



City of Portola  
**AGENDA**

**Regular Meeting**  
**December 11, 2024 06:00 PM**  
**35 Third Ave, Portola, CA 96122**  
<https://www.cityofportola.com/>

Mayor Pat Morton • Mayor Pro-Tem Jim Murphy • Councilmember Bill Powers • Councilmember Leah Turner • Councilmember Mikki Battaglia

**REASONABLE ACCOMMODATIONS**

The City Council welcomes you to its meetings which are regularly held the second and fourth Wednesday of each month at 6:00 p.m. at the City Hall Council Chambers. Your interest and participation is encouraged and welcome.

As a courtesy, the City Council meeting is also accessible to the public via live streaming at: <https://zoom.us/j/3583067836> or by phone at: Phone Number 1.669.900.6833; Meeting ID: 358 306 7836. **Online and telephonic access does not guarantee the public the ability to observe the meeting in the event there is a disruption or connectivity issues that affect broadcasting. Members of the public who want to be assured that they have the ability to observe the meeting and make comment during the meeting, should attend the meeting in-person.**

Any person desiring to address the City Council or any committee, commission or agency under the jurisdiction of the City Council, on any item not on the agenda may do so during public comment period. Public comment during the meeting will be accepted in person only.

Public Comment can be made by clicking on the "comment" section directly from the agenda, next to each agenda item.

Public comment for regular meetings will also be accepted via email sent to the Administrative Clerk, at [admin@cityofportola.com](mailto:admin@cityofportola.com) which if received at least 24 hours prior to commencement of the meeting will be distributed to the Council and posted to the City's website prior to the meeting.

Meeting facilities are accessible to persons with disabilities. Reasonable efforts will be made to accommodate the participation of the disabled in the City's public meetings. If special accommodation for the disabled is needed, please notify the City at 530.832.6801 at least 48 hours prior to the meeting.

## 1. Call to Order

- A. Roll Call
- B. Pledge of Allegiance

## 2. Public Comments

☒ Discussion  [Comment](#)

This section is intended to provide members of the public with an opportunity to comment on any subject that does not appear on this agenda. Please note that California law prohibits the City Council from taking action on any matter which is not on the posted agenda, unless it is determined to be an urgency item by the City Council. Any member of the public wishing to address the City Council during “**PUBLIC COMMENT**” shall first secure permission of the presiding officer, stand; may give his/her name and address to the Clerk for the record. Each person addressing the City Council shall be limited to five minutes ordinarily, unless the presiding officer indicates a different amount will be allotted.

## 3. Council Reorganization

☒ Discussion ☒ Possible Action  [Comment](#)

Annually the City Council reorganizes and changes Mayor and Mayor Pro-tem. Consider nominations and make appointments for Mayor and Mayor Pro-tem

## 4. City Communications

☒ Discussion  [Comment](#) [View Item](#)

- A. City Council Communications
- B. Reports: Beckwourth Peak Fire Protection District/Plumas County Sheriff/Northern Sierra Air Quality District.
- C. Staff Communications
- D. City Manager Report (Attached)

## 5. Consent Agenda

☒ Discussion ☒ Possible Action  [Comment](#) [View Item](#)

These items are expected to be routine and non-controversial. The City Council will act upon them at one time without discussion. Any Councilmembers, staff member or interested party may request that an item be removed from the consent agenda for discussion. Additional budget appropriations will require a four/fifths roll call vote.

- A. Claims - Adopt Resolution No. 2600 authorizing payment of claims for Payroll for the period October 10, 2024 through December 11, 2024 and Accounts Payable for the period of November 14, 2024 through December 11, 2024.

Total Accounts Payable Claims: \$222,920.84

Total Payroll Claims: \$135,496.92

Total Claims: \$358,417.76

B. Minutes of the Regular meeting November 13, 2024- Approve the minutes of the Regular meeting from November 13, 2024

**6. Refuse Collection Rate Increase 2025 – Public Hearing for Resolution No. 2601**

☒ **Discussion** ☒ **Possible Action**  [Comment](#) [View Item](#)

A public hearing will be held to receive public comment on the rate increase. Adopt Resolution No. 2601 for 2025 Refuse Collection Rates.

**7. 2024 City Audit**

☒ **Discussion** ☒ **Possible Action**  [Comment](#) [View Item](#)

Review the City Audit for the 2023-2024 Fiscal year.

**8. American Rescue Plan Act**

☒ **Discussion** ☒ **Possible Action**  [Comment](#) [View Item](#)

Discuss the use of the balance of American Rescue Plan Act funds. Approve the staff recommendations for use of the balance of the funds.

**9. Update the salary schedule in compliance with California Code of Regulations 570.5**

☒ **Discussion** ☒ **Possible Action**  [Comment](#) [View Item](#)

Review and approve an updated salary schedule

**10. City Policy on Communication and Engagement Restrictions for Active Legal Matters**

☒ **Discussion** ☒ **Possible Action**  [Comment](#) [View Item](#)

Review policy and adopt Resolution No. 2602

**11. Closed Session**

☒ **Discussion** ☒ **Possible Action**  [Comment](#)


A. Litigation - Pending/Existing Litigation

Conference with Legal Counsel - Existing Litigation Pursuant to Gov. Code Section 54956.9 (d)(1) – Claim of Jason Shaw

B. Litigation - Pending/Existing Litigation

Conference with Legal Counsel - Existing Litigation Pursuant to Gov. Code Section 54956.9 (d)(1) – Claim of Lindsey Shaw

**12. Adjournment**

	<b>Document Name</b>		<i>City Manager Report</i>	
	<b>Document Number</b>	TBD	<b>Revision Letter</b>	A
	<b>Document Location</b>	Server	<b>Revision Date</b>	12/06/2024
	<b>Document Type</b>	Report	<b>Council Adoption Date</b>	Not Applicable
			<b>Resolution No.</b>	Not Applicable

# City Manager Report

12/11/2024

## General Updates

### Staffing

- City Hall is now fully staffed with the filling of the Administrative Clerk position
- Deputy City Clerk has been appointed and previous Deputy City Clerks have been rescinded by the elected City Clerk
- No current open positions


### Public Works (PW)

- Storm Response: 11/20/24 through 11/24/2024
  - Prepped for the potential of flooding and/or significant snowfall with the anticipated atmospheric river conditions
  - Sandbags were made available to the citizens of Portola during the event with notice being placed on City's website
  - Minor flooding reported was addressed by staff

### Gulling Street Bridge

- Current monitoring:
  - Continuous monitoring at the designated monitoring points by PW staff
- Automated monitoring system development and implementation:
  - Currently being prepared and assessed by ETI instruments
  - Staff is working to finalize contract for installation of monitoring system
  - Meeting scheduled for Tuesday 12/10/2024 with all parties



	<b>Document Name</b>		<i>City Manager Report</i>	
	<b>Document Number</b>	TBD	<b>Revision Letter</b>	A
	<b>Document Location</b>	Server	<b>Revision Date</b>	12/06/2024
	<b>Document Type</b>	Report	<b>Council Adoption Date</b>	Not Applicable
			<b>Resolution No.</b>	Not Applicable

## National Firewise USA® Program

- Councilmember Battaglia spearheaded the initiative to obtain the certificate of recognition issued through 2025
- Posted information on the program as well as the certificate to City website for use by the public

## Planning

- Update meeting held on 11/20/2024 with Karen Downs (Planning Consultant)
  - Continuing to work through long range and current planning items
  - Update meetings to be held monthly with the next meeting scheduled for 12/18/2024


## Public Relations

### City Website Enhancements

- General website maintenance is underway with the focus on:
  - News & notice section cleanup
  - Staffing updates and edits
  - Deadlink resolution
- Use of banner for public notifications:
  - City Hall office hours during holidays
  - Urgent public messaging
- Highlighting of community events sponsored by other organizations on landing page
  - Christmas in Old Town
  - Santa Trains

### City Facebook

- Currently is not in use
- Staff is utilizing website for public outreach
- In the processes of identifying the most effective method for public outreach communication moving forward

	<b>Document Name</b>		<i>City Manager Report</i>	
	<b>Document Number</b>	TBD	<b>Revision Letter</b>	A
	<b>Document Location</b>	Server	<b>Revision Date</b>	12/06/2024
	<b>Document Type</b>	Report	<b>Council Adoption Date</b>	Not Applicable
			<b>Resolution No.</b>	Not Applicable

## Public Records Requests (PRR)

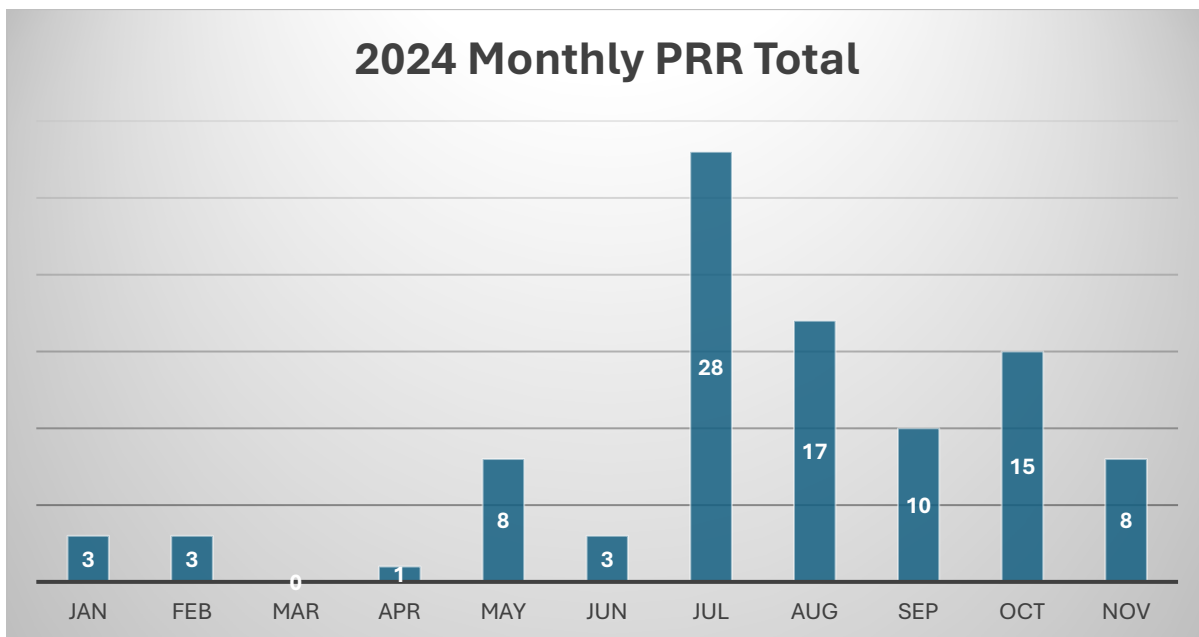
<b>2024 Total PRR<sup>1</sup></b> (Through November) <b>96</b>	<b>2022-2023 Total PRR</b>  <b>85</b>
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November PRR Metrics	
<b>Total Number of PRR</b>	<b>8</b>
<i>Number of Unique Requestor(s)<sup>2</sup></i>	0
<i>Number of Repeat Requestor(s)<sup>3</sup></i>	8
Repeat Requestor(s)	
Name (CivAssist): Ashlee	2
Name (CivAssist): Lindsey	2
Name (CivAssist): Scrintch	3
Name (Oral): Lindsey Shaw	1

<sup>1</sup> Total PRR indicates PRR entered via the CivAssist system during the calendar year

<sup>2</sup> Unique Requestor(s): Individuals or entities that have submitted at least one request within the reporting period, with each requestor counted only once

<sup>3</sup> Repeat Requestor(s): Individuals or entities that submit multiple requests over the reporting period



**RESOLUTION NO. 2600**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PORTOLA  
AUTHORIZING PAYMENT OF CLAIMS FOR PAYROLL FOR THE PERIOD  
OCTOBER 10, 2024 THROUGH DECEMBER 11, 2024 AND ACCOUNTS PAYABLE FROM  
NOVEMBER 14, 2024 THROUGH DECEMBER 11, 2024.**

**WHEREAS**, the City Council of the City of Portola has been fully advised that all such claims and demands are legal obligations of the City; and,

**WHEREAS**, the City Council has fully considered the claims and money demands and payment thereof as set forth below and in "Exhibit A" attached hereto and incorporated herein.

CHECK NO’S 46435-46472	\$146,588.39
CHECK NO’S 46525-46566	\$ 75,921.30
CHECK NO’S 46474 & 46475	\$ 411.15 (utility refunds)
VOID CHECKS 46542, 46561	
<b>TOTAL ACCOUNTS PAYABLE:</b>	<b>\$ 222,920.84</b>
PAYROLL 10/05/2024-10/18/2024	\$ 26,107.46
PAYROLL 10/19/2024-11/01/2024	\$ 37,819.16
PAYROLL 11/02/2024-11/15/2024	\$ 25,815.55
PAYROLL 11/16/2024-11/29/2024	\$ 45,754.75
<b>TOTAL PAYROLL</b>	<b>\$135,496.92</b>
<b>TOTAL CLAIMS:</b>	<b>\$358,417.76</b>

**NOW THEREFORE BE IT RESOLVED THAT** all claims and demands represented are just and proper and legal demands or claims against the City of Portola, and the payment of any such demands is approved and authorized.

**PASSED, APPROVED AND ADOPTED** this 11<sup>th</sup> day of December 2024 by the following vote:

AYES:

NOES

ABSTAIN:

ABSENT:

\_\_\_\_\_  
, Mayor

ATTEST:

\_\_\_\_\_  
Malachi Mansfield, Deputy City Clerk

I, Malachi Mansfield, Deputy City Clerk of the City of Portola, do hereby certify that the above and foregoing Resolution was duly passed and adopted by the City Council at the City of Portola Regular meeting thereof held on December 11, 2024.

\_\_\_\_\_  
Malachi Mansfield, Deputy City Clerk

VENDOR I.D.	NAME	STATUS	CHECK DATE	AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
000018	CINTAS I-202411252855 710 311-600.06 720 311-600.06	R CINTAS CINTAS	11/28/2024	32.73 32.72		046435		65.45
000048	PAGE ENGINEERING INC I-202411252876 720 311-600.18	R ENGINEER REPORTS & S	11/28/2024	24,770.00		046436		24,770.00
000051	CUTTING IMAGE I-202411252880 720 311-600.06 720 311-600.06	R INVOICE #40430 / DOO DOOR HANGERS	11/28/2024	214.05 214.05		046437		428.10
000062	MGE ENGINEERING INC I-202411252870 100 311-700.15	R MGE ENGINEERING INC	11/28/2024	72,434.79		046438		72,434.79
000076	PLUMAS COUNTY TREASURER TAX CO I-202411252887 100 000-401.00	R PLUMAS COUNTY TREASU	11/28/2024	28.75		046439		28.75
000078	CLARK PEST CONTROL I-202411252856 100 413-600.45	R INV #40430 / 424 E S	11/28/2024	98.00		046440		98.00
000083	TCE SOLUTIONS I-202411252883 100 212-600.32	R TCE SOLUTIONS	11/28/2024	2,400.00		046441		2,400.00
000090	BONNELL INDUSTRIES, INC. I-202411252851 208 317-600.07 208 317-600.08	R BONNELL INDUSTRIES, BONNELL INDUSTRIES,	11/28/2024	2,251.40 1,678.86		046442		3,930.26
000093	AMERICAN RIVER COLLEGE/SRPSTC I-202411252881 100 212-600.32	R INV# 25-309,ARREST T	11/28/2024	131.00		046443		131.00
0005	AIRGAS, INC. I-202411252847 710 311-600.07 720 311-600.07 710 311-600.08 720 311-600.08 710 311-600.06	R AIRGAS, INC. AIRGAS, INC. AIRGAS, INC. AIRGAS, INC. AIRGAS, INC.	11/28/2024	135.45 135.45 44.02 44.02 88.04		046444		446.98

VENDOR I.D.	NAME	STATUS	CHECK DATE	AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
0016	AMERIGEN POWER SOLUTIONS AMERIGEN POWER SOLUTIONS PROFESSIONAL SERVICES PROFESSIONAL SERVICES	R	11/28/2024 PM MAINTENANCE-JOHN PM MAINTENANCE-JOHN	1,404.26 694.11		046445		2,098.37
0021	AT&T AT&T TELEPHONE TELEPHONE	R	11/28/2024 AT&T AT&T	2.21 2.22		046446		4.43
0023	AT&T CABLET 3 AT&T CABLET 3 TELEPHONE TELEPHONE TELEPHONE	R	11/28/2024 22585796 / SCADA LDW 22585799 / SCADA 22585799 / CITYHALL	32.48 30.86 30.87		046447		94.21
0040	CA DEPT OF TAX AND FEE ADMIN CA DEPT OF TAX AND FEE ADMIN PERMIT FEES	R	11/28/2024 WATER RIGHTS CDTFA F	874.71		046448		874.71
0048	FACTUAL DATA FACTUAL DATA MATERIALS AND SUPPLIES MATERIALS AND SUPPLIES	R	11/28/2024 INV# 5397193 INV# 5397193	22.50 22.50		046449		45.00
0090	GRAINGER INC GRAINGER INC WATER METERS BUILDING EXPENSE	R	11/28/2024 PUMP & BATTERY / SWR HEAT/COOL PART	317.80 43.55		046450		361.35
0098	HOLIDAY SIGNS HOLIDAY SIGNS MATERIALS AND SUPPLIES	R	11/28/2024 HOLIDAY SIGNS	22.00		046451		22.00
0101	HUNT & SONS, INC. HUNT & SONS, INC. VEHICLE FUEL VEHICLE FUEL VEHICLE FUEL VEHICLE FUEL VEHICLE FUEL VEHICLE FUEL VEHICLE FUEL	R	11/28/2024 VEH FUEL VEH FUEL VEH FUEL VEH FUEL VEH FUEL VEH FUEL VEH FUEL	400.26 541.43 568.32 214.96 762.75 162.32		046452		2,650.04

VENDOR I.D.	NAME	STATUS	CHECK DATE	AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
0111	JEFFERSON SUPPLY COMPANY							
I-202411252866	JEFFERSON SUPPLY COMPANY	R	11/28/2024			046453		
710 311-600.06	MATERIALS AND SUPPLIES	#52998 / HONEYWELL L		150.15				
710 311-600.76	LINE REPAIR	#52993 / COPPER LINE		136.85				287.00
0118	KANSAS LIFE INSURANCE CO							
I-202411252868	KANSAS LIFE INSURANCE CO	R	11/28/2024			046454		
100 111-510.01	PERSONNEL COSTS	KANSAS LIFE INSURANC		11.57				
100 113-510.01	PERSONNEL COSTS	KANSAS LIFE INSURANC		6.12				
100 114-510.01	PERSONNEL COSTS	KANSAS LIFE INSURANC		1.36				
100 311-510.01	PERSONNEL COSTS	KANSAS LIFE INSURANC		3.40				
207 315-510.01	PERSONNEL COSTS	KANSAS LIFE INSURANC		4.08				
208 317-510.01	PERSONNEL COSTS	KANSAS LIFE INSURANC		4.08				
710 311-510.01	PERSONNEL COSTS	KANSAS LIFE INSURANC		21.78				
720 311-510.01	PERSONNEL COSTS	KANSAS LIFE INSURANC		12.93				
730 311-510.01	PERSONNEL COSTS	KANSAS LIFE INSURANC		2.73				68.05
0130	LEONARD'S MARKET							
I-202411252867	LEONARD'S MARKET	R	11/28/2024			046455		
207 315-600.06	MATERIALS AND SUPPLIES	DISTILLED H2O (STREE		21.54				21.54
0133	LIBERTY UTILITIES							
I-202411252869	LIBERTY UTILITIES	R	11/28/2024			046456		
207 213-600.41	STREET LIGHTING	8630101 / ST LIGHTS		6,019.62				6,019.62
0136	MANHARD CONSULTING							
I-202411252871	MANHARD CONSULTING	R	11/28/2024			046457		
100 117-600.18	PROFESSIONAL SERVICES	INVOICE # 99492 / PR		8,675.00				8,675.00
0148	NAPA SIERRA							
I-202411252872	NAPA SIERRA	R	11/28/2024			046458		
100 414-600.06	MATERIALS AND SUPPLIES	INV#: 288667		25.68				
208 317-600.07	EQUIPMENT REPAIR/MAINTENANCE	INV#: 286541		26.05				
208 317-600.07	EQUIPMENT REPAIR/MAINTENANCE	INV#: 288817		4.29				
208 317-600.08	VEHICLE REPAIR & MAINTENANCE	INV#: 288898		124.50				180.52
0159	OFFICE DEPOT							
I-202411252877	OFFICE DEPOT	R	11/28/2024			046459		
100 111-600.06	MATERIALS AND SUPPLIES	390262967001, 384416		94.76				
100 112-600.06	MATERIALS AND SUPPLIES	, 393548987001, 394231		23.69				
100 113-600.06	MATERIALS AND SUPPLIES	PENS,OFFC SUPPLY, BA		94.76				
100 114-600.06	MATERIALS AND SUPPLIES	PENS,OFFC SUPPLY, BA		23.96				
100 117-600.06	MATERIALS AND SUPPLIES	PENS,OFFC SUPPLY, BA		23.69				
710 311-600.06	MATERIALS AND SUPPLIES	PENS,OFFC SUPPLY, BA		94.76				
720 311-600.06	MATERIALS AND SUPPLIES	PENS,OFFC SUPPLY, BA		94.76				
730 311-600.06	MATERIALS AND SUPPLIES	PENS,OFFC SUPPLY, BA		23.44				473.82

VENDOR I.D.		NAME	STATUS	CHECK DATE	AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
0173	I-202411252873	PITNEY BOWES INC							
	100 111-600.02	PITNEY BOWES INC	R	11/28/2024	117.44		046460		
	100 113-600.02	POSTAGE		#3106923968 / METER	117.44				
	710 311-600.02	POSTAGE		#3106923968 / METER	117.44				
	720 311-600.02	POSTAGE		#3106923968 / METER	117.44				469.75
0180	I-202411252875	PLUMAS COUNTY ENVIRONMENTAL	R	11/28/2024			046461		
	720 311-600.69	PERMIT FEES	IN	0010726 / CUPA FE	272.00				272.00
0192	I-202411252874	PURCHASE POWER - PITNEY BOWES	R	11/28/2024			046462		
	100 111-600.02	POSTAGE		PURCHASE POWER	548.65				
	100 113-600.02	POSTAGE		PURCHASE POWER	548.65				
	710 311-600.02	POSTAGE		PURCHASE POWER	548.65				
	720 311-600.02	POSTAGE		PURCHASE POWER	548.65				2,743.25
	730 311-600.02	POSTAGE		PURCHASE POWER	548.65				
0198	I-202411252878	RENO HYDRAULIC & REBUILD, INC	R	11/28/2024			046463		
	720 311-600.07	EQUIPMENT REPAIR/MAINTENANCE	INV#	71119-C/ S#R1X1	1,962.48				3,924.95
	710 311-600.07	EQUIPMENT REPAIR/MAINTENANCE	INV#	71119-C/ S#R1X1	1,962.47				
0212	I-202411252879	SIERRA CONTROLS, LLC	R	11/28/2024			046464		
	710 311-600.18	PROFESSIONAL SERVICES	INV#:	125452, 125543	2,444.62				4,889.23
	720 311-600.18	PROFESSIONAL SERVICES	INV#:	125452, 125543	2,444.61				
0230	I-202411252852	STATE WATER RESOURCES CONTROL	R	11/28/2024			046465		
	720 311-600.31	STATE WATER RESOURCES CONTROL DUES/MEMBERSHIPS	WASTE WATER CERT - R		149.00				149.00
0231	I-202411252882	SUCCEED.NET	R	11/28/2024			046466		
	100 112-601.04	CITY WEB PAGE	INV #	213373 / DOMAI	33.92				67.85
	100 413-601.04	CITY WEB PAGE	INV #	213373 / DOMAI	33.93				
0235	I-202411252861	SUSAN SCARLETT	R	11/28/2024			046467		
	100 113-600.10	ACCOUNTING FEES		ACCOUNTING SERVICES	1,320.00				
	207 315-600.10	ACCOUNTING FEES		ACCOUNTING SERVICES	495.00				
	208 317-600.10	ACCOUNTING FEES		ACCOUNTING SERVICES	330.00				
	215 117-600.10	ACCOUNTING FEES		ACCOUNTING SERVICES	275.00				
	710 311-600.10	ACCOUNTING FEES		ACCOUNTING SERVICES	1,430.00				
	720 311-600.10	ACCOUNTING FEES		ACCOUNTING SERVICES	1,210.00				
	730 311-600.10	ACCOUNTING FEES		ACCOUNTING SERVICES	440.00				5,500.00

VENDOR I.D.	NAME	STATUS	CHECK DATE	AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
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0260	I-202411252884	VERIZON WIRELESS						
	710 325-600.05	VERIZON WIRELESS						
		VERIZON WIRELESS	R 11/28/2024	108.05		046468		108.05
		INVOICE # 9974159195LDTW						

0260	I-202411252885	VERIZON WIRELESS						
	100 411-600.36	VERIZON WIRELESS	R 11/28/2024	23.71		046469		
	100 413-600.05	POOL FACILITY	INVOICE#92280 LANDLINES	28.25				
	100 212-600.05	TELEPHONE	INVOICE#92280 LANDLINES	28.25				
	100 211-600.05	TELEPHONE	INVOICE#92280 LANDLINES	42.41				
	710 311-600.05	TELEPHONE	INVOICE#92280 LANDLINES	60.98				
	720 311-600.05	TELEPHONE	INVOICE#92280 LANDLINES	60.98				
	100 111-600.05	TELEPHONE	INVOICE#92280 LANDLINES	45.68				
	100 113-600.05	TELEPHONE	INVOICE#92280 LANDLINES	45.68				
	100 311-600.05	TELEPHONE	INVOICE#92280 LANDLINES	45.68				
	100 114-600.05	TELEPHONE	INVOICE#92280 LANDLINES	74.21				455.83

0260	I-202411252886	VERIZON WIRELESS						
	710 311-600.05	VERIZON WIRELESS	R 11/28/2024	181.97		046470		
	720 311-600.05	TELEPHONE	INVOICE# 9979025028 / M	183.99				
	100 117-600.05	TELEPHONE	INVOICE# 9979025028 / M	41.57				
	100 411-600.05	TELEPHONE	INVOICE# 9979025028 / M	41.64				
	100 212-600.05	TELEPHONE	INVOICE# 9979025028 / M	41.57				
	100 111-600.05	TELEPHONE	INVOICE# 9979025028 / M	13.85				504.59

0275	I-202411252859	EIP HOLDINGS II LLC	R 11/28/2024			046471		
	100 211-600.26	COMMUNICATION EXPENSE	INVOICE# 9081 / DEC REN	197.00				197.00

1	I-202411252865	BRIAN ATTAMA 'REIMBURSEMENT'	R 11/28/2024	594.85		046472		
	100 212-600.32	TRAINING AND EDUCATION	HOTEL	104.00				
	100 111-600.32	TRAINING AND EDUCATION	LIVESCAN FEE	0.95CR				697.90
	100 212-600.32	TRAINING AND EDUCATION	OVERPAYMENT PRIOR RE					

* * T O T A L S * *	NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
REGULAR CHECKS:	38	146,588.39	0.00	146,588.39
HAND CHECKS:	0	0.00	0.00	0.00
DRAFTS:	0	0.00	0.00	0.00
EFT:	0	0.00	0.00	0.00
NON CHECKS:	0	0.00	0.00	0.00
VOID CHECKS:	0	0.00	0.00	0.00
VOID DEBITS		0.00		
VOID CREDITS		0.00		

TOTAL ERRORS: 0



\*\* G/L ACCOUNT TOTALS \*\*

G/L ACCOUNT	NAME	AMOUNT
100 000-401.00	PROPERTY TAXES - SECURED	28.75
100 111-510.01	PERSONNEL COSTS	11.57
100 111-600.02	POSTAGE	666.09
100 111-600.05	TELEPHONE	90.40
100 111-600.06	MATERIALS AND SUPPLIES	116.76
100 111-600.32	TRAINING AND EDUCATION	104.00
100 112-600.06	MATERIALS AND SUPPLIES	23.69
100 112-601.04	CITY WEB PAGE	33.92
100 113-510.01	PERSONNEL COSTS	6.12
100 113-600.02	POSTAGE	666.09
100 113-600.05	TELEPHONE	45.68
100 113-600.06	MATERIALS AND SUPPLIES	94.76
100 113-600.10	ACCOUNTING FEES	1,320.00
100 114-510.01	PERSONNEL COSTS	1.36
100 114-600.05	TELEPHONE	74.21
100 114-600.06	MATERIALS AND SUPPLIES	23.96
100 117-600.05	TELEPHONE	41.57
100 117-600.06	MATERIALS AND SUPPLIES	23.69
100 117-600.18	PROFESSIONAL SERVICES	8,675.00
100 211-600.05	TELEPHONE	42.41
100 211-600.26	COMMUNICATION EXPENSE	197.00
100 212-600.05	TELEPHONE	69.82
100 212-600.09	VEHICLE FUEL	162.32
100 212-600.32	TRAINING AND EDUCATION	3,124.90
100 311-510.01	PERSONNEL COSTS	3.40
100 311-600.05	TELEPHONE	45.68
100 311-700.15	Bridge	72,434.79
100 411-600.05	TELEPHONE	41.64
100 411-600.36	POOL FACILITY	23.71
100 413-600.05	TELEPHONE	28.25
100 413-600.45	BUILDING EXPENSE	98.00
100 413-601.04	CITY WEB PAGE	33.93
100 414-600.06	MATERIALS AND SUPPLIES	25.68
100 414-600.09	VEHICLE FUEL	400.26
100 414-600.09	VEHICLE FUEL	88,779.41
207 213-600.41	STREET LIGHTING	6,019.62
207 315-510.01	PERSONNEL COSTS	4.08
207 315-600.06	MATERIALS AND SUPPLIES	21.54
207 315-600.09	VEHICLE FUEL	762.75
207 315-600.10	ACCOUNTING FEES	495.00
208 317-510.01	PERSONNEL COSTS	7,302.99
208 317-600.07	EQUIPMENT REPAIR/MAINTENANCE	4.08
208 317-600.08	VEHICLE REPAIR & MAINTENANCE	2,281.74
		1,803.36

** G/L ACCOUNT TOTALS **		
G/L ACCOUNT	NAME	AMOUNT
208 317-600.09	VEHICLE FUEL	214.96
208 317-600.10	ACCOUNTING FEES	330.00
	*** FUND TOTAL ***	4,634.14
215 117-600.10	ACCOUNTING FEES	275.00
	*** FUND TOTAL ***	275.00
710 311-510.01	PERSONNEL COSTS	21.78
710 311-600.02	POSTAGE	666.09
710 311-600.05	TELEPHONE	276.02
710 311-600.06	MATERIALS AND SUPPLIES	388.18
710 311-600.07	EQUIPMENT REPAIR/MAINTENANCE	2,097.92
710 311-600.08	VEHICLE REPAIR & MAINTENANCE	44.02
710 311-600.09	VEHICLE FUEL	541.43
710 311-600.10	ACCOUNTING FEES	1,430.00
710 311-600.18	PROFESSIONAL SERVICES	3,848.88
710 311-600.69	PERMIT FEES	874.71
710 311-600.70	WATER METERS	317.80
710 311-600.76	LINE REPAIR	136.85
710 325-600.05	TELEPHONE	140.53
	*** FUND TOTAL ***	10,784.21
720 311-510.01	PERSONNEL COSTS	12.93
720 311-600.02	POSTAGE	666.08
720 311-600.05	TELEPHONE	247.19
720 311-600.06	MATERIALS AND SUPPLIES	578.08
720 311-600.07	EQUIPMENT REPAIR/MAINTENANCE	2,097.93
720 311-600.08	VEHICLE REPAIR & MAINTENANCE	44.02
720 311-600.09	VEHICLE FUEL	568.32
720 311-600.10	ACCOUNTING FEES	1,210.00
720 311-600.18	PROFESSIONAL SERVICES	27,908.72
720 311-600.31	DUES/MEMBERSHIPS	149.00
720 311-600.45	BUILDING EXPENSE	43.55
720 311-600.69	PERMIT FEES	272.00
	*** FUND TOTAL ***	33,797.82
730 311-510.01	PERSONNEL COSTS	2.73
730 311-600.02	POSTAGE	548.65
730 311-600.06	MATERIALS AND SUPPLIES	23.44
730 311-600.10	ACCOUNTING FEES	440.00
	*** FUND TOTAL ***	1,014.82

VENDOR SET: 01 City of Portola  
BANK: PC POOLED CASH - PLUMAS  
DATE RANGE: 0/00/0000 THRU 99/99/9999

VENDOR I.D.	NAME	STATUS	CHECK DATE	AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
VENDOR SET: 01	BANK: PC	TOTALS:	NO	INVOICE AMOUNT	DISCOUNTS			CHECK AMOUNT
			38	146,588.39	0.00			146,588.39
BANK: PC	TOTALS:		38	146,588.39	0.00			146,588.39
REPORT TOTALS:			38	146,588.39	0.00			146,588.39

VENDOR I.D.	NAME	STATUS	CHECK DATE	AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
000029	COUNTRY BREEZE CLEANING							
I-202412042891	COUNTRY BREEZE CLEANING	R	12/11/2024			046525		
100 111-600.45	BUILDING EXPENSE		NOVEMBER CLEANING	133.33				
710 311-600.45	BUILDING EXPENSE		NOVEMBER CLEANING	133.33				
720 311-600.45	BUILDING EXPENSE		NOVEMBER CLEANING	133.34				400.00
000069	MARLIN LEASING CORP - PEAC							
I-202412042908	MARLIN LEASING CORP - PEAC	R	12/11/2024			046526		
100 111-600.48	EQUIPMENT LEASE		COPIER LEASE #401-18	152.08				
100 113-600.48	EQUIPMENT LEASE		COPIER LEASE #401-18	152.08				
710 311-600.48	EQUIPMENT LEASE		COPIER LEASE #401-18	101.38				
720 311-600.48	EQUIPMENT LEASE		COPIER LEASE #401-18	101.38				506.92
000072	MOTION & FLOW CONTROL PRO INC							
I-202412042902	MOTION & FLOW CONTROL PRO INC	R	12/11/2024			046527		
710 311-600.07	EQUIPMENT REPAIR/MAINTENANCE		BRASS BUSHINGS;TRAIL	1,114.84				
720 311-600.07	EQUIPMENT REPAIR/MAINTENANCE		SPLIT	1,767.80				
208 317-600.07	EQUIPMENT REPAIR/MAINTENANCE		SPLIT	1,767.80				4,650.44
000086	ADCOCK - CRESCENT TOW AND REPA							
I-202412042894	ADCOCK - CRESCENT TOW AND REPA	R	12/11/2024			046528		
100 212-600.95	CODE ENFORCEMENT		TOW - BLUE/WHIT VAN I	500.00				500.00
000094	WESTERN INDUSTRIAL PARTS, INC							
I-202412052922	WESTERN INDUSTRIAL PARTS, INC	R	12/11/2024			046529		
710 311-600.06	MATERIALS AND SUPPLIES		ORDER# 2411-C08028	337.75				
720 311-600.06	MATERIALS AND SUPPLIES		ORDER# 2411-C08028	337.74				
208 317-600.06	MATERIALS AND SUPPLIES		ORDER# 2411-C08028	337.74				1,013.23
00008	ALWAYS ANSWER							
I-202412042889	ALWAYS ANSWER	R	12/11/2024			046530		
720 311-600.05	TELEPHONE		800 #	31.25				
710 311-600.05	TELEPHONE		800 #	31.24				62.49
0010	AMAZON CAPITOL SERVICES							
I-202412052923	AMAZON CAPITOL SERVICES	R	12/11/2024			046531		
710 311-600.06	MATERIALS AND SUPPLIES		ADMIN OFFICE SUPP /	5.54				
710 325-600.06	MATERIALS AND SUPPLIES		VARIOUS SUPPLIES, TO	413.38				
720 311-600.45	BUILDING EXPENSE		VARIOUS SUPPLIES, TO	49.27				
720 311-600.06	MATERIALS AND SUPPLIES		VARIOUS SUPPLIES, TO	148.93				
720 311-600.06	MATERIALS AND SUPPLIES		VARIOUS SUPPLIES, TO	5.53				
208 317-600.08	VEHICLE REPAIR & MAINTENANCE		VARIOUS SUPPLIES, TO	73.41				
208 317-600.06	MATERIALS AND SUPPLIES		VARIOUS SUPPLIES, TO	76.95				
208 317-600.07	EQUIPMENT REPAIR/MAINTENANCE		VARIOUS SUPPLIES, TO	73.41				
100 113-600.06	MATERIALS AND SUPPLIES		VARIOUS SUPPLIES, TO	75.06				921.48

VENDOR I.D.	NAME	STATUS	CHECK DATE	AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
0015	AMERIGAS I-202412042890 100 311-600.04 GAS AND ELECTRIC	R	12/11/2024 3170923854 / CITY HA	583.90		046532		583.90
0016	AMERIGEN POWER SOLUTIONS I-202412052921 710 311-600.07 720 311-600.07 EQUIPMENT REPAIR/MAINTENANCE	R	12/11/2024 INV# 01-16533 / GENR INV# 01-16533 / GENR	448.52 448.52		046533		897.04
0027	BASTIAN ENGINEERING I-202412052919 207 315-600.18 211 315-600.18 PROFESSIONAL SERVICES	R	12/11/2024 INV# 24-12-2555 /STR INV# 24-12-2555 /STR	77.50 1,860.00		046534		1,937.50
0046	EMPIRE SOUTHWEST, LLC I-202412042895 710 311-600.25 EQUIPMENT RENTAL	R	12/11/2024 RENTAL-SN# 0UP600194	5,293.62		046535		5,293.62
0052	CITY OF PORTOLA I-202412042893 100 311-601.11 100 414-601.10 100 411-601.10 100 411-601.11 100 414-601.11 100 413-601.11 720 311-601.10 710 311-601.11 SEWER	R	12/11/2024 WATER WATER WATER WATER WATER WATER WATER WATER WATER	86.15 1,454.80 343.79 13.23 72.89 72.89 40.92 45.23		046536		2,129.90
0078	ENCOMPASS I-202412042896 100 111-600.06 100 113-600.06 710 311-600.06 720 311-600.06 MATERIALS AND SUPPLIES	R	12/11/2024 XEROX COPIES XEROX COPIES XEROX COPIES XEROX COPIES	56.36 56.36 37.57 37.58		046537		187.87
0086	FOLCHI LOGGING & CONSTR., INC. I-202412052926 710 311-600.76 LINE REPAIR	R	12/11/2024 FOLCHI LOGGING & CON	793.65		046538		793.65
0090	GRAINGER INC I-202412052914 710 311-600.07 208 317-600.06 EQUIPMENT REPAIR/MAINTENANCE MATERIALS AND SUPPLIES	R	12/11/2024 9332240291; BRASS BU 9332240291; SAND BAG	6.30 177.71		046539		184.01

VENDOR I.D.	NAME	STATUS	CHECK DATE	AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
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0093	I-202412052915	GRIZZLY ELECTRIC/RANDY VERNON	R 12/11/2024			046540		
	100 413-600.45	BUILDING EXPENSE	FIRE TRUCK HOUSE	2,517.32				2,517.32

0101	I-202412042897	HUNT & SONS, INC.	R 12/11/2024			046541		
	100 212-600.09	VEHICLE FUEL	VEH FUEL - CODE ENF	367.09				
	100 414-600.09	VEHICLE FUEL	VEH FUEL - PARKS	468.48				
	710 311-600.09	VEHICLE FUEL	VEH FUEL - WATER	1,193.45				
	720 311-600.09	VEHICLE FUEL	VEH FUEL - SEWER	518.07				
	207 315-600.09	VEHICLE FUEL	VEH FUEL - STREETS	1,244.76				
	208 317-600.09	VEHICLE FUEL	VEH FUEL - SNOW	285.00				
	100 413-600.45	BUILDING EXPENSE	WILLIAMS HOUSE OIL	381.67				
	I-202412042898	HUNT & SONS, INC.	R 12/11/2024			046541		
	100 414-600.09	VEHICLE FUEL	VEH FUEL - PARKS	18.85				
	710 311-600.09	VEHICLE FUEL	VEH FUEL - WATER	428.70				
	720 311-600.09	VEHICLE FUEL	VEH FUEL - SEWER	166.73				
	207 315-600.09	VEHICLE FUEL	VEH FUEL - STREETS	833.83				
	208 317-600.09	VEHICLE FUEL	VEH FUEL - SNOW	358.18				
	100 212-600.09	VEHICLE FUEL	VEH FUEL - CODE ENF	98.75				6,363.56

0103	I-202412042899	IEDA	R 12/11/2024			046543		
	100 111-510.01	PERSONNEL COSTS	LABOR RELATIONS CONS	27.38				
	100 113-510.01	PERSONNEL COSTS	LABOR RELATIONS CONS	13.81				
	100 114-510.01	PERSONNEL COSTS	LABOR RELATIONS CONS	12.14				
	100 311-510.01	PERSONNEL COSTS	LABOR RELATIONS CONS	27.38				
	207 315-510.01	PERSONNEL COSTS	LABOR RELATIONS CONS	24.84				
	208 317-510.01	PERSONNEL COSTS	LABOR RELATIONS CONS	31.60				
	710 311-510.01	PERSONNEL COSTS	LABOR RELATIONS CONS	207.61				
	720 311-510.01	PERSONNEL COSTS	LABOR RELATIONS CONS	161.92				
	730 311-510.01	PERSONNEL COSTS	LABOR RELATIONS CONS	18.88				525.56

0105	I-202412042900	INTERMOUNTAIN DISPOSAL	R 12/11/2024			046544		
	100 413-600.94	REFUSE COLLECTION	206008	15.40				
	100 111-600.94	REFUSE COLLECTION	206067 & 205778	94.99				
	720 311-600.18	PROFESSIONAL SERVICES	16312	228.67				
	100 414-600.94	REFUSE COLLECTION	206006	215.24				554.30

0118	I-202412042905	KANSAS LIFE INSURANCE CO	R 12/11/2024			046545		
	100 111-510.01	PERSONNEL COSTS	LIFE INS	10.83				
	100 113-510.01	PERSONNEL COSTS	LIFE INS	5.73				
	100 114-510.01	PERSONNEL COSTS	LIFE INS	1.27				
	100 311-510.01	PERSONNEL COSTS	LIFE INS	3.19				
	207 315-510.01	PERSONNEL COSTS	LIFE INS	3.82				
	208 317-510.01	PERSONNEL COSTS	LIFE INS	3.82				

VENDOR I.D.	NAME	STATUS	CHECK DATE	AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
0118	KANSAS LIFE INSURANCE CONT KANSAS LIFE INSURANCE CO PERSONNEL COSTS PERSONNEL COSTS PERSONNEL COSTS PERSONNEL COSTS	R LIFE INS LIFE INS LIFE INS LIFE INS	12/11/2024	20.39 12.11 2.56		046545		63.72
0133	LIBERTY UTILITIES LIBERTY UTILITIES GAS AND ELECTRIC GAS AND ELECTRIC	R 200008689495 200008626455	12/11/2024	137.06 2,907.68		046546		3,044.74
0141	MCI MEGA PREFERRED MCI MEGA PREFERRED TELEPHONE TELEPHONE	R MCI MEGA PREFERRED MCI MEGA PREFERRED	12/11/2024	22.76 22.75		046547		45.51
0145	MILL SUPPLY, INC MILL SUPPLY, INC EQUIPMENT REPAIR/MAINTENANCE	R 12/11/2024 MILL SUPPLY, INC	12/11/2024	559.02		046548		559.02
0148	NAPA SIERRA NAPA SIERRA MATERIALS AND SUPPLIES EQUIPMENT REPAIR/MAINTENANCE MATERIALS AND SUPPLIES VEHICLE REPAIR & MAINTENANCE MATERIALS AND SUPPLIES	R 12/11/2024 INV#289374 INV# 289373 INV #287117 10/03/24 3157-N INV # 289662	12/11/2024	107.24 77.03 116.25 1.20 5.04		046549		306.76
0154	NORTHERN CALIFORNIA GLOVES NORTHERN CALIFORNIA GLOVES MATERIALS AND SUPPLIES	R 12/11/2024 INV#1573214 / LATEX	12/11/2024	220.85		046550		220.85
0162	OPERATING ENGINEERS _PUBLIC EM OPERATING ENGINEERS _PUBLIC EM PERSONNEL COSTS PERSONNEL COSTS PERSONNEL COSTS PERSONNEL COSTS PERSONNEL COSTS PERSONNEL COSTS PERSONNEL COSTS PERSONNEL COSTS PERSONNEL COSTS PERSONNEL COSTS PERSONNEL COSTS	R 12/11/2024 HEALTH INSURANCE HEALTH INSURANCE HEALTH INSURANCE HEALTH INSURANCE HEALTH INSURANCE HEALTH INSURANCE HEALTH INSURANCE HEALTH INSURANCE HEALTH INSURANCE HEALTH INSURANCE HEALTH INSURANCE HEALTH INSURANCE	12/11/2024	146.20 292.40 731.00 877.20 1,754.40 146.20 5,555.60 4,386.00 731.00		046551		14,620.00

VENDOR I.D.		NAME	STATUS	CHECK DATE	AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
0175	I-202412052918	PLUMAS ACE HARDWARE INC	R	12/11/2024			046552		
	100 212-600.06	PLUMAS ACE HARDWARE INC	ACCT# 62 NOVEMBER ST		59.82				
	710 311-600.06	MATERIALS AND SUPPLIES	ACCT# 62 NOVEMBER ST		147.46				
	720 311-600.06	MATERIALS AND SUPPLIES	ACCT# 62 NOVEMBER ST		253.68				
	207 315-600.06	MATERIALS AND SUPPLIES	ACCT# 62 NOVEMBER ST		922.68				
	100 414-600.06	MATERIALS AND SUPPLIES	ACCT# 62 NOVEMBER ST		20.95				
	208 317-600.06	MATERIALS AND SUPPLIES	ACCT# 62 NOVEMBER ST		154.79				
	100 111-600.45	BUILDING EXPENSE	ACCT# 62 NOVEMBER ST		21.44				1,580.82
0185	I-202412042907	PLUMAS SIERRA TELECOMMUNICAT	R	12/11/2024			046553		
	710 325-600.05	TELEPHONE	WIRELESS- WTR TRTMT		60.00				
	710 311-600.05	TELEPHONE	BROADBAND - PW		54.50				
	720 311-600.05	TELEPHONE	BROADBAND - PW SPLIT		54.50				
	100 113-600.05	TELEPHONE	BROADBAND - CITY HAL		10.90				
	100 111-600.05	TELEPHONE	BROADBAND - CITY HAL		31.61				
	710 311-600.05	TELEPHONE	BROADBAND - CITY HAL		27.25				
	720 311-600.05	TELEPHONE	BROADBAND - CITY HAL		27.25				
	100 211-600.05	TELEPHONE	BROADBAND - CITY HAL		5.45				
	100 413-600.05	TELEPHONE	BROADBAND - CITY HAL		6.54				
	100 413-600.05	TELEPHONE	BROADBAND - WILLIAMS		109.00				387.00
0188	I-202412052917	PORTER SIMON CORPORATION	R	12/11/2024			046554		
	100 111-600.13	LEGAL FEES	INV # 2542, 2783, 25		6,636.55				
	100 117-600.13	LEGAL FEES	INV # 2542, 2783, 25		924.15				
	710 311-600.13	LEGAL FEES	INV # 2542, 2783, 25		924.15				
	720 311-600.13	LEGAL FEES	INV # 2542, 2783, 25		924.15				
	100 111-600.14	Public Records Requests	INV # 2542, 2783, 25		1,120.00				10,529.00
0218	I-202412052929	SILVER STATE ANALYTICAL	R	12/11/2024			046555		
	710 311-600.51	TESTING	SILVER STATE ANALYTI		228.00				
	720 311-600.51	TESTING	SILVER STATE ANALYTI		370.00				598.00
0220	I-202412042909	SINDEX PRINTING & GRAPHICS INC	R	12/11/2024			046556		
	710 311-600.06	MATERIALS AND SUPPLIES	SINDEX PRINTING & GR		1,108.00				
	720 311-600.06	MATERIALS AND SUPPLIES	SINDEX PRINTING & GR		1,108.00				
	730 311-600.06	MATERIALS AND SUPPLIES	SINDEX PRINTING & GR		554.00				2,770.00
0231	I-202412042910	SUCCEED.NET	R	12/11/2024			046557		
	100 112-601.04	CITY WEB PAGE	WEB DOMAIN - EMAIL		33.92				
	100 413-601.04	CITY WEB PAGE	WEB DOMAIN - EMAIL		33.93				67.85



VENDOR I.D.		NAME	STATUS	CHECK DATE	AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
0233	I-202412052925	SUNRISE ENVIRONMENTAL SCIENTIF	R	12/11/2024					
	720 311-600.90	SUNRISE ENVIRONMENTAL SCIENTIF MAINTENANCE	R	12/11/2024	1,952.24		046558		1,952.24
0236	I-202412042906	SWRCB	R	12/11/2024					
	730 311-600.69	SWRCB PERMIT FEES	R	12/11/2024	1,701.00		046559		1,701.00
0254	I-202412052928	US BANK CORPORATE PYMT SYSTEMS	R	12/11/2024					
	100 111-600.20	US BANK CORPORATE PYMT SYSTEMS ADVERTISING/NOTICES	R	12/11/2024	112.53		046560		
	100 117-600.06	MATERIALS AND SUPPLIES	US BANK CORPORATE PY		950.00				
	100 111-600.06	MATERIALS AND SUPPLIES	US BANK CORPORATE PY		145.84				
	710 311-600.06	MATERIALS AND SUPPLIES	US BANK CORPORATE PY		141.55				
	720 311-600.06	MATERIALS AND SUPPLIES	US BANK CORPORATE PY		141.55				
	100 414-600.06	MATERIALS AND SUPPLIES	US BANK CORPORATE PY		1,304.63				
	208 317-600.93	PROPERTY DAMAGE	US BANK CORPORATE PY		1,480.98				
	208 317-600.06	MATERIALS AND SUPPLIES	US BANK CORPORATE PY		201.25				
	208 317-600.07	EQUIPMENT REPAIR/MAINTENANCE	US BANK CORPORATE PY		521.67				
	208 317-600.08	EQUIPMENT REPAIR/MAINTENANCE	US BANK CORPORATE PY		153.29				
	208 317-600.09	VEHICLE REPAIR & MAINTENANCE	US BANK CORPORATE PY		50.00				
	710 311-600.07	EQUIPMENT REPAIR/MAINTENANCE	US BANK CORPORATE PY		126.62				
	710 311-600.06	MATERIALS AND SUPPLIES	US BANK CORPORATE PY		173.21				
	720 311-600.09	VEHICLE FUEL	US BANK CORPORATE PY		50.00				
	720 311-600.09	VEHICLE FUEL	US BANK CORPORATE PY		49.99				5,603.11
0258	I-202412042913	USDA FOREST SERVICE PIPELINE	R	12/11/2024					
	710 311-600.69	USDA FOREST SERVICE PIPELINE PERMIT FEES	R	12/11/2024	723.42		046562		723.42
0260	I-202412042911	VERIZON WIRELESS	R	12/11/2024					
	100 411-600.36	VERIZON WIRELESS POOL FACILITY	R	12/11/2024	23.81		046563		
	100 413-600.05	TELEPHONE	LANDLINE		28.25				
	100 212-600.05	TELEPHONE	LANDLINE		28.25				
	100 211-600.05	TELEPHONE	LANDLINE		42.31				
	710 311-600.05	TELEPHONE	LANDLINE		60.98				
	720 311-600.05	TELEPHONE	LANDLINE		60.98				
	100 111-600.05	TELEPHONE	LANDLINE		60.98				
	100 113-600.05	TELEPHONE	LANDLINE		45.68				
	100 311-600.05	TELEPHONE	LANDLINE		45.68				
	100 114-600.05	TELEPHONE	LANDLINE		74.21				455.83

VENDOR I.D.		NAME	STATUS	CHECK DATE	AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
0260		VERIZON WIRELESS							
	I-202412042912	VERIZON WIRELESS	R	12/11/2024			046564		
	710 325-600.05	TELEPHONE	LDTWP DATA PLAN		108.05				108.05
0260		VERIZON WIRELESS							
	I-202412052916	VERIZON WIRELESS	R	12/11/2024			046565		
	710 311-600.05	TELEPHONE	ACCT# 47076646/INV#		176.97				
	720 311-600.05	TELEPHONE	ACCT# 47076646/INV#		178.99				
	100 117-600.05	TELEPHONE	ACCT# 47076646/INV#		41.57				
	100 411-600.05	TELEPHONE	ACCT# 47076646/INV#		41.64				
	100 212-600.05	TELEPHONE	ACCT# 47076646/INV#		51.57				
	100 111-600.05	TELEPHONE	ACCT# 47076646/INV#		13.85				504.59
1									
	I-202412042892	MALACHI MANSFIELD	R	12/11/2024			046566		
	100 113-510.01	PERSONNEL COSTS	LIVESCAN REIMBURSEME		57.00				57.00

* * T O T A L S * *		NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
REGULAR CHECKS:		40			
HAND CHECKS:		0	75,921.30	0.00	75,921.30
DRAFTS:		0	0.00	0.00	0.00
EFT:		0	0.00	0.00	0.00
NON CHECKS:		0	0.00	0.00	0.00
VOID CHECKS:		0			
VOID DEBITS			0.00		
VOID CREDITS			0.00	0.00	

TOTAL ERRORS: 0

** G/L ACCOUNT TOTALS **		
G/L ACCOUNT	NAME	AMOUNT
100 111-510.01	PERSONNEL COSTS	38.21
100 111-600.05	TELEPHONE	91.14
100 111-600.06	MATERIALS AND SUPPLIES	202.20
100 111-600.13	LEGAL FEES	6,636.55
100 111-600.14	Public Records Requests	1,120.00
100 111-600.20	ADVERTISING/NOTICES	112.53
100 111-600.45	BUILDING EXPENSE	154.77
100 111-600.48	EQUIPMENT LEASE	152.08
100 111-600.94	REFUSE COLLECTION	94.99
100 112-601.04	CITY WEB PAGE	33.92
100 113-510.01	PERSONNEL COSTS	222.74
100 113-600.05	TELEPHONE	56.58

\*\* G/L ACCOUNT TOTALS \*\*

G/L ACCOUNT	NAME	AMOUNT
100 113-600.06	MATERIALS AND SUPPLIES	131.42
100 113-600.48	EQUIPMENT LEASE	152.08
100 114-510.01	PERSONNEL COSTS	305.81
100 114-600.05	TELEPHONE	74.21
100 117-600.05	TELEPHONE	41.57
100 117-600.06	MATERIALS AND SUPPLIES	950.00
100 117-600.13	LEGAL FEES	924.15
100 211-600.05	TELEPHONE	47.76
100 212-600.05	TELEPHONE	79.82
100 212-600.06	MATERIALS AND SUPPLIES	59.82
100 212-600.09	VEHICLE FUEL	465.84
100 212-600.95	CODE ENFORCEMENT	500.00
100 311-510.01	PERSONNEL COSTS	761.57
100 311-600.04	GAS AND ELECTRIC	583.90
100 311-600.05	TELEPHONE	45.68
100 311-601.11	SEWER	86.15
100 411-600.05	TELEPHONE	41.64
100 411-600.36	POOL FACILITY	23.81
100 411-601.10	WATER	343.79
100 411-601.11	SEWER	13.23
100 413-600.05	TELEPHONE	143.79
100 413-600.45	BUILDING EXPENSE	2,898.99
100 413-600.94	REFUSE COLLECTION	15.40
100 413-601.04	CITY WEB PAGE	33.93
100 413-601.11	SEWER	72.89
100 414-600.04	GAS AND ELECTRIC	137.06
100 414-600.06	MATERIALS AND SUPPLIES	1,325.58
100 414-600.09	VEHICLE FUEL	487.33
100 414-600.94	REFUSE COLLECTION	215.24
100 414-601.10	WATER	1,454.80
100 414-601.11	SEWER	72.89
*** FUND TOTAL ***		21,405.86
207 315-510.01	PERSONNEL COSTS	905.86
207 315-600.06	MATERIALS AND SUPPLIES	922.68
207 315-600.09	VEHICLE FUEL	2,078.59
207 315-600.18	PROFESSIONAL SERVICES	77.50
*** FUND TOTAL ***		3,984.63
208 317-510.01	PERSONNEL COSTS	1,789.82
208 317-600.06	MATERIALS AND SUPPLIES	1,290.58
208 317-600.07	EQUIPMENT REPAIR/MAINTENANCE	2,921.90
208 317-600.08	VEHICLE REPAIR & MAINTENANCE	227.90
208 317-600.09	VEHICLE FUEL	693.18
208 317-600.93	PROPERTY DAMAGE	1,480.98
*** FUND TOTAL ***		8,404.36

** G/L ACCOUNT TOTALS **		
G/L ACCOUNT	NAME	AMOUNT
211 315-600.18	PROFESSIONAL SERVICES	1,860.00
*** FUND TOTAL ***		1,860.00
215 117-510.01	PERSONNEL COSTS	146.20
*** FUND TOTAL ***		146.20
710 311-510.01	PERSONNEL COSTS	5,783.60
710 311-600.05	TELEPHONE	373.70
710 311-600.06	MATERIALS AND SUPPLIES	2,058.32
710 311-600.07	EQUIPMENT REPAIR/MAINTENANCE	1,773.31
710 311-600.09	VEHICLE FUEL	1,622.15
710 311-600.13	LEGAL FEES	924.15
710 311-600.25	EQUIPMENT RENTAL	5,293.62
710 311-600.45	BUILDING EXPENSE	133.33
710 311-600.48	EQUIPMENT LEASE	101.38
710 311-600.51	TESTING	228.00
710 311-600.69	PERMIT FEES	723.42
710 311-600.76	LINE REPAIR	793.65
710 311-601.11	SEWER	45.23
710 325-600.05	TELEPHONE	168.05
710 325-600.06	MATERIALS AND SUPPLIES	413.38
*** FUND TOTAL ***		20,435.29
720 311-510.01	PERSONNEL COSTS	4,560.03
720 311-600.04	GAS AND ELECTRIC	2,907.68
720 311-600.05	TELEPHONE	375.72
720 311-600.06	MATERIALS AND SUPPLIES	2,033.01
720 311-600.07	EQUIPMENT REPAIR/MAINTENANCE	2,216.32
720 311-600.09	VEHICLE FUEL	784.79
720 311-600.13	LEGAL FEES	924.15
720 311-600.18	PROFESSIONAL SERVICES	228.67
720 311-600.45	BUILDING EXPENSE	182.61
720 311-600.48	EQUIPMENT LEASE	101.38
720 311-600.51	TESTING	370.00
720 311-600.90	MAINTENANCE	1,952.24
720 311-601.10	WATER	40.92
*** FUND TOTAL ***		16,677.52
730 311-510.01	PERSONNEL COSTS	752.44
730 311-600.06	MATERIALS AND SUPPLIES	554.00
730 311-600.69	PERMIT FEES	1,701.00
*** FUND TOTAL ***		3,007.44

VENDOR I.D.		NAME	STATUS	CHECK DATE	AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
VENDOR SET:	01	BANK: PC	TOTALS:	NO					
				40	75,921.30	DISCOUNTS	0.00		CHECK AMOUNT 75,921.30
BANK:	PC	TOTALS:		40	75,921.30	0.00			75,921.30
REPORT TOTALS:				40	75,921.30	0.00			75,921.30



City of Portola

Minutes

Regular Meeting

November 13, 2024 06:00 PM

35 Third Ave, Portola, CA 96122

<https://www.cityofportola.com/>

## 1. **Call to Order**

The meeting was called to order at 6:00 pm by Mayor Pat Morton.

### A. Roll Call

Present: Mayor Pat Morton, Mayor Pro-Tem Jim Murphy, Councilmember Bill Powers, Councilmember Leah Turner

Absent: Councilmember Mikki Battaglia

Staff Present: Susan Scarlett, Interim City Manager/Finance Officer, Steve Gross, City Attorney

### B. Pledge of Allegiance

Led by Mayor Pat Morton

## 2. **Public Comments**

None

## 3. **City Communications**

### A. City Council Communications

Councilmember Bill Powers - Juvenile Justice Coordinating Council

Mayor Pro-Tem Jim Murphy - Meeting with US Representative, Kevin Kyle regarding the Portola bridge project; LAFCo meeting; Airport Land Use Commission meeting; meeting with Regina Martinez of Plumas Rural Services; compliments the Portola Historical Society on the completion of a building to house the 32 Le France Fire Engine

Councilmember Leah Turner - No report

Mayor Pat Morton - Meeting with staff member of US Representative, Kevin Kyle regarding Portola bridge project; attended the Beckwourth Peak Fire Protection District meeting; attended LAFCo

### B. Reports: Beckwourth Peak Fire Protection District/Plumas County Sheriff/Northern Sierra Air Quality

Beckwourth Peak Fire Protection District: Jack Rosevear, Fire Chief provided a written report and update on the Fire District which was included in the agenda packet.

Plumas County Sheriff: No report

Northern Sierra Air Quality: Susan Scarlett, Interim City Manager provides a report and update from Councilmember Mikki Battaglia regarding Northern Sierra Air Quality.

C. Staff Communications

None

D. Interim City Manager Report

Susan Scarlett, Interim City Manager reports the annual audit is complete, the audit is clean with no findings. The audit will be on the December 11, 2024 agenda.

4. **Consent Agenda**

A. Claims - Resolution No. 2599

October 23, 2024 Checks 46333-46387 \$117,692.73

November 13, 2024 Checks 46388-46519 \$112,070.21

Total AP \$229,762.94

Updated information on check numbers and the resolution will be available by the meeting.

B. Adopt minutes of the October 9, 2024 Regular Meeting

C. Proclamations for Emergencies - Renew the Emergency declaration for both the 2023 Winter storms and the Gold Complex Fire.

A) Adopted Resolution No. 2599, as presented and amended

B) Adopted Minutes of October 9, 2024 Regular Meeting

C) Renewed Emergency Declaration for both the 2023 winter storms and the Gold Complex Fires

Mayor Pro-Tem Jim Murphy motioned to approve. A second was made by Councilmember Bill Powers.

The roll call vote:

Aye Mayor Pat Morton Aye Mayor Pro-Tem Jim Murphy Aye Councilmember Bill Powers Aye Councilmember Leah Turner Absent Councilmember Mikki Battaglia

5. **Modify the meeting dates for November and December**

Regular Meeting dates are confirmed for November 13, 2024 and December 11, 2024.

Mayor Pro-Tem Jim Murphy motioned to approve. A second was made by Councilmember Bill Powers.

The roll call vote:

Aye Mayor Pat Morton Aye Mayor Pro-Tem Jim Murphy Aye Councilmember Bill Powers Aye Councilmember Leah Turner Absent Councilmember Mikki Battaglia

**6. "Plan for Power Outage" Flyer**

Upon report and recommendation of Susan Scarlett, Interim City Manager, the Council directed staff to copy the "Plan for Power Outage", in the blue colored copy as presented, and include the flyer in the utility bills at the beginning of December.

The "Plan for Power Outage" flyer has been prepared by Lori Pini of CalOES.

Councilmember Leah Turner motioned to approve. A second was made by Mayor Pro-Tem Jim Murphy.

The roll call vote:

Aye Mayor Pat Morton Aye Mayor Pro-Tem Jim Murphy Aye Councilmember Bill Powers Aye Councilmember Leah Turner Absent Councilmember Mikki Battaglia

**7. American Rescue Plan Act/State and Local Fiscal Recovery Fund usage of balance.**

Discussion is held regarding the American Rescue Plan Act/State and Local Fiscal Recovery Funds. In 2021-2022 the City of Portola received \$461,697 of Fiscal Recovery Funds as part of the pandemic recovery efforts. At this time, the balance of the funds is \$87,809.75. Funds need to be fully obligated by December 31, 2024. Following discussion, Mayor Pro-Tem, Jim Murphy requests a detailed list of projects approved for the December 11, 2024 regular meeting. This matter is continued to December 11, 2024 to determine use of the remaining funds.

**8. Closed Session**

**A. Closed Session Pursuant to Government Code Section 54956.9(d)(1), Conference with Legal Counsel, Existing Litigation – Claim of Jason Shaw**

With regard to the claim of Jason Shaw, the Council took action to reject all portions of the claim that are timely (within the 180 days) and no action on the untimely portion of the claim.

Mayor Pro-Tem Jim Murphy motioned to approve. A second was made by Councilmember Bill Powers.

The roll call vote:

Aye Mayor Pat Morton Aye Mayor Pro-Tem Jim Murphy Aye Councilmember Bill Powers Aye Councilmember Leah Turner Absent Councilmember Mikki Battaglia

**B. Conference with Legal Counsel - Existing Litigation Pursuant to Gov. Code Section 54956.9 (d)(1) Conference with Legal Counsel, Existing Litigation – Claim of Lindsey Shaw**

With regard to the claim of Lindsey Shaw, the Council took action to reject all portions of the claim that are timely (within the 180 days) and no action on the untimely portion of the claim.

Councilmember Leah Turner motioned to approve. A second was made by Mayor Pro-Tem Jim Murphy.

The roll call vote:

Aye Mayor Pat Morton Aye Mayor Pro-Tem Jim Murphy Aye Councilmember



**Bill Powers** Aye **Councilmember Leah Turner** Absent **Councilmember Mikki Battaglia**

C. Closed Session pursuant to Government Code Section 54957 – Public Employee Appointment City Manager

The Council took no reportable action on item 8C

9. **Report from Closed Session** Items A and B are summarized in the minutes. In addition the City Council approved the Interim City Manager to execute an agreement with the Law Firm Jackson Lewis.

Mayor Pro-Tem Jim Murphy motioned to approve. A second was made by Councilmember Bill Powers.

The roll call vote:

Aye **Mayor Pat Morton** Aye **Mayor Pro-Tem Jim Murphy** Aye **Councilmember Bill Powers** Aye **Councilmember Leah Turner** Absent **Councilmember Mikki Battaglia**

10. **City Manager Employment Agreement**

The City Council reviewed the City Manager employment agreement that had been presented in the agenda packet without a named candidate. City Attorney Steve Gross said that the agreement is between the City and Ryan Bonk. Attorney Gross reviewed the agreement terms including salary and benefits. After a unanimous vote of the Council members present Mr. Bonk was welcomed by the Council as the new City Manager

Mayor Pro-Tem Jim Murphy motioned to approve. A second was made by Councilmember Bill Powers.

The roll call vote:

Aye **Mayor Pat Morton** Aye **Mayor Pro-Tem Jim Murphy** Aye **Councilmember Bill Powers** Aye **Councilmember Leah Turner** Absent **Councilmember Mikki Battaglia**

11. **Adjournment**

The meeting was adjourned at 7:51 p.m.



**MEETING DATE:** December 11, 2024

**AGENDA ITEM:** 6. Refuse Collection Rate Increase 2025 – Public Hearing for Resolution No. 2601

**FROM:** Ryan Bonk & Tom Valentino

**RE:** Resolution No. 2601 - 2025 Refuse Collection Rate Increase – Public Hearing

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### **BACKGROUND:**

Under the revised and amended franchise agreement between the City of Portola and Intermountain Disposal Company, the company is entitled to an annual rate adjustment for changes in the cost of doing business, consistent with Section 5.3 of the agreement.

IMD is able to petition the city council for increased refuse collection rates for certain pass-through expenses, as described in Section 5.5 of the franchise agreement. Increased trash disposal fees at the Delleker Transfer Station over the past two qualify as a pass-through expense and are incorporated into some, but not all, of the proposed 2025 refuse collection rates.

The 2025 proposed rates were presented to the Portola City Council at the October 9, 2024, meeting. The council approved starting the rate increase process, consistent with California State Proposition 218 guidelines, by authorizing issuance of the proposed refuse collection rates to Portola property owners and IMD customers by postal service and commencing the 45-day public comment period.

A year ago, the City Council approved a refuse collection services rate increase of 2.51% for the 2024 calendar year.

### **Changes in the Cost of Doing Business**

The adjustment for increases of the cost of doing business is based on U.S. Bureau of Labor Statistics and the U.S. Energy Information Administration data for consumer indices and fuel price changes over a one-year period (August 2023 to August 2024). Specifically, the two Federal agency statistics used to calculate the annual increase are:

□ Bureau of Labor Statistics Consumer Price Index for All West Urban Consumers, Non-Seasonally Adjusted; and

□ Energy Information Administration California No. 2 Diesel Retail Prices.

Staff calculated the inflation and diesel fuel increases using August 2023 and August 2024 federal data and the calculation procedure stated in section 5.3 of the franchise agreement. The combined CPI/Diesel Fuel rate increase is 0.61%. Intermountain Disposal's accounting firm VT Accounting Associates separately calculated the CPI and Fuel increases and agreed with our calculation.

## **Transfer Station Fee Increases**

The Plumas County Board of Supervisors approved fee increases at the Delleker Transfer Station of 8.91% (effective July 5, 2022) and 6.09% (effective July 1, 2024). IMD seeks to increase refuse collection rates for the transfer station increases, consistent with section 5.5 of the franchise agreement – Pass-Through Costs.

To determine the percentage of the two transfer station increases to pass-through to the refuse collection rates, VT Accounting Associates provided IMD financial information for 2023. VT states IMD had total revenue of \$627,927 and disposal fees at the transfer station of \$150,777 in 2023. Disposal expenses (\$150,777) as a percentage of revenue (\$627,927) is 24.0 percent.

To calculate the transfer station fee increases on the 2025 refuse collection rates, we sum the two fee increases percentages and multiply the sum by 24.0%. The result is a 3.60% increase for trash disposal services, effective 2025.

The 2025 rates for residential and commercial refuse collection and related services in the city of Portola are attached. These rates are the only fees IMD can assess residential and commercial customers in the city.

## **Proposition 218 Compliance Process**

In compliance with state Proposition No. 218, a notice of the proposed rate increase was mailed to all property owners and IMD customers (including tenants) within the City (see attached notice). In accordance with noticing procedures, a public hearing was established and scheduled for December 11, 2024. Although notices were sent to property owners and customer's only one protest can be accepted from each parcel within the City.

At the time of staff report publication, the city has received 3 written protests.

Without the sufficient number of protests (50% plus one of affected properties in Portola) the rate increase may move forward by City Council approval of a resolution. Accordingly, Resolution No. 2601 has been prepared for Council review and possible action (attached).

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## **RECOMMENDATION:**

Staff recommends that the City Council open the public hearing, receive public comment on the rate increase, close the public hearing and approve Resolution No. 2601 to adopt the 2025 refuse collection rates.

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## **ATTACHMENTS:**

- A. RESOLUTION 2601 IMD RATE INCREASE
- B. IMD FRANCHISE AGREEMENT
- C. INTERMOUNTAIN DISPOSAL PROPOSED 2025 RATE INCREASE

D. PROTESTS RECEIVED 20241204

**RESOLUTION 2601**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PORTOLA  
ADOPTING WASTE COLLECTION AND RESIDENTIAL RECYCLING RATES**

**WHEREAS**, in accordance with the Franchise Agreement between the City of Portola and Intermountain Disposal the Portola City Council is considering an increase to waste collection and residential recycling rates billed by Intermountain Disposal to customers within the City; and,

**WHEREAS**, the City Council has determined that the rate increase requested by Intermountain Disposal complies with the approved Franchise Agreement; and,

**WHEREAS**, in accordance with Government Code section 54515, Government Code Section 54300, Part I of Division 2 of Title 5 of the Government Code and Proposition 218, a Public Hearing was held on December 11, 2024 to consider changes to waste collection and residential recycling rates billed by Intermountain Disposal to property owners within the City of Portola and at the hearing the City Council received comments from the public regarding the proposed changes; and,

**WHEREAS**, the City received fewer protests to the proposed increase in rates for waste collection and residential recycling than is required to prevent the City Council from increasing the fees.

**NOW THEREFORE, BE IT HEREBY RESOLVED** by the City Council of the City of Portola that the waste collection and recycling rates charged to customers within the City of Portola by Intermountain Disposal in accordance with its franchise agreement as shown on Exhibit “A”, which is attached hereto and incorporated herein, are hereby adopted and shall take effect on January 1, 2025.

**PASSED, APPROVED AND ADOPTED** this 11th day of December 2024 by the following vote:

AYES: \_\_\_\_\_

NOES: \_\_\_\_\_

ABSTAIN: \_\_\_\_\_

ABSENT: \_\_\_\_\_

\_\_\_\_\_  
, Mayor

ATTEST:

\_\_\_\_\_  
Malachi Mansfield, Deputy City Clerk

I, Malachi Mansfield, Deputy City Clerk of the City of Portola, do hereby certify that the above and foregoing Resolution was duly passed and adopted by the City Council of the City of Portola at a regular meeting thereof held on December 11, 2024.

\_\_\_\_\_  
Malachi Mansfield, Deputy City Clerk

**Exhibit A**

**AMENDED AND EXTENDED**

**EXCLUSIVE FRANCHISE AGREEMENT**

**BETWEEN**

**THE CITY OF PORTOLA AND**

**INTERMOUNTAIN DISPOSAL, INC. FOR**

**SOLID WASTE AND RECYCLABLE MATERIAL**

**COLLECTION SERVICES**

**AND**

**OPERATION OF THE ENVIRONMENTAL RECLAMATION**

**CENTER**

**AT PORTOLA LANDFILL**



**AMENDMENT NO. 1, MODIFY SECTION 5.3, EXECUTED AUGUST 25, 2021**  
**AMENDMENT NO. 2, ADD SECTION 5.6, EXECUTED APRIL 13, 2022**

**AMENDED AND EXTENDED EXCLUSIVE FRANCHISE AGREEMENT FOR SOLID  
WASTE AND RECYCLABLE MATERIALS COLLECTION SERVICES AND  
OPERATION OF THE ENVIRONMENTAL RECLAMATION CENTER AT PORTOLA  
LANDFILL**

This Amended and Extended Exclusive Franchise Agreement for Solid Waste Collection and Recycling Services, ("Agreement") is entered into this \_\_\_\_ day of \_\_\_\_\_, 2017 by and between the City of Portola ("City") and Intermountain Disposal, Inc., a California corporation ("Company").

**RECITALS**

WHEREAS, the Legislature of the State of California, by enactment of the California Integrated Waste Management Act of 1989 (California Public Resources Code Section 40000 et. seq.) ("AB 939"), has declared that it is in the public interest to authorize and require local agencies to make adequate provisions for Solid Waste handling within their jurisdictions to meet the goals and requirements of AB 939 and its successor legislation;

WHEREAS, pursuant to California Public Resources Code Section 40059(a)(2), the City has determined that in order to protect the public health and safety of the residents and business within the City of Portola, it is appropriate to provide for solid waste collection and disposal by a private waste hauler as an alternative to providing such services through public resources; and to that end has determined that an exclusive Franchise be awarded to a qualified company for the Collection, transportation, Recycling, processing, and Disposal of Solid Waste and Recyclable Materials and other services to meet the goals and requirements of AB 939; which Franchise can be appropriately integrated into and function as part of the solid waste system provided by the City;

WHEREAS, Public Resources Code Section 40059 permits the City to impose terms and conditions on the award of a solid waste franchise if, in the opinion of the governing body, the public health, safety and well-being require the imposition of those terms and conditions;

WHEREAS, Company has represented and warranted to the City that it has the experience, responsibility, and qualifications to conduct the services detailed herein for the collection, safe transportation and disposal of Franchise Materials as described herein;

WHEREAS, the City Council of the City of Portola determines and finds that: (i) based on Company's qualifications, technical proposal, and financial strength, as well as cost to the City, the proposal of the Company's to provide Collection, transportation, Recycling, and Disposal of Solid Waste services for single family residences, multifamily dwellings and commercial service Customers, as described in this Franchise, is in the best interest of the City and the public health and safety; and, (ii) the public health, safety and well-being require the grant of a franchise on the terms and conditions contained in this Franchise;

WHEREAS, Chapter 8.04.031 of the City of Portola Municipal Code (City Code) requires, among other things, that a commercial collector or transporter of solid waste be properly franchised by the City;

WHEREAS, the Company agrees to and acknowledges that it shall lawfully dispose of all Solid Waste collected pursuant to this Agreement at a permitted disposal facility; and

WHEREAS, the City and the Company ("Parties") initially entered into a franchise agreement effective November 1, 2002 and hereto desire to enter into this amended and extended Agreement.

NOW, THEREFORE, in consideration of the Recitals stated above, for good and valuable consideration, and of the terms, conditions, covenants and agreements contained herein, the Parties hereby agree as follows:

## **ARTICLE 1. DEFINITIONS**

Whenever any term used in this Agreement has been defined by the provisions of the City of Portola Municipal Code or by Division 30, Part 1, Chapter 2 of the California Public Resources Code, the definitions in the City Code shall apply first and then the Public Resources Code shall apply, unless the term is otherwise defined in this Agreement, in which case this Agreement shall control.

Except as provided in Article 1, words beginning with lower case letters are being used with their common ordinary meanings, not as defined terms. Otherwise, the following capitalized words and terms shall have the following meanings:

### **1.1 AB 939**

"AB 939" means the California Integrated Waste Management Act of 1989 (California Public Resources Code Section 40000 et. seq.), as it may be amended from time to time.

### **1.2 Agreement**

"Agreement" means this Franchise Agreement between the City and the Company for the Collection, transportation, Recycling, and Disposal of Solid Waste, Recyclable Materials, and other services related to meeting the goals and requirements of AB 939, including all exhibits and attachments, and any amendments thereto.

### **1.3 Appliances**

"Appliances" means refrigerator, freezers, ovens, ranges, clothes washers and dryers, water heaters and dishwashers.

### **1.4 Billings**

"Billings" means invoices generated by the Company for the purpose of collection of payments for the residential and commercial solid waste collection services.



## **1.5 Bin**

“Bin” means a solid waste container possessing a lid, the top of which shall not exceed 72 inches in height from the surface of the ground and having a capacity of at least one cubic yard, but not more than eight cubic yards.

## **1.6 Bulky Waste**

"Bulky Waste" means large, oversize items such as an appliance, furniture, mattress and box spring.

## **1.7 Can**

“Can” means a solid waste container provided by the Customer, serviced by manual collection and not exceeding thirty-two (32) gallons in volume and not exceeding 40 pounds in weight.

## **1.8 Cart**

"Cart" means a plastic container with a hinged lid and wheels with a capacity of thirty-two (32), sixty-four (64) and/or ninety-six (96) gallons.

## **1.9 City**

“City” means the City of Portola, a California Public agency.

## **1.10 City Manager**

"City Manager" means the city council appointed manager of the affairs of the city of Portola.

## **1.11 City Code**

“City Code” means the City of Portola Municipal Code – Solid Waste Ordinance, as it may be amended from time to time.

## **1.12 Collect/Collection**

"Collect" or "Collection" means to take physical possession, transport, and remove Solid Waste and Recyclable Materials within and from the City of Portola.

## **1.13 Collection Vehicle**

"Collection Vehicle" means any vehicle or equipment specifically designed and manufactured for the purpose of Solid Waste and Recyclable Materials Collection.

#### **1.14 Company**

"Company" means Intermountain Disposal, and its officers, directors, employees, agents, companies owned by Company and, if the City approves a subcontractor pursuant to Section 10.4, its Subcontractors and/or, in the event of an assignment pursuant to Section 10.3, its assignees.

#### **1.15 Company Compensation**

"Company Compensation" means the revenue received by the Company from Billings in return for providing services in accordance with this Agreement and any amendments to this Agreement.

#### **1.16 Commercial Customer**

"Commercial Customer" means any person who produces commercial solid waste and uses a container, bin or debris box for accumulation thereof.

#### **1.17 Construction and Demolition Debris**

"Construction and Demolition Debris" means waste building materials and rubble resulting from construction, remodeling, repair and demolition operations on pavements, houses, commercial buildings and other structures.

#### **1.18 Containers**

"Containers" means any and all types of Solid Waste and Recycling receptacles, including Carts, Bins, and Debris Boxes.

#### **1.19 County**

"County" means the County of Plumas, California

#### **1.20 Customer**

"Customer" means the Person having the care and control of any Premises in the City of Portola who receives Solid Waste and Recyclable Material Collection services from the Company.

#### **1.21 Debris Box**

"Debris Box" means an open-top solid waste container with a capacity of at least 10 cubic yards, but not greater than 50 cubic yards.

#### **1.22 Disposal Site**

"Disposal Site" means the facility at which the City directs the Company to Dispose of Solid Waste. The Disposal Site may not be the site of ultimate disposition of Collected Solid Wastes.

### **1.23 Dispose or Disposal**

"Dispose" or "Disposal" means the disposition of Solid Waste Collected by the Company at the Disposal Site.

### **1.24 Disposal Cost**

"Disposal Cost" means the portion of the fee charged to the Customer that represents the cost of Disposal of the Solid Waste Collected, commonly referred to as the "gate fee."

### **1.25 Effective Date**

"Effective Date" means the date this Agreement takes effect, as defined in Section 2.3.

### **1.26 "Electronic Waste" or "E-Waste"**

"Electronic Waste" and "E-Waste" means discarded consumer products such as computers, televisions, monitors, cell phones, radios and stereo equipment.

### **1.27 End Market**

"End Market" means the established destination for recyclable material that qualifies as a waste diversion credit for the purpose of compliance with AB 939.

### **1.28 Environmental Laws**

"Environmental Laws" means all federal and state statutes, County and City ordinances concerning public health, safety and the environment including, without limitation, the Collection, transport and Disposal of Solid Waste, Hazardous Wastes and/or Recyclables, by way of example and not limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 USC §9601 et. seq.; the Resource Conservation and Recovery Act, 42 USC §6902 et. seq.; the Federal Clean Water Act, 33 USC §1251 et. seq.; the Toxic Substances Control Act, 15 USC §1601 et. seq.; the Occupational Safety and Health Act, 29 USC §651 et. seq.; the California Hazardous Waste Control Act, California Health and Safety Code §25100 et. seq.; the California Toxic Substances Control Act, California Health and Safety Code §25300 et. seq.; the Porter-Cologne Water Quality Control Act, California Water Code §13000 et. seq.; the Safe Drinking Water and Toxic Enforcement Act, California Health and Safety Code §25249.5 et. seq.; as currently in force or as hereafter amended, and all rules and regulations promulgated thereunder.

### **1.29 Facility**

"Facility" means any plant or site, owned or leased and maintained, operated or used by the Company for purposes of performing under this Agreement.

### **1.30 Franchise**

"Franchise" means the exclusive right granted by the City to provide Solid Waste and Recyclable Materials Collection services within the incorporated boundaries of the City of Portola.

### **1.31 Franchise Fee**

"Franchise Fee" means the fee paid by the Company to the City for the right to hold the Franchise granted by this Agreement.

### **1.32 Gross Receipts**

"Gross Receipts" means any and all revenues, receipts, or compensation in any form received by the Company for Solid Waste and Recyclable Materials Collection pursuant to this Agreement, in accordance with Generally Accepted Accounting Principles (GAAP), including, but not limited to, Customer fees for Collection of Solid Waste and Recyclable Materials. Sales revenue from the sale of Recyclable Materials is excluded from Gross Receipts; revenue generated by Company as the operator of a transfer station is also excluded to the extent the fees charged under this Agreement for such services are no more than the fair market value for such expenses.

### **1.33 Hazardous Substance**

"Hazardous Substance" shall mean any of the following: (a) any substances defined, regulated or listed (directly or by reference) as "Hazardous Substances", "hazardous materials", "Hazardous wastes", "toxic waste", "pollutant" or "toxic substances" or similarly identified as hazardous to human health or the environment, in or pursuant to (i) the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 USC §9601. et. seq. (CERCLA); (ii) the Hazardous Materials Transportation Act, 49 USC §1802 et. seq.; (iii) the Resource Conservation and Recovery Act, 42 USC §6901 et. seq.; (iv) the Clean Water Act, 33 USC §1251 et. seq.; (v) California Health and Safety Code §§25115-25117, 25249.8, 25281, and 25316; (vi) the Clean Air Act, 42 USC §7901; (vii) California Water Code §13050; (viii) any amendments, rules or regulations promulgated to such enumerated statutes or acts currently existing or hereafter enacted; and (c) any other hazardous or toxic substance, material, chemical, waste or pollutant identified as hazardous or toxic or regulated under any other applicable federal, state or local environmental laws currently existing or hereinafter enacted, including, without limitation, friable asbestos, polychlorinated biphenyl's ("PCBs"), petroleum, natural gas and synthetic fuel products, and by-products.

### **1.34 Hazardous Waste**

"Hazardous Waste" means all substances defined as Hazardous Waste, acutely Hazardous Waste, or extremely Hazardous Waste by the State of California in Health and Safety Code §25110.02, §25115, and §25117 or in the future amendments to or recodifications of such statutes or identified and listed as Hazardous Waste by the US Environmental Protection Agency (EPA), pursuant to the Federal Resource Conservation and Recovery Act (42 USC §6901), all future amendments thereto, and all rules and regulations promulgated thereunder.

### **1.35 Holiday**

“Holiday” means the days defined as holidays in City of Portola Municipal Code section 8.04.052C, which, as of the date this Agreement is executed, are New Year’s Day, Independence Day, Thanksgiving Day, and Christmas Day.

### **1.36 Inert Wastes**

“Inert Wastes” means broken pieces of concrete and/or asphalt, free of reinforcing wire or steel bars and free of other decomposable materials.

### **1.37 Minimum Service**

“Minimum Service” means the required minimum level of Solid Waste Collection service and includes one 32-gallon Cart collected at least once per week. Minimum Service includes Recycling service for Commercial Customers but not for Residential Customers.

### **1.38 Multi-Family Residential Complex**

“Multi-Family Residential Complex” means complexes with three or more residential dwelling units including apartments, condominiums, triplexes, four-plexes and mobile home parks which are located on a single parcel.

### **1.39 Occupied**

“Occupied” means to dwell in a premise on a continuous, permanent basis, be it a residence or commercial structure. A primary residence is considered “occupied,” whereas a secondary or weekend residence is not. Proof of primary residency outside of Portola City limits may be established through documentation, including tax documents, credit card statements and voter registration documents.

### **1.40 Owner**

"Owner" means the Person or Persons holding the legal title to the real property constituting the Premises to which Solid Waste or Recyclable Materials Collection service is to be provided under this Agreement.

### **1.41 Party/Parties**

“Party” means either the Company or the City, and “Parties” means both the Company and the City.

### **1.42 Pass-Through Cost**

“Pass-Through Cost” means any cost controlled and/or imposed by the City, county, state or federal government, over which the Company has no control, including, for example, tipping fees, increased franchise fees by the City, or other governmental mandates which has an effect upon the costs of fulfilling this Agreement which are not fully accounted for in the change in the

Consumer Price Index. A complete list of the Pass-Through Costs is attached hereto as Exhibit A.

#### **1.43 Person**

"Person" means any individual, firm, association, organization, partnership, corporation, business trust, joint venture, the United States, the State of California, the County of Plumas, the City of Portola, or special purpose district.

#### **1.44 Premises**

"Premises" means any land or building in the City of Portola where Solid Waste and/or Recyclable Materials are generated or accumulated.

#### **1.45 Putrescible Waste**

"Putrescible Waste" means wastes that are capable of being decomposed by micro-organisms with sufficient rapidity as to cause nuisances of odors, gases or other offensive conditions, and includes materials such as food wastes, offal, and dead animals.

#### **1.46 Rates**

"Rates" mean the compensation Customers must pay Company for the Solid Waste and/or Recyclable Materials Collection Services, as detailed in Exhibit B.

#### **1.47 Rate Year**

"Rate Year" means the twelve-month period from January 1st to December 31st, for each year of the Franchise agreement, except for year one of this Agreement which shall be from November 1, 2017 to December 31, 2018.

#### **1.48 Recycle or Recycling**

"Recycle" or "Recycling" means any process by which materials which would otherwise become Solid Waste are Collected (source-separated, co-mingled, or as mixed waste), separated and/or processed and returned to the economic mainstream in the form of raw materials or products or materials which are otherwise salvaged or recovered for reuse.

#### **1.49 Recyclable Materials**

"Recyclable Materials" means those materials that are normally part of the solid waste stream which have market value and can be segregated from non-recyclable wastes.

#### **1.50 Residential Customer**

"Residential Customer" means that Customer receiving services for a residential Property.

### **1.51 Scrap Metal**

“Scrap Metal” means discarded metallic materials, generally free wood, plastic, paper and glass, including steel, tin, iron, aluminum and copper. Scrap metal does not include wire.

### **1.52 Solid Waste**

"Solid Waste" means putrescible and non-putrescible solid and semi-solid non-hazardous wastes generated by residential and commercial enterprises including, without limitation, garbage, refuse, trash, yard waste, construction and demolition debris, industrial wastes, and inert wastes.

### **1.53 Universal Waste**

“Universal Waste” means waste antifreeze, vehicle batteries and waste motor oil and used oil filters.

### **1.54 Waste Tire**

"Waste Tire" means a tire that is not on the wheel of a vehicle and is not suitable for its original intended use due to wear or damage

### **1.55 Yard Waste or Green Waste**

“Yard Waste” or "Green Waste" means lawn cuttings, weeds, leaves, and shrub and tree pruning materials which are less than six inches in diameter and less than four feet long.

## **ARTICLE 2. GRANT AND ACCEPTANCE OF FRANCHISE**

### **2.1 Grant and Acceptance of Franchise**

Subject to the terms and conditions of this Agreement, and all applicable federal, state and local laws, regulations and/or ordinances, the City hereby grants to the Company an exclusive Franchise to Collect, transport, recycle, process, and Dispose of Solid Waste and Recyclable Materials accumulating in the City of Portola.

The Company hereby accepts the exclusive Franchise on the terms and conditions set forth in this Agreement. Company acknowledges and agrees that the grant of the Franchise hereunder is intended to benefit the public interest in securing appropriate Solid Waste and Recyclable Materials services. The grant of this Franchise shall not preclude the City from adopting such ordinances or regulations as the City may determine are necessary for the public interest (including, but not limited to, the protection of the public health, safety and welfare). Company shall be entitled to an increase in Rates, pursuant to Section 5.4, in the event that any such ordinance or regulation the City promulgates subsequent to the grant of this Franchise financially impacts the Company's cost(s) of performing this Agreement.

### **2.2 Exclusive Nature of Franchise**

During the term of this Agreement, except as otherwise provided in Section 2.6 below, or as may otherwise be provided by federal or state law, the rights granted to the Company under this Agreement shall be exclusive to the Company. Except as otherwise provided for herein, the City will not enter into any agreement with any other Person for the performance of the services exclusively granted to Company pursuant to Section 2.1.

Company shall have the right to take such legal action against third parties as it deems appropriate to protect the exclusive nature of its Franchise. City shall, so long as it is at no cost to the City, cooperate with Company to protect the Company's exclusive rights.

### **2.3 Effective Date**

The Effective Date of this Agreement shall be November 1, 2017.

### **2.4 Term of Agreement**

The term of this Agreement shall be ten (10) years and two (2) months, commencing November 1, 2017 and ending December 31, 2027, with an option for a five (5) year extension following the ten year and two month term, upon the mutual consent and agreement of the City and Company.

### **2.5 Delegation of Authority**

The administration of this Agreement by the City shall be under the supervision and direction of the City Manager, and the actions of the City specified in this Agreement, unless otherwise stated, shall be taken by the City Manager. The City Manager shall not have any authority to



issue any instructions to or to authorize any actions by Company that are inconsistent with this Franchise, the City Code or any federal/state law or regulation.

## **2.6 Limitations on Scope of Franchise**

The Franchise granted to the Company shall be exclusive except as to the categories of Solid Waste and Recyclables listed in this Section. The granting of this Franchise shall not preclude the categories of Solid Waste and Recyclables listed below from being delivered to and Collected and transported by others provided that nothing in this Agreement is intended to or shall be construed to excuse any Person from obtaining any authorization from the City, which is otherwise required by law:

- (a) Solid Waste and Recyclable Materials which are removed from any Premises by the occupant and which are transported personally by the occupant of such Premises, by his relatives or friends without compensation of any type or form, or by his or her full-time employees, to a processing or Disposal Site;
- (b) Recyclable Materials which are donated to youth, civic, nonprofit, or charitable organizations and containers delivered for recycling under the California Beverage Container Recycling Litter Reduction Act, Section 14500, et. seq., California Public Resources Code;
- (c) Construction and demolition waste that is removed by a duly licensed construction or demolition company as part of a total service offered by said licensed company (provided that such construction and demolition waste is separated from Solid Waste), or by the City or by an other governmental entity;
- (d) Animal waste and remains from slaughterhouse or butcher shops for use as tallow;
- (e) By-products of sewage treatment, including sludge, sludge ash, grit and screenings;
- (f) Hazardous Waste, Hazardous Substances and radioactive waste, regardless of its source;
- (g) The Disposal, diversion, or casual Collection or removal of Solid Waste by the City, the County and/or any government entity by their officers or employees in the normal course of their employment; and,
- (h) Any public or semi-public entity removing Solid Waste from its facilities or property with any public or semi-public entity equipment.
- (i) Industrial wastes, motor vehicles and parts thereof, discarded home and industrial appliances, and dewatered, treated, or chemically fixed sewage sludge which is not hazardous waste.

This grant to the Company of an exclusive Franchise, right and privilege to Collect, transport, or process and Dispose of Solid Waste and Recyclable Materials shall be interpreted to be consistent with state, federal and local laws and regulations, now existing or hereafter enacted during the term of the Franchise, and the scope of this exclusive Franchise shall be limited by

current and any future state, federal and local laws and regulations with regard to Solid Waste handling, exclusive Franchise, control of Recyclable Materials, Solid Waste flow control, and related doctrines. In the event that future interpretations of current law, enactment or developing legal trends limit the ability of the City to lawfully provide for the scope of Franchise services as specifically set forth herein, the Company agrees that the scope of the Franchise will be limited to those services and materials which may be lawfully provided for under this Agreement.

## **2.7 City's Right to Direct Changes**

The City may direct the Company to perform additional services (including new diversion programs, etc.) or to modify the manner in which it performs existing services. Pilot programs and innovative services which may entail new Collection methods, different kinds of services and new requirements for Customers are included among the kinds of changes which the City may direct. Pursuant to Section 5.4, the Company shall be entitled to an adjustment in its Rates for providing any additional or modified services the City may request or require pursuant to this Section 2.7. Within ninety (90) days from the date when the City first requests the Company to perform such services, the Company and the City shall, in good faith, negotiate the terms and conditions of such additional or expanded services and the additional compensation due Company for the additional or expanded services. The Company shall be allowed such retroactive adjustments to its compensation, to be reflected in the Rates, to compensate the Company for any such additional services. The City shall also have the right, upon ninety (90) day written notice, to order the reduction or elimination of such additional services and to require a corresponding reduction in the Rates.

## **2.8 Ownership of Solid Waste**

Once Solid Waste and Recyclable Materials are placed in Containers and properly placed at the designated Collection location, ownership and the right to possession shall transfer directly from the Customer to the Company by operation of this Agreement. The Company is hereby granted the right to retain, Recycle, process, Dispose of, and otherwise use such Solid Waste, or any part thereof, in any lawful fashion or for any lawful purpose desired by the Company. Subject to the provisions of this Agreement, the Company shall have the right to retain any benefit resulting from its right to retain, Recycle, process, Dispose of, or reuse the Solid Waste and Recyclable Materials which it Collects. Solid Waste, and Recyclable Materials, or any part thereof, which is disposed of at a Disposal Site shall become the property of the Owner or operator of the Disposal Site(s) once deposited there by the Company. In no event shall Company Dispose of Recyclable Materials without first advising City, and obtaining City's consent that no viable market options then exist for the Recyclable Materials; Company shall provide City with such information as City may request with regard to any such proposed Disposal of Recyclable Materials by Company.

## **2.9 Company Status**

The Company represents and warrants that it is duly organized, validly existing and in good standing under applicable laws. It is qualified to transact business in the State of California and has the power to provide services as required by this Agreement.

## **2.10 Company Authorization**

The Company has the authority to enter into and perform its obligations under this Agreement. The Board of Directors or partners of the Company (or the shareholders, if necessary) have taken all actions required by law, its articles of incorporation, its bylaws or otherwise to authorize the execution of this Agreement. The Person(s) signing this Agreement on behalf of the Company have authority to do so. Company shall designate one employee as a single point of contact for the City for issues arising under this Agreement, and this employee's actions shall be conclusively presumed to be taken on behalf of and with the full approval of the Company.

## **2.11 Validity of Company's Information and Representations**

Company warrants that the information supplied by Company and all representations made by Company and its officers, employees, agents and representatives in anticipation of the grant of this Franchise and as part of the negotiations leading to said grant are true and correct in all material respects.

## **2.12 Mandatory Service**

All Premises within City limits which are Occupied shall subscribe to Solid Waste Collection service provided by the Company. Any Person electing not to accept such service shall be required to pay the Minimum Service charge for solid waste service. Solid Waste Collection services shall be in the name and responsibility of the property owner. Property owners or representatives of Occupied property shall make arrangements for Solid Waste Collection services directly with the Company. A current owner of an Occupied property is not responsible for a prior owner's payment of Collection fees to the Company. Failure to pay such Minimum Service charge shall constitute a violation of section 8.04.100 of the City Code.

## **ARTICLE 3. SERVICES**

### **3.1 General Scope of Services**

The work to be done by the Company pursuant to this Agreement shall include, but not be limited to, the furnishing of all labor, supervision, equipment, materials, supplies, and all other items necessary to perform the services required. The work to be done by the Company pursuant to this Agreement shall be accomplished in a thorough and professional manner so that the residents within the City are provided reliable, courteous and high-quality Solid Waste and Recyclable Materials Collection at all times.

### **3.2 Disposal Site**

The City shall have the right to direct Solid Waste Collected under this Agreement to a Disposal Site. Unless and until City notifies the Company of a change, Solid Waste shall be transported for Disposal to the Delleker Transfer Station in Plumas County. If the City elects to designate an alternate disposal site, any and all additional costs, including, without limitation, additional gate fees and transportation costs, shall be deemed a Pass-Through Cost and the Rates shall be adjusted accordingly in accord with Section 5.4.

### **3.3 Collection Services**

Customers shall receive: Solid Waste Collection services not less than one (1) time per week; curbside Recyclable Materials Collection shall be not less than once every other week; and elective curbside Yard Waste Collection services shall be once per week during the months of April through October.

Collection services shall occur Monday through Friday between the hours of 7:00 A.M. and 6:00 P.M., unless Saturday collection shall be necessary due to Holiday scheduling. If the regularly scheduled collection day falls on a Holiday, alternate collection shall be performed on the day prior to or following the Holiday, unless the alternate day falls on a Sunday; if the alternate day falls on a Sunday, then Collection shall be performed on the following Monday. Collection services are not allowed on Sundays unless explicitly directed by the City Manager. The Company shall notify Customers in advance of changes in Collection services schedules.

#### **3.3.1 Carts**

Upon request of a Customer, Company shall supply the Customer with one 32-gallon or one 64-gallon or one 96-gallon Cart (unless a Commercial Customer requests Bin service) with an option to obtain additional Carts at the Rates shown in Exhibit B. Carts shall be the property of Company during the term of this Agreement.

#### **3.3.2 Bins**

A Commercial Customer may request the Company provide Bin service. In this event, Company shall provide the Commercial Customer with the requested Bin at the Rates shown on Exhibit B. Bins shall be the property of the Company during the term of this Agreement.

### **3.3.3 Recyclable Materials Collection**

#### **3.3.3.1 Curbside Recyclables Collection**

Company shall provide curbside Recyclable Materials Collection services. Company shall issue each Residential Customer requesting Curbside Recycling Collection services with a 64 gallon Cart and shall assess charges for the Cart at the Rates shown in Exhibit B. Recycling Carts shall be Collected by Company biweekly.

Additional 64 gallon Carts for Recycling service shall be assessed monthly charges at the Rates shown in Exhibit B. Fees shall not be assessed to Customers for delivery and/or pick-up of Recycling Carts.

Company shall Collect and remove all Recyclable Materials placed in Carts at the curbside. Recyclable Materials Collection from Carts within the City shall include, at a minimum, the following types of recyclable materials from Residential Customers: newsprint; cardboard; plastic containers (Nos. 1 to 6); glass containers; and aluminum containers

Recycling Carts shall remain the property of Company at all times during the term of this Agreement and at termination.

#### **3.3.3.2 Curbside Green Waste Collection**

Company shall provide curbside Green Waste Collection services. Company shall issue each Customer requesting Green Waste Collection services with at 96 gallon Cart and shall assess charges for the Cart at the Rates shown in Exhibit B. Green Waste Carts shall be Collected by Company weekly during the months of April through October.

Additional 96 gallon Carts for Green Waste service shall be assessed monthly charges at the Rates shown in Exhibit B. Fees shall not be assessed to Customers for delivery and/or pick-up of Green Waste Carts.

Green Waste Carts shall remain the property of Company at all times during the term of this Agreement and at termination.

### **3.3.4 Double-Up**

Customers who forget or who are unable to put their Containers out for Collection on any given week shall be allowed to put out their previous week's Solid Waste and/or Recyclable Materials, along with the current week's Solid Waste and/or Recyclable Materials, on their next scheduled Collection day.

### **3.3.5 Other Services on Exhibit B**

The Company shall provide additional Collection services, including, without limitation, Disposal of car and truck tires, Freon-free appliances, and mattresses. The Company shall charge the Rates stated in Exhibit B

### **3.3.6 Collection Location**

In the event physical conditions or safety concerns prevent curbside placement of Solid Waste and/or Recyclable Materials Containers, Company shall immediately notify Customer, in writing, of the reasons for the need to change the Container(s) location. Customer and Company shall mutually agree on an alternate Container(s) location. If the parties cannot agree on the alternate Container(s) location, the City and the Company shall mutually agree on the appropriate Container(s) location.

Debris Boxes shall not be dropped or placed on a public sidewalk, street or way, except: 1) in that portion of a sidewalk, street or way that may have been temporarily closed during the course of construction of an improvement on an adjoining property by order of the city; or 2) if an encroachment permit is obtained in advance from the City of Portola.

#### **3.3.6.1 Enclosures**

Where the Collection location is within an enclosure, Company shall be responsible for the removal and replacement of all Bins or Containers placed therein that are at street level. Company shall use sufficient care in the handling of such Bins or Containers to prevent damage to the enclosure, the enclosure doors, and adjacent facilities or improvements, so long as such items do not obstruct access to the enclosure. Company shall repair, at its own expense, any damage to such enclosure or adjacent facility or improvement within thirty (30) days of receipt of notice from City.

Company shall not be responsible for repair of damage to buildings, grounds and appurtenances on Customer Premises, except for damage that was caused by Company negligence or willful misconduct.

## **3.4 Other Services**

### **3.4.1 Debris Box Services**

The Company shall offer Debris Box Services for the Collection of Non-Putrescible Solid Wastes and/or Construction and Demolition Debris. Putrescible Wastes shall be prohibited from disposal in Debris Boxes. The Company shall deliver and Collect Debris Boxes and shall access Customer charges at the Rates shown in Exhibit B.

### **3.4.2 Free Clean-up Day**

The Company operates the Delleker Transfer Station under an agreement with Plumas County. On the second Saturday of May each calendar year, Company shall allow City of Portola Residential Customers free access to the Delleker Transfer Station for Disposal of Solid Wastes the entire day the transfer station is open for trash Disposal. The quantity of free Disposal shall not exceed five (5) cubic yards (roughly equivalent to one standard size pick-up truck bed capacity) per Residential Customer. Free disposal shall not include car and truck tires and bulky items (such as appliances). Residential Customers shall be required to provide proof of City residence in a manner acceptable to Company for free clean-up day services.

### **3.4.3 Free Yard Waste Disposal**

The Company operates the Environmental Reclamation Center at Portola Landfill under agreement with the City. Company shall, in conjunction with this Agreement, allow City of Portola Residential Customers free access for Yard Waste Disposal at the Recycling Facility at Portola Landfill during the month of May annually. Residential Customers shall be required to provide proof of City residence in a manner acceptable to Company for free Yard Waste disposal services.

## **3.5 Litter Abatement**

The Company shall use due care to prevent Solid Waste, Recyclable Materials or fluids from leaking, being spilled and/or scattered during the Collection or transportation process. If any Solid Waste or fluids leak or are spilled during Collection, the Company shall promptly clean up all such materials. Each Collection vehicle shall carry a broom and shovel at all times for this purpose. The Company shall not transfer loads from one vehicle to another on any public street unless it is necessary to do so because of mechanical failure, accidental damage to a vehicle, or a method pre-approved by the City for Solid Waste transfer between vehicles.

## **3.6 Service Exceptions; Hazardous Waste Notifications**

### **3.6.1 Contaminated Recycling and Green Waste Carts**

The Company shall warn Customers who have non-recyclables and non-green wastes in their Recycling and Green Waste Carts, respectively. If, after two (2) sequential written warnings, the Recycling or Green Waste Cart continues to be contaminated, the Company may remove the Cart from the Customer's Premises. The Company shall report monthly to the City any such warning notices issued and Recycling and Green Waste Carts that have been removed from a Customer's Premises.

### **3.6.2 Hazardous Materials**

The Company reserves the right to inspect Solid Waste and Recyclable Materials put out for Collection, the right to reject Solid Waste and Recyclable Materials observed to be contaminated with Hazardous Waste and/or Hazardous Substances, and the right to not Collect Hazardous Waste and/or Hazardous Substances put out with Solid Waste.

Further, the Company shall reasonably inspect Solid Waste and Recyclable Materials for Hazardous Waste and/or Hazardous Substances that are exposed and obvious during the normal and customary provision of the services, and shall not Collect such Hazardous Waste and/or Hazardous Substances. The Company shall notify all agencies with jurisdiction, if appropriate, including the California Department of Toxic Substances Control and Local Emergency Response Providers and the National Response Center of reportable quantities of Hazardous Waste, found or observed in Solid Waste or Recyclable Materials anywhere within the City. In addition to other required notifications, if the Company observes any substances which it or its employees reasonably believe or suspect to contain Hazardous Wastes or Hazardous Substances unlawfully disposed of or released on any City or other public property, including storm drains, streets or other public rights of way, the Company will immediately notify the City or the appropriate public entity.

### **3.6.3 Failure to Collect Notices**

When Solid Waste or Recyclable Materials are not Collected from any Customer, the Company shall notify the Customer in writing, at the time Collection is not made, through the use of a "tag" or similar written notice, explaining the reasons why the Collection was not made.

## **3.7 Missed Collections; Requested Pick-ups**

Under City Code, Customers shall set-out Containers by 7:00 AM on regularly scheduled Collection days. If the Customer has set-out Container by 7:00 AM and the Company misses the pick-up, the Company shall Collect the Solid Waste and/or Recyclable Materials within one (1) business day at no additional charge to Customer. If the Customer does not set-out the container by 7:00 AM, Customer is allowed to double-up on the next scheduled Collection day, in accordance with Section 3.3.4. If the Customer does not set-out the container by 7:00 AM and desires for pick-up within one (1) day, Company may assess Customer a return trip charge, in accordance with Exhibit B.

## **3.8 Customer Service**

### **3.8.1 Company Office**

Company shall provide an office proximately located to Portola, California, and office hours shall be, at a minimum, from 8:00 A.M. to 5:00 P.M., Monday through Friday, excluding holidays. A responsible and qualified representative of the Company shall be available during office hours for communication with the public at the office. Automated telephone answering systems with menu-driven options must provide callers with an option to connect to a live operator. Phone answering staff shall be competent to handle questions on Company's specific programs. The Company shall also maintain a telephone number for use during other than normal business hours. The Company shall have a representative, answering service, or message providing/receiving live or voice-mail service available at said after-hours telephone number. After-hours calls shall be responded to on the next business day. Company shall provide the City with the phone number of a representative who may be reached twenty-four (24) hours a day.



### **3.8.2 Customer Service Complaints**

All service complaints shall be directed to the Company. Daily logs of complaints concerning Collection of Solid Waste shall be retained for a minimum of twenty-four (24) months and shall be available to the City at all reasonable times upon request.

The Company shall log all complaints received by telephone and said log shall include the date and time the complaint was received, name, address and telephone number of caller, description of complaint, employee recording complaint and the action taken by the Company to respond to and remedy complaint. All written Customer complaints and inquiries shall be date-stamped when received. All complaints shall be initially responded to within one (1) business day of receipt. The Company shall log action taken by the Company to respond to and remedy all complaints.

All Customer service complaint records and logs kept by the Company shall be provided to the City on a quarterly basis. Company shall supply the City, within fifteen (15) days of end of the calendar quarter, copies of all complaints, and the Company shall indicate the disposition of each complaint. The City shall, at any time during regular Company business hours, have access to the Company's Customer service department for purposes that may include monitoring the quality of Customer service or researching Customer complaints.

## **3.9 Education and Public Awareness**

### **3.9.1 General**

Company acknowledges and agrees that education and public awareness are critical and essential elements of any efforts to achieve AB 939 goals and subsequent legislation regarding waste reduction and diversion from landfill disposal. Accordingly, the Company agrees to implement a public education program to expand public and Customer awareness concerning the need to and methods of reducing, reusing and Recycling appropriate Recyclable materials. City shall cooperate fully with Company in this regard.

All public education materials shall be approved in advance by the City. All printed materials shall be printed on recycled paper.

City may require the Company to perform mailing services, related to Solid Waste matters, on the City's behalf. City will provide not less than thirty (30) days notice to the Company prior to the mailing date of any proposed mailing to permit the Company to make appropriate arrangements for inclusion of the City's materials. The City will provide the Company the mailers at least fifteen (15) days prior to the mailing date. The City shall bear the expense of reproduction and distribution of such additional information, including, without limitation, postage and insertion costs, only to the extent it is in excess of the Company's normal billing costs and represents services beyond the approved public education plan.

Company will provide a minimum of the following public education items to be developed and distributed at Company's expense:

- Annual Brochures – The Company shall prepare and distribute a brochure informing customers of the available services, how to use such services, rates for services, Holiday schedules, and of the Recycling programs the Company offers.
- Corrective Action Notice – For use in instances where the Customer sets out inappropriate materials.
- Public Service Announcements – Company shall produce and distribute two (2) public service announcements per year to advertise such events as, for example, Free Disposal Day. Such announcements shall be at least 1/8 of a newspaper page in size.
- Recycling information, tips, state requirements and how to instructions related to AB 341 and AB 1826 regarding commercial recycling and organic wastes diversion.

All brochures, mailings, and other educational materials shall bear the City of Portola seal, unless otherwise approved by the City. The Company shall obtain the City's approval, which shall not be unreasonably withheld, before distributing any public education materials.

### **3.10 Personnel**

#### **3.10.1 General**

The Company shall furnish such qualified drivers, mechanical, supervisory, clerical, management and other personnel as may be necessary to provide the services required by this Agreement in a satisfactory, safe, economical and efficient manner. All drivers shall be trained and qualified in the operation of vehicles they operate and must possess a valid license, of the appropriate class, issued by the California Department of Motor Vehicles.

The Company also agrees to establish and vigorously enforce an educational program which will train the Company's employees in the identification of Hazardous Waste. The Company's employees shall not knowingly place such Hazardous Waste in the Collection vehicles.

The Company shall use its best efforts to assure that all employees present a neat appearance and conduct themselves in a courteous manner. If any employee is found to be discourteous or not to be performing services in the manner required by this Agreement, the Company shall take necessary corrective measures. If the City has notified the Company of a complaint related to discourteous or improper behavior, the Company will consider reassigning the employee to duties not entailing contact with the public while the Company is pursuing its investigation and corrective action process.

The Company shall provide suitable health and safety training for all of its employees who use or operate equipment or who are otherwise directly involved in Collection or other related operations.

### **3.10.2 Identification Required**

The Company shall provide its employees with identification for all individuals who may make personal contact with residents or businesses in the City of Portola. The City may require the Company to notify Customers yearly of the form of said identification. Company shall require its drivers and helpers to wear clean, standardized shirts and/or safety vests bearing the name “Intermountain Disposal.”

### **3.10.3 Fees and Gratuities**

Company shall not permit its employees or agents to demand or solicit, directly or indirectly, any additional compensation or gratuity from members of the public for the services under this Agreement. Notwithstanding the foregoing, Company’s employees shall be entitled to receive unsolicited de minimus gratuities including, but not limited to, Christmas tips or presents.

### **3.10.4 Non-Discrimination**

The Company shall not discriminate in the provision of service or the employment of Persons engaged in performance of this Agreement on account of race, color, religion, sex, sexual orientation, age, physical handicap or medical condition in violation of any applicable federal or state law.

## **3.11 Equipment**

### **3.11.1 Collection Vehicles**

The Company shall not use any truck or other vehicle for the removal or transportation of any Solid Wastes and Recyclable Materials from any property within the City unless the same conforms to the specifications set forth in this section.

Vehicles used for the collection of any and all Solid Wastes shall be of the mechanical-compaction type, provided that in the case of an emergency such as mechanical breakdown or other cause beyond the control of the Company, the City Manager may, upon the request of the Company, approve the use of non-mechanical compaction-type equipment for a limited period of time during such emergency, as determined by the City Manager. Only enclosed covered-body-type vehicles shall be used for the collection of solid wastes.

Each collection vehicle shall be maintained in a clean and mechanically safe condition. Each collection vehicle shall be constructed and maintained in such manner that it is watertight and free from odor leakage.

All vehicles shall be painted and legibly bear the name of the Company. Said company name, colors, and size of lettering must first be approved by the City Manager. Advertising on the Company's refuse collection vehicles for companies or entities other than the Company is prohibited.

Doors and openings to collection vehicle bodies shall be kept closed at all times when said vehicles are not being loaded or unloaded of Solid Wastes and Recyclable Materials. All vehicles shall be of such type and design and shall be operated in such manner so as not to incur any damage to public or private property in their use and operation.

### **3.11.2 Solid Waste Containers**

Except as otherwise provided in this chapter, Carts for the storage of Solid Wastes shall:

- Have tight-fitting covers for holding garbage without leakage or escape of odors;
- Have suitable handles and wheels;
- Be constructed of watertight metal or plastic materials;
- Be provided to residences in sizes of 32, 64 and 96 gallons, as specified by each Residential or Commercial Customer.

### **3.11.3 Bins**

Bins for the collection of commercial solid wastes shall possess a tight-fitting lid, the top of which shall not exceed 72 inches in height from the surface of the ground and shall have a capacity of at least one cubic yard, but not more than eight cubic yards. Bins shall be water tight and shall not be in such a state of disrepair as to constitute an unsightly nuisance. Bins shall contain the Company name in a conspicuous place on the exterior of the bin.

### **3.11.4 Debris Boxes**

Debris boxes for collection of dry solid wastes (non-putrescible) shall be an open-top container with a capacity of at least 10 cubic yards and not greater than 50 cubic yards. Such boxes shall be so maintained and handled as to not permit the contents placed therein to fall or be blown from to create litter. To this end, all filled or partially-filled debris boxes shall be covered during transport to prevent litter generation.

Debris Boxes shall not be in such a state of disrepair as to constitute an unsightly nuisance. Debris Boxes shall contain the Company name and phone number in a conspicuous place on the exterior of the box

## **3.12 Operation of the Environmental Reclamation Center at Portola Landfill**

### **3.12.1 Scope**

The Company shall operate Environmental Reclamation Center (ERC) sited at Portola Landfill. The following materials shall be accepted by the Company at the ERC:

- Yard Wastes
- Tree Stumps

Yard wastes, defined as grass, leaves, and branches, shall be accepted for disposal. Any ash generated by burning of yard wastes shall be disposed of by the Company at an approved facility, but not at Portola Landfill. Company shall be responsible for lawful Disposal of all Yard Wastes.

The Company may accept additional materials for recycling at the ERC, provided, however, that the City grants approval to do so and appropriate permit modifications are obtained from state and local environmental agencies.

### **3.12.2 Hours of Operation**

The ERC shall be open to the public (includes both City of Portola and County of Plumas residents) on Saturday's, during the hours of 10 a.m. to 2 p.m. from the first Saturday in April through the last Saturday in October. The ERC may be closed if a national holiday, such as Independence Day, falls on a Saturday. The ERC shall be fully staffed by the Company, including personnel to inspect loads and assess and collect fees and to monitor the public for safe and proper unloading of the recyclable materials.

The Company may, at the Company's discretion, allow commercial generators access to the ERC during times and hours mutually agreed to between the Company and the commercial entity.

### **3.12.3 Term**

Company operation of the ERC shall coincide with Section 2.4 of this Agreement.

### **3.12.4 Compensation for Operation of the ERC**

The Company shall be compensated for operation of the ERC solely from gate fees collected during the Hours of Operation. The gate fee schedule for the ERC is included in Exhibit B. The Company may petition the City Council for modifications to the ERC fee schedule, as necessary. The City shall have access for disposal of tree trimmings and Yard Wastes at the ERC free of charge.

### **3.14.5 Permit Compliance**

The Company shall abide by all conditions established for operation of the ERC, as enforced by the State of California, and all state and federal laws and regulations applicable to operation of the ERC. This includes, but is not limited to, those portions of the Solid Waste Facility Permit No. 32-AA-0007 and Waste Discharge Requirements Order No. R5-2015-0083 which directly affect operation of the ERC (such as storm water runoff controls), and applicable regulations enforced by the Northern Sierra Air Quality Management District.

#### **3.14.6 Health and Safety**

The Company shall ensure that all employees working at the ERC are provided appropriate health and safety equipment (such as safety vests, glasses and shoes) and have appropriate training to handle both exposure and response to hazardous materials and/or other emergency conditions. To this end, the Company shall file with the City and keep current the Company's Injury and Illness Prevention Plan prior to commencing operation of the ERC. The Company shall be responsible for the clean-up of any spills of hazardous materials associated with operation of the ERC.

#### **3.14.7 Equipment**

The Company shall provide all equipment necessary for operation of the ERC and shall maintain equipment in good working order, including compliance with all state and federal OSHA regulations

#### **3.14.8 Records**

The Company shall maintain all records of receipt of materials at the ERC and dates and disposition of all materials. The Company shall report recorded data to the City by the 15<sup>th</sup> day following the calendar quarter in which the materials were collected and/or disposed of.

#### **3.14.9 Additional Services**

The City shall be entitled to request additional services of the Company for mutually agreed to compensation regarding other needed activities at Portola Landfill.

#### **3.14.10 Insurance for Operation of the ERC**

The Company shall procure and keep in force the following insurance policies and minimum coverage amounts during the term of this agreement for operation of the ERC. The City, and its elected and appointed officers, employees, agents and assigns shall be named as additional insured on said policies. The Company shall deliver the insurance policies with endorsements to the City at least 7 days prior to commencement of operation of the ERC.

- \$1,000,000 for the death of or injury to any one person in any one accident;
- \$2,000,000 for the death of or injury to more than one person in any one accident;  
and
- \$1,000,000 for property damage in any one accident.

#### **3.14.11 Violations**

Company shall be responsible for regulatory agency issued violations (and noted areas of concern) of the permits required for operation of the ERC. City shall be responsible for regulatory agency issued violations (and noted areas of concern) of the permits required for Portola Landfill.

## **ARTICLE 4. BILLINGS AND OTHER FEES**

### **4.1 Billing for Services**

Company shall bill Customers directly for Solid Waste, Recyclable Materials and Green Waste Collection services provided pursuant to this Agreement. Company shall design billing formats that show a composite fee reflecting the total cost of the service provided. New Customers shall be billed on a pro-rata basis based upon the date services for that Customer commence. The Franchise Fee the City may set in accord with this Agreement shall not be separately itemized on the bill unless otherwise directed by the City. Company shall bill Commercial Customers monthly in advance and Residential Customers quarterly in advance. Customers who request Debris Box services shall pay for such services in advance. Customers may also be billed for replacement of containers if damaged beyond normal wear. Company shall retain all billing records for not less than five (5) years. In the event of a billing dispute with a Customer, Company and City will mutually agree on a resolution.

### **4.2 Delinquencies; Termination of Service**

All Company billings shall be paid in full within 30 days of the billing date. For any bills that become delinquent due to no fault of the Company, Company shall send Customer a notice of delinquency. Arrangements for collection of delinquent payments shall be made between the Company and an individual customer. Late fees for past due invoices may be assessed by the Company at an interest rate of not more than eighteen percent (18%) per annum (or 1.5% per month).

### **4.3 Franchise Fee**

Company shall pay the City for the privilege, and as the sole and exclusive consideration of the licenses granted hereby, a ten percent (10%) Franchise Fee on all Gross Receipts generated as a result of Company providing service in the City of Portola. In no event shall Company pay the City a Franchise Fee on the receipts from the sale of Recyclable Materials the Company may Collect in the City of Portola. Company shall remit the Franchise Fee semi-annually on or before May 15<sup>th</sup> and November 15<sup>th</sup> for the prior six (6) month period. In the event that Company fails to timely pay the Franchise Fee, the City shall be entitled to make a demand on the Performance Bond required pursuant to Section 7.3 to secure payment of the fees; provided, however, that the City must first provide Company reasonable written notice of its intent to make a demand against the Performance Bond to offer the Company the opportunity to seek dispute resolution procedures pursuant to Section 9.6.

Documentation to support the Franchise Fee amount shall be included with the semi-annual payment. Documentation shall include the basis of calculation for the Franchise Fee amount and shall be certified as true and correct by an officer of the Company. Said documentation shall include revenues received under this Agreement, outstanding accounts receivable, bad debt write-offs and recoveries.

City may raise or lower the Franchise Fee above or below ten percent (10%) during the term of this Agreement. If City elects to increase the Franchise Fee percentage, such fees shall be deemed a Pass-Through Cost and Company shall be entitled to an immediate adjustment in

accordance with section 5.4 of this Agreement. If City lowers the Franchise Fee, Company and City shall negotiate an adjusted fee schedule commensurate with the lower fee.

#### **4.4 Other Fees**

The City shall reserve the right to set other fees, as it deems reasonably necessary. The amount, time and method of payment will be set as provided in Section 4.3 above. Such fees shall be deemed a Pass-Through Cost and Company shall be entitled to an immediate adjustment retroactive to the date of implementation in accordance with section 5.4 of this Agreement.



## ARTICLE 5. COMPANY COMPENSATION AND RATES

### 5.1 Receipts from the Sale of Recyclable Materials

The City and Company agree that the Company will retain all proceeds from the sale of Recyclable Materials.

### 5.2 Initial Rates

Except as provided in Paragraph 5.4 below, the Rates for the first year of this amended and extended Agreement (November 1, 2017 through December 31, 2018) shall not exceed those set forth in Exhibit B. Thereafter, Rates will be adjusted annually based on the formula set forth in section 5.3.

### 5.3 Annual Adjustments to Rates (Amendment No. 1)

Effective January 1st of each Rate Year, commencing on the 1st day of Rate Year 2 (January 1, 2019) the Company shall automatically be entitled to increase the Rates for all services by an amount equal to the following formula:

- Annual Rate Adjustment = Current Rate x [1 + {(0.9 x Percent Change CPI Index) + (0.1 x Percent Change Fuel Index)}], where:

*Percent Change CPI Index = Annual Percent Change in the ~~September~~  
August Consumer Price Index for All West Urban Consumers, Non-  
seasonally Adjusted, for the Preceding Year (Bureau of Labor Statistics  
Series ID CUUR400SAO), and*

*Percent Change Fuel Index = Annual Percent Change in the ~~September~~  
August California No. 2 Diesel Retail Sales by All Sellers, as published by  
the U.S. Energy Information Administration.*

For Rate Year 5 (commencing January 1, 2022), the annual adjustment to Rates shall base the CPI and fuel calculations using indices from September 2020 through August 2021. For Rates which were adjusted on April 1, 2021, the CPI and fuel calculation shall use indices from April 2021 through August 2021. Thereafter, all subsequent annual Rate increases (commencing Rate Year 6) shall use August to August CPI and fuel indices.

In the event the change in the rate increase, under the above formula, is greater than five percent (5%) in any given Rate Year, then the percentage increase in excess of the five percent (5%) shall be carried over to the next Rate Year, subject to the five percent maximum annual increase.

Company may petition City for a waiver of the Rate adjustment 5% cap if the calculated increase exceeds 5% annually for two consecutive years. No Rate increase pursuant to this Section 5.3 shall be effective until, and unless, Company provides the City sixty (60) day written notice of its intent to exercise its right to an annual Rate increase and after compliance with Proposition 218, provided there has been an insufficient protest to prohibit an increase in Rates.

The City and the Company may mutually agree for the City to adopt a schedule of rates authorizing automatic adjustments for inflation for up to five (5) years in accordance with California Government Code section 53756.

#### **5.4 Proposition 218 Compliance**

Company shall prepare and issue State of California Proposition 218 compliance notices to all Customers in conjunction with any increase to Rates. City shall provide to Company written Proposition 218 notice language. For annual adjustment to Rates, all Proposition 218 notices shall be prepared and mailed to Customers no later than October 31<sup>st</sup>.

Company shall be entitled to charge Customers no more than \$0.10 per month per Customer monthly invoice for expenses related to printing and mailing of City-supplied Proposition 218 notices.

#### **5.5 Pass-Through Costs**

The Company shall be entitled to petition the Portola City Council for Rate increases based on increases in the cost of doing business for costs other than those normally associated with the Consumer Price Index and California Diesel Retail Sales costs. Those Pass-Through Costs are described in Exhibit B.

For adjustments to the Rates above and beyond the annual increases, the Company shall document the changed conditions that have caused increases in the cost of doing business and provide justification for the requested Rate increases. The Portola City Council shall consider the Company's documentation and any other relevant information prior to approving any Pass-Through Cost Rate increase. The City Council may, at its sole discretion, after compliance with Proposition 218 and provided that there has been an insufficient protest to prohibit an increase in Rates, approve all, a portion, or none of the Company's request for a Rates adjustment.

If the City Council does not approve, or the Parties cannot otherwise agree on, the Rate increase, then, within ten (10) days of the City Council denying the Rate increase, the Company may seek mediation, in which case, the Parties shall mediate the dispute pursuant to Section 9.6. If mediation is unsuccessful, then the Company may request arbitrations, in which case the Parties shall arbitrate the dispute pursuant to Section 9.6. The decision of the arbitrator shall be final and non-appealable by either Party.

#### **5.6 Elimination of Customer-Supplied Cans** (Amendment No. 2)

To facilitate Company's transition to new Residential Solid Waste Collection equipment during calendar year 2022, Company shall replace Customer-supplied Cans with a Waste Cart coincident with Company's deployment of an automated side-loader Collection vehicle.

Company shall contact each Customer who uses and are charged fees for Customer-supplied Cans at least two (2) weeks prior to the date of the anticipated change to an automated side-loader Collection vehicle. Company shall confirm with each affected Customer the size of Waste Cart to replace the Customer-supplied Can(s).

Company shall waive Waste Cart delivery charge for all affected Customers who subscribe to and pay fees for Customer-supplied Cans at the time of Company's transition to an automated side-loader Collection vehicle.

The Rates for Customer-supplied Cans in the Rates schedule shall be eliminated upon Company's commencement of Residential Solid Waste Collection using an automated side-loader Collection vehicle.

## **ARTICLE 6. RECORDS AND REPORTS**

### **6.1 General**

The Company shall maintain such accounting, statistical and other records related to its performance under this Agreement as shall be necessary to develop the financial statements and other reports required by this Agreement. Also, the Company agrees to conduct data collection, information and record keeping, and reporting activities needed to comply with applicable laws and regulation and to meet the reporting and Solid Waste program management needs of the City.

### **6.2 Records**

#### **6.2.1 General**

The Company shall maintain records required to conduct its operations, to support requests it may make to the City, and to respond to requests from the City. Adequate record security shall be maintained to preserve records from events that can be reasonably anticipated such as a fire, theft and earthquake. Electronically maintained data records shall be protected and backed up. All records shall be maintained for three (3) years after the expiration of this Agreement.

The Company agrees that the records of operations addressed in the Agreement shall be provided or made available to the City during normal business hours. The City may review or utilize any of the records described in this section for any purpose whatsoever.

#### **6.2.2 Solid Waste and Recycling Records**

Records shall be maintained by the Company for the City relating to:

- (a) Customer services and billing;
- (b) Routes;
- (c) Facilities, equipment and personnel used;
- (d) Complaints;
- (e) Missed pick ups;
- (f) Number of Solid Waste and Recycling Containers; and
- (g) Tons of Solid Waste Company Collects, processes, diverts, Recycles, and Disposes; and
- (h) Any other records that City may request in order to comply with any reporting obligations under any federal, state or local law or regulation

and/or as a condition of any grant, loan or other funding agreement to which City may presently or hereinafter be a party.

### **6.2.3 CERCLA Defense Records**

The City views the ability to defend against the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) and related litigation as a matter of great importance. For this reason, the City regards the ability to prove where Solid Waste Collected in the City was taken for Disposal, as well as where it was not taken, to be matters of concern. The Company shall maintain data retention and preservation systems which can establish where Solid Waste Collected in the City was landfilled (and therefore establish where it was not landfilled) and provide a copy of the reports required in Section 8.3 for five (5) years after the term of this Agreement, or provide copies of such records to the City.

### **6.2.4 Complied Financial Statements**

Company shall provide City with full disclosure compiled financial statements no less than every six months. Company shall provide City with access to financial records that pertain to services performed under this Agreement. The Company shall cooperate in making financial records available to City at reasonable times. The City Manager (or designee) may inspect financial records in the Company's business office. City shall have the right to examine revenue and other related records as deemed necessary by the City. At the City's request, the Company financial statements shall be examined by an independent Certified Public Accountant, at the City's expense. If significant and/or material discrepancies are found during the examination by the Certified Public Accountant, a more comprehensive review or audit shall be conducted at the Company's expense.

## **6.3 Reports**

### **6.3.1 Report Formats and Schedule**

The Company shall submit quarterly and annual reports to the City in a form prescribed by the City Manager and which provides information on the Company's solid waste Solid Waste and Recyclable Materials Collection operations, within the boundaries of the City. Said reports shall be submitted to the city no later than thirty (30) days after the end of each calendar quarter. Documentation supporting the amount of Recyclable Materials Collected, delivered to appropriate End Markets, or otherwise disposed of, and any other documentation and necessary to verify the Company's Recycling operations, shall be maintained by the Company for at least three years

All reports shall be submitted to:

City Manager  
City of Portola  
P.O. Box 1225  
Portola, CA 96122

### **6.3.2 Quarterly Reports**

The information listed shall be the minimum reported:

- (a) Solid Waste Collected, Recycled, and Disposed of by the Company for the quarter (in tons).
- (b) Materials Recovered. Statement showing kinds of material and quantity sold (in tons).
- (c) Complaint summary for the quarter summarized by nature of complaints on a compatible computer disc.
- (d) Narrative summary of problems encountered (including scavenging) and actions taken with recommendations for the City, as appropriate.
- (e) Number of accounts by category shown for each month for Customers billed by the Company.
- (f) Copies of promotional and public education materials sent during the quarter.

### **6.3.4 Annual Report**

The Annual Report is to be essentially in the form and content of the quarterly reports combined, but shall also include:

- (a) An account list of all commercial Customers billed by the Company, including service address, billing address, service levels (i.e. number of Containers, Container size, and frequency of service) and monthly rates.
- (b) Number of Carts in service by type of Customer (Residential, Commercial), service (Solid Waste, Recycling).
- (c) CERCLA Defense records required under Section 6.2.3.
- (d) Name, address, and phone numbers of all residential Customers.

## ARTICLE 7. INDEMNIFICATION, INSURANCE AND BOND

### 7.1 Indemnification

The Company hereby agrees to and shall defend, indemnify and hold harmless the City, its elected and appointed officers, employees, and agents (collectively the “Indemnitees”) from and against any and all loss, liability, penalty, forfeiture, claim, demand, action, proceeding or suit in law or equity of any and every kind and description (including, but not limited to, injury to and death of any Person and damage to property, or for contribution or indemnity claimed by third parties) arising or resulting from and in any way connected with (1) the actions, omissions, negligence or willful misconduct of the Company, its officers, employees, agents, and Subcontractors in performing services under this Agreement; (2) the failure of the Company, its officers, employees, agents, and Subcontractors to comply in any and/or all respects with the provisions of this Agreement, applicable laws (including, without limitation, the Environmental Laws), ordinances and regulations, and/or applicable permits and licenses; (3) the acts of the Company, its officers, employees, and agents in performing services under this Agreement for which strict liability is imposed by law (including, without limitation, the Environmental Laws). The Company further agrees to and shall, upon demand of the City, at the Company's sole cost and expense, defend (with attorneys reasonably acceptable to the City) the Indemnitees against any claims, actions, suits in law or equity or other proceedings, whether judicial, quasi-judicial or administrative in nature, arising or resulting from any of the aforementioned events.

### 7.2 Insurance

The City does not, and shall not, waive any rights against the Company which it may have by reason of the aforesaid defense, indemnity and hold harmless obligations, because of acceptance by the City or the deposit with the City by the Company of the insurance policies described in this provision.

Company shall procure and maintain for the duration of this Agreement insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder and the results of that work by the Company, his agents, representatives, employees, or subcontractors. With respect to General Liability, Errors & Omissions, Contractors Pollution Liability, and/or Asbestos Pollution Liability, coverage should be maintained for a minimum of five (5) years after contract completion.

#### A. Minimum Scope and Limit of Insurance.

The Company shall maintain in force for the term of this Agreement insurance coverage as broad as:

1. **Commercial General Liability (CGL):** Insurance Services Office Form CG 00 01 covering CGL on an “occurrence” basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than **\$2,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.

2. **Automobile Liability:** Insurance Services Office Form Number CA 0001 covering any auto (Code 1), or if Company has no owned autos, hired (Code 8) and non-owned (Code 9) autos, with limit no less than **\$1,000,000** per accident for bodily injury and property damage.
3. **Workers' Compensation** insurance as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.
4. **Contractors Pollution Liability and/or Asbestos Pollution Liability and/or Errors & Omissions** applicable to the work being performed, with a limit no less than \$2,000,000 per claim or occurrence and \$2,000,000 aggregate per policy period of one year.

If the Company maintains broader coverage and/or higher limits than the minimums set forth above, the City requires and shall be entitled to the broader coverage and/or higher limits maintained by the Company. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

B. Self Insured Retentions

Self-insured retentions must be declared to and approved by the City. At the option of the City, the Company shall provide coverage to reduce or eliminate such self-insured retentions as respects the City, its officers, officials, employees, and volunteers; or the Company shall provide evidence satisfactory to the City guaranteeing payment of losses and related investigations, claim administration, and defense expenses. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or City.

C. Other Insurance Provisions

1. The General Liability, Automobile Liability, Contractors Pollution Liability, and/or Asbestos Pollution policies are to contain, or be endorsed to contain, the following provisions:
  - a. **The City, its officers, officials, employees, and volunteers are to be covered as additional insureds** with respect to liability arising out of work or operations performed by or on behalf of the Company including materials, parts or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Company's insurance (at least as broad as ISO Form CG 20 10, CG 11 85 or **both** CG 20 10, CG 20 26, CG 20 33, or CG 20 38; **and** CG 20 37 forms if later revisions used).
  - b. For any claims related to this project, **the Company's insurance coverage shall be primary insurance** coverage at least as broad as ISO CG 20 01 04 13 as respects the City, its officers, officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials,



employees, agents, or volunteers shall be excess of the Company's insurance and shall not contribute with it.

c. Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the City.

2. The Automobile Liability policy shall be endorsed to include Transportation Pollution Liability insurance, covering materials to be transported by Company pursuant to this Agreement. This coverage may also be provided on the Contractors Pollution Liability policy.

3. If General Liability, Contractors Pollution Liability and/or Asbestos Pollution Liability and/or Errors & Omissions coverages are written on a claims-made form:

a. The retroactive date must be shown, and must be before the date of this Agreement or the beginning of contract work.

b. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the contract of work.

c. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the contract effective date, the Company must purchase an extended period coverage for a minimum of five (5) years after completion of contract work.

d. A copy of the claims reporting requirements must be submitted to the City for review.

e. If the services involve lead-based paint or asbestos identification / remediation, the Contractors Pollution Liability shall not contain lead-based paint or asbestos exclusions. If the services involve mold identification / remediation, the Contractors Pollution Liability shall not contain a mold exclusion and the definition of "Pollution" shall include microbial matter including mold.

D. Acceptability of Insurers

Insurance is to be placed with insurers authorized to conduct business in the state with a current A.M. Best rating of no less than A:VII if admitted in the State of California.

E. Verification of Coverage

Contractor shall furnish the City with original Certificates of Insurance including all required amendatory endorsements (or copies of the applicable policy language effecting coverage required by this Agreement) and a copy of the Declarations and Endorsement Page of the CGL policy listing all policy endorsements to City before work begins. However, failure to obtain the required documents prior to the work beginning shall not waive the Company's obligation to provide them. The City reserves the right

to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

F. Waiver of Subrogation

Company hereby grants to City a waiver of subrogation which any insurer may acquire against City, its officers, officials, employees, and volunteers, from Company by virtue of the payment of any loss. Company agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation but this provision applies regardless of whether or not the City has received a waiver of subrogation endorsement from the insurer.

The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the City for all work performed by the Company, its employees, agents, and subcontractors.

G. Subcontractors

Company shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Company shall ensure that City is an additional insured on insurance required from subcontractors. For CGL coverage subcontractors shall provide coverage with a format least as broad as CG 20 38 04 13.

H. Special Risks or Circumstances

City reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

I. No Limitation of Liability

The minimum amounts set forth in this Agreement for such insurance shall not be construed to limit the liability of the Company to the City under this Agreement to the amounts of such insurance

**7.3 Faithful Performance Bond**

The Company shall, at least fourteen (14) days prior to the commencement of operation, file with the City a performance bond in the amount of fifty thousand dollars (\$50,000) payable to the City for all losses and damages the City may sustain as a result of any act or omission of the Company, its employees and agents arising from the operation or termination of the services under this Agreement, and including any payments required to be made to the City hereunder. Such bond shall be obtained from an insurance company licensed to do business in the State of California with a Best's Guide rating of "B" or better, or, in the alternative, an unlicensed, U.S. domiciled company with a Best's Guide rating of "A", and shall be in a form approved by the City Manager. In no event shall the amount of such bond be construed to limit the liability of the Company for damages.

## **ARTICLE 8. FAILURE TO PERFORM**

### **8.1 City's Right to Perform Services**

In the event that Company fails, refuses, or is unable to Collect and Dispose of Solid Waste or operate the ERC at Portola Landfill, as this Agreement requires, at the time and manner provided in this Agreement, for a period of ten (10) days, then the City shall have the right, but not the obligation, upon written notice to Company, to perform, or cause to be performed, such services itself with its own personnel and/or with the services of any other person, firm, entity or corporation. In such an event, Company shall not be liable for the actions or omissions of the City or any other party with whom City engages to perform the services; provided, however, Company shall be liable to the City for the cost of providing the Solid Waste services until such time as either Company fully resumes proper and appropriate services or this Agreement is terminated pursuant to Article 9; provided, however, that Company's liability to City for the cost of providing the services pursuant to this Section 8.1 shall be limited to the cost City incurs, either directly or indirectly under a contract with a third party. Notice of Company's failure, refusal or neglect to Collect and Dispose of Solid Waste may be faxed to Company at its principal office and shall be effective immediately. Written confirmation of such faxed notification shall be sent to Company within twenty-four (24) hours of the faxed notification.

## **ARTICLE 9. DEFAULT, REMEDIES AND LIQUIDATED DAMAGES**

### **9.1 Events of Default**

The Company shall be deemed to be in default with respect to the performance of its obligations under its this Agreement upon the occurrence of any of the following events:

- A. The Company is in violation of the provisions of this Agreement, the Solid Waste Ordinance portion of the City Code, or any federal or state law or regulation applicable to the operation of the Company's service in the City and such violation is not corrected within thirty (30) days following receipt of written notice thereof from the City Manager specifying such violation or, if more than thirty (30) days are reasonably required to correct such violation, within such additional time as the City Manager shall consider reasonably necessary to effect such correction.
- B. The Company has failed to perform according to the specifications and standards in this Agreement, including, but not limited to, any required standards for the maintenance of collection schedules, hours of collection, vehicle and equipment maintenance and condition, collection of missed collections within a specified time, and maintenance of a business office location with specified hours of operation and procedures for responding to customer complaints.
- C. The Company has engaged in repeated violations of any of its material obligations under this Agreement, the Solid Waste Ordinance portion of the City Code or any material federal or state law or regulation applicable to the operation of the Company's service in the City, which shall be deemed to exist if the same or similar violation occurs three (3) or more times within any twelve (12) month period. In any such case, the Company shall not be entitled to notice or a period to correct the third such violation.

### **9.2 Remedies upon Default**

Upon the occurrence of any event of default by the Company, the City Council may invoke any or all of the following remedies upon default:

- A. Assess against the Company monetary penalties not to exceed One Thousand Dollars (\$ 1,000.00) for each such event of default or series of related events of default and/or require the Company to cure each such event of default within such time, in such manner, and upon such terms and conditions as the City Council shall designate; or
- A. Implement the procedures required to exercise the City's rights under the conditions of the Performance Bond; or
- B. Revoke and terminate the Company's franchise and this Agreement.

### **9.3 Public Hearing**

Prior to imposing any such remedy or remedies upon the Company upon the occurrence of any such event of default, the City shall do the following:

- A. The City shall provide the Company with at least fifteen (15) days prior written notice of the time and place of a public hearing to be held before the City Council for purposes of determining whether such event of default has occurred and, if it has occurred, whether such event of default was for just cause. Notice as to the time and place of such hearing shall be published at least once ten (10) days before such hearing in a newspaper of general circulation within the City;
- B. The Company shall be afforded full due process in connection with such hearing, including, but not limited to, an opportunity to introduce evidence, to require the production of evidence, and to introduce and/or question persons connected with or having knowledge of the alleged default. A transcript may be made of the hearing at the Company's expense;
- C. The City Council shall hear any persons interested therein and, based upon the evidence presented at such hearing, shall determine whether or not an event of default by the Company has occurred;
- D. If the City Council shall determine that an event of default occurred by the Company and such default was with just cause, the City Council shall direct the Company to correct or remedy the same within such additional time, in such manner, and upon such terms and conditions as the Council determines to be necessary; or
- E. If the City Council shall determine that an event of default occurred by the Company and such default was without just cause, then the City Council may, by resolution, impose any one or more of the remedies set forth in section 9.2 and 9.4 of this Agreement.

### **9.4 Liquidated Damages**

The City finds, and the Company agrees, that as of the time of the execution of this Agreement, it is impractical, if not impossible, to reasonably ascertain the extent of damages which shall be incurred by the City as a result of a breach by the Company of its obligations under this Agreement. The parties further acknowledge that consistent, reliable Solid Waste Collection service is of utmost importance to the City and that the City has considered and relied on the Company's representations as to its quality of service commitment in awarding the Franchise to it. The parties further recognize that some quantified standards of performance are necessary and appropriate to ensure consistent and reliable service and performance. The parties further recognize that if the Company fails to achieve the performance standards, or fails to submit required documents in a timely manner, the City and its residents will suffer damages and that it is and will be impractical and extremely difficult to ascertain and determine the exact amount of damages that the City will suffer. Therefore, the parties agree that the following liquidated

damage amounts represent a reasonable estimate of the amount of such damages considering all of the circumstances existing on the date of this Agreement

A. Collection Reliability

1. For each failure to Collect Solid Waste, which has been properly set out for Collection on the scheduled Collection day and not Collected within the period described in this Agreement which exceeds ten (10) such failures annually: \$100.00
2. For each failure to Collect Solid Waste, which has been properly set out for Collection, from the same Customer on two (2) consecutive scheduled pickup days: \$100.00

B. Collection Quality

1. For each occurrence of uncompensated damage to private property which exceeds five (5) such occurrences annually: \$200.00
2. For each occurrence of excessive noise or discourteous behavior: \$200.00
3. For each failure to clean up Solid Waste spilled from Solid Waste Containers which exceeds ten (10) such failures annually: \$100.00
4. For each occurrence of Collecting Solid Waste during unauthorized hours which exceeds five (5) such occurrences annually: \$200.00
5. For each failure to clean or replace Containers in accordance with this Agreement which exceeds ten (10) such failures annually: \$50.00

C. Customer Responsiveness

1. For each failure to initially respond to a Customer complaint within one (1) business day: \$75.00
2. For each failure to process Customer complaints to the City as required by this Agreement: \$250.00

D. Timeliness of Submissions to the City

Any report shall be considered late until such time as a correct and complete report is received by the City. For each calendar day a report is late, the daily liquidated damage amount shall be:

- |    |                    |               |
|----|--------------------|---------------|
| 1. | Quarterly Reports: | \$75 per day  |
| 2. | Annual Reports:    | \$150 per day |

Liquidated damages will only be assessed after the Company has been given the opportunity but failed to rectify the damages as described in this Agreement.

The City may determine the occurrence of events giving rise to liquidated damages through the observation of its own employees or representative or investigation of Customer complaints.

Prior to assessing liquidated damages, the City shall follow the procedure set forth in section 9.4.1.

#### **9.4.1 Procedure for Review of Liquidated Damages**

City may assess liquidated damages pursuant to this Section 9.4 on a quarterly basis. At the end of each month during the term of this Agreement, City shall issue a written notice to Company of the liquidated damages assessed and the basis for each assessment. The assessment shall become final unless, within ten (10) days of the day Company receives such notice, Company provides a written request for a meeting with the City to present evidence that the assessment should not be made. The Parties shall meet with ten (10) days of City's receipt of Company's notice. City shall consider Company's evidence in good-faith and render a written decision sustaining or reversing any disputed liquidated damages within five (5) days of the meeting. If the total assessed charges for any one (1) quarterly assessment are equal to or less than One Thousand Five Hundred Dollars and No/100 Cents (\$1,500.00), then the decision of the City shall be final and non-appealable. If the total assessed damages are greater than One Thousand Five Hundred Dollars and No/100 Cents (\$1,500.00), then, within five (5) days of receiving the City's written decision, the Company may seek alternate dispute resolution pursuant to Section 9.6.

#### **9.4.2 Non-Exclusive Damages**

City's assessment or collection of liquidated damages shall not preclude or prevent City from exercising or seeking any other right or remedy, including, without limitation, the assessment of any administrative penalties, termination, or seeking legal recourse in a court of equity or in law.

#### **9.5 Excuse from Performance**

The parties shall be excused from performing their respective obligations hereunder in the event they are prevented from so performing by reason of floods, earthquakes, other natural disasters, war, civil insurrection, riots, acts of any government (including judicial action), picketing at Customer Collection locations that blocks access to container pick up points, and other similar catastrophic events which are beyond the control of and not the fault of the party claiming excuse from performance hereunder. Labor unrest, including but not limited to strike, work stoppage or slowdown, sick-out, picketing, or other concerted job action conducted by the Company's

employees or directed at the Company is not an excuse from performance and the Company shall be obligated to continue to provide service notwithstanding the occurrence of any or all of such events. The party claiming excuse from performance shall, within two (2) days after such party has notice of such cause, give the other party notice of the facts constituting such cause and asserting its claim to excuse under this Section. The interruption or discontinuance of the Company's services caused by one or more of the events excused shall not constitute a default by the Company under this Agreement.

## **9.6 Mediation and Arbitration**

Any dispute arising out of or relating to this Agreement shall first be mediated between the Parties. Within five (5) days of receiving notice from the other Party of a request to mediate a dispute, the Parties shall mutually agree on a mediator. Mediation shall occur within fifteen (15) days of receiving notice from the other Party of the request to mediate a dispute. Unless otherwise agreed at mediation, the costs of mediation shall be borne equally between the Parties. Unless agreed otherwise by the parties, mediation shall take place in Portola, California.

Upon the written request of a Party, any dispute arising out of or relating to this Agreement which was not resolved by mediation as required herein shall be submitted within five (5) days for binding arbitration in accordance with its Commercial Comprehensive Rules of the American Arbitration Association, unless the Parties agree otherwise and consent, in writing, to a different method of dispute resolution. The Parties agree to use their best efforts to arbitrate the dispute within thirty (30) days of a Party making a written request for arbitration. The arbitrator shall be vested with the power to allocate the costs of arbitration as it deems appropriate. The decision of the arbitrator shall be in writing. Unless agreed otherwise by the parties, arbitration shall take place in Portola, California.

Until the arbitrator makes its final decision, the parties shall maintain the status quo and all terms and conditions of this Agreement shall remain in full force and effect, including, without limitation, the Company's obligation to perform Solid Waste Collection services and the Company's right to bill Customers and receive Company Compensation for such services.

## **9.7 Assurance of Performance**

The City may, at its option and in addition to all other remedies it may have, demand from the Company reasonable assurances of timely and proper performance of this Agreement, in such form and substance as the City may require. If the Company fails or refuses to provide satisfactory assurances of timely and proper performance in the form and by the date required by the City, such failure or refusal shall be an event of default.



## **ARTICLE 10. MISCELLANEOUS**

### **10.1 Relationship of Parties**

The parties intend that the Company shall perform the services required by this Agreement as an independent contractor engaged by the City and not as an officer or employee of the City nor as a partner of or joint venture with the City. No employee or agent of Company shall be or shall be deemed to be an employee or agent of the City. Except as expressly provided herein, the Company shall have the exclusive control over the manner and means of conducting the Solid Waste Collection services performed under this Agreement, and all Persons performing such services. The Company shall be solely responsible for the acts and omissions of its officers, employees, and agents. Neither the Company nor its officers, employees, and agents shall obtain any rights to retirement benefits, workers' compensation benefits, or any other benefits which accrue to the City employees by virtue of their employment with the City.

### **10.2 Compliance with Law**

In providing the services required under this Agreement, the Company shall comply with all applicable laws and regulations of the United States, the State of California, the County and the City, now in force and as they may be enacted, issued or amended during the term of this Agreement. The City shall comply with all applicable regulations promulgated by federal, state, regional or local administrative and regulatory agencies, now in force and as they may be enacted, issued or amended during the term of this Agreement.

Company acknowledges and warrants that it is fully acquainted with the provisions of the City Code; Company agrees that, in performing this Agreement, it will comply with those provisions of the City Code that are applicable to the work or business in which it is herein licensed or engaged, and with any and all amendments to those provisions of said City Code during the term of this Agreement. If the City or the County should enact any law, regulation, ordinance that materially impacts the terms of this Agreement, the Company shall be entitled to increase the Rates in accord with Section 5.4.

### **10.3 Assignment**

This Franchise is awarded based in the selection of Company, its demonstrated ability to perform, and the relationship previously established between Company's personnel and the City. Accordingly, this Franchise shall not be transferred, sold, pledged, hypothecated, leased, or assigned, nor shall any of the rights or privileges herein be transferred, sold, pledged, hypothecated, leased or assigned, either in whole or in part, without the prior written approval of the Portola City Council. Any attempt by Company to effectuate any of the foregoing without the City Council's approval shall be null and void. City may impose conditions and restrictions on any assignment or request for assignment, including, without limitation, conditions relating to payment of all of City's costs relating to such transfer and the acceptance of amendments to this Franchise.

#### **10.4 Subcontracting**

The Company shall not engage any companies or Subcontractors for Collection, transfer, Recycling or Disposal of Solid Waste without the prior written approval of the City Council.

#### **10.5 Notice**

All notices, demands, requests, proposals, approvals, consents and other communications which this Agreement requires, authorizes or contemplates shall be in writing and shall either be personally delivered to a representative of the parties at the address below or be deposited in the United States mail, first class postage prepaid, addressed as follows:

If to City:                      City Manager  
                                        City of Portola  
                                        P.O. Box 1225  
                                        Portola, CA 96122

If to the Company:      General Manager  
                                        Intermountain Disposal, Inc.  
                                        P.O. Box 1596  
                                        Portola, CA 96122

Notice shall be deemed given on the day it is personally delivered or, if mailed, three (3) days from the date of the postmark.

#### **10.6 City Free to Negotiate with Third Parties**

Notwithstanding the exclusive nature of the Franchise, the City may investigate all options for the Collection, transporting, Recycling, processing and Disposal of Solid Waste and Recyclable Materials at any time prior to the expiration of the term of this Agreement. Without limiting the generality of the foregoing, the City may solicit proposals from the Company and from third parties for the provision of Collection services, Disposal services, Recycling services, and any combination thereof, and may negotiate and execute agreements for such services which will take effect upon the expiration or earlier termination of this Agreement.

#### **10.7 Privacy**

The Company shall strictly observe and protect the rights of privacy of Customers. Information identifying individual Customers or the composition or contents of a Customer's waste stream shall not be revealed to any Person, governmental unit, private agency, or company, unless upon the authority of a court of law, by statute, or upon valid authorization of the Customer. This provision shall not be construed to preclude the Company from preparing, participating in, or assisting in the preparation of waste characterization studies or waste stream analyses which may be required by AB 939. This provision shall not apply to reports or records provided to City pursuant to this Agreement.

## **10.8 Cooperation Following Termination**

At the end of the term of this Agreement or in the event this Agreement is terminated for cause prior to the end of the term of this Agreement, the Company agrees to immediately pay all amounts due to the City, cooperate fully with the City and any subsequent company to assure a smooth transition of Solid Waste management services. The Company's cooperation shall include, but not be limited to, providing operating records needed to service all properties covered by this Agreement.

## **10.9 Proprietary Information, Public Records**

The City acknowledges that a number of the records and reports of the Company are proprietary and confidential. Regular monthly, quarterly, and annual reports are not proprietary. The City will endeavor to maintain the confidentiality of all proprietary information provided by the Company. Notwithstanding the foregoing, any documents provided by the Company to the City that are public records may be disclosed pursuant to a proper public records request.

## **10.10 Waiver**

The waiver by either party of any breach or violation of any provisions of this Agreement shall not be deemed to be a waiver of any breach or violation of any other provision nor of any subsequent breach or violation of the same or any other provision. The subsequent acceptance by either party of any moneys which become due hereunder shall not be deemed to be a waiver of any pre-existing or concurrent breach or violation by the other party of any provision of this Agreement.

## **10.11 Binding on Assigns**

The provisions of this Agreement shall inure to the benefit of and be binding on the permitted assigns of the parties.

## **10.12 Governing Law; Jurisdiction; Attorney's Fees**

This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of California. Any lawsuits, mediation, or arbitration between the parties arising out of this Agreement shall be brought and concluded in the Superior Court in and for the County of Plumas, State of California, if in state court, or in the Federal District Court for the Eastern District of California, if in federal court, which shall have exclusive jurisdiction over such lawsuits. The prevailing party in any arbitration or court action to enforce or interpret this Agreement shall be entitled to an award of reasonable attorneys' fees and costs, except if that Party did not request or participate in mediation when required to so pursuant to this Agreement.

## **10.13 Entire Agreement**

This Agreement, including the Exhibits, represents the full and entire Agreement between the parties with respect to the matters covered herein. No verbal agreement or conversation with any office, agent, or employee of the City, either before, during, or after the execution of this Agreement, shall affect or modify any of the terms or obligations herein contained nor shall such

verbal agreement or conversation entitle the Company to any additional payment whatsoever under the terms of this Agreement.

#### **10.14 Section Headings**

The article headings and section headings in this Agreement are for convenience of reference only and are not intended to be used in the construction of this Agreement nor to alter or affect any of its provisions.

#### **10.15 Amendment**

This Agreement may be amended or modified only by written agreement duly authorized by the Portola City Council and executed by the parties hereto.

#### **10.16 Interpretation**

This Agreement, including the exhibits attached hereto, shall be interpreted and construed reasonably and neither for nor against either party, regardless of the degree to which either party participated in its drafting.

#### **10.17 Severability**

Except as may otherwise be expressly provided for herein, if any non-material provision of this Agreement is for any reason deemed to be invalid and unenforceable, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this Agreement which shall be enforced as if such invalid or unenforceable provision had not been contained herein. If any material provision of this Agreement is for any reason deemed to be invalid and unenforceable, the parties agree to negotiate, in good faith, valid and enforceable provisions to replace the invalid or unenforceable provision. If, after good faith negotiations, the Parties are not able to agree on such alternate terms, then either Party may terminate this Agreement in accord with Section 9.3; provided; however, that the parties have exhausted all dispute resolution procedures pursuant to this Agreement.

#### **10.18 Exhibits**

Each of the Exhibits identified in this Agreement is attached hereto and incorporated herein and made a part hereof by this reference.

IN WITNESS WHEREOF, the City and the Company have executed this Agreement as of the day and year first above written at the top of this Agreement.

CITY OF PORTOLA

---

By: ROBERT MEACHER

Its: CITY MANAGER

INTERMOUNTAIN DISPOSAL, INC.  
a California corporation

---

By: RICKY ROSS

Its: VICE PRESIDENT/GENERAL MANAGER

ATTEST:

APPROVED AS TO FORM:

---

MELISSA KLUNDBY  
City Clerk

---

STEVEN GROSS  
City of Portola Counsel

Exhibit A – Pass Through Costs  
Exhibit B – Rate Schedules

**INTERMOUNTAIN DISPOSAL COMPANY**  
**ANNUAL ADJUSTMENT OF RATES FOR THE 2025 CALENDAR YEAR (RATE YEAR 8)**

*Annual Rate Adjustment Calculated per Section 5.3 of the Franchise Agreement, as Amended August 25, 2021*

**Rate Adjustment Calculations**

**Adjust for Changes in CPI and Fuel Costs August 2023 through August 2024**

% Increase = 90% Annual Change West Region CPI (Aug/Aug) + 10% Annual Change California Fuel (Aug/Aug)

August 2022 West Urban CPI: 326.234 Data Reference: <https://data.bls.gov/cgi-bin/surveymost?cu>

August 2023 West Urban CPI: 333.442

August 2022 EIA Cal Diesel Fuel: \$5.518 Date Reference: [www.eia.gov/dnav/pet/pet\\_pri\\_gnd\\_dcus\\_sca\\_m .htm](http://www.eia.gov/dnav/pet/pet_pri_gnd_dcus_sca_m.htm)

August 2023 EIA Cal Diesel Fuel: \$4.758

**CPI/Fuel Rate Increase = 0.61%**

**Adjust for Increased Disposal Fees at Delleker Transfer Station**

DTS Disposal Fee Increase Effective July 5, 2022 8.91%

DTS Disposal Fee Increase Effective July 1, 2024 6.09%

Disposal Cost as Percentage of Total IMD Revenues (2023) 24.0%

**Disposal Fee Rate Increase (15.00% x 0.240) = 3.60%**

**INTERMOUNTAIN DISPOSAL PROPOSED 2025 RATE INCREASE**  
**RATES EFFECTIVE JANUARY 1, 2025 UPON APPROVAL FROM PORTOLA CITY COUNCIL**

**COMMERCIAL AND RESIDENTIAL CAN RATES**  
**2025 RATE INCREASE (RATE YEAR 8)**

Item	Current 2024 Monthly Rates	CPI/Diesel Fuel Increase (0.61%)	Delleker Transfer Station Fee Increases (3.60%)	Proposed 2025 Monthly Rates
<b><i>Wastecarts</i></b>				
32 Gallon Cart	\$15.39	\$0.09	\$0.55	\$16.03
64 Gallon Cart	\$20.92	\$0.13	\$0.75	\$21.80
96 Gallon Cart	\$26.48	\$0.16	\$0.95	\$27.59
<b><i>Replace Carts</i></b>				
32 Gallon Cart	\$77.84	\$0.47	-	\$78.31
64 Gallon Cart	\$88.23	\$0.54	-	\$88.77
96 Gallon Cart	\$108.99	\$0.66	-	\$109.65
<b><i>Recycling Service</i></b>				
64 Gallon Cart	\$5.43	\$0.03	-	\$5.46
<b><i>Green Waste Service</i></b>				
96 Gallon Cart	\$16.75	\$0.10	\$0.60	\$17.45
<b><i>Extra Services</i></b>				
New Service & Reinstatement Fee	\$8.66	\$0.05	-	\$8.71
Backyard Collection	\$8.67	\$0.05	-	\$8.72
Car Tire	\$5.50	\$0.03	\$0.20	\$5.73
Truck Tire	\$11.19	\$0.07	\$0.40	\$11.66
Appliances	\$26.36	\$0.16	\$0.95	\$27.47
Mattress/Box Spring	\$52.59	\$0.32	\$1.89	\$54.80
Waste Cart Delivery	\$15.60	\$0.10	-	\$15.70
One-Time Collection, Up to Four Cans	\$26.09	\$0.16	-	\$26.25
Returned Check Fee	\$54.30	\$0.33	-	\$54.63

**INTERMOUNTAIN DISPOSAL PROPOSED 2025 RATE INCREASE**  
**RATES EFFECTIVE JANUARY 1, 2025 UPON APPROVAL FROM PORTOLA CITY COUNCIL**

**COMMERCIAL BIN SERVICE RATES**  
**2025 RATE INCREASE (RATE YEAR 8)**

Item	Pick-ups Per Week	Current 2024 Monthly Rates	CPI/Diesel Fuel Increase (0.61%)	Delleker Transfer Station Fee Increases (3.60%)	Proposed 2025 Monthly Rates
<b><i>Bin Size</i></b>					
1 CY	1x	\$67.87	\$0.41	\$2.44	\$70.72
	2x	\$135.63	\$0.83	\$4.88	\$141.34
	3x	\$203.29	\$1.24	\$7.32	\$211.85
					-
1.5 Cy	1x	\$102.16	\$0.62	\$3.68	\$106.46
	2x	\$204.18	\$1.25	\$7.35	\$212.78
	3x	\$306.21	\$1.87	\$11.02	\$319.10
2 CY	1x	\$150.80	\$0.92	\$5.43	\$157.15
	2x	\$301.47	\$1.84	\$10.85	\$314.16
	3x	\$452.11	\$2.76	\$16.28	\$471.15
3 CY	1x	\$254.66	\$1.55	\$9.17	\$265.38
	2x	\$509.17	\$3.11	\$18.33	\$530.61
4 CY	1x	\$271.06	\$1.65	\$9.76	\$282.47
	2x	\$542.01	\$3.31	\$19.51	\$564.83
5 CY	1x	\$338.78	\$2.07	\$12.20	\$353.05
	2x	\$677.40	\$4.13	\$24.39	\$705.92
6 CY	1x	\$421.70	\$2.57	\$15.18	\$439.45
	2x	\$843.27	\$5.14	\$30.36	\$878.77
8 CY	1x	\$593.28	\$3.62	\$21.36	\$618.26
	2x	\$1,186.39	\$7.24	\$42.71	\$1,236.34
<b><i>Extra Services</i></b>					
New Service & Reinstatement Fee		\$8.66	\$0.05	-	\$8.71
Extra Yardage		\$17.55	\$0.11	\$0.63	\$18.29
Extra Cans		\$6.69	\$0.04	\$0.24	\$6.97
Container Delivery		\$58.82	\$0.36	-	\$59.18
Container Relocation		\$29.39	\$0.18	-	\$29.57
Weekly Rental Charge					
1 CY		\$10.83	\$0.07	-	\$10.90
1.5 CY		\$16.28	\$0.10	-	\$16.38
2 CY		\$23.97	\$0.15	-	\$24.12
3 Cy		\$40.57	\$0.25	-	\$40.82
4 CY		\$43.02	\$0.26	-	\$43.28
5 Cy		\$53.99	\$0.33	-	\$54.32
Car Tire		\$5.50	\$0.03	\$0.20	\$5.73
Truck Tire		\$11.19	\$0.07	\$0.40	\$11.66
Return Charge		\$12.99	\$0.08	-	\$13.07
Off-Day Collection		\$25.96	\$0.16	-	\$26.12
Bear-Resistant Bin		\$22.21	\$0.14	-	\$22.35
Bin Unlock/Lock		\$42.23	\$0.26	-	\$42.49
Bin Repair Per Hour		\$78.43	\$0.48	-	\$78.91



INTERMOUNTAIN DISPOSAL PROPOSED 2025 RATE INCREASE  
RATES EFFECTIVE JANUARY 1, 2025 UPON APPROVAL FROM PORTOLA CITY COUNCIL

ROLL-OFF BOX RATES  
2025 RATE INCREASE (RATE YEAR 8)

	ROLL-OFF BOXES				Delivery Charge		
	Current 2024 Rates	CPI/Diesel Fuel Increase (0.61%)	Delleker Transfer Station Fee Increases (3.60%)	Proposed 2025 Rates	Current 2024 Rates	CPI/Diesel Fuel Increase (0.61%)	Proposed 2025 Rates
<b>Box Size</b>							
10 CY	\$328.28	\$2.00	\$11.82	\$342.10	\$57.39	\$0.35	\$57.74
12 CY	\$409.58	\$2.50	\$14.74	\$426.82	\$57.39	\$0.35	\$57.74
20 CY	\$569.04	\$3.47	\$20.49	\$593.00	\$57.39	\$0.35	\$57.74
25 CY	\$685.67	\$4.18	\$24.68	\$714.53	\$57.39	\$0.35	\$57.74
30 CY	\$835.65	\$5.10	\$30.08	\$870.83	\$57.39	\$0.35	\$57.74
40 CY	\$1,135.21	\$6.92	\$40.87	\$1,183.00	\$57.39	\$0.35	\$57.74
<b>Demurrage Charge</b>							
Daily	\$17.37	\$0.11	-	\$17.48			
Weekly	\$50.69	\$0.31	-	\$51.00			
<b>Extra Services</b>							
Off-Day Relocation, Per Hour	\$113.55	\$0.69	-	\$114.24			
Overweight Per ton (>8Tons)	\$100.82	\$0.62	\$3.63	\$105.07			
Standby Monday- Friday, Per Hour	\$109.93	\$0.67	-	\$110.60			
Standby Off Hours, Per Hour	\$170.33	\$1.04	-	\$171.37			



Databases, Tables & Calculators by Subject

Change Output Options:

From: 2014 To: 2024 GO

☒ include graphs ☐ include annual averages

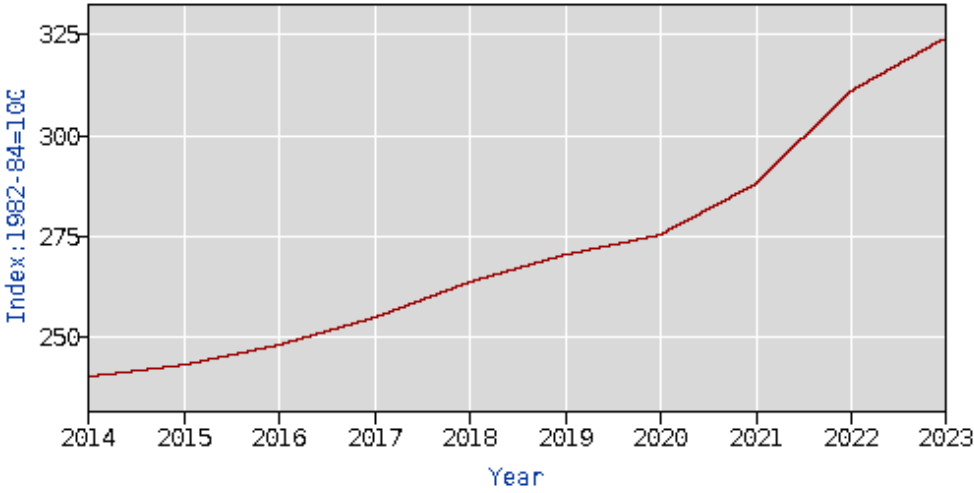
[More Formatting Options](#) ➔

[Special Notices](#) 4/25/2024

Data extracted on: September 11, 2024 (11:52:08 AM)

Consumer Price Index for All Urban Consumers (CPI-U)

**Series Id:** CUUR0400SA0  
Not Seasonally Adjusted  
**Series Title:** All items in West urban, all urban consumers, not seasonally adjusted  
**Area:** West  
**Item:** All items  
**Base Period:** 1982-84=100



Download: [xlsx](#)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
2014	236.707	237.614	239.092	239.808	241.350	241.616	241.850	241.660	241.920	241.650	240.220	239.095	240.215	239.365	241.066
2015	238.318	239.748	241.690	242.302	244.227	244.332	245.040	244.737	244.257	244.341	243.749	243.434	243.015	241.770	244.260
2016	244.600	244.821	245.404	246.589	247.855	248.228	248.375	248.498	249.234	249.897	249.448	249.516	247.705	246.250	249.161
2017	250.814	252.252	252.949	253.806	254.380	254.469	254.708	255.282	256.504	257.223	257.126	257.347	254.738	253.112	256.365
2018	258.638	259.986	260.994	262.037	263.240	263.732	263.971	264.395	265.105	266.195	265.658	265.209	263.263	261.438	265.089
2019	265.624	266.215	267.370	269.522	270.880	270.957	271.029	271.264	272.102	273.524	273.128	272.584	270.350	268.428	272.272
2020	273.340	274.412	273.995	272.913	273.062	274.155	275.597	276.443	276.422	276.876	276.875	276.593	275.057	273.646	276.468
2021	277.238	278.702	280.625	283.507	285.793	288.263	289.863	290.393	291.053	293.397	294.986	296.102	287.494	282.355	292.632
2022	298.705	301.158	305.082	307.145	309.645	313.496	313.951	314.013	315.094	317.299	315.919	314.599	310.509	305.872	315.146
2023	317.477	319.130	320.715	322.187	323.525	324.448	324.865	326.234	327.491	327.708	326.299	325.932	323.834	321.247	326.422
2024	328.053	329.339	332.202	334.050	334.292	333.662	333.174	333.442						331.933	

U.S. BUREAU OF LABOR STATISTICS Postal Square Building 2 Massachusetts Avenue NE Washington, DC 20212-0001

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# Petroleum & Other Liquids

## Weekly Retail Gasoline and Diesel Prices

(Dollars per Gallon, Including Taxes)

Area: 

California

▼

Period: 

Monthly

▼

Show Data By:

<div><div><div>Product</div><div>Area</div></div></div>	<div>Graph</div>	<div>Clear</div>	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	View History
Gasoline - All Grades	<input type="checkbox"/>		4.831	5.255	5.118	4.777	4.590	4.451	2000-2024
All Grades - Reformulated Areas	<input type="checkbox"/>		4.831	5.255	5.118	4.777	4.590	4.451	1995-2024
Regular	<input type="checkbox"/>		4.720	5.145	5.005	4.663	4.471	4.332	2000-2024
Reformulated Areas	<input type="checkbox"/>		4.720	5.145	5.005	4.663	4.471	4.332	1995-2024
Midgrade	<input type="checkbox"/>		5.028	5.433	5.310	4.982	4.796	4.663	2000-2024
Reformulated Areas	<input type="checkbox"/>		5.028	5.433	5.310	4.982	4.796	4.663	1995-2024
Premium	<input type="checkbox"/>		5.159	5.590	5.454	5.112	4.944	4.801	2000-2024
Reformulated Areas	<input type="checkbox"/>		5.159	5.590	5.454	5.112	4.944	4.801	1995-2024
Diesel (On-Highway) - All Types	<input type="checkbox"/>		5.216	5.239	5.078	4.927	4.901	4.758	1995-2024
Ultra Low Sulfur (15 ppm and Under)	<input type="checkbox"/>		5.216	5.239	5.078	4.927	4.901	4.758	2007-2024

Click on the source key icon to learn how to download series into Excel, or to embed a chart or map on your website.

- = No Data Reported; -- = Not Applicable; NA = Not Available; W = Withheld to avoid disclosure of individual company data.

**Notes:** Conventional area is any area that does not require the sale of reformulated gasoline. All types of finished motor gasoline may be sold in this area. RFG area is an ozone nonattainment area designated by the U.S. Environmental Protection Agency (EPA), which requires the use of reformulated gasoline. We stopped publishing Low Sulfur On-Highway Diesel (LSD) prices at the U.S. level on December 8, 2008, because fewer stations were selling LSD as a result of EPA diesel fuel regulations. We continued to collect LSD prices from retail outlets and included them in the Diesel Average All Types price until July 26, 2010, when no more outlets reported LSD sales. Beginning July 26, 2010, publication of Ultra Low Sulfur Diesel (ULSD) price became fully represented by the Diesel Average All Types price. As of December 1, 2010 (September 1, 2006 in California), any on-highway diesel fuel sold is ULSD as mandated by EPA on-highway diesel fuel regulations. We did not collect weekly retail motor gasoline data between December 10, 1990, and January 14, 1991. Monthly and annual averages are simple averages of the weekly data. For months and years with incomplete weekly data series, the monthly and/or annual averages are not available. On May 14, 2018, we implemented [statistical methodology changes](#) to improve the accuracy of the weekly retail gasoline price estimates. As a result of these statistical methodology changes, the published retail gasoline estimates for May 14, 2018, are not directly comparable to those published for May 7, 2018. On June 13, 2023, we implemented [statistical methodology changes](#) to improve the accuracy of the weekly retail on-highway diesel fuel price estimates. As a result of these statistical methodology changes, the published retail on-highway diesel fuel prices for June 13, 2022 are not directly comparable to those published for June 6, 2022. See Definitions, Sources, and Notes link above for more information on this table.

Release Date: 9/9/2024  
Next Release Date: 9/16/2024

11-5-2024

To City of Portola

From Chester A. Basell

348 West Plumas Ave (P.O. Box 1502)

Portola CA 96122

Subject Proposed 2025 IMD increase

I object to this ongoing Rate increase proposal.

IMD is a Dishonest company IE; charging myself for re-cycling fee and then that I Never had them drug their feet removing it from my Bill Plus NO-Refund! for years of overcharging!

I also Object the life long contract IMD seems to have with the City of Portola!

Chester A Basell

November 5, 2024

Susan Scarlett, Interim City Manager  
City of Portola  
PO Box 1225  
35 Third Avenue  
Portola, CA 96122

Re: Proposed 2025 IMD Rate Increase


To Whom It May Concern:

I do not support this proposed rate increase from Intermountain Disposal for the following reasons:

- At some point businesses have to absorb some of the increased costs to do business rather than continually asking for rate increases to pass on these costs to consumers. Now is one of those times for IMD.
- Why doesn't Portola have other options instead of this one family monopoly? Competition is supposedly healthy for the consumers benefit.
- I am billed a quarterly recycling charge of \$16.29 yet, when I inquired this year about getting scheduled for a recycling curbside pick up I was told I would be additionally charged for the twice monthly pick up (on top of the quarterly charge I am already paying). No thank you. Also, I am charged to take my cardboard for recycling at the Delleker Transfer site (in addition to the quarterly recycling charge). This seems to me to be charging three times for the same service.
- The recent free Plumas County Hazardous Waste removal event was not open to City of Portola residents. The last I knew, Portola is part of Plumas County.
- At some point residents have been instructed to have our garbage cans curbside by 7 am on pick up day or a \$10.00 fee would be levied against us. For what? As long as our cans are curbside by the time the truck comes by to pick it up who cares what time it is placed out there? Trying to dictate peoples lives is inconsiderate and unnecessary.
- The customer service inside the IMD office is less than approachable with concerns and questions. This spring I was charged a late fee on my bill for the Yard Waste Container I ordered. This year, apparently the bill was sent separately and I never received it in the mail initially. I did receive the statement with the late fee attached in the mail. I went to the IMD office to inquire and was told I had to submit my concern/inquiry to the IMD email address. While I spoke with the gentleman at the front counter, I could hear a woman commenting out of sight to the guy I was talking to. She could have easily stepped into view and explained to me what she was telling him to say. The IMD response to my inquiry was to email me a copy of my statement with the late fee circled on it. Period. That was my response.

Susan Scarlett, Interim City Manager  
Page Two

All of these subjective definitions of services is confusing and totally unnecessary. We pay a reasonable fee for a service to be provided. At present my quarterly cost of \$79.05 for IMD services is more than adequately sufficient for the service I receive. I do not feel IMD should be granted this rate increase.

A handwritten signature in cursive script that reads "Donna Waugh".

Donna Waugh  
PO Box 2165  
232 West Spruce Ave.  
Portola, CA 96122  
775-741-6973

October 28, 2024

To whom it may concern:

I am Vincent R. Juan, I own a house at 227 W Loyaltan Ave., Portola, CA. I would like to express my objection to the proposed increases in refuse collection rate.

I hope for your kind consideration concerning this matter.

Sincerely yours,

A handwritten signature in blue ink, appearing to read 'Vincent R. Juan', is written over the printed name. The signature is stylized with a long horizontal stroke extending to the left.

Vincent R. Juan



**MEETING DATE:** December 11, 2024

**AGENDA ITEM:** 7. 2024 City Audit

**FROM:** Susan Scarlett

**RE:** 2024 City of Portola Audit

---

**BACKGROUND:**

The City audit for 2024 was issued on November 5, 2024. An electronic copy is attached and will be posted to the website once accepted by the City Council. Also attached is the GANN letter and the Governance Communication letter.

---

**RECOMMENDATION:**

Review of the City audit and acceptance by the City Council.

---

**ATTACHMENTS:**

- A. 2024 CITY OF PORTOLA AUDITED FINANCIAL STATEMENTS
- B. 2024 CITY OF PORTOLA GANN REPORT
- C. 2024 CITY OF PORTOLA GOVERNANCE COMMUNICATION



**CITY OF PORTOLA**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2024**



CPAs | CONSULTANTS | WEALTH ADVISORS

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## INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Council Members  
City of Portola, California

### Report on the Audit of the Financial Statements

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Portola (City), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

***Emphasis of Matter***

***Change in Fund Presentation from Major to Nonmajor***

As discussed in note 15 to the financial statements, the snow removal fund, presented as a major fund in the prior year, is now presented as a nonmajor fund as it no longer meets the criteria to be a major fund in the current year. Our opinions are not modified with respect to this matter.

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of proportionate share of the net pension liability/(asset) and related ratios, schedule of pension plan contributions, and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining nonmajor financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 5, 2024, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.



**CliftonLarsonAllen LLP**

Roseville, California  
November 5, 2024

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**MANAGEMENT'S DISCUSSION  
AND ANALYSIS (MD&A)**

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**CITY OF PORTOLA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FISCAL YEAR ENDED JUNE 30, 2024**

This section of the City of Portola (City) annual financial report presents a discussion and analysis of the City's financial performance during the fiscal year ended June 30, 2024. It should be read in conjunction with the City's basic financial statements following this section.

**I. FINANCIAL HIGHLIGHTS**

**A. Government-Wide Financial Analysis**

The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$19,423,953:

- \$11,612,012 represents the City's investment in capital assets, less any related outstanding debt used to acquire those assets (net investment in capital assets).
- \$1,503,639 is available for the City's ongoing obligations related to programs with external restrictions (restricted net position).
- \$6,308,302 is available to fund City programs for citizens and debt obligations to creditors (unrestricted net position).

The City's total net position increased by \$1,557,887 from the prior year:

- The \$1,329,821 increase in net investment in capital assets represents infrastructure and other additions of \$2,168,441 less depreciation of \$997,881, and the retirement of related long-term debt of \$35,000.
- The \$350,950 increase in restricted net position represents the change in resources that are subject to external restrictions on their use and is detailed in the government-wide financial analysis section on page 6.

**B. Financial Analysis of the City's Funds**

The City's governmental funds combined ending fund balance of \$2,698,775 was a decrease of \$19,053 from the prior year ending fund balance. Amounts available for spending include restricted and unassigned fund balances; these totaled \$2,698,775, or 100% of ending fund balance. Of this amount, \$315,406 is restricted by law or externally imposed requirements.

**II. OVERVIEW OF THE FINANCIAL STATEMENTS**

**A. Government-Wide Financial Statements**

The government-wide financial statements provide an overview of the City's finances in a manner similar to a private sector business that is using the accrual basis of accounting. They demonstrate accountability of the City of Portola by showing the extent to which it has met operating objectives efficiently and effectively, using all resources available, and whether it can continue to do so.

**CITY OF PORTOLA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FISCAL YEAR ENDED JUNE 30, 2024**

The **statement of net position** presents information on all of the City's assets, deferred outflows, and deferred inflows, liabilities, with the difference reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The **statement of activities** presents information on expenses and revenues to show how the government's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues are reported as soon as earned and expenses are reported as soon as incurred even though the related cash flows may not have taken place until future fiscal periods (e.g., earned but unused vacation leave).

Both of these government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, planning and community development, public safety, streets and roads, public works and parks and recreation. The business type activities of the City include water, sewer, and solid waste services.

## **B. Fund Financial Statements**

The fund financial statements provide evidence of accountability by demonstrating compliance with budgetary decisions made in a public forum. A fund is a group of related accounts that are used to maintain control over resources that have been segregated for specific activities or purposes stipulated by laws, regulations or policies. The funds of the City are divided into two categories: governmental and proprietary.

**Governmental funds** are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near term inflows and outflows of spending resources, as well as on balances of spending available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

The City maintains six individual governmental funds. On the financial statements for governmental funds, information is presented separately for the General Fund and for the Gas Tax, and State Transportation Improvement Plan funds. Data from nonmajor governmental funds are aggregated into a single column.

**Proprietary funds** consist of three enterprise funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water, sewer, and solid waste services.

The Notes to Financial Statements provide additional information that is essential to a full understanding of the information provided in the financial statements.

## **C. Required Supplementary Information**

In addition to the basic financial statements, this report presents actuarial information related to the City's pension plans as well as budgetary comparisons for the General Fund and major special revenue funds as required supplementary information.

**CITY OF PORTOLA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FISCAL YEAR ENDED JUNE 30, 2024**

**III. GOVERNMENT-WIDE FINANCIAL ANALYSIS**

The City presents its financial statements under the reporting model required by the Governmental and Accounting Standards Board Statement No. 34.

**Condensed Statement of Net Position  
June 30, 2024 and 2023**

	Governmental Activities		Business-Type Activities		Total		Total	
	2024	2023	2024	2023	2024	2023	Dollar Change	Percent Change
Current and Other Assets	\$ 3,215,602	\$ 3,300,156	\$ 6,634,283	\$ 6,404,790	\$ 9,849,885	\$ 9,704,946	\$ 144,939	1%
Capital Assets	8,017,431	6,707,888	4,257,690	4,459,702	12,275,121	11,167,590	1,107,531	10%
Total Assets	11,233,033	10,008,044	10,891,973	10,864,492	22,125,006	20,872,536	1,252,470	6%
Deferred Outflows of Resources	168,769	189,928	302,643	362,678	471,412	552,606	(81,194)	-15%
Current and Other Liabilities	210,429	557,769	100,981	132,616	311,410	690,385	(378,975)	-55%
Long-Term Liabilities	285,327	252,603	2,502,538	2,519,970	2,787,865	2,772,573	15,292	1%
Total Liabilities	495,756	810,372	2,603,519	2,652,586	3,099,275	3,462,958	(363,683)	-11%
Deferred Inflows of Resources	26,203	33,035	46,987	63,083	73,190	268,695	(195,505)	-73%
Net Invested in Capital Assets	7,997,151	6,500,318	3,614,861	3,781,873	11,612,012	10,282,191	1,329,821	13%
Restricted:								
General Government	95,425	107,052	-	-	95,425	107,052	(11,627)	-11%
Community Development	43,525	43,525	-	-	43,525	43,525	-	0%
Streets and Roads	306,398	-	-	-	306,398	-	306,398	100%
Capital Improvements	168,443	133,279	227,654	218,667	396,097	351,946	44,151	13%
Debt Service	-	-	68,362	68,362	68,362	68,362	-	0%
Facility Fees	-	-	593,832	589,817	593,832	589,817	4,015	1%
Unrestricted	2,268,901	2,570,391	4,039,401	3,852,782	6,308,302	6,423,173	(114,871)	-2%
Total Net Position	\$ 10,879,843	\$ 9,354,565	\$ 8,544,110	\$ 8,511,501	\$ 19,423,953	\$ 17,866,066	\$ 1,557,887	9%

Net investment in capital assets reflects the City's investment in capital assets (i.e., its land, structures and improvements, infrastructure, and equipment). The City uses the capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Restricted net position represents 7.78% of the total net position and are resources subject to external restrictions on how they may be used.

Unrestricted net position represents 32.44% of the total net position and may be used to meet the City's ongoing obligations to citizens and creditors.

**CITY OF PORTOLA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FISCAL YEAR ENDED JUNE 30, 2024**

The following highlights significant factors that affected the governmental and business-type activities and contributed to the change in net position:

Statement of Activities For the Years Ended June 30, 2024 and 2023								
	Governmental Activities		Business-Type Activities		Total		Total	
	2024	2023	2024	2023	2024	2023	Dollar Change	Percent Change
<b>Program Revenues:</b>								
Charges for Services	\$ 131,035	\$ 103,914	\$ 2,040,860	\$ 2,037,705	\$ 2,171,895	\$ 2,141,619	\$ 30,276	1%
Operating Grants and Contributions	1,255,312	810,575	-	20,000	1,255,312	830,575	424,737	51%
Capital Grants and Contributions	1,746,223	332,310	-	-	1,746,223	332,310	1,413,913	425%
<b>General Revenues:</b>								
Property Taxes	351,778	294,992	-	-	351,778	294,992	56,786	19%
Other Taxes	459,499	404,569	-	-	459,499	404,569	54,930	14%
Other Revenue	99,426	61,272	225,935	123,566	325,361	184,838	140,523	76%
Total Revenues	4,043,273	2,007,632	2,266,795	2,181,271	6,310,068	4,188,903	2,121,165	51%
<b>Expenses:</b>								
General Government	253,654	287,155	-	-	253,654	287,155	(33,501)	-12%
Planning and Community Development	147,866	133,190	-	-	147,866	133,190	14,676	11%
Public Safety	455,915	481,570	-	-	455,915	481,570	(25,655)	-5%
Streets and Roads	1,044,486	1,168,552	-	-	1,044,486	1,168,552	(124,066)	-11%
Public Works	325,155	381,014	-	-	325,155	381,014	(55,859)	-15%
Parks and Recreation	290,919	283,228	-	-	290,919	283,228	7,691	3%
Water Service	-	-	1,198,044	1,075,877	1,198,044	1,075,877	122,167	11%
Sewer Service	-	-	904,398	862,500	904,398	862,500	41,898	5%
Solid Waste	-	-	131,744	130,898	131,744	130,898	846	1%
Total Expenses	2,517,995	2,734,709	2,234,186	2,069,275	4,752,181	4,803,984	(51,803)	-1%
Change in Net Position	1,525,278	(727,077)	32,609	111,996	1,557,887	(615,081)	2,172,968	-353%
Net Position - July 1	9,354,565	10,081,642	8,511,501	8,399,505	17,866,066	18,481,147	(615,081)	-3%
Net Position - June 30	\$ 10,879,843	\$ 9,354,565	\$ 8,544,110	\$ 8,511,501	\$ 19,423,953	\$ 17,866,066	\$ 1,557,887	9%

- Governmental activities reported a \$1,525,278 increase in net position, and business-type activities reported an increase of \$32,609, for a net increase of \$1,557,887.

#### IV. FINANCIAL ANALYSIS OF THE CITY'S FUNDS

The City uses fund accounting to ensure and demonstrate compliance with budgetary and legal requirements.

**Governmental funds.** The general government functions are included in the General and Special Revenue Funds. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and spendable resources. Such information is useful in assessing the City's financing requirements. In particular, total fund balance less the nonspendable portion is a useful measure of the City's resources available for spending at the end of the fiscal year.

At June 30, 2024, the City's governmental funds reported combined ending fund balances of \$2,698,775, 88.31% of which is available to meet the City's ongoing general obligation to citizens and creditors.

**CITY OF PORTOLA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FISCAL YEAR ENDED JUNE 30, 2024**

The General Fund is the main operating fund of the City. At June 30, 2024, total fund balance was \$2,774,087, 96.56% of which was available for spending. As measures of the general fund's liquidity, it is useful to note that available fund balance represents 228% of total fund expenditures. It is the City's goal to maintain a minimum level of fund balance sufficient to preserve the City's credit rating in the event that the City needs financing and to maintain sufficient working capital. It is also the City's goal to maintain a comfortable margin of safety to address emergencies and unexpected declines in revenue without borrowing. The City therefore adopted a policy that directs management to maintain a minimum level of unassigned fund balance in the City's General Fund as follows:

The City will strive to maintain an unassigned fund balance in the General Fund of 100% of budgeted general fund operating expenditures each fiscal year. In the event that the balance drops below the established minimum level, the City's governing body will develop a plan to replenish the fund balance.

The following table presents the revenues from various sources as well as increases or decreases from the prior year in the governmental funds.

<b>Revenues Classified by Source Governmental Funds</b>						
<u>Revenue Sources</u>	<u>2024</u>		<u>2023</u>		<u>Change</u>	
	<u>Amount</u>	<u>% of Total</u>	<u>Amount</u>	<u>% of Total</u>	<u>Amount</u>	<u>% of Change</u>
Taxes	\$ 811,277	22%	\$ 699,561	33%	\$ 111,716	16%
Licenses and Permits	79,594	2%	69,134	3%	10,460	15%
Fines and Forfeitures	13,208	0%	190	0%	13,018	6852%
Use of Money and Property	91,896	2%	54,414	3%	37,482	69%
Intergovernmental	2,719,696	72%	1,245,453	59%	1,474,243	118%
Charges for Services	38,233	1%	34,590	2%	3,643	11%
Other	7,530	0%	6,858	0%	672	10%
Total	<u>\$ 3,761,434</u>	<u>100%</u>	<u>\$ 2,110,200</u>	<u>100%</u>	<u>\$ 1,651,234</u>	<u>78%</u>

Significant changes for major revenue sources are explained below.

- Secured Property Tax increased \$56,786, Sales Tax increased \$33,629, and Other Taxes increased \$21,301.
- Licenses and Permits and Fines and Forfeitures both increased because building permits increased \$5,675 and franchise fees increased \$16,857 from the prior year amount and business licenses decreased by \$499.
- There was an increase in the Use of Money and Property due to increased interest rates.
- Intergovernmental includes an increase of \$67,510 in Snow Removal Funds based on the expenses from the prior year, a decrease of \$94,268 in Coronavirus Relief Funds used and an increase of \$1,413,913 in reimbursements from the State for STIP projects based on work completed by the Contractor. In addition, there was an increase in the COPS funding of \$151,430 due to an updated calculation for prior years and a decrease in grant funding of \$66,495.
- Charges for Services had a slight increase due to the City Pool being open more days a week than the prior year.

**CITY OF PORTOLA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FISCAL YEAR ENDED JUNE 30, 2024**

- The following table presents expenditures by function compared to prior year's amounts in the governmental funds.

	2024		2023		Change	
	Amount	% of Total	Amount	% of Total	Amount	% of Change
General Government	\$ 224,317	6%	\$ 215,290	10%	\$ 9,027	4%
Planning and Community Development	137,913	4%	112,812	5%	25,101	22%
Public Safety	421,516	11%	448,508	20%	(26,992)	-6%
Streets and Roads	2,481,169	65%	867,162	39%	1,614,007	186%
Public Works	302,173	8%	324,841	15%	(22,668)	-7%
Parks and Recreation	213,399	6%	238,203	11%	(24,804)	-10%
Total Expenditures	<u>\$ 3,780,487</u>	<u>100%</u>	<u>\$ 2,206,816</u>	<u>100%</u>	<u>\$ 1,573,671</u>	<u>71%</u>

Significant changes for major functions are explained below:

- General government had a slight increase overall. There was a slight increase in City Manager total and City Attorney and a decrease in Public records requests not being tracked. Various other minor changes
- Planning and Community Development had a decrease in Grant expenditures. There was an increase in Local Agency Formation Commission (LAFCO) fees of \$17,883 and an increase in Professional Services due to additional planning work.
- Public safety has a number of changes that make up this \$26,992 decrease. The Fire department had a decrease partly due to expenditures decreasing related to the PG&E settlement funds, Local Emergency Services Study Group (LESSG) funds and the winding down of the Fire department in anticipation of the consolidation. Law enforcement had a decrease due to the code enforcement contract termination.
- In Street and Roads, the STIP Fund construction phase for the North Loop project continued with an increase of \$1,708,019 and snow removal expenses were reduced due to a dryer winter.
- Public Works had changes that netted to the small decrease. The work on the Community Cleanup State and Local Fiscal Recovery project was reduced by \$112,918 but consulting on the Gulling St. Bridge began and was \$42,835. Payroll was higher by \$25,648, gas and electric was higher by \$3,097. The purchase of tax lien sale properties of \$18,650 was included under ARPA as that is where it was funded.
- Parks and Recreation decreased as the additional costs for damages to the City parks due to the heavy winter was in the prior year. The prior year also had a Riverwalk paving project.
- Proprietary funds.** The City's proprietary funds provide the same type of information found in the government wide financial statements, but in more detail. These funds include the following enterprise funds: Water Service Fund, Sewer Service Fund, and Solid Waste Fund. As of June 30, 2024, the proprietary (enterprise) funds net position was a combined \$8,544,110 with a net investment in capital assets of \$3,614,861 and an unrestricted net position of \$4,039,401.



**CITY OF PORTOLA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FISCAL YEAR ENDED JUNE 30, 2024**

**V. BUDGETARY HIGHLIGHTS**

The budget documents normally represent a financial plan for the City with four central goals in mind: (1) sustaining the level and quality of basic municipal services currently being provided our residents (2) maintaining the City's infrastructure while implementing scheduled and unscheduled improvements determined at the time of the budget process; (3) providing for some opportunity for investment in additional tools, equipment, and programs that foster improvement in the overall aesthetics of the City as well as investment in social activities; and (4) developing plans for improved municipal services with a vision that will lead our community toward growth and tourism. This year's budget, while keeping all four goals in mind, addressed mainly goals number (1) sustaining the level and quality of services currently being provided to our residents and (2) maintaining the City's infrastructure. In addition to the past goals, there is a renewed emphasis on economic development, blight reduction, and code compliance.

Differences between the original budget and the final amended budget are mainly due to the revenue and expenditures from Grant funds and from Capital projects that are "reimbursed" and in many cases are not reflected in the original budget figures.

The 2023-2024 budget had projected the use of \$215,345 of the General Fund's fund balance to eliminate a shortfall of revenues over expenditures.

After amending the budget for the fiscal year 2023/2024 General Fund revenues were more than budget by \$132,155 and General Fund expenditures were \$190,209 less than budgeted. While the City had originally budgeted a decrease of \$215,345 in fund balance the final fund balance was an increase of \$258,474. The City received additional revenue in Sales Tax, prior years Supplemental Law Enforcement Services funding, Secured property tax and Transient Occupancy Tax.

The major special revenue funds include Streets, and the North Loop STIP project. It is difficult to budget the North Loop project ahead of time as these projects can be programmed and go on for years.

**VI. CAPITAL ASSETS AND DEBT ADMINISTRATION**

**A. Capital Assets**

The change in capital assets for the Governmental Activities totaled \$1,309,543, net of depreciation for an ending balance of \$8,017,431.

Business-type capital assets for the fiscal year ending June 30, 2024, were \$4,257,690, net of depreciation. This is a decrease in capital assets of \$202,012. More detailed information about the City's capital assets is presented in Note 5 of the basic financial statements.

**CITY OF PORTOLA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FISCAL YEAR ENDED JUNE 30, 2024**

**B. Long-Term Debt**

At June 30, 2024, the City had long-term debt outstanding of \$642,829. This is a decrease over June 30, 2023 of \$35,000. The entire long-term debt was attributable to Business-type activities. There is no long-term debt in the Governmental Activities.

More detailed information about the City's long-term liabilities is presented in Note 6 of the basic financial statements.

**VII. ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES**

Management presented a budget document that attempted to address the current national, state, and local economic conditions and to serve as the City's policy document, as an operations guide, as a financial plan and as a communication document to guide the City staff and Portola residents on how the City of Portola conducts its financial business. The challenges of economic conditions, the need to comply with state regulations and the desire to be conservative with the fiscal position of the City are reflected.

For the 2024-2025 budget the process began as usual with City staff preparing draft level of services budgets for each area of the City. The budget process began in February and continued through March, April, and May with revisions to the level of services budgets, additions of "add-ons", and discussion of what would be needed to provide a balanced budget. Step increases were included and the budget included a 3.6% cost of living increase. The critical need to maintain healthy cash balances is always in the forefront of finance discussions. The City has been able to fund major projects in advance of reimbursements because of the balances that it currently maintains. This has been evident with the construction phase of the North Loop project.

While the City always pays close attention to budget amendments and to the use of additional fund balance, some purchases are critical, and the Council has an understanding of when those are one-time expenditures. The Council is always aware of the expenses that are reimbursable by another entity including grant funding and the Caltrans reimbursement of the North Loop project.

The Gulling Street bridge is in need of scour mitigation and the City is pursuing funding availability including FEMA funding that was previously applied for but has not been obligated, the Caltrans Highway Bridge Program and other possibilities for repairs to the bridge.

Even with no increase in staffing the General Fund supports the services necessary for the residents of Portola, including parks, planning, building, streets, snow removal, animal control, and law enforcement through a Sheriff's contract for services. The City no longer has a Fire Department as the new consolidated Fire District, Beckwourth Peak Fire Protection District, began on July 1, 2024. The City has a contract Planner who assists the City in required documents such as the Local Hazard Mitigation Plan and the General Plan and Housing Elements. These are complex processes with a multitude of regulations and compliance requirements.

In the 2024-2025 budget the City included a Community Engagement Officer for code enforcement, abandoned vehicle abatement and other services to the community. The City continues to utilize contract services for code enforcement and abandoned vehicle abatement on a limited basis to train the new employee.

**CITY OF PORTOLA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FISCAL YEAR ENDED JUNE 30, 2024**

Over the last few years an SB2 Planning Grant, and a related Local Early Action Planning Grant were used to improve and streamline the permit process in an attempt to attract growth. A housing development package was part of the grant as was the implementation of Mango Maps which can be found on the City Website. This grant work may also make other services the City provides more efficient as well, including easier acquisition of public records and parcel information. The City completed the implementation of new software that provides utility customers the ability to pay online as well as see their bills and usage and will allow payment of building permits and licenses online. These kinds of improvements are important to the overall functioning of the City and communication with the citizens. This grant has now been closed out and all available funds used.

With regard to the City Enterprise Funds the effects and impacts of changing state and federal government regulation is a constant challenge, but the major challenge the Enterprise Funds face is the aging infrastructure in the City. This was never more evident than after the major storms. In the 2024-2025 budget Water and Sewer rates were not increased. While the Council has been able to reduce the Solid Waste Administration fees over the past few years it was not able to do so in the upcoming budget due to challenges with administering the Solid Waste Franchise agreement. The Landfill closure fee is reserved for future needs at the landfill. The Enterprise Funds are "business-type" activities whose expenses need to be covered by the rate payers. The City Council will continue to review the need for any future rate increases each year during the budget process. Staff and the City Council are always looking for funding opportunities for infrastructure and have been working for quite some time toward that goal. A grant through the Clean Water State Revolving Fund is being worked on by a team that includes California State University, Pace Engineer, City Staff and the State Water Resources Control Board. There is currently no timeline for funding.

It is important to remember that in November 2018 the Council voted to pay down \$400,000 of the unfunded liability which has the potential to save over \$500,000 in interest over time. While CalPERS unfunded liability is a moving target, this was a major and proactive step for the City to try and manage the annual payments going forward.

Staff keeps a watchful eye on state and federal issues as well as on the financial health of the City and continually reviews these issues and the possibility of budget adjustments with the City Council.

#### **VIII. REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the financial activity and condition of the City of Portola to all having such an interest in the City of Portola. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Portola Finance Department, 35 Third Avenue, P.O. Box 1225, Portola, California, 96122.

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**BASIC FINANCIAL STATEMENTS –  
GOVERNMENT-WIDE FINANCIAL STATEMENTS**

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**CITY OF PORTOLA**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2024**

	Primary Government		
	Governmental Activities	Business-Type Activities	Totals
<b>ASSETS</b>			
Cash and Investments	\$ 2,624,798	\$ 5,224,238	\$ 7,849,036
Restricted Assets:			
Restricted Cash	-	889,848	889,848
Imprest Cash	375	-	375
Accounts Receivable	21,077	457,244	478,321
Interest Receivable	26,869	62,953	89,822
Due from Other Governments	424,400	-	424,400
Loans and Notes Receivable, Net	118,083	-	118,083
Capital Assets:			
Nondepreciable	3,612,231	188,896	3,801,127
Depreciable, Net	4,405,200	4,068,794	8,473,994
Total Assets	11,233,033	10,891,973	22,125,006
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Pensions	168,769	302,643	471,412
<b>LIABILITIES</b>			
Accounts Payable	75,421	51,019	126,440
Accrued Salaries and Benefits Payable	14,688	16,664	31,352
Deposits	6,433	33,298	39,731
Unearned Revenue	113,887	-	113,887
Long-Term Liabilities:			
Portion Due or Payable Within One Year:			
Compensated Absences	7,886	17,421	25,307
Notes Payable	-	37,000	37,000
Portion Due or Payable After One Year:			
Compensated Absences	13,108	28,954	42,062
Notes Payable	-	605,829	605,829
Liability for Landfill Postclosure	-	1,339,325	1,339,325
Net Pension Liability	264,333	474,009	738,342
Total Liabilities	495,756	2,603,519	3,099,275
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Pensions	26,203	46,987	73,190
<b>NET POSITION</b>			
Net Investment in Capital Assets	7,997,151	3,614,861	11,612,012
Restricted:			
General Government	95,425	-	95,425
Community Development	43,525	-	43,525
Streets and Roads	306,398	-	306,398
Capital Improvements	168,443	227,654	396,097
Facility Fees	-	593,832	593,832
Debt Service	-	68,362	68,362
Unrestricted	2,268,901	4,039,401	6,308,302
Total Net Position	\$ 10,879,843	\$ 8,544,110	\$ 19,423,953

See accompanying Notes to Financial Statements.

**CITY OF PORTOLA  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2024**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total
					Governmental Activities	Business-Type Activities	
<b>Primary Government</b>							
Governmental Activities:							
General Government	\$ 253,654	\$ 57,886	\$ 303,450	\$ -	\$ 107,682	\$ -	\$ 107,682
Planning and Community Development	147,866	420	52,418	-	(95,028)	-	(95,028)
Public Safety	455,915	34,495	275,382	-	(146,038)	-	(146,038)
Streets and Roads	1,044,486	-	306,398	1,746,223	1,008,135	-	1,008,135
Public Works	325,155	-	317,664	-	(7,491)	-	(7,491)
Parks and Recreation	290,919	38,234	-	-	(252,685)	-	(252,685)
Total Governmental Activities	2,517,995	131,035	1,255,312	1,746,223	614,575	-	614,575
Business-Type Activities:							
Water Service	1,198,044	1,011,154	-	-	-	(186,890)	(186,890)
Sewer Service	904,398	751,734	-	-	-	(152,664)	(152,664)
Solid Waste	131,744	277,972	-	-	-	146,228	146,228
Total Business-Type Activities	2,234,186	2,040,860	-	-	-	(193,326)	(193,326)
Total City of Portola	<u>\$ 4,752,181</u>	<u>\$ 2,171,895</u>	<u>\$ 1,255,312</u>	<u>\$ 1,746,223</u>	614,575	(193,326)	421,249
<b>General Revenues</b>							
Taxes:							
Property Taxes					351,778	-	351,778
Sales and Use Taxes					364,140	-	364,140
Other					95,359	-	95,359
Unrestricted Interest and Investment Earnings					91,896	225,935	317,831
Miscellaneous					7,530	-	7,530
Total General Revenues					910,703	225,935	1,136,638
Change in Net Position					1,525,278	32,609	1,557,887
Net Position - Beginning of Year					9,354,565	8,511,501	17,866,066
Net Position - End of Year					<u>\$ 10,879,843</u>	<u>\$ 8,544,110</u>	<u>\$ 19,423,953</u>

See accompanying Notes to Financial Statements.



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**BASIC FINANCIAL STATEMENTS –  
FUND FINANCIAL STATEMENTS**

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**CITY OF PORTOLA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2024**

	General	State Transportation Improvement Plan	Gas Tax 2107	Other Governmental Funds	Total
<b>ASSETS</b>					
Cash and Investments	\$ 2,422,873	\$ -	\$ 8,951	\$ 192,974	\$ 2,624,798
Imprest Cash	375	-	-	-	375
Notes Receivable	74,558	-	-	43,525	118,083
Accounts Receivable	21,077	-	-	-	21,077
Interest Receivable	24,925	-	-	1,944	26,869
Due from Other Funds	295,293	-	-	-	295,293
Due from Other Governmental Agencies	103,470	306,398	5,087	9,445	424,400
	<u>103,470</u>	<u>306,398</u>	<u>5,087</u>	<u>9,445</u>	<u>424,400</u>
Total Assets	<u>\$ 2,942,571</u>	<u>\$ 306,398</u>	<u>\$ 14,038</u>	<u>\$ 247,888</u>	<u>\$ 3,510,895</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>					
Liabilities:					
Accounts Payable	\$ 39,051	\$ -	\$ 9,313	\$ 24,810	\$ 73,174
Accrued Salaries and Benefits Payable	9,113	-	4,725	850	14,688
Accrued Expenses	-	-	-	2,247	2,247
Unearned Revenue	113,887	-	-	-	113,887
Deposits from Others	6,433	-	-	-	6,433
Due to Other Funds	-	295,293	-	-	295,293
Total Liabilities	<u>168,484</u>	<u>295,293</u>	<u>14,038</u>	<u>27,907</u>	<u>505,722</u>
Deferred Inflows of Resources:					
Unavailable Revenue	-	306,398	-	-	306,398
Total Deferred Inflows of Resources	-	<u>306,398</u>	-	-	<u>306,398</u>
Fund Balance:					
Restricted	95,425	-	-	211,968	307,393
Assigned	-	-	-	8,013	8,013
Unassigned	<u>2,678,662</u>	<u>(295,293)</u>	<u>-</u>	<u>-</u>	<u>2,383,369</u>
Total Fund Balance	<u>2,774,087</u>	<u>(295,293)</u>	<u>-</u>	<u>219,981</u>	<u>2,698,775</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 2,942,571</u>	<u>\$ 306,398</u>	<u>\$ 14,038</u>	<u>\$ 247,888</u>	<u>\$ 3,510,895</u>

See accompanying Notes to Financial Statements.

**CITY OF PORTOLA**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET**  
**TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION**  
**GOVERNMENTAL FUNDS**  
**JUNE 30, 2024**

<b>Fund Balance - Total Governmental Funds (From Previous Page)</b>	<b>\$ 2,698,775</b>
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Amounts Reported for Governmental Activities in the Statement  
of Net Position are Different Because:

Capital Assets Used in Governmental Activities are not Financial Resources and, therefore, are not Reported in the Governmental Funds.	8,017,431
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Deferred Outflows of Resources as Reported in the Statement of Net Position	168,769
Deferred Inflows of Resources as Reported in the Statement of Net Position	(26,203)

Unavailable Revenues and Long-Term Assets Represent Amounts That are not Available to Fund Current Expenditures and, therefore, are not Reported in the Governmental Funds:	
Unavailable Revenues	306,398

Some Liabilities are not Due and Payable in the Current Period, and therefore, are not Reported in the Governmental Funds:	
Compensated Absences	(20,994)
Net Pension Liability	<div style="border-top: 1px solid black;">(264,333)</div>

<b>Net Position of Governmental Activities</b>	<div style="border-top: 1px solid black; border-bottom: 3px double black;">\$ 10,879,843</div>
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**CITY OF PORTOLA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2024**

	General	State Transportation Improvement Plan	Gas Tax 2107	Other Governmental Funds	Total
<b>REVENUES</b>					
Taxes	\$ 811,277	\$ -	\$ -	\$ -	\$ 811,277
Licenses and Permits	79,594	-	-	-	79,594
Fines, Forfeitures, and Penalties	13,208	-	-	-	13,208
Use of Money and Property	85,410	-	-	6,486	91,896
Intergovernmental	655,809	1,746,223	59,630	258,034	2,719,696
Charges for Services	38,233	-	-	-	38,233
Other Revenues	7,530	-	-	-	7,530
Total Revenues	<u>1,691,061</u>	<u>1,746,223</u>	<u>59,630</u>	<u>264,520</u>	<u>3,761,434</u>
<b>EXPENDITURES</b>					
Current:					
General Government	224,317	-	-	-	224,317
Planning and Community Development	120,257	-	-	17,656	137,913
Public Safety	356,251	-	65,265	-	421,516
Streets and Roads	-	2,041,805	168,423	270,941	2,481,169
Public Works	302,173	-	-	-	302,173
Parks and Recreation	213,399	-	-	-	213,399
Total Expenditures	<u>1,216,397</u>	<u>2,041,805</u>	<u>233,688</u>	<u>288,597</u>	<u>3,780,487</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	474,664	(295,582)	(174,058)	(24,077)	(19,053)
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers In	-	-	174,058	42,132	216,190
Transfers Out	(216,190)	-	-	-	(216,190)
Total Other Financing Sources (Uses)	<u>(216,190)</u>	<u>-</u>	<u>174,058</u>	<u>42,132</u>	<u>-</u>
Net Change in Fund Balances	258,474	(295,582)	-	18,055	(19,053)
Fund Balances - Beginning of Year	<u>2,515,613</u>	<u>289</u>	<u>-</u>	<u>201,926</u>	<u>2,717,828</u>
Fund Balances - End of Year	<u>\$ 2,774,087</u>	<u>\$ (295,293)</u>	<u>\$ -</u>	<u>\$ 219,981</u>	<u>\$ 2,698,775</u>

See accompanying Notes to Financial Statements.

**CITY OF PORTOLA**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE**  
**GOVERNMENT-WIDE STATEMENT OF ACTIVITIES**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2024**

<b>Net Change to Fund Balance - Total Governmental Funds</b>	<b>\$</b>	<b>(19,053)</b>
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Amounts Reported for Governmental Activities in the  
Statement of Activities are Different Because:

Governmental Funds Report Capital Outlay as Expenditures. However,  
in the Statement of Activities, the Cost of Those Assets is Allocated  
Over Their Estimated Useful Lives and Reported as Depreciation  
Expense.

Expenditures for General Capital Assets, Infrastructure, and Other Related Capital Assets Adjustments	\$ 2,060,455	
Less: Current Year Depreciation	<u>(750,912)</u>	
		1,309,543

Revenues in the Statement of Activities That do not Provide Current Financial Resources are not Reported as Revenues in the Governmental Funds.	281,839
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Some Expenses Reported in the Statement of Activities do not  
Require the Use of Current Financial Resources and, therefore, are  
not Reported as Expenditures in Governmental Funds:

Change in Compensated Absences		7,186
Change in Accrued Net Pension Liability		<u>(54,237)</u>

<b>Change in Net Position of Governmental Activities</b>	<b>\$</b>	<b><u>1,525,278</u></b>
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**CITY OF PORTOLA**  
**STATEMENT OF FUND NET POSITION**  
**PROPRIETARY FUNDS**  
**JUNE 30, 2024**

	Business-Type Activities - Enterprise Funds			
	Water Service	Sewer Service	Solid Waste	Total
<b>ASSETS</b>				
Current Assets:				
Cash and Investments	\$ 2,454,514	\$ 1,856,798	\$ 912,926	\$ 5,224,238
Interest Receivable	29,203	24,341	9,409	62,953
Accounts Receivable	249,304	173,071	34,869	457,244
Restricted Assets:				
Restricted Cash	383,113	506,735	-	889,848
Total Current Assets	3,116,134	2,560,945	957,204	6,634,283
Noncurrent Assets:				
Capital Assets:				
Nondepreciable	126,052	31,422	31,422	188,896
Depreciable, Net	2,188,695	1,878,148	1,951	4,068,794
Total Noncurrent Assets	2,314,747	1,909,570	33,373	4,257,690
Total Assets	5,430,881	4,470,515	990,577	10,891,973
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	152,265	130,109	20,269	302,643
<b>LIABILITIES</b>				
Current Liabilities:				
Accounts Payable	17,728	19,387	13,904	51,019
Accrued Salaries and Benefits Payable	10,475	4,823	1,366	16,664
Deposits	33,298	-	-	33,298
Liability for Compensated Absences	9,365	6,861	1,195	17,421
Notes Payable - Current Portion	37,000	-	-	37,000
Total Current Liabilities	107,866	31,071	16,465	155,402
Noncurrent Liabilities:				
Liability for Compensated Absences	15,566	11,402	1,986	28,954
Landfill Closure and Postclosure	-	-	1,339,325	1,339,325
Notes Payable	605,829	-	-	605,829
Net Pension Liability	238,483	203,781	31,745	474,009
Total Noncurrent Liabilities	859,878	215,183	1,373,056	2,448,117
Total Liabilities	967,744	246,254	1,389,521	2,603,519
<b>DEFERRED INFLOWS OF RESOURCES</b>	23,640	20,200	3,147	46,987
<b>NET POSITION</b>				
Net Investment in Capital Assets	1,671,918	1,909,570	33,373	3,614,861
Restricted:				
Debt Service	68,362	-	-	68,362
Facility Fees	314,751	279,081	-	593,832
Capital Improvements	-	227,654	-	227,654
Unrestricted	2,536,731	1,917,865	(415,195)	4,039,401
Total Net Position	<u>\$ 4,591,762</u>	<u>\$ 4,334,170</u>	<u>\$ (381,822)</u>	<u>\$ 8,544,110</u>

See accompanying Notes to Financial Statements.



**CITY OF PORTOLA**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUNDS**  
**YEAR ENDED JUNE 30, 2024**

	Business-Type Activities - Enterprise Funds			
	Water Service	Sewer Service	Solid Waste	Total
<b>OPERATING REVENUES</b>				
Charges for Services	\$ 1,011,154	\$ 751,734	\$ 277,972	\$ 2,040,860
Total Operating Revenues	<u>1,011,154</u>	<u>751,734</u>	<u>277,972</u>	<u>2,040,860</u>
<b>OPERATING EXPENSES</b>				
Salaries and Wages	458,351	331,031	52,142	841,524
Services and Supplies	566,202	466,252	29,958	1,062,412
Landfill Closure Costs	-	-	49,390	49,390
Depreciation	139,600	107,115	254	246,969
Total Operating Expenses	<u>1,164,153</u>	<u>904,398</u>	<u>131,744</u>	<u>2,200,295</u>
Operating Income (Loss)	(152,999)	(152,664)	146,228	(159,435)
<b>NONOPERATING REVENUE (EXPENSE)</b>				
Interest Income (Loss)	107,059	87,104	31,772	225,935
Debt Service Interest and Fiscal Charges	(33,891)	-	-	(33,891)
Total Nonoperating Revenue (Expense)	<u>73,168</u>	<u>87,104</u>	<u>31,772</u>	<u>192,044</u>
Changes in Net Position	(79,831)	(65,560)	178,000	32,609
Net Position - Beginning of Year	<u>4,671,593</u>	<u>4,399,730</u>	<u>(559,822)</u>	<u>8,511,501</u>
Net Position - End of Year	<u>\$ 4,591,762</u>	<u>\$ 4,334,170</u>	<u>\$ (381,822)</u>	<u>\$ 8,544,110</u>

See accompanying Notes to Financial Statements.

**CITY OF PORTOLA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2024**

	Business-Type Activities - Enterprise Funds			
	Water Service	Sewer Service	Solid Waste	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Cash Receipts from Customers	\$ 1,004,621	\$ 763,693	\$ 290,428	\$ 2,058,742
Cash Paid to Suppliers for Goods and Services	(584,525)	(486,301)	(101,974)	(1,172,800)
Cash Paid to Employees for Services	(417,715)	(292,724)	(42,354)	(752,793)
Net Cash Provided (Used) by Operating Activities	2,381	(15,332)	146,100	133,149
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Principal Repayments on Long-Term Debt	(35,000)	-	-	(35,000)
Interest Repayments Related to Capital Purposes	(33,891)	-	-	(33,891)
Payments Related to the Acquisition of Capital Assets	(107,986)	-	-	(107,986)
Net Cash Provided by Capital and Related Financing Activities	(176,877)	-	-	(176,877)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest Payments Received	98,528	79,262	27,697	205,487
Loss on Disposal of Asset	44,005	19,024	-	63,029
Net Cash Provided by Investing Activities	142,533	98,286	27,697	268,516
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	(31,963)	82,954	173,797	224,788
Cash and Cash Equivalents - Beginning of Year	2,869,590	2,280,579	739,129	5,889,298
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 2,837,627</u>	<u>\$ 2,363,533</u>	<u>\$ 912,926</u>	<u>\$ 6,114,086</u>
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION</b>				
Cash and Cash Equivalents in Current Assets	\$ 2,454,514	\$ 1,856,798	\$ 912,926	\$ 5,224,238
Cash and Cash Equivalents in Restricted Assets	383,113	506,735	-	889,848
Total Cash and Cash Equivalents	<u>\$ 2,837,627</u>	<u>\$ 2,363,533</u>	<u>\$ 912,926</u>	<u>\$ 6,114,086</u>

See accompanying Notes to Financial Statements.

**CITY OF PORTOLA  
STATEMENT OF CASH FLOWS (CONTINUED)  
PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2024**

	Business-Type Activities - Enterprise Funds			
	Water Service	Sewer Service	Solid Waste	Total
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>				
Operating Income (Loss)	\$ (152,999)	\$ (152,664)	\$ 146,228	\$ (159,435)
Adjustments to Reconcile Operating Income (Loss) to Cash Flows from Operating Activities:				
Depreciation	139,600	107,115	254	246,969
Changes in Assets and Liabilities:				
(Increase) Decrease in:				
Utilities Receivable	(8,672)	11,959	12,456	15,743
Customer Deposits	2,139	-	-	2,139
Deferred Outflows	39,547	22,964	(2,476)	60,035
Increase (Decrease) in:				
Accounts Payable	(18,323)	(20,049)	9,993	(28,379)
Accrued Expenses	(3,781)	(2,003)	389	(5,395)
Liability for Compensated Absences	2,760	864	1,103	4,727
Closure/Postclosure Liability	-	-	(32,619)	(32,619)
Net Pension Liability	11,833	22,907	10,720	45,460
Deferred Inflows	(9,723)	(6,425)	52	(16,096)
Net Cash Provided (Used) by Operating Activities	<u>\$ 2,381</u>	<u>\$ (15,332)</u>	<u>\$ 146,100</u>	<u>\$ 133,149</u>

See accompanying Notes to Financial Statements.

## **NOTES TO FINANCIAL STATEMENTS**

The notes provided in the Financial Section of this report are considered an integral and essential part of adequate disclosure and fair presentation of this report. The notes include a Summary of Significant Accounting Policies for the City, and other necessary disclosures of pertinent matter relating to the financial position of the City. The notes express significant insight to the financial statements and are conjunctive to understanding the rationale for presentation of the financial statements and information contained in this document.

**CITY OF PORTOLA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The City of Portola is governed by an appointed City Manager and elected five-member Council, from which a mayor is elected annually.

**A. Description of Reporting Entity**

The accounting methods and procedures adopted by the City conform to generally accepted accounting principles as applied to governmental entities. These financial statements present the government and its component units, entities for which the government is considered to be financially accountable.

Reporting for component units on the City's financial statements can be blended or discretely presented. Blended component units, although legally separate entities, are, in substance, part of the government's operations. Blended component units are an extension of the City and so data from these units are combined with data of the primary government. Discretely presented component units, on the other hand, are reported in a separate column in the combined financial statements to emphasize they are legally separate from the City.

The City had no blended or discretely presented component units as of June 30, 2024.

**B. Basis of Financial Presentation**

**1. Government-Wide Financial Statements**

The statement of net position and statement of activities display information about the City and its components. These statements include the financial activities of the overall government. These statements distinguish between the governmental and business-type activities of the City. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which are primarily supported by fees charged to external parties.

The statement of activities presents a comparison between direct and indirect expenses and program revenues for each segment of the business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or a function and; therefore, are clearly identifiable to a particular function. Indirect expenses are those that are allocated to a program or a function from the City's centralized general service function based on the cost allocation principles established by the Federal Office of Management and Budget (OMB). Program revenues include 1) charges paid by the recipients of goods or services offered by the programs, 2) fines and penalties ordered by the courts, 3) licenses and permits charged by the programs, and 4) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented instead as general revenues.

When both restricted and unrestricted net positions are available, restricted resources are used first then the unrestricted resources are depleted.

**CITY OF PORTOLA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**2. Fund Financial Statements**

The fund financial statements provide information about the City's funds. Separate statements for each fund category – governmental and proprietary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. The City reports all enterprise funds as major funds. All remaining governmental funds are separately aggregated and reported as nonmajor funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

The City reports the following major governmental funds:

- The *General Fund* is the primary operating fund of the City. It is used to account for all financial resources and transactions except those required to be accounted for in another fund.
- The *State Transportation Improvement Plan (STIP) Fund* is used to account for projects that are funded using State Transportation Improvement Program monies.
- The *Gas Tax 2107 Fund* is used to account for State Gas Tax Funds and transactions associated with street maintenance and repair.

The City reports all of its enterprise funds as major funds:

- The *Water Service Fund* is used to account for water services provided to the residents of the City and for a small number of residents directly outside the City.
- The *Sewer Service Fund* is used to account for sewer services.
- The *Solid Waste Fund* is used to account for the franchised curbside refuse and recycling collection provided to residences and businesses within the City and for the landfill post closure maintenance costs.

**C. Basis of Accounting**

The government-wide and proprietary financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the City gives (or receives) values without directly receiving (or giving) equal value in exchange, include property and sales taxes, grants, entitlements, and donation. On the accrual basis, property tax revenues are recognized in the fiscal year for which the taxes are levied. Sales taxes are recognized when the underlying transactions take place. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligible requirements have been satisfied.

**CITY OF PORTOLA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, expenditures are recorded when the related liability is incurred except the unmatured interest on long-term debt, and expenses related to compensated absences and claims and judgments are recorded only when payment is due. General capital assets acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and right-to-use leases are reported as other financial sources. Revenues are recorded when they are both measurable and available to finance expenditures during the fiscal period.

Property and sales taxes, interest, state and federal grants, and charges for services are accrued when their receipt occurs within 60 days after the end of the accounting period so as to be both measurable and available. Revenues earned but not received within sixty days after the end of the accounting period, on the other hand, are recorded as receivables and deferred inflows.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

**D. Use of Estimates**

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the general-purpose financial statements and the reported amount of revenue and expenditures or expenses during the reporting period. Actual results could differ from those estimates.

**E. Interfund Transactions and Balances**

Interfund transactions are either reflected as loans, services provided, reimbursements, or transfers. Loans are reported as receivable and payables as appropriate, are subject to elimination upon consolidation and are referred to as either "due to/due from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances".

Advances between funds, are reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not available financial resources.

Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide presentation.

**CITY OF PORTOLA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**F. Capital Assets**

Capital assets (including infrastructure) are recorded at historical cost or estimated historical cost if actual historical cost is not available. Contributed capital assets are valued at their acquisition value. Capital assets include public domain (infrastructure) consisting of certain improvements including roads, bridges and water/sewer systems. The City is not required to retroactively report infrastructure and therefore has elected not to do so. The City defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Capital assets used in operations are depreciated or amortized (right to use assets under leases) using the straight-line method over the lesser of the lease period or their estimated useful lives in the government-wide statements.

The estimated useful lives are as follows:

Buildings	50 Years
Infrastructure	15 to 30 Years
Building Improvements	10 to 30 Years
Equipment	3 to 20 Years

**G. Property Tax**

Plumas County assesses properties, bills, collects, and distributes property taxes to the City. For this service, the County charges the City an administration fee.

Property taxes attach as an enforceable lien on property as of March 1. Taxes are levied on July 1, and are payable in two installments on December 10 and April 10. The County bills and collects property taxes and remits them to the City in installments during the year.

**H. Cash and Investments**

For purposes of the Statement of Cash Flows – Proprietary Funds, the City considers all short-term highly liquid investments, including restricted cash and investments, to be cash and cash equivalents. Amounts held in the City's investment pool are available on demand; thus, they are considered highly liquid and cash equivalents for purposes of the Statement of Cash Flows – Proprietary Funds.

**I. Fair Value Measurements**

Certain assets and liabilities are required to be reported at fair value. The fair value framework provides a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of fair value hierarchy are described as follows:

*Level 1* - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.



**CITY OF PORTOLA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

*Level 2* - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly and fair value is determined through the use of models or other valuation methodologies including:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in markets that are inactive;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

*Level 3* - Inputs to the valuation methodology are unobservable and significant to the fair value measurement. These unobservable inputs reflect the City's own assumptions about the inputs market participants would use in pricing the asset or liability (including assumptions about risk). These unobservable inputs are developed based on the best information available in the circumstances and may include the City's own data.

**J. Receivables**

Receivables consist of property taxes, sales taxes, and grants from other governmental agencies. As of June 30, 2024, no balance has been provided as an allowance for doubtful accounts because in the opinion of management all receivables are considered collectible.

**K. Compensated Absences**

The following is the City's policy on compensated absences upon discontinuation of services:

Employee Status	Percent of Sick Hours Received	Percent of Vacation Hours Received
Part-Time	25	100
Full-Time	25	100

The annual leave includes vacation and sick leave. City employees have vested interests in the amount of annual leave accrued and are paid on termination.

The city accrues accumulated unpaid compensated absences when earned (or estimated to be earned) by the employee. The noncurrent (the amount estimated to be used in subsequent fiscal years) for governmental funds is maintained separately and represents a reconciling item between the fund and government-wide presentation.

In accordance with the provisions of the GASB No. 16, *Accounting for Compensated Absences*, no liability is recorded for nonvesting accumulated rights to receive sick pay benefits.

**CITY OF PORTOLA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**L. Pensions**

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's California Public Employees' Retirement System (CalPERS) plans (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**M. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The City has two items which qualify for reporting in this category. See pension disclosure Footnote 9.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period and so will *not* be recognized as an inflow of resources (revenue) until that time. The City has two items which qualify for reporting in this category. See pension disclosure Footnote 9. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from intergovernmental revenues. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

**N. New Accounting Pronouncements**

For the fiscal year ended June 30, 2024, the City implemented the following Governmental Accounting Standards Board (GASB) Statement:

- GASB Statement No. 100, Accounting Changes and Error Corrections. In June of 2022, the GASB issued GASB Statement No. 100, Accounting Changes and Error Corrections. This standard requires the effects on beginning balances for each accounting change or error correction to be disclosed by reporting unit in a tabular format that reconciles beginning balances as previously reported to beginning balances adjusted or restated. The City adopted the requirements of the guidance effective July 1, 2023, and has applied the provision of this standard to the beginning of the period of adoption. The results of this implementation are discussed in note 15.

**CITY OF PORTOLA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 2 NET POSITION/FUND BALANCE**

**Net Position**

The government-wide activities financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted.

*Net Investment in Capital Assets* – This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt or other liabilities that are attributable to the acquisition, construction, or improvement of these assets reduce the balance in this category.

*Restricted Net Position* – This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

*Unrestricted Net Position* – This category represents net position of the City, not restricted for any project or other purpose.

**Fund Equity**

In the fund financial statements, governmental funds report fund balance as nonspendable, restricted, committed, assigned, or unassigned based primarily on the extent to which the City is bound to honor constraints on how specific amounts can be spent.

*Nonspendable Fund Balance* – amounts that cannot be spent because they are either (a) not spendable in form or (b) legally or contractually required to be maintained intact.

*Restricted Fund Balance* – amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

*Committed Fund Balance* – amounts that can only be used for specific purposes determined by formal action of the highest level of decision-making authority and that remain binding unless removed in the same manner.

The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.

*Assigned Fund Balance* – amounts that are constrained by the *intent* to be used for specific purposes. The intent can be established at either the highest level of decision-making, or by a body or an official designated for that purpose. This is also the classification for residual funds in the special revenue funds.

*Unassigned Fund Balance* – the residual classification for the General Fund that includes amounts not contained in the other classifications. In other funds, the unassigned classification is used only if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

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The City Council establishes, modifies, or rescinds fund balance commitments and assignments by passage of an ordinance or resolution. This is done through adoption of the budget and subsequent budget amendments that occur throughout the year. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, followed by the unrestricted, committed, assigned and unassigned resources as they are needed.

**NOTE 3 CASH AND INVESTMENTS**

At June 30, 2024, total City cash and investments at fair value were as follows:

Petty Cash	\$ 375
Cash in Bank	778,129
LAIF	7,960,755
Total	<u><u>\$ 8,739,259</u></u>

Total cash and investments at June 30, 2024 were presented on the City's financial statements as follows:

Cash and Investments	\$ 7,849,036
Imprest Cash	375
Restricted Assets:	
Cash	889,848
Total	<u><u>\$ 8,739,259</u></u>

Restricted cash and investments in the enterprise fund are comprised of funds held for debt service, facility fees, and wastewater treatment capital improvements.

**Investments**

At June 30, 2024, the City had the following investments:

	Par	Cost	Amortized Cost
Investments:			
Local Agency Investment Fund (LAIF)	\$ 7,960,755	\$ 7,960,755	\$ 7,960,755
Total Investments	<u><u>\$ 7,960,755</u></u>	<u><u>\$ 7,960,755</u></u>	<u><u>\$ 7,960,755</u></u>

**Interest Rate Risk**

The City manages its exposure to declines in fair values by investing excess cash in the State's Local Agency Investment Fund. Funds held in this account are available on demand.

**Credit Risk**

The City authorizes participation in the following types of investments: FDIC Insured Accounts, Local Agency Investment Fund, and United States Government Securities. The following is a summary of the credit quality distribution and concentration of credit risk by investment type as a percentage of the City's Investment Pool at June 30, 2024.

**CITY OF PORTOLA**  
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	<u>Moody's</u>	<u>Percent of Portfolio</u>
Local Agency Investment Fund (LAIF)	Unrated	100.00%
Total Pooled Investments		<u>100.00%</u>

**Custodial Credit Risk**

Custodial credit risk for deposits is the risk that, in the event of a failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. As of June 30, 2024, the recorded amount of the City's deposits was \$778,129 and the bank balance was \$837,950. Of the bank statement balance, \$250,000 was covered by federal depository insurance and \$587,950 was subject to collateralization.

**Local Agency Investment Fund**

The City maintains an investment in the state of California Local Agency Investment Fund (LAIF). LAIF is part of the Pooled Money Investment Account (PMIA), an investment pool consisting of funds held by the state in addition to those deposited in LAIF. All PMIA funds are managed by the Investment Division of the State Treasurer's Office. This fund is not registered with the Securities and Exchange Commission as an investment company but is required to invest according to California Government Code.

The Local Investment Advisory Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by State Statute. At June 30, 2024, the City's investment position in LAIF was \$7,960,755 which approximates fair value and is the same as value of the pool shares. The total amount invested by all public agencies in PMIA on that day was \$179,046,993.600. Of that amount, 81.33% was invested in structured notes and asset-backed securities with the remaining 18.67% invested in other nonderivatives financial reports.

**Fair Value Measurement**

The City categorizes its fair value investments within the fair value hierarchy established by generally accepted accounting principles. LAIF is the City's only investment, and it is measured on amortized cost basis as of June 30, 2024.

**NOTE 4 LOANS AND NOTES RECEIVABLE**

During the fiscal year ended June 30, 2012, the City extended a loan to Eastern Plumas Health Care District in the amount of \$348,000. The loan bears initial interest of 1.48% per year to be adjusted annually to reflect LAIF interest rate plus 1%. The term of the loan is 168 months. As of June 30, 2024, the outstanding balance was \$74,558. The City also issued Community Development Block Grant (CDBG) loans in the amount of \$43,525. The total loans and notes receivable at June 30, 2024 is \$118,083.

**CITY OF PORTOLA**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 5 CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2024 was as follows:

<u>Governmental Activities</u>	<u>Balance July 01, 2023</u>	<u>Additions</u>	<u>Transfers and Retirements</u>	<u>Balance June 30, 2024</u>
Capital Assets, Not Being Depreciated:				
Land	\$ 746,277	\$ 18,650	\$ -	\$ 764,927
Construction in Progress	805,499	2,041,805	-	2,847,304
Total Capital Assets, Not Being Depreciated	1,551,776	2,060,455	-	3,612,231
Capital Assets, Being Depreciated:				
Infrastructure	13,713,793	-	-	13,713,793
Buildings and Improvements	1,711,614	-	-	1,711,614
Machinery and Equipment	1,608,138	-	-	1,608,138
Intangible Assets	58,297	-	-	58,297
Total Capital Assets, Being Depreciated	17,091,842	-	-	17,091,842
Less: Accumulated Depreciation for:				
Infrastructure	(9,096,665)	(617,207)	-	(9,713,872)
Buildings and Improvements	(1,422,295)	(56,078)	-	(1,478,373)
Machinery and Equipment	(1,395,719)	(58,194)	-	(1,453,913)
Intangible Assets	(21,051)	(19,433)	-	(40,484)
Total Accumulated Depreciation	(11,935,730)	(750,912)	-	(12,686,642)
Total Capital Assets, Being Depreciated, Net	5,156,112	(750,912)	-	4,405,200
Governmental Activities Capital Assets, Net	<u>\$ 6,707,888</u>	<u>\$ 1,309,543</u>	<u>\$ -</u>	<u>\$ 8,017,431</u>

**CITY OF PORTOLA**  
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<u>Business-Type Activities</u>	<u>Balance July 01, 2023</u>	<u>Additions</u>	<u>Transfers and Retirements</u>	<u>Balance June 30, 2024</u>
Capital Assets, Not Being Depreciated:				
Land	\$ 62,844	\$ -	\$ -	\$ 62,844
Construction in Progress	189,081	-	(63,029)	126,052
Total Capital Assets, Not Being Depreciated	251,925	-	(63,029)	188,896
Capital Assets, Being Depreciated:				
Buildings and Improvements	8,593,575	59,724	-	8,653,299
Machinery and Equipment	1,306,832	48,262	-	1,355,094
Total Capital Assets, Being Depreciated	9,900,407	107,986	-	10,008,393
Less: Accumulated Depreciation for:				
Buildings and Improvements	(4,513,304)	(203,066)	-	(4,716,370)
Machinery and Equipment	(1,179,326)	(43,903)	-	(1,223,229)
Total Accumulated Depreciation	(5,692,630)	(246,969)	-	(5,939,599)
Total Capital Assets, Being Depreciated, Net	4,207,777	(138,983)	-	4,068,794
Business-Type Activities, Net	<u>\$ 4,459,702</u>	<u>\$ (138,983)</u>	<u>\$ (63,029)</u>	<u>\$ 4,257,690</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities:	
General Government	\$ 41,448
Public Protection	30,005
Public Ways and Facilities	1,124
Streets and Roads	600,815
Recreation and Culture	77,520
Total Depreciation Expense - Governmental Activities	<u>\$ 750,912</u>
Business-Type Activities:	
Water Fund	\$ 139,600
Sewer Fund	107,115
Solid Waste Fund	254
Total Depreciation Expense - Business-Type Activities	<u>\$ 246,969</u>

**CITY OF PORTOLA**  
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**NOTE 6 LONG-TERM LIABILITIES**

Long-term liabilities at June 30, 2024 consisted of the following:

<u>Business-Type Activities</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rates</u>	<u>Annual Principal Installments</u>	<u>Original Issue Amount</u>	<u>Outstanding at June 30, 2024</u>
1997 Special Assessment Water Improvement Note Payable from Direct Borrowing <i>(to Finance Improvements to the City's Water System)</i>	1997	5/1/2037	5.00%	\$5,000-\$25,000	\$ 1,173,000	\$ 642,829
Total Business-Type Activities					<u>\$ 1,173,000</u>	<u>\$ 642,829</u>

The following is a summary of long-term liabilities transactions for the year ended June 30, 2024:

	<u>Balance July 1, 2023</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2024</u>	<u>Amounts Due Within One Year</u>
Governmental Activities:					
Compensated Absences	\$ 28,180	\$ 7,886	\$ (15,072)	\$ 20,994	\$ 7,886
Total	<u>\$ 28,180</u>	<u>\$ 7,886</u>	<u>\$ (15,072)</u>	<u>\$ 20,994</u>	<u>\$ 7,886</u>
Business-Type Activities:					
Notes Payable from					
Direct Borrowing	\$ 677,829	\$ -	\$ (35,000)	\$ 642,829	\$ 37,000
Postclosure Costs	1,371,944	49,390	(82,009)	1,339,325	-
Compensated Absences	41,648	17,421	(12,694)	46,375	17,421
Total	<u>\$ 2,093,918</u>	<u>\$ 66,811</u>	<u>\$ (129,703)</u>	<u>\$ 2,028,529</u>	<u>\$ 54,421</u>



**CITY OF PORTOLA**  
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The City's outstanding note payable for business-type activities is secured by water service revenue. As of June 30, 2024, annual debt service requirements of business-type activities to maturity are as follows:

Year Ending June 30,	Business-Type Activities	
	Notes Payable from Direct Borrowing	
	Principal	Interest
2025	\$ 37,000	\$ 32,150
2026	38,000	32,150
2027	40,000	30,300
2028	42,000	28,400
2029	44,000	26,400
2030-2034	257,000	98,200
2035-2037	184,829	30,800
Total	<u>\$ 642,829</u>	<u>\$ 278,400</u>

**NOTE 7 INTERFUND TRANSACTIONS AND BALANCES**

The composition of interfund balances as of June 30, 2024 is as follows:

**Due To/From Other Funds:**

Receivable Fund	Payable Fund	Amount	Purpose
General Fund	STIP	<u>\$ 295,293</u>	To cover cash deficit expected to be recovered through future revenues.

**Transfers:**

Transfers are used to subsidize various City operations. The following schedule briefly summarizes the City's transfer activity for the fiscal year ended June 30, 2024:

Transfer from	Transfer to	Amount
General Fund	Gax Tax 2107	\$ 174,058
	Non-Major Governmental Funds	42,132
		<u>\$ 216,190</u>

**CITY OF PORTOLA**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 8 FUND DISCLOSURES**

The following funds had a net position/fund balance deficit at the end of the fiscal year:

Governmental Funds:

STIP	<u>\$ (295,293)</u>
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Enterprise Funds:

Solid Waste Fund	<u>\$ (381,822)</u>
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The Solid Waste Fund has incurred a deficit net position balance as a result of recognition of the estimated liability for the landfill post closure care costs. The City has established a solid waste surcharge included in its utility billings to reduce the deficit in this fund.

**NOTE 9 DEFINED BENEFIT PENSION PLANS**

**A. General Information about the Pension Plans**

**1. Plan Description**

The City of Portola provides pension benefits to eligible employees through cost sharing multiple-employer defined benefit pension plans (pension plans) administered by the California Public Employees Retirement System (PERS), a public employee retirement system which acts as a common investment and administrative agent for participating public entities within the state of California. All qualified permanent and probationary employees are eligible to participate in the City's pension plans. The City's Miscellaneous Plans (Tier I and Tier II) and PEPRA Miscellaneous Plan are cost-sharing multiple-employer defined benefit plans. Benefit provisions and other requirements are established by state statute and City resolution. The City's defined benefit pension plans provide retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and their beneficiaries. The City selects optional benefit provisions by contract with PERS and adopts those benefits through City ordinance. Copies of PERS annual financial reports which include required supplementary information (RSI) for each plan may be obtained from PERS Executive Offices, Lincoln Plaza North, 400 Q Street, Sacramento, CA 95811.

**2. Benefits Provided**

All pension plans provide benefits, upon retirement, disability, or death of members. Retirement benefits are based on years of service, final average compensation, and retirement age. Employees terminating before accruing five years of retirement service credit forfeit the right to receive retirement benefits unless they establish reciprocity with another public agency within a prescribed time period. Nonvested employees who terminate service are entitled to withdraw their accumulated contributions plus accrued interest. Employees who terminate service after earning five years of retirement service credit may leave their contributions on deposit and elect to take a deferred retirement. Differences between expected and actual experience for vested and nonvested benefits may result in an increase or decrease to pension expense and net pension liability.

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Nonservice related disability benefits are provided to miscellaneous members. The benefit is based on final compensation, multiplied by *service*, which is determined as follows:

- *Service* is CalPERS credited service, for members with less than 10 years of service or greater than 18.518 years of service; or
- *Service* is CalPERS credited service plus the additional number of years that the member would have worked until age 60, for members with at least 10 years but not more than 18.518 years of service. Death benefits are based upon a variety of factors including whether the participant was retired or not.

Annual cost-of-living adjustments (COLAs) after retirement are provided in all plans. COLAs are granted to retired members each May based upon the Bureau of Labor Statistics Average Consumer Price Index for All Urban Consumers for the previous calendar year and is subject to a maximum of 2% per annum.

The Plans' provisions and benefits in effect at June 30, 2024, are summarized as follows:

	Miscellaneous Tier I	Miscellaneous Tier II	PEPRA
Hire Date	Prior to July 1, 2012	On or After July 1, 2012	On or After January 2, 2013
Benefit Formula	2.7% at 55	2.0% at 60	2.0% at 62
Benefit Vesting Schedule	5 Years of Credited Service	5 Years of Credited Service	5 Years of Credited Service
Benefit Payments	Monthly for Life	Monthly for Life	Monthly for Life
Retirement Age	50	50	52
Monthly Benefits, as % of Eligible Compensation	2.0%-2.7%	1.1%-2.4%	1.0%-2.5%
Required Employee Contribution Rates	8.0%	6.93%	7.75%
Required Employer Contribution Rates	15.170%	8.630%	7.680%
Status	Open	Open	Open

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**3. Employees Covered**

Information regarding the number of employees covered by the benefit terms for the Miscellaneous Plans is not available for cost-sharing multiple-employer defined benefit pension plans.

**4. Contributions**

Section 20814 of the California Public Employees' Retirement Law requires the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. During the year ended June 30, 2024, the City made contributions totaling \$120,338 to the Plan.

**B. Net Pension Liability**

The City's net pension liability for the Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of the Plan is measured as of June 30, 2023, using an annual actuarial valuation as of June 30, 2022 rolled forward to June 30, 2023 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

**1. Actuarial Assumptions**

The total pension liabilities in the June 30, 2022 actuarial valuations were determined using the following actuarial assumptions:

	<u>Miscellaneous</u>	<u>PEPRA</u>
Valuation Date	June 30, 2022	June 30, 2022
Measurement Date	June 30, 2023	June 30, 2023
Actuarial Cost Method	Entry-Age Normal	
Actuarial Assumptions:		
Discount Rate	6.90%	6.90%
Inflation	2.30%	2.30%
Payroll Growth	2.80%	2.80%
Projected Salary Increase	Varies by Entry Age and Service	
Investment Rate of Return	6.80%	6.80%
Mortality	Derived Using CalPERS' Membership Data for All Funds	

(1) Net of Pension Plan Investment Expenses, Including Inflation.

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2022 valuation were based on the results of a 2022 actuarial experience study for the period 2000 to 2019. Further details of the Experience Study can be found on the CalPERS website.

**CITY OF PORTOLA**  
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**2. Change of Assumption**

Demographic assumptions and the inflation rate assumption were changed in accordance with the 2022 CalPERS Experience Study and Review of Actuarial Assumptions.

**3. Discount Rate**

Effective with the June 30, 2022 valuation date (2023 measurement date), the accounting discount rate was remained the same at 6.90%. In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated, combined with risk estimates, and are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return.

Any changes to the discount rate will require Board action and proper stakeholder outreach. CalPERS will continue to check the materiality of the difference in calculation until there is a change in methodology.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension investment expense and inflation) are developed for each major asset class.

The long-term expected rate of return includes both short-term and long-term market return expectations as well as the expected pension fund cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of 1%.

The long-term expected real rates by asset class can be found in CalPERS' Annual Comprehensive Financial Report for the fiscal year ended June 30, 2023.

**CITY OF PORTOLA**  
**NOTES TO FINANCIAL STATEMENTS**  
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**4. Proportionate Share of the Net Pension Liability**

The Miscellaneous plans are part of a Risk Pool, which is part of the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan. The City's net pension liability for the Miscellaneous Plan was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all plan participants, actuarially determined. The City's net pension liability and related Plan proportion for the Miscellaneous Plan is as follows:

	<u>Miscellaneous</u>
Proportion - June 30, 2023	0.01395%
Proportion - June 30, 2024	<u>0.01403%</u>
Change - Increase/(Decrease)	0.00008%

**C. Changes in the Net Pension Liability**

**1. Sensitivity of the Net Pension Liability to Change in the Discount Rate**

The following presents the net pension liability of the City for each Plan, calculated using the discount rate for each Plan, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage points lower or 1-percentage point higher than the current rate:

	<u>1% Decrease</u>	<u>Current</u>	<u>1% Increase</u>
	<u>5.90%</u>	<u>Discount Rate</u>	<u>7.90%</u>
		<u>6.90%</u>	
Net Pension Liability	\$ 1,331,614	\$ 738,342	\$ 250,029

**2. Pension Plan Fiduciary Net Position**

Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

**D. Pension Revenue and Deferred Outflows/Inflows of Resources Related to Pensions**

For the year ended June 30, 2024, the City recognized pension expense of \$263,976. Pension expense represents the change in the net pension liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, actuarial gain/loss, actuarial assumptions or method, and plan benefits.

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At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 37,719	\$ 5,851
Changes in Assumptions	44,577	-
Differences Between Employer's Contributions and Proportionate Share of Contributions	-	67,339
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	119,544	-
Change in Employer's Proportion City Contribution Subsequent to the Measurement Date	149,234	-
	120,338	
Total	<u>\$ 471,412</u>	<u>\$ 73,190</u>

\$120,338 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	Outflows/(Inflows) of Resources
2024	\$ 113,356
2025	72,819
2026	88,279
2027	3,430
Total	<u>\$ 277,884</u>

**NOTE 10 OTHER POSTEMPLOYMENT BENEFITS**

The City does not offer health insurance benefits to its retirees. By resolution number 2071 the City has confirmed that retirees are only eligible to receive those benefits offered to them by participation in the state of California Public Employees Retirement System (PERS), as well as those that they may be eligible for under the federal Medicare program.

**CITY OF PORTOLA**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 11 LANDFILL CLOSURE AND POST CLOSURE CARE COST**

The City is responsible for one closed landfill site. State and federal laws and regulations require the City to place a final cover on its landfill site when it stops accepting waste and perform certain maintenance and monitoring functions at the site for 30 years after closure. GASB Statement No. 18 requires a portion of these closure and post closure care costs be reported as an operating expense in each period based on landfill capacity used as of each statement of net position date. Since the landfill is no longer accepting waste, the entire estimated expense and related liability have been reported.

As of June 30, 2024, the City's estimated liability for post closure maintenance costs for the landfill was \$1,339,325. This estimate is based on the amount that would be paid if all equipment, facilities, and services required to close and/or monitor the landfills were acquired as of the balance sheet date. The costs for landfill post closure maintenance costs are based on yearly estimates, reviewed by the California Integrated Waste Management Board, as prepared by TGV Solid Waste, Inc. Actual costs may be higher due to inflation, change in technology, or changes in regulations. The City has applied the annual inflation factor to the liability each year and has reduced the liability by actual expenses incurred.

The City is required by the California Code of Regulations to demonstrate financial responsibility for post closure maintenance costs. The City has met this requirement for the Portola landfill through a pledge of revenue.

**NOTE 12 RISK MANAGEMENT**

The City of Portola is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; error and omissions; injuries to employees; and natural disasters. The City participates in joint powers agreements through the Small Cities Organized Risk Effort (SCORE) and California Joint Powers Risk Management Authority (CJPRMA). The relationship between the City and the JPAs is such that the JPAs are not considered a component unit of the City for financial reporting purposes.

The JPAs arrange for and provide liability coverage for members. Each JPA is governed by a board consisting of a representative from each member. The Board controls the operations of the JPA including selection of management and approval of operating budgets, independent of any influence by the members beyond their representation on the board. Each member pays a premium commensurate with the level of coverage requested and shares surpluses and deficits proportionate to their participation in the JPA.

The City participates in a Banking Plan for the first \$25,000 of loss. The portion of loss greater than \$25,000 but less than \$500,000 is shared among the Member Cities in the Shared Risk Pool. The City participates in the CJPRMA for the portion of losses greater than \$500,000 to a maximum of \$10,000,000. The liability related to the Banking Plan was deemed immaterial.



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The Authority establishes claims liabilities based on estimates of the ultimate cost of claims (including future claim adjustment expenses that have been reported but not settled, and of claims that have been incurred but not reported (IBNR)). The length of time for which such costs must be estimated varies in the coverage involved. Estimated amounts of salvage and subrogation and excess-insurance recoverable on unpaid claims are deducted from the liability for unpaid claims.

**NOTE 13 COMMITMENTS AND CONTINGENCIES**

**A. Construction Commitments**

At June 30, 2024, the City has commitments of approximately \$1.3 million for construction contracts, awarded but not completed. The major contract outstanding is for the completion of the STIP North Loop Project. All costs on this project are 100% reimbursable by the State.

**B. Litigation**

The City is subject to various lawsuits, inverse condemnation cases, personnel actions, and other actions incidental to the ordinary course of City operations. In the opinion of the City attorney, the total potential claims against the City covered by insurance resulting from litigation would not materially affect the financial statements of the City at June 30, 2024.

**NOTE 14 EXCESS EXPENDITURES OVER BUDGET**

The City had expenditures that exceeded its budget in the Gas Tax Fund by \$18,945.

**NOTE 15 ACCOUNTING CHANGES**

Change in Fund Presentation from Major to Nonmajor

The Snow Removal Fund previously met the criteria to be reported as a major governmental fund. However, effective July 1, 2023, the fund no longer met the criteria to be reported as a major fund and is reported as a nonmajor governmental fund for the fiscal year ended June 30, 2024. There was no effect as a result of that change to the financial reporting entity as the fund did not have any fund balance.

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## **REQUIRED SUPPLEMENTARY INFORMATION**

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**CITY OF PORTOLA**  
**SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY/**  
**(ASSET) AND RELATED RATIOS**  
**YEAR ENDED JUNE 30, 2024**

**Miscellaneous Plans – Cost-Sharing Multiple-Employer Defined Benefit Pension Plans**

Last 10 Fiscal Years

	Reporting Date Measurement Date									
	6/30/2024 6/30/2023	6/30/2023 6/30/2022	6/30/2022 6/30/2021	6/30/2021 6/30/2020	6/30/2020 6/30/2019	6/30/2019 6/30/2018	6/30/2018 6/30/2017	6/30/2017 6/30/2016	6/30/2016 6/30/2015	6/30/2015 6/30/2014
Proportionate Share of the Net Pension Liability	\$ 738,342	\$ 652,972	\$ 22,269	\$ 483,829	\$ 391,142	\$ 709,707	\$ 708,789	\$ 577,890	\$ 394,917	\$ 237,694
Proportion of the Net Pension Liability	0.014%	0.014%	0.001%	0.011%	0.010%	0.019%	0.018%	0.017%	0.014%	0.010%
Covered Payroll	\$ 169,537	\$ 164,599	\$ 152,062	\$ 167,300	\$ 194,362	\$ 181,423	\$ 259,958	\$ 317,876	\$ 337,555	\$ 580,058
Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	435.5%	396.7%	14.6%	289.2%	201.2%	391.2%	272.7%	181.8%	117.0%	41.0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	77.97%	78.19%	90.49%	77.71%	77.73%	77.69%	75.39%	75.87%	79.89%	81.15%

**CITY OF PORTOLA  
SCHEDULE OF PENSION PLAN CONTRIBUTIONS  
YEAR ENDED JUNE 30, 2024**

**Miscellaneous Plans – Cost-Sharing Multiple-Employer Defined Benefit Pension Plans**

Last 10 Fiscal Years

	<u>6/30/2024</u>	<u>6/30/2023</u>	<u>6/30/2022</u>	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>6/30/2017</u>	<u>6/30/2016</u>	<u>6/30/2015</u>
Actuarially Determined Contribution	\$ 69,588	\$ 56,192	\$ 41,694	\$ 46,122	\$ 39,456	\$ 34,427	\$ 48,061	\$ 48,041	\$ 52,222	\$ 24,089
Contributions in Relation to the Actuarially Determined Contributions	<u>120,338</u>	<u>118,141</u>	<u>112,052</u>	<u>97,709</u>	<u>94,059</u>	<u>471,085</u>	<u>64,595</u>	<u>45,970</u>	<u>43,236</u>	<u>41,882</u>
Contributions Deficiency (Excess)	<u>\$ (50,750)</u>	<u>\$ (61,949)</u>	<u>\$ (70,358)</u>	<u>\$ (51,587)</u>	<u>\$ (54,603)</u>	<u>\$ (436,658)</u>	<u>\$ (16,534)</u>	<u>\$ 2,071</u>	<u>\$ 8,986</u>	<u>\$ (17,793)</u>
Covered Payroll	\$ 174,623	\$ 169,537	\$ 164,599	\$ 152,062	\$ 167,300	\$ 194,362	\$ 181,423	\$ 259,958	\$ 317,876	\$ 337,555
Contributions as a Percentage of Covered Payroll	68.91%	69.68%	68.08%	64.26%	56.22%	242.37%	35.60%	17.68%	13.60%	12.41%

**CITY OF PORTOLA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCES – BUDGET AND ACTUAL**  
**GENERAL FUND**  
**YEAR ENDED JUNE 30, 2024**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
<b>REVENUES</b>				
Taxes	\$ 626,850	\$ 736,850	\$ 811,277	\$ 74,427
Licenses and Permits	66,400	66,400	79,594	13,194
Fines, Forfeitures, and Penalties	75	75	13,208	13,133
Use of Money and Property	41,581	81,581	85,410	3,829
Intergovernmental	498,000	628,000	655,809	27,809
Charges for Services	19,000	31,000	38,233	7,233
Other Revenues	15,000	15,000	7,530	(7,470)
Total Revenues	1,266,906	1,558,906	1,691,061	132,155
<b>EXPENDITURES</b>				
Current:				
General Government	243,085	243,085	224,317	18,768
Planning and Community Development	120,637	120,637	120,257	380
Public Safety	401,873	401,873	356,251	45,622
Public Works	240,044	422,812	302,173	120,639
Parks and Recreation	218,199	218,199	213,399	4,800
Total Expenditures	1,223,838	1,406,606	1,216,397	190,209
Excess (Deficiency) of Revenues				
Over Expenditures	43,068	152,300	474,664	322,364
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	(258,413)	(258,413)	(216,190)	42,223
Total Other Financing Sources (Uses)	(258,413)	(258,413)	(216,190)	42,223
Net Change in Fund Balances	(215,345)	(106,113)	258,474	364,587
Fund Balances - Beginning of Year	2,515,613	2,515,613	2,515,613	-
Fund Balances - End of Year	<u>\$ 2,300,268</u>	<u>\$ 2,409,500</u>	<u>\$ 2,774,087</u>	<u>\$ 364,587</u>

**CITY OF PORTOLA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCES – BUDGET AND ACTUAL**  
**STATE TRANSPORTATION IMPROVEMENT FUND**  
**YEAR ENDED JUNE 30, 2024**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ 2,050,000	\$ 1,746,223	\$ (303,777)
Total Revenues	-	2,050,000	1,746,223	(303,777)
<b>EXPENDITURES</b>				
Current:				
Streets and Roads	10,000	2,050,000	2,041,805	8,195
Total Expenditures	10,000	2,050,000	2,041,805	8,195
Excess (Deficiency) of Revenues				
Over Expenditures	(10,000)	-	(295,582)	(311,972)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	10,000	10,000	-	(10,000)
Total Other Financing Sources (Uses)	10,000	10,000	-	(10,000)
Net Change in Fund Balances	-	10,000	(295,582)	(305,582)
Fund Balances - Beginning of Year	289	289	289	-
Fund Balances - End of Year	\$ 289	\$ 10,289	\$ (295,293)	\$ (305,582)

**CITY OF PORTOLA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCES – BUDGET AND ACTUAL**  
**GAS TAX 2107 FUND**  
**YEAR ENDED JUNE 30, 2024**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
<b>REVENUES</b>				
Intergovernmental	\$ 58,667	\$ 58,667	\$ 59,630	\$ 963
Total Revenues	58,667	58,667	59,630	963
<b>EXPENDITURES</b>				
Current:				
Public Safety	39,000	39,000	65,265	(26,265)
Streets and Roads	125,743	175,743	168,423	7,320
Total Expenditures	164,743	214,743	233,688	(18,945)
Excess (Deficiency) of Revenues				
Over Expenditures	(106,076)	(156,076)	(174,058)	(17,982)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	106,076	156,076	174,058	17,982
Total Other Financing Sources (Uses)	106,076	156,076	174,058	17,982
Net Change in Fund Balances	-	-	-	-
Fund Balances - Beginning of Year	-	-	-	-
Fund Balances - End of Year	\$ -	\$ -	\$ -	\$ -



**CITY OF PORTOLA**  
**NOTE TO REQUIRED SUPPLEMENTARY INFORMATION**  
**JUNE 30, 2024**

**BUDGETS AND BUDGETARY ACCOUNTING**

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. The budget is legally enacted through passage of a resolution.
4. Budget adjustments from reserves and between funds are approved by the City Council and budget transfers within fund or department are approved by the City Manager. Expenditures may not legally exceed budgeted appropriations at the fund level for all funds without the City Council's approval.
5. Budgets are adopted for the General Fund and Special Revenue Funds.
6. Formal budgetary integration is employed as a management control device during the year in all funds.

Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for all funds.

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## **SUPPLEMENTARY INFORMATION**

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## **NONMAJOR SPECIAL REVENUE FUNDS**

**CITY OF PORTOLA  
COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2024**

	Snow Removal	Road Maintenance and Rehabilitation Account	Community Development Block Grant	Total
<b>ASSETS</b>				
Cash and Investments	\$ 3,951	\$ 179,678	\$ 9,345	\$ 192,974
Due from Other Governments	-	9,445	-	9,445
Interest Receivable	-	1,847	97	1,944
Notes Receivable, Net	-	-	43,525	43,525
	<u>-</u>	<u>-</u>	<u>43,525</u>	<u>43,525</u>
Total Assets	<u>\$ 3,951</u>	<u>\$ 190,970</u>	<u>\$ 52,967</u>	<u>\$ 247,888</u>
<b>LIABILITIES AND FUND BALANCE</b>				
Liabilities:				
Accounts Payable	\$ 3,180	\$ 20,280	\$ 1,350	\$ 24,810
Accrued Salaries and Benefits Payable	771	-	79	850
Accrued Expenses	-	2,247	-	2,247
Total Liabilities	<u>3,951</u>	<u>22,527</u>	<u>1,429</u>	<u>27,907</u>
Fund Balance:				
Restricted	-	168,443	43,525	211,968
Assigned	-	-	8,013	8,013
Total Fund Balance	<u>-</u>	<u>168,443</u>	<u>51,538</u>	<u>219,981</u>
Total Liabilities and Fund Balance	<u>\$ 3,951</u>	<u>\$ 190,970</u>	<u>\$ 52,967</u>	<u>\$ 247,888</u>

**CITY OF PORTOLA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2024**

	Snow Removal	Road Maintenance and Rehabilitation Account	Community Development Block Grant	Total
<b>REVENUES</b>				
Use of Money and Property	\$ -	\$ 5,939	\$ 547	\$ 6,486
Intergovernmental	203,841	54,193	-	258,034
Total Revenues	<u>203,841</u>	<u>60,132</u>	<u>547</u>	<u>264,520</u>
<b>EXPENDITURES</b>				
Current:				
Streets and Roads	245,973	24,968	-	270,941
Planning and Community Development	-	-	17,656	17,656
Total Expenditures	<u>245,973</u>	<u>24,968</u>	<u>17,656</u>	<u>288,597</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	42,132	-	-	42,132
Total Other Financing Sources (Uses)	<u>42,132</u>	<u>-</u>	<u>-</u>	<u>42,132</u>
Net Change in Fund Balances	-	35,164	(17,109)	18,055
Fund Balances - Beginning of Year	-	133,279	68,647	201,926
Fund Balances - End of Year	<u>\$ -</u>	<u>\$ 168,443</u>	<u>\$ 51,538</u>	<u>\$ 219,981</u>

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## OTHER REPORTS

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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Honorable Mayor and Council Members  
Portola, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Portola (City), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated November 5, 2024.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of City's internal control. Accordingly, we do not express an opinion on the effectiveness of City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

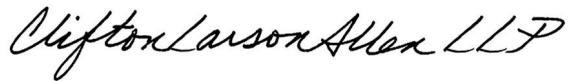
Honorable Mayor and Council Members  
City of Portola

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### ***Purpose of This Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.

**CliftonLarsonAllen LLP**

Roseville, California  
November 5, 2024





## **INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES**

Honorable Mayor and Council Members  
City of Portola, California

We have performed the procedures enumerated below on the Appropriations Limit calculation of the City of Portola as of and for the year ended June 30, 2024. The City of Portola management is responsible for the Appropriations Limit calculation.

The City of Portola has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of presenting the Appropriation Limit calculation in accordance with the requirements of Section 1.5 of Article XIII-B of the California Constitution. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and the associated findings are as follows:

1. We obtained the completed Appropriations Limit Calculation, and compared the limit and annual adjustment factors in those calculation to the limit and annual adjustment factors that were adopted by resolution of the City Council. We also compared the population and inflation options included in the aforementioned calculation to those that were selected by a recorded vote of the City Council.

Finding: No exceptions were noted as a result of our procedures.

2. We computed current year adjustments based on the selected population and inflation option, using information provided by Department of Finance.

Finding: No exceptions were noted as a result of our procedures.

3. We compared the prior year appropriations limit presented in the Appropriations Limit Calculation to the prior year appropriations limit adopted by the City Council for the prior year.

Finding: No exceptions were noted as a result of our procedures.

Honorable Mayor and Council Members  
City of Portola, California

4. We added the results of step two (2) to the prior year Appropriations Limit, and compared the resulting amount to the current year approved limit.

Finding: No exceptions were noted as a result of our procedures.

We were engaged by the City of Portola to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on Appropriations Limit calculation of the City of Portola. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the City of Portola and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of City of Portola and management of the City of Portola and is not intended to be, and should not be, used by anyone other than these specified parties.



**CliftonLarsonAllen LLP**

Roseville, California  
October 21, 2024



To the Honorable Members of the  
City Council of Portola  
City of Portola  
Portola, California

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Portola as of and for the year ended June 30, 2024, and have issued our report thereon dated November 5, 2024. We have previously communicated to you information about our responsibilities under auditing standards generally accepted in the United States of America and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit in our statement of work dated August 12, 2024. Professional standards also require that we communicate to you the following information related to our audit.

### **Significant audit findings or issues**

#### ***Qualitative aspects of accounting practices***

##### **Accounting policies**

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by City of Portola are described in Note 1 to the financial statements.

As described in Note 15, the entity changed accounting policies related to the change of the snow removal fund from major to nonmajor by adopting Statement of Governmental Accounting Standards Board (GASB Statement) No. 100, Accounting Changes, in 2024. Accordingly, the cumulative effect of the accounting change as of the beginning of the year is reported in the Balance Sheet of Governmental Funds.

We noted no transactions entered into by the entity during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

##### **Accounting estimates**

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

- Management's estimate of the landfill liability is based on an engineering estimate. We evaluated the key factors and assumptions used to develop the landfill liability in determining that it is reasonable in relation to the financial statements taken as a whole.

##### **Financial statement disclosures**

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There were no particularly sensitive financial statement disclosures.

The financial statement disclosures are neutral, consistent, and clear.



***Significant unusual transactions***

We identified no significant unusual transactions.

***Difficulties encountered in performing the audit***

We encountered no significant difficulties in dealing with management in performing and completing our audit.

***Uncorrected misstatements***

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has determined that the effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. The following summarizes uncorrected misstatements of the financial statements:

- Receivables in the amount of \$23,892, \$13,914, and \$4,066 for the water, sewer, and solid waste funds, respectively, were not recorded. These are for unbilled utility receivables and this is a known non-GAAP policy.

Uncorrected misstatements or the matters underlying uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even if management has concluded that the uncorrected misstatements are immaterial to the financial statements under audit.

***Corrected misstatements***

Management did not identify and we did not notify them of any financial statement misstatements detected as a result of audit procedures.

***Disagreements with management***

For purposes of this communication, a disagreement with management is a disagreement on a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. No such disagreements arose during our audit.

***Circumstances that affect the form and content of the auditors' report***

As previously communicated to you, the report was modified to implement GASB No. 100, Accounting Changes and Error Corrections by presenting the snow removal fund as nonmajor that was reported as major in the prior year.

***Management representations***

We have requested certain representations from management that are included in the management representation letter dated November 5, 2024.

***Management consultations with other independent accountants***

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the entity's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

***Significant issues discussed with management prior to engagement***

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to engagement as the entity's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our engagement.

**Required supplementary information**

With respect to the required supplementary information (RSI) accompanying the financial statements, we made certain inquiries of management about the methods of preparing the RSI, including whether the RSI has been measured and presented in accordance with prescribed guidelines, whether the methods of measurement and preparation have been changed from the prior period and the reasons for any such changes, and whether there were any significant assumptions or interpretations underlying the measurement or presentation of the RSI. We compared the RSI for consistency with management's responses to the foregoing inquiries, the basic financial statements, and other knowledge obtained during the audit of the basic financial statements. Because these limited procedures do not provide sufficient evidence, we did not express an opinion or provide any assurance on the RSI.

**Supplementary information in relation to the financial statements as a whole**

With respect to the Combining Nonmajor Fund Statements (collectively, the supplementary information) accompanying the financial statements, on which we were engaged to report in relation to the financial statements as a whole, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period or the reasons for such changes, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves. We have issued our report thereon dated November 5, 2024.

\* \* \*

This communication is intended solely for the information and use of the City Council and management of City of Portola and is not intended to be, and should not be, used by anyone other than these specified parties.



**CliftonLarsonAllen LLP**

Roseville, California  
November 5, 2024



**MEETING DATE:** December 11, 2024

**AGENDA ITEM:** 8. American Rescue Plan Act

**FROM:** Susan Scarlett

**RE:** American Rescue Plan Act/State and Local Fiscal Recovery Funds

---

**BACKGROUND:**

In 2021-2022 the City of Portola received \$461,697 of Fiscal Recovery Funds as part of the pandemic recovery efforts. The City Council approved the use of the funds for Community Clean up and the purchase of the tax lien properties.

Original amount                \$461,697

Community Clean Up        \$355,237.25

Tax Lien properties        \$18,650

The balance of the funds available is \$87,809.75. Of this \$15,000 was originally allocated toward the dog park. At this time staff is estimating the dog park costs as the materials attached. Funds must be fully obligated by December 31, 2024, with all contracts, deliverables, and agreements in place by this date. All funds must be spent (fully liquidated) by December 31, 2026.

Although Treasury said that funds must be obligated they are permitting ARPA recipients to establish a contingency reserve for currently approved projects that may not be completed.

Staff would like to purchase outdoor water fountains for the parks and new water fountains at City hall and the Pool, all of which would have bottle fillers. Health issues were a large part of the final rules for the use of the funds. The fountains would all have bottle fillers and promote less plastic as well as provide water in outdoor/park environments. The City has towing and code enforcement expenditures that could qualify as part of the funds and would be used under the revenue replacement rules.

Discuss the balance of the Fiscal Recovery Funds and the purchase of outdoor fountains and new fountains for City Hall and the Pool as well as the materials for the dog park.

---

**RECOMMENDATION:**

Approve the funds as follows:

Balance of the funds \$87,809.75

Quote from Global industrial\* for fountains \$62,591.16 (\* an Omnia Partner)

Estimated installation costs for concrete pad, water hookup and staff time for fountain and dog park projects \$15,000

Estimate for materials for the dog park \$7,337.10

Contingency/or revenue replacement estimate \$2,881.49

These are estimates and there may be unallocated funds that can be used as revenue replacement to cover public safety/code compliance.

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### **FISCAL IMPACT:**

The City has these funds. If they are not spent or identified as revenue replacement items then there would be a reversion of the balance unspent.

---

### **ATTACHMENTS:**

- A. QUOTE DRINKING FOUNTAINS
- B. FOUNTAIN
- C. DOG PARK FENCING ESTIMATE

## SALES QUOTE

**QUOTE ISSUED:** 12/04/2024  
**ACCOUNT NO.** 7429638  
**QUOTE NO.** 7632345

[Click Here To Place Order Online](#)

\*Pricing valid for 30 days from quote issue date. subject to change based on product availability and/or extraordinary market conditions

## CUSTOMER INFORMATION

Account Name: CITY OF PORTOLA  
 Name: TODD ROBERTS  
 Address: 35 3RD AVE  
 PORTOLA, California 96122  
 Email: [TROBERTS@CITYOFPORTOLA.COM](mailto:TROBERTS@CITYOFPORTOLA.COM)  
 Phone: (530) 832-6809

Part#	Description	Shipping	Qty	Price	Extended
761221GN	Global Industrial&#8482;Outdoor Bottle Filler w/Bi-Level Drinking Fountain & Pet Station, Green	TRUCK	15	\$3,609.05	\$54,135.75
B384182NG	Elkay LZS8WSLP ezH2O Enhanced Bottle Filling Station, Refrig., Filtered, Light Gray, w/51300C	TRUCK	3	\$1,347.09	\$4,041.27
<b>Notes</b>				<b>ItemTotal:</b>	<b>\$58,177.02</b>
				<b>Tax:</b>	<b>\$4,231.10</b>
				<b>Shipping and Handling:</b>	<b>\$183.04</b>
				<b>**Total:</b>	<b>\$62,591.16</b>

\*\*Applicable taxes and shipping charges will be added to invoice.

[Please be sure to review our terms and conditions](#)

[Shipping Terms and Conditions](#)

**Thank you for the opportunity to help with your needs. To place your order or further assistance please contact me.**

**Name:** COREY HALL  
**Address:** 2505 MILL CENTER PARKWAY SUITE 100  
 BUFORD, GA 30518  
**Email:** [CHall2@globalindustrial.com](mailto:CHall2@globalindustrial.com)  
**Phone:** (800) 645-1232  
**Fax:** (803) 363-818





What can we help you find?



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Holiday Decorations

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Hawthorne Lowe's 9 PM 90250



Prices, Promotions, styles, and availability may vary. Our local stores do not honor online pricing. Prices and availability of products and services are subject to change without notice. Errors will be corrected where discovered, and Lowe's reserves the right to revoke any stated offer and to correct any errors, inaccuracies or omissions including after an order has been submitted.

## Cart (384)

[Email Cart](#)[Empty Cart](#)

Availability issue. See item(s) below.

[View Item\(s\)](#)

At least one of your items has an availability issue



Only 47 available for Pickup. Lower quantity or select a new Delivery method.

10-1/2-ft W 17-Gauge Galvanized  
Metal Chain Link Fence RailItem #103268  
Model #58910235[Details](#)[Save For Later](#)

- 100 +

\$24.00/ea



Pickup Unavailable

[Check Other Stores](#)Delivery to [90250](#)Get it by **Sat, Dec 14**

Scheduled Delivery ⓘ

Delivery Scheduling in Checkout

\$2,400.00



Feedback

Pickup at [Hawthorne Lowe's \(275\)](#)2-in W x 2-in L Aluminum Eye Top-  
Fits Common Post Measurement: ...Item #552265  
Model #59010067[Details](#)[Save For Later](#)

- 100 +

\$2.98/ea

Pickup

Ready by **Thu, Dec 12**

At Hawthorne Lowe's

[Check Other Stores](#)Delivery to [90250](#)Get it by **Mon, Dec 9**

Ship to Home

Get it by **Sat, Dec 14**

Scheduled Delivery ⓘ

Delivery Scheduling in Checkout

\$298.00

~~Was \$3.64~~

Save \$66.00





6-ft H x 1-5/8-in W 16-Gauge Silver  
Metal Line Chain Link Fence PostItem #552276  
Model #58910123[Details](#)[Save For Later](#)

— **100** +

\$23.72/ea

## Pickup

- ☒ **Ready Today**  
At Hawthorne Lowe's

Delivery to [90250](#)

- ☐ Get it **Today**  
Same-Day Delivery ⓘ  
Order by 2 p.m.
- ☐ Get it by **Sat, Dec 14**  
Scheduled Delivery ⓘ  
Delivery Scheduling in Checkout

**\$2,135.00**

Save \$237.00

Aluminum Metal Tie For Chain-link  
Fence 30-PackItem #92165  
Model #57270190[Details](#)[Save For Later](#)

— **65** +

\$7.98/ea

## Pickup

- ☒ **Ready by Thu, Dec 12**  
At Hawthorne Lowe's  
[Check Other Stores](#)

Delivery to [90250](#)

- ☐ Get it by **Mon, Dec 9**  
Ship to Home
- ☐ Get it by **Sat, Dec 7**  
Scheduled Delivery ⓘ  
Delivery Scheduling in Checkout

**\$518.70**~~Was \$8.77~~

Save \$51.35

4-ft H x 50-ft W 11.5-Gauge  
Galvanized Steel Chain Link Fenc...Item #552273  
Model #57780001[Details](#)[Save For Later](#)

— **10** +

\$109.00/ea

## Pickup

- ☒ **Ready Today**  
At Hawthorne Lowe's

Delivery to [90250](#)

- ☐ Get it **Today**  
Same-Day Delivery ⓘ  
Order by 2 p.m.
- ☐ Get it by **Sat, Dec 7**  
Scheduled Delivery ⓘ  
Delivery Scheduling in Checkout

**\$981.00**

Save \$109.00

Pickup at [Burbank Lowe's \(9\)](#)5-ft H x 50-ft W 11.5-Gauge  
Galvanized Steel Chain Link Fenc...Item #552278  
Model #57780006[Details](#)[Save For Later](#)

— **9** +

\$124.00/ea

● Low in Stock

## Pickup

- ☒ **Ready Today**  
At Burbank Lowe's

Delivery to [90250](#)

- ☐ Get it by **Sat, Dec 14**  
Scheduled Delivery ⓘ  
Delivery Scheduling in Checkout

**\$1,004.40**

Save \$111.60

FREE & Easy Returns [View Returns Policy](#)



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## Order Summary

Item Subtotal (384)	\$7,337.10
Estimated Tax	Calculated in Checkout
Promo Code 	
Savings 	-\$574.95
Estimated Total	<b>\$7,337.10</b>

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### CONNECT WITH US





**MEETING DATE:** December 11, 2024

**AGENDA ITEM:** 9. Update the salary schedule in compliance with California Code of Regulations 570.5

**FROM:** Susan Scarlett

**RE:** Update 570.5 for City Manager Salary

---

**BACKGROUND:**

Update to the pay schedule in compliance with CCR 570.5 for the Position of City Manager

---

**EXECUTIVE SUMMARY:**

The City is required by the California Code of Regulations to have an updated pay schedule that is publicly available. Once approved this will replace the schedule that is currently on the City website.

Publicly available pay schedules are required by CalPERS and are a critical component to verify all members' pay rates when calculating members' retirement benefits. Maintaining a compliant publicly available pay schedule will support transparency and expedite CalPERS review process.

---

**RECOMMENDATION:**

Adopt the updated required Publicly Available Pay Schedule

---

**ATTACHMENTS:**

A. PAY SCHEDULE FOR CCR 570.5 COMPLIANCE

California Code of Regulations 570.5 - Publicly Available Pay Schedule

POSITION	HOURLY RATES							
	Step 1	Step 2	Step 3	Step 4	Step 5	L 1	L 2	L 3
City Manager (1)	69.72	0	0	0	0	73.21	76.87	80.71
Administrative Services Manager (Not currently filled)	37.85	0	0	0	0	39.74	41.73	43.82
Public Works & Building Services Manager (1)	52.03	0	0	0	0	54.63	57.36	60.23
Public Engagement Officer Part-time	30.00	31.50	33.08	34.73	36.47	0.00	0.00	0.00
Water/Sewer Utility Technician (or Public Works Supervisor) (2)	31.74	33.33	35	36.75	38.58	40.51	42.53	44.66
Public Works Maintenance (1)	24.09	25.29	26.55	27.88	29.27	30.73	32.27	33.88
Accounting Technician (1)	29.34	30.81	32.35	33.97	35.67	37.45	39.33	41.29
Administrative Clerk (1)	24.76	26.00	27.30	28.67	30.10	31.61	33.19	34.84
Office Clerk (1)	21.12	22.18	23.29	24.45	25.68	26.96	28.31	29.73

Management does not have steps  
There are 5 Steps and are every two years  
Longevity is 5% at 15, 20 and 25 years Full-time employees with continuous service measured from date of hire

Revised November 18, 2024 and Adopted by the City Council December 11, 2024



**MEETING DATE:** December 11, 2024

**AGENDA ITEM:** 10. City Policy on Communication and Engagement Restrictions for Active Legal Matters

**FROM:** Ryan Bonk

**RE:** Resolution No. 2602 - City Policy- Communication and Engagement Restrictions for Active or Threatened Legal Matters

---

**BACKGROUND:**

Portola City Council wishes to establish policies to ensure proper communication and engagement restrictions for active or threatened legal matters.

---

**EXECUTIVE SUMMARY:**

This policy outlines the procedures and restrictions for elected and appointed City Officials and City staff when interacting with individuals or parties engaged in active or threatened legal claims or matters against the City of Portola. The goal is to protect the integrity of legal proceedings, minimize risk, and ensure compliance with legal requirements.

---

**FISCAL IMPACT:**

There is no fiscal impact associated with the adoption of the resolution and policy.

---

**RECOMMENDATION:**

Adopt the Communication and Engagement Restrictions for Active or Threatened Legal Matters Policy

---

**ATTACHMENTS:**

A. RESOLUTION NO. 2602 FINAL



**RESOLUTION NO. 2602**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PORTOLA  
ADOPTING THE COMMUNICATION AND ENGAGEMENT RESTRICTIONS  
FOR ACTIVE OR THREATENED LEGAL MATTERS POLICY**

**WHEREAS**, Portola City Council wishes to establish policies to ensure proper communication and engagement restrictions for active or threatened legal matters; and

**WHEREAS**, the Policy: Communication and Engagement Restrictions for Active or Threatened Legal Matters was reviewed by the City Council at a regularly scheduled meeting; and

**WHEREAS**, the City Council took public comment on the communication and engagement restrictions for active or threatened legal matters; and

**WHEREAS**, the City Council has reviewed and determined that the City should adopt the Communication and Engagement Restrictions for Active or Threatened Legal Matters policy so that it creates clear policies to ensure proper communication and engagement restrictions for active or threatened legal matters that are consistent with the goals of the City and Council; and

**NOW THEREFORE, BE IT HEREBY RESOLVED** by the City Council of the City of Portola that the Policy: Communication and Engagement Restrictions for Active or Threatened Legal Matters attached hereto as Exhibit “A”, is hereby adopted and shall take effect as of December 11<sup>th</sup>, 2024.

**PASSED, APPROVED AND ADOPTED** this 11<sup>th</sup> day of December 2024, by the following vote:

AYES: \_\_\_\_\_

NOES: \_\_\_\_\_

ABSTAIN: \_\_\_\_\_

ABSENT: \_\_\_\_\_

\_\_\_\_\_  
, Mayor


ATTEST:

\_\_\_\_\_  
Malachi Mansfield, Deputy City Clerk

I, Malachi Mansfield, Deputy City Clerk of the City of Portola, do hereby certify that the above and foregoing Resolution was duly passed and adopted by the City Council of the City of Portola at a regular meeting thereof held on December 11, 2024.

\_\_\_\_\_  
Malachi Mansfield, Deputy City Clerk

# Exhibit A

	<b>Document Name</b>	<i>Communication and Engagement Restrictions for Active or Threatened Legal Matters</i>		
	<b>Document Number</b>		<b>Revision Letter</b>	A
	<b>Document Location</b>	Server	<b>Revision Date</b>	12/06/2024
	<b>Document Type</b>	Policy	<b>Council Adoption Date</b>	
			<b>Resolution No.</b>	

## 1. Purpose

This policy outlines the procedures and restrictions for elected and appointed City Officials and City staff when interacting with individuals or parties engaged in active or threatened legal claims or matters against the City of Portola. The goal is to protect the integrity of legal proceedings, minimize risk, and ensure compliance with legal requirements.

## 2. Policy Statement

City staff shall not communicate, engage, or participate in discussions with any individual or party involved in active or threatened legal claims, lawsuits, or disputes with the City of Portola. This restriction applies to all formal and informal communications, whether verbal, written, electronic, or in-person.

## 3. Exceptions to this policy include:

- a) Authorized communications through the City Attorney or designated legal representatives.
- b) Situations required by law, such as responding to subpoenas or fulfilling public records requests in compliance with the California Public Records Act (CPRA).

## 4. Procedures for Interaction with Restricted Individuals or Parties

### a) Identifying Restricted Parties

City staff will be informed of relevant restrictions as necessary to perform their duties by the City Manager, City Attorney, or designated legal representatives.


### b) Redirecting Communication

If a restricted party attempts to communicate with City staff:

Politely inform the individual that staff members are unable to discuss the matter.

Redirect them to the City Manager. Example language:

*"Thank you for reaching out. Unfortunately, I am unable to discuss this matter. Please direct all communication to the City Manager. "*

	<b>Document Name</b>	<i>Communication and Engagement Restrictions for Active or Threatened Legal Matters</i>		
	<b>Document Number</b>		<b>Revision Letter</b>	A
	<b>Document Location</b>	Server	<b>Revision Date</b>	12/06/2024
	<b>Document Type</b>	Policy	<b>Council Adoption Date</b>	
			<b>Resolution No.</b>	

#### c) Reporting Unauthorized Contact

Any unauthorized contact or attempts by restricted individuals or parties to bypass this policy must be reported to the City Manager immediately.

### 5. Training and Awareness

All City staff will receive periodic training to ensure awareness and understanding of this policy.

### 6. Scope

This policy applies to all the City of Portola's employees, contractors, and elected and appointed officials during the course of their official duties.

### 7. Enforcement

Violations of this policy may result in disciplinary action.

### 8. Contact for Questions

For questions regarding this policy or specific situations, please contact the City Manager.