



# CITY OF CRESCENT CITY

Mayor Blake Inscore  
Council Member Alex Fallman  
Council Member Isaiah Wright

Mayor Pro Tem Heidi Kime  
Council Member Jason Greenough

## AGENDA REGULAR CITY COUNCIL MEETING VIRTUAL VIA ZOOM

**MONDAY**

**AUGUST 17, 2020**

**6:00 P.M.**

Due to the current public health emergency resulting from COVID-19, the public may access and participate in the public meeting using one or more of the following three methods: (1) participate online via Zoom – details to join the meeting will be on both the [City of Crescent City – City Hall Facebook page](#) as well as the [City of Crescent City website \(www.crescentcity.org\)](#); (2) watch the meeting via livestream on YouTube (Channel: [City of Crescent City, California](#)) and submit comments via [publiccomment@crescentcity.org](mailto:publiccomment@crescentcity.org); or submit a written comment by filing it with the City Clerk at 377 J Street, Crescent City, California 95531 prior to 4:00 pm, August 17, 2020. If you require a special accommodation, please contact City Clerk Robin Patch at 464-7483 ext. 223.

*Due to lack of items to discuss, there will not be a closed session.*

### **OPEN SESSION**

Call to order  
Roll call  
Pledge of Allegiance

### **PUBLIC COMMENT PERIOD**

*Any member of the audience is invited to address the City Council on any matter that is within the jurisdiction of the City of Crescent City. Comments of public interest or on matters appearing on the agenda are accepted. Note, however, that the Council is not able to undertake extended discussion or act on non-agendized items. Such items can be referred to staff for appropriate action, which may include placement on a future agenda. All comments shall be directed toward the entire Council. Any comments that are not at the microphone are out of order and will not be a part of the public record. After receiving recognition from the Mayor, please state your name and city or county residency for the record. Public comment is limited to three (3) minutes. The public is additionally allotted three minutes each in which to speak on any item on the agenda prior to any action taken by the Council.*

### **CEREMONIAL ITEMS**

**1. Moment of Silence for Volunteers in Police Service Member, Victoria Zizzo**

**2. Proclamation for September as Suicide Awareness and Prevention + Action Month**

## CONSENT CALENDAR

### **3. Council Meeting Minutes**

- *Recommendation: Approve the August 3, 2020 regular meeting minutes of the City Council.*

### **4. Warrant Claims List**

- *Recommendation: Receive and file the warrant claims list for the period July 25, 2020 through August 7, 2020.*

### **5. Payroll Report**

- *Recommendation: Receive and file the biweekly payroll report for the period ending August 1, 2020 paid August 7, 2020.*

### **6. Budget-to-Actual Financial Report for July 2020**

- *Recommendation: Receive and file the monthly budget-to-actual financial report of the City's major operating funds for the month of July 2020*

### **7. Confirming a Local Emergency Continues to Exist**

- *Recommendation: Adopt Resolution No. 2020-70, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CRESCENT CITY CONFIRMING A LOCAL EMERGENCY CONTINUES TO EXIST*

### **8. Water Model Project Rollover**

- *Recommendation: Adopt Resolution No. 2020-71, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CRESCENT CITY AMENDING THE FISCAL YEAR 2020-2021 BUDGET OF THE CITY OF CRESCENT CITY*

### **9. Cannabis Permit and Budget Adjustments**

- *Recommendation: Adopt Resolution No. 2020-72, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CRESCENT CITY AMENDING THE FISCAL YEAR 2019-2020 BUDGET*
- *Adopt Resolution No. 2020-73, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CRESCENT CITY AMENDING THE FISCAL YEAR 2020-2021 BUDGET*

### **10. Arcata Economic Development Center (AEDC) Letter of Support**

- *Recommendation: Ratify the City Manager's signature on a letter of support for AEDC's funding request of the Economic Development Administration.*

### **11. Front Street Storm Drain Project Change Order 1**

- *Recommendation: Ratify change order 1 for the Front Street Storm Drain Project*

### **12. MOU with Del Norte County to Utilize 2020 Community Development Block Grant (CDBG) Coronavirus Response Round 1 Funds**

- *Recommendation: Authorize the City Manager to execute a Memorandum of Understanding between City of Crescent City and Del Norte County to apply for and utilize CDBG Coronavirus Response Round 1 funds for a county-wide mobile food pantry program*

## REPORTS AND PRESENTATIONS - None

## PUBLIC HEARINGS - None

## CONTINUING BUSINESS

### **13. November 2020 General Sales Tax Ballot Measure**

- *Recommendation: Hear staff report*
- *Receive public comment*
- *Consider and take the following action:*
  - *Adopt Resolution No. 2020-74, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CRESCENT CITY, CALIFORNIA, EXPRESSING ITS SUPPORT FOR MEASURE S, ITS INTENT TO PRIORITIZE SPENDING OF FUTURE SALES TAX REVENUE, AND ITS INTENT TO ESTABLISH A CITIZENS OVERSIGHT COMMITTEE.*

### **14. General Fund Revenue Update**

- *Recommendation: Hear staff report*
- *Receive public comment*
- *Adopt Resolution No. 2020-75, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CRESCENT CITY ESTABLISHING A NEW SPECIAL REVENUE FUND*
- *Adopt Resolution No. 2020-76, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CRESCENT CITY AMENDING THE FY 2020-21 BUDGET*

### **15. Subrecipient Agreement with Family Resource Center of the Redwoods for Community Development Block Grant (CDBG) Coronavirus Response Round 1 Funds**

- *Recommendation: Hear staff report*
- *Receive public comment*
- *Authorize the City Manager to execute a subrecipient agreement with Family Resource Center of the Redwoods (FRC) to utilize CDBG Coronavirus Response Round 1 funds for a county-wide mobile food pantry program.*
- *Authorize the City Manager to sign a letter approving charge in project budget categories, per FRC request*

## NEW BUSINESS

### **16. Contract with Johnson Controls for a City-wide Energy Performance Audit and Energy Efficiency Services Program**

- *Recommendation: Hear staff report*
- *Receive public comment*
- *Authorize the City Manager to sign a professional services agreement with Johnson Controls to prepare an energy audit and to identify and analyze potential energy efficiency projects.*
- *Appoint two members of the Council to serve on an Energy Performance Audit and Energy Efficiency Services Ad Hoc Committee.*

## CITY COUNCIL ITEMS

- **Legislative Matters** – Consider miscellaneous legislative matters pertinent to the City of Crescent City. Authorize the Mayor to sign the appropriate letters and/or positions with respect to such matters.
- **City Manager Report and City Council Directives** – Pursuant to Crescent City Municipal Code § 2.08.200, the City Council may instruct the city manager on matters of importance to the administrative services of the City and provide direction with respect to subordinates of the City Manager. (Directives from individual Council Members that are not objected to by any member present shall be considered an order of the City Council.)

- **Pool Update**
- **Front Street Update**

➤ **Reports, Concerns, Referrals, Council travel and training reports** – In accordance with Gov't Code § 54954.2(a), City Council Members may make brief announcements or brief reports on their own activities. They may ask questions for clarification, make a referral to staff or take action to have staff place a matter of business on a future agenda.

**ADJOURNMENT**

\*\*\*Adjourn to the regular meeting of the City Council of the City of Crescent City scheduled for Tuesday, September 8, 2020 at 6:00 p.m., via Zoom, Crescent City, CA 95531.

**POSTED:**

August 13, 2020

/s/ Robin Patch

City Clerk/Administrative Analyst

***Vision:***

The City of Crescent City will continue to stand the test of time and promote quality of life and community pride for our residents, businesses and visitors through leadership, diversity, and teamwork.

***Mission:***

The purpose of our city is to promote a high quality of life, leadership and services to the residents, businesses, and visitors we serve. The City is dedicated to providing the most efficient, innovative and economically sound municipal services building on our diverse history, culture and unique natural resources.

***Values:***

Accountability  
Honesty & Integrity  
Excellent Customer Service  
Effective & Active Communication  
Teamwork  
Fiscally Responsible

MOMENT OF SILENCE FOR  
VOLUNTEERS IN POLICE SERVICE MEMBER  
VICTORIA ZIZZO





# *Proclamation*

*of the*

*City of Crescent City*

**WHEREAS**; suicidal thoughts can affect anyone regardless of age, gender, race, orientation, income level, religion, or background; and suicide is a major public health issue that requires vigilant attention and preventative action, and

**WHEREAS**, each death by suicide directly impacts numerous family members, friends, loved ones, and by extension the entire community; and

**WHEREAS**, every member of our community should understand that throughout life's struggles we all need the occasional reminder that we are all silently fighting our own battles, especially during this pandemic, and

**WHEREAS**, reducing the stigma by discussing suicide and warning signs, promoting safe and responsible care of lethal means and increasing public awareness of the resources available for at-risk individuals, encourages help-seeking behaviors and helps attempt survivors and survivors of suicide loss in their personal healing; and

**WHEREAS**, it is important to recognize the connections that mental health conditions and substance use disorders have to suicide, as well as how other external factors, including harassment, bullying, discrimination and the availability of a firearm, contribute, and

**WHEREAS**, know that asking for help is a sign of real strength and the first step towards achieving mental wellness, particularly during the extended period of the COVID-19 pandemic, and

**NOW, THEREFORE**, the Crescent City Council hereby proclaims September, 2020 as

## **SUICIDE AWARENESS AND PREVENTION + ACTION MONTH**

**BE IT FURTHER RESOLVED** that the Councilors encourage all citizens to learn the warning signs, trust their gut and use that information to ask a troubled friend, colleague or family member "R U OK?"

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Mayor Blake Inscore



# CITY OF CRESCENT CITY

Mayor Blake Inscore  
Council Member Alex Fallman

Mayor Pro Tem Heidi Kime  
Council Member Jason Greenough  
Council Member Isaiah Wright

## MINUTES REGULAR CITY COUNCIL MEETING VIRTUAL VIA ZOOM

**MONDAY**

**AUGUST 3, 2020**

**6:00 P.M.**

### **OPEN SESSION**

**Call to order** Mayor Inscore called the meeting to order at 6:03 p.m.

**Roll call** Council Members present: Council Member Alex Fallman, Council Member Jason Greenough, Council Member Isaiah Wright, Mayor Pro Tem Heidi Kime, and Mayor Blake Inscore  
Staff Members present: City Manager Eric Wier, City Attorney Martha Rice, City Clerk/Administrative Analyst Robin Patch, Human Resources Administrator Sunny Valero, City Engineer Jon Olson, Recreation and Events Coordinator Director Holly Wendt, Fire Chief Bill Gillespie, Public Works Maintenance Manager Jason Wylie, Housing Authority Executive Director Megan Miller, and Police Chief Richard Griffin

**Pledge of Allegiance** led by Mayor Inscore

### **PUBLIC COMMENT PERIOD**

*The following citizens addressed the Council:*

Jeff McCaddon: City Clerk Patch read Mr. McCadden's emailed public comment into the record. Mr. McCadden addressed the delinquent sewer list from the last Council meeting and his concern that the individuals listed may lose their homes due to the delinquency of their bills.

Jackie Moses: City Clerk Patch read Ms. Moses' emailed public comment into the record. Ms. Moses offered encouragement to Crescent City residents that we live in a beautiful place and for people to make a positive difference in the world.

Linda Sutter: asked if public comment would be allowed during item #10; *Mayor Inscore stated it would be, Ms. Sutter withheld her public comment until that agenda item was heard.*

### **CEREMONIAL ITEMS**

#### **1. Moment of Silence for K9 Ares**

Mayor Inscore called for a moment of silence for K9 Ares. Police Chief Griffin spoke about K9 Ares and his work with CCPD. Former Police Officer, K9 handler, Gene Votruba spoke about Ares and the many events where he saved lives.

## **2. Proclamation for Crescent City – Rikuzentakata Peace Week**

Mayor Inscore said that this year is the 75<sup>th</sup> anniversary of the atomic bombings in Hiroshima and Nagasaki and read the proclamation aloud. Sister City International is suggesting ringing a bell 75 times to indicate the 75 years of peace between the two countries.

## **CONSENT CALENDAR**

### **3. Council Meeting Minutes**

- *Recommendation: Approve the July 6, 2020 regular meeting minutes and the July 14, 2020 special meeting minutes, and the July 20, 2020 regular meeting minutes of the City Council.*

### **4. Warrant Claims List**

- *Recommendation: Receive and file the warrant claims list for the period July 11, 2020 through July 24, 2020.*

### **5. Payroll Report**

- *Recommendation: Receive and file the biweekly payroll report for the period ending July 18, 2020 paid July 24, 2020.*

### **6. FY 2019-20 Budget Amendment for Legal Services and Amendment to City Attorney Legal Services Agreement to Include Federal Contract Provisions**

- *Recommendation: Adopt Resolution No. 2020-64, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CRESCENT CITY AMENDING THE FY 2019-20 BUDGET OF THE CITY OF CRESCENT CITY*
- *Adopt Resolution No. 2020-65, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CRESCENT CITY APPROVING AMENDMENT #2 TO THE LEGAL SERVICES AGREEMENT FOR CITY ATTORNEY SERVICES WITH BLACK RICE & LUNA LLP*

### **7. Quarterly Cash and Investments Report as of June 30, 2020**

- *Recommendation: Receive and file quarterly cash and investments report as of June 30, 2020.*

*On a motion by Council Member Fallman, seconded by Council Member Greenough, and carried unanimously on a 5-0 polled vote, the City Council of the City of Crescent City adopted the consent calendar consisting of items 3-7 as presented.*

## **REPORTS AND PRESENTATIONS**

### **8. Dr. Rehwaldt Update on COVID-19**

Dr. Rehwaldt reported to the Council about the tests done at the prison and that many of the positive cases were asymptomatic, however, there were no inmates who tested positive. Mayor Pro Tem Kime asked about antibody testing and how Dr. Rehwaldt feels about it; what does it mean as far as herd immunity? Dr. Rehwaldt stated that it is a part of the immune response; it's always been a topic of interest at the start of the pandemic because people want to know if they've been exposed and if they are protected. Council Member Fallman stated that he heard you would need a car to do the drive thru testing, what can those who do not have cars do to use the drive-up service? Dr. Rehwaldt stated that one could walk up if needed be. Council Member Greenough

asked about the watchlist and when we will have a concrete idea of when the State will put us on it, if ever; Dr. Rehwaldt said it depends on when the data is pooled together. If we have 28 cases in a two-week period, we'd go on the list. Mayor Inscore asked about the lag of data entry by the State, they still list us as only having 49 cases instead of 90. Are they that far behind in entering data for Del Norte County; Dr. Rehwaldt answered in the affirmative.

## **9. Economic Resiliency Update**

Recreation and Events Coordinator Director Wendt gave an update to the Council on what the Economic Resilience group has been doing to help local businesses through this pandemic.

## **PUBLIC HEARINGS - None**

## **CONTINUING BUSINESS**

### **10. November 2020 General Sales Tax Ballot Measure**

- *Recommendation: Hear staff report*
- *Receive public comment*
- *Consider and take the following actions:*
  1. *Adopt Resolution No. 2020-66, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CRESCENT CITY CALLING FOR AN ELECTION TO BE HELD ON NOVEMBER 3, 2020 TO PRESENT TO VOTERS A MEASURE TO LEVY A GENERAL TRANSACTIONS AND USE TAX OF ONE PERCENT AND REQUESTING THE DEL NORTE COUNTY BOARD OF SUPERVISORS TO ALLOW THE ELECTION TO BE CONSOLIDATED WITH THE STATEWIDE GENERAL ELECTION OF THAT SAME DATE.*
  2. *Appoint two members of the Council to serve on ballot measure arguments ad hoc committee*
  3. *Approve an amendment to the professional services agreement with Planwest Partners, Inc. for additional ballot measure support*
  4. *Adopt Resolution No. 2020-67, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CRESCENT CITY AMENDING THE FY 2019-20 BUDGET OF THE CITY OF CRESCENT CITY FOR 2020 ELECTION AND BALLOT MEASURES EXPENSES*

City Manager Wier went over what the general sales tax measure will cover, such as a sustainable fire department and police department, to include their critical needs such as staffing, for redundant coverage to have two police officers on shift. Fred Endert Pool has been closed for health reasons as well as the need to cut budgets in these difficult financial times, therefore if approved the measure will generate funding for City services. Another item that will have this funding going towards, are the streets – for potholes, overlays, reconstruction, sidewalks, and street scape. The benefits of this measure are that local money stays local, sales tax allocates the costs to the actual users of the service, groceries, prescription medicine and other essential purchases are exempt, and sales tax is more resilient than TOT. City Attorney Rice stated that the first action is a resolution that will place the measure on the ballot. The ordinance will not be on the ballot, but members of the public can get a copy of the ordinance from the City Clerk. City Manager Wier explained the budget amendment resolution by stating that the additional outreach was recommended by our consultant and that the \$6k will provide for display ads as well as some additional videos to get the information out about the Measure.

*The following citizens addressed the Council:*

Linda Sutter: read aloud wages of City employees from 2018; stated that the City is mismanaging their funds.

Rich Wier: volunteer firefighter, appreciates the support from the City; detailed the call volume Crescent City Fire and Rescue routinely go out on still being a volunteer department.

*There being no further comments from the public, Mayor Inscore closed public comment.*

Joy Kummer from TWBH Props and Measures stated that it's important to point out that this is not a campaign for the measure but putting information out to the public. She outlined the proposed increase to digital media being increase to static ad touch 2 times a day, create :15 second ads for digital, and mobile video touch for 70 days at 1 touch a day. Video ads are going to be shown on Hulu, Roku, etc. Mayor Inscore asked about us being such a small community, how we can have some assurance that we are targeting those that will actually be making this decision. Ms. Kummer stated that everyone who has registered to vote has registered with their home address, therefore those registered voters will get the information. For digital media, they use "geo-fencing" to put out the digital media to the home address. Mayor Pro Tem Kime asked about those who pay extra for Hulu to avoid the messages from coming up, will that prevent those ads from coming through? Ms. Kummer stated that yes, those would be blocked, but YouTube won't block them and the reach can be done through that. Mayor Inscore asked for clarification in the total amount and stated that the resolution before the Council should not be for \$12,300 but should be for \$9,800. Mayor Inscore asked City Attorney Rice if when the motion is made if the budget amendment resolution can just be amended, she agreed.

Linda Sutter: asked about the amount and for a breakdown; asked if \$34k was what was going to be paid in total for this measure. *Mayor Inscore stated it would.* She asked where the money was coming from; *Mayor Inscore stated it would be from the general fund.*

Council Member Fallman spoke to transparency and that the City has been clear what the measure was going to be used for; that the City is audited every year by an independent agency. There is even more transparency because there will also be an oversight committee. This will be decided on by the voters, not the City Council. Council Member Greenough stated that these funds will directly impact our community and services our community uses on a daily basis. These are needs that have been necessary for years and will be for years to come. We shouldn't look to Sacramento or the Federal government every time we have a need. We need to fund them locally.

*On a motion by Council Member Fallman, seconded by Council Member Greenough, and carried unanimously on a 5-0 polled vote, the City Council of the City of Crescent City adopted Resolution No. 2020-66, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CRESCENT CITY CALLING FOR AN ELECTION TO BE HELD ON NOVEMBER 3, 2020 TO PRESENT TO VOTERS A MEASURE TO LEVY A GENERAL TRANSACTIONS AND USE TAX OF ONE PERCENT AND REQUESTING THE DEL NORTE COUNTY BOARD OF SUPERVISORS TO ALLOW THE ELECTION TO BE CONSOLIDATED WITH THE STATEWIDE GENERAL ELECTION OF THAT SAME DATE.*

*Before the polling of the vote, Mayor Inscore reopened public comment.*

Darrin Short: thanked the Council for bringing this before the voters.

*The Council was in consensus to appoint Mayor Inscore and Mayor Pro Tem Kime to the ballot measure arguments ad hoc committee.*

On a motion by Council Member Fallman, seconded by Mayor Pro Tem Kime, and carried unanimously on a 5-0 polled vote, the City Council of the City of Crescent City approved an amendment to the professional services agreement with Planwest Partners, Inc. for additional ballot measure support; to be amended to \$3,500 in the professional services agreement.

On a motion by Council Member Greenough, seconded by Mayor Pro Tem Kime, and carried unanimously on a 5-0 polled vote, the City Council of the City of Crescent City adopted Resolution No. 2020-67, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CRESCENT CITY AMENDING THE FY 2019-20 BUDGET OF THE CITY OF CRESCENT CITY FOR 2020 ELECTION AND BALLOT MEASURES EXPENSES amending the amount to \$9,800.

#### **11. 2020 CDBG Business Assistance Loan Program**

- Recommendation: Hear staff report
- Receive public comment
- Consider and take the following actions:
  1. Authorize the City Manager to execute a subrecipient agreement with Arcata Economic Development Corporation (AEDC)
  2. Authorize the City Manager to execute professional services agreement with North Coast Small Business Development Center (SBDC)

City Manager Wier stated that the application is being funded by The California Endowment. Chuck Wolfe, President of Claggett Wolfe and Associates, stated that this is a program to allow for economic development to be aggressive in supporting the retention of jobs for those impacted by the pandemic. This business assistance loan program may be a forgivable loan. Mayor Inscore asked about the size of the contract with AEDC being \$250k and wanted to make sure that this won't limit the amount of loans that we will be able to process; Mr. Wolfe stated that no, with a subrecipient, you'll have a five-year window. Mayor Inscore asked what the estimate of what it will cost within the program to get a loan processed? Mr. Wolfe stated that these funds are for everyone, 1 in 5 will close, the fees will cover all of those that come through the portion of the program and pull out or don't make it through. A program about this size, a cost per loan could be \$8 - \$10k.

*There were no public comments.*

On a motion by Council Member Greenough, seconded by Mayor Pro Tem Kime, and carried unanimously on a 5-0 polled vote, the City Council of the City of Crescent City authorized the City Manager to execute a subrecipient agreement with Arcata Economic Development Corporation (AEDC) and a professional services agreement with North Coast Small Business Development Center (SBDC).

### **NEW BUSINESS**

#### **12. 2020 Community Development Block Grant (CDBG) Coronavirus Response Round 1 Application**

- Recommendation: Hear staff report
- Receive public comment
- Consider and take the following actions:
  1. Adopt Resolution 2020-68, A RESOLUTION APPROVING AN APPLICATION FOR FUNDING AND THE EXECUTION OF A GRANT AGREEMENT AND ANY AMENDMENTS THERETO FROM THE 2020 COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM – CORONAVIRUS RESPONSE ROUND 1

2. *Authorize the City Manager to sign CDBG-CV1 Certifications and Statement of Assurances*
3. *Adopt Resolution 2020-69, A RESOLUTION OF THE CITY OF CRESCENT CITY AMENDING THE FISCAL YEAR 2020-21 BUDGET*
4. *Authorize the City Manager to sign Amendment #2 to the Professional Services Agreement with Adams Ashby Group*
5. *Direct staff to complete and submit all required grant application documents*

City Manager Wier explained this joint venture between the City and the County since the funding amounts are relatively small, there could be a possible joint project that could serve the entire county and be more effective and efficient than running two separate, smaller projects. When the City and County reached out to local nonprofits and agencies to request input and held a joint public meeting on July 7, 2020 to discuss the program and possible uses of the funds. The Family Resource Center of the Redwoods (FRC) was the only agency to submit a proposal. *Council Member Fallman recused himself from this part of the discussion because he works for Family Resource Center.* The FRC proposal would address food insecurity in the county that has been made worse by COVID-19. Many businesses have either been closed or have limited operations due to the health emergency, which has also led to increased unemployment. Due to the need to prevent the spread of the virus, the FRC proposes to purchase and operate a mobile food pantry. They would stock the refrigerated truck with fresh food and move it to various locations around the county, bringing food pantry services to those in need. The proposal would utilize both the City and County allocations (\$154,053 plus \$31,600 for the City's administration costs) for the 12-month period and is expected to serve an additional 1,200 people. FRC has also secured additional funding through Cal-Recycle, Building Healthy Communities, and FEMA to ensure the success of the project.

Amanda Hixson of the Family Resource Center spoke to the Council about a mobile market, and many community groups have offered letters of support for this project. This is a mobile grocery store that has a heavy focus on produce. City Manager Wier asked Ms. Hixson to explain the other funding sources that they have partnered with: Food Rescue Program through Cal Recycle, which has given them funding for a refrigerated van. FEMA Food and Shelter Program and CARES Phase has food given to them for the mobile market, and money comes from Building Healthy Communities to help with the mobile market.

*There were no public comments.*

*On a motion by Mayor Pro Tem Kime, seconded by Council Member Greenough, and carried on a 4-0 polled vote, with Council Member Fallman being recused, the City Council of the City of Crescent City adopted Resolution No. 2020-68, A RESOLUTION APPROVING AN APPLICATION FOR FUNDING AND THE EXECUTION OF A GRANT AGREEMENT AND ANY AMENDMENTS THERETO FROM THE 2020 COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM – CORONAVIRUS RESPONSE ROUND 1.*

*On a motion by Mayor Pro Tem Kime, seconded by Council Member Wright, and carried on a 4-0 polled vote, with Council Member Fallman being recused, the City Council of the City of Crescent City authorized the City Manager to sign CDBG-CV1 Certifications and Statement of Assurances and to sign Amendment #2 to the Professional Services Agreement with Adams Ashby Group..*

*On a motion by Mayor Pro Tem Kime, seconded by Council Member Wright, and carried on a 4-0 polled vote, with Council Member Fallman being recused, the City Council of the City of Crescent City adopted Resolution No. 2020-69, A RESOLUTION OF THE CITY OF CRESCENT CITY AMENDING THE FISCAL YEAR 2020-21 BUDGET.*

The Council was in consensus to direct staff to complete and submit all required grant application documents.

**CITY COUNCIL ITEMS**

- **Legislative Matters** – None; Mayor Inscore reported that funding for cities is being held up in legislation, therefore we cannot expect it to be seen here. The only funding the City of Crescent City has seen is from the first funding bill that represents approximately \$83k.
  
- **City Manager Report and City Council Directives** –
  - **Pool Update** – City Manager Wier stated that Director Wendt has been very much engaged with the pool patrons; there is community support in the ballot measure to help with the pool. Chief Griffin’s backpack program has been a huge success with very large donations from various local businesses. Regarding the ballot measure, he wrote a letter to Tamera Leighton from DNLTCO for support of the ballot measure; TAC voted unanimously to support.
  
- **Reports, Concerns, Referrals, Council travel and training reports** –

**Mayor Pro Tem Kime**– reported that she has ordered 24 backpacks for the CCPD backpack program and that they will be filled with school supplies.

**ADJOURNMENT**

There being no further business to come before the Council, Mayor Inscore adjourned the meeting at 8:57 p.m. to the regular meeting of the City Council of the City of Crescent City scheduled for Monday, August 17, 2020 at 6:00 p.m., via Zoom, Crescent City, CA 95531.

**ATTEST:**

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Robin Patch  
City Clerk/Administrative Analyst

# Accounts Payable

## Checks by Date - Summary by Check Date

User: blacey  
 Printed: 8/12/2020 11:44 AM



Check No	Vendor No	Vendor Name	Check Date	Void Checks	Check Amount
ACH	EDDTAX	State of California EDD TAX Auto Pay	07/27/2020	0.00	3,862.14
ACH	FITTAX	FIT Payroll Taxes Auto Pay	07/27/2020	0.00	17,758.55
ACH	PERS2	Public Emp Retirement Sys	07/27/2020	0.00	88,111.99
436734	EDDGarn	Employment Development Dept ATTN: W	07/27/2020	0.00	350.90
436735	CASTATE	CA State Disbursement Unit	07/27/2020	0.00	346.74
436736	WAMUTU	Crescent City Employees Association	07/27/2020	0.00	65.00
436737	CCPOLI	Crescent City Police Officer's Association	07/27/2020	0.00	550.00
436738	ICMARE	Icma Retirement Trust-457	07/27/2020	0.00	1,512.41
Total for 7/27/2020:				0.00	112,557.73
436739	CALCARDS	US Bank Corporate Pmt Systems	07/30/2020	0.00	1,175.14
436740	DNOFFI	Debra Stover	07/30/2020	0.00	177.73
436741	PLATTPAC	Platt Pacific Company	07/30/2020	0.00	23.79
436742	PAPEMAC2	Pape Group Inc, The	07/30/2020	0.00	166.13
436743	OREILLY	O'Reilly Auto Enterprises LLC	07/30/2020	0.00	714.19
436744	NCLAB	North Coast Laboratories LTD	07/30/2020	0.00	214.00
436745	101	National Auto Parts Warehouse	07/30/2020	0.00	337.47
436746	NANMCK	Nan McKay & Associate Inc	07/30/2020	0.00	419.00
436747	MISSIO	Mission Linen Supply	07/30/2020	0.00	325.07
436748	THRIFT	Malcolm Kelly Inc.	07/30/2020	0.00	560.18
436749	LESSCH	Les Schwab Tire Centers of California Inc	07/30/2020	0.00	265.86
436750	BESTSTOR	Brian Iorg	07/30/2020	0.00	150.00
436751	IACP	Internat'l Assoc Chf Poli	07/30/2020	0.00	525.00
436752	GRAING	Grainger	07/30/2020	0.00	262.58
436753	VERIZO2	Frontier California Inc	07/30/2020	0.00	735.79
436754	UB*05105	VANESSA FORD	07/30/2020	0.00	250.00
436755	CHARTEC	Charter Communications	07/30/2020	0.00	115.84
436756	CURRYE	Brad Coleman Inc	07/30/2020	0.00	22.56
436757	BATTSYS	Battery Systems, Inc.	07/30/2020	0.00	62.19
436758	CENTEREE	American Future Systems Inc.	07/30/2020	0.00	254.95
436759	ALFAMED	Alfa Medical Equipment Specialists, Inc.	07/30/2020	0.00	13,301.00
436760	ADAMSASF	Adams Ashby Group	07/30/2020	0.00	4,700.00
436761	ROBERTBL	Black, Rice & Luna LLP	07/30/2020	0.00	8,384.50
436762	CASCAD	Cascade Fire Equipment Company	07/30/2020	0.00	3,225.00
436763	DLT SO	Dlt Solutions	07/30/2020	0.00	1,118.70
436764	FASTENAL	Fastenal Company	07/30/2020	0.00	633.11
436765	FUOCO	Corinne Fuoco	07/30/2020	0.00	37.74
436766	HDLASSOC	Hinderliter deLlamas & Associates	07/30/2020	0.00	1,078.72
436767	FIRERESC	Chris Mills	07/30/2020	0.00	7,760.68
436768	NCLAB	North Coast Laboratories LTD	07/30/2020	0.00	417.00
436769	PLANWEST	Planwest Partners Inc.	07/30/2020	0.00	4,165.00
436770	TIDEWA	Tidewater Contractors Inc	07/30/2020	0.00	303,751.08
436771	UROCK	U-Rock Utility Equipment Inc	07/30/2020	0.00	2,282.81
436772	CALCARDS	US Bank Corporate Pmt Systems	07/30/2020	0.00	5,131.57
436773	VERIZO3	Verizon Wireless Services LLC	07/30/2020	0.00	2,580.32

Check No	Vendor No	Vendor Name	Check Date	Void Checks	Check Amount
Total for 7/30/2020:				0.00	365,324.70
436774	BLUEST	Blue Star Gas Associates	08/06/2020	0.00	29.83
436775	CPCA	California Police Chiefs Assoc	08/06/2020	0.00	200.00
436776	CHARTEC	Charter Communications	08/06/2020	0.00	773.96
436777	DNCOC2	D N Co Dept Inform Tech	08/06/2020	0.00	143.44
436778	FERGUS	Ferguson US Holdings Inc	08/06/2020	0.00	152.31
436779	VERIZO2	Frontier California Inc	08/06/2020	0.00	102.31
436780	Home Dep	Home Depot Credit Services	08/06/2020	0.00	302.49
436781	MEYERSPO	Meyers Police K-9 Training, LLC	08/06/2020	0.00	50.00
436782	OREILLY	O'Reilly Auto Enterprises LLC	08/06/2020	0.00	59.11
436783	MENDES	Pacific Packaging & Supply Co Inc	08/06/2020	0.00	248.16
436784	PHADA	Phada	08/06/2020	0.00	940.00
436785	DNDISP	Recology Del Norte	08/06/2020	0.00	2,037.68
436786	QUILLC	Staples	08/06/2020	0.00	92.43
436787	DNOFFI	Debra Stover	08/06/2020	0.00	13.31
436788	CALCARDS	US Bank Corporate Pmt Systems	08/06/2020	0.00	206.63
436789	BOOKCTR	BookingCenter.com LLC	08/06/2020	0.00	150.00
436790	DNSOLI	County of Del Norte	08/06/2020	0.00	100.24
436791	DNTIRE	Del Norte Tire Service Inc	08/06/2020	0.00	1,171.90
436792	Home Dep	Home Depot Credit Services	08/06/2020	0.00	3,002.58
436793	LNCURT	L.N. Curtis & Sons	08/06/2020	0.00	3,839.13
436794	LEXISNEX	LexisNexis Risk Data Management Inc	08/06/2020	0.00	150.00
436795	PACPOW	PacifiCorp	08/06/2020	0.00	28,954.06
436796	SHNCON	SHN Consulting Engineers & Geologists In	08/06/2020	0.00	13,355.00
436797	ZCADSA	State of California - Div of the State Archite	08/06/2020	0.00	8.40
436798	CALCARDS	US Bank Corporate Pmt Systems	08/06/2020	0.00	1,373.83
436799	VERIZO3	Verizon Wireless Services LLC	08/06/2020	0.00	296.82
436800	YOUNGM	Michael Young	08/06/2020	0.00	1,125.00
Total for 8/6/2020:				0.00	58,878.62
Report Total (70 checks):				0.00	536,761.05

AP  
7-25-20 to 8-7-20 Council



User: blacey  
Printed: 8/12/2020 11:47:56 AM

check number	check date	acct 1	description	amount	selected for void
0	7/27/2020	610-000-1510-00000	Plan 1341 July 20 UAL	44,638.42	False
0	7/27/2020	610-000-1510-00000	Plan 6983 July 20 UAL	977.83	False
0	7/27/2020	610-000-1510-00000	Plan 26908 July 20 UAL	577.58	False
0	7/27/2020	610-000-1510-00000	Plan 25612 July 20 UAL	299.50	False
0	7/27/2020	610-000-1510-00000	Plan 6984 July 20 UAL	16,210.00	False
0	7/27/2020	610-000-2189-00000	PR Batch 00111.07.2020 Federal Income Tax	23.68	False
0	7/27/2020	610-000-2188-00000	PR Batch 00111.07.2020 Medicare Employee Portion	5.92	False
0	7/27/2020	610-000-2188-00000	PR Batch 00111.07.2020 Medicare Employer Portion	5.92	False
0	7/27/2020	610-000-2185-00000	PR Batch 00022.07.2020 State Income Tax	1,292.11	False
0	7/27/2020	610-000-2185-00000	PR Batch 00002.07.2020 State Income Tax	2,570.03	False
0	7/27/2020	610-000-2188-00000	PR Batch 00002.07.2020 Medicare Employee Portion	1,344.54	False
0	7/27/2020	610-000-2188-00000	PR Batch 00022.07.2020 Medicare Employer Portion	692.94	False
0	7/27/2020	610-000-2188-00000	PR Batch 00002.07.2020 Medicare Employer Portion	1,344.54	False
0	7/27/2020	610-000-2189-00000	PR Batch 00022.07.2020 Federal Income Tax	4,696.36	False
0	7/27/2020	610-000-2189-00000	PR Batch 00002.07.2020 Federal Income Tax	8,951.71	False
0	7/27/2020	610-000-2188-00000	PR Batch 00022.07.2020 Medicare Employee Portion	692.94	False
0	7/27/2020	610-000-2187-00000	PR Batch 00002.07.2020 Survivor Benefit	34.41	False
0	7/27/2020	610-000-2187-00000	PR Batch 00002.07.2020 EE Contribution	6,235.50	False
0	7/27/2020	610-000-2187-00000	PR Batch 00002.07.2020 Service Credit Purchase	413.20	False
0	7/27/2020	610-000-2187-00000	PR Batch 00002.07.2020 ER Contribution	8,347.82	False
0	7/27/2020	610-000-2187-00000	PR Batch 00022.07.2020 EE Contribution	4,262.20	False
0	7/27/2020	610-000-2187-00000	PR Batch 00022.07.2020 ER Contribution	6,098.61	False
0	7/27/2020	610-000-2187-00000	PR Batch 00022.07.2020 Survivor Benefit	16.92	False
436734	7/27/2020	610-000-2170-00000	PR Batch 00002.07.2020 Wage Garn - EDD	350.90	False
436735	7/27/2020	610-000-2170-00000	PR Batch 00022.07.2020 Child Support-CA %	148.28	False
436735	7/27/2020	610-000-2170-00000	PR Batch 00002.07.2020 Child Support-CA	198.46	False
436736	7/27/2020	610-000-2184-00000	PR Batch 00002.07.2020 Misc EE Association Fund	75.00	False
436736	7/27/2020	610-000-2184-00000	PR Batch 00022.07.2020 Misc EE Association Fund	-10.00	False
436737	7/27/2020	610-000-2181-00000	PR Batch 00022.07.2020 CCPOA Dues	550.00	False
436738	7/27/2020	610-000-2178-00000	Plan #300878	146.32	False
436738	7/27/2020	610-000-2186-00000	Plan #306752	55.15	False
436738	7/27/2020	610-000-2178-00000	Plan #300878	275.00	False
436738	7/27/2020	610-000-2186-00000	Plan #306752	263.09	False

check number	check date	acct 1	description	amount	selected for void
436738	7/27/2020	610-000-2186-00000	Plan #306752	179.96	False
436738	7/27/2020	610-000-2178-00000	Plan #300878	524.53	False
436738	7/27/2020	610-000-2186-00000	Plan #306752	37.74	False
436738	7/27/2020	610-000-2186-00000	Plan #306752	25.31	False
436738	7/27/2020	610-000-2186-00000	Plan #306752	5.31	False
436739	7/30/2020	001-240-4530-00000	CA POLICE CHIEFS ASSOC.: Annual training symposium registration	350.00	False
436739	7/30/2020	420-115-4450-00000	ZOOM.US:Monthly renewal 6/22/20-7/21/20	259.89	False
436739	7/30/2020	001-114-4550-00000	ASSOCIATION FOR CA GOV HR: Cal Gov Dues 7/1/2020-7/1/2021	60.00	False
436739	7/30/2020	420-115-4450-00000	DNS FILTER: Monthly subscription x44	44.00	False
436739	7/30/2020	001-240-4550-00000	POLICE K-9 MAGAZINE LLC: one year print & digital subscription	34.95	False
436739	7/30/2020	001-240-4550-00000	POLICE K-9 MAGAZINE LLC: one year print & digital subscription	34.95	False
436739	7/30/2020	001-350-4240-00000	SEND GRID: Marketing campaigns	15.00	False
436739	7/30/2020	001-240-4380-00000	PACKTRACK: Yearly Handler Subscription	100.00	False
436739	7/30/2020	001-230-4240-00000	THE MAIL ROOM: Grant Invoices mailed	9.25	False
436739	7/30/2020	001-240-4320-00000	CRESCENT UNIFORMS: CHP Cloth sgt chevron	103.20	False
436739	7/30/2020	420-115-4390-00000	BATTERY SHARKS.COM: Tripp Lite Smart1500LCD battery replacement	119.95	False
436739	7/30/2020	420-115-4450-00000	FUTURE QUEST INC: automatic payment	33.95	False
436739	7/30/2020	420-115-4450-00000	SPAM HERO: Monthly	10.00	False
436740	7/30/2020	001-114-4390-00000	Cleaning supplies	177.73	False
436741	7/30/2020	413-353-4390-00000	Conduit	23.79	False
436742	7/30/2020	508-508-4390-00000	Hydraulic Mat. Parts	166.13	False
436743	7/30/2020	001-240-4391-00000	Coils & manifolds for #64	406.75	False
436743	7/30/2020	001-240-4391-00000	Ceramic & Semi pads for #64	10.26	False
436743	7/30/2020	001-240-4391-00000	Ceramic & semi pads for #64	80.90	False
436743	7/30/2020	508-508-4390-00000	Antifreeze	83.79	False
436743	7/30/2020	508-508-4390-00000	Manifold set for #18	18.11	False
436743	7/30/2020	508-508-4390-60003	Fuel Separator & oil filter	66.78	False
436743	7/30/2020	001-240-4391-00000	Adhesive	6.34	False
436743	7/30/2020	508-508-4390-00000	Ignition Coil for #23	41.26	False
436744	7/30/2020	413-351-4685-00000	External regulatory lab tests for CCWQL	214.00	False
436745	7/30/2020	001-240-4391-00000	Front & rear rotor	140.98	False
436745	7/30/2020	001-240-4391-00000	Intake for #64	196.49	False
436747	7/30/2020	413-351-4320-00000	UNIFORMS, RUGS, ETC	13.81	False
436747	7/30/2020	413-353-4320-00000	UNIFORMS, RUGS, ETC	23.29	False
436747	7/30/2020	508-508-4320-00000	UNIFORMS, RUGS, ETC	13.81	False
436747	7/30/2020	001-120-4370-00000	Janitorial Supplies	9.88	False
436747	7/30/2020	413-351-4320-00000	UNIFORMS, RUGS, ETC	13.81	False
436747	7/30/2020	508-508-4320-00000	UNIFORMS, RUGS, ETC	13.81	False
436747	7/30/2020	413-353-4320-00000	UNIFORMS, RUGS, ETC	23.29	False
436747	7/30/2020	413-351-4390-00000	Gloves	139.75	False
436747	7/30/2020	413-351-4320-00000	UNIFORMS, RUGS, ETC	10.83	False
436747	7/30/2020	508-508-4320-00000	UNIFORMS, RUGS, ETC	13.81	False
436747	7/30/2020	413-353-4320-00000	UNIFORMS, RUGS, ETC	23.29	False

check number	check date	acct 1	description	amount	selected for void
436747	7/30/2020	413-353-4320-00000	UNIFORMS, RUGS, ETC	25.69	False
436748	7/30/2020	419-371-4390-00000	Snap Clamp	223.04	False
436748	7/30/2020	506-506-4390-00000	Closet Kit	82.47	False
436748	7/30/2020	412-100-4390-00000	Couplings & Cement	71.11	False
436748	7/30/2020	412-100-4390-00000	Vlave Trim	160.98	False
436749	7/30/2020	508-508-4390-00000	Tire Repair	155.87	False
436749	7/30/2020	001-240-4391-00000	Alignment for #58	109.99	False
436750	7/30/2020	001-113-4450-00000	document storage JULY 2020	150.00	False
436751	7/30/2020	001-240-4550-00000	dues 8/1/2020-7/31/2021	525.00	False
436752	7/30/2020	001-480-4390-00000	Burner gasket	262.58	False
436753	7/30/2020	419-371-4230-00000	Water System Phone 464-2826 - 7/13/20-8/12/20	65.32	False
436753	7/30/2020	419-371-4230-00000	Water Syst Phone 707-1016 - 7/13/20-8/12/20	29.50	False
436753	7/30/2020	419-371-4230-00000	Water System Phone - 0249 7/13/20-8/12/20	72.77	False
436753	7/30/2020	419-371-4230-00000	707-1013 chlor bdg 7/13/20-8/12/20	99.81	False
436753	7/30/2020	419-371-4230-00000	Water System Ph Bills - 7/13/20-8/12/20	29.50	False
436753	7/30/2020	419-371-4230-00000	Water System Ph Bills - 7/13/20-8/12/20	29.50	False
436753	7/30/2020	419-371-4230-00000	Water System Phone Bills - 7/13/20-8/12/20	29.50	False
436753	7/30/2020	419-371-4230-00000	Water Syst Ph Bills - 7/13/20-8/12/20	72.77	False
436753	7/30/2020	001-240-4230-00000	Radio to Sherriff - 7/13/20-8/12/20	30.65	False
436753	7/30/2020	419-371-4230-00000	Water System Phone 707-0083 - 7/13/20-8/12/20	28.20	False
436753	7/30/2020	419-371-4230-00000	Water System Ph. Bill 707-1007 - 7/13/20-8/12/20	72.77	False
436753	7/30/2020	419-371-4230-00000	Water System Phone Bill 707-1006 - 7/13/20-8/12/20	29.50	False
436753	7/30/2020	419-371-4230-00000	Water Syst Phone 707-1017 7/13/20-8/12/20	29.50	False
436753	7/30/2020	413-353-4230-00000	Lift Station Phone PLO-0001 - 7/13/20-8/12/20	29.50	False
436753	7/30/2020	419-371-4230-00000	Water System Phone 707-1015 7/13/20-8/12/20	29.50	False
436753	7/30/2020	419-371-4230-00000	707-465-3386 Water Scada Phone 7/14/20-8/13/20	57.50	False
436754	7/30/2020	419-000-2110-00000	Refund Check 109487-000, 220 PIKE ST	250.00	False
436755	7/30/2020	001-230-4230-00000	Cable & Internet Service- 6/20/20-7/19/20	115.84	False
436756	7/30/2020	001-470-4390-00000	Chain kit & Tensioner slide	22.56	False
436757	7/30/2020	001-470-4390-00000	Battery & core	62.19	False
436758	7/30/2020	001-240-4550-00000	Desktop Encyclopedia for public employment law	254.95	False
436759	7/30/2020	413-351-4390-00000	autoclave and stand	13,301.00	False
436760	7/30/2020	152-485-4409-1721A	Labor Standards compliance monitoring JUNE 2020	4,700.00	False
436761	7/30/2020	001-130-4410-00000	Legal services June 2020- General Fund	82.00	False
436761	7/30/2020	412-100-4410-00000	Legal services June 2020- Shoreline RV Park	861.00	False
436761	7/30/2020	419-130-4410-00000	Legal services June 2020- Water	348.50	False
436761	7/30/2020	419-130-4410-00000	Legal services June 2020- Agenda/Council/Staff Meetings	1,482.84	False
436761	7/30/2020	001-130-4410-00000	Legal services June 2020 - Agenda/Council/Staff Meetings	1,482.83	False
436761	7/30/2020	413-130-4410-00000	Legal services June 2020- Sewer	102.50	False
436761	7/30/2020	001-130-4410-00000	Legal services June 2020- CDBG	266.50	False
436761	7/30/2020	413-130-4410-00000	Legal services June 2020- Agenda/Council/Staff Meetings	1,482.83	False
436761	7/30/2020	001-130-4410-00000	Legal services June 2020- General Fund	2,234.50	False
436762	7/30/2020	001-230-4390-00000	10 new SCBA	3,225.00	False

check number	check date	acct 1	description	amount	selected for void
436763	7/30/2020	001-000-1510-00000	Autocad drafting software subscription: 6/3/20 - 6/4/21	1,118.70	False
436764	7/30/2020	001-364-4390-10025	safety supplies	120.82	False
436764	7/30/2020	001-470-4390-00000	safety supplies	103.11	False
436764	7/30/2020	506-506-4390-00000	safety supplies	83.77	False
436764	7/30/2020	508-508-4390-00000	safety supplies	83.77	False
436764	7/30/2020	419-371-4390-00000	safety supplies	120.82	False
436764	7/30/2020	413-353-4390-00000	safety supplies	120.82	False
436765	7/30/2020	413-351-4530-00000	Travel Expense- Laboratory Analyst Grade 2: traveled 222 miles	37.74	False
436766	7/30/2020	001-120-4409-00000	FY20 sales tax auditing & reporting	1,078.72	False
436767	7/30/2020	001-230-4390-00000	HOLMATRO SR 20 Two pump	7,760.68	False
436768	7/30/2020	419-371-4470-00000	External regulatory drinking water tests for water system	417.00	False
436769	7/30/2020	152-485-4409-1720A	City ED Strategic Action Plan: consultant services	4,165.00	False
436770	7/30/2020	152-485-4799-1703I	Storm Drain Project Construction	319,737.98	False
436770	7/30/2020	152-000-2112-00000	Storm Drain Project Construction (Retention)	-15,986.90	False
436771	7/30/2020	413-353-4390-00000	Sewer camera repair	2,282.81	False
436772	7/30/2020	001-240-4390-00000	SIRCHIE: evidence tape x3 & forensic scale x12	82.58	False
436772	7/30/2020	420-115-4312-00000	ESRI: ArcGis Maintenance (2 licenses) renewal	700.00	False
436772	7/30/2020	001-240-4390-00000	AMAZON: shoulder remote speaker mic for radio x13	488.93	False
436772	7/30/2020	001-240-4450-00000	IRON MOUNTAIN: 5/27-6/23/20	77.78	False
436772	7/30/2020	001-240-4320-00000	ENGLUND MARINE: Weather boss hood jacket-black x3	484.20	False
436772	7/30/2020	001-240-4380-00000	ELITE K9 INC 2: ASAT Lead 33'	56.15	False
436772	7/30/2020	001-240-4450-00000	IRON MOUNTAIN: 4/29-5/26/20	78.08	False
436772	7/30/2020	001-240-4390-00000	AMAZON: desktop printer thermal paper 2-5/16x4" x2	118.04	False
436772	7/30/2020	001-240-4370-00000	THE HOME DEPOT: Cleaning supplies	334.70	False
436772	7/30/2020	001-240-4320-00000	LA POLICE GEAR INC: tactical mens jacket-small black	196.28	False
436772	7/30/2020	001-240-4390-00000	AMAZON: earpiece for speaker mic	180.96	False
436772	7/30/2020	001-240-4320-00000	GALLS: uniforms	324.00	False
436772	7/30/2020	001-240-4370-00000	THE HOME DEPOT: battery charger	320.35	False
436772	7/30/2020	001-240-4380-00000	ELITE K9 INC 2: ASAT lead 15'	24.95	False
436772	7/30/2020	001-240-4390-00000	AMAZON: label printer	408.44	False
436772	7/30/2020	001-240-4390-00000	AMAZON:MSI GT 730 Kepler GDDR5 2GB graphics card	96.74	False
436772	7/30/2020	001-240-4320-00000	GALLS: Danner tachyon size 10 boot black	169.55	False
436772	7/30/2020	001-230-4240-00000	THE MAIL ROOM: USPS book of stamps	12.00	False
436772	7/30/2020	001-350-4240-00000	SENDGRID: marketing campaign basic 5k	1.00	False
436772	7/30/2020	420-115-4312-00000	USMTGUI CORPORATE via PAYPAL: corporate	300.00	False
436772	7/30/2020	506-506-4390-00000	AMAZON:City Hall lobbies LED puck lights	21.46	False
436772	7/30/2020	420-115-4312-00000	CLEVERBRIDGE via PAYPAL: New license-Altara VM backup	496.82	False
436772	7/30/2020	508-508-4390-00000	AMAZON: LED replacement battery x2	22.56	False
436773	7/30/2020	001-471-4230-00000	CELL PHONE USE 6/13/20-7/12/20	4.34	False
436773	7/30/2020	412-100-4230-00000	CELL PHONE USE 6/13/20-7/12/20	58.21	False
436773	7/30/2020	413-120-4230-00000	CELL PHONE USE 6/13/20-7/12/20	14.46	False
436773	7/30/2020	001-364-4230-00000	CELL PHONE USE 6/13/20-7/12/20	79.04	False
436773	7/30/2020	001-313-4230-00000	CELL PHONE USE 6/13/20-7/12/20	5.21	False

check number	check date	acct 1	description	amount	selected for void
436773	7/30/2020	419-371-4230-00000	CELL PHONE USE 6/13/20-7/12/20	230.19	False
436773	7/30/2020	001-480-4230-00000	CELL PHONE USE 6/13/20-7/12/20	83.02	False
436773	7/30/2020	152-485-4230-17031	CELL PHONE USE 6/13/20-7/12/20	80.02	False
436773	7/30/2020	001-114-4230-00000	CELL PHONE USE 6/13/20-7/12/20	43.41	False
436773	7/30/2020	413-353-4230-00000	CELL PHONE USE 6/13/20-7/12/20	119.59	False
436773	7/30/2020	001-251-4230-00000	CELL PHONE USE 6/13/20-7/12/20	6.51	False
436773	7/30/2020	001-110-4230-00000	CELL PHONE USE 6/13/20-7/12/20	173.64	False
436773	7/30/2020	419-120-4230-00000	CELL PHONE USE 6/13/20-7/12/20	68.05	False
436773	7/30/2020	001-350-4230-00000	CELL PHONE USE 6/13/20-7/12/20	4.34	False
436773	7/30/2020	420-115-4230-00000	CELL PHONE USE 6/13/20-7/12/20	21.42	False
436773	7/30/2020	001-120-4230-00000	CELL PHONE USE 6/13/20-7/12/20	59.31	False
436773	7/30/2020	508-508-4230-00000	CELL PHONE USE 6/13/20-7/12/20	73.02	False
436773	7/30/2020	001-350-4230-00000	CELL PHONE USE 6/13/20-7/12/20	86.76	False
436773	7/30/2020	506-506-4230-00000	CELL PHONE USE 6/13/20-7/12/20	38.69	False
436773	7/30/2020	001-113-4230-00000	CELL PHONE USE 6/13/20-7/12/20	43.41	False
436773	7/30/2020	419-120-4230-00000	CELL PHONE USE 6/13/20-7/12/20	86.89	False
436773	7/30/2020	413-351-4230-00000	CELL PHONE USE 6/13/20-7/12/20	53.64	False
436773	7/30/2020	001-111-4230-00000	CELL PHONE USE 6/13/20-7/12/20	14.46	False
436773	7/30/2020	001-230-4230-00000	CELL PHONE USE 6/13/20-7/12/20	167.84	False
436773	7/30/2020	001-250-4230-00000	CELL PHONE USE 6/13/20-7/12/20	21.71	False
436773	7/30/2020	001-471-4230-00000	CELL PHONE USE 6/13/20-7/12/20	9.55	False
436773	7/30/2020	001-120-4230-00000	CELL PHONE USE 6/13/20-7/12/20	14.46	False
436773	7/30/2020	001-240-4230-00000	CELL PHONE USE 6/13/20-7/12/20	522.56	False
436773	7/30/2020	413-120-4230-00000	CELL PHONE USE 6/13/20-7/12/20	46.28	False
436773	7/30/2020	419-371-4230-00000	CELL PHONE USE 6/13/20-7/12/20	14.33	False
436773	7/30/2020	001-240-4230-00000	CELL PHONE USE 6/13/20-7/12/20	43.41	False
436773	7/30/2020	001-470-4230-00000	CELL PHONE USE 6/13/20-7/12/20	26.05	False
436773	7/30/2020	413-111-4230-00000	CELL PHONE USE 6/13/20-7/12/20	14.46	False
436773	7/30/2020	001-250-4230-00000	CELL PHONE USE 6/13/20-7/12/20	2.17	False
436773	7/30/2020	413-352-4230-00000	CELL PHONE USE 6/13/20-7/12/20	76.94	False
436773	7/30/2020	419-111-4230-00000	CELL PHONE USE 6/13/20-7/12/20	14.49	False
436773	7/30/2020	413-352-4230-00000	CELL PHONE USE 6/13/20-7/12/20	6.51	False
436774	8/6/2020	001-471-4220-00000	PROPANE FOR FACILITES 6/16/20-7/16/20- ACCT# 02-0065468	11.00	False
436774	8/6/2020	001-480-4220-00000	PROPANE FOR FACILITES 6/16/20-7/16/20- ACCT# 02-0065442	18.83	False
436775	8/6/2020	001-240-4550-00000	Renewal 7/1/20-6/30/2021	200.00	False
436776	8/6/2020	420-115-4230-00000	Fiber Internet DIA @ 520 I St- 7/21/20-8/20/20	399.00	False
436776	8/6/2020	419-371-4230-00000	broadband for security 7/25/20-8/24/20	84.99	False
436776	8/6/2020	419-371-4230-00000	broadband for security 7/26/20-8/25/20	84.99	False
436776	8/6/2020	001-114-4230-00000	Internet Service - 7/27/20-8/26/20	13.33	False
436776	8/6/2020	419-111-4230-00000	Internet Service- 7/27/20-8/26/20	4.31	False
436776	8/6/2020	412-100-4230-00000	Internet Service - 7/27/20-8/26/20	4.51	False
436776	8/6/2020	001-250-4230-00000	Internet Service - 7/27/20-8/26/20	1.64	False
436776	8/6/2020	001-113-4230-00000	Internet Service - 7/27/20-8/26/20	13.32	False

check number	check date	acct 1	description	amount	selected for void
436776	8/6/2020	420-115-4230-00000	Internet Service - 7/27/20-8/26/20	13.32	False
436776	8/6/2020	413-120-4230-00000	Internet Service - 7/27/20-8/26/20	26.65	False
436776	8/6/2020	419-120-4230-00000	Internet Service - 7/27/20-8/26/20	25.01	False
436776	8/6/2020	001-350-4230-00000	Internet Service - 7/27/20-8/26/20	9.84	False
436776	8/6/2020	001-313-4230-00000	Internet Service - 7/27/20-8/26/20	3.69	False
436776	8/6/2020	001-111-4230-00000	Internet Service - 7/27/20-8/26/20	4.92	False
436776	8/6/2020	001-471-4230-00000	Internet Service - 7/27/20-8/26/20	2.87	False
436776	8/6/2020	001-364-4230-00000	Internet Service - 7/27/20-8/26/20	4.51	False
436776	8/6/2020	413-111-4230-00000	Internet Service- 7/27/20-8/26/20	3.89	False
436776	8/6/2020	001-480-4230-00000	Internet Service - 7/27/20-8/26/20	2.87	False
436776	8/6/2020	001-470-4230-00000	Internet Service - 7/27/20-8/26/20	2.87	False
436776	8/6/2020	413-352-4230-00000	Internet Service - 7/27/20-8/26/20	10.87	False
436776	8/6/2020	419-371-4230-00000	Internet Service - 7/27/20-8/26/20	15.37	False
436776	8/6/2020	413-353-4230-00000	Internet Service - 7/27/20-8/26/20	4.30	False
436776	8/6/2020	001-120-4230-00000	Internet Service - 7/27/20-8/26/20	27.67	False
436776	8/6/2020	001-251-4230-00000	Internet Service - 7/27/20-8/26/20	5.94	False
436777	8/6/2020	412-100-4310-00000	Shoreline Receipts	143.44	False
436778	8/6/2020	413-353-4390-00000	pvc pipe	152.31	False
436779	8/6/2020	419-371-4230-00000	707-001-0001 SCADA telemetry link 7/28/20-8/27/20	42.72	False
436779	8/6/2020	413-353-4230-00000	Lift Station Phone PL0-0009 - 7/25/20-8/24/20	59.59	False
436780	8/6/2020	419-371-4390-00000	floor rush, cleaning nozzle, vacuum fit	44.09	False
436780	8/6/2020	419-371-4390-00000	water, safety vest	98.41	False
436780	8/6/2020	412-100-4390-00000	power outlet	21.73	False
436780	8/6/2020	001-470-4390-00000	faucet cover	7.59	False
436780	8/6/2020	412-100-4390-00000	black ear muff, carbide	57.99	False
436780	8/6/2020	508-508-4390-00000	magnet base	15.02	False
436780	8/6/2020	412-100-4390-00000	dremel	43.70	False
436781	8/6/2020	001-240-4530-00000	Monthly Maintenance Fee for K9's July 2020	50.00	False
436782	8/6/2020	001-230-4391-00000	battery charger #5181	59.11	False
436783	8/6/2020	001-230-4370-00000	JANITORIAL SUPPLIES	124.40	False
436783	8/6/2020	001-230-4370-00000	JANITORIAL SUPPLIES	123.76	False
436785	8/6/2020	412-100-4225-00000	Refuse disposal July2020	2,037.68	False
436786	8/6/2020	419-371-4310-00000	Laminate Pouches	30.81	False
436786	8/6/2020	412-100-4310-00000	Laminate Pouches	30.81	False
436786	8/6/2020	001-350-4310-00000	Laminate Pouches	30.81	False
436787	8/6/2020	117-364-4390-00FST	Scotch Packaging Tape	13.31	False
436788	8/6/2020	001-470-4390-00000	AMAZON: mow ball head	32.24	False
436788	8/6/2020	001-470-4390-00000	AMAZON:carburetor	21.49	False
436788	8/6/2020	508-508-4390-00000	AMAZON: hose	152.90	False
436789	8/6/2020	412-100-4450-00000	Current booking system (6 months) JUNE 2020	150.00	False
436790	8/6/2020	506-506-4225-00000	Refuse disposal June 2020	8.00	False
436790	8/6/2020	506-506-4225-00000	Refuse disposal June 2020	13.84	False
436790	8/6/2020	506-506-4225-00000	Refuse disposal June 2020	9.23	False

check number	check date	acct 1	description	amount	selected for void
436790	8/6/2020	001-364-4225-10025	Refuse disposal June 2020	13.84	False
436790	8/6/2020	001-470-4225-00000	Refuse disposal June 2020	47.33	False
436790	8/6/2020	506-506-4225-00000	Refuse disposal June 2020	8.00	False
436791	8/6/2020	001-230-4391-00000	4 new tires and alignment	1,171.90	False
436792	8/6/2020	413-353-4390-00000	wrench set, pressure gauge	15.54	False
436792	8/6/2020	413-353-4390-00000	water, simple green	19.89	False
436792	8/6/2020	419-371-4390-00000	wrench set, pressure gauge	15.55	False
436792	8/6/2020	506-506-4390-00000	floor, base paint	164.14	False
436792	8/6/2020	412-100-4390-00000	paint, primer	63.63	False
436792	8/6/2020	413-353-4390-00000	poly sheeting	128.96	False
436792	8/6/2020	413-356-4390-35022	locknut	8.26	False
436792	8/6/2020	508-508-4390-00000	flat brush	18.15	False
436792	8/6/2020	508-508-4390-00000	trylon	19.29	False
436792	8/6/2020	413-356-4390-35022	clamp strap	11.78	False
436792	8/6/2020	001-470-4390-00000	bondo, loctite	43.24	False
436792	8/6/2020	413-356-4390-35022	spring bolt pack	18.96	False
436792	8/6/2020	412-100-4390-00000	shop towels, tool bag, hose, nozzle, tool box	59.68	False
436792	8/6/2020	412-100-4390-00000	moulding, trim, angle sash, mini roller	23.26	False
436792	8/6/2020	506-506-4390-00000	key cap, kwikset	13.58	False
436792	8/6/2020	506-506-4390-00000	scotchblue	38.19	False
436792	8/6/2020	412-100-4390-00000	Chrome Drip bowls	46.68	False
436792	8/6/2020	508-508-4390-00000	Paint, primer, paid brushes rollers	101.63	False
436792	8/6/2020	413-353-4210-35019	conduit locknut	4.36	False
436792	8/6/2020	413-353-4390-00000	block	42.87	False
436792	8/6/2020	412-100-4390-00000	Lumber and supplies to fix Shoreline office	1,540.62	False
436792	8/6/2020	412-100-4390-00000	faucet constructor kit	47.30	False
436792	8/6/2020	412-100-4390-00000	faucet hole cover, faucet	59.04	False
436792	8/6/2020	506-506-4390-00000	cable ties, tacmate, staples	35.35	False
436792	8/6/2020	412-100-4390-00000	faucet return	-52.66	False
436792	8/6/2020	413-356-4390-35022	conduit	64.18	False
436792	8/6/2020	412-100-4390-00000	underlayment, pencil, deam tape, grey	451.11	False
436793	8/6/2020	001-230-4390-00000	(4) kunkle safety relief valbes for mako compressor	4,588.40	False
436793	8/6/2020	001-230-4395-00000	Refund Leather station duty boots 12D & 12.5E	-559.00	False
436793	8/6/2020	001-230-4390-00000	Refund Integrated Lighting Kit	-190.27	False
436794	8/6/2020	001-240-4409-00000	monthly service fee June 2020	150.00	False
436795	8/6/2020	419-111-4210-00000	Electricity FY20 6/26/20-7/28/20	14.23	False
436795	8/6/2020	001-113-4210-00000	Electricity FY20 6/26/20-7/28/20	44.06	False
436795	8/6/2020	001-480-4210-00000	Electricity FY20 6/26/20-7/28/20	517.78	False
436795	8/6/2020	419-120-4210-00000	Electricity FY20 6/26/20-7/28/20	82.69	False
436795	8/6/2020	001-364-4210-10023	Electricity FY20 6/26/20-7/28/20	4,482.53	False
436795	8/6/2020	001-313-4210-00000	Electricity FY20 6/26/20-7/28/20	12.20	False
436795	8/6/2020	413-351-4210-00000	Electricity FY20 6/26/20-7/28/20	625.71	False
436795	8/6/2020	001-251-4210-00000	Electricity FY20 6/26/20-7/28/20	19.66	False

check number	check date	acct 1	description	amount	selected for void
436795	8/6/2020	001-240-4210-00000	Electricity FY20 6/26/20-7/28/20	659.47	False
436795	8/6/2020	413-353-4210-35019	Electricity FY20 6/26/20-7/28/20	28.13	False
436795	8/6/2020	419-371-4210-00000	Electricity FY20 6/26/20-7/28/20	16,178.35	False
436795	8/6/2020	001-114-4210-00000	Electricity FY20 6/26/20-7/28/20	44.06	False
436795	8/6/2020	413-352-4210-00000	Electricity FY20 6/26/20-7/28/20	35.92	False
436795	8/6/2020	420-115-4210-00000	Electricity FY20 6/26/20-7/28/20	44.06	False
436795	8/6/2020	412-100-4210-00000	Electricity FY20 6/26/20-7/28/20	2,866.44	False
436795	8/6/2020	001-250-4210-00000	Electricity FY20 6/26/20-7/28/20	5.42	False
436795	8/6/2020	001-120-4210-00000	Electricity FY20 6/26/20-7/28/20	91.50	False
436795	8/6/2020	001-470-4210-00000	Electricity FY20 6/26/20-7/28/20	575.08	False
436795	8/6/2020	419-120-4210-00000	Electricity FY20 6/26/20-7/28/20	367.63	False
436795	8/6/2020	413-120-4210-00000	Electricity FY20 6/26/20-7/28/20	88.12	False
436795	8/6/2020	001-111-4210-00000	Electricity FY20 6/26/20-7/28/20	16.27	False
436795	8/6/2020	413-111-4210-00000	Electricity FY20 6/26/20-7/28/20	12.88	False
436795	8/6/2020	508-508-4210-00000	Electricity FY20 6/26/20-7/28/20	691.26	False
436795	8/6/2020	001-230-4210-00000	Electricity FY20 6/26/20-7/28/20	425.16	False
436795	8/6/2020	001-350-4210-00000	Electricity FY20 6/26/20-7/28/20	32.54	False
436795	8/6/2020	001-471-4210-00000	Electricity FY20 6/26/20-7/28/20	776.66	False
436796	8/6/2020	919-371-4799-37107	PS&E for Amador Tank	13,355.00	False
436797	8/6/2020	001-000-2160-00000	SB1186 FEES 4/1/20-6/30/20	8.40	False
436798	8/6/2020	001-480-4390-00000	AMAZON: sauna heater	1,335.15	False
436798	8/6/2020	001-480-4390-00000	AMAZON: Pool plaster repair kit	38.68	False
436799	8/6/2020	419-371-4230-00000	Water SCADA Cellular 6/24/20-7/23/20	296.82	False
436800	8/6/2020	117-364-4409-00FST	C&F St. Storm Drain project design	1,125.00	False
				534,817.05	

# AP

## 7-25-20 to 8-7-20 Housing



User: blacey

Printed: 8/12/2020 11:49:58 AM

check number	check date	acct 1	description	amount	selected for void
436746	7/30/2020	110-490-4550-00000	PIH Alert subscription 8/1/2020-7/31/2021	419.00	False
436748	7/30/2020	110-490-4390-00000	Caulk Flange	22.58	False
436761	7/30/2020	110-130-4410-00000	Legal services June 2020- Housing Authority	41.00	False
436772	7/30/2020	110-490-4310-00000	THE HOME DEPOT: nightlight, windex	42.15	False
436772	7/30/2020	110-490-4310-00000	DEL NORTE OFFICE: stamp	30.26	False
436772	7/30/2020	110-490-4450-00000	CARAHSOFT TECH: May 2020 monthly charges	63.59	False
436773	7/30/2020	110-490-4230-00000	CELL PHONE USE 6/13/20-7/12/20	65.11	False
436773	7/30/2020	110-490-4230-00000	CELL PHONE USE 6/13/20-7/12/20	86.82	False
436776	8/6/2020	110-490-4230-00000	Internet Service - 7/27/20-8/26/20	3.28	False
436780	8/6/2020	110-490-4390-00000	toilet seat	8.82	False
436780	8/6/2020	110-490-4390-00000	kwikset	5.14	False
436784	8/6/2020	110-490-4550-00000	membership 9/1/20-9/1/2021	940.00	False
436795	8/6/2020	110-490-4210-00000	Electricity FY20 6/26/20-7/28/20	216.25	False
				<hr/> <hr/>	
				1,944.00	
				<hr/> <hr/>	

CITY OF CRESCENT CITY  
BI-WEEKLY PAYROLL REPORT

PAYROLL END DATE  
PAYROLL PAID DATE  
CHECK NUMBERS

August 1, 2020  
August 7, 2020  
110163-110168

*Dub*

	Regular Pay	Overtime	Gross Pay	# Empl	Notes
Dept #110 City Council	2,109.84		2,109.84	5	
Dept #111 Admin/City Manager	10,861.74	342.58	11,204.32	3	
Dept #114 Human Resources	2,185.01		2,185.01	1	
Dept #120 Finance/Utility Billing	15,384.87		15,384.87	6	
Dept #230 Fire Department	6,445.98	57.73	6,503.71	2 + 2 part-time	
Dept #240 Police Department	33,154.40	1,643.46	34,797.86	12	
Dept #313 Planning				1 Part-time	
Dept #350 Public Works-All Depts	54,041.74	1,687.63	55,729.37	23+ 5 Part-time	
Dept #450 Recreation & Events			3,277.75	1 + 1 Part-time	
Dept #480 Swimming Pool Fund	1,591.43		1,591.43	1+17 Part-time	
Dept #490 Housing Authority	7,994.92		7,994.92	3 + 1 Part-time	
<b>TOTALS</b>	<b>133,769.93</b>	<b>3,731.40</b>	<b>140,779.08</b>	<b>59 + 29 Part-time</b>	

The payroll summarized above is listed where assigned. The actual costs of each employee are allocated each pay period to the department and/or fund where the actual work was performed.

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# CITY COUNCIL AGENDA REPORT



**TO: MAYOR INSCORE AND MEMBERS OF THE CITY COUNCIL**

**FROM: ERIC WIER, CITY MANAGER**

**BY: LINDA LEAVER, FINANCE DIRECTOR**

**DATE: AUGUST 17, 2020**

**SUBJECT: BUDGET-TO-ACTUAL FINANCIAL REPORT FOR JULY 2020**

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## **RECOMMENDATION**

- Receive and file monthly budget-to-actual financial report of the City's major operating funds for the month of July 2020

## **BACKGROUND**

In order to provide timely information to the City Council and to the public, the City's Finance Department has prepared the attached monthly budget-to-actual report. This report provides a summary overview as of July 31, 2020 of the fiscal year-to-date revenues and expenses of the City's major operating funds: General Fund, Housing Authority Fund, Shoreline RV Park Fund, Sewer Fund and Water Fund.

As in prior years, the report for June 2020 will be presented after all year-end entries and adjustments have been recorded.

## **ITEM ANALYSIS**

As of July 31, 2020, we are 8% of the way through the fiscal year, with 92% of the year remaining. If revenues were received and expenditures made evenly throughout the year, there would be 92% of each budget line remaining. However, revenues and expenditures are not even throughout the year for many reasons. Many revenues are not received evenly throughout the year (particularly tax revenues and grant reimbursements), most expenses are not recorded until the invoice is received in the following month, and budgets may include large projects that have not yet been completed. In addition, the Finance Department is currently working on closing the books for Fiscal Year 2019-20. Many revenues and invoices (expenses) received by the City during July and August will ultimately be accrued back to FY 2019-20, which can result in July and August activity appearing to be very low.

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This report summarizes the actual revenues and expenditures for the year to date; additional information is provided in the budget-to-actual report attached.

***It is important to note the City's budget is expected to be adjusted multiple times throughout the year as we continue to work through the COVID-19 emergency and its economic impacts. The adopted budget includes conservative projections of revenues in most of the major funds and reduced expenditures.***

- **General Fund**

General Fund revenues show that 98% of the budgeted amount is yet to be received. This is dependent on the timing of when certain revenues are received. For example, most taxes, third party billings, and grant reimbursements are recorded quarterly. In addition, many revenues received in July and August are accrued back to Fiscal Year 2019-20. General Fund actual expenditures show that 97% of the budgeted amount is yet to be expended.

- **Housing Authority Fund**

The Housing Authority is funded by monthly disbursements from the federal government. At this point, actual revenues show 94% remaining to be and actual expenditures have remaining amounts of 93%.

- **Shoreline RV Park Fund**

Revenues collected by the Shoreline Recreational Vehicle Park (RV Park) show 61% remaining to be collected. RV Park revenues are highly seasonal, and most rental revenues are typically received in the summer months. Actual expenses in the RV Park show 98% of the budget left to be expended.

- **Sewer Fund**

The Sewer Fund earns revenue primarily from charges to the users of its services. Actual revenues show 91% of the total revenue budget remaining to be collected. Operational expenses (not including debt service or capital improvements) show 99% of the budget remaining to be expended.

- **Water Fund**

The Water Fund earns revenue primarily from charges for service. Actual revenues show 89% of the budget remaining to be collected and 98% of budgeted operational expenses (not including debt service or capital improvements) remaining to be expended.

- **Summary**

The following table summarizes the actual revenues and expenses for the City's five major operating funds, not including encumbrances:

	Budget	Actual	Remaining \$	Remaining %
<b>General Fund</b>				
Revenue	4,916,961	87,028	4,829,933	98%
Expense	5,702,366	143,238	5,559,128	97%
<b>Net</b>	<b>(785,405)</b>	<b>(56,210)</b>		
<b>Housing Fund</b>				
Revenue	3,799,743	239,017	3,560,726	94%
Expense	3,883,939	284,756	3,599,183	93%
<b>Net</b>	<b>(84,196)</b>	<b>(45,739)</b>		
<b>RV Park Fund</b>				
Revenue	192,950	75,444	117,506	61%
Expense	309,893	7,170	302,723	98%
<b>Net</b>	<b>(116,943)</b>	<b>68,273</b>		
<b>Sewer Fund</b>				
Revenue	4,113,149	360,717	3,752,432	91%
Operating Expense	3,478,660	47,154	3,431,506	99%
Debt Service	1,600,000	1,600,000	-	0%
Transfer to CIP	450,000	-	450,000	100%
<b>Net</b>	<b>(1,415,511)</b>	<b>(1,286,437)</b>		
<b>Water Fund</b>				
Revenue	2,435,687	260,055	2,175,632	89%
Operating Expense	2,261,125	45,663	2,215,462	98%
Debt Service	350,000	-	350,000	100%
Transfer to CIP	-	-	-	
<b>Net</b>	<b>(175,438)</b>	<b>214,391</b>		

• **Long-term Liabilities**

The City's long-term liability balances are included in the table below. Net Pension Liability, Net OPEB Liability, and Compensated Absences are updated annually during the audit process. These amounts below are from the most recent audit (June 30, 2019). The Sewer Fund and Water Fund loan balances are updated when payments are made (in July for the Sewer Fund loan, and in December and June for the Water Fund loan). These do not include interfund balances (amounts owed from one City fund to another).

Liability	Fund	Balance
Net Pension Liability	Multiple	10,074,682
Net OPEB Liability	Multiple	1,111,491
Compensated Absences	Multiple	299,868
SRF Loan	Sewer	33,953,253
SRF Loan	Water	1,225,000

**FISCAL ANALYSIS**

Preparation of this report is informational in nature and has no direct fiscal impact.

**STRATEGIC PLAN ASSESSMENT**

This report is consistent with Strategic Plan Goal 3 to “Maintain responsible fiscal management and accountability.”

**ATTACHMENTS**

1. Monthly budget-to-actual report for July 2020

Staff review:

  
CM

**City of Crescent City**  
**FY 2020-21 General Fund Operating Report**  
**As of July 31, 2020**

% of Year Remaining: **92%**

Description	Notes	Budget	Actual	Remaining before Encumbrances		Encumbrances	Remaining after Encumbrances	
				\$ Remaining	% Remaining		\$ Remaining	% Remaining
<b>Non-Departmental Revenue</b>								
Tax Revenue	1	3,023,484	6,609	3,016,875	100%	-	3,016,875	100%
Licenses & Permits	1	280,616	53,701	226,915	81%	-	226,915	81%
Interest Income	1	25,167	226	24,941	99%	-	24,941	99%
Lease-Rental Income		28,029	1,443	26,587	95%	-	26,587	95%
Other Revenue		11,150	1	11,149	100%	-	11,149	100%
<b>Departmental Revenue</b>								
City Council	2	64,596	-	64,596	100%	-	64,596	100%
City Manager	3	39,000	-	39,000	100%	-	39,000	100%
City Clerk	2	104,041	-	104,041	100%	-	104,041	100%
Human Resources	2	34,209	-	34,209	100%	-	34,209	100%
Fire	1	392,322	-	392,322	100%	-	392,322	100%
Police	1	376,692	2,084	374,608	99%	-	374,608	99%
Code Enforcement		1,000	-	1,000	100%	-	1,000	100%
Building Inspection		96,200	21,275	74,925	78%	-	74,925	78%
Planning	4	172,450	1,690	170,760	99%	-	170,760	99%
Public Works Admin		1,500	-	1,500	100%	-	1,500	100%
Streets		227,505	-	227,505	100%	-	227,505	100%
Parks		34,000	-	34,000	100%	-	34,000	100%
Cultural Center		5,000	-	5,000	100%	-	5,000	100%
Swimming Pool	5	-	-	-	-	-	-	-
<b>General Fund Revenue Total</b>		<b>4,916,961</b>	<b>87,028</b>	<b>4,829,933</b>	<b>98%</b>	<b>-</b>	<b>4,829,933</b>	<b>98%</b>
<b>Non-Departmental Expenditures</b>								
City Council		176,894	-	176,894	100%	-	176,894	100%
City Manager	3	99,615	3,339	96,276	97%	-	96,276	97%
Community Support		111,313	2,885	108,428	97%	5,314	103,114	93%
City Clerk		81,241	285	80,956	100%	-	80,956	100%
Human Resources		159,178	5,544	153,634	97%	5,232	148,402	93%
Finance		111,801	4,257	107,544	96%	1,145	106,399	95%
City Attorney		236,439	8,831	227,608	96%	14,518	213,090	90%
Fire		56,957	-	56,957	100%	-	56,957	100%
Police		744,678	13,923	730,755	98%	4,500	726,255	98%
Code Enforcement		2,339,297	72,544	2,266,753	97%	164,445	2,102,308	90%
Building Inspection		15,222	548	14,674	96%	140	14,534	95%
Planning	4	48,646	1,659	46,987	97%	326	46,661	96%
Public Works Admin		312,872	978	311,894	100%	60,800	251,094	80%
Streets		100,271	2,648	97,623	97%	3,100	94,523	94%
Parks		487,938	9,782	478,156	98%	144,391	333,765	68%
Cultural Center		399,192	11,093	388,099	97%	15,200	372,899	93%
Swimming Pool	5	93,687	2,192	91,495	98%	25,000	66,495	71%
<b>General Fund Expenditure Total</b>		<b>5,702,366</b>	<b>143,238</b>	<b>5,559,128</b>	<b>97%</b>	<b>446,611</b>	<b>5,112,517</b>	<b>90%</b>
<b>NET OPERATING RESULTS</b>		<b>(785,405)</b>	<b>(56,210)</b>					

**GENERAL FUND NOTES:**

- 1 General Fund revenues are not received evenly throughout the year. Many taxes, third party billings, interest, and grant revenues are received quarterly or semiannually.
- 2 Revenue is based on actual expenditures charged to other funds
- 3 Budget includes grant revenue (BHC) and expenses for cultural diversity project, as well as economic development contracts.
- 4 Budget includes grant revenue and expenses for SB2
- 5 Pool is not yet budgeted to reopen; some expenses will still occur

**City of Crescent City**  
**FY 2019-20 Housing Fund Operating Report**  
**As of July 31, 2020**

% of Year Remaining: **92%**

Description	Notes	Budget	Actual	Remaining before Encumbrances		Encumbrances	Remaining after Encumbrances	
				\$ Remaining	% Remaining		\$ Remaining	% Remaining
<b>Revenue</b>								
Interest	1	140	-	140	100%	-	140	100%
Recovery-Admin Fee 50%	2	12,500	-	12,500	100%	-	12,500	100%
Recovery-HAP 50%	2	12,500	-	12,500	100%	-	12,500	100%
HUD Admin Revenue		478,044	39,164	438,880	92%	-	438,880	92%
HUD Housing Assistance		3,291,437	199,853	3,091,584	94%	-	3,091,584	94%
HAP Owner Reimbursement	3	-	-	-	-	-	-	-
Port In - HAP	3	4,548	-	4,548	100%	-	4,548	100%
Port In - Admin	3	574	-	574	100%	-	574	100%
Other Revenue		-	-	-	-	-	-	-
<b>Revenue Total</b>		<b>3,799,743</b>	<b>239,017</b>	<b>3,560,726</b>	<b>94%</b>	<b>-</b>	<b>3,560,726</b>	<b>94%</b>
<b>Expense</b>								
Housing Assistance Payments		3,291,437	264,496	3,026,941	92%	-	3,026,941	92%
<b>Personnel</b>								
Housing		404,102	17,925	386,177	96%	-	386,177	96%
City Manager		4,111	159	3,952	96%	-	3,952	96%
Finance		19,255	774	18,481	96%	-	18,481	96%
City Attorney		500	-	500	100%	-	500	100%
Utilities and telephone		19,312	929	18,383	95%	4,000	14,383	74%
Materials and supplies		57,926	54	57,872	100%	7,900	49,972	86%
Contracts and services		56,874	-	56,874	100%	23,339	33,535	59%
Employee Support		10,220	419	9,801	96%	-	9,801	96%
Interest remitted to HUD	4	-	-	-	-	-	-	-
ISF Allocations		20,202	-	20,202	100%	-	20,202	100%
<b>Expense Total</b>		<b>3,883,939</b>	<b>284,756</b>	<b>3,599,183</b>	<b>93%</b>	<b>35,239</b>	<b>3,563,944</b>	<b>92%</b>
<b>NET OPERATING RESULTS</b>		<b>(84,196)</b>	<b>(45,739)</b>					

**NOTES:**

- 1 The majority of interest (LAIF) is received quarterly.
- 2 Fraud recovery is recorded after payments are received.
- 3 These revenues are reimbursements.
- 4 HUD requires that interest earned on HAP funds held by the Housing Authority is to be remitted to HUD if over \$500.

**City of Crescent City**  
**FY 2019-20 RV Park Fund Operating Report**  
**As of July 31, 2020**

% of Year Remaining: **92%**

Description	Notes	Budget	Actual	Remaining before Encumbrances		Encumbrances	Remaining after Encumbrances	
				\$ Remaining	% Remaining		\$ Remaining	% Remaining
Revenue								
Interest	1	4,800	-	4,800	100%	-	4,800	100%
Misc sales		2,500	760	1,740	70%	-	1,740	70%
Rental revenue non-TOT	2	48,150	8,860	39,290	82%	-	39,290	82%
Rental revenue - subject to TOT	2	137,500	65,824	71,676	52%	-	71,676	52%
Other revenue		-	-	-	-	-	-	-
<b>Revenue Total</b>		<b>192,950</b>	<b>75,444</b>	<b>117,506</b>	<b>61%</b>	<b>-</b>	<b>117,506</b>	<b>61%</b>
Expense								
Personnel								
RV Park		86,691	4,805	81,886	94%	-	81,886	94%
City Manager		10,279	398	9,881	96%	-	9,881	96%
Finance		19,504	603	18,901	97%	-	18,901	97%
Utilities and telephone		80,015	1,084	78,931	99%	36,000	42,931	54%
Materials and supplies		13,225	281	12,944	98%	-	12,944	98%
Contracts and services		50,522	-	50,522	100%	669	49,853	99%
Other operating uses		1,000	-	1,000	100%	-	1,000	100%
ISF Allocations		48,657	-	48,657	100%	-	48,657	100%
<b>Expense Total</b>		<b>309,893</b>	<b>7,170</b>	<b>302,723</b>	<b>98%</b>	<b>36,669</b>	<b>266,054</b>	<b>86%</b>
Debt Service		-	-	-	-	-	-	-
CIP		-	-	-	-	-	-	-
<b>Total Expenditures</b>		<b>309,893</b>	<b>7,170</b>					
<b>NET OPERATING RESULTS</b>		<b>(116,943)</b>	<b>68,273</b>					

*Non-TOT = visitors staying longer than 30 days*

*Subject to TOT = visitors staying less than 30 days*

**NOTES:**

- 1 LAIF interest is received quarterly.
- 2 Revenues are highly seasonal, and the impact of COVID is uncertain.

**City of Crescent City**  
**FY 2019-20 Sewer Fund Operating Report**  
**As of July 31, 2020**

% of Year Remaining: **92%**

Description	Notes	Budget	Actual	Remaining before Encumbrances		Encumbrances	Remaining after Encumbrances	
				\$ Remaining	% Remaining		\$ Remaining	% Remaining
Revenue								
Interest	1	89,618	14	89,604	100%	-	89,604	100%
Other Income	2	25,431	2,305	23,126	91%	-	23,126	91%
Charges for services		3,631,445	357,549	3,273,896	90%	-	3,273,896	90%
Sewer connections	3	38,728	-	38,728	100%	-	38,728	100%
Sewer lab	4	114,000	849	113,151	99%	-	113,151	99%
County collection systems	5	213,927	-	213,927	100%	-	213,927	100%
<b>Revenue Total</b>		<b>4,113,149</b>	<b>360,717</b>	<b>3,752,432</b>	<b>91%</b>	<b>-</b>	<b>3,752,432</b>	<b>91%</b>
Expense								
City Manager		93,143	2,405	90,738	97%	314	90,424	97%
Finance		348,697	8,064	340,633	98%	29,458	311,175	89%
City Attorney		23,122	-	23,122	100%	-	23,122	100%
Sewer lab		499,243	21,300	477,943	96%	60,808	417,135	84%
WWTP operations		1,749,741	3,182	1,746,559	100%	1,500,418	246,141	14%
City collection systems		341,481	6,250	335,231	98%	14,304	320,926	94%
County collection systems		214,493	3,148	211,345	99%	271	211,075	98%
WWTP maintenance		208,740	2,805	205,935	99%	14,280	191,655	92%
<b>Operating Expense Total</b>		<b>3,478,660</b>	<b>47,154</b>	<b>3,431,506</b>	<b>99%</b>	<b>1,619,853</b>	<b>1,811,653</b>	<b>52%</b>
Debt service	6	1,600,000	1,600,000					
Transfers to CIP fund		450,000	-					
<b>Total</b>		<b>5,528,660</b>	<b>1,647,154</b>					
<b>Net</b>		<b>(1,415,511)</b>	<b>(1,286,437)</b>					

**NOTES:**

- 1 The majority of interest (LAIF) is received quarterly.
- 2 NSF and late fees for all utility accounts are recorded here and then allocated between water and sewer at the end of the year.
- 3 Actual results depend on the number of connections requested.
- 4 Internal lab services are billed after each quarter; external customers are billed the month following service.
- 5 Amounts depend on actual expenditures, billed after each quarter.
- 6 Annual debt service payment is made in July.

**City of Crescent City**  
**FY 2019-20 Water Fund Operating Report**  
**As of July 31, 2020**

% of Year Remaining: **92%**

Description	Notes	Budget	Actual	Remaining before Encumbrances		Encumbrances	Remaining after Encumbrances	
				\$ Remaining	% Remaining		\$ Remaining	% Remaining
Revenue								
Interest	1	58,148	18	58,130	100%	-	58,130	100%
Rental revenue	2	19,869	1,774	18,095	91%	-	18,095	91%
Other revenue	3	25,080	-	25,080	100%	-	25,080	100%
Charges for services		2,276,890	250,990	2,025,900	89%	-	2,025,900	89%
Water connections	4	52,400	7,273	45,127	86%	-	45,127	86%
Water CSD admin revenue		3,300	-	3,300	100%	-	3,300	100%
<b>Revenue Total</b>		<b>2,435,687</b>	<b>260,055</b>	<b>2,175,632</b>	<b>89%</b>	<b>-</b>	<b>2,175,632</b>	<b>89%</b>
Expense								
City Manager		95,190	2,646	92,544	97%	314	92,230	97%
Finance		331,732	15,713	316,019	95%	26,450	289,569	87%
City Attorney		23,122	-	23,122	100%	-	23,122	100%
Water operations		1,771,303	25,096	1,746,207	99%	441,152	1,305,055	74%
Water CSD		39,778	2,209	37,569	94%	406	37,163	93%
<b>Expense Total</b>		<b>2,261,125</b>	<b>45,663</b>	<b>2,215,462</b>	<b>98%</b>	<b>468,322</b>	<b>1,747,140</b>	<b>77%</b>
Debt service	5	350,000	-					
Transfers to CIP fund		-	-					
<b>Total Expenditures</b>		<b>2,611,125</b>	<b>45,663</b>					
<b>Net Operating Results</b>		<b>(175,438)</b>	<b>214,391</b>					

**NOTES:**

- 1 The majority of interest (LAIF) is received quarterly.
- 2 Cell tower rent.
- 3 NSF and late fees are allocated at the end of the year.
- 4 Includes both the connection fee and charges for equipment/materials related to the connection. Water connection revenues are dependent upon new connections requested.
- 5 Debt service payments are made in December and June.

# CITY COUNCIL AGENDA REPORT



**TO: MAYOR INSCORE AND MEMBERS OF THE CITY COUNCIL**  
**FROM: ERIC WIER, CITY MANAGER**  
**DATE: AUGUST 17, 2020**  
**SUBJECT: CONFIRMING A LOCAL EMERGENCY CONTINUES TO EXIST**

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## **RECOMMENDATION**

- Adopt Resolution No. 2020-70, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CRESCENT CITY CONFIRMING A LOCAL EMERGENCY CONTINUES TO EXIST

## **BACKGROUND / ANALYSIS**

On March 4, 2020 Governor Newsom declared a State of Emergency to make additional resources available, formalize emergency actions already underway across multiple state agencies and departments, and help the state prepare for broader spread of COVID-19. On March 16, 2020, the City Council adopted Resolution No. 2020-21A, Declaring a Local Emergency and Authorizing the City Manager to Make Necessary Operational, Purchasing, and Personnel Decisions in Response to the COVID-19 Pandemic. The declaration of a local emergency must continue to be reviewed at least once every 60 days until the City Council terminates the local emergency.

The declaration of local emergency was confirmed on May 11, 2020 with Resolution No. 2020-33 and again on July 6, 2020 with Resolution No. 2020-53. The next scheduled City Council meeting is Tuesday, September 8, which will be more than 60 days since the passage of the last resolution confirming the local emergency.

As of August 12, 2020, there are over 5 million confirmed cases and more than 165,000 COVID-19-related deaths in the United States. Del Norte County has confirmed 104 cases of the virus with three persons requiring hospitalization. Currently, there is no approved vaccine in the United States. Staff recommends adopting the resolution confirming a local emergency still exists due to the COVID-19 pandemic.

## **FISCAL ANALYSIS**

The virus and the actions taken to protect public health are having a major impact on how we live our day-to-day lives and have drastically slowed the local economy. This slow-down of the economy has affected individuals, businesses and government.

The exact overall financial impacts of this crisis are impossible to know at this time. We do not yet know how long the emergency will continue or what the financial impacts will be over the short and long term. What is clear is that City revenues have decreased significantly. Yet our critical public safety expenses, which are primarily personnel,

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continue as it is more important than ever to provide these services during this emergency.

**STRATEGIC PLAN ASSESSMENT**

This action supports Strategic Plan goal 1 support quality services, community safety, and health to enhance the quality of life and experience of our residents and visitors.

**ATTACHMENTS**

1. Resolution No. 2020-70, Confirming a Local Emergency Continues to Exist

## RESOLUTION NO. 2020-70

### A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CRESCENT CITY CONFIRMING A LOCAL EMERGENCY CONTINUES TO EXIST

WHEREAS, on January 30, 2020, the World Health Organization declared the international outbreak of the novel coronavirus named SARSCoV-2 (“COVID-19”) a “public health emergency of international concern”; and

WHEREAS, on January 31, 2020, the U.S. Department of Health and Human Services declared a public health emergency to aid the nation’s healthcare community in responding to COVID-19; and

WHEREAS, on March 4, 2020, Governor Newsom declared a State of Emergency to make additional resources available, formalize emergency actions already underway across multiple state agencies and departments, and help the state prepare for broader spread of COVID-19; and

WHEREAS, on March 11, 2020, the Director-General of the World Health Organization characterized COVID-19 as a pandemic; and

WHEREAS, on March 12, 2020, Governor Newsom issued Executive Order N-25-20 requiring all residents to heed any orders and guidance of state and local health officials, including the imposition of social distancing measures to control the spread of COVID-19; and

WHEREAS, on March 13, 2020, President Trump declared a National Emergency in order to aid in emergency funding to assist state and local governments in preventing the spread of and addressing the effects of COVID-19; and

WHEREAS, on March 16, 2020, the City Council adopted Resolution No. 2020-21A, Declaring a Local Emergency and Authorizing the City Manager to Make Necessary Operational, Purchasing and Personnel Decisions in Response to the COVID-19 Pandemic; and

WHEREAS, on March 19, 2020, Governor Newsom issued Executive Order N-33-20, which ordered all Californians to “shelter in place” and adhere to the guidelines and orders of public health officials; and

WHEREAS, on May 11, 2020, the City Council confirmed the continued existence of the local emergency; and

WHEREAS, on May 8, 2020, the State of California began “reopening” the economy by allowing the reopening of certain “lower-risk” businesses and the resumption of certain “lower-risk” activities; and

WHEREAS, along with this phased “reopening” the State has seen an increase in COVID-19 cases, hospitalizations, and deaths; and

WHEREAS, as of August 12, 2020, there have been more than 165,000 COVID-19 related deaths in the United States, more than 10,000 of those have been in the State of California; and

WHEREAS, the measures imposed upon the people of California to protect the collective public health have caused widespread and devastating economic impacts to individuals and businesses; and

WHEREAS, these widespread and devastating economic impacts to individuals and businesses have also resulted in a fiscal crisis for states, counties, and cities, including the City of Crescent City; and

WHEREAS, the declaration of a local emergency must continue to be reviewed at least once every 60 days until the City Council terminates the local emergency.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Crescent City, California that:

1. The City Council confirms that a local emergency continues to exist as a result of the COVID-19 pandemic.
2. The City Manager is delegated the authority to make all necessary decisions and to take all necessary actions without prior approval of the City Council in order to protect employees, City residents and visitors, and public utility customers, specifically, including, but not limited to, the purchasing of goods and contracting for services, and making temporary changes to MOU's with employee associations, personnel policies, and operational policies and procedures of the City as necessary.
3. This resolution is effective until repealed or superseded.

**PASSED AND ADOPTED** and made effective the same day by the City Council of the City of Crescent City on this 17th day of August, 2020, by the following polled vote:

**AYES:**  
**NOES:**  
**ABSTAIN:**  
**ABSENT:**

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Blake Inscore, Mayor

ATTEST:

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Robin Patch, City Clerk

# CITY COUNCIL AGENDA REPORT



**TO: MAYOR INSCORE AND MEMBERS OF THE CITY COUNCIL**

**FROM: ERIC WIER, CITY MANAGER**

**BY: JON OLSON, PUBLIC WORKS DIRECTOR  
NACOLE SUTTERFIELD, ENGINEERING PROJECT MANAGER**

**DATE: AUGUST 17, 2020**

**SUBJECT: WATER MODEL PROJECT ROLLOVER**

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## **RECOMMENDATION**

- Adopt Resolution 2020-71, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CRESCENT CITY AMENDING THE FISCAL YEAR 2020-2021 BUDGET OF THE CITY OF CRESCENT CITY.

## **BACKGROUND**

The City budgeted \$50,000 in the Water Fund in FY 2019-20 to complete a static model of our water system, which is one step in planning future CIP needs for the system. The project is nearly complete but was not fully finished by the end of the fiscal year (June 30, 2020). In order to wrap up the project and pay final invoices, the unspent portion of the project will need to be carried over to FY 2020-21.

## **ITEM ANALYSIS**

This water model is the first step in CIP planning for the water system. The next step – a dynamic model – is budgeted for FY 2020-21. While the first step water model is basically complete, there are still a few unfinished items for the project. Staff is recommending rolling over the remaining budget from last year to make sure all outstanding charges are paid in full. It is anticipated this work will be completed by September 30<sup>th</sup>.

## **FISCAL ANALYSIS**

Funding for this project is provided by the Water Fund. The project has a remaining balance of \$18,687. Staff is recommending the budget be rolled over. As this amount was budgeted but unspent in FY 2019-20, it will become part of the fund balance in the Water Fund as of June 30, 2020 and then will be a reduction in fund balance in FY 2020-21.

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**STRATEGIC PLAN ASSESSMENT**

This project was listed as a priority project in meeting the goals and objectives of Goal 1 “Support quality services and community safety to enhance the lives of our citizens and visitors”.

**ATTACHMENTS**

1. Resolution 2020-71, A Resolution of the City Council of the City of Crescent City Amending the Fiscal Year 2020-2021 budget of the City of Crescent City.

Staff review:

  
\_\_\_\_\_  
CM

**RESOLUTION NO. 2020-71**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CRESCENT CITY  
AMENDING THE FISCAL YEAR 2020-21 BUDGET OF THE CITY OF CRESCENT CITY**

**WHEREAS**, the budget for the fiscal year beginning July 1, 2020, as submitted by the City Manager, was reviewed by the City Council and a public hearing was held thereon the 22<sup>nd</sup> day of June 2020; and

**WHEREAS**, the City Council adopted said budget; and

**WHEREAS**, the City Council has the authority to amend said budget from time to time; and

**WHEREAS**, the City budgeted for a water model project in FY 2019-20 but did not receive all the services before June 30, 2020; and

**WHEREAS**, the water model project is important to complete to provide the City with information needed to make good informed decisions for the water system in the future, and staff recommends rolling over the unspent portion to the current fiscal year's budget;

**WHEREAS**, fulfillment of these priorities requires an amendment to the City's Fiscal Year 2020-21 budget.

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

1. That the Fiscal Year 2020-21 City of Crescent City Annual Budget is hereby amended and appropriated in the amounts identified below:

<b>Fund</b>	<b>Revenue Increase</b>	<b>Expenditure Increase</b>
Water Fund	\$0	\$18,687

**PASSED AND ADOPTED** and made effective the same day by the City Council of the City of Crescent City on this 17<sup>th</sup> day of August, 2020, by the following polled vote:

AYES:  
NOES:  
ABSTAIN:  
ABSENT:

\_\_\_\_\_  
Blake Inscore, Mayor

ATTEST:

\_\_\_\_\_  
Robin Patch, City Clerk



# CITY COUNCIL AGENDA REPORT

**TO: MAYOR INSCORE AND MEMBERS OF THE CITY COUNCIL**

**FROM: ERIC WIER, CITY MANAGER**

**BY: JON OLSON, PUBLIC WORKS DIRECTOR**

**DATE: AUGUST 17, 2020**

**SUBJECT: CANNABIS PERMITS AND BUDGET ADJUSTMENTS**

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## **RECOMMENDATION**

- Adopt Resolution 2020-72, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CRESCENT CITY AMENDING THE FISCAL YEAR 2019-20 BUDGET
- Adopt Resolution 2020-73, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CRESCENT CITY AMENDING THE FISCAL YEAR 2020-21 BUDGET

## **BACKGROUND**

The City has begun accepting use permit applications for cannabis related activities. The new policy also comes with full cost recovery by the City for processing these types of permits.

## **ITEM ANALYSIS**

SHN the City's planning consultant is tasked with reviewing the permit applications, developing staff reports, and presenting those reports to the Planning commission. All the time spent on these activities is to be fully reimbursed by the applicant, as is all staff time spent processing permits and inspecting facilities. The applicant provides a deposit of \$1000 to begin the application process, and then the full cost recovery is calculated when the process is complete. At that time, the applicant will pay the additional costs if over the \$1000 deposit or receive a refund for any unspent amounts.

## **FISCAL ANALYSIS**

In FY 2019-2020 we received three cannabis use permits and the associated \$1,000 deposit per permit, totaling \$3,000. Staff and SHN expenses are estimated at \$2,000 during the same time period. Staff is requesting Council to increase the revenue by \$3000

and projected expense by \$2000 for FY 2019-20. The remaining \$1000 in expenses to complete the permits will be expended in FY 2020-21. At this time, staff anticipates the deposit of \$1000 will be nearly exactly the full cost of each permit.

For FY 2020-2021 staff estimates receiving three additional cannabis use permits and the associated \$1,000 deposit per permit totaling \$3,000. Staff estimates costs for completing the current permits to be \$1000 and future permits will be \$3,000, for a total of \$4000 during the current fiscal year. Staff is requesting Council to increase the revenue by \$3000 and projected expense by \$4,000 for FY 2020-21.

### **STRATEGIC PLAN ASSESSMENT**

This meets the goals and objectives of Goal 1 “Support quality services and community safety to enhance the lives of our citizens and visitors”.

### **ATTACHMENTS**

1. Resolution 2020-72, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CRESCENT CITY AMENDING THE FISCAL YEAR 2019-2020 BUDGET
2. Resolution 2020-73, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CRESCENT CITY AMENDING THE FISCAL YEAR 2020-21 BUDGET

Staff review:

EW  
CM

**RESOLUTION NO. 2020-72**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CRESCENT CITY  
AMENDING THE FISCAL YEAR 2019-20 BUDGET OF THE CITY OF CRESCENT CITY**

**WHEREAS**, the budget for the fiscal year beginning July 1, 2019 as submitted by the City Manager, was reviewed by the City Council and a public hearing was held thereon the in June 2019; and

**WHEREAS**, the City Council adopted said budget; and

**WHEREAS**, the City Council has the authority to amend said budget from time to time; and

**WHEREAS**, the City anticipated receiving lower revenues and expenses in the fiscal year 2019-2020 related to the issuance of commercial cannabis activity permits.

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

1. That the Fiscal Year 2019--2020 City of Crescent City Annual Budget is hereby amended and appropriated in the amounts identified below:

<b>Fund</b>	<b>Revenue Increase</b>	<b>Expenditure Increase</b>
General	\$3000	\$2000

**PASSED AND ADOPTED** and made effective the same day by the City Council of the City of Crescent City on this 17<sup>th</sup> day of August, 2020, by the following polled vote:

AYES:  
NOES:  
ABSTAIN:  
ABSENT:

\_\_\_\_\_  
Blake Inscore, Mayor

ATTEST:

\_\_\_\_\_  
Robin Patch, City Clerk

**RESOLUTION NO. 2020-73**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CRESCENT CITY  
AMENDING THE FISCAL YEAR 2020-21 BUDGET OF THE CITY OF CRESCENT CITY**

**WHEREAS**, the budget for the fiscal year beginning July 1, 2020, as submitted by the City Manager, was reviewed by the City Council and a public hearing was held thereon the 22<sup>nd</sup> day of June 2020; and

**WHEREAS**, the City Council adopted said budget; and

**WHEREAS**, the City Council has the authority to amend said budget from time to time; and

**WHEREAS**, the City expects to receive higher than anticipated revenues and expenses in the current fiscal year in conjunction with the issuance of commercial cannabis activity permits.

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

1. That the Fiscal Year 2020-21 City of Crescent City Annual Budget is hereby amended and appropriated in the amounts identified below:

<b>Fund</b>	<b>Revenue Increase</b>	<b>Expenditure Increase</b>
General	\$3000	\$4000

**PASSED AND ADOPTED** and made effective the same day by the City Council of the City of Crescent City on this 17<sup>th</sup> day of August, 2020, by the following polled vote:

AYES:  
NOES:  
ABSTAIN:  
ABSENT:

\_\_\_\_\_  
Blake Inscore, Mayor

ATTEST:

\_\_\_\_\_  
Robin Patch, City Clerk



## CITY COUNCIL AGENDA REPORT

**TO: MAYOR INSCORE AND MEMBERS OF THE CITY COUNCIL**

**FROM: ERIC WIER, CITY MANAGER**

**DATE: AUGUST 17, 2020**

**SUBJECT: ARCATA ECONOMIC DEVELOPMENT CENTER (AEDC) LETTER OF SUPPORT**

---

### RECOMMENDATION

- Ratify the City Manager's signature on a letter of support for the AEDC's funding request of the Economic Development Administration.

### BACKGROUND / ANALYSIS

The Arcata Economic Development Corporation (AEDC) is working with EDA to obtain a \$1 million grant to establish a Revolving Loan Fund to be used exclusively in Del Norte County. Normally a match of 20% is required, however, due to funding provided by the CARES Act, AEDC can obtain this grant without a match if the local entity confirms that they do not have the financial ability to provide the required \$200,000 match. Given the current financial situation for the City and impacts that the pandemic has had depleting our reserves, the City is not in a position to be able to provide this match.

The Arcata Economic Development Corporation asked the City Manager to sign a letter of support for their application for funding from the Economic Development Administration. Since the request was in-between Council meetings with a deadline of the same, the City Manager signed the letter of support as this funding is to be used to support businesses recovering after the current COVID-19 pandemic is over.

### FISCAL ANALYSIS

There are no fiscal impacts to the City.

### ATTACHMENTS

1. Executed letter of support

10



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377 J STREET

CRESCENT CITY, CALIFORNIA 95531-4025

---

Administration/Finance: 707-464-7483  
Utilities: 707-464-6517

Public Works/Planning: 707-464-9506  
FAX: 707-465-4405

August 6, 2020

Malinda Matson  
Economic Development Administration  
915 Second Ave., Room 1890  
Seattle, WA 98174

Dear Ms. Matson,

The City of Crescent City is working in cooperation with AEDC (Arcata Economic Development Corporation) to achieve the region's economic development goals as outlined in the Del Norte County CEDS dated 2.11.2020. AEDC is currently working with the City to provide underwriting and fund management services in support of the Crescent City Business Assistance Program. This Revolving Loan Funds (RLF) will be important to the City and County of Del Norte to help support businesses recover after the current COVID-19 pandemic is over.

Hospitality and tourism, an industry identified as being one of the most significantly impacted by the effects of COVID-19, was also identified as our top industry clusters in the most recent CEDS. Infusing money into the community to support this industry, as well as new diversified business opportunities, will be crucial to our recovery following the COVID-19 pandemic. We support AEDC's application to EDA to obtain revolving loan funds for Del Norte County, however, we are being greatly impacted by the current economic conditions and are unable to provide any matching funds at this time.

Sincerely,

Eric Wier, City Manager  
City of Crescent City



# CITY COUNCIL AGENDA REPORT

**TO: MAYOR INSCORE AND MEMBERS OF THE CITY COUNCIL**

**FROM: ERIC WIER, CITY MANAGER**

**BY: JON OLSON, PUBLIC WORKS DIRECTOR  
NACOLE SUTTERFIELD, ENGINEERING PROJECT MANAGER**

**DATE: AUGUST 17, 2020**

**SUBJECT: FRONT STREET STORM DRAIN PROJECT CHANGE ORDER 1**

---

## RECOMMENDATION

- Ratify change order 1 for the Front Street Storm Drain Project

## BACKGROUND

The Front Street Storm Drain Project kicked off on April 20, 2020. Council has previously authorized the City Manager to approve and sign change orders in an aggregate amount not to exceed 10% of the Base Bid and an individual change order amount not to exceed \$60,000.00. The base bid was \$3,833,685.00 meaning that the City Manager is authorized to sign change orders in an aggregate amount of up to \$383,368.

## ITEM ANALYSIS

Change order one covered five items:

1.	Item #1 Addition of Sanitary Sewer Relocate at Station 33+75	= \$37,399.08
2.	Item #2 Addition of Waterline Relocate at Station 36+27	= \$6,353.38
3.	Item #3 Addition of Bid Item # 91 Stabilization Material	= \$30,000.00
4.	Item #4 Addition of Bid Item # 92 Unsuitable Material	= \$15,000.00
5.	Item #5 Junction Box Credit	= \$(2,000.00)

Items 1 and 2 were required to address known conflicts between the new storm drain and existing utilities. While the conflicts were identified in the plans, the workarounds were not designed and had to be addressed by the contractor in the field with City oversight. The total for addressing the first two conflicts was \$43,752.46.

Items 3 and 4 were originally bid totaling \$45,000 but were not included in the original award but were required to complete the project work (Bid items # 91 & 92.) These bid items needed to be added to the contract to address unsuitable soils encountered.

11

Item 5 was a small credit received from the contractor based on changes to some of the storm drain junction boxes.

### **FISCAL ANALYSIS**

The total for change order one of \$ 86,752.46 does not exceed the 10% change order authority of the City Manager, but did technically exceed the \$60,000 single change order cap. All items were time sensitive and would have caused costly construction delays if not authorized.

The Change order has already been administratively added to the construction contract.

Staff requests that Council ratify change order one.

### **STRATEGIC PLAN ASSESSMENT**

This project was listed as a priority project in meeting the goals and objectives of Goal 1 "Support quality services and community safety to enhance the lives of our citizens and visitors".

### **ATTACHMENTS**

1. Change Order 1

Staff review:

  
CM

# CHANGE ORDER

ORDER NO. 1

Date: June 9, 2020

**NAME OF PROJECT: FRONT STREET STORM DRAIN PROJECT**

OWNER: City of Crescent City

CONTRACTOR: Tidewater Contractors Inc.

Original CONTRACT PRICE: \$3,833,685.00

**The following changes are hereby made to the CONTRACT DOCUMENTS:**

1. Item #1 Addition of Sanitary Sewer Relocate at Station 33+75	\$ 37,399.08
2. Item #2 Addition of Waterline Relocate at Station 36+27	\$ 6,353.38
3. Item #3 Addition of Bid Item # 91 Stabilization Material	\$ 30,000.00
4. Item #4 Addition of Bid Item # 92 Unsuitable Material	\$ 15,000.00
5. Item #5 Junction Box Credit	\$ (2,000.00)

**Justification (Listed by Item Number):**

1. See sheet 3 of this change order, relocate 6" sanitary sewer conflict to accommodate new storm drainpipe. Agreed this item will be paid T&M.
2. See sheets 4 and 5 of this change order, relocate 4" waterline to accommodate new storm drain pipe. Agreed this item will be paid lump sum.
3. This item will be paid at the agreed unit bid price.  
600 TON X \$50.00 PER TON = \$30,000.00
4. This item will be paid at the agreed unit bid price.  
300 CY X \$50.00 PER CY = \$15,000.00
5. See sheet 6 of this change order. Agreed credit, change in junction boxes from double to single.

## Change to CONTRACT PRICE

CONTRACT PRICE adjusted by previous CHANGE ORDERS: \$ 3,833,685.00

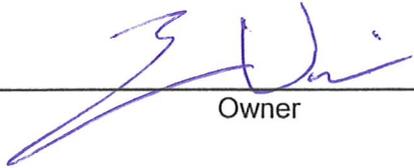
CONTRACT PRICE due to this CHANGE ORDER will be increased: \$ 86,752.46

CONTRACT PRICE including this CHANGE ORDER will be: \$ 3,920,437.46

Change to CONTRACT TIME

The CONTRACT TIME will be increased by 4 working days.  
Completion DATE is February 23, 2021

Requested by:



Owner

6/23/20

Date

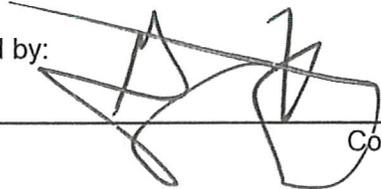
Recommended by:

APPROVED  
jolson , 09:39:29, 06/23/2020

Owner's Public Works Director

Date

Accepted by:



Contractor

6/9/20

Date

#1

Sewer relocate at STA 33+75 (time and material work)

<u>Description</u>	<u>Quantity</u>	<u>Cost</u>	<u>Subtotal</u>	<u>Markup %</u>	<u>Markup \$</u>	<u>Total</u>
Spencer Cutting		\$ 1,320.00		5.00%	\$ 66.00	\$ 1,386.00
SHN Compaction Testing		\$ 2,584.25		5.00%	\$ 129.21	\$ 2,713.46
Roto-Rooter		\$ 1,785.00		5.00%	\$ 89.25	\$ 1,874.25
H.D. Fowler Company		\$ 730.89		15.00%	\$ 109.63	\$ 840.52
Grout		\$ 48.53		15.00%	\$ 7.28	\$ 55.81
CA Dept. of Tax and Fee Admin		\$ 54.82				\$ 54.82
DISPOSAL	178.9	\$ 5.00	\$ 894.50		\$ -	\$ 894.50
CR QR 3"-5"	61.33	\$ 13.00	\$ 797.29		\$ -	\$ 797.29
CR QR 3/4-0 STATE SPEC	68.4	\$ 14.00	\$ 957.60		\$ -	\$ 957.60
CONCRETE - 2 SACK SLURRY	7	\$ 76.00	\$ 532.00		\$ -	\$ 532.00
CR QR 1/4 - 0 STATE SPEC	139.73	\$ 10.00	\$ 1,397.30		\$ -	\$ 1,397.30
Kyle L. Worlton	27	\$ 2,141.02		15.00%	\$ 321.15	\$ 2,462.17
Justin D Arlandson	26	\$ 1,632.38		15.00%	\$ 244.86	\$ 1,877.24
Kyle H Steineke	23	\$ 1,817.16		15.00%	\$ 272.57	\$ 2,089.73
Jess L. Fitzhugh	22.5	\$ 1,677.17		15.00%	\$ 251.58	\$ 1,928.75
Gregory J. Griffin	22.5	\$ 1,784.00		15.00%	\$ 267.60	\$ 2,051.60
Douglas L Reynolds	23.5	\$ 612.02		15.00%	\$ 91.80	\$ 703.82
Jordan W King	24.5	\$ 1,608.04		15.00%	\$ 241.21	\$ 1,849.25
George H. Fitzhugh	6	\$ 479.00		15.00%	\$ 71.85	\$ 550.85
Shaun A Casarez	2	\$ 77.45		15.00%	\$ 11.62	\$ 89.07
KENWORTH T800	23.5	\$ 87.29	\$ 2,051.32	15.00%	\$ 307.70	\$ 2,359.01
CATERPILLAR 420F BACKHOE	17	\$ 60.27	\$ 1,024.59	15.00%	\$ 153.69	\$ 1,178.28
2019 CAT 336-07 EXCAVATOR	21	\$ 184.32	\$ 3,870.72	15.00%	\$ 580.61	\$ 4,451.33
CATERPILLAR 330F EXCAVATOR	2	\$ 142.27	\$ 284.54	15.00%	\$ 42.68	\$ 327.22
305E2CR EXCAVATOR	23	\$ 38.85	\$ 893.55	15.00%	\$ 134.03	\$ 1,027.58
Water Pumps x2	24	\$ 3.48	\$ 83.52	15.00%	\$ 12.53	\$ 96.05
Generator	12	\$ 1.96	\$ 23.52	15.00%	\$ 3.53	\$ 27.05
CAT Forklift	11	51.29	\$ 564.19	15.00%	\$ 84.63	\$ 648.82
Jumping Jacks x3	18	\$ 3.82	\$ 68.76	15.00%	\$ 10.31	\$ 79.07
Vac Trailer	8	\$ 36.95	\$ 295.60	15.00%	\$ 44.34	\$ 339.94
Pickups	40	\$ 29.60	\$ 1,184.00	15.00%	\$ 177.60	\$ 1,361.60
Walk behind Saw	3	\$ 5.00	\$ 15.00	15.00%	\$ 2.25	\$ 17.25
Hot Saw	3	\$ 2.77	\$ 8.31	15.00%	\$ 1.25	\$ 9.56
Trimble Dual Grade Laser	12	\$ 5.00	\$ 60.00	15.00%	\$ 9.00	\$ 69.00
						\$ 37,028.79

1.00%  
 \$ 370.29  
 \$ 37,399.08

End #1



### Transmittal Report - Front Street Storm Drain Project

Title	Cost to relocate water line at 3rd and C-Street STA.36+27
Transmittal Author	George Fitzhugh, Tidewater Contractors Inc.
Serial Number	162
Transmittal Number	Change Order 1
Transmittal Private	No
Transmittal Type	Project Info.
Transmittal Comments:	
<ul style="list-style-type: none"> <li>• <b>May 02 2020 03:19 pm - George Fitzhugh</b> Cost to relocate 4" waterline at STA 36+27</li> <li>• <b>May 05 2020 08:38 am - Jon Olson</b> Proceed with this work at the proposed Lump Sum Price of \$6,053.38.</li> <li>• <b>May 18 2020 06:45 pm - George Fitzhugh</b> Jon, We were instructed by onsite city personnel in the field to cover the newly installed waterline with approx 6" of concrete. This was not anticipated or figured into our lump sum price as this is not shown on the detail on sheet W-5. We did anticipate 1 Cy of concrete for thrust blocks. We provided 3 Cy of concrete therefore 2 yards of concrete will need to be added to the cost. Also not anticipated was having to relocate the waterline under the sewer line and under the existing storm sewer line. While this didn't a lot of materials cost it did take more time to complete. And since concrete was required on top of the newly installed waterline we weren't able to finish the back fill the same day. Therefore requiring another day of work and all the startup costs involved. I'm not requesting any additional compensation for the unanticipated location of the waterline relocation. The concrete will be an additional \$150 Cy for a total of \$300.00.</li> </ul>	

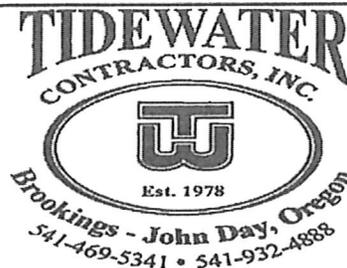
**ATTACHED FILES:**

The following file cannot be displayed:

3rd and C-Street STA. 3627 4inch waterline relocate price signed.pdf · May 02 2020 03:19 pm · [No description given]

Tidewater Contractors, Inc  
 PO Box 1956/16156 Hwy 101 South  
 Brookings, OR 97415

Phone: 541-469-5341  
 Fax: 541-469-0137



CCB# 29995      CAL LIC# 456696      DIR# 1000008899

**PCO/ Quote**

Material Only

Materials & Labor

Project Name: Front Street Storm Drain		Contract #: 17-CDBG-12092	
To: City of Crescent City		<input checked="" type="checkbox"/> Public Project	
Attention: Jon Olson		Contracting Party/Agency: City of Crescent City	
Project Location: 3rd and C-Street STA. 36+27		Description of Work: Relocate 4" Water to eliminate conflict with new storm drain	

Item No.	Description	Units	Quantity	Unit Price	Total
1	Relocate 4" Waterline	LS	1	\$ 6,053.38	\$ 6,053.38
2	Contract Time	DAY	1	\$ -	\$ -

Written By: <u>George Fitzhugh</u>	Sign: _____
Accepted By:	
Print: _____ (Name) (Title)	Sign: _____ Date: _____

- General Terms of Quote:**
- \* Quote is based on field communications and TW understanding of said communications and City directive for relocation.
  - \* Earliest possible notification of quote acceptance is required to meet construction schedule.
  - \* No Testing or Inspection anticipated or included in quote.
  - \* Normal disinfecting practices for small repairs will be utilized, such as swabbing with bleach.
  - \* \_\_\_\_\_
  - \* \_\_\_\_\_
  - \* \_\_\_\_\_
  - \* \_\_\_\_\_
  - \* \_\_\_\_\_

Total = 6,053.38+300=6,353.38  
 End #2



#5

## Transmittal Report - Front Street Storm Drain Project

Title	Junction Box Credit
Transmittal Author	George Fitzhugh, Tidewater Contractors Inc.
Serial Number	165
Transmittal Number	PCO #001
Transmittal Private	No
Transmittal Type	Project Info.
Transmittal Comments:	
	<b>• May 11 2020 05:17 pm - George Fitzhugh</b>
	The total credit amount/ or total price reduction for the junction box(es) modification from double, or ganged 5x5 boxes to single 5x10 boxes is \$2,000 total. This is the total credit for Front Street and C-Street boxes. My assumption is the junction box prices will remain the same but you will create a (\$2,000) credit/ deduction change order?

### ATTACHED FILES:

Credit of \$2k  
End #5

# CITY COUNCIL AGENDA REPORT



**TO: MAYOR INSCORE AND MEMBERS OF THE CITY COUNCIL**

**FROM: ERIC WIER, CITY MANAGER**

**BY: LINDA LEAVER, FINANCE DIRECTOR**

**DATE: AUGUST 17, 2020**

**SUBJECT: MOU WITH DEL NORTE COUNTY TO UTILIZE 2020 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) CORONAVIRUS RESPONSE ROUND 1 FUNDS**

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## RECOMMENDATION

- Authorize City Manager to execute a Memorandum of Understanding between City of Crescent City and Del Norte County to apply for and utilize CDBG Coronavirus Response Round 1 funds for a county-wide mobile food pantry program

## BACKGROUND

The Community Development Block Grant (CDBG) program is a federally funded program through the Department of Housing and Urban Development (HUD). The principle objective of CDBG is the development of viable urban communities by providing decent housing and a suitable living environment, and by expanding economic opportunities, principally for persons of low- and moderate-income.

As a non-entitlement jurisdiction (cities with population less than 50,000 and counties with populations less than 200,000), Crescent City applies for CDBG program funding through the State Department of Housing and Community Development (HCD). HCD receives funding from the federal government and releases a Notice of Funding Availability (NOFA) to invite applications from jurisdictions within California.

For this NOFA, \$18.7 million in funding was made available through the Coronavirus Aid, Relief, and Economic Security (CARES) Act. This is Round 1 funding, with a total of four rounds expected. For Round 1, HCD is allocating funding to all eligible non-entitlement jurisdictions based on a formula. An application is required, but it is non-competitive. Both Crescent City and Del Norte County are allocated funds in Round 1 (\$67,634 for Crescent City and \$118,019 for Del Norte County). The projects must be directly targeted to prevent, prepare for, and respond to coronavirus and the funds must be spent within 12

months. These funds are also allotted a higher percentage for administrative costs (17%) in order to assist local agencies with the increased costs related to our COVID-19 response.

### **ITEM ANALYSIS**

Due to the relatively small funding amounts and the limited time frame, the City and County agreed that a joint project would be most effective. City and County staff held a joint public meeting to request project proposals and received one proposal from the Family Resource Center of the Redwoods (FRC) for a mobile food pantry. At the August 3, 2020 meeting, the City Council approved moving forward with the project, with the City administering the grant. The County agreed to allocate its funding to the City for the purpose of the project.

In order to move forward with this project using both City and County allocations, and the project operating throughout the County instead of being limited to the City limits, HCD requires the City and County to submit an MOU outlining the roles of each agency. The City will administer the program and will be responsible for all grant reporting as well as program income (if any). The County will allocate its funding to the City for the program and will allow the program to operate within the County jurisdiction. The Board of Supervisors approved the MOU at its August 11, 2020 meeting.

### **FISCAL ANALYSIS**

This funding is a non-competitive allocation and does not require a local match. CDBG funds are on a reimbursement basis. The subrecipient will invoice the City periodically, and the City will pay the subrecipient and then submit a reimbursement request to HCD. HCD typically reimburses the City approximately 30 days after the reimbursement request has been submitted.

### **STRATEGIC PLAN ASSESSMENT**

This action supports the following Strategic Plan goals:

- Goal 1: Support quality services, community safety, and health to enhance the quality of life and experience of our residents and visitors
- Goal 1(A): Enhance collaboration with other agencies and the community to better aid the public
- Goal 2(D): Collaborate with other jurisdictions and non-profits to maximize regional effectiveness and amplify funding opportunities
- Goal 2(F)(9): Expand on the success of grant funding by maximizing utilization of opportunities with corresponding community needs

### **ATTACHMENTS**

1. Memorandum of Understanding between City of Crescent City and Del Norte County

Staff review:

EW  
CM

**AGREEMENT FOR CDBG-CV1 FUNDED MOBILE MARKET/PANTRY**  
**BETWEEN THE CITY OF CRESCENT CITY AND THE COUNTY OF DEL NORTE**  
**COUNTY AGMT. NO. \_\_\_\_\_ - \_\_\_\_\_**

This agreement ("Agreement") is made and entered into by the City of Crescent City, a California municipal corporation ("CITY") and the County of Del Norte, a political subdivision of the State of California ("COUNTY"), for the purpose of utilizing Community Development Block Grant funds anticipated to be awarded to the CITY for the provision of a Mobile Market/Pantry located within Del Norte County.

WHEREAS, the CITY intends to apply for 2020 CDBG-CV1 program funding for a Mobile Market/Pantry through the State Department of Housing and Community Development (HCD); and

WHEREAS, the CITY wishes to engage the COUNTY to assist the CITY in utilizing such funds if awarded by expanding the service area to include County residents in addition to City residents; and

WHEREAS, the CITY wishes to combine CITY/COUNTY program allocations for a total application amount of \$185,653; and

WHEREAS, the CDBG-CV1 program requires that the CITY and the COUNTY enter into an agreement for the implementation of the program prior to submitting the CITY's application.

NOW, THEREFORE, IT IS AGREED by and between the CITY and the COUNTY as follows:

**1.0 INCORPORATION OF RECITALS.** The recitals set forth above, and all defined terms set forth in such recitals and in the introductory paragraph preceding the recitals, are hereby incorporated into this Agreement as if set forth herein in full.

**2.0 CITY OBLIGATIONS.**

2.1 The CITY will be solely responsible for administering the Mobile Market/Pantry Program. The CITY will contract with the Family Resource Center to operate the Mobile Market/Pantry, as a subrecipient, for beneficiaries located in Del Norte County, both incorporated and unincorporated areas.

2.2 The CITY, and the Family Resource Center, will be solely responsible for CDBG program compliance and reporting.

**3.0 COUNTY OBLIGATIONS.**

3.1 The COUNTY expressly consents and authorizes the CITY to provide Mobile Market/Pantry services to county residents.

3.2 In consideration of the CITY's provision of Mobile Market/Pantry services to County residents, the COUNTY agrees not to apply for any additional CDBG funding during the same funding period as the CITY's grant award if it were to jeopardize the eligibility of the activity.

**4.0 PROGRAM INCOME.**

- 4.1 In consideration of the CITY's management of a CDBG grant, if awarded, the COUNTY expressly consents and authorizes the CITY to receive and retain any CDBG Program Income received from any business financing provided as part of the Mobile Market/Pantry.
- 4.2 The COUNTY understands that any CDBG Program Income received in association with this grant will be solely available to the CITY for its use in future CDBG eligible activities as allowed under California Housing and Community Development and U.S. Department of Housing and Urban Development regulations and guidelines.

**5.0 TERM OF AGREEMENT.** This Agreement is effective as of the date of its execution by both parties and will remain in effect until:

- (i) if the grant is awarded, the end of the CDBG-CV1 funding period.
- (ii) if the grant is not awarded, upon notification of non-approval of CITY application.

**6.0 FUNDING.**

- 6.1 The California Department of Housing and Community Development has developed an allocation formula for the distribution of CDBG-CV1 funding to all eligible non-entitlement jurisdictions, including both CITY and COUNTY.
- 6.2 CITY and COUNTY wish to use this funding to implement the Mobile Market/Pantry program to provide services to Del Norte County residents, both in the incorporated and unincorporated areas.
- 6.3 For ease of administrative burden, CITY and COUNTY wish the Mobile Market/Pantry program to be a joint program administered by CITY.
- 6.4 COUNTY expressly agrees to allow CITY to utilize all CDBG-CV1 funding allocated to both COUNTY and CITY to administer this program.

**7.0 GENERAL PROVISIONS.**

- 7.1 INDEMNIFICATION OF COUNTY. CITY agrees to indemnify, defend (with counsel reasonably approved by COUNTY) and hold harmless the COUNTY and its officers, employees, agents and volunteers from any and all claims, actions, losses, damages and/or liability resulting from CITY's negligent acts or omissions which arise from CITY's performance of its obligations under this AGREEMENT.
- 7.2 INDEMNIFICATION OF CITY. COUNTY agrees to indemnify, defend (with counsel reasonably approved by CITY) and hold harmless CITY and its officers, employees, agents and volunteers from any and all claims, actions, losses, damages, and/or liability resulting from COUNTY'S negligent acts or omissions which arise from COUNTY's performance of its obligations under this AGREEMENT.
- 7.3 COMPARATIVE FAULT. In the event COUNTY and/or CITY is found to be comparatively at fault for any claim, action, loss or damage which results from their respective obligations under the AGREEMENT, the COUNTY and/or CITY must indemnify the other to the extent of its comparative fault.

- 7.4 ATTORNEY'S FEES. In the event of litigation arising from this AGREEMENT, each Party to the AGREEMENT will bear its own costs, including attorneys' fees. This paragraph shall not apply to the costs or attorneys' fees relative to paragraphs 7.1, 7.2, and 7.3, indemnification.
- 7.6 INSURANCE. COUNTY is an authorized self-insured public entity for purposes of Professional Liability, Automobile Liability, General Liability, and Workers' Compensation and warrant that through their programs of self-insurance, COUNTY has adequate coverage or resources to protect against liabilities arising out of the performance of the terms, conditions or obligations of this AGREEMENT. CITY purchases insurance coverages for Automobile Liability, General liability, and Workers' Compensation. CITY represents and warrants that CITY has adequate coverage or resources to protect against liabilities arising out of the performance of the terms, conditions or obligations of this AGREEMENT.
- 7.7 INTEGRATION / AMENDMENT. This AGREEMENT contains the entire AGREEMENT of the Parties with respect to subject matter hereof, and supersedes all prior negotiations, understandings or agreements. No supplement, modification, or amendment of this AGREEMENT will be binding unless executed in writing and signed by both parties.
- 7.8 GOVERNING LAW / VENUE. This AGREEMENT is entered into in Del Norte County, California and is governed by the laws of the State of California. Any action or proceeding between CITY and COUNTY concerning the interpretation or enforcement of this AGREEMENT, or which arises out of or is in any way connected with this AGREEMENT, must be filed in Del Norte County Superior Court.
- 7.9 INTERPRETATION. Since the parties or their agents have participated fully in the preparation of this AGREEMENT, the language of this AGREEMENT is to be construed simply, according to its fair meaning, and not strictly for or against any party. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this AGREEMENT.
- 7.10 NO WAIVER. No waiver of any default may constitute a waiver of any other default or breach, whether of the same or another covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a party will give the other party any contractual rights by custom, estoppel, or otherwise.
- 7.11 SEVERABILITY. If a court of competent jurisdiction declares any portion of this AGREEMENT invalid, illegal, or otherwise unenforceable, the remaining provisions will continue in full force and effect unless the purpose of this AGREEMENT is frustrated.
- 7.12 COUNTERPARTS. This AGREEMENT may be signed in counterparts, each of which constitutes an original.
- 7.13 NO RELIQUISHMENT OF RIGHTS. Except as expressly stated herein, nothing contained in this AGREEMENT may be construed as a relinquishment of any rights now held by CITY or COUNTY.

IN WITNESS WHEREOF, the parties hereto have executed this AGREEMENT on this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

**COUNTY OF DEL NORTE**

**CITY OF CRESCENT CITY**

\_\_\_\_\_  
Jay Sarina, County CAO

\_\_\_\_\_  
Eric Wier, City Manager

ATTEST:

ATTEST:

\_\_\_\_\_  
Kylie Goughnour, Clerk of the Board

\_\_\_\_\_  
Robin Patch, City Clerk

APPROVED AS TO FORM:

APPROVED AS TO FORM:

\_\_\_\_\_  
Joel Campbell-Blair  
County Counsel

\_\_\_\_\_  
Martha D. Rice  
City Attorney

# CITY COUNCIL AGENDA REPORT



**TO: MAYOR INSCORE AND MEMBERS OF THE CITY COUNCIL**

**FROM: ERIC WIER, CITY MANAGER**

**BY: MARTHA D. RICE, CITY ATTORNEY**

**DATE: AUGUST 17, 2020**

**SUBJECT: NOVEMBER 2020 GENERAL SALES TAX BALLOT MEASURE**

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## **RECOMMENDATION**

- Hear staff report
- Receive public comment
- Consider and take the following action:
  1. Adopt Resolution No. 2020-74, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CRESCENT CITY, CALIFORNIA, EXPRESSING ITS SUPPORT FOR MEASURE S, ITS INTENT TO PRIORITIZE SPENDING OF FUTURE SALES TAX REVENUE, AND ITS INTENT TO ESTABLISH A CITIZENS OVERSIGHT COMMITTEE

## **BACKGROUND**

On November 21, 2019, the City Council of the City of Crescent City and the Crescent Fire Protection District Board jointly approved the Ten-year Financial Master Plan for Crescent City Fire & Rescue. The plan identified the historic, current, and future service delivery costs and available funding necessary to maintain and improve the level of community-based fire and rescue services into the future. The plan identified service delivery costs individually for each parent agency, the City of Crescent City and the Crescent Fire Protection District, respectively, including capital improvement needs, governance, operational, and administrative needs. Additionally, identification of revenue sufficiency and recommendations for revenue generation was provided. Some recommendations were able to move forward as they are presently funded in the current budget, such as the Fire Chief recruitment. Other recommendations within the plan are dependent upon increased revenue and will not be implemented until such time as sufficient revenue is secured. With the approval of the plan, Phase 1 was completed.

Based on the funding needs and recommendations identified in the 10-year Financial Master Plan (Phase 1), Phase 2 of the plan aims at implementing new revenue measures

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for CCFR's parent agencies. The City has historically supported fire service through its General Fund but will need to secure additional funding to implement the master plan. The most common sources of funding would be either a special assessment or sales tax measure. To assist with this effort, Planwest Partners assembled a team with experience in public opinion research to specifically address community priorities, including ballot and revenue measure feasibility. On December 16, 2019 the Council authorized an amendment to the existing agreement and budget adjustment in the amount of \$25,614 to complete this scope of work referred to as Phase 2A. The scope of Phase 2A was to poll City voters to assess the feasibility of a November 2020 ballot measure to increase revenue through a local sales tax. Based on the results of the polling, City staff and Planwest Partners would work together to determine whether a ballot measure would be supported by the community. If the community was supportive, staff would bring another amendment to the City Council to continue working with Planwest Partners to engage in community education and outreach in conjunction with a revenue measure to be placed on the November 2020 ballot.

In addition to the needs of the Fire Department, the City has also worked with the Crescent City Police Officers Association to develop a long-term staffing plan to provide for a sergeant assigned to every shift, additional patrol officers to ensure adequate coverage, and a detective position. The City Council approved the phased staffing plan at the January 6, 2020 meeting. The initial phase of adding two sergeant positions has been completed, but the remaining phases cannot be implemented until additional funding is secured.

In January of 2020, City staff was contacted by the County of Del Norte's Chief Administrative Officer (CAO), inquiring about the City's efforts. He stated the County also has the need for a general tax measure, which would focus primarily on public safety needs as well as other general fund needs. The CAO proposed a joint polling effort to assess the community's support for a County-wide tax measure. On March 2, 2020 the City Council approved an agreement authorizing this joint effort with Del Norte County.

The timing of the community polling was originally scheduled to be completed by the end of April. However, the COVID-19 public health emergency delayed the project.

The public health emergency also forced the City to close the municipal swimming pool due to the Governor's executive order in March (Order No. N-33-20). However, as the emergency has progressed, it is clear that the health emergency is also creating a fiscal emergency. The City's General Fund relies heavily on sales tax and TOT to provide essential services, including approximately \$400,000 in operational costs for the municipal pool. These revenues are expected to be significantly impacted by the health emergency and recession. As a result, the City Council voted to keep the swimming pool closed until revenues are able to support reopening. This closure has already impacted the safety and wellness of the community due to the cancellation of all summer swimming lessons, physical therapy and aquatic exercise for elderly and disabled community members.

In addition to the current financial impact, the Fred Endert Municipal Swimming Pool 10-Year Operations Master Plan in 2019 identified critical improvements and repairs to the facility that needed but have not been able to be budgeted due to the limited resources in the General Fund. If these recommendations are not addressed within the coming years it is foreseeable that there would need to be additional closures to offset operational costs or due to mechanical failure. Prolonged closure due either economic impact of the pandemic or repairs results in the inability for the pool to offer therapeutic services, critical water safety trainings for maritime workers, annual District wide 4<sup>th</sup> grade swimming lessons and water safety lessons.

It is no secret that the City's streets have been in need of repair for many years without sufficient revenues to do so. SB1 was approved by voters in 2016 to increase the revenues available for streets and roads. These funds have helped the City move several projects forward, including the design of the Front Street and C Street storm drain project currently underway, crack seal of several areas, and initial survey work to prepare for a repair on K Street. Portions of SB1 funding (called RMRA) can only be used on designated Council approved projects. Because Crescent City has a relatively small population of City residents, we only receive approximately \$100,000 per year of RMRA funds to fund projects. City street maintenance needs are much greater than this funding can support. A simple pavement overlay of a City block including the required pedestrian ADA (Americans with Disabilities Act) improvements has an estimated average cost of over \$200,000. The City has over 400 blocks of pavement to maintain. Thus, the City has strategically utilized this funding to leverage other grant funding sources to complete larger road maintenance projects. Simply put - additional revenues would allow the City to greatly expand its repair and maintenance efforts.

A general sales tax (technically called a Transactions and Use Tax) would provide additional revenue for the City's General Fund, which supports all of these services and more.

Planwest Partners' subconsultant, Godbe Research, completed the community polling in early June and reported the results to the City Council at a public meeting held on June 24, 2020. The polling results showed slightly more favorable community support for an independent City measure over a County-wide measure. The polling results combined with the uncertainties and the complications of a revenue-sharing agreement, led the Council to direct staff to begin the process to place a City-only general sales tax measure on the November 2020 ballot.

### **ITEM ANALYSIS**

On August 3, 2020 the City Council adopted Resolution 2020-66, placing a City Sales Tax Measure on the November 2020 ballot. The ballot measure proposes a 1.0% sales tax on all items subject to state sales tax within the City limits. It is important to note that items such as groceries and prescriptions medications are *not* subject to state sales tax and, therefore, would not have any additional cost imposed by this tax.

The ballot measure is expected to generate approximately \$1.3 million annually in additional General Fund revenue. This measure will be used to support essential General Fund services including, but not limited to:

- Implementation of the Crescent City Fire and Rescue Master Plan, creating a sustainable fire department
- Implementation of the police department staffing plan to ensure proper supervisory staffing and patrol officers on every shift
- Additional revenue to reestablish sustainable operational services of the Fred Endert Municipal Pool, which provides the community with critical water-related health and safety services (swimming lessons, exercise, recreation, physical therapy)
- Local street maintenance – fixing potholes, resurfacing streets, installing and repairing sidewalks

If the measure is passed by the voters, the tax will be paid by all users of essential City services, not just City residents. Because this community is economically dependent upon tourism, we have to have the infrastructure to support a higher level of activity than is generated solely by City residents. City emergency response services (police and fire) serve all who live in and visit our town. In addition, City streets and sidewalks are used and enjoyed (when they are in good repair) by City residents, visitors, and tourists alike.

Another key element of the measure is transparency. The ordinance to be adopted by the measure includes independent annual audits of tax revenues and expenditures as well as a citizen's oversight committee. The proposed language in the ordinance is as follows:

**3.30.140 Oversight Committee.**

*A seven-member oversight committee will be created and meet annually to review and publically report on the expenditure of revenues generated by the tax imposed by this Ordinance. The committee will include the City Manager or designee, the City Finance Director or designee, and five residents of the City. Resident members of the committee will be appointed to two-year terms by the Mayor and confirmed by the City Council. The City Manager and City Finance Director will serve as non-voting members of the committee.*

**3.30.150 Independent Annual Audit.**

*The proceeds of the tax imposed by this Ordinance, as well as the expenditures thereof, will be audited annually by an independent accounting firm.*

By adopting Resolution 2020-74, the Council is confirming:

1. Its support of the passage of Measure S.
2. If the local sales tax is enacted by voters, to prioritize the spending of future local sales tax revenue for the following purposes:
  - Support and maintain local emergency response services;
  - Support our local volunteer firefighters and police departments, and improve staffing, training and equipment;
  - Maintain streets and sidewalks;
  - Other City services and infrastructure.
3. The establishment a Citizens Oversight Committee to receive and review the independent financial audit of the City and other City financial reports necessary to advise the City Council and the People of Crescent City of its findings regarding the use of the future local sales tax.
4. That this proposed Local Sales Tax is and will remain a general tax as defined in Article XIII C §1(a) of the California Constitution.
5. That, in accordance with California law, no City funds or resources may be expended on advocating for the passage of Measure S, however, dissemination of factual informational material is allowed.

### **FISCAL ANALYSIS**

There is no financial impact in adopting this resolution supporting Ballot Measure S.

### **STRATEGIC PLAN ASSESSMENT**

This action supports Strategic Plan Goal 1, "Support quality services, community safety, and health to enhance the quality of life and experience of our residents and visitors," and Goal 1C, "Empower and utilize Police, Fire, and Public Works departments to make Crescent City one of the safest cities in the United States."

### **ATTACHMENTS**

1. Resolution No. 2020-74, Expressing Support for Measure S

STAFF REVIEW:

  
CM

## RESOLUTION NO. 2020-74

### A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CRESCENT CITY, EXPRESSING ITS SUPPORT FOR MEASURE S, ITS INTENT TO PRIORITIZE SPENDING OF FUTURE SALES TAX REVENUE, AND ITS INTENT TO ESTABLISH A CITIZENS OVERSIGHT COMMITTEE

**WHEREAS**, the City is dedicated to providing high quality public safety services, promoting economic development and resiliency, and maintaining local streets and sidewalks; and

**WHEREAS**, tourists visit Crescent City each year to enjoy our downtown , local restaurants and retail shops, beautiful and clean beaches and ocean, parks, recreational and open spaces; and

**WHEREAS**, these tourists increase demand on public safety services such as police and fire, which significantly increases the costs to the City of providing services; and

**WHEREAS**, over the past decade, the City's revenues have not kept pace with the growing costs of providing essential city services to local residents, which has been exacerbated by the recent pandemic; and

**WHEREAS**, despite being fiscally conservative and proactively cutting the costs, the City is projecting a \$500,000 deficit, putting many city services at risk; and

**WHEREAS**, there has been a 25% increase in emergency services calls over the past five years, and staffing for our fire and police has not been sufficient to keep up with the increased demand; and

**WHEREAS**, there is a great need to fix damaged sidewalks and curbs and repair roads to keep our city safe and serve our residents for years to come; and

**WHEREAS**, due to COVID-19 the City had to make the tough decision to close the Fred Ender Municipal Pool, which supports the health and well-being of our entire community, and the economic downturn may mean it cannot reopen until sufficient funding is available to help support ongoing costs; and

**WHEREAS**, many recipients and potential recipients of the City's services, including use of the Municipal Pool, local roads, and public safety are non-resident employees, travelers, and visitors who are consumers of good and services in Crescent City, but not property owners in Crescent City; and

**WHEREAS**, on August 3, 2020 the City Council of the City of Crescent City called a General Municipal Election to held on November 3, 2020 for the purpose of submitting to the voters a question relating to a ballot measure to place a 1% general Transactions and Use Tax (“local sales tax”) measure on the ballot to spread the cost of essential public safety services and municipal infrastructure more equitably across the population it serves; and

**WHEREAS**, it is estimated that this modest increase in the overall sales tax will generate approximately \$1.3 million annually; and

**WHEREAS**, the local sales tax proposed by the measure is a general tax enacted solely to raise revenue for the general governmental purposes of the City and all of the proceeds from the tax shall be placed in the City’s General Fund; and

**WHEREAS**, the General Fund pays for vital City services such as police, fire, medical aid, and public safety services; clean beaches; street, park, and building maintenance; recreation services; and other general municipal services to the public; and

**WHEREAS**, the County of Del Norte has officially designated the question relating to the local sales tax ballot measure as Measure S; and

**WHEREAS**, the City Council desires to adopt this resolution expressing its support for Measure S, which would provide additional revenues to enable the City to fund services and improvements needed to support our local residents and the many annual visitors to the City; and

**WHEREAS**, the City Council desires to adopt this resolution expressing its intent, if the local sales tax is enacted by voters, to prioritize spending of future revenue from the local sales tax for various purposes, as identified herein; and

**WHEREAS**, the City Council's intent, if the local sales tax increase is enacted by voters, is to recruit and appoint persons to the Citizens Oversight Committee that represent the diverse backgrounds and interests of the citizenry.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Crescent City, California, as follows:

1. The City of Crescent City supports the passage of Measure S.
2. The City Council hereby expresses its intent, if the local sales tax is enacted by voters, to prioritize the spending of future local sales tax revenue for the following purposes:
  - Support and maintain local emergency response services;
  - Support our local volunteer firefighters and police departments, and improve staffing, training and equipment;
  - Maintain streets and sidewalks;

- Support community health and wellness by funding City pool operations;
  - Other services and improvements.
3. The Council hereby expresses its intent, if Measure S is enacted by voters, to recruit and appoint residents to the Citizens Oversight Committee that represent the diverse backgrounds and interests of the citizenry, whose task will be to receive and review the independent financial audit of the City and other City financial reports necessary to advise the City Council and the People of Crescent City of its findings.
  4. This resolution expresses the support and intent of the current City Council and is not legally binding as the proposed local sales tax is a general tax, which can be legally be used for any City purpose.
  5. In accordance with California law, no City funds or resources may be expended on *advocating* for the passage of Measure S, however, the dissemination of factual information is allowed.

**APPROVED and ADOPTED** at a regular meeting of the City Council of the City of Crescent City held on the 17th day of August, 2020, by the following polled vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Blake Inscore, Mayor

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Robin Patch, City Clerk



## CITY COUNCIL AGENDA REPORT

**TO: MAYOR INSCORE AND MEMBERS OF THE CITY COUNCIL**

**FROM: ERIC WIER, CITY MANAGER**

**BY: LINDA LEAVER, FINANCE DIRECTOR**

**DATE: AUGUST 17, 2020**

**SUBJECT: GENERAL FUND REVENUE UPDATE**

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### RECOMMENDATION

- Hear staff report
- Receive public comment
- Adopt Resolution 2020-75, A RESOLUTION OF THE CITY OF CRESCENT CITY ESTABLISHING A NEW SPECIAL REVENUE FUND
- Adopt Resolution 2020-76, A RESOLUTION OF THE CITY OF CRESCENT CITY AMENDING THE FY 2020-21 BUDGET

### BACKGROUND

The COVID-19 pandemic has resulted in national, state, and local declared health emergencies. As of the writing of this report, there are over 20 million confirmed cases of the virus worldwide and over 737,000 deaths. There are over 5 million confirmed cases and more than 163,000 deaths in the United States. In Del Norte County, there are 100 confirmed cases and no deaths. Public health is the number one consideration during this time, and government officials at the national, state, and local levels have issued various orders to slow the spread of the virus and avoid overwhelming our local health resources. Some of the orders have been lifted or modified, and further changes are anticipated as the emergency progresses.

The virus and the actions taken to protect public health are also having a major impact on the economy. Many businesses were completely closed for some time, although most have now been allowed to reopen. Travel was seriously impacted early in the emergency; although travel seems to be recovering, a resurgence of the virus and/or additional shutdown orders could occur. The General Fund typically relies on sales tax and transient occupancy tax for approximately 50% of its revenues. General Fund revenues are used to provide services to the community, including police, fire, street maintenance, parks, building inspection, code enforcement, planning, administration, swimming pool, and cultural center.

The City Council has taken various actions to assist in mitigating the health emergency and also to deal with the economic impacts as we navigate this crisis. Some of these include

- Drastically reduce expenditures in the General Fund
- Provide technical assistance (staff and outside consultants) to local businesses
- Waive late fees for most City services
- No water shut-offs for nonpayment during the emergency
- Waive late fees and penalties for January – March TOT if paid by August 31
- Increase options for doing business with the City online or by phone
- Adjust employee and facility schedules, increase cleaning and disinfecting procedures
- Coordinate with County Emergency Operations
- Apply for additional grant funding for local businesses
- Approve placing a 1% sales tax measure on the ballot to fund essential services

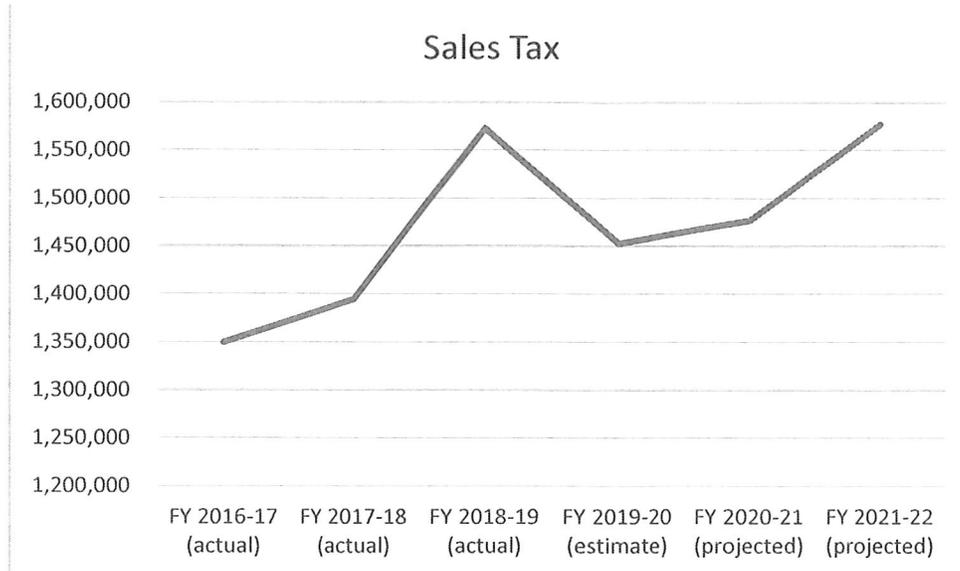
As discussed at multiple City Council meetings over the last several months, the financial impacts of this emergency are extremely difficult to forecast, and the City budget will be adjusted periodically as we receive additional information.

## **ITEM ANALYSIS**

### Sales Tax

Sales tax typically accounts for approximately 25% of the City's General Fund revenues. Retail purchasing has been impacted by the COVID-19 emergency and related shutdown orders, although the impact was mitigated due to purchasing that shifted to online (which is still taxed). Actual figures for the April – June quarter are not yet available from the state, but the City's sales tax consultant HdL is projecting the FY 2019-20 total will be 7.6% lower than FY 2018-19. Their current projection for FY 2020-21 is 6.1% lower than FY 2018-19 (slightly higher than the FY 2019-20 estimate) and then FY 2021-22 to be recovered to FY 2018-19 levels. These projections include assumptions about the length and timing of the recession and are subject to change.

The FY 2020-21 budget included an assumption of \$1,401,024 in sales tax revenue, which HdL has now updated to a projection of \$1,476,487 (an increase of \$75,463).



TOT

The majority of the registered hotels and vacation rentals in the City have submitted their TOT returns for FY 2019-20 at this point. The original projection for the January – March quarter was 30% below normal and April – June was projected 90% below normal, due to the county-wide restrictions on travel except for essential workers. However, actual results so far show the January – March quarter at 23% below normal and April – June at 56% below normal. Although this is a hit to the General Fund, it is not as severe as anticipated.

TOT for FY 2020-21, beginning with the July – September quarter, is not due yet. The adopted budget assumes a 75% reduction for this quarter. Staff has reached out to many of the hotel and vacation rental owners to ask for their estimates for July – September bookings. The responses received so far (from 8 owners) range all the way from no bookings at all (100% reduction) to nearly the same as last year. Personal observations around town seem to show tourism is not much reduced from prior summers. Based on the limited responses from owners and the wide range of those responses, combined with staff’s general observations, an increase in anticipated revenues for the current quarter may be justified. Since the April – June quarter (received to date) is down 56%, the July – September quarter could be adjusted to show a decrease of 56% instead of 75% from normal, since it does not appear that the July – September quarter is worse than the April – June quarter. However, Council should be aware that any change in the virus outbreak or further shutdown orders could have significant impacts, and the budget would then need to be adjusted again. Due to how often and how quickly information has been changing, staff does not recommend changing the estimate for the rest of the year at this time.

	Jul - Sep	Oct - Dec	Jan - Mar	Apr - Jun	Total
Typical	600,000	200,000	200,000	400,000	1,400,000
FY 2020-21 Budget	151,610	109,583	149,979	393,496	804,668
Recommended Change	115,224	-	-	-	115,224

**CARES Act**

The state received funding through the CARES Act, as did large cities and counties. Small cities and counties did not receive a direct allocation of CARES Act funding to assist in combating the effects of the pandemic. Many cities and counties, along with the League of California Cities and the California State Association of Counties worked with the state to allocate some of the state’s funding to those cities and counties that did not receive an allocation from the federal government. In July, the state passed legislation to make those allocations, and Crescent City will receive \$82,392. This funding must be used for expenses related to COVID-19 that were not part of our original budget. This is not new funding that will fund a new program but is instead a reimbursement for some of the increased costs the City has experienced.

**FISCAL ANALYSIS**

The General Fund budget for FY 2020-21 currently includes a deficit of (\$785,405) which will come out of fund balance. The fund balance as of June 30, 2020 (FY 2019-20) will not be finalized until various accruals and adjustments are made during the year-end process, which extends for several months after the fiscal year ends. At the budget workshop, the fund balance for 6/30/20 was estimated to be \$1,095,610. If that number is correct (although it will almost certainly change due to year-end adjustments), the projected fund balance for the end of this fiscal year would be \$310,205. As discussed at the workshop, that estimate assumes that all revenues and expenses are exactly equal to the budget. This is not a sustainable fund balance going forward, and additional revisions are expected throughout this year.

If the budgets for sales tax and TOT revenues are increased as discussed above, the budgeted revenues would increase by \$190,687. This in turn would reduce the budgeted deficit to \$594,718 for this year, and the projected ending fund balance would be \$500,892. This is still not a sustainable fund balance for ongoing operations, and staff does not recommend taking on additional expenses at this time.

The CARES Act funding will be accounted for in a separate fund, to allow better tracking of the funding source and uses. The revenues will be deposited into the new special revenue fund. Eligible expenses must be from March 1, 2020 through December 30, 2020. Expenses that have already been incurred (in multiple City funds) can be

reimbursed by the new fund. The requirements of this funding are still being finalized, so it is not yet certain which expenses will be reimbursed by the special fund. As the details are made clear, the affected fund budgets for FY 2020-21 will be updated in a future budget amendment to reflect the reimbursements.

### **STRATEGIC PLAN ASSESSMENT**

This action supports the following Strategic Plan goals:

- Goal 3(B): Maintain responsible fiscal management and accountability

### **ATTACHMENTS**

1. Resolution 2020-75
2. Resolution 2020-76

Staff review:



CM

**RESOLUTION NO. 2020-75**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CRESCENT CITY  
ESTABLISHING A NEW SPECIAL REVENUE FUND FOR CARES ACT FUNDING**

**WHEREAS**, the City of Crescent City has been allocated CARES Act funding through the State of California; and

**WHEREAS**, this funding has specific restrictions as to its use, and recording the funding sources and uses in a separate fund would ease the tracking requirements of the funding.

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

That the City of Crescent City establish a new special revenue fund for the CARES Act funding.

**APPROVED and ADOPTED** and made effective the same day at a regular meeting of the City Council of the City of Crescent City held on the 17th day of August 2020, by the following polled vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

\_\_\_\_\_  
Blake Inscore, Mayor

ATTEST:

\_\_\_\_\_  
Robin Patch, City Clerk

**RESOLUTION NO. 2020-76**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CRESCENT CITY AMENDING  
THE FISCAL YEAR 2020-21 BUDGET  
OF THE CITY OF CRESCENT CITY**

**WHEREAS**, the budget for the fiscal year beginning July 1, 2020, as submitted by the City Manager, was reviewed by the City Council and a public hearing was held thereon the 22<sup>nd</sup> day of June 2020; and

**WHEREAS**, the City Council adopted said budget and has the authority to amend said budget from time to time; and

**WHEREAS**, City revenues have been impacted by COVID-19 and the resulting economic impacts; and

**WHEREAS**, these revenues are extremely difficult to forecast due to the high level of uncertainty, and the City Council has committed to budgeting in a conservative manner, with frequent updates as more information becomes available; and

**WHEREAS**, Crescent City has also been allocated CARES Act funding through the State of California to reimburse some of the increased costs associated with the pandemic.

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

That the Fiscal Year 2020-21 City of Crescent City Annual Budget is hereby amended and appropriated in the amounts identified below:

	Revenue Increase (Decrease)	Expense Increase (Decrease)
General Fund	\$190,687	
CARES Fund	\$82,392	\$82,392

**APPROVED and ADOPTED** and made effective the same day at a regular meeting of the City Council of the City of Crescent City held on the 17th day of August 2020, by the following polled vote:

AYES:  
NOES:  
ABSTAIN:  
ABSENT:

\_\_\_\_\_  
Blake Inscore, Mayor

ATTEST:

\_\_\_\_\_  
Robin Patch, City Clerk



## CITY COUNCIL AGENDA REPORT

**TO:** MAYOR INSCORE AND MEMBERS OF THE CITY COUNCIL

**FROM:** ERIC WIER, CITY MANAGER

**BY:** LINDA LEAVER, FINANCE DIRECTOR

**DATE:** AUGUST 17, 2020

**SUBJECT:** SUBRECIPIENT AGREEMENT WITH FAMILY RESOURCE CENTER OF THE REDWOODS FOR COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) CORONAVIRUS RESPONSE ROUND 1 FUNDS

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### RECOMMENDATIONS

- Hear staff report
- Receive public comment
- Authorize the City Manager to execute a subrecipient agreement with Family Resource Center of the Redwoods (FRC) to utilize CDBG Coronavirus Response Round 1 funds for a county-wide mobile food pantry program
- Authorize the City Manager to sign a letter approving change in project budget categories, per FRC request

### BACKGROUND

The Community Development Block Grant (CDBG) program is a federally funded program through the Department of Housing and Urban Development (HUD). The principle objective of CDBG is the development of viable urban communities by providing decent housing and a suitable living environment, and by expanding economic opportunities, principally for persons of low- and moderate-income.

As a non-entitlement jurisdiction (cities with population less than 50,000 and counties with populations less than 200,000), Crescent City applies for CDBG program funding through the State Department of Housing and Community Development (HCD). HCD receives funding from the federal government and releases a Notice of Funding Availability (NOFA) to invite applications from jurisdictions within California.

For this NOFA, \$18.7 million in funding was made available through the Coronavirus Aid, Relief, and Economic Security (CARES) Act. This is Round 1 funding, with a total of four rounds expected. For Round 1, HCD is allocating funding to all eligible non-entitlement jurisdictions based on a formula. An application is required, but it is non-competitive. Both

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Crescent City and Del Norte County are allocated funds in Round 1 (\$67,634 for Crescent City and \$118,019 for Del Norte County). The projects must be directly targeted to prevent, prepare for, and respond to coronavirus and the funds must be spent within 12 months. These funds are also allotted a higher percentage for administrative costs (17%) in order to assist local agencies with the increased costs related to our COVID-19 response.

### **ITEM ANALYSIS**

Due to the relatively small funding amounts and the limited time frame, the City and County agreed that a joint project would be most effective. City and County staff held a joint public meeting to request project proposals and received one proposal from the Family Resource Center of the Redwoods (FRC) for a mobile food pantry. At the August 3, 2020 meeting, the City Council approved moving forward with the project, with the City administering the grant. The County agreed to allocate its funding to the City for the purpose of the project, and approval of the MOU with the County is a separate item on today's agenda.

This project will address food insecurity that has been worsened by the COVID-19 pandemic. Many businesses have either been closed or have limited operations due to the health emergency, which has also led to increased unemployment. Higher unemployment directly correlates to an increased need for food pantry services. In addition, many people are unable to travel to the food pantry due to limited transportation or health concerns. The food pantry also needs to limit the number of people in the food pantry at one time, to help prevent the spread of the virus. In order to address all of these issues, FRC proposes to purchase and operate a mobile food pantry. They would stock the refrigerated truck with fresh food and move it to various locations around the county, bringing food pantry services to those in need. The proposal would utilize both the City and County allocations (\$154,092 plus \$31,600 for the City's administration costs) for the 12-month period and is expected to serve an additional 1,200 people. FRC has also secured additional funding through Cal-Recycle, Building Healthy Communities, and FEMA to ensure the success of the project.

In order to utilize this funding, the City will need to execute a subrecipient agreement with FRC. The subrecipient agreement outlines the roles and responsibilities of each agency and requires FRC to comply with all HCD and CDBG regulations.

In conversations with HCD about this project, concerns were raised regarding the purchase of the truck. HCD regulations would require a strict tracking and continued use agreement for at least 5 years (4 years beyond the grant). In order to reduce the administrative burden of reporting on the asset for additional years, HCD suggested and FRC has implemented a plan to shift the purchase of the truck to the outside funding sources, and utilize the CDBG funding only for the operational costs of the project. Also, additional funding needs were identified during this process, including the recommendation to add another part-time staff person, increased fuel costs, and storage.

FRC has secured additional funding to cover the additional budget requirements, and the City's CDBG amount is unchanged

Due to the timing of FRC's board meetings and the City Council meetings, the FRC board has already approved and signed the subrecipient agreement, which included the budget allocations in the original proposal. The board was aware of the need to reallocate the budget, which is allowed in the subrecipient agreement with written approval by the City. FRC has submitted the attached letter requesting the budget reallocation. Staff recommends approving the subrecipient agreement and the request for budget reallocation.

Original budget:

	CDBG	Cal-Recycle	BHC	FEMA EFSP	Total
Personnel	59,500		17,650		77,150
Mobile Market truck	56,150	32,850			89,000
Operations	38,442	2000		5,000	45,442
<b>Program total</b>	<b>154,092</b>	<b>34,850</b>	<b>17,650</b>	<b>5,000</b>	<b>211,592</b>
General Admin (17%) to City	31,600				31,600
<b>Total funding</b>	<b>185,692</b>	<b>34,850</b>	<b>17,650</b>	<b>5,000</b>	<b>243,192</b>

Requested budget update:

	CDBG	Cal-Recycle	BHC/FRC	FEMA EFSP	Total
Personnel	88,821				88,821
Mobile Market truck	0	32,850	46,150		79,000
Operations	65,271		639	5,000	70,910
<b>Program total</b>	<b>154,092</b>	<b>32,850</b>	<b>46,789</b>	<b>5,000</b>	<b>238,731</b>
General Admin (17%) to City	31,600				31,600
<b>Total funding</b>	<b>185,692</b>	<b>32,850</b>	<b>46,789</b>	<b>5,000</b>	<b>270,331</b>

### FISCAL ANALYSIS

The subrecipient agreement includes a not-to-exceed amount of \$154,092, which is the total CDBG allocation (City and County amounts combined) less the amount HCD allocates to the City for administrative costs.

This funding is a non-competitive allocation and does not require a local match. CDBG funds are on a reimbursement basis. The subrecipient will invoice the City periodically, and the City will pay the subrecipient and then submit a reimbursement request to HCD. HCD typically reimburses the City approximately 30 days after the reimbursement request has been submitted.

### STRATEGIC PLAN ASSESSMENT

This action supports the following Strategic Plan goals:

- Goal 1: Support quality services, community safety, and health to enhance the quality of life and experience of our residents and visitors
- Goal 1(A): Enhance collaboration with other agencies and the community to better aid the public
- Goal 2(D): Collaborate with other jurisdictions and non-profits to maximize regional effectiveness and amplify funding opportunities
- Goal 2(F)(9): Expand on the success of grant funding by maximizing utilization of opportunities with corresponding community needs

### **ATTACHMENTS**

1. Subrecipient agreement with Family Resource Center of the Redwoods (FRC)
2. Letter from FRC requesting reallocation of project budget categories
3. Letter from City approving budget reallocation request

Staff review:

  
\_\_\_\_\_  
CM

**SUBRECIPIENT AGREEMENT  
AGREEMENT BETWEEN THE CITY OF CRESCENT CITY  
AND  
THE FAMILY RESOURCE CENTER OF THE REDWOODS  
FOR  
MOBILE FOOD PANTRY SERVICES**

This subrecipient agreement (herein called the "Agreement"), entered as of the date set forth below by and between the City of Crescent City, a California municipal corporation (herein called the "GRANTEE") and the Family Resource Center of the Redwoods, a California nonprofit corporation (herein called the "SUBRECIPIENT").

WHEREAS, the GRANTEE has applied for and expects to receive funds from the United States Government under Title 1 of the Housing and Community Development Act of 1974, Public Law 93-383; and

WHEREAS, the GRANTEE wishes to engage the SUBRECIPIENT to assist the GRANTEE in utilizing such funds;

NOW THEREFORE, the parties agree as follows:

**I. FUNDING AVAILABILITY AND USE**

A. Contingent on funding

The terms of this Agreement are valid and enforceable only to the extent to which funds are made available to the GRANTEE by the United States Government and the State of California for the purposes of the Community Development Block Grant Program.

B. Limitation on Use of Funds

Grant funds may be used only for the activities described in this Agreement and any properly executed amendment thereto. Funds found to have been expended improperly or for which sufficient documentation is not available must be repaid by the SUBRECIPIENT to the GRANTEE.

**II. SCOPE OF SERVICE**

A. Activities

The SUBRECIPIENT will be responsible for implementing and operating a Mobile Food Pantry Service using CDBG grant funding under CDBG-CV1 funding in a manner satisfactory to the GRANTEE and consistent with any standards required as a condition of providing these funds. Such program will include the following activities eligible under the Community Development Block Grant Program:

**1. Program Delivery**

Implementation and Operation of a Mobile Food Pantry

**2. General Administration**

SUBRECIPIENT may charge those general administration, supervision, and management costs directly associated with provisions of the above services. Indirect costs may not be charged to the grant without prior written approval of the GRANTEE and State CDBG program staff. Costs for items whose benefits are shared by programs other than the CDBG-funded program may only be allocated to the CDBG-funded program in proportion to the benefit received by the CDBG-funded program. Such shared items and the method for determining the proportion resulting in benefit to the CDBG-funded program must be properly documented in accordance with CDBG program requirements and approved by the GRANTEE.

**3. Fundraising**

No costs or expenditures including but not limited to staff costs, supplies, advertising, or other operating costs associated with fundraising activities may be charged to this grant.

**B. National Objectives**

The SUBRECIPIENT certifies that the activities carried out with funds provided under this Agreement will meet one or more of the CDBG program's National Objectives – (1) benefit low/moderate income persons; (2) aid in the prevention or elimination of slums or blight; (3) meet community development needs having a particular urgency – as defined in 24 CFR Part 570.208.

National Objective identified for this program is:

(1) benefit low/moderate income persons

**C. Levels of Accomplishment**

In addition to the normal administrative services required as part of this Agreement, the SUBRECIPIENT agrees to provide the following levels of program services:

*Mobile Food Pantry services to benefit Low/Moderate Income individuals meeting the requirements of the Department of Housing and Community Development. Low Mod Area benefit will be used for this service.*

**D. Reporting Requirements**

SUBRECIPIENT agrees to provide quarterly financial status reports and annual performance reports per forms and instructions provided by the GRANTEE. Financial status reports and reports for payment must include a profit and loss statement indicating the expenses for which grant funds are being requested. In addition to the information requested per each reporting form, SUBRECIPIENT must submit information on the outcome measures listed below. The report period for outcome measure data will coincide with the period of the report with which the information is being submitted. Report periods may change upon notification from CDBG and SUBRECIPIENT must comply.

For every non-duplicated individual served, the following information is required:

- (1) Participant name or code
- (2) Home address in service area (yes/no)
- (3) Participant type (single/non-elderly, elderly, related/single parent)
- (4) Total household size
- (5) Annual gross income for household
- (6) % of area median income
- (7) Access to service (new, improved, no longer substandard)
- (8) Hispanic (yes/no)
- (9) Race/ethnicity
- (10) Veteran (yes/no)
- (11) Disabled (yes/no)

This information must be submitted to the GRANTEE quarterly with each funds request and annually no later than July 15 for the prior fiscal year ended June 30.

E. Performance Monitoring

The GRANTEE will monitor the performance of the SUBRECIPIENT against goals and performance standards required herein. Such monitoring will include, but not be limited to, annual on-site monitoring visits and quarterly desk audits. Substandard performance as determined by the GRANTEE will constitute non-compliance with this Agreement. If action to correct such substandard performance is not taken by the SUBRECIPIENT within a reasonable period of time after being noticed by the GRANTEE, contract suspension or termination procedures will be initiated.

**III. TIME OF PERFORMANCE**

Services of the SUBRECIPIENT are to start upon notification from Grantee that CDBG-CV1 funding was granted for this Project and services are to end one month prior to the GRANTEE expenditure deadline. SUBRECIPIENT will be notified of the expenditure deadline at the time it is notified that the Project has been funded. The term of this Agreement and the provisions herein may be extended to cover any additional time period during which the SUBRECIPIENT remains in control of CDBG funds or other assets.

**IV. BUDGET**

A. Grant Expenditures

SUBRECIPIENT may only expend grant funds in support of the approved activities contained in this Agreement in accordance with the following general budget:

Personnel	\$ 59,500
Mobile Market Truck	\$ 56,150
<u>Operation Costs</u>	<u>\$ 38,442</u>
Total	\$154,092

Any amendments to this budget must be approved in writing by the GRANTEE and the SUBRECIPIENT.

**B. Subrecipient Leverage**

Leverage is not required under this Agreement.

**C. Indirect Costs**

Indirect costs may not be charged without prior written consent of the GRANTEE and State CDBG program staff and must be consistent with the conditions of Paragraph VIII (C) (2) of this Agreement. In addition, the GRANTEE may require a more detailed budget breakdown than the one contained herein, and the SUBRECIPIENT shall provide such supplementary budget information in a timely fashion in the form and content prescribed by the GRANTEE.

**V. PAYMENT**

It is expressly agreed and understood that the total to be paid by the GRANTEE under this Agreement may not exceed **One Hundred Fifty-Four Thousand, Ninety-Two Dollars (\$154,092.00)**. Drawdowns for the payment of eligible expenses will be made against the line item budgets specified in Paragraph IV and in accordance with performance.

Payments may be contingent upon certification of the SUBRECIPIENT'S financial management system in accordance with the standards specified in 2 CFR Part 215, incorporated herein and made a part hereof by this reference.

**VI. NOTICES**

Communication and details concerning this Agreement will be directed to the following representatives or their designees. Email communication may be used for informal communication but is not accepted as formal communication. All formal communication must be submitted in writing and directed as follows:

**GRANTEE:**

Linda Leaver, Finance Director  
City of Crescent City  
377 J. Street  
Crescent City, CA 95531  
Phone: (707) 464-7483  
Email: [lleaver@cityofcrescentcity.org](mailto:lleaver@cityofcrescentcity.org)

**SUBRECIPIENT:**

Amira Long, Executive Director  
Family Resource Center of the Redwoods  
494 Pacific Avenue  
Crescent City, CA 95531  
Phone: (707) 464-0955  
Email: [along@frcfredwoods.org](mailto:along@frcfredwoods.org)

**VII. General Conditions**

**A. General Compliance**

The SUBRECIPIENT agrees to comply with the requirements of Title 24 of the Code of Federal Regulations, Part 570 (the Housing and Urban Development regulations concerning Community Development Block Grants (CDBG)). The SUBRECIPIENT also agrees to comply with all other applicable Federal, State and local regulations and policies governing the funds provided under this Agreement. The SUBRECIPIENT further agrees to utilize funds available under this Agreement to supplement rather than

supplant funds otherwise available.

B. "Independent Contractor"

Nothing contained in this Agreement is intended to, or may be construed in any manner, as creating or establishing a relationship of employer/employee between the parties. The SUBRECIPIENT will at all times remain an "independent contractor" with respect to the services to be performed under this Agreement. The GRANTEE will be exempt from payments including, but not limited to, all Unemployment Compensation, FUCA, retirement, life and/or medical insurance and Workers' Compensation Insurance as the SUBRECIPIENT is an independent contractor.

C. Hold Harmless

The SUBRECIPIENT must hold harmless, defend and indemnify the GRANTEE from any and all claims, actions, suits, charges and judgments whatsoever that arise out of the SUBRECIPIENTS performance or nonperformance of the services or subject matter called for in this Agreement.

D. Workers' Compensation

The SUBRECIPIENT must provide Workers' Compensation Insurance coverage for all of its employees involved in the performance of this Agreement.

E. Insurance and Bonding

The SUBRECIPIENT must carry sufficient insurance coverage to protect Agreement assets from loss due to theft, fraud and/or undue physical damage, and as a minimum must purchase a blanket fidelity bond covering all employees in an amount equal to cash advances from the GRANTEE. The SUBRECIPIENT must add liability insurance with the GRANTEE named as the loss payee.

The SUBRECIPIENT must also comply with the bonding and insurance requirements as outlined in 2 CFR Part 215.

F. GRANTEE Recognition

The SUBRECIPIENT will ensure recognition of the role of the grantor agency in providing services through this Agreement. All activities, facilities, and items utilized pursuant to this Agreement will be prominently labeled as to funding source. In addition, the SUBRECIPIENT will include a reference to the support provided herein in all publications made possible with funds made available under this Agreement.

G. Amendments

The GRANTEE or SUBRECIPIENT may amend this Agreement at any time provided that such amendments make specific reference to this Agreement, and are executed in writing, signed by a duly authorized representative of both organizations, and approved by the GRANTEE'S governing body. Such amendments may not invalidate this Agreement, nor relieve or release the GRANTEE or SUBRECIPIENT from its obligation

under this Agreement.

The GRANTEE may, in its discretion, amend this Agreement to conform with Federal, State or local governmental guidelines, policies and available funding amounts, or for other reasons. If such amendments result in a change in the funding, the scope of services, or schedule of the activities to be undertaken as part of this Agreement, such modifications will be incorporated only by written amendment signed by both GRANTEE and SUBRECIPIENT.

#### H. Suspension or Termination

Either party may terminate this Agreement at any time by giving written notice to the other party of such termination and specifying the effective date thereof at least 30 days before the effective date of such termination. Partial termination of the Scope of Services in Paragraph II(A) above may only be undertaken with the prior approval of the GRANTEE. In the event of any termination for convenience, all finished or unfinished documents, data, studies, surveys, maps, models, photographs, reports or other materials prepared by the SUBRECIPIENT under this Agreement will, at the option of the GRANTEE, become the property of the GRANTEE, and the SUBRECIPIENT will be entitled to receive just and equitable compensation for any satisfactory work completed on such documents or material prior to the termination.

The GRANTEE may also suspend or terminate this Agreement, in whole or part, if the SUBRECIPIENT materially fails to comply with the terms of this Agreement, or with any of the rules, regulations or provisions referred to herein; and the GRANTEE may declare the SUBRECIPIENT ineligible for any further participation in the GRANTEE'S contracts, in addition to the other remedies as provided by law. In the event there is probable cause to believe the SUBRECIPIENT is in noncompliance with any applicable rules or regulations, the GRANTEE may withhold up to fifteen (15) percent of said contract funds until such time the SUBRECIPIENT is found to be in compliance by the GRANTEE, or is otherwise adjudicated to be in compliance.

### VIII. ADMINISTRATIVE REQUIREMENTS

#### A. Financial Management

##### 1. Accounting Standards

The SUBRECIPIENT agrees to comply with 2 CFR Part 215 and agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

##### 2. Cost Principles

The SUBRECIPIENT will administer the program in conformance with 2 CFR Part 230, "Cost Principles for Non-Profit Organizations," or Part 220, "Cost Principles for Educational Institutions," as applicable. The principles must be applied for all costs incurred whether charged on a direct or indirect basis. Regulations outlined in 2 CFR Parts 220 and 230, which are incorporated herein and made a part hereof

by this reference.

B. Documentation and Record-Keeping

1. Records to be Maintained

The SUBRECIPIENT must maintain all records required by the Federal regulations specified in 24 CFR § 570.506, incorporated herein and made a part hereof by this reference, which are pertinent to the activities to be funded under this Agreement. Such records include but are not limited to:

- a. Records providing a full description of each activity undertaken;
- b. Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG Program;
- c. Records required to determine the eligibility of activities;
- d. Records required to document the acquisition of improvements, use or disposition of real property acquired or improved with CDBG assistance;
- e. Records documenting compliance with the fair housing and equal opportunity components of the CDBG program;
- f. Financial records as required by 24 CFR § 570.502, incorporated herein and made a part hereof by this reference and 2 CFR Part 215; and
- g. Other records necessary to document compliance with Subpart K of 24 CFR 570, incorporated herein and made a part hereof by this reference .

2. Retention

The SUBRECIPIENT must retain all records pertinent to expenditures incurred under this Agreement for a period of five (5) years after the grant contract has been closed by the State of California Department of Housing and Community Development and HUD. Records for non-expendable property acquired with funds under this Agreement must be retained for five (5) years after final payment has been received. Notwithstanding the above, if there is litigation, claims, audits, negotiations or other actions that involve any of the records cited and that have started before the expiration of the five-year period, then such records must be retained until completion of the actions and resolution of all issues or expiration of the five-year period whichever occurs later. All original documents required to support the CDBG program and National Objectives must be provided to the GRANTEE at the end of the grant period. The SUBRECIPIENT will provide all documentation requested by the GRANTEE to comply with any audit during or after the closeout of the grant.

3. Client Data

The SUBRECIPIENT must maintain clients' data demonstrating client eligibility for services provided and record this data on the required forms as provided by the GRANTEE. Such data includes, but is not limited to, client name, address, income level or other basis for determining eligibility, and description of service provided. Such data will be collected and reported in compliance with CDBG program requirements as outlined under Section II (D): Reporting Requirements and will be made available to GRANTEE monitors or their designees for review upon request.

#### 4. Disclosure

The SUBRECIPIENT understands that client information collected under this Agreement is private and the use or disclosure of such information, when not directly connected with the administration of the GRANTEE'S or SUBRECIPIENT'S responsibility with respect to services provided under this Agreement, is prohibited by State and Federal law unless written consent is obtained from such person receiving services and in the case of a minor, that of the responsible parent/guardian.

#### 5. Property Records

The SUBRECIPIENT must maintain real property inventory records that clearly identify properties purchased, improved or sold. Properties retained must continue to meet the eligibility criteria and conform with the "Changes in Use" restrictions specified in 24 CFR § 570.503 (b) (8), as applicable, incorporated herein and made a part hereof by this reference.

#### 6. Closeouts

The SUBRECIPIENT'S obligation to the GRANTEE does not end until all closeout requirements have been completed and State monitoring has occurred and been cleared. Activities during this closeout period include, but are not limited to the following: making final payments, disposing of program assets (including return of all unused materials, equipment, unspent cash advances, program income balances, and accounts receivable to the GRANTEE), determining the custodianship of all records, and availability of staff for monitoring and monitoring clearance process.

#### 7. Audits and Inspections

All SUBRECIPIENT records with respect to any matters covered by this Agreement will be made available to the GRANTEE, grantor agency, their designee or the Federal Government, at any time during normal business hours, as often as the GRANTEE or grantor agency deems necessary, to audit, examine, and make excerpts or transcripts of all relevant data. Any deficiencies noted in audit reports must be fully cleared by the SUBRECIPIENT within 30 days after receipt by the SUBRECIPIENT. Failure of the SUBRECIPIENT to comply with the above audit requirements will constitute a violation of this Agreement and may result in the withholding of future payments. The SUBRECIPIENT hereby agrees to have an annual agency audit conducted by an outside auditor in accordance with generally accepted accounting practices and, as applicable, 2 CFR Part 200 Subpart F, incorporated herein and made a part hereof by this reference. A copy of the annual agency audit must be provided to the GRANTEE within 30 days of completion.

### C. Reporting and Payment Procedures

#### 1. Program Income

The Family Resource Center of the Redwoods Mobile Food Pantry will not produce Program Income and is not subject to the provisions thereof.

## 2. Indirect Costs

Indirect costs are not allowed without prior written approval of the GRANTEE and the State CDBG program staff. If indirect costs are determined to be essential to the delivery of program services, the SUBRECIPIENT will develop an indirect cost allocation plan for determining the appropriate share of administrative costs and submit such plan to the GRANTEE for approval, in a form specified by the GRANTEE.

## 3. Payment Procedures

The GRANTEE will pay to the SUBRECIPIENT funds available under this Agreement based upon information submitted by the SUBRECIPIENT and consistent with any approved budget and GRANTEE policy concerning payments. With the exception of certain advances, payments will be made for eligible expenses actually incurred by the SUBRECIPIENT and not to exceed actual cash requirements. Payments will be adjusted by the GRANTEE in accordance with advance fund and program income balances (if applicable) available in the SUBRECIPIENT accounts. In addition, the GRANTEE reserves the right to liquidate funds available under this Agreement for costs incurred by the GRANTEE on behalf of the SUBRECIPIENT.

## 4. Payment Procedures

The SUBRECIPIENT will submit regular Progress Reports to the GRANTEE in form, content, and frequency as required by the GRANTEE.

## D. Procurement

### 1. Compliance

The SUBRECIPIENT must: (1) comply with current GRANTEE policy concerning the purchase of equipment and procurement of professional services; and, (2) maintain inventory records of all non-expendable personal property as defined by such policy as may be procured with funds provided herein. All program assets (unexpended program income, (if applicable), program income generated by the sale of assets purchased with grant funds, etc.) will revert to the GRANTEE upon termination of the Agreement.

### 2. Federal Regulations and Standards

The SUBRECIPIENT must procure all materials, property, or services in accordance with 2 CFR Part 215, Procurement Standards, 24 CFR § 85.36, and shall subsequently follow Attachment N, Property Management Standards as modified by 24 CFR § 570.502 (b) (6), covering utilization and disposal of property.

3. Travel

The SUBRECIPIENT must obtain written approval from the GRANTEE for any travel outside Del Norte County with funds provided under this Agreement.

4. Procurement Policy

The SUBRECIPIENT must submit their adopted Procurement Policy within 10 days of their contract execution date, as well as any revisions, as they are adopted, for the duration of the grant.

**IX. RELOCATION, REAL PROPERTY ACQUISITION AND ONE-FOR-ONE HOUSING ELEMENT**

The SUBRECIPIENT agrees to comply with: (a) the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA), and implementing regulations at 49 CFR Part 24 and 24 CFR § 570.606(b); (b) the requirements of 24 CFR § 570.606(c) governing the Residential Antidisplacement and Relocation Assistance Plan under section 104(d) of the HCD Act; and (c) the requirements of 24 CFR § 570.606(d) governing optional relocation policies as determined by the GRANTEE. The SUBRECIPIENT must provide relocation assistance to persons (families, individuals, businesses, non-profit organizations, and farms) that are displaced as a direct result of acquisition, rehabilitation, demolition, or conversion for a CDBG assisted project. The SUBRECIPIENT also agrees to comply with applicable GRANTEE ordinances, resolutions, and policies concerning the displacement of persons from their residences.

**X. PERSONNEL AND PARTICIPANT CONDITIONS**

A. Civil Rights

1. Compliance

The SUBRECIPIENT agrees to comply with local and State Civil Rights ordinances and with Title VI of the Civil Rights Act of 1964 as amended, Title VIII of the Civil Rights Act of 1968 as amended, Section 104(b) and Section 109 of Title 1 of the Housing and Community Development Act of 1974 as amended, Section 50 of the Rehabilitation Act of 1973, the American with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063, and Executive Order 11246 as amended by Executive Orders 11374 and 12086.

2. Nondiscrimination

The SUBRECIPIENT will not unlawfully discriminate against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital/familial status, sex, gender, gender identity, gender expression, age, sexual orientation, status with regard to public assistance, or military and veteran status of any person. The SUBRECIPIENT will take affirmative action to ensure that all employment practices are free from such discrimination.

Such employment practices include but are not limited to the following: hiring, upgrading, demotion, transfer, recruitment or recruitment advertising layoff, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The SUBRECIPIENT agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting agency setting forth the provisions of this nondiscrimination clause. Additional State of California Requirements regarding the State Equal Opportunity provisions are contained in Attachment A.

### 3. Land Covenants

This Agreement is subject to the requirements of Title VI of the Civil Rights Act of 1964 (P. L. 88-352) and 24 CFR §§ 570.601 and 570.602. In regard to the sale, lease, or other transfer of land acquired, cleared or improved with assistance provided under this Agreement, the SUBRECIPIENT must cause or require a covenant running with the land to be inserted in the deed or lease for such transfer, prohibiting discrimination as herein defined, in the sale, lease or rental, or in the use or occupancy of such land, or in any improvements erected or to be erected thereon, providing that the GRANTEE and the United States are beneficiaries of and entitled to enforce such covenants. The SUBRECIPIENT, in undertaking its obligation to carry out the program assisted hereunder, agrees to take such measures as are necessary to enforce such covenant, and will not itself so discriminate.

### 4. Section 504

The SUBRECIPIENT agrees to comply with all Federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), which prohibits discrimination against the individuals with disabilities or handicaps in any Federally assisted program. The GRANTEE will provide the SUBRECIPIENT with any guidelines necessary for compliance with that portion of the regulations in force during the term of this Agreement.

## B. Affirmative Action

### 1. Approved Plan

The SUBRECIPIENT agrees that it will be committed to carry out pursuant to the GRANTEE'S specifications an Affirmative Action Program in keeping with the principles as provided in President's Executive Order 11246 of September 24, 1966. The GRANTEE will provide Affirmative Action guidelines to the SUBRECIPIENT to assist in the formulation of such program. The SUBRECIPIENT will submit a plan for an Affirmative Action Program for approval prior to the award of funds.

### 2. Women- and Minority-Owned Businesses (W/MBE)

The SUBRECIPIENT will use its best efforts to afford small businesses, minority business enterprises, and women's business enterprises the maximum practicable

opportunity to participate in the performance of this Agreement. As used in this Agreement, the terms "small business" means a business that meets the criteria set forth in section 3(a) of the Small Business Act, as amended (15 U.S.C. 632), and "minority and women's business enterprise" means a business at least fifty-one (51) percent owned and controlled by minority group members or women. For the purpose of this definition, "minority group members" are Afro-Americans, Spanish-speaking, Spanish surnamed or Spanish-heritage Americans, Asian-Americans, and American Indians. The SUBRECIPIENT may rely on written representations by businesses regarding their status as minority and female business enterprises in lieu of an independent investigation.

### 3. Access to Records

The SUBRECIPIENT must furnish and cause each of its own SUBRECIPIENTS or subcontractors to furnish all information and reports required hereunder and will permit access to its books, records (including employment records), and accounts by the GRANTEE, HUD or its agent, or other authorized Federal officials for purposes of investigation to ascertain compliance with the rules, regulations and provisions stated herein.

### 4. Notifications

The SUBRECIPIENT will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or worker's representative of the SUBRECIPIENT'S commitments hereunder, and will post copies of the notice in conspicuous places available to employees and applicants for employment.

### 5. Subcontract Provisions

The SUBRECIPIENT must include the provisions of Paragraphs X.A, Civil Rights, and X.B, Affirmative Action, in every subcontract or purchase order, specifically or by reference, so that such provisions will be binding upon each of its own SUBRECIPIENTS or subcontractors.

## C. Employment Restrictions

### 1. Prohibited Activity

The SUBRECIPIENT is prohibited from using funds provided herein or personnel employed in the administration of the program for: political activities; inherently religious activities; lobbying; political patronage; and nepotism activities.

### 2. Labor Standards (If Applicable)

The SUBRECIPIENT agrees to comply with the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act as amended, the provisions of Contract Work Hours and Safety Standards Act (40 U.S.C. 327, et seq.) and all other applicable Federal, state and local laws and regulations pertaining to labor

standards insofar as those acts apply to the performance of this Agreement. The SUBRECIPIENT agrees to comply with the Copeland Anti-Kick Back Act (18 U.S.C. 874, et seq.) and its implementing regulations of the U.S. Department of Labor at 29 CFR Part 5. The SUBRECIPIENT must maintain documentation that demonstrates compliance with hour and wage requirements of this part. Such documentation will be made available to the GRANTEE for review upon request.

The SUBRECIPIENT agrees that, except with respect to the rehabilitation or construction of residential property containing less than eight (8) units, all contractors engaged under contracts in excess of \$2,000.00 for construction, renovation or repair work financed in whole or in part with assistance provided under this Agreement, must comply with Federal requirements adopted by the GRANTEE pertaining to such contracts and with the applicable requirements of the regulations of the Department of Labor, under 29 CFR Parts 1, 3, 5 and 7 governing the payment of wages and ratio of apprentices and trainees to journey workers; provided that, if wage rates higher than those required under the regulations are imposed by state or local law, nothing hereunder is intended to relieve the SUBRECIPIENT of its obligation, if any, to require payment of the higher wage. The SUBRECIPIENT must cause or require to be inserted in full, in all such contracts subject to such regulations, provisions meeting the requirements of this paragraph.

### 3. "Section 3" Clause

#### a. Compliance

Compliance with the provisions of Section 3 of the HUD Act of 1968, as amended, and as implemented by the regulations set forth in 24 CFR Part 135, and all applicable rules and orders issued hereunder prior to the execution of this Agreement, will be a condition of the Federal financial assistance provided under this Agreement and binding upon the GRANTEE, the SUBRECIPIENT and any of the SUBRECIPIENT'S sub-recipients and subcontractors. Failure to fulfill these requirements will subject the GRANTEE, the SUBRECIPIENT and any of the SUBRECIPIENT'S sub-recipients and subcontractors, their successors and assigns, to those sanctions specified by the Agreement through which Federal assistance is provided. The SUBRECIPIENT certifies and agrees that no contractual or other disability exists that would prevent compliance with these requirements.

The SUBRECIPIENT further agrees to comply with these "Section 3" requirements and to include the following language in all subcontracts executed under this Agreement:

"The work to be performed under this Agreement is a project assisted under a program providing direct Federal financial assistance from HUD and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701). Section 3 requires that to the greatest extent feasible opportunities for training and employment be given to low- and very low-income residents of the project area, and that contracts for work in connection with the project be

awarded to business concerns that provide economic opportunities for low- and very low-income persons residing in the metropolitan area in which the project is located.”

The SUBRECIPIENT further agrees to ensure that opportunities for training and employment arising in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project are given to low- and very low-income persons residing within the metropolitan area in which the CDBG-funded project is located; where feasible, priority should be given to low- and very low-income persons within the service area of the project or the neighborhood in which the project is located, and to low- and very low-income participants in other HUD programs; and award contracts for work undertaken in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project to business concerns that provide economic opportunities for low- and very low-income persons residing within the metropolitan area in which the CDBG-funded project is located; where feasible, priority should be given to business concerns that provide economic opportunities to low- and very low-income residents within the service area or the neighborhood in which the project is located, and to low- and very low-income participants in other HUD programs.

The SUBRECIPIENT certifies and agrees that no contractual or other legal incapacity exists that would prevent compliance with these requirements.

b. Notifications

The SUBRECIPIENT agrees to send to each labor organization or representative of workers with which it has a collective bargaining agreement or other contract or understanding, if any, a notice advising said labor organization or worker’s representative of its commitments under this Section 3 clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.

c. Subcontracts

The SUBRECIPIENT will include this Section 3 clause in every subcontract and will take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of regulations issued by the grantor agency. The SUBRECIPIENT will not subcontract with any entity where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR Part 135 and will not let any subcontract unless the entity has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.

D. Conduct

### 1. Assignability

The SUBRECIPIENT may not assign or transfer any interest in this Agreement without the prior written consent of the GRANTEE thereto; provided, however, that claims for money due or to become due to the SUBRECIPIENT from the GRANTEE under this Agreement may be assigned to a bank, trust company, or other financial institution without such approval. Notice of any such assignment or transfer must be furnished promptly to the GRANTEE.

### 2. Subcontracts

#### a. Approvals

The SUBRECIPIENT may not enter into any subcontracts with any agency or individual in the performance of this Agreement without the written consent of the GRANTEE prior to the execution of such agreement.

#### b. Monitoring

The SUBRECIPIENT will monitor all subcontracted services on a regular basis to assure contract compliance. Results of monitoring efforts will be summarized in written reports and supported with documented evidence of follow-up actions taken to correct areas of noncompliance.

#### c. Content

The SUBRECIPIENT will cause all of the provisions of this Agreement in its entirety to be included in and made a part of any subcontract executed in the performance of this Agreement.

#### d. Selection Process

The SUBRECIPIENT will undertake to ensure that all subcontracts let in the performance of this Agreement are awarded on a fair and open competition basis in accordance with applicable procurement requirements. Executed copies of all subcontracts must be forwarded to the GRANTEE along with documentation concerning the selection process.

### 3. Hatch Act

The SUBRECIPIENT agrees that no funds provided, nor personnel employed under this Agreement, will be in any way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V of the U.S.C.

### 4. Conflict of Interest

The SUBRECIPIENT agrees to abide by the provisions of 24 CFR § 84.42 with respect to conflicts of interest, and covenants that it presently has no financial interest and will not acquire any financial interest, direct or indirect, which would conflict in any manner or degree with the performance of services required under

this Agreement. The SUBRECIPIENT further covenants that in the performance of this Agreement no person having such a financial interest will be employed or trained by the SUBRECIPIENT hereunder. These conflicts of interest provisions apply to any person who in an employee, agent, consultant, officer, or elected official or appointed official of the GRANTEE, or of any designated public agencies or sub-recipients that are receiving funding under the State CDBG program

#### 5. Lobbying

The SUBRECIPIENT hereby certifies that:

- a. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
- b. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and
- c. It will require that the language of paragraph (d) of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all SUBRECIPIENTS shall certify and disclose accordingly:
- d. Lobbying Certification

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31, U.S.C. 1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

#### 6. Copyright

If this Agreement results in any copyrightable material or inventions, the GRANTEE and/or grantor agency reserves the right to royalty-free, non-exclusive and irrevocable license to reproduce, publish or otherwise use and to authorize others to use, the work or materials for governmental purposes.

#### 7. Religious Activities

The SUBRECIPIENT agrees that funds provided under this Agreement will not be utilized for inherently religious activities prohibited by 24 CFR § 570.200(j), such as worship, religious instruction, or proselytization.

8. Personnel Policy

The SUBRECIPIENT agrees to submit its adopted Personnel Policy to the GRANTEE within 10 days of the contract execution date, as well as any revisions, as they are adopted, for the duration of the grant.

**XI. ENVIRONMENTAL CONDITIONS**

A. Air and Water

The SUBRECIPIENT agrees to comply with the following requirements insofar as they apply to the performance of this Agreement:

1. Clean Air Act, 42 U.S.C. 7401, et seq.;
2. Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251, et seq., as amended, Section 1318 relating to inspection, monitoring, entry, reports, and information, as well as other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued thereunder;
3. Environmental Protection Agency (EPA) regulations pursuant to 40 CFR Part 50, as amended.

B. Flood Disaster Protection

In accordance with the requirements of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001), the SUBRECIPIENT will assure that for activities located in an area identified by the Federal Emergency Management Agency (FEMA) as having special flood hazards, flood insurance under the National Flood Insurance Program is obtained and maintained as a condition of financial assistance for acquisition or construction purposes (including rehabilitation).

C. Lead-Based Paint

The SUBRECIPIENT agrees that any construction or rehabilitation of residential structures with assistance provided under this Agreement will be subject to HUD Lead-Based Paint Regulations at 24 CFR § 570.608, and 24 CFR Part 35, Subpart B. Such regulations pertain to all CDBG-assisted housing and require that all owners, prospective owners, and tenants of properties constructed prior to 1978 be properly notified that such properties may include lead-based paint. Such notification must point out the hazards of lead-based paint and explain the symptoms, treatment and precautions that should be taken when dealing with lead-based paint poisoning and the advisability and availability of blood lead level screening for children under seven. The notice should also point out that if lead-based paint is found

on the property, abatement measures may be undertaken. The regulations further require that, depending on the amount of Federal funds applied to a property, paint testing, risk assessment, treatment and/or abatement may be conducted.

**D. Historic Preservation**

The SUBRECIPIENT agrees to comply with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470) and the procedures set forth in 36 CFR Part 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they apply to the performance of this Agreement.

In general, this requires concurrence from the State Historic Preservation Officer for all rehabilitation and demolition of historic properties that are fifty years old or older or that are included on a Federal, state, or local historic property list.

**XII. STATE OF CALIFORNIA GENERAL TERMS AND CONDITIONS**

SUBRECIPIENT will comply with the State of California General Terms and Conditions GTC 610, which are contained in Attachment A, attached hereto and incorporated herein by this Agreement by this reference.

**XIII. SEVERABILITY**

If any provision of this Agreement is held invalid, the remainder of the Agreement will not be affected thereby and all other parts of this Agreement will remain in full force and effect.

**XIV. WAIVER**

The GRANTEE'S failure to act with respect to a breach by the SUBRECIPIENT does not waive its right to act with respect to subsequent or similar breaches. The failure of the GRANTEE to exercise or enforce any right or provision does not constitute a waiver of such right or provision.

**XV. ENTIRE AGREEMENT**

This Agreement constitutes the entire agreement between the GRANTEE and the SUBRECIPIENT for the use of funds received under this Agreement and it supersedes all prior or contemporaneous communications and proposals, whether electronic, oral, or written between the GRANTEE and the SUBRECIPIENT with respect to this Agreement.

[signature page to follow]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the last date written below.

CITY OF CRESCENT CITY:

BY: \_\_\_\_\_ DATE: \_\_\_\_\_  
Eric Wier, Interim City Manager

ATTEST: \_\_\_\_\_  
Robin Patch, Interim City Clerk

FAMILY RESOURCE CENTER OF THE REDWOODS:

BY: Amira Long DATE: 8/7/2020  
Amira Long, Executive Director

## ATTACHMENT A

### STATE OF CALIFORNIA GENERAL TERMS AND CONDITIONS (GTC 610)

*“Contractor” means the same as “Subrecipient” under the Subrecipient Agreement to which this Attachment A is affixed.*

#### GENERAL TERMS AND CONDITIONS

1. APPROVAL: This Agreement is of no force or effect until signed by both parties and approved by the Department of General Services, if required. Contractor may not commence performance until such approval has been obtained.
  
2. AMENDMENT: No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the parties and approved as required. No oral understanding or Agreement not incorporated in the Agreement is binding on any of the parties.
  
3. ASSIGNMENT: This Agreement is not assignable by the Contractor, either in whole or in part, without the consent of the State in the form of a formal written amendment.
  
4. AUDIT: Contractor agrees that the awarding department, the Department of General Services, the Bureau of State Audits, or their designated representative shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement. Contractor agrees to maintain such records for possible audit for a minimum of three (3) years after final payment, unless a longer period of records retention is stipulated. Contractor agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, Contractor agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this Agreement. (Gov. Code §8546.7, Pub. Contract Code §10115 et seq., CCR Title 2, Section 1896).
  
5. INDEMNIFICATION: Contractor agrees to indemnify, defend and save harmless the State, its officers, agents and employees from any and all claims and losses accruing or resulting to any and all contractors, subcontractors, suppliers, laborers, and any other person, firm or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims and losses accruing or resulting to any person,

firm or corporation who may be injured or damaged by Contractor in the performance of this Agreement.

6. DISPUTES: Contractor shall continue with the responsibilities under this Agreement during any dispute.

7. TERMINATION FOR CAUSE: The State may terminate this Agreement and be relieved of any payments should the Contractor fail to perform the requirements of this Agreement at the time and in the manner herein provided. In the event of such termination the State may proceed with the work in any manner deemed proper by the State. All costs to the State shall be deducted from any sum due the Contractor under this Agreement and the balance, if any, shall be paid to the Contractor upon demand.

8. INDEPENDENT CONTRACTOR: Contractor, and the agents and employees of Contractor, in the performance of this Agreement, shall act in an independent capacity and not as officers or employees or agents of the State.

9. RECYCLING CERTIFICATION: The Contractor shall certify in writing under penalty of perjury, the minimum, if not exact, percentage of post-consumer material as defined in the Public Contract Code Section 12200, in products, materials, goods, or supplies offered or sold to the State regardless of whether the product meets the requirements of Public Contract Code Section 12209. With respect to printer or duplication cartridges that comply with the requirements of Section 12156(e), the certification required by this subdivision shall specify that the cartridges so comply (Pub. Contract Code §12205).

10. NON-DISCRIMINATION CLAUSE: During the performance of this Agreement, Contractor and its subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (e.g., cancer), age (over 40), genetic information, marital/familial status, gender, gender identity, gender expression, sexual orientation, status with regard to public assistance, or military or veteran status, or denial of family care leave. Contractor and subcontractors shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Such employment practices include but are not limited to the following: hiring, upgrading, demotion, transfer, recruitment or recruitment advertising layoff, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. Contractor and subcontractors shall comply with the

provisions of the Fair Employment and Housing Act (Gov. Code §12990 (a-f) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other Agreement.

Contractor shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Agreement.

11. CERTIFICATION CLAUSES: The CONTRACTOR CERTIFICATION CLAUSES contained in the document CCC 307 are hereby incorporated by reference and made a part of this Agreement by this reference as if attached hereto.

12. TIMELINESS: Time is of the essence in this Agreement.

13. COMPENSATION: The consideration to be paid Contractor, as provided herein, shall be in compensation for all of Contractor's expenses incurred in the performance hereof, including travel, per diem, and taxes, unless otherwise expressly so provided.

14. GOVERNING LAW: This contract is governed by and shall be interpreted in accordance with the laws of the State of California.

15. ANTITRUST CLAIMS: The Contractor by signing this agreement hereby certifies that if these services or goods are obtained by means of a competitive bid, the Contractor shall comply with the requirements of the Government Codes Sections set out below.

a. The Government Code Chapter on Antitrust claims contains the following definitions:

1) "Public purchase" means a purchase by means of competitive bids of goods, services, or materials by the State or any of its political subdivisions or public agencies on whose behalf the Attorney General may bring an action pursuant to subdivision (c) of Section 16750 of the Business and Professions Code.

2) "Public purchasing body" means the State or the subdivision or agency making a public purchase. Government Code Section 4550.

b. In submitting a bid to a public purchasing body, the bidder offers and agrees that if the bid is accepted, it will assign to the purchasing body all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright Act (Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, materials, or services by the bidder for sale to the purchasing body pursuant to the bid. Such assignment shall be made and become effective at the time the purchasing body tenders final payment to the bidder. Government Code Section 4552.

c. If an awarding body or public purchasing body receives, either through judgment or settlement, a monetary recovery for a cause of action assigned under this chapter, the assignor shall be entitled to receive reimbursement for actual legal costs incurred and may, upon demand, recover from the public body any portion of the recovery, including treble damages, attributable to overcharges that were paid by the assignor but were not paid by the public body as part of the bid price, less the expenses incurred in obtaining that portion of the recovery. Government Code Section 4553.

d. Upon demand in writing by the assignor, the assignee shall, within one year from such demand, reassign the cause of action assigned under this part if the assignor has been or may have been injured by the violation of law for which the cause of action arose and (a) the assignee has not been injured thereby, or (b) the assignee declines to file a court action for the cause of action. See Government Code Section 4554.

16. CHILD SUPPORT COMPLIANCE ACT: For any Agreement in excess of \$100,000, the contractor acknowledges in accordance with Public Contract Code 7110, that:

a. The contractor recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with section 5200) of Part 5 of Division 9 of the Family Code; and

b. The contractor, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.

17. UNENFORCEABLE PROVISION: In the event that any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby.

18. PRIORITY HIRING CONSIDERATIONS: If this Contract includes services in excess of \$200,000, the Contractor shall give priority consideration in filling vacancies in positions funded by the Contract to qualified recipients of aid under Welfare and Institutions Code Section 11200 in accordance with Pub. Contract Code §10353.

19. SMALL BUSINESS PARTICIPATION AND DVBE PARTICIPATION REPORTING REQUIREMENTS:

a. If for this Contract Contractor made a commitment to achieve small business participation, then Contractor must within 60 days of receiving final payment under this Contract (or within such other time period as may be specified elsewhere in this Contract) report to the awarding department the actual percentage of small business participation that was achieved. (Govt. Code § 14841.)

b. If for this Contract Contractor made a commitment to achieve disabled veteran business enterprise (DVBE) participation, then Contractor must within 60 days of receiving final payment under this Contract (or within such other time period as may be specified elsewhere in this Contract) certify in a report to the awarding department: (1) the total amount the prime Contractor received under the Contract; (2) the name and address of the DVBE(s) that participated in the performance of the Contract; (3) the amount each DVBE received from the prime Contractor; (4) that all payments under the Contract have been made to the DVBE; and (5) the actual percentage of DVBE participation that was achieved. A person or entity that knowingly provides false information shall be subject to a civil penalty for each violation. (Mil. & Vets. Code § 999.5(d); Govt. Code § 14841.)

20. LOSS LEADER:

If this contract involves the furnishing of equipment, materials, or supplies then the following statement is incorporated: It is unlawful for any person engaged in business within this state to sell or use any article or product as a "loss leader" as defined in Section 17030 of the Business and Professions Code. (PCC 10344(e).)

**Executive Director**  
Amira Long



**Family Resource Center**  
494 Pacific Avenue  
Crescent City, CA 95531  
Telephone: 707.464.0955

**Food Program Director**  
Amanda Hixson

8/11/2020

Bridget Lacey  
377 J St.  
Crescent City, CA 95531

Dear Bridget:

This letter is to request a budget adjustment for the CDBG-CV1 application for the Mobile Market Pantry. Though the total amount (\$154,092) remains the same, I would like to subtract the \$56,150 that I had allocated toward the Mobile Market truck and reallocate \$29,321 of that toward personnel (\$88,821 total) and an additional \$26,829 (\$65,271 total) for operations. The reason why I would like to make this change is because by shifting and reorganizing to pay for the vehicle from other funding sources, it allows a wider breadth of freedom in implementing effective and sustainable programming with the vehicle after the 12-month CDBG-CV1 expenditure period is over. Otherwise, CDBG controls all truck operations for the next 5-years after only funding the program for 12 months. I also realized, after having further conversations with other mobile market operators, that I would need a bit more personnel than I had originally anticipated for in the budget, and that I should build in some more support for the additional costs that will be incurred by the Family Resource Center of the Redwoods in designing, implementing, and running this program.

I would be happy to elaborate further if you wish. Please let me know if you have any questions.

Sincerely,

*Amanda Hixson*

Amanda Hixson  
Food Program Director  
Family Resource Center of the Redwoods



**City of Crescent City**  
*Where the Redwoods Meet the Sea*

377 J Street, Crescent City, CA 95531 • 707.464.7483 • Fax 707.465.4405 • [www.crescentcity.org](http://www.crescentcity.org)



August 17, 2020

Family Resource Center of the Redwoods  
494 Pacific Avenue  
Crescent City, CA 95531  
Attn: Amira Long, Executive Director

Dear Ms Long,

The City of Crescent City has received your request to amend the budget outlined in the subrecipient agreement between the City and Family Resource Center of the Redwoods for the mobile food pantry project. We understand this budget amendment is to account for the allocation of funds from multiple sources to this project, and the purchase of the truck will be funded with other sources. The City agrees to the budget amendment as follows:

	<b>Original budget</b>	<b>Revised budget</b>
Personnel	\$59,500	\$88,821
Mobile market truck	\$56,150	-
Operation costs	\$38,442	\$65,271
Total	\$154,092	\$154,092

Thank you for your efforts on this project to bring food security to our community.

Sincerely,

Eric Wier  
City Manager  
City of Crescent City



## CITY COUNCIL AGENDA REPORT

**TO: MAYOR INSCORE AND MEMBERS OF THE CITY COUNCIL**

**FROM: ERIC WIER, CITY MANAGER**

**BY: JON OLSON, PUBLIC WORKS DIRECTOR**

**DATE: AUGUST 17, 2020**

**SUBJECT: CONTRACT WITH JOHNSON CONTROLS FOR A CITY-WIDE ENERGY PERFORMANCE AUDIT AND ENERGY EFFICIENCY SERVICES PROGRAM**

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### RECOMMENDATION

- Hear staff report
- Receive public comment
- Authorize the City Manager to sign a professional services agreement with Johnson Controls to prepare an energy audit and to identify and analyze potential energy efficiency projects.
- Appoint two members of the Council to serve on an Energy Performance Audit and Energy Efficiency Services Ad Hoc Committee

### BACKGROUND

The City of Crescent City, incorporated in 1854, is a general law city that owns, operates, and maintains approximately 11 facilities and 25 buildings, including the following: water quality laboratory, wastewater treatment plant, municipal water system, sewer collection system, RV park, city hall (2), a cultural center, shop buildings, municipal swimming pool (indoor), and various storage buildings.

The City maintains goals of seeking methods to create efficiencies and add additional value without compromising safety or performance in all its efforts. During the Fiscal Year 2019-20 budget workshop, staff presented the idea of utilizing an engineering/contracting firm to review the city's various systems, water, sewer, streetlights, etc., and look for opportunities to develop projects that will ultimately save money and create efficiencies for the City.

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Various jurisdictions around the state and nation have been evaluating all facilities in their jurisdiction to achieve reductions in operating costs. On May 4<sup>th</sup>, 2020 City Council authorized the City Manager to advertise a request for proposals (RFP) for a City-Wide Energy Performance Audit and Energy Efficiency Program.

A City-wide energy performance audit and energy efficient program is more than simply evaluating possible energy saving through items like converting to more efficient pumps and lighting at the City's various facilities. The City sought a company that would look for new projects to enhance the City, save money, or promote general efficiency in the City.

The original schedule for the RFP process was as follows:

- May 5th, 2020                      Advertise and Issue RFP
- June 8th, 2020                    Proposals due
- June 15th, 2020                 City Council selects firm
- July 6th, 2020                    Project Development Agreement to Council

The City's review team included the City Manager, Finance Director, Public Works Director, Crescent City Harbor Master, and Del Norte County Community Development Director. On June 8<sup>th</sup>, 2020 the City received eight proposals.

1. Alliance Building Solutions, Inc
2. Ameresco
3. CEG Solutions
4. Centrica
5. Johnson Controls
6. SitelogiQ
7. Trane U.S. Inc.
8. Willdan Energy Solutions

(arranged alphabetically, not by ranking)

The volume and the caliber of the proposals received was such that additional review time was required to properly analyze and evaluate all materials. On June 29<sup>th</sup>, 2020, the review team met to collectively review rankings based on the set criterion. Three companies were short-listed for interviews.

1. Ameresco
2. Johnson Controls (Johnson)
3. Willdan Energy Solutions

On July 17<sup>th</sup> each company's team was interviewed by the review panel via an online meeting format. The City panel ranked each team. A majority of the panelists ranked Johnson Controls as the company most qualified to perform the City-wide energy audit.

### **ITEM ANALYSIS**

The Request for Proposals laid out a multi-phased approach to achieving energy efficiency:

1. Energy Efficiency Audit
2. Project Development
3. Program Implementation

The agreement presented here will take us through Phase 1- Energy Audit. Johnson will provide an energy audit, potential project list, a scope of potential savings that would be realized for each of the various projects, and funding sources for each project. The goal will be to create a list of projects, financed through some combination of grants, rebates and incentives, and long-term financing, that will pay for itself through the energy and maintenance savings created by the projects. Once the initial audit is complete, the City will then have to decide if the potential projects and savings would provide an advantage to the City; this is the first go/no-go step. The Phase 1 feasibility study is at Johnson's risk and at no cost to the City. Following Phase 1, the City will have the option to move into Phase 2- Project Development or part ways with Johnson.

Phase 2, not being considered tonight, is the first point at which the City will incur potential financial liability. From page 32 of Johnson's proposal:

*"All development costs will be incorporated into the self-funding project structure. In the event that Johnson Controls delivers a construction contract that meets the financial parameters mutually agreed upon with the City, and the City decides to not move forward, then the City would reimburse Johnson Controls for the development costs incurred to date."*

Once the development agreement is signed, Johnson will fully develop construction documents and implementation plans for the City's selected projects.

Johnson would continue to move into Phase 3- Project Implementation once phase two is complete. Phase 3 will complete and fully implement the proposed projects.

For Phase 1, the current phase being considered, the only financial exposure is staff time.

### **FISCAL ANALYSIS**

Phase 1 will not cost the City anything and the City will likely benefit even if choosing not to move forward with Johnson into Phase 2. Phase 1 will point out areas that the City needs to improve upon.

Phase 2 could potentially cost 1% to 3% of the project costs if the City chooses not to move forward with any of the proposed projects. Staff estimates a potential range of projects from \$1 million to \$4 million. The City's risk for Phase 2 is estimated from \$10,000 to \$120,000. Again, Phase 2 would not be authorized until after Phase 1 (at no cost to the City) is complete, if the City decides to move forward.

If the City moves into construction (Phase 3), Johnson Controls guarantees that all costs for Phases 2 and 3 will be paid out of realized savings, and that if the savings are not realized that Johnson will make up the difference.

Staff recommends initiating Phase 1 of the process and then returning for council direction at each subsequent phase.

### **STRATEGIC PLAN ASSESSMENT**

This action supports Goal 1, provide and maintain an efficient, adequate infrastructure to provide for both current and future community needs. This action also supports Goal 3, seek methods to create efficiencies and add additional value without compromising safety or performance.

### **ATTACHMENTS**

1. Professional services agreement with Johnson Controls

Staff review:

  
\_\_\_\_\_  
CM

**CITY OF CRESCENT CITY  
AGREEMENT FOR PROFESSIONAL SERVICES**

This agreement for professional services ("Agreement") is hereby entered into this 17<sup>th</sup> day of August, 2020, by and between the City of Crescent City, a California municipal corporation ("CITY") and Johnson Controls Inc., a Wisconsin Corporation registered to do business in California ("CONSULTANT").

**RECITALS**

WHEREAS, CITY has determined it is necessary and desirable to secure certain technical and professional services; and

WHEREAS, the scope of work for said service (hereinafter "Project") is attached hereto as Exhibit "A" and is hereby incorporated by reference; and

WHEREAS, CONSULTANT is qualified and willing to provide such services pursuant to the terms and conditions of this Agreement;

NOW, THEREFORE, IT IS AGREED by and between CITY and CONSULTANT as follows:

**AGREEMENT**

**1. INCORPORATION OF RECITALS.** The recitals set forth above, and all defined terms set forth in such recitals and in the introductory paragraph preceding the recitals, are hereby incorporated into this Agreement as if set forth herein in full.

**2. SCOPE OF SERVICES.**

**2.1. SERVICES TO BE PERFORMED.** Subject to policy direction and approvals as CITY through its staff may determine from time to time, CONSULTANT will perform the services set forth in Exhibit "A" attached hereto and incorporated herein by reference.

**2.2. SCHEDULE FOR PERFORMANCE.** CONSULTANT must perform the services identified in Exhibit A as expeditiously as is consistent with generally accepted standards of professional skill and care and the orderly progress of work. Target completion dates for key date sensitive tasks, are as follows:

<b>DATE</b>	<b>TASK</b>
August 18-20, 2020	Discovery workshop and site visits
October 26, 2020	Delivery of Preliminary Business Case and Project Development Agreement

**2.3. STANDARD OF QUALITY.** All work performed by CONSULTANT under this Agreement must be in accordance with all applicable legal requirements and

must meet the standard of quality ordinarily to be expected of competent professionals in CONSULTANT'S field of expertise.

**2.4. COMPLIANCE WITH LAWS.** CONSULTANT must comply with all applicable federal, state, and local laws, codes, ordinances, regulations, orders, and decrees. CONSULTANT represents and warrants to CITY that CONSULTANT will, at its own cost and expense, keep in effect or obtain at all times during the term of this Agreement any licenses, permits, insurance and approvals that are legally required for CONSULTANT to practice its profession or are necessary and incident to the lawful prosecution of the services it performs under this Agreement.

**2.5. PERSONNEL.** CONSULTANT agrees to assign only competent personnel according to the reasonable and customary standards of training and experience in the relevant field to perform services pursuant to this Agreement. Failure to assign such competent personnel will constitute grounds for termination of this Agreement by CITY.

### **3. COMPENSATION.**

**3.1. SCHEDULE OF PAYMENT.** The compensation to be paid by CITY to CONSULTANT for the services rendered hereunder will be based on the Not-to-Exceed amount of Zero Dollars (\$0.00) as specified in Exhibit "B" attached hereto and incorporated herein by this reference.

**3.2. ADDITIONAL SERVICES.** CITY will make no payment to CONSULTANT for any extra, further, or additional services unless such services and payment have been mutually agreed to and this Agreement has been formally amended in accordance with Section 7.

**3.3. INVOICING AND PAYMENT.** CONSULTANT must submit monthly invoices based on work completed. CITY will pay CONSULTANT within 30 days of receipt of CONSULTANT's invoice. If there is a dispute as to one or more line items on the invoice, CITY will pay the undisputed portion within 30 days of receipt. The parties will exercise good faith and diligence in the resolution of any disputed invoice amounts and CITY will pay promptly upon resolution of the dispute.

**4. WORK PRODUCT REVIEW.** CONSULTANT must make its work product available to CITY for review. If additional review and/or revision is required by CITY, CITY will conduct reviews in a timely manner.

**5. TERM OF AGREEMENT.** This Agreement is effective as of the date first above written and will remain in effect until completed, amended pursuant to Section 7, or terminated pursuant to Section 6.

## **6. EARLY TERMINATION.**

**6.1 WRITTEN NOTICE.** CITY has the right to terminate this Agreement for any reason, at any time, by serving upon CONSULTANT ten (10) calendar days advance written notice of termination. The notice is to be delivered and addressed to CONSULTANT as set forth in Section 11 of this Agreement.

**6.2 DELIVERY OF WRITINGS.** If CITY issues a notice of termination, CONSULTANT must deliver to CITY copies of all writings, whether or not completed, which were prepared by CONSULTANT, its employees, or its subcontractors, if any, pursuant to this Agreement. The term "writings" includes, but is not limited to, handwriting, typewriting, computer files and records, drawings, blueprints, printing, photostating, photographs, and every other means of recording upon any tangible thing, any form of communication or representation, including letters, words, pictures, sounds, symbols, or combinations thereof.

**6.3 PAYMENT FOR SERVICES RENDERED.** If CITY issues a notice of termination, CONSULTANT will be entitled to receive compensation for all services rendered prior to the effective date of termination.

**7. AMENDMENTS.** Modifications or amendments to the terms of this Agreement must be in writing and executed by both parties to be valid and enforceable.

**8. NONDISCLOSURE OF CONFIDENTIAL INFORMATION.** Except as required by law, CONSULTANT must not, either during or after the term of this Agreement, disclose to any third party any confidential information relative to the work of CITY without the prior written consent of CITY.

**9. DISCLOSURE.** CONSULTANT must provide CITY with full disclosure of any other clients that it is currently serving in Del Norte County, including a brief description of the nature of the work being performed. If CONSULTANT initiates service to new clients within Del Norte County during the term of this agreement, CONSULTANT must disclose such service to CITY.

**10. INDEPENDENT CONTRACTOR.** In the performance of the services in this Agreement, CONSULTANT is an independent contractor and is not an agent or employee of CITY. CONSULTANT, its officers, employees, agents, and subcontractors, if any, have no power to bind or commit CITY to any decision or course of action, and must not represent to any person or business that they have such power. CONSULTANT has the right to exercise full control of the supervision of the services and over the employment, direction, compensation, and discharge of all persons assisting CONSULTANT in the performance of said service hereunder. CONSULTANT is solely responsible for all matters relating to the payment of its employees, including compliance with social security and income tax withholding, workers' compensation insurance, and all other regulations governing such matters.

**11. NOTICE.**

**11.1 DELIVERY.** Any notices or other communications to be given to either party under this Agreement must be in writing, delivered to the addresses set forth below, and will be effective, as follows:

- (a) by personal delivery, effective upon receipt by the addressee;
- (b) by facsimile, effective upon receipt by the addressee, so long as a copy is provided by certified U.S. mail, return receipt requested, postmarked the same day as the facsimile;
- (c) by certified U.S. mail, return receipt requested, effective 72 hours after deposit in the mail.

<b>IF TO CITY:</b>	<b>IF TO CONSULTANT:</b>
City of Crescent City Attn: City Manager 377 J Street Crescent City, CA 95531  Phone: (707) 464-7483 FAX: (707) 465-1719	Johnson Controls Attn: Scott Krebs 103 Woodmere Road, Suite 110 Folsom, CA 95630  Phone: (916) 294-8800 Fax: (916) 294-8889

**11.2 CHANGE OF ADDRESS.** Either party may change its address for notices by complying with the notice procedures in this Section.

**12. OWNERSHIP OF MATERIALS.** Except for CONSULTANT's pre-existing property, CITY is the owner of all records and information created, produced, or generated as part of the services performed under this Agreement. At any time during the term of this Agreement, at the request of CITY, CONSULTANT must deliver to CITY all writings, records, and information created or maintained pursuant to this Agreement. The term "writings" in this Section has the same definition as provided in Section 6.2. Reuse of work products by CITY for any purpose other than that intended under this agreement will be at CITY's sole risk.

**13. BINDING AGREEMENT.** This Agreement binds the successors of CITY and CONSULTANT in the same manner as if they were expressly named herein.

**14. WAIVER.** Waiver by either party of any default, breach, or condition precedent may not be construed as a waiver of any other default, breach, or condition precedent or any other right under this Agreement. The failure of either party at any time to require performance by the other party of any provision hereof will not affect in any way the right to require such performance at a later time.

**15. NONDISCRIMINATION.**

**15.1 COMPLIANCE.** CONSULTANT must comply with all federal and state anti-discrimination and civil rights laws. CONSULTANT must not discriminate in the conduct of the work under this Agreement against any employee, applicant for employment, or volunteer because of race, color, creed, religion, national origin, ancestry, sex, gender (including pregnancy, childbirth, breastfeeding or related medical conditions, gender identity, gender expression, age (40 and above), marital status, sexual orientation, denial of family and medical care leave, medical condition, genetic information, physical or mental disability (including HIV and AIDS), military or veteran status, denial of pregnancy disability leave or reasonable accommodation.

**15.2 POSTING.** CONSULTANT must post in conspicuous places, available to all employees and applicants for employment, notices that CONSULTANT will provide an atmosphere for employees, clients, and volunteers that is free from harassment or discrimination on the bases set forth above.

**16. INSURANCE.**

**16.1 REQUIRED COVERAGE.** CONSULTANT, at its sole cost and expense, must obtain and maintain in full force and effect throughout the entire term of this Agreement the following described insurance coverage with insurers authorized to conduct business in the State of California and with a current A.M. Best's rating of no less than A:VII, unless otherwise approved by CITY.

	<b>POLICY TYPE</b>	<b>MINIMUM COVERAGE LIMITS</b>
(a)	Workers' Compensation	Per California Law
(b)	Employer's Liability	\$1,000,000 per accident for BI/Disease
(c)	Automobile Liability ISO Form # CA 0001	\$1,000,000 per accident for BI/PD, for all owned, non-owned and hired vehicles
(d)	Commercial General Liability ISO Form # CG 00 01	\$1,000,000 per occurrence for BI/PD, products and completed operations, personal and advertising injury; \$2,000,000 aggregate
(e)	Professional Liability (E&O)	\$1,000,000 per occurrence or claim; \$2,000,000 aggregate

**16.2 ADDITIONAL INSURED STATUS.** CITY, its elected and appointed officials, employees, agents and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of CONSULTANT including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the CONSULTANT'S insurance.

**16.3 PRIMARY COVERAGE.** For any claims related to this Project, the CONSULTANT'S insurance coverage will be primary insurance as respects CITY, its elected and appointed officials, employees, agents and volunteers. Any insurance or self-insurance maintained by CITY, its elected and appointed officials, employees, agents or volunteers will be in excess of the CONSULTANT'S insurance and will not contribute with it.

**16.4 NOTICE OF CANCELLATION.** Each insurance policy required by this Agreement must be endorsed to state that coverage may not be cancelled except after giving CITY prior written notice to CITY.

**16.5 WAIVER OF SUBROGATION.** CONSULTANT hereby grants CITY a waiver of any right to subrogation which any insurer of said CONSULTANT may acquire against CITY by virtue of the payment of any loss under such insurance. CONSULTANT agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not CITY has received a waiver of subrogation endorsement from the insurer.

**16.6 SELF-INSURED RETENTIONS.** Self-insured retentions must be declared to and approved by CITY. CITY may require CONSULTANT to provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention. The policy language must provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or CITY.

**16.7 CLAIMS-MADE POLICIES.** If any of the required policies provide coverage on a claims-made basis, then: (a) the retroactive date must be shown and must be before the commencement of work; (b) insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the work; and (c) if coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the commencement of work, then CONSULTANT must purchase "extended reporting" coverage for a minimum of five (5) years after completion of the work.

**16.8 VERIFICATION OF COVERAGE.** CONSULTANT must provide with Certificates of Insurance for all required coverages as well as Declarations and

applicable Endorsement Pages prior to commencement of work. However, failure to obtain the required documents prior to the commencement of work will not operate to waive CONSULTANT's obligation to provide them at any time thereafter when requested. CITY reserves the right to demand complete, certified copies of all required insurance policies, including endorsements, required by the specifications, at any time.

**16.9 SUBCONTRACTORS.** CONSULTANT must require and verify that all subcontractors, if any, maintain insurance meeting all of the requirements stated herein. CONSULTANT must ensure that CITY, its elected and appointed officials, employees, agents and volunteers are additional insureds on all policies as required herein.

**16.10 LACK OF COVERAGE.** In the event that any required policy is canceled prior to the completion of the Project and CONSULTANT does not furnish a new Certificate of Insurance prior to cancellation, CITY may obtain the required insurance and deduct the premium(s) from contract monies due to CONSULTANT.

## **17. WORKERS' COMPENSATION.**

**17.1 COVENANT TO PROVIDE.** CONSULTANT warrants that it is aware of the provisions of the California Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that Code. CONSULTANT further agrees that it will comply with such provisions before commencing the performance of the work under this Agreement.

**17.2 WAIVER OF SUBROGATION.** CONSULTANT and CONSULTANT'S insurance company agree to waive all rights of subrogation against CITY, its elected or appointed officials, agents, and employees for losses paid under CONSULTANT'S workers' compensation insurance policy which arise from the work performed by CONSULTANT for CITY.

## **18. GENERAL PROVISIONS.**

**18.1 INDEMNIFICATION.** CONSULTANT agrees to indemnify, defend and save harmless CITY, its elected and appointed officers, agents, employees, and volunteers from any and all claims and losses, whatsoever, accruing or resulting to any person or other legal entity who may be injured or damaged resulting from any wrongful acts, errors and omissions, or negligence of CONSULTANT, its agents and employees, pertaining to the performance of this Agreement. CONSULTANT'S liability arising out of the performance of its obligations hereunder will be limited to the fees paid by CITY to CONSULTANT for services contemplated by this Agreement. This liability limitation does not apply to claims made by any third party, nor does it apply

in the event of the willful misconduct or gross negligence of CONSULTANT, its principals, employees or agents.

**18.2 CONFLICT OF INTEREST.** CONSULTANT must exercise reasonable care and diligence to prevent any actions or conditions which could result in a conflict with CITY's interest. CONSULTANT must immediately notify CITY of any and all violations of this Section upon becoming aware of such violation.

**18.3 TIME OF THE ESSENCE.** CONSULTANT understands and agrees that time is of the essence in the completion of the work and services described herein.

**18.4 SEVERABILITY.** If a court of competent jurisdiction or subsequent preemptive legislation holds or renders any of the provisions of this Agreement unenforceable or invalid, the validity and enforceability of the remaining provisions, or portions thereof, will not be affected.

**18.5 GOVERNING LAW AND CHOICE OF FORUM.** This Agreement must be administered and interpreted under California law as written by both parties. Any litigation arising from this Agreement must be brought in the Superior Court of California, in and for Del Norte County.

**18.6 COSTS AND ATTORNEYS' FEES.** 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 will be entitled to recover its reasonable litigation expenses, including court costs, expert witness fees, discovery expenses, and attorneys' fees.

**18.7 NO ASSIGNMENT.** This Agreement and any amendments hereto are not assignable by CONSULTANT either voluntarily or by operation of law without the prior written consent of CITY. Any attempt to assign this Agreement will be legally void.

**18.8 INTEGRATION.** This Agreement constitutes the entire agreement of the parties and supersedes and prior negotiations, agreements, understandings, representations or statements.

**18.9 AUTHORIZATION TO EXECUTE.** The signatories to this Agreement hereby represent and warrant that they have been duly authorized to legally bind and execute this Agreement on behalf of their respective parties.

Executed by CITY and CONSULTANT on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

**CITY OF CRESCENT CITY**

**CONSULTANT**

\_\_\_\_\_  
By: Eric Wier, City Manager

*Scott Avirett*

\_\_\_\_\_  
By: Scott Avirett, Area General Manager

ATTEST:

8/5/2020

\_\_\_\_\_  
Robin Patch, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Martha D. Rice, City Attorney

**EXHIBITS**

The following exhibits are attached hereto and incorporated herein by reference:

Exhibit A- Scope of Services

Exhibit B- Compensation

## **EXHIBIT A**

### **SCOPE OF WORK**

Consultant is to identify Facility Improvement Measures to be further developed under the Project Development Agreement.

Consultant is to hold a development workshop with City Stakeholders to identify Facility Improvement Measures to further develop.

Consultant is to deliver a preliminary business case including cost and savings estimates.

Consultant is to provide the City with an executable Project Development Agreement with an associated breakage fee if the project meets the financial metrics to be agreed upon by both parties.

## **EXHIBIT B**

### **COMPENSATION**

JCI requires no fee for this initial step to develop the preliminary cost and done at risk. However, costs incurred will be collected during this phase and will be applied to subsequent Project Development Agreement proposal anticipated post Preliminary Business Case Proposal.