City of South Lake Tahoe
City Council
Meeting Agenda
Tuesday, November 5, 2024 at 9:00 am
City Hall - Council Chambers - 1901 Lisa Maloff Way, South Lake Tahoe

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AMENDED AGENDA - Moving Agenda Item: Heavenly Area Annexation-Ordinance Pre-zoning 90 Parcels, General Plan Amendment, Resolution Initiating Annexation Proceedings under Public Hearing

City Council
Cody Bass, Mayor
Tamara Wallace, Mayor Pro Tem
Cristi Creegan, Councilmember
Scott Robbins, Councilmember
Devin Middlebrook, Councilmember

Mission of the City Council
The City was established to provide essential, outstanding and cost-effective services that enhance environmental sustainability, economic vitality and the quality of life for our residents, businesses and guests.

Public Participation
City Council meetings are held in person at the time and location listed on this agenda. Meetings are live-streamed on Channel 21, City website at www.cityofslt.us, YouTube at https://www.youtube.com/channel/UC3LYne8Ih-kTPLnnuyJW9SQ/live and via ZOOM at this link https://us02web.zoom.us/j/86373625897

A public agenda packet is available for review at City Hall, 1901 Lisa Maloff Way, on the City's Website at www.cityofslt.us, or by contacting the City Clerk's Office, (530) 542-6005 or sblankenship@cityofslt.us
Providing Public Comment:

In Person: Every agenda for regular meetings provides an opportunity for members of the public to directly address the legislative body (City Council), on any item of public interest which is within the jurisdiction of the City Council during Public Communications. For items on the agenda or in connection with any item which the City Council will consider, the public is given the opportunity to comment before or during the City Council's consideration of the item [Government Code Section 54954.3(a)].

Remote Participation: If you are joining the meeting via ZOOM and would like to make a comment, press

the "raise a hand" button. If you are joining the meeting via Channel 21 or live stream and would like to make a comment, please call (530) 542-6500. The meeting ID is: 863 7362 5897. Press *9 to indicate a desire to make a comment. Press *6 to unmute your phone. The Clerk will call you by the last three digits of your phone number when it is your turn to speak. ***Note: The Mayor reserves the right to conduct the meeting with in-person public participation only, if there is a technology malfunction that precludes the use of remote public participation.***

In Writing: Written comments received by 3 p.m. the day before the meeting will be distributed to City Council prior to the meeting. Written public comment regarding any item on this agenda may be sent to PublicComment@cityofslt.us. When emailing comments, identify the agenda item number in the subject line to which your comments relate. Any such comment that is a public record and is emailed to PublicComment@cityofslt.us or otherwise provided to a majority of the City Council before the meeting will be made available for public inspection during normal business hours at the City Clerk's Office located at City Hall, 1901 Lisa Maloff Way, South Lake Tahoe [Government Code Section 54957.5(b)]. Written comments will not be read out loud during the meeting.

The City Council Chambers meeting facility is accessible to people with disabilities. Every reasonable effort will be made to accommodate any person needing special assistance to attend this meeting. Contact the City Clerk at (530) 542-6005 at least 48 hours in advance of the meeting for assistance [28 CFR 35.102.35.104 ADA Title II and Brown Act Government Code Sections 54953.2, 54954.1, 54954.2, and 54957.5].

Spanish Interpretations: The public may access Spanish interpretation using the ZOOM link listed on the front of the Agenda from an internet device (smartphone, laptop, tablet, home computer) with audio capabilities and selecting the Spanish language option. Persons without an internet device may attend the meeting in-person and a device will be provided while supplies last. Requests for interpreter services to offer public comment may be made by contacting the City Clerk.

Land Acknowledgement

Land Acknowledgement - The City of South Lake Tahoe acknowledges the lands we occupy today are the lands and home of the Wašíšiw, the people from here known today as the Washoe Tribe of Nevada and California, a sovereign nation. Since the beginning of time and for thousands of years before the arrival of any other people, the Washoe lived here and cared for this place, with values and intention that we can all learn from. On behalf of the City Council, I would like to acknowledge, thank, and honor the Indigenous Washoe Tribal Communities that are the past, present, and future stewards of the Lake Tahoe Basin.

Call to Order/Pledge of Allegiance

Roll Call

Closed Session Report

Proclamations

1. Proclamation Recognizing November 2024 as "Youth Homeless Outreach Prevention Education (HOPE)" Month
Requested Action / Suggested Motions: Issue a Proclamation to Tahoe Youth and Family Services recognizing November 2024 as "Youth HOPE" month.

Responsible Staff Member(s): Susan Blankenship, City Clerk
Item 1- Executive Summary.pdf
2024 Youth HOPE Proclamation

Public Communications
This is the public's opportunity to speak on any topic NOT LISTED on this agenda. Comments shall be limited to four (4) minutes. In accordance with the Brown Act, the City Council cannot deliberate or vote on any matter raised under public communications, but may briefly respond to statements made or questions posed. (Government Code Sections 54954.2)

City Commission Reports

Presentations

2. Radon Presentation
Requested Action / Suggested Motions: Receive presentation by Jeff Miner of Radon at Tahoe.
Responsible Staff Member(s): Jeremy Harrison, Building Official
Item 2- Executive Summary.pdf
01-List of Cities and Counties with RRNC.xlsx
02-Presentation Talking Points
03-Presentation

Consent Agenda
Public Comment - This is the public's opportunity to speak on any topic listed on the Consent Agenda. Comments shall be limited to three (3) minutes.

The consent agenda consists of items of a repeating or routine nature considered under a single action. Any Councilmember may have an item on the consent agenda removed and considered separately upon request.

Pass a Motion to adopt the Consent Agenda in one motion except as indicated at each item.

3. Regular City Council Meeting Minutes
Requested Action / Suggested Motions: Pass a Motion approving the minutes for the October 22, 2024, Regular City Council meeting.
Responsible Staff Member(s): Susan Blankenship, City Clerk
Item 3- Executive Summary.pdf
10 22 2024 City Council Meeting Minutes.pdf

4. 2025 City Council Meeting Schedule
Requested Action / Suggested Motions: Pass a Resolution adopting the 2025 City Council regular meeting schedule.
Responsible Staff Member(s): Susan Blankenship, City Clerk, and Joseph Irvin, City Manager
Item 4- Executive Summary.pdf
01-Staff Report - 2025 City Council Meeting Schedule.docx
02-Resolution - 2025 City Council Meeting Schedule
03- Exhibit A 2025 City Council Meeting Schedule.pdf

5. Annual Arts, Culture, and Tourism Commission, and Parks & Recreation Commission Reports to City Council
Requested Action / Suggested Motions: Receive & File.
CEQA Determination: This action is categorically exempt from review under CEQA Guidelines

section 15061(b)(3) (common sense exemption).
Responsible Staff Member(s): John Stark, Director of Parks & Recreation
Item 5- Executive Summary.pdf
01-Staff Report Arts, Culture & Tourism Annual Report.docx
02-Staff Report Parks & Recreation Commission Annual Report.docx

6. Annual Planning Commission and Airport Land Use Commission Report to City Council
Requested Action / Suggested Motions: Receive and File
CEQA Determination: This action is categorically exempt from review under CEQA Guidelines section 15061(b)(3) (common sense exemption).
Responsible Staff Member(s): Gretchen Schooleman, Assistant Planner
Item 6- Executive Summary.pdf
01-2023-2024_AnnualPCReport_Staff_Report .docx

7. Annual Police Advisory Commission Report to City Council
Requested Action / Suggested Motions: Receive and File.
CEQA Determination: This action is categorically exempt from review under CEQA Guidelines section 15061(b)(3) (common sense exemption).
Responsible Staff Member(s): David Stevenson, Chief of Police
Item 7- Executive Summary.pdf
Item 7- PAC Report.pdf
01- STAFF REPORT PAC Annual Report 110524.docx

8. Acceptance of Grant from Highway Safety Improvement Program for Pioneer Trail Safety Improvement Project
Requested Action / Suggested Motions: Pass a Resolution Accepting Highway Safety Improvement Program (HSIP) funding in the amount of $103,590 and appropriating $11,410 from General Fund Undesignated Excess Reserves for the Pioneer Trail Safety Improvement Project.
CEQA Determination: This project is categorically exempt from review under CEQA Guidelines section 15304 (minor alteration to land).
Responsible Staff Member(s): Stephen Anderjack, Associate Civil Engineer
Item 8- Executive Summary.pdf
01-Staff_Report_-_Pioneer_Trail_HSIP Acceptance.docx
02-Resolution - Pioneer Trail Safety Improvement Project Grant Acceptance.docx
03-CON E-76.pdf

9. American Rescue Plan Act (ARPA) Funding Transfer to the Upper Bijou Park Creek Watershed Restoration Project, California Tahoe Conservancy License Agreement Execution, and Construction Contract Award for Rockwood to Blackwood Drainage Improvements Project
Requested Action / Suggested Motions: Pass a Resolution authorizing and directing the Director of Finance to: 1) transfer $173,545 in ARPA funds to the Upper Bijou Park Creek Watershed Restoration Project; 2) authorizing and directing the Mayor to execute the License Agreement with the California Tahoe Conservancy; and 3) authorizing and directing the Mayor to execute the Construction Contract with FW Carson Co. for Rockwood to Blackwood Drainage Improvements Project for $1,750,042.01 and a 10% contingency of $175,042.01.
CEQA Determination: The Planning Commission adopted the Initial Study/Mitigated Negative Declaration for the Project on November 19, 2020, and on May 16, 2024, the Planning Commission adopted an addendum to the CEQA Initial Study/Mitigated Negative Declaration. This action does not require additional review under CEQA Guidelines section 15162.
Responsible Staff Member(s): Brianna Greenlaw, Associate Civil Engineer and Jason Burke, Complete Streets Program Manager
Item 9- Executive Summary.pdf
01-Staff Report - Upper Bijou Park Creek Watershed Restoration Project.docx
02-Resolution - Transfer Funds.doc
03-Conservancy License Agreement.pdf

04-Agreement with FW Carson.docx

10. Subrecipient Agreement with Tahoe Coalition for the Homeless for Use of Prohousing Incentive Program Funds for Rehabilitation of Three Homekey Properties (Bear's Den, Bird's Nest, and Red Lodge)
Requested Action / Suggested Motions: 1) Pass a Motion authorizing and directing the Mayor to execute a Subrecipient Agreement with Tahoe Coalition for the Homeless to administer the funds and execute the scope of work for the Prohousing Incentive Program funds; and 2) Pass as Resolution authorizing the Finance Director to appropriate a total of $120,000 into the revenue and expense budget line items for the PIP award for the expenditures to Tahoe Coalition for the Homeless.
CEQA Determination: This action is categorically exempt from review under CEQA Guidelines Section 15301, Existing Facilities
Responsible Staff Member(s): Jessica Wackenhut Lomeli, Housing Manager
Item 10- Executive Summary.pdf
01-Staff Report - Subrecipient Agreement with TCH.docx
02 - Resolution - Budget Appropriation.docx
03 - Subrecipient Agreement_PIP_TCH.docx

11. Purchase of Freightliner Dump Truck from Velocity Truck Center
Requested Action / Suggested Motions: Pass a Motion to authorizing and directing the Mayor to execute a Purchase Order with Velocity Truck Center to purchase one 2025 Freightliner Dump Truck for $199,968.41.
Responsible Staff Member(s): Anush Nejad, Director of Public Works, Phil Harwood, Fleet Manager
Item 11- Executive Summary.pdf
01-Staff Report - Dump Truck.docx
02- Sourcewell Agreement.pdf
03 - Velocity Dump Truck Purchase Order
04 - Advanced Clean Fleets Regulation - ZEV Milestones Option.pdf

12. Ratification of Grant Application to California Department of Alcoholic Beverage Control for Alcohol Policing Partnership
Requested Action / Suggested Motions: Pass a Resolution ratifying the application, authorizing the Chief of Police to accept and execute agreement, budget, and reimbursement of grant award by California Department of Alcoholic Beverage Control in amount up to $37,400.00 to facilitate extra enforcement for alcohol-related offenses for Federal fiscal year 2024/2025, effective October 1, 2024 and ending August 31, 2025.
Responsible Staff Member(s): LT. Doug Sentell
Item 12- Executive Summary.pdf
01 - Staff Report - ABC Grant 24-25.docx
02 - Resolution - ABC Grant 24-25.docx
03-Grant Agreement
04 - ABC OTS Exhibits.pdf
05 - South Lake Tahoe Notification Letter.pdf

13. Quarterly Update on the Affordable Housing Waitlist
Requested Action / Suggested Motions: Receive and file.
Responsible Staff Member(s): Lydia Zuniga, Associate Management Analyst
Item 13- Executive Summary.pdf
01-Staff Report - Quarterly Update.docx

Public Hearing

14. Financing Agreement with Banc of America Public Capital Corp for Energy Upgrade Project Equipment Acquisition

Requested Action / Suggested Motions: (1) Pass a Resolution authorizing and directing the Mayor to execute an Energy Facilities Financing Contract in the form of an Equipment Schedule No.1 and an Escrow and Account Control Agreement and related documents with Banc of America Public Capital Corp in the principal amount of $7,973,000 to acquire facility improvements for energy upgrade project and making required findings; and (2) Pass a Resolution approving FY 2024-2025 final budget appropriations for 2024 Banc of America Public Capital Corp Financing Agreement Proceeds and Energy Savings Contract with Willdan.
CEQA Determination: This action is categorically exempt under CEQA Guidelines Section 15301 (Existing Facilities).
Responsible Staff Member(s): Olga Tikhomirova, Director of Finance
Item 14- Executive Summary.pdf
01-Staff Report - Energy Upgrades Project Financing.docx
02-Resolution 2024 Energy Project Financing Approval.docx
03-Resolution Energy Savings Budget Appropriations.docx
04-Equipment Schedule No. 1 Energy Services Equipment.docx
05-Escrow Agreement.docx
06-Memorandum of Understanding CSLT BAPCC Willdan.docx
07-Payment Schedule.pdf
08-Public Notice BOA Financing Agreement.pdf
09-Master Lease Agreement April 2023.pdf

15. Heavenly Area Annexation - Ordinance Pre-zoning 30 Parcels, General Plan Amendment, and Resolution Initiating Annexation Proceedings
Requested Action / Suggested Motions: (1) Pass Motion to hold first reading (by title only) of an Ordinance pre-zoning of 30 parcels for subsequent annexation of such parcels, and amending City Code Title 6, Chapter 6.55, Article II, Section 6.55.120, and refer second reading and adoption to November 19, 2024; (2) Pass a Resolution amending the General Plan Figure LU-1, Land Use Diagram to show the zoning of the parcels to be annexed and expanded Sphere of Influence to include the annexation area; and (3) Pass a Resolution initiating proceedings for the annexation of such parcels.
CEQA Determination: This action is categorically exempt pursuant to CEQA Guidelines section 15319 (Annexation of Existing Facilities and Lots for Exempt Facilities).
Responsible Staff Member(s): John Hitchcock, Planning Manager
Item 16- Executive Summary.pdf
01-Staff Report-Annexation of Properties.docx
02-Proposed Annexation Area.pdf
03-Parcel Ownership.pdf
04-TRPA Land Use Designation.pdf
05-TRPA Plan Area Statements.pdf
06-Ordinance Redline.docx
07-Ordinance - Heavenly Annexation (First Reading).docx
08-Resolution - General Plan Amendment Annexation.docx
09-Resolution - Initiating Annexation Proceedings.docx
10-Proof of Mailing 20241018.pdf
11-Tribune Proof of Publication.pdf
12-PC_Reso_024-022_Heavenly_Annexation.pdf

Regular-Unfinished Business

16. Property Tax Revenue Agreement with El Dorado County for Cleanup Annexation
Requested Action / Suggested Motions: Hold a public hearing and pass a Resolution agreeing on the transfer of property tax base and distribution of tax increment with respect to El Dorado LAFCO Project Number 2024-1 ("Cleanup Annexation") and making findings regarding the effect of the proposed transfer on fees, charges, assessments, taxes, or other revenues.
CEQA Determination: This action is categorically exempt under CEQA Guidelines section 15319

(annexation of existing facilities and lots for exempt facilities).
Responsible Staff Member(s): Heather Stroud, City Attorney, and Joseph Irvin, City Manager
Item 15- Executive Summary.pdf
01 - Staff Report.docx
02 - Resolution - Cleanup Annexation Tax Sharing Agreement.pdf
03 - Response from City Manager to Campground Owners.pdf
04 - Campground Request to Revise Annexation.pdf
05 - Resolution 2024-041 Initiating Proceedings of Annexation.pdf
06 - Fiscal Impact Analysis Memo 10-16-23.pdf
07-Public Notice

Regular-New Business

17. South Lake Tahoe Tourism Improvement District Annual Report for Fiscal Year 2023-2024
Requested Action / Suggested Motions: Receive and File.
Responsible Staff Member(s): Andrew Black, Financial Services Supervisor
Item 17- Executive Summary.pdf
01-Staff Report - SLT TID Annual Report.docx
02-Annual Report.pdf
03-SLTTID Annual Audit Report.pdf
04-Reso No. 2019-059 SLTTID.pdf

Agenda Planning Calendar

18. Agenda Planning Calendar
Requested Action / Suggested Motions: Identify, with consent of at least two Council members, any desired future agenda items, and/or modify the Agenda Planning Calendar as desired.
Responsible Staff Member(s): Joseph Irvin, City Manager, and Susan Blankenship, City Clerk
Item 18- Executive Summary.pdf
APC - 10 31 2024.pdf

Updates and Announcements (City Attorney, City Clerk, City Manager)

Councilmember Reports and Comments - Assignments to Boards, Committees, and Commissions

Adjournment
I, Susan Blankenship, City Clerk for the City of South Lake Tahoe, declare that the foregoing amended agenda for the Tuesday November 5, 2024, Regular City Council Meeting was posted and available for review on Friday, November 1, 2024, at City Hall, 1901 Lisa Maloff Way, South Lake Tahoe, CA 96150. The agenda was also available on the City's website at https://www.cityofslt.us.

Signed November 1, 2024

\\sb\\ Susan Blankenship, Elected City Clerk

City of South Lake Tahoe

Agenda Item Executive Summary

Joe Irvin, City Manager

Meeting Date: November 5, 2024

Agenda Item #: 1

Agenda Item: Proclamation Recognizing November 2024 as "Youth Homeless Outreach Prevention Education (HOPE)" Month

Executive Summary: On October 22, 2024, City Council provided consensus to the City Clerk to issue a Proclamation recognizing Youth HOPE month.

Requested Action / Suggested Motions: Issue a Proclamation to Tahoe Youth and Family Services recognizing November 2024 as "Youth HOPE" month.

Responsible Staff Member: Susan Blankenship, City Clerk

Attachments:

2024 Youth HOPE Proclamation

City of South Lake Tahoe
Recognizes November 2025 as
"Youth Homelessness, Outreach, Prevention, and Education Month"

Whereas, November is now recognized as Youth Homelessness, Outreach, Prevention, and Education (HOPE) Month, previously known as National Runaway Prevention Month.; and

Whereas, between 1.6 million and 2.8 million young people experience homelessness in a single year. These youth come from diverse backgrounds, but they all share one commonality: their home environments are unsafe and unhealthy. A significant percentage of homeless youth have experienced physical, sexual, and/or emotional abuse, and they are often re-victimized and exploited while living on the streets.; and

Whereas, the future of our nation is closely tied to how we value and support our youth. It is vital to create and provide opportunities that enable young people to acquire the knowledge, skills, and abilities they need to thrive. This includes access to quality education, housing programs, and supportive services that foster personal growth and community engagement.; and

Whereas, when we collaborate, we can effectively address the situations that contribute to youth homelessness. It is important to encourage adults to serve as mentors and role models for young people, helping them navigate available resources and fostering safe, healthy, and constructive choices.; and

Whereas, Tahoe Youth and Family Services works diligently in increasing public awareness, advocating on behalf of, and providing HOPE to vulnerable young individuals within the community through essential support services, housing, and counseling to address the needs of these young people; and

Now, therefore, the City Council of the City of South Lake Tahoe does hereby proclaim November 2024 as "Youth HOPE Month" in South Lake Tahoe and calls upon all citizens to join in preventing and curtailing youth homelessness in our community.

_____ _____

Cody Bass, Mayor Susan Blankenship, City Clerk

City of South Lake Tahoe

Agenda Item Executive Summary

Joe Irvin, City Manager

Meeting Date: November 5, 2024

Agenda Item #:2

Agenda Item: Radon Presentation

Executive Summary: On September 12, 2023, a request was received by Jeff Miner to provide an informational presentation regarding radon. Former City Councilmember Friedrich (Bass second) requested a presentation be brought back to City Council.

Requested Action / Suggested Motions: Receive presentation by Jeff Miner of Radon at Tahoe.

Responsible Staff Member: Jeremy Harrison, Building Official

Reviewed and Approved By: Susan Blankenship, City Clerk Olga Tikhomirova, Director of Finance Heather Stroud, City Attorney

Attachments:

01-List of Cities and Counties with RRNC.xlsx
02-Presentation Talking Points
03-Presentation

List of 154 US Cities and Counties with RRNC - Radon Resistant New Construction ordinances as of 2017
as of 10.3.2024

Source: This data was taken from the EPA "historic" web site as it existed on January 19, 2017

https://19january2017snapshot.epa.gov/radon/building-codes-radon-resistant-new-construction-rrnc .html

	154 Cities and Counties	City		Twenty (20) States and three (3) Districts/Territories do not have statewide or local jurisdictions that have RRNC Codes.
		County		Seven (7) states have statewide RRNC Codes that apply to certain designated jurisdictions.
	30 States	State		Nineteen (19) states do not have statewide RRNC codes, but do have local jurisdictions that have RRNC codes
				Four (4) states do have statewide RRNC Codes, but local jurisdictions must adopt them.
	State of Alabama	State	AL	No Statewide code for RRNC
1	City of Decatur	City	AL	Adopted IRC Appendix F in 2002. All new single and two-family dwellings must include a passive system.
2	City of Falkville and Hartselle	City	AL	Adopted IRC Appendix F in 2003. All new single and two-family dwellings must include a passive system.
3	City of Muscle Shoals and	City	AL	Adopted IRC Appendix F in 2005. All new single and two-family dwellings must include a passive system.
	State of California	State	CA	Radon testing, mitigation plans for new construction. Building permits not issued until compliance met. California Health & Safety Code § 105430
	State Department of Health		CA	State Department of Health has the authority to adopt E PA RRNC standards unless the Department of Housing and Community Development adopts standards, in which case only the latter standards may be adopted; California Health and Safety Code Section 105430 (a)
3.1	East Palo Alto	City	CA	Adopted IRC Appendix AF in 2023. All new single and two-family dwellings must include an active system with testing prior to Final.
	State of Colorado	State	CO	No Statewide code for RRNC
4	City of Aspen	City	CO	Adopted Appendix F 2003 IRC for all new residential construction and additions.
5	City of Fort Collins	City	CO	Adopted IRC Appendix F with local amendment in 2005 and extended RRNC requirements to multi-family dwellings in 2008. All new single and multi-family dwellings must include a passive system. See Fort Collins Municipal Code section 5-30 (102) for single-family and section 5-27 (45) for multi-family requirements. Commercial dwellings comply with 2006 International Building Code radon standards.
6	Dillon,	City	CO	Require RRNC per Appendix F of the IRC
7	Frisco,	City	CO	Require RRNC per Appendix F of the IRC
8	Golden, Gunnison,	City	CO	Require RRNC per Appendix F of the IRC
9	Lakewood,	City	CO	Require RRNC per Appendix F of the IRC
10	La Veta,	City	CO	Require RRNC per Appendix F of the IRC
11	Longmont,	City	CO	Require RRNC per Appendix F of the IRC
12	Ridgway,	City	CO	Require RRNC per Appendix F of the IRC
13	Silverthorne,	City	CO	Require RRNC per Appendix F of the IRC
14	Sterling,	City	CO	Require RRNC per Appendix F of the IRC
15	Superior,	City	CO	Require RRNC per Appendix F of the IRC
16	Trinidad,	City	CO	Require RRNC per Appendix F of the IRC
17	Vail	City	CO	Require RRNC per Appendix F of the IRC
18	Walsenburg.	City	CO	Require RRNC per Appendix F of the IRC
19	Archuleta,	County	CO	Require RRNC per Appendix F of the IRC
20	Boulder,	County	CO	Require RRNC per Appendix F of the IRC
21	Breckenridge,	County	CO	Require RRNC per Appendix F of the IRC
22	Eagle,	County	CO	Require RRNC per Appendix F of the IRC
23	Hinsdale	County	CO	Require RRNC per Appendix F of the IRC
24	Huerfano,	County	CO	Require RRNC per Appendix F of the IRC
25	Las Animas,	County	CO	Require RRNC per Appendix F of the IRC
26	Logan,	County	CO	Require RRNC per Appendix F of the IRC
27	Pitkin	County	CO	Require RRNC per Appendix F of the IRC
28	Summit.	County	CO	Require RRNC per Appendix F of the IRC

	State of Florida	State	FL	In July 1995, Florida adopted the "Florida Standard for Passive Radon-Resistant New Residential Building Construction" as mandated in Part X, Chapter 553, Florida Statutes. Standard is not mandatory and must be adopted by local jurisdictions, but can be exceeded as well; (1) Florida Statutes Ann. § 404.059 (2) Florida Statutes Ann. § 553.98 Florida State RRNC Codes
29	Charlotte County	County	FL	Appendix F of IRC adopted; Article IV, Building Regulations, Sec. 3-2-66
30	Seminole County	County	FL	Radon-Resistant Building Standards adopted; Code of Ordinances, Part 4, Building Code; Ord. No. 73-10, § 50, 8-28-73; Ord. No. 73-10A, § 2(a), 11-19-73)
31	City of Dunnellon	City	FL	Radon-resistant building mandatory for new construction; Division 1, Generally, Section 98-138; (Code 1985, § 22-48)
32	City of Hialeah Gardens	City	FL	Enforcing the Radon Resistant New Construction annex in the Florida State Building Code
33	City of Jacksonville	City	FL	Construction in passive radon area limits; Part I, Administration; Sec. 8-2; (Ord. No. 01-112, § 1, 7-10-01)
34	City of Lauderdale Lakes	City	FL	Enforcing the Radon Resistant New Construction annex in the Florida State Building Code
35	City of Miami	City	FL	Appendix F of IRC adopted; Article I, Administration; Sec 8-2
36	City of Pensacola	City	FL	Radon resistant construction standards adopted; Code of Ordinances, Article I. In General, Sec. 14-1-3. (Ord. No. 19-02, § 1, 9-12-02)
37	City of Sanibel (Sanibel Island)	City	FL	Radon-Resistant Building Standards adopted; Code of Ordinances, Article V. Standards, Sec. 14-211. (Code 1981, § 7-56; Ord. No. 97-18, §§ 1, 2, 11-4-1997; Ord. No. 00-17, § 1, 8-1-2000)
38	City of St. Augustine	City	FL	Radon-Resistant Building Accepted as standard; Article II, Adopted Building Codes, Sec 8-105-108
39	Augustine	City	FL	Radon-Resistant Building Accepted as standard; Article II, Adopted Building Codes, Sec 8-105-108
	State of Idaho	State	ID	No statewide code for RRNC
40	Blaine County	County	ID	Ordinance Number 20004-05 established the adoption of Appendix F of the IRC in December 2004.
41	City of Tetonia	City	ID	omitted.
	State of Illinois	State	IL	The State of IL has a stae wide code.State of IL state-wide RRNC code..
42	Kendall County	County	IL	Adopted Appendix F 2003 IRC
43	City of Downers Grove	City	IL	Adopted IEMA 32 Illinois Administrative Code 422.160 Regulations for Radon Service Providers
44	City of Elgin	City	IL	Adopted IRC Appendix F in 2005 City of Elgin RRNC Codes
45	City of Montgomery	City	IL	New houses = radon ventilation system; Code of Ordinances, Article I. In General, Sec. 6-14; (Ord. No. 1149, § 1, 10-25-04)
46	City of Niles	City	IL	Radon resistant construction required if needed; Code of Ordinances, Article II, Building Codes, Sec 18-27, (Ord. No. 2005-06, § 2, 3-22-05)
47	City of Plainfield	City	IL	Crawl spaces and basements shall have a vapor barrier.; Code of Ordinances, Division 2. One and Two Family Dwelling Code, Sec. 2.5-35; (Ord. No. 1858, § I, 6-7-99; Ord. No. 1872, § I, 7-26-99)
48	City of Sterling	City	IL	Appendix F, Radon Controlled Methods adopted; Code of Ordinances, Division I, Generally, Sec 18-29, (Code 1982, § 6-19; Ord. No. 99-8-17, § I, 8-17-99; Ord. No. 2004-5-14, § II, 5-17-04)
49	City of Streator	City	IL	Appendix F, Radon Control Methods adopted; (Ord. 2004/05-42 § 1 (part))
50	City of Yorkville	City	IL	Adopted IRC Appendix F
	State of Iowa	State	IA	No statewide code for RRNC
51	Johnson County	County	IA	Adopted 2003 IRC Appendix F (2004)
52	Muscatine County	County	IA	Winter 2007 adopted 2006 IRC, Appendix F; previously operated under 2000 IRC, which was originally adopted in 2004.
53	Shelby County	County	IA	In August 2004, Ordinance 2004-3 outlined RRNC requirements in the county.
54	City of Coralville	City	IA	Adopted IRC 2003, Appendix F all residential buildings
55	Cities of Harlan and Muscatine	City	IA	IRC Appendix F
56	City of Iowa City	City	IA	Ordinance No. 02-4033 (PDF) (14 pp, 927K, About PDF) passed in 2002 adopts Appendix F.
57	City of North Liberty	City	IA	Adopted IRC, including Appendix F (July 2005). Mandatory for all new residential buildings to include a passive system.
	State of Kansas	State	KS	No Statewide code for RRNC
58	City of Manhattan	City	KS	Adopted IRC Appendix F

59	The City of Lawrence	City	KS	Adopted IRC Appendix F. City of Lawrence City Codes (PDF)(About PDF)
	State of Maine	State	ME	If a municipality determines that a radon code or standard for new residential construction must be adopted by that municipality, that municipality must adopt a radon code or standard recommended by the American Society for Testing and Materials or a successor organization. Currently, this code is ASTM 1465. Maine RRNC Codes
	State of Maryland	State	MD	Md. Public Safety Code §§12-503 Go to the Code page Md. Admin. Code §05.02.07.04(C)(1) Go to the Code page
60	Baltimore County	County	MD	Adopted IRC 2003, Appendix F, and currently in the process of switching to IRC 2006
61	Frederick County	County	MD	In April 2002, adopted IRC Appendix F with minor local amendment Fredrick County RRNC Codes
62	Howard County	County	MD	Radon control methods prescribed in Appendix F, shall apply to the construction of a new residential building; Code of Ordinances, Subtitle I: Building Code, Section 3.102; (C.B. 47, 2000; C.B. 16, 2001; C.B. 53, 2004; C.B. 4, 2005, § 2)
63	Montgomery County	County	MD	IRC 2003 Appendix F
64	Washington County	County	MD	Ordinance enacted on July 26, 2005 to adopt 2003 IRC including Appendix F, Radon Control Measures. Guidance for RRNC for Zone 1 designation as determined by locally available data or Figure AF101 (EPA Radon Zone Map), but not mandatory in county.
65	City of Rockville	City	MD	In 1995, Rockville, Md., adopted and amended its one- and two-family dwelling code. This regulation requires radon mitigation in newly constructed detached and semi-detached single-family dwellings and townhouses (single family dwellings attached side to side). The requirement also includes basement and ground floor additions to existing dwellings, as well as conversions of grade-slab garages, carports, porches, etc. to living space.
	State of Massachusetts	State	MA	No statewide code for RRNC
66	County of Essex	County	MA	Adopted IRC Appendix F
67	County of Middlesex	County	MA	Adopted IRC Appendix F
68	County of Worcester	County	MA	Adopted IRC Appendix F
	State of Michigan	State	MI	Michigan State Housing Development Authority (MSHDA) MSHDA requires a site-specific environmental screening for all development proposals being considered for financing, which includes RRNC in Zone 1 areas. Michigan RRNC Codes
69	Branch	County	MI	RRNC (IRC Appendix F)
70	Calhoun	County	MI	RRNC (IRC Appendix F)
71	Cass	County	MI	RRNC (IRC Appendix F)
72	Hillsdale	County	MI	RRNC (IRC Appendix F)
73	Jackson	County	MI	RRNC (IRC Appendix F)
74	Kalamazoo	County	MI	RRNC (IRC Appendix F)
75	Lenawee	County	MI	RRNC (IRC Appendix F)
76	St. Joseph	County	MI	RRNC (IRC Appendix F)
77	Washtenaw	County	MI	RRNC (IRC Appendix F)
	State of Minnesota	State	MN	Effective August 2007, the commissioner of labor and industry shall adopt rules for radon control as part of the State Building Code for all new residential buildings. These rules shall incorporate the radon control methods found in the IRC Appendix F as the model language, with necessary amendments to coordinate with the other adopted construction codes in Minnesota. Minnesota RRNC Codes
	State of Missouri	State	MI	No statewide code for RRNC
78	City of Columbia	City	MI	Adopted IRC Appendix F
79	City of Smithville	City	MI	Adopted IRC Appendix F
80	City of St. Joseph	City	MI	Adopted IRC Appendix F

81	City of Grain Valley	City	MI	Adopted IRC Appendix F
82	City of Kearney	City	MI	Adopted IRC Appendix F
83	City of Maryville	City	MI	Adopted IRC Appendix F
84	City of Brentwood	City	MI	Adopted IRC Appendix F
85	City of Berkley	City	MI	Adopted IRC Appendix F
86	City of Mound City	City	MI	Adopted IRC Appendix F
87	City of St. Louis City	City	MI	Adopted IRC Appendix F
88	City of O Fallon	City	MI	Adopted IRC Appendix F
89	City of Weatherby Lake	City	MI	Adopted IRC Appendix F
90	City of Webster Groves	City	MI	Adopted IRC Appendix F
91	City of Wentzville	City	MI	Adopted IRC Appendix F
92	City of Independence	City	MI	Adopted IRC Appendix F
93	City of Raymore	City	MI	Adopted IRC Appendix F
94	Clay County	County	MI	Adopted IRC Appendix F
95	Jackson County	County	MI	Adopted IRC Appendix F
96	Platte County	County	MI	Adopted IRC Appendix F
	State of Montana	State	MT	Department of Environmental Quality MT DEQ has established a long-term goal for the adoption of RRNC code (such as the CABO code). Montana Radon Guidelines (PDF)(About PDF)
97	City of Billings	City	MT	Analysis of ventilation and radon; Code of Ordinances, Appendix F Required Supporting Documents for Major/Minor Preliminary Plat Locations
	State of Nebraska	State	NE	No statewide code for RRNC
98	Hastings,	City	NE	Enforces IRC Appendix F
99	McCook,	City	NE	Enforces passive radon resistant new construction techniques as part of building code
100	Carol,	City	NE	
101	Madison,	City	NE	
102	Norfolk,	City	NE	
103	Pender	City	NE	
104	Stanton	City	NE	
105	City of Wayne	City	NE	
	State of New Jersey	State	NJ	New Jersey Department of Environmental Protection (DEP) N.J.A.C. 5:23-10 requires that all buildings of use Group E and R as defined by the building sub code must be built using RRNC if they are in Tier 1 municipalities as listed in the sub code. Applies to 8 municipalities: Greenwich Township, Hardyston Township, Mine Hill Township, Pilesgrove Township, Washington Township, Woolwich Township, Riverdale Borough, Swedesboro Borough. A municipality is defined as Tier 1 if 25% or more of the homes tested in the municipality have radon concentrations of 4 pCi/L or higher. 26:2D-80 -- The Department of Community Affairs is authorized to enter into an agreement with a public or private agency to carry out testing for radon gas and radon progeny at the sites of residential dwellings, the construction of which is in progress or commences on or after the effective date of this act, and to provide funding for that testing, provided that each $1.00 of that funding is matched by $1.00 from other public or private sources. NJ Radon Hazard Subcodes (PDF)www.njradon.org(About PDF)
106	Greenwich Township	City	NJ	must be built using RRNC if they are in Tier 1 municipalities
107	Hardyston Township	City	NJ	must be built using RRNC if they are in Tier 1 municipalities
108	Mine Hill Township	City	NJ	must be built using RRNC if they are in Tier 1 municipalities
109	Pilesgrove Township	City	NJ	must be built using RRNC if they are in Tier 1 municipalities
110	Washington Township	City	NJ	must be built using RRNC if they are in Tier 1 municipalities
111	Woolwich Township	City	NJ	must be built using RRNC if they are in Tier 1 municipalities
112	Riverdale Borough	County	NJ	must be built using RRNC if they are in Tier 1 municipalities

113	Swedesboro Borough	County	NJ	must be built using RRNC if they are in Tier 1 municipalities
	State of New Mexico	State	NM	No statewide code for RRNC
114	City of Alamogordo	City	NM	Radon Control Methods (Appendix F) adopted; Code of Ordinances; Article 8-03, Sec. 8-03-30; (Ord. No. 1114, § 6, 3-27-01; Ord. No. 1189, § 5, 12-9-03)
115	City of Caledonia	City	NM	Radon Control Methods adopted: Local Law No. 2 of the Year 2000 Radon Control Methods Section 95-100 through 95-103.11
116	City of Lima	City	NM	Radon Control Methods adopted: Local Law No. 1 of the Year 2000 Radon Control Methods Chapter 200
	State of Ohio	State	OH	No statewide code for RRNC
117	City of Canal Winchester	City	OH	Adopted IRC Appendix F
118	City of Dublin	City	OH	Title XV, Chp. 150, § 0.001 in Dublin s Code of Ordinances establishes the adoption of IRC Appendix F www.amlegal.com/nxt/
	State of Oklahoma	State	OK	No statewide code for RRNC
119	Oklahoma City	City	OK	Radon Control Methods (Appendix F) adopted; Code of Ordinances, Article III, Residential Construction, (Code 1980, § 12-84; Ord. No. 19060, § 1, 8-30-88; Ord. No. 19609, § 1, 7-9-91; Ord. No. 20620, § 1, 7-9-96)
	State of Oregon	State	OR	Oregon has adopted the 2009 IRC Appendix F with certain modifications for R-3 occupancies. In addition, we have adopted a new section 1812 in the Oregon Structural Specialty Code (OSSC) using Appendix F as a model. The OSSC is based on the 2009 IBC.This was done at the direction of the Oregon legislature for listed counties and specific to R-3 and R-2 residential occupancies with an effective date of April 1, 2011. Radon mitigation measures are also required for all new public buildings effective April 1, 2013. The legislature directed the Building Codes Division to adopt these standards as of January 1, 2011. Link to the backgrounder and code sections adopted. Adopted 2009 IRC Appendix F. Additional counties may be added as specified in Chapter 83, 2010 Oregon Laws (Senate Bill 1025), Section 2.
120	Baker	County	OR	
121	Clackamas	County	OR	
122	Hood River	County	OR	
123	Multnomah	County	OR	
124	Polk	County	OR	
125	Washington	County	OR	
126	Yamhill	County	OR	
	State of Pennsylvania	State	PA	No statewide code for RRNC
127	Townships of Amity,	City	PA	Adopted IRC Appendix F
128	East Earl,	City	PA	Adopted IRC Appendix F
129	East Hempfield,	City	PA	Adopted IRC Appendix F
130	Ephrata,	City	PA	Adopted IRC Appendix F
131	Hanover,	City	PA	Adopted IRC Appendix F
132	Manheim,	City	PA	Adopted IRC Appendix F
133	Martinsburg Borough;	County	PA	Adopted IRC Appendix F
134	Mount Pleasant.	City	PA	Adopted IRC Appendix F
135	Peters,	City	PA	Adopted IRC Appendix F
136	Pequea,	City	PA	Adopted IRC Appendix F
137	and Warrington,	City	PA	Adopted IRC Appendix F
138	West Hempfield.	City	PA	Adopted IRC Appendix F
139	City of Easton.	City	PA	Adopted IRC Appendix F

	State of Rhode Island	State	RI	Radon-resistant construction standards; Regulations establishing radon standards for air and water; Rhode Island General Laws §§ 23- 61 et seq.
	State of South Carolina	State	SC	No statewide code for RRNC
140	Greenville County	County	SC	As a Zone 1 county, has been implementing RRNC under the IRC. South Carolina RRNC Codes
	State of Tennessee	State	TN	No statewide code for RRNC August 8, 1999 City of Brentwood became first city in TN to adopt RRNC code. Requires "passive radon barriers in all new construction" City of Brentwood RRNC Codes (PDF)(About PDF)
141	City of Brentwood	City	TN	
	Commonwealth of Virginia	State	VA	Authorizes state to promulgate a Uniform State-wide Building Code. Enforces the radon-resistant new construction provision; Virginia Code Ann. § 36-98. The 2003 Edition of the Virginia Construction Code (effective 11/16/05) requires group R-3 and R-4 structures to meet requirements of Appendix F of IRC Virginia State RRNC Codes (PDF)(About PDF)
	State of Virginia - 2000 Uniform Building Code	State	VA	R329.1. General. Following official action under Article 7 (§ 15.2-2280 et seq.) of Chapter 22 of Title 15.2 of the Code of Virginia by a locality in areas of high radon potential, as indicated by Zone 1 on the U.S. EPA Map of Radon Zones (IRC Figure AF101), such locality shall enforce the provisions contained in Appendix F. Exemption: Buildings or portions thereof with crawl space foundations which are ventilated to the exterior, shall not be required to provide radon-resistant construction.
	State of Virginia - 2000 Uniform Building Code	State	VA	Amended the Land Development Regulations, Section 802, Zoning and Building Permit Procedures, to add 802.02-3 (g) Radon Resistant Construction, as a provision for all new one and two family dwellings constructed in the County, in accordance with R329.1 of the Uniform Statewide Building Code, October 25, 2004.
142	Rockbridge County	County	VA	Adopted IRC Appendix F
143	Shenandoah County	County	VA	Radon-resistant construction required for climatic and geographic design; Code of Ordinances, Article II, Uniform State-wide Building Code, Section 6-208
144	City of Blacksburg	City	VA	
	State of Washington	State	WA	Requirement for maintaining indoor air quality in newly constructed residences, indoor pollutant source control, minimize radon through construction; Revised Code of Washington § 19.27. 190 (applies to Zone 1 counties including Ferry County, Okanaogan County, Pend Orielle County, Skamania County, Spokane County, and Stevens County). Rev. Code Wash. 19.27.031, 19.27.074 Exit Wash. Admin. Code 51-51-60101
145	Ferry County	County	WA	RRNC
146	Okanaogan County,	County	WA	RRNC
147	Pend Orielle County	County	WA	RRNC
148	Skamania County,	County	WA	RRNC
149	Spokane County	County	WA	RRNC
150	Stevens County	County	WA	RRNC
	State of West Virginia	State	WV	No statewide code for RRNC
151	Berkeley County	County	WV	Berkeley County s Building Code Ordinance revised June of 06 adopted IRC Appendix F.
152	Jefferson County	County	WV	On May 15 2006, adopted a building code enforcement ordinance resolution to adopt IRC Appendix F effective October 2006.
	State of Wisconsin	State	WI	No statewide code for RRNC
153	City of Madison	City	WI	Protection from radon gas = building standard; Code of Ordinances, 4.22 - The Madison Affordable Housing Trust Fund
	State of Wyoming	State	WY	No statewide code for RRNC
154	Teton County	County	WY	§ 6, subsection B of the County s Building Codes Resolution adopts IRC Appendix F Building Codes Resolution (PDF)(About PDF)

9.25.24

Radon Presentation - 4
to City Council, South Lake Tahoe
on November 5, 2024

1. Intro

City Council Members and Mayor: Thank you. I want to advocate for a radon ordinance in our building codes. Appendix AF of the International Residential Codes would require new single and two family residential houses to be built using Radon Resistant techniques and to be tested in order to pass the final inspection. And I want to introduce Cameron Depoke with Environmental Inspections who is licensed radon contractor if you have questions about the actual installations.

2. What is radon?

Radon is a colorless and odorless gas that is part of the radioactive decay process of Uranium. Uranium is found naturally in certain soil types and one of which is granite, the basic geology of the entire Sierra Nevada Mountain Range. Uranium decays to Radium, then to Radon and then to Radon isotopes, or Radon Daughters. Uranium and Radium are heavy metals that stay in the ground. Radon, however is a gas and can migrate up the surface where enter our homes and buildings.

3. How does it get into our homes?

First it migrates up through cracks and pathways in the soil. If you happen to build your house over one of these pathways you will have high radon while your neighbor may have low radon because he did not build his house is not over a vent. Unfortunately these “vents” are undetectable until you build a house over them which sucks the radon in because of the stack effect, heat rising.

4. Is Radon dangerous?

Radon decay particles have negative charges so they attach to dust particles in the air which we breathe in and that puts them in direct contact with the cells in our lungs. When any radioactive isotopes decay they give off bursts of alpha particles that can cause harm to nearby tissue and can cause mutations in those damaged cells. The risk of cancer increases with the length of exposure and the amount of concentration. Lung cancer is the problem.

5. A Class I carcinogen.

The US Surgeon General has designated Radon as a Class I carcinogen, similar to cigarette smoke. In fact Radon is the second leading cause of lung cancer after cigarette smoking.

6. History: It’s important to know how we got here

I’ve been a resident here at the South Shore since the early 1970’s. My wife and I started Grass Roots Natural Foods, and I finished my working career at Lake Tahoe Unified School District. I first became concerned about Radon in 2004 when I tested my house and found that I had been living with high radon for 24 years without knowing it. I did some research, read some books, and was able to mitigate my house myself. I realized that other people needed to be made aware about

radon and I saw a business opportunity. I got certified as a radon mitigator in California and ran a business, Radon At Tahoe, for about 16 years, selling these little radon testing devices, mostly on Amazon. In the process I became an advocate for radon awareness here in Tahoe.

7. California Geological Survey Tahoe Radon MAP

2006 the California Radon Program funded the California Geologic Survey to do a radon study on the Lake Tahoe Area. This resulted in the Tahoe Radon Potential Map, the first in a series radon maps in other high risk counties throughout California.

8. Zephyr Cove Elementary School

In 2007 Zephyr Cove Elementary School was in the news because they could not get their radon numbers down and parents were protesting to close the school. After multiple tries they succeeded.

9. Lake Tahoe Unified School District

In 2007 Lake Tahoe Unified School District decided to test all classrooms for radon. Many classrooms had high radon, but it was not mitigated because the air pressure of the heating and cooling system keeps the radon out.

10. USFS

In 2005 the US Forestry Service Supervisor's building on Al Tahoe was built using a heating and cooling design which circulated air from the plenum into the office areas. In 2008 one of my customers took a tester to work and discovered high radon. The Forestry Service had to bring in radon experts to retrofit the design at considerable expense and embarrassment. This is the kind of situation that we are trying to avoid.

11. Advocacy and Presentations

South Lake Tahoe City Council
El Dorado County Board of Supervisors
UC Davis Tahoe Environmental Research Center
the Sierra Club
Soroptimists
Cancer Society
Real Estate offices, etc.
As a consultant, I helped PineWild Condominiums in Zephyr Cove, NV test their units for radon
I joined the Barton Hospital Patient and Family Advisory Council to develop a brochure to be included in the basket of gifts every new mother takes home with their new baby, including a free radon test kit. We produced quite a nice brochure and the State Radon Program donated the test kits for a trial run, but unfortunately Barton Health decided not to go through with the project.

12. Then last year I noticed two new large construction projects: The City was building a workforce housing project called Sugar Pine Village and the College was building a new student dormitory. I looked into each project and found that whereas the college dorm building plans included radon reducing features, the Sugar Pine Village buildings did not. In fact Cameron's company has the contract to radon-proof the college dormitory. I believe that all people should be safe from radon so I approached the City Manager and the City Chief Building Official with the idea of upgrading the

building code to include radon safety and they encouraged me to bring this to you. So that's how we got here.

13. South Tahoe's High Risk Geology.

If you look at the original EPA radon maps from 1980 which covered every county in the U.S. you see that the bulk of the problem is in the East and Mid West. Look at California. Only two counties: Santa Barbara and Ventura make the high radon risk category. El Dorado County is rated as "Moderate" and this designation is still used today. Look at Iowa. Every county has high radon potential. Indeed 71% of all homes in Iowa are above the EPA Action level. However when you consider population, much of Iowa is rural. They have only 3.2 million people. California has over 39 million people. It's population plus radon risk.

14. Radon Deaths by State

More people die from radon induced lung cancer in California than in any other state. Not because California has the highest radon, but because we have the most people. The Lake Tahoe area has both high radon risk and a high population.

15. Other County Radon Risk Maps.

The California Geological Survey did a series of radon geology maps of other high risk counties. These show some high radon areas but many are in rural areas. Here are some radon risk maps in California.

16. South Lake Tahoe – High Radon and High Population

South Lake Tahoe just happens to be sitting in a high radon risk area. South Lake Tahoe has 21,000 residents, the highest population in the Sierra Nevada. We have 3 times the population of Mammoth Lakes, which also has high radon, but has only 7,000 residents. It is geology and population.

17. What do the Radon Tests Show?

The California Radon Program kept a data base through 2016 of every radon test sent to a lab and or conducted by a certified testing professional. There are over 60,000 tests state wide and 1,793 tests in the Lake Tahoe Basin by Zip Code. California is not particularly high in radon with about 11% of homes throughout the state testing high . But in South Lake Tahoe our 1793 tests show 41% of houses have high radon. Cameron Depoke with Environmental Inspections tells me that it is currently closer to 55%. That's 4 out of 10 or 5 out of 10.

18. Radon Testing when buying a Home.

Radon testing is not required when buying a home because the California Hazard Report doesn't use the new Radon Maps but instead uses the old 1980 EPA Radon Maps which show only two counties in California with high risk and all of El Dorado County, including South Lake Tahoe, as "Moderate" Radon Risk.

19. How do get radon out of an existing house?

To show you the differences in building radon out versus fixing it after the fact.

It requires:
Barrier cloth secured to the concrete foundation and posts with special adhesive.
Perforated French drain pipe under the cloth
Connected to ABS pipe and run to an outside a vent
On the outside of the building you mount a low wattage radon fan
and you run a pipe or rain gutter down spout up to just above the roof line to vent it.

20. How do you prevent radon in New Construction?

The EPA booklet: RRNC – Radon Resistant New Construction shows in detail the standards for RRNC. It is much cheaper and much easier if you build radon resistance into a new building while you are building it. No need for an outside fan, the fan goes in the attic out of sight. And no need for outside pipes since the pipes get run inside a utility closet like all the other plumbing. The barrier cloth can be put down before the first floor goes on, much easier to do standing up than crawling around in a crawl space. It's a big savings for the contractor and hence the homeowner.

21. List of 154 Cities and Counties who have done what I am asking you to do.

Included in your packet.

22. What does Appendix AF do?

It requires that all new one and two family houses to use RRNC: Radon Resistant New Construction techniques and be tested for radon as part of the final inspection.

23. Summary

Adopt Appendix AF into our building codes because

1.) Radon causes lung cancer;

2.) We have a lot of radon here;

3.) We have a lot of people here;

4.) It is easy to build it out.

Thank You.

Build Radon Out: Adopt Appendix AF

City Council South Lake Tahoe

November 5, 2024

by Jeff Miner

Appendix AF of IRC

- Requires RRNC - Radon Resistant New Construction techniques on all new 1 and 2 family residential construction

- Requires Radon Testing as part of final inspection.

Radon At Tahoe

Radon at Tahoe

Home
The Problem
The Solution
The Present
The Future
Connections
Take the Test
Radon Supplies
Do it Yourself
Contact Us
Real Estate Radon
Marketing
Tahoe Physicians
Tahoe Newborn Radon Program

web site by jeff miner consulting

Wake up Lake Tahoe!

It's time to test for RADON!

For 24 years I had high levels of radon gas in my house, and I did not know it. When I tested my house and understood the problem, I was able to fix it myself. This web page is dedicated to people like myself who want to know if they have a radon problem and want to get it fixed.

Radon is a radioactive gas that causes lung cancer. It is colorless, odorless, tasteless and impossible to detect without a test. Radon is produced by the normal decay of uranium, an element that is found in nearly all soils, but higher concentrations are found in the decomposed granite soils of the Sierra Nevadas. When it gets trapped in houses built on those soils, it posses a lung cancer risk.

Radon is not a trivial problem. According to the EPA, radon causes over 20,000 lung cancer deaths each year, second only to cigarette smoke. That's over 50 deaths a day!

But don't panic! Radon is easy to test for and very fixable if you find high levels. This web site provides information and resources about radon, how to test for it, and how to get rid of it. There is also a section for those who want to do-it-yourself.

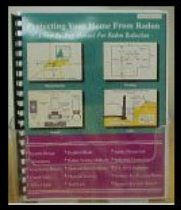
Jeff Miner
Homeowner, South Lake Tahoe, CA

Safety Siren Radon Tester

Now on Amazon.com

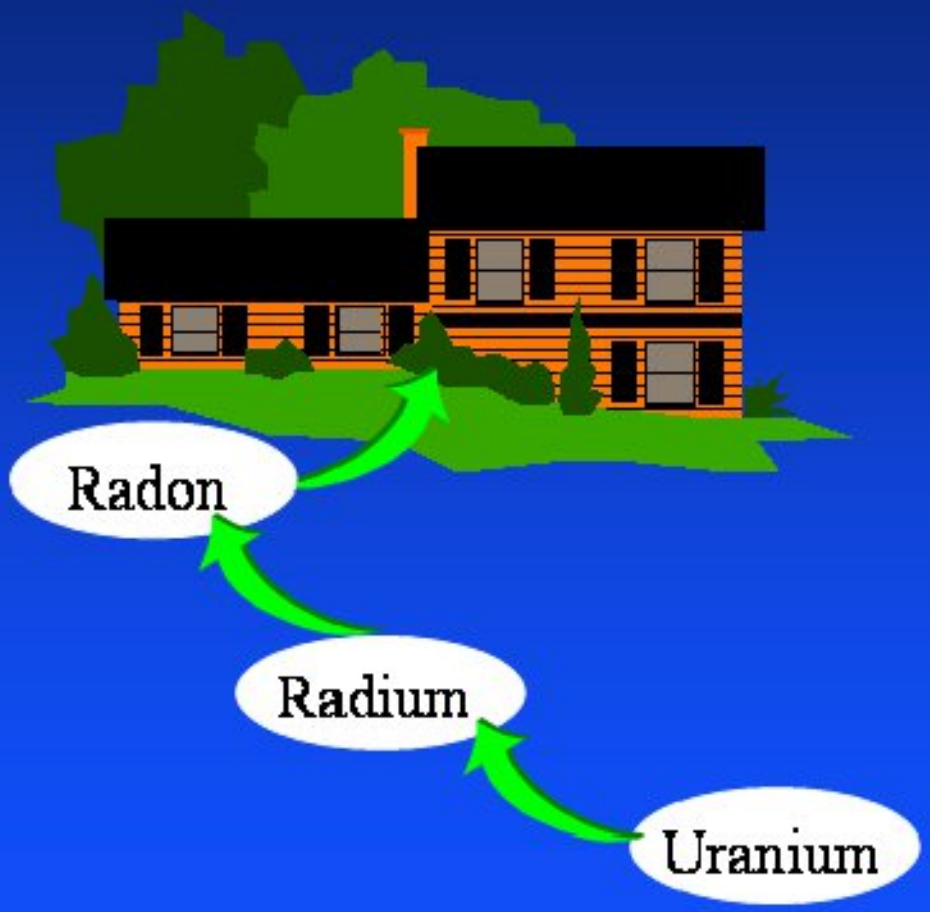
Tahoe Radon Map and others from California Geological Survey

The Do It Yourself Radon Book for the home owner



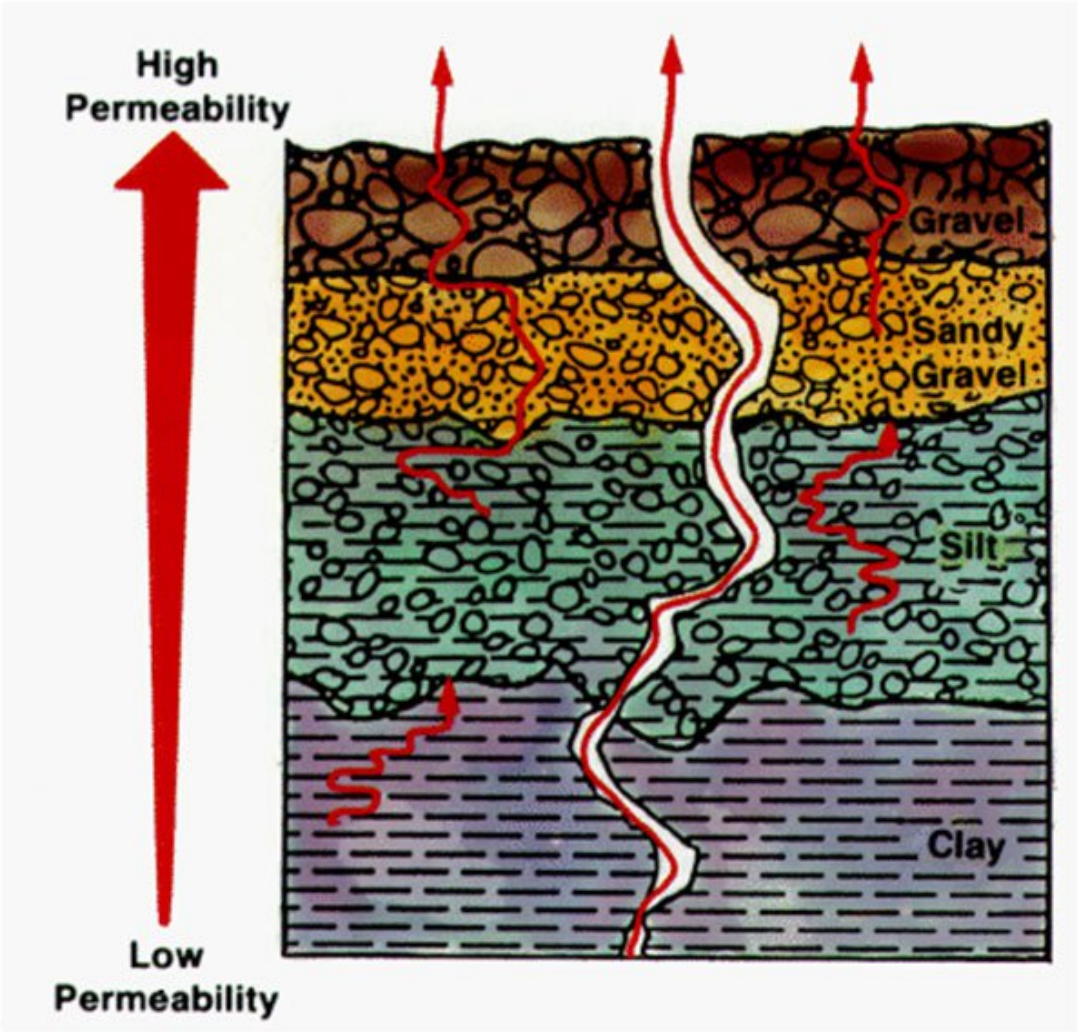
Now on Amazon.com

What Is Radon?

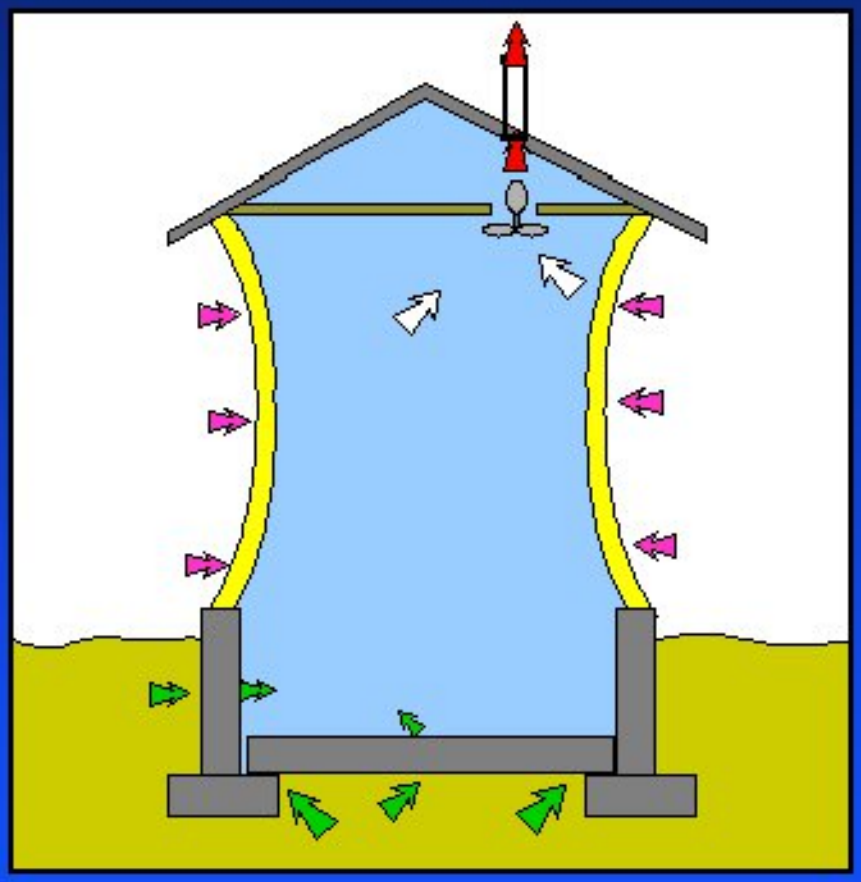


- Radon is a gas.
- It is naturally occurring.
- It cannot be seen or smelled.
- It enters buildings from the soil beneath them.

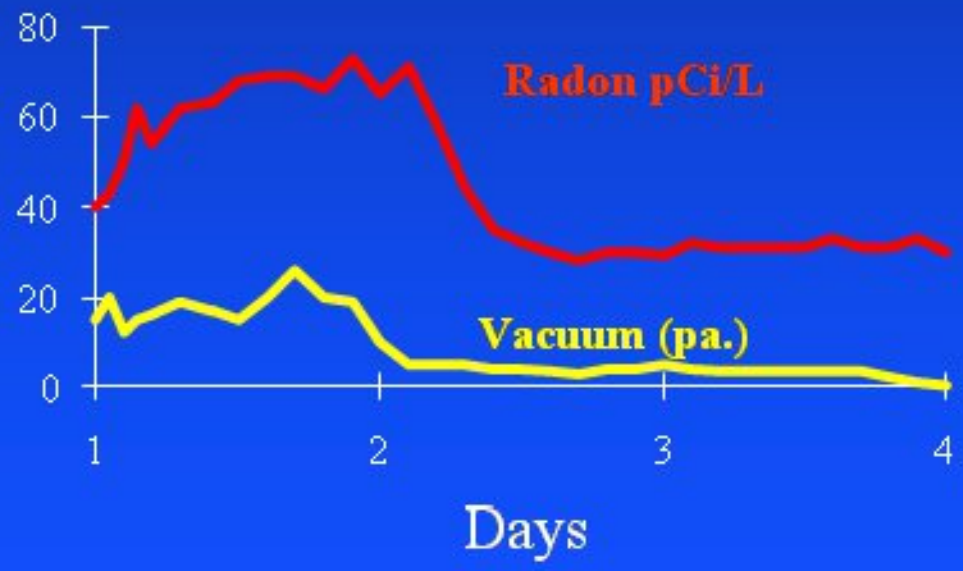
Radon Movement



How Is Radon Drawn Into A Building?

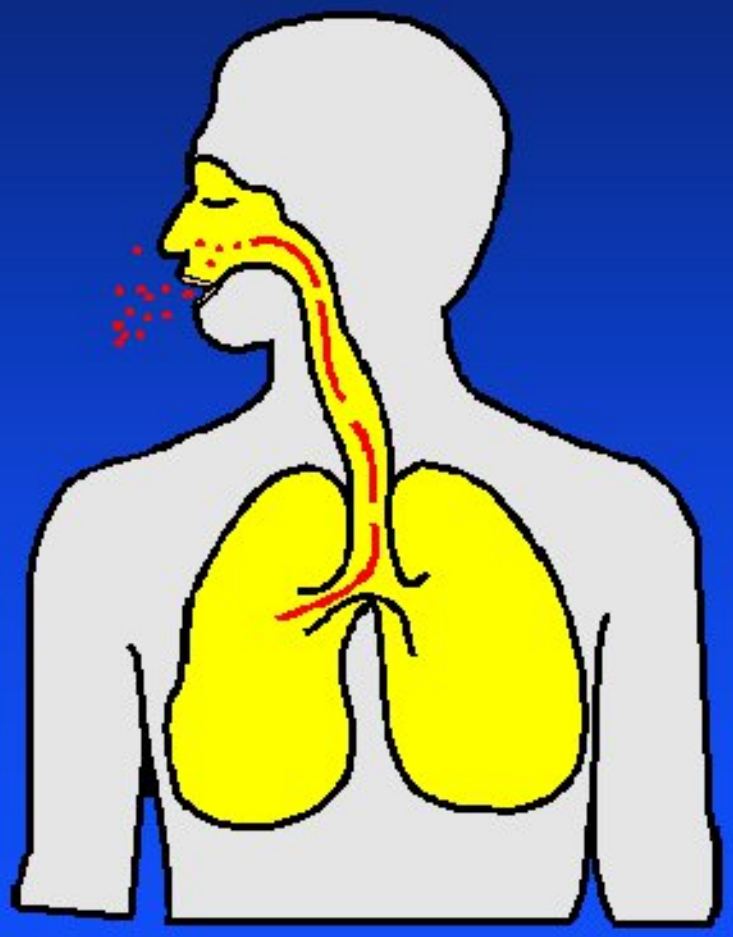


- Vacuum
  - Exhaust systems
  - Thermal stack effects



CERTI®

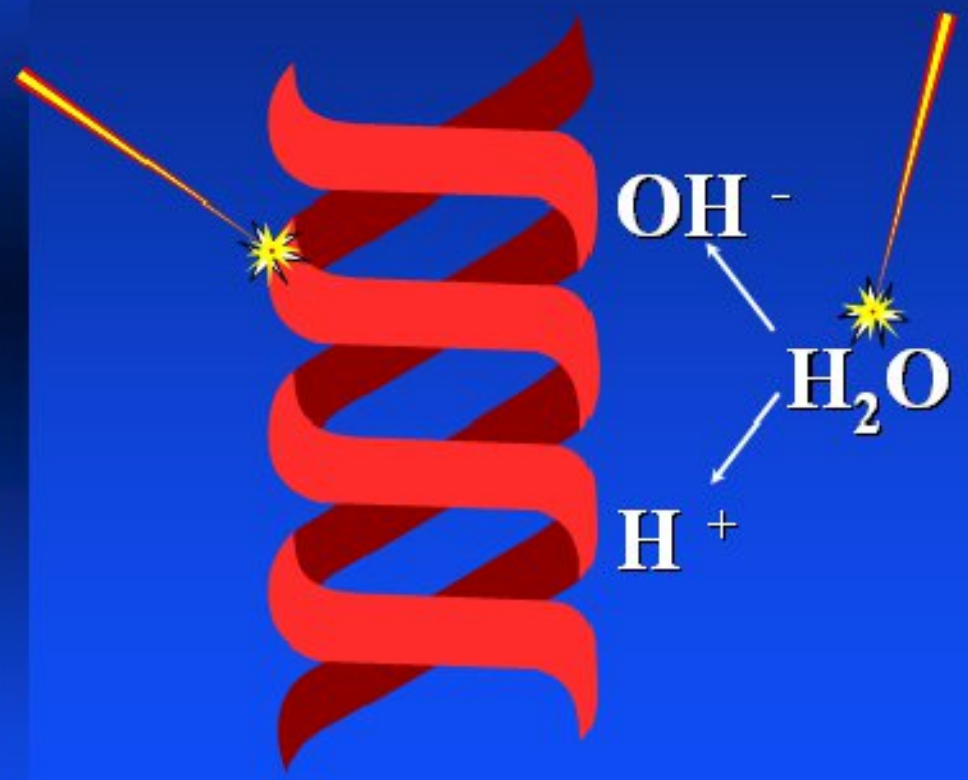
Radon Is A Lung Cancer Causing Gas



- Radon decay products inhaled.
- Particles irradiate lungs.
- Irradiation can cause lung cancer.

CERTI®

What Happens When Radon Decay Products Are Inhaled?

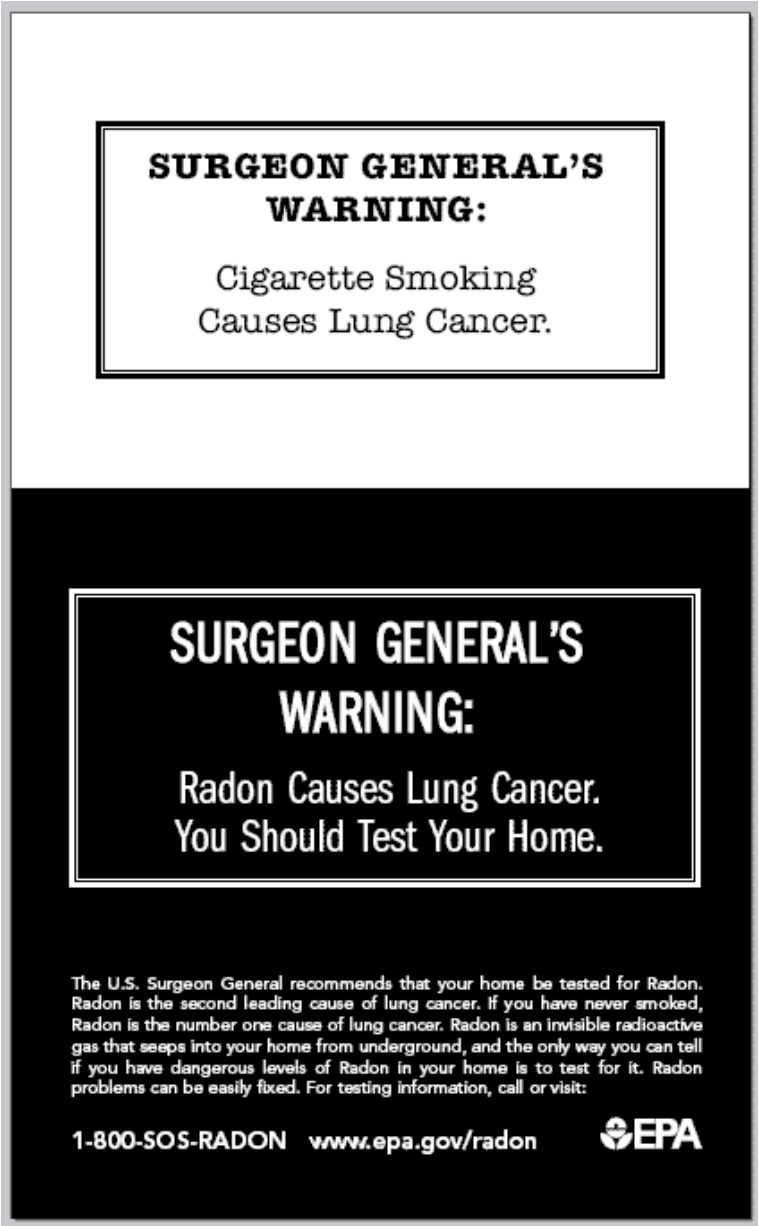


Chromosome 6, P53 gene impacted

- Highly radioactive particles stick to lung tissue, where they can irradiate sensitive cells.
- Radiation can alter the cells, increasing the potential for cancer.

CERTI®

U.S. Surgeon General Radon Warning Class I Carcinogen



2007 Zephyr Cove Elementary School Radon

October 2, 2007

Zephyr Cove Elementary School radon on front page

1223 visitors to Radon At Tahoe.com web page. News stories are generating interest.

TAHOE DAILY Tribune
www.tahoedailytribune.com
Tuesday, October 2, 2007
The community's voice • from Alberta's playground
Rn will send kids home from school?
One dead on Echo Summit
Killer plants could help
At home at a mile high

AROUND THE LAKE
Parents demand radon answers

Members of the parents' club at Zephyr Cove Elementary School in Nevada threatened to take their children out of school on Monday if school officials fail to provide a plan to reduce radon in the school. There will be a meeting on Wednesday, October 3rd, which I plan to attend. View article. View copy.

2006 Tahoe Radon Study

Tahoe Daily Tribune

Wednesday April 12, 2006 50¢

Gas prices surge 33 cents in a month

South Shore fuel costs are among the highest in the nation

Average gas prices

State will test for radon this summer

Over half of 78 South Shore homes tested were over the EPA limit

Iran's president touts uranium enrichment

National Merit Scholarship finalist

2007 LTUSD Tests 450 Classrooms

October 12, 2007

LTUSD agrees to test 450 classrooms and controversy continues over radon at Zephyr Cove Elementary.

Parents wonder: What radon level is safe enough?

Douglas County School District Board of Trustees met in Nevada to address the radon issue at Zephyr Cove Elementary School. Adrian Howe made a radon presentation to the Board and Dirk Roper answered questions on the fans scheduled to be installed in a few weeks. Some parents are still concerned about "safe" radon levels and would like to see the District close Zephyr Cove and keep Kingsbury Middle School open because of the higher radon levels at Zephyr Cove.

Lake Tahoe Unified School District followed Douglas County Schools' lead by announcing that they too will test all class rooms (450 rooms and offices) for radon. Steve Morales made the report to the School Board on Tuesday, 10-9-07 and expects to purchase charcoal test kits at a discount from the State of California Department of Public Health Radon Office. I think the controversy at Douglas County Schools in Nevada is increasing radon awareness everywhere in the Tahoe Basin.

I wrote to the LTUSD Board members to support their decision to test classrooms and to provide them with the report of the 2007 Tahoe Radon Survey which showed that over 50% of the homes in South Lake Tahoe are over the EPA action level. I attended that Board meeting on Tuesday and one of the Board members expressed interest in making test kits available to parents so they can test their homes, which is where students spend more time than in school classrooms.

View article. View copy

2008 USFS Supervisor’s Building

USFS Lobby

PONTE A LA DEFENSIVA
Lake Tahoe Basin Management Unit
50th ANNIVERSARY
LAKE TAHOE BASIN

2016 SLT City Council

January 19, 2016

I Addressed South Lake Tahoe City Council on NRAM

I displayed the 2 ft by 3 ft poster of radon potential in South Lake Tahoe. I asked city council to proclam January as Radon Action Month for South Lake Tahoe. It did not generate much interest though a few council members asked questions, but no followup.

2010 El Dorado County Board of Supervisors

January 12, 2010

My Three Minutes in Front of the El Dorado County Board of Supervisors

This Tuesday I drove down to Placerville, in the snow, to be granted a three minute audience with the El Dorado County Board of Supervisors. I dutifully abridged my discussion of the Tahoe radon problem and the deplorable inaction by Environmental Management into the three minute time slot. Radon may be a problem at Tahoe but is still not an issue for El Dorado County leadership. The Supervisors did, however, adopt a resolution declaring January as "Radon Action Month." If only I could get them to put some of that "action" into their own Environmental Management Dept. Apparently the 90% of houses on the South Shore in high and very high radon potential regions, according to the California Geological Survey, (more than Iowa, the highest radon state in the nation!), does not get anyone there excited enough to do more than hand out a few free test kits. Excuse me, but the people of Tahoe deserve a better response to this carcinogen trapped in their houses.

Read the presentation that fell on deaf ears
with map
and chart
Read the County's Radon Awareness Program with only 3 out of 18 items competed in two years.
View the latest local radon test results

UC Davis TERC Lecture 2007

January 18, 2007

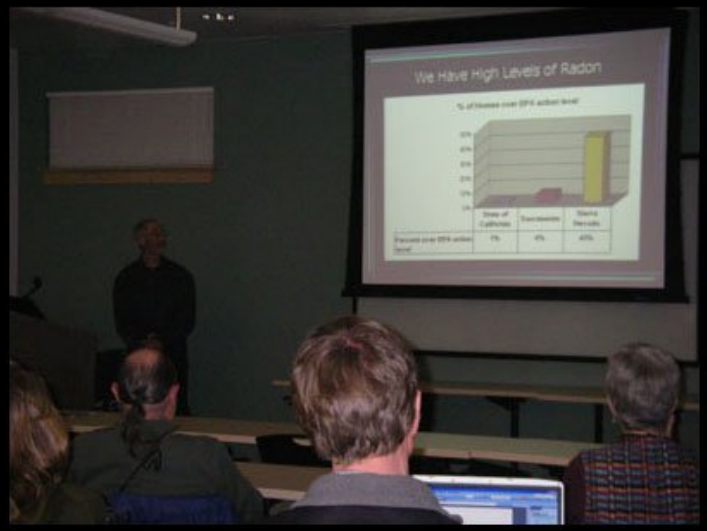
UC Davis Tahoe Environmental Research Center Lecture Series

I spoke on Radon in the Sierra Nevada to about 30 members of the scientific community and general public. I used the presentation developed by George Faggella of the California DHS Radon Program, with added slides relating to our work in the Sierra Nevada.The goal was to educate about the dangers and the prevalence of radon in the Sierra Nevada. The current Tahoe Radon Survey and the Zip Code Study were discussed. The audience asked many pointed and interesting questions showing they grasped the issue.

Read press release for lecture

Read second press release on radon risks

Read Tahoe Bonanza article on lecture



Sierra Club 2010

February 18, 2010

Sierra Club Presentation

I spoke to about 15 - 20 members of the Tahoe Area Sierra Club at their meeting in Round Hill today. The audience was very engaged, asked good questions and many were determined to test their homes.

View the Power Point presentation. (You must have Microsoft Power Point on your PC or Mac to view the presentation.)

2015 SLT Cancer League

October 29, 2015

South Lake Tahoe Cancer League Talk

I was asked to be the speaker at the South Lake Tahoe Cancer League, speaking on radon and honoring one of their members who recently died from lung cancer. She was a non-smoker. About 40 people were in attendance. I handed out a copy of my presentation to those in attendance and one is available here.

2012 PineWild Condominiums

July 28, 2012

PineWild Home Owners Assn. Radon Presentation

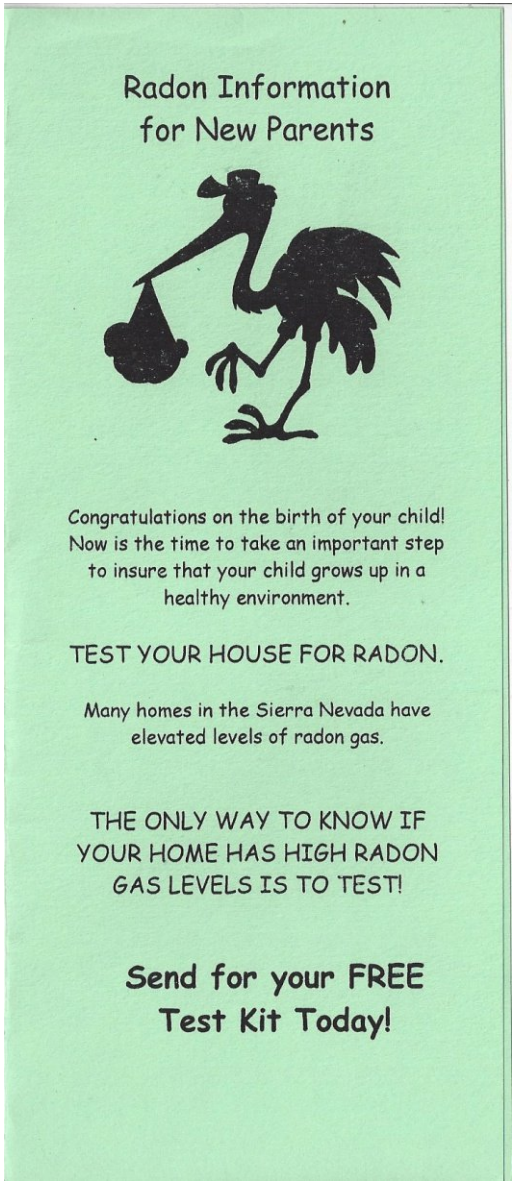
PineWild Condominiums are a beautiful complex of 135 beach-front condos in Zephyr Cove, Nevada. The Home Owners Association asked me to give a presentation on radon at their annual home owners meeting and picnic. The PowerPoint presentation is available for viewing and reviewing below, as are the resource pages.

PineWild PowerPoint presentation 7-28-12

PineWild Resource Page

Resource Page #2 Answers to Common Questions

2019 Barton Patient and Family Advisory Council



Radon Information
for New Parents

Congratulations on the birth of your child! Now is the time to take an important step to insure that your child grows up in a healthy environment.

TEST YOUR HOUSE FOR RADON.

Many homes in the Sierra Nevada have elevated levels of radon gas.

THE ONLY WAY TO KNOW IF YOUR HOME HAS HIGH RADON GAS LEVELS IS TO TEST!

Send for your FREE Test Kit Today!

Barton Newborn Radon Program

The Lake Tahoe Newborn Radon Program is sponsored by:

California Department of Public Health
cdph.ca.gov/radon

Radon at Tahoe
radonattahoe.com

Newborn Radon Program

Free Test Kit

A Truly Clean Home is a Radon Free Home

How to Test

- Resolve to make your home's indoor air healthy for your new child.
- Follow the instructions in the kit. Usually you will test your house for 3 – 4 days, locating the charcoal test kit on a table one foot from a wall and away from open doors or windows on the lowest floor of the house that you live in.
- At the end of the test, put the kit in the self addressed post-paid envelope and drop it in the mail.
- The lab will process the test and send you notice of the results.
- If the radon test results are over the EPA Action Level of 4 pCi/L (picoCuries), the EPA recommends following up with a long term test.

Visit cdph.ca.gov/radon or unce.unr.edu/radon/ for more information.

Barton Newborn Radon Program

Congratulations on the birth of your child!

Now is the time to take an important step to ensure that your child grows up in a healthy environment.

It's never too late to reduce your risk of lung cancer. You will never know your risk until you do the test.

TEST YOUR HOUSE FOR RADON.

Many homes in the Sierra Nevada have elevated levels of radon gas. The only way to know if your home has high radon gas levels is to test! It's easy and free to take the test.

DID YOU KNOW?

- Radon gas is the second leading cause of lung cancer after smoking.
- Infants and children run a greater risk of developing lunch cancer as a result of exposure to radon gas.
- The only way to know about radon levels in your home is to test.
- Homes with radon gas problems can be fixed.

Pick your FREE Test Kit today!

CA: 800-745-7236 or radonprogram@cdph.ca.gov
NV: 888-RADON10

Stop by 2092 Lake Tahoe Blvd, Suite 400, South Lake Tahoe, CA 96150 and pick one up today.

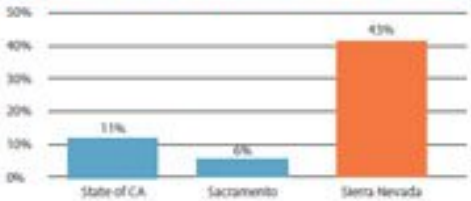
Radon in the Sierra Nevada - California

A recent survey of selected Sierra Nevada communities indicate that a high percentage of homes have elevated radon levels. This survey confirms a 1991 state radon survey that suggested that 50% of homes in the Sierras have high radon readings.

South Lake Tahoe Radon Potentials

- Very high potential for indoor radon levels over EPA action level
- High potential for indoor radon levels over EPA action level
- Moderate potential for indoor radon levels over EPA action level
- Low potential for indoor radon levels over EPA action level
- Unknown potential for indoor radon levels over EPA action level

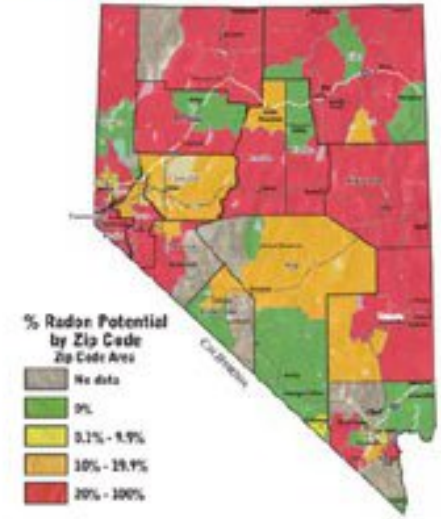
% of CA homes with Radon levels over EPA action level



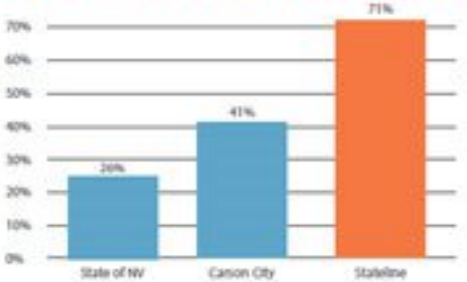
Radon in the Sierra Nevada - Nevada

In a 1989 state-wide radon study, Zephyr Cove, on the shores of Lake Tahoe, held the dubious distinction of having the highest percent of homes with elevated radon readings in the entire state of Nevada. This is another indication of the high radon levels in the Sierra Nevada.

Nevada Radon Potentials



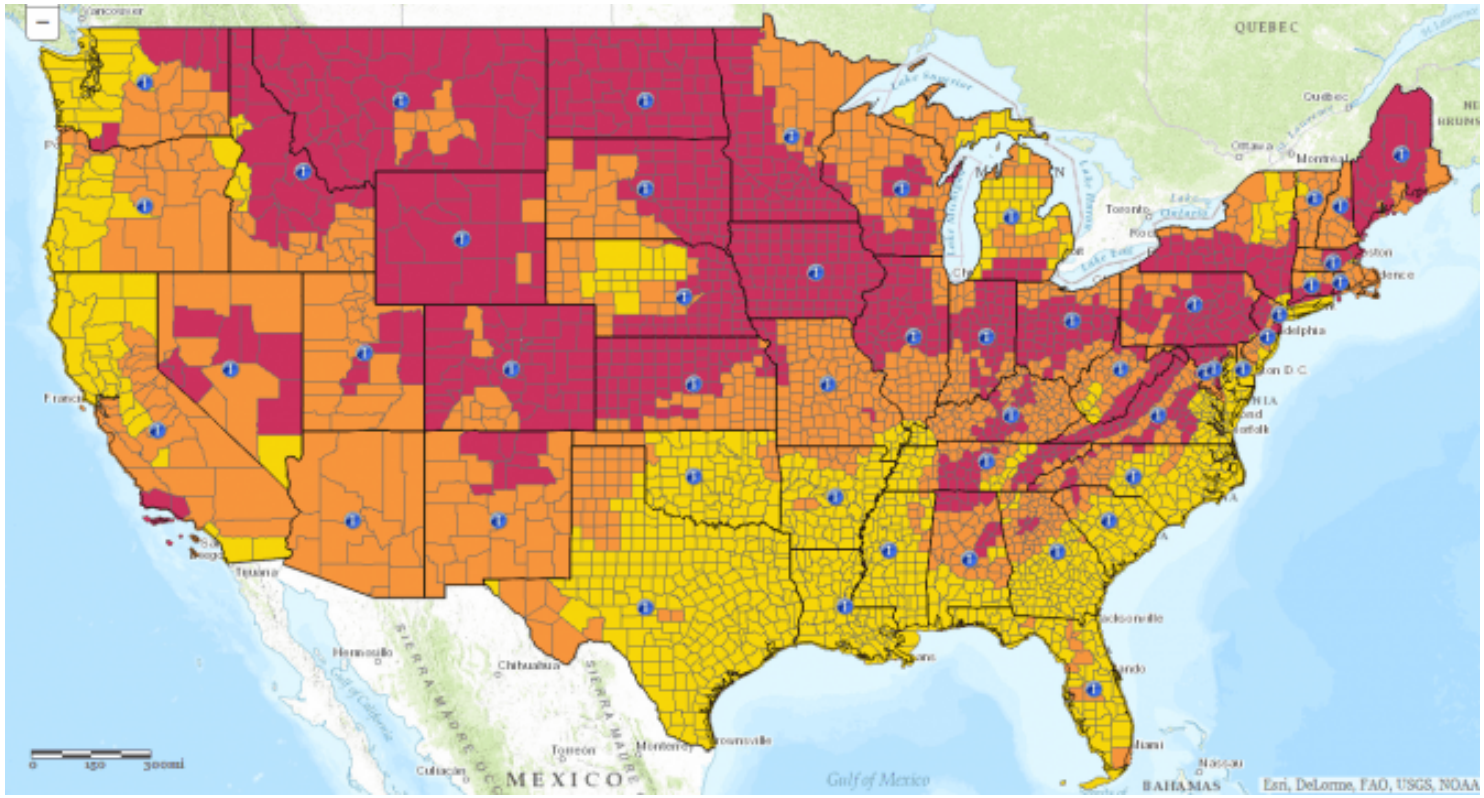
% of NV homes with Radon levels over EPA action level



Sugar Pine Village
SLT Work Force Housing

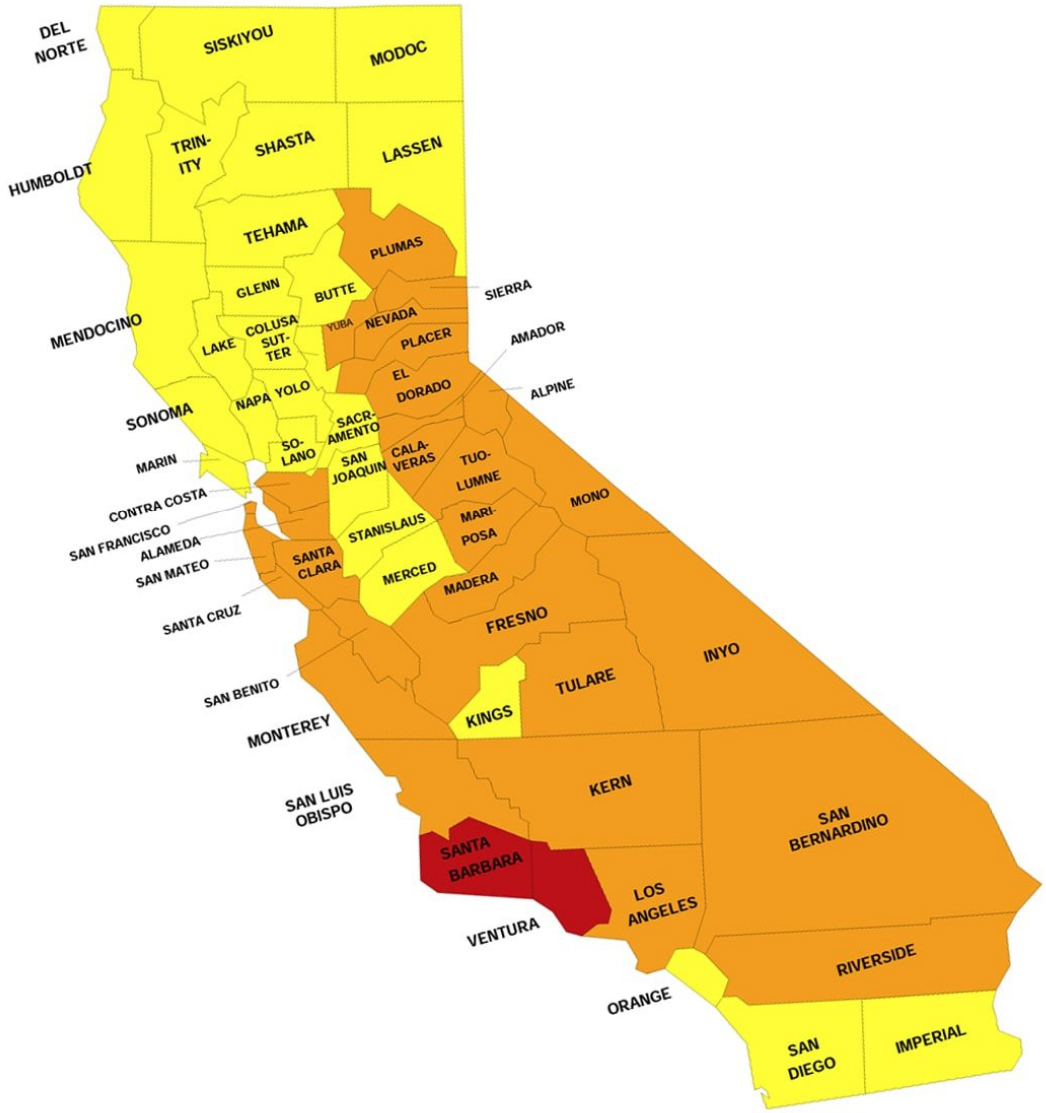
LTCC Student Dorms

EPA Radon Map by County 1980

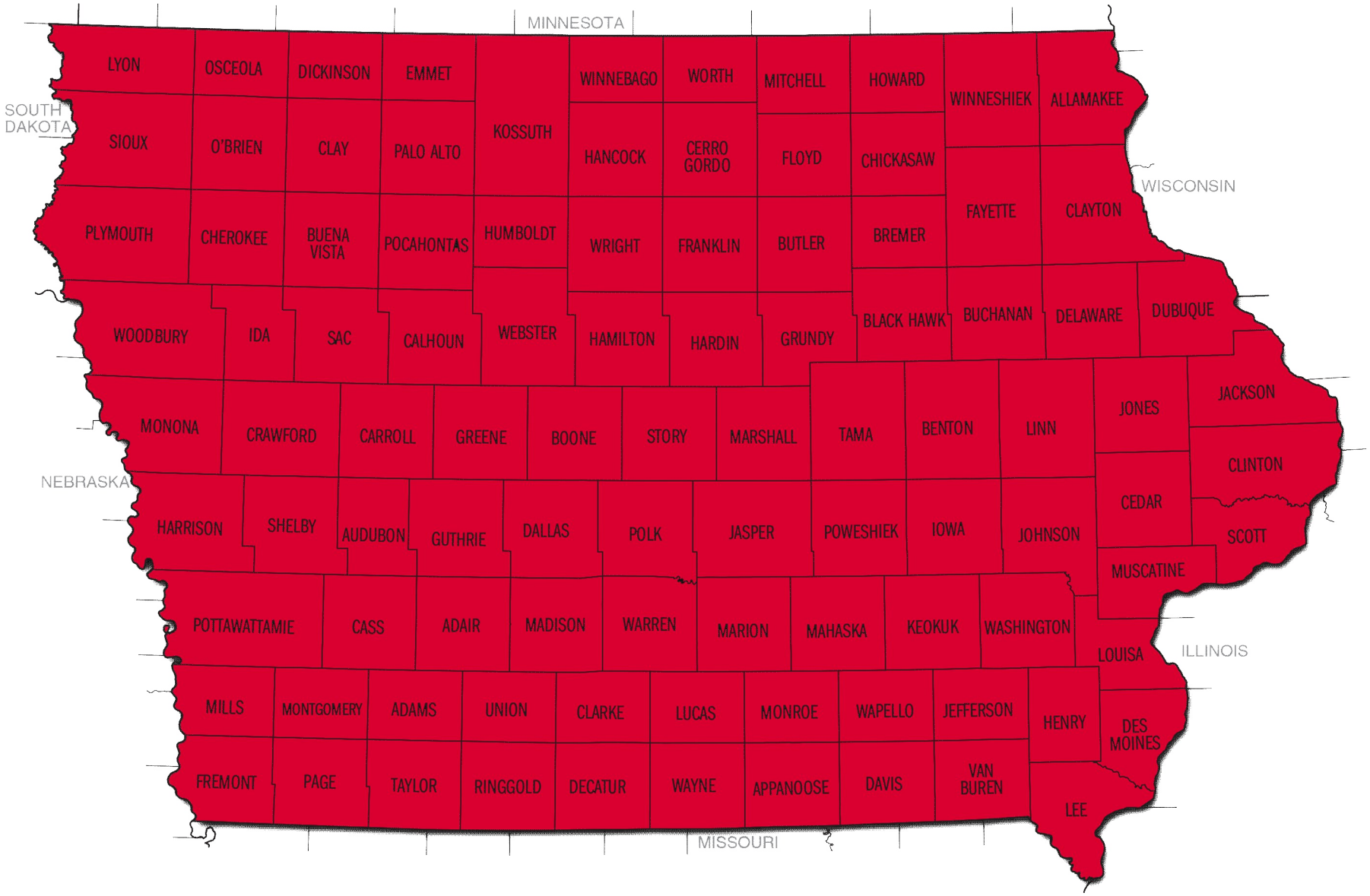


EPA California Radon Map

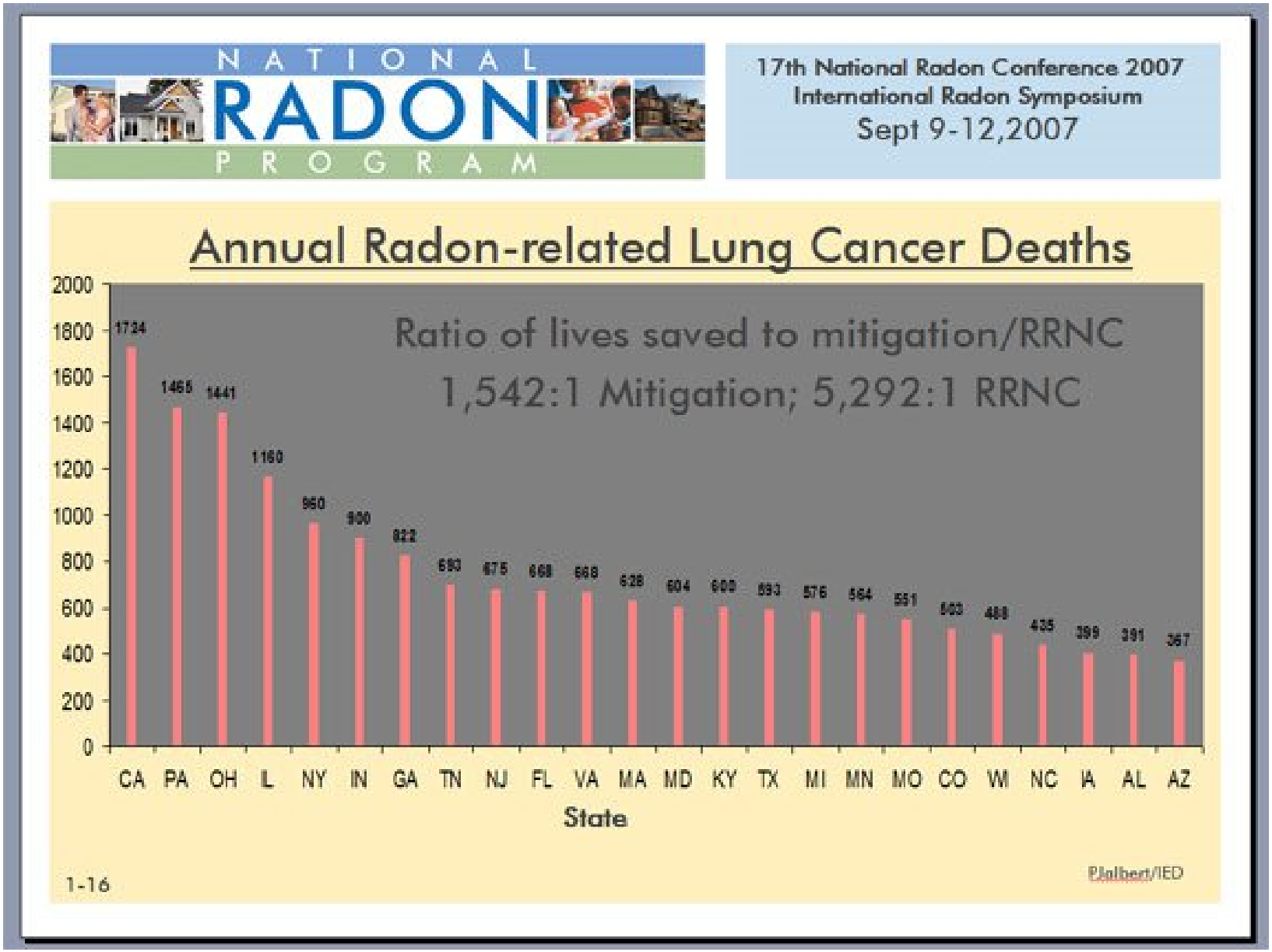
All homes should be tested, regardless of zone.



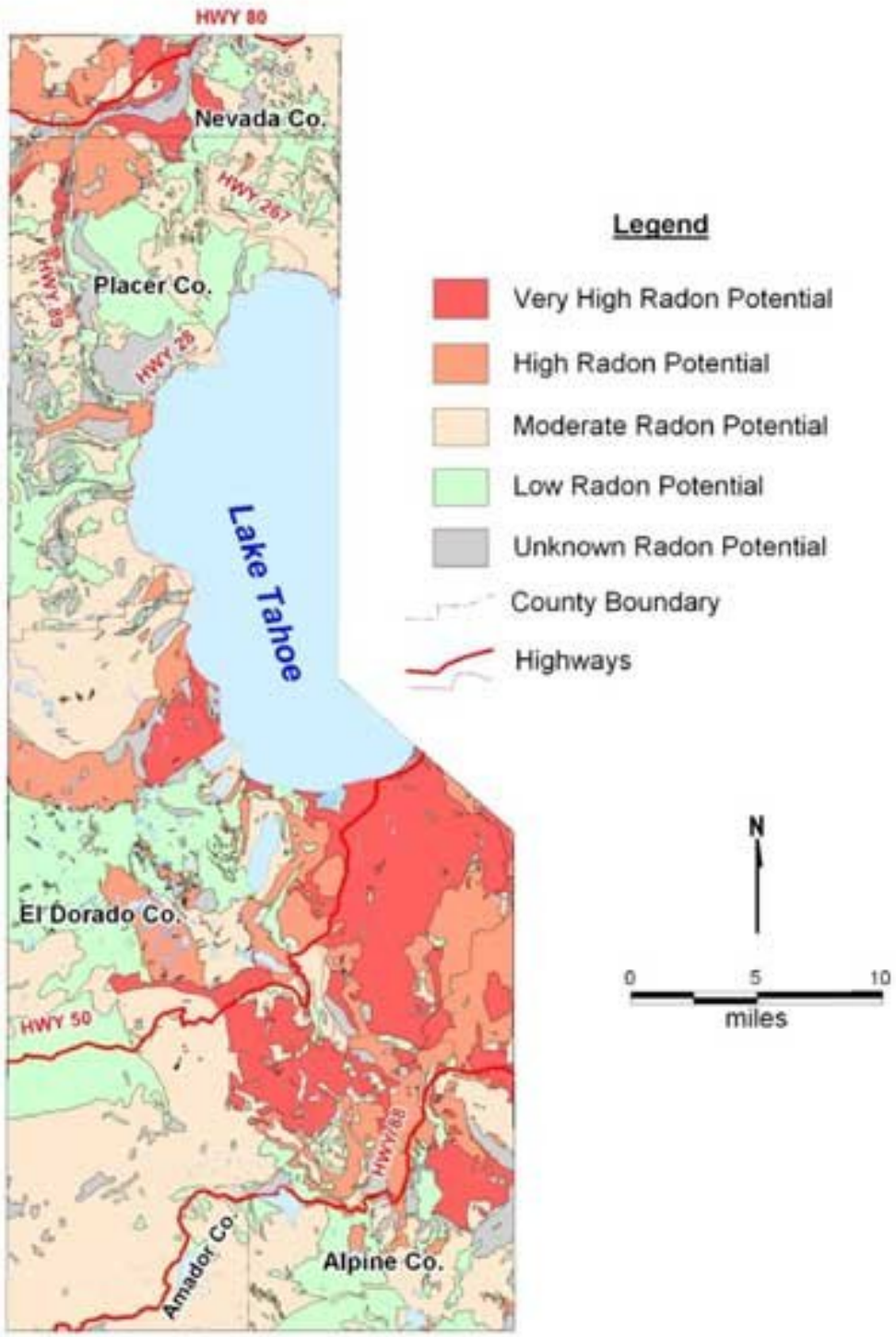
EPA Iowa Radon Map by County
71% of homes above 4 pC/L



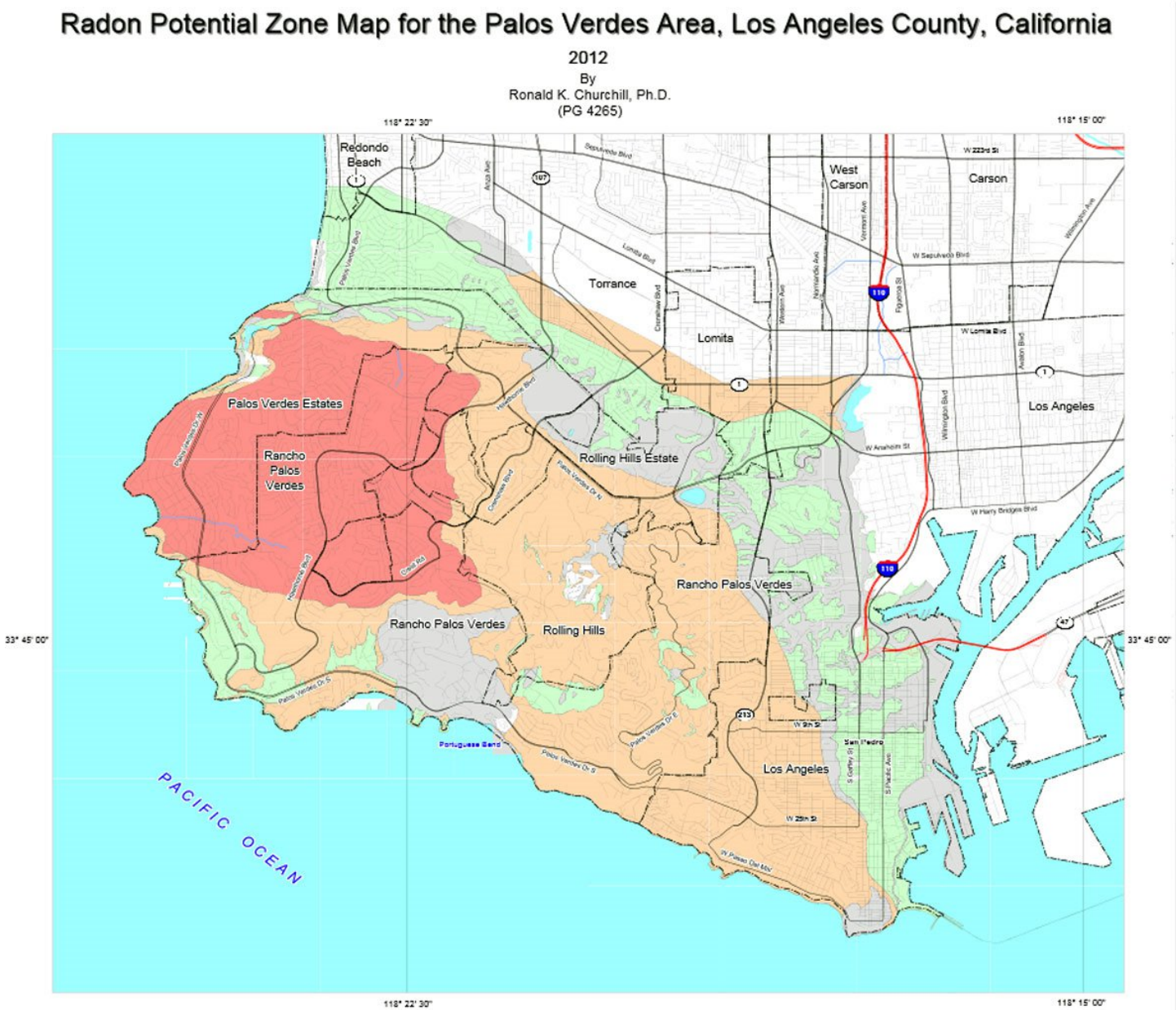
Most Radon Deaths are in California



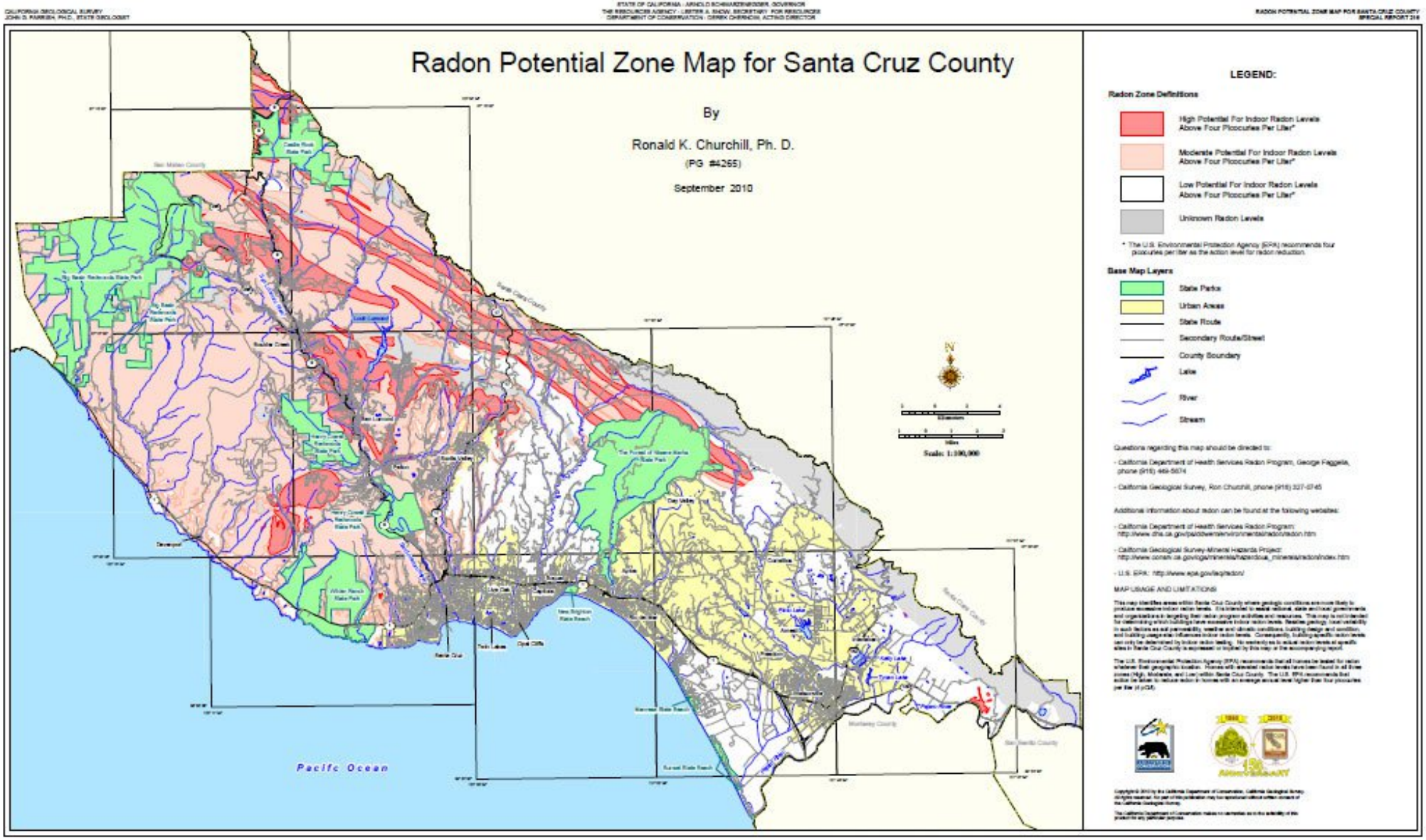
Lake Tahoe Radon Potential



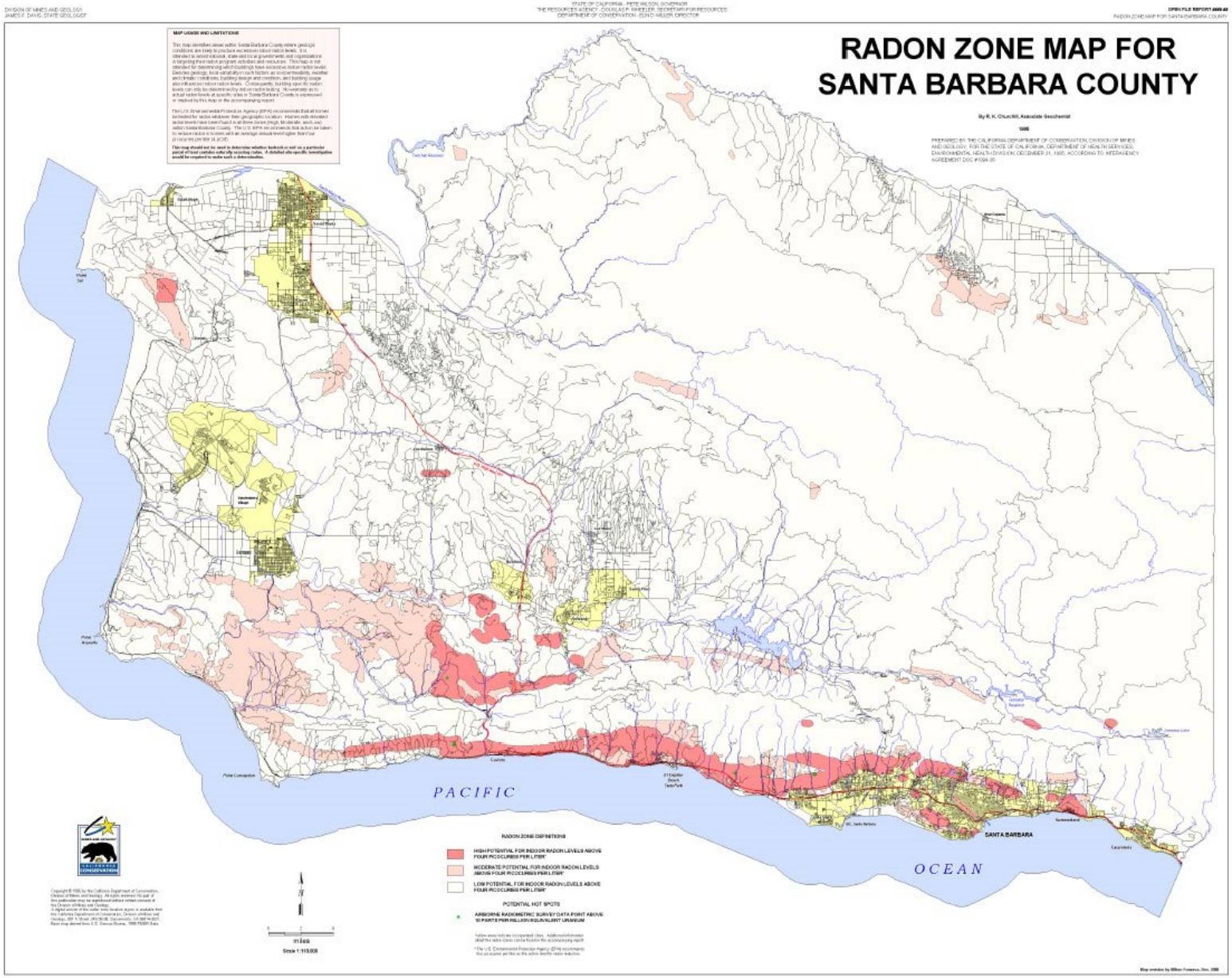
Palos Verdes Area of LA County



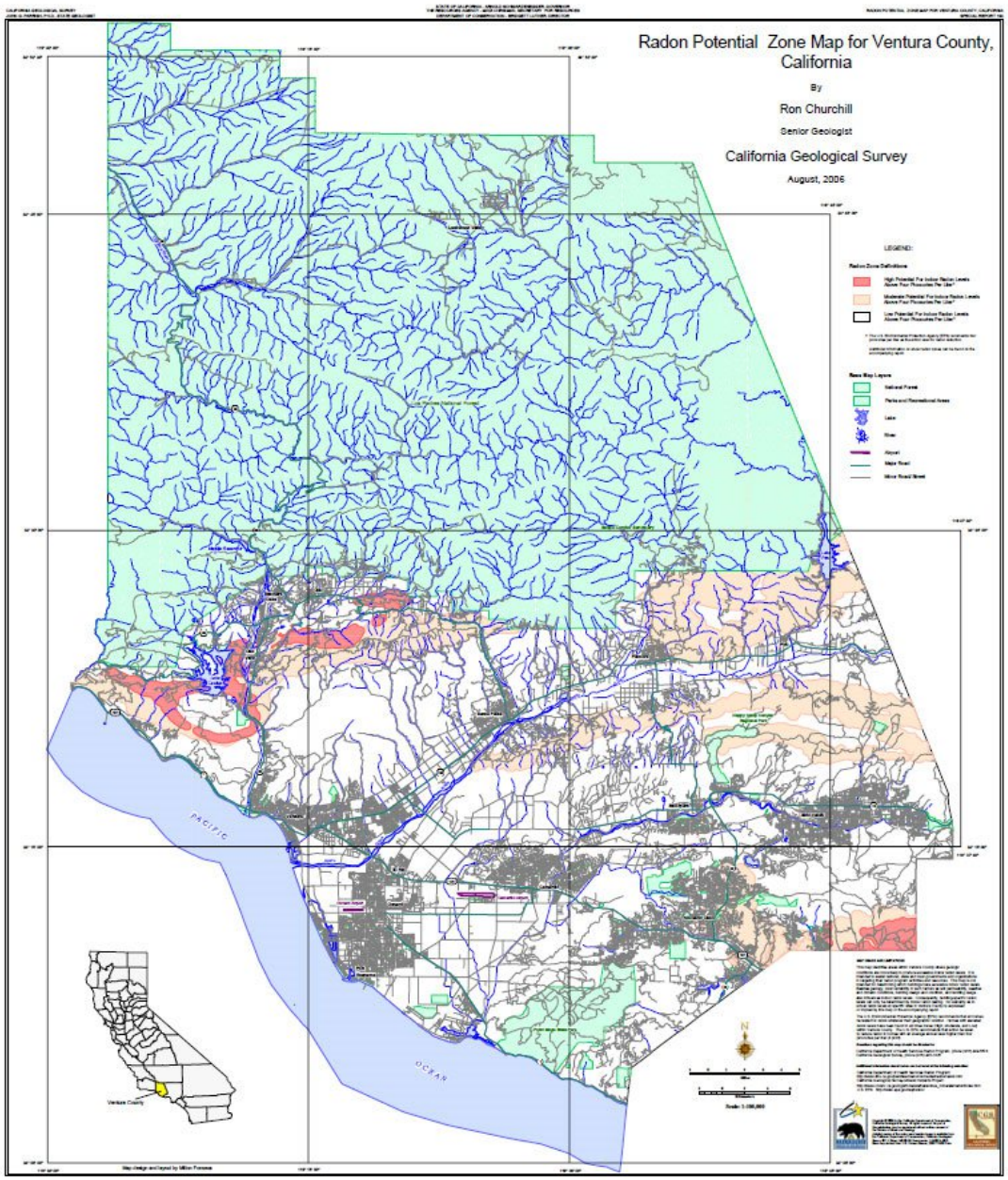
Santa Cruz County



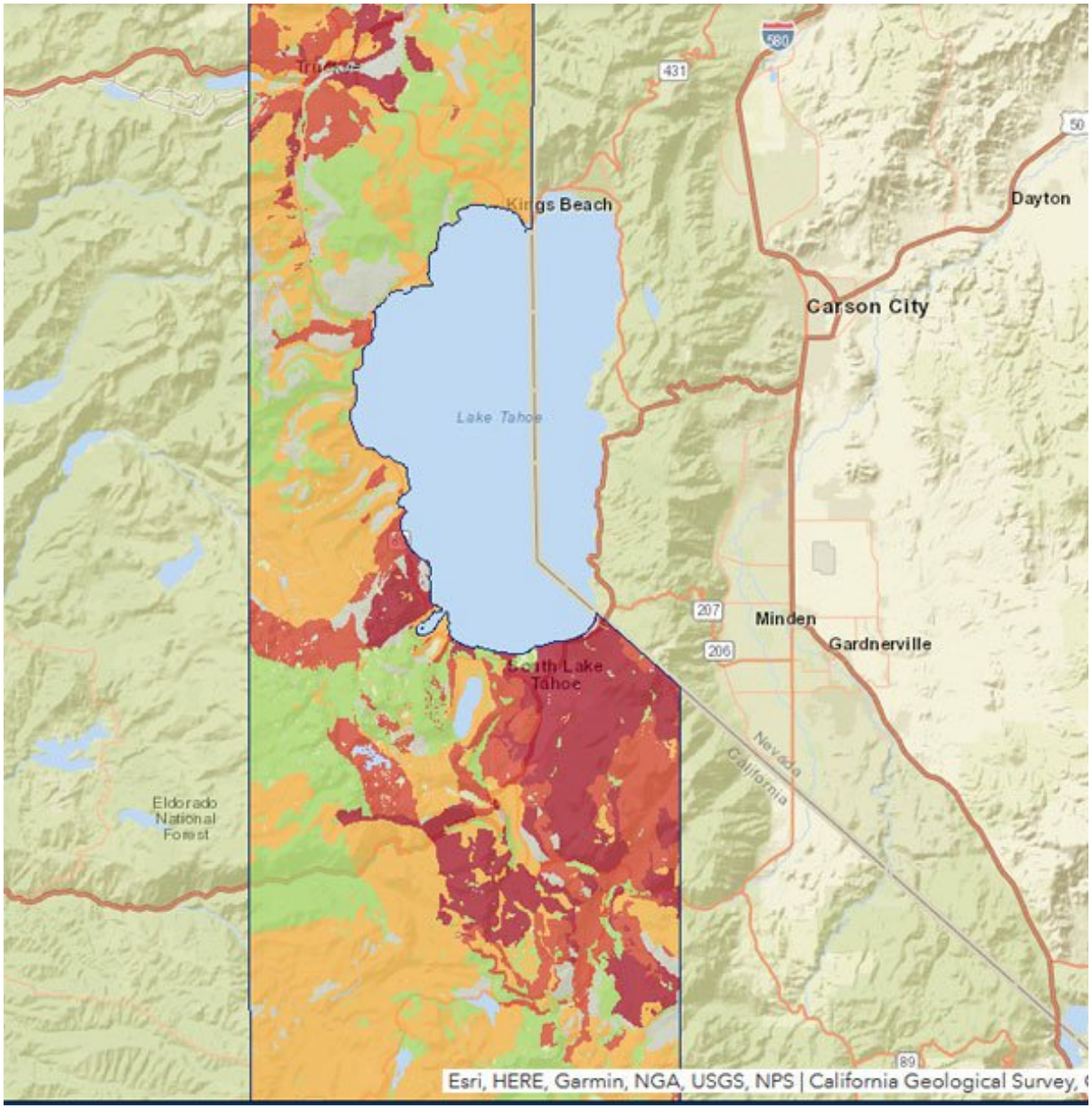
Santa Barbara County



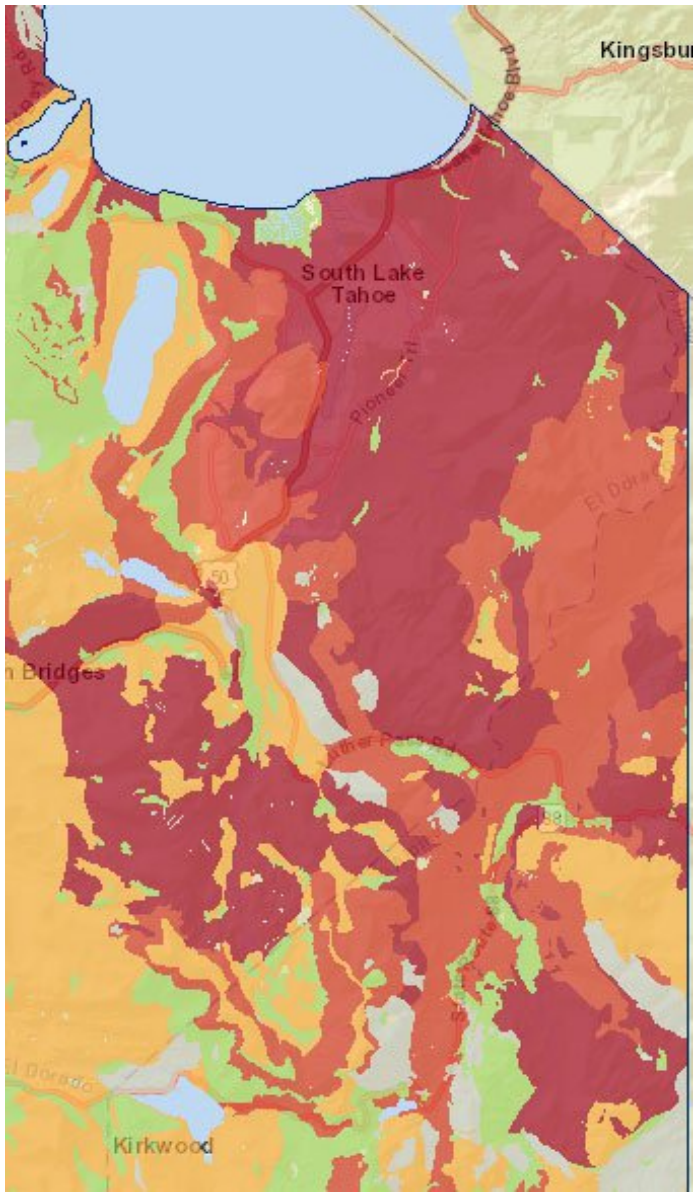
Ventura County



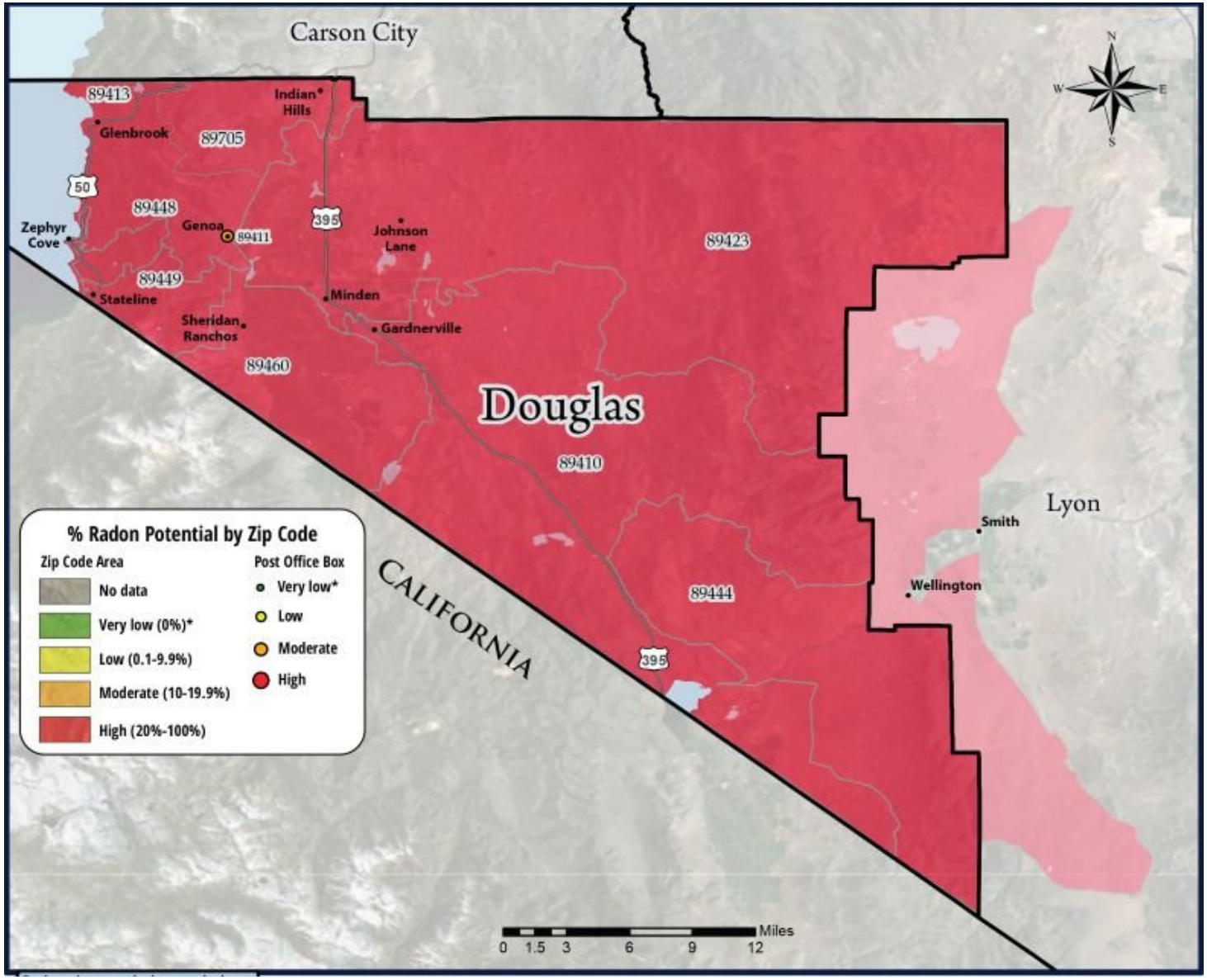
Lake Tahoe Area Radon



South Lake Tahoe Radon Map



Douglas County Radon Tests by Zip Codes

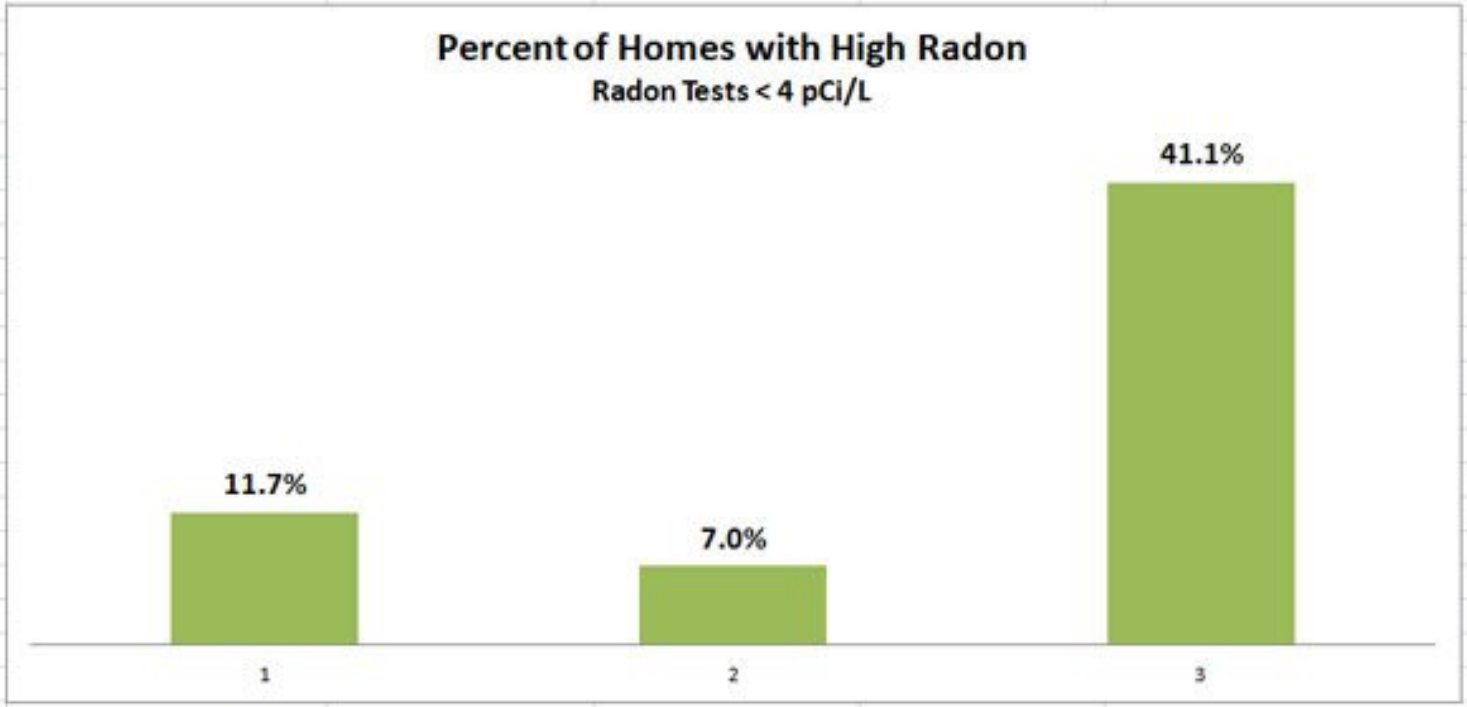


Radon Tests

South Lake Tahoe Indoor Radon Comparison

Source: California Radon Test Data Base updated: Feb 2016
Converted PDF to Excel August 9, 2017 by Radon At Tahoe

Region	Number of Tests Reported to CDPH	Number of Tests at or > 4pCi/L	Percent of Tests > 4pCi/L
California	60579	7092	11.7%
Sacramento	458	32	7.0%
South Lake Tahoe	1793	737	41.1%



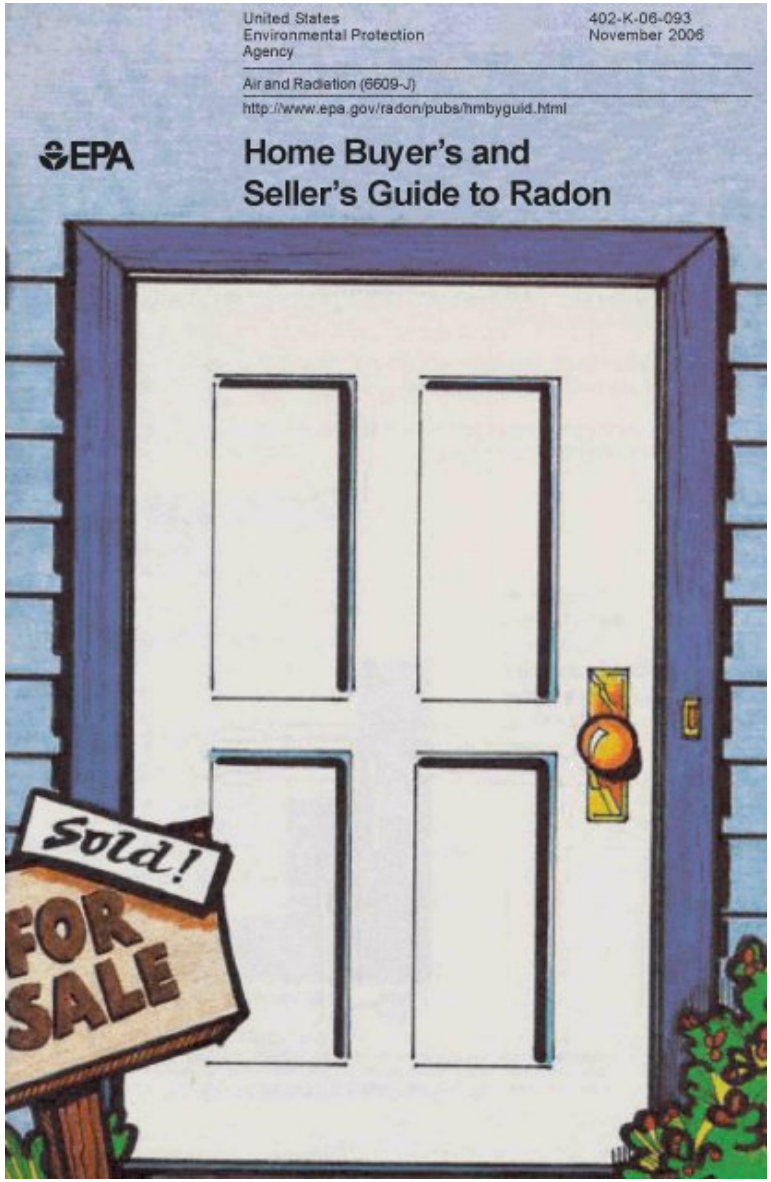
California Sacramento South Lake Tahoe

How To Fix an Existing Building Barrier Cloth

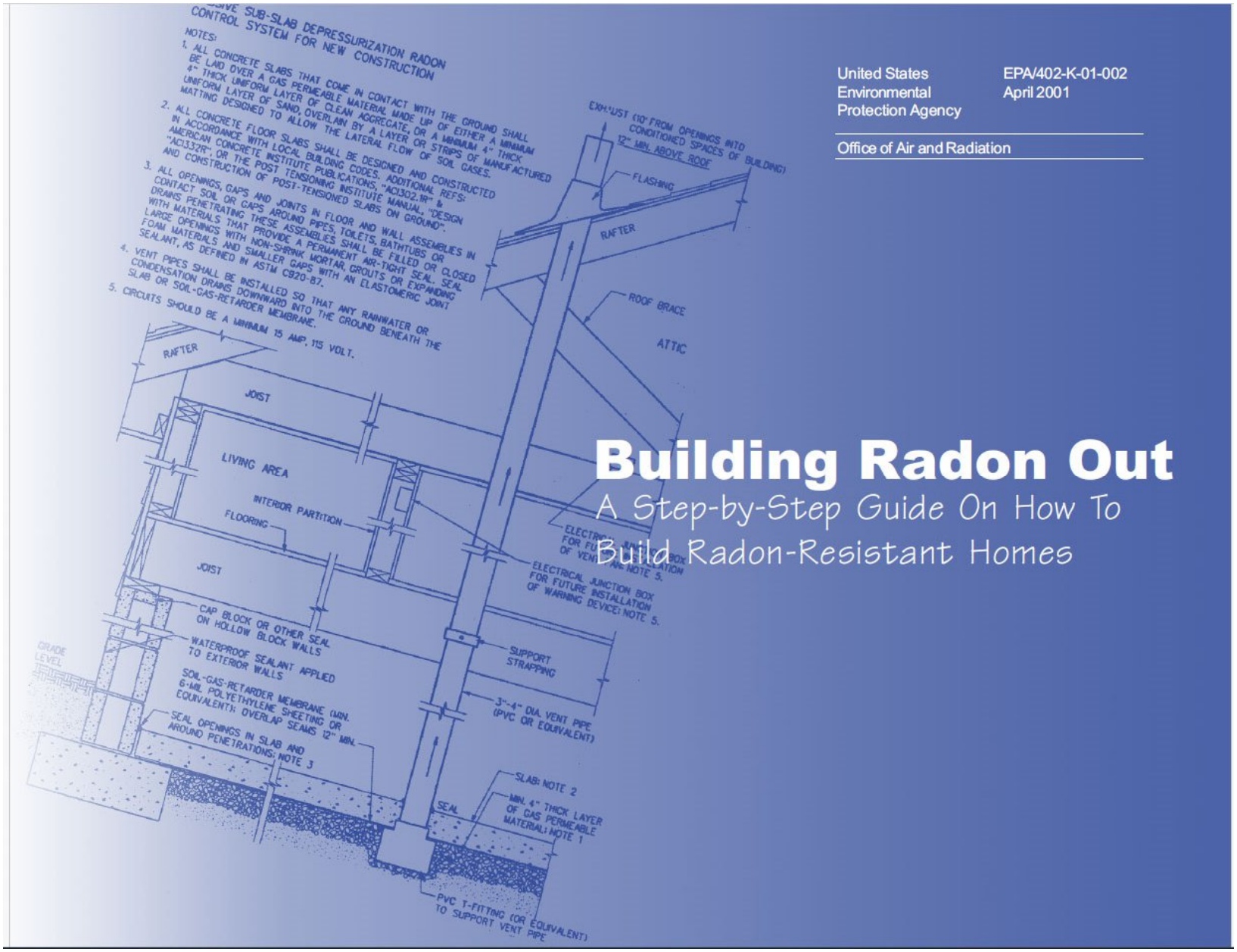
Radon Fan

Vent Pipe

Home Buyers are Not Required to Test for Radon in “Moderate” Risk Areas



EPA Radon Guidelines

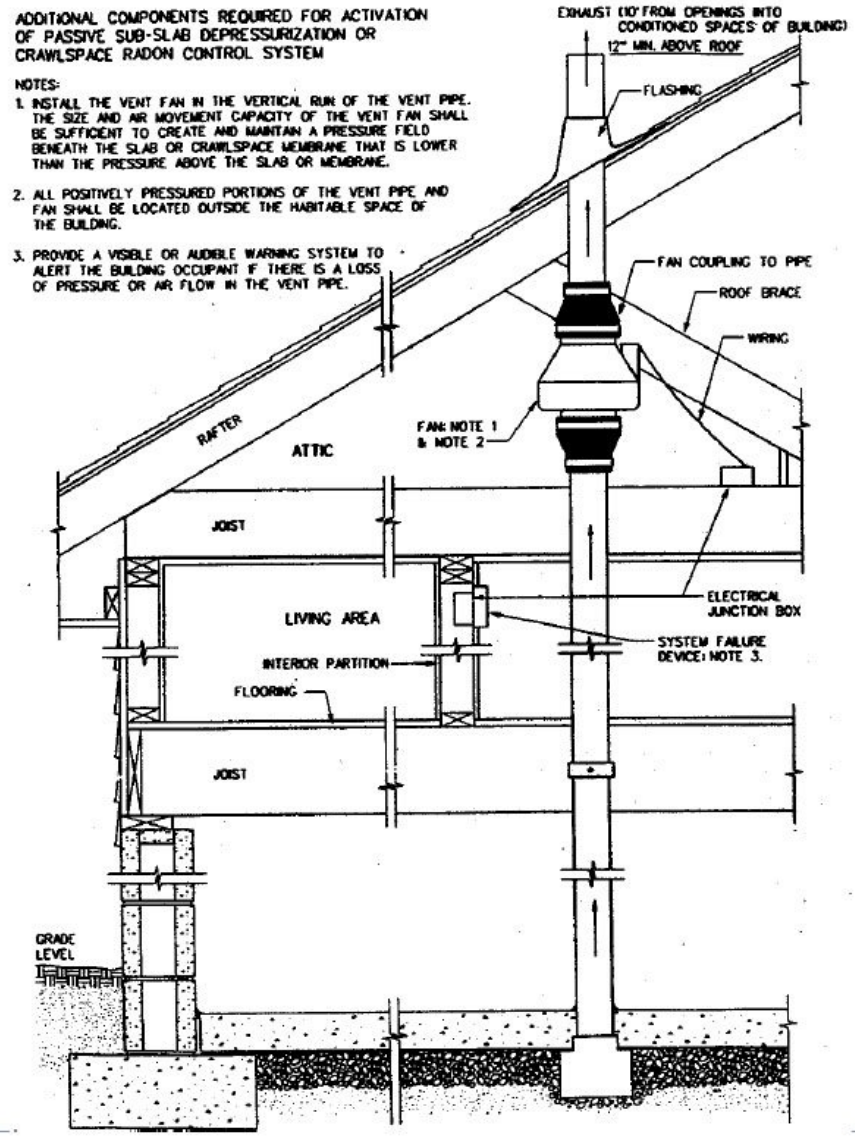


Architectural Drawings

Architectural Drawing

Active Sub-Slab Depressurization System

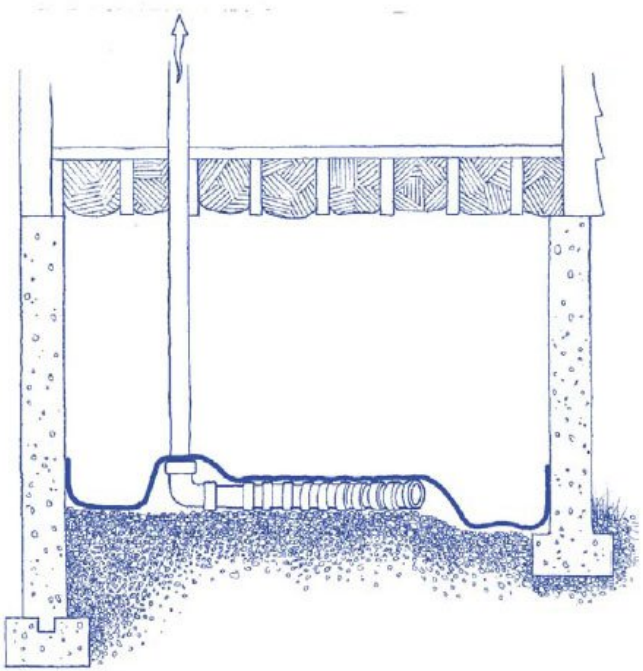
Uses fan to mechanically draw air from beneath the slab (or membrane) through the vent pipe.



Crawlspace Construction

Installation Step 2

Crawlspace Construction



Crawlspaces are best treated by covering the entire crawlspace floor with plastic sheeting, laying a perforated collection pipe beneath the plastic sheeting, and connecting the pipe to the radon vent riser.

Crawlspaces should be constructed consistent with applicable building codes.

Access doors and other openings or penetrations between basements and adjoining crawlspaces should be closed, gasketed, or otherwise sealed with materials that prevent air leakage.

Seal Seams of Barrier Cloth

Crawlspaces Continued

Optional Improvement: Sealing seams and edges of plastic sheeting

Sealing The Sheeting

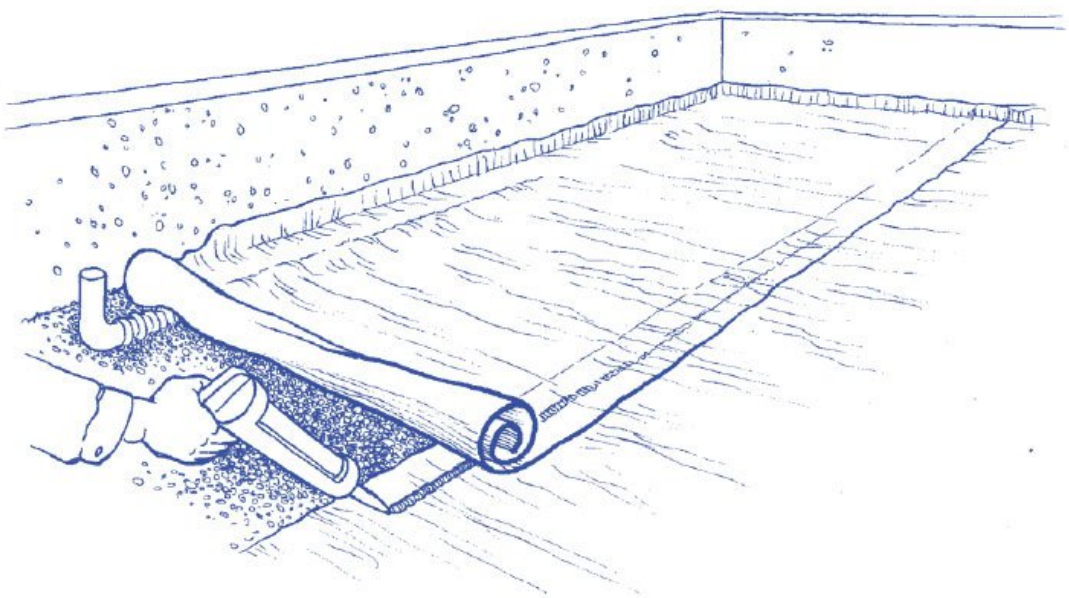
Although not required in current radon-resistant construction building codes, increasing the air-tightness of the seams in the plastic sheeting may enhance the system's effectiveness and integrity. Sealing should be sufficiently durable to withstand anticipated traffic through the crawlspace. To effectively seal the plastic sheeting, use a ½-inch wide bead of caulk.

Type Of Caulk

Polyurethane caulk will provide some adhesion to the polyethylene sheeting. However acoustical sealant, butyl rubber, or butyl acrlyic caulks form a more durable bond with the plastic. Field work suggests that other proprietary sealants are also effective, such as Proflex by GeoCel.

Sealing Seams

Seams between adjoining sheets of sheeting are usually sealed by applying a continuous bead of sealant between the sheets in the 12-inch strip where the sheets overlap. Firmly press the overlapping sheets together.



Radon Standards for Large Buildings

2018 ANSI/AARST RMS-LB (R2020) Radon Mitigation Standards for Schools and Large Buildings

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Categories

AARST Standards | Standards

154 RRNC Cities and Counties

	A	B	C	D	E
1		**List of 154 US Cities and Counties with RRNC - Radon Resistant New Construction ordinances as of 2017**			
2		**as of 10.3.2024**			***Source: This data was taken from the EPA "historic" web site as it existed on January 19, 2017***
3					https://19january2017snapshot.epa.gov/radon/building-codes-radon-resistant-new-construction-rrnc .html
4					
5		154 Cities and Counties	City		Twenty (20) States and three (3) Districts/Territories do not have statewide or local jurisdictions that have RRNC Codes.
6			County		Seven (7) states have statewide RRNC Codes that apply to certain designated jurisdictions.
7		30 States	State		Nineteen (19) states do not have statewide RRNC codes, but do have local jurisdictions that have RRNC codes
8					Four (4) states do have statewide RRNC Codes, but local jurisdictions must adopt them.
9					
10		**State of Alabama**	**State**	AL	**No Statewide code for RRNC**
11					
12	1	City of Decatur	City	AL	Adopted IRC Appendix F in 2002. All new single and two-family dwellings must include a passive system.
13	2	City of Falkville and	City	AL	Adopted IRC Appendix F in 2003. All new single and two-family dwellings must include a passive system.
14	3	City of Muscle Shoals and	City	AL	Adopted IRC Appendix F in 2005. All new single and two-family dwellings must include a passive system.
15					
16		**State of California**	**State**	CA	**Radon testing, mitigation plans for new construction. Building permits not issued until compliance met. California Health & Safety Code § 105430**
17		State Department of Health		CA	Development adopts standards, in which case only the latter standards may be adopted; California Health and Safety Code — Section 105430 (a)
18	3.1	East Palo Alto	City	CA	Adopted IRC Appendix AF in 2023. All new single and two-family dwellings must include an active system with testing prior to Final.
19					
20		**State of Colorado**	**State**	CO	**No Statewide code for RRNC**
21	4	City of Aspen	City	CO	Adopted Appendix F 2003 IRC for all new residential construction and additions.
22	5	City of Fort Collins	City	CO	Adopted IRC Appendix F with local amendment in 2005 and extended RRNC requirements to multi-family dwellings in 2008. All new single and multi-family dwellings must include a passive system. See Fort Collins Municipal Code section 5-30 (102) for single-family and section 5-27 (45) for multi-family requirements. Commercial dwellings comply with 2006 International Building Code radon standards.
23	6	Dillon,	City	CO	Require RRNC per Appendix F of the IRC
24	7	Frisco,	City	CO	Require RRNC per Appendix F of the IRC
25	8	Golden, Gunnison,	City	CO	Require RRNC per Appendix F of the IRC
26	9	Lakewood,	City	CO	Require RRNC per Appendix F of the IRC
27	10	La Veta,	City	CO	Require RRNC per Appendix F of the IRC
28	11	Longmont,	City	CO	Require RRNC per Appendix F of the IRC
29	12	Ridgway,	City	CO	Require RRNC per Appendix F of the IRC
30	13	Silverthorne,	City	CO	Require RRNC per Appendix F of the IRC
31	14	Sterling,	City	CO	Require RRNC per Appendix F of the IRC
32	15	Superior,	City	CO	Require RRNC per Appendix F of the IRC
33	16	Trinidad,	City	CO	Require RRNC per Appendix F of the IRC
34	17	Vail	City	CO	Require RRNC per Appendix F of the IRC
35	18	Walsenburg	City	CO	Require RRNC per Appendix F of the IRC

What does Appendix AF do?

- It requires RRNC - Radon Resistant New Construction on all new residential construction.
- It requires Radon Testing as part of final inspection.

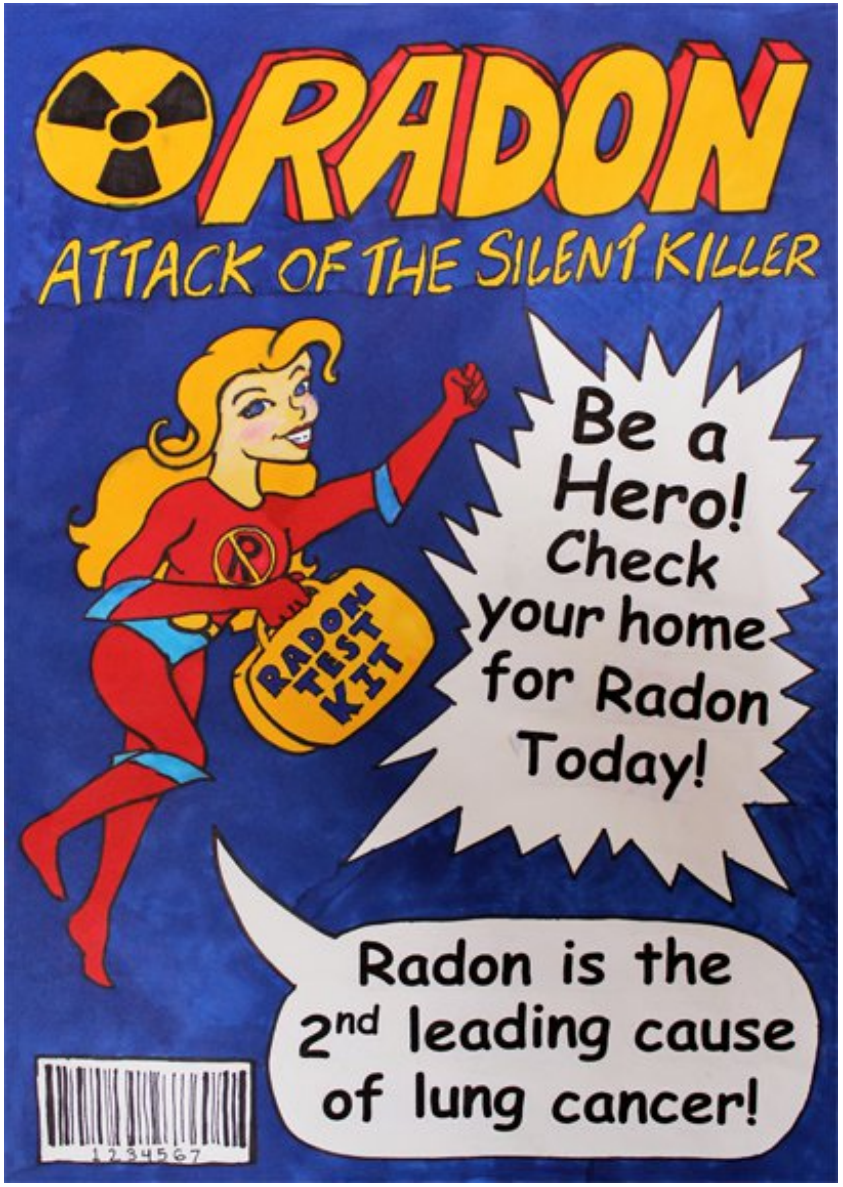
Why Adopt Appendix AF ?

- Radon is dangerous.
- We've got a lot of it here.
- We have a high population.
- It's simple to Build Radon Out.
- Testing insures it is working

Adopt Appendix AF!

Thank You!

Be a Hero!
Adapt Appendix AF!



City of South Lake Tahoe

Agenda Item Executive Summary

Joe Irvin, City Manager

Meeting Date: November 5, 2024

Agenda Item #:3

Agenda Item: Regular City Council Meeting Minutes

Executive Summary: The City Council are asked to formally approve the meeting minutes from October 22, 2024.

Requested Action / Suggested Motions: Pass a Motion approving the minutes for the October 22, 2024, Regular City Council meeting.

Responsible Staff Member: Susan Blankenship, City Clerk

Attachments:

10 22 2024 City Council Meeting Minutes.pdf

City of South Lake Tahoe
City Council
Meeting Minutes
Tuesday, October 22, 2024 at 5:30 p.m.
City Hall - Council Chambers – 1901 Lisa Maloff Way, South Lake Tahoe

NOTE: The Meeting Minutes represent actions taken during the meeting of the City Council. Complete Council member discussions on Regular Session meeting items can be viewed in archived video recordings on the City's website at http://www.cityofslt.us *Public submittals on items are retained in the administrative record and can be viewed in the City Clerk's repository at* http://www.cityofslt.us

Land Acknowledgement
Mayor Bass read the Washoe Tribe of Nevada and California Land Acknowledgement.

Call to Order/Pledge of Allegiance
Mayor Bass Called the meeting to order at 5:31 p.m., then led the pledge of allegiance.

Roll Call
Present were Mayor Bass, Mayor Pro Tem Wallace, and Councilmembers Creegan, Robbins, and Middlebrook.

Also present were City Manager Irvin, City Attorney Stroud, and City Clerk Blankenship.

Closed Session Report of October 22, 2024

1. **Public Employee Performance Evaluation – Government Code section 54957(b)(1)**
   Title: City Attorney
   Action: No reportable action.
   Written public Comment was received from the following people:
   1. Lionel Hutz

2. **Public Employee Performance Evaluation – Government Code section 54957(b)(1)**
   Title: City Manager
   Action: No reportable action.
   Written public Comment was received from the following people:
   1. Gustavus Myers
   2. Dorthy Parker
   3. George Marsh

3. **Conference with Legal Counsel – Existing Litigation – Government Code section 54956.9(d)(1) Steven Monday v. City of South Lake Tahoe, Workers' Compensation Appeals Board Case No. ADJ13885502**
   Action: No reportable action.

The City Attorney provided additional updates on the following:

August 13, 2024 Session: Conference with Legal Counsel – Anticipated Litigation, Initiation of Litigation under Gov. Code section 54956.9(d)(4) (one case).
Action: City Council voted 3-0 (Creegan and Friedrich absent) to file a petition for order to abate substandard conditions and appointment of a receiver for the Sunray Hotel property, which petition has now been filed.

September 24, 2024 Session: Conference with Legal Counsel – Existing Litigation – Government Code section 54956.9(d)(1)
Case: Administrative Appeal of Two Citations Issued to PAC 1 CA 2020 LLC and PAC 18 CA 2021 LLC ("Pacaso") Regarding 783 Michael Drive and 3737 Terrace Drive
Action: City Council voted 4-0 to authorize settlement of the 3737 Terrace Drive citation and 3-0-1 (Robbins recused because of real property interest) to authorize settlement of the 783 Michael Drive citation. The terms of the settlement agreements are that Pacaso may advertise and re-sell shares/fractional ownership interests in the three properties Pacaso acquired and began operating as fractional ownerships prior to the City's 2021 Cease and Desist letter (783 Michael Drive, 3737 Terrace Drive, and 3914 Saddle Road), and in exchange, Pacaso may not expand to any more properties within the City of South Lake Tahoe.

Proclamations

1. **Proclamation- Domestic Violence Awareness Month**
   Action: Issued a Proclamation to Chelcee Thomas of Live Violence Free recognizing October 2024 as "Domestic Violence Awareness Month."

Public Communications

Public Comment was heard from the following people:

1. Tom Millhan- Commander of American Legion Post 795- Upcoming American Legion Veteran's Day Ceremony
2. Dennis Cobb- Governement aid after natural disasters *written material distributed

Written Public Comment was received from the following people:

1. Harper Puck- Councilmember Middlebrook
2. Ralph Abernathy- Tahoe Heartbeat
3. Annie Alowa- Tahoe Prosperity Center
4. Ambrose Bierce- Cell towers
5. Rob Billot- Tahoe Prosperity Center
6. Nellie Bly- Cell towers
7. Edwin Bustillos- Councilmember Middlebrook
8. Robert Byren, Tahoe East Shore Alliance tech Team- Wildfire Evacuation
9. Oscar Cesare- Councilmember Creegan
10. Olivia Clemens- Councilmember Middlebrook
11. Saundra Edwards- Bijou Creek Park
12. Danny Elfman- Mayor Pro Tem Wallace
13. Peter Ellenshaw- Keep Community First
14. Stella Gibbons- City Council
15. Collin Glass- Cell towers
16. Sydney Griffin- Conserved land parcels
17. Warren Harding- Cell towers
18. Steven Hart- Former Mayor Collin

19. Mike Judge- Tahoe Prosperity Center
20. Thomas Lawrence- Tahoe Locals Rising
21. James Lowell- Tahoe Chamber
22. Emily Post-TRPA
23. Jacob Riis- Redactions
24. Jacob Riis- Tahoe Chamber
25. Jacques Rousseau- Chase Janvrin
26. Charles Russell- Former Mayor Collin
27. George Shaw- Lew Feldman
28. Phucket Sherpa II- Cory Rich
29. Vasily Sleptsov- Ski Run parcel
30. Richard Smothers- Assistant City Manager Roverud
31. Lincoln Steffens- Measure P Oversight Committee
32. Joseph Story- Cell towers
33. Mark Sullivan- Mayor Pro Tem Wallace
34. Jonathan Swift- Councilmember Creegan
35. John Turner- Councilmember Creegan
36. John Powell- Bijou Creek restoration
37. Rachel Carson- State scenic corridor
38. Dennis Weaver- Mayor Pro Tem Wallace
39. Walter Pinniped- Mayor Pro Tem Wallace
40. Paul Weitz- Jamie Orr
41. Saundra Edwards- Mayor Pro Tem Wallace
42. Paul Geske- City Clerk Blankenship
43. James Bramston- City Clerk Blankenship
44. Evan Bevan- City Clerk Blankenship
45. Shirley Briggs- Cell towers
46. Asa Briggs- Cell towers
47. Ernest Coe- Cell towers
48. Edith Chase- Cell towers
49. Margaret Byers- Fixed broadband access
50. David Chain- Cell towers
51. Brent Wisner- Cell towers
52. Steven Hart- Cell towers
53. Granville Fortescue- Cell towers
54. Theo Colborn- Cell towers
55. Mabel Bell- Cell towers
56. Renuka Ray- Cell towers
57. Patrick Hentry- Cell towers
58. Jim Bohlen- Diana Madson
59. Polly Higgins- Cell towers
60. Phillip McGraw- Cell towers
61. Davis Sive- Cell towers
62. Granville Fortescue- Scenic corridors
63. Ralph Digia- Verizon Wireless
64. Edgar Wayburn- Danielle Hughes
65. Peter Lesgaft- Bioinitiative
66. Udo Keppler- City Council
67. Peter Norman- Overtourism
68. Paul Weitz- Mayor Pro Tem Wallace
69. Edgar Wayburn- City Council

70. Susan Griffin- Planning Department
71. Will Irwin- Public Utility Easement
72. Will Irwin- Recreation Center
73. Val Plumwood- 56 acre facility
74. Grace Thorpe- El Dorado Campground restrooms
75. Saundra Edwards- 56 acres plan
76. Edwin Bustillos- 56 acres plan
77. Julius Chambers- Cell towers
78. Susan Griffin- Councilmember Creegan
79. Paul Thorpe- Bijou/Al Tahoe Community Plan Amendment
80. Lewis Powell- Mayor Pro Tem Wallace and Councilmember Middlebrook
81. Sarah Shelton- Mayor Pro Tem Wallace and Councilmember Middlebrook
82. Carol & Jerry Barney- Councilmember Middlebrook
83. A.E. Neuman- City Attorney Stroud
84. Chris Zing- Paula Peterson
85. James Gruss- Cell towers
86. Robert La Follette- City election influences

City Commission Reports

1. David Hamilton, Arts, Culture, and Tourism Commission Chair- provided verbal report.

Consent Agenda

Action: Moved/Seconded: Wallace/Creegan
Yes: Bass, Wallace, Creegan, Robbins, Middlebrook
Action: Passed the consent agenda.

2. **Regular City Council and South Tahoe Joint Powers Parking Financing Authority and Special Joint City Council and El Dorado County Board of Supervisors Meeting Minutes**
   Action: Passed **Motion 2024-105** approving the minutes for theSeptember 24, 2024, Regular City Council and South Tahoe Joint Powers Parking Financing Meeting and the October 15, 2024, Special Joint City Council and El Dorado County Board of Supervisors Meeting.

3. **Agreement with CDM Smith for Planning and Design Feasibility Services for the Dennis T. Machida Memorial Trail Phase 1C**
   Action: Passed **Motion 2024-106** authorizing and directing the Mayor to execute the Professional Services Agreement with CDM Smith (**C-267-2024)** for Planning and Design Feasibility Services for the Dennis T. Machida Memorial Trail Phase 1c for the amount of $381,620.

4. **Fiscal Year 2024-2025 Appropriation Limit**
   Action: Passed **Resolution 2024-111** establishing the Appropriation Limit for Fiscal Year 2024-2025 in compliance with Proposition 111 in the amount of $102,835,601.

5. **Agreement for Pavement Design Services with Eastern Sierra Engineering**
   Action: Passed **Motion 2024-107** to authorize and direct the Mayor to execute the Professional Services Agreement with Eastern Sierra Engineering **(C-268-2024)** for Pavement Design Services for 2025/2026 Paving Projects in an amount not to exceed $99,991.

6. **Revision to City Salary Table**
   Action: Passed **Resolution 2024-112** approving the revised City Salary Table in compliance with the California Code of Regulations and CalPERS requirements

7. **Ratification of Donation of Four California Climate Action Corps Fellows from Bay Area Community Resources, Inc.**
   Action: Passed **Motion 2024-108** to ratify the donation of four fully funded fellowships in the City Manager and Fire Rescue departments from the Bay Area Community Resources, Inc. for a total amount of $224,000.

8. **Temporary Modification to Fire Department Allocated Permanent Positions**
   Action: Passed **Resolution 2024-113** approving changes to the Fire Department Allocated Permanent positions amending allocation from 9 Captains, 9 Engineers and 16 Firefighter/Paramedics to 9 Captains, 10 Engineers and 15 Firefighter/Paramedics.
9. **Application to California Division of Boating and Waterways for Financial Aid for 2025/26 Police Boat Operations**
   Action: Passed **Resolution 2024-114** authorizing the Chief of Police to apply for financial aid in an amount up to $56,464 from the California Division of Boating and Waterways for 2025/2026 Police Boat Operations.

10. **Amendment to Airport Food and Beverage Lease and Concession Agreement with Flight Deck Grill & Golf Club, LLC**
    Action: Passed **Motion 2024-109** authorizing and directing the Mayor to execute the Amendment to the Airport Food & Beverage Lease & Concession Agreement Amendment with Flight Deck Grill & Golf Club, LLC, **(C-269-2024)** to extend the time to complete tenant improvements and open to the public.

11. **Fiscal Year 2023-2024 Budgeted Funds Re-Appropriation**
    Action: Passed **Motion 2024-110** to approve re-appropriation of Fiscal Year 2023-2024 budget for purchases and services with unfinished scope of work to Fiscal Year 2024-2025.

12. **Amendment No. 1 to Professional Services Agreement for BPR Consulting Group** R
    Action: Passed **Motion 2024-111** authorizing and directing the Mayor to execute Amendment No. 1 to the Professional Services Agreement with BPR Group **(C-270-2024)** to increase the not-to-exceed amount from $230,000 to $700,000 with a total program budget to be allocated accordingly and proportionally in each of the three annual adopted budgets for the term of the contract.

13. **Ordinance Increasing City Council Compensation (Second Reading)**
    Action: Passed **Ordinance 2024-1189** increasing the City Council Compensation to $1,394.49 per month, effective January 23, 2025.
    Public Comment was heard from the following person:
    1. Ed Mosur

<u>Public Hearing</u>

14. **Sugar Pine Village Affordable Housing Project Phase 1B - Tax Equity and Fiscal Responsibility Act (TEFRA) Hearing**
    Action: Moved/Seconded: Robbins/Creegan
    Yes: Bass, Wallace, Creegan, Robbins, Middlebrook
    Action: Passed **Resolution 2024-115** authorizing the issuance of revenue bonds in an amount not to exceed $35,000,000 by the California Municipal Finance Authority for the purpose of providing financing for a residential housing facility known as Sugar Pine Village Phase 1B.
    Public Comment was heard from the following person:
    2. Steve Teshara, Tahoe Chamber

15. Sugar Pine Village Affordable Housing Project Phase 1A - Tax Equity and Fiscal Responsibility Act (TEFRA) Hearing for Supplemental Bonds
Action: Moved/Seconded: Robbins/Creegan
Yes: Bass, Wallace, Creegan, Robbins, Middlebrook
Action: Passed **Resolution 2024-116** authorizing the issuance of supplemental revenue bonds in an amount up to $35,000,000 by the California Municipal Finance Authority for the purpose of providing financing for a residential housing facility known as Sugar Pine Village Phase 1A.
Public Comment was heard from the following people:
1. Steve Teshara, Tahoe Chamber
2. Lin Barnett, President of St. Joseph Community Land Trust

Regular-New Business

16. Design Build Contract with Willdan Energy Solutions for Energy Upgrades at City Facilities
Action: Moved/Seconded: Robbins/Creegan
Yes: Bass, Wallace, Creegan, Robbins, Middlebrook
Action: Passed **Resolution 2024-117** authorizing and directing the Mayor to execute the Energy Savings Contract with WES in the not to exceed amount of $11,414,389 with City-held 5% contingency in the amount of $570,719, with edits to Exhibit 5 and 6 to include the financing lessor as a dual obligee on the payment and performance bonds, upon obtaining of financing for the project, and approving related documents.
The following person addressed the Council:
1. David Daniel, Willdan Energy Solutions
Public Comment was heard from the following people:
1. Patricia Sussman
2. Ed Mosur
3. Nick Exline
4. Luke Shudler
5. John Friedrich

17. Tourist Accommodation Unit (TAU) Discussion
Action: Moved/Seconded: Wallace/Creegan
Yes: Bass, Wallace, Creegan, Middlebrook
No: Robbins
Action: Council moved to receive and file this item.
Public Comment was heard from the following people:
1. Steve Teshara, Tahoe Chamber
2. Duane Wallace, South Tahoe Chamber of Commerce
3. Ed Mosur
4. John Messina
5. Shannon Witt

Agenda Planning Calendar

18. Agenda Planning Calendar
Action: Received and filed.

Updates and Announcements (City Attorney, City Clerk, City Manager)

City Attorney Stroud
1. Attended League of California Cities Conference
2. October 8 summary judgements for Measure T awaiting ruling

City Clerk Blankenship
1. Proclamation request form Carrie Chapman of TahoeYouth.org for November as “Youth Homelessness, Outreach, Prevention, and Education Month”
2. Solicitations for City Council Representatives will be brought back in December

City Manager Irvin
1. Ucoming meeting with Caltrans
2. Upcoming City Manager Awards

Councilmember Reports and Comments
Councilmember Creegan
1. Attended Cal OES Ambulence JPA meeting

Councilmember Robbins
1. Attended League of California Cities Conference
2. Request for future agenda item on 6 month lease terms for the Lease to Locals Program (Bass seconded)

Ajourment
Mayor Bass ajourned the Meeting at 7:30 p.m.

Date:_____

_____
Cody Bass, Mayor

Attest:_____
Susan Blankenship, City Clerk

The presence of electronic signature certifies that the foregoing is a true and correct copy as approved by the South Lake Tahoe City Council.

City of South Lake Tahoe

Agenda Item Executive Summary

Joe Irvin, City Manager

Meeting Date: November 5, 2024

Agenda Item #:4

Agenda Item: 2025 City Council Meeting Schedule

Executive Summary: City Council will consider the adoption of the 2025 regular meeting schedule. In drafting the 2025 calendar, consideration was given to school holidays and providing a life-work balance for staff. The proposed 2025 meeting schedule includes a total of twenty meetings, including an Ethics Training, Budget Workshop, and Strategic Planning session. Of these twenty meetings, ten will be held at 9 a.m. and ten will be held at 5:30 p.m.

Requested Action / Suggested Motions: Pass a Resolution adopting the 2025 City Council regular meeting schedule.

Responsible Staff Member: Susan Blankenship, City Clerk, and Joseph Irvin, City Manager

Reviewed and Approved By: Heather Stroud, City Attorney

Attachments:

01-Staff Report - 2025 City Council Meeting Schedule.docx
02-Resolution - 2025 City Council Meeting Schedule
03- Exhibit A 2025 City Council Meeting Schedule.pdf

City of South Lake Tahoe
Report to **City Council**

Meeting Date: November 5, 2024

Title: 2025 City Council Regular Meeting Schedule

Location: Citywide

Responsible Staff Member: Susan Blankenship, City Clerk and Joseph Irvin, City Manager

Background: In 2024, City Council scheduled nineteen regular meetings. Of these nineteen meetings, nine were held at 9 a.m. and ten were held at 5:30 p.m.

In drafting the 2025 calendar, consideration was given to school holidays and providing a life-work balance for staff.

The El Dorado County Board of Supervisors has requested the use of the City Council Chambers to hold meetings on May 13 and September 30.

Issue and Discussion: City Council will consider the adoption of the 2025 regular meeting schedule. The proposed 2025 meeting schedule includes a total of twenty meetings, including a Budget Workshop, Ethics Training, and Strategic Planning Session. Of these twenty meetings, ten will be held at 9 a.m. and ten will be held at 5:30 p.m.

Meetings will be held the second and fourth Tuesday in January, February, March, August, and September; the first and third Tuesday in May, June, and November; the fourth Tuesday in April, the third Tuesday in October; and the second Tuesday in December.

The first meeting of every month will begin at 9 a.m. The second meeting will begin at 5:30 p.m. If there is only one meeting in a month, it will begin at 5:30 p.m.

The Strategic Planning Session will be held on the third Tuesday of the month and will begin at 9 a.m. The Budget Workshop will begin at 9 a.m. The Joint City Council/Planning Commission Ethics Training will begin at 3 p.m.

No meetings have been scheduled for the month of July.

Special City Council meetings may also be scheduled on an as needed basis during the year.

Environmental Considerations: Adopting the meeting calendar is not a project subject to review under the California Environmental Quality Act (CEQA) under CEQA Guidelines section 15378(5) (organizational or administrative activities that will not result in direct or indirect physical changes to the environment).

Policy Implications: Government Code section 54954(a) requires that the legislative body of a local agency provide the time and place for holding regular meetings. As such, the City Council adopts a resolution identifying the City Council meeting schedule for the following year.

If adopted, City Council Protocols will be amended.

Resolution 2024-XXX

Adopted by the City of South Lake Tahoe
City Council

November 5, 2024

2025 City Council Meeting Schedule

BACKGROUND

A. In accordance with Government Code Section 54954 (a), the City Council sets the regular meeting schedule on the second and fourth Tuesday in January, February, March, August, and September; the first and third Tuesday in May, June, and November; the fourth Tuesday in April, the third Tuesday in October; and the second Tuesday in December.
B. City Council meetings are held at City Hall, City Council Chambers, 1901 Lisa Maloff Way, South Lake Tahoe.
C. The first meeting of every month will begin at 9 a.m. The second meeting of the month will begin at 5:30 p.m. If there is only one meeting in a month, it will begin at 5:30 p.m.

   The Strategic Planning Session will be held on the third Tuesday of the month and will begin at 9 a.m. The Budget Workshop will begin at 9 a.m. The Joint City Council/Planning Commission Ethics Training will begin at 3 p.m.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, BE IT RESOLVED, that the City Council of the City of South Lake Tahoe:

1. Does hereby adopt the 2025 Regular Meeting Schedule (Exhibit A).

Adopted by the City of South Lake Tahoe City Council on November 05, 2024, by the following vote:

Yes:
No:
Abstain:
Absent:

_____ Date:_____
Cody Bass, Mayor

Attest:

_____
Susan Blankenship, City Clerk

The presence of electronic signature certifies that the foregoing is a true and correct copy as approved by the South Lake Tahoe City Council.

City Council 2025 Regular Meeting Schedule
City Hall – City Council Chamber
1901 Lisa Maloff Way, South Lake Tahoe

The first meeting of every month begins at 9 a.m., the second meeting begins at 5:30 p.m., except as *noted below. If there is only one meeting in a month, it will begin at 5:30 p.m. **Day/Night**

January 2025

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

February 2025

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	

March 2025

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	*18	19	20	21	22
23	24	*25	26	27	28	29
30	31					

*City Council Strategic Plan Meeting
*City Council/Planning Commission Ethics Training @3pm.

April 2025

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

May 2025

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	*13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

*Board of Supervisors Meeting

June 2025

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

July 2025

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

August 2025

S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	*26	27	28	29	30
31						

*City Council Budget Workshop

September 2025

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

October 2025

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	*14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

*Board of Supervisors Meeting

November 2025

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

December 2025

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

City of South Lake Tahoe

Agenda Item Executive Summary

Joe Irvin, City Manager

Meeting Date: November 5, 2024

Agenda Item #:5

Agenda Item: Annual Arts, Culture, and Tourism Commission, and Parks & Recreation Commission Reports to City Council

Executive Summary: Staff is providing annual reports for the Arts Culture, and Tourism Commission and Parks & Recreation Commission Annual Reports.

Requested Action / Suggested Motions: Receive & File.

Responsible Staff Member: John Stark, Director of Parks & Recreation

Reviewed and Approved By: Susan Blankenship, City Clerk Olga Tikhomirova, Director of Finance Heather Stroud, City Attorney

Attachments:

01-Staff Report Arts, Culture & Tourism Annual Report.docx
02-Staff Report Parks & Recreation Commission Annual Report.docx

City of South Lake Tahoe
Report to **City Council**

Meeting Date: November 5, 2024

Title: Arts, Culture & Tourism Commission Annual Report

Location: Citywide

Responsible Staff Member: John Stark, Director of Parks and Recreation (530) 307-9145

Background: City Council Resolution No. 2019-088 requires the Parks & Recreation Commission to report their activities to the City Council annually.

Issue and Discussion: The Arts, Culture & Tourism Commission (ACT) Annual Report provides a summary of the items considered by the commission during this reporting period and is submitted to the City Council for acceptance. Members of the commission include David Hamilton, Aimi Xistra-Rich, Stacey Ballard, Rachel Carlson and Ryn Muat.

- Completion of ACT Work Plan. Work Plan outlines goals for the ACT Commission for the next three years. Substantial commission involvement in creating a Work Plan with tangible goals.
- Lakeview Commons Public Art Installation RFP. Commissioners evaluated ten proposals for a public art installation at Lakeview Commons and have made a recommendation to Council to award the contract to Terrie Bennett.
- Second year of micro-grants with $20,000 of General Funds allocated towards supporting funding proposals.
- Commissioners drafting a racial equity statement for ACT Commission.
- Review and approval of 10 public art murals.

Financial Implications: There are no financial implications.

Environmental Considerations: The submittal of the annual report to the City Council is exempt from environmental review pursuant to CEQA Guidelines Section 15061 (b) (3). The activity is covered by the common-sense exemption that CEQA only applies to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

Policy Implications: There are no policy implications associated with the City Council accepting and filing the Parks & Recreation Commission Annual Report.

City of South Lake Tahoe
Report to **City Council**

Meeting Date: November 5, 2024

Title: Annual Parks & Recreation Commission Report

Location: Citywide

Responsible Staff Member: John Stark, Director of Parks and Recreation (530) 307-9145

Background: City Council Resolution No. 2019-088 requires the Parks & Recreation Commission to report their activities to the City Council annually.

Issue and Discussion: The Parks & Recreation Commission Annual Report provides a summary of the items considered by the commission during the reporting period and is submitted to the City Council for acceptance. This report details the activities for 2024. Members of the commission are Jerry Bindel, David Gregorich, Amelia Richmond, Margie Kovarik-Maxhimer, Kira Smith, Peter Fink and Nicole Ramirez Thomas.

- Recreation & Aquatics Center is on track to open in early 2026. Progress to date was celebrated at a topping off ceremony September 25, 2024.
- Ski Run Park opened on September 6, 2024, with many families enjoying this new space.
- The Aquatics Program was rebuilt and included recruitment & certification of new lifeguards which resulted in filling the ranks with 12 lifeguards currently on board and 7 in the recruitment/onboarding process.
- Swim lessons are now offered year-round.
- The Department released a survey to see what programs the community would like to see for the new Recreations and Aquatic Center and received over 800 responses. Staff are using this information to build out new programs and to inform a business plan that will focus on operations of the new center.
- The Recreation Division is offering new programs: Mini Mountain Movers, Storytime with a Mermaid, Accessible Yoga, Every Body Yoga, Kiddo Yoga, Baby & Me Yoga, Line Dancing, Silver Striders Walking Club, Improv Classes, Singing Lessons, Youth Basketball League, NFL Flag Football, Sierra Spirit, & First Tee Golf Lessons.
- Published SLT At Play, the Department's first program guide since 2014 to increase the marketing of programs, events and services offered.
- Special events: the 4th of July Parade with static airshow and rescue fly over demonstration, Parks Make Life Better Month, Live at Lakeview, Multicultural Festival, Pumpkin Patch Splash, Boo Bash, Turkey Trot & Festival of Winter Lights.
- Skatepark renovations approved by City Council for California Skateparks to begin construction in May 2025 with a new state-of-the-art street style skate park at Bijou Park.
- Maintained 180 acres of parkland & 14 miles of trail.
- Maintained and operated Bijou Golf Course and El Dorado Boat Ramp during the 2024 summer season.
- Replaced toilets and fixtures in parks restroom using the STPUD rebate program.

- Replaced Ski Run Boulevard banners.
- Refreshed dog park by removing mulch and growing turf.
- The Parks Division took on the responsibility of maintaining the City's trees.
- A beach wheelchair is now offered free of charge at El Dorado Beach.
- Kylee Finnegan hired full-time as Recreation Program Coordinator.
- Jonathan Howells hired full-time as Maintenance Manager – Aquatics & Facilities.

Financial Implications: There are no financial implications.

Environmental Considerations: The submittal of the annual report to the City Council is exempt from environmental review pursuant to CEQA Guidelines Section 15061 (b) (3). The activity is covered by the common-sense exemption that CEQA only applies to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

Policy Implications: There are no policy implications associated with the City Council accepting and filing the Parks & Recreation Commission Annual Report.

City of South Lake Tahoe

Agenda Item Executive Summary

Joe Irvin, City Manager

Meeting Date: November 5, 2024

Agenda Item #:6

Agenda Item: Annual Planning Commission and Airport Land Use Commission Report to City Council

Executive Summary: The Planning Commission is appointed by the City Council to review growth and development in South Lake Tahoe. Projects are brought before the Commission and are evaluated for consistency with the City's General Plan, applicable area plans and development standards. The Planning Commission reports its activities to City Council annually. This report is a compilation of all the items brought before and acted upon by the Planning Commission from October 26, 2023 to September 19, 2024. This report also describes the actions of the Airport Land Use Commission during the same time period.

Requested Action / Suggested Motions: Receive and File

Responsible Staff Member: Gretchen Schooleman, Assistant Planner

Reviewed and Approved By: Zachary Thomas, Director of Development Services Susan Blankenship, City Clerk Olga Tikhomirova, Director of Finance Heather Stroud, City Attorney

Attachments:

01-2023-2024_AnnualPCReport_Staff_Report .docx

City of South Lake Tahoe
Report to City Council

Meeting Date: November 5, 2024

Title: Annual Planning Commission and Airport Land Use Commission Report to City Council

Location: Citywide

Responsible Staff Member: Gretchen Schooleman, Assistant Planner (530-542-6022)

Background:

The City of South Lake Tahoe Planning Commission is composed of five (5) citizen positions appointed by the City Council. On January 23, 2024, City Council appointed Jackson Realo to a one-year term and Julie Lucksinger and Gavin Feiger (reappointed) to two-year terms on the Planning Commission. The terms of returning commissioners Seth Howard and Natalia Wieczorek shall expire in February 2025.

The Planning Commission is the official planning body for the review of future growth and development of the City of South Lake Tahoe pursuant to the roles and responsibilities identified in Resolution No. 2017-28. Upon making any decision or recommendation, the Commission must find project proposals to be consistent with the policies and standards adopted in the City's General Plan, applicable Area or Community Plan, and City Code.

Members of the Planning Commission, plus two appointed members with aviation experience, make up the Lake Tahoe Airport Land Use Commission (ALUC). The ALUC is responsible for adopting the Airport Land Use Compatibility Plan and reviewing projects in the vicinity of the Lake Tahoe Airport for land use compatibility. The terms of Fernando Manfredi and Joshua Cleaver shall expire February of 2025.

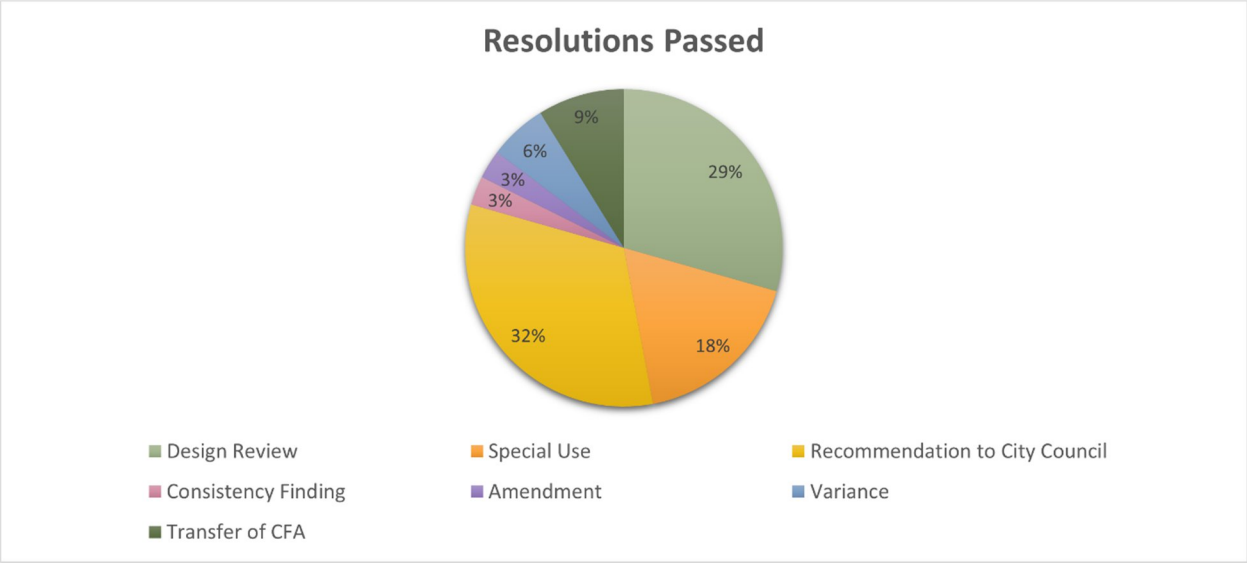
City Council Resolution No. 2019-088 requires the Planning Commission and Airport Land Use Commission to report their activities to the City Council on an annual basis. The previous report covered the period of October 13, 2022, to September 21, 2023. It was submitted to the Planning Commission on October 26, 2023, and to the City Council on November 21, 2023.

This report covers the period of October 26, 2023, to September 19, 2024.

Issue and Discussion:

Since the last report, the Planning Commission has held ten (10) regularly scheduled meeting. The meetings scheduled for January 18, 2024 was cancelled as there were no items to be heard. No meeting was scheduled for July 2024. There were no meetings of the ALUC as none of the projects brought forth required their review.

The Commission passed resolutions for 27 items and held discussions on and provided feedback on 2 items. The breakdown of the resolutions passed by Planning Commission is as follows.



The following is a list of items heard and acted upon by the Commission at each meeting:

<u>October 26, 2023</u>

Present were Vice Chair Fieger, Commissioners Roberts, and Howard. Chair Wieczorek were absent.

- Passed Resolution 2023-013 finding the F Street Multi-Family and Accessory Dwelling Units Residential Project 1) exempt from CEQA pursuant to Section 15332, Class 32, 2) consistent with the Airport Land Use Compatibility Plan, the City of South Lake Tahoe General Plan, the Multi-Family Residential Design Standards, and PAS 114 Special Area #1 Bonanza, and 3) approve the City Design Review.
- Passed Resolution 2023-014 accepting the 2022-2023 Annual Planning Commission and Airport Land Use Commission Report, forwarding the report to City Council, and recommending City Council accept and file the report.
- No action taken on Major Variance for an Interior Side Yard Encroachment at 3708 Lake Tahoe Boulevard and 3709 Osgood Avenue, File # 23-116. The applicant requested the variance application be withdrawn.
- Passed Resolution 2023-015 recommending that City Council adopt an Ordinance amending Article X of Chapter 6.55 (Cannabis Regulations) of the South Lake

Tahoe City Code regarding medicinal delivery and to remove outdated provisions regarding development agreements and medical marijuana dispensaries, and allowing on-site consumption at permitted cannabis retailers.
- Received presentation on the Tourist Core Area Plan: 2023 Draft Amendments.

November 16, 2023

Present were Chair Wieczorek, Commissioners Feiger, Roberts, and Howard.

- Passed Resolution 2023-016 recommending the City Council adopt a Resolution amending General Plan LU-1, Land Use Diagram, City Code, Title 6, Chapter 6.55, Article II, Section 6.55.120, pre-zoning 90 parcels for subsequent annexation of such properties, finding the pre-zoning of the properties and the General Plan Amendment is consistent with the General Plan, and finding the proposed action is exempt from CEQA pursuant to Section 15061(b)(3). **Commissioner Feiger recused himself from this item due to property interest in the area.*
- Passed Resolution 2023-017 adopting the South Tahoe Public Utility District Solar Project, Mitigated Negative Declaration, finding the Project, as conditioned, is consistent with the Airport Land Use Compatibility Plan, the City of South Lake Tahoe General Plan, City-Wide Design Standards, and PAS 101 Bijou Meadows, and approving the Major Design Review Permit and Special Use Permit.

December 7, 2023

Present were Vice Chair Feiger, Commissioners Roberts and Howard. Chair Wieczorek was absent.

- Passed Resolution 2023-018 to adopt the Planning Commission Regular Meeting Schedule.
- Passed Resolution 2023-019 recommending the City Council adopt a resolution granting a 24-month extension for the 3708 Highway 50 Town Homes Tentative Map pursuant to California Government Code Section § 66452.6(e), and making all other findings listed in the resolution.

January 18, 2024

- The meeting was cancelled due to no items to be heard.

February 24, 2024

Present were Chair Wieczorek, Commissioners Feiger, Howard, Lucksinger, and Realo.

- City Clerk Blankenship administered the Oath of Office to new Commissioners, Lucksinger and Realo.
- Received a presentation and held a public workshop on the Tourist Core Area Plan/Specific Plan Amendments Initial Study/Mitigated Negative Declaration

**Commissioners Feiger and Realo recused themselves from this item due to employment conflicts.*

- Passed Resolution 2024-001 recommending City Council adopt an ordinance amending the South Lake Tahoe City Code by adding Title 6, Chapter 28 (Rental Registry).
  ** Commissioner Lucksinger recused herself from this item due to employment conflict and left the meeting.*
- Passed Resolution 2024-002 recommending City Council receive and file the 2023 General Plan Annual Report, including the Housing Element Implementation Update
- Passed Resolution 2024-003 recommending City Council acceptance of the Surplus Land Inventory.
- Passed Resolution 2024-004 recommending City Council adopt an ordinance to amend City Code Chapter 6.85, Section 050, Accessory Dwelling Units, with amendment rejecting all proposed height changes except the portion of G.3.(a) that states "except when the ADU is located on a lot with an existing or proposed multistory, multifamily, dwelling, a height of 18 feet shall be allowed."

<u>March 21, 2024</u>

Present were Chair Wieczorek, Commissioners Feiger, Howard, Lucksinger, and Realo.

- Passed Resolution 2024-005 adopting the Tourist Core Area Plan/Specific Plan Initial Study/Mitigated Negative Declaration **Commissioners Feiger and Realo recused themselves from this item due to employment conflicts.*
- Passed Resolution 2024-006 recommending the City Council adopt the proposed Tourist Core Area Plan/Specific Plan Amendments. **Commissioners Feiger and Realo recused themselves from this item due to employment conflicts.*
- Passed Resolution 2024-007 approving the final design plans for Phase 2 of the Tahoe Valley Stormwater and Greenbelt Improvement Project to fulfill the Design Review/Special Use Permit.
- Passed Resolution 2024-008 approving a special use permit for Golf 247 LLC, finding 1) the proposed project is categorically exempt from CEQA pursuant to Section 15303, Class 3 and Section 15332, Class 32, 2) finding the proposed project would not have an effect on the environment and approve a TRPA Finding of No Significant Effect (FONSE), and 3) approving the City and TRPA Special Use Permit #24-019.
- Passed Resolution 2024-009 approving the Plan Revision, Special Use Permit, and Variance for The Landing at Tahoe Resort, finding the proposed project is 1) exempt from CEQA pursuant to Section 15303, Class 3 and Section 15332, Class 32; 2) grant a use permit to reduce the parking space requirement to 94 onsite parking spaces; 3) grant a variance to allow encroachment into the side yard, rear yard, front yard, and Azure Avenue side street setbacks, 4) approving City Permit #23-174 and adding the condition to require the permittee to relocate the proposed trash enclosure outside of the rear yard setback; and 5) make all other findings set forth in the Resolution.

April 18, 2024

Present were Chair Wieczorek, Commissioners Feiger, Howard, and Lucksinger. Commissioner Realo was absent.

- Passed Resolution 2024-010 (1) approving the transfer of 1,331 Square Feet of Commercial Floor Area (CFA) to Basecamp Pizza Company for the construction of an outdoor dining patio, and (2) making all findings set forth in the Resolution.
- Passed Resolution 2024-011 approving the Bijou Park Connector Multi-Use Trail Project at Bijou Community Park, finding (1) the proposed project is categorically exempt from CEQA pursuant to Section 15301, Class 1 and Section 15304, Class 4, and (2) approve Design Review Permit #24-032.
- Passed Resolution 2024-012 for the proposed Charter Communications Hub finding (1) the proposed project to be categorically exempt from CEQA under Section 15269 and Section 15301, Class 1, (2) making all additional findings listed in the Resolution, and (3) approving Special Use Permit #22-067 to legalize all existing transmission and receiving facilities in the public right of way owned and operated by Charter Communications.

May 16, 2024

Present were Chair Wieczorek, Commissioners Feiger, Howard, Lucksinger, and Realo.

- Passed Resolution 2024-013 (1) Recommending the City Council adopt the Tourist Core Area Plan/Specific Plan Amendments and the Initial Study/Negative Declaration including the errata sheet provided by staff and with the following changes: modify the outdoor seating standard, modify the ADU language in the Density Table, modify the Bicycle and Storage policy, add the option for applicants to provide a parking analysis so that a reduction in parking requirements may be considered, reduce the residential open space requirement for high-density projects, expand policy language to amplify efforts around fixed route transportation and other transit alternatives, modify the build-to line standards so that a modification may be waived when a single finding is made, and (2) make all additional findings set forth in the resolution.
- Passed Resolution 2024-014 (1) Recommending that City Council adopt the Initial Study/Mitigated Negative Declaration and the Tahoe Valley Area Plan/Specific Plan Amendments including the errata sheet provided by staff and with the following changes: remove Policy H-1.2 and Policy LU-5.9, add the option for applicants to provide a parking analysis so that a reduction in parking requirements may be considered, reduce the residential open space requirement for high density projects, expand policy language to amplify efforts around fixed route transportation and other transit alternatives, modify the build-to line standards so that a modification may be waived when a single finding is made, and 2) make all additional findings set forth in the resolution.
- Passed Resolution 2024-015 to (1) find the proposed project, as conditioned, is

consistent with the Airport Land Use Compatibility Plan, the General Plan, the City-Wide Design Standards, the TRPA Regional Plan, and the Tourist Core Area Plan, (2) make all additional findings set forth in the resolution, with the addition of a snow removal plan as a condition of approval, and (3) approve the Major Design Review, Special Use Permit, TRPA Permit, and Major Variance for the construction of the new Charter Communications Head-End Communications Hub.

- Passed Resolution 2024-016 recommending City Council confirm the Final Delinquent Fees Report as updated and distributed by staff and direct the Finance Department to send a certified copy of the Report to the El Dorado County Auditor-Controller to add the delinquent amounts to the county property tax rolls for collection.
- Passed Resolution 2024-017 adopting the CEQA addendum and approving Design Review Permit # 24-047 subject to the conditions of approval outlined in the Permit for the Upper Bijou Park Creek Restoration Project. * *Chair Wieczorek recused herself from this item due to property interest in the area.*

<u>June 13, 2024</u>

Present were Chair Wieczorek, Commissioners Feiger, Howard, Lucksinger, and Realo.

- Passed Resolution 2024-018 approving South Side Automotive Major Design Review (1) finding the project is categorically exempt from CEQA pursuant to Section 15332, Class 32, Infill Developments; 2) approving the Major Design Review Permit #24-055 and the TRPA Permit; 3) granting the transfer of 2,800 Square Feet of Commercial Floor Area (CFA) to Ryan Feliciano for the construction of a new light industrial building; and 4) making all other findings set forth in the Resolution.

<u>July 2023</u>

- No meeting scheduled.

<u>August 22, 2024</u>

- Passed Resolution 2024-019 approving an Eight-Unit Residential Project Major Design Review and Special Use Permit, 1) Finding the project is categorically exempt from CEQA pursuant to Section 15332, Class 32, Infill Developments; 2) Granting a Special Use Permit pursuant to City Code Section 6.55.620; 3) Approving the Major Design Review #23-014; and 4) Making all other findings set forth in the Resolution.
- Passed Resolution 2024-020 approving the Aster Station Major Design Review Permit and Request for Allocation and Transfer of 592 Square Feet of Commercial Floor Area finding 1) the project is categorically exempt from CEQA pursuant to Section 15302, Class 2, which consists of the replacement and construction of existing structures and facilities, and Section 15332, Class 32, Infill Developments;

2) approving the Major Design Review Permit #23-090 and the TRPA Permit; 3) granting the transfer of 592 Square Feet of Commercial Floor Area (CFA), and 4) making all other findings set forth in the Resolution. **Commissioners Realo recused himself from this item due to employment conflicts.*

<u>September 19, 2024</u>

- Passed Resolution 2024-021 approving the HVR Acquisitions LLC Phase 2 Multi-Family Residential Project, finding the proposed project 1) would not, with applicable mitigation measures, have an impact on the environment pursuant to City Council Resolution 2024-048 adopting the Final Mitigated Negative Declaration, 2) make the TRPA Findings set forth in Exhibit 1 to the Resolution, 3) make all other findings set forth in the Resolution, and 4) approve the Major Design Review Permit and the TRPA Multi-Family Residential Permit. **Commissioners Feiger and Realo recused themselves from this item due to employment conflicts.*

Financial Implications:

There are no financial implications associated with this City Council accepting and filing the Annual Planning Commission Report.

Environmental Considerations:

The action to accept and file the Annual Planning Commission Report is exempt from environmental review pursuant to CEQA Guidelines §15061(b)(3). The activity is covered by the common sense exemption that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

Policy Implications:

There are no policy implications associated with the City Council accepting and filing the Annual Planning Commission Report. Pursuant to City Council Resolution No. 2019-088, the Planning Commission is reporting its activities to the City Council as required in the adopted resolution.

City of South Lake Tahoe

Agenda Item Executive Summary

Joe Irvin, City Manager

Meeting Date: November 5, 2024

Agenda Item #:7

Agenda Item: Annual Police Advisory Commission Report to City Council

Executive Summary: This is the written annual report for the Police Advisory Commission for 2024. This report summarizes PAC meeting topics and activities for the year. This Commission annual report is required by City Resolution 2022-011, "City Commissions and Boards".

Requested Action / Suggested Motions: Receive and File.

Responsible Staff Member: David Stevenson, Chief of Police

Reviewed and Approved By: Susan Blankenship, City Clerk Olga Tikhomirova, Director of Finance Heather Stroud, City Attorney

Attachments:

Item 7- PAC Report.pdf
01- STAFF REPORT PAC Annual Report 110524.docx

City of South Lake Tahoe

Agenda Item Executive Summary

Joe Irvin, City Manager

Meeting Date: November 5, 2024

Agenda Item #:7

Agenda Item: Annual Police Advisory Commission Report to City Council

Executive Summary: This is the written annual report for the Police Advisory Commission for 2024. This report summarizes PAC meeting topics and activities for the year. This Commission annual report is required by City Resolution 2022-011, "City Commissions and Boards".

Requested Action / Suggested Motions: Receive and File.

Responsible Staff Member: David Stevenson, Chief of Police

Reviewed and Approved By: Susan Blankenship, City Clerk Olga Tikhomirova, Director of Finance Heather Stroud, City Attorney

Attachments:

01- STAFF REPORT PAC Annual Report 110524.docx

City of South Lake Tahoe
Report to **City Council**

Meeting Date: November 05, 2024

Title: Police Advisory Commission Annual Report

Location: Police Department

Responsible Staff Member: David Stevenson, Chief of Police

Background: The Police Advisory Commission (PAC) was formed by the City Council via resolution at their meeting on May 18, 2021. The 2024 Police Advisory Commission members were Erica Gonzales (Chair), Keith Roberts (Vice Chair), Tom Davis, Ayana Morali, and Justin Zunino.

This report will include PAC activity from November 2, 2023 through November 1, 2024. This report was submitted to the Police Advisory Commission at their meeting on October 30, 2024 for review. An annual written report from City commissions is required by City Resolution 2022-011 "City Commissions and Boards". This is the 3rd annual report for the Commission since its formation.

Issue and Discussion: The following summary of the 4 Police Advisory Commission meetings held during the past year represents the PAC 2024 annual report to City Council.

- February 7, 2024
  - Meeting canceled due to lack of quorum.

- May 1, 2024
  - Commissioner Keith Roberts was selected as Vice Chair for the commission. Commissioner Roberts was appointed to the PAC by the City Council at their regular meeting on February 27, 2024, filling the vacancy created by Commissioner Claudia Anderson who didn't reapply after her term expired.
  - The Commission received the Police Department's 2023 AB 481 report.
  - The Commission received the Police Department's 2023 Annual Report.

- August 7, 2024
  - The Commission received an update on the Police Department STACS program by Officer Hazelet with community partners present to answer questions.
  - The Commission received an update on the School Resource Officer (SRO) program by Officer Peterson.
- October 30, 2024
  - The commission received a presentation on training requirements for police officers.

- The 2024 Police Advisory Commission annual report was provided to the commission for review and comment.

Financial Implications: Police Advisory Commission administrative function costs are absorbed in current allocated city budget.

Environmental Considerations: The proposed action is not a “project” subject to review under the California Environmental Quality Act (CEQA) under CEQA Guidelines section 15378(b)(4) (creation of government funding mechanisms or government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment).

Policy Implications: The Police Advisory Commission is supported by the City’s 2023-2026 strategic plan priority 5.1, action item #3.

City of South Lake Tahoe

Agenda Item Executive Summary

Joe Irvin, City Manager

Meeting Date: November 5, 2024

Agenda Item #: 8

Agenda Item: Acceptance of Grant from Highway Safety Improvement Program for Pioneer Trail Safety Improvement Project

Executive Summary: Public Works is requesting the acceptance of HSIP funds for the Construction phase of the project. This would accept $103,590 of HSIP funding and require the City Council to allocate $11,410 from General Fund Undesignated Excess Reserves as a match for the grant.

Requested Action / Suggested Motions: Pass a Resolution Accepting Highway Safety Improvement Program (HSIP) funding in the amount of $103,590 and appropriating $11,410 from General Fund Undesignated Excess Reserves for the Pioneer Trail Safety Improvement Project.

Responsible Staff Member: Stephen Anderjack, Associate Civil Engineer

Reviewed and Approved By: Anush Nejad, Director of Public Works Susan Blankenship, City Clerk Olga Tikhomirova, Director of Finance Heather Stroud, City Attorney

Attachments:

01-Staff_Report_-_Pioneer_Trail_HSIP Acceptance.docx
02-Resolution - Pioneer Trail Safety Improvement Project Grant Acceptance.docx
03-CON E-76.pdf

City of South Lake Tahoe
Report to City Council

Meeting Date: November 5, 2024

Title: Pioneer Trail Safety Improvement Project HSIP Grant Acceptance

Location: Pioneer Trail between Glenwood Way and Edna Street

Responsible Staff Member: Stephen Anderjack, Associate Civil Engineer, (530) 542-6033

Background: In June 2018, the City of South Lake Tahoe, in partnership with the Tahoe Regional Planning Agency (TRPA), conducted a Systematic Safety Analysis report using grant funding from the State of California. This study reviewed accident history at key intersections throughout the city and ranked each by severity. Rankings were determined by the number of crashes, the severity of each crash, and the amount of property damage caused. This ranking methodology is used by traffic engineers and for the Federal Highway Administration's (FHWA) Highway Safety Improvement Program (HSIP). The safety analysis determined that the intersection of Pioneer Trail and Edna Street-Glenwood Way has one of the top three accident history rankings amongst city-maintained roads.

In August of 2018, the Public Works Department applied to Caltrans to obtain HSIP grant funds to assist with intersection safety improvements. The city was awarded two HSIP Grants. The City Council accepted one $49,500 HSIP grant for Preliminary Engineering (PE) via Resolution 2020-098 on November 3rd, 2020. A $5,500 local match to the HSIP grant was approved by accepting $49,500 HSIP funds to provide a $55,000 Project PE budget. A second HSIP grant was also awarded for $103,590 of Construction (CON) funding with a $11,410 local match.

An informal Request for Proposal (RFP) was issued in June 2023, soliciting engineering and design services. After reviewing the three proposals delivered to Public Works, Lumos and Associates is the most qualified consultant. On August 1, 2023, a Professional Service Agreement (PSA) was executed with Lumos & Associates. The project has been fully designed, and 100% of the plans have been reviewed and accepted by the city.

The project scope includes lane and shoulder widening, improved line striping, installing radar speed feedback signs, and drainage improvements at the Glenwood Way and Pioneer Trail intersection.

The CON E-76 RFA package has been submitted, reviewed, and approved by Caltrans and the project is ready to be released for bid, upon HSIP funding acceptance.

Issue and Discussion: The City allocated a $5,500 match for the original $49,500 HSIP grant for PE funding of the project. The City also contributed an additional $56,000 of the General Fund to fund the PE portion of the project, while $49,070.02 of the original PE HSIP funding was transferred into the Construction budget. $250,000 of Cannabis revenue was also allocated to the Construction budget of the project by the city.

Upon City acceptance of the second HSIP grant of $103,590, with a $11,410 City match, the total available construction budget will be $414,070.02. The project has an estimated construction cost of $381,315 with a 15% contingency of $57,197, bringing the total estimated construction cost to $438,512

Financial Implications:

Currently, Public Works is requesting the acceptance of HSIP funds for the project's Construction phase. This would accept $103,590 of HSIP funding and require the City Council to allocate $11,410 from General Fund Undesignated Excess Reserves as a match for the grant.

From: Fund (Revenue)

Revenue Code	***Fund Type***	***Amount***
36300	General Fund	$(11,410)
33128	HSIP	$(103,590)

To: Capital Account

Fund	***Account***	***Object Code***	***Amount***
301	50038	48030	$115,000

Environmental Considerations:

On June 15, 2021, the City Planning Manager filed a CEQA Notice of Exemption with the State Clearinghouse as a Class 4, 15304 (minor alteration to land) categorical exemption, State Clearinghouse Number 2021060316. This project is comprised of minor alterations to an existing street. No additional automobile lanes will be created, and no additional vehicular capacity is expected. Additionally, this project seeks to add safety devices for use in conjunction with existing facilities. Caltrans, the Project Lead for NEPA found the Project to be Categorically Exempt. A TRPA construction permit will be acquired before the start of construction.

Policy Implications:

This project is consistent with the City Council's priorities and will enhance public safety through improvements to the built environment.

Resolution 2024-XX

Adopted by the City of South Lake Tahoe
City Council

November 5, 2024

Accepting Highway Safety Improvement Program (HSIP) funding in the amount of $103,590 and appropriating $11,410 from General Fund Undesignated Excess Reserves for the Pioneer Trail Safety Improvement Project

BACKGROUND

A. In June of 2018, the City and the Tahoe Regional Planning Agency conducted a Systemic Safety Analysis report that ranked key intersections on the City streets by the number of crashes and severity of the crashes.

B. This report determined that the intersections of Pioneer Trail at Edna Street and Pioneer Trail at Glenwood Way were amongst the highest-ranked intersections in the City by the number of crashes.

C. In August of 2018, the Public Works Department submitted an application to Caltrans to obtain HSIP grant funds to assist with intersection safety improvements at this location.

D. The City was awarded $49,500 worth of HSIP funds, which require a matching contribution from the City in the amount of $5,500.

E. The City was awarded a second HSIP grant of $103,590 with a $11,410 City match.

F. The Public Works department wishes to accept the second HSIP grant to fund the construction portion of the project.

BASED ON THE FACTS SET FORTH HEREIN, BE IT RESOLVED, that the City Council of the City of South Lake Tahoe:

1. Accepts $103,590 in Highway Safety Improvement Program funding towards the project.
2. Allocates $11,410 from General Fund Undesignated Excess Reserves toward the project.
3. Appropriates said funding into existing CIP fund accounts as follows:

From: Fund (Revenue)

Revenue Code	***Fund Type***	***Amount***
36300	General Fund	$(11,410)
33128	HSIP	$(103,590)

To: Capital Account

Fund	***Account***	***Object Code***	***Amount***
301	50038	48030	$115,000

Adopted by the City of South Lake Tahoe City Council on November 5, 2024 by the following vote:

Ayes:

Noes:

Abstain:

Absent:

The presence of electronic signature certifies that the foregoing is a true and correct copy as approved by the South Lake Tahoe City Council.

_____ Date:_____

Cody Bass, Mayor

Attest:

_____

Susan Blankenship, City Clerk

The presence of electronic signature certifies that the foregoing is a true and correct copy as approved by the South Lake Tahoe City Council.

AMENDMENT MODIFICATION SUMMARY - (E-76)

FEDERAL AID PROGRAM **CALIFORNIA DEPARTMENT OF TRANSPORTA**

DLA LOCATOR: 03-ED-0-SLTO
PREFIX: HSIPL
PROJECT NO: 5398(016)
SEQ NO: 3
STATE PROJ NO: 0319000110L-N
ALT. PROJ NO:
AGENCY: SOUTH LAKE TAHO
ROUTE:
DISASTER NO:

TIP DATA
MPO: TAHOE
FSTIP YR: 23/24
STIP REF: 220-000-0153
FSTIP ID HSIP1

PROJECT LOCATION:
INTERSECTION OF PIONEER TRAIL WITH EDNA STREET. H9-03-024
TYPE OF WORK:
DYNAMIC SPEED FEEDBACK SIGNS, INTERSECTION EDGE-LINES,
FED RR NO'S:
PUC CODES:
PROJ OVERSIGHT: ASSUMED/LOCAL ADMIN
ENV STATUS / EIS 08/29/2023
RW STATUS / DT: 1 03/08/2024
INV RTE:
BEG MP:
END MP:
BRIDGE NO:

PREV AUTH / AGREE DATES:
PE:
R/W:
CON:
SPR:
MCS:
OTH:

PROJECT END DATE (PED): 09/26/2027

PROG CODE	LINE NO	IMPV TYPE	FUNC SYS	URBAN AREA	URB/RURAL	DEMO ID
YS30	30	04				
ZS30	10	15				

FUNDING SUMMARY

PHASE			PROJECT COST	FEDERAL COST	AC COST
PE	PE	PREV. OBLIGATION	$55,000.00	$49,500.00	$0.00
	PE	THIS	$-49,070.02	$-44,163.02	$0.00
	PE	SUBTOTAL	$5,929.98	$5,336.98	$0.00
R/W	RW	PREV. OBLIGATION	$0.00	$0.00	$0.00
	RW	THIS REQUEST	$0.00	$0.00	$0.00
	RW	SUBTOTAL	$0.00	$0.00	$0.00
CON	CON	PREV. OBLIGATION	$0.00	$0.00	$0.00
	CON	THIS REQUEST	$438,512.00	$147,753.02	$0.00
	CON	SUBTOTAL	$438,512.00	$147,753.02	$0.00
OTH	OTH	PREV. OBLIGATION	$0.00	$0.00	$0.00
	OTH	THIS REQUEST	$0.00	$0.00	$0.00
	OTH	SUBTOTAL	$0.00	$0.00	$0.00
		TOTAL:	$444,441.98	$153,090.00	$0.00

STATE REMARKS

08/14/2019 Request for authorization to proceed with PE; obligation of $49,500 HSIP funds. EPSP utilization has been approved to move the programming from fy 21/22 to 19/20 * Final design shall not begin until a NEPA environmental clearance is obtained.
11/06/2019 SEQ#1: This request is for authorization to proceed with the Preliminary Engineering phase of work.
06/27/2023 Sequence #2 is a request to extend the project end date (PED) from 9/30/23 to 9/26/26. The project was delayed by catastrophic weather events and an initial site assessment (ISA) for possible lead contamination. There are no other actions requested.
08/15/2024 seq 3: sequence includes shift of remaining $44,163.02 PE funds to CON phase
08/20/2024 SEQ 3: Initial authorization of Construction phase. Included is shifting $44,163.02 of unused federal PE funds to CON. EPSP is being utilized to move the fy 24/25 CON to 23/24. Maximum federal reimb rate is 90%.

FEDERAL REMARKS

AUTHORIZATION

AUTHORIZATION TO PROCEED WITH REQUEST: P/C
FOR: CON RFA & PE ADJ.
DOCUMENT TYPE: AMOD

PREPARED IN FADS BY:	ARAIZA, ANGEL	ON	2024-08-15	741-5704
REVIEWED IN FADS BY:	SAFAIE, FRANK	ON	2024-08-20	653-5345
SUBMITTED IN FADS BY:	WULFF, DARLENE	ON	2024-08-22	FOR CALTRANS
PROCESSED IN FADS BY:	SIGNATURE, NOT_REQUIRED	ON	2024-08-22	FOR FHWA
E-76 AUTHORIZED DATE IN FMIS	JENNIFER NASCA	ON	2024-08-30	12:47:30.0

SIGNATURE HISTORY FOR PROJECT NUMBER 5398(016) AS OF 09/12/2024

FHWA FMIS SIGNATURE HISTORY

MOD #	SIGNED BY	SIGNED ON
2	JERILYNN FOGLE	08/29/2024
	JERILYNN FOGLE	08/29/2024
	JENNIFER NASCA	08/30/2024
1	JERILYNN FOGLE	07/05/2023
	JERILYNN FOGLE	07/05/2023
	GRACE REGIDOR	07/06/2023
0	SHUN HUEY	11/07/2019
	SHUN HUEY	11/07/2019
	GRACE REGIDOR	11/07/2019

FHWA FMIS 3.0 SIGNATURE HISTORY

CALTRANS SIGNATURE HISTORY

DOCUMENT TYPE	SIGNED BY	SIGNED ON
AMEND/MOD	WULFF, DARLENE	08/22/2024

City of South Lake Tahoe

Agenda Item Executive Summary

Joe Irvin, City Manager

Meeting Date: November 5, 2024

Agenda Item #:9

Agenda Item: American Rescue Plan Act (ARPA) Funding Transfer to the Upper Bijou Park Creek Watershed Restoration Project, California Tahoe Conservancy License Agreement Execution, and Construction Contract Award for Rockwood to Blackwood Drainage Improvements Project

Executive Summary: The Upper Bijou Park Creek Watershed Restoration Project (Project) is a watershed-scale project seeking to address water quality and flooding issues in a phased approach to provide treatment for urban runoff from roadways, commercial and residential areas in an approximately 850-acre watershed that discharges to Lake Tahoe via the Ski Run Marina. The City completed Phase 1 in 2018 with the redevelopment of the Knights Inn hotel, replacing the failing storm drainpipe with new stormwater treatment basins and conveyance system integrated into the new Whole Foods/Southwest Corner redevelopment project. The City is currently in Phase 2 of the project, focused on the large upper watershed area subject to historic flooding, development impacts in SEZ areas, and water quality issues. The upper watershed project includes plans to restore Stream Environment Zone (SEZ) and floodplain areas, provide drainage solutions to support future active transportation improvements, and include distributed natural treatment systems to reduce sediment and nutrient loads in urban runoff that have the potential to impact Lake Tahoe. One piece of the upper watershed project is the Rockwood to Blackwood Drainage Improvements Project, which will reduce flooding on Woodbine Road, Rockwood Road, Blackwood Road, and in the Heavenly Valley Estates Mobile Home Park. ACTION 1: Previous City Council Resolutions (2022-004 and 2022-065) allocated American Rescue Plan Act (ARPA) funding into the Dennis Machida Memorial Greenway Trail Phase 1C (Dennis Machida) project. Given the recent California Tahoe Conservancy (Conservancy) planning grant received for the Dennis Machida project, the remaining $173,545 in ARPA funds are proposed to be transferred to the Upper Bijou Park Creek Watershed Restoration Project. ACTION 2: There are seven Conservancy owned parcels located within the Upper Bijou Park Creek Watershed Restoration Project area. The City and Conservancy have been working together through the project design focused on the utilization of public land for new water quality improvements. On June 20, 2024, the Conservancy Board adopted Resolution 24-06-05, which authorized Conservancy staff to negotiate, execute and convey a long-term license agreement to provide City access these properties to construct and maintain elements of the watershed project, including stream environment zone (SEZ) restoration, water quality treatment basins, storm drain systems, conveyance pipe, and revegetation. ACTION 3: On July 16, 2024, the Department of Public Works held a bid opening for the Rockwood to Blackwood Drainage Improvements Project. Only one bid was received that far exceeded the Cityâ€™s available budget for the Project construction. On August 13, 2024, the City Council rejected the bid and advised Staff to rebid the Project. On September 13, 2024, Public Works re-advertised the project. On October 8, 2024, Public Works received four bids. FW Carson Co. was the apparent low bidder that Staff recommends awarding the project to.

Requested Action / Suggested Motions: Pass a Resolution authorizing and directing the Director of Finance to: 1) transfer $173,545 in ARPA funds to the Upper Bijou Park Creek Watershed Restoration Project; 2) authorizing and directing the Mayor to execute the License Agreement with the California Tahoe Conservancy; and 3) authorizing and directing the Mayor to execute the Construction Contract with FW Carson Co. for Rockwood to Blackwood Drainage Improvements Project for $1,750,042.01 and a 10% contingency of $175,042.01.

Responsible Staff Member: Brianna Greenlaw, Associate Civil Engineer and Jason Burke, Complete Streets Program Manager

Reviewed and Approved By: Anush Nejad, Director of Public Works Susan Blankenship, City Clerk Olga Tikhomirova, Director of Financ Heather Stroud, City Attorney

Attachments:

01-Staff Report - Upper Bijou Park Creek Watershed Restoration Project.docx
02-Resolution - Transfer Funds.doc
03-Conservancy License Agreement.pdf
04-Agreement with FW Carson.docx

City of South Lake Tahoe
Report to City Council

Meeting Date: November 5, 2024

Title: American Rescue Plan Act (ARPA) Funding Transfer to the Upper Bijou Park Creek Watershed Restoration Project, California Tahoe Conservancy License Agreement Execution, and Construction Agreement Award for Rockwood to Blackwood Drainage Improvements Project

Location: Bijou Park Creek Watershed, Rockwood Drive to Blackwood Drive

Responsible Staff Member: Brianna Greenlaw, Associate Civil Engineer, Jason Burke, Complete Streets Program Manager

Background: The Upper Bijou Park Creek Watershed Restoration Project is a watershed-scale project seeking to address water quality and flooding issues in a phased approach to provide treatment for urban runoff from roadways, commercial and residential areas in an approximately 850-acre watershed that discharges to Lake Tahoe via the Ski Run Marina. The city completed Phase 1 in 2018 with the redevelopment of the Knights Inn hotel, replacing the failing storm drainpipe with new stormwater treatment basins and conveyance system integrated into the new Wholefoods/Southwest Corner redevelopment project. The City is currently in Phase 2 of the project, focused on the large upper watershed area subject to historic flooding, development impacts in SEZ areas, and water quality issues. The upper watershed project includes plans to restore SEZ and floodplain areas, provide drainage solutions to support future active transportation improvements, and include distributed natural treatment systems to reduce sediment and nutrient loads in urban runoff that have the potential to impact Lake Tahoe. One piece of the upper watershed project is the Rockwood to Blackwood Drainage Improvements Project (Project), which will reduce flooding on Woodbine Road, Rockwood Road, Blackwood Road, and in the Heavenly Valley Estates Mobile Home Park.

Issue and Discussion:

ACTION 1: *Authorize the Transfer of $173,545 in American Rescue Plan Act Funds from the Dennis Machida Memorial Trail Phase 1C Project to the Upper Bijou Park Creek Watershed Restoration Project.*

Previous City Council Resolutions (2022-004 and 2022-065) allocated American Rescue Plan Act (ARPA) funding into the Dennis Machida Memorial Greenway Trail Phase 1C (Dennis Machida) project. Given the recent California Tahoe Conservancy (Conservancy) planning grant received for the Dennis Machida project, the remaining $173,545 in ARPA funds are proposed to be transferred to the Upper Bijou Park Creek Watershed Restoration Project as it already includes other ARPA funding, eliminates potential budget shortfalls within the project, and ensures the City will meet the ARPA obligation and spending timing limitations.

ACTION 2: *Execute long term license agreement with the California Tahoe Conservancy.*

There are seven Conservancy owned parcels located within the Upper Bijou Park Creek Watershed Restoration Project area. The City and Conservancy have been working together through the project design focused on the utilization of public land for new water quality improvements. On June 20, 2024, the

Conservancy Board adopted Resolution 24-06-05, which authorized Conservancy staff to negotiate, execute, and convey a long-term license agreement to provide City access to these properties to construct and maintain elements of the watershed project, including stream environment zone (SEZ) restoration, water quality treatment basins, storm drain systems, conveyance pipe, and revegetation for a term of 25 years. Use of the Conservancy parcels is essential to completing the overall project, and the issuance of a long-term license agreement is a standard partnership approach that the Conservancy and City have collaborated on many times in the past to complete these types of drainage and water quality projects. Approval of the proposed license agreement will provide legal access to construct and maintain these drainage and water quality improvements on the Conservancy-owned parcels (refer to Attachment 03 – Conservancy License Agreement).

ACTION 3: *Award Rockwood to Blackwood Drainage Improvements Project to FW Carson Co. ($ 1,750,421.00 ((Base Bid $1,726,869.00 + Bid Alternate 1 $23,552.00)) and approve a 10% Construction Contingency ($175,042.10).*

On June 25, 2024, Public Works advertised the Rockwood to Blackwood Drainage Improvements Project on the City PlanetBids website. The Project *Notice to Bidders* was advertised in the Tahoe Daily Tribune on June 28 and July 5, 2024. On July 16, 2024, the Department of Public Works held a bid opening for the Rockwood to Blackwood Drainage Improvements Project. Only one bid was received that far exceeded the City's available budget for the Project construction. On August 13, 2024, the City Council rejected the bid and advised Staff to rebid the Project.

On September 13, 2024, Public Works advertised the Rockwood to Blackwood Drainage Improvements Project on the City PlanetBids website. The Project *Notice to Bidders* was advertised in the Tahoe Daily Tribune on September 20 and September 27, 2024. On October 8, 2024, Public Works received 4 sealed bids that were publicly opened and read aloud at the scheduled bid opening at the Public Works office. The bid results are listed in **Table 1**. The Engineer's Estimate for the Base Bid and Add Bid Alternative 1 was for a sum of $1,617,175.00.

Table 1 – Summary of Bid Results

Bidder	Base Bid	Add Bid Alternative 1	Total Bid Price
FW Carson Co.	**$1,726,869.00**	**$23,552.00**	**$1,750,421.00**
Burdick Excavating	$2,068,430.50	$29,640.00	$2,098,070.50
La Fleur Engineering	$2,339,713.00	$19,356.00	$2,359,069.00
Farr Construction	$2,737,691.00	$23,200.00	$2,760,891.00

Add Bid Alternative 1 is for installation and connection of three inlets in the Blackwood right-of-way to the proposed storm drain. These items were included as an alternate to give the City more flexibility in awarding the contract, as they could be installed at a later date if needed. Because there is an available budget, these would be included in the award of this construction contract at this time.

Financial Implications: The funding currently available in the Project budget (account 301-40051) allows for the award of the full contract, including the Additive Bid Alternative 1 construction contract for $1,750,421.00 and a 10% contingency for $175,042.10. Residual funds from other sources will be available for ancillary project expenses such as required pre-construction wildlife surveys, labor code compliance, material testing, etc.

To maximize the utilization of available funding and to meet the timing requirements for American Rescue Plan Act (ARPA) funding obligation and spending, $482,655 in ARPA funding was previously reallocated to the Upper Bijou Park Creek Watershed Restoration Project (Resolution 2024-064). The remaining $173,545 in ARPA funding the City Council previously allocated to the Dennis Machida Memorial Trail Project (Resolution 2022-004 and 2022-065, account 301-50041) is proposed to be transferred to the Upper Bijou Park Creek Watershed Restoration Project and will be utilized first for the proposed agreement with FW

Carson, to ensure timely obligation and expenditure given that the Dennis Machida project now has significant funding the CTC Planning grant.

Public Works recently requested the release of $189,374 of SEZ Mitigation Funds, $82,551 of Water Quality Mitigation Funds and $128,075 of Water Quality Interest Mitigation Funds for a total of $400,000. The TRPA Governing Board approved the mitigation fund release on August 28, 2024, and on September 10, 2024, City Council approved the allocation to the Upper Bijou Park Creek Watershed Restoration Project (Resolution 2024-095).

Consistent with other water quality improvement project license agreements with the Conservancy, the City is required to operate and maintain Project improvements during the 25-year term license agreement term. Although the City will be required to maintain the Conservancy owned properties and the proposed City improvements during the term of the license agreement, maintenance expenses to the proposed facilities will be part of the required stormwater maintenance work required by the National Pollutant Discharge Elimination System (NPDES) permit and Lake Tahoe Total Maximum Daily Load (TMDL).

Environmental Considerations: After completing all public noticing and review period required by relevant state laws, the Planning Commission adopted the CEQA Initial Study/Mitigated Negative Declaration for the Project on November 19, 2020 (SCH # 202090564). Addendum No. 1 was completed April 23, 2024 to document minor changes for staging and access, and other minor adjustments to the footprint of the channel improvements and drainage designs. On May 16, 2024, the Planning Commission adopted an addendum to the CEQA Initial Study/Mitigated Negative Declaration for the Project.

Policy Implications: The Project is consistent with City Council Strategic Policies and Goals, specifically:

- Action Item 5.3 (Infrastructure and Maintenance) by developing sustainable infrastructure projects, based on the prioritized capital improvement project list.
- Action Item 5.5 (Fiscal Sustainability, Resiliency & Transparency) by utilizing grant funding to implement this important drainage project.

Resolution 2024-XXX

Adopted by City of South Lake Tahoe City Council

November 5, 2024

Transfer $173,545 in American Rescue Plan Act (ARPA) funds to the Upper Bijou Park Creek Watershed Restoration Project, Execute License Agreement with the California Tahoe Conservancy, and Award Construction Agreement to FW Carson Co. for Rockwood to Blackwood Drainage Improvements Project

BACKGROUND:

A. The Project (EIP# 01.01.01.0184) is included on the priority list for watershed and water quality improvement projects within the Lake Tahoe basin.

B. On June 18, 2024, Amendment 2 to the Agreement with Wildscape Engineering, Inc. for additional design services was approved by City Council, leaving a remainder of the US Forest Service grant ($1,211,815.91) available for construction.

C. City Council Resolution 2024-064 reallocated $482,655 in American Rescue Plan Act (ARPA) funding into the Upper Bijou Park Creek Watershed Restoration Project to provide additional funding necessary for project construction.

D. At the August 28, 2024 TRPA Governing Board meeting, TRPA approved the release of $82,551.00 in TRPA Water Quality Mitigation Funds, $128,075.00 in TRPA Water Quality Interest Mitigation Funds, and $189,374.00 in TRPA SEZ Mitigation Funds for construction-related costs of the project. City Council Resolution 2024-095 approved allocation of these funds to the project.

E. The City advertised the Rockwood to Blackwood Drainage Improvements Project for the second time on September 13, 2024 and bids were opened on October 8, 2024. FW Carson Co. was deemed the apparent low bidder with a Base Bid of $1,726,869.00 and Add Bid Alternative 1 for $23,552.00, for a total contract cost of $1,750,421.00.

F. To maximize the utilization of available funding and to meet timing requirements for ARPA obligation and spending, staff is requesting to reallocate the remainder of ARPA funding from the Dennis Machida Bike Trail project account in the amount of $173,545 to the Upper Bijou Park Creek Watershed Restoration Project. This reallocation and the new use are consistent with the requirements of statutory category C, Revenue Loss for the provision of government.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, BE IT RESOLVED, that the City Council of the City of South Lake Tahoe:

1. Authorizes and directs the Director of Finance to amend FY 2024-2025 budget to transfer the remaining $173,545 in American Rescue Plan Act (ARPA) funding from the Dennis Machida Memorial Greenway Project account to the Upper Bijou Park Creek Watershed Restoration Project account as follows:

FROM:

301-50041-50014	Dennis Machida Bike Trail CIP Project (ARPA funding transfer out)	(-)	$173,545

TO:

301-40051-36375	Bijou Park Creek Restoration (ARPA funding transfer in)	(+)	$173,545

2. Authorizes and directs the Mayor to execute the license agreement with California Tahoe Conservancy to allow construction and maintenance of project elements on Conservancy property.

3. Authorizes and directs the Mayor to execute the agreement with FW Carson Co. for a total of $1,750,421.00, plus a 10% contingency for $175,042.10.

Adopted by the City Council of the City of South Lake Tahoe on November 5, 2024 by the following vote:

Yes:
No:
Absent:
Abstain:

_____ Date: _____
Cody Bass, Mayor

Attest:

_____
Susan Blankenship, City Clerk

The presence of electronic signature certifies that the foregoing is a true and correct copy as approved by the South Lake Tahoe City Council

LICENSE 2024-0915-LT-306
CITY OF SOUTH LAKE TAHOE – BIJOU PARK CREEK WATERSHED RESTORATION PROJECT

This License Agreement ("Agreement") is entered into this_____day of _____2024, by and between the State of California acting through the California Tahoe Conservancy (hereinafter "Licensor") and the City of South Lake Tahoe (hereinafter "Licensee"):

RECITALS

WHEREAS, Licensor owns or has an interest in certain real property known as El Dorado County Assessment Numbers: 025-191-009, 025-282-010, 025-510-087, 027-073-005, 027-203-014, 028-100-048, and 028-141-047 ("the Property");

WHEREAS, the City desires access to the Property in order to construct and maintain elements of the Bijou Park Creek Watershed Restoration Project ("Project"), including stream environment zone ("SEZ") restoration, water quality treatment basins, storm water drain systems, conveyance pipe, and revegetation, as described and depicted in Exhibit A-1 and A-2 and in the subsequent Final Project Plans ("Final Plans").

NOW THEREFORE, in consideration of the mutual covenants, terms, restrictions, and conditions hereafter set forth, Licensor and Licensee hereby agree as follows:

WITNESSETH

1. License.

Subject to the provisions hereof, Licensor hereby grants a license to Licensee and its agent(s), including its duly authorized contractor(s), for:

> Access onto portions of the Property, as shown in Exhibit B (the "License Area"), for the purposes of (1) conducting surveys; (2) constructing, maintaining, and repairing storm water conveyance pipe, an infiltration basin, channel improvements, and appurtenant improvements (collectively, the "Improvements"); (3) revegetation; and (4) staging and storing equipment and materials as reasonably necessary to support the above purposes and consistent with the Final Plans.

Licensee's right to use the License Area is nonexclusive. Licensor shall have the right to enter and use the License Area for any purpose that will not unreasonably interfere with the rights granted to Licensee under this License.

2. Term of Agreement.

The term of this Agreement shall be twenty (20) years, commencing on the date of execution of this Agreement, subject to Licensor's right to unilaterally terminate this Agreement for good cause, or the Parties' mutual agreement to terminate, as described in Section 12 below.

3. Condition Precedent to Construction of Improvements; Limitation on Staging and Storing.

In addition to any other conditions contained herein, Licensee shall not construct the Improvements on the License Area until Licensee submits to Licensor the Final Plans, and Licensor's Executive Director or authorized designee has approved the Final Plans.

The Final Plans must identify any areas of the License Area upon which Licensee proposes to stage and store equipment and materials, and for how long such staging and storing will persist. Staging and storing equipment and materials on the License Area shall be limited to the area and duration approved by Licensor's Executive Director or authorized designee.

4. Time Allowed for Construction of Improvements.

All construction of Improvements authorized under this Agreement must be completed within the first five (5) years of this License, unless such time is extended by written consent of Licensor's Executive Director or authorized designee.

5. Maintenance and Repair.

Licensee shall, at its expense and to the satisfaction of Licensor, keep and maintain the License Area in good order and repair and in safe condition. In the event Licensor determines that Licensee is failing to perform its obligations under this Section, Licensor may take action so as to keep and maintain the License Area in good order and repair and in safe condition, and Licensee shall reimburse Licensor, in accordance with Section 10, for all costs associated with such action.

Licensee shall operate and maintain any Improvements it constructs on the License Area for the Project purposes. Licensee may be excused from its maintenance obligations only upon the written approval of Licensor's Executive Director for good cause shown. For purposes of this Section, "good cause" includes, but is not limited to, natural disasters which destroy the Improvements and render the Project obsolete or impracticable to rebuild.

Licensee will fully rehabilitate any areas of the License Area that are disturbed during construction of the Improvements, at Licensee's expense and to the satisfaction of Licensor. Licensee shall complete such rehabilitation on each of Licensor's parcels immediately following completion of construction of the Improvements thereon. Rehabilitation shall include breaking up and loosening the surface of soil, application of mulch, re-seeding and revegetating, and irrigation (if deemed necessary by Licensor) to ensure permanent long-term restoration in a natural condition.

6. Use
   A. Qualifications on Use.

Licensee shall neither use nor knowingly permit any use of the License Area for any purpose other than that set forth in Section 1 hereof. Licensee shall not allow any act or thing which is or may be a nuisance to occur on the License Area. Licensee shall not use or knowingly permit others to use the License Area for any unlawful purposes.

This Agreement does not confer upon Licensee any drilling rights or any water or mineral rights or the right to extract any water or minerals of any kind or character, including without limitation oil, natural gas, hydrocarbon substances, geothermal steam, or minerals in solution. With the exception of trees that must be removed to construct the Project, Licensee shall not destroy, cut, or remove any timber, trees, or firewood standing or lying in the License Area, or knowingly permit others to commit any of said acts.

The License Area shall not be used for displaying signs and notices other than those connected with the activities authorized in Section 1 above.

Licensor has the right to post notices of nonresponsibility upon the Property, and to otherwise notify, actually or constructively, any entity or persons supplying services or materials to the Property that Licensor is not responsible for the cost thereof. Licensee covenants and agrees to hold Licensor and the Property harmless from any mechanic's or materialmen's liens claimed by any person, firm, or corporation employed by or on behalf of Licensee. In the event of the filing of any such lien, Licensee shall cause such lien to be released within five (5) days after Licensor's written notice to do so. Licensee shall indemnify and defend Licensor against all liability, cost, and expense (including attorney's fees) incurred by Licensor as a result of any such lien.

   B. Prior Encumbrances.

Licensor makes no representations or warranties concerning the condition of the License Area. This license is subject to all easements, leases, liens, conditions, restrictions, encumbrances, and claims of title which may affect the Property. Licensee accepts the Property (including, without limitation, Licensor-owned improvements, if any) in their present condition and without any representation or warranty by Licensor as to the condition of such Property or improvements, and Licensor shall not be responsible for any defect or change of conditions in the Property or such improvements, any damage occurring thereto or for the existence of any violation of any municipal, county, regional, State, bi-state or federal law, order, rule, regulation, or ordinance.

7. Public Notice.

Licensee shall provide reasonable notice to the public of the Project intent, duration, and limitations of public access, if any. Licensee shall identify alternate access to recreational areas, if applicable. Licensee shall provide the public with a method for communicating comments or questions and shall reasonably respond to public inquiry regarding the use of the License Area and the Project for the duration of this Agreement.

8. Permits; Standards of Workmanship.

Licensee shall obtain and comply with all terms and provisions of all licenses, permits, and approvals required by any local, regional, State, bi-state, or federal organization with authority to regulate the activities of Licensee under this license. In addition, all activities performed under this Agreement shall comply with the terms and provisions of all licenses, permits, and approvals required for the Project; with all applicable building, fire, and sanitary laws, ordinances, and regulations; and with the Project's Mitigated Negative Declaration, Addendum, and Mitigation Monitoring Plan.

9. Liability and Indemnification.

A. General.

Licensee agrees to release, hold harmless, indemnify, and defend (with counsel approved by Licensor) Licensor from and against all liability, cost, and expense (including, without limitation, attorney's fees, in addition to costs of suit and judgment) for loss of or damage to any property or loss of the use thereof or for injury to or death of any person when arising or resulting from, in whole or in part:

(a) the use of the License Area or adjacent property by Licensee, its agents, employees, or any other authorized representative of Licensee (other than an agent, employee, or invitee of Licensor);

(b) Licensee's modifications to the License Area or adjacent property, including but not limited to the construction, installation, modification, or maintenance of Improvements;

(c) Any and all flood-related property damage claims related to Licensee's construction, installation, use, modification, or maintenance of the Project; or

(d) Licensee's breach of any provision of this License, whether or not caused or contributed to by the negligence, active or passive or otherwise, of Licensor, its employees, agents, invitees, or any other person.

B. Environmental Impairment.

Licensee, at its expense, shall comply with all applicable laws, regulations, rules, and orders with respect to the use of the Property, regardless of when they become or became effective, including, without limitation, those relating to health, safety, noise, environmental protection, waste disposal, and water and air quality, and furnish satisfactory evidence of such compliance upon request of Licensor.

Should any discharge, leakage, spillage, emission, or pollution of any type occur upon or from the Property due to Licensee's use and occupancy thereof, Licensee, at its expense, shall be obligated to clean all the property affected thereby, whether owned or controlled by Licensor or any third person, to the satisfaction of Licensor (insofar as the property owned or controlled by Licensor is concerned) and any governmental body having jurisdiction thereover.

Licensee may not use pesticides, including any herbicides, on the Property for any reason without prior written approval from Licensor. Only those materials approved for the intended use by the California Department of Pesticide Regulation may be considered for use on the Property. In the event Licensor authorizes pesticide use on the Property, label instructions and all applicable laws and regulations shall be strictly followed in the application of pesticides and disposal of excess materials and containers.

Licensee shall indemnify, hold harmless, and defend Licensor against all liability, cost and expense (including, without limitation, any fines, penalties, judgments, litigation costs, and attorney's fees) incurred by Licensor as a result of Licensee's breach of this Section, or as a result of any such discharge, leakage, spillage, emission, or pollution, regardless of whether such liability, cost, or expense arises during or after the license term, unless such liability, cost, or expense is proximately caused solely by the active negligence of Licensor.

Licensee shall pay all amounts due hereunder within thirty (30) days after any such amounts become due.

C. This section 9 shall survive expiration or termination of this Agreement.

10. Fees and Expenses.

The fee for this license is waived for the following reasons: (1) the rights granted under this Agreement will allow the Licensee to implement the Project to provide water quality, drainage, and climate resilience benefits; and (2) Licensee will reduce pollutants from its jurisdiction to assist in attaining its objectives under the Lake Tahoe Total Maximum Daily Load developed by the Lahontan Regional Water Quality Control Board and the Nevada Department of Environmental Protection.

Licensee shall bear the sole risk and pay all costs and expenses of whatever kind and nature which arise from this Agreement, including, without limitation, expenses to reconstruct, repair, and restore the License Area to the conditions in existence immediately prior to Licensee's entry. If Licensor shall have made payments on behalf of Licensee for any costs or expenses incurred herein, Licensee shall reimburse Licensor within thirty (30) days of receiving a statement of such costs from Licensor. Licensor shall have a lien on any Licensee-owned property on Licensor's property as security for repayment of said amount.

11. Expiration or Termination.

A. General.

Licensor may unilaterally terminate this Agreement before the expiration for good cause, including any uncured default consistent with Section 13 below. The Parties may mutually agree in writing to terminate this Agreement prior to the expiration date.

Expiration or termination of this Agreement shall not release either Party from liability resulting from an event which occurred prior to such expiration or termination.

B. Surrender and Restoration of License Area.

Upon the expiration or termination of this Agreement, Licensor will work with Licensee to establish a new license agreement or similar permission to continue use of the License Area. If such license or permission is not extended, Licensee shall discontinue the use of the License Area and, within one-hundred-and-eighty (180) days, remove all Improvements and personal property of Licensee (including that of its agents) from the License Area. Improvements and property of Licensee not removed from the License Area within one-hundred-and-eighty (180) days after the termination or expiration of this license shall become the property of the Licensor.

Excepting the Improvements, Licensee shall restore the License Area as nearly as possible to the conditions existing at the time of Licensee's initial entry onto the License Area, including but not limited to backfilling and restoring any excavations and ground disturbances.

In the event Licensee fails to restore the License Area as required, Licensee agrees to reimburse Licensor for the costs and expenses Licensor incurs in restoring the License Area (including costs and expenses Licensor incurs in removing any Improvements not removed by Licensee). If Licensee fails to surrender possession any portion of the License Area upon expiration, revocation or termination of this license, Licensor shall have the right, to the extent permitted by law, to re-enter and remove Licensee and any person or entity claiming through Licensee from the License Area.

12. Default.

Licensee shall be in default under this Agreement if Licensee fails or refuses to pay any amount when due under this License. Licensee shall also be in default if Licensee fails or refuses to perform or abide by any other covenant or condition of this License.

If Licensee fails to cure a default within thirty (30) days after notice from Licensor to do so, Licensor shall have the right, without further notice and in addition to any other remedies Licensor may have at law or equity, to revoke the license granted under this Agreement forthwith and to retake possession of the License Area. If, however, the default is one that cannot reasonably be cured within thirty (30) days, then the parties will meet and confer on a timeline for cure and Licensor will not revoke the license so long as Licensee continues to diligently pursue a cure in a good faith effort to meet the mutually agreeable timeline for cure.

13. Insurance.

Throughout the term of this Agreement, Licensee or its contractor shall provide and maintain comprehensive general liability insurance, including but not limited to bodily injury and property damage insurance, in the amount of $1,000,000 for liability assumed by License under this Agreement.

Such insurance shall be obtained from a company or companies authorized to transact business in the State of California. Licensee shall provide the Licensor with an endorsement or certificate with such policy or policies specifying that: (a) the California Tahoe Conservancy, and its

members, officers, agents, and employees are included as additional insureds for any liability resulting from, growing out of, or in any way connected with, or incident to this License, and (b) the California Tahoe Conservancy and the State of California are not responsible for premiums and assessments on the insurance policy.

Prior to accessing the License Area, the Licensee shall furnish Licensor with a copy of said endorsement(s) or certificate(s). Licensee hereby warrants that it will not cancel or reduce its insurance coverage without prior written notice to the Licensor, and that it will immediately notify the Licensor in writing of any cancellation of coverage initiated by the insurer.

If Licensee is self-insured, Licensee must provide proof of self-insurance and maintain its self insurance plan through the term of this License.

In the event that Licensee enters into an agreement or agreements with independent contractors or other third parties (other than agencies of the State of California or the United States) authorizing such parties to enter onto the License Area, such agreement(s) shall require that Licensee's contractor(s) maintain general liability insurance in an amount of one million dollars ($1,000,000) or such other lesser amount as shall be reasonably approved by Licensor. In addition, Licensee shall make reasonable efforts to ensure that Licensor, and its officers, officials, employees, and volunteers, are included as additional insureds under the insurance required above and that a copy of the endorsements or certificate naming them as additional insureds is furnished to Licensor as soon as is practicable. In the event the contractor or third party is unable to name Licensor as an additional named insured, Licensee shall so notify Licensor. Within five (5) working days thereafter, Licensor shall notify Licensee whether Licensee may proceed with authorizing the contractor to enter upon the License Area.

Licensee hereby warrants that it or its contractor(s) will not cancel or reduce its insurance coverage without thirty (30) days prior written notice to Licensor, and that it will immediately notify Licensor in writing of any cancellation of coverage initiated by the insurer.

In addition, Licensee and all Licensee contractors shall pay any workers compensation to employees in accordance with the provisions of Section 3700 of the Labor Code. At the time of execution of this Agreement and prior to the commencement of work the Licensee shall provide Licensor with either a certificate of insurance issued by an insurance carrier licensed to write Workers Compensation Insurance in the State of California, including the name of the carrier and the date of expiration of the insurance, or a certificate of consent to self-insure issued by the Director of the Department of Industrial Relations.

14. Assignment.

Without the written consent of Licensor or its successors or assigns, Licensee's rights and responsibilities under this Agreement may not be assigned. In the event Licensor consents to an assignment, the terms of this Agreement shall be binding on Licensee's assignee.

15. Nonwaiver.

Licensor's failure to enforce or exercise its rights under any term, condition, or covenant of this Agreement shall not be construed as a waiver of such rights or such term, condition, or covenant.

16. Attorney's Fees.

If either Party takes any steps or brings an action to compel performance of or to recover for breach of any term of this Agreement, the losing party shall pay reasonable attorney's fees of the prevailing party, in addition to the amount of judgment and costs.

17. Notices.

Any notices, demands, or statements herein requested or required to be given by one Party to the other shall be in writing. Delivery of such written notice, demand or statement shall be conclusively taken as sufficient if and when delivered in person or deposited in the United States mail, registered or certified, postage fully prepaid, addressed, if to Licensor at: 1061 Third Street, South Lake Tahoe, CA 96150; and, if to Licensee at: City Manager, 1901 Lisa Maloff Way, South Lake Tahoe, CA 96150, with a copy to City Attorney at the same address. Either Party hereto may by written notice change the address to which such notices, demands, or statements may be sent. All payments from Licensee to Licensor shall be made to Licensor at Licensor's address for notices unless Licensor gives Licensee notice of another address for making payments. Licensor may change by written notice the address where payments to Licensor shall be made.

18. Time is of the Essence.

Time is of the essence of this Agreement.

19. Severability.

The provisions of this Agreement are intended to be severable, separate, and distinct from each other. If any provision hereof is determined to be invalid or for any reason becomes unenforceable, no other provisions shall be thereby affected or impaired.

20. Modification.

This Agreement shall not be modified except by the written agreement of the Parties.

21. Authority.

The individuals executing this Agreement represent that they have the authority to enter into and to perform all acts required by this Agreement, and that the consent, approval or execution of or by any third party is not required to legally bind either party to the terms and conditions of this Agreement.

22. Licensor and Licensee.

The terms "Licensor" and "Licensee" as used in this License includes each party's member(s), officer(s), contractor(s), agent(s) or employee(s), and the successors and assigns of any of them.

23. No Third Party Beneficiaries.

Nothing in this Agreement is intended to create in the public or any member thereof rights as a third party beneficiary hereunder.

24. Captions.

The captions on the paragraphs of this Agreement are for convenience only and shall be of no force and effect whatsoever in interpreting the obligations or rights of the Parties hereunder.

25. Entire Agreement.

The contents of this Agreement are the entire agreement between the parties regarding this Agreement, and supersede all written and oral communication between the parties prior to its execution, all understanding and negotiations regarding the same having been merged herein, it being their intention that this be an integrated agreement.

[*signatures on following page*]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in duplicate as of the day and year first herein written.

CALIFORNIA TAHOE CONSERVANCY

By: _____
Michael Steeves
General Counsel
1061 Third Street
South Lake Tahoe, CA 96150

California Tahoe Conservancy contact:
Jen Greenberg
530-543-6060
jen.greenberg@tahoe.ca.gov

CITY OF SOUTH LAKE TAHOE

By: _____
Cody Bass
Mayor
1901 Lisa Maloff Way
South Lake Tahoe, CA 96150

Approved as to form:

_____
Heather Stroud, City Attorney

Attest Mayor's signature:

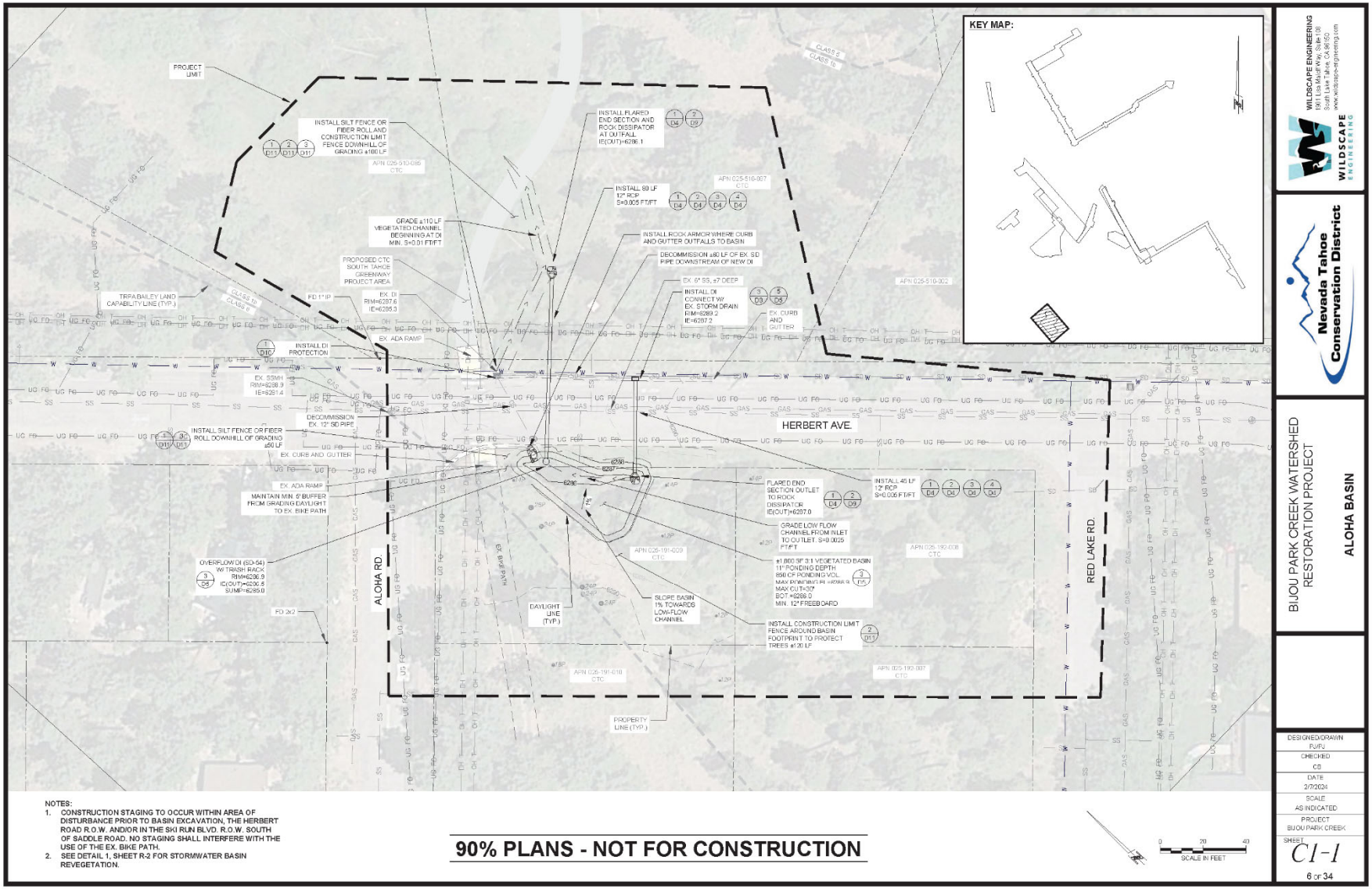
By: _____
Sue Blankenship, City Clerk

Exhibit A-1

The Improvements are described as follows:

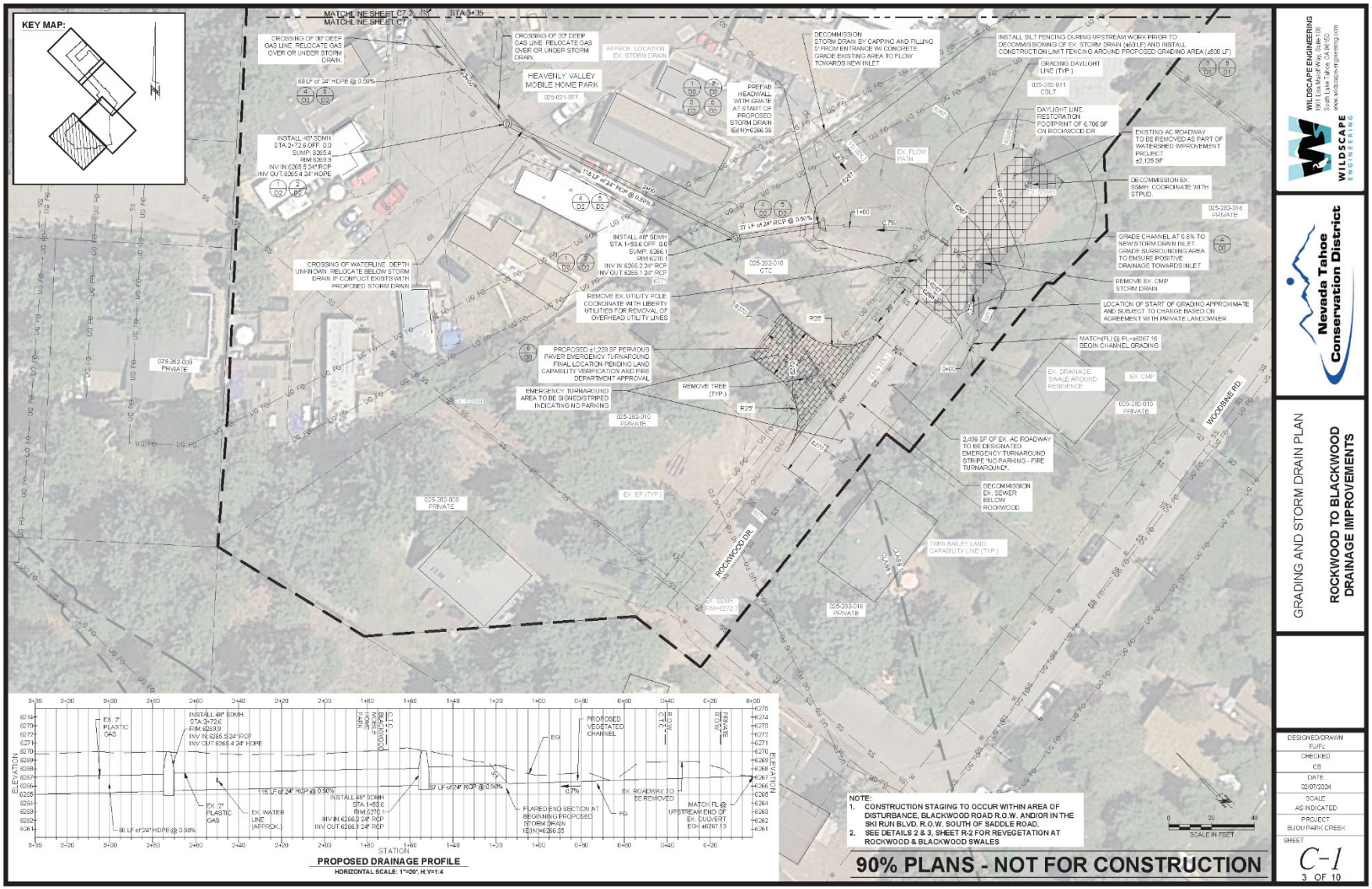
Assessment Number	Improvement
025-510-087	Vegetated swale and pipe outlets
025-191-009	Infiltration basin
025-282-010	Vegetated swale, pipe and inlet
027-073-005	Wetland basin modification
027-203-014	Vegetated swale, artificial channel restoration
028-100-048	Pipe outlet and channel modification
028-141-047	Channel modification

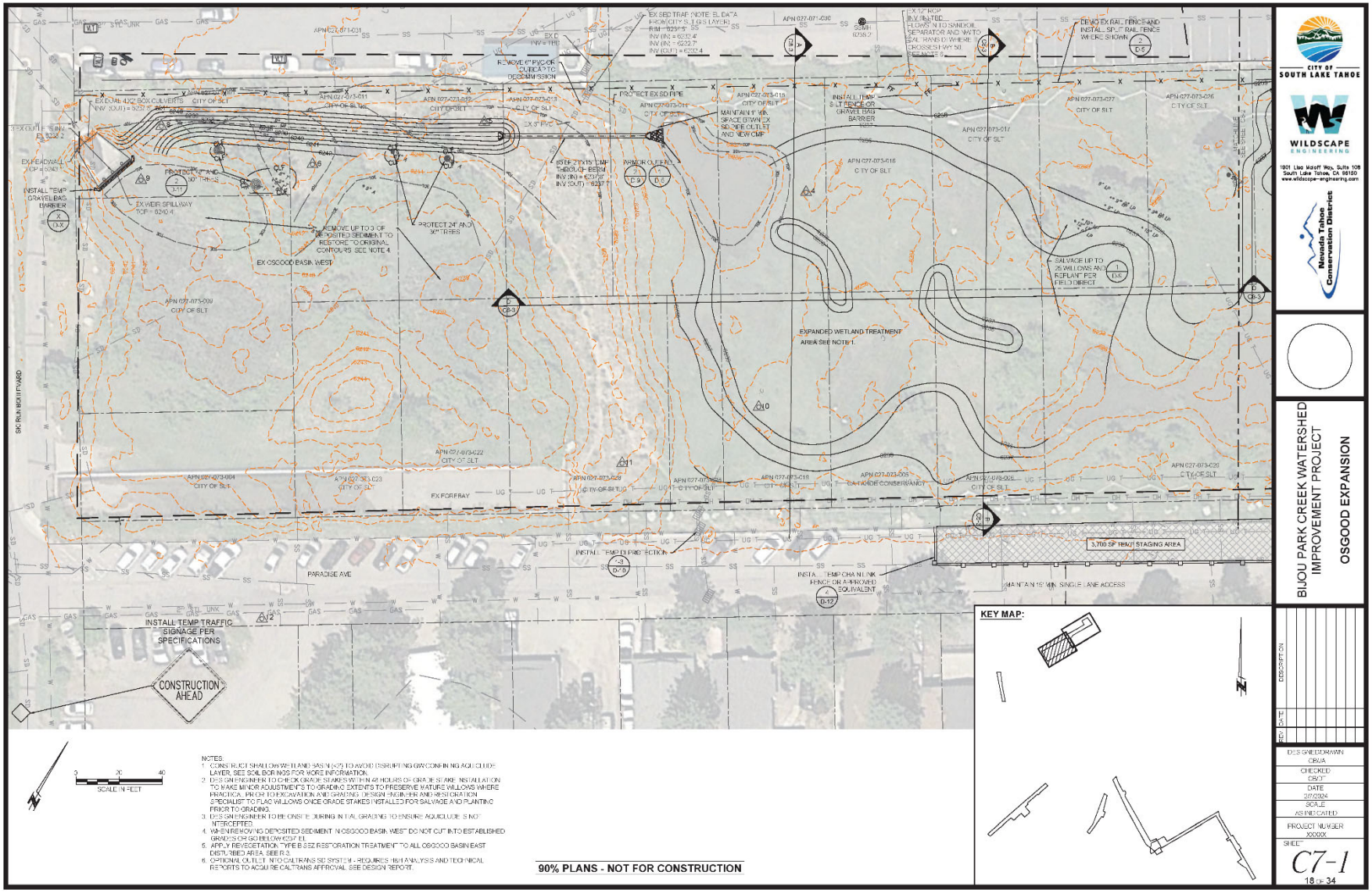
Exhibit A-2

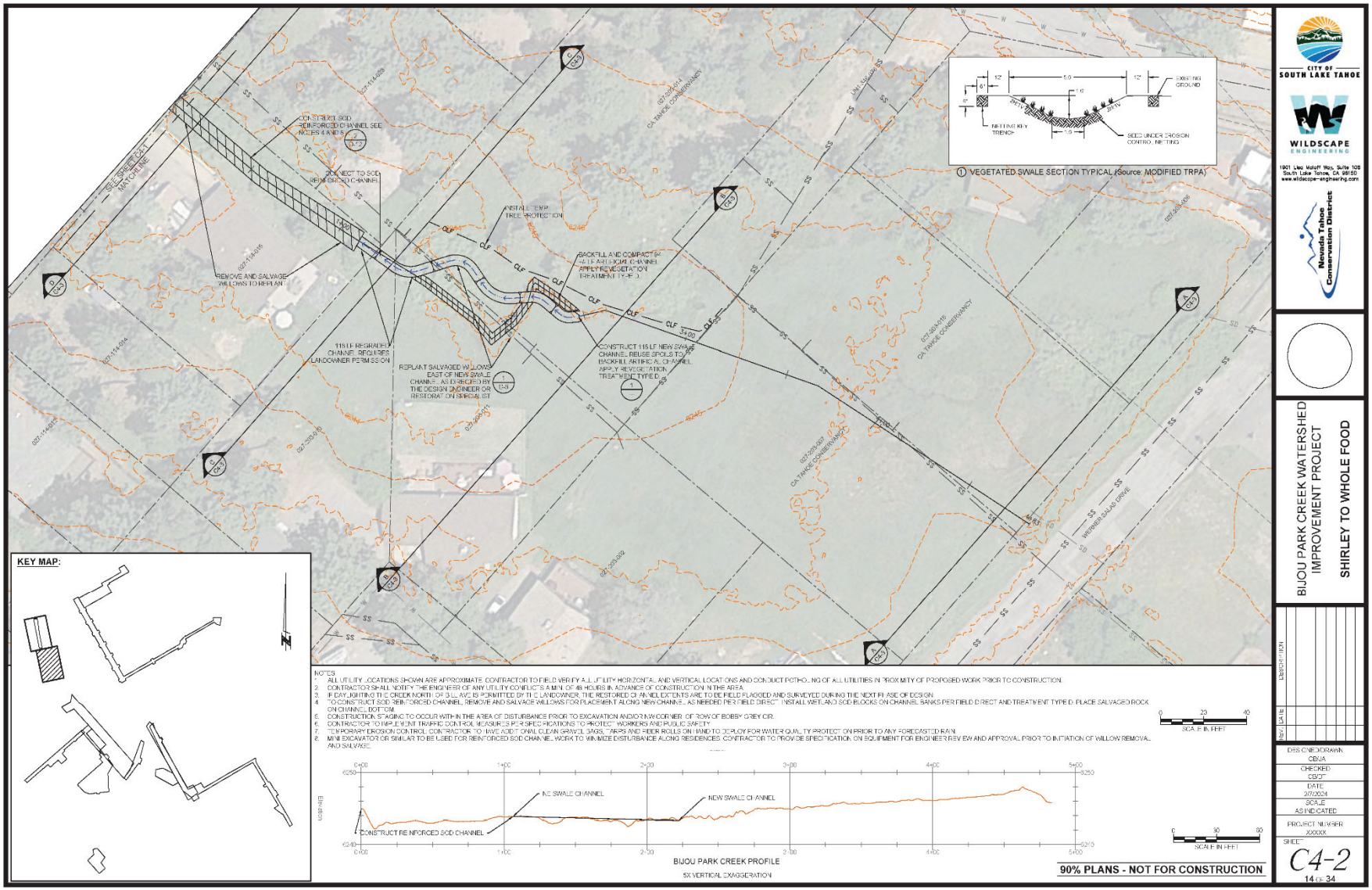


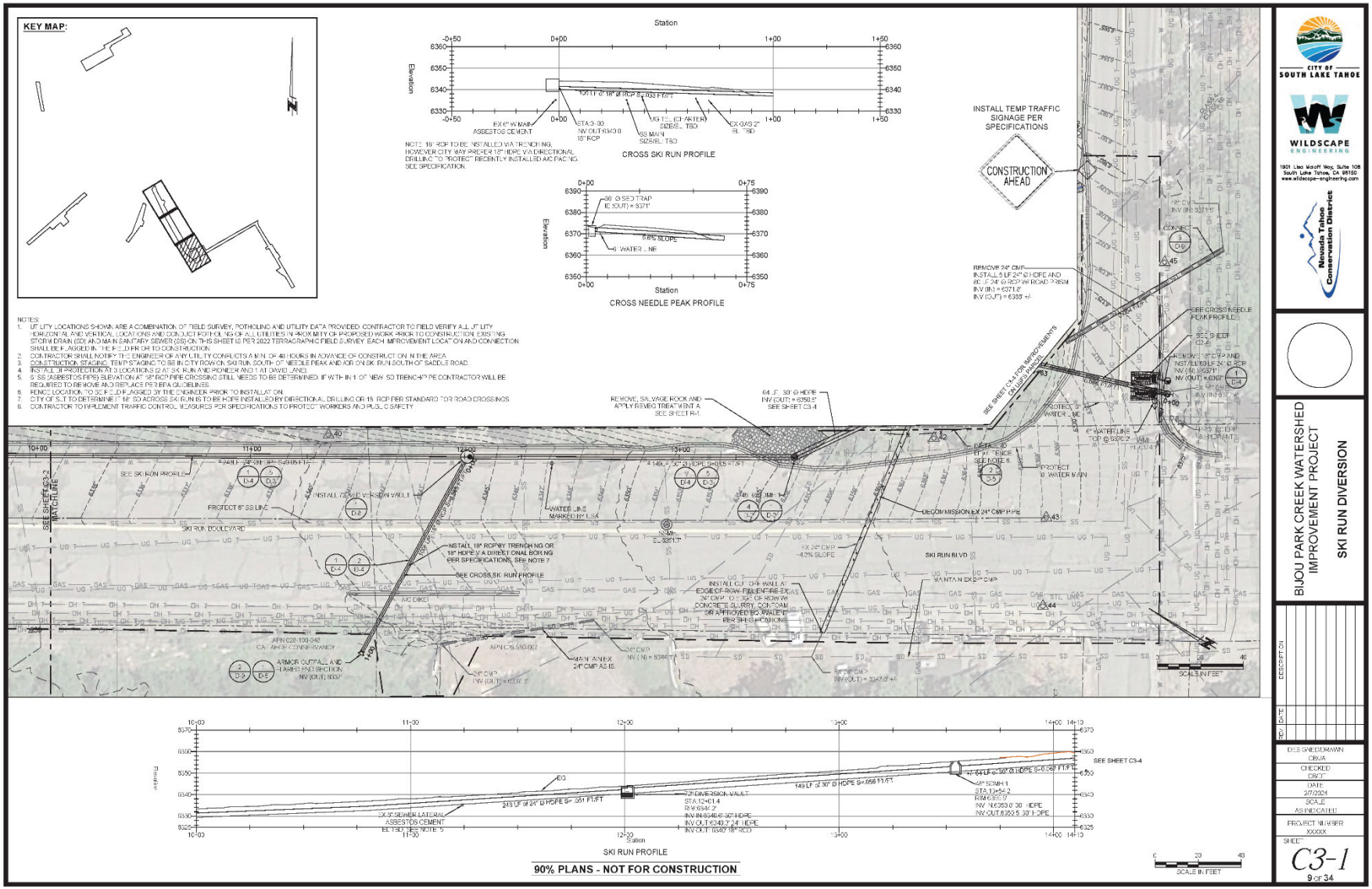
NOTES:
1. CONSTRUCTION STAGING TO OCCUR WITHIN AREA OF DISTURBANCE PRIOR TO BASIN EXCAVATION, THE HERBERT ROAD R.O.W. AND/OR IN THE SKI RUN BLVD. R.O.W. SOUTH OF SADDLE ROAD. NO STAGING SHALL INTERFERE WITH THE USE OF THE EX. BIKE PATH.
2. SEE DETAIL 1, SHEET R-2 FOR STORMWATER BASIN REVEGETATION.

90% PLANS - NOT FOR CONSTRUCTION


KEY MAP:
MATCHLINE SHEET C7.2
MATCHLINE SHEET C7.1
STA 3+35
CROSSING OF 30" DEEP GAS LINE. RELOCATE GAS OVER OR UNDER STORM DRAIN.
CROSSING OF 30" DEEP GAS LINE. RELOCATE GAS OVER OR UNDER STORM DRAIN.
APPROX. LOCATION EX. STORM DRAIN
HEAVENLY VALLEY MOBILE HOME PARK
025-021-077
60 LF of 24" HDPE @ 0.50%
INSTALL 48" SDMH STA 2+72.6 OFF: 0.0 SUMP: 6265.4 RIM 6269.9 INV IN 6265.5 24" RCP INV OUT 6265.4 24" HDPE
116 LF of 24" RCP @ 0.50%
INSTALL 48" SDMH STA 1+53.6 OFF: 0.0 SUMP: 6266.1 RIM 6270.1 INV IN 6266.2 24" RCP INV OUT 6266.1 24" RCP
97 LF of 24" RCP @ 0.50%
CROSSING OF WATERLINE. DEPTH UNKNOWN. RELOCATE BELOW STORM DRAIN IF CONFLICT EXISTS WITH PROPOSED STORM DRAIN
REMOVE EX. UTILITY POLE COORDINATE WITH LIBERTY UTILITIES FOR REMOVAL OF OVERHEAD UTILITY LINES
PREFAB HEADWALL WITH GRATE AT START OF PROPOSED STORM DRAIN IE(IN)=6266.35
DECOMMISSION STORM DRAIN BY CAPPING AND FILLING 5' FROM ENTRANCE W/ CONCRETE. GRADE EXISTING AREA TO FLOW TOWARDS NEW INLET
INSTALL SILT FENCING DURING UPSTREAM WORK PRIOR TO DECOMMISSIONING OF EX. STORM DRAIN (±60 LF) AND INSTALL CONSTRUCTION LIMIT FENCING AROUND PROPOSED GRADING AREA (±500 LF)
GRADING DAYLIGHT LINE (TYP.)
025-282-011 CSLT
DAYLIGHT LINE. RESTORATION FOOTPRINT OF 6,700 SF ON ROCKWOOD DR
EXISTING AC ROADWAY TO BE REMOVED AS PART OF WATERSHED IMPROVEMENT PROJECT ±2,125 SF
DECOMMISSION EX. SSMH. COORDINATE WITH STPUD.
025-282-014 PRIVATE
GRADE CHANNEL AT 0.8% TO NEW STORM DRAIN INLET. GRADE SURROUNDING AREA TO ENSURE POSITIVE DRAINAGE TOWARDS INLET
REMOVE EX. CMP STORM DRAIN
LOCATION OF START OF GRADING APPROXIMATE AND SUBJECT TO CHANGE BASED ON AGREEMENT WITH PRIVATE LANDOWNER
MATCH FL @ PL=±6267.15 BEGIN CHANNEL GRADING
EX. FLOW PATH
025-282-010 CTC
R25
R29
PROPOSED ±1,228 SF PERVIOUS PAVER EMERGENCY TURNAROUND FINAL LOCATION PENDING LAND CAPABILITY VERIFICATION AND FIRE DEPARTMENT APPROVAL
EMERGENCY TURNAROUND AREA TO BE SIGNED/STRIPED INDICATING NO PARKING
REMOVE TREE (TYP.)
025-282-010 PRIVATE
026-282-009 PRIVATE
EX. DRAINAGE SWALE AROUND RESIDENCE
EX. CMP
025-282-015 PRIVATE
WOODBINE RD.
2,498 SF OF EX. AC ROADWAY TO BE DESIGNATED EMERGENCY TURNAROUND. STRIPE "NO PARKING - FIRE TURNAROUND".
DECOMMISSION EX. SEWER BELOW ROCKWOOD
EX. EP (TYP.)
ROCKWOOD DR.
TRPA BAILEY LAND CAPABILITY LINE (TYP.)
025-282-016 PRIVATE
025-282-008 PRIVATE
EX. SSMH RIM=6272.7
ELEVATION
STATION
EX. 2" PLASTIC GAS
INSTALL 48" SDMH STA 2+72.6 RIM 6269.9 INV IN 6265.5 24" RCP INV OUT 6265.4 24" HDPE
60 LF of 24" HDPE @ 0.50%
EX. 2" PLASTIC GAS
EX. WATER LINE (APPROX.)
116 LF of 24" RCP @ 0.50%
INSTALL 48" SDMH STA 1+53.6 RIM 6270.1 INV IN 6266.2 24" RCP INV OUT 6266.1 24" RCP
97 LF of 24" RCP @ 0.50%
FLARED END SECTION AT BEGINNING PROPOSED STORM DRAIN IE(IN)=6266.35
EG
PROPOSED VEGETATED CHANNEL
EX. ROADWAY TO BE REMOVED
FG
MATCH FL @ UPSTREAM END OF EX. CULVERT EGH =6267.15
PROPOSED DRAINAGE PROFILE
HORIZONTAL SCALE: 1"=20', H:V=1:4
NOTE:
1. CONSTRUCTION STAGING TO OCCUR WITHIN AREA OF DISTURBANCE, BLACKWOOD ROAD R.O.W. AND/OR IN THE SKI RUN BLVD. R.O.W. SOUTH OF SADDLE ROAD.
2. SEE DETAILS 2 & 3, SHEET R-2 FOR REVEGETATION AT ROCKWOOD & BLACKWOOD SWALES
SCALE IN FEET
90% PLANS - NOT FOR CONSTRUCTION
WILDSCAPE ENGINEERING
1911 Lake Mead Way, Suite 138
South Lake Tahoe, CA 96150
www.wildscape-engineering.com
WILDSCAPE ENGINEERING
Nevada Tahoe Conservation District
GRADING AND STORM DRAIN PLAN
ROCKWOOD TO BLACKWOOD DRAINAGE IMPROVEMENTS
DESIGNED/DRAWN PJ/PJ
CHECKED CS
DATE 02/07/2024
SCALE AS INDICATED
PROJECT BIJOU PARK CREEK
SHEET C-1
3 OF 10


CITY OF SOUTH LAKE TAHOE
WILDSCAPE ENGINEERING
1901 Lake Tahoe Blvd, Suite 108
South Lake Tahoe, CA 96150
www.wildscape-engineering.com
Meeks Tahoe Conservation District
BIJOU PARK CREEK WATERSHED IMPROVEMENT PROJECT
OSGOOD EXPANSION
EXPANDED WETLAND TREATMENT AREA SEE NOTE 1.
EX OSGOOD BASIN WEST
EX FOREBAY
PARADISE AVE
SKI RUN BOULEVARD
3,700 SF TEMP STAGING AREA
INSTALL TEMP TRAFFIC SIGNAGE PER SPECIFICATIONS
CONSTRUCTION AHEAD
KEY MAP:
SCALE IN FEET
90% PLANS - NOT FOR CONSTRUCTION
DESIGNED/DRAWN
CHECKED
DATE
SCALE
AS INDICATED
PROJECT NUMBER
SHEET
C7-1
18 of 34


CITY OF SOUTH LAKE TAHOE
WILDSCAPE ENGINEERING
1901 Lake Tahoe Blvd., Suite 105
South Lake Tahoe, CA 96150
www.wildscape-engineering.com
Nevada Tahoe Conservation District
BIJOU PARK CREEK WATERSHED IMPROVEMENT PROJECT
SHIRLEY TO WHOLE FOOD
VEGETATED SWALE SECTION TYPICAL (Source: MODIFIED TRPA)
EXISTING GROUND
NETTING KEY TRENCH
SEED UNDER EROSION CONTROL NETTING
CONSTRUCT SOD REINFORCED CHANNEL SEE NOTES 4 AND 5
CONNECT TO SOD REINFORCED CHANNEL
INSTALL TEMP. TREE PROTECTION
BACKFILL AND COMPACT 6" HILLSIDE FROM CHANNEL APPLY REVEGETATION TREATMENT TYPE D
REMOVE AND SALVAGE WILLOWS TO REPLANT
115 LF REGRADED CHANNEL REQUIRES LANDOWNER PERMISSION
REPLANT SALVAGED WILLOWS EAST OF NEW SWALE CHANNEL AS DIRECTED BY THE DESIGN ENGINEER OR RESTORATION SPECIALIST
CONSTRUCT 115 LF NEW SWALE CHANNEL. REUSE SPOILS TO BACKFILL ARTIFICIAL CHANNEL APPLY REVEGETATION TREATMENT TYPE D
SLEEPER CUT MATCHLINE
WEBNER SALAS DRIVE
CA TAHOE CONSERVANCY
KEY MAP:
NOTES
1. ALL UTILITY LOCATIONS SHOWN ARE APPROXIMATE. CONTRACTOR TO FIELD VERIFY ALL UTILITY HORIZONTAL AND VERTICAL LOCATIONS AND CONDUCT POTHOLING OF ALL UTILITIES IN PROXIMITY OF PROPOSED WORK PRIOR TO CONSTRUCTION.
2. CONTRACTOR SHALL NOTIFY THE ENGINEER OF ANY UTILITY CONFLICTS A MIN. OF 48 HOURS IN ADVANCE OF CONSTRUCTION IN THE AREA.
3. IF DAYLIGHTING THE CREEK NORTH OF SULLIVAN IS PERMITTED BY THE LANDOWNER, THE RESTORED CHANNEL EXTENTS ARE TO BE FIELD FLAGGED AND SURVEYED DURING THE NEXT PHASE OF DESIGN.
4. TO CONSTRUCT SOD REINFORCED CHANNEL, REMOVE AND SALVAGE WILLOWS FOR PLACEMENT ALONG NEW CHANNEL AS NEEDED PER FIELD DIRECT. INSTALL WETLAND SOD BLOCKS ON CHANNEL BANKS PER FIELD DIRECT AND TREATMENT TYPE D. PLACE SALVAGED ROCK ON CHANNEL BOTTOM.
5. CONSTRUCTION STAGING TO OCCUR WITHIN THE AREA OF DISTURBANCE PRIOR TO EXCAVATION AND/OR NW CORNER OF TOWN OF BOBBY GREY CIR.
6. CONTRACTOR TO IMPLEMENT TRAFFIC CONTROL MEASURES PER SPECIFICATIONS TO PROTECT WORKERS AND PUBLIC SAFETY.
7. TEMPORARY EROSION CONTROL CONTRACTOR TO HAVE ADDITIONAL CLEAN GRAVEL BAGS, FIBERS AND FIBER ROLLS ON HAND TO DEPLOY FOR WATER QUALITY PROTECTION PRIOR TO ANY FORECASTED RAIN.
8. MINI EXCAVATOR OR SIMILAR TO BE USED FOR REINFORCED SOD CHANNEL WORK TO MINIMIZE DISTURBANCE ALONG RESIDENCES. CONTRACTOR TO PROVIDE SPECIFICATION ON EQUIPMENT FOR ENGINEER REVIEW AND APPROVAL PRIOR TO INITIATION OF WILLOW REMOVAL AND SALVAGE.
SCALE IN FEET
NEW SWALE CHANNEL
CONSTRUCT REINFORCED SOD CHANNEL
BIJOU PARK CREEK PROFILE
5X VERTICAL EXAGGERATION
90% PLANS - NOT FOR CONSTRUCTION
DES CNE/DRAWN CBVJA
CHECKED CDCT
DATE 2/7/2024
SCALE AS INDICATED
PROJECT NUMBER XXXXX
SHEET C4-2
14 OF 34


KEY MAP:
CROSS SKI RUN PROFILE
CROSS NEEDLE PEAK PROFILE
INSTALL TEMP TRAFFIC SIGNAGE PER SPECIFICATIONS
CONSTRUCTION AHEAD
SKI RUN PROFILE
90% PLANS - NOT FOR CONSTRUCTION
CITY OF SOUTH LAKE TAHOE
WILDSCAPE ENGINEERING
Nevada Tahoe Conservation District
BIJOU PARK CREEK WATERSHED IMPROVEMENT PROJECT
SKI RUN DIVERSION
DESIGNED/DRAWN
CHECKED
DATE
SCALE
AS INDICATED
PROJECT NUMBER
XXXXX
SHEET
C3-1
9 of 34

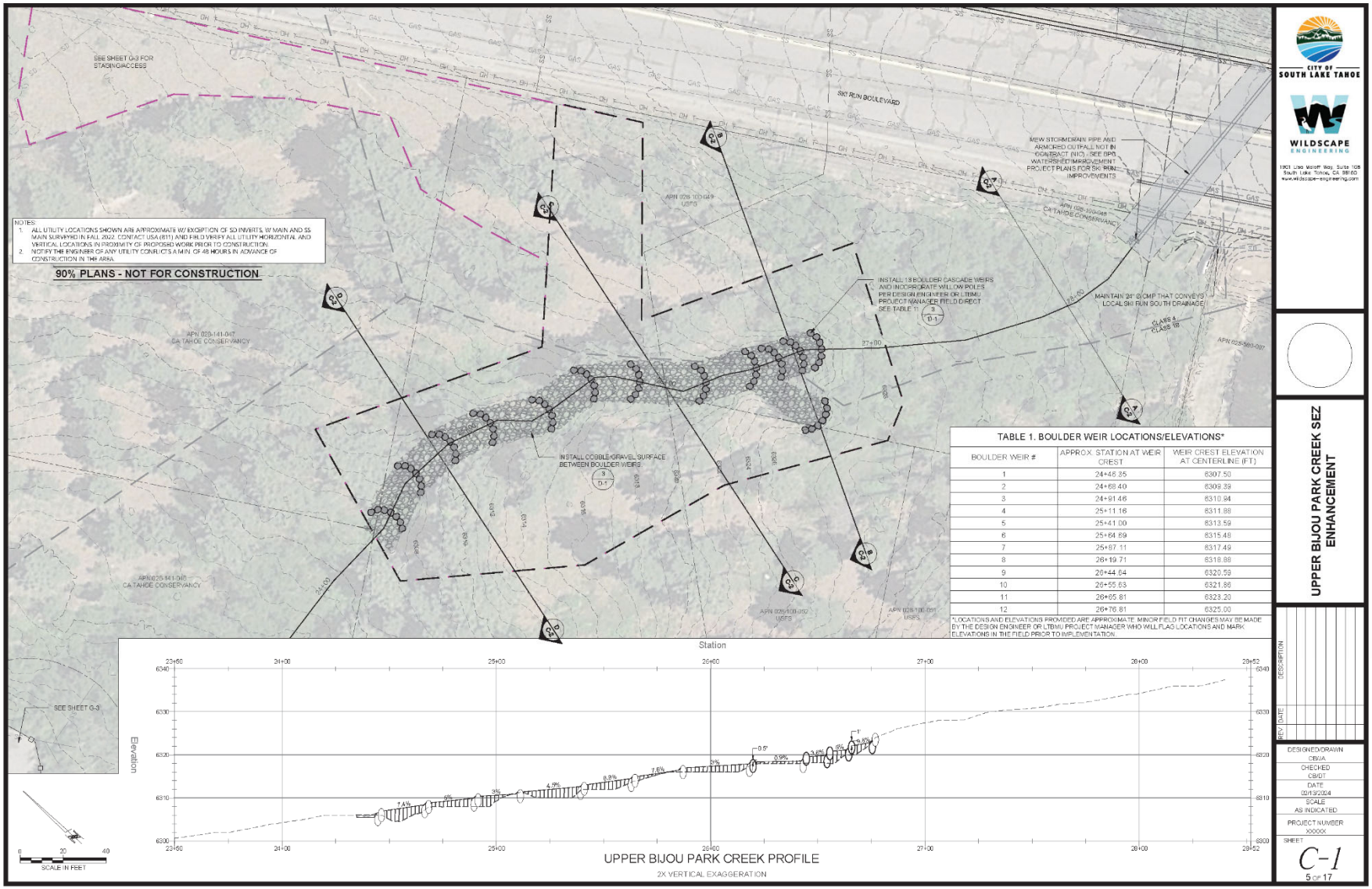


TABLE 1. BOULDER WEIR LOCATIONS/ELEVATIONS*

BOULDER WEIR #	APPROX. STATION AT WEIR CREST	WEIR CREST ELEVATION AT CENTERLINE (FT)
1	24+46.35	6307.50
2	24+68.40	6309.39
3	24+91.46	6310.94
4	25+11.16	6311.88
5	25+41.00	6313.59
6	25+64.69	6315.48
7	25+87.11	6317.49
8	26+19.71	6318.88
9	26+44.64	6320.59
10	26+55.63	6321.86
11	26+85.81	6323.20
12	26+76.81	6325.00

*LOCATIONS AND ELEVATIONS PROVIDED ARE APPROXIMATE. MINOR FIELD FIT CHANGES MAY BE MADE BY THE DESIGN ENGINEER OR LTBMU PROJECT MANAGER WHO WILL FLAG LOCATIONS AND MARK ELEVATIONS IN THE FIELD PRIOR TO IMPLEMENTATION.

CITY OF SOUTH LAKE TAHOE

DEPARTMENT OF PUBLIC WORKS

AGREEMENT

CITY OF SOUTH LAKE TAHOE

DEPARTMENT OF PUBLIC WORKS

AGREEMENT

for

ROCKWOOD TO BLACKWOOD DRAINAGE IMPROVEMENTS
PWC 16-30140051-01
CITY BID NO. 24-30140051-BN02
FEDERAL AID PROJECT NO. 21-PA-11051900-019

THIS AGREEMENT is made and entered into this _____ day of November, 2024, by and between the City of South Lake Tahoe, a political subdivision of the State of California, herein designated "City", and **FW Carson Co.**, herein designated as "Contractor."

WITNESSETH, that the City and the Contractor, in consideration of the mutual covenants hereafter set forth, agree as follows:

ARTICLE 1 — THE WORK

Contractor agrees to furnish all labor, tools, equipment, facilities, materials, transportation and services necessary to perform and complete, in a good and workmanlike manner, the **ROCKWOOD TO BLACKWOOD DRAINAGE IMPROVEMENTS**, as required pursuant to the Contract Documents.

ARTICLE 2 — COMMENCEMENT AND COMPLETION

The Work to be performed under this Agreement shall commence at the time as specified in the Notice to Proceed, and the Contractor shall diligently undertake the performance of the

obligations as set forth in the Contract Documents to achieve Final Completion of the Work (as defined at Section 9.9 Special Provisions) **by October 15, 2025** after the date commencement of the Work is authorized as set forth in the Notice to Proceed (the "Contract Time"). ***No grading or excavation or other land disturbance will be allowed between October 15th and May 1st; all Work shall be performed after the issuance of the Notice to Proceed, and Final Completion achieved within the contract time as set forth in these Bid Documents.***

The City and the Contractor recognize that time is of the essence of this Agreement and that the City will suffer financial loss if the Work is not completed within the time specified herein, plus any extensions thereof allowed in accordance with the Contract Documents. The City and Contractor also recognize the delays, expense, and difficulties involved in proving the actual loss suffered by the City if the Work is not completed within the Contract Time. Accordingly, instead of requiring any such proof, and pursuant to the Contract Documents, the City and the Contractor agree that as liquidated damages (but not as a penalty), the Contractor shall pay the City the sum of $1,500 for each calendar day beyond **October 1, 2025**, and continuing until Bidder achieves **Milestone #1**, Substantial Completion (per Document 00100, Article 1.04.A.1). The Contractor shall pay the City the sum of $1,000 for each calendar day beyond that portion of the Contract Time within which the Bidder is required to achieve **Milestone #2**, Final Completion (per Document 00100, Article 1.04.A.3).

In accordance with the Contract Documents, including, without limitation Document 00400.4.2 ("Bid Proposal"), the daily amount that Contractor may charge to the City for all delay costs, direct and indirect (and inclusive of all expenses and damages, including, without limitation, jobsite and home office overhead costs and extended general conditions) applicable to the first sixty (60) calendar days of Compensable Delay, if any, is **$95 per day**, the amount set forth by Contractor in Document 00400.4.2 ("Bid Proposal"). This sum shall represent the exclusive and sole amount (i.e., payment in full for any and all direct and indirect delay costs) that Contractor, on behalf of itself and subcontractors and suppliers, of every tier, shall receive for any and all Compensable Delay(s) during the first sixty (60) calendar days of actual, Compensable Delay at the Project. Delay costs that may arise from Compensable Delay, if any, beyond the first sixty (60) calendar days of a Compensable Delay, if allowable, shall thereafter be governed by, and subject to, the applicable provisions of Sections 8 and 9 of the Standard Specifications, as modified by the Special Provisions, and the Contract Documents.

ARTICLE 3 — CONTRACT PRICE

The City agrees to pay, and the Contractor agrees to accept, in current funds for the performance of the Work pursuant to the Contract Documents, the Contract Sum for the completion of the Work in accordance with the Contract Documents as follows:

BASE BID SCHEDULE

Item #	Quantity	Unit	Work Item Description	Unit Price	Total
1	1	LS	Mobilization	$109,224.00	$ 109,224.00
2	1	LS	Temporary Traffic Control	$34,374.00	$ 34,374.00

3	1	LS	Temporary Staging, Construction Access, and Project Sign	$29,934.00	$ 29,934.00
4	1	LS	Construction Surveying and Staking	$15,159.00	$ 15,159.00
5	1	LS	Temporary Erosion, Water Pollution, Dust Controls & BMPs	$39,662.00	$ 39,662.00
6	1	LS	Temporary Barriers, Fencing, and Vegetation Protection	$11,638.00	$ 11,638.00
7	1	LS	Subsurface Facility Locations/Verification/Coordination	$10,308.00	$ 10,308.00
8	24	EA	Pothole Subsurface Facility (as directed)	$2,370.00	$ 56,880.00
9	1	LS	Clearing and Grubbing	$39,580.00	$ 39,580.00
10	40	LF	Remove, Salvage, & Reset Fencing	$194.00	$ 7,760.00
11	1	LS	Remove, Salvage, & Reset Common Landscaping/Site Facilities (Misc. Project Areas)	$9,365.00	$ 9,365.00
12	1	LS	Remove, Salvage, & Reset Shed	$6,002.00	$ 6,002.00
13	25	LF	Remove and Replace Block Wall	$643.00	$ 16,075.00
14	55	SF	Remove and Dispose Flagstone Pavers	$26.00	$ 1,430.00
15	1	EA	Tree Removal (25-35" DBH)	$6,844.00	$ 6,844.00
16	11	EA	Utility Service Lateral Replacement (Coordination w/Southwest Gas) - Ex. Natural Gas Service Lateral	$2,264.00	$ 24,904.00
17	1	EA	Utility Service Replacement (Coordination w/Southwest Gas) - Ex. Natural Gas Main	$29,705.00	$ 29,705.00
18	2	EA	Utility Service Relocation (By Contractor) - Ex. Water Service Lateral in City ROW	$5,263.00	$ 10,526.00
19	6	EA	Utility Service Relocation (By Contractor) - Ex. Water Service Lateral in HVEMHP	$5,177.00	$ 31,062.00
20	1	EA	Utility Service Relocation (By Contractor) - Ex. 6" Water Main in City ROW	$32,921.00	$ 32,921.00
21	6	EA	Utility Service Relocation (Coordination w/Liberty) - Ex. Electrical Conduit	$2,966.00	$ 17,796.00
22	2365	SF	Remove AC Surfaces (Inc. Sawcutting)	$9.00	$ 21,285.00
23	350	LF	Decommission Existing Storm Drain Pipe (up to/incl. 36" dia)	$67.00	$ 23,450.00
24	1	LS	Earthwork	$38,363.00	$ 38,363.00
25	100	CY	Slurry Cement (structural backfill/ shallow pipe installations)	$367.00	$ 36,700.00

26	1	LS	Temporary Shoring and Trench Safety	$14,533.00	$ 14,533.00
27	150	LF	24" DIA. RCP (Class III) Storm Drain Pipe	$280.00	$ 42,000.00
28	898	LF	24" DIA. SDR26 Storm Drain Pipe	$345.00	$ 309,810.00
29	248	LF	12" DIA. SDR26 Storm Drain Pipe	$227.00	$ 56,296.00
30	1	EA	72" DIA. Storm Drain Manhole w/ sand oil separator	$51,871.00	$ 51,871.00
31	4	EA	48" DIA. Storm Drain Manhole w/ precast base (City Furnished)	$10,500.00	$ 42,000.00
32	4	EA	48" DIA. Storm Drain Manhole (City Furnished) - base poured in place by Contractor	$13,000.00	$ 52,000.00
33	4	LF	18" DIA. HDPE Storm Drain Pipe	$600.00	$ 2,400.00
34	1	EA	36" CMP Drop Inlet	$10,048.00	$ 10,048.00
35	1	EA	Drop Inlet Insert Pretreatment at Existing DI	$3,548.00	$ 3,548.00
36	2	EA	6x7x8 Custom Vault (City Furnished)	$14,972.00	$ 29,944.00
37	220	SF	AC Pavement (City R/W)	$38.00	$ 8,360.00
38	18750	SF	AC Pavement (Mobile Home Park) – Final Completion	$13.00	$ 243,750.00
39	8	EA	Adjust Existing Manholes and Utility Boxes to Grade	$1,209.00	$ 9,672.00
40	1	EA	Storm Drain Flared End Section (Match Culvert Size/Material)	$5,225.00	$ 5,225.00
41	1	LS	Storm Drain Inlet Structure w/ Trash Rack	$17,987.00	$ 17,987.00
42	2200	SF	Revegetation Treatment Type A	$4.90	$ 10,780.00
43	12000	SF	Revegetation Treatment Type D	$2.80	$ 33,600.00
44	1255	SF	ACB Fire Turnaround (Includes Concrete Edging)	$74.00	$ 92,870.00
45	1	LS	Traffic Striping/Markings	$7,032.00	$ 7,032.00
46	1	LS	Decommission Sewer (Includes Flush Inlet) (By Contractor)	$4,336.00	$ 4,336.00
47	40	CY	Unsuitable Subgrade (Contingent)	$205.00	$ 8,200.00
48	20	EA	Install Boulder Parking Barriers	$483.00	$ 9,660.00

BASE BID AMOUNT: $1,726,869.00

ADD BID ALTERNATIVE SCHEDULE

Item #	Quantity	Unit	Item Description	Unit Price	Total
1	4	LF	18" DIA. SDR26 Storm Drain Pipe	$925.00	$3,700.00
2	2	EA	36" CMP Drop Inlet	$8,826.00	$17,652.00
3	4	LF	Remove Existing Storm Drain	$550.00	$2,200.00

ADD BID ALTERNATIVE 1 AMOUNT: $23,552.00

TOTAL CONTRACT SUM: $1,750,421

For the Total Contract Sum of ONE-MILLION SEVEN-HUNDRED FIFTY THOUSAND FOUR-HUNDRED TWENTY-ONE dollars and ZERO cents.

The above Total Contract Sum includes all allowances, if any, provided for in the Contract Documents.

Compensation for Unit Price Items shall be based upon the unit prices stated in the above schedule multiplied by the actual quantities or units of work and materials performed or furnished. Unit prices paid by the City may change depending on actual quantities or units of work completed in accordance with the Contract Documents.

ARTICLE 4 — PREVAILING WAGES

Pursuant to the provisions of California Labor Code, Sections 1770 to 1780, inclusive thereof, the Contractor, and any subcontractor, of any tier, shall pay not less than the prevailing rate of per diem wages as determined by the Director of the California Department of Industrial Relations.

Attention is directed to the federal minimum wage rate requirements as predetermined by the United States Secretary of Labor. If there is a difference between the minimum wage rate predetermined by the Secretary of Labor and the prevailing wage rate determined by the Director of Industrial Relations for similar classifications of labor, the Contractor and Subcontractor(s) shall pay not less than the higher wage rate.

In compliance with Senate Bill 854 and the California Labor Code, this project is subject to compliance monitoring and enforcement by the Department of Industrial Relations. Contractors must submit their certified payroll records directly to the Division of Labor Standards Enforcement Compliance Monitoring Unit through the electronic certified payroll reporting (eCPR) system, as well as to the City.

Pursuant to the provisions of California Labor Code Section 1773.2, the Contractor is hereby advised that copies of the prevailing rate of per diem wages and a general prevailing rate for holidays, Saturdays and Sundays and overtime work in the locality in which the Work is to be performed for each craft, classification, or type of worker required to execute the Contract, are on file in the City's office. The Contractor agrees that not less than said prevailing rates shall be paid

to workers employed on this public works contract as required by Labor Code Section 1774. These rate determinations are found on the State of California Department of Industrial Relations' website at: http://www.dir.ca.gov/dlsr/DPreWageDetermination.htm.

ARTICLE 5 — CONTRACT DOCUMENTS

The Agreement includes and incorporates by reference the Contract Documents for the Project, which consists of the following documents:

(a) Notice to Bidders (Document 00100);

(b) Instructions to Bidders (Document 00200);

(c) Bid Proposal (Document 00400);

(d) Bidder's Bond (Document 00410);

(e) Designation of Subcontractors (Document 00420);

(f) Good Faith Effort for Local Hiring on Public Works Contracts (Document 00421);

(g) Verification of Contractor and Subcontractor DIR Registration (Document 00423)

(h) California Air Quality Control Board (CARB, Certificates of Reported Compliance (CRC) (Document 00424);

(i) Self-Performance Declaration (Document 00425);

(j) Debarment and Suspension Certifications (Document 00430);

(k) Non-Collusion Declaration (Document 00432);

(l) Worker's Compensation Certification (Document 00435);

(m) Business and Professions Code Sections 7028.15 and 7031 Statement (Document 00440);

(n) Bidder's Statement of Financial Responsibility, Technical Ability and Experience (Document 00450);

(o) Equal Employment Opportunity Certification (Document 00460);

(p) Non-Lobbying Certification (Document 00465);

(q) Disclosure of Lobbying Activities (Document 00466);

(r) Agreement (Document 00500);

(s) Payment Bond Form (Document 00610);

(t) Performance Bond Form (Document 00620);

(u) Sample Escrow Agreement for Security Deposits In Lieu of Retention (Document 00630);

(v) Warranty/Guaranty Form (Document 00635);

(w) Acknowledgment of City Code (Document 00640);

(x) Bid Document Certification (Document 00650);

(y) The Standard Specifications of the State of California, Department of Transportation, dated 2022; the Standard Plans of the State of California, Department of Transportation, dated 2022, and the South Lake Tahoe Public Improvement and Engineering Standards;

(z) Special Provisions (which incorporate by reference, and, as specified, modify the Standard Specifications of the State of California, Department of Transportation, dated 2022; the Standard Plans of the State of California, Department of Transportation, dated 2022, and the South Lake Tahoe Public Improvement and Engineering Standards) (Document 00700);

(cc,) Supplemental Conditions (Document 00800), if any;

(dd) General Requirements, if any;

(ee) Construction Progress Documentation (Document 01300);

(ff) Technical Specifications;

(gg) Contract Drawings;

(hh) Addenda (numbers ___ to____, inclusive; and

(ii) Permits from other agencies as may be required by law.

Exhibits to this Agreement are enumerated as follows:

- Accepted Contractor's Bid attached hereto as Exhibit A;
- Escrow Bid Document Certification attached hereto as Exhibit B; and
- Insurance Certificates and Endorsements as Exhibit C.

ARTICLE 6 — WORKERS' COMPENSATION

Contractor shall take out and maintain during the life of the Agreement, adequate and sufficient workers' compensation insurance for all Contractor's employees employed at the site of improvements, and, if any Work is sublet, Contractor shall require each subcontractor similarly to provide workers' compensation insurance for all of the latter's employees, unless such employees are covered by the protection afforded by Contractor. If any class of employees engaged in Work under this contract at the site of the Project is not protected under workers' compensation law, Contractor shall provide, and shall cause each subcontractor to provide, adequate insurance for the protection of employees not otherwise protected. Contractor shall indemnify the City, the California Tahoe Conservancy, the United States Forest Service, and Heavenly Valley Estates Mobile Home Park for any damage resulting to it from failure of either Contractor or any subcontractor to take out or maintain such insurance.

By its signature upon this Agreement, Contractor certifies that it has carefully reviewed and is aware of the provisions of Section 3700 of the Labor Code which requires every employer to be insured against liability for worker's compensation, or to undertake self-insurance in accordance with the provisions of the labor Code. Contractor, as a condition precedent to the commencement of its Work pursuant to the Agreement, shall comply with such provisions.

ARTICLE 7 — INDEMNITY AND INSURANCE

To the fullest extent permitted by law, and in strict accordance with the Contract Documents, Contractor shall defend, indemnify, and hold harmless the City, its officials, officers, City Council members, employees, agents, the California Tahoe Conservancy, the United States Forest Service, the Architect/Engineer, the Project Manager and the Project consultants, and their respective principals, officers and employees, and each of them, of and from any and all claims, demands, suits, causes of action, damages, costs, expenses, attorneys' fees, losses, or liability, in law or in equity, of every kind and nature whatsoever related to, arising out of, or in connection with, Contractor's operations to be performed under this Agreement, and as otherwise set forth in Contract Documents, including, without limitation, Section 7-1.05A of the Standard Specifications, as modified by Section 7.11 of the Special Provisions. The obligations of defense and indemnity set forth in this Article, and in the Contract Documents, shall not be limited by any insurance requirements or obligations pursuant to the Contract Documents. The obligations arising from this Article shall not be construed to negate, abridge, or reduce other rights or obligations of indemnity (including all duties to defend), which would otherwise exist as to a party, or person described elsewhere in the Contract Documents.

Contractor shall maintain the insurance coverage described in Section 7-1.06 of the Standard Specifications, as modified by Section 7.12 of the Special Provisions, throughout the performance of the Agreement, including any maintenance, warranty and/or guaranty periods. This Agreement shall not be operative until evidence of such insurance has been provided to, and approved by, the City as to form, amount, and carrier. Contractor shall not allow any subcontractor to commence Work at the Project until subcontractor provides evidence to Contractor and City that subcontractor has obtained insurance acceptable to the City.

ARTICLE 8 — NOTICES

Whenever any provision of the Contract Documents requires the giving of written notice, it shall be deemed to have been validly given if delivered in person to the individual for whom it is intended, or if delivered at or sent by registered or certified mail, postage prepaid, to the address listed below:

Notices required to be given to Contractor:

FW Carson Co.
Troy Carson
1064 Tahoe Blvd.
Incline Village, NV 89451

Notices required to be given to City:

Public Works Director/City Engineer
City of South Lake Tahoe
1740 D Street
South Lake Tahoe, CA 96150-6251

Notices required to be given to any surety(ies):

_____

_____

ARTICLE 9 — MISCELLANEOUS

9.1 Terms. Terms used in this Agreement will have the meanings indicated in the Contract Documents.

9.2 Assignment. No assignment by a party hereto of any rights under or interests in the Agreement will be binding on another party hereto without the written consent of the party sought to be bound; and, specifically but without limitation, moneys that may become due and moneys that are due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law), and unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under the Contract Documents.

9.3 Successors and Assigns. City and Contractor each binds itself, its partners, successors, assign, and legal representatives to the other party hereto, its partners, successors, assigns, and legal representatives in respect to all covenants, agreements, and obligations contained in the Contract Documents.

9.4 Severability. Any provision or part of the Contract Documents held to be void or unenforceable under any law or regulation shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon City and Contractor, who agree that the Contract Documents shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.

9.5 South Lake Tahoe City Code. Contractor acknowledges that all pertinent provisions within the South Lake Tahoe City Code are incorporated by reference as though set forth in full herein, and, further, the failure of Contractor or any subcontractor, of any tier, to comply with any of its/their obligations under the Contract Documents, or the requirements of the South Lake Tahoe City Code, or any other applicable law, code, statute, or regulation, shall be deemed a material breach of the Agreement.

9.6 Third Party Beneficiary. Contractor expressly acknowledges the City's status as a third party beneficiary solely with respect to the performance to be rendered under each subcontract, of any tier, upon the Project, and, as a result, Contractor acknowledges that City possesses, *inter alia*, the rights enumerated within the South Lake Tahoe City Code as to the enforcement of obligations under subcontracts of any tier.

9.7 Regulatory Requirements. Contractor acknowledges that the Project is subject to requirements and regulations issued on behalf of various governmental and/or regulatory bodies, including, without limitation, the Lahontan Regional Water Quality Control Board and the Tahoe Regional Planning Agency, among others. Contractor agrees to fully and promptly comply with any and all requirements and regulations issued on behalf of such entities.

9.8 Governing Law. This Agreement and the Contract Documents shall be deemed to have been entered into in the County of El Dorado, State of California, and governed by California

law. By entering into this Agreement, the Contractor consents and submits to the jurisdiction of Courts of the State of California, County of El Dorado, over any action of law, suit in equity, and/or other proceeding that may arise out of the Contract Documents.

IN WITNESS HEREOF, the said City of South Lake Tahoe, State of California, has caused this Agreement to be executed by its Mayor in its behalf, and the said Contractor has signed this Agreement the day and year first above written.

CITY OF SOUTH LAKE TAHOE

By _____
Mayor, City of South Lake Tahoe,
State of California

Contractor: _____

By Troy Carson

Title _____

Business License No. _____

ATTEST:

By _____
City Clerk
City of South Lake Tahoe

APPROVED AS TO FORM:

By _____
City Attorney
City of South Lake Tahoe

City of South Lake Tahoe

Agenda Item Executive Summary

Joe Irvin, City Manager

Meeting Date: November 5, 2024

Agenda Item #: 10

Agenda Item: Subrecipient Agreement with Tahoe Coalition for the Homeless for Use of Prohousing Incentive Program Funds for Rehabilitation of Three Homekey Properties (Bear's Den, Bird's Nest, and Red Lodge)

Executive Summary: In January 2024, the State of California Housing and Community Development Department (HCD) released a Notice of Funding Availability (NOFA) for the Prohousing Incentive Program (PIP) 2023 - Round 2. The grant award formula allows the city to receive $620,000 in grant funds. The City was awarded to subgrant the Tahoe Coalition for the Homeless $120,000 under eligible use for design and engineering plans for Best Management Practices, ADA and accessibility upgrades, and any other rehabilitation work allowable with remaining funding for the 72 units of permanent housing.

Requested Action / Suggested Motions: 1) Pass a Motion authorizing and directing the Mayor to execute a Subrecipient Agreement with Tahoe Coalition for the Homeless to administer the funds and execute the scope of work for the Prohousing Incentive Program funds; and 2) Pass as Resolution authorizing the Finance Director to appropriate a total of $120,000 into the revenue and expense budget line items for the PIP award for the expenditures to Tahoe Coalition for the Homeless.

Responsible Staff Member: Jessica Wackenhut Lomeli, Housing Manager

Reviewed and Approved By: Zach Thomas, Director of Development Services Susan Blankenship, City Clerk Olga Tikhomirova, Director of Finance Heather Stroud, City Attorney

Attachments:

- 01-Staff Report - Subrecipient Agreement with TCH.docx
- 02 - Resolution - Budget Appropriation.docx
- 03 - Subrecipient Agreement_PIP_TCH.docx

City of South Lake Tahoe
Report to **City Council**

Meeting Date: November 5, 2024

Title: Subrecipient Agreement with Tahoe Coalition for the Homeless and Budget Appropriation of Prohousing Incentive Program (PIP) Funds

Location: 2250 Lake Tahoe Blvd. (Bears Den), 2215 Lake Tahoe Blvd. (The Bird's Nest), 1137 Emerald Bay Road (Red Lodge)

Responsible Staff Member: Jessica Wackenhut Lomeli, Housing Manager

Background: In an effort to further push city and county jurisdictions to address the statewide housing crisis, the Newsom Administration and California Legislature created the Prohousing Designation Program as part of a package of technical assistance, accountability measures, and incentives to address housing and homelessness.

On September 12, 2023, City Council authorized Resolution 2023-082 for application to and participation in the Prohousing Designation Program. The motion was made by Councilmember Friedrich and seconded by Councilmember Wallace. The City of South Lake Tahoe was awarded the Prohousing Designation in March 2024.

In January 2024, the State of California Housing and Community Development Department (HCD) released a Notice of Funding Availability (NOFA) for the Prohousing Incentive Program (PIP) 2023 - Round 2. The PIP awards funds are based on the Prohousing Designation program score and jurisdiction size. The City submitted the Prohousing Designation program application which still allows eligibility to apply for the PIP. While the NOFA was released in January, the City was still not eligible until March 2024. Due to the short timeline, staff submitted a PIP application by the submission date of March 15, 2024 and City Council approved Resolution 2024 – 042 on March 26, 2024 ratifying the application for, and authorizing receipt of, Prohousing Incentive Program (PIP) funds.

Issue and Discussion: On July 8, 2024, the City received the award letter from HCD for $620,000 for the rehabilitation of TCH's three Homekey properties and the affordable housing project at 3900 and 3908 Lake Tahoe Boulevard.

Resolution 2024-042 authorizes the City Manager to accept the grant and sign the Standard Agreement. However, Council action is necessary to enter into a Subrecipient Agreement with TCH to administer the funds and executed the scope of work. City Council authorization is also needed to appropriate a total of $120,000 into the revenue and expense budget line items for the expenditures to Tahoe Coalition for the Homeless.

Financial Implications: The Prohousing Incentive Program is a competitive grant process available from HCD, which the City is eligible to apply for due to the Prohousing Designation. Based on the City's Prohousing score, jurisdiction population, and geographic region formula,

the City is eligible to receive $620,000. The City was awarded the $620,000 of which, $500,000 will be granted for predevelopment or construction costs to Novin and SMR Development for 3900 and 3908 Lake Tahoe Blvd affordable housing project. The remaining $120,000 will be granted to Tahoe Coalition for the Homeless for rehabilitation costs at their three Homekey properties including: the Bear's Den (2250 Lake Tahoe Boulevard), 2215 Lake Tahoe Blvd (The Bird's Nest), and1137 Emerald Bay Road (Red Lodge).

Staff recommends that the PIP funds be appropriated, consistent with the Standard Agreement, as follows:

Account Number 253-06010

Revenue (33244 Housing Grants): $120,000
Expenditures (42025 Contract Services): $120,000

Environmental Considerations: The proposed project that would use grant funds is categorically exempt from environmental review under CEQA Guidelines Section 15301, Existing Facilities, which exempts "the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of existing or former use" including "restoration or rehabilitation of deteriorated or damaged structures, facilities, or mechanical equipment to meet current standards of public health and safety, unless it is determined that the damage was substantial and resulted from an environmental hazard such as earthquake, landslide, or flood."

The project qualifies for a National Environmental Policy Act (NEPA) Categorical Exclusion pursuant to 24 CFR 58.35(a). The City completed required documentation and public noticing in compliance with NEPA as part of the grant application.

Policy Implications: This action would be consistent with an existing Memorandum of Understanding between the City and TCH where both parties agreed to seek to identify opportunities to develop shared strategies to prevent and reduce homelessness experienced by South Lake Tahoe residents and committed to jointly reviewing funding opportunities available to bring financial resources to our community which serve the priorities of the City.

The recommended action is also consistent with the following adopted policies and programs:

<u>City Strategic Plan</u>

Action Item 1.3.6 Continue to work with the Tahoe Coalition for the Homeless to rehabilitate properties purchased through Project Homekey.

Action Item 3.1.3 Work with local partners to support permanent supportive housing/transitional homeless shelter resources and provide more services to mitigate existing homeless camps.

City General Plan Housing Element

Policy 1-1 The City shall adopt programs, ordinances, incentives, land use plans and other regulatory mechanisms that provide opportunities for the private sector to address the housing needs of citizens of all economic levels.

Policy 4-2 The City shall work with surrounding jurisdictions to address the causes of homelessness and the needs of transient homeless persons on a regional basis. The City shall support TCH and El Dorado County Community Services and in its countywide programs address the needs of homeless persons.

Policy 4-4 The City shall provide priority permit processing of projects that are targeted toward special-needs groups, such as seniors, the disabled (including the developmentally disabled), and the homeless, including priority for building plan check, subdivision map review, improvement plans for roadways and utilities, and environmental impact analysis.

Resolution 2024-XXX

Adopted by the City of South Lake Tahoe
City Council

November 5, 2024

Budget Appropriation of Prohousing Incentive Program (PIP) Funds

BACKGROUND

A. The City of South Lake Tahoe's Strategic Plan includes Action Item 1.3.6 Continue to work with the Tahoe Coalition for the Homeless to rehabilitate properties purchased through Project Homekey.

B. On September 12, 2023, City Council authorized Resolution 2023-082 for application to and participation in the Prohousing Designation Program. The City of South Lake Tahoe was awarded the Prohousing Designation in March 2024.

C. On March 15, 2024, City Council approved Resolution 2024 – 042 on March 26, 2024 ratifying the application for, and authorizing receipt of, Prohousing Incentive Program Funds to provide funds for the affordable housing project at 3900 Lake Tahoe Blvd. and for rehabilitation of the three Project Homekey properties owned by Tahoe Coalition for the Homeless.

D. On July 8, 2024, the City received the award letter from the California Department of Housing and Community Development for $620,000 that includes $120,000 for the rehabilitation of the three Project Homekey properties owned by Tahoe Coalition for the Homeless.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, BE IT RESOLVED, that the City Council of the City of South Lake Tahoe:

1. Appropriate budgeting on the PIP funds into account number 253-06010 as follows:

Revenue (33244)	$120,000
Expenditures: Contract Services 42025	 $120,000

Adopted by the City of South Tahoe City Council on November 5, 2024 by the following vote:
Yes:
No:
Absent:
Abstain:

_____ Date:_____

Cody Bass, Mayor

Attest:

_____

Susan Blankenship, City Clerk

SUBRECIPIENT AGREEMENT

AGREEMENT BETWEEN CITY OF SOUTH LAKE TAHOE
AND
TAHOE COALITION FOR THE HOMELESS
FOR
PROHOUSING INCENTIVE PROGRAM FUNDS

THIS AGREEMENT, entered this _____ day of _____, 2022 by and between the City of South Lake Tahoe (herein called the "Grantee") and Tahoe Coalition For The Homeless (herein called the "Subrecipient").

WHEREAS, the Grantee has applied for and been awarded funding from California Housing and Community Development Department (HCD);

WHEREAS, the Grantee wishes to engage the Subrecipient to assist the Grantee in utilizing such funds;

NOW, THEREFORE, it is agreed between the parties hereto that;

I. SCOPE OF SERVICE

The Subrecipient will be responsible for administering a Prohousing Incentive Program (PIP) grant in a manner satisfactory to the Grantee and consistent with any standards required as a condition of providing these funds.

There are ten eligible uses for PIP grant funds and the grant use for Tahoe Coalition for the Homeless will utilize the following eligible activity under PIP:

vi. Assisting persons who are experiencing or at risk of homelessness, including providing rapid rehousing, rental assistance, navigation centers, emergency shelters, and the new construction, rehabilitation, and preservation of permanent and transitional housing.

Under Eligible Activity VI in the PIP Guidelines, TCH will utilize funds for the rehabilitation of the Bears Den Inn (2250 Lake Tahoe Blvd), The Bird's Nest (2215 Lake Tahoe Blvd), and Red Lodge (1137 Emerald Bay Road) to satisfy current building code standards for multifamily housing.

As funding allows, the items to be funded at the three properties includes: general maintenance and repair work, for design and engineering plans for Best Management Practices, ADA and accessibility upgrades, and any other rehabilitation work allowable with remaining funding Some items may require building permits, in which construction plans by a licensed architect or engineer and construction completed by licensed contractors, may be required.

Subrecipient will ensure completion of the activity described above in compliance with all applicable laws and regulations. Subrecipient will provide all project and contract management and administration associated with completion of the activity in a manner consistent with the funding source and will maintain documents and records necessary to demonstrate compliance. Subrecipient will provide the Grantee with documentation and information necessary to complete all grant reporting.

Subrecipient commits the following staffing to delivery of the described activity:

- Executive Director (currently Kimberly Peterson)

Subrecipient shall notify Grantee of any changes in the Key Personnel assigned or their general responsibilities under this project.

Performance Monitoring

The Grantee will monitor the performance of the Subrecipient against goals and performance standards as stated above. Substandard performance as determined by the Grantee will constitute noncompliance with this Agreement. If action to correct such substandard performance is not taken by the Subrecipient within a reasonable period of time after being notified by the Grantee, contract suspension or termination procedures will be initiated.

II. TIME OF PERFORMANCE

Services of the Subrecipient shall start upon execution of this Agreement and end on June 30, 2026.

III. BUDGET

Line Item	Amount:
Engineering/Design Plans, Construction & Construction Supplies	$120,000
TOTAL	**$120,000**

IV. PAYMENT

It is expressly agreed and understood that the total amount to be paid by the Grantee under this Agreement shall not exceed $120,000. Drawdowns for the payment of eligible expenses shall be made against the budget line items. It is agreed and understood that payment for work inconsistent with the performance milestones and scope of services described in this agreement shall not be provided.

Subrecipient shall submit quarterly progress reports to Grantee along with reimbursement requests which include a cover letter describing the reimbursement request as it relates to the scope of work and performance milestones along with an invoice, receipts, cancelled checks, and any other documentation necessary to support compliance with this agreement. Grantee shall provide reimbursement payments to Subrecipient quarterly upon receipt and review of reimbursement requests. Grantee is not responsible for direct payment of any goods or services procured by the Subrecipient. Grantee reserves the right to deny a request or request additional documentation to verify eligibility of an expense.

Grantee shall make every effort to expeditiously resolve any reimbursement issues and communicate to Subrecipient the delay in reimbursement.

V. NOTICES

Notices required by this Agreement shall be in writing and delivered via mail (postage prepaid), commercial courier, or personal delivery or sent by email. Any notice delivered or sent as aforesaid shall be effective on the date of delivery or sending. All notices and other written communications under this Agreement shall be addressed to the individuals in the capacities indicated below, unless otherwise modified by subsequent written notice.

Communication and details concerning this contract shall be directed to the following contract representatives:

Grantee	Subrecipient
Joseph Irvin, City Manager	Kimberly Peterson, Executive Director
City of South Lake Tahoe 1901 Lisa Maloff Way South Lake Tahoe, CA 96150 (530) 542-6043	Tahoe Coalition For The Homeless PO Box 13514 South Lake Tahoe, CA 96151 (530) 600-2822

VII. GENERAL CONDITIONS

A. General Compliance

The Subrecipient agrees to comply with all applicable Federal, state and local laws, regulations, and policies governing the funds provided under this contract. The Subrecipient further agrees to utilize funds available under this Agreement to supplement rather than supplant funds otherwise available.

B. "Independent Contractor"

Nothing contained in this Agreement is intended to, or shall be construed in any manner, as creating or establishing the relationship of employer/employee between the parties. The Subrecipient shall at all times remain an "independent contractor" with respect to the services to be performed under this Agreement. The Grantee shall be exempt from payment of all Unemployment Compensation, FICA, retirement, life and/or medical insurance and Workers' Compensation Insurance, as the Subrecipient is an independent contractor.

C. Hold Harmless

The Subrecipient shall hold harmless, defend and indemnify the Grantee from any and all claims, actions, suits, charges and judgments whatsoever that arise out of the Subrecipient's performance or nonperformance of the services or subject matter called for in this Agreement.

D. Workers' Compensation

The Subrecipient shall provide Workers' Compensation Insurance coverage for all of its employees involved in the performance of this Agreement.

E. Insurance & Bonding

The Subrecipient shall carry sufficient insurance coverage to protect contract assets from loss due to theft, fraud and/or undue physical damage, and as a minimum shall purchase a blanket fidelity bond covering all employees in an amount equal to cash advances from the Grantee.

F. Grantee Recognition

The Subrecipient shall ensure recognition of the role of the Grantee in providing services through this Agreement. All activities, facilities and items utilized pursuant to this Agreement shall be prominently labeled as to funding source. In addition, the Subrecipient will include a reference to the support provided herein in all publications made possible with funds made available under this Agreement.

G. Amendments

The Grantee or Subrecipient may amend this Agreement at any time provided that such amendments make specific reference to this Agreement, and are executed in writing, signed by a duly authorized representative of each organization, and approved by the Grantee's governing body. Such amendments shall not invalidate this Agreement, nor relieve or release the Grantee or Subrecipient from its obligations under this Agreement.

The Grantee may, in its discretion, amend this Agreement to conform with Federal, state or local governmental guidelines, policies and available funding amounts, or for other reasons. If such amendments result in a change in the funding, the scope of services, or schedule of the activities to be undertaken as part of this Agreement, such modifications will be incorporated only by written amendment signed by both Grantee and Subrecipient.

H. Suspension or Termination

The Grantee may suspend or terminate this Agreement if the Subrecipient materially fails to comply with any terms of this Agreement, which include (but are not limited to) the following:

1. Failure to comply with any of the rules, regulations or provisions referred to herein, or such statutes, regulations, executive orders, and HCD guidelines, policies or directives as may become applicable at any time;

2. Failure, for any reason, of the Subrecipient to fulfill in a timely and proper manner its obligations under this Agreement;

3. Ineffective or improper use of funds provided under this Agreement; or

4. Submission by the Subrecipient to the Grantee reports that are incorrect or incomplete in any material respect.

This Agreement may also be terminated for convenience by either the Grantee or the Subrecipient, in whole or in part, by setting forth the reasons for such termination, the effective date, and, in the case of partial termination, the portion to be terminated. However, if in the case of a partial termination, the Grantee determines that the remaining portion of the award will not accomplish the purpose for which the award was made, the Grantee may terminate the award in its entirety.

VIII. ADMINISTRATIVE REQUIREMENTS

A. Financial Management

1. Accounting Standards

The Subrecipient agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

2. Cost Principles

The Subrecipient shall administer its program in conformance with OMB Circulars A-122, "Cost Principles for Non-Profit Organizations." These principles shall be applied for all costs incurred whether charged on a direct or indirect basis.

B. Documentation and Record Keeping

1. Records to be Maintained

The Subrecipient shall maintain all records required by the Federal regulations specified in 24 CFR 570.506, that are pertinent to the activities to be funded under this Agreement. Such records shall include but not be limited to:

a. Records providing a full description of each activity undertaken;

b. Records required to determine the eligibility of activities;

c. Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with PIP assistance;

d. Records documenting compliance with the fair housing and equal opportunity components;

e. Financial records as required; and

g. Other records necessary to document compliance.

2. Retention and Inspection of Records

The Subrecipient shall retain all financial records, supporting documents, statistical records, and all other records pertinent to the Agreement. Notwithstanding the above, if there is litigation, claims, audits, negotiations or other actions that involve any of the records cited, then such records must be retained until completion of the actions and resolution of all issues.

The Subrecipient agrees to retain all records for a period of five years after the end of the term of this Agreement:

a) If any litigation, claim, negotiation, audit, monitoring, inspection or other action has been started before the expiration of the required record retention period, all records must be retained until completion of the action and resolution of all issues, which arise from it.
b) The Subrecipient also agrees to include in any contract that it enters into in an amount exceeding $10,000, the Grantee's right to audit the contractor's records and interview their employees. The Subrecipient shall comply with all caveats and be aware of the penalties for violation of fraud and for obstruction of investigation as set forth in California Public Code Section 10115.10.

C. Reporting and Payment Procedures

1. Payment Procedures

The Grantee will pay to the Subrecipient funds available under this Agreement based upon information submitted by the Subrecipient and consistent with any approved budget and Grantee policy concerning payments. Payments will be made for eligible expenses actually incurred by the Subrecipient, and not to exceed actual cash requirements. In addition, the Grantee reserves the right to liquidate funds available under this contract for costs incurred by the Grantee on behalf of the Subrecipient.

2. Progress Reports

The Subrecipient shall submit quarterly Progress Reports to the Grantee in the form, content, and frequency as required by the Grantee.

IX. COMPLIANCE WITH STATE AND FEDERAL LAWS, RULES, GUIDELINES AND REGULATIONS

The Subrecipient agrees to comply with all State and Federal laws, rules and regulations that pertain to construction, health and safety, labor, fair employment practices, equal opportunity, and all other matters applicable to the Grant, the Subrecipient, and any other Grant activity.

XI. SEVERABILITY

If any provision of this Agreement is held invalid, the remainder of the Agreement shall not be affected thereby and all other parts of this Agreement shall nevertheless be in full force and effect.

XII. SECTION HEADINGS AND SUBHEADINGS

The section headings and subheadings contained in this Agreement are included for convenience only and shall not limit or otherwise affect the terms of this Agreement.

XIII. WAIVER

The Grantee's failure to act with respect to a breach by the Subrecipient does not waive its right to act with respect to subsequent or similar breaches. The failure of the Grantee to exercise or enforce any right or provision shall not constitute a waiver of such right or provision.

XIV. ENTIRE AGREEMENT

This agreement constitutes the entire agreement between the Grantee and the Subrecipient for the use of funds received under this Agreement and it supersedes all prior or contemporaneous communications and proposals, whether electronic, oral, or written between the Grantee and the Subrecipient with respect to this Agreement.

Date: November 5, 2024

IN WITNESS WHEREOF, the Parties have executed this contract as of the date first written above.

[Grantee]	[Subrecipient]
By_____	By_____
Cody Bass, Mayor	Kimberly Peterson, Executive Director
City of South Lake Tahoe	Tahoe Coalition for the Homeless

Attest_____
Susan Blankenship, City Clerk

APPROVED AS TO FORM AND LEGAL SUFFICIENCY:

_____
Heather Stroud, City Attorney

The presence of electronic signature certifies that the foregoing is a true and correct copy as approved by the South Lake Tahoe City Council.

City of South Lake Tahoe

Agenda Item Executive Summary

Joe Irvin, City Manager

Meeting Date: November 5, 2024

Agenda Item #: 11

Agenda Item: Purchase of Freightliner Dump Truck from Velocity Truck Center

Executive Summary: Staff recommends purchasing a Freightliner Dump Truck for Street Repair Maintenance. The budget for the purchase of this truck was approved with the Annual Budget for FY 2024-2025. The purchase is through a cooperative purchasing agreement with Sourcewell.

Requested Action / Suggested Motions: Pass a Motion to authorizing and directing the Mayor to execute a Purchase Order with Velocity Truck Center to purchase one 2025 Freightliner Dump Truck for $199,968.41.

Responsible Staff Member: Anush Nejad, Director of Public Works, Phil Harwood, Fleet Manager

Reviewed and Approved By: Susan Blankenship, City Clerk Olga Tikhomirova, Director of Finance Heather Stroud, City Attorney

Attachments:

- 01-Staff Report - Dump Truck.docx
- 02- Sourcewell Agreement.pdf
- 03 - Velocity Dump Truck Purchase Order
- 04 - Advanced Clean Fleets Regulation - ZEV Milestones Option.pdf

City of South Lake Tahoe
Report to **City Council**

Meeting Date: November 5, 2024

Title: Purchase of a Freightliner Dump Truck

Location: Citywide

Responsible Staff Member: Anush Nejad, Director of Public Work – (530) 542-6031
Phil Harwood, Fleet Supervisor – (530) 542-6086

Background: The Street Operations Division has a need for a new Dump Truck which is primarily used to haul asphalt and other construction materials for Street Repair. The dump truck is also used to haul snow and other materials. This item was presented with the FY 24-25 Budget request and was approved by the City Council on August 27, 2024

Issue and Discussion: The proposed vehicle will enhance the Streets Maintenance and Snow Operational process. The dump truck purchase will be sourced through the cooperative purchasing agreement. See Attachment 02. The financial Implications section below outlines the purchase cost and funding source.

Financial Implications: The proposed dump truck will be purchased from Velocity Truck Centers of Sparks, NV, through Sourcewell cooperative purchasing contract for $199,968.41. See Attachment 03. Funding for the purchase of the dump struck will be through Vehicle Replacement Account 210-03010-46130 (Vehicles) that was allocated with the amount of $395,805 in FY 2024/25 adopted budget.

Environmental Considerations: This purchase is not a “project” subject to review under the California Environmental Quality Act (CEQA) under CEQA Guidelines section 15378(b)(2) (continuing administrative or maintenance activities, such as purchases for supplies). The proposed truck meets the California Clean Fleet regulations. See Attachment 04.

Policy Implications: The purchase of the dump truck will improve Street and Snow Maintenance operations.

The purchase of the vehicle and equipment contemplated herein will be via Cooperative Purchasing Contract. City Code Section 3.45.090 allows for Cooperative Purchasing: “Where another governmental agency performs a solicitation and/or bid process for the city and/or multiple agencies or jurisdictions, and where the purchase of materials, supplies, and equipment is based on an agreement or cooperative purchasing program pursuant to authority granted by statute or ordinance, pursuant to a contractual arrangement between the city and said the governmental agency, or pursuant to a determination by the city manager that the governmental agency conducted a competitive bidding process, the city may purchase materials, supplies and equipment based upon the governmental agency’s solicitation and/or bid process without

complying with the bidding requirements of this chapter. (Ord. 1069 § 1 (Exh. A); Ord. 1109 § 1 (Exh. A). Code 1997 § 22-8)”

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Sourcewell

Solicitation Number: RFP #032824

CONTRACT

This Contract is between Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 (Sourcewell) and 72 Hour LLC, dba National Auto Fleet Group, 490 Auto Center Drive, Watsonville, CA 95076 (Supplier).

Sourcewell is a State of Minnesota local government unit and service cooperative created under the laws of the State of Minnesota (Minnesota Statutes Section 123A.21) that offers cooperative procurement solutions to government entities. Participation is open to eligible federal, state/province, and municipal governmental entities, higher education, K-12 education, nonprofit, tribal government, and other public entities located in the United States and Canada. Sourcewell issued a public solicitation for Class 4-8 Chassis and Cabs with Related Equipment, Accessories, and Services from which Supplier was awarded a contract.

Supplier desires to contract with Sourcewell to provide equipment, products, or services to Sourcewell and the entities that access Sourcewell's cooperative purchasing contracts (Participating Entities).

1. TERM OF CONTRACT

A. EFFECTIVE DATE. This Contract is effective upon the date of the final signature below.

EXPIRATION DATE AND EXTENSION. This Contract expires July 9, 2028, unless it is cancelled sooner pursuant to Article 22. This Contract allows up to three additional one-year extensions upon the request of Sourcewell and written agreement by Supplier. Sourcewell retains the right to consider additional extensions beyond seven years as required under exceptional circumstances.

B. SURVIVAL OF TERMS. Notwithstanding any expiration or termination of this Contract, all payment obligations incurred prior to expiration or termination will survive, as will the following: Articles 11 through 14 survive the expiration or cancellation of this Contract. All other rights will cease upon expiration or termination of this Contract.

2. EQUIPMENT, PRODUCTS, OR SERVICES

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A. EQUIPMENT, PRODUCTS, OR SERVICES. Supplier will provide the Equipment, Products, or Services as stated in its Proposal submitted under the Solicitation Number listed above. Supplier's Equipment, Products, or Services Proposal (Proposal) is attached and incorporated into this Contract.

All Equipment and Products provided under this Contract must be new and the current model. Supplier may offer close-out or refurbished Equipment or Products if they are clearly indicated in Supplier's product and pricing list. Unless agreed to by the Participating Entities in advance, Equipment or Products must be delivered as operational to the Participating Entity's site.

This Contract offers an indefinite quantity of sales, and while substantial volume is anticipated, sales and sales volume are not guaranteed.

B. WARRANTY. Supplier warrants that all Equipment, Products, and Services furnished are free from liens and encumbrances, and are free from defects in design, materials, and workmanship. In addition, Supplier warrants the Equipment, Products, and Services are suitable for and will perform in accordance with the ordinary use for which they are intended. Supplier's dealers and distributors must agree to assist the Participating Entity in reaching a resolution in any dispute over warranty terms with the manufacturer. Any manufacturer's warranty that extends beyond the expiration of the Supplier's warranty will be passed on to the Participating Entity.

C. DEALERS, DISTRIBUTORS, AND/OR RESELLERS. Upon Contract execution and throughout the Contract term, Supplier must provide to Sourcewell a current means to validate or authenticate Supplier's authorized dealers, distributors, or resellers relative to the Equipment, Products, and Services offered under this Contract, which will be incorporated into this Contract by reference. It is the Supplier's responsibility to ensure Sourcewell receives the most current information.

3. PRICING

All Equipment, Products, or Services under this Contract will be priced at or below the price stated in Supplier's Proposal.

When providing pricing quotes to Participating Entities, all pricing quoted must reflect a Participating Entity's total cost of acquisition. This means that the quoted cost is for delivered Equipment, Products, and Services that are operational for their intended purpose, and includes all costs to the Participating Entity's requested delivery location.

Regardless of the payment method chosen by the Participating Entity, the total cost associated with any purchase option of the Equipment, Products, or Services must always be disclosed in the pricing quote to the applicable Participating Entity at the time of purchase.

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A. SHIPPING AND SHIPPING COSTS. All delivered Equipment and Products must be properly packaged. Damaged Equipment and Products may be rejected. If the damage is not readily apparent at the time of delivery, Supplier must permit the Equipment and Products to be returned within a reasonable time at no cost to Sourcewell or its Participating Entities. Participating Entities reserve the right to inspect the Equipment and Products at a reasonable time after delivery where circumstances or conditions prevent effective inspection of the Equipment and Products at the time of delivery. In the event of the delivery of nonconforming Equipment and Products, the Participating Entity will notify the Supplier as soon as possible and the Supplier will replace nonconforming Equipment and Products with conforming Equipment and Products that are acceptable to the Participating Entity.

Supplier must arrange for and pay for the return shipment on Equipment and Products that arrive in a defective or inoperable condition.

Sourcewell may declare the Supplier in breach of this Contract if the Supplier intentionally delivers substandard or inferior Equipment or Products.

B. SALES TAX. Each Participating Entity is responsible for supplying the Supplier with valid tax-exemption certification(s). When ordering, a Participating Entity must indicate if it is a tax-exempt entity.

C. HOT LIST PRICING. At any time during this Contract, Supplier may offer a specific selection of Equipment, Products, or Services at discounts greater than those listed in the Contract. When Supplier determines it will offer Hot List Pricing, it must be submitted electronically to Sourcewell in a line-item format. Equipment, Products, or Services may be added or removed from the Hot List at any time through a Sourcewell Price and Product Change Form as defined in Article 4 below.

Hot List program and pricing may also be used to discount and liquidate close-out and discontinued Equipment and Products as long as those close-out and discontinued items are clearly identified as such. Current ordering process and administrative fees apply. Hot List Pricing must be published and made available to all Participating Entities.

4. PRODUCT AND PRICING CHANGE REQUESTS

Supplier may request Equipment, Product, or Service changes, additions, or deletions at any time. All requests must be made in writing by submitting a signed Sourcewell Price and Product Change Request Form to the assigned Sourcewell Supplier Development Administrator. This approved form is available from the assigned Sourcewell Supplier Development Administrator. At a minimum, the request must:

- Identify the applicable Sourcewell contract number;

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- Clearly specify the requested change;
- Provide sufficient detail to justify the requested change;
- Individually list all Equipment, Products, or Services affected by the requested change, along with the requested change (e.g., addition, deletion, price change); and
- Include a complete restatement of pricing documentation in Microsoft Excel with the effective date of the modified pricing, or product addition or deletion. The new pricing restatement must include all Equipment, Products, and Services offered, even for those items where pricing remains unchanged.

A fully executed Sourcewell Price and Product Change Request Form will become an amendment to this Contract and will be incorporated by reference.

5. PARTICIPATION, CONTRACT ACCESS, AND PARTICIPATING ENTITY REQUIREMENTS

A. PARTICIPATION. Sourcewell's cooperative contracts are available and open to public and nonprofit entities across the United States and Canada; such as federal, state/province, municipal, K-12 and higher education, tribal government, and other public entities.

The benefits of this Contract should be available to all Participating Entities that can legally access the Equipment, Products, or Services under this Contract. A Participating Entity's authority to access this Contract is determined through its cooperative purchasing, interlocal, or joint powers laws. Any entity accessing benefits of this Contract will be considered a Service Member of Sourcewell during such time of access. Supplier understands that a Participating Entity's use of this Contract is at the Participating Entity's sole convenience and Participating Entities reserve the right to obtain like Equipment, Products, or Services from any other source.

Supplier is responsible for familiarizing its sales and service forces with Sourcewell contract use eligibility requirements and documentation and will encourage potential participating entities to join Sourcewell. Sourcewell reserves the right to add and remove Participating Entities to its roster during the term of this Contract.

B. PUBLIC FACILITIES. Supplier's employees may be required to perform work at government-owned facilities, including schools. Supplier's employees and agents must conduct themselves in a professional manner while on the premises, and in accordance with Participating Entity policies and procedures, and all applicable laws.

6. PARTICIPATING ENTITY USE AND PURCHASING

A. ORDERS AND PAYMENT. To access the contracted Equipment, Products, or Services under this Contract, a Participating Entity must clearly indicate to Supplier that it intends to access this Contract; however, order flow and procedure will be developed jointly between Sourcewell and Supplier. Typically, a Participating Entity will issue an order directly to Supplier or its authorized

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subsidiary, distributor, dealer, or reseller. If a Participating Entity issues a purchase order, it may use its own forms, but the purchase order should clearly note the applicable Sourcewell contract number. All Participating Entity orders under this Contract must be issued prior to expiration or cancellation of this Contract; however, Supplier performance, Participating Entity payment obligations, and any applicable warranty periods or other Supplier or Participating Entity obligations may extend beyond the term of this Contract.

Supplier's acceptable forms of payment are included in its attached Proposal. Participating Entities will be solely responsible for payment and Sourcewell will have no liability for any unpaid invoice of any Participating Entity.

B. ADDITIONAL TERMS AND CONDITIONS/PARTICIPATING ADDENDUM. Additional terms and conditions to a purchase order, or other required transaction documentation, may be negotiated between a Participating Entity and Supplier, such as job or industry-specific requirements, legal requirements (e.g., affirmative action or immigration status requirements), or specific local policy requirements. Some Participating Entities may require the use of a Participating Addendum, the terms of which will be negotiated directly between the Participating Entity and the Supplier or its authorized dealers, distributors, or resellers, as applicable. Any negotiated additional terms and conditions must never be less favorable to the Participating Entity than what is contained in this Contract.

C. SPECIALIZED SERVICE REQUIREMENTS. In the event that the Participating Entity requires service or specialized performance requirements not addressed in this Contract (such as e-commerce specifications, specialized delivery requirements, or other specifications and requirements), the Participating Entity and the Supplier may enter into a separate, standalone agreement, apart from this Contract. Sourcewell, including its agents and employees, will not be made a party to a claim for breach of such agreement.

D. TERMINATION OF ORDERS. Participating Entities may terminate an order, in whole or in part, immediately upon notice to Supplier in the event of any of the following events:

1. The Participating Entity fails to receive funding or appropriation from its governing body at levels sufficient to pay for the equipment, products, or services to be purchased; or
2. Federal, state, or provincial laws or regulations prohibit the purchase or change the Participating Entity's requirements.

E. GOVERNING LAW AND VENUE. The governing law and venue for any action related to a Participating Entity's order will be determined by the Participating Entity making the purchase.

7. CUSTOMER SERVICE

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A. PRIMARY ACCOUNT REPRESENTATIVE. Supplier will assign an Account Representative to Sourcewell for this Contract and must provide prompt notice to Sourcewell if that person is changed. The Account Representative will be responsible for:

- Maintenance and management of this Contract;
- Timely response to all Sourcewell and Participating Entity inquiries; and
- Business reviews to Sourcewell and Participating Entities, if applicable.

B. BUSINESS REVIEWS. Supplier must perform a minimum of one business review with Sourcewell per contract year. The business review will cover sales to Participating Entities, pricing and contract terms, administrative fees, sales data reports, performance issues, supply issues, customer issues, and any other necessary information.

8. REPORT ON CONTRACT SALES ACTIVITY AND ADMINISTRATIVE FEE PAYMENT

A. CONTRACT SALES ACTIVITY REPORT. Each calendar quarter, Supplier must provide a contract sales activity report (Report) to the Sourcewell Supplier Development Administrator assigned to this Contract. Reports are due no later than 45 days after the end of each calendar quarter. A Report must be provided regardless of the number or amount of sales during that quarter (i.e., if there are no sales, Supplier must submit a report indicating no sales were made).

The Report must contain the following fields:

- Participating Entity Name (e.g., City of Staples Highway Department);
- Participating Entity Physical Street Address;
- Participating Entity City;
- Participating Entity State/Province;
- Participating Entity Zip/Postal Code;
- Participating Entity Contact Name;
- Participating Entity Contact Email Address;
- Participating Entity Contact Telephone Number;
- Sourcewell Assigned Entity/Participating Entity Number;
- Item Purchased Description;
- Item Purchased Price;
- Sourcewell Administrative Fee Applied; and
- Date Purchase was invoiced/sale was recognized as revenue by Supplier.

B. ADMINISTRATIVE FEE. In consideration for the support and services provided by Sourcewell, the Supplier will pay an administrative fee to Sourcewell on all Equipment, Products, and Services provided to Participating Entities. The Administrative Fee must be included in, and not added to, the pricing. Supplier may not charge Participating Entities more than the contracted

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price to offset the Administrative Fee.

The Supplier will submit payment to Sourcewell for the percentage of administrative fee stated in the Proposal multiplied by the total sales of all Equipment, Products, and Services purchased by Participating Entities under this Contract during each calendar quarter. Payments should note the Supplier's name and Sourcewell-assigned contract number in the memo; and must be mailed to the address above "Attn: Accounts Receivable" or remitted electronically to Sourcewell's banking institution per Sourcewell's Finance department instructions. Payments must be received no later than 45 calendar days after the end of each calendar quarter.

Supplier agrees to cooperate with Sourcewell in auditing transactions under this Contract to ensure that the administrative fee is paid on all items purchased under this Contract.

In the event the Supplier is delinquent in any undisputed administrative fees, Sourcewell reserves the right to cancel this Contract and reject any proposal submitted by the Supplier in any subsequent solicitation. In the event this Contract is cancelled by either party prior to the Contract's expiration date, the administrative fee payment will be due no more than 30 days from the cancellation date.

9. AUTHORIZED REPRESENTATIVE

Sourcewell's Authorized Representative is its Chief Procurement Officer.

Supplier's Authorized Representative is the person named in the Supplier's Proposal. If Supplier's Authorized Representative changes at any time during this Contract, Supplier must promptly notify Sourcewell in writing.

10. AUDIT, ASSIGNMENT, AMENDMENTS, WAIVER, AND CONTRACT COMPLETE

A. AUDIT. Pursuant to Minnesota Statutes Section 16C.05, subdivision 5, the books, records, documents, and accounting procedures and practices relevant to this Contract are subject to examination by Sourcewell or the Minnesota State Auditor for a minimum of six years from the end of this Contract. This clause extends to Participating Entities as it relates to business conducted by that Participating Entity under this Contract.

B. ASSIGNMENT. Neither party may assign or otherwise transfer its rights or obligations under this Contract without the prior written consent of the other party and a fully executed assignment agreement. Such consent will not be unreasonably withheld. Any prohibited assignment will be invalid.

C. AMENDMENTS. Any amendment to this Contract must be in writing and will not be effective until it has been duly executed by the parties.

D. WAIVER. Failure by either party to take action or assert any right under this Contract will not be deemed a waiver of such right in the event of the continuation or repetition of the circumstances giving rise to such right. Any such waiver must be in writing and signed by the parties.

E. CONTRACT COMPLETE. This Contract represents the complete agreement between the parties. No other understanding regarding this Contract, whether written or oral, may be used to bind either party. For any conflict between the attached Proposal and the terms set out in Articles 1-22 of this Contract, the terms of Articles 1-22 will govern.

F. RELATIONSHIP OF THE PARTIES. The relationship of the parties is one of independent contractors, each free to exercise judgment and discretion with regard to the conduct of their respective businesses. This Contract does not create a partnership, joint venture, or any other relationship such as master-servant, or principal-agent.

11. INDEMNITY AND HOLD HARMLESS

Supplier must indemnify, defend, save, and hold Sourcewell and its Participating Entities, including their agents and employees, harmless from any claims or causes of action, including attorneys' fees incurred by Sourcewell or its Participating Entities, arising out of any act or omission in the performance of this Contract by the Supplier or its agents or employees; this indemnification includes injury or death to person(s) or property alleged to have been caused by some defect in the Equipment, Products, or Services under this Contract to the extent the Equipment, Product, or Service has been used according to its specifications. Sourcewell's responsibility will be governed by the State of Minnesota's Tort Liability Act (Minnesota Statutes Chapter 466) and other applicable law.

12. GOVERNMENT DATA PRACTICES

Supplier and Sourcewell must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all data provided by or provided to Sourcewell under this Contract and as it applies to all data created, collected, received, maintained, or disseminated by the Supplier under this Contract.

13. INTELLECTUAL PROPERTY, PUBLICITY, MARKETING, AND ENDORSEMENT

A. INTELLECTUAL PROPERTY

1. *Grant of License.* During the term of this Contract:
   a. Sourcewell grants to Supplier a royalty-free, worldwide, non-exclusive right and license to use the trademark(s) provided to Supplier by Sourcewell in advertising and promotional materials for the purpose of marketing Sourcewell's relationship with Supplier.

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b. Supplier grants to Sourcewell a royalty-free, worldwide, non-exclusive right and license to use Supplier's trademarks in advertising and promotional materials for the purpose of marketing Supplier's relationship with Sourcewell.

2. *Limited Right of Sublicense*. The right and license granted herein includes a limited right of each party to grant sublicenses to their respective subsidiaries, distributors, dealers, resellers, marketing representatives, and agents (collectively "Permitted Sublicensees") in advertising and promotional materials for the purpose of marketing the Parties' relationship to Participating Entities. Any sublicense granted will be subject to the terms and conditions of this Article. Each party will be responsible for any breach of this Article by any of their respective sublicensees.

3. *Use; Quality Control.*

a. Neither party may alter the other party's trademarks from the form provided and must comply with removal requests as to specific uses of its trademarks or logos.

b. Each party agrees to use, and to cause its Permitted Sublicensees to use, the other party's trademarks only in good faith and in a dignified manner consistent with such party's use of the trademarks. Upon written notice to the breaching party, the breaching party has 30 days of the date of the written notice to cure the breach or the license will be terminated.

4. *Termination*. Upon the termination of this Contract for any reason, each party, including Permitted Sublicensees, will have 30 days to remove all Trademarks from signage, websites, and the like bearing the other party's name or logo (excepting Sourcewell's pre-printed catalog of suppliers which may be used until the next printing). Supplier must return all marketing and promotional materials, including signage, provided by Sourcewell, or dispose of it according to Sourcewell's written directions.

B. PUBLICITY. Any publicity regarding the subject matter of this Contract must not be released without prior written approval from the Authorized Representatives. Publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Supplier individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this Contract.

C. MARKETING. Any direct advertising, marketing, or offers with Participating Entities must be approved by Sourcewell. Send all approval requests to the Sourcewell Supplier Development Administrator assigned to this Contract.

D. ENDORSEMENT. The Supplier must not claim that Sourcewell endorses its Equipment, Products, or Services.

14. GOVERNING LAW, JURISDICTION, AND VENUE

The substantive and procedural laws of the State of Minnesota will govern this Contract. Venue for all legal proceedings arising out of this Contract, or its breach, must be in the appropriate state court in Todd County, Minnesota or federal court in Fergus Falls, Minnesota.

15. FORCE MAJEURE

Neither party to this Contract will be held responsible for delay or default caused by acts of God or other conditions that are beyond that party's reasonable control. A party defaulting under this provision must provide the other party prompt written notice of the default.

16. SEVERABILITY

If any provision of this Contract is found by a court of competent jurisdiction to be illegal, unenforceable, or void then both parties will be relieved from all obligations arising from that provision. If the remainder of this Contract is capable of being performed, it will not be affected by such determination or finding and must be fully performed.

17. PERFORMANCE, DEFAULT, AND REMEDIES

A. PERFORMANCE. During the term of this Contract, the parties will monitor performance and address unresolved contract issues as follows:

1. *Notification.* The parties must promptly notify each other of any known dispute and work in good faith to resolve such dispute within a reasonable period of time. If necessary, Sourcewell and the Supplier will jointly develop a short briefing document that describes the issue(s), relevant impact, and positions of both parties.
2. *Escalation.* If parties are unable to resolve the issue in a timely manner, as specified above, either Sourcewell or Supplier may escalate the resolution of the issue to a higher level of management. The Supplier will have 30 calendar days to cure an outstanding issue.
3. *Performance while Dispute is Pending*. Notwithstanding the existence of a dispute, the Supplier must continue without delay to carry out all of its responsibilities under the Contract that are not affected by the dispute. If the Supplier fails to continue without delay to perform its responsibilities under the Contract, in the accomplishment of all undisputed work, the Supplier will bear any additional costs incurred by Sourcewell and/or its Participating Entities as a result of such failure to proceed.

B. DEFAULT AND REMEDIES. Either of the following constitutes cause to declare this Contract, or any Participating Entity order under this Contract, in default:

1. Nonperformance of contractual requirements, or
2. A material breach of any term or condition of this Contract.

The party claiming default must provide written notice of the default, with 30 calendar days to cure the default. Time allowed for cure will not diminish or eliminate any liability for liquidated or other damages. If the default remains after the opportunity for cure, the non-defaulting party may:

- Exercise any remedy provided by law or equity, or
- Terminate the Contract or any portion thereof, including any orders issued against the Contract.

18. INSURANCE

A. REQUIREMENTS. At its own expense, Supplier must maintain insurance policy(ies) in effect at all times during the performance of this Contract with insurance company(ies) licensed or authorized to do business in the State of Minnesota having an "AM BEST" rating of A- or better, with coverage and limits of insurance not less than the following:

1. *Workers' Compensation and Employer's Liability.*
Workers' Compensation: As required by any applicable law or regulation.
Employer's Liability Insurance: must be provided in amounts not less than listed below:
Minimum limits:
$500,000 each accident for bodily injury by accident
$500,000 policy limit for bodily injury by disease
$500,000 each employee for bodily injury by disease

2. *Commercial General Liability Insurance.* Supplier will maintain insurance covering its operations, with coverage on an occurrence basis, and must be subject to terms no less broad than the Insurance Services Office ("ISO") Commercial General Liability Form CG0001 (2001 or newer edition), or equivalent. At a minimum, coverage must include liability arising from premises, operations, bodily injury and property damage, independent contractors, products-completed operations including construction defect, contractual liability, blanket contractual liability, and personal injury and advertising injury. All required limits, terms and conditions of coverage must be maintained during the term of this Contract.
Minimum Limits:
$1,000,000 each occurrence Bodily Injury and Property Damage
$1,000,000 Personal and Advertising Injury
$2,000,000 aggregate for products liability-completed operations
$2,000,000 general aggregate

3. *Commercial Automobile Liability Insurance.* During the term of this Contract, Supplier will maintain insurance covering all owned, hired, and non-owned automobiles in limits of liability not less than indicated below. The coverage must be subject to terms

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no less broad than ISO Business Auto Coverage Form CA 0001 (2010 edition or newer), or equivalent.

Minimum Limits:
$1,000,000 each accident, combined single limit

4. *Umbrella Insurance*. During the term of this Contract, Supplier will maintain umbrella coverage over Employer's Liability, Commercial General Liability, and Commercial Automobile.

Minimum Limits:
$2,000,000

5. *Professional/Technical, Errors and Omissions, and/or Miscellaneous Professional Liability*. During the term of this Contract, Supplier will maintain coverage for all claims the Supplier may become legally obligated to pay resulting from any actual or alleged negligent act, error, or omission related to Supplier's professional services required under this Contract.

Minimum Limits:
$2,000,000 per claim or event
$2,000,000 – annual aggregate

6. *Network Security and Privacy Liability Insurance*. During the term of this Contract, Supplier will maintain coverage for network security and privacy liability. The coverage may be endorsed on another form of liability coverage or written on a standalone policy. The insurance must cover claims which may arise from failure of Supplier's security resulting in, but not limited to, computer attacks, unauthorized access, disclosure of not public data – including but not limited to, confidential or private information, transmission of a computer virus, or denial of service.

Minimum limits:
$2,000,000 per occurrence
$2,000,000 annual aggregate

Failure of Supplier to maintain the required insurance will constitute a material breach entitling Sourcewell to immediately terminate this Contract for default.

B. CERTIFICATES OF INSURANCE. Prior to commencing under this Contract, Supplier must furnish to Sourcewell a certificate of insurance, as evidence of the insurance required under this Contract. Prior to expiration of the policy(ies), renewal certificates must be mailed to Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 or sent to the Sourcewell Supplier Development Administrator assigned to this Contract. The certificates must be signed by a person authorized by the insurer(s) to bind coverage on their behalf.

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Failure to request certificates of insurance by Sourcewell, or failure of Supplier to provide certificates of insurance, in no way limits or relieves Supplier of its duties and responsibilities in this Contract.

C. ADDITIONAL INSURED ENDORSEMENT AND PRIMARY AND NON-CONTRIBUTORY INSURANCE CLAUSE. Supplier agrees to list Sourcewell and its Participating Entities, including their officers, agents, and employees, as an additional insured under the Supplier's commercial general liability insurance policy with respect to liability arising out of activities, "operations," or "work" performed by or on behalf of Supplier, and products and completed operations of Supplier. The policy provision(s) or endorsement(s) must further provide that coverage is primary and not excess over or contributory with any other valid, applicable, and collectible insurance or self-insurance in force for the additional insureds.

D. WAIVER OF SUBROGATION. Supplier waives and must require (by endorsement or otherwise) all its insurers to waive subrogation rights against Sourcewell and other additional insureds for losses paid under the insurance policies required by this Contract or other insurance applicable to the Supplier or its subcontractors. The waiver must apply to all deductibles and/or self-insured retentions applicable to the required or any other insurance maintained by the Supplier or its subcontractors. Where permitted by law, Supplier must require similar written express waivers of subrogation and insurance clauses from each of its subcontractors.

E. UMBRELLA/EXCESS LIABILITY/SELF-INSURED RETENTION. The limits required by this Contract can be met by either providing a primary policy or in combination with umbrella/excess liability policy(ies), or self-insured retention.

19. COMPLIANCE

A. LAWS AND REGULATIONS. All Equipment, Products, or Services provided under this Contract must comply fully with applicable federal laws and regulations, and with the laws in the states and provinces in which the Equipment, Products, or Services are sold.

B. LICENSES. Supplier must maintain a valid and current status on all required federal, state/provincial, and local licenses, bonds, and permits required for the operation of the business that the Supplier conducts with Sourcewell and Participating Entities.

20. BANKRUPTCY, DEBARMENT, OR SUSPENSION CERTIFICATION

Supplier certifies and warrants that it is not in bankruptcy or that it has previously disclosed in writing certain information to Sourcewell related to bankruptcy actions. If at any time during this Contract Supplier declares bankruptcy, Supplier must immediately notify Sourcewell in writing.

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Supplier certifies and warrants that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Supplier certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this Contract. Supplier further warrants that it will provide immediate written notice to Sourcewell if this certification changes at any time.

21. PROVISIONS FOR NON-UNITED STATES FEDERAL ENTITY PROCUREMENTS UNDER UNITED STATES FEDERAL AWARDS OR OTHER AWARDS

Participating Entities that use United States federal grant or FEMA funds to purchase goods or services from this Contract may be subject to additional requirements including the procurement standards of the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, 2 C.F.R. § 200. Participating Entities may have additional requirements based on specific funding source terms or conditions. Within this Article, all references to "federal" should be interpreted to mean the United States federal government. The following list only applies when a Participating Entity accesses Supplier's Equipment, Products, or Services with United States federal funds.

A. EQUAL EMPLOYMENT OPPORTUNITY. Except as otherwise provided under 41 C.F.R. § 60, all contracts that meet the definition of "federally assisted construction contract" in 41 C.F.R. § 60-1.3 must include the equal opportunity clause provided under 41 C.F.R. §60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 C.F.R. §, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 C.F.R. § 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor." The equal opportunity clause is incorporated herein by reference.

B. DAVIS-BACON ACT, AS AMENDED (40 U.S.C. § 3141-3148). When required by federal program legislation, all prime construction contracts in excess of $2,000 awarded by non-federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. § 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 C.F.R. § 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-federal entity must report all suspected or reported violations to the federal awarding agency. The contracts must also include a provision for compliance with

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the Copeland "Anti-Kickback" Act (40 U.S.C. § 3145), as supplemented by Department of Labor regulations (29 C.F.R. § 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-federal entity must report all suspected or reported violations to the federal awarding agency. Supplier must be in compliance with all applicable Davis-Bacon Act provisions.

C. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT (40 U.S.C. § 3701-3708). Where applicable, all contracts awarded by the non-federal entity in excess of $100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. §§ 3702 and 3704, as supplemented by Department of Labor regulations (29 C.F.R. § 5). Under 40 U.S.C. § 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. § 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence. This provision is hereby incorporated by reference into this Contract. Supplier certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

D. RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT. If the federal award meets the definition of "funding agreement" under 37 C.F.R. § 401.2(a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with the requirements of 37 C.F.R. § 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency. Supplier certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

E. CLEAN AIR ACT (42 U.S.C. § 7401-7671Q.) AND THE FEDERAL WATER POLLUTION CONTROL ACT (33 U.S.C. § 1251-1387). Contracts and subgrants of amounts in excess of $150,000 require the non-federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. § 7401- 7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. § 1251- 1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

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Supplier certifies that during the term of this Contract will comply with applicable requirements as referenced above.

F. DEBARMENT AND SUSPENSION (EXECUTIVE ORDERS 12549 AND 12689). A contract award (see 2 C.F.R. § 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 C.F.R. §180 that implement Executive Orders 12549 (3 C.F.R. § 1986 Comp., p. 189) and 12689 (3 C.F.R. § 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. Supplier certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency.

G. BYRD ANTI-LOBBYING AMENDMENT, AS AMENDED (31 U.S.C. § 1352). Suppliers must file any required certifications. Suppliers must not have used federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Suppliers must disclose any lobbying with non-federal funds that takes place in connection with obtaining any federal award. Such disclosures are forwarded from tier to tier up to the non-federal award. Suppliers must file all certifications and disclosures required by, and otherwise comply with, the Byrd Anti-Lobbying Amendment (31 U.S.C. § 1352).

H. RECORD RETENTION REQUIREMENTS. To the extent applicable, Supplier must comply with the record retention requirements detailed in 2 C.F.R. § 200.333. The Supplier further certifies that it will retain all records as required by 2 C.F.R. § 200.333 for a period of 3 years after grantees or subgrantees submit final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed.

I. ENERGY POLICY AND CONSERVATION ACT COMPLIANCE. To the extent applicable, Supplier must comply with the mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.

J. BUY AMERICAN PROVISIONS COMPLIANCE. To the extent applicable, Supplier must comply with all applicable provisions of the Buy American Act. Purchases made in accordance with the Buy American Act must follow the applicable procurement rules calling for free and open competition.

K. ACCESS TO RECORDS (2 C.F.R. § 200.336). Supplier agrees that duly authorized representatives of a federal agency must have access to any books, documents, papers and

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records of Supplier that are directly pertinent to Supplier's discharge of its obligations under this Contract for the purpose of making audits, examinations, excerpts, and transcriptions. The right also includes timely and reasonable access to Supplier's personnel for the purpose of interview and discussion relating to such documents.

L. PROCUREMENT OF RECOVERED MATERIALS (2 C.F.R. § 200.322). A non-federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. § 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds $10,000 or the value of the quantity acquired during the preceding fiscal year exceeded $10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

M. FEDERAL SEAL(S), LOGOS, AND FLAGS. The Supplier cannot use the seal(s), logos, crests, or reproductions of flags or likenesses of Federal agency officials without specific pre-approval.

N. NO OBLIGATION BY FEDERAL GOVERNMENT. The U.S. federal government is not a party to this Contract or any purchase by a Participating Entity and is not subject to any obligations or liabilities to the Participating Entity, Supplier, or any other party pertaining to any matter resulting from the Contract or any purchase by an authorized user.

O. PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS OR RELATED ACTS. The Contractor acknowledges that 31 U.S.C. 38 (Administrative Remedies for False Claims and Statements) applies to the Supplier's actions pertaining to this Contract or any purchase by a Participating Entity.

P. FEDERAL DEBT. The Supplier certifies that it is non-delinquent in its repayment of any federal debt. Examples of relevant debt include delinquent payroll and other taxes, audit disallowance, and benefit overpayments.

Q. CONFLICTS OF INTEREST. The Supplier must notify the U.S. Office of General Services, Sourcewell, and Participating Entity as soon as possible if this Contract or any aspect related to the anticipated work under this Contract raises an actual or potential conflict of interest (as described in 2 C.F.R. Part 200). The Supplier must explain the actual or potential conflict in writing in sufficient detail so that the U.S. Office of General Services, Sourcewell, and Participating Entity are able to assess the actual or potential conflict; and provide any additional information as necessary or requested.

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R. U.S. EXECUTIVE ORDER 13224. The Supplier, and its subcontractors, must comply with U.S. Executive Order 13224 and U.S. Laws that prohibit transactions with and provision of resources and support to individuals and organizations associated with terrorism.

S. PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT. To the extent applicable, Supplier certifies that during the term of this Contract it will comply with applicable requirements of 2 C.F.R. § 200.216.

T. DOMESTIC PREFERENCES FOR PROCUREMENTS. To the extent applicable, Supplier certifies that during the term of this Contract will comply with applicable requirements of 2 C.F.R. § 200.322.

22. CANCELLATION

Sourcewell or Supplier may cancel this Contract at any time, with or without cause, upon 60 days' written notice to the other party. However, Sourcewell may cancel this Contract immediately upon discovery of a material defect in any certification made in Supplier's Proposal. Cancellation of this Contract does not relieve either party of financial, product, or service obligations incurred or accrued prior to cancellation.

Sourcewell	72 Hour LLC, dba National Auto Fleet Group
DocuSigned by: Jeremy Schwartz C0FD2A139D06489...	DocuSigned by: Jesse Cooper FACBB5730C1E467...
By: _____	By: _____
Jeremy Schwartz	Jesse Cooper
Title: Chief Procurement Officer	Title: National Fleet Manager
Date: 7/2/2024 | 2:37 PM CDT	Date: 7/2/2024 | 2:04 PM CDT

RFP 032824 - Class 4-8 Chassis and Cabs with Related Equipment, Accessories, and Services

Vendor Details

Company Name:	72 HOUR LLC
Does your company conduct business under any other name? If yes, please state:	National Auto Fleet Group
Address:	490 Auto Center Drive Watsonville, CA 95076
Contact:	Jesse Cooper
Email:	Jcooper@nationalautofleetgroup.com
Phone:	951-440-0585
Fax:	831-840-8497
HST#:	263297677

Submission Details

Created On:	Thursday February 08, 2024 14:26:39
Submitted On:	Wednesday March 27, 2024 18:09:27
Submitted By:	Jesse Cooper
Email:	Jcooper@nationalautofleetgroup.com
Transaction #:	de37f6a4-b806-40a7-b5b6-766f219b36f2
Submitter's IP Address:	104.35.160.44

Specifications

Table 1: Proposer Identity & Authorized Representatives

General Instructions (applies to all Tables) Sourcewell prefers a brief but thorough response to each question. Do not merely attach additional documents to your response without also providing a substantive response. Do not leave answers blank; respond “N/A” if the question does not apply to you (preferably with an explanation).

Line Item	Question	Response *	
1	Proposer Legal Name (one legal entity only): (In the event of award, will execute the resulting contract as "Supplier")	72 HOUR, LLC	*
2	Identify all subsidiary entities of the Proposer whose equipment, products, or services are included in the Proposal.	72 Hour, LLC	*
3	Identify all applicable assumed names or DBA names of the Proposer or Proposer's subsidiaries in Line 1 or Line 2 above.	National Auto Fleet Group	*
4	Provide your CAGE code or Unique Entity Identifier (SAM):	Y1FHD2Z1ZDY5	*
5	Proposer Physical Address:	490 Auto Center Drive Watsonville, CA 95076	*
6	Proposer website address (or addresses):	www.Nationalautofleetgroup.com	*
7	Proposer's Authorized Representative (name, title, address, email address & phone) (The representative must have authority to sign the “Proposer’s Assurance of Compliance” on behalf of the Proposer and, in the event of award, will be expected to execute the resulting contract):	Jesse Cooper National Fleet Manager 490 Auto Center Drive Watsonville, CA 95076 Jcooper@nationalautofleetgroup.com 855-289-6572	*
8	Proposer's primary contact for this proposal (name, title, address, email address & phone):	Jesse Cooper National Fleet Manager 490 Auto Center Drive Watsonville, CA 95076 Jcooper@nationalautofleetgroup.com 855-289-6572	*
9	Proposer's other contacts for this proposal, if any (name, title, address, email address & phone):	Clarke Cooper National Fleet Manager 490 Auto Center Drive Watsonville, CA 95076 Clarkecooper@watsonvillefleetgroup.com 818-618-6136	

Table 2: Company Information and Financial Strength

Line Item	Question	Response *	
10	Provide a brief history of your company, including your company's core values, business philosophy, and industry longevity related to the requested equipment, products or services.	National Auto Fleet Group was established in 1987 in Southern California, and boasts a rich history of family-driven success. From humble beginnings with a single dealership, we've grown into a nationwide network of over 15 dealerships, thanks to the dedication and vision of our father. One of our core values has always been fostering a strong company culture, and we achieve this by prioritizing internal growth. We proudly promote from within, leveraging the talent and experience of our dedicated team members. This approach not only ensures continuity and a deep understanding of our values, but also fosters a sense of loyalty and belonging among our employees. This commitment to internal development has been instrumental in our expansion, allowing us to cultivate a leadership team that embodies our core values and drives our continued success. We are proud of the journey we've taken and excited for the future, as we continue to empower our team and provide exceptional service to our customers. For over 35 years, National Auto Fleet Group has remained a family-owned and operated company. The Cooper family has deep roots in the automobile industry, with a passion for exceeding expectations passed down through generations. Today, even our future generations are learning the ropes, ensuring decades more of industry leadership. We aren't just selling vehicles; we're building relationships that last. Our family values of integrity, dedication, and customer service permeate everything we do. This commitment has earned us numerous industry awards and the trust of countless clients. But this is just the beginning. With fresh perspectives from future generations joining the team, we're excited to lead the industry for decades to come. National Auto Fleet Group isn't just about delivering vehicles; it's about delivering peace of mind. Our unwavering commitment to the 4 RIGHTs: delivering the RIGHT vehicle, at the RIGHT time, to the RIGHT place, and at the RIGHT price, ensures our clients experience unmatched satisfaction and success. Since 1987, we've witnessed the auto industry shift gears, evolving from gas-powered machines to the cutting edge of all-electric and fuel cell technology. Through it all, one thing has remained constant: our core values. Even in today's rapidly changing landscape, we hold steadfast to the principles that have guided us for decades. These values – internal growth, customer focus, efficiency, teamwork, accountability and integrity are the engine that powers our growth and fuels our commitment to exceeding expectations. While the vehicles we offer may have changed, our dedication to providing superior customer service remains as strong as ever. We embrace the future with the same passion and determination that fueled our success in the past, ensuring that our customers continue to receive the exceptional service they deserve.	*
11	What are your company's expectations in the event of an award?	Securing another Sourcewell contract would mark our sixth, propelling us to even greater heights by leveraging our proven track record of serving customers nationwide. This expansion fuels our commitment to invest in our divisions, particularly our Partner Program (details in uploaded Zip file). This innovative program empowers members to recommend local upfitters, fostering win-win partnerships and delivering	*
12	Demonstrate your financial strength and stability with meaningful data. This could include such items as financial statements, SEC filings, credit and bond ratings, letters of credit, and detailed reference letters. Upload supporting documents (as applicable) in the document upload section of your response.	We have demonstrated throughout the past 12 years to our financial institutions that we stability in the market place and with this meaning data our bank has provided us with a $ 72,000,000 floor plan limit to help in our growing operations which include Sourcewell Members.	*
13	What is your US market share for the solutions that you are proposing?	Our US market share for the products and models we are offering is roughly 70-80% as represented by the 15 manufacturers.	*
14	What is your Canadian market share for the solutions that you are proposing?	While we haven't yet entered the Canadian market, National Auto Fleet Group's proven track record of success fuels our aggressive expansion plans, with a strong focus on international markets like Canada. We are confident that our expertise and commitment to innovation will allow us to make a significant impact in the near future, expanding our reach and serving customers across new borders.	*
15	Has your business ever petitioned for bankruptcy protection? If so, explain in detail.	No	*
16	How is your organization best described: is it a manufacturer, a distributor/dealer/reseller, or a service provider? Answer whichever question (either a) or b) just below) best applies to your organization. a) If your company is best described as a distributor/dealer/reseller (or similar entity), provide your written authorization to act as a distributor/dealer/reseller for the manufacturer of the products proposed in this RFP. If applicable, is your dealer network independent or company owned? b) If your company is best described as a manufacturer or service provider, describe your relationship with your sales and service force and with your dealer network in delivering the products and services proposed in this RFP. Are these individuals your employees, or the employees of a third party?	A) we are best described as a distributor/dealer/reseller and all our written authorization documents are attached in the Related Certificates section.	*
17	If applicable, provide a detailed explanation outlining the licenses and certifications that are both required to be held, and actually held, by your organization (including third parties and subcontractors that you use) in pursuit of the business contemplated by this RFP.	What is required does vary from state to state however we 72 Hour LLC, do hold all applicable licenses and certifications required by the State of California to sell, service and delivery New/Unused Vehicles we are franchised for and sell, service and delivery any vehicle we are not franchised for through our resellers permit. All our dealer partners across the county have provide us with there dealer certificates and department of motor vehicles certificates to allow NAFG to partner and sell there products. All documents are attached in the Certificates section.	*
18	Provide all "Suspension or Debarment" information that has applied to your organization during the past ten years.	None exist	*

Table 3: Industry Recognition & Marketplace Success

Line Item	Question	Response *	
19	Describe any relevant industry awards or recognition that your company has received in the past five years	NAFG has a strong track record of success, consistently ranking among the top dealerships in Government Sales for Ford Motor Company and receiving high recognition from General Motors for its Chevrolet brand. The most prodigious award NAFG has received in the past 5 years would be: Top Placement in Ford Motor Company as a leading dealership in Government Sales followed by our high ranking recognition from General Motors for our Chevrolet brand. Both NAFG has received 4 of the past 5 years	*
20	What percentage of your sales are to the governmental sector in the past three years	In our division in Fleet, we have sold about 95% to Government accounts	*
21	What percentage of your sales are to the education sector in the past three years	As a percentage of our sales in the Government, about 20% would be considered to Universities and Unified School Districts.	*
22	List any state, provincial, or cooperative purchasing contracts that you hold. What is the annual sales volume for each of these contracts over the past three years?	We hold the State of California contract with volumes from 200 to 500 units a year during the past three years. Second, our Sourcewell Contract's 091521 and 060920 which over the past three years LADWP Contracts valued over $ 220,000,000 City of San Diego Contracts valued over $ 120,000,000	*
23	List any GSA contracts or Standing Offers and Supply Arrangements (SOSA) that you hold. What is the annual sales volume for each of these contracts over the past three years?	NAFG focus is on our Sourcewell Contracts we do not hold any other besides the State of California.	*

Table 4: References/Testimonials

Line Item 24. Supply reference information from three customers who are eligible to be Sourcewell participating entities.

Entity Name *	Contact Name *	Phone Number *	
Port of Los Angeles (CA)	David Comer	310-732-3794	*
Los Angeles Department of Water & Power (CA)	Philip Ly	818-771-3607	*
City of Jersey City (NJ)	James Lovero	201-547-4423	*
Washington Suburban Sanitary Commission (Maryland)	Jarrett Baumgartner	301-206-4226	
Town of Hempstead (NY)	Christopher Carter	516-812-3555	

Table 5: Top Five Government or Education Customers

Line Item 25. Provide a list of your top five government, education, or non-profit customers (entity name is optional), including entity type, the state or province the entity is located in, scope of the project(s), size of transaction(s), and dollar volumes from the past three years.

Entity Name	Entity Type *	State / Province *	Scope of Work *	Size of Transactions *	Dollar Volume Past Three Years *	
Port of Los Angeles Mr. David Comer 310-732-3794	Government	California - CA	Provided New Vehicles with Upfits	Over $1,000,000	Over $ 3,000,000	*
Los Angeles Department of Water & Power Mr. Philip Ly 818-771-3607	Government	California - CA	Provided New Vehicles with Upfits	Over $ 20,000,000	Over $ 80,000,000	*
City of Jersey City Mr. James Lovero 201-547-4423	Government	New Jersey - NJ	Provided New Vehicles with Upfits	Over $1,000,000	Over $ 3,000,000	*
Washington Suburban Sanitary Commission Mr. Jarrett Baumgartner 301-206-4226	Government	Maryland - MD	Provided New Vehicles with Upfits	Over $1,000,000	Over $ 3,000,000	*
El Paso Water Mr. Ivan Ibarra 915-594-5712	Government	Texas - TX	Provided New Vehicles with Upfits	Over $1,000,000	Over $ 3,000,000	*

Table 6: Ability to Sell and Deliver Service

Describe your company's capability to meet the needs of Sourcewell participating entities across the US and Canada, as applicable.

Your response should address in detail at least the following areas: locations of your network of sales and service providers, the number of workers (full-time equivalents) involved in each sector, whether these workers are your direct employees (or employees of a third party), and any overlap between the sales and service functions.

Line Item	Question	Response *	
26	Sales force.	National Auto Fleet Group boasts a robust sales force exceeding 100 dedicated personnel. This includes both direct employees and a network of partner dealers, ensuring comprehensive support for dealerships and our dedicated fleet division. Our indirect sales force seamlessly complements our direct team, effectively serving existing member needs. As our member base expands, we're committed to scaling our team accordingly to maintain exceptional service levels.	*
27	Dealer network or other distribution methods.	NAFG leverages an unparalleled franchise network encompassing 15 leading manufacturers. These industry giants, like (Ford Motor Company, General Motors, CDJR, etc..), boast a nationwide presence, ensuring our members receive seamless service and warranty repairs for their vehicles. Historically, auto manufacturers have faced challenges in distributing automobiles and cab chassis. However, the United States boasts the world's most efficient automotive supply chain network, and as franchised dealers of these renowned brands, NAFG capitalizes on this advantage to efficiently ship and supply vehicles to our members nationwide.	*
28	Service force.	Our extensive network of service locations, spanning thousands of facilities across our 15 manufacturers, ensures convenient access for our members. This comprehensive coverage allows them to easily find service stations or warranty repair facilities nearby, minimizing downtime and maximizing convenience. While Alaska and Hawaii may have slightly larger distances between dealerships, our members can still rely on our network for support, potentially with extended lead times.	*
29	Describe the ordering process. If orders will be handled by distributors, dealers or others, explain the respective roles of the Proposer and others.	Members can place orders with NAFG for all products we are offering, we will either place the order with the OEM as we are franchised for or we will provide the order to our partner dealer who was part of the quote generation from the start with the member so we can allow there relationship to maintain while serving the member. NAFG maintains the role of administering and facilitating the transaction between the member and the OEM dealer.	*
30	Describe in detail the process and procedure of your customer service program, if applicable. Include your response-time capabilities and commitments, as well as any incentives that help your providers meet your stated service goals or promises.	I understand that you want me to use the information in your ZIP file, specifically the "Member Walk Through" document, as a reference to explain your Customer Service programs. Here's a breakdown based on the information you provided: Obtaining Quotes Online: ● Members can register on our website (https://www.nationalautofleetgroup.com/) for free. This protects member pricing. ● After registration, they'll receive a welcome email with a demo video explaining the website. ● A secure dashboard keeps all quotes organized. ● Members choose their desired brand, model year, and category (cars, vans, etc.). ● Filters help narrow down options (cab style, drivetrain, bed length). ● All available factory options are displayed for easy selection. ● Sourcewell Price reports show MSRP, member price, and savings (percentage and dollar amount). ● Optional extras include additional keys, manuals, sales tax, and upfits. ● A final, printable quote package includes a unique Sourcewell Quote ID number, description, and specifications. Partnering with Upfitters: ● A dedicated website (https://www.nationalautofleetgroup.com/) connects members with upfitters. ● Upfitters can learn about partnering with NAFG to serve local members. ● This simplifies the process of getting a vehicle upfitted. Tracking Orders: ● Members can track orders directly on the main website using the "Track your order" feature. ● Orders can be tracked by entering the purchase order number, quote ID, upfit quote ID, or VIN. Order Confirmation: ● NAFG sends a courtesy confirmation email to double-check order details (color, quantity, upfit, specifications). ● Title information is requested to expedite paperwork at delivery. Factory Order Cut-Off Notices: ● The website highlights upcoming factory order cut-off dates. ● This information is also printed on the quote cover page (when available). Price Validation Example: ● A sample build process showcases member pricing benefits. ● The example shows the difference between MSRP, member price, and total savings (percentage and dollar amount). (Provide an example with savings %) ● This emphasizes the additional discount offered by NAFG.	*
31	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in the United States.	We have provided a list of our top 1,000 member/clients demonstrating our ability to service all members nationwide. Located in the Marketing Place ZIP file as "NAFG Top 1,000 Member Clients" PDF	*
32	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in Canada.	National Auto Fleet Group is poised to expand into Canada, leveraging our proven business model and expertise. We believe the favorable exchange rate and our competitive pricing structure create an ideal opportunity to partner with Canadian dealer groups, ultimately serving members across North America.	*
33	Identify any geographic areas of the United States or Canada that you will NOT be fully serving through the proposed contract.	We are not serving Canada at this moment.	*
34	Identify any Sourcewell participating entity sectors (i.e., government, education, not-for-profit) that you will NOT be fully serving through the proposed contract. Explain in detail. For example, does your company have only a regional presence, or do other cooperative purchasing contracts limit your ability to promote another contract?	We're happy to service all Sourcewell members through our 24/7 website. We offer government members a specific discount program in recognition of their use of taxpayer funds. For non-profit organizations, we've designed a tailored pricing program to meet their unique needs and budgets. We'll work with each non-profit on a case-by-case basis to ensure they receive the most value from our services.	*
35	Define any specific contract requirements or restrictions that would apply to our participating entities in Hawaii and Alaska and in US Territories.	For members in Alaska, Hawaii, and US Territories, the only membership requirement is the same as for all other members. However, due to logistical shipping constraints in these regions, additional costs may apply. We currently provide members in Alaska with chassis cabs with upfits. In these cases, the member agrees to cover the extra shipping cost, port cost, and driver cost associated with loading and unloading their vehicles from port to port. This additional cost would be clearly outlined in any quote provided to members in these regions.	*

Table 7: Marketing Plan

Line Item	Question	Response *	

36	Describe your marketing strategy for promoting this contract opportunity. Upload representative samples of your marketing materials (if applicable) in the document upload section of your response.	National Auto Fleet Group utilizes a number of outbound strategies to promote the Sourcewell Vehicle contract. National Auto Fleet Group isn't waiting for government agencies to come knocking about the Sourcewell Vehicle contract. Instead, we're proactively hitting the gas pedal with outbound marketing strategies. With outbound marketing, NAFG initiates by pushing the message out to our government agencies. Examples include: . ● Cold Email Campaigns: Tailored messages reaching relevant government agencies directly. Examples include new vehicle pricing availability, in stock units, new website features, holiday themed flyers and vehicle cutoff dates. ● Trade Show Presence: Engaging exhibits and knowledgeable representatives making connections at key events. ● Targeted Content: Creating diverse campaign materials that resonate with different government segments. For example, police vehicle availability flyers for police agencies. ● Data-Driven Decisions: Tracking results and optimizing campaigns for maximum impact such as open rates, click-through rates to gauge the effectiveness of our email campaigns Our use of Campaigner Email Marketing platform service is a CRM database used to monitor, send and track effectiveness of emails and more. This service has assisted in streamlining email flyer messages to many of our government agencies across the United States. Campaigner has been an essential tool in not only creating new campaigns but recurring campaigns to ensure our message is sent to new potential clients. This type of outbound marketing fosters proactive engagement with potential customers, sparking their interest in our products. We invite them to explore the diverse product range showcased on our NAFG website, conveniently accessible through both phone calls and website visits. To further empower their buying journey, we encourage registration. It not only unlocks real-time product availability, but also grants access to our innovative self-quoting system. This intuitive tool empowers customers with the autonomy to create unlimited personalized quotes, tailoring them to their specific needs and budget. By eliminating the wait for traditional quotes, this self-service option streamlines the process, fostering a sense of control and ownership for the customer. Ultimately, this outbound marketing approach, coupled with our user-friendly self-quoting system, empowers potential customers to confidently explore and confidently make informed decisions. Business to Business Marketing: National Auto Fleet Group National Auto Fleet Group (NAFG) acknowledges the importance of building strong relationships with local upfitting body companies. That's why we employ strategic business-to-business (B2B) marketing strategies to attract potential partners and create a mutually beneficial ecosystem. Introducing Our Partner Website: We encourage any body upfitting company to visit our dedicated partner website: www.nafgpartner.com. This platform makes it easy for local upfitting companies to explore the benefits of collaborating with NAFG. Key Perks for Upfitting Body Companies: ● Enhanced Visibility: Get the body company's company profile listed on our website, making them searchable by NAFG's extensive network of government clients. ● Targeted referrals: We actively connect upfitting companies with qualified government clients seeking their specific expertise. ● Profile Customization: Partners are encouraged to create a unique profile showcasing the body company's strengths, experience, and service offerings. ● Geographic Reach: Expand the network by having our partners' contact information and location displayed on our interactive map. By partnering with NAFG, body companies gain access to a vast pool of potential government clients seeking vehicle upfitting services. In turn, the body company helps us fulfill client needs and deliver comprehensive vehicle solutions. National Auto Fleet Group also exercises the use of inbound marketing strategies to promote our Sourcewell Vehicle contract. Our marketing department cultivates a targeted audience by maintaining a database of registered government agencies on our website and nurturing past customers who have experienced the benefits of our offerings. This allows us to deliver relevant content and resources directly to those already interested in our solutions, fostering trust and brand loyalty. Relationship building is another technique used to foster positive relations with clients to become long-term customers. NAFG team provides excellent customer service and support to encourage word of mouth referral. The positive quality of service experienced by customers has led to an increased number of sales through referrals. Our goal is to provide exemplary customer service throughout the entire purchasing process to encourage repeat business and referrals.

37	Describe your use of technology and digital data (e.g., social media, metadata usage) to enhance marketing effectiveness.	The creation of the National Auto Fleet Group app is one way to build a stronger relationship with interested buyers and empower them with the information they need. By downloading our NAFG app, clients are able to: ● Receive instant push notifications on their phones regarding new vehicle availability: Be the first to know when new vehicles arrive on the lot that match your specific needs and preferences. ● Stay informed about crucial cutoff dates: Ensure clients don't miss out on deadlines by having them conveniently delivered straight to your phone. ● View Available In-Stock Units: Scroll through a list of in stock vehicles available on our website. A specific inbound marketing tactic that can significantly boost our online presence is the development of search engine optimization (SEO). By optimizing our website for relevant keywords and user experience, we can attract more qualified visitors organically and establish NAFG as a leading name in its field. Here's how we're actively implementing SEO on the NAFG website: Rewriting the NAFG Story: ● By crafting a compelling and informative webpage that clearly defines who we are, what we do, and how we benefit our audience. ● Included relevant keywords naturally throughout the content, including product names, mission statement, and contract numbers. ● Ensured the page is concise and scannable, breaking up text with headings and bullet points. 2. On-Page Optimization Techniques: ● Title tags: Each page includes a unique and descriptive title tag, under 65 characters, that accurately reflects the content and includes relevant keywords. ● Meta descriptions: Crafting captivating meta descriptions (under 155 characters) that entice users to click and summarize the page's value proposition. ● Header tags: Structured the content with clear headings and subheadings (H1, H2, etc.) to improve readability and search engine crawlability. ● Images: Optimize image file names and alt text with relevant keywords to increase accessibility and image search ranking. ● Internal linking: Connecting related pages within the website using descriptive anchor text ● Social media: Ensure social media profiles and share buttons are linked to our pages. By implementing these actionable SEO strategies, we can significantly improve NAFG's online presence, attract more qualified leads, and establish ourselves as a thought leader in the industry. When the terms “government fleet vehicle purchasing”, “purchasing vehicles for the government”, “government vehicle purchasing”, “how do I purchase vehicles for the government”, “purchasing government fleet”, “government vehicle procurement”, “procuring vehicles for the government”,are entered in the google search button, NAFG is on the top five search results. Social media is a critical part in the way people communicate and connect with each other. Linkedin offers a variety of ways to expand our network by finding and connecting with relevant professionals in the industry. Platforms like LinkedIn offer invaluable tools for professional networking, allowing individuals to expand their network by finding and connecting with relevant professionals and industry leaders. A prime example is National Auto Fleet Group, which effectively utilizes LinkedIn to reach out to current and potential members through personalized messages, fostering stronger relationships and community engagement. Beyond professional connections, social media serves as a powerful bridge between individuals and their governing bodies. By following government pages on Instagram and Twitter, government municipalities can gain valuable insights into pressing issues and important announcements	*
38	In your view, what is Sourcewell’s role in promoting contracts arising out of this RFP? How will you integrate a Sourcewell-awarded contract into your sales process?	Sourcewell is a trusted brand that government entities can rely on to provide a wide variety of products and services. They aim to simplify the procurement process of government entities. The Sourcewell brand integrates a thorough documentation review of all vendors prior to awarding their cooperative contract to ensure products and services are from reputable vendors. The brand provides a sense of showing legitimacy and verification of our company name and members understand that products and services provided are from reputable vendors. Clients recognize the Sourcewell brand and their vendors as a trusted source that will meet their needs. The main selling point of the brand is the elimination of the need to go out to bid. Sourcewell has done the bidding for the government entities which simplifies the purchasing process. This process not only saves money but valuable time as well. Sourcewell has provided NAFG overwhelming opportunities to work with government agencies across the United States. The Sourcewell name represents a high standard of integrity and ethics and we are proud to be part of this dynamic. Sourcewell members have access to a contract that is more flexible than the standard bidding process. Sourcewell is an organization that aids government entities to stay competitive without the frustrations and issues involved with the traditional bidding process. The Sourcewell contract can be also customized to meet the needs of the client. The sales team has incorporated not only this standard of integrity in their sales practice by ensuring clients we will always assist them with their vehicle purchasing needs. The cost savings and stress free nature of the cooperative contracts favors that of the traditional bidding process. It enables vendors to work with qualifying government entities in a more efficient manner. We vow to maintain these levels of standards across the board throughout all departments within National Auto Fleet Group Sourcewell isn't just a trusted brand; it's a comprehensive solution for government procurement. From vehicles and food to technology and administrative services, they offer a diverse range of high-quality products and services. Partnering with pre-vetted vendors ensures reliability and peace of mind. The flexibility of Sourcewell contracts allows us to tailor our services to a specific need, unlike the one-size-fits-all approach of typical bidding. Government agencies across the United States, like NAFG, have utilized Sourcewell to procure their needs efficiently.	*

39	Are your products or services available through an e-procurement ordering process? If so, describe your e-procurement system and how governmental and educational customers have used it.	Our website provides a hands-on empowering approach to ordering vehicles online. Clients can search through many vehicle makes and models with the ability to customize a vehicle tailored to the specific needs of their agency. A personalized quote with pricing can be available in as little as 5 minus depending on the complexity of the vehicle. If upfitting is needed, a sales representative can be reached through phone, email, live chat or noted on the self-quoting online system. Once a customized quote is built, clients have the option to finalize the sales transaction by submitting a purchase order to our sales team via email. This gives complete autonomy to the client to purchase vehicles without the need to speak to a sales rep. If assistance is needed, they can contact sales through email, live chat or phone. If support is required to build a quote, our sales reps are available to assist the client step by step. Once the vehicle is built to the client's needs, government agencies are also able to upload a purchase order from their account to purchase a vehicle. NAFG will then process the purchase order and place the vehicle on order with the manufacturer. Government agencies are also able to track the status of their order using the ETA tracking available on the NAFG website. Our website puts the power to order vehicles directly in your hands, with a user-friendly approach that empowers government agencies to choose the perfect solution for their needs. Browse through a comprehensive selection of vehicle makes and models, or customize your ideal vehicle with features tailored to your specific requirements. Get a personalized quote with upfront pricing in as little as 5 minutes, depending on the complexity of your chosen vehicle. Upfitting needed? No problem! Reach out to our dedicated sales team via phone, email, live chat, or simply mention your requirements directly in the self-quoting system. Once a government municipality is ready to purchase, they can simply submit a purchase order through their online account. We offer complete autonomy, allowing buyers to acquire vehicles without needing to speak directly to a sales representative. However, our expert team is always available to assist if they need a helping hand. Our assistance is available via email, live chat, or phone – For government agencies, the process is streamlined even further. They are able to stay informed throughout the entire journey with our convenient ETA tracking system, accessible right on the NAFG website. Experience the convenience and control of online vehicle ordering for government agencies with NAFG. Visit our website today and empower your agency to acquire the perfect vehicle solution. As of today, National Auto Fleet Group has over 8000 members registered on our website and 2400 customers buying from us.	*

Table 8: Value-Added Attributes

Line Item	Question	Response *	
40	Describe any product, equipment, maintenance, or operator training programs that you offer to Sourcewell participating entities. Include details, such as whether training is standard or optional, who provides training, and any costs that apply.	NAFG extends any and all Service Training Programs provided by the Manufacturer. Many of the programs offered are quoted individually by the manufacture based on class size and region of the country. NAFG will pass these quotes onto the member at NAFG cost.	*
41	Describe any technological advances that your proposed products or services offer.	With world leaders in chassis technology like Ford Motor Company, General Motor's and MACK Truck which the member automatically gets the benefit of the latest up to date technology NAFG offers our dealer body to the members for the most leading up to date information.	*
42	Describe any "green" initiatives that relate to your company or to your products or services, and include a list of the certifying agency for each.	NAFG has Partnered to create a 400 US Mayor Drive Climate Mayor Purchasing Collaborative www.Driveevfleet.org to help spread the benefit of members going 100% green. We have 100% Pure Electric vehicles to offer such as the Chevrolet Bolt and Ford Fusion, which are all predecessors to the All New Ford Electric F-150. We are certain over the next few years, Ford and many other manufacturers will be making available 100% pure electric cab chassis for members to select from.	*
43	Identify any third-party issued eco-labels, ratings or certifications that your company has received for the equipment or products included in your Proposal related to energy efficiency or conservation, life-cycle design (cradle-to-cradle), or other green/sustainability factors.	Ford Motor Company and General Motors just to name 2 of the 15 OEM's we are representing have leading edge certifications and rating which provide them the ability to offer there products nationwide.	*
44	Describe any Women or Minority Business Entity (WMBE), Small Business Entity (SBE), or veteran owned business certifications that your company or HUB partners have obtained. Upload documentation of certification (as applicable) in the document upload section of your response.	We hold a Minority Certification through the California Clearing House Authorization	*
45	What unique attributes does your company, your products, or your services offer to Sourcewell participating entities? What makes your proposed solutions unique in your industry as it applies to Sourcewell participating entities?	NAFG's dedication to the member. NAFG has built its division solely for the purpose of serving the members experience from our 24-hour member website or website improvements and capabilities to thinking outside the box to help a member find a solution.	*

Table 9A: Warranty

Describe in detail your manufacturer warranty program, including conditions and requirements to qualify, claims procedure, and overall structure.

You may upload representative samples of your warranty materials (if applicable) in the document upload section of your response in addition to responding to the questions below.

Line Item	Question	Response *	
46	Do your warranties cover all products, parts, and labor?	We have attached all Warranty information provided by all 15 manufacturers offered in our proposal as an added attachment.	*
47	Do your warranties impose usage restrictions or other limitations that adversely affect coverage?	Each manufacturer have there own usage restrictions that a member should be aware of. Such an improper use of a chassis may not allow it to be covered under warranty. For example, a F-250 being used for a police rated pursuit vehicle would void certain warranties. We encourage for each member to contact us for there particular warranty coverage.	*
48	Do your warranties cover the expense of technicians' travel time and mileage to perform warranty repairs?	Yes, in some cases of a breakdown event, manufacturers would tow your vehicle to there nearest warranty repair facility.	*
49	Are there any geographic regions of the United States or Canada (as applicable) for which you cannot provide a certified technician to perform warranty repairs? How will Sourcewell participating entities in these regions be provided service for warranty repair?	Each manufacture is different, and we encourage prior to purchasing a product to call in and ask about your specific region and how it's covered.	*
50	Will you cover warranty service for items made by other manufacturers that are part of your proposal, or are these warranties issues typically passed on to the original equipment manufacturer?	All warranties are passed on to the original equipment manufacturer.	*
51	What are your proposed exchange and return programs and policies?	We offer no exchange, return programs or policies. Once an order is in production with the factory and NAFG can not cancel the order after trying to cancel with the manufacturer, then the order is non-cancellable.	*
52	Describe any service contract options for the items included in your proposal.	We offer any and all manufacturer service contracts to all members. There are several parameters which a customized service contract can be created. NAFG will treat each of these as an added factory option and follow the same discount schedule in the price file.	*

Table 10: Payment Terms and Financing Options

Line Item	Question	Response *	
53	Describe your payment terms and accepted payment methods.	Payment terms are Net 20, with a 10-day grace period.	*
54	Describe any leasing or financing options available for use by educational or governmental entities.	NAFG has partnered with National Cooperative Leasing to offer Sourcewell Contract Lease Terms to all NAFG Quotes for all Sourcewell Members. We have attached a PDF called "NCL Sample Lease" in the Zip File Called "Member Walk Through"	*
55	Describe any standard transaction documents that you propose to use in connection with an awarded contract (order forms, terms and conditions, service level agreements, etc.). Upload a sample of each (as applicable) in the document upload section of your response.	We attached our Standard Documents that all member would see in a typical transaction. Starting with all quotes which contain there unique Quote ID on the top of each quote. A member can then call and help us identify which quote they are inquiring within so we can help hem quicker. Each quote has its list of standard equipment and selected equipment the member has chosen for themselves. Followed by the contract discount on each cover page so the member can easily see there Sourcewell saving. A sample transaction has been attached.	*
56	Do you accept the P-card procurement and payment process? If so, is there any additional cost to Sourcewell participating entities for using this process?	Yes, up to $ 2,500 per vehicle, any amount higher than $ 2,500 would carry a P-card/ Credit Card transaction fee which will be passed onto the member.	*

Table 11: Pricing and Delivery

Provide detailed pricing information in the questions that follow below. Keep in mind that reasonable price and product adjustments can be made during the term of an awarded Contract as described in the RFP, the template Contract, and the Sourcewell Price and Product Change Request Form.

Line Item	Question	Response *	
57	Describe your pricing model (e.g., line-item discounts or product-category discounts). Provide detailed pricing data (including standard or list pricing and the Sourcewell discounted price) on all of the items that you want Sourcewell to consider as part of your RFP response. If applicable, provide a SKU for each item in your proposal. Upload your pricing materials (if applicable) in the document upload section of your response.	NAFG is offering Line Item Discounts Off MSRP for 15 manufacturers detailed in the Price File, NAFG is offering all Upfits to be added to any and all chassis cabs and trucks, details are on the Summary Page in the price file.	*
58	Quantify the pricing discount represented by the pricing proposal in this response. For example, if the pricing in your response represents a percentage discount from MSRP or list, state the percentage or percentage range.	Each Manufacture Product Range is detailed in the tabs below, here is an overview Ford Motor Company from 1.16% to 6.00% RAM Stallantis Company from 4.13% to 4.14% Chevrolet from 6.83% to 6.92% Autocar at 9.00% ISUZU at 5.00% Volvo at 12.00% Freightliner from 4.76% to 15.15% Western Star from 15.00% to 20.00% MACK from 3.00% to 26.36% Kenworth from 13.83% to 32.80% Peterbilt from 10.27% to 31.56% Battle Motors at 25.00% RIZO from 38.25% to 38.46% REE at 7.00% Bollinger Motors at 5.50% Upfits can be added at dealer invoice up to 20%, detailed in the price file.	*
59	Describe any quantity or volume discounts or rebate programs that you offer.	We encourage any and all members to contact us if considering ordering 100 at time of order or more units for an additional discount quote.	*
60	Propose a method of facilitating "sourced" products or related services, which may be referred to as "open market" items or "nonstandard options". For example, you may supply such items "at cost" or "at cost plus a percentage," or you may supply a quote for each such request.	Open Market products or Sourced Goods will be treated as any upfit and may be quoted up to a 20% mark-up if applicable.	*
61	Identify any element of the total cost of acquisition that is NOT included in the pricing submitted with your response. This includes all additional charges associated with a purchase that are not directly identified as freight or shipping charges. For example, list costs for items like pre-delivery inspection, installation, set up, mandatory training, or initial inspection. Identify any parties that impose such costs and their relationship to the Proposer.	All considerations have been taken into account in the price file in its entirety. Price Summary Page and Price Tabs contain all costs associated with all quotes. If a member would like a quote for a particular situation and the item needed special training or installation, these charges would be added as part of the upfit and included in the members quote.	*
62	If freight, delivery, or shipping is an additional cost to the Sourcewell participating entity, describe in detail the complete freight, shipping, and delivery program.	All manufacturers charge a standardized "Factory Destination Charge" which is displayed on all window stickers and on all trucks on a dealer's lot. This is not the needed destination charge that maybe charged to then ship a chassis to and from an installer, these subsequent movements are all added freight charges and will displayed on the members quote.	*
63	Specifically describe freight, shipping, and delivery terms or programs available for Alaska, Hawaii, Canada, or any offshore delivery.	Freight to these regions carry a specific logistical barrier which carry added cost such as ferry, port and driver cost both to and from the mainland. These added costs will be disclosed and added to any quote for the member to review.	*
64	Describe any unique distribution and/or delivery methods or options offered in your proposal.	NAFG will utilize the power and expertise of the already established Automobile Franchise Distribution Network to have members vehicles delivered promptly there destination.	*

Table 12: Pricing Offered

Line Item	The Pricing Offered in this Proposal is: *	Comments
65	c. better than the Proposer typically offers to GPOs, cooperative procurement organizations, or state purchasing departments.	NAFG Offers Members of Sourcewell the very best selection and service for the overall best value we can offer.

Table 13: Audit and Administrative Fee

Line Item	Question	Response *	
66	Specifically describe any self-audit process or program that you plan to employ to verify compliance with your proposed Contract with Sourcewell. This process includes ensuring that Sourcewell participating entities obtain the proper pricing, that the Vendor reports all sales under the Contract each quarter, and that the Vendor remits the proper administrative fee to Sourcewell. Provide sufficient detail to support your ability to report quarterly sales to Sourcewell as described in the Contract template.	We have created a member friendly to build and price there chassis cabs on, the pricing is built directly into the website and is loaded daily by the manufacture MSRP information. Our system will provide an accurate quote 99.99% of the time. We have stream lined how our admin fee is processed to allow a quick 15-30 day turn around on quarterly reports.	*
67	If you are awarded a contract, provide a few examples of internal metrics that will be tracked to measure whether you are having success with the contract.	We have internal charts that track how many members we are serving per month and what regions we need to market into to raise awareness of Sourcewell and our contract. We also track how many vehicles we deliver to members to see if our volume is picking up or where the current market is at as it does fluctuate.	*
68	Identify a proposed administrative fee that you will pay to Sourcewell for facilitating, managing, and promoting the Sourcewell Contract in the event that you are awarded a Contract. This fee is typically calculated as a percentage of Vendor's sales under the Contract or as a per-unit fee; it is not a line-item addition to the Member's cost of goods. (See the RFP and template Contract for additional details.)	Our Admin Fee has been streamlined to allow for growth to occur with maintaining a high level of accuracy and reporting. Our proposed admin fee would follow these guidelines: Flat $ 400 per unit for all units excluding Alan Jay Automotive Network in Florida Units sold through Alan Jay Automotive Network in Florida will have a$ 200 flat	*

Table 14A: Depth and Breadth of Offered Equipment Products and Services

Proposers submitting a proposal in Category 1 as defined herein will be submitting in the broad category that includes all types of engines, fuel, and propulsion systems. For example, if a Proposer offers chassis and cabs with Internal Combustion Engines (ICE) as well as chassis and cabs with electric propulsion systems the Proposer should designate it is seeking an award in Category 1 **only**. Proposers seeking an award in Category 2, as defined herein, must include at least one solution offered within the scope of Category 2 for electric propulsion systems **only**.

Line Item	Category Selection *	
69	Category 1: All engines, fuel, and propulsion type chassis and cabs	*

Table 14B: Depth and Breadth of Offered Equipment Products and Services

Line Item	Question	Response *	
70	Provide a detailed description of the equipment, products, and services that you are offering in your proposal.	15 Manufacturers totaling 200 makes and models ranging from Class 4 to Class 8 Cab an Chassis and trucks. With available Upfits to be added ranging from tool boxes to Line Mechanics Bodies. Any and all upfits can be added to our chassis cabs either by our upfit partner supplier or by a members upfit supplier working with NAFG to provide a Turn Key Quote.	*
71	Within this RFP category there may be subcategories of solutions. List subcategory titles that best describe your products and services.	NAFG Lists all makes and models in each ZIP file under ZIP File “All 15 Manufacturers” representing a combined hundred’s makes and model/engine combinations for members to choose from along with a subtitle “Upfits” detailed in the price file.	
72	Describe any manufacturing processes or materials utilized that contribute to chassis strength, cab strength, overall durability, driver safety.	Leading materials are used by the OEM's daily to safely supply all members with the best on the market place for each OEM.	
73	Describe any differentiating serviceability attributes (remote diagnostics, etc.) your proposal offers.	Each OEM has there own unique attribute that all cater and serve the members.	

Table 15: Category 1 - Depth and Breadth of Offered Equipment Products and Services

Indicate below if the listed types or classes of equipment, products, and services are offered within your proposal. Provide additional comments in the text box provided, as necessary.

Proposers submitting a proposal in Category 1 will be submitting in the broad category that includes all types of engines, fuel, and propulsion systems. See RFP Section II. B. 1 for details.

☐ We will not be submitting for Table 15: Category 1 - Depth and Breadth of Offered Equipment Products and Services

Line Item	Category or Type	Offered *	Chassis Type (ICE and/or BEV)	Comments	
74	Class 4 chassis	◉ Yes ○ No	Both Chassis Types (ICE and BEV)	All 15 Manufactures are listed in the price file, along with each OEM's product offering for this class.	*
75	Class 5 chassis	◉ Yes ○ No	Both Chassis Types (ICE and BEV)	All 15 Manufactures are listed in the price file, along with each OEM's product offering for this class.	*
76	Class 6 chassis	◉ Yes ○ No	Both Chassis Types (ICE and BEV)	All 15 Manufactures are listed in the price file, along with each OEM's product offering for this class.	*
77	Class 7 chassis	◉ Yes ○ No	Both Chassis Types (ICE and BEV)	All 15 Manufactures are listed in the price file, along with each OEM's product offering for this class.	*
78	Class 8 chassis	◉ Yes ○ No	Both Chassis Types (ICE and BEV)	All 15 Manufactures are listed in the price file, along with each OEM's product offering for this class.	*
79	Related equipment, accessories, parts, upfitting, services, used chassis and Class 3 chassis	◉ Yes ○ No	Both Chassis Types (ICE and BEV)	All 15 Manufactures are listed in the price file, along with each OEM's product offering for this class. All upfitting is available and outlined in the pricing summary.	

Table 16: Category 2 - Depth and Breadth of Offered Equipment Products and Services

Indicate below if the listed types or classes of equipment, products, and services are offered within your proposal. Provide additional comments in the text box provided, as necessary.

Proposers seeking an award in Category 2, as defined herein, must include at least one solution offered within the scope of Category 2 for electric propulsion systems **only**. See RFP Section II. B. 1 for details.

☑ We will not be submitting for Table 16: Category 2 - Depth and Breadth of Offered Equipment Products and Services

Line Item	Category or Type	Offered *	Comments	
80	Battery Electric Vehicle (BEV) Class 4 Chassis	○ Yes ○ No		*
81	Battery Electric Vehicle (BEV) Class 5 Chassis	○ Yes ○ No		*
82	Battery Electric Vehicle (BEV) Class 6 Chassis	○ Yes ○ No		*
83	Battery Electric Vehicle (BEV) Class 7 Chassis	○ Yes ○ No		*
84	Battery Electric Vehicle (BEV) Class 8 Chassis	○ Yes ○ No		*
85	Related equipment, accessories, parts, upfitting, services, used chassis and Class 3 chassis	○ Yes ○ No		

Table 17: Exceptions to Terms, Conditions, or Specifications Form

Line Item 86. NOTICE: To identify any exception, or to request any modification, to Sourcewell standard Contract terms, conditions, or specifications, a Proposer must submit the proposed exception(s) or requested modification(s) via redline in the Contract Template provided in the "Bid Documents" section. Proposer must upload the redline in the "Requested Exceptions" upload field. All exceptions and/or proposed modifications are subject to review and approval by Sourcewell and will not automatically be included in the Contract.

Do you have exceptions or modifications to propose?	Acknowledgement *
	○ Yes ◉ No

Documents

Ensure your submission document(s) conforms to the following:

1. Documents in PDF format are preferred. Documents in Word, Excel, or compatible formats may also be provided.

2. Documents should NOT have a security password, as Sourcewell may not be able to open the file. It is your sole responsibility to ensure that the uploaded document(s) are not either defective, corrupted or blank and that the documents can be opened and viewed by Sourcewell.

3. Sourcewell may reject any response where any document(s) cannot be opened and viewed by Sourcewell.

4. If you need to upload more than one (1) document for a single item, you should combine the documents into one zipped file. If the zipped file contains more than one (1) document, ensure each document is named, in relation to the submission format item responding to. For example, if responding to the Marketing Plan category save the document as "Marketing Plan."

- Pricing - NAFG Price File 032824.zip - Wednesday March 27, 2024 16:08:51
- Financial Strength and Stability - Financial Strength and Market Stability 032824.zip - Tuesday March 26, 2024 21:32:50
- Marketing Plan/Samples - 032824 NAFG Marketing Plan.zip - Tuesday March 26, 2024 21:30:53
- WMBE/MBE/SBE or Related Certificates - Insurance and Realted Certificated 032824.zip - Tuesday March 26, 2024 21:33:17
- Warranty Information - Warranty Information 032824.zip - Tuesday March 26, 2024 21:42:37
- Standard Transaction Document Samples - 032824 Standard Transaction Document.zip - Wednesday March 27, 2024 13:28:58
- Requested Exceptions (optional)
- Upload Additional Document - 032824 Uploaded ALL 15 MANUFACTURED MODEL's and ELECTIRC SPEC's.zip - Wednesday March 27, 2024 01:25:13

Addenda, Terms and Conditions

PROPOSER AFFIDAVIT AND ASSURANCE OF COMPLIANCE

I certify that I am the authorized representative of the Proposer submitting the foregoing Proposal with the legal authority to bind the Proposer to this Affidavit and Assurance of Compliance:

1. The Proposer is submitting this Proposal under its full and complete legal name, and the Proposer legally exists in good standing in the jurisdiction of its residence.
2. The Proposer warrants that the information provided in this Proposal is true, correct, and reliable for purposes of evaluation for contract award.
3. The Proposer, including any person assisting with the creation of this Proposal, has arrived at this Proposal independently and the Proposal has been created without colluding with any other person, company, or parties that have or will submit a proposal under this solicitation; and the Proposal has in all respects been created fairly without any fraud or dishonesty. The Proposer has not directly or indirectly entered into any agreement or arrangement with any person or business in an effort to influence any part of this solicitation or operations of a resulting contract; and the Proposer has not taken any action in restraint of free trade or competitiveness in connection with this solicitation. Additionally, if Proposer has worked with a consultant on the Proposal, the consultant (an individual or a company) has not assisted any other entity that has submitted or will submit a proposal for this solicitation.
4. To the best of its knowledge and belief, and except as otherwise disclosed in the Proposal, there are no relevant facts or circumstances which could give rise to an organizational conflict of interest. An organizational conflict of interest exists when a vendor has an unfair competitive advantage or the vendor's objectivity in performing the contract is, or might be, impaired.
5. The contents of the Proposal have not been communicated by the Proposer or its employees or agents to any person not an employee or legally authorized agent of the Proposer and will not be communicated to any such persons prior to Due Date of this solicitation.
6. If awarded a contract, the Proposer will provide to Sourcewell Participating Entities the equipment, products, and services in accordance with the terms, conditions, and scope of a resulting contract.
7. The Proposer possesses, or will possess before delivering any equipment, products, or services, all applicable licenses or certifications necessary to deliver such equipment, products, or services under any resulting contract.
8. The Proposer agrees to deliver equipment, products, and services through valid contracts, purchase orders, or means that are acceptable to Sourcewell Members. Unless otherwise agreed to, the Proposer must provide only new and first-quality products and related services to Sourcewell Members under an awarded Contract.
9. The Proposer will comply with all applicable provisions of federal, state, and local laws, regulations, rules, and orders.
10. The Proposer understands that Sourcewell will reject RFP proposals that are marked "confidential" (or "nonpublic," etc.), either substantially or in their entirety. Under Minnesota Statutes Section 13.591, subdivision 4, all proposals are considered nonpublic data until the evaluation is complete and a Contract is awarded. At that point, proposals become public data. Minnesota Statutes Section 13.37 permits only certain narrowly defined data to be considered a "trade secret," and thus nonpublic data under Minnesota's Data Practices Act.
11. Proposer its employees, agents, and subcontractors are not:
    1. Included on the "Specially Designated Nationals and Blocked Persons" list maintained by the Office of Foreign Assets Control of the United States Department of the Treasury found at: https://www.treasury.gov/ofac/downloads/sdnlist.pdf;
    2. Included on the government-wide exclusions lists in the United States System for Award Management found at: https://sam.gov/SAM/; or
    3. Presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Vendor certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this solicitation.

☑ By checking this box I acknowledge that I am bound by the terms of the Proposer's Affidavit, have the legal authority to submit this Proposal on behalf of the Proposer, and that this electronic acknowledgment has the same legal effect, validity, and enforceability as if I had hand signed the Proposal. This signature will not be denied such legal effect, validity, or enforceability solely because an electronic signature or electronic record was used in its formation. - Jesse Cooper, National Fleet Manager, 72 Hour LLC, DBA National Auto Fleet Group

The Proposer declares that there is an actual or potential Conflict of Interest relating to the preparation of its submission, and/or the Proposer foresees an actual or potential Conflict of Interest in performing the contractual obligations contemplated in the bid.

○ **Yes** ◉ **No**

The Bidder acknowledges and agrees that the addendum/addenda below form part of the Bid Document.

Check the box in the column "**I have reviewed this addendum"** below to acknowledge each of the addenda.

File Name	I have reviewed the below addendum and attachments (if applicable)	Pages
Addendum_7_Class 4-8 Chassis and Cabs _RFP_032824 Thu March 21 2024 08:45 AM	☑	1
Addendum_6_Class 4-8 Chassis and Cabs _RFP_032824 Wed March 20 2024 12:36 PM	☑	3
Addendum_5_Class 4-8 Chassis and Cabs _RFP_032824 Mon March 18 2024 12:01 PM	☑	1
Addendum_4_Class 4-8 Chassis and Cabs _RFP_032824 Wed March 6 2024 09:38 AM	☑	1
Addendum_3_Class 4-8 Chassis and Cabs _RFP_032824 Wed February 21 2024 04:08 PM	☑	2
Addendum_2_Class 4-8 Chassis and Cabs _RFP_032824 Wed February 14 2024 04:12 PM	☑	1
Addendum_1_Class 4-8 Chassis and Cabs _RFP_032824 Thu February 8 2024 04:24 PM	☑	1

National Auto Fleet Group

A Division of Chevrolet of Watsonville

490 Auto Center Drive, Watsonville, CA 95076

(855) 289-6572 • (831) 480-8497 Fax

Fleet@NationalAutoFleetGroup.com

10/16/2024

Quote ID#3061HD

City of South Lake Tahoe
1901 Airport Road
South Lake Tahoe, CA 96150

Dear City of South Lake Tahoe,

National Auto Fleet Group is pleased to quote the following sourced item(s) for your consideration. One (1) New/Unused (**2025 Freightliner M2106, DD8 7.7L 6 Cyl Single Stage 300 HP Engine, Allison 3500 RDS Transmission with 15' Valew Dump Body**) and provided by Mr. Jim Pescitelli with Velocity Truck Center, each for:

	Contract Price
Chassis and Option	$ 183,879.00
Tax (8.75%)	$ 16,089.41
Total	$ 199,968.41

This sourced item(s) is available under the Sourcewell (Formerly Known as NJPA) Contract 032824-NAF. Please reference this Bid Number on all Purchase Orders.

Thank you in advance for your consideration. Should you have any questions, please do not hesitate to call.

Sincerely,

Ben Rodriguez
HD Contract Manager
BEN@NationalAutoFleetGroup.com
Office (855) 289-6572
Fax (831) 480-8497

Valew Quality Truck Bodies

Valew 15'- 10/12 Yard Square Dump

Valew Dump Truck Specifications: Installed on your chassis!

Specifically designed for extreme use. All steel gauges have been increased for greater durability.
Approximately 10/12 yard-15'
Hydraulic Hoist (telescopic style)
Hydraulic Pump
Hot Shift PTO
Hydraulic Reservoir
Double Walled Construction
3/16" interior, 10ga. exterior
One Piece Steel Floor
Headboard
Cab Guard
Spreader Apron
Center Ditch Gate
Safety Locking Controls
Air Tail Gate Release
Tailgate
Standard Ph 45 Hitch assembly w/ air and electric to rear
Spring Loaded Tarp System
Primer and Painted Black

Note: A clean 126"-132" CT is needed

Quote # VV-11422 / Quoted By: Chad / Accepted By: _____

VEHICLE DATA CODE INQUIRY

VEHICLE DETAIL

Serial Number:	VN9358	**Plant Code:**	SAN
Fleet Size:	5	**VIN:**	3ALHCYD24SDVN9358
Split Range:	VN9358/VN9362	**Customer Name:**	VALEW
TSO Number:	9E3864	**Salesperson:**	BRYAN CRAWFORD
Pilot:	N	**CAE Coordinator:**	MATTHEW RITTENHOUSE
Open TCO:	N 8	**Customer Account:**	V46897

SPECIFICATIONS

Base Model:	M2106	**Cab Size:**	106
Sleeper Size:	000	**Qty Cab Colors:**	1
Key Code:	FT1034	**Engine Model:**	DD08
Transmission Model:	3500RDS	**Auxiliary Transmission:**	
Front Axle:	S180D	**Rear Axle:**	T40M
Tag/Pusher Axle Model:		**Suspension Model:**	FL9.5T
TSO Processing:	COMPLETE	**Engineering CWOS:**	COMPLETE
Pricing Issues:	COMPLETE		

SCHEDULE

Order Status:	DEALER RECEIVED	**Status Date:**	2024-03-06
Order Received Date:	2023-10-13	**Delivery Requested Date:**	2024-02-20
Latest Accept Date:	2024-02-20	**Projected Delivery Date:**	2024-03-09
Order Released Date:	2023-11-06	**Ship Method:**	DRIVEABLE

SHIPPING/PRICING

Transit Start Date:	2024-03-01	**Estimated Arrival Date:**	2024-03-07
Delivered Date:	2024-03-06	**Spec Con Date:**	2024-02-02
Official Invoice Date:	2024-02-27	**Retail Sold Date:**	
Concession Number:	R34179	**Price Level:**	PRL-24M
PDI Received Date:		**PDI Returned Date:**	
Approval Date:		**TCO Approval:**	
Ship To:	VALEW WELDING AND FABRICATION 12522 VIOLET RD ADELANTO ,CA92301 USA 760-596-8576		

Ship Intructions:

Databook	Origin	TCO #	Description	Value
			PRICE LEVEL INFORMATION	
PRL-24M		001	M2 PRL-24M (EFF:1/19/21)	
			GENERAL APPLICATION INFORMATION	
AA1-003	D		TRUCK/TRAILER CONFIGURATION	
AA6-001	D		DOMICILED, USA 50 STATES (INCLUDING CALI	
	D		FORNIA AND CARB OPT-IN STATES)	
AF2-013	D		DOMICILED CALIFORNIA	
A85-011	D		CONSTRUCTION SERVICE	
AA3-003	D		TANK BODY	
AA2-005	D		FLATBED TRAILER	
AH6-001	D		SINGLE (1) TRAILER	
AA5-006	D		TERRAIN/DUTY: 10% (SOME) OF THE TIME, IN	
	D		TRANSIT, IS SPENT ON NON-PAVED ROADS	
AB5-003	D		MAINTAINED GRAVEL OR CRUSHED ROCK - MOST	
	D		SEVERE IN-TRANSIT (BETWEEN SITES) ROAD	
	D		SURFACE	
AB1-008	D		MAXIMUM 8% EXPECTED GRADE	
AA4-002	D		LIQUID BULK COMMODITY	
A84-1CO	D		CONSTRUCTION BUSINESS SEGMENT	
A66-99D	D		EXPECTED FRONT AXLE(S) LOAD	18000 LBS
A68-99D	D		EXPECTED REAR DRIVE AXLE(S) LOAD	40000 LBS
A63-99D	D		EXPECTED GROSS VEHICLE WEIGHT CAPACITY	58000 LBS
A70-99D	H		EXPECTED GROSS COMBINATION WEIGHT	60000 LBS
AC8-99D	S		CALC'D BACK OF CAB TO REAR SUSP C/L (CA)	133.268 IN
AL8-99D	S		CALC'D CAB TO BODY (INCL 2" CLEARANCE)	3 IN
A88-99D	D		EXPECTED TRUCK BODY LENGTH	180 IN
AL4-99D	S		CALC'D FRAME LENGTH BACK OF CAB	214.961 IN
AL6-99D	S		CALC'D BODY AFT OF EOF (+=BODY OVERHANG)	-31.961 IN
AM1-99D	S		CALC'D OVERALL LENGTH AT BODY OR EOF	321.26 IN
AC3-99D	S		CALC'D VEHICLE SPEED @ GOVERNED ENG RPM	83.243 MPH
AF7-99D	D		BRAKING-EXP CG OF BODY&LOAD ABOVE FRAME	32 IN
AK2-99D	S		BRAKING-MAX CG OF LOAD ABOVE FRAME @GVWR	32 IN
AM3-99D	S		CALC'D FRAME HEIGHT @ REAR SUSP-EXP LOAD	40.226 IN
AR1-99D	S		CAL'D FRAME HT AT FRONT SUSP-UNLADEN	42.438 IN
AM2-99D	S		CALC'D FRAME HEIGHT @ REAR SUSP-UNLADEN	42.741 IN
AM0-99D	S		TOP OF FRM TO RR TIRE TOP-UNLD	0.541 IN
ALG-99D	S		CALC'D CAB HEIGHT ABOVE FRAME	62.799 IN
ALJ-99D	S		CALC'D CAB HEIGHT ABOVE GROUND; EXP LOAD	102.446 IN
ALH-99D	S		CALC'D CAB HEIGHT ABOVE GROUND; UNLADEN	105.329 IN
AF3-2BT	D		VALEW	
			MAXIMUM GVW & AXLE SYSTEM CAPACITIES	
A61-99D	S		CALC'D MAX CAPACITY FRONT AXLE(S)TOTAL	18000 LBS
A59-99D	S		CALC'D MAX CAPACITY DRIVE AXLE(S) TOTAL	40000 LBS
A60-99D	S		CALC'D MAX CAP PUSHER/TAG AXLE(S) TOTAL	0 LBS
A62-99D	S		RATED MAXIMUM VEHICLE CAPACITY - GVWR	58000 LBS
			BASE MODEL	
001-172	D		M2 106 CONVENTIONAL CHASSIS	F 5709 R 3450
004-225	D		2025 MODEL YEAR SPECIFIED	
995-091	D		MEDIUM TRUCK WARRANTY	
002-004	D		SET BACK AXLE - TRUCK	
019-006	D		TRAILER TOWING PROVISION AT END OF FRAME	F 10 R 10
	D		WITH SAE J560	
81Z-010	S	002	PRODUCTION YEAR 2024 SOFTWARE PACKAGE (H	
	S		EMATITE)	
003-001	D		LH PRIMARY STEERING LOCATION	
			ENGINE	
101-2M9	D		DD8 7.7L 6 CYL SINGLE STAGE 300 HP @ 220	F 450 R 30
	D		0 RPM, 2600 GOV RPM, 860 LB-FT @ 1200 RP	
	D		M	
99C-124	D		EPA 2010 GHG 2024/CARB 2024 ULTRALOW NOX	

Databook	Origin	TCO #	Description	Value
	D		CONFIGURATION	
99X-024	S		OBD 2024	
99Z-006	S		VEHICLE IS SUBJECT TO EPA GHG21/GHG24	
99D-018	D		CARB CLEAN IDLE LABELS FOR INITIAL REGIS	
	D		TRATION IN STATES REQUIRING CARB EMISSIO	
	D		NS CERTIFICATION - (INCLUDES 6X4 INCH LA	
	D		BEL ON LOWER FORWARD OF DRIVER DOOR)	
055-017	D		PROFESSIONAL TRIM PACKAGE	
9EE-001	S		CEEA+ 667 ELECTRICAL ARCHITECTURE	
992-001	S		50 STATE EMISSIONS CERTIFICATION	
	S		**DO NOT USE**	
28F-014	D		ENGINE AFTERTREATMENT DEVICE, AUTOMATIC	
	D		OVER THE ROAD REGENERATION AND VIRTUAL R	
	D		EGENERATION REQUEST SWITCH IN CLUSTER	
79A-064	D		64 MPH ROAD SPEED LIMIT	
79B-000	D		CRUISE CONTROL SPEED LIMIT SAME AS ROAD	
	D		SPEED LIMIT	
79C-998	D		NO DRIVER FUEL ECONOMY INCENTIVE	
79D-998	D		NO PROGRESSIVE SHIFTING	
79E-998	D		NO LOW RANGE TORQUE PROTECT	
79F-013	D		FLEET MANAGEMENT - DAILY ENGINE USAGE EN	
	D		ABLED	
79G-998	D		NO IDLE SHUTDOWN CONFIGURATION	
79J-998	D		NO PTO SHUTDOWN CONFIGURATION	
79K-016	D		PTO MODE ENGINE RPM LIMIT - 2000 RPM	
79L-998	H	003	PTO MODE THROTTLE OVERRIDE DISABLED	
79M-998	D		PTO MODE BRAKE OVERRIDE - DISABLED	
79N-998	D		NO PTO MODE CLUTCH OVERRIDE	
79P-032	H		PTO RPM CONTROL WITH STEERING WHEEL SWIT	
	H		CHES	
79Q-998	H		NO PTO RPM WITH CRUISE RESUME SWITCH	
79R-998	D		NO PTO MODE COOLING FAN	
79S-007	D		PTO MODE CANCEL VEHICLE SPEED - 20 MPH	
79T-004	D		PTO MODE RPM INCREMENT - 100 RPM	
79U-007	D		PTO GOVERNOR RAMP RATE - 250 RPM PER SEC	
	D		OND	
79V-001	D		FUEL DOSING OF AFTERTREATMENT ENABLED IN	
	D		PTO MODE-CLEANS HYDROCARBONS AT HIGH TE	
	D		MPERATURES ONLY	
79W-001	D		ONE REMOTE PTO SPEED	
79X-001	D		PTO SPEED 1 SETTING - 700 RPM	
79Y-998	D		NO PTO 2 SET SPEED	
79Z-998	D		NO PTO 3 SET SPEED	
80A-998	D		NO ALTERNATE ROAD SPEED LIMIT	
87W-998	D		NO PTO MODE ENG RPM LIMIT, PTO 2	
87X-998	D		NO PTO MODE ENG RPM LIMIT, PTO 3	
87Y-998	D		NO PTO MODE ENG RPM LIMIT, PTOEM	
87Z-998	S		NO PTO MODE ENG RPM LIMIT, REMOTE	
88X-998	S		NO PTO 1 REMOTE SET SPEED	
88Y-998	S		NO PTO 2 REMOTE SET SPEED	
88Z-998	S		NO PTO 3 REMOTE SET SPEED	
85U-998	D		NO AMT COAST DOWN GEAR	
80B-998	D		NO CHECK ENGINE LIGHT ON OVERSPEED	
80C-998	D		NO ENGINE BRAKE WITH CRUISE CONTROL	
80D-998	D		NO SOFT CRUISE CONTROL	
80E-998	D		NO ENGINE FAN WITH RETARDER	
80F-998	D		NO MAINTENANCE MONITOR	
80G-002	D		PTO MINIMUM RPM - 700	
80S-022	H	006	PTO 1, WITH SWITCH, TEM SUPPLIED REQUEST	
	H		AND INTERLOCKS, WITH PTO CONNECTIONS, E	

Databook	Origin TCO #	Description	Value
	H	NGAGE WHILE DRIVING INTERLOCKS	
80T-998	D	NO TRANS PTO 2 ENGAGEMENT CONTROLS	
80U-998	D	NO PTO 3 CONTROLS	
80V-998	D	NO ENGINE PTO MODE ACTIVATION CONTROLS	
85P-998	D	NO REAR PTO TRANSMISSION RANGE	
85Q-998	D	NO AMT DEFAULT START GEAR	
85K-998	S	NO PTO 1 J1939 CONTROL	
85L-998	S	NO PTO 2 J1939 CONTROL	
85M-998	S	NO PTO 3 J1939 CONTROL	
85N-998	S	NO ENGINE MOUNT PTO J1939 CONTROL	
80H-998	D	NO ACCELERATION MANAGEMENT	
80J-001	D	REGEN INHIBIT SPEED THRESHOLD - 0 MPH	
80R-998	S	NO DRIVETRAIN TORQUE PROTECTION	
80Y-998	S	NO CRUISE CONT-UPPER/LOWER LIMITS	
84E-013	D	S1 PERFORMANCE PRIMARY SHIFT SCHEDULE, A	
	D	VAILABLE FOR 3000/4000 PRODUCT FAMILIES	
	D	ONLY	
84F-012	D	S1 PERFORMANCE SECONDARY SHIFT SCHEDULE,	
	D	AVAILABLE FOR 3000/4000 PRODUCT FAMILIE	
	D	S ONLY	
84G-014	D	2200 RPM PRIMARY MODE SHIFT SPEED	
84H-014	D	2200 RPM SECONDARY MODE SHIFT SPEED	
84J-000	D	ENGINE BRAKE RANGE PRESELECT RECOMMENDED	
	D	BY DTNA AND ALLISON, THIS DEFINED BY EN	
	D	GINE AND VOCATIONAL USAGE	
84K-000	D	ENGINE BRAKE RANGE ALTERNATE PRESELECT R	
	D	ECOMMENDED BY DTNA AND ALLISON, THIS DEF	
	D	INED BY ENGINE AND VOCATIONAL USAGE	
84M-998	D	TCU-PUMP MODE OPTION NOT CONFIGURED	
85B-998	D	TCU-RANGE INDICATION NOT CONFIGURED	
85E-009	D	MAXIMUM ENGINE SPEED FOR PTO ENGAGEMENT	
	D	900 RPM	
85F-036	D	MAXIMUM ENGINE SPEED FOR PTO OPERATION 2	
	D	100 RPM	
85G-011	D	MAXIMUM OUTPUT SPEED FOR PTO ENGAGEMENT	
	D	300 RPM	
85H-119	D	MAXIMUM OUTPUT SPEED FOR PTO OPERATION 3	
	D	000 RPM - ALLISON 5TH GEN TRANSMISSIONS	
85J-998	D	NO TCU-2ND REVERSE OPTION	
		ENGINE EQUIPMENT	
13E-001	D	STANDARD OIL PAN	
105-001	D	ENGINE MOUNTED OIL CHECK AND FILL	
104-998	D	NO ENGINE OIL DRAIN/SAMPLE	
133-004	S	ONE PIECE VALVE COVER	
014-099	D	SIDE OF HOOD AIR INTAKE WITH FIREWALL MO	
	D	UNTED DONALDSON AIR CLEANER	
190-001	D	DONALDSON 1-STAGE AIR CLEANER	
124-1D7	D	DR 12V 160 AMP 28-SI QUADRAMOUNT PAD ALT	
	D	ERNATOR WITH REMOTE BATTERY VOLT SENSE	
292-235	D	(2) DTNA GENUINE, FLOODED STARTING, MIN	
	D	2000CCA, 370RC, THREADED STUD BATTERIES	
290-017	D	BATTERY BOX FRAME MOUNTED	
281-001	D	STANDARD BATTERY JUMPERS	
282-001	D	SINGLE BATTERY BOX FRAME MOUNTED LH SIDE	
	D	UNDER CAB	
291-017	D	WIRE GROUND RETURN FOR BATTERY CABLES WI	
	D	TH ADDITIONAL FRAME GROUND RETURN	
289-001	D	NON-POLISHED BATTERY BOX COVER	
33M-998	D	NO AUXILIARY POWER DISTRIBUTION MANAGEME	
	D	NT	

Databook	Origin TCO #	Description	Value
293-077	D	SMART BATTERY SHUT-OFF SWITCH	
295-029	D	POSITIVE AND NEGATIVE POSTS FOR JUMPSTAR	F 2
	D	T LOCATED ON FRAME NEXT TO STARTER	
306-015	D	PROGRESSIVE LOW VOLTAGE DISCONNECT AT 12	F 2
	D	.3 VOLTS FOR DESIGNATED CIRCUITS	
180-998	D	NO CLUTCH	
183-998	D	NO CLUTCH BRAKE	
181-998	D	NO CLUTCH RELEASE BEARING LUBE	
182-998	D	NO CLUTCH RELEASE	
107-047	D	WABCO 20.0 CFM SINGLE CYLINDER AIR COMPR	
	D	ESSOR	
108-002	D	STANDARD MECHANICAL AIR COMPRESSOR GOVER	
	D	NOR	
131-013	D	AIR COMPRESSOR DISCHARGE LINE	
152-041	D	ELECTRONIC ENGINE INTEGRAL SHUTDOWN PROT	
	D	ECTION SYSTEM	
128-1A7	D	DETROIT MD COMPRESSION BRAKE WITH ON/OFF	
	D	SWITCH	
016-1C2	D	RH OUTBOARD UNDER STEP MOUNTED HORIZONTA	F 30 R 25
	D	L AFTERTREATMENT SYSTEM ASSEMBLY WITH RH	
	D	B-PILLAR MOUNTED VERTICAL TAILPIPE	
239-038	D	11 FOOT 06 INCH (138 INCH+0/-5.9 INCH) E	
	D	XHAUST SYSTEM HEIGHT	
233-998	D	NO EXHAUST BRIGHTWORK (PLAIN)	
237-1CR	D	RH CURVED VERTICAL TAILPIPE B-PILLAR MOU	
	D	NTED ROUTED FROM STEP	
23U-001	D	6 GALLON DIESEL EXHAUST FLUID TANK	
43W-001	S	STANDARD DIESEL EXHAUST FLUID SYSTEM COO	
	S	LANT PLUMBING	
30N-003	D	100 PERCENT DIESEL EXHAUST FLUID FILL	
23Z-998	D	NO DIESEL EXHAUST FLUID TANK COVER	
43X-002	D	LH MEDIUM DUTY STANDARD DIESEL EXHAUST F	
	D	LUID TANK LOCATION	
23Y-002	D	DIESEL EXHAUST FLUID PUMP MOUNTED AFT OF	
	D	DIESEL EXHAUST FLUID TANK	
43Y-001	D	STANDARD DIESEL EXHAUST FLUID TANK CAP	
242-011	D	ALUMINUM AFTERTREATMENT DEVICE/MUFFLER/T	
	D	AILPIPE SHIELD(S)	
240-998	D	NO OPTIONAL EXHAUST UPGRADE	
273-058	D	AIR POWERED ON/OFF ENGINE FAN CLUTCH	
276-001	D	AUTOMATIC FAN CONTROL WITHOUT DASH SWITC	
	D	H, NON ENGINE MOUNTED	
110-077	D	DETROIT ENGINE MOUNTED FUEL/WATER SEPARA	
	D	TOR WITH WATER-IN-FUEL SENSOR AND ESOC	
118-001	D	FULL FLOW OIL FILTER	
120-998	D	NO COOLANT FILTER	
266-078	D	950 SQUARE INCH ALUMINUM RADIATOR	F 50
103-039	D	ANTIFREEZE TO -34F, OAT (NITRITE AND SIL	
	D	ICATE FREE) EXTENDED LIFE COOLANT	
171-007	D	GATES BLUE STRIPE COOLANT HOSES OR EQUIV	
	D	ALENT	
172-001	D	CONSTANT TENSION HOSE CLAMPS FOR COOLANT	
	D	HOSES	
270-016	D	RADIATOR DRAIN VALVE	
168-002	D	LOWER RADIATOR GUARD	
360-998	D	NO FRONT ENGINE PTO	
361-998	D	NO REAR ENGINE PTO	
138-998	D	NO BLOCK HEATER	
141-998	D	NO COOLANT HEATER - GAS/DSL	
166-998	D	NO OIL PREHEATER	

Databook	Origin TCO #	Description	Value
140-998	D	NO ENGINE HEATER RECEPTACLE	
134-001	D	ALUMINUM FLYWHEEL HOUSING	
132-998	D	NO AIR INTAKE WARMER	
155-080	D	DELCO 12V 31MT STARTER WITH INTEGRATED M	
	D	AGNETIC SWITCH	
106-002	D	ELECTRONIC ACCELERATOR CONTROL	
		TRANSMISSION & EQUIPMENT	
342-584	D	ALLISON 3500 RDS AUTOMATIC TRANSMISSION	F 200 R 60
	D	WITH PTO PROVISION	
352-998	D	NO AUXILIARY TRANSMISSION	
343-339	D	ALLISON VOCATIONAL PACKAGE 223 - AVAILAB	
	D	LE ON 3000/4000 PRODUCT FAMILIES WITH VO	
	D	CATIONAL MODELS RDS, HS, MH AND TRV	
84B-012	D	ALLISON VOCATIONAL RATING FOR ON/OFF HIG	
	D	HWAY APPLICATIONS AVAILABLE WITH ALL PRO	
	D	DUCT FAMILIES	
84N-200	D	FUEL SENSE 2.0 DISABLED - PERFORMANCE -	
	D	TABLE BASED	
84C-023	D	PRIMARY MODE GEARS, LOWEST GEAR 1, START	
	D	GEAR 1, HIGHEST GEAR 6, AVAILABLE FOR 3	
	D	000/4000 PRODUCT FAMILIES ONLY	
84D-023	D	SECONDARY MODE GEARS, LOWEST GEAR 1, STA	
	D	RT GEAR 1, HIGHEST GEAR 6, AVAILABLE FOR	
	D	3000/4000 PRODUCT FAMILIES ONLY	
341-018	D	MAGNETIC PLUGS, ENGINE DRAIN, TRANSMISSI	
	D	ON DRAIN, AXLE(S) FILL AND DRAIN	
345-003	D	PUSH BUTTON ELECTRONIC SHIFT CONTROL, DA	
	D	SH MOUNTED	
97G-004	D	TRANSMISSION PROGNOSTICS - ENABLED 2013	
348-998	D	NO TRANSMISSION ACCESSORIES	
85V-998	D	NO AMT LOW MODE	
85W-998	D	NO AMT MANUAL MODE	
85X-998	D	NO AMT DRIVE MODE	
85Y-998	D	NO AMT REVERSE MODE	
86Q-998	D	NO TCU - AMT SHIFT CALIBRATION	
347-998	D	NO CLUTCH HOUSING MATERIAL	
370-015	D	WATER TO OIL TRANSMISSION COOLER, IN RAD	
	D	IATOR END TANK	
346-013	D	TRANSMISSION OIL CHECK AND FILL WITH CRO	
	D	SSOVER TO CLEAR LH PTO AND DIRECT MOUNT	
	D	PUMP	
368-998	D	NO EXTERNAL TRANSMISSION OIL FILTER	F -2
84T-000	S	DISABLE - NEUTRAL RANGE ASSIST	
84U-000	D	DRIVER SWITCH INPUT - DEFAULT - NO SWITC	
	D	HES	
84V-998	D	TCU-DIRECTION CHNG,NOT CONFIGURED	
84W-001	S	AUXILIARY FUNCTION RANGE INHIBIT WITH MU	
	S	LTIPLEXED SERVICE BRAKES - ALLISON 5TH G	
	S	EN TRANSMISSIONS	
85D-001	S	SINGLE INPUT AUTOMATIC NEUTRAL WITH SELE	
	S	CTOR OVERRIDE WITH MULTIPLEXED PARK BRAK	
	S	E - ALLISON 5TH GEN TRANSMISSIONS	
353-074	D	QUICKFIT BODY LIGHTING CONNECTOR UNDER C	
	D	AB, WITH BLUNTCUTS	
34C-011	D	ELECTRONIC TRANSMISSION WIRING TO POWERT	
	D	RAIN INTERFACE CONNECTOR	
362-823	D	CUSTOMER INSTALLED CHELSEA 280 SERIES PT	
	D	O	
363-001	D	PTO MOUNTING, LH SIDE OF MAIN TRANSMISSI	
	D	ON ALLISON	

Databook	Origin TCO #	Description	Value
375-998	D	NO AUXILIARY OIL COOLER	
377-998	D	NO POWER DIVIDER	
373-998	D	NO TRANSFER CASE	
376-998	D	NO SHIFT CONTROL, TRANSFER CASE	
371-998	D	NO AUX TRANS/TRANSFER CASE MTD POWER	
	D	TAKEOFF	
35T-001	D	SYNTHETIC TRANSMISSION FLUID (TES-295 CO	
	D	MPLIANT)	
385-998	D	NO MAIN DRIVELINE HARDWARE	
		FRONT AXLE, SUSPENSION & EQUIPMENT	
400-1BA	D	DETROIT DA-F-18.0-5 18,000# FL1 71.0 KPI	F 210
	D	/3.74 DROP SINGLE FRONT AXLE	
398-998	D	NO FRONT AXLE RATIO	
389-998	D	NO FRONT AXLE DRIVESHAFT	
402-030	D	MERITOR 16.5X6 Q+ CAST SPIDER CAM FRONT	F 10
	D	BRAKES, DOUBLE ANCHOR, FABRICATED SHOES	
403-002	D	NON-ASBESTOS FRONT BRAKE LINING	
419-001	D	CAST IRON OUTBOARD FRONT BRAKE DRUMS	
427-998	D	NO FRONT BRAKE DUST SHIELDS	
409-006	D	FRONT OIL SEALS	
408-001	D	VENTED FRONT HUB CAPS WITH WINDOW, CENTE	
	D	R AND SIDE PLUGS - OIL	
416-022	D	STANDARD SPINDLE NUTS FOR ALL AXLES	
404-1B2	S	WABCO LONGSTROKE FRONT BRAKE CHAMBERS	
405-002	D	MERITOR AUTOMATIC FRONT SLACK ADJUSTERS	
536-012	D	TRW TAS-85 POWER STEERING	F 40
537-005	S	STEEL STEERING SHAFT	
539-003	D	POWER STEERING PUMP	
534-015	D	2 QUART SEE THROUGH POWER STEERING RESER	
	D	VOIR	
533-998	D	NO POWER STEERING OIL COOLER	
40T-001	D	MINERAL SAE 80/90 FRONT AXLE LUBE	
620-025	D	20,000# TAPERLEAF FRONT SUSPENSION	F 200
619-005	D	MAINTENANCE FREE RUBBER BUSHINGS - FRONT	
	D	SUSPENSION	
62G-998	D	NO FRONT SUSPENSION OPTIONS	
62H-010	D	FRONT SUSPENSION WITH LEFT HAND OFFSET S	F 4
	D	HACKLE BRACKET	
629-998	D	NO FRONT SWAYBAR	
410-001	D	FRONT SHOCK ABSORBERS	
		REAR AXLE, SUSPENSION & EQUIPMENT	
420-1K3	D	MERITOR MT-40-14X 40,000# R-SERIES TANDE	R 2500
	D	M REAR AXLE	
421-586	D	5.86 REAR AXLE RATIO	
424-003	D	IRON REAR AXLE CARRIER WITH OPTIONAL HEA	R 30
	D	VY DUTY AXLE HOUSING	
382-998	D	NO (#1) DRIVELINE	
386-073	D	MXL 17T MERITOR EXTENDED LUBE MAIN DRIVE	
	D	LINE WITH HALF ROUND YOKES	
388-073	D	MXL 17T MERITOR EXTENDED LUBE INTERAXLE	
	D	DRIVELINE WITH HALF ROUND YOKES	
393-998	D	NO DRIVELINE GUARD	
452-006	D	DRIVER CONTROLLED TRACTION DIFFERENTIAL	R 30
	D	- BOTH TANDEM REAR AXLES	
878-023	D	(1) INTERAXLE LOCK VALVE, (1) DRIVER CON	
	D	TROLLED DIFFERENTIAL LOCK FORWARD-REAR A	
	D	ND REAR-REAR AXLE VALVE	
87A-005	D	INDICATOR LIGHT FOR EACH INTERAXLE LOCKO	
	D	UT SWITCH	
87B-008	D	INDICATOR LIGHT FOR EACH DIFFERENTIAL LO	

Databook	Origin TCO #	Description	Value
	D	CKOUT SWITCH	
423-020	D	MERITOR 16.5X7 Q+ CAST SPIDER CAM REAR B	
	D	RAKES, DOUBLE ANCHOR, FABRICATED SHOES	
433-002	D	NON-ASBESTOS REAR BRAKE LINING	
434-019	D	ASPHALT SPREADER CLEARANCE REAR BRAKE GE	
	D	OMETRY	
451-001	D	CAST IRON OUTBOARD REAR BRAKE DRUMS	R -20
425-998	D	NO REAR BRAKE DUST SHIELDS	
440-006	D	REAR OIL SEALS	
435-998	D	NO DRIVELINE PARKING BRAKE	
426-101	D	WABCO TRISTOP D LONGSTROKE 2-DRIVE AXLE	R 20
	D	SPRING PARKING CHAMBERS	
428-003	D	HALDEX AUTOMATIC REAR SLACK ADJUSTERS	
876-998	D	NO AIR PP/ELECT AXLE SHIFT,CAB	
87C-998	D	NO DRIVE/SHIFT AXLE WIRING/LOGIC	
898-998	D	NO AIR PP/ELECT-AXLE SHIFT,CHAS	
41T-002	D	CURRENT AVAILABLE SYNTHETIC 75W-90 REAR	
	D	AXLE LUBE	
622-297	D	TUFTRAC GEN2 40,000# REAR SPRING SUSPENS	R 855
	D	ION	
034-998	D	NO REAR SUSPENSION PACKAGE	
621-108	D	9.5 INCH NOMINAL RIDE HEIGHT (460MM GLOB	
	D	AL REFERENCE HEIGHT)	
431-003	D	AXLE CLAMPING GROUP	
624-025	D	55 INCH AXLE SPACING	
628-998	D	NO SUSPENSION BEAMS	
888-998	D	NO DUMP VALVE/SWITCH FOR AIR SUSPENSION	
87D-998	D	NO REAR AIR SUSPENSION VALVE WIRING/	
	D	LOGIC	
910-998	D	NO REAR CHASSIS SUSPENSION AIR PIPING	
623-006	D	FORE/AFT AND TRANSVERSE CONTROL RODS	
630-998	D	NO REAR SUSPENSION STABILIZER	
625-998	D	NO REAR SUSPENSION OPTIONS	
439-002	D	REAR SHOCK ABSORBERS - TWO AXLES (TANDEM	R 80
	D	)	
035-998	D	NO DEAD AXLE PACKAGE	
443-998	D	NO PUSHER OR TAG AXLE	
456-998	D	NO PUSHER/TAG BRAKES	
457-998	D	NO BRAKE LINING-PUSHER/TAG(SCO)	
448-998	D	NO REAR BRAKE DRUMS/ROTORS FOR PUSHER/TA	
	D	G	
429-998	D	NO PUSHER/TAG BRAKE DUST SHIELDS	
442-998	D	NO PUSHER OR TAG OIL SEALS	
444-998	D	NO PUSHER OR TAG HUB CAPS	
445-998	D	NO PUSHER OR TAG BRAKE CHAMBERS	
458-998	D	NO PUSHER/TAG SLACK ADJUSTERS	
626-998	D	NO PUSHER OR TAG SUSPENSION	
874-998	D	NO PUSHER/TAG AXLE LIFT	
896-998	D	NO PLUMBING FOR LIFT AXLE	
87F-998	D	NO LIFT AXLE WIRING/LOGIC	
		BRAKE SYSTEM	
018-002	D	AIR BRAKE PACKAGE	
490-1AU	D	WABCO 4S/4M ABS WITH TRACTION CONTROL WI	
	D	TH ATC SHUT OFF SWITCH	
871-001	D	REINFORCED NYLON, FABRIC BRAID AND WIRE	
	D	BRAID CHASSIS AIR LINES	
46E-001	S	STANDARD AIR MANAGEMENT UNIT	
904-001	D	FIBER BRAID PARKING BRAKE HOSE	
412-001	D	STANDARD BRAKE SYSTEM VALVES	
46D-002	D	STANDARD AIR SYSTEM PRESSURE PROTECTION	

Databook	Origin TCO #	Description	Value
	D	SYSTEM	
413-002	D	STD U.S. FRONT BRAKE VALVE	
432-003	D	RELAY VALVE WITH 5-8 PSI CRACK PRESSURE,	
	D	NO REAR PROPORTIONING VALVE	
480-088	D	WABCO SYSTEM SAVER HP WITH INTEGRAL AIR	
	D	GOVERNOR AND HEATER	
483-998	D	NO AIR SYSTEM OIL FILTER	
479-012	D	AIR DRYER MOUNTED UNDER HOOD	
460-040	H	STEEL AIR BRAKE RESERVOIRS MOUNTED PERPE	F 10 R 10
	H	NDICULAR TO OUTSIDE RAIL	
		MOUT RH DIRECTLY AFT OF ATS.	35
QUOTE		ASSIGNED QUOTE WFFD 2310091631	
46A-998	D	NO AUXILIARY AIR TANK	
2TD-998	D	NO TRANSMISSION AIR TANK	
607-016	D	CLEAR FRAME RAIL FROM BACK OF CAB TO FRO	
	D	NT REAR SUSPENSION BRACKET LH RAIL INSID	
	D	E/OUTBOARD AND BELOW	
477-004	D	PULL CABLES ON ALL AIR RESERVOIR(S)	
485-998	D	NO EXTERNAL CHARGING GLADHAND	
481-998	D	NO TRAILER AIR HOSE	
476-998	D	NO AIR HOSE HANGER	
914-025	D	AIR CONNECTIONS TO END OF FRAME WITH GLA	
	D	D HANDS FOR TRUCK AND DUST COVERS	
919-068	D	(6) QUICKFIT PROGRAMMABLE SOLENOIDS W/ST	
	D	ATE RETENTION PLUMBED TO BACK OF CAB	
87G-998	D	NO WIRING/SWITCH-CHASS,OPT,AIR PP	
87T-998	D	NO WRG/SW-OPTL #2,CHAS,AIR	
484-998	D	NO TRAILER CABLE AND GLAD HANDS STORAGE	
296-026	D	PRIMARY CONNECTOR/RECEPTACLE WIRED FOR S	
	D	EPARATE STOP/TURN, CENTER PIN POWERED TH	
	D	ROUGH IGNITION WITH STOP SIGNAL PREWIRE	
	D	PACKAGE	
335-998	D	NO CHASSIS POWER DISTRIBUTION MODULE	
32A-007	D	SIGNAL DETECTION AND ACTUATION MODULE	
87P-998	D	NO CAB AUXILIARY POWER WIRING	
308-998	D	NO SUPPLEMENTAL TRAILER CABLE WIRING	
297-998	D	NO TRAILER CABLE RECEPTACLE	
1AZ-998	D	NO TRAILER RECEPTACLE BRACKET	
331-998	D	NO SUPPLEMENTAL J560 7-WAY TRAILER ABS R	
	D	ECEPTACLE	
303-025	D	SAE J560 7-WAY PRIMARY TRAILER CABLE REC	
	D	EPTACLE MOUNTED END OF FRAME	
30K-998	D	NO HIGH CURRENT RECEPTACLE/WIRING	
30L-998	D	NO HIGH CURRENT TRAILER/BODY CABLE	
334-998	D	NO ADDITIONAL SUPPLEMENTAL 7-WAY	
	D	TRAILER CABLE RECEPTACLE	
310-998	D	NO TRAILER ELECTRICAL CABLE	
309-998	D	NO SUPPLEMENTAL TRAILER ELEC CABLE	
		FRAME & WHEELBASE	
545-505	D	5050MM (199 INCH) WHEELBASE	
546-101	D	11/32X3-1/2X10-15/16 INCH STEEL FRAME (8	F 120 R 120
	D	.73MMX277.8MM/0.344X10.94 INCH) 120KSI	
547-998	D	NO INNER FRAME REINFORCEMENT	
548-998	D	NO OUTER FRAME REINFORCEMENT	
549-998	D	NO FRONT FRAME EXTENSION	
552-047	D	2075MM (82 INCH) REAR FRAME OVERHANG	F -30 R 130
AB8-99D	S	CALC'D FRAME SLOPE @ FRT/RR SUSP RATINGS	0.615 %
553-001	D	SQUARE END OF FRAME	
554-998	D	NO BUMPER/UNDERRIDE GUARD	
550-001	D	FRONT CLOSING CROSSMEMBER	

Databook	Origin TCO #	Description	Value
559-003	D	LIGHTWEIGHT HEAVY DUTY ALUMINUM ENGINE C	F -12
	D	ROSSMEMBER	
561-001	D	STANDARD CROSSMEMBER BACK OF	
	D	TRANSMISSION	
562-343	D	STANDARD MIDSHIP #1 CROSSMEMBER MOUNTED	
	D	1085MM (43 INCH) FROM BACK OF CAB	
560-008	D	UNDER OR OVERSLUNG CROSSMEMBER	
565-002	D	HEAVY DUTY SUSPENSION CROSSMEMBER	
572-001	D	STANDARD REARMOST CROSSMEMBER	
AL5-99D	S	CALC'D BUMPER TO REAR TOWING C/M FACE	321.26 IN
587-998	D	NO REAR TOWING DEVICE	
		CHASSIS EQUIPMENT	
674-998	D	NO LH OR RH BACK OF CAB ACCESS	
592-998	D	NO DECK PLATE	
556-1AR	D	THREE-PIECE 14 INCH CHROMED STEEL BUMPER	F 30
	D	WITH COLLAPSIBLE ENDS	
558-998	D	NO FRONT TOW HOOKS	
574-001	D	BUMPER MOUNTING FOR SINGLE LICENSE PLATE	
642-998	D	NO BUMPER/FENDER MOUNTED SIGHT RODS	
585-998	D	NO MUDFLAP BRACKETS	
590-998	D	NO REAR MUDFLAPS	
586-024	D	FENDER AND FRONT OF HOOD MOUNTED FRONT M	
	D	UDFLAPS	
576-998	D	NO TIRE CHAINS/HANGER	
551-007	D	GRADE 8 THREADED HEX HEADED FRAME FASTEN	
	D	ERS	
44Z-005	D	EXTERIOR HARNESSES WRAPPED IN ABRASION T	
	D	APE, SECONDARY COVERING, & CONNECTOR PRO	
	D	TECTION	
583-998	D	NO REAR QUARTER FENDERS	
600-998	D	NO CAB GUARD	
604-998	D	NO TIRE CARRIER	
489-998	D	NO TIRE PRESSURE CONTROL/SENSOR	
794-998	D	NO JACK OR WHEEL WRENCH PROVISION	
795-998	D	NO TOOLS	
605-998	D	CHASSIS,MISC CUSTOM REQUIREMENTS-NONE	
606-1AX	D	DRLG PREP FOR VALEW PER DRAWING F_15DMP-	
	D	4KWTR_M2106, REVISION -, 12/21/2022	
601-998	D	NO BODY BUILDER DIAGRAMS	
970-040	D	TANK BODY 3001 TO 4500 GALLONS	
		FIFTH WHEEL & EQUIPMENT	
578-998	D	NO FIFTH WHEEL	
577-998	D	NO FIFTH WHEEL LOCATION	
580-998	D	NO ADDITIONAL FIFTH WHEEL DRILLINGS	
582-998	D	NO FIFTH WHEEL LEG HEIGHT	
570-998	D	NO FIFTH WHEEL MOUNTING	
890-998	D	NO FIFTH WHEEL PLUMBING	
579-998	D	NO FIFTH WHEEL RELEASE/INST.	
591-998	D	NO FIFTH WHEEL ADD-ONS	
		FUEL TANK(S) & EQUIPMENT	
206-998	D	NO RH FUEL TANK	
201-998	D	NO RH AUXILIARY FUEL TANK	
204-215	D	50 GALLON/189 LITER SHORT RECTANGULAR AL	F 20
	D	UMINUM FUEL TANK - LH	
200-998	D	NO LH AUXILIARY FUEL TANK	
230-998	D	NO BETWEEN RAIL FUEL TANK	
203-998	D	NO HYDRAULIC OIL TANK	
218-005	D	RECTANGULAR FUEL TANK(S)	
215-005	D	PLAIN ALUMINUM/PAINTED STEEL FUEL/HYDRAU	
	D	LIC TANK(S) WITH PAINTED BANDS	

Databook	Origin TCO #	Description	Value
212-007	D	FUEL TANK(S) FORWARD	
11F-998	D	NO NATURAL GAS VEHICLE FUEL TANK VENT LI	
	D	NE/STACK	
231-998	D	NO FUEL TANK MTG BETWEEN RAILS	
232-525	D	25 GALLONS ADDITIONAL FUEL	
664-001	D	PLAIN STEP FINISH	
207-998	D	NO FUEL TANK SCREENS	
205-001	D	FUEL TANK CAP(S)	
220-998	D	NO FUEL HEATER	
122-1H1	D	DETROIT FUEL/WATER SEPARATOR WITH BYPASS	F -5
216-020	D	EQUIFLO INBOARD FUEL SYSTEM	
20E-998	D	NO AUXILIARY FUEL SUPPLY AND RETURN PORT	
	D	S	
202-016	D	HIGH TEMPERATURE REINFORCED NYLON FUEL L	
	D	INE	
213-998	D	NO FUEL LINE INSULATION	
221-998	D	NO FUEL COOLER	
		TIRES	
093-1VM	D	MICHELIN X LINE ENERGY Z 315/80R22.5 20	F 50
	D	PLY RADIAL FRONT TIRES	
094-1RW	D	BRIDGESTONE M726ELA 11R22.5 14 PLY RADIA	R 152
	D	L REAR TIRES	
095-998	D	NO PUSHER/TAG TIRES	
510-998	D	NO SPARE TIRE	
508-998	D	NO ADDITIONAL SPARE TIRE	
527-002	S	TIRE QTY - FRONT AXLE: 2	
528-008	S	TIRE QTY - REAR AXLE: 8	
		HUBS	
418-060	D	CONMET PRESET PLUS PREMIUM IRON FRONT HU	
	D	BS	
450-060	D	CONMET PRESET PLUS PREMIUM IRON REAR HUB	
	D	S	
449-998	D	NO PUSHER OR TAG HUBS	
		WHEELS	
502-579	D	MAXION WHEELS 10041 22.5X9.00 10-HUB PIL	F 66
	D	OT 5.25 INSET 5-HAND STEEL DISC FRONT WH	
	D	EELS	
505-753	D	MAXION WHEELS 91262 22.5X8.25 10-HUB PIL	R 40
	D	OT 5-HAND STEEL DISC REAR WHEELS	
509-998	D	NO PUSHER/TAG DISC WHEELS	
511-998	D	NO SPARE WHEEL	
51A-998	D	NO ADDITIONAL SPARE WHEEL	
50T-998	D	NO FRONT AXLE WHEEL/HUB COVER	
50U-998	D	NO REAR AXLE WHEEL/HUB COVER	
524-998	D	NO POLISHED, BRIGHT STANDARD POLISH, CLE	
	D	AN BUFF OR BRUSHED FINISH FRONT WHEELS	
525-998	D	NO POLISHED, BRIGHT STANDARD POLISH, CLE	
	D	AN BUFF OR BRUSHED FINISH REAR WHEELS	
526-998	D	NO POLISHED, BRIGHT STANDARD POLISH, CLE	
	D	AN BUFF OR BRUSHED FINISH PUSHER/TAG WHE	
	D	ELS	
52L-998	D	NO POLISHED, BRIGHT STANDARD POLISH, CLE	
	D	AN BUFF OR BRUSHED FINISH SPARE WHEEL	
50W-998	D	NO RIM/WHEEL TIRE PRESSURE SENSOR	
496-011	D	FRONT WHEEL MOUNTING NUTS	
497-011	D	REAR WHEEL MOUNTING NUTS	
495-998	D	NO PUSHER/TAG WHEEL MOUNTING NUTS	
498-998	D	NO TIRE VALVE STEM/CAP/EXTENSIONS	
		CAB EXTERIOR	
829-071	D	106 INCH BBC FLAT ROOF ALUMINUM CONVENTI	

Databook	Origin TCO #	Description	Value	
	D	ONAL CAB		
682-998	D	NO SLEEPER BOX/SLEEPERCAB		
784-998	D	NO AIR SHIELD OR BRACKETS		
783-998	D	NO SIDE EXTENDERS		
782-998	D	NO FRAME SIDE FAIRINGS		
650-008	D	AIR CAB MOUNTING		
705-998	D	NO MISCELLANEOUS CUSTOM CAB REQUIREMENTS		
648-998	D	NO RADIATOR GRILLE SCREEN		
754-998	D	NO FENDER EXTENSION		
678-001	D	LH AND RH GRAB HANDLES		
646-023	D	HOOD MOUNTED CHROMED PLASTIC GRILLE		
65X-003	D	CHROME HOOD MOUNTED AIR INTAKE GRILLE		
644-004	D	FIBERGLASS HOOD		
690-002	D	TUNNEL/FIREWALL LINER		
727-1AH	D	SINGLE 14 INCH ROUND POLISHED AIR HORN R	F	4
	D	OOF MOUNTED		
726-001	D	SINGLE ELECTRIC HORN		
728-001	D	SINGLE HORN SHIELD		
657-1BN	D	ALL UNIT(S) KEYED ALIKE WITH CUSTOMER SP		
	D	ECIFIED KEY NUMBER FT1034		
78G-004	D	KEY QUANTITY OF 4		
575-001	D	REAR LICENSE PLATE MOUNT END OF FRAME		
327-998	D	NO OTHER LIGHTS		
312-038	D	INTEGRAL HEADLIGHT/MARKER ASSEMBLY WITH		
	D	CHROME BEZEL		
302-047	D	LED AERODYNAMIC MARKER LIGHTS		
314-998	D	NO ROADLIGHTS		
315-998	D	NO FOG LIGHTS		
311-998	D	NO DAYTIME RUNNING LIGHTS		
316-998	D	NO SPOTLIGHTS		
294-017	D	INTEGRAL STOP/TAIL/BACKUP LIGHTS WITH 7		
	D	EXTRA FEET OF WIRE MOUNTED AT END OF FRA		
	D	ME		
300-015	D	STANDARD FRONT TURN SIGNAL LAMPS		
469-998	D	NO WORK LIGHT		
318-998	D	NO UTILITY/ADVERTISING LIGHT		
744-1BK	D	DUAL WEST COAST MOLDED-IN COLOR HEATED M		
	D	IRRORS WITH LH AND RH REMOTE		
797-001	D	DOOR MOUNTED MIRRORS		
796-001	D	102 INCH EQUIPMENT WIDTH		
743-1AP	D	LH AND RH 8 INCH MOLDED-IN COLOR CONVEX		
	D	MIRRORS MOUNTED UNDER PRIMARY MIRRORS		
74A-998	D	NO AUXILIARY MIRROR		
74B-998	D	NO AUXILIARY MIRROR		
713-998	D	NO PERMIT PLAQUE		
729-001	D	STANDARD SIDE/REAR REFLECTORS		
73A-998	D	NO REFLECTIVE DEVICES		
787-998	D	NO SECURITY DEVICE		
677-998	D	NO CAB MOUNTED STEPS		
275-998	D	NO EMERGENCY WARNING SIRENS		
764-998	D	NO EXTERIOR SUN VISOR		
768-043	D	63X14 INCH TINTED REAR WINDOW		
661-003	D	TINTED DOOR GLASS LH AND RH WITH TINTED		
	D	NON-OPERATING WING WINDOWS		
654-011	D	RH AND LH ELECTRIC POWERED WINDOWS	F	4
767-998	D	NO SIDE WINDOW		
769-998	D	NO LOWER DOOR WINDOW		
663-013	D	1-PIECE SOLAR GREEN GLASS WINDSHIELD		
659-019	D	2 GALLON WINDSHIELD WASHER RESERVOIR WIT		
	D	HOUT FLUID LEVEL INDICATOR, FRAME MOUNTE		

Databook	Origin	TCO #	Description	Value	
	D		D		
647-998	D		NO WINTERFRONT		
			CAB INTERIOR		
707-105	D		MIST AND CARBON CLOTH INTERIOR "PROFESSI		
	D		ONAL"		
70K-016	D		CARBON WITH BASE BLACK ACCENT		
706-013	D		MOLDED PLASTIC DOOR PANEL		
708-013	D		MOLDED PLASTIC DOOR PANEL		
772-006	D		BLACK MATS WITH SINGLE INSULATION		
785-026	D		(1)DASH MOUNTED 12V POWER OUTLET, (1)DAS		
	D		H MOUNTED DUAL USB-C OUTLET		
4E1-014	D	005	12 SWITCH SLOTS, DRIVER OVERHEAD CONSOLE		
691-001	D		FORWARD ROOF MOUNTED CONSOLE		
694-998	D		NO INTERIOR GLOVE BOX/CAB FLOOR STORAGE		
696-998	D		NO REAR FLOOR STORAGE		
693-019	D		LH AND RH DOOR STORAGE POCKETS INTEGRATE		
	D		D INTO MOLDED DOOR PANELS		
826-998	D		NO LOWER BUNK		
666-998	D		NO BUNK RESTRAINT		
738-021	D		DIGITAL ALARM CLOCK IN DRIVER DISPLAY		
742-007	D		(2) CUP HOLDERS LH AND RH DASH		
680-029	D		M2/SD DASH		
860-998	D		NO WIRING		
716-998	D		NO WINDSHIELD FAN		
720-043	D		5 LB. FIRE EXTINGUISHER WITH INSPECTION	F	10
	D		TAG, MANUAL AND BRACKET SHIPPED LOOSE IN		
	D		BODY IN UNOPENED BOX		
71T-998	D		NO SMOKE/GAS DETECTOR		
714-998	D		NO FIRST AID KIT		
700-002	D		HEATER, DEFROSTER AND AIR CONDITIONER		
701-013	D		STANDARD HVAC DUCTING WITH PRE-FILTER FO		
	D		R OUTSIDE AIR INTAKE		
703-005	D		MAIN HVAC CONTROLS WITH RECIRCULATION SW		
	D		ITCH		
689-998	D		NO AUXILIARY HVAC UNIT		
170-015	D		STANDARD HEATER PLUMBING		
130-041	D		VALEO HEAVY DUTY A/C REFRIGERANT COMPRES		
	D		SOR		
702-002	D		BINARY CONTROL, R-134A		
739-033	D		STANDARD INSULATION		
285-013	D		SOLID-STATE CIRCUIT PROTECTION AND FUSES		
96R-002	S		STANDARD ELECTRICAL PROTECTIVE COATING,		
	S		GREASE ON BATTERY TERMINALS AND RED ENAM		
	S		EL PAINT IN ENGINE COMPARTMENT AND ON CH		
	S		ASSIS CONNECTIONS		
280-007	D		12V NEGATIVE GROUND ELECTRICAL SYSTEM		
324-1B2	D		PREMIUM LED CAB LIGHTING		
655-005	D		LH AND RH ELECTRIC DOOR LOCKS		
740-998	D		NO MATTRESS		
284-998	D		NO POWER SUPPLY SLEEPER/CAB		
67E-998	D		NO ENTRY/ACCESS/STEP WIRING		
710-998	D		NO CAB PRIVACY CURTAIN		
722-002	D		TRIANGULAR REFLECTORS WITHOUT FLARES	F	10
756-338	D		BASIC ISRINGHAUSEN HIGH BACK AIR SUSPENS	F	30
	D		ION DRIVERS SEAT WTIH MECHANICAL LUMBAR		
	D		AND INTEGRATED CUSHION EXTENSION		
760-335	D		BASIC ISRI HIGH BACK NON SUSPENSION PASS		
	D		ENGER SEAT		
762-998	D		NO REAR PASSENGER SEAT		
757-998	D		NO SEAT SKIRT(S)		

Databook	Origin TCO #	Description	Value
759-998	D	NO SEAT ARMREST	
711-004	D	LH AND RH INTEGRAL DOOR PANEL ARMRESTS	
758-022	D	BLACK MORDURA CLOTH DRIVER SEAT COVER	
761-023	D	BLACK MORDURA CLOTH PASSENGER SEAT COVER	
755-998	D	NO REAR PASSENGER SEAT COVERS	
763-101	D	BLACK SEAT BELTS	
725-998	D	NO SUPPLEMENTAL RESTRAINT SYSTEM	
6TS-005	D	TMC RP1226 ACCESSORY CONNECTOR LOCATED B	
	D	EHIND PASSENGER SIDE REMOVEABLE DASH PAN	
	D	EL	
532-002	D	ADJUSTABLE TILT AND TELESCOPING STEERING	
	D	COLUMN	
540-044	D	4-SPOKE 18 INCH (450MM) BLACK STEERING W	
	D	HEEL WITH SWITCHES	
765-002	D	DRIVER AND PASSENGER INTERIOR SUN VISORS	
		CONTROLS & INSTRUMENTS	
870-001	D	BLACK GAUGE BEZELS	
732-998	D	NO INSTRUMENT PANEL-DRIVER	
734-023	D	CONFIGURABLE LOWER PANEL WITH INTEGRATED	
	D	UPPER STORAGE	
68J-998	D	NO SWITCH BLANK - INSTRUMENT PANEL	
486-001	D	LOW AIR PRESSURE INDICATOR LIGHT AND AUD	
	D	IBLE ALARM	
838-998	D	NO AIR APPLICATION GAUGE	
840-001	D	DUAL NEEDLE PRIMARY AND SECONDARY AIR PR	
	D	ESSURE GAUGE	
198-025	D	INTAKE MOUNTED AIR RESTRICTION INDICATOR	
	D	WITHOUT GRADUATIONS	
721-001	D	97 DB BACKUP ALARM	R 3
149-015	D	ELECTRONIC CRUISE CONTROL WITH CONTROLS	
	D	ON STEERING WHEEL SPOKES	
156-007	D	KEY OPERATED IGNITION SWITCH AND INTEGRA	
	D	L START POSITION; 4 POSITION OFF/RUN/STA	
	D	RT/ACCESSORY	
157-998	D	NO REMOTE START	
811-044	D	PREMIUM INSTRUMENT CLUSTER WITH 5.0 INCH	
	D	TFT COLOR DISPLAY	
160-038	D	HEAVY DUTY ONBOARD DIAGNOSTICS INTERFACE	
	D	CONNECTOR LOCATED BELOW LH DASH	
844-001	D	2 INCH ELECTRIC FUEL GAUGE	
845-998	D	NO FUEL FLOW GAUGE	
148-072	D	ENGINE REMOTE INTERFACE WITH ONE OR MORE	
	D	SET SPEEDS	
163-014	D	ENGINE REMOTE INTERFACE CONNECTOR AT POW	
	D	ERTRAIN INTERFACE CONNECTOR	
87L-998	H	NO REMOTE ENGINE CONTROL-ENABLE	
3ZS-998	D	NO DRIVER FACING CAMERA	
33U-998	D	NO CUSTOMER DEFINED WIRING FUNCTION	
866-998	D	NO AXLE TEMPERATURE GAUGE	
856-001	D	ELECTRICAL ENGINE COOLANT TEMPERATURE GA	
	D	UGE	
854-008	D	DIGITAL ENGINE OIL TEMPERATURE IN DRIVER	
	D	DISPLAY	
864-022	D	DIGITAL TRANSMISSION OIL TEMPERATURE IN	
	D	DRIVER DISPLAY	
867-004	D	ELECTRONIC OUTSIDE TEMPERATURE SENSOR DI	
	D	SPLAY IN DRIVER MESSAGE CENTER	
830-017	D	ENGINE AND TRIP HOUR METERS INTEGRAL WIT	
	D	HIN DRIVER DISPLAY	
438-998	D	NO HUBODOMETER	

Databook	Origin	TCO #	Description	Value
33A-998	D		NO WARNING LIGHT PROVISIONS	
372-123	D		PTO CONTROLS FOR ENHANCED VEHICLE ELECTR	
	D		IC/ELECTRONIC ARCHITECTURE	
736-998	D		NO OBSTACLE DETECTION SYSTEM	F -20
73K-998	D		NO SIDE OBJECT DETECTION SYSTEM	
73H-998	D		NO CAMERA/VIDEO/IMAGING SYSTEM	
49B-004	D		ELECTRONIC STABILITY CONTROL	
73B-998	D		NO LANE DEPARTURE WARNING SYSTEM	
73U-998	D		NO ROAD SIGN IMAGING/RESPONSE SYSTEM	
72J-998	D		NO DR ASSIST SYSTEM	
852-002	D		ELECTRIC ENGINE OIL PRESSURE GAUGE	
679-998	D		NO OVERHEAD INSTRUMENT PANEL	
35M-010	D		1 QUICKFIT PROGRAMABLE MODULE (QPM/XMC)	F 10
786-113	D		GENERIC TELEMATICS PREWIRE (CONSTANT BAT	
	D		TERY POWER/IGNITION/GROUND/J1939); RP122	
	D		6 TYPE CONNECTOR AT PASSENGER SIDE OF DA	
	D		SH	
78A-998	D		NO POSITION/COMMUNICATION ACCESSORY	
1U1-998	D		NO NAVIGATION SYSTEM	
746-136	D		AM/FM/WB WORLD TUNER RADIO WITH AUXILIAR	
	D		Y INPUT, J1939	
747-001	D		DASH MOUNTED RADIO	
74D-006	D		STANDARD RADIO WIRING WITH STEERING WHEE	
	D		L CONTROLS	
750-002	D		(2) RADIO SPEAKERS IN CAB	
753-040	D		24 INCH AM/FM ANTENNA MOUNTED ON LH SIDE	
	D		MIRROR, RG-62	
748-998	D		NO CB RADIO/PROVISION	
749-998	D		NO CB RADIO MOUNTING PROVISION	
75W-998	D		NO MULTIBAND ANTENNA	
752-998	D		NO CB ANTENNA, BRACKET OR LEAD	
78C-998	D		NO DIGITAL SATELLITE AUDIO RECEIVER ANTE	
	D		NNA	
810-027	D		ELECTRONIC MPH SPEEDOMETER WITH SECONDAR	
	D		Y KPH SCALE, WITHOUT ODOMETER	
817-001	D		STANDARD VEHICLE SPEED SENSOR	
812-001	D		ELECTRONIC 3000 RPM TACHOMETER	
48C-001	D		QUICKFIT PROGRAMMABLE INTERFACE CONNECTO	
	D		R(S) BETWEEN SEATS WITH CAP	
813-1C8	D		DETROIT CONNECT PLATFORM HARDWARE	
8D1-203	D		3 YEARS DETROIT CONNECT BASE PACKAGE (FE	
	D		ATURES VARY BY MODEL) DETROIT CONNECT PL	
	D		ATFORM	
8D2-998	D		NO PREMIUM REMOTE UPDATES SERVICE	
8D3-998	D		NO SAFETY SYSTEMS DATA SERVICE	
8D5-998	D		NO DETROIT CONNECT VIDEO CAPTURE PACKAGE	
8Z1-998	D		NO ZONAR SERVICES SELECTED	
80K-998	D		NO SHUTDOWN OVERRIDE	
80L-998	D		NO REGEN SYSTEM TAILORING	
80M-998	S		NO ALTERNATE PTO SPEED	
80N-998	D		NO REDUCED ENGINE SPEED ON VSS FAILURE	
80P-998	D		NO FLEET SPEC FOR PARAMETERIZATION	
80Q-998	S		NO VEHICLE SPEED LIMIT - GHG	
162-002	D		IGNITION SWITCH CONTROLLED ENGINE STOP	
885-998	D		NO CONTROLS-FIRE PUMP	
329-998	D		NO EXTRA SWITCH IN DASH	
81Y-998	D		NO PRE TRIP SYSTEM TEST	
48H-001	D		QUICKFIT POWERTRAIN INTERFACE CONNECTOR	
	D		LOCATED BETWEEN SEATS WITH CAPS	
4CG-009	D	005	9 EXTRA PROGRAMMABLE SWITCHES/INDICATORS	

Databook	Origin	TCO #	Description	Value
		005	**$C1B0297ZZ,C1C0298ZZ,C1D0299ZZ,C1E0300ZZ**	
		005	**,C1F0301ZZ,C1G0303ZZ,C1H0302ZZ,C4U0086ZZ**	
		005	**,C4V0087ZZ**	
4CH-007	D	005	7 EXTRA PROGRAMMABLE SWITCHES/INDICATORS	
		005	**$C1J0071ZZ,C1K0160ZZ,C1L0136ZZ,C4W0146ZZ**	
		005	**,C4X0215ZZ,C4Y0278ZZ,C1M0213ZZ**	
4C0-998	D		NO TEM INTERFACE, SW PKG, GRAPHICS	
4C1-998	D		NO HARDWIRE SWITCH #1	
4C2-998	D		NO HARDWIRE SWITCH #2	
4C3-998	D		NO HARDWIRE SWITCH #3	
4C4-998	D		NO HARDWIRE SWITCH #4	
44R-998	D		NO ON/OFF LATCHING SMARTPLEX SWITCH	
44S-998	D		NO ON/OFF MOMENTARY SMARTPLEX SWITCH	
44T-998	D		NO ON/OFF/ON LATCHING SMARTPLEX SWITCH	
44U-998	D		NO ON/OFF/ON MOMENTARY SMARTPLEX SWITCH	
44V-998	D		NO PRE-DEFINED SMARTPLEX INDICATOR LAMPS	
44W-998	D		NO UNDEFINED INDICATOR LAMPS	
264-030	D		(1) OVERHEAD MOUNTED LANYARD CONTROL FOR	
	D		DRIVER AIR HORN	
482-001	D		BW TRACTOR PROTECTION VALVE	
883-001	D		TRAILER HAND CONTROL BRAKE VALVE	F 2
842-998	D		NO TURBO AIR PRESSURE GAUGE	
836-015	D		DIGITAL VOLTAGE DISPLAY INTEGRAL WITH DR	
	D		IVER DISPLAY	
660-008	D		SINGLE ELECTRIC WINDSHIELD WIPER MOTOR W	
	D		ITH DELAY	
304-030	D		ROTARY HEADLAMP SWITCH, MARKER LIGHTS/HE	
	D		ADLIGHTS SWITCH WITH PULL OUT FOR OPTION	
	D		AL FOG/ROAD LAMPS	
81B-003	D		DIGITAL PANEL LAMP DIMMER SWITCH IN DRIV	
	D		ER DISPLAY	
27D-998	D		NO ALTERNATING FLASHING HEADLAMP SYSTEM	
882-032	H	006	BENDIX INTELLIPARK E-PARK BRAKE, TRACTOR	
	H		WITH WARNING INDICATOR	
		006	**Pre-series for Bendix intellipark**	
299-020	D		SELF CANCELING TURN SIGNAL SWITCH WITH D	
	D		IMMER, HEADLAMP FLASH, WASH/WIPE/INTERMI	
	D		TTENT	
298-046	D		INTEGRAL ELECTRONIC TURN SIGNAL FLASHER	
	D		WITH 40 AMP (20 AMP PER SIDE) TRAILER LA	
	D		MP CAPACITY	
869-998	D		NO MISCELLANEOUS GAUGES	
			PAINT	
065-000	D		PAINT: ONE SOLID COLOR	
980-5F6	D		CAB COLOR A: L0006EY	
	D		WHITE ELITE EY	
986-020	D		BLACK, HIGH SOLIDS POLYURETHANE CHASSIS	
	D		PAINT	
98K-998	D		NO FUEL TANK CABINET PAINT	
962-972	D		POWDER WHITE (N0006EA) FRONT WHEELS/RIMS	
	D		(PKWHT21, TKWHT21, W, TW)	
966-972	D		POWDER WHITE (N0006EA) REAR WHEELS/RIMS	
	D		(PKWHT21, TKWHT21, W, TW)	
96E-998	D		NO PUSHER/TAG WHEEL PAINT	
96F-998	D		NO SPARE WHEEL PAINT	
48Q-998	D		NO TIRE INFLATION DEVICE/SYSTEM	
964-998	D		NO BUMPER PAINT	
976-998	D		NO EXTERIOR SUNVISOR PAINT	
969-998	D		NO CAB/BODY EXTERIOR DECALS	
963-003	D		STANDARD E COAT/UNDERCOATING	

Databook	Origin	TCO #	Description	Value
			ADDITIONAL SPECIFICATIONS	
50V-998	D		NO ELECTRONIC DEVICES, PDI INST (SCO)	
998-998	D		DEALER ACCEPTS RESPONSIBILITY FOR IN-SER	
	D		VICE PDI INSPECTION	
95M-998	D		NO CUSTOMER FURNISHED MATERIAL SPECIFIED	
958-998	D		NO INSPECTION-LABOR ONLY	
99B-998	D		NO MODIFICATION CENTER SHIPPING INSTRUCT	
	D		IONS	
82N-998	D		NO SHIPPING PROTECTION	
999-998	D		NONE	
996-001	D		U.S. FMVSS CERTIFICATION, EXCEPT SALES C	
	D		ABS AND GLIDER KITS	
MWF-004	S		DETROIT FRONT AXLE COVERAGE, GENERAL SER	
	S		VICE, 2 YEAR/UNLIMITED MILES/KILOMETERS	
			TOTAL SUGGESTED RETAIL	
			DEALER NET	
RCN-100		001	PRICE CONCESSION SYSTEM	
RBC-486		007	RAW MATS BASKET INDICATOR - CHASSIS	
			START BEFORE 01/06/2025	
RBB-001		007	MAJOR COMPONENT PASS-THROUGH (RAW MATERI	
			ALS)	
WAG-074			TOWING: 1 YEAR/UNLIMITED MILES/KM EXTEND	
			ED TOWING COVERAGE $750 CAP FEX APPLIES	
RCA-001		001	ADDITIONAL DISCOUNT PER CONCESSION	
RAC-42N			M2/SD PLUS ESCALATOR	
RSC-999		004	PRICE ESCALATOR PER CONCESSION @ . %	
RFU-022			REAR TIRE SURCHARGE	
RFY-022			FRONT TIRE SURCHARGE	
RFZ-025		001	MY/CY PRODUCTION SURCHARGE	
P73-2FT		001	STANDARD DESTINATION CHARGE	
PNZ-001			CARB-COMPLIANT BASE WARRANTY DD5/DD8 SS/	
			B6.7/L9 <=325	
PNV-001			CARB24 DETROIT PRICING	
RNT-001		001	NOTES	
		008	********** **0.00**	
		008	**IF BLD DATE >= 01/01/22 0.00**	
		008	**+ MODEL YEAR = 2023 0.00**	
		008	**ESCALATE BY $ 500 0.00**	
		008	**IF BLD DATE >= 01/01/23 0.00~**	null null
		008	**+ MODEL YEAR = 2024 0.00**	
		008	**ESCALATE BY $ 1,000 0.00**	
		008	**IF BLD DATE >= 01/01/24 0.00**	
		008	**+ MODEL YEAR = 2025 0.00**	
		008	**ESCALATE BY $ 1,500 0.00**	
		008	**IF BLD DATE >= 01/01/25 0.00**	
		008	**+ MODEL YEAR = 2026 0.00**	
		008	**ESCALATE BY $ 2,000 0.00**	

VELOCITY TRUCK CENTERS

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www.VelocityTruckCenters.com

Buyers Order

Deal#: DE-113280
Opp#: 2024-158414
Date: 11/15/2024

Contact: James Pescitelli - Mobile: 775-690-5401 - Email: JPESCITELLI@VVGTRUCK.COM

Bill To: 309776
CITY OF SOUTH LAKE TAHOE
1901 AIRPORT RD
SOUTH LAKE TAHOE CA 96150 County: El Dorado
Phone: (530) 542-6086
phardwood@cityofslt.us

Ship To:

Unit#: 1969849 **Stock#: VN9358** **New 2025 FREIGHTLINER M2106** **Price:** **$183,489.00**
VIN: 3ALHCYD24SDVN9358 Mileage: 5 Color: WHITE ELITE EY
To Be Delivered On or About: 11/15/2024 **Unit Price:** **$183,489.00**

Sub Total	**$183,489.00**
Admin Fee	$195.00
Doc Fee	$195.00
Sales Tax (8.750%)	$16,089.41
Total Vehicle Sale Price	**$199,968.41**
Net Total	**$199,968.41**

Lienholder: None...

Reference Sourcewell Contract #060920-NAF,
Quote ID# 3061HD
DD8 Engine @ 300 HP and Allison Automatic Transmission.
Including 15 foot body 8/10 cu yd end dump

***** PRICING IS SUBJECT TO CHANGE DUE TO SUPPLY CHAIN AND PRODUCTION ISSUES. *****

ONLY THOSE ITEMS AND SERVICES SPECIFICALLY WRITTEN ON THIS ORDER ARE INCLUDED IN THE STATED PRICE.
ANY OTHER AGREEMENTS, UNLESS IN WRITING, ARE NOT BINDING ON SELLER.

The numbered pages of this Order comprise the entire agreement affecting this purchase and no other agreement or understanding of any nature concerning this purchase has been made or entered into, or will be recognized. I hereby certify that no credit has been extended to me for the purchase of this motor vehicle except as appears in writing on the face of this agreement. I have read and understand the final page of this agreement and agree to it as a part of this order the same as if it were printed above my signature. I certify that I am of legal age, or older, that I have legal capacity and authority to execute this agreement on behalf of my company, and hereby acknowledge receipt of a copy of this order.

CITY OF SOUTH LAKE TAHOE
(Purchaser's Name)

James Pescitelli
(Salesperson Name)

X
(Purchaser's Signature)

(Approved By)

Date

Date

This order is not valid unless signed and accepted by dealer

1. TRADE-IN(S). Purchaser shall deliver trade-in(s) in the same condition as at the time of inspection and appraisal by Seller reasonable wear and tear excepted, except as disclosed in the Agreement. Purchase represents that each truck shall be free and clear of all liens and encumbrances and warrants that the trade-in(s) are that type and condition described in this Agreement, including any attachments hereto.

2. TERMS OF PAYMENT. Unless otherwise agreed, net payment shall be due on delivery. Late payments shall bear interest at the rate of 18% per annum, or the maximum permitted by law, whichever is less. If acceptance of delivery is delayed by Purchaser, payment shall become due on the date when Seller is prepared to deliver. If the financial condition of Purchaser at any time does not, in the judgment of Seller, justify continuance of the work to be performed by Seller hereunder on the terms of payment as agreed upon, Seller may suspend such work, or postpone delivery, and require such assurances of Purchaser's performance as Seller deems adequate, including payment in advance, or Seller may cancel this order and shall receive reimbursement for its reasonable and proper cancellation charges. In the event of bankruptcy or insolvency of Purchaser, voluntary or involuntary, Seller shall be entitled to cancel any order then outstanding at any time and seek reimbursement for its reasonable and proper cancellation charges.

3. CANCELLATION. Purchaser may cancel this order only if Seller is able to cancel said order with the manufacturer, and only upon written notice. Upon cancellation or failure to accept delivery, Purchaser shall pay Seller reasonable cancellation changes and expenses, not to be less than Seller's out-of-pocket expenses including carrying costs.

_____ (Purchaser's Initials)

4. GRANT FUNDING AND CUSTOMER RESPONSIBILITY: The customer acknowledges that any grants, incentives, or credits applied to offset the cost of the electric vehicle(s) are solely the customer's responsibility to secure. The customer is responsible for submitting any required documentation in a timely manner to facilitate the grant approval process. In the event that the anticipated grant, incentive, or credit amount is reduced, not approved, or revoked for any reason, including but not limited to failure to submit necessary documentation, the customer agrees to pay the full balance of the purchase price. Velocity Truck Centers assumes no liability for any grants, incentives, or credits, nor for the success or failure of the customer's grant application or approval process.

5. SALES AND OTHER TAXES. Unless otherwise specified herein, Seller's price does not include federal excise, sales, use, or other taxes. Consequently, in addition to the price specified herein, the amount of any other excise, sales, use or other tax applicable to the sale or use of the trucks purchased hereunder shall be paid by Purchaser, or in lieu thereof Purchaser shall provide Seller with a tax exemption certificate acceptable to the taxing authorities. Purchaser agrees that all taxes related to this transaction, whether arising at the time of the transaction or in the future, are Purchaser's responsibility and further agrees to promptly pay any such taxes.

6. DELIVERY. All trucks furnished hereunder shall be delivered to Purchaser at the Seller's dealership location or other location as designated in this Agreement. Unless otherwise provided, delivery will be made via carriers and routes designated by manufacturer with freight charges to be included in the purchase price. Delivery dates are approximate and are based upon receipt of all necessary information from Purchaser. Seller shall not be liable for delays in delivery or manufacturing, or other causes beyond Seller's control.

7. TECHNICAL CHANGES. Purchaser acknowledges that the manufacturer and Seller reserve the right to change the specifications of the truck(s) at any time without obligation to make such changes in other trucks previously delivered to Purchaser. In addition, manufacturer and Seller reserve the right to make design changes and substitution of materials subsequent to the receipt of the order which, in manufacturers or Seller's opinion are necessary to improve the truck. Purchaser agrees to accept any such changes as fulfillment of Seller's obligations under this order.

8. REQUIRED EQUIPMENT. This order shall be deemed to include, whether or not specified herein, all equipment or accessories required by the National Highway Traffic Safety Act or other regulations in effect at the time of order of receipt. It is agreed that any additional or different equipment not specified which is required at the time of delivery to meet the foregoing Act or other regulations will be added and the costs shall be paid by Purchaser. Purchaser understands that certain safety equipment is available that is not legally required and is available at Purchasers request for an additional fee.

9. TITLE AND REMEDIES. Until full payment by Purchaser of all amounts due hereunder, Seller reserves the title to all equipment furnished hereunder. If Purchaser defaults in payment or performance hereunder or becomes subject to insolvency, receivership, or bankruptcy proceedings, or makes an assignment for the benefit of creditors, or without the consent of Seller voluntarily or involuntarily sells, transfers, leases, or permits any lien or attachment on the equipment delivered hereunder, Seller may treat all amounts then or thereafter owing hereunder by Purchaser as immediately due and payable (subject only to credits required by law) and Seller may repossess said equipment by any means available by law and shall enjoy any and all other remedies of a secured creditor under the Uniform Commercial Code. Purchaser shall execute and deliver to Seller such financing statements and other documents, as Seller may deem appropriate to evidence, perfect, and protect the priority of its security interest in the truck(s) subject to this order.

10. GENERAL. Any assignment by Purchaser of this order or any rights hereunder, without written consent of Seller, shall be void. Clerical errors in this order may be automatically corrected by giving written notice thereof to Purchaser by a duly authorized representative of Seller. No waiver, alteration, or modification of any of the provisions hereof shall be binding unless and until in writing and signed by a duly authorized representative of Seller. To the extent not covered by other terms herein, including terms of warranty and limitation of liability, etc., the provisions of the Uniform Commercial Code shall govern this sale.

11. IMPORT TARIFFS: Purchaser acknowledges that any import tariffs imposed by the government are the sole responsibility of the Purchaser and will result in an increase in the Seller's price equal to the amount of the obligatory tariff.

This Agreement (including by reference the provisions set out in manufacturer's standard warranty or warranties) shall constitute the entire agreement between Purchaser and Seller, and no understandings or obligations not expressly set forth herein or in manufacturer's standard warranty or warranties are binding upon Purchaser or Seller.

ALL WARRANTIES, IF ANY, BY A MANUFACTURER OR SUPPLIER OTHER THAN SELLER ARE THEIRS, NOT SELLER'S, AND ONLY SUCH MANUFACTURER OR OTHER SUPPLIER SHALL BE LIABLE FOR PERFORMANCE UNDER SUCH WARRANTIES. SELLER HEREBY DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

Accepted and Agreed by: _____ _____
(Company Name) (Date)

Signor's Name and Title: _____ X _____
(Please Print Name and Title. Must be an Officer of the company Authorized to approve capital purchases.) (Signature)

Oct 16 2024 11:25AM

CALIFORNIA AIR RESOURCES BOARD

Advanced Clean Fleets Regulation - ZEV Milestones Option

DATE December 13, 2023

CONTACT

Advanced Clean Fleets

Email zevfleet@arb.ca.gov

Phone (866) 634-3735

CATEGORIES

Programs Advanced Clean Fleets, Drayage Trucks at Seaports & Railyards

Until January 1, 2030, High Priority and Federal Fleets and State and Local Government Agency Fleets may opt-in to the ZEV Milestones Option and meet zero-emissions vehicle (ZEV) targets as a percentage of their California fleets, as an alternative compliance option to the Model Year Schedule. This option allows for phasing ZEVs into the fleet between 2025 and 2042, depending on the type of vehicle and its usage. If choosing this option, starting January 1, 2025, fleet owners must continuously meet or exceed the ZEV Fleet Milestone percentage requirements, shown in Table A, for their California fleets. The California fleet includes vehicles operated in California by a fleet owner or controlling party during a calendar year and includes vehicles under common ownership or control. The ZEV Fleet Milestone percentages must be maintained each year until the next compliance milestone; for example, from January 1, 2025, until December 31, 2027, at least 10 percent of Milestone Group 1 vehicles in the California fleet must be ZEVs.

Please note that if a vehicle is operated in California at any time during a calendar year, it must be included in the California fleet when determining compliance for that calendar year. Vehicles that are sold or scrapped will reduce the California fleet size

for purposes of the Milestones calculation at the time of selling or scrapping. However, transferring a vehicle out of state without selling or scrapping it would still count as part of the California fleet size for the entire calendar year the vehicle had operated in California.

Table A: ZEV Fleet Milestones by Milestone Group and Year

Percentage of vehicles that must be ZEVs	10%	25%	50%	75%	100%
Milestone Group 1: Box trucks, vans, buses with two axles, yard tractors, light-duty package delivery vehicles	2025	2028	2031	2033	2035 and beyond
Milestone Group 2: Work trucks, day cab tractors, pickup trucks, buses with three axles	2027	2030	2033	2036	2039 and beyond
Milestone Group 3: Sleeper cab tractors and specialty vehicles	2030	2033	2036	2039	2042 and beyond

How do we calculate the number of ZEVs we must have?

The annual ZEV Fleet Milestone is calculated by counting the vehicles in the California fleet for each of the three Milestone Groups listed in Table A, then multiplying the number of vehicles in each Milestone Group by the ZEV percentage requirement for that year. Here is an example calculation for a fleet for the calendar year 2030. For this example, the California fleet consists of 100 Group 1 vehicles, 50 Group 2 vehicles, and 30 Group 3 vehicles:

Milestone Group 1: 100 vehicles x 25% = 25 ZEVs

Milestone Group 2: 50 vehicles x 25% = 12.5 ZEVs

Milestone Group 3: 30 vehicles x 10% = 3 ZEVs

Total ZEV Fleet Milestone = 40.5 ZEVs, which rounds up to 41 ZEVs needed that year.

The following additional example shows how a fleet might change over time.

Vehicle Type	# of Vehicles	ZEVs in 2025	ZEVs in 2027	ZEVs in 2029	ZEVs in 2033	ZEVs in 2045
Box trucks, vans, two-axle buses, yard trucks, light-duty package delivery vehicles	**60**	6	6	15	45	60
Work trucks, day cab tractors, three-axle buses, pickup trucks	**20**	0	2	2	10	20
Sleeper cab tractors and specialty vehicles	**20**	0	0	0	5	20
ZEV Milestones	**100**	**6**	**8**	**17**	**60**	**100**

Will any ZEV count toward compliance?

A ZEV from any Milestone Group can count toward the fleet's ZEV Fleet Milestone requirement. In the first example, the fleet might choose to have 30 ZEV vans, 10 ZEV work trucks, and 1 ZEV sleeper cab tractor in 2030. In the second example, the total in the bottom row is what CARB considers for compliance purposes. Any ZEV may count toward this total (e.g. pickups, yard trucks, box trucks, tractors, or any combination of any vehicles from these groups) as long as they are vehicles within the scope of the regulation (typically gross vehicle weight rating 8,500+ lbs.; light-duty cars would not count).

Can fleets using this option still add internal combustion engine vehicles to the California Fleet?

Any new internal combustion engine (ICE) vehicle, 2024 or newer, added to the California fleet must have an engine certified to applicable California emissions standards and emissions related requirements, and any used ICE vehicle added to the California fleet must have a 2010 or newer model year engine. Please see Internal Combustion Engine Purchase Requirements.

This document is provided to assist regulated entities in complying with the Advanced Clean Fleets regulation. In the event any discrepancy exists between this document and the Advanced Clean Fleets regulation, the regulatory text of the Advanced Clean Fleets regulation applies.

Source URL: *https://ww2.arb.ca.gov/resources/fact-sheets/advanced-clean-fleets-regulation-zev-milestones-option*

City of South Lake Tahoe

Agenda Item Executive Summary

Joe Irvin, City Manager

Meeting Date: November 5, 2024

Agenda Item #: 12

Agenda Item: Ratification of Grant Application to California Department of Alcoholic Beverage Control for Alcohol Policing Partnership

Executive Summary: City Council is asked to ratify the application for, and accept a grant award from California Department of Alcoholic Beverage Control (ABC) in the amount of $37,400.00 for special enforcement of alcohol-related crimes, inspections of ABC licensed businesses, and press releases. Grant funds will be used to carry out enforcement related to a host of criminal violations in our community including, but not limited to, unlawful possession and distribution of alcoholic beverages, unlawful provision of alcohol to minors, contributing to the delinquency of minors, public intoxication, and disturbances of the peace due to alcohol related parties, special events, and gatherings within City limits.

Requested Action / Suggested Motions: Pass a Resolution ratifying the application, authorizing the Chief of Police to accept and execute agreement, budget, and reimbursement of grant award by California Department of Alcoholic Beverage Control in amount up to $37,400.00 to facilitate extra enforcement for alcohol-related offenses for Federal fiscal year 2024/2025, effective October 1, 2024 and ending August 31, 2025.

Responsible Staff Member: LT. Doug Sentell

Reviewed and Approved By: David Stevenson, Chief of Police Susan Blankenship, City Clerk Olga Tikhomirova, Director of Finance Heather Stroud, City Attorney

Attachments:

- 01 - Staff Report - ABC Grant 24-25.docx
- 02 - Resolution - ABC Grant 24-25.docx
- 03-Grant Agreement
- 04 - ABC OTS Exhibits.pdf
- 05 - South Lake Tahoe Notification Letter.pdf

City of South Lake Tahoe
Report to **City Council**

Meeting Date: November 5, 2024

Title: Ratification of California Alcoholic Beverage Control (ABC) ABC-OTS Grant Application and Acceptance of Grant Award in the Amount of $37,400.

Location: Police Department

Responsible Staff Member: Lieutenant Doug Sentell, (530) 542-6520

Background:
California Department of Alcoholic Beverage Control (ABC) provides grant assistance to law enforcement agencies through the ABC-OTS Grant Program. This is a competitive grant process through ABC. The South Lake Tahoe Police Department applied for these grant funds in August of 2024. On October 8th, 2024 we received confirmation of a grant award and the grant agreement. The grant requires approval via a resolution from City Council to accept, budget, spend and reimburse the funds from the grant.

Issue and Discussion:
The ABC Alcohol Policing Partnership Grant is a tool for the City of South Lake Tahoe in enforcement of alcohol related criminal offenses committed by both juveniles and adults. The South Lake Tahoe Police Department will utilize these grant funds to carry out enforcement efforts related to a host of criminal violations in our community including, but not limited to, unlawful possession and distribution of alcoholic beverages, unlawful provision of alcohol to minors, contributing to the delinquency of minors, public intoxication, and disturbances of the peace due to alcohol related parties, events, and gatherings within City limits. Grant funds may also be used to conduct alcohol related community and local business trainings. In the past we have used these funds for overtime at events like the Lakeview Commons outdoor concert series, New Year's Eve, and the 4th of July fireworks celebration.

Financial Implications:
There will be no impact to the general fund. This is a reimbursement grant from California ABC. Expenditures for the program will be reimbursed bi-monthly. If approved by City Council, effective October 1, 2024; budget in account 229 02112 should be amended as follows:

Revenue:	#33229	$37,400.00	
Expenditures:	#41040 (Overtime)		$37,400.00

Environmental Considerations: The proposed action is not a "project" subject to review under the California Environmental Quality Act (CEQA) under CEQA Guidelines section 15378(b)(4) (creation of government funding mechanisms or government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment).

Policy Implications: This grant supports strategic priority "5.1 Public Safety".

Resolution 2024-XXX

Adopted by the City of South Lake Tahoe
City Council

November 5th, 2024

Ratifying the application, authorizing acceptance, budget, and reimbursement of grant award by California Department of Alcoholic Beverage Control in amount up to $37,400.00 to facilitate extra enforcement for alcohol related offences for Federal fiscal year 2024/2025 effective October 1, 2024.

BACKGROUND

A. California Department of Alcoholic Beverage Control (ABC) provides grant assistance to law enforcement agencies through the ABC-OTS Grant Program.
B. The South Lake Tahoe Police Department applied for these grant funds in August of 2024 and was awarded grant funds in amount up to $37,400.00.
C. The South Lake Tahoe Police Department intends to utilize these grant funds to carry out enforcement and education efforts related to a host of criminal violations in our community including, but not limited to, unlawful possession and distribution of alcoholic beverages, unlawful provision of alcohol to minors, contributing to the delinquency of minors, public intoxication, and disturbances of the peace due to alcohol related parties, events, and gatherings within City limits.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, BE IT RESOLVED, that the City Council of the City of South Lake Tahoe:

1. Ratifies the application for, authorizes acceptance, budget, and reimbursement of a grant award up to $37,400.00 to carry out enforcement efforts related to alcohol-related criminal violations within the City of South Lake Tahoe.

2. Authorizes and directs the Chief of Police to execute, on behalf of the City Council, a grant agreement, including any extensions or amendments thereof and any subsequent contract with the State in relation thereto.

3. Acknowledges that any liability arising out of the performance of this agreement, including civil court actions for damages, shall be the responsibility of the grant recipient and the authorizing agency. The State of California and ABC disclaim responsibility for any such liability.

4. Acknowledges that the funds received hereunder shall not be used to supplant expenditures controlled by this body.

5. Acknowledges that this award is not subject to local hiring freezes.

6. Authorizes increasing 2024/2025 City budget for the account 229-02112 as described in the staff report in amount up to $37,400.00

Adopted by the City of South Lake Tahoe City Council on November 5, 2024 by the following vote:
Yes:
No:
Absent:
Abstain:

_____ Date: _____

Cody Bass, Mayor

Attest:

_____

Susan Blankenship, City Clerk

The presence of electronic signature certifies that the foregoing is a true and correct copy as approved by the South Lake Tahoe City Council.

STATE OF CALIFORNIA - DEPARTMENT OF GENERAL SERVICES

STANDARD AGREEMENT

STD 213 (Rev. 04/2020)

AGREEMENT NUMBER	PURCHASING AUTHORITY NUMBER (If Applicable)
25-OTS122	ABC-2100

1. This Agreement is entered into between the Contracting Agency and the Contractor named below:

CONTRACTING AGENCY NAME
Department of Alcoholic Beverage Control

CONTRACTOR NAME
City of South Lake Tahoe through the South Lake Tahoe Police Department

2. The term of this Agreement is:

START DATE
October 1, 2024

THROUGH END DATE
August 31, 2025

3. The maximum amount of this Agreement is:
$37,400.00 Thirty seven thousand four hundred dollars and no cents

4. The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of the Agreement.

Exhibits	Title	Pages
Exhibit A	Scope of Work	3
Exhibit B	Budget Detail and Payment Provisions	1
Exhibit C *	General Terms and Conditions	4
Exhibit D	Special Terms and Conditions	1

Items shown with an asterisk (*), are hereby incorporated by reference and made part of this agreement as if attached hereto.
These documents can be viewed at https://www.dgs.ca.gov/OLS/Resources

IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO.

CONTRACTOR

CONTRACTOR NAME (if other than an individual, state whether a corporation, partnership, etc.)
City of South Lake Tahoe through the South Lake Tahoe Police Department

CONTRACTOR BUSINESS ADDRESS	CITY	STATE	ZIP
1352 Johnson Blvd	South Lake Tahoe	CA	96150

PRINTED NAME OF PERSON SIGNING	TITLE
David Stevenson	Chief
CONTRACTOR AUTHORIZED SIGNATURE	DATE SIGNED

STATE OF CALIFORNIA

CONTRACTING AGENCY NAME
Department of Alcoholic Beverage Control

CONTRACTING AGENCY ADDRESS	CITY	STATE	ZIP
3927 Lennane Drive	Sacramento	CA	95834

PRINTED NAME OF PERSON SIGNING	TITLE
Pattye Baker	Chief, Business Management Branch
CONTRACTING AGENCY AUTHORIZED SIGNATURE	DATE SIGNED
CALIFORNIA DEPARTMENT OF GENERAL SERVICES APPROVAL	EXEMPTION (If Applicable)

EXHIBIT A
SCOPE OF WORK

Purpose and Description of Services

Contractor agrees to implement the Department of Alcoholic Beverage Control programs as listed:

- Minor Decoy operations – designed to educate and deter licensed locations from selling/furnishing alcohol to minors and shall be conducted at both "On-Sale" and "Off-Sale" licensed establishments within the operations period of the grant.

- Shoulder Tap operations – used to detect and deter adult furnishers outside of a licensed business and shall be performed at "Off-Sale" licensed locations to apprehend adults that are unaffiliated with the licensed businesses who are purchasing alcohol for minors outside of the stores within the operation period of the grant.

- Informed Merchants Preventing Alcohol-Related Crime Tendencies (IMPACT) Inspections – primary goal is to educate licensees on alcohol related laws to help reduce alcohol-related crime in and around licensed premises. Contractor agrees to conduct visits and inspections of licensed premises identifying areas of non-compliance at "On-Sale" and "Off-Sale" licensed locations within the operation period of the grant.

- Holiday Enforcement – This program consists of working general undercover and high-profile enforcement targeting underage drinking, sales/furnishing to minors, sales to obviously intoxicated patrons, and other related violations.

  Holidays would be defined as:
  - Halloween (Oct. 31)
  - Thanksgiving (Nov. 27 – Dec. 1)
  - New Year's Eve (Dec. 31)
  - St. Patrick's Day (Mar. 14 – Mar 17)
  - Cinco de Mayo (May 2 – May 5)
  - Memorial Day Weekend (May 23 – May 26)
  - 4th of July (July 3 – July 6)

The project is targeted to reduce underage drinking and the resultant DUI driving injuries and fatalities, and/or property damages, reduce youth access to alcoholic beverages through the education of licensee, enforcement intervention and the impressions of omnipresence of law enforcement.

In addition, contractor agrees to the following goals:

- Raise public awareness that selling, serving and/or furnishing alcoholic beverages to individuals under twenty-one years old is a criminal violation that will be prosecuted by local city and district attorneys.

- Establish and implement a coordinated effort between contactor and ABC, and acknowledges no operations will be conducted until after the contractor's representative has completed training conducted by ABC.

- Issue press releases as follows:
  - To announce the start of the program

  - At the conclusion of each Minor Decoy Operation held (to announce the number of licensed premises who sold to the minor decoy).
  - At the conclusion of each Shoulder Tap Operation held (to announce the number of adults arrested for purchasing alcoholic beverages for the decoy).
  - At the conclusion of each IMPACT operation held.

- Email each press release to the Department's Public Information Office, pio@abc.ca.gov as soon as it is released.

- In all press releases, in addition to any credits the agency wishes to give, will include the following statement: "This project is part of the Department of Alcoholic Beverage Control's Minor Decoy/Shoulder Tap Grant Project, funded by the California Office of Traffic Safety through the National Highway Traffic Safety Administration."

- Complete and submit bi-monthly reports, in a format designed by ABC due no later than the following:
  - On or before January 15, 2025 (with results of operations October, November & December 2024)
  - On or before March 15, 2025 (with results of operations January & February 2025)
  - On or before May 15, 2025 (with results of operations March & April 2025)
  - On or before July 15, 2025 (with results of operations May & June 2025)
  - On or before September 15, 2025 (With results of operations July & August 2025)

- Submit an Executive Summary as part of the final report due on or before September 15, 2025. The summary shall contain the following:
  - An evaluation statement concerning the end product and cost benefits; and a listing of recommended and/or adopted policy or procedure changes, if any, occurring as a result of the project.
  - Project personnel identifying the key personnel who worked on the project, together with their job classification, and a brief description of their contribution.
  - Problems – describe any operational or cost problems that were encountered in project implementation. If known, state alternative methods that would have avoided the problem and increased the effectiveness of the project.
  - Results – describe the results of the project in terms of meeting the original objectives as stated in the project agreement. Also, describe the results in terms of how they will be specifically applied for future improvement of the agency's continuing activities relating to alcohol problem prevention and enforcement. Where possible, describe estimated savings resulting from implementing project results.
  - Disclaimer – The final report shall include the following: "*The opinions, findings, and conclusions expressed in this publication are those of the authors and not necessarily those of the State of California, Business, Consumer Services and Housing Agency, or the Department of Alcoholic Beverage Control."*
  - Documentation – Attach any relevant documents developed. Examples are new or revised forms, diagrams, management reports, photos, coding manuals, instructional manuals, etc.

Contract Term

The operation period of the grant is October 1, 2024 through August 31, 2025.

Project Representatives

The project representatives during the term of this agreement will be:

South Lake Tahoe Police Department	Alcoholic Beverage Control
Doug Sentell, Lieutenant	Diana Fouts-Guter, Grant Coordinator
1352 Johnson Blvd	3927 Lennane Drive, Suite 100
South Lake Tahoe, CA 96150	Sacramento, CA 95834
(530) 542-6250	(916) 928-9807
dsentell@cityofslt.us	Diana.fouts-guter@abc.ca.gov

South Lake Tahoe Police Department	Alcoholic Beverage Control
Lori Marino, Principal Management Analyst	Kristine Okino, Grant Fiscal Analyst
1352 Johnson Blvd	3927 Lennane Drive, Suite 100
South Lake Tahoe, CA 96150	Sacramento, CA 95834
(530) 542-7410	Kristine.okino@abc.ca.gov
lmarino@cityofslt.us	

EXHIBIT B
BUDGET DETAIL AND PAYMENT PROVISIONS

INVOICING AND PAYMENT

- For services satisfactorily rendered, and upon receipt and approval of services, Alcoholic Beverage Control agrees to compensate for approved reimbursable costs of personnel overtime and benefits (actual cost) and travel.

- Invoices shall clearly reference the agreement number 25-OTS122 and must not exceed the total authorized contract amount of $37,400.00. Invoices shall be submitted on a bi-monthly basis, on the prescribed form designed by ABC.

Submit to: Department of Alcoholic Beverage Control
Attn: Kristine Okino, Grants Fiscal Analyst
3927 Lennane Drive, Suite 100
Sacramento, CA 95834

- This grant is only for overtime compensation and travel for training held on October 15, 2024 only.

- In accordance with State of CA travel policy, agencies are eligible to receive reimbursement for travel expenses incurred for training on October 15, 2024.
https://hrmanual.calhr.ca.gov/Home/ManualItem/1/2203

- Payment shall be made in arrears within 45 days from the receipt of an undisputed invoice.

- Contractor understands in order to eligible for reimbursement; cost must be incurred on or after the effective date of the project, October 1, 2024 and on or before the project termination date, August 31, 2025.

- Contractor understands any other costs incurred by contractor, other than attendance at initial training and/or personnel overtime and benefits as authorized above, in the performance of this agreement are the sole responsibility of contractor.

BUDGET CONTINGENCY CLAUSE

- It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this agreement does not appropriate sufficient funds for the program, this agreement shall be of no further force and effect. In this event, the State shall have no liability to pay any funds whatsoever to contractor or to furnish any other considerations under this agreement and contractor shall not be obligated to perform any provisions of this agreement.

- If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the State shall have the option to either cancel this agreement with no liability occurring to the State, or offer an agreement amendment to contractor to reflect the reduced amount.

PROMPT PAYMENT CLAUSE

Payment will be made in accordance with, and within the time specified in, Government Code Chapter 4.5, commencing with Section 927.

EXHIBIT C
GENERAL TERMS AND CONDITIONS

1. APPROVAL: This agreement is of no force or effect until signed by both parties and approved by the Department of General Services, if required. Contractor may not commence performance until such approval has been obtained.

2. AMENDMENT: No amendment or variation of the terms of this agreement shall be valid unless made in writing, signed by the parties and approved as required. No oral understanding or agreement not incorporated in the agreement is binding on any of the parties.

3. ASSIGNMENT: This agreement is not assignable by the contractor, either in whole or in part, without the consent of the State in the form of a formal written amendment.

4. AUDIT: Contractor agrees that the awarding department, the Department of General Services, the Bureau of State Audits, or their designated representative shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this agreement. Contractor agrees to maintain such records for possible audit for a minimum of three (3) years after final payment, unless a longer period of records retention is stipulated. Contractor agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, contractor agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this agreement. (Gov. Code §8546.7, Pub. Contract Code §10115 et seq., CCR Title 2, Section 1896).

5. INDEMNIFICATION: Contractor agrees to indemnify, defend and save harmless the State, its officers, agents and employees from any and all claims and losses accruing or resulting to any and all contractors, subcontractors, suppliers, laborers, and any other person, firm or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of this agreement, and from any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by contractor in the performance of this agreement.

6. DISPUTES: Contractor shall continue with the responsibilities under this agreement during any dispute.

7. TERMINATION FOR CAUSE: The State may terminate this agreement and be relieved of any payments should the contractor fail to perform the requirements of this agreement at the time and in the manner herein provided. In the event of such termination the State may proceed with the work in any manner deemed proper by the State. All costs to the State shall be deducted from any sum due the contractor under this agreement and the balance, if any, shall be paid to the contractor upon demand.

8. INDEPENDENT CONTRACTOR: Contractor, and the agents and employees of contractor, in the performance of this agreement, shall act in an independent capacity and not as officers or employees or agents of the State.

9. RECYCLING CERTIFICATION: The contractor shall certify in writing under penalty of perjury, the minimum, if not exact, percentage of post-consumer material as defined in the Public Contract Code Section 12200, in products, materials, goods, or supplies offered or sold to the State regardless of whether the product meets the requirements of Public Contract Code Section 12209. With respect to printer or duplication cartridges that comply with the requirements of Section

12156(e), the certification required by this subdivision shall specify that the cartridges so comply (Pub. Contract Code §12205).

10. NON-DISCRIMINATION CLAUSE: During the performance of this agreement, contractor and its subcontractors shall not deny the contract's benefits to any person on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status, nor shall they discriminate unlawfully against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status. Contractor shall insure that the evaluation and treatment of employees and applicants for employment are free of such discrimination. Contractor and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12900 et seq.), the regulations promulgated thereunder (Cal. Code Regs., tit. 2, §11000 et seq.), the provisions of Article 9.5, Chapter 1, Part 1, Division 3, Title 2 of the Government Code (Gov. Code §§11135-11139.5), and the regulations or standards adopted by the awarding state agency to implement such article. Contractor shall permit access by representatives of the Department of Fair Employment and Housing and the awarding state agency upon reasonable notice at any time during the normal business hours, but in no case less than 24 hours' notice, to such of its books, records, accounts, and all other sources of information and its facilities as said Department or Agency shall require to ascertain compliance with this clause. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement. (See Cal. Code Regs., tit. 2,§11105.)

    Contractor shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the agreement.

11. CERTIFICATION CLAUSES: The CONTRACTOR CERTIFICATION CLAUSES contained in the document CCC 04/2017 are hereby incorporated by reference and made a part of this agreement by this reference as if attached hereto.

12. TIMELINESS: Time is of the essence in this agreement.

13. COMPENSATION: The consideration to be paid contractor, as provided herein, shall be in compensation for all of contractor's expenses incurred in the performance hereof, including travel, per diem, and taxes, unless otherwise expressly so provided.

14. GOVERNING LAW: This contract is governed by and shall be interpreted in accordance with the laws of the State of California.

15. ANTITRUST CLAIMS: The contractor by signing this agreement hereby certifies that if these services or goods are obtained by means of a competitive bid, the contractor shall comply with the requirements of the Government Codes Sections set out below.

    a) The Government Code Chapter on Antitrust claims contains the following definitions:

        i. "Public purchase" means a purchase by means of competitive bids of goods, services, or materials by the State or any of its political subdivisions or public agencies on whose behalf the Attorney General may bring an action pursuant to subdivision (c) of Section 16750 of the Business and Professions Code
        ii. "Public purchasing body" means the State or the subdivision or agency making a public purchase. Government Code Section 4550.

b) In submitting a bid to a public purchasing body, the bidder offers and agrees that if the bid is accepted, it will assign to the purchasing body all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright Act (Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, materials, or services by the bidder for sale to the purchasing body pursuant to the bid. Such assignment shall be made and become effective at the time the purchasing body tenders final payment to the bidder. Government Code Section 4552.

c) If an awarding body or public purchasing body receives, either through judgment or settlement, a monetary recovery for a cause of action assigned under this chapter, the assignor shall be entitled to receive reimbursement for actual legal costs incurred and may, upon demand, recover from the public body any portion of the recovery, including treble damages, attributable to overcharges that were paid by the assignor but were not paid by the public body as part of the bid price, less the expenses incurred in obtaining that portion of the recovery. Government Code Section 4553.

d) Upon demand in writing by the assignor, the assignee shall, within one year from such demand, reassign the cause of action assigned under this part if the assignor has been or may have been injured by the violation of law for which the cause of action arose and (a) the assignee has not been injured thereby, or (b) the assignee declines to file a court action for the cause of action. See Government Code Section 4554.

16. CHILD SUPPORT COMPLIANCE ACT: For any agreement in excess of $100,000, the contractor acknowledges in accordance with Public Contract Code 7110, that:

    a) The contractor recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with section 5200) of Part 5 of Division 9 of the Family Code; and

    b) The contractor, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.

17. UNENFORCEABLE PROVISION: In the event that any provision of this agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this agreement have force and effect and shall not be affected thereby.

18. PRIORITY HIRING CONSIDERATIONS: If this contract includes services in excess of $200,000, the contractor shall give priority consideration in filling vacancies in positions funded by the contract to qualified recipients of aid under Welfare and Institutions Code Section 11200 in accordance with Pub. Contract Code §10353.

19. SMALL BUSINESS PARTICIPATION AND DVBE PARTICIPATION REPORTING REQUIREMENTS**:**

    a) If for this contract contractor made a commitment to achieve small business participation, then contractor must within 60 days of receiving final payment under this contract (or within such other time period as may be specified elsewhere in this

contract) report to the awarding department the actual percentage of small business participation that was achieved. (Govt. Code § 14841.)

b) If for this contract contractor made a commitment to achieve disabled veteran business enterprise (DVBE) participation, then contractor must within 60 days of receiving final payment under this contract (or within such other time period as may be specified elsewhere in this contract) certify in a report to the awarding department: (1) the total amount the prime contractor received under the contract; (2) the name and address of the DVBE(s) that participated in the performance of the contract; (3) the amount each DVBE received from the prime contractor; (4) that all payments under the contract have been made to the DVBE; and (5) the actual percentage of DVBE participation that was achieved. A person or entity that knowingly provides false information shall be subject to a civil penalty for each violation. (Mil. & Vets. Code § 999.5(d); Govt. Code § 14841.)

20. LOSS LEADER: If this contract involves the furnishing of equipment, materials, or supplies then the following statement is incorporated: It is unlawful for any person engaged in business within this state to sell or use any article or product as a “loss leader” as defined in Section 17030 of the Business and Professions Code. (PCC 10344(e).)

EXHIBIT D
SPECIAL TERMS AND CONDITIONS

Disputes: Any disputes concerning a question of fact arising under this contract which is not disposed of by agreement shall be decided by the Director, Department of Alcoholic Beverage Control, or designee, who shall reduce his decision in writing and mail or otherwise furnish a copy thereof to the contractor. The decision of the Department shall be final and conclusive unless, within 30 days from the date of receipt of such copy, the contractor mails or otherwise furnishes to the State a written appeal addressed to the Director of the Department of Alcoholic Beverage Control. The decision of the Director of Alcoholic Beverage Control or his duly authorized representative for the determination of such appeals shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, capricious, arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence. In connection with any appeal proceeding under this clause, the contractor shall be afforded an opportunity to be heard and to offer evidence in support of its appeal. Pending final decision of a dispute hereunder, contractor shall proceed diligently with the performance of the contract and in accordance with the decision of the State.

Cancellation/Termination: This agreement may be cancelled or terminated without cause by either party by giving thirty (30) calendar days advance written notice to the other party. Such notification shall state the effective date of termination or cancellation and include any final performance and/or payment/invoicing instructions/requirements. No penalty shall accrue to either party because of contract termination.

Contractor Certifications: By signing this agreement, contractor certifies compliance with the provisions of CCC 04/2017, Standard Contractor Certification Clauses. This document may be viewed at: https://www.dgs.ca.gov/OLS/Resources/Page-Content/Office-of-Legal-Services-Resources-List-Folder/Standard-Contract-Language

If the State determines that the grant project is not achieving its goals and objectives on schedule, funding may be reduced by the State to reflect this lower level of project activity.

DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL
3927 Lennane Drive, Suite 100
Sacramento, CA 95834
(916) 419-2500

September 26, 2024

Lieutenant Doug Sentell
South Lake Tahoe Police Department
1352 Johnson Blvd.
South Lake Tahoe, CA 96150-8200

Re: ABC-OTS Grant Program

Dear Lieutenant Sentell:

Congratulations. Your agency has been selected to participate in the Department of Alcoholic Beverage Control's ABC-OTS Grant Program. Funding for this project is provided by the Office of Traffic Safety through the National Highway Traffic Safety Administration.

We anticipate operations to begin upon completion of the one-day mandatory training class for your operations officer. Fiscal Officers will be contacted by our Fiscal Coordinator; Kristine Okino for training how to submit claims for reimbursement.

Since the grant starts October 1, 2024, you can make pre-paid travel arrangements on or after that date for your operations officer to attend the training. Pre-paid travel purchased prior to October 1st will not be reimbursed. The information regarding the date, location and authorized per diem rates are enclosed.

To expedite the issuance of your contract, please review and complete the enclosed ABC-OTS Grant Program Information Sheet. In addition, we will also need a resolution from your agency's governing body. Since these resolutions must be put on calendar, we ask that you do so as soon as possible.

Please mail, fax, or email this information to our Grant Coordinator; Diana Fouts-Guter, at 3927 Lennane Drive, Suite 100, Sacramento, CA 95834, Fax: (916) 928-7625, or at Diana.fouts-guter@abc.ca.gov.

If you have questions, please contact Supervising Daniel Sumida via email at daniel.sumida@abc.ca.gov.

We appreciate your prompt response and look forward to working with your agency.

Sincerely,

J. McCullough

Joseph McCullough
Director

Enclosures

City of South Lake Tahoe

Agenda Item Executive Summary

Joe Irvin, City Manager

Meeting Date: November 5, 2024

Agenda Item #: 13

Agenda Item: Quarterly Update on the Affordable Housing Waitlist

Executive Summary: On March 28, 2023, former Mayor Pro Tem Bass (seconded by Council Member Wallace) requested to agenize an item to require a quarterly report on the number of people actively on waiting lists for affordable housing throughout the City. The last quarterly update was provided to City Council on August 13, 2024. This report includes information for the third quarter of 2024. It should be noted that Council Member Robbins requested, and Mayor Bass provided a second to direct staff to bring back a policy change discussion related to the Lease to Locals Program at the November 19, 2024, City Council meeting. The policy discussion will include an evaluation of the 1/2 rental term for 1/2 the current incentive value currently being offered through the program.

Requested Action / Suggested Motions: Receive and file.

Responsible Staff Member: Lydia Zuniga, Associate Management Analyst

Reviewed and Approved By: Zach Thomas, Director of Development Services Susan Blankenship, City Clerk Olga Tikhomirova, Director of Finance Heather Stroud, City Attorney

Attachments:

01-Staff Report - Quarterly Update.docx

City of South Lake Tahoe
Report to **City Council**

Meeting Date: November 5, 2024

Title: Quarterly Update on the Affordable Housing Waitlist

Location: City-wide

Responsible Staff Member: Lydia Zuniga, Associate Management Analyst

Background: On March 28, 2023, former Mayor Pro Tem Bass (seconded by Council Member Wallace) requested to agendize an item to require a quarterly report on the number of people actively on waiting lists for affordable housing throughout the City. Consistent with this directive the Development Services Department submits quarterly reports to the City Council to document various statistics related to the City's housing programs, including the number of people actively waiting for affordable housing.

Issue and Discussion: Before the City Council is the updated waitlist from the 8 Affordable Housing properties within the City (totaling 344 units) that the City is obligated to conduct monitoring to ensure compliance with funding source requirements.

For the end of the third quarter for 2024, the current list shows 939 people on the list.
Based on a review of the individual lists, there are about 100+ names that appear on multiple lists.
The approximate wait times range from 1-7 years depending on the size of unit.

Below is a chart outlining the breakdown of the units. The 1-bedroom units has 597 people on the list. Followed by the 2-bedroom units, which has about 243 and the 3-bedroom units has a total of 99 people. As previously mentioned, most of the people on the list are locals.

2024 Affordable Housing Waitlist

Property	Units	Total number of people on the	1 bedroom	2 Bedrooms	3 Bedrooms	TOTAL	How long is the list 1 BD?	How long is the list 2 BD?	How long is the list 3 BD?
Sierra Garden	76	96	40	56	N/A	96	3-5 yrs.	2 yrs.	N/A
Evergreen Tahoe Apts.	26	48	N/A	11	37	48	N/A	1 yr.	5-7 yrs.
Tahoe Valley Townhomes	70	55	19	23	13	55	1 yrs.	1 yr.	1 yrs.
Tahoe Senior Plaza	45	163	163	N/A	N/A	163	3 yrs.	N/A	N/A
Kelly Ridge	33	26	12	14	N/A	26	1 yr.	1 yr.	N/A
Tahoe Pines	28	18	N/A	8	10	18	N/A	1 yr.	3-5 yrs.
Aspens	48	156	69	48	39	156	3 yrs.	3 yrs.	3 yrs.
Sky Forest Acres	18	377	294	83	N/A	377	3-4 yrs.	3-4 yrs.	N/A
Total	**344**	**939**	**597**	**243**	**99**	**939**			

Sugar Pine Village (SPV) project is a 248-unit affordable housing project as a result of the California Governor's Executive Order N-0619, which directed the California Department of General Services (DGS) to identify excess state properties as potential affordable housing development sites. The City has been a financial partner along with the developer Related Companies of California LLC in partnership with St. Joseph Community Land Trust to construct the project. The project is being built in four phases and as of October 18, 2024, Sugar Pine Village has opened the doors to the first 68 units for phase 1A. The following are relevant statistics as of that date:

- Number of occupied units - 11
- Number of people moved in - 18
- Soon to be occupied - 57 (these units are to be occupied by Thanksgiving)
- 600 people are currently on the (SPV) interest list (the interest list is a broader list than the waitlist and was initially started during project construction)

At its November 21, 2023, meeting, the Council requested that ongoing reporting also be conducted on the Lease 2 Locals Program. The pilot program started in late 2021 and is now almost at the end of the third year. The Lease 2 Locals Program stats for 2024, are tracking slightly above 2023. Under the current guidelines, all the leases under the program are a 12-month lease.

As of October 18, 2024, the stats for the Lease 2 Locals Program are shown on the table noted below:

	Year	Number of Grants Provided to Households	People Housed inc. Children	Grants Closed	Leases Renewed	Status
Year 1	2021-2022	23	58	23	13	All Ended
Year 2	2023	14	31	13	11	1 grant ending in 2024
Year 3	2024	14	36	0		Ending in 2025
	TOTAL	**51**	**125**	**36**	**24**	

The Professional Services Agreement with Placemate ends on January 15, 2025.
Total amount allocated to the incentive program was $600,000 including $500,000 from the American Rescue Funds Act (ARPA). Below is a table documenting how the funds have been spent:

	Placemate	Marketing	Lease 2 Locals Program	Second Grant Payment Amounts due in 2025	Total Remaining
Year 1	$72,000.00	$14,000.00	$200,000.00		
Year 2	$105,000.00	$9,000.00	$100,000.00		
Year 3	$91,000.00	$9,000.00	$0.00		
Total amount	$268,000.00	$32,000.00	$300,000.00		
Spent	$244,500.00	$26,998.10	$189,000.00		
Remaining as of 10/18/2024	$23,500.00	$5,001.90	$111,000.00	$28,000.00	$83,000.00

Other Information previously requested by City Council is outlined below:

- Total number of people housed is 125 including children.
- Number of grants provided as of October 18, 2024 is 51.
- Total grant amount spent including the administrative fee as of October 18, 2024, is $488,491.00.
- Total cost per person is $3,907.98.
- Number of rental months that the Lease 2 Locals program has provided to date, not including months remaining on active leases is 776 months.

Summary

It has been a year since staff was requested to initiate reporting to the City Council on the affordable housing waitlist. The first update was conducted on September 12, 2023, the report showed that there were 1163 people on the list. During the last quarter in 2023 the stats report presented an increase from 1163 to 1173. However, as 2024 rolled out, the number of people on the waitlist decreased, the report for the first quarter indicated that there was a decrease from 1173 to 1108. In the second quarter in 2024, the report also showed a decrease from 1108 to 891. As previous stated, the number of people on the waitlist for the third quarter is 939, a small increase from 891.

The waitlist serves to document the number of people actively seeking out affordable units vs the number that are immediately available. Those on the waitlist are choosing to wait for a unit while others may choose to not put their name on the list and seek alternative arrangements. As such, waitlists may be influenced by a variety of factors. Regardless, the need for affordable housing is well established.

Monitoring the waitlists quarterly may provide an indicator of the effectiveness of City and community efforts to address low-income housing needs. This staff report serves as a monitoring and reporting update to City Council.

Financial Implications: There are no costs associated with this report, except the staff time that would be needed to provide quarterly updates to Council. This report does not result in any modifications to any Housing Programs or has any additional financial implications.

Environmental Considerations: This is not a project under CEQA, because it does not involve any commitment to a specific project which may result in a potentially significant physical impact on the environment, as contemplated by Title 14, California Code of Regulations, Sections

15378(b)(2) and 15378(b)(4) and is, therefore, not subject to CEQA pursuant to CEQA Guidelines Section 15060(c)(3).

Policy Implications:

This item is consistent with the following adopted policies and programs:

City General Plan Housing Element

Policy 1-1. The City shall adopt programs, ordinances, incentives, land use plans and other regulatory mechanisms that provide opportunities for the private sector to address the housing needs of citizens of all economic levels.

Policy 2-5. The City shall recognize that it will become difficult to attract employees if they cannot afford to purchase or rent housing in South Lake Tahoe. The City shall encourage and support programs and activities that create a robust local economy that provides residents with good paying employment and the means to purchase and/or rent housing in the City.

Policy 5-1. The City shall promote housing opportunities for all persons regardless of source of income, age, race, religion, gender, sexual orientation, marital/familial status, national origin, disability, economic level, or other barriers that prevent choice in housing.

Program 2-9. The City shall continue to provide information that describes the myths and realities of multifamily and affordable housing development.

City of South Lake Tahoe

Agenda Item Executive Summary

Joe Irvin, City Manager

Meeting Date: November 5, 2024

Agenda Item #: 14

Agenda Item: Financing Agreement with Banc of America Public Capital Corp for Energy Upgrade Project Equipment Acquisition

Executive Summary: On October 22, 2024, the City Council approved a design-build contract with Willdan Energy Solutions for energy upgrades at City facilities, in an amount not to exceed $11,414,389, plus 5% City-controlled contingency, for the total project cost of $11,985,108, contingent upon the City obtaining financing for the project. In anticipation of this contract approval, Oppenheimer, serving as placement agent for the City, distributed a request for proposals to multiple lenders, in response to which the City received financing proposals from seven lenders. In consultation with Oppenheimer and the City's municipal financial advisor PFM , the City reviewed all financing proposals and selected Banc of America Public Capital Corp based on lowest cost to finance the equipment and more favorable terms for the City that exclude the need to use the assets as collateral for the financing.

Requested Action / Suggested Motions: (1) Pass a Resolution authorizing and directing the Mayor to execute an Energy Facilities Financing Contract in the form of an Equipment Schedule No.1 and an Escrow and Account Control Agreement and related documents with Banc of America Public Capital Corp in the principal amount of $7,973,000 to acquire facility improvements for energy upgrade project and making required findings; and (2) Pass a Resolution approving FY 2024-2025 final budget appropriations for 2024 Banc of America Public Capital Corp Financing Agreement Proceeds and Energy Savings Contract with Willdan.

Responsible Staff Member: Olga Tikhomirova, Director of Finance

Reviewed and Approved By: Susan Blankenship, City Clerk Heather Stroud, City Attorney

Attachments:

01-Staff Report - Energy Upgrades Project Financing.docx
02-Resolution 2024 Energy Project Financing Approval.docx
03-Resolution Energy Savings Budget Appropriations.docx
04-Equipment Schedule No. 1 Energy Services Equipment.docx
05-Escrow Agreement.docx
06-Memorandum of Understanding CSLT BAPCC Willdan.docx
07-Payment Schedule.pdf
08-Public Notice BOA Financing Agreement.pdf
09-Master Lease Agreement April 2023.pdf

City of South Lake Tahoe
Report to **City Council**

Meeting Date: November 5, 2024

Title: Financing Agreement with Banc of America Public Capital Corp for Energy Upgrades Project

Location: Citywide

Responsible Staff Member: Olga Tikhomirova, Director of Finance, (530) 542-7431

Background: The City of South Lake Tahoe has numerous old, outdated, and inefficient facilities with relatively high energy bills, as well as ambitious greenhouse gas emissions reduction goals. City Staff identified 19 City facilities for consideration in an energy upgrades project that will save the City money in the long term. On October 22, 2024, City Council authorized the Mayor to execute the Energy Savings Contract with Willdan Energy Solutions, Inc. for the implementation of facility improvements, energy conservation, energy generation, and/or energy management services, contingent upon securing financing. The total contract cost is for a not-to-exceed amount of $11,414,389 with a 5% City-controlled contingency, for a total required appropriations of $11,985,108. Willdan's project scopes of work are outline in the table below.

Project Scopes of Work	Cost	Utility Savings	Maint. Savings	Total Savings	Incentives & Grants	GHG Reduction	Payback
Building Automation Systems/Retrocommissioning/Boiler Engineering	$553,896	$30,693	$30,000	$60,693		40.9	9.10
Pelican Controller Integrations	$41,925					0	
High Efficiency Transformers	$186,353	$7,904	$1,000	$8,904		5.4	20.90
Motor Pool Solar PV - 250kW	$2,564,726	$69,056	$-	$69,056		58.4	5.80
Police Department Solar PV - 180kW	$2,769,062	$92,377		$92,377		77	26.00
Ice Arena Roof Replacement/Insulation	$333,115	$10,336	$10,000	$20,336		18	16.40

Ice Arena Microturbine Refurb & Relocation	$526,952	$87,370		$87,370		0	6.00
Ice Arena Central Plant Replacement	$4,381,454	$18,969	$5,000	$23,969		20.7	
Water Meter Downsizing	$56,906		$20,641	$20,641			2.80
Grants (Direct to City of South Lake Tahoe)					$2,000,000		
Incentives, Rebates, Credits (Post-construction)*					$991,207		
Totals	$11,414,389	$316,705	$66,641	$383,346	$2,991,207	220.34	21.97

*Willdan incentives/rebate/deductions are not guaranteed and subject to 3rd party review for tax filings. What is shown is potential maximum.

To fund this project, the City will be utilizing $2 million in grant funding that has already been secured toward the Motor Pool Solar measure. Staff has proposed to allocate approximately $2 million from the General Fund toward the total cost of the project and secure financing for the remaining amount of approximately $8 million.

Issue and Discussion: On August 14, 2024, PFM Financial Advisors LLC ("PFM") discussed with City staff three financing options available to the City for this project: (1) Lease Revenue Bonds (public); (2) Bank Loan (private placement); and (3) California Infrastructure and Economic Development Bank (I-Bank) loan. The City opted to pursue Option 2 for two main reasons: (1) it did not require the City to encumber any assets, which temporarily became limited due to the recent bond issuance for the Recreation Center construction project in 2023, and (2) it provided the shortest financing timeline, which the City preferred in an effort to approve the work orders before possible costs increases. Additionally, Option 2 provided pre-payment flexibility, which is a significant structuring consideration given the estimated $1.0 million Inflation Reduction Act (IRA) credit that can be used to reduce debt service.

PFM assisted the City in soliciting three bids for placement agent service. While all the firms were qualified to provide placement agent services, some had more experience than others in placing private loans for energy related financings. The City selected Oppenheimer & Co to serve as the placement agent, citing their expansive experience in service as a placement agent in California for energy related financings.

On September 25, 2024, Oppenheimer, serving as placement agent, distributed a request for proposals (RFP) to over twelve lenders, in response to which the City received financing proposals from seven lenders. In consultation with PFM, the City reviewed the seven financing proposals and selected the proposal submitted by Banc of America Public Capital Corp, which is summarized in the following section.

Financial Implications: Banc of America Public Capital Corp submitted the lowest bid at a rate of 4.055% for a 15-year term and 4.208% for a 20-year term financing, that did not include additional fees, such as bank counsel legal fees and miscellaneous closing costs. Additionally, Banc of America Public Capital Corp's proposed financing is structured as an appropriation lease vs. abatement lease. With the appropriation lease, the City will not have to use its assets as the collateral for the financing; only the equipment being financed will serve as collateral.

The City previously entered into a Master Equipment Lease/Purchase Agreement ("Master Lease") with Banc of America Public Capital Corp in April 2023 in connection with the financing of snow removal equipment, which allows for additional Equipment Schedules. The City will be entering into Equipment Schedule No. 1 – Energy Services Equipment (the "Agreement"), which allows for a partial prepayment option any time with a premium of 100.5% to accommodate the potential receipt of Inflation Reduction Act (IRA) monies. The City will have the option to prepay its obligations under the Agreement in whole only with a prepayment of 102% premium starting on 10/1/2028 through 4/1/2034. The City can prepay its obligation without penalty beginning on 10/1/2034.

While the City initially received 15- and 20-year financing terms, the City settled on a 16-year term in an effort to generate projected net savings in most years that the obligation will be outstanding. The Agreement before the Council today has a 16-year term with an initial principal amount of $7,973,000, an interest rate at 4.055%, and net lease payments totaling approximately $11.81 million. The lease payments are structured proportionally to achieve expected gross savings when taking into account energy cost savings on a fiscal year basis. The average annual lease payments will be $721,678. If a prepayment is made using IRA monies, the lease payments would be reduced by approximately $1.437 million and average annual lease payments would be an estimated $652,000. The principal amount in the finalized financing proposal does not include capitalized interest cost previously anticipated. This exclusion reduced the amount to be borrowed, saving the City over $1 million.

As required by Government Code Section 5852.1, the City's municipal advisor has provided the following Good Faith Estimates of the financing terms, which Good Faith Estimates are also provided in the Lease Purchase Agreement Resolution:

Information to be disclosed per Government Code Section 5852.1:	Estimates as of October 28, 2024*
True interest cost of the Lease (the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the new issue of Lease)	4.05%

Finance charge of the Lease (the sum of fees and charges paid to third parties)	$85,000
Amount of proceeds received by the public body from the sale of the Lease, less the finance charge of the bonds and any reserves or capitalized interest paid or funded with proceeds of the Lease	$7,888,000
The total payment amount (the sum total of all debt service payments on the Lease, plus the finance charge of the Lease not paid from Lease proceeds)	$11,808,135

* These Good Faith Estimates do not take into account a prepayment with IRA monies.

Willdan has put forth a project proposal that projects certain energy savings, O&M savings, new renewable energy savings, and Direct Pay Investment Tax Credit ("ITC") for the project that will partially offset the lease payments. Using these assumptions, the projected net savings by the end of the 16-year lease period, without the IRA tax credit prepayment - will be approximately $1.56 million. The projected net savings with the IRA tax credit prepayment will be approximately $1.93 million by the end of the 16-year lease period and approximately $16.60 million over an extended 30-year period. There is no guarantee that these savings will be realized in the timing and amounts as projected by Willdan, and regardless of whether any such savings come to fruition, the City would be obligated to make payments to Banc of America Public Finance Corp (the Lender) in the amounts and on the dates described in the Agreement. Should the City fail to make these payments, the Lender has the right to retake possession of the financed equipment and pursue other remedies, and the City's credit would be negatively impacted.

The items listed in the Project Scopes of Work table provided earlier in this staff report that will be funded with the proposed financing (up to the available amount of $7,887,682 in the project fund) are:

1. Ice Arena Central Plant Replacements - $4,381,454
2. Ice Arena Microturbine Refurb & Relocation - $526,952
3. Police Department Solar PV - $2,769,062
4. Motor Pool Solar PV (partial) - $210,214 (out of $2,564,726)

Total Amount Financed $7,887,682

After utilizing the existing $2 million grant funding, the required contribution from the General Fund Undesignated Excess Reserves toward the total cost of the project is $2,097,426 and includes $570,719 for the 5% City-controlled contingency which might not necessary be utilized. The attached separate budget appropriations resolution trues up and amends the

preliminary budget appropriations approved by City Council on October 22, 2024 as part of the Willdan's contract approval.

The first debt service payment on the proposed financing agreement will be due October 1, 2025 requiring budget appropriations in FY 2024-2025 that will be requested during the mid-year budget review process after the closing of financing scheduled for November 19, 2024.

Legal Structure and Financing Documents

The resolution that the City is being asked to adopt will approve the following documents. Each of the documents are presented in substantially final form:

- **Equipment Schedule No. 1 – Energy Services Equipment to Master Lease/Purchase Agreement –** Provides for the lease of the financed equipment by the Lender to the City in exchange for annual lease payments to be made by the City to the Lender. The lease payments are structured to repay the Lender's loan, with interest, over 16 years as described above.
- **Escrow and Account Control Agreement** – The Lender will deposit the loan proceeds with U.S. Bank, National Association, serving as Escrow Agent, and Escrow Agent will hold and disburse the loan proceeds for project costs based on periodic requisitions from the City.
- **Memorandum of Understanding** – During the negotiations, the Lender has requested to make an adjustment to Willdan's agreement to adjust the title section to allow title of the equipment to pass to the City as Willdan receives payments. This allows the City to grant BofA a security interest in the equipment as it is being built. In lieu of amending the contract, it was proposed that an additional document, Memorandum of Understanding, is executed between the City, Willdan and the Bank of America Public Capital Corp.
- **Payment Schedule** – Provides the lease payment schedule, outlining the total period payment amounts and other provisions.

Financing Schedule

The following table presents the financing schedule:

Date	Description of Activity
11/5/2024 financing	City Council holds public hearing and adopts Resolution authorizing
11/19/2024	Closing

Environmental Considerations: This action is categorically exempt from review under CEQA Guidelines section 15301 (existing facilities).

Policy Implications: This action complies with the City's Debt Management Policy.

Resolution 2024-XXX

Adopted by the City of South Lake Tahoe
City Council

November 5, 2024

Authorizing Energy Facilities Financing Contract with Banc of America Public Capital Corp and Making Required Findings

BACKGROUND

A. The City of South Lake Tahoe ("City") and Banc of America Public Capital Corp previously entered into a Master Equipment Lease/Purchase Agreement ("Master Lease") and Equipment Schedule No. 01 – General Equipment, each dated as of April 6, 2023, for the purchase of several John Deer Graders and a Zaugg Blower for the purpose of snow removal.

B. The City desires to enter into Equipment Schedule No. 1 – Energy Services Equipment ("Equipment Schedule") to the Master Lease with Banc of America Public Capital Corp in order to finance certain energy efficiency improvements and equipment (the "Equipment").

C. The City and Banc of America Public Capital Corp desire to enter into an Escrow and Account Control Agreement with U.S. Bank National Association, as escrow agent ("Escrow Agreement"), for the purpose of establishing an escrow account to hold the moneys funded by Banc of America Public Capital Corp until ready to be disbursed for the purchase and payment of the energy efficiency improvements and equipment.

D. Pursuant to California Public Resources Code Section 25008, it is the policy of the State of California and the intent of the State Legislature to promote all feasible means of energy conservation and all feasible uses of alternative energy supply sources.

E. California Government Code Section 4217.10 to 4217.18 authorizes the City Council of the City to enter into an energy service contract for the implementation of energy related improvements to public buildings or City-owned property if the City Council finds that it is in the best interest of the City to enter into such energy service contract and that the anticipated cost to the City for thermal energy, electrical energy or conservation services provided by the energy conservation facilities under the contract will be less than the anticipated marginal cost to the City of the thermal,

electrical, or other energy that would have been consumed by the City in absence of those purchases.

F. The City desires to reduce the steadily rising costs of meeting the energy needs at its facilities.

G. An energy service contract and related documents were presented to the City Council on October 22, 2024 (collectively, the "Energy Services Contract") to be executed by and between the City and Willdan Energy Solutions, as further described in the Agenda Report and its attachments (the "Report"), dated October 22, 2024.

H. As described in the Report, the implementation of certain energy measures whose cost to the City such for thermal or electrical energy or conservation services provided under the Energy Services Contract, will be less than the anticipated marginal cost to the City of thermal, electrical, or other energy that would have been consumed by the City in absent of the implementation of the improvements under the Energy Services Contract.

I. A duly noticed public hearing, as required by California Government Code Section 4217.12, was held on October 22, 2024, when the facts were presented, comments considered, and findings made regarding the Energy Services Contract.

J. As security for the payment and performance of the City's obligations under the Master Lease and Equipment Schedule, the City is required to grant to Banc of America Public Capital Corp a first priority security interest constituting a first lien on the Equipment.

K. The City, Willdan Energy Solutions and Banc of America Public Capital Corp desire to enter into a Memorandum of Understanding ("Memorandum of Understanding") to evidence the granting of such security interest by the City to Banc of America Public Capital Corp.

L. Government Code Section 4217.13 further provides that a public agency may enter into a facility financing contract on terms that its governing body determinates "are in the best interest of the public agency if the determination is made at a regularly scheduled public hearing, public notice of which is given at least two weeks in advance, and if the governing body finds that the funds for the repayment of the financing or the cost of design, construction and operation of the emergency conservation facility or both, as required by the contract, are projected to be available from revenues resulting from ... funding that otherwise would have been used for purchase of electrical, thermal or other energy required by the public agency in the absence of the energy conservation facility…."

M. At its regular meeting of November 5, 2024 the City Council, in compliance with Government Code Section 4217.13 conducted a duly noticed public hearing to approve a facility financing contract with Banc of America Public Capital Corp on terms described in the materials included with this Resolution as part of the November 5, 2024 public hearing.

N. Notice of the public hearing was given no less than two weeks prior to the date of the November 5, 2024 public hearing through publication in the Tahoe Daily Tribune on October 18, 2024, as required by Government Code Section 4217.13.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, BE IT RESOLVED, that the City Council of the City of South Lake Tahoe hereby finds, determines, resolves and orders as follows:

1. Recitals. All the foregoing recitals are true and correct.

2. Findings. Based on the staff report and other materials included with this Resolution as part of the November 5, 2024 public hearing, execution of a facility financing contract with Banc of America Public Capital Corp on the material terms described in the staff report and other agenda the materials included with this Resolution as part of the November 5, 2024 public hearing is in the best interest of the City and the funds for the repayment of the financing or the cost of design, construction and operation of the energy conservation facility, as required by the contract, are projected to be available from revenues resulting from funding that otherwise would have been used for purchase of electrical, thermal or other energy required by the City in the absence of the energy conservation facilities contemplated under the previously approved Energy Service Contract with Willdan Energy Solutions.

3. Equipment Schedule. The Equipment Schedule proposed to be entered into by and between the City and Banc of America Public Capital Corp, in the form on file with the City Clerk, is hereby approved. Each of the Mayor, Mayor Pro Tem, the City Manager, and the Finance Director (together, the "Authorized Officers"), acting singly, is hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver the Equipment Schedule in substantially said form, and in accordance with the material terms agreed to by Banc of America Public Capital Corp as detailed in the staff report and other material accompanying this Resolution, with such changes therein as such Authorized Officer may require or approve (such approval to be conclusively evidenced by the execution and delivery thereof).

4. Escrow Agreement. The Escrow Agreement proposed to be entered into by and among the City, Banc of America Public Capital Corp, and U.S. Bank National Association, in the form on file with the City Clerk, is hereby approved. Each of the Authorized Officers, acting singly, is hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver the Escrow Agreement in substantially said form, with such changes therein as such Authorized Officer may require or approve (such approval to be conclusively evidenced by the execution and delivery thereof).

5. Memorandum of Understanding. The Memorandum of Understanding proposed to be entered into by and among the City, Banc of America Public Capital Corp, and Willdan Energy Solutions, in the form on file with the City Clerk, is hereby approved. Each of the Authorized Officers, acting singly, is hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver the Memorandum of Understanding in substantially said form, with such changes therein as such Authorized Officer may require or approve (such approval to be conclusively evidenced by the execution and delivery thereof).

6. Good Faith Estimates. In accordance with Government Code Section 5852.1, there has been presented to this City Council in the Staff Report accompanying this Resolution certain good faith estimates provided to the City by its Municipal Advisor with respect to the Bonds. The City Council hereby finds that the requirements of Government Code Section 5852.1 have been satisfied.

7. Professionals. In connection with the execution and delivery of the Equipment Schedule, the appointment of the following firms is hereby approved: (i) Nossaman LLP, as special counsel, and (ii) PFM Financial Advisors LLC, as municipal advisor, and (iii) Oppenheimer and Co. Inc., as placement agent.

8. Other Acts. The Authorized Officers and all other officers of City, are hereby authorized, jointly and severally, to execute and deliver any and all necessary instruments and to do all things which they may deem necessary or in the best interests of the City to effectuate the purposes of this Resolution and the documents approved hereby (and any such actions previously taken by such officers are hereby ratified and confirmed.

9. This Resolution shall take effect immediately upon its adoption by the City Council and the City Clerk shall certify to the adoption of this resolution and shall cause a certified resolution to be filed in the Office of the City Clerk.

Adopted by the City of South Lake Tahoe City Council on November 5, 2024, by the following vote:

YES:
NO:
ABSENT:
ABSTAIN:

_____ Date:_____, 2024
Cody Bass, Mayor

ATTEST:

_____
Susan Blankenship, City Clerk

Resolution 2024-XXX

Adopted by the City of South Lake Tahoe
City Council

November 5, 2024

Approving FY 2024-2025 Final Budget Appropriations for 2024 Banc of America Public Capital Corp Financing Agreement Proceeds and Energy Savings Contract with Willdan

BACKGROUND

A. On October 22, 2024, City Council approved the Energy Savings Contract with Willdan Energy Solutions, Inc. for the implementation of facility improvements, energy conservation, energy generation, and/or energy management services, for a not-to-exceed amount of $11,414,389, with a 5% City-controlled contingency, for a total required appropriations of $11,985,108, contingent upon securing financing for the portion of the project.

B. On September 25, 2024, Oppenheimer & Co, serving as placement agent, distributed a request for proposals to over twelve lenders, in response to which the City received financing proposals from seven lenders. Bank of America Public Capital Corp was selected as the lowest bidder.

C. The cost of the energy savings project to be financed from the project fund is $7,887,682. The remaining cost will be paid with $2 million grant funding previously approved and accepted, and $2,097,426 in General Fund contributions from Undesignated Excess Reserves.

D. The City of South Lake Tahoe needs to amend the 2024-2025 budget to approve final amounts of the financing proceeds and other funding sources. The new General Fund contributions amount exceeds the previously approved maximum appropriations of $2,000,000 by $97,426.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, BE IT RESOLVED, that the City Council of the City of South Lake Tahoe hereby:

1. Authorizes the final appropriations of the Banc of America Public Capital Corp. lease financing proceeds upon successful closing of financing scheduled for November 19, 2024, and other funding into Fiscal year 2024-2025 Budget as follows:

Account:	Description	Amount
401-01910-36406	Proceeds from BAPCC Loan Equipment Lease Financing	(-) $7,973,000
Account:	**Description**	**Amount**
401-01910-47040	Financing Issuance Cost	(+) $85,318
401-01910-50014	Transfer out to City CIP (project fund)	(+) $7,887,682

From Fund:	Source	Amount
30160085-36330	Equipment Lease Financing Proceeds (project fund)	(-) $7,887,682
30160085-36300	General Fund Undesignated Excess Reserves	(-) $2,097,426
30160081-33244	AHSC Grant (previously appropriated)	(-) $2,000,000
	Total Not to Exceed	**(-) $11,985,108**
To Fund:	**Task**	**Amount**
30160085-48030	Construction	(+) $9,414,389
30160081-48030	Construction (AHSC funded solar panel, previously appropriated)	(+) $2,000,000
30160085-48032	Contingency	(+) $570,719
	Total	**(+) $11,985,108**

Adopted by the City of South Lake Tahoe City Council on November 5, 2024 by the following vote:

Yes:
No:
Absent:
Abstain:

_____ Date:_____
Cody Bass, Mayor

Attest:

_____
Susan Blankenship, City Clerk

The presence of electronic signature certifies that the foregoing is a true and correct copy as approved by the South Lake Tahoe City Council.

EXHIBIT A-2

FORM OF EQUIPMENT SCHEDULE NO. 1 - ENERGY SERVICES EQUIPMENT

Re: Master Equipment Lease/Purchase Agreement, dated as of April 6, 2023, between Banc of America Public Capital Corp, a Kansas corporation, as Lessor, and City of South Lake Tahoe, California, as Lessee

1. *Defined Terms*. All terms used herein have the meanings ascribed to them in the above-referenced Master Equipment Lease/Purchase Agreement (the "*Agreement*").

2. *Equipment*.

(a) Location of Equipment: For purposes of the Lease created hereby, the location of Equipment is set forth below:

1176 Rufus Allen Blvd, 1352 Johnson Blvd, 1700 D St., South Lake Tahoe, CA 96150

(b) Equipment Description (Scope of Work): For purposes of the Lease created hereby, the description of the Equipment and the scope of work is set forth below:

Ice Arena Central Plant Replacements

Ice Arena Microturbine Refurb & Relocation

Police Department Solar PV

Motor Pool Solar PV

3. *Payment Schedule.*

(a) *Rental Payments; Commencement Date*. The Rental Payments shall be in such amounts and payable on such Rental Payment Dates as set forth in the Payment Schedule attached to this Equipment Schedule and incorporated herein by this reference, subject to adjustment upon the occurrence of an Event of Taxability as provided in Section 4.06 of the Agreement. Lessee's obligation to pay Rental Payments under the Lease created hereby shall commence on the earlier of (i) the date on which the Equipment listed in this Equipment Schedule is accepted by Lessee in the manner described in Section 5.01 of the Agreement, as evidenced by the Final Acceptance Certificate executed by Lessee and substantially in the form of *Exhibit E* attached to the Agreement, or (ii) the date on which the Acquisition Amount is deposited in an Escrow Account for the purpose of acquiring and installing the Equipment listed in this Equipment Schedule pursuant to Section 3.04(c) of the Agreement (the earlier of such two dates being herein referred to as the "*Commencement Date*").

(b) *Prepayment Price Schedule*. The Prepayment Price on each Rental Payment Date shall be the amount set forth for such Rental Payment Date in the "Prepayment Price" column of the Payment Schedule attached to this Equipment Schedule *plus* all Rental Payments then due (including the Rental Payment due on such Rental Payment Date) *plus* all other amounts then owing under this Equipment Schedule.

4. *Representations, Warranties and Covenants*. Lessee hereby represents, warrants and covenants that its representations, warranties and covenants set forth in the Agreement (particularly Section 2.01 thereof) are true and correct as though made on the Commencement Date. Lessee further represents and warrants and covenants that (a) no Material Adverse Change has occurred since the dated date of the Agreement; (b) no Event of Default has occurred and is continuing under any Lease currently in effect; (c) no Event of Non-appropriation under any Lease currently in effect has occurred or is threatened; (d) no Lease has been terminated as the result of the occurrence of an Event of Default or an Event of Non-appropriation; (e) the governing body of Lessee has authorized the execution and delivery of the Agreement and this Equipment Schedule; (f) the Equipment listed in this Equipment Schedule is essential to the functions of Lessee or to the services Lessee provides its citizens; (g) Lessee has an immediate need for, and expects to make immediate use of, substantially all such Equipment, which will be used by Lessee only for the purpose of performing one or more of Lessee's governmental or proprietary functions consistent with the permissible scope of its authority; (h) Lessee expects and anticipates adequate funds to be available for all future payments or rent due after the current budgetary period; (i) Lessee is the fee owner of the real estate where the Equipment is and will be located (the "*Real Property*") and has good and marketable title thereto, and there exists no mortgage, pledge, lien, security interest, charge or other encumbrance of any nature whatsoever on or with respect to such Real Property, except for the 2023 LRB Documents (as defined below). In the event any lien, encumbrance, restriction, asserted encumbrance, claim, dispute or other issue exists or arises with respect to the Lessee's legal title to or valid and marketable, beneficial use and enjoyment of the Real Property or impairs or adversely impacts Lessor's right, title or interest in the Equipment or any of Lessor's rights or remedies under the Lease with respect to the Equipment (each of the foregoing referred to as a *"Real Property Issue"*), Lessee will take all steps necessary to promptly quiet, resolve and/or eliminate such Real Property Issue to the satisfaction of Lessor and ensure that Lessee and Lessor have adequate access to and use of (including beneficial use and enjoyment of) the Real Property for all purposes of the Equipment contemplated herein and Lessee shall ensure that its fee interest in the Real Property and Lessor's right, title or interest in the Equipment and rights or remedies under the Lease with respect to the Equipment remain free and clear of Real Property Issues; (j) Lessee has adopted a debt policy in compliance with SB 1029 and Section 8855 of the Government Code of California *et seq.* and covenants that it shall comply with Section 8855 of the Government Code of California *et seq.* as amended (the *"CDIAC Act"*) throughout the Lease Term, including (i) preparing, submitting and filing the report of the proposed debt issuance relating to the Lease by the method required by the California Debt and Investment Advisory Commission (*"CDIAC"*), (ii) preparing, submitting and filing the report of final sale (and accompanying documents) relating to the Lease by the method required by CDIAC, (iii) submitting an annual report relating to the report of final sale for the Lease by the method required by CDIAC, and (iv) paying all fees charged by CDIAC or the CDIAC Act relating to the Lease, including, but not limited to the fee in an amount equal to one-fortieth of one percent of the Acquisition Amount or as otherwise prescribed by the CDIAC Act; (k) Lessee has not granted any

lien on the Collateral under the Lease that would be senior in priority to, or pari passu with, the first priority lien on the Collateral under the Lease granted to Lessor under Section 6.02 of the Agreement; (l) the street addresses and legal descriptions affixed to the UCC-1 financing statements and fixture filings filed and recorded with respect to the Equipment pursuant to Section 3.04(vii), Section 6.01 and/or Section 6.02 of the Agreement are true, accurate and complete street addresses and legal descriptions of all the properties on which the Equipment is located or to be installed. In the event any street address, legal description, other information, UCC-1 financing statement or fixture filing (or continuations or amendments thereof) filed or recorded with respect to the Lessor's interests in the Equipment or any of the real property on which the Equipment is located or to be installed reflects any incorrect or incomplete real property legal description, equipment description or other information, Lessee shall take all steps necessary at its expense (with the Lessor's prior written approval) to promptly correct any errors or deficiencies with respect to such legal descriptions, street address, other information, UCC-1 financing statements and/or fixture filings and to protect Lessor's interests in the Equipment; (m) Lessee will pay all Equipment Costs and costs of issuance in excess of the Acquisition Amount available therefor out of its own funds. Lessor shall not have any responsibility to pay amounts for any Equipment Costs or costs of issuance with respect to the Related Documents or the Equipment that individually or collectively exceed the Acquisition Amount; (n) Lessee has complied with California Government Code Section 4217.10 *et seq.* and other applicable law pertaining to the authorization of the Lease and the financing and acquisition by the Lessee of the Equipment; and (o) To the extent applicable, as determined by Lessee in its sole discretion, Lessee has complied with the requirements of California Government Code Section 5852.1 *et seq.* in connection with the Lease and the Equipment.

5. *The Lease*. The terms and provisions of the Agreement (other than to the extent that they relate solely to other Equipment Schedules or Equipment listed on other Equipment Schedules) are hereby incorporated into this Equipment Schedule by reference and made a part hereof.

6. *Acquisition Amount.* The Acquisition Amount that Lessor shall pay to the Escrow Agent for deposit into the Escrow Account in connection with this Equipment Schedule is $_____. It is expected that by twenty-three (23) months from the date of this Equipment Schedule No. 1, Lessee will have taken possession of all items of Equipment shown above and that the Lessee's final Disbursement Request pursuant to the Escrow Agreement will be signed by Lessee, approved by Lessor and delivered to the Escrow Agent on or before eighteen (18) months from the date of this Equipment Schedule.

7. *Acquisition Period.* The Acquisition Period applicable to this Equipment Schedule shall end at the conclusion of the twenty-third (23rd) month following the date hereof.

8. *Additional Representation Regarding the Use and Maintenance of the Equipment; Additional Representation Regarding Damage, Destruction and Condemnation*.

(a) Lessee agrees that it shall (a) proceed promptly, at its expense, to protect its rights and exercise its remedies under any warranty then in effect with respect to the Equipment under this Equipment Schedule; and (b) replace or rebuild any component of the Equipment under this

Equipment Schedule that becomes permanently unfit for normal use or inoperable during the Lease Term of this Equipment Schedule (herein, the "*Inoperable Component*") in order to keep the Equipment as a whole in good repair and working order during the Lease Term of this Equipment Schedule. Lessee shall promptly notify Lessor in writing when any component of the Equipment under this Equipment Schedule is reasonably expected within forty-five (45) days to become an Inoperable Component. Lessee shall promptly replace or rebuild the Inoperable Component under this Equipment Schedule with a similar component of comparable or improved make and model that has at least the equivalent value and utility of the applicable Inoperable Component, a remaining useful life of no less than the remaining Lease Term under this Equipment Schedule and such replacement or rebuilt component shall be in good operating condition.

(b) If Lessee elects to replace any item of the Equipment with Replacement Equipment pursuant to Section 8.01 of the Agreement, in addition to the other requirements set forth in Section 8.01, the Replacement Equipment shall also provide at least the same level of energy and/or operational savings expected in the aggregate from the Replaced Equipment prior to such casualty, destruction or condemnation.

9. *Liability Insurance*. Lessee shall, during the Lease Term under this Equipment Schedule, maintain or cause to be maintained liability insurance naming Lessor and its assigns as additional insured that protects Lessor from liability with limits of at least $5,000,000 per occurrence for bodily injury and property damage coverage (such liability insurance coverage may be in a combination of primary general liability and/or excess liability umbrella coverage).

10. *Surety Bonds*; *Lessee to Pursue Remedies Against Contractors and Sub-Contractors and Their Sureties*. Lessee shall secure from each Vendor directly employed by Lessee in connection with the acquisition, construction, installation, improvement or equipping of the Equipment listed in this Equipment Schedule, a payment and performance bond ("Surety Bond") executed by a surety company authorized to do business in the State, having a financial strength rating by A.M. Best Company of "A-" or better, and otherwise satisfactory to Lessor and naming Lessor as a co-obligee in a sum equal to the entire amount to become payable under each Vendor Agreement. Each bond shall be conditioned on the completion of the work in accordance with the plans and specifications for the Equipment listed in this Equipment Schedule and upon payment of all claims of subcontractors and suppliers. Lessee shall cause the surety company to add Lessor as a co-obligee on each Surety Bond, and shall deliver a certified copy of each Surety Bond to Lessor promptly upon receipt thereof by Lessee. Any proceeds from a Surety Bond shall be applied in accordance with such Surety Bond to the payment and performance of the Vendor's obligations in accordance with the related Vendor Agreement and, if for whatever reason such proceeds are not so applied, first to amounts due Lessor under this Equipment Schedule, and any remaining amounts shall be payable to Lessee.

In the event of a material default of any Vendor under any Vendor Agreement in connection with the acquisition, construction, maintenance and/or servicing of the Equipment listed in this Equipment Schedule or in the event of a material breach of warranty with respect to any material workmanship or performance guaranty with respect to such Equipment, Lessee will promptly proceed to exhaust its remedies against the Vendor in default. Lessee shall advise Lessor of the steps it intends to take in connection with any such default. Any amounts received by Lessee in

respect of damages, refunds, adjustments or otherwise in connection with the foregoing shall be paid to Lessor and applied against Lessee's obligations under this Equipment Schedule.

As a prerequisite to the performance by Lessor of any of its obligations under this Equipment Schedule, Lessee shall deliver to Lessor, in form and substance satisfactory to Lessor, a certified copy of each Surety Bond satisfying the conditions set forth in this Section 10, or, at Lessor's sole discretion, such Surety Bonds may be provided after the Commencement Date of this Equipment Schedule, provided however, that no "Disbursement Request" pursuant to the Escrow Agreement for this Equipment Schedule shall be authorized by Lessor until such Surety Bonds satisfying the conditions set forth in this Section 10 have been delivered to Lessor.

11. *Lease Term*. The Lease Term shall consist of the Original Term and ____ consecutive Renewal Terms, with the final Renewal Term ending on _____, subject to earlier termination pursuant to the Agreement.

12. *Further Assurances from Lessee Regarding Equipment located on 2023 LRB Leased Property*.

(a) The Lessee (the *"City"*) hereby notifies the Lessor that The Bank of New York Mellon Trust Company, N.A., is the trustee (the *"Trustee"*) for the holders of the South Tahoe Joint Powers Financing Authority, Lease Revenue Bonds, 2023 Series A (the *"Bonds"*), issued pursuant to that certain Indenture, dated as of August 1, 2023 (as amended, supplemented or restated, the *"2023 Indenture"*), between the South Tahoe Joint Powers Financing Authority, a joint powers authority organized and existing under the laws of the State of California (the *"Authority"*) and the Trustee. The Bonds are payable from amounts received by the Authority or the Trustee under or with respect to that certain Sublease, dated as of August 1, 2023 (amended, supplemented or restated, the *"2023 Sublease"*), between the Authority, as lessor, and the City, as lessee, including the right to receive Base Rental Payments to be made by the City to the Authority thereunder and recorded in the official records of the El Dorado County Recorder on August 30, 2023 as document number 2023-0024369. Pursuant to that certain Lease Agreement, dated as of August 1, 2023 between the City and the Authority (amended, supplemented or restated, the *"2023 Lease Agreement"*) and recorded in the official records of the El Dorado County Recorder on August 30, 2023 as document number 2023-0024368, the City has leased to the Authority certain real property and improvements located in the State of California, County of El Dorado, and described on Attachment I (the *"Leased Property"*) attached hereto, which Leased Property has been subleased from the Authority to the City pursuant to the 2023 Sublease. Pursuant to an Assignment Agreement dated as of August 1, 2023 (amended, supplemented or restated, the *"2023 Assignment Agreement"*) and recorded in the official records of the El Dorado County Recorder on August 30, 2023 as document number 2023-0024370, between the Trustee and the Authority, the Authority assigned to the Trustee, for the benefit of the owners of the Bonds, all of its right, title and interest in, to and under the 2023 Sublease and the 2023 Lease Agreement, including the right to receive Base Rental Payments under the 2023 Sublease. The 2023 Lease Agreement, the 2023 Sublease, the 2023 Indenture and the 2023 Assignment Agreement are collectively referred to herein as the 2023 LRB Documents.

(b) The Lessee hereby certifies to the Lessor that Section 6 of the 2023 Sublease provides that:

> "The City shall have the right during the term of this Sublease to acquire and construct improvements or to attach fixtures, structures or signs to any of the Leased Property if the improvements, fixtures, structures or signs are necessary or beneficial for the use of such Leased Property by the City; provided, however, that no such acquisition or construction shall result in a material reduction in the aggregate value of the Leased Property or reduce the aggregate fair rental value thereof or result in an abatement of the Rental Payments.
>
> Upon termination of this Sublease, the City may remove any fixture, structure or sign added by the City, but such removal shall be accomplished so as to leave the Leased Property, except for ordinary wear and tear and damage by casualty, in substantially the same condition as they were in before the fixture, structure or sign was attached."

(c) The City hereby certifies and covenants to the Lessor that (i) the Lease and the grant of the first priority security interest to Lessor in the Equipment located on the Leased Property complies with Section 6 of the 2023 Sublease, (ii) the Equipment constitutes improvements, fixtures, structures or signs that are necessary or beneficial for the use of such Leased Property by the City, and that the acquisition, construction or installation of the Equipment on the Leased Property will not result in a material reduction in the aggregate value of the Leased Property or reduce the aggregate fair rental value thereof or result in an abatement of the Base Rental Payments, (iii) notwithstanding the means by which the Equipment may be located upon, attached or affixed to the Leased Property, the Equipment shall be and remain equipment or other personal property and shall not be considered part of the Leased Property, (iv) upon acceptance of title to the Equipment, the title to and the personal property nature of the Equipment will be controlled by the terms of the Lease, (v) the Trustee has no interest in, right or claim to and lien on the Equipment, including, but not limited to, any right of levy upon the Equipment, (v) the Lessor is entitled to exercise all rights and remedies with respect to the Equipment (including the Equipment located on the Leased Property) as provided in the Lease, (vi) without any liability whatsoever to the Lessor or the Trustee, the City may (and upon Lessor's written request, shall) enter upon the Leased Property for the purpose of protecting or exercising Lessor's rights to the Equipment, including but not limited to physically detaching and removing the Equipment from the Leased Property for return to the Lessor, and (vii) upon any such removal of the Equipment from the Leased Property at the request of the Lessor, the City (and not the Lessor) shall be liable for ensuring that the Leased Property reverts to the same condition as it was before the Equipment was attached to the Leased Property to the extent required by the 2023 Sublease.

[Signature page follows.]

Dated: November 19, 2024

LESSOR:
Banc of America Public Capital Corp
11333 McCormick Road
Hunt Valley II
M/C MD5-032-07-05
Hunt Valley, MD 21031
Attention: Contract Administration
Fax No.: (443) 541-3057

By:_____
Name: _____
Title: _____

LESSEE:
City of South Lake Tahoe, California
City Hall
1901 Lisa Maloff Way, Suite 210
South Lake Tahoe, CA 96150
Attention: Finance Director
Fax No. (530) 542-6046

By: _____
Name: _____
Title: _____

_____(Seal)

_____By: _____
_____Name: _____
_____Title: _____

_____ATTEST:

_____By: _____
_____Name _____
_____Title: _____

Counterpart No. _____ of _____ manually executed and serially numbered counterparts. To the extent that the Lease created hereby constitutes chattel paper (as defined in the applicable Uniform Commercial Code), no security or ownership interest herein may be created through the transfer or possession of any Counterpart other than Counterpart No. 1.

ATTACHMENT I

LEASED PROPERTY

relating to

South Tahoe Joint Powers Financing Authority Lease Revenue Bonds, 2023 Series A

ESCROW AND ACCOUNT CONTROL AGREEMENT

This Escrow and Account Control Agreement (this *"Agreement"*), dated as of November 19, 2024, by and among Banc of America Public Capital Corp, a Kansas corporation (together with its successors and assigns, hereinafter referred to as *"Lessor"*), City of South Lake Tahoe, California, a city existing under the laws of the State of California (hereinafter referred to as *"Lessee"*) and U.S. Bank National Association, a national banking association organized under the laws of the United States of America (hereinafter referred to as *"Escrow Agent"*).

Reference is made to that certain Equipment Schedule No. 1-Energy Services Equipment dated as of November 19, 2024, to Master Equipment Lease/Purchase Agreement dated as of April 6, 2023 between Lessor and Lessee (hereinafter referred to as the *"Lease"*), covering the acquisition and lease of certain Equipment described therein (the *"Equipment"*). It is a requirement of the Lease that the Acquisition Amount ($_____) be deposited into a segregated escrow account under terms satisfactory to Lessor, for the purpose of fully funding the Lease, and providing a mechanism for the application of such amounts to the purchase of and payment for the Equipment. Lessor and Lessee acknowledge that: (i) Escrow Agent is not a party to and has no duties or obligations under the Lease; (ii) all references in this Agreement to the Lease are solely for the convenience of Lessor and Lessee; and (iii) Escrow Agent shall have no implied duties beyond the express duties set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

Section *1*. *Creation of Escrow Account*. (a) There is hereby created an escrow fund to be known as the "City of South Lake Tahoe Escrow Account" (the *"Escrow Account"*) to be held by the Escrow Agent for the purposes stated herein, for the benefit of Lessor and Lessee, to be held, disbursed and returned in accordance with the terms hereof.

(b) Lessee may, from time to time, provide written instructions for Escrow Agent to use any available cash in the Escrow Account to purchase any money market fund or liquid deposit investment vehicle that Escrow Agent from time to time makes available to the parties hereto. Such written instructions shall be provided via delivery to Escrow Agent of a signed and completed Escrow Account Investment Selection Form (such form available from Escrow Agent upon request). In the absence of written investment instruction from Lessee, Escrow Agent is directed to invest and reinvest the funds in the Escrow Account in the investment identified in Exhibit B. All funds invested by Escrow Agent at the direction of Lessee in such short-term investments (as more particularly described in Escrow Agent's Escrow Account Investment Selection Form) shall be deemed to be part of the Escrow Account and subject to all the terms and conditions of this Agreement. If any cash is received for the Escrow Account after the cut-off time for the designated short-term investment vehicle, the Escrow Agent shall hold such cash uninvested until the next Business Day. "Business Day" means a day other than a Saturday, Sunday or legal holiday, on which banking institutions are not closed in Chicago, Illinois, San Francisco, California or New York, New York. In the absence of written instructions from Lessee (on Escrow Agent's Escrow Account Investment Selection Form) designating a short-term investment of cash in the Escrow

Account, cash in the Escrow Account shall remain uninvested and it shall not be collateralized. Escrow Agent shall have no obligation to pay interest on cash in respect of any period during which it remains uninvested. Lessee shall be solely responsible for ascertaining that all proposed investments and reinvestments are Qualified Investments and that they comply with federal, state and local laws, regulations and ordinances governing investment of such funds and for providing appropriate notice to the Escrow Agent for the reinvestment of any maturing investment. Accordingly, neither the Escrow Agent nor Lessor shall be responsible for any liability, cost, expense, loss or claim of any kind, directly or indirectly arising out of or related to the investment or reinvestment of all or any portion of the moneys on deposit in the Escrow Account, and Lessee agrees to and does hereby release the Escrow Agent and Lessor from any such liability, cost, expenses, loss or claim. Interest on the Escrow Account shall become part of the Escrow Account, and gains and losses on the investment of the moneys on deposit in the Escrow Account shall be borne by the Lessee. The Escrow Agent shall have no discretion whatsoever with respect to the management, disposition or investment of the Escrow Account. The Escrow Agent shall not be responsible for any market decline in the value of the Escrow Account and has no obligation to notify Lessor and Lessee of any such decline or take any action with respect to the Escrow Account, except upon specific written instructions stated herein. For purposes of this Agreement, "Qualified Investments" means any investments which meet the requirements of California Government Code Sections 53600 et seq.

(c) Unless the Escrow Account is earlier terminated in accordance with the provisions of paragraph (d) below, amounts in the Escrow Account shall be disbursed by the Escrow Agent in payment of amounts described in Section 2 hereof upon receipt of written instruction(s) from Lessor, as is more fully described in Section 2 hereof. If the amounts in the Escrow Account are insufficient to pay such amounts, Lessee shall provide any balance of the funds needed to complete the acquisition of the Equipment. Any moneys remaining in the Escrow Account on or after the earlier of (i) the expiration of the Acquisition Period or (ii) the date on which Lessee executes an Acceptance Certificate shall be applied as provided in Section 4 hereof.

(d) The Escrow Account shall be terminated at the earliest of (i) the final distribution of amounts in the Escrow Account, (ii) the date on which Lessee executes a Final Acceptance Certificate (as notified to Escrow Agent pursuant to Section 4) or (iii) written notice given by Lessor to Escrow Agent of the occurrence of an Event of Default under the Lease or termination of the Lease due to an Event of Non-appropriation. Notwithstanding the foregoing, this Agreement shall not terminate nor shall the Escrow Account be closed until all funds deposited hereunder have been disbursed.

(e) The Escrow Agent may act in reliance upon any writing or instrument or signature which it, in good faith, believes to be genuine and may assume the validity and accuracy of any statement or assertion contained in such a writing or instrument. The Escrow Agent shall not be liable in any manner for the sufficiency or correctness as to form, manner of execution, or validity of any instrument nor as to the identity, authority, or right of any person executing the same; and its duties hereunder shall be limited to the receipt of such moneys, instruments or other documents received by it as the Escrow Agent, and for the disposition of the same in accordance herewith. Notwithstanding and without limiting the generality of the foregoing, concurrent with the execution of this Agreement, Lessee and Lessor, respectively, shall deliver to the Escrow Agent

an authorized signers form in the form of Exhibit A-1 (Lessee) and Exhibit A-2 (Lessor) attached hereto. Notwithstanding the foregoing sentence, the Escrow Agent is authorized to comply with and rely upon any notices, instructions or other communications believed by it to have been sent or given by the parties or by a person or persons authorized by the parties. The Escrow Agent specifically allows for receiving direction by written or electronic transmission from an authorized representative with the following caveat, to the extent permitted by law, Lessee and Lessor agree to indemnify and hold harmless the Escrow Agent against any and all claims, losses, damages, liabilities, judgments, costs and expenses (including reasonable attorneys' fees) (collectively, *"Losses"*) incurred or sustained by the Escrow Agent as a result of or in connection with the Escrow Agent's reliance upon and compliance with instructions or directions given by written or electronic transmission given by each, respectively, *provided, however*, that such Losses have not arisen from the gross negligence or willful misconduct of the Escrow Agent, it being understood that forbearance on the part of the Escrow Agent to verify or confirm that the person giving the instructions or directions, is, in fact, an authorized person shall not be deemed to constitute gross negligence or willful misconduct.

In the event conflicting instructions as to the disposition of all or any portion of the Escrow Account are at any time given by Lessor and Lessee, the Escrow Agent shall abide by the instructions or entitlement orders given by Lessor without consent of the Lessee.

(f) Unless the Escrow Agent is guilty of gross negligence or willful misconduct with regard to its duties hereunder, Lessee agrees to and does hereby release and indemnify the Escrow Agent and each director, officer, employee and affiliate of Escrow Agent (collectively with Escrow Agent, the "Indemnified Parties") and hold each harmless from any and all claims, liabilities, losses, actions, suits or proceedings at law or in equity, or any other expense, fees or charges of any character or nature, which it may incur or with which it may be threatened by reason of acting as Escrow Agent under this Agreement; and in connection therewith, does to the extent permitted by law indemnify the Indemnified Parties against any and all expenses; including reasonable attorneys' fees and the cost of defending any action, suit or proceeding or resisting any claim. The obligations of Lessee under this Section 1(f) shall survive any termination of this Agreement and the resignation or removal of Escrow Agent.

(g) If Lessee and Lessor shall be in disagreement about the interpretation of the Lease, or about the rights and obligations, or the propriety of any action contemplated by the Escrow Agent hereunder or if Escrow Agent is uncertain of the proper actions with respect to its obligations hereunder, the Escrow Agent may suspend its performance hereunder until such disagreement or uncertainty is resolved to its satisfaction and may, but shall not be required to, file an appropriate civil action including an interpleader action to resolve the disagreement; provided that in the event conflicting interpretations or instructions as to the disposition of all or any portion of the Escrow Account are at any time given by Lessor and Lessee, the Escrow Agent shall abide by the instructions or entitlement orders given by Lessor without consent of the Lessee. The Escrow Agent shall be reimbursed by Lessee for all costs, including reasonable attorneys' fees, in connection with such civil action, and shall be fully protected in suspending all or part of its activities hereunder until such disagreement or uncertainty is resolved to its satisfaction or until a final judgment in such action is received.

(h) The Escrow Agent may consult with counsel of its own choice and shall have full and complete authorization and protection with the opinion of such counsel. The Escrow Agent shall otherwise not be liable for any mistakes of fact or errors of judgment, or for any acts or omissions of any kind unless caused by its willful misconduct.

(i) Lessee shall reimburse the Escrow Agent for all reasonable costs and expenses in accordance with Exhibit C, including those of the Escrow Agent's attorneys, agents and employees incurred for non-routine administration of the Escrow Account and the performance of the Escrow Agent's powers and duties hereunder in connection with any Event of Default under the Lease, any termination of the Lease due to an Event of Non-appropriation or in connection with any dispute between Lessor and Lessee concerning the Escrow Account. Lessee's obligations under this Section 1(i) shall survive any termination of this Agreement and the resignation or removal of Escrow Agent.

(j) The Lessee and Lessor may at any time jointly agree to remove or replace the Escrow Agent by giving the Escrow Agent prior written notice. The Escrow Agent or any successor may at any time resign by giving mailed notice to Lessee and Lessor of its intention to resign and of the proposed date of resignation (the *"Effective Date"*), which shall be a date not less than 60 days after such notice is delivered to an express carrier, charges prepaid, unless an earlier resignation date and the appointment of a successor shall have been approved by the Lessee and Lessor. After the Effective Date, the Escrow Agent shall be under no further obligation except to hold the Escrow Account in accordance with the terms of this Agreement, pending receipt of written instructions from Lessee and Lessor regarding appointment of a successor Escrow Account. If Lessee and Lessor fail to jointly appoint a successor Escrow Agent prior to the Effective Date, Escrow Agent may petition a court of competent jurisdiction to appoint a successor escrow agent, and all costs and expenses related to such petition shall be paid by Lessee.

(k) The Escrow Agent shall have no responsibilities, obligations or duties other than those expressly set forth in this Agreement and no implied duties responsibilities or obligations shall be read into this Agreement.

(l) In no event will Escrow Agent be liable for incidental, indirect, special, consequential or punitive damages or penalties of any kind (including, but not limited to lost profits), even if Escrow Agent has been advised of the likelihood of such damages or penalty and regardless of the form of action.

(m) To the extent legally permissible, the Escrow Agent shall provide the Lessee and Lessor with prompt notice if any portion of the Escrow Account is at any time attached, garnished or levied upon, or otherwise subject to any writ, order, decree or process of any court, or in case disbursement of the Escrow Account is stayed or enjoined by any court order. Escrow Agent shall, to the extent legally permissible, promptly inform Lessee and Lessor as to how it intends to respond to any of the foregoing actions and shall work with the Lessee and Lessor in good faith to respond in a manner that protects the Escrow Agent, the Escrow Account and the interests of Lessor as secured party with respect thereto. .

(n) Escrow Agent and any stockholder, director, officer or employee of Escrow Agent may buy, sell and deal in any of the securities of any other party hereto and contract and lend money to any other party hereto and otherwise act as fully and freely as though it were not Escrow Agent under this Agreement. Nothing herein will preclude Escrow Agent from acting in any other capacity for any other party hereto or for any other person or entity.

(o) Escrow Agent will not be responsible for temporary delays in disbursing funds from the Escrow Account resulting from acts of God, strikes, lockouts, riots, acts of war or terror, epidemics, governmental regulations, fire communication line failures, computer, viruses, attacks or intrusions, power failures, earthquakes or any other circumstances beyond its control; provided that the Escrow Agent agrees to hold the funds on deposit in the Escrow Account for the benefit of the Lessee and Lessor subject to the terms hereof, and the foregoing force majeure provision shall not in any way reduce or absolve the Escrow Agent's obligation to maintain, hold, and protect the funds in the Escrow Account for the benefit of the Lessee and Lessor. In fulfilling its obligations hereunder, the Escrow Agent shall employ procedures and adhere to the standards that an escrow agent would employ acting as an escrow agent in similar transactions with respect to the duties expressly set forth in this Agreement.

Section *2*. *Acquisition and Installation of Equipment*.

(a)*Acquisition Contracts*. Lessee will arrange for, supervise and provide for, or cause to be supervised and provided for, the acquisition of the Equipment, with moneys available in the Escrow Account. Lessee represents the estimated costs of the Equipment are within the funds estimated to be available therefor, and Lessor makes no warranty or representation with respect thereto. Lessor shall have no liability under any of the acquisition or construction contracts. Lessee shall obtain all necessary permits and approvals, if any, for the acquisition, equipping and installation of the Equipment, and the operation and maintenance thereof. Escrow Agent shall have no duty to monitor or enforce Lessee's compliance with the foregoing covenant.

(b) *Authorized Escrow Account Disbursements*. It is agreed as between Lessee and Lessor that disbursements from the Escrow Account shall be made for the purpose of paying the cost of acquiring the Equipment.

(c) *Requisition Procedure*. No disbursement from the Escrow Account shall be made unless and until Lessor has approved such requisition. Prior to disbursement from the Escrow Account there shall be filed with the Escrow Agent a requisition for such payment in the form of Disbursement Request attached hereto as Schedule 1, stating each amount to be paid and the name of the person, firm or corporation to whom payment thereof is due. All disbursements shall be made by wire transfer. The Escrow Agent is authorized to obtain and rely on confirmation of such Disbursement Request and payment instructions by telephone call-back to the person or persons designated for verifying such requests on Exhibit A-2 (such person verifying the request shall be different than the person initiating the request). The Lessor and Lessee hereby confirm that any call-back performed by Escrow Agent to verify a disbursement instruction pursuant to a Disbursement Request submitted pursuant to this Section 2(c) before release, shall be made to Lessor only and Escrow Agent shall have no obligation to call-back Lessee.

Each such Disbursement Request shall be signed by an authorized representative of Lessee (an *"Authorized Representative"*) and by Lessor, and shall be subject to the following conditions, which Escrow Agent shall conclusively presume have been satisfied at such time as a requisition executed by Lessee and Lessor is delivered to it:

1. Delivery to Lessor of an executed Disbursement Request in the form attached hereto as Schedule 1;

2. Delivery to Lessor of copies of invoices (and proofs of payment of such invoices, if Lessee seeks reimbursement) and bills of sale therefor or other evidence of title transfer, and release by Vendor of any security interest, therefor as required by Section 3.04 of the Lease and any additional documentation reasonably requested by Lessor; and

3. The disbursement shall occur during the Acquisition Period.

Lessee and Lessor agree that their execution of the form attached hereto as Schedule 1 and delivery of the executed form to Escrow Agent confirms that all of the requirements and conditions with respect to disbursements set forth in this Section 2 have been satisfied.

Section *3.* *Deposit to Escrow Account*. Upon satisfaction of the conditions specified in Section 3.04 of the Lease, Lessor will cause the Acquisition Amount to be deposited in the Escrow Account. Lessee agrees to pay any costs with respect to the Equipment in excess of amounts available therefor in the Escrow Account.

Section *4.* *Excess Proceeds in Escrow Account.* Upon receipt of written instructions from Lessor including a representation that one of the following conditions has been satisfied (upon which representation Escrow Agent shall conclusively rely), any funds remaining in the Escrow Account on or after the earliest of (a) the expiration of the Acquisition Period, (b) the date on which Lessee delivers to the Lessor the executed Final Acceptance Certificate or the executed Disbursement Request to effect the final disbursement to pay (or reimburse) Equipment Costs from the Escrow Account or (c) a termination of the Escrow Account as provided in this Agreement, shall be distributed by the Escrow Agent to the Lessor in order for the Lessor to apply such funds to amounts owed by Lessee under the Lease in accordance with Section 4.07 of the Lease.

Section *5.* *Security Interest*. The Escrow Agent and Lessee acknowledge and agree that the Escrow Account and all proceeds thereof are being held by Escrow Agent for disbursement or return as set forth herein. Lessee hereby grants to Lessor a first priority perfected security interest in the Escrow Account, and all proceeds thereof, and all investments made with any amounts in the Escrow Account. If the Escrow Account, or any part thereof, is converted to investments as set forth in this Agreement, such investments shall be made in the name of Escrow Agent and the Escrow Agent hereby agrees to hold such investments as bailee for Lessor so that Lessor is deemed to have possession of such investments for the purpose of perfecting its security interest.

Section *6.* *Control of Escrow Account*. In order to perfect Lessor's security interest by means of control in (i) the Escrow Account established hereunder, (ii) all securities entitlements, investment property and other financial assets now or hereafter credited to the Escrow Account,

(iii) all of Lessee's rights in respect of the Escrow Account, such securities entitlements, investment property and other financial assets, and (iv) all products, proceeds and revenues of and from any of the foregoing personal property (collectively, the *"Collateral"*), Lessor, Lessee and Escrow Agent further agree as follows:

(a) All terms used in this Section 6 which are defined in the California Commercial Code (the *"Commercial Code"*) but are not otherwise defined herein shall have the meanings assigned to such terms in the Commercial Code, as in effect on the date of this Agreement.

(b) Escrow Agent will comply with all entitlement orders originated by Lessor with respect to the Collateral, or any portion of the Collateral, without further consent by Lessee.

(c) *Provided* that account investments shall be held in the name of the Escrow Agent, Escrow Agent hereby represents and warrants (i) that the records of Escrow Agent show that Lessee is the sole owner of the Collateral, (ii) that Escrow Agent has not been served with any notice of levy or received any notice of any security interest in or other claim to the Collateral, or any portion of the Collateral, other than Lessor's claim pursuant to this Agreement, and (iii) that Escrow Agent is not presently obligated to accept any entitlement order from any person with respect to the Collateral, except for entitlement orders that Escrow Agent is obligated to accept from Lessor under this Agreement and entitlement orders that Escrow Agent, subject to the provisions of paragraph (e) below, is obligated to accept from Lessee.

(d) Without the prior written consent of Lessor, Escrow Agent will not enter into any agreement by which Escrow Agent agrees to comply with any entitlement order of any person other than Lessor or, subject to the provisions of paragraph (e) below, Lessee, with respect to any portion or all of the Collateral. Escrow Agent shall promptly notify Lessor if any person requests Escrow Agent to enter into any such agreement or otherwise asserts or seeks to assert a lien, encumbrance or adverse claim against any portion or all of the Collateral.

(e) Except as otherwise provided in this paragraph (e) and subject to Section 1(b) hereof, Lessee may effect sales, trades, transfers and exchanges of Collateral within the Escrow Account, but will not, without the prior written consent of Lessor, withdraw any Collateral from the Escrow Account. Escrow Agent acknowledges that Lessor reserves the right, by delivery of written notice to Escrow Agent, to prohibit Lessee from effecting any withdrawals (including withdrawals of ordinary cash dividends and interest income), sales, trades, transfers or exchanges of any Collateral held in the Escrow Account. Further, Escrow Agent hereby agrees to comply with any and all written instructions delivered by Lessor to Escrow Agent (once it has had a reasonable opportunity to comply therewith) and has no obligation to, and will not, investigate the reason for any action taken by Lessor, the amount of any obligations of Lessee to Lessor, the validity of any of Lessor's claims against or agreements with Lessee, the existence of any defaults under such agreements, or any other matter.

(f) Lessee hereby irrevocably authorizes Escrow Agent to comply with all instructions and entitlement orders delivered by Lessor to Escrow Agent.

(g) Escrow Agent will not attempt to assert control, and does not claim and will not accept any security or other interest in, any part of the Collateral, and Escrow Agent will not exercise, enforce or attempt to enforce any right of setoff against the Collateral, or otherwise charge or deduct from the Collateral any amount whatsoever.

(h) Escrow Agent and Lessee hereby agree that any property held in the Escrow Account shall be treated as a financial asset under such section of the Commercial Code as corresponds with Section 8-102 of the Uniform Commercial Code, notwithstanding any contrary provision of any other agreement to which Escrow Agent may be a party.

(i) Escrow Agent is hereby authorized and instructed, and hereby agrees, to send to Lessor at its address set forth in Section 8 below, concurrently with the sending thereof to Lessee, duplicate copies of any and all monthly Escrow Account statements or reports issued or sent to Lessee with respect to the Escrow Account.

Section *7*. *Information Required Under USA Patriot Act*. The parties acknowledge that in order to help the United States government fight the funding of terrorism and money laundering activities, pursuant to Federal regulations that became effective on October 1, 2003 (Section 326 of the USA Patriot Act) all financial institutions are required to obtain, verify, record and update information that identifies each person establishing a relationship or opening an account. The parties to this Agreement agree that they will provide to the Escrow Agent such information as it may request, from time to time, in order for the Escrow Agent to satisfy the requirements of the USA Patriot Act or any other legislation or regulation to which Escrow Agent is subject, including but not limited to the name, address, tax identification number and other information that will allow it to identify the individual or entity who is establishing the relationship or opening the account and may also ask for formation documents such as articles of incorporation or other identifying documents to be provided.

Section *8*. *Miscellaneous*. As between Lessee and Lessor, capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Lease, provided that Escrow Agent may but shall not be obligated to inquire with Lessee and Lessor for the meaning of any such defined terms that are used but not defined herein. This Agreement may not be amended except in writing signed by all parties hereto. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original instrument and each shall have the force and effect of an original and all of which together constitute, and shall be deemed to constitute, one and the same instrument. Notices hereunder shall be made in writing and shall be deemed to have been duly given when personally delivered or when deposited in the mail, first class postage prepaid, or delivered to an express carrier, charges prepaid, or sent by facsimile with electronic confirmation, addressed to each party at its address below.

Notices and other communications hereunder may be delivered or furnished by electronic mail *provided* that any formal notice be attached to an email message in PDF format and *provided further* that any notice or other communication sent to an e-mail address shall be deemed received

upon and only upon the sender's receipt of affirmative acknowledgement or receipt from the intended recipient. For purposes hereof no acknowledgement of receipt generated on an automated basis shall be deemed sufficient for any purpose hereunder or admissible as evidence of receipt.

If to Lessor: Banc of America Public Capital Corp
11333 McCormick Road
Mail Code: MD5-032-07-05
Hunt Valley, MD 21031
Attn: Contract Administration
Fax: (443) 541-3057

If to Lessee: City of South Lake Tahoe, California
City Hall
1901 Lisa Maloff Way, Suite 210
South Lake Tahoe, CA 96150
Attention: Finance Director
Fax No. (530) 542-6046

If to Escrow Agent: U.S. Bank National Association
633 West Fifth Street, 24th Floor
Los Angeles, CA 90071
Attn: Global Corporate Trust
Telephone: (213) 615-6063
Email: ismael.diaz@usbank.com

Escrow Agent shall not have any duty to confirm that the person sending any notice by electronic transmission (including by e-mail, facsimile transmission, web portal or other electronic methods) is, in fact, a person authorized to do so. Electronic signatures believed by Escrow Agent to comply with the ESIGN Act of 2000 or other applicable law (including electronic images of handwritten signatures and digital signatures provided by DocuSign, Orbit, Adobe Sign or any other digital signature provider acceptable to Escrow Agent) shall be deemed original signatures for all purposes. Notwithstanding the foregoing, Escrow Agent may in any instance and in its sole discretion require that an original document bearing a manual signature be delivered to Escrow Agent in lieu of, or in addition to, any such electronic Notice. Lessor and Lessee agree to assume all risks arising out of the use of electronic signatures and electronic methods to submit instructions and directions to Escrow Agent, including without limitation the risk of Escrow Agent acting on unauthorized instructions, and the risk of interception and misuse by third parties.

Section *9*. Lessee and Lessor understand and agree that they are required to provide the Escrow Agent with a properly completed and signed Tax Certification (as defined below) for each payee and that the Escrow Agent may not perform its duties hereunder and/or may withhold taxes as required by the IRS Code without having been provided with such Tax Certification. As used herein "Tax Certification" shall mean an IRS form W-9 or W-8 as described above. The Escrow

Agent will comply with any U.S. tax withholding or backup withholding and reporting requirements that are required by law. With respect to earnings allocable to a foreign person, the Escrow Agent will withhold U.S. tax as required by law and report such earnings and taxes withheld, if any, for the benefit of such foreign person on IRS Form 1042-S (or any other required form), unless such earnings and withheld taxes are exempt from reporting under Treasury Regulation Section 1.1461-1(c)(2)(ii) or under other applicable law. With respect to earnings allocable to a United States person, the Escrow Agent will report such income, if required, on IRS Form 1099 or any other form required by law. The IRS Forms 1099 and/or 1042-S shall show the Escrow Agent as payor and Lessee as payee. Escrow Agent shall recognize Lessee as the owner of all interest income for regulatory reporting purposes. Except as otherwise agreed by Escrow Agent in writing, Escrow Agent has no tax reporting or withholding obligation except to the Internal Revenue Service with respect to Form 1099-B reporting on payments of gross proceeds under Internal Revenue Code Section 6045 and Form 1099 and Form 1042-S reporting with respect to investment income earned on the Escrow Account, if any.

Lessee and Lessor agree that they are not relieved of their respective obligations, if any, to prepare and file information reports under Code Section 6041, and the Treasury regulations thereunder, with respect to amounts of imputed interest income, as determined pursuant to Code Sections 483 or 1272. The Escrow Agent shall not be responsible for determining or reporting such imputed interest.

Section 10. This Agreement shall be governed by and construed in accordance with the laws of the State of California and the parties hereto consent to jurisdiction in the State of California and venue in any state or Federal court located in the State of California and venue in any state or Federal court located in the State of California, and each party expressly waives any objections that it may have to the venue of such courts. THE PARTIES HERETO EXPRESSLY WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY ACTION BROUGHT ON OR WITH RESPECT TO THIS AGREEMENT. If the waiver of jury trial contained herein is unenforceable for any reason, then the parties hereto agree that the court shall, and is hereby directed to, make a general reference pursuant to California Code of Civil Procedure Section 638 to a referee to hear and determine all of the issues in such action or proceeding (whether of fact or of law) and to report a statement of decision.

Section *11.* Any bank or corporation into which the Escrow Agent may be merged or with which it may be consolidated, or any bank or corporation to whom the Escrow Agent may transfer a substantial amount of its escrow business, shall be the successor to the Escrow Agent without the execution or filing of any paper or any further act on the part of any of the parties, anything herein to the contrary notwithstanding. Subject to Section 13, any bank or corporation into which the Lessor may be merged or with which it may be consolidated, or any bank or corporation to whom the Lessor may transfer a substantial amount of its business, shall be the successor to the Lessor without the execution or filing of any paper or any further act on the part of any of the parties, anything herein to the contrary notwithstanding.

Section *12.* This Agreement may be amended, modified, and/or supplemented only by an instrument in writing executed by all parties hereto.

Section *13.* No party hereto shall assign its rights hereunder until its assignee has submitted to the Escrow Agent (i) Patriot Act disclosure materials and the Escrow Agent has determined that on the basis of such materials it may accept such assignee as a customer and (ii) assignee has delivered an IRS Form W-8 or W-9, as appropriate, to the Escrow Agent which the Escrow Agent has determined to have been properly signed and completed. If Lessor notifies Lessee and Escrow Agent of its intent to assign this Agreement, each of Lessee and Escrow Agent agrees, subject to (i) and (ii) of this Section 13, that it shall execute and deliver to Lessor a Notice and Acknowledgement of Assignment substantially in the form of Exhibit D attached hereto within five (5) business days after its receipt of such request.

Section *14.* Escrow Agent will treat information related to this Agreement as confidential but, unless prohibited by law, Lessee and Lessor authorize the transfer or disclosure of any information relating to the Agreement to and between the subsidiaries, officers, affiliates and other representatives and advisors of Escrow Agent and third parties selected by any of them, wherever situated, for confidential use in the ordinary course of business, and further acknowledge that Escrow Agent and any such subsidiary, officer, affiliate or third party may transfer or disclose any such information as required by any law, court, regulator or legal process.

Lessor will treat information related to this Agreement as confidential but, unless prohibited by law, Escrow Agent and Lessee authorize the transfer or disclosure of any information relating to the Agreement to and between the subsidiaries, officers, affiliates, other representatives and advisors of Lessor and debt and equity sources and third parties selected by any of them, and to their prospective assignees wherever situated, for confidential use in the ordinary course of business, and further acknowledge that Lessor and any such subsidiary, officer, affiliate, debt and equity source or third party or prospective assignee may transfer or disclose any such information as required by any law, court, regulator or legal process.

For the avoidance of doubt, nothing herein prohibits any individual from communicating or disclosing information regarding suspected violations of laws, rules, or regulations to a governmental, regulatory, or self-regulatory authority without any notification to any person.

Lessee will treat the terms of this Agreement as confidential except on a "need to know" basis to persons within or outside Lessee's organization (including affiliates of such party), such as attorneys, accountants, bankers, financial advisors, auditors and other consultants of such party and its affiliates, except as required by any law, court, regulator or legal process and except pursuant to the express prior written consent of the other parties, which consent shall not be unreasonably withheld.

Section 15. The Related Documents may be executed and delivered by facsimile signature or other electronic or digital means (including, without limitation, Adobe's Portable Document Format ("PDF")). Any such signature shall be of the same force and effect as an original signature, it being the express intent of the parties to create a valid and legally enforceable contract between them. The exchange and delivery of the Related Documents and the related signature pages via facsimile or as an attachment to electronic mail (including in PDF) shall constitute effective execution and delivery by the parties and may be used by the parties for all

purposes. Notwithstanding the foregoing, at the request of either party, the parties hereto agree to exchange inked original replacement signature pages as soon thereafter as reasonably practicable.

[SIGNATURE PAGES TO FOLLOW]

IN WITNESS WHEREOF, the parties have executed this Escrow and Account Control Agreement as of the date first above written.

Banc of America Public Capital Corp,
as Lessor

By: _____
Name: _____
Title: _____

City of South Lake Tahoe, California
as Lessee

By:_____
Name: _____
Title: _____

U.S. Bank National Association, as Escrow Agent

By: _____
Name: _____
Title: _____

[Signature Page to Escrow and Account Control Agreement]

SCHEDULE 1
TO THE ESCROW AND ACCOUNT CONTROL AGREEMENT

FORM OF DISBURSEMENT REQUEST

Re: Equipment Schedule No. 1 dated as of November 19, 2024 to Master Equipment Lease/Purchase Agreement dated as of April 6, 2023 by and between Banc of America Public Capital Corp, as Lessor, and City of South Lake Tahoe, California, as Lessee (the *"Lease"*) (Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Lease.)

In accordance with the terms of the Escrow and Account Control Agreement, dated as of November 19, 2024 (the *"Escrow and Account Control Agreement"*) by and among Banc of America Public Capital Corp (*"Lessor"*), the City of South Lake Tahoe, California (*"Lessee"*) and U.S. Bank National Association, (the *"Escrow Agent"*), the undersigned hereby requests the Escrow Agent pay the following persons the following amounts from the Escrow Account created under the Escrow and Account Control Agreement for the following purposes:

DISBURSEMENT AMOUNTS:

PAYEE'S NAME AND ADDRESS (IF DISBURSEMENT VIA WIRE, MUST INCLUDE WIRE TRANSFER INSTRUCTIONS)	INVOICE NUMBER	DOLLAR AMOUNT	PURPOSE
<Payee's Name> <Payee Address 1> <Payee Address 2> <Payee Address 3> <Payee Bank Name*> <Payee Bank ABA/Routing*> <Payee Bank Account No*> <Payee Account Name*> <*Payee Address and Payee Bank information is required.>	<invoice list OR "see attached" with a spreadsheet>	< invoice amount>	<general description of equipment; ex "police cruiser">
<Payee's Name> <Payee Address 1> <Payee Address 2> <Payee Address 3> <Payee Bank Name*> <Payee Bank ABA/Routing*> <Payee Bank Account No*> <Payee Account Name*> <*Payee Address information is required. Payee Bank information only to be included for wire/EFT.>	<invoice list OR "see attached" with a spreadsheet>	<invoice amount>	[<general description of equipment; ex "police cruiser">]

Lessee hereby represents, covenants and warrants for the benefit of Lessor on the date hereof as follows:

(i) Each obligation specified in the table herein titled as "Disbursement Amounts" (a) has been incurred by Lessee in the stated amount, (b) the same is a proper charge against the Escrow Account for Equipment Costs relating to the Equipment identified above and has not been paid (or has been paid by Lessee and Lessee requests reimbursement thereof), and (c) has not been paid (or has been paid by Lessee and Lessee requests reimbursement thereof), and the Equipment relating to such obligation has been delivered, installed and accepted by Lessee. **[For COI Disbursement only: Each obligation specified in the table herein titled as "Disbursement Amounts" (a) has been incurred by Lessee in the stated amount, and (b) the same is a proper charge for costs of delivery of the Lease identified above and has not been paid (or has been paid by Lessee and Lessee requests reimbursement thereof, in which event Lessee further certifies that the requested reimbursement is not with respect to any amount previously paid).]**

(ii) For each item of Equipment relating to an obligation specified in the table herein titled as "Disbursement Amounts" (a) Lessee has conducted such inspection and testing of the Equipment as it deems necessary and appropriate in order to determine the Equipment's capability and functionality in order to accept such Equipment, (b) such Equipment has been delivered, installed, is operating in a manner consistent with the manufacturer's intended use and has been inspected and finally accepted for all purposes by Lessee and title thereto has transferred to Lessee and any security interest of Vendor therein has been released and (c) the date on which Equipment acceptance occurred is _____, 20__. Attached hereto is a copy of the original invoice, and certification from Vendor as to title transfer and release by Vendor of any security interest with respect to such obligation and the related AIA forms.

(iii) The undersigned, as Authorized Representative, has no notice of any vendor's, mechanic's or other liens or rights to liens, chattel mortgages, conditional sales contracts or security interest which should be satisfied or discharged before such payment is made.

(iv) This requisition contains no item representing payment on account, or any retained percentages which Lessee is, at the date hereof, entitled to retain (except to the extent such amounts represent a reimbursement to Lessee).

(v) The Equipment is insured in accordance with the Lease.

(vi) No Event of Default, and no event which with notice or lapse of time, or both, would become an Event of Default, under the Lease has occurred and is continuing at the date hereof. No Event of Non-appropriation has occurred or is threatened with respect to the Lease.

(vii) The disbursement shall occur during the Acquisition Period.

(viii) The representations, warranties and covenants of Lessee set forth in the Lease are true and correct as of the date hereof.

(ix) No Material Adverse Change has occurred since the date of the execution and delivery of the Lease.

(x) The information in this Disbursement Request regarding each Payee, including their respective name, address and wiring instructions (collectively, the "Payee Information"), is true and correct, such Payee Information has been verified and confirmed by Lessee and the Lessor can rely on Lessee's verification and confirmation of the accuracy of such Payee Information. Lessee hereby acknowledges and agrees that any call-back performed by Lessor to verify the disbursement instructions pursuant to this Disbursement Request shall be made to Lessee only and Lessor shall have no obligation to call-back any Payee listed above.

Dated: _____

CITY OF SOUTH LAKE TAHOE, CALIFORNIA

By:_____
Name: _____
Title: _____

Disbursement of funds from the Escrow Account in accordance with the foregoing Disbursement Request hereby is authorized

BANC OF AMERICA PUBLIC CAPITAL CORP
as Lessor under the Lease

By:_____
Name:_____
Title:_____

[AN "EXHIBIT A-1" MUST BE COMPLETED AND EXECUTED AT TIME OF EXECUTION OF THE AGREEMENT]

EXHIBIT A-1

FORM OF INCUMBENCY AND AUTHORIZATION CERTIFICATE

The undersigned, a duly elected or appointed and acting City Clerk of the City of South Lake Tahoe, California ("*Lessee*") certifies as follows:

A. The following listed persons are duly elected or appointed and acting officials of Lessee (the "*Officials*") in the capacity set forth opposite their respective names below and the facsimile signatures below are true and correct as of the date hereof;

B. The Officials are duly authorized, on behalf of Lessee, to negotiate, execute, in writing or electronically, and deliver the Equipment Schedule No. 1 dated as of November 19, 2024 to Master Equipment Lease/Purchase Agreement dated as of April 6, 2023 by and between Lessee and Banc of America Public Capital Corp ("*Lessor*"), the Escrow and Account Control Agreement dated as of November 19, 2024 by and among Lessor, Lessee and U.S. Bank National Association, as Escrow Agent, all documents related thereto and delivered in connection therewith, and any future modification(s) or amendments thereof (collectively, the "*Operative Agreements*"), and the Operative Agreements each are the binding and authorized agreements of Lessee, enforceable in all respects in accordance with their respective terms.

NAME OF OFFICIAL	TITLE	SIGNATURE
_____	_____	_____
_____	_____	_____
_____	_____	_____

Dated: November 19, 2024

By:_____
Name: _____
Title: _____

(The signer of this Certificate cannot be listed above as authorized to execute the Operative Agreements.)

[AN "EXHIBIT A-2" MUST BE COMPLETED AND EXECUTED AT TIME OF EXECUTION OF THE AGREEMENT]

EXHIBIT A-2

ESCROW AND ACCOUNT CONTROL AGREEMENT DATED AS OF NOVEMBER 19, 2024 BY AND AMONG BANC OF AMERICA PUBLIC CAPITAL CORP, AS LESSOR, THE CITY OF SOUTH LAKE TAHOE, CALIFORNIA, AS LESSEE AND U.S. BANK NATIONAL ASSOCIATION, AS ESCROW AGENT

CERTIFICATE OF AUTHORIZED REPRESENTATIVES – [LESSOR]

Name:	Candy Tam	**Name:**	Nancy Nusenko
Title:	Authorized Agent	**Title:**	Authorized Agent
Phone:	415-765-7492	**Phone:**	443-541-3646
Facsimile:	415-633-0183	**Facsimile:**	443-541-3057
E-mail:	Candy.tam@bofa.com	**E-mail:**	Nancy.a.nusenko@bofa.com
Signature:	_____	**Signature:**	_____

Fund Transfer / Disbursement Authority Level:
☐ Initiate
☐ Verify transactions initiated by others

Fund Transfer / Disbursement Authority Level:
☐ Initiate
☐ Verify transactions initiated by others

Name:	Nancy K. Hepner	**Name:**	Arlene Sobieck
Title:	Authorized Agent	**Title:**	Authorized Agent
Phone:	443-541-3645	**Phone:**	443-541-3643
Facsimile:	804-553-2407	**Facsimile:**	443-541-3057
E-mail:	Nancy.k.hepner@bofa.com	**E-mail:**	Arlene.sobieck@bofa.com
Signature:	_____	**Signature:**	_____

Fund Transfer / Disbursement Authority Level:
☐ Initiate
☐ Verify transactions initiated by others

Fund Transfer / Disbursement Authority Level:
☐ Initiate
☐ Verify transactions initiated by others

The Escrow Agent is authorized to comply with and rely upon any notices, instructions or other communications believed by it to have been sent or given by the person or persons identified above including without limitation, to initiate and verify funds transfers as indicated.

BANC OF AMERICA PUBLIC CAPITAL CORP

By:_____
Name:_____

Title:_____

Date: November 19, 2024

EXHIBIT B

MONEY MARKET DEPOSIT ACCOUNT AUTHORIZATION FORM

DESCRIPTION AND TERMS

The U.S. Bank Money Market Deposit Account is a U.S. Bank National Association (*"U.S. Bank"*) interest-bearing money market deposit account designed to meet the needs of its customers. Selection of this investment includes authorization to place funds on deposit and invest with U.S. Bank. U.S. Bank uses the daily balance method to calculate interest on this account (actual/365 or 366). This method applies a daily periodic rate to the principal balance in the account each day. Interest is accrued daily and credited monthly to the account. Interest rates are determined at U.S. Bank's discretion, and may be tiered by customer deposit amount.

The owner of the account is U.S. Bank, U.S. Bank Trust National Association, or U.S. Bank Trust Company National Association (as applicable) (the *"U.S. Bank Entities"*) as agent for Global Corporate Trust customers. The U.S. Bank Entities perform all account deposits and withdrawals. Deposit accounts are FDIC-insured per depositor, as determined under FDIC Regulations, up to applicable FDIC limits.

THE U.S. BANK ENTITIES, WHEN ACTING AS AN INDENTURE TRUSTEE OR IN A SIMILAR CAPACITY, ARE NOT REQUIRED TO REGISTER AS A MUNICIPAL ADVISOR WITH THE SECURITIES AND EXCHANGE COMMISSION FOR PURPOSES OF COMPLYING WITH THE DODD-FRANK WALL STREET REFORM & CONSUMER PROTECTION ACT. INVESTMENT ADVICE, IF NEEDED, SHOULD BE OBTAINED FROM YOUR INVESTMENT ADVISOR.

AUTOMATIC AUTHORIZATION

In the absence of specific written direction to the contrary as may be authorized under the governing agreement, the applicable U.S. Bank Entity is hereby directed to invest and reinvest proceeds and other available moneys in the U.S. Bank Money Market Deposit Account. Customer confirms that the U.S. Bank Money Market Deposit Account is a permitted investment under the governing agreement and this authorization is the permanent direction for investment of the moneys until the applicable U.S. Bank Entity is notified in writing of alternate instructions.

EXHIBIT C

ESCROW AGENT'S FEE SCHEDULE

SCHEDULE OF FEES FOR SERVICES AS ESCROW AGENT
FOR
CITY OF CITY OF SOUTH LAKE TAHOE ESCROW ACCOUNT

Acceptance Fee - The acceptance fee includes the administrative review of documents, initial set-up of the account, and other reasonably required services up to and including the closing. This is a one-time, non-refundable fee, payable at closing.	*Amount* Waived
Escrow Agent Depository - Annual fee for the standard escrow agent depository services associated with the administration of the account. Administration fees are payable in advance.	*Amount* Waived

Direct Out of Pocket Expenses. Reimbursement of expenses associated with the performance of our duties, including but not limited to publications, legal counsel's fees and expenses after the initial closing, travel expenses, and filing fees will be billed at cost.

Extraordinary Administration Services. Extraordinary Administration Services (*"EAS"*) are duties, responsibilities or activities not expected to be provided by the trustee or agent at the outset of the transaction, not routine or customary, and/or not incurred in the ordinary course of business, and may require analysis or interpretation. Billing for fees and expenses related to EAS is appropriate in instances where particular inquiries, events or developments are unexpected, even if the possibility of such circumstances could have been identified at the inception of the transaction, or as changes in law, procedures, or the cost of doing business demand. At our option, EAS may be charged on an hourly (time expended multiplied by current hourly rate), flat or special fee basis at such rates or in such amounts in effect at the time of such services, which may be modified by us in our sole and reasonable discretion from time to time. In addition, all fees and expenses incurred by the trustee or agent, in connection with the trustee's or agent's EAS and ordinary administration services and including without limitation the fees and expenses of legal counsel, financial advisors and other professionals, charges for wire transfers, checks, internal transfers and securities transactions, travel expenses, communication costs, postage (including express mail and overnight delivery charges), copying charges and the like will be payable, at cost, to the trustee or agent. EAS fees are due and payable in addition to annual or ordinary administration fees. Failure to pay for EAS owed to U.S. Bank when due may result in interest being charged on amounts owed to U.S. Bank for extraordinary administration services fees and expenses at the prevailing market rate.

General. Your obligation to pay under this Fee Schedule shall govern the matters described herein and shall not be superseded or modified by the terms of the governing documents, and survive any termination of the transaction or governing documents and the resignation or removal of the trustee or agent. This Fee Schedule shall be construed and interpreted in accordance with the laws of the state identified in the governing documents without giving effect to the conflict of laws principles thereof. You agree to the sole and exclusive jurisdiction of the state and federal courts of the state identified in the governing documents over any proceeding relating to or arising regarding the matters described herein. Payment of fees constitutes acceptance of the terms and conditions described herein.

Account approval is subject to review and qualification. Fees are subject to change at our discretion and upon written notice. Fees paid in advance will not be prorated. The fees set forth above and any subsequent modifications thereof are part of your agreement. Finalization of the transaction constitutes agreement to the above fee schedule, including agreement to any subsequent changes upon proper written notice. In the event your transaction is not finalized, any related out-of-pocket expenses will be billed to you directly. Absent your written instructions to sweep or otherwise invest, all sums in your account will remain uninvested and no accrued interest or other compensation will be credited to the account. Payment of fees constitutes acceptance of the terms and conditions set forth.

EXHIBIT D

FORM OF NOTICE AND ACKNOWLEDGEMENT OF ASSIGNMENT OF ESCROW AGREEMENT

Dated _____

[_____] (*"Assignor"*) hereby gives notice that it has assigned and sold to _____ (*"Assignee"*) all of Assignor's right, title and interest in, to and under the Escrow and Account Control Agreement dated as of November 19, 2024 (the *"Escrow Agreement"*) by and among Lessee, Assignor and U.S. Bank National Association, as Escrow Agent, together with the Escrow Account and all proceeds thereof (collectively, the *"Assigned Property"*). Each capitalized term used but not defined herein has the meaning set forth in the Escrow Agreement.

1. Lessee and Escrow Agent hereby acknowledge the effect of the assignment of the Assigned Property and agree to recognize the Assignee as the Lessor under the Escrow Agreement in accordance with the terms thereof on and after the date of this Acknowledgment.

2. Lessee and Escrow Agent hereby acknowledge, as of the date of this Notice and Acknowledgment of Assignment (this *"Acknowledgement"*), the following information about the Escrow Account is true, accurate and complete:

Funds Remaining in Escrow Account $_____

3. The Escrow Agreement remains in full force and effect, has not been amended.

4. Any inquiries of Lessee or Lessor related to the Escrow Agreement and any requests for disbursements from the Escrow Account, if applicable, on and after the date of this Acknowledgment should be remitted to Assignee at the following address (or such other address as provided to Lessee in writing from time to time by Assignee):

_____
_____
_____

ACKNOWLEDGED AND AGREED:

LESSEE: CITY OF SOUTH LAKE TAHOE

By:_____
Name: _____
Title: _____

ESCROW AGENT: U.S. BANK NATIONAL ASSOCIATION

By:_____
Name: _____
Title: _____

ASSIGNOR: [_____]

By:_____
Name: _____
Title: _____

MEMORANDUM OF UNDERSTANDING

Willdan Energy Solutions (*"Willdan"*), City of South Lake Tahoe, California(the *"City"*) and Banc of America Public Capital Corp desire to enter into this Memorandum of Understanding (this *"Memorandum"*) dated as of _____, 2024, relating to that certain Energy Savings Design-Build Contract dated _____, 2024, between the City and Willdan (as further supplemented and amended, the *"Energy Services Contract"*). Pursuant to the Energy Services Contract, Willdan has agreed to (i) install certain materials and equipment financed or to be financed with the proceeds of the hereinafter defined Financing Agreement (the *"Equipment"*), (ii) provide other services related to the installation of the Equipment and (iii) reduce energy-related operating costs for the City through the installation of energy conservation measures. Banc of America Public Capital Corp (with its successors and assigns, *"BAPCC"*) and the City will be entering into an Equipment Schedule No. 1-Energy Services Equipment dated as of November 19, 2024, to Master Equipment Lease/Purchase Agreement dated as of April 6, 2023 between BAPCC and the City (as amended, the *"Financing Agreement"*) to finance the cost of the Equipment under the Energy Services Contract. BAPCC, Willdan, and the City are collectively referred to in this memorandum as the "Parties." Unless specifically defined in this Memorandum, defined terms have the meanings set forth in the Energy Services Contract.

The purpose of this Memorandum is to set forth the understanding of the Parties with respect to the rights of the Parties relating to the Equipment and certain other matters herein.

Under Section 6.02 of the Financing Agreement, the City grants to BAPCC a first priority security interest constituting a first lien on (a) the Equipment , (b) moneys and investments held from time to time in the Escrow Account, and (c) any and all proceeds of any of the foregoing, including, without limitation, insurance proceeds. For purposes of the Energy Services Contract, Willdan hereby consents to the City's grant of a security interest to BAPCC in and to the Equipment to be installed or furnished under the Energy Services Contract and consents to the lien and security interest in favor of BAPCC described in the preceding sentence.

The Parties hereto acknowledge and agree that, notwithstanding any provision in the Energy Services Contract to the contrary:

1. Title to the Equipment (or portion thereof) shall pass free and clear to the City from Willdan upon payment by the City for the ECMs, work or services corresponding to such Equipment (or portion thereof.)

2. BAPCC is paying for the costs of the Equipment, pursuant to and in accordance with the Financing Agreement and related escrow agreement, and shall have all rights and remedies set forth in the Financing Agreement regarding return of the Equipment in the event of termination, due to non-appropriation, default or otherwise.

3. Willdan's remedies with respect to any amounts due under the Energy Services Contract, whether due to any default of the City, non-appropriation, termination or otherwise, shall not include return of the Equipment to Willdan and Willdan shall not

enter upon the Property and disconnect and/or remove any Equipment without the prior written consent of BAPCC.

[Signature Page Follows]

Dated _____, 2024

WILLDAN ENERGY SOLUTIONS

By:_____
Name: _____
Title: _____

BANC OF AMERICA PUBLIC CAPITAL CORP

By:_____
Name: _____
Title: _____

CITY OF SOUTH LAKE TAHOE, CALIFORNIA

By:_____
Name: _____
Title: _____

[Signature Page to Memorandum of Understanding]

BOND DEBT SERVICE

South Lake Tahoe
2024 Equipment Lease Financing

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
10/01/2025			280,197.80	280,197.80	
04/01/2026	15,000	4.055%	161,652.58	176,652.58	456,850.38
10/01/2026	28,000	4.055%	161,348.45	189,348.45	
04/01/2027	28,000	4.055%	160,780.75	188,780.75	378,129.20
10/01/2027	52,000	4.055%	160,213.05	212,213.05	
04/01/2028	51,000	4.055%	159,158.75	210,158.75	422,371.80
10/01/2028	78,000	4.055%	158,124.73	236,124.73	
04/01/2029	78,000	4.055%	156,543.28	234,543.28	470,668.01
10/01/2029	109,000	4.055%	154,961.83	263,961.83	
04/01/2030	108,000	4.055%	152,751.85	260,751.85	524,713.68
10/01/2030	143,000	4.055%	150,562.15	293,562.15	
04/01/2031	143,000	4.055%	147,662.83	290,662.83	584,224.98
10/01/2031	171,000	4.055%	144,763.50	315,763.50	
04/01/2032	172,000	4.055%	141,296.48	313,296.48	629,059.98
10/01/2032	203,000	4.055%	137,809.18	340,809.18	
04/01/2033	203,000	4.055%	133,693.35	336,693.35	677,502.53
10/01/2033	238,000	4.055%	129,577.53	367,577.53	
04/01/2034	238,000	4.055%	124,752.08	362,752.08	730,329.61
10/01/2034	275,000	4.055%	119,926.63	394,926.63	
04/01/2035	276,000	4.055%	114,351.00	390,351.00	785,277.63
10/01/2035	318,000	4.055%	108,755.10	426,755.10	
04/01/2036	317,000	4.055%	102,307.65	419,307.65	846,062.75
10/01/2036	363,000	4.055%	95,880.48	458,880.48	
04/01/2037	363,000	4.055%	88,520.65	451,520.65	910,401.13
10/01/2037	413,000	4.055%	81,160.83	494,160.83	
04/01/2038	413,000	4.055%	72,787.25	485,787.25	979,948.08
10/01/2038	468,000	4.055%	64,413.68	532,413.68	
04/01/2039	468,000	4.055%	54,924.98	522,924.98	1,055,338.66
10/01/2039	527,000	4.055%	45,436.28	572,436.28	
04/01/2040	528,000	4.055%	34,751.35	562,751.35	1,135,187.63
10/01/2040	593,000	4.055%	24,046.15	617,046.15	
04/01/2041	593,000	4.055%	12,023.08	605,023.08	1,222,069.23
	7,973,000		3,835,135.28	11,808,135.28	11,808,135.28

Notice of Public Hearing
City of South Lake Tahoe City Council

NOTICE IS HEREBY GIVEN under Government Code section 4217.13 that the City of South Lake Tahoe City Council will conduct a public hearing on November 5, 2024, at 9:00 a.m., or as soon thereafter as possible, at City Hall, Council Chambers, 1901 Lisa Maloff Way, South Lake Tahoe, to consider the following agenda item:

Council will consider entering into a facility financing contract between the City and Banc of America Public Capital Corp to finance the design and construction of certain energy conservation measures and energy conservation facilities in City-owned facilities. At said meeting, the Council will hold a public hearing on and consider a resolution to adopt findings required by Government Code section 4217.13 regarding whether funds for the repayment of the financing are projected to be available from revenues resulting from funding that otherwise would have been used for purchase of electrical, thermal, or other energy required by the City in the absence of the energy conservation facilities. The resolution, financing agreement and supporting documents will be included with the Council's regular public agenda for the November 5, 2024 meeting.

Any interested person may appear at the public hearing and speak in favor of or against this item. Written testimony may be delivered at, or prior to, the Public Hearing addressed to the City Council in the care of the City Clerk to PublicComment@cityofslt.us or at the address listed below.

City Council agendas and related staff reports are available at least 72 hours in advance of regular meetings on the City Council page of the City's website www.cityofslt.us or by contacting the City Clerk.

Susan Blankenship
Susan Blankenship
Elected City Clerk
City of South Lake Tahoe
1901 Lisa Maloff Way, Ste 206
South Lake Tahoe, CA 96150
(530) 542-6005

Published: October 18, 2024

MASTER EQUIPMENT LEASE/PURCHASE AGREEMENT

This Master Equipment Lease/Purchase Agreement (the *"Agreement"*) dated as of April 6. 2023, and entered into by and between Banc of America Public Capital Corp, a Kansas corporation (together with its successors, assigns and transferees, and as more particularly defined herein, *"Lessor"*), and the City of South Lake Tahoe, California, a city existing under the laws of the State of California (*"Lessee"*).

WITNESSETH:

WHEREAS, Lessee desires to lease and acquire from Lessor certain Equipment described in each Equipment Schedule (as each such term is defined herein), subject to the terms and conditions of and for the purposes set forth in each Lease; and

WHEREAS, the relationship between the parties shall be a continuing one and items of equipment and other personal property may be financed pursuant to one or more Leases entered into from time to time in accordance with this Agreement by execution and delivery of additional Equipment Schedules by the parties hereto, subject to the terms and conditions provided herein; and

WHEREAS, Lessee is authorized under the constitution and laws of the State (as such term is defined herein) to enter into this Agreement and each Equipment Schedule for the purposes set forth herein and therein;

NOW, THEREFORE, for good and valuable consideration, receipt and sufficiency of which are hereby acknowledged, and in consideration of the premises hereinafter contained, the parties hereby agree as follows:

ARTICLE I

Section 1.01. Definitions. The following terms will have the meanings indicated below unless the context clearly requires otherwise:

"Acquisition Amount" means, with respect to each Lease, the amount specified in the related Equipment Schedule and represented by Lessee to be sufficient for the purpose of acquiring and installing the Equipment listed in such Lease.

"Acquisition Period" means, with respect to each Lease for which an Escrow Account is established, that period identified in the related Equipment Schedule during which the Acquisition Amount attributable to such Lease may be expended on Equipment Costs pursuant to the related Escrow Agreement.

"Agreement" means this Master Equipment Lease/Purchase Agreement, including the exhibits hereto, together with any amendments and modifications to this Agreement pursuant to Section 13.04.

"Casualty Value" means, with respect to each Lease, the amount that is shown on the Payment Schedule for each Rental Payment Date under the column titled either (i) the Prepayment Price or (ii) the "Casualty Value", if any.

"Code" means the Internal Revenue Code of 1986, as amended. Each reference to a Section of the Code in this Agreement and a Lease shall be deemed to include the relevant United States Treasury Regulations proposed or in effect thereunder.

"Commencement Date" means, for each Lease, the date when Lessee's obligation to pay rent commences under such Lease, which date shall be the earlier of (a) the date on which the Equipment listed in such Lease is accepted by Lessee in the manner described in Section 5.01, or (b) the date on which the Acquisition Amount is deposited in an Escrow Account for the purpose of acquiring and installing the Equipment listed in such Lease.

"Contract Rate" means, with respect to each Lease, the rate identified as such in the related Payment Schedule.

"Disbursement Request" means, with respect to each Lease for which an Escrow Account is established, the disbursement request attached to the applicable Escrow Agreement as Schedule 1 and made a part thereof.

"Equipment" means, with respect to each Lease, the property listed in the related Equipment Schedule and all replacements, repairs, restorations, modifications and improvements thereof or thereto made pursuant to Article V or Section 8.01. Whenever reference is made in this Agreement to Equipment listed in a Lease, such reference shall be deemed to include all such replacements, repairs, restorations, modifications and improvements of or to such Equipment.

"Equipment Costs" means, with respect to each Lease, the total cost of the Equipment listed in the related Equipment Schedule, including related soft costs such as freight, installation and taxes and other capitalizable costs, legal fees, financing costs and other costs necessary to vest full, clear legal title to the Equipment in Lessee, subject to the security interest granted to and retained by Lessor as set forth in each Lease, and other costs incurred in connection with the acquisition, installation and/or financing of the Equipment as provided in the related Lease; *provided* that (a) any such soft costs on a cumulative basis shall not exceed a percentage approved by Lessor of the total cost of the Equipment subject to such Lease and (b) in no event shall capitalizable delivery costs, installation charges, taxes and similar capitalizable soft costs relating to such Equipment be included without Lessor's prior consent.

"Equipment Schedule" means each separately numbered Equipment Schedule, substantially in the form of either *Exhibit A-1* (general Equipment) or *Exhibit A-2* (energy services Equipment) hereto, together with the related Payment Schedule.

"Escrow Account" means, with respect to any Lease, the account established and held by the Escrow Agent pursuant to the related Escrow Agreement.

"Escrow Agent" means, with respect to each Lease for which an Escrow Account is established, the Escrow Agent identified in the related Escrow Agreement, and its successors and assigns.

"Escrow Agreement" means, with respect to each Lease for which an Escrow Account is established, an Escrow and Account Control Agreement in form and substance acceptable to and executed by Lessee, Lessor and the Escrow Agent, pursuant to which an Escrow Account is established and administered.

"Event of Default" means an Event of Default described in Section 12.01.

"Event of Non-appropriation" means, with respect to a Lease, the failure of Lessee's governing body to appropriate or otherwise make available funds to pay Rental Payments under such Lease following the Original Term or then current Renewal Term sufficient for the continued performance of such Lease by Lessee.

"Lease" means an Equipment Schedule and the terms and provisions of this Agreement which are incorporated by reference into such Equipment Schedule.

"Lease Term" means, with respect to each Lease, the Original Term and all Renewal Terms provided in the related Equipment Schedule.

"Lessee" means the entity referred to as Lessee in the first paragraph of this Agreement.

"Lessor" means (a) the entity referred to as Lessor in the first paragraph of this Agreement and its successors or (b) any assignee or transferee pursuant to Section 11.01 of any right, title or interest of Lessor in and to the Equipment under the applicable Lease (including the Rental Payments and other amounts due thereunder), any related Escrow Agreement and Escrow Account, but does not include any entity solely by reason of that entity retaining or assuming any obligation of Lessor to perform hereunder or under such Lease.

"Material Adverse Change" means (a) any change in Lessee's creditworthiness that could have a material adverse effect on (i) the financial condition or operations of Lessee, or (ii) Lessee's ability to perform its obligations under this Agreement or any Lease or (b) a downgrade in Lessee's external debt rating from the date of this Agreement of two or more subgrades by either Moody's Investors Service, Inc. or S&P Global Ratings or any equivalent successor credit rating agency, or any downgrade by either such agency that would cause Lessee's credit rating to be below investment grade, or, if any such rating agency no longer publishes such ratings at the date of determination, any other nationally recognized statistical rating organization that is selected by Lessee for purposes of such long-term general obligation bond ratings and long-term general fund related bond ratings.

"Original Term" means, with respect to each Lease, the period from the Commencement Date identified in the related Equipment Schedule until the end of the fiscal year of Lessee in effect at such Commencement Date.

"Outstanding Balance" means, with respect to each Lease, the amount that is shown for each Rental Payment Date under the column titled "Outstanding Balance" on the Payment Schedule.

"Payment Schedule" means, with respect to each Lease, the Payment Schedule attached to and made a part of the related Equipment Schedule and substantially in the form of *Exhibit B* attached to this Agreement.

"Prepayment Price" means, with respect to each Lease, the amount that is shown for each Rental Payment Date under the column titled "Prepayment Price" on the Payment Schedule.

"Principal Portion" means, with respect to each Lease, the amount that is shown for each Rental Payment Date under the column titled "Principal Portion" on the Payment Schedule.

"Related Documents" means, with respect to each Lease, the Lease, this Agreement and, if applicable, the related Escrow Agreement, each as may be amended and supplemented.

"Renewal Terms" means, with respect to each Lease, the consecutive renewal terms of such Lease as specified in the related Equipment Schedule, the first of which commences immediately after the end of the Original Term and each having a duration and a term coextensive with each successive fiscal year of Lessee; *provided* that the final such Renewal Term shall commence on the first day of the last such fiscal year and end on the first business day after the last scheduled Rental Payment Date.

"Rental Payment Date" means, with respect to each Lease, each date on which Lessee is required to make a Rental Payment under such Lease as specified in the related Payment Schedule.

"Rental Payments" means, with respect to each Lease, the basic rental payments payable by Lessee on the Rental Payment Dates and in the amounts as specified in the related Payment Schedule, consisting of a principal component and an interest component, and in all cases sufficient to repay the principal component under such Lease and interest thereon at the applicable Contract Rate (or Taxable Rate if then in effect).

"SEC" means the U.S. Securities and Exchange Commission.

"State" means the State of California.

"Taxable Rate" means, with respect to each Lease, for each day that the interest component of Rental Payments is taxable for Federal income tax purposes, an interest rate equal to the Contract Rate plus a rate sufficient such that the total interest to be paid on any Rental

Payment Date would, after such interest was reduced by the amount of any Federal, state or local income tax (including any interest, penalties or additions to tax) actually imposed thereon, equal the amount of interest otherwise due to Lessor.

"*Vendor*" means the manufacturer, installer or supplier of the Equipment listed in an Equipment Schedule or any other person as well as the agents or dealers of the manufacturer, installer or supplier with whom Lessee arranged Lessee's acquisition, installation, maintenance and/or servicing of the Equipment pursuant to the applicable Lease.

"*Vendor Agreement*" means any contract entered into by Lessee and any Vendor for the acquisition, installation, maintenance and/or servicing of the Equipment under a Lease.

ARTICLE II

Section 2.01. Representations and Covenants of Lessee. Lessee represents, covenants and warrants for the benefit of Lessor on the date hereof and as of the Commencement Date of each Lease as follows:

(a) Lessee is a political subdivision of the State within the meaning of Section 103(c) of the Code, duly organized and existing under the constitution and laws of the State, with full power and authority to enter into the Related Documents and the transactions contemplated thereby and to perform all of its obligations thereunder.

(b) Lessee has duly authorized the execution and delivery of the Related Documents by proper action of its governing body at a meeting duly called, regularly convened and attended throughout by the requisite quorum of the members thereof, or by other appropriate official approval, and all requirements have been met and procedures have occurred in order to ensure the validity and enforceability of the Related Documents.

(c) No event or condition that constitutes, or with the giving of notice or the lapse of time or both would constitute, an Event of Default exists at the date hereof. No Event of Non-appropriation has occurred or is threatened with respect to any Lease.

(d) Lessee will do or cause to be done all things necessary to preserve and keep in full force and effect its existence as a city of the State.

(e) Lessee has complied with such procurement and public bidding requirements as may be applicable to the Related Documents and the acquisition and installation by Lessee of the Equipment as provided in each Lease.

(f) During the Lease Term under each Lease, the Equipment will be used by Lessee only for the purpose of performing essential governmental or proprietary functions of Lessee consistent with the permissible scope of Lessee's authority. Lessee

does not intend to sell or otherwise dispose of the Equipment or any interest therein prior to the last Rental Payment (including all Renewal Terms) scheduled to be paid under the related Lease.

(g) Lessee has kept, and throughout the Lease Term of each Lease shall keep, its books and records in accordance with generally accepted accounting principles and practices consistently applied, and shall deliver to Lessor (i) annual audited financial statements (including (1) a balance sheet, (2) statement of revenues, expenses and changes in fund balances for budget and actual, (3) statement of cash flows, and (4) footnotes, schedules and attachments to the financial statements) within two hundred seventy (270) days after the end of its fiscal year, (ii) such other financial statements and information as Lessor may reasonably request, and (iii) upon Lessor's request, its annual budget for any prior or current fiscal year or for the following fiscal year when approved but not later than thirty (30) days prior to the end of its current fiscal year. The financial statements described in this subsection (g)(i) shall be accompanied by an unqualified opinion of Lessee's independent auditor. Credit information relating to Lessee may be disseminated among Lessor and any of its affiliates and any of their respective successors and assigns.

(h) Lessee has an immediate need for the Equipment listed on each Equipment Schedule and expects to make immediate use of the Equipment listed on each Equipment Schedule. Lessee's need for the Equipment is not temporary and Lessee does not expect the need for any item of the Equipment to diminish during the related Lease Term.

(i) The payment of the Rental Payments or any portion thereof is not (under the terms of any Lease or any underlying arrangement) directly or indirectly (x) secured by any interest in property used or to be used in any activity carried on by any person other than a state or local governmental unit or payments in respect of such property; or (y) on a present value basis, derived from payments (whether or not to Lessee) in respect of property, or borrowed money, used or to be used in any activity carried on by any person other than a state or local governmental unit. The Equipment will not be used, directly or indirectly, in any activity carried on by any person other than a state or local governmental unit. No portion of the Acquisition Amount relating to any Lease will be used, directly or indirectly, to make or finance loans to any person other than Lessee. Lessee has not entered into any management or other service contract with respect to the use and operation of the Equipment.

(j) There is no pending litigation, tax claim, proceeding or dispute that may adversely affect Lessee's financial condition or impairs its ability to perform its obligations under the Related Documents. Lessee will, at its expense, maintain its legal existence and do any further act and execute, acknowledge, deliver, file, register and record any further documents Lessor may reasonably request in order to protect Lessor's first priority security interest in the Equipment and the Escrow Account and Lessor's rights and benefits under each Lease and related Escrow Agreement.

(k) Lessee is the fee owner of the real estate where the Equipment under each Lease is and will be located (the "*Real Property*") and has good and marketable title thereto, and there exists no mortgage, pledge, lien, security interest, charge or other encumbrance of any nature whatsoever on or with respect to such Real Property.

(l) No lease, rental agreement, lease-purchase agreement, payment agreement or contract for purchase to which Lessee has been a party at any time has been terminated by Lessee as a result of insufficient funds being appropriated in any fiscal year. No event has occurred which would constitute an event of default under any debt, revenue bond or obligation which Lessee has issued during the past ten (10) years.

(m) In connection with the Lessee's compliance with any continuing disclosure undertakings (each, a "*Continuing Disclosure Agreement*") entered into by the Lessee pursuant to SEC Rule 15c2-12 promulgated pursuant to the Securities and Exchange Act of 1934, as amended (the "*Rule*"), the Lessee may be required to file with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system, or its successor ("*EMMA*"), notice of its incurrence of its obligations under the Related Documents and notice of any accommodation, waiver, amendment, modification of terms or other similar events reflecting financial difficulties in connection with the Related Documents, in each case including posting a full copy thereof or a description of the material terms thereof (each such posting, an "*EMMA Posting*"). Except to the extent required by applicable law, including the Rule, the Lessee shall not file or submit or permit the filing or submission of any EMMA Posting that includes the following unredacted confidential information about the Lessor or its affiliates and any Escrow Agent in any portion of such EMMA Posting: address and account information of the Lessor or its affiliates and any Escrow Agent; e-mail addresses telephone numbers, fax numbers, names and signatures of officers, employees and signatories of the Lessor or its affiliates and any Escrow Agent; and the form of Disbursement Request that is attached to the Escrow Agreement.

The Lessee acknowledges and agrees that the Lessor and its affiliates are not responsible for the Lessee's or any other entity's (including, but not limited to, any broker-dealer's) compliance or noncompliance (or any claims, losses or liabilities arising therefrom) with the Rule, any Continuing Disclosure Agreement or any applicable securities or other laws, including but not limited to those relating to the Rule.

ARTICLE III

Section 3.01. Lease of Equipment. Subject to the terms and conditions of this Agreement, Lessor agrees to provide the funds specified in each Lease to be provided by it for Lessee to acquire the Equipment described in the related Equipment Schedule. Upon the execution and delivery of each Lease, Lessor thereby demises, leases and transfers to Lessee, and Lessee thereby acquires, rents and leases from Lessor, the Equipment as set forth in such Lease and in accordance with the terms thereof. The Lease Term for each Lease may be continued, solely at

the option of Lessee, at the end of the Original Term or any Renewal Term for the next succeeding Renewal Term up to the maximum Lease Term set forth in such Lease. At the end of the Original Term and at the end of each Renewal Term until the maximum Lease Term has been completed, Lessee shall be deemed to have exercised its option to continue each Lease for the next Renewal Term unless Lessee shall have terminated such Lease pursuant to Section 3.03 or Section 10.01 of this Agreement. The terms and conditions during any Renewal Term shall be the same as the terms and conditions during the Original Term, except that the Rental Payments shall be as provided in the applicable Lease. Each Equipment Schedule signed and delivered by Lessor and Lessee pursuant to this Agreement shall constitute a separate and independent lease and installment purchase of the Equipment therein described.

Section 3.02. Continuation of Lease Term. Lessee intends, subject to Section 3.03 hereof, to continue the Lease Term of each Lease through the Original Term and all Renewal Terms and to pay the Rental Payments due thereunder. Lessee affirms that sufficient funds are legally available for the current fiscal year, and Lessee reasonably believes that an amount sufficient to make all Rental Payments during the entire Lease Term of each Lease can be obtained from legally available funds of Lessee. Lessee further intends to do all things lawfully within its power to obtain and maintain funds sufficient and available to discharge its obligation to make Rental Payments due under each Lease, including making provision for such payments to the extent necessary in each budget or appropriation request submitted and adopted in accordance with applicable provisions of law. Notwithstanding the foregoing, the decision whether or not to budget and appropriate funds or to extend the Lease Term for any Renewal Term for each Lease is within the sole discretion of the governing body of Lessee.

Section 3.03. Non-appropriation. Lessee is obligated only to pay such Rental Payments under each Lease as may lawfully be made during Lessee's then current fiscal year from funds budgeted and appropriated for that purpose. Should Lessee fail to budget, appropriate or otherwise make available funds to pay Rental Payments under any Lease following the then current Original Term or Renewal Term, such Lease or Leases shall be deemed terminated at the end of the then current Original Term or Renewal Term thereunder. Lessee agrees to deliver notice to Lessor of such termination promptly after any decision to non-appropriate is made, but failure to give such notice shall not extend the term beyond such Original Term or Renewal Term. If any Lease is terminated in accordance with this Section 3.03, Lessee agrees to cease use of the Equipment thereunder and peaceably remove and deliver to Lessor, at Lessee's sole expense (from legally available funds), such Equipment to Lessor at the location(s) to be specified by Lessor on or before the end of the applicable Original Term or Renewal Term for which Rental Payments have been appropriated for the applicable Lease (each, a "*Non-Appropriation Return Date*"). Lessor may take whatever action at law or in equity as may be necessary or desirable to enforce Lessee's obligations in the immediately preceding sentence. Without limiting or reducing in any way Lessee's obligations in the second preceding sentence or Lessor's rights in the immediately preceding sentence, if the Lessee fails to return the Equipment to Lessor on or before the applicable Non-Appropriation Return Date pursuant to this Section 3.03, Lessee shall pay month-to-month rent at the Contract Rate (or the Taxable Rate if then in effect) set forth in the affected Lease for each month or part thereof that Lessee fails to return the Equipment thereunder pursuant to this Section 3.03.

Section 3.04. Conditions to Lessor's Performance. (a) As a prerequisite to the performance by Lessor of any of its obligations pursuant to any Lease, Lessee shall deliver to Lessor, in form and substance satisfactory to Lessor, the following:

(i) A fully completed Equipment Schedule, executed by Lessee;

(ii) If an Escrow Account is to be established with respect to such Lease, an Escrow Agreement substantially in the form attached hereto as *Exhibit I*, satisfactory to Lessor and executed by Lessee and the Escrow Agent;

(iii) A certified copy of a resolution, ordinance or other official action of Lessee's governing body, substantially in the form attached hereto as *Exhibit C-1A* or *Exhibit C-1B*, as applicable, authorizing the execution and delivery of this Agreement and the applicable Lease and related Escrow Agreement, if any, entered into pursuant hereto and performance by Lessee of its obligations under this Agreement and the applicable Lease and related Escrow Agreement, if any, entered into pursuant hereto;

(iv) A Certificate completed and executed by the Clerk or Secretary or other comparable officer of Lessee, substantially in the form attached hereto as *Exhibit C-2A* or *Exhibit C-2B*, as applicable, completed to the satisfaction of Lessor;

(v) An opinion of counsel to Lessee, substantially in the form attached hereto as *Exhibit D*, and otherwise satisfactory to Lessor;

(vi) Evidence of insurance as required by Section 7.02 hereof;

(vii) All documents, including financing statements, affidavits, notices and similar instruments, which Lessor deems necessary or appropriate at that time pursuant to Section 6.02 hereof;

(viii) A waiver or waivers of interest in the Equipment from any mortgagee or any other party having an interest in the real estate on which the Equipment will be located and/or landlord of the real estate on which the Equipment will be located;

(ix) Reserved;

(x) A copy of the Form 8038-G with respect to the Lease then being entered into, fully completed and executed by Lessee;

(xi) In the event that Lessee is to be reimbursed for expenditures that it has paid more than sixty (60) days prior to the Commencement Date for the Lease then being entered into, evidence of the adoption of a reimbursement resolution or other official action covering the reimbursement from tax exempt proceeds of expenditures incurred not more than sixty (60) days prior to the date of such resolution;

(xii) If any items of Equipment are motor vehicles, properly completed certificates of title or certificates of origin (or applications therefor) for such vehicles with Lessor's interest noted thereon in accordance with the instructions of Lessor;

(xiii) Copies of invoices (and proofs of payment of such invoices, if Lessee seeks reimbursement) and bills of sale (if title to Equipment has passed to Lessee), to the extent required by Section 5.01(b) hereof;

(xiv) Wire instructions for payments to be made to Vendors and Form W-9 from each such Vendor; and

(xv) Such other items as are set forth in the related Equipment Schedule or are reasonably required by Lessor.

(b) In addition to satisfaction of the conditions set forth in subsection (a) of this Section 3.04, the performance by Lessor of any of its obligations under the Related Documents shall be subject to: (i) no Material Adverse Change having occurred since the date of this Agreement, (ii) no Event of Default having occurred and then be continuing under any Lease then in effect, (iii) no Event of Non-appropriation under any Lease then in effect having occurred or being threatened, and (iv) no Lease having been terminated as the result of the occurrence of an Event of Default or an Event of Non-appropriation.

(c) Subject to satisfaction of the foregoing, (i) Lessor will pay the Acquisition Amount for Equipment described in an Equipment Schedule to the Vendor or reimburse Lessee for its prior expenditures with respect to such Equipment (subject to satisfaction of Section 3.04(a)(xi) hereof), upon receipt of the documents described in Sections 5.01(a) and (b) hereof; or (ii) if an Escrow Account is being established with respect to the related Lease, Lessor will deposit the Acquisition Amount for Equipment described in the applicable Equipment Schedule with the Escrow Agent to be held and disbursed pursuant to the related Escrow Agreement.

(d) This Agreement is not a commitment by Lessor or Lessee to enter into any Lease not currently in existence, and nothing in this Agreement shall be construed to impose any obligation upon Lessor or Lessee to enter into any proposed Lease, it being understood that whether Lessor or Lessee enters into any proposed Lease shall be a decision solely within their respective discretion.

(e) Lessee will cooperate with Lessor in Lessor's review of any proposed Lease. Without limiting the foregoing, Lessee will provide Lessor with any documentation or information Lessor may request in connection with Lessor's review of any proposed Lease. Such documentation may include, without limitation, documentation concerning the Equipment and its contemplated use and location and documentation or information concerning the financial status of Lessee and other matters related to Lessee.

(f) In the event of any conflict in terms between an Equipment Schedule and this Agreement, the terms of the Equipment Schedule shall control in the interpretation of the Lease created thereby.

Section 3.05 Evidence of Filing Form 8038-G. As soon as it is available, with respect to each Lease under this Agreement, Lessee shall provide to Lessor evidence that it, or its paid preparer, has filed the Form 8038-G for the applicable Lease with the Internal Revenue Service by delivering to Lessor proof of mailing such Form 8038-G. Notwithstanding anything to the contrary in this Agreement or the applicable Lease, it shall not be an Event of Default hereunder or thereunder if Lessee does not provide to Lessor evidence that it (or its paid preparer) filed the Form 8038-G for the applicable Lease with the Internal Revenue Service.

ARTICLE IV

Section 4.01. Rental Payments. Subject to Section 3.03 of this Agreement, Lessee shall promptly pay Rental Payments, in lawful money of the United States of America, to Lessor on the Rental Payment Dates and in such amounts as provided in each Lease. If any Rental Payment or other amount payable hereunder is not paid within ten (10) days of its due date, Lessee shall pay an administrative late charge of five percent (5%) of the amount not timely paid or the maximum amount permitted by law, whichever is less. Lessee shall not permit the Federal Government to guarantee any Rental Payments under any Lease. Rental Payments consist of principal and interest components as more fully detailed on the Payment Schedule for each Lease, the interest on which begins to accrue as of the Commencement Date for each such Lease.

Section 4.02. Interest and Principal Components. A portion of each Rental Payment is paid as, and represents payment of, interest, and the balance of each Rental Payment is paid as, and represents payment of, principal. Each Lease shall set forth the principal and interest components of each Rental Payment payable thereunder during the applicable Lease Term.

Section 4.03. Rental Payments to Constitute a Current Expense of Lessee. Lessor and Lessee understand and intend that the obligation of Lessee to pay Rental Payments under each Lease shall constitute a current expense of Lessee payable solely from its general fund or other funds that are legally available for that purpose and shall not in any way be construed to be a debt of Lessee in contravention of any applicable constitutional or statutory limitation or requirement concerning the creation of indebtedness by Lessee, nor shall anything contained in this Agreement or in any Lease constitute a pledge of the general tax revenues, funds or moneys of Lessee.

Section 4.04. Rental Payments to be Unconditional. Except as provided in Section 3.03 of this Agreement, the obligations of Lessee to make Rental Payments and to perform and observe the other covenants and agreements contained in each Lease shall be absolute and unconditional in all events without abatement, diminution, deduction, set-off or defense, for any reason, including without limitation any failure of the Equipment, disputes with the Lessor or the Vendor of any Equipment, any defects, malfunctions, breakdowns or infirmities in the Equipment or any accident, condemnation or unforeseen circumstances or failure of any Vendor

to deliver any Equipment or otherwise perform any of its obligations for whatever reason, including bankruptcy, insolvency, reorganization or any similar event with respect to any Vendor.

Section 4.05 Tax Covenants. Lessee agrees that it will not take any action that would cause the interest component of Rental Payments to be or to become ineligible for the exclusion from gross income of the owner or owners thereof for Federal income tax purposes, nor will it omit to take or cause to be taken, in a timely manner, any action, which omission would cause the interest component of Rental Payments to be or to become ineligible for the exclusion from gross income of the owner or owners thereof for Federal income tax purposes. In connection with the foregoing, Lessee hereby agrees that (a) so long as any Rental Payments under a Lease remain unpaid, moneys on deposit in the Escrow Account under any Escrow Agreement related to such Lease shall not be used in a manner that will cause such Lease to be classified as an "arbitrage bond" within the meaning of Section 148(a) of the Code; and (b) Lessee shall rebate, from funds legally available for the purpose, an amount equal to excess earnings on the Escrow Account under any Escrow Agreement to the Federal Government if required by, and in accordance with, Section 148(f) of the Code, and make the determinations and maintain the records required by the Code.

Section 4.06. Event of Taxability. Upon the occurrence of an Event of Taxability with respect to a Lease, the interest component of Rental Payments under such Lease and any charge on Rental Payments or other amounts payable based on the Contract Rate shall have accrued and be payable at the Taxable Rate applicable to such Lease retroactive to the date as of which the interest component is determined by the Internal Revenue Service to be includible in the gross income of the owner or owners thereof for Federal income tax purposes (which retroactive date for such Lease shall be the earliest date as of which the interest component of any Rental Payment for such Lease is deemed includible in the gross income of the owner or owners thereof for Federal income tax purposes, which may be earlier than the date of delivery of such determination by the Internal Revenue Service), and Lessee will pay such additional amount as will result in the owner receiving the interest component at the Taxable Rate identified in the related Lease.

For purposes of this Section, *"Event of Taxability"* means the circumstance of the interest component of any Rental Payment paid or payable pursuant to a Lease becoming includible for Federal income tax purposes in an owner's gross income as a consequence of any act, omission or event whatsoever, including but not limited to the matters described in the immediately succeeding sentence, and regardless of whether the same was within or beyond the control of Lessee. An Event of Taxability shall be presumed to have occurred upon (a) the receipt by Lessor or Lessee of an original or a copy of an Internal Revenue Service Technical Advice Memorandum or Statutory Notice of Deficiency or other written correspondence which legally holds that the interest component of any Rental Payment under such Lease is includable in the gross income of the owner thereof; (b) the issuance of any public or private ruling of the Internal Revenue Service that the interest component of any Rental Payment under such Lease is includable in the gross income of the owner thereof; or (c) receipt by Lessor or Lessee of a written opinion of a nationally recognized firm of attorneys experienced in matters pertaining to

the tax-exempt status of interest on obligations issued by states and their political subdivisions, selected by Lessor and acceptable to Lessee, to the effect that the interest component of any Rental Payment under a Lease has become includable in the gross income of the owner thereof for Federal income tax purposes. For all purposes of this definition, an Event of Taxability shall be deemed to occur on the date as of which the interest component of any Rental Payment is deemed includable in the gross income of the owner thereof for Federal income tax purposes.

Section 4.07. Mandatory Prepayment. If the Acquisition Amount for a Lease is deposited into an Escrow Account, any funds not applied to Equipment Costs and remaining in such Escrow Account on the earlier of (a) the expiration of the applicable Acquisition Period, (b) the date on which Lessee delivers to the Lessor the executed Disbursement Request to effect the final disbursement to pay (or reimburse) Equipment Costs from such Escrow Account or (c) a termination of the Escrow Account as provided in the Escrow Agreement shall be applied by Lessor on each successive Rental Payment Date thereafter to pay all or a portion of the Rental Payment due and owing in the succeeding twelve (12) months and any remaining amounts shall be applied by Lessor as prepayment to the applicable unpaid Principal Portion of Rental Payments owing under the related Lease in the inverse order of the Rental Payment Dates.

ARTICLE V

Section 5.01. Acquisition, Delivery Installation and Acceptance of Equipment. (a) With respect to each Lease, Lessee shall order the Equipment to be acquired and financed thereunder, cause the Equipment to be delivered and installed at the location specified in such Lease and pay any and all delivery and installation costs and other Equipment Costs in connection therewith. When the Equipment listed in a Lease has been delivered and installed, Lessee shall promptly accept such Equipment and evidence said acceptance by executing and delivering to Lessor a Final Acceptance Certificate in the form attached hereto as *Exhibit E*; *provided, however,* that if an Escrow Account has been established with respect to such Lease as provided in Section 3.04 hereof, Lessee shall execute and deliver Disbursement Requests to the Lessor pursuant to the related Escrow Agreement for the purpose of effecting disbursements from the Escrow Account to pay (or reimburse) Equipment Costs for the Equipment so acquired and installed pursuant to such Lease. In connection with the execution and delivery by Lessee to Lessor of the final Disbursement Request under the applicable Escrow Agreement for a Lease, Lessee shall deliver to Lessor a "Final Acceptance Certificate" in the form attached hereto as *Exhibit E.*

(b) (i) With respect to a Lease entered into without an Escrow Agreement, Lessee shall deliver to Lessor copies of invoices (and proof of payment of such invoices if Lessee seeks reimbursement for prior expenditures) and bills of sale (if title to such Equipment has passed to Lessee) relating to each item of Equipment accepted by Lessee. Lessee shall execute and deliver to Lessor an Equipment Schedule pursuant to Section 3.04(a)(i) within 5 business days of receipt from Lessor, subject to satisfaction of the conditions set forth in Section 3.04.

(ii) With respect to a Lease entered into with an Escrow Agreement, Lessor shall prepare an Equipment Schedule. In connection with the execution and delivery of the related Escrow Agreement, Lessee shall execute and deliver to Lessor such Equipment Schedule

pursuant to Section 3.04(a)(i) within 5 business days of receipt, subject to satisfaction of the conditions set forth in Section 3.04. Lessee shall deliver to Lessor together with each Disbursement Request invoices (and proof of payment of such invoices if Lessee seeks reimbursement for prior expenditures) and bills of sale or other evidence of title transfer to Lessee relating to each item of Equipment accepted by Lessee as evidenced by such Disbursement Request. Once approved, Lessor shall deliver such Disbursement Request to the Escrow Agent for disbursement from the Escrow Account in accordance with the Escrow Agreement.

Section 5.02. Quiet Enjoyment of Equipment. So long as no Event of Default exists under the related Lease, neither Lessor nor any entity claiming by, through or under Lessor, shall interfere with Lessee's quiet use and enjoyment of the Equipment during the Lease Term under such Lease.

Section 5.03. Location; Inspection. Once installed, no item of the Equipment will be moved or relocated from the location (or the base location with respect to motor vehicles) specified for it in the related Lease without Lessor's prior written consent, which consent shall not be unreasonably withheld. Lessor shall have the right at all reasonable times during regular business hours to enter into and upon the property where the Equipment is located for the purpose of inspecting the Equipment.

Section 5.04. Use and Maintenance of the Equipment. Lessee shall not install, use, operate or maintain the Equipment (or cause the Equipment to be installed, used, operated or maintained) improperly, carelessly, in violation of any applicable law or in a manner contrary to that contemplated by the related Lease. Lessee shall provide all permits and licenses, if any, necessary for the installation and operation of the Equipment. In addition, Lessee agrees to comply in all respects with all applicable laws, regulations and rulings of any legislative, executive, administrative or judicial body, including, without limitation, all anti-money laundering laws and regulations; *provided* that Lessee may contest in good faith the validity or application of any such law, regulation or ruling in any reasonable manner that does not, in the opinion of Lessor, adversely affect the interest of Lessor in and to the Equipment or its interest or rights under the related Lease.

Lessee agrees that it shall maintain, preserve and keep the Equipment in good repair and working order, in a condition comparable to that recommended by the manufacturer. Lessor shall have no responsibility to maintain, repair or make improvements or additions to the Equipment. In all cases, Lessee agrees to pay any costs necessary for the manufacturer to re-certify the Equipment as eligible for manufacturer's maintenance upon the return of the Equipment to Lessor as provided for in Sections 3.03 and 12.02(b) of this Agreement.

Lessee shall not alter any item of Equipment or install any accessory, equipment or device on an item of Equipment if that would impair any applicable warranty, the originally intended function or the value of that Equipment. All repairs, parts, accessories, equipment and devices furnished, affixed to or installed on any Equipment, excluding temporary replacements, shall thereupon become subject to the security interest of Lessor.

ARTICLE VI

Section 6.01. Title to the Equipment. During the Lease Term under each Lease, and so long as Lessee is either not in default under Article XII hereof or an Event of Non-appropriation has not occurred, all right, title and interest in and to each item of the Equipment under the related Lease shall be vested in Lessee immediately upon its acceptance of each item of Equipment, subject to the terms and conditions hereof and under the applicable Lease. Lessee shall at all times protect and defend, at its own cost and expense, its title, and Lessor's first priority security interest, in and to the Equipment (and Lessor's other Collateral as defined in Section 6.02 hereof) from and against all claims, liens and legal processes of its creditors, and keep all Equipment (and such other Collateral) free and clear of all such claims, liens and processes. Upon the occurrence of an Event of Default under a Lease or upon termination of a Lease pursuant to Section 3.03 hereof, full and unencumbered legal title to the Equipment shall, at Lessor's option, pass to Lessor, and Lessee shall have no further interest therein. In addition, upon the occurrence of such an Event of Default or such termination, Lessee shall execute and deliver to Lessor such documents as Lessor may request to evidence the passage of such legal title to Lessor and the termination of Lessee's interest therein, and upon request by Lessor shall deliver possession of the Equipment to Lessor in accordance with Section 3.03 or 12.02 of this Agreement, as applicable. Upon payment of all amounts due and owing under a Lease by Lessee in accordance with Section 10.01 hereof (including upon payment of all Rental Payments and other amounts payable under such Lease), Lessor's security interest or other interest in the Equipment under such Lease shall terminate, and Lessor shall execute and deliver to Lessee such documents as Lessee may request to evidence the termination of Lessor's security interest in the Equipment subject to the related Lease.

Section 6.02. Security Interest. As additional security for the payment and performance of all of Lessee's obligations under each Lease, upon the execution of such Lease, Lessee hereby grants to Lessor a first priority security interest constituting a first lien on (a) the Equipment subject to such Lease, (b) moneys and investments held from time to time in any related Escrow Account and (c) any and all proceeds of any of the foregoing, including, without limitation, insurance proceeds (collectively, the "*Collateral*"). Upon the execution of each Lease, Lessee authorizes Lessor to file (and Lessee agrees to execute, if applicable) such notices of assignment, chattel mortgages, financing statements and other documents, in form satisfactory to Lessor, which Lessor deems necessary or appropriate to establish and maintain Lessor's security interest in the Collateral, including, without limitation, such financing statements with respect to personal property and fixtures under Article 9 of the Uniform Commercial Code in effect in the State and treating such Article 9 as applicable to entities such as Lessee.

Section 6.03. Personal Property; No Encumbrances. Lessee agrees that the Equipment is deemed to be and will remain personal property and will not be deemed to be affixed to or a part of the real estate on which it may be situated, notwithstanding that the Equipment or any part thereof may be or hereafter become in any manner physically affixed or attached to real estate or any building thereon. Lessee shall not create, incur, assume or permit to exist any mortgage, pledge, lien, security interest, charge or other encumbrance of any nature whatsoever on any of the real estate where the Equipment under a Lease is or will be located or enter into any

agreement to sell or assign or enter into any sale/leaseback arrangement of such real estate without the prior written consent of Lessor; *provided,* that if Lessor or its assigns is furnished with a waiver of interest in the Equipment under such Lease acceptable to Lessor or its assigns in their respective discretion from any party taking an interest in any such real estate prior to such interest taking effect, such consent shall not be unreasonably withheld.

ARTICLE VII

Section 7.01. Liens, Taxes, Other Governmental Charges and Utility Charges. Lessee shall keep the Equipment under each Lease free of all levies, liens, and encumbrances except those created by such Lease. The parties to this Agreement contemplate that the Equipment under each Lease will be used for a governmental or proprietary purpose of Lessee and that the Equipment will therefore be exempt from all property taxes. If the lease, sale, purchase, operation, use, possession or acquisition of any Equipment is nevertheless determined to be subject to taxation, Lessee shall pay when due all taxes and governmental charges lawfully assessed or levied against or with respect to such Equipment. Lessee shall pay all utility and other charges incurred in the operation, use and maintenance of the Equipment. Lessee shall pay such taxes, assessments or charges as the same may become due; *provided* that, with respect to any such taxes, assessments or charges that may lawfully be paid in installments over a period of years, Lessee shall be obligated to pay only such installments as accrue during the Lease Term under the affected Lease. During the Lease Term under each Lease, Lessor will not claim ownership of the Equipment thereunder for the purposes of any tax credits, benefits or deductions with respect to such Equipment.

Section 7.02. Insurance. Lessee shall, during the Lease Term under each Lease, maintain or cause to be maintained (a) casualty insurance naming Lessor and its assigns as loss payee and insuring the Equipment against loss or damage by fire and all other risks covered by the standard extended coverage endorsement then in use in the State, and any other risks reasonably required by Lessor, in an amount at least equal to the greater of (i) the then applicable Casualty Value of the Equipment under such Lease or (ii) the replacement cost of such Equipment; (b) liability insurance naming Lessor and its assigns as additional insured that protects Lessor from liability for bodily injury and property damage coverage (i) in such coverage amounts as may be required by Lessor for the applicable Equipment or (ii) in such minimum coverage amounts as may be agreed upon between Lessor and Lessee in connection with the execution and delivery of a Lease, and in all events under clauses (a) and (b) issued in form and amount satisfactory to Lessor and by an insurance company that is authorized to do business in the State and having a financial strength rating by A.M. Best Company of "A-" or better; and (c) worker's compensation coverage as required by the laws of the State. Notwithstanding the foregoing, Lessee may self-insure against the risks described in clauses (a) and/or (b) through a government pooling arrangement, self-funded loss reserves, risk retention program or other self-insurance program, in each case with Lessor's prior consent (which Lessor may grant, withhold or deny in its sole discretion) and *provided* that Lessee has delivered to Lessor such information as Lessor may request with respect to the adequacy of such self-insurance to cover the risks proposed to be self-insured and otherwise in form and substance acceptable to Lessor. In the event Lessee is permitted, at Lessor's sole discretion, to self-insure as provided in this Section 7.02, Lessee shall

provide to Lessor a self-insurance letter in substantially the form attached hereto as *Exhibit F*. Lessee shall furnish to Lessor evidence of such insurance or self-insurance coverage throughout the Lease Term under each Lease. Lessee shall not cancel or modify such insurance or self-insurance coverage in any way that would affect the interests of Lessor without first giving written notice thereof to Lessor at least thirty (30) days in advance of such cancellation or modification.

Section 7.03. Risk of Loss. Whether or not covered by insurance or self-insurance, Lessee hereby assumes all risk of loss of, or damage to and liability related to injury or damage to any persons or property arising from the Equipment under any Lease from any cause whatsoever, and no such loss of or damage to or liability arising from the Equipment under any Lease shall relieve Lessee of the obligation to make the Rental Payments or to perform any other obligation under any Lease. Whether or not covered by insurance or self-insurance, Lessee hereby agrees to reimburse Lessor (to the fullest extent permitted by applicable law, but only from legally available funds) for any and all liabilities, obligations, losses, costs, claims, taxes or damages suffered or incurred by Lessor, regardless of the cause thereof and all expenses incurred in connection therewith (including, without limitation, counsel fees and expenses, and penalties connected therewith imposed on interest received) arising out of or as a result of (a) entering into this Agreement or any Lease or any of the transactions contemplated hereby or thereby, (b) the ordering, acquisition, ownership, use, operation, condition, purchase, delivery, acceptance, rejection, storage or return of any item of the Equipment under any Lease, (c) any accident in connection with the operation, use, condition, possession, storage or return of any item of the Equipment under any Lease resulting in damage to property or injury to or death to any person, and/or (d) the breach of any covenant of Lessee under or in connection with this Agreement or any Lease or any material misrepresentation provided by Lessee under or in connection with this Agreement or any Lease. The provisions of this Section 7.03 shall continue in full force and effect notwithstanding the full payment of all obligations under any or all Leases or the termination of the Lease Term under any or all Leases for any reason.

Section 7.04. Advances. In the event Lessee shall fail to keep the Equipment in good repair and working order or shall fail to maintain any insurance required by Section 7.02 hereof, Lessor may, but shall be under no obligation to, maintain and repair the Equipment or obtain and maintain any such insurance coverages, as the case may be, and pay the cost thereof. All amounts so advanced by Lessor shall constitute additional rent for the then current Original Term or Renewal Term under the affected Lease, and Lessee covenants and agrees to pay such amounts so advanced by Lessor with interest thereon from the due date until paid at a rate equal to the Contract Rate (or the Taxable Rate if then in effect) *plus* five percent (5%) per annum or the maximum amount permitted by law, whichever is less.

ARTICLE VIII

Section 8.01. Damage, Destruction and Condemnation. If, prior to the termination of the Lease Term under the related Lease, (a) the Equipment or any portion thereof is destroyed, in whole or in part, or is damaged by fire or other casualty or (b) title to, or the temporary use of,

the Equipment or any part thereof shall be taken under the exercise or threat of the power of eminent domain by any governmental body or by any person, firm or corporation acting pursuant to governmental authority, (i) Lessee and Lessor will cause the Net Proceeds of any insurance claim or condemnation award or sale under threat of condemnation to be applied to the prompt replacement, repair, restoration, modification or improvement of the Equipment or such part thereof and any balance of the Net Proceeds remaining after such work has been completed shall be paid to Lessee or (ii) Lessee shall exercise its option to prepay the obligations under the affected Lease in accordance with Section 10.01(b) hereof.

If Lessee elects to replace any item of the Equipment (the *"Replaced Equipment"*) pursuant to this Section 8.01, the replacement equipment (the *"Replacement Equipment"*) shall be new or of a quality type, utility and condition at least as good as the Replaced Equipment and shall be of equal or greater value than the Replaced Equipment as determined and approved by Lessor in its sole discretion. Lessee shall grant to Lessor a first priority security interest in any such Replacement Equipment. Lessee shall represent, warrant and covenant to Lessor that each item of Replacement Equipment is free and clear of all claims, liens, security interests and encumbrances, excepting only those liens created by or through Lessor, and shall provide to Lessor any and all documents as Lessor may reasonably request in connection with the replacement, including, but not limited to, documentation in form and substance satisfactory to Lessor evidencing Lessor's security interest in the Replacement Equipment. Lessor and Lessee hereby acknowledge and agree that any Replacement Equipment acquired pursuant to this paragraph shall constitute "Equipment" for purposes of this Agreement and the related Lease. Lessee shall complete the documentation of Replacement Equipment on or before the next Rental Payment Date after the occurrence of a casualty event, or be required to prepay the obligations under the related Lease with respect to the damaged Equipment for an amount that shall be determined and approved by Lessor in its sole discretion.

For purposes of this Article VIII, the term *"Net Proceeds"* shall mean the amount remaining from the gross proceeds of any insurance claim or condemnation award or sale under threat of condemnation after deducting all expenses, including attorneys' fees, incurred in the collection thereof.

Section 8.02. Insufficiency of Net Proceeds. If the Net Proceeds are insufficient to pay in full the cost of any repair, restoration, modification or improvement referred to in Section 8.01, Lessee shall either (a) complete such replacement, repair, restoration, modification or improvement and pay any costs thereof in excess of the amount of the Net Proceeds, or (b) pay or cause to be paid to Lessor the amount of the then applicable Casualty Value under the related Lease *plus* all other amounts then owing thereunder, and, upon such payment, the applicable Lease Term shall terminate and Lessor's security interest in the Equipment shall terminate as provided in Section 6.01 hereof. The amount of the Net Proceeds remaining, if any, after completing such repair, restoration, modification or improvement or after paying such Casualty Value for such Lease *plus* all other amounts then owing thereunder shall be retained by Lessee. If Lessee shall make any payments pursuant to this Section 8.02, Lessee shall not be entitled to any reimbursement therefor from Lessor nor shall Lessee be entitled to any diminution of the amounts payable under Article IV.

ARTICLE IX

Section 9.01. Disclaimer of Warranties. Lessor makes no warranty or representation, either express or implied, as to the value, design, condition, merchantability or fitness for particular purpose or fitness for use of any of the Equipment under each Lease, or any other warranty or representation, express or implied, with respect thereto and, as to Lessor, Lessee's acquisition of the Equipment under each Lease shall be on an "as is" basis. In no event shall Lessor be liable for any incidental, indirect, special or consequential damage in connection with or arising out of this Agreement, any Lease, any Equipment or the existence, furnishing, functioning or Lessee's use of any item, product or service provided for in this Agreement or any Lease.

Section 9.02. Vendor Agreements; Warranties. Lessee covenants that it shall not in any material respect amend, modify, rescind or alter any Vendor Agreement for any Lease without the prior written consent of Lessor. Lessor hereby irrevocably appoints Lessee its agent and attorney-in-fact during the Lease Term under each Lease, so long as Lessee shall not be in default under such Lease, to assert from time to time whatever claims and rights (including without limitation warranties) relating to the Equipment that Lessor may have against a Vendor. Lessee's sole remedy for the breach of such warranty, indemnification or representation shall be against the applicable Vendor of the Equipment and not against Lessor. Any such matter shall not have any effect whatsoever on the rights and obligations of Lessor with respect to any Lease, including the right to receive full and timely Rental Payments and other payments under each Lease. Lessee expressly acknowledges that Lessor makes, and has made, no representations or warranties whatsoever as to the existence or the availability of such warranties relating to any of the Equipment under each Lease.

ARTICLE X

Section 10.01. Prepayment; Payment in Full.

(a) *Prepayment.* Lessee shall have the option to prepay or satisfy all, but not less than all, of its obligations under a Lease, at the following times and upon the following terms:

(i) *Optional Prepayment.* From and after the date specified (if any) in the applicable Payment Schedule (the *"Prepayment Option Commencement Date"*), on the Rental Payment Dates specified in such Payment Schedule, upon not less than thirty (30) days prior written notice, and upon payment in full of the sum of all Rental Payments then due under the related Lease *plus* the then applicable Prepayment Price, which may include a prepayment premium on the unpaid Outstanding Balance as set forth in such Payment Schedule *plus* all other amounts then owing thereunder; or

(ii) *Casualty or Condemnation Prepayment.* In the event of substantial damage to or destruction or condemnation of substantially all of the Equipment listed in a Lease, on the day specified in Lessee's notice to Lessor of its exercise of the prepayment

option (which shall be the earlier of the next Rental Payment Date or sixty (60) days after the casualty event) upon payment in full to Lessor of (A) in the event such prepayment occurs on a Rental Payment Date, the sum of (i) all Rental Payments then due under such Lease *plus* (ii) the then applicable Casualty Value for such Lease *plus* (iii) all other amounts then owing thereunder OR, (B) in the event such prepayment for such Lease occurs on a date other than a Rental Payment Date, the sum of (i) the applicable Casualty Value shown on the Payment Schedule for such Lease for the Rental Payment Date immediately preceding the applicable date of such prepayment (or if the date of such prepayment occurs prior to the first Rental Payment Date for such Lease, the earliest Casualty Value shown on the related Payment Schedule) *plus* (ii) accrued interest at the Contract Rate (or the Taxable Rate if then in effect) on the Outstanding Balance as of the Rental Payment Date immediately preceding the applicable date of such prepayment from such Rental Payment Date (or if the date of such prepayment occurs prior to the first Rental Payment Date, the Commencement Date for such Lease) to the date of such prepayment *plus* (iii) all other amounts then owing thereunder.

(b) *Payment in Full.* Upon the expiration of the Lease Term under a Lease, the payment in full of all Rental Payments then due and all other amounts then owing under such Lease by Lessee to Lessor.

(c) Lessor's security interests in and to the related Equipment under such Lease will be terminated and Lessee will own such Equipment free and clear of Lessor's security interest in such Equipment after either (i) payment of either (A) the applicable Prepayment Price and all other amounts then owing under a Lease in accordance with Section 10.01(a)(i) of this Agreement or (B) the applicable Casualty Value and all other amounts then owing under a Lease in accordance with Section 10.01(a)(ii) of this Agreement or (ii) upon the expiration of the Lease Term of a Lease and payment in full of all Rental Payments then due and all other amounts then owing thereunder in accordance with Section 10.01(b) of this Agreement.

ARTICLE XI

Section 11.01. Assignment by Lessor. (a) Lessor's right, title and interest in and to the Rental Payments and any other amounts payable by Lessee under any and all of the Leases and the Escrow Agreement relating to any Lease, its security interest in the Equipment subject to the related Lease and in any related Escrow Account, and all proceeds therefrom (collectively, with respect to each Lease and related Escrow Agreement, the *"Related Assigned Rights"*), may be assigned and reassigned by Lessor at any time, in whole or in part, to one or more assignees or sub-assignees without the necessity of obtaining the consent of Lessee; *provided,* that any such assignment, transfer or conveyance (i) shall be made only to investors each of whom Lessor reasonably believes is a *"qualified institutional buyer"* as defined in Rule 144A(a)(1) promulgated under the Securities Act of 1933, as amended, or an *"accredited investor"* as defined in Section 501(a)(1), (2), (3) or (7) of Regulation D promulgated under the Securities Act of 1933, as amended, and in either case is purchasing the Related Assigned Rights (or any interest therein) for its own account with no present intention to resell or distribute such Related Assigned Rights (or interest therein), subject to each investor's right at any time to dispose of the

Related Assigned Rights (or any interest therein) as it determines to be in its best interests, (ii) shall not result in more than 35 owners of the Related Assigned Rights with respect to a Lease or the creation of any interest in the Related Assigned Rights with respect to a Lease in an aggregate principal component that is less than $100,000 and (iii) shall not require Lessee to make Rental Payments, to send notices or otherwise to deal with respect to matters arising under the Related Assigned Rights with respect to a Lease with or to more than one Lease Servicer (as such term is defined below), and any trust agreement, participation agreement or custodial agreement under which multiple ownership interests in the Related Assigned Rights with respect to a Lease are created shall provide the method by which the owners of such interests shall establish the rights and duties of a single entity, trustee, owner, servicer or other fiduciary or agent acting on behalf of all of the assignees (herein referred to as the *"Lease Servicer"*) to act on their behalf with respect to the Related Assigned Rights with respect to a Lease, including with respect to the exercise of rights and remedies of Lessor on behalf of such owners upon the occurrence of an Event of Default or an Event of Non-appropriation under the related Lease. Lessor and Lessee hereby acknowledge and agree that the restrictions and limitations on transfer as provided in this Section 11.01 shall apply to the first and subsequent assignees and sub-assignees of any of the Related Assigned Rights with respect to a Lease (or any interest therein).

(b) Unless to an affiliate controlling, controlled by or under common control with Lessor, no assignment, transfer or conveyance permitted by this Section 11.01 shall be effective as against Lessee until Lessee shall have received a written notice of assignment that discloses the name and address of each such assignee; *provided,* that if such assignment is made to a bank or trust company as trustee or paying agent for owners of certificates of participation, participation interests, trust certificates or partnership interests with respect to the Rental Payments payable under a Lease, it shall thereafter be sufficient that Lessee receives notice of the name and address of the bank, trust company or other entity that acts as the Lease Servicer for such Lease. Notices of assignment provided pursuant to this Section 11.01(b) shall contain a confirmation of compliance with the transfer requirements imposed by Section 11.01(a) hereof. During the Lease Term under each Lease, Lessee shall keep, or cause to be kept, a complete and accurate record of all such assignments in form necessary to comply with Section 149 of the Code. Lessee shall retain all such notices as a register of all assignees and shall make all payments to the assignee or assignees or Lease Servicer last designated in such register. Lessee shall not have the right to and shall not assert against any assignee any claim, counterclaim or other right Lessee may have against Lessor or any Vendor. Assignments in part may include, without limitation, assignment of all of Lessor's security interest in and to the Equipment listed in a particular Lease and all rights in, to and under the Lease related to such Equipment and all of Lessor's security interest in and to the related Escrow Account, or all rights in, to and under the related Escrow Agreement.

(c) If Lessor notifies Lessee of its intent to assign a Lease, Lessee agrees that it shall execute and deliver to Lessor a Notice and Acknowledgement of Assignment with respect to such Lease, substantially in the form of *Exhibit H* attached hereto, within five (5) business days after its receipt of such request.

Section 11.02. Assignment and Subleasing by Lessee. **None of Lessee's right, title and interest in, to and under this Agreement, any Lease or any portion of the Equipment, any Escrow Agreement or the Escrow Account related thereto may be assigned, encumbered or subleased by Lessee for any reason, and any purported assignment, encumbrance or sublease without Lessor's prior written consent shall be null and void.**

ARTICLE XII

Section 12.01. Events of Default Defined. Any of the following events shall constitute an *"Event of Default"* under a Lease:

(a) Failure by Lessee to (i) pay any Rental Payment or other payment required to be paid under any Lease within ten (10) days of the date when due as specified therein, (ii) maintain insurance as required under such Lease (including Section 7.02 of this Agreement, which is incorporated therein), or (iii) observe and perform any covenant, condition or agreement on its part to be observed or performed under Section 6.01 or 6.02 hereof for any Lease;

(b) Failure by Lessee to observe and perform any covenant, condition or agreement contained in this Agreement or any Lease on its part to be observed or performed, other than as referred to in subsection (a) above, for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied is given to Lessee by Lessor, unless Lessor shall agree in writing to an extension of such time prior to its expiration; *provided* that, if the failure stated in the notice cannot be corrected within the applicable period, Lessor will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by Lessee within the applicable period and diligently pursued until the default is corrected;

(c) Any statement, representation or warranty made by Lessee in or pursuant to this Agreement or any Lease or its execution, delivery or performance shall prove to have been false, incorrect, misleading or breached in any material respect on the date when made;

(d) Any default occurs under any other agreement for borrowing money, lease financing of property or otherwise receiving credit under which Lessee is an obligor, if such default (i) arises under any other agreement for borrowing money, lease financing of property or provision of credit provided by Lessor or any affiliate of Lessor (including, without limitation, the occurrence of any Event of Default under any other Lease), or (ii) arises under any obligation under which there is outstanding, owing or committed an aggregated amount in excess of $100,000.00;

(e) Lessee shall (i) apply for or consent to the appointment of a receiver, trustee, custodian or liquidator of Lessee, or of all or a substantial part of the assets of Lessee, (ii) be unable, fail or admit in writing its inability generally to pay its debts as they become due, (iii) make a general assignment for the benefit of creditors, (iv) have an

order for relief entered against it under applicable Federal bankruptcy law, or (v) file a voluntary petition in bankruptcy or a petition or an answer seeking reorganization or an arrangement with creditors or taking advantage of any insolvency law or any answer admitting the material allegations of a petition filed against Lessee in any bankruptcy, reorganization, moratorium or insolvency proceeding; or

(f) An order, judgment or decree shall be entered by any court of competent jurisdiction, approving a petition or appointing a receiver, trustee, custodian or liquidator for Lessee or of all or a substantial part of the assets of Lessee, in each case without its application, approval or consent, and such order, judgment or decree shall continue unstayed and in effect for any period of thirty (30) consecutive days.

Section 12.02. Remedies on Default. Whenever any Event of Default exists under any Lease, Lessor shall have the right, at its sole option without any further demand or notice, to take one or any combination of the following remedial steps with respect to any or all Leases with an Event of Default under this Agreement, including those with an Event of Default pursuant to Section 12.01(d) (each a "*Defaulted Lease*"):

(a) By written notice to Lessee, Lessor may declare all Rental Payments payable by Lessee pursuant to one or more Defaulted Leases and other amounts payable by Lessee under each such Defaulted Lease to the end of the then current Original Term or Renewal Term to be immediately due and payable;

(b) With or without terminating the Lease Term under any one or more Defaulted Leases, Lessor may enter the premises where the Equipment listed in any one or more of each such Defaulted Leases is located and retake possession of such Equipment or require Lessee at Lessee's expense to promptly return any or all of such Equipment to the possession of Lessor at such place within the United States as Lessor shall specify, and sell or lease such Equipment or, for the account of Lessee, sublease such Equipment, continuing to hold Lessee liable, but solely from legally available funds, for the difference between (i) the Rental Payments payable by Lessee pursuant to each such Defaulted Lease and other amounts related to each such Defaulted Lease that are payable by Lessee to the end of the then current Original Term or Renewal Term, as the case may be, and (ii) the net proceeds of any such sale, leasing or subleasing (after deducting all expenses of Lessor in exercising its remedies under each such Defaulted Lease, including without limitation all expenses of taking possession, storing, reconditioning and selling or leasing such Equipment and all brokerage, auctioneer's and attorney's fees), subject, however, to the provisions of Section 3.03 of this Agreement. The exercise of any such remedies respecting any such Event of Default under any such Defaulted Lease shall not relieve Lessee of any other liabilities under each such Defaulted Lease or any other Lease that Lessor determines not to treat as a Defaulted Lease or with respect to the Equipment listed therein;

(c) Lessor may terminate the Escrow Agreement relating to any one or more of such Defaulted Leases and apply any proceeds in each such applicable Escrow

Account thereunder to the Rental Payments scheduled to be paid under any one or more of such Defaulted Leases as Lessor shall determine; and/or

(d) Lessor may take whatever action at law or in equity as may appear necessary or desirable to enforce its rights under any one or more of such Defaulted Leases or each such Escrow Agreement relating thereto or as a secured party in any or all of the Equipment subject to any one or more of such Defaulted Leases or with respect to the related Escrow Account for one or more of such Defaulted Leases.

Section 12.03. No Remedy Exclusive. No remedy herein conferred upon or reserved to Lessor is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder and/or under any Lease now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle Lessor to exercise any remedy reserved to it in this Article XII it shall not be necessary to give any notice other than such notice as may be required in this Article XII.

Section 12.04. Application of Moneys. Any net proceeds from the exercise of any remedy under this Agreement, including the application specified in Section 12.02(b)(ii) (after deducting all expenses of Lessor in exercising such remedies including without limitation all expenses of taking possession, storing, reconditioning and selling or leasing Equipment and all brokerage, auctioneer's or attorney's fees), shall be applied as follows:

(a) If such remedy is exercised solely with respect to a single Defaulted Lease, Equipment listed in such Defaulted Lease or rights thereunder, then to amounts due pursuant to such Defaulted Lease and to other amounts related to such Defaulted Lease or such Equipment.

(b) If such remedy is exercised with respect to more than one Defaulted Lease, Equipment listed in more than one Defaulted Lease or rights under more than one Defaulted Lease, then to amounts due pursuant to one or more of such Defaulted Leases as Lessor shall determine and distribute on a pro rata basis or on such other basis as Lessor shall determine.

ARTICLE XIII

Section 13.01. Notices. All notices, certificates or other communications under this Agreement or any Lease shall be sufficiently given and shall be deemed given when delivered or mailed by registered mail, postage prepaid, or delivered by overnight courier, or sent by facsimile transmission (with electronic confirmation) to the parties hereto at the addresses immediately after the signatures to this Agreement (or at such other address as either party hereto shall designate in writing to the other for notices to such party) and to any assignee at its address as it appears on the registration books maintained by Lessee.

Section 13.02. Binding Effect. This Agreement and each Lease shall inure to the benefit of and shall be binding upon Lessor and Lessee and their respective successors and assigns.

Section 13.03. Severability. In the event any provision of this Agreement or any Lease shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof or thereof.

Section 13.04. Amendments, Changes and Modifications. This Agreement and each Lease may only be amended by Lessor and Lessee in writing.

Section 13.05. Execution in Counterparts. This Agreement and each Lease may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument; *provided* that only Counterpart No. 1 of each Lease (including the terms and provisions of this Agreement incorporated therein by reference) shall constitute chattel paper for purposes of the applicable Uniform Commercial Code.

Section 13.06. Applicable Law; Venue; Waiver of Jury Trial. This Agreement and each Lease shall be governed by and construed in accordance with the laws of the State. The parties hereto consent and submit to the jurisdiction of the State and venue in any state or Federal court of such State for the purposes of any suit, action or other proceeding arising in connection with this Agreement or any Lease, and each party expressly waives any objections that it may have to the venue of such courts. The parties hereto expressly waive any right to trial by jury in any action brought on or with respect to this Agreement or any Lease.

Section 13.07. Captions. The captions or headings in this Agreement and in each Lease are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Agreement or any Lease.

Section 13.08. No Advisory or Fiduciary Relationship. In connection with all aspects of each transaction contemplated by this Agreement and each Lease thereunder (including in connection with any amendment, waiver or other modification hereof or of any other related document), the Lessee acknowledges and agrees that: (a) (i) the transactions regarding this Agreement and each Lease thereunder provided by the Lessor and any affiliate thereof are arm's-length commercial transactions between the Lessee, on the one hand, and the Lessor and its affiliates, on the other hand, (ii) the Lessee has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (iii) the Lessee is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated by this Agreement and each Lease thereunder and by the other related documents; (b) (i) the Lessor and its affiliates each is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor, agent or fiduciary, for the Lessee, or any other person and (ii) neither the Lessor nor any of its affiliates has any obligation to the Lessee with respect to the transactions contemplated by this Agreement and each Lease thereunder except those obligations expressly set forth herein and in the other related documents; and (c) the Lessor and its affiliates may be engaged in a

broad range of transactions that involve interests that differ from those of the Lessee, and neither the Lessor nor any of its affiliates has any obligation to disclose any of such interests to the Lessee. To the fullest extent permitted by law, the Lessee, hereby waives and releases any claims that it may have against the Lessor or any of its affiliates with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transactions contemplated by this Agreement and each Lease thereunder.

Section 13.09. Entire Agreement. The parties agree that this Agreement and each Lease hereunder constitutes the final and entire agreement between the parties superseding all conflicting terms or provisions of any prior proposals, term sheets, solicitation documents, requests for proposals, award notices, approval letters or any other agreements or understandings between the parties.

Section 13.10. Electronic Signatures. The Related Documents may be executed and delivered by facsimile signature or other electronic or digital means (including, without limitation, Adobe's Portable Document Format ("*PDF*")). Any such signature shall be of the same force and effect as an original signature, it being the express intent of the parties to create a valid and legally enforceable contract between them. The exchange and delivery of the Related Documents and the related signature pages via facsimile or as an attachment to electronic mail (including in PDF) shall constitute effective execution and delivery by the parties and may be used by the parties for all purposes. Notwithstanding the foregoing, at the request of either party, the parties hereto agree to exchange inked original replacement signature pages as soon thereafter as reasonably practicable.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Lessor and Lessee have caused this Master Equipment Lease/Purchase Agreement to be executed in their names by their duly authorized representatives as of the date first above written.

LESSOR:
Banc of America Public Capital Corp
11333 McCormick Road
Hunt Valley II
M/C MD5-032-07-05
Hunt Valley, MD 21031
Attention: Contract Administration
Fax No.: (443) 541-3057

By:_____
Name: _____
Title: _____

LESSEE:
City of South Lake Tahoe, California
1901 Lisa Maloff Way, Suite 210
South Lake Tahoe, CA 96150
Attention: Finance Director
Fax No.: (530) 542-6046

By:_____
Name: Cristi Creegan
Title: Mayor

(Seal)

By:_____
Name:_____
Title:_____

ATTEST:

By:_____
Name Susan Blankenship
Title: City Clerk

Signature Page of Master Equipment Lease/Purchase Agreement

LIST OF EXHIBITS

Exhibit A-1	Form of Equipment Schedule – General Equipment
Exhibit A-2	Form of Equipment Schedule – Energy Services Equipment
Exhibit B	Form of Payment Schedule
Exhibit C-1A	Form of Authorizing Resolution (Agreement)
Exhibit C-1B	Form of Authorizing Resolution (Lease)
Exhibit C-2A	Form of Incumbency and Authorization Certificate (Agreement)
Exhibit C-2B	Form of Incumbency and Authorization Certificate (Lease)
Exhibit D	Form of Opinion of Counsel to Lessee
Exhibit E	Form of Final Acceptance Certificate
Exhibit F	Form of Self-Insurance Certificate
Exhibit G	Reserved
Exhibit H	Form of Notice and Acknowledgement of Assignment
Exhibit I	Form of Escrow and Account Control Agreement

EXHIBIT A-1

FORM OF EQUIPMENT SCHEDULE NO. _____ - GENERAL EQUIPMENT

Re: Master Equipment Lease/Purchase Agreement, dated as of April 6. 2023, between Banc of America Public Capital Corp, a Kansas corporation, as Lessor, and the City of South Lake Tahoe, California, as Lessee

1. *Defined Terms.* All terms used herein have the meanings ascribed to them in the above-referenced Master Equipment Lease/Purchase Agreement (the "*Agreement*").

2. *Equipment.* For purposes of the Lease created hereby, the following items of Equipment are hereby included under this Equipment Schedule together with all attachments, additions, accessions, parts, repairs, improvements, replacements and substitutions thereto as provided in the Agreement.

QUANTITY	DESCRIPTION	SERIAL NO.	MODEL NO.	LOCATION

3. *Payment Schedule.*

(a) *Rental Payments; Commencement Date.* The Rental Payments shall be in such amounts and payable on such Rental Payment Dates as set forth in the Payment Schedule attached to this Equipment Schedule and incorporated herein by this reference, subject to adjustment upon the occurrence of an Event of Taxability as provided in Section 4.06 of the Agreement. Lessee's obligation to pay Rental Payments under the Lease created hereby shall commence on the earlier of (i) the date on which the Equipment listed in this Equipment Schedule is accepted by Lessee in the manner described in Section 5.01 of the Agreement, as evidenced by the Final Acceptance Certificate executed by Lessee and substantially in the form of *Exhibit E* attached to the Agreement, or (ii) the date on which the Acquisition Amount is deposited in an Escrow Account for the purpose of acquiring and installing the Equipment listed in this Equipment Schedule pursuant to Section 3.04(c) of the Agreement (the earlier of such two dates being herein referred to as the "*Commencement Date*").

(b) *Prepayment Price Schedule.* The Prepayment Price on each Rental Payment Date shall be the amount set forth for such Rental Payment Date in the "Prepayment Price" column of

the Payment Schedule attached to this Equipment Schedule *plus* all Rental Payments then due (including the Rental Payment due on such Rental Payment Date) *plus* all other amounts then owing under this Equipment Schedule.

4. *Representations, Warranties and Covenants.* Lessee hereby represents, warrants and covenants that its representations, warranties and covenants set forth in the Agreement (particularly Section 2.01 thereof) are true and correct as though made on the Commencement Date. Lessee further represents and warrants that (a) no Material Adverse Change has occurred since the dated date of the Agreement; (b) no Event of Default has occurred and is continuing under any Lease currently in effect; (c) no Event of Non-appropriation under any Lease currently in effect has occurred or is threatened; (d) no Lease has been terminated as the result of the occurrence of an Event of Default or an Event of Non-appropriation; (e) the governing body of Lessee has authorized the execution and delivery of the Agreement and this Equipment Schedule; (f) the Equipment listed in this Equipment Schedule is essential to the functions of Lessee or to the services Lessee provides its citizens; (g) Lessee has an immediate need for, and expects to make immediate use of, substantially all such Equipment, which will be used by Lessee only for the purpose of performing one or more of Lessee's governmental or proprietary functions consistent with the permissible scope of its authority; and (h) Lessee expects and anticipates adequate funds to be available for all future payments or rent due after the current budgetary period.

5. *The Lease.* The terms and provisions of the Agreement (other than to the extent that they relate solely to other Equipment Schedules or Equipment listed on other Equipment Schedules) are hereby incorporated into this Equipment Schedule by reference and made a part hereof.

[OPTION: IF ESCROW AGREEMENT IS USED:

6. *Acquisition Amount.* The Acquisition Amount that Lessor shall pay to the Escrow Agent for deposit into the Escrow Account in connection with this Equipment Schedule is $_____. It is expected that by [six (6)] [twelve (12)] [eighteen (18)] months from the date of this Equipment Schedule No. _____, Lessee will have taken possession of all items of Equipment shown above and that the Lessee's final Disbursement Request pursuant to the Escrow Agreement will be signed by Lessee, approved by Lessor and delivered to the Escrow Agent on or before [six (6)] [twelve (12)] [eighteen (18)] months from the date of this Equipment Schedule.

OR IF VENDOR PAID DIRECTLY USE:

6. *Acquisition Amount.* The Acquisition Amount for the Equipment listed in this Equipment Schedule to be paid to the Vendor (or reimbursed to Lessee) is $ _____.]

[OPTION: IF ESCROW AGREEMENT IS USED:

7. *Acquisition Period.* The Acquisition Period applicable to this Equipment Schedule shall end at the conclusion of the ____ month following the date hereof.]

[OPTION: IF ESCROW AGREEMENT IS USED AND A SURETY BOND IS REQUIRED:

[8.] *Surety Bonds; Lessee to Pursue Remedies Against Contractors and Sub-Contractors and Their Sureties.* Lessee shall secure from each Vendor directly employed by Lessee in connection with the acquisition, construction, installation, improvement or equipping of the Equipment listed in this Equipment Schedule, a payment and performance bond ("Surety Bond") executed by a surety company authorized to do business in the State, having a financial strength rating by A.M. Best Company of "A-" or better, and otherwise satisfactory to Lessor and naming Lessor as a co-obligee in a sum equal to the entire amount to become payable under each Vendor Agreement. Each bond shall be conditioned on the completion of the work in accordance with the plans and specifications for the Equipment listed in this Equipment Schedule and upon payment of all claims of subcontractors and suppliers. Lessee shall cause the surety company to add Lessor as a co-obligee on each Surety Bond, and shall deliver a certified copy of each Surety Bond to Lessor promptly upon receipt thereof by Lessee. Any proceeds from a Surety Bond shall be applied in accordance with such Surety Bond to the payment and performance of the Vendor's obligations in accordance with the related Vendor Agreement and, if for whatever reason such proceeds are not so applied, first to amounts due Lessor under this Equipment Schedule, and any remaining amounts shall be payable to Lessee.

In the event of a material default of any Vendor under any Vendor Agreement in connection with the acquisition, construction, maintenance and/or servicing of the Equipment listed in this Equipment Schedule or in the event of a material breach of warranty with respect to any material workmanship or performance guaranty with respect to such Equipment, Lessee will promptly proceed to exhaust its remedies against the Vendor in default. Lessee shall advise Lessor of the steps it intends to take in connection with any such default. Any amounts received by Lessee in respect of damages, refunds, adjustments or otherwise in connection with the foregoing shall be paid to Lessor and applied against Lessee's obligations under this Equipment Schedule.

As a prerequisite to the performance by Lessor of any of its obligations under this Equipment Schedule, Lessee shall deliver to Lessor, in form and substance satisfactory to Lessor, a certified copy of each Surety Bond satisfying the conditions set forth in this Section ___, or, at Lessor's sole discretion, such Surety Bonds may be provided after the Commencement Date of this Equipment Schedule, provided however, that no "Disbursement Request" pursuant to the Escrow Agreement for this Equipment Schedule shall be authorized by Lessor until such Surety Bonds satisfying the conditions set forth in this Section _____have been delivered to Lessor.

[7][8][9].*Lease Term.* The Lease Term shall consist of the Original Term and ____ consecutive Renewal Terms, with the final Renewal Term ending on _____, subject to earlier termination pursuant to the Agreement.

[OPTION: IF MOTOR VEHICLES ARE BEING FINANCED:

[8][9][10]. *Registration.* Any Equipment that is a motor vehicle is to be registered and titled as follows:

(a)	*Registered Owner:*	City of South Lake Tahoe, California
(b)	*Lienholder:*	Banc of America Public Capital Corp Bank of America Plaza 600 Peachtree Street NE, 11th Floor Atlanta, GA 30308-2265

Lessee shall be responsible for the correct titling of all Equipment leased hereunder. Lessee will cause the original Certificates of Title to be delivered to Lessor for retention in Lessor's files throughout the Lease Term of the Lease created hereby.

[Signature page follows.]

Dated: _____

LESSOR:
Banc of America Public Capital Corp
11333 McCormick Road
Hunt Valley II
M/C MD5-032-07-05
Hunt Valley, MD 21031
Attention: Contract Administration
Fax No.: (443) 541-3057

LESSEE:
City of South Lake Tahoe, California
City Hall
1901 Lisa Maloff Way, Suite 210
South Lake Tahoe, CA 96150
Attention: Finance Director _____
Fax No.: (530) 542-6046

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

_____ (Seal)

_____ By: _____
_____ Name: _____
_____ Title: _____

_____ ATTEST:

_____ By: _____
_____ Name _____
_____ Title: _____

Counterpart No. _____ of _____ manually executed and serially numbered counterparts. To the extent that the Lease created hereby constitutes chattel paper (as defined in the applicable Uniform Commercial Code), no security or ownership interest herein may be created through the transfer or possession of any Counterpart other than Counterpart No. 1.

EXHIBIT A-2

FORM OF EQUIPMENT SCHEDULE NO. _____ - ENERGY SERVICES EQUIPMENT

Re: Master Equipment Lease/Purchase Agreement, dated as of April 6. 2023, between Banc of America Public Capital Corp, a Kansas corporation, as Lessor, and City of South Lake Tahoe, California, as Lessee

1. *Defined Terms*. All terms used herein have the meanings ascribed to them in the above-referenced Master Equipment Lease/Purchase Agreement (the "*Agreement*").

2. *Equipment*.

(a) Location of Equipment: For purposes of the Lease created hereby, the location of Equipment is set forth below:

(b) Equipment Description (Scope of Work): For purposes of the Lease created hereby, the description of the Equipment and the scope of work is set forth below:

3. *Payment Schedule*.

(a) *Rental Payments; Commencement Date*. The Rental Payments shall be in such amounts and payable on such Rental Payment Dates as set forth in the Payment Schedule attached to this Equipment Schedule and incorporated herein by this reference, subject to adjustment upon the occurrence of an Event of Taxability as provided in Section 4.06 of the Agreement. Lessee's obligation to pay Rental Payments under the Lease created hereby shall commence on the earlier of (i) the date on which the Equipment listed in this Equipment Schedule is accepted by Lessee in the manner described in Section 5.01 of the Agreement, as evidenced by the Final Acceptance Certificate executed by Lessee and substantially in the form of *Exhibit E* attached to the Agreement, or (ii) the date on which the Acquisition Amount is deposited in an Escrow Account for the purpose of acquiring and installing the Equipment listed in this Equipment Schedule pursuant to Section 3.04(c) of the Agreement (the earlier of such two dates being herein referred to as the "*Commencement Date*").

(b) *Prepayment Price Schedule*. The Prepayment Price on each Rental Payment Date shall be the amount set forth for such Rental Payment Date in the "Prepayment Price" column of the Payment Schedule attached to this Equipment Schedule *plus* all Rental Payments then due (including the Rental Payment due on such Rental Payment Date) *plus* all other amounts then owing under this Equipment Schedule.

4. *Representations, Warranties and Covenants.* Lessee hereby represents, warrants and covenants that its representations, warranties and covenants set forth in the Agreement (particularly Section 2.01 thereof) are true and correct as though made on the Commencement Date. Lessee further represents and warrants that (a) no Material Adverse Change has occurred since the dated date of the Agreement; (b) no Event of Default has occurred and is continuing under any Lease currently in effect; (c) no Event of Non-appropriation under any Lease currently in effect has occurred or is threatened; (d) no Lease has been terminated as the result of the occurrence of an Event of Default or an Event of Non-appropriation; (e) the governing body of Lessee has authorized the execution and delivery of the Agreement and this Equipment Schedule; (f) the Equipment listed in this Equipment Schedule is essential to the functions of Lessee or to the services Lessee provides its citizens; (g) Lessee has an immediate need for, and expects to make immediate use of, substantially all such Equipment, which will be used by Lessee only for the purpose of performing one or more of Lessee's governmental or proprietary functions consistent with the permissible scope of its authority; and (h) Lessee expects and anticipates adequate funds to be available for all future payments or rent due after the current budgetary period.

5. *The Lease.* The terms and provisions of the Agreement (other than to the extent that they relate solely to other Equipment Schedules or Equipment listed on other Equipment Schedules) are hereby incorporated into this Equipment Schedule by reference and made a part hereof.

6. *Acquisition Amount.* The Acquisition Amount that Lessor shall pay to the Escrow Agent for deposit into the Escrow Account in connection with this Equipment Schedule is $_____. It is expected that by [six (6)] [twelve (12)] [eighteen (18)] months from the date of this Equipment Schedule No. _____, Lessee will have taken possession of all items of Equipment shown above and that the Lessee's final Disbursement Request pursuant to the Escrow Agreement will be signed by Lessee, approved by Lessor and delivered to the Escrow Agent on or before [six (6)] [twelve (12)] [eighteen (18)] months from the date of this Equipment Schedule.

7. *Acquisition Period.* The Acquisition Period applicable to this Equipment Schedule shall end at the conclusion of the ____ month following the date hereof.

8. *Additional Representation Regarding the Use and Maintenance of the Equipment; Additional Representation Regarding Damage, Destruction and Condemnation.*

(a) Lessee agrees that it shall (a) proceed promptly, at its expense, to protect its rights and exercise its remedies under any warranty then in effect with respect to the Equipment under this Equipment Schedule; and (b) replace or rebuild any component of the Equipment under this Equipment Schedule that becomes permanently unfit for normal use or inoperable during the Lease Term of this Equipment Schedule (herein, the "*Inoperable Component*") in order to keep the Equipment as a whole in good repair and working order during the Lease Term of this Equipment Schedule. Lessee shall promptly notify Lessor in writing when any component of the Equipment under this Equipment Schedule is reasonably expected within forty-five (45) days to

become an Inoperable Component. Lessee shall promptly replace or rebuild the Inoperable Component under this Equipment Schedule with a similar component of comparable or improved make and model that has at least the equivalent value and utility of the applicable Inoperable Component, a remaining useful life of no less than the remaining Lease Term under this Equipment Schedule and such replacement or rebuilt component shall be in good operating condition.

(b) If Lessee elects to replace any item of the Equipment with Replacement Equipment pursuant to Section 8.01 of the Agreement, in addition to the other requirements set forth in Section 8.01, the Replacement Equipment shall also provide at least the same level of energy and/or operational savings expected in the aggregate from the Replaced Equipment prior to such casualty, destruction or condemnation.

9. *Liability Insurance.* Lessee shall, during the Lease Term under this Equipment Schedule, maintain or cause to be maintained liability insurance naming Lessor and its assigns as additional insured that protects Lessor from liability with limits of at least $5,000,000 per occurrence for bodily injury and property damage coverage (such liability insurance coverage may be in a combination of primary general liability and/or excess liability umbrella coverage).

10. *Surety Bonds; Lessee to Pursue Remedies Against Contractors and Sub-Contractors and Their Sureties.* Lessee shall secure from each Vendor directly employed by Lessee in connection with the acquisition, construction, installation, improvement or equipping of the Equipment listed in this Equipment Schedule, a payment and performance bond ("Surety Bond") executed by a surety company authorized to do business in the State, having a financial strength rating by A.M. Best Company of "A-" or better, and otherwise satisfactory to Lessor and naming Lessor as a co-obligee in a sum equal to the entire amount to become payable under each Vendor Agreement. Each bond shall be conditioned on the completion of the work in accordance with the plans and specifications for the Equipment listed in this Equipment Schedule and upon payment of all claims of subcontractors and suppliers. Lessee shall cause the surety company to add Lessor as a co-obligee on each Surety Bond, and shall deliver a certified copy of each Surety Bond to Lessor promptly upon receipt thereof by Lessee. Any proceeds from a Surety Bond shall be applied in accordance with such Surety Bond to the payment and performance of the Vendor's obligations in accordance with the related Vendor Agreement and, if for whatever reason such proceeds are not so applied, first to amounts due Lessor under this Equipment Schedule, and any remaining amounts shall be payable to Lessee.

In the event of a material default of any Vendor under any Vendor Agreement in connection with the acquisition, construction, maintenance and/or servicing of the Equipment listed in this Equipment Schedule or in the event of a material breach of warranty with respect to any material workmanship or performance guaranty with respect to such Equipment, Lessee will promptly proceed to exhaust its remedies against the Vendor in default. Lessee shall advise Lessor of the steps it intends to take in connection with any such default. Any amounts received by Lessee in respect of damages, refunds, adjustments or otherwise in connection with the foregoing shall be paid to Lessor and applied against Lessee's obligations under this Equipment Schedule.

As a prerequisite to the performance by Lessor of any of its obligations under this Equipment Schedule, Lessee shall deliver to Lessor, in form and substance satisfactory to Lessor, a certified copy of each Surety Bond satisfying the conditions set forth in this Section ___, or, at Lessor's sole discretion, such Surety Bonds may be provided after the Commencement Date of this Equipment Schedule, provided however, that no "Disbursement Request" pursuant to the Escrow Agreement for this Equipment Schedule shall be authorized by Lessor until such Surety Bonds satisfying the conditions set forth in this Section _____have been delivered to Lessor.

11. *Lease Term.* The Lease Term shall consist of the Original Term and ____ consecutive Renewal Terms, with the final Renewal Term ending on _____, subject to earlier termination pursuant to the Agreement.

[Signature page follows.]

Dated: _____

LESSOR:
Banc of America Public Capital Corp
11333 McCormick Road
Hunt Valley II
M/C MD5-032-07-05
Hunt Valley, MD 21031
Attention: Contract Administration
Fax No.: (443) 541-3057

By:_____
Name: _____
Title: _____

LESSEE:
City of South Lake Tahoe, California
City Hall
1901 Lisa Maloff Way, Suite 210
South Lake Tahoe, CA 96150
Attention: Finance Director
Fax No. (530) 542-6046

By: _____
Name: _____
Title: _____

_____ (Seal)

_____ By: _____
_____ Name: _____
_____ Title: _____

_____ ATTEST:

_____ By: _____
_____ Name _____
_____ Title: _____

Counterpart No. _____ of _____ manually executed and serially numbered counterparts. To the extent that the Lease created hereby constitutes chattel paper (as defined in the applicable Uniform Commercial Code), no security or ownership interest herein may be created through the transfer or possession of any Counterpart other than Counterpart No. 1.

EXHIBIT B

FORM OF PAYMENT SCHEDULE

RENTAL PAYMENT DATE	RENTAL PAYMENT AMOUNT	INTEREST PORTION	PRINCIPAL PORTION	OUTSTANDING BALANCE	PREPAYMENT PRICE [including prepayment premium; if applicable]	CASUALTY VALUE [including casualty premium; if applicable]

Contract Rate; Taxable Rate. The Contract Rate for this Equipment Schedule is _____% per annum. The Taxable Rate for this Equipment Schedule is _____% per annum.

Prepayment Option Commencement Date. For purposes of Section 10.01 of the Agreement, the Prepayment Option Commencement Date for this Equipment Schedule is _____.

[Signature page follows.]

LESSOR:
Banc of America Public Capital Corp

By: _____

Name: _____

Title: _____

LESSEE:
City of South Lake Tahoe, California

By: _____

Name: _____

Title: _____

EXHIBIT C-1A

FORM OF AUTHORIZING RESOLUTION (AGREEMENT)

A RESOLUTION OF THE GOVERNING BODY OF THE CITY OF SOUTH LAKE TAHOE, CALIFORNIA, AUTHORIZING THE EXECUTION AND DELIVERY OF A MASTER EQUIPMENT LEASE/PURCHASE AGREEMENT AND SEPARATE EQUIPMENT SCHEDULES THERETO FOR THE ACQUISITION, FINANCING AND LEASING OF CERTAIN EQUIPMENT FOR THE PUBLIC BENEFIT WITHIN THE TERMS HEREIN PROVIDED; AUTHORIZING THE EXECUTION AND DELIVERY OF OTHER DOCUMENTS REQUIRED IN CONNECTION THEREWITH; AND AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION.

WHEREAS, the City of South Lake Tahoe, California (the *"Lessee"*), a city duly organized and existing as a political subdivision, municipal corporation or similar public entity of the State of California, is authorized by the laws of the State of California to acquire, finance and lease personal property (tangible and intangible) for the benefit of the Lessee and its inhabitants and to enter into contracts with respect thereto; and

WHEREAS, the governing body of the Lessee (the *"City Council"*) has determined that a need exists for the acquisition, financing and leasing of certain equipment consisting of graders and blowers, which constitutes personal property necessary for the Lessee to perform essential governmental functions (collectively, the *"Equipment"*) on the terms herein provided; and

WHEREAS, in order to acquire such Equipment, the Lessee proposes to enter into that certain Master Equipment Lease/Purchase Agreement (the *"Agreement"*) with Banc of America Public Capital Corp (or one of its affiliates), as lessor (the *"Lessor"*), substantially in the proposed form presented to the City Council at this meeting, and separate Equipment Schedules thereto substantially in the form attached to the Agreement; and

WHEREAS, the City Council deems it for the benefit of the Lessee and for the efficient and effective administration thereof to enter into the Agreement and separate Equipment Schedules thereunder and the other documentation relating thereto from time to time as provided in the Agreement for the acquisition, financing and leasing of the Equipment to be therein described on the terms and conditions therein and herein provided;

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED by the governing body of the Lessee as follows:

Section 1. Findings and Determinations. It is hereby found and determined that the terms of the Agreement (including the form of Equipment Schedule and the form of Payment Schedule, both attached thereto), in the form presented to the City Council at this meeting, are in the best interests of the Lessee for the acquisition financing and leasing of the Equipment.

Section 2. Approval of Documents. The form, terms and provisions of the Agreement (including the form of Equipment Schedule and the form of Payment Schedule, both attached thereto) are hereby approved in substantially the forms presented at this meeting, with such insertions, omissions and changes as shall be approved by the Mayor, the City Manager or the Finance Director of the Lessee or other members of the governing body of the Lessee (the *"Authorized Officials"*) executing the same, the execution of such documents being conclusive evidence of such approval; and the Mayor, the City Manager or the Finance Director of the Lessee are each individually hereby authorized and directed to execute, and the City Clerk of the Lessee is hereby authorized and directed to attest, the Agreement and any related Exhibits attached thereto and to deliver the Agreement (including such Exhibits) to the respective parties thereto, and the City Clerk of the Lessee is hereby authorized to affix the seal of the Lessee to such documents. The Authorized Officials are each hereby authorized and directed to sign and deliver on behalf of the Lessee the Agreement, each Equipment Schedule thereto under which a separate Lease (as defined in the Agreement) is created, each Payment Schedule attached thereto, any related Escrow Agreement and any related exhibits attached thereto if and when required; *provided, however,* that, without further authorization from the governing body of the Lessee, (a) the aggregate principal component of Rental Payments under all Leases entered into pursuant to the Agreement shall not exceed $3,513,280.00; (b) the maximum term under any Lease entered into pursuant to the Agreement shall not exceed 5.5 years; and (c) the maximum interest rate used to determine the interest component of Rental Payments under each Lease shall not exceed the lesser of the maximum rate permitted by law or 4.099 percent (4.099%) per annum. The Authorized Officials may sign and deliver Leases to the Lessor on behalf of the Lessee pursuant to the Agreement on such terms and conditions as they shall determine are in the best interests of the Lessee up to the maximum aggregate principal component, maximum term and maximum interest rate provided above. The foregoing authorization shall remain in effect for a period of [two] years from the date hereof during which the Authorized Officials are authorized to sign and deliver Leases pursuant to the Agreement on the terms and conditions herein provided and to be provided in each such Lease.

Section 3. Other Actions Authorized. The officers and employees of the Lessee shall take all action necessary or reasonably required by the parties to the Agreement to carry out, give effect to and consummate the transactions contemplated thereby (including the execution and delivery of Final Acceptance Certificates, Escrow Agreements, Disbursement Requests and any tax certificate and agreement, as contemplated in the Agreement) and to take all action necessary in conformity therewith, including, without limitation, the execution and delivery of any closing and other documents required to be delivered in connection with the Agreement and each Lease.

Section 4. No General Liability. Nothing contained in this Resolution, the Agreement, any Lease, any Escrow Agreement nor any other instrument shall be construed with respect to the Lessee as incurring a pecuniary liability or charge upon the general credit of the Lessee or against its taxing power, nor shall the breach of any agreement contained in this Resolution, the Agreement, any Lease, any Escrow Agreement or any other instrument or document executed in connection therewith impose any pecuniary liability upon the Lessee or any charge upon its general credit or against its taxing power, except to the extent that the Rental Payments payable under each Lease entered into pursuant to the Agreement are limited obligations of the Lessee, subject to annual appropriation, as provided in the Agreement.

Section 5. Appointment of Authorized Lessee Representatives. The Mayor, City Manager and Finance Director of the Lessee are each hereby designated to act as authorized representatives of the Lessee for purposes of each Lease and related Escrow Agreement until such time as the governing body of the Lessee shall designate any other or different authorized representative for purposes of the Agreement and any Lease or Escrow Agreement.

Section 6. Severability. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Section 7. Repealer. All bylaws, orders and resolutions or parts thereof, inconsistent herewith, are hereby repealed to the extent only of such inconsistency with respect to this Resolution. This repealer shall not be construed as reviving any bylaw, order, resolution or ordinance or part thereof.

Section 8. Effective Date. This Resolution shall be effective immediately upon its approval and adoption.

ADOPTED AND APPROVED by the governing body of the Lessee this _____ day of March.

City of South Lake Tahoe, California,
as lessee

[SEAL]

By:_____
Printed Name: _____
Title: _____

ATTEST:

By:_____
Printed: Name: _____
Title: _____

The undersigned, a duly elected or appointed and acting _____ City Clerk of the Lessee identified in the above Resolution No. ___ (the "*Resolution*"), hereby certifies that the Resolution is a full, true and correct copy of such Resolution as adopted by the governing body of the Lessee on March ___, 2023. The Resolution is in full force and effect on the date hereof and has not been amended, modified or otherwise changed by the governing body of the Lessee since the date of adoption of the Resolution.

DATED this ____ day of _____, 2023.

_____

Name:_____

Title:_____

EXHIBIT C-1B

FORM OF AUTHORIZING RESOLUTION (LEASE)

A RESOLUTION OF THE GOVERNING BODY OF THE CITY OF SOUTH LAKE TAHOE, CALIFORNIA, AUTHORIZING THE EXECUTION AND DELIVERY OF AN EQUIPMENT SCHEDULE TO THE MASTER EQUIPMENT LEASE/PURCHASE AGREEMENT FOR THE ACQUISITION, FINANCING AND LEASING OF CERTAIN EQUIPMENT FOR THE PUBLIC BENEFIT WITHIN THE TERMS PROVIDED HEREIN; AUTHORIZING THE EXECUTION AND DELIVERY OF OTHER DOCUMENTS REQUIRED IN CONNECTION THEREWITH; AND AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION.

WHEREAS, the City of South Lake Tahoe, California (the *"Lessee"*), a city duly organized and existing as a political subdivision, municipal corporation or similar public entity of the State of California, is authorized by the laws of the State of California to acquire, finance and lease personal property (tangible and intangible) for the benefit of the Lessee and its inhabitants and to enter into contracts with respect thereto; and

WHEREAS, the governing body of the Lessee (the *"City Council"*) has determined that a need exists for the acquisition, financing and leasing of certain equipment with a cost not to exceed $_____ and consisting of _____, which constitutes personal property necessary for the Lessee to perform essential governmental functions (collectively, the *"Equipment"*) on the terms herein provided; and

WHEREAS, in order to acquire such Equipment, the Lessee proposes to enter into that certain Equipment Schedule (the "*Equipment Schedule*") with Banc of America Public Capital Corp (or one of its affiliates), as lessor (the *"Lessor"*), substantially in the proposed form presented to the City Council at this meeting, which Equipment Schedule incorporates by reference the terms and provisions of that certain Master Equipment Lease/Purchase Agreement dated as of April 6. 2023 by and between Lessor and Lessee (the *"Agreement")*; and

WHEREAS, the City Council deems it for the benefit of the Lessee and for the efficient and effective administration thereof to enter into the Equipment Schedule and the other documentation relating to the acquisition, financing and leasing of the Equipment to be therein described on the terms and conditions therein and herein provided;

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED by the governing body of the Lessee as follows:

Section 1. Findings and Determinations. It is hereby found and determined that the terms of the Equipment Schedule and the form of Payment Schedule, in the form presented to the City Council at this meeting, are in the best interests of the Lessee for the acquisition financing and leasing of the Equipment.

Section 2. Approval of Documents. The form, terms and provisions of the Equipment Schedule and Payment Schedule are hereby approved in substantially the forms presented at this meeting, with such insertions, omissions and changes as shall be approved by _____ [insert title of officials]] of the Lessee or other members of the governing body of the Lessee (the *"Authorized Officials"*) executing the same, the execution of such documents being conclusive evidence of such approval. The Authorized Officials are each hereby authorized and directed to sign and deliver on behalf of the Lessee the Equipment Schedule under which a separate Lease (as defined in the Agreement) is created, the Payment Schedule attached thereto, the Escrow Agreement and any related exhibits attached thereto.

Section 3. Other Actions Authorized. The officers and employees of the Lessee shall take all action necessary or reasonably required by the parties to the Lease to carry out, give effect to and consummate the transactions contemplated thereby (including the execution and delivery of a Final Acceptance Certificate, the Escrow Agreement, Disbursement Requests and any tax certificate and agreement, as contemplated in the Agreement) and to take all action necessary in conformity therewith, including, without limitation, the execution and delivery of any closing and other documents required to be delivered in connection with the Lease.

Section 4. No General Liability. Nothing contained in this Resolution, the Lease, the Escrow Agreement nor any other instrument shall be construed with respect to the Lessee as incurring a pecuniary liability or charge upon the general credit of the Lessee or against its taxing power, nor shall the breach of any agreement contained in this Resolution, the Lease, the Escrow Agreement or any other instrument or document executed in connection therewith impose any pecuniary liability upon the Lessee or any charge upon its general credit or against its taxing power, except to the extent that the Rental Payments payable under the Lease entered into pursuant to the Agreement are limited obligations of the Lessee, subject to annual appropriation, as provided in the Agreement.

Section 5. Appointment of Authorized Lessee Representatives. The _____ _____ and _____ of the Lessee are each hereby designated to act as authorized representatives of the Lessee for purposes of the Lease and the Escrow Agreement until such time as the governing body of the Lessee shall designate any other or different authorized representative for purposes of the Lease or the Escrow Agreement.

Section 6. Severability. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Section 7. Repealer. All bylaws, orders and resolutions or parts thereof, inconsistent herewith, are hereby repealed to the extent only of such inconsistency with respect to this Resolution. This repealer shall not be construed as reviving any bylaw, order, resolution or ordinance or part thereof.

Section 8. Effective Date. This Resolution shall be effective immediately upon its approval and adoption.

ADOPTED AND APPROVED by the governing body of the Lessee this _____ day of _____.

City of South Lake Tahoe, California,
as lessee

[SEAL]

By:_____
Printed Name: _____
Title: _____

ATTEST:

By:_____
Printed: Name: _____
Title: _____

The undersigned, a duly elected or appointed and acting _____ City Clerk of the Lessee identified in the above Resolution No. ___ (the "*Resolution*"), hereby certifies that the Resolution is a full, true and correct copy of such Resolution as adopted by the governing body of the Lessee on _____, 20__. The Resolution is in full force and effect on the date hereof and has not been amended, modified or otherwise changed by the governing body of the Lessee since the date of adoption of the Resolution.

DATED this ____ day of _____, 20__.

_____
Name:_____
Title:_____

EXHIBIT C-2A

FORM OF INCUMBENCY AND AUTHORIZATION CERTIFICATE (AGREEMENT)

The undersigned, a duly elected or appointed and acting _____ City Clerk of the City of South Lake Tahoe, California (*"Lessee"*) certifies as follows:

A. The following listed persons are duly elected or appointed and acting officials of Lessee (the *"Officials"*) in the capacity set forth opposite their respective names below and the facsimile signatures below are true and correct as of the date hereof; and

B. THE OFFICIALS ARE DULY AUTHORIZED, ON BEHALF OF LESSEE, TO NEGOTIATE, EXECUTE AND DELIVER THE MASTER EQUIPMENT LEASE/PURCHASE AGREEMENT DATED AS OF **APRIL 6. 2023** (THE *"AGREEMENT"*) AND SEPARATE EQUIPMENT SCHEDULES RELATING THERETO FROM TIME TO TIME AS PROVIDED IN THE AGREEMENT (COLLECTIVELY, THE *"EQUIPMENT SCHEDULES"*), EACH BY AND BETWEEN LESSEE AND BANC OF AMERICA PUBLIC CAPITAL CORP ("LESSOR"), [THE ESCROW AND ACCOUNT CONTROL AGREEMENT DATED AS OF _____ BY AND AMONG LESSOR, LESSEE AND _____ AS ESCROW AGENT,] ALL DOCUMENTS RELATED THERETO AND DELIVERED IN CONNECTION THEREWITH, AND ANY FUTURE MODIFICATION(S) OR AMENDMENTS THEREOF (COLLECTIVELY, THE *"OPERATIVE AGREEMENTS"*), AND THE OPERATIVE AGREEMENTS EACH ARE THE BINDING AND AUTHORIZED AGREEMENTS OF LESSEE, ENFORCEABLE IN ALL RESPECTS IN ACCORDANCE WITH THEIR RESPECTIVE TERMS.

Name of Official	Title	Signature
_____	_____	_____
_____	_____	_____
_____	_____	_____

DATED: _____

BY: _____
NAME: _____
TITLE: _____

(THE SIGNER OF THIS CERTIFICATE CANNOT BE LISTED ABOVE AS AUTHORIZED TO EXECUTE THE OPERATIVE AGREEMENTS.)

EXHIBIT C-2B

FORM OF INCUMBENCY AND AUTHORIZATION CERTIFICATE (LEASE)

The undersigned, a duly elected or appointed and acting _____ City Clerk of the City of South Lake Tahoe, California (*"Lessee"*) certifies as follows:

A. The following listed persons are duly elected or appointed and acting officials of Lessee (the *"Officials"*) in the capacity set forth opposite their respective names below and the facsimile signatures below are true and correct as of the date hereof; and

B. THE OFFICIALS ARE DULY AUTHORIZED, ON BEHALF OF LESSEE, TO NEGOTIATE, EXECUTE AND DELIVER THE EQUIPMENT SCHEDULE NO. ___ DATED AS OF _____(THE "*EQUIPMENT SCHEDULE*"), WHICH INCORPORATES BY REFERENCE THE TERMS AND PROVISIONS OF THE MASTER EQUIPMENT LEASE/PURCHASE AGREEMENT DATED AS OF **APRIL 6. 2023** (THE *"AGREEMENT"*), EACH BY AND BETWEEN LESSEE AND BANC OF AMERICA PUBLIC CAPITAL CORP ("LESSOR"), [THE ESCROW AND ACCOUNT CONTROL AGREEMENT DATED AS OF _____ BY AND AMONG LESSOR, LESSEE _____ AS ESCROW AGENT,] AND ALL DOCUMENTS RELATED THERETO AND DELIVERED IN CONNECTION THEREWITH, AND ANY FUTURE MODIFICATION(S) OR AMENDMENTS THEREOF (COLLECTIVELY, THE *"OPERATIVE AGREEMENTS"*), AND THE OPERATIVE AGREEMENTS EACH ARE THE BINDING AND AUTHORIZED AGREEMENTS OF LESSEE, ENFORCEABLE IN ALL RESPECTS IN ACCORDANCE WITH THEIR RESPECTIVE TERMS.

Name of Official	Title	Signature
_____	_____	_____
_____	_____	_____
_____	_____	_____

DATED: _____

BY: _____
NAME: _____
TITLE: _____

(THE SIGNER OF THIS CERTIFICATE CANNOT BE LISTED ABOVE AS AUTHORIZED TO EXECUTE THE OPERATIVE AGREEMENTS.)

EXHIBIT D

FORM OF OPINION OF COUNSEL TO LESSEE
(to be typed on letterhead of counsel)

Banc of America Public Capital Corp
11333 McCormick Road
Hunt Valley II
M/C MD5-032-07-05
Hunt Valley, MD 21031
Attention: Contract Administration

Re: Equipment Schedule No. _____, dated _____, to Master Equipment Lease/Purchase Agreement, dated as of April 6. 2023, by and between Banc of America Public Capital Corp, as Lessor, and the City of South Lake Tahoe, California, as Lessee

Ladies and Gentlemen:

As legal counsel to the City of South Lake Tahoe, California (*"Lessee"*), I have examined (a) an executed counterpart of that certain Master Equipment Lease/Purchase Agreement, dated as of April 6. 2023 (the *"Agreement"*) and Exhibits thereto, by and between Banc of America Public Capital Corp, as lessor (*"Lessor"*), and Lessee; (b) an executed counterpart of Equipment Schedule No. _____, dated _____, by and between Lessor and Lessee, which incorporates by reference the terms and provisions of the Agreement (such Equipment Schedule No. _____ together with such incorporated terms and provisions are herein referred to collectively as the *"Equipment Schedule"*), has attached the Payment Schedule with respect thereto (the *"Payment Schedule"*) executed by Lessee, and provides for the lease of certain property listed in the Equipment Schedule (the *"Equipment"*); (c) an executed counterpart of that certain Escrow and Account Control Agreement dated as of _____ (the *"Escrow Agreement"*), by and among Lessor, Lessee and _____, as Escrow Agent; (d) an executed counterpart of the ordinances or resolutions of Lessee with respect to authorization of the transaction contemplated by the Agreement, the Equipment Schedule, the Escrow Agreement and documents related thereto; and (e) such other opinions, documents and matters of law as I have deemed necessary in connection with the following opinions. The Agreement, the Equipment Schedule, including the terms and provisions of the Agreement incorporated therein by reference, the related Payment Schedule, the Escrow Agreement and the documents relating thereto are herein collectively referred to as the *"Transaction Documents"*.

Based on the foregoing, I am of the following opinions:

1. Lessee is a city, duly organized and existing under the laws of the State of California (the "State"), and is a political subdivision of the State within the meaning of Section 103(c) of the Internal Revenue Code of 1986, as amended (the *"Code"*) and the

obligations of Lessee under the Lease will constitute an obligation of Lessee within the meaning of Section 103(a) of the Code, notwithstanding Section 103(b) of the Code.

2. Lessee has the requisite power and authority to lease and acquire the Equipment and to execute and deliver the Transaction Documents and to perform its obligations under the Transaction Documents.

3. The Transaction Documents have been duly authorized, approved, executed and delivered by and on behalf of Lessee and the Transaction Documents are legal, valid and binding obligations of Lessee, enforceable against Lessee in accordance with their respective terms, except to the extent limited by State and Federal law affecting creditor's remedies and by bankruptcy, reorganization, moratorium or other laws of general application relating to or affecting the enforcement of creditors' rights.

4. The authorization, approval, execution and delivery of the Transaction Documents and all other proceedings of Lessee relating to the transactions contemplated thereby have been performed in accordance with all open meeting laws, procurement and public bidding laws and all other applicable State or Federal laws.

5. There is no proceeding pending or threatened in any court or before any governmental authority or arbitration board or tribunal that, if adversely determined, would adversely affect the transactions contemplated by the Transaction Documents or the security interest of Lessor or its assigns, as the case may be, in the Equipment under the Lease, the Escrow Account or other Collateral thereunder.

[6. The portion of Rental Payments designated as interest is excluded from Lessor's gross income for Federal income tax purposes under Section 103 of the Code and is exempt from State of California personal income taxes; and such interest is not a specific item of tax preference for purposes of the Federal alternative minimum tax.[1]]

[6. The portion of Rental Payments designated as interest or constituting or accruing as original issue discount is excluded from Lessor's gross income for Federal income tax purposes under Section 103 of the Code and is exempt from State of California personal income taxes; and such interest and original issue discount are not a specific item of tax preference for purposes of the Federal alternative minimum tax.[2]]

---

[1] Please use this provision if the opinion of counsel will include a tax opinion.

[2] Please use this provision if the opinion of counsel will include a tax opinion and there is OID.

All capitalized terms herein shall have the same meanings as in the Transaction Documents, unless otherwise provided herein. Lessor and its successors and assigns[, and any counsel rendering an opinion on the tax-exempt status of the Rental Payments,[3]] are entitled to rely on this opinion.

Printed Name: _____ Signature: _____
Firm: _____ Dated: _____
Address: _____
Telephone No.: _____

[3] Please use this provision if bond counsel will be providing a separate tax opinion.

EXHIBIT E

FORM OF FINAL ACCEPTANCE CERTIFICATE

Banc of America Public Capital Corp
11333 McCormick Road
Hunt Valley II
M/C MD5-032-07-05
Hunt Valley, MD 21031
Attention: Contract Administration

Re: Equipment Schedule No. _____, dated _____, to Master Equipment Lease/Purchase Agreement, dated as of April 6. 2023, by and between Banc of America Public Capital Corp, as Lessor, and the City of South Lake Tahoe, California, as Lessee

Ladies and Gentlemen:

In accordance with the above-referenced Master Equipment Lease/Purchase Agreement (the "*Agreement*"), the undersigned Lessee hereby certifies and represents to, and agrees with, Lessor as follows:

1. All of the Equipment listed in the above-referenced Equipment Schedule (the "*Equipment Schedule*") has been delivered, installed and accepted on the date hereof.

2. Lessee has conducted such inspection and/or testing of the Equipment listed in the Equipment Schedule as it deems necessary and appropriate and hereby acknowledges that it accepts the Equipment for all purposes.

3. Lessee is currently maintaining the insurance coverage required by Section 7.02 of the Agreement.

4. Lessee hereby reaffirms that the representations, warranties and covenants contained in the Agreement and incorporated into the Equipment Schedule by reference are true and correct as of the date hereof.

5. (a) No event or condition that constitutes, or with notice or lapse of time, or both, would constitute, an Event of Default exists at the date hereof under any Lease currently in effect; (b) no Material Adverse Change has occurred since the date of the execution and delivery of the Agreement; (c) no Event of Non-appropriation under any Lease currently in effect has occurred or been threatened; and (d) no Lease has been terminated as the result of the occurrence of an Event of Default or an Event of Non-appropriation.

Capitalized terms used, but not defined, in this Final Acceptance Certificate shall have the same meanings as when such terms are used in the Agreement.

Date: _____

LESSEE:

City of South Lake Tahoe, California

By: _____
Name: _____
Title: _____

EXHIBIT F

FORM OF SELF-INSURANCE CERTIFICATE

Banc of America Public Capital Corp
11333 McCormick Road
Hunt Valley II
M/C MD5-032-07-05
Hunt Valley, MD 21031
Attention: Contract Administration

Re: Equipment Schedule No. _____, dated _____, to Master Equipment Lease/Purchase Agreement, dated as of April 6. 2023, by and between Banc of America Public Capital Corp, as Lessor, and the City of South Lake Tahoe, California, as Lessee

In connection with the above-referenced Equipment Schedule (the "*Equipment Schedule*"), the City of South Lake Tahoe, California (the "*Lessee*") hereby warrants and represents to Banc of America Public Capital Corp the following information. The terms capitalized herein but not defined herein shall have the meanings assigned to them in the above-referenced Master Equipment Lease/Purchase Agreement (the "*Agreement*") incorporated into the Equipment Schedule by reference.

1. The Lessee is self-insured for damage or destruction to the Equipment listed in the Equipment Schedule (herein, the "*Equipment*"). The dollar amount limit for property damage to the Equipment under such self-insurance program is $_____. [The Lessee maintains an umbrella insurance policy for claims in excess of Lessee's self-insurance limits for property damage to the Equipment which policy has a dollar limit for property damage to the Equipment under such policy of $_____.]

2. The Lessee is self-insured for liability for injury or death of any person or damage or loss of property arising out of or relating to the condition or operation of the Equipment. The dollar limit for such liability claims under the Lessee's self-insurance program is $_____. [The Lessee maintains an umbrella insurance policy for claims in excess of Lessee's self-insurance limits for liability which policy has a dollar limit for liabilities for injury and death to persons as well as damage or loss of property arising out of or relating to the condition or operation of the Equipment in the amount of $_____.

[3]. The Lessee maintains a self-insurance fund. Monies in the self-insurance fund [are/are not] subject to annual appropriation. The total amount maintained in the self-insurance fund to cover Lessee's self-insurance liabilities is $_____. [Amounts paid from the Lessee's self-insurance fund are subject to a dollar per claim of $_____.]

[3]. The Lessee does not maintain a self-insurance fund. The Lessee obtains funds to pay claims for which it has self-insured from the following sources: _____. Amounts payable for claims from such sources are limited as follows: _____ _____.

4. Attached hereto are copies of certificates of insurance with respect to policies maintained by Lessee.

LESSEE:

City of South Lake Tahoe, California

By:_____
Name: _____
Title: _____

EXHIBIT G

RESERVED

EXHIBIT H

FORM OF NOTICE AND ACKNOWLEDGEMENT OF ASSIGNMENT

Dated _____

BANC OF AMERICA PUBLIC CAPITAL CORP (*"Assignor"*) hereby gives notice that, as of _____, 20__, it has assigned and sold to _____ (*"Assignee"*) all of Assignor's right, title and interest in, to and under Equipment Schedule No. _____, dated _____ (including the Payment Schedule attached thereto, the *"Equipment Schedule"*), which incorporates by reference the terms and provisions of that certain Master Equipment Lease/Purchase Agreement dated as of April 6. 2023 (the *"Agreement"*), each by and between Assignor and City of South Lake Tahoe, California (*"Lessee"*), together with all exhibits, schedules, riders, addenda and attachments related thereto, and all certifications and other documents delivered in connection therewith, the Rental Payments and other amounts due under the Lease (as such term is hereinafter defined), all of Assignor's right, title and interest in the Equipment listed in the Equipment Schedule and all of Assignor's right, title and interest in, to and under the Escrow and Account Control Agreement dated as of _____, 20__ (the *"Escrow Agreement"*) by and among Lessee, Assignor and _____, as Escrow Agent, together with the Escrow Account related thereto (collectively, the *"Assigned Property"*).

For purposes of this Notice and Acknowledgment of Assignment (the *"Acknowledgment"*), *"Lease"* means collectively the Equipment Schedule and the terms and provisions of the Agreement incorporated therein by reference, together with all exhibits, schedules, riders, addenda and attachments related thereto, and all certifications and other documents delivered in connection therewith. The term *"Lease"* specifically excludes all other Equipment Schedules entered into under the Agreement and Rental Payments other than with respect to the Equipment Schedule. Each capitalized term used but not defined herein has the meaning set forth in the Agreement.

1. Lessee hereby acknowledges the effect of the assignment of the Assigned Property and absolutely and unconditionally agrees to deliver to Assignee all Rental Payments and other amounts coming due under the Lease in accordance with the terms thereof on and after the date of this Acknowledgment.

2. Lessee hereby agrees that: (i) Assignee shall have all the rights of Lessor under the Lease and all related documents, including, but not limited to, the rights to issue or receive all notices and reports, to give all consents or agreements to modifications thereto, to receive title to the Equipment in accordance with the terms of the Lease, to declare a default and to exercise all rights and remedies thereunder in connection with the occurrence of an Event of Non-appropriation or an Event of Default; and (ii) [except as provided in Section 3.03 of the Agreement,] the obligations of Lessee to make Rental Payments and to perform and observe the

other covenants and agreements contained in the Lease shall be absolute and unconditional in all events without abatement, diminution, deduction, set-off or defense.

3. Lessee agrees that, as of the date of this Notice and Acknowledgment of Assignment (this *"Acknowledgement"*), the following information about the Lease is true, accurate and complete:

Number of Rental Payments Remaining	_____
Amount of Each Rental Payment	$_____
Total Amount of Rental Payments Remaining	$_____
Frequency of Rental Payments	_____
Next Rental Payment Due	_____
Funds Remaining in Escrow Account	$_____

4. The Lease remains in full force and effect, has not been amended, no Event of Default (or event which with the passage of time or the giving of notice or both would constitute a default) has occurred thereunder and no Event of Non-appropriation has occurred or is threatened with respect thereto.

5. Assignor hereby acknowledges the transfer restrictions imposed by Section 11.01 of the Agreement and confirms that the assignment to Assignee has been made in accordance with the provisions of that Section.

6. Any inquiries of Lessee related to the Lease and any requests for disbursements from the Escrow Account, if applicable, and all Rental Payments and other amounts coming due pursuant to the Lease on and after the date of this Acknowledgment should be remitted to Assignee at the following address (or such other address as provided to Lessee in writing from time to time by Assignee):

_____
_____
_____

ACKNOWLEDGED AND AGREED:

LESSEE: CITY OF SOUTH LAKE TAHOE, CALIFORNIA
[FOR EXHIBIT PURPOSES ONLY]

By:_____
Name: _____
Title: _____

ASSIGNOR: BANC OF AMERICA PUBLIC CAPITAL CORP

[FOR EXHIBIT PURPOSES ONLY]

By:_____
Name: _____
Title: _____

EXHIBIT I

ESCROW AND ACCOUNT CONTROL AGREEMENT

City of South Lake Tahoe

Agenda Item Executive Summary

Joe Irvin, City Manager

Meeting Date: November 5, 2024

Agenda Item #: 16

Agenda Item: Heavenly Area Annexation - Ordinance Pre-zoning 30 Parcels, General Plan Amendment, and Resolution Initiating Annexation Proceedings

Executive Summary: On June 6, 2023, the City Council discussed five annexation scenarios and provided direction to staff. The City Council passed a motion to pursue the â€œHeavenly Annexation Scenario,â€ which encompasses the Heavenly Resort California Base. The annexation scenario was subsequently modified by Council direction on November 7, 2023, to include a larger annexation area that also encompassed portions of Heavenly Ski Resort and Van Sickle Bi-State Park (see Attachment 02, Annexation Area Map). The City is pursuing the annexation of this area for more efficient delivery of public services.

Requested Action / Suggested Motions: (1) Pass Motion to hold first reading (by title only) of an Ordinance pre-zoning of 30 parcels for subsequent annexation of such parcels, and amending City Code Title 6, Chapter 6.55, Article II, Section 6.55.120, and refer second reading and adoption to November 19, 2024; (2) Pass a Resolution amending the General Plan Figure LU-1, Land Use Diagram to show the zoning of the parcels to be annexed and expanded Sphere of Influence to include the annexation area; and (3) Pass a Resolution initiating proceedings for the annexation of such parcels.

Responsible Staff Member: John Hitchcock, Planning Manager

Reviewed and Approved By: Zachary Thomas, Director of Development Services Susan Blankenship, City Clerk Olga Tikhomirova, Director of Finance Heather Stroud, City Attorney

Attachments:

01-Staff Report-Annexation of Properties.docx
02-Proposed Annexation Area.pdf
03-Parcel Ownership.pdf
04-TRPA Land Use Designation.pdf
05-TRPA Plan Area Statements.pdf
06-Ordinance Redline.docx
07-Ordinance - Heavenly Annexation (First Reading).docx
08-Resolution - General Plan Amendment Annexation.docx
09-Resolution - Initiating Annexation Proceedings.docx
10-Proof of Mailing 20241018.pdf
11-Tribune Proof of Publication.pdf
12-PC Reso 024-022_Heavenly Annexation.pdf

City of South Lake Tahoe
Report to **City Council**

Meeting Date: November 5, 2024

Title: Heavenly Area Annexation – Ordinance Pre-zoning 30 Parcels, General Plan Amendment, and Resolution Initiating Annexation Proceedings

Location: Unincorporated area adjacent to the City Limits including the portion of Heavenly Ski Resort in El Dorado County, the portion of Van Sickle-Bi State Park in El Dorado County, and adjacent private parcels.

Responsible Staff: John Hitchcock, Planning Manager

Background: Annexation is a process under California law (the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000) for incorporated cities to add land to the area within their jurisdictional boundaries. The purpose of this law is "to encourage the orderly growth and development which are essential to the social, fiscal, and economic well-being of the state." Cal. Gov't Code section 56001. The California Legislature has also found that "a single multipurpose governmental agency is accountable for community service needs and financial resources and, therefore, may be the best mechanism for establishing community service priorities, especially in urban areas." (Cal. Gov't Code section 56001).

On June 6, 2023, the City Council discussed five annexation scenarios and provided direction to staff. The City Council passed a motion to pursue the "Heavenly Annexation Scenario," which encompassed the Heavenly Resort California Base. The annexation scenario was subsequently modified by Council direction on November 7, 2023, to include a larger annexation area that now encompasses the California portions of Heavenly Ski Resort and Van Sickle Bi-State Park as well as several adjacent private parcels (see Attachment 02, Annexation Area Map)

The City is pursuing the annexation of this area to provide more efficient public services, part of which is to ensure that the City receives tax revenue to support services already being provided to the area, such as snow removal and road maintenance to all of the roads accessing the annexation area. The annexation area currently receives municipal services from El Dorado County and Lake Valley Fire Protection District but is geographically isolated—an island separated from the habitable portions of El Dorado County. If the annexation is approved by the El Dorado Local Agency Formation Commission (LAFCO), the City will provide core services, including street maintenance, snow removal, police, fire protection, and emergency response to the annexation area, and will receive tax revenue to support provision of these services.

The Heavenly annexation area comprises 30 parcels totaling 2,800 acres, including a mix of private and publicly owned parcels. The majority of the parcels are held in public ownership by the United States Forest Service, the State of California, and the South Tahoe Public Utility District. Eight parcels are held in private ownership (see Attachment 03, Ownership Map). Although El Dorado County has adopted zoning designations for the annexation area, it is superseded by the Tahoe Regional Planning Agency (TRPA) Conceptual Land Use Map and

the Plan Area Statements (PAS). Pursuant to the 2012 Conceptual Regional Land Use Map, the annexation area is designated as Conservation, Recreation, and Resort Recreation (see Attachment 04, TRPA Land Use Designation), and the Plan Area Statements zones the annexation area as Conservation and Recreation (see Attachment 05, TRPA Plan Area Statements).

Issue and Discussion

City Code Amendment

It is necessary to amend City Code Title 6, Development Services, Chapter 6.55, Article II, Plan Area Maps and Statements, Section 6.55.120, Plan Area Statement Maps, to incorporate TRPA's PAS 080 – Kingsbury Drainage and PAS 087- Heavenly Valley California, as the underlying zoning regulations (see Attachment 06).

PAS 080 and PAS 087 zoning designations will not take effect for the affected properties unless and until LAFCO approves the annexation.

Pre-Zoning

State law requires that within a proposed municipal reorganization area, each participating jurisdiction must pre-zone the respective territory being annexed, consistent with the City's adopted General Plan (Cal. Gov. Code Section 56375(a)(7)). Thus, the properties subject to the annexation into the City must be identified in the City of South Lake Tahoe General Plan with proposed future land use(s), and the properties must be pre-zoned consistently with the General Plan land uses(s) in anticipation of the future annexation.

The properties are proposed to be pre-zoned with TRPA's underlying PAS; thus, no land use changes are proposed, and there are no changes to the development potential.

Pre-zoning the properties will not affect the City boundaries, nor will the pre-zoning establish any new City zoning controls over the properties. While the municipal reorganization process is pending, the County of El Dorado and TRPA will maintain zoning control over the properties. The zoning will not take effect for the affected properties unless and until LAFCO approves the annexation (see Attachment 07, Exhibit 1).

General Plan Amendment

The City of South Lake Tahoe General Plan identifies proposed land uses in Figure LU-1, Land Use Diagram. Figure LU-1 designates a mix of Residential, Conservation, Recreation, Neighborhood Center, Town Center, Tourist, and Special Districts. The properties planned for annexation are bordered by City properties designated Low-Density Residential, Recreation, and Conservation.

It is reasonable and appropriate for the subject annexation properties to be designated in the City General Plan with their existing land use designations adopted in the TRPA 2012 Regional Plan: Conservation, Recreation and Resort Recreation. Accordingly, Figure LU-1 in the General Plan is proposed to be amended to include the identification of the proposed annexation properties, along with the existing TRPA Regional Plan land use designations and expansion of the City Sphere of Influence to include the annexation area (See Attachment 08). The

forthcoming application to LAFCO will include a request to expand the City's Sphere if Influence to include the annexation area.

Tribal Consultation

In accordance with SB 18, the City sent consultation letters on July 31, 2023, and August 17, 2023, to the Colfax-Todds Valley Consolidated Tribe, the Ione Bank of Miwok Indians, the Tsi Akim Maidu, Shingle Springs Band of Miwok Indians, the United Auburn Indian Community, the Washoe Tribe of California and Nevada, and the Wilton Rancheria.

The City received a letter from the Shingle Springs Band of Miwok Indians stating that they are not aware of any known cultural resources within the annexation area but requested to be made aware if new information or human remains are found in the future.

The City was also contacted by the United Auburn Indian Community, deferring consultation to the Washoe Tribe of California and Nevada. The Washoe Tribe requested consultation with the City. City staff held an online conference call with Patrick Burtt on September 9, 2023, to discuss the proposed annexation.

Due to a change in the boundary of the annexation area from the November 7, 2023 City Council meeting, the City sent a second consultation letter on November 14, 2023. The City did not receive a request for consultation.

Environmental Analysis:

California Environmental Quality Act

This action is categorically exempt from CEQA pursuant to Section 15319, Annexation of Existing Facilities and Lots for Exempt Facilities. The area to be annexed contains existing public and private structures developed to a density allowed by the current TRPA Plan Area Statements. The City proposes to pre-zone the properties with the current TRPA zoning designations. Therefore, there are no changes or increases in the development potential of the annexation area. Further, the annexation area is already served by existing utility services (i.e., South Tahoe Public Utility District, Liberty Utilities) and no water or sewer service is revised as a result of the annexation.

Furthermore, there is no reasonably foreseeable change in the types and intensity of uses within the annexation area as a result of any approval. The vacant private properties may be developed with single-family dwelling units, and the majority of the properties that are held in public ownership can be developed primarily with public service, recreation, and resource management uses. For example a portion of the annexation area is developed with a downhill ski facility (i.e., Heavenly).

A reasonable application of Section 15319 would mean the annexation is categorically exempt. Lastly, there is no evidence that the annexation involves an unusual circumstance that might have a significant effect on the environment.

The proposed code amendments to Title 6, Chapter 6.55, Article II, Section 6.55.120 is**,** exempt from CEQA pursuant to Section 15061(b)(3) that states the proposed amendment is covered by the common sense exemption that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is

no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

Public Notice and Public Comments:

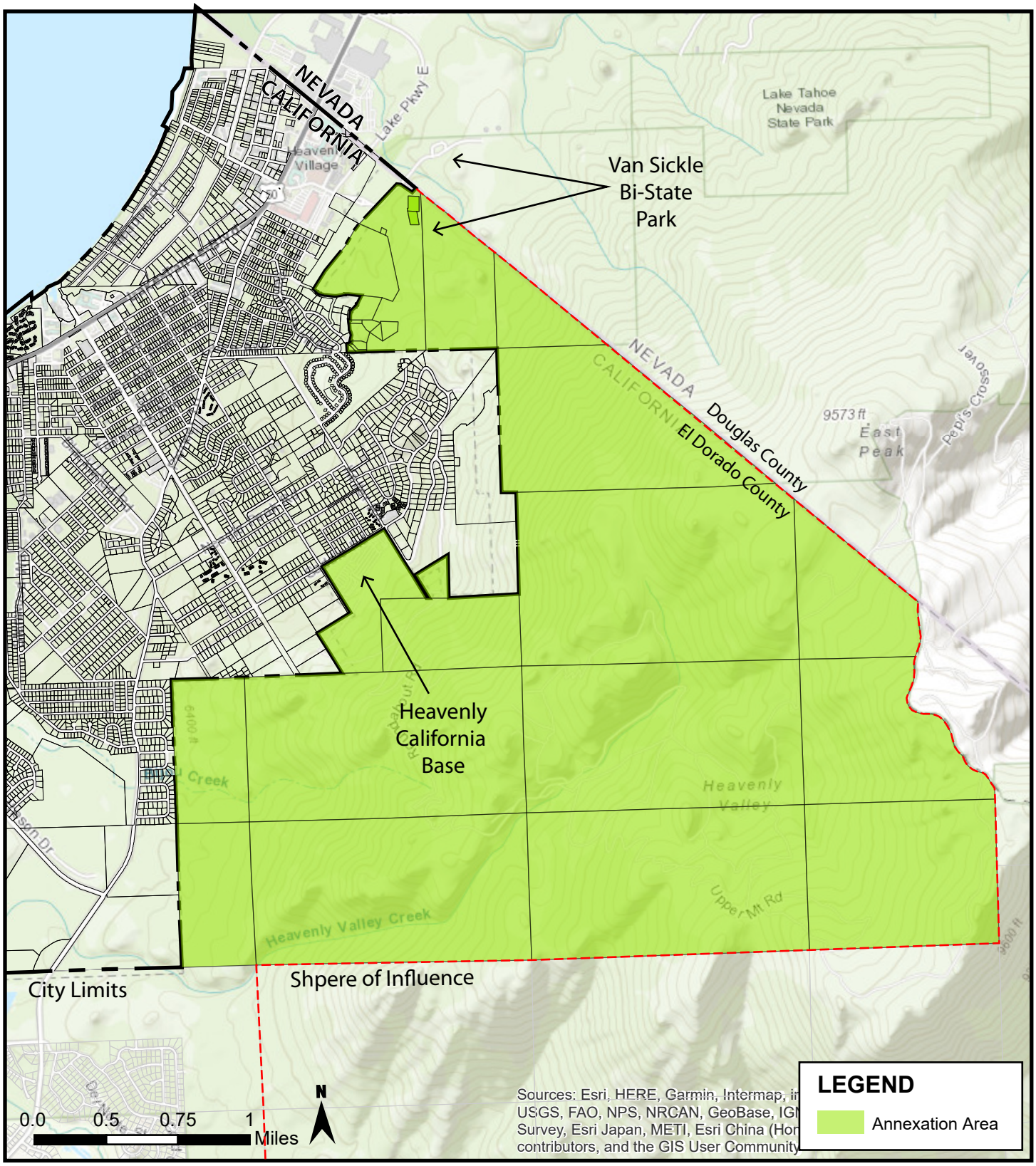
A Notice of Public Hearing was mailed to property owners within the annexation area and to all affected property owners within 500 feet of the subject properties on October 18, 2024 (see Attachment 07). A public notice was published in the Tahoe Daily Tribune on October 25, 2024 (see Attachment 08).

At their October 17 meeting, the Planning Commisson conducted a public hearing on the proposed annexation, took public comment, deliberated, and voted to pass a Resolution recommending the City Council adopt the pre-zoning of 30 parcels, amend City Code Title 6, Chapter 6.55, Article II, Section 6.55.120, and amend General Plan Figure LU-1, Land Use Diagram to show the zoning of the parcels to be annexed and expanded Sphere of Influence to include the annexation area, contingent upon approval of the annexation of said properties into the City by El Dorado LAFCO, and making all other findings set forth in the Resolution, including but not limited to those pertaining to the actions' exemption from the California Environmental Quality Act.

Financial Implications: Adopting a resolution to recommend amending the General Plan and pre-zone the properties does not have any financial implications at this time. However, state law requires involved jurisdictions to negotiate the allocation of property tax revenues. The City Manager and City Attorney will conduct this negotiation with El Dorado County officials when the annexation application is accepted by LAFCO, and a tax sharing agreement with the County will be brought back to Council for approval upon completion of negotiations.

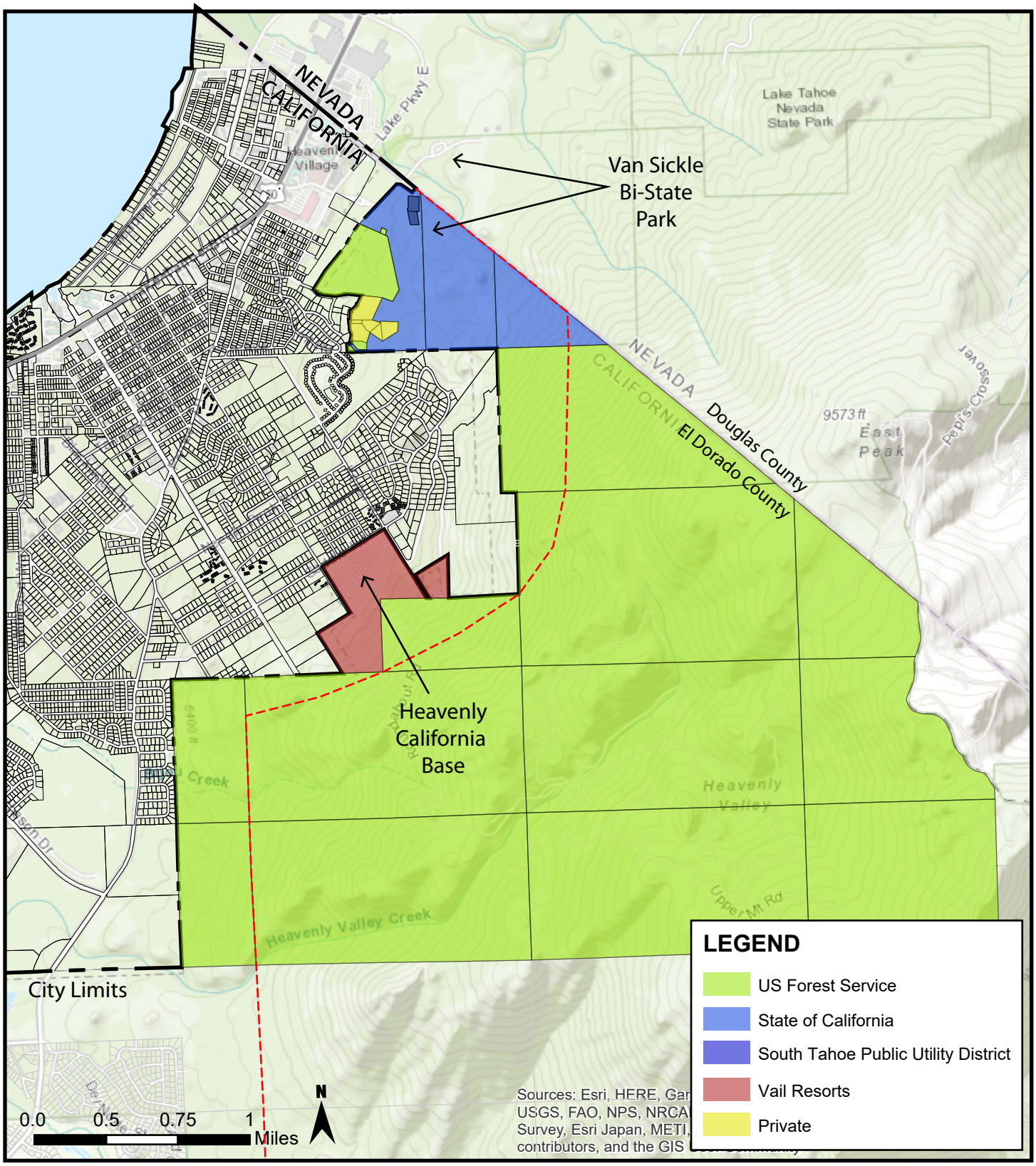
Moreover, as stated in the background section, the City has been providing services on roads that provide access to the annexation area but does not currently receive any tax revenue from the area to support these services.

Policy Implications: This action is consistent with City Council Strategic Plan 2023-2028 Strategic Priority 5.4 (Local Control), Action Item 2, Analyze desirability and feasibility of annexation of certain unincorporated areas of El Dorado County into the city.



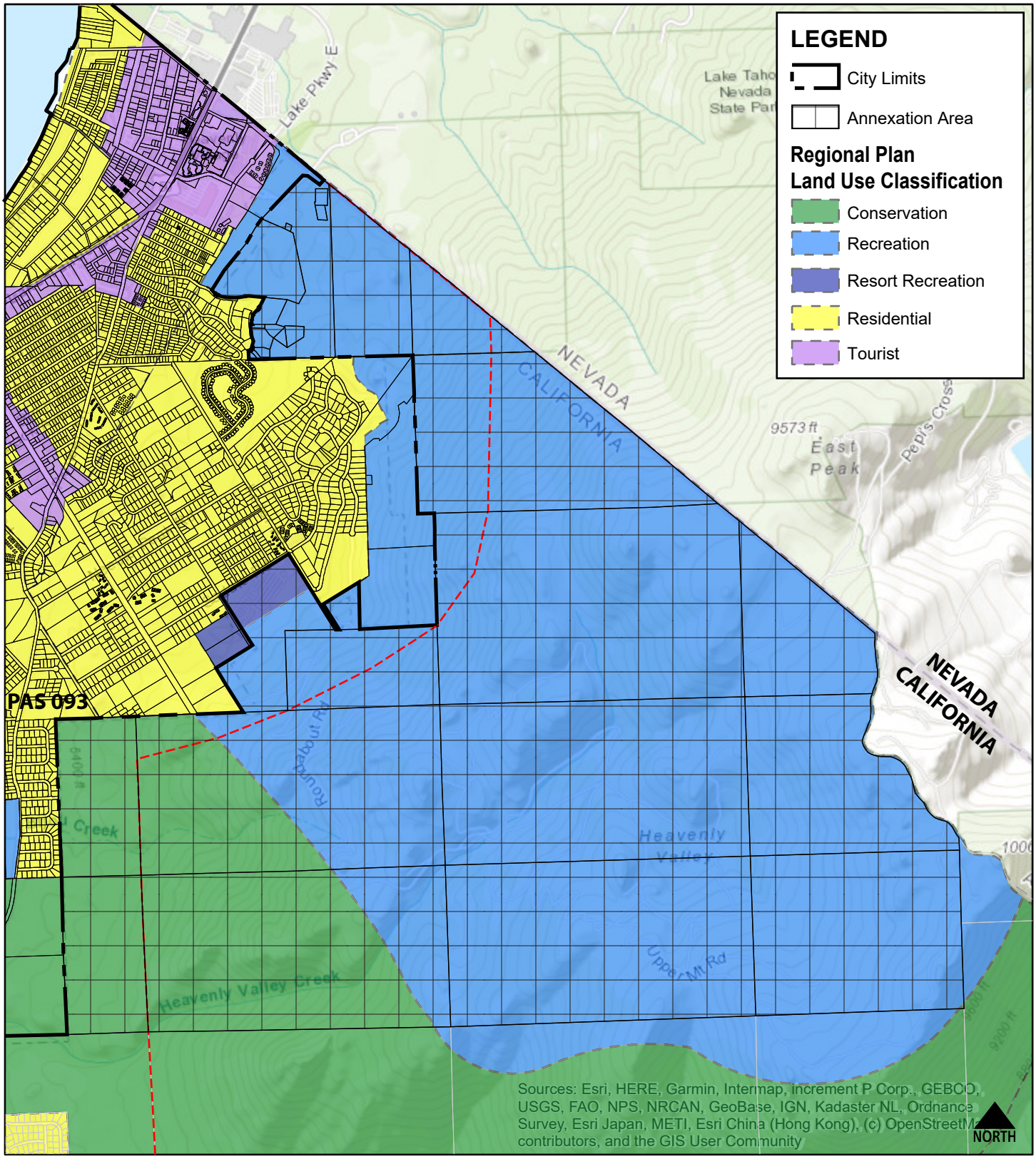
CITY OF SOUTH LAKE TAHOE

Proposed Heavenly Annexation



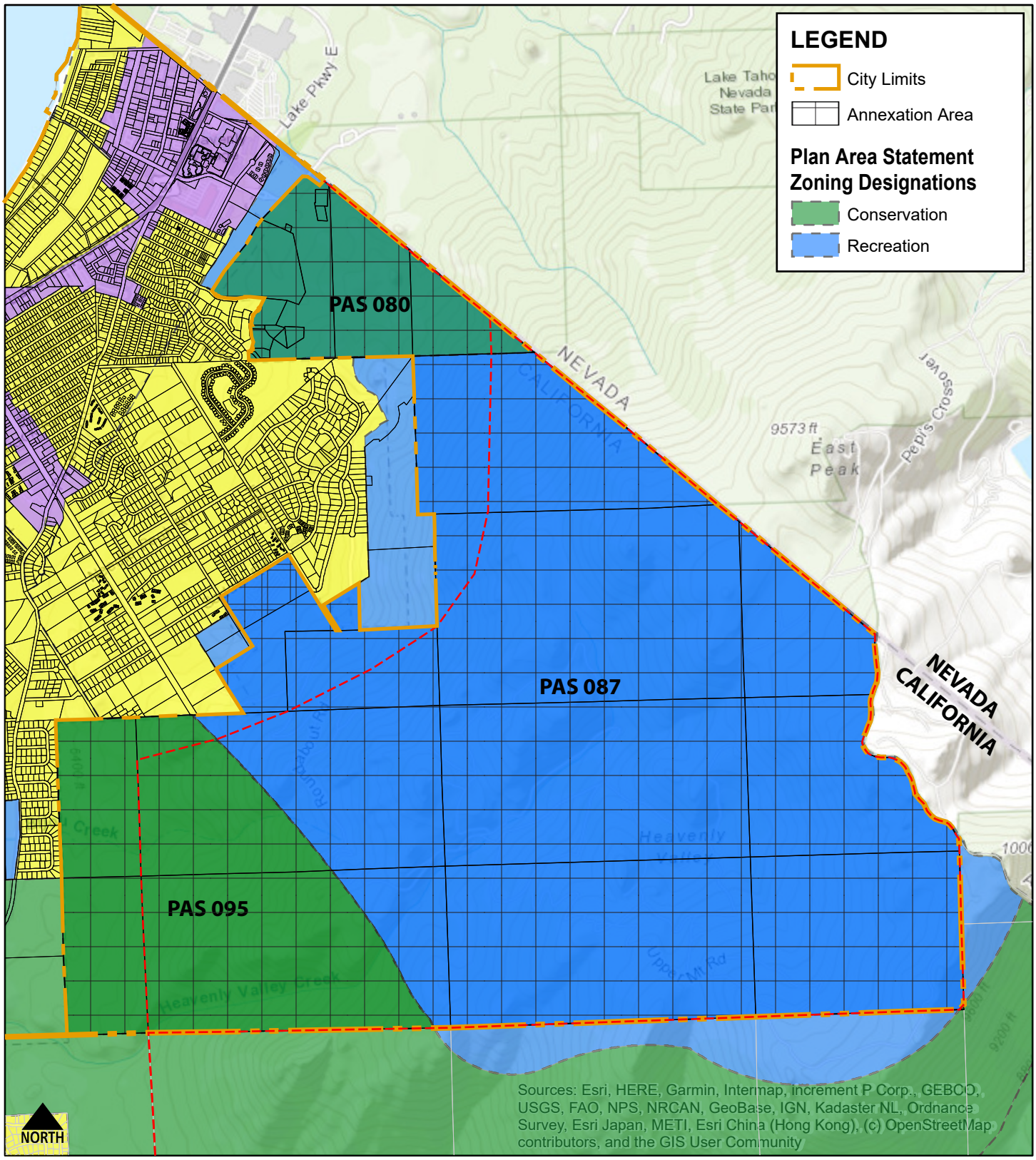
CITY OF SOUTH LAKE TAHOE

Attachment 03
Parcel Ownership



CITY OF SOUTH LAKE TAHOE

Attachment 04
TRPA Adopted Coceptual Land Use Designations



CITY OF SOUTH LAKE TAHOE

Attachment 05
TRPA Plan Area Statements Zoning Designations

New proposed language is bolded and double underlined, deleted language is ~~struck through~~.

Article II. Plan Area Maps and Statements

6.55.110 Permissible uses.

For the purpose of this chapter, the city shall adopt by reference the permissible uses contained within the TRPA Code of Ordinances, Chapter 21. (Ord. 902; Ord. 1060 § 1 (Exh. A); Ord. 1152 § 3. Code 1997 § 32-10)

6.55.120 Plan area statements.

The following are the city plan area maps and statements:

080	Kingsbury Drainage
085	Lakeview Heights
087	Heavenly Valley California
088	Tahoe Village
089	Lakeside Park
089A	Tourist Core Area Plan
089B	Tourist Core Area Plan
090	Tahoe Meadows
091	Tourist Core Area Plan
092	Pioneer/Ski Run
093	Bijou
094	Glenwood
095	Trout/Cold Creek
096	Pioneer Village
097	Bijou Pines
098	Replaced by the Bijou/Al Tahoe Community Plan
099	Al Tahoe
100	Truckee Marsh
101	Bijou Meadow
102	Tahoe Keys
103	Sierra Tract-Commercial
104	Highland Woods
105	Sierra Tract

108	Winnemucca
109	Tahoe Valley Campground
110	Replaced by the Tahoe Valley Area Plan
111	Tahoe Island
112	Gardner Mountain
113	Industrial Tract
114	Bonanza
116	Airport

(Ord. 902; Ord. 1152 § 3. Code 1997 § 32-11)

Ordinance 2024-XXX

Adopted by the City of South Lake Tahoe City Council

November 5, 2024

An Ordinance approving the pre-zoning of 30 parcels located in unincorporated El Dorado County and amending South Lake Tahoe City Code Title 6, Chapter 6.55, Article II, Section 6.55.120, and making certain findings in accordance with the California Environmental Quality Act, all in conjunction with a proposed annexation of such parcels into the City

BACKGROUND

A. On June 6, 2023, the City Council passed a motion directing staff to pursue the "Heavenly Annexation Scenario," which encompassed the Heavenly Resort California Base and parcels adjacent to the City's jurisdictional boundary.

B. On November 7, 2023, the City Council modified the annexation scenario to include a larger annexation area that also encompassed the portions of Heavenly Ski Resort and Van Sickle Bi-State Park in El Dorado County and several private parcels.

C. The City intends to file an Application to Initiate Proceedings for Reorganization with the El Dorado Local Agency Formation Commission (LAFCO). As part of these proceedings, the City intends to request that LAFCO process a reorganization such that approximately 2,918 acres of territory currently within the unincorporated El Dorado County area would be annexed to the City of South Lake Tahoe and request that the City Sphere of Influence be expanded to include the annexation area.

D. The parcels to be annexed to the City of South Lake Tahoe are comprised of private and public parcels, which the Tahoe Regional Planning Agency zoned as either Conservation or Recreation.

E. As part of the LAFCO proceedings, LAFCO requires each participating jurisdiction to pre-zone the respective properties be annexed, consistent with the City adopted General Plan, and as such, the City of South Lake Tahoe intends to pre-zone the properties.

F. The City of South Lake Tahoe intends to pre-zone the property as currently zoned by TRPA and is not proposing any changes to the applicable regulating documents.

G. On October 17, 2024, the City of South Lake Tahoe Planning Commission conducted a duly noticed public hearing, at which time City staff presented its report, and interested persons had an opportunity to testify on the proposed Project. The Planning Commission considered the evidence in the record and passed a motion to adopt Resolution 2024-022, recommending the City Council approve the pre-zoning and amend the City Code.

H. The City of South Lake Tahoe is a decision-making body for the Reorganization described herein and, as such, is acting as a responsible agency under CEQA.

I. On October 18, 2024, A Notice of Public Hearing providing the date, time, and location of the City Council meeting was mailed to property owners within the annexation area and to all affected property owners within 500 feet of the subject properties. A public notice was also published in the Tahoe Daily Tribune on October 25, 2024.

J. On November 5, 2024, the City of South Lake Tahoe City Council conducted a duly noticed public hearing, at which time City staff presented its report, and interested persons had an opportunity to testify on the proposed pre-zoning and City Code amendments. Following receipt of all public testimony, the City Council closed the public hearing.

NOW, THEREFORE, THE CITY COUNCIL OF CITY OF SOUTH LAKE TAHOE DOES ORDAIN AS FOLLOWS:

SECTION 1. The findings set forth in the Background Section of this Ordinance are true and correct, are incorporated into this Ordinance by reference, and constitute a material part of this Ordinance.

SECTION 2. The City Council finds that the proposed pre-zone and the City Code amendments will not have an effect on the environment because the City is proposing to pre-zone the annexation area as it is currently zoned by TPRA. No changes are proposed to the applicable land use designations, planning policies, special policies, permissible use lists, or existing density standards. The development potential does not change, and any potential development would be subject to the existing regulations.

SECTION 3. The City Council finds that this ordinance is categorically exempt from CEQA pursuant to Section 15319, Annexation of Existing Facilities and Lots for Exempt Facilities. The area to be annexed contains existing public and private structures developed to a density allowed by the current TRPA Plan Area Statements, and the City proposes to pre-zone the properties with the current TRPA zoning designations. Therefore, there are no changes or increases in the development potential of the annexation area. Furthermore, the annexation area is already served by existing utility services (i.e., South Tahoe Public Utility District, Liberty Utilities), and no water or sewer service is revised as a result of the annexation.

Moreover, there is no reasonably foreseeable change in the types and intensity of service within the annexation area as a result of any approval. The private parcels may be developed consistent with the TRPA Code of Ordinances and the applicable Plan Area Statements, while parcels in public ownership are primarily sensitive parcels that are managed primarily for open space, restoration activities, and recreation access. Lastly, there is no evidence that the annexation involves an unusual circumstance that might cause a significant effect on the environment.

SECTION 4. The City Council finds that the pre-zoning of the properties is consistent with the City of South Lake Tahoe General Plan. The associated pre-zone and City Code amendments establish the existing TRPA Plan Area Statements zoning designations for the annexation area,

which is consistent with the land use designations applicable to the immediate surrounding properties.

SECTION 5. The City Council hereby pre-zones the annexation area as either Conservation or Recreation, and amends the City Zoning Map as shown in the map attached as Exhibit 1 and incorporated herein by this reference.

SECTION 6. City Code Title 6, Chapter 6.55, Article II is amended to read in its entirety as follows:

Article II. Plan Area Maps and Statements

6.55.110 Permissible uses.

For the purpose of this chapter, the city shall adopt by reference the permissible uses contained within the TRPA Code of Ordinances, Chapter 21.

6.55.120 Plan area statements

The following are the city plan area maps and statements:

080 Kingsbury Drainage
085 Lakeview Heights
087 Heavenly Valley California
089 Lakeside Park
089A Replaced by the Tourist Core Area Plan
089B Replaced by the Tourist Core Area Plan
090 Tahoe Meadows
091 Replaced by the Tourist Core Area Plan
092 Pioneer/Ski Run
093 Bijou
094 Glenwood
095 Trout/Cold Creek
096 Pioneer Village
097 Bijou Pines
098 Replaced by the Bijou/Al Tahoe Community Plan
099 Al Tahoe
100 Truckee Marsh
101 Bijou Meadows
102 Tahoe Keys
103 Sierra Tract Commercial
104 Highland Woods
105 Sierra Tract
108 Winnemucca
109 Tahoe Valley Campground
110 Replaced by the Tahoe Valley Area Plan
111 Tahoe Island
112 Gardner Mountain
113 Replaced by South Y Industrial Tract Community Plan
114 Bonanza
116 Airport

SECTION 7. If any section, subsection, sentence, clause, or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by a decision of any court of competent jurisdiction, such decision will not affect the validity of the remaining portions of this Ordinance. The City Council declares that it would have passed this Ordinance and each and every section, subsection, sentence, clause, or phrase not declared invalid or unconstitutional without regard to whether any portion of the Ordinance would be subsequently declared invalid or unconstitutional.

SECTION 8. The City Clerk is directed to certify this Ordinance and cause it to be published in the manner required by law.

SECTION 9. This Ordinance shall become effective 30 days following its adoption, but the zoning designation applied to the properties within the annexation area will not become effective unless and until Reorganization is approved by the El Dorado Local Agency Formation Commission.

Adopted by the City of South Lake Tahoe City Council at a meeting on November 19, 2024, by the following vote:

Yes
No
Absent
Abstain

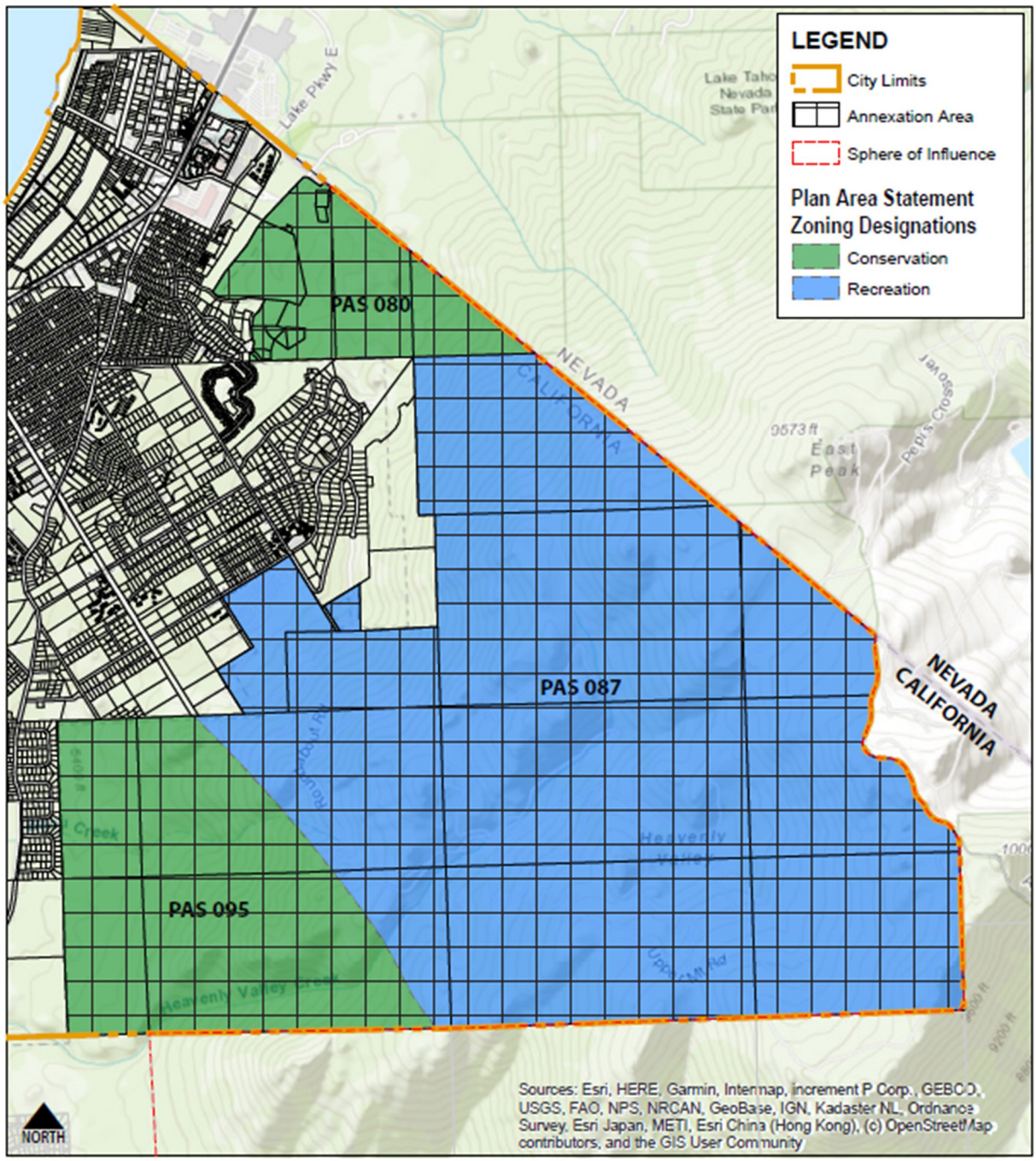
_____ Date:_____
Cody Bass, Mayor

Attest:

_____
Susan Blankenship, City Clerk

First Reading:_____
Published: _____
Second Reading: _____
Effective: _____

The presence of an electronic signature certifies that the foregoing is a true and correct copy as approved by the South Lake Tahoe City Council.



CITY OF SOUTH LAKE TAHOE

Exhibit 1
Pre-Zoning Map

Resolution 2024-XXX

Adopted by the City of South Lake Tahoe City Council

November 5, 2024

Approving a General Plan Amendment associated with the subsequent annexation of 30 parcels located in unincorporated El Dorado County and making certain findings in accordance with the California Environmental Quality Act

BACKGROUND

A. The City of South Lake Tahoe has an adopted General Plan to guide community development and growth, and the City Council has periodically updated the General Plan as necessary to maintain consistency with applicable laws and current conditions in the community.

B. On June 6, 2023, the City Council passed a motion directing staff to pursue the "Heavenly Annexation Scenario," which encompasses the Heavenly Resort California Base and parcels adjacent to the City's jurisdictional boundary.

C. On November 7, 2023, the City Council modified the annexation scenario to include a larger annexation area that also encompassed the portions of Heavenly Ski Resort and Van Sickle Bi-State Park in El Dorado County and several adjacent parcels in private ownership.

D. The City intends to file an Application to Initiate Proceedings for Reorganization with the El Dorado Local Agency Formation Commission (LAFCO). As part of these proceedings, the City intends to request that LAFCO process a reorganization such that approximately 2,918 acres of territory currently within the unincorporated El Dorado County area would be annexed to the City of South Lake Tahoe and request that the City Sphere of Influence be expanded to include the annexed area.

E. The parcels to be annexed to the City of South Lake Tahoe are comprised of private and public parcels, which the Tahoe Regional Planning Agency (TRPA) Conceptual Regional Land Use Map has designated as either Conservation, Recreation or Resort Recreation.

F. The City intends to apply the applicable TRPA Conceptual Regional Land Use designations in the annexation area and is not proposing any changes in the land use designations.

G. The City Council desires to amend the General Plan such that the maps within the General Plan will be updated to clearly reflect this annexation effort and to integrate the annexation area into the City's General Plan.

H. On October 17, 2024, the City of South Lake Tahoe Planning Commission conducted a duly noticed public hearing, at which time City staff presented its report,

and interested persons had an opportunity to testify on the proposed Project. The Planning Commission considered the evidence in the record and passed a motion to adopt Resolution 2024-022, recommending the City Council amend the General Plan Figure LU-1, Land Use Diagram.

I. On October 18, 2024, A Notice of Public Hearing providing the date, time, and location of the City Council meeting was mailed to property owners within the annexation area and to all affected property owners within 500 feet of the subject properties. A public notice was also published in the Tahoe Daily Tribune on October 25, 2024.

J. On November 5, 2024, the City of South Lake Tahoe City Council conducted a duly noticed public hearing, at which time City staff presented its report, and interested persons had an opportunity to testify on the proposed General Plan amendment. Following receipt of all public testimony, the City Council closed the hearing.

K. The City of South Lake Tahoe is a decision-making body for the Reorganization described herein and as such, is acting as a responsible agency under CEQA.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, BE IT RESOLVED, that the City of South Lake Tahoe City Council:

1. Finds that the facts set forth in the Background Section of this Resolution are true and correct, are incorporated into this Resolution by reference and constitute a material part of this Resolution.

2. Finds that the General Plan amendment will not have an effect on the environment because the City is proposing to apply the adopted TRPA Conceptual Land Use Map land use designations to the annexation area. No changes are proposed to the applicable land use designations, planning policies, special policies, permissible use lists, or existing density standards. The development potential does not change, and any potential development would be subject to the existing TRPA land use regulations.

3. Finds the proposed amendment to the General Plan is exempt from CEQA pursuant to Section 15319, Annexation of Existing Facilities and Lots for Exempt Facilities. The area to be annexed contains existing public and private structures developed to a density allowed by the current TRPA plan area statements, and the City proposes to adopt TRPA Conceptual Regional Plan Map land use classifications for the properties. Therefore, there are no changes or increases in the development potential of the annexation area. Furthermore, the annexation area is already served by existing utility services (i.e., South Tahoe Public Utility District, Liberty Utilities), and no water or sewer service is revised as a result of the annexation.

   Moreover, there is no reasonably foreseeable change in the types and intensity of service within the annexation area as a result of any approval. The private parcels may be developed consistent with the TRPA Code of Ordinances and the applicable Plan Area Statement, while parcels in public ownership are primarily sensitive parcels that are managed primarily for open space, restoration activities, and recreation access. Lastly, there is no evidence that the annexation involves an unusual circumstance that might cause a significant effect on the environment.

4. Finds the General Plan amendment is consistent with the City of South Lake Tahoe General Plan. The General Plan amendment establishes the existing TRPA Conceptual Regional Land Use designations for the annexation area, which is consistent with the land use designations applicable to the immediate surrounding properties.

5. Finds the proposed General Plan amendment is internally consistent with the South Lake Tahoe General Plan, and the amendment will not be detrimental to the public interest, health, safety, convenience, or welfare of the City.

6. Hereby amends its General Plan designating the annexation area as Conservation, Recreation, and Resort Recreation, and amends the General Plan Figure LU-1, Land Use Diagram in substantial conformance with Exhibit 1 to this Resolution and incorporated herein by this reference. The City Council hereby authorizes the City staff to make all necessary revisions to the text and figures of the General Plan to be consistent with the amendments set forth in this Resolution.

7. Declares that if any section, subsection, subdivision, sentence, clause, phrase, or portion of this Resolution or the application thereof to any person or place, is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remainder of this Resolution, and hereby declares that is would have adopted this Resolution, and each and every section, subsection, subdivision, sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or more sections, subsections, subdivisions, sentences, clauses, phrases, or portions thereof be declared invalid or unconstitutional.

8. Declares that this Resolution shall not become effective unless and until Reorganization is approved by the Local Agency Formation Commission for the County of El Dorado.

Adopted by the City of South Lake Tahoe City Council at a meeting on November 5, 2024, by the following vote:

Yes
No
Absent
Abstain

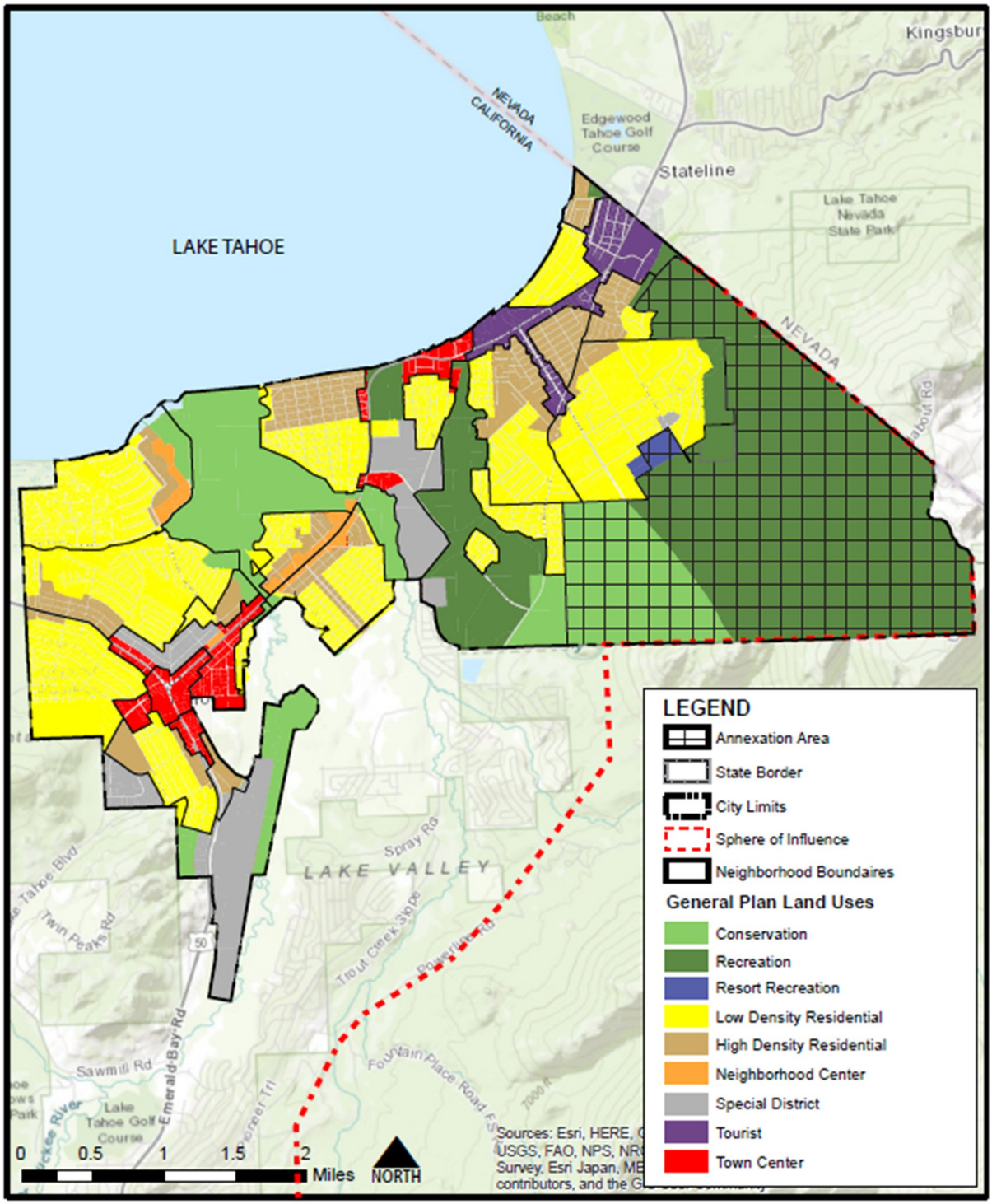
_____ Date:_____
Cody Bass, Mayor

Attest:

_____
Susan Blankenship, City Clerk

The presence of an electronic signature certifies that the foregoing is a true and correct copy as approved by the South Lake Tahoe Planning Commission.

EXHIBIT 1



CITY OF SOUTH LAKE TAHOE

South Lake Tahoe General Plan Update

Figure LU-1 Land Use Diagram

Resolution 2024-XXX

Adopted by the City of South Lake Tahoe City Council

November 5, 2024

Initiating proceedings for the annexation of 30 parcels located in unincorporated El Dorado County, approximately 2,819 acres in size

BACKGROUND

A. On June 6, 2023, the City Council passed a motion directing staff to pursue the "Heavenly Annexation Scenario," which encompasses the Heavenly Resort California Base and parcels adjacent to the City's jurisdictional boundary.

B. On November 7, 2023, the City Council modified the annexation scenario to include a larger annexation area that also encompassed the portions of Heavenly Ski Resort and Van Sickle Bi-State Park in El Dorado County and adjacent properties in private ownership.

C. The City intends to file an Application to Initiate Proceedings for Reorganization with the El Dorado Local Agency Formation Commission (LAFCO). As part of these proceedings, the City of South Lake Tahoe intends to request that LAFCO process a reorganization such that approximately 2,819 acres of territory currently within the unincorporated El Dorado County area would be annexed to the City of South Lake Tahoe and request that the City Sphere of Influence be expanded to include the annexed area.

D. The parcels to be annexed to the City of South Lake Tahoe are comprised of private and public parcels, which the Tahoe Regional Planning Agency (TRPA) Conceptual Regional Land Use Map has designated as either Conservation, Recreation or Resort Recreation.

E. The City intends to apply the applicable TRPA Conceptual Regional Land Use designations and the applicable Plan Area Statements (i.e., zoning districts) in the annexation area and is not proposing any changes in the land use designations or the applicable zoning districts.

F. On October 18, 2024, A Notice of Public Hearing providing the date, time, and location of the City Council meeting was mailed to property owners within the annexation area and to all affected property owners within 500 feet of the subject properties. A public notice was also published in the Tahoe Daily Tribune on October 25, 2024.

G. On November 5, 2024, the City of South Lake Tahoe City Council conducted a duly noticed public hearing, at which time City staff presented its report, and interested persons had an opportunity to testify on the proposed annexation. Following receipt of all public testimony, the City Council closed the hearing.

H. On November 5, 2024, the City of South Lake Tahoe City Council adopted an Ordinance to pre-zone the annexation area and a Resolution to amend the 2030 South Lake Tahoe General Plan to reflect the proposed annexation and expanded Sphere of Influence.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, BE IT RESOLVED, that the City of South Lake Tahoe City Council:

1. Finds the facts set forth in the Background Section of this Resolution are true and correct, are incorporated into this Resolution by reference, and constitute a material part of this Resolution.

2. Hereby makes an application to the El Dorado Local Agency Formation Commission (LAFCO) for the annexation of certain property as described in Exhibit 1 to the City of South Lake Tahoe, and the detachment of certain inhabited property as described in Exhibit 1 from the Lake Valley Fire Protection District.

3. Recognizes that a portion of the annexation area is outside the City's Sphere of Influence, and that a concurrent application for a Sphere of Influence amendment will be filed with LAFCO.

4. Finds that the proposed annexation is in the interest of providing efficient provision of governmental services, where the annexation area currently receives municipal services from El Dorado County and Lake Valley Fire Protection District, even though the annexation area is adjacent to the City of South Lake Tahoe and accessed only through City streets, and is geographically removed from the rest of the inhabited portions of El Dorado County. After annexation, the City would provide all core municipal services, including street maintenance, snow removal, police, fire protection, and emergency response.

4. Finds the following are affected agencies: Lake Valley Fire Protection District, El Dorado County, United States Forest Service, State of California, and South Tahoe Public Utility District.

5. Hereby requests that proceedings be undertaken by the LAFCO for the annexation and Sphere of Influence amendment proposed herein.

6. Hereby instructs the City Clerk to file a copy of this Resolution with LAFCO.

Adopted by the City of South Lake Tahoe City Council at a meeting on November 5, 2024, by the following vote:

Yes
No
Absent
Abstain

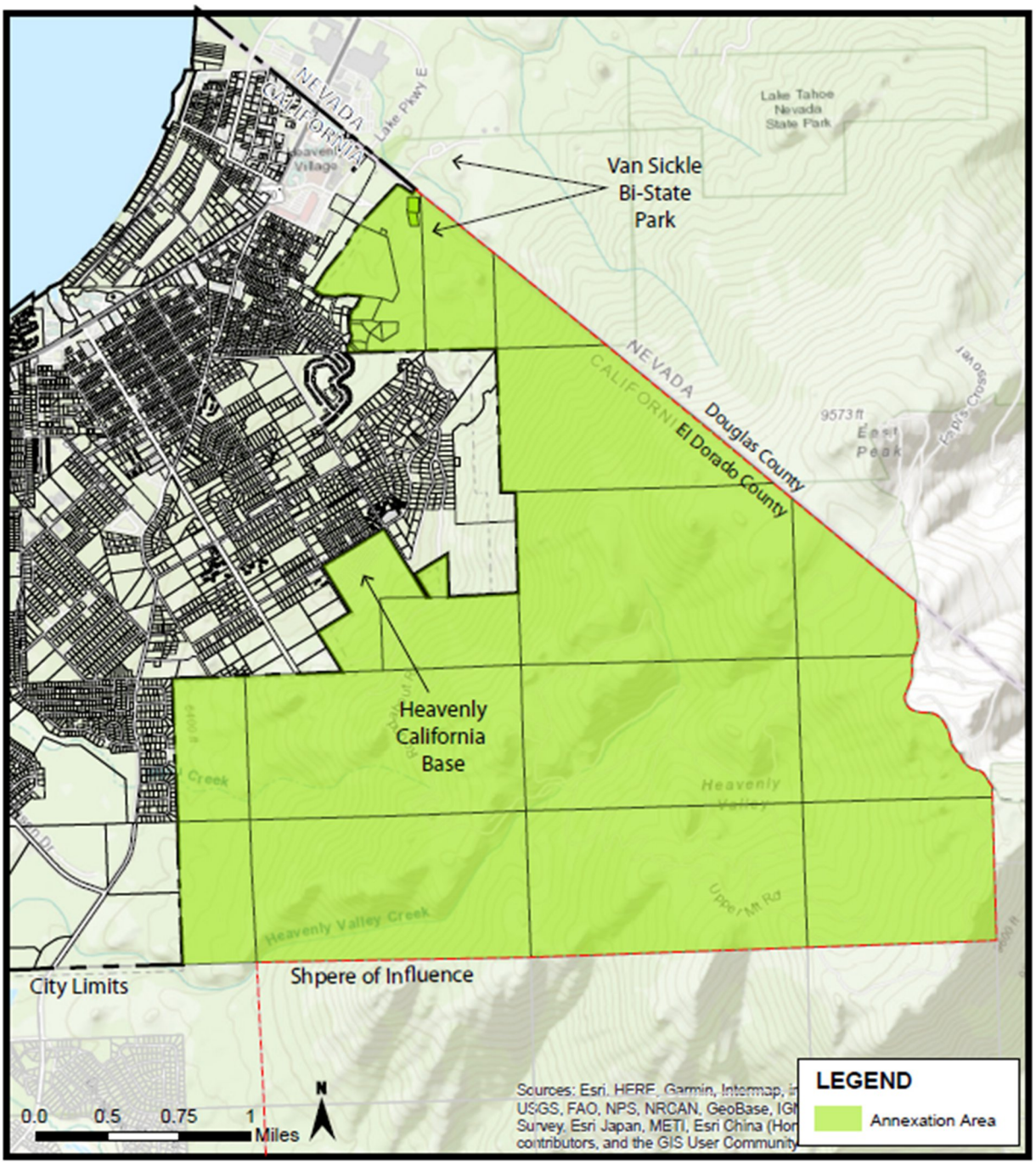
_____ Date:_____
Cody Bass, Mayor

Attest:

_____
Susan Blankenship, Elected City Clerk

The presence of an electronic signature certifies that the foregoing is a true and correct copy as approved by the City of South Lake Tahoe City Council.

EXHIBIT 1



CITY OF SOUTH LAKE TAHOE

Proposed Heavenly Annexation

CITY OF SOUTH LAKE TAHOE
DEVELOPMENT SERVICES DEPARTMENT - PLANNING DIVISION

NOTICE OF OF A PUBLIC HEARING

CITY OF SOUTH LAKE TAHOE CITY COUNCIL

Proof of Service by Mail

SUBJECT:	Heavenly/Van Sickle Bi-State Park Annexation
ADDRESS:	Various
APN:	Various
DATE OF HEARINGS:	November 5, 2024
TIME AND LOCATION OF HEARING:	9:30 a.m., City Council Chambers, 1901 Lisa Maloff Way, South Lake Tahoe, CA 96150

STATE OF CALIFORNIA
COUNTY OF EL DORADO
CITY OF SOUTH LAKE TAHOE

I am an employee of the City of South Lake Tahoe, Development Services Department. On October 18, 2024, I served the attached notice pursuant to Section 6.55.640 of the South Lake Tahoe Municipal Code and Government Code Sections 65090 and 65091 (Planning and Zoning Law) on the persons named thereon or attached thereto by placing a true copy thereof with postage thereon fully prepaid in the United States mail. I declare, under penalty of perjury, that the foregoing is true and correct.

_____
Signature

Executed on October 18, 2024 by John Hitchcock
Planning Manager
Development Service Department
1052 Tata Lane
South Lake Tahoe, CA 96150-6251

CITY OF
SOUTH LAKE TAHOE

NOTICE OF A PUBLIC HEARING
CITY OF SOUTH LAKE TAHOE CITY COUNCIL

NOTICE IS HEREBY GIVEN that in accordance with Sections 65090 and 65091 (Planning and Zoning Law) of the Government Code: the City of South Lake Tahoe City Council will conduct a public hearing on **November 5, 2024, at 9:30 a.m.,** or as soon thereafter as possible, in the City Council Chambers, 1901 Lisa Maloff Way, South Lake Tahoe Airport, to consider the following agenda item:

- ***A Resolution adopting an amendment to the General Plan LU-1, Land Use Diagram to show the zoning of the parcels to be annexed and expanded sphere of influence to include the annexation area, and an Ordinance amending the City Code Title 6, Chapter 6.55, Article II, Section 6.55.120, and pre-zoning 30 parcels for subsequent annexation of such properties into the City, contingent upon approval of annexation of said properties into the City by El Dorado LAFCO, all in accordance with the Planning Commission's recommendations following a public hearing held on October 17, 2024, and a Resolution initiating proceedings for the annexation of such properties***

General Overview: The City of South Lake Tahoe is proposing to annex the land shown on the attached map into the City limits in order to provide more efficient public services. Currently, municipal services to the annexation area are provided by El Dorado County and Lake Valley Fire Protection District even though the annexation area is adjacent to the City of South Lake Tahoe and only accessible by City streets. All City streets leading into the annexation area are currently maintained and serviced by the City. After annexation, the City would continue to provide street maintenance and snow removal in addition to all other core municipal services, including police, fire protection, and emergency response. There are no development projects being proposed with this annexation. The pre-zoning process is a required part of the annexation process. The City's proposed pre-zoning is intended to keep the current zoning and allowed uses as similar as possible to the existing TRPA zoning.

Summary: On June 6, 2023, the City Council discussed five annexation scenarios and provided direction to staff. The City Council passed a motion to pursue the "Heavenly Annexation Scenario", which encompasses the Heavenly Resort California Base. The annexation scenario was subsequently modified by Council direction on November 7, 2023, to include a larger annexation area that also encompassed portions of Heavenly Ski Resort and Van Sickle Bi-State Park.

The City intends to file an Application to Initiate Proceedings for Reorganization with the Local Agency Formation Commission (LAFCO) for El Dorado County. As part of these proceedings, the City of South Lake Tahoe intends to request that LAFCO process a reorganization such that approximately 2,800 acres of territory currently within the unincorporated El Dorado County area would be annexed to the City of South Lake Tahoe and the City's Sphere of Influence would be amended accordingly.

The area to be annexed to the City of South Lake Tahoe is comprised of private and public parcels, which the Tahoe Regional Planning Agency Conceptual Regional Land Use Map designates as either Resort Recreation or Recreation, and the TRPA Plan Area Statements designates as either Conservation or Recreation.

As part of the LAFCO proceedings, LAFCO requires each participating jurisdiction to pre-zone the respective properties to be annexed, and amend the General Plan accordingly prior to filing a Reorganization Application. The pre-zone, the General Plan and City Code amendment would not become effective unless and until Reorganization is approved by LAFCO.

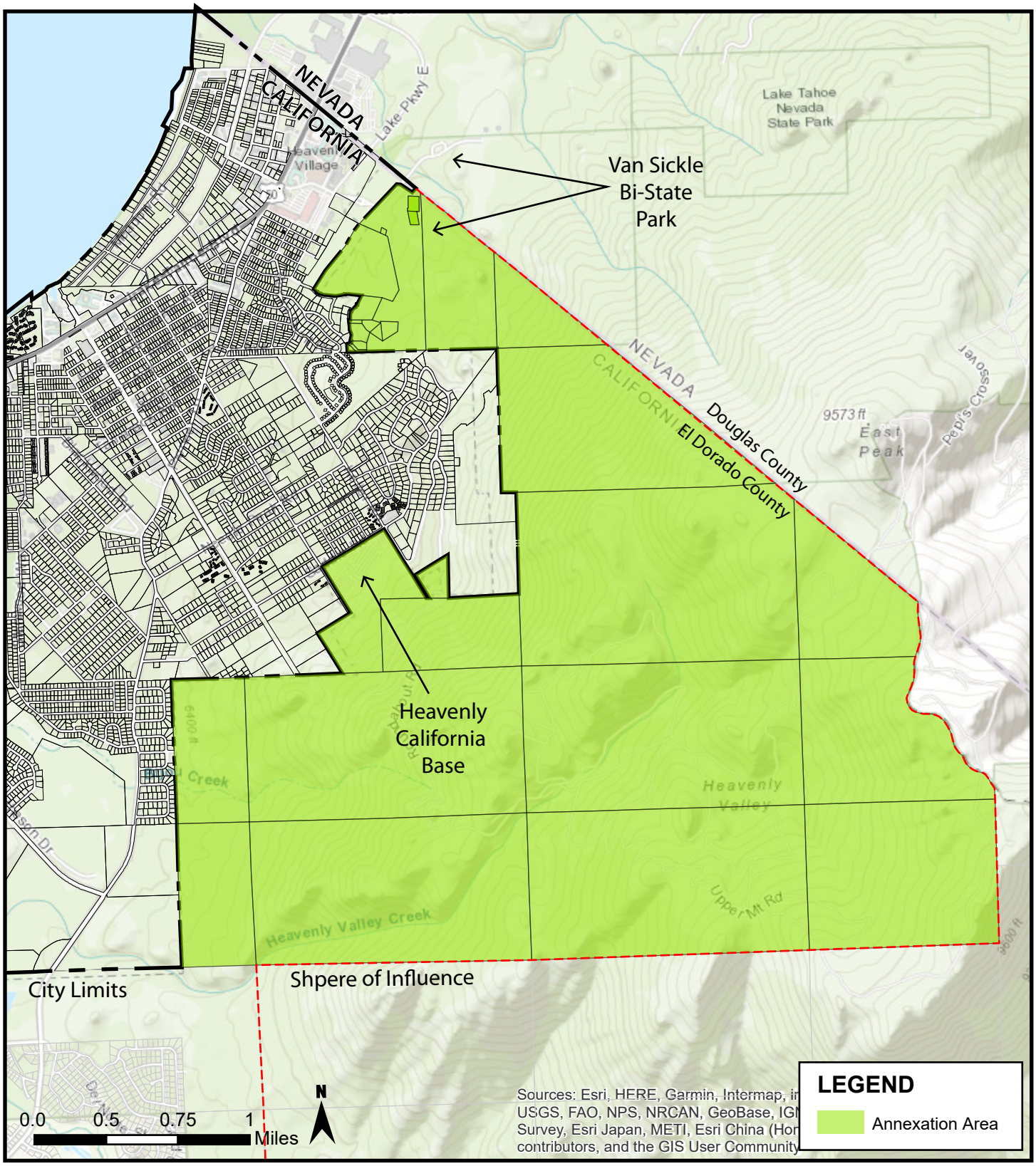
Planning Commission Action: On October 17, 2024, at a regularly scheduled Planning Commission Meeting, the Planning Commission conducted a public hearing on the propose annexation, took public comment, deliberated, and voted to pass a resolution recommending the City Council amend the General Plan LU-1, Land Use Diagram, amend the City Code Title 6, Chapter 6.55, Article II, Section 6.55.120, and pre-zoning 30 parcels for subsequent annexation of such properties into the City, contingent upon approval of annexation of said properties into the City by El Dorado LAFCO.

Please contact John Hitchcock at (530) 542-7472 or via email at jhitchcock@cityofslt.us with any questions or comments.

Any interested person may appear at the public hearing and present written testimony or speak in favor or against the project proposal. Pursuant to Government Code Section 65009(b)(2), if you challenge the above application in court, you may be limited to raising only those issues you, or someone else, raised at the public hearing described in this notice or in written correspondence delivered to the City of South Lake Tahoe City Council at, or prior to, the public hearing. Written testimony may be addressed to the City Council in care of the City Clerk to PublicComment@cityofslt.us or mailed to 1901 Lisa Maloff Way, Suite 206, South Lake Tahoe, CA 96150.

The City Council agenda and related staff report are available at least 72 hours in advance of regular meetings on the City's website https://cityofslt.us/84/Watch-City-CouncilCommission-Meetings or by contacting the City Clerk at (530) 542-6005.

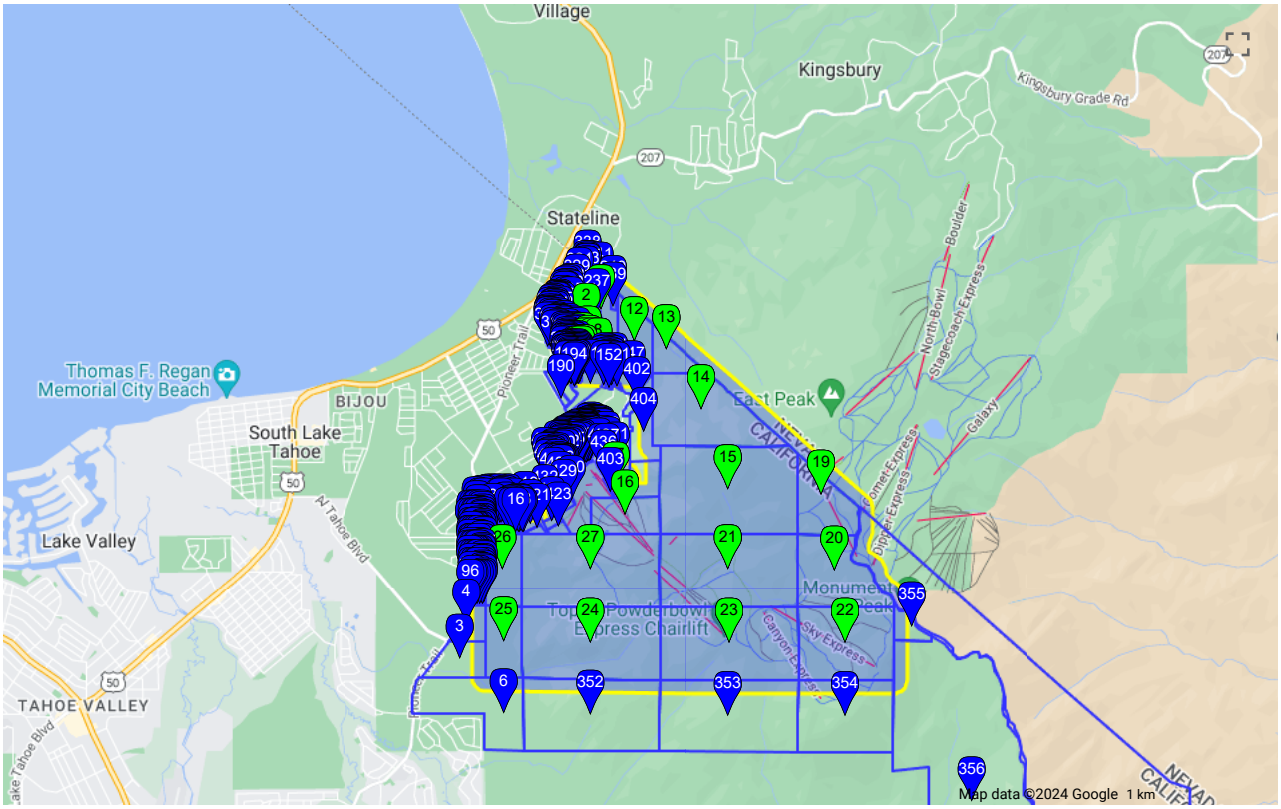
Date of Notice: October 18, 2024



CITY OF SOUTH LAKE TAHOE

Proposed Heavenly Annexation

PARCELQUEST



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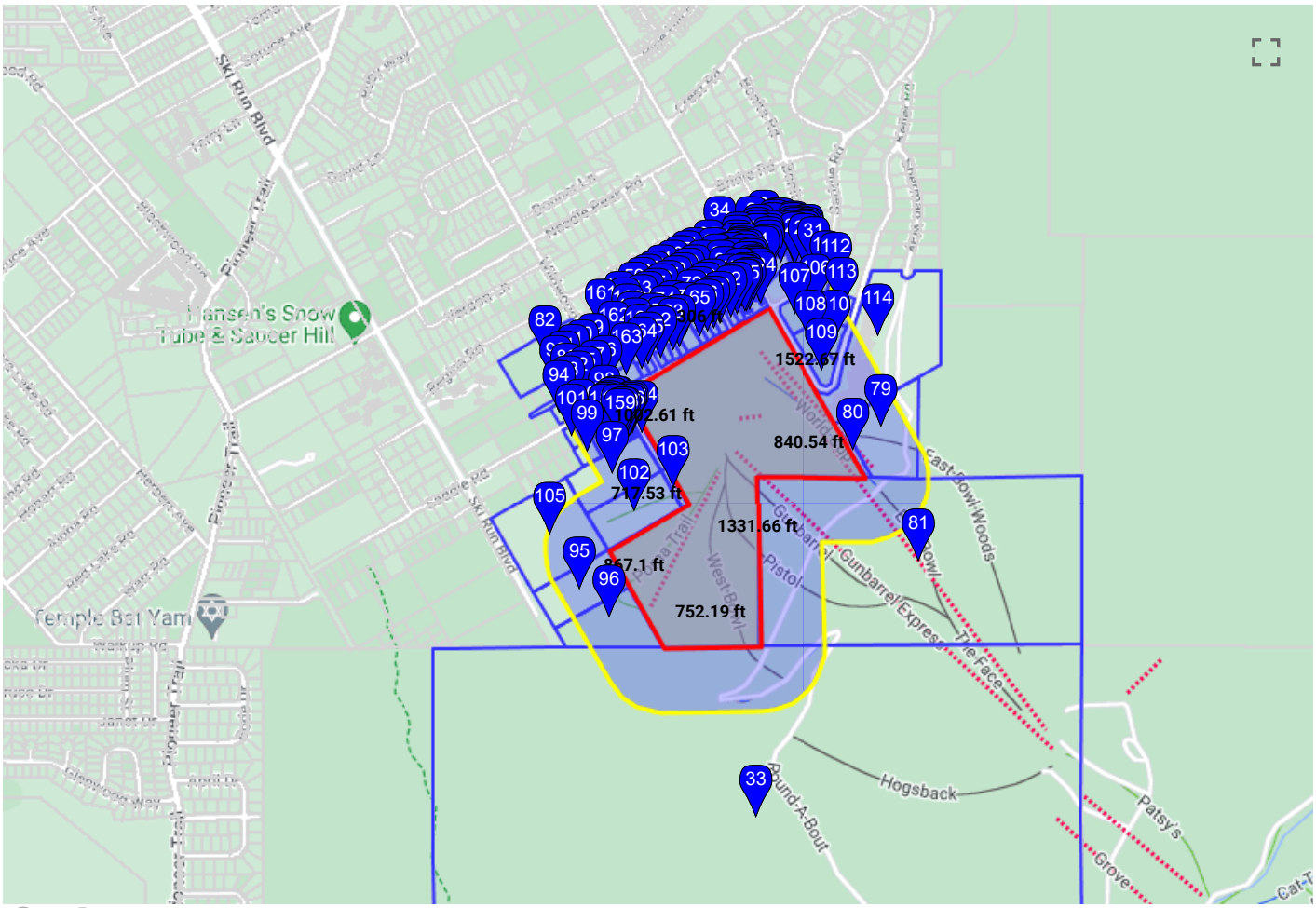
PARCELQUEST



Google

Map data ©2024 Google 200 m

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AARON SHAW MARKHAM
[redacted]

ADAM & SIMAKOVA KATSIARYNA POWER
[redacted]

ADRIAN & THURSTON LAURA MORGAN
[redacted]

ADRIAN S MORGAN
[redacted]

ALEXANDER & PETROSOVA NATALIA FRIDLAND
[redacted]

ALEXANDRA KIDD
[redacted]

ALI & MELISSA M SABOOWALA
[redacted]

ALLEY JUDITH R TR & RODACKER FAM TR OF 03/17/1997
[redacted]

ANA R & LIV REV 04/25 / 01 MCFARLAND
[redacted]

ANA R MCFARLAND
[redacted]

ANATOLI & SIMA STEIN
[redacted]

ANDREW & NANCY FU
[redacted]

ANDREW & SAKODA GRACE KUMAMOTO
[redacted]

ANGELA D REAGAN
[redacted]

ANNA M WYGANT
[redacted]

ANTHONY & NANCE MARIE JAQUES
[redacted]

APRIL HAVEN CA LLC CORP & ATTN MARA ROY
[redacted]

ARATA DOROTHY A TR & TRUST OF 4/20/92
[redacted]

AUSTIN COREY & A C SASS
[redacted]

BASTIAAN & JUDITH CUTARAN AARTS
[redacted]

BAXTER IAN P & STACEY L CO TR & BOYET DAVID
[redacted]

BENJAMIN & GERMANO SAMANTHA HART
[redacted]

BLUE BIRD COMPANY CA LLC
[redacted]

BLUM D & S 2022 REVOCABLE TRUST
[redacted]

BOK4ALL LLC
[redacted]

BRADLEY G LAWTON
[redacted]

BRENDA L MEDDLES
[redacted]

BRET & JACLYN PREBULA
[redacted]

BRIAN JOHN & WITOONCHART BENJAMA DUNCAN
[redacted]

BRIAN K & KATHLEEN M MORR
[redacted]

BRUCK MICHAEL SEAN & MILKE KATHERINE ELIZAB FINNEY

BUKATY INVESTMENTS LLC & BUKAY INC A CA CORP

BUROLA GLORIA DEMAY TR & G D REV TRUST 12/13/17

C J & GEORGE-ORSINI R M 2012 ORSINI

CA PACIFIC ELECTRIC CO LLC

CALIFORNIA TAHOE CONSERVANCY

CAMERON S FALLS

CARLOS & EMMA P RAMIREZ

CARMIN M & LAVINE SVEN E NUCCIO

CAROL S & C LIV REV 4/08 / 1993 HAASE

CATHERINE R INDIANOS

CENTIMARK CORP

CHANDRA S ANDRADE

CHARLES A & LAURA FERINE

CHARLES M MC MEECHAN

CHINGFEN JENNIFER & WU PETER C LIN

CHRISTIAN A & JAGER BARBARA A FREI

CHRISTOPHER HANS PICINICH

CHRISTOPHER KIM C & MEGHAN C GRILLONE

CLAUDE A & SHARON MESSINA

CLEMENT & CAPPELLA EMILIE PIMOR

CONCEPT/SIERRA OWNERS OF & CONDOMINIUM

COREY CLINTON & TERRA DIANNE DEGUIRE

COURTNEY E & MARC C SPITZ

CRAIG & CAROL SIMMONS

CRAIG & SHARON SPAULDING

DAN SPECTOR

DANIEL & JOEL WONG

DANIEL & XISTRAS AIMILIA RICH

DANIEL BREWER

DANIEL JOHN & CARY LYNN BECKER
[redacted]

DANIEL M & ALICE H SULLIVAN
[redacted]

DANIEL P HRANJ
[redacted]

DANISH P KHAN
[redacted]

DANNY & SARAH V MCNAMARA
[redacted]

DAVID G & ELLA M FLINT
[redacted]

DAVID JOSEPH & DANIELLE SARAH NOTARO
[redacted]

DENIS J & JANILL L GILBERT
[redacted]

DOMENIC & PATRICIA L GRIFFIS
[redacted]

DON PHILIP & BETSY FRANKLIN GOODELL
[redacted]

DRAKE D & DIVITTORIO ROY J RANDALL
[redacted]

DUGGAN J & ANGELA M SMITH
[redacted]

EDWARD A & LINDA J ANDREINI
[redacted]

EHSANUL & NANCY J HOQUE
[redacted]

ELIZABETH A & SALFEN OWEN DEVINE
[redacted]

ELIZABETH A DEVINS
[redacted]

EMANUELA & RAUL BORODI
[redacted]

EPIS GARY SUCC TR & JENKINS B TRUST 05/25/2000
[redacted]

ERIC & MONIQUE LANGER
[redacted]

ETCHEVERRY MARTIN J TR & M J LIV REV TRUST
[redacted]

EUGENE JOSEPH & DONNA LEE DELFAVA
[redacted]

FRANCIS A & CLAIRE J KEELEY
[redacted]

FRANCIS NANCY A & STEPHEN W CO TR
[redacted]

FRANCISCO F & TRACIE M BANUELOS
[redacted]

FREDERICK RUSTY & LORI D CANEVARI
[redacted]

FROLLI ISABELLE M SUC TR & REV LIV TR OF 11/23/99
[redacted]

GARY A & SANDRA S BLEVINS
[redacted]

GARY R & GAIL E FASELLI
[redacted]

GEORGE & DOWNY LOIS FREUND
[redacted]

GERALD E & LOPEZ JOHN T MITCHELL
[redacted]

GONDOLA VISTA DEVE COMPANY LLC
[redacted]

GRANT & WOLLENSLEGEL RODNEY LACKEY
[redacted]

GREGG E & CHRISTINA M PASSAMA
[redacted]

GREGORY J & TERESA A KELLEY
[redacted]

GREGORY K SURV BELANGER
[redacted]

GREGORY M & GOMEZ ANDREINA RUHF
[redacted]

GREGORY R & KAROLA G KLING
[redacted]

GRELL J REV TRUST 9/6/2022
[redacted]

HAASE CAROL S TR & C S LIV REV TRUST 4/8/93
[redacted]

HAASE CAROL S TR & REV TRUST OF 4/8/93
[redacted]

HAGOBIAN DENNIS A TR & RESIDENCE TRUST
[redacted]

HAYES RODNEY CHARLES TR & R C LIV TRUST
[redacted]

HEAVENLY VALLEY LP
PAUL PFOTENHAUER[redacted]

HEAVENLY VALLEY LTD PTNSHP
[redacted]

HEAVENLY VALLEY TOWNHOUSE ASSN & LAKE TAHOE INTERN
[redacted]

HERMANSON CHARLES S TR & C S TRUST 5/11/1999
[redacted]

HOLMES CHRISTOPHER LAMB & KARIN HAASE CO TR
[redacted]

HOYER WILLIAM F TR & W F TRUST OF 10/21/05
[redacted]

HUGHES NORMA J TR & REV TRUST OF 9/1/92
[redacted]

HVR ACQUISITIONS CA LLC
[redacted]

IZZAT NASHASHIBI
[redacted]

JAKE & QIU JULIA MURZY
[redacted]

JAMES & VIVIAN NESMITH
[redacted]

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JAMES HOYT & FENANDA DE PAULA DOZIER
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JAMES M & CYNTHIA A FARMER
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JAMES M & NANCY L WHITE
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JESSIE MARIA PULGA FUERTE
[redacted]

JEWISH CONGREGATION OF SLT
[redacted]

JIMMY J & PATRICIA L SILVA
[redacted]

JOHN & KARRIE NOBRIGA
[redacted]

JOHN C & BARBARA K THOMAS
[redacted]

JOHN J HEATH
[redacted]

JOHN J HULS
[redacted]

JOHN JAY & DAWN AILEEN RINGENBERG
[redacted]

JOHN O & MARI SOL RILEY
[redacted]

JOHN R & REARDON PAUL E VALENCIA
[redacted]

JOHN S & JANICE C GRAHAM
[redacted]

JOHNEL A & DAVID J CERRUTI
[redacted]

JONATHAN GOLD
[redacted]

JOSHUA & JEANNE BENIN
[redacted]

JOYCE G & J LV RV 5/13 / 03 SCOZZAFAVA
[redacted]

JULIE M SMITH
[redacted]

JUSTIN MARTIN & ORIANA LEHMAN WOOD
[redacted]

KANE K & J FAMILY TR 4/5/2023
[redacted]

KARL K HANSEN
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KATANA GROUP LLC CA LLC
[redacted]

KATHERINE LYNN & KATHERINE LYNN CARSON
[redacted]

KATHYRN & PETERS BRINKLEY KATHYRN M BRINKLEY
[redacted]

KEITH & AVA SETTLES
[redacted]

KELLY & YERKES ROWLAND O HAIRE
[redacted]

KIMBERLEE A & LIV REV 10/18 / 01 MONTGOMERY
[redacted]

KITAYAMA ROBERT H & KAREN A CO TR & JACKSON LINDA
[redacted]

KOHS MONICA NOELLE TR & M N LIV REV TRUST 9/12/02
[redacted]

KORABLEV FAM TR 6/26/2023
[redacted]

KRISTIN DIANE & JUNEAU JENNIFER NICOLE RIVERA
[redacted]

KRISTY SUCC KELBUS
[redacted]

KUELPER CONSTRUCTION INC
[redacted]

LA BANDERA RANCH TX LP
[redacted]

LARRY W & LINDA D WHEATON
[redacted]

LE JACQUELINE DUONG
[redacted]

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LEROY & MARIA L TEIXEIRA
[redacted]

LIANG & LU SUNG-YAN DA HO
[redacted]

LILLIAN F DEUEL
[redacted]

LISA C DUGGAN
[redacted]

LUCAS & SPENCER ERIKA E WALTON
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LUKAS & BURLINGE SANDRA BURLINGIS
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[redacted]

MADELINE M & GIBLER SUSAN E TAFOYA
[redacted]

MAMARI CORP
[redacted]

MANZANO R S REV LIVING TR 3/2/2022
[redacted]

MARI SOL RILEY
[redacted]

MARITE SUCC & E REV GRANDOVSKIS
[redacted]

MARJORIE A SURV CLARK
[redacted]

MARK & JAMIE ROTONDO
[redacted]

MARK CLEMENT & SUSAN LYNN JAMESON
[redacted]

MARK LOREN SEELOS
[redacted]

MARR TR & KIM TR
[redacted]

MARTIN L & SUI FONG WEXLER
[redacted]

MARTIN PHILIP J TR & PJ TRUST 4/24/12
[redacted]

MASON SA REV TRUST 5/26/2022
[redacted]

MATTHEW G BETTENCOURT
[redacted]

MAURILLO & OFELIA SERRANO
[redacted]

MEGAN & GOTTSCHALK DARREN KANGAIL
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MICHAEL & EMILY HEACOCK
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MICHAEL & JESSICA BRAMBILA
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MICHAEL J & JANIS L KLEBIG
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MICHAEL R & MURPHY PATRICIA A HOWARD
[redacted]

MICHAEL R FASSLER
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MICHAEL ROUSSEAS
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MIKE & LAVELLE MARTINA R LINDELSEE
[redacted]

MUILENBURG ROSEMARY TR & REV TR OF 4/23/95
[redacted]

NAGLE ANNA DEL PRETE
[redacted]

NASHASHIBI IZZAT TR & TR OF 04/04/2002
[redacted]

NATSUM INVESTMENTS LLC CA LLC
[redacted]

NEIL MORAN
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NUMBER TWO SAPALU
[redacted]

PATRICIA & ANGELA DAVI
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PATRICIA A MINNIX
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PATRICK GEORGE & VICTORIA LOUISE BROWN
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PATRICK GEORGE & VICTORIA LOUISE BROWN
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PAUL F & CHRISTINE M LUCAS
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PAUL F & NANCY G BALDWIN
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PAUL H & CYNTHIA CHIN
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PETER & LILY DONNELLY
[redacted]

PETER & SELINA RAMIREZ
[redacted]

PETRUSH ELEK FAMILY LIVING TRUST
[redacted]

POULEN FAM 1991 TR 11/30/1991
[redacted]

RACHEL & JEFFREY HEKEMIAN
[redacted]

RAYMOND P & EILEEN S COLOMBARA
[redacted]

REVZINA L & REVZINE L FAMILY TR
[redacted]

RICHARD E & LINDA R DERN
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RICHARD G & BARBARA A FRATES
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RICHARD G & BARBARA A FRATES
[redacted]

RICHARD P & KATHERINE L MARTINELLI
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RICHARD W & CHRISTINE E WESTER
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ROBERT A & SHERYL HANSON PATTON
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ROBERT B & LINDA HOFFMAN
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ROBERT E & SHANNA LOUISE BENNETT
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ROBERT HAYS & SUSAN LYNN HEDLEY
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ROBERT JAMES PRESTON
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ROBERT L & SCHAFER JESSICA L BOUGHTON
[redacted]

ROBERT P & REBECCA J WOLF
[redacted]

ROBERT T & KASEY D CURRAN
[redacted]

ROFF TIMBER & ANGELA CO TR
[redacted]

ROGER DANIEL & MONICA LAN ROYCE
[redacted]

RON & MICHELE MALONEY
[redacted]

ROSS & LORI STEWART
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ROSSER S WILSON
[redacted]

RUSSELL B RONALD
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RUSSELL T & CHAN CHRISTINA PORTER
[redacted]

RYAN & SPARROW HELEN LOWER
[redacted]

RYAN J & PRISCILLA SHIRES COX
[redacted]

SADDLE ROAD PTNS NV LLC
[redacted]

SAM MARTINOVICH
[redacted]

SANNES KEITH TR & SHULTZ REV TRUST
[redacted]

SARAH & GORDON KYLE WELLS
[redacted]

SCOTT J & VIRGINIA L WADSWORTH
[redacted]

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SO TAHOE PUBLIC UTILITY DIST
1275 MEADOW CREST DR
SOUTH LAKE TAHOE, CA 96150

SONIA SANTANA
[redacted]

SOUTH TAHOE PUBLIC & UTILITY DISTRICT
1275 MEADOW CREST DR
SOUTH LAKE TAHOE, CA 96150-7401

SPENCER A & BIRGIT B HOWE
[redacted]

STACEY & SAMUEL HOLMES
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STATE OF CALIFORNIA & CALIFORNIA TAHOE CONSERVANCY
1061 3RD ST
SOUTH LAKE TAHOE, CA 96150

STEVEN & LU BELINDA CARROLL
[redacted]

STEVEN C & DEBRA L GEYER
[redacted]

STEWART ADRIAN MILES
[redacted]

STUCK SUSANNE L TR & S L REV TRUST 10/29/08
[redacted]

SUDHAKAR & KIMBERLY A MADAKASIRA
[redacted]

T & T 8/1 / 2017 FROLLI
[redacted]

TAHOE TYROL HOMES
[redacted]

TAHOE TYROL HOMES ASSN
[redacted]

TAHOE TYROL HOMES ASSN
[redacted]

TARA PARINA
[redacted]

THEMIS & LAURA L LONIS
[redacted]

THOMAS E & CHIN LILLY BLACKBURN
[redacted]

THOMAS M & CAROLYNN D PETERSEN
[redacted]

THOMAS W KRUCKEWITT
[redacted]

TIMOTHY & JOANN E WONG
[redacted]

TIMOTHY AUSTIN & ORR BRIAN O NEAL DEAR
[redacted]

TIMOTHY DREW SCHRECK
[redacted]

TINY REV TRUST 12/10/2018
[redacted]

TRUDY J & BICKERT DALE MATTHEWS
[redacted]

U S A FOREST SERVICE & OWNERSHIP UNVERIFIED
100 FORNI RD
PLACERVILLE, CA 95667-5310

UNITED STATES OF AMERICA
2800 COTTAGE WAY
SACRAMENTO, CA 95825

UNITED STATES OF AMERICA & REGIONAL LAND ADJUSTMEN
USDA FORES SERVPO BOX 7
BLAIRSDEN, CA 96103

UNITED STATES OF AMERICA & U S FOREST SERVICE
35 COLLEGE DR
SOUTH LAKE TAHOE, CA 96150-4500

UNITED STATES OF AMERICA & U S FOREST SERVICE
PO BOX 731002
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USFS
1200 FRANKLIN WAY
SPARKS, NV

VALERIY & KASHTAN INNA TEPLYUK
[redacted]

VALLEY TOWNHOUSES ASN HEAVENLY
[redacted]

VELLA ENTERPRISES CA GP
[redacted]

VERDEJO ROSA ENRIQUETA TR & R E LIV REV TRUST
[redacted]

VICTOR A & LUCY D SPANDE
[redacted]

VITO A & URSULA M MAGLIANO
[redacted]

WANG & BAI FAM TRUST 8/2/2022
[redacted]

WATERS T LIV TRUST 6/17/2022
[redacted]

WAYNE & SANDRA J SAVAGE
[redacted]

WD WINE TRAIN LLC CA LLC
[redacted]

WILAIWAN BUSSARAKAM
[redacted]

WILLIAM B & SHARON R WINFIELD
[redacted]

WILLIAM FRANCIS & MARIA EDUARDA DAL PAI WILKES
[redacted]

WILLIAM J & PATRICIA A KAMPS
[redacted]

WILLIAM MICHAEL & MARY P WALL
[redacted]

WILLIAM T S & REGINA THACKARA
[redacted]

WINKELMAN KARL B & KATHERINE R CO TR
[redacted]

YICK F SURV & TOM SHE WONG
[redacted]

ZIKER PAULA TR & P TRUST 07/11/08
[redacted]

HEAVENLY RESORT CAL BASE
[redacted]

HEAVENLY MOUNT RESORT
[redacted]

HEAVENLY VALLEY LTD PTNSHIP
ATTN: FIXED ASSETS GROUP 7TH FLOOR
DBA HEAVNELY VALLEY
[redacted]

NOTICE OF A PUBLIC HEARING

CITY OF SOUTH LAKE TAHOE CITY COUNCIL

NOTICE IS HEREBY GIVEN that in accordance with Sections 65090 and 65091 (Planning and Zoning Law) of the Government Code: the City of South Lake Tahoe City Council will conduct a public hearing on November 5, 2024, at 9:00 a.m., or as soon thereafter as possible, in the City Council Chambers, 1901 Lisa Maloff Way, South Lake Tahoe Airport, to consider the following agenda item:

- *A Resolution adopting an amendment to the General Plan LU-1, Land Use Diagram to show the zoning of the parcels to be annexed and expanded sphere of influence to include the annexation area, and an Ordinance amending the City Code Title 6, Chapter 6.55, Article II, Section 6.55.120, and pre-zoning 30 parcels for subsequent annexation of such properties into the City, contingent upon approval of annexation of said properties into the City by El Dorado LAFCO, all in accordance with the Planning Commission's recommendations following a public hearing held on October 17, 2024, and a Resolution initiating proceedings for the annexation of such properties*

General Overview: The City of South Lake Tahoe is proposing to annex lands into the City limits in order to provide more efficient public services. Currently, municipal services to the annexation area are provided by El Dorado County and Lake Valley Fire Protection District even though the annexation area is adjacent to the City of South Lake Tahoe and only accessible by City streets. All City streets leading into the annexation area are currently maintained and serviced by the City. After annexation, the City would continue to provide street maintenance and snow removal in addition to all other core municipal services, including police, fire protection, and emergency response. There are no development projects being proposed with this annexation. The pre-zoning process is a required part of the annexation process. The City's proposed pre-zoning is intended to keep the current zoning and allowed uses as similar as possible to the existing TRPA zoning.

The City intends to file an Application to Initiate Proceedings for Reorganization with the Local Agency Formation Commission (LAFCO) for El Dorado County. As part of these proceedings, the City of South Lake Tahoe intends to request that LAFCO process a reorganization such that approximately 2,800 acres of territory currently within the unincorporated El Dorado County area would be annexed to the City of South Lake Tahoe and the City's Sphere of Influence would be amended accordingly.

The area to be annexed to the City of South Lake Tahoe is comprised of private and public parcels, which the Tahoe Regional Planning Agency Conceptual Regional Land Use Map designates as either Conservation, Recreation, or Resort Recreation, and the TRPA Plan Area Statements designates as either Conservation or Recreation.

As part of the LAFCO proceedings, LAFCO requires each participating jurisdiction to pre-zone the respective properties to be annexed, and amend the General Plan accordingly prior to filing a Reorganization Application. The pre-zone, the General Plan and City Code amendment would not become effective unless and until Reorganization is approved by LAFCO.

Planning Commission Action: On October 17, 2024, at a regularly scheduled Planning Commission Meeting, the Planning Commission conducted a public hearing on the proposed annexation, took public comment, deliberated, and voted to pass a Resolution recommending City Council adopt the pre-zoning of 30 parcels, amend City Code Title 6, Chapter 6.55, Article II, Section 6.55.120, and amend General Plan Figure LU-1, Land Use Diagram to show the zoning of the parcels to be annexed and expanded Sphere of Influence to include the annexation area, contingent upon approval of the annexation of said properties into the City by El Dorado LAFCO, and making all other findings set forth in the Resolution, including but not limited to those pertaining to the actions' exemption from the California Environmental Quality Act.

Please contact John Hitchcock at (530) 542-7472 or via email at jhitchcock@cityofslt.us with any questions or comments.

Any interested person may appear at the public hearing and present written testimony or speak in favor or against the project proposal. Pursuant to Government Code Section 65009(b)(2), if you challenge the above application in court, you may be limited to raising only those issues you, or someone else, raised at the public hearing described in this notice or in written correspondence delivered to the City of South Lake Tahoe City Council at, or prior to, the public hearing. Written testimony may be addressed to the City Council in care of the City Clerk to PublicComment@cityofslt.us or mailed to 1901 Lisa Maloff Way, Suite 206, South Lake Tahoe, CA 96150.
The City Council agenda and related staff report are available at least 72 hours in advance of regular meetings on the City's website https://cit s/84/ Watch-City-CouncilCommission-Meetings by contacting the City Clerk at (530) 542-600.

Published: October 25, 2024

Resolution 2024-022

Adopted by the City of South Lake Tahoe Planning Commission

October 17, 2024

RECOMMENDING THE CITY COUNCIL ADOPT THE PRE-ZONING OF 30 PARCELS, AN AMENDMENT TO THE CITY CODE TITLE 6, CHAPTER 6.55, ARTICLE II, SECTION 6.55.120, AND AN AMENDMENT TO THE GENERAL PLAN FIGURE LU-1, LAND USE DIAGRAM TO SHOW THE ZONING OF THE PARCELS TO BE ANNEXED AND EXPANDED SPHERE OF INFLUENCE TO INCLUDE THE ANNEXATION AREA, CONTINGENT UPON APPROVAL OF ANNEXATION OF SAID PROPERTIES INTO THE CITY BY EL DORADO LAFCO, AND MAKING CERTAIN FINDINGS IN ACCORDANCE WITH THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

BACKGROUND

A. On June 6, 2023, the City Council conducted a public hearing to discuss five annexation scenarios and provide direction to staff. The City Council passed a motion to pursue the "Heavenly Annexation Scenario," which encompasses the Heavenly Resort California Base, the California side of Heavenly Ski Resort, and the California side of Van Sickle Bi-State Park.

B. The City intends to file an Application to Initiate Proceedings for Reorganization with the El Dorado Local Agency Formation Commission (LAFCO). As part of these proceedings, the City of South Lake Tahoe intends to request that LAFCO process a reorganization such that approximately 2,800 acres of territory currently within the unincorporated El Dorado County area would be annexed to the City of South Lake Tahoe.

C. The 30 parcels to be annexed to the City of South Lake Tahoe are comprised of private and public parcels, which the Tahoe Regional Planning Agency (TRPA) Regional Plan has designated as either Conservation, Recreation, or Resort Recreation and the TRPA Plan Area Statements have designated as either Conservation or Recreation.

D. As part of the LAFCO proceedings, LAFCO requires each participating jurisdiction to pre-zone the respective properties to be annexed, consistent with the City adopted General Plan, and as such, the City of South Lake Tahoe intends to pre-zone the properties.

E. The City of South Lake Tahoe intends to pre-zone the property as currently zoned by TRPA's Plan Area Statements and is not proposing any changes to the applicable regulating documents.

F. As part of the LAFCO proceedings, LAFCO requires each participating jurisdiction to amend the General Plan to ensure the pre-zone is consistent with the City adopted General Plan.

G. The City of South Lake Tahoe intends to amend the General Plan Figure LU-1 to adopt the TRPA Regional Plan Land Use Classifications and show an expanded Sphere of Influence, contingent upon approval by El Dorado LAFCO.

H. The City of South Lake Tahoe is a decision-making body for the Reorganization described herein and as such, is acting as a responsible agency under CEQA.

I. On September 23, 2024, a Notice of Public Hearing was mailed to property owners within the annexation area and to all affected property owners within 500 feet of the subject properties. A public notice was also published in the Tahoe Daily Tribune on October 4, 2024.

J. On October 17, 2024, the City of South Lake Tahoe Planning Commission conducted a duly noticed public hearing. At that time, City staff presented its report, and interested persons had an opportunity to testify on the proposed Project.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, BE IT RESOLVED, that the City of South Lake Tahoe Planning Commission:

1. The findings set forth in the Background Section of this Resolution are true and correct, are incorporated into this Resolution by reference, and constitute a material part of this Resolution.

2. The proposed pre-zone, City Code amendment, and General Plan amendment will not have an effect on the environment because the City is proposing to pre-zone the annexation area as it is currently zoned by TRPA. No changes are proposed to the applicable land use designations, planning policies, special policies, permissible use lists, or existing density standards. The development potential does not change, and any potential development would be subject to the existing regulations.

3. Finds the proposed pre-zone and the General Plan amendment to Figure LU-1, Land Use Diagram is exempt from CEQA pursuant to Section 15319, Annexation of Existing Facilities and Lots for Exempt Facilities. The area to be annexed contains existing public and private structures developed to a density allowed by the current TRPA Plan Area Statements, and the City proposes to pre-zone the properties with the current TRPA zoning designations. Therefore, there are no changes or increases in the development potential of the annexation area. Further, the annexation area is already served by existing utility services (i.e., South Tahoe Public Utility District, Liberty Utilities), and no water or sewer services are revised as a result of the annexation.

4. Finds the proposed code amendments to Title 6, Chapter 6.55, Article II, Section 6.55.120 is exempt from CEQA pursuant to Section 15061(b)(3) that states the proposed amendment is covered by the common sense exemption that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the

activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

5. Find the pre-zoning of the properties; the City Code amendment and the General Plan amendment are consistent with the City of South Lake Tahoe General Plan contingent upon approval of the annexation and expansion of Sphere of Influence by El Dorado LAFCO. The proposed amendments will establish the existing TRPA-designated Regional Plan land uses and Plan Area Statement zoning designations for the annexation area, which is consistent with the land use designations applicable to the immediate surrounding properties.

6. Recommends pre-zoning the annexation area as Conservation and Recreation and amending the City Zoning Map as shown in the map attached as Exhibit 1 and incorporated herein by this reference.

7. Recommends amending South Lake Tahoe City Code Title 6, Chapter 6.55, Article II, Section 6.55.120 as shown in Exhibit 2 and incorporated herein by this reference.

8. Recommends amending South Lake Tahoe General Plan Figure LU-1, Land Use Diagram as shown in the map attached as Exhibit 3 and incorporated herein by this reference.

Adopted by the City of South Lake Tahoe Planning Commission at a meeting on October 17, 2024, by the following vote:

Yes: Wieczorek, Feiger, Howard, Lucksinger, Realo

Natalia Wieczorek (Oct 26, 2024 10:07 PDT)

Natalia Wieczorek, Chair

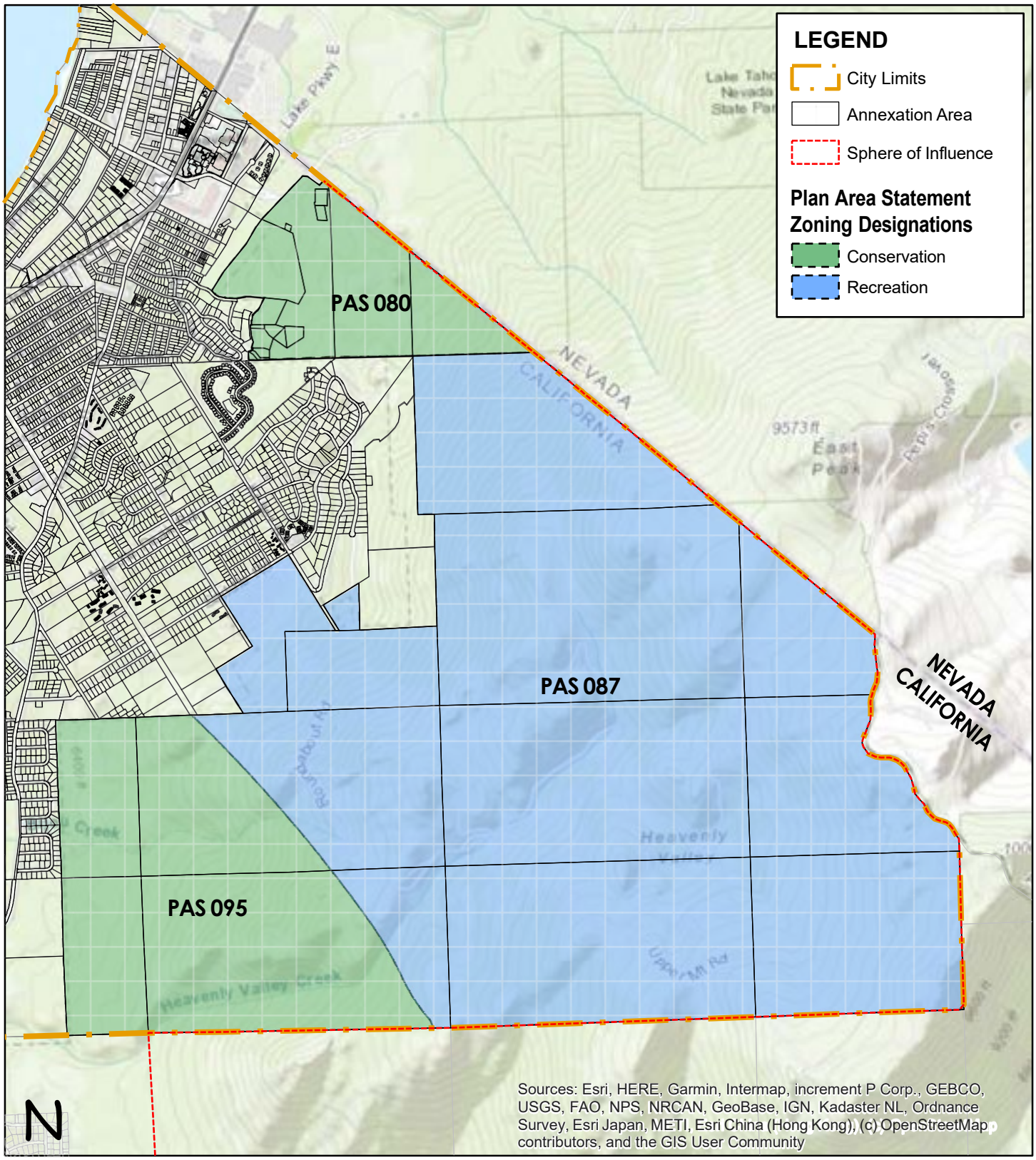
Date: Oct 26, 2024

Attest:

Michelle Davis

Michelle Davis, Assistant City Clerk

The presence of an electronic signature certifies that the foregoing is a true and correct copy as approved by the South Lake Tahoe Planning Commission.



CITY OF SOUTH LAKE TAHOE

Exhibit 1
Proposed Pre-Zoning Map

EXHIBIT 2

New proposed language is **bolded** and **double underlined**, deleted language is ~~struck through~~.

Article II. Plan Area Maps and Statements

6.55.110 Permissible uses.

For the purpose of this chapter, the city shall adopt by reference the permissible uses contained within the TRPA Code of Ordinances, Chapter 21. (Ord. 902; Ord. 1060 § 1 (Exh. A); Ord. 1152 § 3. Code 1997 § 32-10)

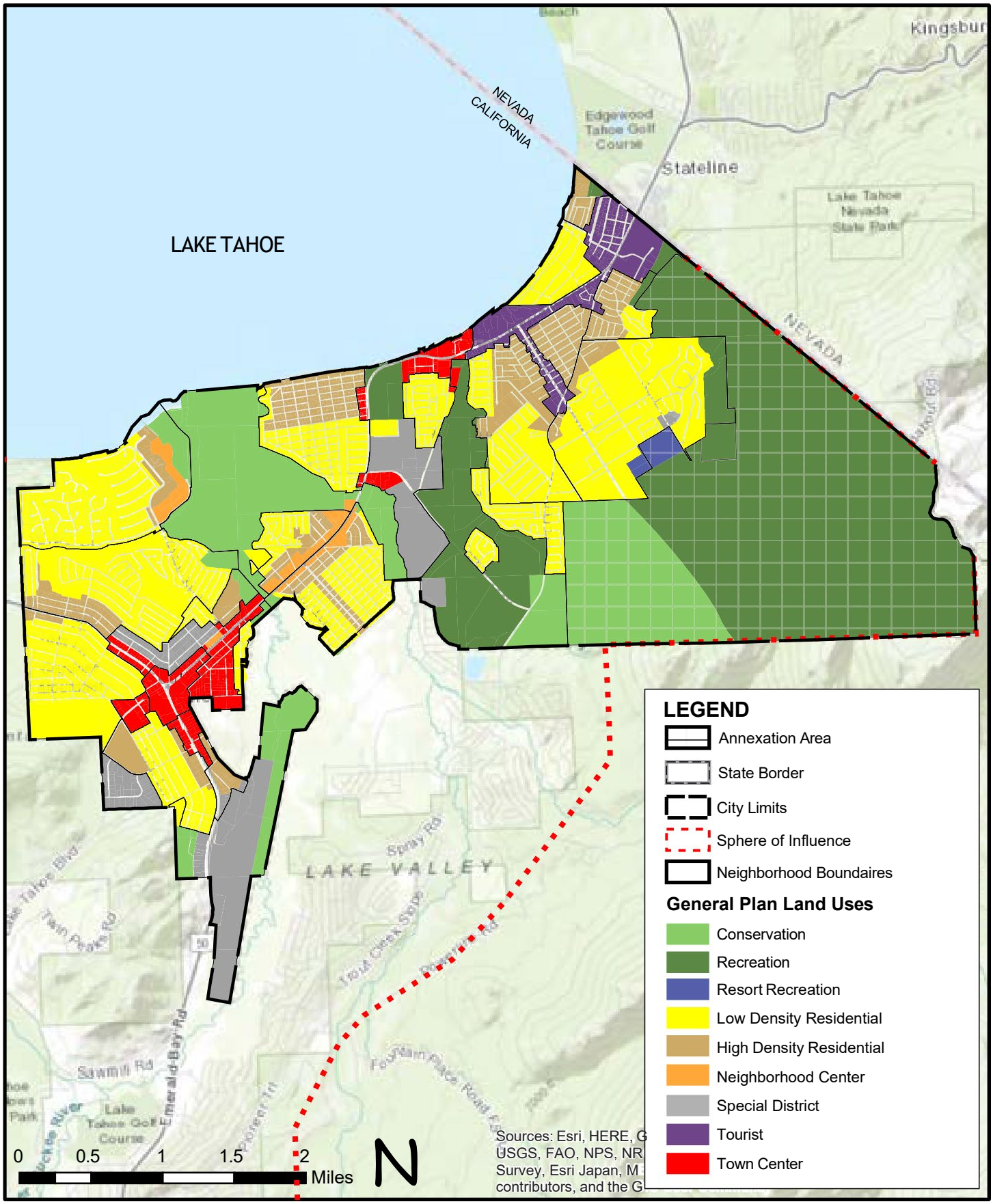
6.55.120 Plan area statements.

The following are the city plan area maps and statements:

080	**Kingsbury Drainage**
085	Lakeview Heights
087	**Heavenly Valley California**
088	Tahoe Village
089	Lakeside Park
089A	Tourist Core Area Plan
089B	Tourist Core Area Plan
090	Tahoe Meadows
091	Tourist Core Area Plan
092	Pioneer/Ski Run
093	Bijou
094	Glenwood
095	Trout/Cold Creek
096	Pioneer Village
097	Bijou Pines
098	Replaced by the Bijou/Al Tahoe Community Plan
099	Al Tahoe
100	Truckee Marsh
101	Bijou Meadow
102	Tahoe Keys
103	Sierra Tract-Commercial

104	Highland Woods
105	Sierra Tract
108	Winnemucca
109	Tahoe Valley Campground
110	Replaced by the Tahoe Valley Area Plan
111	Tahoe Island
112	Gardner Mountain
113	Industrial Tract
114	Bonanza
116	Airport

(Ord. 902; Ord. 1152 § 3. Code 1997 § 32-11)



CITY OF SOUTH LAKE TAHOE

South Lake Tahoe General Plan Update

Figure LU-1 Land Use Diagram

Resolution 2024-022_Heavenly Annexation

Final Audit Report 2024-10-26

Created:	2024-10-25
By:	Yvette Miranda (ymiranda@cityofslt.us)
Status:	Signed
Transaction ID:	CBJCHBCAABAAk4uPKWlQhCZn6iMc9b5htZTWemg_y2QI

"Resolution 2024-022_Heavenly Annexation" History

Document created by Yvette Miranda (ymiranda@cityofslt.us)
2024-10-25 - 9:28:34 PM GMT

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Signer nwieczorek@cityofslt.us entered name at signing as Natalia Wieczorek
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Document e-signed by Natalia Wieczorek (nwieczorek@cityofslt.us)
Signature Date: 2024-10-26 - 5:07:54 PM GMT - Time Source: server

Agreement completed.
2024-10-26 - 5:07:54 PM GMT

City of South Lake Tahoe

Agenda Item Executive Summary

Joe Irvin, City Manager

Meeting Date: November 5, 2024

Agenda Item #: 15

Agenda Item: Property Tax Revenue Agreement with El Dorado County for Cleanup Annexation

Executive Summary: Under California Revenue & Taxation Code section 99, the City and El Dorado County are required to negotiate redistribution of property tax revenue prior to El Dorado LAFCOâ€™s approval of the Cleanup Annexation. Because the proposed redistribution of property tax revenue includes a transfer of property tax base from the County to the City, a public hearing is required under Revenue & Taxation Code section 99.02 to consider the effect of the proposed transfer on fees, charges, assessments, taxes, or other revenues. The Cleanup Annexation area has been reduced from its original configuration of 90 parcels totaling 411.8 acres, to 80 parcels totaling 79 acres. The parcels removed are the Tahoe Valley Campground and adjacent vacant and publicly owned parcels, at the request of the owners of the campground and pending further discussions with the campground owners. The projected amount of property tax base being transferred to the City ($12,200) is approximately equivalent to the estimated cost the City will incur to provide public services.

Requested Action / Suggested Motions: Hold a public hearing and pass a Resolution agreeing on the transfer of property tax base and distribution of tax increment with respect to El Dorado LAFCO Project Number 2024-1 ("Cleanup Annexation") and making findings regarding the effect of the proposed transfer on fees, charges, assessments, taxes, or other revenues.

Responsible Staff Member: Heather Stroud, City Attorney, and Joseph Irvin, City Manager

Reviewed and Approved By: Susan Blankenship, City Clerk Olga Tikhomirova, Director of Finance

Attachments:

01 - Staff Report.docx
02 - Resolution - Cleanup Annexation Tax Sharing Agreement.pdf
03 - Response from City Manager to Campground Owners.pdf
04 - Campground Request to Revise Annexation.pdf
05 - Resolution 2024-041 Initiating Proceedings of Annexation.pdf
06 - Fiscal Impact Analysis Memo 10-16-23.pdf
07-Public Notice

City of South Lake Tahoe
Report to **City Council**

Meeting Date: November 5, 2024

Title: Property Tax Revenue Agreement with El Dorado County for Cleanup Annexation

Location: Unincorporated area adjacent to the Tahoe Sierra neighborhood and Barton Memorial Hospital

Responsible Staff Member: Heather Stroud, City Attorney, and Joseph Irvin, City Manager

Background: On June 6, 2023, upon review of the Fiscal Impact Analysis on potential annexation scenarios, City Council passed a motion (5-0) providing direction to pursue the annexation of the "cleanup" parcels consisting of 90 parcels totaling 411.8 acres currently in unincorporated El Dorado County into the City. The main reason for annexation of these parcels is that the City has been providing public services to these areas (including police, fire, and snow removal), because of their location adjacent to City limits but geographically removed from the rest of the inhabited portions of El Dorado County, but has not received any tax revenue from the area to support the provision of these services. On November 16, 2023, the Planning Commission passed a resolution recommending that City Council adopt General Plan and City Code amendments, and pre-zoning the 90 parcels within the City Sphere of Influence for subsequent annexation of such properties. On March 23, 2024, the City Council held a first reading of the ordinance pre-zoning the parcels and amending South Lake Tahoe City Code Title 6, Chapter 6.55, Article II (Plan Area Maps and Statements), and passed Resolution No. 2024-041 initiating annexation proceedings with El Dorado Local Agency Formation Commission (El Dorado LAFCO). City Council adopted Ordinance No. 2024-1185 on April 23, 2024, and staff subsequently submitted the cleanup annexation application to El Dorado LAFCO.

Since Spring of 2024, the City Manager and City Attorney have been in conversation with the owners of the Tahoe Valley Campground regarding their concerns about annexation. Based on a letter received on September 27, 2024, staff has agreed to remove the Tahoe Valley Campground and adjacent public parcels from the annexation application to El Dorado LAFCO at this time, pending further discussions with the owners. A map of the revised annexation area, now consisting of 80 parcels totaling 79 acres, is included in this item.

Issue and Discussion:
Under California Revenue & Taxation Code section 99, the City and El Dorado County are required to negotiate redistribution of property tax revenue prior to El Dorado LAFCO's approval of the annexation. Because the proposed redistribution of property tax revenue includes a transfer of property tax base from the County to the City, a public hearing is required under Revenue & Taxation Code section 99.02 to consider the effect of the proposed transfer on fees, charges, assessments, taxes, or other revenues.

Specifically, the County and City must find under Section 99.02(f) that: (a) County revenues are available for this purpose; (b) the transfer will not result in any increase in the ratio between the amount of County revenues generated by regulatory licenses, use charges, user fees, or assessments and the amount of revenues the County used to finance services it provides; (c) the transfer will not impair the ability of the County to provide existing services; and (d) the transfer will not result in a reduction of property tax revenues to school entities. The County and City are able to make these findings because the amount of property tax base being transferred to the City is approximately equivalent to the estimated cost to provide public services to the annexation area, which cost will be avoided by the County after annexation when services will be formally provided by the City.

Financial Implications: In the Fiscal Impact Analysis prepared by DTA, the original Cleanup Annexation had an estimated annual cost to the City of $28,490 to provide services. The reduced Cleanup Annexation area is approximately 19 percent of the original acreage, so it is estimated that $5,413 would be needed to provide services to the reduced area. The negotiated property tax base transfer of $12,200 is sufficient to cover the cost of services, and would be increased annually by the tax increment distribution shown on Exhibit C to the Resolution.

Environmental Considerations: Annexation of the proposed area is categorically exempt from review under the California Environmental Quality Act (CEQA) under CEQA Guidelines section 15319 (Annexation of Existing Facilities and Lots for Exempt Facilities).

Policy Implications: Annexation of the proposed area would result in a more efficient delivery of services to affected residents and properties, some of which services are already being delivered by the City without receiving any tax revenue from the area.

Resolution 2024-XXX

Adopted by the City of South Lake Tahoe
City Council

November 5, 2024

Property Tax Revenue Agreement for Cleanup Annexation

BACKGROUND

A. The City has requested negotiations with El Dorado County with respect to property tax revenue in accordance with Section 99 of the California Revenue and Taxation Code.

B. This request is related to the project knows as the "Cleanup Annexation," as shown on the map attached hereto as Exhibit "A" and the parcels listed on Exhibit "B," namely El Dorado Local Agency Formation Commission (El Dorado LAFCO) Project Number 2024-01, to be annexed to the City of South Lake Tahoe with detachment from the Lake Valley Fire Protection District.

C. Negotiations for a redistribution of property tax revenue have been concluded, and El Dorado County has adopted a resolution accepting the property tax distribution plan.

D. The City Council and County Board of Supervisors have both held public hearings been noticed in accordance with California Revenue and Taxation Code section 99.02.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, BE IT RESOLVED, that the City Council of the City of South Lake Tahoe:

1. Finds that: (a) the County of El Dorado has determined that revenues are available for the transfer of property tax base into existing Tax Revenue Areas to be determined by the County Auditor; (b) the transfer will not result in any increase in the ratio between the amount of revenues of the County of El Dorado that are generated by regulatory licenses, use charges, user fees, or assessments and the amount of revenues of the County of El Dorado used to finance services it provides; (c) the transfer will not impair the ability of El Dorado County to provide existing services; and (d) the transfer will not result in a reduction of property tax revenues to school entities.

2. Agrees that the property tax base with respect to El Dorado LAFCO Project Number 2024-01 transferred to the City will be in the amount of $12,200, and the property tax increment will be distributed as shown on Exhibit "C" attached hereto.

3. Directs the City Clerk to transmit notice of this resolution to El Dorado County and El Dorado LAFCO.

Adopted by the City of South Lake Tahoe City Council on November 5, 2024 by the following vote:
Yes:
No:
Absent:
Abstain:

_____ Date:_____

Cody Bass, Mayor

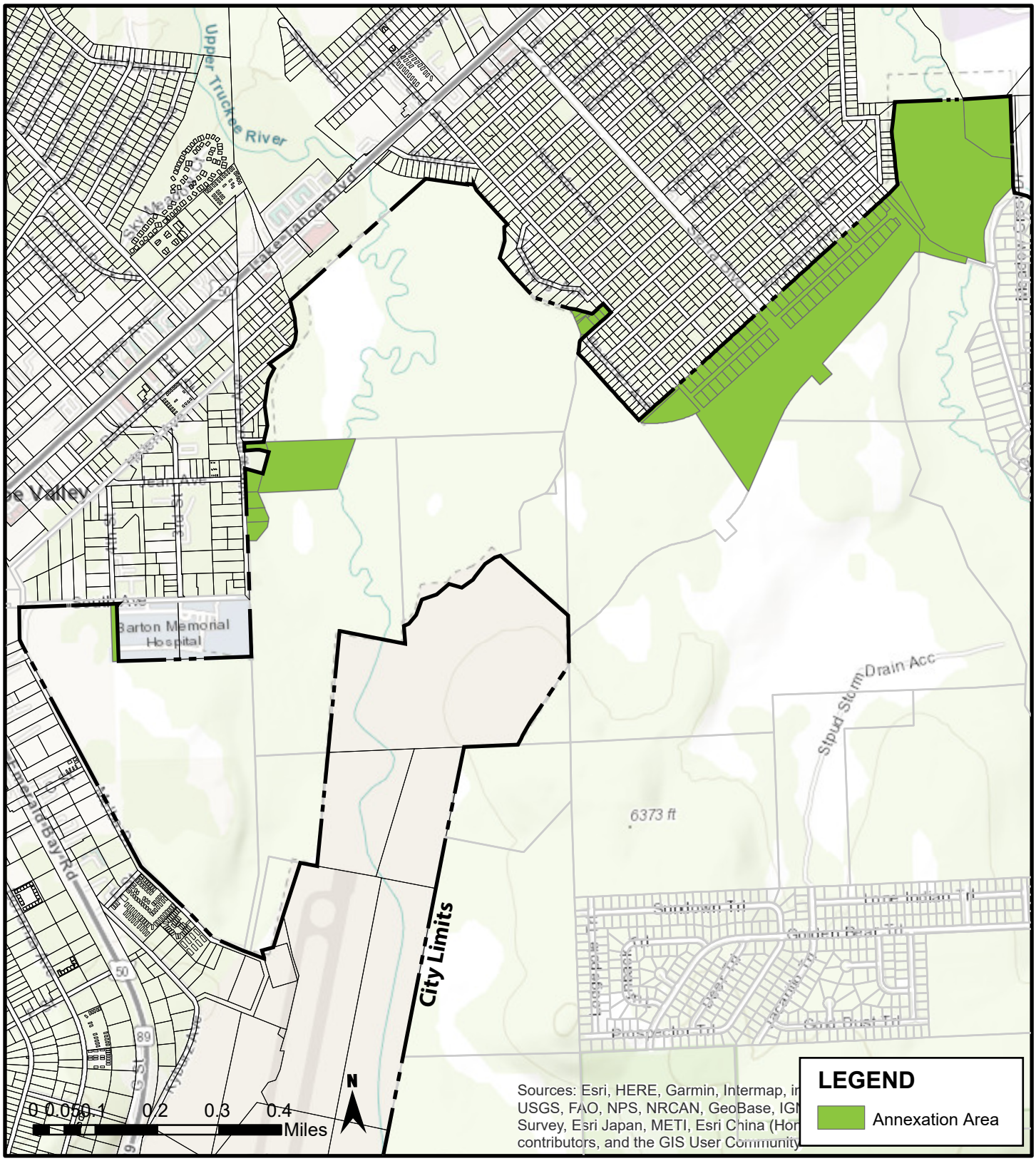
Attest:

_____

Susan Blankenship, City Clerk

The presence of electronic signature certifies that the foregoing is a true and correct copy as approved by the South Lake Tahoe City Council.

EXHIBIT A



CITY OF SOUTH LAKE TAHOE

Proposed Cleanup Annexation Area

EXHIBIT B

PARCEL NO.	PARCEL STATUS	OWNERSHIP	ACREAGE
25061012	VAC	LAKE TAHOE COMM COLLEGE DIST	4.24
25061018	VAC	SOUTH TAHOE PUBLIC UTIL DT	0.90
25061024	VAC	UNITED STATES OF AMERICA & U S FOREST SERVICE	1.63
25061025	VAC	SOUTH TAHOE PUBLIC UTIL DT	0.30
25061039	VAC	CITY OF SOUTH LAKE TAHOE C/O FINANCE DEPT	1.26
25061040	VAC	LAKE TAHOE COMM COLLEGE DIST	20.83
25461003	VAC	STATE OF CALIFORNIA & DEPT OF GENERAL SERVICES	0.23
25461004	VAC	STATE OF CALIFORNIA & DEPT OF GENERAL SERVICES	0.23
25461005	VAC	STATE OF CALIFORNIA & DEPT OF GENERAL SERVICES	0.23
25461008	VAC	STATE OF CALIFORNIA & DEPT OF GENERAL SERVICES	0.23
25461009	VAC	STATE OF CALIFORNIA & DEPT OF GENERAL SERVICES	0.23
25461010	VAC	STATE OF CALIFORNIA & DEPT OF GENERAL SERVICES	0.23
25461011	VAC	STATE OF CALIFORNIA & DEPT OF GENERAL SERVICES	0.23
25461012	VAC	STATE OF CALIFORNIA & DEPT OF GENERAL SERVICES	0.23
25461013	VAC	STATE OF CALIFORNIA & DEPT OF GENERAL SERVICES	0.23
25461014	VAC	STATE OF CALIFORNIA & DEPT OF GENERAL SERVICES	0.23
25461015	VAC	STATE OF CALIFORNIA & DEPT OF GENERAL SERVICES	0.23
25461016	VAC	STATE OF CALIFORNIA & DEPT OF GENERAL SERVICES	0.23
25461017	VAC	STATE OF CALIFORNIA & DEPT OF GENERAL SERVICES	0.24
25461018	VAC	STATE OF CALIFORNIA & DEPT OF GENERAL SERVICES	0.23
25461019	VAC	STATE OF CALIFORNIA & DEPT OF GENERAL SERVICES	0.09
25461020	VAC	STATE OF CALIFORNIA & DEPT OF GENERAL SERVICES	0.13
25461021	VAC	STATE OF CALIFORNIA & DEPT OF GENERAL SERVICES	0.21
25462006	VAC	STATE OF CALIFORNIA & DEPT OF GENERAL SERVICES	0.23
25462007	VAC	STATE OF CALIFORNIA & DEPT OF GENERAL SERVICES	0.23
25462008	VAC	STATE OF CALIFORNIA & DEPT OF GENERAL SERVICES	0.23
25462009	VAC	STATE OF CALIFORNIA & DEPT OF GENERAL SERVICES	0.23
25462010	VAC	STATE OF CALIFORNIA & DEPT OF GENERAL SERVICES	0.23
25462011	VAC	STATE OF CALIFORNIA & DEPT OF GENERAL SERVICES	0.23
25462012	VAC	STATE OF CALIFORNIA & DEPT OF GENERAL SERVICES	0.23
25462013	VAC	STATE OF CALIFORNIA & DEPT OF GENERAL SERVICES	0.23
25462014	VAC	STATE OF CALIFORNIA & DEPT OF GENERAL SERVICES	0.23
25462015	VAC	STATE OF CALIFORNIA & DEPT OF GENERAL SERVICES	0.23
25462016	VAC	STATE OF CALIFORNIA & DEPT OF GENERAL SERVICES	0.23
25462018	VAC	STATE OF CALIFORNIA & DEPT OF GENERAL SERVICES	0.16
25462019	VAC	STATE OF CALIFORNIA & DEPT OF GENERAL SERVICES	0.23
25462020	VAC	STATE OF CALIFORNIA & DEPT OF GENERAL SERVICES	0.21
25462021	VAC	STATE OF CALIFORNIA & DEPT OF GENERAL SERVICES	0.20
25462022	VAC	STATE OF CALIFORNIA & DEPT OF GENERAL SERVICES	0.19
25462023	VAC	STATE OF CALIFORNIA & DEPT OF GENERAL SERVICES	0.04
25471001	VAC	STATE OF CALIFORNIA & DEPT OF GENERAL SERVICES	0.23
25471002	VAC	STATE OF CALIFORNIA & DEPT OF GENERAL SERVICES	0.23
25471003	VAC	STATE OF CALIFORNIA & DEPT OF GENERAL SERVICES	0.23
25471004	VAC	STATE OF CALIFORNIA & DEPT OF GENERAL SERVICES	0.23
25471005	VAC	STATE OF CALIFORNIA & DEPT OF GENERAL SERVICES	0.23
25471006	VAC	STATE OF CALIFORNIA & DEPT OF GENERAL SERVICES	0.23

25471007	VAC	STATE OF CALIFORNIA & DEPT OF GENERAL SERVICES	0.23
25471008	VAC	STATE OF CALIFORNIA & DEPT OF GENERAL SERVICES	0.23
25471009	VAC	STATE OF CALIFORNIA & DEPT OF GENERAL SERVICES	0.23
25471010	VAC	STATE OF CALIFORNIA & DEPT OF GENERAL SERVICES	0.23
25471011	VAC	STATE OF CALIFORNIA & DEPT OF GENERAL SERVICES	0.23
25472002	VAC	STATE OF CALIFORNIA & DEPT OF GENERAL SERVICES	0.23
25472003	VAC	STATE OF CALIFORNIA & DEPT OF GENERAL SERVICES	0.23
25472004	VAC	STATE OF CALIFORNIA & DEPT OF GENERAL SERVICES	0.23
25472005	VAC	STATE OF CALIFORNIA & DEPT OF GENERAL SERVICES	0.23
25472006	VAC	STATE OF CALIFORNIA & DEPT OF GENERAL SERVICES	0.23
25472007	VAC	STATE OF CALIFORNIA & DEPT OF GENERAL SERVICES	0.23
25472008	VAC	STATE OF CALIFORNIA & DEPT OF GENERAL SERVICES	0.23
25472009	VAC	STATE OF CALIFORNIA & DEPT OF GENERAL SERVICES	0.23
25472010	VAC	STATE OF CALIFORNIA & DEPT OF GENERAL SERVICES	0.23
25472011	VAC	STATE OF CALIFORNIA & DEPT OF GENERAL SERVICES	0.23
25472012	VAC	STATE OF CALIFORNIA & DEPT OF GENERAL SERVICES	0.17
31020051	AGP	PRIVATE	6.84
31261027	VAC	CITY OF SOUTH LAKE TAHOE	0.03
31261034	DEV	PRIVATE	0.14
31261035	DEV	PRIVATE	0.14
31261037	VAC	PRIVATE	0.02
31261042	DEV	PRIVATE	0.33
31261047	DEV	PRIVATE	0.14
31261053	VAC	STATE OF CALIFORNIA & CALIFORNIA TAHOE CONSERVANCY	0.09
31261054	VAC	STATE OF CALIFORNIA & CALIFORNIA TAHOE CONSERVANCY	0.04
31261055	VAC	PRIVATE	0.09
31261056	VAC	PRIVATE	0.01
31300002	VAC	PRIVATE	0.54
31300004	VAC	PRIVATE	0.30
31300005	DEV	PRIVATE	0.46
31300006	VAC	PRIVATE	0.41
31300007	VAC	PRIVATE	0.51
UN0164020		PUBLIC RIGHT OF WAY	27.65
UN1341036		PUBLIC RIGHT OF WAY	0.57

ESTIMATE OF PROPERTY TAX REVENUE & DISTRIBUTION FOR THE FISCAL YEAR 2024/25 EXHIBIT 2024-01-A

LAFCO Project #:	2024-01	
Project Name:	City of South Lake Tahoe Clean-up Reorganization	
Annexation Per R&T Code Section:	99	
Existing Tax Rate Area # (TRA):	075-025	
Net Assessed Value Per Assessor:	$1,172,570	**Net**
H/O Exemption Assessed Value:	$7,000	**Add back homeowners enter as positive**
Total Assessed Value Subject to AB-8:	$1,179,570	**Total**
Estimated 1% Property Tax Revenue:	$11,796	

Agency	County Tax Code	SBE District Code	Estimated Portion of Current Tax Revenue (note 1)	Estimated Current Share of Tax Levy in Existing TRA (note 1)	Proposed Exchange of Tax Increment Shares	Proposed New Future Tax Increment Shares
County General Fund	11101	N/A	$3,920	33.2331%	0.4968%	33.7299%
County Capital Outlay Fund	11111	N/A	$81	0.6892%	0.0103%	0.6995%
Road District Tax	11112	N/A	$393	3.3350%	-3.3350%	0.0000%
City of South Lake Tahoe	12201	0004	$0	0.0000%	24.3355%	24.3355%
CSA#3 - Mosquito Abatement	13102	0114	$90	0.7625%	0.0114%	0.7739%
Happy Homestead Cemetery	14201	0049	$69	0.5834%	0.0087%	0.5921%
Lake Valley Fire	14406	0058	$2,541	21.5456%	-21.5456%	0.0000%
Tahoe Joint Resource Conservation	14601	0051	$13	0.1085%	0.0016%	0.1101%
No. 2000-01 SLT Rec Facility	NA	0246	$0	0.0000%	0.0000%	0.0000%
County Water Agency	14801	0207	$128	1.0881%	0.0163%	1.1044%
CSA#3, Zone 1 (Ambulance)	N/A	0116	$0	0.0000%	0.0000%	0.0000%
CSA#3, Zone 2 (South Shore Snow Removal)	N/A	0117	$0	0.0000%	0.0000%	0.0000%
CSA#3, Zone 3 (Recreation)	N/A	0118	$0	0.0000%	0.0000%	0.0000%
CSA#3, Zone 4 (Soil Erosion)	N/A	0119	$0	0.0000%	0.0000%	0.0000%
CSA#10	N/A	0191	$0	0.0000%	0.0000%	0.0000%
CSA#10, Zone C - Waste Management	N/A	0192	$0	0.0000%	0.0000%	0.0000%
CSA#10, Zone F - Library	N/A	0230	$0	0.0000%	0.0000%	0.0000%
Total Local Agencies:			$7,236	61.3454%	0.0000%	61.3454%
Lake Tahoe Unified School	15302	0044	$3,490	29.5886%		29.5886%
Tahoe-Truckee Joint Unified School	15303	0042	$0			
Lake Tahoe Community College	15401	0045	$840	7.1231%		7.1231%
County School Services	15501	N/A	$229	1.9429%		1.9429%
Tahoe-Truckee Joint Unified School SFID #2	N/A	0239	$0			
Total School Agencies:			$4,560	38.6546%	0.0000%	38.6546%
Grand Total:			$11,796	100.0000%	0.0000%	100.0000%

Note 1: Revenue estimates shown are PRE: SDAF, ERAF I, ERAF II, ERAF III, VLF Swap, and/or Triple Flip.

Filename: *2024-01 City of SLT Estimate Rev and Dist*
Print Date: *10/14/2024*
Completed By: *Auditor-Controller, Property Tax Division*

ESTIMATE OF PROPERTY TAX REVENUE & DISTRIBUTION FOR THE FISCAL YEAR 2024/25 EXHIBIT 2024-01-B

LAFCO Project #:	2024-01	
Project Name:	City of South Lake Tahoe Clean-up Reorganization	
Annexation Per R&T Code Section:	99	
Existing Tax Rate Area # (TRA):	075-036	
Net Assessed Value Per Assessor:	$1,270,023	**Net**
H/O Exemption Assessed Value:	$7,000	**Add back homeowners enter as positive**
Total Assessed Value Subject to AB-8:	$1,277,023	**Total**
Estimated 1% Property Tax Revenue:	$12,770	

Agency	County Tax Code	SBE District Code	Estimated Portion of Current Tax Revenue (note 1)	Estimated Current Share of Tax Levy in Existing TRA (note 1)	Proposed Exchange of Tax Increment Shares	Proposed New Future Tax Increment Shares
County General Fund	11101	N/A	$3,760	29.4397%	0.0447%	29.4844%
County Capital Outlay Fund	11111	N/A	$78	0.6106%	0.0009%	0.6115%
Road District Tax	11112	N/A	$377	2.9543%	-2.9543%	0.0000%
City of South Lake Tahoe	12201	0004	$0	0.0000%	21.9744%	21.9744%
CSA#3 - Mosquito Abatement	13102	0114	$86	0.6755%	0.0010%	0.6765%
Happy Homestead Cemetery	14201	0049	$66	0.5169%	0.0008%	0.5177%
Lake Valley Fire	14406	0058	$2,437	19.0865%	-19.0865%	0.0000%
Tahoe Joint Resource Conservation	14601	0051	$12	0.0962%	0.0001%	0.0963%
No. 2000-01 SLT Rec Facility	NA	0246	$0	0.0000%	0.0000%	0.0000%
County Water Agency	14801	0207	$123	0.9639%	0.0015%	0.9654%
South Tahoe PUD	14806	0202	$1,457	11.4071%	0.0173%	11.4244%
CSA#3, Zone 1 (Ambulance)	N/A	0116	$0	0.0000%	0.0000%	0.0000%
CSA#3, Zone 2 (South Shore Snow Removal)	N/A	0117	$0	0.0000%	0.0000%	0.0000%
CSA#3, Zone 3 (Recreation)	N/A	0118	$0	0.0000%	0.0000%	0.0000%
CSA#3, Zone 4 (Soil Erosion)	N/A	0119	$0	0.0000%	0.0000%	0.0000%
CSA#10	N/A	0191	$0	0.0000%	0.0000%	0.0000%
CSA#10, Zone C - Waste Management	N/A	0192	$0	0.0000%	0.0000%	0.0000%
CSA#10, Zone F - Library	N/A	0230	$0	0.0000%	0.0000%	0.0000%
Total Local Agencies:			$8,397	65.7507%	0.0000%	65.7507%
Lake Tahoe Unified School	15302	0044	$3,348	26.2165%		26.2165%
Tahoe-Truckee Joint Unified School	15303	0042	$0			
Lake Tahoe Community College	15401	0045	$806	6.3113%		6.3113%
County School Services	15501	N/A	$220	1.7215%		1.7215%
Tahoe-Truckee Joint Unified School SFID #2	N/A	0239	$0			
Sierra JT SFID #4 (Rocklin Campus Area)	N/A	0274	$0			
Total School Agencies:			$4,374	34.2493%	0.0000%	34.2493%
Grand Total:			$12,770	100.0000%	0.0000%	100.0000%

Note 1: Revenue estimates shown are PRE: SDAF, ERAF I, ERAF II, ERAF III, VLF Swap, and/or Triple Flip.

Filename: 2024-01 City of SLT Estimate Rev and Dist
Print Date: 10/14/2024
Completed By: Auditor-Controller, Property Tax Division

City of South Lake Tahoe

Joseph D. Irvin
jirvin@cityofslt.us
(530) 542-6043

1901 Lisa Maloff Way, Ste. 203
South Lake Tahoe, CA 96150
www.cityofslt.us

October 4, 2024

Ms. Moebius,

Thank you for taking the time to submit the Barton-Mosher Family request to the City of South Lake Tahoe to revise our annexation application to EDC LAFCO.

The City of South Lake Tahoe would like all parties to recognize that the Tahoe Valley Campground (i.e. the Barton-Mosher Family land) is surrounded by city jurisdiction and accessed by city roads and we fundamentally feel that it should be in the city limits. The city plows and maintains the roads that access the Campground and there is no tax compensation given to the city.

That be said, I remain committed to working diligently with the Barton-Mosher Family over the next 12-months to discuss and evaluate the development of a pre-annexation agreement with the intent to look at gaining the Barton-Mosher Family's support for annexation at a later date. By way of this email, I would like to request you coordinate an in-person meeting with the appropriate Barton-Mosher Family representatives, myself and our City Attorney, Heather Stroud. We would be more than happy to travel to Placerville for this meeting. Our relationship with El Dorado County is healthy and we intend to keep it that way. Working in this collaborative manner will allow us the opportunity to build a healthy and long-term relationship.

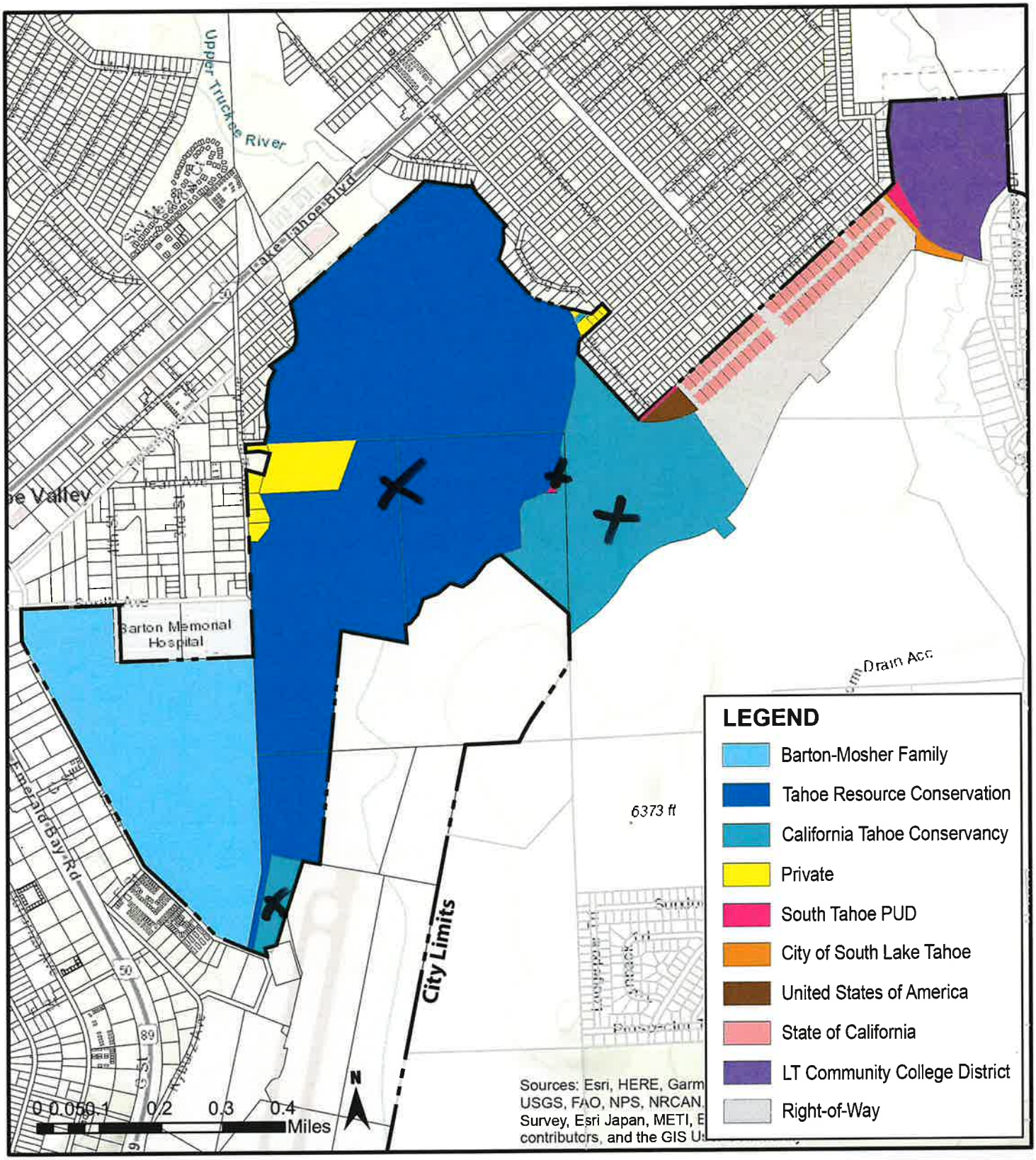
I intend to formally revise the City of South Lake Tahoe's annexation application submitted to EDC LAFCO. We intend to remove the California Tahoe Conservancy, Tahoe Resources Conservation and South Tahoe PUD parcels marked with a "X" on the attached map.

If you have any questions, please let me know.

Respectfully submitted,

Joseph D. Irvin 10/4/2024

Joseph D. Irvin, City Manager
South Lake Tahoe, CA
jirvin@cityofslt.us or (530) 542-6043



X - removed parcels

Proposed Cleanup Annexation

FIGURE 414

Municipal Management Solutions
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Breann M. Moebius
bmoebius@hsmlaw.com

September 27, 2024

Joe Irvin, City Manager
City of South Lake Tahoe
1901 Lisa Maloff Way
South Lake Tahoe, CA 96150

VIA EMAIL ONLY

Re: Request to Revise Proposed Annexation (LAFCO Project No. 2024-01)

Dear Mr. Irvin:

On behalf of our clients, Ouida Kyburz Garms and Faye Krull, individually and as co-trustees of the William Mosher, Sr. and Melba Mosher 1994 Revocable Trust and representatives of the Barton-Mosher family (collectively, "Family"), this letter requests that the City of South Lake Tahoe ("City") revise its pending application with the El Dorado Local Agency Formation Commission ("LAFCO") for annexation of 89 parcels (406.28 acres) and detachment from the Lake Valley Fire Protection District (LAFCO Project No. 2024-01). As detailed herein, the Family has been an integral part of El Dorado County ("County") since arriving in 1846 at the urging of John Sutter and working tirelessly to develop a series of ranches that extended from the western edge of the County to Lake Tahoe. The Tahoe Valley Campground ("Campground") located at 1175 Melba Drive is the Family's remaining legacy after hundreds of acres of their landholdings have been sold and, in many instances, converted to public ownership and use. This letter requests that the City amend its annexation application to remove the Campground and adjacent publicly-owned open space parcels that are not intended for urban development while still ensuring the City achieves its objective of cleaning up its boundaries.

A. The Barton-Mosher Family Historic Landholdings

With family heritage linked to land throughout the County and the remaining Campground parcel, understanding the Family's history helps illustrate the significance of the Campground and the Family's current desire to remain within the unincorporated area. Ouida and Faye's great-great-great-grandfather Samuel Kyburz and great-great-

great grandmother Rebecca Kyburz immigrated from Switzerland and began the journey west. After a fortuitous split from the Donner party, the Family were fortunate to ultimately arrive at Sutter's Fort in 1846. After losing cattle each year when Sacramento flooded, the Family moved to El Dorado County and settled in Clarksville. Samuel's granddaughter, Ouida Kyburz, married William "Bill" Barton after the Barton family moved to California following the Gold Rush. Starting from nothing, Ouida and Bill built dairy, horse, and eventually cattle ranches throughout the region.

At the turn of the century, the Barton Family came to Lake Tahoe. They ran their dairy farm, horses, and cattle in the summer starting in June allowing the cattle to graze freely on the beautiful meadows until October or the first snow. When it was time to return to their ranch on Scott Road in east Sacramento County, the cattle were driven back down over the course of a three-day cattle drive along what is now Highway 50 to the Sacramento Valley. Over time, the Family eventually acquired large portions of land throughout the County that included an 800-acre ranch on Latrobe Road and White Rock Road in the El Dorado Hills area, a ranch at the bottom of Echo Summit just beyond Meyers, Lyon's Ranch and Johnson Ranch adjacent to the South Lake Tahoe Airport, Meadow Edge adjacent to the Tahoe Keys, and 7 acres next to the Y in South Lake Tahoe. Figure 1 attached to this letter generally depicts the Family's historic landholdings surrounding Lake Tahoe.

In the 1950s, the State of California forced the Family to sell a portion of their property through threatened condemnation for what is now the South Lake Tahoe Airport. As the population in South Lake Tahoe grew, there became a need for a hospital as the closest hospitals were in Reno and Placerville. To meet this Tahoe Valley community need, the Family donated property to build Barton Memorial Hospital, which opened November 23, 1963 and included 38 beds.

To help fulfill another community need, the Family collaborated with the Martin family to design and open the Campground in 1972. Over the years, the Campground has been a place of recreation for those living in the Tahoe basin, as well as for visitors from all over the world. During the 1990s, the Family and Barton Memorial Hospital management worked together to resolve a growing concern about winter access to the hospital and, again committed to the community's safety, the Family granted Barton Memorial Hospital access to a portion of the Campground land during the winter to clear snow and improve access to the hospital. When Barton Memorial Hospital began improvements to the emergency department during the early 2000s to allow for medical flight access, the Family again responded to the community need and worked with the hospital to facilitate the expansion of a new, larger parking lot by releasing more land from the Campground adjacent to the new emergency department.

After threatened condemnation from the State of California and threatened criminal liability and penalties based on the longstanding cattle operations, the Family relinquished

the lake front property near the Tahoe Keys. The *Tahoe Valley Tribune* reported that the sale price made the purchase more of a gift to the City of South Lake Tahoe. The Family also sold the bike trail that has provided a scenic and peaceful trail for the community to enjoy. After Ouida and Faye's mother was hit with a substantial inheritance tax related to the Family's land next to the Y, the Family unsuccessfully sought to work with the City and ultimately were left with no decision other than to tear down the cabin that had been home to generations of family memories. Through changes in City Code related to the right-to-farm, the Family also felt forced to sell the 200-acre Meadow property to the Tahoe Resource Conservation District. While many of these sales reflect tension between the historic ranching operations and shifting government goals, the Family continues to feel unfairly divested of land and the historic ranching livelihood that pioneer generations had worked tirelessly to build.

The Campground property has been in the Family for over four generations and is the sole remaining asset of a long and rich legacy within the County. Based on the prior loss of land through changing government regulations and condemnation, our clients are understandably wary of annexation to a more urbanized local agency with which they do not yet have a relationship of trust and understanding. The Family respectfully requests that the Campground property, which has been in the unincorporated area for four generations, be removed from the proposed annexation.

B. Family's Request and Proposed Revised Annexation

While annexations are complex decisions requiring consideration of a multitude of issues, LAFCO Policy 6.3.1 provides that the "fundamental policy of the Commission in considering the development status of land . . . shall be that such development is preferred in cities." This fundamental policy is "based on the fact that cities exist to provide a broader range of services than do special Districts." (LAFCO Policy 6.3.1.) Policy 6.3.5 also provides that petitions for annexation to a city "shall demonstrate the need for municipal services."

As detailed below, neither the Campground nor large open space parcels owned by state conservation agencies are intended to develop or require the broad range of urban services the City provides. With respect to the Campground, the focus is on providing an authentic mountain experience with campsites surrounded by mature pines. The Campground is unique from the more urban City development and intends to remain in its undeveloped state without seeking the broader range of urban services.

With respect to the larger open space parcels, the map on Figure 2 attached to this letter illustrates the ownership of the parcels proposed for annexation. As depicted on Figure 2, the largest parcels in the proposed annexation are owned by the Tahoe Resource Conservation District ("TRCD") and California Tahoe Conservancy ("CTC"). As the City likely knows, the California Legislature created the TRCD as a non-profit legal

subdivision of the state because the "Legislature believes that the state must assume leadership in formulating and putting into effect a statewide program of soil, water, and biodiversity conservation, enhancement, restoration, adaptation, and resilience and related natural resource conservation." (Pub. Resources Code, §§ 9001, 9003; see also Pub. Resources Code, §§ 9951-9952 [creating the TRCD].) TRCD explains that it obtained the large dark blue parcels depicted on Figure 2 from the Family in April 2018 "to provide ecosystem and watershed protection benefits through preservation, management, and future restoration of meadow, riparian, aquatic and upland habitats." (TRCD website, https://tahoercd.org/our-work/restoration-land-management/johnson-meadow-restoration-land-management/.) Johnson Meadow and the TRCD parcels are intended to remain in public open space with only passive recreational use.

Similarly, the CTC is a state agency created to "maintain an equilibrium between the region's natural endowment and its manmade environment, to protect the natural environment, including water quality, air quality, wildlife, and habitat areas, to acquire, restore, and manage property, and to preserve the scenic beauty and recreational opportunities of the region." (Gov. Code, § 66905.2.) The CTC is authorized to "select and acquire real property or interests therein in the name of and on behalf of the state, for the purposes of protecting the natural environment, providing public access or public recreational facilities, preserving wildlife habitat areas, or providing access to or management of acquired lands." (Gov. Code, § 66907.)

The Campground, TRCD, and CTC parcels that are not intended for urban development are thus more appropriately left within the unincorporated area. The Family therefore believes that a revised annexation excluding these large parcels that are not intended for development and do not need urban services would be more appropriate.

The Family is also concerned that the economic sustainability of the Campground will be jeopardized if annexed to the City. While the County does not impose Transient Occupancy Tax ("TOT") on campgrounds, the City imposes TOT on campgrounds within its jurisdiction. If the Campground is annexed, it will be subject to TOT while Camp Richardson, which is state owned, and the KOA campground in Meyers, which would remain in the County, would not be subject to the same TOT. This competitive disadvantage to similar campgrounds in close proximity would likely undermine the long-term success of the Campground and risk loss of this recreational amenity to likely more intense development. Especially because it is one of the few remaining undeveloped and buildable sites in the immediate area, the Family remains concerned about increasing pressure to convert the rural Campground to more intense and profitable development. Even if the Campground remains in the more rural unincorporated area, the City will still receive financial benefits through sales tax revenue from Campground guests who recreate, shop, and dine within the City.

* * *

For over four generations, the Family has been an integral part of El Dorado County and the South Lake Tahoe region. They have operated from the perspective of philanthropy contributing to the betterment and benefit of the community without expectations of profit, while they could have chosen a vastly less generous approach. They now simply ask that their sole remaining property remain in the unincorporated County and continue as a part of the greater County community dating back to the Gold Rush era. The Family shares the City's passion for the pristine natural setting Lake Tahoe offers and intends to remain a committed member of the Tahoe region community.

As detailed herein, an amended application excluding the Campground and larger open space parcels would not only honor the Family's legacy but would also be more consistent with the expectation of urban development in annexed lands. The Family appreciates the willingness of current City leadership to engage in meaningful conversations and strengthen the relationship between the City and Family going forward. The Family also understands the City's desire to clean up its boundaries and annex additional land and will support an amended annexation application that excludes the Campground. We appreciate the City's consideration of our request and welcome the opportunity for continued collaboration.

Very truly yours,

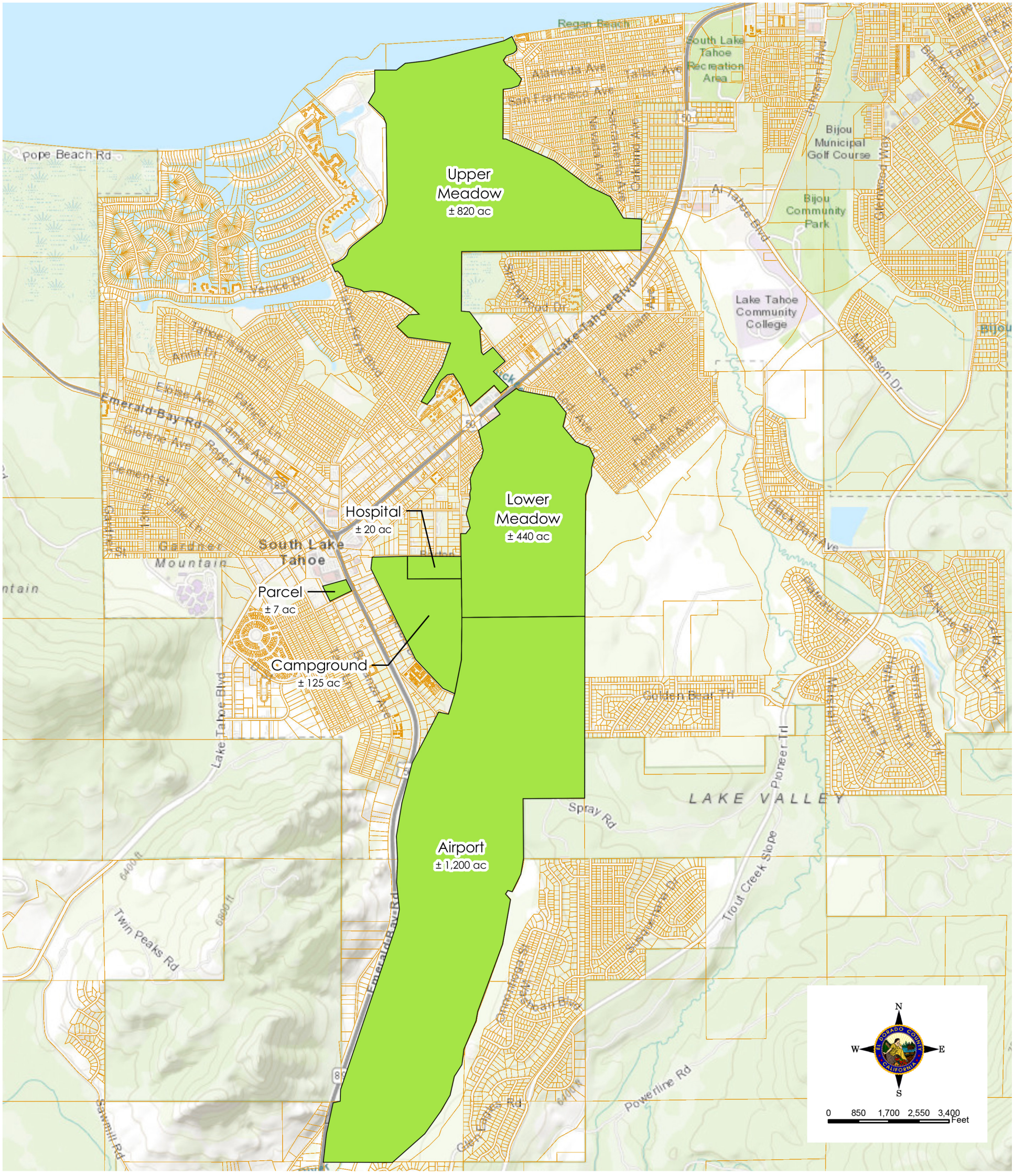
MUNICIPAL MANAGEMENT SOLUTIONS

By
Donald Ashton

HEFNER, STARK & MAROIS, LLP

By
Breann M. Moebius

cc: City of South Lake Tahoe Council Members
Heather Stroud, City Attorney
El Dorado County, Board of Supervisors
Shiva Frentzen, LAFCO Executive Officer


Upper Meadow
± 820 ac
Lower Meadow
± 440 ac
Hospital
± 20 ac
Parcel
± 7 ac
Campground
± 125 ac
Airport
± 1,200 ac
Regan Beach
South Lake Tahoe Recreation Area
Bijou Municipal Golf Course
Bijou Community Park
Lake Tahoe Community College
Al Tahoe Blvd
Lake Tahoe Blvd
Emerald Bay Rd
South Lake Tahoe
Gazelle Mountain
Pope Beach Rd
Venice Dr
Tahoe Island Dr
Knob Dr
Elope Ave
Dalton Ln
Lake Ave
Roger Ave
Clarence Ave
Clement St
Pine St
Rufus St
Pine Ave
Fremont Ave
Fairway Dr
Black Bear Ave
Black Bear Trl
Black Bear Way
Black Bear Dr
Black Bear Ln
Black Bear Cir
Black Bear Pl
Black Bear Ct
Black Bear Ter
Black Bear Loop
Black Bear Blvd
Black Bear Rd
Black Bear Trl
Pioneer Trl
LAKE VALLEY
Spray Rd
Trout Creek Slope
Twin Peaks Rd
Sawmill Rd
Powerline Rd
Clay Emery Rd
Matteson Dr
Cilantro Dr
Cilantro Ln
Cilantro Pl
Cilantro Ct
Cilantro Way
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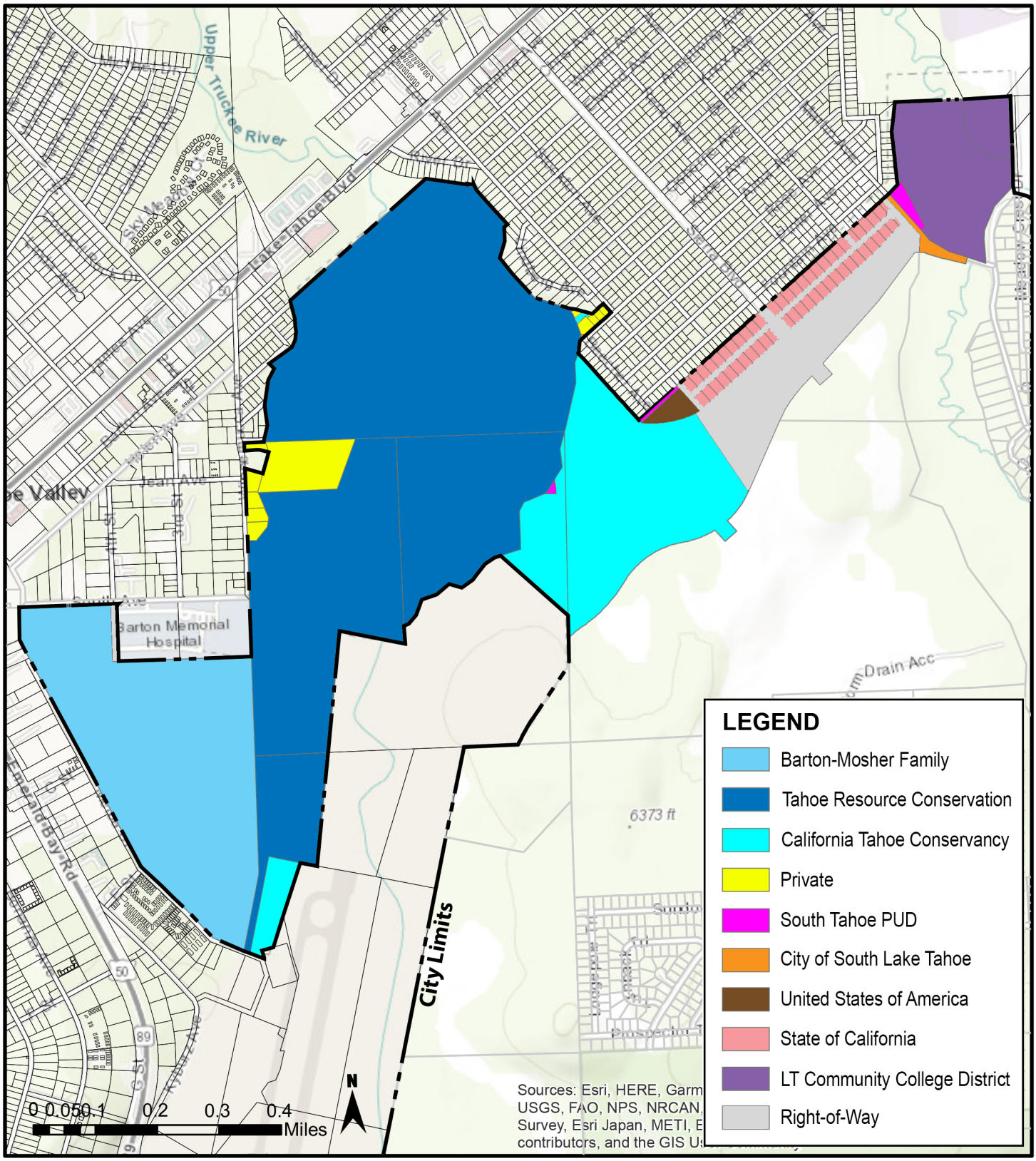
Cilantro Pkwy
Cilantro Ave
Cilantro St



Proposed Cleanup Annexation

FIGURE 1

Resolution 2024-041

Adopted by the City of South Lake Tahoe City Council

March 26, 2024

Initiating proceedings for the annexation of 90 parcels located in unincorporated El Dorado County, approximately 411.8 acres in size

BACKGROUND

A. On June 6, 2023, the City Council passed a motion directing staff to pursue the "Cleanup Annexation Scenario," which encompasses the Tahoe Valley Campground and parcels adjacent to the City's jurisdictional boundary southeast of the Sierra Tract and Barton Memorial Hospital, and within the City's Sphere of Influence.

B. The City intends to file an Application to Initiate Proceedings for Reorganization with the El Dorado Local Agency Formation Commission (LAFCO). As part of these proceedings, the City of South Lake Tahoe intends to request that LAFCO process a reorganization such that approximately 411.8 acres of territory currently within the unincorporated El Dorado County area would be annexed to the City of South Lake Tahoe.

C. The 90 parcels to be annexed to the City of South Lake Tahoe are comprised of private and public parcels, which the Tahoe Regional Planning Agency Conceptual Regional Land Use Map has designated as either Conservation, Residential, Recreation, or Mixed-Use.

D. The City intends to apply the applicable TRPA Conceptual Regional Land Use designations and the applicable Plan Area Statements (i.e., zoning districts) in the annexation area and is not proposing any changes in the land use designations or the applicable zoning districts.

E. On February 23, 2024, A Notice of Public Hearing providing the date, time, and location of the City Council meeting was mailed to property owners within the annexation area and to all affected property owners within 500 feet of the subject properties. A public notice was also published in the Tahoe Daily Tribune on March 15, 2024.

F. On March 26, 2024, the City of South Lake Tahoe City Council conducted a duly noticed public hearing, at which time City staff presented its report, and interested persons had an opportunity to testify on the proposed annexation. Following receipt of all public testimony, the City Council closed the hearing.

G. On March 26, 2024, the City of South Lake Tahoe City Council adopted an Ordinance to pre-zone the annexation area and a Resolution to amend the 2030 South Lake Tahoe General Plan to reflect the proposed annexation.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, BE IT RESOLVED, that the City of South Lake Tahoe City Council:

1. Finds the facts set forth in the Background Section of this Resolution are true and correct, are incorporated into this Resolution by reference, and constitute a material part of this Resolution.

2. Hereby makes an application to the El Dorado Local Agency Formation Commission for the annexation of certain property as described in Exhibit 1 to the City of South Lake Tahoe, and the detachment of certain inhabited property as described in Exhibit 1 from the Lake Valley Fire Protection District.

3. Finds that the proposed annexation is in the interest of providing efficient provision of governmental services, where the annexation area currently receives municipal services from El Dorado County and Lake Valley Fire Protection District, even though the annexation area is adjacent to the City of South Lake Tahoe and accessed only through City streets, and is geographically removed from the rest of the inhabited portions of El Dorado County. After annexation, the City would provide all core municipal services, including street maintenance, snow removal, police, fire protection, and emergency response.

4. Finds the following are affected agencies: El Dorado County, Tahoe Resource Conservation District, State of California (California Tahoe Conservancy), and South Tahoe Public Utility District.

5. Hereby requests that proceedings be undertaken by the El Dorado Local Agency Formation Commission for the annexation proposed herein.

6. Hereby instructs the City Clerk to file a copy of this Resolution with the El Dorado County Local Formation Commission.

Adopted by the City of South Lake Tahoe City Council at a meeting on March 26, 2024, by the following vote:

Yes: Bass, Friedrich, Creegan, Wallace, Robbins

Cody Bass (Apr 2, 2024 02:05 PDT)

Date: 04/02/2024

Cody Bass, Mayor

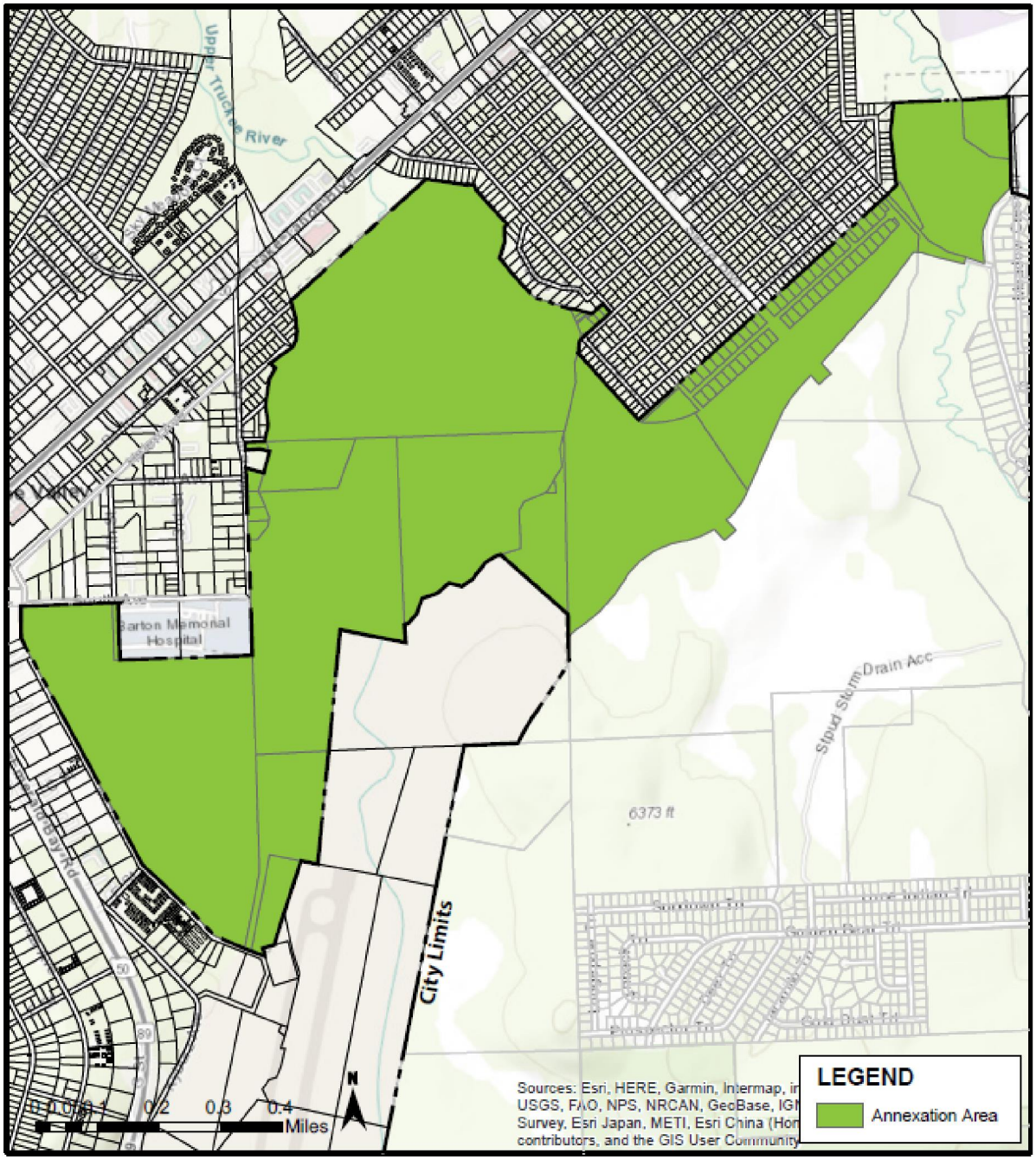
Attest:

Susan Blankenship (Mar 27, 2024 10:50 PDT)

Susan Blankenship, Elected City Clerk

The presence of an electronic signature certifies that the foregoing is a true and correct copy as approved by the City of South Lake Tahoe City Council.

EXHIBIT 1



CITY OF SOUTH LAKE TAHOE

Attachment 02
Proposed Cleanup Annexation

Resolution 2024-041 Initiating Proceedings of Annexation

Final Audit Report 2024-04-02

Created:	2024-03-27
By:	Michelle Davis (medavis@cityofslt.us)
Status:	Signed
Transaction ID:	CBJCHBCAABAAvj99cmR7Fc6IpB2zR6_c0MpXM1kc8Le7

"Resolution 2024-041 Initiating Proceedings of Annexation" History

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2024-03-27 - 5:50:06 PM GMT

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Document e-signed by Cody Bass (cbass@cityofslt.us)
Signature Date: 2024-04-02 - 9:05:57 AM GMT - Time Source: server

Agreement completed.
2024-04-02 - 9:05:57 AM GMT

Adobe Acrobat Sign

www.FinanceDTA.com

SUMMARY MEMORANDUM

October 16, 2023

To: Joseph Irvin and Heather Stroud, City of South Lake Tahoe

From: Kuda Wekwete, Jerry Wen, and Graeme Fraser, DTA

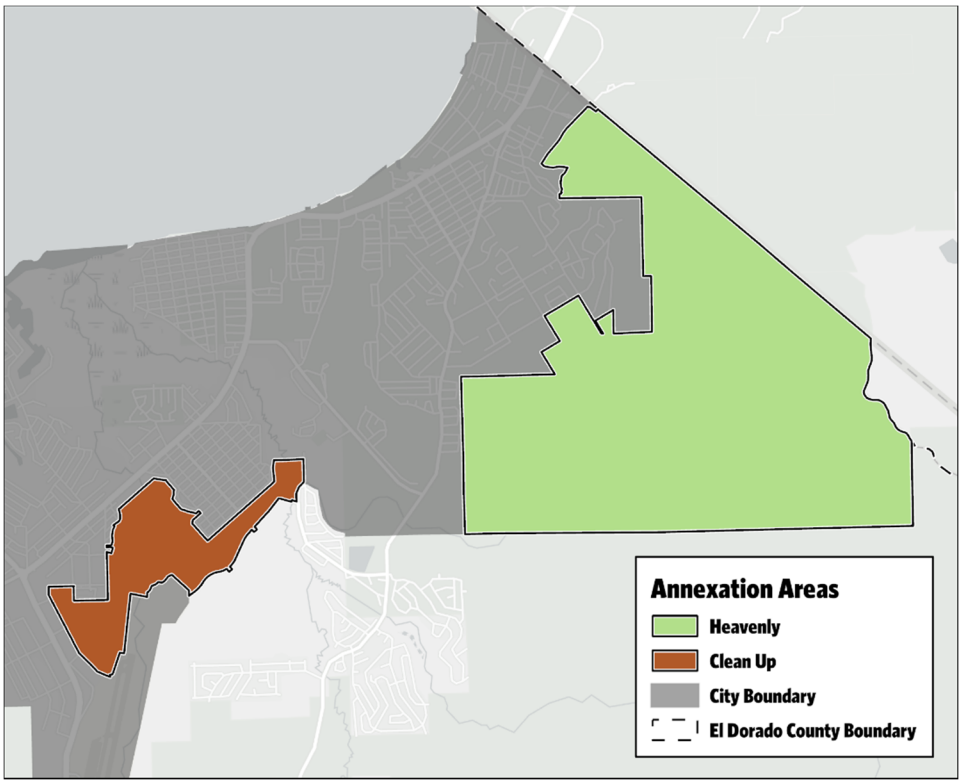
Subject: Potential Fiscal Impacts to the City of South Lake Tahoe Resulting from the Proposed Land Annexations

The objective of this Executive Summary of a Fiscal Impact Analysis (the "FIA") is to analyze the incremental net fiscal impact on the City of South Lake Tahoe (the "City") upon annexing two territories of land (the "Annexation Areas") within the Unincorporated County of El Dorado (the "County"). Specifically, the intent of this memorandum is to evaluate the projected fiscal impact of annexing each Annexation Area to the City by comparing the property tax and sales tax revenues that could be potentially generated by such Annexation Area against the costs to provide public safety and public work services therein.

A Description of Proposed Annexation Areas

As illustrated in Figure 1, the City is currently contemplating the annexation of the Heavenly Parcels, encompassing the California area of the Heavenly Resorts, and Cleanup Parcels, comprising generally the Tahoe Valley Campground and Johnson Meadow to create logical extensions of its boundaries.

Figure 1: Map for the Annexation Areas



Current parcel characteristics and demographic data for the Annexation Areas are listed in Table 1. Note, the City provides the estimated residential population for each Annexation Area. In addition, DTA utilizes the 2023 Employment Profiles by NAICS Codes reports, produced by Environics Analytics ("EA"), to identify the number of employees working within each Annexation Area.

Table 1: Parcel Characteristics and Demographic Data for Annexation Areas

Annexation Area	Gross Acres	Number of Parcels	Residential Population	Employees
Heavenly	2,860.27	31	0	1,771
Cleanup	378.05	87	125	10

B Property Tax Analytic Methodology and Assumptions

Property tax revenues are specifically based on the City's estimated share of the general 1% *ad valorem* property tax levy. **For the purpose of this analysis and at the direction of the City staff, it is assumed that the City General Fund will receive 50% of the 1% *ad valorem* property tax levy allocable to the County General Fund, net of the projected Education Revenue Augmentation Fund ("ERAF") property tax shifts, upon the annexation of each Annexation Area to the City.** Notably, the 1% *ad valorem* property tax revenues for each Annexation Area are estimated based on the Fiscal Year ("FY") 2021-22 basic 1% [Proposition ("Prop") 13] property tax from Tax Rate Areas ("TRAs") encompassing such Annexation Area and the FY 2022-23 taxable valuation of corresponding TRAs, per the County Auditor's Office.

The passage of Proposition 1A in California in 2004 enacted a constitutional amendment that introduced a new methodology to calculate Property Taxes in Lieu of Vehicle License Fees ("VLFs"). Per California Revenue and Taxation Code §97.70, the amount of Property Taxes in Lieu of VLFs now grows in proportion to the growth rate of gross assessed valuation in a city or county. Property Taxes in Lieu of VLF revenues are projected to grow with the change in the Citywide gross assessed valuation of taxable property from the prior FY.

Property Taxes in Lieu of VLF revenues constitute an addition to other property tax apportionments and were calculated for the purposes of this analysis at $0.41 per $1,000 increase in assessed valuation on a Citywide basis. Table 2 presents the details regarding the Property Taxes in Lieu of VLF assumptions utilized in the Tax Revenue Analysis.

Table 2: Property Taxes in Lieu of VLF Assumptions

Description	Assumptions
City – Total Assessed Value (FY 2022-23)	$6,116,335,132
City – VLF Property Tax Revenues (FY 2022-23)	$2,515,000
VLF Property Tax In-Lieu per $1,000 Assessed Value	$0.41

C Direct Sales Tax Analytic Methodology and Assumptions

DTA utilizes the Retail Market Power® Retail Stores Opportunity Gap analysis (the "Retail Report"), produced by EA, to identify retail supply characteristics of trade areas representing the Annexation Areas. As illustrated in Table 3, EA derives the estimated supply of retail goods currently available within such trade area, which serves as the basis for the taxable retail sales receipts for each Annexation Area.

Table 3: Projected Taxable Sales Receipts for Annexation Areas

Annexation Area	Projected Taxable Sales Receipts
Heavenly	$3,133,442
Cleanup	$169,328

Notably, there are certain limitations to the Retail Report when a trade area being analyzed is comprised of dispersed retail establishments such as the Heavenly Parcels. Although restaurants and retail shops within the Heavenly Parcels are seasonal in nature, it is anticipated that the annual sales of such store types would exceed the current estimated taxable sales receipts of $3.1 million. For illustrative and comparative purposes, the average 2022 sales revenue for a Chipotle Mexican Grill restaurant is $2.8 million. Given the higher price points for restaurants in the Heavenly Parcels and a substantial number of visitors during the peak season, it is safe to assume that the annual sales revenue of restaurants alone will be greater than 11% of the revenue of a typical Chipotle Mexican Grill store. Notwithstanding the foregoing, the sales tax projection for the Heavenly Parcels is conservatively based on the taxable sales receipts of $3.1 million.

The City currently receives 2.50% of taxable sales receipts, which include a 1.00% sales tax established by Municipal Code §3.10.050, the Measure Q sales tax, a 0.50% voter-approved sales tax, and the Measure S sales tax, a 1.00% voter-approved sales tax. **For the purpose of this analysis and at the direction of the City staff, it is assumed that the City will receive <u>100%</u> of applicable sales taxes upon the annexation of each Annexation Area to the City**.

D Public Safety and Public Work Cost Analytic Methodology and Assumptions

DTA utilizes the Per Capita/Multiplier Approach to estimate the costs of providing public safety and public work to each Annexation Area upon its annexation to the City, which involves calculating the average costs per Capita/Persons Served utilizing the fiscal year ("FY") 2022-2023 City Budget and applying these cost factors to the estimated numbers of Persons Served within each Annexation Area. DTA has determined that utilizing a Persons Served population <u>comprised of all residents and 50% of the employees working at locations within a given service area is common fiscal practice</u> in generally quantifying the impacts of new service area if more specific local data or facilities usage data is not readily available. This ratio assumes that an employee would spend only 8 active hours in the City per day versus a resident who is active for 16 hours a day. This would yield an estimated Persons Served population of 30,171 based on 22,800 City residents[1] and 50% of 14,741 employees working within the City[2].

The foregoing Persons Served population estimate requires an additional adjustment to account for the fact that the City is already providing road maintenance and snow plowing services to the Heavenly Parcels and Cleanup Parcels due to the immediate proximity and geography. Furthermore, under current cooperative arrangements between the City Fire Department and Lake Valley Fire Department, the City Fire Department is the first responder for non-forest fire incidents[3] to the Heavenly Parcels and Cleanup Parcels. Hence, DTA revised the estimated Persons Served population from 30,171 to 31,187 to account for 125 residents and 50% of 1,781 employees working within those areas.

[1] Source: California Department of Finance, Housing and Population Information, January 1, 2022.
[2] Source: EA, EmploymentProfiles by NAICS Codes 2023 for the City of South Lake Tahoe.
[3] The California Department of Forestry and Fire Protection will respond to the forest fire incidents.

Table 4 presents the calculation of the gross marginal increase in public safety and public work expenditures on a per Person Served basis.

Table 4: General Fund Public Safety and Public Work Expenditures (Multiplier Method)

Service Category	FY 2022-2023 City General Fund Expenditures	Persons Served Population	Gross Marginal Cost Increase per Person Served
Police	$13,223,803	30,171	$438.30
Fire	$9,986,351	31,187	$320.21
Public Work	$4,478,081	31,187	$143.59

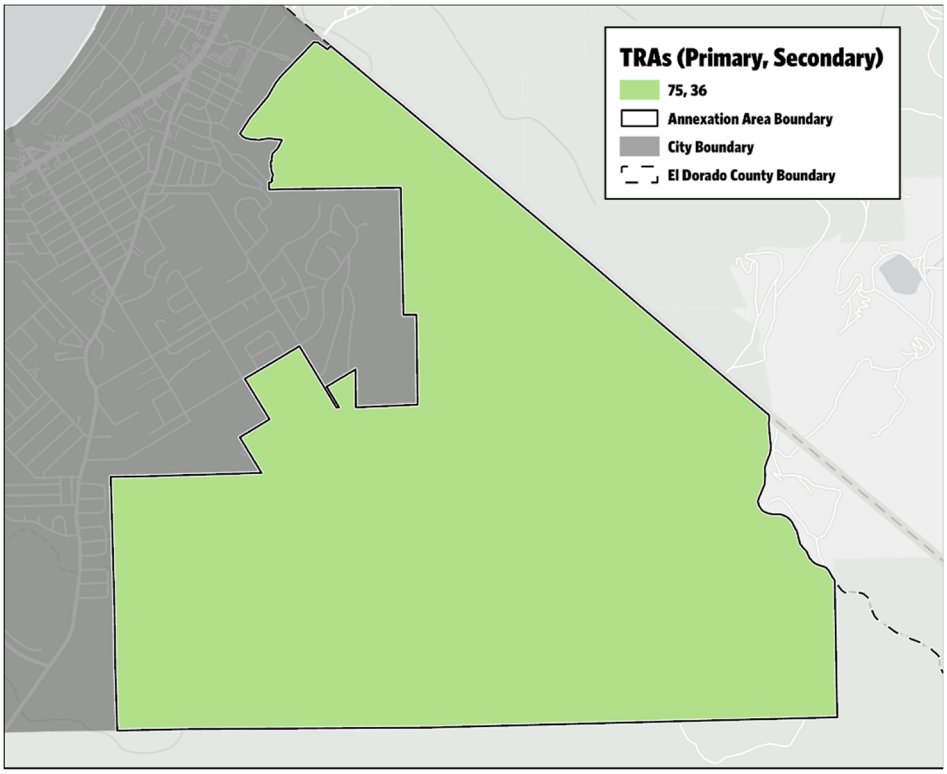
Notably, DTA did not include the substantial number of annual City visitors in determining the Persons Served population, even though such methodology would yield more accurate (i.e., lower) cost parameters to account for the service demands generated by the visitors. As detailed later in Sections E and F, the City is already providing the majority of the public safety and public work services to the Heavenly Parcels and Cleanup Parcels, which are the only areas with a significant number of visitors. Therefore, the cost parameters listed in Table 4 reflect the public safety and public work expenditures required to meet the service demands generated by the visitors to the Heavenly Parcels and Cleanup Parcels, and would necessitate an incremental increase to the City's current public safety and public works expenditures once the City becomes the official provider of those services after the annexation.

The City's public safety and public work expenditures are not expected to increase on a one-to-one basis with the annexation of each Annexation Area. To project these numbers without any adjustment would result in inaccurate conclusions. In order to accurately reflect the estimated ratio of fixed costs to variable costs, DTA applied a series of discount rates to those expenditures with consideration of circumstances applicable to each Annexation Area upon its annexation to the City.

E Proposed Annexation of Heavenly Parcels

As illustrated in Figure 2 and presented in Attachment 1, the proposed annexation of the Heavenly Parcels is comprised of one TRA and encompasses approximately 2,860.27 gross acres of land within the unincorporated County, with 137.28 acres of land owned by private entities and 2,722.99 acres of land owned by public agencies and/or tax-exempt entities.

Figure 2: Map for the Heavenly Parcels



As listed in Table 5, the annexation of the Heavenly Parcels is anticipated to generate $148,081 in the estimated tax revenues upon its annexation to the City. A detailed explanation of these calculations is presented in **Attachment 1**.

Table 5: Projected Tax Revenues Upon Annexation of the Heavenly Parcels

Estimated Property Tax Revenues		Total Estimated Sales Tax Revenues	Total Estimated Tax Revenues
1% *Ad Valorem* Property Tax	Property Taxes in Lieu of VLF		
$50,068	$19,676	$78,336	$148,081

As detailed in Section D, the annexation of the Heavenly Parcels is anticipated to incur *de minimis* incremental increase in the City's fire and public work expenditures upon its annexation, as the City is already providing those services to the Heavenly Parcels. The County Sheriff currently handles service calls to the Heavenly Parcels, with the City Police providing supplementary support. Although the City Police Department would become the primary agency for calls to the Heavenly Parcels upon its annexation, the County Sheriff is expected to reciprocate the supplementary support that it currently receives for the Heavenly Parcels. Hence, the City Police is not anticipated to need additional officers or

staff to provide service to the Heavenly Parcels. To reflect the minimum expected increase in the ratio of variable costs to fixed costs, DTA applied a 75% discount to the gross City police cost multiplier of $438.30. As illustrated in Table 6, the annexation of Heavenly Parcels is anticipated to incur $97,083 in the estimated public safety and public work expenditures upon its annexation to the City.

Table 6: Projected Incremental Service Expenditures Upon Annexation of the Heavenly Parcels

Residential Population	Employees	Persons Served Population[1]	Marginal Cost Increase per Person Served				Total Estimated Incremental Service Expenditures
			Police	Fire	Public Work	Total	
0	1,771	886	$109.58	$0.00	$0.00	$109.58	$97,083

Note:

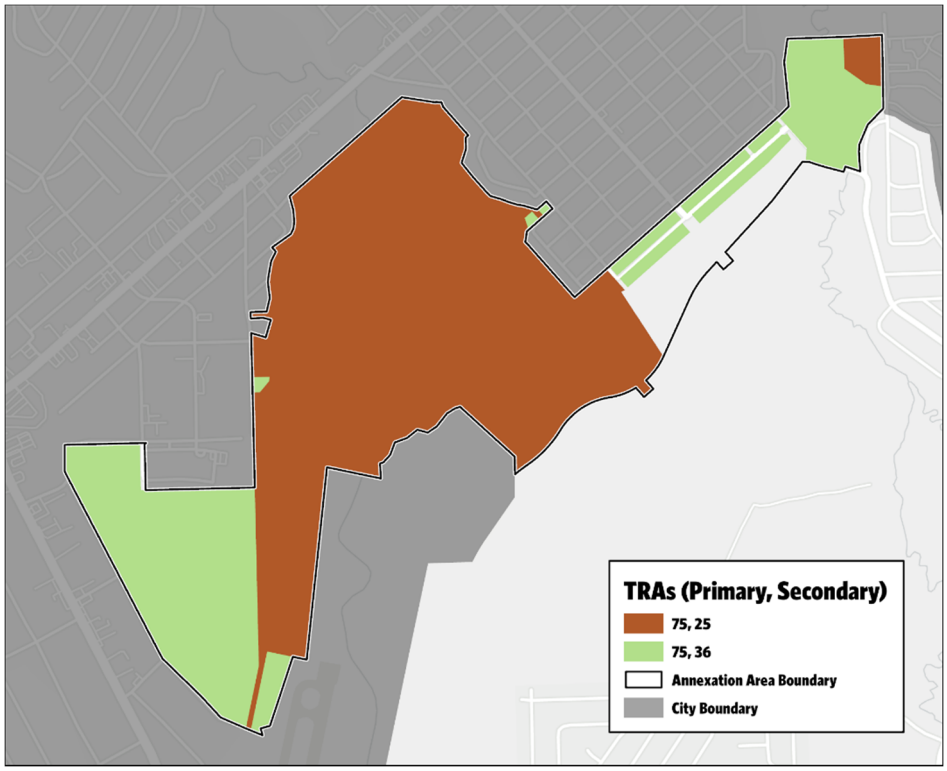
1. Comprises all residents and 50% of the employees.

Based on the estimated tax revenues listed in Table 5 and the estimated public safety and public work expenditures presented in Table 6, the annexation of the Heavenly Parcels is projected to generate $50,998 in annual fiscal surplus based on these selected fiscal revenues and expenditures.

F Proposed Annexation of Cleanup Parcels

As illustrated in Figure 3 and presented in Attachment 2, the proposed annexation of the Cleanup Parcels is comprised of two TRAs and encompasses approximately 378.05 gross acres of land within the unincorporated County, with 87.40 acres of land owned by private entities and 290.65 acres of land owned by public agencies and/or tax-exempt entities.

Figure 3: Map for the Cleanup Parcels



As listed in Table 7, the annexation of the Cleanup Parcels is anticipated to generate $12,694 in the estimated tax revenues upon its annexation to the City. A detailed explanation of these calculations is presented in Attachment 2.

Table 7: Projected Tax Revenues Upon Annexation of the Cleanup Parcels

Estimated Property Tax Revenues		Total Estimated Sales Tax Revenues	Total Estimated Tax Revenues
1% *Ad Valorem* Property Tax	Property Taxes in Lieu of VLF		
$6,115	$2,346	$4,233	$12,694

As detailed in Section D, the annexation of the Cleanup Parcels is anticipated to incur *de minimis* incremental increase in the City's fire and public work expenditures upon its annexation, as the City is already providing those services to the Cleanup Parcels. Since the Cleanup Parcels are primarily comprised of the Tahoe Valley Campground and Upper Truckee Marsh, the City Police does not expect to receive frequent service calls to those areas. Hence, DTA applied a 50% discount to the gross City police cost multiplier of $438.30. As illustrated in Table 8, the annexation of the Cleanup Parcels is anticipated to incur $28,490 in the estimated public safety and public work expenditures upon its annexation to the City.

Table 8: Projected Incremental Service Expenditures Upon Annexation of the Cleanup Parcels

Residential Population	Employees	Persons Served Population[1]	Marginal Cost Increase per Person Served				Total Estimated Incremental Service Expenditures
			Police	Fire	Public Work	Total	
125	10	130	$219.15	$0.00	$0.00	$219.15	$28,490

Note:

1. Comprises all residents and 50% of the employees.

Based on the estimated tax revenues listed in Table 7 and the estimated public safety and public work expenditures presented in Table 8, the annexation of the Cleanup Parcels is projected to incur $15,796 in annual fiscal deficit based on these selected fiscal revenues and expenditures.

G Fiscal Impact Conclusion Summary for Proposed Annexations

The projected fiscal impact for each Annexation Area upon its annexation to the City is summarized in Table 9. As shown in Table 9, the annexation of both Heavenly Parcels and Cleanup Parcels is projected to generate $35,202 in annual fiscal surplus to the City.

Table 9: Summary of Projected Annual Fiscal Impact for Annexation of Annexation Areas

Annexation Area	Gross Acres	Persons Served Population	Estimated Annual Tax Revenues	Estimated Annual Service Expenditures	Projected Annual Fiscal Surplus/ (Deficit)
Heavenly	2,860.27	886	$148,081	$97,083	$50,998
Cleanup	378.05	130	$12,694	$28,490	($15,796)
Total	**3,238.32**	**1,016**	**$160,775**	**$125,573**	**$35,202**

If you have any further questions regarding this Executive Summary, please feel free to contact Kuda Wekwete or Jerry Wen at (800) 969-4DTA.

Enclosures:

1. Attachment 1 – Proposed Heavenly Parcels Annexation
2. Attachment 2 – Proposed Cleanup Parcels Annexation

ATTACHMENT 1

City of South Lake Tahoe
Potential Property Tax and Sales Tax Revenues Resulting from the Proposed Land Annexations

PROPOSED HEAVENLY PARCELS ANNEXATION

dta
www.FinanceDTA.com
18201 Von Karman Avenue, Suite 220
Irvine, CA 92612

Proposed Annexation of Heavenly Parcels
Property Tax Revenue Analysis

Tax Rate Area	Acres			Parcel Count			Net Taxable Value [2]	FY 2022-23 1% PT Allocation Factors				Property Tax In Lieu of VLF Increase per $1,000 Assessed Value [6]	Estimated Property Tax Revenues		
	Taxable	Tax-Exempt [1]	Total	Taxable	Tax-Exempt [1]	Total		Gross [3]	ERAF Shift [4]	Net County	City [5]		Basic 1% Allocation	In Lieu of VLFs	Total
075-036	137.28	2,722.99	2,860.27	9	22	31	$47,852,018	29.44%	28.92%	20.93%	10.46%	$0.41	$50,068	$19,676	$69,745
Total	**137.28**	**2,722.99**	**2,860.27**	**9**	**22**	**31**	**$47,852,018**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**$50,068**	**$19,676**	**$69,745**

Notes:
[1] Excludes parcels that do not have TRA information.
[2] Source: El Dorado County Auditor-Controller.
[3] Based on applicable FY 2021-22 basic 1% property tax allocation factors earmarked for the El Dorado County General Fund.
[4] Based on the FY 2021-22 Countywide factor.
[5] Assumes the City would receive 50% of County's current allocation after annexation.
[6] Based on the projected FY 2022-23 Property Tax in lieu of VLF and citywide assessed valuation.

ATTACHMENT 2

City of South Lake Tahoe
Potential Property Tax and Sales Tax Revenues Resulting from the Proposed Land Annexations

PROPOSED CLEANUP PARCELS ANNEXATION

www.FinanceDTA.com
18201 Von Karman Avenue, Suite 220
Irvine, CA 92612

Proposed Cleanup Parcels Annexation
Property Tax Revenue Analysis

Tax Rate Area	Acres			Parcel Count			Net Taxable Value [2]	FY 2022-23 1% PT Allocation Factors				Property Tax In Lieu of VLF Increase per $1,000 Assessed Value [6]	Estimated Property Tax Revenues		
	Taxable	Tax-Exempt [1]	Total	Taxable	Tax-Exempt [1]	Total		Gross [3]	ERAF Shift [4]	Net County	City [5]		Basic 1% Allocation	In Lieu of VLFs	Total
075-025	8.80	253.46	262.26	9	12	21	$1,086,905	33.23%	28.92%	23.62%	11.81%	$0.41	$1,284	$447	$1,731
075-036	78.60	37.19	115.79	6	60	66	$4,617,549	29.44%	28.92%	20.93%	10.46%	$0.41	$4,831	$1,899	$6,730
Total	**87.40**	**290.65**	**378.05**	**15**	**72**	**87**	**$5,704,454**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**$6,115**	**$2,346**	**$8,461**

Notes:
[1] Excludes parcels that do not have TRA information.
[2] Source: El Dorado County Auditor-Controller.
[3] Based on applicable FY 2021-22 basic 1% property tax allocation factors earmarked for the El Dorado County General Fund.
[4] Based on the FY 2021-22 Countywide factor.
[5] Assumes the City would receive 50% of County's current allocation after annexation.
[6] Based on the projected FY 2022-23 Property Tax in lieu of VLF and citywide assessed valuation.

Column

INTERIM AD DRAFT

This is the proof of your ad scheduled to run in **Tahoe Daily Tribune** on the dates indicated below. If changes are needed, please contact us prior to deadline at **(530) 541-3880**.

Notice ID: VepYeqpa4Y3XTBX29ZKn | **Proof Updated: Oct. 21, 2024 at 01:57pm PDT**
Notice Name: LAFCO Cleanup Annexation PH

See Proof on Next Page

This is not an invoice. Below is an estimated price, and it is subject to change. You will receive an invoice with the final price upon invoice creation by the publisher.

FILER	FILING FOR
Michelle Davis	Tahoe Daily Tribune
medavis@cityofslt.us	
(530) 542-6005	

Columns Wide: 2

Total Column Inches: 9.18

Number of Lines: 46

Ad Class: Legals

10/25/2024: Other	128.46
Internet Flat Fee Charge	40.00
Affidavit flat charge	10.00

Subtotal	$178.46
Tax	$0.00
Processing Fee	$0.00
Total	**$178.46**

Notice of Public Hearing
City of South Lake Tahoe City Council
NOTICE IS HEREBY GIVEN under Revenue & Taxation Code section 99.02 that the City of South Lake Tahoe City Council will conduct a public hearing on November 5, 2024, at 9:00 a.m., or as soon thereafter as possible, at City Hall, Council Chambers, 1901 Lisa Maloff Way, South Lake Tahoe, to consider the following agenda item:

Council will consider passing a resolution approving a property tax revenue sharing agreement with El Dorado County for the "Cleanup Annexation." El Dorado Local Agency Formation Commission Project Number 2024-1. At said meeting, the Council will hold a public hearing on and consider a resolution to adopt findings required by Revenue & Taxation Code section 99.02 regarding the effects on fees, charges, assessments, taxes, or other revenues resulting from the transfer of General Fund Base Property Tax Revenue from El Dorado County to the City. The resolution and supporting documents will be included with the Council's regular public agenda for the November 5, 2024 meeting.

Any interested person may appear at the public hearing and speak in favor of or against this item. Written testimony may be delivered at, or prior to, the Public Hearing addressed to the City Council in the care of the City Clerk to PublicComment@cityofslt.us or at the address listed below.

City Council agendas and related staff reports are available at least 72 hours in advance of regular meetings on the City Council page of the City's website www.cityofslt.us or by contacting the City Clerk.

/s/ Susan Blankenship
Susan Blankenship
City Clerk
City of South Lake Tahoe
1901 Lisa Maloff Way, Ste 206
South Lake Tahoe, CA 96150
(530) 542-6005
Published: October 25, 2024

City of South Lake Tahoe

Agenda Item Executive Summary

Joe Irvin, City Manager

Meeting Date: November 5, 2024

Agenda Item #: 17

Agenda Item: South Lake Tahoe Tourism Improvement District Annual Report for Fiscal Year 2023-2024

Executive Summary: City Council will receive the FY 2023-2024 Annual Report of the South Lake Tahoe Tourism Improvement District (SLTTID). The authorization for the SLTTID requires the TID to prepare and submit to the City an annual report of activities, a budget summary, and a financial statement. The SLTTID currently levies a nightly assessment of $4.00 (hotels and motels) and $5.50 (other lodging options) on lodging businesses in South Lake Tahoe based on the renewal of the SLTTID in December 2019 for a ten-year term. These funds are used for community marketing and tourism promotion through utilizing the professional marketing services of the Lake Tahoe Visitors Authority. The proposed FY 2024-2025 budget of the SLTTID is $3,145,345.

Requested Action / Suggested Motions: Receive and File.

Responsible Staff Member: Andrew Black, Financial Services Supervisor

Reviewed and Approved By: Susan Blankenship, City Clerk Olga Tikhomirova, Director of Finance Heather Stroud, City Attorney

Attachments:

01-Staff Report - SLT TID Annual Report.docx
02-Annual Report.pdf
03-SLTTID Annual Audit Report.pdf
04-Reso No. 2019-059 SLTTID.pdf

City of South Lake Tahoe
Report to **City Council**

Meeting Date: November 5, 2024

Title: South Lake Tahoe Tourism Improvement District Fiscal Year 2023-2024 Annual Report

Location: Citywide

Responsible Staff Member: Andrew Black, Financial Services Supervisor, (530) 542-6016
Finance Department

Background: In accordance with the Property and Business Improvement District Law of 1994, Resolution No. 2006-52 was adopted by the City Council on September 5, 2006. The Resolution established the South Lake Tahoe Tourism Improvement District (SLTTID) and authorized levying an assessment on lodging businesses to provide a mechanism for stable funding of community marketing and tourism promotion. On December 8, 2009 Resolution No. 2009-103 was adopted by the City Council which renewed the SLTTID for a period of ten years and increased the nightly assessment amount. On August 6, 2019 Resolution No. 2019-059 was adopted by the City Council renewing the SLTTID for another ten-year term commencing on December 18, 2019 and expiring on December 17, 2029, conditional upon the Lake Tahoe Visitors Authority (LTVA) amending its bylaws within two years to add a City of South Lake Tahoe City Council representative to the LTVA Board. Subsequently, LTVA amended its bylaws to add that effective January 2021, the at-large Director from California be replaced by one at-large Director "either employed by the City of South Lake Tahoe or a member of the South Lake Tahoe City Council." Currently, Council Member Bass serves as a City of South Lake Tahoe City Council representative to the LTVA Board.

On May 17, 2022, City Council adopted Resolution No. 2022-061 to modify the SLTTID Management District Plan at SLTTID's request, to increase the number of Directors on its Board of Directors from five to nine, consistent with SLTTID bylaw amendments.

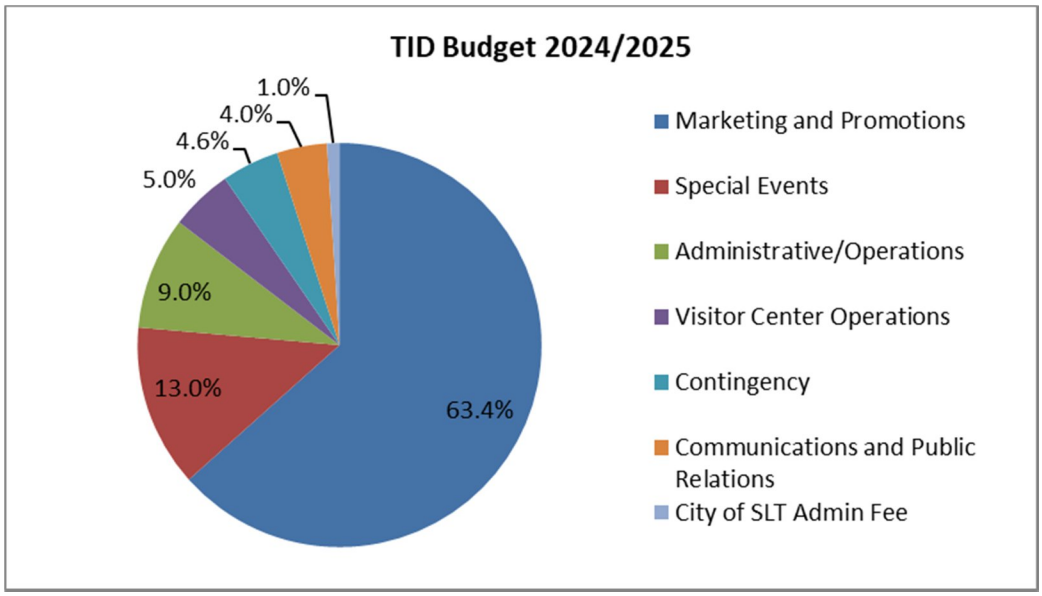
Issue and Discussion: The SLTTID Management District Plan states that the City shall be responsible for the collection of assessments. After the monthly collections, accounting, and reconciliation, the funds are passed through to the TID less a 1% administrative fee. The agreement also requires the TID to prepare and submit to the City an annual report of activities, a budget summary, and a financial statement. All required items are enclosed for review and approval by the City Council.

Annual assessments: Lodging businesses in the city of South Lake Tahoe included in the District are subject to an assessment. The current assessment rates are $4.00 per paid occupied room night on hotels and motels, and $5.50 per paid occupied room night on timeshares, condos, duplexes, triplexes, and vacation homes under management contracts. The assessment began on November 1, 2006. In 2019, the SLTTID was renewed for a ten year term expiring on December 17, 2029. An optional increase of one dollar starting in the

fifth year of the current contract (2023-24) is outlined in the Management District Plan. This optional increase was discussed at the January 2024 SLTTID Board of Directors meeting where the item was tabled for discussion at a future date. There are no changes to the boundaries or areas of benefit in the District. The method of assessment remains the same as in previous years.

Revenues: The TID Board has budgeted $3,145,345 in 2025, which is a 1.0% increase over the Fiscal Year 2024 budget. The TID revenue budgeted in fiscal year 2024 was $3,114,203. Actual collections in fiscal year 2023 totaled $3,106,849. The City of South Lake Tahoe receives a 1% administrative fee for collection of the monthly assessment, distribution of funds to the TID, and other financial support services. Additionally, in fiscal year 2024 the District will reimburse the City for credit card fees incurred in fiscal 2023/24 in the amount of $15,894.79.

Expenses: The largest expense of the TID is for Marketing and Promotions; along with Special Events, their total comprises 76.4% of the TID budget. Administrative expenses include office rent, insurance, utilities, supplies, and administration payroll, representing 9.0% of the budget. The Visitor Center represents 5.0% of the budget, while Communications and Public Relations represent 4.0% of the budget. The remaining budget includes a 4.6% contingency fund and a 1.0% administrative fee to the City of South Lake Tahoe. There is no expected surplus or deficit.



Financial Implications: Included in the TID 2023-2024 Annual Report is the fiscal year 2024-2025 budget, which includes General Fund revenue in the amount of $31,453.

Environmental Considerations: The proposed action is not a “project” subject to review under the California Environmental Quality Act (CEQA) under CEQA Guidelines section 15378(b)(4) (creation of government funding mechanisms or government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment).

Policy Implications: Consistent with City’s Financial Policies and requirements of Streets and Highways Code Section 36650.

Attachment 1

SOUTH LAKE TAHOE
TOURISM IMPROVEMENT DISTRICT

FISCAL YEAR 2024
ANNUAL REPORT
October 1, 2023 – September 30, 2024
AND
FISCAL YEAR 2025 SLTTID BUDGET

Summary of the Management District Plan

The South Lake Tahoe Tourism Improvement District (SLTTID) provides for the provision of tourism promotions and marketing for South Lake Tahoe. The district is composed of lodging businesses located within the incorporated city of South Lake Tahoe and includes hotels/motels and vacation rentals. Services provided by the SLTTID include Marketing and Promotions programs and activities designed to market the South Shore of Lake Tahoe as a unique, year-round destination to the global marketplace and to favorably impact the South Shore economy through overnight stays and tourism spending.

The South Lake Tahoe Tourism Improvement District was incorporated in November 2006, was renewed on November 1, 2009 for a 10-year term, and renewed again on December 17, 2019 with an annual budget anticipated of $2,705,000. Annual assessment rates are based upon a flat rate of $3.00 per paid occupied room per night on hotels and motels and $4.50 per paid occupied unit per night on timeshares, condos, triplexes, duplexes and homes under management contracts. The present SLTTID assessment district continues to be in effect for ten years and in Year 2, beginning December 17, 2020, the annual assessment rates increased to $4.00 per paid occupied room night on hotels and motels, and $5.50 per paid occupied unit per night on timeshares, condos, triplexes, duplexes and homes under management contracts. An optional additional increase of $1.00 in year 5 or later is outlined in the Management District Plan, to be approved at the discretion of the District board.

The SLTTID has created a website with information for all district members. The site address is www.southtahoetourism.com, and includes the below information:

1. District Plan documents
2. District By-Laws
3. Listing of lodging properties in the assessment district
4. Annual District Plan reports, news and events
5. Agenda and minutes from all meetings
6. SLTTID current year budget

I. Changes in District Boundaries

The South Lake Tahoe Tourism Improvement District had no changes in the district boundaries or benefit zones for the 2025 fiscal year.

II. Improvements and Activities Provided

The South Lake Tahoe Tourism Improvement District (SLTTID) is comprised of all lodging properties in the City of South Lake Tahoe. The SLTTID utilizes the professional marketing services of the Lake Tahoe Visitors Authority (LTVA) to promote the South Shore of Lake Tahoe. LTVA is chartered with promoting South Shore, Lake Tahoe and achieving a measurable impact on tourism numbers in the region. The mission of the LTVA is the marketing of the South Shore as a unique, world-class year-round resort destination for the economic benefit and quality of life for the area. The SLTTID and the South Lake Tahoe Lodging Community are represented through two (2) board seats on the Lake Tahoe Visitors Authority Board of Directors. The SLTTID also

maintains representation on the LTVA's Marketing Services Committee with three additional committee seats. Additionally, the SLTTID updated its bylaws in 2022 to increase the number of board members to 9 members (previously 5) to allow for greater representation from different types/sizes of properties. And again in 2024 to ensure that the board make up will include two seats representing each of the following property size categories; 1-50 units, 51-90 units, 91-130 units, and 131-higher, and one member representing VHR's/Timeshare.

LAKE TAHOE VISITORS AUTHORITY FY24 MARKETING AND PROMOTIONS RECAP

The South Lake Tahoe Tourism Improvement District (SLTTID) utilizes the services of the Lake Tahoe Visitors Authority (LTVA) for its marketing and promotions activities. A recap of the past year will provide a basis for activities that will be continued and expanded during the following year.

Note: In this report, FY24 refers to the LTVA's fiscal year of July 2023 to June 2024.

MARKETING

The LTVA's agency of record for Integrated Marketing Services is Noble Studios who work with staff to manage the Visit Lake Tahoe brand. The agency provides creative design plus media planning and buying services.

- Net media spend for FY24 was $2+ million
- Net paid search spend for FY24 was $300,000
- The combined media and search budget for FY24 was $2.3 million

In FY24 the LTVA maintained an always-on approach to advertising, rather than seasonal campaigns.

Paid Media

During FY24 the focus remained on the Visit Lake Tahoe brand campaign, "Awe *and then* Some," and integration of the Rules To Lake By destination stewardship messaging in select markets.

The Designated Market Areas (DMAs) where LTVA's advertising was placed included:

- San Francisco (Select Channels)
- Sacramento (Select Channels)
- Los Angeles
- Phoenix (May through Summer)
- Las Vegas
- Dallas (through April)
- Seattle/Portland
- San Diego
- Seattle, Portland, Fresno DMAs - (Sustainability messaging through April)

Core Target audiences were:

- Entertainment Seekers
- Outdoor Enthusiasts
- Families
- Affluent Adventurers

Niche Target audiences were:

- Sustainable Travelers

The Advertising Channels used were:

- Display/Discovery *(Google Display Network, High Impact Display)*
- Native / Editorial *(Afar, Outside, Sunset, Matador)*
- Travel Specific Display *(TripAdvisor)*
- Video *(YouTube, Matador, Threshold 360 - Value Add Placement)*
- Paid Social *(Facebook & Instagram, TikTok)*
- Email *(Sunset & Conde Nast)*
- Advanced TV *(OTT/CTV/etc.)*
- Audio *(Podcasts & Streaming Audio)*
- Multi-Channel Publishers *(Digital/Print Ads)*

Paid Media Performance FY24

- 198 million Paid Media Impressions
- 930,000 Paid Media Sessions
- +480% Partner Referrals, Year over Year

Paid Search:

- 1,797,561 Impressions
- 317,107 Clicks
- 17.64% CTR (Click Through Rate)
- 585,702 sessions

Display/Discovery:

- 73,769,570 Impressions
- 440,254 Clicks
- 0.56% CTR for Display/0.95% for Discovery
- 126,767 Sessions for Display / 51,366 Sessions for Discovery (178,133 total)

Video:

- 18,112,364 Impressions
- 11,837,091 Views
- 23,857 Clicks
- 0.13% CTR
- 8,652 Sessions

Paid Social:

- 77,839,348 Impressions
- 987,378 Clicks
- 1.27% CTR
- 554,000 Sessions

Conde Nast Email:

- 59,575 Sessions

Sunset:

- 1,011,897 Emails
- 657,341 Impressions
- 8,253 Clicks
- 40.87% Average Open Rate
- 1,792 Sessions

Outside:

- 1,240,750 Impressions
- 1,908 Sessions

Digilant:

- 12,180,846 Impressions
- 10,661 Sessions

Threshold 360:

- 663,370 Impressions
- 438 Clicks
- 0.07% CTR

Netsertive:

- 645,840 Impressions
- 341 Clicks
- 0.05% CTR

Connected TV:

- 5,180,000 Impressions

Out Of Home (OOH):

- 9,563,659 Impressions

Audio/Podcasts:

- 2,651,603 Impressions
- 5,044 Sessions

Tripadvisor

- 5,007,938 Impressions
- 6,214 Sessions

Afar

- 3,702,004 Impressions
- 2,070 Sessions

Paid Search
During FY24 the LTVA spent $300,000 on paid search initiatives. The CTR was 17.64%, far outperforming the industry benchmark of 9.19%. The total conversions for the fiscal year were 129,028. The highest converting campaign was the Accommodations branded campaign, followed by Special Offers, and then the Accommodations non-brand campaign.

Social Media

In FY24 the LTVA restructured its marketing team to include a Marketing and Events Manager, and a Communications and Community Outreach Manager, resulting in a strong bench strength to support a more robust social media and event strategy, including the incorporation of sustainability messages through the new "Rules To Lake By" campaign. This new sustainability campaign was launched on organic channels on February 12, 2024 and has been running ever since. This organic campaign had a reach of over 164,000 in just over five months and a 700% increase in organic impressions YOY in June.

LTVA's social media following has grown to:

- Instagram - 78,600
- Facebook - 156,800

Consumer eNewsletter
The LTVA monthly consumer eNewsletter promotes events, entertainment, news, and special offers and is distributed to approximately 29,000 opt-in subscribers. This newsletter has an average open rate of 54%, which is higher than the travel industry benchmark of 39%.

SLTTID Quarterly Newsletter
The quarterly newsletters serve as ongoing communications to all SLTTID members, featuring local and industry updates, destination marketing initiatives, special events, and revenue collection news. With an average open rate of 52%, and a click-through rate of 7.11%, the engagement metrics demonstrate the value of regular communication, confirming that members find the content useful. The most frequently clicked links led directly to the SLT TID website and the Visit Lake Tahoe events calendar.

Consumer Website: VisitLakeTahoe.com
Website content creation and associated asset acquisition remain in-house and are managed by LTVA staff. High-quality content is foundational to the website's success and LTVA has valuable team members to achieve this goal.

In FY24 VisitLakeTahoe.com saw an increase in organic and overall website traffic, resulting in an increase in conversions and partner referrals.
FY24 highlights include:

- 3.1 million users
- 249,737 lodging partner referrals
- 4,600 eNews sign-ups
- 69% mobile device usage
- Top 5 most popular pages, besides the home page, were: Events, Webcams, Cabin Rentals, Campaign landing page "Awesome Adventurer", and Things to Do
- Top 5 source locations were Sacramento, San Francisco, Los Angeles, Fresno and San Diego

FY24 Website Organic Performance

- 63.2 million Organic Impressions
- 1.8 million Organic Sessions
- +41% Organic Ranked Keywords, Year over Year

Trip Planning App
The LTVA trip planning app can be downloaded from a link on VisitLakeTahoe.com, and also in the App Store. This a valuable tool for visitors to explore what the destination has to offer, including lodging, restaurants, events, activities, and shopping.
FY24 App Performance:

- 147,830 users
- 12,953 App Store downloads

- Top 5 most viewed pages: Heavenly Gondola, Heavenly Village, Tahoe Cruises, Ridge Rider Mountain Coaster and M.S. Dixie II

Business-to-Business Website: LTVA.org

This website is a business-to-business/industry resource and information site. The Top 5 most popular pages, besides the home page, were: American Century Celebrity Golf Future Dates, Lake Link Transportation, Destination Update, Data & Statistics, and American Century Celebrity Golf Volunteer Application. LTVA.org also allows constituents to access valuable reported data and trending reports.

Simple View Partner Portal

The LTVA's partner portal was launched to lodging partners in April 2024, enabling associates in sales and marketing to more easily access incoming RFPs, and directly manage their contacts and business information - special offers and events. To date 42 lodging partners have registered and signed on to the LTVA's partner portal.
Version 2.0 will launch in the next few months and expand to restaurants, activity, and service providers.

Marketing to Weddings

Tahoe Wedding Sites (TWS) marketing/advertising showcases Visit Lake Tahoe as a wedding destination. Industry statistics indicate that over 17% of engaged couples plan to have a destination wedding, spending an average of $30,000 for their wedding. With lodging/extended stays and activities for guests, the wedding industry is a very lucrative market for destinations.

LTVA's objective with the cooperative advertising program is to:

- Showcase Visit Lake Tahoe as a wedding destination
- Increase lodging and auxiliary business revenue
- Increase Lake Tahoe's market share of this extensive industry

The FY24 media plan was 100% digital and included search, display, social, retargeting, content, and the popular online wedding platforms, Wedding Wire and The Knot. Top visitors to the website were from the Bay Area and Los Angeles, with California, Nevada, Texas, and Washington being the top states.

FY24 results include:

- 617 detailed RFP wedding request submissions
- 14,626 blog pageviews
- 19,104 partner click-throughs
- 10,928 outbound links to partner websites
- 2,895 leads from Wedding Wire/The Knot listings

Top traffic contributors to TahoeWeddingSites.com are Google paid ads, Google organic search, direct, and Facebook/Instagram ads.

Strategic Planning

To reflect current market conditions, trends and local sentiment, the LTVA board engaged in a comprehensive strategic planning process to produce a contemporary guiding document to achieve its long-term goals and objectives. The plan outlines its vision, principles, mission, strategies, and the actions needed to accomplish them. The strategic plan helps align the organization's resources, capabilities, and activities towards a common direction, fostering coordination and focus across the community, industry, and visitors.

Research & Data

LTVA conducted the 2023 calendar year TravelTrekAmerica Domestic Visitor Profile, a quantitative research project in collaboration with the Omnitrak Group. This study examines various aspects of visitors' experiences and characteristics, including demographics, origins, visitor types, behaviors, trip planning methods, travel-related traits, and primary activities at the destination. Notably, this qualitative study gathers information through in-person interviews rather than data analysis, offering a deep understanding of visitor motivations, preferences, and behaviors that quantitative data might miss.

In FY24 LTVA renewed its subscription to Zartico, known as the 'destination operating system' (ZDOS). Zartico provides a comprehensive approach to understanding and managing the visitor economy by combining artistic and scientific elements. The platform offers actionable insights and intelligence to support LTVA's decision-making processes. ZDOS features include intelligence and analytics, data visualization, context and strategic input, real-time decision support, data integration, and promotion of economic vitality. Overall, Zartico is a sophisticated tool for managing the complexities of Lake Tahoe's visitor economy, combining various data sources, providing actionable insights, and supporting real-time decision-making to contribute to the destination's tourism industry's success and growth.

SALES

Leisure Sales

The LTVA is committed to enhancing the destination's visibility and representation by partnering with third-party travel product vendors. These initiatives aim to support all accommodations in the area by generating new leads and business growth opportunities. The LTVA's strategies include:

Trade Shows and Sales Missions: The LTVA actively promotes the destination by participating in domestic and international trade shows, industry events, and sales missions. It collaborates directly with major travel partners, including key tour operators and wholesalers, for direct-to-consumer marketing. LTVA staff took part in multiple destination-specific sales missions and travel industry trade shows, both in-person and virtual. In February 2024 LTVA hosted one of the most important industry trade shows, Go West Summit, at the Tahoe Blue Event Center. All these engagements included over 450 individual meetings with travel professionals to integrate the destination into their offerings.

International Presence: The LTVA maintained representative offices in five international markets: Australia, the UK & Ireland, India, Germany, and China. Via the High Sierra Visitors Council membership, there is also representation in France. The primary duties of these offices encompass a range of activities, including conducting product audits to ensure quality and consistency, developing new travel products and experiences to attract visitors, providing comprehensive training for travel agents to enhance their knowledge and selling capabilities, and incorporating the destination into various media channels to boost visibility and awareness.

Familiarization (FAM) Tours: A total of 12 FAM tours and participation in the IPW post-FAM tour led by Visit California took place in the destination during the last fiscal year. These tours were strategically designed to showcase the destination year-round, catering to diverse traveler preferences and targeting both domestic and international markets.

Cooperative Marketing: Throughout the last fiscal year, the LTVA has collaborated on several marketing initiatives, domestically and internationally. Partnerships with Expedia, Hotelbeds, Hopper, Brand USA, Visit California, and Travel Nevada were particularly noteworthy. With the participation of five lodging properties, these cooperative efforts generated a significant amount of lodging revenue for the South Shore.

Meeting, Convention and Sports Sales

The LTVA promotes Lake Tahoe's South Shore as a destination for meetings, conferences, corporate retreats, sporting events, and other group gatherings, and it assists potential clients in identifying appropriate venues and contacts. In FY24, staff attended 21 Meetings, Incentives, Conferences & Exhibitions (MICE), and Sports related trade shows, conducting over 390 one-to-one appointments across multiple verticals and regions. These sales initiatives support local meeting properties and the Tahoe Blue Event Center, which opened in September 2023. The shows attended included:

- Esports Travel Summit
- Connect Marketplace, Spring Marketplace, and Regional Trade Shows
- Smart Meetings National Events
- TEAMS
- IMEX
- Northstar Leadership & Regional Trade Shows
- CalSAE Seasonal Spectacular & ELEVATE
- PCMA Convening Leaders
- MPI Cascadia
- ConferenceDirect Annual Partner Meeting
- Sports ETA
- HelmsBriscoe Annual Partner Conference
- Visit California's “Taste of California” Roadshow to Chicago and Washington, DC.

In FY24 LTVA hosted a handful of industry events, bringing meeting and leisure planners in from around the world. These included Go West Summit, DMA West (now One West Tourism Alliance), and Travel Nevada's Rural Roundup.

Other new initiatives included developing destination partnerships and attending annual conferences with the leading third-party meeting planner organizations: HelmsBriscoe, HPN Global, ConferenceDirect, SITE & AMEX GBT. LTVA has continued to develop and enhance the meeting and sports planner section on visitlaketahoe.com alongside branded and informative sales sheets and a continually updated eBook. Staff implemented a new platform, Simpleview CRM, to distribute RFPs and collect meeting-related information from lodging partners in a centralized database.

Strategic efforts have also been concentrated on the youth sports market to bring their events to the destination in light of the opening of the Tahoe Blue Event Center and the building of the City of South Lake Tahoe Recreation and Aquatics Center, with multi-year contracts already in place.

Sales outreach assisted in attracting 24 non-event center meetings to South Lake Tahoe in FY24, bringing in 2,500 attendees and 4,500 room nights.

Meeting, Convention and Sports Marketing
LTVA retains the service of Digital Edge, a professional meetings-related marketing agency.
In FY24, Digital Edge developed a new marketing campaign and landing page that created awareness for the new Visit Lake Tahoe brand and the destination as a meeting option featuring boutique hotels, casino resorts, mountain retreats and flexible meeting space. The campaign's goals included increasing meeting planners' and sports organizers' exposure to the Tahoe Blue Event Center. It also continued to showcase the variety of hotel products, venues, and things to do in South Lake Tahoe for groups. Finally, it focused on growing vertical markets such as environmental (focus on sustainability efforts), incentive, small regional trainings, and state associations (Nevada/California/Oregon).
Channels and tactics included Content Marketing, Content Development, Email Marketing and Social Distribution.

Digital media delivered:

- Programmatic Campaign Impressions - 4.3 million
- Social Media Impressions - 1.6 million

Destination Meetings Campaign:

- 2.64 million Paid Media Display Impressions
- 23.3k Total Campaign Clicks
    - Average CTR (Click Through Rate)
        - StackAdapt - 0.22%
        - LinkedIn - 0.94%
        - Meta - 1.54%

Event Center Campaign:

• 621k LinkedIn Impressions / 4k Clicks / 0.64 CTR

• 1.04 million Online Video Campaign Impressions / 85.54 Completion Rate / 238 Clicks

Social Media Content Distribution

- 2 Sponsored posts on Meta and LinkedIn every other month (Aug, Oct, Dec, Feb, Apr, Jun)
- 1.4 million impressions
- 32.1k total clicks
- Average CTR - Meta 3.14% / LinkedIn 0.78%

Meetings Landing Page (https://lakefrontmeetings.com/)

- 32,692 Sessions
- 28.728 Users (20,749 New users)
- 60% YoY increase in users

Print Publications

- Meetings Today - 2x ½ page ads in the April 2024 Issue
- Smart Meetings - 2 Native Coop quarter page ads in March 2024 Issue

LTVA has grown its database of qualified meeting planning professionals by 22%, from 3,800 to over 4,900 in FY24.

Evergreen and custom content is sent to segmented audiences within this email database monthly (Association, Corporate and Sports) with an average 27.2% open rate, equaling over 11,252 openings in 2024.

EVENTS

In FY24 the LTVA continued its support of special events, from signature events such as the American Century Championship, to local events like Live at Lakeview summer concerts.

A special event research and strategy project was launched in FY24 to provide a more structured approach to sourcing, funding and evaluating special events and, after LTVA Board approval, will be implemented in FY25

Heavenly Holidays - December 2023

The month leading up to Christmas the Heavenly Village is filled with live music, tree lighting ceremonies, pictures with Santa, ice sculpting, and Disney characters. The event culminates with a Ferris wheel and New Year's Eve bash, including a gondola ball drop and fireworks.

- Main Tree Lighting with Ladder Truck and Pyrotechnics had 1,500-2,000 attendees, with 50-75 people each night after that
- Ferris Wheel averaged more than 650 rides per day

- Pancake Breakfasts and photo sessions with Santa & Mrs. Claus sold out
- Disney characters in the Heavenly Village – 3,500+ interactions over four days
- Ice Sculpture competition had five locations including Tamarack Lodge, Heavenly Village, Ski Run Marina, and the Crossing at the Y
- New Year's Eve attendance was estimated at around 4,500

Toyota Air & Après – February/March 2024
Event weekend included Toyota activations at Heavenly, live music, a big air show at night with fireworks, and an after party with live music and athlete meet & greet. Due to weekend blizzard conditions several events were rescheduled and then cancelled, and some were moved indoors or to other locations. Despite the weather the big air show had an estimated 750 attendees, with 300+ staying for the after party.

Harveys Outdoor Arena Events 2024
The LTVA continued its support of summer events at the Harveys Outdoor Arena, including Lake Tahoe is for Lovers, Red White and Brew Festival, and the Summer Concert Series.

Live at Lakeview 2024
LTVA returned as the title sponsor for this popular City of South Lake Tahoe summer event and took advantage of staffing a Visit Lake Tahoe table on several occasions. This face-to-face engagement with locals and visitors allowed for promotion of the LTVA's Rules To Lake By campaign, and the Fill it Forward water bottle initiative in support of the City's single-use plastic water bottles. More than 2,500 reusable water bottles were distributed at this event.

Valhalla Tahoe - Lake Tahoe Art, Music and Theatre Festival 2024
The SLTTID continued its support of Valhalla with a contribution of marketing funds for their summer event series.

Meyers Mountain Market 2024
For the first time LTVA participated at the Mount Tallac Sponsorship level to support this event.

American Century Championship (ACC) – July 2024
The American Century Championship PR team worked seamlessly with management, sponsors and organizers to deliver unprecedented results for 2024, as the tournament exceeded the heights of the memorable 2023 event. It is a well-oiled machine that smartly leveraged the celebrity assets and other resources to promote and punctuate the tournament's core growth and ancillary components with coverage in sports, entertainment and business media.

The 2023 tournament's weekend finish with Stephen Curry's hole-in-one and then title-winning eagle putt elevated awareness of the event, driving an organic media interest that the PR team converted into massive coverage. With tune-in, American Century brand awareness, resort destination promotion and ticket sales as the objectives, the six-month campaign helped launch the 2024 tournament into a next-level prominence on the American sports and entertainment landscape.

Golf Channel, NBC Sports, Tonight Show with Jimmy Fallon, American Century, and WPR worked collaboratively to share content with partners to provide retrospectives on the tournament. Each team created original content that was distributed via tournament channels.

- Total viewership audience/impressions: 30 billion
- 5,238 total stories (online, radio and broadcast)
- Publicity value $435 million
- Record media interest nationally

ACC SOCIAL

Total Growth

Facebook likes/followers:

- Total: 13,722
    - Increase: 7.8%

Instagram:

- Total: 46,300
    - Increase: 20.9%

X:

- Total: 12,301
    - Increase: 10%

Total Impressions

Facebook:

- Total: 776,908
    - Increase: 64.7%

Instagram:

- Total: 5,818,938
    - Increase: 24.4%

- Stories: 2,894 - 106k - views per story

Instagram Reels

- Views – 25 million+ (65+ reels each with audience 20k - 9.2 million)
    - Reach 471k (+32.6%)

PUBLIC RELATIONS

The LTVA retains the services of Weidinger Public Relations (WPR) for domestic and international media relations. The PR strategy is aimed at supporting the LTVA in reaching consumers through media channels, including top publications, broadcast and social media.

Goals/Objectives:

- Reinforce Tahoe's reputation as a leading year-round destination and positively impact overnight stays from key flight and drive markets.
- Obtain media coverage in 5-10% of top 150 media outlets as defined by LTVA and WPR, reinforce key messages, talking points and the brand within a 12-month period.
- To reinforce the Lake Tahoe brand by highlighting the destination's unique selling points, only-in-Tahoe experiences, sustainably-minded efforts and offerings through accredited media outlets.
- Continue to protect the brand via monitoring articles for any necessary clarification with accurate and appropriate messaging i.e. business, environment, sustainability, etc.
- Produce an earned media value of 15-20:1 the PR investment within a 12-month period.

Results:

- Circulation, Viewership, Listenership: 1.5 billion
- Total publicity value: 10.6 million; editorial value of 120:1
- Exposure in 21%+ of top 150 desirable outlets including MSN, Yahoo, Conde Nast, T+L, LA Times, Powder Magazine, San Francisco Chronicle, SFGate, San Jose Mercury News, Marin Independent Journal, etc.: reinforced key messages, talking points and brand. WPR utilizes a third-party platform, Critical Mention, to track.
- Hosted 10 digital influencers/creators with a focus on diversity of bloggers, photo/video content to showcase lodging, sustainability messages, mid-week off-peak season, carless vacations, recreation, entertainment, and dining. The results generated 42 pieces of content, with an audience of 91.1 million (combined total of publication wide audience figures), 1.39 million views (prediction of lifetime views based), and 82.2k engagements (combined total of likes, comments and shares on social). WPR utilizes a third-party platform, Coverage Book, to track.

Operation Sierra Storm – January 2024

An annual meteorologists conference positioning South Lake Tahoe as a leading national ski destination is sponsored by the LTVA and partners and executed by Weidinger PR. The event attracts top TV broadcast meteorologist across the country from key flight markets for live/taped shots and social media stories showcasing winter product, networking, and ongoing education.

Live and taped shots from major drive and air service markets included: Good Morning America, The Weather Channel, ABC World News Tonight, New York, NBC New York, and stations in Denver, Tampa, Bay Area, Sacramento, Portland, San Luis Obispo, Orlando, Cleveland, Charlotte, Nashville, Houston, and Reno. Results generated a total audience: 4 million (33%+ YoY), 183 total clips: broadcast, radio and online, social media content.

Event Center PR – Tahoe Knight Monsters

Media alerts and press releases were serviced as players and head coach signed on, finalization of schedule, and NHL affiliation with the Vegas Golden Knights and Henderson Silver Knights. LTVA also participated in promotional videos for the jersey and mascot reveal and continues to share this content through social media in

collaboration with the Knight Monsters marketing team.

International Media

The WPR and LTVA teams collaborated with international office representatives to coordinate with freelance writers and engage in-market intelligence, research, and trend analysis. As a result of their pitching and follow-up efforts from past trade shows, LTVA hosted a French journalist from Voyage Voyage in cooperation with the High Sierra Visitors Council. The team also organized a media FAM trip for three U.K. journalists in March, focusing on South Lake Tahoe winter travel and ski resorts. In collaboration with Travel Nevada, LTVA also hosted journalists from Australia and New Zealand from The CEO Magazine, ANZ and Escape. The IPW post-FAM trip welcomed seven journalists from the UK, Australia, and Germany, highlighting Lake Tahoe in multi-destination itineraries popular among international visitors. Moreover, with the support of Visit California, LTVA hosted a Chinese influencer in June, showcasing the variety of summer activities available in the destination.

VISITOR INFORMATION SERVICES

Explore Tahoe – An Urban Trailhead

The LTVA operates the Explore Tahoe Visitor Center in the Heavenly Village. This location is open daily, year-round, and is staffed by a team of Visitor Information Specialists - all of whom are long time Tahoe locals. In FY24 LTVA Visitor Information Specialists interacted with over 32,000 visitors in person, distributing materials and offering local insights and referrals, plus suggested daily itineraries. An additional 1,700 callers received assistance with travel planning, weather and road conditions, transportation options, etc.

The Explore Tahoe Visitor Center consistently receives 5-Star ratings through Google Business Reviews, and the staff are frequently named and thanked for their high level of local knowledge and assistance.

City of South Lake Tahoe Park Ranger Program – Summer 2023 - LTVA Partnership

The LTVA financially supported this program again in FY24. The LTVA contribution helped employ two program coordinators and nine park stewards/rangers. Job tasks and skills were expanded to provide more diverse work experience. Rangers continued to provide public education and interact with visitors at busy events like Live at Lakeview. They also helped with site maintenance, landscaping, the 4th of July Parade and clean-up, and Bijou Park movie night. Their experience was expanded by getting trained in aquatic species identification and working at the Lake View Boat Ramp, as well as the Lake Campground front desk.

Typical projects included trash pickup, pinecone removal, landscaping, bear box painting, graffiti removal, street line painting, and assisting the parks maintenance team with minor tasks.

The Park Rangers and Stewards worked at many different locations throughout the City of South Lake Tahoe during the season, including:

- Recreation Center and Swim Complex
- Campground by the Lake

- Lakeview Commons
- Regan Beach
- Connolley Beach
- Bijou Community Park
- Community Playfields
- El Dorado Beach Boat Launch
- Bijou Golf Course
- Bonanza Park
- South Lake Tahoe Police Station
- Highway 50 and Miscellaneous City Locations (sidewalks, parking lots, plant gardens etc

Student Ambassador Program – Summer 2023

In Summer 2023 the LTVA continued its partnership with the Sierra Nevada Alliance, the Tahoe Fund, and other regional entities to fund Student Ambassadors. The goal is to address the impacts of increasing tourism and promote sustainable recreation in the Tahoe Basin by employing local youth to act as stewards and guides promoting responsible behavior to locals and visitors alike. Ambassadors modeled good stewardship, encouraged responsible recreation, shared interpretative information about Tahoe, and tracked observations and interactions with the public using established Citizen Science Apps by UC Davis-Tahoe Environmental Research Center. The program focused recruitment towards local high school and community college students in order to facilitate work-based learning and invest in engaging local youth in learning about, and protecting, the natural resources of the Tahoe Basin.

Ambassadors were placed at the following south shore locations:

- Explore Tahoe Visitor Center
- Kiva Beach
- Tallac Historic Site
- Taylor Creek Visitor Center
- Van Sickle Bi-State Park

Ambassadors were able to share knowledge with visitors about specific sites and general information about the environmental sensitivities of Tahoe. They handed out educational materials on good stewardship and pet poop bags. Ambassadors also modeled good stewardship by picking up litter and took on projects of their own that focused on their professional development and leadership skills to further their careers as environmentalists. By the end of the summer the Ambassadors had invested over 3,000 hours into protecting the Lake Tahoe basin.

Winter Trek (January - March 2024)

Winter Trek is a cooperative effort between the US Forest Service, Heavenly Mountain Resort, Great Basin Institute, and the LTVA's Explore Tahoe Visitor Center.

The Winter Trek program offers fifth graders an outdoor winter ecology learning experience that takes place at 9,100 feet via the Heavenly Mountain Resort gondola.

PARTNERSHIPS AND COMMUNITY INITIATIVES

Strategic Alliances: The LTVA works in collaboration with both state tourism offices – Visit California and Travel Nevada – and the national tourism office, Brand USA. These affiliations allow the LTVA to tap into their global representative offices and networks.

The LTVA leverages funds through partnerships that broaden the reach outside regional advertising efforts, enhance the visitor experience and contribute to community goals.

South Shore Transportation Management Association (SSTMA)
The LTVA contributes $50,000 annually to assist with funding the free, on demand, Lake Link Microtransit system.

Regional Air Service Corporation - a regional public-private collaborative - has a singular goal: to maintain and grow air service and to promote the Reno-Tahoe area as a viable, year-round, travel destination through marketing and additional air carrier incentives. With the collective financial contributions of all of the partners, the LTVA leverages its investment to an almost $1 million budget.

LTVA Tourism Forum – June 2024
Over 100 attendees joined the LTVA for the half-day "Awe *and then* Some" Tourism Forum which covered topics including: travel, tourism, business, and marketing strategy. Speakers included representatives from Noble Studios, the Lake Tahoe Destination Stewardship Council, LTVA, and SMG Consulting.

SUSTAINABILITY
Lake Tahoe Visitors Authority is working to encourage responsible recreation in the Tahoe basin, in concert with partner organizations in the Destination Stewardship Council (DSC), to combat the reputation that has developed in recent years about the region being "over-touristed." Highlights include:

- **Destination Stewardship Council (DSC)**
  LTVA is a highly active member organization of the DSC, which has a collective goal of turning values into action. As a fiscal sponsor for the ambassador program, which places high school and college students at high-traffic recreation sites to educate visitors about caring for Tahoe. This collaborative group of public and private entities is pushing for positive cultural change, which in turn, will encourage visitation by improving the experience of visitors and residents alike. The DSC received the 2024 Project Excellence Award from the Society of Outdoor Recreation Professionals.

- **Visit California/High Sierra Region - Stewardship/Sustainability Plan**
  LTVA continues regional participation in the research and development of the VCA state-wide initiative which will be completed later this fall.

- **Rules To Lake By**
  Rules To Lake By is a campaign developed as a gentle reminder that our fragile environment is at the heart of both our visitors' and residents' love for this place. Rules to Lake By messages have launched parallel to the LTVA's "always-on" visitor campaign running in targeted markets ranging from Chicago to Seattle. The initiative aligns with LTVA's goal of being a leading destination marketing organization in sustainability.

- **Fill it Forward Water Bottles**
  In partnership with Drink Tahoe Tap, LTVA purchased 35,000 USA-made, highly durable refillable water bottles to distribute to guests, volunteers, and residents at a wide range of locations and events. Recipients are encouraged to scan the QR code which pays it forward to one of four local environmental non-profits at five cents per scan: TAMBA, Sugar Pine Foundation, Clean Up The Lake, and the Tahoe Rim Trail Association. The water bottles also serve as marketing pieces, by sparking conversations when guests return back home with prominent, high-contrast logo placement.

FY24 VISIT LAKE TAHOE ACCOLADES

- 2023 U.S. Travel Association ESTO Destiny Award for best Integrated Marketing & Message Campaign
- 2024 Visit California Poppy Award for paid brand campaign under $1 million
- 2024 Zartico Data Hero Award in Stewardship

III. Budget Summary

FISCAL YEAR 2025 SERVICE PLAN BUDGET SUMMARY

The summary of the FY2025 service plan budget for the South Lake Tahoe Tourism Improvement District is provided on the following pages (Attachment A). The fiscal year for the SLTTID is October 1 through September 30. Based upon previous years' performance and trending occupancy, the total improvement and service plan budget for 2025 is projected at $3,145,345 which is a 1% increase over budget for FY2024. Lodging businesses will contribute the entire amount through annual assessments. Budgeted expenditures will be made in the following areas:

- Marketing and Promotions

The budget for the Marketing and Promotions program is estimated at $1,994,150 which represents 63.4% of the total District budget. Marketing and promotions will include media advertising and promotional programs designed to attract visitors to visit and stay at the South Shore lodging establishments as well as promote the area as a lodging and conference destination.

- Communications and Public Relations

The budget for the Communications and Public Relations program is $125,814, which represents 4% of the total district budget.

- Special Events

The budget for Special Events is $408,895, which represents 13% of the total district budget.

- Visitor Information Services

The budget for Visitor Information Services is $157,267, which represents 5% of the total district budget.

- Administration/Operations

The budget for Administration/Operations including office expenses, insurance, legal and accounting is $283,081, which represents 9% of the total district budget.

- Administrative Fee to the City of South Lake Tahoe

The City of South Lake Tahoe charges an administrative fee to collect assessments and distribute the funds to the SLTTID Corporation. The budget for this administrative fee is 1% of the total annual assessment, or $31,453 in FY2025.

- Annual Service Plan – Contingency/TID Renewal (4.6%)

The budget also includes a portion for contingencies and renewal of the District. This amount equals 4.6% of the total district plan budget, or $144,686.

THE METHOD OF ASSESSMENT

No changes in assessments are proposed in the current assessment methodology, as they are not allowed under the district management plan.

ATTACHMENTS

1. Fiscal Year 2025 SLTTID Budget with Breakdown by Expenditure Category

SLTTID FY2025 Budget

	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Total	
Revenue Generated in TID Assessments														
Hotel/Motel Assessment at $4.00 POR	$ 185,015	$ 134,202	$ 97,922	$ 188,532	$ 267,446	$ 232,462	$ 206,171	$ 229,005	$ 240,350	$ 334,695	$ 265,430	$ 197,953	$ 2,579,183	82.0%
VHR/Timeshare Assessment at $5.50 POR	$ 40,613	$ 29,459	$ 21,495	$ 41,385	$ 58,708	$ 51,028	$ 45,257	$ 50,269	$ 52,760	$ 73,470	$ 58,265	$ 43,453	$ 566,162	18.0%
Total Revenues	$ 225,628	$ 163,661	$ 119,418	$ 229,917	$ 326,153	$ 283,490	$ 251,428	$ 279,274	$ 293,110	$ 408,164	$ 323,695	$ 241,406	$ 3,145,345	
Expenditures														
Marketing Programs: Advertising, Fam Trips, Marketing Programs	$ 143,049	$ 103,761	$ 75,711	$ 145,768	$ 206,781	$ 179,733	$ 159,405	$ 177,060	$ 185,832	$ 258,776	$ 205,223	$ 153,051	$ 1,994,150	63.4%
Communications and Public Relations	$ 9,025	$ 6,546	$ 4,777	$ 9,197	$ 13,046	$ 11,340	$ 10,057	$ 11,171	$ 11,724	$ 16,327	$ 12,948	$ 9,656	$ 125,814	4.0%
Special Events Funding	$ 29,332	$ 21,276	$ 15,524	$ 29,889	$ 42,400	$ 36,854	$ 32,686	$ 36,306	$ 38,104	$ 53,061	$ 42,080	$ 31,383	$ 408,895	13.0%
Visitor Center Operations: Payroll, Benefits, Operation Costs	$ 11,281	$ 8,183	$ 5,971	$ 11,496	$ 16,308	$ 14,175	$ 12,571	$ 13,964	$ 14,656	$ 20,408	$ 16,185	$ 12,070	$ 157,267	5.0%
Administrative/Operations: Payroll, Benefits Operation Costs	$ 20,307	$ 14,730	$ 10,748	$ 20,693	$ 29,354	$ 25,514	$ 22,629	$ 25,135	$ 26,380	$ 36,735	$ 29,133	$ 21,727	$ 283,081	9.0%
Administrative Fee to City of South Lake Tahoe (1%)	$ 2,256	$ 1,637	$ 1,194	$ 2,299	$ 3,262	$ 2,835	$ 2,514	$ 2,793	$ 2,931	$ 4,082	$ 3,237	$ 2,414	$ 31,453	1.0%
Contingency/TID Renewal Costs	$ 10,379	$ 7,528	$ 5,493	$ 10,576	$ 15,003	$ 13,041	$ 11,566	$ 12,847	$ 13,483	$ 18,776	$ 14,890	$ 11,105	$ 144,686	4.6% *
Total Programs and Expenses	$ 225,628	$ 163,661	$ 119,418	$ 229,917	$ 326,153	$ 283,490	$ 251,428	$ 279,274	$ 293,110	$ 408,164	$ 323,695	$ 241,406	$ 3,145,345	

Attachment 2

SOUTH LAKE TAHOE TOURISM DISTRICT

Financial Statements

For the Twelve Months Ended October 31, 2023

And

The Nine Months Ended July 31, 2024

CARSON VALLEY ACCOUNTING, LLC

Drew Aguilar, CPA
Bryan Oland, CPA

1663 HWY 395 #201
MINDEN, NV 89423
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WWW.CARSONVALLEYACCOUNTING.COM

INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

Board of Directors
South Lake Tahoe Tourism District
1 Lake Parkway
South Lake Tahoe, CA 96150

Management is responsible for the accompanying financial statements of the South Lake Tahoe Tourism District (a nonprofit organization), which comprise the statement of financial position – tax basis as of July 31, 2024, and the related statements of activities – tax basis for both the nine months ended July 31, 2024 and the twelve months ended October 31, 2023, and cash flows for the nine months ended July 31, 2024 in accordance with the tax basis of accounting, and for determining that the tax basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express such an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The financial statements are prepared in accordance with the tax basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared in accordance with the tax basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Company's assets, liabilities, equity, revenues and expenses. Accordingly, the financial statements are not designed for those who are not informed about such matters.

CVA

Carson Valley Accounting
Minden, Nevada
October 23, 2024

South Lake Tahoe Tourism District
Statement of Financial Position
July 31, 2024

ASSETS

CURRENT ASSETS	
Cash and Equivalents	
Checking	$ 332,213
Due from City	2
Prepayment to LTVA	-
TOTAL CURRENT ASSETS	332,215
TOTAL ASSETS	$ 332,215

LIABILITIES AND FUND BALANCE

CURRENT LIABILITIES	
Accounts Payable	$ -
Due to LTVA	221,383
TOTAL CURRENT LIABILITIES	221,383
TOTAL LIABILITIES	$ 221,383
FUND BALANCE	
Fund Balance	$ 110,832
TOTAL LIABILITIES AND FUND BALANCE	$ 332,215

South Lake Tahoe Tourism District
Statements of Activities
For the 12 Months Ended October 31, 2023
and 9 Months Ended July 31, 2024

	12 Months Ended October 31, 2023	9 Months Ended July 31, 2024
SALES		
TID REVENUE	$ 3,109,292	$ 2,116,101
BANK INTEREST INCOME	13	13
TOTAL SALES	3,109,305	2,116,114
GROSS PROFIT	3,109,305	2,116,114
OPERATING EXPENSES		
ACCOUNTING FEES	600	900
ADMINISTRATIVE COSTS	406	310
ADMIN FEE TO CITY OF SOUTH LAKE TAHOE	31,093	21,161
ADVERTISING/MEETING ANNOUNCEMENTS	567	928
BANK CHARGES	208	213
CREDIT CARD PROCSESSING FEES - REIMBURSE TO CITY OF SLT	-	44,229
INSURANCE - DIRECTORS & OFFICERS	724	724
LTVA MARKETING FUND	2,924,290	1,990,193
LICENSE, TAXES, AND FEES	-	-
POSTAGE	-	-
MICROTRANSIT SERVICE FUNDING	25,000	-
SPECIAL EVENTS	124,654	64,179
WEBSITE & NEWSLETTER	53	-
TOTAL OPERATING EXPENSES	3,107,595	2,122,837
OPERATING INCOME (LOSS)	1,710	(6,723)
NET INCOME (LOSS) BEFORE TAXES	1,710	(6,723)
NET INCOME (LOSS)	$ 1,710	$ (6,723)
NET ASSETS AT BEGINNING OF YEAR	115,845	117,555
NET ASSETS AT END OF YEAR	$ 117,555	$ 110,832

South Lake Tahoe Tourism District
Statement of Cash Flows
For the 9 Months Ended July 31, 2024

		Total
CASH FLOWS FROM OPERATING ACTIVITIES		
Excess of Revenue Over Expenses	$	(6,723)
(Increase) decrease in:		
Prepayment to LTVA		-
Increase (decrease) in:		
Accounts payables		(111,854)
Net Cash Provided by Operations	$	(118,577)
NET INCREASE (DECREASE) IN CASH	$	(118,577)
CASH, ***beginning of period***		450,790
CASH, ***end of period***	$	332,213

Resolution 2019-059

Adopted by the City of South Lake Tahoe
City Council

August 6, 2019

Declaring the Results of the Majority Protest Proceedings and Renewing the South Lake Tahoe Tourism Improvement District (SLTTID)

BACKGROUND

A. The Property and Business Improvement District Law of 1994, California Streets and highways Code Section 36600, et seq., (the "Law") authorizes cities to establish and renew business improvement areas for the purpose of promoting tourism.

B. The City Council of the City of South Lake Tahoe (the "City Council") established the South Lake Tahoe Tourism Improvement District ("SLTTID") in 2006 and levied an annual assessment based upon a flat rate of $2.00 per paid occupied room per night on hotels and motels and $3.00 per paid occupied unit per night on timeshares, condos, triplexes, duplexes and homes under management contracts.

C. The term of the SLTTID was established on September 5, 2006, for a period of five years (See Resolution 2006-52) pursuant to the Law.

D. The renewal term of the SLTTID was established on December 8, 2009 for a period of ten years pursuant to the Law.

E. The SLTTID will be in effect for ten (10) years from December 18, 2019, conditional upon the Lake Tahoe Visitors Authority (LTVA) amending its bylaws within two years to add a City of South Lake Tahoe City Council representative to the LTVA Board. After ten years, or two years if the condition is not fulfilled, the petition and City Council hearing process must be repeated for the SLTTID to be renewed.

F. Lodging business owners paying more than fifty percent (50%) of the assessment within the SLTTID have submitted petitions to City Council in favor of renewing the SLTTID.

G. The City of South Lake Tahoe shall charge a 1% administrative fee to collect assessments and distribute the funds the SLTTID Corporation.

H. Included with the petitions was a Management District Plan summary that describes the proposed assessment to be levied on benefitted lodging businesses which shall be used to fund marketing and promotions to increase tourism and market the South Shore of Lake Tahoe as a unique, world-class year-round resort destination.

I. The lodging businesses within the SLTTID shall benefit from the activities and improvements set forth in the Management District Plan.

J. On June 18, 2019, the City Council adopted a Resolution of Intention No. 2019-043, which provided that a public meeting on the renewal of the SLTTID shall be held on July 16, 2019 at 5:30 p.m. and a public hearing shall be held on August 6, 2019 at 9:00 am at the City Council of the City of South Lake Tahoe meeting held at the City Council Chambers, 1901 Airport Road, South Lake Tahoe, California.

K. The public hearing to consider the formation of the SLTTID has been properly noticed in accordance with Streets and Highways Code 36623.

L. At 5:30 p.m. on July 16, 2019, in the City Council Chambers, 1901 Airport Road, South Lake Tahoe, California, the City Council held a public meeting regarding the renewal of the SLTTID, and the City Council heard and received objects and protests, if any, to the renewal of the SLTTID and the levy of the proposed assessment.

M. At 9:00 a.m. on August 6, 2019, in the City Council Chambers, 1901 Airport Road, South Lake Tahoe, California, the City Council held a public hearing regarding the renewal of the SLTTID, and the City council heard and received all objections and protests to the renewal of the SLTTID and the levy of the proposed increased assessment.

N. The City Council received all objections and protests regarding the renewal of the SLTTID and the levy of the proposed increased assessment and have determined that the there was no majority protest. A majority protest is defined as written protests received from owners of businesses in the renewed SLTTID which would pay fifty percent (50%) or more of the assessments proposed to be levied. Protests are weighted based on the assessment proposed to be levied on each lodging business.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, BE IT RESOLVED, that the City Council of the City of South Lake Tahoe:

1. The recitals set forth herein are adopted by the City Council as finding and are true and correct.
2. The City council finds that the majority protests do not constitute more than fifty (50) percent of the total assessment revenue to be raised and therefore a majority protest does not exist to the renewal of the SLTTID.
3. Conditional upon the LTVA amending its bylaws on or before December 17, 2021, to add a City of South Lake Tahoe City Council representative to the LTVA Board, SLTTID is renewed for a ten (10) year term that shall commence on December 18, 2019 and shall expire on December 17, 2029. If LTVA does not amend its bylaws by December 17, 2021, to add a City of South Lake Tahoe City Council representative to the LTVA Board, then the SLTTID shall expire after a two (2) year term that shall commence on December 18, 2019, and shall expire on December 17, 2021.
4. The activities and improvements set forth in the recitals shall be funded by the levy of an assessment on lodging businesses within the SLTTID, as described in the Management District Plan that is on file with the City Clerk.
5. The City Council finds as follows:

a) The activities funded by the assessment will provide a specific benefit to assessed businesses within the SLTTID that is not provided to those not paying the assessment.
b) The assessment is a charge imposed for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege.
c) The assessment is a charge imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product.
d) Assessments imposed pursuant to the SLTTID are levied solely upon the assessed business, and the business owner is solely responsible for payment of the assessment when due. If the owner chooses to collect any portion of the assessment from a transient, that portion shall be specifically called out and identified for the transient in any and all communications from the business owner as the "SLTTID Assessment" or "Tourism Assessment" as specified in the Management District Plan.

6. Assessments levied on lodging businesses pursuant to this resolution shall be levied on the basis of benefit. Because the services provided are intended to increase room rentals, an assessment based on room rentals is the best measure of benefit.
7. The annual assessment rates are $3.00 per paid occupied room per night on hotels and motels and $4.50 per paid occupied unit per night on all of the following under management contracts: timeshares, condos, triplexes, duplexes, park model cabins, RVs, and homes. Based on the benefit received, assessments will not be collected on stays of more than thirty (30) consecutive days. The assessment rate will automatically increase in year two (2020-21) by one dollar ($1.00) on both assessment rates. The new rates in 2020-21 will be $4.00 per paid occupied room per night on hotels and motels and $5.50 per paid occupied unit per night on all of the following under management contracts: timeshares, condos, triplexes, duplexes, park model cabins, RVs, and homes. Starting in the fifth year (2023-24), the assessment rate for hotels and motels and all of the following under management contracts: timeshares, condos, triplexes, duplexes, park model cabins, RVs, and homes, may be increased by one additional dollar ($1.00) during the remaining term of the SLTTID.
8. Lodging businesses within the boundaries of the SLTTID that begin operation after the renewal of the SLTTID shall be subject to the assessment. The City of South Lake Tahoe shall be responsible for collecting the assessments from lodging businesses subject to the assessment.
9. The assessments for the entire SLTTID will total approximately $2,705,000 in year one (1).
10. The assessments shall be used for the purposes set forth in the above recitals and as outlined in the Management District Plan dated March 26, 2019. Any funds remaining at the end of any year may be used in subsequent years in which SLTTID assessments are levied if they are used consistent with the requirements set forth herein.
11. The revenue from the assessment levy shall not be used: to provide activities that directly benefit businesses outside the SLTTID; to provide activities or improvements outside the SLTTID; or for any purpose other than the purposes specified in this Resolution, the Resolution of Intention, and the Management District Plan. Notwithstanding the foregoing,

improvements and activities that must be provided outside the SLTTID boundaries to create a specific benefit to the assessed businesses may be provided, but shall be limited to marketing or signage pointing to the SLTTID.

12. The assessments to fund the activities and improvements for the SLTTID shall be collected in accordance with Streets and Highways Code 36631 and the Management District Plan. All delinquent payments for assessments levied herein shall be charged interest and penalties in accordance with the Management District Plan.
13. The City Council, through adoption of this Resolution and the Management District Plan, has the right pursuant to Streets and Highways Code §36651, to identify the body that shall implement the proposed program, which shall be the Owners' Association of the SLTTID as defined in Streets and Highways Code §36612. The City Council has determined that the South Lake Tahoe Tourism District Corporation (SLTTDC) shall be the SLTTID Owners' Association.
14. The SLTTDC shall, pursuant to Streets and Highways Code 36650, prepare an annual report for each fiscal year.
15. No bonds shall be issued to fund the SLTTID.
16. The exterior boundaries of the SLTTID shall be the city limits of the City of South Lake Tahoe as depicted on the map shown in the SLTTID Plan – Section IV.
17. Businesses within the District are subject to any amendments to the California Streets and Highways Code, Division 18, Part 7 (commencing with Section 36600)
18. The City Manager, or his designed, is directed to take all necessary actions to complete the establishment of the SLTTID and to levy the assessments.
19. The City Clerk is directed to record in the El Dorado County Recorder's Office a notice and assessment diagram, as required by Streets and Highways Code 36627. The text of the recorded notice shall state that the assessment is levied only against lodging businesses within the area of the SLTTID.
20. The resolution shall take effect immediately upon its adoption by the City Council and the collection of the increased assessments commencing on December 18, 2019.

Adopted by the City of South Lake Tahoe City Council on August 6, 2019 by the following vote:

Yes: Bass, Collin, Middlebrook and Wallace
Absent: Laine

DocuSigned by:
0910F4E2665F41E...
Jason Collin, Mayor Pro Tem

Date: 8/9/2019

Attest:
DocuSigned by:
2D6FDBDD39A94AF...
Susan Blankenship, City Clerk

The presence of electronic signature certifies that the foregoing is a true and correct copy as approved by the South Lake Tahoe City Council.

City of South Lake Tahoe

Agenda Item Executive Summary

Joe Irvin, City Manager

Meeting Date: November 5, 2024

Agenda Item #: 18

Agenda Item: Agenda Planning Calendar

Requested Action / Suggested Motions: Identify, with consent of at least two Council members, any desired future agenda items, and/or modify the Agenda Planning Calendar as desired.

Responsible Staff Member: Joseph Irvin, City Manager, and Susan Blankenship, City Clerk

Attachments:

APC - 10 31 2024.pdf

2024 Agenda Planning Calendar (Updated 10 31 2024)

Department		Agenda Item	Agenda Section
Nov. 19, 5:30 p.m. STRSA	**Dev. Services**	Workbench Pre-Design Contract Award	Consent
		Lease to Locals Policy Changes	NB
		Master Fee Schedule Amendment-Demo Fee	PH
		Emp Housing Outreach Update & Emp Housing Signage Ord (First Reading)	NB
		Non-Profit Contracts for Service Discussion	NB
		CDGB Award Budget Allocation for TCH	Consent
	Finance	Annual ROPS approval	STRSA Consent
	HR	Approval of City Salary Schedule	Consent
	Parks & Rec	Public Art PSA	NB
		Amendment to Master Schedule of Fees-Parks & Rec Programs	Consent
	Public Works	Airport Master Plan	UB
		Bijou Park Creek CTC License Agreement	Consent
		Contract Amendment with JKA for Additional Surveying Services	Consent
		Speed Limit Adoption for Local Roads and Designation of Safety Corridors	NB
		Residential Parking Permit for Lakeside Park Assoc.	NB

2024 Agenda Planning Calendar (Updated 10 31 2024)

Dec. 10, 5:30 p.m.	**City Clerk**	Certification of Election	NB
		Outgoing Councilmember Recognition	Recognition
		Oaths of Office	Oath
		City Council Re-Organization	NB
		Protocols Update	Consent
		City Council Assignments to Boards and Commissions	NB
	Dev. Services	Emp Housing Outreach Update & Emp Housing Signage ORD (Second Reading)	Consent
	Finance	Quarterly Budget and Financial Status Report as of September 2024	Consent
		Investment Portfolio Report as of September 2024	Consent
	Police	ABC Grant	Consent
	Pub Works	Award of Tahoe Valley Greenbelt Phase II	Consent
		STR Rate Adjustment	PH
		Bijou CFD Annual Report	Consent
		Annual Roadway Rehab Contract Reconciliation	Consent
		Javiation Contract Amendment to replace PAPI	Consent
		Contract Amendement with MDEP Structures for PD Roof Design	Consent

2024 Agenda Planning Calendar (Updated 10 31 2024)

Jan. xx, 2025	**Dev Services**	Inclusionary Housing In-Lieu Fee Update	
		Disparate Impact Analysis Findings about Local Preference Ord	NB
	Pub Works	Caltrans Sustainable Grant Application Authorization	
Unscheduled/Pending			
	City Clerk	Records Management Policy (Updated) 1/2025	
		Barton Community Health Needs and Harm Reduction Update	
	City Manager	Organics Diversion Program Presentation	
		Award CalTrans Carbon Reduction Grant	
		EV Charging Parking ORD	
		Establishing an EV Charging Rate for the City's Public EV Chargers	
		Community Choice Aggregation Feasability Analysis	
	Dev Services	Res. Area Plan to Accommodate SB9 and Remove Tourist Accomodation	
		CTC Land Exchange	
		Discussion: Second Home Cap/Permit Options	
		Building Code Appendix AW adoption-3D printed structures	
	Finance	Disolution STJPPFA	
	Parks & Rec	Events and Facitilies Naming Rights Discussion	

2024 Agenda Planning Calendar (Updated 10 31 2024)

Police	2024 Update to Parking Fees in the Bellamy Parking Garage
	Barton Community Health Needs and Harm Reduction Update
Police/PW	Bike Paths, Bike Parking, Vehicle Parking
Public Works	Award High Priority Pipe Replacement Project
	Geothermal Use Discussion Item
	Award James-Eloise Drainage Upgrade
	Award of Pioneer Safety HSIP Project
	Award of PD Roof Replacement
	TTD US 50 Plans Presentation
	Award Pioneer Trail Phase II Project
	Award Lakeview and Ski Run Electrical Upgrades
	Award Contract for Hwy 50 Corridor Study
	Award Pioneer Trail Phase 2 Project
	Award PS&E for Sugar Pine Bike Path Project
	Award Citywide Traffic Calming Toolbox
	Award Grant Writing Services Contract

2024 Agenda Planning Calendar (Updated 10 31 2024)

Award US 50 RSA City Portion Upgrades
Harrison Ave/Stateline Transit Station Parking Enforcement