



Willows City Council Regular Meeting

April 23, 2019
Willows City Hall
7:00 p.m.

Agenda

201 North Lassen Street
Willows, CA 95988
(530) 934-7041

City Council
Gary Hansen, Mayor
Kerri Warren, Vice Mayor
Lawrence Mello, Council Member
Joe Flesher, Council Member
Larry Domenighini, Council Member

Interim City Manager
Wayne Peabody

City Clerk
Tara Rustenhoven

1. **CALL TO ORDER- 7:00 p.m.**
2. **PLEDGE OF ALLEGIANCE**
3. **ROLL CALL**
4. **CEREMONIAL MATTERS (Proclamations, Recognitions, Awards)**
 - a. Reading of Memorial Day Proclamation of the City of Willows.
 - b. Reading of a Proclamation declaring the month of May as "Poppy Month"
5. **PUBLIC COMMENT/WRITTEN COMMUNICATIONS**
 - a. **Public Comments:**

Members of the public wishing to address the Council on any item(s) not on the agenda may do so at this time when recognized by the Mayor/Vice Mayor; however, no formal action will be taken unless a majority consensus of the Council directs staff to place the item on a future agenda. Public is advised to limit discussion to one presentation per individual. While not required, please state your name and address for the record. (Oral communications will be limited to three minutes)
6. **SCHEDULED PUBLIC AND/OR STAFF PRESENTATIONS**
 - a. **Mardy Thomas Glenn County Principal Planner and Alta Planning and Design):
Glenn County Active Transportation Plan**
7. **CONSENT AGENDA**

Consent items are considered to be routine by the City Council and will be enacted in one motion. There will be no separate discussion on these items unless a Council Member requests, in which event the item will be removed from the consent agenda. It is recommended that the Council:

 - a. **Approval of general checking, & direct deposit check registers (36769-36825, Z09886-Z09887)**
 - b. **Approval of minutes of the Regular City Council Meeting held on February 26, 2019.**
 - c. **Approval of minutes of the Regular City Council Meeting held on March 12, 2019.**

Comments from the public are welcome. The Mayor will allow an opportunity for comments related to Public Hearings and each action item on the agenda. Please limit comments to three minutes per topic, and one comment per person per topic. Once comments conclude, please allow the Council the opportunity to continue its consideration of the item without interruption.

8. REGULAR BUSINESS AGENDA/ITEMS REQUIRING COUNCIL ACTION

- a. Receive the Preliminary Annual Engineer's Report as prepared by Coastland Civil Engineering; adopt the Resolution of Intension to levy and collect assessments; and set the times and dated of the required public information meeting and the required public protest hearing for the City of Willows Landscaping and Lighting Assessment District.
 - I. **A RESOLUTION OF INTENTION TO LEVY AND COLLECT ANNUAL ASSESSMENTS, PRELIMINARY APPROVING THE ENGINEER'S REPORT FOR FY 2019-20 FOR THE CITY OF WILLOWS LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT AND SETTING THE TIMES AND DATED OF THE PUBLIC INFORMATION MEETING AND THE PUBLIC HEARING (PURSUANT TO THE LANDSCAPING AND LIGHTING ACT OF 1972).**

- b. Adopt a resolution declaring weeds, rubbish, refuse, and dirt public nuisances, approve the attached Weed and Rubbish Abatement Schedule for the 2019 fire season.
 - I. **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WILLOWS DECLARING PUBLIC NUISANCES.**

- c. By motion, Accept the Proposal for General Plan Update Submitted By De Novo Planning Group and Direct the Interim CM to Negotiate a Contract for Services.

- d. By Consensus, Confirm Date and Time for the Budget Workshop be Set for the Week of May 28 (Monday, May 27 is Memorial Day).

- e. By motion, Accept the Cold Storage Feasibility and Business Case Development Analysis Study.

- f. By Resolution, Authorizing Application for and Receipt of SB2 Planning and Grants Program Funds and Direct Staff to Commence the Process.
 - I. **A RESOLUTION OF THE CITY COUNCIL OF WILLOWS, AUTHORIZING APPLICATION FOR, AND RECEIPT OF SB 2 PLANNING GRANTS PROGRAM FUNDS.**

- e. By Resolution, Agree to a Municipal Lease and Option Agreement with NEC and Authorize the Administrative Services Director to Negotiate and Sign Said Lease.

**I. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WILLOWS
AGREEING TO A MUNICIPAL LEASE AND OPTION AGREEMENT WITH
NEC AND AUTHORIZE THE ADMINSTRATIVE SERVICES DIRECTOR
NEGOTIATE AND SIGN SAID LEASE.**

9. COUNCIL/ STAFF REPORTS/COMMENTS

- a. Staff Reports/Comments:
- b. Council Reports/Comments:

10. ADJOURNMENT

This agenda was posted on April 18, 2019



Tara Rustenhoven, City Clerk

A complete agenda packet, including staff reports and back-up information, is available for public inspection during normal work hours at City Hall or the Willows Public Library at 201 North Lassen Street in Willows or on the City's website at www.cityofwillows.org.

In compliance with the Americans with Disabilities Act, the City of Willows will make available to members of the public any special assistance necessary to participate in this meeting. The public should contact the City Clerk's office at 934-7041 to make such a request. Notification 72 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

The City of Willows is an Equal Opportunity Provider



CEREMONIAL MATTERS

City of Willows

Memorial Day *Proclamation*

WHEREAS, Memorial Day each year serves as a solemn reminder of the scourge of war and its bitter aftermath of sorrow; and

WHEREAS, this day has traditionally been devoted to paying homage to loved ones who lie in hallowed graves throughout the land, having sacrificed their lives that war might end; and

WHEREAS, in tribute to these silent dead it is fitting that we lift up our voices together in supplication to Almighty God for wisdom in our search for enduring peace; and

WHEREAS, the Congress, in a joint resolution approved May 11, 1950, provided that Memorial Day should be set aside as a day of prayer for permanent peace; and

WHEREAS, Today, and every day, let us remember the servicemen and women we have lost and let us honor them by rededicating ourselves to strengthening our Nation's promise. With love, grace, and reflection, let us honor our fallen fellow Americans, known and unknown, who sacrificed their freedom to ensure our own.

NOW, THEREFORE, I, Gary Hansen, Mayor of the City of Willows, do hereby proclaim Memorial Day, Monday, May 27, 2019, as day of City-wide prayer for permanent peace.

In commemoration of this event, urge all citizens to join together in their homes, places of work and places of worship to pray for the permanent peace and to continue to pray for our city, our state and our nation.

IN WITNESS WHEREOF, I have hereunto set my hand and caused to be affixed the official seal of the City of Willows, Glenn County, California, this 23th day of April, 2019.

Gary Hansen, Mayor





City of Willows Proclamation

DECLARING THE MONTH OF MAY, AS "POPPY MONTH"

***WHEREAS**, America is the land of freedom, preserved and protected willingly and freely by citizen soldiers; and*

***WHEREAS**, millions who have answered the call to arms have died on the field of battle; and*

***WHEREAS**, a nation that is at war must be reminded of the price of war and the debt owed to those who have died in war; and*

***WHEREAS**, the red poppy has been designated as a symbol of the sacrifice of all the lives lost in all of the wars; and*

***WHEREAS**, the American Legion Auxiliary, for ninety seven years, has pledged to remind America annually of this debt through the distribution of the memorial poppy; and*

***WHEREAS**, proceeds from the distribution of over 25 Million poppies annually under the guidance of the American Legion Auxiliary amount to more than \$2,000,000, every penny of which is devoted to Veterans Affairs;*

***NOW THEREFORE**, I, Gary Hansen, Mayor of the City of Willows, and on behalf of the entire Willows City Council, do hereby proclaim the month of May, 2019, as "POPPY MONTH" and ask that all citizens pay special tribute to those who have made the ultimate sacrifice in the name of freedom by wearing the Memorial Poppy during the month of May.*

IN WITNESS WHEREOF, I have hereunto set my hand and caused to be affixed the official seal of the City of Willows, Glenn County, California, this 23rd day of April, 2019.

Gary Hansen, Mayor



**SCHEDULED PUBLIC
AND/OR STAFF
PRESENTATIONS**

GLENN COUNTY TRANSPORTATION COMMISSION

Bruce Roundy, City of Orland, Chairman
Gary Hansen, City of Willows, Vice-Chair
Salina Edwards, City of Orland
John Viegas, County of Glenn
Paul Barr, County of Glenn
Rick Beale, County of Glenn
Joel Flesher, City of Willows (Alternate)
(Vacant), County of Glenn (Alternate)

P.O. Box 1070
777 N. Colusa Street
Willows, California 95988

Mohammad Qureshi, PE,
Executive Director

(530) 934-6530
FAX (530) 934-6533

DATE: April 15, 2019

TO: Willows City Council

From: Glenn County Transportation Commission

RE: Unmet Needs and Needs that are Reasonable to meet

Attachments:

- Unmet Transit Needs Pages A-B
- Reasonable to Meet 2019/2020 Page C
- Glenn Ride ridership July 2016-March 2019
- Dial-A-Ride ridership, Orland and Willows, July 2016-March 2019

The *Transportation Development Act (TDA), Statutes and Administrative Code of Regulations*, requires specific actions on the part of local transportation planning agencies such as the Glenn County Transportation Commission (GCTC). One of these requirements (Section 99401.5) is that the Local Transportation Commission (LTC) explicitly define the phrases "Unmet Transit Needs" and "Needs that are Reasonable to Meet" in terms of local conditions, and that these definitions be documented by resolution or within the agency's minutes. Definitions have been developed to both comply with legislative mandates and be responsive to actual community need within the TDA funding guidelines.

Under TDA direction (Section 99401.5 (c)), the LTC has the authority to identify the unmet transit needs of their jurisdiction and those needs that are considered reasonable to meet. GCTC staff has determined, through contacts with Caltrans representatives, that clear and comprehensive definitions are helpful in ensuring clarity in this annual process. With the above in mind, the following discussion is offered:

An Unmet Transit Need can be found to exist when there is any identifiable group within the population that has no dependable and/or affordable access to community employment, medical, commercial, public, or social services. Transit needs are not static--they can fluctuate with such variables as unemployment, population demographics, land use and circulation patterns, and variations in the local economy. Because of this, transportation needs are annually re-evaluated and revised as necessary.

An unmet transportation need (as opposed to a desire) has, for purposes of our definition, two components:

- 1) A trip destination that provides a necessity of life;

and

- 2) A physical or financial obstacle between the individual and the necessary destination which the individual is unable to overcome.

Necessary trip purposes may be defined as follows:

- a) to obtain or maintain employment;
- b) to obtain non-emergency medical and/or dental care;
- c) shopping for necessities of life;
- d) to obtain social services such as health care, government funded nutrition programs, sheltered workshops teaching employable skills, County welfare programs, and education programs for physically and/or mentally handicapped individuals;
- e) to obtain education; or
- f) for the maintenance of life, health, physical and mental well-being

The population groups with the greatest inferred needs are the very young, the handicapped, the economically disadvantaged, and the elderly. There may be considerable overlap among these groups; for instance, many of the elderly may be both economically disadvantaged and handicapped. However, it is not to be implied that all, or even most of these people are transportation-disadvantaged. The aspects described simply identify sub-groups of the population that may tend to contain a disproportionately large number of people with transportation difficulties (in contrast to the general population).

An identified transportation need can be reasonably met by determining whether or not a transportation service can meet established need and meet the criteria found in the Transportation Development Act. This requires a cost-benefit analysis and feasibility study of alternative transit systems compared with existing service, level of performance, and cost. In any event, the cost of any transit system cannot exceed the apportionment for the jurisdiction providing or supporting the service.

Attached are definitions of "Unmet Transit Needs" and "Needs that are Reasonable to Meet." Also attached are ridership figures for Glenn Transit Service's Glenn Ride and Dial-A-Ride service.

Glenn Ride is a public transit program that provides transportation services to the general public with no qualifications except payment of fare. Glenn Ride has been in operation since August 1998 and has experienced fairly consistent ridership growth. Ridership has grown 203% since Glenn Ride's inception and the program continues to meet its required 10% fare box return as mandated by the Transportation Development Act. Ridership is 3.4% higher for July 2018-March 2019 compared to the same time frame as last fiscal year. This service allows riders to connect with public transit in Tehama and Butte counties.

Glenn Transit also operates a specialized paratransit program known as Dial-A-Ride. The program operates within 1-1/2 mile radius of the respective city halls of Orland and Willows and to the Cannella/Huggins Drives area, Leisure Mobile Home Park, east of Orland, and the Willows Mobile Home

Park, west of Willows. Individuals qualifying are those: 60 years of age and older, permanently disabled, low income social service assisted or low income non-social service assisted. Transportation is door-to-door to each requested destination. The ridership for this program in the City of Orland averages 75 persons per month and 98 persons per month in the City of Willows.

Glenn Transit also provides non-emergency medical transportation to qualifying Glenn County residents. Volunteer drivers from the community provide transportation to individuals for medical appointments. Qualifying individuals are those: 60 years of age and older, permanently disabled, low income social service assisted or low income non-social service assisted. The Volunteer Medical Transportation is the program servicing this need.

The GCTC has requested this time and advertised this meeting as an opportunity for residents in the community to provide input on transit needs within the Glenn County Region.

I. UNMET TRANSIT NEEDS 2019-2020

For the purposes of allocating Transportation Development Act funds, an "Unmet Transit Need" is hereby recognized by the Glenn County Transportation Commission (GCTC) if any one or combination of the following criteria is found to exist:

1. Transportation needs identified by the GCTC which are desirable, but have not yet been implemented or addressed.
2. Transportation needs identified by the GCTC which have significant support, but have not yet been implemented or addressed.
3. Transportation needs identified through the public hearing process, whether delivered in writing or public testimony.
4. Those transit needs which, through transit needs studies or other methods approved by the Commission, are included by the Commission in the Regional Transportation Plan for Glenn County and have been designated a high need to be implemented or funded.

The above criteria for determining "Unmet Transit Needs" is further supplemented by the following guidelines:

1. A population group must have been defined and located which, by reason of age, physical or mental impairment, economic disadvantage, or a combination of these, has no reliable or accessible transportation for necessary trips. The size and location of the group must be such that the feasibility of providing service shall meet the criteria as defined as reasonable to meet.
2. Transit needs are to be determined in light of the following definition of "Necessary trips":
 - A. A trip destination that provides a necessity of life, and presence of a physical or financial obstacle between the individual and the necessary designation, which the individual is unable to overcome. Necessary trip purposes may be defined as follows:
 - a) to obtain or maintain employment;
 - b) to obtain non-emergency medical and/or dental care;
 - c) shopping for necessities of life;
 - d) to obtain social services such as health care, government funded nutrition programs, sheltered workshops teaching employable skills, County welfare programs, and education programs for physically and/or mentally handicapped individuals;
 - e) to obtain education; and

f) for the maintenance of life, health, physical and mental well-being.

3. Unmet transit needs specifically exclude:

- A. Trips for social events, recreational, or religious purposes are not considered as necessary. It shall be the policy of the GCTC, however, to serve these desires if they can be served concurrently within the limits of other defined "transit needs".
- B. Individuals requiring the assistance of a medical attendant (in addition to the vehicle driver) are not considered as needing a transportation service and shall be deemed to be more properly served by a medical emergency vehicle.
- C. Trips of less than one mile in length made by individuals who are not elderly or disabled are not considered as "transit needs". An able-bodied person can walk this distance in a reasonable amount of time without undue physical strain. Provisions for the elderly and disabled are made through the existing dial-a-ride/paratransit system.
- D. Minor operational improvements or changes, involving issues such as bus stops, schedules, and minor route changes.
- E. Improvements funded or scheduled for implementation in the following fiscal year.
- F. Future transportation needs.
- G. Trips that would duplicate transportation services to the general public.

II. REASONABLE TO MEET 2019/2020

An "Unmet Transit Need" identified under the above criteria and guidelines, as it pertains to the allocation of Transportation Development Act funds, may be found "Reasonable to Meet" only if the following conditions and standards of performance prevail:

Cost Effectiveness: 1) The new, expanded or revised transit service would not cause the responsible operator or service claimant to incur expenses in excess of the maximum allocation of Transportation Development Act Funds. 2) The new expanded or revised transit service would allow the responsible operator or service claimant to meet minimum state subsidy fare box and revenue ratios.

Community Acceptance: A significant level of support exists for the public subsidy of transit service designed to address the unmet transit need in Glenn County including, but not limited to, support from public groups and community meetings reflecting a public commitment to public transit.

Equity: The new, expanded or revised transit service is needed by, and will benefit, either the general public or the elderly and disabled population as a whole. Transit service cannot be provided for a specific subset of these groups.

Operational Feasibility: The new, expanded, or revised transit service must be safe to operate and there must be adequate roadways and turnouts for transit vehicles.

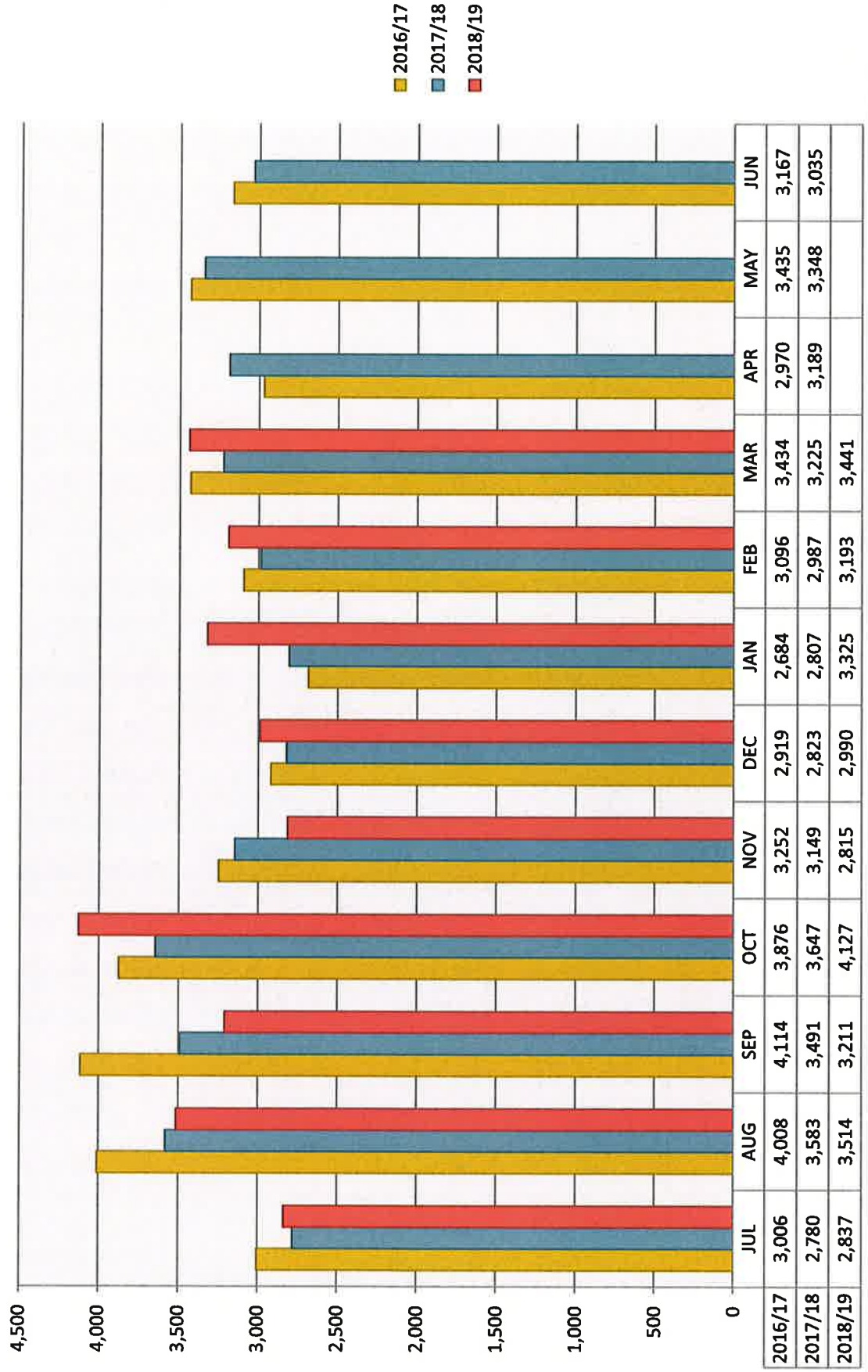
Financial Feasibility: 1) Supporting data indicates a sufficient ridership potential exists for the new, expanded or revised transit service. 2) Potential providers are available to implement the service.

ADA Conformity: The new, expanded, or revised transit service, conforming to the requirements of the American with Disabilities Act, will not impose an undue financial burden on the transit operator or claimant if complementary paratransit services are subsequently required.

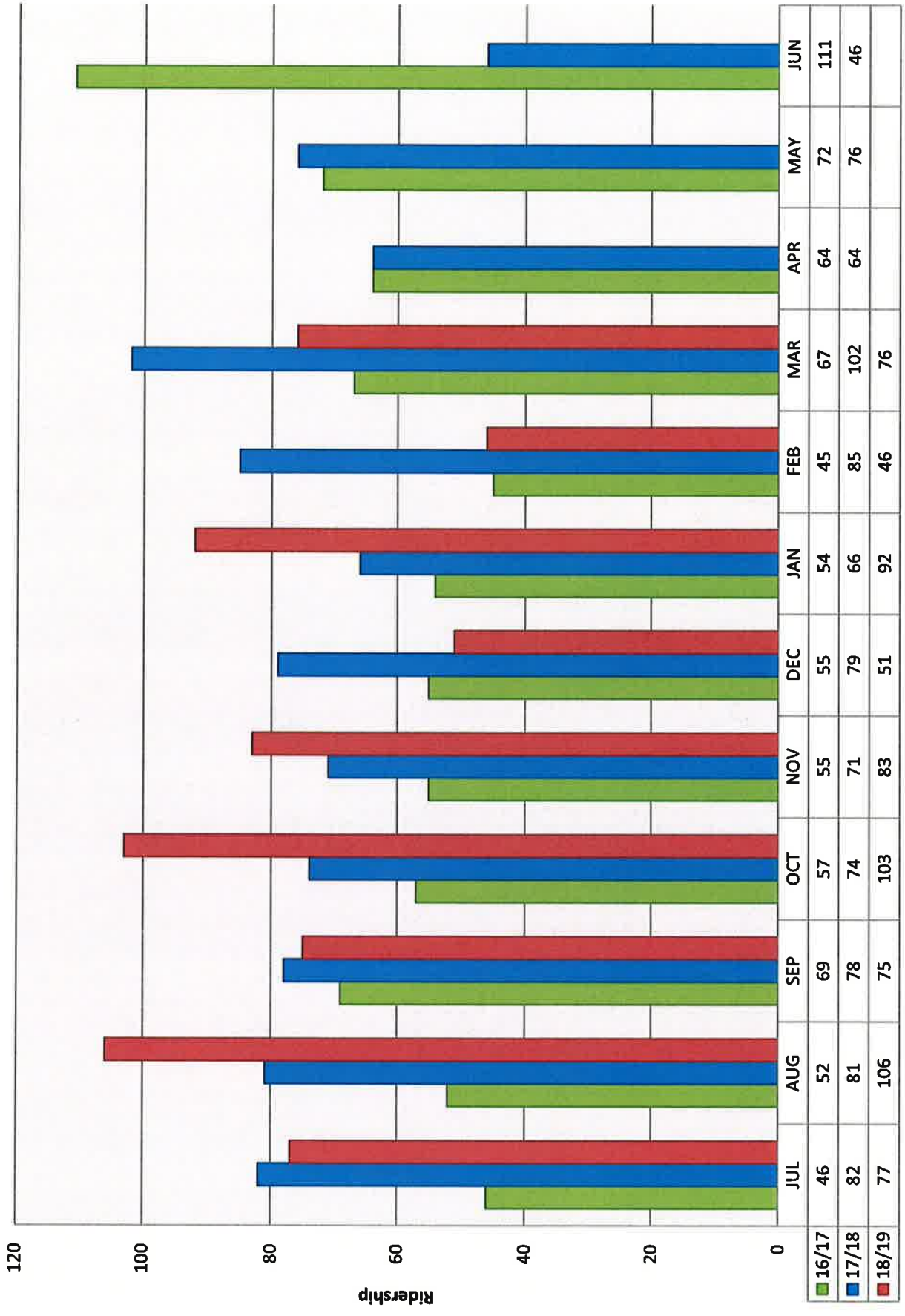
System Impact: The new, expanded, or revised transit service will not result in a negative impact on the overall system's measures of efficiency and effectiveness, such as average passenger load per hour, average cost per passenger per hour, passengers per mile, cost per mile, and cost per hour.

Impact Limits: 1) Transit services designed or intended to address an unmet transit need shall, in all cases, provide coordination efforts with transit services currently provided, either publicly or privately, and transit services shall not duplicate services currently or hereafter provided either publicly or privately. 2) No transit need shall be determined reasonable to meet until it has been reviewed and evaluated to the satisfaction of and obtained subsequent approval from the Glenn County Transportation Commission.

GLENN RIDE RIDERSHIP



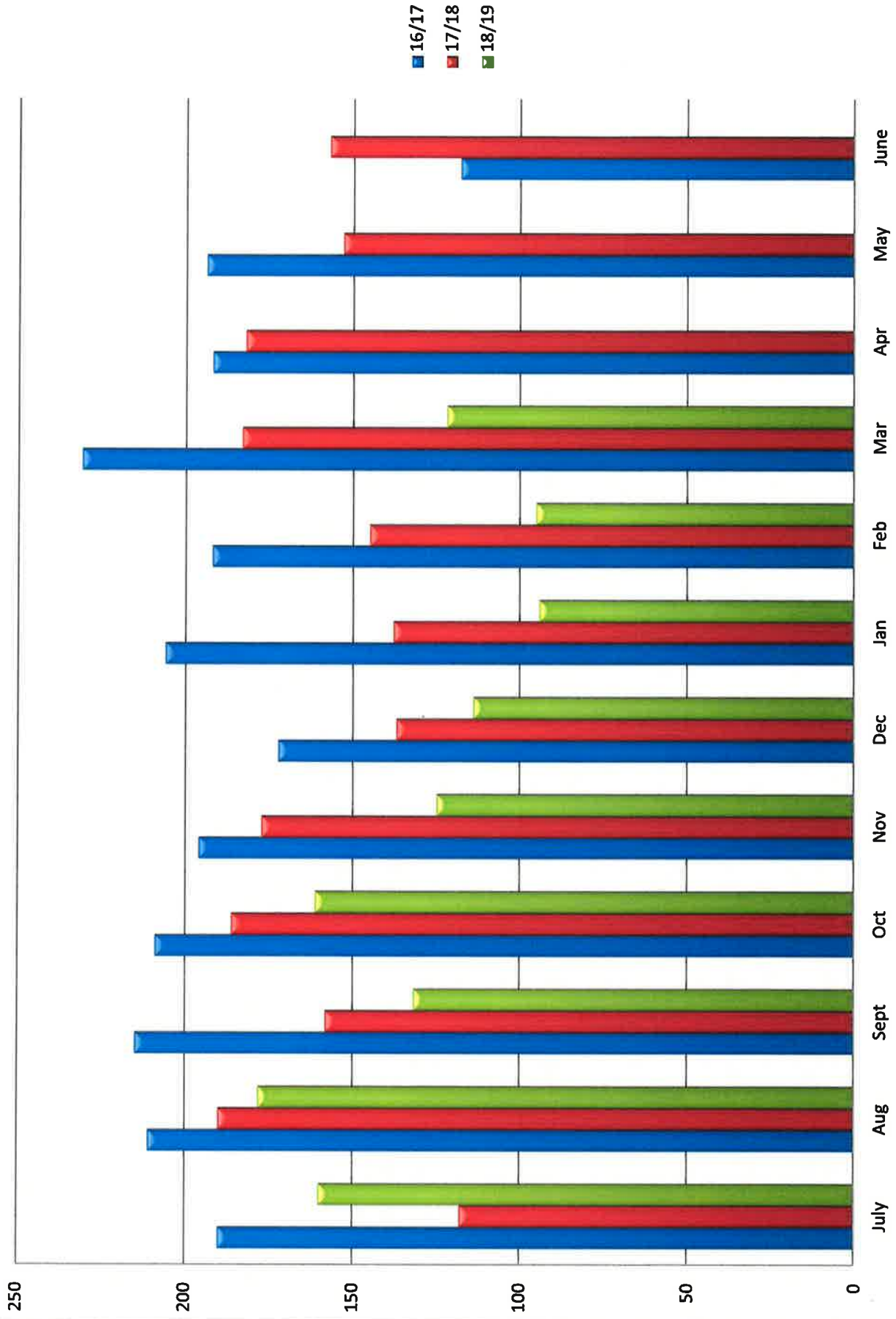
Orland Dial-A-Ride Ridership



Willows Dial-A-Ride Ridership



Volunteer Transportation Ridership



PROOF OF PUBLICATION

No. 3707

In the Matter of

Glenn County Planning & Development Dept.

Public Hearings

Unmet Transit Needs

State of California)
County of Glenn) ss

The undersigned resident of the County of Glenn,
State of California, says:

That I am, and at all time herein mentioned was
a citizen of the United States and not a party to
nor interested in the above entitled matter; that I
am the principal clerk of the publisher of:

The Sacramento Valley Mirror

That said newspaper is one of general circulation
as defined by Section 6000 Government Code of
the State of California, Case No. 27,207 by the
Superior Court of the State of California, in and
for the County of Glenn, Case #02CV00614; that
said newspaper at all times herein mentioned was
published twice a week (on Wednesdays and
Saturdays) in the town of Willows and County of
Glenn; that the notice of which the annexed is a
true printed copy, was published in said news-
paper on the following days:

March 30, 2019

I certify (or declare), under penalty of perjury, that
the foregoing is true and correct, at the County
of Glenn, Willows, California.

April 3, 2019

Date _____
at Willows, California.



Tim Crews, Publisher

LEGAL NOTICE NOTICE OF PUBLIC HEARING

Notice is hereby given that the, GLENN COUNTY TRANSPORTATION COMMISSION staff, in concert with the following agencies, will conduct **Unmet Transit/Transportation Needs Public Hearings** to receive public input that will assist the Commission in identifying Unmet Transit/Transportation needs that may exist in Glenn County. A Spanish Language interpreter will be available for the public hearings. Please note the following schedule of meetings and locations:

Hearing Body	Location	Date and Time
Willows City Council	Council Chambers Willows City Hall 201 N. Lassen, Willows	Tuesday April 23, 2019 At 7:00 p.m.
Orland City Council	Council Chambers Carnegie Center 912 Third Street, Orland	Monday May 6, 2019 At 7:00 p.m.
Glenn County Board of Supervisors	Supervisors Chambers Glenn County Memorial Hall 525 West Sycamore Street Willows, CA 95988	Tuesday April 30, 2019 At 9:15 a.m.
Transportation Commission	Supervisors Chambers Glenn County Memorial Hall 525 West Sycamore Street Willows, CA 95988	Thursday May 16, 2019, At 9:00 a.m.

If you are unable to attend the scheduled meetings, please mail your comments to the Glenn County Transportation Commission, P.O. Box 1070, Willows, CA 95988 or FAX comments to (530) 934-6533 or e-mail comments to transit@countyofglenn.net by Wednesday, May 15, 2019. Please describe in detail the transportation service need.

The meeting rooms are wheelchair accessible and disabled parking is available in front of the Willows City Hall, Glenn County Memorial Hall and on Mill Street, north side of the Carnegie Center in Orland. Individuals who require special accommodations (American Sign Language interpreter, accessible seating, documentation in alternate forms, etc.) are requested to contact the Glenn County Transportation Commission at (530) 934-6530 at least 14 days prior to the scheduled hearing date. TDD users may contact the California Relay Service TDD line at 1-800-735-2929 or Voice Line at 1-800-735-2922.

NOTICIA LEGAL NOTICIA DE AUDIENCIA PÚBLICA

Este aviso es para notificar que el personal de la COMISIÓN DE TRANSPORTACIÓN DEL CONDADO DE GLENN, en colaboración con las agencias siguientes, conducirá una **audiencia pública de las necesidades de Tránsito que no han sido correspondidas** para recibir la opinión del público que asistirá la Comisión en identificar las necesidades de Tránsito que no han sido correspondidas que puedan existir en el Condado de Glenn. Un intérprete de español estará disponible para la audiencia pública. Favor de anotar los horarios y lugares de las juntas:

Audiencia Pública	Lugar	Fecha y Horario
Willows City Council	Council Chambers Willows City Hall 201 N. Lassen St. Willows	Martes 23 Abril, 2019 a las 7:00 p.m.
Orland City Council	Council Chambers Carnegie Center 912 Third St., Orland	Lunes 6 Mayo, 2019, a las 7:00 p.m.
Glenn County Board of Supervisors	Supervisors Chambers Glenn County Memorial Hall 525 W. Sycamore Street Willows, CA 95988	Martes 30 Abril, 2019, a las 9:15 a.m.
Comisión de Transportación	Supervisors Chambers Glenn County Memorial Hall 525 W. Sycamore Street Willows, CA 95988	Jueves 16 Mayo, 2019 a las 9:00 a.m.

Si usted no puede asistir a las juntas, favor de enviarnos sus comentarios a la Comisión de Transportación del Condado de Glenn, P.O. Box 1070, Willows, CA 95988 o envíe sus comentarios por FAX al (530) 934-6713 o envíe sus comentarios por correo electrónico a transit@countyofglenn.net antes del Miércoles, 15 Mayo, 2019. Por favor describa en detalle la necesidad del servicio de transportación.

Los lugares donde se llevaran acabo las juntas son accesible a las sillas de ruedas y estacionamiento para incapacitados esta disponible en frente del Willows City Hall, Glenn County Memorial Hall y en la Mill Street, al lado del norte del Carnegie Center en Orland. Individuos que requieran comodidades especiales (interprete de señas, asientos accesibles, documentación de formas alternativas, etc.) se les pide que hablen a la Comisión de Transportación del Condado de Glenn al (530) 934-6530 por lo menos 14 días antes de la fecha de la junta. Usantes del TDD pueden hablar a la línea del TDD del Servicio del California Relay al 1-800-735-2929 o a la Línea de Voz al 1-800-735-2922.



CONSENT AGENDA



Period

4/6/2019 TO 4/17/2019

General Checking 36769 TO 36825

Payroll Direct Deposit Z09886 TO Z09887

Payroll Checks NA TO NA

APPROVAL DATE 4/23/2019

APPROVED _____

Check Number	Check Date	Vendor Number	Name	Gross Amount	Discount Amount	Net Amount	-----Payment Information----- Invoice #	Description
036769	04/06/19	AMR02	AMERIPRIDE UNIFORM SVCS.	689.05	.00	689.05	B90403	FEB/MAR STATEMENT PER ATT
036770	04/06/19	ATT01	A.T.& T.	591.31	.00	591.31	B90404	TELEPHONE EXP. 2/19-3/18/
036771	04/06/19	BAK06	BAKER & TAYLOR BOOKS	126.62	.00	126.62	401249001	NEW PRINT MAT. LIBRARY
036772	04/06/19	CAL18	CALIFORNIA BUILDING STAND	79.20	.00	79.20	B90403	BSF FEES JAN-MAR 2019
036773	04/06/19	COM16	COMCAST CABLE	145.93	.00	145.93	B90403	ADMIN INTERNET 3/29-4/28/
036774	04/06/19	DEP01	DEPT. OF CONSERVATION	202.22	.00	202.22	B90403	SMIP JAN-MAR 2019
036775	04/06/19	GAN01	GANDY-STALEY OIL CO.	2733.02	.00	2733.02	B90404	FUEL/CARDLOCK
036776	04/06/19	GLE53	GLENN GROUNDWATER AUTHORIT	4124.00	.00	4124.00	19GGA011	MEMBER FUNDING OBLIGATION
036777	04/06/19	GLE54	GLENN COUNTY BUILDING DEP	3878.34	.00	3878.34	4069	BUILDING INSPECTIONS JAN-
036778	04/06/19	HOD00	HODGES NURSERY & GIFTS	343.16	.00	343.16	5982C	TREES
036779	04/06/19	INK01	THE INKWELL	16.23	.00	16.23	2932	LABELS
036780	04/06/19	INT00	INTERSTATE OIL COMPANY	1293.33	.00	1293.33	310032962	ENGINE OIL
036781	04/06/19	ITF01	INDUSTRIAL TRUCK & FARM	356.65	.00	356.65	B90403	FEB/MAR STMT PER ATTACHED
036782	04/06/19	KIM00	KIMBALL MIDWEST	552.66	.00	552.66	7019415	NUTS/SCREWS/WASHERS
036783	04/06/19	KNI03	KNIFE RIVER CONSTRUCTION	189.88	.00	189.88	209765	WET PATCH
036784	04/06/19	LAN03	LANNIE'S SEPTIC TANK SERV	95.45	.00	95.45	20508	TOILET RENTAL
036785	04/06/19	MIR01	MIRACLE PLAYSYSTEMS INC	1331.62	.00	1331.62	F20190289	FLIPPO RIDER
036786	04/06/19	MJB01	MJB WELDING SUPPLY, INC.	38.00	.00	38.00	1244123	CYLINDER RENTAL
036787	04/06/19	NOR43	ACCESS	114.96	.00	114.96	7410655	SHREDDING SERVICES FEB/MA
036788	04/06/19	NSW00	NSWTS	100.00	.00	100.00	234	MONTHLY SERVICE CHARGE
036789	04/06/19	RAM01	RAMSEY'S GLASS	160.88	.00	160.88	16270	GOLF CART REPAIR
036790	04/06/19	SAF03	SAFETY TIRE SERVICE	60.00	.00	60.00	B90403	MARCH STMT PER ATTACHED
036791	04/06/19	SEV00	INFRAMARK, LLC	54219.41	.00	54219.41	39677	WILLOWS OPERATION APRIL 2
036792	04/06/19	SUC01	SUCCESS PRINTING	30.85	.00	30.85	5417	COPIES
				501.39	.00	501.39	5462	WEED ABATEMENT CARDS
			Check Total.....:	532.24	.00	532.24		
036793	04/06/19	SUN07	SUN LIFE FINANCIAL	2539.52	.00	2539.52	B90403	GAP PREMIUM 3/1-3/31/19
036794	04/06/19	TIM00	TIMIOS TITLE, A CALIFORNI	603.00	.00	603.00	146479	LITIGATION GUARANTEE
036795	04/06/19	USB02	US BANK	403.20	.00	403.20	381313634	EQUIP. LEASE 3/20-4/20/19
036796	04/06/19	USB04	U.S. BANK CORPORATE PAYME	5801.92	.00	5801.92	B90404	MARCH STMT PER ATTACHED
036797	04/06/19	VER02	VERIZON WIRELESS	192.57	.00	192.57	982700870	TELEPHONE EXP. 2/27-3/26/
036798	04/06/19	WILL17	WILLDAN	9828.50	.00	9828.50	00712725	CONTRACT PLANNING THROUGH
036799	04/06/19	WILHI	WILLOWS ACE HARDWARE	227.67	.00	227.67	B90403	MARCH STMT PER ATTACHED
036800	04/06/19	WILHQ	WILLOWS AUTO PARTS	611.08	.00	611.08	B90404	FEB/MAR STMT PER ATTACHED
			Cash Account Total.....:	92181.62	.00	92181.62		
			Total Disbursements.....:	92181.62	.00	92181.62		
			Cash Account Total.....:	.00	.00	.00		

REPORT.: Apr 10 19 Wednesday
 RUN...: Apr 10 19 Time: 15:41
 Run By.: JANE COLLINS

CITY OF WILLOWS
 Cash Disbursement Detail Report
 Check Listing for 04-19 Bank Account.: 1045

PAGE: 001
 ID #: PY-DP
 CTL.: WIL

Check Number	Check Date	Vendor Number	Name	Gross Amount	Discount Amount	Net Amount	-----Payment Information----- Invoice #	Description
036801	04/08/19	GLE55	GLENN COUNTY ASSESSORS OF	158.15	.00	158.15	B90408P	TABLE PROCESSING
036802	04/10/19	GLE55	GLENN COUNTY ASSESSORS OF	133.15	.00	133.15	B90410P	MAILING LABELS
036803	04/10/19	AME02	AMERIPRIDE UNIFORM SVCS.	251.16	.00	251.16	B90410	MARCH STMT PER ATTACHED
036804	04/10/19	BAK06	BAKER & TAYLOR BOOKS	191.55	.00	191.55	012500405	NEW PRINT MAT. LIBRARY
036805	04/10/19	CAL01	CALIFORNIA WATER SERVICE	4800.00	.00	4800.00	125215376	COMMERICAL CONSUMPTION RA
036806	04/10/19	CAL04	CALIFORNIA DEPT. OF JUSTI	32.00	.00	32.00	365165	FINGERPRINT
036807	04/10/19	COD00	CODE PUBLISHING COMPANY	530.00	.00	530.00	63116	WEB HOSTING ANNUAL FEE
				349.50	.00	349.50	63176	MUNICIPAL CODE UPDATE
			Check Total.....:	879.50	.00	879.50		
036808	04/10/19	COL08	COLE HUBER LLP	5115.25	.00	5115.25	31397	249 N HUMBOLDT THROUGH 3/
036809	04/10/19	FLE01	FLEMING BOOKBINDING CO.	255.12	.00	255.12	26841	MICROFILM
036810	04/10/19	FP000	FRANCOTYP-POSTALIA, INC.	92.25	.00	92.25	104014337	POSTBASE METER 4/1-6/30/1
036811	04/10/19	GAN01	GANDY-STALEY OIL CO.	832.46	.00	832.46	B90410	CARDLOCK MARCH 2019
036812	04/10/19	GAY02	GAYNOR TELESYSTEMS, INC.	59.54	.00	59.54	36414	WIRING CLEANUP
036813	04/10/19	HUN02	ROBERT W HUNT	2528.25	.00	2528.25	19-04	GENERAL LEGAL SERVICES TH
036814	04/10/19	JER00	JEREMY'S PEST STOMPERS	35.00	.00	35.00	48192	PEST CONTROL FD APRIL 201
036815	04/10/19	LIF01	LIFE ASSIST	245.75	.00	245.75	911258	MEDIC SUPPLIES
036816	04/10/19	MAT01	MATSON & ISOM TECHNOLOGY	337.50	.00	337.50	38115	WEBSITE DESIGN
				560.00	.00	560.00	68347	BARRACUDA BACKUP REPLACEM
			Check Total.....:	897.50	.00	897.50		
036817	04/10/19	MCL00	JEFFREY MCLEOD	78.00	.00	78.00	B90410	REIMBURSE DMV EXPENSE
036818	04/10/19	MID03	MIDWEST TAPE	29.20	.00	29.20	97051243	DVD'S
036819	04/10/19	MOR01	MORRISON	15882.64	.00	15882.64	2786	FEASIBILITY STUDY
036820	04/10/19	NOR18	NORTHERN CALIF. GLOVES	155.51	.00	155.51	516074	GLOVES
036821	04/10/19	NSW00	NSWTS	100.00	.00	100.00	274	MONTHLY SERVICE CHARGE
036822	04/10/19	TIM00	TIMIOS TITLE, A CALIFORNI	400.00	.00	400.00	145252	PRELIMINARY REPORT
036823	04/10/19	TRA02	TRACTOR SUPPLY CREDIT PLA	107.24	.00	107.24	B90410	MARCH STMT PER ATTACHED
036824	04/10/19	WAR02	KERRI WARREN	513.02	.00	513.02	B90410	REIMBURSE CONFERENCE EXPE
036825	04/10/19	WILHD	WILLOWS HARDWARE, INC.	465.04	.00	465.04	B90410	MARCH STMT PER ATTACHED
			Cash Account Total.....:	34237.28	.00	34237.28		
			Total Disbursements.....:	34237.28	.00	34237.28		



SUMMARY MINUTES OF THE WILLOWS CITY COUNCIL REGULAR MEETING HELD FEBRUARY 26, 2019

Meeting audio is available at the City of Willows website. This is not a live feature. Audio recordings are posted the succeeding business day following the scheduled City Council Meeting.

Please visit www.cityofwillows.org for free PodBean recordings.

Mayor Hansen called the meeting to order at 7:00 p.m.

The meeting opened with the Pledge of Allegiance led by Council Member Mello.

Roll Call:

Council Members Present: Council Members Flesher, Domenighini, Mello, Vice Mayor Warren, Mayor Hansen

Council Members Absent:

Staff Present: Interim City Manager Wayne Peabody, Administrative Services Director Tim Sailsbery, and City Clerk Tara Rustenhoven.

Public Comment/ Written Communications: No public comments or written communications.

Consent Agenda:

- a. Approval of general checking, payroll & direct deposit check registers (36600-36664, Z09774-Z09798, 37846-37870).
- b. Approval of minutes of the Special Public Safety Meeting held on February 8, 2019.
- c. Approval of the appropriations directed by the City Council to be brought forward for formal action as a result of the February 20, 2019 Mid-Year Budget Review.

Action:

Motion: Council Member Mello/Second: Council Member Flesher

Moved to approve the Consent Agenda as presented above and the following item(s).

The motion passed unanimously 5/0 carried by the following voice vote:

AYES: Flesher, Domenighini, Mello, Warren, Hansen

NOES:

ABSENT:

ABSTAIN:

Ordinances:

- a. Consider reading by title only and passage of the second reading of the attached two Ordinances AMENDING SECTIONS OF CHAPTER EIGHTEEN OF THE ZONING ORDINANCE OF THE CITY OF WILLOWS.

i. Action: Motion: Council Member Domenighini/Second: Council Member Mello

Moved to approve the following ordinance next in line be read by title only.

The motion passed unanimously 5/0 carried by the following roll call vote:

AYES: Flesher, Domenighini, Mello, Warren, Hansen

NOES:

ABSENT:

ABSTAIN:

Action:

Motion: Council Member Domenighini/Second: Council Member Flesher

Moved to adopt the passage of the second reading of the ordinance entitled "AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WILLOWS AMENDING CHAPTER 18.110 GENERAL PROVISION AND EXCEPTIONS OF THE CITY OF WILLOWS MUNICIPAL CODE OF THE CITY OF WILLOWS SPECIFICALLY SECTIONS 18.110.090 ADDING TEXT TO NONCONFORMING USES ALLOWING AN EXCEPTION TO THE CODE WITH ALL OTHER TEXT TO REMAIN UNCHANGED.

The motion passed unanimously 5/0 carried by the following roll call vote:

AYES: Flesher, Domenighini, Mello, Warren, Hansen

NOES:

ABSENT:

ABSTAIN:

ii. Action:

Motion: Council Member Mello/Second: Vice Mayor Warren

Moved to approve the following ordinance next in line be read by title only.

The motion passed unanimously 5/0 carried by the following roll call vote:

AYES: Flesher, Domenighini, Mello, Warren, Hansen

NOES:

ABSENT:

ABSTAIN:

Action:

Motion: Council Member Mello/Second: Vice Mayor Warren

Moved to adopt the passage of the second reading of the ordinance entitled "AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WILLOWS AMENDING CHAPTER 18.50 ENTRYWAY DISTRICT OF THE WILLOWS MUNICIPAL CODE FO THE CITY OF WILLOWS SPECIFICALLY SECTION 18.50.303(8) ADDING AN EXCEPTION TO THE CODE TO ALLOW RESIDENTIAL USE WITH ALL OTHER TEXT TO REMAIN UNCHANGED.

The motion passed unanimously 5/0 carried by the following roll call vote:

AYES: Flesher, Domenighini, Mello, Warren, Hansen

NOES:

ABSENT:

ABSTAIN:

b. It is recommended that Council read by title only, pass second reading, and consider possible adoption of an ordinance entitled "AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WILLOWS AMENDING CHAPTER 8.10.170 OF TITLE 8 OF THE WILLOWS MUNICIPAL CODE PERTAINING TO ALTERNATIVE REMEDIES FOR THE ABATEMENT OF PUBLIC NUISANCES.

Action:

Motion: Council Member Domenighini/Second: Council Member Flesher
Moved to approve the following ordinance next in line be read by title only.
The motion passed unanimously 5/0 carried by the following roll call vote:

AYES: Flesher, Domenighini, Mello, Warren, Hansen

NOES:

ABSENT:

ABSTAIN:

Action:

Motion: Council Member Domenighini/Second: Council Member Flesher
Moved to adopt the passage of the second reading of the following ordinance entitled "AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WILLOWS AMENDING CHAPTER 8.10.170 OF TITLE 8 OF THE WILLOWS MUNICIPAL CODE PERTAINING TO ALTERNATIVE REMEDIES FOR THE ABATEMENT OF PUBLIC NUISANCES.
The motion passed unanimously 5/0 carried by the following roll call vote:

AYES: Flesher, Domenighini, Mello, Warren, Hansen

NOES:

ABSENT:

ABSTAIN:

Council Member Domenighini and Mello both agreed that this is a much needed tool for our city.

Regular Business:

a. Review of the Special Public Safety Meeting.

Chief Peabody gave a brief overview from the Public Safety Meeting that was held on January 8, 2019, that included: Current Ambulance Service Levels, Code Enforcement and Dispatch.

Vince Holvik, citizen of the City of Willows spoke and voiced his concerns on the code enforcement issues within the city.

Mayor Hansen thanked Chief Peabody for diligent work from the team and the code enforcement documents that were put together.

Council Member Mello wanted to say that he agreed with Vince Holvik's concerns.

He also brought up that he helped cleaned up a house of a hoarder. He wanted to state that hoarding is a disease, and they don't understand what the issue is.

Vince Holvik made another comment that the photos on Google Maps are not recent pictures but pictures from 2012.

Becky Love, citizen of the City of Willows also voiced her concerns on code enforcement issues within the city.

Jose Hansen, citizen of the City of Willows commented on the code enforcement issues and also supports the community member comments.

Council Member Flesher also wanted to say he agreed with community member comments and concerns.

Mayor Hansen thanked the community members for their comments.

b. Consider appointment of Dana Owens to a vacant seat on the Willows Planning Commission.

On January 16, 2019 Walter Michael gave his resignation at the Willows Planning Commission meeting (his term running through December 31, 2019).

Ms. Dana Owens turned in an application to fill the vacant seat on the Planning Commission. On February 21, 2019 Vice Mayor Warren and Council Member Domenighini interviewed Ms. Owens and directed staff to place an item on the agenda for the February 26, 2019 City Council Meeting, in which they will make their recommendation to the Council to appoint Ms. Owens to the vacant Planning Commission seat.

Vice Mayor Warren stated they interviewed with Dana the previous Thursday and thinks Dana has a good grasp of what the Planning Commission does and she'll be perfect fit for the job.

Council Member Domenighini agreed with Vice Mayor Warren.

Action:

Motion: Council Member Domenighini /Second: Council Member Mello

Moved to approve the appointment of Dana Owens to the Willows Planning Commission.

The motion passed unanimously 5/0 carried by the following voice vote:

AYES: Flesher, Domenighini, Mello, Vice Mayor Warren, Mayor Hansen

NOES:

ABSENT:

ABSTAIN:

Council/Staff Reports/Comments:

a. Staff Reports/Comments:

Chief Peabody anticipates more localized flooding with the storm coming. The City is working with the County to find ways to help prevent the flooding on the West side of the freeway.

Announced the Bean Feed to take place on Sunday March 3rd down at the Fire Department.

Discussion between Council was made regarding all the flood water due to recent storms.

Peabody wanted to make a note that Walmart is not in a flood zone. He also explained the design of the drainage system within the City.

b. City Council Reports/Comments:

Mayor Hansen:

- February 21st attended the Regional Transportation Committee Meeting.
- February 21st attended the Glenn County Transit Committee Meeting.
- February 24th attended the Museum Society of Willows Meeting.

Vice Mayor Warren:

- February 21st attended the Glenn County Transit Committee Meeting.
- February 21st attended the Transportation Committee Meeting.

Council Member Domenighini:

- February attended the Library Board meeting. He gave a quick overview from the Friends of the Library and also wanted to give kudos to the Librarian and the system the Library has.

Council Member Mello:

- Wanted to say to Jose Hansen that he has a lot of guts.
- Also wanted to comment on Vince Holvik's comments.

Adjournment:

The Meeting was adjourned at 8:02 p.m.

Dated: April 15, 2019



Tara Rustenhoven, City Clerk



SUMMARY MINUTES OF THE WILLOWS CITY COUNCIL REGULAR MEETING HELD MARCH 12, 2019

*Meeting audio is available at the City of Willows website. This is not a live feature. Audio recordings are posted the succeeding business day following the scheduled City Council Meeting.
Please visit www.cityofwillows.org for free PodBean recordings.*

Mayor Hansen called the meeting to order at 7:00 p.m.

The meeting opened with the Pledge of Allegiance led by Vice Mayor Warren.

Roll Call:

Council Members Present: Council Members Flesher, Domenighini, Mello, Vice Mayor Warren, Mayor Hansen

Council Members Absent:

Staff Present: Interim City Manager Wayne Peabody, Administrative Services Director Tim Sailsbery, City Attorney Robert Hunt, Planning Karen Mantele, and City Clerk Tara Rustenhoven.

GCSO Staff: Sheriff Warren

Public Comment/ Written Communications:

Nathan Ruffner-Budless LLC, commented on the Cannabis RFP. He requested opening the RFP so his company can turn in their application for a second location.

Jake Weststeyn-Dairy Owner in Glenn County-Was here last year as he was applying for a digester grant and wanted to give Council an update and asked for a letter of support from council.

Interim City Manager Wayne Peabody requested item 9a and 9b of the agenda be moved under public comment and also open public comment for the item.

Recess to Closed Session:

- a. PUBLIC COMMENT-Pursuant to Government Code Section § 54954.3, the public will have an opportunity to directly address the legislative body on the item below prior to the Council convening into closed session. Public Comments are generally restricted to three minutes.
- b. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Gov. Code Section § 54956.9:
Number of cases: 1
Entered into closed session at 7:06 pm
Council reconvened into open session at 7:41 pm

Announcement of any action taken in closed session:

Mayor Hansen reported no reportable action.

Consent Agenda:

- a. Approval of general checking, payroll & direct deposit check registers (36665-36698, Z29798-Z09828, 37871-37899).
- b. Approval of minutes of the Regular City Council Meeting held on February 12, 2019.

Action:

Motion: Vice Mayor Warren /Second: Council Member Flesher

Moved to approve the Consent Agenda as presented above and the following item(s).

The motion passed unanimously 5/0 carried by the following voice vote:

AYES: Flesher, Domenighini, Mello, Vice Mayor Warren, Mayor Hansen

NOES:

ABSENT:

ABSTAIN:

Public Hearing:

- a. Conduct a public hearing and upon conclusion, adopt the General Plan Amendment to include the Multi-Jurisdiction Hazard Mitigation Plan.

Karen Mantele gave a brief overview of the General Plan Amendment and the background.

Karen introduced Andy Popper, Senior Planner with the Glenn County Planning Community Development Agency.

Domenighini wanted to know if adopted would this be placed on the website.

Andy Popper responded this item will be placed on the Glenn County Planning website.

Council Member Larry Mello commented and thinks it is a must and will reduce any future disasters.

Karen Mantele had wanted to comment that she thought the amendment would serve us well and may help reduce flood insurance premiums.

Open to public comment 7:50 p.m.

Doug Ross, Resident of Willows gave a brief statement to the above item.

Close public hearing 7:53 p.m.

Action:

Motion: Council Member Mello /Second: Council Member Domenighini

Moved to adopt a Resolution by the Planning Commission of the City of Willows Recommending that the City Council adopt the Glenn County Multi-Jurisdiction Hazard Mitigation Plans as the Official Hazard Mitigation Plan of the City and amend the General Plan Safety Element to incorporate the Multi-Jurisdictional Hazard Mitigation Plan.

The motion passed unanimously 5/0 carried by the following roll call vote:

AYES: Flesher, Domenighini, Mello, Vice Mayor Warren, Mayor Hansen

NOES:

ABSENT:

ABSTAIN:

Regular Business:

a. By, Consensus, nominate two Councilmembers to serve as the Ad Hoc Selection Committee to negotiate offers from proposals for Recycling/Collection, Transportation and Disposal Service.

Interim City Manager Peabody requested two Council Members to negotiate final terms of the RFP process.

By Consensus, Council Member Domenighini and Vice Mayor Warren will serve on the Ad Hoc Selection Committee for the Recycling/Collection, Transportation and Disposal Service.

b. Adopt by resolution, directing the use of Action Minutes in lieu of Comprehensive Summary Minutes.

City Manager Peabody requested the use Action Minutes. The City Clerk, Planning Clerk and other Boards are performing minutes in a different manor. All meetings will be recorded to replace the verbatim minutes.

Vice Mayor Warren commented that she thought this will be a great format to go to and this it would free up time for the City Clerk and it's also recorded and available online.

Council members were in favor of this item.

Mayor Hanson also agreed and wanted to know the timeline of the new city website.

Peabody let council know that we hope to have the website up by the end of the month. We're still doing some fine tuning and working out the kinks.

Action:

Motion: Council Member Domenighini /Second: Flesher

Moved to adopt a resolution entitled A Resolution of the City Council of the City of Willows directing the preparation of Action Minutes in Lieu of Comprehensive Summary Minutes.

The motion passed unanimously 5/0 carried by the following roll call vote:

AYES: Flesher, Domenighini, Mello, Vice Mayor Warren, Mayor Hansen

NOES:

ABSENT:

ABSTAIN:

c. Consider the adoption of a resolution appointing Coastland Engineering as the Engineer of work for the City of Willows Landscaping and Lighting Special Assessment District and direct the preparation of the annual Engineer's Report for Fiscal Year 2019-20.

Tim Sailsbery gave a brief overview of the process for the Landscaping and Lighting Special Assessment.

There was a brief discussion between staff and council members regarding the above item.

Wanted pointed out there is a correction on the Title of the Resolution.

Action:

Motion: Council Member Mello/Second: Council Member Domenighini

Moved to adopt by resolution entitled A Resolution of the City Council of the City of Willows appointing Coastland Engineering as the Engineer of Record for the City of Willows Lighting and Landscaping Special Assessment District and direct the preparation of the annual Engineer's Report for Fiscal Year 2019-2020(Pursuant to the Lighting and Landscaping act of 1972)

The motion passed unanimously 5/0 carried by the following roll call vote:

AYES: Flesher, Domenighini, Mello, Vice Mayor Warren, Mayor Hansen

NOES:

ABSENT:

ABSTAIN:

Council/Staff Reports/Comments:

a. Staff Reports/Comments:

- Peabody wanted to give an update on Public Works and the parks. We've had a lot of rain and the Little League and Softball fields are still very wet and to please give them another week to dry out.
- Sheriff Warren presented the monthly report.
- Flesher wanted to say he appreciated the attendance of the radar gun.

b. City Council Reports/Comments:

Mayor Hansen:

- March 11th Ground Breaking Ceremony. It was an honor and a privilege to be there and to present on behalf of the City Council.
- March 11th attended the Glenn Ground Water Authority meeting.

Vice Mayor Warren:

- March 11th attended the LAFCO meeting.
- March 11th attended the Groundbreaking ceremony. Very happy to be a part of it

Council Member Flesher:

- Wanted to say although he could not make the groundbreaking ceremony, he thinks this is a big step forward and is excited to see this move forward.

Council Member Domenighini:

- March 11th attended the LAFCO meeting.

Council Member Mello:

- Mello wanted to say the Groundbreaking Ceremony went smoothly. Mayor Hansen and Tim Sailsbery gave great speeches.

Adjournment:

The Meeting was adjourned at 8:19 p.m.

Dated: April 18, 2019



Tara Rustenhoven, City Clerk

AGENDA ITEM

April 23, 2019

TO: Honorable Mayor Hansen and Members of City Council

FROM: John Wanger, City Engineer

SUBJECT: Landscape and Lighting Assessment District – Receive the Preliminary Annual Engineer's Report for FY 2019-20, adopt the Resolution of Intent to Levy and Collect Assessments and set the times and dates for the Public Information Meeting and the Public Protest hearing.

RECOMMENDATION

Receive the Preliminary Annual Engineer's Report as prepared by Coastland Civil Engineering; adopt the Resolution of Intention to levy and collect assessments; and set the times and dates of the required public information meeting and the required public protest hearing for the City of Willows Landscaping and Lighting Assessment District.

SUMMARY

The Willows Landscaping and Lighting Assessment District (District) was initially formed by the City in 2005 to pay for costs associated with maintaining landscaping and maintenance in the Birch Street Village subdivision; (Zone A), in accordance with the Landscaping and Lighting Act of 1972 (1972 Act).

The 1972 Act requires that the City undertake certain proceeding for any fiscal year in which assessments are to be levied and collected. These proceedings are typically accomplished at three separate Council meetings with the following actions:

- 1) Adopt a resolution appointing the Engineer of Work and directing the preparation of the annual Engineer's Report.
- 2) Approve the Preliminary Engineer's Report, declare the City Council's intent to levy and collect assessments and set the date and time for a public information meeting and a public hearing.
- 3) Conduct a public hearing and authorize the levying and collection of assessments for the upcoming fiscal year and approve the Annual Engineer's Report

The first action was completed by the Council on March 12, 2019. This report and resolution accomplishes the second part of the proceedings for FY 2019-20.

Attached to this staff report is the Preliminary Annual Engineer's Report as prepared by Coastland Civil Engineering. The City Council should review the report and let staff know if there are any desired changes to be made to the report. In brief, the attached report outlines changes and summarizes the costs projected for FY 2019-20 and provides the proposed overall assessments. For FY 2019-20, a new zone is being proposed, Zone C, titled South Willows Commercial and Industrial Center. The South Willows commercial and industrial center parcels are proposed for annexation into Zone C. This zone is being created to recover the City costs associated with the street lights, landscaping and weed abatement within the public right of way and public

parcels associated with this development. The new zone will have a maximum annual assessment and allow cost of living adjustments annually in order to keep up with inflation.

In order to keep up with inflation, the estimated maximum annual assessment, in existing Zones A and B, is proposed for increase by the allowable annual CPI (year 2018) of +3.5%. This raises the maximum annual assessment for Zone A to \$506.07 and the maximum annual assessment for Zone B to \$7,189.14.

The actual amount that will be levied and collected during FY 2019-20 for Zone A will be decreased by \$28.46 from FY 2018-19 to \$128.32 per unit.

The actual amount that will be levied and collected during FY 2019-20 for Zone B will be decreased approximately \$1,371.50 from FY 2018-19 to \$3,014.82 per unit.

The decrease in both existing zones is due to overhead costs being spread between three zones instead of the previous two, and the use of excess reserve funds.

A maximum assessment amount will be set in proposed Zone C and an actual amount that will be levied and collected during FY 2019-20 for Zone C will be \$3,159.84 per unit.

The FY 2019-20 annual assessments from all three zones will provide projected revenue of \$27,916.66.

During FY 2008-09, the Council implemented a minimum reserve balance of 10% to 20%. It is noted that the projected Zones A and B reserve balances at the end of FY 2019-20 will be slightly above that target range.

The preliminary Engineer's Report is for your information and comment. The next step in the process is to hold a public information meeting (required by the Streets and Highways Code when annexation of new parcels occurs), and a public protest hearing (also required by the Streets and Highways Code for this type of an assessment district.) To comply with Proposition 218, ballots will be mailed to all parcels proposed for annexation to allow the owners to vote on the proposed assessment.

The Public information meeting, which is not a council meeting, is held to answer questions that owner's may have regarding their proposed new assessment. At the public protest hearing, any person within the assessment district can provide comments for the Council's consideration.

Ballots received are opened and tallied, and the council determines if there is a majority protest to the annexation. At the close of the hearing, if the Council finds the report acceptable, the Council will adopt a resolution authorizing the annexation and levying of assessments per the Engineer's Report. The Final Engineer's Report should be approved by the City no later than the end of June of each year so that the information can be transmitted to the County for the inclusion on the tax roles. The County needs to have all information transmitted and correct no later than August 10th of each year.

FINANCIAL CONSIDERATIONS

All costs associated with this assessment district are recovered through the assessments and zone reserves.

NOTIFICATION

None required at this time.

ALTERNATE ACTIONS

None recommended.

RECOMMENDATION

Receive the preliminary Annual Engineer's Report as prepared by Coastland Civil Engineering; adopt the Resolution of Intention to levy and collect assessments; and set the dates and times for the required public information meeting and the public protest hearing for the City of Willows Landscape and Lighting Assessment District.

Respectfully submitted,

/s/ John Wanger

John Wanger
City Engineer

Approved,

/s/ Wayne Peabody

Wayne Peabody
Interim City Manager

Attachments: Resolution of Intention to Levy and Collect Assessments Associated with the City of Willows
Preliminary Engineer's Report

**CITY OF WILLOWS
RESOLUTION NO. -2019**

**A RESOLUTION OF INTENTION TO LEVY AND COLLECT ANNUAL ASSESSMENTS,
PRELIMINARILY APPROVING THE ENGINEER'S REPORT FOR FY 2019-20 FOR THE
CITY OF WILLOWS LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT
AND SETTING THE TIMES AND DATES OF THE PUBLIC INFORMATION MEETING
AND THE PUBLIC HEARING
(PURSUANT TO THE LANDSCAPING AND LIGHTING ACT OF 1972)**

WHEREAS, on October 11, 2005 the City Council adopted Resolution #22-2005 authorizing the formation of the City of Willows Landscaping and Lighting Assessment District (Assessment District) to levy and collect assessments pursuant to the Landscaping and Lighting Act of 1972; and

WHEREAS, the City Council intends to levy and collect assessments within the Assessment District during FY 2019-20; and

WHEREAS, pursuant to the Landscaping and Lighting Act of 1972, an annual Engineer's Report is required to be prepared and filed outlining estimated costs, methods of spreading costs, a description of properties in the Assessment District and their proposed assessments in order to levy and collect assessments in any following fiscal year; and

WHEREAS, on March 12, 2019, the City Council appointed Coastland Civil Engineering as the Engineer of Work, directing the preparation and filing of the annual FY 2019-20 Engineer's Report, and describing the potential changes to the Assessment District; and

WHEREAS, the South Willows Commercial and Industrial Center parcels are slated for annexation into a new Zone C; and

WHEREAS, the annual operation, maintenance and other incidental costs associated with Zone A of the Assessment District includes landscaping and lighting improvements within the Birch Street Village development; and

WHEREAS, the annual operation, maintenance and other incidental costs associated with Zone B of the Assessment District includes street lighting and traffic signal improvements associated with the Walmart Super Store development; and

WHEREAS, the annual operation, maintenance and other incidental costs associated with new Zone C of the Assessment District includes landscaping, weed abatement and lighting improvements within the South Willows Commercial and Industrial Center development; and

WHEREAS, Coastland Civil Engineering has prepared and filed with the City the annual Engineer's Report for FY 2019-20 as required by the Landscaping and Lighting Act of 1972; and

WHEREAS, all interested persons are referred to the Engineer's Report for a full and detailed description of the improvements, the proposed operation and maintenance costs, the boundaries of Zones A, B, and C of the Assessment District and the proposed FY 2019-20 assessments upon assessable lots and parcels of land within the Assessment District; and

WHEREAS, for Zone A, in order to keep up with inflation the FY 2019-20 maximum annual assessment will be adjusted up by the allowable CPI to \$506.07 per unit; and

WHEREAS, for Zone B, in order to keep up with inflation the FY 2019-20 maximum annual assessment will be adjusted up by the allowable CPI to \$7,189.14 per unit; and

WHEREAS, in order to keep up with inflation and to recognize noticing/voting requirements for increasing the maximum annual assessments, the new Zone C shall include an allowance for an annual increase to the estimated maximum annual assessment in accordance with the CPI, similar to Zones A and B. The annual CPI is based on the All Urban Consumers (San Francisco Area) CPI from the U. S. Department of Labor, Bureau of Labor Statistics; and

WHEREAS, the proposed FY 2019-20 annual assessment to levy and collect for Zone A is \$128.32 per unit; and

WHEREAS, the proposed FY 2019-20 annual assessment to levy and collect for Zone B is \$3,014.82 per unit; and

WHEREAS, the proposed FY 2019-20 annual assessment to levy and collect for Zone C is \$3,159.84 per unit and the maximum annual assessment is proposed to be \$69,196.02 for the Zone.

NOW, THEREFORE BE IT RESOLVED that the City Council of the City of Willows hereby intends to create a new Zone C, annex the South Willows Commercial and Industrial Center parcels into Zone C, levy and collect assessments during FY 2019-20 and preliminarily approves the filed FY 2019-20 Engineer's Report with the estimates of the costs and expenses to operate and maintain the said improvements and their incidental expenses; and

BE IT FURTHER RESOLVED that in order to take inflation into account, the City Council approves the allowance for an annual increase to the estimated maximum assessment in Zone C and an annual increase to the estimated maximum assessment in Zones A and B all in accordance with the annual Consumer Price Index (CPI), based on the All Urban Consumers (San Francisco Area) CPI from the U. S. Department of Labor, Bureau of Labor Statistics; and

BE IT FURTHER RESOLVED that an informal public information meeting regarding this Assessment District will be held by City Staff on May 21, 2019 at 4:00 pm at City Hall, 201, N. Lassen St., Willows, and the public protest hearing will be held on June 19, 2019 at 7:00 p.m. at City Hall, 201 N. Lassen Street, Willows. At the public protest hearing, the City Council will consider the annexation of new parcels, new assessment amounts, changes to the assessment amounts and authorization to levy and collect assessments for Fiscal Year 2019-20; and

BE IT FURTHER RESOLVED that the City Clerk is authorized and directed to give the Notice of Hearing required by the Landscaping and Lighting Act of 1972 for said public protest hearing; and

BE IT FURTHER RESOLVED that this Resolution is adopted pursuant to Sections 22620 et al of the California Streets and Highway Code.

NOW THEREFORE BE IT RESOLVED, that the City Council of the City of Willows does hereby certify that the foregoing Resolution No. _____-2019 was duly introduced to the City Council of the City of Willows.

PASSED AND ADOPTED by the City Council of the City of Willows this 23rd day of April, 2019, by the following vote:

AYES in favor of:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

ATTESTED:

Gary Hansen, Mayor

Tara Rustenhoven, City Clerk



**ANNUAL ENGINEER'S REPORT
FOR
CITY OF WILLOWS
LANDSCAPING & LIGHTING ASSESSMENT DISTRICT
FY 2019-20**

PRELIMINARY

**City of Willows
County of Glenn
State of California**

April 2019

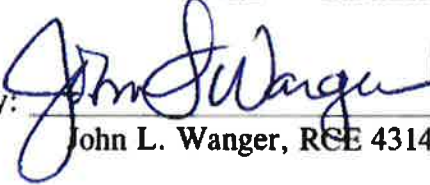
**Prepared By:
Coastland Civil Engineering, Inc.**

**CITY OF WILLOWS LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT
FY 2019-20**

(Pursuant to the Landscaping and Lighting Act of 1972)

The undersigned respectfully submits, as directed by the City Council of the City of Willows on March 12, 2019, the enclosed Engineer's Report on the 23rd day of April 2019.

COASTLAND CIVIL ENGINEERING

By: 
John L. Wanger, RCE 43148



I HEREBY CERTIFY that the enclosed Engineer's Report, together with Assessment and Assessment Diagram thereto attached, was filed with me on the _____ day of _____, 2019.

By: _____
Tara Rustenhoven, City Clerk, City of Willows
Glenn County, California

I HEREBY CERTIFY that the enclosed Final Engineer's Report, together with Assessment and Assessment Diagram thereto attached, was approved and confirmed by the City Council of the City of Willows, California, on the _____ day of _____, 2019.

By: _____
Tara Rustenhoven, City Clerk, City of Willows
Glenn County, California

I HEREBY CERTIFY that the enclosed Final Engineer's Report, together with Assessment and Assessment Diagram thereto attached, was filed with the County Auditor of the County of Glenn on the _____ day of _____, 2019.

By: _____
Tara Rustenhoven, City Clerk, City of Willows
Glenn County, California

**ANNUAL ENGINEER'S REPORT FOR
CITY OF WILLOWS
LANDSCAPING & LIGHTING ASSESSMENT DISTRICT**

(Pursuant to the Landscaping & Lighting Act of 1972)

FY 2019-20

Coastland Civil Engineering, the Engineer of Work for the City of Willows Landscaping & Lighting Assessment District, City of Willows, Glenn County, California, submits this annual Engineer's Report, as directed by the City Council on March 12, 2019 pursuant to Sections 22565 and 22620 of the California Streets & Highways Code.

History of the Assessment District

The City of Willows Landscaping & Lighting Assessment District (Assessment District) was formed in October of 2005 to provide funding for the operation and maintenance of landscaping and streetlights within the public right-of-way for the Birch Street Village development, which has been designated as Zone A. In order to levy and collect assessments each fiscal year, the Landscaping & Lighting Act of 1972 requires the preparation and filing of annual Engineer's Reports. During these annual proceedings, cost estimates are developed for the operation and maintenance of the Assessment District improvements for the upcoming fiscal year. Further, as new subdivisions are created within the Willows city limits, they can be annexed into the Assessment District on an annual basis.

In FY 2012-13, Zone B was created to recover costs associated with the operation and maintenance of streetlights and half the cost of traffic signals within the public right-of-way for the Walmart Super Store on West Wood Street (State Hwy 162).

For FY 2019-20, the creation of a Zone C is proposed to recover costs associated with the South Willows Commercial and Industrial Center. This Engineer's report will outline estimated expenditures to operate and maintain landscaping, weed abatement, utilities, and street lights. The procedures required for establishing a new zone will be followed as specified in Section 22605-22613 of the Streets and Highways codes, which requires noticing, a public information meeting and a public hearing.

City of Willows Assessment District Zones and FY 2019-20 Budget

The overall proposed Assessment District budget for FY 2019-20 is \$28,546.66, which is higher than last year (\$11,285.00) due to the creation of a new Zone C. The following sections describe each assessment zone, its proposed budget for FY 2019-20, and any changes from the previous year.

Zone A – Birch Street Village

Zone A was created for the Birch Street Village Subdivision to provide funding for the operation and maintenance of landscaping and lighting, including turf, ground cover, shrubs, trees, plants, irrigation systems, masonry walls, fencing, entryway monuments, street lights and associated

appurtenances located within the right-of-way. These improvements are shown in the Assessment Diagram in Part F of this Report.

Annual landscaping expenses may include the repair, removal or replacement of any landscape improvement, damaged irrigation facilities, diseased landscaping, weed and brush clearing, and any other allowable maintenance items per Section 22531 of the California Streets and Highways Code. Annual lighting expenses include utility, maintenance, and replacement costs. Administrative expenditures include the costs of managing the assessment district zone.

The FY 2019-20 Zone A assessment is proposed to be \$128.32 per unit. This is \$28.46 per unit lower than last year. The total proposed Zone A budget for FY 2019-20 is \$4,692.88. This is an 18% decrease from the FY 2018-19 budget due to the spreading of overhead costs to three zones instead of the previous two. Existing reserves will be used to cover a portion of the proposed budget.

The estimated reserve fund balance for Zone A is projected to be above the Council approved reserve budget range of 10%-20% at the start of FY 2019-20. As no special projects are required at this time, some of the reserves will be used to reduce the reserve balance. It should be noted that the Zone A assessments may need to increase next year if excess reserves are not available to reduce assessments.

Zone B – Walmart

Zone B provides funding for three street lights on North Airport Road alongside the Walmart development, and two traffic signals with street lights at the intersection of North Airport Road and West Wood Street (Highway 162), as shown on the Zone B Assessment Diagram in Part F of this report.

Annual expenses include utility, maintenance, replacement, and administrative expenditures. Replacement costs for street lights and traffic signals will be funded from a ‘knockdown fund’, as described below.

The budget for this zone is \$3,314.82. This is a 31% decrease from the FY 2018-19 budget due to the spreading of overhead costs to three zones instead of two. The FY 2019-20 assessment is proposed to be \$3,014.82 per unit. Existing excess reserves will be used to cover a portion of the proposed budget.

The estimated annual reserve fund balance is anticipated to be above the desired reserve range. As no special projects are required at this time and the maximum knockdown reserve level has been reached, some of the reserves will be used to lower the reserve balance. If additional reserves continue to be available next year, they may be used for special projects or to reduce next year’s assessments. If they are not available, assessments may need to increase.

Zone C – South Willows Commercial and Industrial Center

The proposed Zone C is new for FY 2019-20 and created for the South Willows Commercial and Industrial Center development. Zone C is being created to cover the costs of landscape, weed abatement, and lighting improvements in the right-of-way or public parcels created as part of the South Willows Commercial and Industrial Center. The assessed improvements for the initial phase

of construction includes four street lights on Harvest Drive, one street light on S. Tehama Street, landscaped areas on either side of Harvest Drive and weed abatement areas on the north and south side of the development in the detention ponds created for the development. The improvements will benefit seven parcels this fiscal year. These improvements are shown on the Zone C Assessment Diagram in Part F of this report.

Full buildout of this area shows further subdivision of the largest parcel which may potentially create a total of 21 buildable parcels and a wetlands area as shown on the approved tentative map for this development. Although the tentative map shows 21 parcels, the final number of parcels is subject to change in the future, as the ultimate lot configurations depend on development.

Annual landscaping expenses may include the repair, removal or replacement of any landscape improvement, damaged irrigation facilities, diseased landscaping, weed and brush clearing, and any other allowable maintenance items per Section 22531 of the California Streets and Highways Code. Annual lighting expenses include utility, maintenance and replacement expenditures. Administrative expenditures include the costs of managing the assessment district zone. Replacement costs for street lights will be funded from a 'knockdown fund' and landscape replacement costs will be funded from a 'landscape replacement fund, both described below.

The FY 2019-20 budget for this zone is \$20,538.96. With a total of 6.5 units for Zone C this year, the proposed assessment for FY 2019-20 is proposed to be \$3,159.84 per unit.

Landscape Replacement Funds

While specific budget items, such as utility, repairs, landscaping maintenance and administrative costs are incurred annually, some items, such as new mulch, irrigation and plant replacement will be required at greater intervals. Pursuant to Streets and Highways Code Section 22660, money for any non-annual line items may be collected through annual installments that the City will place in a fund specific for this work. Monies collected for any non-annual landscape maintenance item(s) are shown in Part B, of this report with the designation "Landscape Replacement".

It is anticipated that funds for new mulch will need to accumulate to \$2,000 and be expended up to once every five years, or as otherwise needed.

It is anticipated that funds for replanting will need to accumulate to \$9,000 and be expended up to once every 10 years, or as otherwise needed.

It is anticipated that funds for irrigation replacement will need to accumulate to \$18,000 and be expended up to once every twenty years, or as otherwise needed.

These accumulation levels will be allowed to increase in the future if the estimated cost of these landscape maintenance items increase. This increase in costs may increase the annual assessment however it will not increase the annual assessment higher than the maximum assessment allowed.

Knock-down Replacement Fund

While most budget items, such as utility, maintenance and administrative costs are incurred annually, costs for repairing or replacing street lights and signals will be expended only upon

damage or destruction of an existing light or signal. Pursuant to Code Section 22660, replacement funds will be collected in Zone B and Zone C in a knockdown fund over the course of five fiscal years through annual installments. Monies collected for this purpose are shown in Part B of this report under the heading "Knockdown Replacement". The knockdown replacement fund will accumulate to a maximum \$5,000 balance, with the maximum balance allowed to increase in the future if the estimated replacement cost increases. Once this maximum balance is reached, there will be no additional accumulation of funds for that budget item until an expenditure to replace or repair a knocked-down light has occurred, or the estimated replacement cost has increased. Once the knockdown funds are expended, the rebuilding of the fund will start in the following year's budget and spread over a maximum of five years.

Cost Index Information

In order to take inflation into account and to recognize noticing/voting requirements for increasing the assessments, this Assessment District includes an allowance for an annual increase to the estimated Maximum Annual Assessments in accordance with the annual Consumer Price Index (CPI). The annual CPI is based on the All Urban Consumers (San Francisco Area) CPI from the U. S. Department of Labor, Bureau of Labor Statistics. All new zones to be annexed into this district are also to include an allowance for an annual increase to the Maximum Annual Assessments in accordance with the same CPI.

For FY 2019-20, the maximum annual assessment for Zones A and B are proposed to be adjusted up by the latest annual (2018) CPI of +3.50%.

New Zone C will include this annual inflationary index and an estimation of the maximum annual assessment at build out.

Proposition 218 and Special Benefits

In 1996, California voters approved Proposition 218 which grants local governments the ability to create assessment districts, and to levy and collect assessments. This law stipulates that a parcel's assessment may not exceed the reasonable cost of the proportional special benefit conferred upon that parcel. "Special benefit" is defined as "a particular and distinct benefit over and above general benefits conferred on real property located in the district or to the public at large.

The Annual Engineer's Report must identify the special benefits conferred upon assessed parcels through the improvements and services funded by the District. The Report must also identify any general benefit conferred upon the public at large by those same improvements and services. The annual costs of said improvements and services must be apportioned between the two. The cost of services attributable to a general benefit may not be assessed.

For the City of Willows, the special benefits and general benefits provided by the various improvements, where furnished through the Assessment Districts, are described below.

Benefits of Landscaping

Landscaping improvements may include turf, mulch, plantings, irrigation systems, masonry walls, fencing, and landscape appurtenances. These landscaping improvements provide the following special benefits to each assessed parcel within the zone:

- Enhanced desirability of properties through association with the landscaping,
- Improved aesthetic appeal of the neighborhood, and
- Improved air quality from additional vegetation.

Each assessed parcel within a zone receives a particular and distinct special benefit from the maintenance of the landscaping within that zone even though the landscaping may not be adjacent to each parcel. Further, although members of the general public may walk or drive through a zone and appreciate the aesthetic appeal of the maintained landscaping, this does not necessarily confer a general benefit to the public at large.

Benefits of Street Lighting

Street lighting provided by the Assessment District must meet adopted City standards for lighting, including spacing requirements. Therefore, each assessed parcel within the zone receives approximately equal and special benefit for:

- Enhanced neighborhood, pedestrian and vehicle safety, and
- Increased neighborhood, pedestrian and vehicle security.

Each assessed parcel within a zone receives a particular and distinct special benefit from the lighting and maintenance thereof within that zone even though the lights may not be adjacent to each parcel.

Although members of the general public may walk or drive through a zone and appreciate the increased safety and security resulting from improved street lighting, this does not necessarily confer a general benefit to the public at large.

Benefits of Enhanced Traffic Control

The maintenance of traffic control improvements may include the utility costs, maintenance and replacement of traffic signals and street lighting. Traffic control often provides a combination of special and general benefits, which may include:

- Enhanced pedestrian and vehicle safety,
- Ease of access/egress, and
- Improved safety of the intersection.

Each assessed parcel within a zone receives a particular and distinct special benefit from the maintenance of the traffic control improvements within that zone even though there may be another access route to that parcel.

The general public may also benefit from improved traffic control, particularly when the improvements are located on highways and major arterial roads that serve many parcels outside of the assessed zone. The portion of enhanced safety and accessibility resulting from traffic control improvements conferred upon the public must be quantified and separated from the portion of special benefits conferred upon the assessed properties for each zone.

FY 2019-20 Engineer's Report Format

This Engineer's Report consists of the following Parts:

- PART A - Plans and Specifications (Page 9)** - This portion of the Engineer's Report describes any plans and specifications that may be needed for the installation of the improvements. If plans and specifications exist, they are filed with the City Clerk. Although separately bound, the plans and specifications are part of this Engineer's Report and are included in it by reference.
- PART B - Budget Cost Estimates (Page 10)** – Budget cost estimates associated with the operations and maintenance of the described improvements for each Zone are described in Part B of this report. In addition to an overall budget summary for Zone A, Zone B, and Zone C, a detailed FY 2019-20 Budget sheet and a FY 2019-20 Summary of Fund Balance sheet is provided for each Zone.
- PART C - Assessment (Page 17)** – A listing of the annual assessment on each benefited parcel of land in Zone A, Zone B, and Zone C within the Assessment District. The assessment amount is the estimated cost each parcel will contribute during FY 2019-20 towards the operation and maintenance of their respective Zone within the Assessment District, as well as their portion of the 5-year installment payment for the installation of the improvements.
- PART D - Method of Apportionment of Assessment (Page 20)** - A statement of the method used by Engineer of Work to determine the amount proposed to be assessed against each parcel within Zone A, Zone B, and Zone C of the Assessment District. Additionally, this section describes the maximum assessment allowable and any inflationary adjustments.
- PART E - Property Owners List (Page 25)** - Names and addresses of the owners of real property listed within for this Assessment District, as shown on the last equalized assessment roll for taxes. The Assessor Parcel Number (A.P.N.) keys the list into the Assessment Roll of Part C.
- PART F - Assessment Diagrams (Page 28)** – The Assessment Diagrams (maps) showing all of the parcels of real property within Zone A, Zone B, and Zone C of the Assessment District. The assessment number keys the diagram Part C – Assessment Roll.

PART A

PLANS AND SPECIFICATIONS

The plans and specifications showing the improvements for Assessment District Zones A, B and C are on file at the City offices as follows:

Zone A – Birch Street Village development

Zone B – Walmart Super Store development

Zone C – South Willows Commercial and Industrial Center development

PART B
FY 2019-20 Budget Cost Estimates

For FY 2019-20, the total budget summary for Willows Landscaping & Lighting Assessment District is as follows:

	<u>As Filed With the City</u>	<u>As Preliminarily Approved</u>	<u>As Finally Approved At the Public Hearing</u>
Zone A:	\$ 4,692.88		
Zone B:	\$ 3,314.82		
Zone C:	\$ 20,538.96		
Total:	\$ 28,546.66		

Detailed budgets for Zones A, B, and C are provided in this section. Also included is the Summary of Fund Balance sheet.

CITY OF WILLOWS
Landscaping and Lighting Assessment District
Fiscal Year 2019-20
Zone A - Birch Street Village
Budget

Item	2018-19 Budget	2019-20 Budget
Engineers Report	\$2,652.00	\$1,513.00
Legal Services	\$100.00	\$100.00
Landscape Maintenance	\$1,100.00	\$1,400.00
Lighting Utilities & Maintenance	\$1,350.00	\$1,300.00
County Assessor Fees (3.5% of Revenue)	\$198.12	\$164.25
Contingency	\$260.40	\$215.63
Total Expenses	\$5,660.52	\$4,692.88
Contribution from Reserves	\$330.00	\$330.00
Total Assessment Costs	\$5,330.52	\$4,362.88
Total Assessment Revenue	\$5,330.52	\$4,362.88
Estimated Number of Units in Zone A	34.0	34.0
Proposed Assessment for Zone A*	\$156.78	\$128.32

* This is less than the maximum allowed. See Maximum Allowable Assessment Analysis

CITY OF WILLOWS
Landscaping and Lighting Assessment District
Fiscal Year 2019-20
Zone A - Birch Street Village
Summary of Fund Balance

	<u>2019-20</u>
Estimated Starting Reserve Fund on July 1	\$1,500.00
Estimated Interest Earned	\$30.00
Estimated Revenue	\$4,362.88
Total Estimated Funds Available	\$5,892.88
Total Estimated Expenditures	\$4,692.88
Estimated Ending Reserve Fund on June 30	\$1,200.00

CITY OF WILLOWS
Landscaping and Lighting Assessment District
Fiscal Year 2019-20
Zone B - Walmart
Budget

Item	2018-19 Budget	2019-20 Budget
Engineers Report	\$1,948.00	\$1,008.00
Legal Services	\$100.00	\$100.00
Lighting Utilities & Maintenance	\$1,800.00	\$1,800.00
Knockdown Replacement	\$0.00	\$0.00
County Assessor Fees (3.5% of Revenue)	\$153.52	\$116.02
Contingency	\$384.80	\$290.80
Total Expenses	\$4,386.32	\$3,314.82
Contribution from Reserves	\$0.00	\$300.00
Total Assessment Costs	\$4,386.32	\$3,014.82
Total Assessment Revenue	\$4,386.32	\$3,014.82
Estimated Number of Units in Zone B	1.0	1.0
Proposed Assessment for Zone B*	\$4,386.32	\$3,014.82

* This is less than the maximum allowed. See Maximum Allowable Assessment Analysis

CITY OF WILLOWS
Landscaping and Lighting Assessment District
Fiscal Year 2019-20
Zone B - Walmart
Summary of Fund Balance

	<u>2019-20</u>
Est. Starting Annual Reserve Fund on July 1	\$1,000.00
Est. Starting Knockdown Reserve Fund on July 1	\$5,000.00
Estimated Interest Earned	\$120.00
Estimated Annual Revenue	\$3,014.82
Estimated Knockdown Revenue	\$0.00
Total Estimated Annual Funds Available	\$4,134.82
Total Estimated Knockdown Funds Available	\$5,000.00
Total Estimated Annual Expenditures	\$3,314.82
Total Estimated Knockdown Expenditures	\$0.00
Est. Ending Annual Reserve Fund on June 30	\$820.00
Est. Ending Knockdown Reserve Fund on June 30	\$5,000.00

CITY OF WILLOWS
Landscaping and Lighting Assessment District
Fiscal Year 2019-20
Zone C - S. Willows Commercial and Industrial Center
Budget

Item	Estimated Maximum Budget at Buildout	2019-20 Budget
		6 months*
Engineers Report	\$8,000.00	\$5,979.00
Legal Services	\$500.00	\$500.00
Weed Abatement	\$18,000.00	\$7,500.00
Landscape Maintenance & Utilities	\$28,000.00	\$2,848.00
Lighting Utilities & Maintenance	\$3,000.00	\$325.00
Knockdown Replacement Funding	\$1,200.00	\$500.00
Landscape Replacement Funding	\$2,200.00	\$1,100.00
County Assessor Fees (3.5% of Revenue)	\$2,200.00	\$509.60
Contingency	\$6,096.02	\$1,277.36
Total Expenses	\$69,196.02	\$20,538.96
Total Assessment Revenue		\$20,538.96
Estimated Number of Units in Zone C		6.5
2019-20 Proposed Assessment per Unit for Zone C		\$3,159.84
Proposed Maximum Assessment for Zone C	\$69,196.02	

* It is anticipated that improvements will be accepted by the City in January 2020. Therefore, a budget for only 6 months of maintenance costs are proposed for FY19-20

CITY OF WILLOWS
Landscaping and Lighting Assessment District
Fiscal Year 2019-20
Zone C - S. Willows Commercial and Industrial Center
Summary of Fund Balance

	<u>2019-20</u>
Est. Starting Annual Reserve Fund on July 1	\$0.00
Est. Starting Knockdown Reserve Fund on July 1	\$0.00
Est. Starting Landscape Replacement Reserve Fund on July 1	\$0.00
Estimated Interest Earned	\$0.00
Estimated Annual Revenue collected	\$18,938.96
Estimated Knockdown Replacement Revenue collected	\$500.00
Estimated Landscape Replacement Revenue collected	\$1,100.00
Total Estimated Annual Funds Available	\$20,538.96
Total Estimated Annual Expenditures	\$18,938.96
Estimated Knockdown Expenditure	\$0.00
Total Estimated Landscape Replacement Expenditures	\$0.00
Est. Ending Annual Reserve Fund on June 30	\$0.00
Est. Ending Knockdown Reserve Fund on June 30	\$500.00
Est. Ending Landscape Replacement Reserve Fund on June 30	\$1,100.00

PART C

FY 2019-20 ASSESSMENT ROLL

The total proposed Assessment District revenues for FY 2019-20 consist entirely of assessments associated with Zones A, B, and C, as follows:

\$ 4,362.88	From Zone A
\$ 3,014.82	From Zone B
\$20,538.96	From Zone C

The breakdown of FY 2019-20 annual assessments per parcel is shown in Table 1 of this report. The lines and dimensions of each parcel are shown on the maps in the office of the County Assessor of the County of Glenn.

Table 1
CITY OF WILLOWS
Landscaping and Lighting Assessment District
Fiscal Year 2019-20

Zone A - Birch Street Village

APN	Assessment Diagram Number	Land Use Code	Land Use Type	Units	Assessment Amount	Owner Name	Address
001-071-009-000	26	R1XX	Single Family	1	\$128.32	Tovar, Bradford & Tovar, Jillian Mc Garr	320 S. Humboldt Ave Willows, CA 95988
001-071-010-000	27	R1XX	Single Family	1	\$128.32	Nungaray, Jose T A & Arteaga Lorena C J/T	330 S Humboldt Ave, Willows, CA 95988
001-071-011-000	28	R1XX	Single Family	1	\$128.32	Medina Humberto	340 S Humboldt Ave, Willows, CA 95988
001-071-012-000	29	R1XX	Single Family	1	\$128.32	Pollock Robert R	350 S Humboldt Ave, Willows, CA 95988
001-071-013-000	30	R1XX	Single Family	1	\$128.32	Baczkowiski, Thomas W.	360 S Humboldt Ave, Willows, CA 95988
001-071-014-000	31	R1XX	Single Family	1	\$128.32	Singh Kulwinder	521 Greg Thacth Cir, Sacramento, CA 95835
001-071-015-000	32	R1XX	Single Family	1	\$128.32	Ross Jack & Ross Candace J/T	6141 W 4th St, Rio Linda, CA 95673
001-071-016-000	33	R1XX	Single Family	1	\$128.32	Hernandez J A Palomino & Palomino Hilda	1330 W. Humboldt Ave, Willows, CA 95988
001-071-017-000	34	R1XX	Single Family	1	\$128.32	Birch Street Village	3323 Knollridge Dr, El Dorado Hills, CA 95762
001-071-018-000	16	R1XX	Single Family	1	\$128.32	Kumar Priti	199 N Humboldt Ave, Willows, CA 95988
001-071-019-000	15	R1XX	Single Family	1	\$128.32	Street Amy L & Street Timothy R	451 El Dorado Ave, Willows, CA 95988
001-071-020-000	14	R1XX	Single Family	1	\$128.32	Cromwell, Wendy	461 El Dorado Ave, Willows, CA 95988
001-071-021-000	17	R1XX	Single Family	1	\$128.32	Packard Nikola J	431 El Dorado Ave, Willows, CA 95988
001-071-022-000	18	R1XX	Single Family	1	\$128.32	Donnelly, Michael D & Carolyn M	421 El Dorado Ave, Willows, CA 95988
001-071-023-000	19	R1XX	Single Family	1	\$128.32	Martinez, Ramiro Licea & Licea Yesenia J/T	381 El Dorado Ave, Willows, CA 95988
001-071-024-000	20	R1XX	Single Family	1	\$128.32	Ngo Cuong Bach & Tra Thuy Thanh Thi	371 El Dorado Ave, Willows, CA 95988
001-071-025-000	21	R1XX	Single Family	1	\$128.32	Feeney, Kevin	65 Lindauer Lane, Red Bluff, CA 96088
001-071-026-000	22	R1XX	Single Family	1	\$128.32	Tafolla, Guillermo Arias & Arias Ana	351 El Dorado Ave, Willows, CA 95988
001-071-027-000	23	R1XX	Single Family	1	\$128.32	Baker Nicole C	341 El Dorado Ave, Willows, CA 95988
001-071-028-000	24	R1XX	Single Family	1	\$128.32	Moiser, Steven M & Moiser, Lisa L.	331 El Dorado Ave, Willows, CA 95988
001-071-029-000	25	R1XX	Single Family	1	\$128.32	Clark Janie C TRS	321 El Dorado Ave, Willows, CA 95988
001-071-030-000	13	R1XX	Single Family	1	\$128.32	Lederer, Eric M	PO Box 1298, Willows, CA 95988
001-071-031-000	12	R1XX	Single Family	1	\$128.32	Hernandez Jaime & Hernandez Gabriela	320 El Dorado Ave, Willows, CA 95988
001-071-032-000	11	R1XX	Single Family	1	\$128.32	Olson, John V. & Olson, Terrie L TRS	330 El Dorado Ave, Willows, CA 95988
001-071-033-000	10	R1XX	Single Family	1	\$128.32	Jaramillo Jose Luis & Jaramillo Brenda	340 El Dorado Ave, Willows, CA 95988
001-071-034-000	9	R1XX	Single Family	1	\$128.32	Velasco Raymond Sigala & Cristina J/T ETAL	350 El Dorado Ave, Willows, CA 95988
001-071-035-000	8	R1XX	Single Family	1	\$128.32	Hutson, Evan C & Amanda	831 Fifth St, Orland, CA 95963
001-071-036-000	7	R1XX	Single Family	1	\$128.32	McDonald David S	475 S Culver St, Willows, CA 95988
001-071-037-000	6	R1XX	Single Family	1	\$128.32	Salas, Crystal A. et al	380 El Dorado Ave, Willows, CA 95988
001-071-038-000	5	R1XX	Single Family	1	\$128.32	Bobadilla, Pedro D & Raygoza Marisol J/T	410 El Dorado Ave, Willows, CA 95988
001-071-039-000	4	R1XX	Single Family	1	\$128.32	Gutierrez, Alejandro & Gutierrez Ashley M J/T	420 El Dorado Ave, Willows, CA 95988
001-071-040-000	3	R1XX	Single Family	1	\$128.32	Drazkowski Tonia & Scott Lindsay B Co Trs	111 S Villa #8 Willows, CA 95988
001-071-041-000	2	R1XX	Single Family	1	\$128.32	Irwin Dennis L	440 El Dorado Ave, Willows, CA 95988
001-071-042-000	1	R1XX	Single Family	1	\$128.32	Southam Boyd & Southam Stephanie	450 El Dorado Ave, Willows, CA 95988
Lot A	Lot A	Null	Easement	0	\$0.00	Null	Null
Total				34	\$4,362.88		

Table 1 (continued)

Zone B - Walmart

APN	Assessment Diagram Number	Land Use Code	Land Use Type	Units	Assessment Amount	Owner Name	Address
017-210-052-000	35	CEXX	Commercial Retail Outlet	1	\$3,014.82	Walmart RE Business Trust c/o Walmart Tax Dept #2053	P.O. Box 8050, Bentonville, AR 72712-8050
Total				1	\$3,014.82		

Zone C - S. Willows Commercial and Industrial Center

APN	Assessment Diagram Number	Land Use Code	Land Use Type	Units	Assessment Amount	Owner Name	Address
017-170-034-000	36	GVXX	Governmental Vacant	0	\$0.00	City of Willows	201 North Lassen St, Willows, CA 95988
017-170-037-000	37	GXXX	Governmental Waste	0	\$0.00	City of Willows	201 North Lassen St, Willows, CA 95988
017-170-042-000	38	RVAX	Residential Vacant, Ag	1	\$3,159.84	California Land Invest LLC	316 California Ave #350, Reno, NV 89509
017-170-043-000	39	RVAX	Residential Vacant, Ag	1	\$3,159.84	California Land Invest LLC	316 California Ave #350, Reno, NV 89509
017-170-044-000	40	RVAX	Residential Vacant, Ag	1	\$3,159.84	California Land Invest LLC	316 California Ave #350, Reno, NV 89509
017-170-045-000	41	RVAX	Residential Vacant, Ag	1	\$3,159.84	California Land Invest LLC	316 California Ave #350, Reno, NV 89509
017-170-046-000	42	RVAX	Residential Vacant, Ag	1	\$3,159.84	California Land Invest LLC	316 California Ave #350, Reno, NV 89509
017-170-047-000	43	RVAX	Residential Vacant, Ag	1	\$3,159.84	California Land Invest LLC	316 California Ave #350, Reno, NV 89509
017-170-048-000	44	RVAX	Residential Vacant, Ag	0.5	\$1,579.92	California Land Invest LLC	316 California Ave #350, Reno, NV 89509
Total				6.5	\$20,538.96		

PART D

METHOD OF APPORTIONMENT OF ASSESSMENT

This section describes the manner by which the annual assessment has been apportioned (spread) to the assessed parcels within each Zone:

Zone A – Birch Street Village

Zone A includes the maintenance of the landscaping and street lighting located within the right-of-way of Birch Street Village. The parcels within the zone receive a direct and special benefit from the landscaping and street lighting, which include enhanced desirability of properties within the zone, improved aesthetic appeal of the neighborhood, improved air quality, enhanced safety and security for the neighborhood, pedestrians, and vehicles.

Although members of the general public may walk or drive through a zone and appreciate the aesthetic appeal of the maintained landscaping, this does not necessarily confer a general benefit to the public at large and, in any case, is determined to be negligible relative to the special benefits conferred upon the parcels within a particular zone.

Land use codes from the County of Glenn were used to determine the basic use units assigned to each parcel. The following basic use units reflect the relative special benefit accruing to parcels of land within Zone A:

1. Developed parcel	1 unit
2. Vacant, developable parcel	½ unit
3. Undevelopable parcel	0 units

Accordingly, the annual assessment cost per parcel shall be obtained by dividing the total Zone A annual assessment cost by the total number of units within Zone A.

Zone B – Walmart

Zone B includes the maintenance of three street lights on North Airport Boulevard and a 4-way traffic signal with street lights at the intersection of West Wood Street and North Airport Road. The special and general benefits for each improvement, and the portions thereof, are described below.

Street Lights

The single parcel within Zone B, Walmart, receives direct and special benefits from the street lights on North Airport Boulevard. The special benefits include enhanced safety and security for the neighborhood, pedestrians, and vehicles. Each parcel within a zone receives a particular and distinct special benefit from the lighting and maintenance thereof within that zone even though the lights may not be adjacent to each parcel.

Although members of the general public may walk or drive through a zone and appreciate the increased safety and security resulting from improved street lighting, this does not necessarily confer a general benefit to the public at large and, in any case, is determined to be negligible relative to the special benefits conferred upon the parcels within a particular zone.

Land Use codes as received from the County of Glenn are used to determine the basic use units to be assigned to each parcel. The following basic use units reflect the relative special benefit accruing to parcels of land within Zone B:

- | | |
|-------------------------------|---------|
| 1. Developed parcel | 1 unit |
| 2. Vacant, developable parcel | ½ unit |
| 3. Undevelopable parcel | 0 units |

Accordingly, the annual assessment cost per parcel shall be obtained by dividing the total Zone B annual assessment cost by the total number of units within Zone B.

Traffic Signal:

The four-way traffic signal system, consisting of four traffic signals, street lighting and controller, was installed at the intersection of West Wood Street and North Airport Road to address traffic congestion resulting from the expanded Walmart Super Store. Prior to the Walmart development, there was no need for a traffic signal at this intersection.

Walmart, the sole parcel within Zone B, receives direct and special benefits from the 4-way traffic. These special benefits include enhanced safety and security for the neighborhood, pedestrians, and vehicles, as well as ease of access and egress, and improved safety of the intersection. West Wood Street also carries traffic not associated with Walmart, and therefore the enhanced traffic control also confers a general benefit to the public at large.

The enhanced traffic control provided to north/south traffic on North Airport Road is considered to be a special benefit principally to Walmart as the traffic control in that direction serves their primary entrance to the north. Comparatively, there is very little traffic directed to the south, which serves the local Willows airport, and the general benefit provided in this direction is considered negligible.

The enhanced traffic control provided to east/west traffic along State Highway 162 is considered to provide primarily a general benefit to the public at large.

Therefore, the direct and special benefits provided to Zone B for improved traffic control in the north-south direction is considered to be one-half of the total traffic control benefits. The remaining one-half of the traffic control benefits, conferred on east-west traffic along State Highway 162, is considered a general benefit to the public.

The annual assessment cost for special benefits conferred to Zone B for traffic control shall be one-half of the total costs of providing and maintaining the 4 signals, lights and controller plus associated costs. The remainder of the costs associated with this signal is paid for by Caltrans, as West Wood Street is a State highway. This is indicated on the Assessment Diagram as 2 traffic signals.

Accordingly, the method by which the single Zone B parcel shall be assessed for traffic signal costs is the total estimated cost of maintenance and operation of the City's portion of the traffic signal (including lights), half the cost of the controller, and the administrative costs associated with this zone.

A knockdown replacement fund is established for Zone B to cover expenses associated with replacing a streetlight if it is damaged or destroyed by a vehicle. The overall knockdown fund cost to be accumulated over a 5-year period is \$5,000 (estimated expenses for manpower and equipment

for replacing one streetlight). Once a fund balance of \$5,000 is attained, no additional monies shall be collected for this fund until/unless there is the need to replace one of the streetlights. The method to collect this portion of the assessment is the same as streetlights.

Zone C – South Willows Commercial and Industrial Center

Zone C includes weed abatement, and the maintenance of landscaping and street lighting located within the South Willows Commercial and Industrial Center. The parcels within the zone receive a direct and special benefit from the weed abatement, landscaping and street lighting, which include enhanced desirability of properties within the zone, improved aesthetic appeal of the neighborhood, improved air quality, and enhanced safety and security for the neighborhood, pedestrians, and vehicles.

Although members of the general public may walk or drive through a zone and appreciate the increased safety and security resulting from improved street lighting or the aesthetic appeal of the maintained landscaping, this does not necessarily confer a general benefit to the public at large and, in any case, is determined to be negligible relative to the special benefits conferred upon the parcels within a particular zone.

Land Use codes as received from the County of Glenn are used to determine the basic use units to be assigned to each parcel. For FY 2019-20, however, it is known that six of the seven parcels in Zone C will be developed by July 1, 2019. As such, the use units applied to these parcels will be set based this updated information. The following basic use units reflect the relative special benefit accruing to parcels of land within Zone C:

- | | |
|-------------------------------|---------|
| 1. Developed parcel | 1 unit |
| 2. Vacant, developable parcel | ½ unit |
| 3. Undevelopable parcel | 0 units |

Accordingly, the annual assessment cost per unit shall be obtained by dividing the total Zone C annual assessment cost by the total number of units within Zone C.

A knockdown replacement fund will be established for Zone C to cover expenses associated with replacing a streetlight if it is damaged or destroyed by a vehicle. At this time, the overall knockdown fund cost to be accumulated over a 5-year period is \$5,000 (estimated expenses for manpower and equipment for replacing one streetlight). Once a fund balance of \$5,000 is attained, no additional monies shall be collected for this fund until there is the need to replace one of the streetlights.

The Zone C total knockdown replacement fund to be accumulated over 5 years is \$5,000. This amount, \$5,000, divided by five years equals an annual knockdown replacement cost of \$1,000.

The annual knockdown replacement cost per unit shall be obtained by dividing the Zone C annual knockdown replacement cost (\$1,000) by the total number of units within Zone C (as defined in this section above).

A landscape replacement fund will be established for Zone C to cover expenses associated with long-term landscaping items such as new bark mulch, plants, and replacement of the irrigation system, as needed. The overall landscape replacement fund costs are as follows:

Landscape Replacement Fund Costs

New bark mulch to be replaced every five years:	\$2,000	(\$8,000 over 20 years)
New plants to be replaced over 10 years:	\$9,000	(\$18,000 over 20 years)
Irrigation system replacement every 20 years:	\$18,000	<u>(\$18,000 over 20 years)</u>
		\$44,000 over 20 years

The total landscape replacement fund to be accumulated over 20 years is \$44,000. This amount, \$44,000, divided by twenty years equals an annual landscape replacement fund of \$2,200 for this zone.

The annual landscape replacement cost per unit shall be obtained by dividing the annual landscape replacement fund cost (\$2,200) by the total number of units within Zone C (as defined in this section above).

MAXIMUM ALLOWABLE ASSESSMENT AND INFLATIONARY FACTORS

In 2005, the original Engineer’s Report stated that assessments may be adjusted each year to account for inflation of costs and services in accordance with the Bay Area (San Francisco-Oakland-San Jose) Consumer Price Index (CPI) for all urban consumers, or 3%, whichever is greater. An Annual CPI increase has been applied for each year, however it should be noted that, due to the economic climate, from FY 2010-11 through FY 2016-17 the implemented increase was less than 3%.

The CPI adjustments to the Maximum Allowed Assessment per Parcel from FY 2016-17 through FY 2019-20 are shown as follows:

Maximum Allowable Assessment Analysis								
Assessment Year	Allowed Annual CPI Increase		Zone A Birch Street Village		Zone B Walmart		Zone C S. Willows Commercial & Industrial Center	
	Year	%	Allowed Adjustment Amount	Total Assessment Maximum (per Unit)	Allowed Adjustment Amount	Total Assessment Maximum (per Unit)	Allowed Adjustment Amount	Total Assessment Maximum (Per Zone)
FY 2016-17	2015	2.60%	\$11.69	\$461.34	\$166.08	\$6,553.66		
FY 2017-18	2016	3.00%	\$13.84	\$475.18	\$196.61	\$6,750.27		
FY 2018-19	2017	2.90%	\$13.78	\$488.96	\$195.76	\$6,946.03		
FY 2019-20 Zones A & B annual adj. & Zone C original Assessment	2018	3.50%	\$17.11	\$506.07	\$243.11	\$7,189.14		\$69,196.02

Actual assessment amounts to be collected do not have to be set at the maximum assessment. Establishing the maximum available assessment each year and keeping up with inflation allows the assessments to be increased to this maximum amount sometime in the future if costs associated with this Assessment District increase (e.g. if in any year there are unanticipated expenditures due to such things as vandalism) and will preclude having to go through electorate approval per California Constitution Article XIII C, Section 2(b).

PART E

FY 2019-20 PROPERTY OWNERS LIST

The names and addresses of each of the property owners as shown on the County of Glenn Assessor's Tax Assessment Roll are shown below. The names and addresses have been keyed to the special assessment number (the assessor parcel number) as shown in Part C of this Engineer's Report.

**Table 2
CITY OF WILLOWS
Landscaping and Lighting Assessment District
Fiscal Year 2019-20**

Zone A - Birch Street Village, Zone B - Walmart, and Zone C South Willows Commercial & Industrial Center

APN	Assessment Diagram Number	Owner Name	Mailing Address
001-071-009-000	26	Tovar, Bradford & Tovar, Jillian Mc Garr Nungaray, Jose T A & Arteaga Lorena C J/T	320 S. Humboldt Ave Willows, CA 95988
001-071-010-000	27		330 S Humboldt Ave, Willows, CA 95988
001-071-011-000	28	Medina Humberto	340 S Humboldt Ave, Willows, CA 95988
001-071-012-000	29	Pollock Robert R	350 S Humboldt Ave, Willows, CA 95988
001-071-013-000	30	Baczkowski, Thomas W.	360 S Humboldt Ave, Willows, CA 95988
001-071-014-000	31	Singh Kulwinder	521 Greg Thacth Cir, Sacramento, CA 95835
001-071-015-000	32	Ross Jack & Ross Candace J/T	6141 W 4th St, Rio Linda, CA 95673
001-071-016-000	33	Hernandez J A Palomino & Palomino Hilda	1330 W. Humboldt Ave, Willows, CA 95988
001-071-017-000	34	Birch Street Village	3323 Knollridge Dr, El Dorado Hills, CA 95762
001-071-018-000	16	Kumar Priti	199 N Humboldt Ave, Willows, CA 95988
001-071-019-000	15	Street Amy L & Street Timothy R	451 El Dorado Ave, Willows, CA 95988
001-071-020-000	14	Cromwell, Wendy	461 El Dorado Ave, Willows, CA 95988
001-071-021-000	17	Packard Nikola J	431 El Dorado Ave, Willows, CA 95988
001-071-022-000	18	Donnelly, Michael D & Carolyn M	421 El Dorado Ave, Willows, CA 95988
001-071-023-000	19	Martinez, Ramiro Licea & Licea Yesenia J/T	381 El Dorado Ave, Willows, CA 95988
001-071-024-000	20	Ngo Cuong Bach & Tra Thuy Thanh Thi	371 El Dorado Ave, Willows, CA 95988
001-071-025-000	21	Feeney, Kevin	65 Lindauer Lane, Red Bluff, CA 96088
001-071-026-000	22	Tafolla, Guillermo Arias & Arias Ana	351 El Dorado Ave, Willows, CA 95988
001-071-027-000	23	Baker Nicole C	341 El Dorado Ave, Willows, CA 95988
001-071-028-000	24	Moiser, Steven M & Moiser, Lisa L.	331 El Dorado Ave, Willows, CA 95988
001-071-029-000	25	Clark Janie C TRS	321 El Dorado Ave, Willows, CA 95988
001-071-030-000	13	Lederer, Eric M	PO Box 1298, Willows, CA 95988
001-071-031-000	12	Hernandez Jaime & Hernandez Gabriela	320 El Dorado Ave, Willows, CA 95988
001-071-032-000	11	Olson, John V. & Olson, Terrie L TRS	330 El Dorado Ave, Willows, CA 95988
001-071-033-000	10	Jaramillo Jose Luis & Jaramillo Brenda	340 El Dorado Ave, Willows, CA 95988
001-071-034-000	9	Velasco Raymond Sigala & Cristina J/T ETAL	350 El Dorado Ave, Willows, CA 95988
001-071-035-000	8	Hutson, Evan C & Amanda	831 Fifth St, Orland, CA 95963
001-071-036-000	7	McDonald David S	475 S Culver St, Willows, CA 95988
001-071-037-000	6	Salas, Crystal A. et al	380 El Dorado Ave, Willows, CA 95988
001-071-038-000	5	Bobadilla, Pedro D & Raygoza Marisol J/T	410 El Dorado Ave, Willows, CA 95988
001-071-039-000	4	Gutierrez, Alejandro & Gutierrez Ashley M J/T	420 El Dorado Ave, Willows, CA 95988
001-071-040-000	3	Drazkowski Tonia & Scott Lindsay B Co Trs	111 S Villa #8 Willows, CA 95988
001-071-041-000	2	Irwin Dennis L	440 El Dorado Ave, Willows, CA 95988
001-071-042-000	1	Southam Boyd & Southam Stephanie	450 El Dorado Ave, Willows, CA 95988
Lot A	Lot A	Null	Null

Table 2 (Continued)

APN	Assessment Diagram Number	Owner Name	Mailing Address
017-210-052-000	35	Walmart RE Business Trust c/o Walmart Tax Dept #2053	P.O. Box 8050, Bentonville, AR 72712-8050
017-170-034-000	36	City of Willows	201 North Lassen St, Willows, CA 95988
001-717-037-000	37	City of Willows	201 North Lassen St, Willows, CA 95988
017-170-042-000	38	California Land Invest LLC	316 California Ave #350, Reno, NV 89509
017-170-043-000	39	California Land Invest LLC	316 California Ave #350, Reno, NV 89509
017-170-044-000	40	California Land Invest LLC	316 California Ave #350, Reno, NV 89509
017-170-045-000	41	California Land Invest LLC	316 California Ave #350, Reno, NV 89509
017-170-046-000	42	California Land Invest LLC	316 California Ave #350, Reno, NV 89509
017-170-047-000	43	California Land Invest LLC	316 California Ave #350, Reno, NV 89509
017-170-048-000	44	California Land Invest LLC	316 California Ave #350, Reno, NV 89509

PART F

FY 2019-20 ASSESSMENT DIAGRAM

Attached, you will find Assessment Diagrams (maps) for Zones A, B, and C within the Assessment District. Please note that the lines and dimensions of each parcel, as well as the distinctive assessment number, are shown on the Assessor's Maps for the City of Willows available at the County of Glenn Assessor's Office. The attached pages also provide the reference to the appropriate Assessor Books at the County for the subdivision.

Zone A

All the land lying within the Birch Street Village Subdivision, filed in the Recorder's Office of the County of Glenn in Book 13, Page 64.

Zone B

All the land lying within the Walmart Super Store Development, known at the Assessor's Office of the County of Glenn as Assessor's Parcel Number 017-210-052-000.

Zone C

All the land lying within the South Willows Commercial and Industrial Center development, known at the Assessor's Office of the County of Glenn as Assessor's Parcel Numbers 017-170-034-000, 017-170-037-000, and 017-170-042-000 through 017-170-048-000

CITY OF WILLOWS



LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT

ASSESSMENT DIAGRAM

ZONE A - BIRCH STREET VILLAGE



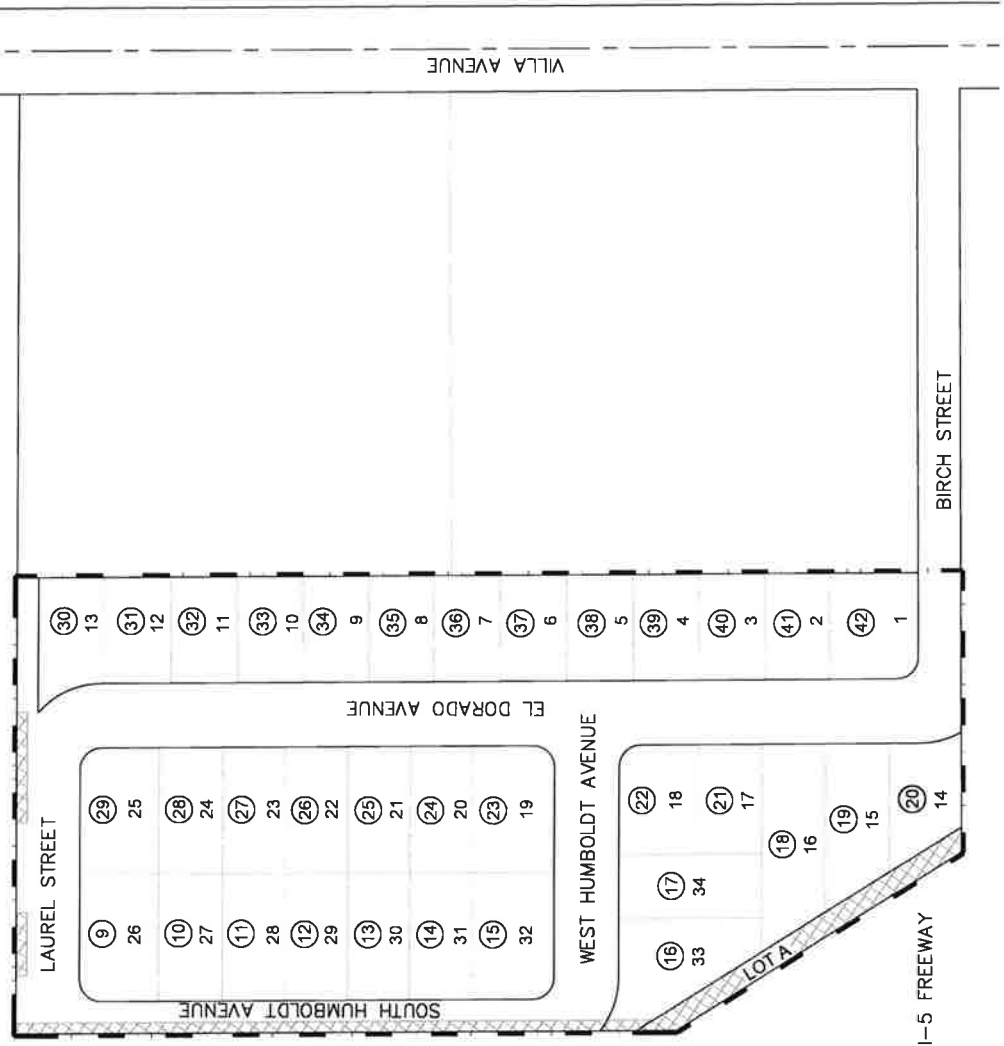
VICINITY MAP

-  Landscape Maintenance Area
-  Assessment District Boundary

NOTE:
FOR THE DISTINCTIVE ASSESSMENT NUMBER AND DETAILED DESCRIPTION OF THE LINES AND DIMENSIONS OF EACH PARCEL REFER TO THE ASSESSOR'S MAPS. FOR THE OFFICIAL MAPS AVAILABLE AT THE GLENN COUNTY ASSESSOR'S OFFICE.

PREPARED FOR
CITY OF WILLOWS
GLENN COUNTY CALIFORNIA
2019-2020 FISCAL YEAR

APN: BOOK 001, PAGE 07, BLOCK 1.
THE SPECIFIC LOT NUMBER IS SHOWN IN THE CIRCLE.
THE ASSESSMENT DIAGRAM NUMBER IS BELOW THE LOT NUMBER.



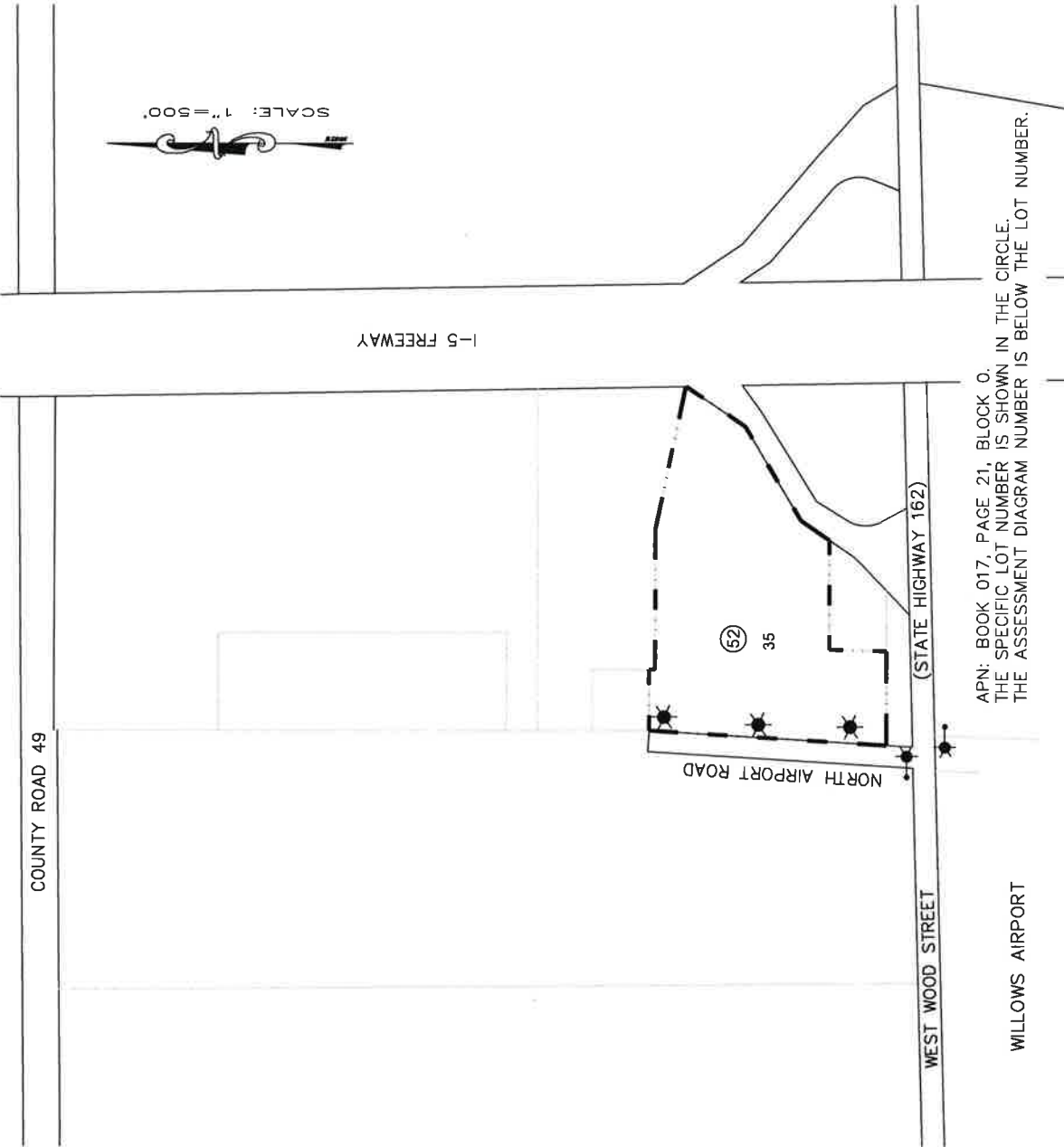
Coastland Civil Engineering, Inc.
1400 Nectomas Avenue, Santa Rosa, CA 95405
707.571.8805 707.571.8837 Fax

CITY OF WILLOWS

LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT

ASSESSMENT DIAGRAM

ZONE B - WALMART



VICINITY MAP

- ☀ Zone B traffic signal with street light locations
- ☀ Zone B street light locations
- Assessment District Boundary

NOTE:
FOR THE DISTINCTIVE ASSESSMENT NUMBER AND DETAILED DESCRIPTION OF THE LINES AND DIMENSIONS OF EACH CIRCLE REFER TO THE ASSESSORS MAPS. FOR THE CITY OF WILLOWS, THESE MAPS ARE AVAILABLE AT THE GLENN COUNTY ASSESSORS OFFICE.

APN: BOOK 017, PAGE 21, BLOCK 0.
THE SPECIFIC LOT NUMBER IS SHOWN IN THE CIRCLE.
THE ASSESSMENT DIAGRAM NUMBER IS BELOW THE LOT NUMBER.

Coastland Civil Engineering, Inc.
1400 Neotomas Avenue, Santa Rosa, CA 95405
707.571.8005 707.571.8037 Fax

PREPARED FOR
CITY OF WILLOWS
GLENN COUNTY CALIFORNIA
2019-2020 Fiscal Year

CITY OF WILLOWS

LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT

ASSESSMENT DIAGRAM

ZONE C - SOUTH WILLOWS COMMERCIAL AND INDUSTRIAL CENTER



VICINITY MAP

- Zone C street light locations
- Landscape Maintenance Area
- Weed Abatement of Detention Ponds
- Assessment District Boundary

NOTE:

FOR THE DISTINCTIVE ASSESSMENT NUMBER AND DETAILED DESCRIPTION OF THE LINES AND DIMENSIONS OF EACH PARCEL REFER TO THE ASSESSORS MAPS FOR THE OFFICE AVAILABLE AT THE GLENN COUNTY ASSESSORS' OFFICE.

PREPARED FOR
CITY OF WILLOWS
GLENN COUNTY CALIFORNIA
2019-2020 FISCAL YEAR

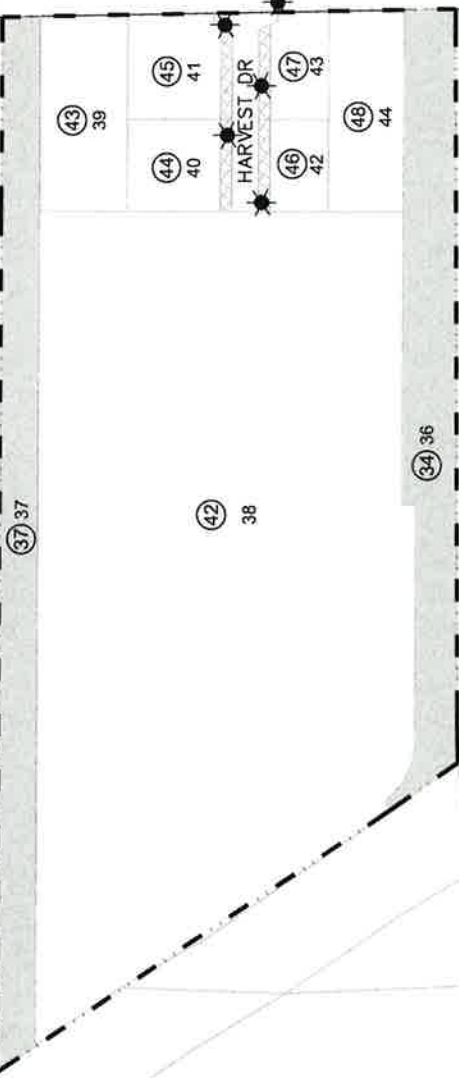
COUNTY
RD. 53

SPRR

S TEHAMA ST/HWY 99

APN: BOOK 017, PAGE 17, BLOCK 0.
THE SPECIFIC LOT NUMBER IS SHOWN IN THE CIRCLE.
THE ASSESSMENT DIAGRAM NUMBER IS BELOW THE LOT NUMBER.

SCALE: 1" = 500'



Coastland Civil Engineering, Inc.
1400 Nectomas Avenue, Santa Rosa, CA 95405
707.571.8035

April 23, 2019

AGENDA ITEM

TO: Honorable Mayor Hanson and Members of the City Council
FROM: Wayne Peabody, Fire Chief
Subject: Annual Weed & Rubbish Abatement

RECOMMENDATION

Adopt a resolution declaring weeds, rubbish, refuse and dirt public nuisances, approve the attached Weed and Rubbish Abatement Schedule for the 2019 fire season.

SITUATION (or BACKGROUND):

Each year the Willows Fire Department abates weeds, rubbish, refuse and dirt from different lots and alleyways. In order to commence this process, it is necessary for the City Council to adopt the attached resolution. This resolution declares that weeds, rubbish, refuse and dirt are a public nuisance and sets a date for a hearing. Attached is a list of dates that indicate the time frame we will be working in 2019.

FINANCIAL CONSIDERATIONS:

Unknown, dependent upon responsiveness of public and contractor cost of services.

Notification:

Willows Journal
Willows PSA
Willows Public Works

ALTERNATE ACTIONS:

1. Request additional information from staff
2. Reject staff recommendation and/or direct item to be returned.

RECOMMENDATION:

Adopt a resolution declaring weeds, rubbish, refuse and dirt public nuisances, approve the attached Weed and Rubbish Abatement Schedule for the 2019 fire season and allow staff to solicit bids for abatement contractor.

Respectfully Submitted



Wayne Peabody
Interim City Manager

Attachments:

- Exhibit A: 2019 Weed Abatement Schedule
- Exhibit B: Resolution
- Exhibit C: Initial Weed Abatement Survey (Given the Night of Council meeting)

**WEED AND RUBISH ABATEMENT
2019 FIRE SEASON**

- April 22, 2019 Initial weed abatement survey to be completed and ready for submission.
- April 23, 2019 Council Adopts resolution declaring weeds and rubbish a nuisance. Approves May 28th, 2019 as the date for the Hearing to Protest and July 23rd, 2019 as the date for Hearing to confirm cost and declare costs as a lien against the property as of August 9th, 2019.
- May 10, 2019 Bid opening-2:00 p.m.
- May 8, 2019 Last day to mail the Notice of Public Hearing to protest to the paper for the May 28th Council Meeting. (Publication date will be May 18, 2019 – 10 days prior to the public hearing).
- May 28, 2019 7:00 p.m.-Hearing on protest. Council orders abatement. Award contract to abate.
- May 29, 2019 Resurvey-Start abatement
- June 7, 2019 Last date for property owner to do own abatement
- July 10, 2019 Last day to mail Notice of Public Hearing to protest to the paper for the July 23rd Council Meeting. (Publication Date will be July 13 – 10 days prior to the public hearing).
- July 18, 2019 Posting of individual abatement cost list outside door at least 3 days prior to hearing to confirm report and declare cost lien.
- July 23, 2019 Public Hearing to Protest. Adopt Resolution confirming costs and declaring costs a lien against property as of August 9, 2019.
- August 9, 2019 Transmit abatement cost to auditor's office for inclusions on taxes. Owner as 10 days from date of hearing (July 3rd) to pay assessment directly to the City prior to transmittal to the auditor.

RESOLUTION NO.

**RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF WILLOWS DECLARING PUBLIC NUISANCES**

WHEREAS, there exists in the City of Willows private property upon which there are growing weeds and upon which there exists weeds, rubbish, refuse, and dirt; and

WHEREAS, the City Council of the City of Willows has determined that such weeds, rubbish, refuse and dirt constitute public nuisances and should be abated;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Willows as follows:

1. That all weeds growing upon private property and all rubbish, refuse and dirt upon private property within the City of Willows are hereby declared to be public nuisances.
2. That such weeds, rubbish, refuse and dirt are growing upon or are upon the parcels of private property described in the report attached hereto and marked Exhibit C and by this reference made a part hereof.
3. That said nuisances shall be abated as provided by Section 39560 and 39588 of the Government Code of the State of California, and pursuant thereto the Fire Chief of the City of Willows shall give notice as provided by Section 39564 through 39567, inclusive of said Government Code.
4. That the City Council of the City of Willows hereby fixes Tuesday, May 28, 2019, at 7:00 p.m. in the City Council Chambers, Civic Center, Willows, California, as the time and place of hearing any objections to the proposed removal of weeds, rubbish, refuse, and dirt hereinabove declared to be public nuisances.

PASSED AND ADOPTED by the City Council of the City of Willows this 23rd day of April 2019, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

APPROVED:

ATTESTED:

Gary Hansen, Mayor

Tara Rustenhoven, City Clerk

AGENDA ITEM

TO: Wayne Peabody, Interim City Manager
FROM: Tim Sailsbery, Administrative Services Director
SUBJECT: General Plan Update

RECOMMENDATION

By Motion, Accept the Proposal for General Plan Update Submitted By De Novo Planning Group and Direct the Interim CM to Negotiate a Contract for Services

SITUATION (or BACKGROUND):

The City is well overdue for an update to a number of elements to the General Plan. A number of elements have not been updated since the 1970's. Cost (and a funding source) have always been a hinderance, as estimates to complete have been estimated to be in the \$300,000 to \$500,000 range, and no source of funding has been identified (other than the housing element, which has a required 5 year update and has been routinely funded by CDBG Planning and Technical Assistance Grants).

We have a unique opportunity available to us at this time. The County has retained De Novo Planning Group to do their General Plan Update, and we have the opportunity to utilize the economies of scale to enter into an agreement at a reduced cost (\$166,905 for all elements except the Housing element and the corresponding EIR), In addition, we can "piggyback" on the County's agreement, which eliminates the requirement that we go out on our own RFP for such services. Further, De Novo has agreed to allow for payment over three annual installments, starting in 2019-20, allowing us to budget this over 3 cycles.

Our Fire Chief (and Interim CM) recognizes the importance of updating the General Plan and has offered the following to make this work-

-Forego the \$50,000 per year General Fund Capital allotment for the next 3 plus years and apply those funds to pay for the General Plan Update.

-Utilize the Fire Development Impact Fee Fund (current balance of \$122K, with development possibilities on the horizon to augment this number) to enter into a lease purchase agreement on a new fire engine. Under the concept of the development impact fee, this must be an addition rather than a replacement, so the FD will not be removing any equipment from service.

In addition, California SB 2 "The Building Jobs and Ho, passed in 2017 and enacted on 1/1/18, allots funds (derived from a \$75 per recorded document fee) for various housing

issues. The City may apply for such funds to assist with the cost of the general plan update. If awarded, it will defray some or all of the cost of the general plan update.

The proposal presented by De Novo does not include a housing element update. We are due for a housing element update in 2020, and we plan to seek CDBG funding for that. We must go through the RFP process in order to utilize CDBG funds and cannot pre-select. De Novo plans to be a bidder at that point, but will incorporate the housing element in, regardless of who does the work.

Please note that the general plan update and EIR is anticipated to be a 3-year process. Also, City Staff is exploring options regarding providing revenue via service or development impact fees to create future funding for general plan updates.

NOTIFICATION

N/A

FINANCIAL IMPACT

Up to a \$166,905 General Fund impact over a 3-year period. General Fund impact may be mitigated by other funding sources.

ALTERNATE ACTIONS

1. Accept the De Novo Proposal
2. Reject the Proposal and Start the RFP Process
3. Reject the proposal and not proceed with a General Plan Update

RECOMMENDATION

By Motion, Accept the Proposal for General Plan Update Submitted By De Novo Planning Group and Direct the Interim CM to Negotiate a Contract for Services

Respectfully submitted,

/s/ Tim Sailsbery

Tim Sailsbery
Administrative Services Director

Attachment

-De Novo Planning Group Proposal



Attachment

April 3, 2019

Karen Mantele, Planning Consultant
City of Willows Planning Department
201 North Lassen Street
Willows, CA 95988

SUBJECT: Proposal to Prepare the Willows General Plan Update and EIR

Dear Ms. Mantele:

Speaking on behalf of the entire De Novo Planning Team, we would like to thank you for the opportunity to submit this proposal to prepare an update to the Willows General Plan, and prepare the corresponding Program EIR. Based on our conversations with you and Wayne Peabody, it is our understanding that the City wishes to have the update prepared in the most cost-effective manner practical, and to utilize cost-saving opportunities associated with our work preparing the Glenn County General Plan.

The approach and scope of work outlined on the following pages represents a streamlined and cost-effective approach to achieving a full General Plan update that meets the requirements of State planning law and includes focused and meaningful public outreach. This scope also includes the preparation of a programmatic EIR that will meet the requirements of CEQA, and serve as a streamlining and tiering document for the review of subsequent development projects in the City.

The scope of work and budget are based on the fundamental assumption that work on this project begins in the very near future (within the next month or two), which will allow our team to complete these tasks concurrent with the corresponding tasks we are undertaking for the Glenn County General Plan Update. The work program would be completed over an approximately 3-year schedule.

If you have any questions regarding this submittal, please do not hesitate to contact me at (916) 949-3231 or at britchie@denovoplanning.com.

I am happy to continue to collaborate with you and your team to refine this scope of work and budget to best meet the City's needs and resources.

Sincerely,

DE NOVO PLANNING GROUP
Ben Ritchie, Principal

To: Ms. Karen Mantele, Planning Consultant
Subject: Proposal to prepare the City of Willows General Plan Update and EIR
Date: April 3, 2019

Scope of Work

Task 1: Public Participation Program

The public participation program will consist of the following components:

- **Visioning Workshop.** A public visioning workshop will be conducted during the first few months of the project. This will provide an opportunity for the community to learn about the General Plan Update and provide input on key issues and challenges the city is facing.
- **Stakeholder and/or Committee Meetings.** Up to four in-person meetings will be conducted with key stakeholders and/or City committees/commissions in order to help develop and refine policies and the land use map.
- **Public Hearings and/or Council Workshops.** Up to four hearings or workshop with the City Council will be conducted in order to receive Council direction and keep the Council informed of progress on the project.
- **Digital Outreach.** There are three potential options for an online presence. The online presence includes posting meeting notices, posting documents that have been completed at various stages of the project, and up to two online surveys.
 1. Add a tab to the Glenn County General Plan Website for the City's General Plan Update. We are currently building a website (glenncounty.generalplan.org) for the County's General Plan Update. We can add a tab at the top of the site that links to a page dedicated to the Willows General Plan Update.
 2. The City posts all General Plan notices and materials to its website. Under this scenario, we would provide the City with files and text to be posted online on the City's site. The City would be responsible for hosting and managing the content.
 3. Build a new website specifically for the Willows General Plan Update. The address would be: willows.generalplan.org.

Options 1 and 2 are the most cost-effective and would be the same price. Option 3 would cost an additional \$5,000.

Task 2: Existing Conditions Report

The De Novo team will prepare a stand-alone existing conditions report to document baseline conditions related to the following topics:

- Land use and demographics
- Transportation and circulation
- Community services and facilities (including utilities, public safety, parks and schools)
- Hazards, safety, and noise
- Conservation and natural resources
- Environmental justice

To: Ms. Karen Mantele, Planning Consultant
Subject: Proposal to prepare the City of Willows General Plan Update and EIR
Date: April 3, 2019

The existing conditions report would be written in a format similar to the existing and regulatory setting found in a programmatic EIR, and would be used as the foundation of the EIR later in the Update process.

Task 3: Draft General Plan

Based on the age, and general obsolescence of the City's current General Plan, the De Novo team will prepare a completely new and revised General Plan, excluding a Housing Element. The existing General Plan will be thoroughly reviewed for relevance and applicability, and policy approaches that are determined to still be relevant will be retained and carried forward into the new plan. The General Plan Update will address changes to state law, assess the condition of the City, and provide changes or adjustments necessary to realize the current vision of resident and stakeholders for the City.

The updated General Plan will include all of the State-mandated elements (except Housing), including:

- Land Use (including land use map)
- Circulation (including circulation diagram)
- Conservation and Open Space
- Safety
- Noise

In preparing the General Plan Update, the De Novo team will prepare each element to ensure that all goals, policies, and actions:

- Address requirements of state law; (such as flooding, VMT, climate change, environmental justice, etc.)
- Avoid or mitigate potential environmental impacts, or are balanced by social, economic, legal, or other relevant considerations;
- Are grounded in recent and sound community planning and resource conservation trends; and
- Are internally consistent.

Task 4: Final General Plan

Based on comments and input received from staff, City Council, and the community, we will prepare final revisions to the General Plan in anticipation of Council adoption of the Plan.

To: Ms. Karen Mantele, Planning Consultant
Subject: Proposal to prepare the City of Willows General Plan Update and EIR
Date: April 3, 2019

Task 5: Environmental Impact Report

The work program described below would result in the preparation of a Program-level EIR. The EIR would address all potential environmental impacts associated with implementation of the General Plan Update. The Program-EIR would serve as a "tiering document" to facilitate streamlined environmental review of all subsequent development and infrastructure projects undertaken in the City, which are consistent with the General Plan. The following sub-tasks are included:

1. Project Description
2. Notice of Preparation and Scoping Meeting
3. Administrative Draft EIR
4. Public Draft EIR
5. Final EIR and Responses to Comments
6. Mitigation Monitoring and Reporting Program
7. Findings of Fact and Statement of Overriding Consideration

Task 6: Meetings and Project Management

This task includes the work necessary to successfully manage the project and coordinate with staff. It is assumed that most meetings with staff can be conducted by phone and email. It is also assumed that the City will work with the De Novo team to schedule in-person meetings and hearings on the same days as we have meetings scheduled with Glenn County, to the greatest degree practical.

This scope of work and budget are based on the assumption that printing costs and other direct costs will be kept to a minimum. In general, admin draft documents will be provided to the County in electronic format. Up to 10 printed hard copies of final documents will be provided to the City (Final documents include the Existing Conditions Report, Draft EIR, Final EIR, and Final General Plan).

To: Ms. Karen Mantele, Planning Consultant
Subject: Proposal to prepare the City of Willows General Plan Update and EIR
Date: April 3, 2019

Project Budget

Task	Cost
Task 1: Public Participation Program	\$15,000
Task 2: Existing Conditions Report	\$39,800
Task 3: Draft General Plan	\$37,900
Task 4: Final General Plan	\$7,250
Task 5: Environmental Impact Report	\$52,000
Task 6: Meetings and Management	\$14,955
Project Total	\$166,905

Task budgets include all direct costs, including printing, shipping, etc. De Novo Planning Group reserves the right to shift budget between tasks, provided the overall project budget does not increase.

AGENDA ITEM

TO: Wayne Peabody, Interim City Manager
FROM: Tim Sailsbery, Administrative Services Director
SUBJECT: Confirm Date and Time for Budget Workshop

RECOMMENDATION

By Consensus, Confirm Date and Time for the Budget Workshop for the Week of May 28

SITUATION (or BACKGROUND):

Staff requests that a special meeting set up in a budget workshop format be set for the week of May 28 (Monday, May 27 is Memorial Day).

NOTIFICATION

Special Meeting Agenda will be posted at least 24 hours prior to meeting

ALTERNATE ACTIONS

RECOMMENDATION

By Consensus, Confirm Date and Time for the Budget Workshop for the Week of May 28

Respectfully submitted,

/s/ Tim Sailsbery

Tim Sailsbery
Administrative Services Director

AGENDA ITEM

TO: Mayor Hansen and Council members
FROM: Wayne Peabody, Interim City Manager/Fire Chief
SUBJECT: Acceptance of Cold Storage Feasibility and Business Case Development Analysis

RECOMMENDATION

By Motion, Accept the Cold Storage Feasibility and Business Case Development Analysis Study

SITUATION (or BACKGROUND):

The City was awarded a USDA Rural Business Development Grant to conduct a Cold Storage Feasibility Study and Business Case Development Analysis. The City retained Morrisson & Company ("Morrisson") to complete the study. Morrisson used the following areas to complete the Study:

1. Venture Description and Approach
2. Industry Overview
3. Market Analysis
4. Operational Analysis
5. Management Analysis
6. Capital
7. Risk Assessment

Through the analysis and all the findings, the best site for this project would be in the South Willows Development. Furthermore, it was concluded that it would make the most sense for an experienced operator to build and operate the facility. Morrisson's final conclusion is that the approach, competition and markets, operations and management; capital needs, and risks discussed in this assessment are technically feasible.

FINANCIAL CONSIDERATIONS:

Staff Time was match for grant

April 23, 2019

NOTIFICATION

Morrison & Company
County of Glenn Economic Development Director- Jody Samons

ALTERNATE ACTION

- Approve as Recommended
- Reject Request for Approval
- Request Further Information

RECOMMENDATION

By Motion, Accept the Cold Storage Feasibility and Business Case Development Analysis Study

Respectfully Submitted,



Wayne Peabody
Interim City Manager

ATTACHMENT

City of Willows Feasibility Analysis and Business Case for Potential Cold Storage Facility

Attachment

**CITY OF WILLOWS FEASIBILITY ANALYSIS AND
BUSINESS CASE**

for

A POTENTIAL COLD STORAGE FACILITY

March 29, 2019



MORRISON



MORRISON

10 Landing Circle, Suite 5, Chico, CA 95973 • (530) 893-4764

www.morrisonco.net

March 29, 2019

Mr. Wayne Peabody
City of Willows
201 North Lassen Street
Willows, CA 95988

Dear Mr. Peabody:

Morrison has assessed the feasibility of the City of Willows' proposed cold storage facility venture from the following standpoints:

1. Venture Description and Approach
2. Industry Overview
3. Market Analysis
4. Operational Analysis
5. Management Analysis
6. Capital
7. Risk Assessment

Our procedures consisted primarily of:

1. An assessment of internal information provided by the City of Willows.
2. As assessment of information provided by a private cold storage operator with an interest in potentially operating a facility in Glenn County.
3. An assessment of external statistics and other independent information.
4. An assessment of the market, operational, and management potential and needs, including the results of similar ventures.
5. Assessment of research, statistics, and historical information from a cold storage operator and from construction firms that build cold storage facilities
6. Discussions and written representations from City of Willows and County of Glenn personnel.

The purpose of a feasibility assessment is to determine the general viability of a proposed approach to a project. In the actual execution of a plan, external circumstances, internal decisions, and other factors may dictate departures from the original vision. Further, it is not possible to consider every possible cost or circumstance, internal or external. Accordingly, we make no representation as to the outcome of any action any party may take based on this Assessment. With these limitations, we have concluded that the general approaches to business organization, marketing, operations, and management discussed in this assessment are technically feasible.

This Assessment replaces and supersedes all previous drafts, correspondence, and other related communications, written or oral. Please contact me at your convenience with any questions or comments. Once again, I thank you for allowing us the privilege of providing services to City of Willows.

Sincerely,

R. Brent Morrison
Managing Principal

COLD STORAGE FEASIBILITY STUDY
A Project of City of Willows

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SECTION I. – EXECUTIVE SUMMARY

Venture Description and Approach (Section II)

Morrison was engaged by the City of Willows to conduct a feasibility analysis and business case regarding the potential establishment of a cold storage facility in Glenn County. As outlined in the initial grant proposal application submitted to USDA and the subsequent scope of work for Morrison, the goal of the venture was to: compile data and information to determine the potential need by local businesses for cold storage services, identify any regional cold storage competitors, outline a potential operations plan for cold storage facility, assess any likely management and organization needs, and conduct at least three to five years of financial analysis for a potential operation.

Industry Overview (Section III)

Cold storage is a temperature-controlled environment that is needed for many goods across several industries, including the food and beverage industry, technology industry, and pharmaceutical industry. Cold storage facilities are often either privately-owned for the sole use of one company's goods or products; or public in which multiple users can "rent" space from private operators of shared cold storage warehouses.

Independent research shows growth is anticipated in the cold storage industry. The United States cold storage market size was valued at \$14.7 billion in 2017 and is expected to register a compound annual growth rate of 3.7% from 2018 to 2025. Public refrigerated storage facilities generated the highest revenue in 2017. Revenue is expected to continue to grow in this segment.

The latest USDA report on refrigerated capacity, published in 2018, shows a 13.6 percent decline in total US refrigerated capacity from 2015, where capacity was at 4.17 billion cubic feet. The capacity for 2017 is actually the lowest reported capacity by USDA since 2007. This decreased capacity is occurring at a time when the value of agricultural products is increasing in the state.

Market Analysis (Section IV)

To assess the market feasibility of a cold storage facility in Glenn County, Morrison implemented a multi-faced approach. Following an analysis of the regional market; qualitative data from food and agriculture companies; trucking companies; technology companies; and pharmaceutical companies was solicited and collected through a market survey. Secondary market research was also performed.

Of the 180 companies contacted for qualitative research, 78 participated in the one-on-one phone interviews including 61 food and agriculture companies, 16 transportation companies, and one technology company. All pharmaceutical companies contacted declined to participate. With a strong interest level in a cold storage facility among food and agriculture companies surveyed, secondary market research was conducted to inform volume projections and determine projected revenue based on this market interest. On a scale of 1-5, with 5 being the most likely, thirty food and agriculture companies ranked their likelihood of use a three, four, or five which represents more than 55% of survey participants. Twenty-four percent of all food and agriculture companies ranked likelihood of use a 5.

Operational Analysis (Section V)

The operational analysis for a potential cold storage facility included an assessment of potential locations for a cold storage facility within the city limits of Willows; an assessment of land/building acquisition; and an assessment of equipment needs and costs.

Management Analysis (Section VI)

Morrison explored the challenges and benefits of an ownership/management structure by a private owner; a city-owned management/ownership structure; and a public/private partnership.

Based on the analysis, it seems the most feasible and sustainable option for a management and operation structure is to leverage this feasibility analysis and business case to attract a private company to operate a public cold storage facility in Glenn County. To that end, the assessment of needed personnel and expertise to operate a Glenn County cold storage facility and costs and the assessment of potential hours/days of operation would be largely dependent on the private operator's experience.

Capital (Section VII)

Capital and operating costs are detailed in the financial projections prepared for this study, beginning on Page 39, and include:

- Total land costs of \$175,000 per acre. Assuming a maximum of four acres needed for the facility, a cost of \$700,000 is used.
- Total land improvement costs of \$10 per square foot for all land (minus the building) for a total cost of \$1.42 million.
- Building construction costs of \$140 per square foot for a total estimated construction cost of \$4.5 million.
- Total equipment costs of \$541,540.

Operating capital will be needed to manage cash flow; the project does not anticipate generating an ending positive cash balance until Year 3 of the venture.

Risk Assessment (Section VIII)

As noted in this study, a Glenn County cold storage facility would likely be most feasible if it was constructed, owned, and operated by a private company well-versed in cold storage operations. If that approach was employed there would likely be low business risk.

Financial Projections (Section IX)

Through an evaluation of key market trends; a market demand survey; representations made by a private cold storage operator concerning historical costs; and additional outside research, financial statements have been prepared on a month-by-month basis for the five years of the venture. Earnings before interest, tax, depreciation, and amortization (EBITDA) for the project is projected to be \$438,793; \$685,792; \$932,791; \$932,791 and \$932,791 in the first five years respectively, totaling \$3.92 million.

Conclusions (Section X)

Within the limitations detailed in Section X, the factors related to approach, competition and markets, operational needs, management needs; capital needs, and risk indicate that a proposed cold storage facility in Glenn County is feasible. ■

SECTION II. – VENTURE DESCRIPTION AND APPROACH

In late 2017 Morrison was engaged by the City of Willows to conduct a feasibility analysis and business case regarding the potential establishment of a cold storage facility in Glenn County. A 2017 United States Department of Agriculture (USDA) Rural Business Development Grant supported this work.

As outlined in the initial grant proposal application submitted to USDA and the subsequent scope of work for Morrison, the goal of the venture was to: compile data and information to determine the potential need by local businesses for cold storage services, identify any regional cold storage competitors, outline a potential operations plan for a cold storage facility, assess likely management and organization needs, and conduct at least three to five years of financial projections for a potential operation.

The feasibility analysis and business case was designed to be documented in a formal report that could be used by Glenn County and the cities within the community to explore the potential of one of the local municipalities operating the cold storage facility, or to attract a private operator of a cold storage facility.

Morrison met with City of Willows and County of Glenn staff, conducted personal interviews with more than 78 regional businesses to determine potential demand for cold storage, conducted interviews with management and personnel at existing cold storage facilities, and performed independent research related to cold storage facilities.

The sum of this work is documented in this report. Key findings include:

- Demand for cold storage in the region among food and agriculture companies is strong. In Glenn County and surrounding counties, however, much of the documented demand is from small producers with smaller volumes of product needing storage on an inconsistent basis.
- In the absence of a shared cold storage warehouse facility, several local companies have proceeded to build or install cold storage facilities for their private use. As demand for cold storage grows, the main competition for a shared regional facility will likely be the potential users themselves, rather than competing shared cold storage space.
- A site analysis found that a location at Basin Street Properties would offer the most flexibility for design of a cold storage facility; the likely lowest land acquisition costs if a private third-party operator was to construct the facility (as opposed to the City of Willows); and the closest proximity to Interstate 5, necessary for the transport of products in cold storage. There are significant land improvement costs for this undeveloped site.
- A private company well-versed in cold storage operations and management is likely the most feasible and sustainable approach to building and operating a public cold storage facility in Glenn County.
- As noted in the attached pro forma financial projections prepared for this venture (see Appendix A and the Financial Projections section of this document beginning on Page 39), a cold storage facility in Glenn County could generate net revenues of \$(160,176);

\$105,085; \$382,267; \$409,110; and \$435,182 in the first five years respectively, totaling \$1,171,468 over the first five years of the venture.

- Earnings before interest, tax, depreciation, and amortization (EBITDA) for the project is projected to be \$438,793; \$685,792; \$932,791; \$932,791 and \$932,791 in the first five years respectively, totaling \$3.92 million.



SECTION III. – INDUSTRY OVERVIEW

Cold storage is a temperature-controlled environment that is needed for many goods across several industries, including the food and beverage industry, technology industry, and pharmaceutical industry.

Cold storage facilities are often either privately-owned for the sole use of one company's goods or products; or public in which multiple users can "rent" space from private operators of shared cold storage warehouses.

Globally, the total capacity of refrigerated warehouses (deemed as cold storage) worldwide was 616 million cubic meters in 2018 (approximately 21,753,834,700 cubic feet), an increase of 2.67 percent over 2016 capacity¹. The United States has the second largest cold storage capacity. USDA conducts monthly surveys of cold storage facilities to determine capacity in a bi-annual survey as well. The latest published bi-annual survey by the USDA National Agricultural Statistics Service found that the gross refrigerated storage capacity in the United States totaled 3.60 billion cubic feet in 2017². That same report shows California represents the greatest capacity at 396 million cubic feet.

The latest USDA report on refrigerated capacity, published in 2018, shows a 13.6 percent decline in total United State refrigerated capacity from 2015, where capacity was at 4.17 billion cubic feet. The capacity for 2017 is actually the lowest reported capacity by USDA since 2007. The number of cold storage facilities in California also dropped significantly to 115 in 2017 from 250 in 2015; and 300 in 2013. This is a 62 percent drop in the number of cold storage facilities in the state in less than five years. This translates to a drop in square footage from 569,936 cubic feet to 396,473 cubic feet. The USDA report does not opine on the reasons for this decline, but it is important to note that the majority of this decline came in private closures, rather than public cold storage facilities.

Private space declined by 65% compared to a 12% drop in public shared cold-storage warehouses. This may most likely be attributed to private companies moving out of the state; a 2019 study found that 1,800 California businesses relocated or disinvested from California in

¹ 2018 GCCA Global Cold Storage Capacity Report; Victoria Salin, Texas A&M University for the International Association of Refrigerated Warehouses, a Global Cold Chain Alliance Core Partner.

² Capacity of Refrigerated Warehouses 2017 Summary January 2018; United States Department of Agriculture, National Agricultural Statistics Service

2016³ (the most recent year of data available), setting a record yearly high going back to 2008. For example Nestle reported in late 2017 that they were leaving Los Angeles for Virginia; and Jamba Juice moved their headquarters to Texas.

Despite this reported decline in statewide cold storage capacity, the total value of agricultural crops – many of which drive the need for cold storage – increased over this same period from \$52 billion to \$55 billion, an increase of nearly 6 percent⁴. Additionally, the frozen food market is estimated at \$219.9 billion in 2018 and projected to grow at a CAGR of 5.1 percent, to reach \$282.5 billion by 2023.⁵

Furthermore independent research by Grand View Research shows growth is anticipated in the cold storage industry. The United States cold storage market size was valued at \$14.7 billion in 2017 and is expected to register a compound annual growth rate of 3.7% from 2018 to 2025. Public refrigerated storage facilities generated the highest revenue in 2017. Revenue is expected to continue to grow in this segment.⁶

A review of directories of cold storage facilities both on a state and national level demonstrates that a significant number of public cold storage facilities are owned by several large companies with specialties in cold storage. In California, this includes well-known international cold storage operators such as Lineage Logistics, Americold Logistics, and United States Cold Storage. A cold storage industry report from 2014 noted that “Despite over 600 operators in the U.S. refrigerated storage industry, the top 10 players dominate about 80 percent of the market.”⁷

■

SECTION IV. – MARKET ANALYSIS

To assess the market feasibility of a cold storage facility in Glenn County, Morrison implemented a multi-faced approach. This included collecting qualitative data and secondary market research. Qualitative data is primarily exploratory research. Common methods include focus groups (group discussions), individual interviews, and participation/observations. Secondary market research is generally research of reports and studies by government agencies, trade associations or other businesses.

Qualitative data was collected through in-depth interviews of food and agriculture companies, trucking companies, technology companies, and pharmaceutical companies through a market survey, that was discussed one-on-one over the phone. The response from these data

³ “1,800 companies left California in a year — with most bound for Texas.” December 13, 2018. Dallas Business Journal;

⁴ California Agricultural Statistics Review 2017-2018, California Department of Food and Agriculture.

⁵ “Frozen Food Market by Product (Fruits & Vegetables, Dairy, Meat & Seafood), Type (Raw Material, Half Cooked), Consumption, Distribution Channel, and Region (North America, Europe, Asia Pacific, South America, and MEA) - Global Forecast to 2023” report. Grand View Research.

⁶ U.S. cold storage market analysis report by warehouse type, by construction type, by temperature type (chilled, frozen), by application (processed food, fish, meat & seafood), and segment forecasts, 2018 – 2025. Grand View Research.

⁷ Perspectives on cold storage investment opportunities; 2014. JLL.

demonstrated a likely demand among food and agriculture companies for the facility, as documented below in this section.

With a strong interest level in a cold storage facility among food and agriculture companies participating in the interviews, secondary market research was conducted to inform volume projections and determine projected revenue based on this market interest.

A full description of the results of the both the market survey and the secondary data are summarized below, with a regional market overview providing context for the existing market conditions.

Regional Market Overview

Glenn County, which includes the City of Willows, is located about halfway between Sacramento and Redding along Interstate 5. The County's population is 28,000 and according to the Glenn Grows website, boasts just 21 people per square mile, with more than 1,000 farms and more than 500,000 acres under agricultural cultivation.

The regional market demographics of Glenn County, as well as the surrounding counties of Butte, Colusa, and Tehama lend itself to a strong potential for likely cold storage need for food and agriculture companies, based on agriculture being the number one industry in each of these communities⁸. Among the top three crops in all counties are walnuts and almonds, which do utilize cold storage. Food and agriculture companies well outnumber any pharmaceutical or technology companies in the regional market (neither are in the top five industries in Glenn, Butte, or Tehama County). Therefore the regional market for cold storage is much more apt to be driven by the needs of food and agriculture companies.

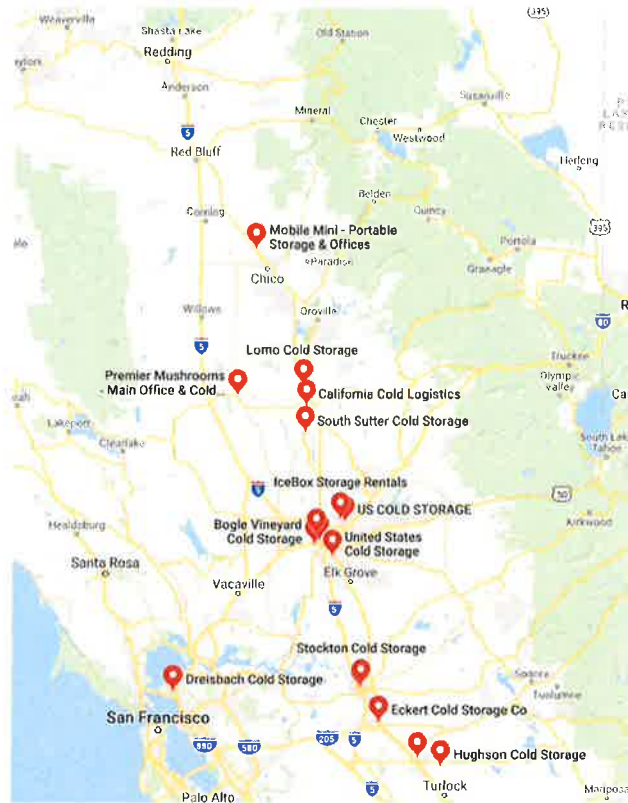
The total agricultural crop values in Glenn County increased from \$748 million to \$834 million between 2016 and 2017, an overall increase of 11.5 percent⁹. Among crops that would require cold storage: fruit and nut crops increased 7.7 percent; livestock and poultry products (including milk) 23 percent; nursery crops 22.9 percent; and vegetable crops 4.2 percent.

Glenn County has experienced upward growth for several of the major crops that necessitate cold storage in terms of actual tons produced as well, which may be a stronger indication of potential volume needs for cold storage. From 2014 to 2017, almonds tons produced increased 13 percent; citrus 1,075 percent; pistachios 16 percent; walnuts 38 percent; and vegetable crops 113 percent. As noted in the summarized results from the market surveys and based on Morrison's general experience with food and agriculture companies in the region, continued growth is expected in the near future.

In the region, there are few public cold storage facilities relative to what appears to be needed demand. In Glenn County, T. M. Duche Nut Company in Orland offers public cold storage. Many food and agriculture companies interviewed from both Butte and Glenn counties noted using Lomo Cold Storage in Live Oak – 52 minutes from Willows, 45 minutes from Chico (several of the interviews conducted were from Butte County food and agriculture companies).

⁸ American Community Survey, United States Census Bureau.

⁹ Glenn County Report 2017; 2018.



Though this is not representative of all competing regional public cold storage facilities, a Google maps search of cold storage shows the closest facilities to the southeast of Willows being Lomo Cold Storage in Live Oak (52 minute drive), California Cold Logistics in Yuba City (1 hour, 8 minute drive); and South Sutter Cold Storage (1 hour 12 minute drive). Notably, those locations are off Highway 99, rather than Interstate 5. There are no facilities shown immediately north of Willows.

Perhaps most notable in relation to competition in the regional market was the number of food and agriculture companies who noted that they had built on-site cold storage at their own facility or had plans to expand existing cold storage facilities on their own site. These varied from a large food and agriculture company fully constructing a cold storage building to smaller producers using portable

cold storage containers made for this purpose. Future competition therefore, seems more likely to be private cold-storage facilities as opposed to public cold storage facilities. With that in mind, when looking at the regional market potential, the offering of additional value-added services to cold storage (such as distribution, trucking, co-packing, etc.) could be a significant marketing advantage to position a Glenn County cold storage facility effectively in the marketplace. The results of market survey interviews below notes the likely use of these additional services by potential users.

Qualitative Market Research – Market Survey Interviews

Morrison created a market interest survey for the purpose of interviewing potential users in the food and agriculture; transportation, technology and pharmaceutical industries in order to gauge the market need and demand for a cold storage facility in the region.

A draft of the survey questions was reviewed by a private company that manages cold storage facilities in order to ensure the questions were on point and that they would provide sufficient information to determine the market demand for a cold storage facility in Glenn County. Following the private company’s feedback, the survey was submitted to key personnel within the City of Willows and Glenn County for review and approval. Once the survey was approved, outreach to potential survey participants commenced. Outreach to schedule appointments was conducted by phone calls and emails. Interviews, directed from the list of survey questions, were then conducted by phone. In-depth interviews by phone allowed Morrison to ask follow up questions if needed as well as to answer clarifying questions from the participants.

The survey structure consisted of five main sections. The first section was designed to gather the following general participant information: name, company, title, where the company is located, as well as what products they grow, handle, process, make or transport. This information is confidential. The second section was designed to be answered by companies that currently utilize or need cold storage facilities. The third section was designed to be answered by companies that do not currently utilize cold storage facilities but expressed some degree of likelihood of using or needing cold storage facilities in the next three to five years. The fourth section contained one question that was created to be answered by companies that indicated a very low likelihood of utilizing cold storage. The fifth and last section was designed to be answered by companies that either currently use cold storage or likely will in the next three to five years. The approved grower survey was slightly modified for the interviews with transportation companies, technology companies, and pharmaceutical companies. The survey questions are located in Appendix B.

Concurrently to the development of the survey, Morrison compiled an extensive list of companies in the region who might need or utilize cold storage to ask to participate in the survey. The compiled list was based on knowledge of and personal relationships with companies in the area, Farm Bureau membership lists in the region, Farmers Market vendor lists, and Buy Local vendor lists.

When conducting interviews Morrison stressed the confidentiality of the survey to participants and informed them that their responses would be aggregated and that individual company responses would not be shared. The nature of the confidentiality of the survey was a key component in establishing trust with the participants and assuring them that no personally identifiable information would be shared with the City.

During the course of the interviews, 180 companies were contacted. The companies included food and agriculture companies who produce various commodities, transportation companies, technology companies, and pharmaceutical companies.

Of the 180 companies contacted, 78 were interviewed. Sixty-one food and agriculture companies, 16 transportation companies, and one technology company participated in the interviews. All pharmaceutical companies contacted declined to participate.

The level of participation of these companies demonstrate strong interest alone; representations made by a marketing firm familiar with similar surveys reported to Morrison that a response rate of 20 percent would indicate strong interest. The response rate to this survey was 43 percent.

Key Industries Targeted:

The survey targeted the following key industries in the region:

- Meat
- Nuts (almonds and walnuts)
- Dairy
- Olives
- Nurseries
- Fertilizer

- Fruits and Vegetables
- Bees
- Miscellaneous (organic rice, seeds, candy companies, vineyards, fish, rootstock, etc.)
- Transportation
- Technology
- Pharmaceuticals

The companies contacted are located in the following California counties: Glenn County, Tehama County, Butte County, Colusa County, Sutter County, Yolo County, Shasta County, Siskiyou County, Sacramento County, San Joaquin County, Placer County, Modoc County, Stanislaus County, Humboldt County, Del Norte County, San Bernardino County, and, Alameda County. The intent was to solicit input from potential users within a few hours drive of Glenn County. The companies contacted in the counties furthest away from Glenn County (i.e., San Bernardino, San Joaquin, Alameda, Humboldt etc.) are either the main offices of businesses that are located in one of the nearer counties, or transportation companies that have routes along the I-5.

Following is a list of the 180 companies contacted to participate in the survey in alphabetical order:

3VR	Maisie Janes
AB Medical Technologies	Masami Cattle Ranch
ActiveSite Pharmaceuticals	Massa Natural Meats
Agromillora California	Maywood Farms
Aldetec Inc.	McKesson
Alexandre Farms	Micurx Pharmaceutical, Inc.
Alturas Ranches	Miller Honey Farms
Alza Corporation	Mooney Farms
Anna Steinhoff, Nichino America	Mt. Ida Mandarin Ranch
Anthera Pharmaceuticals, Inc.	Mt. Lassen Trout
Arista	Musco Family Olive Company
Bell Carter Foods	New Clairvaux Vineyard
Bertagna Son Kissed Vineyard	NEXGEN
Bettendorf Trucking	Nicolaus Nut Company
Big Valley Ag Services	Noble Orchards
Bleating Heart Cheese	North Star Mills
Broken Box Ranch	North State Hulling
Buzz's Bees	North Valley Ag Services
C&R	Northern Pak Express, LLC
C.H. Robinson	Northern Refrigerated Transportation Inc.
Califlour Foods	Northwest Freightway
California Olive Ranch	Old Dominion Freight line
Capay Organic	Olivarez Honey Bees

Cargill Food Distribution
Carriere Family Farms
Cat Transportation Inc.
Century Technology, Inc.
CF Koehnen & Sons
Chaffin Family Orchards
Challenge Dairy Products
Chico Creek Wholesale Nursery
Chico Locker and Sausage
Chico Nut Company
Chico State Farm
Churn Creek Meadow Organic Farm
Cisco Meraki
CPS
Crain
Crop Production Services Inc.
D-1 Farm
Dave Wilson Nursery
Del Monte Meat Company
Divide Ranch
Dog Creek Cellars
Dream Catcher Ranch
Duarte
Duche Nut
Duivenvoorden Farms
Ebara Technologies, Inc.
Elim Biopharmaceuticals, Inc.
Feather River Organics (Recology)
Five Mary's Farms
Foothill Meat Company
Foster Farms Dairy
Fowler Nurseries
Frank C. Alegre
Furnari Sausage Co.
Genentech
GeoDAQ
Gorrill Ranch
Great Western Transportation
Grey Fox Vineyards
Harmun Trucking Inc.
Harris Ranch Beef Company

Olson Meat Company
Omega Walnut
Orland Farmstead Creamery
Orland Meats
Pacific Coast Producers
Pacific Farms and Orchards
Pedrozo Dairy and Cheese Company
Pfizer, Inc.
Prather Ranch / Western Agriculture Service
Pro Pacific Fresh
Questcor Pharmaceuticals
R&A Trucking Company
RADCO Trucking
Richards Land & Cattle Co.
River Vista Farms
Riverwest Processing
Roadstar Trucking Inc
Romex
Roney Wines
Rumiano Cheese Factory
S&S Produce-The Butcher Shop
San Jose Distribution Services
Seeds by Design
Shubert's
Sierra Gold Nurseries
Sierra Nevada Brewing Company
Sierra Nevada Cheese
Simplot Soilbuilders
Skylake Pomegranate
Smucker's
Sohnrey Family Foods
Soil Basics
Spray Chem Corporation
Stuke Nursery Company, Inc.
Sun Fed Beef
Superior Farms
Sutter Home Vineyards
Talented Technologies
Tempo Automation
Teocal Transport
Teresi Trucking Inc.

Hart Farms	Tesco Controls, Inc.
Harvest Meat Company	The Olive Grove Nursery
Haverton Hill Creamery	Tinoco Bee Service
Heartland Express	TOMRA Group
Heitkam's Honey Bees	Tozier Ranch
Heitz Trucking, Inc.	Trenerry Berry Farm
Helena Chemical	Tri-L Mandarin Ranch
Honey Run Winery	Trinity Logistics - Chico
IGT (International Game Technology)	Trinity Logistics - Sacramento
Invuity	Turri Family Farms
J&W Technology	TX Barr Grassfed
Jasper Ranch	Ultra Clean Technology
Jo Lynn's Heavenly Candies	Valley Farm Transport
Johnson Family Apiaries	Vital Enterprises
JSG Trucking	Vortran Laser
Knaughty Farms	Wagon Wheel Market
K-Pax Pharmaceuticals, Inc.	Western Hybrid Seeds
Lambert Ranch	Western Integrated Technologies
Land O' Lakes	Western Tree Nursery
Lassen Canyon Nurseries	Weststeyn Dairy Farms
Lassen Land Company	Wheeler ranch & Feed
Legacy Farms	Whittenberg Farms
Legend Transportation	Wilbure-Ellis-Ord Bend
Llano Seco Rancho	Wilkerson Ranch and Packing
Lohman Apiaries	Yancy Farms
Lundberg Family Farms	Yolo Land & Cattle Co.

KEY FOOD AND AGRICULTURE SURVEY FINDINGS:

Own Cold Storage On Site

Of the 53 food and agriculture companies surveyed, 41 (77%) own their own cold storage on their own site. The remaining 12 (23%) do not. Of the 41 food and agriculture companies who own their own cold storage, 27 (66%) stated that this storage capacity is currently sufficient for their needs. Fourteen of the 41 food and agriculture companies (34%) stated that their existing cold storage capacity is not currently sufficient for their needs.

Utilize Off-Site Cold Storage Facilities

Of the 53 food and agriculture companies surveyed that utilize cold storage facilities, 30 utilize cold storage facilities off-site (57%).

Need for Additional Cold Storage in 3-5 Years

Of the 53 that currently use cold storage surveyed, 24 food and agriculture companies (45%) project needing additional cold storage capacity in the next three to five years. However, of those 24 food and agriculture companies who project needing additional capacity eight (33%) responded that there is no to a very small likelihood of using a facility in Glenn County.

Importance of Rail Service Near Cold Storage Facility

Survey participants (53 food and agriculture companies who currently use cold storage facilities and 2 who will likely use them in 3-5 years) were asked to rank the importance of rail service near a cold storage facility on a scale of 1 to 5 with 5 being the most important. Ninety-percent of survey participants ranked the importance of rail service very low as a one or a two. The scale and grower responses are as follows:

Scale of 1-5	Number of Grower Responses	Percentage (rounded)
5	2	4%
4-5	2	4%
3	1	2%
2	7	12%
1	43	78%

Two of the four food and agriculture companies that ranked rail service between a four and five represent some of the largest food and agriculture companies surveyed, with potentially large volumes of product.

Likelihood of Use of a Glenn County Cold Storage Facility

On a scale of 1-5, with 5 being the most likely, thirty food and agriculture companies ranked their likelihood of use a three, four, or five which represents more than 55% of survey participants. Twenty-four percent of the 53 food and agriculture companies surveyed ranked likelihood of use a 5.

SUMMARY OF RESPONSES – FOOD AND AGRICULTURE

Survey Section I

For Section I of the survey, participants were asked to provide their names, their titles, as well as the locations of their companies. As mentioned above, the information in this section is being kept confidential. Additionally, food and agriculture companies participants were asked what types of products they grow, handle or process. As summarized in *Key Industries Targeted* on Page 8, the food and agriculture companies contacted to participate in the survey represent the following diverse agricultural commodities: meat, nuts (almonds and walnuts), dairy, olives, nurseries, fertilizer, fruits, vegetables, bees, and miscellaneous commodities as well (organic rice, seeds, candy companies, vineyards, fish, rootstock).

Survey Section II

Currently Using Cold Storage

Of the 61 food and agriculture companies surveyed, 53 food and agriculture companies (87%) said they currently utilize or need cold storage. Eight food and agriculture companies (13%) responded that they do not currently utilize or need cold storage.

Container Types

The 61 food and agriculture companies surveyed represent a wide variety of industries and therefore also a wide variety of container types used to store products in cold storage. Additionally, many food and agriculture companies produce multiple commodities and store the different commodities in different types of containers and their responses reflect that accordingly. The 53 food and agriculture companies provided 86 responses to the question, "Would your products in cold storage be in boxes, pallets, totes, bins, or sacks?" Of the various containers, the majority of responses (63%) reflected using boxes, boxes on pallets, pallets, and/or totes to store the commodities they produce. Nineteen of the 53 food and agriculture companies use boxes, 15 use pallets, 11 use totes, and nine use boxes on pallets. Other containers used include: bins, bins on pallets, sacks, cartons, bags, buckets, drums, shelves and rolling cart, metal racks, tanks, octagonal fiber barrels, tubs, hanging storage and hooks, and rollers.

For the purposes of the projections, an estimate of capacity was completed assuming pallets would be stackable at least three high.

Frequency of Inventory Turnover

The frequency of inventory turnover varied widely depending on the commodity. Similarly to the above question, food and agriculture companies who produce multiple commodities had multiple responses in accordance with the multiple commodities produced (53 food and agriculture companies provided 62 responses). Thirty-six food and agriculture companies (58%) indicated that their inventory turned over as frequently as daily to two months. Fourteen food and agriculture companies (23%) indicated that their inventory turned over every 2-6 months. Eleven food and agriculture companies (18%) said their inventory turned over once a year and one grower (2%) responded that it was up to their food and agriculture companies to get the trees out of the cold storage.

Own Cold Storage On Site

Of the 53 food and agriculture companies that currently utilize cold storage 41 (77%) of them own their own cold storage on their own site. The remaining 12 food and agriculture companies (23%) do not own cold storage on site. Of the 41 food and agriculture companies who own their own cold storage, 27 (66%) stated that this storage capacity is currently sufficient for their needs. Fourteen of the 41 food and agriculture companies (34%) stated that their cold storage capacity is not currently sufficient for their needs.

Utilize Off-Site Cold Storage Facilities

Of the 53 food and agriculture companies that utilize cold storage facilities, 30 utilize cold storage facilities off-site (57%). Twenty-three (43%) do not utilize off-site cold storage facilities.

Delivery of Products to Cold Storage Facility

Of the 30 that utilize off-site cold storage facilities, 18 (60%) deliver products to the cold storage facility themselves. Two (7%) responded that they sometimes deliver the products to the cold storage facility. Of the 10 (33%) who do not deliver products to the cold storage facility themselves, one responded that a USDA processor picks up the products and the remaining food and agriculture companies use trucking companies to deliver their products to the cold storage facilities.

Length of Travel to Cold Storage Facility

Of the 18 food and agriculture companies that deliver products to the cold storage facility themselves and the two food and agriculture companies that deliver products themselves occasionally, the length of travel varies. Of the 18 food and agriculture companies that regularly deliver products to the cold storage facility themselves, six food and agriculture companies (33%) responded that they travel less than 30 minutes to deliver their commodities to the cold storage facility; six food and agriculture companies (33%) travel between 30 minutes and one hour; and, six food and agriculture companies (33%) travel between 1.5 hours and 3.5 hours. Two of those food and agriculture companies also use cold storage facilities in other states in addition to cold storage facilities in California.

Transportation Provided by Cold Storage Facility

Of the 10 food and agriculture companies who do not deliver their commodities to the cold storage facilities themselves, only one grower said that the cold storage provides transportation for them to the cold storage facility.

Price Per Month for Off-Site Cold Storage

The price per month to utilize an off-site cold storage facility varied widely for food and agriculture companies. For three smaller food and agriculture companies, they reported being charged a minimum per month of between \$100 (for five pallets) to \$135 (for four pallets). Per pound charges ranged from \$0.01 per pound to \$0.08 per pound. Per pallet charges ranged from \$6 per pallet (for a commodity measured in hundredweight) to \$30 per pallet. Some discussed a fixed base and then an additional per pound charge. One grower pays between \$0.50 to \$0.60 per box. For trees at one facility food and agriculture companies pay directly per tree and then at another facility the company pays a flat fee. Several food and agriculture companies referenced paying an in-and-out charge as well. For a shipping container that was converted to cold storage a grower pays \$600 per month. For bins, one grower pays \$36 per bin per month (a bin holds 1,600 pounds). One grower reported paying \$1,644 for a month for 3,288 cubic feet. Seven food and agriculture companies did not know the exact figure they pay per month.

Due the variability in numbers a fee of \$19 per pallet was used in the financial projections (see projections beginning on Page 39), which represents an average of the range presented by those interviewed.

Current Basis for Payment

Of the 18 food and agriculture companies that use off-site cold storage facilities, 12 (67%) reported paying by pallet. Other bases for payment included: a combination of

weight and pallet, by tree, by weight, by square foot, a fixed base and then a per pound charge, per box, per container (this grower uses a full shipping container that has been converted to a cold storage), and by bin. A couple of food and agriculture companies mentioned paying handling fees and fees for in-and-out as well as fees for monthly storage that sits. Three food and agriculture companies did not know the current basis of payment and one said their basis for payment was pending.

Need for Additional Cold Storage in 3-5 Years

Of the 53 that currently use cold storage, 24 food and agriculture companies (45%) project needing additional cold storage capacity in the next three to five years. However, of those 24 food and agriculture companies who project needing additional capacity, eight responded that there is no to a very small likelihood of using a facility in Glenn County. Four of those eight food and agriculture companies said their reasoning of a small likelihood of using a facility in Glenn County was due to location and for four food and agriculture companies it is because it is unlikely they would use an outside cold-storage facility.

Gleaning information from the last section of the survey, of the 24 food and agriculture companies who project needing additional cold storage, 11 ranked using a cold storage facility in Glenn County between a three to five with five being the highest likelihood of using a facility there. An additional company said that if they don't build their own facility they would rank using a cold storage facility in Glenn County as a four or five.

Factors to Most Impact Choice of a Cold Storage Facility

When asked, "*What would be the factors to most impact your choice in choosing to use a cold storage facility?*" the two factors that clearly stood out from the others were location and cost. Several of the 53 food and agriculture companies provided multiple responses to the question. Out of 96 responses provided, 32 (33%) reported location and 28 (29%) reported cost as being factors that would most impact their choice of a cold storage facility (a total of 62.5%).

Six mentioned services offered as being important, three mentioned reliability, ease of use and access, or quality assurance. Two reported convenience, cleanliness or the integrity of the cold system as being important factors. Each of the following answers were only mentioned once: hours of operation, tracking, humidity level, proper infrastructure for safety procedures, flexible rental terms, weather, rail, relationships, if they owned it themselves, refrigeration, ability to store meat, if it is needed by the individual producer, and customer service. Two others said they probably wouldn't store in Willows.

Months When Additional Cold Storage Capacity is Needed

Due to the wide variety of commodities that the food and agriculture companies surveyed produce, the months that food and agriculture companies need cold storage vary widely. Of the 53 food and agriculture companies who use cold storage 26 (49%) responded that they use it all year and many of them provided additional information about the months when they have the highest volume usage. The remaining responses provided ranged greatly and were evenly spread throughout the year. Following are the months food and agriculture companies reported needing cold storage capacity:

- January – February
- January – April
- January – May
- February – May
- May – June
- Late Spring – Summer
- July – November
- September and October and March
- September – March
- October – February
- October – March
- December – February
- December – April
- December – June

Based on this response, as noted in the Assumptions for the financial projections (see Page 40), it was estimated that there is a seasonal impact on sales in the months of July and August, which see a decline in the need for storage. The remaining ten months are assumed to be approximately equal in volume for the purposes of the financial projections.

Cold Storage Capacity Needed to Extend Products

Of the 53 food and agriculture companies who currently use cold storage, 28 (53%) reported needing cold storage capacity for their products to extend their market. Twenty-two food and agriculture companies (41%) said they do not need cold storage to extend their market and three responded that they do not need it right now.

Services Utilized in Coordination with Cold Storage

Twenty-one of the 53 food and agriculture companies (41%) who use cold storage currently need or utilize transportation services in coordination with cold storage. Fourteen food and agriculture companies (26%) stated that they did not need or use any additional services in coordination with cold storage. Seven food and agriculture companies (13%) reported needing or using a distribution service and two reported needing or using a delivery service or forklifts. The remaining responses included: refrigeration, drop ship, shipping, pending, documentation (county certifications, FIDOs, etc.), personnel, receiving, moving products, storage, an inventory system, processing and distributing beef, unloading and loading for road and rail car, freezer space, billing, early morning hours and Saturdays, logistics, EDI software, Target and Walmart Distribution, tracking and traceability services, ice, and a slaughter plant. One grower noted that cold transport would be more relevant for him than cold storage. Another grower noted that if they didn't already have cold storage on-site, freight would be what they would need.

Need for Blast Freezing

When asked, “Do you have a need for blast freezing?” six food and agriculture companies (11%) responded that they did have a need for it, but two of those food and agriculture companies said it was not essential. Forty-three food and agriculture companies (81%) said they did not need blast freezing, three (6%) said they would maybe need blast freezing, and one (2%) didn't know whether or not she would need it.

Length of Time Products are in Cold Storage Before Leaving the Facility

The length of time growers' products are in storage before they leave the cold storage facility varied widely by grower and commodity. Some food and agriculture companies provided a couple of timeframes based on each commodity they produce. Out of 53 food and agriculture companies who provided 56 responses, 22 (39%) indicated that their inventory was in cold storage one month or less before leaving the facility (ranging from a few days to one month). Twenty-five (45%) said their products were in cold storage for more than one month to six months. One said eight months and two reported one year. The other timeframes reported included: 60 days to two years, two months to three years, under two years, and two to three years. One didn't provide an answer, one stated it was just a storage, and one said various timeframes.

End Location for Products Stored in Cold Storage

Out of 67 responses from 53 food and agriculture companies (some food and agriculture companies provided multiple responses), 33 food and agriculture companies (49%) reported that the end location for the products they are storing in cold storage is Northern California (including Butte County, Tehama County, Glenn County, Colusa County, Modoc County, as well as responses that included just "Northern California"). Other food and agriculture companies combined "Northern California" with other areas such as: Northern California and Nevada; Bay Area and Northern California; California, Washington and Oregon; Bay Area; Bay Area and Hawaii; Central Valley and Northern California; Oakland to export; and California and Oregon. Other responses included: Worldwide (six growers); Europe and Asia; nationwide; mostly California; Midwest; Southeast Asia, Canada, Mexico, and domestic; Canada, United Kingdom, Australia, and Asia; west coast; and, domestic or export.

Survey Section III

As mentioned in the introduction, the third section of the survey was answered by food and agriculture companies who do not currently utilize cold storage but expressed a likelihood of using cold storage in the next three to five years. Only two food and agriculture companies who are not currently using cold storage indicated that it would be likely for them to use cold storage in the next three to five years. One said they might need it for 400 pomegranates and one expressed the potential of needing it for bees (this may not be possible in a typical shared cold storage warehousing space; devoted, secure space may be needed due to phytosanitary concerns). One grower said it was highly likely his company would use it depending on the location of the storage facility. Below is a bullet-point summary of the findings from the interviews with these two growers:

- *Container Types* – Both food and agriculture companies said their products are stored in boxes and one of those also stored the boxes on pallets.
- *Frequency of Inventory Turnover* – One grower predicted their inventory in cold storage would turnover in six months or less and the other one said once per year.
- *Approximate Volumes that Would Need Cold Storage* – Neither provided the weight of how much product they expected to put in cold storage although one said 400 pomegranates and the other said they would put 50% of their hives in cold storage.

- *Price for Cold Storage* – One grower said he had no idea what he would expect to pay for cold storage. The other grower reported that the going rate in California for cold storage for bee hives is \$12 per hive.
- *Factors to Most Impact Choice of a Cold Storage Facility* – One grower said that cost and services offered would most impact their choice of a cold storage facility. The other grower responded that the degree to which it is designed to handle bees as well as the accessibility to load and unload bees would be the factors to most impact their choice of a cold storage facility.
- *Additional Services Needed* – One grower said they would be interested in services to help sell to larger interests and then one said they wouldn't need any additional services.
- *Months When Cold Storage is Needed* – One grower responded that October through December are the months they need cold storage capacity. The other grower said they need cold storage capacity from November through January.

Survey Section IV

For those food and agriculture companies who said it was not likely at all that they would need or utilize cold storage, the survey asked, “*Are there any warehousing/distribution needs you would have?*” Only three food and agriculture companies who said it was not likely at all mentioned other needs. The needs mentioned were: liquid storage, walnut storage, and warehouse space (for nuts).

Survey Section V

This survey section was asked to all 55 food and agriculture companies who either currently utilize cold storage (53 growers) or project there is a likelihood they will utilize it in the next three to five years (2 growers).

Special Considerations to your Business and/or Products

When asked, “*Are there any special considerations to your business and/or your products that you would need a cold storage facility to accommodate?*”, food and agriculture companies provided many and often multiple responses. The largest number of responses (16 responses) were related to temperature with some food and agriculture companies providing specific temperatures. The other responses (listed below) were mentioned 1-3 times:

- Temperature – 16 food and agriculture companies (48-30 degrees; around 40 degrees; for bees have to gradually decrease temperature from 60 degrees to 40 degrees over the summer; refrigerated temperature; 28 degrees; 37-38 degrees, 32 degrees; certain temperatures; temperatures, frozen; deep freeze (-20 degrees below, temperature;) temperature controlled; consistent temperature; temperature; freezer and cooler; freezer space (10 degrees or below).
- Humidity
- Special ventilation
- Pressure specific storage
- Hosing trees down in the morning and afternoon
- Ability for food and agriculture companies to pick up the trees
- Staff knowing how to handle the trees
- Security of product/no cross contamination/food safety
- Sufficient shipping facilities specific to food safety requirements / ensuring proper cold-chain management

- Pick-and-pack services
- Specific quality
- Certifications (Good Manufacturing Practice certification, Pest Control certifications handling certifications, food safety certifications)
- Cold storage identity preserved
- Ability to store wild rice seed
- Tracking capabilities
- Electronic records
- Electronic Data Interface so everything is electronically transferred
- Services and inventory management
- Record keeping on temperature
- Advanced warehousing capabilities
- FDA approved
- Ensuring proper separation of products (with like products; what products are co-mingled, can they be isolated; separation of products; no cross allergens; ability to store organic products)
- Cleanliness
- Distribution to Walmart and Target would be a value-add
- Having a forklift and pallet rack
- Access seven days a week
- Cost sensitivity to storage rate;
- For wild rice, it requires bins being moved around to allow water to move around and germinate them

Kosher and Halal Certifications

Currently 13 food and agriculture companies (24%) reported needing storage for kosher certified foods and two (4%) of those food and agriculture companies would also need storage for halal certified foods. One grower (2%) said they might need storage for kosher or halal-certified foods and 41 (75%) replied that they do not need storage for kosher or halal certified foods.

Factors Impacting Willingness to Move Business

Those surveyed were asked, “If you currently are using cold storage off-site, and a new company could match the price of your current provider, what other factors would impact your willingness to move your business?” The biggest factor stated that would impact their willingness to move their business was location/distance with 22 food and agriculture companies providing that response out of 61 responses (36%). The following responses were mentioned one to three times. There were three responses for each for the following factors: amount of space, the service, and the experience of the cold storage facility. Two food and agriculture companies stated that the ability to pick up and/or deliver product, or price, or established relationships were important factors. The remaining factors were each mentioned by only one grower: consistency, ability to drop off one drum at a time, cleanliness and logistics. Four food and agriculture companies said they would build or use their own onsite storage and two responded that they are unlikely or unwilling to move.

Cold Storage Availability Negatively Affecting Business Growth

Only 9 of the 55 food and agriculture companies (16%) who either currently use cold storage or project they will use cold storage in the next three to five years reported that cold storage availability negatively affects their ability to grow their business. Forty-six (84%) responded that it didn't negatively affect their ability to grow their business and one didn't know.

Maximum Contract Length Willing to Consider

Grower responses varied widely on the maximum contract length they would be willing to consider. Fourteen food and agriculture companies (out of 55) said one year would be the maximum contract length they would consider (25%). Twelve food and agriculture companies (22%) reported the maximum length they would consider to be six months. The next highest response was two years with only four food and agriculture companies (7%) providing that answer. Three food and agriculture companies said month-to-month and three food and agriculture companies said five years. Two food and agriculture companies responded that they would consider a two month contract and two responded they would be willing to consider a multi-year contract. The remaining answers were only mentioned by one grower each: daily rate, two weeks, three months, two to six months, seasonally, three years, three to five years, and depends on shipping. Five food and agriculture companies did not know the maximum length they would be willing to consider. One grower mentioned he is currently in a ten year deal and one commented that with one cold storage facility he uses he has a signed contract and one he has a verbal contract.

Likelihood of Using a Cold Storage Facility in Glenn County

Fifty-five survey participants were asked to rank their likelihood of using a cold storage facility in Glenn County with convenient access to I-5 on a scale of 1 to 5 with 5 being the most likely. The scale and grower responses are as follows:

Scale of 1-5	Number of Food and Agriculture Company Responses	Percentage (rounded)
5	12 (+ 1 grower that says he would rank it a 5 if the company decides not to build its own facility)	24%
4-5	3	5%
4	6	11%
3-4	1	2%
3	7	13%
2	3	5%
1	21	38%
Don't Know	1	2%

Thirty food and agriculture companies ranked their likelihood of use a three, four, or five which represents more than 55% of survey participants.

Importance of Rail Service Near Cold Storage Facility

Survey participants (55 growers) were asked to rank the importance of rail service near a cold storage facility on a scale of 1 to 5 with 5 being the most important. The scale and grower responses are as follows:

Scale of 1-5	Number of Responses	Percentage (rounded)
5	2	4%
4-5	2	4%
3	1	2%
2	7	13%
1	43	78%

Ninety-percent of survey participants ranked the importance of rail service as a one or a two. Two of the four food and agriculture companies that ranked rail service between a four and five represent some of the larger producers surveyed.

Anecdotal Experience with a Lack of Cold Storage Availability

The survey participants were asked if they had any anecdotal experiences with a lack of cold storage availability that they would be willing to share. Following are quotes from food and agriculture companies when asked this question:

- "Just that there isn't any."
- "We store for other companies so I know that cold storage is expensive to build and to justify having a product there all the time. Setbacks are the cost of building one, space on-site to build one, transporting back and forth"
- "We talk about it every Farm Bureau meeting."
- "Cold storage is a huge impediment in direct to consumer markets. So, for small farms it's really important. Walk-in freezers are expensive to build – so I could see the need for that if there were a lot of small producers around the area that would need cold storage."
- "When you need it, you need it. When you don't, you don't."
- "It used to be really difficult getting space until a few years ago and then it improved."
- "I know it is pretty limited."
- "We are in Chico and distribute to the Bay Area but there is nowhere to cold store it."
- "Last year, during El Nino we had to find more space so we had to add a second cold storage provider."
- "California Cold Logistics shut down their cold storage and they only have freezer space."
- "Lack of options especially for a bad smelling product."
- "It's the first place I've worked where it is not prominent."

Additional Observations from the Data

Of the 30 food and agriculture companies that utilize cold storage facilities off-site the turnover rate varied greatly. The 30 food and agriculture companies reported the frequency of their inventory turnover to be the following:

- Five days a week – 1 grower
- Five to seven days – 1 grower

- Weekly – 1 grower
- One time per week for fresh products and every two months for frozen products – 1 grower
- Once per week for one commodity and 6 months for the other commodity – 1 grower
- 52 times per year for non-frozen inventory and 8-12 times per year for frozen inventory – 1 grower
- Once per month – 2 growers
- 30 days for finished goods and 30-180 days for bulk goods – 1 grower
- Every two months – 5 growers
- Three months – 1 grower
- Four months – 2 growers
- At least every six months – 1 grower
- Two times per year – 1 grower
- Two to three times per year – 1 grower
- Yearly – 7 growers
- Inventory comes in once a year and then goes out once a month – 1 grower
- Up to food and agriculture companies to get the inventory out – 1 grower
- No answer – 1 grower

Additionally, of the 30 food and agriculture companies that currently utilize off-site cold storage facilities, 21 of the food and agriculture companies (70%) ranked the likelihood of using a cold storage facility in Glenn County with convenient access to I-5 between a three and a five with five being the most likely. Additionally, one grower said if they don't build their own cold storage they would rank it a 4-5. Those food and agriculture companies represent the following frequency of turns:

- Five to seven days – 1 grower
- 52 times per year for non-frozen inventory and 8-12 times per year for frozen inventory – 1 grower
- One month – 1 grower
- 30 days for finished goods and 30-180 days for bulk goods – 1 grower
- Every two months – 5 growers
- Three months – 1 grower
- Four months – 2 growers
- At least every six months – 1 grower
- Twice a year – 1 grower
- Two to three times per year – 1 grower
- One time per year – 4 growers
- Up to food and agriculture companies to get the inventory out – 1 grower
- Inventory comes in once a year and then goes out once a month – 1 grower
- No answer – 1 grower

SUMMARY OF RESPONSES – TRANSPORTATION / LOGISTICS COMPANIES

Out of the twenty-four transportation companies contacted sixteen agreed to participate in the survey.

Survey Section I

For Section I of the survey for transportation companies, as with the survey for growers, participants were asked to provide their names, their titles, as well as to confirm the locations of their companies. In addition, they were asked what commodities they currently transport, the frequency with which they transport along I-5 north of San Francisco in a 30 day period, as well as the amount of miles in an average route. If they indicated during the first question (*What commodities do you currently transport?*) that they do not use cold storage, the interviewer moved immediately to Section II and III questions.

The transportation companies contacted for the survey provide transportation for a wide range of industries from agricultural industries that produce various commodities (produce, dry rice, green rice, pistachios, almonds, walnuts olives, dry food, produce, frozen chicken, rice, prunes, peaches, fruits, strawberries, raspberries, apples, pears, bananas, vegetables, broccoli, collard greens, lettuce, etc.), to hauling garbage, chip, rock, oils, lumbers, dry freight, equipment, and textiles. Some simply responded that they did not handle any refrigerated commodities or that they did not utilize or need cold storage.

There were no clear patterns of answers that emerged regarding the frequency of transporting along the I-5 or the miles in an average route.

Survey Section II

Utilize Standalone Cold Storage Facilities or Warehousing

Out of the 16 survey participants, 14 (88%) said they did not utilize standalone cold storage facilities or warehousing for the commodities they transport. Three participants who said they do not utilize cold storage facilities added the following comments: one stated that they pick up from cold storage facilities using refrigerated trucks, but they deal with brokers not with the cold storage facility itself; one participant mentioned they do have a site in Chico and take product from a processing plant to a cold storage facility four to five times a day and those deliveries are usually going to end users; another participant added that he believed there was already sufficient cold storage in the area. The two that indicated that they do utilize standalone cold storage facilities were both logistics companies and they provided slightly more nuanced answers. One said they periodically use standalone cold storage facilities if what they are transporting needs to be cross-dropped or transloaded. That same participant mentioned that now that Electronic Logging Devices for truck drivers are coming into play they may or may not have enough hours to accommodate a load and may need to use cold storage with greater frequency. The second one reported that they have not utilized a standalone cold storage facility recently, but they would if they needed it.

Process of Using Cold Storage

When asked about the process of using cold storage, the two that reported using cold storage facilities provided the following responses. One reported that the process of using a cold storage facility is on a case-by-case basis as it depends on what commodities, how many pallets, and

how long the commodity needs to be in the cold storage facility. The other company said they have a team that scours the area to find the closest cold storage facility. They contact the closest cold storage facility to set up service. He added that they definitely see a need for cold storage facilities especially in the summer time.

Sufficiency of Current Cold Storage Facilities

When asked, “*Are the current cold storage facilities sufficient for your routes?*” one of the participants said that for him personally they are not sufficient, but they are sufficient for the brokers who move the commodities. The other participant said that it depends. They do utilize a cold storage facility in Yuba City, but he added that, “it doesn’t mean it’s not a necessity for us.”

Likelihood of Utilizing a New Cold Storage on the I-5

The participants that currently utilize cold storage were asked to rank on a scale of one to five, with five being the most likely, how likely it is that they would utilize a new cold storage facility on the I-5 between Stockton and Oregon that they didn’t own. One participant ranked the likelihood a three and one ranked it as a four. The one who ranked it as a four did qualify his answer by saying that it depends on the scenario, but that it would be a good option for their company. It would need to be readily available and on the way. He also asked whether it would have a cross dock and if it would be possible to rearrange commodities there.

Cost Per Month of Cold Storage

The two participants whose companies currently utilize cold storage had different answers when asked what their company pays per month to use cold storage. One responded that as a logistics company they wouldn’t have those figures. The other participant stated that they don’t have any long-term contracts or long-term storage. They set up the use of a cold storage facility within hours or in a day. For the second company they only utilize cold storage if some pallets have been rejected. The company then leaves the pallets at the cold storage facility until the customer can find another place to sell their commodity.

Basis of Payment

When asked about the basis of payment for the use of cold storage facilities one company responded that they think it is by pallet and there is one rate for seven days and another rate for 14 days. The other company said that it varies on a case by case basis but that the basis of payment is mostly by commodity and by temperature control.

Need for Additional Cold Storage in 3-5 Years

When asked about whether they project needing additional cold storage capacity along their transport routes in the next three to five years one company responded that the need always goes with supply and demand, so it might be needed. The other company responded that they thought they would need additional cold storage capacity, but that it depends on what lane the company decides to go in. They currently do fresh commodities, but in the future they may do frozen commodities and with the constraints of the hours of service for truck drivers they might need additional cold storage capacity.

Approximate Volumes that Would Need Cold Storage

The participants were asked about what the approximate volumes they project that they would transport in the next three to five years that would need cold storage. One participant responding saying it was dependent on the client. The other projects that they would need a full truck load (20 pallets) of additional storage in the next three to five years.

Factors to Most Impact Choice of a Cold Storage Facility

When asked about the factors that would most impact their choice in choosing to use a cold storage facility one survey participant said that location and cost would be the most important factors. He mentioned his company searches within a couple hundred mile radius for cold storage facilities. The other participant said that direct access off of the I-5 would be important, particularly not having to go through the town or city. Then the next most important factors would be price and lastly the hours of operation.

Months When Additional Cold Storage Capacity is Needed

In response to the question, "*What months do you need cold storage capacity along your routes? Are there any more than others?*" one respondent said that late spring, summer, and early fall are the months that they need additional cold storage capacity. He commented that a lot of times in the winter people will already have something figured out. The other respondent commented that there are peak seasons, but that essentially they would need cold storage year round.

Length of Time Products are in Cold Storage Before Leaving the Facility

When asked about the length of time the products they transport are in the storage facility before they leave the cold storage facility, one respondent said that it can vary anywhere from five to ten days. He commented that they are a logistics company so they don't transport the products. The other company responded that it is usually less than 24 hours. He noted that they use cold storage mostly to rearrange products or to leave it there if it is rejected. He anticipates that the Willows location would be primarily for rearrangement of products.

End Location for Products Stored in Cold Storage

In response to the question, "*Where is the end location of the products you are transporting to cold storage?*" one respondent said that while they don't have the data to say definitively, they believe the end location is likely mostly California. The other participant said that the end location is Northern California, the Bay Area, Washington, and Oregon.

Survey Section III

As mentioned in the introduction, the third section of the survey was asked to transportation companies who do not currently use cold storage but that expressed a likelihood of using cold storage in the next three to five years. Of the 14 companies who said they do not currently utilize cold storage all 14 responded that it would be unlikely that in the next three to five years that they would need to use standalone cold storage facilities along their routes. Since all responded that it was unlikely the remaining questions in Section III were not asked.

Survey Section IV

For those transportation companies who said it was not likely at all that they would need or utilize cold storage, they were asked the question, “*Are there any warehousing/distribution needs you would have?*” Out of the fourteen participants that do not currently utilize or project to utilize cold storage facilities, only one expressed a need and that was for a transload warehouse both at a port and at a rail station. Out of those who responded that they didn’t have any additional needs a few provided some comments. One commented that they are just picking it up from one facility and dropping it off at another using their own refrigerated trucks. One commented that they have their own warehouse. One mentioned that they already have satellite terminals in the area. One stated that they have a need for it in Oakland and they are short on cold storage facilities especially by the port. One commented that they do trucking in the area, but they don’t have a need for anything else. One mentioned that they do not work with brokers or with 3POs.

Survey Section V

This survey section was asked to the two transportation companies that currently utilize standalone cold storage facilities. There were no companies that projected they would likely use additional standalone cold storage facilities in the next three to five years.

Special Considerations to your Business and/or Products

Both companies that currently utilize cold storage said there are not currently any special considerations to their business that they would need a cold storage facility to accommodate.

Kosher and Halal Certifications

Neither company that currently utilizes cold storage facilities plans to need storage for kosher or halal-certified foods.

Factors Impacting Willingness to Move Business

When asked, “*If you currently are using cold storage off-site, and a new company could match the price of your current provider, what other factors would impact your willingness to move your business?*,” one company said the critical factor would be the hours of service. The other company listed the following factors: dependability, hours of operation, and price.

Cold Storage Availability Negatively Affecting Business Growth

Both companies reported that cold storage availability does not negatively affect their ability to grow their businesses.

Maximum Contract Length Willing to Consider

When asked about the maximum contract length they would consider for a company providing cold storage, one responded that the contract would need to be based on hours. The other company responded that they wouldn’t enter into a long-term contract and for them it is really all about what the customer is looking for.

Importance of Rail Service Near Cold Storage Facility

The participants were asked to rank the importance of rail service near cold storage on a scale of one to five with five being the most important. One participant responded by saying that it is definitely important, but the company isn’t currently utilizing it. The second participant ranked it

a five. He also commented that rail is important because when a shipment comes in, they notify you and if you don't get the shipment moved out in time the fees can be astronomical. He mentioned that if a business can get it off the rail quickly and get it to storage they can save a lot of money.

Anecdotal Experience with a Lack of Cold Storage Availability

When asked if the participants have any anecdotal experiences with a lack of cold storage availability that they would be willing to share both participants said they didn't have any experiences to share.

SUMMARY OF RESPONSES – TECHNOLOGY COMPANIES

Out of the 20 technology companies contacted, Morrison spoke with 11 companies. Ten of those companies immediately said that they do not use cold or temperature controlled storage nor do they anticipate any need for it. Only one company we spoke with both used cold storage and agreed to participate in the survey. A summary of that response is below.

Survey Section I

The company surveyed manufactures sorting equipment for both fresh and processed food. They use cold storage to store the commodities they use for demonstration purposes.

Survey Section II

As mentioned above, the company uses cold storage in order to demonstrate their products. They don't use cold storage for their business specifically. The participant didn't know how much by volume they put into cold storage each month. They stated they receive anywhere from one to 12 boxes which depends on the size of the product and how much the customer wants to run through the machine. The commodity only remains on site for a few weeks and then they either donate the commodity or they throw it away. The types of containers the products are stored in vary depending on the demonstration. They mentioned that they are usually on pallets or in boxes. The inventory in cold storage turns over every few weeks. The company does own their own cold storage on site and the storage capacity is sufficient for their needs. They do not currently utilize cold storage facilities off-site nor do they project needing additional cold storage capacity in the next three to five years. The factors that would most impact their choice in choosing to use a cold storage facility are location and cost. There are not certain months of the year that they need additional cold storage capacity as they do customer demos all year round. They do not need cold storage capacity to extend their market. In terms of other services they currently need/utilize in coordination with cold storage, they stated that they mostly use their own vehicles but occasionally have to rent a truck depending on the amount of product they are picking up. The product is usually in the cold storage facility for two to three weeks before it leaves the cold storage facility. The company itself is the end location.

Survey Section III

Since there were no technology companies who do not currently use cold storage nor expressed a likelihood of using cold storage in the next three to five years this section was not completed.

Survey Section IV

Since there were no technology companies who agreed to participate in the survey and that stated it was not likely at all they would need or utilize cold storage in the next three to five years this section regarding other warehousing or distribution needs was not completed.

Survey Section V

This survey section was asked to the technology company who currently utilizes cold storage. They reported that if they used an off-site cold storage facility they would need separation of organic, fresh, frozen, and refrigerated products. While they haven't seen any kosher products come in they do sort meat. They are not currently using an off-site cold storage facility. Cold storage availability does not negatively affect their ability to grow the business. They said they wouldn't consider an off-site cold storage facility and added that because of that a maximum contract length wasn't applicable. They reported that on a scale of one to five, with five being the most likely, their likelihood of using a cold storage facility in Glenn County with convenience access to I-5 as a one. They also reported the importance of rail service near cold storage as a one. Lastly, they didn't have any anecdotal experiences with a lack of cold storage availability to share.

SUMMARY OF RESPONSE – PHARMACEUTICAL COMPANIES

Morrison contacted ten pharmaceutical companies. Three companies said they do not transfer calls unless a specific person is asked for. Messages were left with the other seven companies without any return calls.

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Secondary Market Research & Volume Estimates

Based on the strong response to the market interest survey by food and agriculture companies. Morrison conducted secondary market research to inform potential volume estimates (potential use in pallets) correlating to this demand.

As noted in the market survey summary above, on a scale of 1-5, with 5 being the most likely, thirty food and agriculture companies ranked their likelihood of use of a Glenn County cold storage facility a three, four, or five which represents more than 55% of survey participants. Twenty-four percent of all food and agriculture companies ranked likelihood of use a 5. However, this potential use represented a wide range of food and agriculture companies by size, commodity, need for cold storage volume, and manner in which the commodity is stored.

As documented in the Assumptions for the financial projections (see Page 40), Morrison's approach therefore was to leverage this strong market interest with an analysis of the 2018 Glenn County Crop Report, produced by the Glenn County Agricultural Commissioner's Office. Morrison reviewed the crop report, and the total volume of commodities produced in Glenn County and the commodities that would likely need cold storage (based on responses from the market interest survey). From there, a total volume of commodities produced in Glenn County that need cold storage was documented. The same approach was applied to an analysis of the Butte County Crop Report.

Assuming just those users with the highest interest in a Glenn County cold storage facility (24%) and accounting for a more conservative volume among likely users, Morrison calculated volume projections (and corresponding revenue) based on just 8 percent of the total volume of Glenn County commodities produced. This does not account for volume of agriculture commodities produced in neighboring counties and offers a reasonable estimate of likely use, accounting for regional competition, existing contracts with competitors, and potential for producers to develop their own on-site cold storage.

The amount of relevant agricultural products produced were first converted into tons if not already stated in tons, and then converted to the number of pallets that would hold the products. A rate of 1,800 pounds per pallet was used based on typical maximum weight limits of a standard pallet to convert tonnage produced to pallets produced. Pallets were then the units used for calculating volume of sales. For Glenn County this was equated to 510,803 pallets of agricultural products that may require cold storage per year, and 240,322 pallets per year for Butte County.

Three different levels of potential activity were estimated for these projections: Conservative, Moderate and Aggressive. For the purpose of presenting financial projections, Morrison utilized the Moderate sales level. Each sales level represented a different volume of pallets that would be stored at the facility throughout the year. The Moderate level is the equivalent of 8% of Glenn County's agricultural production or a volume of 34,555 pallets annually in Years 2-5 of the venture, accounting for a lower volume in Year 1 as business is built.

Therefore, based on:

- Trends in the global, United States, and California cold storage industry overall
- An analysis of the regional market for cold storage
- The high response rate to the market survey and strong indication of demand
- Secondary market research

Morrison has projected a potential facility would likely experience gross revenues for use of the facility of \$1,119,594 in Year 1; \$1,492,792; and \$1,865,989 in Years 3-5 respectively. ■

SECTION V. – OPERATIONAL ANALYSIS

As detailed in the Scope of Work for this feasibility venture, the operational analysis for a potential cold storage facility was to include an assessment of potential locations for a cold storage facility within the city limits of Willows; an assessment of land/building acquisition; and an assessment of equipment needs and costs.

Site Feasibility

Morrison's approach to analyzing potential locations for a cold storage facility began with direction from City of Willows and County of Glenn personnel, which included the expansion of reviewing potential sites within Glenn County as a whole, rather than just the City of Willows. During the feasibility analysis and business case process, a number of potential sites within

Glenn County were reviewed with consideration as a potential location for a future cold storage facility.

The process of assessing site feasibility began with an initial review of six sites identified by County Of Glenn personnel as most likely feasible sites for a future cold storage facility, based on their knowledge of the region and past conversations with private companies interested in potential cold storage facilities. All of the sites are currently undeveloped. In representations made by a private cold storage facility operator, it is likely that this would be preferred by any operator as they could build a facility to suit their needs, rather than remodel an existing structure, which could pose significant challenges and little cost savings with regards to needed design and features (loading docks, preservation of the cold chain). A review of a number of vacant buildings within the City of Willows in particular found that the buildings would be inadequate for the needs of a cold storage facility.

The potential six sites reviewed included:

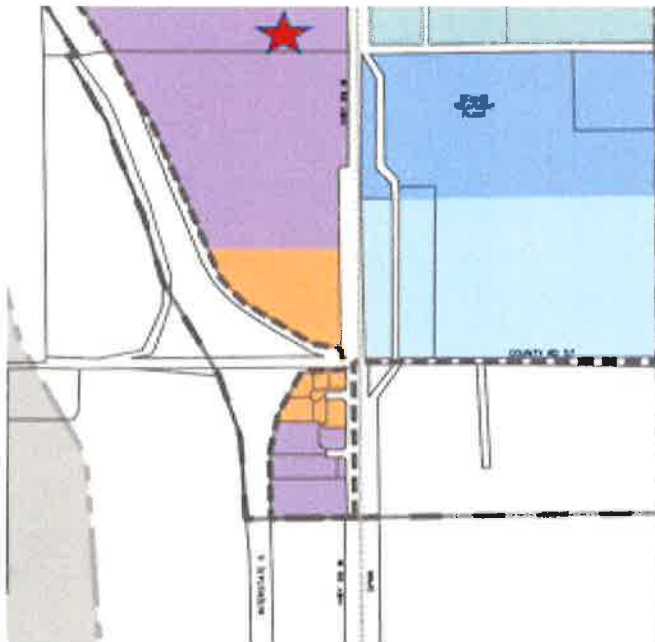
Site Number and Location	Acreage Estimate	Zoning	Additional Features	Owner
1 – Willows	30	Heavy Manufacturing	Rail access could be developed at the property; close freeway access to Interstate 5.	City of Willows
2 – Willows	~314 that could be subdivided	Light Manufacturing	Near a current beverage cold storage warehouse/distribution company; rail access could be developed at the property; about 1.2 miles to I-5.	Private owner
3 – Willows	Lots from 1-5 acres	Light Manufacturing	On old Highway 99; Close freeway access to I-5 (less than .5 mile); ability to co-locate near potential users. No rail access.	Private owner (Basin Street Properties)
4 – Orland	Lots from 3 to 18 acres	Industrial Park or MP District	Curb and gutter improvements already exist; 3.5 miles east of Interstate 5; streamlined permitting.	Glenn County
5 – Orland	20 acre	Service Commercial	Rail access; existing home and domestic well.	Private owner
6 – Orland	80 acres; 18 acres	Heavy industrial	Proximity directly near Interstate 5.	Private owner

It is likely that any of the sites listed in the table would be feasible to locate a cold storage facility with respect to size needed, permitted use (or the ease in getting the use permitted), and general functionality of a potential cold storage facility. However, the sites identified do require vastly different financial resources which would inherently impact the economic feasibility of the project.

An analysis of the six sites narrowed the most feasible locations to two specific properties: A site commonly referred to as “Basin Street” (Site 3) by County of Glenn and City of Willows Personnel and a nearby site adjacent to the City of Willows’ wastewater treatment facility (Site 1). These were deemed the most feasible due to each sites proximity to Interstate 5, the size of the lots (smaller acreage to allow for reduced land acquisition costs); the fact that one property is currently owned by the City of Willows (potentially eliminating land acquisition costs if the facility was city-owned); and the fact that the other property has significant energy behind it from U.S. Economic Development Administration funding. This site also has interest from one major local food and agriculture company, Rumiano Cheese, as reported by a 2019 news article in the Glenn County Transcript.

Each of these sites was then further evaluated for suitability and analyzed based on the market demand study conducted and reported needs of potential users (i.e. rail access, access to Interstate 5, etc.), with a particular focus on growers and processors of food and beverage products. Additional input as to the desired features of a potential location were solicited from a potential cold storage facility operator to determine suitable locations as well. In consideration of the feasibility of a site, the co-located storage of commodities was considered as feasible, based on representations made by a private cold storage facility that currently stores multiple commodities. That would limit the need for multiple sites.

With rail access being the major distinction between both properties, and this access development costly, ultimately it was considered that Basin Street would be the site that would offer the most flexibility for design of a cold storage facility; the likely lowest land acquisition costs if a private third-party operator was to construct the facility (as opposed to the City of Willows); and the closest proximity to Interstate 5, necessary for the transport of products in cold storage.



The Basin Street property is a total 38 acre property on the south side of Willows, within the City of Willows limits. Lots of varying sizes from one to five acres are available, with the owner being California Land Invest, LLC.

A significant downside to this property is that it is undeveloped and will require land improvements at a cost of \$10 per square foot (see Assumptions on Page 40). However, the only site that does not require these is the Orland site in the airport industrial park, which is 3.5 miles east of Interstate 5.

The current zoning of the land is ML Light Manufacturing. Permitted uses

under the Willows Municipal Code for the ML Light Manufacturing use include wholesale and storage warehouses, which would be the designated use for a cold storage facility, based on conversations with the City of Willows Planning Director (see Appendix C for zoning definition). Therefore a cold storage facility would be an allowed use by right. There is an overlay on this site that would require a use permit, which would be subject to review and approval by the City of Willows Planning Commission. This would be a few thousand dollars, at most, based on representations from the City of Willows Planning Staff.

Land acquisition costs, as documented in the financial projections for this venture, were confirmed with Frank Marinello of Basin Street Properties to be about \$4 per square foot or \$175,000 per acre (see Assumptions beginning on Page 40).

Building Costs

In assessing the feasibility of a future cold storage facility in Glenn County and to inform the financial analysis of this study, research was performed as it relates to the likely design, engineering, and construction needs and costs for a potential cold storage facility.

As any potential operator of a cold storage facility would likely seek to design and construct a facility to best suit their needs and personal specifications, extensive feasibility work was not conducted on the design specifications for a potential facility. This was also not directed by the City of Willows to be considered within the Scope of Work of this feasibility analysis and business case.

Morrison's approach to analyzing building costs for a cold storage facility began with an on-site interview of a private cold storage facility operator. This allowed for a tour of what a potential cold storage facility could look like and the building needs for a facility

The operator provided likely costs of building a facility on an undeveloped site. Those numbers were vetted by Morrison personnel and were higher than anticipated, based on Morrison's experience working with food and agriculture companies building privately-owned facilities.

To more accurately inform the financial analysis of this study, insights from two reputable construction firms that design, engineer, and build cold storage facilities provided some general standards and norms that would likely be considered in the construction of a potential facility.

Hansen-Rice, Inc., based in Nampa, Idaho, has constructed more than 38 million square feet of facility for industries across the world. Their work includes building temperature controlled, freezer, cooler, and low temperature warehousing, in addition to designing and constructing food processing facilities, distribution centers, and warehousing facilities, among other projects.

Mark Rice of Hansen-Rice noted that the majority of projects their firm has been involved in have been privately funded and operated. Public-private partnership in the design, construction, and operation phase is rare, according to Rice's experience in the industry. Based on his experience, he noted that cold storage facilities intended for multiple users (rather than privately owned and used by a single company for their own products) are often no smaller than 50,000 square feet, with 100,000 square feet the standard trend for the industry.

Mr. Rice represented that the costs of design, engineering, and construction for a standard cold storage facility (storing products at ~32 degrees) with loading docks would likely fall between \$125 and \$140 per square foot, considering similar projects completed in Northern California.

If lower temperature freezer space is needed Mr. Rice projected the costs to build in Northern California could average \$165 a square foot. The costs of land acquisition, permitting, and all needed equipment and technology needs would be in addition to these costs.

Mr. Rice did convey that in his experience many cold storage facilities are constructed in phases, initially being built at a smaller square footage and expanding over time. On average cold storage facilities are constructed within 8 to 10 months, from the beginning of the design phase until final completion, Mr. Rice said.

In addition to the expertise of Mr. Rice, Chico-based Modern Building was also consulted as to likely costs of design, engineering, and construction of a potential cold storage facility. Modern Building has constructed several Northern California cold storage and warehousing projects, including a cold storage distribution facility that is within one mile of one of the identified potential sites for a future cold storage facility.

Modern Building noted that in considering recent projects, the likely fee range for design, engineering, and construction would likely fall between \$80 and \$150 per square foot, commensurate with the range estimated by Mr. Rice.

Modern Building has also constructed many cold storage facilities in phases, adding to square footage over time as need and demand grew.

Based on this research, Morrison used a cost of \$140 per square foot in the financial projections for the design, engineering, and construction of a cold storage facility (see Assumptions beginning on Page 40).

Equipment Needs and Costs

Morrison's approach to analyzing building costs for a cold storage facility began with an interview of the same private cold storage facility operator that provided a site visit.

The operator was asked to provide a list of equipment that would be needed in the first year of operations, based on the primary users being food and agriculture companies.

This list provided by this operator included: pallet racks, forklifts, reach forklifts, pallet jacks, battery charging station, and a backup generator. The list also included likely costs as represented by this operator. Results of internet searches from equipment vendors for this equipment were used to inform the financial projections.

Additionally, Morrison added plastic pallets; pallet racks; and a stretch wrapper to the needed equipment list, with acquisition costs informed by internet searches from equipment vendors.

Based on this research, Morrison used a total equipment cost of \$579,430 in the financial projections for the purchase of pallet racks, forklifts, reach forklifts, pallet jacks, battery charging station, a backup generator; plastic pallets; pallet racks; and a stretch wrapper (see Assumptions beginning on Page 40). .

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SECTION VI. – MANAGEMENT ANALYSIS

As detailed in the Scope of Work for this feasibility venture, the management and organization analysis was to include an assessment of the potential management and organization structure of facility; the identification of likely expertise/qualifications needed to operate facility; the assessment of needed personnel to operate a Glenn County cold storage facility and costs; and the assessment of potential hours/days of operation.

At the outset of this project, City of Willows and Glenn County personnel represented that a private cold storage company had demonstrated interest in potentially constructing and operating a public cold storage facility within the county.

With that in mind, Morrison discussed with City of Willows and Glenn County personnel whether Morrison’s scope for this feasibility analysis and business case should extensively assess the feasibility of the city and or county operating a facility, or a private entity operating the facility, recognizing that there are other management options outside of these options that would not be analyzed (community/membership model for example). It was determined to explore the challenges and benefits of an ownership/management structure by a private owner; a city-owned management/ownership structure; and a public/private partnership.

Each approach was considered and provided below:

Private operator

The majority of public cold storage facilities are operated by private companies, and in California, many of these companies already have a strong presence. Among several others, these include well-known industry leaders Americold Logistics, Lineage Logistics, and United States Cold Storage. A cold storage industry report from 2014 noted that “Despite over 600 operators in the U.S. refrigerated storage industry, the top 10 players dominate about 80 percent of the market.”¹⁰

The core competency of these companies is providing public cold storage services and related services, and as such these companies likely possess time-tested and well-refined processes and functions, with well-informed pricing models; operations plans; accounting procedures; and necessary certifications to meet compliance needs. This would ensure effective operation of a facility and likely economic sustainability of the venture. An established operator looking to expand into a new market and generate additional revenue may be able to absorb short-term start-up costs and weather any fluctuation in initial operations more effectively than a city or county operator. A private operator also would avoid the added expense of prevailing wage for construction and would not have to keep wages and benefits in line with other public employees.

¹⁰ Perspectives on cold storage investment opportunities; 2014. JLL.

However, a private operator constructing and operating a cold storage facility is based solely on their willingness to do so and thus far, based on representations from City of Willows and Glenn County personnel, there has been interest from only one company in the past two years to do so. The completion of this feasibility analysis and business case however, may be a potential marketing tool to attract private companies to the region.

A private operator would be unfamiliar with the region and the likely users of the facility – corporate policies may not fit the expressed preferences of potential users and standard measures of performance may not be aligned with the small, rural nature of Glenn County and likely users of a cold storage facility.

One alternative is to attract one of the existing private food and agriculture companies in Glenn County to build excess capacity if they have plans to build cold storage and operate a public warehousing space in conjunction with their own cold storage space. This would likely require the ability to have distinct and separate spaces in the facility for each use, and public users would need to mitigate the risk that the private owner could eventually need the entire space for their own needs.

Public entity operator

As stated above, most public cold storage facilities are owned and operated by private companies. The City of Willows currently does not have existing personnel with experience in managing and operating a cold storage facility. Though the City of Willows has engaged in several complex and large-scale capital infrastructure projects with success (including the development of the Basin Street property that is the recommended site for this facility), the day-to-day operation of a cold storage facility would require expertise not currently available within current city leadership.

Furthermore, with a the lack of expertise in the industry, if the City sought to operate this facility, current City leadership would have to rely solely on the expertise of a hired outside professional, which could expose the city to significant liability, considering the need of any facility to meet local, state, and federal regulations as it relates to food safety.

Additionally, the City of Willows' 2018-2019 budget was adopted with a general fund deficit of \$98,000. The City also faces a PERS unfunded liability \$78,000 higher than that in 2017/2018, with this liability anticipated to grow. Adding additional City Staff to execute the construction of, and manage and operate a cold storage facility is not financially feasible at this point.

The City of Willows would be well-positioned to receive federal grant funding to operate the facility; however construction costs may be subject to prevailing wage (which would result in higher costs); and any employees hired would be public employees, subject to wages and benefits defined in agreements between the city and collective bargaining units.

Public Private Partnership

In the absence of a private operator opening a cold storage facility on their own accord, the model of a public-private partnership could be considered for this venture. There are several

cities, economic development corporations, and non-profit associations that have built cold storage facilities or provided financial assistance to build facilities that are either public cold storage facilities operated by a private entity, or private cold storage facilities.

For example, the city of Wrangell, Alaska owns a building with cold storage capabilities, but leases the space out to Trident Seafoods. In Stevens Point, Wisconsin, the City of Stevens Point conveyed land to a private company to construct and operate a cold storage facility.

In Greenfield, Massachusetts, the Franklin County Community Development Corporation, a non-profit, operates the Western Massachusetts Food Processing Center, which in addition to cold storage, provides a commercial kitchen, technical assistance, business planning, product development, distribution resources and manufacturing space.

As noted previously, a private cold storage company did state that having the city, or outside entity build a cold storage facility and rent it out would not be their preferred option, as most private cold storage companies would likely want to design and build their own facility to their personal specifications. The City of Willows may be able to work in partnership with local government or non-profit entities to develop a cold storage facility (i.e. County of Glenn, 3CORE, North Valley Food Hub), but this still leaves an absence of expertise in cold storage operations and regulations.

Recommended Model

Based on the analysis, it seems the most feasible and sustainable option for a management and operation structure is to leverage this feasibility analysis and business case to attract a private company to operate a public cold storage facility in Glenn County.

To that end, the assessment of needed personnel and expertise to operate a Glenn County cold storage facility and costs; and the assessment of potential hours/days of operation would be largely dependent on the private operator's experience.

To inform the projections, Morrison's approach was to consult with a private cold storage company on their staffing levels and costs. This was compared to a financial statement study for NAICS code 493120 (Refrigerated Warehousing and Storage) from the Risk Management Association (referred to as "RMA Ratios") which provided average costs of operations and general and administration costs for public cold storage facilities.

Based on input provided by a cold storage operator, Morrison's experience and consideration of the other research documented in this Feasibility analysis and business case, a sufficient team would consist of a combination of six to eight full and part time employees with an earnings range of \$30,000 to \$60,000 annually, as well as facility manager earning between \$80,000 to \$100,000, dedicating approximately 75% of their time directly to operations, and the remaining to administration. Adding an estimate for taxes and benefits of 15-25%, based on Morrison's experience, this supports a range of Personnel costs between \$276,000 and \$693,750. An estimate of 60% of Total Personnel and Overhead Costs was used to calculate annual Personnel costs, in Years 3+, at \$407,003 (see Assumptions beginning on Page 40).

Job descriptions from private cold storage companies are provided in the Appendix C of this document for an example of expertise that would be sought for these positions. Among others, this generally includes the requirement to have forklift operation experience for nearly all positions; experience with inventory control functions and procedures, including cycle counts, product rotation and recall, training, customer claims and requests, and record keeping; three to five years of prior experience in warehouse management.

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SECTION VII. – CAPITAL

Recognizing that the most feasible option for a cold storage facility in Glenn County is likely for the facility to be owned and operated by a private company, Morrison's approach to determining the capital needs of the operation was focused on what the needs of a private for-profit operator would be.

Capital and operating costs are detailed in the financial projections prepared for this study and documented in the Assumptions for the financial projections (see Page 40). These include:

- Total land costs of \$175,000 per acre. Assuming a maximum of four acres needed for the facility, a cost of \$700,000 is used.
- Building construction costs of \$140 per square foot for a total estimated construction cost of \$4.5 million. Based on the results of the market survey and the input from construction and engineering firms that a building could be built in phases, Morrison is recommended a 32,200 square foot building be considered, with the ability to add additional space in the future.
- Total equipment costs of \$541,540.

Operating capital will be needed to manage cash flow; the project does not anticipate generating an ending positive cash balance until Year 3 of the venture.

To inform the financial projections, it was assumed that these capital costs would be financed through a conventional bank loan to the private entity, assuming an ownership structure that is a private operator.

Interest was calculated based on long-term debt principal and line of credit balances, as detailed in the financial projections, and an interest rate of 5%, which was determined based on current commercial loan rates as reported on CommercialLoanDirect.com (see Assumptions beginning on Page 40). ■

SECTION VIII. – RISK ASSESSMENT

As noted in this study, a Glenn County cold storage facility would likely be most feasible if it was constructed, owned, and operated by a private company well-versed in cold storage operations. If that approach was employed there would likely be low business risk. Morrison would advise that the City of Willows constructing, owning, and operating a cold storage facility would lend itself to a higher level of risk.

Potential risks for a private operation include:

1. *Availability of labor and materials to construct a facility and of equipment.* With the recent impacts of the Camp Fire and the increased demand to build homes and buildings in nearby Butte County, the availability of labor for construction will likely be impacted. A nationwide survey in August 2018 conducted by Autodesk and the Associated General Contractors of America shows 80 percent of construction companies nationwide are facing difficulties filling hourly craft positions, with more than half having trouble filling salaried positions, like project managers, engineers and architects. The same survey found nearly half of California construction employer respondents said it would be even harder to hire over the next 12 months (prior to the Camp Fire). Still, this would likely slow the construction timeline of a project rather than make it impossible to build. A private, well-experienced operator likely has standard building designs that could be readily adapted for Glenn County, and reduce time needs on the design side of construction, allowing for a more streamlined design and construction timeline.
2. *Demand fluctuations.* With a public cold storage facility, demand fluctuations will be the most significant risk for a private entity to manage. It will be critical to a private entity to secure a number of large volume regular users to support the ability to maintain operations for the smaller, more on-demand needs reflected from the market survey. To mitigate risk, six-month or one-year contracts, with a minimum charge regardless of volume delivered, may be a policy to employ. Long-term contracts will not be a significant challenge for a cold storage facility to solicit; 70% of the respondents to the market demand survey indicated that they would consider a maximum contract length of at least six months (see discussion of results beginning on Page 7).
3. *Obsolescence.* As this would be a brand new facility, it will be likely be equipped with new, state-of-the-art equipment and software. Obsolescence should not be an issue for many years.
4. *Plant safety and legal liability.* Plant safety and legal liability will be a risk that could be readily mitigated with an experienced operator well-versed in food safety policies; best practices; forklift safety; and all California state cold storage requirements and Food Safety Modernization Act compliance needs. A cold storage operator will existing facilities in California will already have policies, practices, and procedures in place to address safety and legal liability.
5. *Food safety.* As a facility that would be managing and handling food and beverage products, there is risk in cross contamination with multiple commodities and food safety liability inherent to the industry. This could be mitigated through an experienced operator, well-versed in food safety policies; building design that seeks to avoid cross-contamination; and that possesses experience in training personnel in food safety risk management. Insurance coverage for food safety incidents is also available.
6. *Financing.* Financing arrangements with a conventional bank lender would likely have to be secured by any private company seeking to construct a cold storage facility in Glenn County. An experienced operator with a strong history of building and operating cold storage facilities will likely not face any significant risk in acquiring financing.
7. *Competition.* As discussed in the market analysis, there are few public cold storage facilities in the region that would offer significant competition. The major risk in competition comes largely from private food and agriculture companies building their own on-site cold storage to meet their own needs. This is especially true of larger food and agriculture companies with

a high volume of product (one respondent to the market demand survey was in the process of designing and building their own cold storage in the absence of Glenn County having public cold storage space). Still, building cold storage is a timely process and if a private cold storage facility operator was to effectively communicate their plans and interest in building a facility in Glenn County, they may be able to deter private food and agriculture companies from proceeding with plans for their own cold storage facilities and shift their interest to using a public cold storage facility.

8. *Labor.* The nationwide skilled labor shortage could have an impact on labor needed to operate and manage a Glenn County cold storage facility. Still, as noted in the regional market overview in the Market Analysis section (see Page 5), Glenn County's economy is largely driven by agriculture, with this industry and supporting business (including cold storage facilities) employing the largest number of people in the county. With nearby Butte, Tehama, and Colusa counties providing additional potential labor pools; and Butte Community College, California State University, Chico attracting young talent to the region, labor will likely not be a significant risk factor.

Summary: While it is not possible to anticipate every possible risk, the major risks noted above appear as though they could be appropriately mitigated by an experienced cold storage operator.

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SECTION IX. – FINANCIAL PROJECTIONS

Through an evaluation of key market trends; a market demand survey consisting on in-depth one-on-one potential user interviews; representations made by a private cold storage operator concerning historical costs; and additional outside research, financial statements have been prepared on a month-by-month basis for the five years of the venture, summarized annually below. The full financial projections and assumptions are included in Appendix A of this document. Below is a brief and summarized version of both documents.

These financial projections were developed to assist in the assessment of the potential for a cold storage facility in the City of Willows. A specific operator has not been identified as of the time of these projections but may include independent operators of other cold storage facilities, parties with a need for cold storage capacity as part of their business activities, or the City itself.

For the purpose of these projections, it is assumed that this business would be established as a division, limited liability company (LLC), S-Corporation, or subsidiary of a currently existing company or organization which would cause income from this venture to flow to the owners' tax returns and be taxed at the rates relevant to their entire income. Accordingly, income taxes are not reflected in these projections for the venture; and any potential owner/operator should assess tax issues based on their overall tax situation.

It is presumed that operations will commence in January 2020 ("Year 1") for projection purposes, though actual operations may start in subsequent months or years. All construction and related payments to readying the facility for normal operation is assumed to occur prior to commencement of operations. All transactions are in US dollars (USD). All projections are in nominal dollars (not inflation adjusted) and not tax adjusted unless otherwise noted.

The assumptions and support for each line item is documented below. As referenced, support includes market pricing research, a financial statement study for NAICS code 493120 (Refrigerated Warehousing and Storage) from the Risk Management Association (referred to as “RMA Ratios”), and a survey of potential customers comprised primarily of food and agriculture companies located within Glenn County (see discussion of survey beginning on Page 7).

Certain assumptions are based on information obtained from a cold storage company in San Joaquin County (referred to as “Cold Storage Operator”) regarding the nature of the business, including startup costs and seasonality of operating expenses. Some assumptions are based on representations by the City of Willows (see the related Representation Letter).

Income Statement assumptions:

The Detailed Projected Income Statements show revenue and expense projections detailed by account. The supporting assumptions for each line are as follows:

- Sales: Based on the responses from the Market Survey (see discussion beginning on Page 7) it was estimated that there is a seasonal impact on sales in the months of July and August, which see a decline in the need for storage. The remaining ten months are assumed to be approximately equal in volume for the purposes of these estimates. Additionally, it is assumed that, based on Morrison’s experience of similar studies and observation of initial operations in a business, the facility would take time to get up to full sales and accordingly it is estimated that Year 1 would approximate 60% of anticipated sales, Year 2 would approximate 80% of normal sales, and going forward from Year 3 would experience normal (100%) sales levels.
- Storage Revenue: These are based on a percent of total agricultural production, using both the Glenn County and Butte County 2017 Crop Reports, produced by each county’s respective Agricultural Commissioner. The amount of relevant agricultural products produced were first converted into tons if not already stated in tons, and then converted to the number of pallets that would hold the products. A rate of 1,800 pounds per pallet was used based on typical maximum weight limits of a standard pallet to convert tonnage produced to pallets produced. Pallets were then the units used for calculating volume of sales. For Glenn County this was equated to 510,803 pallets of agricultural products that may require cold storage per year, and 240,322 pallets per year for Butte County. The cost per pallet used for revenue was \$19 pallet, consistent with the average cost participants in the Market Survey reported paying at other regional cold storage facilities.

Three different levels of potential activity were estimated for these projections: Conservative, Moderate and Aggressive. For the purpose of presenting these projections, we have utilized the Moderate sales level. Each sales level represented a different volume of pallets that would be stored at the facility throughout the year. For each level the following was assumed:

- Conservative: the equivalent of 4% of Glenn County’s agricultural production or \$656,552 annually.

- Moderate: the equivalent of 8% of Glenn County's agricultural production or \$1,313,104 annually.
- Aggressive: the equivalent of a combination of 8% of Glenn County's and 4% of Butte County's agricultural production or \$1,313,104 and \$321,100, respectively, totaling \$1,634,204, annually.

The portions of agricultural production listed above were chosen based on a combination of factors, including sales levels of similarly sized cold storage facilities, opinion on capture of market based on Morrison's experience, and the responses to the Market Survey (see discussion beginning on Page 7). Refer to *Glenn County 2017 Agricultural Production* and *Butte County 2017 Agricultural Production* for tons per pallet and Glenn County and Butte County related figures, respectively.

- *Handling and Sorting Revenue*: Based on information provided by the Market Survey, cold storage facilities charge a handling or sorting fee when processing incoming pallets from customers and that charge can range widely depending on the facility, but based on the most common range of charges noted, a fee of \$200 is assumed for these projections. This fee was most commonly charged as a flat fee regardless of the number of pallets being processed in a single shipment.
- *Blast Freezing Revenue*: Based on information provided by a Cold Storage Operator as well as information provided by the Market Survey, cold storage facilities offer blast freezing of stored products, charging a fee per pallet blast frozen and that charge can range widely depending on the facility, but based on the most common charges a fee of \$60 was used for these projections. Based on information provided by the Market Survey it's estimated that 5% of pallets would be blast frozen.

- Cost of operations & General and administration:

The combined total of *Cost of operations* and *General and administration* is estimated to be approximately 72.8%, per the RMA Ratios. Some costs that comprise this total are calculated independently for this projection (such as depreciation, interest and utilities), while the remaining expenses are estimated using the 72.8% of total costs as a guideline.

- *Utilities*: Represents utilities cost in operating the cold storage facility. At a Moderate sales level, the monthly costs are estimated at \$24,718 during summer months (June – August), \$16,479 during winter months (December – February), and \$20,599 during all other months. The ratio of costs of summer compared to winter months are based on information provided by the Cold Storage Operator. These costs were estimated based on the assumption that the facility would primarily utilize electricity and natural gas for power.
- *Depreciation*: Represents depreciation of the costs of buildings and equipment, below, over the estimated useful lives of the assets. The useful life for buildings is estimated at 15 years, 30 years for land improvements, and the 7 years for equipment. The estimated useful lives were determined using the 2009 USDA Farm Storage Facility Loan Program Fact Sheet.

- General and administration:

- *Administrative expenses*: These represent office support salaries, office supplies, marketing, etc.

- *Interest*: Calculated based on long-term debt principal and line of credit balances, both noted below, and an interest rate of 5%, which was determined based on current commercial loan rates as reported on CommercialLoanDirect.com.
- Net income: Based on the net financial result of the financial projections.

Projected Balance Sheets:

The projected balance sheets reflect the estimated net impact of activities related to this venture.

Key assumptions include:

- Cash: Represents net cash earned by the business. The cash balance at any point reflects the cumulative cash balance of the business over time (distributions not budgeted and would be determined by the eventual owner). If net cash from all activities drops below zero per the Projected Cash Flows, that amount is reflected as a draw on the Line of Credit in these projections.
- Accounts receivable: Represents outstanding invoices estimated at 100% of the previous month's revenues.
- Property, plant & equipment (net): Represents the value of all fixed assets, including: land, buildings, and equipment. Each category is valued as follows:
 - Land: The location for the cold storage facility is based on a previously identified area by the City of Willows, located near the intersection of Road 57 and Highway 99 West, immediately off the Road 57 exit (no. 601) on Highway 5. The value of the four acres estimated for the facility is \$700,000, or \$175,000 per acre, according Basin Street Properties, the owners of the property (see discussion in *Operational Analysis* beginning on Page 5).
 - Land Improvements: The value of the costs to develop the surrounding land around the facility, including the construction of: parking lots, sidewalks, installations for utilities, water drainage, etc. Estimated costs of \$10 per square foot, per guidance provided by Basin Street Properties, the owners of the property see discussion in *Operational Analysis* beginning on Page 5).
 - Buildings: The building value is based on cost by square footage equaling \$140 per square foot, refer to Building Construction Costs in *Capital and Operating Costs*. This amount was an average of approximate ranges provided by two different construction company located familiar with building cold storage facilities. The total square footage required for the facility (32,200 square feet) was calculated based on the volume of pallets in Storage Revenue and contingent on sales level see discussion in *Operational Analysis* beginning on Page 5).
 - Equipment: The types of equipment necessary for operations is based on information by the Cold Storage Operator. Equipment includes items such as: pallet racks, forklifts, reach forklifts, pallet jacks, battery charging station, and backup generator. Equipment values were was determined through pricing listed by sellers online, with volumes for certain items, such as racking, based on square footage used for Buildings above see discussion in *Operational Analysis* beginning on Page 5).
- Line of credit: Represents financing to supply the working capital required for operation of the facility for the first several years. As noted at "Cash" above, if net cash from all activities drops below zero per the Projected Cash Flows, that amount is recorded as a draw on the Line of Credit.

- Accounts payable: Represents outstanding invoices to be paid to vendors. A/P projections assume 100% of each month's invoices will be paid in the month subsequent to receipt.
- Current maturities of LT debt: Represents debt principal to be paid within the following twelve months all Long Term Debt.
- Long term debt: Calculated based on 50% of total Property, plant & equipment, above, before accumulated depreciation, with the remainder of which is assumed to be Capital Contributions, below. The term of this debt is assumed to be 7 years with monthly payments, based on the most common bank financing for the initial operations of a business. The cost of this financing is documented as part of Interest, under Detailed Projected Income Statement assumptions above.
- Retained earnings: Represents the cumulative earnings retained from the results of the operation of the business.
- Contributions: Represents estimated equity contributions to the business by the owner(s), calculated as Plant & equipment, before accumulated depreciation, less long term debt and current maturities.

Income Statement

	Year 1	Year 2	Year 3	Year 4	Year 5
Gross revenues	\$1,119,594	\$1,492,792	\$1,865,989	\$1,865,989	\$1,865,989
Deductions	-	-	-	-	-
Net Sales	1,119,594	1,492,792	1,865,989	1,865,989	1,865,989
Cost of Operations	1,012,744	1,138,943	1,265,141	1,265,141	1,265,141
Gross Margin	106,849	353,849	600,849	600,849	600,849
Selling expense	-	-	-	-	-
General and administrative	267,026	248,764	218,581	191,738	165,666
Other (income) and expense	-	-	-	-	-
Net income (loss)	\$(160,176)	\$ 105,085	\$ 382,267	\$ 409,110	\$ 435,182

	Year 1	Year 2	Year 3	Year 4	Year 5
<i>Balance Sheet</i>					
Assets					
Current:					
Cash	\$ -	\$ -	\$ 133,890	\$ 456,532	\$ 779,065
Accounts Receivable	102,629	136,839	171,049	171,049	171,049
	102,629	136,839	304,939	627,581	950,114
Long term:					
Plant & equipment (net)	6,744,697	6,319,454	5,894,211	5,468,969	5,043,726
Total Assets	\$6,847,326	\$6,456,293	\$6,199,150	\$6,096,550	\$5,993,840

Liabilities & Equity

Current:

	Year 1	Year 2	Year 3	Year 4	Year 5
Balance Sheet					
Line of credit	\$ 207,073	\$ 163,008	\$ -	\$ -	\$ -
Accounts Payable	69,241	78,387	86,779	84,665	82,442
Current maturities of LT debt	461,199	484,794	509,597	535,669	563,075
	<u>737,513</u>	<u>726,189</u>	<u>593,376</u>	<u>620,334</u>	<u>645,517</u>
Long term:					
Long term debt	2,685,020	2,200,226	1,690,628	1,154,959	591,883
Equity					
Retained earnings	(160,177)	(55,092)	327,176	736,287	1,171,470
Contributions	3,584,970	3,584,970	3,584,970	3,584,970	3,584,970
	<u>3,424,793</u>	<u>3,529,878</u>	<u>3,912,146</u>	<u>4,321,257</u>	<u>4,756,440</u>
Total Liabilities & Equity	<u>\$6,847,326</u>	<u>\$6,456,293</u>	<u>\$6,199,150</u>	<u>\$6,096,550</u>	<u>\$5,993,840</u>

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SECTION X. – CONCLUSIONS

The purpose of a feasibility assessment is to determine the general viability of a proposed approach to a project. In the actual execution of a strategy, external circumstances, internal decisions, and other factors may dictate departures from the original plan. Further, it is not possible to consider every possible cost or circumstance, internal or external. Accordingly, no representation is made as to the outcome of any action City of Willows or any other party may take based on this Assessment.

Within the limitations of the paragraph above, Morrison concludes that the general approaches to approach, competition and markets, operations and management; capital needs, and risks discussed in this assessment are technically feasible.

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Appendix A



MORRISON

City of Willows Cold Storage
Detailed Projected Income Statements
(See "Financial Statement Assumptions" for explanations)

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
SALES												
Storage revenue	\$ 72,221	\$ 72,221	\$ 72,221	\$ 72,221	\$ 72,221	\$ 72,221	\$ 32,828	\$ 32,828	\$ 72,221	\$ 72,221	\$ 72,221	\$ 72,221
Handling and sorting revenue	19,005	19,005	19,005	19,005	19,005	19,005	8,639	8,639	19,005	19,005	19,005	19,005
Blast freezing revenue	11,403	11,403	11,403	11,403	11,403	11,403	5,183	5,183	11,403	11,403	11,403	11,403
Gross sales	102,629	102,629	102,629	102,629	102,629	102,629	46,650	46,650	102,629	102,629	102,629	102,629
COST OF OPERATIONS												
Personnel	20,823	20,823	20,823	20,823	20,823	20,823	9,465	9,465	20,823	20,823	20,823	20,823
Overhead	12,620	12,620	12,620	12,620	12,620	12,620	12,620	12,620	12,620	12,620	12,620	12,620
Utilities	13,927	13,927	17,409	17,409	17,409	20,891	20,891	20,891	17,409	17,409	17,409	13,927
Depreciation	35,437	35,437	35,437	35,437	35,437	35,437	35,437	35,437	35,437	35,437	35,437	35,437
Total Cost of Operations	82,807	82,807	86,288	86,288	86,288	89,770	78,412	78,412	86,288	86,288	86,288	82,807
Gross margin	19,823	19,823	16,341	16,341	16,341	12,859	(31,763)	(31,763)	16,341	16,341	16,341	19,823
GENERAL AND ADMINISTRATIVE												
Administrative expenses	7,775	7,775	7,775	7,775	7,775	7,775	7,775	7,775	7,775	7,775	7,775	7,775
Interest	14,937	14,937	14,802	14,666	14,544	14,422	14,299	14,191	14,267	14,344	14,220	14,096
Total General & Admin	22,712	22,712	22,577	22,441	22,319	22,197	22,074	21,966	22,042	22,119	21,995	21,871
Net income	\$ (2,889)	\$ (2,889)	\$ (6,236)	\$ (6,100)	\$ (5,978)	\$ (9,338)	\$ (53,837)	\$ (53,728)	\$ (5,701)	\$ (5,778)	\$ (5,654)	\$ (2,048)
EBITDA	\$ 47,485	\$ 47,485	\$ 44,003	\$ 44,003	\$ 44,003	\$ 40,521	\$ (4,101)	\$ (4,101)	\$ 44,003	\$ 44,003	\$ 44,003	\$ 47,485

City of Willows Cold Storage
Detailed Projected Income Statements
(See "Financial Statement Assumptions" for explanations)

	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
SALES												
Storage revenue	\$ 96,294	\$ 96,294	\$ 96,294	\$ 96,294	\$ 96,294	\$ 96,294	\$ 43,770	\$ 43,770	\$ 96,294	\$ 96,294	\$ 96,294	\$ 96,294
Handling and sorting revenue	25,341	25,341	25,341	25,341	25,341	25,341	11,518	11,518	25,341	25,341	25,341	25,341
Blast freezing revenue	15,204	15,204	15,204	15,204	15,204	15,204	6,911	6,911	15,204	15,204	15,204	15,204
Gross sales	136,839	136,839	136,839	136,839	136,839	136,839	62,200	62,200	136,839	136,839	136,839	136,839
COST OF OPERATIONS												
Personnel	27,764	27,764	27,764	27,764	27,764	27,764	12,620	12,620	27,764	27,764	27,764	27,764
Overhead	16,826	16,826	16,826	16,826	16,826	16,826	16,826	16,826	16,826	16,826	16,826	16,826
Utilities	13,927	13,927	17,409	17,409	17,409	20,891	20,891	20,891	17,409	17,409	17,409	13,927
Depreciation	35,437	35,437	35,437	35,437	35,437	35,437	35,437	35,437	35,437	35,437	35,437	35,437
Total Cost of Operations	93,954	93,954	97,436	97,436	97,436	100,918	85,774	85,774	97,436	97,436	97,436	93,954
Gross margin	42,885	42,885	39,403	39,403	39,403	35,922	(23,574)	(23,574)	39,403	39,403	39,403	42,885
GENERAL AND ADMINISTRATIVE												
Administrative expenses	7,775	7,775	7,775	7,775	7,775	7,775	7,775	7,775	7,775	7,775	7,775	7,775
Interest	13,972	13,833	13,597	13,361	13,138	12,914	12,690	12,479	12,514	12,549	12,322	12,095
Total General & Admin	21,747	21,608	21,372	21,136	20,913	20,689	20,465	20,253	20,289	20,324	20,097	19,870
Net income	\$ 21,138	\$ 21,277	\$ 18,031	\$ 18,268	\$ 18,490	\$ 15,232	\$ (44,039)	\$ (43,828)	\$ 19,114	\$ 19,079	\$ 19,306	\$ 23,015
EBITDA	\$ 70,547	\$ 70,547	\$ 67,065	\$ 67,065	\$ 67,065	\$ 63,584	\$ 4,088	\$ 4,088	\$ 67,065	\$ 67,065	\$ 67,065	\$ 70,547

City of Willows Cold Storage
Detailed Projected Income Statements
(See "Financial Statement Assumptions" for explanations)

	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
SALES												
Storage revenue	\$ 120,368	\$ 120,368	\$ 120,368	\$ 120,368	\$ 120,368	\$ 120,368	\$ 54,713	\$ 54,713	\$ 120,368	\$ 120,368	\$ 120,368	\$ 120,368
Handling and sorting revenue	31,676	31,676	31,676	31,676	31,676	31,676	14,398	14,398	31,676	31,676	31,676	31,676
Blast freezing revenue	19,005	19,005	19,005	19,005	19,005	19,005	8,639	8,639	19,005	19,005	19,005	19,005
Gross sales	171,049	171,049	171,049	171,049	171,049	171,049	77,750	77,750	171,049	171,049	171,049	171,049
COST OF OPERATIONS												
Personnel	34,705	34,705	34,705	34,705	34,705	34,705	15,775	15,775	34,705	34,705	34,705	34,705
Overhead	21,033	21,033	21,033	21,033	21,033	21,033	21,033	21,033	21,033	21,033	21,033	21,033
Utilities	13,927	13,927	17,409	17,409	17,409	20,891	20,891	20,891	17,409	17,409	17,409	13,927
Depreciation	35,437	35,437	35,437	35,437	35,437	35,437	35,437	35,437	35,437	35,437	35,437	35,437
Total Cost of Operations	105,102	105,102	108,583	108,583	108,583	112,065	93,135	93,135	108,583	108,583	108,583	105,102
Gross margin	65,947	65,947	62,466	62,466	62,466	58,984	(15,386)	(15,386)	62,466	62,466	62,466	65,947
GENERAL AND ADMINISTRATIVE												
Administrative expenses	7,775	7,775	7,775	7,775	7,775	7,775	7,775	7,775	7,775	7,775	7,775	7,775
Interest	11,867	11,623	11,283	10,941	10,613	10,358	10,190	10,022	9,852	9,682	9,511	9,340
Total General & Admin	19,642	19,398	19,058	18,716	18,387	18,133	17,965	17,796	17,627	17,457	17,286	17,115
Net income	\$ 46,306	\$ 46,549	\$ 43,408	\$ 43,750	\$ 44,078	\$ 40,851	\$ (33,351)	\$ (33,182)	\$ 44,839	\$ 45,009	\$ 45,179	\$ 48,833
EBITDA	\$ 93,609	\$ 93,609	\$ 90,128	\$ 90,128	\$ 90,128	\$ 86,646	\$ 12,276	\$ 12,276	\$ 90,128	\$ 90,128	\$ 90,128	\$ 93,609

City of Willows Cold Storage
Detailed Projected Income Statements
(See "Financial Statement Assumptions" for explanations)

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
SALES												
Storage revenue	\$ 120,368	\$ 120,368	\$ 120,368	\$ 120,368	\$ 120,368	\$ 120,368	\$ 54,713	\$ 54,713	\$ 120,368	\$ 120,368	\$ 120,368	\$ 120,368
Handling and sorting revenue	31,676	31,676	31,676	31,676	31,676	31,676	14,398	14,398	31,676	31,676	31,676	31,676
Blast freezing revenue	19,005	19,005	19,005	19,005	19,005	19,005	8,639	8,639	19,005	19,005	19,005	19,005
Gross sales	171,049	171,049	171,049	171,049	171,049	171,049	77,750	77,750	171,049	171,049	171,049	171,049
COST OF OPERATIONS												
Personnel	34,705	34,705	34,705	34,705	34,705	34,705	15,775	15,775	34,705	34,705	34,705	34,705
Overhead	21,033	21,033	21,033	21,033	21,033	21,033	21,033	21,033	21,033	21,033	21,033	21,033
Utilities	13,927	13,927	17,409	17,409	17,409	20,891	20,891	20,891	17,409	17,409	17,409	13,927
Depreciation	35,437	35,437	35,437	35,437	35,437	35,437	35,437	35,437	35,437	35,437	35,437	35,437
Total Cost of Operations	105,102	105,102	108,583	108,583	108,583	112,065	93,135	93,135	108,583	108,583	108,583	105,102
Gross margin	65,947	65,947	62,466	62,466	62,466	58,984	(15,386)	(15,386)	62,466	62,466	62,466	65,947
GENERAL AND ADMINISTRATIVE												
Administrative expenses	7,775	7,775	7,775	7,775	7,775	7,775	7,775	7,775	7,775	7,775	7,775	7,775
Interest	9,168	8,995	8,821	8,647	8,472	8,296	8,119	7,942	7,764	7,585	7,406	7,225
Total General & Admin	16,943	16,770	16,596	16,422	16,247	16,071	15,894	15,717	15,539	15,360	15,181	15,000
Net income	\$ 49,005	\$ 49,178	\$ 45,870	\$ 46,044	\$ 46,219	\$ 42,913	\$ (31,280)	\$ (31,103)	\$ 46,927	\$ 47,106	\$ 47,285	\$ 50,947
EBITDA	\$ 93,609	\$ 93,609	\$ 90,128	\$ 90,128	\$ 90,128	\$ 86,646	\$ 12,276	\$ 12,276	\$ 90,128	\$ 90,128	\$ 90,128	\$ 93,609

City of Willows Cold Storage
Detailed Projected Income Statements
(See "Financial Statement Assumptions" for explanations)

	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
SALES												
Storage revenue	\$ 120,368	\$ 120,368	\$ 120,368	\$ 120,368	\$ 120,368	\$ 120,368	\$ 54,713	\$ 54,713	\$ 120,368	\$ 120,368	\$ 120,368	\$ 120,368
Handling and sorting revenue	31,676	31,676	31,676	31,676	31,676	31,676	14,398	14,398	31,676	31,676	31,676	31,676
Blast freezing revenue	19,005	19,005	19,005	19,005	19,005	19,005	8,639	8,639	19,005	19,005	19,005	19,005
Gross sales	171,049	171,049	171,049	171,049	171,049	171,049	77,750	77,750	171,049	171,049	171,049	171,049
COST OF OPERATIONS												
Personnel	34,705	34,705	34,705	34,705	34,705	34,705	15,775	15,775	34,705	34,705	34,705	34,705
Overhead	21,033	21,033	21,033	21,033	21,033	21,033	21,033	21,033	21,033	21,033	21,033	21,033
Utilities	13,927	13,927	17,409	17,409	17,409	20,891	20,891	20,891	17,409	17,409	17,409	13,927
Depreciation	35,437	35,437	35,437	35,437	35,437	35,437	35,437	35,437	35,437	35,437	35,437	35,437
Total Cost of Operations	105,102	105,102	108,583	108,583	108,583	112,065	93,135	93,135	108,583	108,583	108,583	105,102
Gross margin	65,947	65,947	62,466	62,466	62,466	58,984	(15,386)	(15,386)	62,466	62,466	62,466	65,947
GENERAL AND ADMINISTRATIVE												
Administrative expenses	7,775	7,775	7,775	7,775	7,775	7,775	7,775	7,775	7,775	7,775	7,775	7,775
Interest	7,044	6,863	6,680	6,497	6,313	6,128	5,942	5,756	5,569	5,381	5,192	5,003
Total General & Admin	14,819	14,637	14,455	14,272	14,088	13,903	13,717	13,531	13,344	13,156	12,967	12,778
Net income	\$ 51,128	\$ 51,310	\$ 48,011	\$ 48,194	\$ 48,378	\$ 45,081	\$ (29,103)	\$ (28,917)	\$ 49,122	\$ 49,310	\$ 49,499	\$ 53,170
EBITDA	\$ 93,609	\$ 93,609	\$ 90,128	\$ 90,128	\$ 90,128	\$ 86,646	\$ 12,276	\$ 12,276	\$ 90,128	\$ 90,128	\$ 90,128	\$ 93,609

City of Willows Cold Storage
Detailed Projected Income Statements
(See "Financial Statement Assumptions" for explanations)

	Year 1	Year 2	Year 3	Year 4	Year 5
SALES					
Storage revenue	\$ 787,862	\$ 1,050,483	\$ 1,313,104	\$ 1,313,104	\$ 1,313,104
Handling and sorting revenue	207,332	276,443	345,554	345,554	345,554
Blast freezing revenue	124,399	165,866	207,332	207,332	207,332
Gross sales	1,119,594	1,492,792	1,865,989	1,865,989	1,865,989
COST OF OPERATIONS					
Personnel	227,157	302,876	378,595	378,595	378,595
Overhead	151,438	201,917	252,396	252,396	252,396
Utilities	208,907	208,907	208,907	208,907	208,907
Depreciation	425,243	425,243	425,243	425,243	425,243
Total Cost of Operations	1,012,744	1,138,943	1,265,141	1,265,141	1,265,141
Gross margin	106,849	353,849	600,849	600,849	600,849
GENERAL AND ADMINISTRATIVE					
Administrative expenses	93,299	93,299	93,299	93,299	93,299
Interest	173,727	155,464	125,281	98,438	72,366
Total General & Admin	267,026	248,764	218,581	191,738	165,666
	114.31%	92.96%	79.51%	78.08%	76.68%
Net income	\$ (160,176)	\$ 105,085	\$ 382,267	\$ 409,110	\$ 435,182
	-14.31%	7.04%	20.49%	21.92%	23.32%
EBITDA	\$ 438,793	\$ 685,792	\$ 932,791	\$ 932,791	\$ 932,791

City of Willows Cold Storage
Summary Projected Income Statements
(See "Financial Statement Assumptions" for explanations)

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
Gross revenues	\$ 102,629	\$ 102,629	\$ 102,629	\$ 102,629	\$ 102,629	\$ 102,629	\$ 46,650	\$ 46,650	\$ 102,629	\$ 102,629	\$ 102,629	\$ 102,629
Net Sales	102,629	102,629	102,629	102,629	102,629	102,629	46,650	46,650	102,629	102,629	102,629	102,629
Cost of Operations	82,807	82,807	86,288	86,288	86,288	89,770	78,412	78,412	86,288	86,288	86,288	82,807
Gross Margin	19,823	19,823	16,341	16,341	16,341	12,859	(31,763)	(31,763)	16,341	16,341	16,341	19,823
Selling expense	-	-	-	-	-	-	-	-	-	-	-	-
General and administrative	22,712	22,712	22,577	22,441	22,319	22,197	22,074	21,966	22,042	22,119	21,995	21,871
Other (income) expense	-	-	-	-	-	-	-	-	-	-	-	-
Net income	\$ (2,889)	\$ (2,889)	\$ (6,236)	\$ (6,100)	\$ (5,978)	\$ (9,338)	\$ (53,837)	\$ (53,728)	\$ (5,701)	\$ (5,778)	\$ (5,654)	\$ (2,048)

City of Willows Cold Storage
Summary Projected Income Statements
(See "Financial Statement Assumptions" for explanations)

	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
Gross revenues	\$ 136,839	\$ 136,839	\$ 136,839	\$ 136,839	\$ 136,839	\$ 136,839	\$ 62,200	\$ 62,200	\$ 136,839	\$ 136,839	\$ 136,839	\$ 136,839
Net Sales	136,839	136,839	136,839	136,839	136,839	136,839	62,200	62,200	136,839	136,839	136,839	136,839
Cost of Operations	93,954	93,954	97,436	97,436	100,918	100,918	85,774	85,774	97,436	97,436	97,436	93,954
Gross Margin	42,885	42,885	39,403	39,403	35,922	35,922	(23,574)	(23,574)	39,403	39,403	39,403	42,885
Selling expense	-	-	-	-	-	-	-	-	-	-	-	-
General and administrative	21,747	21,608	21,372	21,136	20,913	20,689	20,465	20,253	20,289	20,324	20,097	19,870
Other (income) expense	-	-	-	-	-	-	-	-	-	-	-	-
Net income	\$ 21,138	\$ 21,277	\$ 18,031	\$ 18,268	\$ 18,490	\$ 15,232	\$ (44,039)	\$ (43,828)	\$ 19,114	\$ 19,079	\$ 19,306	\$ 23,015

City of Willows Cold Storage
Summary Projected Income Statements
(See "Financial Statement Assumptions" for explanations)

	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
Gross revenues	\$ 171,049	\$ 171,049	\$ 171,049	\$ 171,049	\$ 171,049	\$ 171,049	\$ 77,750	\$ 77,750	\$ 171,049	\$ 171,049	\$ 171,049	\$ 171,049
Net Sales	171,049	171,049	171,049	171,049	171,049	171,049	77,750	77,750	171,049	171,049	171,049	171,049
Cost of Operations	105,102	105,102	108,583	108,583	108,583	112,065	93,135	93,135	108,583	108,583	108,583	105,102
Gross Margin	65,947	65,947	62,466	62,466	62,466	58,984	(15,386)	(15,386)	62,466	62,466	62,466	65,947
Selling expense	-	-	-	-	-	-	-	-	-	-	-	-
General and administrative	19,642	19,398	19,058	18,716	18,387	18,133	17,965	17,796	17,627	17,457	17,286	17,115
Other (income) expense	-	-	-	-	-	-	-	-	-	-	-	-
Net income	\$ 46,306	\$ 46,549	\$ 43,408	\$ 43,750	\$ 44,078	\$ 40,851	\$ (33,351)	\$ (33,182)	\$ 44,839	\$ 45,009	\$ 45,179	\$ 48,833

City of Willows Cold Storage
Summary Projected Income Statements
(See "Financial Statement Assumptions" for explanations)

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
Gross revenues	\$ 171,049	\$ 171,049	\$ 171,049	\$ 171,049	\$ 171,049	\$ 171,049	\$ 77,750	\$ 77,750	\$ 171,049	\$ 171,049	\$ 171,049	\$ 171,049
Net Sales	171,049	171,049	171,049	171,049	171,049	171,049	77,750	77,750	171,049	171,049	171,049	171,049
Cost of Operations	105,102	105,102	108,583	108,583	112,065	93,135	93,135	93,135	108,583	108,583	108,583	105,102
Gross Margin	65,947	65,947	62,466	62,466	58,984	(15,386)	(15,386)	(15,386)	62,466	62,466	62,466	65,947
Selling expense	-	-	-	-	-	-	-	-	-	-	-	-
General and administrative	16,943	16,770	16,596	16,422	16,247	16,071	15,894	15,717	15,539	15,360	15,181	15,000
Other (income) expense	-	-	-	-	-	-	-	-	-	-	-	-
Net income	\$ 49,005	\$ 49,178	\$ 45,870	\$ 46,044	\$ 46,219	\$ 42,913	\$ (31,280)	\$ (31,103)	\$ 46,927	\$ 47,106	\$ 47,285	\$ 50,947

City of Willows Cold Storage
Summary Projected Income Statements
(See "Financial Statement Assumptions" for explanations)

	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
Gross revenues	\$ 171,049	\$ 171,049	\$ 171,049	\$ 171,049	\$ 171,049	\$ 171,049	\$ 77,750	\$ 77,750	\$ 171,049	\$ 171,049	\$ 171,049	\$ 171,049
Net Sales	171,049	171,049	171,049	171,049	171,049	171,049	77,750	77,750	171,049	171,049	171,049	171,049
Cost of Operations	105,102	105,102	108,583	108,583	112,065	93,135	93,135	93,135	108,583	108,583	108,583	105,102
Gross Margin	65,947	65,947	62,466	62,466	58,984	(15,386)	(15,386)	(15,386)	62,466	62,466	62,466	65,947
Selling expense	-	-	-	-	-	-	-	-	-	-	-	-
General and administrative	14,819	14,637	14,455	14,272	14,088	13,903	13,717	13,531	13,344	13,156	12,967	12,778
Other (income) expense	-	-	-	-	-	-	-	-	-	-	-	-
Net income	\$ 51,128	\$ 51,310	\$ 48,011	\$ 48,194	\$ 48,378	\$ 45,081	\$ (29,103)	\$ (28,917)	\$ 49,122	\$ 49,310	\$ 49,499	\$ 53,170

City of Willows Cold Storage
Summary Projected Income Statements
(See "Financial Statement Assumptions" for explanations)

	Year 1	Year 2	Year 3	Year 4	Year 5
Gross revenues	\$ 1,119,594	\$ 1,492,792	\$ 1,865,989	\$ 1,865,989	\$ 1,865,989
Net Sales	1,119,594	1,492,792	1,865,989	1,865,989	1,865,989
Cost of Operations	1,012,744	1,138,943	1,265,141	1,265,141	1,265,141
Gross Margin	106,849	353,849	600,849	600,849	600,849
Selling expense	-	-	-	-	-
General and administrative	267,026	248,764	218,581	191,738	165,666
Other (income) expense	-	-	-	-	-
Net income	\$ (160,176)	\$ 105,085	\$ 382,267	\$ 409,110	\$ 435,182

**City of Willows Cold Storage
Projected Balance Sheets
(See "Financial Statement Assumptions" for explanations)**

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
Assets												
Current:												
Cash	102,629	102,629	102,629	102,629	102,629	102,629	46,650	46,650	102,629	102,629	102,629	102,629
Accounts Receivable	102,629	102,629	102,629	102,629	102,629	102,629	46,650	46,650	102,629	102,629	102,629	102,629
Long term:												
Plant & equipment (net)	7,134,503	7,099,066	7,063,629	7,028,192	6,992,755	6,957,319	6,921,882	6,886,445	6,851,008	6,815,571	6,780,134	6,744,697
	7,134,503	7,099,066	7,063,629	7,028,192	6,992,755	6,957,319	6,921,882	6,886,445	6,851,008	6,815,571	6,780,134	6,744,697
Total Assets	\$ 7,237,132	\$ 7,201,695	\$ 7,166,258	\$ 7,130,821	\$ 7,095,384	\$ 7,059,947	\$ 6,968,531	\$ 6,933,094	\$ 6,953,636	\$ 6,918,199	\$ 6,882,763	\$ 6,847,326
Liabilities & Equity												
Current:												
Line of credit	\$ 35,732	\$ 39,066	\$ 42,549	\$ 49,528	\$ 56,523	\$ 63,548	\$ 74,084	\$ 129,272	\$ 184,503	\$ 191,862	\$ 199,452	\$ 207,073
Accounts Payable	70,082	70,082	73,428	73,293	73,171	76,530	65,050	64,941	72,894	72,970	72,846	69,241
Current maturities of LT debt	440,579	442,415	444,259	446,110	447,968	449,835	451,709	453,591	455,481	457,379	459,285	461,199
	546,393	551,563	560,236	568,930	577,662	589,913	590,843	647,804	712,878	722,211	731,583	737,513
Long term debt	3,108,658	3,070,941	3,033,067	2,995,035	2,956,845	2,918,496	2,879,986	2,841,317	2,802,486	2,763,493	2,724,338	2,685,020
Equity												
Retained earnings	(2,889)	(5,779)	(12,015)	(18,115)	(24,093)	(33,431)	(87,268)	(140,996)	(146,697)	(152,475)	(158,128)	(160,177)
Contributions	3,584,970	3,584,970	3,584,970	3,584,970	3,584,970	3,584,970	3,584,970	3,584,970	3,584,970	3,584,970	3,584,970	3,584,970
	3,582,081	3,579,191	3,572,955	3,566,855	3,560,877	3,551,539	3,497,702	3,443,974	3,438,273	3,432,495	3,426,842	3,424,793
Total Liabilities & Equity	\$ 7,237,132	\$ 7,201,695	\$ 7,166,258	\$ 7,130,821	\$ 7,095,384	\$ 7,059,947	\$ 6,968,531	\$ 6,933,094	\$ 6,953,636	\$ 6,918,199	\$ 6,882,763	\$ 6,847,326

**City of Willows Cold Storage
Projected Balance Sheets
(See "Financial Statement Assumptions" for explanations)**

	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
Assets												
Current:												
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts Receivable	136,839	136,839	136,839	136,839	136,839	136,839	62,200	62,200	136,839	136,839	136,839	136,839
Long term:												
Plant & equipment (net)	6,709,260	6,673,823	6,638,386	6,602,950	6,567,513	6,532,076	6,496,639	6,461,202	6,425,765	6,390,328	6,354,891	6,319,454
	6,709,260	6,673,823	6,638,386	6,602,950	6,567,513	6,532,076	6,496,639	6,461,202	6,425,765	6,390,328	6,354,891	6,319,454
Total Assets	\$ 6,846,099	\$ 6,810,662	\$ 6,775,225	\$ 6,739,788	\$ 6,704,351	\$ 6,668,914	\$ 6,558,838	\$ 6,523,401	\$ 6,562,604	\$ 6,527,167	\$ 6,491,730	\$ 6,456,293
Liabilities & Equity												
Current:												
Line of credit	\$ 211,245	\$ 192,387	\$ 173,547	\$ 158,111	\$ 142,597	\$ 127,019	\$ 114,859	\$ 162,132	\$ 209,352	\$ 193,794	\$ 178,433	\$ 163,008
Accounts Payable	80,264	80,125	83,371	83,135	82,912	86,170	70,802	70,590	82,288	82,323	82,096	78,387
Current maturities of LT debt	463,120	465,050	466,988	468,933	470,887	472,849	474,820	476,798	478,785	480,780	482,783	484,794
	754,630	737,562	723,906	710,179	696,396	686,038	660,481	709,520	770,425	756,897	743,312	726,189
Long term debt	2,645,538	2,605,891	2,566,080	2,526,102	2,485,958	2,445,646	2,405,167	2,364,519	2,323,701	2,282,714	2,241,555	2,200,226
Equity												
Retained earnings	(139,039)	(117,761)	(99,730)	(81,463)	(62,972)	(47,740)	(91,779)	(135,606)	(116,492)	(97,413)	(78,107)	(55,092)
Contributions	3,584,970	3,584,970	3,584,970	3,584,970	3,584,970	3,584,970	3,584,970	3,584,970	3,584,970	3,584,970	3,584,970	3,584,970
	3,445,931	3,467,209	3,485,240	3,503,507	3,521,998	3,537,230	3,493,191	3,449,364	3,468,478	3,487,557	3,506,863	3,529,878
Total Liabilities & Equity	\$ 6,846,099	\$ 6,810,662	\$ 6,775,225	\$ 6,739,788	\$ 6,704,351	\$ 6,668,914	\$ 6,558,838	\$ 6,523,401	\$ 6,562,604	\$ 6,527,167	\$ 6,491,730	\$ 6,456,293

**City of Willows Cold Storage
Projected Balance Sheets
(See "Financial Statement Assumptions" for explanations)**

	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
Assets												
Current:												
Cash	\$ -	\$ -	\$ -	\$ -	\$ 18,142	\$ 57,346	\$ 93,154	\$ 54,592	\$ 16,030	\$ 55,318	\$ 94,605	\$ 133,890
Accounts Receivable	171,049	171,049	171,049	171,049	171,049	171,049	77,750	77,750	171,049	171,049	171,049	171,049
	171,049	171,049	171,049	171,049	189,191	228,395	170,904	132,342	187,079	226,367	265,654	304,939
Long term:												
Plant & equipment (net)	6,284,017	6,248,580	6,213,144	6,177,707	6,142,270	6,106,833	6,071,396	6,035,959	6,000,522	5,965,085	5,929,648	5,894,211
	6,284,017	6,248,580	6,213,144	6,177,707	6,142,270	6,106,833	6,071,396	6,035,959	6,000,522	5,965,085	5,929,648	5,894,211
Total Assets	\$ 6,455,066	\$ 6,419,629	\$ 6,384,192	\$ 6,348,755	\$ 6,331,461	\$ 6,335,227	\$ 6,242,300	\$ 6,168,300	\$ 6,187,600	\$ 6,191,451	\$ 6,195,301	\$ 6,199,150
Liabilities & Equity												
Current:												
Line of credit	\$ 144,038	\$ 101,942	\$ 59,767	\$ 20,900	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts Payable	89,306	89,063	92,204	91,862	91,534	94,761	75,664	75,495	90,774	90,604	90,433	86,779
Current maturities of LT debt	486,814	488,843	490,880	492,925	494,979	497,041	499,112	501,192	503,280	505,377	507,483	509,597
	720,159	679,847	642,851	605,687	586,513	591,802	574,776	576,687	594,054	595,981	597,916	596,376
Long term debt	2,158,724	2,117,049	2,075,200	2,033,177	1,990,979	1,948,605	1,906,055	1,863,327	1,820,421	1,777,336	1,734,072	1,690,628
Equity												
Retained earnings	(8,786)	37,763	81,172	124,921	168,999	209,850	176,499	143,317	188,155	233,164	278,343	327,176
Contributions	3,584,970	3,584,970	3,584,970	3,584,970	3,584,970	3,584,970	3,584,970	3,584,970	3,584,970	3,584,970	3,584,970	3,584,970
	3,576,184	3,622,733	3,666,142	3,709,891	3,753,969	3,794,820	3,761,469	3,728,287	3,773,125	3,818,134	3,863,313	3,912,146
Total Liabilities & Equity	\$ 6,455,066	\$ 6,419,629	\$ 6,384,192	\$ 6,348,755	\$ 6,331,461	\$ 6,335,227	\$ 6,242,300	\$ 6,168,300	\$ 6,187,600	\$ 6,191,451	\$ 6,195,301	\$ 6,199,150

**City of Willows Cold Storage
Projected Balance Sheets
(See "Financial Statement Assumptions" for explanations)**

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
Assets												
Current:												
Cash	\$ 176,658	\$ 219,425	\$ 262,191	\$ 301,475	\$ 340,758	\$ 380,040	\$ 415,839	\$ 377,268	\$ 338,697	\$ 377,977	\$ 417,255	\$ 456,533
Accounts Receivable	171,049	171,049	171,049	171,049	171,049	171,049	77,750	77,750	171,049	171,049	171,049	171,049
	347,707	390,474	433,240	472,524	511,807	551,089	493,589	455,018	509,746	549,026	588,304	627,582
Long term:												
Plant & equipment (net)	5,858,775	5,823,338	5,787,901	5,752,464	5,717,027	5,681,590	5,646,153	5,610,716	5,575,279	5,539,842	5,504,405	5,468,969
	5,858,775	5,823,338	5,787,901	5,752,464	5,717,027	5,681,590	5,646,153	5,610,716	5,575,279	5,539,842	5,504,405	5,468,969
Total Assets	\$ 6,206,481	\$ 6,213,811	\$ 6,221,140	\$ 6,224,987	\$ 6,228,833	\$ 6,232,678	\$ 6,139,742	\$ 6,065,734	\$ 6,085,025	\$ 6,088,868	\$ 6,092,709	\$ 6,096,550
Liabilities & Equity												
Current:												
Line of credit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts Payable	86,607	86,434	89,742	89,568	89,393	92,699	73,593	73,415	88,685	88,507	88,327	84,665
Current maturities of LT debt	511,721	513,853	515,994	518,144	520,303	522,471	524,648	526,834	529,029	531,233	533,447	535,669
	598,328	600,287	605,736	607,712	609,696	615,170	598,241	600,249	617,714	619,740	621,774	620,334
Long term debt	1,647,003	1,603,196	1,559,206	1,515,033	1,470,676	1,426,134	1,381,407	1,336,493	1,291,392	1,246,103	1,200,626	1,154,959
Equity												
Retained earnings	376,181	425,359	471,229	517,273	563,492	606,405	575,125	544,022	590,949	638,055	685,340	736,287
Contributions	3,584,970	3,584,970	3,584,970	3,584,970	3,584,970	3,584,970	3,584,970	3,584,970	3,584,970	3,584,970	3,584,970	3,584,970
	3,961,151	4,010,329	4,056,199	4,102,243	4,148,462	4,191,375	4,160,095	4,128,992	4,175,919	4,223,025	4,270,310	4,321,257
Total Liabilities & Equity	\$ 6,206,481	\$ 6,213,811	\$ 6,221,140	\$ 6,224,987	\$ 6,228,833	\$ 6,232,678	\$ 6,139,742	\$ 6,065,734	\$ 6,085,025	\$ 6,088,868	\$ 6,092,709	\$ 6,096,550

**City of Willows Cold Storage
Projected Balance Sheets
(See "Financial Statement Assumptions" for explanations)**

	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
Assets												
Current:												
Cash	\$ 499,291	\$ 542,049	\$ 584,806	\$ 624,081	\$ 663,355	\$ 702,628	\$ 738,419	\$ 699,838	\$ 661,258	\$ 700,528	\$ 739,798	\$ 779,066
Accounts Receivable	171,049	171,049	171,049	171,049	171,049	171,049	171,049	171,049	171,049	171,049	171,049	171,049
	670,340	713,098	755,855	795,130	834,404	873,677	816,169	777,588	832,307	871,577	910,847	950,115
Long term:												
Plant & equipment (net)	5,433,532	5,398,095	5,362,658	5,327,221	5,291,784	5,256,347	5,220,910	5,185,473	5,150,036	5,114,600	5,079,163	5,043,726
	5,433,532	5,398,095	5,362,658	5,327,221	5,291,784	5,256,347	5,220,910	5,185,473	5,150,036	5,114,600	5,079,163	5,043,726
Total Assets	\$ 6,103,872	\$ 6,111,192	\$ 6,118,512	\$ 6,122,351	\$ 6,126,188	\$ 6,130,024	\$ 6,037,079	\$ 5,963,061	\$ 5,982,343	\$ 5,986,176	\$ 5,990,009	\$ 5,993,840
Liabilities & Equity												
Current:												
Line of credit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts Payable	84,484	84,302	87,601	87,418	87,234	90,531	71,416	71,229	86,490	86,302	86,114	87,442
Current maturities of LT debt	537,901	540,143	542,393	544,653	546,923	549,201	551,490	553,788	556,095	558,412	560,739	563,075
	622,385	624,445	629,994	632,071	634,157	639,732	622,906	625,017	642,585	644,714	646,853	645,517
Long term debt	1,109,101	1,063,053	1,016,813	970,380	923,753	876,933	829,917	782,705	735,297	687,691	639,887	591,883
Equity												
Retained earnings	787,415	838,725	886,736	934,930	983,308	1,028,389	999,286	970,370	1,019,492	1,068,802	1,118,300	1,171,470
Contributions	3,584,970	3,584,970	3,584,970	3,584,970	3,584,970	3,584,970	3,584,970	3,584,970	3,584,970	3,584,970	3,584,970	3,584,970
	4,372,385	4,423,695	4,471,706	4,519,900	4,568,278	4,613,359	4,584,256	4,555,340	4,604,462	4,653,772	4,703,270	4,756,440
Total Liabilities & Equity	\$ 6,103,872	\$ 6,111,192	\$ 6,118,512	\$ 6,122,351	\$ 6,126,188	\$ 6,130,024	\$ 6,037,079	\$ 5,963,061	\$ 5,982,343	\$ 5,986,176	\$ 5,990,009	\$ 5,993,840

**City of Willows Cold Storage
Projected Balance Sheets
(See "Financial Statement Assumptions" for explanations)**

<u>Assets</u>	Year 1	Year 2	Year 3	Year 4	Year 5
Current:					
Cash	\$ -	\$ -	\$ 133,890	\$ 456,532	\$ 779,065
Accounts Receivable	102,629	136,839	171,049	171,049	171,049
	102,629	136,839	304,939	627,581	950,114
Long term:					
Plant & equipment (net)	6,744,697	6,319,454	5,894,211	5,468,969	5,043,726
	6,744,697	6,319,454	5,894,211	5,468,969	5,043,726
Total Assets	\$ 6,847,326	\$ 6,456,293	\$ 6,199,150	\$ 6,096,550	\$ 5,993,840
<u>Liabilities & Equity</u>					
Current:					
Line of credit	\$ 207,073	\$ 163,008	\$ -	\$ -	\$ -
Accounts Payable	69,241	78,387	86,779	84,665	82,442
Current maturities of LT debt	461,199	484,794	509,597	535,669	563,075
	737,513	726,189	596,376	620,334	645,517
Long term debt	2,685,020	2,200,226	1,690,628	1,154,959	591,883
Equity					
Retained earnings	(160,177)	(55,092)	327,176	736,287	1,171,470
Contributions	3,584,970	3,584,970	3,584,970	3,584,970	3,584,970
	3,424,793	3,529,878	3,912,146	4,321,257	4,756,440
Total Liabilities & Equity	\$ 6,847,326	\$ 6,456,293	\$ 6,199,150	\$ 6,096,550	\$ 5,993,840

City of Willows Cold Storage
Statement of Project Cash Flows
(See "Financial Statement Assumptions" for explanations)

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
Cash Flows from Operating Activities												
Net income	\$ (2,889)	\$ (2,889)	\$ (6,236)	\$ (6,100)	\$ (5,978)	\$ (9,338)	\$ (53,837)	\$ (53,728)	\$ (5,701)	\$ (5,778)	\$ (5,654)	\$ (2,048)
Depreciation	35,437	35,437	35,437	35,437	35,437	35,437	35,437	35,437	35,437	35,437	35,437	35,437
Decrease (increase) in accounts receivable	(102,629)	-	-	-	-	-	55,979	-	(55,979)	-	-	-
Decrease (increase) in inventory	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in accounts payable	70,082	-	3,346	(135)	(122)	3,359	(11,480)	(109)	7,953	76	(124)	(3,605)
Net cash provided by (used in) operating activities	0	32,547	32,547	29,202	29,337	29,458	26,099	(18,400)	(18,290)	29,735	29,659	29,784
Cash Flows from Investing Activities												
Purchases of equipment	(7,169,940)											
Capital contributions	3,584,970											
	(3,584,970)											
Cash Flows from Financing Activities												
Line of credit advance/(repayment)	35,732	3,334	3,483	6,979	6,995	7,025	10,536	55,188	55,231	7,359	7,590	7,621
Payments of LT debt	(35,732)	(35,881)	(36,031)	(36,181)	(36,332)	(36,483)	(36,635)	(36,788)	(36,941)	(37,095)	(37,249)	(37,405)
Proceeds of LT debt	3,584,970	(32,547)	(32,547)	(29,202)	(29,337)	(29,458)	(26,099)	18,400	18,290	(29,735)	(29,659)	(29,784)
Net change in cash	-	-	-	-	-	-	-	-	-	-	-	-
Beginning cash	-	-	-	-	-	-	-	-	-	-	-	-
Ending cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**City of Willows Cold Storage
Statement of Project Cash Flows
(See "Financial Statement Assumptions" for explanations)**

	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
<u>Cash Flows from Operating Activities</u>												
Net income	\$ 21,138	\$ 21,277	\$ 18,031	\$ 18,268	\$ 18,490	\$ 15,232	\$ (44,039)	\$ (43,828)	\$ 19,114	\$ 19,079	\$ 19,306	\$ 23,015
Depreciation	35,437	35,437	35,437	35,437	35,437	35,437	35,437	35,437	35,437	35,437	35,437	35,437
Decrease (increase) in accounts receivable	(34,210)	-	-	-	-	74,639	-	-	(74,639)	-	-	-
Decrease (increase) in inventory	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in accounts payable	11,023	(139)	3,246	(236)	(223)	3,258	(15,368)	(212)	11,698	35	(227)	(3,709)
Net cash provided by (used in) operating activities	33,388	56,575	56,714	53,468	53,704	53,927	50,669	(8,603)	(8,390)	54,551	54,516	54,743
<u>Cash Flows from Investing Activities</u>												
Purchases of equipment	-	-	-	-	-	-	-	-	-	-	-	-
Capital contributions	-	-	-	-	-	-	-	-	-	-	-	-
<u>Cash Flows from Financing Activities</u>												
Line of credit advance/(repayment)	4,172	(18,858)	(18,840)	(15,437)	(15,514)	(15,578)	(12,160)	47,272	47,221	(15,558)	(15,361)	(15,425)
Payments of LT debt	(37,560)	(37,717)	(37,874)	(38,032)	(38,190)	(38,349)	(38,509)	(38,670)	(38,831)	(38,993)	(39,155)	(39,318)
Proceeds of LT debt	(33,388)	(56,575)	(56,714)	(53,468)	(53,704)	(53,927)	(50,669)	8,603	8,390	(54,551)	(54,516)	(54,743)
Net change in cash	-	-	-	-	-	-	-	-	-	-	-	-
Beginning cash	-	-	-	-	-	-	-	-	-	-	-	-
Ending cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

City of Willows Cold Storage
Statement of Project Cash Flows
(See "Financial Statement Assumptions" for explanations)

	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
Cash Flows from Operating Activities												
Net income	\$ 46,306	\$ 46,549	\$ 43,408	\$ 43,750	\$ 44,078	\$ 40,851	\$ (33,351)	\$ (33,182)	\$ 44,839	\$ 45,009	\$ 45,179	\$ 48,833
Depreciation	35,437	35,437	35,437	35,437	35,437	35,437	35,437	35,437	35,437	35,437	35,437	35,437
Decrease (increase) in accounts receivable	(34,210)	-	-	-	-	93,299	-	-	(93,299)	-	-	-
Decrease (increase) in inventory	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in accounts payable	10,919	(243)	3,141	(342)	(328)	3,227	(19,097)	(169)	15,279	(170)	(171)	(3,654)
Net cash provided by (used in) operating activities	58,452	81,743	81,986	78,845	79,187	79,515	76,288	2,086	2,255	80,276	80,445	80,616
Cash Flows from Investing Activities												
Purchases of equipment	(18,970)	(42,097)	(42,174)	(38,867)	(20,900)	-	-	-	-	-	-	-
Payments of LT debt	(39,482)	(39,647)	(39,812)	(39,978)	(40,144)	(40,311)	(40,479)	(40,648)	(40,817)	(40,988)	(41,158)	(41,330)
Proceeds of LT debt	(58,452)	(81,743)	(81,986)	(78,845)	(61,045)	(40,311)	(40,479)	(40,648)	(40,817)	(40,988)	(41,158)	(41,330)
Net change in cash	-	-	-	18,142	18,142	39,203	35,808	(38,563)	(38,562)	39,288	39,287	39,286
Beginning cash	-	-	-	-	-	18,142	57,346	93,154	54,592	16,030	55,318	94,605
Ending cash	\$ -	\$ -	\$ -	\$ 18,142	\$ 18,142	\$ 57,346	\$ 93,154	\$ 54,592	\$ 16,030	\$ 55,318	\$ 94,605	\$ 133,890

City of Willows Cold Storage
Statement of Project Cash Flows
(See "Financial Statement Assumptions" for explanations)

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
<u>Cash Flows from Operating Activities</u>												
Net income	\$ 49,005	\$ 49,178	\$ 45,870	\$ 46,044	\$ 46,219	\$ 42,913	\$ (31,280)	\$ (31,103)	\$ 46,927	\$ 47,106	\$ 47,285	\$ 50,947
Depreciation	35,437	35,437	35,437	35,437	35,437	35,437	35,437	35,437	35,437	35,437	35,437	35,437
Decrease (increase) in accounts receivable	-	-	-	-	-	-	93,299	-	(93,299)	-	-	-
Decrease (increase) in inventory	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in accounts payable	(172)	(173)	3,308	(174)	(175)	3,306	(19,106)	(178)	15,270	(178)	(180)	(3,662)
Net cash provided by (used in) operating activities	84,270	84,442	84,615	81,307	81,481	81,656	78,350	4,156	4,335	82,365	82,542	82,722
<u>Cash Flows from Investing Activities</u>												
Purchases of equipment	-	-	-	-	-	-	-	-	-	-	-	-
Capital contributions	-	-	-	-	-	-	-	-	-	-	-	-
Net change in cash	(41,502)	(41,675)	(41,849)	(42,023)	(42,198)	(42,374)	(42,550)	(42,728)	(42,906)	(43,085)	(43,264)	(43,444)
Beginning cash	133,890	176,658	219,425	262,191	301,475	340,758	380,040	415,839	377,268	338,697	377,977	417,255
Ending cash	\$ 176,658	\$ 219,425	\$ 262,191	\$ 301,475	\$ 340,758	\$ 380,040	\$ 415,839	\$ 377,268	\$ 338,697	\$ 377,977	\$ 417,255	\$ 456,533

City of Willows Cold Storage
Statement of Project Cash Flows
(See "Financial Statement Assumptions" for explanations)

	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
Cash Flows from Operating Activities												
Net income	\$ 51,128	\$ 51,310	\$ 48,011	\$ 48,194	\$ 48,378	\$ 45,081	\$ (29,103)	\$ (28,917)	\$ 49,122	\$ 49,310	\$ 49,499	\$ 53,170
Depreciation	35,437	35,437	35,437	35,437	35,437	35,437	35,437	35,437	35,437	35,437	35,437	35,437
Decrease (increase) in accounts receivable	-	-	-	-	-	93,299	-	-	(93,299)	-	-	-
Decrease (increase) in inventory	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in accounts payable	(181)	(182)	3,299	(183)	(184)	3,297	(19,115)	(187)	15,261	(188)	(188)	(3,672)
Net cash provided by (used in) operating activities	86,384	86,565	86,747	83,448	83,631	83,815	80,518	6,333	6,521	84,559	84,748	84,935
Cash Flows from Investing Activities												
Purchases of equipment	-	-	-	-	-	-	-	-	-	-	-	-
Capital contributions	-	-	-	-	-	-	-	-	-	-	-	-
Net change in cash	(43,625)	(43,807)	(43,990)	(44,173)	(44,357)	(44,542)	(44,727)	(44,914)	(45,101)	(45,289)	(45,478)	(45,667)
Beginning cash	42,759	42,758	42,757	39,275	39,274	39,273	35,790	(38,581)	(38,580)	39,270	39,270	39,268
Ending cash	\$ 499,291	\$ 542,049	\$ 584,806	\$ 624,081	\$ 663,355	\$ 702,628	\$ 738,419	\$ 699,838	\$ 661,258	\$ 700,528	\$ 739,798	\$ 779,066

**City of Willows Cold Storage
Statement of Project Cash Flows
(See "Financial Statement Assumptions" for explanations)**

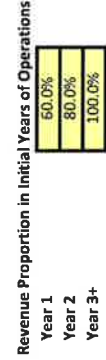
	Year 1	Year 2	Year 3	Year 4	Year 5
<u>Cash Flows from Operating Activities</u>					
Net income	\$ (160,177)	\$ 105,085	\$ 382,268	\$ 409,111	\$ 435,183
Depreciation	425,243	425,243	425,243	425,243	425,243
Decrease (increase) in accounts receivable	(102,629)	(34,210)	(34,210)	-	-
Decrease (increase) in inventory	-	-	-	-	-
Increase (decrease) in accounts payable	69,241	9,146	8,392	(2,114)	(2,223)
Net cash provided by (used in) operating activities	231,678	505,264	781,693	832,240	858,203
<u>Cash Flows from Investing Activities</u>					
Purchases of equipment	(7,169,940)	-	-	-	-
Capital contributions	3,584,970	-	-	-	-
	(3,584,970)	-	-	-	-
<u>Cash Flows from Financing Activities</u>					
Line of credit advance/(repayment)	207,073	(44,065)	(163,008)	-	-
Payments of LT debt	(438,751)	(461,199)	(484,794)	(509,597)	(535,669)
Proceeds of LT debt	3,584,970	-	-	-	-
	3,353,292	(505,264)	(647,802)	(509,597)	(535,669)
Net change in cash	-	-	133,890	322,642	322,533
Beginning cash	-	-	-	133,890	456,533
Ending cash	\$ -	\$ -	\$ 133,890	\$ 456,532	\$ 779,065

City of Willows Cold Storage
Detailed Projected Income Statements
(See "Financial Statement Assumptions" for explanations)

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
Total Capital Costs	\$ 7,169,940											
% Financed	50.0%											
Financing Amount	\$ 3,584,970											
Financing APR	5.0%											
Payment Frequency	Monthly											
No. of Payments per Year	12											
Contributions	\$ 3,584,970											

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
Fixed Asset Balance	\$ 700,000											
Land	\$ 1,420,400											
Land Improvements	\$ 4,508,000											
Buildings												
Equipment	\$ 541,540											
Estimated Life of...												
Land	30											
Land Improvements	15											
Buildings	7											
Equipment												

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
Plant & Equipment, Accumulated Depreciation, and Depreciation Expense												
Depreciation Expense	\$ 35,437	\$ 35,437	\$ 35,437	\$ 35,437	\$ 35,437	\$ 35,437	\$ 35,437	\$ 35,437	\$ 35,437	\$ 35,437	\$ 35,437	\$ 35,437
Buildings	25,044	25,044	25,044	25,044	25,044	25,044	25,044	25,044	25,044	25,044	25,044	25,044
Equipment	6,447	6,447	6,447	6,447	6,447	6,447	6,447	6,447	6,447	6,447	6,447	6,447
Land Improvements	3,946	3,946	3,946	3,946	3,946	3,946	3,946	3,946	3,946	3,946	3,946	3,946
Accumulated Depreciation	\$ 35,437	\$ 70,874	\$ 106,311	\$ 141,748	\$ 177,185	\$ 212,621	\$ 248,058	\$ 283,495	\$ 318,932	\$ 354,369	\$ 389,806	\$ 425,243
Buildings	25,044	50,089	75,133	100,178	125,222	150,267	175,311	200,356	225,400	250,444	275,489	300,533
Equipment	6,447	12,894	19,341	25,788	32,235	38,681	45,128	51,575	58,022	64,469	70,916	77,363
Land Improvements	3,946	7,891	11,837	15,782	19,728	23,673	27,619	31,564	35,510	39,456	43,401	47,347
Revenue												
Storage Revenue	\$ 72,221	\$ 72,221	\$ 72,221	\$ 72,221	\$ 72,221	\$ 72,221	\$ 72,221	\$ 72,221	\$ 72,221	\$ 72,221	\$ 72,221	\$ 72,221
Regular	32,828	32,828	32,828	32,828	32,828	32,828	32,828	32,828	32,828	32,828	32,828	32,828
Seasonal	39,393	39,393	39,393	39,393	39,393	39,393	39,393	39,393	39,393	39,393	39,393	39,393
Blast freezing revenue	\$ 11,403	\$ 11,403	\$ 11,403	\$ 11,403	\$ 11,403	\$ 11,403	\$ 11,403	\$ 11,403	\$ 11,403	\$ 11,403	\$ 11,403	\$ 11,403
Handling and sorting revenue	\$ 19,005	\$ 19,005	\$ 19,005	\$ 19,005	\$ 19,005	\$ 19,005	\$ 19,005	\$ 19,005	\$ 19,005	\$ 19,005	\$ 19,005	\$ 19,005
Total Revenue	\$ 102,629	\$ 102,629	\$ 102,629	\$ 102,629	\$ 102,629	\$ 102,629	\$ 102,629	\$ 102,629	\$ 102,629	\$ 102,629	\$ 102,629	\$ 102,629
% of Annual Revenue	9.2%	9.2%	9.2%	9.2%	9.2%	9.2%	9.2%	9.2%	9.2%	9.2%	9.2%	9.2%
Sales Level	Moderate											
Pallets Annually	34,555											
Handling Fee per Shipment	\$ 200.00											
Average Pallets per Shipment	20											
Average Shipments per Year	1,728											
Blast Price per Pallet	\$ 60.00											
% of Inventory Blasted	5.0%											
% of Sales...												
Seasonal	50.0%											
Regular	50.0%											



**City of Willows Cold Storage
Detailed Projected Income Statements
(See "Financial Statement Assumptions" for explanations)**

Long-Term Debt, Current Maturity

	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
LT Debt Interest Expense	\$ 13,109	\$ 12,953	\$ 12,796	\$ 12,638	\$ 12,479	\$ 12,320	\$ 12,160	\$ 12,000	\$ 11,839	\$ 11,677	\$ 11,515	\$ 11,351
Principal Balance	\$ 3,108,658	\$ 3,070,941	\$ 3,033,067	\$ 2,995,035	\$ 2,956,845	\$ 2,918,496	\$ 2,879,986	\$ 2,841,317	\$ 2,802,486	\$ 2,763,493	\$ 2,724,338	\$ 2,685,020
Current Portion	\$ 463,120	\$ 465,050	\$ 466,988	\$ 468,933	\$ 470,887	\$ 472,849	\$ 474,820	\$ 476,798	\$ 478,785	\$ 480,780	\$ 482,783	\$ 484,794
Long-Term Portion	\$ 2,645,538	\$ 2,605,891	\$ 2,566,080	\$ 2,526,102	\$ 2,485,958	\$ 2,445,646	\$ 2,405,167	\$ 2,364,519	\$ 2,323,701	\$ 2,282,714	\$ 2,241,555	\$ 2,200,226
LOC Interest Expense	\$ 863	\$ 880	\$ 802	\$ 723	\$ 659	\$ 594	\$ 529	\$ 479	\$ 429	\$ 379	\$ 329	\$ 279
Total Interest Expense	\$ 13,972	\$ 13,833	\$ 13,597	\$ 13,361	\$ 13,138	\$ 12,914	\$ 12,690	\$ 12,479	\$ 12,268	\$ 12,057	\$ 11,846	\$ 11,635

Plant & Equipment, Accumulated

	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
Depreciation Expense	\$ 35,437	\$ 35,437	\$ 35,437	\$ 35,437	\$ 35,437	\$ 35,437	\$ 35,437	\$ 35,437	\$ 35,437	\$ 35,437	\$ 35,437	\$ 35,437
Buildings	25,044	25,044	25,044	25,044	25,044	25,044	25,044	25,044	25,044	25,044	25,044	25,044
Equipment	6,447	6,447	6,447	6,447	6,447	6,447	6,447	6,447	6,447	6,447	6,447	6,447
Land Improvements	3,946	3,946	3,946	3,946	3,946	3,946	3,946	3,946	3,946	3,946	3,946	3,946

Accumulated Depreciation

Buildings	\$ 460,680	\$ 496,117	\$ 531,554	\$ 566,990	\$ 602,427	\$ 637,864	\$ 673,301	\$ 708,738	\$ 744,175	\$ 779,612	\$ 815,049	\$ 850,486
Equipment	325,578	350,622	375,667	400,711	425,756	450,800	475,844	500,889	525,933	550,978	576,022	601,067
Land Improvements	83,810	90,257	96,704	103,150	109,597	116,044	122,491	128,938	135,385	141,832	148,279	154,726
	51,292	55,238	59,183	63,129	67,074	71,020	74,966	78,911	82,857	86,802	90,748	94,693

Revenue

	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
Storage Revenue	\$ 96,294	\$ 96,294	\$ 96,294	\$ 96,294	\$ 96,294	\$ 96,294	\$ 96,294	\$ 96,294	\$ 96,294	\$ 96,294	\$ 96,294	\$ 96,294
Regular	43,770	43,770	43,770	43,770	43,770	43,770	43,770	43,770	43,770	43,770	43,770	43,770
Seasonal	52,524	52,524	52,524	52,524	52,524	52,524	52,524	52,524	52,524	52,524	52,524	52,524
Blast freezing revenue	\$ 15,204	\$ 15,204	\$ 15,204	\$ 15,204	\$ 15,204	\$ 15,204	\$ 15,204	\$ 15,204	\$ 15,204	\$ 15,204	\$ 15,204	\$ 15,204
Handling and sorting revenue	\$ 25,341	\$ 25,341	\$ 25,341	\$ 25,341	\$ 25,341	\$ 25,341	\$ 25,341	\$ 25,341	\$ 25,341	\$ 25,341	\$ 25,341	\$ 25,341
Total Revenue	\$ 136,839	\$ 136,839	\$ 136,839	\$ 136,839	\$ 136,839	\$ 136,839	\$ 136,839	\$ 136,839	\$ 136,839	\$ 136,839	\$ 136,839	\$ 136,839
% of Annual Revenue	9.2%	9.2%	9.2%	9.2%	9.2%	9.2%	9.2%	9.2%	9.2%	9.2%	9.2%	9.2%

City of Willows Cold Storage
Detailed Projected Income Statements
(See "Financial Statement Assumptions" for explanations)

	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
Long-Term Debt, Current Maturity												
LT Debt Interest Expense	\$ 11,188	\$ 11,023	\$ 10,858	\$ 10,692	\$ 10,525	\$ 10,358	\$ 10,190	\$ 10,022	\$ 9,852	\$ 9,682	\$ 9,511	\$ 9,340
Principal Balance	\$ 2,645,538	\$ 2,605,891	\$ 2,566,080	\$ 2,526,102	\$ 2,485,958	\$ 2,445,646	\$ 2,405,167	\$ 2,364,519	\$ 2,323,701	\$ 2,282,714	\$ 2,241,555	\$ 2,200,226
Current Portion	\$ 486,814	\$ 488,843	\$ 490,880	\$ 492,925	\$ 494,979	\$ 497,041	\$ 499,112	\$ 501,192	\$ 503,280	\$ 505,377	\$ 507,483	\$ 509,597
Long-Term Portion	\$ 2,158,724	\$ 2,117,049	\$ 2,075,200	\$ 2,033,177	\$ 1,990,979	\$ 1,948,605	\$ 1,906,055	\$ 1,863,327	\$ 1,820,421	\$ 1,777,336	\$ 1,734,072	\$ 1,690,628
LOC Interest Expense	\$ 679	\$ 600	\$ 425	\$ 249	\$ 87	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Interest Expense	\$ 11,867	\$ 11,623	\$ 11,283	\$ 10,941	\$ 10,613	\$ 10,358	\$ 10,190	\$ 10,022	\$ 9,852	\$ 9,682	\$ 9,511	\$ 9,340

	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
Plant & Equipment, Accumulated												
Depreciation Expense	\$ 35,437	\$ 35,437	\$ 35,437	\$ 35,437	\$ 35,437	\$ 35,437	\$ 35,437	\$ 35,437	\$ 35,437	\$ 35,437	\$ 35,437	\$ 35,437
Buildings	25,044	25,044	25,044	25,044	25,044	25,044	25,044	25,044	25,044	25,044	25,044	25,044
Equipment	6,447	6,447	6,447	6,447	6,447	6,447	6,447	6,447	6,447	6,447	6,447	6,447
Land Improvements	3,946	3,946	3,946	3,946	3,946	3,946	3,946	3,946	3,946	3,946	3,946	3,946

Accumulated Depreciation	\$ 885,923	\$ 921,360	\$ 956,796	\$ 992,233	\$ 1,027,670	\$ 1,063,107	\$ 1,098,544	\$ 1,133,981	\$ 1,169,418	\$ 1,204,855	\$ 1,240,292	\$ 1,275,729
Buildings	626,111	651,156	676,200	701,244	726,289	751,333	776,378	801,422	826,467	851,511	876,556	901,600
Equipment	161,173	167,620	174,066	180,513	186,960	193,407	199,854	206,301	212,748	219,195	225,642	232,089
Land Improvements	98,639	102,584	106,530	110,476	114,421	118,367	122,312	126,258	130,203	134,149	138,094	142,040

	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
Revenue												
Storage Revenue	\$ 120,368	\$ 120,368	\$ 120,368	\$ 120,368	\$ 120,368	\$ 120,368	\$ 120,368	\$ 120,368	\$ 120,368	\$ 120,368	\$ 120,368	\$ 120,368
Regular	54,713	54,713	54,713	54,713	54,713	54,713	54,713	54,713	54,713	54,713	54,713	54,713
Seasonal	65,655	65,655	65,655	65,655	65,655	65,655	65,655	65,655	65,655	65,655	65,655	65,655
Blast freezing revenue	\$ 19,005	\$ 19,005	\$ 19,005	\$ 19,005	\$ 19,005	\$ 19,005	\$ 19,005	\$ 19,005	\$ 19,005	\$ 19,005	\$ 19,005	\$ 19,005
Handling and sorting revenue	\$ 31,676	\$ 31,676	\$ 31,676	\$ 31,676	\$ 31,676	\$ 31,676	\$ 31,676	\$ 31,676	\$ 31,676	\$ 31,676	\$ 31,676	\$ 31,676
Total Revenue	\$ 171,049	\$ 171,049	\$ 171,049	\$ 171,049	\$ 171,049	\$ 171,049	\$ 171,049	\$ 171,049	\$ 171,049	\$ 171,049	\$ 171,049	\$ 171,049
% of Annual Revenue	9.2%	9.2%	9.2%	9.2%	9.2%	9.2%	4.2%	4.2%	9.2%	9.2%	9.2%	9.2%

City of Willows Cold Storage
Detailed Projected Income Statements
(See "Financial Statement Assumptions" for explanations)

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
Long-Term Debt, Current Maturity												
LT Debt Interest Expense	\$ 9,168	\$ 8,995	\$ 8,821	\$ 8,647	\$ 8,472	\$ 8,296	\$ 8,119	\$ 7,942	\$ 7,764	\$ 7,585	\$ 7,406	\$ 7,225
Principal Balance	\$ 2,158,724	\$ 2,117,049	\$ 2,075,200	\$ 2,033,177	\$ 1,990,979	\$ 1,948,605	\$ 1,906,055	\$ 1,863,327	\$ 1,820,421	\$ 1,777,336	\$ 1,734,072	\$ 1,690,628
Current Portion	\$ 511,721	\$ 513,853	\$ 515,984	\$ 518,144	\$ 520,303	\$ 522,471	\$ 524,648	\$ 526,834	\$ 529,029	\$ 531,233	\$ 533,447	\$ 535,669
Long-Term Portion	\$ 1,647,003	\$ 1,603,196	\$ 1,559,206	\$ 1,515,033	\$ 1,470,676	\$ 1,426,134	\$ 1,381,407	\$ 1,336,493	\$ 1,291,392	\$ 1,246,103	\$ 1,200,626	\$ 1,154,959
LOC Interest Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Interest Expense	\$ 9,168	\$ 8,995	\$ 8,821	\$ 8,647	\$ 8,472	\$ 8,296	\$ 8,119	\$ 7,942	\$ 7,764	\$ 7,585	\$ 7,406	\$ 7,225

2025 Principal Balances

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
Plant & Equipment, Accumulated												
Depreciation Expense	\$ 35,437	\$ 35,437	\$ 35,437	\$ 35,437	\$ 35,437	\$ 35,437	\$ 35,437	\$ 35,437	\$ 35,437	\$ 35,437	\$ 35,437	\$ 35,437
Buildings	25,044	25,044	25,044	25,044	25,044	25,044	25,044	25,044	25,044	25,044	25,044	25,044
Equipment	6,447	6,447	6,447	6,447	6,447	6,447	6,447	6,447	6,447	6,447	6,447	6,447
Land Improvements	3,946	3,946	3,946	3,946	3,946	3,946	3,946	3,946	3,946	3,946	3,946	3,946

Accumulated Depreciation	\$ 1,311,165	\$ 1,346,602	\$ 1,382,039	\$ 1,417,476	\$ 1,452,913	\$ 1,488,350	\$ 1,523,787	\$ 1,559,224	\$ 1,594,661	\$ 1,630,098	\$ 1,665,535	\$ 1,700,971
Buildings	926,644	951,689	976,733	1,001,778	1,026,822	1,051,867	1,076,911	1,101,956	1,127,000	1,152,044	1,177,089	1,202,133
Equipment	238,535	244,982	251,429	257,876	264,323	270,770	277,217	283,664	290,111	296,558	303,005	309,451
Land Improvements	145,986	149,931	153,877	157,822	161,768	165,713	169,659	173,604	177,550	181,496	185,441	189,387

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
Revenue												
Storage Revenue	\$ 120,368	\$ 120,368	\$ 120,368	\$ 120,368	\$ 120,368	\$ 120,368	\$ 120,368	\$ 120,368	\$ 120,368	\$ 120,368	\$ 120,368	\$ 120,368
Regular	54,713	54,713	54,713	54,713	54,713	54,713	54,713	54,713	54,713	54,713	54,713	54,713
Seasonal	65,655	65,655	65,655	65,655	65,655	65,655	65,655	65,655	65,655	65,655	65,655	65,655
Blast freezing revenue	\$ 19,005	\$ 19,005	\$ 19,005	\$ 19,005	\$ 19,005	\$ 19,005	\$ 19,005	\$ 19,005	\$ 19,005	\$ 19,005	\$ 19,005	\$ 19,005
Handling and sorting revenue	\$ 31,676	\$ 31,676	\$ 31,676	\$ 31,676	\$ 31,676	\$ 31,676	\$ 31,676	\$ 31,676	\$ 31,676	\$ 31,676	\$ 31,676	\$ 31,676
Total Revenue	\$ 171,049	\$ 171,049	\$ 171,049	\$ 171,049	\$ 171,049	\$ 171,049	\$ 171,049	\$ 171,049	\$ 171,049	\$ 171,049	\$ 171,049	\$ 171,049
% of Annual Revenue	9.2%	9.2%	9.2%	9.2%	9.2%	9.2%	9.2%	9.2%	9.2%	9.2%	9.2%	9.2%

City of Willows Cold Storage
Detailed Projected Income Statements
(See "Financial Statement Assumptions" for explanations)

	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
Long-Term Debt, Current Maturity												
LT Debt Interest Expense	\$ 7,044	\$ 6,863	\$ 6,680	\$ 6,497	\$ 6,313	\$ 6,128	\$ 5,942	\$ 5,756	\$ 5,569	\$ 5,381	\$ 5,192	\$ 5,003
Principal Balance	\$ 1,647,003	\$ 1,603,196	\$ 1,559,206	\$ 1,515,033	\$ 1,470,676	\$ 1,426,134	\$ 1,381,407	\$ 1,336,493	\$ 1,291,392	\$ 1,246,103	\$ 1,200,626	\$ 1,154,959
Current Portion	\$ 537,901	\$ 540,143	\$ 542,393	\$ 544,653	\$ 546,923	\$ 549,201	\$ 551,490	\$ 553,788	\$ 556,095	\$ 558,412	\$ 560,739	\$ 563,075
Long-Term Portion	\$ 1,109,101	\$ 1,063,053	\$ 1,016,813	\$ 970,380	\$ 923,753	\$ 876,933	\$ 829,917	\$ 782,705	\$ 735,297	\$ 687,691	\$ 639,887	\$ 591,883
LOC Interest Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Interest Expense	\$ 7,044	\$ 6,863	\$ 6,680	\$ 6,497	\$ 6,313	\$ 6,128	\$ 5,942	\$ 5,756	\$ 5,569	\$ 5,381	\$ 5,192	\$ 5,003
	\$ 1,109,101	\$ 1,063,053	\$ 1,016,813	\$ 970,380	\$ 923,753	\$ 876,933	\$ 829,917	\$ 782,705	\$ 735,297	\$ 687,691	\$ 639,887	\$ 591,883

	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
Plant & Equipment, Accumulated												
Depreciation Expense	\$ 35,437	\$ 35,437	\$ 35,437	\$ 35,437	\$ 35,437	\$ 35,437	\$ 35,437	\$ 35,437	\$ 35,437	\$ 35,437	\$ 35,437	\$ 35,437
Buildings	25,044	25,044	25,044	25,044	25,044	25,044	25,044	25,044	25,044	25,044	25,044	25,044
Equipment	6,447	6,447	6,447	6,447	6,447	6,447	6,447	6,447	6,447	6,447	6,447	6,447
Land Improvements	3,946	3,946	3,946	3,946	3,946	3,946	3,946	3,946	3,946	3,946	3,946	3,946
Accumulated Depreciation	\$ 1,736,408	\$ 1,771,845	\$ 1,807,282	\$ 1,842,719	\$ 1,878,156	\$ 1,913,593	\$ 1,949,030	\$ 1,984,467	\$ 2,019,904	\$ 2,055,340	\$ 2,090,777	\$ 2,126,214
Buildings	1,227,178	1,252,222	1,277,267	1,302,311	1,327,356	1,352,400	1,377,444	1,402,489	1,427,533	1,452,578	1,477,622	1,502,667
Equipment	315,898	322,345	328,792	335,239	341,686	348,133	354,580	361,027	367,474	373,920	380,367	386,814
Land Improvements	193,332	197,278	201,223	205,169	209,114	213,060	217,006	220,951	224,897	228,842	232,788	236,733

	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
Revenue												
Storage Revenue	\$ 120,368	\$ 120,368	\$ 120,368	\$ 120,368	\$ 120,368	\$ 120,368	\$ 120,368	\$ 120,368	\$ 120,368	\$ 120,368	\$ 120,368	\$ 120,368
Regular	54,713	54,713	54,713	54,713	54,713	54,713	54,713	54,713	54,713	54,713	54,713	54,713
Seasonal	65,655	65,655	65,655	65,655	65,655	65,655	65,655	65,655	65,655	65,655	65,655	65,655
Blast freezing revenue	\$ 19,005	\$ 19,005	\$ 19,005	\$ 19,005	\$ 19,005	\$ 19,005	\$ 19,005	\$ 19,005	\$ 19,005	\$ 19,005	\$ 19,005	\$ 19,005
Handling and sorting revenue	\$ 31,676	\$ 31,676	\$ 31,676	\$ 31,676	\$ 31,676	\$ 31,676	\$ 31,676	\$ 31,676	\$ 31,676	\$ 31,676	\$ 31,676	\$ 31,676
Total Revenue	\$ 171,049	\$ 171,049	\$ 171,049	\$ 171,049	\$ 171,049	\$ 171,049	\$ 171,049	\$ 171,049	\$ 171,049	\$ 171,049	\$ 171,049	\$ 171,049
% of Annual Revenue	9.2%	9.2%	9.2%	9.2%	9.2%	9.2%	9.2%	9.2%	9.2%	9.2%	9.2%	9.2%

City of Willows Cold Storage
Detailed Projected Income Statements
(See "Financial Statement Assumptions" for explanations)

Long-Term Debt, Current Maturity	Year 1	Year 2	Year 3	Year 4	Year 5
LT Debt Interest Expense	\$ 169,284	\$ 146,837	\$ 123,241	\$ 98,438	\$ 72,366
Principal Balance	\$ 3,146,219	\$ 2,685,020	\$ 2,200,226	\$ 1,690,628	\$ 1,154,959
Current Portion					
Long-Term Portion					
LOC Interest Expense	\$ 4,442	\$ 8,627	\$ 2,040	\$ -	\$ -
Total Interest Expense	\$ 173,727	\$ 155,464	\$ 125,281	\$ 98,438	\$ 72,366

Plant & Equipment, Accumulated	Year 1	Year 2	Year 3	Year 4	Year 5
Depreciation Expense	\$ 425,243	\$ 425,243	\$ 425,243	\$ 425,243	\$ 425,243
Buildings					
Equipment					
Land Improvements					
Accumulated Depreciation	\$ 425,243	\$ 850,486	\$ 1,275,729	\$ 1,700,971	\$ 2,126,214
Buildings					
Equipment					
Land Improvements					

Revenue	Year 1	Year 2	Year 3	Year 4	Year 5
Storage Revenue	\$ 787,862	\$ 1,050,483	\$ 1,313,104	\$ 1,313,104	\$ 1,313,104
Regular	393,931	525,241	656,552	656,552	656,552
Seasonal	393,931	525,241	656,552	656,552	656,552
Blast freezing revenue	\$ 124,399	\$ 165,866	\$ 207,332	\$ 207,332	\$ 207,332
Handling and sorting revenue	\$ 207,332	\$ 276,443	\$ 345,554	\$ 345,554	\$ 345,554
Total Revenue	\$ 1,119,594	\$ 1,492,792	\$ 1,865,989	\$ 1,865,989	\$ 1,865,989
% of Annual Revenue					

City of Willows Cold Storage
Detailed Projected Income Statements
(See "Financial Statement Assumptions" for explanations)

Building Construction Costs:

Construction Costs:

\$ 140	Cost per Sq. Foot
25.0%	Estimated Additional Sq. Feet as a % of Minimum
32,200	Sq. Feet Required
\$ 4,508,000	Total Estimated Building Construction Cost

Land Improvement Costs:

4	Acres
43,560	Acres to Square Feet Ratio
174,240	Total Square Feet or Property
142,040	Total Square Feet, Less Building
\$ 10.00	Estimated Cost per Sq. Foot
\$ 1,420,400	Total Cost of Land Improvements

Cost of Financing

Source: <https://www.commercialloandirect.com/commercial-rates.php>

Conventional Commercial Loan Rates

Term	Fixed Rate	Max LTV*
7 Years	4.200% - 5.050%	85% - Owner-Occupied / 75% - Investment
10 Years	4.300% - 5.150%	85% - Owner-Occupied / 75% - Investment
15 Years	4.650% - 5.650%	85% - Owner-Occupied / 75% - Investment

2 more rows

Commercial Loan Rates 2019 - Commercial Mortgage Interest Rates

<https://www.commercialloandirect.com/commercial-rates.php>

Equipment Costs:

Equipment/Overhead Costs:

	Amount	Price Per	
\$ 100,000	4	\$ 25,000	REACH FORKLIFTS
\$ 120,000	4	\$ 30,000	PACERS
\$ 10,000	4	\$ 2,500	PALLET JACKS
\$ 12,000	2	\$ 6,000	Sq. Ft. per rack STRETCH WRAPPER
\$ 27,540	60	\$ 459	504 PALLET RACKS
\$ 222,000	2,000	\$ 111	PLASTIC PALLETS
\$ 50,000	1	\$ 50,000	BACK UP GENERATOR
\$ 541,540	Total		

Energy Costs

24.9	Kwh per Sq. ft. per year	9,200	BTUs per Sq. ft. per year
801,780	Total Kwh per year	5,480,440,000	Total BTUs per year
\$ 0.13	Cost per Kwh	\$ 18.50	Cost per Million BTU
\$ 107,519	Total annual electricity cost	\$ 101,388	Total annual natural gas cost

Note: the below inputted amounts were used only as a means of calculating the relative level of energy use depending on the season of the year.

Season	Cost Info	% of Annual Cost	Calculated Monthly Amount
Winter	\$ 70,000	20.0%	\$ 13,927
Spring	\$ 87,500	25.0%	\$ 17,409
Summer	\$ 105,000	30.0%	\$ 20,891
Fall	\$ 87,500	25.0%	\$ 17,409

City of Willows Cold Storage
Detailed Projected Income Statements
(See "Financial Statement Assumptions" for explanations)

Administrative Costs

LOW	HIGH	
\$ 30,000	\$ 50,000	Administrative staff (1) annual salary range.
\$ 80,000	\$ 100,000	Facility manager annual salary range.
\$ 20,000	\$ 25,000	Facility manager time allocation to administration.
15.0%	25.0%	Range of additional costs for payroll taxes, benefits, etc.
\$ 7,500	\$ 18,750	Range of additional cost rate for payroll taxes, benefits, etc.
\$ 57,500	\$ 93,750	Range of Administrative salary costs.
\$ 75,625		Average Administrative salary costs

Note: Average Administrative salary costs less than estimated annual administrative costs.

5.0%	Administrative cost as a percent of Revenue
\$ 93,299	Estimated annual administrative costs, assuming 100% revenue.
\$ 7,775	Estimated monthly administrative costs, assuming 100% revenue.

Personnel & Overhead Costs

Likely average monthly personnel costs to staff the facility and a list or organization chart of key personnel needed

39.0%	Depreciation, Utilities, and Administrative costs as a % of Revenue (Year 3+)	
72.8%	Operating expenses as a % of Revenue per RMA Ratios	
33.8%		
\$ 630,991	Total Personnel and Overhead Costs Annualized	
60.0%	% Personnel Costs	\$ 378,595
40.0%	% Overhead Costs	\$ 252,396

Overhead Monthly Costs

\$ 21,033 \$ Overhead Costs Monthly

City of Willows Cold Storage
Detailed Projected Income Statements
(See "Financial Statement Assumptions" for explanations)

RMA STATISTICS		PROJECTED RATIOS							
		Moderate		Year 1	Year 2	Year 3	Year 4	Year 5	
		Conservative 0-1MM	Moderate Aggressive 1-3MM	Jan-20	Year 1	Year 2	Year 3	Year 4	Year 5
ASSETS									
Cash & Equivalents		4.3%	14.6%	0.0%	0.0%	0.0%	2.2%	7.5%	13.0%
Trade Receivables (net)		19.5%	14.0%	1.4%	1.5%	2.1%	2.8%	2.8%	2.9%
Inventory		2.6%	0.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
All Other Current		4.1%	3.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total Current		30.5%	32.6%	1.4%	1.5%	2.1%	4.9%	10.3%	15.9%
Fixed Assets (net)		61.4%	43.2%	98.6%	98.5%	97.9%	95.1%	89.7%	84.1%
Intangibles (net)		6.1%	8.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
All Other Non-Current		1.9%	15.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
LIABILITIES									
Notes Payables-Short Term		20.9%	3.3%	0.5%	3.0%	2.5%	0.0%	0.0%	0.0%
Cur. Mat. - LTD		6.0%	3.7%	6.1%	6.7%	7.5%	8.2%	8.8%	9.4%
Trades Payables		11.5%	1.3%	1.0%	1.0%	1.2%	1.4%	1.4%	1.4%
All Other Current		0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Income Taxes Payable		5.9%	7.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total Current		44.3%	15.9%	7.5%	10.8%	11.2%	9.6%	10.2%	10.8%
Long-Term Debt		54.4%	26.4%	43.0%	39.2%	34.1%	27.3%	18.9%	9.9%
Deferred Taxes		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
All Other Non-Current		2.4%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Net Worth		-1.2%	57.3%	49.5%	50.0%	54.7%	63.1%	70.9%	79.4%
Total Liabilities & Net Worth		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
INCOME DATA									
Net Sales		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Gross Profit				102.8%	114.3%	93.0%	79.5%	78.1%	76.7%
Operating Expenses		76.2%	72.8%	-2.8%	-14.3%	7.0%	20.5%	21.9%	23.3%
Operating Profit		23.8%	27.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
All Other Expenses (net)		14.5%	4.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Profit before Taxes		9.3%	23.1%	46.3%	39.2%	45.9%	50.0%	50.0%	50.0%

**City of Willows Cold Storage
Detailed Projected Income Statements
(See "Financial Statement Assumptions" for explanations)**

RMA STATISTICS	Conservative		Moderate		DIFFERENCE BETWEEN PROJECTED AND RMA				
	0-1MM	1-3MM	0-1MM	1-3MM	Year 1	Year 2	Year 3	Year 4	Year 5
ASSETS									
Cash & Equivalents	4.3%	14.6%	4.3%	14.6%	-12.5%	-11.9%	-11.2%	-11.2%	-11.1%
Trade Receivables (net)	19.5%	14.0%	19.5%	14.0%	-0.7%	-0.7%	-0.7%	-0.7%	-0.7%
Inventory	2.6%	0.7%	2.6%	0.7%	-3.3%	-3.3%	-3.3%	-3.3%	-3.3%
All Other Current	4.1%	3.3%	4.1%	3.3%	-31.1%	-30.5%	-27.7%	-22.3%	-16.7%
Total Current	30.5%	32.6%	30.5%	32.6%	55.3%	54.7%	51.9%	46.5%	40.9%
Fixed Assets (net)	61.4%	43.2%	61.4%	43.2%	-8.8%	-8.8%	-8.8%	-8.8%	-8.8%
Intangibles (net)	6.1%	8.8%	6.1%	8.8%	-15.5%	-15.5%	-15.5%	-15.5%	-15.5%
All Other Non-Current	1.9%	15.5%	1.9%	15.5%	0.0%	0.0%	0.0%	0.0%	0.0%
Total	100.0%	100.0%	100.0%	100.0%					
LIABILITIES									
Notes Payables-Short Term	20.9%	3.3%	20.9%	3.3%	-0.3%	-0.8%	-3.3%	-3.3%	-3.3%
Cur. Mat. - LTD	6.0%	3.7%	6.0%	3.7%	3.0%	3.8%	4.5%	5.1%	5.7%
Trades Payables	11.5%	1.3%	11.5%	1.3%	-0.3%	-0.1%	0.1%	0.1%	0.1%
All Other Current	0.0%	0.1%	0.0%	0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%
Income Taxes Payable	5.9%	7.5%	5.9%	7.5%	-7.5%	-7.5%	-7.5%	-7.5%	-7.5%
Total Current	44.3%	15.9%	44.3%	15.9%	-5.1%	-4.7%	-6.3%	-5.7%	-5.1%
Long-Term Debt	54.4%	26.4%	54.4%	26.4%	12.8%	7.7%	0.9%	-7.5%	-16.5%
Deferred Taxes	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
All Other Non-Current	2.4%	0.3%	2.4%	0.3%	-0.3%	-0.3%	-0.3%	-0.3%	-0.3%
Net Worth	-1.2%	57.3%	-1.2%	57.3%	-7.3%	-2.6%	5.8%	13.6%	22.1%
Total Liabilities & Net Worth	100.0%	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
INCOME DATA									
Net Sales	100.0%	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Gross Profit									
Operating Expenses	76.2%	72.8%	76.2%	72.8%	41.5%	20.2%	6.7%	5.3%	3.9%
Operating Profit	23.8%	27.2%	23.8%	27.2%	-41.5%	-20.2%	-6.7%	-5.3%	-3.9%
All Other Expenses (net)	14.5%	4.1%	14.5%	4.1%	-4.1%	-4.1%	-4.1%	-4.1%	-4.1%
Profit before Taxes	9.3%	23.1%	9.3%	23.1%	16.1%	22.8%	26.9%	26.9%	26.9%

**City of Willows Cold Storage
Detailed Projected Income Statements
(See "Financial Statement Assumptions" for explanations)**

RMA STATISTICS	Conservative 0-1MM	Moderate Aggressive 1-3MM
ASSETS		
Cash & Equivalents	4.3%	14.6%
Trade Receivables (net)	19.5%	14.0%
Inventory	2.6%	0.7%
All Other Current	4.1%	3.3%
Total Current	30.5%	32.6%
Fixed Assets (net)	61.4%	43.2%
Intangibles (net)	6.1%	8.8%
All Other Non-Current	1.9%	15.5%
Total	100.0%	100.0%
LIABILITIES		
Notes Payables-Short Term	20.9%	3.3%
Cur. Mat. - LTD	6.0%	3.7%
Trades Payables	11.5%	1.3%
All Other Current	0.0%	0.1%
Income Taxes Payable	5.9%	7.5%
Total Current	44.3%	15.9%
Long-Term Debt	54.4%	26.4%
Deferred Taxes	0.0%	0.0%
All Other Non-Current	2.4%	0.3%
Net Worth	-1.2%	57.3%
Total Liabilities & Net Worth	100.0%	100.0%
INCOME DATA		
Net Sales	100.0%	100.0%
Gross Profit		
Operating Expenses	76.2%	72.8%
Operating Profit	23.8%	27.2%
All Other Expenses (net)	14.5%	4.1%
Profit before Taxes	9.3%	23.1%

Explanations of Significant Variances

Cash is assumed zero with net cash inflows/outflows all assumed to be applied to/pulled from the line of credit. The difference here is largely the result of almost entirely new PP&E with little depreciation to net the value down. AVR acceptable.

The difference here is largely the result of almost entirely new PP&E with little depreciation to net the value down. AVR acceptable. The nature of intangibles varies by source, often occurring from M&A activities. For the purpose of these projections, no intangible assets are assumed. Variance acceptable.

Long-term debt is larger due to significant upfront capital costs to establish business. This will normalize as debt is paid down and the trend over the 5 year period projected supports this trajectory.

Tax expense assumed zero for projections. See Significant Assumptions for more details.

Long-term debt is larger due to significant upfront capital costs to establish business. This will normalize as debt is paid down and the trend over the 5 year period projected supports this trajectory.

Negative net worth result of immediate operations.

Note: Years 1 & 2 are assumed to be growth years and running not a full capacity, only Years 3+ will be assessed.

Operating expenses are a greater % of revenue due to larger than normal amounts of debt resulting from significant starting capital costs. Will likely normalize in Year 6 or 7.

**City of Willows Cold Storage
Detailed Projected Income Statements
(See "Financial Statement Assumptions" for explanations)**

Commodity	Units			Price / Unit	Total Value	Tonnage	Cold Storage?	Pallets
	Acres	Yield	Produced					
Almond	52,621	0.84	44,202	\$ 4,912.00	\$ 217,118,456	44,202	YES	49,113
Almond Hull			55,250	\$ 73.00	\$ 4,033,250	55,250	NO	-
Citrus	245	5.95	1,458	\$ 1,734.00	\$ 2,527,739	1,458	NO	1,620
Grape	312	6.48	2,022	\$ 1,077.00	\$ 2,177,436	2,022	YES	2,246
Olive, Oil	4,050	4.28	17,334	\$ 529.00	\$ 9,169,686	17,334	YES	19,260
Olive, Table	4,050	8.06	32,643	\$ 1,007.00	\$ 32,871,501	32,643	YES	36,270
Pistachio	1,949	1.29	2,514	\$ 3,205.00	\$ 8,058,043	2,514	YES	2,794
Prune	3,767	2.61	9,832	\$ 2,057.00	\$ 20,224,157	9,832	NO	-
Walnut	31,060	2.47	76,718	\$ 2,408.00	\$ 184,737,426	76,718	YES	85,242
Misc. Fruit & Nut	1,072				\$ 3,286,000	Insufficient Info.	YES	-
Alfalfa	10,970	5.67	62,200	\$ 163.00	\$ 10,138,584	62,200	NO	-
Bean	476	1.26	600	\$ 679.00	\$ 407,237	600	YES	666
Corn, Fodder	12,620	5.87	74,079	\$ 154.00	\$ 11,408,228	74,079	NO	-
Corn, Silage	1,455	26.52	38,587	\$ 36.00	\$ 1,389,118	38,587	NO	-
Cotton, Lint	2,978	3.35	9,976	\$ 400.00	\$ 3,990,520	Insufficient Info.	NO	-
Cotton, Seed			4,156	\$ 290.00	\$ 1,205,240	4,156	NO	-
Hay, Other	2,677	1.63	4,364	\$ 153.00	\$ 667,617	4,364	NO	-
Oats, Fodder	3,497	3.19	11,155	\$ 128.00	\$ 1,427,895	Insufficient Info.	NO	-
Rice, Paddy	83,407	4.63	386,174	\$ 325.00	\$ 125,506,683	Insufficient Info.	NO	-
Wheat	5,652	2.56	14,469	\$ 141.00	\$ 2,040,146	14,469	NO	-
Wheat, Silage	5,991	13.00	77,883	\$ 39.00	\$ 3,037,437	77,883	NO	-
Misc. Field Crops	11,749				\$ 4,002,000	Insufficient Info.	NO	-
Packaged Bees			143,911	\$ 27.46	\$ 3,951,796	72	YES	80
Pollination					\$ 18,125,000	N/A	NO	-
Queen Bees			364,276	\$ 23.00	\$ 8,378,348	Insufficient Info.	NO	-
Misc. Apiary Products					\$ 150,000	Insufficient Info.	NO	-
Beans	808	1,904.00	1,538,432	\$ 0.43	\$ 661,526	769	YES	855
Rice	2,193	8,003.00	17,550,579	\$ 0.18	\$ 3,159,104	8,775	NO	-
Sunflowers	3,563	1,000.00	3,563,000	\$ 1.31	\$ 4,667,530	1,782	YES	1,979
Vine Seeds	1,751				\$ 31,532,000	Insufficient Info.	NO	-
Other Seeds	277				\$ 1,156,000	Insufficient Info.	NO	-
Calves			20,790	\$ 156.00	\$ 3,243,240	1,164	NO	-
Feeders			61,740	\$ 138.00	\$ 8,520,120	3,457	NO	-
Cows and Bulls			41,370	\$ 65.00	\$ 2,689,050	2,317	NO	-
Dairy Cattle					\$ 24,296,000	N/A	NO	-
Sheep and Lamb			5,900	\$ 169.00	\$ 997,100	N/A	NO	-
Hogs and Pigs			2,158	\$ 144.00	\$ 310,752	N/A	NO	-
Misc. Livestock & Poultry					\$ 501,000	N/A	NO	-
Milk: Marketing			3,626,187	\$ 16.36	\$ 59,324,419	203,066	YES	225,629
Milk: Manufacturing			20,491	\$ 17.96	\$ 368,018	1,147	YES	1,275
Wool			37,170	\$ 1.55	\$ 57,614	19	NO	-
Misc. Livestock & Poultry Products					\$ 88,000	Insufficient Info.	NO	-
Nursery Products					\$ 7,006,000	Insufficient Info.	YES	-
Tomatoes, Processing	1,740	45.37	78,944	\$ 73.35	\$ 5,790,528	4,421	YES	4,912
Misc. Vegetable Crops					\$ 235,000	Insufficient Info.	YES	-
TOTAL	250,930	11,052	27,980,564		\$84,632,541			431,942

**City of Willows Cold Storage
Detailed Projected Income Statements
(See "Financial Statement Assumptions" for explanations)**

Commodity	Notes
Almond	
Almond Hull	
Citrus	
Grape	
Olive, Oil	
Olive, Table	
Pistachio	
Prune	
Walnut	
Misc. Fruit & Nut	Includes: Blueberry, Black Walnut, Cherry, Kiwifruit, Pecan, Asian Pear, Peach
Alfalfa	
Bean	
Corn, Fodder	
Corn, Silage	
Cotton, Lint	
Cotton, Seed	
Hay, Other	
Oats, Fodder	
Rice, Paddy	
Wheat	
Wheat, Silage	
Misc. Field Crops	
Packaged Bees	Includes: Organic Corn, Organic Rice, Barley, Safflower, Straw, Sudangrass and Sorghum <i>Unit by Pound, w/o Queen</i>
Pollination	Includes: Almond, Prune, Sunflower, Onion and Vineseed <i>Unit by Each</i>
Queen Bees	Includes: Beeswax and Honey <i>Unit by Pound</i>
Misc. Apiary Products	
Beans	
Rice	
Sunflowers	
Vine Seeds	
Other Seeds	Includes: Melon, Pumpkin, Squash, Watermelon and Cucumber <i>Unit by CWT</i>
Calves	
Feeders	
Cows and Bulls	
Dairy Cattle	
Sheep and Lamb	
Hogs and Pigs	
Misc. Livestock & Poultry	Includes: Goat, Chicken, Unspecified Game birds <i>Unit by CWT</i>
Milk: Marketing	
Milk: Manufacturing	
Wool	
Misc. Livestock & Poultry Products	Includes: Goat Milk and Eggs <i>Unit by Pound</i>
Nursery Products	Includes: Strawberry Plants and Sod
Tomatoes, Processing	
Misc. Vegetable Crops	
TOTAL	

Maximum Weight Limit on a Standard Pallet in Tons 0.9

Average Monthly Charge per Pallet \$ 19.00

Average length of storage per pallet 2.0

Maximum Potential Revenue \$ 16,413,797

Cu. Ft. per Pallet 80.0

Cubic Footage Required for MPR 5,759,227

Conservative

Estimated % of Glenn County Ag. Production 4.0%

No. of Pallets at % of Glenn County Ag. Production 17,278

Revenue on % of Glenn County Ag. Production \$ 656,552

Sq. Ft. per Pallet 13.4

Sq. Footage Required 12,862

Moderate, Aggressive (1 of 2)

Estimated % of Glenn County Ag. Production 8.0%

No. of Pallets at % of Glenn County Ag. Production 34,555

Revenue on % of Glenn County Ag. Production \$ 1,313,104

Sq. Ft. per Pallet 13.4

Sq. Footage Required 25,725

City of Willows Cold Storage
Detailed Projected Income Statements
(See "Financial Statement Assumptions" for explanations)

Commodity	Acres	Yield	Units Produced	Price / Unit	Total Value	Tonnage	Cold Storage?	Pallets
Almond	39,575	0.75	29,681	\$ 4,656.00	\$ 138,195,900	29,681	YES	32,979
Almond Hull			36,000	\$ 60.00	\$ 2,160,000	36,000	NO	-
Citrus	212	3.50	742	\$ 2,000.00	\$ 1,484,000	742	YES	824
Kiwifruit	579	5.95	3,445	\$ 645.00	\$ 2,222,057	3,445	YES	3,828
Olive, Oil	1,499	4.85	7,270	\$ 599.00	\$ 4,354,820	7,270	YES	8,078
Olive, Table	333	3.61	1,202	\$ 876.00	\$ 1,053,066	1,202	YES	1,336
Peaches	1,384	13.50	18,684	\$ 425.00	\$ 7,940,700	18,684	YES	20,760
Pistachio	765	0.64	490	\$ 4,465.00	\$ 2,186,064	490	YES	544
Prune	6,719	2.46	16,529	\$ 2,130.00	\$ 35,206,216	16,529	NO	-
Walnut	49,832	2.40	119,597	\$ 2,132.00	\$ 254,980,378	119,597	YES	132,885
Misc. Fruit & Nut	1,012				\$ 5,282,640	Insufficient info.	YES	-
Beans, Dry Edible	429	1.30	558	\$ 1,098.00	\$ 612,355	558	YES	620
Alfalfa	470	6.67	3,135	\$ 156.00	\$ 489,044	3,135	NO	-
Rice, Paddy	93,444	4.40	411,154	\$ 354.00	\$ 145,548,374	Insufficient info.	NO	-
Safflower	122	0.75	92	\$ 300.00	\$ 27,450	92	YES	102
Wheat	3,432	1.37	4,702	\$ 98.00	\$ 460,780	4,702	YES	5,224
Misc. Field Crops	3,586				\$ 2,868,800	Insufficient info.	YES	-
Pollination					\$ 8,622,212	N/A	NO	-
Misc. Apiary Products					\$ 2,576,000	Insufficient info.	NO	-
Rice	4,700	9,800.00	46,060,000	\$ 0.24	\$ 11,054,400	23,030	NO	-
Other Seeds					\$ 1,131,786	Insufficient info.	NO	-
Cattle & Calves			64,008	\$ 181.50	\$ 11,617,452	N/A	NO	-
Sheep			2,664	\$ 164.50	\$ 438,228	N/A	NO	-
Misc. Livestock & Poultry					\$ 688,500	Insufficient info.	NO	-
Milk: Market			65,411	\$ 18.15	\$ 1,187,210	3,663	YES	4,070
Milk: Manufacturing					\$ 9,500	-	YES	-
TOTAL	208,093	9,852	46,845,362		642,397,932			211,250

**City of Willows Cold Storage
Detailed Projected Income Statements
(See "Financial Statement Assumptions" for explanations)**

Commodity	Notes
Almond	
Almond Hull	
Citrus	
Kiwifruit	
Olive, Oil	
Olive, Table	
Peaches	
Pistachio	
Prune	
Walnut	
Misc. Fruit & Nut	
Beans, Dry Edible	
Alfalfa	
Rice, Paddy	
Safflower	
Wheat	
Misc. Field Crops	
Pollination	
Misc. Apiary Products	
Rice	
Other Seeds	
Cattle & Calves	
Sheep	
Misc. Livestock & Poultry	
Milk: Market	
Milk: Manufacturing	
TOTAL	

Standard Max Weight on a Pallet in Tons	0.9
Average Monthly Charge per Pallet	\$ 19.00
Average length of storage per pallet	2.0
Maximum Potential Revenue	\$ 8,027,502
Cu. Ft. per Pallet	80.0
Cubic Footage Required for MPR	2,816,667

Aggressive (2 of 2)	4.0%
Estimated % of Butte County Ag. Production	
No. of Pallets at % of Butte County Ag. Production	8,450
Revenue on % of Butte County Ag. Production	\$ 321,100
Sq. Ft. per Pallet	13.4
Sq. Footage Required	6,291

Appendix B



MORRISON

City of Willow
Market Interest/Demand for Cold Storage
Survey to Prospective Users

Name	
Company	
City Where Company Is Located	
What types of products do you make or process?	
Do you currently utilize/need cold storage?	
If Yes: How much volume, by weight/pallet, are you currently putting in cold storage each month, or how much volume by weight/pallet would you have to need for cold storage for?	
If Yes: Would your products in cold storage be in boxes, pallets, bins, bins or sacks?	
If Yes: How often does your inventory in cold storage turnover? How often in a month? A year?	
If Yes: Do you own cold storage on your own site?	
If Yes: Is this storage capacity sufficient for your current needs?	
If Yes: Do you utilize cold storage facilities off-site?	
If Yes: How far are you currently traveling to the cold storage site?	
If Yes: How far are you currently traveling to the cold storage facility provide storage for your products?	
If Yes: What is the cost per unit (per pallet, per bin, per month) for cold storage and for what capacity? Or what you expect to pay?	
If Yes: What is your current basis for payment (weight, size of bin, etc.)?	
If Yes: Do you project needing additional cold storage capacity in the next 12 to 24 months?	
If Yes: What would be the approximate volume you produce that would need cold storage?	
If Yes: What would be the factors to most impact your choice in choosing to use a cold storage facility (i.e. Cost, location, service, etc.)?	
If Yes: What months do you need cold storage capacity? Are there any units than others?	
If Yes: Do you need cold storage capacity for your products to extend your market?	
If Yes: What other services do you currently need/utilize in coordination with cold storage (trucking, distribution, etc.)?	
If Yes: If you're utilizing cold storage now, how long are your products in storage before they leave the cold storage facility?	
If Yes: Where is the end location for the products you are storing in cold storage (Western California, NY, etc.)?	
If No: How likely would it be in the next three to five years that you would need cold storage?	
If likely at all: Are your products in boxes, pallets, bins or sacks?	
If Yes: How often would you produce your inventory in cold storage would turnover? How often in a month? A year?	
If likely at all: How much of your product needs to be in cold storage (by weight)?	
If likely at all: What would you expect to pay for cold storage?	
If likely at all: What would be the factors to impact your choice in cold storage facilities (i.e. Cost, location, service, etc.)?	
If likely at all: How long would you need utilize in coordination with cold storage (trucking, distribution, etc.)?	
If likely at all: What months would you need cold storage capacity? Are there any more than others?	
If not likely at all: Are there any warehousing/distribution needs you would have?	
Are there any special considerations to your business and/or your products that you would need a cold storage facility to accommodate?	
Do you plan to need storage for any further products?	
If you currently are using cold storage off-site, and a new company could match the price of your current provider, what other factors would impact your willingness to move your business?	
Does cold storage availability negatively affect your ability to grow your business? What is the maximum contract length you would consider for a company providing cold storage?	
On a scale of 1-5, with 5 being the most likely, how likely would you be to use a cold storage facility in Gilpin County with convenient access to I-25?	
On a scale of 1-5, how important is rail service near cold storage?	
On a scale of 1-5, how important is proximity to a truck or cold storage availability that you would be willing to share?	

Ask All

Ask All

If answer no, move to Blue. If Yes, answer all purple, then move to Yellow

If not likely, move to green, if likely ask all blue, then move to Yellow.

Ask for both Purple and Blue

Appendix C



MORRISON



2018 GCCA Global Cold Storage Capacity Report



By Victoria Salin, Texas A&M University

for the International Association
of Refrigerated Warehouses, a Global Cold Chain Alliance Core Partner

July 2018



A Core Partner of





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The Global Cold Chain Alliance (GCCA) would like to recognize the author of this report:

Author

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Introduction

This report provides an update on refrigerated warehouse capacity using information collected from international offices of the Global Cold Chain Alliance (GCCA). The primary data source was a survey administered by GCCA staff in Spring 2018. In addition, official government reports were sources for information on the United States (U.S. Department of Agriculture) and India (India Ministry of Food Processing Industries).

Summary of the Findings

The total capacity of refrigerated warehouses worldwide was 616 million cubic meters in 2018, 2.67% greater than the capacity reported in 2016. India was the single largest country market, at 150 million cubic meters, followed by the United States at 131 million cubic meters, and China at 105 million cubic meters.

Refrigerated warehouse space was distributed unevenly across countries based on the index of market penetration developed by the Global Cold Chain Alliance (GCCA). The market development index is calculated as cold storage capacity per urban resident. The urban population is used in this benchmark because it is expected that urban centers are where the middle-class income population is concentrated. In developing country markets, the middle-class and high-income consumer segments support the demand for refrigerated and frozen foods, which ultimately drives the refrigerated warehouse service industry.


Refrigerated warehouses serve various needs in the food logistics process: storage of seasonally produced foods to allow them to be available year-round, short-term storage staged in strategic locations to meet retail distribution needs, and import-export logistics facilities along global transportation routes. There are two classifications of business models: warehouses available to multiple users on a for-hire basis and those operated by a food company exclusively for the company's sole use. In this report, as in industry practice, the warehouses available for-hire on a third-party basis are referred to as "public" refrigerated warehouses, although most of them are privately owned businesses. The term "private" warehouse is reserved for those warehouses operated by a food company exclusively for that company's use.

Limitations and Methodological Notes

The figures in this report are the most complete data available to document the global refrigerated warehouse industries. Certain limitations should be noted due to variations in units of measure and in defining the scope of the industry.

Units of measure. This report contains the potential for statistical error due to the required application of quantitative conversion factors. Most of the respondents to this survey collect information in cubic meters, which is the standard capacity unit adopted by the Global Cold Chain Alliance. Therefore, most of the units of measure are consistent throughout the report. However, a few nations customarily report in pallets, which presents a complication because the size of a standard pallet differs for European and American markets (see the Appendix for the applied conversion factors). Some responses were received in metric tonnage units. Tonnage units were converted to cubic meters on the basis of an assumption provided by food industry experts about the type of product stored.

Scope of the industry as a limitation on the data. Warehouses that do business with a number of customers are known as public refrigerated warehouse (PRWs) and are a part of the third-party logistics (3PL) business. The Global Cold Chain Alliance is a trade association of PRWs and therefore sources large amounts of information from the PRW industry. Warehouses that were operated privately may not have



been thoroughly covered by the information sources affiliated with the GCCA. For example, the data collected for Mexico over the past 10 years have included only the public for-hire warehousing capacity. In 2018, the total Mexican market size was notably substantially higher because privately operated space was included in the estimate for the first time.

Some national government agencies collect information on public, for-hire warehouses as well as privately operated space. Regardless of the source of information, every effort has been made to obtain a size estimate inclusive of both public space and private space, and to break out the market shares of the two types of business.

The definition of the industry used by some government statistics agencies also contributes to possible inconsistency in scope of the data. For example, the government of India reported on warehouse space used for vegetable and fruit products and therefore the national estimate may not include warehousing used for meat, dairy, and processed foods. In the United States, the national survey program targets those warehouses that typically store foods for more than one month. As a result, the estimate of the privately-operated warehouse space in the United States likely is understated because it does not include distribution centers used for storage over periods of less than one month.

Largest Country Markets

India has reported 150 million cubic meters of refrigerated warehousing in 2018, maintaining the position of the largest total capacity among the countries in the GCCA database. India had 7,645 cold storages in 2018, each averaging less than 20,000 cubic meters in size. Nearly all of the cold storage facilities were owned by private sector companies and the products stored were mainly potatoes and other vegetables.

The United States, with 131 million cubic meters of refrigerated warehouse capacity, was ranked second behind India. Refrigerated facilities in the United States averaged approximately 113,000 cubic meters each.

China was the third-ranked country market in 2018, at 105 million cubic meters. After several years of rapid expansion, growth in the Chinese refrigerated warehouse industry has leveled off, according to industry sources.

The country-by-country capacity data for 2018 and 2016 (most recent year available) are shown in Figure 1 for the top 20 countries. Table 1 shows refrigerated warehouse capacity for all the countries included in the GCCA global database, 2014-2018 as available.

Figure 1:
Capacity of Refrigerated Warehouses, Twenty Largest Country Markets, 2016 and 2018 as available, in Million Cubic Meters.

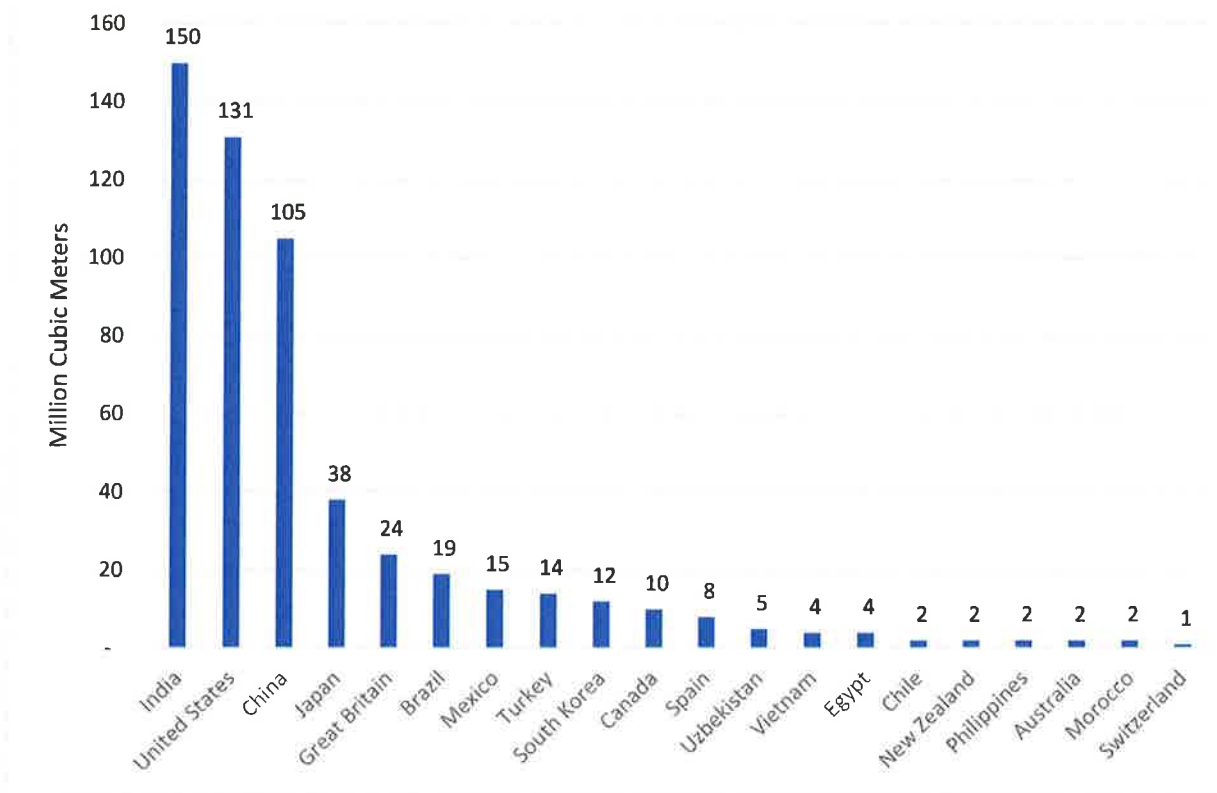


Table 1:

Refrigerated Warehouse Capacity and Market Development Index, by Country, 2014-2018 as Available

Country	2014		2016		2018	
	Million m ³	m ³ per urban resident	Million m ³	m ³ per urban resident	Million m ³	m ³ per urban resident
Afghanistan	0.024	0.003	0.0181	0.002	-	-
Australia	5.083	0.245	6.04	0.281	1.865	0.085
Austria	1.000	0.174	-	-	-	-
Bangladesh	0.129	0.003	-	-	-	-
Belgium	2.720	0.250	2.70	0.245	0.10	0.009
Brazil	16.050	0.094	16.83	0.095	19.057	0.106
Canada	8.850	0.310	9.91	0.337	9.653	0.316
Chile	3.658	0.232	1.55	0.096	2.165	0.133
China	76.080	0.107	107	0.143	105	0.132
Colombia	0.100	0.003	-	-	-	-
Denmark	3.000	0.613	-	-	-	-
Dominican Republic	0.024	0.003	-	-	-	-
Ecuador	-	-	0.043	0.004	-	-
Egypt	3.25	0.089	-	-	3.5	0.085
El Salvador	0.042	0.010	0.02	0.005	-	-
Finland	1.000	0.216	.039	.085	-	-
France	15.500	0.282	6.29	0.111	-	-
Germany	23.950	0.395	16.00	0.265	-	-
Great Britain	24.646	0.490	32.37	0.624	24.117	0.441
Greece	1.200	0.171	0.7	0.102-	-	-
Guatemala	0.035	0.005	-	-	0.125	0.014
India	130.720	0.328	141.13	0.335	150.229	0.343
Indonesia	12.320	0.110	3.87	0.028	-	-
Iran	14.000	0.253	-	-	-	-
Italy	4.500	0.107	3.8	0.09	-	-
Japan	32.650	0.277	-	-	37.612	0.315
Kazakhstan ^N	-	-	-	-	0.002	0.00 ²
Kenya	-	-	0.0215	0.002	-	-
Kuwait	0.281	0.069	0.33	0.082	-	-
Kyrgyzstan ^N	-	-	-	-	0.019	0.009
Libya	0.250	0.052	-	-	-	-
Mauritius	-	-	0.22	0.436	-	-
Mexico	4.869	0.053	6.5	0.065	15	0.152
Morocco	1.700	0.086	1.7	0.082	-	-
Namibia	0.150	0.165	-	-	-	-

Table 1--Continued:

Refrigerated Warehouse Capacity and Market Development Index, by Country, 2014-2018 as Available

Country	2014		2016		2018	
	Million m ³	m ³ per urban resident	Million m ³	m ³ per urban resident	Million m ³	m ³ per urban resident
Netherlands	-	-	13.7	0.958	-	-
New Zealand	1.712	0.44	-	-	2.054	0.503
Nicaragua	0.00 ¹	0.00 ²	-	-	-	-
Nigeria	0.04	0.00 ²	-	-	0.001	0.00 ²
Norway	-	-	-	-	-	-
Oman	0.021	0.008	-	-	-	-
Panama	0.137	0.046	-	-	-	-
Peru	-	-	2	0.081	0.100	.004
Philippines ^N	-	-	-	-	2	0.037
Portugal	-	-	0.42	0.064	-	-
Romania	0.292	0.027	0.5	0.046	-	-
Saudi Arabia	1.395	0.058	-	-	-	-
South Africa	0.323	0.010	0.47	0.013	-	-
South Korea	-	-	12.0	0.281	-	-
Spain	-	-	10.0	0.276	7.5	0.206
Sweden	-	-	2.0	0.239	-	-
Switzerland	-	-	1.5	0.248	0.62	0.100
Tajikistan ^N	-	-	-	-	0.10	0.041
Tunisia	1.310	0.179	-	-	-	-
Turkey	6.804	0.127	9.24	0.165	14.367	0.242
Turkmenistan	-	-	-	-	0.072	0.025
United States	114.851	0.438	118.07	0.440	130.965	0.490
Uzbekistan	1.075	0.102	3.54	0.327	4.5	0.385
Vietnam ^N	-	-	-	-	3.866	0.116
Yemen	0.057	0.007	-	-	-	-

-- Not available.

m³ -cubic meters.

N -Indicates countries that are new to the IARW database in 2018.

¹-Less than 0.001 million m³.

²-Less than 0.005 m³ per capita.



Variation in Refrigerated Capacity Across Countries

Countries with larger populations, consumer incomes, and geographic areas likely have different needs for refrigerated warehousing services. To facilitate comparisons across countries, a market development index was calculated. The metric for service levels relative to the needs in the market is defined as cubic meters per population in urban areas. Table 1 contains the total market size and the market development index (MDI) for the 60 countries that reported to the GCCA in either 2018 or 2016.

As expected, many of the higher-income countries had higher presence of refrigerated warehousing capacity, relative to the urban population. Per-capita market penetration in the better-served markets typically ranged from 0.3 cubic meters to 0.5 cubic meters per urban resident (Figure 2). The highest market index levels were in New Zealand (0.5), the United States (0.49), and Great Britain (0.44). Among the developing countries, Uzbekistan and Mauritius reported the highest levels of market penetration with 0.38 and 0.43 cubic meters, respectively, of refrigerated storage per urban resident. Canada and Japan were at 0.31 cubic meters per urban resident.

India demonstrated continued progress in terms of cold storage capacity relative to urban population. The market development index for India rose to 0.34 in 2018, an improvement from 0.33 in 2016 and 0.30 in 2010. It should be noted that India's population is less urbanized than that of China, Brazil, and other emerging market economies. Later in this report, the state-by-state location of India's refrigerated warehouses is provided.

The middle-ranked countries in terms of refrigerated warehousing per urban population include the emerging market economies of Mexico, Brazil, Turkey, and China (Figure 3). The market development index levels for the mid-ranked countries ranged from 0.08 to 0.24 cubic meters of refrigerated warehouse capacity per urban resident. Based on these index levels, there is considerable unmet need in these markets.

Brazil reported the addition of 3 million cubic meters since 2016 (4.3% annualized rate of growth) in spite of its economic crisis. Later in this report, the state-by-state location of Brazil's refrigerated warehouses is provided.

In Mexico, GCCA sources reported a modest increase in the public for-hire warehousing capacity. The total market size in Mexico in 2018, at 15 million cubic meters, was significantly larger than in 2016 because privately operated space was included. The major change for Mexico was due to recording of privately operated space that was not disclosed in past reports.

The group of countries that have low refrigerated capacity, relative to potential needs, are at less than .05 cubic meters per urban resident (Figure 4). Several of these countries have predominantly low-income households and modest presence of modern grocery retail infrastructure.

Figure 2:
Refrigerated Warehouse Market Development Index (Capacity in Cubic Meters per Urban Resident), for Countries in the High Range of the Index, 2016 or 2018.

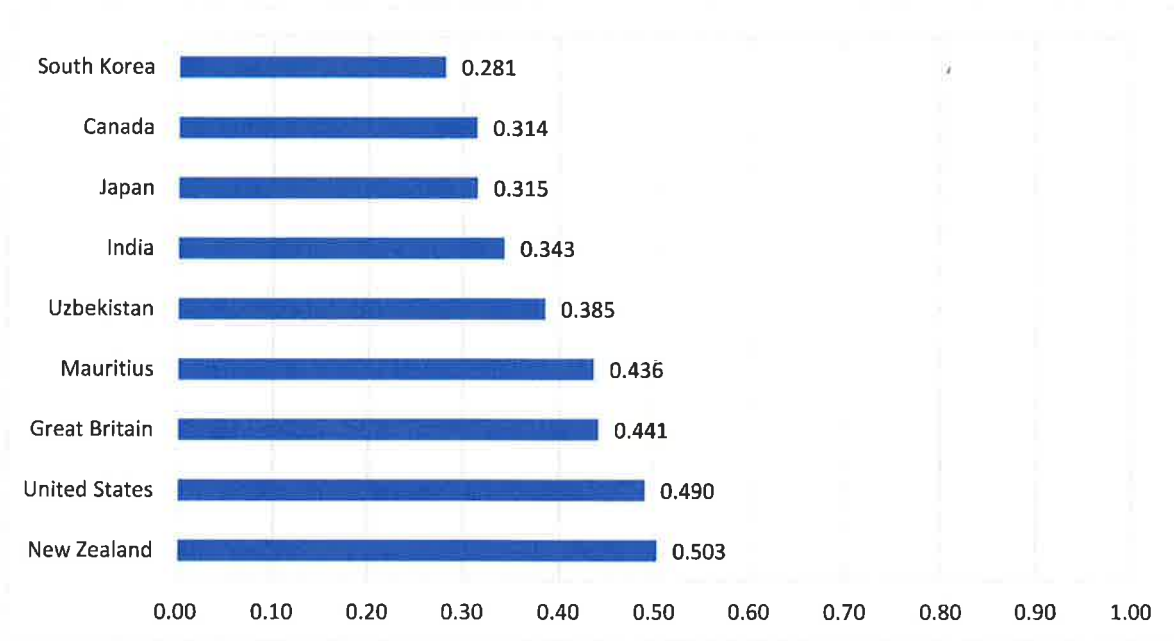


Figure 3:
Refrigerated Warehouse Market Development Index (Capacity in Cubic Meters per Urban Resident), for Countries in the Medium Range of the Index, 2016 or 2018.

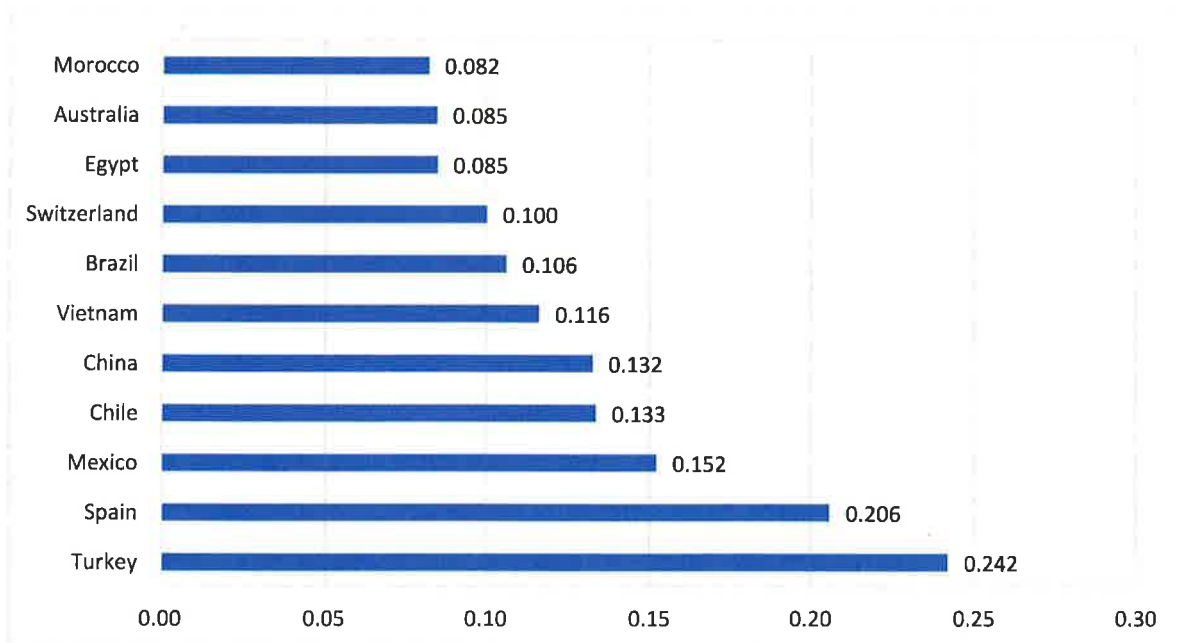
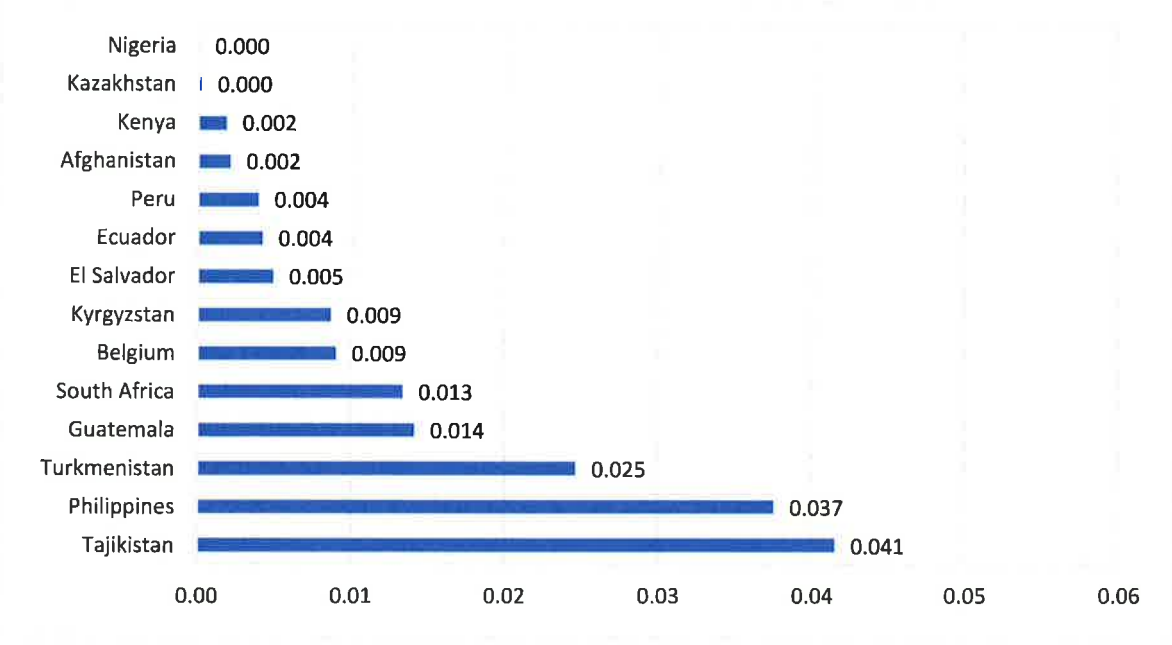


Figure 4:
Refrigerated Warehouse Market Development Index (Capacity in Cubic Meters per Urban Resident), for Countries in the Low Range of the Index, 2016 or 2018.



Size Ranges of Refrigerated Warehouses

Refrigerated warehouses are 100,000 cubic meters in size on average in developed market economies (Table 2). Japan is an exception, where the average size is under 13,000 cubic meters.

The largest companies that offer third-party logistic (3PL) refrigerated warehousing services operate in multiple countries, as shown in Table 3. The geographic footprint of the international companies has changed with merger and acquisition activity in the past few years.

Table 2:
Average Size of Refrigerated Warehouses, by Country, 2018 as Available.

Country	n facilities	Average size in m ³
Australia	13	143,478
Great Britain	204	118,220
United States	1,154	113,487
Canada	87	110,950
Belgium	1	100,000
Chile	45	48,116
Brazil	435	43,809
Spain	260	28,846
El Salvador	4	21,675
India	7,645	19,651
Philippines	120	16,667
Japan	2,926	12,854
Mexico	1,200	12,500
Guatemala	12	10,417
Kyrgyzstan	3	6,268
Turkmenistan	16	4,500
Uzbekistan	2,500	1,800
Turkey	19,700	729
Tajikistan	150	667
Kazakhstan	16	125
Total for the 2018 respondents	36,491	11,497

Trends in Grocery Expenditure by Country

The local population's preference for fresh or frozen foods is a key driver of the demand for refrigerated warehouse services. Food markets are dynamic and naturally vary around the world. A summary indicator

of the 5-year trend in food demand by country is provided in Table 4. The compound annual growth rate was calculated as:

$$CAGR = \left[\left(\frac{2017}{2012} \right)^{\frac{1}{5}} - 1 \right].$$

The figures are based on grocery retail sales value in nominal terms, in local currency (Euromonitor), which is illustrative of food markets in most respects. However, it should be noted that price changes and the composition of the food basket might drive growth in retail sales without a corresponding change in demand for storage. For example, consumers might choose different quality levels, such as expensive meat cuts, over a cheaper item, thus increasing retail sales value without a change in storage space. Or, inflation and related macroeconomic shocks can explain extremely high growth rates such as those shown for Venezuela and Argentina in Table 4.

Table 3:
Largest Refrigerated Warehouse Companies, Locations, and Capacity, 2018.

Company	Locations	Million m ³
Americold Logistics	Argentina, Australia, Canada, China, New Zealand, United States	27.07
Lineage Logistics	Belgium, Netherlands, United Kingdom, United States	21.72
Swire Cold Storage	China, Sri Lanka, United States	10.14
AGRO Merchants Group	Australia, Austria, Brazil, Chile, Ireland, the Netherlands, Poland, Portugal, Spain, United Kingdom, United States	7.45
Nichirei Logistics Group, Inc.	France, Japan, the Netherlands, Poland	4.93
Kloosbeheer B.V.	Canada, Germany, France, the Netherlands, Norway, South Africa, Sweden, United States	4.69
NewCold Advanced Cold Logistics	Australia, France, Germany, the Netherlands, Poland, Great Britain, United States	3.98
VersaCold Logistics Services	Canada	3.75
Interstate Warehousing, Inc.	United States	2.84
Frialsa Frigorificos S.A. De C.V.	Mexico	2.75
Cloverleaf Cold Storage Co.	United States	2.37
Emergent Cold Storage	Australia and Vietnam	2.16



Henningsen Cold Storage Co.	United States	1.83
Burriss Logistics	United States	1.65
Gruppo Marconi Logistica Integrata	Italy	1.56
Congebec Logistics, Inc.	Canada	1.41
Hanson Logistics	United States	1.24
Conestoga Cold Storage	Canada	1.21
Oxford Logistics Group	Australia	1.09
Zero Mountain, Inc.	United States	1.08
Agri-Norcold A/S	Denmark	1.01
Montague Cold Storage Pty Ltd.	Australia	0.96
Bring Frigo	Norway and Sweden	0.90
Confederation Freezers	Canada	0.84
Friozem Armazens Frigorificos Ltda.	Brazil	0.82

Source: GCCA records.

Table 4:**Trend in Consumer Spending on Grocery Retail, by Country, Annualized Percent Change 2012-2017.**

Country	CAGR in %	Country	CAGR in %
Venezuela	145.69	Hungary	4.13
Argentina	26.56	Australia	4.12
Belarus	17.77	United States	3.89
Uzbekistan	16.00	Thailand	3.77
Kazakhstan	15.02	Slovakia	3.52
Azerbaijan	14.56	Czech Republic	3.49
India	12.50	Malaysia	3.49
Pakistan	11.15	Canada	3.31
Ukraine	10.47	Norway	3.12
Cameroon	10.42	Latvia	2.86
/Indonesia	10.10	Tunisia	2.84
Kenya	9.93	Bulgaria	2.79
Saudi Arabia	9.55	Sweden	2.76
Egypt	8.71	Georgia	2.75
Algeria	8.49	Netherlands	2.71
China	8.32	Serbia	2.58
South Africa	8.29	New Zealand	2.39
Uruguay	7.85	Macedonia	2.22
Peru	7.59	Hong Kong	2.16
Bolivia	7.58	Spain	1.97
United Arab Emirates	7.42	Portugal	1.96
Romania	7.30	Germany	1.93



Russia	7.29	Israel	1.86
Colombia	7.16	France	1.85
Turkey	7.13	Great Britain	1.82
Dominican Republic	6.82	Austria	1.78
Costa Rica	6.80	Morocco	1.41
Guatemala	6.11	Denmark	1.34
Philippines	5.65	Ireland	1.20
Mexico	5.60	Japan	1.19
Estonia	5.43	Belgium	0.92
Brazil	5.05	Slovenia	0.88
South Korea	5.01	Switzerland	0.86
Lithuania	4.77	Croatia	0.69
Ecuador	4.62	Italy	0.58
Poland	4.35	Bosnia-Herzegovina	0.29
Chile	4.21	Finland	0.15

Source: Euromonitor, 2018.

Selected Country Reports

India

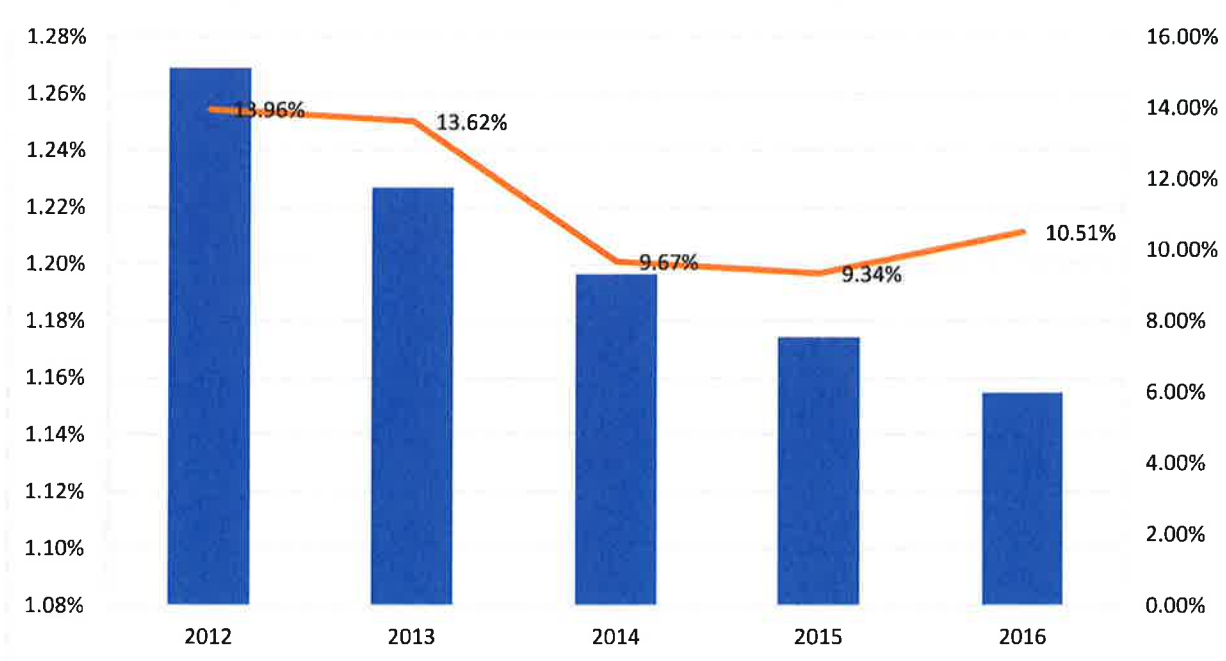
Population growth was slightly above 1% per year in India, where total population was 1.29 billion in 2016. Population growth slowed over in the 2012-2016 period, as shown in the bars in Figure 5, scaled on the left axis. Consumers' incomes in India grew, as marked by the line in Figure 5 (right axis scale). However, inflation has overtaken much of this nominal increase in personal expenditures.

In its forecasts published in March 2018, Euromonitor had a positive outlook for India. Overall economic growth was predicted to be 12% CAGR over 2016-2021. The retail market growth forecast is the same, at 12% annually for 2016-2021. This expectation is slightly above the annualized rate of grocery retail sales that occurred during 2012-2017 (Table 4). Inadequate roadway and warehouse infrastructure will be barriers to more rapid expansion of the freight transportation sector, including food distribution, according to Euromonitor.

In 2016-2017, the Indian government invested in roadway infrastructure and built 8,231 kilometers of new highways. An additional 14 billion US dollars for road construction was allocated for 2017-2018 (Euromonitor).

The locations of refrigerated warehouse capacity by state in India are illustrated in Figure 6 and Table 5.

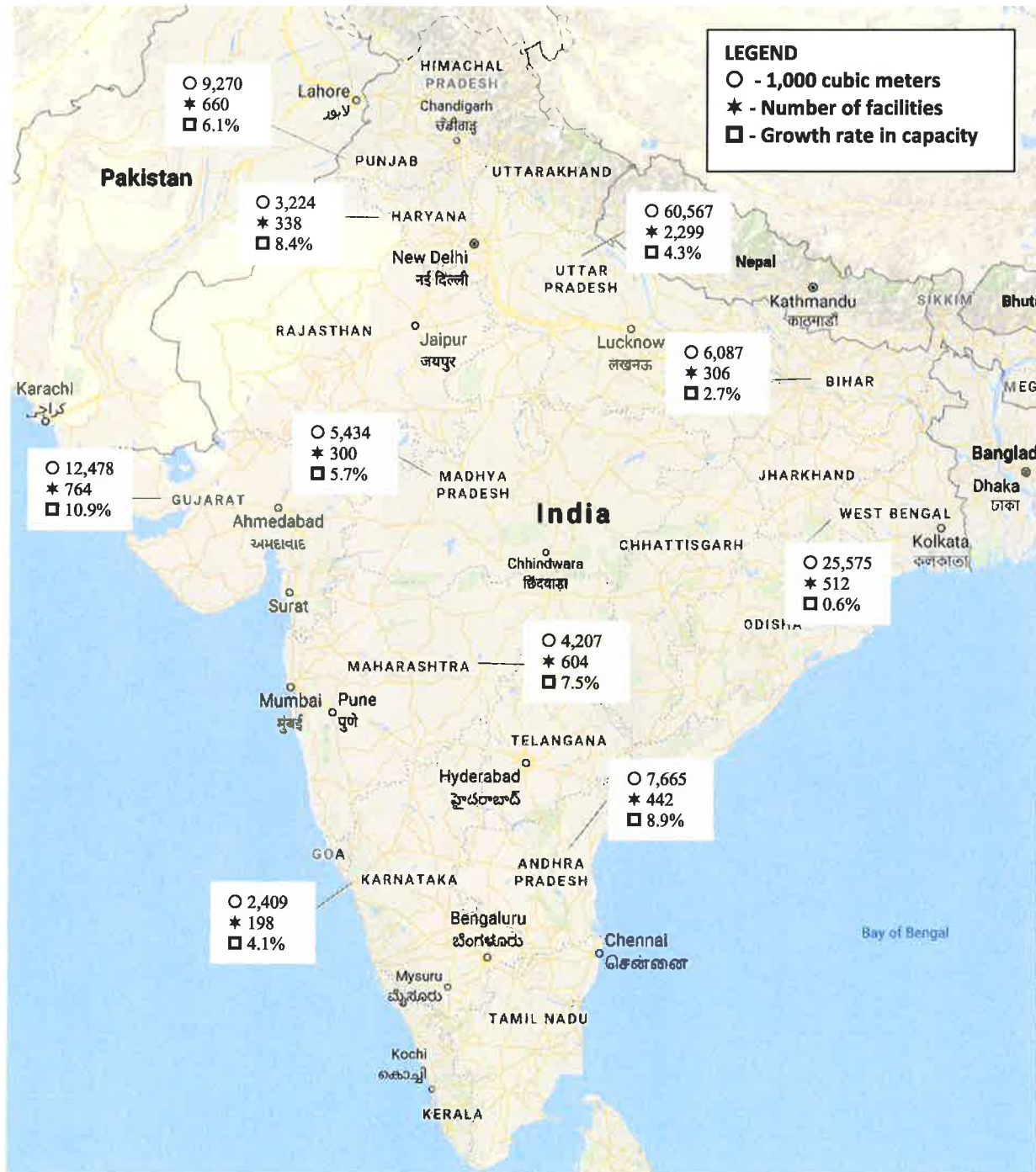
Figure 5:
Growth in Population and Per-Capita Consumer Spending in India, 2012-2016.



Source: Euromonitor, 2018. Population scale on the left axis and consumption spending on the right axis.




Figure 6:
Refrigerated Warehouse Capacity in India (top 10 states), Number of Facilities, 2017, and Annualized Capacity Growth Rate, 2009-2017.



Source: India Ministry of Food Processing Industries, 2017.

Table 5:**Refrigerated Warehouse Capacity in India, 2017, Number of Facilities, 2017, and Annualized Capacity Growth Rate, 2009-2017.**

State	1,000 m ³	n facilities	CAGR 2009-2017
Uttar Pradesh	60,957	2299	4.3%
Gujarat	12,478	764	10.9%
Punjab	9,270	660	6.1%
Maharashtra	4,207	604	7.5%
West Bengal	25,575	512	0.6%
Andhra Pradesh & Telangana	7,665	442	8.9%
Haryana	3,224	338	8.4%
Bihar	6,087	306	2.7%
Madhya Pradesh	5,434	300	5.7%
Karnataka	2,409	198	4.1%
Kerala	346	198	4.1%
Tamil Nadu	1,452	174	4.4%
Orissa	2,323	171	8.0%
Rajasthan	2,388	166	7.0%
Chhattisgarh	2,082	98	4.4%
Delhi	558	97	0.4%
Himachal Pradesh	563	66	26.6%
Jharkhand	1,018	58	4.2%
Uttrakhand	690	46	11.2%
Jammu & Kashmir	484	38	12.8%
Assam	679	36	7.6%
Goa	33	29	0.0%
Tripura	196	14	5.6%



Chandigarh	54	7	0.2%
Meghalaya	35	4	12.5%
Nagaland	32	4	2.3%
Mizoram	17	3	-
Andaman & Nicobar Islands	3	3	18.4%
Pondicherry	-	3	0.0%
Manipur	24	2	-
Arunachal Pradesh	26	2	2.3%
Sikkim	9	2	0.6%
Lakshadweep	0.1	1	0.0%
Total	150,315	7,645	4.6%

Source: India Ministry of Food Processing Industries, 2017.

Brazil

The location and characteristics of refrigerated warehouses in Brazil are shown in Figure 7 and Table 6.

Figure 7:


Refrigerated Warehouse Capacity in Brazil (top 10 states), Number of Facilities, and Average Size of Facility, by State 2018.



Source: ABIAF (Associação Brasileira da Indústria de Armazenagem Frigorificada) Trabalho da Rede Brasileira de Armazéns Frigoríficos, 2018.

Table 6.
Refrigerated Warehouse Capacity in Brazil, Number of Facilities, and Average Size of Facility, by State 2018.

State	Capacity in 1,000 m ³	n Facilities	Average size in 1,000 m ³
-------	----------------------------------	--------------	--------------------------------------



Sao Paulo	3,301	57	58
Paraná	1,485	27	55
Santa Catarina	1,240	17	73
Rio Grande do Sul	894	12	74
Rio de Janeiro	714	19	38
Piauí	527	13	41
Mato Grosso do Sul	491	14	35
Bahia	243	7	35
Federal District	168	7	24
Mato Grosso	159	5	32
Ceara	111	4	28
Goias	94	3	31
Espirito Santo	67	2	34
Amapa	51	3	17
Parana	44	3	15
Alagoas	7	3	2
Rondonia	5	1	5
Paraiba	4	1	4
Acre	1	1	1
Maranhao	1	1	1
Total	9,607	200	48

Source: ABIAF (Associação Brasileira da Indústria de Armazenagem Frigorificada) Trabalho da Rede Brasileira de Armazéns Frigoríficos, 2018.

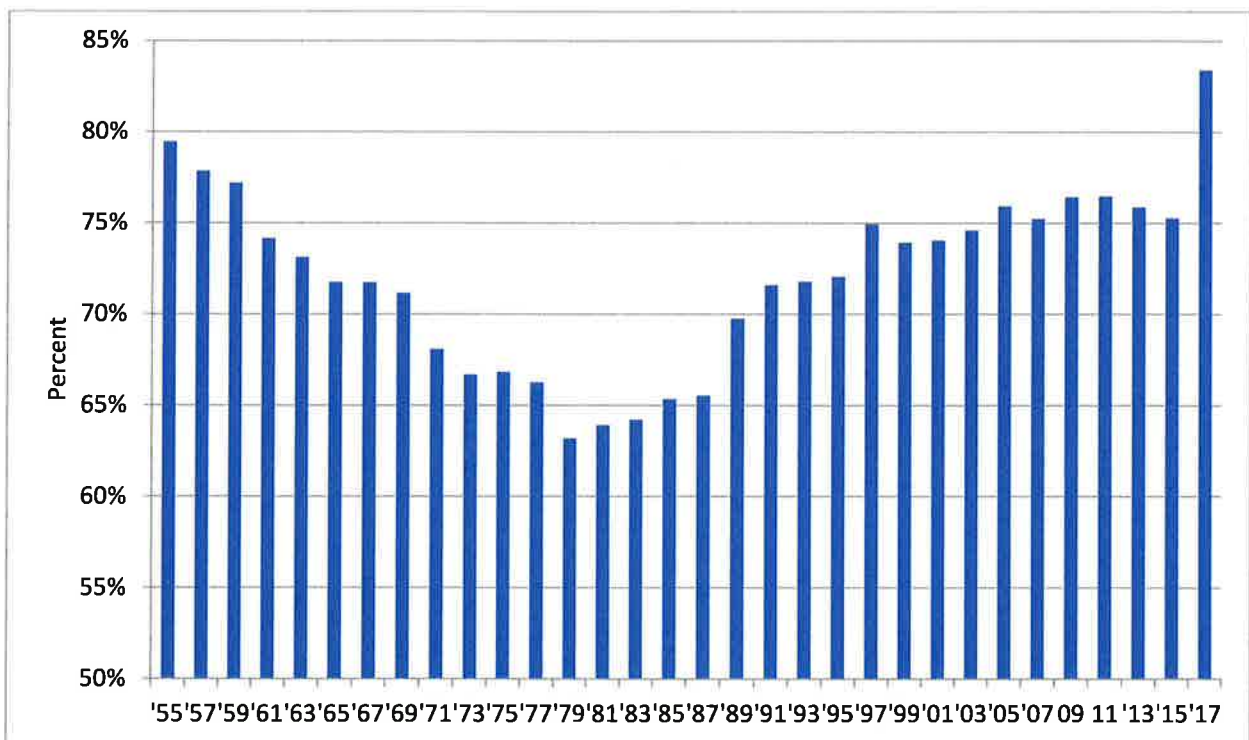
United States

The U.S. Department of Agriculture conducted its recent biennial national survey of refrigerated warehouses in October 2017 (U.S. Department of Agriculture). The survey coverage changed to include only those facilities in the United States that store product for 4 weeks. As a result of this change, there is a discontinuity in the U.S. industry capacity figures relative to prior years. In order to provide consistency across years to the extent possible, the data for the United States presented in this report were obtained largely from GCCA sources. The GCCA estimates cover public, for-hire warehouses regardless of the duration of product storage. The GCCA does not have an estimate for privately-operated warehouses and therefore the U.S. Department of Agriculture figures were used to represent privately-operated facilities. It should be noted that the U.S. Department of Agriculture had substantially fewer privately-operated warehouses reporting under the survey program in 2017 compared with 2015.

Consolidation of the U.S. industry into larger facilities continued in 2017, as it had in previous years (Table 7). The average size of a public, for-hire refrigerated warehouse in the United States was 113,487 cubic meters (approximately 5 million cubic feet). The number of U.S. refrigerated warehouses that were 5 million cubic feet or larger was nearly unchanged while a number of smaller warehouses dropped out of the national survey program.

Figure 8:

Share of U.S. Refrigerated Warehouse Capacity that is Public for-Hire, 1955-2017, in Percent.



Source: For 1955-2015, U.S. Department of Agriculture based on biennial survey conducted October 1 in each year. Data for 2017 are from GCCA and the U.S. Department of Agriculture.

Table 7:
Distribution of United States Refrigerated Warehouses by Size.

Size class in cubic feet	2017	Share of all warehouses in the size class
0-499,999	161	16.9%
500,000-999,999	103	10.8%
1,000,000-2,499,999	199	20.9%
2,500,000-4,999,999	233	24.5%
5,000,000 and over	254	26.7%
All sizes	950	100%

Note: Includes only the refrigerated warehouses that store product for 4 weeks or longer.
Source: US Department of Agriculture based on survey conducted October 1, 2017.

Conclusions

Globally, cold storage capacity reached 616 million cubic meters in 2018, an increase of 2.7% since 2016. The three largest country markets—India, the United States, and China— accounted for 60% of the global total of refrigerated space.

Total refrigerated warehouse capacity was compared with urban population to obtain a market development index that sheds light on the extent of unmet needs in a particular country. On average, there are approximately 0.2 cubic meters of refrigerated warehousing space per urban resident globally. Variation in the market development index across countries was significant, as a result of differences in consumers' buying power in the countries as well as differences in food production and trading patterns. Based on the findings for 2018, Mexico, Brazil, Turkey, and China had the largest unmet need for refrigerated warehouse space.

Sizes of refrigerated warehouses ranged from over 100,000 cubic meters in developed economies to 15,000-25,000 per facility in emerging market and lower-income economies. There may be corresponding differences in occupancy or inventory turnover rates that result in small facilities potentially generating services and income comparable to larger facilities. A number of smaller warehouses located across food production areas might also be used to serve farmers and food security needs in food production areas where transportation links are limited.



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Appendix: Conversion Factors

There are various ways to measure refrigerated warehouse capacity; the key difference is weight basis compared with volume basis. The conversion from weight-based units (metric tons) to volume units (cubic meters) depends on the product in storage, and we lack specific information on products for many countries. As a result, approximations of capacity in volume were made for certain countries. The conversions that were used in this report are:

1 Pallet = 6.65 cubic meters, for countries in the Americas. European pallets are converted at 1 Pallet = 1.944 cubic meters.

1 Metric ton = 4.3 cubic meters

1 Cubic meter = 35.31 cubic feet



United States
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National
Agricultural
Statistics
Service



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Capacity of Refrigerated Warehouses 2015 Summary

January 2016

USDA



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Refrigerated Warehouses Capacity Up 3 Percent

Gross refrigerated storage capacity in the United States totaled 4.17 billion cubic feet on October 1, 2015, an increase of 3 percent since the previous survey was conducted two years ago. This was the 49th biennial survey of refrigerated warehouses. The five States with the largest gross warehouse capacity (million cubic feet) were California with 570, up 2%; Florida 286, up 3%; Texas 253, up 15%; Georgia, 250, up 3%; and Pennsylvania, 242, down slightly from last year.

Usable refrigerated storage capacity was 3.42 billion cubic feet, or 82 percent of the gross space. Usable freezer space was 77 percent of the usable refrigerated space with the remaining 23 percent used as cooler space. Convertible refrigerated space was classified as usable freezer space.

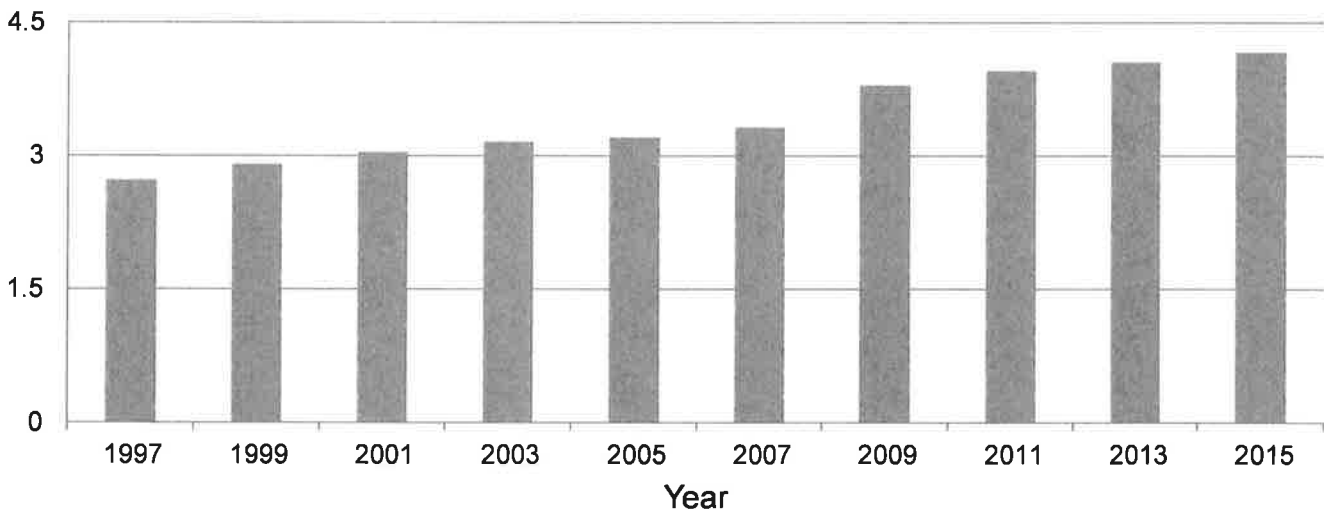
Public warehouse refrigerated storage capacity totaled 3.14 billion gross cubic feet in 2015, accounting for 75 percent of the total storage. Public storage capacity increased 2 percent since 2013.

Private and semiprivate warehouse refrigerated capacity totaled 1.03 million gross cubic feet, or 25 percent of the gross refrigerated space. Private and semiprivate capacity increased 5 percent since 2013.

Refrigerated warehouse numbers totaled 1,430 down 67 from 2013. The number of public warehouses at 763 was down 39. Private and semiprivate dropped 28 warehouses to 667.

Gross Refrigerated Storage Capacity – United States: October 1

Billion cubic feet



Refrigerated Warehouses by Number and Type – States and United States: October 1, 2015

State	Public (number)	Private and semi-private (number)	Total (number)
Alabama	11	9	20
Alaska	2	21	23
Arizona	6	2	8
Arkansas	19	2	21
California	112	138	250
Colorado	3	2	5
Connecticut	2	1	3
Delaware	5	5	10
Florida	37	27	64
Georgia	36	34	70
Hawaii	1	1	2
Idaho	7	12	19
Illinois	25	12	37
Indiana	16	4	20
Iowa	24	10	34
Kansas	9	1	10
Kentucky	6	-	6
Louisiana	8	6	14
Maine	1	12	13
Maryland	5	6	11
Massachusetts	20	27	47
Michigan	19	18	37
Minnesota	17	22	39
Mississippi	7	1	8
Missouri	15	6	21
Montana	1	4	5
Nebraska	12	8	20
Nevada	2	2	4
New Hampshire	2	1	3
New Jersey	34	10	44
New Mexico	1	4	5
New York	27	39	66
North Carolina	14	3	17
North Dakota	2	1	3
Ohio	20	4	24
Oklahoma	7	2	9
Oregon	14	29	43
Pennsylvania	38	22	60
Rhode Island	-	2	2
South Carolina	9	3	12
South Dakota	2	3	5
Tennessee	11	3	14
Texas	43	33	76
Utah	9	11	20
Vermont	1	2	3
Virginia	15	9	24
Washington	41	24	65
West Virginia	-	2	2
Wisconsin	45	67	112
Wyoming	-	-	-
United States	763	667	1,430

- Represents zero.

Refrigerated Warehouses by Number and Size Group – United States: October 1, 2015

Cubic feet	Public	Private and semi-private	All
	(number)	(number)	(number)
0-499,999	74	300	374
500,000-999,999	60	106	166
1,000,000-2,499,999	178	122	300
2,500,000-4,999,999	220	100	320
5,000,000 and over	231	39	270

Refrigerated Storage by Gross Capacity and Type of Warehouse – United States: October 1, 1997-2015

[Totals may not add due to rounding]

Year	Public	Private and semi-private	Total
	(1,000 cubic feet)	(1,000 cubic feet)	(1,000 cubic feet)
1997	2,043,908	683,372	2,727,280
1999	2,146,643	756,505	2,903,152
2001	2,251,943	788,853	3,040,796
2003	2,357,080	802,454	3,159,535
2005	2,435,773	771,725	3,207,497
2007	2,498,198	821,998	3,320,194
2009	2,900,511	894,463	3,794,974
2011	3,028,243	931,117	3,959,354
2013	3,076,959	978,426	4,055,385
2015	3,138,463	1,030,460	4,168,921

Refrigerated Storage by Type of Warehouse – United States: October 1, 2015

[Totals may not add due to rounding]

Type	Number	Gross space			Usable space		
		Cooler	Freezer	Total	Cooler	Freezer	Total
		(1,000 cubic feet)	(1,000 cubic feet)	(1,000 cubic feet)	(1,000 cubic feet)	(1,000 cubic feet)	(1,000 cubic feet)
Public	763	495,489	2,642,976	3,138,463	412,100	2,204,847	2,616,948
Private and semi-private	667	477,593	552,869	1,030,460	367,198	439,801	806,996
Total	1,430	973,079	3,195,842	4,168,921	779,301	2,644,645	3,423,944

Gross and Usable Refrigerated Space – States and United States: October 1, 2015

[Totals may not add due to rounding. Includes frozen juice tank storage capacity]

State	Gross space			Usable space		
	Public	Private & semi-private	Total	Public	Private & semi-private	Total
	(1,000 cubic feet)	(1,000 cubic feet)	(1,000 cubic feet)	(1,000 cubic feet)	(1,000 cubic feet)	(1,000 cubic feet)
Alabama	34,941	1,597	36,539	29,544	1,410	30,954
Alaska	(D)	(D)	3,645	(D)	(D)	3,095
Arizona	(D)	(D)	18,742	(D)	(D)	15,164
Arkansas	(D)	(D)	92,854	(D)	(D)	80,114
California	374,548	195,389	569,936	310,424	157,406	467,830
Colorado	(D)	(D)	28,251	(D)	(D)	23,284
Connecticut	(D)	(D)	6,018	(D)	(D)	5,099
Delaware	17,963	12,286	30,249	(D)	(D)	23,164
Florida	131,869	153,729	285,598	107,481	122,642	230,123
Georgia	197,124	53,081	250,205	163,746	42,103	205,849
Hawaii	(D)	(D)	(D)	(D)	(D)	(D)
Idaho	38,640	22,088	60,728	29,051	20,180	49,231
Illinois	167,153	33,141	200,294	(D)	(D)	161,806
Indiana	111,434	2,561	113,995	93,706	2,005	95,711
Iowa	69,942	21,307	91,249	59,894	14,305	74,199
Kansas	(D)	(D)	47,560	(D)	(D)	34,364
Kentucky	24,404	-	24,404	20,923	-	20,923
Louisiana	10,934	4,750	15,684	(D)	(D)	11,454
Maine	(D)	(D)	9,729	(D)	(D)	7,182
Maryland	26,048	13,480	39,528	21,696	11,758	33,454
Massachusetts	81,747	13,281	95,028	71,027	10,158	81,185
Michigan	54,769	47,129	101,898	45,231	37,611	82,842
Minnesota	54,556	39,007	93,563	45,472	28,017	73,489
Mississippi	(D)	(D)	15,630	(D)	(D)	12,123
Missouri	102,368	9,729	112,098	88,878	8,302	97,180
Montana	(D)	(D)	1,231	(D)	(D)	986
Nebraska	43,685	10,562	54,247	35,372	6,087	41,459
Nevada	(D)	(D)	(D)	(D)	(D)	8,835
New Hampshire	(D)	(D)	10,552	(D)	(D)	8,432
New Jersey	159,324	8,198	167,522	139,828	6,381	146,209
New Mexico	(D)	(D)	5,336	(D)	(D)	3,711
New York	55,267	47,422	102,689	50,114	35,829	85,943
North Carolina	51,120	12,912	64,032	(D)	(D)	46,190
North Dakota	(D)	(D)	10,325	(D)	(D)	7,800
Ohio	(D)	(D)	79,581	(D)	(D)	66,318
Oklahoma	(D)	(D)	14,498	(D)	(D)	12,103
Oregon	76,760	57,609	134,369	61,542	49,075	110,618
Pennsylvania	209,608	32,337	241,945	183,306	26,367	209,674
Rhode Island	-	(D)	(D)	-	(D)	(D)
South Carolina	(D)	(D)	27,738	(D)	(D)	21,628
South Dakota	(D)	(D)	11,673	(D)	(D)	7,125
Tennessee	(D)	(D)	67,732	(D)	(D)	60,156
Texas	207,080	45,629	252,709	167,531	38,085	205,616
Utah	27,681	18,850	46,530	22,385	15,690	38,075
Vermont	(D)	(D)	3,683	(D)	(D)	2,214
Virginia	64,207	14,200	78,406	57,335	9,729	67,064
Washington	170,665	40,544	211,209	136,965	33,055	170,020
West Virginia	-	(D)	(D)	-	(D)	(D)
Wisconsin	174,111	47,576	221,687	147,910	33,462	181,372
Wyoming	-	-	-	-	-	-
United States	3,138,463	1,030,460	4,168,921	2,616,948	806,996	3,423,944

- Represents zero.

(D) Withheld to avoid disclosing data for individual operations.

Gross and Usable Cooler Space – States and United States: October 1, 2015

[Totals may not add due to rounding. Includes frozen juice tank storage capacity]

State	Gross space			Usable space		
	Public	Private & semi-private	Total	Public	Private & semi-private	Total
	(1,000 cubic feet)	(1,000 cubic feet)	(1,000 cubic feet)	(1,000 cubic feet)	(1,000 cubic feet)	(1,000 cubic feet)
Alabama	(D)	(D)	2,591	(D)	(D)	2,307
Alaska	(D)	(D)	945	(D)	(D)	777
Arizona	(D)	(D)	3,735	(D)	(D)	2,895
Arkansas	(D)	(D)	(D)	(D)	(D)	(D)
California	75,328	146,690	222,017	61,068	116,650	177,718
Colorado	(D)	(D)	(D)	(D)	(D)	(D)
Connecticut	(D)	(D)	(D)	(D)	(D)	(D)
Delaware	(D)	(D)	(D)	(D)	(D)	(D)
Florida	20,893	87,213	108,106	15,067	66,944	82,011
Georgia	34,138	27,329	61,467	28,049	21,615	49,664
Hawaii	(D)	(D)	(D)	(D)	(D)	(D)
Idaho	(D)	(D)	(D)	(D)	(D)	(D)
Illinois	14,822	13,122	27,944	(D)	(D)	23,833
Indiana	(D)	(D)	(D)	(D)	(D)	(D)
Iowa	12,705	9,389	22,094	10,071	6,447	16,519
Kansas	(D)	(D)	7,588	(D)	(D)	4,913
Kentucky	1,710	-	1,710	1,534	-	1,534
Louisiana	(D)	(D)	943	(D)	(D)	812
Maine	(D)	(D)	(D)	(D)	(D)	(D)
Maryland	(D)	(D)	4,758	(D)	(D)	4,198
Massachusetts	(D)	(D)	12,432	(D)	(D)	10,147
Michigan	7,929	4,425	12,355	6,016	3,884	9,900
Minnesota	8,114	15,784	23,898	7,103	9,304	16,407
Mississippi	(D)	(D)	(D)	(D)	(D)	(D)
Missouri	(D)	(D)	24,185	(D)	(D)	20,467
Montana	(D)	(D)	507	(D)	(D)	408
Nebraska	3,479	1,740	5,219	2,134	675	2,808
Nevada	(D)	(D)	(D)	(D)	(D)	(D)
New Hampshire	(D)	(D)	(D)	(D)	(D)	(D)
New Jersey	(D)	(D)	58,794	(D)	(D)	51,734
New Mexico	(D)	(D)	(D)	(D)	(D)	(D)
New York	11,183	23,734	34,917	9,730	18,560	28,290
North Carolina	(D)	(D)	4,303	(D)	(D)	3,236
North Dakota	(D)	(D)	(D)	(D)	(D)	(D)
Ohio	(D)	(D)	6,067	(D)	(D)	5,054
Oklahoma	(D)	(D)	(D)	(D)	(D)	(D)
Oregon	3,076	11,637	14,713	2,101	10,151	12,253
Pennsylvania	30,155	13,693	43,848	24,100	11,049	35,149
Rhode Island	-	(D)	(D)	-	(D)	(D)
South Carolina	(D)	(D)	(D)	(D)	(D)	(D)
South Dakota	(D)	(D)	(D)	(D)	(D)	(D)
Tennessee	(D)	(D)	(D)	(D)	(D)	(D)
Texas	37,080	25,259	62,338	31,292	21,863	53,156
Utah	(D)	(D)	12,038	(D)	(D)	10,675
Vermont	(D)	(D)	(D)	(D)	(D)	(D)
Virginia	11,417	6,335	17,752	9,500	4,492	13,993
Washington	(D)	(D)	23,474	(D)	(D)	18,905
West Virginia	-	(D)	(D)	-	(D)	(D)
Wisconsin	54,508	37,174	91,682	46,140	25,366	71,506
Wyoming	-	-	-	-	-	-
United States	495,489	477,593	973,079	412,100	367,198	779,301

- Represents zero.

(D) Withheld to avoid disclosing data for individual operations.

Gross and Usable Freezer Space – States and United States: October 1, 2015

[Totals may not add due to rounding. Includes frozen juice tank storage capacity]

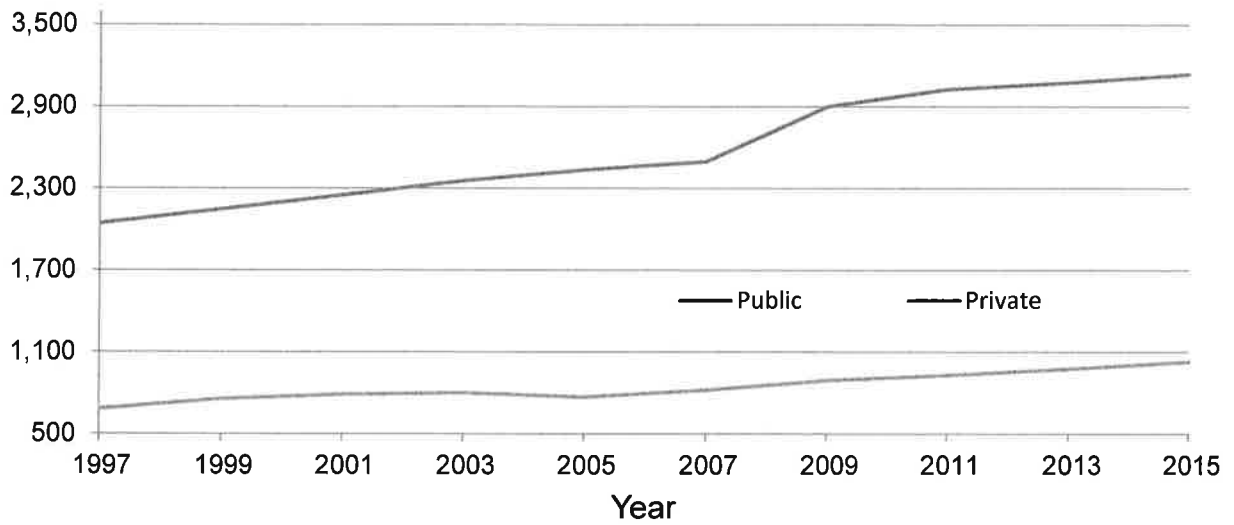
State	Gross space			Usable space		
	Public	Private & semi-private	Total	Public	Private & semi-private	Total
	(1,000 cubic feet)	(1,000 cubic feet)	(1,000 cubic feet)	(1,000 cubic feet)	(1,000 cubic feet)	(1,000 cubic feet)
Alabama	(D)	(D)	33,948	(D)	(D)	28,647
Alaska	(D)	(D)	2,700	(D)	(D)	2,318
Arizona	(D)	(D)	15,007	(D)	(D)	12,268
Arkansas	(D)	(D)	(D)	(D)	(D)	(D)
California	299,220	48,699	347,919	249,355	40,756	290,112
Colorado	(D)	(D)	(D)	(D)	(D)	(D)
Connecticut	(D)	(D)	(D)	(D)	(D)	(D)
Delaware	(D)	(D)	(D)	(D)	(D)	(D)
Florida	110,976	66,516	177,493	92,414	55,698	148,112
Georgia	162,986	25,752	188,738	135,697	20,488	156,185
Hawaii	(D)	(D)	(D)	(D)	(D)	(D)
Idaho	(D)	(D)	(D)	(D)	(D)	(D)
Illinois	152,332	20,019	172,350	(D)	(D)	137,973
Indiana	(D)	(D)	(D)	(D)	(D)	(D)
Iowa	57,237	11,918	69,155	49,823	7,858	57,681
Kansas	(D)	(D)	39,972	(D)	(D)	29,451
Kentucky	22,694	-	22,694	19,389	-	19,389
Louisiana	(D)	(D)	14,741	(D)	(D)	10,642
Maine	(D)	(D)	(D)	(D)	(D)	(D)
Maryland	(D)	(D)	34,770	(D)	(D)	29,256
Massachusetts	(D)	(D)	82,595	(D)	(D)	71,039
Michigan	46,840	42,703	89,543	39,215	33,728	72,943
Minnesota	46,442	23,223	69,665	38,369	18,713	57,082
Mississippi	(D)	(D)	(D)	(D)	(D)	(D)
Missouri	(D)	(D)	87,913	(D)	(D)	76,713
Montana	(D)	(D)	724	(D)	(D)	578
Nebraska	40,206	8,822	49,028	33,238	5,412	38,650
Nevada	(D)	(D)	(D)	(D)	(D)	(D)
New Hampshire	(D)	(D)	(D)	(D)	(D)	(D)
New Jersey	(D)	(D)	108,728	(D)	(D)	94,475
New Mexico	(D)	(D)	(D)	(D)	(D)	(D)
New York	44,084	23,688	67,772	40,384	17,269	57,653
North Carolina	(D)	(D)	59,729	(D)	(D)	42,954
North Dakota	(D)	(D)	(D)	(D)	(D)	(D)
Ohio	(D)	(D)	73,514	(D)	(D)	61,265
Oklahoma	(D)	(D)	(D)	(D)	(D)	(D)
Oregon	73,684	45,972	119,656	59,441	38,924	98,365
Pennsylvania	179,453	18,644	198,097	159,207	15,318	174,525
Rhode Island	-	(D)	(D)	-	(D)	(D)
South Carolina	(D)	(D)	(D)	(D)	(D)	(D)
South Dakota	(D)	(D)	(D)	(D)	(D)	(D)
Tennessee	(D)	(D)	(D)	(D)	(D)	(D)
Texas	170,001	20,370	190,371	136,239	16,222	152,460
Utah	(D)	(D)	34,492	(D)	(D)	27,400
Vermont	(D)	(D)	(D)	(D)	(D)	(D)
Virginia	52,790	7,865	60,655	47,834	5,237	53,071
Washington	(D)	(D)	187,735	(D)	(D)	151,115
West Virginia	-	(D)	(D)	-	(D)	(D)
Wisconsin	119,603	10,402	130,005	101,770	8,096	109,866
Wyoming	-	-	-	-	-	-
United States	2,642,976	552,869	3,195,842	2,204,847	439,801	2,644,645

- Represents zero.

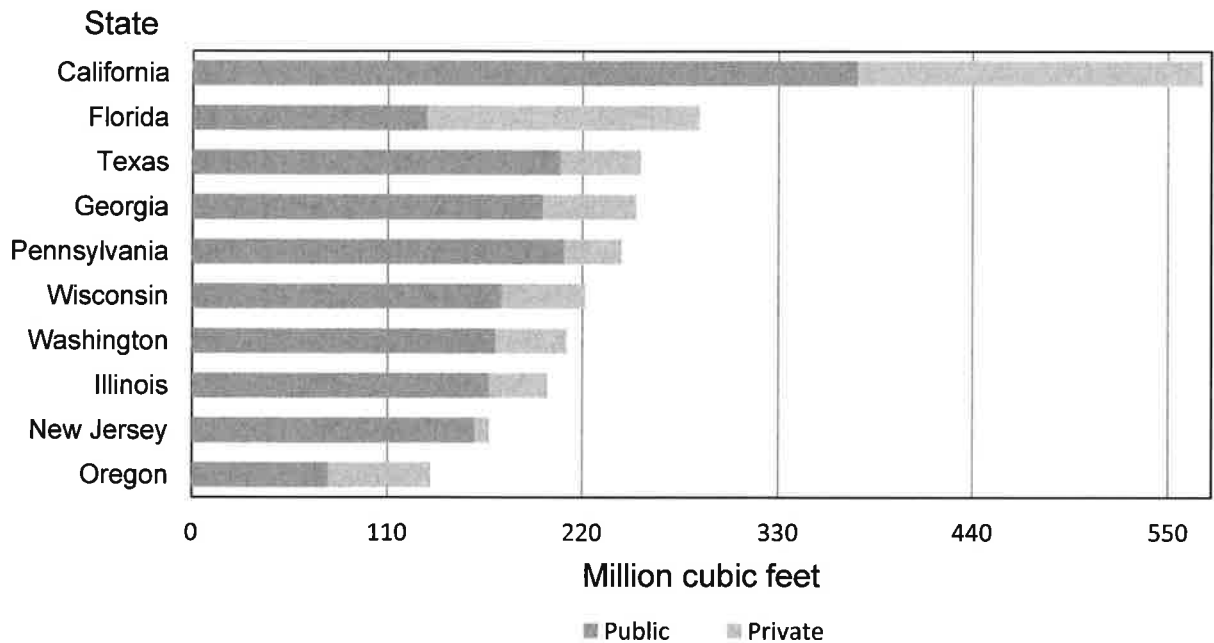
(D) Withheld to avoid disclosing data for individual operations.

Gross Refrigerated Space by Type – United States: October 1

Million cubic feet

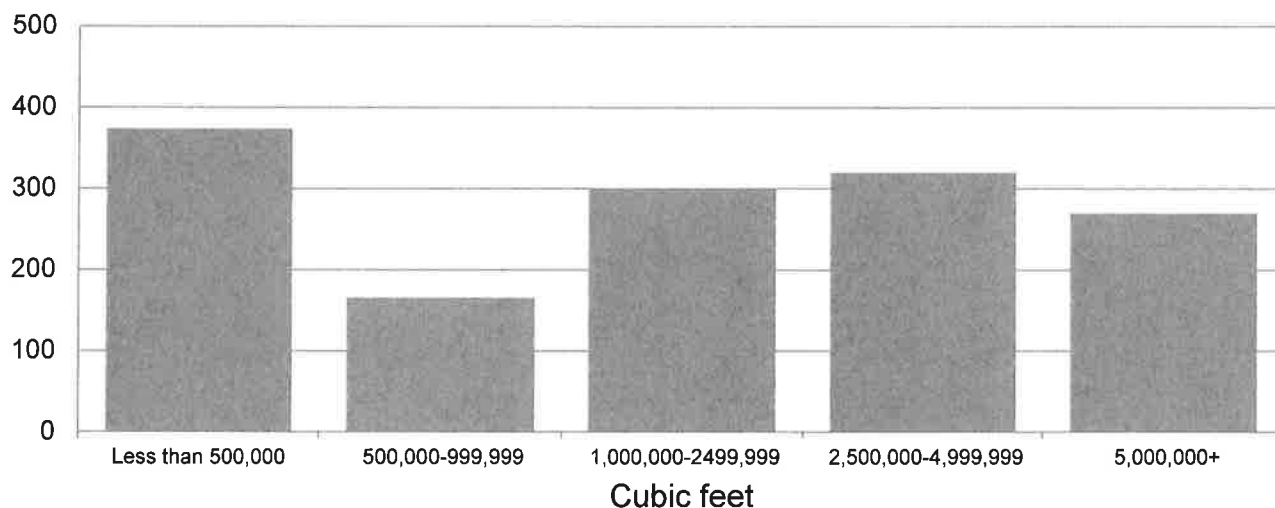


Gross Refrigerated Space – 10 Largest States: October 1, 2015



Number of Facilities by Size Group – United States: October 1, 2015

Number of
facilities



Definitions

Refrigerated storages: Includes refrigerated facilities classified as general storages, plus facilities classified as storing only cheese, meat, nuts, or citrus concentrates.

Public refrigerated storages: Refrigerated facilities maintained for storing food for others at specified rates per unit.

Private and semiprivate refrigerated storages: Refrigerated facilities maintained by an operator to facilitate his principal function as a producer, processor, or manufacturer of food products. The space is used to store the owner's products, although some space may be used by others at specified rates per unit stored. Working space, chill rooms, and curing rooms in meat storages are not included in the storage statistics.

Cooler space: Space that maintains temperatures between 0 and 50 degrees Fahrenheit.

Freezer space: Space that maintains temperatures at 0 degrees Fahrenheit or lower.

Gross space: Total area under refrigeration, measured from wall to wall and from floor to ceiling.

Usable space: Actual area used for storing commodities. Gross space less an allowance for aisles, posts, coils, blowers, etc.

Number of storages: Storages at different locations are counted separately even though operated by the same management.

Statistical Methodology

Survey procedures: Questionnaires were mailed about the 20th of September 2015, to operators of over 1,500 public and private cold storage warehouses. One thousand four hundred and ninety-seven firms met the qualifications that their warehouses were artificially cooled to a temperature of 50 degrees Fahrenheit or lower, and normally stored food products for 30 days or more. The other firms who received questionnaires either did not qualify or the plants had ceased being cold storage facilities during the past two years. The list included specialized storage facilities meeting the 30-day requirement, such as fruit houses, dairy manufacturing plants, frozen fruit, fruit juice, and vegetable processors, and poultry and meat packing plants. Wholesalers, jobbers, packer branch houses, and frozen food processors whose entire inventories are turned over more than once a month were excluded. Firms that did not respond were mailed a second request and/or phoned or visited.

Estimating procedures: Data for reporting firms were added to estimates for non-reporting firms to obtain State and National totals. Estimates for non-reporting firms were set based on previous reports or administrative data.

Revision policy: These data are considered final and will not be revised.

Reliability: Usable reports were received from about 1,279 firms which represent about 84 percent of the total capacity tabulated. The numbers published should be considered to be minimum figures as there are cold storage firms that are not known to NASS. Special care in identifying individual plants minimizes duplication. Survey data are also subject to non-sampling errors such as omissions and mistakes in reporting and processing the data. While these errors cannot be measured directly, they are minimized by a careful review of all reported data for consistency and reasonableness.

Information Contacts

Listed below are the commodity specialists in the Livestock Branch of the National Agricultural Statistics Service to contact for additional information. E-mail inquiries may be sent to nass@nass.usda.gov

Dan Kerestes, Chief, Livestock Branch	(202) 720-3570
Bruce Boess, Head, Poultry and Specialty Commodities Section	(202) 720-4447
Aaron Cosgrove – Egg Products, Poultry Slaughter, Trout Production	(202) 690-3237
Alissa Cowell-Mytar – Cold Storage	(202) 720-4751
Heidi Gleich – Broiler Hatchery, Chicken Hatchery	(202) 720-0585
Tom Kruchten – Census of Aquaculture	(202) 690-4870
Kim Linonis – Layers, Eggs	(202) 690-8632
Sammy Neal – Catfish Production, Mink, Turkey Hatchery, Turkeys Raised	(202) 720-3244
Joshua O’Rear – Honey	(202) 690-3676

Access to NASS Reports

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- All reports are available electronically, at no cost, on the NASS web site: <http://www.nass.usda.gov>
- Both national and state specific reports are available via a free e-mail subscription. To set-up this free subscription, visit <http://www.nass.usda.gov> and click on “National” or “State” in upper right corner above “search” box to create an account and select the reports you would like to receive.

For more information on NASS surveys and reports, call the NASS Agricultural Statistics Hotline at (800) 727-9540, 7:30 a.m. to 4:00 p.m. ET, or e-mail: nass@nass.usda.gov.

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United States
Department of
Agriculture

National
Agricultural
Statistics
Service



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Capacity of Refrigerated Warehouses 2017 Summary

January 2018

USDA



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Special Note

Changes were made to the *Capacity of Refrigerated Warehouses* program. Warehouses must meet the following criteria to be included in this publication: artificially cooled to a temperature of 50 degrees Fahrenheit or lower, normally store food products for 30 days or more, and store one of the 110 commodities reported in the *Monthly Cold Storage* report. Please contact the Livestock Branch at (202) 720-3570 or email at HQ_SD_LB@nass.usda.gov with any questions or concerns

Refrigerated Warehouses Capacity 3.6 Billion Cubic Feet

Gross refrigerated storage capacity in the United States totaled 3.60 billion cubic feet on October 1, 2017. This was the 50th biennial survey of refrigerated warehouses. The five States with the largest gross warehouse capacity (million cubic feet) were California 396, Washington 271, Florida 259, Texas 231 and Wisconsin 228.

Usable refrigerated storage capacity was 2.92 billion cubic feet, or 81 percent of the gross space. Usable freezer space was 81 percent of the usable refrigerated space with the remaining 19 percent used as cooler space. Convertible refrigerated space was classified as usable freezer space.

Public warehouse refrigerated storage capacity totaled 2.83 billion gross cubic feet in 2017, accounting for 79 percent of the total storage.

Private and semiprivate warehouse refrigerated capacity totaled 767 million gross cubic feet, or 21 percent of the gross refrigerated space.

Refrigerated warehouse numbers totaled 950 in 2017. The number of public warehouses at 601. Private and semiprivate warehouses totaled 349.

Refrigerated Warehouses by Number and Type – States and United States: October 1, 2017

State	Public (number)	Private and semi-private (number)	Total (number)
Alabama	10	5	15
Alaska	-	1	1
Arizona	3	1	4
Arkansas	15	4	19
California	78	37	115
Colorado	4	-	4
Connecticut	1	-	1
Delaware	3	5	8
Florida	29	21	50
Georgia	32	16	48
Hawaii	-	-	-
Idaho	6	9	15
Illinois	21	8	29
Indiana	10	4	14
Iowa	17	8	25
Kansas	7	1	8
Kentucky	4	-	4
Louisiana	1	4	5
Maine	2	9	11
Maryland	2	2	4
Massachusetts	13	3	16
Michigan	18	9	27
Minnesota	17	18	35
Mississippi	5	-	5
Missouri	12	2	14
Montana	-	2	2
Nebraska	11	4	15
Nevada	1	1	2
New Hampshire	-	-	-
New Jersey	22	6	28
New Mexico	2	4	6
New York	18	14	32
North Carolina	11	2	13
North Dakota	1	2	3
Ohio	15	1	16
Oklahoma	8	2	10
Oregon	15	18	33
Pennsylvania	29	14	43
Rhode Island	-	-	-
South Carolina	7	3	10
South Dakota	2	3	5
Tennessee	8	3	11
Texas	40	18	58
Utah	11	8	19
Vermont	1	5	6
Virginia	11	3	14
Washington	34	17	51
West Virginia	-	1	1
Wisconsin	44	51	95
Wyoming	-	-	-
United States	601	349	950

- Represents zero.

Refrigerated Warehouses by Number and Size Group – United States: October 1, 2017

Cubic feet	Public	Private and semi-private	All
	(number)	(number)	(number)
0-499,999	38	123	161
500,000-999,999	49	54	103
1,000,000-2,499,999	131	68	199
2,500,000-4,999,999	164	69	233
5,000,000 and over	219	35	254

Refrigerated Storage by Type of Warehouse – United States: October 1, 2017

[Totals may not add due to rounding]

Type	Number	Gross space			Usable space		
		Cooler	Freezer	Total	Cooler	Freezer	Total
		(1,000 cubic feet)	(1,000 cubic feet)	(1,000 cubic feet)	(1,000 cubic feet)	(1,000 cubic feet)	(1,000 cubic feet)
Public	601	432,695	2,402,127	2,834,824	348,726	1,985,629	2,334,348
Private and semi-private	349	277,050	490,283	767,331	197,282	392,291	589,574
Total	950	709,741	2,892,409	3,602,154	546,003	2,377,919	2,923,921

Gross and Usable Refrigerated Space – States and United States: October 1, 2017

[Totals may not add due to rounding. Includes frozen juice tank storage capacity]

State	Gross space			Usable space		
	Public	Private & semi-private	Total	Public	Private & semi-private	Total
	(1,000 cubic feet)	(1,000 cubic feet)	(1,000 cubic feet)	(1,000 cubic feet)	(1,000 cubic feet)	(1,000 cubic feet)
Alabama	32,788	633	33,421	(D)	(D)	28,892
Alaska	-	(D)	(D)	-	(D)	(D)
Arizona	(D)	(D)	4,003	(D)	(D)	3,487
Arkansas	71,949	12,498	84,447	63,602	12,200	75,802
California	328,455	68,018	396,473	270,927	52,280	323,207
Colorado	(D)	-	(D)	(D)	-	(D)
Connecticut	(D)	-	(D)	(D)	-	(D)
Delaware	13,978	14,738	28,716	11,649	9,488	21,137
Florida	114,402	145,044	259,446	95,579	115,751	211,330
Georgia	167,473	16,010	183,483	144,235	11,212	155,446
Hawaii	-	-	-	-	-	-
Idaho	34,364	24,080	58,444	27,823	20,909	48,732
Illinois	(D)	(D)	188,000	(D)	(D)	151,910
Indiana	(D)	(D)	91,384	(D)	(D)	75,953
Iowa	66,577	11,106	77,683	57,870	9,110	66,980
Kansas	(D)	(D)	46,026	(D)	(D)	33,320
Kentucky	24,006	-	24,006	22,108	-	22,108
Louisiana	(D)	(D)	5,081	(D)	(D)	4,724
Maine	(D)	(D)	7,473	(D)	(D)	5,774
Maryland	(D)	(D)	(D)	(D)	(D)	(D)
Massachusetts	(D)	(D)	68,421	(D)	(D)	56,256
Michigan	50,934	40,946	91,880	42,906	32,279	75,186
Minnesota	55,631	36,925	92,556	46,224	25,263	71,487
Mississippi	14,596	-	14,596	11,386	-	11,386
Missouri	(D)	(D)	93,394	(D)	(D)	79,473
Montana	-	(D)	(D)	-	(D)	(D)
Nebraska	41,372	6,247	47,619	33,801	3,524	37,325
Nevada	(D)	(D)	(D)	(D)	(D)	(D)
New Hampshire	-	-	-	-	-	-
New Jersey	129,026	7,651	136,677	104,888	5,847	110,735
New Mexico	(D)	(D)	11,873	(D)	(D)	8,730
New York	47,912	19,106	67,019	40,802	16,457	57,260
North Carolina	(D)	(D)	57,839	(D)	(D)	45,734
North Dakota	(D)	(D)	10,325	(D)	(D)	7,800
Ohio	(D)	(D)	55,809	(D)	(D)	46,866
Oklahoma	(D)	(D)	15,637	(D)	(D)	12,428
Oregon	97,475	42,081	139,557	78,072	33,155	111,227
Pennsylvania	162,193	51,272	213,465	141,521	36,418	177,939
Rhode Island	-	-	(D)	-	-	(D)
South Carolina	(D)	(D)	26,362	(D)	(D)	20,898
South Dakota	(D)	(D)	11,645	(D)	(D)	6,289
Tennessee	(D)	(D)	57,234	(D)	(D)	41,704
Texas	205,431	25,964	231,395	164,643	21,742	186,386
Utah	34,319	15,786	50,105	28,921	13,226	42,147
Vermont	(D)	(D)	1,989	(D)	(D)	1,389
Virginia	60,803	9,954	70,757	55,393	8,274	63,666
Washington	235,735	35,548	271,283	182,014	26,522	208,537
West Virginia	-	(D)	(D)	-	(D)	(D)
Wisconsin	178,494	49,619	228,112	148,087	31,786	179,873
Wyoming	-	-	-	-	-	-
United States	2,834,824	767,331	3,602,154	2,334,348	589,574	2,923,921

- Represents zero.

(D) Withheld to avoid disclosing data for individual operations.

Gross and Usable Cooler Space – States and United States: October 1, 2017

[Totals may not add due to rounding. Includes frozen juice tank storage capacity]

State	Gross space			Usable space		
	Public (1,000 cubic feet)	Private & semi-private (1,000 cubic feet)	Total (1,000 cubic feet)	Public (1,000 cubic feet)	Private & semi-private (1,000 cubic feet)	Total (1,000 cubic feet)
Alabama	(D)	(D)	613	(D)	(D)	551
Alaska	-	(D)	(D)	-	(D)	(D)
Arizona	(D)	(D)	(D)	(D)	(D)	(D)
Arkansas	(D)	(D)	(D)	(D)	(D)	3,283
California	55,683	28,375	84,058	42,644	20,551	63,195
Colorado	(D)	-	(D)	(D)	-	(D)
Connecticut	(D)	-	(D)	(D)	-	(D)
Delaware	(D)	(D)	(D)	(D)	(D)	3,241
Florida	16,468	89,145	105,613	12,771	68,289	81,059
Georgia	(D)	(D)	33,442	(D)	(D)	26,692
Hawaii	-	-	-	-	-	-
Idaho	(D)	(D)	(D)	(D)	(D)	(D)
Illinois	(D)	(D)	22,866	(D)	(D)	19,576
Indiana	(D)	(D)	(D)	(D)	(D)	(D)
Iowa	(D)	(D)	11,551	6,618	2,327	8,945
Kansas	(D)	(D)	7,274	(D)	(D)	4,713
Kentucky	(D)	-	(D)	(D)	-	(D)
Louisiana	(D)	(D)	(D)	(D)	(D)	(D)
Maine	(D)	(D)	(D)	(D)	(D)	(D)
Maryland	(D)	(D)	(D)	(D)	(D)	(D)
Massachusetts	(D)	(D)	9,514	(D)	(D)	7,219
Michigan	5,920	1,805	7,725	4,806	1,557	6,363
Minnesota	7,989	15,169	23,158	7,003	8,604	15,607
Mississippi	(D)	-	(D)	(D)	-	(D)
Missouri	(D)	(D)	23,229	(D)	(D)	19,768
Montana	-	(D)	(D)	-	(D)	(D)
Nebraska	(D)	(D)	4,025	(D)	(D)	2,387
Nevada	(D)	(D)	(D)	(D)	(D)	(D)
New Hampshire	-	-	-	-	-	-
New Jersey	(D)	(D)	36,699	(D)	(D)	29,173
New Mexico	(D)	(D)	(D)	(D)	(D)	(D)
New York	10,524	7,949	18,473	8,043	6,087	14,130
North Carolina	(D)	(D)	4,029	(D)	(D)	3,011
North Dakota	(D)	(D)	(D)	(D)	(D)	(D)
Ohio	(D)	(D)	6,776	(D)	(D)	6,199
Oklahoma	(D)	(D)	(D)	(D)	(D)	(D)
Oregon	(D)	(D)	4,961	(D)	(D)	3,370
Pennsylvania	32,095	11,262	43,357	25,103	6,818	31,921
Rhode Island	-	-	(D)	-	-	(D)
South Carolina	(D)	(D)	(D)	(D)	(D)	(D)
South Dakota	(D)	(D)	(D)	(D)	(D)	(D)
Tennessee	(D)	(D)	4,492	(D)	(D)	(D)
Texas	44,464	17,744	62,207	34,904	15,200	50,103
Utah	(D)	(D)	13,463	(D)	(D)	11,974
Vermont	(D)	(D)	(D)	(D)	(D)	(D)
Virginia	(D)	(D)	13,745	(D)	(D)	12,327
Washington	11,307	880	12,187	(D)	(D)	10,030
West Virginia	-	(D)	(D)	-	(D)	(D)
Wisconsin	64,847	38,221	103,068	52,428	22,387	74,815
Wyoming	-	-	-	-	-	-
United States	432,695	277,050	709,741	348,726	197,282	546,003

- Represents zero.

(D) Withheld to avoid disclosing data for individual operations.

Gross and Usable Freezer Space – States and United States: October 1, 2017

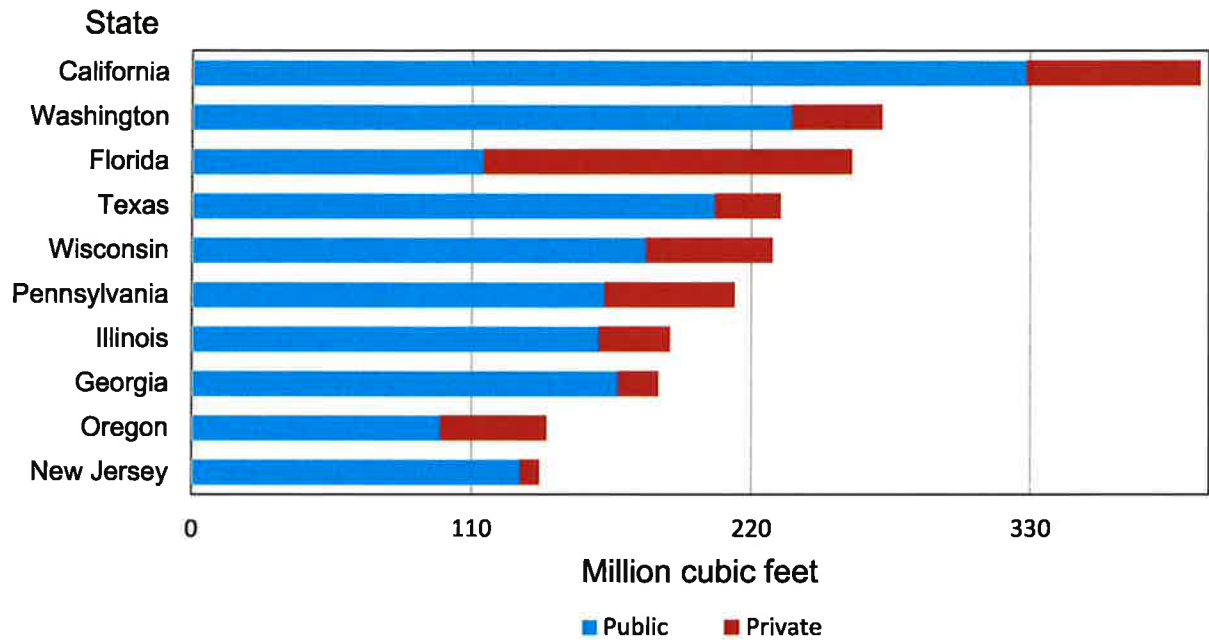
[Totals may not add due to rounding. Includes frozen juice tank storage capacity]

State	Gross space			Usable space		
	Public	Private & semi-private	Total	Public	Private & semi-private	Total
	(1,000 cubic feet)	(1,000 cubic feet)	(1,000 cubic feet)	(1,000 cubic feet)	(1,000 cubic feet)	(1,000 cubic feet)
Alabama	(D)	(D)	32,808	(D)	(D)	28,340
Alaska	-	(D)	(D)	-	(D)	(D)
Arizona	(D)	(D)	(D)	(D)	(D)	(D)
Arkansas	(D)	(D)	(D)	(D)	(D)	72,519
California	272,772	39,643	312,415	228,283	31,729	260,012
Colorado	(D)	-	(D)	(D)	-	(D)
Connecticut	(D)	-	(D)	(D)	-	(D)
Delaware	(D)	(D)	(D)	(D)	(D)	17,896
Florida	97,934	55,899	153,833	82,809	47,462	130,271
Georgia	(D)	(D)	150,041	(D)	(D)	128,754
Hawaii	-	-	-	-	-	-
Idaho	(D)	(D)	(D)	(D)	(D)	(D)
Illinois	(D)	(D)	165,135	(D)	(D)	132,334
Indiana	(D)	(D)	(D)	(D)	(D)	(D)
Iowa	(D)	(D)	66,133	51,252	6,783	58,035
Kansas	(D)	(D)	38,752	(D)	(D)	28,607
Kentucky	(D)	-	(D)	(D)	-	(D)
Louisiana	(D)	(D)	(D)	(D)	(D)	(D)
Maine	(D)	(D)	(D)	(D)	(D)	(D)
Maryland	(D)	(D)	(D)	(D)	(D)	(D)
Massachusetts	(D)	(D)	58,907	(D)	(D)	49,037
Michigan	45,014	39,142	84,155	38,101	30,722	68,823
Minnesota	47,642	21,755	69,397	39,221	16,659	55,879
Mississippi	(D)	-	(D)	(D)	-	(D)
Missouri	(D)	(D)	70,164	(D)	(D)	59,705
Montana	-	(D)	(D)	-	(D)	(D)
Nebraska	(D)	(D)	43,595	(D)	(D)	34,938
Nevada	(D)	(D)	(D)	(D)	(D)	(D)
New Hampshire	-	-	-	-	-	-
New Jersey	(D)	(D)	99,978	(D)	(D)	81,562
New Mexico	(D)	(D)	(D)	(D)	(D)	(D)
New York	37,389	11,157	48,545	32,759	10,370	43,130
North Carolina	(D)	(D)	53,810	(D)	(D)	42,723
North Dakota	(D)	(D)	(D)	(D)	(D)	(D)
Ohio	(D)	(D)	49,033	(D)	(D)	40,668
Oklahoma	(D)	(D)	(D)	(D)	(D)	(D)
Oregon	(D)	(D)	134,596	(D)	(D)	107,857
Pennsylvania	130,098	40,010	170,108	116,418	29,600	146,018
Rhode Island	-	-	(D)	-	-	(D)
South Carolina	(D)	(D)	(D)	(D)	(D)	(D)
South Dakota	(D)	(D)	(D)	(D)	(D)	(D)
Tennessee	(D)	(D)	52,742	(D)	(D)	(D)
Texas	160,967	8,220	169,187	129,740	6,543	136,282
Utah	(D)	(D)	36,642	(D)	(D)	30,173
Vermont	(D)	(D)	(D)	(D)	(D)	(D)
Virginia	(D)	(D)	57,011	(D)	(D)	51,340
Washington	224,428	34,668	259,096	(D)	(D)	198,507
West Virginia	-	(D)	(D)	-	(D)	(D)
Wisconsin	113,647	11,397	125,044	95,660	9,399	105,059
Wyoming	-	-	-	-	-	-
United States	2,402,127	490,283	2,892,409	1,985,629	392,291	2,377,919

- Represents zero.

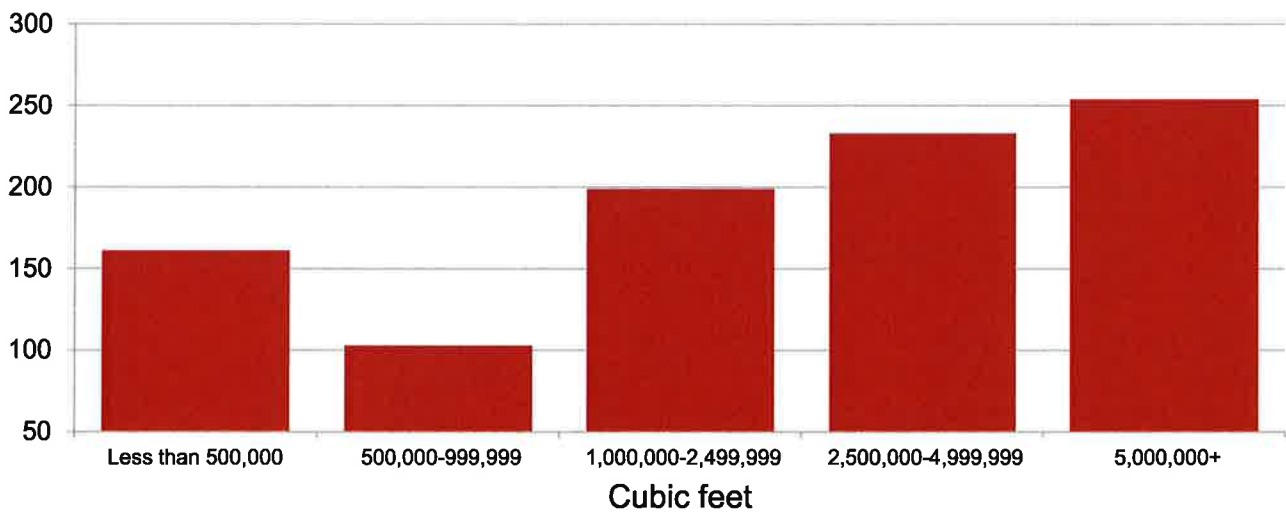
(D) Withheld to avoid disclosing data for individual operations.

Gross Refrigerated Space – 10 Largest States: October 1, 2017



Number of Facilities by Size Group – United States: October 1, 2017

Number of
facilities



Definitions

Refrigerated storages: Includes refrigerated facilities classified as general storages, plus facilities classified as storing only cheese, meat, nuts, or citrus concentrates.

Public refrigerated storages: Refrigerated facilities maintained for storing food for others at specified rates per unit.

Private and semiprivate refrigerated storages: Refrigerated facilities maintained by an operator to facilitate his principal function as a producer, processor, or manufacturer of food products. The space is used to store the owner's products, although some space may be used by others at specified rates per unit stored. Working space, chill rooms, and curing rooms in meat storages are not included in the storage statistics.

Cooler space: Space that maintains temperatures between 0 and 50 degrees Fahrenheit.

Freezer space: Space that maintains temperatures at 0 degrees Fahrenheit or lower.

Gross space: Total area under refrigeration, measured from wall to wall and from floor to ceiling.

Usable space: Actual area used for storing commodities. Gross space less an allowance for aisles, posts, coils, blowers, etc.

Number of storages: Storages at different locations are counted separately even though operated by the same management.

Statistical Methodology

Survey procedures: Questionnaires were mailed about the 25th of September 2017, to operators of over 1,050 public and private cold storage warehouses. Nine hundred and fifty firms met the qualifications that their warehouses were artificially cooled to a temperature of 50 degrees Fahrenheit or lower, normally stored food products for 30 days or more and stored one of the 110 commodities reported in the *Monthly Cold Storage Report*. The other firms who received questionnaires either did not qualify or the plants had ceased being cold storage facilities during the past two years. The list included specialized storage facilities meeting the 30-day requirement, such as fruit houses, dairy manufacturing plants, frozen fruit, fruit juice, and vegetable processors, and poultry and meat packing plants. Wholesalers, jobbers, packer branch houses, and frozen food processors whose entire inventories are turned over more than once a month were excluded. Firms that did not respond were mailed a second request and/or phoned or visited.

Estimating procedures: Data for reporting firms were added to estimates for non-reporting firms to obtain State and National totals. Estimates for non-reporting firms were set based on previous reports or administrative data.

Revision policy: These data are considered final and will not be revised.

Reliability: Usable reports were received from about 745 firms which represent about 78 percent of the total capacity tabulated. The numbers published should be considered minimum figures as there are cold storage firms that are not known to NASS. Special care in identifying individual plants minimizes duplication. Survey data are also subject to non-sampling errors such as omissions and mistakes in reporting and processing the data. While these errors cannot be measured directly, they are minimized by a careful review of all reported data for consistency and reasonableness.

Information Contacts

Listed below are the commodity specialists in the Livestock Branch of the National Agricultural Statistics Service to contact for additional information. E-mail inquiries may be sent to nass@nass.usda.gov

Travis Averill, Chief, Livestock Branch	(202) 720-3570
Bruce Boess, Head, Poultry and Specialty Commodities Section	(202) 720-4447
Aaron Cosgrove – Catfish Production, Egg Products, Poultry Slaughter, Trout Production	
Turkey Hatchery, Turkeys Raised	(202) 690-3237
Alissa Cowell-Mytar – Cold Storage, Capacity of Refrigerated Warehouses	(202) 720-4751
Kim Linonis – Layers, Eggs	(202) 690-8632
Miste Salmon – Broiler Hatchery, Chicken Hatchery, Mink	(202) 720-3244
Vacant – Census of Agriculture, Census of Aquaculture	(202) 690-4870
Vacant – Cost of Pollination, Honey, Honey Bee Colonies	(202) 690-3676

Access to NASS Reports

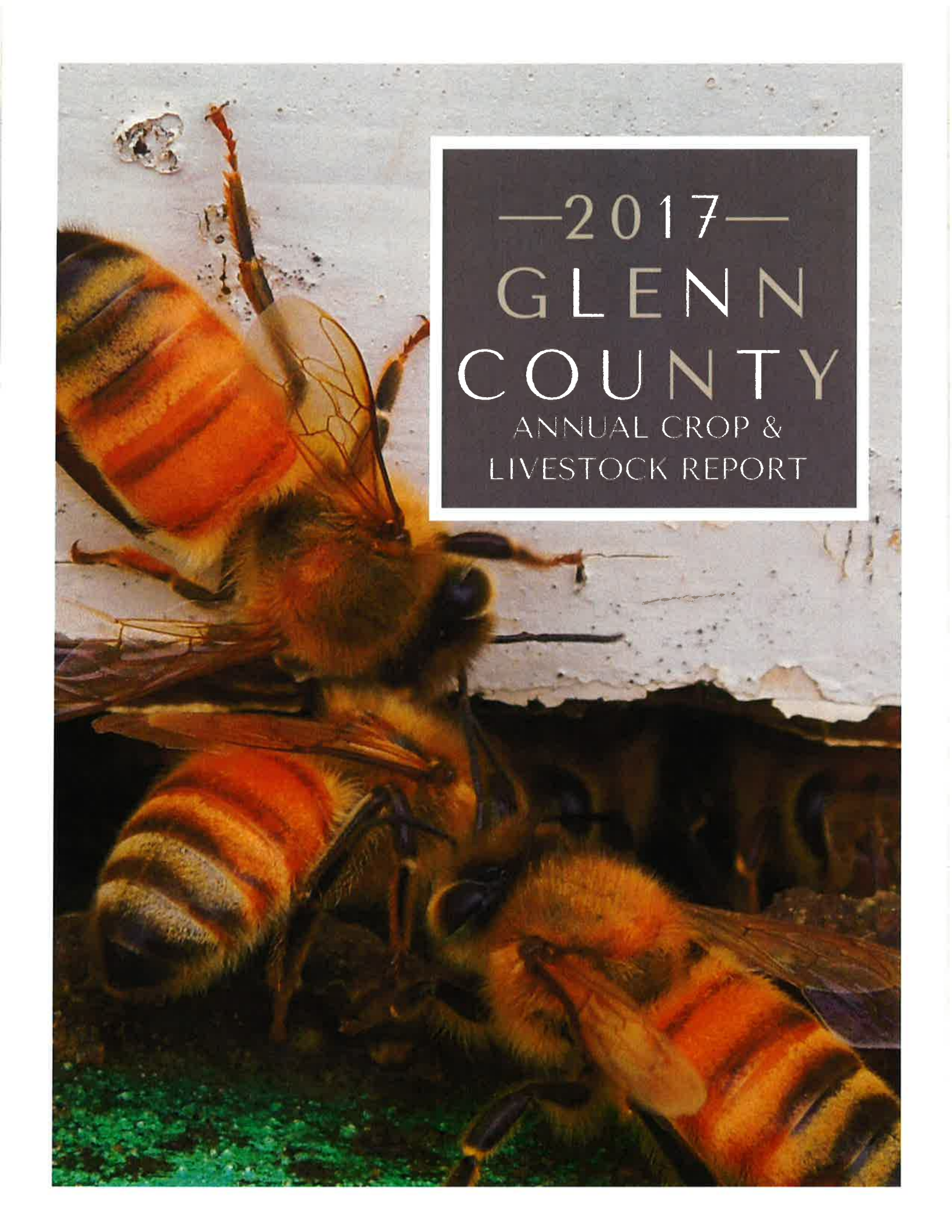
For your convenience, you may access NASS reports and products the following ways:

- All reports are available electronically, at no cost, on the NASS web site: www.nass.usda.gov
- Both national and state specific reports are available via a free e-mail subscription. To set-up this free subscription, visit www.nass.usda.gov and click on “National” or “State” in upper right corner above “search” box to create an account and select the reports you would like to receive.

For more information on NASS surveys and reports, call the NASS Agricultural Statistics Hotline at (800) 727-9540, 7:30 a.m. to 4:00 p.m. ET, or e-mail: nass@nass.usda.gov.

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The background of the cover is a close-up photograph of several bees. One bee is prominently featured in the upper left, with its wings and striped abdomen clearly visible. Below it, another bee is partially visible, and in the lower right, a third bee is shown. The bees are on a light-colored, textured surface, possibly wood or a hive entrance, which has some small holes and peeling material. The overall lighting is natural, highlighting the intricate details of the bees' anatomy.

—2017—
GLENN
COUNTY
ANNUAL CROP &
LIVESTOCK REPORT

GLENN COUNTY

2017 ANNUAL CROP &
LIVESTOCK REPORT

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And Pasture & Rangeland
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- 10** Top Ten Commodities and Total Values



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 Deputy Sealer of Weights & Measures

September 21, 2018

To: **Karen Ross, Secretary**
 California Department of Food and Agriculture

and The Honorable Board of Supervisors

John Viegas	District 1
Dwight Foltz	District 2
Vince Minto	District 3
Keith Corum	District 4
Leigh McDaniel	District 5

I am pleased to submit the 2017 Annual Crop and Livestock Report for Glenn County as required by Section 2279 of the California Food and Agriculture Code which requires each County Agricultural Commissioner to summarize the acreage, production and gross value of county agricultural and forest commodities. Section 2272 of the California Food and Agriculture Code requires each County Agricultural Commissioner to report on actions taken to eradicate, control or manage pests in their county.

Agriculture remains the county's major industry. The 2017 gross production of agricultural commodities was valued at \$834,632,000. This represents an 11.5% increase from the 2016 gross agricultural production value of \$748,461,000.

Almonds take the lead once again, as the number one commodity in Glenn County. They boast a value of \$217,120,000, which is down 3.2% from 2016 due to a decrease in price per ton. Walnuts are in the number two position with a value of \$184,737,000, up 23.9% due to an increase in price per ton. Rice remains in third with a value of \$125,507,000, an increase of 25.4% due to an increase in harvested acreage and in price per acre. The combination of almonds, walnuts, and rice represent 63.4% of the total commodity value for 2017.

Other notables include a higher yield per acre in prunes, apiary products continue to show an increase in queen bees sold and seed crops remain a significant and increasing commodity with a 59% increase of value from 2016. Livestock, poultry, and their products showed stability and slight increases.

Values given in this report are gross receipts received by growers and do not reflect their net income. These values do not take into account the various costs of production, marketing, or transportation.

I want to express my appreciation for the cooperation and assistance of all individuals, related agencies and members of the agricultural industry for their help in developing this report. Furthermore, I would like to express my gratitude to Mirna Albarran-Jack and Carli Marengo for requesting grower data, gathering values, designing the report, and the overall compilation of the 2017 Glenn County Crop & Livestock Report.

Respectfully submitted,

Marcie Skelton
 Glenn County Agricultural Commissioner /Sealer of Weights & Measures

Fruit & Nut Crops

Commodity	Year	Bearing Acreage	Yield Per	Total	Unit	\$ Per Unit	Total Value	
Almond	2017	52,621	0.84	44,202	Meat	\$4,912	\$217,120,000	
	2016	48,591	0.89	43,246	Ton	\$5,186	\$224,274,000	
Almond Hull	2017			55,250	Ton	\$73	\$4,033,000	
	2016			54,154		\$75	\$4,062,000	
Citrus	2017	245	5.95	1,458	Ton	\$1,734	\$2,528,000	
	2016	245	0.79	194		\$2,981	\$578,000	
Grape	2017	312	6.48	2,022	Ton	\$1,077	\$2,178,000	
	2016	745	5.70	4,247		\$938	\$3,984,000	
Olive, Oil	2017	4,050	4.28	17,334	Ton	\$529	\$9,170,000	
	2016	4,050	3.32	13,446		\$499	\$6,710,000	
Olive, Table	2017	4,050	8.06	32,643	Ton	\$1,007	\$32,872,000	
	2016	4,333	6.63	28,728		\$1,059	\$30,423,000	
Pistachio	2017	1,949	1.29	2,514	Inshell	\$3,205	\$8,057,000	
	2016	1,945	1.69	3,287	Ton	\$4,000	\$13,148,000	
Prune	2017	3,767	2.61	9,832	Dry Ton	\$2,057	\$20,224,000	
	2016	3,767	1.61	6,065		\$2,266	\$13,743,000	
Walnut	2017	31,060	2.47	76,718	Inshell	\$2,408	\$184,737,000	
	2016	30,670	2.67	81,889	Ton	\$1,821	\$149,120,000	
Miscellaneous	2017	1,072	Includes Blueberry, Black Walnut, Cherry,					\$3,286,000
	2016	1,043	Kiwifruit, Pecan, Asian Pear, Peach					\$3,415,000
TOTALS	2017	99,126					\$484,205,000	
	2016	95,389					\$449,457,000	

Field Crops

Commodity	Year	Bearing Acreage	Yield Per Acre	Total	Unit	\$ Per Unit	Total Value
Alfalfa	2017	10,970	5.67	62,200	Ton	\$163	\$10,139,000
	2016	11,215	6.73	75,477		\$133	\$10,038,000
Bean	2017	476	1.26	600	Ton	\$679	\$407,000
	2016	985	0.63	621		\$938	\$582,000
Corn, Fodder	2017	12,620	5.87	74,079	Ton	\$154	\$11,408,000
	2016	12,867	6.23	80,161		\$156	\$12,505,000
Corn, Silage	2017	1,455	26.52	38,587	Ton	\$36	\$1,389,000
	2016	1,731	32.00	55,392		\$30	\$1,662,000
Cotton, Lint	2017	2,978	3.35	9,976	Bale	\$400	\$3,991,000
	2016	2,200	3.50	7,700		\$400	\$3,080,000
Cotton, Seed	2017			4,156	Ton	\$290	\$1,205,000
	2016			2,640		\$375	\$990,000
Hay, Other	2017	2,677	1.63	4,364	Ton	\$153	\$668,000
	2016	2,609	3.50	9,132		\$140	\$1,278,000
Oats, Fodder	2017	3,497	3.19	11,155	Acre	\$128	\$1,428,000
	2016	4,213	3.89	16,389		\$134	\$2,196,000
Rice, Paddy	2017	83,407	4.63	386,174	Acre	\$325	\$125,507,000
	2016	77,400	4.90	379,260		\$264	\$100,125,000
Wheat	2017	5,652	2.56	14,469	Ton	\$141	\$2,040,000
	2016	10,053	2.58	25,937		\$139	\$3,605,000
Wheat, Silage	2017	5,991	13.00	77,883	Ton	\$39	\$3,037,000
	2016	6,102	13.00	79,326		\$39	\$3,094,000
Miscellaneous	2017	11,749	Includes: Organic Corn, Organic Rice, Barley, Safflower, Straw, Sudangrass and Sorghum				\$4,002,000
	2016	13,363					\$4,846,000
TOTALS	2017	141,472					\$165,221,000
	2016	377,813					\$148,129,000



Apiary Products

Commodity	Year	Total	Unit	\$ Per Unit	Total Value
Packaged Bees	2017	143,911	Pound, w/o	\$27.46	\$3,952,000
	2016	150,207	Queen	\$22.60	\$3,394,000
Pollination	2017	Includes Almond, Prune, Sunflower, Onion and Vineseed			\$18,125,000
	2016				\$15,965,000
Queen Bees	2017	364,276	Each	\$23.00	\$8,378,000
	2016	353,739		\$21.60	\$7,641,000
Miscellaneous	2017	Includes Beeswax and Honey			\$150,000
	2016				\$51,000
TOTALS	2017				\$30,605,000
	2016				\$27,051,000





Seed Crops

Commodity	Year	Bearing Acreage	Yield Per Acre	Total	Unit	\$ Per Unit	Total Value
Beans	2017	808	1,904	1,538,432	Pound	0.43	\$662,000
	2016	1,133	1,500	1,699,500		0.62	\$1,054,000
Rice	2017	2,193	8,003	17,551,00	Pound	0.18	\$3,159,000
	2016	2,248	9,800	22,030,400		0.16	\$3,525,000
Sunflowers	2017	3,563	1,000	3,563,000	Pound	1.31	\$4,668,000
	2016	1,716	1,152	1,976,832		1.19	\$2,352,000
Vine Seeds	2017	1,751	Includes Melon, Pumpkin, Squash, Watermelon and Cucumber				\$31,532,000
	2016	3,500					\$16,477,000
Other Seeds	2017	277	Includes Carrot, Cabbage, Chard, Gourd, Onion, Kale, Mustard and Radish				\$1,156,000
	2016	919					\$2,451,000
TOTALS	2017	8,592					\$41,177,000
	2016	9,516					\$25,859,000





Livestock & Poultry

Commodity	Year	# of Head Sold	Total Live Weight (cwt)	Value/cwt	Total Value
Calves	2017	3,780	20,790	\$156	\$3,243,000
	2016*				
Feeders	2017	8,820	61,740	\$138	\$8,520,000
	2016*				
Cows and Bulls	2017	2,955	41,370	\$65	\$2,689,000
	2016*				
Dairy Cattle	2017				\$24,296,000
	2016				\$21,545,000
Sheep and Lamb	2017	5,900	Head	\$169	\$997,000
	2016	6,043		\$181	\$1,094,000
Hogs and Pigs	2017	2,158	Head	\$144	\$311,000
	2016	2,099		\$132	\$277,000
Miscellaneous	2017	Includes Goat, Chicken, Unspecified Game birds			\$501,000
	2016				\$493,000
TOTALS	2017				\$40,557,000
	2016				\$37,899,000

*New breakdown of beef cattle in 2017.





Livestock & Poultry Products

Commodity	Year	# of Head	Unit	\$ Per Unit	Total Value
Milk: Marketing	2017	3,626,187	Cwt	\$16.36	\$59,324,000
	2016	3,213,433		\$14.96	\$48,073,000
Milk: Manufacturing	2017	20,491	Cwt	\$17.96	\$368,000
	2016	21,791		\$16.89	\$368,000
Wool	2017	37,170	Pound	\$1.55	\$58,000
	2016	39,884		\$1.50	\$60,000
Miscellaneous	2017	Includes Goat Milk and Eggs			\$88,000
	2016				\$85,000
TOTALS	2017				\$59,835,000
	2016				\$48,586,000



Pasture & Rangeland

Commodity	Year	Production	Unit	\$ Per Unit	Total Value
Pasture, Irrigated	2017	9,206	Acre	\$225	\$2,071,000
	2016	9,530		\$165	\$1,572,000
Range	2017	224,325	Acre	\$12.50	\$2,804,000
	2016	225,000		\$11.00	\$2,475,000
TOTALS	2017	233,531			\$4,875,000
	2016	234,530			\$4,047,000

Removed from Field Crops category.



Nursery Products

Commodity	Year	Bearing Acreage		Total Value
TOTALS	2017	301	Includes Strawberry Plants and Sod	\$7,006,000
	2016	231		\$5,698,000



Vegetable Crops

Commodity	Year	Acreage	Per Acre	Total	Unit	\$ Per Unit	Total Value
Tomatoes, Processing	2017*	1,740	45.37	78,985	Ton	\$73.35	\$5,791,000
	2016						
Miscellaneous	2017	45	Includes Certified Farmer's Market Gardens, Pumpkins, Roadside Stands, Strawberries				\$235,000
	2016	1,323					\$5,782,000
TOTALS	2017	1,785					\$6,026,000
	2016	1,323					\$5,782,000

*Removed from Miscellaneous category.

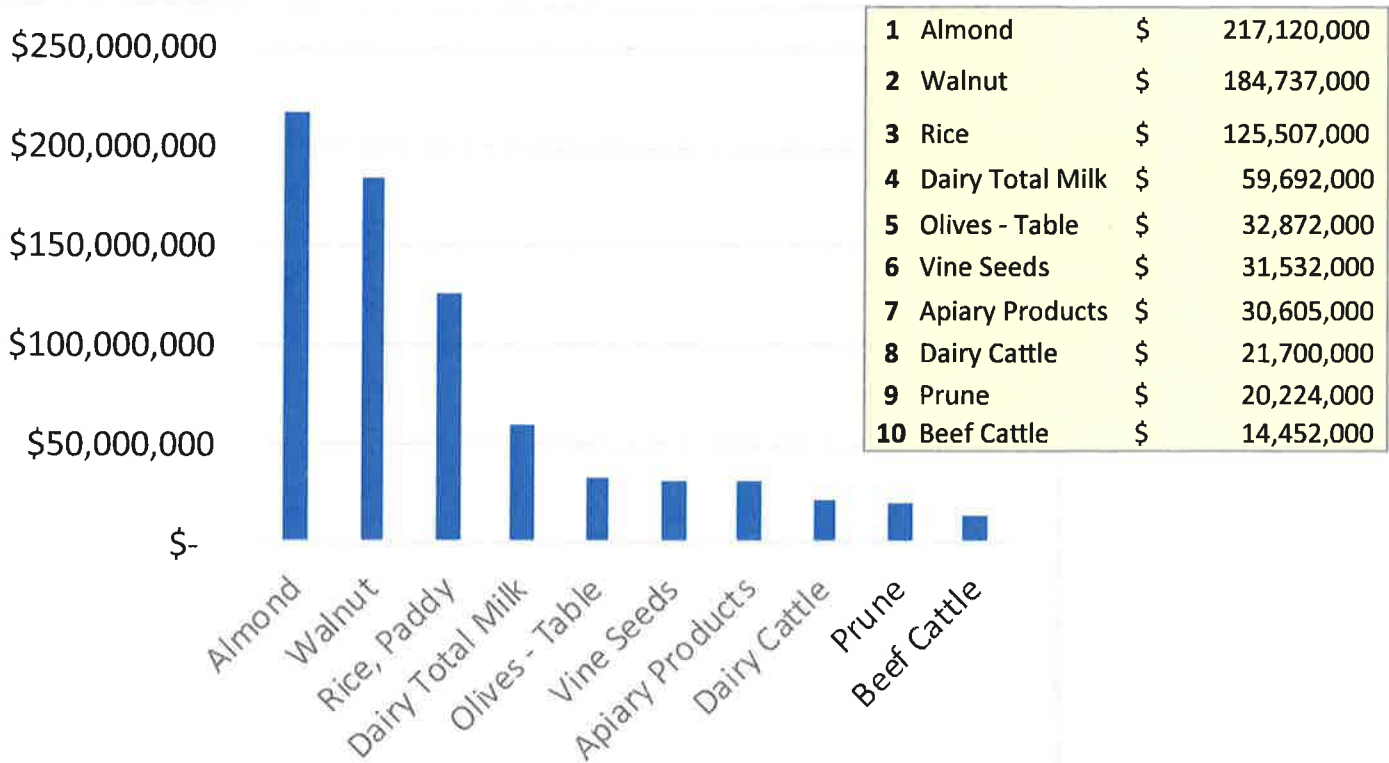


Terminal Inspections	Shipments Inspected	Rejections
Postal	0	0
Truck	2	0
Other	20	0

Pest Eradication

Pest	Scientific Name	Control Agent	Locations
Canada Thistle	<i>Cirsium arvense</i>	Mechanical	1
Dyer's Woad	<i>Isatis tinctoria</i>	Chemical/Mechanical	1
Perennial Pepperweed	<i>Lepidium latifolium</i>	Chemical/Mechanical	40
Plumeless Thistle	<i>Carduus acanthoides</i>	Mechanical	3
Russian Knapweed	<i>Acroptilon repens</i>	Chemical	2
Silverleaf Nightshade	<i>Solanum elaeagnifolium</i>	Chemical/Mechanical	27
Hoary Cress	<i>Cardaria draba</i>	Chemical/Mechanical	8
Purple Starthistle	<i>Centaurea diffusa</i>	Chemical/Mechanical	7
Diffuse Knapweed	<i>Centaurea diffusa</i>	Chemical/Mechanical	1
Klamath Weed	<i>Hypericum perforatum</i>	Chemical/Mechanical	4
Tree of Heaven	<i>Ailanthus altissima</i>	Chemical/Mechanical	2

Top Ten Leading Commodities



Total Value of Agricultural Production

Product	2016	2017
Fruit and Nut Crops	\$449,457,000	\$484,205,000
Field Crops	\$148,129,000	\$165,221,000
Apiary Products	\$27,051,000	\$30,605,000
Seed Crops	\$25,859,000	\$41,177,000
Livestock and Poultry	\$37,899,000	\$40,557,000
Livestock and Poultry Products	\$48,586,000	\$59,835,000
Nursery Products	\$5,698,000	\$7,006,000
Vegetable Crops	\$5,782,000	\$6,026,000
Total Agricultural Value	\$748,461,000	\$834,632,000
Christmas Trees	\$11,000	\$11,000
Timber	\$9,000	\$39,000
Total Timber Value	\$20,000	\$50,000
Grand Total	\$748,481,000	\$834,682,000



www.countyofglenn.net/dept/agriculture

Chapter 18.70 ML LIGHT INDUSTRIAL DISTRICT

Sections:

- [18.70.010](#) Purpose.
- [18.70.020](#) Permitted uses.
- [18.70.030](#) Uses requiring conditional use permits.
- [18.70.040](#) Other regulations.

18.70.010 Purpose.

The light industrial or ML district is intended to apply to areas in which light manufacturing and heavy commercial uses of the nonnuisance type and large administrative facilities are the desirable predominant uses. [Ord. 632-91 § 18.01, 10-22-91].

18.70.020 Permitted uses.

The following uses and structures are permitted in the ML district:

- (1) Uses permitted in the CG district as defined in WMC [18.60.020](#).
- (2) Assembly and storage of goods, materials, liquids, and equipment, except storage of flammable or explosive matter or materials which create dust, odors, or fumes.
- (3) Wholesale and storage warehouses.
- (4) Feed stores.
- (5) Manufacturing, processing, fabricating, refining, repairing, packaging or treatment of goods, materials or produce by electric power, oil or gas (except operations involving fish fats and oils, bones and products or similar substances commonly recognized as creating offensive conditions in the handling thereof).
- (6) Dyeing and dry cleaning plants, rug cleaning plants, laundries, veterinary hospitals and enclosed animal kennels, cabinet shops, and construction and materials yards (except gravel, rock, and cement materials yards).
- (7) The following, when conducted within a building or enclosed within a solid wall or fence of a type approved by the planning commission not less than six feet in height: major automobile repairs, body and fender repair shops, auto painting shops, cooperage and bottling works, sheet metal shops, welding shops, truck terminals and retail lumberyards.
- (8) Automobile sales and service including used car lots.
- (9) Caretaker's residence; provided, that the legally established use requires the continuous supervision of a caretaker or security person. [Ord. 664-00 § 18.02, 6-27-00; Ord. 632-91 § 18.02, 10-22-91].

18.70.030 Uses requiring conditional use permits.

The following uses and structures may be permitted:

Retail stores and business or service enterprises which, in the opinion of the planning commission, are similar those included in WMC [18.60.030](#) (CG district). [Ord. 632-91 § 18.03, 10-22-91].

18.70.040 Other regulations.

- (1) Industrial Uses.

- (a) Minimum lot area: 10,000 square feet.
 - (b) Minimum Yard Requirements.
 - (i) Front: none.
 - (ii) Side: none, except as required by building code or other regulations.
 - (iii) Rear: none.
 - (c) Required parking spaces: see WMC 18.120.020
 - (d) Loading Area. Private off-street space for the handling of all materials and equipment.
 - (e) Maximum building height limit: 50 feet. [Ord. 632-91 § 18.04, 10-22-91].
-

The Willows Municipal Code is current through Ordinance 737-18, passed March 27, 2018.

Disclaimer: The City Clerk's Office has the official version of the Willows Municipal Code. Users should contact the City Clerk's Office for ordinances passed subsequent to the ordinance cited above.



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General Manager

Lineage Logistics • Mira Loma, CA, US

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About Lineage Logistics

Lineage Logistics is a warehousing and logistics partner committed to delivering sophisticated, customized, and dependable cold chain solutions to leading food, retail, agriculture and distribution companies. We serve customers who put a premium on excellence and reliability to ensure our nation's food supply is handled, stored and delivered safely and securely through the entire supply chain.

Your Career Starts Here!

Lineage is currently searching for a **General Manager** to join our growing team!

As the General Manager, you will develop management teams to establish cohesiveness and synergy across the departments. You plan, direct, and implement warehouse operations to meet established goals. You work closely with Operation Managers who directly oversee Supervisors and team members in our facility, carrying out responsibilities in accordance with Lineage's policies, procedures and applicable laws. You will excel in this position because you are a natural leader who is comfortable mentoring, instructing and training team members to be successful at every level.

Your success is a result of your continuous improvement, Lean, operational excellence mindset. In this energetic role, you create a cadence in the facility that is easy to follow by planning, assigning, and directing the work. Your Team is critical to your success, so you are heavily involved in the interviewing, hiring, and training of key team members. Your management style fosters an environment that allows team members to safely and successfully perform daily responsibilities and meet established expectations.

Working closely with Operations, Production, Maintenance and Quality managers on KPI improvements will require you to use your strong communication, interpersonal, presentation and problem solving skills.

You thrive in our fast pace environment because of your sense of urgency, open door communication style and ability to generate new ideas. You also model respect, teamwork, a positive attitude and safety consciousness that are essential to this role.

Work Environment

- Fast paced work environment with, in and around industrial machinery.
- Cold storage environment.
- Warehouse bays are kept at a constant 32 degrees (and below zero in certain areas). Ability to withstand cold storage temps for extended periods of time (warm gear provided by company).
- Noise level varies and at times and can be loud.

Responsibilities Include

- Assists in establishing warehouse performance objectives (KPI's) and strategic planning.
- Plan, direct, and implement warehouse operations, maintenance department, and office support to meet prescribed productivity and service goals.
- Confer with Plant Engineer to obtain daily room temperature reports and requirements.
- Oversee pest control and food safety programs and compliance of.

Seniority Level

Executive

Industry

Food & Beverages,
Logistics & Supply Chain,
Food Production

Employment Type

Full-time

Job Functions

Sales, Business Development

People also viewed

General Manager
XPO XPO Logistics, Inc.
Rialto, CA, US

2 weeks ago

General Manager of Operations
HULCHER Hulcher Services
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meeting.

- Reviews bills of lading for incoming products and customer orders in order to plan work activities.
- Assigns workers to specific duties, such as verifying amounts of and storing incoming products and assembling customer orders for delivery.
- Establishes operational procedures for verification of incoming and outgoing shipments, handling and disposition of merchandise, and keeping of warehouse inventory.
- Coordinates activities of distribution warehouse with activities of sales, record control, and purchasing departments to ensure availability of merchandise.
- Remains knowledgeable in WMS in regards to abilities, updates, and changes to suit customer needs.
- Participates in company marketing and sales efforts, including planning new account strategies, prospecting for new accounts, making sales calls, generating positive word of mouth, developing and quoting rates, negotiating contracts, and closing sales.
- Develop and manage system of controls to ensure that service levels and operational performance goals are met within prescribed cost, revenue, and profit parameters.
- Maintain customer contact.
- Directs reclamation of damaged products.
- Operates facility in compliance with federal, state, and local statutes.
- Assists to maintain the proper receipt, storage, handling, and/or distribution of safe and quality food products at this facility

Basic Qualifications

- Bachelor's Degree
- Must have at least 8 years of Operations Management experience in the Supply Chain world
- Continuous Improvement, Lean, Operational Excellence training or certification
- Strong communication skills. Ability to effectively present information in one-on-one and small group situations to customers, clients, and other employees of the organization.
- Proven ability to use basic mathematical skills.
- Strong problem solving abilities.
- Capable of becoming certified to operate all the equipment used in the warehouse.
- Available to work different shifts as necessary and available to work occasional to frequent overtime.
- Must be willing and able to frequently stand, walk, crawl, climb, push, pull, kneel, bend and reach.
- Ability to lift up to 50 pounds with or without reasonable assistance.
- Must be able to perform in all areas that hourly employees are performing with the manual dexterity required.

Lineage Team Members

- Continually meet internal and external customer expectations through teamwork, respect and willingness to help and support others.
- Demonstrate complete commitment to a culture of safety. Promote a safe work environment through personal actions and identifying any safety concerns.
- Treat all team members with a respect while demonstrating positive work attitude and leadership skills.
- Take initiative to continually improve performance and work processes through feedback, problem solving and generating new ideas.
- Work with a sense of urgency to complete tasks safely, effectively and efficiently.
- Demonstrate excellent job performance in productivity, quality, safety, and attendance

Benefits

Lineage provides safe, stable, reliable work environments, competitive pay, excellent benefits, 401K, and Paid Time Off.

Successful candidates will be required to pass a post offer, pre-employment

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Warehouse Supervisor

United States Cold Storage, Inc. • Tracy, CA, US

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PRIMARY FUNCTIONS: The Supervisor oversees the planning, development and implementation of all warehouse procedures and activities required to meet customer requirements, working within this team to continually exceed USCS's facility and Company goals. Supervisors are part of the management team and work closely with the Assistant Superintendent, Superintendent, Operations Manager and/or General Manager. The Warehouse Supervisor is responsible for the efficient execution of warehouse operations within assigned shifts or teams.

This position will also manage warehouse employee related functions, including but not limited to staffing, performance management, individual and team development, and safety, while maintaining a positive work environment.

Key Responsibilities Include But Are Not Limited To

- Accuracy of all paperwork produced.
- Follow all customer requirements.
- Assist supervision/management as needed.
- Filing
- Follow company policies, guidelines and work instructions.
- Maintain professional relationship with the carriers and customers.

Functions may vary dependent on areas of operation.

Duties And Responsibilities

Include the following. Other duties as assigned.

- Provide leadership to the efficient coordination and execution of workflow throughout the warehouse, consistently keeping safety, sanitation, cost controls, productivity, accuracy, team environment, and customer satisfaction in line with facility goals.
- Oversee inventory control functions and procedures, including cycle counts, product rotation and recall, training, customer claims and requests, and record keeping.
- Participate in the hiring process of new warehouse employees.
- Provide hands-on leadership to the ongoing development of the assigned personnel and teams.
- Develop good working relationships at all levels within the USCS team environment, leading and communicating as needed to maximize individual and team performance.
- Act on the Assistant Superintendent/Superintendent's behalf when necessary.
- Attend or Conduct plant, customer or training meetings when asked.
- Travel may be required.
- Perform any additional tasks delegated by Assistant Superintendent, Superintendent, Operations Manager and/or General Manager.
- Work with Management and Customer Service personnel to ensure that all requirements and requests are responded to in the highest professional manner

Miscellaneous

- Maintain a professional manner in appearance and communications at all times.
- Participate in staff and/or customer meetings if required.
- Develop PC/tablet skills to perform any e-mailing, reports, label preparation, order release, driver sign-out, inventory checks and/or any type of PC/tablet function necessary for that specific area.

Safety, Housekeeping, Security

- Safety glasses, seat belts, and ID badges must be worn if associates are on forklifts.

Seniority Level

Mid-Senior level

Industry

Construction,
Logistics & Supply Chain,
Transportation/Trucking/Railroad

Employment Type

Full-time

Job Functions

Management, Manufacturing

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Production Supervisor - 2nd Shift

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Warehouse & Shipping Supervisor

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Responsibility and Authority

- Warehouse Supervisors will complete the responsibilities of the Assistant Superintendent/Superintendent upon their absence.
- Initiate action to prevent the occurrence of any non-conformities relating to product, process, and quality systems.
- Identify and record any issues relating to product, processes and/or quality.
- Initiate, recommend, or provide solutions through appropriate channels.
- Verify the implementation of solutions.
- Maximize the utilization of all USCS warehouse support computer system applications and tools, including RF equipment, making recommendations for continuous improvement.
- Ensure that all warehouse sanitation, safety and security activities are consistently performed within the highest USCS, OSHA and other government compliance, and industry standards.
- Maximize all warehouse activities as they relate to meeting established financial goals, making recommendations to the Superintendent/Manager for operational and capital improvements.

Mandatory Job Requirements

The requirements that an individual must absolutely possess to perform the essential functions of the job :

- Capable of operating forklifts and their attachments.
- Have good arithmetic skills.
- Be able to read.
- Capable of following verbal and written instructions.
- Available to work various shifts.
- Capable of standing and walking extended periods of time.
- Pass written and driving forklift exam.
- Understand and follow company policy as stated in the employee handbook.

QUALIFICATION REQUIREMENTS: The knowledge, skills, and abilities listed below are representative of the qualifications required to successfully perform each essential duty. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential duties.

Education

- High School Degree/ GED Required 2+ years of College or a minimum of 2-3 years Team Lead/Supervisor experience Required

Experience

- Warehouse Supervision and operations, preferably in a food or temperature-controlled environment
- Radio frequency and other warehouse computer applications including MS Office and Lotus Notes
- Detail and customer service oriented.
- Planning, organizing, professional written and oral communication, problem solving, decision making, excellent mathematical skills.
- Must be able to consistently lead and influence others to take positive action.
- Handle multiple high priority tasks in a fast paced team environment, and requires the ability to work well independently with minimal supervision.

PHYSICAL DEMANDS: The physical demands described below are representative of those required of an individual performing the essential duties of this position. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential duties.

- Stand, walk; use hands and feet to finger, handle, or feel objects, tools, or controls; talk or hear.
- Use of scanners, telephones, and warehouse machinery.
- The employee must be capable of occasionally lifting up to 70 lbs.
- Work longer hours as needed to satisfy customer and USCS daily and seasonal requirements.
- Able to lift and move product above head.
- Have acceptable and / or correctable vision.



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to enable individuals with disabilities to perform the essential duties.

- Work in an atmosphere range of + 50 to - 30 degrees F.
- The noise level in the work area is usually moderate.
- Personal interaction and communication required to and from other people is extremely high.
- Daily workflow is fast paced, dependent on daily and seasonal customer and USCS company requirements.

The above job description may not include all tasks necessary to complete the job. The job description is a listing of the most common tasks the associate will be required to perform in that job area. The administrator will be required to perform all of the above listed tasks.

Job ID: 2018-1438

Street: 1400 N MacArthur Dr

Post End Date: 11/30/2018

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About us

USCS's century of cold storage excellence in America is backboned by 38 world-class facilities across 13 states. Our purpose goes beyond industry leading locations and services. USCS has over two thousand hardworking employees who love what they do, dedicated to keeping us at the top of the cold storage industry. We'll do whatever it takes for our

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Safety and Compliance Manager

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We are currently seeking an experienced Safety and Compliance Manager for our Pleasantdale, GA location

The selected candidate for this position will work collaboratively with the General Manager in planning, directing, and overseeing safety and compliance within the facility.

- Creates, coordinates, and conducts classroom training for "powered industrial truck" training to Management and hourly teams
- Recommend process and product safety features that will reduce employees' exposure to chemical, physical, and biological work hazards.
- Inspect facilities, machinery, and safety equipment to identify and correct potential hazards, and to ensure safety regulation compliance.
- Responsible for selection of appropriate personal protective equipment (PPE)
- Manages and keeps employee safety documentation
- Coordinates and conducts behavioral safety training
- Promote safety awareness through communication and specific training programs
- Oversight of Safety Committee, to include facilitating monthly Safety Committee meetings
- Conducts weekly/monthly safety audits
- Develops and implements training documentation changes, signage, and 5S projects
- Conducts and communicates post-accident and injury report
- Documents and communicates property damage reports
- Provides mid-week recaps on building safety
- Manages action log of safety improvements and manage to a budget
- Tracks weekly injuries including near misses
- Analyze safety trends and make recommendations to leadership.
- Bachelor's Degree (four-year college or university) and 5+ years of work experience in the logistics industry, preferably in food industry, or a related industry.
- 2 to 4 years related experience and/or training; or an equivalent combination of education and experience
- Bilingual preferred
- Experience with warehouse equipment
- PC literate to include proficiency with Microsoft Word, Excel, PowerPoint
- Exceptional verbal and written communication skills
- Ability to apply common sense understanding to interpret and carry out instructions
- Ability to organize safety audits
- Ability to organize and conduct training classes for audiences at all levels of the organization
- Ability to develop and proof training materials
- Proven presentation and facilitation skills
- Ability to write reports and correspondence

AGRO Merchants Group offers a competitive benefits package that includes Medical, Dental, Vision, and Paid Time Off.

We are an Equal Opportunity Employer and do not discriminate against

Seniority Level
Mid-Senior level

Industry
Construction,
Logistics & Supply Chain,
Transportation/Trucking/Railroad

Employment Type
Full-time

Job Functions
Management, Manufacturing

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About us

Global Cold Chain Solutions Delivered Locally

AGRO Merchants Group was founded in January 2013. Along with its financial partner, Oaktree Capital Management, AGRO Merchants currently owns and operates over 7.5 million cubic meters of temperature-controlled warehouse and distribution space in the U.S, UK, Austria, Ireland, Spain, Portugal, Poland, Australia, Brazil, Chile and the Netherlands.

AGRO is dedicated to delivering superior fresh and frozen food handling solutions through our international facility network using local market knowledge with a focus on customer care and sustainability. AGRO's vision is to be the leading partner in temperature-controlled logistics for the global food industry, recognized for innovative thinking, commodity expertise and ability to integrate businesses, driven by an entrepreneurial spirit and respect for its rich heritage.

For more information, please visit <http://www.agromerchants.com>.

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Senior Safety Manager - Atlanta, GA

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Senior Manager, Safety Health

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Business Development Manager

United States Cold Storage, Inc. • Fresno, CA, US

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United States Cold Storage (USCS) is a leading national public refrigerated warehouse operator with 38 facilities located in 13 states. USCS is comprised of thousands of dedicated professionals who are guided by a common philosophy of integrity, mutual respect, and the pursuit of excellence. We have an unyielding commitment to being "Best in Class."

We have an excellent opportunity to join our team! We are currently seeking a Business Development Manager, with previous Business Development experience to join our Fresno Western Regional Office team

Maintain and develop strategic relationships with key customer contacts with the aim of fostering and growing existing business whilst identifying and targeting new business relationships and opportunities. The Business Development Manager will work closely with Regional VP's, Area Managers, and General Managers of not only the Western Region, but throughout the company nationally as needed to facilitate and grow customer business as it relates to Warehousing and Transportation services.

Key Responsibilities Include But Are Not Limited To

- Understanding of basic warehousing capabilities, services, offerings
- Identifying and qualifying new potential accounts
- Identifying warehousing, distribution, and transportation requirements of potential customers nationally
- Coordinating customer prospect meetings
- Formal and informal proposal of USCS services, written and verbal (warehousing and transportation)
- Rate understanding and presentation to prospective customer
- Ongoing account management and maintenance calls
- Sales reporting
- Work closely with Operations with regard to:
- Ongoing lead generation (prospecting)
- Follow up on customer inquiries
- Individual facility needs and programs
- Local, Regional, and National account growth
- Space planning
- Profitability analysis and rate adjustments
- Must be willing to travel a minimum of 50% away from home as required.
- Must have ability to cover business expenses prior to company reimbursement.

Responsibility And Authority.

- Initiate action to prevent the occurrence of any non-conformities.
- Identify and record any issues.
- Initiate, recommend or provide solutions through appropriate channels.
- Works with confidential data, which if disclosed, might have significant internal effect or minor external effect.
- Monitors and analyzes department work to develop more efficient procedures and use of resources while maintaining a high level of accuracy.
- Responds to inquiries from Facility Managers and Head Office regarding financial results, special reporting requests etc.
- Verify the implementation of solutions.

Reporting

- Ensure accurate and timely preparation, processing, distribution, and retention of all necessary reports and records pertaining to proposals and financial accounts.

Seniority Level

Associate

Industry

Construction,
Logistics & Supply Chain,
Transportation/Trucking/Railroad

Employment Type

Full-time

Job Functions

Sales, Business Development

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Fresno, CA, US
 1 alum works here
3 weeks ago
- Key Account Sales Manager**
United Site Services
Fresno, California Area
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Betts Company
Fresno, California Area
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- Store Manager III - CSU**
Fresno - Kennel Bookstore -...
Follett
Fresno, CA, US
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- Following company policies, guidelines and work instructions.
- Maintaining professional relationships with all USCS staff and visitors.
- Work with integrity, respect and courtesy.
- Maintain a professional manner in appearance and communications at all times.
- Participate in staff and/or customer meetings if required.

In the Business Development Manager position, the incumbent must be self-motivated and able to work well both independently and in a team-oriented setting.

Minimum Position Qualifications And Experience

- 4 year degree or equivalent experience in sales, marketing.
- At least 2-5 years of experience in marketing, sales, or relevant position preferred.
- Must have the ability to provide guidance, direction, and motivate others to obtain improved performance.
- Must be well versed in Microsoft Office, with strong interpersonal skills.
- Effective verbal and written communication skills.
- Professional knowledge and experience in project management, including problem solving, conflict resolution skills, consulting skills, operational management skills and analytical skills.
- Thorough knowledge of negotiation tactic, and practices.
- Strong attention to detail .
- The Position requires high energy level, presentation skills .
- Ability to manage multiple priorities, problem-solve, and make adjustments as needed.
- Possess strong work ethic, actively seeking opportunities for improvement and proposing solutions.
- Professional presence, high emotional intelligence, positive demeanor, and situation awareness.
- High level of integrity, discretion, sound judgment and a team player.

Compensation And Benefits

United States Cold Storage offers competitive salary and an attractive benefits package which includes our employee's choice of, medical, dental, vision, life, supplemental life, dependent life, critical illness, and accident insurance. We also offer a 401K and Pension Plan.

At United States Cold Storage, we encourage our employees to prepare for a long career and ongoing advancement within the company. To support our people, USCS is a strong advocate of developing staff through continuous education and job-specific training. We offer training to develop employee skills at all levels and in every department.

All company employees are also encouraged to participate in outside education programs. The United States Cold Storage Tuition Assistance Program (TAP) provides the funding to permit any level employee access to further education. TAP, along with in-house training and industry programs, are intended to help improve the skill levels of our employees.

Join the USCS team today!

United States Cold Storage is an equal employment opportunity and affirmative action employer. It is our policy to provide equal employment opportunity in all phases of employment in compliance with applicable federal and state laws, rules, and regulations. If you need accommodation for any part of the employment process because of a medical condition or disability, please call (559) 237-6145 to let us know the nature of your request.

Job ID: 2018-1396

Street: 2525 East North Ave

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About us

USCS's century of cold storage excellence in America is backboned by 38 world-class facilities across 13 states. Our purpose goes beyond industry leading locations and services. USCS has over two thousand hardworking employees who love what they do, dedicated to keeping us at the top of the cold storage industry. We'll do whatever it takes for our

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Fresno, California Area

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Sprint
Fresno, CA, US

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Fresno, CA, US

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Confidential
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Marathon Petroleum Corporation
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2 alumni

New

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WISERg Corporation
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Smith & Nephew
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St Anton Condominiums
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Office Manager

United States Cold Storage, Inc. • Sacramento, CA, US

Posted 3 months ago • Be among the first 25 applicants

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General Summary

The Office Manager will be responsible for providing supervision, guidance, and leadership to all office staff within the Customer Service department, as well as offering support to the Shipping/Receiving department. The Customer Service department handles all customer requests, order entry, and shipping/receiving clerical duties, as well as daily administration and tracking. The Office Manager will work very closely with all departments to ensure all customer requests are handled in a timely manner. In addition, the Office Manager will be responsible for the duties of accounts payable and receivable as well as payroll tasks. Other duties as assigned.

Principal Duties And Responsibilities

- Review paperwork and processes within department to ensure all office work is completed accurately, efficiently, and according to all policies and/or procedures.
- Daily management of employee timecards.
- Process and submit bi-weekly payroll reports for the facility.
- Responsible for all accounts payable and accounts receivable tasks.
- Manage files for customer accounts and for employees.
- Ensure all office staff follow customer requirements, as well as company policies at all times.
- Front line in resolving customer/ carrier/ employee related issues, and informs Operations Manager of all issues.
- Escalate customer/ carrier/ employee-related issues when needed.
- Responsible for learning the specific detail of all accounts assigned to the staff under their supervision.
- Responsible for maintaining a professional environment and relationship with carriers, customers, and all staff.
- Work with Warehouse Supervisors and Coordinators as needed to ensure efficient Shipping/ Receiving process.
- Assist the Operations Manager with internal employee coaching, evaluation, and discipline for all employees under their supervision.
- Provide training and guidance to all office staff to ensure continuous development.

Physical Demands

- Stand, walk; use hands and feet to handle, or feel objects, tools, or controls; talk or hear.
- Work longer hours as needed to satisfy customer and USCS daily and seasonal requirements.
- May require physical effort associated with using the computer to access information, or occasional standing, walking, lifting needed to carry out everyday activities.

Required Knowledge, Skills And Abilities

- Have good arithmetic and analytical skills.
- Experience with accounts payable/ receivable and payroll.
- Previous experience with Kronos preferred.
- Intermediate to expert level of Excel experience.
- Ability to read, write, and communicate effectively.
- Capable of following verbal and written instructions.
- Capable of sitting for extended periods of time.
- Pleasant and proper phone etiquette.

Seniority Level
Associate

Industry
Construction,
Logistics & Supply Chain,
Transportation/Trucking/Railroad

Employment Type
Full-time

Job Functions
Administrative

People also viewed



Office Manager
LGI Homes
Sacramento, CA, US

1 week ago • Easy Apply



Staff Accountant
Sacramento Kings
Sacramento, CA, US

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Office Manager
Caliber Collision
Folsom, CA, US

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Project Manager
ZEEKTEK
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Sacramento, CA, US

6 alumni work here

1 week ago



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Robert Half
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Modis
Sacramento, California Area

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Service Desk Analyst
Office of Systems Integration
Sacramento, CA, US

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Conagra Brands has the most energized, highest-impact culture in food. Our people persistently challenge and disrupt marketplace/business conventions and we are respected for our great brands, great food, great margins and consistent results. Conagra Brands, be part of building something BIG.

Essential Duties And Responsibilities

Must be familiar with plant safety rules and guidelines.

Must have a positive attitude, work well with a team, and have initiative in improving company operations.

Work with Warehouse Manager, Logistics Coordinator, and /or Cold Storage Lead to implement changes that have been identified.

Work effectively with other departments.

Maintain the warehouse and dock in a neat and organized matter following all GMP's.

Safely and accurately stack bulk product six totes high.

Equipment

Ensure all equipment is kept in working order.

Learn and Work with ERP system.

Responsible for maintaining and inspecting forklifts.

Quality

Make certain all part pallets in a row are shipped when pulling product from that row.

Scan all inbound bulk and retail product and put away accordingly.

Load product into trucks only if in a release status by quality control.

Load trucks and ensure all hold product is tagged with the correct hold tags and put in row designated Hold Product.

Scan product into its new designated location.

Receive inbound product properly and ensure that it is sampled as per Quality Control direction.

Receive inbound dry materials in Dry Storage when necessary.

Perform cycle counts as directed.

Must be able to work in a fast paced environment.

Perform other duties and assume additional responsibilities as assigned by the Warehouse Manager, Logistics Coordinator, and/or Cold Storage Lead.

Conagra Brands is an equal opportunity employer and considers qualified applicants for employment without regard to sex, race, color, religion, ethnic or national origin, gender, sexual orientation, gender identity or expression, age, pregnancy, leave status, disability, veteran status, genetic information

Industry

Food & Beverages, Food Production

Employment Type

Full-time

Job Functions

Management, Manufacturing

People also viewed



Warehouse Lead- Nights

Conagra Brands
North Mankato, MN, US

Be an early applicant

2 days ago



Sales Project Manager

Menasha Packaging
Golden Valley, MN, US

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1 week ago

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MORRISON

MARCH 29, 2019

PRESENTED BY:
R. Brent Morrison
Founder & Principal
530-809-4669
bmorrison@morrisonco.net

AGENDA ITEM

TO: Mayor Hansen and Council members
FROM: Wayne Peabody, Interim City Manager/Fire Chief
SUBJECT: SB2 Planning Grant Program Funds

RECOMMENDATION

By Resolution, Authorizing Application for and Receipt of SB2 Planning and Grants Program Funds and Direct Staff to Commence the Process.

SITUATION (or BACKGROUND):

The California Department of Housing and Community Development has issued a Notice of Funding Availability in March of 2019 for its planning grants. As part of this program the City of Willows is identified for \$160,000 that could be used towards our General Plan Update and housing. In order to be granted, the first step is to pass a resolution by Council and then staff/grant consultant will prepare the application.

FINANCIAL CONSIDERATIONS:

Grant Consultant assistance \$2000.00. Funds available via either Community Discretionary or General Fund-CM Professional Services.

NOTIFICATION

Kristin Cooper Carter Grant Management Associates
Don Rust, Glenn County

ALTERNATE ACTION

- Approve as Recommended
- Reject Request for Approval
- Request Further Information

RECOMMENDATION

By Resolution, Authorizing Application for and Receipt of SB2 Planning and Grants Program Funds and Direct Staff to Commence the Process.

April 23, 2019

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Wayne Peabody". The signature is fluid and cursive, with the first name "Wayne" written in a larger, more prominent script than the last name "Peabody".

Wayne Peabody
Interim City Manager

Attachment:
Resolution
Grant Management Associates quote

Attachment 1

**RESOLUTION NO. 2019-:XX
A RESOLUTION OF THE CITY COUNCIL OF
WILLOWS, AUTHORIZING APPLICATION FOR, AND
RECEIPT OF, SB 2 PLANNING GRANTS PROGRAM
FUNDS**

WHEREAS, the State of California, Department of Housing and Community Development (Department) has issued a Notice of Funding Availability (NOFA) dated March 29, 2019, for its Planning Grants Program (PGP); and

WHEREAS, the City Council of Willows, desires to submit a project application for the PGP program to accelerate the production of housing and will submit a 2019 PGP grant application as described in the Planning Grants Program NOFA and SB 2 Planning Grants Program Guidelines released by the Department for the PGP Program; and

WHEREAS, the Department is authorized to provide up to \$1.2 million under the SB 2 Planning Grants Program from the Building Homes and Jobs Trust Fund for assistance to Cities (as described in Health and Safety Code section 50470 et seq. (Chapter 364, Statutes of 2017 (SB 2)) related to the PGP Program.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Willows intends the following:

SECTION 1. The City Council is hereby authorized and directed to apply for and submit to the Department the 2019 Planning Grants Program application released March 29, 2019 in the amount of \$160,000.

SECTION 2. In connection with the PGP grant, if the application is approved by the Department, the City Council is authorized to enter into, execute, and deliver a State of California Standard Agreement (Standard Agreement) for the amount of \$ 160,000, and any and all other documents required or deemed necessary or appropriate to evidence and secure the PGP grant, the City obligations related thereto, and all amendments thereto (collectively, the "PGP Grant Documents").

SECTION 3. The City shall be subject to the terms and conditions as specified in the Standard Agreement, the SB 2 Planning Grants Program Guidelines, and any applicable PGP guidelines published by the Department. Funds are to be used for allowable expenditures as specifically identified in the Standard Agreement. The application in full is incorporated as part of the Standard Agreement. Any and all activities funded, information provided, and timelines represented in the application will be enforceable through the executed Standard Agreement. The City Council hereby agrees to use the funds for eligible uses in the manner presented in the application as approved by the Department and in accordance with the Planning Grants NOFA, the Planning Grants Program Guidelines, and 2019 Planning Grants Program Application.

SECTION 4. The City Council Executive or designee is authorized and directed to execute the City of Willows Planning Grants Program application, the PGP Grant Documents, and any amendments thereto, on behalf of the City of Willows as required by the Department for receipt of the PGP Grant.

PASSED AND ADOPTED by the City Council of the City of Willows this 23rd day of April, 2019, by the following vote:

AYES in favor of:

NOES :

ABSENT :

ABSTAIN :

APPROVED:

ATTESTED:

Gary Hansen, Mayor

Tara Rustenhoven, City Clerk

Attachment 2

HCD SB 2 Planning Grant	Hours	Cost
Review eligible activities and Threshold w client	1	165
Nexus to Accelerating Housing	0.5	82.5
Nexus to State Planning Priorities	0.5	82.5
Assistance with Application Narrative		0
Applicant info/Cert	0.4	66
Threshold Form	0.5	82.5
Activity Checklist	0.3	49.5
Project Description	1	165
Timeline and Budget	0.75	123.75
Legislative info	0.5	82.5
Planning Priority form	0.6	99
Priority Cert	0.3	49.5
Nexus Cert	0.4	66
Resolution	0.25	41.25
Appendix A/B	1.25	206.25
Proposal submission	0.75	123.75
General communication	3	495
Total Cost and hours	12	1980

AGENDA ITEM

TO: Wayne Peabody, Interim City Manager
FROM: Tim Sailsbery, Administrative Services Director
SUBJECT: Telephone System Lease

RECOMMENDATION

By Resolution, Agree to a Municipal Lease and Option Agreement with NEC and Authorize the Administrative Services Director Negotiate and Sign Said Lease

SITUATION (or BACKGROUND):

After 19 years of service, the City's voicemail system has died, and there is not availability to repair/replace. The system went down several months ago, and Gaynor Telesystems had an old voicemail system available to replace. That was their last one, and it only lasted several months.

The City has tentatively agreed to a 5-year lease with NEC/Gaynor for a new telephone and voicemail system. Given the emergency nature of the situation, the City is electing to bypass the RFP process for the transaction.

The 5 year lese will cost the City \$268.08 per month with a \$1 purchase option at the close of the lease. The package includes the telephone and voicemail system and a 5 year service agreement with Gaynor.

NOTIFICATION

N/A

FINANCIAL IMPACT

\$3,217 annually in lease payments from the General Fund. Capital purchase would have been +/- \$14,000 plus tax (including the service plan).

ALTERNATE ACTIONS

1. Adopt the resolution
2. Reject the procurement of a new phone system
3. Reject the proposal and commence with the RFP process

April 23, 2019

RECOMMENDATION

By Resolution, Accept the Proposal for General Plan Update Submitted By De Novo Planning Group and Direct the Interim CM to Negotiate a Contract for Services

Respectfully submitted,

/s/ Tim Sailsbery

Tim Sailsbery
Administrative Services Director

Attachment

-Draft Lease Option Agreement
-Resolution

Municipal Lease And Option Agreement

DATED: April 15, 2019

LESSOR: NEC FINANCIAL SERVICES, LLC
250 PEHLE AVENUE, SUITE 203
SADDLE BROOK, NJ 07663-5806

LESSEE: CITY OF WILLOWS, CALIFORNIA
201 N LASSEN STREET
WILLOWS, CA 95988

Lessor agrees to lease to Lessee and Lessee agrees to lease from Lessor, the Equipment hereinafter described ("Equipment") in accordance with the following terms and conditions of this Municipal Lease and Option Agreement ("Agreement") which shall be governed by and construed in accordance with the laws of the state of the Equipment Location described below ("State").

DESCRIPTION OF EQUIPMENT

(1) NEC SV9100 PHONE SYSTEM , together with all accessories, additions and attachments thereto, replacements and substitutions therefore and all proceeds thereof, now owned or hereinafter acquired.

LOCATION OF EQUIPMENT

201 N LASSEN STREET WILLOWS, CA 95988

RENTAL PAYMENTS

Rental Payment Periods shall be monthly. Rental Payments shall be made in accordance with Section 6.02 and the Schedule of Rental Payments attached hereto as Exhibit A. The maximum Lease Term of this Agreement is 60 months. The first payment will be due on May 25, 2019.

ESSENTIAL USE CERTIFICATE

1. The Equipment will be used by the Lessee for the following governmental purpose of telecommunications.
2. The Equipment is essential for the functioning of the Lessee and is immediately needed by the Lessee. Such need is neither temporary nor expected to diminish during the Lease Term. The Equipment is expected to be used by the Lessee for a period in excess of the Lease Term.

TERMS AND CONDITIONS

THE TERMS AND CONDITIONS OF THIS AGREEMENT SET FORTH ON THESE 6 PAGES SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS IF SET FORTH HERE.

IN WITNESS WHEREOF, Lessor and Lessee have caused this Agreement to be executed in their names by their duly authorized representatives as of the date written above.

(LESSOR)
NEC Financial Services, LLC

(LESSEE)
CITY OF WILLOWS, CALIFORNIA

By: _____

By: _____

Title: _____

Title: _____

(SEAL if applicable)

ATTEST: _____

Title: _____

CERTIFICATE OF CLERK OR SECRETARY OF LESSEE

I, the undersigned, do hereby certify (i) that the officer of Lessee who executed the foregoing Agreement and all related documents on behalf of Lessee and whose genuine signature appears thereon, is the duly qualified and acting officer of Lessee as stated beneath his or her signature and has been authorized to execute the foregoing Agreement and all related documents on behalf of Lessee, and (ii) that the budget year of Lessee is from _____ to _____.

Dated: _____

By: _____

Title: _____

OPINION OF COUNSEL

With respect to that certain Municipal Lease and Option Agreement (the "Agreement") dated April 15, 2019 by and between Lessor and the Lessee, I am of the opinion that: (i) the Lessee is, within the meaning of Section 103 of the Internal Revenue Code of 1986, a State or fully constituted political subdivision or agency of the State of the Equipment Location described above; (ii) the execution, delivery and performance by the Lessee of the Agreement have been duly authorized by all necessary action on the part of the Lessee; and, (iii) the Agreement constitutes a legal, valid and binding obligation of the Lessee enforceable in accordance with its terms.

Printed Name: _____

Dated: _____

Address: _____

Signature: _____

Telephone No.: _____

ARTICLE I
COVENANTS OF LESSEE

Section 1.01. Covenants of Lessee. Lessee represents covenants and warrants, for the benefit of Lessor and its assignees, as follows:

- (a) Lessee is a public body, corporate and politic, duly organized and existing under the Constitution of the laws of the State.
(b) Lessee will do or cause to be done all things necessary to preserve and keep in full force and effect its existence as a body corporate and politic.
(c) Lessee is authorized under the Constitution and laws of the State to enter into this Agreement and the transaction contemplated hereby and to perform all of its obligations hereunder.
(d) Lessee has been duly authorized to execute and deliver this Agreement by proper action and approval of its governing body at a meeting duly called, regularly convened and attended throughout by a requisite majority of the members thereof or by other appropriate official approval.
(e) During the term of this Agreement, the Equipment will be used by Lessee only for the purpose of performing one or more governmental or proprietary functions of Lessee consistent with the permissible scope of Lessee's authority and will not be used in a trade or business of any person or entity other than Lessee.
(f) During the period this Agreement is in force, Lessee will annually provide Lessor with current financial statements, budgets, proof of appropriation for the ensuing fiscal year and such other financial information relating to the ability of Lessee to continue this Agreement as may be reasonably requested by Lessor or its assignee.
(g) The Equipment will have a useful life in the hands of Lessee that is substantially in excess of the Lease Term.
(h) The Equipment is, and during the period this Agreement is in force will remain, personal property and, when subjected to use by Lessee under this Agreement, will not be or become fixtures.
(i) Lessee will comply with all applicable provisions of the Code, including without limitation Sections 103 and 148 thereof, and the applicable regulations of the Treasury Department to maintain the exclusion of the interest components of Rental Payments from gross income for purposes of federal income taxation. Lessee will submit to the Secretary of the Treasury an information reporting statement, Form 8038G or 8038GC as applicable, at the time and in the form required by the Code and Regulations. In the event that Lessee should fail to perform its obligations under this Section (i) and the interest component of any Lease Payment received by Lessor should be determined to be includable in gross income of Lessor for federal income tax purposes, then Lessee shall pay to Lessor as additional rent hereunder such amount as is necessary to return to Lessor an after-tax yield equal to Lessor's tax-exempt yield with respect to such Rental Payment and to reimburse Lessor for all penalties, interest, costs, fees and administrative and other expenses (including reasonable legal fees) incurred with respect thereto.
(j) /Initial if applicable / Lessee hereby designates the Agreement as a "qualified tax-exempt obligation" as defined in Section 265(b)(3)(B) of the Code. The aggregate face amount of all tax-exempt obligations (excluding private activity bonds other than qualified 501(c)(3) bonds) issued or to be issued by Lessee and all subordinate entities thereof during the Issuance Year is not reasonably expected to exceed \$10,000,000. Lessee and all subordinate entities thereof will not issue in excess of \$10,000,000 of qualified tax-exempt obligations (including the Agreement but excluding private activity bonds other than qualified 501 (c)(3) bonds) during the Issuance Year without first obtaining an opinion of nationally recognized counsel in the area of tax-exempt municipal obligations acceptable to Lessor that the designation of the Agreement as a "qualified tax-exempt obligation" will not be adversely affected.

(k) Upon request Lessee will, with reasonable promptness, provide Lessor with copies of Lessee's current year-end and quarterly financial statements (prepared in accordance with generally accepted accounting principles, consistently applied) in form and content

satisfactory to Lessor.

ARTICLE II DEFINITIONS

Section 2.01. **Definitions.** Unless the context clearly otherwise requires or unless otherwise defined herein, the capitalized terms in this Agreement shall have the respective meanings specified below.

"**Agreement**" means this Municipal Lease and Option Agreement with its Exhibits.

"**Code**" means the Internal Revenue Code of 1986, as amended, and to the extent applicable, the regulations and rulings issued thereunder.

"**Commencement Date**" is the date when the term of this Agreement begins and Lessee's obligation to pay rent accrues, which date shall be the date first above written.

"**Equipment**" means the property described and which is the subject of this Agreement.

"**Lease Term**" means the period beginning with the Commencement Date and continuing until terminated as outlined in Section 4.01.

"**Purchase Price**" means the amount set forth and so titled which Lessee may pay to Lessor to purchase the Equipment as provided under Section 10.01.

"**Rental Payments**" means the basic rental payments payable by Lessee pursuant to this Agreement.

"**Vendor**" means the manufacturer of the Equipment as well as the agents or dealers of the manufacturer.

ARTICLE III LEASE OF EQUIPMENT

Section 3.01. **Lease of Equipment.** Lessor hereby demises leases and lets to Lessee, and Lessee rents, leases and hires from Lessor, the Equipment, in accordance with the provisions of this Agreement, to have and to hold for the Lease Term.

ARTICLE IV LEASE TERM

Section 4.01. **Lease Term.** This Agreement shall be in effect and shall commence as of the Commencement Date and will remain in effect throughout the Lease Term. The Lease Term will terminate upon the first to occur of: (a) the exercise by Lessee of the option to purchase the Equipment under Articles X or VI; (b) Lessor's election to terminate this Agreement upon a default under Article XII; (c) the payment by Lessee of all sums required to be paid by Lessee hereunder; or (d) the occurrence of an Event of Nonappropriation in accordance with Article VI, Section 6.05.

ARTICLE V ENJOYMENT OF EQUIPMENT

Section 5.01. **Quiet Enjoyment.** Lessor hereby agrees not to interfere with Lessee's quiet use and enjoyment of the Equipment so long as Lessee is not in default hereunder.

Section 5.02. **Use of the Equipment.** Lessee will not install, use, operate or maintain the Equipment improperly, carelessly, in violation of any applicable law or in a manner contrary to that contemplated by this Agreement.

Section 5.03. **Right of Inspection.** During the Lease Term, the Lessor and its officers, employees and agents shall have the right at all reasonable times during business hours to enter into and upon the property of the Lessee for the purpose of inspecting the Equipment.

Section 5.04. **Disclaimer of Warranties.** Lessee's warranties are contained in the agreement between the manufacturer and CITY OF WILLOWS, CALIFORNIA . LESSOR AND/OR LESSOR'S ASSIGNEE (S) MAKES NO WARRANTY NOR REPRESENTATION, EITHER EXPRESSED OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE OR FITNESS FOR USE OF THE EQUIPMENT, OR ANY OTHER WARRANTY WITH RESPECT THERETO AND, AS TO THE LESSOR AND/OR LESSOR'S ASSIGNEE (S), THE LESSEE LEASES THE EQUIPMENT "AS IS". In no event shall the Lessor and/or Lessor's Assignee(s) be liable for any loss or damage, including incidental, indirect, special or consequential damage, in connection with or arising out of this Agreement or the existence, furnishing, functioning or the Lessee's use of any items or products or services provided for in this Agreement.

Section 5.05. **Vendors Warranties.** Lessee may assert claims and rights that the Lessor may have against any Vendor of any portion of the Equipment.

ARTICLE VI RENTAL PAYMENTS

Section 6.01. **Rental Payments to Constitute a Current Expense of Lessee.** The obligation of the Lessee to pay Rental Payments to Lessor due and owing during the current fiscal year of the Lessee under this Agreement is a current expense of the Lessee and not a debt of the Lessee in contravention of any applicable limitations or requirements. Obligations becoming due and owing in subsequent fiscal years of the Lessee for the fiscal year during which they are incurred, but shall not be current expenses of the Lessee during the current fiscal year in which this Agreement is executed. Nothing contained herein shall constitute a pledge of the general tax revenues, funds or moneys of the Lessee.

Section 6.02. **Rental Payments.** Lessee shall pay Rental Payments from legally available funds, in lawful money of the United States of America to Lessor, in the amounts and on the payment dates set forth on the Payment Schedule attached hereto as Exhibit A. If we do not receive any Rental Payment or any other amount due from you when due, you agree to pay us a late charge equal to Twenty Five Dollars (\$25.00) or ten percent (10%) of the amount not paid on time for each month payment is not received by us, whichever amount is higher. If we are not legally permitted to charge this amount, you agree to pay us the maximum amount permitted by law.

Section 6.03. **Rental Payments to be Unconditional.** The obligations of Lessee to make Rental Payments, and to perform and observe the covenants and agreements contained herein, shall be absolute and unconditional in all events, including the discontinuance of any grant moneys expected by Lessee, except as expressly provided under this Agreement, notwithstanding any dispute between Lessee and Lessor, any Vendor or any other person. Lessee shall not assert any right of set-off or counterclaim against its obligation to make payments under this Agreement.

Section 6.04. **Continuation of Lease Term by Lessee.** Lessee intends to do all things lawfully within its power to obtain and maintain funds from which the Rental Payments may be made.

Section 6.05. **Nonappropriation.** If (a) sufficient funds are not appropriated for Rental Payments due in any fiscal year and (b) the Lessee shall have at such time no funds duly authorized for the Rental Payments or other amounts payable hereunder from other sources, an Event of Nonappropriation shall be deemed to have occurred. The Lessee shall promptly deliver notice thereof to the Lessor. Upon the occurrence of an Event of Nonappropriation, the Lessee agrees that the Lessor may reclaim possession of the Equipment. Lessee agrees peaceably to deliver the Equipment and title thereto to Lessor at a reasonable location specified by Lessor, all at Lessee's expense.

Section 6.06. **Nonsubstitution.** If an Event of Nonappropriation occurs, the Lessee hereby agrees, to the extent permitted by law and subject to applicable public policy, not to purchase, lease, or rent equipment performing functions similar to those performed by the Equipment for the remainder of the then current fiscal year of the Lessee.

ARTICLE VII TITLE TO EQUIPMENT; SECURITY INTEREST

Section 7.01. **Title to the Equipment.** During the term of this Agreement, title to the Equipment shall vest in Lessee, subject to Lessor's rights upon an Event of Default or an Event of Nonappropriation.

Section 7.02. **Security Interest.** To secure payment and performance of all indebtedness, liabilities and obligations due and/or owing by Lessee to Lessor (each an "Obligation", collectively the "Obligations"), whether now or hereafter existing, arising, under the Agreement, any Schedule, and/or all agreements, guaranties, instruments, or other documents executed in favor of and/or delivered to Lessor, Lessee hereby grants, transfers and, assigns to Lessor a security interest in the Equipment, together with all accessories, attachments and accessions now or hereafter affixed thereto, and all substitution and replacements of, and all proceeds of the foregoing. Lessor's security interest in or title to the Equipment, whether now or hereafter acquired, shall not be released until all the Obligations have been paid in full. Lessee will cooperate fully with Lessor (or any assignee of Lessor pursuant to Section 11.01) for the purpose of carrying out the intent and purposes hereof and to protect the interests of Lessor in the Equipment, this Lease and the sums due and to become due under and in connection with this Lease, including, without limitation, the execution of all Uniform Commercial Code financing statements requested by Lessor. Lessor is hereby authorized, to the extent permitted by applicable law, to file one or more Uniform Commercial Code financing statements, whether precautionary or otherwise, as appropriate, disclosing Lessor's interest in the Equipment, this Lease, the sums due under and/or in connection with this Lease and in any and all other collateral which secures Lessee's obligations to Lessor, without the signature of Lessee or signed by Lessor as Attorney-in Fact for Lessee. Lessee hereby irrevocably appoints Lessor (and any of Lessor's officers, employees or agents designated by Lessor) as Lessee's agent and Attorney-in-Fact, coupled with an interest, to do all things necessary to carry out the intent of this paragraph, including, without limitation, the execution and filing of all Uniform Commercial Code financing statements.

Section 7.03. **Liens and Encumbrances to Title.** Lessee shall promptly discharge any liens placed on the Equipment other than those created by Lessor.

ARTICLE VIII MAINTENANCE; MODIFICATION; TAXES; INSURANCE AND OTHER CHARGES

Section 8.01. **Maintenance of Equipment by Lessee.** Lessee will, at Lessee's own cost and expense, maintain, preserve and keep the Equipment in good repair, working order and condition.

Section 8.02. **Taxes, Other Governmental Charges and Utility Charges.** In the event that the use, possession or acquisition of the Equipment is found to be subject to taxation in any form (except for income taxes of Lessor), government charges or utility charges and expenses, Lessee will pay all such taxes and charges as they come due. Lessee agrees to pay Lessor a documentation fee of \$175.00 to cover Lessor's expense in processing this Lease and credit application.

Section 8.03. **Provisions Regarding Insurance.** At its own expense, Lessee shall maintain (a) casualty insurance insuring the Equipment against loss or damage by fire and all other risks covered by the standard extended coverage endorsement then in use in the State and any other risks reasonably required by Lessor in an amount at least equal to the then applicable Purchase Price of the Equipment, (b) liability insurance that protects Lessor from liability in all events in form and amount satisfactory to Lessor, and (c) workers' compensation coverage as required by the laws of the State; provided that, with Lessor's prior written consent, Lessee may self-insure against the risks described in clauses (a) and (b). All insurance proceeds from casualty losses shall be payable as hereinafter provided. Lessee shall furnish to Lessor certificates evidencing such coverage throughout the Lease Term. All such casualty and liability insurance shall be with insurers that are acceptable to Lessor, shall name Lessee and Lessor as insureds and shall contain a provision to the effect that such insurance shall not be canceled or modified materially without first giving written notice thereof to Lessor at least thirty days in advance of such cancellation or modification. All such casualty insurance shall contain a provision making any losses payable to Lessee and Lessor, as their respective interests may appear.

Section 8.04. **Advances.** In the event Lessee shall fail to maintain the full insurance coverage required by this Agreement or shall fail to keep the Equipment in good repair and operating condition, Lessor may (but shall be under no obligation) to purchase the required policies of insurance and pay the premiums on the same or may make such repairs or replacements as are necessary and provide for payment thereof; and all amounts so advanced therefor by Lessor shall be repaid to Lessor, together with interest thereon at the rate specified hereafter.

Section 8.05. **Modifications.** Without the prior written consent of the Lessor, the Lessee shall not make any material alterations, modifications or attachments to the Equipment.

**ARTICLE IX
DAMAGE, DESTRUCTION AND CONDEMNATION; USE OF NET PROCEEDS**

Section 9.01. **Damage, Destruction and Condemnation.** If (a) the Equipment or any portion thereof is destroyed (in whole or in part) or is damaged by fire or other casualty or (b) title to, or the temporary use of the Equipment or any part thereof is taken under the exercise of the power of eminent domain, Lessee and Lessor will cause the Net Proceeds of any insurance claim or condemnation award to be applied either to the prompt repair, restoration, modification or replacement of the Equipment or, at Lessee's option, to the payment in full of the Purchase Price. Any balance of the Net Proceeds remaining after such work or purchase has been completed shall be paid to Lessee.

For purposes of Article VIII, Section 8.03, and this Article IX, the term "Net Proceeds" shall mean the amount remaining from the gross proceeds of any insurance claim or condemnation award after deducting all expenses (including attorney's fees) incurred in the collection of such claims or award.

Section 9.02. **Insufficiency of Net Proceeds.** If the Net Proceeds are insufficient to pay in full the cost of any repair, restoration, modification or replacement, Lessee, in their sole opinion, shall either (a) complete the work and pay any cost in excess of the amount of Net Proceeds, or (b) Lessee shall pay to Lessor the Purchase Price. The amount of the Net Proceeds in excess of the then applicable Purchase Price, if any, may be retained by Lessee.

**ARTICLE X
OPTION TO PURCHASE**

Section 10.01. **Purchase Rights.** Lessee shall be entitled to purchase the Equipment:

- (a) Upon payment in full of all Rental Payments due hereunder and all other amounts due hereunder; or
- (b) Provided there is no Event of Default hereunder and upon written notice delivered at least 30 days in advance, Lessee may purchase the Equipment on any rental payment date by paying to Lessor the Rental Payment then due, together with the applicable Purchase Price along with all other amounts then due hereunder.

**ARTICLE XI
ASSIGNMENT, SUBLEASING, INDEMNIFICATION, MORTGAGING AND SELLING**

Section 11.01. **Assignment or Sale by Lessor.**

(a) This Agreement, and the obligations of Lessee to make payments hereunder, may be sold, assigned or otherwise disposed of in whole or in part to one or more successors, grantors, holders, assignees or subassignees by Lessor. Upon any sale, disposition, assignment or reassignment, Lessee shall be provided with a notice of said assignment. During the term of this Agreement, Lessee shall each keep a complete and accurate register of all such assignments in form necessary to comply with Section 149(a) of the Code.

(b) Lessee agrees to make all payments to the assignee designated in the assignment, notwithstanding any claim, defense, setoff or counterclaim whatsoever (except arising from Lessor's breach of this Agreement) that Lessee may from time to time have against Lessor or Vendor. Lessee agrees to execute all documents, including notices of assignment and chattel mortgages or financing statements, which may be reasonably requested by Lessor or assignee to protect its interests in the Equipment and in this Agreement.

(c) Lessee hereby agrees that Lessor may sell or offer to sell this Agreement (i) through a certificate of participation program, whereby two or more interests are created in the Agreement, the Equipment or the Rental Payments; or (ii) with other similar instruments, agreements and obligations through a pool, trust, limited partnership, or other entity.

Section 11.02. **No Sale, Assignment or Subleasing by Lessee.** This Agreement and the interest of Lessee in the Equipment may not be sold, assigned or encumbered by Lessee without the prior written consent of Lessor.

Section 11.03. **Release and Indemnification Covenants.** To the extent permitted by the laws and Constitution of the State of CA, as they exist on the date of the execution of this Agreement, Lessee shall protect, hold harmless and indemnify Lessor from and against any and all liability, obligations, losses, claims, and damages whatsoever, caused by or resulting from the acts or omissions of the Lessee, its agents, employees and representatives pursuant to this Agreement. Lessor shall protect, hold harmless and indemnify Lessee from and against any and all liability, obligations, losses, claims and damages whatsoever, caused by or resulting from the acts or omissions of the Lessor, its agents, employees and representatives pursuant to this Agreement. The indemnification arising under this paragraph shall survive the termination of this Agreement.

**ARTICLE XII
EVENTS OF DEFAULT AND REMEDIES**

Section 12.01. **Events of Default.** The following constitute "Events of Default" under this Agreement:

(a) Failure by the Lessee to pay any Rental Payment or other payment required to be paid hereunder or any Obligation when due;

or

(b) Failure by the Lessee to maintain insurance on the Equipment in accordance with Article VIII Section 8.03 hereof; or

(c) Failure by the Lessee to observe and perform any other covenant, condition or agreement on its part to be observed or performed hereunder or under any Obligation for a period of 30 days after written notice is given to the Lessee by the Lessor, specifying such failure and requesting that it be remedied; provided, however, that if the failure stated in such notice cannot be corrected within such 30-day period, the Lessor will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by the Lessee within the applicable period and diligently pursued until the default is corrected: or

(d) Initiation by the Lessee of a proceeding under any federal or state bankruptcy or insolvency law seeking relief under such laws concerning its indebtedness.

A default under any Obligation shall be deemed a default under each and every other Obligation.

The foregoing provisions of this Section are subject to the provisions of Article VI, Section 6.05, hereof.

Section 12.02. **Remedies On Default.** Whenever any Event of Default shall have occurred and be continuing, the Lessor shall have the right, at its sole option without any further demand or notice, to take any one or any combination of the following remedial steps:

(a) Terminate this Agreement and retake possession of the Equipment wherever situated, and sell or lease, sublease or make other

disposition of the Equipment for use over a term in a commercially reasonable manner, all for the account of Lessor; provided that Lessee shall remain directly liable for the amount actually appropriated for the purchase or rental of the Equipment and unpaid by Lessee during the current fiscal year.

Lessor shall apply the sale proceeds in the following manner:

FIRSTLY, to pay all proper and reasonable costs and expenses associated with the recovery, repair, storage and sale of the Equipment, including reasonable attorneys' fees and expenses;

SECONDLY, to pay the Lessor (i) the amount of all unpaid Rental Payments, if any, which are then due and owing, together with interest and late charges thereon, (ii) the then applicable Purchase Price (taking into account the payment of past due Rental Payments as aforesaid), plus a pro rata allocation of interest, at the rate utilized to establish the interest component for the Rental Payment next due, from the next preceding due date of a Rental Payment until the date of payment by the buyer, and (iii) any other amounts due hereunder;

THIRDLY, to pay the remainder of the sale proceeds purchase moneys or other amounts paid by a buyer of the Equipment, to the Lessee.

(b) Proceed by appropriate court action to enforce performance by the Lessee of the applicable covenants of this Agreement or to recover for the breach thereof; or

(c) Use or retake such portion of the Equipment as the Lessor, in its sole discretion, may decide.

All of the Lessee's right, title and interest in any Equipment the possession of which is retaken by the Lessor upon the occurrence of an Event of Default or Event of Nonappropriation shall terminate immediately upon such repossession.

Section 12.03. **Return of Equipment.** Upon an Event of Default, Lessee agrees to allow Lessor to recover the Equipment at Lessee's sole cost and expense, in accordance with Article VI, Section 6.05.

Section 12.04. **No Remedy Exclusive.** No remedy herein conferred upon or reserved to the Lessor is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity.

Section 12.05. **Force Majeure.** If by reason of force majeure Lessee is unable in whole or in part to carry out its agreement on its part herein contained, other than the obligations on the part of Lessee contained in Article VI and Article VIII Section 8.03 hereof, Lessee shall not be deemed in default during the continuance of such inability. The term "force majeure" as used herein shall mean, without limitation, the following: acts of God, strikes, lockouts or other industrial disturbances; act of public enemies, orders or restraints of any kind of the government of the United States of America or the State or any of their departments, agencies or officials, or any civil or military authority; insurrections; riots; landslides; earthquakes; fires; storms; droughts; floods; or explosions.

ARTICLE XIII MISCELLANEOUS

Section 13.01. **Notices.** All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered or mailed by registered mail, postage prepaid, to the parties at the addresses set forth on the first page hereof.

Section 13.02. **Binding Effect.** This Agreement shall inure to the benefit of and shall be binding upon Lessor and Lessee and their respective successors and assigns.

Section 13.03. **Severability.** In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 13.04. **Amendments.** All amendments hereto must be in writing.

Section 13.05. **Execution in Counterparts.** This Agreement may be executed in several counterparts.

Section 13.06. **Applicable Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of CA.

Section 13.07. **Captions.** The captions or heading in the Agreement are for convenience only and no way define, limit or describe the scope or intent of any provisions or sections of this Agreement.

Section 13.08. **Entire Agreement.** This Agreement constitutes the entire agreement between Lessor and Lessee. No waiver, consent, modification or change of terms of this Agreement shall bind either party unless in writing signed by both parties, and then such waiver, consent, modification or change shall be effective only in the specific instance and for the specific purpose given. There are no understandings, agreements, representations or warranties, express or implied, not specified herein regarding this Agreement or the Equipment leased hereunder. Any terms and conditions of any purchase order or other document (with the exception of Supplements) submitted by Lessee in connection with this Agreement which are in addition to or inconsistent with the terms and conditions of this Agreement will not be binding on Lessor and will not apply to this Agreement. Lessee by the signature on Page 1 of its authorized representative acknowledges that it has read this Agreement understands it and agrees to be bound by its terms and conditions. A copy or copies of this Agreement and related documents with facsimile signatures may be treated as originals and shall be admissible as evidence. It is agreed by Lessee and Lessor that, notwithstanding the use herein of the words "writing," "execution," "signed," "signature," or other words of similar import, Lessee and Lessor intend that the use of electronic signatures and the keeping of records in electronic form be granted the same legal effect, validity or enforceability as a signature affixed by hand or the use of a paper-based record keeping system (as the case might be) to the extent and as provided for in any applicable law including the Federal Electronic Signatures in Global and National Commerce Act, the New Jersey State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act. This Agreement may be executed electronically through an electronic acceptance and acknowledgement in an electronic workspace designed for that purpose, which acceptance and acknowledgement shall have the same legal effect, validity and enforceability as signature affixed by hand.

EXHIBIT A
SCHEDULE OF PAYMENTS

<u>Pmt #</u>	<u>Payment Date</u>	<u>Principal Balance</u>	<u>Total Payment</u>	<u>Interest Portion</u>	<u>Principal Portion</u>	<u>Purchase Price</u>
0		13,370.55				
1		13,186.32	268.08	83.85	184.23	15,777.25
2		13,000.93	268.08	82.69	185.39	15,559.86
3		12,814.38	268.08	81.53	186.55	15,341.10
4		12,626.67	268.08	80.36	187.72	15,120.97
5		12,437.77	268.08	79.18	188.90	14,899.47
6		12,247.69	268.08	78.00	190.08	14,676.57
7		12,056.42	268.08	76.81	191.27	14,452.27
8		11,863.95	268.08	75.61	192.47	14,226.57
9		11,670.27	268.08	74.40	193.68	13,999.46
10		11,475.37	268.08	73.19	194.89	13,770.91
11		11,279.26	268.08	71.96	196.12	13,540.94
12		11,081.91	268.08	70.73	197.35	13,309.52
13		10,883.33	268.08	69.50	198.58	13,076.66
14		10,683.50	268.08	68.25	199.83	12,842.33
15		10,482.42	268.08	67.00	201.08	12,606.53
16		10,280.08	268.08	65.74	202.34	12,369.25
17		10,076.46	268.08	64.47	203.61	12,130.49
18		9,871.58	268.08	63.19	204.89	11,890.23
19		9,665.40	268.08	61.91	206.17	11,648.46
20		9,457.94	268.08	60.61	207.47	11,405.17
21		9,249.17	268.08	59.31	208.77	11,160.36
22		9,039.09	268.08	58.00	210.08	10,914.02
23		8,827.70	268.08	56.69	211.39	10,666.13
24		8,614.98	268.08	55.36	212.72	10,416.68
25		8,400.92	268.08	54.03	214.05	10,165.67
26		8,185.53	268.08	52.68	215.40	9,913.09
27		7,968.78	268.08	51.33	216.75	9,658.92
28		7,750.67	268.08	49.97	218.11	9,403.16
29		7,531.20	268.08	48.61	219.47	9,145.80
30		7,310.35	268.08	47.23	220.85	8,886.82
31		7,088.11	268.08	45.84	222.24	8,626.21
32		6,864.49	268.08	44.45	223.63	8,363.98
33		6,639.45	268.08	43.05	225.03	8,100.09
34		6,413.01	268.08	41.64	226.44	7,834.56
35		6,185.15	268.08	40.22	227.86	7,567.35
36		5,955.86	268.08	38.79	229.29	7,298.48
37		5,725.13	268.08	37.35	230.73	7,027.91
38		5,492.95	268.08	35.90	232.18	6,755.65
39		5,259.32	268.08	34.45	233.63	6,481.68
40		5,024.22	268.08	32.98	235.10	6,205.99
41		4,787.65	268.08	31.51	236.57	5,928.58
42		4,549.59	268.08	30.02	238.06	5,649.42
43		4,310.04	268.08	28.53	239.55	5,368.52
44		4,068.99	268.08	27.03	241.05	5,085.85
45		3,826.43	268.08	25.52	242.56	4,801.41
46		3,582.35	268.08	24.00	244.08	4,515.19
47		3,336.73	268.08	22.47	245.61	4,227.17

48	3,089.58	268.08	20.93	247.15	3,937.34
49	2,840.87	268.08	19.38	248.70	3,645.70
50	2,590.61	268.08	17.82	250.26	3,352.23
51	2,338.77	268.08	16.25	251.83	3,056.92
52	2,085.36	268.08	14.67	253.41	2,759.75
53	1,830.36	268.08	13.08	255.00	2,460.73
54	1,573.76	268.08	11.48	256.60	2,159.82
55	1,315.55	268.08	9.87	258.21	1,857.03
56	1,055.72	268.08	8.25	259.83	1,552.35
57	794.26	268.08	6.62	261.46	1,245.75
58	531.16	268.08	4.98	263.10	937.22
59	266.41	268.08	3.33	264.75	626.77
60	0.00	268.08	1.67	266.41	314.36
TOTAL		16,084.80	2,714.25	13,370.55	

Lessee: CITY OF WILLOWS, CALIFORNIA

By: _____

Date: _____

Certificate Of Acceptance

Lease Number: 100-109410
Schedule Number: 001

We hereby acknowledge receipt of the Equipment described in the above-referenced Lease (the "Equipment") and after full inspection of the Equipment have found it to be fully installed and in good working condition and satisfactory for all purposes of the applicable Lease Agreement or Lease Schedule we both signed. We hereby irrevocably authorize you to pay for and purchase the Equipment.

TO THE EXTENT THAT THE COST OF THE EQUIPMENT INCLUDES ANY MAINTENANCE/WARRANTY CONTRACT, WE CLEARLY UNDERSTAND AND AGREE THAT YOU HAVE NO RESPONSIBILITY TO US OR ANYONE ELSE IN CONJUNCTION WITH THE RESPONSIBILITIES AND OBLIGATIONS OF THE SUPPLIER WITH RESPECT TO THE MAINTENANCE/WARRANTY CONTRACT AND THAT YOU DO NOT AND WILL NOT ACCEPT ANY OBLIGATION OF ANY TYPE TO PERFORM ANY SERVICE, REPAIR, REPLACEMENT OR MAINTENANCE OF THE EQUIPMENT, AND THAT YOU ARE NOT A PARTY TO THE MAINTENANCE/WARRANTY CONTRACT. IN ALL CIRCUMSTANCES, WE UNDERSTAND AND AGREE THAT WE WILL ONLY SEEK TO HAVE THE SUPPLIER PERFORM UNDER THE MAINTENANCE/WARRANTY CONTRACT AND REGARDLESS OF ANY DISPUTE OR DISSATISFACTION WE MAY HAVE WITH THE SUPPLIER OR THEIR SERVICES, WE AGREE TO CONTINUE TO PAY YOU ALL THE RENTALS DUE UNDER THE AGREEMENT AND THE PAYMENT DUE UNDER THIS LEASE SCHEDULE.

We understand that based on representations made by us herein and elsewhere, that you are about to purchase the Equipment and pay the Supplier.

Sign below when equipment is delivered, fully installed and in good working condition.

Lessee: CITY OF WILLOWS, CALIFORNIA

By: _____
Authorized Signature

Print Name Print Title

Date Signed: _____

NEC NEC FINANCIAL SERVICES

Authorization for One-Time and Recurring Automatic Payment

Customer/Company Name:*

CITY OF WILLOWS, CALIFORNIA

E-Mail Address:*

Contract or Customer Number:*

100-109410

Telephone Number:*

5309347041

Hereby authorizes

NEC FINANCIAL SERVICES, LLC**Check all that apply:****To initiate a one-time debit** entry to our checking account referenced below to NEC Financial Services, LLC as of the date of this authorization, plus a \$5.00 processing fee.

Minimum Payment Due

Specific Amount \$ _____ and

To initiate monthly automatic debit entries to our checking account indicated below for all amounts due NEC Financial Services, LLC. This authorization is to remain in full force and effect until we provide NEC Financial Services, LLC written notification.**Update bank information**

Bank Name:*

Routing Number:*

Account Number:*

We agree that a facsimile copy of this agreement bearing signatures may be treated as an original, and agree that electronic signatures are original binding signatures under the Uniform Electronic Transaction Act. By signing this authorization, I am representing that I am the authorized signatory on the account and that there are sufficient funds in the account for the electronic transactions. I understand that if a debit is returned for insufficient funds, a debit will be reinitiated until sufficient funds are available and we will be charged a fee of \$35.00 each time that a debit is returned.

Printed Name and Title:

Signature:*

Date:

Sample Information Needed:

YOUR NAME		1001
5555 Street Name City, ST 12345		DATE _____
Pay to the Order of _____	\$ _____	
	Dollars	
Financial Institution		
1000 Street Name City, ST 12345		
For _____		
: 0041838835 :	: 003527742 :	1001
Routing Number	Account Number	

Fax, E-mail or Mail Form to:

NEC Financial Services, LLC
ACH Department
250 Pehle Avenue, Suite 704
Saddle Brook, New Jersey 07663-5806
fax: 866-422-7549
e-mail: accounting@neclease.com

Please retain a copy of this form for your records.

* Required

Click here to print this form.
Fax to: 800.451.5360Click here to submit this
form via e-mail

RESOLUTION NO. _____

Resolution of the City Council of the City of Willows Agreeing to a Municipal Lease and Option Agreement with NEC and Authorize the Administrative Services Director Negotiate and Sign Said Lease

WHEREAS, the City has experienced a sudden and complete shutdown of a portion of its telephone system, and

WHEREAS, it is recognized that a need has arisen to quickly and efficiently install a replacement system, and

WHEREAS, this emergency situation necessitates a sole-source approach to procurement of a new telephone system;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Willows does hereby agree to enter into a Municipal Lease and Option Agreement with NEC, utilizing Gaynor Telesystems as the vendor for installation and services, and

BE IT FURTHER RESOLVED, that the Council hereby authorizes the Administrative Services Director to finalize negotiation and sign on the City's behalf

PASSED AND ADOPTED by the Willows City Council this 23rd day of April, 2019 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

Gary Hansen, Mayor

ATTEST:

City Clerk