



Willows City Council Regular Meeting

September 8, 2020
Willows City Hall
7:00 p.m.

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

Interim City Manager
Wayne Peabody

City Clerk
Tara Rustenhoven

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

Agenda

NOTICE:

Pursuant to N-25-20 issued by Governor Gavin Newsom suspending portions of the Brown Act, the September 8, 2020 Willows City Council meeting will be OPEN to the public. We will be limiting the number of members of the public physically present in Council chambers at City Hall in order to observe recommended social distancing practices. Members of the public who choose to attend in person are strongly advised to wear a mask or other face covering, and to wash their hands and use hand sanitizer frequently, in addition to maintaining at least six feet of distance between themselves and any others who are not members of their household to minimize the possibility of transmission of the COVID-19 virus. For those members of the public who are at high-risk or prefer not to attend in-person, the City is also providing a mechanism through which they may attend the meeting telephonically by following the instructions below.

Dial in Number: (605) 313-5611

Access Number: 404150

1. **CALL TO ORDER- 7:00 p.m.**
2. **PLEDGE OF ALLEGIANCE**
3. **ROLL CALL**
4. **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 by stating your name and address. Then please wait until you are recognized by the Mayor or Vice Mayor. No formal action will be taken unless the matter is placed on a future agenda. Each member of the public attending in person or caller will be limited to three (3) minutes. If you are calling in to provide public comment, use the call-in information below:

Dial in Number: (605) 313-5611

Access Number: 404150

5. 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, payroll & direct deposit check registers 50442-50523, Z10935-Z10954, 38717-38732.
- b. Approval of minutes of the Regular City Council Meeting held on August 25, 2020.

Comments from the public are welcome. The Mayor will allow an opportunity for comments related to Public Hearings or any 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.

6. REGULAR BUSINESS AGENDA/ITEMS REQUIRING COUNCIL ACTION

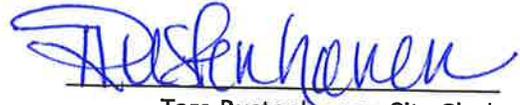
- a. Adopt a resolution entitled; **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WILLOWS, STATE OF CALIFORNIA, ACCEPTING THE IMPROVEMENTS ASSOCIATED WITH THE SOUTH WILLOWS COMMERCIAL AND INDUSTRIAL CENTER PROJECT (EDA PROJECT 07-01-07275), AUTHORIZING THE RELEASE OF RETENTION AND AUTHORIZING THE NOTICE OF COMPLETION TO BE FILED FOR THE PROJECT.**
- b. Adopt a resolution entitled; **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WILLOWS, STATE OF CALIFORNIA, ACCEPTING DEDICATION OF PUBLIC UTILITY EASEMENTS FOR GAS, ELECTRIC AND COMMUNICATION FACILITIES ASSOCIATED WITH THE SOUTH WILLOWS COMMERCIAL AND INDUSTRIAL CENTER PROJECT (EDA PROJECT 07-01-07275) AND DIRECTING THE CITY CLERK TO RECORD THE GRANT DEEDS.**
- c. Consideration to adopt City Council Resolution No. __-2020 approving the City of Willows Debt Management Policy and Disclosure Procedures consistent and compliant with Section 8855(i) of the California Government Code.
 - i. **RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WILLOWS APPROVING A DEBT MANAGEMENT POLICY AND DISCLOSURE PROCEDURES FOR PUBLIC DEBT ISSUANCES AND RELATED DISCLOSURE OBLIGATIONS.**

7. COUNCIL/ STAFF REPORTS/COMMENTS

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

8. ADJOURNMENT

This agenda was posted on September 3, 2020



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. If requested, the agenda shall be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132). 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



CONSENT AGENDA



Period

8/20/2020 TO 9/4/2020

General Checking 50442 TO 50523

Payroll Direct Deposit Z10935 TO Z10954

Payroll Checks 38717 TO 38732

APPROVAL DATE 9/8/2020

APPROVED _____

Check Number	Check Date	Vendor Number	Name	Gross Amount	Discount Amount	Net Amount	Invoice #	Payment Information Description
050442	08/13/20	CAL62	CAL WATER	28000.00	.00	28000.00	C00813P	WATER SUPPLY ASSESSMENT S
050443	08/21/20	C&R00	C & R RADIO	45.00	.00	45.00	1053	PROGRAM RADIOS #16 SWEEPE
050444	08/21/20	CAL01	CALIFORNIA WATER SERVICE	85.79	.00	85.79	C00819	120 HARVEST DR 7/9-8/7/20
050445	08/21/20	CIT08	CITY OF WILLOWS	1446.84	.00	1446.84	1-10001	SEWER-CITY OWNED PROPERTY
050446	08/21/20	COD00	CODE PUBLISHING COMPANY	181.50	.00	181.50	67393	MUNICIPAL CODE UPDATE
050447	08/21/20	COM16	COMCAST CABLE	150.94 145.94	.00 .00	150.94 145.94	C00819 BC00819	FD INTERNET 7/19-8/18/20 ADMIN INTERNET 7/29-8/28/
			Check Total.....	296.88	.00	296.88		
050448	08/21/20	COR02	CORBIN WILLITS SYSTEMS	424.35	.00	424.35	C007151	CONT.SERV. FINANCEAUG 202
050449	08/21/20	CSF00	CSFEWBC-VLSA	5950.00	.00	5950.00	2020-108	FIREFIGHTER AWARD PROGRAM
050450	08/21/20	CUR01	L.N. CURTIS & SONS	58.13	.00	58.13	572431	VALVE
050451	08/21/20	DEM02	DEMSEY FILLIGER & ASSC.	750.00	.00	750.00	202007027	GASB 75 DISCLOSURE INFORM
050452	08/21/20	DEN00	DE NOVO PLANNING GROUP	2305.00	.00	2305.00	2804	GENERAL PLAN UPDATE THROU
050453	08/21/20	DIG00	DIG SAFE BOARD	205.91	.00	205.91	132720DIG	CALIFORNIA REGULATORY COS
050454	08/21/20	FED00	FEDEX	95.86	.00	95.86	706850326	SHIPPING
050455	08/21/20	FGL00	FGL ENVIRONMENTAL	88.00 22.00	.00 .00	88.00 22.00	75274A 76386A	BACTI ANALYSIS BACTI ANALYSIS
			Check Total.....	110.00	.00	110.00		
050456	08/21/20	FP000	FRANCOTYP-POSTALIA, INC.	83.66	.00	83.66	070120	POSTBASE METER 7/1-9/30/2
050457	08/21/20	GAL06	CENGAGE LEARNING INC/GALE	1027.22	.00	1027.22	70970208	PAPERBACK COLLECTION
050458	08/21/20	GLE12	GLENN COUNTY TAX COLLECTO	367.36 370.64	.00 .00	367.36 370.64	C00819 BC20819	PROP TAX 139 N LASSEN PROP TAX 145 N LASSEN
			Check Total.....	738.00	.00	738.00		
050459	08/21/20	IWO00	iWorQ SYSTEMS	2600.00	.00	2600.00	327	PERMIT MANAGEMENT SUPPORT
050460	08/21/20	JER00	JEREMY'S PEST STOMPERS	35.00	.00	35.00	83201	PEST CONTROL FD AUGUST 20
050461	08/21/20	KEL04	BRENNAN KELLY	68.00	.00	68.00	C00819	REIMBURSE CERTIFICATION F
050462	08/21/20	KNI03	KNIFE RIVER CONSTRUCTION	85.02 8942.77	.00 .00	85.02 8942.77	234357 22180030	ASPHALT SOUTH WILLOWS COMMERCIAL
			Check Total.....	9027.79	.00	9027.79		
050463	08/21/20	L&T00	L & T TOWING	525.00	.00	525.00	37710	TOWING SERVICE
050464	08/21/20	LIF01	LIFE ASSIST	277.01	.00	277.01	1019686	MEDIC SUPPLIES
050465	08/21/20	MAT01	MATSON & ISOM TECHNOLOGY	2202.00 2093.00 100.00	.00 .00 .00	2202.00 2093.00 100.00	75246 75606 75665	MANAGED PARTNER AGREEMENT MANAGED PARTNER AGREEMENT OFFSITE BACKUP AUG 2020
			Check Total.....	4395.00	.00	4395.00		
050466	08/21/20	MJB01	MJB WELDING SUPPLY, INC.	38.00	.00	38.00	1305555	CYLINDER RENTAL
050467	08/21/20	NAT26	NATIONAL FIRE SYSTEMS, IN	250.00	.00	250.00	51202	HOOD INSPECTION
050468	08/21/20	NCC01	NCCSIF	116693.00 17640.00	.00 .00	116693.00 17640.00	2263 2303	LIABILITY/CRIME INSURANCE WORKERS COMP.
			Check Total.....	134333.00	.00	134333.00		
050469	08/21/20	NEC00	NEC FINANCIAL SERVICES LL	268.08	.00	268.08	2330533	PHONE SYSTEM
050470	08/21/20	NOR18	NORTHERN CALIF. GLOVES	236.31	.00	236.31	531098	GLOVES
050471	08/21/20	NSW00	NSWTS	110.00	.00	110.00	921	MONTHLY SERVICE CHARGE
050472	08/21/20	PGE01	PG & E	25.46	.00	25.46	C00819	1600 S TEHAMA 7/3-8/2/20
050473	08/21/20	SAC08	SACRAMENTO VALLEY MIRROR	221.40	.00	221.40	16584	LEGAL ADS
050474	08/21/20	SAF03	SAFETY TIRE SERVICE	1069.30	.00	1069.30	43868	TIRES
050475	08/21/20	SCO00	SCOTTY'S ELECTRIC MOTOR R	485.45	.00	485.45	64546Q	TEST/REPAIR CORD DAMAGE

Check Number	Check Date	Vendor Number	Vendor Name	Gross Amount	Discount Amount	Net Amount	Payment Information	
							Invoice #	Description
050476	08/21/20	SEV00	INFRAMARK, LLC	54219.41	.00	54219.41	53876	WILLOWS OPERATION AUGUST
050477	08/21/20	THO00	THOMAS HYDRAULIC AND	27.75	.00	27.75	414670	#8 FLATBED REPAIR
050478	08/21/20	USA02	UNDERGROUNG SERVICE ALERT	272.68	.00	272.68	202013272	MEMBERSHIP FEE 2020
050479	08/21/20	USB02	US BANK	387.25	.00	387.25	420059016	EQUIP. LEASE 7/20-8/20/20
050480	08/21/20	WIL17	WILLDAN	156.61	.00	156.61	2-23071	PLAN CHECK THROUGH 7/31/2
050481	08/21/20	ZAP00	ZAP MANUFACTURING, INC.	448.28	.00	448.28	3747	TRAFFIC SIGNS
Cash Account Total.....:				251280.92	.00	251280.92		
Total Disbursements.....:				251280.92	.00	251280.92		
Cash Account Total.....:				.00	.00	.00		

REPORT.: Aug 20 20 Thursday
 RUN...: Aug 20 20 Time: 11:41
 Run By.: JANE COLLINS

CITY OF WILLOWS
 Cash Disbursement Detail Report
 Check Listing for 08-20 Bank Account.: 1045

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 ID #: PY-DP
 CTL.: WIL

Check Number	Check Date	Vendor Number	Vendor Name	Gross Amount	Discount Amount	Net Amount	Invoice #	Payment Information Description
050482	08/21/20	ABO00	STEVE ABOLD	200.00	.00	200.00	C00820	PUB. WKS. TOOL PARKS/PUB.
050483	08/21/20	NOR03	NORTHNET LIBRARY SYSTEM	4256.00	.00	4256.00	1904	UNFUNDED LIABILITY
050484	08/21/20	PRA00	WAYNE PEABODY	200.00	.00	200.00	C00820	TECHNOLOGY ALLOWANCE AUG
050485	08/21/20	STO01	STONY CREEK UNIFIED SCHOO	100.00	.00	100.00	C00820	RENT EC LIBRARY
Cash Account Total.....:				4756.00	.00	4756.00		
Total Disbursements.....:				4756.00	.00	4756.00		

REPORT.: Aug 20 20 Thursday
 RUN...: Aug 20 20 Time: 16:36
 Run By.: JANE COLLINS

CITY OF WILLOWS
 Cash Disbursement Detail Report
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Check Number	Check Date	Vendor Number	Vendor Name	Gross Amount	Discount Amount	Net Amount	Invoice #	Payment Information Description
050486	08/21/20	4LE00	4LEAF INC	9472.00	.00	9472.00	J3693T	SOUTH WILLOWS INFRASTRUCTU
050487	08/21/20	KNI03	KNIFE RIVER CONSTRUCTION	116267.15	.00	116267.15	C00820	SOUTH WILLOWS INFRASTRUCTU
Cash Account Total.....:				125739.15	.00	125739.15		
Total Disbursements.....:				125739.15	.00	125739.15		

Check Number	Check Date	Vendor Number	Name	Gross Amount	Discount Amount	Net Amount	Invoice #	Payment Information Description
050488	08/26/20	AME02	AMERIPRIDE UNIFORM SVCS.	706.21	.00	706.21	C00825	JULY STMT PER ATTACHED
050489	08/26/20	ASE00	LI ASERON	13.71	.00	13.71	C00825	REIMBURSE BATTERY PURCHAS
050490	08/26/20	ATT01	A.T.& T.	1073.29	.00	1073.29	C00825	TELEPHONE EXP. 6/19-7/18/
050491	08/26/20	BID01	BIDWELL H2O	155.00	.00	155.00	7543	COOLER RENTAL JULY-AUG 20
050492	08/26/20	CAL01	CALIFORNIA WATER SERVICE	2479.29	.00	2479.29	C00825	WATER & SEWER 6/11-7/13/2
				2869.08	.00	2869.08	BC00825	WATER & SEWER7/14-8/12/20
			Check Total.....:	5348.37	.00	5348.37		
050493	08/26/20	CLE03	CLEARWAY ENERGY LLC	12755.23	.00	12755.23	381113	SOLAR ELECTRICITY 7/1-7/3
050494	08/26/20	COL08	COLE HUBER LLP	24470.49	.00	24470.49	35275	GENERAL COUNSEL SERVICES
050495	08/26/20	COM16	COMCAST CABLE	160.94	.00	160.94	C00825	FD INTERNET 8/19-9/18/20
050496	08/26/20	DEM01	DEMCO, INC.	129.58	.00	129.58	6825249	LIBRARY SUPPLIES
				67.70	.00	67.70	6825251	LAMINATE ROLL
			Check Total.....:	197.28	.00	197.28		
050497	08/26/20	FED00	FEDEX	102.20	.00	102.20	710113085	SHIPPING
050498	08/26/20	GAN01	GANDY-STALEY OIL CO.	2773.37	.00	2773.37	C00825	JULY STMT PER ATTACHED
050499	08/26/20	GLE09	GLENN CO. OFFICE OF EDUCA	69.00	.00	69.00	2020818	LIVE SCAN
050500	08/26/20	INK01	THE INKWELL	278.46	.00	278.46	C00825	JULY STMT PER ATTACHED
050501	08/26/20	INT16	INTERSTATE BATTERY SYSTEM	110.34	.00	110.34	30056895	#4 FLATBED BATTERY
050502	08/26/20	ITF01	INDUSTRIAL TRUCK & FARM	179.64	.00	179.64	C00825	JULY STMT PER ATTACHED
050503	08/26/20	MEN02	MENDES SUPPLY COMPANY	42.89	.00	42.89	R04228601	CANISTER WIPES
				152.33	.00	152.33	R04540000	LINERS/TISSUE
			Check Total.....:	195.22	.00	195.22		
050504	08/26/20	PGE01	PG & E	12722.98	.00	12722.98	C00825	UTILITY-ELECTRC 7/14-8/12
050505	08/26/20	RAY03	RAY MORGAN COMPANY	63.28	.00	63.28	3025217	PROF. SERVICES GENERAL OF
				63.28	.00	63.28	3053502	PROF. SERVICES GENERAL OF
			Check Total.....:	126.56	.00	126.56		
050506	08/26/20	SAC08	SACRAMENTO VALLEY MIRROR	541.20	.00	541.20	16620	LEGAL ADS
050507	08/26/20	SEV00	INFRAMARK, LLC	54219.41	.00	54219.41	52919	WILLOWS OPERATION JULY 20
050508	08/26/20	VER02	VERIZON WIRELESS	199.07	.00	199.07	C00825	TELEPHONE EXP. 6/27-7/26/
050509	08/26/20	WAL07	WAL-MART COMMUNITY	147.01	.00	147.01	C00825	JULY STMT PER ATTACHED
050510	08/26/20	WILHD	WILLOWS HARDWARE, INC.	324.78	.00	324.78	C00825	JULY STMT PER ATTACHED
050511	08/26/20	WILHI	WILLOWS ACE HARDWARE	309.81	.00	309.81	C00825	JULY STMT PER ATTACHED
050512	08/26/20	WILHQ	WILLOWS AUTO PARTS	318.89	.00	318.89	C00825	JULY STMT PER ATTACHED
			Cash Account Total.....:	117498.46	.00	117498.46		
			Total Disbursements.....:	117498.46	.00	117498.46		

REPORT.: Aug 27 20 Thursday
 RUN...: Aug 27 20 Time: 15:48
 Run By.: JANE COLLINS

CITY OF WILLOWS
 Cash Disbursement Detail Report
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Check Number	Check Date	Vendor Number	Name	Gross Amount	Discount Amount	Net Amount	Payment Information	
							Invoice #	Description
050513	08/28/20	ABO00	STEVE ABOLD	200.00	.00	200.00	C00827	PUB. WKS. TOOL PARKS/PUB.
				107.20	.00	107.20	BC00827	REIMBURSE NURSERY EXPENSE
			Check Total.....:	307.20	.00	307.20		
050514	08/28/20	KNI03	KNIFE RIVER CONSTRUCTION	6119.32	.00	6119.32	C00827	SOUTH WILLOWS INFRASTRUCT
050515	08/28/20	PEA00	WAYNE PEABODY	200.00	.00	200.00	C00827	TECHNOLOGY ALLOWANCE SEPT
050516	08/28/20	STO01	STONY CREEK UNIFIED SCHOO	100.00	.00	100.00	C00827	EC LIBRARY RENT SEPT 2020
			Cash Account Total.....:	6726.52	.00	6726.52		
			Total Disbursements.....:	6726.52	.00	6726.52		

REPORT: Aug 31 20 Monday
 RUN: Aug 31 20 Time: 10:31
 Run By: JANE COLLINS

CITY OF WILLOWS
 Cash Disbursement Detail Report
 Check Listing for 08-20 Bank Account.: 1045

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 CTL.: WIL

Check Number	Check Date	Vendor Number	Name	Gross Amount	Discount Amount	Net Amount	Invoice #	Payment Information Description
050518	08/31/20	BID01	BIDWELL H2O	180.00	.00	180.00	07543	COOLER RENT MAR-JUNE 2020
050519	08/31/20	CAL56	CALIFA GROUP	4184.52	.00	4184.52	3435	CENIC BROADBAND JAN-MAR 2
				4174.08	.00	4174.08	3865	CENIC BROADBAND APR-JUNE
			Check Total.....:	8358.60	.00	8358.60		
050520	08/31/20	COR10	CORNING LUMBER CO., INC.	38.21	.00	38.21	037576	PAINT SUPPLIES
050521	08/31/20	PGE01	PG & E	11804.03	.00	11804.03	C00831	UTILITY-ELECTRIC 6/15-7/1
050522	08/31/20	WAL07	WAL-MART COMMUNITY	219.08	.00	219.08	C00831	JUNE STMT PER ATTACHED
050523	08/31/20	WIL17	WILLDAN	1057.76	.00	1057.76	222807	PLAN CHECK SERVICES 5/4-5
			Cash Account Total.....:	21657.68	.00	21657.68		
			Total Disbursements.....:	21657.68	.00	21657.68		



ACTION MINUTES OF THE WILLOWS CITY COUNCIL REGULAR MEETING HELD AUGUST 25, 2020

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.

1. Mayor Warren called the meeting to order at 7:00 p.m.
2. The meeting opened with the Pledge of Allegiance led by Council Member Mello.

3. Roll Call:

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

Council Members Absent:

Staff Present: Interim City Manager Wayne Peabody, City Attorney David G. Ritchie and City Clerk Tara Rustenhoven

4. Ceremonial Matters (Proclamations, Recognitions, Awards)

Mayor Warren recognized the following Proclamations

- a. A Day to Remember
- b. National POW/MIA Recognition Day

5. Public Comment/ Written Communications:

Hilgard Muller, resident of Willows, wanted to thank City Staff and Council with helping him and also the community in working to help keeping things running in these times.

6. Consent Agenda:

- a. Approval of general checking, payroll & direct deposit check registers 50427-50441, Z10913-Z10934-38709-38716
- b. Approval of minutes of the Regular City Council Meeting held on July 28, 2020.
- c. Approval of minutes of the Regular City Council Meeting held on August 11, 2020.
- d. Passage and adoption of the Zoning Ordinance entitled; **AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WILLOWS AMENDING WILLOWS MUNICIPAL CODE CHAPTER 18.110.090(8) (NON-CONFORMING USES) WITH OTHER TEXT TO REMAIN UNCHANGED.**

Action:

Motion: Council Member Hansen/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, Hansen, Mello, Vice Mayor Domenighini, Mayor Warren

NOES:

ABSENT:

ABSTAIN:

7. Regular Business:

- a. By motion, accept the Biomass Feasibility analysis and Business Case Study.

Action:

Motion: Vice Mayor Domenighini/Second: Council Member Hansen

Moved to accept the Biomass Feasibility and Business Case Study.

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

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

NOES:

ABSENT:

ABSTAIN:

8. Council/Staff Reports/Comments:

- a. Staff Reports/Comments:

- Fire crews and law enforcement are out there working hard. Try to stay indoors while the air quality is poor during the fires.

- b. City Council Reports Comments: Council gave comments/reports on activities and various meetings they attended.

9. 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 COUNCIL-ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Gov Code Section §54956.9:

Number of Cases: 2

Entered into closed session at 7:47 p.m.

Reconvened into open session at 8:32 p.m.

Announcement of any action taken in closed session:

Mayor Warren reported no reportable action.

10. Adjournment:

The Meeting was adjourned at 8:32 p.m.

Dated: August 26, 2020

Tara Rustenhoven, City Clerk



REGULAR BUSINESS

AGENDA ITEM

TO: Honorable Mayor Warren and Members of the City Council

FROM: John Wanger, City Engineer

SUBJECT: Acceptance of Improvements Associated with the South Willows Commercial and Industrial Center Project (EDA Project 07-01-07275) and Acceptance of Six Public Utility Easements Associated with this project

RECOMMENDATION

That the City Council adopt the attached resolution accepting the improvements associated with the South Willows Commercial and Industrial Center Project (EDA Project 07-01-07275), authorize the filing of the Notice of Completion, authorizing the release of retention to the Contractor prior to September 25, 2020 and adopt the attached resolution accepting six Public Utility Easement associated with this project.

SITUATION (or BACKGROUND):

Construction Project Acceptance

On October 23, 2018, the City Council awarded a construction contract to Knife River Construction for the South Willows Commercial and Industrial Center Project. This project has been funded through the Economic Development Administration (EDA), Community Development Block Grants, Developer funding and City funding.

The contractor has been diligently working on this project since the award. As of the writing of this staff report, the last part of work that has to be completed is for PG&E to energize the electrical system. Energizing the system is scheduled for September 11, 2020. Once the system is energized and checked, the work will be complete.

As part of the conditions of the EDA Grant, all work must be completed, and the contractor must be paid in full no later than September 25, 2020. Based on this date and the timing of documents and paperwork that has to be completed prior to payment, staff is requesting that the Council authorize acceptance of the work once PG&E has energized the electrical system and once the construction manager has verified that all punch list work has been completed. Additionally, staff is requesting that the Council authorize staff to file the Notice of Completion for this project immediately after PG&E energizes the electrical system and to authorize staff to process the final pay request to the contractor (including retention) no later than September 25, 2020.

Along with the acceptance of the improvements, the Performance Bond and Labor and Material Bond posted for this project should be released. The Maintenance bond (10% of the overall cost of the project) shall remain in effect for 1 year from the date of acceptance of the project. Staff is also requesting that the Council authorize release of the Performance and Labor and Material bonds upon filing of the Notice of Completion.

A summary of the cost of the project is presented in the Financial Considerations portion of this staff report

Public Utility Easement

During the bidding of the project, PG&E informed the City that the alignment and connection points for the gas and electric that they had originally instructed the project engineers to use was being changed. The original points of connection were directly east of the intersection of Harvest Drive/S. Tehama Street adjacent to the railroad tracks. The new connection point for the gas was in Road 53 just west of the intersection of Road 53/S. Tehama Street and the new connection point for the electrical service was in the southeasterly corner of the project.

Extending the gas and electric facilities to their respective connection points meant that these facilities would not be located within any existing public utility easements. Accordingly, to ensure that all public utilities are within appropriate easements, easement documents have been produced for the necessary easements for these facilities based on as-constructed locations.

Since the South Industrial and Commercial property owned by Basin Street (under the name of California Land Investors LLC) has been subdivided, it has created the need to have six separate easements. A brief description of the location of each of the easements are as follows:

- Easements 1 and 5 – crossing the easterly edge of the southerly and northerly detention ponds associated with the South Industrial and Commercial project. In both locations the land is owned by the City (dedicated as separate parcels on the parcel map for the development.) The easement is being granted to allow access to gas, electric and communications facilities.
- Easements 2 and 3 – crossing the easterly side of lots 6 and 5 that were created with the parcel map for the development. Both parcels are currently owned by California Land Investors, LLC.
- Easement 4 – within the drainage ditch parcel adjacent to S. Tehama Street currently owned by California Land Investors, LLC.
- Easement 6 – crossing the easterly edge of the Basin Street residential parcel.

Exhibits showing the locations of each of these easements is attached. These easements need to be accepted prior to September 25, 2020 (the deadline for the EDA project.) In order to record the easements in a timely fashion, staff is requesting that the

Council accept these easements and authorize the City Clerk to record all easements prior to September 25, 2020.

FINANCIAL CONSIDERATIONS

The approved overall budget for this project and the amount spent is summarized as follows:

	As Approved by <u>Council</u>	<u>Actual Expenditure</u>
Construction Contract	\$ 4,840,103.50	\$4,840,103.50
Construction Management/Inspection	\$ 625,974.00	\$ 550,000.00*
Construction Contingency (10%)	<u>\$ 484,010.00</u>	<u>\$ 452,337.51</u>
Total	\$ 5,950,087.50	\$5,842,441.01

* Estimated at project closeout

Change Orders included:

- PG&E changes to the connection point for gas (\$162,872.38)
- Adjustment of snake fencing (\$3,000)
- Standby costs related to coordination with the Railroad authority during jack and bore operations within the railroad right-of-way (\$3,833.87)
- Additional costs associated with steel reinforcing for the walls associated with the bridge (\$2,178)
- Remobilization costs associated with joint trench construction due to delays from PG&E (\$8,513)
- Field changes to joint trench design changes on Harvest Drive due to requests from PG&E inspector (\$47,795.49)
- Added curbs on the bridge to encapsulate conduits (\$5,634.13)
- Changes to PG&E gas bore alignment due to required changes by PG&E (\$53,775.70)
- Changes to communications conduits needed due to changes required by PG&E (\$47,960.00)
- Need to pothole 16 feet deep to check the water table due to changes required by PG&E (\$500)
- Nine bollards required by PG&E to protect transformers (\$4,702.50)
- Overruns on quantities on bid items (\$101,808)
- Changes to the electrical system during construction (total of \$9,684.51)

In addition to the above change orders, additional fees from Cal Water (\$160,309 for their design and inspection fees) and from PG&E for connection charge (\$50,216) were encountered. These fees are not reimbursable through the EDA funding.

Funding for the project is as follows:

EDA Federal Funding for Construction/CM/Contingency \$ 3,654,368

CDBG OTC Grant	\$ 850,000
City Matching Funds	
Storm Drain Development Impact fees	\$ 300,000
Sewer Enterprise Fund	\$ 235,715
Basin St. Matching funds	\$ 910,005
Total Funding	<u>\$ 5,950,088</u>

NOTIFICATION

None

ALTERNATE ACTIONS

None recommended.

RECOMMENDATION

Staff recommends that the City Council take the following actions:

1. Adopt the attached resolution accepting the improvements associated with the South Willows Commercial and Industrial Center Project (EDA Project 07-01-07275), authorize the filing of the Notice of Completion, authorizing the release of retention to the Contractor prior to September 25, 2020; and
2. Adopt the attached resolution accepting six Public Utility Easement associated with this project.

Respectfully submitted,

John Wanger
City Engineer

Attachments: Resolutions
 Exhibits

RESOLUTION No. _____

**RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF WILLOWS, STATE OF CALIFORNIA,
ACCEPTING THE IMPROVEMENTS ASSOCIATED WITH THE SOUTH WILLOWS
COMMERCIAL AND INDUSTRIAL CENTER PROJECT (EDA PROJECT 07-01-
07275), AUTHORIZING THE RELEASE OF RETENTION AND AUTHORIZING THE
NOTICE OF COMPLETION TO BE FILED FOR THE PROJECT**

WHEREAS, at the October 23, 2018 City Council meeting, the City Council approved entering into a contract with Knife River Construction for the South Willows Commercial and Industrial Center (EDA Project 07-01-07275) ("Project"); and

WHEREAS, the Project has been inspected and determined to have been completed in accordance with the contract requirements except for energizing the electrical system, which is scheduled to be completed on September 11, 2020; and

WHEREAS, based upon the foregoing, staff recommends acceptance of the Project on behalf of the City after the electrical system is energized.

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

1. The City hereby accepts the improvements associated with the Project subject to energizing the electrical system on September 11, 2020 by PG&E.
2. Once the PG&E work has been completed, the Council hereby authorizes the City Engineer to release the Performance and Labor & Material surety posted with this project; and to hold the Maintenance Bond until September 12, 2021, at which time the City Engineer is authorized to release said bond if the improvements remain in good condition and there are no issues to be resolved.
3. Authorizes and directs the City Engineer to file a Notice of Completion concerning the Project with the Glenn County Clerk's Office within ten (10) days of September 11, 2020.
4. This Resolution shall become effective immediately.
5. Authorizes payment in full (including retention) to the Contractor prior to September 25, 2020.
6. All portions of this resolution are severable. Should any individual component of this Resolution be adjudged to be invalid and unenforceable by a body of competent jurisdiction, then the remaining resolution portions shall be and continue in full force and effect, except as to those resolution portions that have been adjudged invalid. The City Council of the City of Willows hereby declares that it would have adopted this Resolution and

each section, subsection, clause, sentence, phrase and other portion thereof, irrespective of the fact that one or more section subsection, clause sentence, phrase or other portion may be held invalid or unconstitutional.

PASSED, APPROVED AND ADOPTED at a regular meeting of the City Council on this 8th day of September 2020, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

ATTESTED:

Kerri Warren, Mayor

Tara Rustenhoven, City Clerk

WHEN RECORDED RETURN TO:

City of Willows
Public Works Department
201 N. Lassen Street
Willows, CA 95988

NOTICE OF COMPLETION

NOTICE IS HEREBY GIVEN that the undersigned City of Willows, 201 North Lassen Street, Willows, California, owners in fee of various rights-of-way within the City of Willows, California, observed certain construction work to be performed within the City of Willows, County of Glenn, which work is generally described as follows:

South Willows Commercial and Industrial Project that included sewer, water, storm drain, street, bridge, grading and utility work on South Tehama Streets and Harvest Drive within the Corporate City Limits of the City of Willows.

That the contractor for the performance of such work was awarded to Knife River Construction and that said work was satisfactorily completed on September 12, 2020 in accordance with the Project Plans and Specifications. The final construction cost for the project was \$5,292,441.01.

This notice is given pursuant to Section 8100 and 9204 of the Civil Code of the State of California.

<p>This is to certify that the Notice of Completion above is hereby authorized by order of the Council of the City of Willows pursuant to approved resolution No. ____ at the September 8, 2020 City Council meeting, and owner consents to recordation thereof by its duly authorized officer.</p>	<p style="text-align: center;">City of Willows A Municipal Corporation</p> <p>I declare under penalty of perjury that the information is true and correct. By: _____ City Engineer</p> <p>Dated: September 12, 2020</p>
---	---

I, John Wanger, declare as follows:

I am the City Engineer of the City of Willows, and I have been authorized to make this verification on its behalf. I have read the foregoing Notice of Completion and know the contents thereof. The same is true of my knowledge.

I declare under penalty of perjury that the foregoing is true and correct and that I have executed this verification on September 12, 2020 in Willows, California.

CITY OF WILLOWS

RESOLUTION No. _____

**RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF WILLOWS, STATE OF CALIFORNIA,
ACCEPTING DEDICATION OF PUBLIC UTILITY EASEMENTS FOR GAS,
ELECTRIC AND COMMUNICATION FACILITIES ASSOCIATED WITH THE SOUTH
WILLOWS COMMERCIAL AND INDUSTRIAL CENTER PROJECT (EDA PROJECT
07-01-07275) AND DIRECTING THE CITY CLERK TO RECORD THE GRANT
DEEDS**

WHEREAS, the South Willows Commercial and Industrial Center Project (herein referred to as "Project") began construction in October 2018; and

WHEREAS, during the course of the Project, Pacific Gas and Electric (PG&E) required changes to the alignment of gas and electric utilities; and

WHEREAS, based on the revised utility alignments, Public Utility Easements are needed over the utilities to ensure that the utilities can be properly maintained; and

WHEREAS, six parcels are impacted by the Public Utility Easements; and

WHEREAS, six grant deeds have been prepared encompassing the Public Utility Easements necessary for the project; and

WHEREAS, all easements have been reviewed for accuracy and found to be technically correct.

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

1. The above recitals are true and correct and are hereby incorporated into this Resolution as findings of the City Council of the City of Willows.
2. The City of Willows does hereby accept the grant of the six Public Utility Easements associated with the South Willows Industrial and Commercial project.
3. The City Clerk is hereby authorized and directed to record the deeds offering dedication to the City with the County Recorder's Office.
4. This Resolution shall become effective immediately.
5. All portions of this resolution are severable. Should any individual component of this Resolution be adjudged to be invalid and unenforceable by a body of competent jurisdiction, then the remaining resolution portions

shall be and continue in full force and effect, except as to those resolution portions that have been adjudged invalid. The City Council of the City of Willows hereby declares that it would have adopted this Resolution and each section, subsection, clause, sentence, phrase and other portion thereof, irrespective of the fact that one or more section subsection, clause sentence, phrase or other portion may be held invalid or unconstitutional.

PASSED, APPROVED AND ADOPTED at a regular meeting of the City Council on this 8th day of September 2020, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

ATTESTED:

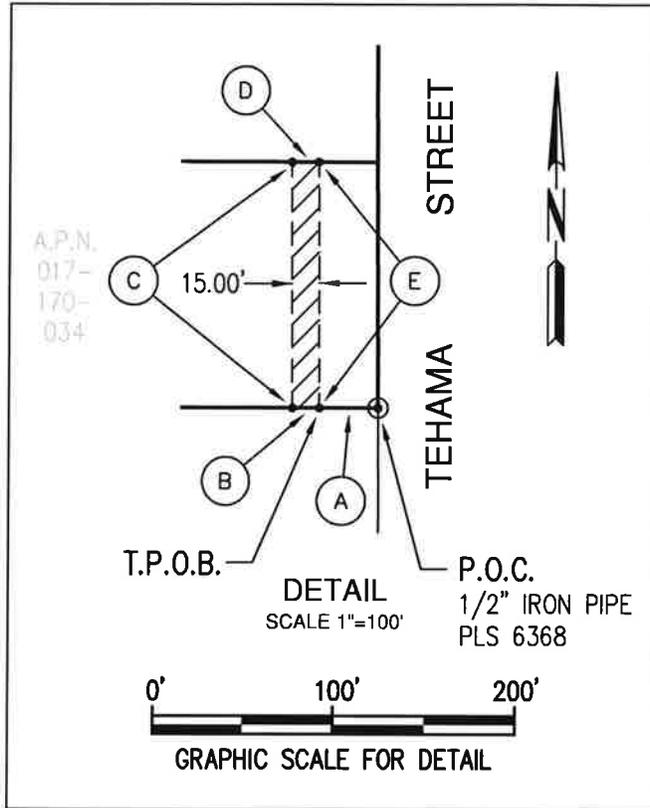
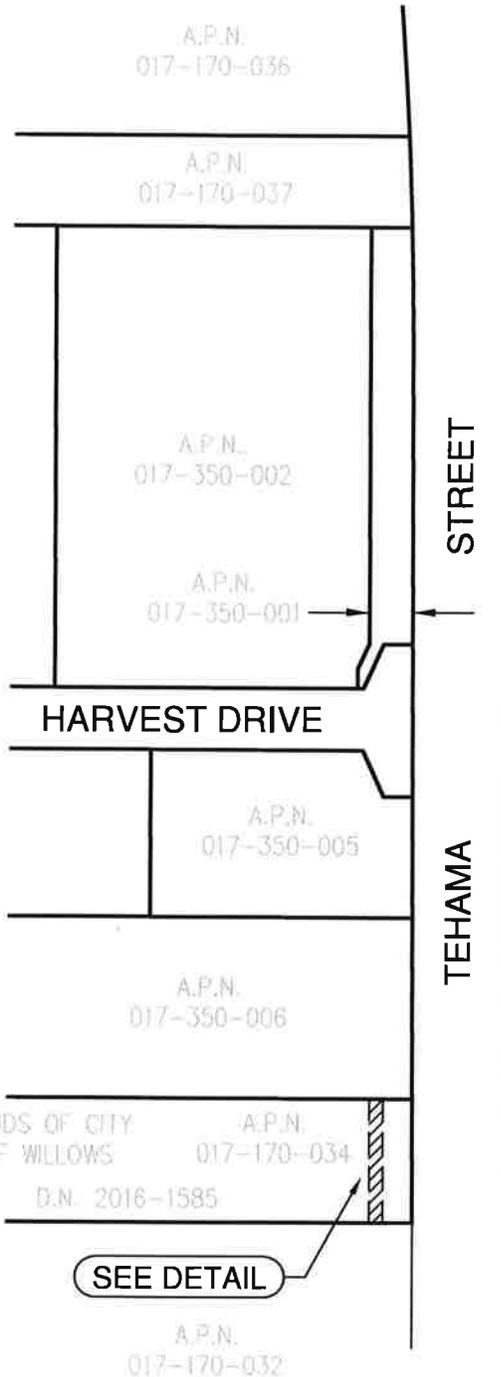
Kerri Warren, Mayor

Tara Rustenhoven, City Clerk

LINE AND CURVE DATA

(A)	S 89°58'01" W	32.00'
(B)	S 89°58'01" W	15.00'
(C)	N 00°16'43" W	134.87'
(D)	S 89°52'58" E	15.00'
(E)	S 00°16'43" E	134.83'

THIS EXHIBIT IS FOR GRAPHIC PURPOSES ONLY. ANY ERRORS OR OMMISIONS ON THIS EXHIBIT SHALL NOT AFFECT THE DEED DESCRIPTION.



LEGEND

- PROPERTY LINE
- PUE EASEMENT DEDICATION (2,023 SF)
- P.O.C. POINT OF COMMENCEMENT
- T.P.O.B. TRUE POINT OF BEGINNING
- U.P.R.R. UNION PACIFIC RAILROAD

PRELIMINARY

EXHIBIT 'B'
EASEMENT PLAT

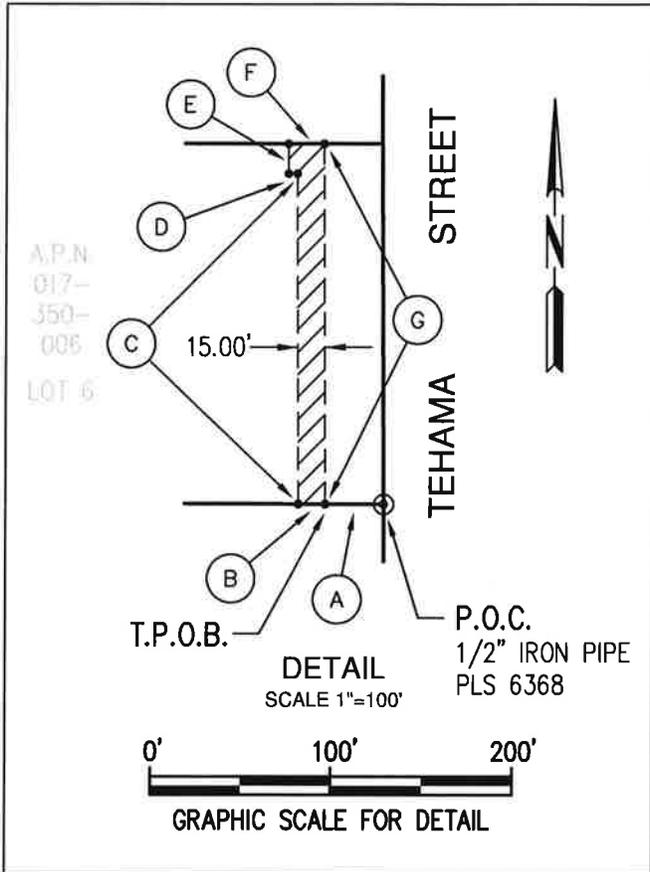
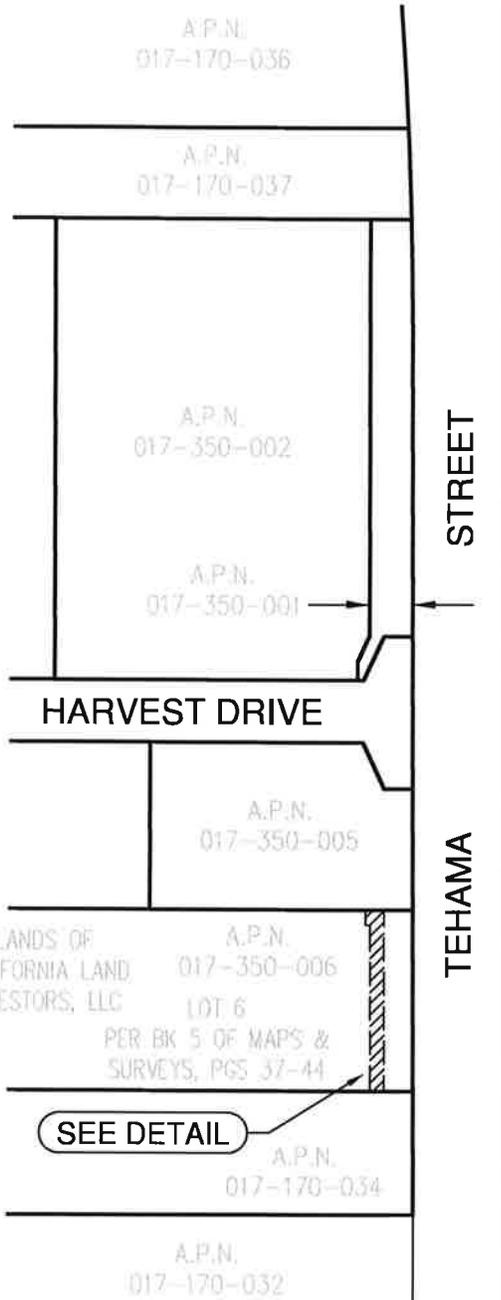
RAR
ROLLS ANDERSON & ROLLS
 CIVIL ENGINEERS
 115 YELLOWSTONE DRIVE - CHICO, CALIFORNIA 95973-5811
 TELEPHONE 530-895-1422
 AUGUST, 2020 11112G SHEET 2 of 2

SCALE 1"=200'

LINE AND CURVE DATA

(A)	N 89°52'58" W	32.00'
(B)	N 89°52'58" W	15.00'
(C)	N 00°16'43" W	181.13'
(D)	S 89°43'17" W	5.00'
(E)	N 00°16'43" W	16.41'
(F)	S 89°52'58" E	20.00'
(G)	S 00°16'43" E	197.50'

THIS EXHIBIT IS FOR GRAPHIC PURPOSES ONLY. ANY ERRORS OR OMMISIONS ON THIS EXHIBIT SHALL NOT AFFECT THE DEED DESCRIPTION.



U. P. R. R.

LEGEND

- PROPERTY LINE
- PUE EASEMENT DEDICATION (3,044 SF)
- P.O.C. POINT OF COMMENCEMENT
- T.P.O.B. TRUE POINT OF BEGINNING
- U.P.R.R. UNION PACIFIC RAILROAD

PRELIMINARY

EXHIBIT 'B'
EASEMENT PLAT

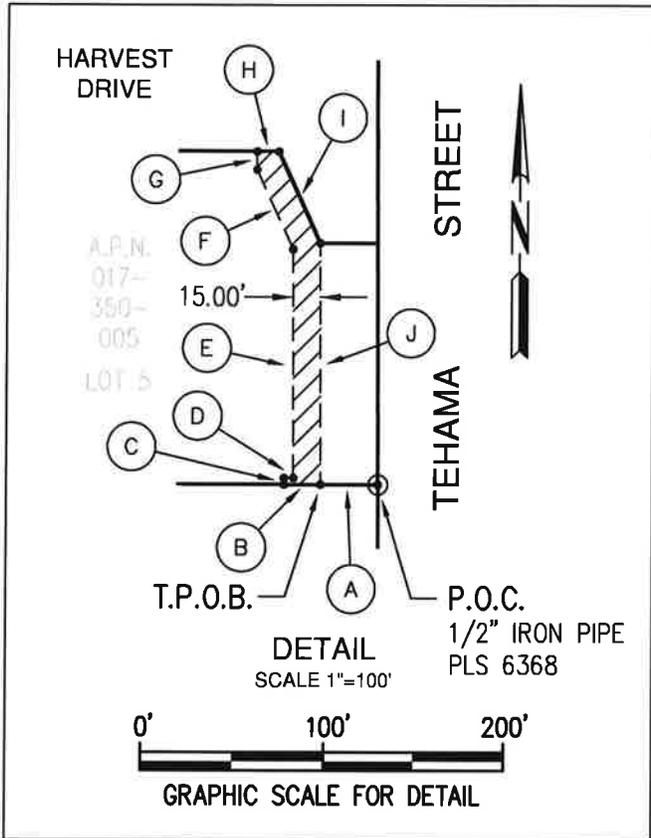
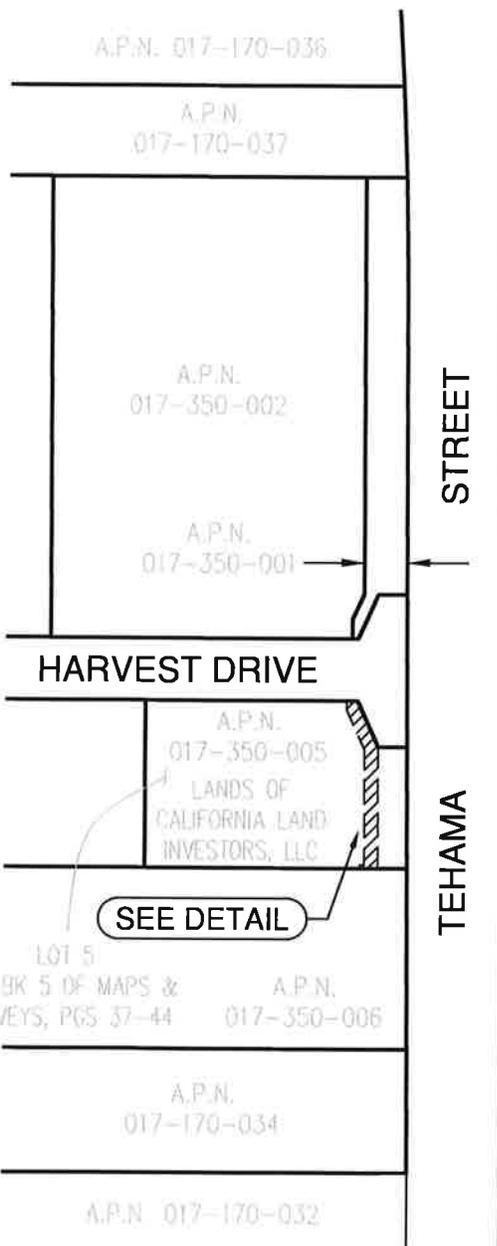
RAR
ROLLS ANDERSON & ROLLS
CIVIL ENGINEERS
115 YELLOWSTONE DRIVE • CHICO, CALIFORNIA 95973-5811
TELEPHONE 530-895-1422
AUGUST, 2020 11112G SHEET 2 of 2



LINE AND CURVE DATA

(A)	N 89°52'58" W	32.00'
(B)	N 89°52'58" W	20.00'
(C)	N 00°16'43" W	3.59'
(D)	N 89°43'17" E	5.00'
(E)	N 00°16'43" W	125.33'
(F)	N 24°29'27" W	47.89'
(G)	N 00°07'02" E	10.00'
(H)	S 89°52'58" E	11.92'
(I)	S 24°29'27" E	55.24'
(J)	S 00°16'43" E	132.27'

THIS EXHIBIT IS FOR GRAPHIC PURPOSES ONLY. ANY ERRORS OR OMISSIONS ON THIS EXHIBIT SHALL NOT AFFECT THE DEED DESCRIPTION.



U. P. R. R.



SCALE
1"=200'

LEGEND

- PROPERTY LINE
- PUE EASEMENT DEDICATION (2,810 SF)
- P.O.C. POINT OF COMMENCEMENT
- T.P.O.B. TRUE POINT OF BEGINNING
- U.P.R.R. UNION PACIFIC RAILROAD

PRELIMINARY

EXHIBIT 'B'
EASEMENT PLAT

RAR
ROLLS ANDERSON & ROLLS
CIVIL ENGINEERS
115 YELLOWSTONE DRIVE • CHICO, CALIFORNIA 95973-5811
TELEPHONE 530-895-1422
AUGUST, 2020 11112G SHEET 2 of 2

LINE AND CURVE DATA

(A) N 89°52'58" W 29.73'	(F) N 00°16'43" W 22.20'
(B) S 05°03'01" E 12.55'	(G) N 24°43'31" E 36.16'
(C) S 00°16'43" E 440.05'	(H) N 00°16'43" W 436.69'
(D) S 24°43'31" W 57.69'(T)	(I) N 05°03'01" W 13.28'
(E) N 89°52'58" W 5.90'	(J) S 89°52'58" E 15.06'

LEGEND

-  PROPERTY LINE
-  PUE EASEMENT DEDICATION (7,527 SF)
- P.O.C. POINT OF COMMENCEMENT
- T.P.O.B. TRUE POINT OF BEGINNING
- U.P.R.R. UNION PACIFIC RAILROAD
- (T) TOTAL

THIS EXHIBIT IS FOR GRAPHIC PURPOSES ONLY. ANY ERRORS OR OMMISIONS ON THIS EXHIBIT SHALL NOT AFFECT THE DEED DESCRIPTION.

U. P. R. R.



SCALE 1"=200'

PRELIMINARY

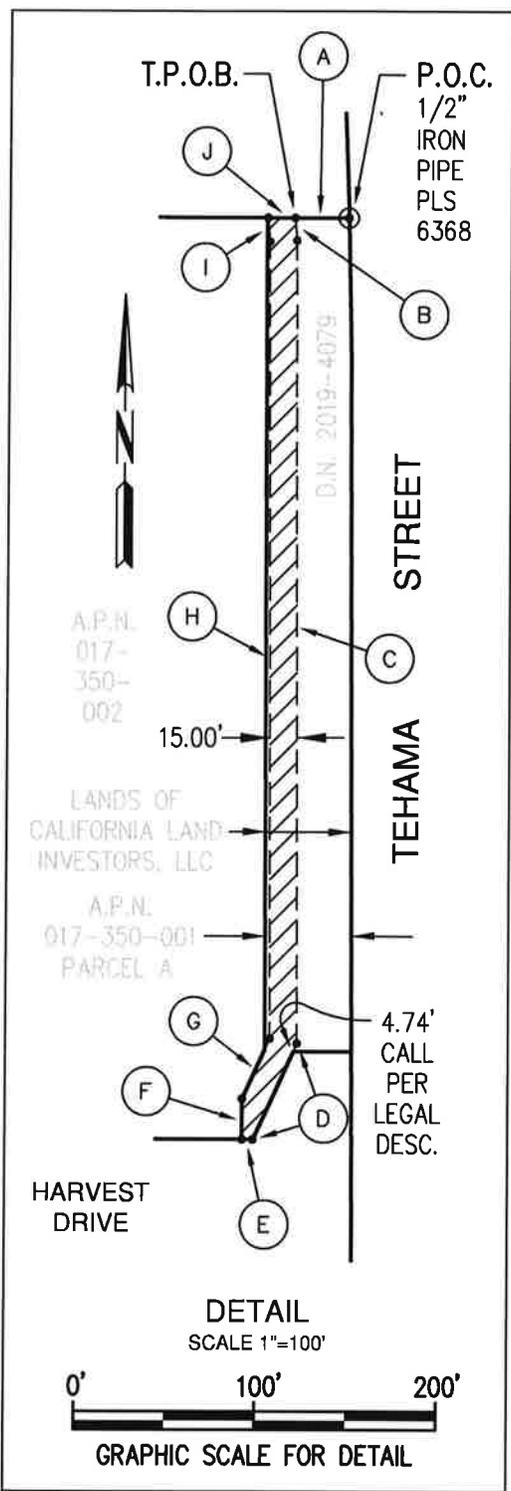
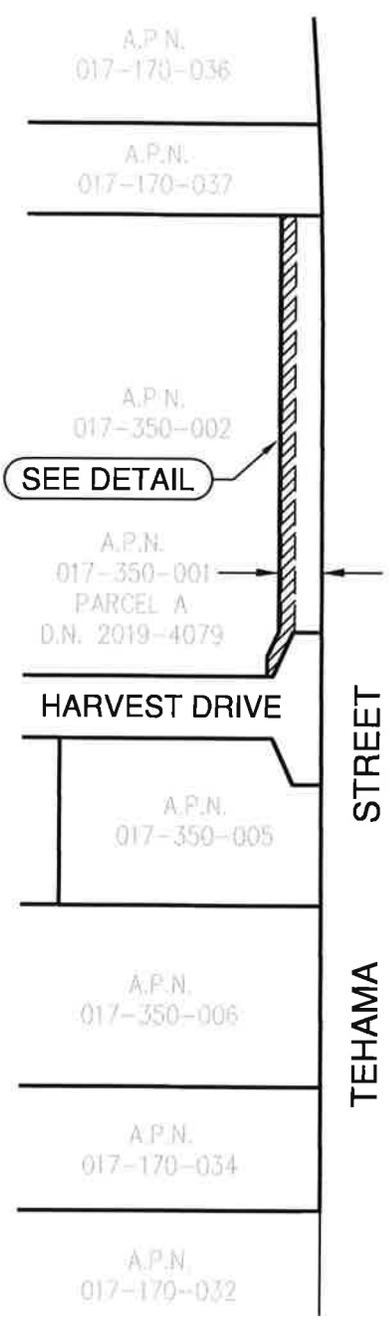


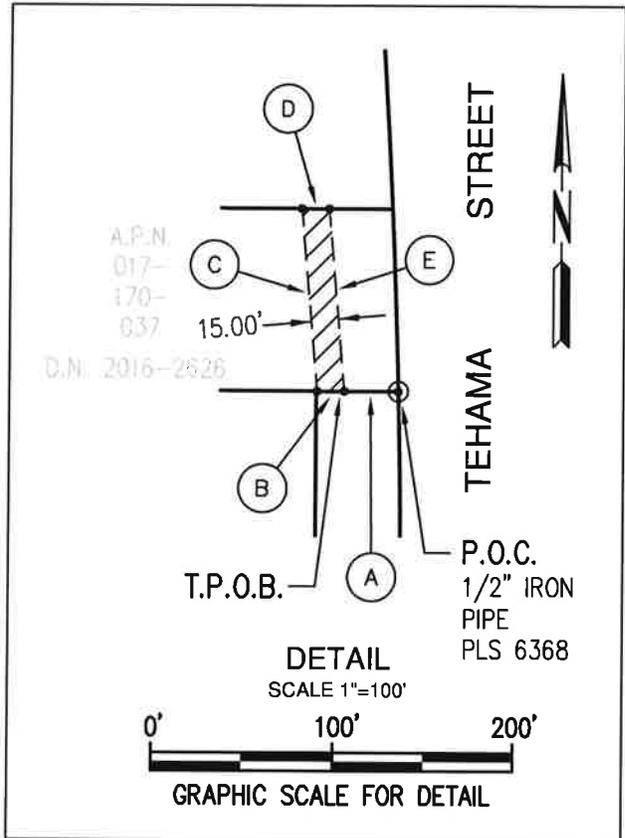
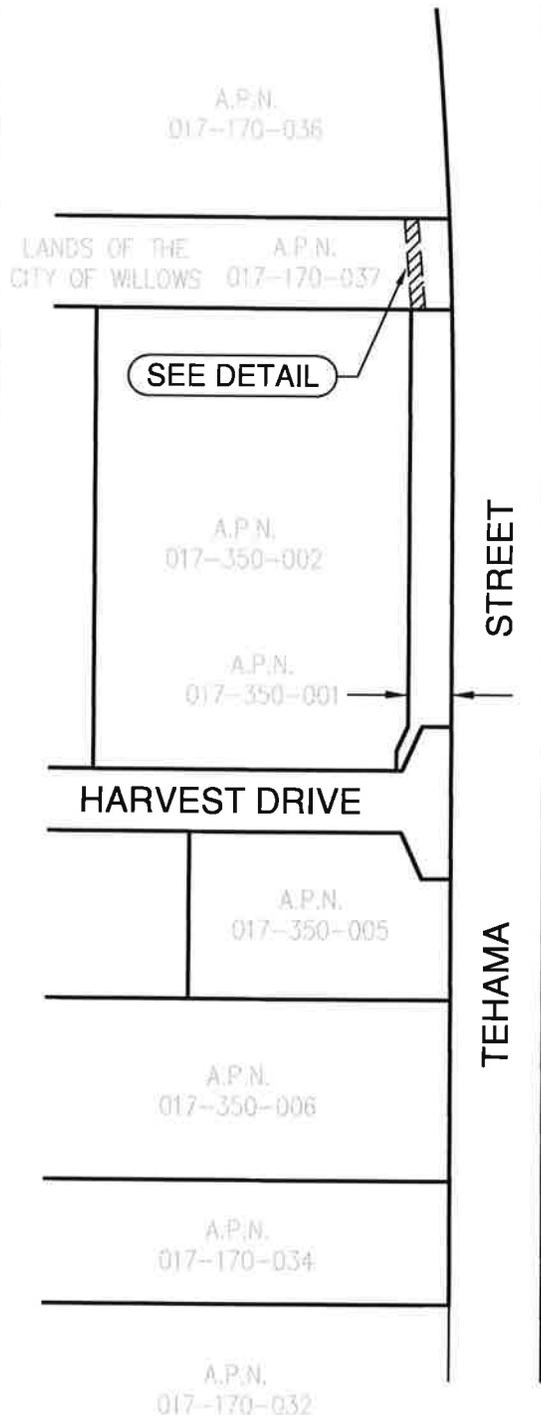
EXHIBIT 'B'
EASEMENT PLAT

RAR
ROLLS ANDERSON & ROLLS
CIVIL ENGINEERS
115 YELLOWSTONE DRIVE • CHICO, CALIFORNIA 95973-5811
TELEPHONE 530-895-1422
AUGUST, 2020 11112G SHEET 2 of 2

LINE AND CURVE DATA

(A)	N 89°52'58" W	29.73'
(B)	N 89°52'58" W	15.06'
(C)	N 05°03'01" W	100.44'
(D)	S 89°52'58" E	15.06'
(E)	S 05°03'01" E	100.44'

THIS EXHIBIT IS FOR GRAPHIC PURPOSES ONLY. ANY ERRORS OR OMISSIONS ON THIS EXHIBIT SHALL NOT AFFECT THE DEED DESCRIPTION.



LEGEND

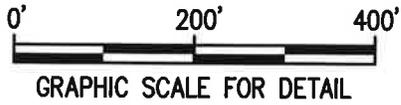
- PROPERTY LINE
- PUE EASEMENT DEDICATION (1,507 SF)
- P.O.C. POINT OF COMMENCEMENT
- T.P.O.B. TRUE POINT OF BEGINNING
- U.P.R.R. UNION PACIFIC RAILROAD

PRELIMINARY

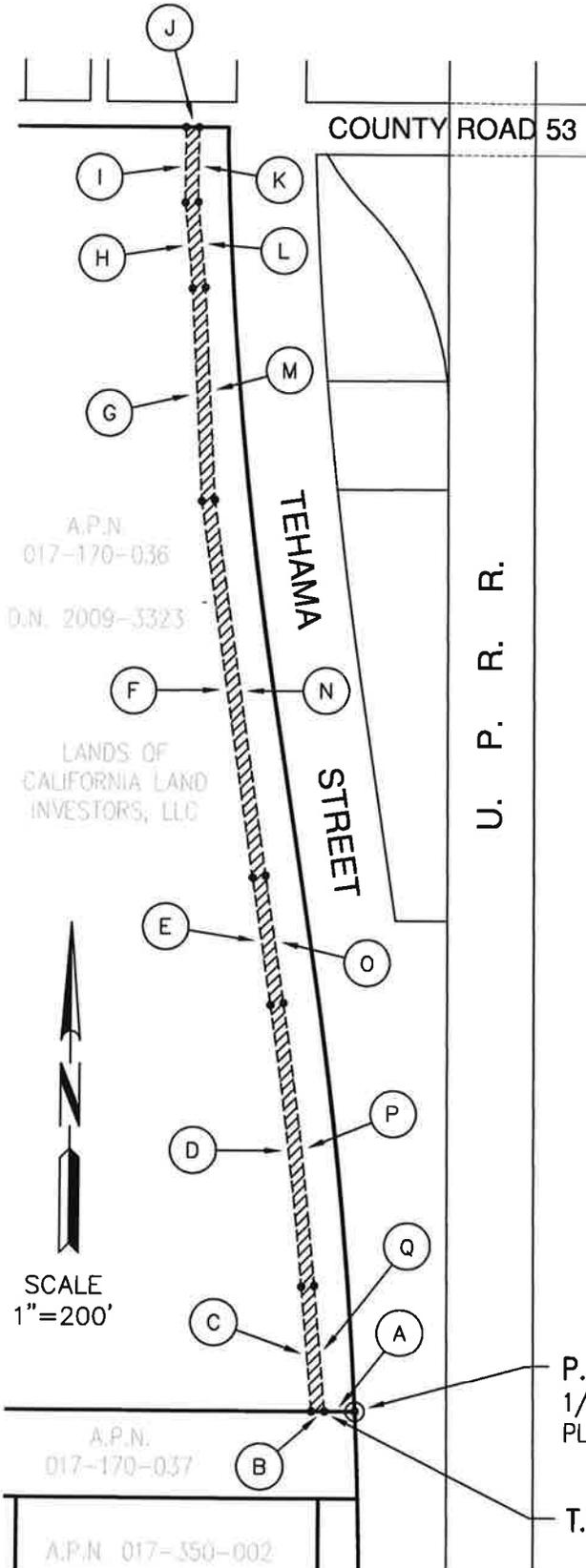
EXHIBIT 'B'
EASEMENT PLAT

RAR
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CIVIL ENGINEERS
115 YELLOWSTONE DRIVE • CHICO, CALIFORNIA 95973-5811
TELEPHONE 530-895-1422
AUGUST, 2020 11112G SHEET 2 of 2

SCALE
1"=200'



THIS EXHIBIT IS FOR GRAPHIC PURPOSES ONLY. ANY ERRORS OR OMMISIONS ON THIS EXHIBIT SHALL NOT AFFECT THE DEED DESCRIPTION.



LINE AND CURVE DATA

(A)	N 89°52'58" W 34.77'
(B)	N 89°52'58" W 15.06'
(C)	N 05°03'01" W 142.80'
(D)	R=5485.00' D=03°23'31" L=324.71'
(E)	N 08°26'32" W 147.46'
(F)	N 08°07'55" W 436.62'
(G)	N 03°01'32" W 244.57'
(H)	N 05°18'04" W 99.18'
(I)	N 00°05'51" E 86.78'
(J)	S 89°54'09" E 15.00'
(K)	S 00°05'51" W 86.08'
(L)	S 05°18'04" E 98.77'
(M)	S 03°01'32" E 244.20'
(N)	S 08°07'55" E 435.87'
(O)	S 08°26'32" E 147.46'
(P)	R=5500.00' D=03°23'31" L=325.60'
(Q)	S 05°03'01" E 144.16'

LEGEND

- PROPERTY LINE
- PUE EASEMENT DEDICATION (22,232 SF)

P.O.C. POINT OF COMMENCEMENT

T.P.O.B. TRUE POINT OF BEGINNING

U.P.R.R. UNION PACIFIC RAILROAD

PRELIMINARY

EXHIBIT 'B'
EASEMENT PLAT

RAR
ROLLS ANDERSON & ROLLS
CIVIL ENGINEERS
115 YELLOWSTONE DRIVE • CHICO, CALIFORNIA 95973-5811
TELEPHONE 530-895-1422

AGENDA ITEM

TO: City Council Members, Wayne Peabody, Interim City Manager

FROM: David G. Ritchie, City Attorney

SUBJECT: Consideration to Adopt City Council Resolution No. _____ approving the City of Willows Debt Management Policy and Disclosure Procedures consistent and compliant with Section 8855(i) of the California Government Code.

RECOMMENDATION

By Motion, Adopt Council Resolution No. _____ approving the City's Debt Management Policy and Disclosure Procedures

BACKGROUND

California Government Code Section 8855(i) requires the City, as of 2017, to adopt local debt management policies prior to any issuance or incurrence of any debt.

Periodically, the City incurs indebtedness primarily for the purposes of capital improvement and for other reasons allowable by law and generally for the financing of acquisition, construction, improvement, and rehabilitation of land and/or capital facilities and/or equipment owned, to be owned or operated by the City. Cities also may incur short-term debt ordinarily to generate funding for cash-flow needs and as interim sources of funding in anticipation of long-term borrowing. Finally, some issuance of debt may occur on behalf of other entities such as other governmental agencies or third parties in order to further the public purposes of the City (in those instances of third-party issuances the City does not incur the liability or assume responsibilities for payment of debt service (such as facilitating financing for private affordable housing)).

This Debt Management Policy, and Disclosure Procedures were presented to the Ad-Hoc Committee formed by Council and comprised of the City Manager, City Attorney, Administrative Services Director, and two councilmembers. Also participating in the committee are the City's Municipal Advisors (Wulff Hansen). This Ad-Hoc Committee meets on an as-needed basis and was created for the limited purpose of assessing the Policy structures within the City, and reviewing the City's current debt obligations in order to facilitate a clear understanding whether it is advantageous to consider refunding or restructuring of any of the City's existing debt. As the City is required, as a precursor to

incurring debt to have a Debt Management Policy, the Committee has therefore gone through a detailed analysis of this policy and recommends adoption of it by the full council.

This Debt Management Policy outlines the key priorities achieved through the adoption of the policies, including: Maintaining the Sound Financial Position of the City; Ensuring flexibility to respond to changing service needs, and fluctuations in revenues and expenditures; protection of the City's credit-worthiness; ensuring all City debt is structured to best protect current and future rate payers and constituents; ensuring that all debt is consistent and coordinated with the City's Capital Improvement Plan and planning goals and objectives.

These priorities are achieved through implementation of guidelines for the issuance of debt that outline when long-term and short-term or third-party issuances are appropriate. It also outlines the types of debt that are generally acceptable and makes certain types of debt unacceptable, such as derivatives, and outlines favoring fixed-rate debt over variable rate debt (which is discouraged as a matter of policy).

Certain types of debt are incurred for capital projects and this policy outlines the coordination of the issuance of debt to the City's Capital Improvement Program and Budgets. It provides that the term of financing not generally exceed the life of the asset, and that debt issue be timely so as not to create a circumstance where unplanned expenditures for capital improvements or equipment cause impacts to the general fund.

The policy creates new internal controls and procedures and requires appropriate City officials to review and remain compliant with continuing disclosure undertakings, and assigns specific disclosure functions with oversight conducted by the City's Administrative Services Director. Proceeds of issued debt is to include the involvement of third-party trustees who distribute funds through written requisitions to ensure the proceeds are used for the intended purposes.

For all initial and continuing disclosure procedures, a "Disclosure Working Group" is created with specifically assigned and divided functions for the Administrative Services Director, The City Manager and the City Attorney, as well as any other individual recommended and appointed by the City Manager, such as those from private entities contracted for the purposes of tracking and managing the City's timely and complete responses to and compliance with any disclosure requirements it has. This working group is required to provide annual reports to the City Council and provide advance copies of disclosure reports to them prior to submission of the reports with the Municipal Securities Rulemaking Board (MSRB) or other entities requiring the reports.

Finally, the policy provides for members of the Disclosure Working Group to be properly trained in order that they understand and perform their responsibilities with respect to initial and continuing disclosure obligations.

A note: Nothing in the resolution of council adopting the policy or in the policy itself causes the City to incur or issue debt.

FINANCIAL CONSIDERATIONS

Adoption of this policy does not, in and of itself cause the City to incur costs, however the policy provides for training for staff, which may separately result in training costs. It also contemplates the potential for the City to use an outside vendor to meet and manager it's initial and continuing disclosure obligations. Any training costs or outside vendors retained for these purposes would be the subject of a separate Council action or as part of the annual budget process.

ALTERNATE ACTIONS

- 1. Council could decline to adopt a Debt Management Policy in which case it could not incur future debt because of the requirements in Government Code 8855(i).
- 2. Council could request modifications to the Debt Management Policy and return it to the Ad-Hoc Committee to be brought forward again at a later date.

RECOMMENDATION

By Motion, adopt City of Willows Resolution No. _____

Respectfully submitted,

/s/ David G. Ritchie

David G. Ritchie
City Attorney

Attachments: Resolution
 Debt Management Policy

CITY OF WILLOWS

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WILLOWS APPROVING
A DEBT MANAGEMENT POLICY AND DISCLOSURE PROCEDURES FOR PUBLIC
DEBT ISSUANCES AND RELATED DISCLOSURE OBLIGATIONS**

RESOLVED, by the City Council (the “Council”) of the City of Willows (the “City”), Glenn County, State of California, as follows:

WHEREAS, pursuant to the provisions of section 8855(i) of the California Government Code, prior to the issuance or incurrence of any debt, the City is required to adopt local debt policies concerning the use of debt and that any proposed debt issuance is consistent with those local debt policies;

WHEREAS, a debt management policy has been developed for the City and the Council desires to adopt such policy in connection with any proposed debt of the City;

WHEREAS, from time to time the City incurs indebtedness (including but not limited to bonds, notes and certificates of participation) and, in connection therewith, prepare disclosure documents (a) describing the indebtedness for use in the offering and sale of the indebtedness or interests therein generally known as “official statements” or “placement memoranda” (the “Initial Disclosure Documents”); and (b) as required by continuing disclosure obligations entered into in connection with such indebtedness (the “Continuing Disclosure Documents”) which typically are required to be filed with the Municipal Securities Rule Making Board’s Electronic Municipal Market Access System (generally known as “EMMA”), and

WHEREAS, to (a) ensure that Initial Disclosure Documents do not contain any material misstatements or omit to state information material to prospective investors in connection with their decision to purchase obligations of the City, (b) ensure that Continuing Disclosure Documents filed with EMMA are timely filed, are accurate and are otherwise in accordance with continuing disclosure obligations of the City, (c) ensure that material event notices and any other filings with EMMA in connection with debt obligations of the City are accurate and comply with all applicable federal and state securities laws, and (d) promote best practices regarding the preparation of Initial Disclosure Documents and Continuing Disclosure Documents, disclosure procedures for public debt issuances and related disclosure obligations has been developed for the City and the Council desires to adopt such procedures in connection with any proposed debt of the City;

NOW, THEREFORE, it is hereby ORDERED and DETERMINED, as follows:

Section 1. The debt management policy, in the form attached hereto as Exhibit A (the “Debt Management Policy”), is hereby adopted by the Council for the City. The Debt Management Policy has been developed to provide guidance in the issuance and management of debt by the

City or its related entities and is intended to comply with section 8855(i) of the California Government Code effective on January 1, 2017. The main objectives are to establish conditions for the use of debt, to ensure that debt capacity and affordability are adequately considered, to minimize the City's interest and issuance costs, to maintain the highest possible credit rating, to provide complete financial disclosure and reporting and to maintain financial flexibility for the City.

Section 2. To (a) ensure that Initial Disclosure Documents do not contain any material misstatements or omit to state information material to prospective investors in connection with their decision to purchase obligations of the Public Agencies, (b) ensure that Continuing Disclosure Documents filed with EMMA by the Public Agencies are timely filed, are accurate and are otherwise in accordance with continuing disclosure obligations of the Public Agencies, (c) ensure that material event notices and any other filings with EMMA in connection with debt obligations of the Public Agencies are accurate and comply with all applicable federal and state securities laws, and (d) promote best practices regarding the preparation of Initial Disclosure Documents and Continuing Disclosure Documents, the City Council hereby adopts disclosure procedures for public debt issuances in the form attached hereto as Exhibit B.

Section 3. The City Manager, the Administrative Services Director, the City Clerk, and other appropriate officials of the City are hereby authorized and directed to take any actions and execute and deliver any and all documents as are necessary to accomplish the provisions and directives of this Resolution.

Section 4. This Resolution shall be effective upon adoption by the Council.

* * * * *

I, the undersigned City Clerk of the City of Willows, hereby certify that the foregoing is a full, true and correct copy of a resolution adopted by the City Council of the City at a meeting thereof on the 8th day of September, 2020, by the following vote of the members thereof:

AYES:
NOES:
ABSTAIN:
ABSENT:

Tara Rustenhoven, City Clerk

EXHIBIT A**DEBT MANAGEMENT POLICY**

This Debt Management Policy (the “Debt Policy”) of the CITY OF WILLOWS (the “City”) was approved by the City Council of the City (the “Council”) on September 8, 2020. The Debt Policy may be amended by Council as it deems appropriate from time to time in the prudent management of the debt of the City.

This Debt Policy will also apply to any debt issued by any public agency for which the Council acts as its legislative body.

The Debt Policy has been developed to provide guidance in the issuance and management of debt by the City or its related entities and is intended to comply with section 8855(i) of the California Government Code effective on January 1, 2017. The main objectives are to establish conditions for the use of debt; to ensure that debt capacity and affordability are adequately considered; to minimize the City’s interest and issuance costs; to maintain the highest possible credit rating; to provide complete financial disclosure and reporting; and to maintain financial flexibility for the City.

Debt, properly issued and managed, is a critical element in any financial management program. It assists in the City’s effort to allocate limited resources to provide the highest quality of service to the public. The City understands that poor debt management can have ripple effects that hurt other areas of the City. On the other hand, a properly managed debt program promotes economic growth and enhances the vitality of the City for its residents and businesses.

1. Findings

This Debt Policy shall govern all debt undertaken by the City. The City hereby recognizes that a fiscally prudent debt policy is required in order to:

- Maintain the City’s sound financial position.
- Ensure the City has the flexibility to respond to changes in future service priorities, revenue levels, and operating expenses.
- Protect the City’s credit-worthiness.
- Ensure that all debt is structured in order to protect both current and future taxpayers, ratepayers and constituents of the City.
- Ensure that the City’s debt is consistent with the City’s planning goals and objectives and capital improvement program or budget, as applicable.

- Encourage those that benefit from a facility/improvement to pay the cost of that facility/improvement without the need for the expenditure of limited general fund resources.

2. Policies

A. Purposes For Which Debt May Be Issued

The City will consider the use of debt financing primarily for capital improvement projects (CIP) when the project's useful life will equal or exceed the term of the financing and when resources are identified sufficient to fund the debt service requirements. An exception to this CIP driven focus is the issuance of short-term instruments such as tax and revenue anticipation notes, which are to be used for prudent cash management purposes and conduit financing, as described below. Bonded debt should not be issued for projects with minimal public benefit or support, or to finance normal operating expenses.

If a department has any project which is expected to use debt financing, the department director is responsible for expeditiously providing the City Manager and the Administrative Services Director with reasonable cost estimates, including specific revenue accounts that will provide payment for the debt service. This will allow an analysis of the project's potential impact on the City's debt capacity and limitations. The department director shall also provide an estimate of any incremental operating and/or additional maintenance costs associated with the project and identify sources of revenue, if any, to pay for such incremental costs.

(i) Long-Term Debt. Long-term debt may be issued to finance or refinance the construction, acquisition, and rehabilitation of capital improvements and facilities, equipment and land to be owned and/or operated by the City.

(a) Long-term debt financings are appropriate when the following conditions exist:

- When the project to be financed is necessary to provide basic services.
- When the project to be financed will provide benefit to constituents over multiple years.
- When total debt does not constitute an unreasonable burden to the City and its taxpayers and ratepayers.
- When the debt is used to refinance outstanding debt or other obligations in order to produce debt service savings or to realize the benefits of a debt restructuring.

(b) Long-term debt financings will not generally be considered appropriate for current operating expenses and routine maintenance expenses.

(c) The City may use long-term debt financings subject to the following conditions:

- The project to be financed has been or will be approved by the Council.

- The weighted average maturity of the debt (or the portion of the debt allocated to the project) will not exceed the average useful life of the project to be financed unless specific conditions exist that would mitigate the extension of time to repay the debt and it would not cause the City to violate any covenants to maintain the tax-exempt status of such debt, if applicable.
- The City estimates that sufficient income or revenues will be available to service the debt through its maturity.
- The City determines that the issuance of the debt will comply with the applicable requirements of state and federal law.
- The City considers the improvement/facility to be of vital, time-sensitive need of the community and there are no plausible alternative financing sources

(d) Periodic reviews of outstanding long-term debt will be undertaken to identify refunding opportunities. Refunding will be considered (within federal tax law constraints, if applicable) if and when there is a net economic benefit of the refunding. Refundings which are non-economic may be undertaken to achieve City objectives relating to changes in covenants, call provisions, operational flexibility, tax status of the issuer, or the debt service profile.

In general, refundings which produce a net present value savings of at least three (3) percent of the refunded debt will be considered economically viable. Refundings which produce a net present value savings of less than three (3) percent or negative savings will be considered on a case-by-case basis, and are subject to Council approval.

(ii) Short-term debt. Short-term borrowing may be issued to generate funding for cash flow needs in the form of Tax and Revenue Anticipation Notes (TRAN).

Short-term borrowing, such as commercial paper, and lines of credit, will be considered as an interim source of funding in anticipation of long-term borrowing. Short-term debt may be issued for any purpose for which long-term debt may be issued, including capitalized interest and other financing-related costs. Prior to issuance of the short-term debt, a reliable revenue source shall be identified to secure repayment of the debt. The final maturity of the debt issued to finance the project shall be consistent with the economic or useful life of the project and, unless the Council determines that extraordinary circumstances exist, must not exceed seven (7) years.

Short-term debt may also be used to finance short-lived capital projects; for example, the City may undertake lease-purchase financing for equipment, and such equipment leases may be longer than seven (7) years.

(iii) Financings on Behalf of Other Entities. The City may also find it beneficial to issue debt on behalf of other governmental agencies or private third parties in order to further the public

purposes of City. In such cases, the City shall take reasonable steps to confirm the financial feasibility of the project to be financed and the financial solvency of any borrower and that the issuance of such debt is consistent with the policies set forth herein. In no event will the City incur any liability or assume responsibility for payment of debt service on such debt.

B. Types of Debt

In order to maximize the financial options available to benefit the public, it is the policy of the City of Willows to allow for the consideration of issuing all generally accepted types of debt, including, but not exclusive to the following:

- General Obligation (GO) Bonds: General Obligation Bonds are suitable for use in the construction or acquisition of improvements to real property that benefit the public at large. Examples of projects include libraries, parks, and public safety facilities. All GO bonds shall be authorized by the requisite number of voters in order to pass.
- Revenue Bonds: Revenue Bonds are limited-liability obligations tied to a specific enterprise or special fund revenue stream where the projects financed clearly benefit or relate to the enterprise or are otherwise permissible uses of the special revenue. An example of projects that would be financed by a Revenue Bond would be improvements to a water system, which would be paid back with money raised from the rates and charges to water users. Generally, no voter approval is required to issue this type of obligation but in some cases, the City must comply with proposition 218 regarding rate adjustments.
- Lease-Backed Debt/Certificates of Participation (COP/Lease Revenue Bonds): Issuance of Lease-backed debt is a commonly used form of debt that allows a City to finance projects where the debt service is secured via a lease agreement and where the payments are budgeted in the annual budget appropriation by the City from the general fund. Lease-Backed debt does not constitute indebtedness under the state or the City's constitutional debt limit and does not require voter approval.
- Special Assessment/Special District Debt: The City will consider requests from developers for the use of debt financing secured by property based assessments or special taxes in order to provide for necessary infrastructure for new development only under strict guidelines adopted by the Council, which may include minimum value-to-lien ratios and maximum tax burdens. Examples of this type of debt are Assessment Districts (AD) and Community Facilities Districts (CFD) or more commonly known as Mello-Roos Districts. In order to protect bondholders as well as the City's credit rating, the City will also comply with all State guidelines regarding the issuance of special district or special assessment debt, as well as any policy required to be adopted under Government Code Section 53312.7.

The City may from time to time find that other forms of debt would be beneficial to further its public purposes and may approve such debt without an amendment of this Debt Policy.

To maintain a predictable debt service burden, the City will give preference to debt that carries a fixed interest rate. An alternative to the use of fixed rate debt is variable rate debt. The City may choose to issue securities that pay a rate of interest that varies according to a pre-determined formula or results from a periodic remarketing of securities. When making the determination to issue bonds in a variable rate mode, consideration will be given in regard to the useful life of the project or facility being financed or the term of the project requiring the funding, market conditions, credit risk and third party risk analysis, and the overall debt portfolio structure when issuing variable rate debt for any purpose. The maximum amount of variable-rate debt should be limited to no more than 20 percent of the total debt portfolio.

The City will not employ derivatives, such as interest rate swaps, in its debt program. A derivative product is a financial instrument which derives its own value from the value of another instrument, usually an underlying asset such as a stock, bond, or an underlying reference such as an interest rate. Derivatives are commonly used as hedging devices in managing interest rate risk and thereby reducing borrowing costs. However, these products bear certain risks not associated with standard debt instruments.

C. Relationship of Debt to Capital Improvement Program and Budget

The City intends to issue debt for the purposes stated in this Debt Policy and to implement policy decisions incorporated in the City's capital budget and the capital improvement plan.

The City shall strive to fund the upkeep and maintenance of its infrastructure and facilities due to normal wear and tear through the expenditure of available operating revenues. The City shall seek to avoid the use of debt to fund infrastructure and facilities improvements that are the result of normal wear and tear, unless a specific revenue source has been identified for this purpose, such as Gas Tax funds.

The City shall integrate its debt issuances with the goals of its capital improvement program by timing the issuance of debt to ensure that projects are available when needed in furtherance of the City's public purposes.

The City shall seek to issue debt in a timely manner to avoid having to make unplanned expenditures for capital improvements or equipment from its general fund.

D. Policy Goals Related to Planning Goals and Objectives

The City is committed to financial planning, maintaining appropriate reserves levels and employing prudent practices in governance, management and budget administration. The City intends to issue debt for the purposes stated in this Debt Policy and to implement policy decisions incorporated in the City's annual operating budget.

It is a policy goal of the City to protect taxpayers, ratepayers and constituents by utilizing conservative financing methods and techniques so as to obtain the highest practical credit ratings (if applicable) and the lowest practical borrowing costs.

The City will comply with applicable state and federal law as it pertains to the maximum term of debt and the procedures for levying and imposing any related taxes, assessments, rates and charges.

Except as described in Section 2.A., when refinancing debt, it shall be the policy goal of the City to realize, whenever possible, and subject to any overriding non-financial policy considerations minimum net present value debt service savings equal to or greater than 3% of the refunded principal amount.

E. Internal Control Procedures

When issuing debt, in addition to complying with the terms of this Debt Policy, the City shall comply with any other applicable policies regarding initial bond disclosure, continuing disclosure, post-issuance compliance, and investment of bond proceeds.

The City will periodically review the requirements of and will remain in compliance with the following:

- any continuing disclosure undertakings under SEC Rule 15c2-12,
- any federal tax compliance requirements, including without limitation arbitrage and rebate compliance, related to any prior bond issues, and
- the City's investment policies as they relate to the investment of bond proceeds.

Whenever reasonably possible, proceeds of debt will be held by a third-party trustee and the City will submit written requisitions for such proceeds. The City will submit a requisition only after obtaining the signature of the City Manager or the Administrative Services Director.

F. Method of Sale

For the sale of any City-issued debt, the City Manager or the Administrative Services Director or designee shall recommend the method of sale with the potential to achieve the lowest financing cost and/or to generate other benefits to the City. Potential methods of sale include:

- A competitive bidding process through which the award is based on, among other factors, the lowest offered true interest cost
- Negotiated sale, subject to approval by the City to ensure that interest costs are in accordance with comparable market interest rates
- Private placement sale, when the financing can or must be structured for a single or limited number of purchasers or where the terms of the private placement are more beneficial to the City than either a negotiated or competitive sale

G. Waivers of Debt Policy

There may be circumstances from time to time when strict adherence to a provision of this Debt Policy is not possible or in the best interests of the City and the failure of a debt financing to comply with one or more provisions of this Debt Policy shall in no way affect the validity of any debt issued by the City in accordance with applicable laws.

EXHIBIT B

DISCLOSURE PROCEDURES FOR PUBLIC DEBT ISSUANCES

These Disclosure Procedures for Public Debt Issuances and Related Disclosure Obligations (the “Procedures”) of the CITY OF WILLOWS (the “City”) were approved by the City Council of the City (the “Council”) on September 8, 2020. The Policies may be amended by Council as it deems appropriate from time to time in the prudent management of the debt of the City.

The Policies will also apply to any debt issued by any public agency for which the Council acts as its legislative body.

I. INTRODUCTION

A. Purpose

The procedures are intended to (1) ensure that the City’s Initial Disclosure Documents and Continuing Disclosure Documents (as such terms are defined in Section II A.2 below) are accurate and comply with all applicable federal and state securities laws, and (2) promote best practices regarding the preparation of the City’s Initial Disclosure Documents and Continuing Disclosure Documents.

II. KEY PARTICIPANTS

A. Disclosure Practices Working Group

1. *Composition.* A Disclosure Practices Working Group (the “Disclosure Working Group”) will have general oversight over the entire initial and continuing disclosure process. Members of the Disclosure Working Group shall be appointed from time to time by the City Manager (in consultation with the Administrative Services Director) and shall consist of persons relevant to the disclosure process. The initial Disclosure Working Group shall include the following persons:

- (a) the Administrative Services Director;
- (b) the Disclosure Coordinator (as described below);
- (c) the City Attorney; and
- (d) and any other individuals appointed by the City Manager.

The Disclosure Working Group shall consult with finance team members for each applicable City debt obligation, or other interested parties as the Administrative Services Director or any

other member of the Disclosure Working Group determines is advisable, related to disclosure issues and practices. Meetings of the Disclosure Working Group may be held telephonically.

The Disclosure Working Group is an internal working group of City staff and not a decision-making or advisory body subject to the provisions of the Ralph M. Brown Act (Government Code Section 54950 et seq.).

2. *Responsibilities.* The Disclosure Working Group is responsible for:
 - (a) reviewing all Initial Disclosure Documents, and making recommendations to the City Council or appropriate governing board for their approval of Initial Disclosure Documents;
 - (b) reviewing all continuing disclosure obligations as contained in Initial Disclosure Documents before such documents are released to the prospective investors, and making recommendations to the City Council or appropriate governing board for their approval of such continuing disclosure obligations;
 - (c) reviewing annually the City's status and compliance with continuing disclosure obligations, including filings of Continuing Disclosure Documents, compliance with these Procedures and the annual report prepared by the Disclosure Consultant as described in Section II (C) below;
 - (d) reviewing any items referred to the Disclosure Working Group; and
 - (e) evaluating the effectiveness of these Procedures and approving changes to these Procedures.

For purposes of these Procedures, "Initial Disclosure Documents" means disclosure documents describing City indebtedness for use in connection with the offering and sale of the indebtedness or interests therein, including Official Statements (as defined in the next sentence); and "Continuing Disclosure Documents" means (i) annual continuing disclosure reports filed with the Municipal Securities Rulemaking Board ("MSRB"), and (ii) event notices and any other filings with the MSRB. As used in these Procedures, the term "Official Statements" means preliminary and final official statements, private placement memoranda and remarketing memoranda relating to the City's debt obligations, together with any supplements, for debt obligations for which a continuing disclosure obligation is required.

B. Disclosure Coordinator

1. *Appointment.* The Administrative Services Director, in consultation with the other members of the Disclosure Working Group, shall select and appoint a Disclosure Coordinator. The Administrative Services Director may serve as the Disclosure Coordinator.

2. *Responsibilities.* The Disclosure Coordinator is responsible for:

(a) serving as a "point person" for personnel to communicate issues or information that should be or may need to be included in any Initial Disclosure Document or Continuing Disclosure Document;

(b) in preparing Initial Disclosure Documents and in anticipation of preparing Continuing Disclosure Documents, soliciting "material" information (as defined in Securities and Exchange Rule 10b-5) from City departments and other relevant City Staff;

(c) following up with others, including management of outside consultants assisting the City, in the preparation and dissemination of Initial Disclosure Documents and Continuing Disclosure Documents to make sure that assigned tasks have been completed on a timely basis and making sure that the Continuing Disclosure Documents are filed on a timely basis and are accurate;

(d) In cooperation with the attorney or attorneys, or financial advisor, preparing any Initial Disclosure Document, and with other City or public agency Staff members with knowledge of the subject matter of the respective debt obligation, (i) reviewing each Initial Disclosure Document with the Disclosure Working Group and (ii) presenting the Initial Disclosure Document to the City Council on or before the second regularly scheduled City Council meeting in February each year and before any other appropriate governing board for approval, before it is disseminated to the public or prospective purchasers of the related debt obligation, all in order to ensure that all disclosure contained therein and not otherwise attributable to sources other than the City is accurate and does not omit to state information required to be stated therein in order to make the statements therein not misleading in any material respect;

(e) preparing and filing the required Continuing Disclosure Documents, to the extent such filings are not prepared and filed by the Disclosure Consultant;

(f) monitoring compliance by the City with these Procedures, including timely dissemination of annual report and event filings as described in Sections III (B) and (C) below;

(g) recommending changes to these Procedures to the Disclosure Working Group as necessary or appropriate;

(h) together with the Administrative Services Director (if other than the Disclosure Coordinator), coordinating the timely provision of information to the Disclosure Consultant as needed to fulfill its responsibilities to the City;

(i) maintaining records documenting the City's compliance with these Procedures;

(j) reviewing compliance with and providing appropriate certifications in connection with the various covenants in documents for debt obligations; and the Disclosure Coordinator shall review the documents for debt obligations to determine which covenants require an annual or regular certification and maintain a list of those with the Disclosure Coordinator (the Disclosure Coordinator may delegate such compliance requirements to the Disclosure Consultant); and

(k) ensuring that members of the Disclosure Working Group and the City Council or other applicable governing board approving Initial Disclosure Documents or Continuing Disclosure Documents receive periodic training regarding disclosure responsibilities and practices.

3. *Consultation.* The Disclosure Coordinator shall consult with the disclosure counsel for a respective debt obligation to the extent the Disclosure Coordinator considers appropriate to perform the Disclosure Consultant's responsibilities.

C. Disclosure Consultant

1. *Appointment.* The Administrative Services Director shall designate or hire, as applicable, a Disclosure Consultant (who may be a City Staff member, an attorney retained as disclosure counsel, a financial advisor or other appropriate consultant) in consultation with the Disclosure Working Group. The Disclosure Consultant shall have significant expertise and experience related to on-going disclosure requirements for municipal securities.

2. *Responsibilities.* The Disclosure Consultant is responsible for:

(a) communicating to the Disclosure Working Group its information needs, reviewing Initial Disclosure Documents, Continuing Disclosure Documents and other relevant information, consulting with appropriate City staff or interested parties needed to confirm that the City is meeting its disclosure obligations; and

(b) from time to time, making recommendations to the Disclosure Working Group regarding ways the City may improve these Procedures and methods of meeting City continuing disclosure obligations.

D. Others With Responsibility for Initial Disclosure Documents.

1. *Responsibilities of City Attorney.* The City Attorney (or a designee) shall review Initial Disclosure Documents and shall draft for Initial Disclosure Documents descriptions of (a) any material current, pending or threatened litigation, (b) any material settlements or court orders and (c) any other legal issues that are material information for purposes of any respective Initial Disclosure Document.

2. *Responsibilities of Administrative Services Director.* The Administrative Services Director shall review each Initial Disclosure Document, identify any material difference in presentation of financial information from the City's most recent financial statements and ensure there are no misstatements or omissions of material information in any sections that contain descriptions of information prepared by the Administrative Services Director (or the Administrative Services Director's staff) or of relevance to the finances of the City. In addition, the Administrative Services Director shall determine whether the City's then-available financial statements are appropriate to be included in the respective Initial Disclosure Document and whether to seek the consent of the City's auditor to including financing statements in the respective Initial Disclosure Document.

III. CONTINUING DISCLOSURE FILINGS

A. Overview of Continuing Disclosure Filings

Under the continuing disclosure undertakings it has entered into in connection with its debt offerings, the City is required to file annual reports with the Municipal Securities Rulemaking Board's ("MSRB's") Electronic Municipal Market Access ("EMMA") system in accordance with such undertakings in each year. Such annual reports are required to include certain updated financial and operating information (or may refer to a publicly-available document), which varies among the different obligations issued by the City, the City's audited financial statements and other information material to investors.

The City is also required under the continuing disclosure undertakings to file notices of certain events with EMMA.

B. Annual Reports

The Disclosure Coordinator shall ensure that the preparation of the City's annual reports commences as required to satisfy the filing requirements under each specific continuing disclosure obligation. Before any annual report is submitted to EMMA, the Disclosure Coordinator shall confer with the Disclosure Working Group as needed regarding the content and accuracy of any annual report. Prior to each filing, the Disclosure Coordinator will review each report with the Disclosure Consultant, and the Disclosure Consultant will confirm in writing (which may be by email) that such report appears to comply with the requirements of the applicable continuing disclosure undertaking.

C. Event Filings

Each member of the Disclosure Working Group shall notify the other members of the Disclosure Working Group if he or she becomes aware of any of the material events listed in any of the City's continuing disclosure undertakings. The Disclosure Working Group may meet to discuss the event and to determine, in consultation with the Disclosure Consultant, whether a filing is required or is otherwise desirable.

D. Uncertainty

The Administrative Services Director may direct questions regarding the disclosure to the Disclosure Consultant, disclosure counsel, bond counsel or the City Attorney or such other counsel or consultant he/she deems appropriate.

IV. CONTINUING DISCLOSURE DOCUMENTS TO BE RETAINED

The Disclosure Coordinator shall be responsible for retaining records demonstrating compliance with the Continuing Disclosure Document requirements of these Procedures. The Disclosure Coordinator shall retain an electronic or paper file ("Disclosure File") for each continuing disclosure annual report that the City completes. Each Disclosure File shall include the final version of the applicable Initial Disclosure Document and all related Continuing Disclosure Documents; written confirmations, certifications, letters and legal opinions described herein; copies of these Disclosure Procedures and a list of individuals to whom they have been distributed and the dates of such distributions; and a written record of the dates of meetings of the Disclosure Working Group. The Disclosure File shall be maintained in a central depository for a period of five years from the later of the date of delivery of the securities referenced in the Continuing Disclosure Document, or the date the Continuing Disclosure Document is published, posted, or otherwise made publicly available, as applicable.

V. EDUCATION

The Administrative Services Director shall ensure that the Disclosure Coordinator and the members of the Disclosure Working Group are properly trained to understand and perform their responsibilities. Such training may include training sessions conducted by consultants with expertise in municipal securities disclosure or by the Disclosure Consultant, attendance at conferences, or other appropriate methods identified by the Administrative Services Director.