



## OROVILLE CITY COUNCIL

Council Chambers  
1735 Montgomery Street  
Regular Meeting

**MARCH 3, 2015**  
**CLOSED SESSION 5:00 P.M.**  
**OPEN SESSION 6:00 P.M.**  
**AMENDED AGENDA**

*“Oroville - California's best opportunity for a safe and diverse quality of life”*

---

### **CLOSED SESSION (5:00 P.M.)**

#### **ROLL CALL**

Council Members Berry, Del Rosario, Hatley, Pittman, Simpson, Vice Mayor Wilcox, Mayor Dahlmeier

### **CONVENE TO CLOSED SESSION (ITEMS LISTED ON PAGE NO. 8 and 9)**

### **RECONVENE TO OPEN SESSION**

### **OPEN SESSION (6:00 P.M.)**

### **PLEDGE OF ALLEGIANCE**

### **PROCLAMATION / PRESENTATION**

Proclamation recognizing *March 16<sup>th</sup> – 22<sup>nd</sup>, 2015* as *Old Time Fiddle Week*.

### **INDIVIDUALS WHO WISH TO SPEAK ON AGENDA ITEMS**

This is the time the Mayor will invite anyone in the audience wishing to address the Council on a matter that is on the agenda to state your name and the agenda item on which you wish to speak. When that item comes up on the agenda, you will be asked to step to the podium, repeat your name for the record, and make your presentation or ask questions regarding the agenda item. Following your remarks, Council and/or staff may respond to your comments or questions. **Presentations are limited to three minutes per person.** Under Government Code Section 54954.3 the time allotted for presentations may be limited.

## CONSENT CALENDAR

1. **APPROVAL OF THE MINUTES OF THE FEBRUARY 17, 2015 REGULAR MEETING AND FEBRUARY 23, 2015 SPECIAL MEETING OF THE OROVILLE CITY COUNCIL** – minutes attached

2. **LOANING OF A PIONEER MUSEUM ARTIFACT** – staff report

The Council may consider a Loan Agreement with Lee Dummel, a local “Old West” historian, for the loaning of the “Wells Fargo Strongbox” artifact in full compliance with the City’s Museum and Cultural Facilities Policy and Procedure No. 36, “Artifact Loans to Other Institutions”. **(Donald Rust, Director of Community Development)**

Council Action Requested: **Direct staff to prepare a Loan Agreement between Mr. Lee Dummel and the Oroville Park Commission for the loaning of the “Wells Fargo Strongbox” artifact in full compliance with the City’s Museum and Cultural Facilities Policy and Procedure No. 36, “Artifact Loans to Other Institutions”.**

3. **FEE WAIVER REQUEST BY THE OROVILLE BRANCH OF THE AMERICAN ASSOCIATION OF UNIVERSITY WOMEN** – staff report

The Council may consider a full fee waiver request, in the amount of \$250, by the American Association of University Women for use of the Lott Home at Sank Park for their annual Tech Trek picnic, scheduled for May 15, 2015 between the hours of 4:00 pm – 9:00 pm. **(Donald Rust, Director of Community Development and Luis Topete, Associate Planner)**

Council Action Requested: **Per the City’s Facility and Park Fee Waiver Policy, deny the full fee waiver request and approve a 50% waiver, in the amount of \$125, for use of the Lott Home at Sank Park by the American Association of University Women’s for their annual Tech Trek picnic, scheduled for May 15, 2015.**

4. **NEW DONATIONS TO THE CHINESE TEMPLE AND MUSEUM COMPLEX** – staff report

The Council may consider the receipt of new donations to the Chinese Temple and Museum Complex. **(Donald Rust, Director of Community Development and Luis Topete, Associate Planner)**

Council Action Requested: **Per the Park Commission’s recommendation, accept the new donations to the Chinese Temple and Museum Complex.**

5. **PARTICIPATION IN THE BLUE STAR MUSEUM PROGRAM** – staff report

The Council may consider participating in the Blue Star Museum Program. **(Donald Rust, Director of Community Development and Luis Topete, Associate Planner)**

Council Action Requested: **Per the Park Commission’s recommendation, approve the City’s participation in the Blue Star Museum Program as a public benefit to honor military personnel and their families.**

6. **FUNDING REQUEST FROM FRIENDS OF THE PARKS** – staff report

The Council may consider a funding request, in the amount of \$700, from Friends of the Parks to help fund the final repair needed to complete the upholstery for the 1922 Buick. **(Donald Rust, Director of Community Development)**

Council Action Requested: **Approve the Friends of the Parks funding request, in the amount of \$700, for the completion of the 1922 Buick upholstery project.**

**7. AGREEMENT WITH HOF BRAU RESTAURANT – staff report**

The Council may consider an Agreement with Hof Brau Restaurant for the preparation of sack meals for on-duty Fire personnel who are actively fighting fires. **(Bill La Grone, Director of Public Safety)**

Council Action Requested: **Adopt Resolution No. 8332 – A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN AGREEMENT WITH HOF BRAU RESTAURANT FOR THE PREPARATION OF SACK MEALS FOR ON-DUTY FIRE PERSONNEL WHO ARE ACTIVELY FIGHTING FIRES – (Agreement No. 3107).**

**8. MEMORANDUM OF UNDERSTANDING BETWEEN 9<sup>TH</sup> RECONNAISSANCE WING BEALE AIR FORCE BASE – staff report**

The Council may consider a Memorandum of Understanding between the 9<sup>th</sup> Reconnaissance Wing Beale Air Force and the Oroville Police Department relating to the Oroville NEXRAD site. **(Bill La Grone, Director of Public Safety)**

Council Action Requested: **Adopt Resolution No. 8333 – A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE DIRECTOR OF PUBLIC SAFETY TO EXECUTE A MEMORANDUM OF UNDERSTANDING BETWEEN THE 9<sup>TH</sup> RECONNAISSANCE WING BEALE AIR FORCE BASE AND THE OROVILLE POLICE DEPARTMENT RELATING TO THE OROVILLE NEXRAD SITE – (Agreement No. 3108).**

**9. FEE WAIVER REQUEST BY THE OROVILLE DOWNTOWN BUSINESS ASSOCIATION – staff report**

The Council may consider a fee waiver request, in the amount of \$606.32, by the Oroville Downtown Business Association for the fees associated with the issuance of an administrative permit for the operation of a farmers market in Historic Downtown Oroville. **(Donald Rust, Director of Community Development and Luis Topete, Associate Planner)**

Council Action Requested: **Per the City's Facility and Park Fee Waiver Policy, deny the full fee waiver request by the Oroville Downtown Business Association and approve a 50% waiver, in the amount of \$303.16, for the operation of a farmers market in Historic Downtown Oroville.**

**10. STORMWATER MANAGEMENT ORDINANCE – staff report**

The Council may consider the adoption of a Stormwater Management Ordinance regarding the addition of Chapter 27 to the Oroville Municipal Code relating to Stormwater Management. **(Donald Rust, Director of Community Development and Rick Walls, Interim City Engineer)**

Council Action Requested: **Waive the second reading and adopt by title only, Ordinance No. 1807 – AN ORDINANCE OF THE OROVILLE CITY COUNCIL ADDING CHAPTER 27 TO THE MUNICIPAL CODE OF THE CITY OF OROVILLE RELATING TO STORMWATER MANAGEMENT.**

**11. PURCHASE OF TASERS AND UTILIZATION OF TASER ASSURANCE PLAN – staff report**

The Council may consider the purchase of twenty-four (24) Tasers, from the sole source provider, Taser International, and the Taser Assurance Plan for the Police Department Tasers which would maintain and replace Tasers at the end of their lifecycle. . **(Bill La Grone, Director of Public Safety)**

Council Action Requested: **Authorize the purchase of twenty-four (24) Tasers, from the sole source provider, Taser International, and the Taser Assurance Plan for the Police Department.**

**12. AMENDMENT TO FUNDING AGREEMENT WITH THE DEPARTMENT OF WATER RESOURCES – staff report**

The Council may consider an Amendment to the Funding Agreement with the Department of Water Resources relating to the City's Levee Supplemental Investigation Project. **(Donald Rust, Director of Community Development and Rick Walls, Interim City Engineer)**

Council Action Requested: **Adopt Resolution No. 8334 – A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN AMENDMENT TO THE FUNDING AGREEMENT WITH THE DEPARTMENT OF WATER RESOURCES RELATING TO THE CITY'S SUPPLEMENTAL LEVEE INVESTIGATION - (Agreement No. 2010-1).**

**13. AMENDMENT TO STANDARD INTERAGENCY AGREEMENT WITH REGIONAL GOVERNMENT SERVICES – staff report**

The Council may consider an Amendment to the Standard Interagency Agreement (Agreement) with Regional Government Services (RGS), in the amount of \$25,500, as needed for Finance Project Management. **(Randy Murphy, City Administrator and Ruth Wright, Director of Finance)**

Council Action Requested: **Adopt Resolution No. 8335– A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE CITY ADMINISTRATOR TO EXECUTE AN AMENDMENT TO THE STANDARD INTERAGENCY AGREEMENT WITH REGIONAL GOVERNMENT SERVICES, IN THE AMOUNT OF \$25,500 FOR FINANCE PROJECT MANAGEMENT, AS NEEDED – (Agreement No. 3065-2).**

**14. AMENDMENT TO THE LOCAL AGENCY INVESTMENT FUND INVESTMENT RESOLUTION – staff report**

The Council may consider an Amendment to the Investment Resolution with the Local Agency Investment Fund for the City of Oroville. **(Karolyn J. Fairbanks, City Treasurer)**

Council Action Requested: **Adopt Resolution No. 8336 – A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING INVESTMENT OF MONIES IN THE LOCAL AGENCY INVESTMENT FUND FOR THE CITY OF OROVILLE.**

**15. THERMALITO WATER AND SEWER DISTRICT EAST TRUNK LINE PROJECT – staff report**

The Council may consider an update to the cost sharing arrangements for the Thermalito Water and Sewer District's (TWSD) East Trunk Line Project. **(Donald Rust, Director of Community Development and Rick Walls, Interim City Engineer)**

Council Action Requested:

1. **Authorize monthly payments to TWSD in the amount of \$10,577.26 beginning February 2015; and**
2. **Authorize monthly payments to TWSD in the amount of \$21,280.21 beginning May 2015 and ending January 2016; and**
3. **Authorize monthly payments to TWSD in the amount of \$15,028.81 beginning February 2016 and ending June 2016. Monthly payments beyond FY 2015 – 2016 will be budgeted on an annual basis.**

**16. SUPPLEMENTAL BENEFITS FUND AGREEMENTS WITH RECIPIENTS OF THE 2014 NOTICE OF FUNDS AVAILABLE – staff report**

The Council, serving as the Supplemental Benefits Fund (SBF) Administrator, may consider approving Agreements with the three recipients of the 2014 SBF Notice of Funds Available. **(Randy Murphy, City Administrator and Bob Marciniak, SBF Program Specialist)**

Council Action Requested:

1. **Adopt Resolution No. 8337 – A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN AGREEMENT BETWEEN THE CITY OF OROVILLE, AS FUND ADMINISTRATOR OF THE SUPPLEMENTAL BENEFITS FUND, AND FEATHER RIVER RECREATION AND PARKS DISTRICT, IN THE AMOUNT OF \$20,000 FOR ENVIRONMENTAL STUDY EXPENSES RELATED TO A PORTION OF THE BRAD FREEMAN TRAIL - (Agreement No. 3109).**
2. **Adopt Resolution No. 8338 – A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN AGREEMENT BETWEEN THE CITY OF OROVILLE, AS FUND ADMINISTRATOR OF THE SUPPLEMENTAL BENEFITS FUND, AND THE FOREBAY AQUATIC CENTER/FEATHER RIVER ROWING CLUB IN THE AMOUNT OF \$54,000 FOR FUNDING AN EVENT COORDINATOR(S) AND RELATED OFFICE EXPENSES - (Agreement No. 3110).**
3. **Adopt Resolution No. 8339 – A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN AGREEMENT BETWEEN THE CITY OF OROVILLE, AS FUND ADMINISTRATOR OF THE SUPPLEMENTAL BENEFITS FUND, AND THE OROVILLE VETERANS' MEMORIAL PARK, IN THE AMOUNT OF \$37,000 FOR FUNDING A PORTION OF THE FLAGPOLE MONUMENT PROJECT - (Agreement No. 3111).**

**PUBLIC HEARINGS** - None

**REGULAR BUSINESS**

**17. CREATION OF AN ECONOMIC DEVELOPMENT PARTNERSHIP FOR THE BETTERMENT OF THE GREATER OROVILLE AREA (CONTINUED FROM FEBRUARY 17, 2015) – staff report**

The Council may consider providing funds to create a Value Proposition to be used in conjunction with Oroville Economic Alliance's marketing efforts in order to be better prepared for the opportunities that will result from those efforts. **(Randy Murphy, City Administrator)**

Council Action Requested:

1. **Direct staff to continue to participate and partner with the local manufacturing economic development partners, and commit \$20,000 from the Community Promotion Fund; or**
2. **Direct staff to continue to participate and partner with the local manufacturing economic development partners, and commit \$20,000 from the Contingency Fund; or**
3. **Do not commit any more resources to this endeavor.**

**18. AGREEMENT WITH BUTTE COUNTY FOR COLLECTION OF DEVELOPMENT IMPACT FEES FOR JAIL FACILITIES** – staff report *(Continued from February 17, 2015)*

The Council may consider an Agreement with Butte County for collection of the County's existing Jail Facility Development Impact Fee (Jail DIF) on behalf of the County for new residential construction within the City limits. **(Randy Murphy, City Administrator)**

Council Action Requested:

1. **Adopt Resolution No. 8328 – A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN AGREEMENT WITH THE COUNTY OF BUTTE FOR THE COLLECTION OF DEVELOPMENT IMPACT FEES WITHIN THE INCORPORATED AREA OF THE CITY OF OROVILLE FOR JAIL FACILITIES – (Agreement No. 3104).**
2. **Adopt Resolution No. 8329 – A RESOLUTION OF THE OROVILLE CITY COUNCIL APPROVING A 10% ADMINISTRATIVE FEE RELATED TO THE COLLECTION OF BUTTE COUNTY DEVELOPMENT IMPACT FEES FOR ITS JAIL FACILITIES.**

**19. APPOINTMENT TO THE CITY OF OROVILLE ARTS COMMISSION** – staff report

The Council may consider appointing a Greater Oroville area resident to the City of Oroville Arts Commission to fill the vacancy created by former Commissioner Monikah Niemczynowicz. **(Randy Murphy, City Administrator and Jamie Hayes, Assistant City Clerk)**

Council Action Requested: **Select an appointment to serve on the City of Oroville's Arts Commission for the remainder of former Commissioner Niemczynowicz's term, ending June 30, 2017.**

**20. REVIEW OF ESTIMATED COSTS FOR CONTRACTING POLICE AND FIRE SERVICES** – staff report

The Council will hear a presentation regarding the responses to the request for cost estimates from the Butte County Sheriff's Office and Butte County – Cal Fire for Police and Fire Services and other potential solutions to fund and staff the Public Safety Department. The Council may provide direction to the Public Safety Director as to which alternative to pursue. **(Bill La Grone, Director of Public Safety)**

Council Action Requested:

1. **Direct the Public Safety Director to pursue contract negotiations with Butte County Cal Fire for Fire Protection Services; and/or**
2. **Direct the Public Safety Director to pursue contract negotiations with the Butte County Sheriff's Office for Law Enforcement Services for the City of Oroville; or**
3. **Direct staff to initiate a Public Safety Sales Tax initiative, as a special election as soon as practicable; or**
4. **Direct staff to initiate the Public Safety Sales Tax Initiative, including the retention of a consultant in order to include a Public Safety Sales Tax Initiative as part of the 2016 General Municipal Election process.**

**21. PURCHASE OF A CITY STREET SWEEPER** – staff report *(Continued from February 17, 2015)*

The Council may consider the purchase of a new City street sweeper from Municipal Maintenance Equipment, utilizing the competitive bid program through HGACBuy. **(Donald Rust, Director of**

**Community Development and Rick Walls, Interim City Engineer)**

Council Action Requested:

1. **Do not approve the purchase of a new City street sweeper or alternative bid process; or**
2. **Authorize staff to prepare a purchase order to purchase a 2015 Schwarze street sweeper for a price not to exceed \$246,743 using available financing through a leasing agent, and acceptance of use of Houston-Galveston Area Council HGACBuy alternative bid process. Financing option would be over a 5 year repayment plan; or**
3. **Authorize staff to prepare a purchase order to purchase a 2015 Schwarze street sweeper for a price not to exceed \$246,743 by authorizing an interfund loan to and necessary budget adjustment to the General Fund from the Sewer Fund, and acceptance of use of Houston-Galveston Area Council HGACBuy alternative bid process. This self-financing option would save the City approximately \$20,000 in interest costs. Self-financing option would be over a 5 year repayment plan; or**
4. **Direct staff, as necessary.**

**22. CONSIDERATION OF A CITY SITTING, LAYING AND CAMPING ORDINANCE – staff report**

The Council may consider restrictions on camping and blocking public rights of way in the City of Oroville. **(Bill La Grone, Director of Public Safety)**

Council Action Requested: **Provide direction to staff, as necessary.**

**\*24. CONSIDERATION OF HERITAGE TREE ORDINANCE – staff report**

The Council may consider a proposed heritage tree ordinance for adoption to the Oroville Municipal Code. **(Randy Murphy, City Administrator and Scott Huber, City Attorney)**

\*Amendment added to the City Council Agenda on February 27, 2015.

Council Action Requested: **Provide direction to staff.**

**SUCCESSOR AGENCY**

**23. PRELIMINARY OFFICIAL STATEMENT, REFUNDING OF REDEVELOPMENT AGENCY BONDS – staff report**

The Commission will consider approving the attached Preliminary Official Statement for the upcoming bond refunding. **(Ruth Wright, Director of Finance\_**

Commission Action Requested: **Adopt Resolution No. 15-04 – A RESOLUTION OF THE SUCCESSOR AGENCY TO THE FORMER OROVILLE REDEVELOPMENT AGENCY APPROVING THE FORM OF THE PRELIMINARY OFFICAL STATEMENT TO DEEM IT FINAL UNDER RULE 15C2-12 AND AUTHORIZING CERTAIN ACTIONS IN CONNECTION THEREWITH.**

## **MAYOR/ COUNCIL REPORTS**

**COUNCIL ANNOUNCEMENTS/COMMITTEE REPORTS** (A verbal report may be given regarding any committee meetings attended.)

- Committee Appointments

## **CITY ADMINISTRATOR/ ADMINISTRATION REPORTS**

## **CORRESPONDENCE**

- Comcast, received February 24, 2015

## **HEARING OF INDIVIDUALS ON NON-AGENDA ITEMS**

This is the time the Mayor will invite anyone in the audience wishing to address the Council on a matter not listed on the agenda to step to the podium, state your name for the record and make your presentation. **Presentations are limited to 3 minutes.** Under Government Code Section 54954.2, The Council is prohibited from taking action except for a brief response by the Council or staff to a statement or question relating to a non-agenda item.

## **CLOSED SESSION**

The Council will hold a Closed Session on the following:

1. Pursuant to Government Code Section 54957(b), the Council will meet with Labor Negotiators and City Attorney to consider the evaluation of performance related to the following position: Director of Community Development.
2. Pursuant to Government Code Section 54957(b), the Council will meet with Labor Negotiators and City Attorney to consider the evaluation of performance related to the following position: Public Safety Director.
3. Pursuant to Government Code Section 54957(b), the Council will meet with Labor Negotiators and City Attorney to consider the evaluation of performance related to the following position: City Administrator.
4. Pursuant to Government Code section 54957.6, the Council will meet with Labor Negotiators and City Attorney to discuss labor negotiations for the following represented groups: Oroville City Employees Association, Oroville Police Officers' Association – Sworn and Non-Sworn, Oroville Management and Confidential Association and Oroville Fire Fighters' Association.
5. Pursuant to Government Code section 54956.9(a), the Council will meet with the City Administrator, Director of Community Development, Chief of Police, and the City Attorney relating to existing litigation: Pacific Gas and Electric Company v. Save Oroville Trees, et al., Butte County Superior Court, Case No. 163598, and consolidated actions.

6. Pursuant to Government Code section 54956.9(a), the Council will meet with the City Administrator, and the City Attorney relating to existing litigation: Diane MacMillan v. City of Oroville, et al., Butte County Superior Court, Case No. 163806.
7. Pursuant to Government Code section 54956.9(d), the Council will meet with the City Administrator and the City Attorney regarding potential litigation – one case.

## **ADJOURNMENT**

The meeting will be adjourned. A regular meeting of the Oroville City Council will be held on Tuesday, March 17, 2015 at 5:00 p.m.

*Accommodating Those Individuals with Special Needs* – In compliance with the Americans with Disabilities Act, the City of Oroville encourages those with disabilities to participate fully in the public meeting process. If you have a special need in order to allow you to attend or participate in our public meetings, please contact the City Clerk at (530) 538-2535, well in advance of the regular meeting you wish to attend, so that we may make every reasonable effort to accommodate you. Documents distributed for public session items, less than 72 hours prior to meeting, are available for public inspection at City Hall, 1735 Montgomery Street, Oroville, California.

1. **APPROVAL OF THE MINUTES OF THE FEBRUARY 3, 2015 REGULAR MEETING OF THE OROVILLE CITY COUNCIL** – minutes attached
2. **AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT WITH R. L. HASTINGS & ASSOCIATES, LLC.** – staff report

The Council considered an Amendment to the Professional Services Agreement with Roy L. Hastings & Associates, LLC, relating to Labor Standards Monitoring Services for the Chinese Temple Museum Project, extending the term of the Agreement through February 19, 2016. **(Randy Murphy, City Administrator and Amy Bergstrand, Management Analyst III)**

Council Action Requested: **Adopt Resolution No. 8326 – A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH ROY L. HASTINGS AND ASSOCIATES, LLC, EXTENDING THE TERM OF THE AGREEMENT THROUGH FEBRUARY 19, 2016, FOR LABOR STANDARDS MONITORING SERVICES RELATING TO THE REPAIRS AND UPGRADES TO THE CHINESE TEMPLE MUSEUM – (Agreement No. 3004-1).**

3. **NON-FORECLOSURE OF CITY-OWNED PROPERTIES** – staff report

The Council considered the non-foreclosure of City interest on properties located at 3354 Argonaut Avenue (APN 033-481-015), 3463 Morningside Drive (APN 068-310-014) and 2795 Montgomery Street (APN 013-032-006), Oroville, which are not financially feasible for the City to cure the underlying first loan mortgage defaults and payoff of the first mortgage loans. **(Randy Murphy, City Administrator and Amy Bergstrand, Management Analyst III)**

Council Action Requested: **Authorize the non-foreclosure of City loan interest on the properties located at 3354 Argonaut Avenue (APN 033-481-015), 3463 Morningside Drive (APN 068-310-014) and 2795 Montgomery Street (APN 013-032-006), Oroville.**

4. **AMENDMENT TO AGREEMENT WITH FEATHER RIVER RECREATION AND PARK DISTRICT** – staff report

The Council considered an Amendment to the Agreement with Feather River Recreation and Park District relating to the Supplemental Benefits Fund grant to FRRPD for Environmental and Design Elements of a portion of the Brad Freeman Trail. **(Randy Murphy, City Administrator and Bob Marciniak SBF Program Specialist)**

Council Action Requested: **Adopt Resolution No. 8327 - A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN AMENDMENT TO THE AGREEMENT BETWEEN THE CITY OF OROVILLE AS FUND ADMINISTRATOR OF THE SUPPLEMENTAL BENEFITS FUND AND FEATHER RIVER RECREATION AND PARK DISTRICT, EXTENDING THE TERM OF THE AGREEMENT TO APRIL 1, 2016 – (Agreement No. 3058-1).**

The motion was passed by the following vote:

Ayes: Council Members Berry, Del Rosario, Hatley, Pittman, Simpson, Vice Mayor  
Wilcox, Mayor Dahlmeier  
Noes: None  
Abstain: None  
Absent: None

## **PUBLIC HEARINGS**

### **5. AGREEMENT WITH BUTTE COUNTY FOR COLLECTION OF DEVELOPMENT IMPACT FEES OF JAIL FACILITIES – staff report**

The Council conducted a public hearing and considered an Agreement with Butte County for collection of the County's existing Jail Facility Development Impact Fee on behalf of the County for new residential construction within the City limits. **(Randy Murphy, City Administrator)**

Korey Honea, Butte County Sheriff, and Jennifer McCarthy, Butte County Economic and Community Development Manager answered questions relating to the Jail Facility Development Impact Fee.

Mayor Dahlmeier opened the public hearing. Hearing no comments or questions from the audience, the public hearing was closed.

Following further discussion, this item was continued to the March 3, 2015 regular City Council meeting for further consideration therefore; no action was taken on the following:

- 1. Adopt Resolution No. 8328 – A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN AGREEMENT WITH THE COUNTY OF BUTTE FOR THE COLLECTION OF DEVELOPMENT IMPACT FEES WITHIN THE INCORPORATED AREA OF THE CITY OF OROVILLE FOR JAIL FACILITIES – (Agreement No. 3104).**
- 2. Adopt Resolution No. 8329 – A RESOLUTION OF THE OROVILLE CITY COUNCIL APPROVING A 10% ADMINISTRATIVE FEE RELATED TO THE COLLECTION OF BUTTE COUNTY DEVELOPMENT IMPACT FEES FOR ITS JAIL FACILITIES.**

## **REGULAR BUSINESS**

### **6. CITY PARTICIPATION IN WORK EXPERIENCE (WEX) AND SKILLS TRAINING AND EMPLOYMENT PROGRAM (STEP) – staff report**

The Council received information and a presentation regarding the City's participation in Work Experience (WEX) and Skills Training and Employment Program (STEP) programs. **(Randy Murphy, City Administrator and Liz Ehrenstrom, Human Resource Analyst II)**

Ashley Finkenkiller, Cecelia Carmona, Jodi Hunsperger and Don Overschlek spoke in support of the WEX and STEP programs.

Following discussion the Council directed staff to continue participating in the Work Experience and Skills Training and Employment Program programs.

**7. CREATION OF AN ECONOMIC DEVELOPMENT PARTNERSHIP FOR BETTERMENT OF THE GREATER OROVILLE AREA – staff report**

The Council considered providing funds to create a Value Proposition to be used in conjunction with Oroville Economic Alliance's marketing efforts in order to be better prepared for the opportunities that will result from those efforts. **(Randy Murphy, City Administrator)**

Cheri Bunker spoke in support of the creation of an economic development partnership for the City of Oroville.

Jennifer McCarthy, Butte County Economic and Community Development Manager and Mike Phulps, Metal Works, spoke in support of the Oroville Economic Alliance's marketing efforts and encouraged the City to participate with the partnership.

Following discussion, a motion was made by Council Member Pittman, seconded by Council Member Del Rosario, to:

- 1. Direct staff to continue to participate and cooperate with the local manufacturing economic development partners; and**
- 2. Authorize the expenditure of up to \$30,464, payable to Oroville Economic Development Corporation, Inc., in order to sponsor the creation of a Value Proposition for the greater Oroville Area; and**
- 3. Continue this item to the March 3, 2015 regular City Council meeting for further consideration.**

The motion was passed by the following vote:

Ayes: Council Members Del Rosario, Pittman, Vice Mayor Wilcox, Mayor Dahlmeier  
Noes: Council Members Hatley, Simpson  
Abstain: Council Member Berry  
Absent: None

**8. UTILITY AGREEMENT WITH THERMALITO WATER AND SEWER DISTRICT – staff report**

The Council considered a Utility Agreement with Thermalito Water and Sewer District, relating to the City's Table Mountain Boulevard Roundabout Project. **(Donald Rust, Director of Community Development and Rick Walls, Interim City Engineer)**

Following discussion, a motion was made by Council Member Pittman, seconded by Vice Mayor Wilcox, to:

**Adopt Resolution No. 8330 – A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE A UTILITY AGREEMENT WITH THE THERMALITO WATER AND SEWER DISTRICT RELATING TO THE CITY'S TABLE MOUNTAIN BOULEVARD ROUNDABOUT PROJECT - (Agreement No. 3105).**

The motion was passed by the following vote:

Ayes: Council Members Berry, Del Rosario, Hatley, Pittman, Simpson, Vice Mayor  
Wilcox, Mayor Dahlmeier  
Noes: None  
Abstain: None  
Absent: None

**9. 2120 BIRD STREET UNDERGROUND STORAGE TANK ENVIRONMENTAL INVESTIGATION – staff report**

The Council considered authoring funds for the completion of an underground storage tank environmental investigation at 2120 Bird Street, Oroville. **(Donald Rust, Director of Community Development and Rick Walls, Interim City Engineer)**

A motion was made by Council Member Pittman, seconded by Council Member Simpson, to:

- 1. Authorize staff to prepare and issue a Request for Bids for the completion of an underground storage tank environmental investigation at 2120 Bird Street, Oroville.**
- 2. Provide direction to staff regarding the sharing of environmental investigation cost with the property owner of 2120 Bird Street, Oroville.**

The motion was passed by the following vote:

Ayes: Council Members Berry, Del Rosario, Hatley, Pittman, Simpson, Vice  
Mayor Wilcox, Mayor Dahlmeier  
Noes: None  
Abstain: None  
Absent: None

**10. AMENDMENT TO AIRPORT GROUND LEASE AGREEMENT WITH BUTTE COUNTY MOSQUITO AND VECTOR CONTROL DISTRICT – staff report**

The Council may consider an Amendment to the Airport Ground Lease Agreement with the Butte County Mosquito and Vector Control District. **(Donald Rust, Director of Community Development and Rick Walls, Interim City Engineer)**

Matt Ball, Butte County Mosquito and Vector Control District General Manager, spoke in support of extending the Ground Lease Agreement.

Following further discussion, a motion was made by Council Member Simpson, seconded by Council Member Del Rosario, to:

- 1. Approve a monthly rental of \$300 with an annual Consumer Price Index adjustment of one (1) times the annual Consumer Price Index for the Butte County Mosquito and Vector Control District's Amended Airport Ground Lease Agreement, as indicated in this staff report, dated February 17, 2015; and**

2. **Adopt Resolution No. 8331 - A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN AMENDMENT TO THE AIRPORT GROUND LEASE AGREEMENT WITH THE BUTTE COUNTY MOSQUITO AND VECTOR CONTROL DISTRICT - (Agreement No. 3106).**

The motion was passed by the following vote:

Ayes: Council Members Del Rosario, Hatley, Pittman, Simpson, Vice Mayor  
Wilcox, Mayor Dahlmeier  
Noes: Council Member Berry  
Abstain: None  
Absent: None

11. **FUNDING REQUEST FOR FEATHER FIESTA DAYS BY UPSTATE COMMUNITY ENHANCEMENT FOUNDATION ON BEHALF OF THE FEATHER FIESTA DAYS COMMITTEE – staff report**

The Council considered a funding request from the Upstate Community Enhancement Foundation, on behalf of the Feather Fiesta Days Committee, in the amount of \$2,000, for media support of the annual Feather Fiesta Days, to be held May 9, 2015. **(Randy Murphy, City Administrator)**

A motion was made by Council Member Simpson, seconded by Council Member Pittman, to:

**Approve funding, in the amount of \$2,000, for media support of the annual Feather Fiesta Days, to be held on May 9, 2015.**

The motion was passed by the following vote:

Ayes: Council Members Berry, Del Rosario, Hatley, Pittman, Simpson, Vice  
Mayor Wilcox, Mayor Dahlmeier  
Noes: None  
Abstain: None  
Absent: None

12. **ASSISTANCE REQUEST BY FEATHER RIVER SENIOR CITIZEN'S ASSOCIATION – staff report (Continued from the February 3, 20115 regular City Council agenda)**

The Council may provide direction to staff regarding providing potential assistance to the Feather River Senior Citizen's Association, in the amount of \$2,646, for their recent building reroofing project located at 1335 Myers Street. **(Randy Murphy, City Administrator)**

This item was tabled to a future meeting of the City Council therefore; no action was taken on this item.

13. **PURCHASE OF NEW CITY STREET SWEEPER – staff report**

The Council considered the purchase of a new City street sweeper from Municipal Maintenance Equipment, utilizing the competitive bid program through HGACBuy. **(Donald Rust, Director of Community Development and Rick Walls, Interim City Engineer)**

Following discussion, this item was continued to the March 3, 2015 regular City Council meeting therefore; no action was taken on the following:

**Authorize the purchase of a 2015 Schwarze street sweeper, from Municipal Maintenance Equipment, utilizing the competitive bid program through HGACBuy, for an amount not to exceed \$262,179, plus a 10% contingency and approve the adjustments to the 2014 - 2015 budget, as indicated in the February 17, 2015 staff report.**

**14. REVIEW OF COUNCIL POLICY FOR PLACING ITEMS ON THE CITY COUNCIL AGENDA – staff report**

The Council considered Amendments to a Council Policy for placing items on the City Council Agenda. **(Scott Huber, City Attorney)**

Following discussion, a motion was made by Council Member Simpson, seconded by Council Member Hatley, to:

**Adopt modifications to the Council Policy, to include language indicating the consensus of two (2) Council Members to place an item onto the agenda.**

The motion was passed by the following vote:

Ayes:	Council Members Berry, Del Rosario, Hatley, Pittman, Simpson, Vice Mayor Wilcox
Noes:	Mayor Dahlmeier
Abstain:	None
Absent:	None

**15. MONTHLY SUMMARY OF INVESTMENTS AND MONTHLY FINANCIAL REPORTS FOR JANUARY 2015 – reports attached**

The Council received a copy of the Monthly Summary of Investments and the Monthly Financial Reports for January 2015. **(Ruth Wright, Director of Finance)**

The Council acknowledged receipt of the January 2015 Monthly Summary of Investments and Monthly Financial Reports.

**SUCCESSOR AGENCY**

**16. ADOPTION OF THE JULY THROUGH DECEMBER 2015 RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS 15-16A) AND THE SUCCESSOR AGENCY ADMINISTRATIVE BUDGET – staff report**

The Successor Agency considered approving the Recognized Obligation Payment Schedule (ROPS 15-16A) for the July 1, 2015 – December 31, 2015 time period, as well as the Successor Agency Administrative Budget. **(Rick Farley, RDA Coordinator)**

A motion was made by Commissioner Pittman, seconded by Commissioner Simpson, to:

1. **Adopt Resolution No. 15-02 - A RESOLUTION OF THE SUCCESSOR AGENCY OF THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF OROVILLE ADOPTING THE JULY THROUGH DECEMBER 2015 RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS 15-16A) PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177 (m).**
  
2. **Adopt Resolution No. 15-03 - A RESOLUTION OF THE SUCCESSOR AGENCY OF THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF OROVILLE ADOPTING THE JULY 1,2015 THROUGH JUNE 30, 2016 ADMINISTRATIVE BUDGET PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177 (j).**

The motion was passed by the following vote:

Ayes:	Commissioners Berry, Del Rosario, Hatley, Pittman, Simpson, Vice Chairperson Wilcox, Chairperson Dahlmeier
Noes:	None
Abstain:	None
Absent:	None

**MAYOR/ COUNCIL REPORTS**

Mayor Dahlmeier reported gave a brief report relating to the February 9, 2015 Executive Committee meeting.

Council Member Pittman reported that the Chamber of Commerce Board of Directors had extended an invitation to include the presentation of the 2015 Samuel J. Norris Award for Excellence at the Chamber’s Annual Awards Dinner in April 2015.

Council Member Pittman also gave a brief report relating to the Sustainable Groundwater Management Act and the necessary steps that will be needed to maintain compliance with the new law.

Council Member Pittman announced that the Supplemental Benefits Fund Steering Committee had heard appeals from Applicants and awarded funds to the following entities: Feather River Recreation and Parks District (\$20,000), Oroville Veterans’ Memorial Park (\$37,000), and Forebay Aquatic Center (\$54,000).

**CITY ADMINISTRATOR/ ADMINISTRATION REPORTS**

- Public Safety Department – activity report

Director of Public Safety, Bill La Grone, reported that approximately \$16,000 had been received from the State for fire services provided to outside jurisdictions.

Director of Community Development, Donald Rust, reported that a joint workshop had been scheduled for Friday, February 27, 2015, between the City Council and the Planning Commission, relating to the General Code Updates.

City Attorney, Scott Huber, reported that the City’s Ordinance language, relating to e-cigarettes, had been selected and adopted by approximately 45 other California cities.

Mayor Dahlmeier reported that the City of Oroville had been named as one of the Best Commuter Cities in California.

### **CORRESPONDENCE**

- Phil Moret, received January 29, 2015
- Pacific Gas & Electric Company, received February 2, 2015
- Butte County Tobacco Prevention Coalition, received February 4, 2015
- California Water Service Company, received February 4, 2015

### **RECOGNITION OF INDIVIDUALS WHO WISH TO SPEAK ON NON-AGENDA ITEMS**

Chris Connell spoke to the Council regarding the removal of tree debris from his property.

Alan Cartwright and Hellen Dennis spoke in opposition to the Sycamore trees that were removed by Pacific Gas & Electric Company along Feather River Boulevard and called for the resignation of certain Council Members.

### **CLOSED SESSION**

The Council held a Closed Session on the following:

Council Member Del Rosario recused herself from Item No. 6.

Council Member Berry recused himself from Item No. 5

1. Pursuant to Government Code Section 54957(b), the Council met with Labor Negotiators and City Attorney to consider the evaluation of performance related to the following position: Director of Community Development.
2. Pursuant to Government Code Section 54957(b), the Council met with Labor Negotiators and City Attorney to consider the evaluation of performance related to the following position: Public Safety Director.
3. Pursuant to Government Code Section 54957(b), the Council met with Labor Negotiators and City Attorney to consider the evaluation of performance related to the following position: City Administrator.
4. Pursuant to Government Code section 54957.6, the Council met with Labor Negotiators and City Attorney to discuss labor negotiations for the following represented groups: Oroville City Employees Association, and Oroville Fire Fighters' Association.
5. Pursuant to Government Code section 54956.9(a), the Council met with the City Administrator, Director of Community Development, and City Attorney relating to existing litigation: Americanwest Bank v. Oroville Economic and Community Development Corp., et al., Butte County Superior Court, Case No. 161808.
6. Pursuant to Government Code section 54956.9(a), the Council met with the City Administrator, Director of Community Development, Chief of Police, and the City Attorney

relating to existing litigation: Pacific Gas and Electric Company v. Save Oroville Trees, et al., Butte County Superior Court, Case No. 163598, and consolidated actions.

7. Pursuant to Government Code section 54956.9(a), the Council met with the City Administrator, and the City Attorney relating to existing litigation: Diane MacMillan v. City of Oroville, et al., Butte County Superior Court, Case No. 163806.
8. Pursuant to Government Code section 54956.9(d), the Council met with the City Administrator and the City Attorney regarding potential litigation – three cases.

Mayor Dahlmeier announced that no reportable actions had been taken in Closed Session and direction had been given to staff.

### **ADJOURNMENT**

The meeting was adjourned at 11:10 p.m. A special joint meeting of the Oroville City Council will be held on Friday, February 27, 2015, at 11:00 a.m.

---

Randy Murphy, City Clerk

---

Linda L. Dahlmeier, Mayor

**OROVILLE CITY COUNCIL MEETING MINUTES  
FEBRUARY 23, 2015 – 11:00 A.M.**

---

The agenda for the February 23, 2015 special meeting of the Oroville City Council was posted on the bulletin board at the front of City Hall and on the City of Oroville's website locate at [www.cityoforoville.org](http://www.cityoforoville.org) on Friday, February 20, 2015 at 2:20 a.m.

The February 23, 2015 special meeting of the Oroville City Council was called to order by Mayor Dahlmeier at 11:02 a.m.

**ROLL CALL**

Present: Council Members Berry, Del Rosario, Hatley, Simpson, Vice Mayor Wilcox, Mayor Dahlmeier  
Absent: Council Member Pittman (excused)

---

**PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was led by Mayor Dahlmeier.

**SPECIAL BUSINESS**

**1. APPOINTMENT OF A COUNCIL MEMBER TO SERVE ON THE OVERSIGHT BOARD**

A motion was made by Mayor Dahlmeier, seconded by Council Member Berry, to:

- 1. Appoint Council Member Pittman to serve as a Board Member on the Oversight Board.**
- 2. Appoint Vice Mayor Wilcox to serve as an alternate Board Member on the Oversight Board.**

The motion was passed by the following vote:

Ayes: Council Members Berry, Del Rosario, Hatley, Simpson, Vice Mayor Wilcox, Mayor Dahlmeier  
Noes: None  
Abstain: None  
Absent: Council Member Pittman

**ADJOURNMENT**

The meeting was adjourned at 11:03 a.m. to a regular meeting of the Oroville City Council to be held on Tuesday, March 3, 2015 at 5:00 p.m.

---

Randy Murphy, City Clerk

---

Linda L. Dahlmeier, Mayor

**OROVILLE CITY COUNCIL  
STAFF REPORT**

**TO: MAYOR AND CITY COUNCIL MEMBERS  
RANDY MURPHY, CITY ADMINISTRATOR**

**FROM: DONALD RUST, DIRECTOR (530) 538-2433  
COMMUNITY DEVELOPMENT DEPARTMENT**

**RE: LOANING OF A PIONEER MUSEUM ARTIFACT**

**DATE: MARCH 3, 2015**

**SUMMARY**

The Council may consider a Loan Agreement with Lee Dummel, a local "Old West" historian, for the loaning of the "Wells Fargo Strongbox" artifact in full compliance with the City's Museums and Cultural Facilities Policy and Procedure No. 36, "Artifact Loans to other Institutions."

**DISCUSSION**

Lee Dummel, a local "old west" historian, has provided a written request to borrow the "Wells Fargo Strongbox" an artifact at the Oroville Pioneer Museum. Mr. Dummel has, and continues to provide lectures and presentations of the old west history as it relates to Butte County and Northern California. He is scheduled to speak in Oroville on Saturday, May 16, 2015 at the Pioneer Museum, and he'll be discussing the "Firearms of the Lewis & Clarke Expedition."

Mr. Dummel would like to utilize the "Wells Fargo Strongbox" artifact as part of his lectures and presentations through Butte County and Northern California. If the Council desires to the loan the "Wells Fargo Strongbox, the loan agreement with Mr. Dummel would allow him to utilize the strongbox for a one week period up to six (6) times this year through the end of September 2015. Mr. Dummel lectures and presentations are used as fundraisers for the individual museum and other cultural facilities.

**FISCAL IMPACT**

No fiscal impact.

CC-2

## **RECOMMENDATIONS**

Direct staff to prepare a Loan Agreement between Mr. Lee Dummel and the Oroville Park Commission for the loaning of the "Wells Fargo Strongbox" artifact in full compliance with the City's Museums and Cultural Facilities Policy and Procedure Number 36, "Artifact Loans to other Institutions."

## **ATTACHMENTS**

Outgoing Loan Agreement Process Check List

Outgoing Loan Agreement

Loan Care Agreement

Museums and Cultural Facilities Policy and Procedure No. 36, "Artifact Loans to other Institutions"

Loan Request

**OROVILLE CITY MUSEUMS  
OUTGOING LOAN AGREEMENT  
PROCESS CHECK LIST**

**City of Oroville Museums**

Loan # \_\_\_\_\_

Date \_\_\_\_\_

Done	Date	Initial	Action Item
_____	_____	_____	<b>Request for Loan received</b>
_____	_____	_____	<b>Request review by Curator</b>
_____	_____	_____	<b>Loan Log book entry opened</b>
_____	_____	_____	<b>Requested object inspected</b>
_____	_____	_____	<b>Request reviewed by loan committee</b>
_____	_____	_____	<b>Loan Agreement Forms sent to requestor</b>
_____	_____	_____	<b>Completed forms received</b>
_____	_____	_____	<b>Requested Items Photographed</b>
_____	_____	_____	<b>Request presented to Parks Commission</b>
			<b>Approved                  Denied</b>
_____	_____	_____	<b>Requested Items packed for transporting</b>
_____	_____	_____	<b>Packing photographed</b>
_____	_____	_____	<b>Receipt of items confirmed by borrower</b>
_____	_____	_____	<b>Photographs of display received</b>
_____	_____	_____	<b>Return of items, inspection of condition</b>
_____	_____	_____	<b>Loan Item Log book entry closed</b>

# OUTGOING LOAN AGREEMENT

Loan # \_\_\_\_\_

## City of Oroville Museums

Date \_\_\_\_\_

Pioneer Memorial Museum   C. F. Lott Home Museum   Chinese Temple Complex & Museum  
Bolt's Antique Tool Museum   Bathhouse Museum  
1735 Montgomery Street, Oroville, CA 95965   530-538-2497

The following items from the enter museum collection here are being loaned to

\_\_\_\_\_ of

\_\_\_\_\_ for the purpose of \_\_\_\_\_

for the period of \_\_\_\_\_ to \_\_\_\_\_

Borrower agrees to take full responsibility for all items and to return them in the condition in which they were received. All items must be handled exclusively by the borrower, who will accept liability for the items from the time they leave the museum until they are returned. Borrower also agrees to all terms of the Loan Care Agreement printed on the back of this form. Attached to this form shall be a copy of the insurance certificate.

Special conditions:

<u>Number</u>	<u>Item and Condition</u>	<u>Value</u>
---------------	---------------------------	--------------

Date \_\_\_\_\_

\_\_\_\_\_  
Signature of Park Commission Chairperson

Date \_\_\_\_\_

\_\_\_\_\_  
Signature of Borrower

Date Returned \_\_\_\_\_

\_\_\_\_\_  
Signature of Park Director or Museum Curator

# City of Oroville Museums

## Loan Care Agreement

Borrower agrees to take full responsibility to loaned objects and return them in the condition in which they were received. S/he further agrees to keep and maintain them in personal custody except as otherwise noted on the loan agreement.

### CARE OF OBJECTS

These museums are devoted to permanent preservation of its collections. This means that you cannot think of caring for borrowed items as you would for something in your own home, which you would only expect to last for ten to twelve years. Museum items must be thought of as lasting, if possible, for at least 100 or more years. Please take **better** care of these objects than if they were your own.

Even with the best of handling, or even no handling at all, **all materials deteriorate** minutely all the time. The following handling rules will help minimize this:

Wash hands before handling. Dirt and even natural oil from hands causes damage.

Do not use pins, scotch tape, masking tape, etc., on the items in any way.

No smoking while handling objects! Minute crystalline smoke particles cause damage. Smoking also constitutes a fire hazard.

Never allow food or drink near items. Do not eat or drink while handling objects.

Never leave objects out where other people may handle them in your absence.

If you have borrowed items with organic content (fabric, wool, feathers, wood, paper, fur, etc.) do not allow them to be exposed to sunlight. Limit their exposure to artificial light as much as possible.

Do not remove **any** identifying marks or features.

### TRANSPORTATION

Use two hands to lift any object. Support it from below with one hand. Take care not to put a strain on any protruding part (handle, chair arm, etc.) or any other portion of an object. An object's own weight may put strain on these parts.

Use extra care in moving items. Protect them from any potential damage from scratches, bumps, falling objects, etc.

Do not overcrowd a box or container in which you are carrying objects. Don't mix heavy things with fragile things.

Never attempt to repair any damage to an object which may have occurred. It must be done professionally.

Damage caused by careless handling may suffer loss of value or appearance. Prevention is better. (Restoration is also prohibitively expensive.) Different objects may have different care requirements which cannot be enumerated here. Please be conscious of everything that might happen to an object and **use preventative measures.**

Damage to museum items, or their loss, may not be recoverable and usually cannot be compensated for.

**Please help us keep these historic or special things for future generations to appreciate.**

Thank you.

# CITY OF OROVILLE

## Policies and Procedures

<b>NUMBER: 36</b>	<b>SUBJECT: Artifact Loans to other Institutions</b>
<b>DATE: 6-22-09 REV:</b>	<b>SECTION: Museums and Cultural Facilities</b>

**POLICY:** The Oroville City Museums may lend artifacts to other museums or professional institutions for the purpose of exhibition, research or conservation.

**PROCEDURE:** Upon receiving a request for the loan of an object, the following instructions shall be followed:

The Museums shall follow the following criteria:

1. Outgoing loans will only be granted to institutions with standards of care and security equal to or in excess of the City's. The borrower must also ensure adequate artifact environment, handling and insurance.
2. The City must have clear title to an object to consider it for an outgoing loan, without restrictions which would inhibit such a loan.
3. When possible, loaned materials will be duplicates in the collection, replicas or copies. Items which are irreplaceable will not be loaned.
4. Objects will not be loaned if the proposed use might present unreasonable risks to the objects, or if the use might in any way reflect on the integrity of the City's Museums.
5. Objects must be stable, and sound enough to withstand handling, packing, shipment, and significant climate shifts.
6. Property on loan to the City museums may not be loaned out by the City.
7. All loans must be for a stated term, and no indefinite loans will be made.
8. The signatory of a loan agreement will be held personally responsible for the object(s) borrowed on behalf of his/her agency or organization.

## Process for Outgoing Loans

Loans will be formalized with the loan agreement form that spells out the conditions of the loan, including issues of insurance, photographic rights, duration, credits, etc. The completed loan agreement will be presented to the Park Commission for their approval with a minimum of three votes in favor. The Park Director shall be the designated signer. A log sheet will be kept of the loan process.

In order to maintain the research and interpretive value of the City Museums' collections, the borrower must agree to submit one copy of any and all reports, photographs or drawings, analyses or articles based on the study of or other use of the loaned material. Loaned items which are exhibited should be credited to the loaning museum, and a copy provided to the City of any literature (flyers, catalogs, etc.) in which the object(s) has been mentioned.

The borrower must provide "wall-to-wall" insurance for all objects borrowed, and must provide evidence that insurance has been obtained, or, otherwise must provide assurances that loss or damage will be indemnified.

A facility report may be required from the borrower if the object requested is fragile and/or the length of time requested or other conditions put the object(s) at risk for environmental degradation.

Photographs of the object(s) shall be taken before their removal from the museum, and upon their return so as to document the object(s)' condition

Even if proposed use of a loaned object(s) has been approved, the Park Commission has authority to rescind the loan if it is later shown that there is risk to the object(s) or that use is reflecting negatively on the integrity of the City Museums.

## Restrictions on Outgoing Loans

Object(s) on loan from the City museums may not be reproduced by casting, copying, or other methods without express written permission of the Park Commission. Borrowed items may not be reproduced for sale by other

institutions or individuals without express permission from the Parks Commission and City Council, and with appropriate compensation as approved by the City Council.

Loans ordinarily will be for a period of one year or less, unless there are special circumstances. The borrower is responsible for packing the loan for safe return, in the manner in which it was received from the City museums. Upon receipt of the returned loan and inspection of condition, the City will provide the borrower with a signed receipt for object(s). Any damage will be noted, in writing, at the time of receipt or within 72 hours thereafter.

Individualized agreements will be made for outgoing loans approved for special traveling exhibits to include: justification for request of the object(s), proposed duration and venues of the exhibition, insurance coverage arrangements, customs agreements if needed, condition reporting to be required for the exhibition, emergency notification procedures, provisions for return of the loan, and policies and procedures of the circulating institution regarding packing, handling, exhibition methods, storage environment, shipping dates and instructions.

**ATTACHMENTS:** Proposed Artifact Loan Form and Log sheet.

**EXCEPTIONS:** None, unless authorized by City Council.

<b>INITIATED: Park Commission</b>	<b>APPROVED BY: City Council</b>
-----------------------------------	----------------------------------

February 5, 2015

**Park Commission**  
Oroville City Hall  
1730 Montgomery Street  
Oroville, Calif. 95965

I am an "Old West" historian and historical re-enactor of personages and events of the 1800's. In this capacity I perform (without charge) these historical presentations (with historical artifacts) as fundraisers for historical societies and museums throughout California and Nevada.

In October of 2014, I performed a historical re-enactment of "Black Bart" for the Oroville Pioneer Museum who held up stagecoaches in Butte County during the 1870's. Just prior to this event, I discovered a Wells Fargo strongbox in one of the museum's exhibit cases, and unknown to museum staff, discovered this strongbox was one that Black Bart looted in his Butte County hold-ups.

Michelle Conn of the Pioneer Museum staff allowed me to use this strongbox as an exhibit for my Black Bart presentation. She advised me the museum does allow some of the museum's historical artifacts to be loaned to qualified historians for exhibit purposes for other venues.

She added that such permission must be obtained from the Park Commission which oversees the operation of the Pioneer Museum. She advised me that she would recommend to the Commission that I should be given permission to "sign-out" for this strongbox as I will be making Black Bart re-enactments in 2015 for Plumas, Yuba, Shasta, Sierra, Siskiyou and Trinity historical societies and museums.

I have had historical artifacts loaned out to me by other historical societies for historical presentations. I keep said artifacts under my strict control; I do not allow anyone else to touch said artifacts, and after my presentations, I immediately return said exhibit item to the original exhibit holder.

I will be doing another fundraiser for the Pioneer Museum early this Spring.

Thank you for your consideration of my request.

Lee Dummel



P.O. Box 353, Magalia, Calif. 95954  
(530) 873-3042

E-mail: [lawdawgs@att.net](mailto:lawdawgs@att.net)

**OROVILLE CITY COUNCIL  
STAFF REPORT**

**TO: MAYOR DAHLMEIER, COUNCIL MEMBERS AND  
RANDY MURPHY, CITY ADMINISTRATOR**

**FROM: DONALD RUST, DIRECTOR (530) 538-2433   
LUIS A. TOPETE, ASSOCIATE PLANNER (530) 538-2408  
COMMUNITY DEVELOPMENT DEPARTMENT**

**RE: FEE WAIVER REQUEST BY THE OROVILLE BRANCH OF THE  
AMERICAN ASSOCIATION OF UNIVERSITY WOMEN**

**DATE: MARCH 3, 2015**

**SUMMARY**

The Council may consider a full fee waiver request, in the amount of \$250, by the American Association of University Women (A.A.U.W.) for use of the Lott Home at Sank Park for their annual Tech Trek picnic, scheduled for May 15, 2015 between the hours of 4:00 pm – 9:00 pm.

**DISCUSSION**

On December 29, 2014, the City of Oroville received a fee waiver request from the Oroville Branch of the A.A.U.W. for use of the Lott Home in Sank Park for their annual Tech Trek picnic scheduled for May 15, 2015 between the hours of 4:00p.m. – 9:00p.m. The total fees for the use of the facility are \$250, with a refundable \$150 cleaning deposit. Per the City's Facility and Park Fee Waiver Policy (Ordinance No. 1793) as found in the Oroville Municipal Code (OMC) Section 26-10.200, the applicant qualified for a 50% fee waiver reduction.

On January 26, 2015, the applicant submitted an appeal of staff's determination and is requesting a full fee waiver of the fees for use of the City's facilities. Per the OMC Section 26-10.200, any fee waivers that may be granted do not relieve the applicant from providing required insurance/indemnification and from providing required security/damage deposit. Applicant has provided the \$150 refundable cleaning deposit.

**FISCAL IMPACT**

Council may take one of three actions which will have the following impact to the General Fund:

- Deny fee waiver: No impact to General Fund as fees (\$250) were based on cost recovery calculations at the time they were established.
- Uphold 50% fee waiver: Loss of \$125 to the General Fund.



- Approve full fee waiver: Loss of \$250 to the General Fund.

## **RECOMMENDATIONS**

Per the City's Facility and Park Fee Waiver Policy, deny the full fee waiver request and approve a 50% waiver, in the amount of \$125, for use of the Lott Home at Sank Park by the American Association of University Women's for their annual Tech Trek picnic, scheduled for May 15, 2015.

## **ATTACHMENTS**

- A - Letter of Appeal
- B – Event Flyer

# EXHIBIT - A



Oroville Branch  
PO Box 6172  
Oroville, CA 95966  
January 26, 2015

To Whom It May Concern:

As the Oroville Branch Coordinator of the American Association of University Women (AAUW) I respectfully request an opportunity to address the Oroville Council at an upcoming meeting for the purpose of requesting a full fee waiver for use of Sank Park at 5:30 p.m. Friday, May 15, 2015 for our annual picnic.

This event has become a tradition. Girls and their families throughout Butte County that will be attending the 2015 Tech Trek Camp attend as well as the AAUW members who have worked so hard throughout the year to fund the scholarships,

This is a celebratory event, an educational event, and an opportunity to showcase this wonderful park to our sister AAUW branches.

Please give me an opportunity to demonstrate to the council what an important program Tech Trek is to the City of Oroville and how the annual picnic at Sank Park is an integral part of the program in Butte County.

Sincerely

Anna Devore  
Oroville Tech Trek Coordinator

*Anna Devore (282-6284)*

## WHY TECH TREK?

*Tech Trek gave me the self-confidence to think women can excel in math and science. I am one of the few female students sitting in the front row of (an) 800-person lecture at UC Berkeley. I raise my hand with the answer, never waiting for the bug in back of me to step in.*

As revealed in the ground-breaking report *Shorthanging Girls, Shorthanging America*, during early adolescence, social acceptance begins to trump academic interests and achievement for many girls, even those who have previously been good students.

To counteract the tendency of middle school girls choosing to drop math and science, members of AAUW California launched Tech Trek. The first camp convened in the summer of 1998. For an entire week, 150 girls from throughout the state participated in hands-on STEM learning and mentoring at Stanford University.

Although the situation has improved, young women still report feeling isolated in the sciences. The 2011 study, *Why So Few? Women in Science, Technology, Engineering, and Mathematics*, documented that women remain underrepresented in these fields. Once again, the middle school years were noted as the critical time for removing stereotypes about girls' abilities and building the positive self-assessment and growth mindset needed to effect true change.

### TECH TREK SEEKS TO:

- ENCOURAGE** a diverse group of young women to take math and science courses throughout high school
- MOTIVATE** students to attend college and
- INSPIRE** young women to consider STEM careers

## EVERY CONTRIBUTION MAKES A DIFFERENCE!

- \$25 / \$50** Pays for a field trip for one camper
- \$125** Provides for a full day (24 hours) at camp
- \$425** Covers half of a scholarship
- \$850** Awards a full scholarship
- \$2,550** Funds three full scholarships

Contributions to Tech Trek should be made to AAUW California – Special Projects Fund (AAUW CA SPF). Please note on memo line Tech Trek and include the name of the branch to be credited. Checks should be sent to the branch's Tech Trek coordinator or to AAUW CA SPF, P.O. Box 180067, Sacramento, CA 95816-0067

Branch: \_\_\_\_\_

Contact: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Email: \_\_\_\_\_

[www.aauw-teshtrek.org](http://www.aauw-teshtrek.org)  
[info@aauw-teshtrek.org](mailto:info@aauw-teshtrek.org)

# techtrek!

American Association of University Women (AAUW) advances equity for women and girls through advocacy, education, scholarship and research. Tech Trek Science and Math Camp for Girls is a Project of AAUW California.

The AAUW California Special Projects Fund purpose is to exclusively educational and charitable. It receives and distributes contributions from individuals, corporations, and AAUW California for programs and projects that further education and equity for all women and girls in the communities served by AAUW California branches. Contributions to the AAUW California Special Projects Fund are tax deductible under the strict regulations of the Internal and California State Tax Codes. Call: (916) 485-0453/071



AAUW

## Fostering a Future in a Girl's Opportunities in Science, Technology, Engineering and Math



# techtrek!

SCIENCE & MATH CAMP FOR GIRLS

A Project of  
AAUW California

*"I never imagined becoming a mathematician, but this experience opened up my eyes to see that I can do anything..."*



Tech Trek opens the door to a world of opportunities. Hands-on activities in math, science and related fields develop interest, excitement and self-confidence in young women entering the eighth grade. Campers live the life of a college student with a full university experience of eating and sleeping in a dorm, attending classes and using available recreational facilities. Off-campus field trips further broaden their horizons.

Not only do these young women meet and make friends among like-minded peers, they are introduced to role models in the form of the instructors and guest speakers. Post-camp mentoring provides continuing encouragement.

Seventh grade math and science teachers from public school districts served by AAUW California branches nominate young girls using the academic habits and character development criterion:

- be excited by math or science
- have active listening skills
- have at least a B-minus grade (do not need to be a top student)
- be likely to profit from this experience
- have less access to this type of program

Nominees submit applications and essays, and then are interviewed by branch-designated committees. The number of scholarships awarded is determined by the funds raised by each branch. The girls selected attend the closest available camp. Depending upon the facilities and staffing, each camp accommodates between 75 and 105 girls.

Completely volunteer developed and run, Tech Trek has grown and flourished since 1998.

Currently ten camps are held on eight campuses:

- California State University, Fresno
- Sonoma State University
- Stanford University
- University of California, Davis
- University of California, Irvine
- University of California, San Diego
- University of California, Santa Barbara
- Whittier College

By the end of the summer of 2011, more than 8,000 girls attended a Tech Trek camp and many early participants returned as counselors, camp directors and mentors.

Tech Trek continues to operate without any paid administrative staff and every effort possible is made to ensure that monies are directed towards curriculum improvements and expanded opportunities for the Tech Trek participants.



*"Did Tech Trek change my life? Absolutely. One of the girls funded through this program will find the cure for cancer, save people from AIDS, become president, save the world. And she will need all of the help and encouragement she can get."*

In 2006, AAUW California surveyed the nearly 875 young women who had attended a Tech Trek Camp during the program's first four years. From among 230 respondents, 96% were currently enrolled in



college and, far exceeding national averages, 53% were majoring in science and math-oriented fields. Virtually all credited their Tech Trek experience with

having encouraged them to pursue a broader spectrum of educational and career options.

More than 83% of Tech Trek program funding comes from the AAUW California branches, which raise the necessary scholarship monies so that local girls can attend a nearby camp.

To send even one girl from each middle school to camp for a week, support from community organizations and local businesses is needed to supplement individual and member donations.

All Tech Trek funding is handled through AAUW California Special Projects Fund, a 501(c)(3), tax-exempt, not-for-profit foundation.

*"Thank you for helping me to meet join the girls at my high school who complained that math and science were boring or pointless. Thanks to Tech Trek, I've seen how they apply to the real world, and that by working math and science, you miss out on the most fascinating elements of life."*

# techtrek!

**OROVILLE CITY COUNCIL  
STAFF REPORT**

**TO: MAYOR DAHLMEIER, COUNCIL MEMBERS AND  
RANDY MURPHY, CITY ADMINISTRATOR**

**FROM: DONALD RUST, DIRECTOR (530) 538-2433   
LUIS A. TOPETE, ASSOCIATE PLANNER (530) 538-2408  
COMMUNITY DEVELOPMENT DEPARTMENT**

**RE: NEW DONATIONS TO THE CHINESE TEMPLE AND MUSEUM  
COMPLEX**

**DATE: MARCH 3, 2015**

**SUMMARY**

The Council may consider the receipt of new donations to the Chinese Temple and Museum Complex.

**DISCUSSION**

New donations have been received for the Chinese Temple and Museum Complex. The donations include a Chinese soy jug, a pair and two single Chinese lotus slippers. The donations have been reviewed by Janice Clay, Lead Docent of the Chinese Temple and Museum Complex, and have been deemed acceptable to add to the collection. Additionally, the donated items are in compliance with Park Commission Policies & Procedures #20 which calls for items accepted and placed in the Chinese Temple to have particular emphasis on the years 1863 to 1936.

At the November 10, 2014 Park Commission meeting, the Commission unanimously agreed to send a recommendation to the City Council recommending acceptance of the new donations.

**FISCAL IMPACT**

There is no fiscal impact at this time.

**RECOMMENDATIONS**

Per the Park Commission's recommendation, accept the new donations to the Chinese Temple and Museum Complex.

**ATTACHMENTS**

- A – Chinese Soy Jug
- B – Lotus Slippers



# EXHIBIT - A

November 5, 2014

**Subject:** 1800-early 1900's globular Chinese soy jug

**Donor:** Suzanne Legg for Alleene Luther Withers

**Contact:** Suzanne Legg (530) 589-4736

**Complied by:** Dawn Nevers, Administrative Assistant

**Summary:**

The donor has requested that the globular Chinese soy jug (jug) be placed in the Chinese Temple museum. The jug has been reviewed by Janice Clay, Lead Docent of the Chinese Temple, and has been deemed acceptable to add to the collection. Additionally, the donated item is in compliance with Park Commission Policies & Procedures #20 which calls for items accepted and placed in the Chinese Temple to have particular emphasis on the years 1863 to 1936.

The donated item is reflective of the 18<sup>th</sup> century globular Chinese jugs that were used to carry food and liquids on ships from China to America. The jugs that were glazed inside were used to carry liquids. The donated jug appears to be glazed on the interior indicating it would have been used to carry liquids such as soy or wine. The large empty jugs that remained, after the food and liquid was sold, were typically used for trade. The jug is approximately 13" tall and 12" wide with a character panel near the top.

The jug is claimed to be from the Oroville Chinese from the gold digging days and was given by Alleene Luther Withers to Suzanne Legg for donation to the Chinese Temple museum.

The donor has not placed a value on the items; however internet research places the jug at approximately \$675.00.

**CITY OF OROVILLE Museums**  
**DEPARTMENT OF PARKS AND TREES**  
**TEMPORARY RECEIPT**

Tracking Number: \_\_\_\_\_

Permanent Accession number \_\_\_\_\_

Number assigned after acceptance

The following object(s) are submitted to the City of Oroville Parks Commission for consideration of donation to the collection of Chinese Temple. Evaluation will be made with consideration of the relevance of the object(s) to the Scope of Collections policy statement and acquisitions criteria of \_\_\_\_\_. The Parks Commission cannot guarantee that any objects by donation will be displayed or exhibited in the museum. No employee of the City of Oroville can undertake to appraise or attach a value to any object.

Received from: Suzanne Legg <sup>for Alkene Luther Withers</sup> Phone: 530-589-4736

Address: PO Box 5727, Oroville City/Zip: 95966

Description of Item(s) (continue on back): Toy jar from the Oroville Chinese during the gold digging days.

It is understood that the above object(s) are on temporary loan to the Oroville Parks Commission for purposes of evaluation. In the event that the Commission does not accept this object(s) the object(s) must be removed from the Museum within 30 days of notification. Any object not removed by this deadline shall automatically become the property of the City of Oroville and shall be subject to disposal.

Final acceptance or rejection of this gift will be made at the next meeting of the Oroville Parks Commission, on \_\_\_\_\_.

The Museum shall exercise the same care with respect to the object(s) covered by this receipt as it does with respect to its own property of similar kind or nature, **however**, object(s) left for consideration to the collection are left at your own risk.

The object(s) will be returned to the donor/authorized agent, upon surrender and signature of this receipt. If object(s) are not accepted into the collection of the Museum, do you want the object(s) returned?

YES, return the object(s)                       NO, do not return the object(s). Disposition to be appropriate.

I have read and agreed to the conditions stated:

Donor: Suzanne Legg Date: 9-24-14

Received by: Dawn Neves Date: 9/24/2014

City of Oroville Museums  
Department of Parks & Trees

Deed of Gift

Accession Number:

Donor: Suzanne Legg for Phone: 530-589-4736  
Alleene Luther Withers

Address: PO Box 5727, Oroville, CA 95966

I do hereby give and convey to the City of Oroville, without limiting conditions, the following item(s):

Description of Item(s): (continue on back) Toy jar from the Oroville  
Chinese during the gold digging days

Acceptance of gift(s) is subject to the following conditions:

1. The object(s) accepted shall become the permanent property of the City of Oroville. As such object(s) may be subject to conservation treatments, study and/or disposal.
2. This gift shall be subject to no restrictions or conditions.
3. Due to limited space and changing exhibitions, the exhibition of any object is entirely at the discretion of museum staff.
4. Object(s) may be photographed or otherwise reproduced, exhibited or studied.
5. Evaluation by a commercial appraiser for income tax purposes is the responsibility of the donor. Values assigned by museum staff are not valid for this purpose.

I do hereby declare that I am the lawful owner of the above listed object(s) and/or have legal authority to make this gift, and that I have read and am familiar with the provisions of this Deed.

Signature of Donor Suzanne Legg Date 9-24-14

Accepted by \_\_\_\_\_ Date \_\_\_\_\_



Back to search results | Listed in category: Antiques > Asian Antiques > China > Pots

### Antique Chinese Brownware Jar Storage Jar 17th-18th Century

| Add to watch list



Seller: **flanagan-laneantiques** (923) **me** 100% Positive feedback

Follow this seller | See other items | Visit store: Flanagan and Lane Antiques

Item condition: -

Price: **US \$675.00**

Buy it Now

Add to cart

Best Offer:

Make Offer

3 watching

Add to watch list

Add to collection

Free shipping

100% positive feedback

Best offer available

Mouse over image to zoom



Have one to sell? **Sell now**

Shipping: **FREE** Standard Shipping | [See details](#)

Item location: Seattle, Washington, United States

Ships to: United States

Delivery: Estimated between **Sat. Nov. 8** and **Thu. Nov. 13**

Payments: **PayPal** **VISA**

Credit Cards processed by PayPal

**PayPal CREDIT**

12 month financing available [Apply Now](#) | [See Terms](#)

[See details](#)

Returns: 14 days money back, buyer pays return shipping | [See details](#)

Guarantee: | [See details](#)

Get the item you ordered or get your money back.  
Covers your purchase price and original shipping.

#### People who viewed this item also viewed

[Feedback on our suggestions](#)



Chinese Antique  
Tea-Dust Glaze...

**\$19.00**

0 bids



12Th song Dynasty  
Pot

**\$499.00**

Buy It Now



Jin Dynasty ( 晋265-  
-420) ...

**\$3,999.00**

Buy It Now



Vintage Ch  
Porcelain P  
Lid...

**\$33.33**

Buy It Now

Description

Shipping and payments

Print | Report item

Seller assumes all responsibility for this listing.

eBay item number: 251658912430

#### Item specifics

Color: Brown  
Maker: China  
Type: Pots

Age: Pre-1800  
Region of Origin: China  
Original/Reproduction: Original

Primary Material: Porcelain & Pottery

Flanagan and Lane Antiques

Visit my eBay store



Sign up for newsletter

Search Store

Jewelry | Lighting | Furniture | Asian art | Paintings

Store Categories

- Store home
- Furniture
- Clocks
- Jewelry
- Glass
- Porcelain and Pottery
- Lighting
- Mirrors
- Paintings
- Fans
- Silver
- portrait miniatures
- Used Books
- Calling Card Cases
- boxes
- misc.
- Purses
- Asian art
- Sofas
- Textiles and Rugs
- tables
- chairs
- secretaries and desks
- sideboards
- chests
- Metalware

Antique Chinese Brownware Jar Storage Jar 17th-18th Century

Description:

A large Chinese brownware storage jar, 17th to 18th century. In very good condition, It is approx. 14" high by 12" wide. Please view all photos carefully. Guaranteed to be as described.

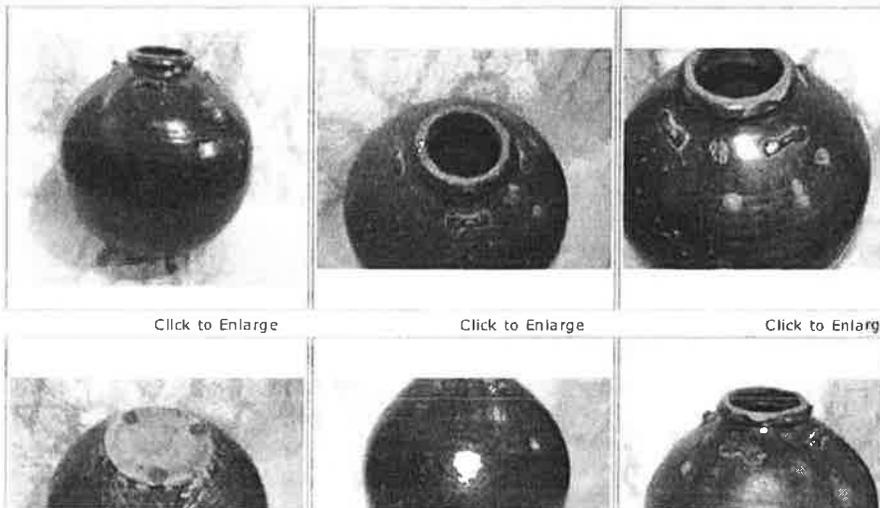
A note to our international buyers: We welcome international buyers but please be aware that any and all import duties, taxes, Vats, etc. are the responsibility of the buyer. In addition, it is a federal offense to falsify customs forms. Please do not ask us to do so.

Shipping :

Items are generally shipped within 1 business day upon receipt of payment, unless it is a large item that requires special handling, such as furniture

Payment :

We accept paypal and all major credit cards directly through our own merchant account. Please email for other payment methods.

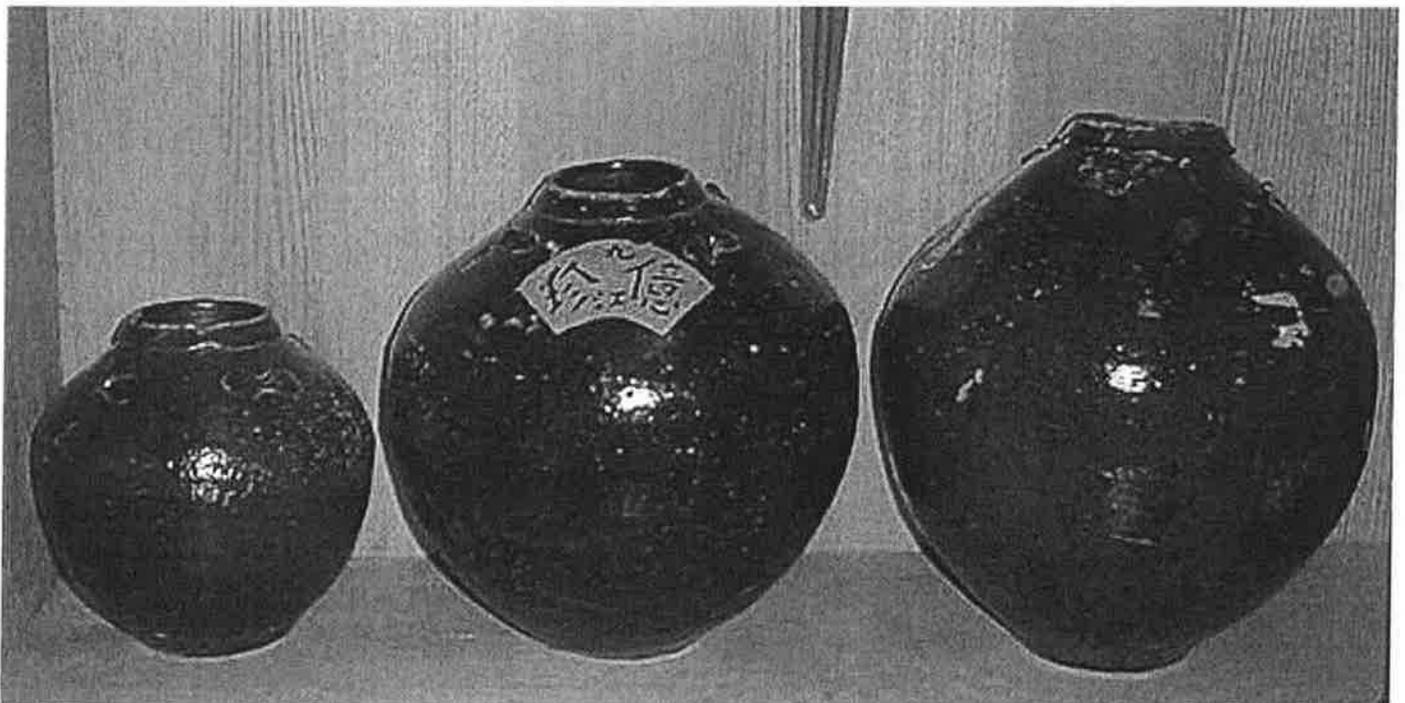


## **Globular Jars and Barrel Jars**

**There are many photographs on the internet of pottery found on sunken Chinese ships and most show several large globular jars among the recovered pottery. Also, there are accounts of ships using these jars to carry trade foods and liquids (often wine) and then, eventually, trading the jars as well. As none of these were made in North America they must all have arrived here by ship-- carrying different food stuffs and liquids for trade, the large empty jars remaining behind to be traded off and obtained for storage.**

**Globular jars and barrel jars are not easy to find but are objects of beauty to have in any collection of Chinese North American artifacts and collectables. Some may think it strange but I am attracted to these utilitarian jars whereas I find the large colourfully decorated and ornate jars, intended to be works of art, uninteresting.**

**There have been two large globular jars in the collection for many years and I obtained a third large globular jar in 2007 that originally came from Locke California Chinese town. This is the larger of the three shown in the following picture and had been in a collection for many years. Originally the collector had obtained it from a rancher who had gotten it years before in Locke. The large globular pot is 14 inches tall. The small globular pot came from Victoria, BC Chinatown and the middle one with the character panel came from San Francisco.**



**And I have now obtained a fourth large globular jar. This one comes from Bakersfield, California Chinatown and was in a family collection there for many years. It is also 14"**

tall and has a character panel. The characters in the panel talk about the nine rivers and riches obtained. This one is "extra-interesting" as it lacks the tie-down and/or lid securing lugs found on all others I've seen in this style. These jars were mainly used for food and water storage and are uncommon and prized in any collection. For the storage of liquids, jars had to be glazed inside. The smaller pot on the left above is not glazed inside so was used for dry food storage.

There was a Chinese mining village on Keithley Creek, some miles past Likely, BC. The man who purchased the Keithley Creek Borland ranch found a dozen of these globular jars in the old buildings along the creek when they still existed in the 1950s. He had them on shelves around his home and I first saw them in 1972 when I visited him with a mutual friend. That was the first time I saw any of these globular jars and I was very impressed by them. That collection went to the US with his widow, who moved back there when he died. He had a shed full of Chinese pottery of all kinds found in those ruins.



# EXHIBIT - B

November 5, 2014

**Subject:** 1800-early 1900's Chinese lotus slippers

**Donor:** Milton Graham

**Contact:** Milton Graham (530) 877-5181

**Complied by:** Dawn Nevers, Administrative Assistant

**Summary:**

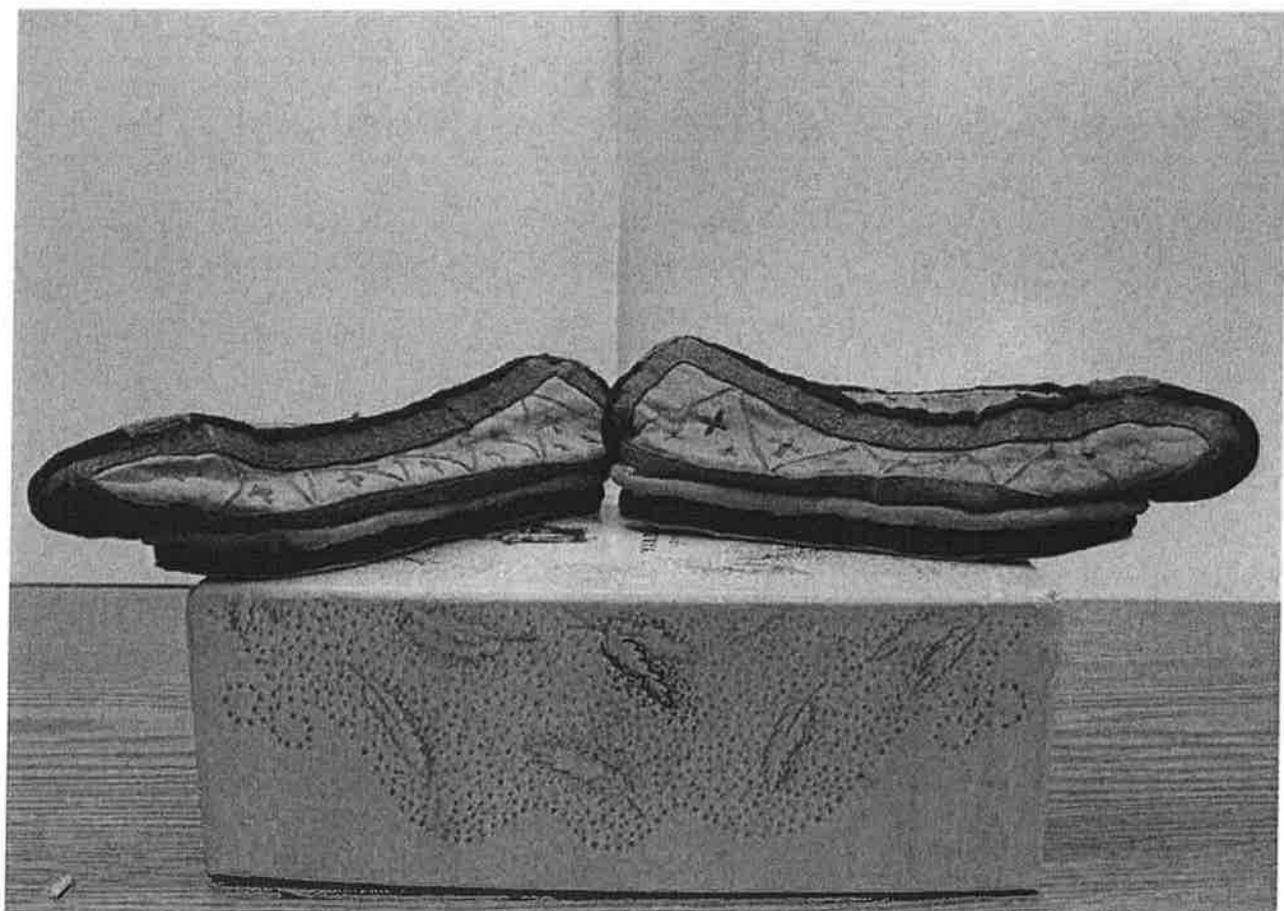
The donor has requested that the Chinese pair and two single lotus slippers be placed in the Chinese Temple museum. The lotus slippers have been reviewed by Janice Clay, Lead Docent of the Chinese Temple, and have been deemed acceptable to add to the collection. Additionally, the donated item is in compliance with Park Commission Policies & Procedures #20 which calls for items accepted and placed in the Chinese Temple to have particular emphasis on the years 1863 to 1936.

The donated items are reflective of the 18<sup>th</sup> century Chinese lotus slippers. The lotus slipper is traditional Chinese footwear worn by women with bound feet. The tradition of foot binding began in the 10<sup>th</sup> century and became popular as a means of displaying status. The shape of the lotus slipper was designed in a cone or sheath-shape intended to resemble the lotus bud and constructed of cotton or silk.

The donated pair of lotus slippers appears to be white cotton with black piping and a red stitched pattern with a flat yet elevated sole. The two single slippers appear to be made of silk, one red and one orange, with wedged soles and floral embroidery.

The lotus slippers are claimed to be acquired from China where the donors' parents were missionaries.

The donor has not placed a value on the items; however internet research places the lotus slippers at about \$100.00 for the pair and lower for the single slippers.



Sponsored by

**DSW Official Site**

Those Shoes. That Price. The Hunt Is Over. Free Shipping!

**Carter's® Extra 25% Off**

Save an extra 25% on orders \$40+. Use online code VETDAY25

Antiquities

Asian Antiques

Decorative Arts

Ethnographic

Furniture

Home & Hearth

Linens & Textiles

Maritime

Periods & Styles

Primitives

Science & Medicine

Sewing

Silver

See all categories

**SUBMIT your Antiques**

Asian Antiques

Bowls, Boxes, Burma, Cups,  
Mugs, India, Korea, Middle East,  
Military, Mongolia, Necklaces,  
Pendants, Other, Plates, Pots,  
Reproductions, Statues, Tibet,  
Unknown, Vases, **China**, Japan,  
Southeast Asia, Other Asian,  
Scrolls, Paintings, Tables, Snuff  
Bottles,

**Antique Chinese Shoes Wood And Silk 1800 ' S**



Category : Asian Antiques > China > Robes & Textiles

Click photo to enlarge



Uploaded by **sputnick** on Dec 2, 2011

**Contact User**

Known Information

Category : Asian Antiques > China > Robes & Textiles

Type: shoes

Primary Material: Wood

Age: 1850-1899

Item Id: 15852

Region of Origin: China

Original/Reproduction: Original

Do you know more?

**SUBMIT**

**REPORT ABUSE**

All trademarks, brands and images are property and copyright of their owners.  
Copyright © 2012 ancientpoint.com. All rights reserved. Mail to Us , Privacy Policy



1860-1960

one hundred years of fashion and accessories



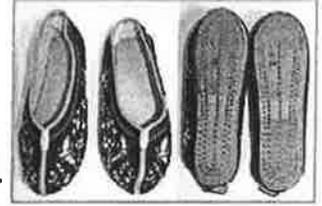
Clothing

Shoes

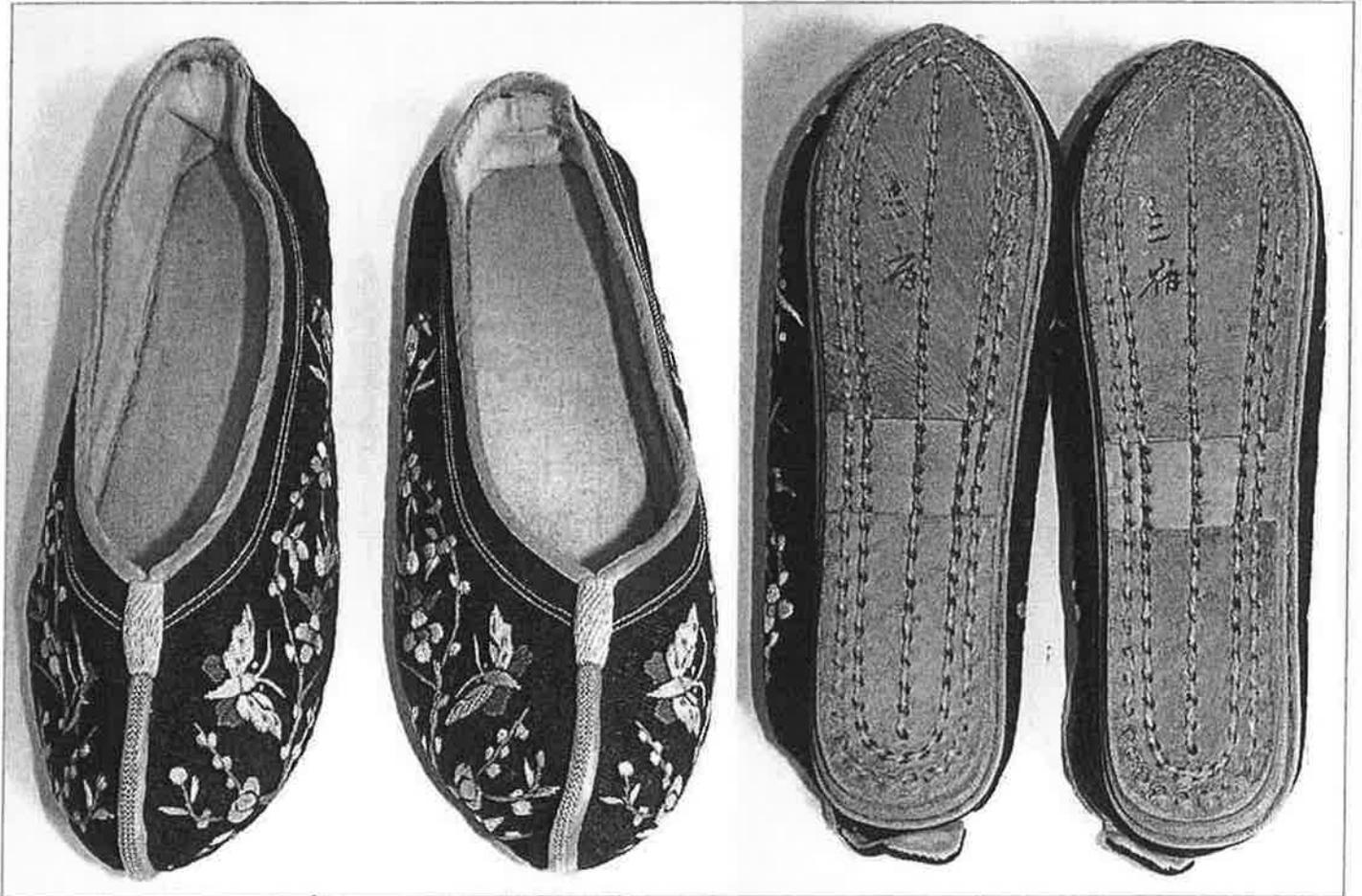
Hats

Accessories

Textiles



### Chinese Black Velvet Embroidered Butterfly Bird Slipper Shoes. 1920s



This pair of antique Chinese black velvet embroidered butterfly bird slipper shoes date from the 1920s. They are made of a black silk velvet fabric, with pastel blue & pink silk raised padded satin stitch hand embroidery work and braided rope, silk trim edging. There are embroidered butterflies, birds and flowers. These slipper style slip-on shoes have quilted hand stitched hard bottom soles which have black ink Chinese characters and are fully lined in linen with red ink stamps inside. The shoes measure 9 inches long and 3 inches wide. They are in good wearable condition. These are a wonderful piece of wearable antique Chinese textile art!

Item number xs0156

tweet

**\$100**

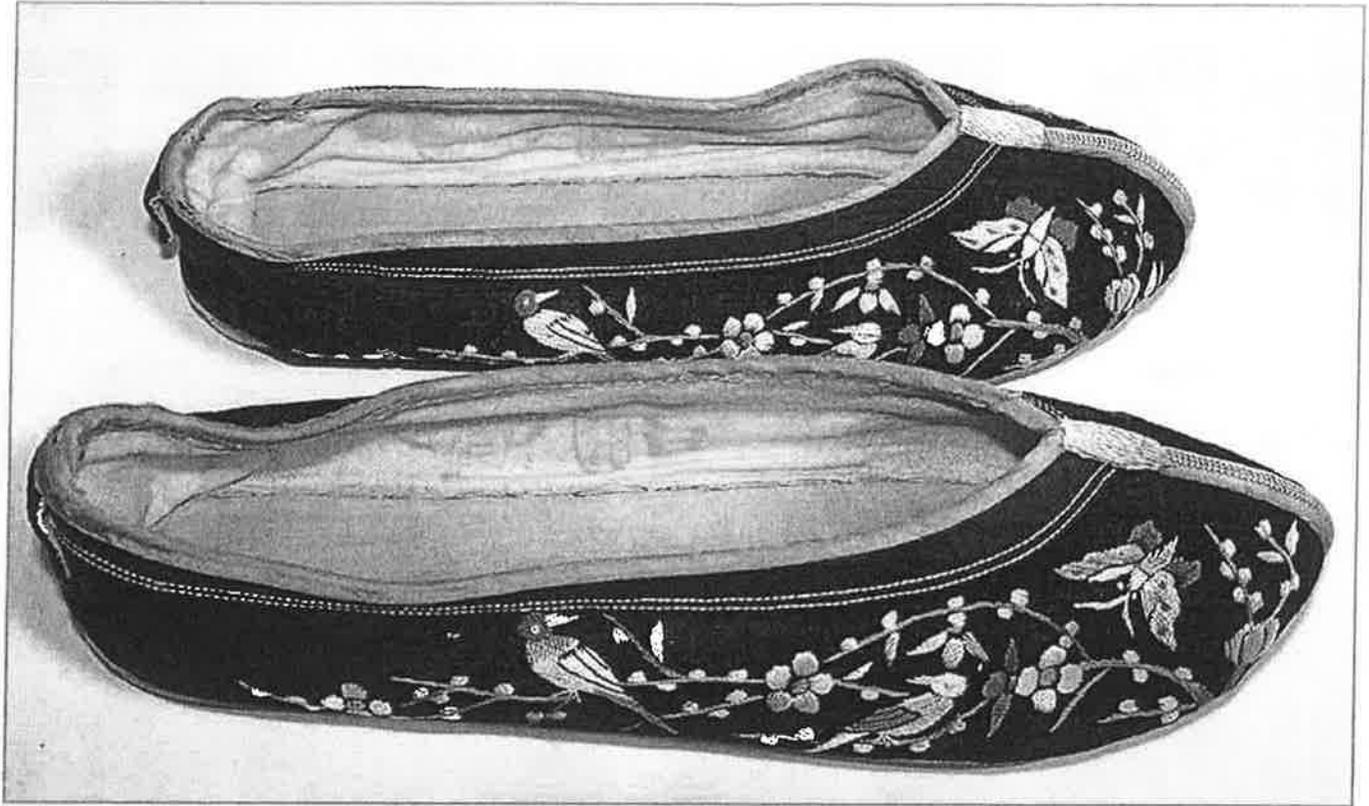
**Place Order**

[New Items](#)

[ebay Auctions](#)

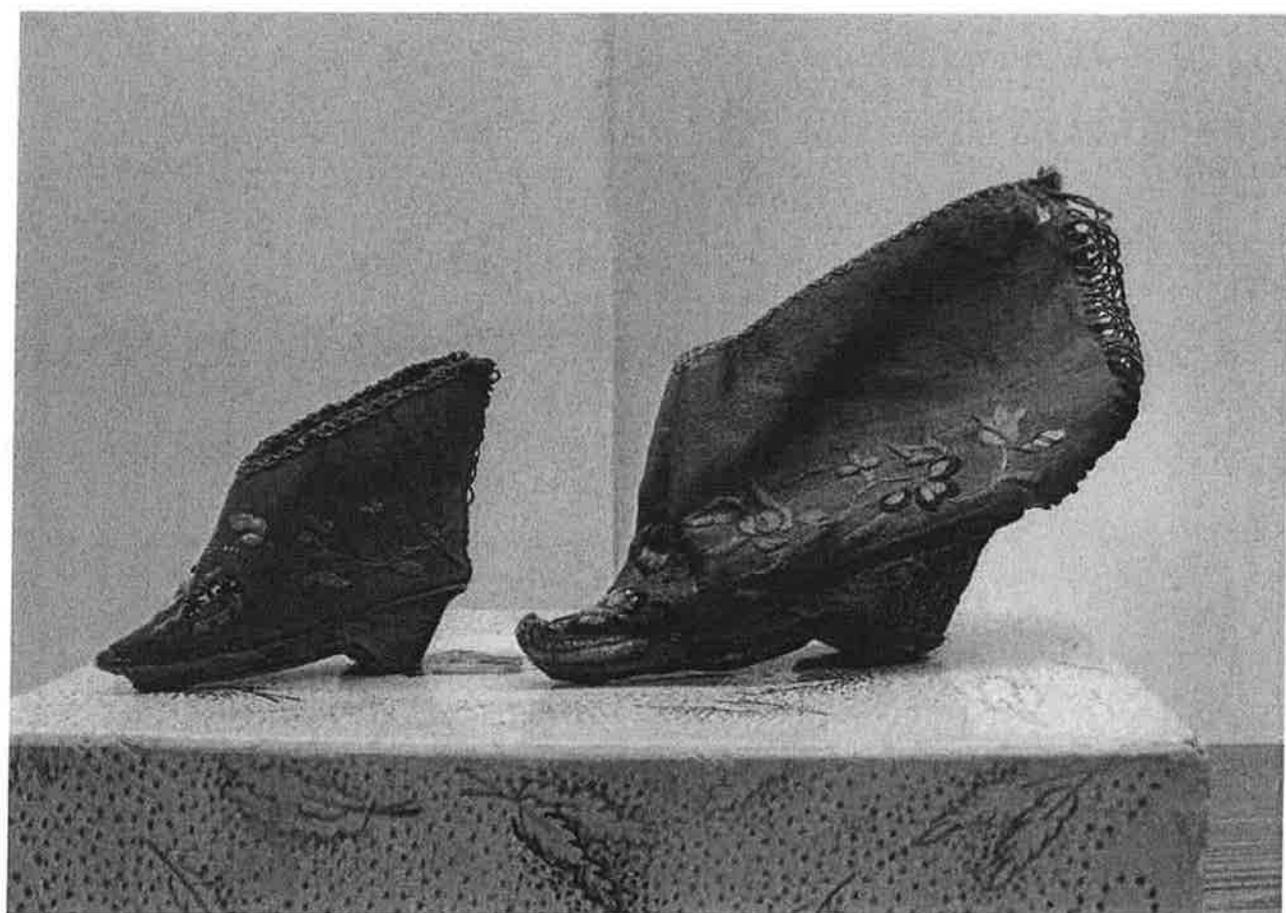
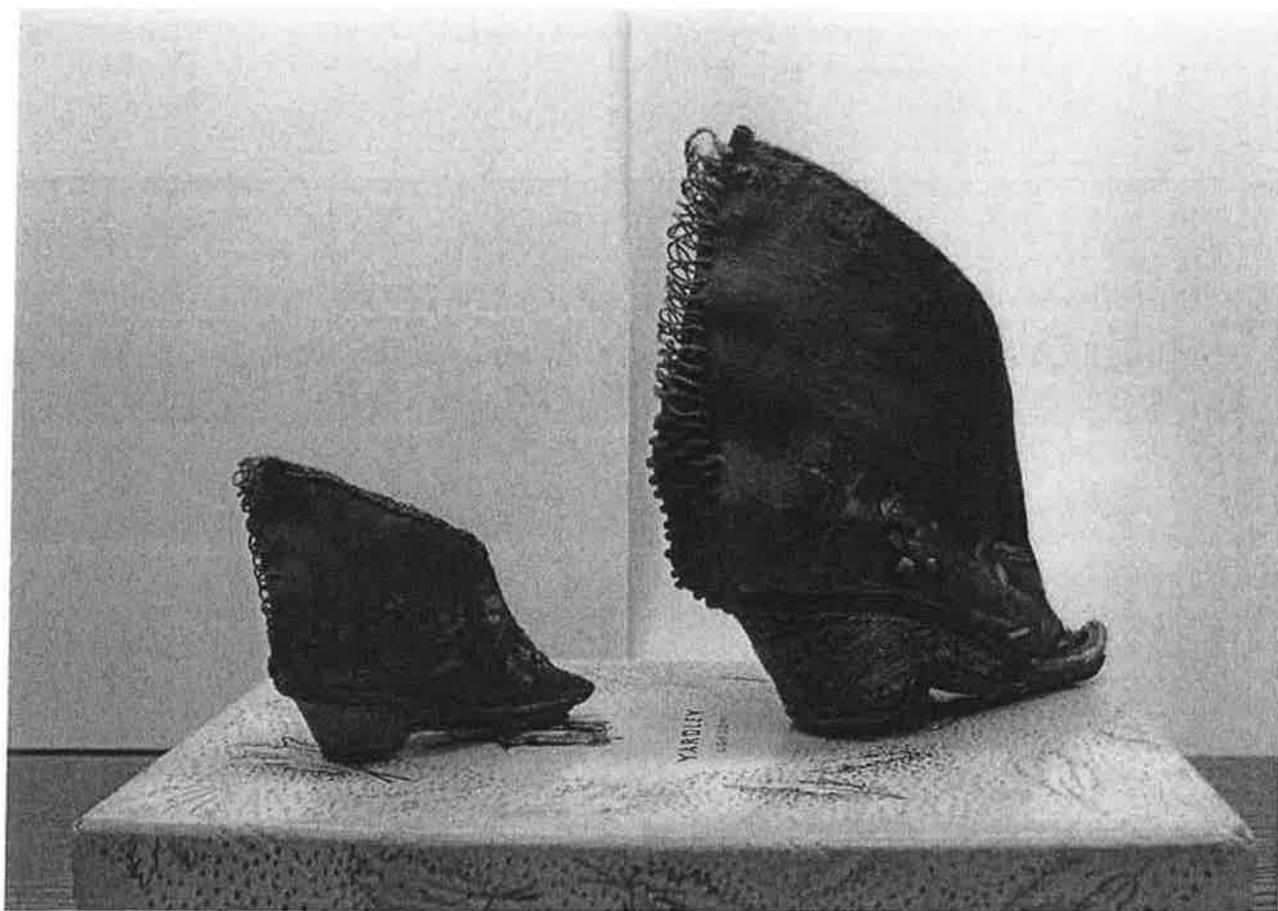
[About Us](#)

[Contact Us](#)



**Buyer pays \$10.00 shipping and insurance, USA orders.  
International orders please email for shipping cost.  
Worry free three day money back guarantee.  
Thanks for looking.**

[Place Order](#)





# FionaKennyAntiques

Favorite Shop

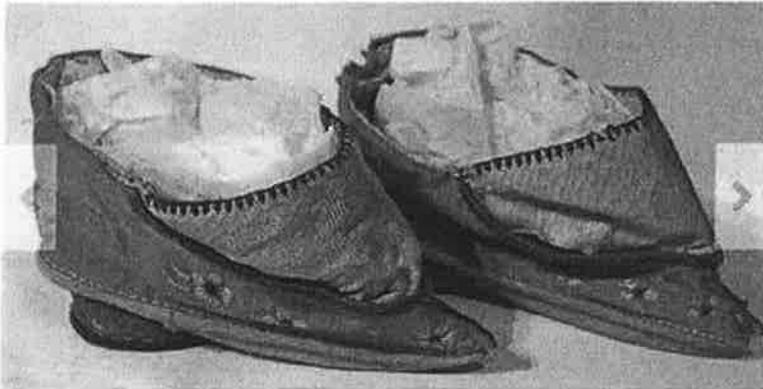


1251 items

Favorite

### Like this item?

Add it to your favorites to revisit it later.



Q zoom

## Antique Chinese Silk Lotus Shoes for Bound Feet c1890-1900

\$110.00 USD

Ask a Question

Only 1 available

### Overview

- Vintage item from the 1800s
- Materials: cotton, silk
- Feedback: 84 reviews
- Only ships to Canada from Thorold, Canada.

Add to Cart

Favorite

15

Add to

Tweet

Item Details ★★★★★ (84) Shipping & Policies

A genuine antique pair of Chinese Lotus shoes made for bound feet c1890-1900. These 4-1/2" long shoes are constructed of red and blue silk with sewn flowers and lined in coloured cotton. The sole is of cotton and the heel is bordered in black silk thread. A cultural curiosity from a bygone era, these shoes are in very good condition with some fading to the red silk and blue cotton, some fraying to the blue silk cording, some torn stitches joining the silk and cotton uppers and some minor fraying to the upper heel on one shoe. All items are thoroughly and conservatively graded and all condition issues are noted; all items are vintage or antique and may have slight signs of gentle use. Silver and silver plated items are hand-polished, not buffed.

Tracked Packet Air tracked and insured shipping to the U.S. starts at \$16.50 and expedited shipping within Canada starts at \$11.50. Rates vary by destination, value, size, weight, payment option and shipping method. Other payment, tracking and insurance options are available - please inquire. We ship worldwide - please contact us for an accurate shipping quote with your postal code or country.

\*\*\*PLEASE NOTE: We DO NOT ACCEPT PAYPAL\*\*\*

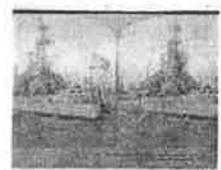
PAYMENT: We accept VISA and MASTERCARD directly (through our store credit card processor - your credit card protection remains in effect regardless of how payment is sent), cheques/checks, money orders and funds transfers.



## FionaKennyAntiques in Thorold, Canada



Fine Vintage 1920s-30s F...  
\$125.00 USD



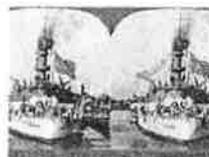
First Class Battleship Ma...  
\$11.00 USD



Spooling The American C...  
\$14.00 USD



Alaskan Indian House an...  
\$17.00 USD



Canadian buyers can also pay by Interac e-transfer. Please see our SHIPPING & POLICIES page for details on the available shipping and payment options (the link is below the item picture).

We are happy to ship items together to save on shipping whenever possible, and if our rate remains the same, so does yours. We pack well. Items paid with a credit card will be shipped to confirmed addresses only. All of our prices are in \$US.

Please call or email us at our store for a charge card payment, as payment sent through the cart does not get to us. Applicable tax will be added to Canadian purchases. Please see our policies for further details. Our phone number is 905-682-0090 (Hours: 10am-7pm EST/EDT).

Our Brand New Battleship ...  
\$15.00 USD



OREGON Salmon Fisher...  
\$15.00 USD

HUNTING Scene 1906 Am...  
\$15.00 USD



Original 1960s BEATLES ...  
\$23.00 USD

### Related to this Item

Vintage Accessories Shoes shoes clothing vanity tradition asian chinese vogue team iv team silk cotten antique  
red blue blossom wlv team vl team avid team vxixen teamlove antique dynasty sew

Listed on Jul 26, 2014 73 views 15 Favorites Seller Information Add item to treasury

[Report this item to Etsy](#)

#### Turn Your Passion Into a Business

[Sign Up](#)

#### Sell on Etsy

[Seller Handbook](#)

[Etsy Credit Card Reader](#)

#### Join the Community

[Teams](#)

[Forums](#)

[Upcoming Events](#)

#### Discover and Shop

[Gift Cards](#)

[Blog](#)

[Tastemakers](#)

[Mobile Apps](#)

[Gift Registries](#)

[Wholesale](#)

#### Get to Know Us

[About](#)

[Careers](#)

[Press](#)

[Developers](#)

#### Follow Etsy

[Facebook](#)

[Twitter](#)

[Pinterest](#)

[Instagram](#)

[United States](#) [English \(US\)](#) [\\$ USD](#)

[Help](#)

**Carter's® Extra 25% Off**  
Save an extra 25% on orders \$40+. Use online code VETDAY25

**DSW Official Site**  
Those Shoes. That Price. The Hunt is Over. Free Shipping!

- Antiquities
- Asian Antiques
- Decorative Arts
- Ethnographic
- Furniture
- Home & Hearth
- Linens & Textiles
- Maritime
- Periods & Styles
- Primitives
- Science & Medicine
- Sewing
- Silver
- See all categories

**SUBMIT your Antiques**

- Asian Antiques
- Bowls, Boxes, Burma, Cups,
  - Mugs, India, Korea, Middle East,
  - Military, Mongolia, Necklaces,
  - Pendants, Other, Plates, Pots,
  - Reproductions, Statues, Tibet,
  - Unknown, Vases, **China**, Japan,
  - Southeast Asia, Other Asian,
  - Scrolls, Paintings, Tables, Snuff
  - Bottles,

### Antique Bound Feet Shoe

Category : Asian Antiques > China > Robes & Textiles



Uploaded by [cerogla3ka](#) on Apr 12, 2012

**Contact User**

**Known Information**

<b>Category :</b> Asian Antiques > China > Robes & Textiles	<b>Item Id:</b> 59462
<b>Type:</b> Kimonos, Robes & Textiles	<b>Region of Origin:</b> China
<b>Primary Material:</b> Silk & Fabric	<b>Original/Reproduction:</b> Original
<b>Age:</b> 1650-1899	

Do you own this item?  
**SUBMIT**

**REPORT ABUSE**

**OROVILLE CITY COUNCIL  
STAFF REPORT**

**TO: MAYOR DAHLMEIER, COUNCIL MEMBERS AND  
RANDY MURPHY, CITY ADMINISTRATOR**

**FROM: DONALD RUST, DIRECTOR (530) 538-2433   
LUIS A. TOPETE, ASSOCIATE PLANNER (530) 538-2408  
COMMUNITY DEVELOPMENT DEPARTMENT**

**RE: PARTICIPATION IN THE BLUE STAR MUSEUM PROGRAM**

**DATE: MARCH 3, 2015**

**SUMMARY**

The Council may consider participating in the Blue Star Museum Program.

**DISCUSSION**

At the August 11, 2014 Park Commission meeting, the Commission discussed an inquiry received from the Docents Association regarding possible discounts to Military service members, active, inactive and veterans. Staff conducted research of museums in the Sacramento area and found that a military discount was intermittent amongst the areas museums. There are currently (4) museums in Sacramento and a total of (142) museums participating in the Blue Star Museum program in California.

Blue Star Museums is the collaboration among the National Endowment for the Arts, Blue Star Families, the Department of Defense, and more than 2,000 museums across America to offer free admission to the nation's active-duty military personnel and their families, including National Guard and Reserve, from Memorial Day through Labor Day. Listing of the City of Oroville's museums on the Blue Star Museums registry provides national recognition of the City of Oroville's museums and local history.

At the November 10, 2014 Park Commission meeting, the Commission unanimously agreed to send a recommendation to the City Council recommending approval to register the City of Oroville's museums in the Blue Star Museum Program.

**FISCAL IMPACT**

There is no application fee for participation in the Blue Star Museum Program. However, income from admission fee revenues of military families will be lost during the Blue Star Program dates, from Memorial Day through Labor Day, annually.



## **RECOMMENDATIONS**

Per the Park Commission's recommendation, approve the City's participation in the Blue Star Museum Program as a public benefit to honor military personnel and their families.

## **ATTACHMENTS**

- A – Blue Star Museums: Frequently Asked Questions
- B – Blue Star Museums: PR Toolkit

[HOME](#)[ABOUT](#)[GRANTS](#)[NEWS](#)[LIFETIME HONORS](#)[PUBLICATIONS](#)[ARTISTIC FIELDS](#)[CONTACT](#)[Home](#) » [Partnerships](#) » [Blue Star Museums](#)

## BLUE STAR MUSEUMS

---

### Frequently Asked Questions

#### What is Blue Star Museums?

Blue Star Museums is a collaboration among the National Endowment for the Arts, Blue Star Families, the Department of Defense, and more than 2,000 museums across America to offer free admission to the nation's active duty military personnel including National Guard and Reserve and their families from Memorial Day, May 26, through Labor Day, September 1, 2014.

#### Which museums are participating?

More than 2,000 (and counting) museums in all 50 states, the District of Columbia, Puerto Rico, and American Samoa are participating in Blue Star Museums. These include children's museums, fine art museums, history and science museums, and nature centers.

#### Who is eligible for free museum admission through Blue Star Museums?

The free admission program is available to any bearer of a **Geneva Convention common access card** (CAC), a **DD Form 1173 ID card (dependent ID)**, or a **DD Form 1173-1 ID** card, which includes active duty U.S. military - Army, Navy, Air Force, Marines, Coast Guard, as well as members of the National Guard and Reserve, U.S. Public Health Service Commissioned Corps, NOAA Commissioned Corps - and up to five family members.

#### How many military personnel and/or family members are allowed in for free per visit?

The military ID holder plus **up to five** family members. The military ID holder can either be active duty service member or other dependent family member with the appropriate ID card. The active duty member does not have to be present for family members to use the program.

**How do you define a family member?**

A family member of active duty military may include a spouse or child, aunts, uncles, grandparents, etc.

**What if my spouse is deployed? Can my family and I still participate?**

Yes, spouses of deployed military are eligible for Blue Star Museums. Just bring your DD Form 1173 ID Card, or DD Form 1173-1 ID Card, for active duty military family members.

**What if my spouse is not deployed, but cannot come to the museum with the family. Can my family and I still participate?**

Yes, your family can still participate, as the active duty member does not have to be present to use the program. Just bring your DD Form 1173 ID Card, or DD Form 1173-1 ID Card, for active duty military family members.

**How many military personnel and/or family members are allowed in for free per visit?**

The military ID holder plus **up to five** family members.

**What if my child is under the age of 10 and doesn't yet have a military ID?**

Children under the age of 10 without military ID are welcome to attend with their parents who either hold a Geneva Convention Common Access Card (CAC), a DD Form 1173 ID Card, or a DD Form 1173-1 ID Card.

**Does the Blue Star Museums program include admission for veterans and retirees? For unmarried partners? For parents with a child currently serving on active duty, or for those who have lost a child on active duty?**

Admission for these individuals is not included in the scope of this program, unless they are the bearer of a Geneva Convention Common Access Card (CAC), a DD Form 1173 ID Card, or a DD Form 1173-1 ID card.

Blue Star Museums is an effort to improve the quality of life for active duty military families, especially focusing on the approximately 1 million children who have had at least one parent deployed. Blue Star Museums was created to show support for military families who have faced multiple deployments and the challenges of reintegration. This program offers these families a chance to visit museums this summer when many will have limited resources and limited time to be together.

**Will I receive free entry to special, fee-based exhibits?**

Some special or limited-time museum exhibits may not be included in this free admission program. For questions on particular exhibits or museums, please contact the museum directly.

**Is there a limit on the number of Blue Star Museums I can visit this summer?**

No, there is no limit on the number of participating museums that eligible parties can visit.

**If a museum already offers free admission, can it still participate in Blue Star Museums?**

Museums with free admission are also welcome to join the Blue Star Museums list on the NEA website.

**How can museums join the Blue Star Museums program?**

Museums that wish to participate in Blue Star Museums may contact [bluestarmuseums@arts.gov](mailto:bluestarmuseums@arts.gov) , or Wendy Clark at 202-682-5451.

**Who are the national partners on Blue Star Museums?**

Blue Star Museums is a collaboration among the **National Endowment for the Arts**, Blue Star Families, the Department of Defense, and more than 2,000 museums across America. **Blue Star Families** is a national, nonprofit network of military families from all ranks and services, including guard and reserve, dedicated to supporting, connecting and empowering military families. The effort to recruit museums has involved partnerships with the American Alliance of Museums, the Association of Art Museum Directors, the Association of Children’s Museums, the American Association of State and Local History, and the Association of Science-Technology Centers.

**MEDIA RESOURCES**

- [News](#)
- [Contact Us](#)
- [FAQ](#)
- [PR Toolkit](#)

[Site Map](#) | [Site Policies](#) | [USA.gov](#)

400 7th Street, SW, Washington, DC 20506  
202.682.5400 | [webmgr@arts.gov](mailto:webmgr@arts.gov)

# EXHIBIT - B



HOME

ABOUT

GRANTS

NEWS

LIFETIME HONORS

PUBLICATIONS

ARTISTIC FIELDS

CONTACT

Home » Partnerships » Blue Star Museums

## BLUE STAR MUSEUMS

### PR Toolkit

Please download the **2014 Blue Star Museums PR Toolkit** (pdf).

### Blue Star Museums Marketing Materials

To download files: PC: right click to download. MAC: Option + click to download.

#### Logo



A collaboration among the National Endowment for the Arts, Blue Star Families, the Department of Defense, and more than 2,000 museums across America.

[arts.gov/national/blue-star-museums](http://arts.gov/national/blue-star-museums)

Download: **JPG** | **TIFF** | **EPS**



[arts.gov/national/blue-star-museums](http://arts.gov/national/blue-star-museums)

Download: **JPG** | **TIFF** | **EPS**



A collaboration among the National Endowment for the Arts, Blue Star Families, the Department of Defense, and more than 2,000 museums across America.

[arts.gov/national/blue-star-museums](http://arts.gov/national/blue-star-museums)

Download: **JPG** | **TIFF** | **EPS**



[arts.gov/national/blue-star-museums](http://arts.gov/national/blue-star-museums)

Download: **JPG** | **TIFF** | **EPS**

**We Are A Blue Star Museum**

We are a



[arts.gov/national/blue-star-museums](http://arts.gov/national/blue-star-museums)

Download: **JPG** | **TIFF** | **PDF** | **EPS**

**Poster, Postcard, Ad**



**Color Poster (PDF)**

**8.5 x 11 | 8.5 x 14 | 11 x 17**

**Color Postcard (PDF)**

**5.5 x 8.5**

**Black and white ad (6 x 11)**

**JPG**

**EPS** - Scalable vector graphic - the EPS file allows for size adjustment and customization.

**OROVILLE CITY COUNCIL  
STAFF REPORT**

**TO: MAYOR AND CITY COUNCIL MEMBERS  
RANDY MURPHY, CITY ADMINISTRATOR**

**FROM: DONALD RUST, DIRECTOR (530) 538-2433   
COMMUNITY DEVELOPMENT DEPARTMENT**

**RE: FUNDING REQUEST FROM FRIENDS OF THE PARKS**

**DATE: MARCH 3, 2015**

**SUMMARY**

The Council may consider a funding request, in the amount of \$700, from Friends of the Parks to help fund the final repair needed to complete the upholstery for the 1922 Buick.

**DISCUSSION**

On December 16, 2014, the Parks Department received an email request from the Friends of the Parks via the Arts Commission Chairperson and Park Commissioner Mabelle Conn relating to the 1922 Buick. The vehicle is now operating appropriately after needed repairs and recently received its current vehicle registration.

The Arts Commission, Park Commission, Oroville Docents and Friends of the Parks support the project and would like to see the City Council allow the funding of the upholstery project to complete the restoration of the 1922 Buick.

**FISCAL IMPACT**

The Parks and Trees Department would provide \$700 to complete the 1922 Buick upholstery project will be funded by Account No: 001-6050-5000.

**RECOMMENDATIONS**

Approve the Friends of the Parks funding request, in the amount of \$700, for the completion of the 1922 Buick upholstery project.

**ATTACHMENTS**

A – Email from Friends of the Parks.



## Dawn Nevers

---

**From:** Mabelle Conn [machconn@gmail.com]

**Sent:** Tuesday, December 16, 2014 2:19 PM

**To:** Don Rust; Dawn Nevers

**Subject:** Fwd: car

Forwarding this request to you from Jan Clay and the Friends of the Parks, Mabelle Conn

----- Forwarded message -----

**From:** <johnclay08@comcast.net>

**Date:** Tue, Dec 16, 2014 at 9:20 AM

**Subject:** car

**To:** Mabelle Conn <machconn@gmail.com>

City of Oroville Parks Commission : Dear Commission, the 1922 Buick is scheduled to have the upholstery done on Jan. 15th, 2015. This is the last step to make it usable for everyone and all the seating finished. The estimated cost is \$1000 dollars. Ron Carter has agreed to pay \$300 of this. Would you and the City be willing to help lpay for this final step? Jan Clay, Friends of the Parks

**CITY OF OROVILLE  
STAFF REPORT**

**TO: MAYOR LINDA DAHLMEIER AND COUNCIL MEMBERS  
RANDY MURPHY, CITY ADMINISTRATOR**

**FROM: BILL LA GRONE, DIRECTOR OF PUBLIC SAFETY**

**RE: AGREEMENT WITH HOF BRAU RESTAURANT**

**DATE: MARCH 3, 2015**

**SUMMARY**

The Council may consider an Agreement with Hof Brau Restaurant for the preparation of sack meals for on-duty Fire personnel who are actively fighting fires.

**DISCUSSION**

The Oroville Fire Department is a full service Fire protection organization. Fire events often run for many hours and do not allow for personnel to leave for meal breaks. Firefighters are expected to fight fires and protect life and property until the mission is complete. Due to this rigorous requirement, it is necessary from time to time to provide our Firefighters with sack meals so they can remain on the Fire line.

To best meet this need it is a best practice to have an agreement in place prior to the need arising. Staff has met with the owners of the Hof Brau Restaurant in Oroville. The owners have agreed to provide sack lunches for \$9.50 each and sack breakfasts for \$7.50 each. This agreement will require the Hof Brau to be available 24 hours a day 7 days per week. I have attached a quote for the meals from the Hof Brau for your review.

**FISCAL IMPACT**

To be paid for from the Fire Department budget – Outside Services Account.

**RECOMMENDATION**

Adopt Resolution No. 8332 – A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE

AN AGREEMENT WITH HOF BRAU RESTAURANT FOR THE PREPARATION OF SACK MEALS FOR ON-DUTY FIRE PERSONNEL WHO ARE ACTIVELY FIGHTING FIRES – (Agreement No. 3107).

**ATTACHMENTS**

Resolution No. 8332  
Agreement No. 3107  
Quote - Hof Brau Restaurant

**CITY OF OROVILLE  
RESOLUTION NO. 8332**

**A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN AGREEMENT WITH HOF BRAU RESTAURANT FOR THE PREPARATION OF SACK MEALS FOR ON-DUTY FIRE PERSONNEL WHO ARE ACTIVELY FIGHTING FIRES**

**(Agreement No. 3107)**

**NOW THEREFORE**, be it hereby resolved by the Oroville City Council as follows:

1. The Mayor is hereby authorized and directed to execute an Agreement with Hof Brau Restaurant for the preparation of meals for on-duty Fire personnel actively engaged in Fire operations. A copy of the Agreement is attached hereto.
2. The City Clerk shall attest to the adoption of this Resolution.

**PASSED AND ADOPTED** by the Oroville City Council at a regular meeting on March 3, 2015 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

\_\_\_\_\_  
Linda L. Dahlmeier, Mayor

APPROVED TO AS FORM:

ATTEST:

\_\_\_\_\_  
Scott E. Huber, City Attorney

\_\_\_\_\_  
Randy Murphy, City Clerk

**Memorandum of Understanding Between**  
**The Hof Brau Restaurant and**  
**The City of Oroville Public Safety Department**

THIS MEMORANDUM OF UNDERSTANDING is between the CITY OF OROVILLE, hereinafter called "OROVILLE" and the Hof Brau Restuarant, hereinafter called "Hof Brau." The purpose of the MOU is to establish an agreement for the preparation of Sack meals for the Oroville Public Safety Department.

OROVILLE agrees to the following:

1. Pay \$9.50 for Sack Lunches/Dinners and \$7.50 for Sack breakfast.
2. Give as much notice as possible.
3. To exclusively use Hof Brau for this service.
4. Give 30 notice to terminate agreement.

Hof Brau agrees to the following:

1. To provide a Sack Breakfast that includes a breakfast burrito, or pancakes, coffee and juice for \$7.50 for each breakfast
2. To provide a Sack Lunch / Dinner that includes a sandwich, salad, cookie and beverage for \$9.50 per sack meal
3. Provide these meals as dine in or to go orders
4. This service will be available 24 hours per day 7 days per week
5. To give 30 day notice of price increase or cancellation of this agreement

This MOU, will become effective upon receipt of the original document at the Office of the City Clerk of Oroville.

Hor Brau Restuarant

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

by: Debbie Brinton, Owner

City of Oroville

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

by: Linda L. Dahlmeier, Mayor



Quote for <sup>Fire</sup> Firefighters when needed lunches or FOODS.

MENU - LUNCH

Menu - HOF BRAU: SANDWICHES - SALAD - BEVERAGE - COOKIE \$9.50 -  
Breakfast - IF NEEDED - Breakfast Burrito - Coffee or Juice  
example (up all night)? or Breakfast - Pancakes eat  
\$17.50 per person  
These would be prepared to go for orders  
OR IF NEEDED They could direct  
we would be available when needed  
NIGHT-OR-DAY

Thank you for choosing Hof Brau for your catering needs. We enjoy providing the refreshment portion of your major events and accommodating you in any way we can to help make your gathering a memorable success.

In our attempt to make your catering experience one you would tell your friends and associates about, we have created this easy to follow ordering and commitment request form so that we might serve you better.

Today's Date, 2-15-15 Date of Catering Event, When needed

Date and Time of Earliest Set Up, \_\_\_\_\_ Time, \_\_\_\_\_

No Set Up Needed, We Will Pick Up Order

Name of Person Placing Order, \_\_\_\_\_

Phone Number, \_\_\_\_\_ Best Time to Contact You,  Morning  Afternoon  Evening

Name of Organization Sponsoring the Event, \_\_\_\_\_

Address of Where Catered Event is to Occur, \_\_\_\_\_

Street, \_\_\_\_\_

City, \_\_\_\_\_ State, \_\_\_\_\_ Zip, \_\_\_\_\_

If paying by credit card please call Hof Brau directly to make payment arrangements.

Number of Guests to be Attending the Event, \_\_\_\_\_

Please note, this number must be as close to the actual number of attendees as possible. Additional guests totaling more than 5 and added to the list less than 5 days prior to the event will be charged and additional 10% more per person above original catering quote.

Hof Brau Catering Quote for Event Based on \_\_\_\_\_ Number of Guests.

Which Services Will You Need Provided For You\*\*  
(check all that may apply)

- Set Up
- Clean Up
- Linens
- 
- 

\*\*Additional Charges May Apply

Caterer, Debbie Brinton  
Debbie Brinton

Date, 2-15-15

Approval Signature  
\_\_\_\_\_

Date, \_\_\_\_\_

109 Table Mountain Blvd.  
Oroville, CA. 95965

Phone, 530-533-9655  
Fax, 530-538-8205  
Email, hofbrau@att.net



Form must be signed and faxed, mailed or emailed to us before we can process your order, and thank you again for choosing Hof Brau.

**CITY OF OROVILLE  
STAFF REPORT**

**TO: MAYOR LINDA DAHLMEIER AND COUNCIL MEMBERS  
RANDY MURPHY, CITY ADMINISTRATOR**

**FROM: BILL LA GRONE, DIRECTOR OF PUBLIC SAFETY**

**RE: MEMORANDUM OF UNDERSTANDING WITH 9<sup>TH</sup>  
RECONNAISSANCE WING BEALE AIR FORCE BASE**

**DATE: MARCH 3, 2015**

**SUMMARY**

The Council may consider a Memorandum of Understanding (MOU) between the 9<sup>th</sup> Reconnaissance Wing Beale Air Force and the Oroville Police Department relating to the Oroville NEXRAD site.

**DISCUSSION**

The Oroville Police Department has a current MOU with Beale Air Force. The current MOU was dated July 10, 2007. The MOU is an agreement regarding the Oroville NEXRAD site which is the large round white weather radar system that is located near the City's golf course.

Both the current MOU and the new version are an agreement between the parties regarding how security and reporting suspicious activity at the site will be handled between the agencies. These portions of the agreements have not changed. The new version of the MOU agreement has an added section for points of contact information. The purpose of the new version is having the MOU updated when either agency changes commanding officers.

**FISCAL IMPACT**

None

**RECOMMENDATION**

Adopt Resolution No. 8333 – A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE DIRECTOR OF PUBLIC SAFETY TO EXECUTE A MEMORANDUM OF UNDERSTANDING BETWEEN THE 9<sup>TH</sup> RECONNAISSANCE WING BEALE AIR FORCE BASE

CC-8

AND THE OROVILLE POLICE DEPARTMENT RELATING TO THE  
OROVILLE NEXRAD SITE – (Agreement No. 3108).

**ATTACHMENTS**

Resolution No. 8333

Agreement No. 3108

Letter of Request from Department of the Air Force

**CITY OF OROVILLE  
RESOLUTION NO. 8333**

**A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE DIRECTOR OF PUBLIC SAFETY TO EXECUTE A MEMORANDUM OF UNDERSTANDING BETWEEN THE 9<sup>TH</sup> RECONNAISSANCE WING BEALE AIR FORCE BASE AND THE OROVILLE POLICE DEPARTMENT RELATING TO THE OROVILLE NEXRAD SITE**

**(Agreement No. 3108)**

**NOW THEREFORE**, be it hereby resolved by the Oroville City Council as follows:

1. The Director of Public Safety is hereby authorized and directed to execute a Memorandum of Understanding between the Oroville Police Department and the 9<sup>th</sup> Reconnaissance Wing Beale Air Force. A copy of the Agreement is attached hereto.
  
2. The City Clerk shall attest to the adoption of this Resolution.

**PASSED AND ADOPTED** by the Oroville City Council at a regular meeting on March 3, 2015 by the following vote:

**AYES:**

**NOES:**

**ABSTAIN:**

**ABSENT:**

\_\_\_\_\_  
Linda L. Dahlmeier, Mayor

**APPROVED TO AS FORM:**

**ATTEST:**

\_\_\_\_\_  
Scott E. Huber, City Attorney

\_\_\_\_\_  
Randy Murphy, City Clerk

DATED: JULY 2007

MEMORANDUM OF UNDERSTANDING

BETWEEN

9TH RECONNAISSANCE WING BEALE AIR FORCE BASE

AND

OROVILLE POLICE DEPARTMENT

This 9th Reconnaissance Wing (9 RW) Memorandum of Understanding is made and entered into by and between the United States Air Force, 9 RW Beale Air Force Base (AFB) and Oroville Police Department.

It is necessary that all of the resources and facilities of the 9 RW and the Oroville Police Department be made available to address the consequences of a federal, state or locally declared disaster. Oroville Police Department may also elect to respond to a non-governmentally declared disaster.

The parties hereto desire to coordinate a program and to protect public health and welfare by providing weekly checks by means of this Memorandum of Understanding.

Therefore, it is mutually agreed and understood as follows:

1. Each party shall develop a mutually compatible plan providing for the effective mobilization of all its resources and facilities to cope with security issues or threats arising at the Oroville site. The Oroville site is described as follows:

- a. The Oroville NEXRAD site tracks weather for the 9 RW and the National Weather Service. This site provides commanders with real time weather updates critical to the 9 RW mission readiness.
- b. The site also houses weather equipment and associated electrical devices to sustain the 9 RW flying mission.

2. Beale AFB is located approximately 21 miles (45 minutes) away from the Oroville site. Random patrolling and/or response time to this site, in case of a break-in, is not sufficient for Beale AFB Security Forces.

3. 9 RW and the Oroville Police Department agree that the Oroville Police Department will:

- a. Check facility at least once a week by doing a drive by between the hours of 0800 and 1700, a physical check between the hours of 1700 and 0800. Check to ensure building is secure and no suspicious persons are present.
- b. Report any suspicious activity to the Security Forces Control Center (SFCC) at 634-2131 upon findings.
- c. Report any security issues (e.g. broken locks, broken windows) to SFCC.

- d. Provide response, 24 hours a day if needed to respond to incidents affecting the Oroville site.
  - e. If unauthorized/suspicious persons are found, detain individual(s) and call SFCC to have a patrol dispatched to the site. The Oroville site is under Federal Exclusive Jurisdiction. SF personnel will take over situation once briefed by Oroville Police Department personnel.
4. Each party to this Memorandum of Understanding agrees to provide the other party with emergency phone numbers of designated personnel responsible for responses and/or check. This letter will be provided annually and updated when needed.
5. This Memorandum of Understanding is valid until revoked. The agreement may be revoked upon the written request of either of the parties signed hereto. This understanding shall not be modified unless the parties first agree to and approve such modification in writing.

IN WITNESS THEREOF, this Memorandum of Understanding has been executed by and on behalf of the parties hereto as to the day and year first written.

  
H. D. POLUMBO, JR.  
Brigadier General, USAF  
Commander, 9th Reconnaissance Wing  
Beale AFB, CA 95903

  
MITCHEL J. BROWN  
Chief of Police  
2055 Lincoln Street  
Oroville, CA 95965

Date 19 Jul 07

Date 7/10/07

NEW VERSION

**MEMORANDUM OF UNDERSTANDING BETWEEN**  
**9TH RECONNAISSANCE WING BEALE AIR FORCE BASE**  
**AND**  
**OROVILLE POLICE DEPARTMENT**

This 9th Reconnaissance Wing (9th RW) Memorandum of Understanding (MOU) is made and entered into by and between the United States Air Force, 9th Reconnaissance Wing Beale Air Force Base and Oroville Police Department (PD).

**1. PURPOSE:** It is necessary that all of the resources and facilities of the 9th Reconnaissance Wing and Oroville PD be made available to address the consequences of a federal, state or locally declared disaster. The Oroville PD may also elect to respond to a non-governmentally declared disaster. The parties hereto desire to coordinate a program to protect the public health and welfare, and provide weekly checks by means of this MOU.

**2. UNDERSTANDING OF THE PARTIES:** Each party shall develop a mutually compatible plan providing for the effective mobilization of its resources and facilities to cope with security issues or threats arising at the Oroville site located at 2810 West Oroville Dam Blvd., Oroville CA 95965. Beale AFB is located approximately 42 miles (58 minutes) away from the Oroville site. Random patrolling and/or response time to this site, in case of a break-in, is not sufficient for Beale AFB Security Forces. The Oroville site is described as follows:

- a. The Oroville NEXRAD site tracks weather for the 9th RW and the National Weather Service. This site provides commanders with real time weather updates critical to the 9th RW mission readiness.
- b. The site also houses weather equipment and associated electrical devices to sustain the 9th Reconnaissance Wing flying mission.

2.2. The 9th RW and the Oroville PD agree that the Oroville PD will:

- a. Check the facility at least once a week by doing a drive by between the hours of 0800 and 1700 and/or a physical check between the hours of 1700 and 0800. Check to ensure building is secure and no suspicious persons are present.
- b. Report any suspicious activity to the Base Defense Operations Center (BDOC) at (530) 634-2131 upon findings.
- c. Report any security issues (e.g. broken locks, broken windows) to SFCC.
- d. Provide response, 24 hours a day if needed to respond to incidents affecting the Lincoln site.
- e. If unauthorized/suspicious persons are found, detain individual(s) and call BDOC to

have a patrol dispatched to the site. The Oroville site is under Federal Exclusive Jurisdiction. SF personnel will take over situation once briefed by Oroville PD.

**3. PERSONNEL:** Each party in this MOU agrees to provide the other party with emergency phone numbers of designated personnel responsible for responses and/or checks. This letter will be provided annually and updated when needed. This MOU takes effect beginning on the day after the last party signs. This MOU has no expiration date but must be updated, reaffirmed, and signed after any change of command by either party.

**4. MODIFICATION/TERMINATION OF MOU:** This MOU is valid until revoked. The agreement may be revoked upon the written request of either of the parties signed hereto. This understanding shall not be modified unless the parties first agree to and approve such modification in writing.

**5. GENERAL PROVISIONS:**

**5.1. POINTS OF CONTACT/CORRESPONDENCE:** The following points of contact will be used by the parties to communicate in the implementation of this MOU. Each party may change its point of contact upon reasonable notice to the other party.

a. For the 9 Security Forces Squadron; 17798 24th Street, Beale AFB CA 95903:

Primary:	Alternate:
NCOIC, Installation Security	NCOIC, Resource Protection
Comm: (530)634-3657	Comm: (530)634-3042

b. For the Oroville Police Department (2055 Lincoln Street, Oroville, CA 95966):

Primary:	Alternate:
Position/Rank	Position/Rank
Comm: (530)XXX-XXXX	Comm: (530)XXX-XXXX

IN WITNESS THEREOF, this Memorandum of Understanding has been executed by and on behalf of the parties hereto as to the day and year first written.

DOUGLAS J. LEE, Col, USAF  
Commander, 9th Reconnaissance Wing

BILL LAGRONE  
Chief of Police

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date



DEPARTMENT OF THE AIR FORCE  
HEADQUARTERS 9TH MISSION SUPPORT GROUP (ACC)  
BEALE AIR FORCE BASE, CALIFORNIA

Assistant Chief Byers,

As discussed here is the rough draft of the Memorandum of Understanding (MOU) between Oroville Police Department and Beale Air Force Base (BAFB). In addition, enclosed is the most current MOU I have on file, which is dated July 2007.

Please review and let me know when is a good time to meet to move forward in this process. If you have any questions please feel free to contact me at (530) 634-3042. Thank you.

  
TERESA J. BRAZILE, SSgt, USAF  
SSR, 9th Security Forces Squadron

**OROVILLE CITY COUNCIL  
STAFF REPORT**

**TO: MAYOR DAHLMEIER, COUNCIL MEMBERS AND  
RANDY MURPHY, CITY ADMINISTRATOR**

**FROM: DONALD RUST, DIRECTOR (530) 538-2433  
LUIS A. TOPETE, ASSOCIATE PLANNER (530) 538-2408  
COMMUNITY DEVELOPMENT DEPARTMENT**

**RE: FEE WAIVER REQUEST BY THE OROVILLE DOWNTOWN BUSINESS  
ASSOCIATION**

**DATE: MARCH 3, 2015**

**SUMMARY**

The Council may consider a fee waiver request, in the amount of \$606.32, by the Oroville Downtown Business Association (ODBA) for the fees associated with the issuance of an administrative permit for the operation of a farmers market in Historic Downtown Oroville.

**DISCUSSION**

The ODBA has applied for an administrative permit to use City streets in the Historic Downtown for a Farmers Market which will occur every Wednesday between the hours of 3:00 pm to 9:00 pm starting May 4, 2015, and continuing through November 25, 2015. The location of the market will be along Myers Street between Robinson Street and Montgomery Street, and along Bird Street between Downer Street & Huntoon Street.

On February 13, 2015, the City received a fee waiver request from Fredrick Carano, President of the ODBA. The request indicates the ODBA's goal to draw business and traffic to the downtown area and is requesting an in-kind service exchange whereas the City waives the fees associated with the administrative permit and in return the City's name will be added to all advertising (posters, billboards, etc.) and literature associated with the event. The request indicates that the ODBA is not operating this event for a profit and is simply trying to cover costs.

**FISCAL IMPACT**

This would result in a loss of revenue to the City.

The Oroville Municipal Code Section 26-16.060(C) specifies that farmers' markets are required to obtain an administrative permit. Administrative permits are subject to the

following fees:

\$572.00 (Permit Fee) + \$34.32 (6% Technology Cost Recovery Fee) = \$606.32 Total  
The last years Farmer's Market which has used Parking Lot "A" for the Oroville Farmer's Market for the past several years has provided the full administrative permit fee (Attachment B).

## **RECOMMENDATIONS**

Per the City's Facility and Park Fee Waiver Policy, deny the full fee waiver request by the Oroville Downtown Business Association and approve a 50% waiver, in the amount of \$303.16, for the operation of a farmers market in Historic Downtown Oroville.

## **ATTACHMENTS**

- A – Fee Waiver Request
- B – Receipt from last year's Chico Certified Farmer's Market

# EXHIBIT - A

**From:** fredrick carano [<mailto:vincentcarano@hotmail.com>]  
**Sent:** Friday, February 13, 2015 2:46 PM  
**To:** Don Rust  
**Subject:** farmers market

to the city of Oroville and are beloved city council and city admin. I vince carano the president of the Oroville downtown business assoc. would like to offer partnership and sponsorship in are newest project! weds night farmers market. starting in march and running thru oct. the newly formed farmers market will strive to bring people downtown on a weds night from 4pm til 8pm every weds thru the season. Are goal to reach out to other communities along with are own to increase business and traffic to the downtown area. the odba will carry all cost and will not run the market for a profit. just hoping to cover are cost eventually. for the city's fee waivers the odba will add the city,s name to all advertising and literature and of course the posters and any billboards we lease! thank you for your continued support. sincerely vince carano( president of the odba)

# EXHIBIT - B

Printed: 5/16/2014 4:19 pm



## City of Oroville

Building Department  
Cash Collections  
**RECEIPT**

**Permit Number:**  
**Job Address:**

<b>Fee Description</b>	<b>Account Number</b>	<b>Fee Amount</b>
<b>FARMERS MARKET</b>		
	001-4250-1600	\$572.00
<b>TECH COST RECOVERY [SUBMITTAL]</b>		
	116-4666-7660	\$34.32
<b>Total Fees Paid:</b>		<b>\$606.32</b>

Date Paid: **5/8/2014**

Paid By: **CHICO CERT FARMERS MARKET**

Pay Method: **CHECK 187**

Received By: **LUIS TOPETE**

**OROVILLE CITY COUNCIL  
STAFF REPORT**

**TO: MAYOR DAHLMEIER, COUNCIL MEMBERS AND  
RANDY MURPHY, CITY ADMINISTRATOR**

**FROM: DONALD RUST, DIRECTOR (530) 538-2433  
RICK WALLS, INTERIM CITY ENGINEER  
COMMUNITY DEVELOPMENT DEPARTMENT**

**RE: STORMWATER MANAGEMENT ORDINANCE (2<sup>nd</sup> Reading)**

**DATE: March 3, 2015**

**SUMMARY**

The Council may consider the adoption of a Stormwater Management Ordinance regarding the addition of Chapter 27 to the Oroville Municipal Code relating to Stormwater Management.

**DISCUSSION**

On February 3, 2015, the Council heard a staff presentation and held a public hearing regarding a draft stormwater management ordinance that was prepared to comply with State stormwater management requirements for municipalities. The background of the program and the proposed content of the ordinance are summarized below.

On February 5, 2013, the State Water Resources Control Board (Board) adopted Water Quality Order No. 2013-0001-DWQ entitled "National Pollutant Discharge Elimination System (NPDES) General Permit No. CAS000004, Waste Discharge Requirements for Storm Water Discharges From Small Municipal Separate Storm Sewer Systems (collectively referred to herein as the "Permit"). Upon adoption of the Small MS4 General Permit, the City of Oroville (City) became a permittee subject to all of the requirements contained in the Permit. For the first year of permit coverage, staff has completed the 6 required tasks for permit year 2013 – 2014 and submitted the first year annual report to the Board.

The 105 page Permit contains an additional 35 stormwater program related tasks that require completion by July 1, 2018. A compliance summary for the Permit tasks by compliance date is attached to this staff report. These tasks relate to the development of new City stormwater management programs and policies, public outreach and education, staff training, inspection of all City owned storm drain pipes, and more in the upcoming years. One of the 35 permit tasks required to be completed by June 30, 2015, one is for the development of the legal authority to enforce the many provisions contained in the Permit. As such, staff has drafted a new ordinance relating to stormwater management. As there are currently no City codes relating to stormwater

CC-10

pollution control, the stormwater management ordinance is proposed as a new chapter to the Oroville Municipal Code.

The major provisions of the proposed stormwater management ordinance are as follows:

- Provides the City with the legal authority to enforce the stormwater runoff water quality provisions of the Permit.
- Provides a codified list of prohibited discharges to the City stormwater system.
- Provides a list of discharges that are allowed to the City stormwater system.
- Contains provisions for the reduction of pollutants in stormwater received by the City's stormwater system from new development projects.
- Allows the City to take enforcement action if prohibited discharges occur.
- Allows the City to inspect and monitor private property to ensure compliance with the Permit.
- Defines the maintenance requirements for public and private watercourses. The City will no longer maintain any watercourses on private property unless 1) there exists a maintenance easement that has been accepted by the City or 2) watercourse maintenance is required on private property to protect City or private assets from flood damage.
- Bans from the public right-of-way, the placement or discharge of lawn clippings, leaves and other material that may degrade stormwater runoff water quality.
- Provides the City with the legal authority to develop a fee structure, should the Council desire, to generate revenue to fund the program.

## **FISCAL IMPACT**

There is no fiscal impact associated with the adoption of a stormwater management ordinance. However, compliance with upcoming program deadlines will require a higher level of staff resources in the near future. Therefore prior to the engagement of these additional resources, staff will bring forward recommendations for providing the required resources which will include consideration of fees and penalties as needed to operate the proposed program.

## **ENVIRONMENTAL REVIEW**

The proposed ordinance has been determined to be exempt from CEQA review pursuant to Public Resources Code Section 15601 (commonly known as the "General Rule"). The General Rule exemption applies where if it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. Staff has determined that there is no possibility that the proposed ordinance will have a significant effect on the environment, thus, this action is exempt from CEQA.

## **RECOMMENDATION**

Waive the second reading and adopt by title only, Ordinance No. 1807 – AN ORDINANCE OF THE OROVILLE CITY COUNCIL ADDING CHAPTER 27 TO THE MUNICIPAL CODE OF THE CITY OF OROVILLE RELATING TO STORMWATER MANAGEMENT.

## **ATTACHMENT**

Ordinance No. 1807

**CITY OF OROVILLE  
ORDINANCE NO. 1807**

**AN ORDINANCE OF THE OROVILLE CITY COUNCIL ADDING CHAPTER 27 TO THE CODE OF THE CITY OF OROVILLE RELATING TO STORMWATER MANAGEMENT**

WHEREAS, on February 5, 2013, the State Water Resources Control Board (Board) adopted Water Quality Order No. 2013-0001-DWQ entitled "National Pollutant Discharge Elimination System (NPDES) General Permit No. CAS000004, Waste Discharge Requirements for Storm Water Discharges From Small Municipal Separate Storm Sewer Systems (collectively referred to herein as the "Small MS4 General Permit"), and

WHEREAS, upon adoption of the Small MS4 General Permit, the City of Oroville (City) became a permittee subject to all of the requirements contained in the Small MS4 General Permit, and

WHEREAS, the Small MS4 General Permit requires that the City adopt the legal authority to control pollutant discharges to the City's storm drain system, and

WHEREAS, the maintenance responsibilities for the public and private portions of the City's storm drain system have not been codified, and

WHEREAS, this Chapter will be subject to amendments in the future as required by the Small MS4 General Permit.

NOW THEREFORE, the Council of the City of Oroville do ordain as follows:

SECTION 1 Chapter 27 shall be added to the Code of the City of Oroville to read:

**CHAPTER 27  
STORMWATER MANAGEMENT**

Sections:

Article I – General Provisions

27-1. Findings

27-2. Purpose and intent

27-3. Definitions

27-4. Applicability

27-5. Compliance disclaimer

27-6. Administration

27-7. Disclaimer of liability

**Article II – Storm Drain System Maintenance**

27-20. Findings

27-21. Maintenance requirement

27-22. Maintenance responsibility

27-23. Elective city maintenance

27-24. Private watercourse maintenance

27-25. Private watercourse failure to maintain

**Article III – Private Stormwater Facilities Maintenance Agreement**

27-40. Findings

27-41. Private stormwater facilities maintenance agreement required

**Article IV – Prohibited Discharges**

27-60. Prohibited discharges

27-61. Exceptions to prohibited discharges

27-62. Exception to discharge exemptions

27-63. Threatened prohibited discharge

27-64. Illicit connection prohibited

27-65. Negligence or intent not required

27-66. Waste discharge prohibitions

27-67. Discharges in violation of industrial or construction activity

**Article V – Reduction of Pollutants in Stormwater**

27-80. General requirements

27-81. Containment and notification of spills

27-82. Best management practices

27-83. Administrative rules and regulations

**Article VI – Inspection and Monitoring**

27-100. Authority to enter and inspect

27-101. Authority to sample and test

27-102. City inspection of stormwater conveyance system

27-103. Fee structure authorized

Article VII. - Violations, Enforcement and Abatement

27-120. Violations

27-121. Violations deemed a public nuisance

27-122. Compliance with an existing NPDES permit

27-123. Potential violation of the federal and/or state stormwater acts

27-124. Enforcement authority

27-125. Notice of violation

27-126. Appeal

27-127. Abatement by city

27-128. Charging cost of abatement and liens

27-129. Compensatory action

27-130. Urgency abatement

ARTICLE I – GENERAL PROVISIONS

27-1 Findings.

(a) The Federal Clean Water Act provides for the regulation and reduction of pollutants discharged into the waters of the United States by extending National Pollutant Discharge Elimination System (NPDES) requirements to stormwater and urban runoff discharge into the City storm drain system.

(b) The State Water Resources Control Board is authorized by the United States Environmental Protection Agency to administer the NPDES program within the State. The Porter-Cologne Water Quality Control Act (Water Code Section 13000 et seq.) provides authority for the State NPDES program, including provisions to issue NPDES permits and waste discharge requirements to regulate discharges of stormwater to waters of the State.

(c) Due to amendments to the Clean Water Act, the USEPA developed a Phase I and a Phase II program requiring municipalities to develop and implement stormwater pollution management programs. Smaller municipalities and contiguous areas with small, but still urban, communities come under the Phase II regulations of the State Board's Small MS4 General Permit, where MS4 stands for Municipal Separate Storm Sewer System. The City falls under the Phase II regulations, which require coverage under the Small MS4 General Permit.

(d) The Small MS4 General Permit requires the City to effectively prohibit non-stormwater discharges from within the City's Small MS4 General Permit area into the City storm drain system except as otherwise permitted by law.

(e) The City finds in this regard that the provisions of this chapter are necessary to provide the City with the legal authority necessary to implement and otherwise comply with the requirements of the Small MS4 General Permit and to protect the waters of the State for the benefit of its people and the environment.

## 27-2 Purpose and Intent

(a) This chapter is adopted pursuant to Article XI, Section 7 of the California Constitution, which authorizes the City to exercise the police power of the State by adopting regulations promoting the public health, public safety, and the general welfare of its citizens. The purpose and intent of this chapter is to protect and enhance the water quality of watercourses and water bodies within the Small MS4 permitted area of the City in a manner consistent with the Clean Water Act, the Porter-Cologne Water Quality Control Act, and the Small MS4 Permit, by reducing pollutants in stormwater discharges to the maximum extent practicable and by prohibiting non-stormwater discharges from entering the storm drain system.

(b) It is the intent of the City in adopting this chapter to provide the City with the legal authority to accomplish the following goals within the Small MS4 permitted area:

(1) To benefit the people and environment of the City by protecting water quality in waters of the State;

(2) To reduce the discharge of pollutants in stormwater to the maximum extent practicable, whether those discharges are made to the City storm drain system, or directly to natural surface waters;

(3) To effectively prohibit non-stormwater discharges into the City storm drain system or to natural surface waters;

(4) To establish requirements for stormwater management, including source controls and best management practices, for development, redevelopment, construction, post-construction, industrial, and municipal activities;

(5) To comply with the requirements of the Clean Water Act, the Porter-Cologne Water Quality Control Act, and the Small MS4 General Permit as they apply to the discharge of pollutants into and from the City storm drain system;

(6) To provide for the recovery of regulatory costs incurred by the City in the implementation of this chapter or its Stormwater Management Program, including, but not limited to, enforcement activities, compliance assistance, inspections, investigations, sampling and monitoring; and

(8) To establish appropriate enforcement procedures and penalties for violations of the provisions of this chapter.

## 27-3 Definitions

Certain words and phrases defined in this chapter shall have the meanings set forth herein. Additional defined terms used in this chapter shall have the meanings set forth below unless the context clearly indicates otherwise.

(a) "Administrator" shall mean the Director of Community Development and Public Works and his or her designees.

(b) "Best Management Practices" (BMPs) shall mean schedules of activities, prohibition of practices, general good housekeeping practices, pollution prevention and education practices, maintenance procedures, and other management practices to prevent or reduce to the maximum extent practicable the discharge of pollutants directly or indirectly into stormwater conveyance systems, receiving waters or natural surface waters. BMPs shall also include structural controls, treatment practices, source controls, training requirements, operating procedures, and practices to control site runoff, spillage or leaks, sludge or waste disposal, and drainage from raw materials storage.

(c) "Council" shall mean the Council of the City of Oroville.

(d) "City" shall mean the City of Oroville.

(e) "City Storm Drain System" shall mean those public man-made facilities within the incorporated area of the City that are owned, operated, maintained or controlled by the City by which stormwater may be conveyed to natural surface waters, including, but not limited to, any roads with drainage systems, municipal streets, curbs, gutters, catch basins, water quality basins, detention basins, constructed wetlands, artificial channels, aqueducts, ditches, altered drainage channels, reservoirs, sumps, pumping stations, storm drain inlets, and storm drains. Included in this definition are watercourses located on private property for which the City Council has been offered and has accepted maintenance responsibilities through the execution of a legally described drainage maintenance easement or other similar instruments accepted by the City Council.

(f) "Development" shall mean any activity that moves soils or substantially alters the preexisting vegetated or man-made cover of any land. This includes any activity that may be considered new development or redevelopment consisting of, but not limited to, grading, digging, cutting, scraping, stockpiling or excavating soil, placement of fill materials, paving, pavement removal, exterior construction, substantial removal of vegetation where soils are disturbed or any activity which exposes soil or rock or involves streambed alterations or the diversion or piping of any watercourse. Development does not include routine maintenance to maintain original line and grade, hydraulic capacity, or the original purpose of the facility, nor does it include emergency construction activities (i.e., land disturbances) required to protect public health and safety.

(g) "Discharge" shall mean any release, threatened release, or placement of any material into the City storm drain system or natural surface waters, including, but not limited to, stormwater, wastewater, pollutants, solid materials, liquids, hazardous waste, raw materials, debris, litter or any other substance.

(h) "Discharger" shall mean any person who discharges, or causes a discharge, either directly or indirectly into the City storm drain system.

(i) "Illicit Connection" shall mean any physical connection, including but not limited to any drain or conveyance, to the City storm drain system or natural surface waters, which is not expressly authorized by the City.

(j) "Illicit Discharge" shall mean any direct or indirect non-permitted or non-exempt discharge to the City storm drain system or to the natural surface waters that violates this chapter, or a discharge prohibited by federal, state, or local laws, which tends to degrade the quality of natural surface waters.

(k) "Industry" or "Industrial Activity" shall mean any service, business, enterprise, or any other activity conducted by any person for the purpose of monetary or other compensation, or in support of or promotion of such activity. This term shall also mean any similar activity conducted by a non-profit corporation as defined by the State of California.

(l) "Hazardous Materials" shall mean any material, including any substance, waste, or combination thereof, which because of its quantity, concentration, or physical, chemical, or infectious characteristics may cause, or significantly contribute to, a substantial present or potential hazard to human health, safety, property, or the environment when improperly treated, stored, transported, disposed of, or otherwise managed.

(m) "Material" shall mean any substance, including but not limited to, raw materials, finished products, garbage and debris, tobacco, paper wastes, lawn clippings, leaves and other vegetation, biological and fecal waste, sediment and sludge, oil and grease, gasoline, paints, solvents, cleaners and any fluid or solid containing chemicals.

(n) "Maximum Extent Practicable" shall mean a standard for implementation of stormwater management programs to reduce pollutants in stormwater. It is the maximum extent possible taking into account equitable considerations and competing facts, including, but not limited to: the seriousness of the problem, public health risk, environmental benefits, pollutant removal effectiveness, regulatory compliance, ability to implement, cost and technical feasibility.

(o) "National Pollutant Discharge Elimination System Permit" or "NPDES Permit" shall mean general, group, and individual stormwater discharge permits which regulate facilities defined in federal NPDES regulations promulgated pursuant to the Federal Clean Water Act. The Regional Board and the State Board, as defined below, have adopted general stormwater discharge permits, including but not limited to the General Construction Activity and General Industrial Activity permits.

(p) "Natural Surface Waters" shall mean creeks, natural ponds or lakes, wetlands, rivers, flood diversion channels and irrigation channels and shall include any waters of the state and any waters of the United States contained within the boundaries of the State. Natural Surface Waters shall not mean any wet or dry detention basin, constructed wetland, stormwater treatment facility, artificial lake or pond or other man-made body of water which do not combine or effect a junction with natural surface waters.

(q) "Non-Stormwater Discharge" shall mean any discharge to the storm drain system that is not composed entirely of stormwater.

(r) "Person" shall mean any natural person as well as any corporation, partnership, public agency, trust, estate, cooperative association, joint venture, business entity or other similar entity, or the agent, employee or representative of any of the above.

(s) "Pollutant" shall mean the same as defined in Section 502(6) of the Clean Water Act or as incorporated into the California Water Code, Subsection 13373, as such code sections may be amended from time to time. Pollutants include, but are not limited to, the following:

1. Materials (including, but not limited to, fuels, solvents, chemicals, detergents, plastic pellets, hazardous substances, radioactive wastes, fertilizers, pesticides, lawn clippings, paints, soot, slag, ash, sludge);
2. Metals and non-metals both soluble and insoluble (including, but not limited to, cadmium, lead, zinc, copper, silver, nickel, chromium, chlorine, phosphorous, formaldehyde, glutaraldehyde and arsenic);
3. Petroleum hydrocarbons (including, but not limited to, fuels, oils, lubricants, surfactants, waste oils, solvents, coolants, and grease);
4. Eroded soils, sediment, saw cut slurry and wastes and residues that result from constructing a building or structure;
5. Animal wastes (including, but not limited to, discharge from confinement facilities, kennels, pens, recreational facilities, and stables);
6. Substances having acidic or corrosive characteristics, unusual coloration or turbidity;
7. Any domestic or industrial wastewater;
8. Any hazardous substances.

The term "pollutant" shall not include uncontaminated stormwater, potable water, groundwater or reclaimed water generated by a lawfully permitted water treatment facility.

(t) "Pollution" shall mean the human-made or human-induced alteration of the quality of waters by pollutants to a degree that causes or contributes to an exceedance of water quality standards contained in the Statewide Water Quality Control Plan, the California Toxics Rule, or in the applicable Regional Water Quality Control Board Basin Plan.

(u) "Privately Owned Watercourses" shall mean any watercourses, including but not limited to, any other associated drainage structures such as underground pipe, culverts, and drain inlets, that reside within privately owned property and are not owned or maintained by the City.

(v) "Regional Board" shall mean the California Regional Water Quality Control Board, Central Valley Region.

(w) "State Board" shall mean the State Water Resources Control Board which is the state water pollution control agency for all purposes of the Clean Water Act pursuant to Section 13160 of the California Water Code.

(x) "Stormwater" or "Storm Water" shall mean any surface flow, runoff, and drainage consisting entirely of water from any form of natural precipitation (such as rain or snow) and resulting from such precipitation.

(y) "Subject Activities" shall mean any activities, operations, or facilities which discharge or have the potential to discharge pollutants. A subject activity may be stationary or mobile, provided it generates quantities or concentrations that may cause pollution.

(z) "Threatened Prohibited Discharge" shall mean any condition or activity that does not currently result in a prohibited discharge but is nevertheless determined by the Administrator to be a condition which results in a substantial likelihood of a future prohibited discharge.

(aa) "Watercourses" shall mean any channel or depression in which a flow of water occurs, either continuously or intermittently, including above-ground portions of the storm drain system.

(bb) "Waters of the State" shall mean all surface waters specified in Code of Federal Regulations (CFR) Section 122.2, including all natural waterways and definite channels and depressions in the earth that may carry water, even though such waterways may only carry water during rains and storms and may not carry stormwater at or during all times and seasons.

(cc) "Waters of the United States" shall have the same meaning as set forth in CFR Section 122.2.

#### 27-4 Applicability

The provisions of this chapter shall be applicable to all dischargers and potential dischargers located within the incorporated area of the City within the Small MS4 General Permit area that discharge either directly or indirectly into the City storm drain system.

#### 27-5 Compliance Disclaimer

Compliance by any person with the provisions of this chapter shall not preclude the need to comply with other local, state or federal statutory or regulatory requirements relating to the control of pollutant discharges or protection of stormwater quality, or both.

#### 27-6 Administration

Except as otherwise provided herein, the authority to implement this chapter is vested in the Administrator, who shall be responsible for the administration, implementation and enforcement of the provisions of this chapter. Unless otherwise specified herein, any powers granted to or duties imposed upon the Administrator may be delegated by the Administrator to other City employees or, upon the approval of the Council, to employees of other public agencies.

#### 27-7 Disclaimer of Liability

The standards set forth herein and promulgated pursuant to this chapter are minimum standards; therefore this chapter does not imply that compliance will ensure that there will be protection from liability including civil penalties or that there will be no contamination, pollution, nor unauthorized discharge of pollutants into natural surface waters or the waters of the United States. This chapter shall not create liability on the part of the City, or any officer or employee thereof for any damages that result from any discharger's reliance on this chapter or any other administrative decision lawfully made thereunder.

## ARTICLE II – STORM DRAIN SYSTEM MAINTENANCE

### 27-20 Findings

(a) Unregulated obstruction, modification, use and neglect of watercourses create conditions tending to: (1) reduce water quality; (2) promote blight and deterioration of property; (3) cause property losses from flooding and poor drainage; and (4) be injurious to the public health, safety and general welfare.

(b) A clear articulation of responsibility for the maintenance, repair and replacement of watercourses and/or other drainage facilities that are either part of the City storm drain system or are considered privately owned is necessary.

### 27-21 Maintenance Requirement

Each watercourse in the city shall be maintained so that water will flow adequately and unimpeded through the watercourse. An existing natural watercourse shall be left unaltered unless improvement is necessary to protect life, health and property.

### 27-22 Maintenance Responsibility

The City shall be responsible for all watercourses routinely maintained by the city as part of on-going operations. Watercourses to be maintained by the City include those watercourses located within the City's public rights-of-way and private watercourses for which the City Council has legally accepted the maintenance responsibility. The acceptance of maintenance shall be facilitated through the preparation of a legally described stormwater easement prepared by a licensed land surveyor or civil engineer, and an easement maintenance grant deed. The legally described easement shall include a metes and bounds legal description and accompanying plat map approved by the City.

### 27-23 Elective City Maintenance

The city may elect from time to time to mechanically clear privately owned watercourses where the malfunction of the watercourse could cause a hazard or where equipment is required which a private citizen may not have available. The city also may from time to time elect to make improvements to watercourses as necessary to protect life, health and property. Any such voluntary and isolated efforts by the city shall not be deemed to relieve the private property owner of continuing responsibility and liability for such watercourses under this chapter.

### 27-24 Private Watercourse Maintenance

In all cases other than watercourses routinely maintained by the City, the responsibility for maintenance and repair of watercourses, or portions of them, shall belong to the property owner on whose property the watercourse, or portion of a watercourse, is located. Privately owned watercourses in the City shall be properly maintained so that water will flow adequately and unimpeded through the watercourse. Owners of privately owned watercourses shall be responsible for the removal of accumulated debris, trash, vegetation (alive or dead), trees (dead or alive) or other materials that may alter and/or reduce the conveyance capacity of the watercourse during high flow events.

## 27-25 Private Watercourses Failure to Maintain

The failure to maintain private watercourses shall be considered a violation subject to the remedies in Article VII of this Chapter.

## ARTICLE III – PRIVATE STORMWATER FACILITIES MAINTENANCE AGREEMENT

### 27-40. Findings

This Chapter requires the installation of post-construction BMP's for new development and redevelopment projects. As a permittee under the Small MS4 General Permit, the City is responsible for managing the volume and pollutant load of stormwater runoff that enters the City's storm drain system. In order to ensure the City's compliance with the Small MS4 General Permit, the City finds that stormwater facilities maintenance agreements for new development and redevelopment projects are required.

### 27-41 Private Stormwater Facilities Maintenance Agreement Required

The property owners of new development and redevelopment projects for which building permits have been issued shall enter into a Stormwater Facilities Maintenance Agreement with the City prior to the issuance of a Certificate of Occupancy. The Agreement shall be in a form approved by the City Council.

## ARTICLE IV – PROHIBITED DISCHARGES

### 27-60 Prohibited Discharges

Except as provided in Section 27-61, it shall be unlawful for any person to make or cause to be made an illicit discharge of any materials, including but not limited to pollutants or waters containing any pollutants that cause or contribute to a violation of applicable water quality standards, other than stormwater into the City storm drain system, natural surface waters, or watercourses.

### 27-61 Exceptions to Prohibited Discharges

The following non-stormwater discharges to the City storm drain system or natural surface waters are exempt from otherwise applicable discharge prohibition set forth in Section 27-60:

(a) Any discharge regulated under an NPDES permit, waiver (including Conditional Waivers of Waste Discharge Requirements for Discharges from Irrigated Lands), or waste discharge order issued to the discharger and administered by the State of California under the authority of the Federal Environmental Protection Agency or under State authority, provided the discharger is in full compliance with all requirements of the permit, waiver, or order and other applicable laws and regulations, and provided that prior approval has been granted by the City for any discharge to the storm drain system.

(b) The discharge of stormwater containing pollutants that has been reduced to the maximum extent practicable by the application of best management practices approved by the City.

(c) Any discharge from any of the following activities, unless the Administrator determines any otherwise exempt discharge causes or significantly contributes to violations of the Clean Water

Act, Porter-Cologne Act, or this chapter, or conveys significant quantities or concentrations of pollutants to the City storm drain system, natural surface waters, or watercourses:

- (1) Water line flushing;
- (2) Landscape irrigation;
- (3) Diverted stream flow;
- (4) Rising groundwater;
- (5) Uncontaminated ground water infiltration;
- (6) Uncontaminated pumped groundwater;
- (7) Discharge from potable water sources;
- (8) Foundation drains;
- (9) Air conditioner condensate;
- (10) Irrigation water;
- (11) Water from natural springs;
- (12) Water from crawl space pumps;
- (13) Footing drains;
- (14) Lawn watering;
- (15) Individual residential car washing or fund raising car washes;
- (16) Flows from riparian habitats and wetlands;
- (17) Dechlorinated swimming pool discharges; or
- (18) Discharges of flows from emergency fire fighting activities.

(d) Discharges in excess of an amount deemed by a reasonable person to be incidental runoff shall be controlled. Incidental runoff is defined as unintended amounts (volume) of runoff, such as minimal overspray from sprinklers that escapes the are of intended use. Water leaving an intended use area is not considered incidental if it is part of the facility design if it is due to excessive application, if it is due to intentional overflow, or if it is due to negligence. Parties responsible for controlling runoff shall detect leaks, properly design and aim sprinkler heads, not irrigate during precipitation events and correct and eliminate excess discharges within 72 hours of learning of the excess runoff.

(e) Any discharges that the Administrator, the City Health Officer or the Regional Board determines in writing are necessary for the protection of public health and safety.

(f) Any additional categories of non-stormwater discharges determined in writing by the Administrator, with written concurrence of the Regional Board, not to be sources of pollutants to the City storm drain system or natural surface waters.

#### 27-62 Exception to Discharge Exemptions

Notwithstanding the exemptions provided for in Section 27-61 above, if the Regional Board or the Administrator determines that a discharge which is otherwise exempt from the prohibition on discharges causes or significantly contributes to the violation of any published Regional Board established Receiving Water Limitation or results in the conveyance of significant quantities or concentrations of pollutants into the City storm drain system or to natural surface waters, or is otherwise a danger to public health or safety, the Administrator may give written notice to the discharger that the exception shall not apply to the discharge at issue following expiration of the thirty (30) day period commencing upon delivery of the notice. Upon expiration of such thirty (30) day period, any such discharge shall be unlawful. Upon finding that any discharge poses an

immediate significant threat to the environment or to public health and safety, the Administrator may waive the thirty (30) day waiting period and require immediate cessation of the discharge.

#### 27-63 Threatened Prohibited Discharge

It shall be unlawful for any person to maintain, or cause to be maintained, a threatened prohibited discharge after having received notice per Section 27-62 of the Administrator's determination as to the existence of a threatened prohibited discharge.

#### 27-64 Illicit Connections Prohibited.

(a) It shall be unlawful for any person to establish, use or maintain, or cause to establish, use or maintain, any illicit connection. Illicit connections shall be subject to removal or abatement by the City pursuant to Article VI of this chapter.

(b) The prohibition set forth in subsection (a) above shall apply to illicit connections in existence at the time this chapter becomes effective. Upon the effective date of the ordinance codified in this chapter, any person who maintains an illicit connection shall have thirty (30) days to disconnect and discontinue use of such connection or secure approval of such connection. Notwithstanding the provisions of this section, any person who maintains an illicit connection, as defined in Section 27-3, may apply to the City for a permit or written permission to continue the connection subject to applicable City Standards. The submission of a permit application is not a substitute for compliance with the provisions of this chapter and any applicable requirements of state, federal, and/or City law, irrespective of whether a permit application has been submitted, may be enforced under this chapter. No permit shall be issued for any connection or any physical facility or apparatus that is installed, intended, serves, or is known to convey a prohibited illicit discharge to the City storm drain system, natural surface waters, or watercourses in violation of this chapter or any provision of state or federal law.

#### 27-65 Negligence or Intent Not Required.

A violation of the provisions of this chapter shall occur irrespective of the negligence or intent of the violator to construct, maintain, operate or utilize an illicit connection or to cause, allow or facilitate any prohibited discharge.

#### 27-66 Waste Discharge Prohibitions

No person shall throw, deposit, leave, maintain, keep, or permit to be thrown, deposited, left, or maintained, in or upon any public or private property, driveway, parking area, street, alley, sidewalk, component of the City storm drain system, natural surface waters, or waters of the United States, any refuse, rubbish, garbage, litter, green waste, or other discarded or abandoned objects, articles, and accumulations, so that the same may cause or contribute to stormwater pollution. Wastes deposited in streets in proper waste receptacles for purposes of municipal waste collection are exempted from this prohibition.

#### 27-67 Discharges in Violation of Industrial or Construction Activity

Any person subject to an Industrial or Construction Activity NPDES Stormwater Discharge Permit shall comply with all provisions of such permit. Proof of compliance with said permit may be required in a form acceptable to the Administrator: prior to or as a condition of a subdivision

map, site plan, building permit, or development or improvement plan; upon inspection of the facility; during any enforcement proceeding or action; or at any other reasonable time as determined by the Administrator.

#### Article IV – Reduction of Pollutants in Stormwater

##### 27-80 General requirements.

(a) The Administrator is authorized to designate as subject activities any activities, operations, or facilities identified as sources or potential sources of pollutant discharges to the City's storm drain system, natural surface waters, or watercourses. A subject activity may occur at a stationary facility or it may occur as a mobile activity that takes place at various job sites.

(b) All persons engaged in subject activities that may result in pollutants entering the City storm drain system, natural surface waters, or watercourses shall implement Best Management Practices (BMPs), to the maximum extent practicable, to prevent and/or reduce such pollutants from entering non-stormwater discharges and/or stormwater discharges in accordance with Section 27-82, Best Management Practices, below. The California Stormwater Quality Association has published four (4) stormwater best management practice handbooks covering construction, industrial and commercial, municipal, and new development and redevelopment that are approved for use by the Administrator to comply with this section.

(c) All BMPs shall be protected, inspected, and maintained to ensure continuous and fully effective performance as designed. A maintenance and inspection schedule for both dry and wet season BMPs shall be in writing, and a record shall be kept that includes the dates of inspection or maintenance, whether BMPs were inspected or maintained, a description of any maintenance activity, and the name of the inspector or maintenance foreman. This record shall be on a form approved by the Administrator and shall be made available to the Administrator upon request.

(d) Every person owning or occupying property adjacent to or through which a watercourse passes, shall keep and maintain that part of the watercourse within said property reasonably free of trash, debris, excessive vegetation, and other obstacles that would pollute, contaminate, or significantly obstruct the flow of water through the watercourse. The property owner or occupant shall be responsible for obtaining and complying with any and all other local, State and/or federally required permits necessary for conducting such activities.

(e) Whenever the Administrator finds that a discharge of pollutants is taking place or has occurred that results in or resulted in pollutants entering the City storm drain system or natural surface waters, the Administrator shall require by written notice to the owner or occupant of the property that the pollution be remediated and the affected property restored within a specified time pursuant to the provisions of Article VII of this Chapter.

(f) The Administrator shall by written notice require that persons engaged in subject activities and/or owning or operating designated facilities, which may cause or contribute to stormwater pollution, illicit discharges, and/or non-stormwater discharges into the City storm drain system, natural surface waters, or watercourses, to undertake at said person's expense such monitoring and analyses and furnish such reports to the Administrator as deemed necessary to determine compliance with this chapter.

## 27-81 Containment and Notification of Spills

(a) Notwithstanding other requirements of law, as soon as any person responsible for a facility or operation, or person conducting any subject activity that has information of any spill, release or suspected release of pollutants or prohibited materials which result or may result in an illicit discharge into the City storm drain system or natural surface waters shall immediately take all reasonable action to ensure the discovery, containment, cleanup, and to otherwise minimize any such spill or release.

(b) In the event such a spill or release is of a hazardous material, said responsible person shall immediately notify emergency response officials of the incidence by means of emergency dispatch services (911). Said responsible person shall also notify the Administrator within twenty-four (24) hours at (530) 538-2430.

(c) For a non-hazardous prohibited material spill or release that has been contained and cleaned up, said responsible person shall notify the City Department of Public Works in person, by telephone, or facsimile no later than 5:00 p.m. the next business day. Notifications made in person or by telephone shall be confirmed by written notice within three (3) business days of the personal or telephoned notice.

(d) For any discharge subject to the reporting requirements of the State of California Water Code Sections 13271 and 13272, notification in compliance therewith shall constitute sufficient notification for the purposes of this section.

## 27-82 Best Management Practices

(a) Any person performing construction activities for which a building permit and/or a grading permit has been issued shall implement appropriate Best Management Practices (BMPs) to prevent the discharge of pollutants, to the maximum extent practicable, from the site into the City storm drain system or natural surface waters.

(b) New development and redevelopment projects shall be required to implement post-construction BMPs to control the volume, rate, and potential pollutant load of stormwater runoff, including, but not limited to, requirements to minimize the generation, transport and discharge of pollutants. The owners or operators of facilities required to implement post-construction BMPs shall enter into a written maintenance agreement with the City for maintenance of such features pursuant to Section 27-41.

(c) Notwithstanding the presence or absence of requirements promulgated pursuant to subsections (a) and (b) of this section, any person engaged in activities or operations, or owning or operating facilities or property which will or may result in pollutants entering the City storm drain system or natural surface waters shall implement BMPs to the maximum extent practicable to prevent and reduce such pollutants. The owner or operator of a commercial or industrial establishment shall provide at the owner's or operator's expense all reasonable protection from discharge of prohibited materials or other pollutants into the City storm drain system or natural surface waters.

(d) Any facility which demonstrates to the satisfaction of the Administrator that it is in compliance with a State or Federal NPDES permit waste discharge requirements or waiver from

waste discharge requirements for stormwater discharges shall be deemed to have met the requirements of this chapter.

#### 27-83 Administrative Rules and Regulations.

(a) The Administrator shall have the authority to implement all provisions of this chapter by promulgation of rules and regulations that are consistent with this chapter.

(b) Any rules and regulations proposed by the Administrator, or amendments thereof, shall be set for public hearing by the Board of Supervisors. The Board may adopt such rules and regulations by resolution. Notice of said hearing shall be published in a newspaper of general circulation ten (10) calendar days before the public hearing. Such notice shall provide a reasonable summary of the content of the rules and regulations. In addition, the Administrator shall make a reasonable effort to identify, notify, and provide copies to any industries that are specifically designated by the Administrator as subject to the proposed rules or regulations. However, neither the failure of the Administrator to provide such notice nor the failure to receive individual notice shall exempt an industry from a rule or regulation. No rules or regulations adopted by the Board of Supervisors, or amendments thereof, shall be enforced or become effective until thirty (30) calendar days following their adoption.

#### Article V – Inspection and Monitoring

##### 27-100 Authority to Enter and Inspect.

(a) The Administrator, or the Administrator's representative, has authority to conduct inspections related to purposes of implementing this chapter on private or public property. Inspections shall be based upon such reasonable selection processes as may be deemed necessary to carry out the objectives of the chapter, including, but not limited to, visual evidence of an actual or potential violation of any provision of this chapter, complaints received, knowledge or physical evidence of subject activities or other pollutant sources, random sampling, sampling in areas with evidence of stormwater contamination, illicit connections, discharge of non-stormwater to the City storm drain system or natural surface waters, or similar factors.

(b) In the event the owner, occupant or operator refuses the Administrator, or the Administrator's representative, entry to said property for purposes of conducting an inspection to determine compliance with this chapter, the Administrator is hereby empowered to seek assistance from any court of competent jurisdiction to obtain such entry by the use of an administrative inspection warrant or a criminal search warrant.

(c) Whenever necessary to make an inspection to enforce any provision of this chapter, or whenever the Administrator has cause to believe that there exists, or potentially exists, in or upon any premises any condition which constitutes a violation of this chapter, the Administrator or his or her designee may enter such premises at all reasonable times to inspect the same and to inspect and copy records relating to compliance with the provisions of this chapter. In the event the owner or occupant refuses entry after a request to enter and inspect has been made, the Administrator is hereby authorized to seek assistance from any court of competent jurisdiction to obtain such entry.

#### 27-101 Authority to Sample and Test

Authorization is hereby given the Administrator to enter private property and to take any samples and perform any testing deemed necessary to aid in the pursuit of an investigation and to record site activities. Notwithstanding Section 27-80(f) above, which requires the person owning, occupying, or operating the premises at his expense to supply the Administrator samples and testing results upon written notice, this section gives the Administrator the authority to enter private property and take such samples and perform such tests deemed necessary in a stormwater violation investigation.

#### 27-102 City Inspection of Stormwater Conveyance System.

City staff will inspect and monitor the stormwater conveyance system to determine if illicit connections are present and if illicit discharges are entering the stormwater conveyance system, City storm drain system, or natural surface waters. If illicit discharges are detected, City staff will inspect the system to determine the source of the illicit discharge. City staff will notify the Administrator upon the detection of illicit connections and illicit discharges so that the provisions of this chapter can be implemented. Regular inspection of the stormwater conveyance system may also include periodic sampling of the stormwater to monitor its quality. The City may impose a fee (based upon a fee schedule adopted pursuant to Section 27-103) for inspections of private stormwater collection system discharges to the City system.

#### 27-103 Fee Structure Authorized.

The Administrator may collect fees, if adopted by the City Council, to provide for the recovery of the City's costs associated with complying with the Small MS4 General Permit. The costs to the City include staff time to prepare and develop the various stormwater program elements, conduct inventories and inspections, and enforce the regulatory functions associated with implementation of this chapter.

### Article VI - Violations, Enforcement and Abatement

#### 27-120 Violations.

It shall be unlawful for any person to violate any provision or fail to comply with any of the requirements of this chapter. A violation or failure to comply with any of the requirements of this chapter shall be subject to enforcement actions pursuant to Chapter 2 of the Oroville Municipal Code.

#### 27-121 Violations Deemed a Public Nuisance.

In addition to the enforcement processes and penalties hereinbefore provided, any condition caused or permitted to exist in violation of any of the provisions of this chapter is a threat to public health, safety, and welfare, and is declared and deemed a public nuisance as defined in Chapter 14 of the Code may be summarily abated or restored by the City at the violator's expense, and/or civil action to abate, enjoin, or otherwise compel the cessation of such nuisance may be taken by the City.

**27-122 Compliance With an Existing NPDES permit.**

Any person subject to an industrial or construction activity NPDES stormwater discharge permit shall comply with all provisions of such permit. Proof of compliance with said permit may be required in a form acceptable to the Administrator; prior to or as a condition of a subdivision map, site plan, building permit, or development or improvement plan; upon inspection of the facility; during any enforcement proceeding or action; or at any other reasonable time as determined by the Administrator.

**27-123 Potential Violation of the Federal and/or State Stormwater Acts.**

Any person who violates any provision of this chapter or any provision of any requirement issued pursuant to this chapter may also be in violation of the Clean Water Act and/or the Porter-Cologne Water Quality Control Act and may be subject to sanctions of those acts including civil and criminal penalties. Any enforcement action authorized under this chapter may also include written notice to the violator of such potential liability.

**27-124 Enforcement Authority.**

(a) Any person who violates a provision of this chapter is subject to either, administrative, civil, or criminal liability as provided in the Oroville Municipal Code.

(b) The Administrator is granted the authority to use any of the provisions of Sections 27-127 through 27-129 where appropriate, and/or Chapter 2 and Chapter 14 to correct violations of and to secure compliance with the provisions of this chapter.

**27-125 Notice of Violation.**

(a) Whenever the Administrator determines that any person has violated this chapter, or that a violation may occur, the Administrator may provide a warning to the person responsible for the condition giving rise to such violation or potential violation. At the Administrator's discretion such warning may include the distribution of educational materials to assist in future compliance with this chapter. Issuance of a warning shall not be a requirement prior to using any enforcement provisions of this chapter.

(b) Whenever the Administrator determines that a violation has occurred, or may occur, the Administrator may serve a Notice of Noncompliance to any person responsible for the violation or potential violation as specified in Chapter 2. Each Notice of Noncompliance may also contain the following information:

- (1) The date of the violation;
- (2) The address or a definite description of the location where the violation occurred;
- (3) The chapter section violated and a description of the violation;
- (4) A description of how the violation can be corrected;
- (5) A time limit by which the noncompliance shall be corrected;
- (6) A description of further enforcement and/or corrective actions to be taken by the City if noncompliance is not fully corrected by the time limit;
- (7) The name and signature of the individual preparing the Notice of Noncompliance; and
- (8) Notice of potential liability under the Clean Water Act or Porter-Cologne Water Quality Act.

(c) In lieu of or following the procedures set forth in subsections (a) and (b) above, if the Administrator finds that a person has violated a prohibition or failed to meet a requirement of this chapter, the Administrator may order compliance by issuing a written notice of violation as specified in Chapter 2 to the responsible person. Such notice may also require without limitation the following:

- (1) The performance of monitoring, analyses, and reporting;
- (2) The elimination of illicit connections or discharges;
- (3) The violating discharges, practices, or operations shall cease and desist;
- (4) The abatement or remediation of stormwater pollution or contamination and the restoration of any affected property;
- (5) Payment of a fine to cover administrative and remediation costs; and
- (6) The implementation or maintenance of source control facilities or treatment BMP's.
- (7) Notice of potential liability under the Clean Water Act or the Porter-Cologne Water Quality Act.
- (8) The completion of required maintenance of a private watercourse pursuant to Section 27-24.

(d) If abatement for a violation and/or restoration of affected property is required, notices and deadlines for remediation or restoration shall be as specified in Chapter 2. Notices shall further advise that, should the violator fail to remedy or restore within the established deadline, the work will be done by the City or a contractor designated by the Administrator and the expense thereof shall be charged to the violator pursuant to Section 27-128 below.

#### 27-126 Appeal.

Any person receiving a written notice of violation under Section 27-125 above, or aggrieved by any other action or determination of the Administrator, may appeal by filing a written notice of appeal as specified in Chapter 2. The appeal must be filed within thirty (30) calendar days of the notice, action or determination.

#### 27-127 Abatement by City

If the violation has not been corrected pursuant to the requirements set forth in Section 27-125 above, or in the event of a denial of an appeal under Section 27-126, then City staff or a contractor designated by the Administrator may enter upon the subject private property and is authorized to take any and all measures necessary to abate the violation and/or restore the property. It shall be unlawful for any person, owner, agent or person in possession of any premises to refuse to allow the Administrator or designated contractor to enter upon the premises for the purposes set forth above. In the event the person, owner, agent or person in possession refuses the Administrator or designated contractor said entry, the Administrator is hereby empowered to seek assistance from any court of competent jurisdiction to obtain such entry.

#### 27-128 Charging Cost of Abatement and Leins

After abatement of the nuisance by the City, the Administrator shall notify the property owner of the cost of abatement, including administrative costs pursuant to Chapter 14. The bill shall also state that failure to pay the Abatement and Administrative Costs within \_\_\_\_\_ days from service of the bill may result in the recording of a lien and the placement of a special assessment against the property Chapter 14 and/or as provided for by State law.

27-129 Compensatory Action

In lieu of enforcement proceedings, penalties, and remedies authorized by this chapter, the Administrator may impose upon a violator alternative compensatory action, including but not limited to performing storm drain stenciling or marking, attendance at compliance workshops or creek cleanups, or other activities that raise awareness of stormwater pollution.

27-130 Urgency Abatement.

The Administrator is authorized to require immediate abatement of any violation of this chapter that constitutes an immediate threat to the health, safety or well being of the public. If any such violation is not abated immediately as directed by the Administrator, the City is authorized to enter onto private property and to take any and all measures required to remedy the violation. In the event the person, owner, agent or person in possession refuses the Administrator or designated contractor said entry, the Administrator is hereby empowered to seek assistance from any court of competent jurisdiction to obtain such entry. Any expense related to such remediation undertaken by the City shall be fully reimbursed by the property owner and/or responsible party.

**SECTION 2.** This ordinance shall take effect thirty (30) days after the date of its passage. Before the expiration of fifteen (15) days after its passage, this ordinance or a summary thereof shall be published in a newspaper of general circulation published and circulated within the City of Oroville along with the names of the members of the City Council of Oroville voting for and against it.

**PASSED AND ADOPTED** by the Oroville City Council at a regular meeting held on March 3, 2015 by the following vote:

- AYES:
- NOES:
- ABSTAIN:
- ABSENT:

\_\_\_\_\_  
Linda L. Dahlmeier, Mayor

APPROVED AS TO FORM:

ATTEST:

\_\_\_\_\_  
Scott E. Huber, City Attorney

\_\_\_\_\_  
Randy Murphy, City Clerk

**CITY OROVILLE  
STAFF REPORT**

**TO: MAYOR DAHLMEIER AND COUNCIL MEMBERS  
RANDY MURPHY, CITY ADMINISTRATOR**

**FROM: BILL LA GRONE, DIRECTOR OF PUBLIC SAFETY**

**RE: PURCHASE OF TASERS AND UTILIZATION OF TASER  
ASSURANCE PLAN**

**DATE: MARCH 3, 2015**

**SUMMARY**

The Council may consider the purchase of twenty-four (24) Tasers, from the sole source provider, Taser International, and the Taser Assurance Plan for the Police Department Tasers which would maintain and replace Tasers at the end of their lifecycle.

**DISCUSSION**

Since 2004, the Oroville Police Department has deployed Advanced X26 Taser devices to sworn officers. The Taser is a pistol-shaped device that projects two probes to penetrate an offenders clothing or skin. Once the connection is made, an electrical stun is sent through the offender's body. This electrical charge results in the instant loss of neuromuscular control and any ability to perform coordinated action, preventing acts of violence from occurring. Taser uses an automatic timing mechanism to apply the electrical charge for five (5) seconds.

The X26P Taser has become the industry standard. All modern Law Enforcement agencies utilize this less than lethal device. Since the X26P Tasers have been purchased and deployed, they have proven to be extremely useful and effective pieces of equipment. The X26P Taser is not only effective in the incapacitation of an offender but also provides a visual deterrent. The mere presence of a Taser prevents violent acts by offenders and minimizes the degree of force necessary to control situations. An offender will often stop assaultive behavior under the threat of being incapacitated by the Taser. The Taser X26P has been used successfully on numerous occasions by Officers of the Oroville Police Department.

Taser sets the lifespan and their liability coverage for their products at five years. Currently all of the Tasers being used by the Department are beyond the five year coverage. The Department needs to replace all of its existing Tasers. The Taser

CC-11

Assurance Plan provides the replacement of damaged Tasers and at the end of five years the Tasers are replaced at no additional cost.

Taser International is the only manufacturer of the X26P and is the sole source for the Taser X26P. Attached is a letter outlining the justification for the Department's need to sole source this purchase.

Taser International has provided the quote for new Tasers and the Taser Insurance Program. Listed below are those price quotes.

Initial purchase and first year Taser Assurance Plan due net 30: \$27,089.75, plus \$2,031.73 sales tax.

Annual Taser Assurance Plan: \$4,573.20, plus \$342.99 sales tax

This price is an annual payment for the five year lifespan. At the end of five years Tasers are replaced with the most current equivalent model available at no additional cost.

### **FISCAL IMPACT**

Funding for this project is provided from the Police Department budget – Special Department Expense, which is provided for in the current year budget.

### **RECOMMENDATION**

Authorize the purchase of twenty-four (24) Tasers, from the sole source provider, Taser International, and the Taser Assurance Plan for the Police Department.

### **ATTACHMENTS**

Quote from Taser International  
Taser International Sole Source verification letter.

# TASER International

Protect Truth

17800 N 85th St.  
 Scottsdale, Arizona 85255  
 United States  
 Phone: (800) 978-2737  
 Fax: 480.658.0734

**Allen Byers**  
 (530) 538-2454  
 abyers@oropd.org



# TASER

## Quotation

**Quote:** Q-12865-5  
**Date:** 2/18/2015 12:39 PM  
**Quote Expiration:** 4/30/2015  
**Contract Start Date\*:** 4/1/2015  
**Contract Term:** 5 years

**Bill To:**  
 Oroville Police Dept. - CA  
 2055 Lincoln Street  
 Oroville, CA 95966  
 US

**Ship To:**  
 Allen Byers  
 Oroville Police Dept. - CA  
 2055 Lincoln Street  
 Oroville, CA 95966  
 US

SALESPERSON	PHONE	EMAIL	DELIVERY METHOD	PAYMENT METHOD
Bob Dillon	480.905.2012	rdillon@taser.com	Fedex - Ground	Net 30

\*Note this will vary based on the shipment date of the product.

This quote reflects a discount for the upgrade program, based upon the number of units that you have indicated will be destroyed. The Certificate of Destruction, provided by TASER, must be completed and submitted with your signed quote/purchase order to obtain the upgrade credit. The credit is reflected as a reduction to the first year payment or your upfront payment for the TASER Assurance Plan, due with your hardware purchase. Please see <http://www.taser.com/upgrade> for current program details.

X26P TAP Purchase Due: Net 30

QTY	ITEM #	DESCRIPTION	UNIT PRICE	Total Before Discount	DISC (\$)	NET TOTAL
24	85058	TASER ASSURANCE PLAN CEW, X26P	USD 0.00	USD 0.00	USD 0.00	USD 0.00
24	11003	HANDLE, YELLOW, CLASS III, X26P	USD 899.95	USD 21,598.80	USD 4,800.00	USD 16,798.80
24	11010	XPPM, BATTERY PACK, X26P	USD 63.50	USD 1,524.00	USD 0.00	USD 1,524.00
22	11501	HOLSTER, BLACKHAWK, RIGHT, X26P	USD 53.25	USD 1,171.50	USD 0.00	USD 1,171.50
2	11504	HOLSTER, BLACKHAWK, LEFT, X26P	USD 53.25	USD 106.50	USD 0.00	USD 106.50
60	44203	CARTRIDGE - 25' HYBRID	USD 27.35	USD 1,641.00	USD 0.00	USD 1,641.00
50	34200	Cartridge - 15'	USD 22.20	USD 1,110.00	USD 0.00	USD 1,110.00
1	22013	KIT, DATAPORT DOWNLOAD, USB, X2/ X26P	USD 164.75	USD 164.75	USD 0.00	USD 164.75
24	85059	TASER ASSURANCE PLAN CEW ANNUAL PAYMENT, X26P	USD 190.55	USD 4,573.20	USD 0.00	USD 4,573.20
<b>X26P TAP Purchase Due: Net 30 Total:</b>						USD 31,889.75
<b>X26P TAP Purchase Due: Net 30 Net Price:</b>						USD 27,089.75

Annual TAP Installments Due:  
2016-2019

QTY	ITEM #	DESCRIPTION	UNIT PRICE	Total Before Discount	DISC (\$)	NET TOTAL
24	85059	TASER ASSURANCE PLAN CEW ANNUAL PAYMENT, X26P	USD 190.55	USD 4,573.20	USD 0.00	USD 4,573.20
24	85059	TASER ASSURANCE PLAN CEW ANNUAL PAYMENT, X26P	USD 190.55	USD 4,573.20	USD 0.00	USD 4,573.20
24	85059	TASER ASSURANCE PLAN CEW ANNUAL PAYMENT, X26P	USD 190.55	USD 4,573.20	USD 0.00	USD 4,573.20
24	85059	TASER ASSURANCE PLAN CEW ANNUAL PAYMENT, X26P	USD 190.55	USD 4,573.20	USD 0.00	USD 4,573.20
<b>Annual TAP Installments Due: 2016-2019 Total:</b>						USD 18,292.80
<b>Annual TAP Installments Due: 2016-2019 Net Price:</b>						USD 18,292.80

<b>Subtotal</b>	USD 45,382.55
<b>Estimated Shipping &amp; Handling Cost</b>	USD 69.95
<b>Estimated Tax</b>	USD 3,403.71
<b>Grand Total</b>	USD 48,856.21

Sworn to Safety Initiative (x26P TAP, \$200) 24/16

### TASER International, Inc.'s Sales Terms and Conditions for Direct Sales to End User Purchasers

By signing this Quote, you are entering into a contract and you certify that you have read and agree to the provisions set forth in this Quote and TASER's current Sales Terms and Conditions for Direct Sales to End User Purchasers or, in the alternative, TASER's current Sales Terms and Conditions for Direct Sales to End User Purchasers for Sales with Financing if your purchase involves financing with TASER. If your purchase includes the TASER Assurance Plan (TAP), then you are also agreeing to TASER's current Sales Terms and Conditions for the AXON Flex™ and AXON Body™ Cameras TASER Assurance Plan (U.S. Only) and/or Sales Terms and Conditions for the X2/X26P and TASER CAM HD Recorder TASER Assurance Plan (U.S. Only), as applicable to your product purchase. All of the sales terms and conditions, as well as, the TAP terms and conditions are posted at <http://www.taser.com/sales-terms-and-conditions>. If your purchase includes AXON hardware and/or EVIDENCE.com services you are also agreeing to the terms in the EVIDENCE.com Master Service Agreement posted at <http://www.taser.com/serviceagreement14>. If your purchase includes Professional Services, you are also agreeing to the terms in the Professional Service Agreement posted at [http://www.taser.com/images/support/downloads/downloads/evidence\\_materials/Professional\\_Services\\_Agreement.pdf](http://www.taser.com/images/support/downloads/downloads/evidence_materials/Professional_Services_Agreement.pdf). If your purchase includes Integration Services, you are also agreeing to the terms in the SOW posted at <http://www.taser.com/integrationstatementofwork14>. You represent that you are lawfully able to enter into contracts and if you are entering into this agreement for an entity, such as the company, municipality, or government agency you work for, you represent to TASER that you have legal authority to bind that entity. If you do not have this authority, do not sign this Quote.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
 Name (Print): \_\_\_\_\_ Title: \_\_\_\_\_  
 PO# (if needed): \_\_\_\_\_

Please sign and email to Bob Dillon at [rdillon@taser.com](mailto:rdillon@taser.com) or fax to 480.658.0734

THANK YOU FOR YOUR BUSINESS!

\*Protect Life\* and © are trademarks of TASER International, Inc., and TASER® is a registered trademark of TASER International, Inc., registered in the U.S.  
 © 2013 TASER International, Inc. All rights reserved.

**TASER International, Inc.'s Sales Terms and Conditions for the  
X2/X26P and TASER CAM HD Recorder TASER Assurance Plan (U.S. Only)  
(Effective January 15, 2014)**

These Sales Terms and Conditions ("Terms") apply to your purchase of the TASER® X2™ or X26P™ conducted electrical weapon (CEW), TASER CAM™ HD recorder, related accessories, and the TASER Assurance Plan ("TAP"). The Covered Products and TAP are expressly subject to and conditioned upon the terms set forth below. By signing a quote, issuing a purchase order, or accepting delivery of the products, you accept and are bound to these Terms. Any different or additional terms set forth by you, whether in your purchase order or another communication, are expressly objected to and will not be binding on TASER.

**TASER Assurance Plan (TAP).** TAP provides you with hardware extended warranty coverage, Spare Products, and Upgrade Models at the end of the TAP term. TAP only applies to the X2 CEW, X26P CEW, and the TASER CAM HD recorder; depending on the product you purchase ("Covered Product"). TAP's purchase price does not include the cost of the Covered Product or any other hardware accessories or software services. TAP does not apply to software or services offered for, by, on, or through the TASER.com or EVIDENCE.com websites. You may not buy more than one TAP for any one Covered Product.

**TAP Warranty Coverage.** See TASER's current *Hardware Warranty, Limitations and Release for Law Enforcement CEW Products and On-Officer Cameras* at [www.TASER.com](http://www.TASER.com) ("Hardware Warranty"). TAP includes the extended warranty coverage as described in the current Hardware Warranty, starting on the date of initial receipt of the Covered Product. TAP warranty coverage starts at the beginning of the TAP term and continues as long as you continue to pay the required annual fees for TAP. You may not have both an optional extended warranty and TAP on the Covered Product.

**Spare Products.** TASER will provide a predetermined number of spare CEWs or TASER CAM HD recorders, whichever is applicable, (collectively "Spare Products") to you to keep at your agency location to replace broken or non-functioning units in order to improve the availability of the units to officers in the field. You must return to TASER, through TASER's RMA process, any broken or non-functioning units for which a Spare Product is utilized, and TASER will repair or replace the non-functioning unit with a replacement product. TASER warrants it will repair or replace the unit which fails to function for any reason not excluded by the TAP warranty coverage, during the TAP term with the same product or a like product, at TASER's

sole option. You may not buy a new TAP for the replacement product or the Spare Product.

Within 30 days of the end of the TAP term you must return to TASER all Spare Products. You will be invoiced for and are obligated to pay to TASER the MSRP then in effect for all Spare Products not returned to TASER. If all the Spare Products are returned to TASER, then TASER will refresh your allotted number of Spare Products with Upgraded Models if you purchase a new TAP for the Upgraded Models.

**TAP Upgrade Models.** After final payment for the 5<sup>th</sup> year of the TAP term, you must contact TASER at [sales@taser.com](mailto:sales@taser.com) to arrange return of the Covered Products to TASER.

TASER will upgrade those Covered Products, free of charge, with a new unit that is the same product or a like product, in the same weapon class ("Upgrade Model"). For example: (a) if the Covered Product is a single bay CEW, then you may choose any single bay CEW model as your Upgrade Model; (b) if the Covered Product is a multi-bay CEW, then you may choose any multi-bay CEW model as your Upgrade Model; and (c) if the Covered Product is a TASER CAM recorder, then you may choose any TASER CAM model as your Upgrade Model. To continue TAP coverage for the Upgrade Model, you must elect TAP and will be invoiced for the first year payment at the time the upgrade is processed. The TAP payment amount will be the rate then in effect for TAP.

You may elect to receive the Upgrade Model anytime in the 5<sup>th</sup> year of the TAP term as long as you have made the final TAP payment.

**TAP Contract Start Date.** The TAP term start date is based upon the shipment date of the Covered Product. If the shipment of the Covered Product occurred in the first half of the month, then the TAP term starts on the 1<sup>st</sup> of the following month. If the shipment of the Covered Product occurred in the second half of the month, then the TAP term starts on the 15<sup>th</sup> of the following month.

**TAP Early Cancellation or Termination.** If written notification of cancellation is received by TASER or an invoice for TAP is more than 30 days past due, then TASER may terminate TAP and all outstanding TAPs for X2 CEWs, X26P CEWs, or TASER CAM HD recorders with your agency. TASER will provide notification to you

**TASER International, Inc.'s Sales Terms and Conditions for the  
X2/X26P and TASER CAM HD Recorder TASER Assurance Plan (U.S. Only)  
(Effective January 15, 2014)**

that coverage is terminated. Once TAP coverage is terminated, then:

1. TAP coverage will terminate as of the date of cancellation/termination.
2. You will not be eligible to receive TAP coverage in the future for CEW or TASER CAM products.
3. TASER will not and has no obligation to provide the free Upgrade Models at the end of the TAP term.
4. If you made payments greater than \$398 per X2 CEW (\$598 if with TASER CAM HD recorder) or \$360 per X26P CEW (\$560 if with TASER CAM HD recorder) under TAP, then you will: retain the extended warranty coverage; receive a 50% credit for the difference between TAP payments paid prior to termination and the extended warranty price then in effect for each CEW covered under TAP; and have until the date listed on the termination notification to apply that credit toward the purchase of any TASER products. The credit amount available and expiration date of the credit will be provided to you as part of the termination notification.
5. If you made payments less than \$398 per X2 CEW (\$598 if with TASER CAM HD recorder) or \$360 per X26P CEW (\$560 if with TASER CAM HD recorder) under TAP, then you may elect to pay the difference between the price for the extended warranty then in effect and the payments made under TAP to continue extended warranty coverage. This election must be made when written notice of cancellation is submitted by you. If you do not elect to continue with an extended warranty, then warranty coverage will terminate as of the date of cancellation/termination.
6. If you received a credit towards your first TAP payment as part of a trade-in promotion, then upon cancellation/termination you will be assessed a \$100 cancellation fee for each Covered Product.
7. You will be invoiced for and are obligated to pay to TASER the MSRP then in effect for all Spare Products provided to you under TAP. If the Spare Products are returned within 30 days of the Spare Product invoice date, credit will be issued and applied against the Spare Product invoice.

**TAP Payment Terms.** TAP may only be purchased at the point of sale and at time of upgrade under TAP. TASER will separately invoice you on an annual basis for the cost of TAP and you are responsible for payment within 30 days of the invoice (even if TASER does not receive an annual purchase order from you prior to issuing the invoice). The payment due date is based upon the TAP term start date. If multiple purchases of the Covered Products have been made, each purchase may have a separate TAP payment due date. Payment will be considered past due if not paid in full or if not received within 30 days of the invoice date.

**Sales Terms.** TASER's current *Sales Terms and Conditions for Direct Sales to End User Purchasers*, located at <http://www.taser.com/sales-terms-and-conditions>, are also applicable to your purchase.

**No Assignment.** You may not assign TAP or any related order and you may not delegate your duties under these Terms without TASER's prior written consent, which will not be unreasonably withheld.

**Entire Agreement.** These Terms, along with the quote, sales order acknowledgement, *Sales Terms and Conditions for Direct Sales to End User Purchasers*, and the Hardware Warranty, license and service agreement(s), constitute the entire agreement between the parties for the purchase of the Covered Products and TAP. These Terms supersede and replace any prior agreement or understanding between the parties, including any oral representations concerning the subject matter of this agreement.

X2, X26P, TASER CAM and  are trademarks of TASER International, Inc., and TASER is a trademark of TASER International, Inc., registered in the U.S.  
All rights reserved. © 2014 TASER International, Inc.



17800 N. 85th St., Scottsdale, Arizona 85255 \* 480-991-0797 \* Fax 480-991-0791 \* www.TASER.com

January 6, 2015

**To: United States state, local and municipal law enforcement agencies**

**Re: Sole Source Letter for TASER International, Inc.'s Conducted Electrical Weapons**

A sole source justification exists because the following goods and services required to satisfy the agency's needs are only manufactured and available for purchase from TASER International. TASER is also the sole distributor of all TASER® brand products in the States of DE, FL, GA, MD, NJ, PA, VA, WV, and the District of Columbia.

### **TASER CEW Descriptions**

#### **X2™ CEW**

- Multiple-shot CEW
- High efficiency flashlight
- Static dual LASERs (used for target acquisition)
- ARC switch enables drive-stun with or without a Smart cartridge installed
- Central Information Display (CID): Displays mission-critical data such as remaining battery energy, burst time, operating mode, and user menu to change settings and view data on a yellow-on-black display
- The Trilogy™ log system records information from a variety of sensors into three data logs: Event log, Pulse log, and Engineering log. Data can be downloaded using a universal serial bus (USB) data interface module connected to a personal computer (PC). Data may be transferred to EVIDENCE.com services.
- Real-time clock with back-up battery
- Onboard self-diagnostic and system status monitoring and reporting
- Ambidextrous safety switch
- Capable of audio/video recording with optional TASER CAM HD recorder
- The trigger activates a single cycle (approximately 5 seconds). Holding the trigger down will continue the discharge beyond the standard cycle (except when used with an APPM or TASER CAM™ HD AS). The CEW cycle can be stopped by placing the safety switch in the down (SAFE) position.
- Compatible with TASER Smart™ cartridges only

#### **X26P™ CEW**

- High efficiency flashlight
- Red LASER (used for target acquisition)
- Central Information Display (CID): Displays data such as calculated remaining energy, burst time, and notifications
- The Trilogy™ log system records information from a variety of sensors into three data logs: Event log, Pulse log, and Engineering log. Data can be downloaded using a universal serial bus (USB) data interface module connected to a personal computer (PC). Data may be transferred to EVIDENCE.com services.
- Real-time clock with back-up battery
- Onboard self-diagnostic and system status monitoring and reporting
- Ambidextrous safety switch
- Capable of audio/video recording with optional TASER CAM HD recorder
- The trigger activates a single cycle (approximately 5 seconds). Holding the trigger down will continue the discharge beyond the standard cycle (except when used with an APPM or TASER CAM™ HD AS). The CEW cycle can be stopped by placing the safety switch in the down (SAFE) position.
- Compatible with TASER standard series cartridges

## **TASER Brand CEW Model Numbers**

1. Conducted Electrical Weapons (CEWs):
  - TASER X2™ Models: 22002 and 22003
  - TASER X26P™ Models: 11002 and 11003
2. Optional Extended Warranties for CEWs:
  - X2 - 4-year extended warranty, item number 22014
  - X26P - 2-year extended warranty, item number 11008
  - X26P - 4-year extended warranty, item number 11004
3. TASER standard cartridges (compatible with the X26P; required for this CEW to function in the probe deployment mode):
  - 15-foot Model: 34200
  - 21-foot Model: 44200
  - 21-foot non-conductive Model: 44205
  - 25-foot Model: 44203
  - 35-foot Model: 44206
4. TASER Smart™ cartridges (compatible with the X2; required for this CEW to function in the probe deployment mode):
  - 15-foot Model: 22150
  - 25-foot Model: 22151
  - 25-foot non-conductive Model: 22157
  - 35-foot Model: 22152
5. TASER CAM HD recorder Model: 26810 (full HD video and audio) and TASER CAM HD with AS (automatic shut-down feature) Model: 26820. The TASER CAM HD is compatible with both the X26P and X2 CEWs.
  - TASER CAM HD replacement battery Model: 26764
  - TASER CAM HD Download Kit Model: 26762
  - TASER CAM HD optional 4-year extended warranty, item number 26763
6. Power Modules (Battery Packs) for X26P and X2 CEWs:
  - Performance Power Magazine (PPM) Model: 22010
  - Tactical Performance Power Magazine (TPPM) Model: 22012
  - Automatic Shut-Down Performance Power Magazine (APPM) Model: 22011
  - eXtended Performance Power Magazine (XPPM) Model: 11010
  - eXtended Automatic Shut-Down Performance Power Magazine (XAPPM) Model: 11015
7. TASER Dataport Download Kits:
  - Dataport Download Kit for the X2 and X26P Model: 22013
8. TASER Blast Door Repair Kit Model 44019 and TASER Blast Door Replenishment Kit Model 44023
9. Conductive Target front Model 80000 and Conductive Target back, Model 80001
10. CEW Holsters:
  - Right-hand X2 holster by BLACKHAWK Model: 22501
  - Left-hand X2 holster by BLACKHAWK Model: 22504
  - Right-hand X26P holster by BLACKHAWK Model: 11501
  - Left-hand X26P holster by BLACKHAWK Model: 11504

<p align="center"><b>SOLE AUTHORIZED DISTRIBUTOR FOR TASER BRAND CEW PRODUCTS</b></p> <p align="center">Choose an item.</p>	<p align="center"><b>SOLE AUTHORIZED REPAIR FACILITY FOR TASER BRAND CEW PRODUCTS</b></p>
<p align="center"><b>TASER International, Inc.</b>  <b>17800 N. 85<sup>th</sup> Street, Scottsdale, AZ 85255</b>  <b>Phone: 800-978-2737</b>  <b>Fax: 480-991-0791</b></p>	<p align="center"><b>TASER International, Inc.</b>  <b>17800 N. 85<sup>th</sup> Street, Scottsdale, AZ 85255</b>  <b>Phone: 800-978-2737</b>  <b>Fax: 480-991-0791</b></p>

Please contact your local TASER sales representative or call us at 1-800-978-2737 with any questions.

Sincerely,



Josh Isner  
Executive Vice President, North American Sales  
TASER International, Inc.

BLACKHAWK! is a trademark of the Blackhawk Products Group.

Smart, TASER CAM, Trilogy, X2, and X26P are trademarks of TASER International, Inc., and TASER and the 'Bolt within Circle' logo are trademarks of TASER International, Inc., registered in the USA. All rights reserved. © 2015 TASER International, Inc.

**OROVILLE CITY COUNCIL  
STAFF REPORT**

**TO: MAYOR AND COUNCIL MEMBERS  
RANDY MURPHY, CITY ADMINISTRATOR**

**FROM: DONALD RUST, DIRECTOR (530) 538-2433  
RICK WALLS, INTERIM CITY ENGINEER  
COMMUNITY DEVELOPMENT DEPARTMENT**

**RE: AMENDMENT TO FUNDING AGREEMENT WITH THE DEPARTMENT  
OF WATER RESOURCES**

**DATE: MARCH 03, 2015**

**SUMMARY**

The Council may consider an Amendment to the Funding Agreement with the Department of Water Resources relating to the City's Levee Supplemental Investigation Project.

**DISCUSSION**

In October 2012, the City completed the first phase of a levee investigation under the authority of Grant Agreement No. 4600008840 with the Department of Water Resources. The results of the investigation showed that the levee did not pass the erosion certification criteria associated with the 100-year flood. The City's levee consultant, HDR Engineering (HDR), recommended using the remainder of the grant funds to complete more refined erosion and seepage investigations in order to quantify the levee's existing certification deficiencies.

On November 11, 2014, the Council authorized staff to proceed with the supplemental levee investigation as recommended by HDR. The cost of HDR's investigation is \$169,671, of which \$74,695 of this cost will be reimbursed to the City from the levee grant agreement. The City's net cost for the supplemental investigation would be \$94,976. In order to proceed with the work under the authority of the DWR grant agreement, the grant agreement term requires modification. DWR has provided staff with Amendment No. 1 to the grant agreement that extends the grant term to September 30, 2015. This grant term extension will provide the City with the additional required time to complete the supplemental investigation.

Final approval of the grant term amendment has not been formally received from DWR as of this date. Staff is of the opinion that the grant term approval will be received from DWR in the near future (within 30 days).

CC-12

## **FISCAL IMPACT**

None. The Council previously authorized the use of \$169,671 to complete the supplemental levee investigation.

## **RECOMMENDATIONS**

Adopt Resolution No. 8334 – A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN AMENDMENT TO THE FUNDING AGREEMENT WITH THE DEPARTMENT OF WATER RESOURCES RELATING TO THE CITY'S SUPPLEMENTAL LEVEE INVESTIGATION (Agreement No. 2010-1).

## **ATTACHMENTS**

Resolution No. 8334  
Agreement No. 2010-1

**CITY OF OROVILLE  
RESOLUTION NO. 8334**

**A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING  
THE MAYOR TO EXECUTE AN AMENDMENT TO THE FUNDING AGREEMENT WITH  
THE DEPARTMENT OF WATER RESOURCES RELATING TO THE CITY'S  
SUPPLEMENTAL LEVEE INVESTIGATION**

**(Agreement No. 2010-1)**

**NOW THEREFORE**, be it hereby resolved by the Oroville City Council as follows:

1. The Mayor is hereby authorized and directed to execute Amendment No. 1 to Grant Agreement No. 4600008840 with the Department of Water Resources. A copy of the Amendment is attached to this Resolution as "Exhibit A".
  
2. The City Clerk shall attest to the adoption of this Resolution.

**PASSED AND ADOPTED** by the Oroville City Council at a regular meeting on March 3, 2015, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

\_\_\_\_\_  
Linda L. Dahlmeier, Mayor

APPROVED AS TO FORM:

ATTEST:

\_\_\_\_\_  
Scott E. Huber, City Attorney

\_\_\_\_\_  
Randy Murphy, City Clerk

STATE OF CALIFORNIA  
THE RESOURCES AGENCY  
DEPARTMENT OF WATER RESOURCES

**AMENDMENT NO. 1**  
To

FUNDING AGREEMENT BETWEEN THE STATE OF CALIFORNIA  
DEPARTMENT OF WATER RESOURCES  
AND THE  
CITY OF OROVILLE

FOR AN EVALUATION GRANT FOR  
**CITY OF OROVILLE LEVEE EVALUATION**

UNDER THE LOCAL LEVEE ASSISTANCE PROGRAM  
OF THE  
PROPOSITION 84 OF 2006  
SECTION 75032, CALIFORNIA PUBLIC RESOURCES CODE

THIS AMENDMENT NO. 1 to the AGREEMENT, entered into by and between State of California, acting by and through the Department of Water Resources, herein referred to as the "State" and the City of Oroville, in the State of California, duly organized, existing, and acting pursuant to the laws thereof, herein referred to as the "Local Public Entity," which parties do hereby agree as follows:

SECTION 2 of the Contract is amended to read:

2. TERM OF FUNDING AGREEMENT. The term of the Funding Agreement shall be from the latest date of execution by the Department of Water Resources through November 30, 2015.

EXHIBIT A of the Agreement is amended as follows:

The attached scope, schedule, and budget for supplemental work shall be incorporated into Exhibit A of the the original scope of the agreement.

All other terms and conditions shall remain in force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment to be effective upon the date last signed below:

STATE OF CALIFORNIA  
DEPARTMENT OF WATER RESOURCES

CITY OF OROVILLE

By \_\_\_\_\_  
Keith E. Swanson  
Chief, Division of Flood Management

By \_\_\_\_\_  
Linda L. Dahlmeier  
Mayor

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Approved as to Legal Form And Sufficiency:

Approved as to Legal Form And Sufficiency:

By \_\_\_\_\_  
Robin E. Brewer  
Assistant Chief Counsel

By \_\_\_\_\_  
Scott Huber  
City Attorney

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**Exhibit A-1 Supplemental Work Task Breakdown****Background**

The investigations associated with the initial levee investigation, as authorized and outlined in the original agreement scope of work, have been completed. The results of the investigations have been summarized in a set of draft technical memorandums (Reports) that were released to the City of Oroville on October 4, 2012. A copy of the Reports have been sent to the Department of Water Resources.

As outlined in the Reports, the levee did not pass the erosion criteria associated with the 100 year flood. HDR has recommended that a more refined erosion evaluation be completed to identify those locations where erosion control measures are required, and additional geotechnical seepage and stability evaluations be completed around a boil observed in years past. The cost for the supplemental work as proposed by HDR is \$169,671. Using the remaining grant funds of approximately \$74,000, the City's cost share for the supplemental work is approximately \$95,671.

**Task 5 Supplemental Project Management**

Provide project management, prepare a Quality Management Plan and conduct and coordinate Quality Assurance/Quality Control reviews, attend and document meetings, and communicate progress monthly.

**Task 6 Supplemental Engineering Assessment****6.1 Hydrology and Hydraulic Design Evaluation (MBK)**

This task will include modifying the existing hydraulic model to include additional floodplain topography, set up and perform various model runs using breach or removal scenarios according to the FEMA Analysis and Mapping Procedures for Non-Accredited Levees (December 9, 2011 or updated guidance if available), provide mapping of the resultant 100- and 200-year floodplains, and formal documentation of the analysis and mapping.

**6.2 Advanced Erosion Evaluation (NHC)**

Northwest Hydraulic Consultants (NHC) will be completing the erosion evaluation. Once model runs are complete, NHC will evaluate depths and velocities along the left bank of the Feather River for evaluation of erosion potential.

Following review of the model results, NHC will re-visit the project area to identify soil and vegetation conditions (including the position of large trees) along those parts of the bank and levee where erosion is most likely to affect levee stability. Field work would also include digging shallow soil pits at various positions on the bank to determine materials for scour and tree fall analysis. The various field investigations will be combined to identify potential critical velocities for the bank materials and vegetation.

Based on the depths and velocities from the model and the bank and levee conditions from investigations, NHC will evaluate the erosion potential of the Oroville levee and its foundation. Erosion potential will be displayed as a predicted depth of erosion during the design flood for those parts of the levee where erosion is likely to affect levee stability. NHC will submit a draft report summarizing data

collection, analysis, and the findings. Once comments are received on the draft report, they will be reviewed, responded to, and then incorporated in the final report.

### 6.3 Supplemental Geotechnical Investigations (HDR)

This task will complete additional geotechnical seepage and stability evaluations around observed boil and in over-widened levee section to evaluate significance of foundation encroachments. HDR will conduct a limited geotechnical investigation in an effort to obtain a better understanding of the subsurface conditions within the vicinity of the documented event and to develop a path forward for addressing any concerns developed based on field observations. HDRs proposed field investigation includes three hollow stem augers and a test pit near of the documented seep. The three hollow stem augers will be distributed between the landside levee toe and the crown and advanced between 25 and 40 feet below the existing ground surfaces. A test pit will be used to explore conditions at the landside toe at the seep. The test pit maybe advanced as deep as 10 feet below the existing ground surface.

As a result of the 2012 levee assessment results, it was noted that several buildings are within close proximity of the existing levee toe at various locations between Stations 26+00 and 50+00. HDR proposes to review the subsurface conditions with regards to seepage and slope stability and the potential for conflicts between these buildings and the theoretical oversized levee prism required for flood protection.

### 6.4 Refine Utility Inventory (KSN)

A complete inventory of utilities placed within or near to the levee prism and an evaluation of their potential to compromise the integrity of the levee during the base flood event is required for levee certification. This effort would provide the bulk of that inventory and assessment. This effort would be support by additional surveying conducted by KSN.

### 6.5 Revise Levee Operation and Maintenance Plan

This task will not be funded under this agreement.

### 6.6 Develop Levee Certification Plan

This plan would provide a 'road map' to the City of Oroville for pursuing levee certification and accreditation with the National Flood Insurance Program. The plan would identify the overall process of certification, the City's current position within that process, short-term actions that should be taken, and short- and long-term evaluations that are recommended, some of which may result in further actions to improve the existing levee. In addition, development and implementation of a strategy for engaging the Federal Emergency Management Agency would be part of the plan, as would identification of additional potential sources of funding for the City.

### **Task 7 Levee Assessment Report**

The work products developed from Tasks 6 described above would be incorporated into a final version of the Initial Levee Assessment Report. The final updated assessment report will be provided to DWR as the final deliverable for this agreement.

**Exhibit A-2 Budget**

Task	Original Budget			New Budget		
	Overall	State (90%)	Local (10%)	Overall	State (90%)	Local (10%)
<b>1.0 Project Management</b>	<b>\$48,396.00</b>	<b>\$18,935.00</b>	<b>\$29,461.00</b>	<b>\$26,579.00</b>	<b>\$8,940.00</b>	<b>\$17,639.00</b>
1.1 Project Management	\$9,324.00					
1.2 Project Guide	\$4,618.00					
1.3 Quality Mangement	\$14,474.00					
1.4 Meetings	\$19,980.00					
<b>2.0 Engineering Assessment</b>	<b>\$296,742.00</b>	<b>\$267,469.00</b>	<b>\$29,213.00</b>	<b>\$242,265.00</b>	<b>\$217,827.00</b>	<b>\$24,438.00</b>
2.1 Geotechnical Problem Identification	\$243,282.00					
2.2 Erosion Problem Identification	\$53,460.00					
<b>3.0 Environmental and Cultural Resource Analysis</b>	<b>\$39,441.00</b>	<b>\$0.00</b>	<b>\$39,441.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
3.1 Analysis	\$39,441.00					
<b>4.0 Report Preparation</b>	<b>\$39,960.00</b>	<b>\$32,416.00</b>	<b>\$7,544.00</b>	<b>\$19,286.00</b>	<b>\$17,358.00</b>	<b>\$1,928.00</b>
4.1 Report	\$39,960.00					
<b>*Additional Supplemental Work Under Amendment 1</b>						
<b>5.0 Supplemental Project Mangement</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$5,078.00</b>	<b>\$2,500.00</b>	<b>\$2,578.00</b>
5.1 Project Management				\$1,887.00		
5.2 Project Guide				\$488.00		
5.3 Quality Mangement				\$975.00		
5.4 Meetings				\$1,728.00		
<b>6.0 Supplemental Engineering Assessment</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$152,976.00</b>	<b>\$67,195.00</b>	<b>\$85,781.00</b>
6.1 Hydrology and Hydraulic Design Evaluation				\$32,513.00		
6.2 Advanced Erosion Evaluation				\$24,519.00		
6.3 Supplemental Geotechnical Evaluations				\$43,492.00		
6.4 Refine Utility Inventory				\$28,030.00		
6.5 Revise Levee Operation and Maintanace Plan				\$0.00		
6.6 Develop Levee Certification Plan				\$24,422.00		
<b>7.0 Levee Assessment Report</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$11,618.00</b>	<b>\$5,000.00</b>	<b>\$6,618.00</b>
7.1 Intial Levee Assesment Report Update				\$11,618.00		
<b>Total</b>	<b>\$424,539.00</b>	<b>\$318,820.00</b>	<b>\$105,659.00</b>	<b>\$457,802.00</b>	<b>\$318,820.00</b>	<b>\$138,982.00</b>

**Exhibit A-3 Schedule**

<b>Task</b>	<b>Completion Date</b>
1.0 Project Management	December 2012
2.0 Engineering Assessment	December 2012
3.0 Environmental and Cultural Resource Analysis	December 2012
4.0 Report Preparation	December 2012
<b>*Additional Supplemental Work Under Amendment 1</b>	
5.0 Supplemental Project Mangement	September 30, 2015
6.0 Supplemental Engineering Assessment	August 2015
7.0 Levee Assessment Report	November 2015

**OROVILLE CITY COUNCIL  
STAFF REPORT**

**TO: MAYOR DAHLMEIER AND COUNCIL MEMBERS**

**FROM: RANDY MURPHY, CITY ADMINISTRATOR  
RUTH WRIGHT, DIRECTOR OF FINANCE**

**RE: AMENDMENT TO STANDARD INTERAGENCY AGREEMENT FOR  
WITH REGIONAL GOVERNMENT SERVICES**

**DATE: MARCH 3, 2015**

**SUMMARY**

The Council may consider an Amendment to the Standard Interagency Agreement (Agreement) with Regional Government Services (RGS), in the amount of \$25,500, as needed for Finance Project Management.

**DISCUSSION**

This Amended Agreement will provide an additional \$25,500 to the existing \$153,000 that was previously approved by Council. This funding will be sufficient to support Finance Project Services on an as needed basis for the rest of this fiscal year .

This Agreement has proven cost effective. Since the previous Amendment of \$43,000 was approved November 4, 2014, this resource has enabled the City to identify and ultimately capture at least \$133,000 in savings or additional revenue that that would not have been otherwise been realized without this augmentation to current Finance staffing levels. These include:

**\$60,000-\$90,000** estimated in increased City Property Tax increment as a result of completing the RDA bond refunding in time to for the additional pass through to impact Fiscal Year 2016 revenues.

**\$30,000** in potential one- time Cost of Issuance reimbursement estimated for the current fiscal year from the RDA Bond refinancing.

**\$43-66,000** over the next seven years in savings from self- financing of urgently needed vehicles and equipment, relative to the cost of leasing.

Pending projects over the extended contract period which should result in increased revenue or cost savings to the extent they are completed include:

Implementation of Indirect Cost Plan, Support for to the Development Impact Fees Study, Maximization of Cost Recovery in reimbursements and grants,

Improvements in Debt and Investment Practices, Development of options for special fund balances, updating the Fully Burdened Cost work paper for all city employees, including establishment of rates for equipment used, and the transition to new City Bank.

Over this same period as this extension, the Finance Director will be taking the lead on two major projects simultaneously, the implementation of the City's New Accounting Software and development of the 2016 Fiscal Year Budget and FY 2017 Financial Plan. This RGS resource will be able to provide operational support during these efforts while at the same time permitting the following longstanding projects to progress:

Drafting and updating of comprehensive Fiscal Policy and Procedure Manual, Improvements to Internal Service Fund accounting, Implementation of Auditors identified areas for further consideration (recommendations), Conduction of complete physical inventory of Fixed Assets, Assist in Development of Capital Improvement Plan, Increase the use of electronic payments within established controls, investigation/implementation of payment Kiosks, Fuel Accountability Review, reconcile SCOR payments with JPA agreement, delinquent collections not on the Teeter Plan, Implementation of Open Gov. software to provide real time information to staff, policy makers, and citizens

RGS is a Joint Powers Authority (JPA). An agreement between two public agencies utilizes an interagency agreement is used instead of a contract. RGS assumes all employee liabilities, including insurance, benefits, paid leaves, and retirement. There is also no termination or post-employment liabilities for RGS partner agencies. Rates are competitive with similarly qualified city employees because like all public agencies makes no profit and services are provided with a public employee workforce.

## **FISCAL IMPACT**

The Finance Department's approved appropriations are anticipated to support the \$25,500 cost for the current fiscal year.

## **RECOMMENDATIONS**

Adopt Resolution No. 8335 – A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE CITY ADMINISTRATOR TO EXECUTE AN AMENDMENT TO THE STANDARD INTERAGENCY AGREEMENT WITH REGIONAL GOVERNMENT SERVICES, IN THE AMOUNT OF \$25,500 FOR FINANCE PROJECT MANAGEMENT, AS NEEDED – (Agreement No. 3065-2).

## **ATTACHMENTS**

Resolution No. 8335  
Agreement No. 3065-2

**CITY OF OROVILLE  
RESOLUTION NO. 8335**

**A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE CITY ADMINISTRATOR TO EXECUTE AN AMENDMENT TO THE STANDARD INTERAGENCY AGREEMENT WITH REGIONAL GOVERNMENT SERVICES, IN THE AMOUNT OF \$25,500 FOR FINANCE PROJECT MANAGEMENT SERVICES, AS NEEDED**

**(Agreement No. 3065-2)**

**NOW THERFORE**, be it hereby resolved by the Oroville City Council as follows:

1. The City Administrator is hereby authorized and directed to execute an Amendment to the Standard Interagency Agreement with Regional Government Services, in the amount of \$25,500 for Finance Project Management Services. A copy of the Amendment is attached to this Resolution.
2. The City Clerk shall attest to the adoption of this Resolution.

**PASSED AND ADOPTED** by the Oroville City Council at a regular meeting on March 3, 2015 by the following vote:

AYES:

NOES:       None

ABSTAIN:   None

ABSENT:     None

\_\_\_\_\_  
Linda L. Dahlmeier, Mayor

APPROVED AS TO FORM:

ATTEST:

\_\_\_\_\_  
Scott E. Huber, City Attorney

\_\_\_\_\_  
Randy Murphy, City Clerk



**ADDITIONAL SERVICES AMENDMENT NO. 1 TO  
AGREEMENT FOR PROFESSIONAL SERVICES**

This document constitutes the Additional Services Amendment No. 2 entered into as of the 3rd<sup>th</sup> day of March 2015, to the Professional Services Agreement entered into as of the 1<sup>st</sup> day of April, 2014 by and between the City of Oroville hereinafter called "Agency", and Regional Government Services Authority, hereinafter called "RGS".

**RECITALS**

This Additional Services Amendment is entered into with reference to the following facts and circumstances:

- A. Agency desires to amend the provisions of the Professional Services Agreement to modify the services of Financial Advisor as outlined in Exhibit A.
- B. RGS is desirous of these changes as well.

Based upon the foregoing Recitals Agency and RGS agree to the terms of additional services set forth in Exhibit A.

- C. All other terms and conditions of the Agreement shall remain in force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this Additional Services Amendment to be executed on the date first above written by their respective officers duly authorized in that behalf.

Dated: \_\_\_\_\_

City of Oroville

Dated: \_\_\_\_\_

Regional Government Services Authority

\_\_\_\_\_  
Randy Murphy, City Administrator

\_\_\_\_\_  
Richard Averett, Executive Director

## **EXHIBIT A**

The services are Finance Project Management Services”.

This amendment adds an additional \$25,500 to the existing agreement and increases the Not-to-Exceed (“NTE”) from \$153,000 to \$178,500.

**CITY OF OROVILLE  
STAFF REPORT**

**TO: MAYOR AND COUNCIL MEMBERS  
RANDY MURPHY, CITY ADMINISTRATOR**

**FROM: KAROLYN J. FAIRBANKS, CITY TREASURER**

**RE: AMENDMENT TO THE LOCAL AGENCY INVESTMENT FUND INVESTMENT  
RESOLUTION**

**DATE: MARCH 17, 2015**

**SUMMARY**

The Council may consider an amendment to the Investment Resolution with the Local Agency Investment Fund (LAIF) for the City of Oroville.

**DISCUSSION**

To meet the Local Agency Investment Fund (LAIF) requirements a new resolution was approved by Council on May 6<sup>th</sup>, 2014 for deposit and withdrawal of funds from the City of Oroville accounts. The resolution allowed the City Administrator to provide back up to the Treasurer should they be unavailable when a transfer is needed. After a successful recruitment of a Finance Director the City requests the Finance Director be added to the resolution by amendment.

**FISCAL IMPACT**

None

**RECOMMENDATION**

Adopt Amendment to Resolution No. 8336 - A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING INVESTMENT OF MONIES IN THE LOCAL AGENCY INVESTMENT FUND FOR THE CITY OF OROVILLE.

**ATTACHMENTS**

Resolution No. 8336

CC-14

**CITY OF OROVILLE  
RESOLUTION NO. 8336**

**A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING INVESTMENT OF MONIES IN THE LOCAL AGENCY INVESTMENT FUND FOR THE CITY OF OROVILLE**

**WHEREAS**, Pursuant to Chapter 730 of the statutes of 1976 Section 16429.1 was added to the California Government Code to create a Local Agency Investment Fund in the State Treasury for the deposit of money of a local agency for purposes of investment by the State Treasurer; and

**WHEREAS**, the City Council do hereby find that the deposit and withdrawal of money in the Local Agency Investment Fund in accordance with the provisions of Section 16429.1 of the Government Code for the purpose of investment as stated therein as in the best interests of the City of Oroville.

**NOW THEREFORE, BE IT RESOLVED**, that the City Council do hereby authorize the deposit and withdrawal of City of Oroville monies in the Local Agency Investment Fund in the State Treasury in accordance with the provisions of 16429.1 of the Government code for the purpose of investment as stated therein, and verification by the State Treasurer's Office of all banking information provided in that regard.

**BE IT FURTHER RESOLVED**, that the following City of Oroville officers or their successors in office shall be authorized to order the deposit or withdrawal of monies in the Local Agency Investment Fund:

<u>Karolyn J. Fairbanks</u> NAME	<u>Randy Murphy</u> NAME	<u>Ruth Wright</u> NAME
<u>City Treasurer</u> TITLE	<u>City Administrator</u> TITLE	<u>Finance Director</u> TITLE
   _____	   _____	   _____
SIGNATURE	SIGNATURE	SIGNATURE

**PASSED AND ADOPTED** by the City Council at a regular meeting of March 3, 2015 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Mayor

\_\_\_\_\_  
Linda L. Dahlmeier,

APPROVED AS TO FORM:

ATTEST:

\_\_\_\_\_  
Scott E. Huber, City Attorney

\_\_\_\_\_  
Randy Murphy, City Clerk

**OROVILLE CITY COUNCIL  
STAFF REPORT**

**TO: MAYOR AND COUNCIL MEMBERS  
RANDY MURPHY, CITY ADMINISTRATOR**

**FROM: DONALD RUST, DIRECTOR (530) 538-2433  
RICK WALLS, INTERIM CITY ENGINEER  
COMMUNITY DEVELOPMENT DEPARTMENT**

**RE: THERMALITO WATER AND SEWER DISTRICT EAST TRUNK LINE  
PROJECT**

**DATE: MARCH 3, 2015**

**SUMMARY**

The Council may consider an update to the cost sharing arrangements for the Thermalito Water and Sewer District's (TWSD) East Trunk Line Project.

**DISCUSSION**

The East Trunk Line (ETL), which is owned and maintained by TWSD, is used to convey approximately 15% of the City's wastewater flow from the Thermalito area to the Sewerage Commission-Oroville Region wastewater treatment plant. In 2010 a first time Agreement was executed between the City and TWSD that established the financial cost sharing responsibilities for the ETL between the two agencies. The City's flow within the ETL represents 75% of the total ETL flow. Because the ETL is at capacity, TWSD began the design and permitting work to replace the 2.2 mile trunk line in 2010.

Since 2010, the City has been paying TWSD the following costs from the Sewer Fund:

\$4,326 per month for operation and maintenance support  
\$5,830 per month for pre-construction costs for the ETL replacement project

Work on replacement of the ETL was started in August 2014. The project was publicly advertised for bid with a contract awarded for \$2.6 million. The project is being financed by TWSD through a Clean Water State Revolving Fund (CWSRF) loan that has been approved by the State Water Resources Control Board. The City is responsible for payment of 75% of the principal and interest on the loan. A principal and interest payment schedule for the 20 year loan is attached to this staff report.

The CWSRF loan payment schedule calls for the accrual of a 1-year "reserve" that would be applied to the last year of the loan. The City's share of the reserve is \$10,702.95 per month over the next 12 months, or \$128,436 in total. The City's current

reserve fund balance with TWSD is \$34,209, which would be used to satisfy the first 3 months of the City's share of the loan reserve.

Based on the payment schedule, moving forward, starting February 2015, the City is obligated to pay TWSD the following monthly amounts:

\$10,702.95 for CWSRF loan reserve: This amount will be facilitated through an internal transfer from the City's existing TWSD reserve fund to a CWSRF reserve fund to be maintained by TWSD. The City's TWSD current reserve fund balance will be depleted in 3 months. At that point in time (May 2015), the City will be invoice by TWSD \$10,702.95 per month for the next 9 months to complete the funding of the CWSRF 1-year loan reserve. As discussed above, the total of \$128,436 paid by the City will be applied to the City's share of the payments for the last year of the loan term (Year 2035).

\$6,251.40 for CWSRF loan repayment: This amount represents principal and interest (P&I) at 75% of the ETL loan. The City will be billed monthly by TWSD for this amount. The City's monthly P&I payment will increase to \$10,702.95 starting in February 2016 through the end of the loan.

\$4,325.86 for ETL O&M: This amount represents the City's share of ongoing ETL O&M. Upon completion of the ETL replacement project, the O&M needs for the new ETL will be evaluated and the O&M amount will be adjusted accordingly.

## **FISCAL IMPACT**

- Since 2010 the City has been paying TWSD \$10,156 per month for ETL pre-construction and O&M costs. Starting in February 2015, the City's new monthly costs for the ETL construction loan and continuing ETL O&M will be \$10,577.26.
- Starting in May 2015, the City's monthly obligation will be increased by \$10,702.95 to \$21,280.21 to account for the payment of the CWSRF 1-year loan reserve.
- Starting in February 2016, the monthly obligation will decrease by \$10,702.95 as the CWSRF 1-year loan reserve will be satisfied, and at the same time the P&I payment will increased by \$4,451.55 (from \$6,251.40 to \$10,702.95). Therefore, net monthly payments starting in February 2016 will be \$15,028.81 through the end of the loan. TWSD will continue to issue monthly invoices to the City for these obligations.
- After completion of ETL construction, the O&M cost will be re-evaluated for a downward revision.
- Payments for all of the City's obligations associated with the ETL construction, financing and maintenance are available in the Sewer Fund.

The monthly payment obligations through the loan term are summarized by date as follows:

February 2015 – April 2015	\$10,577.26
May 2015 – January 2016	\$21,280.21
February 2016 – February 2034	\$15,028.81

This increase is provided for in the current budget.

### **RECOMMENDATIONS**

1. Authorize monthly payments to TWSD in the amount of \$10,577.26 beginning February 2015; *and*
2. Authorize monthly payments to TWSD in the amount of \$21,280.21 beginning May 2015 and ending January 2016; *and*
3. Authorize monthly payments to TWSD in the amount of \$15,028.81 beginning February 2016 and ending June 2016. Monthly payments beyond FY 2015 – 2016 will be budgeted on an annual basis.

### **ATTACHMENTS**

CWSRF Loan Payment Schedule

FF2_FF1	01/02/2014	6	64	336	Assessment	Reviewed and rejected
J7A_J6	01/02/2014	6	225	330	Assessment	Reviewed and accepted
J7A_J6	01/03/2014	6	104	330	Assessment	Reviewed and accepted
T9A_EE1	01/03/2014	6	190	189	Assessment	Needs review
89_88	01/15/2014	12	240	251	Assessment	Reviewed and accepted
86_85A	01/17/2014	12	307	306	Assessment	Reviewed and accepted
85A_85	01/17/2014	12	104	105	Assessment	Reviewed and accepted
JJ49LH_JJ49	01/17/2014	6	125	110	Assessment	Reviewed and accepted
61DLH_61D	01/21/2014	6	251	156	Assessment	Reviewed and accepted
61D_61C	01/22/2014	6	208	208	Assessment	Reviewed and accepted
BB1ALH_BB1A	01/22/2014	6	250	319	Assessment	Reviewed and accepted
61C_61B	01/22/2014	6	212	213	Assessment	Reviewed and accepted
61B_61A	01/22/2014	6	172	172	Assessment	Reviewed and accepted
61A_61	01/22/2014	6	93	95	Assessment	Reviewed and accepted
HH9_HH8	01/23/2014	8	198	197	Assessment	Reviewed and accepted
HH8_HH7	01/23/2014	8	402	397	Assessment	Reviewed and accepted
HH7_HH6	01/23/2014	8	378	374	Assessment	Reviewed and accepted
HH6_HH5	01/23/2014	8	175	175	Assessment	Reviewed and accepted
HH5-END_HH5	01/23/2014	8	46	110	Assessment	Reviewed and accepted



**CITY OF OROVILLE  
STAFF REPORT**

**TO: MAYOR AND CITY COUNCIL MEMBERS**

**FROM: RANDY MURPHY, CITY ADMINISTRATOR  
BOB MARCINIAK, SBF PROGRAM SPECIALIST**

**RE: SUPPLEMENTAL BENEFITS FUND AGREEMENTS WITH  
RECIPIENTS OF THE 2014 NOTICE OF FUNDS AVAILABLE**

**DATE: MARCH 3, 2015**

**SUMMARY**

The Council, serving as the Supplemental Benefits Fund (SBF) Administrator, may consider approving Agreements with the three recipients of the 2014 SBF Notice of Funds Available (NOFA \$111,000). The requests totaled \$216,000 and any approvals cannot exceed \$111,000 the amount of the published NOFA.

**DISCUSSION**

The following requests were approved by the SBF Steering Committee, at its February 4, 2015, quarterly meeting, under the Large Project Fund allocation of the Notice of Funds Available for the second 2014 funding cycle. (\$111,000 total)

- Feather River Recreation & Parks District \$20,000
- Forebay Aquatic Center \$54,000
- Oroville Veterans' Memorial Park \$37,000

**FISCAL IMPACT**

No impact to the General Fund. SBF funds only.

**RECOMMENDATIONS**

1. Adopt Resolution No. 8337 – A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN AGREEMENT BETWEEN THE CITY OF OROVILLE, AS FUND ADMINISTRATOR OF THE SUPPLEMENTAL BENEFITS FUND, AND FEATHER RIVER RECREATION AND PARKS DISTRICT, IN THE AMOUNT OF \$20,000 FOR ENVIRONMENTAL STUDY EXPENSES RELATED TO A PORTION OF THE BRAD FREEMAN TRAIL - (Agreement No. 3109).

2. Adopt Resolution No. 8338 – A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN AGREEMENT BETWEEN THE CITY OF OROVILLE, AS FUND ADMINISTRATOR OF THE SUPPLEMENTAL BENEFITS FUND, AND THE FOREBAY AQUATIC CENTER/FEATHER RIVER ROWING CLUB IN THE AMOUNT OF \$54,000 FOR FUNDING AN EVENT COORDINATOR(S) AND RELATED OFFICE EXPENSES - (Agreement No. 3110).
  
3. Adopt Resolution No. 8339 – A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN AGREEMENT BETWEEN THE CITY OF OROVILLE, AS FUND ADMINISTRATOR OF THE SUPPLEMENTAL BENEFITS FUND, AND THE OROVILLE VETERANS' MEMORIAL PARK, IN THE AMOUNT OF \$37,000 FOR FUNDING A PORTION OF THE FLAGPOLE MONUMENT PROJECT - (Agreement No. 3111).

## **ATTACHMENTS**

Resolution No. 8337  
Agreement No. 3109  
Resolution No. 8338  
Agreement No. 3110  
Resolution No. 8339  
Agreement No. 3111

**CITY OF OROVILLE  
RESOLUTION NO. 8337**

**A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN AGREEMENT BETWEEN THE CITY OF OROVILLE, AS FUND ADMINISTRATOR OF THE SUPPLEMENTAL BENEFITS FUND, AND FEATHER RIVER RECREATION AND PARKS DISTRICT, IN THE AMOUNT OF \$11,000 FOR EXPENSES RELATED TO THE ENVIRONMENTAL STUDY FOR THE DAN FREEMAN TRAIL**

**(Agreement No. 3109)**

**NOW THEREFORE**, be it hereby resolved by the Oroville City Council as follows:

1. The Mayor is hereby authorized and directed to execute an Agreement with Feather River Recreation and Parks District in the amount of \$20,000.
2. The City Clerk shall attest to the adoption of this Resolution.

**PASSED AND ADOPTED** by the Oroville City Council at a regular meeting on March 3, 2015, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

\_\_\_\_\_  
Linda L. Dahlmeier, Mayor

APPROVED AS TO FORM:

ATTEST:

\_\_\_\_\_  
Scott E. Huber, City Attorney

\_\_\_\_\_  
Randy Murphy, City Clerk

**AGREEMENT BETWEEN  
CITY OF OROVILLE AND  
FEATHER RIVER RECREATION & PARK DISTRICT**

**THIS AGREEMENT** is entered into as of the 3rd day of March 2015, between the City of Oroville (City) and the Feather River Recreation & Park District (Grantee). City and Grantee hereby agree as follows:

**RECITALS**

- A. Pursuant to the provisions of Standard Agreement No. 4600007302 between the California Department of Water Resources (DWR) and City, the Supplemental Benefits Fund Steering Committee has awarded the Grantee with a grant of \$20,000.00 to assist with the environmental study for portions of the Brad Freeman Trail in Oroville, California (Project) as described in Exhibit A attached to this Agreement; and
  - B. In order to implement the grant award, City, as the Supplemental Benefits Fund Administrator, and Grantee are entering into this Agreement.
1. **Purpose.** The purpose of this Agreement is to provide a Supplemental Benefits Fund (SBF) grant to Grantee to assist with the environmental study for portions of the Brad Freeman Trail in Oroville, California. Grantee agrees to use the grant funds received from City in accordance with the terms of this Agreement. Except as expressly provided in this Agreement, City shall have no obligation to reimburse or otherwise pay for any assistance or cooperation relating to the implementation of the Project.
  2. **Grant Amount.** City shall provide a grant in the amount of \$20,000.00 to Grantee to assist with the environmental study for portions of the Brad Freeman Trail in Oroville, California
  3. **Term of Agreement.** The term of this Agreement will begin on March 3, 2015 and terminate on March 3, 2016, or upon completion of the Project, whichever

occurs first. The term may be amended only in writing by City and Grantee with the approval of the Supplemental Benefits Fund Steering Committee.

4. **Incorporation of Provisions.** This Agreement incorporates:

Exhibit A. Project

Exhibit B. Standard Provisions

Exhibit C. Work Plan and Budget

Exhibit D. Payment Request Transmittal

5. **Grantees Responsibilities:** Grantee shall implement work on the Project as specified in a Work Plan and Budget set forth in Exhibit C.

6. **Project Manager:**

The Project Manager for Grantee is:

Ann Willmann, General Manager FRRPD

---

Grantee hereby delegates authority to the Project Manager to manage performance under the Agreement and to delegate authority to others to provide management and support services required for performance of the work and administration of the Agreement. The delegation of authority to submit invoices requires written consent by Grantee which will be provided to the City.

Grantee may change the foregoing delegation by a thirty (30) day prior written notice to City.

City of Oroville

SBF Fund Administrator

1735 Montgomery Street

Oroville, California 95965

**Notices by Grantee's Project Manager shall be sent to:**

City of Oroville  
SBF Fund Administrator  
1735 Montgomery Street  
Oroville, California 95965

**Notices by City shall be sent to:**

Ann Willmann, General Manager  
Feather River Recreation & Park District  
1874 Feather River Blvd.  
Oroville, CA 95965

7. **CEQA Compliance.** Prior to implementation of the Project, *if appropriate*, Grantee shall comply with all applicable requirements of the California Environmental Quality Act (CEQA) (California Public Resources Code Sections 21000-21177) and other applicable federal, State and local laws, rules and regulations.
  
8. **Quarterly Reports.** Grantee shall submit detailed quarterly progress reports relating to the Project for review and approval by City. The quarterly reports shall be provided to the Supplemental Benefits Fund Steering Committee for information purposes and comments, as appropriate. The quarterly progress reports shall summarize expenditures, and itemize completed activities, on-going activities, and problems to be resolved. Expense reports shall include a detailed description of work performed on the Project and an accounting of expenses incurred for each activity. The Project expense reports shall also include, but not be limited to, contractors and vendor invoices, receipts for equipment and supplies, and true-up of actual expenses versus projected expenses.

9. **Matching Funds Requirement.** This SBF Grant has a 25% matching funds requirement (\$5,000.00 cash or in-kind). If a payment request is presented without substantiation of the 25% matching funds requirement the payment request will be reduced by 25%.
  
10. **Method of Payment.** All payments from City to Grantee shall be as reimbursement for actual expenditures by Grantee relating to carrying out the Project in accordance with this Agreement. City shall make payments to Grantee with funds on deposit with the City from DWR in accordance with Standard Agreement No. 4600007302. In order to process Grantee's request for reimbursement, Grantee shall deliver proof of completion, or progress of the work, proof of payment and an original invoice for the work. Within ten (10) days after receipt of a reimbursement request from Grantee, City shall determine whether the request satisfies all the requirements for reimbursement under the Agreement. If City determines that the request meets all such requirements, City shall provide the amount requested by Grantee at the next available bi-weekly check cycle. In no event shall City be obligated to make reimbursement payments to Grantee from any City funds as a result of this Agreement.

Grantee may submit invoices to City no more than once every thirty (30) days.

11. **Final Written Report.** Upon completion of the Project, Grantee shall provide a final written report in a format as directed by City that includes (but is not limited to) the following: (1) a description of conditions before the Project was executed, (2) a summary of the planning work and techniques used, (3) a description of the completed Project, (4) an analysis of the techniques used, and (5) a description of planned long-term monitoring and maintenance of the Project.

The report shall include a complete list of all the costs of the Project and proof of payment of such costs, photographs of restoration activities and techniques and shall include photographs of community participation in planning activities of the

Project. Grantee shall provide Project photos showing the monthly progress of the Project.

12. **Work Plan and Budget.** Items included in the attached Work Plan and Budget, Exhibit C, and designated for funding by City may be undertaken by Grantee only after City's written approval.
13. **Maintenance.** Grantee agrees to maintain the Project in good condition.
14. **Insurance.** Before and during construction of the Project, Grantee or Grantee's contractor shall obtain and maintain. If appropriate, insurance coverage.
15. **Funding Acknowledgement.** The Grantee agrees to post in a prominent place the SBF plaque containing the SBF logo and acknowledging that funding for the project was provided by the State Water Contractors (SWC) and the Department of Water Resources (DWR). The Grantee also agrees to include the SBF logo on all posters and brochures during the time of this grant.
16. **Public Accessibility.** Grantee, its successors and/or assigns, shall make the Project available to the public in perpetuity. This section shall survive termination of this Agreement.

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

**CITY OF OROVILLE**

**FEATHER RIVER RECREATION & PARK DISTRICT**

By: \_\_\_\_\_  
Linda L. Dahlmeier, Mayor

By: \_\_\_\_\_  
Ann Willmann, General Manager

**SUPPLEMENTAL BENEFITS FUND**

By: \_\_\_\_\_  
David Pittman, SBF Chairperson

By: \_\_\_\_\_

By: \_\_\_\_\_

APPROVED AS TO FORM:

By: \_\_\_\_\_  
Scott Huber

ATTEST:

By: \_\_\_\_\_  
Randy Murphy, City Clerk

- Attachments:      Exhibit A – Project  
                          Exhibit B – Standard Provisions  
                          Exhibit C – Work Plan and Budget  
                          Exhibit D – Payment Request Transmittal

**EXHIBIT A**  
**PROJECT DESCRIPTION**  
*(The following excerpts are from the grant application)*

## 1. PROJECT DESCRIPTION

*(The Project Description may vary widely in length depending on the size and scope of the project that will be funded and the size of the grant being requested. A useful structure to assist the readers and decision makers is to break the project down into component goals, each with their own heading and complete description. If applicable, comments about staff experience and how the overall project will be measured and sustained)*

The proposed project is completing the environmental permit process for the connection of the Feather River Bike Path. The current trail ends at the Veteran's Memorial Park. The trail connection would take the trail under the green bridge, connecting to the trail leading to the Nature Center, Fish Ladder and Diversion Pools.

This project is not only listed in the Feather River Recreation & Park District Master Plan, it is also the number one project listed in the Greening Plan which is a comprehensive plan that has been developed for the City of Oroville and surrounding communities.

The trail will provide easy access to the entire river front throughout downtown, into Riverbend Park. It will increase traffic in the under developed area which leads to a decrease in vandalism and illegal camping.

The project will be designed by Melton Design and Engineering is being completed by Northstar Engineering. There are several necessary environmental permits that will need to be obtained prior to construction. These include CEQA, Central Valley Flood Control Board, Archaeological review, and possible Hydrologic Engineer Report. Completion of these permits will make the project shovel ready for future funding.

A draft of the design and required permits is attached.



**EXHIBIT B  
STANDARD PROVISIONS**

AMENDMENT: No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the parties. No oral understanding or agreement not incorporated in the agreement is binding on either party.

ASSIGNMENT: This Agreement is not assignable by Grantee either in whole or in part. Any attempted assignment shall be void.

AUDIT: City shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement. Grantee 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. Grantee agrees to allow City's 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, Grantee agrees to include a similar right of City to audit records and interview staff in any subcontract related to performance of this Agreement.

INDEMNIFICATION: Grantee agrees to indemnify, defend and save harmless City, its officers, agents and employees from any and all liability, lawsuits, claims and losses or costs, including attorney's fees, resulting from the actions, negligence or omissions of Grantee, its officers, employees, agents, contractors, subcontractors, suppliers, laborers, and any other person, firm or corporation furnishing or supplying work services, materials, or supplies in connection with this Agreement.

DISPUTES: Grantee shall continue with the responsibilities under this Agreement during any dispute with the City.

TERMINATION FOR CAUSE: The City may terminate this Agreement and be relieved of any payments to Grantee if the Grantee fails to perform the requirements of this Agreement at the time and in the manner herein provided.

INDEPENDENT CONTRACTOR: In carrying out this Agreement, Grantee and its agents, employees, and contractors shall act as independent contractors and not as officers, employees or agents of the City.

TIMELINESS: Time is of the essence in this Agreement.

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

UNENFORCEABLE PROVISION: In the event that any provision of this Agreement is unenforceable or held to be unenforceable, the parties agree that all other provisions of this Agreement shall continue in full force and effect.

COMPLIANCE WITH LAWS: Grantee shall be responsible for all environmental compliance for the Project.

Grantee shall observe and comply with all federal, state, city, and county laws, rules or regulations applicable to the Project, including, without limitation, storm water pollution prevention plan laws, public bidding laws, California Government Code Section 4450 et seq. relating to disability access laws, Americans with Disabilities Act (ADA), and California Labor Code sections 1720 et seq. requiring the payment of prevailing wage rates. Any work done that does not comply with any laws, rules or regulations shall be remedied solely at the Grantee's expense.

NOTICE OF DEFAULT: Subject to any extension of time permitted by this Agreement, a failure or delay by Grantee or City to perform any material term or provision of this Agreement constitutes a material default of this Agreement. In the event of a material default of this Agreement by Grantee or City, either party shall give written notice to the other party of such default specifying the details of the default.

**CURE AND REMEDIES:** In the event Grantee or City fails to perform any material obligation as set forth in this Agreement, that party shall be in default of this Agreement. In the event that Grantee or City receives written notice of default from the other party, thereafter, that party shall have thirty (30) days within which to cure such default to the reasonable satisfaction of the other party. If the default is not cured within thirty (30) days, Grantee and City shall submit the default to nonbinding mediation. Within thirty (30) days, Grantee and City shall mutually select a disinterested third person with some professional experience related to the subject matter of the default as mediator, and commence mediation. If mediation fails to resolve the default within fifteen (15) days, the non-defaulting party may elect to terminate this Agreement.

**UNAVOIDABLE DELAYS:** Neither Grantee nor City shall be considered in breach or default in its obligations, nor shall there be deemed a failure to satisfy conditions, with respect to the beginning or completion of obligations under this Agreement, or progress with respect thereto, in the event of "unavoidable delay" in the performance of such obligations, or satisfaction of such conditions, due to unforeseeable causes beyond its control and without its fault or negligence, including, but not limited to, acts of God or of the public enemy, acts of government agencies, acts of other parties, fires, floods, drought, epidemics, quarantine restrictions, strikes, freight embargoes and unusually severe weather or delays of subcontractors due to such causes; it being the purpose and intent of this provision that in the event of the occurrence of any such unavoidable delay, the time or times for the satisfaction of conditions to this Agreement shall be extended for the period of the unavoidable delay.

**EXHIBIT C  
WORKPLAN & BUDGET**

**(To be provided)**

**EXHIBIT D  
PAYMENT REQUEST TRANSMITTAL  
SBF GRANT APPROVED 03/04/2015  
NOT TO EXCEED \$20,000.00**

**Submit at: Completion or as a progress payment request**

**Date:**

**To:** City of Oroville  
SBF Fund Administrator  
1735 Montgomery Street  
Oroville, CA 95965

**From:** Feather River Recreation & Park District  
1874 Feather River Blvd.  
Oroville, CA 95965

**Subject:** Request for Reimbursement

**Project:** SBF Grant of \$20,000.00 to assist with the environmental study for portions of the Brad Freeman Trail in Oroville, California

**Amount Requested: \$**

**Summary of Reimbursement Request:**

(The summary should include progress, to date and any or all applicable invoices, canceled checks to substantiate the reimbursement request)

**CITY OF OROVILLE  
RESOLUTION NO. 8339**

**A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN AGREEMENT BETWEEN THE CITY OF OROVILLE, AS FUND ADMINISTRATOR OF THE SUPPLEMENTAL BENEFITS FUND, AND THE FOREBAY AQUATIC CENTER/FEATHER RIVER ROWING CLUB, IN THE AMOUNT OF \$54,000 FOR FUNDING AN EVENT COORDINATOR(S) AND OFFICE EXPENSES**

**(Agreement No. 3110)**

**NOW THEREFORE**, be it hereby resolved by the Oroville City Council as follows:

1. The Mayor is hereby authorized and directed to execute an Agreement with the Forebay Aquatic Center in the amount of \$54,000.
2. The City Clerk shall attest to the adoption of this Resolution.

**PASSED AND ADOPTED** by the Oroville City Council at a regular meeting on March 3, 2015, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

\_\_\_\_\_  
Linda L. Dahlmeier, Mayor

APPROVED AS TO FORM:

ATTEST:

\_\_\_\_\_  
Scott E. Huber, City Attorney

\_\_\_\_\_  
Randy Murphy, City Clerk

**AGREEMENT BETWEEN  
CITY OF OROVILLE AND  
FOREBAY AQUATIC CENTER/FEATHER RIVER ROWING CLUB**

**THIS AGREEMENT** is entered into as of the 3rd day of March 2015, between the City of Oroville (City) and the Forebay Aquatic Center/Feather River Rowing Club (Grantee). City and Grantee hereby agree as follows:

**RECITALS**

- A. Pursuant to the provisions of Standard Agreement No. 4600007302 between the California Department of Water Resources (DWR) and City, the Supplemental Benefits Fund Steering Committee has awarded the Grantee with a grant of \$54,000.00 for (\$48,000 to be used to hire one, or more Event Developer/Planner(s) and \$6,000 to be use for related office expenses) at the Forebay Aquatic Center in Oroville, California (Project) as described in Exhibit A attached to this Agreement; and
- B. In order to implement the grant award, City, as the Supplemental Benefits Fund Administrator, and Grantee are entering into this Agreement.
1. **Purpose.** The purpose of this Agreement is to provide a Supplemental Benefits Fund (SBF) grant to Grantee for one or more Event Developer/Planner(s) and related office expenses at the Forebay Aquatic Center in Oroville, California. Grantee agrees to use the grant funds received from City in accordance with the terms of this Agreement. Except as expressly provided in this Agreement, City shall have no obligation to reimburse or otherwise pay for any assistance or cooperation relating to the implementation of the Project.
  2. **Grant Amount.** City shall provide a grant in the amount of \$54,000.00 to Grantee for one or more Event Developer/Planner(s) and related office expenses at the Forebay Aquatic Center in Oroville, California
  3. **Term of Agreement.** The term of this Agreement will begin on March 3, 2015 and terminate on March 3, 2016, or upon completion of the Project, whichever

occurs first. The term may be amended only in writing by City and Grantee with the approval of the Supplemental Benefits Fund Steering Committee.

4. **Incorporation of Provisions.** This Agreement incorporates:

- Exhibit A. Project
- Exhibit B. Standard Provisions
- Exhibit C. Work Plan and Budget
- Exhibit D. Payment Request Transmittal

5. **Grantees Responsibilities:** Grantee shall implement work on the Project as specified in a Work Plan and Budget set forth in Exhibit C.

6. **Project Manager:**

The Project Manager for Grantee is:

Michael Seely

---

Grantee hereby delegates authority to the Project Manager to manage performance under the Agreement and to delegate authority to others to provide management and support services required for performance of the work and administration of the Agreement. The delegation of authority to submit invoices requires written consent by Grantee which will be provided to the City.

Grantee may change the foregoing delegation by a thirty (30) day prior written notice to City.

City of Oroville  
SBF Fund Administrator  
1735 Montgomery Street  
Oroville, California 95965

**Notices by Grantee's Project Manager shall be sent to:**

City of Oroville  
SBF Fund Administrator  
1735 Montgomery Street  
Oroville, California 95965

**Notices by City shall be sent to:**

Michael Seely  
Forebay Aquatic Center  
1295 Eaton Road  
Chico, CA 95973

7. **CEQA Compliance.** Prior to implementation of the Project, *if appropriate*, Grantee shall comply with all applicable requirements of the California Environmental Quality Act (CEQA) (California Public Resources Code Sections 21000-21177) and other applicable federal, State and local laws, rules and regulations.
  
8. **Monthly Reports.** Grantee shall submit detailed monthly progress reports relating to the Project for review and approval by City. The monthly reports shall be provided to the Supplemental Benefits Fund Steering Committee for information purposes and comments, as appropriate. The monthly progress reports shall summarize expenditures, personnel hours and itemize completed activities, on-going activities, and problems to be resolved. Expense reports shall include a detailed description of work performed on the Project and an accounting of expenses incurred for each activity. The Project expense reports shall also include, but not be limited to, contractors and vendor invoices, employee time sheets, receipts for equipment and supplies, and true-up of actual expenses versus projected expenses.

9. **Matching Funds Requirement.** This SBF Grant has a 25% matching funds requirement (cash or in-kind). If a payment request is presented without substantiation of the 25% matching funds requirement the payment request will be reduced by 25%.
10. **Method of Payment.** All payments from City to Grantee shall be as reimbursement for actual expenditures by Grantee relating to carrying out the Project in accordance with this Agreement. City shall make payments to Grantee with funds on deposit with the City from DWR in accordance with Standard Agreement No. 4600007302. In order to process Grantee's request for reimbursement, Grantee shall deliver proof of completion, or progress of the work, proof of payment and an original invoice for the work. Within fifteen (15) days after receipt of a reimbursement request from Grantee, City shall determine whether the request satisfies all the requirements for reimbursement under the Agreement. If City determines that the request meets all such requirements, City shall provide the amount requested by Grantee within fifteen (15) days thereafter. In no event shall City be obligated to make reimbursement payments to Grantee from any City funds as a result of this Agreement.

Grantee may submit invoices to City no more than once every fifteen (15) days.

11. **Final Written Report.** Upon completion of the Project, Grantee shall provide a final written report in a format as directed by City that includes (but is not limited to) the following: (1) a description of conditions before the Project was executed, (2) a summary of the planning work and techniques used, (3) a description of the completed Project, (4) an analysis of the techniques used, and (5) a description of planned long-term monitoring and maintenance of the Project.

The report shall include a complete list of all the costs of the Project and proof of payment of such costs, photographs of restoration activities and techniques and shall include photographs of community participation in planning activities of the

Project. Grantee shall provide Project photos showing the monthly progress of the Project.

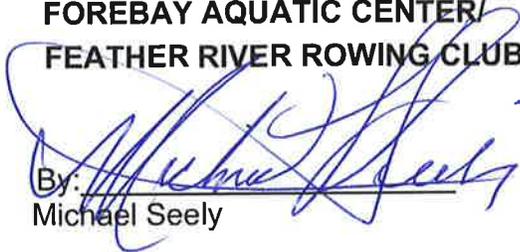
12. **Work Plan and Budget.** Items included in the attached Work Plan and Budget, Exhibit C, and designated for funding by City may be undertaken by Grantee only after City's written approval.
13. **Maintenance.** Grantee agrees to maintain the Project in good condition.
14. **Insurance.** Before and during construction of the Project, Grantee or Grantee's contractor shall obtain and maintain. If appropriate, insurance coverage.
15. **Funding Acknowledgement.** The Grantee agrees to post in a prominent place the SBF plaque containing the SBF logo and acknowledging that funding for the project was provided by the State Water Contractors (SWC) and the Department of Water Resources (DWR). The Grantee also agrees to include the SBF logo on all posters and brochures during the time of this grant.
16. **Public Accessibility.** Grantee, its successors and/or assigns, shall make the Project available to the public in perpetuity. This section shall survive termination of this Agreement.

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

**CITY OF OROVILLE**

By: \_\_\_\_\_  
Linda L. Dahlmeier, Mayor

**FOREBAY AQUATIC CENTER/  
FEATHER RIVER ROWING CLUB**

By:  \_\_\_\_\_  
Michael Seely *2/23/11*

**SUPPLEMENTAL BENEFITS FUND**

By: \_\_\_\_\_  
David Pittman, SBF Chairperson

By: \_\_\_\_\_

By: \_\_\_\_\_

**APPROVED AS TO FORM:**

By: \_\_\_\_\_  
Scott Huber

**ATTEST:**

By: \_\_\_\_\_  
Randy Murphy, City Clerk

- Attachments:
- Exhibit A – Project
  - Exhibit B – Standard Provisions
  - Exhibit C – Work Plan and Budget
  - Exhibit D – Payment Request Transmittal

**EXHIBIT A**  
**PROJECT DESCRIPTION**  
*(The following excerpts are from the grant application)*

**1. PROJECT DESCRIPTION**

*(The Project Description may vary widely in length depending on the size and scope of the project that will be funded and the size of the grant being requested. A useful structure to assist the readers and decision makers is to break the project down into component goals, each with their own heading and complete description. If applicable, comments about staff experience and how the overall project will be measured and sustained)*

**HISTORY:**

The **FOREBAY AQUATIC CENTER (FAC)** is a great success story for the SBF. After nearly being closed when the Associated Students abandoned the facility in 2011, the Feather River Rowing Club took over the management of the FAC. Today the FAC is a self sustaining program that is the epicenter of water based recreation below Oroville Dam. With the help of a grant from SBF we were able to save the equipment, as it was on its way to being sold to other facilities throughout the State. With mostly volunteer labor, we have been able to grow the program by increasing revenue streams by offering classes, increasing rentals as well as finding other outside funding sources.

**FAC Success Numbers**

- Served 1200 local youth and teens during the 2013-14 season.
- Boat Rentals, Boating Safety Classes up 22% over 2013
- 2 full time and 8 part time employees
- \$58,500 dollars 3 year total from Department of Boating and Waterways.

The good news is that this large project already has infrastructure which includes two large buildings, an enclosed storage area, parking, picnic area, two large specially constructed boat docks essential for paddle-craft activities and an inventory of various watercraft available to the public. What is lacking is the programing that will maximize the potential of this facility. The volunteer management of the FAC has taken this project a long way from nearly being scrapped four years ago. With programing staff, we will be able to better support our current programs, and develop new programs for 2015. These programs include:

**1. Enhance and expand EDUCATION, SAFETY programs**

- *Expanding boating safety classes offered to include Feather River moving water*

2

*Develop Ca. standards based curriculum in partnership with Outdoor Education For All (OEFA) Serves at risk youth with in Butte Co.*

**2. Develop and promote RECREATION PROGRAMS**

*Which include:*

- *Rowing ( Forebay)*
- *Flatwater Paddling (Forebay and Diversion Pool)*
- *River Paddling ( Low Flow Channel)*
- *Mt Biking ( Brad Freeman Trail, Potter Ravine Trails)*
- *Sailing ( Forebay)*

**Education and Safety**

Youth Aquatic Camps, as offered by the FAC and by Butte County Public Schools through ***Outdoor Education for All (OEFA)***, are being developed now and the summer of 2014 alone saw over 300 children take advantage of this program. ***OEFA*** is seeking to expand into the "Shoulder Season" which will increase activities at the FAC from five months to nine months each year. In Butte and Glen counties "at risk children" are the focus of these programs. A full time Developer/Planner can greatly enhance these programs with scheduling, program development, and generating revenue from grants and local industry. One of the applicants for this position has extensive education and experience in recreation and education and has strong ties to Butte county Public Schools. He was also involved in the original planning and formation of the FAC and will be an invaluable asset for grant writing (see appendix A).

Presently the FAC offers **Water Safety Classes** in various sorts of paddle-craft and sail boats. These classes provide technical training and are conducted with "water safety" in mind. These classes are offered during our summer season. The basic limitation is available staff and supervisory/management staff necessary to plan and promote offerings.

**Recreation Programs**

**Paddling**

For the 2015 season we will be expanding our kayak and canoe classes to include ***river trips on the Low Flow section of the Feather River***. This river trip is one of the best easy

water padding opportunities in the North State. Building off of our successful Ranger guided ***Moonlight Paddles***, we plan to offer a similar ***Sunrise Paddles***, with Ranger, on the Feather River.

One of our other successful programs is ***Yoga Classes on Stand up paddleboards***. These were offered on Sunday mornings and classes were filled for several weeks.

#### Sailing

We have forged a new relationship with the ***Butte Sailing Club*** and plan to offer ***sailing instruction*** this Spring and Summer. We have acquired three new boats for this program and look forward to expanding our new sailing fleet.

#### Mt. Biking

We are developing a mountain bike program that will shuttle riders to Oroville Dam. From here riders can do a multi hour ride on some of the best trails in Northern California. A ride around the Potters Ravine trail system and then down the Brad Freeman trail from the dam to the FAC. The Chico Velo Cycling Club ( They put on the Wild Flower Century, which brings over 4000 cyclist to Butte County every year), has expressed interest in including this in their calendar of events.

#### **Rowing Programs and Rowing Venue:**

Presently the FAC, as managed by the Feather River Rowing Club, offers ***Youth Rowing Camps*** (several one week programs) during the summer and has seen a slow but steady increase of participants each year. Participants in our program have gone on to row in Universities throughout California and the nation.

We have also attracted other high school rowing clubs for ***Training Events***. Last year saw 60 rowers from Redwood City and 50 from Sacramento for a four day event. Local hotels and food servers were very pleased with this event. We have two such events already planned for this spring.

The FAC has supported the ***Chico State Rowing Club*** for the past three years and their numbers now exceed fifty. We charge \$250.00 per year (two semesters) which brings this year's income to \$7500.00 dollars before deductions for US Rowing membership and insurance.

Finally, ***Adaptive Rowing*** for physically challenged athletes is one of the programs we are developing. We have purchased some equipment, have support from DBW, and are just beginning to offer instruction in adaptive rowing.

#### Events

There has been an expressed interest in conducting a **Triathlon** and the Forebay will be a perfect site for both adult and junior events. We anticipate this will be a RUN/BIKE/KAYAK event and we would like to use this as a benefit event for some local organization or charity.

And finally we are going to try again to schedule **Dancing at the Boathouse**. This would be a fun event for all ages and likely include some instruction and variation of dancing styles. We now have lights in the boathouse so evening events are on our wish list.

**Rowing Regattas** throughout the state, and the nation, have become very popular and attract thousands of participants to the various venues in California. These events are scheduled through three seasons: Fall, Spring, and Summer. These events would bring year round income to the FAC. They can also be scheduled to coincide with **local festivals** in the Oroville. The financial contribution to the FAC and the community would be immense and most certainly would generate enough income to support a full time Developer/Planner for the FAC.

The **Rowing Venue** located at the North Thermalito Forebay is now being used for training and some small competitive events. With the installation of racing lanes and possibly dock expansion this venue will be one of the finest in California. We are fortunate to have fresh water, wide open water space, and a well-developed park with ample parking and picnic space. It is important to note that CPR and DWR have expressed interest in developing and expanding the rowing venue.

This type of program requires a great deal time and would certainly be accelerated with a full time Developer/Planner.

All of the above events require considerable planning, outreach, communication and hosting to make them a success. While volunteer efforts will be critical to make them succeed, the bulk of the work must be done by someone dedicated to their success, and thus the need for a full time Event Planner/Developer.

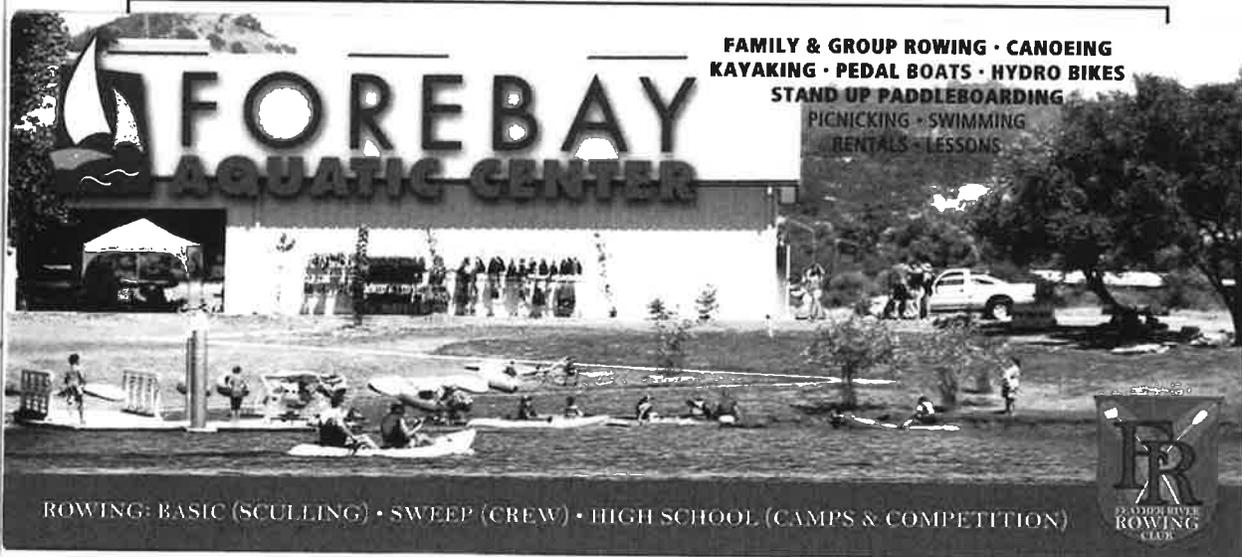
#### **HOW DO WE DO THIS?**

Use **SBF Dollars** to fulfill the missions of DWR, DPR, SBF, and the City of Oroville and facilitate provision of recreational opportunities, connect with the surrounding communities, support habitat restoration, complement DWR's recreation management plan, utilize multiple participants and funding, and generate significant revenues and other benefits to the City of Oroville.

The requested SBF dollars will accomplish all of the above and here is the plan:

1. Acquire on contract, one full time (or two part time) *Event Developer/Planner* to implement the above mentioned programs.
2. **Use of dollars requested:**
  - a. \$4000.00 per month for 12 months (one full time)
  - b. Or -\$2000.00 per month for 12 months (two part time)
  - c. \$1000.00 per month for 12 month (support material – telephone, office supplies transportation, etc.
  - d. **Total dollars requested ---- \$60,000.00**

We are confident that within two years this will be a **SELF SUPPORTING** position and that if some funding is needed next year the amount will be significantly reduced.



**EXHIBIT B  
STANDARD PROVISIONS**

AMENDMENT: No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the parties. No oral understanding or agreement not incorporated in the agreement is binding on either party.

ASSIGNMENT: This Agreement is not assignable by Grantee either in whole or in part. Any attempted assignment shall be void.

AUDIT: City shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement. Grantee 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. Grantee agrees to allow City's 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, Grantee agrees to include a similar right of City to audit records and interview staff in any subcontract related to performance of this Agreement.

INDEMNIFICATION: Grantee agrees to indemnify, defend and save harmless City, its officers, agents and employees from any and all liability, lawsuits, claims and losses or costs, including attorney's fees, resulting from the actions, negligence or omissions of Grantee, its officers, employees, agents, contractors, subcontractors, suppliers, laborers, and any other person, firm or corporation furnishing or supplying work services, materials, or supplies in connection with this Agreement.

DISPUTES: Grantee shall continue with the responsibilities under this Agreement during any dispute with the City.

TERMINATION FOR CAUSE: The City may terminate this Agreement and be relieved of any payments to Grantee if the Grantee fails to perform the requirements of this Agreement at the time and in the manner herein provided.

INDEPENDENT CONTRACTOR: In carrying out this Agreement, Grantee and its agents, employees, and contractors shall act as independent contractors and not as officers, employees or agents of the City.

TIMELINESS: Time is of the essence in this Agreement.

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

UNENFORCEABLE PROVISION: In the event that any provision of this Agreement is unenforceable or held to be unenforceable, the parties agree that all other provisions of this Agreement shall continue in full force and effect.

COMPLIANCE WITH LAWS: Grantee shall be responsible for all environmental compliance for the Project.

Grantee shall observe and comply with all federal, state, city, and county laws, rules or regulations applicable to the Project, including, without limitation, storm water pollution prevention plan laws, public bidding laws, California Government Code Section 4450 et seq. relating to disability access laws, Americans with Disabilities Act (ADA), and California Labor Code sections 1720 et seq. requiring the payment of prevailing wage rates. Any work done that does not comply with any laws, rules or regulations shall be remedied solely at the Grantee's expense.

NOTICE OF DEFAULT: Subject to any extension of time permitted by this Agreement, a failure or delay by Grantee or City to perform any material term or provision of this Agreement constitutes a material default of this Agreement. In the event of a material default of this Agreement by Grantee or City, either party shall give written notice to the other party of such default specifying the details of the default.

**CURE AND REMEDIES:** In the event Grantee or City fails to perform any material obligation as set forth in this Agreement, that party shall be in default of this Agreement. In the event that Grantee or City receives written notice of default from the other party, thereafter, that party shall have thirty (30) days within which to cure such default to the reasonable satisfaction of the other party. If the default is not cured within thirty (30) days, Grantee and City shall submit the default to nonbinding mediation. Within thirty (30) days, Grantee and City shall mutually select a disinterested third person with some professional experience related to the subject matter of the default as mediator, and commence mediation. If mediation fails to resolve the default within fifteen (15) days, the non-defaulting party may elect to terminate this Agreement.

**UNAVOIDABLE DELAYS:** Neither Grantee nor City shall be considered in breach or default in its obligations, nor shall there be deemed a failure to satisfy conditions, with respect to the beginning or completion of obligations under this Agreement, or progress with respect thereto, in the event of “unavoidable delay” in the performance of such obligations, or satisfaction of such conditions, due to unforeseeable causes beyond its control and without its fault or negligence, including, but not limited to, acts of God or of the public enemy, acts of government agencies, acts of other parties, fires, floods, drought, epidemics, quarantine restrictions, strikes, freight embargoes and unusually severe weather or delays of subcontractors due to such causes; it being the purpose and intent of this provision that in the event of the occurrence of any such unavoidable delay, the time or times for the satisfaction of conditions to this Agreement shall be extended for the period of the unavoidable delay.

**EXHIBIT C  
WORKPLAN & BUDGET**

**(To be provided)**

**EXHIBIT D  
PAYMENT REQUEST TRANSMITTAL  
SBF GRANT APPROVED 04/0102015  
NOT TO EXCEED \$54,000.00**

**Submit at: Completion or as a progress payment request**

**Date:**

**To:** City of Oroville  
SBF Fund Administrator  
1735 Montgomery Street  
Oroville, CA 95965

**From:** Forebay Aquatic Center  
1295 Eaton Road  
Chico, CA 95973

**Subject:** Request for Reimbursement

**Project:** SBF Grant of \$54,000.00 for (\$48,000 to be used to hire one, or more Event Developer/Planner(s) and \$6,000 to be use for related office expenses)

**Amount Requested: \$**

**Summary of Reimbursement Request:**

(The summary should include progress, to date and any or all applicable invoices, canceled checks to substantiate the reimbursement request)

**CITY OF OROVILLE  
RESOLUTION NO. 8339**

**A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN AGREEMENT BETWEEN THE CITY OF OROVILLE, AS FUND ADMINISTRATOR OF THE SUPPLEMENTAL BENEFITS FUND, AND OROVILLE VETERAN'S MEMORIAL PARK FOR \$37,000 TOWARDS CONSTRUCTION OF THE FLAG POLE MONUMENT**

**(Agreement No. 3111)**

**NOW THEREFORE**, be it hereby resolved by the Oroville City Council as follows:

1. The Mayor is hereby authorized and directed to execute an agreement with Oroville Veteran's Memorial Park in the amount of \$37,000.
2. The City Clerk shall attest to the adoption of this Resolution.

**PASSED AND ADOPTED** by the Oroville City Council at a regular meeting on March 3, 2015, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

\_\_\_\_\_  
Linda L. Dahlmeier, Mayor

APPROVED AS TO FORM:

ATTEST:

\_\_\_\_\_  
Scott E. Huber, City Attorney

\_\_\_\_\_  
Randy Murphy, City Clerk

**AGREEMENT BETWEEN  
CITY OF OROVILLE AND  
OROVILLE VETERANS' MEMORIAL PARK COMMITTEE**

**THIS AGREEMENT** is entered into as of the 3rd day of March 2015, between the City of Oroville (City) and the Oroville Veteran's Memorial Park Committee (Grantee). City and Grantee hereby agree as follows:

**RECITALS**

- A. Pursuant to the provisions of Standard Agreement No. 4600007302 between the California Department of Water Resources (DWR) and City, the Supplemental Benefits Fund Steering Committee has awarded the Grantee with a grant of \$37,000.00 towards the construction of the flag pole monument (Project) as described in Exhibit A (page 47 and Page 50) attached to this Agreement; and
  - B. In order to implement the grant award, City, as the Supplemental Benefits Fund Administrator, and Grantee are entering into this Agreement.
1. **Purpose.** The purpose of this Agreement is to provide a Supplemental Benefits Fund (SBF) grant to Grantee towards the construction of the flag pole monument at the Oroville Veterans' Memorial Park in Oroville, California. Grantee agrees to use the grant funds received from City in accordance with the terms of this Agreement. Except as expressly provided in this Agreement, City shall have no obligation to reimburse or otherwise pay for any assistance or cooperation relating to the implementation of the Project.
  2. **Grant Amount.** City, as the administrator of the Supplemental Benefits Fund, shall provide a grant in the amount of \$37,000.00 to Grantee towards the construction of the flag pole monument at the Oroville Veterans' Memorial Park in Oroville, California

3. **Term of Agreement.** The term of this Agreement will begin on March 3, 2015 and terminate on March 3, 2016, or upon completion of the Project, whichever occurs first. The term may be amended only in writing by City and Grantee with the approval of the Supplemental Benefits Fund Steering Committee.
  
  4. **Incorporation of Provisions.** This Agreement incorporates:
    - Exhibit A. Project
    - Exhibit B. Standard Provisions
    - Exhibit C. Work Plan and Budget
    - Exhibit D. Payment Request Transmittal
  
  5. **Grantees Responsibilities:** Grantee shall implement work on the Project as specified in a Work Plan and Budget set forth in Exhibit C.
  
  6. **Project Manager:**  
The Project Manager for Grantee is:  
Stu Shaner, President Oroville Veterans' Memorial Park
- 

Grantee hereby delegates authority to the Project Manager to manage performance under the Agreement and to delegate authority to others to provide management and support services required for performance of the work and administration of the Agreement. The delegation of authority to submit invoices requires written consent by Grantee which will be provided to the City.

Grantee may change the foregoing delegation by a thirty (30) day prior written notice to City.

City of Oroville  
SBF Fund Administrator  
1735 Montgomery Street  
Oroville, California 95965

**Notices by Grantee's Project Manager shall be sent to:**

City of Oroville  
SBF Fund Administrator  
1735 Montgomery Street  
Oroville, California 95965

**Notices by City shall be sent to:**

Stu Shaner, President  
Oroville Veterans' Memorial Committee  
P.O. Box 2586  
Oroville, CA 95965

7. **CEQA Compliance.** Prior to implementation of the Project, *if appropriate*, Grantee shall comply with all applicable requirements of the California Environmental Quality Act (CEQA) (California Public Resources Code Sections 21000-21177) and other applicable federal, State and local laws, rules and regulations. **Note:** *CEQA Compliance was provided in the grant application.*
  
8. **Quarterly Reports.** Grantee shall submit detailed quarterly progress reports relating to the Project for review and approval by City. The quarterly reports shall be provided to the Supplemental Benefits Fund Steering Committee for information purposes and comments, as appropriate. The quarterly progress reports shall summarize expenditures; itemize completed activities, on-going activities, and problems to be resolved. Expense reports shall include a detailed description of work performed on the Project and an accounting of expenses incurred for each activity. The Project expense reports shall also include, but not be limited to, contractors and vendor invoices, employee time sheets, receipts for equipment and supplies, and true-up of actual expenses versus projected expenses.

9. **Matching Funds Requirement.** This SBF Grant has a 25% matching funds requirement (\$9,250.00 cash or in-kind). If a payment request is presented without substantiation of the 25% matching funds requirement the payment request will be reduced by 25%.
10. **Method of Payment.** All payments from City to Grantee shall be as reimbursement for actual expenditures by Grantee relating to carrying out the Project in accordance with this Agreement. City shall make payments to Grantee with funds on deposit with the City from DWR in accordance with Standard Agreement No. 4600007302. In order to process Grantee's request for reimbursement, Grantee shall deliver proof of completion, or progress of the work, proof of payment and an original invoice for the work. Within ten (10) days after receipt of a reimbursement request from Grantee, City shall determine whether the request satisfies all the requirements for reimbursement under the Agreement. If City determines that the request meets all such requirements, City shall provide the amount requested by Grantee at the next available bi-weekly check cycle. In no event shall City be obligated to make reimbursement payments to Grantee from any City funds as a result of this Agreement.

Grantee may submit invoices to City no more than once every thirty (30) days.

11. **Final Written Report.** Upon completion of the Project, Grantee shall provide a final written report in a format as directed by City that includes (but is not limited to) the following: (1) a description of conditions before the Project was executed, (2) a summary of the planning work and techniques used, (3) a description of the completed Project, (4) an analysis of the techniques used, and (5) a description of planned long-term monitoring and maintenance of the Project.

The report shall include a complete list of all the costs of the Project and proof of payment of such costs, photographs of restoration activities and techniques and shall include photographs of community participation in planning activities of the

Project. Grantee shall provide Project photos showing the monthly progress of the Project.

12. **Work Plan and Budget.** Items included in the attached Work Plan and Budget, Exhibit C, and designated for funding by City may be undertaken by Grantee only after City's written approval.
13. **Maintenance.** Grantee agrees to maintain the Project in good condition.
14. **Insurance.** Before and during construction of the Project, Grantee or Grantee's contractor shall obtain and maintain. If appropriate, insurance coverage.
15. **Funding Acknowledgement.** The Grantee agrees to post in a prominent place the SBF plaque containing the SBF logo and acknowledging that funding for the project, in part, was provided by the State Water Contractors (SWC) and the Department of Water Resources (DWR).
16. **Public Accessibility.** Grantee, its successors and/or assigns, shall make the Project available to the public in perpetuity. This section shall survive termination of this Agreement.

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

**CITY OF OROVILLE**

**OROVILLE VETERAN'S  
MEMORIAL COMMITTEE**

By: \_\_\_\_\_  
Linda L. Dahlmeier, Mayor

By: \_\_\_\_\_  
Stu Shaner, President

**SUPPLEMENTAL BENEFITS FUND**

By: \_\_\_\_\_  
David Pittman, SBF Chairperson

By: \_\_\_\_\_

By: \_\_\_\_\_

APPROVED AS TO FORM:

By: \_\_\_\_\_  
Scott Huber

ATTEST:

By: \_\_\_\_\_  
Randy Murphy, City Clerk

Attachments:      Exhibit A – Project  
                          Exhibit B – Standard Provisions  
                          Exhibit C – Work Plan and Budget  
                          Exhibit D – Payment Request Transmittal

**EXHIBIT A**  
**PROJECT DESCRIPTION**  
*(The following excerpts are from the grant application)*

**1. PROJECT DESCRIPTION**

*(The Project Description may vary widely in length depending on the size and scope of the project that will be funded and the size of the grant being requested. A useful structure to assist the readers and decision makers is to break the project down into component goals, each with their own heading and complete description. If applicable, comments about staff experience and how the overall project will be measured and sustained)*

The Oroville Veterans' Memorial Park, located at 2450 Montgomery Street, Oroville, CA, is a project created by veterans and non-veterans alike who joined together in 2001 to form a non-profit organization, the Oroville Veterans' Memorial Committee. The Committee is dedicated to building a memorial park in Oroville, California to properly honor our veterans of military service. The Committee is gathering names and historical information of those veterans who died serving their country. They will be honored, name by name, on special monuments in the park. This is the least we can do for those who gave the most and the most we can do for those about whom we know so little and who gave so much.

**Project Construction:** The project began site preparation in 2008. Groundbreaking began in the spring of 2010. To date the Park includes finished parking lots with 33 spaces, grassy areas with native landscaping, a retaining wall above the Feather River and a Park and Ride Facility. The official opening of the Park occurred on April 14, 2014. The components of the project yet to be constructed include paving final parking area, decorative fencing on the river overlook, a pavilion, honor lists, memorial tile walls and a restroom facility.

**Accessibility:** The Veterans' Memorial Park is accessible by vehicle, public transit, bicycle, on foot and other modes of transportation. It is connected to the riverfront promenade by an 8-foot wide concrete path. An vehicle entrance and drop-off area from Montgomery Street has been constructed. Parking for the facility has been completed along the levee and provides access from Montgomery Street and from the Feather River Trail. The Park property is a portion of a Class I Bike Path and Trail. The bike path is located on the south side of the Feather River and connects to multi-use recreational trails at its southwestern end near Oro Dam Boulevard/Highway 162 and its northeastern end along the northern project boundary. A turnaround loop, designed to comply with the Americans with Disabilities Act (ADA) is provided at the end of the paved portion of the path. A multi-use trail continues east, outside of the project boundaries and parallel to the Feather River. Previously unpaved, that trail has been improved. The Park project has ADA accessible parking and ADA compliant paths to public transit (there is currently a bus stop across the street from the site and a bus stop 100 yards west of the site).

**Community Enhancement:** The Veterans' Memorial Park project is part of a comprehensive, regional initiative to protect and enhance the State's natural heritage and State Park System. The Park project will provide an inviting stopping and parking point for visitors to the State's Lake Oroville Project area. It is estimated that there may be several thousand visitors attending events and local festivals such as the Salmon Festival, Feather Fiesta Days, Bounty of Butte County and Sierra Oro Farm Trail. In addition, the Park is close to nearby schools, thus increasing the opportunities for providing physical activity for local school children.

Continued on separate page 2a and 2b.

1. PROJECT DESCRIPTION CONT'D:

**Park and Ride Facility:** The Park and Ride facility is comprised of two parking lots that will provide a total of 33 parking spaces, four of which will be ADA accessible parking stalls. In addition to vehicular parking, bicycle lockers will be provided. A shelter or a transit stop has been constructed within 50 feet of the Park and Ride facility on Montgomery Street. The Park and Ride facility has paved drive isles and parking, concrete sidewalks, landscaping and parking lot safety lighting. The facility is compliant with the Americans with Disabilities Act (ADA), California Accessibility Guidelines and Federal Design Guidelines. The project provides needed ADA accessible parking facilities for the downtown Oroville area.

**Environmental Enhancement and Mitigation:** The Park project aids in improving air quality and will reduce water consumption by the addition of native landscaping to the public land, drought resistant plants and trees and subsurface irrigation and drip. The Park project has shade structures and transit shelters designed to keep the visitors out of the climate elements. The Park project will contribute to the reduction of greenhouse gas emissions, heat island mitigation and provide multiple benefits by enhancing the tree canopy and access to transit services and park trails. The Park project is located in the 500-year flood plain, but a levee protects the property. The one hundred degree summer weather was considered during the planning and design of the Park project by incorporating native, drought resistant plants and trees as noted above.

**Management and Maintenance:** The County has prior experience building and maintaining parks and Park and Ride facilities and will provide on-going operations and maintenance to the Veterans' Memorial Park. The County currently owns and operates community facilities, including five Veterans' Memorial Halls and the Southside Community Center. Management of the parking lot and trailhead facilities will be the responsibility of the County, including cleaning, repairs, facility maintenance and landscape maintenance. The County is well-versed in all aspects of maintaining and managing the trailhead, with the County General Services Department responsible for over 100 County-owned facilities and related infrastructure. On-going maintenance and repairs will be funded in the General Services Department's annual budget. The trails and bike path are managed and maintained by the Feather River Recreation and Park District, an agency that has been managing and maintaining parks and facilities since 1953.

The park requires minimal annual maintenance. Natural stone and concrete was used in place of wood to ensure structures would have long-lasting life and minimal maintenance cost. Drought-tolerant landscaping of native plants, shrubs and trees need less water than other types of landscaping. Cost estimates for annual maintenance are provided on Page 50.

**Primary Goal:** The primary goal of the Veterans' Memorial Park project is to give honor and praise to those veterans, both living and deceased, who gave so much to us and our country.

Continuation of Section 1, page 2a

Oroville Veterans' Memorial Park  
Supplemental Benefits Fund Project Application

1. PROJECT DESCRIPTION CONT'D:

Secondary Goals: a) Establish a vital public area that enhances Butte County, the City of Oroville and the neighborhood it which it is located, b) Serve the public by providing additional parking, tourism and park trail access along the Feather River and help re-establish downtown Oroville as a recreational, cultural and residential area for the region.

Continuation of Section 1, page 2b

Oroville Veterans' Memorial Park  
PROJECT COST ESTIMATE (Itemized)

Project Elements	Unit Price	Units*	Quant.	Total Project Costs	EEMP Grant	Applicant Match	Funding Source Housing and Urban Development (HUD) Grant	Funding Source Congestion Mitigation Air Quality (CMAQ)	City of Oroville Donation	Oroville Veterans Memorial Park Committee Donation	Other Funds	In Kind Donations
<b>PRE-CONSTRUCTION (not to exceed 25% of grant)</b>												
<b>Direct Project Management &amp; Administration</b>												
Staff Time	\$ 72.00		450	\$ 32,400								
Incidental Charges	\$ 3,000.00		1	\$ 3,000								
Consultants	\$ 150.00		150	\$ 22,500								
<b>Subtotal</b>				\$ 57,900								
<b>Planning, Design &amp; Permitting</b>												
Staff Time	\$ 72.00		450	\$ 32,400								
Consultants	\$ 150.00		1000	\$ 150,000								
Permit Costs	\$ 52,497.00		1	\$ 52,497								
<b>Subtotal</b>				\$ 234,897								
<b>CEQA Compliance</b>												
Staff Time	\$ 72.00		40	\$ 2,880								
Consultants				\$ -								
<b>Subtotal</b>				\$ 2,880								
<b>Subtotal Pre-construction Costs (25% of grant)</b>				\$ 295,677	\$ 72,470		\$ 14,784	\$ 93,569			\$ 114,854	
<b>CONSTRUCTION</b>												
<b>Implementation - Contracted (Refer to Estimate Phase Drawing)</b>												
Site Work	\$ 526,900.00		1	\$ 526,900		\$ 46,775		\$ 369,033			\$ 111,092	
Montgomery Street sidewalk improvements and entrance into park	\$ 25,000.00		1	\$ 25,000					\$ 25,000			
<b>VMP Montgomery Street Park Area</b>												
Landscape	\$ 11,555.00	LS	1	\$ 11,555	\$ 11,555							
Concrete Seal wall	\$ 72.00	LF	794.44444	\$ 57,200	\$ 57,200							
Concrete walkway	\$ 17.37	SF	2360	\$ 41,000	\$ 41,000							
Concrete Curb	\$ 25.00	LF	200	\$ 5,000	\$ 5,000							
Signage, Statues, Flag pole, Misc	\$ 79,000.00		1	\$ 79,000							\$ 79,000	
<b>VMP Center Park Area</b>												
Landscape	\$ 6,000.00	LS	1	\$ 6,000	\$ 6,000							
Concrete walkway	\$ 18.85	SF	2000	\$ 37,692	\$ 37,692							
Concrete Stairs & Railings	\$ 20,000.00	LS	1	\$ 20,000	\$ 20,000							
Signage, Statues, Misc	\$ 60,000.00		1	\$ 60,000							\$ 60,000	
<b>VMP Tree/River Overlook Park Area</b>												
Retaining Wall	\$ 272,716.00		1	\$ 272,716			\$ 127,716		\$ 120,000	\$ 25,000		
Landscape	\$ 15,320.00	LS	1	\$ 15,320							\$ 15,320	
Concrete Seal wall	\$ 100.00	LF	395	\$ 39,500							\$ 39,500	
Concrete walkway	\$ 30.00	SF	4000	\$ 120,000							\$ 120,000	
Concrete Column	\$ 5,000.00	EA	7	\$ 35,000							\$ 35,000	
Railing	\$ 40.00	LF	120	\$ 4,800							\$ 4,800	
Concrete Stairs & flatwork	\$ 19,423.00	LS	1	\$ 19,423							\$ 19,423	
Signage, Statues, Flag poles, Wall of Honor, Misc	\$ 245,000.00		1	\$ 245,000							\$ 245,000	
Parking Lot #1 (East lot)	\$ 63,555.00		1	\$ 63,555			\$ 63,555					
Parking Lot #2 (Center lot)	\$ 62,445.00		1	\$ 62,445			\$ 62,445					
Parking Lot #3 (North lot)	\$ 546,090.00		1	\$ 546,090							\$ 546,090	





**EXHIBIT B  
STANDARD PROVISIONS**

AMENDMENT: No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the parties. No oral understanding or agreement not incorporated in the agreement is binding on either party.

ASSIGNMENT: This Agreement is not assignable by Grantee either in whole or in part. Any attempted assignment shall be void.

AUDIT: City shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement. Grantee 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. Grantee agrees to allow City's 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, Grantee agrees to include a similar right of City to audit records and interview staff in any subcontract related to performance of this Agreement.

INDEMNIFICATION: Grantee agrees to indemnify, defend and save harmless City, its officers, agents and employees from any and all liability, lawsuits, claims and losses or costs, including attorney's fees, resulting from the actions, negligence or omissions of Grantee, its officers, employees, agents, contractors, subcontractors, suppliers, laborers, and any other person, firm or corporation furnishing or supplying work services, materials, or supplies in connection with this Agreement.

DISPUTES: Grantee shall continue with the responsibilities under this Agreement during any dispute with the City.

TERMINATION FOR CAUSE: The City may terminate this Agreement and be relieved of any payments to Grantee if the Grantee fails to perform the requirements of this Agreement at the time and in the manner herein provided.

INDEPENDENT CONTRACTOR: In carrying out this Agreement, Grantee and its agents, employees, and contractors shall act as independent contractors and not as officers, employees or agents of the City.

TIMELINESS: Time is of the essence in this Agreement.

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

UNENFORCEABLE PROVISION: In the event that any provision of this Agreement is unenforceable or held to be unenforceable, the parties agree that all other provisions of this Agreement shall continue in full force and effect.

COMPLIANCE WITH LAWS: Grantee shall be responsible for all environmental compliance for the Project.

Grantee shall observe and comply with all federal, state, city, and county laws, rules or regulations applicable to the Project, including, without limitation, storm water pollution prevention plan laws, public bidding laws, California Government Code Section 4450 et seq. relating to disability access laws, Americans with Disabilities Act (ADA), and California Labor Code sections 1720 et seq. requiring the payment of prevailing wage rates. Any work done that does not comply with any laws, rules or regulations shall be remedied solely at the Grantee's expense.

NOTICE OF DEFAULT: Subject to any extension of time permitted by this Agreement, a failure or delay by Grantee or City to perform any material term or provision of this Agreement constitutes a material default of this Agreement. In the event of a material default of this Agreement by Grantee or City, either party shall give written notice to the other party of such default specifying the details of the default.

CURE AND REMEDIES: In the event Grantee or City fails to perform any material obligation as set forth in this Agreement, that party shall be in default of this Agreement. In the event that Grantee or City receives written notice of default from the other party, thereafter, that party shall have thirty (30) days within which to cure such default to the reasonable satisfaction of the other party. If the default is not cured within thirty (30) days, Grantee and City shall submit the default to nonbinding mediation. Within thirty (30) days, Grantee and City shall mutually select a disinterested third person with some professional experience related to the subject matter of the default as mediator, and commence mediation. If mediation fails to resolve the default within fifteen (15) days, the non-defaulting party may elect to terminate this Agreement.

UNAVOIDABLE DELAYS: Neither Grantee nor City shall be considered in breach or default in its obligations, nor shall there be deemed a failure to satisfy conditions, with respect to the beginning or completion of obligations under this Agreement, or progress with respect thereto, in the event of "unavoidable delay" in the performance of such obligations, or satisfaction of such conditions, due to unforeseeable causes beyond its control and without its fault or negligence, including, but not limited to, acts of God or of the public enemy, acts of government agencies, acts of other parties, fires, floods, drought, epidemics, quarantine restrictions, strikes, freight embargoes and unusually severe weather or delays of subcontractors due to such causes; it being the purpose and intent of this provision that in the event of the occurrence of any such unavoidable delay, the time or times for the satisfaction of conditions to this Agreement shall be extended for the period of the unavoidable delay.

**EXHIBIT C  
WORKPLAN & BUDGET**

**(To be provided)**

**EXHIBIT D  
PAYMENT REQUEST TRANSMITTAL  
SBF GRANT APPROVED 02/04/2015  
NOT TO EXCEED \$37,000.00**

**Submit at: Completion or as a progress payment request**

**Date:**

**To:** City of Oroville  
SBF Fund Administrator  
1735 Montgomery Street  
Oroville, CA 95965

**From:** Oroville Veterans' Memorial Committee  
PO Box 2586  
Oroville, CA 95965

**Subject:** Request for Reimbursement

**Project:** **SBF Grant** of \$37,000 to be used towards construction of a flagpole monument at the Oroville Veterans' Memorial Park Oroville, CA

**Amount Requested: \$**

**Summary of Reimbursement Request:**

(The summary should include progress, to date and any or all applicable invoices, canceled checks to substantiate the reimbursement request)

**CITY OF OROVILLE  
STAFF REPORT**

**TO: MAYOR AND CITY COUNCIL MEMBERS**  
**FROM: RANDY MURPHY, CITY ADMINISTRATOR**  
**RE: CREATION OF AN ECONOMIC DEVELOPMENT PARTNERSHIP FOR  
THE BETTERMENT OF THE GREATER OROVILLE AREA  
(CONTINUED FROM FEBRUARY 17, 2015)**  
**DATE: MARCH 3, 2015**

**SUMMARY**

The Council may consider providing funds to create a Value Proposition to be used in conjunction with Oroville Economic Alliance's (OEA) marketing efforts in order to be better prepared for the opportunities that will result from those efforts.

**DISCUSSION**

As discussed in the February 17, 2015 Council meeting, the Council considered participation in the creation of a Value Proposition. The Council viewed a presentation and after discussion approved the commitment of the remaining funds in the Economic Community Enhancement department. The remaining funds constitute approximately \$30,000. Council continued the discussion over to this meeting to evaluate the resources for an additional \$20,000.

The discussion now, is to clear up some questions on funding sources. (all questions pertain to the **Community Promotions Fund**).

Question 1, Does the Community Promotion Fund get funded annually or has it been years since the last funding?

- A five year history of this Fund shows that each year the Fund is supplied with a General Fund transfer per annual budget approvals.

<u>Budget Year</u>	<u>Funding</u>
○ 6/30/15	\$51,000
○ 6/30/14	\$10,000
○ 6/30/13	\$20,000
○ 6/30/12	\$30,000
○ 6/30/11	\$30,000

Question 2, Did RDA funds get transferred here and is this what monies are represented here?

- This Fund receives an annual General Fund transfer per budget approval.

Question 3, is the Community Promotion Fund restricted to Community Events or can it be used for other purposes?

- A description found in the budget book states, "The Community Promotion Fund accounts for community promotional expenditures related to promoting Oroville".
- Past practice use of this Fund:
  - See handout for 5 year history of expenditures.

### **FISCAL IMPACT**

A cost to the City of \$20,000 if Council approves.

### **RECOMMENDATIONS**

1. Direct staff to continue to participate and partner with the local manufacturing economic development partners, and commit \$20,000 from the Community Promotion Fund; *or*
2. Direct staff to continue to participate and partner with the local manufacturing economic development partners, and commit \$20,000 from the Contingency Fund; *or*
3. Do not commit any more resources to this endeavor.

### **ATTACHMENTS**

None

**CITY OF OROVILLE  
STAFF REPORT**

**TO: MAYOR AND CITY COUNCIL MEMBERS**  
**FROM: RANDY MURPHY, CITY ADMINISTRATOR**  
**RE: AGREEMENT WITH BUTTE COUNTY FOR COLLECTION OF  
DEVELOPMENT IMPACT FEES FOR JAIL FACILITIES**  
**DATE: MARCH 3, 2015 (CONTINUED FROM FEBRUARY 17, 2015)**

**SUMMARY**

The Council may consider an Agreement with Butte County for collection of the County's existing Jail Facility Development Impact Fee (Jail DIF) on behalf of the County for new residential construction within the City limits.

**DISCUSSION**

The effects of two factors have placed unprecedented pressure on the Butte County Jail. The first is the enacting of the 2011 Public Safety Realignment, which has changed the operation of county jails, including Butte County's, in significant ways. Many offenders who would have previously served their sentence in state prison are now sentenced to County jail, which increases the number of offenders the jail must house. These same offenders who would have prior to the realignment been sent to state prison often have considerably longer sentences than inmates that were typically housed in a county jail, and this decreases the flexibility that the Sheriff has to manage the jail population. This shift in responsibility has pushed the current jail facility beyond its operational limit, and the end result is often that offenders serving time on lesser charges must be released early or given a form of alternative custody in order to make room in the jail for those who have committed more serious offenses. Also, some lower-level offenders who would have served time in the jail before the realignment are booked and released due to insufficient capacity in the facility.

The second factor putting pressure on the Butte County Jail is the population growth of the County. Steady population growth in the County since jail capacity was last expanded in 1994 has resulted in the need for additional housing capacity, even without the effects of the 2011 Public Safety Realignment. When combined, the two factors result in an acute need for additional housing in the jail.

The increased burden that both the realignment and population growth have placed on the County jail has impacted the cities in the County, Oroville included. These factors have hastened an increase in the homeless and transient population in and around the City, as released offenders often have no permanent shelter or prefer to live in an unsupervised environment. Criminals learn that the jail is at capacity and, because of that, may feel that there may be little or no repercussions if they are booked on a misdemeanor, so they may take criminal actions that they otherwise would not. As a result, Citizen's concerns about their personal safety and the safety of their property

CC-18

have increased and more pressure has been placed on the City's police force. The changes in responsibility brought about by the 2011 Public Safety Realignment are here to stay and the population will continue to increase at a steady rate, so the demands on the current jail facility will only increase over time and further exacerbate the impacts on public safety.

In order to address these public safety issues, the County is developing plans to expand the capacity of the County jail. The County currently collects a Jail DIF on all new residential development in the unincorporated area of the County that will be used to partially fund the eventual jail expansion, but additional ongoing revenue will be required in order to move a project to the construction phase. In order to help fund this project that will benefit all areas of the County, the County has requested that the City of Oroville collect on the County's behalf the County's existing Jail DIF within the City's incorporated limits. The County has also made the same of request of the Town of Paradise and the City of Chico, and plans to make the same request of the cities of Biggs and Gridley in the near future. The Town of Paradise has executed an agreement and the County continues to work with the City of Chico. The principal details of the Agreement are:

- City agrees to collect County's existing Jail DIF within its boundaries on all new residential development
- Agreement only goes into effect once similar agreement executed by each municipality within the County
- Agreement has a ten year term; termination permitted earlier with written notice if County increases fee without the City's written consent

Without an agreement with each municipality in the County to collect the County's Jail DIF, expansion of the jail facility will be decidedly difficult to achieve and the public safety problems caused by insufficient space in which to incarcerate criminals will likely persist and possibly worsen.

Once adopted, City staff must accept the Jail DIF on behalf of the County and remit the funds to them. Consequently, and in keeping with previous Council direction for full cost recovery, staff recommends Council also authorize the addition of a 10% administrative fee in order to help offset the impact to the City's workload.

### **FISCAL IMPACT**

There would be little to no impact to the General Fund if the administrative fee is added. Otherwise, the impact would be for staff time to accept the fee and remit to the County.

\$20 - Staff time to receive and record fee and deposit

\$20 – Staff time to audit receipts and issue a check to County

\$8 - Check printing charges, check stock, printer costs, envelope, postage and handling time

## **RECOMMENDATIONS**

1. Adopt Resolution No. 8328 – A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN AGREEMENT WITH THE COUNTY OF BUTTE FOR THE COLLECTION OF DEVELOPMENT IMPACT FEES WITHIN THE INCORPORATED AREA OF THE CITY OF OROVILLE FOR JAIL FACILITIES – (Agreement No. 3104).
2. Adopt Resolution No. 8329 – A RESOLUTION OF THE OROVILLE CITY COUNCIL APPROVING A 10% ADMINISTRATIVE FEE RELATED TO THE COLLECTION OF BUTTE COUNTY DEVELOPMENT IMPACT FEES FOR ITS JAIL FACILITIES.

## **ATTACHMENTS**

Resolution No. 8328

Agreement No. 3104

Resolution No. 8329

2007 Jail Impact Fee Study

**CITY OF OROVILLE  
RESOLUTION NO. 8328**

**A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN AGREEMENT WITH THE COUNTY OF BUTTE FOR THE COLLECTION OF DEVELOPMENT IMPACT FEES WITHIN THE INCORPORATED AREA OF THE CITY OF OROVILLE FOR JAIL FACILITIES**

**(Agreement No. 3104)**

**BE IT** hereby resolved by the Oroville City Council as follows:

1. The Mayor is hereby authorized and directed to execute an Agreement with the County of Butte for the collection of Development Impact Fees relating to jail facilities. A copy is attached hereto as Exhibit "A".
  
2. The City Clerk shall attest to the adoption of this Resolution.

**PASSED AND ADOPTED** by the Oroville City Council at a regular meeting held on March 3, 2015 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

\_\_\_\_\_  
Linda L. Dahlmeier, Mayor

APPROVED AS TO FORM:

ATTEST:

\_\_\_\_\_  
Scott E. Huber, City Attorney

\_\_\_\_\_  
Randy Murphy, City Clerk

**AGREEMENT BETWEEN THE CITY OF OROVILLE AND THE COUNTY OF BUTTE  
FOR THE COLLECTION OF DEVELOPMENT IMPACT FEES**

**THIS AGREEMENT** is made this 3<sup>rd</sup> day of March, 2015, by and between the County of Butte ("County") and the City of Oroville ("City").

**RECITALS:**

**WHEREAS**, the County provides certain public safety services that benefit the residents of both the incorporated and the unincorporated areas of Butte County, including but not limited to incarceration of convicted felons and misdemeanants; and

**WHEREAS**, the County and City wish to ensure adequate public safety facilities including sufficient jail capacity as population increases due to residential development; and

**WHEREAS**, the County has prepared a study that identifies the capacity needs of the county jail now and for a period into the future; and

**WHEREAS**, the County has also prepared a study that reasonably and proportionately relates the cost of jail capacity expansion to residential development in both the unincorporated area of the County and in the incorporated areas of the County and identified the necessary relationships as required by the Mitigation Fee Act (Government Code section 66000 et seq.); and

**WHEREAS**, the County is currently collecting a Development Impact Fee for Jail Facilities upon new residential development within the unincorporated area of the County in order to mitigate impacts on jail facilities resulting from residential development; and

**WHEREAS**, the County and the City desire to address the need to mitigate the impact of new residential growth on the County's jail facility in a manner that is fair and equitable to all residents of the County regardless of where they reside; and

**WHEREAS**, the City finds that residential development within the boundaries of the City contributes to the need for the construction, expansion, and improvement of jail facilities, and that the County has identified said impacts and adopted a development impact fee program for jail facilities that is in conformance with the Mitigation Fee Act; and

**WHEREAS**, the purpose of this agreement is to provide a means for the County to impose Development Impact Fees for Jail Facilities on residential development projects located within the incorporated area of the City to help ensure that the County can adequately meet the jail facility needs of those who reside at such residential developments;

**NOW, THEREFORE,** the parties hereby agree as follows:

## **AGREEMENT**

**I. CONDITION PRECEDENT.** As a condition precedent to this Agreement, County shall have entered into similar agreements with the Town of Paradise, City of Chico, City of Gridley and City of Biggs, municipal corporations within the County of Butte, relating to the collection of the County Development Impact Fee for Jail Facilities.

**II. COUNTY FEE.** Subject to the terms and conditions of this Agreement and the provisions of the Chapter 3, Article II of the Butte County Code, the City agrees that the County may impose the Development Impact Fee for Jail Facilities contained in Chapter 3, Article II of the Butte County Code on all residential development projects within its incorporated boundaries.

**III. FEE AMOUNT; ADJUSTMENT OF FEE.** Exhibit A to this Agreement displays the current fee amount by residential development type as of the date of signing. From time-to-time, County may adjust the amount of the Development Impact Fee for Jail Facilities after documenting that there has been an increase in the cost of acquiring and/or developing jail facilities; in all cases, fee amount collected by City on behalf of County shall be that amount identified in Chapter 3, Article II of the Butte County Code.

**IV. COLLECTION OF COUNTY FEE.** City agrees to collect the Development Impact Fee for Jail Facilities on a City-wide basis at any one of the times permitted by Chapter 3, Article II of the Butte County Code:

- a. The issuance of a building permit for the construction of any new residential building, or for the change in use of a nonresidential building or mobile home to a residential use;
- b. The issuance of an installation or utility connection permit for a mobile home or factory-built home in which such dwelling unit is to be located;  
or
- c. The occupation of such dwelling unit.

City shall transfer to County funds collected pursuant to this agreement on a quarterly basis, beginning after the close of the first entire quarter following the enacting of fee collection.

**V. EXEMPTION FROM FEE.** City agrees to permit exemptions to Fee only in the same manner as County:

- a. Where the structure is owned by a governmental agency;
- b. Where the structure is a building, or is within a building, which is being reconstructed following damage or destruction by fire or other casualty, or the voluntary demolition thereof, provided that the number of structures or the amount of chargeable space in such reconstructed structure is no greater than the number of structures or the amount of

chargeable space in the structure prior to such damage, destruction or demolition;

- c. Where the structure is a temporary mobile home as described in Butte County Code Section 24-295.

**VI. EFFECTIVE DATE.** City shall begin collecting Development Impact Fees for Jail Facilities sixty (60) days from the satisfaction of the condition precedent set forth in Section I of this Agreement.

**VII. SOLE AND EXCLUSIVE METHOD.** This Agreement shall be the sole and exclusive method for imposing and adjusting County Development Impact Fees for Jail Facilities within the incorporated area of the City. The County shall not attempt to impose or collect any Development Impact Fees for Jail Facilities except in accordance with the terms and provisions of this agreement.

**VIII. TERMINATION.** This Agreement shall remain in effect for ten years after the agreement is signed; provided, however, City may terminate this Agreement at any time with a 60 day written notice to County if County increases the Development Impact Fee for Jail Facilities without City's prior written consent.

**IX. INDEMNIFICATION.** Pursuant to Government Code section 895.4, the County agrees to defend, indemnify and hold harmless the City and its elected officials, officers, employees, agents and volunteers from and against any and all claims, damages, demands, losses, defense costs, expenses (including attorneys' fees) and liability of any kind or nature arising out of or alleged to arise out of the performance of this Agreement. In carrying out its obligations under this Section VIII, the County may use legal counsel of its choice.

**X. APPLICABLE LAW AND FORUM.** This Agreement shall be construed and interpreted according to California law and any action to enforce the terms of this Agreement for the breach thereof shall be brought and tried in the County of Butte.

**XI. SUCCESSORS AND ASSIGNS.** This Agreement is binding upon and shall inure to the benefit of the parties hereto and their respective representatives, heirs, predecessors, affiliated entities, transferees, assigns and successors in interest.

**XII. ATTORNEYS' FEES AND COSTS.** In the event of future litigation to enforce this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees and costs.

**XIII. SEVERABILITY.** Should any paragraph, clause or provision of this Agreement be construed to be against public policy or determined by a court of competent jurisdiction to be void, invalid or unenforceable, such construction and decisions shall affect only those paragraphs, clauses or provisions so construed or interpreted, and shall in no event affect the remaining paragraphs, clauses or provisions of this Agreement, which shall remain in force.

**XIV. NO THIRD PARTY BENEFICIARIES.** This Agreement is not intended to, and will not be construed to, create any right on the part of any third party to bring an action to enforce any of its terms.

**XV. ENTIRE AGREEMENT; MODIFICATION.** This Agreement is the entire Agreement between the parties with respect to the subject matter hereof and  
**AGREEMENT NO. 3104**

supersedes all prior and contemporaneous oral and written agreements and discussions. This Agreement shall not be amended, except in a writing that is executed by authorized representatives of both parties.

**IN WITNESS WHEREOF**, the parties have executed this Agreement as of the day and year first set forth above.

\_\_\_\_\_  
Doug Teeter, Chair  
Butte County Board of Supervisors

\_\_\_\_\_  
Date

\_\_\_\_\_  
Linda L. Dahlmeier, Mayor  
City of Oroville

\_\_\_\_\_  
Date

\_\_\_\_\_  
Randy Murphy, City Clerk  
City of Oroville

\_\_\_\_\_  
Date

Approved as to Form:  
City Attorney

Reviewed for Fiscal Control,  
Subject to Budgetary Appropriation  
Butte County Auditor-Controller

By: \_\_\_\_\_

By: \_\_\_\_\_

Date \_\_\_\_\_

Date \_\_\_\_\_

Approved as to Form:  
County Counsel

By: \_\_\_\_\_

Date \_\_\_\_\_

**EXHIBIT A**

<b>Amount of Impact Fees for Jail Facilities as of the date of Signing:</b>	
<u>Dwelling Unit Type</u>	<u>Fee</u>
Single-Family	\$455.89
Multifamily	\$363.63
Mobile Home	\$372.22

**CITY OF OROVILLE  
RESOLUTION NO. 8329**

**A RESOLUTION OF THE OROVILLE CITY COUNCIL APPROVING A 10% ADMINISTRATIVE FEE RELATED TO THE COLLECTION OF BUTTE COUNTY DEVELOPMENT IMPACT FEES FOR ITS JAIL FACILITIES**

**BE IT** hereby resolved by the Oroville City Council as follows:

1. The Council hereby approves a 10% Administrative Fee to be added to the collection of Jail Impact Fees relating to the Agreement between the City of Oroville and the County of Butte.
2. The City Clerk shall attest to the adoption of this Resolution.

**PASSED AND ADOPTED** by the Oroville City Council at a regular meeting held on March 3, 2015 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

\_\_\_\_\_  
Linda L. Dahlmeier, Mayor

APPROVED AS TO FORM:

ATTEST:

\_\_\_\_\_  
Scott E. Huber, City Attorney

\_\_\_\_\_  
Randy Murphy, City Clerk



**Butte County Administration**

Paul Hahn, Chief Administrative Officer

25 County Center Drive, Suite 200  
Oroville, California 95965

T: 530.538.7631  
F: 530.538.7120

[buttecounty.net/administration](http://buttecounty.net/administration)

*Members of the Board*

*Bill Connelly | Maureen Kirk | Steve Lambert | Doug Teeter | Larry Wahl*

February 23, 2015

Randy Murphy  
City Administrator  
City of Oroville  
1735 Montgomery Street  
Oroville, CA 95965

**RE: 2007 Butte County Jail Impact Fee Study**

Dear Mr. Murphy,

Thank you for the opportunity to go before the Oroville City Council last week, to discuss the possibility of the City's collection of Butte County Jail Impact Fees. During the meeting, the Council raised the following questions:

1. Why is the impact fee being imposed on residential as opposed to commercial development?
2. Why do higher cost developments not pay a higher impact fee?
3. What is the impact fee calculation based on?

During the meeting, I provided a basic response to each of these questions. To provide additional background information, I am attaching a copy of the 2007 Jail Impact Fee Study that was prepared by TischlerBise. The study provides detailed information on the legal framework guiding the study, the impact fee calculation methodology, and the projections that were used to support the analysis. For further background, I am attaching a copy of Article II of the Butte County Code entitled, *Development Impact Fees for Jail Facilities in the Unincorporated and Incorporated Area of Butte County*.

The County thanks you for your consideration of this matter. If you have any questions, or require any additional information please contact me at 530-538-2554 or [jmacarthy@buttecounty.net](mailto:jmacarthy@buttecounty.net).

Sincerely,

  
Jennifer Macarthy  
Deputy Administrative Officer

Attachments

1. 2007 Jail Impact Fee Study (TischlerBise)
2. Butte County Municipal Code - Article II, Development Impact Fees for Jail Facilities

# **Attachment I**

## **2007 Jail Impact Fee Study**

**TischlerBise**

# Jail Impact Fee Study

Prepared for:

**Butte County, California**

Prepared by:

**TischlerBise**  
Fiscal, Economic & Planning Consultants

June 21, 2007

**TABLE OF CONTENTS**

**EXECUTIVE SUMMARY ..... 3**

    LEGAL FRAMEWORK ..... 3

    IMPACT FEE CALCULATION METHODOLOGY ..... 6

        Figure 1: Schedule of Maximum Supportable Jail Impact Fees per Housing Unit (residential) ..... 8

**JAIL ..... 9**

    METHODOLOGY ..... 9

        Figure 2: Jail Impact Fee Methodology Chart ..... 9

    NEED FOR ADDITIONAL JAIL CAPACITY ..... 10

    ANTICIPATED POPULATION GROWTH ..... 10

        Figure 3: Butte County Population Projections ..... 10

    LEVEL OF SERVICE – INCREMENTAL-EXPANSION ..... 11

        Figure 4: Jail Expansion Level of Service and Cost Standards ..... 11

    JAIL IMPACT FEE STUDY ..... 12

    EVALUATION OF NEED FOR CREDIT ..... 12

    JAIL IMPACT FEE INPUT VARIABLES ..... 12

        Figure 5: Jail Impact Fee Input Variables ..... 12

    MAXIMUM SUPPORTABLE JAIL IMPACT FEE AMOUNTS ..... 12

        Figure 6: Jail Impact Fee Schedule ..... 13

    CASH FLOW PROJECTIONS ..... 13

**APPENDIX 1: DEMOGRAPHIC AND DEVELOPMENT ESTIMATES AND PROJECTIONS .... 15**

    PERSONS PER HOUSEHOLD ..... 15

        Figure A1: Persons Per Household in Butte County ..... 16

    2007 POPULATION ESTIMATE ..... 16

    STUDY AREA ..... 17

    FUTURE POPULATION PROJECTIONS ..... 17

        Figure A2: Butte County Population Projections ..... 17

**APPENDIX 2: IMPLEMENTATION AND ADMINISTRATION ..... 18**

    ADOPTION ..... 18

    ADMINISTRATION ..... 18

## Executive Summary

Butte County has retained TischlerBise to prepare a jail impact fee study. This report documents the data, methodology, and results of the impact fee study. Impact fees are one-time payments used to fund system improvements needed to accommodate new development. As documented in this report, the methods used to calculate impact fees in this study are intended to satisfy all legal requirements governing such fees, including provisions of the U.S. Constitution, the California Constitution, and the California Mitigation Fee Act (Government Code Sections 66000 *et seq.*).

The jail impact fee for Butte County is proportionate and reasonably related to the capital facility service demands of new development. The written analysis of the impact fee methodology establishes that impact fees are necessary to achieve an equitable allocation of costs in comparison to the benefits received. Impact fee methodologies also identify the extent to which newly developed properties are entitled to various types of credits to avoid potential double payment of capital costs.

## LEGAL FRAMEWORK

**U. S. Constitution.** Like all land use regulations, development exactions, including impact fees, are subject to the Fifth Amendment prohibition on taking of private property for public use without just compensation. Both state and federal courts have recognized the imposition of impact fees on development as a legitimate form of land use regulation, provided the fees meet standards intended to protect against regulatory takings. To comply with the Fifth Amendment, development regulations must be shown to substantially advance a legitimate governmental interest. In the case of impact fees, that interest is in the protection of public health, safety, and welfare by ensuring that development is not detrimental to the quality of essential public services.

There is little federal case law specifically dealing with impact fees, although other rulings on other types of exactions (e.g. land dedication requirements) are relevant. In one of the most important exaction cases, the U.S. Supreme Court found that a government agency imposing exactions on development must demonstrate an "essential nexus" between the exaction and the interest being protected (See *Nollan v. California Coastal Commission*, 1987). In a more recent case (*Dolan v. City of Tigard*, OR, 1994), the Court ruled that an exaction also must be "roughly proportional" to the burden created by development. However, the *Dolan* decision appeared to set a higher standard of review for mandatory dedications of land than for monetary exactions such as impact fees. Constitutional issues related to impact fees will be discussed in more detail below.

**California Constitution.** The California Constitution grants broad police power to local governments, including the authority to regulate land use and development. That police power is the source of authority for a wide range of regulations, including the authority to impose impact fees on development to pay for infrastructure and capital facilities. Some impact fees have been challenged on grounds that they are special taxes imposed without voter approval in violation of Article XIII A, which was added by Proposition 13 in 1978. That objection is valid only if the fees exceed the cost of providing capital facilities needed to serve new development. If that were the case, then the fees would also run afoul of the U. S. Constitution and the Mitigation Fee Act. Articles XIII C and XIII D, added by Proposition 218 in 1996, require voter approval for some “property-related fees,” but exempt “the imposition of fees or charges as a condition of property development.”

**The Mitigation Fee Act.** California’s impact fee statute originated in Assembly Bill 1600 during the 1987 session of the Legislature, and took effect in January, 1989. AB 1600 added several sections to the Government Code, beginning with Section 66000. Since that time the impact fee statute has been amended from time to time, and in 1997 was officially titled the “Mitigation Fee Act.” Unless otherwise noted, code sections referenced in this report are from the Government Code.

The Act does not limit the types of capital improvements for which impact fees may be charged. It defines public facilities very broadly to include “public improvements, public services and community amenities.” Although the issue is not specifically addressed in the Mitigation Fee Act, other provisions of the Government Code (see Section 65913.8) prohibit the use of impact fees for maintenance or operating costs. Consequently, the fees calculated in this report are based on capital costs only.

The Mitigation Fee Act does not use the term “mitigation fee” except in its official title. Nor does it use the more common term “impact fee.” The Act simply uses the word “fee,” which is defined as “a monetary exaction, other than a tax or special assessment, ... that is charged by a local agency to the applicant in connection with approval of a development project for the purpose of defraying all or a portion of the cost of public facilities related to the development project ....” To avoid confusion with other types of fees, this report uses the widely-accepted term “impact fee,” which should be understood to mean “fee” as defined in the Mitigation Fee Act.

The Mitigation Fee Act contains requirements for establishing, increasing and imposing impact fees. They are summarized below. It also contains provisions that govern the collection and expenditure of fees, and require annual reports and periodic re-evaluation of impact fee programs. Those administrative requirements are discussed in the Implementation Chapter of this report. Certain fees or charges related to development are exempted from the requirements of the Mitigation Fee Act. Among them are fees in lieu of park land dedication as authorized by the Quimby Act (Section 66477), fees collected pursuant to a reimbursement agreement or developer agreement, and fees for processing development applications.

**Required Findings.** Section 66001 requires that an agency establishing, increasing or imposing impact fees, must make findings to:

1. Identify the purpose of the fee;

2. Identify the use of the fee; and,
3. Determine that there is a reasonable relationship between:
  - a. The use of the fee and the development type on which it is imposed;
  - b. The need for the facility and the type of development on which the fee is imposed; and
  - c. The amount of the fee and the facility cost attributable to the development project. (Applies only upon imposition of fees.)

Each of those requirements is discussed in more detail below.

**Identifying the Purpose of the Fees.** The broad purpose of impact fees is to protect the public health, safety and general welfare by providing for adequate public facilities. The specific purpose of the fees calculated in this study is to fund the construction of certain capital improvements identified in this report. Those improvements are needed to mitigate the impacts of additional development in the County, and thereby prevent deterioration in public services that would result from additional development if impact fee revenues were not available to fund such improvements.

**Identifying the Use of the Fees.** According to Section 66001, if a fee is used to finance public facilities, those facilities must be identified. A capital improvement plan may be used for that purpose, but is not mandatory if the facilities are identified in the General Plan, a Specific Plan, or in other public documents. Impact fees calculated in this study are based on specific capital facilities identified in this report. We recommend that this report be designated as the public document identifying the use of the fees.

**Reasonable Relationship Requirement.** As discussed above, Section 66001 requires that, for fees subject to its provisions, a "reasonable relationship" must be demonstrated between:

1. the use of the fee and the type of development on which it is imposed;
2. the need for a public facility and the type of development on which a fee is imposed; and,
3. the amount of the fee and the facility cost attributable to the development on which the fee is imposed.

These three reasonable relationship requirements as defined in the statute are closely related to "rational nexus" or "reasonable relationship" requirements enunciated by a number of state courts. Although the term "dual rational nexus" is often used to characterize the standard by which courts evaluate the validity of development impact fees under the U. S. Constitution, we prefer a formulation that recognizes three elements: "impact or need" "benefit," and "proportionality." The dual rational nexus test explicitly addresses only the first two, although proportionality is reasonably implied, and was specifically mentioned by the U.S. Supreme Court in the *Dolan* case.

The reasonable relationship language of the statute is considered less strict than the rational nexus standard used by many courts. Of course, the higher standard controls. We will use the nexus terminology in this report for two reasons: because it is more concise and descriptive, and also to signify that the method used to calculate the impact fee in this study is intended to satisfy the more demanding constitutional standard. Individual elements of the nexus standard are discussed further in the following paragraphs.

***Demonstrating an Impact.*** All new development in a community creates additional demands on some, or all, public facilities provided by local government. If the supply of facilities is not increased to satisfy that additional demand, the quality or availability of public services for the entire community will deteriorate. Impact fees may be used to recover the cost of development-related facilities, but only to the extent that the need for facilities is a consequence of development that is subject to the fees. The *Nollan* decision reinforced the principle that development exactions may be used only to mitigate conditions created by the developments upon which they are imposed. That principle clearly applies to impact fees. In this study, the impact of development on improvement needs is analyzed in terms of quantifiable relationships between various types of development and the demand for specific facilities, based on applicable level-of-service standards. This report contains all information needed to demonstrate this element of the nexus.

***Demonstrating a Benefit.*** A sufficient benefit relationship requires that impact fee revenues be segregated from other funds and expended only on the facilities for which the fees were charged. Fees must be expended in a timely manner and the facilities funded by the fees must serve the development paying the fees. Nothing in the U.S. Constitution or California law requires that facilities paid for with impact fee revenues be available *exclusively* to development paying the fees.

Procedures for earmarking and expenditure of fee revenues are mandated by the Mitigation Fees Act, as are procedures to ensure that the fees are expended expeditiously or refunded. All of those requirements are intended to ensure that developments benefit from the impact fees they are required to pay. Thus, an adequate showing of benefit must address procedural as well as substantive issues.

***Demonstrating Proportionality.*** The requirement that exactions be proportional to the impacts of development was clearly stated by the U.S. Supreme Court in the *Dolan* case (although the relevance of that decision to impact fees has been debated) and is logically necessary to establish a proper nexus. Proportionality is established through the procedures used to identify development-related facility costs, and in the methods used to calculate impact fees for various types of facilities and categories of development. In this study, the demand for facilities is measured in terms of relevant and measurable attributes of development.

In calculating impact fees, costs for development-related facilities are allocated in proportion to the service needs created by different types and quantities of development. The following section describes methods used to allocate facility costs and calculate the jail impact fees in a way that meets the proportionality standard.

## IMPACT FEE CALCULATION METHODOLOGY

Any one of several legitimate methods may be used to calculate the jail impact fee. The choice of a particular method depends primarily on the service characteristics and planning requirements for the facility type being addressed. Each method has advantages and disadvantages in a particular situation, and to some extent they are interchangeable, because they all allocate facility costs in proportion to the needs created by development.

Reduced to its simplest terms, the process of calculating impact fees involves only two steps: determining the cost of development-related capital improvements, and allocating those costs equitably to various types of development. In practice, though, the calculation of

impact fees can become quite complicated because of the many variables involved in defining the relationship between development and the need for facilities. The following paragraphs discuss three basic methods for calculating impact fees and how those methods can be applied.

***Plan-Based Impact Fee Calculation.*** The plan-based method allocates costs for a specified set of improvements to a specified amount of development. The improvements are identified by a facility plan and the development is identified by a land use plan. In this method, the total cost of relevant facilities is divided by total demand to calculate a cost per unit of demand. Then, the cost per unit of demand is multiplied by the amount of demand per unit of development (e.g. dwelling units or square feet of building area) in each category to arrive at a cost per unit of development.

The plan-based method is often the most workable approach where actual service usage is difficult to measure (as is the case with administrative facilities), or does not directly drive the need for added facilities (as is the case with fire stations). It is also useful for facilities, such as streets, where capacity cannot always be matched closely to demand. This method is relatively inflexible in the sense that it is based on the relationship between a particular facility plan and a particular land use plan. If either plan changes significantly, the fees should be recalculated.

***Cost Recovery Impact Fee Calculation.*** The rationale for the cost recovery approach is that new development is paying for its share of the useful life and remaining capacity of facilities from which new growth will benefit. To calculate an impact fee using the cost recovery approach, facility cost is divided by ultimate number of demand units the facility will serve.

***Incremental Expansion Impact Fee Calculation.*** The incremental expansion method documents the current level-of-service (LOS) for each type of public facility in both quantitative and qualitative measures, based on an existing service standard such as square feet per capita or park acres per capita. The level-of-service standards are determined in a manner similar to the current replacement cost approach used by property insurance companies. However, in contrast to insurance practices, the County would not use the funds for renewal and/or replacement of existing facilities. Rather, the County would use the impact fee revenue to expand or provide additional facilities, as needed, to accommodate new development. An incremental expansion cost method is best suited for public facilities that will be expanded in regular increments, with LOS standards based on current conditions in the community. The incremental-expansion method is used to calculate the Butte County jail impact fee.

Figure 1 provides a schedule of the *maximum supportable jail impact fees* for Butte County that are assessed per housing unit for residential development. The County may adopt fees that are less than the amounts shown. However, a reduction in impact fee revenue will necessitate an increase in other revenues, a decrease in planned capital expenditures and/or a decrease in the County's LOS standards.

**Figure 1: Schedule of Maximum Supportable Jail Impact Fees per Housing Unit (residential)**

MAXIMUM SUPPORTABLE IMPACT FEE AMOUNTS	
<u>Residential</u>	<u>Per Unit</u>
Single-Family	\$425
Multi-Family	\$339
Mobile Home	\$347

A note on rounding: Calculations throughout this report are based on an analysis conducted using Excel software. Results are discussed in the report using one-and two-digit places (in most cases), which represent rounded figures. However, the analysis itself uses figures carried to their ultimate decimal places; therefore the sums and products generated in the analysis may not equal the sum or product if the reader replicates the calculation with the factors shown in the report (due to the rounding of figures shown, not in the analysis).

## Jail

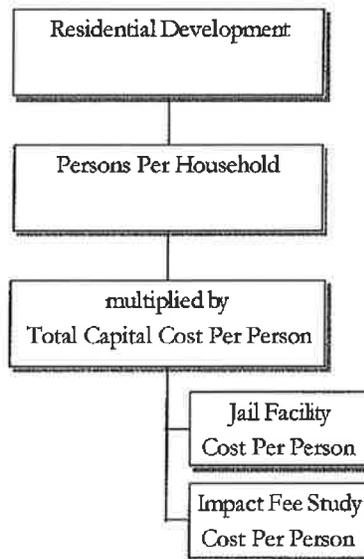
### METHODOLOGY

The County plans to expand its jail facility with additional beds to meet anticipated demand from new residential development. The need for additional jail facility capacity is documented in the *Butte County Jail Needs Assessment*, conducted by Steve Reader Enterprises and Harris & Harris Enterprises in September 2006. The County plans to implement a jail impact fee to fund the growth-related costs of jail construction. The incremental-expansion methodology is used to calculate the jail impact fee.

Using the incremental-expansion method, the current level-of-service (LOS) is documented based on existing square feet per person. Going forward, the County will collect jail impact fees in order to ensure this LOS does not diminish as a result of new development. Fees will be used to fund the growth-related share of costs related to constructing a new, expanded jail facility.

As shown in Figure 2, the total capital cost per person is multiplied by the amount of demand per housing unit by housing type (persons per household) to arrive at a cost per housing unit. Demographic factors such as persons per household and population projections are discussed in more detail in under “Anticipated Population Growth” and in Appendix 1.

**Figure 2: Jail Impact Fee Methodology Chart**



## NEED FOR ADDITIONAL JAIL CAPACITY

Butte County’s current jail is at capacity, requiring that the County release inmates who would otherwise remain in custody. The County is expected to face new demands for jail space as its population grows (see discussion below on “Anticipated Population Growth”). To address this, the County plan to construct a new and larger facility in order to address design problems with its existing facility and provide additional beds for anticipated increases in the inmate population. The need for additional jail facility capacity is documented in the *Butte County Jail Needs Assessment*, conducted by Steve Reader Enterprises and Harris & Harris Enterprises in September 2006. In total, an estimated 344 new inmate beds will be added.

## ANTICIPATED POPULATION GROWTH

As demand for the jail facility is driven by residents in the County’s incorporated and unincorporated areas, increased demand for the jail is driven by new residential development in the entire County. It is expected that demand will be generated by both existing and new development, so the County’s total household population is considered in making the impact fee calculation.

County population projections are provided by the Butte County Association of Governments (BCAG). Updated in 2006, the projections reflect anticipated population and housing growth from 2006 to 2030 for each of the County’s municipalities and its unincorporated area. The projections anticipate that the County will grow from 218,069 in 2007 (State estimate) to 321,315 in 2030. The projections, which reflect annual growth trends and development in the pipeline, anticipate an average annual growth rate of 2% for the County through 2030. Projections are provided in five-year increments. Projections for intermediate years are extrapolated assuming an even rate of growth during the period. For the purposes of this study, the projection is extended through 2040, assuming the 2% growth rate remains constant. The BCAG projections include both household and group quarters population. The group quarters component includes the County’s institutionalized population (those living in jails, prisons or mental facilities) and non-institutionalized populations in dormitories or halfway houses. Only the household population will be included in the impact fee calculations. These population projections are shown in Figure 3.

**Figure 3: Butte County Population Projections**

	2007	2010	2015	2020	2025	2030	2035	2040
Total Population	218,069	232,075	254,224	276,277	297,882	321,315	343,190	363,683
Group Quarters	6,408	6,408	6,408	6,408	6,408	6,408	6,408	6,408
Household Population	211,661	225,667	247,816	269,869	291,474	314,907	336,782	357,275

### Notes to Table

2007 Population from the State Department of Finance for the incorporated and unincorporated areas of Butte County. County projections through 2030 from Butte County Association of Governments, 2006. Population projections beyond 2030 assume continued 2% annual growth.

**LEVEL OF SERVICE – INCREMENTAL-EXPANSION**

Using the incremental-expansion methodology, the current level-of-service (LOS) is documented based on existing square feet per person and today’s construction costs. Going forward, the County will collect jail impact fees in order to ensure this LOS does not diminish as a result of new development.

Butte County provided the total existing square footage of the jail, excluding space for Sheriff administration, as this is included in County’s existing sheriff impact fee. This leaves 96,475 square feet for the jail facility. Cost per square foot is based on Butte County’s 2007 construction cost estimates for the new jail, and includes planning (architecture and engineering), construction, management (construction management and administration) and project contingency. Costs associated with the laundry facility are excluded from the total cost, as this improvement is included in the County’s existing sheriff impact fee. The cost for the jail improvements (less the laundry facility) is estimated by the County at \$76.4 million. The planned facility will have a total of 220,271 sq. ft., for a construction cost of \$347/sq. ft.

To calculate the LOS, the total square footage is multiplied by 100% residential demand (as demand is driven by residents) and then divided by the household population in 2007. This results in .46 square feet per person. The calculation is repeated with the total cost, resulting in a cost per person of \$158.17. Levels of service and cost standards are shown in Figure 4.

**Figure 4: Jail Expansion Level of Service and Cost Standards**

Current Facility	Square Feet <sup>1</sup>	Cost per Square Foot <sup>2</sup>	Total Cost
County Jail	96,475	\$347	\$33,478,868
Total	96,475	\$347	\$33,478,868

Development Type	Proportionate Share	2007 Demand Units <sup>3</sup>	Cost per Demand Unit
Residential	100%	211,661 Persons	\$158.17
Sq Ft Per Person	0.46		

<sup>1</sup>Source: Butte County, excludes square footage for Sheriff administration.

<sup>2</sup>Source: Jail construction cost estimate provided by Butte County. Costs are based on implementation of phases I-IV as outlined in the *Jail Needs Assessment* prepared by Steve Reader Enterprises and Harris and Harris Enterprises in Sept. 2006 and are updated by the County to reflect 2007 costs. Cost per sq. ft. include planning (architecture and engineering), construction, management (construction management and administration) and project contingency. Costs for the laundry facility is excluded from the total, as this is included in the County’s existing sheriff impact fee.

<sup>3</sup>California Department of Finance, Demographic Research Unit, E-5 City/County Population and Housing Estimates, 1/1/2007, excludes group quarters population.

## JAIL IMPACT FEE STUDY

The County plans on updating its jail impact fee study every five years to ensure the methodologies, assumptions, and cost factors used in the calculations are still valid and accurate. TischlerBise has included the cost of preparing this portion of the study in the jail impact fee calculations in order to create a source of funding to conduct this regular update. The cost of this component (\$22,300) is allocated to the projected increase in population over the next five years. This results in an impact fee study cost per demand unit of \$.98 per person (\$22,300/22,286 people).

## EVALUATION OF NEED FOR CREDIT

The County does not have existing debt related to jail facility expansion, so a credit for future principal payments is not included.

## JAIL IMPACT FEE INPUT VARIABLES

Figure 5 shows level of service standards and cost factors for the Butte County jail impact fees. Impact fees for jail are based on household size (i.e., persons per household) and are charged to residential development. Level of service standards are based on current costs per person for the jail facility and the jail impact fee study.

Figure 5: Jail Impact Fee Input Variables

INPUT VARIABLES	
<i>Persons Per Household</i>	
Single-Family	2.67
Multi-Family	2.13
Mobile Home	2.18
<i>Level Of Service</i>	
<i>Jail Facility (Incremental-Expansion)</i>	
Jail Facility Cost per Person	\$158.17
<i>Impact Fee Study</i>	
Impact Fee Study Cost Per Person	\$0.98
<b>Total Capital Cost per Person</b>	<b>\$159.15</b>

## MAXIMUM SUPPORTABLE JAIL IMPACT FEE AMOUNTS

Figure 6 contains a schedule of maximum supportable jail impact fees for Butte County. The amounts are calculated by multiplying the persons per household for each type of unit by the total capital cost per person. For example, for a single family unit, the persons per household figure of 2.67 is multiplied by the total capital cost per person of \$159.15 for a jail impact fee amount of \$425 per single family unit. The calculation is repeated for all other housing categories.

Figure 6: Jail Impact Fee Schedule

MAXIMUM SUPPORTABLE IMPACT FEE AMOUNTS	
<u>Residential</u>	<u>Per Unit</u>
Single-Family	\$425
Multi-Family	\$339
Mobile Home	\$347

### CASH FLOW PROJECTIONS

Based on the population projections discussed under “anticipated population growth,” TischlerBise projected annual anticipated cash flow to the County from the jail impact fees shown in Figure 6. Should development keep pace with projections, the County would be expected to receive \$719,000 annually in jail impact fee revenues (shown in Figure 7). Figure 7 shows only the growth-related costs of jail construction. The results show a nominal net revenue and are considered fiscally neutral.

Figure 7: Projected Annual Impact Fee Cash Flow

<i>(Current \$ in thousands)</i>	Average Annual
<b>REVENUES*</b>	
<b>JAIL</b>	
1 Single Family Jail Impact Fee	\$599
2 Multi-Family Jail Impact Fee	\$90
3 Mobile Home Jail Impact Fee	\$31
<b>Subtotal Jail Impact Fee Revenue</b>	<b>\$719</b>
 <b>TOTAL FEE REVENUE</b>	<b>\$719</b>
<b>CAPITAL COSTS</b>	
<b>JAIL</b>	
Jail Facility	\$692
Impact Fee Study	\$1
<b>Subtotal Jail Costs</b>	<b>\$693</b>
 <b>TOTAL CAPITAL COSTS</b>	<b>\$693</b>
 <b>NET CAPITAL FACILITIES CASH FLOW -</b>	<i>Curr</i>
Annual Surplus (or Deficit)	<b>\$26</b>
Cumulative Surplus (or Deficit)	<b>\$26</b>
 <b>NET CASH FLOW</b>	<b>\$26</b>

*\*does not include revenues from Sheriff impact fee for laundry facilities - approximately \$140,000 through 2036.*

## Appendix 1: Demographic and Development Estimates and Projections

As specified in Task 1 of our Work Scope, TischlerBise has prepared documentation on current demographic *estimates* and *projections* that will be used in the Butte County jail impact fee study. Demand for jail facilities is driven by residential development throughout the County, including incorporated and unincorporated areas. As such, the following sections will review the residential demand factors that will be used to calculate jail impact fees for Butte County.

### PERSONS PER HOUSEHOLD

Persons per household is an important demographic factor that helps account for variations in service demands by type of housing. The best source of this data is the 2000 U.S. Census, Summary File 3. The 2000 mixture of housing types, as defined by units in structure, is shown in Figure A1 below. According to the 2000 Census data, Butte County had 79,267 occupied housing units (households), excluding boats, RV's and "other" residential units. Census data also indicates a total of 196,789 persons residing in these housing units in 2000. This results in an average household size, for all housing types, of 2.48 persons per household.

To be consistent with the County's existing impact fees, TischlerBise recommends using the following three residential categories in the impact fee calculation: 1) Single-Family (including 1-detached and 1-attached), 2) Multi-Family and 3) Mobile Homes. Single-family units have on average 2.67 persons per household (PPH), multi-family units have 2.13 PPH and mobile homes have an average PPH of 2.18. A differentiation by type of housing is necessary to make residential impact fees proportionate and reasonably related to service demands.

**Figure A1: Persons Per Household in Butte County**

<i>Units in Structure</i>	<i>Renter &amp; Owner Combined</i>		
	<i>Persons</i>	<i>Hshlds</i>	<i>PPH</i>
1-Detached	129,226	48,340	2.67
1-Attached	5,588	2,145	2.61
Two	5,907	2,335	2.53
3-4	10,495	4,921	2.13
5-9	6,111	2,766	2.21
10-19	3,624	1,796	2.02
20-49	3,753	1,855	2.02
50 or more	5,023	2,701	1.86
Mobile Homes	27,062	12,408	2.18
Other	522	299	1.75
Total SF3 Sample Data	197,311	79,566	2.48
100-Percent Data	197,327	79,566	2.48
		Vacant HU	5,957
			6.97%

**Persons Per Household by Type - 2000\***

	<i>Persons</i>	<i>Hshlds</i>	<i>PPH</i>	<i>Hhld Mix</i>
Single Family	134,814	50,485	2.67	64%
Multi-Family	34,913	16,374	2.13	21%
Mobile Home	27,062	12,408	2.18	16%
Total Less Group Quarters	196,789	79,267	2.48	100%
Group Quarters	5,844			
<b>TOTAL</b>	<b>202,633</b>	<b>79,267</b>		

Notes to Tables

Source: 2000 U.S. Census, Summary File 3: Tables P1, P3, P9, H1, H3, H8, H30, H32, H33

\*excludes boats, RVs, and "other" residential units

**2007 POPULATION ESTIMATE**

The California Department of Finance estimates 2007 population in Butte County at 218,069 persons. Excluding the group quarters population, the County's household population estimate totals 211,661 in 2007.

**STUDY AREA**

The study area for this analysis includes all of Butte County and its incorporated municipalities. The entire County is treated as the service area, because the jail serves the entire County. The jail impact fees calculated in this study are intended to apply to all development in the County, including the incorporated municipalities.

**FUTURE POPULATION PROJECTIONS**

The Butte County Association of Governments (BCAG) recently updated its population projections for use in plans that guide growth in the County, such as transportation and housing. The projections reflect anticipated growth from 2006 to 2030 for each of the County’s municipalities and its unincorporated area. The projections, which reflect annual growth trends and development in the pipeline, anticipate an average annual growth rate of 2% for the County through 2030. Projections for intermediate years are extrapolated assuming an even rate of growth during the period. For the purposes of this study, the projection is extended through 2040, assuming the 2% growth rate remains constant. The BCAG projections include both household and group quarters population. The group quarters component includes the County’s institutionalized population (those living in jails, prisons or mental facilities) and non-institutionalized populations in dormitories or halfway houses. Only the household population will be included in the impact fee calculations. Projections are shown in Figure A2.

**Figure A2: Butte County Population Projections**

	2007	2010	2015	2020	2025	2030	2035	2040
Total Population	218,069	232,075	254,224	276,277	297,882	321,315	343,190	363,683
Group Quarters	6,408	6,408	6,408	6,408	6,408	6,408	6,408	6,408
Household Population	211,661	225,667	247,816	269,869	291,474	314,907	336,782	357,275

Notes to Table

2007 Population from the State Department of Finance for the incorporated and unincorporated areas of Butte County. County projections through 2030 from Butte County Association of Governments, 2006. Population projections beyond 2030 assume continued 2% annual growth.

## Appendix 2: Implementation and Administration

This section of the report contains recommendations for adoption and administration of an impact fee program based on this study, and for the interpretation and application of impact fees recommended herein. Statutory requirements for the adoption and administration of fees imposed as a condition of development approval are found in the Mitigation Fee Act (Government Code Sections 66000 *et seq.*).

### ADOPTION

The form in which development impact fees are adopted, whether by ordinance or resolution, should be determined by the County Attorney. Typically, it is desirable that specific fee schedules be set by resolution to facilitate periodic adjustments. Procedures for adoption of fees subject to the Mitigation Fee Act, including notice and public hearing requirements, are specified in Government Code Section 66016. Such fees do not become effective until 60 days after final action by the Governing body. Actions establishing or increasing fees subject to the Mitigation Fee Act require certain findings, as set forth in Government Code Section 66001 and discussed in the Executive Summary of this report.

### ADMINISTRATION

Several requirements of the California Mitigation Fee Act (Government Code Sections 66000 *et seq.*) address the administration of impact fee programs, including collection and accounting procedures, refunds, updates and reporting. References to code sections in the following paragraphs pertain to the California Government Code.

**Imposition of Fees.** Pursuant to the Mitigation Fee Act, when the County imposes an impact fee upon a specific development project, it must make findings to:

1. Identify the purpose of the fee;
2. Identify the use of the fee; and
3. Determine that there is a reasonable relationship between:
  - a. The use of the fee and the development type on which it is imposed;
  - b. The need for the facility and the type of development on which the fee is imposed; and
  - c. The amount of the fee and the facility cost attributable to the development project.

Most of those findings would normally be based on an impact fee study, and this study is intended to provide a basis for all of the required findings. According to the statute, the use of the fee (2., above) may be specified in a capital improvement plan, the General Plan, or other public document. This study is intended to serve as a public document identifying the use of the fees.

In addition, Section 66006, as amended by SB 1693, provides that a local agency, at the time it imposes a fee for public improvements on a specific development project, "... shall identify the public improvement that the fee will be used to finance." For each type of fee calculated in this report, the improvements to be funded by the impact fees are identified. Consequently, this report provides a basis for the notification required by the statute. The County Attorney should be consulted as to the specific method of notification to be provided.

**Collection of Fees.** Section 66007, provides that a local agency shall not require payment of fees by developers of residential projects prior to the date of final inspection, or issuance of a certificate of occupancy, whichever occurs first. However, "utility service fees" (not defined) may be collected upon application for utility service. In a residential development project of more than one dwelling unit, the agency may choose to collect fees either for individual units or for phases upon final inspection, or for the entire project upon final inspection of the first dwelling unit completed.

An important exception allows fees to be collected at an earlier time if they will be used to reimburse the agency for expenditures previously made, or for improvements or facilities for which money has been appropriated. The agency must also have adopted a construction schedule or plan for the improvement. These restrictions on the time of collection do not apply to non-residential development.

Notwithstanding the foregoing restrictions, many local agencies routinely collect impact fees for all facilities at the time building permits are issued, and builders often find it convenient to pay the fees at that time. In cases where the fees are not collected upon issuance of building permits, Section 66007 provides that the County may require the property owner to execute a contract to pay the fee, and to record that contract as a lien against the property until the fees are paid.

**Credit for Improvements provided by Developers.** If the County requires a developer, as a condition of project approval, to construct facilities or improvements for which impact fees have been, or will be, charged, the impact fee imposed on that development project, for that type of facility, should be adjusted to reflect a credit for the cost of those facilities or improvements. If the reimbursement would exceed the amount of the fee to be paid by the development for that type of facility, the County may wish to negotiate a reimbursement agreement with the developer.

**Credit for Existing Development.** If a project involves replacement, redevelopment or intensification of previously existing development, impact fees should be applied only to the portion of the project which represents an increase in demand for County facilities, as measured by the demand variables used in this study. Since residential service demand is normally estimated on the basis of demand per dwelling unit, an addition to a single family dwelling unit typically would not be subject to an impact fee if it does not increase the number of dwelling units in the structure. If a dwelling unit is added to an existing structure, no impact fee would be charged for the previously existing units. A similar approach can be used for other types of development.

**Earmarking of Fee Revenue.** Section 66006 specifies that fees shall be deposited with other fees for the improvement in a separate capital facilities account or fund in a manner to avoid any commingling of the fees with other revenues and funds of the local agency, except for temporary investments. Fees must be expended solely for the purpose for which the fee was collected. Interest earned on the fee revenues must also be placed in the capital account and used for the same purpose.

The language of the law is not clear as to whether depositing fees "with other fees for the improvement" refers to a specific capital improvement or a class of improvements (e.g., street improvements). We are not aware of any County that has interpreted that language to mean that funds must be segregated by individual projects. As a practical matter, that would make it exceedingly difficult to accumulate enough funds to construct any improvements funded by impact fees. Common practice is to maintain separate funds or accounts for impact fee revenues by facility category (i.e., streets, traffic signals, or park improvements), but not for individual projects. We recommend that approach.

**Reporting.** As amended by SB 1693 in 1996, Section 66006 requires that once each year, within 180 days of the close of the fiscal year, the local agency must make available to the public the following information for each separate account established to receive impact fee revenues:

1. The amount of the fee;
2. The beginning and ending balance of the account or fund;
3. The amount of the fees collected and interest earned;
4. Identification of each public improvement on which fees were expended and the amount of the expenditures on each improvement, including the percentage of the cost of the public improvement that was funded with fees;
5. Identification of the approximate date by which the construction of a public improvement will commence, if the County determines sufficient funds have been collected to complete financing of an incomplete public improvement;
6. A description of each inter-fund transfer or loan made from the account or fund, including interest rates, repayment dates, and a description of the improvement on which the transfer or loan will be expended;
7. The amount of any refunds or allocations made pursuant to Section 66001, paragraphs (e) and (f).

That information must be reviewed by the County Board of Supervisors at its next regularly scheduled public meeting, but not less than 15 days after the statements are made public.

**Findings and Refunds.** Prior to the adoption of Government Code amendments contained in SB 1693, a local agency collecting impact fees was required to expend or commit the fee revenue within five years or make findings to justify a continued need for the money. Otherwise, those funds had to be refunded. SB 1693 changed that requirement in material ways.

Now, Section 66001 requires that, for the fifth fiscal year following the first deposit of any impact fee revenue into an account or fund as required by Section 66006, and every five years thereafter, the local agency shall make all of the following findings for any fee revenue that remains unexpended, whether committed or uncommitted:

1. Identify the purpose to which the fee will be put;
2. Demonstrate the reasonable relationship between the fee and the purpose for which it is charged;
3. Identify all sources and amounts of funding anticipated to complete financing of incomplete improvements for which impact fees are to be used;
4. Designate the approximate dates on which the funding necessary to complete financing of those improvements will be deposited into the appropriate account or fund.

Those findings are to be made in conjunction with the annual reports discussed above. If such findings are not made as required by Section 66001, the local agency must refund the moneys in the account or fund. Once the agency determines that sufficient funds have been collected to complete an incomplete improvement for which impact fee revenue is to be used, it must, within 180 days of that determination, identify an approximate date by which construction of the public improvement will be commenced. If the agency fails to comply with that requirement, it must refund impact fee revenue in the account according to procedures specified in the statute.

**Costs of Implementation.** The cost of updating the fees is included in the impact fee. Other ongoing costs associated with implementing the impact fee program are not included in the fees themselves. Implementation costs would include the staff time involved in applying the fees to specific projects, accounting for fee revenues and expenditures, preparing required annual reports, and preparing forms and public information handouts. We recommend that those costs be included in user fees charged to applicants for processing development applications.

**Annual Update of the Capital Improvement Plan.** Section 66002 provides that if a local agency adopts a capital improvement plan to identify the use of impact fees, that plan must be adopted and annually updated by a resolution of the governing body at a noticed public hearing. The alternative is to identify improvements in other public documents. Since impact fee calculations in this study include costs for future facilities to be funded by impact fees, we believe it is to the County's advantage to use this report as the public document in which the use of impact fees is identified. In that event, we believe the County would not be required to update its CIP annually to satisfy Section 66002.

**Indexing of Impact Fee Rates.** The fees recommended in this report are stated in current dollars. Fees should be adjusted annually to account for construction cost escalation. The *Engineering News Record* Building Cost Index is recommended as the basis for indexing the cost of yet to be constructed projects. It is desirable that the ordinance or resolution establishing the fees include provisions for annual escalation.

**Butte County, California – Jail Impact Fee Study**

---

**Updates of This Study.** Generally, impact fees should be reviewed and updated about every five years, unless significant changes in land use or facility plans make it necessary to update the fees more often.

# **Attachment 2**

## **Butte County Municipal Code**

### **Article II - Development Impact Fees for Jail Facilities in the Unincorporated and Incorporated Area of Butte County**

Article II. - Development Impact Fees for Jail Facilities in the Unincorporated and Incorporated Area of Butte County

3-10 - Purpose.

This article is enacted pursuant to Article I, Section 1 of the Butte County Charter, Article XI, Section 7 of the California Constitution, and Section 66000 and following of the Government Code for the purpose of authorizing and levying jail facilities fees upon the owners of real property located in all parts of Butte County, to include both the unincorporated and incorporated areas, adding one (1) or more new residential units to such property, in an amount sufficient to defray the cost of providing jail facilities made necessary to serve the additional jail needs arising from an increase or change in the use of such property.

(Ord. No. 3967, § 1 (part), 7-10-07)

3-11 - Findings.

The board of supervisors makes the following findings and determinations required by Government Code Section 66001 in regard to the development impact fees authorized and levied pursuant to the provisions of this article:

- (a) Increased Need Resulting from New Development. The Jail Impact Fee Study dated June 21, 2007, relies on figures from the Butte County Association of Governments and the California Department of Finance to project increases in population over a twenty (20) year period, from year 2007 to 2036. It projects that population will increase by two (2) percent annually. As a result, there will be new residential development occurring within Butte County that will create a need for the development of additional jail facilities. Over time, existing jail facilities will become insufficient in size and capacity to meet the needs of new residential development. Based on the Jail Impact Fee Study dated June 21, 2007 and the Butte County Jail Needs Assessment dated September 2006, new residential development occurring within Butte County will create the need for additional jail facility capacity.
- (b) Use of Revenues from Fees to Meet Jail Facilities Needs. All revenues from the development impact fees authorized and levied on new residential development pursuant to the provision of this article will be used for the acquisition and development of additional jail facilities within the unincorporated and incorporated area of Butte County which will meet the need for such facilities caused by such new residential development. In accordance with the provisions of this article, all such revenues must be deposited in a jail facility account and thereafter appropriated by the Board of Supervisors for the acquisition and development of jail facilities including the design, engineering, construction, land acquisition costs, furniture, fixtures and equipment for the expanding facilities.
- (c) Fees do not Exceed Level Necessary to Meet Need. The development impact fees authorized and levied on new residential development pursuant to the provisions of this article will not exceed that which is necessary to fund the jail facilities attributable to the new residential development upon which such fees are imposed. In particular, the development impact fees authorized and levied on new residential development will be equal to that necessary to fund additional jail facilities for the increase in population and residential development that will eventually occur in Butte County by year 2036.
- (d) Appropriateness of Development Impact Fees. Due to the projected increase in population, development impact fees are the only equitable way for new development to contribute to maintaining existing levels of service.

- (e) Purpose of Fees. The purpose of the fees authorized and levied by this article is to defray the cost of improvements to the jail facilities made necessary by the anticipated increase in population.
- (f) Facilities Identified. The facilities that will be financed wholly or in part by the fees are those identified in the Jail Impact Fee Study dated June 21, 2007 and the Butte County Jail Needs Assessment dated September 2006.
- (g) Relationship between Use of Fees and Type of Development. There is a reasonable relationship between the use of the fees and the type of development project on which the fees are imposed, as set forth in the provisions of this article, including, but not limited to, Sections 3-13 and 3-14
- (h) Relationship between Need for Facilities and Type of Development. There is a reasonable relationship between the need for the jail facilities and the type of development project on which the fees are imposed, as set forth in the provisions of this article, including, but not limited to, Sections 3-13 and 3-14
- (i) Relationship between Amount of Fees and Cost of Facilities. There is a reasonable relationship between the amount of the fees and the cost of the jail facilities or portions thereof attributable to the development on which the fees are imposed, as set forth in the provisions of this article, including, but not limited to, Sections 3-13 and 3-14 and the Jail Impact Fee Study dated June 21, 2007.

(Ord. No. 3967, § 1 (part), 7-10-07)

### 3-12 - Definitions.

Unless the contrary is stated or clearly appears from the context, the following definitions shall govern the construction of the words and phrases used in this article:

- (a) "Single Family Residence" is as defined in Butte County Code Section 24-305.130 and includes Duplex as defined in Butte County Code Section 24-305.105, as well as pre-fabricated homes. It also includes second dwelling units as defined in Butte County Code Section 24-305.375, but not guest house as defined in Butte County Code Section 24-305.175.
- (b) "Multifamily residence" is as defined in Butte County Code Section 24-305.120.
- (c) "Mobile home" is as defined in Butte County Code Section 24-305.280 and includes modular home as defined in Butte County Code Section 24-305.288, as well as a manufactured home, but not a temporary mobile home as defined in Butte County Code Section 24-295
- (d) "Chargeable space" shall mean all of the covered and enclosed space determined to be within the perimeter of a commercial, industrial, office or school structure, not including any parking structure. The determination of the chargeable space, to be expressed in the number of square feet, shall be made by the Building Division of the Development Services Department of the County, in accordance with the standard practice of the County.
- (f) "Dwelling unit" shall mean any building or mobile home, or portion thereof, used or designed for use as a residence by an individual or any group of individuals living together as a family.
- (g) "More intensive use" shall mean a land use on a particular parcel of real property or any part thereof which, as compared to the previous land use, involves: more residents, employees, students, occupants, participants or other persons onsite; the generation of more vehicular traffic to and from the site; or any condition or combination of conditions which create a greater need for jail facilities.

(Ord. No. 3967, § 1 (part), 7-10-07)

### 3-13 - Imposition of development impact fees for jail facilities.

A jail facilities development impact fee shall be authorized and levied upon any owner of real property located in the unincorporated and incorporated area of Butte County, with the fee to be collected in the incorporated area by each respective municipality through an agreement with Butte County, adding one (1) or more residential units to such property incident to the construction of a new building on the property, the installation of a mobile home or factory-built home on the property or connection thereof to utilities, or change of any use of a building that is other than residential on the property to a residential use. Fees authorized and levied hereunder as to the installation of a mobile home or factory-built home or the connection of a mobile home or factory-built home to utilities shall only be authorized and levied at the initial location of said mobile home or factory-built home in the unincorporated or incorporated area of Butte County and if such location is on a space, site or other property on which no other mobile home or factory-built home was previously located.

(Ord. No. 3967, § 1 (part), 7-10-07)

**3-14 - Amount of impact fees for jail facilities.**

The amount of impact fees for jail facilities authorized and levied pursuant to the provisions of this article shall be as follows:

Dwelling Unit Type	Fee
Single-family	\$455.89
Multifamily	363.63
Mobile home	372.22

For calculation of the above fees, see the Jail Impact Fee Study dated May 31, 2007. The most recent amount on the index, dated December 2009, is 9,722.17.

(Ord. No. 3967, § 1 (part), 7-10-07; Ord. No. 3997, § 1, 2-24-09; Ord. No. 4017, § 1, 3-16-10)

**3-15 - Periodic adjustment to jail facilities fees.**

From time to time, county staff may submit documentation substantiating that there has been an increase in the cost of acquiring and/or developing jail facilities within the unincorporated and incorporated area of Butte County, and requesting an increase in the jail facilities fee authorized and levied pursuant to the provisions of this article. The Board of Supervisors may increase this fee, in an amount proportional to the increase in such costs. The determination of whether there has been an increase in the cost of acquiring and/or developing such jail facilities and the amount of the increase in the jail facilities fee which is proportional to the increase in such costs shall be made by the Board of Supervisors based on the following:

The net percentage increase in the Engineering News Record Construction Cost Index for San Francisco (using the CCI column of the "ENR City Cost Index - San Francisco") (based on 1913 U.S. average = one hundred (100)) as last published in the Engineering News Record McGraw Hill Construction Weekly (or on the internet) between the date of such increase and the effective date of the ordinance codified in this section or any prior increase in the fee made pursuant to the provisions of this section. The formula for adjusting the fee is: (New index amount/amount of index at time of existing fee) x existing fee = new fee.

(Ord. No. 3967, § 1 (part), 7-10-07)

3-16 - Credit for jail facilities fees previously paid.

Where jail facilities fees have previously been paid in whole or in part as to the real property upon which the structures are to be added, the owner of said real property shall be entitled to a credit or partial credit for the amount paid against the fees owing pursuant to this article. Such fees may previously have been paid to another jurisdiction or to Butte County where such fees have been paid for a use that is being converted to a different or more intensive use.

(Ord. No. 3967, § 1 (part), 7-10-07)

3-17 - Exemption from jail facilities fees.

Notwithstanding any provisions of this article to the contrary, a jail facilities fee shall not be authorized and levied upon an owner of real property located in the unincorporated or incorporated area of Butte County adding or enlarging one (1) or more structures to such property or converting the use thereof to a more intensive use under the following circumstances:

- (a) Where the structure is owned by a governmental agency;
- (b) Where the structure is a building, or is within a building, which is being reconstructed following damage or destruction by fire or other casualty, or the voluntary demolition thereof, provided that the number of structures or the amount of chargeable space in such reconstructed structure is no greater than the number of structures or the amount of chargeable space in the structure prior to such damage, destruction or demolition;
- (c) Where a use is a nonresidential use and the structure is located within the Oroville Enterprise Zone as described in Butte County Code Chapter 2, Article XVI.5;
- (d) Where the structure is a temporary mobile home as described in Butte County Code Section 24-295

(Ord. No. 3967, § 1 (part), 7-10-07)

3-18 - Payment of development impact fee for jail facilities.

- (a) Time of Payment. The jail facilities fee authorized and levied pursuant to the provisions of this article shall be due and payable prior to:
  - (1) The issuance of a building permit for the construction of any new residential building, or for the change in use of a nonresidential building or mobile home to a residential use;
  - (2) The issuance of an installation or utility connection permit for a mobile home or factory-built home in which such dwelling unit is to be located; or
  - (3) The occupation of such dwelling unit.
- (b) Such fee shall be paid to the County of Butte, Department of Development Services, Building Division, in the amount specified in Section 3-14

(Ord. No. 3967, § 1 (part), 7-10-07)

3-19 - Deposit of jail facilities fee revenues in jail facilities account.

All revenues from the jail facilities fee authorized and levied pursuant to the provisions of this article shall, when received by the County of Butte, be deposited in a separate jail facilities account thereafter appropriated and used only for the acquisition and/or development of jail facilities or land in the manner hereinafter provided by this article.

(Ord. No. 3967, § 1 (part), 7-10-07)

3-20 - Appropriation of jail facilities fee revenues for the acquisition and development of jail facilities.

All revenues from the jail facilities fee authorized and levied pursuant to the provisions of this article and received by the County of Butte, Department of Development Services, Building Division, and deposited in a separate account pursuant to this article shall be appropriated by the Board of Supervisors in a manner consistent with the Jail Impact Fee Study dated June 21, 2007 and the Butte County Jail Needs Assessment dated September 2006 and only for the acquisition and/or development of those jail facilities identified in these plans.

(Ord. No. 3967, § 1 (part), 7-10-07)

3-21 - Report re disposition of jail facilities fee revenues; action re unexpended revenues.

- (a) Within one hundred eighty (180) days after the last day of each fiscal year the Auditor/Controller of the County of Butte shall provide to the Board of Supervisors a report regarding each separate account established pursuant to this article, and the Board shall then review the report, in compliance with the requirements of Government Code Section 66006(b).
- (b) Action by the Board of Supervisors. Commencing with the fifth fiscal year following the first receipt of any revenues from jail facilities fees authorized and levied pursuant to the provisions of this article, and every five (5) years thereafter, the board of supervisors, following receipt of the Butte County Auditor/Controller's report, shall make the required findings with respect to any unexpended jail facilities fee revenues in the jail facilities account as set forth in Government Code Section 66001(d). In the event that the jail facilities fee revenues are found not to have been diligently expended, the Board of Supervisors may take one (1) of the following actions:
  - (1) Order the expending of all or any part of such unexpended jail facilities fee revenues for the acquisition and/or development of jail facilities in the manner hereinbefore provided by this article;
  - (2) Make a finding with respect to all or any part of such unexpended jail facilities fee revenues which identifies the purpose to which the revenues are to be put and which demonstrates a reasonable relationship between the fees from which the revenues are derived and the purpose for which they were charged; or
  - (3) Order the refund of all or any part of such unexpended jail facilities fee revenues, together with any interest accrued thereon, to the current owner of any property for which fees were paid; provided, however, that if the administrative costs of refunding such jail facilities fee revenues exceed the amount to be refunded, the board of supervisors, after considering the matter at a public hearing, notice of which is given in the manner provided for by Government Code Section 66001(f), may order the expending of such revenues for any other facility or improvement for which development fees are charged or otherwise imposed pursuant to this Code and which the board of supervisors determines will benefit the properties for which the jail facilities fees were paid.

(Ord. No. 3967, § 1 (part), 7-10-07)

3-22 - Other jail facilities requirements.

The provisions of this article shall not relieve the owner of any real property located within the county, both the incorporated and unincorporated areas, from the obligation of complying with any requirements that are imposed pursuant to other provisions of this code, state law or federal law at the time of approval of a subdivision map, parcel map, building permit or other land use entitlement regarding the funding of jail facilities.

(Ord. No. 3967, § 1 (part), 7-10-07)

3-23 - Notation of subdivision maps.

As a condition of approval of tentative subdivision maps, final maps shall contain a notation with regard to the imposition of the development impact fees for jail facilities. The notation shall include information to the effect that a development impact fee for jail facilities will be required at the time of the

issuance of a building permit and that such fee will be determined and calculated as of the date of application for the building permit, as opposed to the time of the filing of the final map or issuance of the use permit.

(Ord. No. 3967, § 1 (part), 7-10-07)

3-24 - Processing fee.

A processing fee covering the collection, handling, and accounting of the development impact fees collected pursuant to this article will be charged and set by resolution.

(Ord. No. 3967, § 1 (part), 7-10-07)

3-25—3-30 - Reserved.

**CITY OF OROVILLE  
STAFF REPORT**

**TO: MAYOR AND CITY COUNCIL MEMBERS**

**FROM: RANDY MURPHY, CITY ADMINISTRATOR;  
JAMIE HAYES, ASSISTANT CITY CLERK**

**RE: APPOINTMENT TO THE CITY OF OROVILLE'S ARTS  
COMMISSION**

**DATE: MARCH 3, 2015**

**SUMMARY**

The Council may consider appointing a Greater Oroville area resident to the City of Oroville's Arts Commission to fill the vacancy created by former Commissioner Monikah Niemczynowicz.

**DISCUSSION**

The City of Oroville's Arts Commission was formed in October 2008 in order to serve as advocates for the Arts and as a community partner in the design and development of the City's cultural life and environment.

The City is required to appoint five representatives to the Arts Commission: one City Council member or designee, one Oroville Park Commissioner, one City resident and two community members residing within the Greater Oroville Area.

Staff has advertised and received two applications for the appointment. Greater Oroville Area community residents, Steve Vandervort and Bonnie Callaway have applied to serve on the Arts Commission.

If appointed, the applicant will serve the remainder of the Ms. Niemczynowicz' term ending on June 30, 2017.

**RECOMMENDATION**

Select an appointment to serve on the City of Oroville's Arts Commission for the remainder of former Commissioner Niemczynowicz's term, ending June 30, 2017.

**ATTACHMENTS**

Application for Appointment Forms (2)

CC-19





## BASIC SUPPLEMENTAL INFORMATION QUESTIONNAIRE

*This supplemental questionnaire is a required part of your application package and must be returned along with your "Application for Appointment" to the City Clerk's Office. If you have any questions, please call the City Clerk's Office at 538-2535.*

1. Why would you want to serve on the Committee/Commission?

I think the Arts are vital to a happy and healthy Community. I think the Arts encourage diversity and create an outlet for a community to express its best side. Art makes people happy and creates a community that makes people want to be a part of. I would love to be a part of the committee that found and continues to find ways to incorporate the Arts into our community.

2. What unique qualifications and/or skills would you bring to the Committee/Commission?

I have experience with staffing vendor booths, advertising, customer service and interacting with a wide variety of people.

I enjoy finding unique and creative ways to incorporate new ideas; and I enjoy working with others to make a project successful.

3. Do you have any conflicts or potential conflicts that would make you ineligible to vote on any items? How often do you think these conflicts might arise?

I do not have any conflicts

Date: 1/20/15

Signature: Bonnie Callaway

CITY OF OROVILLE  
APPLICATION FOR APPOINTMENT TO CITY COMMITTEE OR COMMISSION

JAN 21 2015

(Please Read Instructions)

RETURN TO: CITY CLERK'S OFFICE, 1735 MONTGOMERY STREET, OROVILLE, Administration  
Completed applications are considered public records per Government Code §6252.

Name of committee/commission you are applying for:

ARTS COMMISSION

Note: If you are applying for more than one committee/commission, number in order of preference.

- Planning Commission
- Arts Commission
- Housing Loan Advisory Committee
- Economic Development Loan Advisory Committee
- Park Commission
- Southside Community Center Advisory Committee
- Oroville Mosquito Abatement District Committee
- Other: \_\_\_\_\_

APPLICANT INFORMATION

Name (print): STEVE C. VANDERVORT

Residence Address: ARTIST CT. OROVILLE CA 95964

Mailing Address (if different): \_\_\_\_\_

Telephone: \_\_\_\_\_ E-Mail Address: cm

Are you a qualified elector\*\* of the City? Yes  No

\*\* A United States citizen, 18 years of age or older, living within the City limits of the City of Oroville, and a registered voter.

EMPLOYMENT INFORMATION

Occupation: SELF EMPLOYED - (MINERS ALLEY BREWING CO. & VODOO TATTOO)

Current Employer: \_\_\_\_\_

Current Employer Address: \_\_\_\_\_

Telephone: \_\_\_\_\_

EXPERIENCE/BACKGROUND

(Additional information/resume may be attached to this application)

Education: OROVILLE HIGH SCHOOL (1982) CAL POLY SAN LUIS OBISPO (GRAPHIC DESIGN)

Memberships of Organizations: ROUTE COLLEGE (APPLIED ARTS)

Have you served on any committee/commission in the past? Yes  No

If yes, list committee/commission and dates served: \_\_\_\_\_

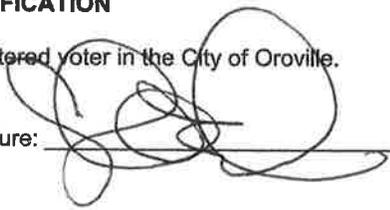
OPTIONAL

How did you hear about this recruitment? ON-LINE DESCRIPTION

VERIFICATION

By signing this application, I certify that I am a registered voter in the City of Oroville.

Date: 1/20/15

Signature: 



Steve C Vandervort

Supplemental Information Questionnaire answers

1. I have been an artist all of my life. I have had the good fortune of making a living by either building structures or creating art. I have also had the good fortune of being able to live in many different and interesting places including locations in Washington, Oregon, California and Hawaii. Because of these influences culminating from the work, hobbies, education and diverse people I feel I have a deep perspective. I feel it is important to include very different perspectives when in pursuit of development that embodies, reflects or is meant for the common good. Therefore, I feel that as a working artist in this community there is an opportunity for me to give back to the community in which I grew up and to be of some help and service when it comes to shaping the future of this community.
2. I am capable of imagining concepts in 3D. I have had opportunities to be influenced by diverse peoples in diverse places. I am a working artist and business owner who is immersed in the community and have put roots deep into the economy and the people of this town. I am patient and a good listener and can conceptualize and sketch ideas quickly. I have had jobs as a contractor, artist, tattooist, landscape architect and designer. I am a wood worker, welder and mosaicist.
3. None that I can foresee but would be the first to mention if there seemed to be a conflict of interest arise.

**CITY OROVILLE  
STAFF REPORT**

**TO: MAYOR DAHLMEIER AND COUNCIL MEMBERS  
RANDY MURPHY, CITY ADMINISTRATOR**

**FROM: BILL LA GRONE, DIRECTOR OF PUBLIC SAFETY**

**RE: REVIEW OF ESTIMATED COST FOR THE CONTRACTING POLICE  
AND FIRE SERVICES**

**DATE: MARCH 3, 2015**

**SUMMARY**

The Council will hear a presentation regarding the responses to the request for cost estimates from the Butte County Sheriff's Office and Butte County – Cal Fire for Police and Fire Services and other potential solutions to fund and staff the Public Safety Department. The Council may provide direction to the Public Safety Director as to which alternative to pursue.

**DISCUSSION**

The City of Oroville continues to face serious financial challenges that threaten its current financial stability and long-term fiscal solvency. The City of Oroville has already implemented various actions to address these financial challenges and is presently exploring possible alternative means of delivering various City services and programs

The staff of the Oroville Public Safety Department has been tasked with examining any and all ways to reduce the operational cost of the Police and Fire Departments. One potential area to examine is the amount the City is currently paying for Fire and Police Protection Services.

In July of 2014 the Council directed the Director of Public Safety to explore the possibility of contracting out these services. Letters were delivered to Butte County Cal Fire and the Butte County Sheriff's Office requesting a cost estimate for these services. In late 2014 both cost estimates had been responded to. I have attached copies of the responses for your review.

The alternative of utilizing the Butte County Sheriff for Law Enforcement services would result in a savings each year of \$522,911.00 per year. The alternative of utilizing Butte County Cal Fire for Fire protection services would result in the additional expenditure of \$570,256.10 per year. These alternatives are matching level of service to current levels

of service. The overall result would be a net additional expenditure of \$47,345.10 per year for Police and Fire protection. These alternatives do not meet either goal of reducing cost or increasing levels of service.

The Oroville Fire Department is currently staffed with fewer general fund funded Fire Fighters then it was in 1973. 1973 is not a typo. Budget documents reveal the Oroville Fire Department was staffed with 13 full time Fire Fighters in 1973; currently the General Fund supports 12.5 Fire Fighters. The same budget documents reveal the Oroville Police Department was staffed with 21 Police Officers in 1973; currently the Police Department is staffed with 22 Police Officers. The Fire Department and Police Department have not grown in 42 years, despite the growth of the community and the increasing needs of the community.

The objective of this project is to improve the levels of service to the City of Oroville, to attempt to lower the cost of these services, while still ensuring local control of our local Fire Protection Services.

A third alternative would be a Public Safety Sales Tax. Staff has done some research on this option. This option has previously been discussed and never really materialized into anything more than a discussion. It appears the time has come to have an open discussion about the sustainability of local Public Safety Services with the community. Currently Public Safety is understaffed. Neither the Fire Department nor the Police Department have grown in over 42 years, yet the population of the community has increased significantly and the reliance upon the services Public Safety provides has dramatically increased. Non-growth has come with a cost. That cost is often at the expense of the quality of work performed, the need to work faster which translates into what appears to be rude or discourteous behavior and safety issues. All of these greatly concern the administration of the Public Safety Department. These concerns are equally shared by the leadership of the OFFA and the OPOA. It is our combined desire to provide the best service possible to our community.

In order to improve our service we need more Fire Professionals and more Law Enforcement Professionals.

If the Citizens of Oroville were to approve a 1% sales tax for public safety personnel based upon 2013 sales tax would generate approximately \$3,500,000.00.

What a 1% sales tax means to the average person is for every \$100.00 dollars spent that is subject to sales tax the person would pay an additional \$1.00. Additionally this sales tax would take the entire burden of the cost of public safety off of the residents of Oroville. This sales tax will spread the cost to all who do business in Oroville and utilize the services of the Public Safety Department.

These increased revenues along with currently levels of funding would allow the Public Safety Department the growth that is desperately needed. At the upper end of this

funding this could mean as many as 16 new safety employees to serve the citizens of Oroville.

## **FISCAL IMPACT**

Fiscal impact is detailed in presentation and will be determined by action taken by Council. Presentation has been compiled by the Public Safety Department. The City's Finance Department has not had an opportunity to evaluate the financial representations in the presentation.

## **RECOMMENDATIONS**

1. Direct the Public Safety Director to pursue contract negotiations with Butte County Cal Fire for Fire Protection Services; *and/or*
2. Direct the Public Safety Director to pursue contract negotiations with the Butte County Sheriff's Office for Law Enforcement Services for the City of Oroville; *or*
3. Direct Staff to initiate a Public Safety Sales Tax initiative, as a special election as soon as practicable; *or*
4. Direct staff to initiate the Public Safety Sales Tax Initiative, including the retention of a consultant in order to include a Public Safety Sales Tax Initiative as part of the 2016 General Municipal Election process.

## **ATTACHMENTS**

1. Power Point Presentation
2. Butte County Cal Fire response
3. Butte County Sheriff's Department response
4. Cost Comparison Butte County Cal Fire
5. Cost Comparison Butte County Sheriff

## OROVILLE PUBLIC SAFETY



---

---

---

---

---

---

---

---

## POPULATION OF OROVILLE 1973 TO PRESENT

1973	1980	1985	2014
7550	8450	9755	16260

---

---

---

---

---

---

---

---

## OROVILLE PUBLIC SAFETY STAFFING

Position	1973	1980	1985	2014
Police Officers	21	23	22	22
Fire Fighters	13	19	22	12.5

---

---

---

---

---

---

---

---

## 26 SWORN OFFICERS

- Frozen Positions unfunded 02
- Administrative Positions 02
- Supervisors 06
- Investigations 04
- Patrol Officers\* (2 grant funded) 13

• TOTAL POSITIONS SUPPORTED BY THE GENERAL FUND  
2014/2015

• 22

---

---

---

---

---

---

---

---

## 12.5 FIRE FIGHTERS

- Frozen Positions Unfunded 3
- Captains 3
- Engineers 6
- Fire Fighters (4.5 Grant Funded) 7
- Administrative 1

• TOTAL POSITIONS SUPPORTED BY THE GENERAL FUND  
in 2014/2015

• 12.5

---

---

---

---

---

---

---

---

## STAFFING LEVELS

- Staffing levels have not changed for over 40 years, yet the community has continued to grow
- Geographically
- Population
- Demand for Service
- Required Documentation

---

---

---

---

---

---

---

---

## OFFICER WORKLOAD

- Incidents: 36,998 (Approximately 11 calls per Officer per day)
- 2176 Incidents per Officer on patrol per year
- Reports: 5,703
- 286 Reports written per year per Officer

---

---

---

---

---

---

---

---

## 2013 Violent Crimes

- Homicide 2
- Manslaughter 1
- Rape by force 10
- Attempted Rape 0
- Robbery with Firearm 1
- Robbery with Knife 4
- Robbery with other weapon 3
- Robbery by Strong Arm 18
- Assault with Firearm 1
- Assault with Knife 13
- Assault with Other Weapon 12
- Assault with Hands, Fist, Feet 15
- Total 80
- Overall 4.92 violent crimes per thousand
- California Average 4.23 per thousand

---

---

---

---

---

---

---

---

## Burglaries 2013

- Burglary by Forcible Entry 93
- Burglary by Unlawful Entry 170
- Burglary by Attempted Forcible Entry 3
- Total 266
- Oroville rate: 16.35 per thousand
- California Average 6.46 per thousand

---

---

---

---

---

---

---

---

## Larceny (theft)

- Larceny (theft) 596
- Total 596
- Oroville rate: 35.8 per thousand
- California Average: 16.69 per thousand

---

---

---

---

---

---

---

---

## Vehicle Theft

- Vehicle Theft Autos 104
- Vehicle Theft Trucks 37
- Vehicle Theft Other 21
- Total 162
- Oroville rate: 9.9 per thousand
- California rate: 4.43 per thousand

---

---

---

---

---

---

---

---

## Fire Fighter Workload

- Fires 232
- Hazardous Materials 22
- Medical Aid 2587
- Traffic Collisions 240
- Public Assist 229
- Total 3310

- Average of 9 calls for service each day
- Average response times 2:10-4 minutes

---

---

---

---

---

---

---

---

### OROVILLE PUBLIC SAFETY COST OF NEW EMPLOYEES

- The Oroville Police Department needs 10 new personnel
- The Oroville Fire Department needs 5 new personnel
- Salary and Benefit Packages \$2,400,000.00
- Operational Cost to support new personnel \$217,000.00
- New Equipment cost \$500,000.00
  
- TOTAL COST \$3,117,000.00

---

---

---

---

---

---

---

---

### PUBLIC SAFETY BUDGET

- 2014 Budget for Police \$5,380,000.00
- 2014 Budget for Fire \$1,902,900.00
  
- Total \$7,282,900.00

---

---

---

---

---

---

---

---

### CITY BUDGET

- City Annual Income \$11,933,622.00
- Total Spent on Public Safety \$7,282,900.00
  
- Total Remaining for all other City functions \$4,650,722.00

---

---

---

---

---

---

---

---

### CITY BUDGET

- Current Remaining City Budget    \$4,550,722.00
  
- Needs of Public Safety            \$3,117,000.00
  
- If allocated the remaining budget
- for all other City Services
- \$1,533,722.00
  
- Due to limited General Fund dollars it is not a reasonable source for immediate needs of the Public Safety Department.

---

---

---

---

---

---

---

---

### OROVILLE PUBLIC SAFETY

- How do you and I balance our budgets?
  
- We can either lower our bills or raise our income
  
- The cost of fuel is the same regardless who purchases it.
- The cost of vehicle is the same regardless of who purchases it
- The cost of a shirt is the same regardless of who purchases it
- The only thing that can be examined for savings is our labor provider.

---

---

---

---

---

---

---

---

### Oroville Public Safety

- Grants obtained over past 3 years to reduce cost of Public Safety Services
  
- Salary and Revenue            \$1,510,662.00
- Equipment Grants            \$ 127,339.00
- Reduced Cost                    \$ 71,800.00
  
- **TOTAL**                            \$1,709,801.00

---

---

---

---

---

---

---

---

**OROVILLE PUBLIC SAFETY**

**• CONTRACTING OUT SERVICES**  
Option #1

• Local Providers are Butte County Sheriff's Department and Butte County Cal Fire

• Guestimation of savings from BCSO	\$1,500,000.00
• Cost Estimate from Cal Fire	+ \$570,256.10
• Net Savings	\$929,743.90




---

---

---

---

---

---

---

---

**OROVILLE PUBLIC SAFETY**

• Immediate Needs of Department	\$3,117,000.00
• Net Savings	\$929,743.90

- Loss of Local Identity
- Loss of Local Control

• Immediate needs can not be met by changing labor provider




---

---

---

---

---

---

---

---

**OROVILLE PUBLIC SAFETY**

**• 1% Public Safety Sales Tax**  
Option #2

To only be used for public safety personnel:

- Fire Fighters
- Peace Officers
- Community Service Officers
- Public Safety Dispatchers
- Operational support such as mechanic, financial support and employee relations support




---

---

---

---

---

---

---

---

## Oroville Public Safety

- 1% Public Safety Sales Tax
  - Annual monies generate would be \$3,500,000.00
  - This would be an economically sustainable source that would support the department and accommodate the natural growth of the department to meet the communities needs.
  - Must Sunset in 5 Years
  - City **MUST** continue to fund Public Safety Department at 2014/2015 General Fund levels
  - Annual Audit
  - Held Separate from General Fund
  - Citizen Oversight

---

---

---

---

---

---

---

---

## OROVILLE PUBLIC SAFETY

- 1% Public Safety Sales Tax **Will NOT** be used for
  - The Chief of Police
  - The City Administrator
  - Programs
- MONEY IS STRICTLY FOR "BOOTS ON THE GROUND" AND THE SUPPORTING MEMBERS OF THE DEPARTMENT FOR THOSE BOOTS ON THE GROUND

---

---

---

---

---

---

---

---

## OROVILLE PUBLIC SAFETY

- 1% Public Safety Sales Tax
  - For \$1.00 for every hundred Dollars you spend on taxable items, or for 1 cent for every dollar you spend on taxable items.
  - The Department can employ 10 new Police Personnel and 5 new Fire Personnel

---

---

---

---

---

---

---

---

## OROVILLE PUBLIC SAFETY

- Example of increase of 1% on Purchases

Amount of Purchase	Current Sales Tax rate 7.5%	Proposed Sales Tax rate 8.5%
\$100.00	\$7.50	\$8.50
\$1000.00	\$75.00	\$85.00
\$30,000.00	\$2250.00	\$2550.00

---

---

---

---

---

---

---

---

## Oroville Public Safety

- What can you do?????????
- Make your opinion known to your elected officials
- Spread the word regarding the idea you support
- Become involved give your elected leaders the support they need

---

---

---

---

---

---

---

---

## Oroville Public Safety

- Other Ideas????
- Please share other ideas that will take care of the immediate needs of the Public Safety Department for YOUR community
- The Public Safety Department is yours, please help us serve you

---

---

---

---

---

---

---

---

# Oroville Public Safety

- QUESTIONS



---

---

---

---

---

---

---

---



## DEPARTMENT OF FORESTRY AND FIRE PROTECTION

176 Nelson Ave  
Oroville, CA 95965-3384  
(530) 538-7111  
Website: [www.fire.ca.gov](http://www.fire.ca.gov)



September 29, 2014

Bill LaGrone  
2055 Lincoln Street  
Oroville, CA. 95966  
Fire Chief

RE: Cost estimate for fire protection service.

Dear Chief LaGrone,

As a follow-up to our meeting on September 22, 2014 to discuss a possible contract for fire protection service to the City of Oroville, please keep in mind the following as you review the information:

1. Level of daily staffing per apparatus. (Many alternatives to review)
2. Chief Officer. (Suggest 1 Battalion Chief)
3. Fire Marshall. (Suggest Battalion Chief rank)
4. Communication Operator. (Minimum of 2)
5. Office Technician. (Minimum of 1)
6. Volunteer Company budget.
7. Training budget.
8. Overtime budget.
9. CAL FIRE Firefighter's 2881, is currently in bargaining negotiations.
10. Administrative Fee.

Other services and items:

1. Fire Prevention and Investigation.
2. Hazardous Materials JPA
3. Training and Safety
4. Personnel benefits
5. Employee transition to state service
6. Fleet Management

I have attached a monthly position cost information sheet for your consideration. Each classification is shown at top step. Should you have any additional questions please contact for further discussion.

Thank you

  
Greg McFadden  
Fire Chief

CONSERVATION IS WISE—KEEP CALIFORNIA GREEN AND GOLDEN

PLEASE REMEMBER TO CONSERVE ENERGY. FOR TIPS AND INFORMATION, VISIT "FLEX YOUR POWER" AT [WWW.CA.GOV](http://WWW.CA.GOV).

**14/15 Monthly Estimated Position Costs**

		Potential MOU Increase
<b>Battalion Chief</b>		
Salary	\$ 5,869.00	\$ 6,103.76
Planned OT (13 months)	\$ 2,517.00	\$ 2,617.00
Uniform	\$ 830.00	\$ 830.00
Benefits	\$ 5,764.00	\$ 5,906.00
<b>Total</b>	<b>\$ 14,980.00</b>	<b>\$ 15,456.76</b>
<b>Fire Captain</b>		
Salary	\$ 4,609.00	\$ 4,793.00
Planned OT (13 months)	\$ 2,550.00	\$ 2,652.00
Uniform	\$ 830.00	\$ 830.00
Benefits	\$ 4,436.00	\$ 4,938.00
<b>Total</b>	<b>\$ 12,425.00</b>	<b>\$ 13,213.00</b>
<b>Engineer</b>		
Salary	\$ 4,003.00	\$ 4,163.00
Planned OT (13 months)	\$ 2,220.00	\$ 2,308.00
Uniform	\$ 830.00	\$ 830.00
Benefits	\$ 3,861.00	\$ 4,298.00
<b>Total</b>	<b>\$ 10,914.00</b>	<b>\$ 11,599.00</b>
<b>FFII</b>		
Salary	\$ 3,723.00	\$ 3,871.00
Planned OT (13 months)	\$ 2,000.00	\$ 2,080.00
Uniform	\$ 830.00	\$ 830.00
Benefits	\$ 3,566.00	\$ 3,994.00
<b>Total</b>	<b>\$ 10,119.00</b>	<b>\$ 10,775.00</b>
<b>Mechanic</b>		
Salary	\$ 4,311.00	
Fire Mission	\$ 689.00	
Uniform	\$ 450.00	
Benefits	\$ 3,399.00	
<b>Total</b>	<b>\$ 8,849.00</b>	
<b>Comm Operator</b>		
Salary	\$ 4,699.00	
Uniform	\$ 450.00	
Benefits	\$ 3,501.00	
<b>Total</b>	<b>\$ 8,650.00</b>	
<b>Office Technician</b>		
Salary	\$ 2,686.00	
Benefits	\$ 1,826.00	
<b>Total</b>	<b>\$ 4,512.00</b>	
<b>Overtime Budget (estimated)</b>		
	\$390,000.00	
<b>Training (TBD)</b>		
	??	
<b>Does not include Admin. Rate of 11.97%</b>		



DATE

Bill LaGrone, Chief of Police  
Oroville Police Department  
2055 Lincoln Street  
Oroville CA 95966

RE: Cost Estimate for Law Enforcement Services

Dear Chief LaGrone:

Pursuant to your "Request for a Cost Estimate for Police Services," I am providing you with the attached document listing the annual costs for the positions necessary to staff a municipal law enforcement agency. Please keep in mind that the information provided was not derived from a comprehensive analysis of what it would take to provide adequate police services to the City of Oroville. Accordingly, this letter and the attached document should not be construed as an assertion that the Sheriff's Office is presently in a position to enter into a contract for police services. Significant further analysis would need to be completed in order to determine the feasibility of such a contract. Numerous options and factors will need to be explored if the City Council decides to pursue this matter further. The following is a preliminary list of those options and factors:

1. Need to determine the adequate level of daily staffing for Patrol and Investigative services.
2. Staffing of the Chief of Police position - (recommend Sheriff's Captain)
3. Staffing of the Administrative Assistant position - (recommend Administrative Assistant)
4. Staffing of Assistant Chief position - (recommend Sheriff's Lieutenant)
5. Staffing of Sergeant positions - (Sheriff's Sergeant, 24/7 coverage)
6. Staffing of Police Officer positions - (Deputy Sheriff, 24/7 coverage)
7. Staffing of Detective positions - (Deputy Sheriff plus 5%)
8. Clerical Staff - (Sheriff's Clerks)
9. Dispatch services - (Sheriff's Public Safety Dispatchers, requires 24/7 coverage)
10. Adequate Training Budget, Overtime Budget, Equipment/Vehicle Budget and Contract Admiration cost recovery

As noted above, I have attached an annual position cost information sheet for your review and consideration. Each classification of employee is shown at top step. Serious consideration would be given to the employment of current full time police employees that meet the qualification and background requirements of the Sheriff's Office, which may necessitate the need to compensate employees at higher steps. If you have additional questions please feel free to contact me.

Regards,



Kory L. Honea  
Sheriff-Coroner

**2014-2015 Annual Position Costs  
Butte County Sheriff's Office**

Sheriff's Captain	Salary	\$ 121,934.00
	Benefit	\$ 57,090.00
	Worker's Comp	\$ 7,608.00
	<b>Total</b>	<b>\$ 186,632.00</b>
Sheriff's Lieutenant	Salary	\$ 97,637.00
	Benefit	\$ 52,309.00
	Worker's Comp	\$ 7,608.00
	<b>Total</b>	<b>\$ 157,554.00</b>
Sheriff's Sergeant	Salary	\$ 79,273.20
	Benefit	\$ 41,580.00
	Worker's Comp	\$ 7,608.00
	<b>Total</b>	<b>\$ 128,461.20</b>
Sheriff's Deputy	Salary	\$ 60,803.00
	Benefit	\$ 31,816.00
	Worker's Comp	\$ 7,608.00
	<b>Total</b>	<b>\$ 100,227.00</b>
Sheriff's Investigator	Salary	\$ 68,075.00
	Benefit	\$ 37,821.00
	Worker's Comp	\$ 7,608.00
	<b>Total</b>	<b>\$ 113,504.00</b>
Public Safety Dispatcher	Salary	\$ 49,959.00
	Benefit	\$ 25,797.00
	Worker's Comp	\$ 3,221.00
	<b>Total</b>	<b>\$ 78,977.00</b>
Sheriff's Administrative Asst.	Salary	\$ 46,228.00
	Benefit	\$ 25,013.00
	Worker's Comp	\$ 3,221.00
	<b>Total</b>	<b>\$ 74,462.00</b>
Sheriff's Clerk	Salary	\$ 39,670.00
	Benefit	\$ 23,920.00
	Worker's Comp	\$ 3,221.00
	<b>Total</b>	<b>\$ 66,811.00</b>
Sheriff's Evidence Technician	Salary	\$ 46,392.00
	Benefit	\$ 25,004.00
	Worker's Comp	\$ 7,608.00
	<b>Total</b>	<b>\$ 79,004.00</b>

**Cost to Hire**

<b>Position-Each Employee</b>	<b>Background/Professional Exp</b>	<b>Equip</b>	<b>Vehicle</b>	<b>TOTAL</b>	
Sworn Staff	\$ 2,940	\$ 5,300	\$ 40,000	\$	<b>48,240</b>
Non-Sworn Staff	\$ 1,557			\$	<b>1,557</b>
<b>SWORN STAFF</b>					
Annual Training		\$ 2,500.00			
Services & Supplies		\$ 1,699.50			
Uniform/Equipment		\$ 1,498.00			
	<b>Supplies &amp; Services</b>	<b>\$ 5,697.50</b>			
<b>ALL STAFF</b>					
County Cost Allocation		\$ 3,212.22			
Sheriff Administrative Cost		\$ 1,991.13			
	<b>Overhead</b>	<b>\$ 5,203.35</b>			

<b>Cal Fire Personnel Comparison</b>	<b>Salary</b>	<b>Benefit</b>	<b>Planned Overtime</b>	<b>Total</b>
1- Battalion Chief	6103.76	5975.17	2617.01	14695.94
3-Fire Captains	14379	15021.51	7956	37356.51
6-Fire Engineers	24978	26203.02	2308	53489.02
2.5-Fire Fighters	9677.5	10157.93	5200	25035.43
2- Communication Operators	9398	7077	0	16475
1- Office Technician	2686	1826	0	4512
<b>Total Personnel Cost Per Month</b>				<b>151563.9</b>
<b>Total Personnel Cost Per Year</b>				<b>\$1,818,766.80</b>
<b>Estimated Yearly Overtime</b>				<b>\$390,000.00</b>
<b>Administrative Fee 11.97%</b>				<b>\$264,389.38</b>
<b>Total Yearly Cost for Personnel for same service as we currently fund:</b>				<b>*\$2,473,156.10</b>
<b>*Does not include operational cost</b>				
<b>Current Budget with Operational cost included</b>				<b>\$1,902,900.00</b>
<b>Additional Expense to contract out to Cal Fire</b>				<b>\$570,256.10</b>

<b>Butte County Sheriff Comparison</b>	<b>Salary</b>	<b>Benefit</b>	<b>Worker's Comp</b>	<b>Sworn Annual Cost</b>	<b>Total</b>
1- Sheriff Captain	121,934.00	57,090.00	7,608.00	5,697.50	192329.5
1-Sheriff Lieutenant	97,637.00	52,309.00	7,608.00	5,697.50	163251.5
5-Sheriff Sergants	396,366.00	207,900.00	38,040.00	28,487.50	670793.5
15- Deputy Sheriffs	912,045.00	477,240.00	114,120.00	85,462.50	1588867.5
2- Deputy Sheriff Investigators	136,150.00	75,642.00	15,216.00	11,395.00	238,403.00
7- Communication Operators	349,713	180,579.00	22,547.00	0	552839
1- Administratvie Assistant	46,228.00	25,013.00	3,221.00	0.00	74462
1- Records Clerk	39,670.00	23,920.00	3,221.00	0.00	66,811.00
3-CSO/Evidence Techs	139,176.00	75,012.00	22,824.00	0.00	237,012.00
<b>Total Personnel Cost Per Year</b>					<b>\$3,784,769.00</b>
<b>Estimated Yearly Overtime</b>					
<b>County Cost and Administrative Cost</b>					<b>\$187,320.60</b>
<b>Total Yearly Cost for Personnel for same service as we currently fund:</b>					<b>\$3,972,089.60</b>
<b>*Does not include operational cost</b>					
<b>Current Budgeted Personnel cost</b>					<b>\$4,495,000.00</b>
<b>Savings to contract out to Butte County</b>					<b>\$522,911.00</b>

**OROVILLE CITY COUNCIL  
STAFF REPORT**

**TO: MAYOR AND COUNCIL MEMBERS  
RANDY MURPHY, CITY ADMINISTRATOR**

**FROM: DONALD RUST, DIRECTOR (530) 538-2433  
RICK WALLS, INTERIM CITY ENGINEER  
COMMUNITY DEVELOPMENT DEPARTMENT**

**RE: PURCHASE OF CITY STREET SWEEPER (*Continued from February  
17, 2014*)**

**DATE: MARCH 3, 2015**

**SUMMARY**

The Council may consider the purchase of a new City street sweeper from Municipal Maintenance Equipment, utilizing the competitive bid program through HGACBuy.

**DISCUSSION**

This is an urgent purchase for the following reasons:

- 1) The City's street sweeper is a model 2008 GMC/Schwarze and has reached the end of its useful life. A new street sweeper is in need due to the constant downtime for repairs. Over the last year, the street sweeper has been down about 2 months with no backup sweeper available. The cost of repairs in the last year has been in the thousands of dollars.
- 2) Based on state air quality regulations, if an order is placed such that delivery is not expected until after July 1, 2015, the cost will increase by about \$16,000 due to the requirement for a fully compliant Tier IV engine, versus an interim compliant Tier IV engine as contained in the HGACBuy quote. Both the interim and fully compliant Tier IV engines will satisfy current air quality regulations moving forward. There is no advantage to delaying the order and paying additional for the fully compliant engine. However to assure delivery prior to July 1, 2015 we must order the equipment prior to the end of this month.

Staff has obtained a purchase quote for a new 2015 street sweeper from Municipal Maintenance Equipment (MME). The quote from MME is through the HGACBuy which acts as a national bid clearinghouse for municipal equipment. The equipment prices obtained through HGACBuy have been previously bid competitively by the various vendors that participate in the program.

CC-2

According to HGACBuy, "all (purchasing) contracts available to participating members of HGACBuy have been awarded by virtue of a public competitive procurement process compliant with state statutes". In order to purchase through HGACBuy at HGACBuy prices, a purchase order is sent directly to the manufacturer. In this case, the HGACBuy quote received from MME is for a 2015 Schwarze street sweeper priced at \$246,743 including pre-delivery inspection, sales tax, shipping and onsite training provided by MME.

## **FISCAL IMPACT**

The purchase of a new street sweeper will cost the City \$246,743 from the General Fund.

The Streets Department had requested funding for the street sweeper in their budget request for the current year. Several potential one time sources were identified as possible sources of funding for this asset, at that time. Finance believes such a source will be identified prior to delivery and payment for this equipment, but the urgent nature of this purchase requires consideration of alternatives. The Streets department had researched lease options to meet this vital need.

Research may provide a preferable financing alternative for this urgent purchase order, for example one time monies which may be due the general fund from the Redevelopment Agency Bond proceeds, in which case staff will bring forward alternative funding to the Council as appropriate.

## **RECOMMENDATIONS**

1. Do not approve the purchase of a new City street sweeper or alternative bid process; *or*
2. Authorize staff to prepare a purchase order to purchase a 2015 Schwarze street sweeper for a price not to exceed \$246,743 using available financing through a leasing agent, and acceptance of use of Houston-Galveston Area Council HGACBuy alternative bid process. Financing option would be over a 5 year repayment plan; *or*
3. Authorize staff to prepare a purchase order to purchase a 2015 Schwarze street sweeper for a price not to exceed \$246,743 by authorizing an interfund loan to and necessary budget adjustment to the General Fund from the Sewer Fund, and acceptance of use of Houston-Galveston Area Council HGACBuy alternative bid process. This self-financing option would save the City approximately \$20,000 in interest costs. Self-financing option would be over a 5 year repayment plan; *or*
4. Direct staff , as necessary.

**ATTACHMENT**

HGACBuy Street Sweeper Quote

# Model A7 Tornado

## ELECTRONIC BUILD SHEET



for office use only:

S/O #:

S/N #:

**Effective Date 1/12/2015**

Complete Dealership Name:

MME

### AUXILIARY ENGINE OPTIONS

SIA7

<input type="checkbox"/>	115HP John Deere Tier III	203P72	\$ 103,220.00
<input checked="" type="checkbox"/>	115HP John Deere Tier IVI	204D81	\$ 119,515.00

Customer Name:

City of Oroville

### Standard Features are Highlighted in Blue

Equipment not listed below is either standard or special, see specifications for unit. Use "write-in" area to add options not listed.

## Optional Equipment

### SWEEP HEAD

<input checked="" type="checkbox"/>	Standard w/rubber blast orifice	204A41	\$ 0.00
<input checked="" type="checkbox"/>	Sweep Head Deluge (Must Pk Standard Head)	204H52	\$ 365.00

### GUTTER BROOM OPTIONS

<input checked="" type="checkbox"/>	Gutter Broom, Dual	203W42	\$ 6,725.00
<input checked="" type="checkbox"/>	Gutter Broom, Tilt Standard Dual or	203C01	\$ 0.00
<input checked="" type="checkbox"/>	Gutter Broom, Tilt Power Dual	203C02	\$ 1,395.00
<input type="checkbox"/>	Gutter Broom, GEO Dual	203M91	\$ 2,400.00
<input type="checkbox"/>	Gutter Broom, RH	203X27	\$ 4,055.00
<input type="checkbox"/>	Gutter Broom, Tilt Power RH	203C05	\$ 710.00
<input type="checkbox"/>	Gutter Broom, GEO RH	203M89	\$ 1,235.00
<input type="checkbox"/>	Gutter Broom, LH	203X28	\$ 4,055.00
<input type="checkbox"/>	Gutter Broom, Tilt Power LH	203C08	\$ 710.00
<input type="checkbox"/>	Gutter Broom, GEO LH	203M90	\$ 1,240.00
<input type="checkbox"/>	Gutter Broom, Poly Segments, each	203662	\$ 210.00
<input type="checkbox"/>	Gutter Broom, In-Cab Down Pressure	204H40	\$ 2,400.00
<input type="checkbox"/>	Standby, Gutter Broom & Head	203N94	\$ 1,090.00
<input type="checkbox"/>	Standby, Full w/Throttle Ramp	204B08	\$ 1,395.00
<input type="checkbox"/>	Variable Speed Gutter Broom, Single	203V59	\$ 570.00
<input type="checkbox"/>	Variable Speed Gutter Broom, Dual	203V60	\$ 980.00

### MISCELLANEOUS OPTIONS

<input type="checkbox"/>	Manual, Sweeper, Additional Copy	203689	\$ 130.00
<input type="checkbox"/>	Automatic Lubrication System Vogel	203842	\$ 6,790.00
<input type="checkbox"/>	Auto Lube Sys. Vogel Sweeper Only	203G87	\$ 3,590.00
<input checked="" type="checkbox"/>	Remote Grease Fittings, Fan	203J02	\$ 265.00

### WATER SYSTEM

<input checked="" type="checkbox"/>	Water Tank, Standard 250G or	203B97	\$ 0.00
<input checked="" type="checkbox"/>	Water Tank, W/ Add. 350G*		\$ 3,510.00
<input checked="" type="checkbox"/>	Water Tank Sight Gauge side of tank	203674	\$ 205.00
<input checked="" type="checkbox"/>	Water Tank Low Level Alarm & Ind.	203676	\$ 290.00
<input checked="" type="checkbox"/>	Spray Bar, Front	203680	\$ 645.00
<input type="checkbox"/>	Spray Bar, Hopper Add. 4 Nozzles	203681	\$ 645.00
<input checked="" type="checkbox"/>	Spray Bar, Hopper Add. 7 Nozzles	203939	\$ 680.00
<input type="checkbox"/>	High Pressure Washdown Wand W/ Pump		\$ 3,090.00
<input type="checkbox"/>	High Pressure Washdown W/ 50' Hose Reel	204H58	\$ 4,225.00

\* 350 Gallon Water Tank only Available on Freightliner and Autocar Stock Chassis.

### HOPPER OPTIONS

<input checked="" type="checkbox"/>	Hopper, Standard (8.4 CuYd)	204K16	\$0.00
<input type="checkbox"/>	Hopper, W/ Remote DD Screens	204K21	\$3,925.00
<input checked="" type="checkbox"/>	Auto Drop Down Screens**	204H25	\$3,225.00
<input checked="" type="checkbox"/>	Hopper Drain - None or	203G45	\$0.00
<input checked="" type="checkbox"/>	Hopper Drain, 6"	203643	\$670.00
<input type="checkbox"/>	Dual Hopper Drain, 6"	204K28	\$1,350.00
<input type="checkbox"/>	Hopper Sound Suppression	203640	\$735.00
<input type="checkbox"/>	Hopper Dump Assist Shaker	203639	\$1,270.00
<input checked="" type="checkbox"/>	Hand Hose- None	203G46	\$0.00
<input type="checkbox"/>	Hand Hose, 8" Spring Boom	203066	\$1,270.00
<input type="checkbox"/>	Hand Hose, 8" Power Boom	204H90	\$2,625.00
<input type="checkbox"/>	Hand Hose, 8" Power Boom HD	204H44	\$3,495.00
<input type="checkbox"/>	Pendant Control for Power Boom	204J54	\$290.00
<input type="checkbox"/>	Hand Hose Extension 4 Feet Long	203O68	\$330.00
<input type="checkbox"/>	Hand Hose Water Nozzle	204K35	\$260.00
<input checked="" type="checkbox"/>	Hopper Deluge- None	203H59	\$0.00
<input checked="" type="checkbox"/>	Hopper Deluge, Conical Spray	203B77	\$860.00
<input type="checkbox"/>	Hopper Deluge, 4 Nozzle, Conical Spray	204G28	\$2,190.00
<input checked="" type="checkbox"/>	Load Weight Alarm & Indicator	203532	\$375.00
<input type="checkbox"/>	Hopper Up Alarm & Indicator	203899	\$360.00
<input type="checkbox"/>	Hopper Aux. Engine Screen Cover	204A36	\$580.00
<input type="checkbox"/>	Hopper Door Open Indicator	203G23	\$290.00
<input checked="" type="checkbox"/>	Hopper Dump Switches Exterior Right Side	203C79	\$450.00
<input type="checkbox"/>	Hopper, Stainless Steel (SS)	204F45	\$18,070.00
<input type="checkbox"/>	Hopper W/ Remote DD Screens (SS)	204K27	\$19,885.00
<input type="checkbox"/>	Hopper Drain 6" (SS)	203C35	\$855.00

\*\* Auto Drop Down Screen option can be chosen for Carbon or Stainless Hoppers

### AUXILIARY ENGINE OPTIONS

<input type="checkbox"/>	Block Heater, Aux Engine	203060	\$ 325.00
<input type="checkbox"/>	Hydraulic Filter Restriction Alarm & Ind	203066	\$ 290.00
<input type="checkbox"/>	Low Hydraulic Level Indicator In-Cab	203067	\$ 265.00
<input type="checkbox"/>	Alternator, 100 AMP, Aux Engine	203527	\$ 290.00
<input type="checkbox"/>	Engine Remote Throttle	203627	\$ 325.00
<input type="checkbox"/>	Air Filter Restriction Alarm & Indicator	203064	\$ 290.00
<input type="checkbox"/>	Hyd Filter Gauge, In Cab	203528	\$ 290.00
<input type="checkbox"/>	Shutdown, Low Hydraulic Level	203P98	\$ 155.00

Make note of the following: All prices F.O.B Schwarze Industries, Inc., Huntsville, Al. and are subject to change without notice. All pricing is quoted and to be paid in U.S. funds. Payment required before release of MSD. Warranties on chassis and auxiliary engine (if required) are provided by their manufacturer and are not covered by Schwarze Industries, Inc. Dealers are responsible for reviewing, and verifying, all quotes prior to submission in regards to the customers' bid requirements. Write-in options are subject to final approval concerning both structure and price by Schwarze Industries, Inc. management. This Electronic Buildsheet (EBS) is a communication tool between Schwarze

# Model A7 Tornado

## ELECTRONIC BUILD SHEET



Effective Date 1/12/2015

### Optional Equipment (continued):

#### LIGHTING OPTIONS

<input checked="" type="checkbox"/>	Strobe, Rear W/Guard LED (Std) 1 ea or	203Y67	\$	0.00
<input type="checkbox"/>	Strobe, Rear LED 1 each or	20Z271	\$	0.00
<input type="checkbox"/>	Strobe, Cab Cabover LED		\$	450.00
<input type="checkbox"/>	Strobe, Cab Conventional LED	204B50	\$	450.00
<input type="checkbox"/>	Strobe, Cab W/Guard Cabover LED	203Y95	\$	610.00
<input type="checkbox"/>	Strobe, Cab W/Guard Conventional LED	204B51	\$	610.00
<input type="checkbox"/>	Barlight, Cab LED	204B34	\$	710.00
<input type="checkbox"/>	Barlight, Cab W/Guard LED	204B10	\$	830.00
<input type="checkbox"/>	Barlight, Cab Cabover LED		\$	710.00
<input type="checkbox"/>	Barlight, Cab W/Guard, Cabover LED		\$	545.00
<input type="checkbox"/>	Strobe, Dual Rear LED	203Z73	\$	450.00
<input type="checkbox"/>	Strobe, Dual Rear W/Guard LED	203Z74	\$	645.00
<input type="checkbox"/>	Floodlight, LED **	203V45	\$	290.00
<input type="checkbox"/>	Arrowboard, Traffic Guide	203685	\$	765.00
<input checked="" type="checkbox"/>	Arrowboard, Traffic Guide, LED	204C21	\$	1,050.00
<input type="checkbox"/>	Barlight, Rear LED***	203U22	\$	830.00
<input type="checkbox"/>	Barlight, Rear W/Guard LED***	203U21	\$	710.00

#### SWEeper EXTENDED WARRANTIES\*\*

<input checked="" type="checkbox"/>	STANDARD- 1 Year or 1200 hours	\$	0.00
<input type="checkbox"/>	SILVER- 2 Years or 2400 Hours	\$	1,795.00
<input type="checkbox"/>	GOLD- 3 Years or 3600 Hours	\$	4,450.00
<input type="checkbox"/>	PLATINUM- 4 Years or 4800 Hours	\$	6,450.00
<input type="checkbox"/>	DIAMOND- 5 Years or 6000 Hours	\$	8,195.00

\*\*Dealer Discount does not apply to Sweeper Warranties

Schwarze. Chassis and auxiliary power are both separate, and need to be purchased with local dealer/distributors

#### SPECIAL PAINT OPTIONS

<input checked="" type="checkbox"/>	Paint, Standard	204F67	\$	0.00
<input type="checkbox"/>	Paint, Special: Sweeper Unit Only *	203N66	\$	995.00
<input type="checkbox"/>	Paint, Special: Chassis Only *	203N67	\$	3,140.00
<input checked="" type="checkbox"/>	Decal Kit	204E41	\$	0.00

\* Enter DuPont Imron Paint Code Below:

Special Paint Color: \_\_\_\_\_

Special Paint Code: \_\_\_\_\_

\*\* State in Notes Location of Additional Floodlight(s)

\*\*\* Barlight Rear Option is In Lieu of Standard Rear Strobe

### CHASSIS SELECTION:

#### CHASSIS MOUNTING OPTIONS

<input type="checkbox"/>	FL M2 33K 200HP DS 2500 '15	65240	\$	78,250
<input type="checkbox"/>	Peterbilt 220 33K 220HP RH Steer '15	65588	\$	85,560
<input type="checkbox"/>	Peterbilt 220 33K 220HP Dual Steer '15	65333	\$	99,450
<input checked="" type="checkbox"/>	Kenworth K370 33K 220HP RH Steer '16	65611	\$	86,695
<input type="checkbox"/>	Autocar Xpert 33K 200HP 2500 '14	65498	\$	104,390
<input type="checkbox"/>	Customer Chassis Mounting Fee		\$	2,500
<input type="checkbox"/>	Special Order Chassis		\$	-

#### TRUCK KIT OPTION- MUST PICK 1

<input type="checkbox"/>	International 4300	203016	\$	0.00
<input type="checkbox"/>	Freightliner M2	203M06	\$	0.00
<input type="checkbox"/>	Autocar Xpert	204E37	\$	0.00
<input type="checkbox"/>	Peterbilt 220		\$	0.00
<input checked="" type="checkbox"/>	Kenworth K370		\$	0.00

CALL FOR CHASSIS AVAILABILITY BEFORE QUOTING!!!!

Please Refer to Dealer Website for Stock Chassis Specs

Dealer Discount Does not Apply to Chassis Mounting Options

### Customer Supplied Chassis Information:

CHASSIS DELIVERY DATE TO SCHWARZE	CHASSIS DEALER CONTACT NAME
CHASSIS DEALER	CHASSIS DEALER CONTACT NUMBER

Payment required before release of MSO. Warranties on chassis and auxiliary engine (if required) are provided by their manufacturer and are not covered by Schwarze Industries, Inc.. Dealers are responsible for reviewing, and verifying, all quotes prior to submission in regards to the customers' bid requirements. Write-in options are subject to final approval concerning both structure and price by Schwarze Industries, Inc. management. This Electronic Buildsheet (EBS) is a communication tool between Schwarze Industries, Inc. and it's authorized dealer. This EBS is proprietary to Schwarze Industries, Inc. and may not be modified or used for any other purpose without the written consent of Schwarze Industries, Inc.

# Model A7 Tornado

## ELECTRONIC BUILD SHEET



Effective Date 1/12/2015

### CHASSIS OPTIONS:

#### M2 CHASSIS OPTIONS

<input type="checkbox"/>	Mirror, 12" Parabolic, Set	203616	\$	365.00
<input type="checkbox"/>	Seat, Air Ride, Cloth, Each *	203B29	\$	965.00
<input type="checkbox"/>	Seat, Suspension Hiback, Each *	203461	\$	1,090.00
<input type="checkbox"/>	Air Filter Restrict Ind Chassis	203465	\$	290.00
<input type="checkbox"/>	Tire & Rim, Spare M2	203468	\$	1,385.00
<input type="checkbox"/>	Block Heater	203469	\$	340.00
<input type="checkbox"/>	Camera System, Dual	203X82	\$	1,445.00
<input type="checkbox"/>	Camera System, Single	203X81	\$	1,160.00
<input type="checkbox"/>	Horn, Air M2	203C53	\$	160.00
<input type="checkbox"/>	Rim, Spare M2	203620	\$	415.00
<input type="checkbox"/>	Magnet, Bar, 90" FL M2	204A38	\$	1,950.00
<input type="checkbox"/>	Magnet, Bar, 87" Self Dumping, FL M2	203X78	\$	4,550.00

\* State in notes, location of Air Ride Seat

#### IH CHASSIS OPTIONS

<input type="checkbox"/>	Air Dryer, Bendix AD9*	203018	\$	1,240.00
<input type="checkbox"/>	Mirror, 12" Parabolic, Set	203616	\$	365.00
<input type="checkbox"/>	Seat, Air Ride Hiback, Each *	203C55	\$	1,155.00
<input type="checkbox"/>	Seat, Suspension Hiback, Each *	203461	\$	1,090.00
<input type="checkbox"/>	Air Filter Restrict Ind Chassis	203465	\$	290.00
<input type="checkbox"/>	Tire & Rim, Spare IH	203476	\$	1,385.00
<input type="checkbox"/>	Block Heater, IH 4300	203C83	\$	340.00
<input type="checkbox"/>	Tow Hooks, IH	203037	\$	260.00
<input type="checkbox"/>	Camera System, Dual	203X82	\$	1,445.00
<input type="checkbox"/>	Camera System, Single	203X81	\$	1,160.00
<input type="checkbox"/>	Horn, Air IH	203C53	\$	760.00
<input type="checkbox"/>	Rim, Spare IH	203478	\$	225.00
<input type="checkbox"/>	Magnet, Bar, 90" IH	204A37	\$	1,950.00
<input type="checkbox"/>	Magnet, Bar, 87" Self Dumping, IH	204D68	\$	4,550.00

\* 4300 M7 Only, State in notes location of Air Ride Seat

#### CABOVER CHASSIS OPTIONS

<input type="checkbox"/>	Mirror, 12" Parabolic, Set	203616	\$	365.00
<input checked="" type="checkbox"/>	Camera System, Dual	203X82	\$	1,445.00
<input type="checkbox"/>	Camera System, Single	203X81	\$	1,160.00
<input checked="" type="checkbox"/>	Magnet, Bar, 90"	204A25	\$	1,950.00
<input type="checkbox"/>	Air Filter Restrict Ind Chassis	203465	\$	185.00
<input checked="" type="checkbox"/>	Tire & Rim, Spare AutoCar	203X83	\$	1,385.00
<input type="checkbox"/>	Horn, Air Auto Car	203C53	\$	760.00
<input type="checkbox"/>	Seat, Air Ride Hiback, Each *	204G65	\$	1,410.00
<input type="checkbox"/>	Gauge, Transmission Temp	203467	\$	210.00

\* State in notes, location of Air Ride Seat



\* Please select in the drop down Ext. Wty (Extended Warranty), Note, or Option to flag the description of the line item requested.

**TOTAL SPECIAL OPTIONS**

\$

-

Make note of the following: All prices F.O.B Schwarze Industries, Inc., Huntsville, Al. and are subject to change without notice. All pricing is quoted and to be paid in U.S. funds. Payment required before release of MSD. Warranties on chassis and auxiliary engine (if required) are provided by their manufacturer and are not covered by Schwarze Industries, Inc.. Dealers are responsible for reviewing, and verifying, all quotes prior to submission in regards to the customers' bid requirements. Write-in options are subject to final approval concerning both structure and price by Schwarze Industries, Inc. management. This Electronic Buildsheet (EBS) is a communication tool between Schwarze Industries, Inc. and it's authorized dealer. This EBS is proprietary to Schwarze Industries, Inc. and may not be modified or used for any other purpose without the written consent of Schwarze Industries, Inc.

# Model A7 Tornado

## ELECTRONIC BUILD SHEET



Effective Date 1/12/2015

Sweep Head Options	\$	365.00
Broom Options	\$	8,120.00
Miscellaneous Options	\$	265.00
Hopper Options	\$	5,580.00
Water System Options	\$	5,330.00
Engine Sweeper Options	\$	-
Lighting Options	\$	1,050.00
Paint Options	\$	-
M2 Chassis Options	\$	-
IH Chassis Options	\$	-
Autocar Chassis Options	\$	4,780.00

<b>SUB TOTAL UNIT W/OPTIONS</b>	\$	145,005.00
<b>DEALER DISCOUNT 20%</b>	\$	(29,001.00)
<b>TOTAL AFTER DEALER DISCOUNT</b>	\$	116,004.00
<b>CHASSIS PRICE</b>	\$	86,695.00
<b>SPECIAL OPTION REQUESTS</b>	\$	-
<b>MOUNTING CUSTOMER CHASSIS</b>	\$	-
<b>SWEEPER EXTENDED WARRANTY</b>	\$	-
<b>TOTAL INVOICE</b>	\$	<u>202,699.00</u>

signature of salesperson submitting quote      Quote Date

signature of Schwarze manager approv. quote      Approval Date

## A7 TORNADO PURCHASE ORDER

DELIVERY DAYS A R O or A R C

If Special Chassis is provided, delivery quotation is After Receipt of Customer Supplied Chassis

Purchase Order Number

**Freight:**

\*For Schwarze Arranged Freight, please check one

Dealer to Arrange Freight

Schwarze to Arrange Freight (Enter Amount)

LTL Quotation\*

Full Load Quotation\*

Schwarze Freight is quoted FOB Huntsville and is valid for 60 days from quotation date

TERMS: Place X in Appropriate Box

C.O.D.

Net 10

Net 30

Irrevocable Letter of Credit

Other (Please Specify)

Dealer Name: MME  
 Dealer Address: 2360 Harvard St  
 Sacramento, CA. 95815

Customer Name: City of Oroville  
 Customer Address: 1735 Montgomery St  
 Oroville, CA. 95965  
 Customer Phone: 530-538-2507  
 Customer Email: wallsr@cityoforoville.org

Check ship to:

Ship to different address (complete below):

Company: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 \_\_\_\_\_  
 Contact & Phone: \_\_\_\_\_

Total Invoice From Above      \$ 202,699.00

SSA  
 Total Freight From Above      \$ -

Total Purchase Order Amount      \$ 202,699.00

**OROVILLE CITY COUNCIL  
STAFF REPORT**

**TO: MAYOR, COUNCIL MEMBERS AND  
RANDY MURPHY, CITY ADMINISTRATOR**

**FROM: BILL LA GRONE, DIRECTOR OF PUBLIC SAFETY**

**RE: CONSIDERATION OF A CITY SITTING, LAYING AND CAMPING  
ORDINANCE**

**DATE: MARCH 3, 2015**

**SUMMARY**

The Council may consider restrictions on camping and blocking public rights of way in the City of Oroville.

**DISCUSSION**

The purpose of this proposed addition to the City code is to give the authority to City staff to help regulate and control camping in public rights of way and to restrict camping on private property without the owner's consent. It has been a common misconception that camping is illegal in the City limits of Oroville. Camping is only restricted in City Parks, this new section of the Municipal Code would restrict camping from all locations in the public right of way, and on private property where the property owner has not granted permission. An example of where this has become an issue in the past would be camping along backside of the Cemetery on Feather River Blvd. The camping became such a problem the shrubs had to be removed so people could not conceal their camps inside of the shrubbery.

This ordinance would also prohibit the sitting and lying on public walkways and other public rights of way. It has become increasingly common to see individuals with large amounts of personal property sitting on the sidewalks, in the roadways, and other public rights of way blocking the free access and use of those areas. This ordinance would give the authority to the Code Enforcement Officers and the Police Officers to first ask for the removal of such blockages and, eventually, allow for the arrest of individuals that refused to comply. I have attached a copy of the proposed Ordinance for your review.

**FISCAL IMPACT**

None at this time. Possibly additional staff costs for Public Safety Officers.

## **RECOMMENDATION**

Provide direction to staff, as necessary.

## **ATTACHMENTS**

Proposed Addition to the City Code

#### **14-27.101 Purpose.**

The streets and public areas within the city should be readily accessible and available to residents and the public at large. The use of these areas for camping purposes or storage of personal property interferes with the rights of others to use the areas for which they were intended. Such activity can constitute a public health and safety hazard which adversely impacts neighborhoods and commercial areas. Camping on private property without the consent of the owner, proper sanitary measures and for other than a minimal duration adversely affects private property rights as well as public health, safety, and welfare of the city. The purpose of this chapter is to maintain streets, parks and other public and private areas within the city in a clean, sanitary and accessible condition and to adequately protect the health, safety and public welfare of the community, while recognizing that, subject to reasonable conditions, camping and camp facilities associated with special events can be beneficial to the cultural and educational climate in the city. Nothing in this chapter is intended to interfere with otherwise lawful and ordinary uses of public or private property.

#### **14-27.201 Definitions.**

Unless the particular provisions or the context otherwise requires, the definitions contained in this section shall govern the construction, meaning, and application of words and phrases used in this chapter.

“Camp” means to place, pitch or occupy camp facilities; to live temporarily in a camp facility or outdoors; to use camp paraphernalia.

“Camp facilities” include, but are not limited to, tents, huts, vehicles, vehicle camping outfits or temporary shelter.

“Camp paraphernalia” includes, but is not limited to, bedrolls, tarpaulins, cots, beds, sleeping bags, hammocks or cooking facilities and similar equipment.

“City Administrator” means the city administrator or designee.

“Establish” means setting up or moving equipment, supplies or materials on to public or private property to “camp” or operate camp facilities.

“Maintain” means keeping or permitting equipment, supplies or materials to remain on public or private property in order to camp or operate camp facilities.

“Operate” means participating or assisting in establishing or maintaining a camp or camp facility.

“Park” means the same as defined in Section [26-04.020](#) of this code.

“Private property” means all private property including, but not limited to, streets, sidewalk, alleys, and improved or unimproved land.

“Public property” means all public property including, but not limited to, streets, sidewalks, alleys, improved or unimproved land and parks.

“Store” means to put aside or accumulate for use when needed, to put for safekeeping, to place or leave in a location.

“Street” means the same as defined in Section 12.16.180 of this title. (Prior code § 44.03.006)

#### **14-27.301 Unlawful camping.**

It is unlawful and a public nuisance for any person to camp, occupy camp facilities, or use camp paraphernalia in the following areas:

- A. Any public property; or
- B. Any private property.

1. It is not intended by this section to prohibit overnight camping on private residential property by friends or family of the property owner, so long as the owner consents and the overnight camping is limited to not more than one consecutive night.

2. Nothing in this chapter is intended to prohibit or make unlawful, activities of an owner of private property or other lawful user of private property that are normally associated with and incidental to the lawful and authorized use of private property for residential or other purposes; and provided further, nothing is intended to prohibit or make unlawful, activities of a property owner or other lawful user if such activities are expressly authorized by the Planning and Development Code or other laws, ordinances and regulations.

3. The city administrator may, as provided in Section 14-27.601 of this chapter, issue a temporary permit to allow camping on public or private property in connection with a special event. A violation of this section is a misdemeanor. In addition to the remedies set forth in Penal Code Section 370, the city attorney may institute civil actions to abate a public nuisance under this chapter.

#### **14-27.401 Pedestrian and vehicle interference**

No person, after first being ordered to move by a peace officer, shall walk, stand, sit, lie, or place an object on any portion of a street, sidewalk or other public right-of-way in such a manner as to block passage by another person or a vehicle, or to require another person or a driver of a vehicle to take evasive action to avoid physical contact.

#### **14-27.501 Storage of personal property on public and private property.**

It is unlawful and a public nuisance for any person to store personal property, including camp paraphernalia, in the following areas, except as otherwise provided by resolution of the city council:

- A. Any public property; or
- B. Any private property without the written consent of the owner.

A violation of this section is a misdemeanor. In addition to the remedies set forth in [Penal Code](#) Section 370 the city attorney may institute civil actions to abate a public nuisance under this chapter.

#### **14-27.601 Permit for special events required.**

The city administrator may, in his or her discretion, issue a permit to establish, maintain and operate a camp or a camp facility in connection with a special event. A special event is intended to include, but not be limited to, programs operated by the departments of the city, youth or school events, marathons or other sporting events and scouting activities. The city administrator may consult with various city departments, and the public prior to issuing any temporary permit. Each department or person consulted may provide comments regarding any health, safety or public welfare concerns and provide recommendations pertaining to the issuance, denial or conditioning of the permit. A reasonable fee, to be set by the city council shall be paid, in advance, by the applicant. The fee shall be returned if the application is denied. In exercising his or her discretion to issue a temporary permit, the city administrator may consider any facts or evidence bearing on the sanitary, health, safety and welfare conditions on or surrounding the area or tract of land upon which the proposed temporary camp or camp facility is to be located.

Any person, who establishes, maintains or operates a camp or camp facility without a permit is guilty of a misdemeanor and constitutes a public nuisance. In addition to remedies provided in [Penal Code](#) Section 370 the city attorney may institute civil actions to abate a public nuisance under this chapter.

#### **14-27.701 Posting copy of permit.**

It is unlawful for any person to establish, maintain, conduct or carry on any camp or camp facility unless there shall be at all times posted in a conspicuous place upon the area or tract of land upon which the camp or camp facility is located a permit obtained from the city administrator in accordance with the provisions of Section [14-27.501](#) of this chapter.

#### **14-27.801 Power of the city administrator to make rules and regulations.**

The city administrator is further empowered to ascertain that the operation or maintenance of any camp or camp facilities to which a temporary permit shall apply will in no way jeopardize the public health, safety or welfare and for this purpose may make additional rules and regulations pertaining to their establishment, operation or conduct. The city administrator may also impose conditions on the establishment, maintenance and operation of the camp or camp facility, including, but not limited to, security, sanitation facilities, the number of occupants, posting of bonds or deposits, insurance, quiet hours, duration of the permit, and permitted activities on the premises. When the city administrator shall issue any permit under the terms of Section 14-27.601 of this chapter, the same may be revoked at any time thereafter by the city administrator if the city administrator becomes satisfied that the maintenance or continuing operation of the camp or camp facilities is adverse to the public health, safety and welfare.

#### **14-27.901 Current ordinance provisions.**

Neither the adoption of the ordinance codified in this chapter nor the repeal hereby of any ordinance shall in any manner affect the prosecution for violation of ordinances, which violations were committed prior to the effective date hereof, nor be construed as affecting any of the provisions of such ordinance relating to the collection of any such license or penalty or the penal provision applicable to any violation thereof, nor to affect the validity of any bond or cash deposit in lieu thereof, required to be posted, filed or deposited pursuant to any ordinance, and all rights and obligations thereunder appertaining shall continue in full force and effect.

**OROVILLE SUCCESSOR AGENCY  
STAFF REPORT**

**TO: SUCCESSOR AGENCY CHAIRPERSON AND COMMISSIONERS**

**FROM: RUTH WRIGHT, FINANCE DIRECTOR**

**RE: APPROVAL OF PRELIMINARY OFFICIAL STATEMENT, REFUNDING  
OF REDEVELOPMENT AGENCY BONDS**

**DATE: MARCH 3, 2015**

**SUMMARY**

The Commission will consider approving the attached Preliminary Official Statement for the upcoming bond refunding.

**DISCUSSION**

On December 17, 2014, the Successor Agency approved Resolution No.07-14 authorizing the issuance of tax allocation refunding bonds (the "Bonds") to refund the former Oroville Redevelopment Agency's previously incurred 2002 Loan, 2004A Loan and 2004B Loan. The purpose of the refunding is to produce debt service savings as authorized by Health and Safety Code Section 34177.5(a)(1).

A required step in the process of issuing the Bonds is approving a Preliminary Official Statement (the "POS") to be used in marketing the Bonds. Staff has worked with Stradling Yocca Carlson & Rauth, a Professional Corporation, Bond Counsel and Disclosure Counsel to the Successor Agency for the sale of the Bonds, to prepare a draft of the POS for review by the Successor Agency Board. Copies of the draft of the POS have been distributed to Board members.

The Resolution before the Commission will approve the form of the POS and authorize the Executive Director and other officials of the Successor Agency to finalize the POS for distribution to prospective investors. Health and Safety Code Section 34177.5(a)(1) requires a minimum threshold of savings to be achieved before the Bonds may be sold.

If the Commission adopts the resolution, the next step will be to distribute the POS to prospective investors and the Bonds will be priced and sold if the minimum savings target specified by the Commission is met.

**FISCAL IMPACT**

It is estimated that this refunding will increase the property tax revenue beginning next fiscal year (2015 – 2016) of all tax entities with the former RDA by an average of

(SA) CC-23

approximately \$225,000 and increase City revenues by an average of approximately \$66,000 annually.

Additionally, the City is estimated to receive on time cost of issuance estimated at \$50,000 to account for significant staff time utilized to prepare this transaction for sale.

### **RECOMMENDATION**

Adopt Resolution No. 15-04 – A RESOLUTION OF THE SUCCESSOR AGENCY TO THE FORMER OROVILLE REDEVELOPMENT AGENCY APPROVING THE FORM OF THE PRELIMINARY OFFICIAL STATEMENT TO DEEM IT FINAL UNDER RULE 15C2-12 AND AUTHORIZING CERTAIN ACTIONS IN CONNECTION THEREWITH.

### **ATTACHMENTS**

Resolution No. 15-04  
Preliminary Official Statement

**OROVILLE SUCCESSOR AGENCY  
RESOLUTION NO. 15-04**

**A RESOLUTION OF THE SUCCESSOR AGENCY TO THE FORMER OROVILLE REDEVELOPMENT AGENCY APPROVING THE FORM OF THE PRELIMINARY OFFICIAL STATEMENT TO DEEM IT FINAL UNDER RULE 15C2-12 AND AUTHORIZING CERTAIN ACTIONS IN CONNECTION THEREWITH**

**WHEREAS**, the Successor Agency to the Oroville Redevelopment Agency (“Successor Agency”) has previously adopted its Resolution 07-14: “Resolution of the Board of Directors of the Successor Agency to the Oroville Redevelopment Agency Authorizing the Issuance and Sale of Tax Allocation Refunding Bonds, and Approving the form of an Indenture of Trust and Authorizing Certain Other Actions in Connection Therewith” at its meeting on December 17, 2014 and wishes at this time to approve the Preliminary Official Statement and to deem it final within the meaning of Rule 15c2-12 and to make certain changes to Resolution 07-14;

**BE IT HEREBY RESOLVED** by the Successor Agency as follows:

**SECTION 1.** The Preliminary Official Statement relating to the 2015 Bonds (the “Preliminary Official Statement”), in the form presented at this meeting and on file with the Secretary, is hereby approved and deemed final for the purposes of Rule 15c2-12 of the Securities and Exchange Act of 1934 (“Rule 15c2-12”). The Underwriter is hereby authorized to distribute the Preliminary Official Statement to prospective purchasers of the 2015 Bonds in substantially the form hereby approved, together with such additions thereto and changes therein as are determined necessary by the Executive Director to make the Preliminary Official Statement final as of its date for purposes of Rule 15c2-12, including, but not limited to, such additions and changes as are necessary to make all information set forth therein accurate and not misleading.

**SECTION 2.** This Resolution shall take effect immediately upon its adoption.

**PASSED and ADOPTED** by the Successor Agency to the Oroville Redevelopment Agency at a regular meeting on March 3, 2015, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

\_\_\_\_\_  
Linda L. Dahlmeier, Chairperson

**APPROVED AS TO FORM:**

**ATTEST:**

\_\_\_\_\_  
Scott E. Huber, Agency Counsel

\_\_\_\_\_  
Randy Murphy, Secretary

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. These securities may not be sold, nor may offers to buy them be accepted, prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of, these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

**NEW ISSUE – BOOK ENTRY ONLY**

Standard & Poor's: “\_\_\_” (Insured) / “\_\_\_” (Underlying)  
(See “CONCLUDING INFORMATION—Ratings” herein)

*In the opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, Bond Counsel, under existing laws, regulations, rulings and judicial decisions, and assuming continuing compliance with covenants intended to preserve the exclusion from gross income for federal income tax purposes of interest on the 2015A Bonds, interest on the 2015A Bonds is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals and corporations. In the further opinion of Bond Counsel, interest on the 2015A Bonds and 2015B Bonds is also exempt from present State of California personal income taxes. The difference between the issue price of a 2015A Bond (the first price at which a substantial amount of the 2015A Bonds of a maturity is to be sold to the public) and the stated redemption price at maturity is original issue discount. See “CONCLUDING INFORMATION—Tax Exemption” herein for a discussion of the effect of certain provisions of the Code on Owners of the 2015A Bonds.*

\$ \_\_\_\_\_  
**SUCCESSOR AGENCY TO THE  
OROVILLE REDEVELOPMENT AGENCY**  
Oroville Redevelopment Project No. 1  
Tax Allocation Refunding Bonds  
Series 2015A

\$ \_\_\_\_\_  
**SUCCESSOR AGENCY TO THE  
OROVILLE REDEVELOPMENT AGENCY**  
Oroville Redevelopment Project No. 1  
Tax Allocation Refunding Bonds  
Series 2015B (Taxable)

**Dated: Delivery Date**

**Due: September 15, as shown on inside cover**

The above-captioned Issue of 2015A bonds (the “2015A Bonds”) and Issue of 2015B bonds (the “2015B Bonds”); and together with the 2015A Bonds, the “Bonds”) will be delivered as fully registered bonds, registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York (“DTC”), and will be available to ultimate purchasers (“Beneficial Owners”) in the denomination of \$5,000 or any integral multiple thereof, under the book-entry system maintained by DTC. Beneficial Owners will not be entitled to receive delivery of bonds representing their ownership interest in the Bonds. The principal of, premium if any, and semiannual interest (due March 15 and September 15 of each year, commencing September 15, 2015) on the Bonds will be payable by MUFG Union Bank, N.A., as trustee (the “Trustee”), to DTC for subsequent disbursement to DTC participants, so long as DTC or its nominee remains the registered owner of the Bonds (see “THE BONDS—Book-Entry System” herein).

**The Bonds are subject to optional and mandatory redemption prior to their maturity as described herein. See “THE BONDS—Redemption and Purchase of Bonds” herein.**

The Bonds are being issued by the Successor Agency to the Oroville Redevelopment Agency (the “Agency”).

The 2015A Bonds are being issued to refinance certain loan obligations previously incurred by the Oroville Redevelopment Agency (the “Prior Agency”) pursuant to (i) a Loan Agreement with the Authority dated as of October 31, 2002 pursuant to which the Oroville Public Financing Authority (“Authority”) loaned the proceeds of its 2002 Tax Allocation Revenue Bonds (Oroville Redevelopment Project No. 1) to the Prior Agency (the “2002 Loan”) and the Prior Agency pledged its tax increment revenues as the security for the repayment of the 2002 Loan (the “2002 Loan Obligation”) currently outstanding in the principal amount of \$\_\_\_\_\_, and (ii) a Loan Agreement with the Authority dated as of August 5, 2004 pursuant to which the Authority loaned the proceeds of its 2004 Tax Allocation Revenue Bonds, Series A (Oroville Redevelopment Project No. 1) to the Prior Agency (the “2004A Loan”) and the Prior Agency pledged its tax increment revenues as the security for the repayment of the 2004A Loan (the “2004A Loan Obligation”) currently outstanding in the principal amount of \$\_\_\_\_\_. The 2015B Bonds are being issued to refund the Prior Agency’s previously issued Loan Agreement with the Authority dated as of August 5, 2004 pursuant to which the Authority loaned the proceeds of its 2004 Taxable Tax Allocation Revenue Bonds, Series B (Oroville Redevelopment Project No. 1) to the Prior Agency (the “2004B Loan”) and the Prior Agency pledged its tax increment revenues as the security for the repayment of the 2004B Loan (the “2004B Loan Obligation”) currently outstanding in the principal amount of \$\_\_\_\_\_. The 2002 Loan Obligation, the 2004A Loan Obligation and the 2004B Loan Obligation are referred to collectively herein as the “Refunded Obligations”). Proceeds of the Bonds will also be applied to pay the [premiums for a surety bond and a policy of bond insurance and to pay] costs of issuance of the Bonds. The refunding of the Refunded Obligations will cause the refunding and defeasance of the Authority’s previously issued (a) 2002 Tax Allocation Revenue Bonds (Oroville Redevelopment Project No. 1), (b) 2004 Tax Allocation Revenue Bonds, Series A (Oroville Redevelopment Project No. 1) (Bank Qualified) and (c) 2004 Taxable Tax Allocation Revenue Bonds, Series B (Oroville Redevelopment Project No. 1) (collectively, the “Refunded Authority Bonds”).

The Bonds are payable from and equally and ratably secured, without preference or distinction as to Series, by the Pledged Tax Revenues as defined herein to be derived from the Project Area. Taxes levied on the property within the Project Area on that portion of the taxable valuation over and above the taxable valuation of the base year property tax roll to the extent they constitute Pledged Tax Revenues, shall be deposited in the Redevelopment Obligation Retirement Fund, and administered by the Agency and the Trustee in accordance with the Indenture of Trust dated as of March 1, 2015 (the “Indenture”) by and between the Agency and the Trustee providing for the issuance of the Bonds.

[The scheduled payment of principal of and interest on the Bonds when due will be guaranteed under an insurance policy to be issued concurrently with the delivery of the Bonds by [Insurer]. See “BOND INSURANCE” and APPENDIX I—“SPECIMEN MUNICIPAL BOND INSURANCE POLICY” herein.]

**This cover page of the Official Statement contains information for quick reference only. It is not a complete summary of the Bonds. Investors should read the entire Official Statement to obtain information essential to the making of an informed investment decision. Attention is hereby directed to certain Risk Factors more fully described herein.**

The Bonds are not a debt of the City of Oroville, the State of California (the “State”) or any of its political subdivisions (except the Agency) and neither said City, said State or any of its political subdivisions (except the Agency) is liable therefor. The principal of and interest on the Bonds are payable solely from the Pledged Tax Revenues allocated to the Agency from the Project Area (all as defined herein and in the Indenture) and other funds as set forth in the Indenture. The Bonds do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

*The Bonds are offered, when, as and if issued, subject to the approval of Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California, Bond Counsel. Certain legal matters will be passed on for the Agency by Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California, Disclosure Counsel and for the Underwriter by Jones Hall, A Professional Corporation, San Francisco, California. It is anticipated that the Bonds will be available for delivery to DTC in New York, New York, on or about \_\_\_\_\_, 2015.*

**SOUTHWEST SECURITIES, INC.**

Dated: \_\_\_\_\_, 2015

\* Preliminary, subject to change.

\$ \_\_\_\_\_<sup>\*</sup>  
**SUCCESSOR AGENCY TO THE  
 OROVILLE REDEVELOPMENT AGENCY**  
**Oroville Redevelopment Project No. 1**  
**Tax Allocation Refunding Bonds**  
**Series 2015A**

\$ \_\_\_\_\_<sup>\*</sup>  
**SUCCESSOR AGENCY TO THE  
 OROVILLE REDEVELOPMENT AGENCY**  
**Oroville Redevelopment Project No. 1**  
**Tax Allocation Refunding Bonds**  
**Series 2015B (Taxable)**

**2015A BONDS  
 MATURITY SCHEDULE**  
 (Base CUSIP<sup>†</sup> \_\_\_\_\_)

<i>Maturity Date (September 15)</i>	<i>Principal Amount</i>	<i>Interest Rate</i>	<i>Yield</i>	<i>CUSIP<sup>†</sup> Suffix</i>
2015				
2016				
2017				
2018				
\$ _____ % Term Bonds due _____ – Yield – _____ %, CUSIP <sup>†</sup> Suffix _____				
\$ _____ % Term Bonds due _____ – Yield – _____ %, CUSIP <sup>†</sup> Suffix _____				

**2015B BONDS  
 MATURITY SCHEDULE**  
 (Base CUSIP<sup>†</sup> \_\_\_\_\_)

<i>Maturity Date (September 15)</i>	<i>Principal Amount</i>	<i>Interest Rate</i>	<i>Yield</i>	<i>CUSIP<sup>†</sup> Suffix</i>
2015				
2016				

<sup>\*</sup> Preliminary, subject to change.

<sup>†</sup> CUSIP® is a registered trademark of the American Bankers Association. Copyright© 1999-2014 Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC business. All rights reserved. CUSIP® data herein is provided by Standard & Poor's CUSIP Service Bureau. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Service Bureau. CUSIP® numbers are provided for convenience of reference only. None of the Authority, the City or the Underwriter takes any responsibility for the accuracy of such numbers.

**SUCCESSOR AGENCY TO THE  
OROVILLE REDEVELOPMENT AGENCY  
OROVILLE, CALIFORNIA**

**Board of Directors**

Linda Dahlmeier, *Chair*  
Thil Wilcox, *Vice Chair*  
Art Hatley, *Director*  
Jack Berry, *Director*  
Marlene Del Rosario, *Director*  
JR Simpson, *Director*  
David Pittman, *Director*

**Agency Staff and Project Management**

Randy Murphy, *Executive Director*  
Karolyn Fairbanks, *City Treasurer*  
Rick Farley, *Enterprise Zone Manager*  
Ruth Wright, *Finance Director*  
Scott Huber, *City Attorney*  
Glenn Lazof, *Finance Project Manager*

**SPECIAL SERVICES**

**Bond and Disclosure Counsel**

Stradling Yocca Carlson & Rauth  
a Professional Corporation  
Newport Beach, California

**Financial Advisor**

NHA Advisors, LLC  
San Rafael, California

**Trustee and Escrow Bank**

MUFG Union Bank, N.A.  
San Francisco, California

**Fiscal Consultant**

Rosenow Spevacek Group, Inc.  
Santa Ana, California

**Underwriter**

Southwest Securities, Inc.  
Cardiff by the Sea, California

## GENERAL INFORMATION ABOUT THIS OFFICIAL STATEMENT

**No Offering May Be Made Except by this Official Statement.** No dealer, broker, salesperson or other person has been authorized by the Agency to give any information or to make any representations with respect to the Bonds other than as contained in this Official Statement, and, if given or made, such other information or representation must not be relied upon as having been given or authorized by the Agency or the Underwriter.

**Use of Official Statement.** This Official Statement is submitted in connection with the sale of the Bonds described in this Official Statement and may not be reproduced or used, in whole or in part, for any other purpose. This Official Statement does not constitute a contract between any Bond owner and the Agency or the Underwriter. For purposes of compliance with Rule 15c2-12 of the Securities and Exchange Commission, the Preliminary Official Statement and the Official Statement, as of their respective dates, are deemed final by the Agency, provided, however, that pricing, underwriting and other information contained in the Preliminary Official Statement is subject to completion or amendment in accordance with Rule 15c2-12.

**Preparation of this Official Statement.** The information contained in this Official Statement has been obtained from sources that are believed to be reliable, but this information is not guaranteed as to accuracy or completeness. The Underwriter has provided the following sentence for inclusion in this Official Statement: The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

[[Insurer] makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, [Insurer] has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding [Insurer] supplied by [Insurer] and presented under the heading "BOND INSURANCE" and APPENDIX I—"SPECIMEN MUNICIPAL BOND INSURANCE POLICY."]

**Estimates and Forecasts.** When used in this Official Statement and in any continuing disclosure made by the Agency, the words or phrases "will likely result," "are expected to," "will continue," "is anticipated," "estimate," "project," "forecast," "expect," "intend" and similar expressions identify "forward looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward-looking statements. Any forecast is subject to such uncertainties. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances may occur. Therefore, there are likely to be differences between forecasts and actual results, and those differences may be material.

This Official Statement speaks only as of its date, and the information and expressions of opinion contained in this Official Statement are subject to change without notice. Neither the delivery of this Official Statement nor any sale of the Bonds will, under any circumstances, create any implication that there has been no change in the affairs of the Agency or the other parties described in this Official Statement, since the date of this Official Statement.

**Document Summaries.** All summaries of the Indenture or other documents contained in this Official Statement are made subject to the provisions of such documents and do not purport to be complete statements of any or all such provisions. All references in this Official Statement to the Indenture and such other documents are qualified in their entirety by reference to such documents, which are on file with the Agency.

**No Unlawful Offers or Solicitations.** This Official Statement does not constitute an offer to sell or a solicitation of an offer to buy in any state in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation.

**No Registration with the SEC.** The issuance and sale of the Bonds have not been registered under the Securities Act of 1933 or the Securities Exchange Act of 1934, both as amended, in reliance upon exemptions provided thereunder by Sections 3(a)(2) and 3(a)(12), respectively, for the issuance and sale of municipal securities.

**Public Offering Prices.** The Underwriter may offer and sell the Bonds to certain dealers and dealer banks and banks acting as agent at prices lower than the public offering prices stated on the inside cover page of this Official Statement, and the Underwriter may change those public offering prices from time to time.

**Web Page.** The City of Oroville maintains a website. However, the information maintained on the website is not a part of this Official Statement and should not be relied upon in making an investment decision with respect to the Bonds.

## TABLE OF CONTENTS

	Page
INTRODUCTION .....	1
Authority and Purpose .....	1
The City and the Agency .....	2
The Redevelopment Plan .....	2
Tax Allocation Financing .....	3
Security for the Bonds .....	3
No Outstanding Bonds .....	4
Reserve Account .....	4
Further Information .....	5
PLAN OF REFUNDING .....	5
SOURCES AND USES OF FUNDS .....	6
THE BONDS .....	7
Authority for Issuance .....	7
Description of the Bonds .....	7
Book-Entry System .....	7
Redemption and Purchase of Bonds .....	7
SECURITY FOR THE BONDS .....	8
Tax Increment Financing .....	10
Recognized Obligation Payment Schedule .....	11
No Outstanding Bonds .....	13
Parity Bonds .....	14
Bonds Not a Debt of the City of Oroville or the State of California .....	15
[BOND INSURANCE] .....	15
THE INDENTURE .....	16
Allocation of Bond Proceeds .....	16
Pledged Tax Revenues – Application .....	16
Investment of Moneys in Funds and Accounts .....	18
Covenants of the Agency .....	18
Events of Default and Remedies .....	21
Application of Funds Upon Acceleration .....	22
Amendments .....	22
THE SUCCESSOR AGENCY TO THE OROVILLE REDEVELOPMENT AGENCY .....	23
Members and Officers .....	23
Agency Powers .....	23
RISK FACTORS .....	24
Reduction in Taxable Value .....	24
Risks to Real Estate Market .....	25
Reduction in Inflationary Rate .....	25
Development Risks .....	26
Levy and Collection of Taxes .....	26
State Budget Issues .....	26
Recognized Obligation Payment Schedule .....	28
AB 1484 Penalty for Failure to Remit Unencumbered Funds .....	30
Bankruptcy and Foreclosure .....	30
Estimated Revenues .....	31

Hazardous Substances .....	31
Seismic Factors.....	31
Risk of Floods.....	31
Wildland and Urban Fire Hazards .....	32
Changes in the Law .....	32
Investment Risk.....	32
Additional Obligations .....	32
Loss of Tax Exemption.....	33
Secondary Market.....	33
No Validation Proceeding Undertaken.....	33
<b>PROPERTY TAXATION IN CALIFORNIA .....</b>	<b>35</b>
Property Tax Collection Procedures.....	35
Unitary Property .....	37
Article XIII A of the State Constitution .....	37
Appropriations Limitation – Article XIII B.....	38
Articles XIII C and XIII D of the State Constitution.....	38
Proposition 87.....	38
Redevelopment Time Limits .....	39
Appeals of Assessed Values .....	39
Proposition 8.....	40
Propositions 218 and 26 .....	40
Future Initiatives.....	40
<b>THE PROJECT AREA.....</b>	<b>40</b>
General .....	40
The Oroville Redevelopment Project Plan .....	41
Limitations and Requirements of the Redevelopment Plan.....	41
Pass-Through Agreements.....	42
Statutory Pass-Through Amounts.....	43
Land Use.....	45
Largest Taxpayers.....	46
Appeals .....	46
<b>PLEDGED TAX REVENUES .....</b>	<b>47</b>
Schedule of Historical RPTTF Revenues .....	47
Projected Taxable Valuation and Pledged Tax Revenues .....	48
Projected Annual Debt Service.....	50
Debt Service Coverage .....	51
<b>CONCLUDING INFORMATION.....</b>	<b>51</b>
Underwriting.....	51
Financial Advisor .....	51
Legal Opinions .....	51
Tax Exemption .....	51
No Litigation .....	51
Legality for Investment in California .....	51
Ratings.....	51
Continuing Disclosure .....	51
Miscellaneous .....	51

APPENDIX A CITY OF OROVILLE GENERAL INFORMATION ..... A-1  
APPENDIX B DEFINITIONS ..... B-1  
APPENDIX C FORMS OF BOND COUNSEL OPINIONS ..... C-1  
APPENDIX D BOOK-ENTRY ONLY SYSTEM ..... D-1  
APPENDIX E FORM OF CONTINUING DISCLOSURE AGREEMENT ..... E-1  
APPENDIX F COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR FISCAL YEAR  
ENDED JUNE 30, 2014..... F-1  
APPENDIX G FISCAL CONSULTANT'S REPORT ..... G-1  
APPENDIX H DOF DETERMINATION LETTER ..... H-1  
APPENDIX I SPECIMEN MUNICIPAL BOND INSURANCE POLICY ..... I-1

\$ \_\_\_\_\_ \*

**SUCCESSOR AGENCY TO THE  
OROVILLE REDEVELOPMENT AGENCY  
Oroville Redevelopment Project No. 1  
Tax Allocation Refunding Bonds  
Series 2015A**

\$ \_\_\_\_\_ \*

**SUCCESSOR AGENCY TO THE  
OROVILLE REDEVELOPMENT AGENCY  
Oroville Redevelopment Project No. 1  
Tax Allocation Refunding Bonds  
Series 2015B (Taxable)**

**INTRODUCTION**

*This introduction does not purport to be complete, and reference is made to the body of this Official Statement, appendices and the documents referred to herein for more complete information with respect to matters concerning the Bonds (as defined herein). Potential investors are encouraged to read the entire Official Statement.*

**Authority and Purpose**

This Official Statement, including the cover page, is provided to furnish information in connection with the sale by the Successor Agency to the Oroville Redevelopment Agency (the "Agency") of its (i) \$ \_\_\_\_\_ Successor Agency to the Oroville Redevelopment Agency, Oroville Redevelopment Project No. 1, Tax Allocation Refunding Bonds, Series 2015A (the "2015A Bonds") and (ii) \$ \_\_\_\_\_ Successor Agency to the Oroville Redevelopment Agency, Oroville Redevelopment Project No. 1, Tax Allocation Refunding Bonds, Series 2015B (Taxable) (the "2015B Bonds"; and together with the 2015A Bonds, the "Bonds").

The Bonds are being issued pursuant to the Constitution and laws of the State of California (the "State"), including Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code (the "Bond Law") and the provisions of Health and Safety Code Section 34177.5, and an Indenture of Trust dated as of March 1, 2015 (the "Indenture") by and between the Agency and MUFJ Union Bank, N.A., as trustee (the "Trustee") approved by Resolution No. \_\_\_\_\_ adopted by the Agency on \_\_\_\_\_, 2015 (the "Successor Agency Resolution"), and by Resolution No. 07-14 adopted by the Oversight Board for the Agency on December 17, 2014 (the "Oversight Board Resolution"). Written notice of the Oversight Board Resolution was provided to the State Department of Finance pursuant to the Dissolution Act (as defined herein) and the State Department of Finance requested review within five business days of such written notice. On \_\_\_\_\_, 2015, the State Department of Finance provided a letter to the Agency stating that based on such department's review and application of the law, the Oversight Board Resolution approving the refinancing of the Refunded Obligations (as defined below) is approved by the State Department of Finance and that the letter constitutes the department's determination with respect to the Oversight Board action taken pursuant to the Oversight Board Resolution (the "DOF Determination Letter"). A copy of the DOF Determination Letter is set forth as Appendix H hereto.

The 2015A Bonds are being issued to refinance certain loan obligations previously incurred by the Oroville Redevelopment Agency (the "Prior Agency") pursuant to (i) a Loan Agreement with the Authority dated as of October 31, 2002 pursuant to which the Authority loaned the proceeds of its 2002 Tax Allocation Revenue Bonds (Oroville Redevelopment Project No. 1) to the Prior Agency (the "2002 Loan") and the Prior Agency pledged its tax increment revenues as the security for the repayment of the 2002 Loan (the "2002 Loan Obligation") currently outstanding in the principal amount of \$12,555,000, (ii) a Loan Agreement with the Authority dated as of August 5, 2004 pursuant to which the Authority loaned the proceeds of its 2004 Tax Allocation Revenue Bonds, Series A (Oroville Redevelopment Project No. 1) to the Prior Agency (the "2004A Loan") and the Prior Agency pledged its tax increment revenues as the security for the repayment of the

---

\* Preliminary, subject to change.

2004A Loan (the “2004A Loan Obligation”) currently outstanding in the principal amount of \$8,480,000. The 2015B Bonds are being issued to refund the Prior Agency’s previously issued Loan Agreement with the Authority dated as of August 5, 2004 pursuant to which the Authority loaned the proceeds of its 2004 Taxable Tax Allocation Revenue Bonds, Series B (Oroville Redevelopment Project No. 1) to the Prior Agency (the “2004B Loan”) and the Prior Agency pledged its tax increment revenues as the security for the repayment of the 2004B Loan (the “2004B Loan Obligation”) currently outstanding in the principal amount of \$555,000. The 2002 Loan Obligation, the 2004A Loan Obligation and the 2004B Loan Obligation are referred to collectively herein as the “Refunded Obligations.” The refunding of the Refunded Obligations will cause the refunding and defeasance of the Authority’s previously issued (a) 2002 Tax Allocation Revenue Bonds (Oroville Redevelopment Project No. 1), (b) 2004 Tax Allocation Revenue Bonds, Series A (Oroville Redevelopment Project No. 1) (Bank Qualified) and (c) 2004 Taxable Tax Allocation Revenue Bonds, Series B (Oroville Redevelopment Project No. 1) (collectively, the “Refunded Authority Bonds”).

[The scheduled payment of principal of and interest on the Bonds when due will be guaranteed under an insurance policy to be issued concurrently with the delivery of the Bonds by [Insurer]. See “BOND INSURANCE” herein.]

### **The City and the Agency**

The City of Oroville (the “City”) is located on California Highway 70, in the foothills of the Sierra Nevada Mountains, 68 miles north of Sacramento and 155 miles northeast of San Francisco in Butte County (the “County”). The City was incorporated as a city in 1906. The City operates as a charter city with a council-administrator form of government. The City Council consists of six members elected at large for four-year overlapping terms. The Mayor is elected at-large for a four-year term. The City Administrator is appointed by the City Council. For certain information regarding the City, see APPENDIX A—“CITY OF OROVILLE GENERAL INFORMATION.”

The Prior Agency was established on October 6, 1980 by the City Council of the City with the adoption of Ordinance No. \_\_\_\_, pursuant to the Community Redevelopment Law (Part 1, Division 25, commencing with Section 33000 of the Health and Safety Code of the State) (the “Redevelopment Law”). On June 29, 2011, Assembly Bill No. 26 (“AB X1 26”) was enacted as Chapter 5, Statutes of 2011, together with a companion bill, Assembly Bill No. 27 (“AB X1 27”). A lawsuit was brought in the California Supreme Court, *California Redevelopment Association, et al., v. Matosantos, et al.*, 53 Cal. 4th 231 (Cal. 2011), challenging the constitutionality of AB X1 26 and AB X1 27. In its December 29, 2011 decision, the California Supreme Court largely upheld AB X1 26, invalidated AB X1 27, and held that AB X1 26 may be severed from AB X1 27 and enforced independently. As a result of AB X1 26 and the decision of the California Supreme Court in the *California Redevelopment Association* case, as of February 1, 2012, all redevelopment agencies in the State were dissolved, including the Prior Agency, and successor agencies were designated as successor entities to the former redevelopment agencies to expeditiously wind down the affairs of the former redevelopment agencies.

The primary provisions enacted by AB X1 26 relating to the dissolution and wind down of former redevelopment agency affairs are Parts 1.8 (commencing with Section 34161) and 1.85 (commencing with Section 34170) of Division 24 of the Health and Safety Code of the State, as amended on June 27, 2012 by Assembly Bill No. 1484 (“AB 1484”), enacted as Chapter 26, Statutes of 2012 (as amended from time to time, the “Dissolution Act”).

On January 9, 2012, pursuant to Resolution No. 7847 and Section 34173 of the Dissolution Act, the City Council of the City elected to serve as successor agency to the Prior Agency. Subdivision (g) of Section 34173 of the Dissolution Act, added by AB 1484, expressly affirms that the Agency is a separate public entity from the City, that the two entities shall not merge, and that the liabilities of the Prior Agency will not be transferred to the City nor will the assets of the Prior Agency become assets of the City.

## **The Redevelopment Plan**

The City Council of the City adopted the Redevelopment Plan for the Oroville Redevelopment Project No. 1 (the “Redevelopment Plan”) on July 6, 1981, pursuant to its Ordinance No. 1353. The Redevelopment Plan has been amended six times. On November 15, 1994, the City Council adopted ordinance No. 1580 to adjust the Plan’s duration and timeframe to collect tax increment revenue in conformance with the provisions of Assembly Bill 1290 (“AB 1290”). The second amendment was adopted on December 7, 1999 pursuant to Ordinance No. 1623, to extend the time limit to incur debt to the maximum permitted by AB 1290. The third amendment was adopted on November 6, 2001 pursuant to Ordinance No. 1650 in order to increase the bonded debt limit and the cumulative tax increment limit and to extend further the time limit by which to incur debt. The fourth amendment was adopted on July 6, 2004 pursuant to Ordinance No. 1702 to extend the time limit on the duration of the Redevelopment Plan by one year and to extend the time limit to receive property taxes and pay loans, advances and indebtedness by one year, as allowed under SB 1045. The fifth amendment was adopted on July 20, 2004 pursuant to Ordinance No. 1704 to eliminate the time limit on the incurrence of debt pursuant to SB 211. The sixth amendment was adopted on December 21, 2004 by Ordinance No. 1712 to extend the time limit on the duration of the Plan by two years pursuant to SB 1096.

The Oroville Redevelopment Project No. 1 (the “Project Area”) accounts for approximately 6,080 acres, or 72 percent of the City’s total land area, and includes the City’s historic downtown area and a diverse mix of residential, commercial, industrial, and recreational uses, public/private rights-of-way, and public facilities, including the Oroville Municipal Airport. See “THE PROJECT AREA—The Oroville Redevelopment Project Plan.”

The assessed value of the Project Area in 1980-81 (the “Base Year”) was \$206,560,472 compared to its Fiscal Year 2014-15 assessed value of \$939,195,607. The Project Area is the sole project area of the Agency. See “THE PROJECT AREA” for additional information on land use and property ownership within the Project Area.

## **Tax Allocation Financing**

Prior to the enactment of AB X1 26, the Redevelopment Law authorized the financing of redevelopment projects through the use of tax increment revenues. This method provided that the taxable valuation of the property within a redevelopment project area on the property tax roll last equalized prior to the effective date of the ordinance which adopts the redevelopment plan becomes the base year valuation. Assuming the taxable valuation never drops below the base year level, the taxing agencies thereafter received that portion of the taxes produced by applying then current tax rates to the base year valuation, and the redevelopment agency was allocated the remaining portion produced by applying then current tax rates to the increase in valuation over the base year. Such incremental tax revenues allocated to a redevelopment agency were authorized to be pledged to the payment of agency obligations.

The Dissolution Act authorizes refunding bonds, including the Bonds, to be secured by a pledge of monies deposited from time to time in a “Redevelopment Property Tax Trust Fund” (also referred to at times as the “RPTTF”) held by a county auditor-controller with respect to a successor agency, which are equivalent to the tax increment revenues that were formerly allocated under the Redevelopment Law to the redevelopment agency and formerly authorized under the Redevelopment Law to be used for the financing of redevelopment projects. Under the Indenture, Pledged Tax Revenues consist of the amounts deposited from time to time in the Redevelopment Property Tax Trust Fund established pursuant to and as provided in the Dissolution Act. See “SECURITY FOR THE BONDS—Tax Increment Financing” herein for additional information.

Successor agencies have no power to levy property taxes and must look specifically to the allocation of taxes as described above. See “RISK FACTORS.”

## Security for the Bonds

The Dissolution Act requires the County Auditor-Controller to determine the amount of property taxes that would have been allocated to the Prior Agency had the Prior Agency not been dissolved pursuant to the operation of AB X1 26, using current assessed values on the last equalized roll on August 20, and to deposit that amount in the Redevelopment Property Tax Trust Fund for the Agency established and held by the County Auditor-Controller pursuant to the Dissolution Act. The Dissolution Act provides that any bonds authorized thereunder to be issued by the Agency will be considered indebtedness incurred by the dissolved Prior Agency, with the same legal effect as if the bonds had been issued prior to the effective date of AB X1 26, in full conformity with the applicable provision of the Redevelopment Law that existed prior to that date, and will be included in the Agency's Recognized Obligation Payment Schedule (see APPENDIX B—"DEFINITIONS" and "SECURITY FOR THE BONDS—Recognized Obligation Payment Schedule").

The Dissolution Act further provides that bonds authorized thereunder to be issued by the Agency will be secured by a pledge of, and lien on, and will be repaid from moneys deposited from time to time in the Redevelopment Property Tax Trust Fund, and that property tax revenues pledged to any bonds authorized under the Dissolution Act, such as the Bonds, are taxes allocated to the Agency pursuant to the provisions of the Redevelopment Law and the State Constitution which provided for the allocation of tax increment revenues under the Redevelopment Law, as described in the foregoing paragraph.

In accordance with the Dissolution Act, "Pledged Tax Revenues" are defined under the Indenture as the monies deposited from time to time in the Redevelopment Property Tax Trust Fund established pursuant to subdivision (c) of Section 34172 of the Dissolution Act, as provided in paragraph (2) of subdivision (a) of Section 34183 of the Dissolution Act, excluding amounts payable under Pass-Through Agreements and Statutory Pass-Through Amounts. If, and to the extent, that the provisions of Section 34172 or paragraph (2) of subdivision (a) of Section 34183 are invalidated by a final judicial decision, then the Indenture states that Pledged Tax Revenues shall include all tax revenues allocated to the payment of indebtedness pursuant to Health & Safety Code Section 33670 or such other section as may be in effect at the time providing for the allocation of tax increment revenues in accordance with Article XVI, Section 16 of the California Constitution.

The Bonds are payable from and equally and ratably secured, without preference or distinction as to Series, by the Pledged Tax Revenues to be derived from the Project Area, all of the monies in the Redevelopment Obligation Retirement Fund established and held by the Agency pursuant to the Dissolution Act, and all of the monies in the Debt Service Fund (including the Interest Account, the Principal Account, the Reserve Account, and the Redemption Account therein) established and held by the Trustee under the Indenture. Taxes levied on the property within the Project Area on that portion of the taxable valuation over and above the taxable valuation of the applicable base year property tax roll with respect to the various territories within the Project Area, to the extent they constitute Pledged Tax Revenues, as described herein, will be deposited in the Redevelopment Property Tax Trust Fund for transfer by the County Auditor-Controller to the Agency's Redevelopment Obligation Retirement Fund on January 2 and June 1 of each year to the extent required for payments listed in the Agency's Recognized Obligation Payment Schedule in accordance with the requirements of the Dissolution Act (see "SECURITY FOR THE BONDS—Recognized Obligation Payment Schedule"). RPTTF monies disbursed to the Agency for payments shown on the Recognized Obligation Payment Schedule for the fiscal period from July 1 through December 31 represent tax revenues collected by the County during the prior Fiscal Year. Monies deposited by the County Auditor-Controller into the Agency's Redevelopment Obligation Retirement Fund will be transferred by the Agency to the Trustee for deposit in the Debt Service Fund established under the Indenture and administered by the Trustee in accordance with the Indenture.

Successor agencies have no power to levy property taxes and must look specifically to the allocation of taxes as described above. See "RISK FACTORS."

## **No Outstanding Bonds**

Upon the refunding of the Refunded Obligations, no senior or parity debt will remain outstanding that has a senior or parity pledge on Pledged Tax Revenues. **[Confirm]**

## **Reserve Account**

In order to further secure the payment of the principal of and interest on the Bonds, a Reserve Account within the Debt Service Fund is created pursuant to the Indenture in an amount equal to the Reserve Requirement. "Reserve Requirement" means, as of the date of computation, an amount equal to the combined lesser of (i) Maximum Annual Debt Service on the Bonds and any Parity Bonds, (ii) 10% of the net proceeds of the Bonds and any Parity Bonds, or (iii) 125% of the Annual Debt Service on all Bonds and Parity Bonds Outstanding. [The Reserve Account will initially be funded with the Reserve Surety to be issued by the Insurer in the amount of the Reserve Requirement.]

## **Further Information**

Brief descriptions of the Bonds, the Indenture, the Agency, the Prior Agency and the City are included in this Official Statement. Such descriptions and information do not purport to be comprehensive or definitive. All references herein to the Indenture, the Bond Law, the Redevelopment Law, the Dissolution Act, the Constitution and the laws of the State as well as the proceedings of the Prior Agency, the Agency and the City are qualified in their entirety by reference to such documents. References herein to the Bonds are qualified in their entirety by the form thereof included in the Indenture and the information with respect thereto included herein, copies of which are all available for inspection at the offices of the Agency. During the period of the offering of the Bonds, copies of the forms of all documents are available at the offices of Southwest Securities, Inc., 2533 South Coast Hwy 101, Suite 250, Cardiff by the Sea, California 92007, and thereafter from the City Clerk's office, City of Oroville, 1735 Montgomery Street, Oroville, California 95965.

## **PLAN OF REFUNDING**

A portion of the proceeds of the 2015A Bonds will be used to currently refund and defease all of the Prior Agency's previously incurred (i) 2002 Loan Obligation, currently outstanding in the principal amount of \$12,555,000; and (ii) 2004A Loan Obligation, currently outstanding in the principal amount of \$8,480,000. See "SOURCES AND USES OF FUNDS."

A portion of the 2015B Bonds will be used to currently refund and defease all of the Prior Agency's previously incurred 2004B Loan Obligation, currently outstanding in the principal amount of \$555,000.

Concurrently with the issuance of the Bonds, the Agency will enter into a 2002 Loan Escrow Agreement, a 2004A Loan Escrow Agreement and a 2004B Loan Escrow Agreement, each dated as of March 1, 2015 (collectively, the "Escrow Agreements"), and each with MUFJ Union Bank, N.A., San Francisco, California, as escrow bank (the "Escrow Bank"). Under each Escrow Agreement, the Escrow Bank will create and establish escrow funds, to be known as, respectively, the 2002 Loan Escrow Fund, the 2004A Loan Escrow Fund and the 2004B Loan Escrow Fund (collectively, the "Escrow Funds").

Amounts in the 2002 Loan Escrow Fund will be [held uninvested] and will be used to pay the redemption price on the Refunded Obligations consisting of 2002 Loan Obligations, including any accrued and unpaid interest with respect thereto, on \_\_\_\_\_, 2015. Amounts in the 2004A Loan Escrow Fund will be [held uninvested] and will be used to pay the redemption price on the Refunded Obligations consisting of 2004A Loan Obligations, including any accrued and unpaid interest with respect thereto, on \_\_\_\_\_, 2015. Amounts in the 2004B Loan Escrow Fund will be [held uninvested] and will be used to pay the redemption price on the Refunded Obligations consisting of 2004B Loan Obligations, including any accrued and unpaid interest with respect thereto, on \_\_\_\_\_, 2015.

The monies deposited in the Escrow Funds will be held solely for the benefit of the holders of the respective Refunded Obligations and will not serve as a security or be available for payment of principal of, or interest on, or premium, if any, on the Bonds.

As a result of the deposit and application of funds pursuant to the Escrow Agreements, the lien upon the Pledged Tax Revenues of the Refunded Obligations will be discharged, and the Refunded Obligations will no longer have any claim against the Pledged Tax Revenues.

**SOURCES AND USES OF FUNDS**

The estimated sources and uses of funds for the 2015A Bonds are summarized as follows:

**2015A BONDS**

**Sources**

Principal Amount of Bonds	\$
Original Issue Premium	
2002 and 2004A Bonds Funds and Accounts	
Total Sources	\$

**Uses**

Underwriter's Discount	\$
Reserve Account <sup>(1)</sup>	
2002 Loan Escrow Fund <sup>(2)</sup>	
2004A Loan Escrow Fund <sup>(3)</sup>	
Costs of Issuance Fund <sup>(4)</sup>	
Total Uses	\$

- <sup>(1)</sup> An amount equal to the Reserve Requirement for the 2015A Bonds.
- <sup>(2)</sup> An amount of moneys sufficient to provide for the payment of the principal and interest on the 2002 Loan Obligation through \_\_\_\_\_, 2015.
- <sup>(3)</sup> An amount of moneys sufficient to provide for the payment of the principal and interest on the 2004A Loan Obligation through \_\_\_\_\_, 2015.
- <sup>(4)</sup> Costs of Issuance include fees and expenses for Bond Counsel, Disclosure Counsel, Fiscal Consultant, trustee, printing expenses, rating fee, bond insurance premium, Reserve Surety premium, and other costs.

The estimated sources and uses of funds for the 2015B Bonds are summarized as follows:

## 2015B BONDS

### Sources

Principal Amount of Bonds	\$
Original Issue Premium	
2004B Bonds Funds and Accounts	
Total Sources	\$

### Uses

Underwriter's Discount	\$
Reserve Account <sup>(1)</sup>	
2004B Bonds Escrow Fund <sup>(2)</sup>	
Costs of Issuance Fund <sup>(3)</sup>	
Total Uses	\$

<sup>(1)</sup> An amount equal to the Reserve Requirement for the 2015B Bonds.

<sup>(2)</sup> An amount of moneys sufficient to provide for the payment of the principal and interest, and redemption premium on the 2004B Bonds through \_\_\_\_\_, 2015.

<sup>(3)</sup> Costs of Issuance include fees and expenses for Bond Counsel, Disclosure Counsel, Fiscal Consultant, trustee, printing expenses, rating fee, bond insurance premium, Reserve Surety premium, and other costs.

## THE BONDS

### Authority for Issuance

The Bonds were authorized for issuance pursuant to the Indenture, the Bond Law, and the Dissolution Act.

### Description of the Bonds

The Bonds will be executed and delivered as one fully-registered Bond in the denomination of \$5,000 or any integral multiple thereof for each maturity, initially in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"), as registered owner of all Bonds. See "Book-Entry System" below. The initially executed and delivered Bonds will be dated the Delivery Date and mature on September 15 in the years and in the amounts shown on the inside cover page of this Official Statement. Interest on the Bonds will be calculated at the rates shown on the inside cover page of this Official Statement, payable semiannually on March 15 and September 15 in each year, commencing on September 15, 2015, by check mailed to the registered owners thereof or upon the request of the Owners of \$1,000,000 or more in principal amount of Bonds, by wire transfer to an account in the United States which shall be designated in written instructions by such Owner to the Trustee on or before the Record Date preceding the Interest Payment Date.

### Book-Entry System

DTC, New York, New York, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC. See APPENDIX D—"BOOK-ENTRY ONLY SYSTEM."

### Redemption and Purchase of Bonds

**Optional Redemption of 2015A Bonds.** The 2015A Bonds maturing on or before September 15, 20\_\_ are not subject to redemption prior to maturity. The 2015A Bonds maturing on and after September 15,

2025 are subject to redemption prior to maturity in whole, or in part in the manner determined by the Agency, on any date on or after September 15, 20\_\_\_, from any available source of funds, at a redemption price (expressed as a percentage of the principal amount of the Bonds to be redeemed) as follows, together with accrued interest thereon to the redemption date:

<i>2015A Bonds Redemption Date</i>	<i>Redemption Price</i>
September 15, 20___ and thereafter	___%

In the event the Agency shall elect to redeem 2015A Bonds, the Agency will give written notice to the Trustee of its election so to redeem, the redemption date and the principal amount of the 2015A Bonds to be redeemed. The notice to the Trustee will be given at least 45 but no more than 60 days prior to the redemption date or such shorter period as shall be acceptable to the Trustee in the sole determination of the Trustee, such notice for the convenience of the Trustee.

***Sinking Account Redemption.*** The 2015A Term Bonds maturing on September 15, 20\_\_ are subject to redemption in part by lot on September 15 in each year shown in the following table until maturity, from sinking account payments made by the Agency, at a redemption price equal to the principal amount thereof to be redeemed with accrued interest thereon to the redemption date, without premium, in the aggregate respective principal amounts and on the respective dates as set forth in the following table; provided, however, that if some but not all of the 2015A Term Bonds have been redeemed the total amount of all future sinking account payments will be reduced by an amount corresponding to the aggregate principal amount of 2015A Term Bonds so redeemed, to be allocated among such sinking account payments on a pro rata basis in integral multiples of \$5,000 as determined by the Agency (notice of which determination will be given by the Agency to the Trustee).

**2015A Term Bonds Maturing on September 15, 20\_\_**

<i>Redemption Date</i>	<i>Amount</i>
------------------------	---------------

(maturity)

***Purchase in Lieu of Redemption.*** In lieu of optional or sinking account redemption of Bonds, amounts on deposit in the Redevelopment Obligation Retirement Fund (to the extent not required to be transferred to the Trustee during the current Bond Year) may also be used and withdrawn by the Agency at any time for the purchase of the Bonds at public or private sale as and when and at such prices (including brokerage and other charges and including accrued interest) as the Agency may in its discretion determine. The par amount of any of the Bonds so purchased by the Agency and surrendered to the Trustee for cancellation in any twelve-month period ending on August 15 in any year will be credited towards and will reduce the principal amount of the Bonds otherwise required to be redeemed on the following September 15 pursuant to the Indenture.

***No Optional Redemption of 2015B Bonds.*** The 2015B Bonds are not subject to redemption prior to maturity.

**SECURITY FOR THE BONDS**

The Dissolution Act requires the County Auditor-Controller to determine the amount of property taxes that would have been allocated to the Prior Agency (pursuant to subdivision (b) of Section 16 of Article XVI of the State Constitution) had the Prior Agency not been dissolved pursuant to the operation of AB X1 26, using current assessed values on the last equalized roll on August 20, and to deposit that amount in the Redevelopment Property Tax Trust Fund for the Agency established and held by the County Auditor-

Controller pursuant to the Dissolution Act. The Dissolution Act provides that any bonds authorized thereunder to be issued by the Agency will be considered indebtedness incurred by the dissolved Prior Agency, with the same legal effect as if the bonds had been issued prior to effective date of AB X1 26, in full conformity with the applicable provisions of the Redevelopment Law that existed prior to that date, and will be included in the Agency's Recognized Obligation Payment Schedule (see APPENDIX B—"DEFINITIONS" and "SECURITY FOR THE BONDS—Recognized Obligation Payment Schedule").

The Dissolution Act further provides that bonds authorized thereunder to be issued by the Agency will be secured by a pledge of, and lien on, and will be repaid from moneys deposited from time to time in the Redevelopment Property Tax Trust Fund, and that property tax revenues pledged to any bonds authorized to be issued by the Agency under the Dissolution Act, including the Bonds, are taxes allocated to the Agency pursuant to subdivision (b) of Section 33670 of the Redevelopment Law and Section 16 of Article XVI of the State Constitution.

Pursuant to subdivision (b) of Section 33670 of the Redevelopment Law and Section 16 of Article XVI of the Constitution of the State and as provided in the Redevelopment Plan, taxes levied upon taxable property in the Project Area each year by or for the benefit of the State, any city, county, city and county, district, or other public corporation (herein sometimes collectively called "taxing agencies") after the effective date of the ordinance approving the Redevelopment Plan, or the respective effective dates of ordinances approving amendments to the Redevelopment Plan that added territory to the Project Area, as applicable, are to be divided as follows:

(a) *To Taxing Agencies:* That portion of the taxes which would be produced by the rate upon which the tax is levied each year by or for each of the taxing agencies upon the total sum of the assessed value of the taxable property in the Project Area as shown upon the assessment roll used in connection with the taxation of such property by such taxing agency last equalized prior to the effective date of the ordinance adopting the Redevelopment Plan, or the respective effective dates of ordinances approving amendments to the Redevelopment Plan that added territory to the Project Area, as applicable (each, a "base year valuation"), will be allocated to, and when collected will be paid into, the funds of the respective taxing agencies as taxes by or for the taxing agencies on all other property are paid; and

(b) *To the Prior Agency/Agency:* Except for that portion of the taxes in excess of the amount identified in (a) above which are attributable to a tax rate levied by a taxing agency for the purpose of producing revenues in an amount sufficient to make annual repayments of the principal of, and the interest on, any bonded indebtedness approved by the voters of the taxing agency on or after January 1, 1989 for the acquisition or improvement of real property, which portion shall be allocated to, and when collected shall be paid into, the fund of that taxing agency, that portion of the levied taxes each year in excess of such amount, annually allocated within the Plan Limit following the Delivery Date, when collected will be paid into a special fund of the Prior Agency. Section 34172 of the Dissolution Act provides that, for purposes of Section 16 of Article XVI of the State Constitution, the Redevelopment Property Tax Trust Fund shall be deemed to be a special fund of the Agency to pay the debt service on indebtedness incurred by the Prior Agency or the Agency to finance or refinance the redevelopment projects of the Prior Agency.

That portion of the levied taxes described in paragraph (b) above, less amounts deducted pursuant to Section 34183(a) of the Dissolution Act for permitted administrative costs of the County Auditor-Controller, constitute the amounts required under the Dissolution Act to be deposited by the County Auditor-Controller into the Redevelopment Property Tax Trust Fund. In addition, Section 34183 of the Dissolution Act effectively eliminates the January 1, 1989 date from paragraph (b) above.

"Pledged Tax Revenues" are defined under the Indenture as the monies deposited from time to time in the Redevelopment Property Tax Trust Fund established pursuant to subdivision (c) of Section 34172 of the Dissolution Act, as provided in paragraph (2) of subdivision (a) of Section 34183 of the Dissolution Act, excluding amounts payable under Pass-Through Agreements and Statutory Pass-Through Amounts; provided,

if, and to the extent, that the provisions of Section 34172 or paragraph (2) of subdivision (a) of Section 34183 are invalidated by a final judicial decision, then Pledged Tax Revenues shall include all tax revenues allocated to the payment of indebtedness pursuant to Health & Safety Code Section 33670 or such other section as may be in effect at the time providing for the allocation of tax increment revenues in accordance with Article XVI, Section 16 of the California Constitution. The Bonds are payable from and secured by the Pledged Tax Revenues to be derived from the Project Area.

The Bonds are payable from and secured by (i) an irrevocable pledge of the Pledged Tax Revenues to be derived from the Project Area, (ii) an irrevocable pledge of all of the monies in the Redevelopment Obligation Retirement Fund established and held by the Agency pursuant to the Dissolution Act, and (iii) an irrevocable first pledge and lien on all of the monies in the Debt Service Fund (including the Interest Account, the Principal Account, the Reserve Account, and the Redemption Account therein) established and held by the Trustee in trust for the Bondowners under the Indenture.

Taxes levied on the property within the Project Area on that portion of the taxable valuation over and above the taxable valuation of the applicable base year property tax roll with respect to the various territories within the Project Area, to the extent they constitute Pledged Tax Revenues, as described herein, will be deposited in the Redevelopment Property Tax Trust Fund for transfer by the County Auditor-Controller to the Agency's Redevelopment Obligation Retirement Fund on January 2 and June 1 of each year to the extent required for payments listed in the Agency's Recognized Obligation Payment Schedule in accordance with the requirements of the Dissolution Act (see "SECURITY FOR THE BONDS—Recognized Obligation Payment Schedule"). RPTTF monies disbursed to the Agency for payments shown on the Recognized Obligation Payment Schedule for the fiscal period from July 1 through December 31 represent tax revenues collected by the County during the prior Fiscal Year. Monies deposited by the County Auditor-Controller into the Agency's Redevelopment Obligation Retirement Fund will be transferred by the Agency to the Trustee for deposit in the Debt Service Fund established under the Indenture and administered by the Trustee in accordance with the Indenture.

The Agency has no power to levy and collect taxes, and various factors beyond its control could affect the amount of Pledged Tax Revenues available in any six-month period to pay the principal of and interest on the Bonds (see "SECURITY FOR THE BONDS—Tax Increment Financing" and "—Recognized Obligation Payment Schedule" and "RISK FACTORS").

The Bonds are not a debt of the City, the State or any of its political subdivisions (except the Agency), and none of the City, the State or any of its political subdivisions (except the Agency) is liable therefor. The Bonds do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

### **Tax Increment Financing**

Prior to the enactment of AB X1 26, the Redevelopment Law authorized the financing of redevelopment projects through the use of tax increment revenues. This method provided that the taxable valuation of the property within a redevelopment project area on the property tax roll last equalized prior to the effective date of the ordinance which adopts the redevelopment plan becomes the base year valuation. Assuming the taxable valuation never drops below the base year level, the taxing agencies thereafter received that portion of the taxes produced by applying then current tax rates to the base year valuation, and the redevelopment agency was allocated the remaining portion produced by applying then current tax rates to the increase in valuation over the base year. Such incremental tax revenues allocated to a redevelopment agency were authorized to be pledged to the payment of agency obligations.

The Dissolution Act authorizes refunding bonds, including the Bonds, to be secured by a pledge of monies deposited from time to time in a Redevelopment Property Tax Trust Fund held by a county auditor-controller with respect to a successor agency, which are equivalent to the tax increment revenues that were

formerly allocated under the Redevelopment Law to the redevelopment agency and formerly authorized under the Redevelopment Law to be used for the financing of redevelopment projects, less amounts deducted pursuant to Section 34183(a) of the Dissolution Act for permitted administrative costs of the county auditor-controller. Under the Indenture, Pledged Tax Revenues consist of the amounts deposited from time to time in the Redevelopment Property Tax Trust Fund established pursuant to and as provided in the Dissolution Act, subject to the prior pledge and first lien of the [Pass-Through Agreements and Statutory Pass-Through Amounts] (see “THE PROJECT AREA—Pass-Through Agreements” and “—Statutory Pass-Through Amounts”). Successor agencies have no power to levy property taxes and must look specifically to the allocation of taxes as described above. See “RISK FACTORS.”

Prior to the dissolution of redevelopment agencies, tax increment revenues from one project area could not be used to repay indebtedness incurred for another project area. However, the Dissolution Act has only required that county auditor-controllers establish a single Redevelopment Property Tax Trust Fund with respect to each former redevelopment agency within the respective county. Additionally, the Dissolution Act now requires that all revenues equivalent to the amount that would have been allocated as tax increment to the former redevelopment agency will be allocated to the Redevelopment Property Tax Trust Fund of the applicable successor agency, and this requirement does not require funds derived from separate project areas of a former redevelopment agency to be separated. In effect, in situations where a former redevelopment agency had established more than one redevelopment project area, the Dissolution Act combines the property tax revenues derived from all project areas into a single trust fund, the Redevelopment Property Tax Trust Fund, to repay indebtedness of the former redevelopment agency or the successor agency. To the extent the documents governing outstanding bonds of a redevelopment agency have pledged revenues derived from a specific project area, the Dissolution Act states, “It is the intent . . . that pledges of revenues associated with enforceable obligations of the former redevelopment agencies are to be honored. It is intended that the cessation of any redevelopment agency shall not affect either the pledge, the legal existence of that pledge, or the stream of revenues available to meet the requirements of the pledge.” The implications of these provisions of the Dissolution Act are not entirely clear when a former redevelopment agency has established more than one redevelopment project area. However, with respect to the Bonds, the Prior Agency established only one redevelopment project area, which is the Project Area. Therefore, all of the Pledged Tax Revenues will derive solely from the Project Area, and the Agency has no obligations deriving from any project area other than the Project Area.

The Redevelopment Law authorized redevelopment agencies to make payments to school districts and other taxing agencies to alleviate any financial burden or detriments to such taxing agencies caused by a redevelopment project. The Prior Agency entered into several agreements for this purpose (the “Pass-Through Agreements”). Additionally, Sections 33607.5 and 33607.7 of the Redevelopment Law required mandatory tax sharing applicable to redevelopment projects adopted after January 1, 1994, or amended thereafter in certain manners specified in such statutes (the “Statutory Pass-Through Amounts”). The Dissolution Act requires the County Auditor-Controller to distribute from the Redevelopment Property Tax Trust Fund amounts required to be distributed under the Pass-Through Agreements and for Statutory Pass-Through Amounts to the taxing entities for each six-month period before amounts are distributed by the County Auditor-Controller from the Redevelopment Property Tax Trust Fund to the Agency’s Redevelopment Obligation Retirement Fund each January 2 and June 1, unless (i) pass-through payment obligations have previously been made subordinate to debt service payments for the bonded indebtedness of the Prior Agency, as succeeded by the Agency, (ii) the Agency has reported, no later than the December 1 and May 1 preceding the January 2 or June 1 distribution date, that the total amount available to the Agency from the Redevelopment Property Tax Trust Fund allocation to the Agency’s Redevelopment Obligation Retirement Fund, from other funds transferred from the Prior Agency, and from funds that have or will become available through asset sales and all redevelopment operations is insufficient to fund the Agency’s enforceable obligations, pass-through payments, and the Agency’s administrative cost allowance for the applicable six-month period, and (iii) the State Controller has concurred with the Agency that there are insufficient funds for such purposes for the applicable six-month period.

If the requirements stated in clauses (i) through (iii) of the foregoing paragraph have been met, the Dissolution Act provides for certain modifications in the distributions otherwise calculated to be distributed for such six-month period. To provide for calculated shortages to be paid to the Agency for enforceable obligations, the amount of the deficiency will first be deducted from the residual amount otherwise calculated to be distributed to the taxing entities under the Dissolution Act after payment of the Agency's enforceable obligations, pass-through payments, and the Agency's administrative cost allowance. If such residual amount is exhausted, the amount of the remaining deficiency will be deducted from amounts available for distribution to the Agency for administrative costs for the applicable six-month period in order to fund the enforceable obligations. Finally, funds required for servicing bond debt may be deducted from the amounts to be distributed under expressly-subordinated Pass-Through Agreements and for Statutory Pass-Through Amounts, in order to be paid to the Agency for enforceable obligations, but only after the amounts described in the previous two sentences have been exhausted. The Dissolution Act provides for a procedure by which the Agency may make Statutory Pass-Through Amounts subordinate to the Bonds; however, the Agency has determined not to undertake such procedure, and therefore, Statutory Pass-Through Amounts are not subordinate to the Bonds (see "THE PROJECT AREA—Statutory Pass-Through Amounts").

The Agency cannot guarantee that this process prescribed by the Dissolution Act of administering the Pledged Tax Revenues and the subordinations provided in the Pass-Through Agreements will effectively result in adequate Pledged Tax Revenues for the payment of principal and interest on the Bonds when due. See "RISK FACTORS—Recognized Obligation Payment Schedule."

See "THE PROJECT AREA—Pass-Through Agreements" and "—Statutory Pass-Through Amounts" for additional information regarding the Pass-Through Agreements and the Statutory Pass-Through Amounts applicable to the Agency and the revenues derived from the Project Area. See also "PLEGGED TAX REVENUES—Projected Taxable Valuation and Pledged Tax Revenues."

### **Recognized Obligation Payment Schedule**

***ROPS Process Under the Dissolution Act.*** Before each six-month period, the Dissolution Act requires successor agencies to prepare and submit to the successor agency's oversight board and the State Department of Finance for approval a Recognized Obligation Payment Schedule (the "Recognized Obligation Payment Schedule") pursuant to which enforceable obligations (as defined in the Dissolution Act) of the successor agency are listed, together with the source of funds to be used to pay for each enforceable obligation. As defined in the Dissolution Act, "enforceable obligation" includes bonds, including the required debt service, reserve set-asides, and any other payments required under the indenture or similar documents governing the issuance of the outstanding bonds of the former redevelopment agency, as well as other obligations such as loans, judgments or settlements against the former redevelopment agency, any legally binding and enforceable agreement that is not otherwise void as violating the debt limit or public policy, contracts necessary for the administration or operation of the successor agency, and amounts borrowed from the Low and Moderate Income Housing Fund. A reserve may be included on the Recognized Obligation Payment Schedule and held by the successor agency when required by the bond indenture or when the next property tax allocation will be insufficient to pay all obligations due under the provisions of the bond for the next payment due in the following six-month period (see "THE INDENTURE—Covenants of the Agency").

Under the Dissolution Act, the categories of sources of payments for enforceable obligations listed on a Recognized Obligation Payment Schedule are the following: (i) the Low and Moderate Income Housing Fund, (ii) bond proceeds, (iii) reserve balances, (iv) administrative cost allowance, (v) the Redevelopment Property Tax Trust Fund (but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation or otherwise required under the Dissolution Act), or (vi) other revenue sources (including rents, concessions, asset sale proceeds, interest earnings, and any other revenues derived from the former redevelopment agency, as approved by the oversight board).

The Dissolution Act provides that, commencing on the date the first Recognized Obligation Payment Schedule is valid thereunder, only those payments listed in the Recognized Obligation Payment Schedule may be made by the Agency from the funds specified in the Recognized Obligation Payment Schedule.

The Recognized Obligation Payment Schedule must be submitted by the Agency, after approval by the Oversight Board, to the County Administrative Officer, the County Auditor-Controller, the State Department of Finance, and the State Controller by 90 days before the date of the next January 2 or June 1 property tax distribution. If the Agency does not submit a Recognized Obligation Payment Schedule by such deadlines, the City will be subject to a civil penalty equal to \$10,000 per day for every day the schedule is not submitted to the State Department of Finance. Additionally, the Agency's administrative cost allowance is reduced by 25% if the Agency does not submit a Recognized Obligation Payment Schedule by the 80th day before the date of the next January 2 or June 1 property tax distribution, as applicable.

The Dissolution Act requires the State Department of Finance to make a determination of the enforceable obligations and the amounts and funding sources of the enforceable obligations no later than 45 days after the Recognized Obligation Payment Schedule is submitted. Within five business days of the determination by the State Department of Finance, the Agency may request additional review by the department and an opportunity to meet and confer on disputed items, if any. The State Department of Finance will notify the Agency and the County Auditor-Controller as to the outcome of its review at least 15 days before the January 2 or June 1 date of property tax distribution, as applicable. Additionally, the County Auditor-Controller may review a submitted Recognized Obligation Payment Schedule and object to the inclusion of any items that are not demonstrated to be enforceable obligations and may object to the funding source proposed for any items, provided that the County Auditor-Controller must provide notice of any such objections to the Agency, the Oversight Board, and the State Department of Finance at least 60 days prior to the January 2 or June 1 date of property tax distribution, as applicable.

In connection with the allocation and distribution by the County Auditor-Controller of property tax revenues deposited in the Redevelopment Property Tax Trust Fund, under the Dissolution Act the County Auditor-Controller must prepare estimates of the amounts of (i) property tax to be allocated and distributed and (ii) the amounts of pass-through payments to be made in the upcoming six-month period, and provide those estimates to the entities receiving the distributions and the State Department of Finance no later than October 1 and April 1 of each year, as applicable. If, after receiving such estimate from the County Auditor-Controller, the Agency determines and reports, no later than December 1 or May 1, as applicable (i.e., by May 1, 2015 with respect to the Recognized Obligation Payment Schedule for July 1, 2015 through December 31, 2015), that the total amount available to the Agency from the Redevelopment Property Tax Trust Fund allocation to the Agency's Redevelopment Obligation Retirement Fund, from other funds transferred from the Prior Agency, and from funds that have or will become available through asset sales and all redevelopment operations, is insufficient to fund the payment of pass-through obligations, for Agency enforceable obligations listed on the Recognized Obligation Payment Schedule, and for the Agency's administrative cost allowance, the County Auditor-Controller must notify the State Controller and the State Department of Finance no later than 10 days from the date of the Agency's notification. If the State Controller concurs that there are insufficient funds to pay required debt service, the Dissolution Act provides for certain adjustments to be made to the estimated distributions, as described in more detail under "SECURITY FOR THE BONDS—Tax Increment Financing" above.

The Agency has timely submitted to the County Administrative Officer, the County Auditor-Controller, the State Department of Finance, and the State Controller its Oversight Board-approved Recognized Obligation Payment Schedules for each six-month period since the effective date of the Dissolution Act.

[The Agency's historical practice has been to list debt service due on the Refunded Obligations on the Recognized Obligation Payment Schedules for the six-month fiscal period during which such debt service was due. The County Auditor-Controller accordingly distributed RPTTF monies to the Agency for debt service

due in each six-month fiscal period. Going forward, consistent with the Indenture, the Agency will list the entire amount of debt service due in each Fiscal Year on the Recognized Obligation Payment Schedule for the period from July 1 through December 31 of such year.]

**Statutory Limitations on Review of Bonds on ROPS by DOF.** The Dissolution Act provides that any bonds authorized thereunder to be issued by the Agency will be considered indebtedness incurred by the dissolved Prior Agency, with the same legal effect as if the bonds had been issued prior to effective date of AB X1 26, in full conformity with the applicable provision of the Redevelopment Law that existed prior to that date, and will be included in the Agency's Recognized Obligation Payment Schedule. Section 34177.5(f) of the Dissolution Act additionally provides that if the State Department of Finance has requested review of the Oversight Board Resolution and, after review, has approved the resolution, the scheduled payments on the Bonds shall be listed in the Recognized Obligation Payment Schedule and will not be subject to further review and approval by the State Department of Finance or the State Controller.

[The DOF Determination Letter includes the following statement: "This approval is specifically conditioned on the understanding that no refunding bonds will be issued unless such bonds meet the limitations in HSC Section 34177.5(a). Any debt service obligations listed in a Recognized Obligation Payment Schedule (ROPS) stemming from bonds issued not in compliance with that section will not be approvable by Finance [the State Department of Finance]." ] **[update]** The issuance of the Bonds will be accompanied by approving legal opinions regarding the due and valid authorization of the Bonds under the Bond Law, Health and Safety Code Section 34177.5, the Successor Agency Resolution, the Oversight Board Resolution, and the Indenture, all substantially in the forms attached hereto as Appendix C. See, however, "RISK FACTORS—No Validation Proceeding Undertaken."

Further, the Agency has covenanted in the Indenture to take all actions required under the Dissolution Act to include scheduled debt service on the Bonds, as well as any amount required under the Indenture to replenish the Reserve Account of the Debt Service Fund, in Recognized Obligation Payment Schedules for each six-month period so as to enable the County Auditor-Controller to distribute from the Redevelopment Property Tax Trust Fund to the Agency's Redevelopment Obligation Retirement Fund on each January 2 and June 1 amounts required for the Agency to pay principal of, and interest on, the Bonds coming due in the respective six-month period, including listing a reserve on the Recognized Obligation Payment Schedule to the extent required by the Indenture or when the next property tax allocation is projected to be insufficient to pay all obligations due under the provisions of the Bonds for the next payment due in the following six-month period (see "THE INDENTURE—Covenants of the Agency").

### **No Outstanding Bonds**

Upon the refunding of the Refunded Obligations, no senior or parity debt will remain outstanding that has senior or parity pledge on Pledged Tax Revenues.

### **Parity Bonds**

Under the Indenture, in addition to the Bonds and subject to the requirements of the Indenture, the Successor Agency may issue or incur Parity Bonds in such principal amount as shall be determined by the Successor Agency, pursuant to a separate or Supplemental Indenture adopted or entered into by the Successor Agency and Trustee and for such purposes as are permitted under the Dissolution Act, including without limitation Section 34177.5 thereof. The Successor Agency may issue or incur such Parity Bonds subject to the following specific conditions precedent:

Section 34177.5 of the Dissolution Act presently permits successor agencies to issue bonds or incur other indebtedness secured by property tax revenues comprised of former tax increment and required to be deposited into the respective Redevelopment Property Tax Trust Fund for the applicable successor agency under limited circumstances:

(i) to provide savings to the successor agency;

(ii) for the purpose of financing debt service spikes, including balloon maturities; provided, (A) the existing indebtedness is not accelerated, except to the extent necessary to achieve substantially level debt service, and (B) the principal amount of the refunding bonds or the indebtedness will not exceed the amount required to defease the refunded bonds or other indebtedness, to establish customary debt service reserves, and to pay related costs of issuance;

(iii) for the purpose of amending an existing enforceable obligation under which the successor agency is obligated to reimburse a political subdivision of the state for the payment of debt service on a bond or other obligation of the political subdivision or to pay all or a portion of the debt service on the bond or other obligation of the political subdivision to provide savings to the successor agency, when such amendment is in connection with a refunding of the bonds or other obligations of the separate political subdivision so that the enforceable obligation will apply to the refunding obligations of the political subdivision; or

(iv) for the purpose of making payments under an existing enforceable obligation when the enforceable obligation includes the irrevocable pledge of property tax increment (i.e., formerly tax increment revenues prior to the effective date of the Dissolution Act) or other funds and the obligation to issue bonds secured by that pledge.

When bonds are issued pursuant to the situations contemplated in clauses (i) and (iii), the following two constraints apply to the size of the financing: (A) the total interest cost to maturity on the refunding bonds or indebtedness plus the principal amount of the refunding bonds or other indebtedness shall not exceed the total remaining interest cost to maturity on the bonds or other indebtedness to be refunded plus the remaining principal of the bonds or other indebtedness to be refunded, and (B) the principal amount of the refunding bonds or the indebtedness will not exceed the amount required to defease the refunded bonds or other indebtedness, to establish customary debt service reserves, and to pay related costs of issuance. If the foregoing conditions are satisfied, the initial principal amount of the refunding bonds or indebtedness may be greater than the outstanding principal amount of the bonds or other indebtedness to be refunded. The successor agency may pledge to the refunding bonds or other indebtedness the revenues pledged to the bonds or other indebtedness being refunded, having the same lien priority as the pledge of the bonds or other obligations to be refunded.

Subject to the foregoing, the Agency may issue or incur such Parity Bonds subject to the following additional specific conditions precedent:

(a) The Agency will be in compliance with all covenants set forth in the Indenture;

(b) The Oversight Board shall have approved the issuance of Parity Bonds;

(c) The Parity Bonds will be on such terms and conditions as may be set forth in a separate or Supplemental Indenture, which will provide for (i) bonds substantially in accordance with the Indenture, and (ii) the deposit of moneys into the Reserve Account in an amount sufficient, together with the balance of the Reserve Account, to equal the Reserve Requirement on all Bonds expected to be outstanding, including the Parity Bonds;

(d) Receipt of a certificate or opinion of an Independent Financial Consultant stating:

(i) For the current and each future Bond Year the debt service for each such Bond Year with respect to all Bonds and other Parity Bonds reasonably expected to be outstanding following the issuance of the Parity Bonds;

(ii) For the then current Fiscal Year, the Pledged Tax Revenues to be received by the Agency based upon the most recently certified assessed valuation of taxable property in the Project Area provided by the appropriate officer of the County;

(iii) For each future Fiscal Year, the Pledged Tax Revenues referred to in item (ii) together with (a) the amount determined in accordance with Section 51(a) of the California Revenue and Taxation Code and (b) the amount of Tax Revenues to be payable with respect to construction completed but not yet on the tax roll, and taking into account the expiration of the time to receive Tax Revenues with respect to any portion of the Project Area and any amounts to be paid pursuant to the Pass Through Agreements and the Statutory Pass-Through Amounts; and

(iv) That for the then current Fiscal Year, the Pledged Tax Revenues referred to in item (ii) and for each future Fiscal Year the Pledged Tax Revenues referred to in item (iii) are at least equal to the sum of 125% of the Maximum Annual Debt Service with respect to the amounts referred to in item (i) above (excluding debt service with respect to any portion of the Parity Bonds deposited in an escrowed proceeds account to the extent such debt service is paid from earnings on the investment of such funds), and, for the then current Fiscal Year, 100% of Annual Debt Service with respect to any subordinate debt and that the Agency is entitled under the Dissolution Act, the Redevelopment Law and the Redevelopment Plan to receive taxes under Section 33670 of the Redevelopment Law in an amount sufficient to meet expected debt service with respect to all Bonds and other Parity Bonds.

(e) The Parity Bonds will mature on and interest will be payable on the same dates as the Bonds (except the first interest payment may be from the date of the Parity Bonds until the next succeeding March 15 or September 15) provided, however, nothing herein shall preclude the Agency from issuing and selling Parity Bonds which do not pay current interest.

#### **Bonds Not a Debt of the City of Oroville or the State of California**

The Bonds are special obligations of the Agency and as such are not a debt of the City, the State or any of its political subdivisions other than the Agency. Neither the City, the State nor any of its political subdivisions other than the Agency is liable for the payment thereof. In no event shall the Bonds be payable out of any funds or properties other than those of the Agency as set forth in the Indenture. The Bonds do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction. Neither the members of the Agency nor any persons executing the Bonds are liable personally on the Bonds.

#### **[BOND INSURANCE]**

*The following information has been furnished by [Insurer] (the "Insurer" or "\_\_\_\_\_") for use in this Official Statement. No representation is made by the Agency or the Underwriter as to the accuracy or completeness of such information, or the absence of material adverse changes therein at any time subsequent to the date hereof. Reference is made to APPENDIX I—"SPECIMEN MUNICIPAL BOND INSURANCE POLICY" for a specimen of the Insurer's policy.*

#### **THE INDENTURE**

*The following is a summary of certain provisions of the Indenture and does not purport to be complete. Reference is hereby made to the Indenture and to Appendix B for the definition of certain terms used herein. Copies of the Indenture are available from the Agency upon request. All capitalized terms used herein and not otherwise defined will have the same meaning as used in the Indenture.*

## **Allocation of Bond Proceeds**

Under the Dissolution Act, the Agency has previously established a special trust fund called the Redevelopment Obligation Retirement Fund (the "Redevelopment Obligation Retirement Fund"), which is held by the Agency and into which the County Auditor-Controller distributes property tax revenues each January 2 and June 1 from the Redevelopment Property Tax Trust Fund for the payment by the Agency of enforceable obligations pursuant to the Recognized Obligation Payment Schedule.

The Indenture establishes a special trust fund known as the "Debt Service Fund," with accounts therein referred to below, which will be held by the Trustee. The Agency will deposit all of the Pledged Tax Revenues received in any Bond Year in the Redevelopment Obligation Retirement Fund promptly upon receipt thereof by the Agency, and promptly thereafter shall transfer amounts therein to the Trustee for deposit in the Debt Service Fund established and held under the Indenture until such time as the aggregate amounts on deposit in such Debt Service Fund equal the aggregate amounts required to be deposited into the Interest Account, the Principal Account, the Reserve Account and the Redemption Account in such Bond Year pursuant to the Indenture and for deposit in such Bond Year in the funds and accounts established with respect to any Parity Bonds, as provided in any Supplemental Indenture.

See "SOURCES AND USES OF FUNDS."

## **Pledged Tax Revenues – Application**

There are created under the Indenture accounts within the Debt Service Fund as set forth below, to be known respectively as the Interest Account with the 2015A Interest Sub-Account and the 2015B Interest Sub-Account, the Principal Account with the 2015A Principal Sub-Account and the 2015B Principal Sub-Account, the Reserve Account with the 2015A Reserve Sub-Account and the 2015B Reserve Sub-Account and the Redemption Account with the 2015A Redemption Sub-Account and the 2015B Redemption Sub-Account. Moneys in the Redevelopment Obligation Retirement Fund will be transferred by the Trustee in the following amounts at the following times, for deposit in the following respective accounts within the Debt Service Fund, which are established with the Trustee, in the following order of priority:

(a) *Interest Account.* On or before the 5th Business Day preceding each Interest Payment Date, the Trustee will transfer funds from the Debt Service Fund for deposit in the Interest Account (including the 2015A Interest Sub-Account and the 2015B Interest Sub-Account) an amount which, when added to the amount contained in the Interest Account on that date, will be equal to the aggregate amount of the interest becoming due and payable on the Outstanding Bonds on such Interest Payment Date. Amounts attributable to the 2015A Bonds will be immediately segregated and held in the 2015A Interest Sub-Account. Amounts attributable to the 2015B Bonds will be immediately segregated and held in the 2015B Interest Sub-Account. No such transfer and deposit need to be made to the Interest Account if the amount contained therein is at least equal to the interest to become due on the next succeeding Interest Payment Date upon all of the Outstanding Bonds and Parity Bonds. Subject to the Indenture, all moneys in the Interest Account will be used and withdrawn by the Trustee solely for the purpose of paying the interest on the Bonds as it becomes due and payable (including accrued interest on any Bonds redeemed prior to maturity pursuant to the Indenture).

(b) *Principal Account.* On or before the 5th Business Day preceding each Principal Payment Date in each calendar year beginning September 15, 2015, the Trustee will transfer funds from the Debt Service Fund for deposit in the Principal Account (including the 2015A Principal Sub-Account and the 2015B Principal Sub-Account) an amount equal to the principal or sinking account payments becoming due and payable on the Outstanding Bonds on such September 15, to the extent monies on deposit in the Redevelopment Obligation Retirement Fund are available therefor. Amounts attributable to the 2015A Bonds will be immediately segregated and held in the 2015A Principal Sub-Account. Amounts attributable to the 2015B Bonds will be immediately segregated and held in the 2015B Principal Sub-Account. No such transfer and deposit need be made to the Principal Account if the amount contained therein is at least equal to the

principal and sinking account payments to become due on such September 15 on all Outstanding Bonds. Subject to the Indenture, all moneys in the Principal Account will be used and withdrawn by the Trustee solely for the purpose of paying the principal and sinking account payments of the Bonds as it becomes due and payable.

(c) *Reserve Account.* In the event that moneys on deposit in the Debt Service Fund five (5) Business Days before any Interest Payment Date are less than the full amount of the interest, principal and sinking account payments required to be deposited by the Trustee pursuant to the Indenture, the Trustee will, five (5) Business Days before such Interest Payment Date, withdraw from the Reserve Account pro-rata between the Reserve Account sub-accounts an amount equal to any such deficiency and will notify the Agency of any such withdrawal. Promptly upon receipt of any such notice, the Agency will withdraw from the Redevelopment Obligation Retirement Fund and transfer to the Trustee for deposit in the Reserve Account an amount sufficient to maintain the Reserve Requirement on deposit in the Reserve Account, the sub-accounts therein, and the reserve account of any Parity Bonds. If there is not sufficient moneys in the Redevelopment Obligation Retirement Fund to transfer an amount sufficient to maintain the Reserve Requirement on deposit in the Reserve Account, the sub-accounts therein, and the reserve account of any Parity Bonds, the Agency shall have an obligation to continue making transfers of Pledged Tax Revenues into the Debt Service Fund, as such revenues become available, and thereafter, as moneys become available in the Debt Service Fund, the Trustee will make transfers to the Reserve Account, the sub-accounts therein, and the reserve account of any Parity Bonds until there is an amount sufficient to maintain the Reserve Requirement on deposit in the Reserve Account, the sub-accounts therein, and the reserve account of any Parity Bonds. No such transfer and deposit need be made to the Reserve Account (or any sub-account therein) so long as there is on deposit therein a sum at least equal to the Reserve Requirement. Subject to the Indenture, all money in the Reserve Account will be used and withdrawn by the Trustee solely for the purpose of making transfers to the Interest Account and the Principal Account (and sub-accounts therein, as the case may be), in such order of priority, in the event of any deficiency at any time in any of such accounts or for the retirement of all the Bonds then Outstanding, except that so long as the Agency is not in default, any amount in the Reserve Account in excess of the Reserve Requirement will be withdrawn from the Reserve Account semiannually on or before the 5th Business Day preceding March 15 and September 15 by the Trustee and deposited in the Interest Account. All amounts in the Reserve Account on the 5th Business Day preceding the final Interest Payment Date will be withdrawn from the Reserve Account and will be transferred either (i) to the Interest Account and the Principal Account, in such order, to the extent required to make the deposits then required to be made or, (ii) if the Agency has caused to be deposited with the Trustee an amount sufficient to make the deposits required by the Indenture, then at the Written Request of the Agency transferred as directed by the Agency.

When no Bonds remain Outstanding, amounts on deposit in the Bonds Reserve Account will be transferred to the reserve account for any Parity Bonds to the extent necessary to maintain the Reserve Requirement on any Parity Bonds then outstanding.

(d) *Redemption Account.* On or before the 5th Business Day preceding any date on which Bonds are to be redeemed, the Trustee will transfer from the Debt Service Fund for deposit in the Redemption Account an amount required to pay the principal of, interest and premium, if any, on the Bonds (other than Bonds redeemed from sinking account payments) to be redeemed on such date. Subject to the Indenture, all moneys in the Redemption Account will be used and withdrawn by the Trustee solely for the purpose of paying the principal of, interest and premium, if any, on the Bonds to be redeemed on the date set for such redemption.

The Indenture also creates a Rebate Fund for the purpose of collecting the amounts required, if any, to be rebated to the United States with respect to the 2015A Bonds in accordance with the requirements of Section 148(f) of the Code. Section 148 of the Code requires, among other things and with certain exceptions, that any amounts earned on nonpurpose investments in excess of the amount which would have been earned if such investments were made at a rate equal to the yield on the Bonds be rebated to the United States. The

Indenture requires the Agency to calculate such amount and deposit it into the Rebate Fund for eventual rebate to the United States Treasury.

### **Investment of Moneys in Funds and Accounts**

Subject to the provisions of the Indenture, all moneys held by the Trustee in the Debt Service Fund, the Costs of Issuance Fund, or the Rebate Fund will be invested at the written direction of the Agency only in Permitted Investments. If the Trustee receives no written directions from the Agency as to the investment of moneys held in any Fund or Account, the Trustee will request such written direction from the Agency and, pending receipt of instructions, will invest such moneys only in Permitted Investments described in subsection (b)(5) of the definition thereof.

(a) Moneys in the Redevelopment Obligation Retirement Fund will be invested by the Agency only in obligations permitted by the Redevelopment Law which will by their terms mature not later than the date the Agency estimates the moneys represented by the particular investment will be needed for withdrawal from the Redevelopment Obligation Retirement Fund.

(b) Moneys in the Interest Account, the Principal Account and the Redemption Account of the Debt Service Fund will be invested only in obligations which will by their terms mature on such dates as to ensure that before each interest and principal payment date there will be in such Account, from matured obligations and other moneys already in such Account, cash equal to the principal and interest payable on such payment date.

(c) Moneys in the Reserve Account will be invested in (i) obligations which will by their terms mature on or before the date of the final maturity of the Bonds or five (5) years from the date of investment, whichever is earlier or (ii) an investment agreement which permits withdrawals or deposits without penalty at such time as such moneys will be needed or in order to replenish the Reserve Account.

(d) Moneys in the Rebate Fund will be invested in Defeasance Securities which mature on or before the date such amounts are required to be paid to the United States.

Except as otherwise provided in the Indenture, obligations purchased as an investment of moneys in any of the Funds or Accounts will be deemed at all times to be a part of such respective Fund or Account, and the interest accruing thereon and any gain realized from an investment will be credited to such Fund or Account and any loss resulting from any authorized investment will be charged to such Fund or Account without liability to the Trustee. The Agency or the Trustee, as the case may be, will sell or present for redemption any obligation purchased whenever it will be necessary to do so in order to provide moneys to meet any payment or transfer from such Fund or Account as required by the Indenture and will incur no liability for any loss realized upon such a sale. All interest earnings received on any moneys invested in the Interest Account, Principal Account, Redemption Account or Reserve Account, to the extent they exceed the amount required to be in such Account, will be transferred on each Interest Payment Date to the Debt Service Fund. All interest earnings on moneys invested in the Rebate Fund will be retained in such Fund and applied as set forth in the Indenture.

### **Covenants of the Agency**

As long as the Bonds are outstanding and unpaid, the Agency will (through its proper members, officers, agents or employees) faithfully perform and abide by all of the covenants, undertakings and provisions contained in the Indenture or in any Bond issued under the Indenture, including the following covenants and agreements for the benefit of the Bondowners which are necessary, convenient and desirable to secure the Bonds and will tend to make them more marketable; provided, however, that the covenants do not require the Agency to expend any funds other than the Pledged Tax Revenues.

Covenant 1. *Use of Proceeds; Management and Operation of Properties.* The Agency covenants and agrees that the proceeds of the sale of the Bonds will be deposited and used as provided in the Indenture and that it will manage and operate all properties owned by it comprising any part of the Project Area in a sound and businesslike manner.

Covenant 2. *No Priority.* The Agency covenants and agrees that it will not issue any obligations payable, either as to principal or interest, from the Pledged Tax Revenues which have any lien upon the Pledged Tax Revenues prior or superior to the lien of the Bonds. Except as permitted by the Indenture, it will not issue any obligations, payable as to principal or interest, from the Pledged Tax Revenues, which have any lien upon the Pledged Tax Revenues on a parity with the Bonds authorized in the Indenture. Notwithstanding the foregoing, nothing in the Indenture shall prevent the Agency (i) from issuing and selling pursuant to law, refunding obligations payable from and having any lawful lien upon the Pledged Tax Revenues, if such refunding obligations are issued for the purpose of, and are sufficient for the purpose of, refunding all of the Outstanding Bonds and Parity Bonds, (ii) from issuing and selling obligations which have, or purport to have, any lien upon the Pledged Tax Revenues which is junior to the Bonds, or (iii) from issuing and selling bonds or other obligations which are payable in whole or in part from sources other than the Pledged Tax Revenues. As used in the Indenture "obligations" includes, without limitation, bonds, notes, interim certificates, debentures or other obligations.

Covenant 3. *Punctual Payment.* The Agency covenants and agrees that it will duly and punctually pay, or cause to be paid, the principal of and interest on each of the Bonds on the date, at the place and in the manner provided in the Bonds. Further, the Agency will take all actions required under the Dissolution Act to include on the Recognized Obligation Payment Schedules for each six-month period (or annual period if authorized by the Dissolution Act) all payments to the Trustee to satisfy the requirements of the Indenture, including any amounts required under the Indenture to replenish the Reserve Account of the Debt Service Fund to full amount of the Reserve Requirement.

Covenant 4. *Payment of Taxes and Other Charges.* The Agency covenants and agrees that it will from time to time pay and discharge, or cause to be paid and discharged, all payments in lieu of taxes, service charges, assessments or other governmental charges which may lawfully be imposed upon the Agency or any of the properties then owned by it in the Project Area, or upon the revenues and income therefrom, and will pay all lawful claims for labor, materials and supplies which if unpaid might become a lien or charge upon any of the properties, revenues or income or which might impair the security of the Bonds or the use of Pledged Tax Revenues or other legally available funds to pay the principal of and interest on the Bonds, all to the end that the priority and security of the Bonds shall be preserved; provided, however, that nothing in this covenant shall require the Agency to make any such payment so long as the Agency in good faith shall contest the validity of the payment.

Covenant 5. *Books and Accounts; Financial Statements.* The Agency covenants and agrees that it will at all times keep, or cause to be kept, proper and current books and accounts (separate from all other records and accounts) in which complete and accurate entries shall be made of all transactions relating to the Redevelopment Project and the Pledged Tax Revenues and other funds relating to the Project Area. The Agency will prepare within one hundred eighty (180) days after the close of each of its Fiscal Years a postaudit of the financial transactions and records of the Agency for the Fiscal Year to be made by an Independent Certified Public Accountant appointed by the Agency, and will furnish a copy of the postaudit to the Trustee and any rating agency which maintains a rating on the Bonds, and, upon written request, to any Bondowner. The Trustee shall have no duty to review such postaudits.

Covenant 6. *Eminent Domain Proceeds.* The Agency covenants and agrees that if all or any part of the Project Area should be taken from it without its consent, by eminent domain proceedings or other proceedings authorized by law, for any public or other use under which the property will be tax exempt, it shall take all steps necessary to adjust accordingly the base year property tax roll of the Project Area.

Covenant 7. *Disposition of Property.* The Agency covenants and agrees that it will not dispose of more than ten percent (10%) of the land area in the Project Area (except property shown in the Redevelopment Plan in effect on the date the Indenture is adopted as planned for public use, or property to be used for public streets, public offstreet parking, sewage facilities, parks, easements or right-of-way for public utilities, or other similar uses) to public bodies or other persons or entities whose property is tax exempt, unless such disposition will not result in Pledged Tax Revenues to be less than the amount required for the issuance of Parity Bonds as provided in the Indenture, based upon the certificate or opinion of an Independent Financial Consultant appointed by the Agency. See "SECURITY FOR THE BONDS—Parity Bonds."

Covenant 8. *Protection of Security and Rights of Bondowners.* The Agency covenants and agrees to preserve and protect the security of the Bonds and the rights of the Bondowners and to contest by court action or otherwise (a) the assertion by any officer of any government unit or any other person whatsoever against the Agency that (i) the Redevelopment Law (except as modified by the Dissolution Act) is unconstitutional or (ii) that the Pledged Tax Revenues pledged under the Indenture cannot be paid to the Agency for the debt service on the Bonds or (b) any other action affecting the validity of the Bonds or diluting the security therefor.

Covenant 9. *Tax Covenants.* The Agency covenants and agrees to contest by court action or otherwise any assertion by the United States of America or any department or agency thereof that the interest received by the Bondowners is includable in gross income of the recipient under federal income tax laws on the date of issuance of the Bonds. In order to preserve the exclusion from gross income of interest on the Bonds, and for no other reason, the Agency covenants to comply with all applicable requirements of the Internal Revenue Code of 1986, as amended (the "Code"), together with any amendments thereto or regulations promulgated thereunder necessary to preserve such tax exemption as more specifically provided in the Indenture.

Covenant 10. *Compliance with Dissolution Act.* The Agency covenants that it will comply with the requirements of the Dissolution Act. Without limiting the generality of the foregoing, the Agency covenants and agrees to file all required statements and hold all public hearings required under the Dissolution Act to assure compliance by the Agency with its covenants hereunder. The Successor Agency covenants that in accordance with the Dissolution Act it will petition the DOF for a written confirmation that its determinations with respect to the Bonds are final and conclusive.

Covenant 11. *Limitation on Indebtedness.* The Agency covenants and agrees that it has not and will not incur any loans, obligations or indebtedness repayable from Pledged Tax Revenues such that the total aggregate debt service on said loans, obligations or indebtedness incurred from and after the date of adoption of the Redevelopment Plan, when added to the total aggregate debt service on the Bonds will exceed the maximum amount of Pledged Tax Revenues to be divided and allocated to the Agency pursuant to the Redevelopment Plan. The Agency shall file annually with the Trustee on or prior to September 1 of each year a Written Certificate of the Agency certifying that Pledged Tax Revenues received by the Agency through the date of the certificate combined with the amount remaining to be paid on all outstanding obligations of the Agency will not exceed the Plan Limit. To the extent it does, all Pledged Tax Revenues will be deposited in an escrow account and applied to the payment of such outstanding obligations.

Covenant 12. *Further Assurances.* The Agency covenants and agrees to adopt, make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of the Indenture, and for the better assuring and confirming unto the Owners of the rights and benefits provided in the Indenture.

Covenant 13. *Continuing Disclosure.* The Agency covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Agreement dated the Closing Date. Notwithstanding any other provision of the Indenture, failure of the Agency to comply with the Continuing Disclosure Agreement shall not be considered an Event of Default; however, any participating underwriter,

owner or beneficial owner of the Bonds may take such actions as may be necessary and appropriate to compel performance, including seeking mandate or specific performance by court order.

### **Events of Default and Remedies**

The following events will constitute Events of Default under the Indenture:

(a) if default is made in the due and punctual payment of the principal of or interest or redemption premium (if any) on any Bond when and as the same becomes due and payable, whether at maturity as therein expressed, by declaration or otherwise;

(b) if default is made by the Agency in the observance of any of the covenants, agreements or conditions on its part in the Indenture or in the Bonds contained, other than a default described in the preceding clause (a), and such default is continued for a period of thirty (30) days following receipt by the Agency of written notice from the Trustee or any Owner of the occurrence of such default; or

(c) if the Agency commences a voluntary action under Title 11 of the United States Code or any substitute or successor statute.

If an Event of Default has occurred and is continuing, the Trustee may, or if requested in writing by the Owners of the majority in aggregate principal amount of the Bonds then Outstanding, the Trustee will by written notice to the Agency, (a) declare the principal of the Bonds, together with the accrued interest thereon, to be due and payable immediately, and upon any such declaration the same will become immediately due and payable, and (b) upon receipt of indemnity to its satisfaction exercise any other remedies available to the Trustee and the Owners in law or at equity.

Immediately upon becoming aware of the occurrence of an Event of Default, the Trustee will give notice of such Event of Default to the Agency by telephone confirmed in writing. Such notice will also state whether the principal of the Bonds will have been declared to be or have immediately become due and payable. With respect to any Event of Default described in clauses (a) or (c) above the Trustee will, and with respect to any Event of Default described in clause (b) above the Trustee in its sole discretion may, also give such notice to the Agency and the Owners in the same manner as provided herein for notices of redemption of the Bonds, which will include the statement that interest on the Bonds will cease to accrue from and after the date, if any, on which the Trustee has declared the Bonds to become due and payable pursuant to the preceding paragraph (but only to the extent that principal and any accrued, but unpaid interest on the Bonds is actually paid on such date).

This provision, however, is subject to the condition that if, at any time after the principal of the bonds has been so declared due and payable, and before any judgment or decree for the payment of the moneys due has been obtained or entered, the Agency deposits with the Trustee a sum sufficient to pay all principal on the Bonds matured prior to such declaration and all matured installments of interest (if any) upon all the Bonds, with interest on such overdue installments of principal and interest (to the extent permitted by law) at the net effective rate then borne by the Outstanding Bonds, and the reasonable fees and expenses of the Trustee, including but not limited to attorneys' fees, and any and all other defaults known to the Trustee (other than in the payment of principal of and interest on the Bonds due and payable solely by reason of such declaration) has been made good or cured to the satisfaction of the Trustee or provisions deemed by the Trustee to be adequate has been made therefor, then, and in every such case, the Owners of at least a majority in aggregate principal amount of the Bonds then Outstanding, by written notice to the Agency and to the Trustee, may, on behalf of the Owners of all the Bonds, rescind and annul such declaration and its consequences. However, no such rescission and annulment will extend to or will affect any subsequent default, or will impair or exhaust any right or power consequent thereon.

Upon the occurrence of an event of default, the Trustee may, upon the prior written consent of the Insurer, with the consent of a majority of the Holders, by written notice to the Successor Agency, declare the principal of the Bonds to be immediately due and payable, whereupon that portion of the principal of the Bonds thereby coming due and the interest thereon accrued to the date of payment will, without further action, become and be immediately due and payable, anything in this Indenture in the Bonds to the contrary notwithstanding. Notwithstanding the foregoing, the maturity of Bonds insured by the Insurer shall not be accelerated without the consent of the Insurer and in the event the maturity of the Bonds is accelerated, the Insurer may elect, in its sole discretion, to pay accelerated principal and interest accrued, on such principal to the date of acceleration (to the extent unpaid by the Agency) and the Trustee shall be required to accept such amounts. Upon payment of such accelerated principal and interest accrued to the acceleration date as provided above, the Insurer's obligations under the Policy with respect to such Bonds shall be fully discharged.

### **Application of Funds Upon Acceleration**

All of the Pledged Tax Revenues and all sums in the funds and accounts established and held by the Trustee upon the date of the declaration of acceleration as provided in the Indenture, and all sums thereafter received by the Trustee thereunder, will be applied by the Trustee in the order following, upon presentation of the Bonds, and the stamping thereon of the payment if only partially paid, or upon the surrender thereof if fully paid:

*First*, to the payment of the fees, costs and expenses of the Trustee in declaring such Event of Default and in exercising the rights and remedies set forth in the Indenture, including reasonable compensation to its agents, attorneys and counsel; and

*Second*, to the payment of the whole amount then owing and unpaid upon the Bonds for principal and interest, with interest on the overdue principal and installments of interest at the net effective rate then borne by the Outstanding Bonds (to the extent that such interest on overdue installments of principal and interest has been collected), and in case such moneys will be insufficient to pay in full the whole amount so owing and unpaid upon the Bonds, then to the payment of such principal and interest without preference or priority of principal over interest, or interest over principal, or of any installment of interest over any other installment of interest, ratably to the aggregate of such principal and interest or any Bond over any other Bond.

### **Amendments**

Subject to the terms of the Indenture, the Indenture and the rights and obligations of the Agency and of the Owners may be modified or amended at any time by a Supplemental Indenture which will become binding upon adoption, with the prior written consent of the Insurer but without consent of any Owners, to the extent permitted by law and any for any one or more of the following purposes:

(a) to add to the covenants and agreements of the Agency in the Indenture contained, other covenants and agreements thereafter to be observed or to limit or surrender any rights or powers therein reserved to or conferred upon the Agency; or

(b) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained in the Indenture, or in any other respect whatsoever as the Agency may deem necessary or desirable, provided under any circumstances that such modifications or amendments will not materially adversely affect the interests of the Owners; or

(c) to provide the issuance of Parity Bonds pursuant to the Indenture, and to provide the terms and conditions under which such Parity Bonds may be issued, including but not limited to the establishment of special funds and accounts relating thereto and any other provisions relating solely thereto, subject to and in accordance with the provisions of the Indenture; or

(d) to amend any provision thereof relating to the requirements of or compliance with the Code to any extent whatsoever but only if and to the extent such amendment will not adversely affect the exclusion from gross income for purposes of federal income taxation of interest on any of the Bonds, in the opinion of a nationally recognized bond counsel.

Except as set forth in the preceding paragraph and subject to the terms of the Indenture, the rights and obligations of the Agency and of the Owners may be modified or amended at any time by a Supplemental Indenture which will become binding upon the prior written consent of the Insurer, when the written consent of the Owners of a majority in aggregate principal amount of the Bonds then Outstanding are filed with the Trustee. No such modification or amendment will (a) extend the maturity of or reduce the interest rate on any Bond or otherwise alter or impair the obligation of the Agency to pay the principal, interest or redemption premiums (if any) at the time and place and at the rate and in the currency provided therein of any Bond without the express written consent of the Owner of such Bond, (b) reduce the percentage of Bonds required for the written consent to any such amendment or modification, or (c) without its written consent thereto, modify any of the rights or obligations of the Trustee. [Any amendment, supplement, modification to, or waiver of, the Indenture or any other transaction document, including any underlying security agreement (each a "Related Document"), that requires the consent of Bondowners or adversely affects the rights and interests of the Insurer shall be subject to the prior written consent of the Insurer.]

### **THE SUCCESSOR AGENCY TO THE OROVILLE REDEVELOPMENT AGENCY**

The Prior Agency was established on October 6, 1980 by the City Council of the City with the adoption of Ordinance No. \_\_\_\_\_, pursuant to the Redevelopment Law. On June 29, 2011, AB X1 26 was enacted as Chapter 5, Statutes of 2011, together with a companion bill, AB X1 27. A lawsuit was brought in the California Supreme Court, *California Redevelopment Association, et al., v. Matosantos, et al.*, 53 Cal. 4th 231 (Cal. 2011), challenging the constitutionality of AB X1 26 and AB X1 27. In its December 29, 2011 decision, the California Supreme Court largely upheld AB X1 26, invalidated AB X1 27, and held that AB X1 26 may be severed from AB X1 27 and enforced independently. As a result of AB X1 26 and the decision of the California Supreme Court in the *California Redevelopment Association* case, as of February 1, 2012, all redevelopment agencies in the State were dissolved, including the Prior Agency, and successor agencies were designated as successor entities to the former redevelopment agencies to expeditiously wind down the affairs of the former redevelopment agencies.

On January 9, 2012, pursuant to Resolution No. 7847 and Section 34173 of the Dissolution Act, the City Council of the City elected to serve as successor agency to the Prior Agency. Subdivision (g) of Section 34173 of the Dissolution Act, added by AB 1484, expressly affirms that the Agency is a separate public entity from the City, that the two entities shall not merge, and that the liabilities of the Prior Agency will not be transferred to the City nor will the assets of the Prior Agency become assets of the City.

The Agency is governed by a seven-member Board of Directors (the "Board") which consists of the members of the City Council of the City of Oroville. The Mayor acts as the Chair of the Board, the City Manager as its Executive Director, the City Clerk as its Secretary and the Finance Director of the City as the Finance Officer of the Agency.

#### **Members and Officers**

The members and officers of the Agency and the expiration dates of their terms are as follows:

<i>Name and Office</i>	<i>Expiration of Term</i>
Linda Dahlmeier, <i>Chair</i>	November 2018
Thil Wilcox, <i>Vice Chair</i>	November 2016
Art Hatley, <i>Director</i>	November 2018
Jack Berry, <i>Director</i>	November 2018

Marlene Del Rosario, *Director*  
JR Simpson, *Director*  
David Pittman, *Director*

November 2018  
November 2016  
November 2016

## **Agency Powers**

All powers of the Agency are vested in its seven members who are elected members of the City Council. Pursuant to the Dissolution Act, the Agency is a separate public body from the City and succeeds to the organizational status of the Prior Agency but without any legal authority to participate in redevelopment activities, except to complete any work related to an approved enforceable obligation. The Agency is tasked with expeditiously winding down the affairs of the Prior Agency, pursuant to the procedures and provisions of the Dissolution Act. Under the Dissolution Act, many Agency actions are subject to approval by the Oversight Board, as well as review by the State Department of Finance. California has strict laws regarding public meetings (known as the Ralph M. Brown Act) which generally make all Agency and Oversight Board meetings open to the public in a similar manner as City Council meetings.

Under a State initiative enacted in 1974, public officials are required to make extensive disclosures regarding their financial interests by filing such disclosures as public records. As of the date of this Official Statement, the members of the City Council and the Agency, and other City and Agency officials have made the required filings.

Previously, Section 33675 of the Redevelopment Law required the Prior Agency to file not later than the first day of October of each year with the County Auditor a statement of indebtedness certified by the chief fiscal officer of the Prior Agency for each redevelopment plan which provides for the allocation of taxes (i.e., the Redevelopment Plan). The statement of indebtedness was required to contain the date on which the bonds were delivered, the principal amount, term, purposes and interest rate of the bonds and the outstanding balance and amount due on the bonds. Similar information was required to be given for each loan, advance or indebtedness that the Prior Agency had incurred or entered into which is payable from tax increment. Section 33675 also provided that payments of tax increment revenues from the County Auditor to the Prior Agency could not exceed the amounts shown on the Prior Agency's statement of indebtedness. The Dissolution Act eliminates this requirement and provides that, commencing on the date the first Recognized Obligation Payment Schedule is valid thereunder, the Recognized Obligation Payment Schedule supersedes the statement of indebtedness previously required under the Redevelopment Law, and commencing from such date, the statement of indebtedness will no longer be prepared nor have any effect under the Redevelopment Law (see "SECURITY FOR THE BONDS—Recognized Obligation Payment Schedule").

## **RISK FACTORS**

*The following information should be considered by prospective investors in evaluating the Bonds. However, the following does not purport to be an exhaustive listing of risks and other considerations which may be relevant to investing in the Bonds. In addition, the order in which the following information is presented is not intended to reflect the relative importance of any such risks.*

The various legal opinions to be delivered concurrently with the issuance of the Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by State and federal laws, rulings and decisions affecting remedies, and by bankruptcy, reorganization or other laws of general application affecting the enforcement of creditors' rights, including equitable principles.

## **Reduction in Taxable Value**

Pledged Tax Revenues allocated to the Redevelopment Property Tax Trust Fund are determined by the amount of incremental taxable value in the Project Area and the current rate or rates at which property in the Project Area is taxed. The reduction of taxable values of property in the Project Area caused by economic

factors beyond the Agency's control, such as relocation out of the Project Area by one or more major property owners, sale of property to a non-profit corporation exempt from property taxation, or the complete or partial destruction of such property caused by, among other eventualities, earthquake or other natural disaster, could cause a reduction in the Pledged Tax Revenues that provide for the repayment of and secure the Bonds. Such reduction of Pledged Tax Revenues could have an adverse effect on the Agency's ability to make timely payments of principal of and interest on the Bonds.

As described in greater detail under the heading "PROPERTY TAXATION IN CALIFORNIA—Article XIII A of the State Constitution," Article XIII A provides that the full cash value base of real property used in determining taxable value may be adjusted from year to year to reflect the inflation rate, not to exceed a two percent increase for any given year, or may be reduced to reflect a reduction in the consumer price index, comparable local data or any reduction in the event of declining property value caused by damage, destruction or other factors (as described above). Such measure is computed on a calendar year basis. Any resulting reduction in the full cash value base over the term of the Bonds could reduce Pledged Tax Revenues securing the Bonds.

In addition to the other limitations on, and required application under the Dissolution Act of Pledged Tax Revenues on deposit in the Redevelopment Property Tax Trust Fund, described herein under the heading "RISK FACTORS," the State electorate or Legislature could adopt a constitutional or legislative property tax reduction with the effect of reducing Pledged Tax Revenues allocated to the Redevelopment Property Tax Trust Fund and available to the Agency. Although the federal and State Constitutions include clauses generally prohibiting the Legislature's impairment of contracts, there are also recognized exceptions to these prohibitions. There is no assurance that the State electorate or Legislature will not at some future time approve additional limitations that could reduce the Pledged Tax Revenues and adversely affect the source of repayment and security of the Bonds.

### **Risks to Real Estate Market**

The Agency's ability to make payments on the Bonds will be dependent upon the economic strength of the Project Area. The general economy of the Project Area will be subject to all of the risks generally associated with urban real estate markets. Real estate prices and development may be adversely affected by changes in general economic conditions, fluctuations in the real estate market and interest rates, unexpected increases in development costs and by other similar factors. Further, real estate development within the Project Area could be adversely affected by limitations of infrastructure or future governmental policies, including governmental policies to restrict or control development. In addition, if there is a decline in the general economy of the Project Area, the owners of property within the Project Area may be less able or less willing to make timely payments of property taxes or may petition for reduced assessed valuation causing a delay or interruption in the receipt of Pledged Tax Revenues by the Agency from the Project Area.

### **Reduction in Inflationary Rate**

As described in greater detail below, Article XIII A of the State Constitution provides that the full cash value of real property used in determining taxable value may be adjusted from year to year to reflect the inflationary rate, not to exceed a 2 percent increase for any given year, or may be reduced to reflect a reduction in the consumer price index or comparable local data. Such measure is computed on a calendar year basis. Because Article XIII A limits inflationary assessed value adjustments to the lesser of the actual inflationary rate or 2 percent, there have been years in which the assessed values were adjusted by actual inflationary rates, which were less than 2 percent. Since Article XIII A was approved, the annual adjustment for inflation has fallen below the 2 percent limitation several times. In Fiscal Year 2010-11 the inflationary value adjustment was negative for the first time at -0.237%. The inflationary value adjustment for Fiscal Years 2010-11 through 2015-16 are shown below:

<i>Fiscal Year</i>	<i>Inflation Adj. Factor</i>
2010-11	-0.237%
2011-12	0.753
2012-13	2.000
2013-14	2.000
2014-15	0.454
2015-16	1.998

The Agency is unable to predict if any adjustments to the full cash value of real property within the Project Area, whether an increase or a reduction, will be realized in the future.

### **Development Risks**

The general economy of the Project Area will be subject to all the risks generally associated with real estate development. Projected development within the Project Area may be subject to unexpected delays, disruptions and changes. Real estate development operations may be adversely affected by changes in general economic conditions, fluctuations in the real estate market and interest rates, unexpected increases in development costs and by other similar factors. Further, real estate development operations within the Project Area could be adversely affected by future governmental policies, including governmental policies to restrict or control development. If projected development in the Project Area is delayed or halted, the economy of the Project Area could be affected. If such events lead to a decline in assessed values they could cause a reduction in Pledged Tax Revenues. In addition, if there is a decline in the general economy of the Project Area, the owners of property within the Project Area may be less able or less willing to make timely payments of property taxes causing a delay or stoppage of the Pledged Tax Revenues received by the Agency from the Project Area. In addition, the insolvency or bankruptcy of one or more large owners of property within the Project Area could delay or impair the receipt of Pledged Tax Revenues by the Agency.

### **Levy and Collection of Taxes**

The Agency has no independent power to levy or collect property taxes. Any reduction in the tax rate or the implementation of any constitutional or legislative property tax decrease could reduce the Pledged Tax Revenues, and accordingly, could have an adverse impact on the security for and the ability of the Agency to repay the Bonds.

Likewise, delinquencies in the payment of property taxes by the owners of land in the Project Area, and the impact of bankruptcy proceedings on the ability of taxing agencies to collect property taxes, could have an adverse effect on the Agency's ability to make timely payments on the Bonds. Any reduction in Pledged Tax Revenues, whether for any of these reasons or any other reasons, could have an adverse effect on the Agency's ability to pay the principal of and interest on the Bonds.

### **State Budget Issues**

AB X1 26 and AB 1484 were enacted by the State Legislature and Governor as trailer bills necessary to implement provisions of the State's budget acts for its Fiscal Years 2011-12 and 2012-13, respectively. The 2011-12 State budget included projected State savings estimated to aggregate \$1.7 billion in 2011-12 associated with AB X1 27, which would have allowed redevelopment agencies to continue in operation provided their establishing cities or counties agreed to make an aggregate \$1.7 billion in payments to K-12 schools. However, in December 2011, AB X1 27 was found by the California Supreme Court to violate the State Constitution, which altered this budgetary plan of the State. According to the State's Summary of the 2012-13 State budget, AB 1484 implements a framework to transfer cash assets previously held by redevelopment agencies to cities, counties, and special districts to fund core public services, with assets transferred to schools offsetting State general fund costs (projected savings of \$1.5 billion).

For Fiscal Year 2013-14, the State budget implemented a number of changes, unrelated to redevelopment dissolution, to help the State work toward (on a multiyear basis) a \$1 billion reserve, such as extending certain medical fees and taxes and continuing the use of miscellaneous State highway account revenues to pay transportation bond debt service. The 2013-14 budget summary additionally describes Proposition 98 (schools) General Fund savings estimated at \$2.1 billion in 2012-13 and \$1.1 billion in 2013-14 as a result of monies generated by redevelopment agency dissolution in those years, a portion of which are one-time savings generated from the distribution of unencumbered funds held by former redevelopment agencies.

The budget summary for the State's enacted 2014-15 budget (the "2014-15 Budget Summary") updates the estimated the Proposition 98 (schools) General Fund savings resulting from dissolution of redevelopment agencies, citing approximately \$2.2 billion in such State General Fund savings in 2011-12 and 2012-13 combined, and another estimated \$2.1 billion in such State General Fund savings in 2013-14 and 2014-15. As described in the 2014-15 budget summary, the State's budget is heavily dependent on the performance of the stock market and the resulting capital gains tax revenues, which are estimated to provide 9.8 percent of General Fund revenues in 2014-15. In response to the volatility of such revenues and the resulting boom-and-bust budget cycles, the State Legislature placed a constitutional amendment on the November 2014 ballot, referred to as Proposition 2, which was passed by the voters. Proposition 2 requires, among other things, beginning in Fiscal Year 2015-16 and annually thereafter, a transfer of 1.5% of estimated general fund revenues to the state budget stabilization account (the State's "Rainy Day Fund"), and a deposit of personal capital gains tax revenues exceeding 8 percent of General Fund revenues (up to a maximum Rainy Day Fund balance equal to 10 percent of State General Fund revenues). In addition, Proposition 2 requires half of each year's deposit into the Rainy Day Fund for the next 15 years to be used for supplemental payments to reduce the State's long-term debt or other long-term liabilities. The State deposited funds into the Rainy Day Fund previously in Fiscal Years 2006-07 and 2007-08, for a total rainy-day fund of \$1.5 billion, but the fund was emptied when revenues plummeted during the financial crisis. Since Fiscal Year 2007-08, governors have suspended the Rainy Day Fund deposit each year. Proposition 2 allows limited use of funds in case of emergency or if there is a state budget deficit.

Although the State's budgets for Fiscal Years 2013-14 and 2014-15 did not include any additional legislation dealing with dissolution of redevelopment agencies, the Governor's proposed State budget for Fiscal Year 2015-16 includes proposed legislation that, if enacted, would affect successor agencies and the distribution of Pledged Tax Revenues, as described further below.

#### *Governor's Proposed 2015-16 State Budget: Changes to the Dissolution Process*

On January 9, 2015, California Governor Brown released the proposed Fiscal Year 2015-16 State budget. Although the Governor's Budget Summary for the proposed Fiscal Year 2015-16 State budget (the "2015-16 Proposed Budget Summary") proposes a balanced budget, the 2015-16 Proposed Budget Summary cautions that, since 2000, the State's short periods of balanced budgets have been followed by massive budget shortfalls. The 2015-16 Proposed Budget Summary projects that by the end of the year, the State's Rainy Day Fund will have a total balance of \$2.8 billion, increasing from a balance of approximately \$1.6 billion at the end of Fiscal Year 2014-15. However, the 2015-16 Proposed Budget Summary also notes that commitments made by the State in the past two years are already straining the State's finances. Under a projection of current policies, the 2015-16 Proposed Budget Summary anticipates that the State would begin to spend more than it receives in annual revenues by Fiscal Year 2018-19, by an amount of approximately \$1 billion.

The 2015-16 Proposed Budget Summary also proposes legislation to modify the process of dissolving redevelopment agencies: "Administering the orderly dissolution of almost 400 redevelopment agencies has been complex and time consuming. Oversight of the dissolution process has progressed to the point where the Budget proposes legislation to streamline the state review process to continue the wind-down activities." The proposed legislation, as described in the 2015-16 Proposed Budget Summary, would accomplish the following changes:

- Transition all successor agencies from a biannual Recognized Obligation Payment Schedule process to an annual Recognized Obligation Payment Schedule process beginning July 1, 2016, when the successor agencies transition to a countywide oversight board.
- Establish an optional “Last and Final” Recognized Obligation Payment Schedule (“Last and Final ROPS”) process beginning September 2015. The Last and Final ROPS would be available only to successor agencies that have a Finding of Completion, are in agreement with the State Department of Finance on what items qualify for payment, and meet other specified conditions. If approved by the State Department of Finance, the Last and Final ROPS would be binding on all parties, and the successor agency would no longer submit a Recognized Obligation Payment Schedule to the State Department of Finance or the oversight board. The county auditor-controller would remit the authorized funds to the successor agency in accordance with the approved Last and Final ROPS until each remaining enforceable obligation has been fully paid.
- Former tax increment caps and redevelopment plan expirations would not apply for the purposes of paying approved enforceable obligations, to assure that funding would continue to flow until all approved enforceable obligations have been paid.
- Reentered agreements that are not for the purpose of providing administrative support activities would not be authorized or enforceable.
- Litigation expenses associated with challenging dissolution determinations would not be separate enforceable obligations, but rather must be funded as part of the successor agency’s administrative cost allowance (an amount that is limited by a formula under the Dissolution Act).
- Contractual and statutory pass-through payments would end upon termination of all of a successor agency’s enforceable obligations.
- The State Department of Finance would be exempt from the regulatory process and the federal Administrative Procedures Act.
- County auditor-controllers’ offices would serve as staff for countywide oversight boards.

Except for the first two bullet points listed above, the Governor and the State Department of Finance view the proposed changes as “clarifying language,” but there is disagreement among dissolution process participants as to whether such proposed changes are merely clarifying changes or would constitute changes in the existing law. The language of the legislation proposed by the 2015-16 Proposed Budget Summary to change the dissolution process has not yet been released. According to representatives of the State Department of Finance, the proposed legislation is expected to be released sometime in February 2015. There can be no assurance that additional provisions affecting successor agencies or Pledged Tax Revenues will not be included in the proposed legislation relating to the 2015-16 State budget, or that additional legislation will not be enacted in the future to implement other provisions affecting successor agencies or Pledged Tax Revenues.

The full text of each State Assembly bill cited above may be obtained from the “Official California Legislative Information” website maintained by the Legislative Counsel of the State of California pursuant to State law, at the following web link: <http://www.leginfo.ca.gov/bilinfo.html>.

Information about the State budget and State spending is available at various State maintained websites. Text of the 2015-16 Proposed Budget Summary, the Governor’s proposed 2015-16 State budget, the 2014-15 Budget Summary, the current State budget, and other documents related to the State budget may be found at the website of the State Department of Finance, [www.dof.ca.gov](http://www.dof.ca.gov). A nonpartisan analysis of the budget is posted by the Legislative Analyst’s Office at [www.lao.ca.gov](http://www.lao.ca.gov). In addition, various State official

statements, many of which contain a summary of the current and past State budgets may be found at the website of the State Treasurer, [www.treasurer.ca.gov](http://www.treasurer.ca.gov).

*None of the websites or webpages referenced above is in any way incorporated into this Official Statement. They are cited for informational purposes only. The Agency and the Underwriter make no representation whatsoever as to the accuracy or completeness of any of the information on such websites.*

### **Recognized Obligation Payment Schedule**

The Dissolution Act provides that, commencing on the date the first Recognized Obligation Payment Schedule is valid thereunder, only those payments listed in the Recognized Obligation Payment Schedule may be made by the Agency from the funds specified in the Recognized Obligation Payment Schedule. Before each six-month period, the Dissolution Act requires successor agencies to prepare and approve, and submit to the successor agency's oversight board and the State Department of Finance for approval, a Recognized Obligation Payment Schedule pursuant to which enforceable obligations (as defined in the Dissolution Act) of the successor agency are listed, together with the source of funds to be used to pay for each enforceable obligation. Pledged Tax Revenues will not be distributed from the Redevelopment Property Tax Trust Fund by the County Auditor-Controller to the Agency's Redevelopment Obligation Retirement Fund without a duly approved and effective Recognized Obligation Payment Schedule obtained in sufficient time prior to the January 2 or June 1 distribution dates, as applicable. See "SECURITY FOR THE BONDS—Recognized Obligation Payment Schedule" and "PROPERTY TAXATION IN CALIFORNIA—Property Tax Collection Procedures—Recognized Obligation Payment Schedule." In the event the Agency were to fail to file a Recognized Obligation Payment Schedule with respect to a six-month period, the availability of Pledged Tax Revenues to the Agency could be adversely affected for such period.

In the event a successor agency fails to submit to the State Department of Finance an oversight board-approved Recognized Obligation Payment Schedule complying with the provisions of the Dissolution Act within five business days of the date upon which the Recognized Obligation Payment Schedule is to be used to determine the amount of property tax allocations, the State Department of Finance may determine if any amount should be withheld by the applicable county auditor-controller for payments for enforceable obligations from distribution to taxing entities pursuant to clause (iv) in the following paragraph, pending approval of a Recognized Obligation Payment Schedule. Upon notice provided by the State Department of Finance to the county auditor-controller of an amount to be withheld from allocations to taxing entities, the county auditor-controller must distribute to taxing entities any monies in the Redevelopment Property Tax Trust Fund in excess of the withholding amount set forth in the notice, and the county auditor-controller must distribute withheld funds to the successor agency only in accordance with a Recognized Obligation Payment Schedule when and as approved by the State Department of Finance.

Typically, under the Redevelopment Property Tax Trust Fund distribution provisions of the Dissolution Act, the County Auditor-Controller is to distribute funds for each six-month period in the following order specified in Section 34183 of the Dissolution Act: (i) first, subject to certain adjustments for subordinations to the extent permitted under the Dissolution Act (as described above under "SECURITY FOR THE BONDS—Tax Increment Financing") and no later than each January 2 and June 1, to each local agency and school entity, to the extent applicable, amounts required for pass-through payments such entity would have received under provisions of the Redevelopment Law, as those provisions read on January 1, 2011, including pursuant to the Pass-Through Agreements and Statutory Pass-Through Amounts; (ii) second, on each January 2 and June 1, to the Agency for payments listed in its Recognized Obligation Payment Schedule, with debt service payments scheduled to be made for tax allocation bonds having the highest priority over payments scheduled for other debts and obligations listed on the Recognized Obligation Payment Schedule; (iii) third, on each January 2 and June 1, to the Agency for the administrative cost allowance, as defined in the Dissolution Act; and (iv) fourth, on each January 2 and June 1, to taxing entities any moneys remaining in the Redevelopment Property Tax Trust Fund after the payments and transfers authorized by clauses (i) through (iii), in an amount proportionate to such taxing entity's share of property tax revenues in the tax rate area in

that Fiscal Year (without giving effect to any pass-through obligations that were established under the Redevelopment Law).

If the Agency does not submit an Oversight Board-approved Recognized Obligation Payment Schedule within five business days of the date upon which the Recognized Obligation Payment Schedule is to be used to determine the amount of property tax allocations and the State Department of Finance does not provide a notice to the County Auditor-Controller to withhold funds from distribution to taxing entities, amounts in the Redevelopment Property Tax Trust Fund for such six-month period would be distributed to taxing entities pursuant to clause (iv) above. However, the Agency has covenanted to take all actions required under the Dissolution Act to include scheduled debt service on the Bonds, as well as any amount required under the Indenture to replenish the Reserve Account of the Debt Service Fund, in Recognized Obligation Payment Schedules for each six-month period and to enable the County Auditor-Controller to distribute from the Redevelopment Property Tax Trust Fund to the Agency's Redevelopment Obligation Retirement Fund on each January 2 and June 1 amounts required for the Agency to pay principal of, and interest on, the Bonds coming due in the respective six-month period, including listing a reserve on the Recognized Obligation Payment Schedule to the extent required by the Indenture or when the next property tax allocation is projected to be insufficient to pay all obligations due under the provisions of the Bonds for the next payment due in the following six-month period (see "THE INDENTURE—Covenants of the Agency").

AB 1484 also adds new provisions to the Dissolution Act implementing certain penalties in the event the Agency does not timely submit a Recognized Obligation Payment Schedule for a six-month period. Specifically, a Recognized Obligation Payment Schedule must be submitted by the Agency, after approval by the Oversight Board, to the County Administrative Officer, the County Auditor-Controller, the State Department of Finance, and the State Controller no later than September 1, 2012 with respect to the six-month period of January 1, 2013 through June 30, 2013 and by 90 days before the date of the next January 2 or June 1 property tax distribution with respect to each subsequent six-month period. If the Agency does not submit a Recognized Obligation Payment Schedule by such deadlines, the City will be subject to a civil penalty equal to \$10,000 per day for every day the schedule is not submitted to the State Department of Finance. Additionally, the Agency's administrative cost allowance is reduced by 25% if the Agency does not submit a Recognized Obligation Payment Schedule by September 11, 2012, with respect to the Recognized Obligation Payment Schedule for the first half of calendar year 2012, or by the 80th day before the date of the next January 2 or June 1 property tax distribution, as applicable, with respect to the Recognized Obligation Payment Schedule for subsequent six-month periods.

See "RISK FACTORS — State Budget Issues" for a discussion of the Governor's proposal to transition successor agencies to an annual ROPS process instead of a biannual process.

#### **AB 1484 Penalty for Failure to Remit Unencumbered Funds**

AB 1484 further implements certain provisions of ABX1 26, including establishing a process for determining the liquid assets that redevelopment agencies should have shifted to their successor agencies when they were dissolved, and the amount that should be available for remittance by the successor agencies to their respective county auditor-controllers for distribution to affected taxing entities within the project areas of the former redevelopment agencies. This determination process is commonly known as the "due diligence review process" and was required to be completed through the final step (review by the State Department of Finance) by November 9, 2012 with respect to affordable housing funds and by April 1, 2013 with respect to non-housing funds. Successor Agencies that failed to remit the amounts determined by the State Department of Finance by the respective deadlines are subject to certain penalties and remedies under AB 1484.

On May 6, 2014, the State Department of Finance issued to the Agency a "finding of completion," which confirms that the Agency has, among other things, paid in full the amounts determined during the due diligence reviews and the county auditor-controller has reported those payments to the State Department of

Finance. Accordingly, based on this finding of completion, neither the Agency nor the City are subject to any AB 1484 penalties for a failure to remit unencumbered funds.

### **Bankruptcy and Foreclosure**

The payment of property taxes from which Pledged Tax Revenues are derived and the ability of the County to foreclose the lien of a delinquent unpaid tax may be limited by bankruptcy, insolvency, or other laws generally affecting creditors' rights or by the laws of the State relating to judicial foreclosure. The various legal opinions to be delivered concurrently with the delivery of the Bonds (including Bond Counsel's approving legal opinions) will be qualified as to the enforceability of the various legal instruments by bankruptcy, insolvency, reorganization, moratorium, or other similar laws affecting creditors' rights, by the application of equitable principles and by the exercise of judicial discretion in appropriate cases.

Although bankruptcy proceedings would not cause the liens to become extinguished, bankruptcy of a property owner could result in a delay in prosecuting superior court foreclosure proceedings. Such delay would increase the possibility of delinquent tax installments not being paid in full and thereby increase the likelihood of a delay or default in payment of the principal of and interest on the Bonds.

### **Estimated Revenues**

In estimating that Pledged Tax Revenues will be sufficient to pay debt service on the Bonds, the Agency has made certain assumptions with regard to present and future assessed valuation in the Project Area, future tax rates and percentage of taxes collected. The Agency believes these assumptions to be reasonable, but there is no assurance these assumptions will be realized and to the extent that the assessed valuation and the tax rates are less than expected, the Pledged Tax Revenues available to pay debt service on the Bonds will be less than those projected and such reduced Pledged Tax Revenues may be insufficient to provide for the payment of principal of, premium (if any) and interest on the Bonds.

### **Hazardous Substances**

An environmental condition that may result in the reduction in the assessed value of property would be the discovery of a hazardous substance that would limit the beneficial use of taxable property within the Project Area. In general, the owners and operators of a property may be required by law to remedy conditions of the property relating to releases or threatened releases of hazardous substances. The owner or operator may be required to remedy a hazardous substance condition of property whether or not the owner or operator has anything to do with creating or handling the hazardous substance. If this situation were to occur with property within the Project Area, the costs of remedying it could reduce the marketability and taxable value of the property.

### **Seismic Factors**

The City, like most regions in the State, is located in an area of seismic activity and, therefore, could be subject to potentially destructive earthquakes. The Project Area straddles the broad and geologically complex zone where the flat Sacramento Valley meets the foothills of the Sierra Nevada mountains. The Cleveland Hills fault, last active in 1975, is located 5 miles south of the Project Area. In addition, the Project Area could potentially be affected by active faults which are located a considerable distance from Oroville, including the Midland-Sweitzer, the San Andreas, the Hayward-Calaveras, the Russell Valley, and the Last Chance-Honey Lake faults.

The occurrence of severe seismic activity in the City could result in substantial damage to property located in the Project Area, and could lead to successful appeals for reduction of assessed values of such property. Such a reduction of assessed valuations could result in a reduction of the Pledged Tax Revenues that secure the Bonds.

## **Risk of Floods**

The City is subject to flooding hazards associated with dam failure, release of water and flooding associated with major waterways. Most substantial among these risks is flooding from the Oroville Dam, located northeast of the City. Other smaller dams, upstream of the Oroville Dam, also pose a risk of flooding to the City. Failure of the Oroville Dam could result in release of water held behind the dam, and inundation of much of the city and surrounding area. A major seismic event would be the most likely cause of dam failure. A number of geologic faults have been mapped in the Oroville area which could cause a seismic event. However, based on studies of the dam completed following the 1975 Oroville earthquake, the dam could withstand a 6.5 magnitude earth quake, which is considered to be the largest credible event projected for the region. Landslides around the reservoir rim have occurred since Lake Oroville has been in operation. These landslides are not considered to pose a threat to the freeboard of the dam or the safety of the public.

For more information, see the Safety Element of the City's General Plan on file with the City Clerk. As with seismic hazards, the occurrence of flood damage to property located in the Project Area could lead to successful appeals for reduction of assessed values of such property and any reduction of assessed valuations could result in a reduction of the Pledged Tax Revenues that secure the Bonds.

## **Wildland and Urban Fire Hazards**

Most areas of the City face some level of threat from wildland fire. The eastern part of the City's General Plan Planning Area is at the greatest risk and is designated as a Very High Fire Hazard Severity Zone by CAL FIRE. This is due to the location of homes within areas of denser vegetation, and where steep slopes and other similar conditions exist. The risk of losses as a result of wildland fire can be amplified by the relatively poor access provided by rural roads and the lack of fire hydrants.

Responsibility for prevention and response to wildland fire is provided by the Oroville Fire Department (OFD), while unincorporated portions of the City's planning area are served by the California Department of Forestry & Fire Protection/Butte County Fire Department (CAL FIRE/BCFD) and the El Medio Fire Department. The OFD, CAL FIRE/BCFD and El Medio Fire Department have an automatic aid agreement, in which personnel and equipment are shared in the event of an emergency.

For more information, including a discussion of the City's fire protection services, please see the Safety Element of the City's General Plan on file with the City Clerk.

As with seismic and flood hazards, the occurrence of wildland or urban fire damage to property located in the Project Area could lead to successful appeals for reduction of assessed values of such property and any reduction of assessed valuations could result in a reduction of the Pledged Tax Revenues that secure the Bonds.

## **Changes in the Law**

There can be no assurance that the California electorate will not at some future time adopt initiatives or that the Legislature will not enact legislation that will amend the Dissolution Act, the Redevelopment Law or other laws or the Constitution of the State resulting in a reduction of Pledged Tax Revenues, which could have an adverse effect on the Agency's ability to pay debt service on the Bonds.

## **Investment Risk**

Funds held under the Indenture are required to be invested in Permitted Investments as provided under the Indenture. See Appendix B attached hereto for a summary of the definition of Permitted Investments. The funds and accounts of the Agency, into which a portion of the proceeds of the Bonds will be deposited and into which Pledged Tax Revenues are deposited, may be invested by the Agency in any investment authorized by

law. All investments, including the Permitted Investments and those authorized by law from time to time for investments by municipalities, contain a certain degree of risk. Such risks include, but are not limited to, a lower rate of return than expected and loss or delayed receipt of principal.

Further, the Agency cannot predict the effects on the receipt of Pledged Tax Revenues if the County were to suffer significant losses in its portfolio of investments or if the County or the City were to become insolvent or declare bankruptcy. See “RISK FACTORS—Bankruptcy and Foreclosure.”

### **Additional Obligations**

The potential for the issuance of Parity Bonds could, in certain circumstances, increase the risks associated with the Agency’s payment of debt service on the Bonds in the event of a decrease in the Agency’s collection of Pledged Tax Revenues. However, Section 34177.5 of the Dissolution Act provides limited authority for successor agencies to issue bonds, and the Agency’s ability to issue Parity Bonds is subject to the requirements of the Dissolution Act as in effect from time to time. For additional information, see described “SECURITY FOR THE BONDS—Parity Bonds.”

### **Loss of Tax Exemption**

As discussed under the caption “CONCLUDING INFORMATION—Tax Exemption,” interest on the 2015A Bonds could become includable in gross income for purposes of federal income taxation retroactive to the date the 2015A Bonds were issued, as a result of future acts or omissions of the Agency in violation of its covenants in the Indenture.

In addition, current and future legislative proposals, if enacted into law, may cause interest on the 2015A Bonds to be subject, directly or indirectly, to federal income taxation by, for example, changing the current exclusion or deduction rules to limit the aggregate amount of interest on state and local government bonds that may be treated as tax exempt by individuals.

Should such an event of taxability occur, the 2015A Bonds are not subject to special redemption and will remain outstanding until maturity or until redeemed under other provisions set forth in the Indenture.

### **Secondary Market**

There can be no guarantee that there will be a secondary market for the Bonds, or, if a secondary market exists, that the Bonds can be sold for any particular price. Occasionally, because of general market conditions or because of adverse history or economic prospects connected with a particular issue, secondary marketing practices in connection with a particular issue are suspended or terminated. Additionally, prices of issues for which a market is being made will depend upon the then prevailing circumstances.

### **No Validation Proceeding Undertaken**

California Code of Civil Procedure Section 860 authorizes public agencies to institute a process, otherwise known as a “validation proceeding,” for purposes of determining the validity of a resolution or any action taken pursuant thereto. Section 860 authorizes a public agency to institute validation proceedings in cases where another statute authorizes its use. Relevant to the Bonds, California Government Code Section 53511 authorizes a local agency to “bring an action to determine the validity of its bonds, warrants, contracts, obligations or evidences of indebtedness.” Pursuant to Code of Civil Procedure Section 870, a final favorable judgment issued in a validation proceeding shall, notwithstanding any other provision of law, be forever binding and conclusive, as to all matters therein adjudicated or which could have been adjudicated, against all persons: “The judgment shall permanently enjoin the institution by any person of any action or proceeding raising any issue as to which the judgment is binding and conclusive.”

The Agency has not undertaken or endeavored to undertake any validation proceeding in connection with the issuance of the Bonds. The Agency and Bond Counsel have relied on the provisions of AB 1484 authorizing the issuance of the Bonds and specifying the related deadline for any challenge to the Bonds to be brought. Specifically, Section 34177.5(e) of the Dissolution Act provides that notwithstanding any other law, an action to challenge the issuance of bonds (such as the Bonds), the incurrence of indebtedness, the amendment of an enforceable obligation, or the execution of a financing agreement authorized under Section 34177.5, must be brought within thirty (30) days after the date on which the oversight board approves the resolution of the successor agency approving the financing. Such challenge period expired with respect to the Bonds and the Oversight Board Resolution on January 16, 2015.

It is possible that a lawsuit challenging the Dissolution Act or specific provisions thereof could be successful and that the mechanisms currently provided for under the Dissolution Act to provide for distribution of Pledged Tax Revenues to the Agency for payment on the Bonds could be impeded and result in a delinquency or default in the timely payment of principal of, and interest on, the Bonds. For example, with respect to California successor agencies and the Dissolution Act in general, on August 1, 2012, Syncora Guarantee Inc. and Syncora Capital Assurance Inc. (collectively, "Syncora") filed a lawsuit against the State, the State Controller, the State Director of Finance, and the Auditor-Controller of San Bernardino County on his own behalf and as the representative of all other county auditors in the State (Superior Court of the State of California, County of Sacramento, Case No. 34-2012-80001215) (the "Syncora Lawsuit") challenging the terms of the Dissolution Act. Syncora are monoline financial guaranty insurers domiciled in the State of New York, and as such, provide credit enhancement on bonds issued by state and local governments and do not sell other kinds of insurance such as life, health, or property insurance. Syncora provided bond insurance and other related insurance policies for bonds issued by former California redevelopment agencies.

The Syncora Lawsuit was brought as a petition for writ of mandate, complaint for declaratory relief, inverse condemnation and injunctive relief. The injunctive relief sought included an injunction enjoining the respondents from implementing enforcing, and/or carrying out the Redistribution Provisions, ordering respondents to immediately return all money remitted by successor agencies to local taxing entities pursuant to the Redistribution Provisions, and ordering respondents to hold all future tax increment revenues in the RPTTF, or a similar fund, for the exclusive benefit of, and distribution to, the bondholders, until such a time when the bondholders are completely repaid. In August 2013, the court ordered Syncora's claims dismissed, without prejudice to refile, as premature claims for impairment of contract and an unconstitutional taking. The court noted that no redevelopment agency bonds are in default.

The original complaint alleged that the Dissolution Act, and specifically the "Redistribution Provisions" thereof (i.e., California Health and Safety Code Sections 34172(d), 34174, 34177(d), 34183(a)(4), and 34188) violate the "contract clauses" of the United States and California Constitutions (U.S. Const. art. 1, § 10, cl.1; Cal. Const. art. 1, § 9) because they unconstitutionally impair the contracts among the former redevelopment agencies, bondholders and Syncora. The complaint also alleged that the Redistribution Provisions violate the "Takings Clauses" of the United States and California Constitutions (U.S. Const. amend. V; Cal Const. art. 1 § 19) because they unconstitutionally take and appropriate bondholders' and Syncora's contractual right to critical security mechanisms without just compensation. Specifically, the complaint alleges that the security mechanism created by the irrevocable pledge of tax increment revenues to repay the redevelopment agency debts was a critical feature of the redevelopment bonds' marketability. No assurance can be made that Syncora will not re-file its claim at a later date.

However, the Indenture additionally provides that if, and to the extent, that the provisions of Section 34172 or paragraph (2) of subdivision (a) of Section 34183 of the Dissolution Act (upon which the distribution of Pledged Tax Revenues to the Agency rely) are invalidated by a final judicial decision, then Pledged Tax Revenues shall include all tax revenues allocated to the payment of indebtedness pursuant to Health & Safety Code Section 33670 or such other section as may be in effect at the time providing for the allocation of tax increment revenues in accordance with Article XVI, Section 16 of the California Constitution. Additionally, any action by a court to invalidate provisions of the Dissolution Act required for the timely

payment of principal of, and interest on, the Bonds could raise issues regarding the unconstitutional impairment of contracts or an unconstitutional taking without just compensation. The Agency believes that the aforementioned considerations would provide some protections against the adverse consequences upon the Agency and the availability of Pledged Tax Revenues for the payment of debt service on the Bonds in the event of successful challenges to the Dissolution Act or portions thereof. However, the Agency does not guarantee that any lawsuit challenging the Dissolution Act or portions thereof will not result in an outcome that may have a detrimental effect on the Agency's ability to timely pay debt service on the Bonds.

Section 34177.5(f) of the Dissolution Act additionally provides that if the State Department of Finance has requested review of the Oversight Board Resolution and, after review, has approved the resolution, the scheduled payments on the Bonds shall be listed in the Recognized Obligation Payment Schedule and will not be subject to further review and approval by the State Department of Finance or the State Controller. This is a statutory limitation on the authority of the State Department of Finance with respect to its reviews of the semi-annual submissions of Recognized Obligation Payment Schedules by the Agency.

[However, the DOF Determination Letter includes the following statement: "This approval is specifically conditioned on the understanding that no refunding bonds will be issued unless such bonds meet the limitations in HSC Section 34177.5(a). Any debt service obligations listed in a Recognized Obligation Payment Schedule (ROPS) stemming from bonds issued not in compliance with that section will not be approvable by Finance [the State Department of Finance]." ] **[Confirm]** The issuance of the Bonds will be accompanied by approving legal opinions regarding the due and valid authorization of the 2015A Bonds and the 2015B Bonds, respectively, under the Bond Law, Health and Safety Code Section 34177.5, the Successor Agency Resolution, the Oversight Board Resolution, and the Indenture, all substantially in the forms attached hereto as Appendix C. However, investors should be aware that, since the effectiveness of the Dissolution Act, the State Department of Finance and various successor agencies have from time to time disagreed about the interpretation of different language contained in the Dissolution Act, as well as whether or not the State Department of Finance has exceeded its authority in rejecting items from Recognized Obligation Payment Schedules submitted by successor agencies, as evidenced by numerous lawsuits. While the Agency has covenanted in the Indenture to preserve and protect the security of the Bonds and the rights of the Bondowners and to contest by court action or otherwise any assertion by any officer of any government unit or any other person whatsoever against the Agency that the Pledged Tax Revenues pledged under the Indenture cannot be paid to the Agency for the debt service on the Bonds (see "THE INDENTURE—Covenants of the Agency"), any such action taken by the Agency could incur substantial time and cost that may have a detrimental effect on the Agency's ability to timely pay debt service on the Bonds. Moreover, the Agency cannot guarantee the outcome of any such action taken by the Agency to preserve and protect the security of the Bonds and the rights of the Bondowners.

## PROPERTY TAXATION IN CALIFORNIA

### Property Tax Collection Procedures

**Classification.** In the State, property which is subject to *ad valorem* taxes is classified as "secured" or "unsecured." Secured and unsecured property are entered on separate parts of the assessment roll maintained by the County assessor. The secured classification includes property on which any property tax levied by a county becomes a lien on that property. A tax levied on unsecured property does not become a lien against the taxed unsecured property, but may become a lien on certain other property owned by the taxpayer. Every tax which becomes a lien on secured property has priority over all other liens on the secured property arising pursuant to State law, regardless of the time of the creation of other liens.

Generally, *ad valorem* taxes are collected by a county (the "Taxing Authority") for the benefit of the various entities (cities, schools and special districts) that share in the *ad valorem* tax (each a taxing entity) and successor agencies eligible to receive distributions from the respective Redevelopment Property Tax Trust Funds.

**Collections.** Secured and unsecured property are entered separately on the assessment roll maintained by the county assessor. The method of collecting delinquent taxes is substantially different for the two classifications of property. The taxing authority has four ways of collecting unsecured personal property taxes: (i) initiating a civil action against the taxpayer, (ii) filing a certificate in the office of the county clerk specifying certain facts in order to obtain a judgment lien on certain property of the taxpayer, (iii) filing a certificate of delinquency for record in the county recorder's office to obtain a lien on certain property of the taxpayer, and (iv) seizing and selling personal property, improvements or possessory interests belonging or assessed to the assessee. The exclusive means of enforcing the payment of delinquent taxes with respect to property on the secured roll is the sale of the property securing the taxes to the State for the amount of taxes which are delinquent.

**Penalty.** A 10% penalty is added to delinquent taxes which have been levied with respect to property on the secured roll. In addition, property on the secured roll on which taxes are delinquent is declared in default by operation of law and declaration of the tax collector on or about June 30 of each Fiscal Year. Such property may thereafter be redeemed by payment of the delinquent taxes and a delinquency penalty, plus a redemption penalty of 1.5% per month to the time of redemption. If taxes are unpaid for a period of five years or more, the property is deeded to the State and then is subject to sale by the county tax collector. A 10% penalty also applies to delinquent taxes with respect to property on the unsecured roll, and further, an additional penalty of 1.5% per month accrues with respect to such taxes beginning on varying dates related to the tax bill mailing date.

**Delinquencies.** The valuation of property is determined as of the January 1 lien date as equalized in August of each year and equal installments of taxes levied upon secured property become delinquent on the following December 10 and April 10. Taxes on unsecured property are due January 1 and become delinquent August 31. The County has adopted the Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (known as the "Teeter Plan"), as provided for in Section 4701 et seq. of the Revenue and Taxation Code of the State. Under Teeter Plan, each participating local agency, including cities, levying property taxes in a county receives the amount of uncollected taxes credited to its fund, in the same manner as if the amount credited had been collected. In return, the county receives and retains delinquent payments, penalties and interest as collected, that would have been due the local agency. However, although a local agency receives the total levy for its property taxes without regard to actual collections, to the extent of a reserve established and held by its county for this purpose, the basic legal liability for property tax deficiencies at all times remains with the local agency.

The Teeter Plan is to remain in effect unless the County Board of Supervisors orders its discontinuance or unless, prior to the commencement of any Fiscal Year of the County, the Board of Supervisors receives a petition for its discontinuance from two-thirds of the participating revenue districts in the County. The Board of Supervisors may, after holding a public hearing on the matter, discontinue the procedures under the Teeter Plan with respect to any tax levying agency in its County.

As a result of its participation in the Teeter Plan, delinquent property taxes do not impact the Agency's tax increment revenues. To the extent the Teeter Plan continues in existence and is carried out as adopted, the Teeter Plan may help protect the Owners from the risk of delinquencies in ad valorem taxes.

**Supplemental Assessments.** California Revenue and Taxation Code Section 75.70 provides for the supplemental assessment and taxation of property as of the occurrence of a change of ownership or completion of new construction. Prior to the enactment of this law, the assessment of such changes was permitted only as of the next tax lien date following the change, and this delayed the realization of increased property taxes from the new assessments for up to 14 months. This statute provides increased revenue to the Redevelopment Property Tax Trust Fund to the extent that supplemental assessments of new construction or changes of ownership occur within the boundaries of redevelopment projects subsequent to the January 1 lien date. To the extent such supplemental assessments occur within the Project Area, Pledged Tax Revenues may increase.

**Property Tax Administrative Costs.** In 1990, the Legislature enacted SB 2557 (Chapter 466, Statutes of 1990) which allows counties to charge for the cost of assessing, collecting and allocating property tax revenues to local government jurisdictions in proportion to the tax-derived revenues allocated to each. SB 1559 (Chapter 697, Statutes of 1992) explicitly includes redevelopment agencies among the jurisdictions which are subject to such charges. In addition, Sections 34182(e) and 34183(a) of the Dissolution Act allow administrative costs of the County Auditor-Controller for the cost of administering the provisions of the Dissolution Act, as well as the foregoing SB 1559 amounts, to be deducted from property tax revenues before monies are deposited into the Redevelopment Property Tax Trust Fund. The County's administrative charge to the Agency for the Project Area for Fiscal Year 2014-15 is estimated to be \$310,708, based on a rate of 4.24% of anticipated gross RPTTF revenue.

**Negotiated Pass-Through Agreements.** Prior to 1994, under the Redevelopment Law, a redevelopment agency could enter into an agreement to pay increment revenues to any taxing agency that has territory located within a redevelopment project in an amount which in the agency's determination is appropriate to alleviate any financial burden or detriment caused by the redevelopment project. These agreements normally provide for payment or pass-through of tax increment revenue directed to the affected taxing agency, and, therefore, are commonly referred to as pass-through agreements or tax sharing agreements. The Agency agreements with affected taxing agencies are referred to herein as "Pass-Through Agreements." See "THE PROJECT AREA—Pass-Through Agreements" for a summary of the Pass-Through Agreements. See also "SECURITY FOR THE BONDS—Tax Increment Financing" for additional discussion of the treatment of Pass-Through Agreements under the Dissolution Act.

**Statutory Pass-Through Amounts.** The payment of Statutory Pass-Through Amounts results from (i) plan amendments which add territory in existing project areas on or after January 1, 1994 and (ii) from plan amendments which eliminates one or more limitations within a redevelopment plan (such as the removal of the time limit on the establishment of loans, advances and indebtedness). The calculation of the amount due affected taxing entities is described in Sections 33607.5 and 33607.7 of the Redevelopment Law. See "THE PROJECT AREA—Statutory Pass-Through Amounts" and "SECURITY FOR THE BONDS—Tax Increment Financing" for further information regarding the applicability of the statutory pass-through provisions of the Redevelopment Law and the Dissolution Act to the Project Area.

**Recognized Obligation Payment Schedule.** The Dissolution Act provides that, commencing on the date the first Recognized Obligation Payment Schedule is valid thereunder, only those payments listed in the Recognized Obligation Payment Schedule may be made by the Agency from the funds specified in the Recognized Obligation Payment Schedule. Before each six-month period, the Dissolution Act requires successor agencies to prepare and approve, and submit to the successor agency's oversight board and the State Department of Finance for approval, a Recognized Obligation Payment Schedule pursuant to which enforceable obligations (as defined in the Dissolution Act) of the successor agency are listed, together with the source of funds to be used to pay for each enforceable obligation. Pledged Tax Revenues will not be distributed from the Redevelopment Property Tax Trust Fund by the County Auditor-Controller to the Agency's Redevelopment Obligation Retirement Fund without a duly approved and effective Recognized Obligation Payment Schedule obtained in sufficient time prior to the January 2 or June 1 distribution dates, as applicable. See "SECURITY FOR THE BONDS—Recognized Obligation Payment Schedule" and "RISK FACTORS—Recognized Obligation Payment Schedule."

## **Unitary Property**

Assembly Bill ("AB") 2890 (Statutes of 1986, Chapter 1457) provides that, commencing with Fiscal Year 1988-89, assessed value derived from State-assessed unitary property (consisting mostly of operational property owned by utility companies) is to be allocated county-wide as follows: (i) each tax rate area will receive that same amount from each assessed utility received in the previous Fiscal Year unless the applicable county-wide values are insufficient to do so, in which case values will be allocated to each tax rate area on a pro-rata basis; and (ii) if values to be allocated are greater than in the previous Fiscal Year, each tax rate area

will receive a pro-rata share of the increase from each assessed utility according to a specified formula. Additionally, the lien date on State-assessed property is changed from March 1 to January 1.

AB 454 (Statutes of 1987, Chapter 921) further modifies chapter 1457 regarding the distribution of tax revenues derived from property assessed by the State Board of Equalization. Chapter 921 provides for the consolidation of all State-assessed property, except for regulated railroad property, into a single tax rate area in each county. Chapter 921 further provides for a new method of establishing tax rates on State-assessed property and distribution of property tax revenue derived from State-assessed property to taxing jurisdictions within each county in accordance with a new formula. Railroads will continue to be assessed and revenues allocated to all tax rate areas where railroad property is sited.

The County Auditor-Controller has not reported any unitary utility revenue for the Project Area and the projections set forth in the Fiscal Consultant's Report and under the heading "PLEDGED TAX REVENUES—Projected Taxable Valuation and Pledged Tax Revenues" do not incorporate any unitary utility revenue.

### **Article XIII A of the State Constitution**

Article XIII A limits the amount of *ad valorem* taxes on real property to 1% of "full cash value" of such property, as determined by the county assessor. Article XIII A defines "full cash value" to mean "the County Assessor's valuation of real property as shown on the 1975-76 tax bill under 'full cash value,' or, thereafter, the appraised value of real property when purchased, newly constructed, or a change in ownership has occurred after the 1975 assessment." Furthermore, the "full cash value" of all real property may be increased to reflect the rate of inflation, as shown by the consumer price index, not to exceed 2% per year, or may be reduced.

Article XIII A has subsequently been amended to permit reduction of the "full cash value" base in the event of declining property values caused by substantial damage, destruction or other factors, and to provide that there would be no increase in the "full cash value" base in the event of reconstruction of property damaged or destroyed in a disaster and in other special circumstances.

Article XIII A (i) exempts from the 1% tax limitation taxes to pay debt service on (a) indebtedness approved by the voters prior to July 1, 1978 or (b) bonded indebtedness for the acquisition or improvement of real property approved on or after July 1, 1978, by two-thirds of the votes cast by the voters voting on the proposition; (ii) requires a vote of two-thirds of the qualified electorate to impose special taxes, or certain additional *ad valorem* taxes; and (iii) requires the approval of two-thirds of all members of the State Legislature to change any State tax laws resulting in increased tax revenues.

The validity of Article XIII A has been upheld by both the California Supreme Court and the United States Supreme Court.

In the general election held November 4, 1986, voters of the State approved two measures, Propositions 58 and 60, which further amended Article XIII A. Proposition 58 amended Article XIII A to provide that the terms "purchase" and "change of ownership," for the purposes of determining full cash value of property under Article XIII A, do not include the purchase or transfer of (1) real property between spouses and (2) the principal residence and the first \$1,000,000 of other property between parents and children. This amendment to Article XIII A may reduce the rate of growth of local property tax revenues.

Proposition 60 amended Article XIII A to permit the Legislature to allow persons over the age of 55 who sell their residence and buy or build another of equal or lesser value within two years in the same county, to transfer the old residence assessed value to the new residence. As a result of the Legislature's action, the growth of property tax revenues may decline.

Legislation enacted by the Legislature to implement Article XIII A provides that all taxable property is shown at full assessed value as described above. In conformity with this procedure, all taxable property value included in this Official Statement is shown at 100% of assessed value and all general tax rates reflect the \$1 per \$100 of taxable value (except as noted). Tax rates for voter-approved bonded indebtedness and pension liabilities are also applied to 100% of assessed value.

### **Appropriations Limitation – Article XIII B**

Article XIII B limits the annual appropriations of the State and its political subdivisions to the level of appropriations for the prior Fiscal Year, as adjusted for changes in the cost of living, population and services rendered by the government entity. The “base year” for establishing such appropriations limit is Fiscal Year 1978-79, and the limit is to be adjusted annually to reflect changes in population, consumer prices and certain increases in the cost of services provided by these public agencies.

Section 33678 of the Redevelopment Law provides that the allocation of taxes to a redevelopment agency for the purpose of paying principal of, or interest on, loans, advances, or indebtedness shall not be deemed the receipt by an agency of proceeds of taxes levied by or on behalf of an agency within the meaning of Article XIII B, nor shall such portion of taxes be deemed receipt of proceeds of taxes by, or an appropriation subject to the limitation of, any other public body within the meaning or for the purpose of the Constitution and laws of the State, including Section 33678 of the Redevelopment Law. The constitutionality of Section 33678 has been upheld in two California appellate court decisions. On the basis of these decisions, the Agency has not adopted an appropriations limit.

### **Articles XIII C and XIII D of the State Constitution**

At the election held on November 5, 1996, Proposition 218 was passed by the voters of California. The initiative added Articles XIII C and XIII D to the State Constitution. Provisions in the two articles affect the ability of local government to raise revenues. The Bonds are secured by sources of revenues that are not subject to limitation by Proposition 218. See also “—Propositions 218 and 26” below.

### **Proposition 87**

On November 8, 1988, the voters of the State approved Proposition 87, which amended Article XVI, Section 16 of the State Constitution to provide that property tax revenue attributable to the imposition of taxes on property within a redevelopment project area for the purpose of paying debt service on certain bonded indebtedness issued by a taxing entity (not the Prior Agency or the Agency) and approved by the voters of the taxing entity after January 1, 1989 will be allocated solely to the payment of such indebtedness and not to redevelopment agencies.

### **Redevelopment Time Limits**

In 1993, the State legislature passed AB 1290, which, among other things, required redevelopment agencies to adopt time limits in each redevelopment plan specifying: 1) the last date to incur debt for a redevelopment project; 2) the last date to undertake redevelopment activity within a project area; and 3) the last date to collect tax increment revenue from a project area to repay debt. Pursuant to AB 1290, which took effect January 1, 1994, the City Council adopted an ordinance amending the Redevelopment Plan to impose time limits on the incurrence of debt, the effectiveness of the Redevelopment Plan, and the collection of tax increment revenue and repayment of debt.

In 2001, the California Legislature enacted SB 211, Chapter 741, Statutes 2001, effective January 1, 2002 (“SB 211”), which authorized, among other things, the deletion by ordinance of the legislative body of the AB 1290 limitation on incurring indebtedness contained in a redevelopment plan adopted prior to January 1, 1994. However, such elimination triggers statutory tax sharing with those taxing entities that do not

have Pass-Through Agreements. On July 20, 2004, the City adopted an ordinance, pursuant to the authorization contained in SB 211, deleting the time limit on the Agency's authority to incur loans, advances and indebtedness with respect to the Project Area.

Legislation passed in 2003 (SB 1045) and 2004 (SB 1096) required redevelopment agencies to remit monies to the applicable county Educational Revenue Augmentation Fund ("ERAF") and also permitted redevelopment agencies to extend their ability to collect tax increment by one year for each payment required by such legislation to be made in Fiscal Years 2003-04, 2004-05 and 2005-06. The extensions for Fiscal Years 2004-05 and 2005-06 apply only to plans with existing limits on the effectiveness of the plan that are less than 20 years from the last day of the Fiscal Year in which the ERAF payment is made. The City adopted two ordinances, pursuant to the authorization granted in SB 1045 and SB 1096, extending the time limits on the effectiveness of the Redevelopment Plan and the receipt of tax increment. See "THE PROJECT AREA—Limitations and Requirements of the Redevelopment Plan."

### **Appeals of Assessed Values**

Pursuant to California law, a property owner may apply for a reduction of the property tax assessment for such owner's property by filing a written application, in a form prescribed by the State Board of Equalization, with the appropriate county board of equalization or assessment appeals board.

In the County, a property owner desiring to reduce the assessed value of such owner's property in any one year must submit an application to the County Assessment Appeals Board (the "Appeals Board"). Applications for any tax year must be submitted by September 15 of such tax year. Following a review of each application by the staff of the County Assessor's Office, the staff makes a recommendation to the Appeals Board on each application which has not been rejected for incompleteness or untimeliness or withdrawn. The Appeals Board holds a hearing and either reduces the assessment or confirms the assessment. The Appeals Board generally is required to determine the outcome of appeals within two years of each appeal's filing date. Any reduction in the assessment ultimately granted applies only to the year for which application is made and during which the written application is filed. The assessed value increases to its pre-reduction level for Fiscal Years following the year for which the reduction application is filed. However, if the taxpayer establishes through proof of comparable values that the property continues to be overvalued (known as "ongoing hardship"), the Assessor has the power to grant a reduction not only for the year for which application was originally made, but also for the then current year as well. Appeals for reduction in the "base year" value of an assessment, which generally must be made within three years of the date of change in ownership or completion of new construction that determined the base year, if successful, reduce the assessment for the year in which the appeal is taken and prospectively thereafter. Moreover, in the case of any reduction in any one year of assessed value granted for "ongoing hardship" in the then current year, and also in any cases involving stipulated appeals for prior years relating to base year and personal property assessments, the property tax revenues from which Pledged Tax Revenues are derived attributable to such properties will be reduced in the then current year. In practice, such a reduced assessment may remain in effect beyond the year in which it is granted. See "THE PROJECT AREA—Largest Taxpayers" for information regarding the assessed valuations of the top ten property owners within the Project Area.

### **Proposition 8**

Proposition 8, approved in 1978 (California Revenue and Taxation Code Section 51(b)), provides for the assessment of real property at the lesser of its originally determined (base year) full cash value compounded annually by the inflation factor, or its full cash value as of the lien date, taking into account reductions in value due to damage, destruction, obsolescence or other factors causing a decline in market value. Reductions under this code section may be initiated by the County Assessor or requested by the property owner.

After a roll reduction is granted under this code section, the property is reviewed on an annual basis to determine its full cash value and the valuation is adjusted accordingly. This may result in further reductions or in value increases. Such increases must be in accordance with the full cash value of the property and may exceed the maximum annual inflationary growth rate allowed on other properties under Article XIII A of the State Constitution. Once the property has regained its prior value, adjusted for inflation, it once again is subject to the annual inflationary factor growth rate allowed under Article XIII A.

See “PLEDGED REVENUES—Schedule of Historical Pledged Revenues” and APPENDIX G—“FISCAL CONSULTANT’S REPORT.” However, the Agency cannot guarantee that reductions undertaken by the County Assessor or requested by a property owner pursuant to Proposition 8 will not in the future reduce the assessed valuation of property in the Project Area and, therefore, Pledged Tax Revenues that secure the Bonds and any Parity Bonds.

### **Propositions 218 and 26**

On November 5, 1996, California voters approved Proposition 218—Voter Approval for Local Government Taxes—Limitation on Fees, Assessments, and Charges—Initiative Constitutional Amendment. Proposition 218 added Articles XIIC and XIID to the State Constitution, imposing certain vote requirements and other limitations on the imposition of new or increased taxes, assessments and property-related fees and charges. On November 2, 2010, California voters approved Proposition 26, the “Supermajority Vote to Pass New Taxes and Fees Act.” Proposition 26 amended Article XIIC of the California Constitution by adding an expansive definition for the term “tax,” which previously was not defined under the California Constitution. Pledged Tax Revenues securing the Bonds are derived from property taxes which are outside the scope of taxes, assessments and property-related fees and charges which are limited by Proposition 218 and outside of the scope of taxes which are limited by Proposition 26.

### **Future Initiatives**

Article XIII A, Article XIIB, Article XIIC and Article XIID and certain other propositions affecting property tax levies were each adopted as measures which qualified for the ballot pursuant to California’s initiative process. From time to time other initiative measures could be adopted, further affecting Agency revenues or the Agency’s ability to expend revenues.

## **THE PROJECT AREA**

### **General**

*General.* The Project Area consists of approximately 6,080 acres covering approximately 72% of the land within the City’s boundaries. The Project Area is made up primarily of residential (38.5%) and commercial (34.9%) uses, with the remainder being industrial and miscellaneous uses.

*Development Activities in the Project Area.* All properties in the Project Area are subject to the Agency’s approved development standards and guidelines. The Redevelopment Plan requires that new construction comply with all applicable State statutes and local laws in effect, including City zoning ordinances and City codes for building, electrical, heating, ventilating and plumbing. The Redevelopment Plan further provides that no new improvement shall be substantially modified, altered, repaired or rehabilitated, except in accordance with development standards and/ or architectural, landscape and site plans submitted to and approved by the Agency.

### **The Oroville Redevelopment Project Plan**

The City Council of the City adopted the Redevelopment Plan for the Oroville Redevelopment Project No. 1 (the “Redevelopment Plan”) on July 6, 1981, pursuant to its Ordinance No. 1353. The Redevelopment

Plan has been amended six times. On November 15, 1994, the City Council adopted ordinance No. 1580 to adjust the Plan's duration and timeframe to collect tax increment revenue in conformance with the provisions of Assembly Bill 1290 ("AB 1290"). The second amendment was adopted on December 7, 1999 pursuant to Ordinance No. 1623, to extend the time limit to incur debt to the maximum permitted by AB 1290. The third amendment was adopted on November 6, 2001 pursuant to Ordinance No. 1650 in order to increase the bonded debt limit and the cumulative tax increment limit and to extend further the time limit by which to incur debt. The fourth amendment was adopted on July 6, 2004 pursuant to Ordinance No. 1702 to extend the time limit on the duration of the Redevelopment Plan by one year and to extend the time limit to receive property taxes and pay loans, advances and indebtedness by one year, as allowed under SB 1045. The fifth amendment was adopted on July 20, 2004 pursuant to Ordinance No. 1704 to eliminate the time limit on the incurrence of debt pursuant to SB 211. The sixth amendment was adopted on December 21, 2004 by Ordinance No. 1712 to extend the time limit on the duration of the Plan by two years pursuant to SB 1096.

The Redevelopment Plan was designed to enable the Agency to, among other things, eliminate blighting influences; encourage existing owners, businesses and tenants within the Project Area to participate in redevelopment activities; to sustain the existing residential, commercial and industrial base of the community; to provide required public improvements so as to encourage new construction by private enterprise; to mitigate development limitations which have and will continue to result in the lack of optimum utilization of the Project Area; and provide construction and employment opportunities in the development of those facilities.

The Redevelopment Plan allows for commercial, industrial, residential and public uses, as consistent with the general plan of the City.

#### **Limitations and Requirements of the Redevelopment Plan**

Pursuant to the Redevelopment Plan, the portion of taxes divided and allocated to the Agency may not exceed a cumulative total of \$300 million. As of the date of this Official Statement, the Agency has received approximately \$116,373,140 in tax increment revenues. The Fiscal Consultant projects that the cumulative tax increment limit will not be reached prior to the last date on which the Agency may receive tax increment or pay debt under the Redevelopment Plan, as described below.

The total amount of bonded indebtedness incurred by the Agency, payable from tax increment revenues, which can be outstanding at any one time may not exceed \$65 million. As of the date of this Official Statement, the Agency has \$21,590,000 of tax allocation bond debt outstanding relating to the existing 2002 Loan Obligations, 2004A Loan Obligations and 2004B Loan Obligations. Issuance of the Bonds would refund the Refunded Obligations in their entirety.

As amended over the years, the Redevelopment Plan establishes a deadline of July 6, 2024 for plan termination, and a deadline of 10 years after plan termination (July 6, 2034) for the repayment of debt. On July 20, 2004, the City adopted an ordinance, pursuant to the authorization contained in SB 211, deleting the time limit on the Agency's authority to incur loans, advances and indebtedness with respect to the Project Area. See "PROPERTY TAXATION IN CALIFORNIA—Redevelopment Time Limits."

Relative to the impact of the cumulative tax increment limit applicable to the Project Area, the Agency covenants in the Indenture that, as long as the receipt of Pledged Tax Revenues attributable to the Project Area is subject to a tax increment limit under the Law, the Agency will annually review (or cause to be reviewed) the total amount of Pledged Tax Revenues attributable to the Project Area remaining available to be received by the Agency under the Redevelopment Plan. In the event that the Pledged Tax Revenues attributable to the Project Area previously received by the Prior Agency or the Agency plus the aggregate debt service remaining to be paid on the Bonds and any Parity Debt then outstanding, at any time equals or exceeds ninety percent (90%) of the aggregate amount of Pledged Tax Revenues attributable to the Project Area which the Agency is permitted to receive under the Redevelopment Plan, the Agency will either:

(i) deposit all future Pledged Tax Revenues attributable to the Project Area not used to pay current debt service with the Trustee in a special account to be applied for the sole purpose of paying the principal of and interest on, or the redemption of, the Bonds and any Parity Debt as they become due and payable plus amounts required to be deposited into the Reserve Account or any reserve account for Parity Debt, notwithstanding anything herein to the contrary, which account shall be invested in non-callable Defeasance Obligations and used for the payment of interest on and principal of and redemption premiums, if any, on the Bonds and any Parity Debt and amounts required to be deposited into the Reserve Account or any reserve account for Parity Debt; or

(ii) adopt a plan approved by an Independent Redevelopment Consultant which demonstrates the Agency's continuing ability to pay debt service on the Bonds and any Parity Debt. In determining the amount to be deposited in escrow with the Trustee, the Agency will not take into account any actual or projected interest earnings on the amounts so deposited. The Agency agrees that the financial information provided to the Trustee in any such adopted plan will be included in each annual report provided pursuant to the Continuing Disclosure Agreement.

Notwithstanding the foregoing covenant, if the limitation on the amount of taxes which can be allocated to the Agency pursuant to the Law and the Redevelopment Plan is invalidated (either by action of the legislature of the State of California or pursuant to a court finding or determination), neither the deposit of Pledged Tax Revenues attributable to the Project Area required by paragraph (i) nor the adoption of a plan as contemplated by paragraph (ii) above for the purpose of paying debt service and deposits into the Reserve Account for the Bonds and any Parity Debt, shall be required.

There is a question on the applicability of tax increment limits as to time and amounts established under redevelopment plans after the adoption of AB x1 26 and AB 1484. The matter remains subject to further guidance from the DOF, legislation and interpretation by the courts. See "RISK FACTORS — State Budget Issues" for a discussion of legislation proposed by the Governor that would clarify that former tax increment caps and plan limits do not apply for the purposes of paying approved enforceable obligations. The Fiscal Consultant has determined that the tax increment limits, if applicable to the Agency and the Project Area, will not negatively impact Agency's ability to make debt service payments on Bonds. See APPENDIX G— "FISCAL CONSULTANT'S REPORT."

### **Pass-Through Agreements**

The Prior Agency entered into various Pass-Through Agreements whereby portions of the taxes which would otherwise be allocated and paid to the Agency are paid to certain entities. Amounts paid under the Pass-Through Agreements are not Tax Revenues, and therefore, are not pledged to secure the Loans.

*Butte County:* Pursuant to this Pass-Through Agreement, Butte County receives its proportionate share of tax increment generated within the Project Area based on Butte County tax apportionment calculations. The County receives 9.05% of the gross tax increment generated in each Fiscal Year but in no event more than an amount equal to 9.05% of the tax increment for the Fiscal Year 2001-02. In addition, the County receives 14.08% of the gross tax increment revenues that are in excess of the tax increment revenues generated in Fiscal Year 2001-02.

*Feather River Recreation and Parks District:* Pursuant to the Redevelopment Plan, as amended by Ordinance No. 1650 (the "Third Amendment"), the Feather River Recreation and Parks District receives its proportionate share of tax increment generated within the Project Area based on Butte County tax apportionment calculations. This District receives 4.3% of either the increment created from the lesser of the actual annual increase in assessed value or the increment created from 7.5% annual increase in assessed value, plus the accrued amount up to that year.

*Thompson Flat Cemetery District:* Pursuant to the Third Amendment, the Thompson Flat Cemetery District receives its proportionate share of tax increment generated within the Project Area based on Butte County tax apportionment calculations. This District receives 0.016% of the gross tax increment revenues annually.

*Oroville Cemetery District:* Pursuant to the Third Amendment, the Oroville Cemetery District receives its proportionate share of tax increment generated within the Project Area based on Butte County tax apportionment calculations. This District receives 1.168% of the gross tax increment revenues annually.

*Butte County Mosquito Abatement District:* Pursuant to the Third Amendment, the Butte County Mosquito Abatement District receives its proportionate share of tax increment generated within the Project Area based on Butte County tax apportionment calculations. This District receives 0.249% of the gross tax increment revenues annually.

*Oroville Mosquito Abatement District:* Pursuant to the Third Amendment, the Oroville Mosquito Abatement District receives its proportionate share of tax increment generated within the Project Area based on Butte County tax apportionment calculations. This District receives 0.79% of the gross tax increment revenues annually.

Under the Dissolution Act, the Agency is no longer responsible for the payment of pass-through amounts under the Pass-Through Agreements. Instead, the Dissolution Act requires the County Auditor-Controller to distribute from the Redevelopment Property Tax Trust Fund amounts required to be distributed under the Pass-Through Agreements to the taxing entities for each six-month period before amounts are distributed by the County Auditor-Controller from the Redevelopment Property Tax Trust Fund to the Agency's Redevelopment Obligation Retirement Fund each January 2 and June 1. If, however, (a) the Agency determines and reports, no later than December 1 or May 1, as applicable (i.e., by May 1, 2015 with respect to the Recognized Obligation Payment Schedule for July 1, 2015 through December 31, 2015), that the total amount available to the Agency from the Redevelopment Property Tax Trust Fund allocation to the Agency's Redevelopment Obligation Retirement Fund, from other funds transferred from the Prior Agency, and from funds that have or will become available through asset sales and all redevelopment operations, are insufficient to fund the payment of pass-through obligations, for Agency enforceable obligations listed on the Recognized Obligation Payment Schedule, and for the Agency's administrative cost allowance, and (b) the State Controller concurs that there are insufficient funds to pay required debt service, and (c) to the extent pass-through obligations are expressly subordinate, the Dissolution Act provides for certain adjustments to be made to the estimated distributions. The Pass-Through Agreements are not expressly subordinate to the Bonds; therefore, under Section 34183(a) of the Dissolution Act, the County Auditor-Controller will make payments under the Pass-Through Agreements prior to delivering RPTTF revenue to the Agency for payment of debt service on the Bonds. The definition of "Pledged Tax Revenues" in the Indenture reflects the seniority of the Pass-Through Agreements and payments under the Pass-Through Agreements are deducted from the projections of Pledged Tax Revenues in this Official Statement. See "TAX REVENUES—Projected Taxable Valuation and Tax Revenues" and APPENDIX G—"FISCAL CONSULTANT'S REPORT."

### **Statutory Pass-Through Amounts**

Assembly Bill No. 1290, enacted on October 8, 1993 as Chapter 942, Statutes of 1993, and effective January 1, 1994, eliminated the statutory authority for negotiated pass-through agreements and provided a formula, pursuant to Sections 33607.5 and 33607.7 of the Redevelopment Law, for mandatory tax sharing applicable to projects adopted after January 1, 1994 or amended after that date to add territory or amend specified time or financial limits on the Prior Agency's obligation to pay such Statutory Pass-Through Amounts was triggered by Ordinance No. 1650, which extended the time limit to incur debt and increased the bonded debt limit and the cumulative tax increment limit. Payments of Statutory Pass-Through Amounts began in Fiscal Year 2004-05. Statutory Pass-Through Amounts are only paid to the following taxing entities that do not receive payments pursuant to a Pass-Through Agreement:

- Oroville Elementary School District
- Thermalito Elementary School District
- Oroville Union High School District
- Butte County Superintendent of Schools
- Butte Community College District
- City of Oroville
- South Feather River Water and Power District
- Lake Oroville Public Utility District

The formula for Statutory Pass-Through Amounts is described in Section 33607.5 of the Redevelopment Law and is, generally, as follows:

1. commencing in the first Fiscal Year after the limitation has been reached (or the amendment has been adopted in the case of a post January 1, 1994 plan amendment adding territory to the redevelopment plan), an amount equal to 25% of tax increment generated by the incremental increase of the current year assessed valuation over the assessed valuation in the Fiscal Year that the limitation had been reached, after the amount required to be deposited in the Low and Moderate Income Housing Fund has been deducted;

2. in addition to amounts payable as described in (a) above, commencing in the 11th Fiscal Year after the limitation has been reached (or the amendment has been adopted in the case of a post January 1, 1994 plan amendment adding territory to the redevelopment plan), an amount equal to 21% of tax increment generated by the incremental increase of the current year assessed valuation over the assessed valuation in the preceding 10th Fiscal Year that the limitation had been reached, after the amount required to be deposited in the Low and Moderate Income Housing Fund has been deducted; and

3. in addition to amounts payable, as described in (a) and (b) above, commencing in the 31st Fiscal Year after the limitation has been reached (or the amendment has been adopted in the case of a post January 1, 1994 plan amendment adding territory to the redevelopment plan), an amount equal to 14% of tax increment generated by the incremental increase of the current year assessed valuation over the assessed valuation in the preceding 30th Fiscal Year that the limitation had been reached, after the amount required to be deposited in the Low and Moderate Income Housing Fund has been deducted.

In addition, under the Redevelopment Law, the Statutory Pass-Through Amounts were paid after deducting the amount required to be deposited in the Low and Moderate-Income Housing Fund. The Dissolution Act preserves this calculation method, stating that the amount of pass-through payments computed for distribution by the County Auditor-Controller to the taxing entities, such as the Pass-Through Agreements or the Statutory Pass-Through Amounts, will be computed as though the requirement to set aside funds for the Low and Moderate Income Housing Fund were still in effect.

Under the Dissolution Act, the Agency is no longer responsible for the payment of Statutory Pass-Through Amounts. Instead, the Dissolution Act requires the County Auditor-Controller to distribute from the Redevelopment Property Tax Trust Fund amounts required to be distributed for Statutory Pass-Through Amounts to the taxing entities for each six-month period before amounts are distributed by the County Auditor-Controller from the Redevelopment Property Tax Trust Fund to the Agency's Redevelopment Obligation Retirement Fund each January 2 and June 1.

The Dissolution Act provides for a procedure by which the Agency may make Statutory Pass-Through Amounts subordinate to the Bonds; however, the Agency has determined not to undertake such procedure, and therefore, Statutory Pass-Through Amounts are senior to the Bonds. The definition of "Pledged Tax Revenues" in the Indenture reflects the seniority of the Statutory Pass-Through Amounts and Statutory Pass-Through Amounts are deducted from the projections of Pledged Tax Revenues in this Official Statement. See "TAX REVENUES—Projected Taxable Valuation and Tax Revenues" and APPENDIX G—"FISCAL CONSULTANT'S REPORT."

## Land Use

The following table describes the land uses in the Project Area, including acreage, number of parcels and assessed values. Major land uses in the Project Area based on assessed value include residential (38.5%) and commercial (34.9%).

Land Use Category	Acres <sup>(2)</sup>	Parcels	2014-15 Assessed Value (Net of Exemptions) <sup>(1)</sup>			% of Project Area
			Secured	Unsecured	Total	
Residential	921	3,132	\$ 345,190,790	\$ -	\$ 345,190,790	36.8%
Commercial	630	615	311,203,661	315,478	311,519,139	33.2
Miscellaneous	13	7	2,978,549	126,500,023	129,478,572	13.8
Industrial	307	60	81,620,360	20,677,578	102,297,938	10.9
Vacant Land	1,281	879	48,447,094	-	48,447,094	5.2
Agriculture	6	4	103,462	-	103,462	0.0
Natural Resource	1	1	6,021	-	6,021	0.0
Public & Institutional <sup>(3)</sup>	2,161	107	-	-	-	0.0
Utility Value	-	-	2,152,591	-	2,152,591	0.2
<b>Total Project Area</b>	<b>5,320</b>	<b>4,805</b>	<b>\$ 791,702,528</b>	<b>\$ 147,493,079</b>	<b>\$ 939,195,607</b>	<b>100.0%</b>

### Notes:

(1) Total Project Area assessed values are net of all exemptions except for homeowner exemptions.

(2) Total acreage of assessable parcels; excludes right of way.

(3) Includes multiple land uses (airport, golf course, government, churches, non-profits, etc.) with an assessed value of \$0.

Source: Butte County Assessment Roll for Fiscal Year 2014-15 and Rosenow Spevacek Group, Inc.

## Largest Taxpayers

The following table sets forth the ten largest taxpayers in the Project Area based on the Fiscal Year 2014-15 secured property tax roll.

Name	Primary Land Use	2014-15 Assessed Valuation	Percent of Total Assessed Value <sup>(2)</sup>	Percent of Incremental Assessed Value <sup>(3)</sup>
1. Pacific Coast Producers <sup>(1)</sup>	Industrial	\$ 30,289,316	3.2%	4.1%
2. Oroville Plaza Shopping Center, LLC	Commercial	19,699,098	2.1	2.7
3. Graphic Packaging International, Inc.	Unsecured – Possessory Interest	18,833,237	2.0	2.6
4. Roplast Industries, Inc.	Industrial	11,245,653	1.2	1.5
5. Oroville Medical Complex, LLC	Commercial – Hospital	10,881,832	1.2	1.5
6. Currier Square Shopping Center, LLC	Industrial	10,560,000	1.1	1.4
7. Sierra Silica Resources	Unsecured – Possessory Interest	10,516,340	1.1	1.4
8. Comcast of Northern California, Inc. <sup>(1)</sup>	Unsecured – Possessory Interest	10,282,400	1.1	1.4
9. Farm Credit Leasing	Unsecured – Possessory Interest	9,732,170	1.0	1.3
10. Federal Cartridge Company	Unsecured – Possessory Interest	9,503,070	1.0	1.3
<b>Total Top 10 Taxpayers:</b>		<b>\$ 141,543,116</b>	<b>15.1%</b>	<b>19.3%</b>

(1) Pending appeals on file. See “–Appeals” below.

(2) The total Project Area assessed value for Fiscal Year 2014-15 is \$939,195,607.

(3) The incremental assessed value in the Project Area for Fiscal Year 2014-15 is \$732,635,135.

Source: Butte County Auditor-Controller and Rosenow Spevacek Group, Inc.

## Appeals

As previously discussed under “PROPERTY TAXATION IN CALIFORNIA—Appeals of Assessed Values,” property owners may apply for a reduction of their property tax assessment by filing a written

application, in form prescribed by the State Board of Equalization, with the appropriate county board of equalization or assessment appeals board.

The County Clerk of the Board maintains assessment appeals applications and manages the appeals review and hearing process. According to the Clerk's data, no base year appeals have been filed in the Project Area over the past five years, and 315 decline-in-value appeals have been filed over this same period. The number of appeals filed each year has dropped significantly from the highest levels in Fiscal Years 2009-10 and 2010-11 (94 and 99 appeals, respectively) to 16 appeals in the current year.

Of the 315 appeals, 198 have been granted reductions while 93 were withdrawn or denied. The appeals granted reductions caused a 0.5 percent average annual reduction in assessed values over the past five years, excluding the current year where the majority of the appeals are still pending appeal. Applicants have seen less success in their appeals over time; while the average rate of reductions have been 12.6% of the applicants' requests, the last three years have been well below this rate, with only 4.6% of the applicants' reduction request granted in Fiscal Year 2013-14.

The pending 24 appeals total an aggregate value of \$68,824,386 of value that has been sought to be removed from the roll by the respective applicants. Fifteen (15) of these 24 appeals pertain to the current year and many of those are likely to be denied or withdrawn given past trends. Still, assuming the annual 12.6% success rate for all 24 appeals, the Fiscal Consultant estimates that as much as \$8,526,235 (1.077%) of the Fiscal Year 2014-15 secured roll could be lost if these appeals are successful. See Figure 8 of the Fiscal Consultant's Report attached hereto as Appendix G for a summary of these appeals and the Fiscal Consultant's methodology for estimating potential impacts for pending appeals.

The Agency has no way of knowing the outcome of these appeals or their effect on the valuation in the Project Area.

## **PLEDGED TAX REVENUES**

Pledged Tax Revenues (as described in the section "SECURITY FOR THE BONDS" herein) are to be deposited in the Redevelopment Obligation Retirement Fund, and thereafter transferred by the Agency to the Debt Service Fund, administered by the Trustee and applied to the payment of the principal of and interest on the Bonds.

### **Schedule of Historical RPTTF Revenues**

From Fiscal Year 2009-10 through Fiscal Year 2014-15, actual tax increment and RPTTF revenues have slightly exceeded 100 percent of estimated collections, based on a 1 percent levy on the incremental assessed value. This does not factor in additional supplemental tax revenues collected.

The following table shows the actual amount of tax increment collected by the County Auditor-Controller over the last 5 years (excluding supplemental tax revenues). It also shows the amount of RPTTF actually available to fund Agency obligations after redevelopment dissolution was enacted on February 1, 2012, net of county administrative fees and pass-through payments, which are made directly by the Auditor-Controller.

Because the Prior Agency was dissolved in the middle of Fiscal Year 2011-12, the net RPTTF available to the Agency for that Fiscal Year only included tax revenues available for the second half of the year, not the total amount of tax increment distributed to the Prior Agency and the Agency in Fiscal Year 2011-12. Additionally, the amount of RPTTF actually distributed to the Agency in Fiscal Year 2012-13 is lower than other years because the City used cash balances to fund enforceable obligations from January 2012 through June 2013, as directed by DOF.

<i>Fiscal Year Ended</i>	<i>Taxable Value</i>	<i>Incremental Value</i>	<i>Incremental Revenue<sup>(1)</sup></i>	<i>Actual Collections<sup>(2)</sup></i>	<i>Est. to Actual</i>	<i>Net RPTTF Available</i>	<i>RPTTF Distributed to Agency</i>
2011	\$951,241,498	\$744,681,026	\$7,446,810	\$7,768,360	104.32%	n/a	n/a
2012	933,970,007	727,409,535	7,274,095	7,778,617	106.94	\$2,946,131	\$2,565,836
2013	921,657,406	715,096,934	7,150,969	7,446,567	104.13	5,724,724	125,000
2014	919,760,979	713,200,507	7,132,005	7,307,500	102.46	5,374,887	2,296,502
2015	939,195,607	732,635,135	7,326,351	7,654,235	104.48	5,729,598	1,902,163

(1) Incremental Revenue is estimated at 1.0% of Incremental Value.

(2) Actual collections provided by the County Auditor-Controller. May be higher or lower due to supplemental taxes and delinquencies.

(3) Net RPTTF available for ROPS obligations after county administrative fees and pass-through payments are made by the County. Fiscal Year 2011-12 shows RPTTF distributed after the Prior Agency was dissolved on February 1, 2012, in the middle of the Fiscal Year. This figure does not include tax increment distributed to the Prior Agency during the first half of the Fiscal Year prior to dissolution.

(4) Total RPTTF distributed to the Successor Agency for approved ROPS obligations. Oroville employed cash balances to pay for ROPS obligations in-lieu of receiving RPTTF from January 2012 through June 2013 pursuant to the Dissolution Act.

Source: Butte County Auditor-Controller and Rosenow Spevacek Group, Inc.

Despite the recent decreases in assessed value, the Fiscal Consultant projects a 2.556% increase in Project Area secured assessed values in Fiscal Year 2015-16, followed by a 2.000% increase in such values annually thereafter. The basis for the Fiscal Consultant's projections is described in APPENDIX G—"FISCAL CONSULTANT'S REPORT" and includes an analysis of historical Proposition 13 inflationary adjustments to secured assessed values, real property sales which occurred in Fiscal Year 2013-14, building permits and anticipated new construction and reduced frequency of property reassessments based on a decline in assessed value.

#### **Projected Taxable Valuation and Pledged Tax Revenues**

The Agency has retained Rosenow Spevacek Group, Inc., of Santa Ana, California to provide projections of taxable valuation and Pledged Tax Revenues from developments in the Project Area. The Agency believes the assumptions (set forth in the footnotes below and APPENDIX G—"FISCAL CONSULTANT'S REPORT") upon which the projections are based are reasonable; however, some assumptions may not materialize and unanticipated events and circumstances may occur (see "RISK FACTORS"). Therefore, the actual Pledged Tax Revenues received during the forecast period may vary from the projections and the variations may be material.

The following table provides a summary of the projected taxable valuation and Pledged Tax Revenues, assuming no value growth.

**PROJECTION OF PLEDGED TAX REVENUES  
(No Growth)**

<i>Fiscal Year Ended (June 30)</i>	<i>Assessed Value</i>	<i>Incremental Value<sup>(1)</sup></i>	<i>Gross Tax Increment<sup>(2)</sup></i>	<i>County Admin. Fees<sup>(3)</sup></i>	<i>Pass Through Payments<sup>(4)</sup></i>	<i>Pledged Tax Revenues<sup>(5)</sup></i>
2015	\$ 939,195,607	\$ 732,635,135	\$ 7,654,235	\$(259,103)	\$(1,665,534)	\$5,729,598
2016	939,195,607	732,635,135	7,326,351	(248,004)	(1,710,906)	5,367,441
2017	939,195,607	732,635,135	7,326,351	(248,004)	(1,710,906)	5,367,441
2018	939,195,607	732,635,135	7,326,351	(248,004)	(1,710,906)	5,367,441
2019	939,195,607	732,635,135	7,326,351	(248,004)	(1,710,906)	5,367,441
2020	939,195,607	732,635,135	7,326,351	(248,004)	(1,710,906)	5,367,441
2021	939,195,607	732,635,135	7,326,351	(248,004)	(1,710,906)	5,367,441
2022	939,195,607	732,635,135	7,326,351	(248,004)	(1,710,906)	5,367,441
2023	939,195,607	732,635,135	7,326,351	(248,004)	(1,710,906)	5,367,441
2024	939,195,607	732,635,135	7,326,351	(248,004)	(1,710,906)	5,367,441
2025	939,195,607	732,635,135	7,326,351	(248,004)	(1,710,906)	5,367,441
2026	939,195,607	732,635,135	7,326,351	(248,004)	(1,710,906)	5,367,441
2027	939,195,607	732,635,135	7,326,351	(248,004)	(1,710,906)	5,367,441
2028	939,195,607	732,635,135	7,326,351	(248,004)	(1,710,906)	5,367,441
2029	939,195,607	732,635,135	7,326,351	(248,004)	(1,710,906)	5,367,441
2030	939,195,607	732,635,135	7,326,351	(248,004)	(1,710,906)	5,367,441
2031	939,195,607	732,635,135	7,326,351	(248,004)	(1,710,906)	5,367,441
2032	939,195,607	732,635,135	7,326,351	(248,004)	(1,710,906)	5,367,441
2033	939,195,607	732,635,135	7,326,351	(248,004)	(1,710,906)	5,367,441
2034	939,195,607	732,635,135	7,326,351	(248,004)	(1,710,906)	5,367,441

<sup>(1)</sup> Value over base year value of \$206,560,472.

<sup>(2)</sup> Based on projected 0% annual assessed valuation growth.

<sup>(3)</sup> County estimated administration charges based on 3.39% of gross tax increment.

<sup>(4)</sup> Includes Pass Through Agreements and Statutory Pass Through Amounts. See "THE PROJECT AREA — Pass-Through Agreements" and "— Statutory Pass-Through Amounts."

<sup>(5)</sup> Based on Gross Tax Increment, less Pass-Through Agreements, Statutory Pass Through Amounts, and County Admin. Fees.

Source: Butte County Auditor-Controller and Rosenow Spevacek Group, Inc.

The following table provides a summary of the projected taxable valuation and Pledged Tax Revenues, assuming 2% value growth.

**PROJECTION OF PLEDGED TAX REVENUES  
(2% Growth)**

<i>Fiscal Year Ended (June 30)</i>	<i>Assessed Value</i>	<i>Incremental Value<sup>(1)</sup></i>	<i>Gross Tax Increment<sup>(2)</sup></i>	<i>County Admin. Fees<sup>(3)</sup></i>	<i>Pass Through Payments<sup>(4)</sup></i>	<i>Pledged Tax Revenues<sup>(5)</sup></i>
2015	\$ 939,195,607	732,635,135	\$ 7,654,235	\$(259,103)	\$(1,665,534)	\$5,729,598
2016	959,431,317	752,870,845	7,427,530	(251,429)	(1,759,549)	5,416,552
2017	975,670,082	769,109,610	7,609,902	(257,603)	(1,847,226)	5,505,074
2018	992,233,622	785,673,150	7,773,914	(263,155)	(1,926,076)	5,584,684
2019	1,009,128,433	802,567,961	7,941,206	(268,818)	(2,006,502)	5,665,886
2020	1,026,361,140	819,800,668	8,111,843	(274,594)	(2,088,538)	5,748,712
2021	1,043,938,501	837,378,029	8,285,893	(280,486)	(2,172,214)	5,833,194
2022	1,061,867,409	855,306,937	8,463,425	(286,495)	(2,257,563)	5,919,366
2023	1,080,154,896	873,594,424	8,644,507	(292,625)	(2,344,620)	6,007,262
2024	1,098,808,132	892,247,660	8,829,210	(298,877)	(2,433,417)	6,096,916
2025	1,117,834,433	911,273,961	9,017,608	(305,255)	(2,523,991)	6,188,362
2026	1,137,241,261	930,680,789	9,209,774	(311,760)	(2,616,376)	6,281,638
2027	1,157,036,224	950,475,752	9,405,783	(318,395)	(2,710,609)	6,376,779
2028	1,177,227,087	970,666,615	9,605,712	(325,163)	(2,806,726)	6,473,823
2029	1,197,821,767	991,261,295	9,809,640	(332,066)	(2,904,766)	6,572,807
2030	1,218,828,341	1,012,267,869	10,017,646	(339,107)	(3,004,767)	6,673,772
2031	1,240,255,046	1,033,694,574	10,229,812	(346,289)	(3,106,767)	6,776,756
2032	1,262,110,286	1,055,549,814	10,446,222	(353,615)	(3,210,808)	6,881,799
2033	1,284,402,630	1,077,842,158	10,666,960	(361,087)	(3,316,929)	6,988,943
2034	1,307,140,821	1,100,580,349	10,892,113	(368,709)	(3,425,173)	7,098,231

<sup>(1)</sup> Value over base year value of \$206,560,472.

<sup>(2)</sup> Fiscal Year 2015-16 values are based on actual collections, including supplemental tax revenues. Future year projections do not include supplemental tax revenues. Commencing with Fiscal Year 2015-16, based on projected 2% annual assessed valuation growth over Fiscal Year 2014-15 actual assessed valuation and projected 2% assessed valuation growth annually thereafter.

<sup>(3)</sup> County estimated administration charges based on 3.39% of gross tax increment.

<sup>(4)</sup> Includes Pass Through Agreements and Statutory Pass Through Amounts. See "THE PROJECT AREA — Pass-Through Agreements" and "— Statutory Pass-Through Amounts."

<sup>(5)</sup> Based on Gross Tax Increment, less Pass-Through Agreements, Statutory Pass Through Amounts, and County Admin. Fees.

Source: Butte County Auditor-Controller and Rosenow Spevacek Group, Inc.

**Projected Annual Debt Service**

Set forth below is the annual debt service (assuming minimum sinking account payments) on the Bonds.

**Oroville Redevelopment Project No. 1  
Annual Debt Service**

<i>Maturity Date (September 15)</i>	<i>Bonds Debt Service</i>	<i>2004B Bonds Debt Service</i>	<i>Total Bonds Debt Service</i>
2015			
2016			
2017			
2018			
2019			
2020			
2021			
2022			
2023			
2024			
2025			
2026			
2027			
2028			
2029			
2030			
2031			
Total			

## Debt Service Coverage

Set forth below is the estimated debt service coverage of the Bonds using no growth Fiscal Year 2015-16 Pledged Tax Revenues through maturity.

### ESTIMATED DEBT SERVICE COVERAGE (No Growth)

<i>Bond Year Ending (September 15)</i>	<i>No Growth Pledged Tax Revenues<sup>(1)</sup></i>	<i>Combined Bonds Debt Service*</i>	<i>Debt Service Coverage<sup>(2)</sup></i>
2015 <sup>(1)</sup>	\$2,634,119	\$1,167,408	2.26
2016	5,367,441	1,569,760	3.42
2017	5,367,441	1,583,538	3.39
2018	5,367,441	1,581,988	3.39
2019	5,367,441	1,585,588	3.39
2020	5,367,441	1,582,588	3.39
2021	5,367,441	1,608,188	3.34
2022	5,367,441	1,605,688	3.34
2023	5,367,441	1,580,688	3.40
2024	5,367,441	1,584,188	3.39
2025	5,367,441	1,584,688	3.39
2026	5,367,441	1,587,188	3.38
2027	5,367,441	1,581,438	3.39
2028	5,367,441	1,582,688	3.39
2029	5,367,441	1,584,338	3.39
2030	5,367,441	344,638	15.57
2031	5,367,441	1,295,788	4.14

<sup>(1)</sup> The first payment on the 2015 TARBs is due in September 2015. Pledged revenues in 2015 are based on RPTTF revenues distributed in June 2015 for the January to June 2015 ROPS period; subsequent years are based on pledged revenues for the entire bond year.

<sup>(2)</sup> Adjusted to reflect Pledged Tax Revenues received each Bond year ending September 15. Based on projected 0% annual assessed valuation growth.

<sup>(3)</sup> Excess coverage amounts are not available to the Agency unless for approved administrative amounts or other approved enforceable obligations. See "RISK FACTORS—Recognized Obligation Payment Schedule."

Source: Rosenow Spevacek Group, Inc. and Southwest Securities, Inc.

\* Preliminary, subject to change.

Set forth below is the estimated debt service coverage of the Bonds using a 2% annual growth scenario for Fiscal Year 2015-16 Pledged Tax Revenues through maturity.

**ESTIMATED DEBT SERVICE COVERAGE  
(2% Growth) 167,408**

<i>Bond Year Ending (September 15)</i>	<i>Pledged Tax Revenues<sup>(1)</sup></i>	<i>Combined Bonds Debt Service*</i>	<i>Debt Service Coverage<sup>(2)</sup></i>
2015 <sup>(1)</sup>	\$2,631,722	\$1,167,408	2.25
2016	5,464,767	1,569,760	3.48
2017	5,543,347	1,583,538	3.50
2018	5,623,722	1,581,988	3.55
2019	5,705,705	1,585,588	3.60
2020	5,789,327	1,582,588	3.66
2021	5,874,622	1,608,188	3.65
2022	5,961,623	1,605,688	3.71
2023	6,050,364	1,580,688	3.83
2024	6,140,879	1,584,188	3.88
2025	6,233,205	1,584,688	3.93
2026	6,327,377	1,587,188	3.99
2027	6,423,433	1,581,438	4.06
2028	6,521,410	1,582,688	4.12
2029	6,621,347	1,584,338	4.18
2030	6,723,282	344,638	19.51
2031	6,827,256	1,295,788	5.27

<sup>(1)</sup> The first payment on the 2015 TARB is due in September 2015. Pledged revenues are based on RPTTF revenues distributed in June 2015 for the January to June 2015 ROPS period.

<sup>(2)</sup> Based on 2% projected annual assessed valuation growth generating RPTTF revenues distributed by bond year (January and June).

<sup>(3)</sup> Excess coverage amounts are not available to the Agency unless for approved administrative amounts or other approved enforceable obligations. See "RISK FACTORS—Recognized Obligation Payment Schedule."

Source: Rosenow Spevacek Group, Inc. and Southwest Securities, Inc.

**CONCLUDING INFORMATION**

**Underwriting**

The 2015A Bonds have been sold at a net interest rate of \_\_\_\_%. The original purchase price (including the net reoffering premium in the amount of \$\_\_\_\_\_ and less an underwriter's discount of \$\_\_\_\_\_) to be paid for the 2015A Bonds is \$\_\_\_\_\_. The 2015B Bonds have been sold at a net interest rate of \_\_\_\_%. The original purchase price (less the net reoffering discount in the amount of \$\_\_\_\_\_ and less an underwriter's discount of \$\_\_\_\_\_) to be paid for the 2015B Bonds is \$\_\_\_\_\_. The Underwriter intends to offer the Bonds to the public initially at the respective yields set forth on the cover page of this Official Statement, which yields may subsequently change without any requirement of prior notice.

The Underwriter reserves the right to join with dealers and other underwriters in offering the Bonds to the public. The Underwriter may offer and sell Bonds to certain dealers (including dealers depositing Bonds into investment trusts) at prices lower than the public offering prices, and such dealers may reallow any such discounts on sales to other dealers.

\* Preliminary, subject to change.

## **Financial Advisor**

NHA Advisors LLC, San Rafael, California (the "Financial Advisor") has assisted the Agency in matters relating to the planning, structuring, and sale of the Bonds and the preparation of this Official Statement, and has provided general financial advisory services to the Agency with respect to the sale of the Bonds. The Financial Advisor provides financial advisory services only and does not engage in the underwriting, marketing, or trading of municipal securities or other negotiable instruments. The payment of fees of the Financial Advisor is contingent upon the closing of the Certificates transaction.

## **Legal Opinions**

The opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California, Bond Counsel ("Bond Counsel"), approving the validity of the Bonds and stating that interest on the 2015A Bonds is excluded from gross income for federal income tax purposes and such interest is also exempt from personal income taxes of the State of California under present State income tax laws, will be furnished to the purchaser at the time of delivery of the 2015A Bonds at the expense of the Agency. The opinion of Bond Counsel approving the validity of the 2015B Bonds and stating that interest on the 2015B Bonds is exempt from personal income taxes of the State of California under present State income tax laws, will be furnished to the purchaser at the time of delivery of the Bonds at the expense of the Agency. Compensation for Bond Counsel's services is entirely contingent upon the sale and delivery of the Bonds.

Copies of the proposed forms of Bond Counsel's final approving opinions with respect to the Bonds are attached hereto as Appendix C.

The legal opinions are only as to legality and is not intended to be nor is it to be interpreted or relied upon as a disclosure document or an express or implied recommendation as to the investment quality of the Bonds.

In addition, certain legal matters will be passed on for the Agency by Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California, as Disclosure Counsel and for the Underwriter by Jones Hall, A Professional Corporation, San Francisco, California.

## **Tax Exemption**

In the opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California, Bond Counsel, under existing statutes, regulations, rulings and judicial decisions, interest on the 2015A Bonds is excluded from gross income for federal income tax purposes, and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals and corporations. In the further opinion of Bond Counsel, interest on the 2015A Bonds and the 2015B Bonds is exempt from State of California personal income tax. Bond Counsel notes that, with respect to corporations, interest on the 2015A Bonds may be included as an adjustment in the calculation of alternative minimum taxable income which may affect the alternative minimum tax liability of such corporations.

In addition, the difference between the issue price of a 2015A Bond (the first price at which a substantial amount of the 2015A Bonds of a maturity is to be sold to the public) and the stated redemption price at maturity of such 2015A Bond constitutes original issue discount. Original issue discount accrues under a constant yield method, and original issue discount will accrue to a 2015A Bondowner before receipt of cash attributable to such excludable income. The amount of original issue discount that accrues to the Owner of the 2015A Bonds is excluded from the gross income of such Owner for federal income tax purposes, is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, and is exempt from State of California personal income tax.

Bond Counsel's opinion as to the exclusion from gross income for federal income tax purposes of interest (and original issue discount) on the 2015A Bonds is based upon certain representations of fact and certifications made by the City, the Agency and others and is subject to the condition that the City and the Agency comply with all requirements of the Internal Revenue Code of 1986, as amended (the "Code"), that must be satisfied subsequent to the delivery of the 2015A Bonds to assure that interest (and original issue discount) on the 2015A Bonds will not become includable in gross income for federal income tax purposes. Failure to comply with such requirements might cause interest (and original issue discount) on the 2015A Bonds to be included in gross income for federal income tax purposes retroactive to the date of delivery of the 2015A Bonds. The Agency has covenanted to comply with all such requirements. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring after the date of delivery of the 2015A Bonds may affect the tax status of the interest on the 2015A Bonds.

Bond Counsel's opinion may be affected by action taken (or not taken) or events occurring (or not occurring) after the date hereof. Bond Counsel has not undertaken to determine, or to inform any person, whether any such actions taken or events are taken or do occur. Although Bond Counsel has rendered an opinion that interest (and original issue discount) on the 2015A Bonds is excluded from gross income for income tax purposes provided that the Agency continues to comply with certain requirements of the Code, the ownership of and the accrual or receipt of interest (and original issue discount) with respect to the Bonds may otherwise affect the tax liability of the recipient. Bond Counsel expresses no opinion regarding any such consequences. Accordingly, all potential purchasers should consult their tax advisors before purchasing any of the Bonds.

#### **No Litigation**

There is no action, suit or proceeding known to the Agency to be pending and notice of which has been served upon and received by the Agency, or threatened, restraining or enjoining the execution or delivery of the Bonds or the Indenture or in any way contesting or affecting the validity of the foregoing or any proceedings of the Agency taken with respect to any of the foregoing. **[Confirm]**

#### **Legality for Investment in California**

The Redevelopment Law provides that obligations authorized and issued under the Redevelopment Law will be legal investments for all banks, trust companies and savings banks, insurance companies, and various other financial institutions, as well as for trust funds. The Bonds are also authorized security for public deposits under the Redevelopment Law.

The Superintendent of Banks of the State of California has previously ruled that obligations of a redevelopment agency are eligible for savings bank investment in California.

#### **Ratings**

In connection with the issuance and delivery of the Bonds, Standard & Poor's Ratings Group ("Standard & Poor's") is expected to assign their municipal bond rating of "\_\_\_" to the 2015A Bonds and the 2015B Bonds with the understanding that, upon delivery of such Bonds, a policy insuring the payment when due of the principal of and interest on the Bonds will be issued by [Insurer]. Standard & Poor's has assigned their underlying municipal rating of "\_\_\_" the 2015A Bonds and the 2015B Bonds.

These ratings reflect the view of Standard & Poor's as to the credit quality of the Bonds. The ratings reflect only the view of Standard & Poor's, and explanation of the significance of the ratings may be obtained from Standard & Poor's Ratings Group, 55 Water Street, New York, New York 10041 (212) 512-3108. There is no assurance that the ratings will continue for any given period of time or that they will not be revised downward or withdrawn entirely by Standard & Poor's, if in the judgment of Standard & Poor's,

circumstances so warrant. Any such downward revision or withdrawal of the ratings may have an adverse effect on the marketability or market price of the Bonds.

### **Continuing Disclosure**

The Agency has covenanted in a Continuing Disclosure Agreement (the "Continuing Disclosure Certificate") for the benefit of the holders and Beneficial Owners of the Bonds to provide certain financial information and operating data relating to the Agency by nine months following the end of the Agency's Fiscal Year (currently its Fiscal Year ends on June 30) (the "Annual Report"), commencing with the report for Fiscal Year ending June 30, 2015, and to provide notices of the occurrence of certain enumerated events.

The Annual Report and the notices of enumerated events will be filed by the Agency with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System for municipal securities disclosures, maintained on the Internet at <http://emma.msrb.org/>. The specific nature of the information to be contained in the Annual Report and the notices of enumerated events are set forth in Appendix H. These covenants have been made in order to assist the Underwriter in complying with Rule 15c2-12(b)(5) promulgated under the Securities Exchange Act of 1934 ("Rule 15c2-12").

The City and its related governmental entities, specifically those entities (such as the Prior Agency and the Agency) for whom City staff is responsible for undertaking compliance with continuing disclosure undertakings, have previously entered into numerous disclosure undertakings under Rule 15c2-12 in connection with the issuance of long-term obligations.

[In the last five years, the Prior Agency, prior to its dissolution, and thereafter the Agency, did on occasion fail to comply in certain material respects with their previous continuing disclosure undertakings pursuant to Rule 15c2-12 promulgated under the Securities and Exchange Act of 1934, including, but not limited to, the failure to file or to timely file complete annual reports and other financial information for some of the Prior Agency's outstanding debt obligations and the failure to file notices of certain enumerated events including insurer ratings changes [and changes to the underlying ratings for the Refunded Obligations]. However, the Agency has brought itself current with respect to its past filings and has posted the current ratings on all its outstanding debt obligations. The Agency has also taken steps in order to ensure future timely compliance with all of its outstanding continuing disclosure obligations. Pursuant to the Continuing Disclosure Agreement between \_\_\_\_\_ and the Agency, \_\_\_\_\_ will act as Dissemination Agent and file the annual reports and notices related to the Bonds with the MSRB through EMMA.]

### **Miscellaneous**

All of the preceding summaries of the Indenture, the Bond Law, the Dissolution Act, the Redevelopment Law, other applicable legislation, the Redevelopment Plan for the Project Area, agreements and other documents are made subject to the provisions of such documents respectively and do not purport to be complete statements of any or all of such provisions. Reference is hereby made to such documents on file with the Agency for further information in connection therewith.

This Official Statement does not constitute a contract with the purchasers of the Bonds. Any statements made in this Official Statement involving matters of opinion or estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized.

The execution and delivery of this Official Statement by its Executive Director has been duly authorized by the Agency.

SUCCESSOR AGENCY TO THE OROVILLE  
REDEVELOPMENT AGENCY

By: \_\_\_\_\_  
Executive Director

## APPENDIX A

### CITY OF OROVILLE GENERAL INFORMATION

#### General

The City of Oroville (the "City") is located on California Highway 70, in the foothills of the Sierra Nevada Mountains, 68 miles north of Sacramento and 155 miles northeast of San Francisco in Butte County (the "County"). The City was incorporated as a city in 1906. The City operates as a charter city with a council-administrator form of government. The City Council consists of six members elected at large for four-year overlapping terms. The Mayor is elected at-large for a four-year term. The City Administrator is appointed by the City Council.

*CITY FINANCIAL DATA The Bonds are not a debt of the City. The following City financial data are included only for the purpose of providing general information.*

#### Assessed Valuations

The assessment and collection of taxes is the responsibility of Butte County. City taxes are collected at the same time and on the same tax rolls as are County, school district and special district taxes. Assessed valuations are the same for both City and County taxing purposes.

California law exempts \$7,000 of the full cash value of an owner-occupied dwelling, but this exemption does not result in any loss of revenue to local agencies since an amount equivalent to the taxes which would have been payable on such exempt values is paid by the State.

The following table summarizes the taxable valuation of the City by tax roll for the last ten Fiscal Years.

#### CITY OF OROVILLE ASSESSED AND ESTIMATED ACTUAL VALUES OF TAXABLE PROPERTY<sup>(1)</sup> (Amounts Expressed In Thousands)

<i>Fiscal Year</i>	<i>Secured Roll</i>	<i>Unsecured Roll</i>	<i>Utility</i>	<i>Total</i>	<i>Percentage Increase (Decrease)</i>
2014-15	\$914,062,374	\$148,183,992	\$2,179,033	\$1,064,425,399	1.9%
2013-14	902,047,042	140,852,925	1,200,189	1,044,100,156	1.9
2012-13	896,944,962	126,903,918	1,200,189	1,025,049,069	-1.9
2011-12	909,112,674	134,463,004	1,200,189	1,044,775,867	-1.9
2010-11	939,316,971	124,340,544	1,200,189	1,064,857,704	-

<sup>(1)</sup> All valuations shown are "full cash value," before deduction of State-reimbursed exemptions. Includes redevelopment increment valuation.

Source: Rosenow Spevacek Group, Inc.

#### GENERAL INFORMATION

##### Description

The City of Oroville is located on California Highway 70, in the foothills of the Sierra Nevada mountains, 68 miles north of Sacramento. It is the major trade, recreational and commerce center for a large

portion of Butte County. Oroville was founded as a gold mining camp in the late 1840's. The City was incorporated in 1906. Agriculture and light industry have characterized the City throughout its history. The City covers an area of approximately 13.1 square miles. There are approximately 15,980 inhabitants. The climate is seasonal with an average minimum temperature of 45 degrees, an average maximum temperature of 80 degrees and an average rainfall of 27.34 inches.

Municipal Government

The City operates as a charter city with a council-administrator form of government. The City Council consists of six members elected at large for four year overlapping terms. The Mayor is elected at large for a four year term. The City Administrator is appointed by the Council and is responsible for implementation of Council policies and for day-to-day operation of the City. Services provided by the City include: police protection, fire protection, building code enforcement, public works, park maintenance, planning and community development.

A full-time staff of 77 classified (authorized) and 14 exempt (authorized) employees carry out the functions of municipal government. City employees are represented by 5 labor relations bargaining units.

Population

The population of the City grew from 13,631 in 2004 to 15,980 in 2014, according to figures of the California State Department of Finance. This represents a 17.2% increase in population over the decade. Over the same time period the population of Butte County increased by 5.2%, from 211,419 to 222,316. The following table shows the population estimates in the City of Oroville, County of Butte and the state of California for years 2004 through 2014.

**POPULATION ESTIMATES  
City of Oroville, County of Butte and State of California  
2004-2014**

<u>Year<sup>(1)</sup></u>	<u>City of Oroville</u>	<u>County of Butte</u>	<u>State of California</u>
2004	13,631	211,419	35,570,847
2005	13,762	212,955	35,869,173
2006	13,961	214,690	36,116,202
2007	14,998	216,401	36,399,676
2008	15,063	217,801	36,704,375
2009	15,377	218,887	36,966,713
2010	15,529	219,967	37,253,956
2011	15,512	220,465	37,427,946
2012	15,493	220,252	37,668,804
2013	15,953	221,127	37,984,138
2014	15,980	222,316	38,340,074

<sup>(1)</sup> January 1 data.

Source: State of California, Department of Finance, E-4 Population Estimates for Cities, Counties and State, 2001-2010, with 2000 & 2010 Census Counts, Sacramento, California, November 2012 and E-4 Population Estimates for Cities, Counties and State, 2011-2014, with 2010 Benchmark, Sacramento, California, May 2014.

Construction

In addition to annual building permit valuations, the numbers of permits for new dwelling units issued each year from 2009 through 2013 are shown in the following tables for the City.

**BUILDING PERMIT VALUATIONS**  
**City of Oroville**  
**2011-2013**

	<u>2011</u>	<u>2012</u>	<u>2013</u>
Valuation (\$000's)			
Residential	\$8,034	\$ 775	\$7,526
Non-Residential	<u>5,512</u>	<u>8,812</u>	<u>7,817</u>
Total	\$13,546	\$9,587	\$15,343
Units			
Single Family	1	0	7
Multiple Family	<u>51</u>	<u>0</u>	<u>49</u>
Total	<u>52</u>	<u>0</u>	<u>56</u>

Note: Totals may not add to sum because of rounding.  
Source: Construction Industry Research Board.

Industry and Employment

Government, medical, retail and food processing are major sectors of employment in the City. The following table sets forth the principal employers located in the City.

**LARGEST EMPLOYERS**  
**City of Oroville**  
**2014**

<u>Employer</u>	<u>Number Employed</u>	<u>Percentage of Total Employment</u>
County of Butte	2,395	28.2%
Oroville Medical Complex	1,292	15.2
Pacific Coast Producers	1,181	19.9
Wal Mart Stores, Inc,	297	3.5
Graphic Packaging International	246	2.9
Ammunition Accessories	163	1.9
Roplast Industries, Inc.	135	1.6
Home Depot USA	120	1.4
City of Oroville	100	1.2
Currier Square Spe LLC	98	1.2
Marshalls	40	0.5

Source: City of Oroville 'Comprehensive Annual Financial Report' for the year ending June 30, 2014.

The following table summarizes the labor force, employment and unemployment figures over the past five years for the City, County and State.

**CIVILIAN LABOR FORCE, EMPLOYMENT AND UNEMPLOYMENT RATE**  
**City of Oroville, County of Butte and the State of California**  
**2009-2013<sup>(1)</sup>**

<u>Year and Area</u>	<u>Labor Force</u>	<u>Employment<sup>(2)</sup></u>	<u>Unemployment<sup>(3)</sup></u>	<u>Unemployment Rate<sup>(4)</sup></u>
<b>2009</b>				
City of Oroville	5,500	4,600	1,000	17.5%
Butte County	103,900	90,800	13,000	12.5
State of California	18,220,100	16,155,000	2,065,100	11.3
<b>2010</b>				
City of Oroville	5,600	4,500	1,100	19.1
Butte County	104,600	90,100	14,400	13.8
State of California	18,336,300	16,068,400	2,267,900	12.4
<b>2011</b>				
City of Oroville	5,500	4,500	1,000	18.8
Butte County	102,500	88,600	13,900	13.6
State of California	18,417,900	16,249,600	2,168,300	11.8
<b>2012</b>				
City of Oroville	5,500	4,600	900	16.8
Butte County	102,900	90,600	12,300	12.0
State of California	18,519,000	16,589,700	1,929,300	10.4
<b>2013</b>				
City of Oroville	5,500	4,700	800	14.2
Butte County	103,700	93,300	10,400	10.0
State of California	18,596,800	16,933,300	1,663,500	8.9

<sup>(1)</sup> Data is based on annual averages, unless otherwise specified, and is not seasonally adjusted.

<sup>(2)</sup> Includes persons involved in labor-management trade disputes.

<sup>(3)</sup> Includes all persons without jobs who are actively seeking work.

<sup>(4)</sup> The unemployment rate is computed from un-rounded data; therefore, it may differ from rates computed from rounded figures in this table.

Source: U.S. Department of Labor – Bureau of Labor Statistics, California Employment Development Department. March 2013 Benchmark.

The following table summarizes the average annual industry employment in the County from 2009 through 2013. [Is this for Chico MSA or all of Butte County?]

**LABOR FORCE AND INDUSTRY EMPLOYMENT ANNUAL AVERAGES**

**Chico MSA  
(Butte County)  
2009-2013**

<u>Type of Employment</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Total Farm	2,700	2,800	2,700	2,800	2,900
Mining, Logging and Construction	2,600	2,400	2,300	2,400	2,800
Manufacturing	3,600	3,700	3,700	3,900	4,000
Transportation, Warehousing & Utilities	1,800	1,600	48,500	53,000	54,600
Wholesale Trade	1,800	1,700	1,800	1,800	1,700
Retail Trade	9,300	9,400	9,200	9,500	9,700
Information	1,100	1,000	1,100	1,100	1,000
Financial Activities	3,100	3,100	3,000	2,800	2,800
Professional and Business Services	4,800	4,900	5,100	5,700	6,200
Education and Health Services	15,000	15,100	14,800	15,200	16,800
Leisure and Hospitality	7,300	7,100	7,200	7,400	7,800
Other Services	3,500	3,600	3,700	3,700	3,700
Government	<u>17,300</u>	<u>16,900</u>	<u>15,700</u>	<u>15,200</u>	<u>15,500</u>
Total	73,700	73,300	71,800	73,600	77,000

Note: Items may not add to total due to independent rounding.

Source: California Employment Development Department, Labor Market Information Division. March 2013 Benchmark.

### Commerce

The City serves as a major commercial and marketing center for a large portion of Butte County. A summary of taxable sales within the City for years 2007 through 2013 are shown in the following tables.

**CITY OF OROVILLE  
TAXABLE TRANSACTIONS  
(Taxable Transactions in Thousands of Dollars)  
2007 – 2013<sup>(1)</sup>**

<i>Year</i>	<i>Number of Outlets</i>	<i>Taxable Transactions</i>
2007	695	322,945
2008	702	318,492
2009	646	279,280
2010	649	288,191
2011	665	314,221
2012	682	321,069
2013 <sup>(1)</sup>	693	251,595

<sup>(1)</sup> Through third quarter.  
Source: State Board of Equalization

### Transportation

The City is located on California Highway 70, which intersects with U.S. Highway 99 five miles west of the City. U.S. Highway 99 is a principal north-south transportation artery in northern California.

The City is served by Southern Pacific and Union Pacific mainlines for rail transportation and Greyhound for bus service. Seven major truck companies serve the City with overnight deliveries to Sacramento, Reno, San Francisco and Los Angeles.

### Utilities

Electricity and natural gas is supplied by Pacific Gas and Electric Company. Sewer service is provided by the Oroville Regional Sewer Commission and water is supplied by three service providers depending upon the area of the City; California Water Service Company; South Feather Power & Water; and Thermalito Irrigation District. Telephone service is provided by AT&T.

### Community Services

The City is adjacent to the Lake Oroville State Recreation Area. Lake Oroville, with 15,000 surface acres and 167 miles of shoreline, offers year-round trout and bass fishing, boating, water skiing and camping. There are two colleges within 25 miles of the City. There is a 153 bed hospital located in the City.

**APPENDIX B**  
**DEFINITIONS**

**APPENDIX C**  
**FORMS OF BOND COUNSEL OPINIONS**

## APPENDIX D

### BOOK-ENTRY ONLY SYSTEM

The information in this Appendix D concerning The Depository Trust Company (“DTC”), New York, New York, and DTC’s book-entry system has been obtained from DTC and the Agency takes no responsibility for the completeness or accuracy thereof. The Agency cannot and does not give any assurances that DTC, DTC Participants or Indirect Participants will distribute to the Beneficial Owners (a) payments of interest, principal or premium, if any, with respect to the Bonds, (b) certificates representing ownership interest in or other confirmation or ownership interest in the Bonds, or (c) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the Bonds, or that they will so do on a timely basis, or that DTC, DTC Participants or DTC Indirect Participants will act in the manner described in this Appendix. The current “Rules” applicable to DTC are on file with the Securities and Exchange Commission and the current “Procedures” of DTC to be followed in dealing with DTC Participants are on file with DTC.

The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bond (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the

Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Agency as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal, premium (if any), and interest payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Agency or the Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee, or the Agency, subject to any statutory or regulatory requirements as may be in effect from time to time. Principal, premium (if any), and interest payments with respect to the Bonds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Agency or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the Agency or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, certificates representing the Bonds are required to be printed and delivered.

The Agency may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, representing the Bonds will be printed and delivered to DTC in accordance with the provisions of the Indenture.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Agency believes to be reliable, but the Agency takes no responsibility for the accuracy thereof.

**APPENDIX E**  
**FORM OF CONTINUING DISCLOSURE AGREEMENT**

**APPENDIX F**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR FISCAL YEAR ENDED JUNE 30, 2014**

**APPENDIX G**  
**FISCAL CONSULTANT'S REPORT**

**APPENDIX H**  
**DOF DETERMINATION LETTER**

**APPENDIX I**  
**SPECIMEN MUNICIPAL BOND INSURANCE POLICY**



California Region  
3055 Comcast Place  
Livermore, CA 94551-9559

February 18, 2015

Mr. Randy Murphy  
City of Oroville  
1735 Montgomery  
Oroville, CA. 95965

City of Oroville  
FEB 24 2015  
Administration

Dear Mr. Randy Murphy:

As we usher in the New Year, we wanted to take a moment to connect with you as part of our efforts to ensure that you and your constituents have current contact information for Comcast as it relates to the City's needs as well as share some of the ways Comcast is investing in broadband access and digital literacy across California.

As a technology and entertainment company, we see broadband access and digital literacy as critical to our nation's progress. Nowhere is this more relevant than here in California.

Over the past three years, we have connected more than 350,000 families, or more than 1.4 million Americans, to the power of the internet in their homes through our Internet Essentials program. Comcast, via [Internet Essentials](#), is the only company with a comprehensive, nationwide program to address the digital divide by offering low-cost, high-speed internet service to the home, access to affordable computers and training to low-income students and families.

Comcast has invested more than \$200 million in cash and in-kind support and sold nearly 30,000 subsidized computers at less than \$150 each to help close the digital divide, reaching more than 1.75 million people through the program's non-profit digital literacy partners.

To have helped that many people in three years is something we're very proud of, but we didn't do it alone. We had a lot of help from thousands of community partners at the local level, as well as some nationally, who have seen first-hand how this program benefits families and have volunteered to help us spread the word.

We have been and remain committed to working and partnering with you and other stakeholders in your community to directly address these issues and expand participation in Internet Essentials.

As your local Government Affairs Director, please feel free to contact me using the contact information below regarding any inquires including Internet Essentials, escalated customer concerns or other matters as they relate to the City.

Philip Arndt  
Director of Government Affairs, Sacramento Metro/North Valley  
1242 National Drive, Sacramento, CA. 95834  
(916) 830-6796  
[Philip\\_Arndt@cable.comcast.com](mailto:Philip_Arndt@cable.comcast.com)

For any issues related to franchise compliance matters, escalated customer concerns, indemnification and surety documents, and PEG & Franchise Fee inquiries, please feel free to contact either of following representatives:

Lee-Ann Peling  
Director of Franchise Operations, California  
3055 Comcast Place, #B  
Livermore, CA. 94551  
(925) 424-0168 office  
LeeAnn\_Peling@cable.comcast.com

Mitzi Givens-Russell  
Manager of Franchise Operations, California  
3055 Comcast Place, #B  
Livermore, CA. 94551  
(925) 424-0207 office  
Mitzi\_Givens-Russell@cable.comcast.com

At Comcast, we continue to put our customers and communities at the heart of everything we do and aim to make every interaction excellent. We look forward to working with you and wish you a happy and healthy 2015!

Very Truly Yours,

A handwritten signature in black ink, appearing to read "Philip Arndt". The signature is fluid and cursive, with a long horizontal stroke at the end.

Philip Arndt  
Director of Government Affairs  
Sacramento Metro/North Valley