Winters Regular Council Meeting

Tuesday, June 18, 2024 @ 6:30 PM
AGENDA

Members of the City Council

Bill Biasi, Mayor
Albert Vallecillo, Mayor Pro-Tempore
Richard Casavecchia
Jesse Loren
Carol Scianna

Meeting Information
The Winters City Council meeting will be held in person at Winters City Hall 318 First Street(Abbey Street entrance). Members of the public are welcome to participate via Zoom https://us02web.zoom.us/j/89855949754?pwd=Y09JK1ZaRmt0ejJuazNsRmhvaDRXZz09
Meeting ID: 898 5594 9754 Passcode: 202614
1. If you are joining the meeting via Zoom and wish to make a comment on an item, press the "raise a hand" button. If you are joining the meeting by phone, press *9 to indicate a desire to make a comment. The chair will call you by name or phone number when it is your turn to comment. Speakers will be limited to 3:00 minutes.
2. If you choose not to observe the City Council meeting but wish to make a comment on a specific agenda item, please submit your comment via email by 5:00 p.m. on the Monday prior to the City Council meeting. Please submit your comment to the City Clerk at cityclerk@cityofwinters.org. All public comments submitted to the City Clerk will be summarized and read into record but will not be read verbatim due to time limitations

1. ROLL CALL

2. PLEDGE OF ALLIEGENCE

3. APPROVAL OF THE AGENDA

4. COUNCIL/STAFF COMMENTS

5. PUBLIC COMMENTS
   At this time, any member of the public may address the City Council on matters, which are not listed on this agenda. Citizens should reserve their comments for matters listed on this agenda at the time the item is considered by the Council. An exception is made for members of the public for whom it would create a hardship to stay until their item is heard. Those individuals may address the item after the public has spoken on issues that are not listed on the agenda. Presentations may be limited to accommodate all speakers within the time available. Public comments may also be continued to later in the meeting should the time allotted for public comment expire.

6. CONSENT CALENDAR

All matters listed under the consent calendar are considered routine and noncontroversial, require no discussion and are expected to have unanimous Council support and may be enacted by the City Council in one motion in the form listed below. There will be no separate discussion of these items. However, before the City Council votes on the motion to adopt, members of the City Council, staff, or the public may request that specific items be removed from the Consent Calendar for separate discussion and action. Items(s) removed will be discussed later in the meeting as time permits.

A. Minutes of the Regular Meeting of the Winters City Council on May 21, 2024
20240521 Minutes.docx

B. Minutes of the Regular Meeting of the Winters City Council on June 4, 2024
20240604 Minutes.docx

C. Resolution 2024-44 Establishing Annual Appropriations Limit
Staff_Report_Appropriation_Limits_FY2024-2025.docx
Resolution_2024_44_gann limit.docx
2024 Gann limit calculation .doc
Attachment 3 Gann Calculation Factors.pdf

7. PRESENTATIONS

8. DISCUSSION ITEMS

A. Public Hearing Regarding Abatement of Weeds and Rubbish for Specified Parcels for 2024
Staff_Report_June_18_2024_Weed_Abatement__1___2_updated.docx
Fire_Resolution_2024_Weed_Abatement (3).docx
Weed abatement Exhibit A.docx

B. Discussion of revenue options for long-term budget sustainability and possible adoption of three resolutions to place an additional one-percent general sales tax Measure on the November 5, 2024 Ballot
Winters__Staff_Report_City_Revenue_Options_TUT_Ordinance.doc
WINTERS - Resolution Calling Transactions and Use (Sales) Tax Measure for Nov. 5 2024 Gen. Municipal Election-c1.doc
WINTERS - Resolution Requesting Consolidation of Election with Yolo County - Transactions and Use Tax Measure - November 5 2024 Statewide General E-c1.doc
WINTERS_-_Resolution_Setting_Deadlines_and_Rules_for_Arguments_and_Rebuttals_-_Transactions_and_Use_Tax_Measure_-_November_5_2024_Election-c1.doc

C. Continued from Tuesday, May 21, 2024 regular session: Introduce and waive first reading of Ordinance No. 2024-02 amending Sections 17.04.140, 17.205.010, 17.205.020, and 17.205.030 of the Winters Municipal Code and adding Section 17.205.040 to the Winters Municipal Code regarding cannabis cultivation for personal use.
18 June 2024 - Staff_Report_Cannabis-10m June 2024- FINAL.doc
Ordinance 2024-03.docx
PC_Resolution_2024-02_cannabis_amendments (1).docx

D. Resolution No. 2024-49 approving a Software as a Service (SaaS) contract with Tyler Technologies, Inc. (Tyler) for specified new modules of the Enterprise Resource Planning (ERP) software for an initial three year term, and implementation services and authorizing the City Manager to execute the contract.
2024-49_ERPSaaS_TylerTech_StaffReport (2).doc
2024-49_Resolution_TylerTechnology_ERP (1).docx
Tyler Technologies - City of Winters CA ERP Pro SaaS Agreement - Updated 6.10.24.pdf

E. Resolution No. 2024-45 adopting the FY 24-25 Operating Budget
FinalBudgetAdoption_2024_061824.docx
resolution 2024_45 adopting budget.docx

F. Resolution 2024-50 Approving a Professional Services Agreement with NJA Architecture for the Winters Senior Center Architect/Design Project in the Not to Exceed Amount Of $338,750 and Authorizing the City Manager to Approve Change Orders Up to $33,875
Staff_Report_Contract_Award_Senior_Center_Design__2_.doc
Resolution No. 2024-50 Contract_Award_Senior_Center_Design.docx
Design RFP 5-1-24 (002).doc

G. Introduce and wave first reading of Ordinance No. 2024-06 amending Chapter 1704, introductory provisions and definitions, and chapter 17.98, accessory dwelling units, of the Winters Municipal Code.
06182024 - Staff_Report_ADUs-FINAL.doc
Winters_-_Draft_Accessory_Dwelling_Unit_Ordinance.docx
052824_PC_Reso_re_ADU_amend.docx

9. CITY MANAGER REPORT

10. INFORMATION ONLY

11. ADJOURNMENT

I declare under penalty of perjury that the foregoing agenda for the regular meeting of the Winters City Council was posted on the City of Winters website at www.cityofwinters.org and Council Members were notified via e-mail of its' availability. A copy of the foregoing agenda was also posted on the outside public bulletin board at City Hall, 318 First Street , and made available to the public during normal business hours.

_____
Sterling Thomas, Deputy City Clerk
Winters City Council Agenda

Questions about this agenda - Please call the City Clerk's Office (530) 794-6702. Agendas and staff reports are available on the city web page at http://www.cityofwinters.org/city-council-meetings_/

General Notes: Meeting facilities are accessible to persons with disabilities. To arrange aid or services to

modify or accommodate persons with disability to participate in a public meeting, contact the City Clerk.

Staff recommendations are guidelines to the City Council. On any item, the Council may take action, which varies from that recommended by staff.

The city does not transcribe its proceedings. Anyone who desires a verbatim record of this meeting should arrange for attendance by a court reporter or for other acceptable means of recordation. Such arrangements will be at the sole expense of the individual requesting the recordation.

How to obtain City Council Agendas and Agenda Packets:

View on the internet: http://www.cityofwinters.org/city-council-meetings_/

City Council agenda packets and any attachments to the agenda that are not available online may be viewed at the City Clerk's Office at City Hall - 318 First Street.

Email Subscription: You may contact the City Clerk's Office to be placed on the list. An agenda summary is printed in the Winters Express newspaper.

A recording of any streamed City Council meeting can be viewed later at http://www.cityofwinters.org/city-council-meeting-recordings/.

Minutes of the Regular Meeting of the Winters City Council on May 21, 2024

Mayor Biasi called the meeting to order at 6:30 PM

Present: Council Members Richard Casavecchia, Carol Scianna, Jesse Loren, Mayor Pro Tem Albert Vallecillo, Mayor Bill Biasi

Absent:

Staff: City Manager Jeremy Craig, Deputy City Clerk Sterling Thomas

The pledge of allegiance was led by Contract Planner Dave Dowswell.

APPROVAL OF AGENDA:

Motion by Council Member Jesse Loren to approve agenda, seconded by Mayor Pro Tem Albert Vallecillo.

Motion carried with the following roll call vote:

AYES: Council Members Richard Casavecchia, Carol Scianna, Jesse Loren, Mayor Pro Temp Albert Vallecillo, Mayor Bill Biasi

NOES: None

ABSTAIN: None

COUNCIL/STAFF COMMENTS:

Council Members provided verbal updates.

Mayor Biasi reported that there was no reportable action from closed session on May 21, 2024.

Council Member Loren asked the Council to approve directing staff to review Planning Commission vacancies and procedures. City Manager Craig noted staff would compile the information to be shared with the Council for their review.

PUBLIC COMMENTS:

Corinne Martinez expressed concerns about the design process of the Paseo Park project and how it fits with previous “downtown visioning.”

CONSENT CALENDAR

A) Minutes of the Regular Meeting of the Winters City Council held on May 7, 2024.

B) Resolution 2024-34 Approving the Engineer’s Report for the Annual Levy of Assessments for FY 2024-2025 for the City of Winters City-Wide Maintenance Assessment District and Resolution No. 2024-35 Declaring the City’s Intention to Levy and Collect Annual Assessments for FY 2024-2025

Motion to approve Consent Calendar items A-B by Council Member Carol Scianna, seconded by Council Member Richard Casavecchia.

Motion carried with the following roll call vote:

AYES: Council Members Richard Casavecchia, Carol Scianna, Jesse Loren, Mayor Pro Tem Albert Vallecillo, Mayor Bill Biasi

NOES: None

ABSTAIN: None

PRESENTATIONS:

A) Presentation of Fiscal Year 2023-2024 General Fund Revenues

PUBLIC COMMENTS:

Corinne Martinez commented in support of exploring a quarter of a percent sales tax increase.

DISCUSSION ITEMS:

A) Adopt Resolution 2024-36 Amending the City Budget to Reflect Past Council Actions

Council Member Scianna motioned for Approval of Resolution 2024-36, seconded by Council Member Casavecchia.

Motion carried with the following roll call vote:

AYES: Council Members Richard Casavecchia, Carol Scianna, Jesse Loren, Mayor Pro Tem Albert Vallecillo, Mayor Bill Biasi

NOES: None

ABSTAIN: None

B) Introduce and waive first reading of Ordinance No. 2024-02 amending Sections 17.04.140, 17.205.010, 17.205.020, and 17.205.030 of the Winters Municipal Code and adding Section 17.205.040 to the Winters Municipal Code regarding cannabis cultivation for personal use.

PUBLIC COMMENTS:

Paul Meyer commented in opposition to Discussion Item B and recommended that outdoor grow be banned.

Cathy Woodman commented in support of outdoor grow, referred to worse outdoor smells such as agricultural manure, emphasized there are odorless strains of marijuana that can be grown, and that since 2017, there have been no complaints.

Kate Laddish commented about the process that led to the Planning Commission's recommendation and supported that it move forward with a vote from City Council.

Motion by Mayor Pro Temp Vallecillo directing staff to look into previous meetings on outdoor grow for additional guidance and to continue this agenda item to June 18, 2024, regular session. Seconded by Council Member Casavecchia.

Motion carried with the following roll call vote:

AYES: Council Members Richard Casavecchia, Carol Scianna, Jesse Loren, Mayor Pro Tem Albert Vallecillo

NOES: Mayor Bill Biasi

ABSTAIN: None

C) Public Hearing to consider the First Reading of Ordinance No. 2024-05 Rezoning a 6.01 acre parcel (APN:038-190-035) located on the south side of East Grant Avenue between East Main Street and Morgan Street from Neighborhood Commercial (C-1) to Central Business Commercial (C-2) with a Planned Development Overlay (PD) and Resolution No. 2024-38 amending the General Plan land use designation from Neighborhood Commercial (NC) to Central Business District (CBD) for the same property

PUBLIC COMMENTS:

Corinne Martinez asked some questions about the rezone that Contract Planner Dowswell clarified.

Kate Laddish inquired about the extent of housing that could result from this rezone..

Motion to waive first reading and introduce Ordinance No. 2024-05 by Council Member Loren, seconded by Mayor Pro Temp Vallecillo.

Motion carried with the following roll call vote:

AYES: Council Members Richard Casavecchia, Carol Scianna, Jesse Loren, Mayor Pro Tem Albert Vallecillo, Mayor Bill Biasi

NOES: None

ABSTAIN: None

CITY MANAGER REPORT:

City Manager Craig provided an update about the senior center project.

ADJOURNMENT:
08:19 PM

Bill Biasi, MAYOR

ATTEST:

Sterling Thomas, Deputy City Clerk

Minutes of the Regular Meeting of the Winters City Council on June 4, 2024

Mayor Biasi called the meeting to order at 6:30 PM

Present: Council Members Richard Casavecchia, Carol Scianna, Jesse Loren, Mayor Pro Tem Albert Vallecillo, Mayor Bill Biasi

Absent:

Staff: City Manager Jeremy Craig, Deputy City Clerk Sterling Thomas

The pledge of allegiance was led by Mayor Pro Tem Vallecillo.

APPROVAL OF AGENDA:

Motion by Council Member Carol Scianna to approve agenda, seconded by Council Member Loren.

Motion carried with the following roll call vote:

AYES: Council Members Richard Casavecchia, Carol Scianna, Jesse Loren, Mayor Pro Temp Albert Vallecillo, Mayor Bill Biasi

NOES: None

ABSTAIN: None

COUNCIL/STAFF COMMENTS:

Council Members provided verbal updates.

Mayor Biasi reported that there was no reportable action from closed session on June 4, 2024.

Council Member Loren directed staff to review minutes procedure, to change where public comments appear in minutes, to provide more detail, and to catch up on Planning Commission minutes.

NON-AGENDA PUBLIC COMMENTS:

Marlene Bell provided commented expressing concerns over the handling of the Senior Center, as well as transparency and communication from City of Winters staff.

Shelly Pierce and Woody Fridae shared information about the Elder Day Celebration taking place on June 29, 2024. Woody Fridae thanked all in attendance of the Japanese Memorial event from May 2024.

CONSENT CALENDAR

A) Minutes of the Regular Meeting of the Winters City Council held on May 21, 2024.

B) Resolution No. 2024-40 Calling for and Consolidating General Municipal Election on November 5, 2024

C) FY 2024/25 Road Rehabilitation Project List

D) Warrant Register for the Month of April 2024

E) Resolution 2024-23 Approving a Professional Services Agreement with Davids Engineering, Inc. to Conduct Two Groundwater Feasibility Studies in the Not-To-Exceed Amount of $579,268 and Authorizing the City Manager to Execute the Agreement

F) Resolution 2024-39 declaring Weeds and Rubbish on Certain Lots and Parcels within the City of Winters to be a Public Nuisance and Ordering the Institution of Proceedings to Abate said Nuisances

PUBLIC COMMENT:

Kate Laddish requested that Consent Calendar item C be moved to Discussion Items to discuss E Baker section that is difficult to navigate via wheelchair.

City of Winters Public Works Manager Eric Lucero clarified that that section of E Baker was previously approved for road rehabilitation by City Council and is part of the project list.

Motion to approve Consent Calendar items A-F by Council Member Jesse Loren, seconded by Mayor Pro Tem Vallecillo.

Motion carried with the following roll call vote:

AYES: Council Members Richard Casavecchia, Carol Scianna, Jesse Loren, Mayor Pro Tem Albert Vallecillo, Mayor Bill Biasi

NOES: None

ABSTAIN: None

PRESENTATIONS:

A) Fiscal Year 2024-2025 Budget Presentations from City Manager and Departments

Council Member Loren directed staff to provide revenue item options on June 18 regular session. Council Member Scianna and Mayor Pro Tem Vallecillo supported this staff direction.

PUBLIC COMMENTS:

Jeff Tenpas inquired about building inspection fees and how it appears to be a revenue source rather than something offsetting costs. City Manager Craig clarified the building inspection fee structure.

DISCUSSION ITEMS:

A) Resolution 2024-38 Confirming an Assessment Diagram and Assessment and Providing for the FY 2024-25 City of Winters City-Wide Maintenance Assessment District Annual Levy of Assessments

Public Hearing opened by Mayor Biasi at 8:24 PM.

Public Hearing closed by Mayor Biasi at 8:24 PM.

Mayor Pro Tem motioned for Approval of Resolution 2024-38, seconded by Council Member Scianna.

Motion carried with the following roll call vote:

AYES: Council Members Richard Casavecchia, Carol Scianna, Jesse Loren, Mayor Pro Tem Albert Vallecillo, Mayor Bill Biasi

NOES: None

ABSTAIN: None

B) Resolution No. 2024-41 Approving a Professional Services Agreement with Kennedy Jenks in an amount not to exceed $100,000 to update the Chromium 6 implementation study originally performed in 2016 and authorizing a budget amendment in the Water Fund in the amount of $100,000

PUBLIC COMMENTS:

Jeff Tenpas recommended the City of Winters revisit the water rights agreement with County of Solano and use groundwater to offset Chromium-6 levels.

Motion by Council Member Loren to adopt Resolution No. 2024-41, seconded by Council Member Scianna.

Motion carried with the following roll call vote:

AYES: Council Members Richard Casavecchia, Carol Scianna, Jesse Loren, Mayor Pro Tem Albert Vallecillo

NOES: Mayor Bill Biasi

ABSTAIN: None

C) Resolution 2024-37 - City of Winters Fee Schedule Update

PUBLIC COMMENTS:

Kate Laddish commented about a Rec Swim irregularity in the fee schedule, in which the ten-day punch card goes up from $20.00 to $21.00 during the next fiscal year, costing more than 10 days of a day pass at $2.00 per day. Further recommended that more effort be undertaken to engage Winters public to generate more swimming pool usage.

Administrative Director Cathy acknowledged their concerns and that it will be corrected.

Motion by Council Member Loren to approve Resolution 2024-37 with amendment that Rec Fees be adjusted, seconded by Council Member Scianna.

Motion carried with the following roll call vote:

AYES: Council Members Richard Casavecchia, Carol Scianna, Jesse Loren, Mayor Pro Tem Albert Vallecillo, Mayor Bill Biasi

NOES: None

ABSTAIN: None

D) Public Hearing to consider Resolution No. 2024-42 to adjust Development Impact Fees for General Government, Fire, Parks and Recreation, Public Safety, Wastewater, Water, Drainage, and Transportation Improvements

Public Hearing opened by Mayor Biasi at 9:03 PM.

Public Hearing closed by Mayor Biasi at 9:03 PM.

Motion to approve Resolution 2024-42 by Council Member Scianna, seconded by Council Member Casavecchia.

Motion carried with the following roll call vote:

AYES: Council Members Richard Casavecchia, Carol Scianna, Jesse Loren, Mayor Pro Tem Albert Vallecillo, Mayor Bill Biasi

NOES: None

ABSTAIN: None

E) Second Reading and adoption of Ordinance No. 2024-05 Rezoning a 6.01 acre parcel (APN:038-190-035) located on the south side of East Grant Avenue between East Main Street and Morgan Street from Neighborhood Commercial (C-1) to Central Business Commercial (C-2) with a Planned Development Overlay (PD)

PUBLIC COMMENTS:

Kate Laddish commented in support of Ordinance No. 2024-05.

Motion to adopt Ordinance 2024-05 by Mayor Pro Tem Vallecillo, seconded by Council Member Casavecchia.

Motion carried with the following roll call vote:

AYES: Council Members Richard Casavecchia, Carol Scianna, Jesse Loren, Mayor Pro Tem Albert Vallecillo, Mayor Bill Biasi

NOES: None

ABSTAIN: None

CITY MANAGER REPORT:

City Manager Craig reported that the City of Winters received a grant to employ a summer intern for 8 weeks to update website, make fillable forms, and other contributions to overall staff work product.

ADJOURNMENT:
09:09 PM

Bill Biasi, MAYOR

ATTEST:

Sterling Thomas, Deputy City Clerk

CITY COUNCIL
STAFF REPORT

TO:	Honorable Mayor and Councilmembers
DATE:	June 18, 2024
THROUGH:	Jeremy Craig, City Manager
FROM:	Cathy Mathews, Director of Administrative Services
SUBJECT:	Appropriation Limit for Fiscal Year 2024-2025

RECOMMENDATION:

Approve Resolution No. 2024-44 Establishing an Appropriation Limit Pursuant to Article XIII B of the California Constitution for Fiscal Year 2024-2025.

BACKGROUND:

In 1978, Proposition 13 was enacted, and as a follow up to Proposition 13, the voters of California amended the California Constitution in 1979 to limit the growth of governmental spending by passing Proposition 4. Proposition 4 created Article XIII B of the California Constitution that provides a formula for calculating spending limits for governments. Proposition 4 is commonly referred to as the Appropriation or Gann Limit.

The Appropriation Limit restricts the amount of government revenue that may be appropriated in any fiscal year. The Appropriation Limit is based on actual appropriations during the base year and increases each year using specified growth factors. The Appropriation Limit applies to only those revenues defined as "proceeds of taxes". Proceeds of taxes generally refer to revenues in the General Fund, and some Special Revenue Funds.

Proceeds of taxes include, but are not limited to:

1. All taxes levied by or for a Public Agency:
    a. Any revenue from regulatory licenses, user charges and user fees or charges to the extent that the proceeds exceed the cost of providing the regulation, product, or service.
    b. The following are NOT considered regulatory licenses, user charges and

user fees or charges for the purposes of the Appropriation Limit.

- Rents, Concessions, entrance fees, franchise fees
- Fine, forfeitures and penalties
- Assessments on real property or person for special benefit conferred.

2. State Subventions for general purposes.
   a. State subventions include:
      - VLF in Lieu Fees that are not designated as per use; and
      - Homeowners Property Tax Relief
   b. State moneys provided to local governments with restricted uses are excluded from the local government's Appropriation Limit, such as:
      - Gas Tax (HUTA)
      - Any interest earned from the investment of the proceeds of taxes.

3. Certain items are excluded from the Appropriations Limit, such as;
   a. State Mandate Reimbursements
   b. Certain types of Debt Service Costs
   c. Qualified Capital Outlay
   d. Costs of complying with court orders and federal mandates.
   e. Appropriation required to refund taxes.
   f. Local agency loan funds or indebtedness funds, or investment funds in bank accounts; and
   g. Redevelopment agency or successor agency property tax increment funds (because such agencies do not have the power to levy a property tax)

DISCUSSION:

As part of the annual budget consideration process, the City Council adopts the Appropriation Limit prior to the beginning of the fiscal year for which it pertains. The City of Winters has historically been cautious in its spending, and its annual budget appropriation has not exceeded its maximum Gann limit.

The City's Gann limit calculation is attached as Attachment 2, and at $10,890,339 is well below the City's budget for those revenue sources included in the calculation.

FISCAL IMPACT:

None by this report.

ATTACHMENTS:

1. Resolution 2024-44
2. Appropriation Limit for Fiscal Year 2024-25
3. Department of Finance 2024-25 Price Factor and Population Information

RESOLUTION 2024-44

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WINTERS ESTABLISHING AN APPROPRIATION LIMIT PURSUANT TO ARTICLE XIII B OF THE CALIFORNIA CONSTITUTION FOR FISCAL YEAR 2024-2025

WHEREAS, Article XIII B of the Constitution of the State of California provides for the annual appropriations of governmental units to be subject to limitations; and

WHEREAS, the City of Winters has received and reviewed the April 2024 Price Factor and Population Information provided by the California Department of Finance; and

WHEREAS, the City of Winters has calculated the 2024-2025 Appropriation Limit as required by Article XIII B of the California Constitution.

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Winters that an appropriation limit for Fiscal 2024-2025 in the amount of $10,890,339 has been established pursuant to Article XIII B of the California Constitution and the same is hereby approved.

PASSED AND ADOPTED by the City Council, City of Winters, the 18th day of June 2024 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

_____
Bill Biasi, Mayor

ATTEST:

_____
Jeremy Craig, City Clerk

GANN LIMIT

GANN Limit

Article XIIIB of the California Constitution places a limit on the appropriations of all state and local agencies in California, and requires an annual review of the appropriation limit calculation. The limit applies to certain revenues and expenditures of the City.

GANN Appropriation Limitation Calculation

Appropriation limit:

2023-24 Appropriation Limit		$10,442,008
2024-25 Adjustment Factors		
Population Growth Percent	0.0065	
Inflation	0.0362	
Total	0.0429	
Annual Adjustment		$448,331
2024-25 Appropriation Limit		$10,890,339

DEPARTMENT OF FINANCE
OFFICE OF THE DIRECTOR

Gavin Newsom ▪ Governor
1021 O Street, Suite 3110 ▪ Sacramento CA 95814 ▪ www.dof.ca.gov

April 30, 2024

Dear Fiscal Officer:

Price Factor and Population Information

Appropriations Limit
California Revenue and Taxation Code section 2227 requires the Department of Finance to transmit an estimate of the percentage change in population to local governments. Each local jurisdiction must use their percentage change in population factor for January 1, 2024, in conjunction with a change in the cost of living, or price factor, to calculate their appropriations limit for fiscal year 2024-25. Attachment A provides the change in California's per capita personal income and an example for utilizing the factors to calculate the 2024-25 appropriations limit. Attachment B provides the city and unincorporated county population percentage change. Attachment C provides the population percentage change for counties and their summed incorporated areas. The population percentage change data excludes federal and state institutionalized populations and military populations.

Population Percent Change for Special Districts
Some special districts must establish an annual appropriations limit. California Revenue and Taxation Code section 2228 provides additional information regarding the appropriations limit. Article XIII B, section 9(C) of the California Constitution exempts certain special districts from the appropriations limit calculation mandate. Special districts required by law to calculate their appropriations limit must present the calculation as part of their annual audit. Any questions special districts have on this requirement should be directed to their county, district legal counsel, or the law itself. No state agency reviews the local appropriations limits.

Population Certification
The population certification program applies only to cities and counties. California Revenue and Taxation Code section 11005.6 mandates Finance to automatically certify any population estimate that exceeds the current certified population with the State Controller's Office. **Finance will certify the higher estimate to the State Controller by June 1, 2024**. Please note: The prior year's city population estimates may be revised. The per capita personal income change is based on historical data.

If you have any questions regarding this data, please contact the Demographic Research Unit at (916) 323-4086.

/s Richard Gillihan

RICHARD GILLIHAN
Chief Operating Officer

Attachment

A. **Price Factor**: Article XIII B specifies that local jurisdictions select their cost of living factor to compute their appropriation limit by a vote of their governing body. The cost of living factor provided here is per capita personal income. If the percentage change in per capita personal income is selected, the percentage change to be used in setting the fiscal year 2024-25 appropriation limit is:

Per Capita Personal Income

Fiscal Year (FY)	Percentage change over prior year
2024-25	3.62

B. Following is an example using sample population change and the change in California per capita personal income as growth factors in computing a 2024-25 appropriation limit.

2024-25:

Per Capita Cost of Living Change = 3.62 percent
Population Change = 0.17 percent

Per Capita Cost of Living converted to a ratio: $\frac{3.62 + 100}{100} = 1.0362$

Population converted to a ratio: $\frac{0.17 + 100}{100} = 1.0017$

Calculation of factor for FY 2024-25: $1.0362 \times 1.0017 = 1.0379$

Attachment B
Annual Percent Change in Population Minus Exclusions*
January 1, 2023 to January 1, 2024 and Total Population, January 1, 2024

County City	Percent Change 23-24	--- Population Minus Exclusions --- 1-1-23	 1-1-24	Total Population 1-1-24
Yolo				
Davis	0.20	64,922	65,054	65,054
West Sacramento	0.05	54,251	54,278	54,278
Winters	0.65	7,538	7,587	7,587
Woodland	1.03	60,052	60,672	60,672
Unincorporated	1.14	33,691	34,075	34,075
County Total	0.55	220,454	221,666	221,666

*Exclusions include residents on federal military installations and group quarters residents in state mental institutions, state and federal correctional institutions and veteran homes.

CITY COUNCIL
STAFF REPORT

TO: Honorable Mayor and Councilmembers

DATE: June 18, 2024

THROUGH: Jeremy Craig, City Manager

FROM: Jack Snyder, Fire Chief

SUBJECT: Public Hearing Regarding Abatement of Weeds and Rubbish for Specified Parcels for 2024

RECOMMENDATION:
Conduct public hearing regarding abatement of weeds and rubbish for specified lots and parcels for 2024 and upon its conclusion, direct and order staff to proceed with abatement.

BACKGROUND:
On June 6, 2024, the City sent letters to owners of parcels with overgrown weeds informing them that the weeds posed a fire hazard or were dangerous. The letter also informed property owners that the City Council would consider a resolution declaring the weeds on those properties to be a nuisance, unless the owner complied with weed abatement specifications (such as mowing the weeds to two inches or shorter) to minimize fire spread.

At the June 4, 2024 City Council meeting, the City Council approved Resolution No. 2024-39 declaring weeds and rubbish on certain lots and parcels (Exhibit A) within the City to be a public nuisance and ordering the institution of proceedings to abate the nuisances. The City then mailed property owners a letter to notify them of a public hearing scheduled for June 18, 2024 at 6:30 p.m., at which the owners could make objections to the proposed removal of the weeds and rubbish.

At the public hearing, the City Council shall hear and consider all objections to the proposed removal of weeds, rubbish, refuse, and dirt for the lots and parcels specified in Exhibit A. At the conclusion of the public hearing, the City Council must allow or overrule any objections by motion or resolution. If objections have not been made or after the City Council has disposed of objections made, the City Council may order, by motion or resolution, the Fire Chief to abate the nuisance by having the weeds and rubbish removed. Property owners would have until June 19, 2024 to abate the nuisance on their properties before the City abates at the owner's expense. Such costs of removal would

constitute a lien upon the land until paid.

FISCAL IMPACT:
None, other than staff time to inspect and manage the program. The cost of abatement work will be recovered from the property owners in accordance with procedures under state law.

ATTACHMENTS:
Resolution 2024-39
Exhibit A

Resolution No. 2024-39

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WINTERS DECLARING WEEDS AND RUBBISH ON CERTAIN LOTS AND PARCELS WITHIN THE CITY OF WINTERS TO BE A PUBLIC NUISANCE AND ORDERING THE INSTITUTION OF PROCEEDINGS TO ABATE SAID PUBLIC NUISANCES

WHEREAS, the City of Winters ("City") adopted by reference Government Code sections 39501 et seq. and 39560 et seq. (the "Weed and Rubbish Abatement Law"); and

WHEREAS, Government Code section 39560 et seq. authorizes the City Council to declare by resolution that weeds growing upon the streets, sidewalks, or private property in the City and all rubbish, refuse, and dirt upon parkways, sidewalks, or private property within the City constitute a public nuisance; and

WHEREAS, the City Council is further authorized to declare these offending parcels of real property to constitute seasonal and recurrent nuisances and to order the abatement of all such nuisances; and

WHEREAS, the Winters Fire Department has identified by street name and assessor's parcel number the lots and parcels within the City upon which weeds or rubbish, or both have been observed, and which constitute public nuisances under these provisions.

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF WINTERS AS FOLLOWS:

1. **Incorporation of Recitals.** The City Council hereby finds and determines that the Recitals of this Resolution are true and correct and are hereby incorporated into this Resolution as though fully set forth herein.
2. **Public Nuisance.** That all weeds growing upon the streets, sidewalks and private property and all rubbish and refuse upon parkways, sidewalks and private property within the City are hereby declared public nuisances subject to abatement as provided in the Weed and Rubbish Abatement Law and this Resolution pursuant to Government Code Section 39561 and Chapter 8.12 of the Winters Municipal Code..
3. **Affected Parcels.** That the location of each such lot and parcel upon which a public nuisance has been observed to presently exist, listed by street upon which it fronts and Yolo County Assessor's parcel number, is set forth in **Exhibit "A"** attached hereto and incorporated herein by reference. The weeds upon the parcels of real property in the City of Winters more particularly described in **Exhibit "A"** are declared to be a seasonal and recurrent public nuisance to be abated pursuant to Government Code Section 39562.1 and Chapter 8.12 of the Winters Municipal Code.
4. **Authority.** The Winters Fire Department Official or their representative(s) is hereby designated to be the "superintendent" as defined in Section 39560 of the Weed and Rubbish Abatement Law for purposes of performing the duties imposed by said law within the City.
5. **Notice.** Notices of the public hearing identified in Section 6 below shall be

mailed to all persons owning property described in this Resolution in the manner provided by Section 39567.1 of the Government Code, or the property shall be posted as provided by Sections 39564-39567 of the Government Code.

6. **Hearing.** The owners of real property identified in **Exhibit "A"** who have any objections to the proposed abatement of nuisances by the City in the manner permitted by law are hereby notified to attend the hearing of the City Council to be held at 6:30 p.m. on June 18, 2024 at the City Council Chambers located at 318 First Street, Winters, California, when their objections will be heard and given due consideration.
7. **Cost Recovery.** At the conclusion of any proceedings instituted by this Resolution, the City shall recover all abatement and administrative costs and attorneys' fees to the extent permitted by law. Such costs may be recovered through a special assessment against offending properties.
8. **Effective Date.** This Resolution shall be effective as of the date of its adoption.
9. **Mailed Notice.** The Winters Fire Department Official or their representative(s) is hereby directed to give mailed notice of said hearing to all persons owning property described in **Exhibit "A"** as provided in Section 39567.1 of the Weed and Rubbish Abatement Law. Said mailed notice shall be in the form provided for in the Weed and Rubbish Abatement Law for such notice. Said notice shall state that weeds are seasonal and recurrent nuisances as provided in Section 39562.1 of the Weed and Rubbish Abatement Law.

PASSED AND ADOPTED THIS 4th DAY OF June 2024, BY THE FOLLOWING VOTE:

AYES:
NOES:
ABSTAIN:
ABSENT:

_____
Bill Biasi, MAYOR

ATTEST:

_____
Jeremy Craig, CITY CLERK

Exhibit "A"

To be determined upon further inspection by the Fire Department

APN	Winters Property Address	Mailing Address (if different)

Exhibit A

To be determined upon further inspection by the Fire Department

APN	Address/Location	Mailing Address	City	State	Zip Code	Mailed 1st letter
030 361 027	North side of Suffolk Ct					
030 220 063	Nieman St JEO W Main					
030 220 064	Nieman St JEO W Main					
003 392 022	Address: 720 Hemenway	417 MACE BLVD STE J115	DAVIS	CA	95618-6053	20-Apr
003 391 006	Apricot Ave (S OF DEAD END)	417 MACE BLVD STE J115	DAVIS	CA	95618-6053	20-Apr
003 392 023	JWO 720 Hemenway (Apricot Ave S of dead	417 MACE BLVD STE J115	DAVIS	CA	95618-6053	20-Apr
003 350 007	121 E Grant Ave (field east of Lorenzos to M	27530 HWY 128	WINTERS	CA	95694-1690	20-Apr
038 190 035	E Grant/ between Morgan and E Main south	837 JEFFERSON BLVD	WEST SACRAMENTO	CA	95691	20-Apr
038 210 001	E Baker/ E Main	2066 PINECREST CT	VACAVILLE	CA	95688	20-Apr
038 210 002	E Baker/ E Main	2066 PINECREST CT	VACAVILLE	CA	95688	20-Apr
038 210 003	E Baker/ E Main	2066 PINECREST CT	VACAVILLE	CA	95688	20-Apr
038 210 004	E Baker/ E Main	2066 PINECREST CT	VACAVILLE	CA	95688	20-Apr
038 210 005	E Baker/ E Main	2066 PINECREST CT	VACAVILLE	CA	95688	20-Apr
038 210 006	E Baker/ E Main	2066 PINECREST CT	VACAVILLE	CA	95688	20-Apr
038 210 007	E Baker/ E Main	2066 PINECREST CT	VACAVILLE	CA	95688	20-Apr
038 210 008	E Baker/ E Main	2066 PINECREST CT	VACAVILLE	CA	95688	20-Apr
038 210 009	E Baker/ E Main	2066 PINECREST CT	VACAVILLE	CA	95688	20-Apr
038 210 010	E Baker/ E Main	2066 PINECREST CT	VACAVILLE	CA	95688	20-Apr
038 210 012	E Baker/ E Main	2066 PINECREST CT	VACAVILLE	CA	95688	20-Apr
038 180 046	Toyon/ Creekside Creek Entrance (possible city responsibility)					
003 241 028	Railroad/ Wolfskill					
038 050 073	704 Matsumoto Ln	PO BOX 663	WINTERS	CA	95694	20-Apr
030 453 013	1410 VALLEY OAK DR	8800 E RAINTREE DR STE 3	SCOTTSDALE	AZ	85260-3966	20-Apr
030 453 014	1408 VALLEY OAK DR	8800 E RAINTREE DR STE 3	SCOTTSDALE	AZ	85260-3966	20-Apr
030 403 013	758 W MAIN ST	319 TEEGARDEN AVE	YUBA CITY	CA	95991	20-Apr
030 403 014	754 W MAIN ST	319 TEEGARDEN AVE	YUBA CITY	CA	95991	20-Apr
030 403 015	750 W MAIN ST	319 TEEGARDEN AVE	YUBA CITY	CA	95991	20-Apr
030 361 038	N of 1206 Valley Oak Dr	776 West Meadow PKWY	Moravian	NC	28654	20-Apr
030-412-003	834 W Main St	Po Box 84	Brooks	CA	95606	22-May

CITY COUNCIL
STAFF REPORT

TO: Honorable Mayor and Council Members

DATE: June 18th, 2024

FROM: Jeremy Craig, City Manager

SUBJECT: Discussion of Revenue Options for Long-Term Budget Sustainability and Possible Adoption of Three Resolutions to Place an Additional One-Percent General Sales Tax Measure on the November 5, 2024 Ballot

RECOMMENDATION:
1. Receive staff presentation on revenue options for long-term budget sustainability and provide direction on the Council's desired next steps.
2. If a sales tax measure is the desired pathway and the Council desires to achieve in the November 2024 elections, adopt the following three resolutions attached:

- A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WINTERS, CALIFORNIA CALLING FOR THE PLACEMENT OF A GENERAL TAX MEASURE ON THE BALLOT FOR THE NOVEMBER 5, 2024 GENERAL MUNICIPAL ELECTION FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF AN ORDINANCE TO ENACT A GENERAL TRANSACTIONS AND USE TAX (SALES TAX) AT THE RATE OF ONE CENT (1¢)

- A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WINTERS, CALIFORNIA, REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF YOLO TO CONSOLIDATE A GENERAL MUNICIPAL ELECTION TO BE HELD ON NOVEMBER 5, 2024 WITH THE STATEWIDE GENERAL ELECTION TO BE HELD ON THAT DATE PURSUANT TO § 10403 OF THE ELECTIONS CODE

- A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WINTERS, CALIFORNIA, PROVIDING FOR THE FILING OF PRIMARY AND REBUTTAL ARGUMENTS AND SETTING RULES FOR THE FILING OF WRITTEN

ARGUMENTS REGARDING A CITY MEASURE TO BE SUBMITTED AT THE NOVEMBER 5, 2024 GENERAL MUNICIPAL ELECTION

BACKGROUND:

At its June 4th City Council meeting, the Council received a presentation for the draft fiscal 2024-25 operating budget of the City. In the presentation, the impacts of rapid inflation and the inability of the City's current revenue streams to keep up with those cost increases require over $300,000 to be cut from the budget to reach a balanced budget. The budget also did not allow capacity for equipment replacement funding, which will deferred again as it has been for several years. After the presentation, the City Council requested staff bring back a presentation of revenue options that would place the operating budget on a sustainable path moving forward.

DISCUSSION:

While there are several fees and charges the City Council has purview on adjusting, two items stood out as issues that could be impactful in closing deficits and could be implemented over a reasonable time; sales tax and the citywide assessment district. Each is discussed in more detail below.

Citywide Assessment District

The assessments from the City's landscape maintenance district are used to maintain the City's parks, landscape areas, and electricity for street lighting. The City Council must comply with provisions of the Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the Streets and Highways Code of California, beginning with Section 22500 (hereinafter referred to as the "Act") for each fiscal year that an assessment is levied and collected within the District. The District's boundaries are co-terminus with the City's boundaries.

The City anticipates receiving approximately $251,770 in revenues from the City-Wide Maintenance Assessment District in the fiscal 2024-25 budget; however, the total cost of maintenance in the District is estimated at $643,442. The balance will be covered by any available fund balance in this fund and a transfer from the General Fund to subsidize the District. In this year's budget, that transfer is estimated at $391,000 from the General Fund. The assessment was established in 1997 by voter approval, and the amount is $82.50 per residential unit and $26.24 per non-residential unit. The assessment was adopted as a fixed amount, with no escalation factor for inflation, and has not changed since it was approved.

If the City took the $82.50 passed in 1997 and adjusted it for inflation between 1997 and 2024, the amount would be approximately $147. That updated amount would raise an additional $194,274 towards the district expenses. However, the General Fund would still need to subsidize the district by approximately $197,000, even if the additional revenue was raised. While helpful, it would not resolve the current drain the District is imposing on the General Fund.

To change the assessment district rate to any amount, the City must conduct an engineer's report to determine the district's costs and the allocation method to comply with state law.

This was recently completed as part of the annual assessment process. Next, the City would have to hold a Proposition 218 hearing and conduct a mail-in ballot election of property owners to increase the assessment rate. This process is identical to the effort currently underway for property assessments for fire protection. If successful, the new rate would be applied in the following property tax cycle, and the City would see revenue for the following budget year. The rate would then be assessed each year subject to the current guidelines of an annual engineering report and Council assessment.

Sales Tax

The City currently only assesses the Bradley-Burns 1% sales tax allowed under state law, one of the region's lowest rates. Rates from surrounding communities are below. It should be noted that Davis, West Sacramento, and Woodland have all had discussions on their council agendas to add a sales tax proposal to the ballot this November, so these rates could be subject to change.

CITY	Sales Tax Rate
West Sacramento	8.25%
Davis	8.25%
Woodland	8.0%
Vacaville	8.125%
Winters	7.25%

Under state law, the City can assess an additional transactions and use tax of up to 2% via voter approval. The proposition must be put to the voters, and if the tax is not dedicated to a specific purpose, it requires a simple majority to pass. It should be noted if it is committed to a specific purpose, it becomes a special tax and requires a 2/3 voter approval for passage, which it a higher threshold to meet.

Staff consulted with HDL, the company that tracks our sales tax, and asked what a 1% transactions and use tax would raise for the City. Their rough estimate was approximately $1,200,000 annually. It should be noted that transactions and use tax acts differently than Bradley Burns, so the two would yield different revenues due to the different assessment methods each has under the law that established them. Sales tax begins to be collected in the first full quarter 110 days after its passage. For example, if a sales tax were approved by voters in November 2024, the assessment would begin April 1st, 2025, and the City would start receiving revenues in June of 2025. The proposed sales tax would continue unless repealed by initiative.

It is prudent to time a sales tax measure with an existing standing election cycle to reduce the cost to the City for holding the election significantly. It is much cheaper to be one more item on a ballot already being printed than to be a stand-alone election. Keeping this in mind, staff consulted with the Yolo County Election Office to determine when a measure would need to be approved for addition in the next regular election, November 2024. To be

placed on that ballot, the Yolo County Election Office needs to receive the Council-approved documents by June 18th but will accept them the morning of the 19th since many cities have council meetings on the 18th. If the City Council would like to propose such a measure, the action would have to be taken this evening, or the next statewide ballot opportunity would be in 2026. The City Attorney's Office has prepared the example resolutions for a one percent (1%) general transaction and use tax measure that can be placed on the ballot for the November 5, 2024, election, which are Attachment A to this staff report.

FISCAL IMPACT:

The two revenue options listed would both require voter approval. Assuming that approval, the assessment district adjustment to catch up to inflation would net approximately $194,274 to the assessment district, lowering the general fund's need to subsidize the district by that same amount but not fully fund the District's operations. A 1% sales tax measure would generate approximately $1,200,000, as estimated by our consultants at HDL. Placing the tax measure on the November 5, 2024, ballot will cost the City approximately $20,000 in fees.

ATTACHMENT(S):

Attachment A – Draft Resolutions for a Sales Tax Measure on the November 2024 ballot

RESOLUTION NO. 2024-46

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WINTERS, CALIFORNIA CALLING FOR THE PLACEMENT OF A GENERAL TAX MEASURE ON THE BALLOT FOR THE NOVEMBER 5, 2024 GENERAL MUNICIPAL ELECTION FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF AN ORDINANCE TO ENACT A GENERAL TRANSACTIONS AND USE TAX (SALES TAX) AT THE RATE OF ONE CENT (1¢)

WHEREAS, the City of Winters ("City") is authorized to levy a Transactions and Use Tax ("TUT") for general purposes pursuant to California Revenue and Taxation Code section 7285.9, subject to approval by a majority vote of the electorate pursuant to Article XIIIC, section 2 of the California Constitution ("Proposition 218"); and

WHEREAS, pursuant to California Elections Code section 9222, the City Council has authority to place local measures on the ballot to be considered at a Municipal Election; and

WHEREAS, the City Council would like to submit to the voters at the November 5, 2024 General Municipal Election a measure established the rate of the TUT of one cent (1¢) on the sale and/or use of all tangible personal property sold at retail in the City until it is repealed by voters, as more specifically set forth in the attached proposed ordinance adding Chapter 3.14 to the City's Municipal Code; and

WHEREAS, the one cent (1¢) TUT is a general tax, the revenue of which will be placed in the City's general fund and will be used to pay for general City services; and

WHEREAS, on November 6, 1996, the voters of the State of California approved Proposition 218, an amendment to the State Constitution which requires that all general taxes which are imposed, extended or increased must be submitted to the electorate and approved by a majority vote of the qualified electors voting in the election; and

WHEREAS, pursuant to Proposition 218 (California Constitution, Article XIIIC, section 2(b)), the general rule is that any local election for the approval of an increase to a general tax must be consolidated with a regularly scheduled general election for members of the governing body of the local government; and

WHEREAS, the next regularly scheduled general election at which City Council members will be elected is November 5, 2024; and

WHEREAS, pursuant to Government Code section 53724 and Revenue and Taxation Code section 7285.9, a two-thirds (2/3) vote of all members of the City Council is required to place the Measure on the November 5, 2024 ballot; and

WHEREAS, the ordinance to be considered by the qualified voters and the terms of approval, collection and use of the general TUT are described and provided for in the ordinance/measure attached hereto as Exhibit "A" (the "Measure") and by this reference made an operative part hereof, in accordance with all applicable laws.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WINTERS:

SECTION 1. Incorporation of Recitals**.** The foregoing recitals are true and correct and are hereby incorporated and made an operative part of this Resolution.

SECTION 2. Submission of Ballot Measure. Pursuant to California Elections Code section 9222, Government Code section 53724, Revenue and Taxation Code section 7285.9 and any other applicable requirements of the laws of the State of California relating to the City, the City Council, **by a two-thirds (2/3) vote of all members**, hereby orders the Measure to be submitted to the voters of the City at the General Municipal Election to be held on **Tuesday, November 5, 2024.**

SECTION 3. The City Council, pursuant to California Elections Code section 9222, hereby orders that the ballot question for the Measure shall be presented and printed upon the ballot submitted to the qualified voters in the manner and form set forth in this Section 3. On the ballot to be submitted to the qualified voters at the General Municipal Election to be held on Tuesday, November 5, 2024, in addition to any other matters required by law, there shall be printed substantially the following ballot question:

"CITY OF WINTERS SALES TAX MEASURE. To maintain and improve City services such as 911 emergency response, parks, trails, youth programs; respond to property crimes/thefts/burglaries; retain/attract local businesses; and for general government use; shall the measure establishing a 1¢ sales tax providing approximately $1,200,000 annually until ended by voters; requiring audits, public spending disclosures, funds locally controlled, be adopted?"	**YES** **NO**

SECTION 4. Conduct of Election. The City Clerk is authorized, instructed, and directed to procure and furnish any and all official ballots, printed matter and all supplies, equipment and paraphernalia that may be necessary in

order to properly and lawfully conduct the election. In all particulars not recited in this Resolution, the election shall be held and conducted as provided by law for holding municipal elections.

SECTION 5. Pursuant to Elections Code section 9280, the City Council hereby directs the City Clerk to transmit a copy of the Measure to the City Attorney. The City Attorney shall prepare an impartial analysis of the Measure, not to exceed 500 words in length, showing the effect of the Measure on the existing law and the operation of the Measure, and transmit such impartial analysis to the City Clerk not later than **July 8, 2024, at 5:00 p.m**.

The impartial analysis shall include a statement indicating whether the Measure was placed on the ballot by a petition signed by the requisite number of voters or by the City Council. In the event the entire text of the Measure is not printed on the ballot, nor in the voter information guide, there shall be printed immediately below the impartial analysis, in no less than 10-font bold type, the following: **"The above statement is an impartial analysis of Ordinance or Measure _____. If you desire a copy of the ordinance or measure, please call the Office of the City Clerk at (530) 794-6702 and a copy will be mailed at no cost to you."**

SECTION 6. Notice of the election is hereby given and the City Clerk is authorized, instructed and directed to give further or additional notice of the election, in time, form and manner as required by law.

SECTION 7. Placement on the Ballot. The full text of the Measure shall not be printed in the voter information guide, and a statement shall be printed on the ballot pursuant to Elections Code section 9223 advising voters that they may obtain a copy of this Resolution and the Measure, at no cost, upon request made to the City Clerk.

SECTION 8. Filing with County. The City Clerk shall, not later than the 88th day prior to the General Municipal Election to be held on Tuesday, November 5, 2024, file with the Board of Supervisors and the Registrar of Voters of the County of Yolo, State of California, a certified copy of this Resolution.

SECTION 9. Public Examination. Pursuant to Elections Code section 9295, this Measure will be available for public examination for no fewer than ten (10) calendar days prior to being submitted for printing in the voter information guide. The City Clerk shall post notice in the Clerk's office of the specific dates that the examination period will run.

SECTION 10. The City Council hereby finds and determines that the Measure relates to organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment, and

therefore is not a project within the meaning of the California Environmental Quality Act ("CEQA") and the State CEQA Guidelines, section 15378(b)(5).

SECTION 11. Severability. The provisions of this Resolution are severable and if any provision of this Resolution is held invalid, that provision shall be severed from the Resolution and the remainder of this Resolution shall continue in full force and effect, and not be affected by such invalidity.

SECTION 12. This Resolution shall become effective upon its adoption.

SECTION 13. The City Clerk shall certify to the adoption of this Resolution.

PASSED AND ADOPTED by the City Council of the City of Winters this 18th day of June, 2024, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

_____
BILL BIASI,
MAYOR

ATTEST:

_____
JEREMY CRAIG, CITY CLERK

APPROVED AS TO FORM:

_____
ETHAN WALSH, CITY ATTORNEY

I, _____, City Clerk of the City of Winters, do hereby certify that the foregoing resolution is the actual resolution duly and regularly adopted by the City Council at a regular meeting on the ____ day of _____, 2024, by the following vote to wit:

AYES:
NOES:
ABSTAIN:
ABSENT:

_____
City Clerk

Exhibit “A”
Transactions and Use Tax Ordinance

[attached behind this page]

ORDINANCE NO. ____

AN ORDINANCE OF THE PEOPLE OF THE CITY OF WINTERS, CALIFORNIA, ADDING CHAPTER 3.14 TO TITLE 3 OF THE WINTERS MUNICIPAL CODE TO ENACT A ____ PERCENT (____%) GENERAL TRANSACTIONS AND USE TAX (SALES TAX) TO BE ADMINISTERED BY THE CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION

WHEREAS, pursuant to California Revenue and Taxation Code section 7285.9 the City of Winters ("City") is authorized to levy a Transactions and Use Tax for general purposes, subject to majority voter approval; and

WHEREAS, the People of the City desire add Chapter 3.14 to Title 3 of the Winters Municipal Code establishing a general Transactions and Use Tax ("TUT") until ended by voters, on the sale and/or use of all tangible personal property sold at retail in the City, at a rate of _____ percent (___%).

NOW, THEREFORE, THE PEOPLE OF THE CITY OF WINTERS DO HEREBY ORDAIN AS FOLLOWS:

Section 1. Title and Text. This Ordinance shall be known as the "Winters General Transactions and Use Tax", the full text of which is set forth in Attachment "1", attached hereto and incorporated herein by reference.

Section 2. Approval by the City Council. Pursuant to California Government Code section 53724 and Revenue and Taxation Code section 7285.9, this Ordinance was duly approved for placement on the ballot by a minimum two-thirds (2/3) supermajority of all members of the City Council on _____, 2024.

Section 3. Approval by the Voters. Pursuant to California Elections Code section 9217, this Ordinance shall be deemed adopted and take effect only if approved by a majority of the eligible voters of the City of Winters voting at the General Municipal Election of November 5, 2024. It shall be deemed adopted when the City Council has certified the results of that election by resolution and shall take effect ten (10) days thereafter.

Section 4. Operative Date. "Operative Date" for the Transactions and Use Tax means the first day of the first calendar quarter commencing more than 110 days after the date this Ordinance is adopted, as set forth in Section 3 above.

Section 5. Severability. If any provision of this Ordinance or the application thereof to any person or circumstance is held invalid, the remainder of the Ordinance and the application of such provision to other persons or circumstances shall not be affected thereby.

I hereby certify that the Winters General Transactions and Use Tax Ordinance was **PASSED, APPROVED, AND ADOPTED** by the People of the City of Winters on the 5th day of November, 2024.

CITY OF WINTERS

_____
BILL BIASI, MAYOR

ATTEST:

_____
CITY CLERK

APPROVED AS TO FORM:

_____
ETHAN WALSH

Chapter 3.14 – GENERAL TRANSACTIONS AND USE TAX

Sections:

3.14.010 - Title.
3.14.020 - Purpose.
3.14.030 - Contract With State.
3.14.040 - Transactions Tax Rate.
3.14.050 - Place of Sale.
3.14.060 - Use Tax Rate.
3.14.070 - Adoption of Provisions of State Law.
3.14.080 - Limitations on Adoption of State Law and Collection of Use Taxes.
3.14.090 - Permit Not Required.
3.14.100 - Exemptions and Exclusions.
3.14.110 - Amendments.
3.14.120 - Enjoining Collection Forbidden.
3.14.130 - Duration of Tax

Sections:

3.14.010 – Title.

This ordinance shall be known as the “City of Winters General Transactions and Use Tax Ordinance”. The City of Winters hereinafter shall be called “City.” This ordinance shall be applicable in the incorporated territory of the City.

3.14.020 – Purpose.

This ordinance is adopted to achieve the following, among other purposes, and directs that the provisions hereof be interpreted in order to accomplish those purposes:

A. To impose a retail transactions and use tax in accordance with the provisions of Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code and Section 7285.9 of Part 1.7 of Division 2 which authorizes the City to adopt this tax ordinance which shall be operative if a majority of the electors voting on the measure vote to approve the imposition of the tax at an election called for that purpose.

B. To adopt a retail transactions and use tax ordinance that incorporates provisions identical to those of the Sales and Use Tax Law of the State of California insofar as those provisions are not inconsistent with the requirements and limitations contained in Part 1.6 of Division 2 of the Revenue and Taxation Code.

C. To adopt a retail transactions and use tax ordinance that imposes a tax and provides a measure therefore that can be administered and collected by the California Department of Tax and Fee Administration in a manner that adapts itself as fully as practicable to, and requires the least possible deviation from, the existing statutory and administrative procedures followed by the California Department of Tax and Fee Administration in administering and collecting the California State Sales and Use Taxes.

D. To adopt a retail transactions and use tax ordinance that can be administered in a manner that will be, to the greatest degree possible, consistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, minimize the cost of collecting the transactions and use taxes, and at the same time, minimize the burden of record-keeping upon persons subject to taxation under the provisions of this ordinance.

3.14.030 - Contract With State.

Prior to the operative date, the City shall contract with the California Department of Tax and Fee Administration to perform all functions incident to the administration and operation of this transactions and use tax ordinance; provided, that if the City shall not have contracted with the California Department of Tax and Fee Administration prior to the operative date, it shall nevertheless so contract and in such a case the operative date shall be the first day of the first calendar quarter following the execution of such a contract.

3.14.040 - Transactions Tax Rate.

For the privilege of selling tangible personal property at retail, a tax is hereby imposed upon all retailers in the incorporated territory of the City at the rate of _____ percent (___%) of the gross receipts of any retailer from the sale of all tangible personal property sold at retail in said territory on and after the operative date of this ordinance.

3.14.050 - Place of Sale.

For the purposes of this ordinance, all retail sales are consummated at the place of business of the retailer unless the tangible personal property sold is delivered by the retailer or his agent to an out-of-state destination or to a common carrier for delivery to an out-of-state destination. The gross receipts from such sales shall include delivery charges, when such charges are subject to the state sales and use tax, regardless of the place to which delivery is made. In the event a retailer has no permanent place of business in the State or has more than one place of business, the place or places at which the retail sales are consummated shall be determined under rules and regulations to be prescribed and adopted by the California Department of Tax and Fee Administration.

3.14.060 - Use Tax Rate.

An excise tax is hereby imposed on the storage, use or other consumption in the City of tangible personal property purchased from any retailer on and after the operative date of this ordinance for storage, use or other consumption in said territory at the rate of ____ percent (___%) of the sales price of the property. The sales price shall include delivery charges when such charges are subject to state sales or use tax regardless of the place to which delivery is made.

3.14.070 - Adoption of Provisions of State Law.

Except as otherwise provided in this ordinance and except insofar as they are inconsistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, all of the provisions of Part 1 (commencing with Section 6001) of Division 2 of the Revenue and Taxation Code are hereby adopted and made a part of this ordinance as though fully set forth herein.

3.14.080 - Limitations on Adoption of State Law and Collection of Use Taxes.

In adopting the provisions of Part 1 of Division 2 of the Revenue and Taxation Code:

A. Wherever the State of California is named or referred to as the taxing agency, the name of this City shall be substituted therefor. However, the substitution shall not be made when:

1. The word “State” is used as a part of the title of the State Controller, State Treasurer, California Victim Compensation Board, California Department of Tax and Fee Administration, State Treasury, or the Constitution of the State of California;

2. The result of that substitution would require action to be taken by or against this City or any agency, officer, or employee thereof rather than by or against the California Department of Tax and Fee Administration, in performing the functions incident to the administration or operation of this Ordinance.

3. In those sections, including, but not necessarily limited to sections referring to the exterior boundaries of the State of California, where the result of the substitution would be to:

    a. Provide an exemption from this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not otherwise be exempt from this tax while such sales, storage, use or other consumption remain subject to tax by

the State under the provisions of Part 1 of Division 2 of the Revenue and Taxation Code, or;

b. Impose this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not be subject to tax by the state under the said provision of that code.

4. In reference to Sections 6701, 6702 (except in the last sentence thereof), 6711, 6715, 6737, 6797 or 6828 of the Revenue and Taxation Code.

B. The word "city" shall be substituted for the word "state" in the phrase "retailer engaged in business in this state" in Section 6203 of the Revenue and Taxation Code and in the definition of that phrase in Section 6203.

1. "A retailer engaged in business in the District" shall also include any retailer that, in the preceding calendar year or the current calendar year, has total combined sales of tangible personal property in this state or for delivery in the State by the retailer and all persons related to the retailer that exceeds five hundred thousand dollars ($500,000). For purposes of this section, a person is related to another person if both persons are related to each other pursuant to Section 267(b) of Title 26 of the United States Code and the regulations thereunder.

3.14.090 - Permit not Required.

If a seller's permit has been issued to a retailer under Section 6067 of the Revenue and Taxation Code, an additional transactor's permit shall not be required by this Ordinance.

3.14.100 - Exemptions and Exclusions.

A. There shall be excluded from the measure of the transactions tax and the use tax the amount of any sales tax or use tax imposed by the State of California or by any city, city and county, or county pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law or the amount of any state-administered transactions or use tax.

B. There are exempted from the computation of the amount of transactions tax the gross receipts from:

1. Sales of tangible personal property, other than fuel or petroleum products, to operators of aircraft to be used or consumed principally outside the county in which the sale is made and directly and exclusively in the use of such aircraft as common carriers of persons or property under the authority of the laws of this State, the United States, or any foreign government.

2. Sales of property to be used outside the City which is shipped to a point outside the City, pursuant to the contract of sale, by delivery to such point by the retailer or his agent, or by delivery by the retailer to a carrier for shipment to a consignee at such point. For the purposes of this paragraph, delivery to a point outside the City shall be satisfied:

    a. With respect to vehicles (other than commercial vehicles) subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, and undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code by registration to an out-of-City address and by a declaration under penalty of perjury, signed by the buyer, stating that such address is, in fact, his or her principal place of residence; and

    b. With respect to commercial vehicles, by registration to a place of business out-of-City and declaration under penalty of perjury, signed by the buyer, that the vehicle will be operated from that address.

3. The sale of tangible personal property if the seller is obligated to furnish the property for a fixed price pursuant to a contract entered into prior to the operative date of this ordinance.

4. A lease of tangible personal property which is a continuing sale of such property, for any period of time for which the lessor is obligated to lease the property for an amount fixed by the lease prior to the operative date of this ordinance.

5. For the purposes of subparagraphs (3) and (4) of this subsection, the sale or lease of tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

C. There are exempted from the use tax imposed by this ordinance, the storage, use or other consumption in this City of tangible personal property:

1. The gross receipts from the sale of which have been subject to a transactions tax under any state-administered transactions and use tax ordinance.

2. Other than fuel or petroleum products purchased by operators of aircraft and used or consumed by such operators directly and exclusively in the

use of such aircraft as common carriers of persons or property for hire or compensation under a certificate of public convenience and necessity issued pursuant to the laws of this State, the United States, or any foreign government. This exemption is in addition to the exemptions provided in Sections 6366 and 6366.1 of the Revenue and Taxation Code of the State of California.

3. If the purchaser is obligated to purchase the property for a fixed price pursuant to a contract entered into prior to the operative date of this Ordinance.

4. If the possession of, or the exercise of any right or power over, the tangible personal property arises under a lease which is a continuing purchase of such property for any period of time for which the lessee is obligated to lease the property for an amount fixed by a lease prior to the operative date of this Ordinance.

5. For the purposes of subparagraphs (3) and (4) of this subsection, storage, use, or other consumption, or possession of, or exercise of any right or power over, tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

6. Except as provided in subparagraph (7), a retailer engaged in business in the City shall not be required to collect use tax from the purchaser of tangible personal property, unless the retailer ships or delivers the property into the City or participates within the City in making the sale of the property, including, but not limited to, soliciting or receiving the order, either directly or indirectly, at a place of business of the retailer in the City or through any representative, agent, canvasser, solicitor, subsidiary, or person in the City under the authority of the retailer.

7. "A retailer engaged in business in the City" shall also include any retailer of any of the following: vehicles subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, or undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code. That retailer shall be required to collect use tax from any purchaser who registers or licenses the vehicle, vessel, or aircraft at an address in the City.

D. Any person subject to use tax under this ordinance may credit against that tax any transactions tax or reimbursement for transactions tax paid to a district imposing, or retailer liable for, a transactions tax pursuant to Part 1.6 of Division 2 of the Revenue and Taxation Code with respect to the sale to

the person of the property the storage, use or other consumption of which is subject to the use tax.

3.14.110 - Amendments.

All amendments subsequent to the effective date of this ordinance to Part 1 of Division 2 of the Revenue and Taxation Code relating to sales and use taxes and which are not inconsistent with Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, and all amendments to Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, shall automatically become a part of this Ordinance, provided however, that no such amendment shall operate so as to affect the rate of tax imposed by this Ordinance.

3.14.120 - Enjoining Collection Forbidden.

No injunction or writ of mandate or other legal or equitable process shall issue in any suit, action or proceeding in any court against the State or the City, or against any officer of the State or the City, to prevent or enjoin the collection under this ordinance, or Part 1.6 of Division 2 of the Revenue and Taxation Code, of any tax or any amount of tax required to be collected.

3.14.130 – Duration of Tax.

The tax imposed by this chapter shall continue until this ordinance is repealed.

RESOLUTION 2024-47

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WINTERS, CALIFORNIA, REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF YOLO TO CONSOLIDATE A GENERAL MUNICIPAL ELECTION TO BE HELD ON NOVEMBER 5, 2024 WITH THE STATEWIDE GENERAL ELECTION TO BE HELD ON THAT DATE PURSUANT TO §10403 OF THE ELECTIONS CODE

WHEREAS, on June 18th, 2024, the City Council of the City of Winters adopted Resolution No. 2024-46, calling a General Municipal Election to be held on November 5, 2024; for the purpose of submitting to the voters the question relating to the General Transactions and Use Tax; and

WHEREAS, it is therefore desirable that the General Municipal Election be consolidated with the Statewide General Election to be held on the same date and that within the City the precincts, polling places and election officers of the two elections be the same, and that the election department of the County of Yolo canvass the returns of the General Municipal Election and that the election be held in all respects as if there were only one election.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF WINTERS DOES RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. Request for Consolidation. Pursuant to the requirements of §10403 of the Elections Code, the Board of Supervisors of the County of Yolo is hereby requested to consent and agree to the consolidation of a General Municipal Election with the Statewide General Election on Tuesday, November 5, 2024, for the purpose of submitting to the voters the following question relating to the Transactions and Use Tax.

Section 2. Measure Language. A measure is to appear on the ballot as follows:

"CITY OF WINTERS SALES TAX MEASURE. To maintain and improve City services such as 911 emergency response, parks, trails, youth programs; respond to property crimes/thefts/burglaries; retain/attract local businesses; and for general government use; shall the measure establishing a 1¢ sales tax providing approximately $1,200,000 annually until ended by voters; requiring audits, public spending disclosures, funds locally controlled, be adopted?"	Yes No

Section 3. Canvass of Returns. The County election department is authorized to canvass the returns and perform all other proceedings incidental to and

connected with the General Municipal Election. The Election shall be held in all respects as if there were only one election, and only one form of ballot shall be used. Pursuant to California Elections Code Sections 10403 and 10418, the election will be held and conducted in accordance with the provisions of law regulating the Statewide General Election.

Section 4. Necessary Steps. The Board of Supervisors is requested to issue instructions to the County election department to take any and all steps necessary for the holding of the consolidated election.

Section 5. Costs. The City Council determines and declares that the City will pay to the County the reasonable and actual expenses incurred by the County by the consolidation of the General Municipal Election with the Statewide General Election. The City shall reimburse the County for services performed when the work is completed and upon presentation to the City of a properly approved bill. The City Manager of the City of Winters is authorized and directed to pay for the expenses incurred after receiving a statement from the County of Yolo.

Section 6. Filing of Resolution. The City Clerk is hereby directed to file a certified copy of this resolution with the Board of Supervisors and the election department of the County of Yolo.

Section 7. Certification. The City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original Resolutions.

PASSED, APPROVED AND ADOPTED this 18TH day of June, 2024.

_____
BILL BIASI, MAYOR

ATTEST:

_____
JEREMY CRAIG, CITY CLERK

APPROVED AS TO FORM:

_____
ETHAN WALSH,
CITY ATTORNEY

I, _____, City Clerk of the City of Winters, do hereby certify that the foregoing resolution is the actual resolution duly and regularly adopted by the City Council at a regular meeting on the ____ day of _____, 2024, by the following vote to wit:

AYES:
NOES:
ABSTAIN:
ABSENT:

_____
City Clerk

RESOLUTION NO. 2024-48

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WINTERS, CALIFORNIA, PROVIDING FOR THE FILING OF PRIMARY AND REBUTTAL ARGUMENTS AND SETTING RULES FOR THE FILING OF WRITTEN ARGUMENTS REGARDING A CITY MEASURE TO BE SUBMITTED AT THE NOVEMBER 5, 2024 GENERAL MUNICIPAL ELECTION

WHEREAS, a General Municipal Election is to be held in the City of Winters, California on November 5, 2024, at which there will be submitted to the voters the following measure:

"CITY OF WINTERS SALES TAX MEASURE. To maintain and improve City services such as 911 emergency response, parks, trails, respond to property crimes/thefts/burglaries; youth programs; retain/attract local businesses; and for general government use; shall the measure establishing a 1¢ sales tax providing approximately $1,200,000 annually until ended by voters; requiring audits, public spending disclosures, funds locally controlled, be adopted?"	Yes No

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF WINTERS, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. Primary Arguments. That the City Council authorizes (i) the City Council or any member(s) of the City Council, (ii) any individual voter eligible to vote on the above measure, (iii) a bona fide association of such citizens or (iv) any combination of voters and associations, to file a written argument in favor of or against the City measure, accompanied by the printed name(s) and signature(s) of the author(s) submitting it, in accordance with Article 4, Chapter 3, Division 9 of the Elections Code of the State of California, and to change the argument until and including the date fixed below by the City Clerk, after which no arguments for or against the City measure may be submitted to the City Clerk.

The deadline to submit arguments for or against the City Measure pursuant to this Resolution is declared by the City Clerk to be **July 18, 2024, at 5 p.m.** Each argument shall not exceed 300 words and shall be filed with the City Clerk, signed, and include the printed name(s) and signature(s) of the author(s) submitting it, or if submitted on behalf of an organization, the name of the organization, and the printed name and signature of at least one of its principal officers who is the author of the argument.

Section 2. Rebuttal Arguments. Pursuant to Section 9285 of the Elections Code of the State of California, when the City Clerk has selected the primary arguments for and against the City Measure which will be printed and distributed to the voters, the Clerk shall send copies of the primary argument in favor of the Measure to the authors of the primary argument against, and copies of the primary argument against to the authors of the primary argument in favor. The authors or persons designated by them may prepare and submit rebuttal arguments not exceeding 250 words. The rebuttal arguments shall be filed with the City Clerk not later than **July 29, 2024, at 5 p.m.** Rebuttal arguments shall be printed in the same manner as the primary arguments. Each rebuttal argument shall immediately follow the primary argument which it seeks to rebut.

Section 3. Prior Resolutions. That all previous resolutions providing for the filing of primary and rebuttal arguments related to City measures are repealed.

Section 4. November 5, 2024 Election. That the provisions of Sections 1 and 2 shall apply only to the election to be held on November 5, 2024, and shall then be repealed.

Section 5. Certification. The City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original Resolutions.

PASSED, APPROVED AND ADOPTED this 18TH day of June, 2024.

_____
BILL BIASI, MAYOR

ATTEST:

_____
JEREMY CRAIG, CITY CLERK

APPROVED AS TO FORM:

_____
ETHAN WALSH
CITY ATTORNEY

I, _____, City Clerk of the City of Winters, do hereby certify that the foregoing resolution is the actual resolution duly and regularly adopted by the City Council at a regular meeting on the 18th day of June, 2024, by the following vote to wit:

AYES:
NOES:
ABSTAIN:
ABSENT:

_____
City Clerk

CITY COUNCIL
STAFF REPORT

TO: Honorable Mayor and Councilmembers

DATE:June 18, 2024

THROUGH: Jeremy Craig, City Manager

FROM: David A. Storer, AICP Contract Planner

SUBJECT: Continued Public Hearing to Consider First Reading of Ordinance No. 2024-03 Amending the Zoning Code Regarding Cannabis Cultivation for Personal Use.

RECOMMENDATION:

Staff recommends that the City Council take the following actions:

1) Receive the staff report;
2) Re-open the Public Hearing to solicit public comment; and
3) Based on the recommendation of the Planning Commission, introduce and waive the first reading of Ordinance No. 2024-03 amending Sections 17.04.140, 17.205.010, 17.205.020, and 17.205.030 of the Winters Municipal Code and adding Section 17.205.040 to the Winters Municipal Code regarding cannabis cultivation for personal use.

UPDATE:

This item was heard by the City Council on May 21, 2024, and was continued to this date to allow staff time to research any possible prior action taken by the City Council regarding regulations related to the outdoor personal cultivation of cannabis within the City. Upon review of prior meeting minutes, the City Manager distributed materials to the City Council the following day on May 22, 2024, which included meeting minutes from November 2017, where the City Council considered cannabis matters in the City, including regulations regarding outdoor cannabis cultivation for personal use. Per the aforementioned minutes, no action was taken by the Council at that time and no regulations expressly regulating

outdoor personal cannabis cultivation were adopted.

As part of this discussion at the May 21, 2024 City Council meeting, the Council sought additional clarification regarding the enforcement of nuisances, particularly with respect to odors, potentially associated with outdoor personal cannabis cultivation. Section 17.205.020.B.7 of the proposed ordinance provides in part that a public nuisance may be deemed to exist if the cultivation produces odors which are disturbing to people of normal sensitivity residing or present on adjacent or nearby properties or areas open to the public. Under state law, a nuisance is defined as "[a]nything which is injurious to health … or is indecent or offensive to the senses, or an obstruction to the free use of property, so as to interfere with the comfortable enjoyment of life or property." (Civil Code § 3479.) In general, for a City to abate a public nuisance, the nuisance must affect a considerable number of persons, e.g., an entire neighborhood or community. (See Civil Code § 3480.) Staff therefore recommends the proposed language in Section 17.205.020.B.7, which takes into account whether the nuisance condition affects a substantial number of people and whether an ordinary person would be reasonably annoyed or disturbed by the condition, to align with this standard. Should a complaint be filed with the City per the codified provisions, the City Manager will assign a staff member to investigate the matter along with the assistance of the City Attorney, as necessary.

BACKGROUND:

In 1996, California voters approved Proposition 215 (codified at Health and Safety Code §§ 11362.5 et seq. and entitled "The Compassionate Use Act of 1996"). Proposition 215 was intended to allow persons in need of marijuana for medical purposes to be able to obtain and use it without fear of criminal prosecution under limited, specified circumstances. The State Legislature enacted subsequent legislation (SB 420) to clarify the scope of the Compassionate Use Act of 1996 and to allow cities and other governing bodies to adopt and enforce rules and regulations consistent with SB 420.

California voters in November 2016 adopted Proposition 64 concerning use and cultivation of cannabis for non-medical "adult-use." Proposition 64 permits individuals to grow up to six cannabis plants inside of residential structures and does not allow the City to completely prohibit such indoor cultivation for personal use. The City may, however, impose reasonable regulations concerning indoor cultivation in order to provide for the health, safety, and welfare of City residents. Proposition 64 also enacted a separate licensing scheme for state licensing of non-medical, adult-use cannabis businesses.

The Winters Municipal Code does not currently define, regulate or prohibit non-medical marijuana uses or commercial cannabis uses other than commercial cannabis cultivation and activity, such as manufacturing, distribution, and wholesale and retail sales of cannabis.

On October 10, 2017, the Planning Commission considered the above-mentioned Zoning Code amendments. At the hearing, two of the commissioners expressed that the

prohibition of outdoor cannabis cultivation would create an undue financial burden for some and were opposed to this restriction. At the conclusion of the hearing, the Commission voted 4 to 2 to recommend the Council approve the amendments as drafted by staff, which would prohibit all outdoor cultivation of cannabis in the City, including cultivation conducted for personal use.

On November 7, 2017, the City Council considered the amendments to the Zoning Code regarding outdoor cannabis cultivation. At the hearing, there was considerable discussion about whether to allow or prohibit outdoor cultivation of cannabis. Ultimately, the City Council voted to adopt Ordinance 2017-07 without the provisions that restricted outdoor cannabis cultivation for personal use.

On February 27, 2024, the City Council and Planning Commission held a joint workshop regarding the cannabis industry. The City's consultant, HDL Companies, presented an overview of policy options for the City to consider in adopting regulations regarding whether to allow commercial cannabis cultivation, such as manufacturing, distribution, and wholesale and retail sales of cannabis. At the meeting, resident Paul Myer requested the Council reconsider the current Zoning Code provisions to address personal outdoor cannabis cultivation. The City Council directed staff to refer this matter back to the Planning Commission for consideration.

On April 23, 2024, the Planning Commission held a public hearing regarding proposed amendments to the Winters Municipal Code related to personal outdoor cannabis cultivation. The item was continued from the March 26, 2024 Planning Commission meeting to allow staff to return with a proposed ordinance that would permit outdoor and indoor cultivation of cannabis for personal use with certain limitations, as directed by the Planning Commission and based on comments and input from the public. The Planning Commission unanimously recommended that the City Council adopt the attached Ordinance.

As discussed above, on May 21, 2024, the City Council held a public hearing and continued this item to this date.

DISCUSSION:

The current Zoning Code provisions, as adopted by the City Council by Ordinance 2017-07, do not expressly prohibit outdoor cannabis cultivation conducted for personal use.

Based on feedback from the Planning Commission and the public, the proposed ordinance would establish regulations for cannabis cultivation for personal use, including provisions for outdoor and indoor cultivation. State law allows for personal cultivation of up to 6 plants at a private residence. Additionally, local jurisdictions may not completely prohibit indoor personal cultivation, but may enact and enforce reasonable regulations. Local jurisdictions may prohibit outdoor personal cultivation (See California Health and Safety Code Section 11362.2.) The proposed ordinance would regulate indoor and outdoor personal cultivation of cannabis by amending Section 17.205.020 of Chapter 17.205 of Title 17 of the Winters

Municipal Code as follows (deletions shown in strikethrough and additions shown in underline):

17.205.020 Personal Cannabis Cultivation.

~~Commercial cannabis cultivation is prohibited in the city.~~

A. Prohibition. Cannabis cultivation is prohibited in all zones of the city. No person shall engage in the cultivation of cannabis in the city for any purpose.

B. Limited Exemption. The prohibition on cannabis cultivation in subsection A of this section does not apply to the indoor cultivation of cannabis, and the outdoor cultivation of up to three (3) plants, at a private residence, conducted with complete adherence to the following regulations:

1. Six plants total. Total cultivation is limited to no more than six (6) living cannabis plants per private residence, or upon the grounds of a private residence (including accessory structures), at one time, regardless of the number of persons residing at the residence and inclusive of both indoor and outdoor plants.

2. Three plants outdoors. Three (3) of the six (6) living plants that may be cultivated, at any one time, may be cultivated outdoors, if the outdoor cultivation is no less than ten (10) feet from the property line of the cultivation site.

3. Indoor cultivation. Indoor cultivation shall occur entirely within a private residence or within an accessory structure to a private residence located upon the grounds of a private residence that is fully enclosed and secure. Persons engaging in indoor cultivation must comply with all state and local laws regarding fire safety, water use, electrical wiring, buildings and indoor cultivation, including without limitation, Health and Safety Code Sections 11362.1 and 11362.2, as may be amended.

4. Visibility. The six (6) living plants (whether grown indoors or outdoors) and any cannabis produced by the plants in excess of 28.5 grams shall not be visible from any public right of way, or in any manner be visible by normal unaided vision from a place regularly accessible to the general public.

5. Setback requirements. The cannabis plants shall be placed at a minimum setback of ten (10) feet from the edge of the canopy to the property line.

6. Plant height. The height of the cannabis plants shall not exceed the standard fence height applicable to the parcel, or six (6) feet, whichever is lesser.

7. Nuisance Activity. Cultivation shall not result in a nuisance or adversely affect the health, welfare, or safety of the resident or nearby residents by creating dust, glare, heat, noise, noxious gases, odors, smoke, traffic, vibration, or other impacts, or be hazardous due to use or storage of materials, processes, products or waste. It is hereby declared to be unlawful for any person to create a public nuisance in the course of cannabis cultivation under this chapter. A public nuisance may be deemed to exist if the cultivation produces odors which are disturbing to people of normal sensitivity residing or present on adjacent or nearby properties or areas open to the public.

8. Electricity.

a. The collective draw from all electrical appliances at the cannabis cultivation site shall not exceed the maximum rating of the approved electrical panel for the private residence where the cannabis is being cultivated.

b. The maximum rating shall be as established in the manufacturer specifications for the approved electrical panel.

9. Gas products. The use of gas products (CO2, butane, propane, natural gas, etc.) or generators for cannabis cultivation is prohibited. Use of gas products shall be limited to those allowed by the California Building, Electrical, and Fire Codes as adopted and amended by the city of Winters.

10. Lighting. Any lighting fixture or combination of lighting fixtures used for cannabis cultivation shall:

a. not exceed the rated wattage and capacity of the circuit breaker; and

b. shall be shielded so as to completely confine light and glare to the interior of the private residence or fully enclosed accessory structure.

11. Use, storage, or discharge into city wastewater facilities of any hazardous chemicals in the cultivation of cannabis is strictly prohibited. “Hazardous chemicals” shall include, but is not limited to, any chemical or substance that is prohibited by the Federal Environmental Protection Agency or the California Department of Food and Agriculture.

12. Water usage. Water usage for the cultivation of cannabis under this chapter shall not exceed any limitations imposed by federal, state, or local water restrictions.

13. Private residence. Any private residence used for cultivation shall:

a. include a fully functional and usable kitchen, as well as bathroom and bedroom areas, for their intended use by the resident(s).

b. not be used primarily or exclusively for cannabis cultivation.

14. Garage. Cultivation shall not displace required parking in a garage.

At the April 23, 2024, Planning Commission meeting, the Planning Commission tussled with establishing the total amount of cannabis plants permitted to be cultivated outdoors and indoors to reach the maximum allowed of (6) six plants and resultantly set the amount at (3) three indoor and (3) three indoors. As part of the Planning Commission's recommendation, Staff was requested to refer this issue for the City Council's consideration. Staff had recommended to the Planning Commission that the total number of outdoor plants be set at 2 (two) as a means to encourage personal cannabis cultivation to be conducted indoors, thereby reducing the amount of complaints that could potentially be generated were a larger number of cannabis plants cultivated outdoors.

The draft ordinance also contains minor clarifying edits and adds new definitions to the existing code.

ALTERNATIVES

1) Introduce and waive first reading of the ordinance as recommended by the Planning Commission (which includes a maximum of three outdoor pants); or
2) Introduce and waive first reading of the ordinance as recommended by the Planning Commission with additional changes as directed by the City Council; or
3) Make no changes to the Winters Municipal Code and keep the provisions regarding cannabis as presently constituted.

PROJECT NOTIFICATION:

A public hearing notice was published in the *Winters Express* on May 15, 2024, pursuant to Government Code Section 65090. The item was continued from May 21, 2024, to this date by the City Council.

ENVIRONMENTAL ANALYSIS:

The proposed zoning ordinance is not a project within the meaning of Title 14 of the California Code of Regulations, Section 15061(b)(3), of the State of California Environmental Quality Act ("CEQA") Guidelines, because it has no potential for resulting in physical change in the environment, directly or indirectly, as it clarifies and furthers the

intent and scope of the City's existing restrictions and regulations regarding cannabis uses in the City of Winters, and does not permit or authorize new or increased intensity of uses.

FISCAL IMPACT:
None, other than staff time to prepare this report.

ATTACHMENT:
1. City Council Ordinance, No 24-03
2. Resolution of the Planning Commission, dated April 23, 2024

ORDINANCE NO. 2024-03

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WINTERS AMENDING SECTIONS 17.04.140, 17.205.010, 17.205.020, AND 17.205.030 OF THE WINTERS MUNICIPAL CODE AND ADDING SECTION 17.205.040 TO THE WINTERS MUNICIPAL CODE REGARDING CANNABIS CULTIVATION FOR PERSONAL USE

WHEREAS, in 1996 the voters of the State of California approved Proposition 215, which was codified as Health and Safety Code Section 11362.5 et seq. and entitled the Compassionate Use Act of 1996, decriminalizing the use of marijuana for medical purposes; and

WHEREAS, in 2003 the California Legislature adopted SB 420, the Medical Marijuana Program, codified as Health and Safety Code Section 11362.7 et seq., which permits qualified patients and their primary caregivers to associate collectively or cooperatively to cultivate marijuana for medical purposes without being subjected to criminal prosecution; and

WHEREAS, in 2015 the California Legislature adopted a series of bills to enact the "Medical Marijuana Regulation and Safety Act," subsequently amended and retitled the "Medical Cannabis Regulation and Safety Act" ("MCRSA"), which established a statewide licensing scheme for commercial medical marijuana uses, including commercial-scale cultivation, manufacturing, distribution, delivery, and sale of medical marijuana; and

WHEREAS, at the November 8, 2016 general election, the Control, Regulate and Tax Adult Use of Marijuana Act ("AUMA") was approved by California voters as Proposition 64, which established a comprehensive regulatory and licensing scheme for commercial recreational (adult use) cannabis operations, and which also legalized limited personal recreational cannabis use, possession, and cultivation; and

WHEREAS, on June 27, 2017, Governor Brown signed Senate Bill 94, the Medicinal and Adult Use Cannabis Regulation and Safety Act ("MAUCRSA"), which merged the regulatory regimes of MCRSA and AUMA; and

WHEREAS, the AUMA, Health & Safety Code § 11362.1(a)(3), makes it lawful for any person 21 years of age or older to "[p]ossess, plant, cultivate, harvest, dry, or process not more than six living cannabis plants and possess the cannabis produced by the plants"; and

WHEREAS, the AUMA, Health & Safety Code § 11362.2(b)(3), explicitly allows a city to "completely prohibit persons from engaging in [the personal cultivation of cannabis] outdoors upon the grounds of a private residence"; and

WHEREAS, the AUMA, Health & Safety Code § 11362.2(b), explicitly allows a city to "enact and enforce reasonable regulations to reasonably regulate" the cultivation of cannabis permitted under Health & Safety Code § 11362.1(a)(3), so long as the city does not completely prohibit the cultivation of up to six plants "inside a private residence, or inside an accessory structure to a private residence located upon the grounds of a private residence that is fully enclosed and secure"; and

WHEREAS, the AUMA, Health & Safety Code § 11362.2(a)(2), further restricts such personal cannabis cultivation so that "[t]he living plants and any marijuana produced by the plants in excess of 28.5 grams are kept within the person's private residence, or upon the grounds of that private residence, are in a locked space, and are not visible by normal unaided vision from a public place"; and

WHEREAS, in November 2017, the City Council adopted Ordinance No. 2017-07 adding Chapter 17.205 and amending sections 17.04.140 and 19.04.030 of the City of Winters Municipal Code regarding prohibited cannabis uses and related definitions consistent with state law. Specifically, among other things, Ordinance No. 2017-07 updated definitions to the Zoning Code for "cannabis" and "commercial cannabis activity" and expressly prohibited commercial cannabis cultivation and activity in the City. The current Zoning Code provisions, as adopted by Ordinance 2017-07, do not expressly prohibit outdoor cannabis cultivation conducted for personal use; and

WHEREAS, section 17.205.020 of the Winters Municipal Code only expressly prohibits commercial cannabis cultivation and activity; and

WHEREAS, on April 23, 2024, the City of Winters Planning Commission held a public hearing regarding proposed amendments to the Winters Municipal Code related to personal outdoor cannabis cultivation. The item was continued from the March 26, 2024, Planning Commission meeting to allow staff to return with a proposed ordinance that would permit outdoor and indoor cultivation of cannabis for personal use with certain limitations, as recommended by the Planning Commission and based on comments and input from the public; and

WHEREAS, on May 21, 2024, the City Council conducted a public hearing on the proposed project and continued the item to June 18, 2024;

WHEREAS, the City Council desires to establish regulations for the indoor and outdoor cultivation of cannabis for personal use, in accordance with state law. The City has a compelling interest in protecting the public health, safety, and welfare of its residents, visitors, and businesses, and in preserving the peace and quiet of the neighborhoods within the City, by regulating personal cannabis cultivation; and

WHEREAS, the City Council finds that the provisions contained in this Ordinance clarify and further the intent and scope of the City's existing restrictions and regulations regarding cannabis uses, including cannabis cultivation for personal use, consistent with state law.

NOW, THEREFORE, the City Council of the City of Winters does hereby ordain as follows:

Section 1. **Recitals.** The above recitals are hereby found to be true and accurate and are incorporated into this Ordinance as findings of the City Council by this reference.

Section 2. **Findings.** The City Council hereby makes the following findings:

A. Pursuant to Winters Municipal Code section 17.28.010, the City Council hereby finds that the text amendments to the Zoning Code contained in this Ordinance are required for the public necessity, convenience and general welfare by clarifying and furthering the intent and scope

of the City's existing restrictions and regulations regarding cannabis uses, including cannabis cultivation for personal use, consistent with state law.

B. Pursuant to Winters Municipal Code sections 17.28.040 and 17.28.050, the City Council further finds, based upon Planning Commission recommendation, that this Ordinance conforms to the City's General Plan.

Section 3. **Amendments to Section 17.04.140.** Section 17.04.140 of Chapter 17.04 of Title 17 of the City of Winters Municipal Code is hereby amended as follows:

A. The following paragraph is hereby inserted in Subsection B of Section 17.04.140 in between the paragraph entitled "Cultivation" and the paragraph entitled "Deemed withdrawn":

"Cultivation site" means the real property on which cannabis cultivation occurs.

B. The following paragraph is hereby inserted in Subsection B of Section 17.04.140 in between the paragraph entitled "Person" and the paragraph entitled "Planning Commission":

"Personal cultivation" means any activity involving the planting, growing, harvesting, drying, curing, grading, trimming, or processing of cannabis or any part thereof, conducted by an individual for personal use, and not intended or conducted for sale, resale, or other commercial cannabis activity.

C. The following paragraph is hereby inserted in Subsection B of Section 17.04.140 in between the paragraph entitled "Principal residence" and the paragraph entitled "Production housing":

"Private residence" has the same meaning as the term is defined in Section 11362.2(b)(5) of the Health & Safety Code, and as may be amended, which provides that private residence "means a house, an apartment unit, a mobile home, or other similar dwelling."

Section 4. **Amendment to Section 17.205.010.** Section 17.205.010 of Chapter 17.205 of Title 17 of the Winters Municipal Code is hereby amended to read as follows (deletions shown in strikethrough and additions shown in underline):

17.205.010 Purpose and Intent.

The purpose and intent of this chapter is to regulate cannabis uses in a manner that protects the health, safety and welfare of the community. This chapter is not intended to interfere with a patient's right to medical cannabis in California pursuant to the Compassionate Use Act of 1996 (Proposition 215), found at Section 11362.5 of the Health and Safety Code, nor does it criminalize cannabis possession or cultivation by specifically defined classifications of persons, pursuant to state law. This ~~article~~ chapter is not intended to give any person independent legal authority to grow or use cannabis; it is intended simply to impose zoning restrictions and reasonable regulations on certain cannabis uses when those uses are authorized by California state law.

Section 5. **Amendment to Section 17.205.020.** Section 17.205.020 of Chapter 17.205 of Title 17 of the Winters Municipal Code is hereby amended to read as follows (deletions shown in strikethrough and additions shown in underline):

17.205.020 Personal Cannabis Cultivation.

~~Commercial cannabis cultivation is prohibited in the city.~~

A. Prohibition. Cannabis cultivation is prohibited in all zones of the city. No person shall engage in the cultivation of cannabis in the city for any purpose.

B. Limited Exemption. The prohibition on cannabis cultivation in subsection A of this section does not apply to the indoor cultivation of cannabis, and the outdoor cultivation of up to three (3) plants, at a private residence, conducted with complete adherence to the following regulations:

1. Six plants total. Total cultivation is limited to no more than six (6) living cannabis plants per private residence, or upon the grounds of a private residence (including accessory structures), at one time, regardless of the number of persons residing at the residence and inclusive of both indoor and outdoor plants.

2. Three plants outdoors. Three (3) of the six (6) living plants that may be cultivated, at any one time, may be cultivated outdoors, if the outdoor cultivation is no less than ten (10) feet from the property line of the cultivation site.

3. Indoor cultivation. Indoor cultivation shall occur entirely within a private residence or within an accessory structure to a private residence located upon the grounds of a private residence that is fully enclosed and secure. Persons engaging in indoor cultivation must comply with all state and local laws regarding fire safety, water use, electrical wiring, buildings and indoor cultivation, including without limitation, Health and Safety Code Sections 11362.1 and 11362.2, as may be amended.

4. Visibility. The six (6) living plants (whether grown indoors or outdoors) and any cannabis produced by the plants in excess of 28.5 grams shall not be visible from any public right of way, or in any manner be visible by normal unaided vision from a place regularly accessible to the general public.

5. Setback requirements. The cannabis plants shall be placed at a minimum setback of ten (10) feet from the edge of the canopy to the property line.

6. Plant height. The height of the cannabis plants shall not exceed the standard fence height applicable to the parcel, or six (6) feet, whichever is lesser.

7. Nuisance Activity. Cultivation shall not result in a nuisance or adversely affect the health, welfare, or safety of the resident or nearby residents by creating dust, glare, heat, noise, noxious gases, odors, smoke, traffic, vibration, or other

impacts, or be hazardous due to use or storage of materials, processes, products or waste. It is hereby declared to be unlawful for any person to create a public nuisance in the course of cannabis cultivation under this chapter. A public nuisance may be deemed to exist if the cultivation produces odors which are disturbing to people of normal sensitivity residing or present on adjacent or nearby properties or areas open to the public.

8. Electricity.

a. The collective draw from all electrical appliances at the cannabis cultivation site shall not exceed the maximum rating of the approved electrical panel for the private residence where the cannabis is being cultivated.

b. The maximum rating shall be as established in the manufacturer specifications for the approved electrical panel.

9. Gas products. The use of gas products (CO2, butane, propane, natural gas, etc.) or generators for cannabis cultivation is prohibited. Use of gas products shall be limited to those allowed by the California Building, Electrical, and Fire Codes as adopted and amended by the city of Winters.

10. Lighting. Any lighting fixture or combination of lighting fixtures used for cannabis cultivation shall:

a. not exceed the rated wattage and capacity of the circuit breaker; and

b. shall be shielded so as to completely confine light and glare to the interior of the private residence or fully enclosed accessory structure.

11. Use, storage, or discharge into city wastewater facilities of any hazardous chemicals in the cultivation of cannabis is strictly prohibited. “Hazardous chemicals” shall include, but is not limited to, any chemical or substance that is prohibited by the Federal Environmental Protection Agency or the California Department of Food and Agriculture.

12. Water usage. Water usage for the cultivation of cannabis under this chapter shall not exceed any limitations imposed by federal, state, or local water restrictions.

13. Private residence. Any private residence used for cultivation shall:

a. include a fully functional and usable kitchen, as well as bathroom and bedroom areas, for their intended use by the resident(s).

b. not be used primarily or exclusively for cannabis cultivation.

14. Garage. Cultivation shall not displace required parking in a garage.

Section 6. **Amendment to Section 17.205.030.** Section 17.205.030 of Chapter 17.205 of Title 17 of the Winters Municipal Code is hereby amended to read as follows (deletions shown in strikethrough and additions shown in underline):

17.205.030 Commercial cannabis ~~activity~~ cultivation.

~~Commercial cannabis activity is prohibited in the city. The city expressly reserves the right to amend this restriction and to regulate such commercial cannabis activity in the future, including through zoning restrictions and business license requirements.~~

Commercial cannabis cultivation is prohibited in the city.

Section 7. **Addition of Section 17.205.040.** Section 17.205.040 of Chapter 17.of Title 17 of the Winters Municipal Code is hereby added to read as follows (additions shown in underline):

17.205.040 Commercial cannabis activity.

Commercial cannabis activity is prohibited in the city. The city expressly reserves the right to amend this restriction and to regulate such commercial cannabis activity in the future, including through zoning restrictions and business license requirements.

Section 8. **CEQA.** This Ordinance is not a project within the meaning of Title 14 of the California Code of Regulations, Section 15061(b)(3), of the State of California Environmental Quality Act ("CEQA") Guidelines, because it has no potential for resulting in physical change in the environment, directly or indirectly, as it clarifies and furthers the intent and scope of the City's existing restrictions and regulations regarding cannabis uses in the City of Winters, and does not permit or authorize new or increased intensity of uses. The City Council, therefore, directs that a Notice of Exemption be filed with the County Clerk of the County of Yolo in accordance with CEQA Guidelines.

Section 9. **Custodian of Records.** The documents and materials that constitute the record of proceedings on which this Ordinance is based are located at the City Clerk's office located at 318 First Street, Winters, CA 95694. The custodian of these records is the City Clerk.

Section 10. **Severability.** If any section, sentence, clause or phrase of this Ordinance or the application thereof to any entity, person or circumstance is held for any reason to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect other provisions or applications of this Ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this Ordinance are severable. The City Council of the City of Winters hereby declare that they would have adopted this Ordinance and each section, sentence, clause or phrase thereof, irrespective of the fact that any one or more section, subsections, sentences, clauses or phrases be declared invalid or unconstitutional.

Section 11. **Effective Date.** This Ordinance shall become effective thirty (30) days following its adoption.

Section 12. **Publication.** The City Clerk shall certify to the adoption of this Ordinance. Not later than fifteen (15) days following the passage of this Ordinance, the Ordinance, or a summary thereof, along with the names of the City Council members voting for and against the Ordinance, shall be published in a newspaper of general circulation in the City of Winters.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Winters, California, at a regular meeting of the City Council held on the 18th day of June, 2024.

City of Winters

_____
By: Bill Biasi, Mayor

ATTEST:

_____
Jeremy Craig, City Clerk

PLANNING COMMISSION RESOLUTION NO. 2024-02

RESOLUTION RECOMMENDING THAT THE CITY COUNCIL ADOPT AN ORDINANCE AMENDING SECTIONS 17.04.140, 17.205.010, 17.205.020, AND 17.205.030 OF THE WINTERS MUNICIPAL CODE AND ADDING SECTION 17.205.040 TO THE WINTERS MUNICIPAL CODE REGARDING CANNABIS CULTIVATION FOR PERSONAL USE AND FINDING THAT NO FURTHER ENVIRONMENTAL REVIEW IS NECESSARY FOR THE PROJECT UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) PURSUANT TO SECTION 15061(B)(3) (COMMON SENSE EXEMPTION) OF TITLE 14 OF THE CALIFORNIA CODE OF REGULATIONS (STATE CEQA GUIDELINES) BECAUSE ADOPTION OF THE ORDINANCE HAS NO POTENTIAL FOR RESULTING IN PHYSICAL CHANGE IN THE ENVIRONMENT, DIRECTLY OR INDIRECTLY, AS IT CLARIFIES AND FURTHERS THE INTENT AND SCOPE OF THE CITY'S EXISTING RESTRICTIONS AND REGULATIONS REGARDING CANNABIS USES IN THE CITY OF WINTERS, AND DOES NOT PERMIT OR AUTHORIZE NEW OR INCREASED INTENSITY OF USES

WHEREAS, in 2017, the City Council adopted Ordinance No. 2017-07 adding Chapter 17.205 and amending Sections 17.04.140 and 19.04.030 of the City of Winters Municipal Code regarding prohibited cannabis uses and related definitions consistent with state law. Specifically, among other things, Ordinance No. 2017-07 updated definitions to the Zoning Code for "cannabis" and "commercial cannabis activity" and expressly prohibited commercial cannabis activity, including commercial cultivation, in the City. The Ordinance did not include provisions regulating cannabis cultivation for personal use; and

WHEREAS, Section 17.205.020 of the Winters Municipal Code only expressly prohibits commercial cannabis cultivation and activity; and

WHEREAS, the Planning Commission recommends that the City Council amend Section 17.205.020 of the Winters Municipal Code to establish regulations for the cultivation of cannabis for personal use, in accordance with state law; and

WHEREAS, the Planning Commission finds that the restrictions and prohibitions contained in the attached Ordinance clarify the scope and intent of the City's existing cannabis regulations and ensures that the City's regulations remain consistent with state law.

WHEREAS, a notice of public hearing for the adoption of the Ordinance was published in the Winters Express on March 14, 2024; and

WHEREAS, the Planning Commission continued the project from the March 26, 2024, Planning Commission meeting to April 23, 2024, to allow staff to provide the Planning Commission with a proposed ordinance that permits outdoor cultivation of cannabis for personal use with certain limitations as directed by the Planning Commission and based on comments and input from the public; and

WHEREAS, the Planning Division staff presented its oral and written staff report on the proposed Ordinance at a regular meeting of the Planning Commission on April 23, 2024; and

WHEREAS, the Planning Division staff recommends approval of the proposed Ordinance, attached hereto as Exhibit A and incorporated herein; and

WHEREAS, on April 23, 2024, the Planning Commission held a public hearing on the proposed Ordinance to receive oral and written testimony and written prior to reaching its decision.

NOW, THEREFORE BE IT RESOLVED that the Planning Commission recommends that the City Council approve the proposed Ordinance amending sections 17.04.140, 17.205.010, 17.205.020, and 17.205.030 of the Winters Municipal code and adding section 17.205.040 to the Winters Municipal Code regarding cannabis cultivation for personal use, in substantially the form attached hereto as Exhibit A and incorporated herein, and finds that no further environmental review is necessary for the project under the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3) (Common Sense Exemption) of Title 14 of the California Code of Regulations (State CEQA Guidelines) because adoption of the ordinance has no potential for resulting in physical change in the environment, directly or indirectly, as it clarifies and furthers the intent and scope of the City's existing restrictions and regulations regarding cannabis uses in the City of Winters, and does not permit or authorize new or increased intensity of uses.

IT IS HEREBY CERTIFIED that the foregoing Planning Commission Resolution No. 2024-02 was duly adopted on a motion by Commissioner _____ and seconded by Commissioner _____, at a regular meeting of the City of Winters Planning Commission held on the 23rd day of April, 2024, by the following vote:

Ayes:
Noes:
Absent:
Abstain:

_____
Gregory Contreras, Chairperson

Attest:

_____
Jeremy Craig, Planning Commission Secretary

CITY COUNCIL
STAFF REPORT

TO: Honorable Mayor and Councilmembers

DATE:June 18, 2024

FROM: Cathy Mathews, Director of Administrative Services

SUBJECT: Resolution No. 2024-49 approving a Software as a Service (SaaS) contract with Tyler Technologies, Inc. (Tyler) in an amount not to exceed $421,795 for specified new modules of the Enterprise Resource Planning (ERP) software for an initial three-year term, and implementation services and authorizing the City Manager to execute the contract.

RECOMMENDATION:
Approve a Software as a Service (SaaS) contract with Tyler Technologies, Inc. (Tyler) in an amount not to exceed $421,795 for new specified modules of the Enterprise Resource Planning (ERP) software for an initial three-year term and implementation services and authorize the City Manager to execute the contract in a form approved by the City Attorney.

BACKGROUND:
The City of Winters has utilized Energov [Tyler's software module for planning, building permitting, inspections, property management, and code enforcement functions] for 16 years. In 2019, the City of Winters (City) migrated from the traditional software license to SaaS, adding the Cashiering and MyCivic Modules.

The City has used MOMS Software for its core financial processes (A/P, Utility Billing, GL, and Finance Cashiering) for 20+ years. City departments use various other software products for processes not addressed by MOMS Software.

In late 2022, City staff began researching opportunities to transition to a more robust product with citywide functional integration capabilities to support the City's expanding operations and improve operational efficiency. The ERP Software [for finance and operational management] Project was approved by the City Council with the fiscal year

2024 Capital Improvement Plan Budget appropriating $400,000 from the ARPA Fund for implementation, conversion, configuration, training, hardware, infrastructure, contract implementation manager services and year one software & support costs.

DISCUSSION:

The goals and objectives in acquiring and implementing new modules of the ERP software solution are to increase efficiency and accuracy through integration throughout City operations, by eliminating labor redundancy from managing multiple databases, prevent hand entry errors, increasing access to information throughout the City, and eliminating manual processes with an ERP solution, and; to improve customer service by offering more online access. The customer portal gives access to utility accounts, business licenses, building permits, and recreation and facility rentals. All of the Tyler modules recommended for implementation are integrated, resulting in informational access for all departments. Tyler provided both onsite and online software demonstrations to staff and department heads. Following these demonstrations, staff provided feedback. The overall consensus was that Tyler's ERP would assist in streamlining operations. One concern regarding the adaptability of the software to the unique scheduling/ time & labor associated with Police & Fire. That module is optional and will be further evaluated to determine if program customization, which Tyler facilitates as part of their service, will mitigate that concern.

The full implementation and transition to the additional Tyler modules will take 18 - 24 months. City staff intends to begin with implementing core financials and utility billing. Upon successful implementation, ongoing annual SaaS costs will be offset by the elimination of current software utilized for specific functionality:

Software	Utilization	Annual Cost	
MOMS	Core Financial	$14,520	
Neogov	Recruitment	$33,295	
Opengov	Budgeting	$33,300	
Payality	Payroll	$7,280	
In Time Services	Scheduling/T&L	$4,300	
Paymentus	Online Payments	$9,180	*
	annual total	$101,875	

*transactional charge

ENVIRONMENTAL ANALYSIS:
The recommended action does not constitute a “project” within the meaning of California Environmental Quality Act (CEQA) Guidelines Section 15378 and is not subject to environmental review.

FISCAL IMPACT:
The ERP software project was approved for $400,000 in the fiscal year 2023-24 Capital Improvement Plan budget. The SaaS quotation shows one-time fees of $159,995 and recurring fees of $74,840; adding a 12% contingency, the total first-year cost is $263,015. The remaining funds budgeted for the project will be used for travel expenses for Tyler staff to do on-site implementation and services, which are billed as incurred, advanced staff training, hardware, infrastructure, and contract implementation manager services. They will be brought to the Council at a later date.

ATTACHMENT:
1. Resolution 2024-49
2. Software as a service agreement draft

Resolution No. 2024-49

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WINTERS APPROVING A SOFTWARE AS A SERVICE (SAAS) CONTRACT WITH TYLER TECHNOLOGIES, INC. (TYLER) IN AN AMOUNT NOT TO EXCEED $421,795 FOR SPECIFIED NEW MODULES OF THE ENTERPRISE RESOURCE PLANNING (ERP) SOFTWARE FOR AN INITIAL THREE-YEAR TERM AND IMPLEMENTATION SERVICES AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE CONTRACT

WHEREAS, the City has used Tyler's ERP module for planning, building permitting, and inspections for 16 years, and;

WHEREAS, City has used MOMS Software for core financial processes for decades and City departments use various other software products for processes not addressed by MOMS Software; and

WHEREAS, City desires to transition to a more robust product with citywide functional integration capabilities to support the City's expanding operations and improve operational efficiency and customer service; and

WHEREAS, City staff reviewed Tyler Technologies software and identified it as a solution to current administrative challenges; and

WHEREAS, the ERP Software Project [for finance and operational management] was approved by the City Council as part of the fiscal year 2023-2024 Capital Improvement Plan, with $400,000 project funding through Fund 347 - ARPA.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Winters hereby approves a Software as a Service (SaaS) contract with Tyler Technologies, Inc. (Tyler) in an amount not to exceed $421,795 for specified new modules of the Enterprise Resource Planning (ERP) software for an initial three-year term, and implementation services and authorizes the City Manager to execute the contract in a form approved by the City Attorney.

DULY AND REGULARLY ADOPTED this 18th day of June, 2024, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

CITY OF WINTERS

Bill Biasi, Mayor

ATTEST:

Jeremy Craig, City Clerk

SOFTWARE AS A SERVICE AGREEMENT

This Software as a Service Agreement is made between Tyler Technologies, Inc. and Client.

WHEREAS, Client selected Tyler to provide certain products and services set forth in the Investment Summary, including providing Client with access to Tyler's proprietary software products, and Tyler desires to provide such products and services under the terms of this Agreement;

NOW THEREFORE, in consideration of the foregoing and of the mutual covenants and promises set forth in this Agreement, Tyler and Client agree as follows:

SECTION A – DEFINITIONS

- **"Agreement"** means this Software as a Service Agreement.
- **"Business Travel Policy"** means our business travel policy. A copy of our current Business Travel Policy is attached as Schedule 1 to Exhibit B.
- **"Client**" means the the City of Winters, California.
- **"Data"** means your data necessary to utilize the Tyler Software.
- **"Data Storage Capacity"** means the contracted amount of storage capacity for your Data identified in the Investment Summary.
- **"Defect"** means a failure of the Tyler Software to substantially conform to the functional descriptions set forth in our written proposal to you, or their functional equivalent. Future functionality may be updated, modified, or otherwise enhanced through our maintenance and support services, and the governing functional descriptions for such future functionality will be set forth in our then-current Documentation.
- **"Defined Users"** means the number of users that are authorized to use the SaaS Services. The Defined Users for the Agreement are as identified in the Investment Summary. If Exhibit A contains Enterprise Permitting & Licensing labeled software, defined users mean the maximum number of named users that are authorized to use the Enterprise Permitting & Licensing labeled modules as indicated in the Investment Summary.
- **"Developer"** means a third party who owns the intellectual property rights to Third Party Software.
- **"Documentation"** means any online or written documentation related to the use or functionality of the Tyler Software that we provide or otherwise make available to you, including instructions, user guides, manuals and other training or self-help documentation.
- **"Effective Date"** means the date by which both your and our authorized representatives have signed the Agreement.
- **"Force Majeure"** means an event beyond the reasonable control of you or us, including, without limitation, governmental action, war, riot or civil commotion, fire, natural disaster, or any other cause that could not with reasonable diligence be foreseen or prevented by you or us.
- **"Investment Summary"** means the agreed upon cost proposal for the products and services attached as Exhibit A.

- **"Invoicing and Payment Policy"** means the invoicing and payment policy. A copy of our current Invoicing and Payment Policy is attached as Exhibit B.
- **"Order Form"** means an ordering document that includes a quote or investment summary and specifying the items to be provided by Tyler to Client, including any addenda and supplements thereto.
- **"SaaS Fees"** means the fees for the SaaS Services identified in the Investment Summary.
- **"SaaS Services"** means software as a service consisting of system administration, system management, and system monitoring activities that Tyler performs for the Tyler Software, and includes the right to access and use the Tyler Software, receive maintenance and support on the Tyler Software, including Downtime resolution under the terms of the SLA, and Data storage and archiving. SaaS Services do not include support of an operating system or hardware, support outside of our normal business hours, or training, consulting or other professional services.
- **"SLA"** means the service level agreement. A copy of our current SLA is attached hereto as Exhibit C.
- **"Statement of Work"** means the industry standard implementation plan describing how our professional services will be provided to implement the Tyler Software, and outlining your and our roles and responsibilities in connection with that implementation. The Statement of Work is attached as Exhibit E.
- **"Support Call Process"** means the support call process applicable to all of our customers who have licensed the Tyler Software. A copy of our current Support Call Process is attached as Schedule 1 to Exhibit C.
- **"Third Party Hardware"** means the third party hardware, if any, identified in the Investment Summary.
- **"Third Party Products"** means the Third Party Software and Third Party Hardware.
- **"Third Party SaaS Services"** means software as a service provided by a third party, if any, identified in the Investment Summary.
- **"Third Party Services"** means the third party services, if any, identified in the Investment Summary.
- **"Third Party Software"** means the third party software, if any, identified in the Investment Summary.
- **"Third Party Terms"** means, if any, the end user license agreement(s) or similar terms for the Third Party Products or other parties' products or services, as applicable, and attached or indicated at Exhibit D.
- **"Tyler"** means Tyler Technologies, Inc., a Delaware corporation.
- **"Tyler Software"** means our proprietary software, including any integrations, custom modifications, and/or other related interfaces identified in the Investment Summary and licensed by us to you through this Agreement.
- **"we", "us", "our"** and similar terms mean Tyler.
- **"you"** and similar terms mean Client.

SECTION B – SAAS SERVICES

1. Rights Granted. We grant to you the non-exclusive, non-assignable limited right to use the SaaS Services solely for your internal business purposes for the number of Defined Users only. The Tyler Software will be made available to you according to the terms of the SLA. You acknowledge that we have no delivery obligations and we will not ship copies of the Tyler Software as part of the SaaS Services. You may use the SaaS Services to access updates and enhancements to the Tyler Software,

as further described in Section C(9). The foregoing notwithstanding, to the extent we have sold you perpetual licenses for Tyler Software, if and listed in the Investment Summary, for which you are receiving SaaS Services, your rights to use such Tyler Software are perpetual, subject to the terms and conditions of this Agreement including, without limitation, Section B(4). We will make any such software available to you for download.

2. SaaS Fees. You agree to pay us the SaaS Fees. Those amounts are payable in accordance with our Invoicing and Payment Policy. The SaaS Fees are based on the number of Defined Users and amount of Data Storage Capacity. You may add additional users or additional data storage capacity on the terms set forth in Section H(1). In the event you regularly and/or meaningfully exceed the Defined Users or Data Storage Capacity, we reserve the right to charge you additional fees commensurate with the overage(s).

3. Ownership.

   3.1 We retain all ownership and intellectual property rights to the SaaS Services, the Tyler Software, and anything developed by us under this Agreement. You do not acquire under this Agreement any license to use the Tyler Software in excess of the scope and/or duration of the SaaS Services.

   3.2 The Documentation is licensed to you and may be used and copied by your employees for internal, non-commercial reference purposes only.

   3.3 You retain all ownership and intellectual property rights to the Data. You expressly recognize that except to the extent necessary to carry out our obligations contained in this Agreement, we do not create or endorse any Data used in connection with the SaaS Services.

4. Restrictions. You may not: (a) make the Tyler Software or Documentation resulting from the SaaS Services available in any manner to any third party for use in the third party's business operations; (b) modify, make derivative works of, disassemble, reverse compile, or reverse engineer any part of the SaaS Services; (c) access or use the SaaS Services in order to build or support, and/or assist a third party in building or supporting, products or services competitive to us; or (d) license, sell, rent, lease, transfer, assign, distribute, display, host, outsource, disclose, permit timesharing or service bureau use, or otherwise commercially exploit or make the SaaS Services, Tyler Software, or Documentation available to any third party other than as expressly permitted by this Agreement.

5. Software Warranty. We warrant that the Tyler Software will perform without Defects during the term of this Agreement. If the Tyler Software does not perform as warranted, we will use all reasonable efforts, consistent with industry standards, to cure the Defect in accordance with the maintenance and support process set forth in Section C(9), below, the SLA and our then current Support Call Process.

6. SaaS Services.

   6.1 Our SaaS Services are audited at least yearly in accordance with the AICPA's Statement on Standards for Attestation Engagements ("SSAE") No. 21. We have attained, and will maintain, SOC 1 and SOC 2 compliance, or its equivalent, for so long as you are timely paying for SaaS Services. The scope of audit coverage varies for some Tyler Software solutions. Upon execution of a mutually agreeable Non-Disclosure Agreement ("NDA"), we will provide you with a

summary of our compliance report(s) or its equivalent. Every year thereafter, for so long as the NDA is in effect and in which you make a written request, we will provide that same information. If our SaaS Services are provided using a 3rd party data center, we will provide available compliance reports for that data center.

6.2 You will be hosted on shared hardware in a Tyler data center or in a third-party data center. In either event, databases containing your Data will be dedicated to you and inaccessible to our other customers.

6.3 Our Tyler data centers have fully-redundant telecommunications access, electrical power, and the required hardware to provide access to the Tyler Software in the event of a disaster or component failure. In the event of a data center failure, we reserve the right to employ our disaster recovery plan for resumption of the SaaS Services. In that event, we commit to a Recovery Point Objective ("RPO") of 24 hours and a Recovery Time Objective ("RTO") of 24 hours. RPO represents the maximum duration of time between the most recent recoverable copy of your hosted Data and subsequent data center failure. RTO represents the maximum duration of time following data center failure within which your access to the Tyler Software must be restored.

6.4 We conduct annual penetration testing of either the production network and/or web application to be performed. We will maintain industry standard intrusion detection and prevention systems to monitor malicious activity in the network and to log and block any such activity. We will provide you with a written or electronic record of the actions taken by us in the event that any unauthorized access to your database(s) is detected as a result of our security protocols. We will undertake an additional security audit, on terms and timing to be mutually agreed to by the parties, at your written request. You may not attempt to bypass or subvert security restrictions in the SaaS Services or environments related to the Tyler Software. Unauthorized attempts to access files, passwords or other confidential information, and unauthorized vulnerability and penetration test scanning of our network and systems (hosted or otherwise) is prohibited without the prior written approval of our IT Security Officer.

6.5 We test our disaster recovery plan on an annual basis. Our standard test is not client-specific. Should you request a client-specific disaster recovery test, we will work with you to schedule and execute such a test on a mutually agreeable schedule. At your written request, we will provide test results to you within a commercially reasonable timeframe after receipt of the request.

6.6 We will be responsible for importing back-up and verifying that you can log-in. You will be responsible for running reports and testing critical processes to verify the returned Data.

6.7 We provide secure Data transmission paths between each of your workstations and our servers.

6.8 Tyler data centers are accessible only by authorized personnel with a unique key entry. All other visitors to Tyler data centers must be signed in and accompanied by authorized personnel. Entry attempts to the data center are regularly audited by internal staff and external auditors to ensure no unauthorized access.

6.9 Where applicable with respect to our applications that take or process card payment data, we are responsible for the security of cardholder data that we possess, including functions relating to storing, processing, and transmitting of the cardholder data and affirm that, as of the Effective Date, we comply with applicable requirements to be considered PCI DSS compliant and have performed the necessary steps to validate compliance with the PCI DSS. We agree to supply the current status of our PCI DSS compliance program in the form of an official Attestation of Compliance, which can be found at https://www.tylertech.com/about-us/compliance, and in the event of any change in our status, will comply with applicable notice requirements.

SECTION C – PROFESSIONAL SERVICES

1. Professional Services. We will provide you the various implementation-related services itemized in the Investment Summary and described in the Statement of Work.

2. Professional Services Fees. You agree to pay us the professional services fees in the amounts set forth in the Investment Summary. Those amounts are payable in accordance with our Invoicing and Payment Policy. You acknowledge that the fees stated in the Investment Summary are good-faith estimates of the amount of time and materials required for your implementation. We will bill you the actual fees incurred based on the in-scope services provided to you. Any discrepancies in the total values set forth in the Investment Summary will be resolved by multiplying the applicable hourly rate by the quoted hours.

3. Additional Services. The Investment Summary contains, and the Statement of Work describes, the scope of services and related costs (including programming and/or interface estimates) required for the project based on our understanding of the specifications you supplied. If additional work is required, or if you use or request additional services, we will provide you with an addendum or change order, as applicable, outlining the costs for the additional work. The price quotes in the addendum or change order will be valid for thirty (30) days from the date of the quote.

4. Cancellation. If you cancel services less than four (4) weeks in advance (other than for Force Majeure or breach by us), you will be liable for all (a) daily fees associated with cancelled professional services if we are unable to reassign our personnel and (b) any non-refundable travel expenses already incurred by us on your behalf. We will make all reasonable efforts to reassign personnel in the event you cancel within four (4) weeks of scheduled commitments.

5. Services Warranty. We will perform the services in a professional, workmanlike manner, consistent with industry standards. In the event we provide services that do not conform to this warranty, we will re-perform such services at no additional cost to you.

6. Site Access and Requirements. At no cost to us, you agree to provide us with full and free access to your personnel, facilities, and equipment as may be reasonably necessary for us to provide implementation services, subject to any reasonable security protocols or other written policies provided to us as of the Effective Date, and thereafter as mutually agreed to by you and us.

7. Background Checks. For at least the past twelve (12) years, all of our employees have undergone criminal background checks prior to hire. All employees sign our confidentiality agreement and security policies.

8. Client Assistance. You acknowledge that the implementation of the Tyler Software is a cooperative process requiring the time and resources of your personnel. You agree to use all reasonable efforts to cooperate with and assist us as may be reasonably required to meet the agreed upon project deadlines and other milestones for implementation. This cooperation includes at least working with us to schedule the implementation-related services outlined in this Agreement. We will not be liable for failure to meet any deadlines and milestones when such failure is due to Force Majeure or to the failure by your personnel to provide such cooperation and assistance (either through action or omission).

9. Maintenance and Support. For so long as you timely pay your SaaS Fees according to the Invoicing and Payment Policy, then in addition to the terms set forth in the SLA and the Support Call Process, we will:

   9.1 perform our maintenance and support obligations in a professional, good, and workmanlike manner, consistent with industry standards, to resolve Defects in the Tyler Software (subject to any applicable release life cycle policy);

   9.2 provide support during our established support hours;

   9.3 maintain personnel that are sufficiently trained to be familiar with the Tyler Software and Third Party Software, if any, in order to provide maintenance and support services;

   9.4 make available to you all releases to the Tyler Software (including updates and enhancements) that we make generally available without additional charge to customers who have a maintenance and support agreement in effect; and

   9.5 provide non-Defect resolution support of prior releases of the Tyler Software in accordance with any applicable release life cycle policy.

We will use all reasonable efforts to perform support services remotely. Currently, we use a third-party secure unattended connectivity tool called Bomgar, as well as GotoAssist by Citrix. Therefore, you agree to maintain a high-speed internet connection capable of connecting us to your PCs and server(s). You agree to provide us with a login account and local administrative privileges as we may reasonably require to perform remote services. We will, at our option, use the secure connection to assist with proper diagnosis and resolution, subject to any reasonably applicable security protocols. If we cannot resolve a support issue remotely, we may be required to provide onsite services. In such event, we will be responsible for our travel expenses, unless it is determined that the reason onsite support was required was a reason outside our control. Either way, you agree to provide us with full and free access to the Tyler Software, working space, adequate facilities within a reasonable distance from the equipment, and use of machines, attachments, features, or other equipment reasonably necessary for us to provide the maintenance and support services, all at no charge to us. We strongly recommend that you also maintain your VPN for backup connectivity purposes.

For the avoidance of doubt, SaaS Fees do not include the following services: (a) onsite support (unless Tyler cannot remotely correct a Defect in the Tyler Software, as set forth above); (b) application design; (c) other consulting services; or (d) support outside our normal business hours as listed in our then-current Support Call Process. Requested services such as those outlined in this section will be billed to you on a time and materials basis at our then current rates. You must request those services with at

least one (1) weeks' advance notice.

SECTION D – THIRD PARTY PRODUCTS

1. Third Party Hardware. We will sell, deliver, and install onsite the Third Party Hardware, if you have purchased any, for the price set forth in the Investment Summary. Those amounts are payable in accordance with our Invoicing and Payment Policy.

2. Third Party Software. As part of the SaaS Services, you will receive access to the Third Party Software and related documentation for internal business purposes only. Your rights to the Third Party Software will be governed by the Third Party Terms.

3. Third Party Products Warranties.

   3.1 We are authorized by each Developer to grant access to the Third Party Software.

   3.2 The Third Party Hardware will be new and unused, and upon payment in full, you will receive free and clear title to the Third Party Hardware.

   3.3 You acknowledge that we are not the manufacturer of the Third Party Products. We do not warrant or guarantee the performance of the Third Party Products. However, we grant and pass through to you any warranty that we may receive from the Developer or supplier of the Third Party Products.

4. Third Party Services. If you have purchased Third Party Services, those services will be provided independent of Tyler by such third-party at the rates set forth in the Investment Summary and in accordance with our Invoicing and Payment Policy.

SECTION E - INVOICING AND PAYMENT; INVOICE DISPUTES

1. Invoicing and Payment. We will invoice you the SaaS Fees and fees for other professional services in the Investment Summary per our Invoicing and Payment Policy, subject to Section E(2).

2. Invoice Disputes. If you believe any delivered software or service does not conform to the warranties in this Agreement, you will provide us with written notice within thirty (30) days of your receipt of the applicable invoice. The written notice must contain reasonable detail of the issues you contend are in dispute so that we can confirm the issue and respond to your notice with either a justification of the invoice, an adjustment to the invoice, or a proposal addressing the issues presented in your notice. We will work with you as may be necessary to develop an action plan that outlines reasonable steps to be taken by each of us to resolve any issues presented in your notice. You may withhold payment of the amount(s) actually in dispute, and only those amounts, until we complete the action items outlined in the plan. If we are unable to complete the action items outlined in the action plan because of your failure to complete the items agreed to be done by you, then you will remit full payment of the invoice. We reserve the right to suspend delivery of all SaaS Services, including maintenance and support services, if you fail to pay an invoice not disputed as described above within fifteen (15) days of notice of our intent to do so.

SECTION F – TERM AND TERMINATION

1. Term. The initial term of this Agreement is equal to the number of years indicated for SaaS Services in Exhibit A, commencing on the first day of the first month following the Effective Date, unless earlier terminated as set forth below. If no duration is indicated in Exhibit A, the initial term is one (1) year. Upon expiration of the initial term, this Agreement will renew automatically for additional one (1) year renewal terms at our then-current SaaS Fees unless terminated in writing by either party at least sixty (60) days prior to the end of the then-current renewal term. We will not increase your annual SaaS Fees by more than four percent (4%) over the previous year's fees for the first two (2) renewals following the expiration of the initial term. Your right to access or use the Tyler Software and the SaaS Services will terminate at the end of this Agreement.

2. Termination. This Agreement may be terminated as set forth below. In the event of termination, you will pay us for all undisputed fees and expenses related to the software, products, and/or services you have received, or we have incurred or delivered, prior to the effective date of termination. Disputed fees and expenses in all terminations other than your termination for cause must have been submitted as invoice disputes in accordance with Section E(2).

   2.1 Failure to Pay SaaS Fees. You acknowledge that continued access to the SaaS Services is contingent upon your timely payment of SaaS Fees. If you fail to timely pay the SaaS Fees, we may discontinue the SaaS Services and deny your access to the Tyler Software. We may also terminate this Agreement if you don't cure such failure to pay within forty-five (45) days of receiving written notice of our intent to terminate.

   2.2 For Cause. If you believe we have materially breached this Agreement, you will invoke the Dispute Resolution clause set forth in Section H(3). You may terminate this Agreement for cause in the event we do not cure, or create a mutually agreeable action plan to address, a material breach of this Agreement within the thirty (30) day window set forth in Section H(3).

   2.3 Force Majeure. Either party has the right to terminate this Agreement if a Force Majeure event suspends performance of the SaaS Services for a period of forty-five (45) days or more.

   2.4 Lack of Appropriations. If you should not appropriate or otherwise make available funds sufficient to utilize the SaaS Services, you may unilaterally terminate this Agreement upon thirty (30) days written notice to us. You will not be entitled to a refund or offset of previously paid, but unused SaaS Fees. You agree not to use termination for lack of appropriations as a substitute for termination for convenience.

SECTION G – INDEMNIFICATION, LIMITATION OF LIABILITY AND INSURANCE

1. Intellectual Property Infringement Indemnification.

   1.1 We will defend you against any third party claim(s) that the Tyler Software or Documentation infringes that third party's patent, copyright, or trademark, or misappropriates its trade secrets, and will pay the amount of any resulting adverse final judgment (or settlement to which we consent). You must notify us promptly in writing of the claim and give us sole control over its defense or settlement. You agree to provide us with reasonable assistance, cooperation, and information in defending the claim at our expense.

1.2 Our obligations under this Section G(1) will not apply to the extent the claim or adverse final judgment is based on your use of the Tyler Software in contradiction of this Agreement, including with non-licensed third parties, or your willful infringement.

1.3 If we receive information concerning an infringement or misappropriation claim related to the Tyler Software, we may, at our expense and without obligation to do so, either: (a) procure for you the right to continue its use; (b) modify it to make it non-infringing; or (c) replace it with a functional equivalent, in which case you will stop running the allegedly infringing Tyler Software immediately. Alternatively, we may decide to litigate the claim to judgment, in which case you may continue to use the Tyler Software consistent with the terms of this Agreement.

1.4 If an infringement or misappropriation claim is fully litigated and your use of the Tyler Software is enjoined by a court of competent jurisdiction, in addition to paying any adverse final judgment (or settlement to which we consent), we will, at our option, either: (a) procure the right to continue its use; (b) modify it to make it non-infringing; or (c) replace it with a functional equivalent. This section provides your exclusive remedy for third party copyright, patent, or trademark infringement and trade secret misappropriation claims.

2. General Indemnification.

2.1 We will indemnify and hold harmless you and your agents, officials, and employees from and against any and all third-party claims, losses, liabilities, damages, costs, and expenses (including reasonable attorney's fees and costs) for (a) personal injury or property damage to the extent caused by our negligence or willful misconduct; or (b) our violation of PCI-DSS requirements or a law applicable to our performance under this Agreement. You must notify us promptly in writing of the claim and give us sole control over its defense or settlement. You agree to provide us with reasonable assistance, cooperation, and information in defending the claim at our expense.

2.2 To the extent permitted by applicable law, you will indemnify and hold harmless us and our agents, officials, and employees from and against any and all third-party claims, losses, liabilities, damages, costs, and expenses (including reasonable attorney's fees and costs) for (a) personal injury or property damage to the extent caused by your negligence or willful misconduct; or (b) your violation of a law applicable to your performance under this Agreement. We will notify you promptly in writing of the claim and will give you sole control over its defense or settlement. We agree to provide you with reasonable assistance, cooperation, and information in defending the claim at your expense.

3. DISCLAIMER. EXCEPT FOR THE EXPRESS WARRANTIES PROVIDED IN THIS AGREEMENT AND TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, WE HEREBY DISCLAIM ALL OTHER WARRANTIES AND CONDITIONS, WHETHER EXPRESS, IMPLIED, OR STATUTORY, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES, DUTIES, OR CONDITIONS OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. CLIENT UNDERSTANDS AND AGREES THAT TYLER DISCLAIMS ANY LIABILITY FOR ERRORS THAT RELATE TO USER ERROR.

4. LIMITATION OF LIABILITY. EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN THIS AGREEMENT,

OUR LIABILITY FOR DAMAGES ARISING OUT OF THIS AGREEMENT, WHETHER BASED ON A THEORY OF CONTRACT OR TORT, INCLUDING NEGLIGENCE AND STRICT LIABILITY, SHALL BE LIMITED TO YOUR ACTUAL DIRECT DAMAGES, NOT TO EXCEED (A) DURING THE INITIAL TERM, AS SET FORTH IN SECTION F(1), TOTAL FEES PAID AS OF THE TIME OF THE CLAIM; OR (B) DURING ANY RENEWAL TERM, THE THEN-CURRENT ANNUAL SAAS FEES PAYABLE IN THAT RENEWAL TERM. THE PARTIES ACKNOWLEDGE AND AGREE THAT THE PRICES SET FORTH IN THIS AGREEMENT ARE SET IN RELIANCE UPON THIS LIMITATION OF LIABILITY AND TO THE MAXIMUM EXTENT ALLOWED UNDER APPLICABLE LAW, THE EXCLUSION OF CERTAIN DAMAGES, AND EACH SHALL APPLY REGARDLESS OF THE FAILURE OF AN ESSENTIAL PURPOSE OF ANY REMEDY. THE FOREGOING LIMITATION OF LIABILITY SHALL NOT APPLY TO CLAIMS THAT ARE SUBJECT TO SECTIONS G(1) AND G(2).

5. **EXCLUSION OF CERTAIN DAMAGES. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, IN NO EVENT SHALL WE BE LIABLE FOR ANY SPECIAL, INCIDENTAL, PUNITIVE, INDIRECT, OR CONSEQUENTIAL DAMAGES WHATSOEVER, EVEN IF WE HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.**

6. Insurance. During the course of performing services under this Agreement, we agree to maintain the following levels of insurance: (a) Commercial General Liability of at least $1,000,000; (b) Automobile Liability of at least $1,000,000; (c) Professional Liability of at least $1,000,000; (d) Workers Compensation complying with applicable statutory requirements; and (e) Excess/Umbrella Liability of at least $5,000,000. We will add you as an additional insured to our Commercial General Liability and Automobile Liability policies, which will automatically add you as an additional insured to our Excess/Umbrella Liability policy as well. We will provide you with copies of certificates of insurance upon your written request.

SECTION H – GENERAL TERMS AND CONDITIONS

1. Additional Products and Services. You may purchase additional products and services at the rates set forth in the Investment Summary for twelve (12) months from the Effective Date by executing a mutually agreed addendum. If no rate is provided in the Investment Summary, or those twelve (12) months have expired, you may purchase additional products and services at our then-current list price, also by executing a mutually agreed addendum. The terms of this Agreement will control any such additional purchase(s), unless otherwise specifically provided in the addendum.

2. Optional Items. Pricing for any listed optional products and services in the Investment Summary will be valid for twelve (12) months from the Effective Date.

3. Dispute Resolution. You agree to provide us with written notice within thirty (30) days of becoming aware of a dispute. You agree to cooperate with us in trying to reasonably resolve all disputes, including, if requested by either party, appointing a senior representative to meet and engage in good faith negotiations with our appointed senior representative. Senior representatives will convene within thirty (30) days of the written dispute notice, unless otherwise agreed. All meetings and discussions between senior representatives will be deemed confidential settlement discussions not subject to disclosure under Federal Rule of Evidence 408 or any similar applicable state rule. If we fail to resolve the dispute, then the parties shall participate in non-binding mediation in an effort to resolve the dispute. If the dispute remains unresolved after mediation, then either of us may assert our respective rights and remedies in a court of competent jurisdiction. Nothing in this section shall prevent you or us from seeking necessary injunctive relief during the dispute resolution

procedures.

4. Taxes. The fees in the Investment Summary do not include any taxes, including, without limitation, sales, use, or excise tax. If you are a tax-exempt entity, you agree to provide us with a tax-exempt certificate. Otherwise, we will pay all applicable taxes to the proper authorities and you will reimburse us for such taxes. If you have a valid direct-pay permit, you agree to provide us with a copy. For clarity, we are responsible for paying our income taxes, both federal and state, as applicable, arising from our performance of this Agreement.

5. Nondiscrimination. We will not discriminate against any person employed or applying for employment concerning the performance of our responsibilities under this Agreement. This discrimination prohibition will apply to all matters of initial employment, tenure, and terms of employment, or otherwise with respect to any matter directly or indirectly relating to employment concerning race, color, religion, national origin, age, sex, sexual orientation, ancestry, disability that is unrelated to the individual's ability to perform the duties of a particular job or position, height, weight, marital status, or political affiliation. We will post, where appropriate, all notices related to nondiscrimination as may be required by applicable law.

6. E-Verify. We have complied, and will comply, with the E-Verify procedures administered by the U.S. Citizenship and Immigration Services Verification Division for all of our employees assigned to your project.

7. Subcontractors. We will not subcontract any services under this Agreement without your prior written consent, not to be unreasonably withheld.

8. Binding Effect; No Assignment. This Agreement shall be binding on, and shall be for the benefit of, either your or our successor(s) or permitted assign(s). Neither party may assign this Agreement without the prior written consent of the other party; provided, however, your consent is not required for an assignment by us as a result of a corporate reorganization, merger, acquisition, or purchase of substantially all of our assets.

9. Force Majeure. Except for your payment obligations, neither party will be liable for delays in performing its obligations under this Agreement to the extent that the delay is caused by Force Majeure; provided, however, that within ten (10) business days of the Force Majeure event, the party whose performance is delayed provides the other party with written notice explaining the cause and extent thereof, as well as a request for a reasonable time extension equal to the estimated duration of the Force Majeure event.

10. No Intended Third Party Beneficiaries. This Agreement is entered into solely for the benefit of you and us. No third party will be deemed a beneficiary of this Agreement, and no third party will have the right to make any claim or assert any right under this Agreement. This provision does not affect the rights of third parties under any Third Party Terms.

11. Entire Agreement; Amendment. This Agreement represents the entire agreement between you and us with respect to the subject matter hereof, and supersedes any prior agreements, understandings, and representations, whether written, oral, expressed, implied, or statutory. Purchase orders submitted by you, if any, are for your internal administrative purposes only, and the terms and conditions contained in those purchase orders will have no force or effect. This Agreement may

only be modified by a written amendment signed by an authorized representative of each party.

12. Severability. If any term or provision of this Agreement is held invalid or unenforceable, the remainder of this Agreement will be considered valid and enforceable to the fullest extent permitted by law.

13. No Waiver. In the event that the terms and conditions of this Agreement are not strictly enforced by either party, such non-enforcement will not act as or be deemed to act as a waiver or modification of this Agreement, nor will such non-enforcement prevent such party from enforcing each and every term of this Agreement thereafter.

14. Independent Contractor. We are an independent contractor for all purposes under this Agreement.

15. Notices. All notices or communications required or permitted as a part of this Agreement, such as notice of an alleged material breach for a termination for cause or a dispute that must be submitted to dispute resolution, must be in writing and will be deemed delivered upon the earlier of the following: (a) actual receipt by the receiving party; (b) upon receipt by sender of a certified mail, return receipt signed by an employee or agent of the receiving party; (c) upon receipt by sender of proof of email delivery; or (d) if not actually received, five (5) days after deposit with the United States Postal Service authorized mail center with proper postage (certified mail, return receipt requested) affixed and addressed to the other party at the address set forth on the signature page hereto or such other address as the party may have designated by proper notice. The consequences for the failure to receive a notice due to improper notification by the intended receiving party of a change in address will be borne by the intended receiving party.

16. Client Lists. You agree that we may identify you by name in client lists, marketing presentations, and promotional materials.

17. Confidentiality. Both parties recognize that their respective employees and agents, in the course of performance of this Agreement, may be exposed to confidential information and that disclosure of such information could violate rights to private individuals and entities, including the parties. Confidential information is nonpublic information that a reasonable person would believe to be confidential and includes, without limitation, personal identifying information (*e.g.*, social security numbers) and trade secrets, each as defined by applicable state law. Each party agrees that it will not disclose any confidential information of the other party and further agrees to take all reasonable and appropriate action to prevent such disclosure by its employees or agents. The confidentiality covenants contained herein will survive the termination or cancellation of this Agreement. This obligation of confidentiality will not apply to information that:
    (a) is in the public domain, either at the time of disclosure or afterwards, except by breach of this Agreement by a party or its employees or agents;
    (b) a party can establish by reasonable proof was in that party's possession at the time of initial disclosure;
    (c) a party receives from a third party who has a right to disclose it to the receiving party; or
    (d) is the subject of a legitimate disclosure request under the open records laws or similar applicable public disclosure laws governing this Agreement; provided, however, that in the event you receive an open records or other similar applicable request, you will give us prompt notice and otherwise perform the functions required by applicable law.

18. Quarantining of Client Data. Some services provided by Tyler require us to be in possession of your Data. In the event we detect malware or other conditions associated with your Data that are reasonably suspected of putting Tyler resources or other Tyler clients' data at risk, we reserve the absolute right to move your Data from its location within a multi-tenancy Tyler hosted environment to an isolated "quarantined" environment without advance notice. Your Data will remain in such quarantine for a period of at least six (6) months during which time we will review the Data, and all traffic associated with the Data, for signs of malware or other similar issues. If no issues are detected through such reviews during the six (6) month period of quarantine, we will coordinate with you the restoration of your Data to a non-quarantined environment. In the event your Data must remain in quarantine beyond this six (6) month period through no fault of Tyler's, we reserve the right to require payment of additional fees for the extended duration of quarantine. We will provide an estimate of what those costs will be upon your request.

19. Business License. In the event a local business license is required for us to perform services hereunder, you will promptly notify us and provide us with the necessary paperwork and/or contact information so that we may timely obtain such license.

20. Governing Law. This Agreement will be governed by and construed in accordance with the laws of your state of domicile, without regard to its rules on conflicts of law.

21. Multiple Originals and Authorized Signatures. This Agreement may be executed in multiple originals, any of which will be independently treated as an original document. Any electronic, faxed, scanned, photocopied, or similarly reproduced signature on this Agreement or any amendment hereto will be deemed an original signature and will be fully enforceable as if an original signature. Each party represents to the other that the signatory set forth below is duly authorized to bind that party to this Agreement.

22. Cooperative Procurement. To the maximum extent permitted by applicable law, we agree that this Agreement may be used as a cooperative procurement vehicle by eligible jurisdictions. We reserve the right to negotiate and customize the terms and conditions set forth herein, including but not limited to pricing, to the scope and circumstances of that cooperative procurement.

23. Data & Insights Solution Terms. Your use of certain Tyler solutions includes Tyler's Data & Insights data platform. Your rights, and the rights of any of your end users, to use Tyler's Data & Insights data platform is subject to the Data & Insights SaaS Services Terms of Service, available at https://www.tylertech.com/terms/data-insights-saas-services-terms-of-service. By signing a Tyler Agreement or Order Form, or accessing, installing, or using any of the Tyler solutions listed at the linked terms, you certify that you have reviewed, understand, and agree to said terms.

24. Contract Documents. This Agreement includes the following exhibits:

Exhibit A	Investment Summary
Exhibit B	Invoicing and Payment Policy
	Schedule 1: Business Travel Policy
Exhibit C	Service Level Agreement
	Schedule 1: Support Call Process
Exhibit D	Third Party Terms
Exhibit E	Statement of Work

IN WITNESS WHEREOF, a duly authorized representative of each party has executed this Agreement as of the date(s) set forth below.

Tyler Technologies, Inc.	City of Winters, California
By:_____	By:_____
Name:_____	Name:_____
Title:_____	Title:_____
Date:_____	Date:_____
Address for Notices: Tyler Technologies, Inc. One Tyler Drive Yarmouth, ME 04096 Attention: Chief Legal Officer	Address for Notices: City of Winters 318 1st Street Winters, CA 95694 Attention: _____



Exhibit A
Investment Summary

The following Investment Summary details the software and services to be delivered by us to you under the Agreement. This Investment Summary is effective as of the Effective Date, despite any expiration date in the Investment Summary that may have lapsed as of the Effective Date.

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Sales Quotation For:
City of Winters
318 1st St
Winters CA 95694-1923

Quoted BY Cody Gunstenson
Quote Expiration 9/3/24
Quote Name

Tyler Annual Software – SaaS Description	List Price	Discount	Annual
ERP Pro			
ERP Pro 10 Financial Management Suite			
Invoice Approvals	$ 0	$ 0	$ 0
Core Financials	$ 13,500	$ 2,025	$ 11,475
Benefits Enrollment	$ 1,650	$ 248	$ 1,402
Fixed Assets	$ 1,433	$ 215	$ 1,218
Grants Management	$ 1,350	$ 203	$ 1,147
Human Resources Management (Includes Position Budgeting)	$ 7,070	$ 1,061	$ 6,009
Employee Access Pro	$ 0	$ 0	$ 0
Project Accounting	$ 2,829	$ 424	$ 2,405
Purchasing	$ 3,395	$ 509	$ 2,886
ERP Pro 10 Customer Relationship Management Suite			
Utility Billing Water/Gas	$ 8,356	$ 1,253	$ 7,103
Cashiering	$ 2,894	$ 434	$ 2,460

Tyler Annual Software – SaaS Description	List Price	Discount	Annual
Utility Access	$ 1,192	$ 0	$ 1,192
Service Orders Mobile	$ 643	$ 96	$ 547
Tyler One			
Identity			
Identity Workforce Advanced [10]	$ 60	$ 0	$ 60
Time & Attendance			
Time & Attendance Mobile Access License	$ 1,503	$ 225	$ 1,278
Time & Attendance	$ 3,107	$ 466	$ 2,641
Data & Insights			
Finance Insights	$ 7,500	$ 1,125	$ 6,375
Content Manager Suite			
Content Manager Core	$ 4,501	$ 675	$ 3,826
TOTAL:	**$ 60,983**	**$ 8,959**	**$ 52,024**
Term # of Years:	**3**		

Tyler Annual Services Description	List Price	Discount	Annual
ERP Pro			
Other Services			
Tyler University	$ 2,007	$ 301	$ 1,706
TOTAL:	**$ 2,007**	**$ 301**	**$ 1,706**

Tyler Fees per Transaction Description	Net Unit Price
ERP Pro	
ERP Pro 10 Financial Management Suite	
AP Automation	$ 0.00
ERP Pro 10 Customer Relationship Management Suite	
Miscellaneous Payments	$ 1.25
Tyler One	
Notify	
Notifications for Utilities	$ 0.10

Payments

	Use Case	List Price	Service%	Min	Basis Points	Rate	Cap	POS	Online	IVR
Payments - Client Card Cost - Interchange Plus										
Tyler One										
Utility Access Payments Bundle	Utility Billing				2.00%			X	X	
Payments - Payer Card Cost - Service Fees										
Tyler One										
ERP Pro Payments	Miscellaneous		3.75%	$ 2.50				X	X	
Payments - Other Fees										
Tyler One										
Credit Card Chargebacks		$ 15.00								

Payer Card Cost per card transaction with Visa, MasterCard, Discover, and American Express when applicable.

Client Card Cost - Interchange Plus per card transaction with Visa, MasterCard, Discover, and American Express, when applicable, for all transactions on top of industry-driven rates for bank fees, card brand fees, interchange fees, dues, assessments, and other processing fees.

Credit Card Chargebacks If a card payer disputes a transaction at the card issuing bank (e.g. stolen card)

Services Description	Hours/Units	Extended Price
ERP Pro 10 Financial Management Suite		
Professional Services	428	$ 62,060
Project Management	1	$ 1,750
Data Conversion Services		$ 8,500
ERP Pro 10 Customer Relationship Management Suite		
Professional Services	202	$ 29,290
Project Management	1	$ 1,500
Data Conversion Services		$ 6,000
Time & Attendance		
Project Management	1	$ 1,400
Time & Attendance Professional Services	1	$ 145
Professional Services	50	$ 7,250
Data & Insights		
Professional Services	28	$ 4,060
Content Manager Suite		
Professional Services	32	$ 4,640
TOTAL:		**$ 126,595**

Summary	**One Time Fees**	**Recurring Fees**
Total SaaS		$ 52,024
Total Tyler Services	$ 126,595	$ 1,706
Summary Total	**$ 126,595**	**$ 53,730**

Optional Tyler Annual Software – SaaS Description	List Price	Discount	Annual
Tyler One			
Parks & Rec			
Parks & Recreation	$ 3,678	$ 552	$ 3,126
Cashiering for Parks & Recreation	$ 965	$ 145	$ 820
Content Manager Suite			
Content Manager Employee Onboarding	$ 3,858	$ 579	$ 3,279
Time & Attendance			
Advanced Scheduling	$ 5,983	$ 897	$ 5,086
ERP Pro			
ERP Pro 10 Financial Management Suite			
Applicant Tracking	$ 1,060	$ 159	$ 901
Inventory Control	$ 3,183	$ 477	$ 2,706
Accounts Receivable	$ 3,537	$ 531	$ 3,006
ERP Pro 10 Customer Relationship Management Suite			
Third-Party Printing Interface	$ 2,572	$ 386	$ 2,186
TOTAL:	**$ 24,836**	**$ 3,726**	**$ 21,110**

Optional Services Description	Hours/Units	Extended Price
ERP Pro 10 Financial Management Suite		
Professional Services	52	$ 7,540
ERP Pro 10 Customer Relationship Management Suite		
Professional Services	4	$ 580

Optional Services Description	Hours/Units	Extended Price
Time & Attendance		
Professional Services	48	$ 6,960
Content Manager Suite		
Professional Services	12	$ 1,740
Parks & Rec		
Professional Services	104	$ 15,080
Project Management	1	$ 1,500
TOTAL:		**$ 33,400**

Comments

Financial Management Data Conversion includes one additional fiscal year of balanced historical transactions beyond the scope noted below.
Work will be delivered remotely unless otherwise noted in this agreement.

SaaS is considered a term of one year unless otherwise indicated.

Your use of Tyler Payments and any related items included on this order is subject to the terms found at: https://www.tylertech.com/terms/payment-card-processing-agreement. By signing this order or the agreement in which it is included, you agree you have read, understand, and agree to such terms. Please see attached Tyler Payments fee schedule.

Cashiering	Cashiering supports credit/debit cards, is PCI Compliant, and includes a cash collection interface and a cashiering receipt import.
Core Financials	Core Financials includes general ledger, budget prep, bank recon, AP, CellSense, a standard forms pkg, output director, positive pay, secure signatures.
Utility Access	Utility Access Component displays the current status (late, cut off etc), the action needed to avoid penalty, current balance, deposits on file (optional), last payment date, last payment amount, payment arrangements on file, last bill amount, last bill date, bill due date, contracts on file and status, transaction history (online payments). Payment packet is created to be imported to utility system. Address information includes legal description, precinct, school district, and services at address(subject to data availability). Includes consumption history by service (including graphs), request for service (optional), information change request (optional), security -SSL (secure socket layer).
Utility Billing Water/Gas	Utility CIS System includes collections, tax lien process and import, a standard forms pkg., output director and one Utility handheld meter-reader interface.
Invoice Approvals	Invoice Approvals, included with AP Automation, automates invoice workflows by routing them to the appropriate departments for completion and approval.
Identity Workforce Advanced [10]	Tyler's Identity Workforce currently supports the following identity providers (IdP's) for use with Tyler back-office solutions: Microsoft Active Directory through Azure AD, ADFS or Okta AD agent, Google Cloud Identity, Identity Automation RapidIdentity, and Okta. Any requirement by you to use an IdP not supported by Tyler may require additional costs, available upon request. Identity Workforce SaaS Fees are based on user counts. Year one

	SaaS Fee is based on estimated user count as indicated in this order. Unless otherwise agreed by the parties, the SaaS Fee for each subsequent annual term is based on the preceding annual term's annual user count.
Advanced Scheduling	Advanced Scheduling includes Advanced Scheduling Mobile Access
ERP Pro Payments	An annual PCI compliance fee in the amount of $99 and a monthly Gateway fee in the amount of $10 will be billed per merchant account.
Utility Access Payments Bundle	The Utility Access Payments Bundle includes: ERP Pro Payments and IVR (an automated phone system which securely allows for the collection of utility payments and the checking of balances and due dates). An annual PCI compliance fee in the amount of $99 and a monthly Gateway fee in the amount of $10 will be billed per merchant account.
Miscellaneous Payments	Miscellaneous Payments Component allows clients to setup payment forms for misc. payments with a fixed, calculated or open payment amount. The payments are sent from the website to the cash collection/Cashiering application and then posted to the GL application. NOTE: There is a per transaction fee associated with the Miscellaneous Payments that will be paid by client unless Tyler is instructed by the client to pass along to the user at time of payment.
Notifications for Utilities	Notification for Utility Access includes Customer notification by phone (call late notices and general notifications). Call lists are automatically generated and the account is updated after the call. It includes a custom message for each call type and the call message can be in English or Spanish. It generates reports based on call results. Note: The Utility will be billed at the rate specified above for all the calls made. The Utility will be billed quarterly by Tyler Technologies for calls conducted.
Financial Management Data Conversion	Financial Management conversion includes Chart of Accounts, General Ledger, and Accounts Payable. Prior fiscal year balances, current fiscal year balanced transactions, and unlimited unbalanced transaction history are also included.
Human Resources Management / Payroll Data Conversion	Human Resources Management conversion includes employee data, current calendar year balanced transactions, and unlimited unbalanced transaction history.
Utilities Data Conversion	Utility Billing conversion includes contacts/properties/accounts, meters, transaction/consumption/read history, metered services, non-metered service. Balanced transactions converted from current calendar year plus prior 2 years. Unlimited history imported upon request.
AP Automation	AP Automation pricing quoted reflects processing via check or Virtual Card. Processing checks will incur a fee and an invoice will be provided annually based on actual usage. Please refer to the Terms of Use for Fee Structure and to agree to terms: https://www.tylertech.com/client-terms/ap-automation-payment-terms-of-use

Exhibit B
Invoicing and Payment Policy

We will provide you with the software and services set forth in the Investment Summary of the Agreement. Capitalized terms not otherwise defined will have the meaning assigned to such terms in the Agreement.

Invoicing: We will invoice you for the applicable software and services in the Investment Summary as set forth below. Your rights to dispute any invoice are set forth in the Agreement.

1. SaaS Fees. SaaS Fees are invoiced on an annual basis, beginning on the commencement of the initial term as set forth in Section F (1) of this Agreement. Your annual SaaS fees for the initial term are set forth in the Investment Summary. Upon expiration of the initial term, your annual SaaS fees will be at our then-current rates. We will not increase your annual SaaS Fees by more than four percent (4%) over the previous year's fees for the first two (2) renewals following the expiration of the initial term.

2. Other Tyler Software and Services.
   2.1 *Implementation and Other Professional Services (including training)*: Implementation and other professional services (including training) are billed and invoiced as delivered, at the rates set forth in the Investment Summary.
   2.2 *Consulting Services*: If you have purchased any Business Process Consulting services, if they have been quoted as fixed-fee services, they will be invoiced 50% upon your acceptance of the Best Practice Recommendations, by module, and 50% upon your acceptance of custom desktop procedures, by module. If you have purchased any Business Process Consulting services and they are quoted as an estimate, then we will bill you the actual services delivered on a time and materials basis.
   2.3 *Conversions*: Fixed-fee conversions are invoiced 50% upon initial delivery of the converted Data, by conversion option, and 50% upon Client acceptance to load the converted Data into Live/Production environment, by conversion option. Where conversions are quoted as estimated, we will bill you the actual services delivered on a time and materials basis.
   2.4 *Requested Modifications to the Tyler Software*: Requested modifications to the Tyler Software are invoiced 50% upon delivery of specifications and 50% upon delivery of the applicable modification. You must report any failure of the modification to conform to the specifications within thirty (30) days of delivery; otherwise, the modification will be deemed to be in compliance with the specifications after the 30-day window has passed. You may still report Defects to us as set forth in this Agreement.
   2.5 *Other Fixed Price Services*: Other fixed price services are invoiced as delivered, at the rates set forth in the Investment Summary. For the avoidance of doubt, where "Project Planning Services" are provided, payment will be due upon delivery of the Implementation Planning document. Dedicated Project Management services, if any, will be billed monthly in arrears, beginning on the first day of the month immediately following initiation of project planning.

2.6 *Web Services*: Annual fees for web services are payable in advance, commencing upon the availability of the service. Your annual fees for the initial term are set forth in the Investment Summary. Upon expiration of the initial term, your annual fees will be at our then-current rates.

2.7 *Annual Services*: Unless otherwise indicated in this Exhibit B, fees for annual services are due annually, in advance, commencing on the availability of the service. Your annual fees for the initial term are set forth in the Investment Summary. Upon expiration of the initial term, your annual fees will be at our then-current rates. We will not increase your annual fees by more than four percent (4%) over the previous year's fees for the first two (2) renewals following the expiration of the initial term.

3. Third Party Products and Hardware.
   3.1 *Third Party Software License Fees*: License fees for Third Party Software, if any, are invoiced when we make it available to you for downloading.
   3.2 *Third Party Software Maintenance*: The first year maintenance fee for the Third Party Software is invoiced when we make it available to you for downloading. Subsequent annual maintenance fees for Third Party Software are invoiced annually, in advance, at then-current rates, upon each anniversary thereof.
   3.3 *Hardware*: Third Party Hardware costs, if any, are invoiced upon delivery.
   3.4 *Hardware Maintenance*: The first year maintenance fee for Hardware is invoiced upon delivery of the hardware. Subsequent annual maintenance fees for hardware are invoiced annually, in advance, at then-current rates, upon each anniversary thereof.
   3.5 *Third Party Services:* Fees for Third Party Services, if any, are invoiced as delivered, along with applicable expenses, at the rates set forth in the Investment Summary. For the avoidance of doubt, Finite Matters will invoice Client directly for any services fees for Pattern Stream.
   3.6 *Third Party SaaS*: Third Party SaaS Services fees, if any, are invoiced annually, in advance, commencing with availability of the respective Third Party SaaS Services. Pricing for the first year of Third Party SaaS Services is indicated in the Investment Summary. Pricing for subsequent years will be at the respective third party's then-current rates.

4. Transaction Fees. Unless paid directly by an end user at the time of transaction, per transaction (call, message, etc.) fees are invoiced on a quarterly basis. Fees are indicated in the Investment Summary and may be increased by Tyler upon notice of no less than thirty (30) days.

5. Expenses. The service rates in the Investment Summary do not include travel expenses. Expenses for Tyler delivered services will be billed as incurred and only in accordance with our then-current Business Travel Policy, plus a 10% travel agency processing fee. Our current Business Travel Policy is attached to this Exhibit B as Schedule 1. Copies of receipts will be provided upon request; we reserve the right to charge you an administrative fee depending on the extent of your requests. Receipts for miscellaneous items less than twenty-five dollars and mileage logs are not available.

Payment. Payment for undisputed invoices is due within forty-five (45) days of the invoice date. We prefer to receive payments electronically. Our electronic payment information is available by contacting AR@tylertech.com.

Exhibit B
Schedule 1
Business Travel Policy

1. Air Travel

   A. Reservations & Tickets

   The Travel Management Company (TMC) used by Tyler will provide an employee with a direct flight within two hours before or after the requested departure time, assuming that flight does not add more than three hours to the employee's total trip duration and the fare is within $100 (each way) of the lowest logical fare. If a net savings of $200 or more (each way) is possible through a connecting flight that is within two hours before or after the requested departure time and that does not add more than three hours to the employee's total trip duration, the connecting flight should be accepted.

   Employees are encouraged to make advanced reservations to take full advantage of discount opportunities. Employees should use all reasonable efforts to make travel arrangements at least two (2) weeks in advance of commitments. A seven (7) day advance booking requirement is mandatory. When booking less than seven (7) days in advance, management approval will be required.

   Except in the case of international travel where a segment of continuous air travel is six (6) or more consecutive hours in length, only economy or coach class seating is reimbursable. Employees shall not be reimbursed for "Basic Economy Fares" because these fares are non-refundable and have many restrictions that outweigh the cost-savings.

   B. Baggage Fees

   Reimbursement of personal baggage charges are based on trip duration as follows:

   - Up to five (5) days = one (1) checked bag
   - Six (6) or more days = two (2) checked bags

   Baggage fees for sports equipment are not reimbursable.

2. Ground Transportation

A. Private Automobile

Mileage Allowance – Business use of an employee's private automobile will be reimbursed at the current IRS allowable rate, plus out of pocket costs for tolls and parking. Mileage will be calculated by using the employee's office as the starting and ending point, in compliance with IRS regulations. Employees who have been designated a home office should calculate miles from their home.

B. Rental Car

Employees are authorized to rent cars only in conjunction with air travel when cost, convenience, and the specific situation reasonably require their use. When renting a car for Tyler business, employees should select a "mid-size" or "intermediate" car. "Full" size cars may be rented when three or more employees are traveling together. Tyler carries leased vehicle coverage for business car rentals; except for employees traveling to Alaska and internationally (excluding Canada), additional insurance on the rental agreement should be declined.

C. Public Transportation

Taxi or airport limousine services may be considered when traveling in and around cities or to and from airports when less expensive means of transportation are unavailable or impractical. The actual fare plus a reasonable tip (15-18%) are reimbursable. In the case of a free hotel shuttle to the airport, tips are included in the per diem rates and will not be reimbursed separately.

D. Parking & Tolls

When parking at the airport, employees must use longer term parking areas that are measured in days as opposed to hours. Park and fly options located near some airports may also be used. For extended trips that would result in excessive parking charges, public transportation to/from the airport should be considered. Tolls will be reimbursed when receipts are presented.

3. Lodging

Tyler's TMC will select hotel chains that are well established, reasonable in price, and conveniently located in relation to the traveler's work assignment. Typical hotel chains include Courtyard, Fairfield Inn, Hampton Inn, and Holiday Inn Express. If the employee has a discount rate with a local hotel, the hotel reservation should note that discount and the employee should confirm the lower rate with the hotel upon arrival. Employee memberships in travel clubs such as AAA should be noted in their travel profiles so that the employee can take advantage of any lower club rates.

"No shows" or cancellation fees are not reimbursable if the employee does not comply with the hotel's cancellation policy.

Tips for maids and other hotel staff are included in the per diem rate and are not reimbursed separately.

Employees are not authorized to reserve non-traditional short-term lodging, such as Airbnb, VRBO, and HomeAway. Employees who elect to make such reservations shall not be reimbursed.

4. Meals and Incidental Expenses

Employee meals and incidental expenses while on travel status within the continental U.S. are in accordance with the federal per diem rates published by the General Services Administration. Incidental expenses include tips to maids, hotel staff, and shuttle drivers and other minor travel expenses. Per diem rates are available at www.gsa.gov/perdiem.

Per diem for Alaska, Hawaii, U.S. protectorates and international destinations are provided separately by the Department of State and will be determined as required.

A. Overnight Travel

For each full day of travel, all three meals are reimbursable. Per diems on the first and last day of a trip are governed as set forth below.

Departure Day

Depart before 12:00 noon	Lunch and dinner
Depart after 12:00 noon	Dinner

Return Day

Return before 12:00 noon	Breakfast
Return between 12:00 noon & 7:00 p.m.	Breakfast and lunch
Return after 7:00 p.m.*	Breakfast, lunch and dinner

*7:00 p.m. is defined as direct travel time and does not include time taken to stop for dinner.

The reimbursement rates for individual meals are calculated as a percentage of the full day per diem as follows:

Breakfast	15%
Lunch	25%
Dinner	60%

B. Same Day Travel

Employees traveling at least 100 miles to a site and returning in the same day are eligible to claim lunch on an expense report. Employees on same day travel status are eligible to claim dinner in the event they return home after 7:00 p.m.*

*7:00 p.m. is defined as direct travel time and does not include time taken to stop for dinner.

5. Internet Access – Hotels and Airports

   Employees who travel may need to access their e-mail at night. Many hotels provide free high speed internet access and Tyler employees are encouraged to use such hotels whenever possible. If an employee's hotel charges for internet access it is reimbursable up to $10.00 per day. Charges for internet access at airports are not reimbursable.

6. International Travel

   All international flights with the exception of flights between the U.S. and Canada should be reserved through TMC using the "lowest practical coach fare" with the exception of flights that are six (6) or more consecutive hours in length. In such event, the next available seating class above coach shall be reimbursed.

   When required to travel internationally for business, employees shall be reimbursed for photo fees, application fees, and execution fees when obtaining a new passport book, but fees related to passport renewals are not reimbursable. Visa application and legal fees, entry taxes and departure taxes are reimbursable.

   The cost of vaccinations that are either required for travel to specific countries or suggested by the U.S. Department of Health & Human Services for travel to specific countries, is reimbursable.

   Section 4, Meals & Incidental Expenses, and Section 2.b., Rental Car, shall apply to this section.



Exhibit C
SERVICE LEVEL AGREEMENT

I. Agreement Overview

This SLA operates in conjunction with, and does not supersede or replace any part of, the Agreement. It outlines the information technology service levels that we will provide to you to ensure the availability of the application services that you have requested us to provide. All other support services are documented in the Support Call Process. This SLA does not apply to any Third Party SaaS Services. All other support services are documented in the Support Call Process.

II. Definitions. Except as defined below, all defined terms have the meaning set forth in the Agreement.

Actual Attainment: The percentage of time the Tyler Software is available during a calendar month, calculated as follows: (Service Availability – Downtime) ÷ Service Availability.

Client Error Incident: Any service unavailability resulting from your applications, content or equipment, or the acts or omissions of any of your service users or third-party providers over whom we exercise no control.

Downtime: Those minutes during Service Availability, as defined below, when all users cannot launch, login, search or save primary data in the Tyler Software. Downtime does not include those instances in which only a Defect is present.

Emergency Maintenance Window: (1) maintenance that is required to patch a critical security vulnerability; (2) maintenance that is required to prevent an imminent outage of Service Availability; or (3) maintenance that is mutually agreed upon in writing by Tyler and the Client.

Planned Downtime: Downtime that occurs during a Standard or Emergency Maintenance window.

Service Availability: The total number of minutes in a calendar month that the Tyler Software is capable of receiving, processing, and responding to requests, excluding Planned Downtime, Client Error Incidents, denial of service attacks and Force Majeure. Service Availability only applies to Tyler Software being used in the live production environment.

Standard Maintenance: Routine maintenance to the Tyler Software and infrastructure. Standard Maintenance is limited to five (5) hours per week.

III. Service Availability

a. Your Responsibilities

Whenever you experience Downtime, you must make a support call according to the procedures outlined in the Support Call Process. You will receive a support case number.

b. Our Responsibilities

When our support team receives a call from you that Downtime has occurred or is occurring, we will work with you to identify the cause of the Downtime (including whether it may be the result of Planned Downtime, a Client Error Incident, denial of service attack or Force Majeure). We will also work with you to resume normal operations.

c. Client Relief

Our targeted Attainment Goal is 100%. You may be entitled to credits as indicated in the Client Relief Schedule found below. Your relief credit is calculated as a percentage of the SaaS Fees paid for the calendar month.

In order to receive relief credits, you must submit a request through one of the channels listed in our Support Call Process within fifteen days (15) of the end of the applicable month. We will respond to your relief request within thirty (30) day(s) of receipt.

The total credits confirmed by us will be applied to the SaaS Fee for the next billing cycle. Issuing of such credit does not relieve us of our obligations under the Agreement to correct the problem which created the service interruption.

Credits are only payable when Actual Attainment results in eligibility for credits in consecutive months and only for such consecutive months.

Client Relief Schedule	
Actual Attainment	**Client Relief**
99.99% - 99.70%	Remedial action will be taken
99.69% - 98.50%	2% of SaaS Fees paid for applicable month
98.49% - 97.50%	4% of SaaS Fees paid for applicable month
97.49% - 96.50%	6% of SaaS Fees paid for applicable month
96.49% - 95.50%	8% of SaaS Fees paid for applicable month
Below 95.50%	10% of SaaS Fees paid for applicable month

* Notwithstanding language in the Agreement to the contrary, Recovery Point Objective is one (1) hour.

IV. Maintenance Notifications

We perform Standard Maintenance during limited windows that are historically known to be reliably low-traffic times. If and when maintenance is predicted to occur during periods of higher traffic, we will provide advance notice of those windows and will coordinate to the greatest extent possible with you.

Not all maintenance activities will cause application unavailability. However, if Tyler anticipates that activities during a Standard or Emergency Maintenance window may make the Tyler Software unavailable, we will provide advance notice, as reasonably practicable, that the Tyler Software will be unavailable during the maintenance window.

Exhibit C
Schedule 1
Support Call Process

Support Channels

Tyler Technologies, Inc. provides the following channels of software support for authorized users*:

(1) On-line submission (portal) – for less urgent and functionality-based questions, users may create support incidents through the Tyler Customer Portal available at the Tyler Technologies website. A built-in Answer Panel provides users with resolutions to most "how-to" and configuration-based questions through a simplified search interface with machine learning, potentially eliminating the need to submit the support case.
(2) Email – for less urgent situations, users may submit emails directly to the software support group.
(3) Telephone – for urgent or complex questions, users receive toll-free, telephone software support.

** Channel availability may be limited for certain applications.*

Support Resources

A number of additional resources are available to provide a comprehensive and complete support experience:

(1) Tyler Website – www.tylertech.com – for accessing client tools, documentation, and other information including support contact information.
(2) Tyler Search -a knowledge based search engine that lets you search multiple sources simultaneously to find the answers you need, 24x7.
(3) Tyler Community –provides a venue for all Tyler clients with current maintenance agreements to collaborate with one another, share best practices and resources, and access documentation.
(4) Tyler University – online training courses on Tyler products.

Support Availability

Tyler Technologies support is available during the local business hours of 8 AM to 5 PM (Monday – Friday) across four US time zones (Pacific, Mountain, Central and Eastern). Tyler's holiday schedule is outlined below. There will be no support coverage on these days.

New Year's Day	Labor Day
Martin Luther King, Jr. Day	Thanksgiving Day
Memorial Day	Day after Thanksgiving
Independence Day	Christmas Day

For support teams that provide after-hours service, we will provide you with procedures for contacting

support staff after normal business hours for reporting Priority Level 1 Defects only. Upon receipt of such a Defect notification, we will use commercially reasonable efforts to meet the resolution targets set forth below.

We will also make commercially reasonable efforts to be available for one pre-scheduled Saturday of each month to assist your IT staff with applying patches and release upgrades, as well as consulting with them on server maintenance and configuration of the Tyler Software environment.

Incident Handling

Incident Tracking

Every support incident is logged into Tyler's Customer Relationship Management System and given a unique case number. This system tracks the history of each incident. The case number is used to track and reference open issues when clients contact support. Clients may track incidents, using the case number, through Tyler's Customer Portal or by calling software support directly.

Incident Priority

Each incident is assigned a priority level, which corresponds to the Client's needs. Tyler and the Client will reasonably set the priority of the incident per the chart below. This chart is not intended to address every type of support incident, and certain "characteristics" may or may not apply depending on whether the Tyler software has been deployed on customer infrastructure or the Tyler cloud. The goal is to help guide the Client towards clearly understanding and communicating the importance of the issue and to describe generally expected response and resolution targets in the production environment only.

References to a "confirmed support incident" mean that Tyler and the Client have successfully validated the reported Defect/support incident.

Priority Level	Characteristics of Support Incident	Resolution Targets*
1 Critical	Support incident that causes (a) complete application failure or application unavailability; (b) application failure or unavailability in one or more of the client's remote location; or (c) systemic loss of multiple essential system functions.	Tyler shall provide an initial response to Priority Level 1 incidents within one (1) business hour of receipt of the incident. Once the incident has been confirmed, Tyler shall use commercially reasonable efforts to resolve such support incidents or provide a circumvention procedure within one (1) business day. For non-hosted customers, Tyler's responsibility for lost or corrupted data is limited to assisting the Client in restoring its last available database.

Priority Level	Characteristics of Support Incident	Resolution Targets*
2 High	Support incident that causes (a) repeated, consistent failure of essential functionality affecting more than one user or (b) loss or corruption of data.	Tyler shall provide an initial response to Priority Level 2 incidents within four (4) business hours of receipt of the incident. Once the incident has been confirmed, Tyler shall use commercially reasonable efforts to resolve such support incidents or provide a circumvention procedure within ten (10) business days. For non-hosted customers, Tyler's responsibility for loss or corrupted data is limited to assisting the Client in restoring its last available database.
3 Medium	Priority Level 1 incident with an existing circumvention procedure, or a Priority Level 2 incident that affects only one user or for which there is an existing circumvention procedure.	Tyler shall provide an initial response to Priority Level 3 incidents within one (1) business day of receipt of the incident. Once the incident has been confirmed, Tyler shall use commercially reasonable efforts to resolve such support incidents without the need for a circumvention procedure with the next published maintenance update or service pack, which shall occur at least quarterly. For non-hosted customers, Tyler's responsibility for lost or corrupted data is limited to assisting the Client in restoring its last available database.
4 Non-critical	Support incident that causes failure of non-essential functionality or a cosmetic or other issue that does not qualify as any other Priority Level.	Tyler shall provide an initial response to Priority Level 4 incidents within two (2) business days of receipt of the incident. Once the incident has been confirmed, Tyler shall use commercially reasonable efforts to resolve such support incidents, as well as cosmetic issues, with a future version release.

**Response and Resolution Targets may differ by product or business need*

Incident Escalation

If Tyler is unable to resolve any priority level 1 or 2 defect as listed above or the priority of an issue has elevated since initiation, you may escalate the incident to the appropriate resource, as outlined by each product support team. The corresponding resource will meet with you and any Tyler staff to establish a mutually agreeable plan for addressing the defect.

Remote Support Tool

Some support calls may require further analysis of the Client's database, processes or setup to diagnose a problem or to assist with a question. Tyler will, at its discretion, use an industry-standard remote support tool. Tyler's support team must have the ability to quickly connect to the Client's system and view the site's setup, diagnose problems, or assist with screen navigation. More information about the remote support tool Tyler uses is available upon request.

Exhibit D
Third Party Terms

Cornerstone OnDemand Terms. Your use of Cornerstone OnDemand software and services is subject to terms found here: chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://s3.us-east-1.amazonaws.com/sumtotalsystems.com/prod/images/cornerstone-terms-of-use.pdf. By signing a Tyler Agreement or Order Form including Cornerstone software or services, or accessing, installing, or using Cornerstone software or services, you agree that you have read, understood, and agree to such terms.

DocOrigin Terms. Your use of Tyler Forms software and forms is subject to the DocOrigin End User License Agreement available for download here: https://eclipsecorp.us/eula/. By signing a Tyler Agreement or Order Form including Tyler forms software or forms, or accessing, installing, or using Tyler Forms software or forms, you agree that you have read, understood, and agree to such terms.

Emphasys Terms. Your use of SymPro software and services is governed by terms available here: https://tylertech.com/portals/0/terms/Emphasys-Software-Agreement/Emphasys-Software-Agreement.pdf. By signing a Tyler Agreement or Order Form containing such software or services, or accessing, installing, or using SymPro software or services, you agree that you have read, understood, and agree to such terms.

Fire Prevention Mobile Terms. Your use of Tyler's Fire Prevention Mobile solutions is subject to the terms found here: https://www.tylertech.com/terms/fire-prevention-mobile-third-party-terms. By signing a Tyler Agreement or Order Form, or accessing, installing, or using the Fire Prevention Mobile solution, you agree that you have read, understood, and agree to such terms.

Pattern Stream Terms. Your use of Pattern Stream software and services is subject to the terms found here: https://www.tylertech.com/terms/finite-matters-ltd-consolidated-terms. By signing a Tyler Agreement or Order Form, or accessing, installing, or using Pattern Stream software or services, you agree that you have read, understood, and agree to such terms.

Quatred Terms. Your use of Quatred solutions is subject to the End User License Agreement terms found here: https://www.quatred.com/eula. By signing a Tyler Agreement or Order Form, or accessing, installing, or using Quatred solutions provided to you by Tyler, you agree that you have read, understood, and agree to such terms.

ThinPrint Terms. Your use of Tyler Forms software and forms is subject to the End User License Agreement terms for ThinPrint Engine, ThinPrint License Server, and Connected Gateway found here: https://www.thinprint.com/en/legal-notes/eula/. By signing a Tyler Agreement or Order Form, or accessing, installing, or using Tyler Forms software or forms, you agree that you have read, understood, and agree to such terms.

Twilio Acceptable Use Policy. Your use of the Tyler solutions listed below includes functionality provided by a Third Party Developer, Twilio. Your rights, and the rights of any of your end users, to use said functionality are subject to the terms of the Twilio Acceptable Use Policy, available at http://www.twilio.com/legal/aup. By signing a Tyler Agreement or Order Form, or accessing, installing, or using any such Tyler solution, you certify that you have reviewed, understand and agree to said terms. Tyler hereby disclaims any and all liability related to your or your end user's failure to abide by the terms of the Twilio Acceptable Use Policy. Any liability for failure to abide by said terms shall rest solely with the person or entity whose conduct violated said terms.

- Electronic Warrants
- Online Dispute Resolution
- Enterprise Justice Notifications Add On (text notifications)
- Absence & Substitute
- Notify
- Enterprise Jury Manager
- Enterprise Supervision
- Virtual Court



Exhibit E
Statement of Work

Statement of Work follows.

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City of Winters

SOW from Tyler Technologies, Inc.

4/10/2024

Presented to:
Cathy Mathews
318 1st Street
Winters, CA 95694

Contact:
Cody Gunstenson
Email: Cody.Gunstenson@TylerTech.com
5519 53rd St., Lubbock, TX 79414

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Part 1: Executive Summary

1. Project Overview

1.1 Introduction

Tyler Technologies ("Tyler") is the largest and most established provider of integrated software and technology services focused solely on the public sector. Tyler's end-to-end solutions empower public sector entities including local, state, provincial and federal government, to operate more efficiently and connect more transparently with their constituents and with each other. By connecting data and processes across disparate systems, Tyler's solutions transform how clients gain actionable insights that solve problems in their communities.

1.2 Project Goals

This Statement of Work ("SOW") documents the methodology, implementation stages, activities, and roles and responsibilities, and project scope listed in the Investment Summary of the Agreement between Tyler and the City (collectively the "Project").

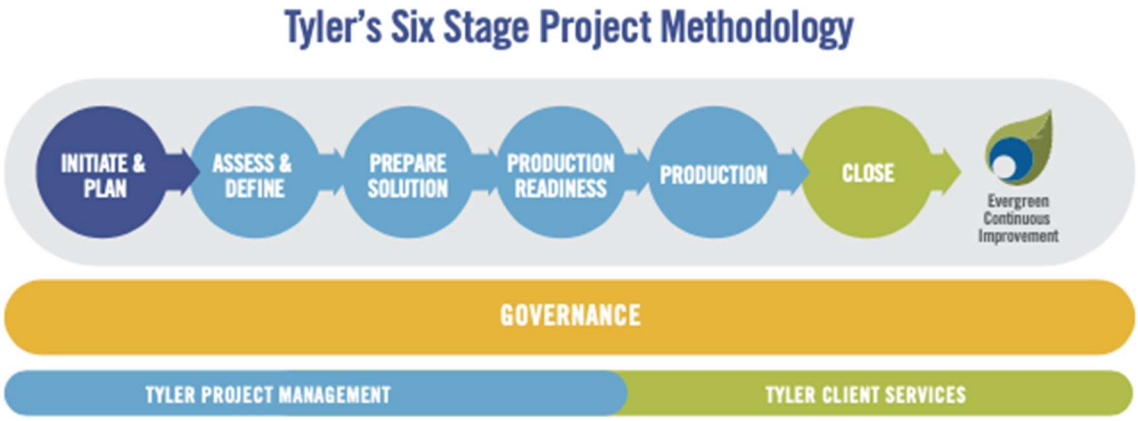
The overall goals of the project are to:

- Successfully implement the contracted scope on time and on budget
- Increase operational efficiencies and empower users to be more productive
- Improve accessibility and responsiveness to external and internal customer needs
- Overcome current challenges and meet future goals
- Providing a single, comprehensive, and integrated solution to manage business functions
- Streamline business processes through automation, integration, and workflows
- Provide a user-friendly user interface to promote system use and productivity
- Eliminate redundant data entry

1.3 Methodology

This is accomplished by the City and Tyler working as a partnership and Tyler utilizing its depth of implementation experience. While each Project is unique, all will follow Tyler's six-stage methodology. Each of the six stages is comprised of multiple work packages, and each work package includes a narrative description, objectives, tasks, inputs, outputs/deliverables, assumptions, and a responsibility matrix.

Tailored specifically for Tyler's public sector clients, the project methodology contains Stage Acceptance Control Points throughout each Phase to ensure adherence to scope, budget, timeline controls, effective communications, and quality standards. Clearly defined, the project methodology repeats consistently across Phases, and is scaled to meet the City's complexity and organizational needs.



The methodology adapts to both single-phase and multiple-phase projects.

To achieve Project success, it is imperative that both the City and Tyler commit to including the necessary leadership and governance. During each stage of the Project, it is expected that the City and Tyler Project teams work collaboratively to complete tasks. An underlying principle of Tyler's Implementation process is to employ an iterative model where the City's business processes are assessed, configured, validated, and refined cyclically in line with the project budget. This approach is used in multiple stages and work packages as illustrated in the graphic below.



The delivery approach is systematic, which reduces variability and mitigates risks to ensure Project success. As illustrated, some stages, along with work packages and tasks, are intended to be overlapping by nature to complete the Project efficiently and effectively.

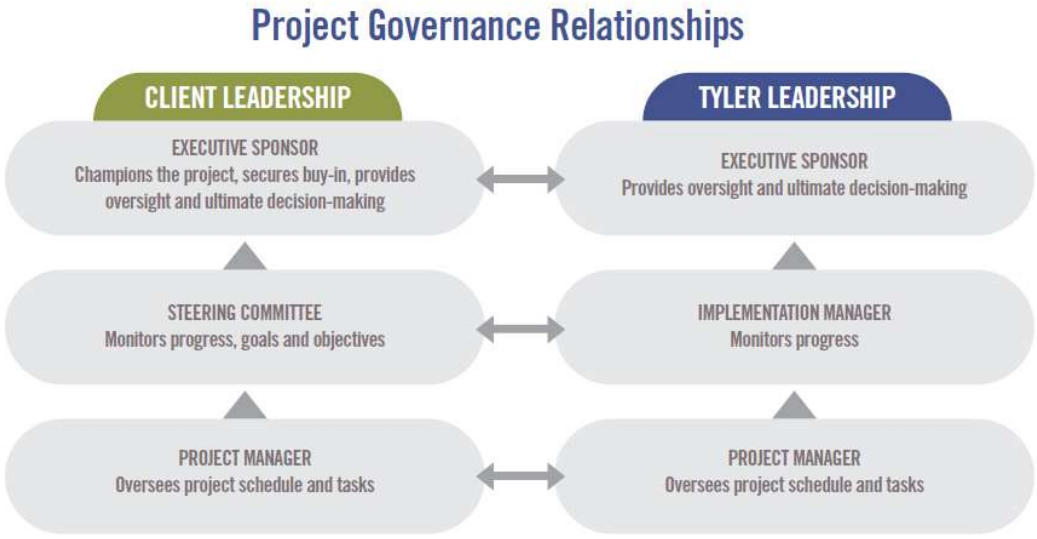
Part 2: Project Foundation

2. Project Governance

Project governance is the management framework within which Project decisions are made. The role of Project governance is to provide a decision-making approach that is logical, robust, and repeatable. This allows organizations to have a structured approach for conducting its daily business in addition to project related activities.

This section outlines the resources required to meet the business needs, objectives, and priorities for the Project, communicate the goals to other Project participants, and provide support and guidance to accomplish these goals. Project governance defines the structure for escalation of issues and risks, Change Control review and authority, and Organizational Change Management activities. Throughout the Statement of Work Tyler has provided RACI Matrices for activities to be completed throughout the implementation which will further outline responsibilities of different roles in each stage. Further refinement of the governance structure, related processes, and specific roles and responsibilities occurs during the Initiate & Plan Stage.

The chart below illustrates an overall team perspective where Tyler and the City collaborate to resolve Project challenges according to defined escalation paths. If project managers do not possess authority to determine a solution, resolve an issue, or mitigate a risk, Tyler implementation management and the City Steering Committee become the escalation points to triage responses prior to escalation to the City and Tyler executive sponsors. As part of the escalation process, each Project governance tier presents recommendations and supporting information to facilitate knowledge transfer and issue resolution. The City and Tyler executive sponsors serve as the final escalation point.



3. Project Scope Control

3.1 Managing Scope and Project Change

Project Management governance principles contend that there are three connected constraints on a Project: budget, timeline, and scope. These constraints, known as the "triple constraints" or project management triangle, define budget in terms of financial cost, labor costs, and other resource costs. Scope is defined as the work performed to deliver a product, service or result with the specified features and functions, while time is simply defined as the schedule. The Triple Constraint theory states that if you change one side of the triangle, the other two sides must be correspondingly adjusted. For example, if the scope of the Project is increased, cost and time to complete will also need to increase. The Project and executive teams will need to remain cognizant of these constraints when making impactful decisions to the Project. A simple illustration of this triangle is included here, showing the connection of each item and their relational impact to the overall Scope.



A pillar of any successful project is the ability to properly manage scope while allowing the appropriate level of flexibility to incorporate approved changes. Scope and changes within the project will be managed using the change control process outlined in the following section.

3.2 Change Control

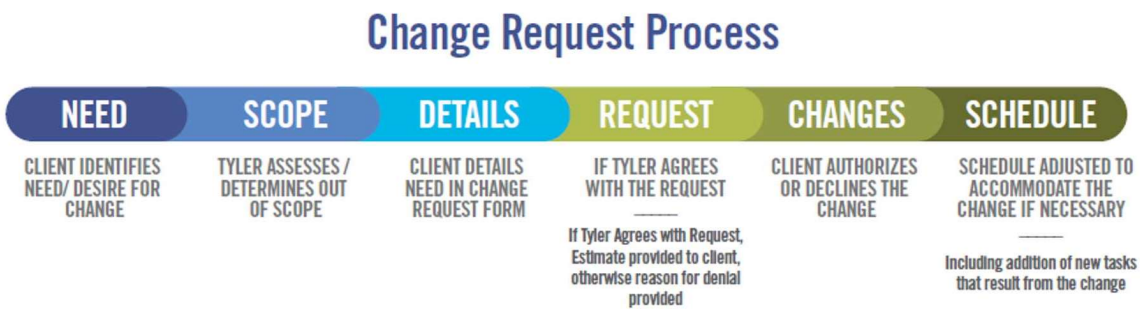
It may become necessary to change the scope of this Project due to unforeseeable circumstances (e.g., new constraints or opportunities are discovered). This Project is being undertaken with the understanding that Project scope, schedule, and/or cost may need to change to produce optimal results for stakeholders. Changes to contractual requirements will follow the change control process specified in the final contract, and as described below.

3.3 Change Request Management

Should the need for a change to Project scope, schedule, and/or cost be identified during the Project, the change will be brought to the attention of the Steering Committee and an assessment of the change will occur. While such changes may result in additional costs and delays relative to the schedule, some changes may result in less cost to the City; for example, the City may decide it no longer needs a deliverable originally defined in the Project. The Change Request will include the following information:

- The nature of the change.
- A good faith estimate of the additional cost or associated savings to the City, if any.
- The timetable for implementing the change.
- The effect on and/or risk to the schedule, resource needs or resource responsibilities.

The City will use its good faith efforts to either approve or disapprove any Change Request within ten (10) Business Days (or other period as mutually agreeable between Tyler and the City). Any changes to the Project scope, budget, or timeline must be documented and approved in writing using a Change Request form. These changes constitute a formal amendment to the Statement of Work and will supersede any conflicting term in the Statement of Work.



4. Acceptance Process

The implementation of a Project involves many decisions to be made throughout its lifecycle. Decisions will vary from higher level strategy decisions to smaller, detailed Project level decisions. It is critical to the success of the Project that each City office or department designates specific individuals for making decisions on behalf of their offices or departments.

Both Tyler and the City will identify representative project managers. These individuals will represent the interests of all stakeholders and serve as the primary contacts between the two organizations.

The coordination of gaining City feedback and approval on Project deliverables will be critical to the success of the Project. The City project manager will strive to gain deliverable and decision approvals from all authorized City representatives. Given that the designated decision-maker for each department may not always be available, there must be a designated proxy for each decision point in the Project. Assignment of each proxy will be the responsibility of the leadership from each City department. The proxies will be named individuals that have the authorization to make decisions on behalf of their department.

The following process will be used for accepting Deliverables and Control Points:

- The City shall have five (5) business days from the date of delivery, or as otherwise mutually agreed upon by the parties in writing, to accept each Deliverable or Control Point. If the City does not provide acceptance or acknowledgement within five (5) business days, or the otherwise agreed upon timeframe, not to be unreasonably withheld, Tyler deems the Deliverable or Control Point as accepted.
- If the City does not agree the Deliverable or Control Point meets requirements, the City shall notify Tyler project manager(s), in writing, with reasoning within five (5) business days, or the otherwise agreed-upon timeframe, not to be unreasonably withheld, of receipt of the Deliverable.
- Tyler shall address any deficiencies and redeliver the Deliverable or Control Point. The City shall then have two (2) business days from receipt of the redelivered Deliverable or Control Point to accept or again submit written notification of reasons for rejecting the milestone. If the City does not provide acceptance within two (2) business days, or the otherwise agreed upon timeframe, not to be unreasonably withheld, Tyler deems the Deliverable or Control Point as accepted.

5. Roles and Responsibilities

The following defines the roles and responsibilities of each Project resource for the City and Tyler. Roles and responsibilities may not follow the organizational chart or position descriptions at the City, but are roles defined within the Project. It is common for individual resources on both the Tyler and City project teams to fill multiple roles. Similarly, it is common for some roles to be filled by multiple people.

5.1 Tyler Roles & Responsibilities

Tyler assigns a project manager prior to the start of each Phase of the Project (some Projects may only be one Phase in duration). Additional Tyler resources are assigned as the schedule develops and as needs arise.

5.1.1 Tyler Executive Manager

Tyler executive management has indirect involvement with the Project and is part of the Tyler escalation process. This team member offers additional support to the Project team and collaborates with other Tyler department managers as needed to escalate and facilitate implementation Project tasks and decisions.

- Provides clear direction for Tyler staff on executing on the Project Deliverables to align with satisfying the City 's overall organizational strategy.
- Authorizes required Project resources.
- Resolves all decisions and/or issues not resolved at the implementation management level as part of the escalation process.
- Acts as the counterpart to the City 's executive sponsor.

5.1.2 Tyler Implementation Manager

- Tyler implementation management has indirect involvement with the Project and is part of the Tyler escalation process. The Tyler project managers consult implementation management on issues and outstanding decisions critical to the Project. Implementation management works toward a solution with the Tyler Project Manager or with City management as appropriate. Tyler executive management is the escalation point for any issues not resolved at this level.
- Assigns Tyler Project personnel.
- Provides support for the Project team.
- Provides management support for the Project to ensure it is staffed appropriately and staff have necessary resources.
- Monitors Project progress including progress towards agreed upon goals and objectives.

5.1.3 Tyler Project Manager

- The Tyler project manager(s) provides oversight of the Project, coordination of Tyler resources between departments, management of the Project budget and schedule, effective risk, and issue management, and is the primary point of contact for all Project related items. As requested by the City, the Tyler Project Manager provides regular updates to the City Steering Committee and other Tyler governance members. Tyler Project Manager's role includes responsibilities in the following areas:

5.1.3.1 Contract Management

- Validates contract compliance throughout the Project.
- Ensures Deliverables meet contract requirements.
- Acts as primary point of contact for all contract and invoicing questions.
- Prepares and presents contract milestone sign-offs for acceptance by the City project manager(s).
- Coordinates Change Requests, if needed, to ensure proper Scope and budgetary compliance.

5.1.3.2 Planning

- Delivers project planning documents.
- Defines Project tasks and resource requirements.
- Develops initial Project schedule and Project Management Plan.
- Collaborates with the City project manager(s) to plan and schedule Project timelines to achieve on-time implementation.

5.1.3.3 Implementation Management

- Tightly manages Scope and budget of Project to ensure Scope changes and budget planned versus actual are transparent and handled effectively and efficiently.
- Establishes and manages a schedule and Tyler resources that properly support the Project Schedule and are also in balance with Scope/budget.
- Establishes risk/issue tracking/reporting process between the City and Tyler and takes all necessary steps to proactively mitigate these items or communicate with transparency to the City any items that may impact the outcomes of the Project.
- Collaborates with the City 's project manager(s) to establish key business drivers and success indicators that will help to govern Project activities and key decisions to ensure a quality outcome of the project.
- Collaborates with the City 's project manager(s) to set a routine communication plan that will aide all Project team members, of both the City and Tyler, in understanding the goals, objectives, status, and health of the Project.

5.1.3.4 Resource Management

- Acts as liaison between Project team and Tyler manager(s).
- Identifies and coordinates all Tyler resources across all applications, Phases, and activities including development, forms, installation, reports, implementation, and billing.
- Provides direction and support to Project team.
- Manages the appropriate assignment and timely completion of tasks as defined in the Project Schedule, task list, and Go-Live Checklist.
- Assesses team performance and adjusts as necessary.
- Consulted on in Scope 3rd party providers to align activities with ongoing Project tasks.

5.1.4 Tyler Implementation Consultant

- Completes tasks as assigned by the Tyler project manager(s).
- Documents activities for services performed by Tyler.
- Guides the City through software validation process following configuration.
- Assists during Go-Live process and provides support until the City transitions to Client Services.
- Facilitates training sessions and discussions with the City and Tyler staff to ensure adequate discussion of the appropriate agenda topics during the allotted time.
- May provide conversion review and error resolution assistance.

5.1.5 Tyler Sales

- Supports Sales to Implementation knowledge transfer during Initiate & Plan.
- Provides historical information, as needed, throughout implementation.
- Participates in pricing activities if additional licensing and/or services are needed.

5.1.6 Tyler Technical Services

- Maintains Tyler infrastructure requirements and design document(s).
- Involved in system infrastructure planning/review(s).
- Provides first installation of licensed software with initial database on servers.
- Supports and assists the project team with technical/environmental issues/needs.
- Deploys Tyler products.

5.2 City Roles & Responsibilities

City resources will be assigned prior to the start of each Phase of the Project. One person may be assigned to multiple Project roles.

5.2.1 City Executive Sponsor

The City executive sponsor provides support to the Project by providing strategic direction and communicating key issues about the Project and its overall importance to the organization. When called upon, the executive sponsor also acts as the final authority on all escalated Project issues. The executive sponsor engages in the Project, as needed, to provide necessary support, oversight, guidance, and escalation, but does not participate in day-to-day Project activities. The executive sponsor empowers the City steering committee, project manager(s), and functional leads to make critical business decisions for the City.

- Champions the project at the executive level to secure buy-in.
- Authorizes required project resources.
- Actively participates in organizational change communications.

5.2.2 City Steering Committee

The City steering committee understands and supports the cultural change necessary for the Project and fosters an appreciation for the Project's value throughout the organization. The steering committee oversees the City project manager and Project through participation in regular internal meetings. The City steering committee remains updated on all Project progress, Project decisions, and achievement of Project milestones. The City steering committee also serves as primary level of issue resolution for the Project.

- Works to resolve all decisions and/or issues not resolved at the project manager level as part of the escalation process.
- Attends all scheduled steering committee meetings.
- Provides support for the project team.
- Assists with communicating key project messages throughout the organization.
- Prioritizes the project within the organization.
- Ensures the project staffed appropriately and that staff have necessary resources.
- Monitors project progress including progress towards agreed upon goals and objectives.
- Has the authority to approve or deny changes impacting the following areas:
    - Cost
    - Scope
    - Schedule
    - Project Goals
    - City Policies
    - Needs of other client projects

5.2.3 City Project Manager

The City shall assign project manager(s) prior to the start of this project with overall responsibility and authority to make decisions related to Project Scope, scheduling, and task assignment. The City Project Manager should communicate decisions and commitments to the Tyler project manager(s) in a timely and efficient manner. When the City project manager(s) do not have the knowledge or authority to make decisions, he or she engages the necessary resources to participate in discussions and make decisions in a

timely fashion to avoid Project delays. The City project manager(s) are responsible for reporting to the City steering committee and determining appropriate escalation points.

5.2.3.1 Contract Management

- Validates contract compliance throughout the project.
- Ensures that invoicing and Deliverables meet contract requirements.
- Acts as primary point of contact for all contract and invoicing questions. Collaborates on and approves Change Requests, if needed, to ensure proper scope and budgetary compliance.

5.2.3.2 Planning

- Reviews and accepts project planning documents.
- Defines project tasks and resource requirements for the City project team.
- Collaborates in the development and approval of the project schedule.
- Collaborates with Tyler project manager(s) to plan and schedule project timelines to achieve on-time implementation.

5.2.3.3 Implementation Management

- Tightly manages project budget and scope.
- Collaborates with Tyler project manager(s) to establish a process and approval matrix to ensure that scope changes and budget (planned versus actual) are transparent and handled effectively and efficiently.
- Collaborates with Tyler project manager to establish and manage a schedule and resource plan that properly supports the project schedule as a whole and is also in balance with scope and budget.
- Collaborates with Tyler project manager(s) to establish risk and issue tracking and reporting process between the City and Tyler and takes all necessary steps to proactively mitigate these items or communicate with transparency to Tyler any items that may impact the outcomes of the project.
- Collaborates with Tyler project manager(s) to establish key business drivers and success indicators that will help to govern project activities and key decisions to ensure a quality outcome of the project.
- Routinely communicates with both the City staff and Tyler, aiding in the understanding of goals, objectives, current status, and health of the project by all team members.
- Manages the requirements gathering process and ensure timely and quality business requirements are being provided to Tyler.

5.2.3.4 Resource Management

- Acts as liaison between project team and stakeholders.
- Identifies and coordinates all City resources across all modules, phases, and activities including data conversions, forms design, hardware and software installation, reports building, and satisfying invoices.
- Provides direction and support to project team.
- Builds partnerships among the various stakeholders, negotiating authority to move the project forward.
- Manages the appropriate assignment and timely completion of tasks as defined.
- Assesses team performance and takes corrective action, if needed.
- Provides guidance to City technical teams to ensure appropriate response and collaboration with Tyler Technical Support Teams to ensure timely response and appropriate resolution.
- Owns the relationship with in-Scope 3rd party providers and aligns activities with ongoing project tasks.

- Ensures that users have appropriate access to Tyler project toolsets as required.
- Conducts training on proper use of toolsets.
- Validates completion of required assignments using toolsets.

5.2.4 City Functional Leads

- Makes business process change decisions under time sensitive conditions.
- Communicates existing business processes and procedures to Tyler consultants.
- Assists in identifying business process changes that may require escalation.
- Contributes business process expertise for Current & Future State Analysis.
- Identifies and includes additional subject matter experts to participate in Current & Future State Analysis.
- Validates that necessary skills have been retained by end users.
- Provides End Users with dedicated time to complete required homework tasks.
- Acts as an ambassador/champion of change for the new process and provide business process change support.
- Identifies and communicates any additional training needs or scheduling conflicts to the City project manager.
- Actively participates in all aspects of the implementation, including, but not limited to, the following key activities:
    - Task completion
    - Stakeholder Meeting
    - Project Management Plan development
    - Schedule development
    - Maintenance and monitoring of risk register
    - Escalation of issues
    - Communication with Tyler project team
    - Coordination of City resources
    - Attendance at scheduled sessions
    - Change management activities
    - Modification specification, demonstrations, testing and approval assistance
    - Data analysis assistance
    - Decentralized end user training
    - Process testing
    - Solution Validation

5.2.5 City Power Users

- Participate in project activities as required by the project team and project manager(s).
- Provide subject matter expertise on the City business processes and requirements.
- Act as subject matter experts and attend Current & Future State Analysis sessions as needed.
- Attend all scheduled training sessions.
- Participate in all required post-training processes as needed throughout project.
- Test all application configuration to ensure it satisfies business process requirements.
- Become application experts.
- Participate in Solution Validation.
- Adopt and support changed procedures.
- Complete all deliverables by the due dates defined in the project schedule.
- Demonstrate competency with Tyler products processing prior to Go-live.
- Provide knowledge transfer to the City staff during and after implementation.

- Participate in conversion review and validation.

5.2.6 City End Users

- Attend all scheduled training sessions.
- Become proficient in application functions related to job duties.
- Adopt and utilize changed procedures.
- Complete all deliverables by the due dates defined in the project schedule.
- Utilize software to perform job functions at and beyond Go-live.

5.2.7 City Technical Lead

- Coordinates updates and releases with Tyler as needed.
- Coordinates the copying of source databases to training/testing databases as needed for training days.
- Coordinates and adds new users, printers and other peripherals as needed.
- Validates that all users understand log-on process and have necessary permission for all training sessions.
- Coordinates interface development for City third party interfaces.
- Develops or assists in creating reports as needed.
- Ensures on-site system meets specifications provided by Tyler.
- Assists with software installation as needed.
- Extracts and transmits conversion data and control reports from the City's legacy system per the conversion schedule set forth in the project schedule.

5.2.7.1 City Upgrade Coordination

- Becomes familiar with the software upgrade process and required steps.
- Becomes familiar with Tyler's releases and updates.
- Utilizes Tyler resources to stay abreast of the latest Tyler releases and updates, as well as the latest helpful tools to manage the City's software upgrade process.
- Assists with the software upgrade process during implementation.
- Manages software upgrade activities post-implementation.
- Manages software upgrade plan activities.
- Coordinates software upgrade plan activities with City and Tyler resources.
- Communicates changes affecting users and department stakeholders.
- Obtains department stakeholder acceptance to upgrade production environment.

5.2.8 City Change Management Lead

- Validates that users receive timely and thorough communication regarding process changes.
- Provides coaching to supervisors to prepare them to support users through the project changes.
- Identifies the impact areas resulting from project activities and develops a plan to address them proactively.
- Identifies areas of resistance and develops a plan to reinforce the change.
- Monitors post-production performance and new process adherence.

Part 3: Project Plan

6. Project Stages

Work Breakdown Structure

The Work Breakdown Structure (WBS) is a hierarchical representation of a Project or Phase broken down into smaller, more manageable components. The top-level components are called "Stages" and the second level components are called "Work Packages". The work packages, shown below each stage, contain the high-level work to be done. The detailed Project Schedule, developed during Project/Phase Planning and finalized during subsequent stages, lists the tasks to be completed within each work package. Each stage ends with a "Control Point", confirming the work performed during that stage of the Project has been accepted by the City.

Work Breakdown Structure (WBS)

1. Initiate & Plan	2. Assess & Define	3. Prepare Solution	4. Production Readiness	5. Production	6. Close
1.1 Initial Coordination	2.1 Solution Orientation	3.1 Initial System Deployment	4.1 Solution Validation	5.1 Go Live	6.1 Phase Close Out
1.2 Project/Phase Planning	2.2 Current & Future State Analysis	3.2 Configuration	4.2 Go Live Readiness	5.2 Transition to Client Services	6.2 Project Close Out
1.3 GIS Planning*	2.3 Modification Analysis	3.3 Process Refinement	4.3 End User Training	5.3 Post Go Live Activities	
1.4 Infrastructure Planning	2.4 Conversion Assessment	3.4 Conversion Delivery			
1.5 Stakeholder Meeting	2.5 Data Assessment	3.5 Data Delivery			
		3.6 Modifications*			

Items noted with an asterisk in the graphic above relate to specific products and services. If those products and services are not included in the scope of the contract, these specific work packages will be noted as "This work package is not applicable" in Section 6 of the Statement of Work.

6.1 Initiate and Plan

The Initiate and Plan stage involves Project initiation, infrastructure, and planning. This stage creates a foundation for the Project by identifying and establishing sequence and timing for each Phase as well as verifying scope for the Project. This stage will be conducted at the onset of the Project, with a few unique items being repeated for the additional Phases as needed.

6.1.1 Initial Coordination

Prior to Project commencement, Tyler management assigns project manager(s). Additional Project resources will be assigned later in the Project as a Project schedule is developed. Tyler provides the City with initial Project documents used to gather names of key personnel, their functional role as it pertains to the Project, as well as any blackout dates to consider for future planning. the City gathers the information requested by the provided deadline ensuring preliminary planning and scheduling can be conducted moving the Project forward in a timely fashion. Internally, the Tyler Project Manager(s) coordinate with sales to ensure transfer of vital information from the sales process prior to scheduling a Project Planning Meeting with the City's team. During this step, Tyler will work with the City to establish the date(s) for the Project and Phase Planning session.

Objectives:

- Formally launch the project.
- Establish project governance.
- Define and communicate governance for Tyler.
- Identify City project team.

STAGE 1	Initial Coordination																
	Tyler								City								
RACI MATRIX KEY: R = Responsible A = Accountable C = Consulted I = Informed	Executive Manager	Implementation Manager	Project Manager	Implementation Consultant	Data Experts	Modification Services	Technical Services	Client Services	Executive Sponsor	Steering Committee	Project Manager	Functional Leads	Change Management Leads	Subject Matter Experts (Power	Department Heads	End Users	Technical Leads
Tyler project team is assigned	A	R	C	I	I	I	I		I		I						
City project team is assigned									A	I	R	I	I	I			
Provide initial project documents to the City		A	R	C			C		I		I						
Gather preliminary information requested			I						A		R	C		C		C	C
Sales to implementation knowledge transfer		A	R	I	I	I	I				I						
Create Project Portal to store project artifacts and facilitate communication		A	R								I						

Inputs	Contract documents
	Statement of Work

Outputs/Deliverables	Working initial project documents
	Project portal

Work package assumptions:

- Project activities begin after the agreement has been fully executed.

6.1.2 Project/Phase Planning

Project and Phase planning provides an opportunity to review the contract, software, data conversions and services purchased, identify applications to implement in each Phase (if applicable), and discuss implementation timeframes.

During this work package Tyler will work with the City to coordinate and plan a formal Project planning meeting(s). This meeting signifies the start of the Project and should be attended by all City Project team members and the Tyler Project Manager. The meeting provides an opportunity for Tyler to introduce its implementation methodology, terminology, and Project management best practices to the City's Project Team. This will also present an opportunity for project managers and Project sponsors to begin to discuss Project communication, metrics, status reporting and tools to be used to measure Project progress and manage change.

Tyler will work with the City Project Team to prepare and deliver the Project Management Plan as an output of the planning meeting. This plan will continue to evolve and grow as the Project progresses and will describe how the project will be executed, monitored, and controlled.

During project planning, Tyler will introduce the tools that will be used throughout the implementation. Tyler will familiarize the City with these tools during project planning and make them available for review and maintenance as applicable throughout the project. Some examples are Solution validation plan, issue log, and go-live checklist.

STAGE 1	Project/Phase Planning																
	Tyler								City								
RACI MATRIX KEY: R = Responsible A = Accountable C = Consulted I = Informed	Executive Manager	Implementation Manager	Project Manager	Implementation Consultant	Data Experts	Modification Services	Technical Services	Client Services	Executive Sponsor	Steering Committee	Project Manager	Functional Leads	Change Management Leads	Subject Matter Experts (Power	Department Heads	End Users	Technical Leads
Schedule and conduct planning session(s)		A	R						I		C	C	I				

Develop Project Management Plan		A	R						I		C	C	I				
Develop initial project schedule		A	R	I	I	I	I		I	I	C	C	I	I	C		I

Inputs	Contract documents
	Statement of Work
	Guide to Starting Your Project

Outputs / Deliverables		Acceptance Criteria [only] for Deliverables
	Project Management Plan	Delivery of document
	Project Operational Plan	Delivery of document
	Initial Project Schedule	City provides acceptance of schedule based on resource availability, project budget, and goals.

Work package assumptions:

- City has reviewed and completed the Guide to Starting Your Project document.

6.1.3 Infrastructure Planning

Procuring required hardware and setting it up properly is a critical part of a successful implementation. This task is especially important for Tyler-hosted/SaaS deployment models. Tyler will be responsible for building the environments for a hosted/SaaS deployment, unless otherwise identified in the Agreement. Tyler will install Licensed Software on application server(s) or train the City to install License Software. The City is responsible for the installation and setup of all peripheral devices.

Objectives:

- Ensure the City's infrastructure meets Tyler's application requirements.
- Ensure the City's infrastructure is scheduled to be in place and available for use on time.

STAGE 1	Infrastructure Planning																
	Tyler								City								
RACI MATRIX KEY: R = Responsible A = Accountable C = Consulted I = Informed	Executive Manager	Implementation Manager	Project Manager	Implementation Consultant	Data Experts	Modification Services	Technical Services	Client Services	Executive Sponsor	Steering Committee	Project Manager	Functional Leads	Change Management Leads	Subject Matter Experts	Department Heads	End Users	Technical Leads
Provide Infrastructure Requirements and Design Document		A	R		C		C				I						I
Initial Infrastructure Meeting		A	R		C		C				C						C

Schedule SaaS Environment Availability		A	R				C				I						
Schedule Installation of All Licensed Software		A	R				C				I						I
Infrastructure Audit		A	R				C				I						C

Inputs	Initial Infrastructure Requirements

Outputs / Deliverables		Acceptance Criteria [only] for Deliverables
	Completed Infrastructure Requirements	Delivery of Requirements
	Infrastructure Audit	System Passes Audit Criteria

6.1.4 Stakeholder Meeting

Communication of the Project planning outcomes to the City Project team, executives and other key stakeholders is vital to Project success. The Stakeholder meeting is a strategic activity to inform, engage, gain commitment, and instill confidence in the City team. During the meeting, the goals and objectives of the Project will be reviewed along with detail on Project scope, implementation methodology, roles and responsibilities, Project timeline and schedule, and keys to Project success.

Objectives:

- Formally present and communicate the project activities and timeline.
- Communicate project expectations.

STAGE 1	Stakeholder Meeting																
	Tyler								City								
RACI MATRIX KEY: R = Responsible A = Accountable C = Consulted I = Informed	Executive Manager	Implementation Manager	Project Manager	Implementation Consultant	Data Experts	Modification Services	Technical Services	Client Services	Executive Sponsor	Steering Committee	Project Manager	Functional Leads	Change Management Leads	Subject Matter Experts (Power	Department Heads	End Users	Technical Leads
Create Stakeholder Meeting Presentation	I	A	R	I	I				I	I	C		I				
Review Stakeholder Meeting Presentation		I	C						A		R		C				
Perform Stakeholder Meeting Presentation	I	A	R	I	I				I	I	C	I	I	I	I	I	I

Inputs	Agreement
	SOW

	Project Management Plan

Outputs / Deliverables		Acceptance Criteria [only] for Deliverables
	Stakeholder Meeting Presentation	

Work package assumptions:

- None

6.1.5 This work package is not applicable.

6.1.6 Control Point 1: Initiate & Plan Stage Acceptance

Acceptance criteria for this stage includes completion of all criteria listed below.

Note: Advancement to the Assess & Define stage is not dependent upon Tyler's receipt of this stage acceptance.

Initiate & Plan Stage Deliverables:

- Project Management Plan
- Initial Project Schedule

Initiate & Plan stage acceptance criteria:

- All stage deliverables accepted based on acceptance criteria previously defined
- Project governance defined
- Project portal made available to the City
- Stakeholder meeting complete

6.2 Assess & Define

The Assess & Define stage will provide an opportunity to gather information related to current City business processes. This information will be used to identify and define business processes utilized with Tyler software. The City collaborates with Tyler providing complete and accurate information to Tyler staff and assisting in analysis, understanding current workflows and business processes.

6.2.1 Solution Orientation

The Solution Orientation provides the Project stakeholders a high-level understanding of the solution functionality prior to beginning the current and future state analysis. The primary goal is to establish a foundation for upcoming conversations regarding the design and configuration of the solution.

Tyler utilizes a variety of tools for the Solution Orientation, focusing on City team knowledge transfer such as: eLearning, documentation, or walkthroughs. The City team will gain a better understanding of the major processes and focus on data flow, the connection between configuration options and outcome, integration, and terminology that may be unique to Tyler's solution.

Objectives:

- Provide a basic understanding of system functionality.
- Prepare the City for current and future state analysis.

STAGE 2	Solution Orientation																
	Tyler								City								
RACI MATRIX KEY: R = Responsible A = Accountable C = Consulted I = Informed	Executive Manager	Implementation Manager	Project Manager	Implementation Consultant	Data Experts	Modification Services	Technical Services	Client Services	Executive Sponsor	Steering Committee	Project Manager	Functional Leads	Change Management Leads	Subject Matter Experts (Power	Department Heads	End Users	Technical Leads
Provide pre-requisites			A	R							I	I		I	I		I
Complete pre-requisites											A	R		C			C
Conduct orientation			A	R							I	I		I	I		I

Inputs	Solution orientation materials
	Training Plan

6.2.2 Current & Future State Analysis

The Current & Future State Analysis provides the Project stakeholders and Tyler an understanding of process changes that will be achieved with the new system.

The City and Tyler will evaluate current state processes, options within the new software, pros and cons of each based on current or desired state and make decisions about the future state configuration and processing. This may occur before or within the same timeframe as the configuration work package. The options within the new software will be limited to the scope of this implementation and will make use of standard Tyler functionality.

The City will adopt the existing Tyler solution wherever possible to avoid project schedule and quality risk from over customization of Tyler products. It is the City's responsibility to verify that in-scope requirements are being met throughout the implementation if functional requirements are defined as part of the contract. The following guidelines will be followed when evaluating if a modification to the product is required:

- A reasonable business process change is available.
- Functionality exists which satisfies the requirement.
- Configuration of the application satisfies the requirement.
- An in-scope modification satisfies the requirement.

Requirements that are not met will follow the agreed upon change control process and can have impacts on the project schedule, scope, budget, and resource availability.

STAGE 2	Current & Future State Analysis	
	Tyler	City

RACI MATRIX KEY: R = Responsible A = Accountable C = Consulted I = Informed	Executive Manager	Implementation Manager	Project Manager	Implementation Consultant	Data Experts	Modification Services	Technical Services	Client Services	Executive Sponsor	Steering Committee	Project Manager	Functional Leads	Change Management Leads	Subject Matter Experts (Power	Department Heads	End Users	Technical Leads
Current State process review			A	R	I	I	I				C	C	C	C			C
Discuss future-state options			A	R	C	C	C				C	C	C	C			C
Make future-state decisions (non-COTS)			C	C	C	C	C				A	R	I	C			C
Document anticipated configuration options required to support future state			A	R	C	C	C				I	I	I	I			I

Inputs	City current state documentation
	Solution Orientation completion

Outputs / Deliverables		Acceptance Criteria [only] for Deliverables
	Documentation that describes future-state decisions and configuration options to support future-state decisions.	Delivery of document

Work package assumptions:

- City attendees possess sufficient knowledge and authority to make future state decisions.
- The City is responsible for any documentation of current state business processes.
- The City can effectively communicate current state processes.

6.2.3 Conversion Assessment

Data Conversions are a major effort in any software implementation. Tyler's conversion tools facilitate the predictable, repeatable conversion process that is necessary to support a successful transition to the Tyler system. The first step in this process is to perform an assessment of the existing ("legacy") system(s), to better understand the source data, risks, and options available. Once the data has been analyzed, the plan for data conversion is completed and communicated to the appropriate stakeholders.

Objectives:

- Communicate a common understanding of the project goals with respect to data.
- Ensure complete and accurate source data is available for review/transfer.
- Map the data from the source to the Tyler system.
- Document the data conversion/loading approach.

STAGE 2	Data Conversion Assessment																
	Tyler								City								
RACI MATRIX KEY: R = Responsible A = Accountable C = Consulted I = Informed	Executive Manager	Implementation Manager	Project Manager	Implementation Consultant	Data Experts	Modification Services	Technical Services	Client Services	Executive Sponsor	Steering Committee	Project Manager	Functional Leads	Change Management Leads	Subject Matter Experts (Power	Department Heads	End Users	Technical Leads
Extract Data from Source Systems			I		C						A						R
Review and Scrub Source Data			I	I	I						A	R		C			I
Build/Update Data Conversion Plan			R	C	C						C	I	I	I			I

Inputs	City Source data
	City Source data Documentation (if available)

Outputs / Deliverables		Acceptance Criteria [only] for Deliverables
	Data Conversion Plan built/updated	City Acceptance of Data Conversion Plan, if Applicable

Work package assumptions:

- Tyler will be provided with data from the Legacy system(s) in a mutually agreed upon format.
- Tyler will work with the City representatives to identify business rules before writing the conversion.
- City subject matter experts and resources most familiar with the current data will be involved in the data conversion planning effort.

6.2.4 This work package is not applicable.

6.2.5 This work package is not applicable.

6.2.6 Control Point 2: Assess & Define Stage Acceptance

Acceptance criteria for this Stage includes completion of all criteria listed below.

Note: Advancement to the Prepare Solution Stage is dependent upon Tyler's receipt of the Stage Acceptance.

Assess & Define Stage Deliverables:

- Documentation of future state decisions and configuration options to support future state decisions.
- Modification specification document.

- Assess & Define Stage Acceptance Criteria:
- All stage deliverables accepted based on criteria previously defined.
- Solution Orientation is delivered.
- Conversion data extracts are received by Tyler.
- Data conversion plan built.

6.3 Prepare Solution

During the Prepare Solution stage, information gathered during the Initiate & Plan and Assess & Define stages will be used to install and configure the Tyler software solution. Software configuration will be validated by the City against future state decisions defined in previous stages and processes refined as needed to ensure business requirements are met.

6.3.1 Initial System Deployment

The timely availability of the Tyler Solution is important to a successful Project implementation. The success and timeliness of subsequent work packages are contingent upon the initial system deployment of Tyler Licensed Software on an approved network and infrastructure. Delays in executing this work package can affect the project schedule.

Objectives:

- All licensed software is installed and operational.
- The City can access the software.

STAGE 3	Initial System Deployment (Hosted/SaaS)*																
	Tyler								City								
RACI MATRIX KEY: R = Responsible A = Accountable C = Consulted I = Informed	Executive Manager	Implementation Manager	Project Manager	Implementation Consultant	Data Experts	Modification Services	Technical Services	Client Services	Executive Sponsor	Steering Committee	Project Manager	Functional Leads	Change Management Leads	Subject Matter Experts (Power	Department Heads	End Users	Technical Leads
Prepare hosted environment			A				R				I						C
Install Licensed Software with Initial Database on Server(s) for Included Environments			A				R				I						C
Install Licensed Software on City Devices (if applicable)			I				C				A						R

Tyler System Administration Training (if applicable)			A				R				I						C

Outputs / Deliverables		Acceptance Criteria [only] for Deliverables
	Licensed Software is Installed on the Server(s)	Software is accessible
	Licensed Software is Installed on City Devices (if applicable)	Software is accessible
	Installation Checklist/System Document	System meets prescribed checklist
	Infrastructure Design Document (C&J – If Applicable)	

Work package assumptions:

- The most current available version of the Tyler Licensed Software will be installed.
- The City will provide network access for Tyler modules, printers, and Internet access to all applicable City and Tyler Project staff.

6.3.2 Configuration

The purpose of Configuration is to prepare the software product for validation.

Tyler staff collaborates with the City to complete software configuration based on the outputs of the future state analysis performed during the Assess and Define Stage. The City collaborates with Tyler staff iteratively to validate software configuration.

Objectives:

- Software is ready for validation.
- Educate the City Power User how to configure and maintain software.
- Prepare standard interfaces for process validation (if applicable).

STAGE 3	Configuration																
	Tyler								City								
RACI MATRIX KEY: R = Responsible A = Accountable C = Consulted I = Informed	Executive Manager	Implementation Manager	Project Manager	Implementation Consultant	Data Experts	Modification Services	Technical Services	Client Services	Executive Sponsor	Steering Committee	Project Manager	Functional Leads	Change Management Leads	Subject Matter Experts (Power	Department Heads	End Users	Technical Leads
Conduct configuration training			A	R							I	C		C			

Complete Tyler configuration tasks (where applicable)			A	R							I	I		I			
Complete City configuration tasks (where applicable)			I	C							A	R		C			
Standard interfaces configuration and training (if applicable)			A	R			C				I	C		C			C
Updates to Solution Validation testing plan			C	C							A	R		C			C

Inputs	Documentation that describes future state decisions and configuration options to support future state decisions.

Outputs / Deliverables		Acceptance Criteria [only] for Deliverables
	Configured System	

Work package assumptions:

- Tyler provides guidance for configuration options available within the Tyler software. The City is responsible for making decisions when multiple options are available.

6.3.3 Process Refinement

Tyler will educate the City users on how to execute processes in the system to prepare them for the validation of the software. The City collaborates with Tyler staff iteratively to validate software configuration options to support future state.

Objectives:

- Ensure that the City understands future state processes and how to execute the processes in the software.
- Refine each process to meet the business requirements.
- Validate standard interfaces, where applicable.
- Validate forms and reports, where applicable.

STAGE 3	Process Refinement																
	Tyler								City								
RACI MATRIX KEY: R = Responsible A = Accountable C = Consulted I = Informed	Executive Manager	Implementation Manager	Project Manager	Implementation Consultant	Data Experts	Modification Services	Technical Services	Client Services	Executive Sponsor	Steering Committee	Project Manager	Functional Leads	Change Management Leads	Subject Matter Experts (Power	Department Heads	End Users	Technical Leads

Conduct process training			A	R							I	C	I	C			
Confirm process decisions			I	C						A	R	C	I	C			
Test configuration			I	C							A	R		C			
Refine configuration (City Responsible)			I	C							A	R		C			
Refine configuration (Tyler Responsible)			A	R							I	I		I			
Validate interface process and results			I	C			C				A	R		C			C
Update City-specific process documentation (if applicable)			I	C							A	R		C			
Updates to Solution Validation testing plan			C	C							A	R		C			C

Inputs	Initial Configuration
	Documentation that describes future state decisions and configuration options to support future state decisions.
	Solution validation test plan

Outputs / Deliverables		Acceptance Criteria [only] for Deliverables
	Updated solution validation test plan	
	Completed City-specific process documentation (completed by City)	

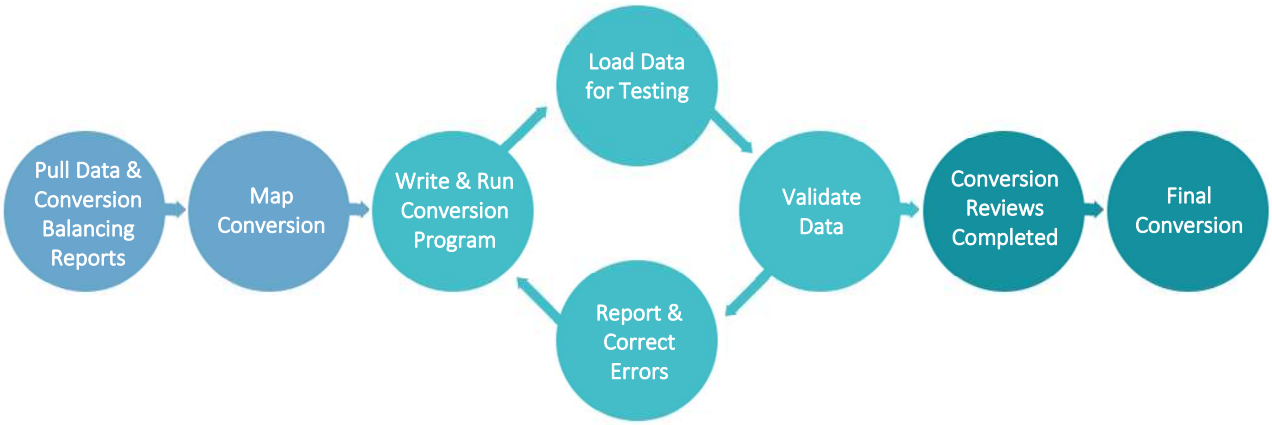
Work package assumptions:

- None

6.3.4 Conversion Delivery

The purpose of this task is to transition the City's data from their source ("legacy") system(s) to the Tyler system(s). The data will need to be mapped from the legacy system into the new Tyler system format. A well-executed data conversion is key to a successful cutover to the new system(s).

With guidance from Tyler, the City will review specific data elements within the system and identify / report discrepancies. Iteratively, Tyler will collaborate with the City to address conversion discrepancies. This process will allow for clean, reconciled data to transfer from the source system(s) to the Tyler system(s). Reference Conversion Appendix for additional detail.



Objectives:

- Data is ready for production (Conversion).

STAGE 3	Data Delivery & Conversion																
	Tyler								City								
RACI MATRIX KEY: R = Responsible A = Accountable C = Consulted I = Informed	Executive Manager	Implementation Manager	Project Manager	Implementation Consultant	Data Experts	Modification Services	Technical Services	Client Services	Executive Sponsor	Steering Committee	Project Manager	Functional Leads	Change Management Leads	Subject Matter Experts (Power Users)	Department Heads	End Users	Technical Leads
Provide data crosswalks/code mapping tool			A	C	R						I	I		I			
Populate data crosswalks/code mapping tool			I	C	C						A	R		C			
Iterations: Conversion Development			A	C	R						I						I
Iterations: Deliver converted data			A		R		I				I						I
Iterations: Proof/Review data and reconcile to source system			C	C	C						A	R		C			C

Inputs	
	Data Conversion Plan
	Configuration

Outputs / Deliverables		Acceptance Criteria [only] for Deliverables
	Code Mapping Complete / Validated	
	Conversion Iterations / Reviews Complete	Conversion complete, verified, and ready for final pass

Work package assumptions:

- The City will provide a single file layout per source system as identified in the investment summary.
- The City subject matter experts and resources most familiar with the current data will be involved in the data conversion effort.
- The City project team will be responsible for completing the code mapping activity, with assistance from Tyler.

6.3.5 This work package is not applicable.

6.3.6 This work package is not applicable.

6.3.7 Control Point 3: Prepare Solution Stage Acceptance

Acceptance criteria for this Stage includes all criteria listed below in each Work Package.

Note: Advancement to the Production Readiness Stage is dependent upon Tyler's receipt of the Stage Acceptance.

Prepare Solution Stage Deliverables:

- Licensed software is installed.
- Installation checklist/system document.
- Updated solution design document (Data & Insights only).
- Prioritized data sets for review in Tyler system (Data & Insights only).
- Conversion iterations and reviews complete.

Prepare Solution Stage Acceptance Criteria:

- All stage deliverables accepted based on criteria previously defined.
- Software is configured.
- Solution validation test plan has been reviewed and updated if needed.

6.4 Production Readiness

Activities in the Production Readiness stage will prepare the City team for go-live through solution validation, the development of a detailed go-live plan and end user training. A readiness assessment will be conducted with the City to review the status of the project and the organizations readiness for go-live.

6.4.1 Solution Validation

Solution Validation is the end-to-end software testing activity to ensure that the City verifies all aspects of the Project (hardware, configuration, business processes, etc.) are functioning properly, and validates that all features and functions per the contract have been deployed for system use.

Objectives:

- Validate that the solution performs as indicated in the solution validation plan.
- Ensure the City organization is ready to move forward with go-live and training (if applicable).

STAGE 4	Solution Validation																
	Tyler								City								
RACI MATRIX KEY: R = Responsible A = Accountable C = Consulted I = Informed	Executive Manager	Implementation Manager	Project Manager	Implementation Consultant	Data Experts	Modification Services	Technical Services	Client Services	Executive Sponsor	Steering Committee	Project Manager	Functional Leads	Change Management Leads	Subject Matter Experts (Power	Department Heads	End Users	Technical Leads
Update Solution Validation plan			A	R	C						C	C		C			
Update test scripts (as applicable)			C	C	C						A	R		C			
Perform testing			C	C	C						A	R		C			
Document issues from testing			C	C	C						A	R		C			
Perform required follow-up on issues			A	R	C						C	C		C			

Inputs	Solution Validation plan
	Completed work product from prior stages (configuration, business process, etc.)

Outputs / Deliverables		Acceptance Criteria [only] for Deliverables
	Solution Validation Report	City updates report with testing results

Work package assumptions:

- Designated testing environment has been established.
- Testing includes current phase activities or deliverables only.

6.4.2 Go-Live Readiness

Tyler and the City will ensure that all requirements defined in Project planning have been completed and the Go-Live event can occur, as planned. A go-live readiness assessment will be completed identifying risks or actions items to be addressed to ensure the City has considered its ability to successfully Go-Live. Issues and

concerns will be discussed, and mitigation options documented. Tyler and the City will jointly agree to move forward with transition to production. Expectations for final preparation and critical dates for the weeks leading into and during the Go-Live week will be planned in detail and communicated to Project teams.

Objectives:

- Action plan for go-live established.
- Assess go-live readiness.
- Stakeholders informed of go-live activities.

STAGE 4	Go-Live Readiness																
	Tyler								City								
RACI MATRIX KEY: R = Responsible A = Accountable C = Consulted I = Informed	Executive Manager	Implementation Manager	Project Manager	Implementation Consultant	Data Experts	Modification Services	Technical Services	Client Services	Executive Sponsor	Steering Committee	Project Manager	Functional Leads	Change Management Leads	Subject Matter Experts (Power	Department Heads	End Users	Technical Leads
Perform Readiness Assessment	I	A	R	C	C	I	C	I	I	I	I		I				I
Conduct Go-Live planning session		A	R	C							C	C	C	C	C		C
Order peripheral hardware (if applicable)			I							A	R						C
Confirm procedures for Go-Live issue reporting & resolution		A	R	I	I	I	I				C	C	I	I	I	I	I
Develop Go-Live checklist		A	R	C	C						C	C	I	C			C
Final system infrastructure review (where applicable)			A				R				C						C

Inputs	Future state decisions
	Go-live checklist

Outputs / Deliverables		Acceptance Criteria [only] for Deliverables
	Updated go-live checklist	Updated Action plan and Checklist for go-live delivered to the City

Work package assumptions:

- None

6.4.3 End User Training

End User Training is a critical part of any successful software implementation. Using a training plan previously reviewed and approved, the Project team will organize and initiate the training activities.

Tyler Led: Tyler provides training for all applicable users. One or multiple occurrences of each scheduled training or implementation topic will be covered.

Tyler will provide standard application documentation for the general use of the software. It is not Tyler's responsibility to develop City specific business process documentation. City-led training labs using City specific business process documentation if created by the City can be added to the regular training curriculum, enhancing the training experiences of the end users.

Objectives:

- End users are trained on how to use the software prior to go-live.
- The City is prepared for on-going training and support of the application.

STAGE 4	End User Training																
	Tyler								City								
RACI MATRIX KEY: R = Responsible A = Accountable C = Consulted I = Informed	Executive Manager	Implementation Manager	Project Manager	Implementation Consultant	Data Experts	Modification Services	Technical Services	Client Services	Executive Sponsor	Steering Committee	Project Manager	Functional Leads	Change Management Leads	Subject Matter Experts (Power	Department Heads	End Users	Technical Leads
Update training plan		A	R	C							C		I		C		
End User training (Tyler-led)		A	R	C							C	C	I	C	C	C	
Train-the-trainer		A	R	C							C	C	I	C			
End User training (City-led)			C	C							A	R	I	C	C	C	

Inputs	Training Plan
	List of End Users and their Roles / Job Duties
	Configured Tyler System

Outputs / Deliverables		Acceptance Criteria [only] for Deliverables
	End User Training	City signoff that training was delivered

Work package assumptions:

- The City project team will work with Tyler to jointly develop a training curriculum that identifies the size, makeup, and subject-area of each of the training classes.
- Tyler will work with the City as much as possible to provide end-user training in a manner that minimizes the impact to the daily operations of City departments.
- The City will be responsible for training new users after go-live (exception—previously planned or regular training offerings by Tyler).

6.4.4 Control Point 4: Production Readiness Stage Acceptance

Acceptance criteria for this stage includes all criteria listed below. Advancement to the Production stage is dependent upon Tyler's receipt of the stage acceptance.

Production Readiness stage deliverables:

- Solution Validation Report.
- Update go-live action plan and/or checklist.
- End user training.

Production Readiness stage acceptance criteria:

- All stage deliverables accepted based on criteria previously defined.
- Go-Live planning session conducted.

6.5 Production

Following end user training the production system will be fully enabled and made ready for daily operational use as of the scheduled date. Tyler and the City will follow the comprehensive action plan laid out during Go-Live Readiness to support go-live activities and minimize risk to the Project during go-live. Following go-live, Tyler will work with the City to verify that implementation work is concluded, post go-live activities are scheduled, and the transition to Client Services is complete for long-term operations and maintenance of the Tyler software.

6.5.1 Go-Live

Following the action plan for Go-Live, defined in the Production Readiness stage, the City and Tyler will complete work assigned to prepare for Go-Live.

The City provides final data extract and Reports from the Legacy System for data conversion and Tyler executes final conversion iteration, if applicable. If defined in the action plan, the City manually enters any data added to the Legacy System after final data extract into the Tyler system.

Tyler staff collaborates with the City during Go-Live activities. The City transitions to Tyler software for day-to day business processing.

Some training topics are better addressed following Go-Live when additional data is available in the system or based on timing of applicable business processes and will be scheduled following Go-Live per the Project Schedule.

Objectives:

- Execute day to day processing in Tyler software.
- City data available in Production environment.

STAGE 5	Go-Live	
	Tyler	City

RACI MATRIX KEY: R = Responsible A = Accountable C = Consulted I = Informed	Executive Manager	Implementation Manager	Project Manager	Implementation Consultant	Data Experts	Modification Services	Technical Services	Client Services	Executive Sponsor	Steering Committee	Project Manager	Functional Leads	Change Management Leads	Subject Matter Experts (Power	Department Heads	End Users	Technical Leads
Provide final source data extract, if applicable			C		C						A						R
Final source data pushed into production environment, if applicable			A	C	R						I	C		C			C
Proof final converted data, if applicable			C	C	C						A	R		C			
Complete Go-Live activities as defined in the Go-Live action plan			C	C	C					A	R	C	I	C			
Provide Go-Live assistance			A	R	C	C		I			C	C	I	C		I	C

Inputs	Comprehensive Action Plan for Go-Live
	Final source data (if applicable)

Outputs / Deliverables		Acceptance Criteria [only] for Deliverables
	Data is available in production environment	City confirms data is available in production environment

Work package assumptions:

- The City will complete activities documented in the action plan for Go-Live as scheduled.
- External stakeholders will be available to assist in supporting the interfaces associated with the Go-Live live process.
- The City business processes required for Go-Live are fully documented and tested.
- The City Project team and subject matter experts are the primary point of contact for the end users when reporting issues during Go-Live.
- The City Project Team and Power User's provide business process context to the end users during Go-Live.

6.5.2 Transition to Client Services

This work package signals the conclusion of implementation activities for the Phase or Project with the exception of agreed-upon post Go-Live activities. The Tyler project manager(s) schedules a formal transition of the City onto the Tyler Client Services team, who provides the City with assistance following Go-Live, officially transitioning the City to operations and maintenance.

Objectives:

- Ensure no critical issues remain for the project teams to resolve.
- Confirm proper knowledge transfer to the City teams for key processes and subject areas.

STAGE 5	Transition to Client Services																
	Tyler								City								
RACI MATRIX KEY: R = Responsible A = Accountable C = Consulted I = Informed	Executive Manager	Implementation Manager	Project Manager	Implementation Consultant	Data Experts	Modification Services	Technical Services	Client Services	Executive Sponsor	Steering Committee	Project Manager	Functional Leads	Change Management Leads	Subject Matter Experts (Power	Department Heads	End Users	Technical Leads
Transfer City to Client Services and review issue reporting and resolution processes	I	I	A	I	I			R	I	I	C	C		C			
Review long term maintenance and continuous improvement			A					R			C	C		C			

Inputs	Open item/issues List

Outputs / Deliverables		Acceptance Criteria [only] for Deliverables
	Client Services Support Document	

Work package assumptions:

- No material project issues remain without assignment and plan.

6.5.3 Post Go-Live Activities

Some implementation activities are provided post-production due to the timing of business processes, the requirement of actual production data to complete the activities, or the requirement of the system being used in a live production state.

Objectives:

- Schedule activities that are planned for after Go-Live.
- Ensure issues have been resolved or are planned for resolution before phase or project close.

STAGE 5	Post Go-Live Activities	
	Tyler	City

RACI MATRIX KEY: R = Responsible A = Accountable C = Consulted I = Informed	Executive Manager	Implementation Manager	Project Manager	Implementation Consultant	Data Experts	Modification Services	Technical Services	Client Services	Executive Sponsor	Steering Committee	Project Manager	Functional Leads	Change Management Leads	Subject Matter Experts (Power	Department Heads	End Users	Technical Leads
Schedule contracted activities that are planned for delivery after go-live		A	R	C	C	C	C	I			C	C	I	C			C
Determine resolution plan in preparation for phase or project close out		A	R	C	C	C		I			C	C	I	C			

Inputs	List of post Go-Live activities

Outputs / Deliverables		Acceptance Criteria [only] for Deliverables
	Updated issues log	

Work package assumptions:

- System is being used in a live production state.

6.5.4 Control Point 5: Production Stage Acceptance

Acceptance criteria for this Stage includes completion of all criteria listed below:

- Advancement to the Close stage is not dependent upon Tyler's receipt of this Stage Acceptance.
- Converted data is available in production environment.

Production Stage Acceptance Criteria:

- All stage deliverables accepted based on criteria previously defined.
- Go-Live activities defined in the Go-Live action plan completed.
- Client services support document is provided.

6.6 Close

The Close stage signifies full implementation of all products purchased and encompassed in the Phase or Project. The City transitions to the next cycle of their relationship with Tyler (next Phase of implementation or long-term relationship with Tyler Client Services).

6.6.1 Phase Closeout

This work package represents Phase completion and signals the conclusion of implementation activities for the Phase. The Tyler Client Services team will assume ongoing support of the City for systems implemented in the Phase.

Objectives:

- Agreement from Tyler and the City teams that activities within this phase are complete.

STAGE 6	Phase Close Out																
	Tyler								City								
RACI MATRIX KEY: R = Responsible A = Accountable C = Consulted I = Informed	Executive Manager	Implementation Manager	Project Manager	Implementation Consultant	Data Experts	Modification Services	Technical Services	Client Services	Executive Sponsor	Steering Committee	Project Manager	Functional Leads	Change Management Leads	Subject Matter Experts (Power	Department Heads	End Users	Technical Leads
Reconcile project budget and status of contract Deliverables	I	A	R						I	I	C						
Hold post phase review meeting		A	R	C	C	C	C				C	C	C	C			C
Release phase-dependent Tyler project resources	A	R	I								I						

Participants	Tyler	City
	Project Leadership	Project Manager
	Project Manager	Project Sponsor(s)
	Implementation Consultants	Functional Leads, Power Users, Technical Leads
	Technical Consultants (Conversion, Deployment, Development)	
	Client Services	

Inputs	Contract
	Statement of Work
	Project artifacts

Outputs / Deliverables		Acceptance Criteria [only] for Deliverables
	Final action plan (for outstanding items)	
	Reconciliation Report	
	Post Phase Review	

Work package assumptions:

- Tyler deliverables for the phase have been completed.

6.6.2 Project Closeout

Completion of this work package signifies final acceptance and formal closing of the Project.

At this time the City may choose to begin working with Client Services to look at continuous improvement Projects, building on the completed solution.

Objectives:

- Confirm no critical issues remain for the project teams to resolve.
- Determine proper knowledge transfer to the City teams for key processes and subject areas has occurred.
- Verify all deliverables included in the Agreement are delivered.

STAGE 6	Project Close Out																
	Tyler								City								
RACI MATRIX KEY: R = Responsible A = Accountable C = Consulted I = Informed	Executive Manager	Implementation Manager	Project Manager	Implementation Consultant	Data Experts	Modification Services	Technical Services	Client Services	Executive Sponsor	Steering Committee	Project Manager	Functional Leads	Change Management Leads	Subject Matter Experts (Power	Department Heads	End Users	Technical Leads
Conduct post project review		A	R	C	C	C	C				C	C	C	C			C
Deliver post project report to City and Tyler leadership	I	A	R						I	I	C						
Release Tyler project resources	A	R	I								I						

Inputs	Contract
	Statement of Work

Outputs / Deliverables		Acceptance Criteria [only] for Deliverables
	Post Project Report	City acceptance; Completed report indicating all project Deliverables and milestones have been completed

Work package assumptions:

- All project implementation activities have been completed and approved.

- No critical project issues remain that have not been documented and assigned.
- Final project budget has been reconciled and invoiced.
- All Tyler deliverables have been completed.

6.6.3 Control Point 6: Close Stage Acceptance

Acceptance criteria for this Stage includes completion of all criteria listed below.

Close Stage Deliverables:

- Post Project Report.

Close Stage Acceptance Criteria:

- Completed report indicating all Project deliverables and milestones have been completed.

7. General Assumptions

Tyler and the City will use this SOW as a guide for managing the implementation of the Tyler Project as provided and described in the Agreement. There are a few assumptions which, when acknowledged and adhered to, will support a successful implementation. Assumptions related to specific work packages are documented throughout the SOW. Included here are general assumptions which should be considered throughout the overall implementation process.

7.1 Project

- Project activities will begin after the Agreement has been fully executed.
- The City Project Team will complete their necessary assignments in a mutually agreed upon timeframe to meet the scheduled go-live date, as outlined in the Project Schedule.
- Sessions will be scheduled and conducted at a mutually agreeable time.
- Additional services, software modules and modifications not described in the SOW or Agreement will be considered a change to this Project and will require a Change Request Form as previously referenced in the definition of the Change Control Process.
- Tyler will provide a written agenda and notice of any prerequisites to the City project manager(s) ten (10) business days or as otherwise mutually agreed upon time frame prior to any scheduled on-site or remote sessions, as applicable.
- Tyler will provide guidance for configuration and processing options available within the Tyler software. If multiple options are presented by Tyler, the City is responsible for making decisions based on the options available.
- Implementation of new software may require changes to existing processes, both business and technical, requiring the City to make process changes.
- The City is responsible for defining, documenting, and implementing their policies that result from any business process changes.

7.2 Organizational Change Management

Unless otherwise contracted by Tyler, City is responsible for managing Organizational Change. Impacted City resources will need consistent coaching and reassurance from their leadership team to embrace and accept the changes being imposed by the move to new software. An important part of change is ensuring that impacted City resources understand the value of the change, and why they are being asked to change.

7.3 Resources and Scheduling

- City resources will participate in scheduled activities as assigned in the Project Schedule.
- The City team will complete prerequisites prior to applicable scheduled activities. Failure to do so may affect the schedule.
- Tyler and the City will provide resources to support the efforts to complete the Project as scheduled and within the constraints of the Project budget.
- Abbreviated timelines and overlapped Phases require sufficient resources to complete all required work as scheduled.
- Changes to the Project Schedule, availability of resources or changes in Scope will be requested through a Change Request. Impacts to the triple constraints (scope, budget, and schedule) will be assessed and documented as part of the change control process.
- The City will ensure assigned resources will follow the change control process and possess the required business knowledge to complete their assigned tasks successfully. Should there be a change in resources, the replacement resource should have a comparable level of availability, change control process buy-in, and knowledge.
- The City makes timely Project related decisions to achieve scheduled due dates on tasks and prepare for subsequent training sessions. Failure to do so may affect the schedule, as each analysis and implementation session is dependent on the decisions made in prior sessions.
- The City will respond to information requests in a comprehensive and timely manner, in accordance with the Project Schedule.
- The City will provide adequate meeting space or facilities, including appropriate system connectivity, to the project teams including Tyler team members.
- For on-site visits, Tyler will identify a travel schedule that balances the needs of the project and the employee.

7.4 Data

- Data will be converted as provided and Tyler will not create data that does not exist.
- The City is responsible for the quality of legacy data and for cleaning or scrubbing erroneous legacy data.
- Tyler will work closely with the City representatives to identify business rules before writing the conversion. The City must confirm that all known data mapping from source to target have been identified and documented before Tyler writes the conversion.
- All in-scope source data is in data extract(s).
- Each legacy system data file submitted for conversion includes all associated records in a single approved file layout.
- The City will provide the legacy system data extract in the same format for each iteration unless changes are mutually agreed upon in advance. If not, negative impacts to the schedule, budget and resource availability may occur and/or data in the new system may be incorrect.
- The City Project Team is responsible for reviewing the converted data and reporting issues during each iteration, with assistance from Tyler.
- The City is responsible for providing or entering test data (e.g., data for training, testing interfaces, etc.)

7.5 Facilities

- The City will provide dedicated space for Tyler staff to work with City resources for both on-site and remote sessions. If Phases overlap, City will provide multiple training facilities to allow for independent sessions scheduling without conflict.
- The City will provide staff with a location to practice what they have learned without distraction.

8. Glossary

Word or Term	Definition
Acceptance	Confirming that the output or deliverable is suitable and conforms to the agreed upon criteria.
Accountable	The one who ultimately ensures a task or deliverable is completed; the one who ensures the prerequisites of the task are met and who delegates the work to those responsible. [Also see RACI]
Application	A computer program designed to perform a group of coordinated functions, tasks, or activities for the benefit of the user.
Application Programming Interface (API)	A defined set of tools/methods to pass data to and received data from Tyler software products
Agreement	This executed legal contract that defines the products and services to be implemented or performed.
Business Process	The practices, policy, procedure, guidelines, or functionality that the client uses to complete a specific job function.
Business Requirements Document	A specification document used to describe Client requirements for contracted software modifications.
Change Request	A form used as part of the Change Control process whereby changes in the scope of work, timeline, resources, and/or budget are documented and agreed upon by participating parties.
Change Management	Guides how we prepare, equip and support individuals to successfully adopt change in order to drive organizational success & outcomes
Code Mapping [where applicable]	An activity that occurs during the data conversion process whereby users equate data (field level) values from the old system to the values available in the new system. These may be one to one or many to one. Example: Old System [Field = eye color] [values = BL, Blu, Blue] maps to New Tyler System [Field = Eye Color] [value = Blue].
Consulted	Those whose opinions are sought, typically subject matter experts, and with whom there is two-way communication. [Also see RACI]
Control Point	This activity occurs at the end of each stage and serves as a formal and intentional opportunity to review stage deliverables and required acceptance criteria for the stage have been met.
Data Mapping [where applicable]	The activity determining and documenting where data from the legacy system will be placed in the new system; this typically involves prior data analysis to understand how the data is currently used in the legacy system and how it will be used in the new system.
Deliverable	A verifiable document or service produced as part of the Project, as defined in the work packages.
Go-Live	The point in time when the Client is using the Tyler software to conduct daily operations in Production.
Informed	Those who are kept up-to-date on progress, often only on completion of the task or deliverable, and with whom there is just one-way communication. [Also see RACI]

Infrastructure	The composite hardware, network resources and services required for the existence, operation, and management of the Tyler software.
Interface	A connection to and potential exchange of data with an external system or application. Interfaces may be one way, with data leaving the Tyler system to another system or data entering Tyler from another system, or they may be bi-directional with data both leaving and entering Tyler and another system.
Integration	A standard exchange or sharing of common data within the Tyler system or between Tyler applications
Legacy System	The software from which a client is converting.
Modification	Custom enhancement of Tyler's existing software to provide features or functions to meet individual client requirements documented within the scope of the Agreement.
On-site	Indicates the work location is at one or more of the client's physical office or work environments.
Organizational Change	The process of changing an organization's strategies, processes, procedures, technologies, and culture, as well as the effect of such changes on the organization.
Output	A product, result or service generated by a process.
Peripheral devices	An auxiliary device that connects to and works with the computer in some way. Some examples: scanner, digital camera, printer.
Phase	A portion of the Project in which specific set of related applications are typically implemented. Phases each have an independent start, Go-Live and closure dates but use the same Implementation Plans as other Phases of the Project. Phases may overlap or be sequential and may have different Tyler resources assigned.
Project	The delivery of the software and services per the agreement and the Statement of Work. A Project may be broken down into multiple Phases.
RACI	A matrix describing the level of participation by various roles in completing tasks or Deliverables for a Project or process. Individuals or groups are assigned one and only one of the following roles for a given task: Responsible (R), Accountable (A), Consulted (C), or Informed (I).
Remote	Indicates the work location is at one or more of Tyler's physical offices or work environments.
Responsible	Those who ensure a task is completed, either by themselves or delegating to another resource. [Also see RACI]
Scope	Products and services that are included in the Agreement.

Solution	The implementation of the contracted software product(s) resulting in the connected system allowing users to meet Project goals and gain anticipated efficiencies.
Stage	The top-level components of the WBS. Each Stage is repeated for individual Phases of the Project.
Standard	Software functionality that is included in the base software (off-the-shelf) package; is not customized or modified.
Statement of Work (SOW)	Document which will provide supporting detail to the Agreement defining Project-specific activities, services, and Deliverables.
System	The collective group of software and hardware that is used by the organization to conduct business.
Test Scripts	The steps or sequence of steps that will be used to validate or confirm a piece of functionality, configuration, enhancement, or Use Case Scenario.
Training Plan	Document(s) that indicate how and when users of the system will be trained relevant to their role in the implementation or use of the system.
Validation (or to validate)	The process of testing and approving that a specific Deliverable, process, program, or product is working as expected.
Work Breakdown Structure (WBS)	A hierarchical representation of a Project or Phase broken down into smaller, more manageable components.
Work Package	A group of related tasks within a project.

Part 4: Appendices

9. Conversion

9.1 ERP Pro Utility Billing Conversion Summary

9.1.1 Utility Billing - Standard

- Utility Contact Information
- Utility Mailing and Billing Addresses
- Utility Parcels
- Account Master - (Average monthly payment, deposits, bank drafts, comments/notes)
- Meters/Services
- Transaction History – Includes current year plus one prior year
- Read History

9.1.2 Utility Billing – Legacy/Historical Views

- Unlimited historical transactions provided by the City can be converted by Tyler into historical views

9.2 ERP Pro Financials Conversion Summary

9.2.1 General Ledger

Standard Conversion Includes:

- Full chart of accounts listing, descriptions, and corresponding account types
- Element (segment) values and descriptions
- Unlimited historical transactions as provided by client.

NOTE: Summarized budget figures for current fiscal year and historical years can be imported into the system from Excel. The City is ultimately responsible for producing the budget figures in Excel and verifying the results. Training will be provided on how to import budgets from Excel.

NOTE: Summarized beginning balance sheet entries, as well as summarized fiscal year activity entries, can be imported into the system from Excel for the current year. The City is ultimately responsible for producing the entries in Excel and verifying the results. Training will be provided on how to import JEs from Excel.

9.2.2 Personnel Management

Standard Conversion Includes:

- Basic employee information – employee master, address, primary contact, dates, phone numbers, dependents, NOTEs
- Current direct deposit bank information
- Federal and state tax withholding information
- Unlimited historical transactions provided by client.

NOTE: Employee positions/deductions will be created according to recommended best business practices.

NOTE: Clients going live on payroll mid-calendar year will have the option to import or enter quarterly employee payroll history to meet federal and state reporting requirements giving the ability to create a single set of W-2's at calendar year end. The City will ultimately be responsible for entering in the quarterly employee payroll history and verifying the results. Training will be provided on how to enter in this information.

9.2.3 Accounts Payable

Standard Conversion Includes:

- Vendor master information, address, primary contact, and NOTEs
- Unlimited historical transactions as provided by client.

NOTE: 1099 balances and non-1099 balances can be imported into the system using a standard import available to the City from Excel. The City will ultimately be responsible for creating the Excel spreadsheet and verifying the results. Training will be provided on how to import balances from Excel.

10. Additional Appendices

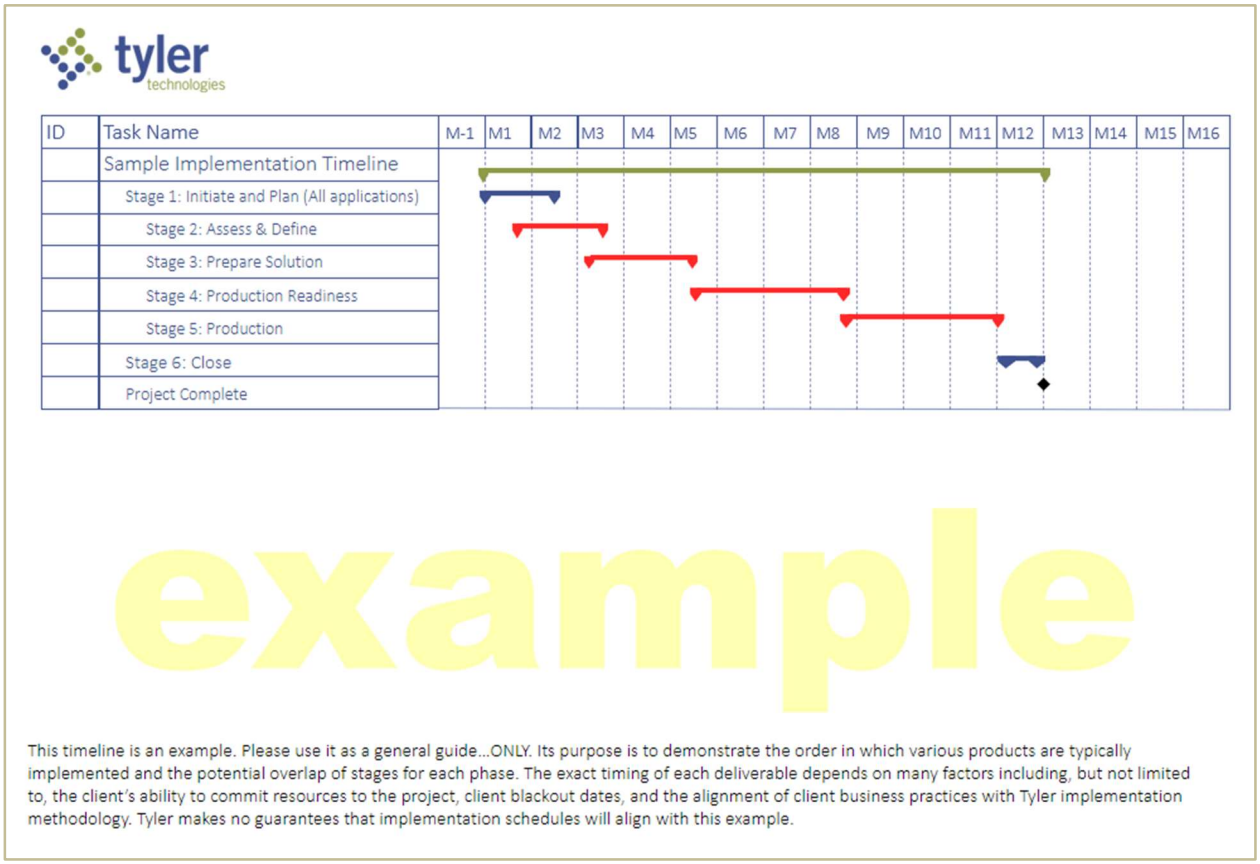
10.1 This work package is not applicable.

11. Project Timeline

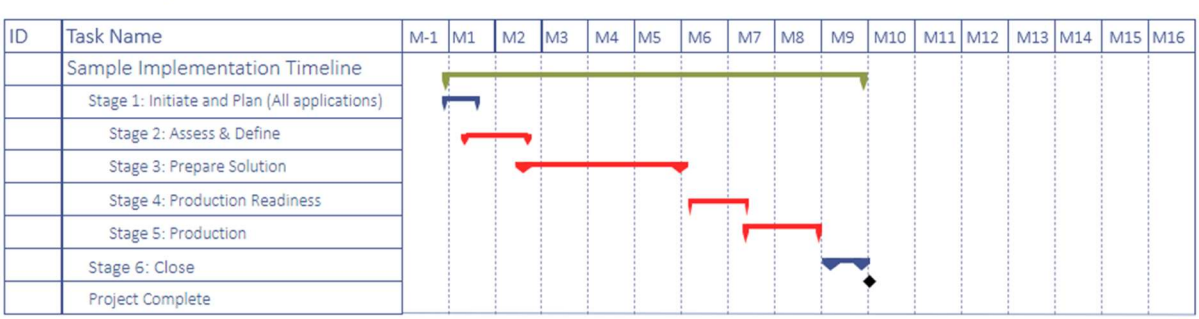
11.1 Data & Insights Project Plan

Data & Insights Project Plan												
	Week											
	1	2	3	4	5	6	7	8	9	10	11	12
Initiate and Plan												
Assess and Define												
Prepare Solution												
Production Readiness												
Production												
Close												

11.2 ERP Pro Financial Management Timeline



11.3 ERP Pro Utility Billing Timeline



example

This timeline is an example. Please use it as a general guide...ONLY. Its purpose is to demonstrate the order in which various products are typically implemented and the potential overlap of stages for each phase. The exact timing of each deliverable depends on many factors including, but not limited to, the client's ability to commit resources to the project, client blackout dates, and the alignment of client business practices with Tyler implementation methodology. Tyler makes no guarantees that implementation schedules will align with this example.

11.4 This work package is not applicable.

CITY COUNCIL
STAFF REPORT

TO: Honorable Mayor and Councilmembers

DATE: June 18, 2024

FROM: Jeremy Craig, City Manager

SUBJECT: Resolution No. 2024-45 adopting the FY 24-25 Operating Budget

RECOMMENDATION:
Adopt Resolution No. 2024-45, adopting the FY 2024-25 operating budget, including appropriations to fund the FY 2024-25 Capital Improvement Program budget.

BACKGROUND:
Staff presented the proposed operating and capital improvement project plan budgets to the City Council on June 4th, 2024. You can view that presentation at https://cityofwinters.granicus.com/player/clip/186. In that presentation; it was noted the City needed to cut over $300,000 from operations to achieve a balanced budget due to three years of fast-rising inflation and revenues not keeping pace. The budget proposes no new staffing or programs and defers nearly all equipment replacement and capital purchases.

DISCUSSION:

The accompanying table presents a summary of all fund budgets. The Capital and Transportation Act funds showing the use of fund balance represent planned projects that funds were saved for in prior years. The use of fund reserves in special revenue funds represents the final liquidation of all ARPA projects, which mainly consists of investments in the new financial system.

FY 2024-2025 Fund Category Summary				
	2024-25 Proposed Revenues	2024-25 Proposed Expenditures	over/under	Use of Fund Balance
General Fund	8,336,868	$ 8,314,279	$ 22,589	
Enterprise Funds	4,419,501	$ 4,378,024	$ 41,477	
Assessment Funds	643,035	643,035	$ -	
Gas Tax Funds	404,009	$ 264,601	$ 139,408	
Special Revenue Funds	764,674	$ 1,057,476	$ (292,802)	$ (292,802)
Impact Funds	2,413,226	$ 694,369	$ 1,718,857	
Capital Funds	33,239	$ 493,719	$ (460,480)	$ (460,480)
Successor Agency Funds	940,258	$ 940,258	$ -	
Transporation Act Funds	564,642	$ 770,213	$ (205,571)	$ (205,571)
Grand Total	$ 18,519,452	$ 17,555,974	$ 963,478	$ (958,853)

General Fund Reserves

The Council has a stated goal of maintaining a fund reserve equal to 25% of budgeted expenditures. As you can see in the chart below, the rapid rise of costs has pushed the reserve as a percentage of expenditures down to 21% despite the actual reserve level remaining constant. To meet the 25% policy, the City would need to cut an additional $330,000 from the general fund budget above the $300,000 already being cut. Staff is not recommending those additional cuts due to their impact on core services.

Budget Year	Beginning Fund Balance	GF Appropriation Budget	Reserve Ratio	
FY23>>	1,743,409	6,556,568	26.6%	
FY24>>	1,736,572	7,283,579	23.8%	*
FY25>>	1,748,623	8,314,279	21.0%	

* Audit Pending

FISCAL IMPACT:

The FY 24-25 Operating budget includes an overall proposed expenditure plan of $18.5 million across all operating and capital funds. The proposed General Fund budget includes $8.3 million in expenditures. The adjusted reserve projection is 21%, below the 25% target in the adopted fiscal policies.

ATTACHMENT:

1. Resolution No. 2024-45

RESOLUTION 2024-45

A RESOLUTION OF THE CITY OF WINTERS APPROVING AND ADOPTING A BUDGET OF ESTIMATED EXPENDITURES AND REVENUES FOR FISCAL YEAR 2024-2025

WHEREAS, every local agency is required to adopt a budget of estimated revenues and expenditures for the subsequent fiscal year; and

WHEREAS, every local governmental agency shall file with the county auditor of the county in which the agency conducts its principal operations, a budget for the fiscal year then in progress; and

WHEREAS, the City of Winters has determined that a one-year budget is appropriate for the City to plan its financial future prudently; and

WHEREAS, the City Council and staff have thoroughly reviewed and analyzed the proposed budget to determine the needs of the City of Winters.

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Winters that:

Section 1. A budget for the Fiscal Year 2024-2025, a copy of which is on file in the City Clerk's Office, is hereby adopted for the City of Winters as follows:

General Fund estimated revenues of $ 8,336,868 and total appropriations of $ 8,314,279.

Water O & M Fund estimated revenues of $ 1,902,876, and total expenses of $1,866,032.

Sewer O & M estimated revenues of $ 2,516,625, and total expenses of $2,511,992.

Assessment Funds estimated revenues of $ 643,035 and total expenses of $643,035

Gas Tax Funds estimated revenues of $ 404,009 and total expenses of $ 264,601.

Special Revenues Funds estimated revenues of $ 764,674 use of available fund balance of $ 292,802, for a total source of funds of $ 1,057,476. and total appropriations of $ 1,057,476.

Impact Fee Funds estimated revenues of $ 2,413,226 and total expenses of $694,369.

Capital Funds estimated revenues of $ 33,239, use of available fund balance of $460,480 for the total source of funds of $ 493,719, and total appropriations of $ 493,719.

Successor Agency to the Dissolved Winters Community Development Agency estimated revenues of $ 940,258 and total expenditures of $940,258.

Transportation Act Funds estimated revenues of $ 564,642 use of available fund balance of $ 205,571 for a total source of funds of $ 770,213 and total expenses of $770,213.

Section 2. All appropriations for the prior fiscal year shall lapse at the end of fiscal year 2023/24 and any remaining amounts shall be credited against their respective fund balances, except for:

a. All encumbrances for valid purchase orders and contracts in effect as of June 30, 2024 will remain in effect in the following Fiscal Year 2024-25. The City Manager or his/her designee is authorized to increase the 2024-25 budget appropriations in the amount of the outstanding encumbrances for valid purchase orders and contracts as of June 30, 2024, and
b. The City Manager or his/her designee is authorized to carry-over into the following fiscal year the remaining appropriations for uncompleted capital and grant projects.

For these exceptions, such carry-overs may be made without further City Council action.

Section 3. Appropriations are hereby made at the individual fund level. The City Manager and Director of Administrative Services/Treasurer are authorized to make budgetary transfers within an individual fund, so long as total appropriations for such fund remain unchanged. Interfund loans and/or transfers necessary to support fund level appropriations are hereby approved and authorized. Any changes to total fund level appropriations require further Council action.

Section 5. The City Manager and Administrative Services Director/Treasurer are each hereby authorized to implement this resolution, including issuing the 2024/25 Budget and making any non-substantive corrections to the 2024/25 Budget.

PASSED AND ADOPTED by the City of Winters this 18th day of June 2024 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

CITY OF WINTERS

_____

Bill Biasi, Mayor

ATTEST:

_____

Jeremy Craig, City Manager

CITY COUNCIL
STAFF REPORT

TO: Honorable Mayor and Councilmembers

DATE: June 18, 2024

FROM: Eric Lucero, Public Works Director of Operations & Maintenance

THROUGH: Jeremy Craig, City Manager

SUBJECT: Resolution 2024-50 Approving a Professional Services Agreement with NJA Architecture for the Winters Senior Center Architect/Design Project in the Not to Exceed Amount Of $338,750 and Authorizing the City Manager to Approve Change Orders Up to $33,875

RECOMMENDATION:

Adopt Resolution 2024-50 Approving a Professional Services Agreement with NJA Architecture for the Winters Senior Center Architect/Design Project in the Not to Exceed Amount Of $338,750 and Authorizing the City Manager to Approve Change Orders Up to $33,875.

BACKGROUND:

On April 16, 2024 City Manager Jeremy Craig presented the City Council with three options to be considered for the future of the Winters Senior Center. The discussion was to disencumber the current CDBG grant because the project cannot be completed in the three years allotted. In discussions with grant administrators, they still expressed a favorable view toward funding the Senior Center project in a future round of grant applications. However, they noted that the project needs to be shovel-ready, meaning completed designs and updated environmental work. In addition, in the three-year grant period, rapid construction cost inflation has led to a new project cost estimate of $5 to $5.5 million. This means that if the City were to successfully receive a new CDBG grant in the maximum amount of $4 million, the City would still need to find funding for the remaining $1 to $1.5 million to complete the project, which cannot come from outside state or federal grants.

The three options recommended by staff and considered by the Council were as

follows:

1. The Council could choose to eliminate the Senior Center project due to insufficient resources.
2. The Council could direct staff to procure the environmental update and architectural design utilizing development impact facility fees and reapply for a new CDBG grant when the process reopens in the Fall.
3. The Council could direct staff not to procure the environmental update and architectural design and submit a CDBG grant application in the hope of being selected, but with the understanding that the application would not be “shovel ready” as requested by the grant agency.

After discussion and deliberation, the Council approved moving forward with Option 2.

DISCUSSION:

On May 2, 2024, staff posted an RFP for the Senior Center Design Services (Project NO. 004-24) with a deadline of June 3, 2024, and received nine proposals for the project. Staff, along with consultant Colleen Brock, evaluated the proposals and chose four firms to interview. After interviewing the four firms, staff determined NJA Architecture to be the most responsive and responsible proposal for this project, which was also the lowest responsive bid.

FISCAL IMPACT:

The total cost for this contract is not to exceed $338,750.00 plus $33,875.00 for change orders for a total of $372,625.00.
Funded (Facilities Development Impact Fees)

ATTACHMENTS:

1. Resolution 2024-50
2. Senior Center Architect/Design RFP

RESOLUTION. 2024-50

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WINTERS APPROVING A PROFESSIONAL SERVICES AGREEMENT WITH NJA ARCHITECTURE, IN THE AMOUNT OF $338,750 FOR THE SENIOR CENTER ARCHITECT/DESIGN PROJECT NO. 004-24 AND AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE CONTRACT CHANGE ORDER(S) IN AN AGGREGATE AMOUNT NOT TO EXCEED $33,875

WHEREAS, on April 16, 2024, the City Manager presented the City Council with three options to move forward with the future of the Winters Senior Center; and

WHEREAS, City Council chose option 2. (The Council could direct staff to procure the environmental update and architectural design utilizing development impact facility fees and reapply for a new CDBG grant when the process reopens in the Fall.; and

WHEREAS, on May 2, 2024, staff posted a Notice Inviting Bids for an RFP for the Senior Center Design Services; and

WHEREAS, on June 3, 2024, staff received nine responsive proposals for this project; and

WHEREAS, on June 6, 2024, City staff, along with consultant Colleen Brock, evaluated the nine proposals and chose four firms to interview; and

WHEREAS, on June 10-11, 2024, City staff along with Colleen Brock interviewed the four finalists and determined NJA Architecture to be the most responsive and responsible proposal for this project; and

WHEREAS, staff recommends that the City Council approve a Professional Services Agreement with NJA Architecture and authorize the City Manager to negotiate and execute change order(s) in an amount not to exceed $33,875; ten percent (10%) of the total contract value, due to the project's completion schedule and staff's capability to respond swiftly to unanticipated changes to limit potential claims or risk to the City.

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

1. The City Council has considered the full record before it, which may include but is not limited to such things as the staff report, testimony by staff and the public, and other materials and evidence submitted or provided to it. Furthermore, the recitals set forth above are found to be true and correct and are incorporated herein by reference.

2. The City Council hereby approves a Professional Service Agreement with the most responsible bidder submitting a responsive bid, NJA Architecture, in the amount of $338,750, and authorizes the City Manager to execute the agreement and related documents in forms approved by the City Attorney.

3. The City Manager is hereby authorized to negotiate and execute contract change order(s) in an aggregate amount not to exceed $33,875.

DULY AND REGULARLY ADOPTED this 18th day of June 2024 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

CITY OF WINTERS

_____
Bill Biasi, Mayor

ATTEST:

_____
Jeremy Craig, City Clerk

REQUEST FOR PROPOSALS
WINTERS SENIOR CENTER DESIGN SERVICES

May 2, 2024

Background

The City of Winters is currently soliciting Request for Proposals (RFP) for Professional Services associated with the design and construction of the Winters Senior Center ("Senior Center"). The Senior Center will function as a facility for seniors to meet, as well as other future functions such as voting and cooling centers. The current programming estimates the need for an approximate 7,600 sq ft Type V-B single story building containing a multi-purpose activity space, recreation room, library-lounge, administration office, kitchen, restrooms, and possible generator. There is also an exterior patio terrace, garden area and general irrigation and landscaping. A 0.35-acre parcel of vacant land has been dedicated for the Senior Center. The current project budget is $5.5 million.

The City is looking for a qualified design firm that specializes in Senior/Community Center Facility and/or Commercial Projects. The current scope of work includes a preliminary evaluation of the project as well as subsequent Schematic Design, Site Layout, Design Development, Construction Documents, Cost Estimating, and Construction Administration services. Design is anticipated to commence in mid-late June 2024 and Site Plans are expected to be completed by August 2024. Construction is anticipated to begin in early 2025.

The consultant should consider Attachment 3: Photo of Blue Mountain Terrace. This building is adjacent to the future Senior Center and is the design that the City would like to match.

The consultant will work closely with the Project Manager, City Representative Eric Lucero, the Construction Contractor, and a Site Technical Advisory Committee.

Submittal Guidelines

Respondents are required to provide five (5) copies of the proposal. Additional information, in the form of resumes, brochures, etc., may be submitted as appendices. Submit the proposal to the Public Works Director of Operations & Maintenance, Eric Lucero, at 318 First St., Winters, CA 95694. **Proposals must be received by no later than 2:00 p.m. on Monday, June 3, 2024.** The City will review the information provided and one or more firms will be chosen to provide a more detailed proposal for the services and/or participate in an oral presentation/interview session.

The proposal shall provide the following information, in the order listed below:

1. Letter of Interest

2. Company profile and contact information for the proposed Project Manager.

3. Names and qualifications of proposed personnel.

4. Description of additional resources and qualifications (staff, consultants) the firm will depend on for the services.

5. A list of pertinent projects with reference contact information. Specify if the personnel and/or additional resources proposed above were involved in these projects.

6. Any other information that might assist the City in ascertaining the firm's and/or staff's qualifications for the proposed project.

The City's standard contract template for design professionals is attached. Proposers must note any requested exceptions to the City's contract in the proposal. The City reserves the right to accept or reject any exceptions, in its sole discretion.

The proposal should include such other relevant information that each respondent deems appropriate.

RFP Assessment Process

The selection process will include an oral interview of firms at the City's discretion. Some proposers may not be invited to an interview. The proposers will be notified of the time of the interview and any additional information that may be required. The interviews will be conducted in person.

As part of the assessment process, although cost will certainly be a factor, the City will place particular emphasis on the qualifications/experience of the individuals assigned to the project; directly relevant qualifications/experience of the firm; proposed approach to the project, and experience and knowledge of senior/community center development.

The following specific criteria will be used in the evaluation process:

1. Completeness of the Response

    a. Responses that do not include the proposal content requirements identified within the RFP will receive no further consideration.

2. Qualifications and Experience

    a. Experience and "fit" of the individuals assigned to the project.
    b. Consultant's familiarity of senior/community center development.

    c. Project team's experience working in public sector and knowledge of public sector procurement processes.

    d. Demonstration of cost control and budget management

    e. Experience meeting grant requirements

3. References

    a. Provide a list of pertinent projects with reference contact information. Specify if the personnel and/or additional resources proposed above were involved in these projects.

4. Presentation

    a. Team presentation conveying project understanding, communication skills, innovative ideas, critical issues and possible solutions.

Terms and Conditions
The following terms and conditions apply to this RFP:

1. All responses shall become the property of the City.

2. Due care and diligence has been exercised in the preparation of this RFP and all information contained herein is believed to be substantially correct. However, the responsibility for determining the full extent of the services rests solely with those making responses. Neither the City nor its representatives shall be responsible for any error or omission in the RFP.

3. The City reserves the right to select firms from the responses received; to waive any or all informalities and/or irregularities; to re-advertise with either an identical or revised scope, or to cancel any requirement in its entirety; or to reject any or all proposals received.

4. A response to this RFP does not constitute a formal bid, therefore, the City retains the right to contact any/all proposing firms after submittal in order to obtain supplemental information and/or clarification in either oral or written

form. Furthermore, an explicit provision of this RFP is that any oral communication made is not binding on the City's proposal process.

5. The City will not be liable for, nor pay for any costs incurred by responding firms relating to the preparation of any proposal for this RFP.

Please contact Eric Lucero at (530) 681-1529 or eric.lucero@cityofwinters.org, with any questions about the project and this RFP.

The City reserves the right to reject any and all proposals. The City will not be liable for, nor pay for any costs incurred by the responding firms relating to the preparation of the proposal. An explicit provision of this RFP is that any oral communication is not binding on the City's RFP proposal process or selection criteria.

The City looks forward to your reply.

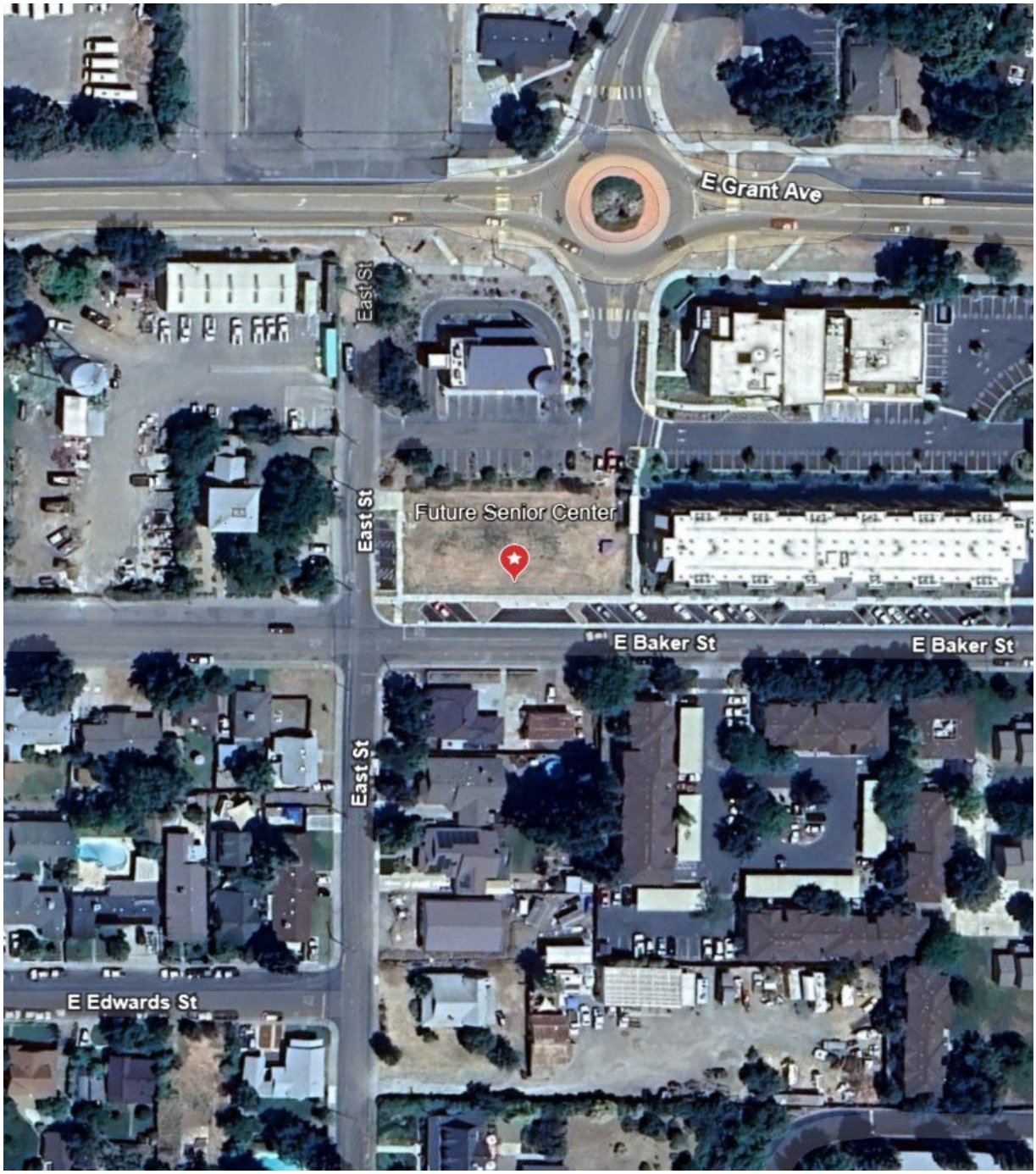
Sincerely,

Eric Lucero
Public Works Director of Operations & Maintenance

Attachments
Attachment 1: Site Location Map and Photos
Attachment 2: Projected Floor Plan
Attachment 3: Photo of Blue Mountain Terrace
Attachment 4: City Standard Professional Services Agreement

Attachment 1 – Site Location Map and Photos

Site Location Map



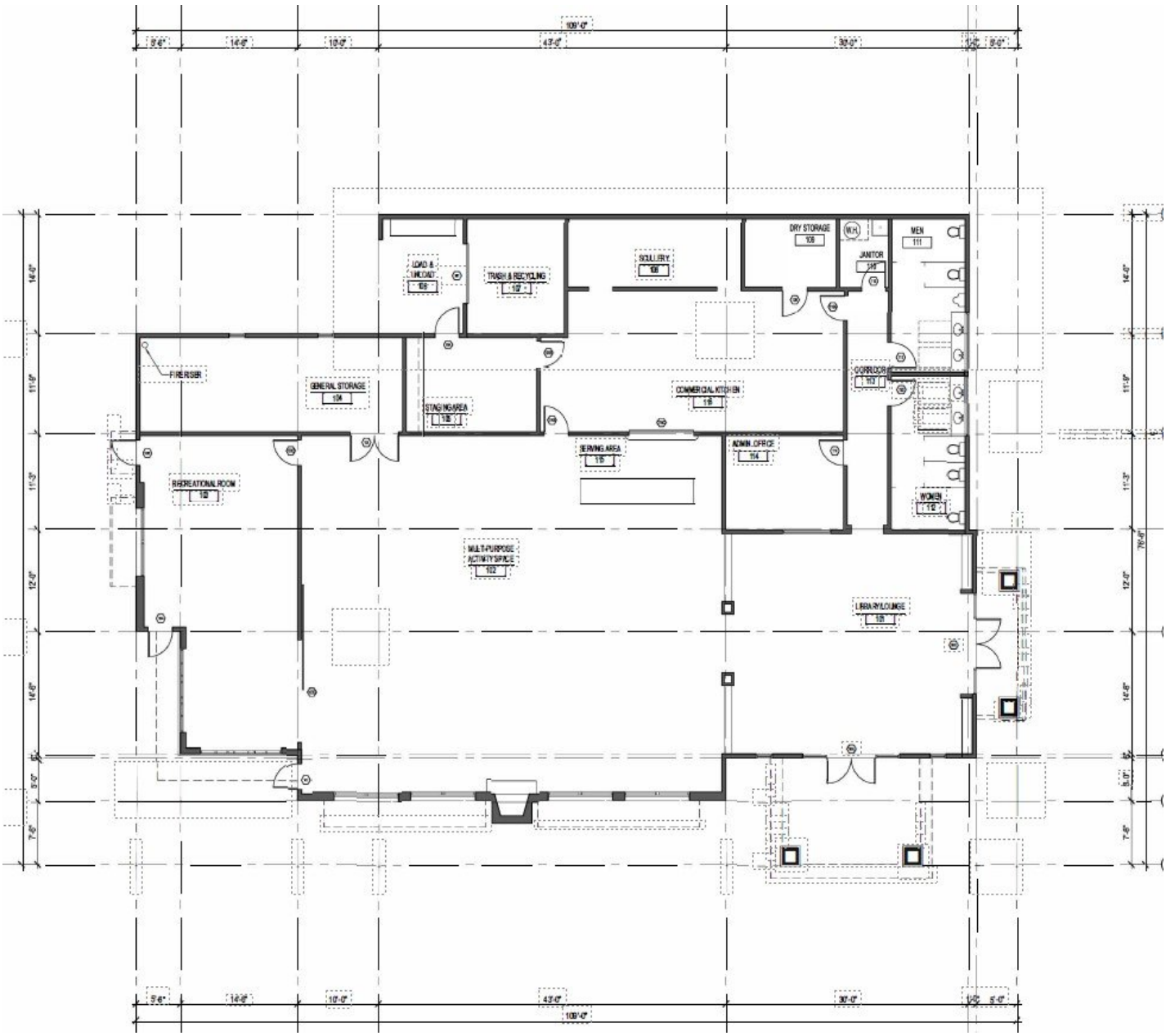
Photos


Winters, California
FUTURE HOME OF THE
WINTERS SENIOR CENTER



Attachment 2 –Projected Floor Plan

Projected Floor Plan



Attachment 3 –Photo of Blue Mountain Terrace

Blue Mountain Terrace



Attachment 4 – City Standard Professional Services Agreement

PROFESSIONAL SERVICES AGREEMENT
BETWEEN CITY OF WINTERS
AND [*INSERT NAME***]**

This Agreement is made and entered into as of _____, 20____ by and between the City of Winters, a California municipal corporation with its principal place of business at 318 First Street, Winters, CA 95694 ("City"), and [***INSERT NAME***], a [***INSERT TYPE OF ENTITY - CORPORATION, PARTNERSHIP, SOLE PROPRIETORSHIP OR OTHER LEGAL ENTITY***] with its principal place of business at [***INSERT ADDRESS***] (hereinafter referred to as "Consultant"). City and Consultant are sometimes individually referred to as "Party" and collectively as "Parties" in this Agreement.

RECITALS

A. City is a California municipal corporation and is in need of professional services for the following project:

Design services for the Winters Senior Center (hereinafter referred to as "the Project").

B. Consultant is duly licensed and has the necessary qualifications to provide such services.

C. The Parties desire by this Agreement to establish the terms for City to retain Consultant to provide the services described herein.

AGREEMENT

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

1. Services.

Consultant shall provide the City with the services described in the Scope of Services attached hereto as Exhibit "A."

2. Compensation.

a. Subject to paragraph 2(b) below, the City shall pay for such services in accordance with the Schedule of Charges set forth in Exhibit "B." **[Alternatively, Schedule of Charges may be included here and all subsequent exhibits renumbered accordingly.]**

b. In no event shall the total amount paid for services rendered by Consultant under this Agreement exceed the sum of **[Spell out amount of compensation]** Dollars $**[Insert amount]**. This amount is to cover all printing and related costs, and the City will not pay any additional fees for printing expenses. Periodic payments shall be made within 30 days of receipt of an invoice which includes a detailed description of the work performed. Payments to Consultant for work performed will be made on a monthly billing basis.

3. Additional Work.

If changes in the work seem merited by Consultant or the City, and informal consultations with the other party indicate that a change is warranted, it shall be processed in the following manner: a letter outlining the changes shall be forwarded to the City by Consultant with a statement of estimated changes in fee or time schedule. An amendment to this Agreement shall be prepared by the City and executed by both Parties before performance of such services, or the City will not be required to pay for the changes in the scope of work. Such amendment shall not render ineffective or invalidate unaffected portions of this Agreement.

4. Maintenance of Records.

Books, documents, papers, accounting records, and other evidence pertaining to costs incurred shall be maintained by Consultant and made available at all reasonable times during the contract period and for four (4) years from the date of final payment under the contract for inspection by City.

5. Time of Performance.

[Consultant shall perform its services in a prompt and timely manner and shall commence performance upon receipt of written notice from the City to proceed ("Notice to Proceed"). Consultant shall complete the services required hereunder within **[Insert number of calendar days for performance of the services – if more detail is required attach "Activity Schedule" as Exhibit C, otherwise delete Exhibit C.]** The Notice to Proceed shall set forth the date of commencement of work.

6. Delays in Performance.

a. Neither City nor Consultant shall be considered in default of this Agreement for delays in performance caused by circumstances beyond the reasonable control of the non-performing party. For purposes of this Agreement, such circumstances include but are not limited to, abnormal weather conditions; floods; earthquakes; fire; epidemics; pandemics; war; riots and other civil disturbances; strikes, lockouts, work slowdowns, and other labor disturbances; sabotage or judicial restraint.

b. Should such circumstances occur, the non-performing party shall, within a reasonable time of being prevented from performing, give written notice to the other party describing the circumstances preventing continued performance and the efforts being made to resume performance of this Agreement.

7. Compliance with Law.

a. Consultant shall comply with all applicable laws, ordinances, codes and regulations of the federal, state and local government, including Cal/OSHA requirements.

b. If required, Consultant shall assist the City, as requested, in obtaining and maintaining all permits required of Consultant by federal, state and local regulatory agencies.

c. If applicable, Consultant is responsible for all costs of clean up and/ or removal of hazardous and toxic substances spilled as a result of his or her services or operations performed under this Agreement.

8. Standard of Care

Consultant's services will be performed in accordance with generally accepted professional practices and principles and in a manner consistent with the level of care and skill ordinarily exercised by members of the profession currently practicing under similar conditions.

9. Assignment and Subconsultant

Consultant shall not assign, sublet, or transfer this Agreement or any rights under or interest in this Agreement without the written consent of the City, which may be withheld for any reason. Any attempt to so assign or so transfer without such consent shall be void and without legal effect and shall constitute grounds for termination. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement. Nothing contained herein shall prevent Consultant from employing independent associates, and subconsultants as Consultant may deem appropriate to assist in the performance of services hereunder.

10. Independent Contractor

Consultant is retained as an independent contractor and is not an employee of City. No employee or agent of Consultant shall become an employee of City. The work to be performed shall be in accordance with the work described in this Agreement, subject to such directions and amendments from City as herein provided.

11. Insurance. Consultant shall not commence work for the City until it has provided evidence satisfactory to the City it has secured all insurance required under this section. In addition, Consultant shall not allow any subcontractor to commence work on any subcontract until it has secured all insurance required under this section.

a. Commercial General Liability

(i) The Consultant shall take out and maintain, during the performance of all work under this Agreement, in amounts not less than specified herein, Commercial General Liability Insurance, in a form and with insurance companies acceptable to the City.

(ii) Coverage for Commercial General Liability insurance shall be at least as broad as the following:

(1) Insurance Services Office Commercial General Liability coverage (Occurrence Form CG 00 01) or exact equivalent.

(iii) Commercial General Liability Insurance must include coverage for the following:

(1) Bodily Injury and Property Damage
(2) Personal Injury/Advertising Injury
(3) Premises/Operations Liability
(4) Products/Completed Operations Liability
(5) Aggregate Limits that Apply per Project
(6) Explosion, Collapse and Underground (UCX) exclusion deleted
(7) Contractual Liability with respect to this Agreement
(8) Property Damage

(9) Independent Contractors Coverage

(iv) The policy shall contain no endorsements or provisions limiting coverage for (1) contractual liability; (2) cross liability exclusion for claims or suits by one insured against another; (3) products/completed operations liability; or (4) contain any other exclusion contrary to the Agreement.

(v) The policy shall give City, its officials, officers, employees, agents and City designated volunteers additional insured status using ISO endorsement forms CG 20 10 10 01 and 20 37 10 01, or endorsements providing the exact same coverage.

(vi) The general liability program may utilize either deductibles or provide coverage excess of a self-insured retention, subject to written approval by the City, and provided that such deductibles shall not apply to the City as an additional insured.

b. Automobile Liability

(i) At all times during the performance of the work under this Agreement, the Consultant shall maintain Automobile Liability Insurance for bodily injury and property damage including coverage for owned, non-owned and hired vehicles, in a form and with insurance companies acceptable to the City.

(ii) Coverage for automobile liability insurance shall be at least as broad as Insurance Services Office Form Number CA 00 01 covering automobile liability (Coverage Symbol 1, any auto).

(iii) The policy shall give City, its officials, officers, employees, agents and City designated volunteers additional insured status.

(iv) Subject to written approval by the City, the automobile liability program may utilize deductibles, provided that such deductibles shall not apply to the City as an additional insured, but not a self-insured retention.

c. Workers' Compensation/Employer's Liability

(i) Consultant certifies that he/she is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and he/she will comply with such provisions before commencing work under this Agreement.

(ii) To the extent Consultant has employees at any time during the term of this Agreement, at all times during the performance of the work under this Agreement, the Consultant shall maintain full compensation insurance for all persons employed directly by him/her to carry out the work contemplated under this Agreement, all in accordance with the "Workers' Compensation and Insurance Act," Division IV of the Labor Code of the State of California and any acts amendatory thereof, and Employer's Liability Coverage in amounts indicated herein. Consultant shall require all subconsultants to obtain and maintain, for the period required by this Agreement, workers' compensation coverage of the same type and limits as specified in this section.

d. Professional Liability (Errors and Omissions)

At all times during the performance of the work under this Agreement the Consultant shall maintain professional liability or Errors and Omissions insurance appropriate to its profession, in a form and with insurance companies acceptable to the City and in an amount indicated herein. This insurance shall be endorsed to include contractual liability applicable to this Agreement and shall be written on a policy form specifically designed to protect against acts, errors or omissions of the Consultant. "Covered Professional Services" as designated in the policy must specifically include work performed under this Agreement. The policy must "pay on behalf of" the insured and must include a provision establishing the insurer's duty to defend.

e. Minimum Policy Limits Required

(i) The following insurance limits are required for the Agreement:

	Combined Single Limit
Commercial General Liability	$1,000,000 per occurrence/ $2,000,000 aggregate for bodily injury, personal injury, and property damage
Automobile Liability	$1,000,000 combined single limit
Employer's Liability	$1,000,000 per accident or disease
Professional Liability	$1,000,000 per claim and aggregate (errors and omissions)

(ii) Defense costs shall be payable in addition to the limits.

(iii) Requirements of specific coverage or limits contained in this section are not intended as a limitation on coverage, limits, or other requirement, or a waiver of any coverage normally provided by any insurance. Any available coverage shall be provided to the parties required to be named as Additional Insured pursuant to this Agreement.

f. Evidence Required

Prior to execution of the Agreement, the Consultant shall file with the City evidence of insurance from an insurer or insurers certifying to the coverage of all insurance required herein. Such evidence shall include original copies of the ISO CG 00 01 (or insurer's equivalent) signed by the insurer's representative and Certificate of Insurance (Acord Form 25-S or equivalent), together with required endorsements. All evidence of insurance shall be signed by a properly authorized officer, agent, or qualified representative of the insurer and shall certify the names of the insured, any additional insureds, where appropriate, the type and amount of the insurance, the location and operations to which the insurance applies, and the expiration date of such insurance.

g. Policy Provisions Required

(i) Consultant shall provide the City at least thirty (30) days prior written notice of cancellation of any policy required by this Agreement, except that the Consultant shall provide at least ten (10) days prior written notice of cancellation of any such policy due to non-payment of premium. If any of the required coverage is cancelled or expires during the term of this Agreement, the Consultant shall deliver renewal certificate(s) including the General Liability

Additional Insured Endorsement to the City at least ten (10) days prior to the effective date of cancellation or expiration.

(ii) The Commercial General Liability Policy and Automobile Policy shall each contain a provision stating that Consultant's policy is primary insurance and that any insurance, self-insurance or other coverage maintained by the City or any named insureds shall not be called upon to contribute to any loss.

(iii) The retroactive date (if any) of each policy is to be no later than the effective date of this Agreement. Consultant shall maintain such coverage continuously for a period of at least three years after the completion of the work under this Agreement. Consultant shall purchase a one (1) year extended reporting period A) if the retroactive date is advanced past the effective date of this Agreement; B) if the policy is cancelled or not renewed; or C) if the policy is replaced by another claims-made policy with a retroactive date subsequent to the effective date of this Agreement.

(iv) All required insurance coverages, except for the professional liability coverage, shall contain or be endorsed to provide a waiver of subrogation in favor of the City, its officials, officers, employees, agents, and volunteers or shall specifically allow Consultant or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Consultant hereby waives its own right of recovery against City, and shall require similar written express waivers and insurance clauses from each of its subconsultants.

(v) The limits set forth herein shall apply separately to each insured against whom claims are made or suits are brought, except with respect to the limits of liability. Further the limits set forth herein shall not be construed to relieve the Consultant from liability in excess of such coverage, nor shall it limit the Consultant's indemnification obligations to the City and shall not preclude the City from taking such other actions available to the City under other provisions of the Agreement or law.

h. Qualifying Insurers

(i) All policies required shall be issued by acceptable insurance companies, as determined by the City, which satisfy the following minimum requirements:

(1) Each such policy shall be from a company or companies with a current A.M. Best's rating of no less than A:VII and admitted to transact in the business of insurance in the State of California, or otherwise allowed to place insurance through surplus line brokers under applicable provisions of the California Insurance Code or any federal law.

i. Additional Insurance Provisions

(i) The foregoing requirements as to the types and limits of insurance coverage to be maintained by Consultant, and any approval of said insurance by the City, is not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by the Consultant pursuant to this Agreement, including but not limited to, the provisions concerning indemnification.

(ii) If at any time during the life of the Agreement, any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, City has the right but not the duty to obtain the insurance it deems necessary

and any premium paid by City will be promptly reimbursed by Consultant or City will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, City may cancel this Agreement.

(iii) The City may require the Consultant to provide complete copies of all insurance policies in effect for the duration of the Project.

(iv) Neither the City nor any of its officials, officers, employees, agents or volunteers shall be personally responsible for any liability arising under or by virtue of this Agreement.

j. Subconsultant Insurance Requirements. Consultant shall not allow any subcontractors or subconsultants to commence work on any subcontract until they have provided evidence satisfactory to the City that they have secured all insurance required under this section. Policies of commercial general liability insurance provided by such subcontractors or subconsultants shall be endorsed to name the City as an additional insured using ISO form CG 20 38 04 13 or an endorsement providing the exact same coverage. If requested by Consultant, City may approve different scopes or minimum limits of insurance for particular subcontractors or subconsultants.

12. Indemnification.

a. To the fullest extent permitted by law, Consultant shall defend (with counsel of City's choosing), indemnify and hold the City, its officials, officers, employees, volunteers, and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury of any kind, in law or equity, to property or persons, including wrongful death, in any manner arising out of, pertaining to, or incident to any acts, errors or omissions, or willful misconduct of Consultant, its officials, officers, employees, subcontractors, consultants or agents in connection with the performance of the Consultant's services, the Project or this Agreement, including without limitation the payment of all damages, expert witness fees and attorney's fees and other related costs and expenses. Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by Consultant, the City, its officials, officers, employees, agents, or volunteers.

b. If Consultant's obligation to defend, indemnify, and/or hold harmless arises out of Consultant's performance of "design professional" services (as that term is defined under Civil Code section 2782.8), then, and only to the extent required by Civil Code section 2782.8, which is fully incorporated herein, Consultant's indemnification obligation shall be limited to claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Consultant, and, upon Consultant obtaining a final adjudication by a court of competent jurisdiction, Consultant's liability for such claim, including the cost to defend, shall not exceed the Consultant's proportionate percentage of fault.

13. California Labor Code Requirements.

a. Consultant is aware of the requirements of California Labor Code Sections 1720 et seq. and 1770 et seq., which require the payment of prevailing wage rates and the performance of other requirements on certain "public works" and "maintenance" projects ("Prevailing Wage Laws"). If the services are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and if the total compensation is $1,000 or more, Consultant agrees to fully comply with such Prevailing Wage Laws. Consultant shall defend, indemnify and hold the City, its officials, officers, employees and

agents free and harmless from any claims, liabilities, costs, penalties or interest arising out of any failure or alleged failure to comply with the Prevailing Wage Laws. It shall be mandatory upon the Consultant and all subconsultants to comply with all California Labor Code provisions, which include but are not limited to prevailing wages (Labor Code Sections 1771, 1774 and 1775), employment of apprentices (Labor Code Section 1777.5), certified payroll records (Labor Code Sections 1771.4 and 1776), hours of labor (Labor Code Sections 1813 and 1815) and debarment of contractors and subcontractors (Labor Code Section 1777.1). The requirement to submit certified payroll records directly to the Labor Commissioner under Labor Code section 1771.4 shall not apply to work performed on a public works project that is exempt pursuant to the small project exemption specified in Labor Code Section 1771.4.

b. If the services are being performed as part of an applicable "public works" or "maintenance" project, then pursuant to Labor Code Sections 1725.5 and 1771.1, the Consultant and all subconsultants performing such services must be registered with the Department of Industrial Relations. Consultant shall maintain registration for the duration of the Project and require the same of any subconsultants, as applicable. Notwithstanding the foregoing, the contractor registration requirements mandated by Labor Code Sections 1725.5 and 1771.1 shall not apply to work performed on a public works project that is exempt pursuant to the small project exemption specified in Labor Code Sections 1725.5 and 1771.1.

c. This Agreement may also be subject to compliance monitoring and enforcement by the Department of Industrial Relations. It shall be Consultant's sole responsibility to comply with all applicable registration and labor compliance requirements. Any stop orders issued by the Department of Industrial Relations against Consultant or any subcontractor that affect Consultant's performance of services, including any delay, shall be Consultant's sole responsibility. Any delay arising out of or resulting from such stop orders shall be considered Consultant caused delay and shall not be compensable by the City. Consultant shall defend, indemnify and hold the City, its officials, officers, employees and agents free and harmless from any claim or liability arising out of stop orders issued by the Department of Industrial Relations against Consultant or any subcontractor.

14. Verification of Employment Eligibility.

By executing this Agreement, Consultant verifies that it fully complies with all requirements and restrictions of state and federal law respecting the employment of undocumented aliens, including, but not limited to, the Immigration Reform and Control Act of 1986, as may be amended from time to time, and shall require all subconsultants and sub-subconsultants to comply with the same.

[Delete the following title and insert "Reserved", if not applicable.]

15. City Material Requirements.

Consultant is hereby made aware of the City's requirements regarding materials, as set forth in **[Insert the name of the document that contains the City's standard material requirements]**, which are deemed to be a part of this Agreement.

16. Laws and Venue.

This Agreement shall be interpreted in accordance with the laws of the State of California. If any action is brought to interpret or enforce any term of this Agreement, the action shall be brought in a state or federal court situated in the County of Yolo, State of California.

17 Termination or Abandonment

a. City has the right to terminate or abandon any portion or all of the work under this Agreement by giving ten (10) calendar days written notice to Consultant. In such event, City shall be immediately given title and possession to all original field notes, drawings and specifications, written reports and other documents produced or developed for that portion of the work completed and/or being abandoned. City shall pay Consultant the reasonable value of services rendered for any portion of the work completed prior to termination. If said termination occurs prior to completion of any task for the Project for which a payment request has not been received, the charge for services performed during such task shall be the reasonable value of such services, based on an amount mutually agreed to by City and Consultant of the portion of such task completed but not paid prior to said termination. City shall not be liable for any costs other than the charges or portions thereof which are specified herein. Consultant shall not be entitled to payment for unperformed services and shall not be entitled to damages or compensation for termination of work.

b. Consultant may terminate its obligation to provide further services under this Agreement upon thirty (30) calendar days' written notice to City only in the event of substantial failure by City to perform in accordance with the terms of this Agreement through no fault of Consultant.

18 Documents. Except as otherwise provided in "Termination or Abandonment," above, all original field notes, written reports, Drawings and Specifications and other documents, produced or developed for the Project shall, upon payment in full for the services described in this Agreement, be furnished to and become the property of the City.

19. Organization

Consultant shall assign _____ as Project Manager. The Project Manager shall not be removed from the Project or reassigned without the prior written consent of the City.

20. Limitation of Agreement.

This Agreement is limited to and includes only the work included in the Project described above.

21. Notice

Any notice or instrument required to be given or delivered by this Agreement may be given or delivered by depositing the same in any United States Post Office, certified mail, return receipt requested, postage prepaid, addressed to:

CITY:

City of Winters

318 First Street

Winters, CA 95694

CONSULTANT:

[***INSERT NAME, ADDRESS & CONTACT PERSON***]

Attn: Eric Lucero Public Works

and shall be effective upon receipt thereof.

22. Third Party Rights

Nothing in this Agreement shall be construed to give any rights or benefits to anyone other than the City and the Consultant.

23. Equal Opportunity Employment.

Consultant represents that it is an equal opportunity employer and that it shall not discriminate against any employee or applicant for employment because of race, religion, color, national origin, ancestry, sex, age or other interests protected by the State or Federal Constitutions. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination.

24. Entire Agreement

This Agreement, with its exhibits, represents the entire understanding of City and Consultant as to those matters contained herein, and supersedes and cancels any prior or contemporaneous oral or written understanding, promises or representations with respect to those matters covered hereunder. Each Party acknowledges that no representations, inducements, promises or agreements have been made by any person which are not incorporated herein, and that any other agreements shall be void. This Agreement may not be modified or altered except in writing signed by both Parties hereto. This is an integrated Agreement.

25. Severability

The unenforceability, invalidity or illegality of any provision(s) of this Agreement shall not render the remaining provisions unenforceable, invalid or illegal.

26. Successors and Assigns

This Agreement shall be binding upon and shall inure to the benefit of the successors in interest, executors, administrators and assigns of each Party to this Agreement. However, Consultant shall not assign or transfer by operation of law or otherwise any or all of its rights, burdens, duties or obligations without the prior written consent of City. Any attempted assignment without such consent shall be invalid and void.

27. Non-Waiver

None of the provisions of this Agreement shall be considered waived by either Party, unless such waiver is specifically specified in writing.

28. Time of Essence

Time is of the essence for each and every provision of this Agreement.

29. City's Right to Employ Other Consultants

City reserves its right to employ other consultants, including engineers, in connection with this Project or other projects.

30. Prohibited Interests

Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for consultant, to solicit or secure this Agreement. Further, Consultant warrants that it has not paid, nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, City shall have the right to rescind this Agreement without liability. For the term of this Agreement, no director, official, officer or employee of City, during the term of his or her service with City, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

[SIGNATURES ON FOLLOWING PAGE]

SIGNATURE PAGE FOR PROFESSIONAL SERVICES AGREEMENT BETWEEN CITY OF WINTERS AND [*INSERT NAME***]**

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

CITY OF WINTERS

By: _____
Jeremy Craig
City Manager

[INSERT NAME OF CONSULTANT]

By: _____

Its: _____

Printed Name: _____

ATTEST:

By: _____
City Clerk

APPROVED AS TO FORM:

By: _____

Ethan Walsh, City Attorney

EXHIBIT A

Scope of Services

The City is looking for a qualified design firm that specializes in Senior/Community Center Facility and/or Commercial Projects. The current scope of work includes a preliminary evaluation of the project as well as subsequent Schematic Design, Site Layout, Design Development, Construction Documents, Cost Estimating, and Construction Administration services. Design is anticipated to commence in mid-late June 2024 and Site Plans are expected to be completed by August 2024. Construction is anticipated to begin in early 2025

EXHIBIT B

Schedule of Charges/Payments

Consultant will invoice City on a monthly cycle. Consultant will include with each invoice a detailed progress report that indicates the amount of budget spent on each task. Consultant will inform City regarding any out-of-scope work being performed by consultant. This is a time-and-materials contract.

EXHIBIT C

Activity Schedule

CITY COUNCIL
STAFF REPORT

TO: Honorable Mayor and Councilmembers

DATE:June 18, 2024

THROUGH: Jeremy Craig, City Manager

FROM: David Dowswell, Contract Planner

David Storer, AICP Contract Planner

SUBJECT: Public Hearing to Consider First Reading of Ordinance No. 2024-06 Amending Chapter 17.04, Introductory Provisions and Definitions, and Chapter 17.98, Accessory Dwelling Units (ADUs), of the Municipal Code relating to Accessory Dwelling Units and Junior Accessory Dwelling Units (JADUs).

RECOMMENDATION:

Staff recommends that the City Council take the following actions:

1) Receive the staff report;
2) Conduct the Public Hearing to solicit public comment; and
3) Introduce and waive first reading of Ordinance No. 2024-06 amending Chapter 17.04, Introductory Provisions and Definitions, and Chapter 17.98, Accessory Dwelling Units (ADUs), of the Municipal Code relating to Accessory Dwelling Units and Junior Accessory Dwelling Units (JADUs)

BACKGROUND:

The Planning and Zoning Law authorizes cities to act by ordinance to provide for the creation and regulation of accessory dwelling units ("ADUs") and junior accessory dwelling units ("JADUs"). Government Code sections 66310–66342 (the "State ADU Law") impose limits on local authority to regulate ADUs and JADUs. If a local ordinance does not comply with State ADU Law, it is rendered null and void. The City implements State ADU Law via Winters Municipal Code Chapter 17.98,

Accessory Dwelling Units (the "ADU Ordinance"). In recent years, the City has amended the ADU Ordinance as necessary to remain consistent with changes in State ADU Law. Most recently, the City amended the ADU Ordinance via Ordinance 2020-01, amending Chapters 17.04 and 17.98 of the Municipal Code to make them compliant with state law. Since 2020 the state has adopted a number of additional amendments to the Government Code affecting ADUs and JADUs. In particular, new ADU legislation took effect on January 1, 2024, which among other things, eliminated the ability for local agencies to impose an owner-occupancy requirement on ADUs.

On May 28, 2024, the Planning Commission held a public hearing regarding proposed amendments to the Winters Municipal Code related to Accessory Dwelling Units. At the conclusion of the public hearing the Planning Commission unanimously recommended the City Council adopt the attached Ordinance.

DISCUSSION:

The proposed ordinance amends the ADU Ordinance to comply with the most recent changes to State ADU Law.

Key changes to the accessory dwelling unit regulations include:

- Eliminated the requirement that cabinet storage space be a minimum of square footage for a JADU and instead require it be reasonable in relation to the size to the JADU.
- Updated references to the new and/or amended sections of the Government Code (66310, 66316, 66317, and 66432) that govern ADUs and JADUs.
- Allows the conversion of an illegal ADU to a legal one subject to compliance with this chapter.
- Allows no more than two ADUs on a lot with an existing or proposed multifamily dwelling.
- Clarifies that all JADUs are subject to an owner-occupancy requirement that a natural person with equitable title to the property shall occupy either the principal dwelling unit or the JADU as their principal or primary residence, as defined by the County Assessor. However, the owner-occupancy agreement in this subsection does not apply if the property is entirely owned by another governmental agency, land trust, or housing organization.
- Clarifies the process for removing a deed restriction regarding owner-occupancy.
- Provides for income reporting in order to facilitate the City's obligation to identify adequate sites for housing in accordance with Government Code sections 65583.1 and 66341, as follows:

1. With the building-permit application, the applicant must provide the City with an estimate of the projected annualized rent that will be charged for the ADU or JADU.
2. Within ninety (90) days after each yearly anniversary of the issuance of the building permit, the owner must report the actual rent charged for the ADU or JADU during the prior year. If the City does not receive the report within the 90-day period, the owner is in violation of this Code, and the City may send the owner a notice of violation and allow the owner another thirty (30) days to submit the report. If the owner fails to submit the report within the 30-day period, the City may enforce this provision in accordance with applicable law.

- Requires a notice of construction at least ten (10) business days before starting any construction of an ADU or JADU, whereby the property owner must give written notice to all the owners of record of each adjacent residential parcel, which notice must include the following information:
    1. Notice that construction has been authorized,
    2. The anticipated start and end dates for construction,
    3. The hours of construction,
    4. Contact information for the project manager (for construction-related complaints), and
    5. Contact information for the building division.

The attached ordinance (Attachments A and B) include changes to the City of Winters Municipal Code Chapter 17.04, Introductory Provisions and Definitions, and Chapter 17.98, Accessory Dwelling Units, substantially in the form attached

ALTERNATIVES

1) Adopt the ordinance as recommended by the Planning Commission; or
2) Adopt the ordinance as recommended by the Planning Commission with additional changes; or
3) Make no changes to the Winters Municipal Code and keep the provisions regarding accessory dwelling units unchanged.

PROJECT NOTIFICATION:

A public hearing notice was published in the *Winters Express* on June 6, 2024, pursuant to Government Code Section 65090.

ENVIRONMENTAL ANALYSIS:

Under California Public Resources Code section 21080.17, the California

Environmental Quality Act ("CEQA") does not apply to the adoption of an ordinance by a city or county implementing the provisions of section 65852.2 of the Government Code, which is California's ADU law and which also regulates JADUs, as defined by section 65852.22. Therefore, the proposed ordinance is statutorily exempt from CEQA in that the proposed ordinance implements the State's ADU law.

In addition to being statutorily exempt from CEQA, the proposed ordinance is also categorically exempt from CEQA under the Class 3 exemption set forth in State CEQA Guidelines section 15303. The Class 3 exemption categorically exempts from CEQA, among other things, the construction and location of new, small structures and the conversion of existing small structures from one use to another. Section 15303 specifically lists the construction of appurtenant accessory structures and garages as examples of activity that expressly falls within this exemption. The ordinance is categorically exempt under the Class 3 exemption because the ordinance regulates the conversion of existing structures into, and the new construction of, ADUs and JADUs, which are, by definition, structures that are accessory to a primary dwelling on the lot.

FISCAL IMPACT:
None, other than staff time to prepare this report.

ATTACHMENT:
1. City Council Ordinance No. 2024-06 with edits shown
2. City Council Ordinance 2024-06 with edits accepted

ORDINANCE NO. 2024-06

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WINTERS AMENDING CHAPTER 17.04, INTRODUCTORY PROVISIONS AND DEFINITIONS, AND CHAPTER 17.98, ACCESSORY DWELLING UNITS, OF THE WINTERS MUNICIPAL CODE

WHEREAS, the City of Winters, California (the "City") is a municipal corporation, duly organized under the constitution and laws of the State of California; and

WHEREAS, the Planning and Zoning Law authorizes cities to act by ordinance to provide for the creation and regulation of accessory dwelling units ("ADUs") and junior accessory dwelling units ("JADUs"); and

WHEREAS, Government Code sections 66310–66342 (the "State ADU Law") impose limits on local authority to regulate ADUs and JADUs; and

WHEREAS, if a local ordinance does not comply with State ADU Law, it is rendered null and void; and

WHEREAS, the City implements State ADU Law via Winters Municipal Code Chapter 17.98, Accessory Dwelling Units (the "ADU Ordinance"); and

WHEREAS, in recent years, the City has amended the ADU Ordinance as necessary to remain consistent with changes in State ADU Law. Most recently, the City amended the ADU Ordinance via City Council Ordinance No. 2020-01; and

WHEREAS, new ADU legislation took effect on January 1, 2024, which among other things, eliminated the ability for local agencies to impose an owner-occupancy requirement on ADUs; and

WHEREAS, this proposed Ordinance updates the ADU Ordinance to comply with recent changes to State ADU Law and to make other specified adjustments in order to augment the ADU Ordinance for the benefit of staff and the general public; and

WHEREAS, on May 28, 2024, the Planning Commission held a duly-noticed public hearing and considered the staff report, recommendations by staff, and public testimony concerning the Ordinance. Following the hearing, the Planning Commission recommended that the City Council adopt the Ordinance; and

WHEREAS, on May 28, 2024, the City Council conducted a duly-noticed public hearing on the Ordinance and considered the staff report, recommendations by staff, and public testimony concerning the Ordinance; and

WHEREAS, all legal prerequisites to the adoption of this Ordinance have occurred.

NOW, THEREFORE, the City Council of the City of Winters does ordain as follows:

SECTION 1. Recitals. The above recitals are true and correct and are incorporated herein by this reference.

SECTION 2. Amendment. The following definitions are hereby added to or amended in Subdivision (B) of Section 17.04.140 of the Winters Municipal Code to read in their entirety as set forth below. The remainder of the section, denoted by ellipses (…) remains unamended:

"**17.04.140 Definitions.**

"Efficiency kitchen" means a kitchen that includes each of the following:

1. A cooking facility with appliances,

2. Food storage cabinets that are of reasonable size in relation to the size of the JADU.

"Nonconforming zoning condition" means a physical improvement on a property that does not conform with current zoning standards.

"Proposed dwelling" means a dwelling that is the subject of a permit application and meets the requirements for permitting.

"Public transit" means a location, including, but not limited to, a bus stop, subway, or train station, where the public may access buses, trains, subways and other forms of transportation that charge set fares and run fixed routes.

"Tandem parking" means two or more automobiles parked on a driveway or in any other location on a lot, lined up behind one another.

SECTION 3. Amendment. Chapter 17.98 of the Winters Municipal Code is hereby amended in its entirety to read as follows:

"Chapter 17.98 ACCESSORY DWELLING UNITS

17.98.010 Purpose and intent.

The purpose of this section is to permit accessory dwelling units in single-family and multifamily residential zoning districts consistent with state law (California Government Code Sections 66310 through 66342). This section is intended to expand housing opportunities by increasing the number of housing units available within existing neighborhoods while maintaining the primarily "single family" residential character of the area. Accessory dwelling units, which includes junior accessory dwelling units, are intended to provide livable housing at lower cost while providing greater security, companionship, and family support for the occupants, consistent with the general plan. An accessory dwelling unit must comply with all the provisions of this title, except as modified in this chapter.

17.98.020 Administration.

A. Accessory Dwelling Unit Approval Required. Approval of an ADU shall be obtained prior to construction, conversion, and/or development of the ADU. Pursuant to

California Government Code Sections 66316 and 66317, approval of the ADU shall be considered ministerial without any discretionary review or a hearing. ADUs are exempt from the California Environmental Quality Act.

B. Application.

1. Applications for an ADU shall be filed with the community development director on forms provided by the community development department.

2. An application for an ADU shall be accompanied by a fee, established by resolution of the City Council, to cover the cost of handling the application as prescribed in this subsection.

3. Once an application is deemed complete, the application must be approved or denied within sixty (60) days if there is an existing single-family or multifamily dwelling on the lot.

C. Existing Accessory Dwelling Units. This section shall in no way validate an illegal accessory dwelling unit. An application for an ADU may be made pursuant to the provisions of this chapter to convert an illegal ADU into a lawful ADU, or to allow for the replacement, alteration, or expansion of an existing nonconforming ADU. The conversion of an illegal ADU into a lawful ADU, or the replacement, alteration, or expansion of an existing nonconforming ADU, shall be subject to the requirements of this chapter.

17.98.030 Development standards for all accessory dwelling units.

A. Only one (1) ADU and one (1) JADU shall be allowed for each single-family residential lot. No more than two (2) detached ADUs are permitted on a lot that has an existing or proposed multifamily dwelling.

B. The minimum floor space of a detached ADU shall be one hundred fifty (150) square feet and the maximum area of floor space shall not exceed one thousand two hundred (1,200) square feet. The maximum area of floor space of an attached accessory residential unit shall not exceed fifty percent (50%) of the living area of the existing principal residence, not to exceed a maximum of one thousand two hundred (1,200) square feet.

C. A detached ADU that is eight hundred (800) square feet or less and the peak height above grade is sixteen (16) feet or less may have a side and rear setback of four (4) feet.

D. An ADU built above an existing detached garage may be located within five (5) feet of the rear or side property lines, subject to complying with Title 24 of the California Code of Regulations

E. The size of the ADU shall not be counted towards the maximum floor area ratio (FAR) for the site.

F. ADUs shall be subject to complying with zoning requirements in R-R, R-1, R-2, R-3 and R-4 zones, except as modified by the conditions of this section.

G. The lot on which the ADU is proposed shall contain a residence at the time of construction of the ADU. In the case of vacant lots, the residence and ADU and JADU may be constructed at the same time.

H. The ADU is self-contained with its own separate entrance, kitchen and bathroom and shall comply with all applicable building, fire, energy and other health and safety codes.

I. An accessory building or structure, including a garage or carport, may be converted into an ADU, subject to complying with Title 24 of the California Code of Regulations. No off-street parking shall be required for an ADU. Replacement parking is not required when a garage or carport is converted to an ADU.

J. ADUs shall achieve architectural continuity with the principal residence and with the character of the surrounding neighborhood, as determined by the community development department. No entrance to an ADU shall be located on the front building elevation of the principal residence if the ADU is attached to the residence, in order to maintain the appearance of the structure as a single-family residence.

K. All ADUs and JADUs created before January 1, 2020, are subject to the owner-occupancy requirement that was in place when the ADU or JADU was created.

Any application for an ADU received after January 1, 2020, is not subject to the owner-occupancy requirement.

All JADUs are subject to an owner-occupancy agreement. A natural person with equitable title to the property shall occupy either the principal dwelling unit or the JADU as their principal or primary residence as defined by the County Assessor. However, the owner-occupancy agreement in this subsection does not apply if the property is entirely owned by another governmental agency, land trust, or housing organization.

The form of the deed restriction will be provided by the City and must provide that:

1. Except as otherwise provided in Government Code Section 66341, the JADU may not be sold separately from the primary dwelling.

2. The JADU is restricted to the approved size and to other attributes allowed by this section.

3. The deed restriction runs with the land and may be enforced against future property owners.

4. The deed restriction may be removed if the owner eliminates the JADU, as evidenced by, for example, removal of the kitchen facilities. To remove the deed restriction, an owner may make a written request of the community development director, providing evidence the JADU has in fact been eliminated. The community development director may then determine whether the evidence supports the claim that the JADU has been eliminated. Appeal may be taken from the community development director's determination consistent with other provisions of this Code. If the JADU is not entirely physically removed, but is only eliminated by virtue of

having a necessary component of an JADU unit removed, the remaining structure and improvements must otherwise comply with applicable provisions of this Code.

5. The deed restriction is enforceable by the community development director for the benefit of the City. Failure of the property owner to comply with the deed restriction may result in legal action against the property owner, and the City is authorized to obtain any remedy available to it at law or equity, including, but not limited to, obtaining an injunction enjoining the use of the JADU in violation of the recorded restrictions or abatement of the illegal unit.

If either unit should become non-owner-occupied, the JADU, upon notification by the City, shall be converted into a non-JADU by removing the kitchen facilities. To ensure the property is owner-occupied, the property owner shall record a deed restriction with the County Recorder's office and a copy filed with the community development director prior to issuance of a building permit for a JADU.

L. All new construction or exterior alterations to existing structures proposed for an ADU may be subject to design review as prescribed in Chapter 17.36, except that design review shall be ministerial without any discretionary review or a hearing.

M. No impact fee shall be imposed on an ADU that is less than seven hundred fifty (750) square feet in size. For purposes of this section "impact fees" include the fees specified in Section 66000 and 66477 of the Government Code, but do not include utility connection fees or capacity charges. Except as mentioned above, the City Council may, by resolution, establish fees for accessory units that mitigate the impact of an ADU on public infrastructure or services based on the square footage of the ADU in relation to the square footage of the principal residence.

N. An ADU may be required to have a new or separate utility connection directly between the ADU and the utility. The City Council may adopt by resolution a connection fee or capacity charge that is proportionate to the burden of the proposed ADU upon the water and sewer system. The fee shall be based upon either square footage of the ADU or its drainage fixture unit (DFU) values, as defined in the Uniform Plumbing Code adopted and published by the International Association of Plumbing and Mechanical Officials. ADUs shall be exempt from any requirements to install a new or separate utility connection and pay any connection fees or charges if it is created by the conversion of interior space of the principal residence, unless the unit is constructed with a new single-family residence.

O. The owner of an ADU built before January 1, 2010, may request any correction of building standards enforced by local agencies under the authority of Section 17960 of the California Health and Safety Code be delayed subject to the following:

1. Prior to January 1, 2030, the owner requests in writing enforcement of any violation of a building standard be delayed for five (5) years.

2. The community development director, in consultation with the building official determines, the enforcement of the building standard or standards is not necessary to protect the health and safety.

P. Income Reporting. In order to facilitate the City's obligation to identify adequate sites for housing in accordance with Government Code sections 65583.1 and 66341, the following requirements must be satisfied:

1. With the building-permit application, the applicant must provide the City with an estimate of the projected annualized rent that will be charged for the ADU or JADU.

2. Within ninety (90) days after each yearly anniversary of the issuance of the building permit, the owner must report the actual rent charged for the ADU or JADU during the prior year. If the City does not receive the report within the 90-day period, the owner is in violation of this Code, and the City may send the owner a notice of violation and allow the owner another thirty (30) days to submit the report. If the owner fails to submit the report within the 30-day period, the City may enforce this provision in accordance with applicable law.

Q. Notice of Construction. At least ten (10) business days before starting any construction of an ADU or JADU, the property owner must give written notice to all the owners of record of each adjacent residential parcels, which notice must include the following information:

1. Notice that construction has been authorized,

2. The anticipated start and end dates for construction,

3. The hours of construction,

4. Contact information for the project manager (for construction-related complaints), and

5. Contact information for the building division.

This notice requirement does not confer a right on the noticed persons or on anyone else to comment on the project before permits are issued. Approval is ministerial. Under state law, the City has no discretion in approving or denying a particular ADU project under this section. This notice requirement is purely to promote neighborhood awareness and expectation.

R. Demolition Permits. A demolition permit for a detached garage that is to be replaced with an ADU is reviewed with the application for the ADU and issued at the same time.

S. Fire sprinklers. Fire sprinklers are required in an ADU or JADU if sprinklers are required in the primary residence. The construction of an ADU or JADU does not trigger a requirement for fire sprinklers to be installed in the primary residence.

17.98.040 Development standards for streamlined approval of accessory dwelling units.

The community development director shall ministerially approve a building permit application for an ADU or a JADU which meets the following:

A. Converted Space on a Single-Family Lot: One (1) ADU as described in this subsection and one (1) JADU shall be allowed on a lot with a proposed or existing single-family dwelling, where the ADU or JADU:

   1. Is within the walls of the proposed or existing single-family dwelling, or within the existing space of an accessory structure, plus up to one hundred fifty (150) additional square feet if the expansion is limited to accommodating ingress and egress, has an exterior access independent of the single-family dwelling and has side and rear yard setbacks that comply with the applicable building and fire codes.

   2. Has an exterior access independent of the single-family dwelling.

   3. Has side or rear setbacks sufficient for fire and safety, as required by applicable building and fire codes.

B. Limited Detached or Single-Family Lot. One (1) detached, new construction ADU on a lot with a proposed or existing single-family dwelling, in addition to any JADU that might otherwise be established on the lot allowed in subsection A above, if the detached ADU satisfies the following limitations:

   1. The side- and rear- yard setbacks are at least four (4) feet.

   2. The total floor area is eight hundred (800) square feet or less.

   3. The peak height above grade is sixteen (16) feet or less.

C. Converted on Multifamily Lot. Multiple ADUs within portions of existing multifamily dwelling structures not used as livable space, including but not limited storage rooms, passageways, attics, basements, or garages that satisfies the following:

   1. If each converted ADU complies with the state building standards for dwellings.

   2. Under this subsection, at least one (1) converted ADU is allowed within an existing multifamily dwelling, but the number of ADUs may not exceed twenty-five (25) percent of the existing multifamily units.

D. Limited Detached on a Multifamily Lot. No more than two (2) detached ADUs on a lot with an existing multifamily dwelling if each detached ADU satisfies the following limitations:

   1. The side- and rear-yard setbacks are at least four (4) feet.

   2. The peak height above grade is sixteen (16) feet or less.

E. Junior Accessory Dwelling Units.

   1. A building permit shall be required for a JADU. A JADU shall not be considered a separate dwelling for purposes of applying building codes, fire codes, collection of impact fees, or the provision of water, sewer, and power, including connection fees that might otherwise be associated with the provision of those services.

2. May not be sold separately from the single-family dwelling. A deed restriction shall be recorded prohibiting the subdivision or sale separate from the single-family dwelling.

3. Permitted by this section must be installed after the construction of the single-family dwelling.

4. As provided by Government Code section 66313, JADUs are not considered new or separate dwelling units and, therefore, are exempt from the density limitations of the general plan.

5. No more than one (1) junior accessory dwelling may be located on a parcel.

6. One (1) off-street parking space shall be provided. Space can be located within the side yard setback adjacent to an existing driveway.

17.98.050 Effect of Conforming.

An ADU or JADU that conforms to the standards in this chapter will not be:

1. Deemed to be inconsistent with the City's general plan and zoning designation in which the ADU or JADU is located.

2. Deemed to exceed the allowable density for the lot on which the ADU or JADU is located.

3. Considered in the application of any local ordinance, policy, or program to limit residential growth.

4. Required to correct a nonconforming zoning condition, as defined in Section 17.04.140. This does not prevent the City from enforcing compliance with applicable building standards in accordance with Health and Safety Code section 17980.12."

SECTION 4. CEQA. Under California Public Resources Code section 21080.17, the California Environmental Quality Act ("CEQA") does not apply to the adoption of an ordinance by a city or county implementing the provisions of section 65852.1 or section 66314 of the Government Code, which is California's State ADU Law and which also regulates JADUs, as defined by section 66313. Therefore, the Ordinance is statutorily exempt from CEQA in it implements State ADU Law.

SECTION 5. Severability. Each of the provisions of this Ordinance is severable from all other provisions. If any article, section, subsection, paragraph, sentence, clause, or phrase of this Ordinance is for any reason held by a court of competent jurisdiction to be invalid, such decision shall not affect the validity of the remaining portions of this Ordinance.

SECTION 6. Effective Date. This ordinance shall take effect thirty (30) days after its adoption.

SECTION 7. Publication. The City Clerk is hereby directed to certify the adoption of this Ordinance and shall cause the same to be published as required by law.

INTRODUCED at a Regular Meeting of the City Council of the City of Winters, California, on the ___ day of _____, 2024, and thereafter **ADOPTED** at a Regular Meeting of the City Council held on this ___ day of _____, 2024, by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED

Bill Biasi, Mayor

ATTEST:

Jeremy Craig, City Clerk

RESOLUTION NO. 2024-03

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF WINTERS, CALIFORNIA, RECOMMENDING THAT THE CITY COUNCIL ADOPT AN ORDINANCE AMENDING CHAPTER 17.04, INTRODUCTORY PROVISIONS AND DEFINITIONS, AND CHAPTER 17.98, ACCESSORY DWELLING UNITS, OF THE WINTERS MUNICIPAL CODE RELATING TO ACCESSORY DWELLING UNITS AND JUNIOR ACCESSORY DWELLING UNITS AND DETERMINING THE ORDINANCE TO BE EXEMPT FROM CEQA

WHEREAS, the Planning and Zoning Law authorizes cities to act by ordinance to provide for the creation and regulation of accessory dwelling units ("ADUs") and junior accessory dwelling units ("JADUs"); and

WHEREAS, in 2019, the California Legislature approved, and the Governor signed into law a number of bills ("New ADU Laws") that, among other things, amended Government Code sections 65852.2 and 65852.22 to impose new limits on local authority to regulate ADUs and JADUs; that took effect January 1, 2020; and

WHEREAS, the City adopted Ordinance 2020-01 amending its local regulatory scheme for the construction of ADUs and JADUs to comply with the amended provisions of Government Code sections 65852.2 and 65852.22; and

WHEREAS, the approval of ADUs and JADUs based solely on the default statutory standards, without local regulations governing height, setback, landscape, architectural review, among other things, would threaten the character of existing neighborhoods, and negatively impact property values, personal privacy, and fire safety; and

WHEREAS, since adoption of Ordinance 2020-01 there have been a number of additional changes to the New ADU Laws, requiring the need for the City to update its zoning regulations; and

WHEREAS, City staff has prepared the proposed ordinance, including the proposed language and terminology, and any additional information and documents deemed necessary for the Planning Commission to take action; and

WHEREAS, on May 16, 2024, the City gave public notice of the public hearing for the proposed ordinance by publishing in a newspaper of general circulation of a Planning Commission public hearing at which the ordinance would be considered; and

WHEREAS, on May 28, 2024 the Planning Commission held a duly-noticed public hearing and considered the staff report, recommendations by staff, and public testimony concerning the proposed ordinance.

NOW THEREFORE, THE PLANNING COMMISSION OF THE CITY OF WINTERS DOES RESOLVE, DETERMINE, FIND AND ORDER AS FOLLOWS:

Section 1. Under California Public Resources Code section 21080.17, the California Environmental Quality Act ("CEQA") does not apply to the adoption of an ordinance by a city or county implementing the provisions of sections 66310, 66316, 66317, and 66432 of the Government Code, which is California's ADU law and which also regulates JADUs, as defined by section 65852.22. Therefore, the proposed ordinance is statutorily exempt from CEQA in that the proposed ordinance implements the State's ADU law.

In addition to being statutorily exempt from CEQA, the proposed ordinance is also categorically exempt from CEQA under the Class 3 exemption set forth in State CEQA Guidelines section 15303. The Class 3 exemption categorically exempts from CEQA, among other things, the construction and location of new, small structures and the conversion of existing small structures from one use to another. Section 15303 specifically lists the construction of appurtenant accessory structures and garages as examples of activity that expressly falls within this exemption. Here, the ordinance is categorically exempt under the Class 3 exemption because the ordinance regulates the conversion of existing structures into, and the new construction of, ADUs and JADUs, which are, by definition, structures that are accessory to a primary dwelling on the lot.

Section 2. Based on the entire record before the Planning Commission, and all written and oral evidence presented, the Planning Commission hereby finds that the proposed ordinance is consistent with the City's adopted General Plan as the purpose of the proposed ordinance is to comply with the amended provisions of Government Code sections 65852.2 and 65852.22. The proposed ordinance does not otherwise conflict with any of the General Plan's goals or policies.

Section 3. The Planning Commission hereby recommends that the City Council adopt the attached proposed ordinance entitled: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WINTERS AMENDING CHAPTER 17.04, INTRODUCTORY PROVISIONS AND DEFINITIONS, AND CHAPTER 17.98, ACCESSORY DWELLING UNITS, OF THE CITY OF WINTERS MUNICIPAL CODE RELATING TO ACCESSORY DWELLING UNITS AND JUNIOR ACCESSORY DWELLING UNITS AND DETERMINING THE ORDINANCE TO BE EXEMPT FROM CEQA.

Section 4. The proposed ordinance entitled: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WINTERS AMENDING CHAPTER 17.04, INTRODUCTORY PROVISIONS AND DEFINITIONS, AND CHAPTER 17.98, ACCESSORY DWELLING UNITS, OF THE CITY OF WINTERS MUNICIPAL CODE RELATING TO ACCESSORY DWELLING UNITS AND JUNIOR ACCESSORY DWELLING UNITS AND DETERMINING THE ORDINANCE TO BE EXEMPT FROM CEQA is on file and has been available for public review for at least ten days prior to the date of this Resolution, in the Community Development Department, at Winters City Hall, 318 First Street, Winters, California 95694.

APPROVED this 28th day of May, 2024, by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

Greg Contreras, Planning Commission Chair DATE

ATTEST:

Sterling Thomas, Deputy City Clerk DATE