent installation. The site will be available to begin project work starting October 1st 2025 with the units fully commissioned and commercially available prior to June 1st 2026.

Pre-Bid Conference

Date: Nov 20, 2024 8:00:00 AM PST
Location: 5120 Phillip Road, Roseville, CA
Notes:

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Location: 5120 Phillip Road, Roseville, CA

All attendees are required to wear a hardhat, closed toe boots, and Flame Resistant (FR) long sleeve shirt and jeans rated to at least 8 cal/cm2. Failure to adhere to these requirements will be grounds for disqualification.

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The job walk will start at the Roseville Energy Park located at 5120 Phillip Road, Roseville CA where a tour of similar TM2500s will be given. Afterward traveling to the job site at 2115 Nichols Road, Rocklin, CA.

Interested firms will have an opportunity to submit questions regarding the requirements outlined in this RFP. In order to make the meeting more effective for all participants, attendees should read this document thoroughly prior to the meeting.

Substantial clarifications or changes required as a result of the meeting will be issued in the form of a written addendum to the RFP. A list of attendees will be distributed upon request.

*** Vendor attendance is required**

No Attachments

2
No Attachments
Download

Documents

Name	Posting Date	Acceptance
 RFP 07-109 Roseville Power Plant 2 Repower.pdf	Nov 7, 2024 1:02:04 PM PST	No Yes
 RFP2_NDA.pdf	Nov 7, 2024 1:02:18 PM PST	No Yes
 Addendum One - 11-21-2024.pdf	Nov 21, 2024 3:45:19 PM PST	Yes



Information Deleted: Deleted

Information Added: Added

**Bid RFP #07-109 - Roseville Power Plant #2 Repower
Addendum #2 - Addendum****Bid Type RFP****Bid Number 07-109****Title Roseville Power Plant #2 Repower****Start Date Nov 7, 2024 1:30:00 PM PST****End Date Jan 21, 2025 3:00:00 PM PST****Agency City of Roseville****Bid Contact Ozro Corulli**
(916) 774-5586
ocorulli@roseville.ca.us
2090 Hilltop Circle
Roseville, CA 95747**Description**

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Pre-Bid Conference**Date:** ~~Nov-20~~ Dec 11, 2024 8:00:00 AM PST**Location:** 5120 Phillip Road, Roseville, CA**Notes:** **SECOND PRE-PROPOSAL CONFERENCE OR JOB WALK****A second pre-proposal conference/job walk has been scheduled for December 11, 2024 at 8AM.****The job walk will be identical to the first jobwalk that was held on November 20, 2024. Attendance to one of the jobwalks is mandatory to bid, prospective bidders may attend both jobwalks, if desired.****MANDATORY PRE-PROPOSAL CONFERENCE OR JOB WALK****A mandatory pre-proposal conference/job walk has been scheduled for November 20, 2024 at 8AM.**

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Location: 5120 Phillip Road, Roseville, CA

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*** Vendor attendance is required****No Attachments**  JobWalk_Attendance_11-20-24.pdf [download]**Documents**

Name	Posting Date	Acceptance
 RFP 07-109 Roseville Power Plant 2 Repower.pdf	Nov 21, 2024 3:47:44 PM PST	Yes
 RFP2_NDA.pdf	Nov 21, 2024 3:47:44 PM PST	Yes
 Addendum One - 11-21-2024.pdf	Nov 21, 2024 3:45:49 PM PST	Yes
 Addendum Two - 12-03-2024.pdf	Dec 3, 2024 8:51:58 AM PST	Yes



Information Deleted: Deleted

Information Added: Added

**Bid RFP #07-109 - Roseville Power Plant #2 Repower
Addendum #3 - Addendum**

Bid Type RFP

Bid Number 07-109

Title Roseville Power Plant #2 Repower

Start Date Nov 7, 2024 1:30:00 PM PST

End Date Jan 21, 2025 3:00:00 PM PST

Agency City of Roseville

Bid Contact Ozro Corulli
(916) 774-5586
ocorulli@roseville.ca.us
2090 Hilltop Circle
Roseville, CA 95747

Description

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Pre-Bid Conference

Date: Dec 11, 2024 8:00:00 AM PST

Location: 5120 Phillip Road, Roseville, CA

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Name	Posting Date	Acceptance
RFP 07-109 Roseville Power Plant 2 Repower.pdf	Nov 21, 2024 3:47:44 PM PST	Yes
RPP2_NDA.pdf	Nov 21, 2024 3:47:44 PM PST	Yes
Addendum One - 11-21-2024.pdf	Nov 21, 2024 3:45:49 PM PST	Yes
Addendum Two - 12-03-2024.pdf	Dec 3, 2024 8:51:58 AM PST	Yes

**Bid RFP #07-109 - Roseville Power Plant #2 Repower
Addendum #4 - Addendum**

Information Deleted: Deleted

Information Added: Added

Bid Type RFP

Bid Number 07-109

Title Roseville Power Plant #2 Repower

Start Date Nov 7, 2024 1:30:00 PM PST

End Date Jan 21, 2025 3:00:00 PM PST

Agency City of Roseville

Bid Contact Ozro Corulli
(916) 774-5586
ocorulli@roseville.ca.us
2090 Hilltop Circle
Roseville, CA 95747

Description

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Pre-Bid Conference

Date: Dec 11, 2024 8:00:00 AM PST

Location: 5120 Phillip Road, Roseville, CA

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Name	Posting Date	Acceptance
 RFP 07-109 Roseville Power Plant 2 Repower.pdf	Nov 21, 2024 3:47:44 PM PST	Yes
 RPP2_NDA.pdf	Nov 21, 2024 3:47:44 PM PST	Yes
 Addendum One - 11-21-2024.pdf	Nov 21, 2024 3:45:49 PM PST	Yes
 Addendum Two - 12-03-2024.pdf	Dec 3, 2024 8:51:58 AM PST	Yes



Information Deleted: Deleted

Information Added: Added

**Bid RFP #07-109 - Roseville Power Plant #2 Repower
Addendum #5 - Addendum**

Bid Type RFP
Bid Number 07-109
Title Roseville Power Plant #2 Repower
Start Date Nov 7, 2024 1:30:00 PM PST
End Date Jan 30, 2025 3:00:00 PM PST
Agency City of Roseville
Bid Contact Ozro Corulli
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No  JobWalk_Attendance_11-20-24.pdf [download]

Attachments  Jobwalk_Attendance_12-11-2024.pdf [download]

Documents

Name	Posting Date	Acceptance
 RFP 07-109 Roseville Power Plant 2 Repower.pdf	Nov 21, 2024 3:47:44 PM PST	Yes
 RFP2_NDA.pdf	Nov 21, 2024 3:47:44 PM PST	Yes
 Addendum One - 11-21-2024.pdf	Nov 21, 2024 3:45:49 PM PST	Yes
 Addendum Two - 12-03-2024.pdf	Dec 3, 2024 8:51:58 AM PST	Yes
 Addendum Three - 1-23-2025.pdf	Jan 23, 2025 1:02:31 PM PST	Yes



H. Exceptions

EXCEPTIONS

Sample Contract Clarifications

IEC would like to discuss the following clarifications regarding the Sample Contract.

Article 2.7 Warranty

CONTRACTOR shall warranty the Work for materials and workmanship for a period of two-years commencing twelve months upon recording of the notice of completion. If within this two-year twelve-month warranty period any of the Work is found to be defective or not in accordance with the requirements of the Contract Documents, CONTRACTOR shall correct it promptly after receipt of written notice from CITY to do so. CITY shall give such notice promptly after discovery of the condition. CONTRACTOR shall bear the cost of correction. All equipment warranties will be consistent with the manufacturer's standard warranties.

Article 2.13 Permits, Fees and Notices

IEC assumes permitting and permitting fees are excluded from the Contractor's scope of work per RFP.

~~Unless otherwise provided in the Contract Documents, and subject to the provisions of Section 2.5 hereof, CONTRACTOR shall secure all permits, governmental fees, licenses and inspections necessary for the proper execution and completion of the Work. To the extent there is a change in the type or cost of any of such permits, fees, licenses or inspection occurring after execution of this Agreement, there shall be an equitable adjustment in the GMP and Schedule on account of such change in accordance with the Change Order provisions.~~ CONTRACTOR shall comply with and give notices required by Applicable Laws.

Article 4.6.2 Amount of Liquidated Damages.

If CONTRACTOR fails to achieve Final Completion of the Work on or before the Notice of Completion date, as adjusted for Excusable Delays, CONTRACTOR shall pay to CITY liquidated damages in the amount of \$5000.00 (five thousand dollars) per Day for each calendar day the date of Final Completion is unexcusably delayed up to a maximum of two percent (2%) of the total Agreement price. Payment of liquidated damages shall be made contemporaneously with CITY's required payment to CONTRACTOR, and such payments may be offset against each other.

Article 5.1 Guaranteed Maximum Price ("GMP") and GMP Shared Savings.

CITY shall pay for CONTRACTOR's performance under this Agreement ~~the Cost of the Work and Fee~~ (as described in Exhibit A hereto) on a fixed price lump sum basis; provided, however, that the sum of the Cost of the Work and the Fee shall not exceed the GMP, as adjusted by Change Order/Directive in

accordance with the Contract Documents. CONTRACTOR bears the risk of its increased costs due to market price increases (including escalating costs for materials) but not including direct impacts from the imposition of tariffs which will be documented by CONTRACTOR and reimbursed by CITY.

Article 5.1.1 Shared Savings.

IEC proposes to remove this paragraph in its entirety as it pertains to time and materials billing and payments.

Article 9.1.C Insurance Required.

IEC has included Commercial General Liability and Personal Injury insurance for Major Construction projects equal to \$5 million for each occurrence and \$7 million aggregate (\$5M/\$7M). If required by the City of Roseville, IEC can provide additional Commercial General Liability and Personal Injury insurance to meet the RFP requirements of \$5 million for each occurrence and \$10 million aggregate (\$5M/\$10M) for an additional cost of \$200,000 for the contract duration.

(Note: The reason for the large additional cost is the insurance market only offers increments of \$3M for each occurrence and \$3 million aggregate (\$3M/\$3M) for Excess Liability. If this Excess Liability were added onto our existing General Liability insurance, it would result in \$8 million for each occurrence and \$10 million aggregate (\$8M/\$10M).)

Article 9.4 Indemnification. To the fullest extent allowed by law, CONTRACTOR shall defend, indemnify, and hold harmless, CITY, its officers, employees, agents, and volunteers, and each and every one of them, from and against all actions, damages, claims, losses, expenses or other liabilities of every type and description, including reasonable attorney fees, to which they may be subjected or put for personal injury, death, or property damage to the extent caused by the ~~by reason of, or resulting from, the performance of the Work, whether upon or off the Work, including the loss of use thereof, that is caused in whole or in part by~~ willful or reckless misconduct and/or any negligent or wrongful act or omission of CONTRACTOR, any Subcontractor, and anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, ~~whether or not it is caused in part by a party indemnified hereunder, except for such claims arising from the sole or active negligence of CITY. The parties intend that this provision shall be broadly construed. CONTRACTOR does not assume any liability for the negligence of CITY regardless of whether active or passive.~~

Article 9.5 Consequential Damages. IEC proposes adding the following Consequential Damages clause as Article 9.5:

Consequential Damages. Notwithstanding any other provision of this Agreement, and to the fullest extent permitted by law, neither the CITY nor CONTRACTOR, their respective officers, directors, partners, employees, contractors or subconsultants shall be liable to the other or shall make any claim for any incidental, indirect or consequential damages arising out of or connected in any way to the project or to this Agreement. This mutual waiver of consequential damages shall include, but is not limited to, loss of use, loss of profit, loss of business, loss of income, loss of reputation or any other consequential damages that either party may have incurred from any cause of action including negligence, strict liability, breach of contract and breach of strict or implied warranty.

Article 9.6 Limit of Liability. IEC proposes adding the following Limit of Liability clause as Article 9.6:

To the maximum extent permitted by law, the CITY agrees to limit CONTRACTOR'S liability for any and all claims, losses, costs, damages of any nature whatsoever or claims expenses from any cause or causes, including attorneys' fees and costs and expert-witness fees and costs, so that the total aggregate liability of CONTRACTOR to the CITY shall not exceed the insurance coverage limits required by the Agreement. It is intended that this limitation apply to any and all liability or cause of action, however alleged or arising, unless otherwise prohibited by law.

Article 12.2.1.1 Take possession of the Site and of all materials, equipment, tools and construction equipment thereon owned by CONTRACTOR, excluding equipment, tools and construction equipment owned by Contractor's subcontractors.

Article 13.11 No Waiver. Neither the inspection by CITY or its agents, nor any order or certificate for payment of money, nor payment for, nor acceptance of the whole or any part of the work by CITY, nor any extensions of time, nor any position taken by CITY or its agents shall operate as a waiver of any provision of this Agreement or of any power herein reserved to CITY or any right to damages herein provided, nor shall any waiver of any breach of this Agreement be held to be a waiver of any other or subsequent breach. CONTRACTOR's waiver of any breach hereof shall not constitute a waiver of any subsequent breach of the same or any other provision hereof.

Scope of Work Clarifications

1. Permitting

IEC has identified, and included, the following permitting in our bid price:

- Construction General Permit (CGP)
- Geotechnical Boring Permits and USA North notification
- Fire Alarm Permitting
- Sprinkler System Replacement Permitting

All other permits are not included in the bid, including but not limited to, CEC Permitting and Air Permitting.

However, IEC has included Air Permitting support as optional pricing in **Tab F** (Cost Proposal) if Roseville would like IEC to provide this service. IEC will use Trinity Consultants (Jeff Adkins). See Cost Proposal for details on the services being offered by Trinity Consultants.

2. Soundwall

Gas turbine power facilities have several significant sources of noise pollution which can be a nuisance to nearby residences, including the future houses being built as part of the Placer Ranch development. Traditionally, walls are installed to reduce the sound impact to acceptable levels.

The RFP states that the contractor shall take responsibility for a soundwall, however, a masonry wall is already planned to be provided by the Placer Ranch development. **Figure 1** below shows the Placer Ranch Specific Plan for the RPP2 site.

While not a component of the PRSP's backbone electric infrastructure, Roseville Power Plant 2 (RPP2) is located on a 1.79-acre site in the southeastern corner of the Plan Area. RPP2 is an electric peaking facility that is owned and operated by the City of Roseville, which is tied to Roseville Electric's backbone system. As noted on the land use plan, similar public utilities are located adjacent to RPP2, including sites for a substation and recycled water tank. These sites will ultimately be enclosed with walls to provide security and a visual buffer, as noted in PRDS Section 9.

Street lighting in the Plan Area, constructed to Placer County's standards, is to be provided along all public streets as part of the roadway frontage improvements. The location of backbone electric infrastructure facilities, including a site for PG&E's substation, is shown on Figure 9-5.

Figure 1: Excerpt from Placer Ranch Specific Plan

The plans for a masonry wall are also noted in the Placer Ranch Development Standards (PRDS) as seen in **Figure 2** below.

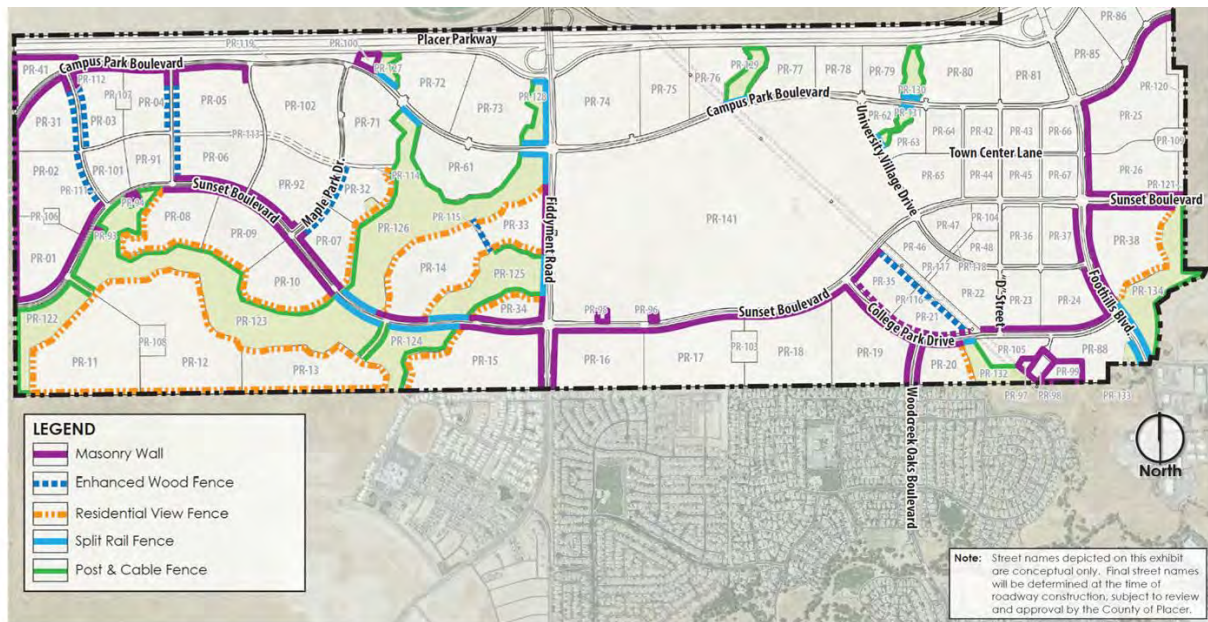


FIGURE 9-1: WALL & FENCE LOCATIONS

Figure 2: Page from PRDS

The sound wall (design, construction, and costs) will be significantly dependent on the wall being installed by the development, as well as the sound propagation study with this wall included. Therefore, IEC will work with Placer One developers, Placer County building department, and Roseville Electric to determine the scope of work required for additional sound mitigation if needed.

Key Assumptions

- i. IEC will provide a sound propagation study
- ii. IEC will coordinate with the developers for developer's construction of a masonry wall. IEC's proposal does not include the construction of a sound wall at this time. IEC can provide a quote once the requirements are known.

3. Stormwater Management – Grading and Drainage

IEC will be responsible for the design and implementation of site drainage for rainwater. Stormwater management and drainage requires coordination with adjacent sites and overall area drainage

masterplans. However, investigation into the Placer Ranch development revealed that the development has not accounted for the RPP2 site in the sizing of their stormwater drainage infrastructure (See Placer Ranch Specific Plan – Drainage Master Plan Addendum, October 2023). Therefore, IEC will not be able to tie-in to their stormwater system without upgrades/modifications to the Placer Ranch infrastructure and their contractual obligations.

IEC is assuming that RPP2 will be able to maintain its existing drainage pattern. Currently, the RPP2 rainwater sheet flows southerly, and IEC assumes that it will continue to do so after the repower project, without the need for stormwater collection or retention. Any future non-containment areas that are impervious will also sheet flow to the south. Upon award, IEC will conduct meetings with the city to discuss implications to adjacent properties and best strategies. The cost of any upgrades required by the City will need to be addressed by Roseville Electric.

Key Assumptions

- i. *RPP2 rainwater will sheet drain south*
- ii. *No stormwater collection or retention is required*

4. Retaining Wall

As noted in the RFP and on the job walks, portions of the site perimeter are now susceptible to erosion due to grading and excavation of the adjacent site development. The RFP states that the bidders should take responsibility for providing retaining walls as needed around the site. However, because the erosion concerns are directly a result of property modifications from the Placer Ranch development, the development should have responsibility for erosion control at the property boundary, and the City of Roseville should not assume the financial burden of a retaining wall. IEC recommends addressing the issue first with Placer One Development and Placer County to determine who will pay for retaining wall improvements, as the developer is historically responsible for remedying any excavation damage along property boundary lines as part of their development costs. As such, IEC did not include the cost of a retaining wall at this time in our proposal.

5. Deluge System For Rotation Generation Equipment (Section 3.1.6.9)

No deluge system is included for the rotating generation equipment. The TM2500 package comes with an aerosol-based fire suppression system integrated into the package and the package control system. The addition of a deluge system will require coordination with GE engineers to ensure the systems can operate together effectively. Therefore, additional coordination and design discussions will be required to accurately bid this scope to Roseville Electric's requirements.

6. Frame 5 Gen Set Resale and Spare Parts

IEC performed an extensive resale search to sell the Frame 5 Gen Sets and associated balance of plant equipment. We contacted 3 equipment brokers who were very interested in the units. Of the 3 equipment brokers, we identified the highest firm price bidder who was willing to purchase the gensets and transport them to their storage facility.

After much negotiation and evaluation, it was calculated that the extra cost to carefully and meticulously dismantle, label, and freight the gensets for resale was more than the firm price quoted by the Equipment Broker. Plus, the Broker wanted a guarantee that the units would be in “good operating” condition which added significant risk to the sale.

In addition, IEC performed a project schedule analysis showing the time impact between dismantling, labeling, and freighting the gensets versus demolition and scrapping. It was determined that the additional time to dismantle, label, and freight added significant time to the schedule for no cost savings to the bid.

Therefore, trying to resell the units provided no cost savings, and increased the risk and schedule of the project. As such, IEC decided to demo and scrap the gensets and all equipment instead of reselling them.

However, our Equipment Broker has offered a credit of \$100,000 for the loose spare parts which we are passing on to Roseville as part of our bid.

End

I. Competency of Proposer



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COMPETENCY OF PROPOSER

Facilities

The Team will be managed from **IEC's Sacramento headquarters office**, from which we have previously supported projects for the City of Roseville. This is approximately 25 miles from the RPP2 Facility, which means project managers and field personnel are able to be at the power plant or at the City's offices on short notice to coordinate work, resolve issues, and meet with the City's staff.

Our Headquarters office serves as the primary California office from which IEC operates and administers its California public agency contracts. IEC currently maintains a permanent, full-time staff of 30 power engineers and specialists. This core staff is supplemented by over 20 Technical Advisors and Subject Matter Experts with experience in GE Frame 5s (See Section C – Qualifications of Team). In terms of our ability and capability, **IEC is able to deliver full-service engineering, construction, and commissioning support for the RPP2 Repower Project.**

Quality & Responsiveness

IEC is a privately-held California corporation that is managed by a highly technical team with extensive expertise in power plant retrofits and rehabilitation projects. **A large percentage of our work entails managing entire power plant upgrades on behalf of our clients and providing unique expertise as needed (See Section B – Experience and References).** We are dedicated to providing our client Owners with long-term engineering and construction support to ensure safe and efficient operations.

Corporate & Financial Stability

IEC Corporation has operated as a successful, profitable business since its incorporation in April of 2000. As noted in the references in Section B – Experience & References, our client base consists of several California utilities up and down the West Coast. **Our reputation within the utility industry along with our long-term contracts has established IEC Corporation as a premier project management, engineering and general contractor firm in the power industry.**

IEC has the financial stability to maintain a staff of regular employees, as well as issue timely payments to subconsultants and subcontractors, ensuring a continuous performance of work. IEC has a **\$3 million Line of Credit** and the attached Letter of Bondability to demonstrate our financial strength. The underwriter for the bond has recently completed a rigorous analysis of our financial stability and concluded IEC can bond up to **\$60 million per single project and \$150 million aggregate.**

Legal or Financial Actions

IEC has had NO bankruptcies, liens, stop payment notices, judgments, lawsuits, arbitrations, mediations, foreclosures, and any similar actions filed or resolved in the past seven (7) years.

Contract Performance

IEC has **never had a contract terminated** for breach or any other negligence.

Letter of Bondability



Shaping the Future of Energy™



Intact Insurance Surety Group
11811 N Tatum Blvd Suite 3099
Phoenix, AZ 85028
781-332-7598
Intactspecialty.com

January 23, 2025

Re: Integrated Engineers and Contractors Corporation dba IEC Corporation
Subject: Bonding Capacity

To Whom It May Concern:

Intact Surety (Atlantic Specialty Insurance Company) is pleased to confirm our surety relationship with Integrated Engineers and Contractors Corporation dba IEC Corporation. We have agreed to provide a surety program of up to \$60,000,000 for a single project and an aggregate bonded backlog up to \$150,000,000. We are confident in the ability of IEC Corporation to perform within these parameters and we recommend them for your favorable consideration.

Please be advised that each bond is evaluated on its own merit and other factors at the time of the request. Therefore, we can assume no liability to third parties for decisions made with regards to our client. Accordingly, we expressly reserve the right to review the terms and conditions of the contract and the bond forms prior to issuance of Performance & Payment bonds.

Atlantic Specialty Insurance Company is duly authorized to conduct business in all 50 states in the USA and is listed in the U.S. Treasuries Register of Approved Sureties and maintains an "A+ XV" rating with A.M. Best.

Sincerely,

A handwritten signature in blue ink that reads "Emilie Young".

Emilie Young
Attorney-in-Fact



ARIZONA NOTARY ACKNOWLEDGMENT

State of Arizona

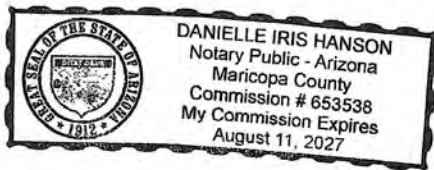
County of Maricopa

}

On this JAN 23 2025, before me Danielle Hanson
[Name of Notary Public]

personally appeared Emilie George, whose identity was proven
[Name of Signer]

to me on the basis of satisfactory evidence to be the person who he or she claims to be, and
acknowledged that he or she signed the above/attached document.



Witness my hand and official seal.

(Seal)
[Affix Seal Here]

Signature of Notary Public



Power of Attorney

KNOW ALL MEN BY THESE PRESENTS, that ATLANTIC SPECIALTY INSURANCE COMPANY, a New York corporation with its principal office in Plymouth, Minnesota, does hereby constitute and appoint: **Christine Woolford, Emilie Young, Irene Luong, James W. Moilanen, P. Austin Neff, Thao Luu, Yung T. Mullick**, each individually if there be more than one named, its true and lawful Attorney-in-Fact, to make, execute, seal and deliver, for and on its behalf as surety, any and all bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof; provided that no bond or undertaking executed under this authority shall exceed in amount the sum of: **unlimited** and the execution of such bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof in pursuance of these presents, shall be as binding upon said Company as if they had been fully signed by an authorized officer of the Company and sealed with the Company seal. This Power of Attorney is made and executed by authority of the following resolutions adopted by the Board of Directors of ATLANTIC SPECIALTY INSURANCE COMPANY on the twenty-fifth day of September, 2012:

Resolved: That the President, any Senior Vice President or Vice-President (each an "Authorized Officer") may execute for and in behalf of the Company any and all bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof, and affix the seal of the Company thereto; and that the Authorized Officer may appoint and authorize an Attorney-in-Fact to execute on behalf of the Company any and all such instruments and to affix the Company seal thereto; and that the Authorized Officer may at any time remove any such Attorney-in-Fact and revoke all power and authority given to any such Attorney-in-Fact.

Resolved: That the Attorney-in-Fact may be given full power and authority to execute for and in the name and on behalf of the Company any and all bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof, and any such instrument executed by any such Attorney-in-Fact shall be as binding upon the Company as if signed and sealed by an Authorized Officer and, further, the Attorney-in-Fact is hereby authorized to verify any affidavit required to be attached to bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof.

This power of attorney is signed and sealed by facsimile under the authority of the following Resolution adopted by the Board of Directors of ATLANTIC SPECIALTY INSURANCE COMPANY on the twenty-fifth day of September, 2012:

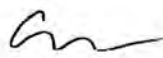
Resolved: That the signature of an Authorized Officer, the signature of the Secretary or the Assistant Secretary, and the Company seal may be affixed by facsimile to any power of attorney or to any certificate relating thereto appointing an Attorney-in-Fact for purposes only of executing and sealing any bond, undertaking, recognizance or other written obligation in the nature thereof, and any such signature and seal where so used, being hereby adopted by the Company as the original signature of such officer and the original seal of the Company, to be valid and binding upon the Company with the same force and effect as though manually affixed.

IN WITNESS WHEREOF, ATLANTIC SPECIALTY INSURANCE COMPANY has caused these presents to be signed by an Authorized Officer and the seal of the Company to be affixed this first day of January, 2023.

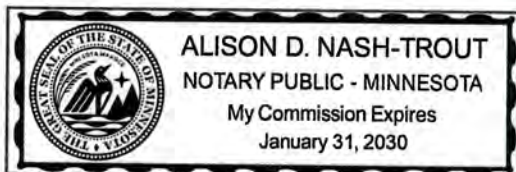
STATE OF MINNESOTA
HENNEPIN COUNTY



By


Sarah A. Kolar, Vice President and General Counsel

On this first day of January, 2023, before me personally came Sarah A. Kolar, Vice President and General Counsel of ATLANTIC SPECIALTY INSURANCE COMPANY, to me personally known to be the individual and officer described in and who executed the preceding instrument, and she acknowledged the execution of the same, and being by me duly sworn, that she is the said officer of the Company aforesaid, and that the seal affixed to the preceding instrument is the seal of said Company and that the said seal and the signature as such officer was duly affixed and subscribed to the said instrument by the authority and at the direction of the Company.




Notary Public

I, the undersigned, Secretary of ATLANTIC SPECIALTY INSURANCE COMPANY, a New York Corporation, do hereby certify that the foregoing power of attorney is in full force and has not been revoked, and the resolutions set forth above are now in force.

Signed and sealed. Dated 23rd day of January, 2025.

This Power of Attorney expires
January 31, 2030




Kara L.B. Barrow, Secretary

J. Safety Record



Shaping the Future of Energy™

SAFETY RECORD

IEC Corporation places health and safety among its top priorities and is committed to providing a safe and healthy working environment at all worksites. This commitment extends to IEC employees, client employees, subcontractors, and the general public. It is our policy to not only comply with the health and safety measures required by law, but to also act proactively and positively to ensure that all places of work are maintained in a condition which is safe, healthy and conducive to safe work practices. IEC requires the same standard of safety prioritization of our project team members, all having excellent safety records as evidenced by the information which follows.

OSHA Citations

Contractor/ Subcontractor	Number of OSHA Citations (past 5 years)	Explanation
IEC Corporation	0	N/A
Performance Mechanical, Inc.	4	Abated. Details below.
Placer Electric, Inc.	0	N/A
Western States Fire Protection Co.	1	Contested citation from 2023. Employee did not practice proper ladder training.

Explanation Details, Performance Mechanical, Inc.

In the past five years, PMI received citations for OSHA violations due to a false understanding of PMI's role in the project.

Background:

PMI was contracted to coordinate labor and payroll with a local union hall to allow PMI sister company employees to work at a Southern California refinery in compliance with SB54. Once hired, these employees worked directly under the sister companies' supervision and staff. PMI did not have any physical presence at the jobsite and therefore did not assign work, apply discipline, or direct craft in any fashion. PMI received timecards, processed payroll, and acted as a conduit between the union hall and the sister company.

Citation:

Following an injury, PMI received four citations under the assumption that PMI was a staffing agency, which they are not. **The reasons for the citations have been abated.**

The site controlling company, not PMI, was directly responsible for accident prevention, hazard mitigation, and accident investigation. As a result of this incident, the site controlling company was contractually obligated and responsible for providing documentation proving that their I.I.P.P. had been implemented and was effective.

PMI has a very robust and effective I.I.P.P. which is available upon request. PMI is dedicated to employee safety and their safety record reflects this.

Industry Safety Awards

In the past five years, the following Industry Safety Awards have been issued to the IEC team members:

Performance Mechanical, Inc.

Issuing Body	Award
2019	
The Association of Union Constructors (TAUC)	2019 Thomas J Reynolds Award Certificate of Achievement for a Dart Rate 25% below the BLS Industry Average
The Construction Employers Association (CEA)	EXCELLENCE IN SAFETY 2019 For Outstanding Commitment to Safety
2020	
MCAA of America	2020 SAFETY STATISTICS PROGRAM For Achieving Safety Excellence Certificate of Commendation for a Recordable Cases Incidence Rate of Zero
The Association of Union Constructors (TAUC)	2020 Thomas J Reynolds Award Certificate of Achievement for a Dart Rate 25% below the BLS Industry Average
The Construction Employers Association (CEA)	EXCELLENCE IN SAFETY 2020 For Outstanding Commitment to Safety
The Construction Employers Association (CEA)	PRESIDENT'S SAFETY AWARD 2020 For Outstanding Commitment to Safety
California Plumbing Mechanical Contractors Association (CPMCA)	2020 Safety Star Award in the 5,000,000 to 1,000,000 man-hours category (TRIR)
2021	
The Association of Union Constructors (TAUC)	2021 Thomas J Reynolds Award Certificate of Achievement for a Dart Rate 25% below the BLS Industry Average
The Construction Employers Association (CEA)	EXCELLENCE IN SAFETY 2021 For Outstanding Commitment to Safety

The Construction Employers Association (CEA)	PRESIDENT'S SAFETY AWARD 2021 For Outstanding Commitment to Safety
2022	
Highwire	GOLD SAFETY AWARD safety score of 85-95% in the Safety Assessment Program
The Construction Employers Association (CEA)	EXCELLENCE IN SAFETY 2022 For Outstanding Commitment to Safety
The Construction Employers Association (CEA)	PRESIDENT'S SAFETY AWARD 2022 For Outstanding Commitment to Safety
The Association of Union Constructors (TAUC)	2022 Thomas J Reynolds Award Certificate of Achievement for a Zero Dart Rate
2023	
The Construction Employers Association (CEA)	EXCELLENCE IN SAFETY 2023 For Outstanding Commitment to Safety
The Construction Employers Association (CEA)	PRESIDENT'S SAFETY AWARD 2023 For Outstanding Commitment to Safety
California Plumbing Mechanical Contractors Association (CPMCA)	2023 Safety Star Award in the 5,000,000 to 1,000,000 man-hours category

Average Lost Workday Incident Rates (LWIR)

IEC Corporation

Year	# of Lost Workday Incidents	Total Employee Hours Worked	Lost Workday Incident Rate
1 – 2021	0	23,496	0
2 – 2022	0	24,707	0
3 – 2023	0	27,716	0
3-Year Average	0	25,306.33	0

Performance Mechanical, Inc.

Year	# of Lost Workday Incidents	Total Employee Hours Worked	Lost Workday Incident Rate
1 – 2021	0	736,688	0
2 – 2022	0	834,485	0
3 – 2023	1	805,123	44.71
3-Year Average	.033	792,098	14.90

Placer Electric, Inc.

Year	# of Lost Workday Incidents	Total Employee Hours Worked	Lost Workday Incident Rate
1 – 2021	0	77,516.00	0
2 – 2022	0	56,571.65	0
3 – 2023	0	51,641.47	0
3-Year Average	0	61,909.70	0

Western States Fire Protection Co.

Year	# of Lost Workday Incidents	Total Employee Hours Worked	Lost Workday Incident Rate
1 – 2021	4	3,760,875	0.2
2 – 2022	5	3,989,666	0.3
3 – 2023	1	4,142,543	0.04
3-Year Average	3.33	3,964,361.33	0.18

Average Recordable Incident Rate (RIR)**IEC Corporation**

Year	# of Recordable Incidents	Total Employee Hours Worked	Recordable Incident Rate
1 – 2021	0	23,496	0
2 – 2022	0	24,707	0
3 – 2023	0	27,716	0
3-Year Average	0	25,306.33	0

Performance Mechanical, Inc.

Year	# of Recordable Incidents	Total Employee Hours Worked	Recordable Incident Rate
1 – 2021	2	736,688	.54
2 – 2022	3	834,485	.72
3 – 2023	2	805,123	.50
3-Year Average	2.33	792,098	.58

Placer Electric, Inc.

Year	# of Recordable Incidents	Total Employee Hours Worked	Recordable Incident Rate
1 – 2021	0	77,516.00	0
2 – 2022	0	56,571.65	0
3 – 2023	0	51,641.47	0
3-Year Average	0	61,909.70	0

Western States Fire Protection Co.

Year	# of Recordable Incidents	Total Employee Hours Worked	Lost Workday Incident Rate
1 – 2021	27	3,760,875	1.4
2 – 2022	33	3,989,666	1.7
3 – 2023	35	4,142,543	1.7
3-Year Average	31.66	3,964,361.33	1.6

Experience Modification Rate (EMR)

IEC Corporation

IEC does not meet the eligibility threshold for an experience modification rate (EMR) calculation (having Worker's Compensation Insurance premiums higher than \$15,000). IEC has had zero claims during the four-year eligibility period.

Performance Mechanical, Inc.

Year	EMR*
1 – 2021	.60
2 – 2022	.57
3 – 2023	.64
3-Year Average	.60

*EMR is intrastate

Placer Electric, Inc.

Year	EMR*
1 – 2021	.95
2 – 2022	1.02
3 – 2023	1.01
3-Year Average	.99

*EMR is interstate

Western States Fire Protection Co.

Year	EMR*
1 – 2021	.74
2 – 2022	.75
3 – 2023	.83
3-Year Average	.77

*EMR is intrastate

Workers Compensation Insurance Carrier

Contractor/ Subcontractor	Workers Comp. Carrier	Carrier Address	Agent's Name and Phone #
IEC Corporation	Hartford Casualty Insurance Company	PO Box 660916 Dallas, TX 75266	Craig Wubben 916-561-4633
Performance Mechanical, Inc.	Sedgwick Claims Management Services, Inc.	1600 Riviera Ave, Suite 405, Walnut Creek, CA 94596	Alma Montalvo 925-975-1948
Placer Electric, Inc.	Zurich American Insurance Co.	1299 Zurich Way Schaumburg, IL 60196	Jennifer Curtis 916-993-2729
Western States Fire Protection Co.	Zurich American Insurance Co.	11291 Pyrites Way Gold River, CA 95670	Autumn Towns 916-426-4126

Appendix A Resumes

Resumes
IEC Corporation



Shaping the Future of Energy™



IEC Corporation

Eric Quintero, P.E.

Professional Summary

Mr. Eric Quintero is professional licensed engineer and the Managing Principal of IEC Corporation. Mr. Quintero is the single point of responsibility to ensure all of IEC's work is executed in accordance with client expectations including budget, schedule, and quality of work.

Mr. Quintero has extensive knowledge and experience in the execution of utility-scale projects including gas-fired and renewable energy power plants. His experience with power plant development includes siting, permitting, interconnection, contracting, design, construction, start-up, commissioning, and operations. Over the past two decades, Mr. Quintero has managed more than 30 power projects for both public and private owners, and has managed multiple program-level projects, worth in excess of \$500M.

Experience

As the Principal-In-Charge of IEC, the following is a list of representative projects in which Mr. Quintero has provide management and technical support.

- 174 MW Almond Power Plant Expansion, Turlock Irrigation District
- 95 MW Ripon Generation Station, Modesto Irrigation District
- 49 MW Woodland Generation Reciprocating Project, Modesto Irrigation District
- LM6000 PA to PCS Fleet Upgrade, Sacramento Municipal Utility District
- 50 MW Sanger Repower Project, Algonquin Power
- 80 MW Woodland Generating Station Unit 2, Modesto Irrigation District
- 500 MW Cosumnes Power Project & Natural Gas Pipeline, Sacramento Municipal Utility District
- 400 MW Patterson Pass Project, Confidential Developer
- 50 MW La Luz Energy Center Project, Wellhead Electric Company, CA
- 80 MW McClellan SCR Retrofit, Sacramento Municipal Utility District
- 97 MW KRCD Peaking Plant, Kings County Irrigation District
- 45 MW International Paper Repower Project, Mansfield, Louisiana
- Roseville Energy Park Upgrade, City of Roseville
- Redding Units 5 and 6 Engineering Services, Redding Electric Utility
- 45 MW SCA Peaker Project, Sacramento Municipal Utility District

Eric Quintero, P.E.

Managing Principal
Principal Engineer II

IEC Corporation

3100 Zinfandel Drive, Ste. 350
Rancho Cordova, CA 95670

916.345.0301 direct
equintero@iec-corporation.com

Education

BS Mechanical Engineering,
University of California, Davis

Professional Licenses

Mechanical #M31050

Areas of Expertise

EPC Contract Management
Utility Consulting
Project Management
Owner's Engineering
Construction Oversight
Energy Consulting
Performance Engineering
Engineering Design



- 9 MW City of Fresno Power Generation Facility, City of Fresno
- 50 MW McClellan Peaker Upgrade Project, Sacramento Municipal Utility District
- 150 MW Campbell Soup Cogeneration Plant, Sacramento Municipal Utility District
- 173 MW Combined Cycle Power Plant, Lavrion
- 141 MW Three Sisters Power Plants, Destec
- 305 MW Klamath Cogeneration Project, Pacific Klamath Energy
- 100 MW Carson Ice-Gen Cogeneration Project, Sacramento Municipal Utility District
- 10 MW Center Peaker *Battery Energy Storage* (BES) Project, Southern California Edison (SCE)
- 10 MW Grapeland Peaker *Battery Energy Storage* (BES) Project, Southern California Edison (SCE)
- 400 MW Iowa Hill Pumped Storage Project Transmission/Substation Management, Sacramento Municipal Utility District
- 69kV Substation Design, Modesto Irrigation District
- 100 MVA Expansion Russell Substation Upgrade - Phase 2, Sacramento Municipal Utility District
- 200 MVA Expansion Russell Substation Upgrade - Phase 3, Sacramento Municipal Utility District
- Ripon Switchyard Project, Modesto Irrigation District
- Stockton Substation Upgrade, Modesto Irrigation District
- 345kV/34.5 kV Macho Springs Substation 2, Element Power
- 345kV/34.5 kV Macho Springs Substation 1, Element Power
- Solano Wind Phase 3 Transmission Study, Sacramento Municipal Utility District
- 115 kV Clatskanie Substation, Clatskanie People's Utility District (CPUD)
- 115kV Panoche Peaker Substation, Wellhead Electric
- 115 kV Sanger Substation Upgrade, Algonquin Power
- Harbor Generating Station Office and Maintenance Building Engineering Services, Los Angeles Department of Water & Power
- Sylmar HV Grounding Electrode Design, Los Angeles Department of Water and Power
- Power System Reliability Program (PSRP) Benchmarking, Los Angeles Department of Water & Power
- Renewable Portfolio Standard Program Support, Los Angeles Department of Water and Power
- Pine Tree Wind Project Construction Management, Los Angeles Department of Water and Power
- Hollywood Service and Community Center Solar Development Project, Los Angeles Department of Water & Power



IEC Corporation

Aaron Leach, P.E.

Professional Summary

Mr. Aaron Leach is a California registered Professional Engineer with more than 18 years' design experience related to utility-scale high- and medium-voltage power generation facilities and substations. He is the lead electrical engineer and project manager for generation, substations, and T&D projects for IEC. He has repeatedly served as a technical design expert for IEC's utility clients throughout California and has extensive design experience with electrical projects ranging from **12kV to 345kV**.

Project Experience

Power Generation

Modesto Irrigation District (MID) – Backup Generator Design Services for Ripon Generating Station

Led project for the installation of a backup generator that was installed at the Ripon Generation Station. Project management responsibilities included project budgetary cost estimate, project schedule, coordinating major equipment bid process, writing of contractor Scope of Work, coordinating the contractor RFP process, and air board permitting. Design responsibilities included sizing of major equipment, writing technical specifications, electrical design of power, controls, communication, protection schemes, transfer scheme and relay coordination.

Public Utility of New Mexico (PNM) – 50 MW La Luz Energy Center Generation Facility

Responsible Engineer for new GE LM6000 combustion turbine generation facility (50 MW). Responsibilities included creating a facility design package, PNM design coordination, and project field support for the new generating facility and new interconnecting substation. Responsibilities included review of the GE and balance of plant equipment, design of the site layout, ground grid, bus structures, wireway routing, communications, power, instrumentation & controls, metering and protection schemes, performing calculations for relay coordination and settings, load flow analysis, short circuit analysis, equipment sizing, wireway fill and voltage drop, battery sizing, and shielding analysis. Provided RFI and onsite field support during construction, back-feed and startup.

Redding Electric Utility – Automatic Voltage Regulator Retrofit

Electrical design and equipment implementation for upgrading the existing Unit 2 and Unit 3 analog voltage regulator with new Basler DECS 400 automatic voltage regulators with integrated power system stabilizers. Modified systems included instrumentation, communication, protection, power, and controls. Responsibilities included writing technical equipment specifications for new equipment, working with

Aaron Leach, P.E.

Principal Electrical Engineer/
Principal Project Manager

IEC Corporation

3100 Zinfandel Drive, Ste. 350
Rancho Cordova, CA 95670
916.383.6000

Education

BS Electrical Engineering, California
State University, Sacramento

Professional Licenses

CA Electrical #E20071
LA Electrical #PE42756
NM Electrical #E22799
TX Electrical #E122784
AK Electrical #EE200997
C-10 #786949

Additional Training

SEL University Engineer Program
- Generation System Protection
- Substation Protection/Integration

Areas of Expertise

More than 17 Years of Industry
Engineering Experience
Electrical Engineering, Design,
Construction & Oversight
- Hydroelectric Powerhouses
- Substations/Switchyards
- Generation Facilities
- Distribution and Transmission
Facilities
System Protection Engineering
AutoCAD Design
SKM System Analysis
ETAP Electrical Power System Analysis
Specification Development
Power System Studies
Plant Side Electrical Engineering
Utility Support
Project Interface



vendors for integration of new hardware, relocation and re-energizing of existing equipment, creating and editing detailed electrical drawings, developing initial automatic voltage regulator, power system stabilizer and protection settings, and creating construction package.

Algonquin Power – Sanger Steam Turbine Generator Replacement Project

Detailed engineering design to develop a design document package for construction in support of the Steam Turbine Generator (STG) Replacement Project at the Sanger Cogeneration Facility. Responsibilities included detailed design engineering, PG&E design coordination assistance, and project management support for the STG generator replacement task. This included revising the facility single-line diagram and three-line diagrams and designing a new STG generator protection system, with redundant protection relays and in compliance with PG&E requirements. Interfaced with PG&E engineers to determine the appropriate design requirements for the protection design. Provided the cable run design for the new 13.8 kV cable run between the STG and the main switchgear and interconnection wiring drawings to connect the new Brush generator and AVR with the existing plant control system. Tasks also included electrical system modeling to determine the best solution for the protection of system equipment from unsafe fault current scenarios and providing the resulting arc flash study documentation, based on new equipment revisions to the existing study. During the bid process, solicited quotes for specialty equipment and submitted quotes to Algonquin for purchase, provided construction requirements for the new equipment and cabling for the project, and provided construction RFI support.

Roseville Electric – RPP2 Generator Protection Upgrade

For the Roseville Power Plant 2 (RPP2) facility, Roseville Electric decided to restart a unit generator after five years of non-operation. Prior to startup, the generator protection relays were tested and failed. Roseville Electric called upon IEC to evaluate the issue and propose a solution as soon as possible to support the summer generation schedule.

The unit generator package was unusual for this location as it was designed and assembled by an Italian packager and utilized generator protection relays made by a European manufacturer. Mr. Leach contacted the relay manufacturer and confirmed the failed relays were no longer supported requiring a complete upgrade. Mr. Leach evaluated available U.S. manufacturer generator protection relays and provided options and recommendations for the relay replacement.

Mr. Leach served as Responsible Engineer and Project Manager to utilize an SEL-700G relay to provide generator protection, added an SEL-2664 to provide stator ground fault protection, and used a Basler-59N relay to detect a ground fault on an ungrounded system. IEC performed the detailed interconnection design, panel layout drawings, specified equipment for procurement, performed relay protection element calculations and developed a relay logic and control scheme which seamlessly integrated into the Italian designed package.

Mr. Leach then supported the installation in the field, and lead start-up and commissioning for the generator protection portion of the upgrade. In addition to the generator protection fast-track upgrade, the team discovered issues with the generator breaker during start-up. IEC was there to help troubleshoot the issue and recommend a fix to keep the start-up team on schedule. The fast-track design, construction, startup & commissioning was completed in only a few months to meet the summer generation schedule.

Algonquin Power Sanger LLC – Sanger Power Plant Ground Grid Evaluation

Created a ground grid model of the existing generating facility and substation ground grids. Provided recommendations for interconnection of the ground grids by performing step and touch potential calculations based on IEEE standard 80. Created a design package, Ground Grid Analysis Report and specifications for the interconnection of the ground grids.



Roseville Electric – Electrical Support Services

For Roseville Electric, IEC holds a Master Service Agreement for engineering and design support for their power generation facilities. Through this contract, Roseville Electric was able to rely on IEC staff for flexible and responsive engineering support.

Mr. Leach provided local support, performed site visits, attended meetings and worked with staff as directed by the City. Mr. Leach's attention to detail, local support, and ability to develop close working relationships, creates a combination that ensures IEC provides responsive and effective results for the City.

One example of electrical support Mr. Leach provided to the City was a review of the generator frequency and voltage relay protection settings for the combustion turbine and steam turbine generators at the Roseville Energy Park. Mr. Leach reviewed the protective relay programming files to determine existing element settings and compared the values with the NERC Standard PRC-024-2 requirements. NERC Standard PRC-024-2 defines regions in which generating units must remain connected during frequency and voltage excursions. Mr. Leach created a technical report which included recommended relay element settings changes which would allow compliance with the NERC standard.

Another example of electrical support Mr. Leach provided to the City was to investigate and resolve an issue where two (2) Emerson remote I/O service drops were having repeated 24VDC control relay output failures. Mr. Leach investigated the issue and discovered the failed 24VDC control relays were directly operating the trip and close coils on balance of plant switchgear breakers. The current drawn by the breaker coils exceeded the rating of the control relay output contacts. Mr. Leach investigated the possible solutions and provided options and recommendations to the City to resolve the issue. IEC was then directed by the City to prepare a detailed design for implementing auxiliary interposing relays for the Emerson remote I/O panels. Mr. Leach served as Responsible Engineer and Project Manager to utilized Allen Bradley interposing auxiliary relays, performed the detailed interconnection design, specified equipment, and completed the design package on time and on budget.

Turlock Irrigation District (TID) – Generator Protection Settings for Walnut Energy Center

Provided engineering calculations and recommended protection settings for the generator Inadvertent Energization Relay. Provided relay setting and programming logic file.

Turlock Irrigation District (TID) – Generator Protection Upgrade for Almond 1 Power Plant (A1PP)

Electrical design services for the removal of old electromechanical and solid state generator protection relays and replacement with redundant SEL-700G relays. Responsibilities included electrical design of power, revision of the controls scheme, communications, determination and termination schedule, layout, evaluating and revising relay protection settings, providing a relay programming file, and preparation of a relay test plan.

Turlock Irrigation District (TID) – Electrical Field Engineering Support for Almond 2 Power Plant (A2PP)

Provided field support for the resolution and documentation of electrical related commissioning issues at the A2PP. Closeout issues included causation of induced current in dead end structures, gas compressor tripping, transformer fuse operations, and ground faults. Responsibilities included root cause analysis, reviewing of relay fault data, evaluating, and revising relay protection settings, coordination of metering and testing protocols, performing engineering calculations, and writing detailed reports for plant documentation.

Pasadena Water & Power Department – Boiler 3 Standalone and Arc Flash Study

Designed and supported the modification of existing 2.4kV and 480V electrical equipment to allow for the isolation of Boiler 3 from Boilers 1 and 2, which will be removed. Responsibilities included designing a backup power scheme for operation during construction and plant power outage, relocation, and re-energizing of existing equipment, creating and editing detailed electrical drawings, writing technical equipment and construction specifications, and performing an arc flash study on Boiler 3 and four other generation facilities on site.

**Clean Energy Systems, Inc. – Kimberlina Power Plant Demonstration Facility**

Modification of existing 12kV and 480V electrical equipment. Modified systems included instrumentation, protection, motor soft-starts, and controls. Designed systems and wrote technical specifications for new equipment and enclosures, creating and editing detailed electrical and mechanical drawings, modeling the plant electrical equipment, performing fault calculations, plotting TCC curves, and resetting relays for coordination.

CVFA/SMUD – Automatic Voltage Regulator and Power System Stabilizer Upgrade

Electrical design and equipment implementation for upgrading an Automatic Voltage Regulator and two Power Systems Stabilizers at the Central Valley Financial Authority Cogeneration Plant. Modified systems included instrumentation, communication, protection, and controls. Responsibilities included writing technical equipment specifications for new generator controls equipment, monitoring bid processes, editing electrical drawings and reviewing installation, start-up and tuning of new components.

Turlock Irrigation District (TID) – Arc Flash Analysis and Report for Walnut Power Plant

Responsible Engineer and Project Manager for an arc flash analysis and report project for the Turlock Irrigation District's Walnut Power Plant. The analysis and subsequent report identified equipment ratings and compliance with the arc flash regulations of NEC 110.16, OSHA, NFPA 70E and IEEE 1584. In addition to the analysis, provided draft arc flash labels in electronic format for each major piece of equipment.

Controls and Communications

Sonoma County Water Agency (SCWA) – Warm Springs Dam Hydroelectric Plant

Mr. Leach led the IEC design team to replace the existing control system and **12kV** electrical equipment for the Warm Springs Dam Hydroelectric Plant. His responsibilities included replacing the existing plant control PLC, generator excitation system, BOP instrumentation, operator main control board, human machine interface (HMI), **12kV switchgear**, and associated ground grid. Mr. Leach also prepared the single-lines, three-lines, panel arrangements, wiring schematics, bill of materials, construction specifications, engineer's cost estimates, relay protection programming files, control system description, and all technical memos. **SCWA specifically noted how impressed they were with the detail and accuracy of drawings, specifications, and engineer's cost estimates.**

Nevada Irrigation District (NID) – Backhaul SCADA Wide Area Network Communications Project

NID is in the process of building a backhaul Wide Area Network to allow SCADA communications between their hydroelectric facilities. This multi-year project is very complex and demanding due to the scale and distances between the facilities. NID had started the project with another engineering group and was unhappy with the results. NID called upon IEC to provide recommendations on how to proceed.

Mr. Leach's strong working relationships with District staff allowed him to smoothly organize the results of existing work to date, identify the correct stakeholders to provide input, and effectively identify and communicate the recommendations and next steps for the project. Mr. Leach then led the IEC team to present NID with network topology options, identified District preferences, and estimate the bandwidth requirements for each site. Once this was accomplished, IEC identified the available communication technologies that would meet the project technical requirements and would allow compliance with the North American Electric Reliability Corporation's (NERC) Critical Infrastructure Protection (CIP) requirements for security.

As many of the connections required microwave radio transmission, IEC developed elevation profiles based on available GIS data to perform a radio path study. This study was then used to develop a network configuration incorporating District network topology preferences. IEC created a SCADA wide area network facility layout diagram and block diagram to clearly present the overall backhaul communication system, which included multiple



communication technologies. IEC then provided “next step” recommendations for moving forward and completing the project over several budget cycles.

Modesto Irrigation District (MID) – NERC Support & Facility Ratings for Generation Department

Created Facility Rating Methodology and Facility Ratings Documentation Operating Bulletins to allow compliance with NERC Standard FAC-008. Performed engineering evaluation and calculations to determine the Facility Rating. Reviewed and revised other MID internal Operating Bulletins as needed.

Modesto Irrigation District (MID) – Medium Voltage Switchgear Design Services for Water Treatment Plant

Electrical design and reconfiguration of the automatic transfer scheme in existing 15kV switchgear. Responsibilities included electrical design of power, controls, metering and protection schemes, relay coordination and settings, relay logic programming, and equipment specification.

Substations

50 MW Macho Springs Wind Project, Substation, & Switching Station

Electrical design and construction of a **34.5kV/345kV substation and 345kV switching station**. As the Engineer of Record, Mr. Aaron Leach performed system studies and prepared the complete design package for permitting and construction. For system studies, he performed a Power Factor Load Flow Analysis, Harmonic Resonance Analysis, Transient Overvoltage Analysis, Short Circuit Analysis, Overcurrent Coordination, and Arc Flash Hazard Analysis. For the construction package, Mr. Leach designed the underground ground grid, medium and high voltage bus and switching structure, medium and high voltage cable termination details, single line diagram, three-line diagrams, elementary diagrams, wiring diagrams, communication diagrams, relay protection panel elevation and layout diagrams. He also provided the bill of materials, cable & conduit schedules, electrical calculation packages, and protection relay programming files.

Xcel Energy – Progress Substation Design

Electrical lead for design and construction of a new **161kV to 34.5kV** substation and switching station. Responsibilities included design of the site layout, ground grid, bus structures, wireway routing, communications, power, controls, metering and protection schemes, relay coordination and settings, performing calculations for equipment sizing, wireway fill and voltage drop, battery sizing, shielding analysis, and writing technical specifications for new substation equipment.

Modesto Irrigation District (MID) – 12th Street Substation Project

Responsible Engineer and Project Manager for the MID 12th Street Substation Project, which entails removing, redesigning and replacing certain existing equipment and foundations at the substation. Mr. Leach is responsible for providing demolition drawings and design, arrangement, layouts, specifications, diagrams, plans, and details for replacement of the 12kV main and transfer bus structure, 69kV and 12kV bus routing, breakers, PTs, protection scheme, and control building. Mr. Leach is also providing construction management support, include development of construction specifications, solicitation support, vendor negotiation, scheduling, document control, design review coordination, RFI and DCN coordination, inspection services and closeout coordination.

Clatskanie People’s Utility District – Clatskanie Substation

Electrical design and construction of a new 115kV to 12.47kV distribution substation. Responsibilities included design of the site layout, bus structures, wireway routing, communications, power, controls, metering and protection schemes, relay coordination and settings, performing calculations for equipment sizing, wireway fill and voltage drop, Arc flash analysis, ground grid design, writing technical specifications for new substation equipment, monitoring bid processes, and creating a construction package.

**Clatskanie People's Utility District – Clatskanie/BPA Switchyard**

Electrical design and construction for upgrading an existing 115kV switchyard. Responsibilities included design of the site layout, bus structures, communications, power, controls, metering and protection schemes, relay coordination, performing calculations for equipment sizing, writing technical specifications for new switchyard equipment, monitoring bid processes, and creating a construction package.

Transmission & Distribution**Sacramento Municipal Utility District (SMUD) – Iowa Hill Pumped Storage Facility**

Provided electrical engineering support on the preliminary design and layout for the 400 MW Iowa Hill Pump-Storage Project being developed by SMUD. The pump-storage project consists of three variable speed pump-turbines in an underground powerhouse cavern. Mr. Leach supported the design, specifications, and recommendations for the electrical transmission system from the generator step-up (GSU) transformers to the point of connection at the existing 230 kV transmission lines. Included in this scope is an 11-breaker switchyard utilizing a breaker-and-half bus configuration, two miles of transmission line on mono-pole towers to connect the switchyard to the existing 230 kV transmission line, 230 kV underground conductors from the switchyard to the GSU transformers, and specification of the GSU transformers. Mr. Leach served as the project electrical engineer on the switchyard project team to develop the project scope of work, functional description, detailed specifications, and preliminary design drawings of the electrical transmission systems for development and solicitation of the project.

Victorville Municipal Utilities Airport Services – Electrical Service Connections

Mr. Leach was the Responsible Engineer for the design of new medium voltage service connections. IEC prepared multiple construction solicitation design packages for new commercial customer service interconnection with the City of Victorville Southern California Logistics Airport (SCLA) 12kV electrical distribution system. Each interconnection required new vaults for pad mount transformers and pad mount air switches. Each design package included layout drawings, duct bank trench details, wiring details, retaining wall details, foundation details, anchoring details, grounding details, equipment selection, protection coordination, bill of materials, and updated distribution single line. Each design was unique and prepared for the specific project. IEC provided each design package meeting the owner's schedule. In some instances, expedited schedules were supported to meet the property developer's timeline.

Modesto Irrigation District (MID) Transmission & Distribution Department**NERC Non-Compliance Mitigation Support & Relay Testing Procedures**

Responsible Engineer and Project Manager for NERC Non-Compliance Mitigation Project for MID. Worked directly with MID management, engineers, support staff and field personnel to identify issues and develop mitigation measures. Revised existing relay testing procedures to allow compliance with NERC Standard PRC-005. Reviewed and revised MID internal Operating Bulletins and Work Procedures. Implemented new relay testing software and standardized relay testing templates. Created testing documentation sheets that included testing tolerances for pass/fail criteria.

Victorville Municipal Utilities Airport Services – SF6 Switch Replacement

Mr. Leach was the Responsible Engineer for the SF6 Switch replacement projects. For the City of Victorville, IEC prepared the SF6 gas switch replacement design for the Southern California Logistics Airport 12kV distribution system. The design replaced seven (7) existing SF6 gas insulated switches with new pad-mount air switches. The design package included the drawings and construction specifications needed for a construction contractor to accurately bid, procure, and construct the new switch installations. Design deliverables included layout drawings,



duct bank trench details, wiring details, retaining wall details, foundation details, anchoring details, grounding details, bill of materials, and updated distribution single line.

Victorville Municipal Utilities Airport Services – Arc Flash Hazard Analysis Reports (SCLA and Foxborough)

Mr. Leach was the Responsible Engineer for the Arc Flash hazard analysis projects. The City of Victorville owns and operates two 12kV electrical distribution systems; 1. Southern California Logistics Airport (SCLA) and 2. Foxborough. IEC performed an arc flash hazard risk analysis for each of the distribution system. IEC's analysis of each distribution system used current ANSI, IEEE 1584, NEC, NFPA 70E, and CAL/OSHA standards. Our strong working relationship with Victorville allowed IEC to work with staff to collect information. Using this information, IEC developed an electrical model of the existing system using ETAP modeling software. We evaluated existing equipment capacities, identified any under-rated equipment, and prepared a protection coordination report. The report recommended protection setting modifications, calculated arc flash intensities and shock protection boundaries, and determined proper PPE ratings. The resulting Arc Flash Hazard Analysis Report included code requirements, assumptions, input values, protection coordination curves, output tables, and equipment labels.

Northern California Power Agency (NCPA) – Facility Metering Project

Project Manager and Electrical Lead for creating detailed Scope of Work for Public Works project. Responsibilities included preliminary detailed design of metering equipment layout, power, communications, metering scheme, equipment specifications, and thorough definition of contractor scope. Managed bid process. Provided bid summary and evaluation analysis.

Northern California Power Agency (NCPA) – Redundant Meter Analysis

Evaluation of thirty six (36) existing sites in preparation to meet CAISO redundant metering requirements. Responsibilities included preliminary design of metering equipment layout, power, communications, metering scheme, specifying equipment, performing burden calculations, knowledge of CAISO Manual, obtaining equipment and labor cost estimates, and providing a written evaluation and total budgetary cost for meter redundancy.

Modesto Irrigation District (MID) – Arc Flash Analysis and Relay Coordination Study for Terminal Reservoir Pump Station Facility

Responsible Engineer and Project Manager for an arc flash engineering analysis of the existing Terminal Reservoir Pump Station facilities. This study included accurate verification of the installed equipment and development of a system model of each plant electrical system. IEC used this model to perform a short circuit analysis, a protective device coordination analysis, an electrical arc flash hazard analysis, and to develop recommendations to mitigate the arc flash hazard and minimize the arc flash incident energy level. Where alternate relay protection settings were recommended, revised relay programming files were provided. In addition to the analysis, printed and installed arc flash labels as required.

Justin Wedel, PE

Professional Summary

Mr. Justin Wedel is a mechanical engineer and project manager with experience in the design and construction of utility scale power plants. His experience includes design engineering and field support for solar, BESS, and gas-fired facilities. Below is a list of projects that demonstrate his broad engineering experience.

Project Experience

Carson (CVFA) Conversion Study, SMUD

As part of an intensive study by SMUD to reach its 2030 Zero Carbon Goal, IEC prepared 3 technical reports of options to retool the existing Carson (CVFA) combined cycle plant.

The first report involved a feasibility study, preliminary engineering, and cost estimate for the conversion of the plant from a combined cycle to a simple cycle. Mr. Wedel assisted with determining the necessary modifications to the plant for the conversion and worked with major equipment vendors to determine cost and feasibility. Mr. Wedel also redlined plant drawings and documents to outline the necessary work for a potential conversion.

The second report involved a feasibility study and cost estimate of adding a Battery Energy Storage System to the plant. Mr. Wedel was involved with determining the different possible battery configurations that may be installed on the site, from small hybrid-turbine batteries for simple cycle startup, to large scale energy storage systems.

The third report involved a study and cost estimate of incorporating hydrogen into the thermal power plant. Mr. Wedel was involved in determining the feasibility of hydrogen from generation, transportation, storage, and power generation.

LM6000 Gas Turbine Anti-Icing System, OMPA

Oklahoma Municipal Power Authority (OMPA) required the installation of an Anti-Icing system to their Combustion Turbine Unit at the Ponca City Power Plant. IEC was requested to perform the Engineering and Installation of a Waste Heat Recovery Unit to provide inlet heating to the turbine.

Justin Wedel, PE

Mechanical Engineer and
Project Engineer

IEC Corporation

3100 Zinfandel Drive, Suite 350
Rancho Cordova, CA 95670
916.383.6000 main

Education

B.S. Mechanical Engineering, University of
California, Davis

Additional Training

OSHA 10 Hour Construction Safety Training
Plant 3D Level 1, ECAD

Areas of Expertise

Pipe Design
Pipe Stress Analysis
Foundation Design
Plant 3D Modeling and Design
AutoCAD
MATLAB
C++



Mr. Wedel was involved for the entire duration of the project. During engineering, Mr. Wedel lead the design including pipe stress analysis, piping design, pipe support design and analysis, foundation design, electrical design, and the controls interface. During construction, Mr. Wedel was the onsite field engineer overseeing the project, coordinating the construction team, and performing quality control inspections. Mr. Wedel also interfaced directly with the client and coordinated scheduling.

Battery Energy Storage System Design, San Nicolas Island (NAVFAC)

The Naval Facilities Engineering Systems Command (NAVFAC) on the San Nicolas Island Navy base was installing a Battery Energy Storage System (BESS) to help reduce the use and emissions of diesel generators. IEC was tasked with the electrical and civil design for the batteries and ancillary equipment in accordance with the Navy's specific design procedures and requirements. Mr. Wedel's technical responsibilities included designing the BESS layout, performing lighting studies for area lighting layout, designing equipment foundations and anchoring, designing a grading plan, and writing engineering and construction specifications. Mr. Wedel's project management responsibilities included quality control, design checking, scheduling, and BIM management. Mr. Wedel also assisted with electrical modeling, electrical interconnection design, and the controls design.

12kV System Analysis and Hazard Mitigation Report, SCWA

Sonoma County Water Agency (SCWA) owns and operates a 12kV overhead power distribution system to power a series of water diversion and flood control infrastructure. These power lines are critical during emergencies but are in a hazardous area that is highly vulnerable to flooding, soil liquefaction, and wildfires. SCWA requested that IEC first conduct a system analysis to determine the greatest hazards to the system, and then provide recommended upgrades or mitigation measures. Mr. Wedel performed the field investigation, system analysis, and recommended upgrades. Mr. Wedel was also responsible for the report development, technical writing, and deliverables.

Solar Design, San Nicolas Island (NAVFAC)

IEC served as the design engineer for the development of a utility-scale, turnkey PV power plant on the San Nicolas Island Navy base. Mr. Wedel assisted with major equipment sizing and selection, such as inverters, panels, transformers and switchgear, string design, site layout design, creating a protection scheme for the system, creating a power output monitoring and display system, and creating detailed electrical drawings. Mr. Wedel was also responsible for the foundation and civil design.

LADWP Solar Design, JFAK

IEC provided a complete engineering design for the rooftop PV system on the new La Kretz Hollywood Costumer Service Center. Mr. Wedel assisted with equipment sizing and selection, string design, site layout design, and creating detailed electrical drawings.

SCA Natural Gas Isolation

Mr. Wedel was responsible for the design of additional isolation valves for the natural gas system at the SCA Power Plant. Mr. Wedel performed stress calculations, flow calculations, the design of new pipe supports, and onsite construction support.

RedoxBlox Technology Evaluation, NCPA

NCPA requested that IEC perform an evaluation on the RedoxBlox, a developing technology with potential in the thermal power generation space. Mr. Wedel conducted several meetings with RedoxBlox engineers, reviewed RedoxBlox literature, and compiled information on the technology. Combined with IEC's years of experience in the power industry, Mr. Wedel developed a technical memo describing the current state, and projected potential of the RedoxBlox for thermal power plants.



Cold Weather Procedure Updates, NCPA

Starting in 2021, NERC adopted new reliability standards for power generation. Northern California Power Authority (NCPA) requested that IEC assist in updating their procedures to ensure compliance. Mr. Wedel reviewed the new standards, reviewed NCPA's existing procedures, updated NCPA procedures accordingly, and provided onsite training sessions to teach NCPA staff.



IEC Corporation

Munah F. Tarazi, S.E.

Professional Summary

Munah F. Tarazi offers over 37 years of distinguished experience in structural engineering as Project Engineer, Engineer of Record and Principal-in-Charge on numerous projects for both the public and private sectors. His engineering background includes structural analysis and design of new facilities, seismic retrofit, structural rehabilitation, building evaluations, peer review, plan check and value engineering for various public and private facilities in California.

Mr. Tarazi has been responsible for overall engineering quality and accuracy of preparation of structural design and specifications. He routinely provides informal peer review of the firm's projects.

Mr. Tarazi's professional background includes school and university facilities, correctional facilities, federal buildings, hospital and health care facilities, high-tech/biotech facilities, mixed-use residential/retail complexes, hotels, office buildings, airport terminals, shopping centers, restaurants, DSA Plan Check Reviews and related structures.

Project Experience

Federal Projects

USFS HEAP'S PEAK, SAN BERNARDINO MOUNTAINS, CA – Principal Structural Engineer and Engineer of Record on this \$2.0M project, which includes structural design and engineering for a 4,000sf single story new office building for a helicopter crew base. Snow loading was designed for 75psf.

USFS BURN LAB PLATFORM, RIVERSIDE, CA – Principal Structural Engineer and Engineer of Record for a 20' x 8' table tilted to varying angles on an overhead crane, exposed to a large fan for testing the effectiveness of fire retardants.

Munah F. Tarazi, S.E.

Principal Structural/Civil Engineer

IEC Corporation

3100 Zinfandel Drive, Ste. 350
Rancho Cordova, CA 95670
916.383.6000 main

Education

BS Civil Engineering, University of Illinois
MS Structural Engineering & Mechanics, UC Berkeley

Professional Licenses

CA Structural #S3185
CA Civil #C33624
NV Structural #12667

Affiliations

Structural Engineers Assoc. of No. California (SEAONC)
American Society of Civil Engineers (ASCE)
International Code Council (ICC)
American Institute of Steel Construction (AISC)
American Society for Testing and Materials (ASTM)

Areas of Expertise

More than 37 Years of Structural and Civil Engineering Experience for a wide range of projects.



USFS HELICOPTER SIMULATOR CAGE, ST. YNEZ, CA – Principal Structural Engineer and Engineer of Record for this helicopter simulator cage that holds four people for rappelling training. The cage can be lifted to 30-40 feet high by a specially designed forklift.

GUAM INTERNATIONAL AIR TERMINAL EXPANSION, TAMUNING, GUAM – Principal Structural Engineer and Engineer of Record of this six-year, \$250M expansion of the Guam International Air Terminal. The expansion includes design and construction of a new 600,000sf two-story terminal. The new concourses contain ticketing, baggage handling, operations, retail shops, administrative offices and maintenance facilities. The structural steel is designed for local high seismic zone forces and typhoon wind conditions. Project completed August 98.

GUAM INTERNATIONAL AIR TERMINAL – SEISMIC UPGRADES, TAMUNING, GUAM - As a result of the Northridge Earthquake, the Airport authorities requested the development of seismic upgrades to systems originally specified for the new terminal design. Mr. Tarazi was Engineer of Record for the \$1.2M seismic analysis and retrofit design for the existing 150,000sf reinforced concrete terminal building. He designed steel moment frames and connections to meet the new requirements of FEMA and integrated the upgraded structural system into the new concourses. The work involved investigating structural alteration schemes and designing a new lateral force-resisting system. The terminal remained functional and operational throughout construction.

EXPANSION AND REMODEL OF COMMISSARY, NAVAL AIR STATION, FALLON, NV – As Principal Structural Engineer and Engineer of Record, Mr. Tarazi provided quality control and project oversight of structural design for the 23,000sf expansion and remodel of the Naval Commissary. The structural system consisted of a steel-framed roof system supported by reinforced masonry bearing and shear walls on a slab on grade foundation.

State Projects

DGS/DSA STRUCTURAL PLAN CHECK REVIEW, OAKLAND, LOS ANGELES AND SACRAMENTO REGIONS, CA - Mr. Tarazi is providing structural plan review and back review, as-needed, of drawings and specification for public schools, community colleges and essential service buildings. All work is performed in conformance with the California Building Standards Code (Title 24) and regulations developed by DSA and in accordance with established DSA policies and procedures. To date, Mr. Tarazi has reviewed 50 school projects, totaling approximately \$500M in construction.

REDWOOD HIGH SCHOOL, LARKSPUR, CA - Principal Structural Engineer and Engineer of Record providing structural design for CSD Architects, who were selected by the Tamalpais Unified School District to provide services for a new 10,000 square feet gymnasium and an olympic-size swimming pool. The new structures are located over Bay Mud layer which required the foundation to be constructed from Augered Pressure



Grouted Piles that will go down to 30 feet below grade. The estimated construction cost is approximately \$10 million.

CITY COLLEGE OF SAN FRANCISCO – CHINATOWN EXTENSION, SAN FRANCISCO, CA – Principal Structural Engineer of a feasibility study for a new, 120,000sf, five-story downtown City College Campus in Chinatown. The building was designed to contain classrooms, administration offices, and one level of underground parking.

NICASIO K-8 SCHOOL, MARIN COUNTY, CA – Principal Structural Engineer and Engineer of Record providing structural design for Beverly Prior Architects, who were selected by Nicasio Unified School District as their District Architects to develop the building program and school facility master plan. The eight-acre site is located in a rural setting, and the existing classroom building is located near the original Nicasio schoolhouse built in 1871. A new multi-purpose/gymnasium building was located for convenient access by the students and use by the community. A new library and media center building was sited opposite the historic schoolhouse. Also included in this \$5M project, completed in 2002, are two new classrooms, an administration/office building, a science lab and an art room.

TOM HAWKINS SCHOOL, TRACY, CA – Principal Structural Engineer and Engineer of Record responsible for the structural design of a new K-8 school that contains a fair amount of architecturally exposed structural steel buildings. The new school, currently educating 750 students, has an Administration Building/Teacher's Lounge (2,800sf), a Kindergarten Building (2,800sf), a Gym/Multi-Purpose Room (11,500sf) and a Library (2,300sf).

WHISMAN ELEMENTARY SCHOOL UPGRADE, MOUNTAIN VIEW, CA – Principal Structural Engineer and Engineer of Record for the Whisman Elementary School multi-purpose room, which was the school's only assembly space and was heavily used for many years. By 1997, the building needed extensive cosmetic upgrades, architectural and structural modifications to meet ADA requirements. The multi-purpose room remodel added a stage at one end of the room and substantial additional storage, repaired the effects of years of heavy use, corrected seismic deficiencies and added the required ADA upgrades.

MONTE VISTA HIGH SCHOOL, CUPERTINO, CA – Principal Structural Engineer and Engineer of Record for providing the underpinning design of a two-story concrete wall during the renovation of the existing high school. The work included ADA additions including elevators, ramps and other access features.

CAREY ELEMENTARY SCHOOL, SAN MATEO CA – Principal Structural Engineer and Engineer of Record for structural engineering for this elementary school remodel and expansion. The project adds three classrooms, a new library, retaining wall and site work.



Judicial Facilities

AUBURN JUSTICE CENTER, AUBURN, CA – Principal Structural Engineer and Engineer of Record on this \$25M project. The structure includes 63,000sf of offices and special criminal justice facilities for County of Placer personnel. Emergency dispatch is located on the second floor. The building is a two-story L-shaped steel building. Special steel moment connections were used per FEMA 350 requirements. The project is under construction and completion is expected in June 2006.

ALAMEDA COUNTY JUVENILE JUSTICE SYSTEM MASTER PLAN, OAKLAND, CA – Principal Structural Engineer and Engineer of Record for the structural evaluations and structural/seismic consulting for the Alameda County Juvenile Justice Facilities Master Plan and Needs Assessment. The consulting team evaluated the existing building at the San Leandro site, assisting in developing site criteria for new facilities and analyzing existing sites against those criteria. Once the Master Plan was defined, team leaders developed the funding schedule and oversaw design development, bidding and construction of this \$132M project.

ALAMEDA COUNTY JUVENILE HALL RENOVATION, ALAMEDA, CA – Principal Structural Engineer and Engineer of Record to provide structural engineering services for the new design and construction of a police administrative building and extensive remodel and renovation to an existing operating juvenile hall facility. The new building was designed in reinforced concrete and concrete masonry units (CMU). The project incorporated radical modifications to the existing structure to integrate it into the new Master Plan.

KING'S COUNTY JUVENILE JUSTICE CENTER, HANFORD, CA – Principal Structural Engineer for the structural and seismic design of this juvenile detention center, facing a higher number of violent offenders in an already overcrowded facility. Mr. Tarazi provided conceptual structural design while producing a grant application to the Board of Corrections for State and Federal funding with Beverly Prior Architects. The team was successful in achieving Phase 1 funding for the remodeling of the existing booking area, adding three beds to the maximum-security housing unit, adding a new recreation yard and a secure vehicle sallyport with newly configured parking.

MOTHER LODE JUVENILE HALL, CA – Principal Structural Engineer and Engineer of Record for the structural and seismic upgrade of this new full-service 60-bed facility with 22,000sf of indoor space. The Counties of Calaveras, Tuolumne and Amador joined together to develop a new, full-service juvenile detention facility providing space for juveniles, staff and public, allowing supervision, security, classification, processing and detainment of adjudicated and non-adjudicated juveniles. A site was selected requiring new services, utilities, drainage, roads and landscaping.

SOLANO COUNTY HALL OF JUSTICE – Principal Structural Engineer and Engineer of Record for structural



design of this \$4.1M additional and remodel of the Solano County Hall of Justice. The project includes adding two trial courtrooms and one hearing room with all necessary support offices and spaces, including judge's chambers, expanded jury assembly areas, new parking areas, judges' secured parking, a new CCTV system and an expanded vehicle sallyport.

Hospital and Healthcare Facilities

SUTTER COAST HOSPITAL, CRESCENT CITY, CA – Principal Structural Engineer and Engineer of Record for this addition of a Skilled Nursing Facility at the hospital, responsible for quality control and contract administration.

ST. ROSE HOSPITAL, HAYWARD, CA – Principal Structural Engineer of the seismic assessment of the existing hospital facility regarding the application of SB 1953.

MT. ZION CAMPUS, UCSF, SAN FRANCISCO, CA – Principal Structural Engineer for OSHPD-regulated projects including admitting, maternity, central plant, radiology, angiography, dental and oral surgery and nuclear medicine.

GENERAL SERVICES AGENCY, ALAMEDA COUNTY, OAKLAND, CA – Principal Structural Engineer of the firm's on-call, indefinite quantity contract to provide plan check services for the Alameda County GSA.

Public/Private Complexes

ST. MARY'S CHINESE CATHOLIC CENTER AND SENIOR INTERNATIONAL HOTEL, SAN FRANCISCO, CA – Principal Structural Engineer and Engineer of Record on this \$30M project. The structure will include a 60,000sf, five-level school for 400 K-8 students, a gymnasium/community center, a chapel and a 17-story apartment building constructed over 3½ levels of underground parking. This project is divided into 3 packages: Package 1 was completed in February 2004, Package 2 was completed in 2005 and Package 3 is on hold waiting for construction funding.

HYATT REGENCY HOTEL/OAKLAND CONVENTION CENTER, OAKLAND, CA – Project Engineer, responsible for structural design for this 21-story structural steel-framed hotel tower adjacent to the Oakland Convention Center. The project included a multi-level atrium, a rooftop swimming pool, and plaza that connected the hotel to the convention center.

MOSCONE CONVENTION CENTER EXPANSION, SAN FRANCISCO, CA – Engineer of Record to design a 500,000sf expansion to the main below-grade convention hall and renovation design of four below-street connector tunnels. Mr. Tarazi also provided structural evaluation of various vertical expansions over the main roof of the convention hall.



DELTA AIRLINES CROWN ROOM PROGRAMMING EVALUATION AND FEASIBILITY STUDY, SAN FRANCISCO INTERNATIONAL AIRPORT – Principal Structural Engineer of the structural design and engineering portion of this \$2.5M project. Mr. Tarazi completed a feasibility study to add three floors on top of the existing concourses. He also provided preliminary structural and seismic evaluation of three programming plan schemes for Delta Airlines and the San Francisco International Airport. The three plan schemes all involve providing a Club Level on top or at the existing Mechanical Penthouse roof. Mr. Tarazi summarized and evaluated each scheme and the various structural issues affecting each scheme, and assisted Gensler in arriving at a single recommendation (a fourth scheme) for Delta Airlines.

Private Corporation & Retail Experience

GENENTECH CHILD CARE CENTER SOUTH SAN FRANCISCO, CA – Principal Structural Engineer of Genentech Child Care Center that involved the design of a two-story steel moment frame administration building and five one story wood construction child care buildings. Estimated construction cost is \$17 million.

ELECTRONICS FOR IMAGING, INC., FOSTER CITY, CA – Principal Structural Engineer of EFI's corporate headquarters campus involving approximately 1,000,000sf of office space built on the shores of the Bay. Mr. Tarazi was responsible for contract administration, budget control, and staff assignment and monitoring for the \$30M (Phase 1 only) project.

READ-RITE CORPORATION, FREMONT, CA – Principal Structural Engineer and Engineer of Record for the schematic structural and seismic design of this \$10.4M design project for the company's new, two story, 100,000sf headquarters office building. The major portion of the lower floor is designed for research and development, heavy high-tech laboratory use and future clean room installation.

OPERA PLAZA, SAN FRANCISCO, CA – Project Engineer for structural design of three 13-story apartment towers of steel-framed construction with averaged less than 11psf in weight. Four-story steel-framed townhouse structures were built between the towers over two levels of reinforced concrete retail and commercial spaces over two levels of below-grade parking. The construction included a post-tensioned podium slab at grade. The project furnished over 430 residential units and totaled over 1 million square feet.

NIKKO HOTEL, SAN FRANCISCO, CA – Project Engineer on the structural design for this 560,000sf 23-story hotel covering a full city block site. The framing is of ductile moment-resisting steel construction with two levels below grade parking, restaurants, retail shops and service facilities.

CLUB HILTON HOTEL, PLEASANTON, CA – Lead Engineer on the structural design of this 300-room full service, five-story hotel constructed of reinforced and post-tensioned concrete.



CALSPORT, OAKLAND, CA – Engineer of Record for this two-story, 17,000sf structural steel and wood-framed building. This multi-purpose structure was primarily designed for sports medicine offices and featured a large central skylight over exercise, training and physical therapy areas.

NATURE COMPANY CORPORATE HEADQUARTERS SEISMIC UPGRADE, BERKELEY, CA – Engineer of Record

ADDITIONAL PROJECT EXPERIENCE

- Veterans Memorial Buildings, Alameda, Albany, Emeryville, Fremont, Hayward, and San Leandro, CA
- Alameda County Central Health Center, Oakland, CA

PRIOR EXPERIENCE

1988 - 1989 Project Manager,

AGS Consultants, San Francisco, CA

1987 - 1988 Project Manager

HKA Consulting Engineers, San Francisco, CA

1979 - 1987 Project Engineer

Cygna Consulting Engineers, San Francisco, CA



IEC Corporation

Carlos Flores

Professional Summary

Mr. Flores has more than 20 years of experience as a designer for utility scale power plants. He has extensive experience working with drafting standards for each utility client and oversees the quality of IEC drafting standards and deliverables. He has provided design support for all power plant disciplines including civil, structural, mechanical, electrical, and I&C.

Representative Project Experience

La Luz Energy Center, Public Service Company of New Mexico

Provided AutoCAD design services for simple cycle power generation facility, including drafting of P&IDs, process flow diagrams, site layouts, electrical drawings, equipment enclosure layouts, and detail drawings.

SCA Peaker Project – 45 MW, Sacramento Municipal Utility District

Provided Auto-CAD support to develop mechanical P&IDs. Met with engineering staff to determine project drawing standards. Utilized engineering staff designs to developing Auto-CAD drawings and P&ID's with use of Auto-CAD 2002, and Auto-CAD Express Tools. Submitted P&ID's for review, met with engineers to review mark-ups, and implemented modifications. Submitted final P&IDs to the client.

Peaker Plant Layout

Provided Auto-CAD support to develop preliminary drawings for a proposed GE LM6000 peaker power plant located in Lodi California. Using Auto-CAD 2002, developed drawings per engineering staff designs.

Carson Ice (CMX) RTU Retrofit-DCN Drafting Support, Sacramento Municipal Utility District

Carson Ice (CMX) RTU Retrofit included creating "Add" and "Delete" sheets for equipment removal and replacement with both CAD and raster images. Created new drawings and requesting new drawing numbers from EDC.

Carlos Flores

Senior Designer
Lead AutoCAD Specialist

IEC Corporation

3100 Zinfandel Drive, Ste. 350
Rancho Cordova, CA 95670
916.383.6000 main

Education

Auto-CAD Levels 1 & 2, CAD Masters

Geographic Information Systems Certificate Program at American River College

ArcGIS Desktop Training Series

Fundamentals of Cogeneration and Onsite Generation

Fundamentals of Photovoltaics

**Woodland Generating Station Unit 2 – 80 MW, Modesto Irrigation District**

Auto-CAD support to update civil drawings to show mitigation efforts to satisfy the California Energy Commission (CEC). Prepared updates using Auto-CAD 2002, CAD Overlay 2002, and CAD Express Tools. Submitted drawings to support staff for review, then integrated mark-ups and comments to drawings.

Bid Package Development for Circuit Breaker Replacement, City of Palo Alto

Provided AutoCAD support for modifying an electrical drawing package for the Bid Package Development Project. Mr. Flores incorporated redline mark ups taken from IEC engineers during site inspections into the drawings to provide the City with an as built drawing package.

Feeder Relay Upgrade, City of Palo Alto Hanover Substation

Provided AutoCAD design services for Hanover substation. Drafting of layouts, schematics, and wiring diagrams for each feeder unit and prepared as built drawings for the City of Palo Alto.

Hydroelectric Retrofit Project, Warm Springs Dam

Provided AutoCAD design services for developing an electrical drawing package for the Hydroelectric Retrofit Project. Drafting included creating “Add” and “Demolition” sheets for equipment removal and replacement and modifying existing drawings with both CAD and raster images. The drawing package consisted of single lines, three lines, schematics, wiring diagrams, P&ID’s, site layouts and detail drawings.

Hurley-Elverta Protection Upgrade – 230 kV, Sacramento Municipal Utility District

Provided Auto-CAD support for the Hurley-Elverta substation upgrade. Activities included retrieving drawings from the SMUD document control department, identifying outstanding DCNs that have not been incorporated, and incorporating these changes along with design changes made by IEC engineers. This required Mr. Flores to become familiar with the SMUD DCN process and the SMUD Distribution Department.

12th Street Substation Upgrade, Modesto Irrigation District

Provided AutoCAD support for the 12th Street Substation design. Drafting of schematics, site layouts, physical drawings, electrical drawings, foundations drawings, and detail drawings.

Power Plant GIS Support, Anchorage Municipal Light & Power

Provided GIS support to manipulate raw data and convert to GIS data for analysis and mapping.

Mr. Flores has provided full drafting support for the following utility facilities:

- City of Palo Alto Hanover Substation
- P&G Retrofit RTU
- Removal of SWP Drawings from Russell
- Carson Ice (CMX) RTU Retrofit
- SRWTP RTU Upgrade
- Hurley-Elverta Protection Upgrade
- Russell Substation Expansion (Phase 2)
- Cap Bank Upgrade/Controls
- Revenue Metering Enclosure
- PIRP / CAISO Metering Upgrade
- SWP Drawing Update
- PIRP Meter (DCO)
- Campbell Soup Cogen RTU Upgrade
- Loon Lake Emergency Generator Replacement
- Union Valley Emergency Generator Replacement
- Elverta Substation Line #3 / CB10
- Hurley Substation Line #1 / CB5802
- Union Valley RTU Retrofit
- Look Lake RTU Retrofit
- Telecommunications DCN Drafting Support
- Warm Springs Dam Hydroelectric Retrofit

**Tiger Creek Disconnect Project, PG&E**

Provided drafting support using Bentley MicroStation PowerDraft V8i for generator disconnect project. IEC provided a complete design package for the project and provided field engineering services during construction.

Solar PV Design Drafting Support, 60+ California Clients

Assisted in sizing PV equipment for new design such as inverters, combi-switches and PV Panels. Permit documentation preparation and sales document preparation. Drafting support for new PV design including structural, electrical and general arrangement of equipment.

Fort Ord PV Project, U.S. Army Corps of Engineers

AutoCAD design services for both carport and ground mount PV systems including structural, electrical and general arrangement of equipment.

Solano Wind Plant GIS Services, Sacramento Municipal Utility District

Provided GIS support to manipulate raw data and convert to GIS data for analysis and mapping.

Escondido Power Plant Modification Drafting Support

Drafting of P&IDs, process flow diagrams, site layouts, electrical drawings, equipment enclosure layouts, and detail drawings for power plant modification project.

Algonquin Power Plant AutoCAD Support, Algonquin Power

Provided AutoCAD design services for cogeneration facility, including drafting of P&IDs, process flow diagrams, site layouts, electrical drawings, equipment enclosure layouts, and detail drawings.

PG&E RTU-DCN Drafting Support, Sacramento Municipal Utility District

P&G RTU DCN-Drafting support for DCN included creating "Add" and "Delete" sheets for equipment removal and replacement with both CAD and raster images. Created new drawings and requesting new drawing numbers from EDC.

SRWTP RTU Upgrade-DCN Drafting Support, Sacramento Municipal Utility District

SRWTP RTU Upgrade included creating "Add" and "Delete" sheets for equipment removal and replacement with both CAD and raster images. Created new drawings and requesting new drawing numbers from EDC.

SMUD Telecommunications Department Support, Sacramento Municipal Utility District

Provided Auto-CAD support for SMUD's Telecom Department, which required familiarizations with SMUD telecom standards, procedures and terminology. Activities included retrieving drawings from the SMUD document control department, identifying outstanding DCNs not yet incorporated, and incorporating the changes along with design changes made by SMUD telecom engineers and SMUD telecom contractors. Responsible for submitting all drawing packages to appropriate parties for review and comment. Also obtained required signatures for submittal packages and tracked submittals to be sure they were responded to in a timely manner. Worked extensively with the SMUD's document control department to maintain SMUD drawing standards in all submittal packages.

Drafting Support for Thermal Plants, Clean Energy Systems

Drafting of P&IDs, process flow diagrams, site layouts, electrical drawings, equipment enclosure layouts, and detail drawings for several thermal power plants.



SMUD PV1 Site Evaluations, Sacramento Municipal Utility District

SMUD PV1 Project-Site evaluations of residential homes for PV design included assisting in taking detailed measurements of trusses from the attic, measurements of roof tops for new PV design, detailed sketches of existing PV on roof tops, shading analysis, general inspection of electrical equipment such as electrical panel type and grounding. Assisted in sizing PV equipment for new design such as inverters, combi-switches and PV Panels. Permit documentation preparation and sales document preparation. Drafting support for new PV design including structural, electrical and general arrangement of equipment.

Cache Creek Feasibility Study, Cache Creek Indian Bingo & Casino

Provided Auto-CAD support. Met with feasibility study team to determine project drawing standards and review client needs. Using Auto-CAD 2002 and Auto-CAD Express Tools, developed various power cycle schematics from engineering designs to provide options for the client.

Panoche Peaker Facility – 55 MW & Fresno Power Project – 21 MW, Wellhead Electric

Provided Auto-CAD support to develop construction drawing packages for the project. This included meeting with mechanical, electrical, and structural engineers to develop project drawing standards and design drawings using Auto-CAD 2002, Auto-CAD Express Tools and CAD Overlay 2002. Submitted drawings to design engineers for review and met with engineers to discuss mark-ups and design changes. This process involved submitting final drawings for the construction package to engineering staff and the client.

Removal of SWP Drawings from Russell-DCN Drafting Support, Sacramento Municipal Utility District

Removal of SWP Drawings from Russell included creating “Add” and “Delete” sheets for equipment removal and replacement with both CAD and raster images. Created new drawings and requesting new drawing numbers from EDC.

Biomass GIS Survey, Sacramento Municipal Utility District

Provided GIS support to manipulate raw data and convert to GIS data for analysis and mapping.

Resumes
Performance Mechanical, Inc.



Shaping the Future of Energy™



FRANK URES

SACRAMENTO CONSTRUCTION MANAGER

QUALIFICATIONS

Over thirty years' experience in construction of commercial and industrial facilities as Superintendent, General Foreman and Foreman responsible for the management and supervision of various projects. Duties include managing manpower of multiple crafts, the management and direction of subcontractors, scheduling, purchasing materials, rental of equipment and the management of change order work. ASME Section IX Code Welder.

EXPERIENCE

Performance Mechanical, Inc., Sacramento, CA.

Lodi Gas Storage, Kirby Hills Facility and Lodi Facility, Ca. – Foreman, Various Maintenance Work

Eco Energy, Ethanol Unloading Facility, Stockton, CA – General Foreman, rail offload transfer facility

Niska, Wildgoose Gas Storage Facility, Gridley, CA. – Foreman Welder, Gas transmission piping for expansion

Calpine, Greenleaf 1 and 2, Yuba City, CA. – Foreman, Code repairs on various piping

Sierra Plumas Rural Electric – Construction of 6MW Co-Gen at High Desert State Prison, Susanville, CA.

Roseville Power, Roseville, CA. – Foreman Welder, Annual Maintenance of 160mw plant

Intel, Folsom, CA – General Foreman, FM-4 Research and Development Facility

Campbell Soup Company, Sacramento, CA. – General Foreman, Various plant expansion projects

Proctor & Gamble, Sacramento, CA – General Foreman, Closed cooling water system

Kikkoman, Folsom, CA – General Foreman, Plant Expansion

SPA/Proctor & Gamble, Co-Gen, Sacramento, CA – Foreman, Install equipment and piping

Carson Energy, Sacramento and Elk Grove, CA. – Foreman, Various power projects

Sacramento Regional County Sanitation District, SRCSD/SRWTP, Elk Grove, CA. – Foreman, Retrofit various steam line projects

Calpine, Pastoria Power Plant, Bakersfield, CA. – Foreman, Various P91 welding at 750mw Power Plant

Anheuser Busch Companies, Fairfield, CA. – Foreman, Pasteurizers and associated piping replacement projects

Escalon Packers, Escalon, CA. – Foreman, Cooker, associated piping and equipment projects.

Genentech, Vacaville, CA – Foreman, Fabricate steam and cooling system piping for new addition

Sacramento – Fabrication Shop, Foreman

EDUCATION & TRAINING

Joint Apprenticeship Committee of Plumbers and Pipefitters. Instructor.

Continuous industry related education including the following: CPR and First Aid Certified – Employee Management Training – Safety Training – DISA Safety Trained – Crane Safety Courses – PMI Supervisor Training (STP) Modules 1 through 4 - Joint Apprenticeship of Plumbers and Pipefitters Completion – ASME Section IX Code Welder - Excavation Safety Competent Person Course



RICK CARPENTER
SACRAMENTO REGION G.M.

EXPERIENCE

Performance Mechanical, Inc.

2009 – Present

Sacramento Region G.M.

2024 - Present

Senior Project Manager

2020 - 2024

Project Manager

2015 - 2019

Field Engineer/Project Engineer

2009 - 2015

Unit 1&2 Plant Outages, Moss Landing, CA

2020 – 2024

Contract Value: \$ 2,000,000

Sr. Project Manager

Managed, scheduled and coordinated the pre-fabrication and execution of retrofit and maintenance of four heat recovery steam generators through out the course of two separate outages three weeks in duration. Through detailed planning and estimating managed discovery scope growth in excess of 50% of the original contract and maintained the initial completion date.

NuStar Renewables Projects, Stockton, CA

2020 – 2022

Contract Value: \$ 11,000,000

Sr. Project Manager

Planned, managed, scheduled and coordination the execution of three separate capital projects in unison. Scopes of work included pipe and equipment foundation installation, installation of 2+ miles of piping, and successfully completing a half-mile long horizontal direction drill with minimal disruption to neighbouring facilities and local infrastructure.

Various Projects, Northern CA

2018 – 2019

Contract Value: \$ 13,500,000

Project Manager

Estimated and managed upwards of 300 projects for multiple clients within PMI's Sacramento Branch jurisdiction. Through a blend of lump sum and time & material projects, serviced clients and projects ranging from food and beverage facility maintenance, shop prefabrication projects, power plant outage maintenance projects and capital project work in gas compressor facilities.

DWR Thermalito Power Plant Rehabilitation

2016 – 2018

Contract Value: \$ 6,000,000

Project Manager

Managed, scheduled, coordinated and estimated the design, pre-fabrication, installation, and start-up of cooling and lubricating piping systems in the rebuild of the Thermalito Hydro Electric Power Plant. Through effective communication and collaborate work with the client and owner estimated and acquired additional scopes of work effectively tripling the original contract and successfully completing ahead of schedule.

Various Projects, Northern CA

2015 – 2016

Contract Value: \$ 13,700,000

Project Manager

Estimated and managed upwards of 300 projects for multiple clients within PMI's Sacramento Branch jurisdiction. Through a blend of lump sum and time & material projects, serviced clients and projects ranging from food and beverage facility maintenance, shop prefabrication projects, power plant outage maintenance projects and capital project work in gas compressor and storage facilities.

Shell Crude Tank Replacement, Martinez, CA

2013 – 2015

Contract Value: \$ 30,000,000

Project Engineer

Tracked field progress, schedule updates, and estimated change orders. Worked closely with Project Manager on cost analysis and controls. Developed field work packages and client quality control turnover documentation.

PG&E Whisky Slough Station, Stockton, CA

2013

Contract Value: \$ 15,000,000

Project Engineer

Tracked field progress, schedule updates, and estimated change orders. Worked closely with Project Manager on cost analysis and controls. Developed field work packages and client quality control turnover documentation. Managed a field staff of 4 field engineers and worked closely with field supervision on detailed planning and execution.

GWF Power Plant, Tracy, CA

2011 – 2012

Contract Value: \$ 80,000,000

Field Engineer

Tracked and documented field progress, RFIs, facilitated solutions for design discrepancies, and estimated change orders. Developed field work packages and client quality control turnover documentation.

Valero Turnaround 2011, Benicia, CA

2010 – 2011

Contract Value: \$ 10,000,000

Field Engineer

Tracked and documented field progress, RFIs, facilitated solutions on design discrepancies, and estimated change orders. Developed field work packages and client quality control turnover documentation.

Valero Flue Gas Scrubber, Benicia, CA

2009 – 2011

Contract Value: \$ 95,000,000

Field Engineer

Tracked and documented field progress, RFIs, facilitated solutions for design discrepancies, and estimated change orders. Developed field work packages and client quality control turnover documentation.

EDUCATION & TRAINING

California State University, Chico

2006 – 2009

Bachelor of Science, Construction Management

University of Texas, Austin

2014 – 2015

MCAA Institute for Project Management Graduate

Crestcom Bullet Proof Manager Training

PMI Supervisor Training Program

Annual Harassment Prevention Training



Gabriel Junior Serrato

EXPERIENCE:

Project Manager

January 2022 – Present

My role as a Project Manager is to manage a wide range of Industrial projects across multiple crafts and scopes. Such as civil, piping, pressure vessels, structural and misc. steel, mechanical, specialty metals, and much more. As a Project Manager, I'm the center point of contact for all involved parties in any given project. I ensure proper and efficient flow of project phases anywhere from an administrative to technical standpoint from start to finish. I'm also responsible for sustaining a close and healthy relationship with all clients assigned to me. I have experience in managing projects in crude oil refineries, chemical plants, wastewater treatment facilities, power plants, CNG stations, and port terminals. I also provide small to medium size estimates for all my assigned clients.

- **Procter & Gamble Chemicals Sacramento, CA, Site Maintenance & Capital Projects** Jan 2022 - Present
 - Contract Value: \$3,000,000 – \$5,000,000 / Fiscal Year
 - Provide complete project management and estimating services at the P&G Sacramento Chemical Plant. Maintain a close and healthy relationship with P&G to conduct all their construction needs from the smallest maintenance items to their largest complex capital projects. P&G often integrates me during project conceptualization to assist with constructability and budget development as a form of "value engineering". Once a project is funded, I'm involved throughout the whole project lifecycle, from estimation to project close-out. Typical daily tasks include estimating, budget management, cost forecasting, progress tracking, planning/scheduling, man-power management, material, and equipment purchasing, subcontractor procurement and management, RFI's, change order management and billing. Management at this site typically involves managing multiple projects at any given time ranging from \$5,000 to \$1,500,000.
 - Notable projects at this site:
 - Natural Gas Pipeline Installation – Project Value \$500,000
 - Caustic Tanks Replacement Project – Project Value \$1,000,000
 - CNO Sump Installation Project – Project Value \$1,100,000
- **Sulfuric Acid Trading Company (SATCO) Stockton, CA, Berth 10/11 Pipeline Extension** Sep 2022 – Feb 2023
 - Contract Value: \$2,250,000
 - Project management for the entire scope to fabricate and install approximately 1000' of 10" stainless steel underground pipe at the Port of Stockton. The main goal of this project was to extend an existing pipeline to Berth 10/11 which previously only went from Berth 12/13 to SATCO's terminal at the Port. This gave SATCO the ability to offload vessel shipments at both Berth's. Challenges encountered during this project included heavy coordination working at a busy and active Port, demanding quality control requirements due to hazardous material, and civil scope being completed during a historical rainy season. Despite the challenges, this project proved to be successful.
- **Clean Energy Fuels Sacramento, CA, City of Sacramento Meadowview CNG Station** Aug 2021 – Feb 2022
 - Contract Value: \$1,700,000
 - Project management for the entire scope of building a new compressed natural gas station at an existing government facility for the City of Sacramento, CA. This new station can fuel up to 100 CNG vehicles at any given time and consists of three large CNG compressors that compress natural gas from 35 PSIG to approximately 5,000 PSIG. Due to the hazardous material and high pressure, this project needed to be managed very carefully to ensure quality installation and safe operation. The main scope of work for this project consisted of demolition, underground civil excavation/trenching, structural concrete foundation installation, equipment setting, piping installation, electrical installation, and general finish civil work such as asphalt and concrete placement.



Gabriel Junior Serrato

- **Northern California Power Agency (NCPA) Murphys, CA, Pelton Runner Turbine Repairs** December 2024
- Contract Value: \$250,000
 - Project management for the repairs of a 22,000 lbs. Pelton type Hydroelectric Turbine (Runner) for NCPA's Hydroelectric Power Plant in Murphys, CA. The schedule for these repairs was critical because NCPA was operating at half capacity while this turbine was down. Due to the rare stainless steel material type of the runner, PMI had to qualify and expedite a new welding procedure to perform the repairs. The repairs needed to be done at a specific temperature range which required professional temperature control services. Once the welding repairs were complete, the entire runner needed to go through post weld heat treatment in Oregon. After post weld heat treatment, the entire runner needed to be polished before being put back in operation. This project was successfully completed ahead of schedule even throughout the Holiday season.

Field/Project Engineer & Estimator

Performance Mechanical, Inc. – North Coast & Sacramento Regions May 2018 – December 2021

- **Andeavor Petroleum Refinery Martinez, CA**, Hydro-desulfurizer Unit 4Q18 turnaround
- **Procter & Gamble Chemicals Sacramento, CA**, Maintenance & Capital Projects - 2018, 2019, 2020, 2021
- **Procter & Gamble Chemicals Sacramento, CA**, 2019 Spring Outage: 5Cr-1/2Mo High Pressure Hydrogen Mat Upgrades
- **Procter & Gamble Chemicals Sacramento, CA**, High Pressure Steam (GTS) Boiler Installation
- **Marathon Petroleum Refinery Martinez, CA**, PHA Compliance Capital Projects
- **Performance Mechanical, Inc. North Coast & Sacramento Regions**, Estimating projects for various industrial clients

Project Engineer Intern

Marelich Mechanical Co., Inc. - San Francisco - Hayward Summers 2016, 2017 and Winter 2016

- Assisted Project Engineers and Project Managers to meet all GC needs as a Mechanical Contractor

Drywall Department - Project Engineer Intern

Boyett Construction, Inc. Hayward, CA Summer 2015 & Winter 2015

- Assisted Project Engineers and Project Managers to meet all GC needs as Framing and Drywall contractors

Plumbing Apprentice

C. De Leon Plumbing, Inc. San Francisco Bay Area, CA Summers 2010, 2011, 2012, 2013 and 2014

- Worked as a plumbing apprentice for a plumbing company learning basic plumbing and construction skills, techniques, means & methods

SKILLS & CREDENTIALS:

- Scheduling Software – Primavera Scheduler P6 and Microsoft Projects
- Microsoft Office Software – Word, Excel, PowerPoint, Outlook
- PDF Software – Bluebeam Revu & Adobe
- 3D Model Viewer Software – Autodesk Navisworks, Autodesk Revit
- MCAA Institute of Project Management Graduate
- EMCOR Leadership Development Program Graduate

EDUCATION:

California State University, Chico

Bachelor of Science in Construction Management

Graduated – May 2018



RANDY GABLE

Millwright Superintendent

QUALIFICATIONS

Forty-one years vested in Millwright Local 102. Responsible for the supervision of various union crafts and the control of information for purchasing material and rental equipment. Experienced in managing subcontractors and change order work. Specialize in Steam Combustion Turbine Assembly work.

EXPERIENCE

1993 to Present Performance Mechanical, Inc., Sacramento, CA.

- RPP2- Supervisor for CT2 Major overhaul
- GWF Tracy Power Plant- Supervisor for installation and start-up.
- Genesis Solar Energy Project – Supervisor for installation and start-up.
- Cosumnes Power Plant – Combustion turbine & steam turbine construction and start-up.
- Crockett Cogeneration – CT & STG maintenance.
- Wild Goose- Natural Gas Compressor Station, Phase 2 construction start-up.
- Narrows II Bypass Project – Hydro Turbine Units
- Lodi Gas Storage - Supervisor for installation and start-up of two gas compressors
- DEC Water Treatment Plant – Foreman for installation
- SMUD / Campbell Soup - Co-Generation - Supervisor for installation and start-up of steam turbine and balance of plant
- SMUD / Proctor & Gamble Power Plant - Supervisor on four superior compressors
- SMUD/Procter & Gamble - Foreman for balance of plant and start-up
- USS Posco - Installation of rolling tin mill equipment
- Anheuser Busch - Bottling line installation
- Del Monte (Modesto) – Fabrication and installation of 120 can fittings
- Silgan Container – Various can line projects involving equipment and can fittings
- Reynolds Aluminum - Various can line projects involving equipment and can fittings
- Escalon Packers - Various can line projects involving equipment and can fittings

EDUCATION AND TRAINING

- OSHA 500
- Crane Safety Courses
- DISA Safety Training
- MCA Supervisor Courses
- PMI Training Modules 1 through 4
- Employee Management Training
- CPR and First Aid Certified



MIKE KRAFT FIELD SUPERVISOR

QUALIFICATIONS

Over eight years' experience in construction of commercial and industrial facilities as General Foreman and Foreman responsible for the management and supervision of various projects. Duties include managing manpower of multiple crafts, the management and direction of subcontractors, scheduling, purchasing materials, rental of equipment and the management of change order work. ASME Section IX Code Welder.

EXPERIENCE

Performance Mechanical, Inc., Sacramento, CA.

Lodi Gas Storage, Kirby Hills Facility and Lodi Facility, Ca. – Foreman, Various Maintenance Work

Niska, Wildgoose Gas Storage Facility, Gridley, CA. – Foreman Welder, Gas transmission piping for expansion

Calpine, Greenleaf 1 and 2, Yuba City, CA. – Foreman, Code repairs on various piping systems.

Ethos Energy, Consumnes Power Plant, Heral, CA – General Foreman, multiple outage scopes

NCPA, Lodi Energy Center, Lodi, CA – Foreman, Code repairs on various piping systems.

Calpine, Sutter Energy Center, Yuba City, CA – General Foreman, various LB chrome valve/piping scopes

Vistra, Moss Landing Power Plant, Moss Landing, CA – General Foreman, HRH MOV replacement

PG&E, Helms Hydroelectric, Shaver Lake, CA – Foreman, Water systems skid replacement

NuStar Energy, Stockton, CA – Foreman, Truck Loading Rack retrofit

Jet Infrastructure, Sacramento, CA – General Foreman, Tank farm piping upgrade

Clean Energy Fuels, Sacramento, CA – General Foreman, Underground high pressure piping systems

UC Davis Medical Center, Sacramento, CA – Foreman, various code work

EDUCATION & TRAINING

Joint Apprenticeship Committee of Plumbers and Pipefitters. Instructor.

Continuous industry related education including the following: CPR and First Aid Certified – O.Q. Welding Inspection – Safety Training – DISA Safety Trained – Certified Rigger – Joint Apprenticeship of Plumbers and Pipefitters Completion – ASME Section IX Code Welder



BRYAN OAKES

MILLWRIGHT FOREMAN

SUMMARY OF QUALIFICATIONS

- TWENTY YEARS IN MILLWRIGHT LOCAL 102.
- GOOD COMMUNICATION SKILLS.
- COORDINATES WELL WITH SUBCONTRACTORS , COWORKERS, AND PLANT PERSONNEL.
- MORE THAN EIGHTEEN YEARS EXPERIENCE IN THE INSTALLATION OF CAN LINES AND RELATED EQUIPMENT.
- HAS A GOOD GRASP OF THE SCOPE OF WORK AND EVALUATES PERSONNEL WELL.
- HANDS ON WORKING FOREMAN.
- HAS EXTENSIVE TRAINING IN SAFETY, EQUIPMENT OPERATION, AND FIELD SUPERVISION.
- TRAINED IN FABRICATION AND INSTALLATION OF CAN LINE FITTINGS.

WORK HISTORY

- 1995-PRESENT - PERFORMANCE MECHANICAL, INC.
 1. ANHEUSER-BUSCH - 1993-PRESENT - VARIOUS CAN LINE AND BOTTLING LINE PROJECTS. INSTALLED CAN LINES AND RELATED EQUIPMENT.
 2. CAMPBELL SOUP - 1990-PRESENT - NUMEROUS PROJECTS. INSTALLED CAN LINES, EQUIPMENT, AND CAN FITTINGS.
 3. SILGAN CONTAINER - 1996-2000 - INSTALLED CAN LINES AND CAN LINE FITTINGS.
 4. DEL MONTE FOODS - 1996-1998 - INSTALLED CAN LINES AND RELATED EQUIPMENT.
 5. BLUE DIAMOND ALMONDS - 1995-2001 - VARIOUS PROJECTS INCLUDING CAN LINE MODIFICATIONS AND REWORKING CAN LINE FITTINGS.
 6. CAL-AGRA - 1999-2000 - WORKED ON LARGE CAN LINE PROJECT. BUILT AND INSTALLED FITTINGS.



ANDREW J. BALLEW

Boilermaker Superintendent

QUALIFICATIONS

Twenty-five years' experience in construction at industrial facilities. Foreman and general foreman responsible for the management and supervision of various projects. Duties include managing manpower of multiple crafts, the direction of subcontractors, all purchasing of materials, rental of equipment and the management of change order work.

EXPERIENCE

2001 – Present Performance Mechanical, Inc., Pittsburg, California

Pittsburg, CA- Boilermaker Superintendent all Northern CA projects
Martinez, CA-Superintendent Shell Catalyst & Tech Capital and Maintenance Services
Gilroy, CA – General Foreman, Calpine AUX Boiler Tube Repair Project
Gilroy, CA – General Foreman, Calpine 3 Peaker Units.
Rancho Seco, CA – General Foreman, SMUD Air Heater Modification Project
King City, CA – General Foreman, Calpine HRSG Tube Repair Project
Benicia, CA – General Foreman, Valero Pipe Stills and VLE Turnaround Project
Benicia, CA – Foreman, Valero FGS Project
Fairfield, CA – Foreman, Anheiser Busch, Economizer Repair and Boiler Recertification
Tracy, CA – Foreman, Barton Mallow 2 Peaker Units
Antioch, CA – Foreman, Gateway Energy Center HRSG Project
Martinez, CA – General Foreman, Tesoro Super Heater Replacement Turnaround Project
Martinez, CA – Foreman, Tesoro 9 Furnace Overhaul Projects
Moss Landing, CA – Foreman, Duke Energy, Tube Replacement and Boiler Recertification Project
Martinez, CA – Foreman, Foster Wheeler, Tube Repair Project

EDUCATION & TRAINING

Continuous industry related education through the following: CPR and First Aid Certified – OSHA 30 Training – Employee Management Training – DISA Safety Trained – Crane Safety Courses – MCA Supervision Courses – PMI Training Modules 1 through 4
M.O.S.T. Safety Training – OSHA 10 Training – AWS Certification – CALOSHA Steel Erection and Rigging Fundamentals Course – Western States Boilermaker Apprentice Competition Winner – MCA Supervision Courses – B.S., San Joaquin Delta College



Michael Buchanan

Boilermaker General Foreman

QUALIFICATIONS

Boilermakers Local 549

EXPERIENCE

Harder Mechanical Contractors, Inc. - General Foreman

- Chevron 4-Crude Turnaround: June 2020 - November 2022

Kiewit Power Constructors Co. - Foreman

- Sutter Creek Energy Center: March 2022 - June 2022

Harder Mechanical Contractors, Inc. - Foreman

- Chevron SRU 2: September 2021 - October 2021
- Chevron 7 8 Plant SRU-2 T/A - Clone: June 2021 - August 2021

Performance Mechanical, Inc. - Mechanic

- Crockett Cogeneration: January 2021 - May 2021

Harder Mechanical Contractors, Inc. - Foreman

- Chevron: September 2020 - November 2020
- Chevron: June 2019 - March 2020

Performance Mechanical, Inc. - Mechanic

- PG&E Colusa: May 2019
- Andeavor: October 2018

ARB, Inc. - Foreman

- Chevron Modernization Project: October 2010 - September 2018

Cherne Contracting Corp. - Mechanic

- Chevron Modernization Project: March 2016 - August 2018

Performance Mechanical, Inc. - Mechanic

- Phillips 66: December 2015 - January 2016 (Steward)
- Cosumnes Power Plant: November 2015 (Steward)
- SPA Power Plant: October 2015
- Proctor & Gamble: May 2015
- Tesoro Golden Eagle Refinery: April 2015
- Cosumnes Power Plant: March 2015 - April 2015
- Foster Wheeler: March 2015
- Marsh Landing: March 2015 (Steward)

Babcock & Wilcox Construction Co., Inc. - Mechanic

- Moss Landing: May 2015

APCom Power, Inc. - Mechanic Rigger

- ItCP&L - latan #2: October 2014 - November 2014



Hutch A. Verret

Quality Control Lead

SKILLS and EXPERIENCE

- Welder Testing, Procedure Testing, Material Handling, Mechanical Connection, NDE Coordination, Surface Profile, Coating Inspection, Package Walkdown, Consumable and Parameter Checks, Pipe and Structural Inspection, HDPE and Flex Pipe Inspections, Trench Inspection, ROW Inspections, OQ Checks, Filing, Reporting, Heat Treating, Weld Mapping and Tracking
- Experienced and understands codes, standards, and specifications associated with ASME, AWS, ASTM, ANSI, ASNT, API, NFPA, STS
- Knowledgeable with NDT processes including VT, PT, MT, UT, RT, PAUT
- Proficient using SMAW, FCAW, GMAW, GMAW (Pulse), GTAW, OFW, OFC, PAC, CAC-A, EFW welding processes
- Piping, Instrumentation and Structural ISO, P&ID drawing interpretation and layout, Pipeline Alignment Sheets
- Microsoft Word, Excel, Outlook, Lotus, Bluebeam
- U.S. Army Veteran 2004 - 2013

CERTIFICATIONS

- Certified Welding Inspector – American Welding Society (ID # 14080861)
- NACE CIP Level 2 (#101950)
- API 1169# 91904

EMPLOYMENT HISTORY

Performance Mechanical Inc. – Various Locations

QA/QC Inspector

- Bay Area and Northern California Oct 2022 – Current
Piping and structural inspection, package walk down, weld mapping, quality checks on various projects, create QC books
- Valero Benicia Refinery - Benicia, CA Jan 2017 – Mar 2017
Pipe Stills

Gulf Interstate Field Services – Northern California

Mar 2021 – Sep 2022

Sr. Gas Inspector

Gas transmission, leak and maintenance, above and below grade welding and coating inspections.

Paxon Energy & Infrastructure Services, LLC – Sacramento, CA

Sep 2020 – Nov 2020

Sr. Gas Inspector

Gas transmission, leak and maintenance, above and below grade welding and coating inspections.

Ameredev – Jal, NM Lead Welding Inspector 8" Trophy Crude - 6" High Pressure Gas Lift Pipeline	Jan 2020 – Jun 2020
Oso Development Partners, LLC – Jal, NM Sr. Welding Inspector 8" Trophy Crude Pipeline	Oct 2019 – Jan 2020
Tulsa Inspection Resources – Three Rivers, TX CWI/QC Welding Inspector Phillips 66 – Gray Oak Pipeline, LLC	Jun 2019 – Oct 2019
Nooter Construction Company – Various locations QC Inspector	
• BP - Husky, Toledo Refinery - Toledo, OH	Apr 2019 - May 2019
• Chevron Refinery - Richmond, CA RHEN 5/RHEN 4 and SISO	Jun 2018 – Nov 2018
• United Refining Co. - Warren, PA FCC and Alky Units	Mar 2018 – Apr 2018
• Chevron Refinery - El Segundo, CA FCC	Jan 2018 – Mar 2018
• PBF Refining Co. - Torrance, CA Hydrocracker Unit	Mar 2017 - May 2017
Optimal Energy Resources – Casper, WY QC Inspector Silver Creek Midstream - Foxtail Pipeline	Dec 2018 – Mar 2019
Cajun Consulting, LLC – Coalinga, CA QA/QC Inspector Shell N20 Pipeline Replacement Project	Jul 2017 – Nov 2017
Apollo Mechanical Contractors – Various locations QC Inspector	
• Tesla Gigafactory - Sparks, NV	Nov 2016 – Dec 2016
• Portland Gas & Electric - Boardman, OR Combined Cycle Power Generation Station	Jan 2016 – Nov 2016
Abacus Project Management – Boardman, OR QA/QC Portland Gas & Electric - Combined Cycle Power Generation Station	Nov 2014 – Nov 2015

Acadiana Inspection & Consulting – Deer Park, TX
QC Inspector
Rentech Nitrogen

Aug 2014 – Nov 2014

Omega Natchiq – New Iberia, LA
QC / CAWI
Shell Subsea Structures

Jun 2014 – Aug 2014

New Century Fabricators – New Iberia, LA
Combination Pipe Welder

Oct 2013 - Jun 2014

EDUCATION

- Jeanerette Senior High School - Diploma
- Fayetteville Technical Community College - Property Book Operations



Geovani Herrera

Safety Manager

QUALIFICATIONS

An accomplished construction safety professional with more than 8-years of experience in the safety industry which has resulted in the development of strong relationships with clients and team members.

EXPERIENCE

Performance Mechanical Inc.

Safety Manager / NorCal Division

2022 - Present

- Responsible for safety compliance, education, and implementation.
- Assist in aggressive injury management and OSHA recordkeeping.
- Conduct, oversee, audit, and update all general field safety training.
- Provide equipment operations training and refresher training.
- Perform new employee safety training and orientation.
- Assist in developing, coordinating, updating, and implementing safety policies and procedures.
- Review and implement customer's safety requirements.
- Oversee DISA, ASAP, and client mandated Drug testing programs.
- Verify compliance with Federal, Cal/OSHA, and client rules and regulations.
- New job set-up: Write site specific safety plans, support to site reps/foreman, regulatory resources
- Manage incentive program:
 - Distribute, collect, and review submitted cards
 - Promotion of program
 - Distribution of incentive awards
 - Site specific program development
- Safety Program / IPP Administration
 - Write site specifics / write site-specific procedures
 - Visit job sites and perform site safety audits

Sacramento Drilling, Inc.

Corporate Safety Manager (SDI)

2021 – 2022

- Planned and administered policies relating to all phases of corporate safety.
- Set up and conducted training of site safety managers and new employees.
- Conducted regular on-site inspections to observe workplace conditions and made the necessary recommendation for corrective actions
- Submitted daily, weekly, and monthly reports.
- Oversaw and worked with project site managers to record weekly job site safety meetings.
- Investigated accidents and incidents.
- Worked with our insurance carrier in investigating and reporting workman comp cases, administrative compliance, and reporting safety incidents.
- Maintained the site safety handbook, procedures, and policies.
- Developed a working relationship with the unions and kept management abreast of new union policies and rules.

American Insulation and Scaffolding

Onsite Safety Manager

2019 – 2021

- Helped host meetings for Corteva's Ground Zero Days.
- Educated on the procedures of a Red Tag Controller and SWP process.
- Extensive knowledge of Corteva's Life Critical Standards.
- Six years of maintenance onsite at Corteva Pittsburg.
- Lead the daily on-site Dow safety tailgate meetings to reinforce the AIS safety culture.
- Promoted the company's "Good Catch, Good Save Safety Program."
- Managed and maintained PPE Inventory on site to ensure PPE was available for all employees.
- Assisted in accident and incident investigations
- Developed reports of investigations for submittal to AIS and Dow leadership.
- Communicated industry-related safety topics and specifically any areas of focus that Dow initiated.
- Performed daily job audits in the field.
- Brought awareness to all hazards and indoctrinated to site-specific safety guidelines and emergency procedures.
- Maintained the safe operation of the company equipment.
- Completed checklists and schedules.

Petrochem Insulation, Inc.

Onsite Safety Technician

2015 – 2019

- Division Project Coordinator/Safety.
- Recognized by site leaders and clients for safe and efficient work performance.
- Repaired or replaced equipment and hand tools.

Competent Scaffold Builder

- Followed site instructions to determine a schedule for activities.
- Coordinated and prepared construction sites to ensure the environment is free from hazards.
- Measured, marked, and recorded openings where work is to be performed.
- Erected, modified, and dismantled all types of scaffolding at Dow Pittsburg for maintenance and capital projects.

CREDENTIALS

- OSHA Outreach 10-Hour Construction Industry Safety Standards
- OSHA Outreach 30-Hour Construction Industry Safety Standards
- OSHA 510 Construction Industry Safety Standards
- CPR / AED / First Aid
- Certified Fall Protection Inspector
- Scaffold Competent Person

EDUCATION

Hesperia High School – Hesperia, Ca - Graduated 2006



Spenser Davis

Director of Quality

Education

- ASNT CEU Courses
Radiographic Film Interpretation Levels I & II
Magnetic Particle Testing Levels I & II
Dye Penetrant Testing Levels I & II
- USACE (United States Army Corps of Engineers)
Quality Management Training Course
- Tulsa Welding School
Associates Degree - Welding QA/QC Inspection
Non-destructive Examination (All Methods)
Welding – SMAW, GMAW, GTAW
- Clinton Technical School
Welding and Fabrication
Agricultural Mechanics

Certifications

- AWS Certified Welding Inspector
Certified July 2008
- ASNT CEU Certificates
Radiographic Film Interpretation Levels I & II
Magnetic Particle Testing Levels I & II
Dye Penetrant Testing Levels I & II

*Multiple previous Certifications in various methods of NDE that have since expired.

Industry Skills & Experience

- Extensive training and previous certifications in multiple NDE methods including liquid penetrant (PT), magnetic particle (MT), radiographic film interpretation, eddy current (ET), ultrasonic (UT), visual (VT), leak (LT), positive material identification (PMI), hardness testing (HT), copper sulfate testing, and hydrostatic / pneumatic pressure testing.
- Knowledge and understanding of ASTM, AISC, CWB, ACI, MIL STD, ASNT, ICC, NFPA, ISO, ANSI, AWS, ASME, and API codes and standards as well as others including individual customer contract documents and client/owner specifications.
- Well versed in interpreting blueprints, detail and isometric drawings, P&ID's, and 3D computer models (Navisworks / AutoCAD).
- Proficient in Microsoft Office programs as well as PDF editing software.
- Extensive welding training & experience involving multiple processes across a wide range of applications and materials.
- Experience in working with Private, Commercial, Industrial, Military, and Government agencies and contracts.
- Experienced with performing various construction and inspection duties in the following fields: pre-fabrication of pipe and structural components, field fabrication and installation of power piping and process piping, field fabrication and erection of structural steel and components, concrete and grout

placement, chemical anchors, rebar placement, pressure vessels and heat exchangers fabrication, installation, and repairs, storage tanks (above ground and buried), hydrostatic and pneumatic pressure testing, petroleum and natural gas pipelines, pipeline compressor stations, process plants, power plants, gas plants, chemical plants, ethanol plants, bio refineries, oil refineries, HRSG Units, hydroelectric plants and turbines, bridges, locks and dams, and nuclear facilities.

Employment History

Performance Mechanical Inc. Director of Quality	<i>California 2016 - Present</i>
Alberici Constructors Quality Manager – Boiler & Piping	<i>Sheboygan, Wisconsin 2015</i>
Alberici Constructors QA Program Manager	<i>Foster, Kentucky 2015</i>
Abacus Project Management Quality Manager	<i>Boardman, Oregon 2014</i>
Abacus Project Management QA Program Manager	<i>Hugoton, Kansas 2014</i>
Robinson Construction Company QC Supervisor	<i>Hugoton, Kansas 2013-2014</i>
Professional Service Industries (PSI) QC Manager	<i>St. Louis, Missouri 2013</i>
Titan Contracting & Leasing QC Supervisor	<i>Paducah, Kentucky 2013</i>
BWI Inc. QC Manager	<i>Metropolis, Illinois 2013</i>
Special Inspections, LLC. (Honeywell) QA Supervisor / Materials Expert	<i>Calvert City, Kentucky 2013</i>
Special Inspections, LLC Welding Supervisor	<i>Wedron, Illinois 2013</i>
USACE (United States Army Corps of Engineers) Quality Consultant	<i>Fort Riley, Kansas 2011-2012</i>
KBR – Halliburton Quality Inspector	<i>Fort Riley, Kansas 2011</i>
Professional Service Industries (PSI) Welding Quality Manager	<i>Fort Riley, Kansas 2011</i>
PfINDE Inc. (Enbridge Inc.) Pipeline Integrity Specialist	<i>OK, MO, MI, OH, IN, WI, IL & Canada 2010-2011</i>
Hillsdale Fabricators QC Lead Inspector	<i>St. Louis, Missouri 2009-2010</i>
Advanced Precision Fabricators Fitter / Welder	<i>Tulsa, Oklahoma 2008-2009</i>
Paul Mueller Company Fitter / Welder / PT Tech	<i>Springfield, Missouri 2008</i>
Self Employed Rig Welder / Mechanic	<i>Missouri 2006-2008</i>
MSM Fitter / Welder	<i>Clinton, Missouri 2004-2006</i>



David R. Sindicic

Corporate Safety Director

Power Experience:

Blythe, CA	Project Cost Engineer & Field Engineer	Genesis Thermal Solar Power Project – NextEra Energy \$100 Million – 250MW parabolic trough CSP plant in Blythe, CA. Estimate and manage lump sum and T&M change orders and budgets. Generate RFIs, purchase material, create hydrotest packages, track construction progress
Tracy, CA	Project Cost Engineer	GWF Tracy Power Plant – Wood Group Power Services \$80 Million – Plant expansion and improvements. Estimate and manage lump sum and T&M mechanical change orders, budgets, and subcontractors.

Experience:

2011 – Present

Performance Mechanical Inc.

Pittsburg, CA	2015- Current Corporate Safety Director	Thirty four years in construction experience, 20 years in Health and Safety. Skilled in construction safety and Field safety management. Expertise in Training and communication of Safety Plans and Programs.
Pittsburg, CA	2013-2015 Mechanical & Civil Estimator	Generate lump sum & T&M budgets.

January 2011-June 2011

Black Creek Builders

Various Cities	Project Manager, Estimator, Supervisor & Sales	Various residential & commercial projects.
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October 1986-October 2010

Albay Construction

2002-2010 Project Manager & Estimator	Crespi Middle School – West Contra Costa Unified School District \$521,000 - Roof replacement and general improvements project. Chevron Richmond Refinery \$3,500,000 - Excavation, rebar, forming, and placement of concrete foundations for Fluor Constructors. Approximately 900 cubic yards. Sutter Elementary School – Antioch Unified School District \$508,000 – Classroom building modernization. Mission Elementary School – Antioch Unified School District \$120,000 – Classroom and kitchen improvements. Family Practice Clinic – Contra Costa County \$1,231,000 – Buildout existing shell space in an operating clinic for exam rooms and upgrades to building systems. King Estates High School – Oakland Unified School District \$600,000 – Convert existing classrooms into science lab classrooms. Westlake Middle School – Oakland Unified School District \$2,672,000 – 10 new modular classrooms with concrete foundations, concrete courtyard and play area. Repairs and improvements to the main building including new accessible concrete ramp. Fremont High School – Oakland Unified School District \$474,000 – Convert two existing classrooms into one new science lab. Clayton Valley Pump Station – Contra Costa Water District \$954,000 – Catch basin modification and equipment replacement.
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Clayton Valley Pump Station – Contra Costa Water District
 \$709,000 – Tank repair and equipment replacement.

2001-2010 Project Coordinator Projects:
 Lawrence Berkeley Lab – Bldg. 71 Laser Lab
 Conoco Philips – Piping and concrete supports
 Shell – Heater modifications
 Shell – Operations center remodel
 Valero – Fire water line
 Mirant – Office trailer improvements
 Contra Costa Water District – Bollman chemical upgrades
 Shore Terminal – Martinez, CA - Piping and concrete supports

1994-2010 Safety Manager
 1986-2005 Yard & Warehouse
 Manager, Equipment &
 Materials Purchasing.

June 1983-October 1986 San Pablo Automotive
 San Pablo, CA Counter Sales

Continuing Education:

CHST Certification	August 24, 2018
OSHA 510	August 18, 2016
TWIC	Exp. 21 JAN 2022
OSHA 30 HOUR	August 2011
EPA Lead Renovator	May 2010
LEED Green Associate	November 2009
U.C. Davis Extension	March, 2005
Classes in Estimating & Project Management	
Carpenters Union, Associated General Contractors, and Liberty Mutual Insurance Company,	
HAZWOPR & misc. Safety Classes	Completed in 1999
Graduated from Contra Costa College, San Pablo, CA	May 1996
AA in Sociology	

Education:

Graduated from Salesian High School, San Pablo, CA	June 1983
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Jason Tudbury
CIVIL SUPERINTENDENT

QUALIFICATIONS

Twenty-four years' experience in construction of industrial facilities as Superintendent, General Foreman and Foreman responsible for the management and supervision of various projects. Duties include managing manpower of multiple crafts, the direction of subcontractors, purchasing of materials, renting of equipment and the management of change order work.

EXPERIENCE

2015 – Present

Pittsburg, CA – Civil Superintendent for all Bay Area and Northern California projects. Manage civil craft workforce on all civil and structural concrete projects, which includes, carpenters, laborers, ironworkers, cement masons, and operating engineers. Coordinate and manage with project teams including project managers, general foreman, and field personnel. Maintain relationships with owners, clients, and suppliers. Estimate civil based projects.

2001 – 2015

Martinez, CA – General Foreman – Tesoro Refinery Facility Upgrade Projects

Benicia, CA – Civil Superintendent – Valero Refining Flue Gas Scrubber Project

Martinez, CA – Civil Superintendent – Tesoro Refinery 4TH St. Pipeway Project

Martinez, CA – General Foreman – Shell Refinery Facility Security Upgrades

Rodeo, CA – Civil Superintendent – Conoco Phillips Refinery HEP Expansion Project

Martinez, CA – General Foreman – Valero Pipelines LLP Pig Launcher Construction Project

Martinez, CA – General Foreman – Tesoro Refinery Facility Upgrade and Retrofit Projects

Martinez, CA – Civil Superintendent – Pacific Atlantic Terminal Expansion Project

Antioch, CA – Civil Superintendent – PG&E Gateway Energy Center Construction Project

Pittsburg, CA – General Foreman – Dow Chemical Multiple Expansion Projects

Pittsburg, CA – General Foreman – USS POSCO Multiple Retrofit and Expansion Projects

Pittsburg, CA- Civil Superintendent- K2 Pure Multiple Expansion Projects

Roseville, CA – Civil Superintendent- Vulcan Materials HMA Plant relocation Project

Modesto, CA – Civil Superintendent- Turlock Irrigation District, Almond II Power Plant

Sacramento, CA – Civil Superintendent- Proctor Gamble Multiple Expansion Projects

Martinez, CA- Civil Superintendent - Shell Martinez Crude Tank Replacement Project

EDUCATION & TRAINING

Continuous industry related training including the following: DISA Safety Trained – CPR and First Aid Certified – PMI Supervisor Training (STP) Modules 1 through 4, OSHA 500, PMI Crane Safety Course, Excavation and Trenching Competent Person, 40hr HAZWOPR Trained



Roberto Landa
Civil General Foreman

QUALIFICATIONS

Over twenty-two years experience in construction of industrial facilities as General Foreman, Foreman and Journeyman responsible for job site supervision on various types of civil, foundation and underground utility projects. Duties include site management of multiple crafts, direction of subcontractors, purchasing materials, rental of equipment, layout of foundations, anchor bolts, and utility trenches.

EXPERIENCE

2000 to Present Performance Mechanical, Inc.

Richmond, Ca – General Foreman – TransMontaigne

- Structural Concrete and Site work

Stockton, Ca – General Foreman – ECO Energy

- Ethanol Train Structural Concrete and Site work

Stockton, Ca – General Foreman – NuStar

- RD, Dock 10/11, Ethanol Train Structural Concrete and Site work

Sacramento, Ca – General Foreman – Proctor & Gamble

- Environmental Containment Structural Concrete and Site work

Fairfield, Ca – General Foreman – Anheuser Busch

- High-end Brew expansion Structural Concrete and Site work

Lodi, Ca – General Foreman - Lodi Unified School District

- CNG Bus fueling station Underground utilities and Structural concrete

Martinez, Ca – General Foreman -Shell Refinery

- CTRP Drilled Shaft Piles and Structural Concrete
- C-80 Seismic Upgrades
- Phase II-Seismic Upgrade for Dimersol
- Texas Tower Foundation

Oakland, Ca - General Foreman - Oakland Airport

- Foundation for jet fuel storage tanks

Auburn, Ca – Foreman -Public Works Department

- Bus Fuel & Station-Misc. Work

Richmond, Ca – Foreman - AC Transit - Richmond, CA

- Misc. Work

Rodeo, Ca – General Foreman / Foreman - Conoco Philips

- Underground Work
- Seismic Upgrades
- Structural Concrete

Various Locations, CA - Journeyman - Shell Refinery, Tesoro, and Valero

- Misc. underground utility work
- Structural Concrete

Pittsburg. CA – Journeyman -Pittsburg Water Treatment Plant

- In charge of all excavations for storm drain and underground lines

EDUCATION & TRAINING

4 Year Carpenter Apprentice Program, Competent Person Excavation and Trenching, CPR and First Aid, PMI Supervisor Training (STP) Modules 1 through 4, trained in operation of backhoes, forklifts and aerial lifts

Resumes
Placer Electric, Inc.



Shaping the Future of Energy™

Contact

joshua.estrella@gmail.com

www.linkedin.com/in/joshua-estrella-4b253449 (LinkedIn)

Top Skills

Business Development

Construction Management

Teamwork

Certifications

Micro / Small Business (MB/SB)

Certified Project Manager

Disabled Veteran Business
Enterprise (DVBE)

TS/SCI Security Clearance

Joshua Estrella

President at UTILION, INC. (DVBE/SB)

Sacramento, California, United States

Summary

Manage and direct company strategy with a mission to create a company dedicated to being a driving force of change in improving peoples' lives in our communities and the infrastructure they depend on. Provide quality construction and design-build services to public and private organizations. Support and facilitate internal company operations and growth. Skilled in organizational leadership, strategic planning, business development, project & construction management, government and utility best management practices.

Experience

Utilion Inc.

President

September 2018 - Present (6 years)

Sacramento, California Area

Responsible for managing and directing daily and strategic operations for Utilion Inc. with a successful history working in the information technology, government, construction and utility industries. Skilled in Organizational Leadership, Strategic Planning, Business Operations, Program, Project, Product and Quality Management, Customer Service and Training. An expert in implementing and delivering complex projects from start to finish with a proven ability to coach, mentor and manage multiple teams on a variety of diversified projects simultaneously. Educated and experienced in Business, Construction, PMI, SCRUM and Agile implementation methodologies. Always striving to improve myself and my surroundings through innovation, education and team work.

PTS Masonry

President

August 2019 - Present (5 years 1 month)

Sacramento, California Area

California Masonry Council (CMC)

Member Board of Directors

September 2022 - Present (2 years)

California, United States

Non-profit organization who's goal is to promote the use of masonry throughout the state of California.

NEXGEN Asset Management

6 years 9 months

Project Manager

October 2014 - September 2018 (4 years)

Sacramento, California Area

Senior Project Manager responsible for managing and directing daily and strategic operations for NEXGEN's project management department. Manages the implementation of the NEXGEN AM CMMS software for both public and private organizations. Responsible for providing best asset management practices and solutions to effectively implement a fully integrated CMMS program on time and within budget. Oversees, plans, prepares and coordinates project, product and resource deliverables to better support company and client growth.

Client Services Manager

November 2013 - October 2014 (1 year)

Sacramento, CA

Account manager for fully implemented clients. Manages multiple clients' technical software needs related to asset management. Focused on ensuring client needs and expectations are being met and conducts research and analysis to identify better ways to keep customers engaged and informed. Provides knowledge and expertise on further implementation of the clients fully integrated CMMS program. Responsible for coordinating training in person and remotely as well as troubleshooting software/user issues. Works directly with company executive team to identify strategic initiatives to improve customer support, engagement and account management.

Engineering Assistant

January 2012 - November 2013 (1 year 11 months)

Sacramento, CA

Assist the P.E. with projects related to wastewater treatment and wastewater treatment plant operation, design, and management. Perform field engineer and construction management duties.

JE Consulting

Owner / Project Manager

May 2013 - October 2014 (1 year 6 months)

Sacramento, California

JE Consulting is a professional DVBE owned Project Management and Resources consulting firm based out of Sacramento, CA. We provide in-depth project management and engineering services and executive management level resources for Utilities and Government. Whether our clients are implementing software, drafting RFPs, need an interim executive position filled or just need DVBE assistance in winning and managing government contracts, we provide our clients with the highest level of quality and professional service derived from years of experience and best management practices.

Certified: MB/DVBE

3/75 Ranger Bn U.S. Army

Non-commissioned officer

January 2006 - January 2012 (6 years 1 month)

Served six years in a special operations unit with six overseas combat deployments and a TS/SCI level security clearance.

Served in mid-level management position for four years as a non-commissioned officer. Managed personnel, training and professional growth of the unit and its soldiers.

Tharp and Associates

Soil Technician

June 2003 - August 2004 (1 year 3 months)

Aptos, CA

Evaluated and tested soil samples in field and laboratory environments as well as conducted job site specific consultations and construction supervisory roles.

Licensed nuclear gauge operator.

Education

California State University-Sacramento

Wastewater Treatment · (2009 - 2009)

American Military University

Environmental Studies · (2009 - 2011)

California State University-Sacramento

Project Management · (2016)

Penn State University

Business Administration and Management, General · (2015)

PATRICK SANDOVAL

(916) 417-5649

Email: patricks@placerelectric.com

Position:

Superintendent

PEI Placer Electric Inc.

Superintendent

August 2023 – Present

Roles and Responsibilities:

As a Superintendent at PEI Placer Electric Inc., Patrick oversees and manages electrical projects from inception to completion, ensuring they adhere to timelines and budgets. He supervises and coordinates the work of electricians, foremen, and other team members, conducting regular site inspections to ensure compliance with safety standards and regulations. Patrick reviews and interprets electrical single-line diagrams and building management control drawings, effectively communicates with clients, contractors, and inspectors to address and resolve issues, and ensures all work meets National and California Electrical Codes and customer expectations. Additionally, he provides training and mentorship to apprentices and junior electricians, and coordinates with client stakeholders to mitigate risks during electrical installations.

Qualifications:

- Over a decade of experience in the electrical industry, progressing from apprentice electrician to Superintendent.
- Extensive experience in electrical installations for active hospitals, hotels, and office buildings.
- Proficient in reading and interpreting electrical single-line diagrams and building management control drawings.
- Fluent in National and California Electrical Codes, ensuring compliance with customer and inspector expectations.
- Strong communication skills, adept at resolving client issues and providing effective solutions.
- Proven ability to coordinate and address project impacts in healthcare environments, ensuring smooth operations around hospital staff and patients.

Education:

State Approved Electrical Apprenticeship Program

Sacramento, California

Completed five-year, 8000-hour IBEW program in 2012.

Additional Training:

- NFPA 70E trained
- Certified for forklift and boom lift operation
- OSHA 10 and OSHA 30 training completed
- Proficient in computer skills including Excel, Word, Blue Beam, BIM 360, and Plan Grid

Project Experience:

- **Sawyer Hotel:** BMS and Smoke Control Systems
- **Eastern District Federal Court House:** Electrical Infrastructure and Emergency Generators
- **Kaiser Vacaville MRI**
- **Kaiser Vacaville Medical Office Building**

Daniel Thayer

(916) 317-0913

danielt@placerelectric.com

Project Manager

Employment History:

Aug 2023 – Present	Placer Electric Inc.	Project Manager
	5439 Stationers Way	General Foreman
	Sacramento, Ca 95842	
	(916) 338-4411	
Mar 2022 – Jul 2023	Long Electric	General Foreman
	450 Technology Way	
	Napa, Ca 94558	
	(707) 252-3512	
Mar 2014 – Feb 2022	Redwood Electric Group	General Foreman
	2775 Northwestern Parkway	
	Santa Clara, Ca 95051	
	(408) 450-4800	

Qualifications:

I began my career as a union apprentice electrician for IBEW Local 340 Sacramento, Ca in Sep of 2000. I graduated from the 5-year, 8000-hour apprenticeship program in 2005 and have held my California General Electrician Certification ever since.

I have held various positions in the industry but have acted in a leadership position of foreman or general foreman for the last 14 years. The position of general foreman requires field supervision of foremen, journeymen and apprentice electricians, planning, detailing, layout, and co-ordination of work with other trades, general contractors, and owners as well as handling all the reporting and filing of paperwork and payroll on a weekly basis. I recently made the decision to become a project manager where I can utilize my 23 years of field experience to great benefit while helping the field foremen plan, detail and control their respective projects.

I have strong communication skills, I work well in stressful situations and am detail oriented both in the field and the office environments. I am trained in such industry standard programs as Procore, Plan Grid, Bluebeam Revu, Accubid, Foundation, Microsoft Excel, etc.

Education:

California approved and nationally recognized five year, 8000-hour IBEW / NJATC electrical apprenticeship program.

Additional Training:

- Certified General Electrician (No. 116087) – California
- OSHA 10 and 30 trained.
- NFPA 70E trained.
- Arc Flash Protection.
- CPR, First Aid and Automated External Defibrillator (AED) certified.
- Certified for All Terrain forklifts, Scissor lifts and Boom Lifts.

Work Experience:**Education Facilities:**

- Sierra College Gym Modernization – Rocklin, Ca
- Lake Tahoe Community College Student Housing New Construction – South Lake Tahoe, Ca
- Incline High School Expansion – Incline Village, Nv
- Casa Roble High School Office / Library New Construction – Orangevale, Ca
- Whitney High School New Construction – Rocklin, Ca
- UC Davis Residential Facilities Upgrade – Davis, Ca
- CSU Sacramento TOCA Lighting and Fire Alarm – Sacramento, Ca

Medical Facilities:

- San Jose Regional Medical Facility Bed Tower and Emergency Room Expansion - San Jose, Ca
- Kaiser Permanente J Street Medical Office Building – Sacramento, Ca
- UCDMC Tower 3rd and 5th floor tenant Improvement – Sacramento, Ca
- Bristol Myers Squibb Pharmaceutical Research Facility Upgrade – Brisbane, Ca
- Kodiak Sciences Research and Development New Construction Project – Palo Alto, Ca

Commercial Facilities:

- Netflix Headquarters New Construction – Los Gatos, Ca

- Lund Construction Headquarters New Construction – Sacramento, Ca
- Sheraton Grand Hotel Tower New Construction– Sacramento, Ca
- Red Hawk Casino New Construction– Placerville, Ca
- Thunder Valley Casino Expansion and Hotel Tower – Lincoln, Ca
- California Natural Resources Headquarters New Construction – Sacramento, Ca
- Stanford Administrative Complex New Construction – Redwood City, Ca
- Verizon Data Center New Construction– Rocklin, Ca
- Capito Area East End Complex New Construction– Sacramento Ca

Industrial Facilities:

- Roseville Electrical Generation Facility – Roseville, Ca
- Consumnes Electrical Generation Facility – Herald, Ca
- Colusa Generating Station – Maxwell, Ca
- Folsom State Prison– Represa, Ca
- California State Prison, Sacramento – Represa, Ca
- Mule Creek State Prison – Lone, Ca
- Humboldt Bay Substation Upgrade – Eureka, Ca

ERIC KATHMAN

(916) 365-6066

Email: erick@placerelectric.com

Position:

General Manager

PEI Placer Electric Inc.

General Manager

September 2024 – Present

Roles and Responsibilities:

As the General Manager at PEI Placer Electric Inc., Eric oversees all aspects of electrical projects, from providing accurate estimates and developing project budgets to managing document controls and communication workflows. He is a people leader, manages risk, communicates design ambiguities with stakeholders, coordinates monthly billings, and negotiates contracts to ensure proper scope coverage. Eric's extensive hands-on experience in the electrical industry allows him to streamline operations, improve project management processes, and implements effective risk management tools.

Qualifications:

- Over 25 years of experience in the electrical industry, progressing from apprentice electrician to General Manager.
- Led electrical installations in hospital facilities, industrial facilities, data centers, utility switchyards, and food service businesses.
- Proficient in standard electrical practices and National Electrical Code compliance.
- Strong project management skills, including budget development and risk management.
- Excellent communication and negotiation skills, ensuring efficient project execution and client satisfaction.

Education:

Sierra College

Rocklin, California

Associate of Science: Business Administration

Associated Builders and Contractors

State Certified Electrical Apprenticeship Certificate of Completion

August 2000 – May 2004

Additional Training and Skills:

- NFPA 70E trained
- Skilled in Microsoft Word, Excel, Project, and Accubid Estimating program
- Proficient in Blue Beam, Textura, and LCP tracker

Project Experience:

- Google Data Center
- Tesla Giga Factory
- Kaiser Elk Grove PET CT
- Kaiser Roseville Radiology Room Updates
- California State Capitol Annex Building Make Ready
- Plumber and Pipefitters Union Hall Addition and Remodel

Diana Chick
Service & Special Projects Manager
Cell: (916) 417-7447
Email: dianac@placerelectric.com

Computer Skills & Training:

- Skilled in use of all Microsoft Office programs, Bluebeam, Revu, Adobe, Procore, Foundation and Accubid.
- Certificate of Completion in NECA Basic Estimating of Electrical Construction
- Online City Permitting Platform

Experience Summary:

Prior to my time with Placer Electric Inc, I was a recruiting professional for 25 years specializing in all aspects of construction for the past 10 years and exclusively within the commercial electrical industry for the past 8 years. I began with a focus in the Service Department here with PEI but quickly honed my vast experience working with a diverse range of construction clients into overseeing all special projects. My overall career experience gives me a unique ability and understanding of how crucial effective planning and communication is within construction projects. I enjoy the challenge of this industry and being a part of the team that is tasked with safely building a project on schedule, and within budget while making sure that our customers are completely satisfied with the end results.

Placer Electric Inc.

June 2023 - Present

- Supervises and motivates the service team to deliver quality and satisfaction.
- Accurately estimates electrical projects of all sizes.
- Keeps all communication channels up to date and informed of all project changes and challenges.
- Monitors budgets and labor hours to ensure that all special and smaller scope projects are brought in on time and under budget.
- Negotiates and tracks change orders.
- Works well with strict deadlines and under pressure while always maintaining a professional demeanor.
- Builds and maintains strong business relationships within the community.
- Is a valuable ambassador for Placer Electric in dealing with customers, contracts and projects.

Notable Projects:

- ABM DOCO – 5 Garage Park Assist Installation Project
- Department of Government Services – Lot 24 Parking Lot Lighting Upgrades
- Schindler Elevator – Safe Credit Union Elevator Upgrade
- BOSCH – Roseville Semi-Conductor Plant Demolition and Construction Project
- Target Distribution Plant Deenergized Maintenance

Resumes

Western States Fire Protection Co.



Shaping the Future of Energy™

TED JACKSON

SUPERINTENDANT



Twenty three years of experience in the installation of automatic fire sprinkler and special hazard fire suppression systems. Experience with wet, dry, pre-action systems, as well as fire pump and foam systems.

OFFICE LOCATION
SACRAMENTO, CA

EDUCATION

CERTIFICATION
UA STAR MASTERY CERTIFIED
OSHA 30 CERTIFIED

WORK HISTORY

25 YEARS

Western States Fire Protection, Sacramento, CA

- 2012 – Present
Superintendent
- Foreman

Pro-Tech Fire Protection, Sacramento, CA

- 2000-2012
Field Installation

SELECT RELEVANT EXPERIENCE & EXPERTISE



Bayview

Mountain View, CA

- Design Build GMP
- \$22 Million, 1,695,000 sf
- 3 Building project connected by an underground parking garage. Fully covered by automatic wet sprinkler system and fire pump.



Livermore Oaks

Livermore, CA

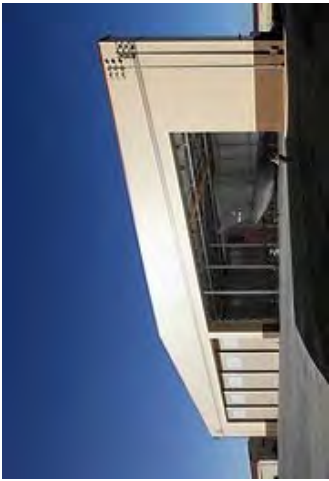
- Design Build
- New automatic fire sprinkler in 3 building totaling 1,450,000 sf



UC Merced Expansion

Merced, CA

- Design Build
- 13 building campus expansion including student housing, classrooms and laboratories.



Travis AFB C-17 Hangar

Fairfield, CA

- Design Build
- Fully sprinklered
- 8 - Foam Systems
- Fire Pump

JAMES E. BRANDEBERRY

SERVICE SALES/SENIOR PROJECT MANAGER



I currently hold the service sales position at the Roseville, CA Western States branch while maintaining my strong background in project management and design. I entered the industry in 1991 as a cad draftsman and have become very familiar with all types of buildings and construction methods. I have worked with State and Local Fire Marshals, Fire Departments, OSHPD, DSA, and Federal entities. Over my 34 years in the industry, I have maintained a consistent track record of delivering newly constructed and/or renovation projects ranging from design assist to construction build out.

YEARS OF EXPERIENCE

34

PERCENTAGE OF TIME

Precon: 60% | Construction: 40%

EDUCATION

ITT Technical Institute for CAD Drafting AA degree,

CERTIFICATION

NICET Level III Certification

SELECT RELEVANT EXPERIENCE & EXPERTISE



Sacramento Convention Center Renovation

Sacramento, CA

- Lump Sum
- \$3.4 Million
- Tear down and rebuild of the Ballroom Area and modifications to the existing system. Multiple standpipes and risers tying into the existing dual fire water supply. AHJ City of Sacramento



SFO-11 Data Center

Hayward CA

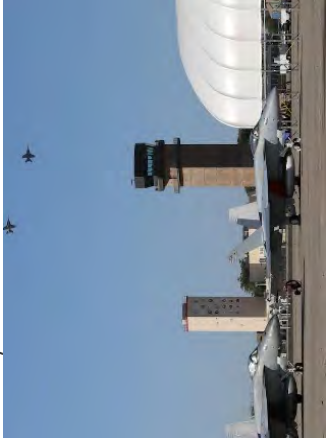
- Lump sum
- \$1.6 Million
- 2 story data center shell with 3 phases of data room build out. Includes multiple pre-action systems for a NDA client.
- AHJ Hayward Fire Department



Westfield Valley Fair Mall Addition and New Parking Structure

San Jose, CA

- Lump Sum
- \$5.8 Million
- Fully sprinklered 5-story parking garage with escalator/stair system. New 2 story mall shop addition. Automatic wet standpipes and a fire pump. AHJ City of San Jose



Lemoore Naval Air Station

Lemoore, CA

- Lump sum
- \$250 Thousand
- Complete gut and new install of Buildings 960 and 961 Naval Training buildings.
- AHJ NAVFAC



California State University Sacramento Union Hall Renovation

- Lump Sum
- \$2.2 Million
- Addition and renovation of the existing multi-story Union Hall with new wet sprinkler systems, anti-freeze and window sprinklers. New fire pump. AHJ CA State Fire Marshal



Civil Engineer Operations and Administration Building

Beale AFB, CA

- Lump sum
- \$278 Thousand
- Replacement building for the CEA Operations Facility. New wet sprinkler system.
- AHJ Army Corps of Engineers

MANULA HERATH

PROJECT EXECUTIVE/BRANCH MANAGER

WORK HISTORY

13 YEARS



6 years of experience engineering and designing automatic sprinkler systems including wet, dry, and pre-action systems, as well as coordinating the systems through BIM with numerous other trades. Worked with specialty system such as Foam, Spark extinguishing, and deluge systems. Experience on multiple projects managing financials, labor, and materials.

OFFICE LOCATION

SACRAMENTO, CA

EDUCATION

BS in Mechanical Engineering
University of Minnesota 2012

CERTIFICATION

Certification of Project Management
form UC Berkeley 2018

Western States Fire Protection, Sacramento, CA

- 2014 – Present
OPERATIONS MANAGER
- PROJECT MANAGER

NorthStar Fire Protection, Bloomington, MN

- 2012 – 2014
PROJECT MANAGER
- Engineer/BIM manager

SELECT RELEVANT EXPERIENCE & EXPERTISE



Genentech Employee Centre South San Francisco, CA

- Design Build
- 5 Story building fully covered by overhead wet sprinkler system with manual wet standpipe in stairwells.



Bayview

Mountain View, CA

- Design Build GMP
- \$22 Million, 1,695,000 sf
- 3 Building project connected by an underground parking garage. Fully covered by automatic wet sprinkler system and fire pump.



San Francisco General Hospital San Francisco, CA

- Design Build GMP
- \$12.8 Million, 800,000 sf
- Fully sprinklered new building with manual wet standpipes and pump.
- OSHPD, Level 1, and Big room Project

DARREL JACOBS

DESIGN MANAGER



41 years of experience. I designed and project managed all types of fire suppression systems for the first two thirds of my career and then went into a design manager role for the last third. In my designing/Project Managing days I worked with Wet-Dry-Pre-Action-Foam fire suppression systems on Private-Public-State-Federal-OSHPD-Military projects. I've seen the industry change from Drawing blueprints to using CADD –Sprinkler design software add-ons and 3D BIM for deliverables and from manilla envelopes and file cabinets to Pro-Core type platforms for Project Management

OFFICE LOCATION

SACRAMENTO, CA

EDUCATION

CHABOT JUNIOR COLLEGE-HAYWARD

WORK HISTORY

41 YEARS

Western States Fire Protection, Sacramento, CA

2012 – Present
– DESIGN MANAGER

Pro-Tech Fire Protection Systems

2009-2012
-- DESIGN MANAGER

Superior Fire Protection

2004-2009

Costco Fire Protection

1984-2004

SELECT RELEVANT EXPERIENCE & EXPERTISE



Kaiser Capitol Gateway Medical

Office Building

Sacramento, CA

- Design Build GMP
- \$2.1 Million
- 400,000 sf
- Fully sprinklered 6-story Medical office building with 3 stories parking and a penthouse. Manual wet standpipes and a Diesel fire pump. AHJ Sac City FD



UC Merced Expansion

Merced, CA

- Design Build
- 13 building campus expansion including student housing, classrooms and laboratories.



San Francisco General Hospital

San Francisco, CA

- Design Build GMP
- \$12.8 Million, 800,000 sf
- Fully sprinklered new building with manual wet standpipes and pump.
- OSHPD, Level 1, and Big room Project



Sacramento Convention Center Renovation

Sacramento, CA

- Lump Sum
- \$3.4 Million
- Tear down and rebuild of the Ballroom Area and modifications to the existing system. Multiple standpipes and risers tying into the existing dual fire water supply. AHJ City of Sacramento

BRIAN BROGARD

SERVICE MANGER/QUALITY CONTROL



29 years of experience in the installation of automatic fire sprinklers and special hazard fire suppression systems. Experience with wet, dry, and pre-action systems, as well as fire pump and foam systems. 4 years of experience as a team leader for the automatic sprinkler service department, quality control, scheduling work and overseeing all personal.

OFFICE LOCATION
SACRAMENTO, CA

CERTIFICATION
OSHA 30 CERTIFIED

WORK HISTORY

33 YEARS

Western States Fire Protection, Sacramento, CA

- 2005 – Present
Service Manager
- General Foreman

Grinnell Fire Protection, Sacramento, CA

- 1992-2005
Field Installation

SELECT RELEVANT EXPERIENCE & EXPERTISE



Kaiser Capitol Gateway Medical Office Building Sacramento, CA

- Design Build GMP
- \$2.1 Million
- 400,000 sf
- Fully sprinklered 6-story Medical office building with 3 stories parking and a penthouse. Manual wet standpipes and a Diesel fire pump. AHJ Sac City FD



Kaiser Vallejo

- Design Build
- redesign of the existing system in active hospital and CUP Building
- OSHPD Project



California State University Sacramento Union Hall Renovation

- Lump Sum
- \$2.2 Million
- Addition and renovation of the existing multi-story Union Hall with new wet sprinkler systems, anti-freeze and window sprinklers. New fire pump. AHJ CA State Fire Marshal



OSHPD Service and Tenant Improvement Various Campuses, Northern California

- Fire Sprinkler Service and repairs in various hospital campuses and Medical office buildings.

ANDREW PRUDHOE

LOCAL 669 FIELD FOREMAN



32 years of experience in the commercial installation of automatic fire sprinklers and special hazard fire suppression systems, FM-200, NOVEC 1230, Mist Systems, Nitrogen, wet, dry, and pre-action systems, as well as water storage tanks, underground fire mains, hydrants, fire pumps and foam systems.

OFFICE LOCATION
SACRAMENTO, CA

CERTIFICATION
OSHA 30 CERTIFIED
1ST AID
FORKLIFT SCISSOR LIFT
GRADALL

WORK HISTORY

32 YEARS

Western States Fire Protection, Sacramento, CA

- 2019 – Present
General Foreman Service
- General Foreman Contract
- Battalion One, San Leandro, CA**
2011-2019
- General Foreman

AA Fire Protection, Livermore, CA

- 2009-2011
General Foreman

West Coast Fire Protection, Auburn, CA

- 2007-2009
General Foreman

ASI, Rancho Cordova, CA

- 2003-2007
General Foreman

Bay Fire Protection, Concord, CA

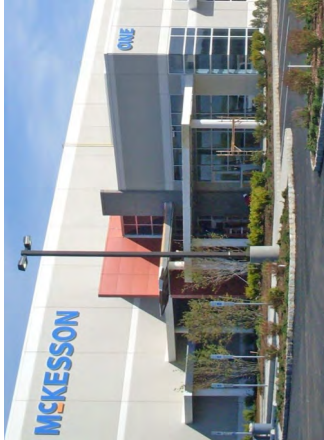
- 1993-2003
General Foreman

SELECT RELEVANT EXPERIENCE & EXPERTISE



PG&E RAS Pre-con Building
Rocklin, CA

- Lump Sum
- \$290,000.00
- 72,700sf
- Fully sprinklered 1-story server building with wet and multiple pre-action systems zoned for each server room. AHJ Placer County FD



McKesson Rack Storage Replacement System

- Lump Sum
- \$676,000.00
- Replacement of (14) 200lf storage rack sprinklers. Fire Pump. AHJ West Sacramento FD



SMF Airport Ticketing Southwest AT0 & OPS

- Lump Sum
- \$120,000.00
- Remodel the existing Southwest AT0 & Operations areas fire sprinklers for new ceilings.
- Secured Areas, System Shut downs, Fire Pumps and safe offs.

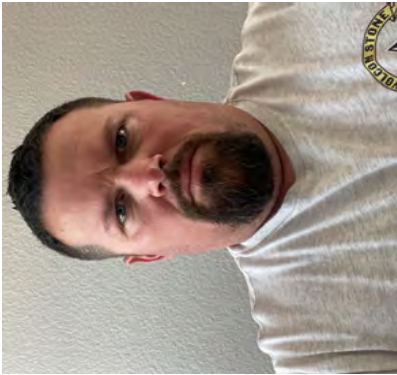


Intel FM SPGCImprovement Folsom Campus

- Lump Sum
- \$171,000.00
- Remodel of an existing command control center to accommodate a new server room.

ROBERT RANKIN

LOCAL 669 FIELD FOREMAN



25 years of experience in the commercial installation of automatic fire sprinklers and special hazard fire suppression systems, FM-200, NOVEC 1230, Mist Systems, Nitrogen, wet, dry, and pre-action systems, as well as water storage tanks, underground fire mains, hydrants, fire pumps and foam systems.

OFFICE LOCATION
SACRAMENTO, CA

CERTIFICATION
OSHA 30 CERTIFIED
OSHA 10 CERTIFIED
1ST AID
FORKLIFT SCISSOR LIFT
GRADALL
NITROGEN CERTIFICATION

WORK HISTORY

25 YEARS

Western States Fire Protection, Sacramento, CA

- 2020 – Present
General Foreman Service
- General Foreman Contract

Grinnell Fire Protection, Sacramento, CA

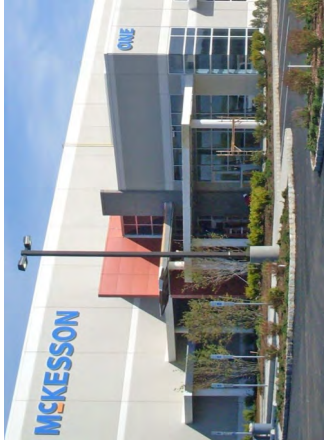
- 2000-2020
General Foreman

SELECT RELEVANT EXPERIENCE & EXPERTISE



10th & O St Office Building
Sacramento, CA

- Design Build GMP
- \$4.8 Million, 481,000 sf
- 11 Story Office Building with 2 levels of Parking and a Penthouse. Vertical turbine fire pumps supplying automatic Standpipe, fire sprinkler and pre-action systems throughout. And NOVEC 1230 clean agent systems. AHJ SFM.



McKesson Rack Storage
Replacement System

- Lump Sum
- \$676,000.00
- Replacement of (14) 200lf storage rack sprinklers. Fire Pump. AHJ West Sacramento FD



SMF Airport Ticketing
Southwest ATO & OPS

- Lump Sum
- \$120,000.00
- Remodel the existing Southwest ATO & Operations areas fire sprinklers for new ceilings.
- Secured Areas, System Shut downs, Fire Pumps and safe offs.



Intel FM SPGC Improvement

Folsom Campus

- Lump Sum
- \$171,000.00
- Remodel of an existing command control center to accommodate a new server room.

Resumes

Verve Industrial Protection



Shaping the Future of Energy™



VERVE
INDUSTRIAL PROTECTION

REDDY KALLEM, P.E.

PROJECT MANAGER

Experience Summary

Professional experience encompasses project management, design, engineering, and installation of instrument and control systems including specification writing; programmable logic software design and implementation; Distributed Control System design and implementation and control panel design; preparation of instrument indexes, instrument data sheets, input/output listings system descriptions; P&ID design; and development of equipment procurement and testing specifications. Experience also encompasses field supervision, startup, testing and commissioning.

Fully conversant with the Power Plant process control system design & configuration including major systems such as Boiler, Steam Turbine Generator, Mills and Balance of Plant equipment. Thorough knowledge in engineering, procurement and construction of fossil & gas turbine based Combined Cycle Power projects from Conceptual design through detailed engineering, construction, and startup & commissioning.

Relevant Project Experience

Jack County (620MW) Unit 1 DCS Upgrade

Manage project engineering activities for DeltaV to Ovation upgrade. Involved with engineering design services, programming of DCS and new datalinks. Integration of plant peripheral systems including gas compressor stations, metering yards, gas pipeline management yard, turbine inlet chillers and water pumping stations. Also involved with installation supervision, startup, testing, checkout and commissioning.

University of Michigan Central Power Plant DCS Upgrade

Manage project engineering activities for ABB to DeltaV upgrade. Involved with engineering design services, programming of DCS, startup, testing, checkout and commissioning.

DTE St. Bernard Power Plant DCS Upgrade

Manage project engineering activities for Honeywell to Rockwell PlantPax upgrade. Involved with design & engineering services, programming of DCS, field supervision, startup, testing, checkout and commissioning. Plant system comprised diverse equipment like Multiple Burner Gas fired Boiler, 2 Package Boilers, Steam Turbine Generator, Water treatment plant and BOP equipment.

University of Georgia Boiler House Controls Upgrade

Manage project engineering activities for BMS upgrade for 3 dual fired Boilers. Involved with engineering design services, programming of Control Logix Processors, startup, testing, checkout and commissioning.

EDUCATION:

MS – Mechanical
Engineering

SKILLS:

Industrial Control Systems
Project Management
Network Design & Architecture
Logic Design & Programming
Termination Drawings
Detailed Design Drawings
P&ID
Boiler & Control Loop Tuning
Operations
Installation Supervision
Startup & Commissioning

PROFESSIONAL REGISTRATIONS:

Registered Professional
Engineer, KY



VERVE
INDUSTRIAL PROTECTION

JERRY WADE

SR. CONTROLS ENGINEER

Experience Summary

Professional experience encompasses project management, design, engineering, and installation of instrument and control systems including specification writing; programmable logic software design and implementation; Distributed Control System design and implementation and control panel design; Electrical Schematics, Wiring & Termination drawings, preparation of instrument indexes, instrument data sheets, input/output listings system descriptions; Network Architecture design; and development of equipment procurement and testing specifications. Experience also encompasses field supervision, startup, testing and commissioning.

Fully conversant with the various DCS platforms hardware, I/O design & configuration including wiring termination drawings and loop drawings. Extensive experience in WDPF to Ovation migrations and PlantPax/Control Logix hardware assembly & design drawings.

Relevant Project Experience

Jack County (620MW) Unit 1 DCS Upgrade

Lead electrical engineer for DeltaV to Ovation upgrade. Involved with engineering design services including Network design, detailed wiring and termination drawings, schematics, loop drawings, hardware i/o assignments. Also involved in installation supervision, startup, testing, checkout and commissioning.

University of Michigan Central Power Plant DCS Upgrade

Lead Electrical Engineer on this project (ABB Bailey to Delta-V upgrade) Involved with engineering design services including loop drawings, termination drawings and electrical schematics

DTE St. Bernard Power Plant DCS Upgrade

Responsible for all Electrical Design & Engineering activities for this project (Honeywell to Rockwell PlantPax upgrade). Involved with design & engineering services, procurement of hardware, Panel assembly drawings, supervision of shop assembly, field supervision, startup, testing, checkout and commissioning. Plant system comprised diverse equipment like Multiple Burner Gas fired Boiler, 2 Package Boilers, Steam Turbine Generator, Water treatment plant and BOP equipment.

University of Georgia Boiler House Controls Upgrade

Responsible for electrical design & engineering activities for BMS upgrade for 3 dual fired Boilers. Involved with engineering design services, termination drawings, startup, testing, I/O checkout and commissioning.

EDUCATION:

BS – Electrical Engineering

Murray State University

SKILLS:

Industrial Control Systems

Project Management

Network Design & Architecture

Electrical Design & Schematics

Termination Drawings

Detailed Design Drawings

Installation Supervision

Startup & Commissioning

Resumes
REY Engineers, Inc.



Shaping the Future of Energy™



Rich Radoycis, PE, PLS, LEED AP Principal Engineer



Profile

Richard (Rich) Radoycis, PE, PLS is a registered Professional Engineer and Professional Land Surveyor with 38 years of civil engineering and land surveying experience specializing in the design and development of public and private site improvements, such as institutional facilities, commercial projects, residential subdivisions, educational facilities, and roadway designs. His expertise includes utility design, grading and erosion control, and hydrology and drainage studies. Rich's hands-on approach, commitment to quality, and ability to navigate regulatory requirements distinguish him in the field. His comprehensive understanding of engineering and surveying ensures successful project outcomes from initial design through final construction.

Experience

The Plant Commercial Center, San Jose, CA – Project Manager for this in-fill project located on Monterey Highway in San Jose, at the former General Electric manufacturing plant. The site consists of 646,000 SF of retail on 55 acres. It includes 11 national tenants, four sit-down restaurants, one fast-food restaurant, and 8,000 SF of office space. Civil engineering services included grading and earthwork calculations, tentative maps, utility design and coordination, site grading, drainage, and horizontal controls, water quality treatment using bioswales and mechanical devices, off-site highway improvements and coordination with Caltrans and Santa Clara County, and signal and street improvements to frontage streets surrounding the site.

U.S. Department of Veterans Affairs (VA) Sierra Nevada Medical Center New Tower Expansion, and Seismic Upgrades, Reno, NV – Project Director for the VA's "major project," a \$157 million hospital renovation and expansion, and addition of a new 158,000 SF clinical building. Services have involved utility design and coordination, parking and roadway design, site work for the expansion, and drainage design. Approximately 90% of the main hospital will be renovated to improve seismic, life safety, and infrastructure/utility and energy efficiency deficiencies. Multiple services will be consolidated and expanded into the new clinical space to improve operations and better serve the veteran population of Northern Nevada. The project is being designed in a BIM environment and sustainability is a design priority; LEED Gold certification will be pursued upon completion.

Stockton Superior Courthouse, Stockton, CA – Project Manager for a new California Superior Courthouse in Stockton. Provided all land surveying and civil engineering tasks associated with the proposed eight-story building that will contain 30 courtrooms in a 256,000 SF space. The design team surveyed and prepared topographic plans for the new facility that is located in Hunter Plaza adjacent to the existing facility. The design team also researched existing utility information and prepared exhibits to allow the design team to site the building appropriately within the plaza.

Sierra College, Truckee Campus, Truckee, CA – Project Director for the 40-acre new community college located on a hillside within the Town of Truckee. Project included civil engineering services for site parking, utility infrastructure, water quality, and a Class I bikeway connection. In addition, provided LEED site analysis and documentation in the College's effort to achieve LEED Gold certification. Agency coordination included the Department of the State Architect, Town of Truckee, Lahontan Regional Water Quality Control Board, Truckee Sanitation District, Truckee Donner Public Utility District, and Caltrans.

Cosumnes River College Science Building Expansion, Sacramento, CA – Project Manager for the 53,000 SF expansion to the existing science building, which included major utility relocations.

Education

BS, Civil Engineering, California State Polytechnic University, Pomona

Registration

Professional Civil Engineer, California, #46122

Professional Land Surveyor, California, #7114

Professional Civil Engineer, Nevada, #21316

Envision Sustainability Professional, Institute for Sustainable Infrastructure

Qualified SWPPP Developer and Practitioner, California

LEED Accredited Professional, US Green Building Council

Years of Experience

38 (1 with R.E.Y.)

Areas of Expertise

- Project Management
- Public & Private Site Improvements
- Utility Design and Coordination
- Hydrology & Drainage Studies
- Grading & Erosion Control Plans
- Roadway Design & Improvements
- Construction Document Preparation
- Bidding Support
- Regulatory Compliance & Entitlements
- Master Planning & Community Development
- Principles of Engineering and Surveying



Dan Beever, PLS

Project Surveyor

Profile

Daniel (Dan) Beever is a licensed Professional Land Surveyor with over 24 years of land surveying experience in both field and office surveying. His duties include project management of both land development and public projects. He is well-versed in records research, field crew management, analysis cadastral surveys, determination of land boundaries, topographic surveys, preparation of legal descriptions, tentative and final subdivision maps, parcel maps, and record of survey plats.

Experience

Wildlands: Multiple Renewable Energy Projects, Southern California Desert – Project Manager on 13 projects to date with Wildlands, providing surveying services for wildlife habitat mitigation for the various Renewable Energy Project in the Southern California desert. The projects required the survey of three full townships and over 65 individual sections. R.E.Y. worked with Biologists, Land and Habitat managers, the California Department of Fish and Wildlife (DFW), and Bureau of Land Management to determine and dedicate habitat for wildlife and habitat conservation. R.E.Y. provided records research, Title Reports, legal descriptions and plats, boundary resolution, and Records of Survey.

Distributed Sun Renewable Energy Project, Los Angeles, Bay Area, and Sacramento, CA – Project Surveyor for surveying services for solar improvements at three warehouse distribution sites. The goal of the project was to install Solar Energy Facilities at each site on an accelerated schedule. R.E.Y. provided ALTA surveys, Records of Survey, aerial mapping using both manned aircraft and UAV, design level topographic surveys including utility underground marking and location, Corner Records where records of survey were not required, and Legal Descriptions and Plats of easement grants for new facilities.

Serrano, El Dorado Hills, CA – Project Surveyor for the 4,000-acre, 4,200-unit Serrano Specific Plan. Typical duties included Facility Plan Reports, master plans, tentative maps, site layouts, preliminary and final grading, drainage and utility plans, improvement plans, erosion control plans, drainage reports, cost estimates, specifications, and dry utility coordination. Assistance in obtaining all necessary approvals and permits for construction was provided for the client. Prepared the Facility Plan Report (FPR) and associated updates for the El Dorado Irrigation District. This entailed dynamic studies of the water and reclaimed water for the entire project, as well as a detailed sewer analysis for the subject area.

EID: Sly Park Intertie Survey, Pollock Pines, CA – Project Manager for this project which evaluated existing project control, determined issues, and provided updated control to match existing design for construction of a new intertie at Sly Park. Performed a boundary survey, determining property boundaries along pipeline existing project alignment. Reviewed property title reports and plot relevant easements. Prepared Legal Descriptions and Plats for easement acquisition. Tasks completed on short notice, under accelerated timeline to accommodate existing project schedule.

County of Butte: North Complex Fire Rebuild, Butte County, CA – Project Surveyor for multiple task orders for the Berry Creek Rebuild projects necessitated by the North Complex Fire in 2020. In a little less than two years, R.E.Y. field crews and office staff provided daily support to PG&E for reestablishing critical gas and electrical infrastructure to over one hundred individual reconstruction sites within the greater Berry Creek area.



Registration

Professional Land Surveyor,
California, #9377

Years of Experience

24 (4 with R.E.Y.)

Areas of Expertise

- Design Topo
- ALTA Surveys
- Right of Way/Boundary Analysis
- Plats & Legal Description
- Construction Staking
- Conventional & GPS Control Networks
- Aerial/Flight Control
- Parcel & Final Maps
- Records of Survey



Adam Barnes, PE

Senior Engineer

Profile

Adam Barnes is a California registered Professional Engineer with 20 years of experience in a variety of engineering fields. As Associate Engineer II, he is responsible for developing deliverables while meeting scope, schedule, and budget constraints. Duties include tentative map preparation, feasibility studies, water studies, sewer studies, drainage studies, terrain modeling, grading design, street/sidewalk/curb/ gutter design, wet utility design, street lighting design, striping, and parking design, cost estimates, earthwork quantities, erosion control plans, Storm Water Pollution Prevention Plan preparation, and grading and improvement plans.

Experience

Valencia 1 Solar Energy Field, Imperial County, CA –Project Engineer for the Valencia 1, 2, and 3 Solar Energy Fields in Imperial County, CA, providing engineering and surveying services for solar facilities spanning 10 to 19 acres. Each project included solar panel arrays, retention basins, transformers, inverters, transmission lines, and service roads. Key tasks involved designing grading and improvement plans, optimizing site layouts, and coordinating with local agencies to establish access points and comply with regulations. Valencia 1 was successfully completed with no design issues, while Valencia 2 and 3 are under construction, demonstrating R.E.Y.'s expertise in renewable energy infrastructure.

SDG&E Utility Owned Generation Feasibility, Warner Springs, CA – Developed the financial impacts of potential UOG PV facility combinations at five sites to fill open capacity at SDG&E's Warner Springs Substation.

Renewable Energy Efficiency Project, Manteca, CA – Developed preliminary and final design for 26 Manteca Unified School District sites totaling 4.46 MW of PV modules and 3 Eddy UGE Wind turbines.

Escondido Energy Center, Escondido, CA – Building Permit Design Package for a new natural gas power plant and exhaust stack extension of existing SCR.

PV Repower, Sacramento, CA – Developed budgetary estimates and preliminary designs for the Sacramento Municipal Utility District (SMUD) to demolish and repower their antiquated PV systems at Cal Expo and Rancho Seco.

Solar Highway Feasibility Study, Sacramento, CA – Surveyed and developed a 3D model of the Highway 50 corridor. Developed a glint/glare analysis to determine potential detrimental visual impact.

Curb, Gutter, & Sidewalk Modifications for ADA Compliance, San Francisco, CA – Design Engineer for multiple ADA compliance upgrades associated with PG&E infrastructure improvement projects throughout the San Francisco area. As part of a multi-year on-call contract with PG&E for Civil Engineering and Land Surveying Services, R.E.Y. has performed design and surveying services for over 100 curb, gutter, and sidewalk modifications in just the last two years. These improvements bring the areas into compliance with ADA specifications where PG&E utility modifications have disturbed the existing infrastructure. Adam has completed designs throughout the City in both commercial and residential areas and in the steep terrains and congested streets of San Francisco. All the designs required coordination and review by the City and in some cases, required design exceptions due to technical infeasibility.

San Joaquin Leap Studies, San Joaquin County, CA – Design Engineer for analysis and recommendations on existing drainage networks with 3.8 square miles of tributary and over 16 miles of existing storm drain.



Education

BS, Mechanical Engineering,
University of California, Davis

Registration

Professional Civil Engineer,
California, #84189

Years of Experience

20 (10 with R.E.Y.)

Areas of Expertise

- Tentative Map Exhibits
- Improvement Plans
- Grading Plans
- Surface and Solid Modeling
- SWPPP
- Hydrology Analysis
- Hydraulic Design
- Safety Audits
- Lighting Plans
- PV Design
- PV Production Modeling
- PV Performance Monitoring
- PV Feasibility Studies
- Electrical Single Lines
- Energy Audits

Resumes
Youngdahl Consulting
Group, Inc.



Shaping the Future of Energy™

Matthew J. Gross, P.E., G.E.

Education

B.S., Civil Engineering, California State University, Chico 2007

M.S., Civil and Environmental Engineering, University of California, Davis 2009

Registrations

Professional Engineer, License #77630

Geotechnical Engineer, License #3088

Certifications

OSHA 40-Hour Hazardous Waste Training (HAZWOPER)

OSHA 8-Hour Supervisory Training

ACI Aggregate Testing Technician – Level 1

Nuclear Moisture – Density Gauge

Experience

■ Utilities

Station G, SMUD, Sacramento

Completed the geotechnical study and analysis for the proposed relocation of a substation. The proposed relocation area is within the historic rail yards area of Sacramento included recommendations for mitigation of existing deep fills and excavation adjacent to the historic Folsom Substation (Station A). The evaluations included recommendations for auger cast piles, mitigation of liquefaction settlement, and the possible use of deep soil mixing.

North City Substation Relocation, SMUD, Sacramento

Completed the geotechnical study and analysis for the proposed relocation of a substation relocation. The proposed relocation area is potentially liquefiable with deep undocumented fills and required alternative foundation methods such as piles and structural mats. We have provided on-going construction observation and testing services during project construction.

SMUD Station A, Sacramento

Completed the geotechnical study and analysis for the proposed relocation of a substation. The proposed relocation area is within the historic rail yards area of Sacramento included recommendations for mitigation of existing deep fills and excavation adjacent to the historic Folsom Substation (Station A).

Station E Substation, SMUD, Sacramento

Performed geotechnical engineering study, provided alternative pile foundation recommendations, and construction testing oversight for the construction of a new substation on a former industrial site, consisting of multiple single story concrete masonry unit buildings, transformers, monopole towers, and appurtenant construction with overexcavations up to 20 feet of potentially liquefiable undocumented and contaminated fills on site.

■ Civic & Government

Lakeport Courthouse, Lakeport California - 2023

Our efforts for the new multi-story courthouse facility included peer reviews of the geotechnical engineering report and project plans and specifications. The design-build plan check process included an initial review and back-checks to



Expertise

- Shallow Foundation Design
- Deep Foundation Design
- Expansive Soils
- Liquefaction Analysis
- Pavement Design
- Slope Stability Analysis
- Seismic Design Criteria
- Soils Remediation
- Construction QA/QC
- MSE and Rock Wall Design

Career Background

Youngdahl Consulting Group, Inc.,

Vice President

April 2023 – Present

Senior Geotechnical Engineer

September 2016 – April 2023

Project Engineer

January 2011 – September 2016

Staff Engineer

June 2007 – January 2011

Engineering Intern

June 2006 – August 2006

Organizations

- CalGeo – Technical Committee Vice Chair
- American Society of Engineering (ASCE)

Matthew J. Gross, P.E., G.E.

check that comments were addressed and to provide comments about new information added to the documents.

Mosquito Bridge, Placerville California – 2020

Due to the higher fire risk to Swansboro, El Dorado County embarked on efforts to design and construct a new double cantilever bridge that is 1,180 feet long and 400 feet above the river channel. Reconnaissance work and extensive slope computer-aided stability evaluations were performed to evaluate approaches in this landslide-prone ravine. Summary reports of findings to identify slope issues and support designs of the soil nail and pier supported were generated as part of our work package to vet options before the project went on to the design-build phase.

▪ **Parks & Recreation**

Union Valley Bike Trail, El Dorado County – 2022

This project was built to provide a trail for bikes and pedestrians along the shores of the Union Valley Reservoir. The 5.8-mile bike trail included geotechnical evaluations and observations for raised boardwalks constructed from fiber-reinforced polymers. Piles were driven along many sections of the alignment with load testing supported by GRL Engineers. Due to the steep terrain in some areas, support also included recommendations and observations for micro piles installed by a spider excavator.

▪ **Residential SFR**

Placer One, Lincoln – 2024

The expansion of southwest Lincoln has included the development of numerous homes, commercial facilities, and supporting infrastructure. Several miles of road alignments, laid-back and vertical cut sewers, and bridge crossings are all part of the growing operations. Services have included geotechnical engineering studies before construction and geotechnical and materials testing oversight for grading operations of the subdivisions for the continuing operations.

Westbrook, Solaire, Sierra Vista, Roseville – 2024

In the rolling terrain of the expansion area of west Roseville, efforts for the development of numerous homes have included geotechnical engineering studies performed overall and on village by village basis before construction and geotechnical and materials testing oversight for grading operations of the subdivisions for mass grading, underground, streetscape improvements, and bridge crossings.

Bickford Ranch, Lincoln – 2024

Bickford Ranch is a development for seniors (55+) constructed on the ridgelines east of Lincoln. Work has included geotechnical evaluations for multiple phases, wall designs, miles of utilities and roadways, trunk line sewer, lift stations, and water tanks. Evaluations included suitability reviews for micro-tunneling and open trench excavations along several miles of Highway 193. Issues have included dissimilar geologic units, hard rock, groundwater, steep terrain, and landslides.

Kyle J. Martinez, P.E.

Education

B.S., Civil Engineering, California Polytechnic State University, San Luis Obispo 2009

Registrations

Professional Engineer, License #80666

Certifications

American Concrete Institute (A.C.I.)

▪ Concrete Field Testing Technician – Grade I

Nuclear Moisture – Density Gauge

California Department of Transportation (CalTrans) Certified

OSHA 40-Hour Hazardous Waste Training (HAZWOPER)

Experience

Placer County Tier 1 Sewer Improvements, Placer County

Provided geotechnical engineering consultation and additional subsurface information to aid in the design of 2,160 linear feet of sewer improvements at the Placer County Government Center.

Diablo Canyon Power Plant, Pacific Gas and Electric, Avila Beach

Provided geotechnical engineering services and construction oversight of various plant upgrades including roadways, retaining walls, slope stability, masonry structures, and support slabs

San Luis Obispo Water Resource Recovery Facility, San Luis Obispo

Performed geotechnical engineering report to be used in the development of plans and specifications for upgrades to the San Luis Obispo Water Resource Recovery Facility. Report described geotechnical and geologic hazards and addressed site preparation, grading, pipeline design and construction, foundations, interior slab on grade, shoring, dewatering, buried structures, pavement sections, drainage and construction observation with laboratory testing.

Placer County Health and Human Services Building, Auburn

Performed a Geohazards Evaluation and Geotechnical Engineering study for the construction of a new Health and Human Services (HHS) Building within the Placer County Government Center (PCGC) campus.

White Rock Center, SFC Leasing LP, Rancho Cordova

Provided geotechnical engineering services for the development of two 14,000 square foot concrete tilt-up commercial buildings, with associated site improvements.

El Dorado County Jail Expansion, EDC – Facilities Division, Placerville

Provided geotechnical engineering services for the expansion of an existing jail facility, with a proposed new 12,000 square feet two-story concrete masonry unit building, and associated asphalt and concrete pavements and retaining wall site improvements.

Fort Hunter Liggett Sierra Energy Fastox Gasification Facility, Majestic Construction, Fort Hunter Liggett

Provided project management oversight of grading observation and special inspections during construction of buried structures, pavements, masonry equipment storage facilities, and support slabs.



Expertise

- Expansive Soils
- Liquefaction Analysis
- Pavement Design
- Slope Stability Analysis
- Seismic Design Criteria
- Soils Remediation
- Construction QA

Career Background

Youngdahl Consulting Group, Inc.,

Senior Engineer

February 2019 – Present

Earth Systems Pacific,

Project Engineer

July 2009 – 2019

Staff Engineer

July 2003 – 2009

Kleinfelder Inc.,

Laboratory Technician

August 2000 – 2003

Pavel Fomin

Education

B.S., Civil Engineering: California State University Sacramento, 2020

Registrations

Professional Engineer, License #97349

Certifications

Nuclear Moisture – Density Gauge

Experience

■ Civic & Government

McClellan Park Cal-Fire Air Tanker Base Support Building GES

Performed a subsurface investigation, and geotechnical engineering study for the development of a new building expansion project.

First Mace Meadow Water Association Water Tank, Pioneer CA

Performed a geotechnical engineering study for the construction of a new water tank founded in weathered rock.

■ Commercial

Project 8 Winery, Penryn CA

Performed and coordinated subsurface investigations, a geotechnical engineering study, and slope stability analysis for the construction of a full production winery.

Education

Bell Avenue Elementary, Sacramento CA

Prepared a geotechnical engineering study for the expansion of Bell Avenue Elementary, including several new buildings and parking areas.

■ Hotels

Towneplace Suites, Oakley CA

Performed a site reconnaissance, subsurface investigation, and geotechnical engineering study including liquefaction and settlement analysis for the development of a four-story hotel building.

■ Religious Facility

Mount Calvary Baptist Church, Suisun City

Following differential movement and foundation failure of the existing building, conducted a geotechnical engineering study for a new building on consolidating soils.

■ Residential

Bickford Ranch, Lincoln CA

Performed site reconnaissance's, geotechnical engineering study updates, and geotechnical wall designs for the development of multiple phases of a subdivision.

Quad Lane Retaining Wall Failure, Cameron Park CA

Following a failure of a non-engineered wall, performed a subsurface investigation and geotechnical wall design for the development of a tiered wall system to support the rear yard of a residence.



Expertise

- Geotechnical Engineering
- Earthquake Engineering
- Soil Mechanics
- Groundwater
- Global Stability Analysis

Career Background

Youngdahl Consulting Group, Inc.,

Project Engineer

December 2024 – Present

Staff Engineer

July 2021 – December 2024

Professional Organizations

American Society of Civil Engineers

Michael R. Kelley

Certifications

International Code Council (I.C.C.)

- Reinforced Concrete
- Structural Masonry
- Structural Steel and Bolting
- Structural Welding
- Master of Special Inspection

American Concrete Institute (A.C.I.)

- Concrete Field Testing Technician – Grade I
- Masonry Field Testing

American Welding Society (AWS)

- Certified Welding Inspector (CWI)

California Division of the State Architect (DSA)

- Masonry Special Inspector

Youngdahl Consulting Group

- Ultrasonic Testing (UT) – Level 1
- Floor Flatness (FF/FL)

Experience

BP Hydrogen Fueling Facility, SMUD & Secor International Inc., Sacramento

Observed concrete and masonry placement, sampled material, performed special inspection of rebar placement and load testing of post-installed anchors, and provided construction quality assurance, including review of plans and specifications for construction of a new 1,500 sq ft facility.

Proctor and Gamble Co-Gen Plant 2, SMUD, Sacramento

Lead field and shop welding inspector of structural steel and equipment anchorage testing for new auxiliary boiler platform relocation construction.

Folsom Dam Auxiliary Spillway, U.S. Army Corps of Engineers, Folsom

Observed concrete, masonry, and aggregate placement, sampled material, conducted laboratory testing of soils, concrete, and aggregates, and provided construction quality assurance for the construction of an auxiliary spillway, including the installation of a submerged gates, a 3,000 foot long spillway, and a 1,000 foot long approach channel.

New Mosquito Road Bridge, Placerville

Provided special inspection services for the new mosquito road bridge. This new 365m cantilever bridge will be made of a post-tensioned concrete box-girder construction with elements cast on site. The bridge will replace the single lane bridge known to be a dangerous traffic axis in the region and when completed in 2025, the new Mosquito Road Bridge will provide a fast and direct connection for the isolated communities in Swansboro to Placerville, and by extension the Lake Tahoe and Sacramento areas.

Rancho Murieta Water Treatment Plant, Rancho Murieta

Lead welding and bolting inspector, observed concrete placement, sampled material, performed special inspection of rebar placement and load testing of post-installed anchors for the construction of two above ground storage tanks, structural upgrades to an existing plant building, piping systems, concrete equipment pads, MEP improvements, and site improvements including underground utilizes and pavements.



Career Background

Youngdahl Consulting Group, Inc.

Field Supervisor
2020-Present

Youngdahl Consulting Group, Inc.

Senior Special Inspector
2003– 2020

Delta Drywall

Labor Supervisor
2000 – 2001

Figueroa Landscape Architects

Assistant
1999 – 2000

HomeBase

Customer Assistant
1999



YOUNGDAHL
CONSULTING GROUP, INC.
ESTABLISHED 1984

Resumes Trinity Consultants



Shaping the Future of Energy™

AREAS OF SPECIALIZATION

- > BAAQMD Permitting and Emission Inventory Support
- > GHG Reporting, Verification, and Compliance Support
- > Power Plant/Energy Facility Licensing
- > NANSR and PSD Air Permitting
- > AB 2588 Health Risk Assessment
- > PSD Applicability Assessment
- > Rulemaking Development, Analysis, and Review
- > CEMS Design and Evaluation
- > Regulatory Applicability and Compliance Support
- > Acid Rain Applicability and Permitting Support

EDUCATION

J.D., University of California Hastings College of the Law,
San Francisco

B.S., Chemical Engineering, Pennsylvania State University

CERTIFICATIONS

Member, State Bar of California, Environmental Section
Registered Professional Engineer, State of California
(Chemical Engineering)

Accredited Lead Verifier under the California Air Resources
Board Mandatory Greenhouse Gas Emissions
Reporting Program— including Specialist
Accreditations in Transactions, Oil and Gas Systems,
and Process Emissions

TECHNICAL EXPERTISE

Power Plant/Energy Facility Licensing. Managed the preparation of air quality licensing applications for over 2,000 megawatts of generating capacity in California. Generating technologies have included boilers, gas turbines, and reciprocating engines. Fuels have included natural gas, distillate fuel, biomass, digester gas, and landfill gas.

BAAQMD Permitting and Emission Inventory Support. Prepared BAAQMD Rule 12-15 Refinery Emission Inventories for a hydrogen plant support facility. Prepared permit applications and provided compliance support for BAAQMD facilities in the wastewater treatment, asphaltic concrete, aggregate, cement, cogeneration, and steel recycling industries.

SUMMARY OF EXPERIENCE

A California registered professional engineer in chemical engineering and a member of the State Bar of California, Mr. Adkins is a Principal Consultant whose responsibilities include the following:

- Compliance assistance and strategy development for facilities subject to U.S. EPA and local air district enforcement actions;
- Preparation of air district variance petitions and representation at variance hearings;
- Preparation of CEC Applications for Certification, Title V permit applications, and Title IV Acid Rain Monitoring Plans for power plants;
- Preparation of health risk assessments for entire industrial facilities and individual projects; and
- Preparation of permit applications for various industrial sources including:
 - Best Available Control Technology review;
 - Offsets and emission reduction credit analyses; and
 - PSD, NSPS, and NESHAPS applicability review.

Prior to joining Sierra Research (now Trinity Consultants) in 1993, Mr. Adkins was a supervising air quality engineer with the Bay Area Air Quality Management District. He has a B.S. degree in Chemical Engineering from The Pennsylvania State University and a J.D. from Hastings College of Law in San Francisco.

NANSR and PSD Air Permitting. Managed the preparation of air permit applications for a wide range of sources subject to nonattainment new source review and Prevention of Significant Deterioration requirements. Application contents have included applicability determinations, BACT/LAER analyses, air quality impact analyses, and health risk assessments. Support typically continues beyond permit issuance through construction, commissioning, and initial operation.

GHG Reporting, Verification, Rulemaking, and Compliance Support. Prepared and submitted GHG emission reports under the U.S. Environmental Protection Agency and California Air Resources Board (CARB) Mandatory Reporting Rules for a variety of stationary sources, including and transportation fuels suppliers. Assisted facilities in completing California GHG verification process. Negotiated various industry benchmark GHG emission values for the California Cap and Trade regulation. Provided compliance support for CARB enforcement actions.

AB 2588 Health Risk Assessment. Prepared facility-wide health risk assessments for various industrial sites, and completed associated toxic emission inventory plans and reports in accordance with the regulations and guidance documents adopted pursuant to the California Air Toxics "Hot Spots" Information and Assessment Act of 1987 (AB 2588).

CEMS, Source Testing, and Ambient Monitoring. Designed and managed field programs for source (stack) testing for a variety of regulatory purposes. Reviewed design, assisted in the procurement and installation of, and assisted with initial certification testing for CEMS and supporting data acquisition systems.

Regulatory Applicability and Compliance Support. Supported a broad range of clients in assessing compliance (through audits and other means) and defending enforcement actions and litigation threats. Support has included regulatory compliance audits; review of audit reports prepared by others; due diligence assessments prior to acquisitions; preparation of responses to EPA §114 requests; and representation in compliance negotiations and in formal variance/enforcement hearings.

Acid Rain Applicability and Permitting Support. Prepared Title IV Acid Rain permit applications and monitoring plans for power plants and provided ongoing technical support for Electronic Data Reporting. Prepared and submitted applicability analyses to EPA.

EMPLOYMENT HISTORY

2014 – Present	Trinity Consultants
1993 – 2014	Sierra Research
1987 – 1993	Bay Area Air Quality Management District
1983 – 1987	Chevron U.S.A. Inc., Richmond Refinery

Resumes
Power Systems
Testing Co.



Shaping the Future of Energy™

FRANK GONZALES

FIELD SERVICE MANAGER

CONTACT

 (559) 457-8508

 frank@powersystems.co

 Fresno, California 93722

CAREER OBJECTIVE

Dedicated professional with proven performance in management, leadership and communication.

Detail-oriented in problem-solving and planning. Ready to make an immediate contribution to your organization.

EXPERIENCE

August 2006 - Present

Field Manager

Power system testing company, Fresno, California

- Maintained frequent interaction with senior management to measure goal achievement and determine areas of improvement.
- Maintain constant communication with field technicians to provide faster and easier work techniques in the field testing portion also to provide assistance in any area needed
- Executed productivity benchmarks across departments to maximize company revenue.

EDUCATION

June 1985

High School Diploma

Selma High School , Selma , California

SKILLS

- Testing and Maintenance of 480Volt to 230 KV Equipment
- Infrared Scanning
- Transformer testing and trouble shooting
- Automatic transfer switches Testing and maintenace
- 24-125 VDC Battery string testing and Maintenance

CERTIFICATIONS

- NETA Level 11 Technician

Neil Smith

NETA IV Technician

Company History

- 1. With Power Systems Testing Company since 2003**
- 2. 16 Years of management**

Field Experience

- 1. Low Voltage Switchgear Testing (1000V and Below)**
- 2. Medium Voltage Switchgear Testing (35KV and Below)**
- 3. High Voltage Substation Testing (230KV-69KV)**
- 4. Power Monitoring**
- 5. Infrared Scanning**
- 6. Troubleshooting of Low – High Voltage Equipment**
- 7. Repair of Low and Medium Voltage Equipment**

Technical Schools

- 1. AVO Basic Relays**
- 2. AVO Medium Voltage Breakers**
- 3. GE ATS's**
- 4. Level I Thermographer**
- 5. Double Life of a Transformer**
- 6. Multiple NETA PowerTest Seminars**
- 7. ARC Flash**

Project Ran (Large)

- 1. San Diego Airport Terminal 2 Expansion**
- 2. Irvine Water District Michelson Expansion**
- 3. Orange County Sanitation District (Multiple Site Expansion)**
- 4. Moreno Valley Water Treatment Plant Expansion**
- 5. John Wayne Airport 3 year Maintenance**
- 6. Multiple Solar Project in Mojave**
- 7. AT&T Maintenance in La Jolla**
- 8. Multiple California State Prison Maintenance Projects**
- 9. State Center Community College District (All district sites)**
- 10. US Government Sites in Greece, Belize, New Zealand and China**



Torren Chung

Fresno, CA • 559.326.8301 • tchung52@gmail.com

Education

- **University of California, Davis** **Sep 2010-Jun 2013**
 - Lower division coursework completed in Electrical Engineering

Relevant Coursework

- **Engineering**
 - Electric Circuits (2 courses), Digital Logic Design
 - Physics (4 courses), Calculus (4 courses), Linear Algebra, Differential Equations

Skills

- **Computer Programs**
 - AutoCAD, Excel, SOLIDWORKS, C++, Python, VBA

Work Experience

- **Power Systems Testing**
Jan 2022 - Present
 - **NETA Level 2 Electrical Test Technician**
 - Performed electrical testing and repairs on various low, medium, and high voltage equipment
 - Reviewed, organized, and summarized all test data into written technical reports
- **Wellhead Services Inc**
Jul 2018 - Oct 2021
 - **Combined Cycle Power Plant Technician/Operator**
 - Organized, coordinated, scheduled, or performed all repair work for rolling stock and instrumentation/controls equipment.
 - Repaired and maintained hydraulic pumps, electrical motors, and other electrical/mechanical equipment
 - Repaired and maintained gas turbines, GE LM6000 and Pratt Whitney FT4 according to manufacturer O&M Standards
 - **Feb 2018-Jul 2018**
 - **Engineering Intern**
 - Prepared bid comparisons for engineer review and presented findings at company meetings with executives
 - Used 2D and 3D CAD software to assist engineers.
- **Wellhead Power Exchange**
Oct 2016 - Feb 2018
 - **Remote Operations Technician**
 - Monitored turbine operational data, alarms, site security systems, and emissions data for 6 gas turbines
 - Acted as communication hub between various agencies and site technicians/managers
- **TTC Services, Napa, CA**
Jan 2014-Jul 2018
 - **Repair Technician**
 - Assisted in installation of automation equipment retrofits for lathes and mills
 - Performed preventative maintenance and calibrations on manufacturing equipment

DAVID HUFFMAN

SUMMARY OF QUALIFICATIONS

- NETA level 4 certified test technician
- Professional Engineer, California license number E-14811

EDUCATION

1983 – 1988 California State University, Fresno

Bachelor of Science degree in Electrical Engineering.

- Deans List
- Member Eta Kappa Nu
- Who's Who in: Science and Engineering, Business, The West and The World

PROFESSIONAL EXPERIENCE

1988 – Present Power Systems Testing Company, Fresno, CA.

Electrical Engineer

- Performed electrical testing on power distribution equipment, such as power circuit breakers, power transformers, relaying systems and switchgear
- Performed short circuit, coordination, load flow, power factor correction and arc flash studies on more than 400 projects.
- Training from General Electric, Basler, Schweitzer Engineering, SKM Systems, ETAP, GE/Zenith and the annual power and safety NETA conference (2001-2012)

PROFESSIONAL MEMBERSHIPS

IEEE Member

Registered Professional Electrical Engineer

Senior Test Technician (Level 4) NETA certified

Board of Directors Member of the International Electrical Testing Association

JAMES FERGUSON

EDUCATION

2000 - 2008 California State University, Fresno

Master of Science degree in Electrical Engineering.

- Deans List
- Member Eta Kappa Nu

PROFESSIONAL EXPERIENCE

2009– Present Power Systems Testing Company, Fresno, CA.

Electrical Engineer

- Performed electrical testing on power distribution equipment, such as power circuit breakers, transformers, relays and switchgear
- Performed short circuit, coordination and arc flash studies on more than 200 projects.
- Training from SKM Systems
- EIT (2008) - 129152

PROFESSIONAL MEMBERSHIPS

IEEE Member

RESOLUTION NO. 25-085

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
ROSEVILLE DECLARING INTENTION TO REIMBURSE
EXPENDITURES FROM PROCEEDS OF TAX-EXEMPT
OBLIGATIONS FOR THE ELECTRIC SYSTEM

WHEREAS, the City of Roseville (the “City”) owns and operates a municipal electric system and proposes to undertake capital improvement projects referenced below for the system, and expects to issue, or cause the issuance of, a long-term repayment obligation in one or more series for such projects and to use a portion of the proceeds of such obligation to reimburse expenditures made for the projects prior to the issuance of the obligation; and

WHEREAS, United States Income Tax Regulations section 1.150-2 provides generally that proceeds of tax-exempt debt are not deemed to be expended when such proceeds are used for reimbursement of expenditures made prior to the date of issuance of such obligation unless certain procedures are followed, one of which is a requirement that (with certain exceptions), prior to the payment of any such expenditure, the issuer declare an intention to reimburse such expenditures; and

WHEREAS, it is in the public interest and for the public benefit that the City declare its official intent to reimburse the expenditures referenced herein.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF ROSEVILLE
RESOLVES AS FOLLOWS:

1. The City intends to issue, or cause the issuance of, one or more series of obligations (the “Obligations”) for the purpose of financing the costs of design and construction of the Roseville Power Plant #2 Repower capital improvement to its electric system, as well as other capital improvements supporting the electric system, including but not limited to RPEAK Phase 2 and substations within the City, and incidental expenses related thereto (the “Projects”).

2. The City hereby declares that it reasonably expects (i) to pay certain costs of the Projects prior to the date of issuance of the Obligations and (ii) to use a portion of the proceeds of the Obligations for reimbursement of expenditures for the Projects that are paid before the date of issuance of the Obligations.

3. The principal amount of the Obligations is estimated to be approximately \$75,000,000.

4. This Resolution shall take effect upon its adoption.

* * * * *

I hereby certify that the foregoing Resolution was duly adopted by the City Council of the City of Roseville, California, at a regularly scheduled meeting thereof, held on the ____ day of _____, 2025, by the following vote of the City Council:

AYES: COUNCILMEMBERS

NOES: COUNCILMEMBERS

ABSENT: COUNCILMEMBERS

ABSTAIN: COUNCILMEMBERS

Mayor

ATTEST:

City Clerk

ORDINANCE NO. 6927

ORDINANCE OF THE COUNCIL OF THE CITY OF ROSEVILLE
AUTHORIZING CERTAIN AMENDMENTS TO THE FISCAL YEAR 2024-25
BUDGET AND DECLARING THIS ORDINANCE TO BE IMMEDIATELY
EFFECTIVE AS AN APPROPRIATION MEASURE

THE CITY OF ROSEVILLE ORDAINS:

SECTION 1. The City of Roseville Annual Budget, Fiscal Year 2024-25, is hereby amended as listed on the attached budget adjustment for the Roseville Power Plant #2 Repower project.

SECTION 2. This ordinance is hereby declared to be an appropriation measure, immediately effective pursuant to the provisions of Section 5.03 of the Charter.

SECTION 3. The City Clerk is hereby authorized and directed to post a true copy of the foregoing ordinance in each of three (3) conspicuous locations in the City and she shall immediately after such posting enter in the ordinance book, under the record of the ordinance, a certificate under her hand stating the time and place of such publication by posting.

PASSED AND ADOPTED by the Council of the City of Roseville, this
_____ day of _____, 2025, by the following vote on roll call:

AYES COUNCILMEMBERS:

NOES COUNCILMEMBERS:

ABSENT COUNCILMEMBERS:

MAYOR

ATTEST:

City Clerk



REQUEST FOR BUDGET ADJUSTMENT

Updated 11/22/2024

Please complete the cells highlighted in yellow.

REQUESTER NAME & TITLE:	Chris Porter, Assistant Electric Utility Director	FISCAL YEAR:	2024-25
PREPARER NAME & TITLE:	Matt Nelson, Sr Electric Business Ananlyst	ORDINANCE:	
DEPARTMENT/DIVISION:	Electric / Engineering		

EXPENDITURES/EXPENSES/TRANSFERS OUT

ACCOUNT STRING				BUDGET (\$)	DESCRIPTION
Fund	Account	Center	Project	Adjustment	
6001	6587	84701	500558	17,000,000	Fund the new Roseville Power Plant 2 Repower CIP
EXPENDITURES/EXPENSES/TRANSFERS OUT TOTAL				17,000,000	

REVENUES/TRANSFERS IN

ACCOUNT STRING				BUDGET (\$)	DESCRIPTION
Fund	Account	Center	Project	Adjustment	
REVENUES/TRANSFERS INTOTAL				-	

NET ADJUSTMENT	17,000,000
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FUND BALANCE

ACCOUNT STRING				BUDGET (\$)	DESCRIPTION
Fund	Account	Center	Project	Adjustment	
6001	3601	00000	000000	(17,000,000)	Decrease Electric Fund Balance
	3601	00000	000000		
	3601	00000	000000		
	3601	00000	000000		
	3601	00000	000000		
	3601	00000	000000		
FUND BALANCE TOTAL				(17,000,000)	

Justification for Budget Adjustment:

Staff recommends that Council authorize the establishment of a new Capital Improvement Project – the Roseville Power Plant 2 (RPP2) Repower (the "Project"), and adopt an ordinance to approve a budget adjustment appropriating \$17,000,000 in the Electric Fund to the Project for improvements at the site of Roseville Power Plant 2 on Nichols Drive north of Roseville, which will replace the current combustion units with more efficient and cleaner combustion units. The new units will aid in the integration of solar generation, battery storage, load growth, or any new possible technologies to Roseville's electric distribution system and power supply portfolio.

The new CIP for the RPP2 Repower will be funded via budget reductions in CIPs that have a balance that is either no longer needed or the work will be offset to complete the RPP2 Repower project. The budget adjustments reducing and closing projects will be brought to City Council this fiscal year.



Notice of Exemption

To: Placer County Clerk
Recorder's Office
2954 Richardson Drive
Auburn, CA 95603

From: City of Roseville
Development Services Dept.
311 Vernon Street
Roseville, CA 95678

Project Title: Roseville Power Plant #2 (RPP2) Repower Project

Project Location(s): 2155 Nichols Drive (APN 017-063-005-000), Rocklin, CA 95765.

Project Description: Roseville Electric is planning to replace a large portion of the Roseville Power Plant #2 (RPP2) power generation facility located just north of the city. RPP2 is a 49.80 MW (comprised of two 24.90 MW GE Frame 5 units) natural gas fired generating facility that provides energy and capacity to support Roseville Electric's overall power supply needs. The project would remove and replace the existing units and associated equipment with two GE TM2500 units. These units include emissions control equipment, which is not currently at the existing facility. The project also includes rebuilding the 60kV electrical switchyard. Existing foundations and underground infrastructure would be demolished and rebuilt, and the existing fencing would be repaired/replaced as needed, including installing retaining walls as needed for erosion control.

The GE TM2500 units will be within the existing noise thresholds set forth in local and state requirements. The addition of emissions control equipment will require adding structures taller than the current tallest structure on the site. The existing structures are currently visible from just a few limited areas in the residential section located more than 600 feet to the south. These structures would be more visible from the neighborhood to the south, but the remainder of the equipment would remain unseen.

The GE TM2500 units will bring the facility's nameplate capacity up to 67.20 MW, however it's effective generation potential would be closer to an additional ~5 MW (from 49.8MW to 54MW). This capacity is measured during the summer when system electrical demand is at its peak and high ambient temperatures limit the units' ability to generate. While this is an approximate 10% increase at the RPP2 facility, these units are part of a much larger interconnected electrical grid and the contribution to Roseville Electric's Resource capacity is approximately 1%. For reliability purposes, Roseville Electric targets having an additional 15-20% capacity above our requirements. The additional capacity available from these units will support that need and is well within the General Plan's estimates of buildout of Roseville Electric's entire system, in accordance with the intent of the Class 2 Categorical Exemption.

Public Agency Approving Project: Roseville City Council

Agency/Individual Carrying Out Project: City of Roseville Electric Utility

Reason why this Project is Exempt: The project qualifies for Class 2 and Class 8 Categorical Exemptions as described in Sections 15302 and 15308 of the California Environmental Quality Act (CEQA) guidelines which states:

"Class 2 consists of replacement or reconstruction of existing structures and facilities where the new structure will be located on the same site as the structure replaced and will have substantially the same purpose and capacity as the structure replaced, including but not

limited to: (c) Replacement or reconstruction of existing utility systems and/or facilities involving negligible or no expansion of capacity.”

“Class 8 consists of actions taken by regulatory agencies, as authorized by state or local ordinance, to assure the maintenance, restoration, enhancement, or protection of the environment where the regulatory process involves procedures for protection of the environment. Construction activities and relaxation of standards allowing environmental degradation are not included in this exemption.”

The project would replace an older technology power generation plant with newer, updated equipment that would be relocated from an existing operational facility within California. The RPP2 facility is currently used to add reliability to Roseville Electric’s system and provide energy to serve our customer load. This facility runs when it is the most economical resource available. Due to the increased efficiency of the new units, these units will run in place of much less efficient resources, often which have a higher potential to emit criteria pollutants.

The existing facility does not have any emissions controls, and currently has no way of measuring emissions emitted when it is operational. The facility cannot be modified to add the equipment necessary to control emissions without being fully replaced. Roseville Electric works closely with the Placer County Air Pollution Control District (PCAPCD) because they have jurisdiction as the local air district. PCAPCD annually issues Permits to Operate (PTO’s) that define requirements for the operation of the units. Roseville Electric estimates that the project will reduce emissions by a factor of 5. Completion of this project will assist PCAPCD in meeting emissions control standards and goals. The project helps the City and PCAPCD reduce emissions which contribute to air pollution in the air basin, thereby protecting the environment.

Additionally, the project will enable the City to respond to State regulations that require more emissions reductions, to have the ability to contribute to the State power grid in times of need, and to prepare for the State’s upcoming transition to renewable energy. The project includes installation of emissions control equipment that will enhance the environment, so the Class 8 Categorical Exemption applies.

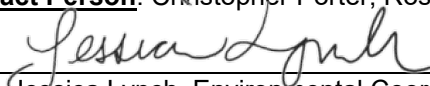
While the project was not considered to be a part of the Placer Ranch Specific Plan (PRSP) project currently being implemented by Placer County, the facility was considered in the analysis of that project, and the PRSP EIR assumed that the facility would be updated. The project would result in reduced impacts on development of the PRSP area, including improved aesthetics and drastic reductions in pollution emissions.

Additionally, the Roseville 2035 General Plan assumed improvements and modernization to Roseville Electric’s power grid and system, including its intent to increase reliability of the system. The project is not specifically identified as one of those improvements, but it meets the intent of the goals presented in the 2035 General Plan to add reliability to the system.

Construction of the project falls within the Class 2 Categorical Exemption. The GE TM-2500 units, along with associated equipment and structures, will be located on the same site as the units, associated equipment, and structures they replace, serving and will have substantially the same purpose. The project would result in the operation of more efficient power generation units, resulting in a negligible 5 MW increase in Roseville Electric’s overall power supply capabilities, needed for system reliability. As a result, the Class 2 Categorical Exemption applies.

Lead Agency Contact Person: Christopher Porter, Roseville Electric Utility (916-774-5615).

Signature: _____



Jessica Lynch, Environmental Coordinator
City of Roseville

Date: 2/26/2025



COUNCIL COMMUNICATION

CC #: 3813
File #: 0600-04

Title: Long-Term Liabilities Update - Pension and Other Postemployment Benefits
Contact: Scott Pettingell 916-746-1306 spettingell@roseville.ca.us

Meeting Date: 4/2/2025
Item #: 8.2.

RECOMMENDATION TO COUNCIL

Staff recommends that the City Council receive a presentation on the City's long-term liabilities for pension and other postemployment benefits (OPEB).

BACKGROUND

Staff will provide the City Council with an update on the City's long-term liabilities for pension and other postemployment benefits (OPEB).

FISCAL IMPACT

Not applicable.

ENVIRONMENTAL REVIEW

Not applicable.

CITY COUNCIL STRATEGIC PLAN/OVERARCHING GOALS

Goal A - Remain fiscally responsible in a changing world

Respectfully Submitted,

Scott Pettingell, Finance Director

A handwritten signature in blue ink, consisting of several overlapping loops and a horizontal line, likely representing the name Dominick Casey.

Dominick Casey, City Manager



COUNCIL COMMUNICATION

CC #: 3823

File #: 0103-06-03 & 0103-12-03

Title: Personnel Board & Senior Commission - Unscheduled Vacancy Appointments

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

Meeting Date: 4/2/2025

Item #: 9.1.

RECOMMENDATION TO COUNCIL

Recommend that the City Council appoint one (1) individual to the Personnel Board to a term expiring December 31, 2026 from the applications received from: Richard Plecker and Cheri Polan; and appoint Linda Richardson Soto to the Senior Commission to a term expiring December 31, 2026 as the sole application received.

BACKGROUND

The resignation of Thomas Lamb created an unscheduled vacancy on the Personnel Board and the resignation of Nicole Zamora created an unscheduled vacancy on the Senior Commission. Recruitment for all vacancies occurred in March and video interviews of the applicants were conducted by the City Clerk Department. The application and video interviews 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.

CITY COUNCIL STRATEGIC PLAN/OVERARCHING GOALS

Goal B - Support community engagement and advocacy

Respectfully Submitted,

Katrina Six, City Clerk Technician

Carmen Avalos, City Clerk

A handwritten signature in blue ink, consisting of several overlapping loops and a horizontal line, positioned above a horizontal line.

Dominick Casey, City Manager



COUNCIL COMMUNICATION

CC #: 3812

File #: 0103-03-02

Title: HOUSING AUTHORITY - Five Year Plan and Fiscal Year 2025-26 Annual Plan

Contact: Suzi Cook-Turner 916-774-5414 smcook-turner@roseville.ca.us
Trisha Isom 916-746-1239 tisom@roseville.ca.us

Meeting Date: 4/2/2025

Item #: 10.1.

RECOMMENDATION TO COUNCIL

Staff recommends that the City Council, acting as the Board of Directors for the Roseville Housing Authority, adopt the attached resolution to approve Roseville Housing Authority's Five Year Plan for FY2025-30 and Annual Plan for FY2025-26 and authorizes the Executive Director to submit them to the U.S. Department of Housing & Urban Development. These plans are for informational purposes only and have no impact on the City's General Fund.

BACKGROUND

The Roseville Housing Authority (RHA) is authorized to provide up to 845 households with Housing Choice Voucher (HCV) rental assistance funded through the U.S. Department of Housing and Urban Development (HUD). The 845 vouchers include vouchers specifically for non-elderly disabled households, veteran households, and households including persons with disabilities who are transitioning out of institutional and other segregated settings, homeless, or at risk of becoming homeless. RHA also administers the new Foster Youth to Independence (FYI) vouchers that assist former foster youth, ages 18 to 24, as they transition out of foster care and are homeless or at risk of becoming homeless. The HCV rental assistance program works to ensure that very low- and extremely low-income households can afford to live in safe, decent housing.

Pursuant to the 1998 Quality Housing and Work Responsibility Act (QHWRA), all housing authorities must submit a 5-Year Plan on a five-year cycle as well as an Annual Plan each year between 5-Year Plans. HUD designed the Agency Plan to reflect the current and future goals of all housing authorities. To serve the needs of very low and extremely low-income families for the next five years, the goals of RHA are as follows:

1. Continue to expand the supply of assisted housing;
2. Improve the quality of assisted housing;
3. Increase assisted housing choices;
4. Affirmatively further Fair Housing; and
5. Collaborate with neighboring housing authorities to optimize administration of the HCV

Program.

The draft 5-Year Plan is required to have a 45-day local comment period before RHA holds a public hearing to adopt the 5-Year Plan and the Annual Plan. The 45-day comment period was noticed and commenced on February 14, 2025, closing April 2, 2025. To date, staff has not received any comments from the public regarding this item. Housing Authority staff provided RHA's Resident Advisory Board (RAB) members with a copy of the draft 5-Year and Annual Plans for review and comment. The RAB members have reviewed all previous Annual Plan submissions to HUD and have supported RHA's goals and its progress in meeting them.

Subject to the City Council's action on the proposed 5-Year and Annual Plans, as the Housing Authority Board, housing staff anticipates submitting the final documents to HUD in May 2025.

FISCAL IMPACT

The staff cost to develop the Five Year and Annual Plan was included in the FY2024-25 adopted budget. There are no additional fiscal impacts to the City's General Fund.

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 Roseville Housing Authority Five Year and Annual Plans meet the above criteria and are not subject to CEQA. No additional environmental review is required.

CITY COUNCIL STRATEGIC PLAN/OVERARCHING GOALS

Goal C - Maintain a safe and healthy community

Goal D - Enhance economic vitality

Respectfully Submitted,

Suzi Cook-Turner, Housing Supervisor

Melissa Anguiano, Economic Development Director



Dominick Casey, City Manager

ATTACHMENTS:**Description**

Resolution 1-25

RHA FY2 25-26 Annual Plan

RHA 2025-2030 Five Year Plan

RESOLUTION NO. 1-25

HOUSING AUTHORITY OF THE CITY OF ROSEVILLE

RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF ROSEVILLE
AUTHORIZING THE EXECUTIVE DIRECTOR TO SUBMIT THE ROSEVILLE
HOUSING AUTHORITY FIVE YEAR PLAN AND ANNUAL PLAN FOR FISCAL
YEAR 2025-26 TO THE U.S. DEPARTMENT OF HOUSING AND URBAN
DEVELOPMENT ALONG WITH ALL THE REQUIRED CERTIFICATIONS,
DISCLOSURES, AND RELATED DOCUMENTS

WHEREAS, the Department of Housing and Urban Development (HUD) requires all housing authorities to submit an Agency Plan, which includes a Five Year Plan and an Annual Plan; and

WHEREAS, staff has prepared the Five Year Plan and Annual Plan; and

NOW, THEREFORE, THE HOUSING AUTHORITY OF THE CITY OF ROSEVILLE DOES HEREBY RESOLVE that:

1. The Roseville Housing Authority Five Year Plan and Annual Plan for Fiscal Year 2025-26 is hereby approved.
2. The Executive Director is authorized to submit the Roseville Housing Authority Five Year Plan and Annual Plan for Fiscal Year 2025-26 to the U.S. Department of Housing and Urban Development along with all required certifications, disclosures, and related documents.

PASSED AND ADOPTED by the Housing Authority of the City of Roseville this _____ day of _____, 2025, by the following vote on roll call:

AYES AUTHORITY MEMBERS:

NOES AUTHORITY MEMBERS:

ABSENT AUTHORITY MEMBERS:

CHAIRMAN

Secretary

Streamlined Annual PHA Plan <i>(High Performer PHAs)</i>	U.S. Department of Housing and Urban Development Office of Public and Indian Housing	OMB No. 2577-0226 Expires 03/31/2024
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Purpose. The 5-Year and Annual PHA Plans provide a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA’s operations, programs, and services, including changes to these policies, and informs HUD, families served by the PHA, and members of the public of the PHA’s mission, goals and objectives for serving the needs of low- income, very low- income, and extremely low- income families

Applicability. The Form HUD-50075-HP is to be completed annually by **High Performing PHAs**. PHAs that meet the definition of a Standard PHA, Troubled PHA, HCV-Only PHA, Small PHA, or Qualified PHA do not need to submit this form.

Definitions.

- (1) **High-Performer PHA** – A PHA that owns or manages more than 550 combined public housing units and housing choice vouchers and was designated as a high performer on both the most recent Public Housing Assessment System (PHAS) and Section Eight Management Assessment Program (SEMAP) assessments.
- (2) **Small PHA** - A PHA that is not designated as PHAS or SEMAP troubled, and that owns or manages less than 250 public housing units and any number of vouchers where the total combined units exceed 550.
- (3) **Housing Choice Voucher (HCV) Only PHA** - A PHA that administers more than 550 HCVs, was not designated as troubled in its most recent SEMAP assessment and does not own or manage public housing.
- (4) **Standard PHA** - A PHA that owns or manages 250 or more public housing units and any number of vouchers where the total combined units exceed 550, and that was designated as a standard performer in the most recent PHAS or SEMAP assessments.
- (5) **Troubled PHA** - A PHA that achieves an overall PHAS or SEMAP score of less than 60 percent.
- (6) **Qualified PHA** - A PHA with 550 or fewer public housing dwelling units and/or housing choice vouchers combined and is not PHAS or SEMAP troubled.

A.	PHA Information.																														
A.1	PHA Name: <u>ROSEVILLE HOUSING AUTHORITY</u> PHA Code: <u>CA128</u> PHA Type: ☒ High Performer PHA Plan for Fiscal Year Beginning: (MM/YYYY): <u>07/2025</u> PHA Inventory (Based on Annual Contributions Contract (ACC) units at time of FY beginning, above) Number of Public Housing (PH) Units <u>0</u> Number of Housing Choice Vouchers (HCVs) <u>745</u> Total Combined PHA Plan Submission Type: ☒ Annual Submission ☐ Revised Annual Submission Availability of Information. In addition to the items listed in this form, PHAs must have the elements listed below readily available to the public. A PHA must identify the specific location(s) where the proposed PHA Plan, PHA Plan Elements, and all information relevant to the public hearing and proposed PHA Plan are available for inspection by the public. Additionally, the PHA must provide information on how the public may reasonably obtain additional information of the PHA policies contained in the standard Annual Plan but excluded from their streamlined submissions. At a minimum, PHAs must post PHA Plans, including updates, at each Asset Management Project (AMP) and main office or central office of the PHA. PHAs are strongly encouraged to post complete PHA Plans on their official website. PHAs are also encouraged to provide each resident council a copy of their PHA Plans. <i>Copies of the PHA Plans may be obtained at the Agency’s main office:</i> 316 Vernon Street, Suite 150 Roseville, CA 95678 <i>5 Year and Annual PHA Plans are also available on the website at www.roseville.ca.us/rha</i> ☐ PHA Consortia: (Check box if submitting a Joint PHA Plan and complete table below) <table border="1"> <thead> <tr> <th rowspan="2">Participating PHAs</th> <th rowspan="2">PHA Code</th> <th rowspan="2">Program(s) in the Consortia</th> <th rowspan="2">Program(s) not in the Consortia</th> <th colspan="2">No. of Units in Each Program</th> </tr> <tr> <th>PH</th> <th>HCV</th> </tr> </thead> <tbody> <tr> <td>Lead PHA:</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>					Participating PHAs	PHA Code	Program(s) in the Consortia	Program(s) not in the Consortia	No. of Units in Each Program		PH	HCV	Lead PHA:																	
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				PH	HCV																										
Lead PHA:																															

B.	Plan Elements					
B.1	Revision of Existing PHA Plan Elements. (a) Have the following PHA Plan elements been revised by the PHA since its last Annual PHA Plan submission? Y N ☐ ☒ Statement of Housing Needs and Strategy for Addressing Housing Needs. ☐ ☒ Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions. ☐ ☒ Financial Resources. ☐ ☒ Rent Determination. ☐ ☒ Homeownership Programs. ☐ ☒ Safety and Crime Prevention. ☐ ☒ Pet Policy. ☐ ☒ Substantial Deviation. ☐ ☒ Significant Amendment/Modification (b) If the PHA answered yes for any element, describe the revisions for each element below: (c) The PHA must submit its Deconcentration Policy for Field Office Review.					
B.2	New Activities. (a) Does the PHA intend to undertake any new activities related to the following in the PHA's current Fiscal Year? Y N ☐ ☒ Hope VI or Choice Neighborhoods. ☐ ☒ Mixed Finance Modernization or Development. ☐ ☒ Demolition and/or Disposition. ☐ ☒ Conversion of Public Housing to Tenant Based Assistance. ☐ ☒ Conversion of Public Housing to Project-Based Rental Assistance or Project-Based Vouchers under RAD. ☒ ☐ Project Based Vouchers. ☐ ☒ Units with Approved Vacancies for Modernization. ☐ ☒ Other Capital Grant Programs (i.e., Capital Fund Community Facilities Grants or Emergency Safety and Security Grants). (b) If any of these activities are planned for the current Fiscal Year, describe the activities. For new demolition activities, describe any public housing development or portion thereof, owned by the PHA for which the PHA has applied or will apply for demolition and/or disposition approval under section 18 of the 1937 Act under the separate demolition/disposition approval process. If using Project-Based Vouchers (PBVs), provide the projected number of project-based units and general locations, and describe how project basing would be consistent with the PHA Plan. RHA has awarded 8 Project-Based vouchers to a new construction development, The Crawford, located Northeast of the Fiddymont Road/Harvey Way intersection in Roseville, CA. RHA has also awarded Project-Based vouchers to the Sun Rose Apartments and rehabilitation project located at 110 N. Sunrise Blvd. in Roseville, CA.					
B.3	Progress Report. Provide a description of the PHA's progress in meeting its Mission and Goals described in the PHA 5-Year Plan. The mission of the Roseville Housing Authority is to provide opportunity for decent, safe, and sanitary affordable housing to very low and extremely low-income families in Roseville and Rocklin. Roseville Housing Authority's 5-Year Plan Goals are: 1. Expand the supply of assisted housing. a. PROGRESS: RHA has a total of 100 VASH vouchers. RHA received 10 VASH vouchers in 2023 and an additional 15 awarded in 2024. Roseville Housing Authority (RHA) will apply for additional VASH vouchers if they become available. b. PROGRESS: RHA has a total of 43 Mainstream (MS) vouchers which are fully leased at 100% with a waitlist. Roseville Housing Authority (RHA) will apply for additional Mainstream vouchers if they become available. c. PROGRESS: RHA was awarded 20 Foster Youth to Independence (FYI) vouchers in August 2024 and will continue to apply for additional FYI and Foster Care Unification (FUP) vouchers when made available.					

	2. Improve the quality of assisted housing. a. PROGRESS: Currently, 46 PBV units are under HAP contract, achieving a 100% lease rate. 16 additional new build and renovated PBV units are scheduled to be completed and leased by the end of 2025, including 4 VASH PBVs. b. PROGRESS: RHA has maintained SEMAP High Performer status rating for 20 years. 3. Increase assisted housing choices. a. PROGRESS: RHA encourages and recommends that property owners list their available units on AffordableHousing.com. This service is free for owners who would like to list basic rental unit information. b. PROGRESS: In 2023 RHA established an owner's incentive program in hopes of attracting new owners to the HCV program. The program remains successful and, to date, the incentive program has attracted 64 new property owners. c. PROGRESS: Roseville Housing Authority (RHA) is making significant strides in providing more housing options for residents in Roseville and Rocklin. Successes of previous projects reaching full occupancy is a promising indicator of the demand and effectiveness of these projects. With new Project-Based Voucher (PBV) projects coming online, RHA is well-positioned to continue expanding housing choices. 4. Affirmatively further Fair Housing. a. PROGRESS: RHA works closely with Project Sentinel, a fair housing agency, to provide fair housing and reasonable accommodation training at least once a year to housing authority staff, property management and owners, and the public. Housing Authority staff attended fair housing training in April 2024. 5. Collaborate with neighboring housing authorities to optimize administration of the Housing Choice Voucher Program. a. PROGRESS: RHA continues to collaborate with PCHA on various PHA programs, including the EHVP program and VASH vouchers. Our most recent partnership with Placer County Housing Authority (PCHA) involves the FSS program. b. PROGRESS: RHA continues its FSS program collaboration with PCHA through the joint FSS Program Coordinating Committee. The committee meets quarterly and consistently adds new members and resources. c. PROGRESS: RHA collaborates with PHAs throughout Northern California to share information, facilitating improvements in program administration, strategies for avoiding shortfall, and improve Port Out/Port In procedures.
B.4.	Capital Improvements. Include a reference here to the most recent HUD-approved 5-Year Action Plan in EPIC and the date that it was approved.
B.5	Most Recent Fiscal Year Audit. (a) Were there any findings in the most recent FY Audit? Y N ☐ ☒ (b) If yes, please describe:
C.	Other Document and/or Certification Requirements.
C.1	Resident Advisory Board (RAB) Comments. (a) Did the RAB(s) have comments to the PHA Plan? Y N ☐ ☐ (b) If yes, comments must be submitted by the PHA as an attachment to the PHA Plan. PHAs must also include a narrative describing their analysis of the RAB recommendations and the decisions made on these recommendations.
C.2	Certification by State or Local Officials. Form HUD-50077-SL, <i>Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan</i>, must be submitted by the PHA as an electronic attachment to the PHA Plan.
C.3	Civil Rights Certification/Certification Listing Policies and Programs that the PHA has Revised since Submission of its Last Annual Plan. Form 50077-ST-HCV-HP, <i>PHA Certifications of Compliance with PHA Plan, Civil Rights, and Related Laws and Regulations Including PHA Plan Elements that Have Changed</i> must be submitted by the PHA as an electronic attachment to the PHA Plan.
C.4	Challenged Elements. If any element of the PHA Plan is challenged, a PHA must include such information as an attachment with a description of any challenges to Plan elements, the source of the challenge, and the PHA's response to the public. (a) Did the public challenge any elements of the Plan? Y N ☐ ☐ If yes, include Challenged Elements.

D.	Affirmatively Furthering Fair Housing (AFFH).						
D.1	Affirmatively Furthering Fair Housing. Provide a statement of the PHA's strategies and actions to achieve fair housing goals outlined in an accepted Assessment of Fair Housing (AFH) consistent with 24 CFR § 5.154(d)(5). Use the chart provided below. (PHAs should add as many goals as necessary to overcome fair housing issues and contributing factors.) Until such time as the PHA is required to submit an AFH, the PHA is not obligated to complete this chart. The PHA will fulfill, nevertheless, the requirements at 24 CFR § 903.7(o) enacted prior to August 17, 2015. See Instructions for further detail on completing this item. <table border="1"> <tr> <td>Fair Housing Goal:</td> </tr> <tr> <td><u><i>Describe fair housing strategies and actions to achieve the goal</i></u></td> </tr> </table> <table border="1"> <tr> <td>Fair Housing Goal:</td> </tr> <tr> <td><u><i>Describe fair housing strategies and actions to achieve the goal</i></u></td> </tr> </table> <table border="1"> <tr> <td>Fair Housing Goal:</td> </tr> <tr> <td><u><i>Describe fair housing strategies and actions to achieve the goal</i></u></td> </tr> </table>	Fair Housing Goal:	<u><i>Describe fair housing strategies and actions to achieve the goal</i></u>	Fair Housing Goal:	<u><i>Describe fair housing strategies and actions to achieve the goal</i></u>	Fair Housing Goal:	<u><i>Describe fair housing strategies and actions to achieve the goal</i></u>
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Instructions for Preparation of Form HUD-50075-HP

Annual Plan for High Performing PHAs

A. PHA Information. All PHAs must complete this section. (24 CFR §903.4)

- A.1** Include the full **PHA Name**, **PHA Code**, **PHA Type**, **PHA Fiscal Year Beginning** (MM/YYYY), **PHA Inventory**, **Number of Public Housing Units and or Housing Choice Vouchers (HCVs)**, **PHA Plan Submission Type**, and the **Availability of Information**, specific location(s) of all information relevant to the public hearing and proposed PHA Plan. ([24 CFR §903.23\(4\)\(e\)](#))

PHA Consortia: Check box if submitting a Joint PHA Plan and complete the table. ([24 CFR §943.128\(a\)](#))

B. Plan Elements.

B.1 Revision of Existing PHA Plan Elements. PHAs must:

Identify specifically which plan elements listed below that have been revised by the PHA. To specify which elements have been revised, mark the “yes” box. If an element has not been revised, mark “no.”

☐ **Statement of Housing Needs and Strategy for Addressing Housing Needs.** Provide a statement addressing the housing needs of low-income, very low-income and extremely low-income families and a brief description of the PHA’s strategy for addressing the housing needs of families who reside in the jurisdiction served by the PHA and other families who are on the public housing and Section 8 tenant-based assistance waiting lists. The statement must identify the housing needs of (i) families with incomes below 30 percent of area median income (extremely low-income); (ii) elderly families (iii) households with individuals with disabilities, and households of various races and ethnic groups residing in the jurisdiction or on the public housing and Section 8 tenant-based assistance waiting lists based on information provided by the applicable Consolidated Plan, information provided by HUD, and other generally available data. The statement of housing needs shall be based on information provided by the applicable Consolidated Plan, information provided by HUD, and generally available data. The identification of housing needs must address issues of affordability, supply, quality, accessibility, size of units, and location. Once the PHA has submitted an Assessment of Fair Housing (AFH), which includes an assessment of disproportionate housing needs in accordance with 24 CFR §5.154(d)(2)(iv), information on households with individuals with disabilities and households of various races and ethnic groups residing in the jurisdiction or on the waiting lists no longer needs to be included in the Statement of Housing Needs and Strategy for Addressing Housing Needs. (24 CFR §903.7(a)).

The identification of housing needs must address issues of affordability, supply, quality, accessibility, size of units, and location. ([24 CFR §903.7\(a\)\(2\)\(i\)](#)) Provide a description of the ways in which the PHA intends, to the maximum extent practicable, to address those housing needs in the upcoming year and the PHA’s reasons for choosing its strategy. ([24 CFR §903.7\(a\)\(2\)\(ii\)](#))

☐ **Deconcentration and Other Policies that Govern Eligibility, Selection and Admissions.** Describe the PHA’s admissions policy for deconcentration of poverty and income mixing of lower-income families in public housing. The Deconcentration Policy must describe the PHA’s policy for bringing higher income tenants into lower income developments and lower income tenants into higher income developments. The deconcentration requirements apply to general occupancy and family public housing developments. Refer to 24 CFR §903.2(b)(2) for developments not subject to deconcentration of poverty and income mixing requirements. ([24 CFR §903.7\(b\)](#)) Describe the PHA’s procedures for maintaining waiting lists for admission to public housing and address any site-based waiting lists. ([24 CFR §903.7\(b\)](#)) A statement of the PHA’s policies that govern resident or tenant eligibility, selection and admission including admission preferences for both public housing and HCV. ([24 CFR §903.7\(b\)](#)) Describe the unit assignment policies for public housing. ([24 CFR §903.7\(b\)](#))

☐ **Financial Resources.** A statement of financial resources, including a listing by general categories, of the PHA’s anticipated resources, such as PHA operating, capital and other anticipated Federal resources available to the PHA, as well as tenant rents and other income available to support public housing or tenant-based assistance. The statement also should include the non-Federal sources of funds supporting each Federal program, and state the planned use for the resources. ([24 CFR §903.7\(c\)](#))

☐ **Rent Determination.** A statement of the policies of the PHA governing rents charged for public housing and HCV dwelling units, including applicable public housing flat rents, minimum rents, voucher family rent contributions, and payment standard policies. ([24 CFR §903.7\(d\)](#))

☐ **Homeownership Programs.** A description of any homeownership programs (including project number and unit count) administered by the agency or for which the PHA has applied or will apply for approval. For years in which the PHA’s 5-Year PHA Plan is also due, this information must be included only to the extent that the PHA participates in homeownership programs under section 8(y) of the 1937 Act. ([24 CFR §903.7\(k\)](#)) and 24 CFR §903.12(b).

☐ **Safety and Crime Prevention (VAWA).** A description of: **1)** Any activities, services, or programs provided or offered by an agency, either directly or in partnership with other service providers, to child or adult victims of domestic violence, dating violence, sexual assault, or stalking; **2)** Any activities, services, or programs provided or offered by a PHA that helps child and adult victims of domestic violence, dating violence, sexual assault, or stalking, to obtain or maintain housing; and **3)** Any activities, services, or programs provided or offered by a public housing agency to prevent domestic violence, dating violence, sexual assault, and stalking, or to enhance victim safety in assisted families. ([24 CFR §903.7\(m\)\(5\)](#))

☐ **Pet Policy.** Describe the PHA’s policies and requirements pertaining to the ownership of pets in public housing. ([24 CFR §903.7\(n\)](#))

☐ **Substantial Deviation.** PHA must provide its criteria for determining a “substantial deviation” to its 5-Year Plan. ([24 CFR §903.7\(r\)\(2\)\(i\)](#))

☐ **Significant Amendment/Modification.** PHA must provide its criteria for determining a “Significant Amendment or Modification” to its 5-Year and Annual Plan. For modifications resulting from the Rental Assistance Demonstration (RAD) program, refer to the ‘Sample PHA Plan Amendment’ found in Notice PIH-2012-32 REV-3, successor RAD Implementation Notices, or other RAD Notices.

If any boxes are marked “yes”, describe the revision(s) to those element(s) in the space provided.

PHAs must submit a Deconcentration Policy for Field Office review. For additional guidance on what a PHA must do to deconcentrate poverty in its development and comply with fair housing requirements, see [24 CFR 903.2](#). ([24 CFR §903.23\(b\)](#))

B.2 New Activities. If the PHA intends to undertake any new activities related to these elements or discretionary policies in the current Fiscal Year, mark “yes” for those elements, and describe the activities to be undertaken in the space provided. If the PHA does not plan to undertake these activities, mark “no.”

☐ **HOPE VI.** 1) A description of any housing (including project name, number (if known) and unit count) for which the PHA will apply for HOPE VI; and 2) A timetable for the submission of applications or proposals. The application and approval process for Hope VI is a separate process. See guidance on HUD’s website at: https://www.hud.gov/program_offices/public_indian_housing/programs/ph/hope6. ([Notice PIH 2011-47](#))

☐ **Mixed Finance Modernization or Development.** 1) A description of any housing (including name, project number (if known) and unit count) for which the PHA will apply for Mixed Finance Modernization or Development; and 2) A timetable for the submission of applications or proposals. The application and approval process for Mixed Finance Modernization or Development is a separate process. See guidance on HUD’s website at: https://www.hud.gov/program_offices/public_indian_housing/programs/ph/hope6/mfph#4

☐ **Demolition and/or Disposition.** With respect to public housing only, describe any public housing development(s), or portion of a public housing development projects, owned by the PHA and subject to ACCs (including project number and unit numbers [or addresses]), and the number of affected units along with their sizes and accessibility features) for which the PHA will apply or is currently pending for demolition or disposition approval under section 18 of the 1937 Act (42 U.S.C. 1437p); and (2) A timetable for the demolition or disposition. This statement must be submitted to the extent that approved and/or pending demolition and/or disposition has changed as described in the PHA’s last Annual and/or 5-Year PHA Plan submission. The application and approval process for demolition and/or disposition is a separate process. Approval of the PHA Plan does not constitute approval of these activities. See guidance on HUD’s website at: http://www.hud.gov/offices/pih/centers/sac/demo_dispo/index.cfm. ([24 CFR §903.7\(h\)](#))

☐ **Conversion of Public Housing under the Voluntary or Mandatory Conversion programs.** Describe any public housing building(s) (including project number and unit count) owned by the PHA that the PHA is required to convert or plans to voluntarily convert to tenant-based assistance; 2) An analysis of the projects or buildings required to be converted; and 3) A statement of the amount of assistance received to be used for rental assistance or other housing assistance in connection with such conversion. See guidance on HUD’s website at: <http://www.hud.gov/offices/pih/centers/sac/conversion.cfm>. ([24 CFR §903.7\(j\)](#))

☐ **Conversion of Public Housing under the Rental Assistance Demonstration (RAD) program.** Describe any public housing building(s) (including project number and unit count) owned by the PHA that the PHA plans to voluntarily convert to Project-Based Assistance or Project-Based Vouchers under RAD. See additional guidance on HUD’s website at: [Notice PIH 2012-32 REV-3, successor RAD Implementation Notices, and other RAD notices.](#)

☐ **Project-Based Vouchers.** Describe any plans to use HCVs for new project-based vouchers. ([24 CFR §983.57\(b\)\(1\)](#)) If using project-based vouchers, provide the projected number of project-based units and general locations and describe how project-basing would be consistent with the PHA Plan.

☐ **Units with Approved Vacancies for Modernization.** The PHA must include a statement related to units with approved vacancies that are undergoing modernization in accordance with [24 CFR §990.145\(a\)\(1\)](#).

☐ **Other Capital Grant Programs** (i.e., Capital Fund Community Facilities Grants or Emergency Safety and Security Grants).

B.3 Progress Report. For all Annual Plans following submission of the first Annual Plan, a PHA must include a brief statement of the PHA’s progress in meeting the mission and goals described in the 5-Year PHA Plan. ([24 CFR §903.7\(r\)\(1\)](#))

B.4 Capital Improvements. PHAs that receive funding from the Capital Fund Program (CFP) must complete this section. ([24 CFR §903.7 \(g\)](#)). To comply with this requirement, the PHA must reference the most recent HUD approved Capital Fund 5 Year Action Plan in EPIC and the date that it was approved. PHAs can reference the form by including the following language in the Capital Improvement section of the appropriate Annual or Streamlined PHA Plan Template: “See Capital Fund 5 Year Action Plan in EPIC approved by HUD on XX/XX/XXXX.”

B.5 Most Recent Fiscal Year Audit. If the results of the most recent fiscal year audit for the PHA included any findings, mark “yes” and describe those findings in the space provided. ([24 CFR §903.7\(p\)](#))

C. Other Document and/or Certification Requirements

C.1 Resident Advisory Board (RAB) comments. If the RAB had comments on the annual plan, mark “yes,” submit the comments as an attachment to the Plan and describe the analysis of the comments and the PHA’s decision made on these recommendations. ([24 CFR §903.13\(c\)](#), [24 CFR §903.19](#))

C.2 Certification by State of Local Officials. Form HUD-50077-SL, *Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan*, must be submitted by the PHA as an electronic attachment to the PHA Plan. ([24 CFR §903.15](#)). Note: A PHA may request to change its fiscal year to better coordinate its planning with planning done under the Consolidated Plan process by State or local officials as applicable.

C.3 Civil Rights Certification/ Certification Listing Policies and Programs that the PHA has Revised since Submission of its Last Annual Plan. Provide a certification that the following plan elements have been revised, provided to the RAB for comment before implementation, approved by the PHA board, and made available for review and inspection by the public. This requirement is satisfied by completing and submitting form HUD-50077 ST-HCV-HP, *PHA Certifications of Compliance with PHA Plan, Civil Rights, and Related Laws and Regulations Including PHA Plan Elements that Have Changed*. Form HUD-50077-ST-HCV-HP, *PHA Certifications of Compliance with PHA Plan, Civil Rights, and Related Laws and Regulations Including PHA Plan Elements that Have Changed* must be submitted by the PHA as an electronic attachment to the PHA Plan. This includes all certifications relating to Civil Rights and related regulations. A PHA will be considered in compliance with the certification requirement to affirmatively further fair housing if the PHA fulfills the requirements of §§ 903.7(o)(1) and 903.15(d) and: (i) examines its programs or proposed programs; (ii) identifies any fair housing issues and contributing factors within those programs, in accordance with 24 CFR 5.154; or 24 CFR 5.160(a)(3) as applicable (iii) specifies actions and strategies designed to address contributing factors, related fair housing issues, and goals in the applicable Assessment of Fair Housing consistent with 24 CFR 5.154 in a reasonable manner in view of the resources available; (iv) works with jurisdictions to implement any of the jurisdiction’s initiatives to affirmatively further

fair housing that require the PHA's involvement; (v) operates programs in a manner consistent with any applicable consolidated plan under 24 CFR part 91, and with any order or agreement, to comply with the authorities specified in paragraph (o)(1) of this section; (vi) complies with any contribution or consultation requirement with respect to any applicable AFH, in accordance with 24 CFR 5.150 through 5.180; (vii) maintains records reflecting these analyses, actions, and the results of these actions; and (viii) takes steps acceptable to HUD to remedy known fair housing or civil rights violations. impediments to fair housing choice within those programs; addresses those impediments in a reasonable fashion in view of the resources available; works with the local jurisdiction to implement any of the jurisdiction's initiatives to affirmatively further fair housing; and assures that the annual plan is consistent with any applicable Consolidated Plan for its jurisdiction. (24 CFR §903.7(o)).

C.4 Challenged Elements. If any element of the Annual PHA Plan or 5-Year PHA Plan is challenged, a PHA must include such information as an attachment to the Annual PHA Plan or 5-Year PHA Plan with a description of any challenges to Plan elements, the source of the challenge, and the PHA's response to the public.

D. Affirmatively Furthering Fair Housing.

D.1 Affirmatively Furthering Fair Housing.

The PHA will use the answer blocks in item D.1 to provide a statement of its strategies and actions to implement each fair housing goal outlined in its accepted Assessment of Fair Housing (AFH) consistent with 24 CFR § 5.154(d)(5) that states, in relevant part: "To implement goals and priorities in an AFH, strategies and actions shall be included in program participants' ... PHA Plans (including any plans incorporated therein) Strategies and actions must affirmatively further fair housing" Use the chart provided to specify each fair housing goal from the PHA's AFH for which the PHA is the responsible program participant – whether the AFH was prepared solely by the PHA, jointly with one or more other PHAs, or in collaboration with a state or local jurisdiction – and specify the fair housing strategies and actions to be implemented by the PHA during the period covered by this PHA Plan. If there are more than three fair housing goals, add answer blocks as necessary.

Until such time as the PHA is required to submit an AFH, the PHA will not have to complete section D., nevertheless , the PHA will address its obligation to affirmatively further fair housing by fulfilling the requirements at 24 CFR 903.7(o)(3) enacted prior to August 17, 2015, which means that it examines its own programs or proposed programs; identifies any impediments to fair housing choice within those programs; addresses those impediments in a reasonable fashion in view of the resources available; works with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement; and maintain records reflecting these analyses and actions. Furthermore, under Section 5A(d)(15) of the U.S. Housing Act of 1937, as amended, a PHA must submit a civil rights certification with its Annual PHA Plan, which is described at 24 CFR 903.7(o)(1) except for qualified PHAs who submit the Form HUD-50077-CR as a standalone document.

This information collection is authorized by Section 511 of the Quality Housing and Work Responsibility Act, which added a new section 5A to the U.S. Housing Act of 1937, as amended, which introduced the 5-Year and Annual PHA Plan. The 5-Year and Annual PHA Plans provide a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA's operations, programs, and services, and informs HUD, families served by the PHA, and members of the public of the PHA's mission, goals and objectives for serving the needs of low- income, very low- income, and extremely low- income families.

Public reporting burden for this information collection is estimated to average 7.02 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information, and respondents are not required to complete this form, unless it displays a currently valid OMB Control Number.

Privacy Act Notice. The United States Department of Housing and Urban Development is authorized to solicit the information requested in this form by virtue of Title 12, U.S. Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The information requested does not lend itself to confidentiality.

5-Year PHA Plan (for All PHAs)	U.S. Department of Housing and Urban Development Office of Public and Indian Housing	OMB No. 2577-0226 Expires: 03/31/2024
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Purpose. The 5-Year and Annual PHA Plans provide a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA’s operations, programs, and services, and informs HUD, families served by the PHA, and members of the public of the PHA’s mission, goals and objectives for serving the needs of low- income, very low- income, and extremely low- income families

Applicability. The **Form HUD-50075-5Y** is to be completed once every 5 PHA fiscal years by all PHAs.

A.	PHA Information.																																
A.1	PHA Name: <u>Roseville Housing Authority</u> PHA Code: <u>CA128</u> PHA Plan for Fiscal Year Beginning: (MM/YYYY): <u>07/2025</u> The Five-Year Period of the Plan (i.e. 2019-2023): <u>07/2025-06/2030</u> PHA Plan Submission Type: ☒ 5-Year Plan Submission ☐ Revised 5-Year Plan Submission Availability of Information. In addition to the items listed in this form, PHAs must have the elements listed below readily available to the public. A PHA must identify the specific location(s) where the proposed PHA Plan, PHA Plan Elements, and all information relevant to the public hearing and proposed PHA Plan are available for inspection by the public. Additionally, the PHA must provide information on how the public may reasonably obtain additional information on the PHA policies contained in the standard Annual Plan, but excluded from their streamlined submissions. At a minimum, PHAs must post PHA Plans, including updates, at each Asset Management Project (AMP) and main office or central office of the PHA. PHAs are strongly encouraged to post complete PHA Plans on their official websites. PHAs are also encouraged to provide each resident council a copy of their PHA Plans. <i>Copies of the PHA Plans may be obtained at the Agency’s main office:</i> 316 Vernon Street, Suite 150 Roseville, CA 95678 <i>5 Year and Annual PHA Plans are also available on the website at www.roseville.ca.us/rha</i> ☐ PHA Consortia: (Check box if submitting a Joint PHA Plan and complete table below.) <table border="1"> <thead> <tr> <th rowspan="2">Participating PHAs</th> <th rowspan="2">PHA Code</th> <th rowspan="2">Program(s) in the Consortia</th> <th rowspan="2">Program(s) not in the Consortia</th> <th colspan="2">No. of Units in Each Program</th> </tr> <tr> <th>PH</th> <th>HCV</th> </tr> </thead> <tbody> <tr> <td>Lead PHA:</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Participating PHAs	PHA Code	Program(s) in the Consortia	Program(s) not in the Consortia	No. of Units in Each Program		PH	HCV	Lead PHA:																							
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B.	Plan Elements. Required for <u>all</u> PHAs completing this form.
B.1	Mission. State the PHA’s mission for serving the needs of low-income, very low-income, and extremely low-income families in the PHA’s jurisdiction for the next five years. The mission of the Roseville Housing Authority is to provide opportunity for decent, safe, and sanitary affordable housing to very low and extremely low-income families in Roseville and Rocklin by: • Effectively administering Housing Choice Voucher rental assistance funds • Encouraging family self-sufficiency • Collaborating with homeless housing service providers and other local jurisdictions • Delivering a high level of customer service The mission shall be accomplished by a fiscally responsible, creative organization committed to excellence in public service.
B.2	Goals and Objectives. Identify the PHA’s quantifiable goals and objectives that will enable the PHA to serve the needs of low-income, very low-income, and extremely low-income families for the next five years. Expand the supply of assisted housing. • Roseville Housing Authority (RHA) will apply for additional VASH, Mainstream, and Foster Youth to Independence (FYI) vouchers as they become available. Additionally, if new voucher programs are released and RHA has the participant population that can utilize those vouchers, RHA will apply. Improve the quality of assisted housing. • Roseville Housing Authority will maintain its high-performer rating (SEMAP score). • Roseville Housing Authority will employ project basing vouchers as a means for improving the quality of assisted housing, as it will provide greater opportunity for review and priority to vouchers in new and rehabilitated housing. Increase assisted housing choices. • Roseville Housing Authority will continue to encourage property owners to provide available unit information on AffordableHousing.com for Housing Choice Voucher holders that are searching for a rental unit. • Roseville Housing Authority established an owner incentive program in 2023 in hopes of attracting new owners to the Housing Choice Voucher (HCV) program. • Roseville Housing Authority will monitor HAP payments monthly to ensure that at least 98% of the Annual Contributions Contract is utilized or that 98% of total unit months are leased each year. Affirmatively further Fair Housing • Roseville Housing Authority will provide training opportunities for staff to promote equal opportunity in housing. • Roseville Housing Authority will work with Project Sentinel a fair housing agency to offer landlords fair housing training once a year. Collaborate with neighboring housing authorities to optimize administration of the Housing Choice Voucher Program. • Roseville Housing Authority works closely with Placer County Housing Authority • RHA collaborates with PHAs in Northern California to share information, facilitating improvements in program administration.

B.3	Progress Report. Include a report on the progress the PHA has made in meeting the goals and objectives described in the previous 5-Year Plan. 1. Expand the supply of assisted housing. a. PROGRESS: RHA has a total of 100 VASH vouchers. In addition to the 40 VASH vouchers awarded between 2014 and 2020 to lease up veterans, RHA had the opportunity to request and was awarded additional VASH vouchers as follows: • 25 awarded January 2021 • 10 awarded January 2022 • 10 awarded February 2023 • 15 awarded April 2024 • Roseville Housing Authority (RHA) will apply for additional VASH vouchers if they become available. b. PROGRESS: RHA has a total of 43 Mainstream (MS) vouchers. In addition to the 19 MS vouchers awarded between 2018 and 2020. RHA had the opportunity to request and was awarded 10 additional MS vouchers in September 2022. c. PROGRESS: RHA was awarded 20 Foster Youth to Independence (FYI) vouchers in August 2024 and will continue to apply for additional FYI and Foster Care Unification (FUP) vouchers when made available. 2. Improve the quality of assisted housing. a. PROGRESS: RHA introduced project-based vouchers (PBVs) in January 2017. Currently, 46 PBV units are under HAP contract, achieving a 100% lease rate. An RFP offering 75 PBVs resulted in six developer applications, with 60 PBVs awarded across all projects. Additionally, eight PBVs were allocated to a Permanent Supportive Housing project • PROGRESS: 30 new build PBV units were 100% leased by February 2021, including 19 VASH PBVs. • PROGRESS: 16 new build PBV units were leased by December 2024. • PROGRESS: 16 additional new build and renovated PBV units are scheduled to be completed and leased by the end of 2025, including 4 VASH PBVs. b. PROGRESS: RHA has maintained it's SEMAP High Performer status rating for 20 years. 3. Increase Assisted Housing Choices a. PROGRESS: RHA encourages and recommends that property owners list their available units on AffordableHousing.com. This service is free for owners who would like to list basic rental unit information. b. PROGRESS: In 2023 RHA established an owner's incentive program in hopes of attracting new owners to the HCV program. The program remains successful and, to date the incentive program has attracted 64 new owners. c. PROGRESS: Roseville Housing Authority (RHA) is making significant strides in providing more housing options for residents in Roseville and Rocklin. The success of previous projects reaching full occupancy is a promising indicator of the demand and effectiveness of these initiatives. With new Project-Based Voucher (PBV) projects coming online, RHA is well-positioned to continue expanding housing choices and supporting the community. 4. Affirmatively further Fair Housing a. PROGRESS: RHA works closely with Project Sentinel, a fair housing agency, to provide fair housing and reasonable accommodation training at least once a year to housing authority staff, property management and owners, and the public. 5. Collaborate with neighboring housing authorities to optimize administration of the Housing Choice Voucher Program a. PROGRESS: RHA continues to collaborate with PCHA on various PHA programs, including the EHV program and VASH vouchers. Our most recent partnership with PCHA involves the FSS program. b. PROGRESS: RHA continues its collaboration with PCHA through the joint FSS Program Coordinating Committee. The committee meets quarterly and consistently adds new members and resources. c. PROGRESS: RHA collaborates with PHAs in Northern California to share information, facilitating improvements in program administration, strategies for avoiding shortfall, and improve Port Out/Port In procedures.
B.4	Violence Against Women Act (VAWA) Goals. Provide a statement of the PHA's goals, activities, objectives, policies, or programs that will enable the PHA to serve the needs of child and adult victims of domestic violence, dating violence, sexual assault, or stalking. HA supports the goals and objectives of VAWA. The RHA has policies on notification, documentation, and confidentiality including: • requesting documentation from victims of domestic violence, dating violence, sexual assault, and stalking and maintaining confidentiality of information obtained. • prohibiting denial of assistance to an otherwise qualified applicant on the basis that the applicant has been a victim of domestic violence, dating violence, sexual assault, or stalking. • termination of assistance for victims and perpetrators of domestic violence, dating violence, sexual assault, or stalking • notifying applicants and participants of their rights under VAWA at briefing and when denied assistance or terminated from the program. • emergency transfers, which allow participants who are victims of domestic violence, dating violence, sexual assault, or stalking to request an emergency transfer from their current unit to another unit; the Emergency Transfer Plan defines participants eligible for an emergency transfer, lists documentation needed to request a transfer, outlines confidentiality protections, describes how an emergency transfer may occur and guidance on safety and security.
C.	Other Document and/or Certification Requirements.
C.1	Significant Amendment or Modification. Provide a statement on the criteria used for determining a significant amendment or modification to the 5-Year Plan. The criteria RHA uses for determining a significant amendment or modification to the 5 Year Plan is a deviation from standard operating procedures that would impact access to programs or expenditures. An example includes changes to the PHA admission or waiting list policies.

C.2	Resident Advisory Board (RAB) Comments. (a) Did the RAB(s) have comments to the 5-Year PHA Plan? Y N ☐ ☐ (b) If yes, comments must be submitted by the PHA as an attachment to the 5-Year PHA Plan. PHAs must also include a narrative describing their analysis of the RAB recommendations and the decisions made on these recommendations.
C.3	Certification by State or Local Officials. Form HUD-50077-SL, <i>Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan</i>, must be submitted by the PHA as an electronic attachment to the PHA Plan.
C.4	Required Submission for HUD FO Review. (a) Did the public challenge any elements of the Plan? Y N ☐ ☐ (b) If yes, include Challenged Elements.
D.	Affirmatively Furthering Fair Housing (AFFH).

D.1

Affirmatively Furthering Fair Housing. (Non-qualified PHAs are only required to complete this section on the Annual PHA Plan. All qualified PHAs must complete this section.)

Provide a statement of the PHA's strategies and actions to achieve fair housing goals outlined in an accepted Assessment of Fair Housing (AFH) consistent with 24 CFR § 5.154(d)(5). Use the chart provided below. (PHAs should add as many goals as necessary to overcome fair housing issues and contributing factors.) Until such time as the PHA is required to submit an AFH, the PHA is not obligated to complete this chart. The PHA will fulfill, nevertheless, the requirements at 24 CFR § 903.7(o) enacted prior to August 17, 2015. See Instructions for further detail on completing this item.

Fair Housing Goal:

Describe fair housing strategies and actions to achieve the goal

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Instructions for Preparation of Form HUD-50075-5Y - 5-Year PHA Plan for All PHAs

A. PHA Information. All PHAs must complete this section. (24 CFR § 903.4)

A.1 Include the full **PHA Name**, **PHA Code**, **PHA Fiscal Year Beginning** (MM/YYYY), **Five-Year Period** that the Plan covers, i.e. 2019-2023, **PHA Plan Submission Type**, and the **Availability of Information**, specific location(s) of all information relevant to the hearing and proposed PHA Plan.

PHA Consortia: Check box if submitting a Joint PHA Plan and complete the table.

B. Plan Elements.

B.1 Mission. State the PHA's mission for serving the needs of low- income, very low- income, and extremely low- income families in the PHA's jurisdiction for the next five years. (24 CFR § 903.6(a)(1))

B.2 Goals and Objectives. Identify the PHA's quantifiable goals and objectives that will enable the PHA to serve the needs of low- income, very low- income, and extremely low- income families for the next five years. (24 CFR § 903.6(b)(1))

B.3 Progress Report. Include a report on the progress the PHA has made in meeting the goals and objectives described in the previous 5-Year Plan. (24 CFR § 903.6(b)(2))

B.4 Violence Against Women Act (VAWA) Goals. Provide a statement of the PHA's goals, activities objectives, policies, or programs that will enable the PHA to serve the needs of child and adult victims of domestic violence, dating violence, sexual assault, or stalking. (24 CFR § 903.6(a)(3)).

C. Other Document and/or Certification Requirements.

C.1 Significant Amendment or Modification. Provide a statement on the criteria used for determining a significant amendment or modification to the 5-Year Plan. For modifications resulting from the Rental Assistance Demonstration (RAD) program, refer to the 'Sample PHA Plan Amendment' found in Notice PIH-2012-32, REV 2.

C.2 Resident Advisory Board (RAB) comments.

(a) Did the public or RAB have comments?

(b) If yes, submit comments as an attachment to the Plan and describe the analysis of the comments and the PHA's decision made on these recommendations. (24 CFR § 903.17(b), 24 CFR § 903.19)

C.3 Certification by State or Local Officials.

[Form HUD-50077-SL](#), *Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan*, must be submitted by the PHA as an electronic attachment to the PHA Plan.

C.4 Required Submission for HUD FO Review.

Challenged Elements.

(a) Did the public challenge any elements of the Plan?

(b) If yes, include such information as an attachment to the Annual PHA Plan or 5-Year PHA Plan with a description of any challenges to Plan elements, the source of the challenge, and the PHA's response to the public.

D. Affirmatively Furthering Fair Housing.

(Non-qualified PHAs are only required to complete this section on the Annual PHA Plan. All qualified PHAs must complete this section.)

D.1 Affirmatively Furthering Fair Housing. The PHA will use the answer blocks in item D.1 to provide a statement of its strategies and actions to implement each fair housing goal outlined in its accepted Assessment of Fair Housing (AFH) consistent with 24 CFR § 5.154(d)(5) that states, in relevant part: "To implement goals and priorities in an AFH, strategies and actions shall be included in program participants' ... PHA Plans (including any plans incorporated therein) Strategies and actions must affirmatively further fair housing" Use the chart provided to specify each fair housing goal from the PHA's AFH for which the PHA is the responsible program participant – whether the AFH was prepared solely by the PHA, jointly with one or more other PHAs, or in collaboration with a state or local jurisdiction – and specify the fair housing strategies and actions to be implemented by the PHA during the period covered by this PHA Plan. If there are more than three fair housing goals, add answer blocks as necessary.

Until such time as the PHA is required to submit an AFH, the PHA will not have to complete section D.; nevertheless, the PHA will address its obligation to affirmatively further fair housing in part by fulfilling the requirements at 24 CFR 903.7(o)(3) enacted prior to August 17, 2015, which means that it examines its own programs or proposed programs; identifies any impediments to fair housing choice within those programs; addresses those impediments in a reasonable fashion in view of the resources available; works with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement; and maintain records reflecting these analyses and actions. Furthermore, under Section 5A(d)(15) of the U.S. Housing Act of 1937, as amended, a PHA must submit a civil rights certification with its Annual PHA Plan, which is described at 24 CFR 903.7(o)(1) except for qualified PHAs who submit the Form HUD-50077-CR as a standalone document.

This information collection is authorized by Section 511 of the Quality Housing and Work Responsibility Act, which added a new section 5A to the U.S. Housing Act of 1937, as amended, which introduced the 5-Year PHA Plan. The 5-Year PHA Plan provides the PHA's mission, goals and objectives for serving the needs of low- income, very low- income, and extremely low- income families and the progress made in meeting the goals and objectives described in the previous 5-Year Plan.

Public reporting burden for this information collection is estimated to average 1.64 hours per year per response or 8.2 hours per response every five years, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information, and respondents are not required to complete this form, unless it displays a currently valid OMB Control Number.

Privacy Act Notice. The United States Department of Housing and Urban Development is authorized to solicit the information requested in this form by virtue of Title 12, U.S. Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The information requested does not lend itself to confidentiality.