# City of South Lake Tahoe
# City Council
## Meeting Agenda
## Tuesday, April 22, 2025 at 5:30 pm
## City Hall - Council Chambers - 1901 Lisa Maloff Way, South Lake Tahoe

**City Council**
Tamara Wallace, Mayor
Cody Bass, Mayor Pro Tem
Scott Robbins, Councilmember
David Jinkens, Councilmember
Keith Roberts, 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/84299116531
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 Webinar ID is 842 9911 6531. 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 Waší̌iw, 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 April 2025 as "Neurodiversity and Autism Celebration Month"
   Requested Action / Suggested Motions: Issue a Proclamation to Access Tahoe recognizing April 2025 as "Neurodiversity and Autism Celebration Month".
   Responsible Staff Member(s): Susan Blankenship, City Clerk
   Item 1- Executive Summary.pdf
   Proclamation Recognizing April 2025 as Neurodiversity and Autism Celebration Month.pdf

**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**

**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 per item and six (6) minutes total per speaker.
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.

**2.** City Council Strategic Planning Retreat, Regular Joint City Council and Planning Commission Ethics Training, Regular City Council and South Tahoe Joint Powers Parking Financing Authority, and Special City Council Meeting Minutes
Requested Action / Suggested Motions: Pass a Motion approving minutes of the March 18, 2025, City Council Strategic Planning Retreat; March 25, 2025, Regular Joint City Council and Planning Commission Ethics Training, the Regular City Council and South Tahoe Joint Powers Parking Financing Authority meeting; and approving minutes from the April 1, 2025, Special City Council meeting.
Responsible Staff Member(s): Michelle Davis, Assistant City Clerk
Item 2- Executive Summary.pdf
01- 03 18 2025 City Council Strategic Planning Retreat Minutes.pdf
02- 03 25 2025 Joint City Council and Planning Commission Meeting Minutes.pdf
03- 03 25 2025 City Council and STJPPFA Meeting Minutes.pdf
04- 04 01 2025 Special City Council Meeting Minutes.pdf

**3.** Reimbursable Agreement with the Federal Aviation Administration for Flight Inspection on Runway 18
Requested Action / Suggested Motions: Pass a Resolution authorizing the Airport Manager to execute a Reimbursable Agreement with the Federal Aviation Administration (FAA) and approving budget appropriation of $12,587.40 for Flight Inspection of the Precision Approach Path Indicators (PAPI) on Runway 18.
CEQA Determination: The project is exempt from review under CEQA Guidelines section 15301(d) (Existing Facilities â€“ restoration or rehabilitation of deteriorated or damaged facilities to meet current standards of public health and safety).
Responsible Staff Member(s): John Dickinson, Airport Manager
Item 3- Executive Summary.pdf
01- Staff Report PAPI
02- Resolution PAPI
03- AC-007230 South Lake Tahoe CA.pdf

**4.** Amendment No. 2 to Airport Food and Beverage Lease and Concession Agreement with Flight Deck Grill & Golf Club, LLC
Requested Action / Suggested Motions: Pass a Motion authorizing and directing the Mayor to execute Amendment No. 2 to Airport Food & Beverage Lease & Concession Agreement Amendment with Flight Deck Grill & Golf Club, LLC, to extend the time for an additional 90 days to complete tenant improvements and open to the public, Also approving space change within the terminal.
CEQA Determination: This action is categorically exempt from under CEQA Guidelines section 15301 (Existing Facilities).
Responsible Staff Member(s): John Dickinson, Airport Manager
Item 4- Executive Summary.pdf
01- Staff Report Flight Deck Golf and Grill
02- Amendment Flight Deck Golf and Grill
03- C-238-2024 Flight Deck Lease.pdf
04- C-269-2024 Amendment No. 1 to Agreement with Flight Deck.pdf

**5.** Agreement with Lumos & Associates, Inc. for 2025 Construction Season Inspection Services for Capital Improvement Projects
Requested Action / Suggested Motions: Pass a Motion authorizing and directing the Mayor to execute Agreement with Lumos & Associates, Inc., for an amount not to exceed $520,000 for the 2025 Construction Season Inspection Services for Capital Improvement Projects.
Responsible Staff Member(s): Anush Nejad, Director of Public Works

Item 5- Executive Summary.pdf
01-Staff Report - Inspection Award.docx
02-Agreement with Lumos & Associates

**6.** Sale of Surplus Property
Requested Action / Suggested Motions: Pass a Resolution declaring certain vehicles and equipment as surplus and directing the sale of vehicles, equipment and other City assets.
Responsible Staff Member(s): Anush Nejad, Director of Public Works, and Phil Harwood, Fleet Supervisor
Item 6- Executive Summary.pdf
01-Staff Report - Surplus Property.docx
02 - Resolution for Surplus Vehicles.docx
03 - 2025 Spring Auction (Exh. A to Reso).pdf

**7.** Amendment to the Residential Parking Permit (RPP) Zones in the Lakeside Residential Area
Requested Action / Suggested Motions: Pass a Resolution Amending the Seasonal No Parking and Resident Permit Parking Restrictions on Certain Streets in the Lakeside Residential Neighborhood.
Responsible Staff Member(s): Anush Nejad, Director of Public Works and Sonia Wheeler, Code Enforcement Officer
Item 7- Executive Summary.pdf
01-Staff_Report-Establishing_Residential_Parking_Permit_Zones_in_the_Lakeside_Residential_Area_R_.docx
02-ORD 2023-1178 Residential Parking Permit Program
03 - Resolution 2024-133 Lakeside Residential Parking Permit.pdf
04-Resolution-Amendments to Lakeside Parking.docx
05 - Map of Proposed Lakeside Park Association Parking Restrictions 2025.pdf

**8.** Acceptance of Funds from California State Boating and Enforcement Aid Program for Police Boat Safety and Enforcement Program
Requested Action / Suggested Motions: Pass a Resolution: (1) authorizing acceptance of an amount up to $56,464 from the California State Boating and Enforcement Aid Program; (2) authorizing and directing the Mayor, or the Chief of Police, to execute the Program Agreement and each reimbursement claim; (3) accepting El Dorado County vessel property taxes in the amount up to $55,612.00 for a total program amount up to $112,076.00; and (4) authorizing budget of that amount into the current City's budget into account #237 02110 effective July 1, 2025.
Responsible Staff Member(s): Lt. Scott Crivelli
Item 8- Executive Summary.pdf
01 - Staff Report - Police Boat Financial Aid.docx
02-Resolution.docx
03-Police Boat Grant Application FY 25-26.pdf
04-Police Boat Financial Aid Agreement.pdf

**9.** Ratification of Agreement with Lake Tahoe Unified School District (LTUSD) for the Third Grade Swim Program
Requested Action / Suggested Motions: Pass a Resolution authorizing a fee waiver and ratification of the Agreement with LTUSD for the Third Grade Swim Program to be offered at no cost to participants.
Responsible Staff Member(s): John Stark, Director of Parks & Recreation
Item 9- Executive Summary.pdf
01-Staff Report-Agreement with LTUSD for the Third Grade Swim Program.docx
02-Resolution - Third Grade Swim Program.docx
C-027-2025_Third_Grade_Swim_Program_Agreement_LTUSD_-_signed

**10.** Revisions to City Personnel Rules
Requested Action / Suggested Motions: Pass a Resolution approving the revised Personnel Rules

as presented.
Responsible Staff Member(s): Ember Buckman, CGHR-CP, Human Resources Manager
Item 10- Executive Summary.pdf
01-Staff Report Revisions of City Personnel Rules.docx
02-Resolution Revisions of City Personnel Rules .docx
03 - City of South Lake Tahoe - Personnel Rules - Redline 2025.pdf
04 - City of South Lake Tahoe - Personnel Rules -(Exh A to Reso).pdf

**11.** Tahoe Valley Stormwater and Greenbelt Improvement Project for Phase 1 Paving: Funding Transfer, Change Order, and Increase of Contingency
Requested Action / Suggested Motions: Pass a Resolution authorizing and directing the Director of Finance to transfer $303,000 in funds from the Road Rehabilitation Account to the Tahoe Valley Stormwater and Greenbelt Improvement Project; authorizing and directing the mayor to execute the pavement design change order; and approving construction contingency up to 11% for the Phase 1 Construction Contract for a new not to exceed amount of $7,424,247.61 (total bid $6,688,511.36 + 11% contingency $735,736.25).
CEQA Determination: The Planning Commission adopted a Mitigated Negative Declaration for the Project on May 9, 2019, SCH# 20190292152. Addendum No. 1 adding the basin and associated improvements at the corner of 4th Street and Barton Avenue was adopted by the Planning Commission on February 20, 2025. This action does not require additional review under CEQA Guidelines section 15162.
Responsible Staff Member(s): Brianna Greenlaw, Associate Civil Engineer
Item 11- Executive Summary.pdf
01-Staff Report-Funding Transfer_Paving.docx
02-Map
03-Change Order Request.pdf
04-Resolution-Fund Transfer and Additional Contingency-Tahoe Valley Greenbelt Project

**12.** Pioneer Trail and Glenwood Highway Safety Improvement Program (HSIP) Construction Contract Award to Globe Engineering Development
Requested Action / Suggested Motions: Pass Resolution: 1) authorizing and directing the Mayor to execute an Agreement with Globe Engineering Development for $507,531.00, plus a 10% Construction Contingency of $50,753.10 for the Pioneer Trail and Glenwood, Highway Safety Improvement Program Project; and 2) Allocate $47,000 from Measure "S" Sales Tax Fund Undesignated Reserves.
CEQA Determination: This project is categorically exempt under CEQA Guidelines 15304 (minor alteration to land).
Responsible Staff Member(s): Stephen Anderjack, Project Manager
Item 12-Executive Summary
01-Staff Report-Pioneer Trail HSIP Contract Award.docx
02-Resolution - Pioneer Trail HSIP Contract Award.docx
03-Globe Engineering Agreement (Exh. A to Reso).pdf

**13.** License Agreement with California Tahoe Conservancy to Use Motel 6 Property for Public Safety Training
Requested Action / Suggested Motions: Pass a Motion authorizing and directing the Mayor to execute a Non-Destructive Training License Agreement with the California Tahoe Conservancy allowing South Lake Tahoe Fire Rescue, South Lake Tahoe Police Department and neighboring fire and law enforcement agencies to actively train at 2375 Lake Tahoe Boulevard (Motel 6) site prior to demolition of the structures.
Responsible Staff Member(s): Justin Keys, Battalion Chief, and Heather Stroud, City Attorney
Item 13- Executive Summary.pdf
01-Staff Report-Non-Destructive Training License Agreement.docx
02-Non-Destructive Training License Agreement

**14.** Declaring Fire Vehicle 6103 Surplus and Authorizing Donation to Lake Tahoe Community College
Requested Action / Suggested Motions: Pass a Resolution declaring Fire Vehicle 6103 surplus and authorizing donation to Lake Tahoe Community College Fire Academy.
Responsible Staff Member(s): Justin Keys, Battalion Chief, and Jim Drennan, Fire Chief
Item 14- Executive Summary.pdf
01-Staff Report-Fire Vehicle Surplus and Donation.docx
02-Resolution-Fire Vehicle Surplus and Donation.docx
03-LTCC Donation Letter.pdf

**15.** Electric Vehicle Parking Ordinance (Second Reading)
Requested Action / Suggested Motions: 1) Pass an Ordinance adding Sections 4.25.435 (Electric Vehicle Charging Stations in Public Parking Areas) and 4.25.605 (Electric Vehicle Charging Stations) to Title 4 of the South Lake Tahoe City Code to Authorize Enforcement of Designated Electric Vehicle Parking at Charging Stations in Public Parking Areas; and, 2) Pass a Resolution designating publicly available Electric Vehicle Parking Locations and establishing a Parking Citation Fee.
Responsible Staff Member(s): Sara Letton, Sustainability Coordinator
Item 15- Executive Summary.pdf
01- Staff Report EV Parking Ord (Second Reading).docx
02-Ordinance EV Parking on Public Spaces.pdf
03 - Resolution-Electric Vehicle Parking Spaces on City Property.pdf

**16.** 2025 Cannabis Revenues Grant Program Process and Guidelines
Requested Action / Suggested Motions: Pass a Resolution adopting the updated Cannabis Revenues Grant Program Process and Guidelines.
Responsible Staff Member(s): Sara Letton, Sustainability Coordinator
Item 16- Executive Summary.pdf
01 - Staff Report 2025 Update to Cannabis Revenues Guidelines.docx
02 - Resolution Cannabis Revenues Grant Program Guidelines 2025.docx
03 - Cannabis Revenues Grant Program Guidelines 2025 (Exh. A to Reso).pdf

**17.** 2024 Annual Comprehensive Financial Report (ACFR)
Requested Action / Suggested Motions: Receive and File.
Responsible Staff Member(s): Olga Tikhomirova, Director of Finance
Item 17- Executive Summary.pdf
01-Staff Report-2024_ACFR.pdf
02-2024 City of South Lake Tahoe ACFR
03-AUP Report.pdf
04-Single Audit Report.pdf

**18.** Agreement with Government Consulting Partners, Inc. for Citywide User Fee Study
Requested Action / Suggested Motions: Pass a Motion authorizing and directing the Mayor to execute Professional Services Agreement with Government Consulting Partners, Inc. for Citywide User Fee Study and Cost Allocation Plan Preparation in an amount not to exceed $70,835.00.
Responsible Staff Member(s): Olga Tikhomirova, Director of Finance
Item 18- Executive Summary.pdf
01-Staff Report User Fee Study.docx
02-PSA with GCP User Fee Study.pdf

**Regular-Unfinished Business**

**19.** Potential Amendments to 2018 Vacation Home Rental (VHR) Ordinance
Requested Action / Suggested Motions: Pass a Motion directing staff to prepare an ordinance making amendments desired, if any, to the 2018 VHR Regulations on one or more of the following topics: (1) prohibit or limit VHRs in certain residential areas; (2) establish a cap lower than 1400

VHRs outside the Tourist Core; (3) establish a buffer between VHRs; (4) prohibit VHRs in all multi-family dwellings; (5) require VHR owners to use a local property manager; (6) increase consequences for violations; (7) ensure VHR permit fee achieves complete cost recovery; (8) provide permitting preference for certain prior VHR and QVHR permit holders who were in good standing; (9) change VHR permitting authority from Development Services Department to Police Department; (10) phased permitting of no more than 150 VHR permits issued per month; and (11) Planning Commission decision on VHR permit denial and revocation appeals is final.
CEQA Determination: This item is exempt under CEQA Guidelines section 15061(b)(3) (common sense exemption).
Responsible Staff Member(s): Heather Stroud, City Attorney Joseph Irvin, City Manager
Item 19- Executive Summary.pdf
01 - Staff Report - 2018 VHR Ordinance Amendments.docx
02 - 2018 VHR Regulations.pdf

**20.** Potential Amendments to Vacation Home Rental Program Budget and Allocated Position Listing
Requested Action / Suggested Motions: Pass a Resolution Amending the FY 2024-2025 Vacation Home Rental (VHR) Program Budget and Changes to the Allocated Permanent Position Listing.
Responsible Staff Member(s): Olga Tikhomirova, Director of Finance
Item 20- Executive Summary.pdf
01-Staff_Report_VHR_Program_Budget_Amendments_rv.docx
02-Resolution_VHR_Budget_Amendments_2024-2025.docx
03-Position Allocaiton 24-25 Apr 20256 (Exh. A to Reso).pdf

**21.** Potential Amendment to Ordinance Regulating Shared Mobility Devices
Requested Action / Suggested Motions: Pass a Motion directing staff to prepare an ordinance making amendments desired, if any, to Chapter 4.185 (Shared Mobility Devices) of the South Lake Tahoe City Code on one or both of the following topics: (1) increase the City's liability protections from Shared Mobility Device accidents; and (2) increase safety measures for Shared Mobility Device operations.
Responsible Staff Member(s): Dan Bardzell, Assistant City Attorney; Jeff Roberson, Lieutenant
Item 21- Executive Summary.pdf
01_-_Staff_Report.docx

**22.** 2025-2030 Strategic Plan Adoption
Requested Action / Suggested Motions: Pass a Motion adopting the 2025-2030 Strategic Plan.
Responsible Staff Member(s): Joseph D. Irvin, City Manager
Item 22- Executive Summary.pdf
01-Staff Report 2025 Strategic Plan
03-Strategic Plan Timeline
02-SLT Strategic Plan Final Draft

**Regular-New Business**

**23.** Ordinance Designating Very High Fire Severity Zones (First Reading)
Requested Action / Suggested Motions:

Pass a Motion to hold first reading (by title only) of an Ordinance Designating Very High Fire Severity Zones, and refer second reading and adoption to the May 6, 2025 meeting.

Responsible Staff Member(s): Kim George, Fire Marshal and Jim Drennan, Fire Chief
Item 23- Executive Summary.pdf
01-Staff Report-Fire Severity Zones Ordinance.docx
02 - Rollout Plan
03 - Map (Exh. A to Ordinance)
04-Ordinance Designating Very High Fire Severity Zones.docx

05-Public Comment_Redacted.pdf

**24.** Stateline Transit Center Parking Enforcement Authorization Ordinance (First Reading)
Requested Action / Suggested Motions: 1) Pass a Motion to hold a first reading (by title only) of an Ordinance amending Article VII of Chapter 4.25 of the South Lake Tahoe City Code to add Section 4.25.607 authorizing City Council, by resolution, to establish certain parking prohibitions, restrictions, and regulations at municipal off-street parking facilities and refer to a second reading and adoption to the May 6, 2025 meeting; and, 2) Pass a Resolution establishing parking prohibitions, restrictions, and regulations for the Stateline Transit Center.
Responsible Staff Member(s): David Stevenson, Police Chief, and Anush Nejad, Director of Public Works
Item 24- Executive Summary.pdf
01-Staff Report-Stateline Transit Center.docx
02 - Ordinance to Amend Off Street Parking.docx
03 - Resolution Offsite Parking Stateline Transit Ctr 040725.docx
04 - Transit Center Parking Map (Exh. A to Reso).pdf

**25.** Approval of Donation Agreement with Kiwanis of Lake Tahoe for Multigenerational Recreation & Aquatics Center Scoreboards
Requested Action / Suggested Motions: Pass a Resolution: 1) approving donation in exchange for the Kiwanis name and logo “Kiwanis of Lake Tahoe" and "In Memory of Bob Baunhauser” on two scoreboards in the gym for new Multigenerational Recreation & Aquatics Center beginning April 22, 2025, for the lifetime of the two scoreboards; 2) transferring $20,000 from the South Tahoe Parks Foundation to Account #704-04290-36280 Rec Center Facilities and Operations; and, 3) authorizing and directing the Mayor to execute the Donation Agreement with Kiwanis of Lake Tahoe.
Responsible Staff Member(s): John Stark, Director of Parks & Recreation
Item 25- Executive Summary.pdf
01-Staff Report - Multigenerational Recreation & Aquatics Center Scoreboards Donation Approval & Funds Transfer.docx
02-Resolution-Donation Agreement with Kiwanis.docx
03-Donation Agreement with Kiwanis Scoreboards.pdf
04-Sponsorship Approval Form.pdf

**Agenda Planning Calendar**

**26.** Agenda Planning Calendar
Requested Action / Suggested Motions: Identify, with consent of at least two Council Member, 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
APC 04 16 2025.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 agenda for the Tuesday, April 22, 2025, City Council meeting was posted and available for review on Thursday, April 17, 2025, 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 April 17, 2025

\\sb\\ Susan Blankenship, Elected City Clerk

# City of South Lake Tahoe

**Agenda Item Executive Summary**

Joe Irvin, City Manager

**Meeting Date:** April 22, 2025
**Agenda Item #:**1

**Agenda Item:** Proclamation Recognizing April 2025 as "Neurodiversity and Autism Celebration Month"

**Requested Action / Suggested Motions:** Issue a Proclamation to Access Tahoe recognizing April 2025 as "Neurodiversity and Autism Celebration Month".

**Responsible Staff Member:** Susan Blankenship, City Clerk

**Attachments:**

Proclamation Recognizing April 2025 as Neurodiversity and Autism Celebration Month.pdf

**City of South Lake Tahoe**
**Proclamation**
**Recognizing April 2025 as**
**"Neurodiversity and Autism Celebration Month"**

**Whereas**, neurodiversity, including autism, is a lifelong aspect of human diversity that enriches our community, with individuals experiencing the world in unique ways, impacting communication, social interaction, and behavior; and

**Whereas**, the Centers for Disease Control and Prevention (CDC) reports that autism affects an estimated 1 in 36 children in the United States, highlighting the need for greater celebration, understanding, and support; and

**Whereas**, individuals who are neurodivergent, including those with autism, and their families deserve access to the resources, services, and opportunities necessary to lead fulfilling and meaningful lives; and

**Whereas**, Access Tahoe and the South Lake Tahoe Special Needs Community have been instrumental in advocating for inclusivity, education, and support for neurodivergent individuals and their families; and

**Whereas**, South Lake Tahoe is committed to fostering a welcoming, inclusive, and supportive community for all individuals, regardless of ability, and to promoting greater celebration and acceptance of neurodiversity; and

**Whereas**, Neurodiversity and Autism Celebration Month provides an opportunity to celebrate the unique strengths and talents of neurodivergent individuals, to support their families and caregivers, and to encourage meaningful action toward inclusivity.

**Now, therefore,** the City of South Lake Tahoe City Council do hereby proclaims April 2025 as "**Neurodiversity and Autism Celebration Month**" and encourages residents, businesses, and community organizations to increase their understanding, acceptance, and support of neurodivergent individuals. This Proclamation is presented with great appreciation to **Access Tahoe and the South Lake Tahoe Special Needs Community** in recognition of their continued dedication to advocating for and supporting neurodivergent individuals.

_____ _____

Tamara Wallace, Mayor Susan Blankenship, City Clerk

# City of South Lake Tahoe

**Agenda Item Executive Summary**

Joe Irvin, City Manager

**Meeting Date:** April 22, 2025
**Agenda Item #:**2

**Agenda Item:** City Council Strategic Planning Retreat, Regular Joint City Council and Planning Commission Ethics Training, Regular City Council and South Tahoe Joint Powers Parking Financing Authority, and Special City Council Meeting Minutes

**Executive Summary:** City Council are asked to formally adopt the minutes of the March 18, 2025, City Council Strategic Planning Retreat; March 25, 2025, Regular Joint City Council and Planning Commission Ethics Training, the Regular City Council and South Tahoe Joint Powers Parking Financing Authority meeting; and approving minutes from the April 1, 2025, Special City Council meeting

**Requested Action / Suggested Motions:** Pass a Motion approving minutes of the March 18, 2025, City Council Strategic Planning Retreat; March 25, 2025, Regular Joint City Council and Planning Commission Ethics Training, the Regular City Council and South Tahoe Joint Powers Parking Financing Authority meeting; and approving minutes from the April 1, 2025, Special City Council meeting.

**Responsible Staff Member:** Michelle Davis, Assistant City Clerk

**Reviewed and Approved By:** Susan Blankenship, City Clerk

**Attachments:**

01- 03 18 2025 City Council Strategic Planning Retreat Minutes.pdf
02- 03 25 2025 Joint City Council and Planning Commission Meeting Minutes.pdf
03- 03 25 2025 City Council and STJPPFA Meeting Minutes.pdf
04- 04 01 2025 Special City Council Meeting Minutes.pdf

# City of South Lake Tahoe
# City Council Strategic Plannnig Retreat
# Meeting Minutes
### Tuesday, March 18, 2025 at 9:00 a.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 Wallace read the Washoe Tribe of Nevada and California Land Acknowledgement.

**Call to Order/Pledge of Allegiance**
Mayor Wallace Called the meeting to order at 9:02 a.m., then led the pledge of allegiance.

**Roll Call**
Present were Mayor Wallace, Mayor Pro Tem Bass, and Councilmembers Robbins, Jinkens and Roberts.

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

**Closed Session Reports**
None.

**Public Communications**
**Public Comment was heard from the following people:**

1. Duane Wallace- Measure T (uphold court decision)
2. Lauren Gresh, RNR Vacation Rentals- Meaure T (uphold court decision)
3. Rick Curry- Meaure T (uphold court decision)
4. Caleb Fry- Meaure T (uphold court decision)
5. Stacey Ballard- Survey results from the strategic plan item packet, making accessibllity a top priority in the strategic plan
6. Mike Tincher- Measure T (uphold court decision)
7. Ayana Morali- Dedicated funding for housing stream
8. Duggan Smith- Meaure T (uphold court decision)
9. Annabelle Younana- Measure T (uphold court decision)

**Regular- New Business**

1. **Strategic Plan Retreat**
   **Action:** Particpated in a facilitated discussion to develop the 2025-2030 Strategic Plan, and provided direction on city policies, goals, and action items to be worked on during the next five years. The Strategic Plan will come back to Council on April 22 for final adoption.

**Adjournment**

Mayor Wallace adjourned the Meeting at 5:23 p.m.

Date:_____

_____
Tamara Wallace, 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
# Joint City Council & Planning Commission
# Meeting Agenda
# Tuesday, March 25, 2025 at 3:00 pm
# 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 Wallace read the Washoe Tribe of Nevada and California Land Acknowledgement.

**Call to Order/Pledge of Allegiance**
Mayor Wallace Called the meeting to order at 3:23 p.m., then led the pledge of allegiance.

**Roll Call**
Present were Mayor Wallace, Councilmembers Robbins, Jinkens and Roberts, and Commissioners Wieczorek, Feiger, Lucksinger, and Imhoff.

Mayor Pro Tem Bass and Commissioner Williams were absent.

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

**Public Communications**
**Public Comment was heard from the following people:**
1. Sue Norman- Federal Agency Support Resolutions *provided written material
2. Lou Perini- Public comment period during Planning Commission Meeting

**Written Public Comment was received from the following person:**
1. Judi Allen- Annexation Proposal info given to the Planning Commission

**Regular- New Business**
1. **AB 1234 Ethics Training Certification Requirement**
   **Action:** Received two hours of training in general ethics principles and ethics laws relevant to public service

**Adjourment**
Mayor Wallace adjourned the Meeting at 5:37 p.m.

Date:_____

_____
Tamara Wallace, 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
# City Council and South Tahoe Joint Powers Parking Financing Authority
# Meeting Minutes
### Tuesday, March 25, 2025 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 Wallace read the Washoe Tribe of Nevada and California Land Acknowledgement.

**Call to Order/Pledge of Allegiance**
Mayor Wallace Called the meeting to order at 5:52 p.m., then led the pledge of allegiance.

**Roll Call**
Present were Mayor Wallace, Mayor Pro Tem Bass, and Councilmembers Robbins, Jinkens and Roberts.

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

**Closed Session Reports**

1. **Conference with Legal Counsel – Existing Litigation – Government Code section 54956.9(d)(1) Case: *South Lake Tahoe Property Owners Group v. City of South Lake Tahoe*, El Dorado County Superior Court Case No. SC20180243**
   **Action:** No reportable action. This item will be scheduled for a Special City Council Meeting on April 1, 2025.
   **Note: The following people addressed Council at the March 25, 2025, 1:30 p.m. Special Closed Session:**
   1. Dan Brown- appeal court decision
   2. Peggy Borland, Tahoe Neighborhood's Group- appeal court decision
   3. Robert Henderson- uphold court decision
   4. Diane Reese- appeal court decision
   5. Jerry Goodman- appeal court decision
   6. Lisa Underwood, Tahoe Keys Resort- uphold court's decision
   7. Valerie Miller- uphold court's decision
   8. Chase Janvrin, Placemate- neutral
   9. Carol Bellerdowning- appeal court's decision
   10. Erick Asbury- uphold court's decision
   11. Alex Gleboff- uphold court's decision
   12. Tom Spencer- uphold court's decision
   13. Dr. Lenthal- uphold court's decision

14. Mark Salmon, South Lake Tahoe Property Owner's Group- uphold court's decision
15. Jessie Poller- uphold court's decision
16. Duggan Smith- uphold court's decision
17. Caleb Fry- uphold court's decision
18. Nicole Ladd- uphold court's decision
19. Judi Allen- uphold court's decision
20. John Dillie- uphold court's decision

**Written Public Comment was received from the following people:**

1. Caleb Fry- uphold court's decision
2. Jason Gizowski- uphold court's decision
3. Samantha Greenlee- uphold court's decision
4. Robyn Johnson- County VHR regulations
5. Scott- uphold court's decision
6. Peter Younan- uphold court's decision
7. Matt Bettencourt- uphold court's decision
8. Mark Brower- uphold court's decision
9. John Muchanan- uphold court's decision
10. Steve Teshara, Tahoe Chamber- uphold court's decision
11. Seth Dallob- uphold court's decision
12. Joel Elias- uphold court's decision
13. Jack Grothe- uphold court's decision
14. Diana Hamilton-Smith- appeal court's decision
15. Scott and Stacy Oishi- uphold court's decision
16. Kristin Scalva- uphold court's decision
17. Duane Wallace, South Tahoe Chamber of Commerce- uphold court's decision
18. Dylan hastings, South Tahoe Association of Realtors- uphold court's decision
19. Adam Weckesser- uphold court's decision

**Public Communications**

**Public Comment was heard from the following people:**

1. Duane Wallace, South Tahoe Chamber of Commerce- Measure T (uphold court decision)
2. Shannon Witt, South Tahoe Association fo Realtors- Measure T (uphold court decision)
3. Scott Loberg- Measure T (uphold court decision), need for Town Plan updates
4. Eric Island- Measure T (uphold court decision)
5. Lauren Gresh, RNR Vacation Rentals- Measure T (uphold court decision)
6. Angie Reagan, Access Tahoe- State of the South Lake Tahoe Senior Center
7. Duggan Smith- (uphold court decision)

**Consent Agenda**

**Action:** Moved/Seconded: Bass/Roberts
**Yes:** Wallace, Bass, Robbins, Jinkens, Roberts
**Note: Councilmember Jinkens voted No on Items 2 and 3, Councilmember Roberts abstained from voting on Item 3.**

1. **Regular City Council Meeting Minutes**
   **Action:** Passed **Motion 2025-028** approving the minutes of the February 25, 2025, Regular City Council Meeting.

2. **2024-2025 Master Fee Schedule**
   **Note: Councilmember Jinkens voted no on this item.**
   **Action:** Passed **Resolution 2025-015** adopting the Annual Master Schedule of Fees and Charges for City Services.

3. **Agreement with On Course Events for Live at Lakeview Summer Concert Series**
   **Note: Councilmember Roberts recused himself from voting on this item due to his employment, and Councilember Jinkens voted No.**
   **Action:** Passed **Resolution 2025-016** authorizing and directing the Mayor to execute an Agreement with On Course Events **(C-047-2025)** to produce Live at Lakeview Summer Concert Series and authorizing the Finance Director to amend FY 24/25 budget to appropriate additional $5,000 from General Fund Undesignated Excess Reserves into the Special Events account designated to provide additional funding requested to support the 2025 Live at Lakeview series**.**

4. **Division of Boating and Waterways Boating Safety and Enforcement Equipment Grant Application Authorization**
   **Action:** Passed **Resolution 2025-017** authorizing Police Department staff to apply for grant funding through the Division of Boating and Waterway Boating Safety and Enforcement Equipment Grant in an amount up to $110,000 to replace the police boats outboard motors.

5. **Ratification of Amendment 2 to Agreement with Lumos for Pioneer Trail Highway Safety Improvement Project (HSIP)**
   **Action:** Passed **Motion 2025-029** authorizing and directing the Mayor to execute Ratification of Amendment with Lumos & Associates **(C-048-2025)**, in the total amount of $15,000 for a not-to-exceed total contract amount of $71,000, and extending the term to October 31, 2025, for the design and construction support services for the Pioneer Trail HSIP project.

**Regular- Unfinished Business**

6. **Purchase of Real Property at 2111-2121 Lake Tahoe Boulevard from BMO Bank N.A.**
   **Action:** Moved/Seconded: Jinkens/Robbins
   **Yes:** Wallace, Bass, Robbins, Jinkens, Roberts
   **Action:** Passed **Motion 2025-029** authorizing and directing the Mayor to execute the Purchase and Sale Agreement with BMO Bank N.A. **(C-049-2025)** for the purchase of approximately 73,108 square feet of real property in the amount of $940,000, and authorizing the City Manager to execute further documents take further actions necessary to implement the Purchase and Sale Agreement.
   **Public Comment was heard from the following person:**
   1. Scott Loberg

7. **Community Choice Aggregation Feasibility Study**
   **Action:** Moved/Seconded: Bass/Robbins
   **Yes:** Wallace, Bass, Robbins, Jinkens, Roberts
   **Action:** Passed **Motion 2025-030** directing staff to pursue joining a Community Choice Aggregation program and authorizing and directing the Mayor to execute an application for Affiliate Membership with CalCCA.
   **Public Comment was heard from the following people:**
   1. Don Eckert
   2. Danielle Hughes, Tahoe Spark
   3. Scott Loberg
   4. Blake Herrschaft

**City Council and South Tahoe Joint Powers Parking Authority- New Business**

8. **Establishing an Electric Vehicle Charging Rate for Public Chargers, $0.4108 per kWh.**
   **Action:** Moved/Seconded: Bass/Jinkens
   **Yes:** Wallace, Bass, Robbins, Jinkens, Roberts
   **Action:** 1) Acting as the City Council, Passed **Resolution 2025-018** adopting an electric vehicle charging rate structure for City-owned publicly available electric vehicle chargers; and (2) Acting as the South Tahoe Joint Powers Parking Financing Authority, Passed **STJPPFA Resolution 2025-001** establishing an electric vehicle charging rate structure for public chargers at the Parking Garage.
   **Public Comment was heard from the following people:**
   1. Scott Loberg

**Regular- New Business**

9. **Electric Vehicle Parking Ordinance (First Reading)**
   **Action:** Moved/Seconded: Jinkens/Roberts
   **Yes:** Wallace, Bass, Robbins, Jinkens, Roberts
   **Action:** Passed **Motion 2025-031** to hold a first reading (by title only) of an Ordinance establishing electric vehicle parking regulations and refer to a second reading and adoption to the April 22, 2025, meeting.
   **Public Comment was heard from the following people:**
   1. Scott Loberg

10. **Fiscal Year 2024-2025 Mid-Year Budget Review, Amendments to the Allocated Permanent Position Listing, and Five-Year Financial Plan Update**
    **Action:** Moved/Seconded: Bass/Roberts
    **Yes:** Wallace, Bass, Robbins, Roberts
    **Abstain:** Jinkens
    **Action:** Passed **Resolution 2025-019** approving FY 2024-2025 Mid-Year Budget Adjustments, Amendments to the Allocated Permanent Positions Listing for Changes Made during Mid-Year and Corresponding Salary Tables.
    **Public Comment was heard from the following people**:
    1. Scott Loberg
    2. David Gregorich, Parks and Recreation Commission, Parks Foundation
    3. Duane Wallace, Kiwanis Club, South Tahoe Chamber of Commerce

11. **South Tahoe Transit Joint Powers Authority Startup Budget Contribution and Allocation of Transportation Manager and Accountant Positions**
    **Action:** Moved/Seconded: Bass/Jinkens
    **Yes:** Wallace, Bass, Robbins, Jinkens, Roberts
    **Action:** Passed **Resolution 2025-020** authorizing $108,992 Budget Appropriations from General Fund Undesignated Excess Reserves for the South Tahoe Transit JPA Startup Budget and Amending the FY 2024/2025 Allocated Permanent Position Listing to add Transportation Manager and Accountant positions.

**Agenda Planning Calendar**

12. **Agenda Planning Calendar**
    **Action:** City Manager Irvin noted a Special meeting would be scheduled for April 1, 2025. The Shared Mobility Device and the Tahoe Coalition for the Homeless Pay for Success program discussions would be held April 22, 2025.

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

**City Clerk Blankenship**

1. Proclamation request recognizing April 2025, as Autism and Neurodiversity Celebration Month (Council provided consensus)

**City Manager Irvin**

1. Upcoming Liberty Utilities Customer Service Forum
2. Upcoming El Dorado Local Agency Formation Commission meeting

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

**Councilmember Robbins**

1. Request for an agenda item on grants and other funding mechanisms for utility undergrounding (Jinkens seconded)
2. Request for an agenda item on an adjusting the City's ethics requirements (Jinkens seconded)

**Mayor Wallace**

1. Filmed cooking show with City Manager Irvin where they discussed CIP projects. This will air on Channel 21.

**Adjourment**

Mayor Wallace adjourned the Meeting at 7:54 p.m.

Date:_____

_____
Tamara Wallace, 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
# Special City Council
# Meeting Agenda
# Tuesday, April 1, 2025 at 5:30 pm
# 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 Wallace read the Washoe Tribe of Nevada and California Land Acknowledgement.

**Call to Order/Pledge of Allegiance**
Mayor Wallace Called the meeting to order at 5:40 p.m., then led the pledge of allegiance.

**Roll Call**
Present were Mayor Wallace, Mayor Pro Tem Bass, and Councilmembers Robbins, Jinkens, and Roberts.

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

**Closed Session**

1. **Conference with Legal Counsel – Existing Litigation – Government Code section 54956.9(d)(1) Case: South Lake Tahoe Property Owners Group v. City of South Lake Tahoe, El Dorado County Superior Court Case No. SC20180243**
   **Public Comment was heard from the following people:**
   1. Jerry Goodman- Put Measure T back on the ballot
   2. John Messina- uphold court's decision
   3. Dan May- appeal court's decision
   4. No name provided- appeal court's decision
   5. Janice Stillions– appeal court's decision
   6. Mark Bower- uphold court's decision
   7. Barbara Knapp- appeal court's decision
   8. Mark Salmon, South Lake Tahoe Property Owner's Group- uphold court's decision
   9. Stu Roberson- uphold court's decision
   10. Steven Imhoff- uphold court's decision
   11. Caleb Fry- uphold court's decision
   12. Shawna Riva- uphold court's decision
   13. Steve Teshara, Tahoe Chamber- uphold court's decision
   14. Duane Wallace, South Tahoe Chamber of Commerce- uphold court's decision

15. Lauren Gresh, RNR Vacation Rentals- uphold court's decision
16. Ed Mosur- appeal court's decision
17. Lisa Underwood, Tahoe Keys Resort- uphold court's decision
18. Marjorie Green- uphold court's decision
19. Diane Reese, Tahoe Neighborhood's Group- uphold court's decision
20. Samantha Epperson, RNR Vacation Rentals- uphold court's decision
21. Ravi- uphold court's decision
22. Roberta Hainline- uphold court's decision
23. Melissa Soderston- appeal court's decision
24. Deepak Sharma- uphold court's decision
25. Duggan Smith- uphold court's decision
26. Lynn Thull- uphold court's decision
27. Sayli Karmarkar- uphold court's decision
28. Blake Hersheft- Need for six month moritorium
29. Sean Ward, Lux Vaca- uphold court's decision
30. Francesca Benling- appeal court's decision
31. Amelia Richmond- appeal court's decision

**Written Public Comment was received from the following people:**

1. Cynthia Samuel- uphold court's decision
2. Lynn Thull- uphold court's decision
3. Daniel Ying- uphold court's decision
4. Mark Brower- uphold court's decision
5. Emilie Cappella- uphold court's decision
6. Yu Chen- uphold court's decision
7. Dan Cockrum- appeal court's decision
8. Del Valle Family- uphold court's decision
9. Caleb Fry (3) - uphold court's decision
10. Roberta Hainline- uphold court's decision
11. Luke and Mallory Janiszewski- appeal court's decision
12. Gayla and Steve Jurevich- uphold court's decision
13. Paul and Vicky Kaleta- uphold court's decision
14. Jordan Korczak- uphold court's decision
15. Oliver Marlar- uphold court's decision
16. Todd mcIntyre- uphold court's decision
17. John Messina, Lake Tahoe Taxpayers Association- uphold court's decision
18. Joseph Petty- uphold court's decision
19. Kristen Schwartz- appeal court's decision
20. Madison Sites and Shawn Hoffman- appeal court's decision
21. Wes Smith- uphold court's decision
22. Sean Ward- uphold court's decision
23. Stephen Weil- uphold court's decision
24. Sami Younan- uphold court's decision
25. Steve Yun- uphold court's decision

**Closed Session Report- April 1, 2025**

**City Attorney Stroud reported Council voted 4-1 (Robbins No) to uphold the court's decision.**

**New Business**

**2.Urgency Ordinance to Establish Temporary Moratorium on Issuance of Vacation Home Rental Permits in Areas Where Permits Were Prohibited by Measure T**

**Action:** Moved/Seconded: Jinkens/Roberts
**Yes:** Wallace, Bass, Robbins, Jinkens,Roberts
**Action:** Passed **Urgency Ordinance 2025-1193** Adopting a Temporary Moratorium on the Issuance of Vacation Home Rental Permits in Areas Where Permits Were Prohibited by Measure T
**Public Comment was heard from the following people:**

1. Lisa Underwood, Tahoe Keys Resort
2. Dan May
3. Miss Whit
4. Ed Mosur
5. Stu Roberson
6. Caleb Fry
7. Blake Hersheft
8. Duggan Smith

**Adjourment**

Mayor Wallace adjourned the Meeting at 8:49 p.m.

Date:_____

_____
Tamara Wallace, 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:** April 22, 2025
**Agenda Item #:**3

**Agenda Item:** Reimbursable Agreement with the Federal Aviation Administration for Flight Inspection on Runway 18

**Executive Summary:** The airport's current Precision Approach Path Indicator (PAPI) system has been damaged beyond repair and requires replacement. To facilitate this project, the airport has contracted Woolpert for the design and project management of the new system. As part of the process, the Federal Aviation Administration (FAA) will conduct a flight check to verify the alignment of the newly installed system. All funds not used will be retuned to the airport after completion.

**Requested Action / Suggested Motions:** Pass a Resolution authorizing the Airport Manager to execute a Reimbursable Agreement with the Federal Aviation Administration (FAA) and approving budget appropriation of $12,587.40 for Flight Inspection of the Precision Approach Path Indicators (PAPI) on Runway 18.

**Responsible Staff Member:** John Dickinson, Airport Manager

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

**Attachments:**

01- Staff Report PAPI
02- Resolution PAPI
03- AC-007230 South Lake Tahoe CA.pdf

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

## Meeting Date: April 22, 2025

**Title: Reimbursable Agreement with the Federal Aviation Administration for Flight Inspection on Runway 18**

**Location:** Lake Tahoe Airport

**Responsible Staff Member:** John Dickinson, Airport Manager (530) 542-6182

**Background:** The airport's existing Precision Approach Path Indicator (PAPI) system has become outdated and is no longer suitable for the needs of the airport. As a result, a replacement is necessary to maintain safety and ensure compliance with aviation standards. Woolpert has been contracted to handle both the design and project management of this replacement system. The contractor for the build will be selected on March 28, 2025, after a formal bidding process.

In accordance with Federal Aviation Administration (FAA) regulations, before the new PAPI system can be certified for use, a flight check must be performed to verify the system's proper alignment and functionality. This flight check is a critical step in ensuring the accuracy and safety of the system before it is fully operational.

**Issue and Discussion:** The Federal Aviation Administration under Title 49 § 106 (1)(6) can furnish services directly to the Lake Tahoe Airport since the FAA has the unique skills and capability to provide the services and can help advance the FAA's mission to provide a reconfiguration flight inspection of the PAPI on Runway 18 (1 trip). The FAA will perform the scope of work through the FAA Flight Program Operations, Flight Management Group. The City will pay for the services; upon submission of the invoice. The FAA will reimburse the City once the flight check is completed.

**Financial Implications:** Authorize Finance Director to appropriate budget in account number 501 05130 Airfield Area as follows:

FAA Revenue 33112: $12,587.40
FAA Expense 42020: $12,587.40

**Environmental Considerations:** The project is exempt from review under CEQA Guidelines section 15301(d) (Existing Facilities – restoration or rehabilitation of deteriorated or damaged facilities to meet current standards of public health and safety).

**Policy Implications:** The FAA flight check is needed to commission the new PAPI System and will document the certification of airport PAPI system.

# Resolution 2025-XXX

**Adopted by the City of South Lake Tahoe**
**City Council**

**April 22 2025**

**Reimbursable Agreement with the Federal Aviation Administration (FAA) and Approving Budget Appropriation of $12,587.40 for Flight Inspection of the Precision Approach Path Indicators (PAPI) on Runway 18**

A. The Airport Manager must execute the reimbursable agreement with the Federal Aviation Administration (FAA) to authorize the flight check and certification of the new Precision Approach Path Indicator (PAPI) system.

B. Federal Aviation Administration is authorized under Title 49 U.S.C. § 106(1)(6) to perform such services.

C. The Federal Aviation Administration will reimburse the City for the expenses incurred for the flight inspection in the amount $12,587.40.

**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 the Airport Manager to execute FAA Reimbursable Agreement Number AJF-ON-AAC-25-AC-007230 in the amount of $12,587.40.

2. Authorizes revenue and reimbursable expense budget appropriations for the inspection in the amount of $12,587.40 into account number 501 05130, Airfield Area as follows:

| | | |
|---|---|---|
| FAA Revenue | 33112: | $12,587.40 |
| Professional Services | 42030: | $12,587.40 |

Adopted by the City of South Lake Tahoe City Council on April 22, 2025, by the following vote:

Yes:
No:
Abstain:
Absent:

_____ Date: _____
Tamara Wallace, 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.

# NON-FEDERAL REIMBURSABLE AGREEMENT

**BETWEEN**

**DEPARTMENT OF TRANSPORTATION**
**FEDERAL AVIATION ADMINISTRATION**

**AND**

**CITY OF SOUTH LAKE TAHOE**
**SOUTH LAKE TAHOE, CA**

**WHEREAS**, the Federal Aviation Administration (FAA) can furnish directly or by contract, material, supplies, equipment, and services which the **City of South Lake Tahoe** (Sponsor) requires, has funds available for, and has determined should be obtained from the FAA;

**WHEREAS,** it has been determined that competition with the private sector for provision of such material, supplies, equipment, and services is minimal; the proposed activity will advance the FAA's mission; and the FAA has a unique capability that will be of benefit to the Sponsor while helping to advance the FAA's mission;

**NOW THEREFORE**, the FAA and the Sponsor mutually agree as follows:

## ARTICLE 1. Parties

The Parties to this Agreement are the FAA-Flight Program Operations and **City of South Lake Tahoe.**

## ARTICLE 2. Type of Agreement

This Agreement is an "other transaction" authorized under 49 U.S.C. § 106(l)(6). It is not intended to be, nor will it be construed as, a partnership, corporation, joint venture or other business organization.

## ARTICLE 3. Scope

A. The purpose of this Agreement between the FAA and the Sponsor is to **provide a reconfiguration flight inspection of the PAPI on Rwy 18 & commissioning flight inspection of the MIRLs on Rwys 18/36 at Lake Tahoe Airport (KTVL) South Lake Tahoe, CA.** This Agreement provides funding for the FAA to establish these services. Therefore, this Agreement is titled:

**City of South Lake Tahoe, South Lake Tahoe, CA**

B. The FAA will **perform a reconfiguration flight inspection of the PAPI on Rwy 18 & commissioning flight inspection of the MIRLs on Rwys 18/36 at Lake Tahoe Airport (KTVL) South Lake Tahoe, CA.**

C. The Sponsor will perform the following activities:

1. Provide funding as estimated in Article 7.

2. Upon signature and payment of agreement, contact Richard Montgomery at 405-954-0792 or Richard.Montgomery@faa.gov once the site is ready for inspection. You may also call the Oklahoma City Service Center if you have any questions at 405-954-9780.

D. This agreement is in whole or in part funded with funding from an AIP grant [ ] Yes [X] No. If Yes, the grant date is: n/a and the grant number is: n/a. If the grant information is not available at the time of agreement execution, the Sponsor will provide the grant information to the FAA when it becomes available.

**ARTICLE 4. Points of Contact**

A. FAA:

1. The FAA**, Flight Program Operations, Program Support Group** will provide administrative oversight of this Agreement. **Shelley Ochs** is the **Agreement Coordinator** and liaison with the Sponsor and can be reached at 405-954-5757 or via email at shelley.d.ochs@faa.gov. This liaison is not authorized to make any commitment, or otherwise obligate the FAA, or authorize any changes which affect the estimated cost, period of performance, or other terms and conditions of this Agreement.

2. The FAA, **Flight Program Operations, Flight Operations Group** will perform the scope of work included in this Agreement. **Richard Montgomery is** the **Lead Scheduler**, Flight Program Operations, and liaison with the Sponsor for any Flight Inspection issues and can be reached at 405-954-9780 or via email at richard.montgomery@faa.gov. These liaisons are not authorized to make any commitment, or otherwise obligate the FAA, or authorize any changes which affect the estimated cost, period of performance, or other terms and conditions of this Agreement.

3. FAA Contracting Officer: The execution, amendment, and administration of this Agreement must be authorized and accomplished by the **Contracting Officer**, **Michele Mustin** who can be reached at 405-954-7879 or via email at michele.d.mustin@faa.gov.

B. Sponsor:

**Sponsor:** **City of South Lake Tahoe**
**ATTN:** **John Dickinson, Airport Manager**
**Address:** **1901 Lisa Maloff Way, Suite 100**
**South Lake Tahoe, CA 96150-7004**
**Phone:** **530-307-2652**
**Email:** **jdickinson@cityofslt.us**

**ARTICLE 5. Non-Interference with Operations [RESERVED]**

**ARTICLE 6. Property Transfer [RESERVED]**

**ARTICLE 7. Estimated Costs**

A. The estimated FAA costs associated with this Agreement are as follows:

| DESCRIPTION OF REIMBURSABLE ITEM | ESTIMATED COST |
|---|---|
| **LABOR** | |
| NA | **$0** |
| | |
| **NON-LABOR** | |
| Flight Inspection | **$11,655.00** |
| Non-Labor Overhead (8%) | **$ 932.40** |
| Total Non-Labor | **$12,587.40** |
| TOTAL ESTIMATED COST | **$12,587.40** |

**Detailed Estimate:**

**Flight Inspection Estimated Cost**

| ***Beech Rate $3,330/hr*** | **Type** | **Hours** | **Inspections** | **Estimated Cost** |
|---|---|---|---|---|
| **PAPI Rwy 18** | **Reconfiguration** | | | |
| **MIRLs Rwys 18/36 at KTVL** | **Commission** | **3.5** | **1** | **$11,655.00** |
| | | **8% Administrative Overhead** | | **$ 932.40** |
| | | | **Total Estimated Cost** | **$12,587.40** |

B. FAA reserves the right to determine which aircraft will be used for flight inspections. Flight hour rates will be adjusted automatically according to FAA Order 4040.28 (current edition), Application of Flight Hour Rates, or as approved by the Flight Program Executive. The **estimate** is based on rates in effect at the time this Agreement is signed.

C. Estimated costs contained herein are for planning purposes only and can vary depending on the actual aircraft used, and actual flight hours expended to reach the facility and to accomplish the inspection. As required by regulation, the final bill submitted to the Sponsor will reflect actual hours and costs to the FAA.

D. Sponsor will be notified of any necessary deviations or changes to the instrument flight procedure and agrees to negotiate with the FAA to resolve additional reimbursement issues exceeding 10% of the cost estimate, in accordance with Article 9.

E. FAA flight inspection aircraft may be delayed from scheduled itineraries for unanticipated reasons such as a National Airspace System priority, weather, or unscheduled aircraft maintenance. FAA is not responsible for any additional cost the Sponsor may incur if an inspection must be rescheduled.

**ARTICLE 8. Period of Agreement and Effective Date**

The effective date of this Agreement is the date of the last signature. This Agreement is considered complete when the final invoice is provided to the Sponsor and a refund is sent or payment is received as provided for in Article 9, Section D of this Agreement. This Agreement will not extend more than five years beyond its effective date.

**ARTICLE 9. Reimbursement and Accounting Arrangements**

A. The Sponsor agrees to prepay the entire estimated cost of the Agreement. The Sponsor will send an electronic copy of the Agreement to the FAA Agreement Coordinator for FAA signature. The Sponsor will also send a copy of the executed Agreement and submit full advance payment in the amount stated in Article 7 to the Reimbursable Receipts Team listed in Section C of this Article. The advance payment will be held as a non-interest bearing deposit. Such advance payment by the Sponsor must be received before the FAA incurs any obligation to implement this Agreement. Upon completion of this Agreement, the final costs will be netted against the advance payment and, as appropriate, a refund or final bill will be sent to the sponsor. Per U.S. Treasury guidelines, refunds under $1.00 will not be processed. Additionally, FAA will not bill the sponsor for amounts less than $1.00.

B. The Sponsor certifies that arrangements for sufficient funding have been made to cover the estimated costs of the Agreement.

C. The Reimbursable Receipts Team is identified by the FAA as the billing office for this Agreement. The Sponsor will send an electronic copy of the executed Agreement to the Agreement Coordinator and submit the advance payment to the Reimbursable Receipts Team. The preferred method of payment for this agreement is via Pay.Gov. The sponsor can use a check or credit card to provide funding in this manner and receipt-processing time is typically within 3 working days. Alternatively, the sponsor can mail the payment to the address shown below. All payments mailed to the FAA must include the Agreement number, Agreement name, Sponsor name, and project location. Payments submitted by mail are subject to receipt-processing delay of up to 10 working days.

FAA payment remittance address using USPS:

DOT/FAA/ESC
P.O. Box 25770
AMK-322 – MPB 328
Oklahoma City, OK 73125

FAA payment remittance address using Fed Ex/ UPS/USPS Priority (**overnight)**:

DOT/FAA/ESC
AMK-322 – MPB328
6500 S. MacArthur Blvd.
Oklahoma City, OK 73169

The Sponsor hereby identifies the office to which the FAA will render bills for the project costs incurred as:

**City of South Lake Tahoe**
**ATTN: John Dickinson, Airport Manager**
**1901 Lisa Maloff Way, Suite 100**
**South Lake Tahoe, CA 96150-7004**
**530-307-2652**
**jdickinson@cityofslt.us**

D. The FAA will accept payments under this Article from only one of two sources: either (1) the Sponsor or (2) a Third Party on behalf of the Sponsor, and the same source must make all required payments. If a Third Party makes the payments, then any refund due from FAA upon completion of the Agreement will be returned to that Third Party.

E. The cost estimates contained in Article 7 are expected to be the maximum costs associated with this Agreement, but may be amended to recover the FAA's actual costs. If during the course of this Agreement actual costs are expected to exceed the estimated costs, the FAA will notify the Sponsor immediately. The FAA will also provide the Sponsor an amendment to the Agreement which includes the FAA's additional costs. The Sponsor agrees to prepay the entire estimated cost of the amendment. The Sponsor will send a copy of the executed amendment to the Agreement to the Reimbursable Receipts Team with the additional advance payment. Work identified in the amendment cannot start until receipt of the additional advance payment. In addition, in the event that a contractor performing work pursuant to the scope of this Agreement brings a claim against the FAA and the FAA incurs additional costs as a result of the claim, the Sponsor agrees to reimburse the FAA for the additional costs incurred whether or not a final bill or a refund has been sent.

## ARTICLE 10. Changes and Amendments

Changes and/or amendments to this Agreement will be formalized by a written amendment that will outline in detail the exact nature of the change. Any amendment to this Agreement will be executed in writing and signed by the authorized representative of each party. The parties signing this Agreement and any subsequent amendment(s) represent that each has the authority to execute the same on behalf of their respective organizations. No oral statement by any person will be interpreted as amending or otherwise affecting the terms of the Agreement. Any party to this Agreement may request that it be amended, whereupon the parties will consult to consider such amendments.

## ARTICLE 11. Termination

In addition to any other termination rights provided by this Agreement, either party may terminate this Agreement at any time prior to its expiration date, with or without cause, and without incurring any liability or obligation to the terminated party other than payment of amounts due and owing and performance of obligations accrued, in each case on or prior to the termination date, by giving the other party at least thirty (30) days prior written notice of termination. Payment of amounts due and owing may include all costs reimbursable under this Agreement, not previously paid, for the performance of this Agreement before the effective date of the termination; the total cost of terminating and settling contracts entered into by the FAA for the purpose of this Agreement; and any other costs necessary to terminate this Agreement. Upon receipt of a notice of termination, the receiving party will take immediate steps to stop the accrual of any additional obligations which might require payment. All funds due after termination will be netted against the advance payment and, as appropriate, a refund or bill will be issued.

## ARTICLE 12. Order of Precedence [RESERVED]

**ARTICLE 13. Legal Authority**

This Agreement is entered into under one or more of the following authorities: 49 U.S.C. § 106(l), 31 U.S. Code 6505 Intergovernmental Cooperation Act. Under these authorities, the Administrator of the FAA is authorized to enter into and perform such contracts, leases, cooperative agreements and other transactions as necessary to carry out the functions of the Administrator and the Administration on such terms and conditions as the Administrator considers appropriate. Nothing in this Agreement will be construed as incorporating by reference or implication any provision of Federal acquisition law or regulation.

**ARTICLE 14. Disputes**

Where possible, disputes will be resolved by informal discussion between the parties. In the event the parties are unable to resolve any dispute through good faith negotiations, the dispute will be resolved by alternative dispute resolution using a method to be agreed upon by the parties. The outcome of the alternative dispute resolution will be final unless it is timely appealed to the Administrator, whose decision is not subject to further administrative review and, to the extent permitted by law, is final and binding (see 49 U.S.C. § 46110).

**ARTICLE 15. Warranties**

The FAA makes no express or implied warranties as to any matter arising under this Agreement, or as to the ownership, merchantability, or fitness for a particular purpose of any property, including any equipment, device, or software that may be provided under this Agreement.

**ARTICLE 16. Insurance**

The Sponsor will arrange by insurance or otherwise for the full protection of itself from and against all liability to third parties arising out of, or related to, its performance of this Agreement. The FAA assumes no liability under this Agreement for any losses arising out of any action or inaction by the Sponsor, its employees, or contractors, or any third party acting on its behalf.

**ARTICLE 17. Limitation of Liability**

To the extent permitted by law, the Sponsor agrees to indemnify and hold harmless the FAA, its officers, agents and employees from all causes of action, suits or claims arising out of the work performed under this Agreement. However, to the extent that such claim is determined to have arisen from the act or omission by an officer, agent, or employee of the FAA acting within the scope of his or her employment, this hold harmless obligation will not apply and the provisions of the Federal Tort Claims Act, 28 U.S.C. § 2671, et seq., will control. The FAA assumes no liability for any losses arising out of any action or inaction by the Sponsor, its employees, or contractors, or any third party acting on its behalf. In no event will the FAA be liable for claims for consequential, punitive, special and incidental damages, claims for lost profits, or other indirect damages.

**ARTICLE 18. Civil Rights Act**

The Sponsor will comply with Title VI of the Civil Rights Act of 1964 relating to nondiscrimination in federally assisted programs.

**ARTICLE 19. Protection of Information**

The parties agree that they will take appropriate measures to identify and protect proprietary, privileged, or otherwise confidential information that may come into their possession as a result of this Agreement.

**ARTICLE 20. Security**

In the event that the security office determines that the security requirements under FAA Order 1600.72A applies to work under this Agreement, the FAA is responsible for ensuring that security requirements, including compliance with AMS clause 3.14.2.1, Contractor Personnel Suitability Requirements are met.

**ARTICLE 21. Entire Agreement**

This document is the entire Agreement of the parties, who accept the terms of this Agreement as shown by their signatures below. In the event the parties duly execute any amendment to this Agreement, the terms of such amendment will supersede the terms of this Agreement to the extent of any inconsistency. Each party acknowledges participation in the negotiations and drafting of this Agreement and any amendments thereto, and, accordingly that this Agreement will not be construed more stringently against one party than against the other. If this Agreement is not executed by the Sponsor within 120 calendar days after the FAA transmits it to the Sponsor, the terms contained and set forth in this Agreement shall be null and void. Additionally, the FAA expects this agreement to be funded within 120 days of execution, if funding is not received by that date; the FAA may exercise the right to renegotiate estimated costs.

**AGREED:**

| **FEDERAL AVIATION ADMINISTRATION** | | **CITY OF SOUTH LAKE TAHOE** | |
|---|---|---|---|
| SIGNATURE | | SIGNATURE | |
| NAME | Michele Mustin | NAME | John Dickinson |
| TITLE | Contracting Officer | TITLE | Airport Manager |
| DATE | | DATE | |

# City of South Lake Tahoe

**Agenda Item Executive Summary**

Joe Irvin, City Manager

**Meeting Date:** April 22, 2025
**Agenda Item #:**4

**Agenda Item:** Amendment No. 2 to Airport Food and Beverage Lease and Concession Agreement with Flight Deck Grill & Golf Club, LLC

**Executive Summary:** The new tenant has requested another extension for buildout and opening due to scheduling issues with its contractors. The Airport Manager requests that City Council authorize an amendment to the lease agreement to allow for 90 days (from amendment) to complete tenant improvements and open to the public. Due to the presence of a load-bearing wall in the visitor center area, a space reassignment is necessary. The functions of the visitor center and Office 106 will be swapped to accommodate structural constraints. Office 106 will now be designated as cold storage for the restaurant, while the current visitor center space will become Office 106 and be used for airport operations.

**Requested Action / Suggested Motions:** Pass a Motion authorizing and directing the Mayor to execute Amendment No. 2 to Airport Food & Beverage Lease & Concession Agreement Amendment with Flight Deck Grill & Golf Club, LLC, to extend the time for an additional 90 days to complete tenant improvements and open to the public, Also approving space change within the terminal.

**Responsible Staff Member:** John Dickinson, Airport Manager

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

**Attachments:**

01- Staff Report Flight Deck Golf and Grill
02- Amendment Flight Deck Golf and Grill
03- C-238-2024 Flight Deck Lease.pdf
04-C-269-2024 Amendment No. 1 to Agreement with Flight Deck.pdf

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

## Meeting Date: April 22, 2025

**Title: Amendment No. 2 to Airport Food & Beverage Lease & Concession Agreement with Flight Deck Grill & Golf Club, LLC**

**Location:** Airport, 1901 Lisa Maloff Way, Suite 105 (Restaurant), South Lake Tahoe, CA 96150

**Responsible Staff Member:** John Dickinson, Airport Manager

**Background:** The Airport Restaurant is located in Suite 105 encompassing an area of 3,781 SF of which 923 SF is an outdoor observation deck. Suite 105 has operated as an airport restaurant/bar since 1970.

As approved by City Council on September 10th, 2024, the Airport entered into a new lease with the Flight Deck Bar and Golf, LLC until 2029. This lease is vital the overall revenue of the Airport and helps attract pilots and other individuals.

**Issue and Discussion:** The Airport is seeking approval of Contract Amendment No. 2 for the restaurant to allow additional time for buildout and opening. The requested 90-day extension will accommodate the permitting and construction process. In addition, due to structural constraints caused by a load-bearing wall in the visitor center area, a reassignment of space is necessary. Office 106 and the visitor center will exchange functions: Office 106 will be repurposed as cold storage for the restaurant, while approximately half of the current visitor center space will be redesignated as the new Office 106 for airport use.

**Financial Implications:** This lease has already been executed and just needs an extension to the opening date for the restaurant. There will be no financial implications resulting from the agreement amendment. The rental payments will begin according to the original terms of the agreement. Also, the space within the visitor center will become the airport space at 2.30 a square foot.

**Environmental Considerations:** The proposed action is categorically exempt from environmental review under the California Environmental Quality Act (CEQA) under CEQA Guidelines section 15301 (Existing Facilities) because it involves the leasing of existing public facilities involving negligible or no expansion of existing or former use.

**Policy Implications:** The restaurant is a continuing conforming use of the airport terminal building. This lease will continue to provide revenue to the Airport and will provide additional convenience to the visitors to the Airport.

# AMENDMENT No. 2 TO FOOD & BEVERAGE LEASE AND CONCESSION AGREEMENT

This Amendment to the Lake Tahoe Airport Food and Beverage Lease and Concession Agreement between the City of South Lake Tahoe ("City") and the Flight Deck Grill & Golf Club LLC ("Lessee"), dated September 10, 2024, is entered into and effective, April 22, 2025 ("Effective Date").

## RECITALS

A. On September 10, 2024, the City Council authorized execution of the Lake Tahoe Airport Food and Beverage Lease and Concession Agreement between the City and Lessee ("Agreement"). The Agreement includes Section 4(A)(4), which requires Lessee to open the restaurant for business to the public within 60 days, and Section 4(C)(15), requiring Lessee to complete all tenant improvements listed in Exhibit E of the Agreement within 3 months.

B. Subsequently, Lessee notified City that more time is needed to complete the tenant improvements listed in Exhibit E of the Agreement because of contractor delays that are beyond Lessee's control.

C. The parties desire to amend the Agreement to allow tenant more time to complete tenant improvements and open the restaurant for business to the public, to be extended to 90 days from the effective date of this Amendment, and to make no changes to any other terms of the Agreement.

D. Due to the structural constraints imposed by a load-bearing wall, the configuration of the office space set forth in the original Exhibit A shall be amended and superseded by the attached revised Exhibit A. Under this modification, Suite 106 shall be designated for cold storage purposes. The area formerly identified as the "Visitor Center" in the original lease shall be repurposed to support terminal operations, with approximately half of the space continuing to serve the restaurant (depicted in green), and the remaining portion (depicted in orange) designated as office space. This office space shall be leased at the rate established by the City.

## AGREEMENT

**1.** Section 4(A)(4) of the Agreement is hereby amended to read in its entirety as follows:

LESSEE shall open for business to the public in the Premises within ninety (90) days of the Effective Date of this Amendment.

**2.** Section 4(C)(15) of the Agreement is hereby amended to read in its entirety as follows:

LESSEE agrees to complete Tenant Improvements described in Exhibit “E” within ninety (90) days of the Effective Date of this Amendment.

**3.** Exhibit A of the Agreement is hereby amended to show in its entirety as follows:

In response to structural constraints caused by a load-bearing wall in the visitor center area, a reassignment of space is required. Office 106 and the visitor center will exchange functions: Office 106 will now serve as cold storage for the restaurant, while approximately half of the current visitor center space will become the new Office 106, designated for City use. As shown in Exhibit A, the area highlighted in orange represents the City-leased space, and Office 106, which is circled, will be allocated to Flight Deck Grill & Golf Club LLC (“Lessee”). The total square footage will be calculated upon completion and charged in coordination with the Airport Manager.

IN WITNESS WHEREOF, the parties have caused this Amendment to be executed on the date first written above.

**CITY OF SOUTH LAKE TAHOE**:

By _____
**Tamara Wallace,**
**Mayor**

**APPROVED AS TO**

**FORM:** By _____
Heather Stroud, City Attorney

**FLIGHT DECK GRILL & GOLF CLUB LLC**

By _____
**Thomas McMurray, CEO**
Business License # _____

**ATTEST:**

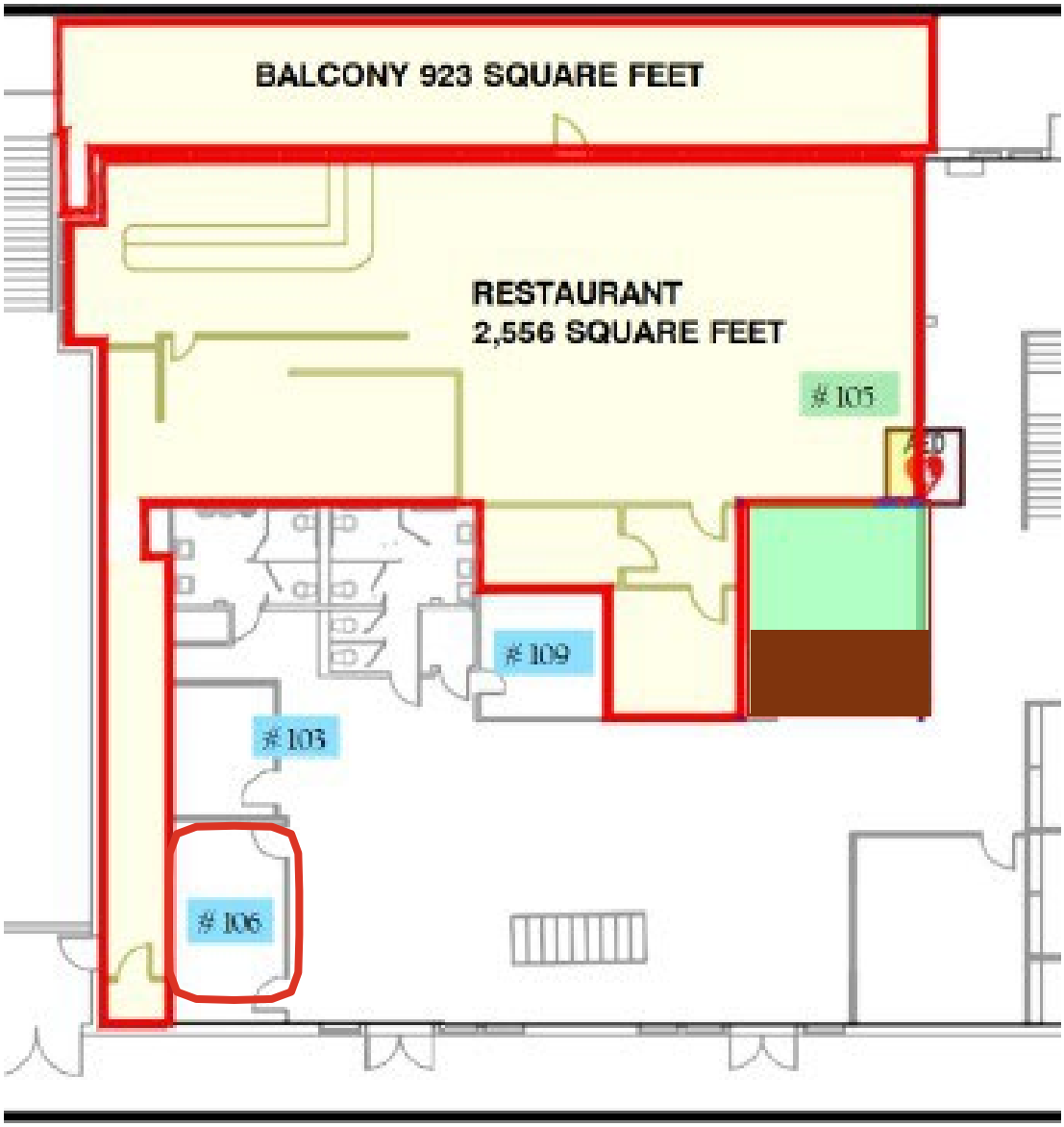
By _____

Susan Blankenship, City Clerk

# AIRPORT TERMINAL/CITY HALL

**1901 Lisa Maloff Way, SOUTH LAKE TAHOE, CALIFORNIA, 965150**

**EXHIBIT "A" LOCATION MAP**



# FOOD & BEVERAGE LEASE AND CONCESSION AGREEMENT

The Lake Tahoe Airport Food and Beverage Lease and Concession Agreement ("Agreement") effective as of **September 10, 2024** (“Effective Date”), is entered into by and between the CITY OF SOUTH LAKE TAHOE, a California municipal corporation (“CITY”), and Flight Deck Grill & Golf Club LLC, a Nevada Limited Liability Company, as (“LESSEE”).

## RECITALS

A. CITY owns, controls, and operates the Lake Tahoe Airport ("AIRPORT") located in the City of South Lake Tahoe, El Dorado County, State of California; and

B. The CITY desires to grant the LESSEE an exclusive non-aeronautical right to operate a food and beverage concession, catering and food service at the airport. This includes a right to operate food and beverage vending machines on AIRPORT property and a right of first refusal to provide catering services to special events at the AIRPORT; and

C. CITY desires to make such services available at the AIRPORT and LESSEE is qualified, ready, willing, and able to provide such services; and

D. In consideration of the premises described in Exhibit “A” and the mutual covenants contained in this Agreement, the parties hereby agree as follows:

## AGREEMENT

### 1. TERM

The term of this Agreement shall be for a period of five (5) years, commencing on the Effective Date, and continuing through September 9, 2029 unless earlier terminated under the provisions of this Agreement. The parties may agree to one (1) five (5) year lease extension upon mutual agreement in writing by both parties. LESSEE has no right to retain possession of the Premises beyond the expiration or termination of this Agreement. The failure of LESSEE to timely surrender the Premises shall constitute a holdover and in the event of such holdover, rent shall be immediately increased to amount equal to 150 percent of the rent applicable during the month immediately preceding the expiration or termination.

### 2. LEASED PREMISES

CITY hereby leases to LESSEE, and LESSEE hereby leases from CITY, the following premises, identified and shown on Exhibit A, and made a part hereof as the exclusively leased areas ("Premises"), together with the right of ingress and egress:

**A.** Real property as described on Exhibit "A."

**B.** The following personal property belonging to the CITY as described in Exhibit "B"; personal property is generally described as restaurant fixtures and equipment ("CITY Fixtures"). LESSEE shall be entitled to use CITY Fixtures during the term of this Agreement and shall return the same to the CITY at the end of the term in good working order.

**C.** Thirty (30) square feet of public space in the airport terminal building is made available to the LESSEE to install automated food & beverage vending machines. Locations for any vending machines will be established by mutual agreement between both parties. LESSEE is provided right to operate, maintain, and collect revenues from vending machines that do not exceed 30 square feet of area on common use areas of airport property.

**3. PAYMENTS**

**A. Rent**. In consideration of the rights and privileges granted by this Agreement, beginning on November 1, 2024, LESSEE agrees to pay to CITY during the term of this Agreement rent in the sum of ***$2000.00*** per month for the first Six (6) months until May 1, 2025. Monthly rent shall be adjusted annually as follows: On May 1st of each year of the Agreement, the monthly rent shall be computed by applying the new rental amount in Exhibit "C".

**B. Time of Payment and Late Charge.** LESSEE shall pay CITY at its Airport offices without reduction, abatement, deduction, offset or any prior demand therefor, commencing on the first day of the month following the Effective Date, all monthly payments provided for in the Agreement. LESSEE shall pay the rent for the first month of this Agreement, prorated to the day of the month when the Agreement is executed, upon execution of the Agreement. Any payment after the tenth ($10^{th}$) of each month shall be considered late and will be assessed a late fee of $100.

All sums payable to CITY on the first day of each month in the form of a check, cash or credit card to the City's Finance Department located at 1901 Lisa Maloff Way, Suite 210, South Lake Tahoe CA 96150, and made out to: City of South Lake Tahoe. If LESSEE shall fail to pay any amounts due pursuant to the terms of this Agreement late fees will continue to accrue monthly until the balance is paid in full and the account is made current.

**C. Security Deposit.** LESSEE shall deposit $5,000 with CITY upon execution of this Agreement, which sum shall be held by CITY as security for the faithful performance by LESSEE of all of the terms, covenants, and conditions of this Agreement to be kept and performed by LESSEE. If at any time the rent herein reserved shall be overdue and unpaid, or any other sum payable to CITY by LESSEE hereunder shall be overdue and unpaid, CITY may, at its option,

appropriate and apply all or any portion of said deposit to the payment of any such overdue rent or other sum. If LESSEE fails to keep and perform all of the terms, covenants, and conditions of this Agreement to be kept and performed by the LESSEE, then CITY may, at its option, appropriate and apply the deposit to the amount of losses or damage sustained or suffered by CITY by reason thereof. Should the entire deposit or any portion thereof be appropriated and applied by CITY as herein provided, then LESSEE shall, upon written demand of CITY, forthwith remit to CITY a sufficient payment to restore said security to the original amount. LESSEE'S failure to do so within five business (5) days after receipt of such demand constitutes a material breach of this Agreement. The LESSEE further agrees to pay a security deposit for each Airport Gate Card Key and Airport Office Key in accordance with the currently approved City Master Fee Schedule.

| | |
|---|---|
| **Rent/Security Deposit:** | **$5,000.00 (refundable based on condition)** |
| **Gate Card:** | **$50.00 (per card refundable upon return)** |
| **Office Key:** | **$25.00 (per key refundable upon return)** |

**D. Taxes.** The LESSEE shall pay all taxes, licenses, fees, and other lawfully levied monies imposed as a result of this tenancy to the appropriate government entity, including any real estate taxes and personal property taxes levied upon the Premises. **NOTICE IS HEREBY GIVEN THAT PURSUANT TO CALIFORNIA REVENUE AND TAXATION CODE SECTION §107.6, THAT THIS LEASE MAY CREATE A POSSESSORY INTEREST AND, IN THAT EVENT, OCCUPANT IS HEREBY OBLIGATED TO PAY ANY AND ALL REAL PROPERTY TAXES LEVIED ON SAID POSSESSORY INTEREST.**

**E. Common Area Maintenance Fee.** A Common Area Maintenance Fee in the amount of $400.00 per month (the "CAM Fee") is provided as the Airport restaurant/bar attracts the second largest customer base after the CITY to common areas of the airport terminal. These include restrooms, parking lots, and common lobby areas. As certain common areas are shared, the LESSEE agrees to pay the CITY a share of costs for the CITY providing the following services: restroom janitorial service in common area restrooms inside the airport terminal building, non-leasehold common area janitorial service inside the terminal building, replacement of HVAC intake filters, annual fire extinguisher service (excluding the kitchen hood suppression system) and exterior parking lot/access road snow removal. The CAM Fee shall increase at a rate of three percent (3.0%) annually commencing each May 1st of the Agreement.

**F. Utilities.** LESSEE Agrees to pay the CITY for prorated share of gas for lease area heating on CITY meter as indicated in Exhibit C and LESSSEE will pay for restaurant trade fixture gas usage on a separate gas meter, LESSEE will pay for electricity to the CITY through a submeter installed for the leasehold based on rate methodology found in Exhibit D. CITY agrees to pay for all water and sewer charges on the CITY meter. For all other utilities, LESSEE agrees to

create account in LESSEE's name in accordance with Section 7.A.

**4. RIGHTS AND OBLIGATIONS OF LESSEE**

**A. Required Restaurant Concession Services**. LESSEE is hereby granted the exclusive privilege to engage in, and LESSEE agrees to engage in, the business of providing on premises: prepared food, and alcohol service. LESSEE agrees that it will use its good faith effort to be open and available for business between 11:30 a.m. and 9:00 p.m. daily, for the number of days per week, during the time periods set forth as follows:

1. Seven (7) days per week: with the exception of the following holidays: Christmas Eve, Christmas Day, Thanksgiving Day, and Veterans Day.
2. If the CITY declares an emergency (blizzard conditions, flooding, fire) premises may close early, open late or remain closed until said CITY emergency declaration is lifted.
3. Special private party events maybe held in the restaurant no more than once per month (12 times per year)
4. LESSEE shall open for business to the public in the Premises within sixty (60) days of the Effective Date.

**B. Authorized Services.** In addition to the services required to be provided by LESSEE pursuant to Paragraph 4.A, LESSEE is authorized, but not required, to provide the following services and to engage in the following activities: food catering (in-flight aircraft), food catering (event & party), live entertainment, food delivery and airport food/beverage vending services. LESSEE shall have the right of first refusal to provide special event catering services at the AIRPORT. If LESSEE does not respond to a catering services request by providing a proposal within 48 hours, then AIRPORT may arrange to have a different vendor provide those services.

**C. Operating Standards.** In providing any of the required and/or authorized services or activities specified in this Agreement, LESSEE shall operate for the use and benefit of the public and shall meet or exceed the following standards:

**1.** LESSEE shall provide for both prepared cooked food and beverage services. LESSEE shall have sole discretion on food menu items and pricing for said menu items. The LESSEE must provide for cooked, prepared food offerings to the public at large and cannot operate solely as a bar-beverage only establishment. Beverage service should offer a choice of alcoholic and non-alcoholic offerings.

**2.** LESSEE shall furnish service on a fair, reasonable, and nondiscriminatory basis to all users of the Airport. LESSEE shall charge fair, reasonable, and nondiscriminatory prices for each unit of sale or service; provided, however, that LESSEE shall be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions.

**3.** LESSEE shall have at least one employee staffed at its operations at the Airport during the hours set forth in Paragraph 4(A). Such employee shall be qualified and experienced, and vested with full power and authority to act in the name of LESSEE with respect to the method, manner and conduct of the operation provided under this Agreement. Such employee shall be available at the Airport during the hours set forth in Paragraph 4(A).

**4.** LESSEE shall provide, at its sole expense, a sufficient number of employees to provide effectively and efficiently, the services required or authorized by this Agreement.

**5.** LESSEE shall control the conduct, demeanor, and appearance of its employees, who shall be trained by LESSEE and shall possess such technical qualifications and hold such certificates required by any government authority in carrying out assigned duties. It shall be the responsibility of LESSEE to maintain close supervision over its employees to assure a high standard of service to customers of LESSEE.

**6.** LESSEE shall comply with all federal, state, and local laws, rules and regulations which may apply to the conduct of the business contemplated, including rules and regulations promulgated by CITY, including the prohibitions on use of polystyrene food containers and single-use plastic utensils and single-use water bottles in Chapter 4.175 of the South lake Tahoe City Code, and LESSEE shall maintain in effect and post in a prominent place all necessary and/or required licenses or permits including a California Liquor License.

**7.** LESSEE shall accept customer payment via cash, Visa, and Master Card at a minimum.

**8.** LESSEE must obtain a California Liquor License before serving any beverages for which a liquor license is required.

**9.** LESSEE shall be responsible for the maintenance and repair of the Premises and shall keep and maintain the Premises in good condition, order, and repair, and shall surrender the same upon expiration of this Agreement, in the condition in which they are required to be kept, reasonable wear and tear and damage by the elements not caused by LESSEE'S negligence excepted.

**10.** It is expressly understood and agreed that, in providing required and authorized services pursuant to this Agreement, LESSEE shall have the right to choose, in its sole discretion, its vendors and suppliers.

**11.** LESSEE shall not store materials or supplies at the Airport outside of any buildings. LESSEE is responsible to provide for its own restaurant trash removal by setting up a commercial account with South Tahoe Refuse and is responsible to clean out the restaurant grease interceptor when full over the duration of the Agreement. The grease interceptor should be returned cleaned out at the termination of this Agreement.

**12.** LESSEE shall make no unlawful use of the Airport, nor commit or suffer or permit waste, excessive noise, obnoxious odors, excessive dust, or any other nuisance at the Airport.

**13.** LESSEE agrees to keep the Premises clear and free of all litter, garbage, debris, and refuse, and to keep such premises and area in an orderly and sanitary condition at all times.

**14.** LESSEE shall make a good faith effort to mitigate any and all impacts on CITY and CITY'S employees, guests, invitees, and other Tenants from LESSEE'S activities, including but not limited to noise, vibration, odor, steam, or other emissions. If CITY determines, in the reasonable exercise of its discretion, that LESSEE has failed to mitigate the impact of LESSEE'S activities after reasonable attempts, it is understood that CITY may reasonably restrict LESSEE'S activities that negatively impact others.

**15.** LESSEE agrees to complete Tenant Improvements described in Exhibit "E" within 3 months of the Effective Date.

**D. Maintenance of Books and Records; CITY's Right to Audit.** LESSEE shall prepare and maintain for inspection tax records related to the business(es) granted under this Agreement. LESSEE shall make tax records and accounting records available for inspection by the CITY and its designated representatives within reasonable notice by CITY. Tax records and accounting records related to the LESSEE's business activities on Premises shall be maintained for the full duration of the Agreement. The CITY and its designated representatives shall have the right to inspect the same when notice is provided in writing. City shall have the right, but not the obligation, to cause an annual audit to be conducted by an auditor selected by CITY, including any employee or contractor of CITY, of LESSEE's books, records and accounts relating to the Premises including, without limitation, all federal, state, county, or city reports and income and other tax returns, bank statements, operating manuals and procedures, sales receipts, active and inactive files, general ledgers, invoices, rental orders and check registers. LESSEE shall cooperate with and shall provide all information requested by such auditor and shall make LESSEE's employees available to cooperate with and provide all information requested by that auditor. All LESSEE financial records and documents will remain confidential to the extent allowable under the California Public Records Act.

**5. USE OF AIRPORT FACILITIES.**

LESSEE shall be entitled, in common with others so authorized, to the use of all facilities and improvements of a public nature which now are appurtenant to the Airport. LESSEE's employees and customers have use of the main public parking lot directly West of the airport terminal building. There is no overnight parking or long-term storage of vehicles allowed by LESSEE's employees or patrons. Abusing vehicle parking privileges may result in removal and impounding of offending vehicle(s).

**6. MAINTENANCE, ALTERATIONS, LEASEHOLD IMPROVEMENTS, SIGNS AND TRADE FIXTURES**

**A. Maintenance and Repairs.** LESSEE has had the opportunity to inspect the Premises and accepts the Premises, as well as the improvements thereon, "as-is" in their present condition and acknowledges that the Premises and the improvements are in good, clean, safe, and tenantable condition as of the date of the Lease. CITY owns CITY Fixtures. The LESSEE may, but is not required, to use the CITY Fixtures in the conduct of the LESSEE's business at the Premises. The LESSEE acknowledges the condition of all CITY Fixtures are operational and provided "as-is" and "where-is" without warranty. The CITY shall have no obligation to maintain, repair, or replace any of the CITY Fixtures and it shall be the LESSEE's responsibility to provide its own furniture, fixtures, and equipment in the operation of its business. If the LESSEE elects to use CITY Fixtures, LESSEE shall use care in operating the equipment, the LESSEE shall keep clean CITY Fixtures, and shall be responsible for and pay the costs of any damage to CITY Fixtures caused by the LESSEE occurring during the term of the Lease. There shall be no abatement, offset or reduction of rent related to the maintenance or upkeep of any of the CITY Fixtures by the LESSEE or the LESSEE's choice to purchase any of its own Restaurant Trade Fixtures. CITY, at CITY's cost and expense, shall maintain in good condition and repair the exterior roof, exterior walls, plumbing systems, HVAC systems, structural supports, and foundations of the Premises, provided that CITY shall not be liable for any damage to LESSEE or the property of LESSEE resulting from CITY's failure to make any repairs required by this section unless written notice of the need for such repairs has been given to CITY by LESSEE and CITY has failed for a period of thirty (30) days after the receipt of such notice to make such repairs. Except as otherwise expressly provided herein, LESSEE shall, at LESSEE'S own cost and expense, keep and maintain all portions of the Premises, as well as all improvements on said Premises, in good order and repair and in a safe and clean condition as they were when received from CITY, reasonable wear and tear excepted. CITY shall have no obligation to repair, maintain or restore the Premises or to maintain any security or policing against theft, vandalism, malicious

mischief, riot, social disorders, or other public offenses. Notwithstanding anything to the contrary herein, CITY will provide the following minimum services during the term of the Lease: Restroom janitorial service to all publicly available facilities inside the airport terminal building (excluding leasehold) at least once daily with the exception of City Holidays and during a City emergency declaration, non-leasehold area public common area janitorial service including litter removal in parking lot, replacement of HVAC intake filters, annual fire extinguisher service (excluding the kitchen hood suppression system) and snow removal in the parking lot and walkways as set forth in Paragraph 6H. Such services shall be provided at such times CITY deems necessary.

**B. CITY Repairs Caused by LESSEE Actions.** LESSEE shall repair any area damaged by LESSEE, LESSEE's agents, employees, invitees, and visitors whether through active or passive negligence. Should LESSEE fail, neglect or refuse to do so, the CITY shall have the right, but not the obligation, to perform such maintenance or repairs for the LESSEE's account, and the LESSEE agrees to promptly reimburse the City for the reasonable, out-of-pocket cost thereof (plus an additional twenty percent (20%) for overhead), provided, however, that the CITY shall first give LESSEE ten (10) days' written notice of its intention to perform such maintenance or repair. City shall not be obligated to make any repairs to or maintain any improvements on the Premises unless otherwise required by this Agreement. LESSEE shall be given reasonable notice when any such work may become necessary and will reasonably adjust operations to permit CITY to proceed expeditiously with such work. Subject to CITY's maintenance and repair obligations as expressly set forth above, CITY shall not be liable to LESSEE for injury or damage that may result from any defect in the construction or condition of the Premises, nor for any damage that may result from interruption of LESSEE's use of the Leased Premises during any repairs by CITY. LESSEE waives any right to repair the Premises at the expense of City under any applicable law.

**C. Alterations; Removal of Lessee-Installed Property.** Except for the Tenant Improvements described in Exhibit "E," LESSEE shall make no alterations, decorations, additions, or improvements in the Premises or otherwise at the Airport without CITY'S prior written consent. All alterations, additions or improvements made by LESSEE at the Airport shall, unless CITY elects otherwise, as hereinafter provided, be the property of LESSEE and shall be removed by LESSEE, at LESSEE'S expense upon the expiration or termination of this Agreement. If CITY elects (upon written notice to LESSEE of such election given prior to the expiration or termination of this Agreement) that all or a designated portion of the alterations, additions, or improvements made by LESSEE shall remain on the Premises at expiration or termination of this Agreement, then said alteration, additions or improvements shall become CITY's property at no cost to CITY. Notwithstanding the foregoing; however, it is understood and agreed that LESSEE is entitled to any and all tax benefits associated with the use or relinquishment of such additions or improvements. Machinery, equipment, and trade fixtures installed by LESSEE in the Premises shall not be considered "alterations, additions or improvements" subject to the foregoing provisions and shall be removed from the Airport by LESSEE on or before expiration or termination of this Agreement, provided any damage to

CITY's property resulting from such removal shall be repaired or restored at LESSEE'S expense. All alterations, additions and improvements made by LESSEE shall be done in a workmanlike manner, with good materials, and in full compliance with all applicable CITY building codes, laws, ordinances, regulations, and directions of public agencies having jurisdiction, and free and clear from any and all liens, claims and demands for work performed, materials furnished, or operations conducted on the Premises.

a. **Compliance with Prevailing Wage Laws.** LESSEE acknowledges and agrees that LESSEE shall be responsible for complying with the California Prevailing Wage Law, including Labor Code sections 1720 et seq, for any construction, alteration, demolition, installation, and repair work as follows: (a) LESSEE to cause such work to be performed as a "public work," including, but not limited to, the payment of applicable prevailing wages to the all persons or entities subject to the California Prevailing Wage Law; (b) LESSEE shall cause all persons and/ or entities performing "public work" under the Agreement to comply with all applicable provisions of the California Prevailing Wage Law; (c) CITY is not responsible for LESSEE's failure to comply with any applicable provisions of the California Prevailing Wage Law; (d) LESSEE's alleged or actual violations of the California Prevailing Wage Law shall constitute an event of default under the Agreement; and (e) LESSEE shall defend and indemnify City and its officers, employees, council members and agents from and against any and all claims, assessments, back-wages, penalties, change orders, suits, liability, judgments, damages, proceedings, orders, directives, costs, including reasonable attorneys' fees, arising from or relating to any actual or alleged violations of the California Prevailing Wage Law, or other application of laws, ordinances or regulations, by any person or entity, including but not limited to LESSEE, performing construction, alteration, demolition, installation, repair and/ or any other type of work contemplated under the Agreement.

**D. Signs.** LESSEE shall be entitled to maintain signs advertising its services in accordance with Tahoe Regional Planning Agency and CITY sign standards. CITY reserves the right to remove any sign erected by LESSEE and provided, further, that such signs maintained by LESSEE shall be at such locations as CITY Development Services shall designate in advance in writing through a permit application and shall be of such type, design, color, size, composition, and material acceptable to and approved by the CITY Development Services Department in its sole discretion. All of LESSEE'S signs shall be maintained in good order, condition, and appearance during the term of this Agreement and shall be removed from the Airport by LESSEE at LESSEE'S sole expense on or before the expiration or other termination of this Agreement. LESSEE shall restore the premises to its pre-sign installation condition when it removes any sign.

**E. LESSEE Owned Trade Fixtures.** During the term of this Agreement, LESSEE shall have the right, at its expense, to place in or on the Premises trade fixtures, furnishings, personal

property, equipment, and materials necessary to perform any services required or authorized hereunder. Said trade fixtures, furnishings, personal property, equipment, and materials shall remain the property of LESSEE. Any LESSEE owned trade fixtures must be removed from the Premises at the termination of the Agreement pursuant to Paragraph 18.b.1.

**F. CITY Owned Trade Fixtures.** CITY owned personal property and trade fixtures are fully described in Exhibit "B" attached to this Agreement and have reoccurring service requirements. These trade fixture specific service schedules are listed on Exhibit "B". All required servicing is the financial responsibility of the LESSEE. The LESSEE must use a licensed and bonded professional contractor to perform servicing and repair of CITY owned personal property described in Exhibit "B". LESSEE must maintain records of servicing CITY owned personal property fully described on Exhibit "B" for the duration of this Agreement. The CITY reserves the right to inspect service records for CITY owned personal property described in Exhibit "B". Failure of LESSEE to adhere to service schedule or repair CITY owned personal property may result in the CITY requiring LESSEE to purchase new replacement property of similar nature**.**

**G. Restaurant Grease Interceptor/Trap.** The CITY shall initially deliver to the LESSEE the Airport restaurant grease interceptor cleaned out and serviced for immediate use. After the initial delivery of possession of the Premises to LESSEE, LESSEE shall contract for routine servicing of the grease interceptor exclusively serving the Premises by a licensed contractor for such work in California. Repair and/or replacement of the grease interceptor during the term of this Agreement shall be the responsibility of LESSEE.

**H. Snow Removal.** CITY shall provide snow removal for the outside areas contained within the Premises. Such snow removal shall be provided on an as-available basis subject to the CITY priority schedule based on 3 inches or more observed snow depth. Snow removal will not occur when observed snow levels are less than 3 inches deep. The CITY agrees to remove snow from the main public parking lot, pedestrian access to/from main public parking lot, Lisa Maloff Way, and airport curb including ADA compliant parking stalls. LESSEE understands and agrees that CITY snow removal equipment (snowplows, snow blowers, shovels, etc.) is not available for LESSEE use.

**I. Refuse Removal.** LESSEE agrees to contract with South Tahoe Refuse to lease a dumpster for exclusive use by the LESSEE. The LESSEE may not use CITY owned dumpsters or recycling bins for LESSEE waste streams. Furthermore, the LESSEE acknowledges that there is brown bear activity in the area and that LESSEE refuse must be secured in a bear proof dumpster to prevent unwanted access. LESSEE is responsible to clean up waste when LESSEE fails to secure LESSEE dumpster from infiltration by wildlife.

**J. Pest Control Services.** LESSEE is responsible for all costs related to continual or event specific pest and rodent control services in the Premises. The CITY provides for on-going rodent control services in common use areas and CITY specific areas of the airport terminal building.

## 7. UTILITIES

**A. Utilities.** LESSEE agrees to pay the cost of all utilities serving the Premises, including but not limited to a prorated share of natural gas on the CITY meter, the share of electricity from the CITY meter as measured monthly from a sub-meter installed for the leasehold area specifically, telephone services, and internet, cable including connection charges. LESSEE shall place said utilities in its own name where they are not sharing a CITY meter. LESSEE shall pay its pro-rata share of such utilities which remain in the name of the CITY. Premises utilities are connected in the following manner: Rooftop Air Conditioning is on CITY Meter, Restaurant Gas Furnace is on CITY Meter, Restaurant Electrical Outlets and Premises Lighting is on CITY sub-electrical meter, Restaurant Fixtures (Kitchen Gas for Stove, Oven, Fryer) is on LESSEE Gas Meter. LESSEE hereby expressly waives any and all claims for damage against CITY arising from failure or interruption of utility services, including but not limited to, electricity, gas, water, plumbing, sewage, heat, ventilation, or air conditioning, or from construction activities at the Airport. Provided, that such interruption is not caused by the intentional act or omission of CITY or its authorized representative. This Agreement shall continue in full force and effect despite any such interruptions.

i. LESSEE Agrees to Pay the CITY Monthly for Gas provided on CITY Meter for Premises Gas Furnace Heating. Monthly charges are fixed and outlined in Exhibit C.
ii. LESSEE Agrees to Pay the CITY monthly for electricity provided on CITY Sub-Meter for Premises based on usage. Monthly rates during contract period are outlined in Exhibit D.
iii. The CITY agrees to provide water and sewer service at no additional charge to LESSEE and is inclusive in the rent consideration.
LESSEE Agrees to Pay for Gas charges for restaurant trade equipment on a separate meter.

## 8. HAZARDOUS SUBSTANCES

**Hazardous Substances.** The provisions of this Section, which govern LESSEE'S obligations with regard to hazardous substances, as defined below, shall survive termination of this Agreement.

**A. Definition of Hazardous Substance.** For purposes of this Agreement, "Hazardous Substances" is defined to mean any substance, material, or waste, including asbestos and petroleum (including crude oil or any fraction thereof), which is or becomes designated, classified, or regulated as being "toxic", "hazardous", a "pollutant", or similar designation under any federal, state or local law, regulation or ordinance.

**B. Indemnity Regarding Hazardous Substances.** LESSEE agrees to indemnify and hold CITY harmless from and against all liabilities, claims, actions, foreseeable and unforeseeable consequential damages, costs and expenses (including sums paid in settlement of claims and all consultant, expert and legal fees and expenses of LESSEE'S counsel) or loss directly or indirectly arising out of or resulting from the presence of any Hazardous Substances as a result of LESSEE'S or any sub-LESSEE'S activities, in or around any part of the property or the soil, groundwater or soil vapor on or under the property, including those incurred in connection with any investigation of site conditions or any clean-up, remedial, removal or restoration work, or any resulting damages or injuries to the person or property of any of their parties or to any natural resources. Upon demand by CITY, LESSEE shall defend any investigation, action or proceeding alleging the presence of any Hazardous Substances in any such location, which affects the property, or which is brought or commenced against CITY, whether alone or together with LESSEE or any other person, all at LESSEE'S own cost and by counsel to be approved by CITY in the exercise of its reasonable judgment. In the alternative, CITY may elect to conduct its own defense at the expense of LESSEE.

**C. Compliance Regarding Hazardous Substances.** LESSEE shall comply and cause all occupants of the Leased Premises to comply, with all laws, regulations, and ordinances governing or applicable to Hazardous Substances as well as the recommendations of any qualified environmental engineer or other expert which apply or pertain to the Premises. LESSEE acknowledges that Hazardous Substances may permanently and materially impair the value and use of the Premises.

LESSEE shall not allow the installation or release of hazardous substances in, on, under or from the Premises. For the purposes of this provision, a release shall include, but not be limited to, any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leeching, dumping, or otherwise disposing of hazardous substance.

**D. Notice Regarding Hazardous Substances.** LESSEE shall promptly notify CITY if it knows, suspects, or believes, there may be any Hazardous Substances in or around the Premises, or in the soil, groundwater, or soil vapor on or under the property, or that LESSEE or the Premises may be subject to any threatened or pending investigation by any governmental agency under any law, regulation or ordinance pertaining to any Hazardous Substances.

LESSEE shall give written notice to the CITY within five (5) days of receipt of such knowledge or cause for belief. Provided, however, if LESSEE knows, or has reasonable cause to believe that such substance is an imminent and substantial danger to public health and safety, LESSEE shall notify the CITY promptly upon receipt of this knowledge or belief and shall take all acts necessary to alleviate such danger. LESSEE will notify the CITY promptly of any notice of violation received or initiation of environmental action or private suits relative to the Premises.

**E. Site Visits, Observations, and Testing.** CITY and its agents and representatives shall have

the right at any reasonable time to enter and visit the Premises for the purposes of observing the Premises, taking, and removing solid or liquid samples, and conducting tests on any part of the Premises. Such entry shall be during normal business hours except for emergencies. CITY is under no duty, however, to visit or observe the Premises or to conduct tests. No site visit, observation or testing by CITY shall result in a waiver of any default of LESSEE or impose any liability on CITY. In no event shall any site visit, observation or testing by CITY be a representation that Hazardous Substances are or are not present in, on or under the Premises, or that there has been compliance with any law, regulation or ordinance pertaining to Hazardous Substances or any other applicable governmental law. Neither LESSEE nor any other party is entitled to rely on any site visit, observation or testing by the CITY. CITY shall not be obligated to disclose to LESSEE or any other party any report or finding made as a result of, or in connection with, any site visit, observation or testing by CITY. In each instance, CITY shall give LESSEE reasonable notice before entering the Premises or any other place CITY is permitted to enter under this Section. CITY shall make reasonable efforts to avoid interfering with LESSEE'S use of the Premises or any other property in exercising any right provided in this Section.

**9. INDEMNIFICATION AND INSURANCE**

**A. Indemnification**. LESSEE covenants and agrees to indemnify, protect, defend, and hold harmless CITY and its agents, employees, officers, affiliates, and representatives (collectively, "CITY Parties") from and against any and all losses, claims, demands, damages, liabilities, actions, judgments, costs, and expenses (including, without limitation, reasonable attorneys' fees) arising out of or resulting from (a) the negligent or willful acts or omissions of LESSEE, its agents, contractors, subcontractors, or employees, (b) any breach of any obligation, covenant, representation, or warranty of LESSEE under this Agreement, or (c) the use and operation of the Premises during the term of this Agreement. The foregoing shall not apply to any loss, claim, damage, liability, action, judgment, cost, or expense to the extent arising out of or resulting from any negligence or willful misconduct of any CITY Party. LESSEE's obligations under this section shall survive the expiration or termination of this Agreement.

**B. Required Insurance.** LESSEE shall obtain and maintain continuously in effect at all times during the term of this Agreement, at LESSEE'S sole expense, the following insurance:

1. **Workers' Compensation Coverage**. LESSEE shall maintain Workers' Compensation Insurance and Employer's Liability Insurance for his/her employees in accordance with the laws of the State of California. In addition, LESSEE shall require each subcontractor to similarly maintain Workers' Compensation Insurance and Employer's Liability Insurance in accordance with the laws of the State of California for all of the subcontractor's employees. Any notice of cancellation of all Workers' Compensation policies must be received by CITY at least thirty (30) days prior to

such change. LESSEE shall provide thirty (30) days written notice of nonrenewal of any Workers' Compensation policies. The insurer shall agree to waive all rights of subrogation against CITY, its officers, agents, employees, and volunteers for losses arising from work performed by LESSEE for CITY.

2. **Automobile Liability Coverage**. LESSEE shall maintain automobile liability insurance covering bodily injury and property damage for all activities of the LESSEE arising out of or in connection with the work to be performed under this Agreement, including coverage for owned, hired and non-owned vehicles, in an amount of not less than one million dollars ($1,000,000) combined single limit for each occurrence.

3. **Commercial Liability Coverage.** LESSEE shall maintain in full force and effect for the period covered by this Agreement, commercial general liability insurance. This insurance shall include, but shall not be limited to, comprehensive general liability insurance providing protection against claims arising from bodily and personal injury, including death resulting therefrom, and damage to property resulting from any act or occurrence arising out of LESSEE's operations in the performance of this Agreement. The policy shall provide not less than single limit coverage applying to bodily and personal injury, including death resulting therefrom, and Property damage in the minimum amounts of One Million Dollars ($1,000,000) per occurrence and Two Million Dollars ($2,000,000.00) per aggregate. The insurance shall include coverage for the following: (i) Premises/Operations; (ii) Contractual; (iii) Broad Form Property Damage and (iv) Personal Injury.

4. **Leasehold Improvements**. During the Term, LESSEE shall maintain in full force and effect on all leasehold improvements installed by LESSEE after the Effective Date, interior and exterior signage, fixtures, merchandise, and other personal property from time to time in, on or upon the Premises, fire and extended coverage insurance in the amount of the full replacement value thereof containing sprinkler leakage, replacement cost and inflation endorsements, and providing for no deductible in excess of two thousand dollars ($2,000) per loss. All proceeds from the insurance required pursuant to this subsection shall be used for the repair or replacement of the property damaged or destroyed. Both CITY and LESSEE shall be named as co-insured's as to coverage of leasehold improvements, and alterations, though not as to LESSEE's personal property. CITY shall maintain similar fire and extended coverage insurance upon the building presently located upon the Premises in the amount of the full replacement value thereof containing sprinkler leakage, replacement cost and inflation endorsements.

5. **Endorsements**. Each general liability and automobile liability insurance policy shall be with insurers possessing an AM Best's rating of no less than A:VII and shall be endorsed with the following specific language:

i. CITY, its elected or appointed officers, officials, employees, agents, and volunteers are to be covered as additional insureds with respect to LESSEE's operations under LESSEE's General Liability and Automobile Liability policies with respect to liability arising out of this Agreement and/or work performed by or on behalf of the LESSEE, including materials, parts or equipment furnished in connection with such work or operations.

ii. This policy shall be considered primary insurance as respects CITY, its elected or appointed officers, officials, employees, agents, and volunteers. Any insurance maintained by CITY, including any self-insured retention CITY may have, shall be considered excess insurance only and shall not contribute with it.

iii. This insurance shall act for each insured and additional insured as though a separate policy had been written for each, except with respect to the limits of liability of the insuring LESSEE.

iv. The insurer waives all rights of subrogation against CITY except for LESSEE's Commercial Liability and Employers' Liability policies, its elected or appointed officers, officials, employees, or agents.

v. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to CITY, its elected or appointed officers, officials, employees, agents, or volunteers.

vi. No policies of insurance carried by Lessee shall be suspended, voided, canceled, or changed in coverage or in limits except after thirty (30) days written notice to the City (10 days' notice in case of non-payment of premium).

6. **Deductibles and Self-Insured Retentions.** The LESSEE shall be responsible for all deductibles in all of LESSEE's insurance policies. The amount of deductibles for insurance coverage required herein shall be reasonable in keeping with LESSEE's general operations.

7. **Certificates of Insurance**. LESSEE shall provide certificates of insurance with original or copies of endorsements to CITY as evidence of the insurance coverage required herein. LESSEE shall not commence work under this Agreement until all insurance required under this section has been approved by CITY as to form, amount, and carrier, nor shall LESSEE allow any subcontractor to commence work on any subcontract until all similar insurance required and reasonably consistent

limits of the subcontractor has been so obtained and approved.

**10. FEDERAL AVIATION ADMINISTRATION REQUIREMENTS**

**A.** As the facility where the Premises is located primarily serves as a public airport, the LESSEE shall comply with the following procedures adopted by the City of South Lake Tahoe which comply with the Federal Aviation Administration's requirements:

**i.** Lake Tahoe Airport Rules and Regulations
**ii.** Lake Tahoe Airport Minimum Standards
**iii.** Lake Tahoe Airport Policies and Procedures
**iv.** Airport Security Plan (if required for commercial air operations)

**11. NOTICES**

**A. Notices.** Any notice required to be given under this Agreement shall be in writing and either served personally or sent prepaid, first-class mail. Any such notice shall be addressed to the other party at the address set forth below. Notice shall be deemed communicated within 48 hours from the time of mailing if mailed as provided in this section.

If to City:
Airport Manager
City of South Lake Tahoe
1901 Lisa Maloff Way.
South Lake Tahoe, CA 96150
Tel: (530) 542-6182
Email: jdickinson@cityofslt.us

Provide a copy to:
City Attorney's Office
City of South Lake Tahoe
1901 Lisa Maloff Way, Suite 300
South Lake Tahoe, CA 96150
Tel: (530) 542-7478
Email: hstroud@cityofslt.us

If to Lessee:
Thomas McMurray
P.O. Box 6210
Stateline, NV 89449
Tel: (949) 322-4276
Email: wes@statelinemanagement.com

**12. CASUALTY**

**A. Damage or Destruction of CITY Premises.** In the event that any fixed improvements erected on the Airport by CITY are damaged or destroyed by fire or other casualty, the rent hereunder shall not abate provided the Premises are not rendered untenantable by such damage. If the Premises are rendered untenantable, and CITY elects to repair the Premises, the rent shall abate for the period during which such repairs are being made, provided the damage was not caused by acts or omissions of LESSEE, its employees, agents, or invitees, in which case the rent shall not abate. If the Premises are rendered untenantable and CITY elects not to repair the Premises this Agreement shall terminate.

**A. Damage or Destruction of LESSEE Premises.** In the event of damage to or destruction caused by the negligent or intentional act of LESSEE, of LESSEE-constructed improvements located within the Premises or in the event LESSEE-constructed improvements located within the Premises are declared unsafe or unfit for use or occupancy by a public entity with the authority to make and enforce such declaration, LESSEE shall, within ninety (90) days of such damage, destruction or declaration commence and diligently pursue to completion the repair, replacement, or reconstruction of improvements necessary to permit full use and occupancy of the Premises for the purposes required by this Agreement. Repair, replacement or reconstruction of improvements within the Premises shall be accomplished in a manner and according to plans approved by CITY.

**13. CONDEMNATION**

**A. Power of Eminent Domain.** If all or any part of the Premises is taken by any public or quasi-public agency or entity under the power of eminent domain during the term of this Agreement:

- **i.** Either CITY or LESSEE may terminate this Agreement by giving the other thirty (30) days' written notice of termination; provided, however, that LESSEE cannot terminate this Agreement unless the portion of the Premises taken by eminent domain is so extensive as to render the remainder of the Premises useless for the uses permitted by this Agreement.
- **ii.** If only a portion of the Premises is taken by eminent domain and neither CITY nor LESSEE terminates this lease, the rent thereafter payable under this Agreement shall be reduced by the same percentage that the floor area of the portion taken by eminent domain bears to the floor area of the entire Premises.
- **iii.** If any portion of the Airport other than the Premises is taken by eminent domain, CITY may, at its option, terminate this Agreement by written notice to LESSEE.
- **iv.** Any and all damages and compensation awarded or paid because of a taking of the Premises shall belong to CITY, and LESSEE shall have no claim against CITY or the entity exercising eminent domain power for the value of the unexpired term of this Agreement or any other right arising from this Agreement.

**14. LESSEE AS INDEPENDENT CONTRACTOR**

**A.** In conducting its business, LESSEE acts as an independent contractor and not as an agent, partner, or joint venture of the CITY. The selection, retention, assignment, direction, and payment of LESSEE'S employees shall be the sole responsibility of LESSEE, and CITY shall not attempt to exercise any control over the daily performance of duties by LESSEE'S employees.

**15. [RESERVED]**

**16. ASSIGNMENT AND SUBLETTING**

**A. Assignment and Subletting.** Without CITY's written consent, with such consent not to be unreasonably withheld or delayed, LESSEE shall not assign, transfer, sublease, pledge, surrender, or otherwise encumber, or dispose of this Agreement or any estate or right created by this Agreement, or any interest in any portion of the same, or permit any other person or persons, company, or corporation to occupy the Premises except to a subsidiary, affiliate, or other entity where the beneficial ownership is substantially similar to that of LESSEE. This Agreement is non-transferable. Except as provided above, any attempt to transfer this Agreement from LESSEE by merger, consolidation, or liquidation, or the sale, conveyance, transfer by bequest or inheritance, or other transfer of a controlling interest in LESSEE shall constitute a default and termination of the Agreement.

**17. PERMITS AND REGULATIONS**

**A. Permits.**

1. LESSEE shall be solely responsible for, obtain and pay for any and all permits required by all federal, state, and local governmental entities for any and all work on alterations, additions modifications, installations, or improvements accomplished by LESSEE or by others on behalf of or for the benefit of LESSEE, or caused or allowed to be accomplished by LESSEE on the Premises. Any consent of CITY required under this Agreement shall be separate from any other consents or approvals required by any federal, state, or other governmental agency.
2. It is expressly agreed that LESSEE allowing a subcontractor, independent contractor or other third party not an employee of LESSEE to utilize the Premises for LESSEE'S permitted business obligations shall not constitute an assignment or subletting but that allowing such person to utilize the Premises for other than LESSEE'S permitted business obligations on the Premises shall constitute a sub-lease and is prohibited.

**B. Acceptance of Leased Premises.** CITY is not obligated to make any improvements to the Premises. LESSEE acknowledges having inspected the Premises, including plumbing, electrical, and mechanical systems and those fixtures, furniture and equipment set forth in Exhibit "B"

attached hereto, and accepts the same AS-IS, WHERE-IS in their current condition as being suitable for the uses intended of the Premises as set forth herein. No representation, statement, or warranty, expressed or implied, is or shall be made by or on behalf of CITY as to the Premises' condition, or as to the use that may be made of the Airport Terminal Building unless specifically set forth in writing. LESSEE releases CITY from any responsibility for any representation that may have been made to the LESSEE about the Premises and the Airport Terminal facility that is not specifically set out in this Agreement.

**C. Compliance with Governmental Requirements.** LESSEE shall, at LESSEE'S sole cost and expense, comply with all rules, regulations, ordinances, statutes, and laws of all counties, municipal, state, local, federal and other governmental authorities, now or hereafter in effect pertaining to the Airport, the Premises, or LESSEE'S use thereof. LESSEE shall specifically ensure that all of LESSEE'S employees have proper Worker's Compensation coverage in effect at all times.

**Compliance with City Regulations.** LESSEE shall at LESSEE'S sole cost and expense at all times during the term of this Agreement or any renewal or extension thereof comply with and observe all rules, regulations, ordinances, and laws which have been or may be promulgated by CITY relating to the Premises and the use of the facilities of the Airport including all fire regulations, safety regulations, noise control regulations and security regulations. Such rules and regulations are hereby made a part of this Agreement and LESSEE'S failure to keep and observe the rules and regulations shall constitute a breach of the terms of this Agreement in like manner as if the same were contained herein as covenants and conditions. CITY reserves the right to amend or supplement the rules and regulations and to adopt additional rules and regulations applicable to the Premises, to LESSEE'S use of the Premises, and the use of the facilities of the Airport. CITY shall have no obligation to LESSEE as a result of the violation of any such rules by any other person.

## 18. DEFAULT AND TERMINATION

**A. General**. This Agreement may be terminated by CITY or LESSEE immediately for cause or without cause upon thirty days (30) days written notice of termination. Termination, revocation, or expiration of this Agreement shall not release either party from liability resulting from an event which occurred prior to such termination, revocation, or expiration. Upon termination, revocation or expiration of this Agreement, LESSEE shall discontinue the use of the Premises and, upon written notice from CITY, remove from the Premises all personal property. LESSEE shall restore the Premises as nearly as possible to the condition in which they existed immediately prior to the execution of this Agreement reasonable wear and tear or maintenance required to be made by CITY hereunder, damage by casualty, or taking by condemnation excepted. Property of LESSEE not removed from the Premises within 60 days after the termination, revocation, or expiration of this Agreement, shall become the property of the CITY. If this Agreement is terminated, CITY shall have all of the rights and remedies of a landlord provided by Civil Code section 1951.2, in addition to any other rights and remedies CITY may have. The damages which CITY may recover shall include without limitation; (i) the

worth at the time of award of the unpaid rent which had been earned at the time of termination; (ii) the worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of the award exceeds the amount of the rental that LESSEE proves could have been reasonably avoided; (iii) the worth at the time of award computed by discounting the amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award plus one percent (1%) of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of rental loss that Lessee proves could be reasonably avoided; (iv) all reasonable out-of-pocket legal expenses and other related costs incurred by CITY following LESSEE's default; (v) all reasonable costs incurred by CITY in restoring the Premises in good order and condition to re-lease the Premises; and (vi) all reasonable costs, including without limitation, any brokerage commissions incurred by CITY in re-leasing the Premises.

**B. Surrender.**

1. **Trade Fixtures.** Except for the items listed in Exhibit E, which are to remain on the Premises, LESSEE shall, at the termination of this Agreement, remove all LESSEE's equipment, inventory, personal property, trade fixtures, and the like from the Premises and the Airport Terminal Building, repair any damage caused by such removal and shall deliver to CITY the Premises and all Improvements thereto, in the same condition they were at the commencement of the term, or as they were added pursuant to this Agreement during the term of this Agreement, reasonable wear and tear excepted. In the event of LESSEE's failure to remove any of LESSEE's equipment, inventory, personal property, trade fixtures and the like at LESSEE's expense within ten (10) days after expiration or termination hereof, Airport may retain the same under CITY's control, or sell at private or public sale, without notice, any or all of such property and retain the net proceeds of such sale or destroy such property.

2. **Improvements.** Except for the items listed in Exhibit E, which are to remain on the Premises, all alterations, additions or improvements made by LESSEE at the Airport shall, unless CITY elects otherwise, as hereinafter provided, be the property of LESSEE and shall be removed by LESSEE, at LESSEE'S expense upon the expiration or termination of this Agreement. If CITY elects (upon written notice to LESSEE of such election given prior to the expiration or termination of this Agreement) that all or a designated portion of the alterations, additions, or improvements made by LESSEE shall remain on the Premises at expiration or termination of this Agreement, then said alteration, additions or improvements shall become CITY's property at no cost to CITY.

3. **Amortization Schedule.** LESSEE has agreed to make Tenant Improvements to the Premises as set forth in Exhibit E. If CITY terminates the agreement within initial five-year Term, CITY shall compensate LESSEE for the value of the Tenant Improvements based on the following amortization schedule, upon LESSEE's production of receipts to verify the total amount spent on the Tenant Improvements in Exhibit E met or exceeded $593,000. If receipts total less than this amount, compensation to LESSEE shall be prorated accordingly. CITY shall provide no compensation to LESSEE under this amortization schedule if LESSEE terminates the agreement.

| | |
|---|---|
| **Year 1 (Sept. 10, 2024-Sept. 9, 2025)** | **$593,000.00** |
| **Year 2 (Sept. 10, 2025-Sept. 9, 2026)** | **$474,400.00** |
| **Year 3 (Sept. 10, 2026-Sept. 9, 2027)** | **$355,800.00** |
| **Year 4 (Sept. 10, 2027-Sept. 9, 2028)** | **$237,200.00** |
| **Year 5 (Sept. 10, 2028-Sept. 9, 2029)** | **$118,600.00** |

## 19. MISCELLANEOUS PROVISIONS

**A. Waiver.** Waiver of a breach or default under this Agreement shall not constitute a continuing waiver of a subsequent breach of the same or any other provision under this Agreement.

**B. Controlling Law Venue.** This Agreement and all matters relating to it shall be governed by the laws of the State of California and any action brought relating to this Agreement shall be held exclusively in the Superior Courts in the County of El Dorado, South Lake Tahoe Division.

**C. Headings.** The headings used in this Agreement are intended for convenience of reference only and do not define or limit the scope or meaning of any provision of this Agreement.

**D. Access by CITY.** LESSEE shall permit CITY and its agents to enter the Premises at all reasonable times upon reasonable notice for any appropriate purpose, including, without limitation, the following purposes:

1. To inspect the Premises:
2. To maintain the Airport;

3. To maintain or make such repairs to the Premises as CITY is obligated or may elect to make;
4. To make repairs, alterations, or additions to any other portion of the Airport;
5. To post notices of non-responsibility for alterations, additions, or repairs;
6. To access any areas reserved to the CITY herein;
7. To show the Premises to prospective LESSEES.

In case of an emergency, CITY may access the Premises without prior notice. CITY shall have such right of entry and the right to fulfill the purpose thereof without any rebate of rent to LESSEE for any loss of occupancy or quiet enjoyment of the Premises thereby occasioned.

**E. Americans with Disabilities Act.** By signing this Agreement, LESSEE assures the CITY that it complies with the American with Disabilities Act (ADA) of 1990, (42 U.S.C. 12101, et. seq.), which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to ADA.

**F. Subordination**. This Agreement shall be subordinate to the provisions of any existing or future agreement between the CITY and the United States or the State of California relative to the operation or maintenance of the airport, the execution of which has been or may be required as a condition precedent to the expenditure of federal or state funds for the development of the airport. Furthermore, this Agreement may be amended to include provisions required by those agreements with the United States or the State of California.

**G. Aerial Approaches.** CITY reserves the right to take any action it considers necessary to protect the aerial approaches of the Airport against obstruction, together with the right to prevent LESSEE from erecting, or permitting to be erected, any building or other structure on or adjacent to the Airport which, in the reasonable opinion of CITY, would limit the usefulness of the Airport or constitute a hazard to aircraft.

**H. Title**. Title to the building upon which the LESSEE shall enjoy use shall remain with the CITY and shall not be transferable.

**I. Force Majeure.** Any prevention, delay or stoppage due to strikes, walkouts, labor disputes, acts of God, inability to obtain labor or materials or reasonable substance therefore, governmental restrictions, governmental regulations, governmental controls, enemy or hostile governmental action, civil commotion, fire or other casualty, and other causes beyond the reasonable control of the party obligated to perform, shall excuse the performance by such party for a period equal to any such prevention, delay or stoppage, except for the obligation imposed with regard to rental and other charges to be paid by LESSEE pursuant to this Agreement.

**J. Waiver of Relocation Benefits.** LESSEE waives any and all relocation benefits defined in the California Relocation Assistance Law (Government Code section 7260, et seq.) in connection with this Agreement.

**K. Non-Discrimination.** The LESSEE, as a part of the consideration hereof, does hereby covenant and agree that:

**1.** No person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of the t Premises or LESSEE's Improvements.

**2.** In the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination,

**3.** The LESSEE shall use the Premises and LESSEE's Improvements in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination, in Federally assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

**L. Exhibits Incorporated.** All exhibits to which reference is made in this Agreement are deemed incorporated in this Agreement by reference as though fully set forth herein, whether or not actually attached.

**M. Cumulative Remedies.** No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

**N. LESSEE'S Authority.** LESSEE warrants that it has all requisite power and authority to execute, deliver, and perform under this Agreement. Each party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and to bind each respective party.

**O. Amendments.** This Agreement may be modified or amended only by a written document executed by both LESSEE and CITY and approved as to form by the City Attorney.

**P. Severability.** If any term or portion of this Agreement is held to be invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions of this Agreement shall continue in full force and effect.

**Q. Entire Agreement**. This Agreement constitutes the complete and exclusive statement of Agreement between CITY and LESSEE. All prior written and oral communications, including correspondence, drafts, memoranda, and representations, are superseded in total by this Agreement.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the date first written above.

**CITY OF SOUTH LAKE TAHOE**:

By Cody Bass (Sep 19, 2024 16:04 PDT)

**Cody Bass, Mayor**

**FLIGHT DECK GRILL & GOLF CLUB LLC**

By Tom McMurray (Oct 3, 2024 22:23 PDT)

**Thomas McMurray, CEO**

Business License # 331784

**APPROVED AS TO FORM:**

By Heather Stroud (Sep 20, 2024 13:38 PDT)

Heather Stroud, City Attorney

**ATTEST:**

By Susan Blankenship (Sep 19, 2024 16:13 PDT)

Susan Blankenship, City Clerk

**Attachments:**

**Exhibit A** – Description of the Premises
**Exhibit B** – City Owned Personal Property & Trade Fixtures
**Exhibit C** – Annual Rental Rate for Term of Agreement
**Exhibit D** – Suite 105 Sub-Meter Electrical Rates
**Exhibit E** – Tenant Improvements

**Exhibit A**

**DESCRIPTION OF PREMISES**

# AIRPORT TERMINAL/CITY HALL

**1901 Lisa Maloff Way, SOUTH LAKE TAHOE, CALIFORNIA, 965150**

**EXHIBIT "A" LOCATION MAP**

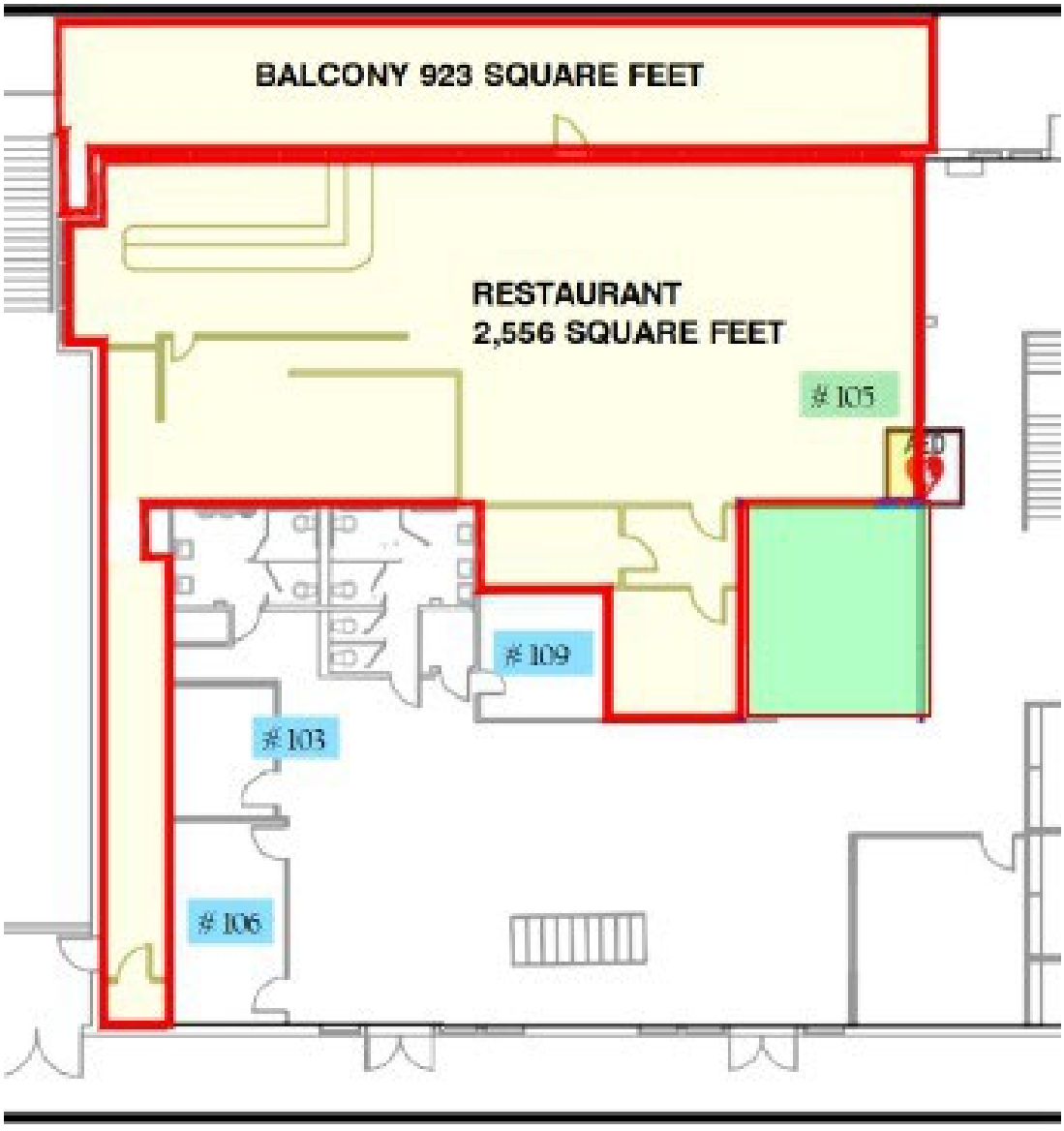


**Exhibit B**

**CITY OWNED PERSONAL PROPERTY & RESTAURANT TRADE FIXTURES**

**Existing Lake Tahoe Airport Trade Fixutres**

| Quantity | Item | Manufacturer | Material Type | Description | Location | Minimum Service Schedule | Date Installed/ Purchased/ Leased |
|---|---|---|---|---|---|---|---|
| 1 | built In bar counter | Custom Wood Work | wood | "L" Shaped Bar Mounted to floor | bar area | None | May-98 |
| 1 | bar sink | Toppo | stainless | 3 wash sinks & bottle ice chest | bar area | None | May-93 |
| 1 | kegerator | Micromatic | stainless top | 3 keg / 5 tap | refrigerated | annual disinfection of all surfaces inside and outside. drain any liquids from inside fridge area. | Aug-18 |
| 2 | electric ceiling fans | Unknown | painted metal | ceiling fan | bar ara | None | unknown |
| 1 | Walk-in Cooler | McQuay PaceMaker refridge unit | stainless | large, Inside 6' x 10' | walk in fridge / dry goods pantry | Annual removal of food storage and deep clean. Annual inspection of refridgeration unit | unknown |
| 1 | Stove / Oven/ Griddle | Imperial | steel | 6 burner/ 2 over with flat grill top | kitchen | quaterly remove burners and degrease all surfaces inside and out | May-93 |
| 1 | Grille/Broiler | Superior | steel | stand alone grille unit next to 6 burner oven | kitchen | quaterly remove grill and degrease all surfaces inside and out | unknown |
| 1 | Deep Fryer | Avantco FF300 | stainless | stand alone gas fryer | kitchen | quarterly drain and clean all surfaces with degreaser | 21-Jul |
| 1 | Deep Fryer | Avantco FF300 | stainless | stand alone gas fryer | kitchen | quarterly drain and clean all surfaces with degreaser | Mar-19 |
| 1 | Refrigerator | Unknown | custom built | Built into Bar Storage Unit | east wall bar area | annual disinfection of all surfaces inside and outside. drain any liquids from inside fridge area. | unknown |
| 1 | Refrigerator | Unknown | custom built | Built into Bar Storage Unit | east wall bar area | annual disinfection of all surfaces inside and outside. drain any liquids from inside fridge area. | unknown |
| 1 | Refrigerator | Unknown | custom built | Built into Bar Storage Unit | east wall bar area | annual disinfection of all surfaces inside and outside. drain any liquids from inside fridge area. | unknown |
| 1 | Built in wash station tables, and drying shelf | Swisher Hygeine | stainless | L - shape w/ sink | kitchen | None | Apr-93 |
| 1 | wash sink with long prep table | Unknown | stainelss | opposite stove in kitchen | kitchen | None | unknown |
| 1 | 3 tub sink and spigot | Regency | stainless | 3 sink wash basin | kitchen | None | May-93 |
| 1 | Refrigerator | Everest Refridgeration | stainless | double door rolling cooler with shelves | kitchen | annual disinfection of all surfaces inside and outside. drain any liquids from inside fridge area. | unknown |
| 1 | Table | Avantco | stainless | prep county with cooler storage & 2 door fridge under prep area | opposite stove in Kitchen | annual disinfection of all surfaces inside and outside. drain any liquids from inside fridge area. | unknown |
| 3 | Fire Extiguishers | Buckeye | steel | hand held fire extinguishers | various locations | None serviced by City | unknown |
| 1 | Extraction Hood | Unknown | stainless, 6 filters | large | Over stove & fryers in kitchen | Bi-annual cleaning and service by licensed contractror | Sep-96 |
| 1 | Fire Extinguisher System | ProChem | PCL-350 | | hood fire suppression system | Bi-annual cleaning and service by licensed contractror | Oct-96 |
| 1 | kegerator | Micromatic | Pro-Line E-Series 5 Keg | Alcholic Beverage Cooler with Beer Tap | Bar Area | Bi-annual cleaning and service by licensed contractror | Mar-18 |

**Exhibit C**

**ANNUAL FIXED RATE AT SUITE 105 FOR TERM OF THE AGREEMENT**
**(Per Month Fixed Fees)**

| Year | Rent Amount | Base $/SF | CAM Fee | $/SF including CAM | Share of Natural Gas Utilities Paid to City | Total Fees Payable to city | Total $/SF |
|---|---|---|---|---|---|---|---|
| 2024-2025 | $2,000.00 | $0.53 | $400.00 | $0.64 | $174.15 | $2,574.15 | $0.68 |
| 2025-2026 | $2,300.00 | $0.61 | $412.00 | $0.72 | $179.37 | $2,891.37 | $0.77 |
| 2026-2027 | $2,600.00 | $0.69 | $424.00 | $0.80 | $184.75 | $3,208.75 | $0.85 |
| 2027-2028 | $2,900.00 | $0.77 | $437.00 | $0.88 | $190.30 | $3,527.30 | $0.93 |
| 2028-2029 | $3,300.00 | $0.87 | $450.00 | $0.99 | $196.00 | $3,946.00 | $1.04 |

*Lessor agrees to pay for water and sewer charges in monthly "Lease Fee". Lessee pays a prorated share of natural gas. Lessee has a sub-meter installed to account for Lessee share of electricity for leasehold. Section 7. provides more explanation regarding utilities.

**Common Area Maintenance Fee (CAM Fee) As certain common areas are shared the Lessee agrees to pay the City a share of costs for the City providing the following services: restroom janitorial service in common area restrooms inside the airport terminal building, non-leasehold common area janitorial service, replacement of HVAC intake filters, annual fire extinguisher service (excluding the kitchen hood suppression system) and snow removal. The CAM Fee shall increase at a rate of three percent (3.0%) annually commencing each May 1st of the Agreement. The CAM and other fees will not be charged until November 1, 2024.

**Exhibit D**

**SUITE 105 SUB-METER ELECTRICAL RATES (Based on Usage kWh)**

**Payments will be reflected on invoices one month in arrears.**

**Rates for Suite 105**

| | | | | | |
|---|---|---|---|---|---|
| 5/7/2024 | May | $0.1407 | | 0 | $0.00 |
| | June | $0.1407 | | 0 | $0.00 |
| | July | $0.1407 | | 0 | $0.00 |
| | August | $0.1407 | | 0 | $0.00 |
| | September | $0.1407 | | 0 | $0.00 |
| | October | $0.1407 | | 0 | $0.00 |
| | November | $0.1407 | | 0 | $0.00 |
| | December | $0.1407 | | 0 | $0.00 |
| | January | $0.1407 | | 0 | $0.00 |
| | February | $0.1407 | | 0 | $0.00 |
| | March | $0.1407 | | 0 | $0.00 |
| | April | $0.1407 | | 0 | $0.00 |
| 5/7/2025 | May | $0.1435 | | 0 | $0.00 |
| | June | $0.1435 | | 0 | $0.00 |
| | July | $0.1435 | | 0 | $0.00 |
| | August | $0.1435 | | 0 | $0.00 |
| | September | $0.1435 | | 0 | $0.00 |
| | October | $0.1435 | | 0 | $0.00 |
| | November | $0.1435 | | 0 | $0.00 |
| | December | $0.1435 | | 0 | $0.00 |
| | January | $0.1435 | | 0 | $0.00 |
| | February | $0.1435 | | 0 | $0.00 |
| | March | $0.1435 | | 0 | $0.00 |
| | April | $0.1435 | | 0 | $0.00 |
| 5/7/2026 | May | $0.1464 | | 0 | $0.00 |
| | June | $0.1464 | | 0 | $0.00 |
| | July | $0.1464 | | 0 | $0.00 |
| | August | $0.1464 | | 0 | $0.00 |
| | September | $0.1464 | | 0 | $0.00 |
| | October | $0.1464 | | 0 | $0.00 |
| | November | $0.1464 | | 0 | $0.00 |
| | December | $0.1464 | | 0 | $0.00 |
| | January | $0.1464 | | 0 | $0.00 |
| | February | $0.1464 | | 0 | $0.00 |
| | March | $0.1464 | | 0 | $0.00 |
| | April | $0.1464 | | 0 | $0.00 |
| 5/7/2027 | May | $0.1493 | | 0 | $0.00 |
| | June | $0.1493 | | 0 | $0.00 |
| | July | $0.1493 | | 0 | $0.00 |
| | August | $0.1493 | | 0 | $0.00 |
| | September | $0.1493 | | 0 | $0.00 |
| | October | $0.1493 | | 0 | $0.00 |
| | November | $0.1493 | | 0 | $0.00 |
| | December | $0.1493 | | 0 | $0.00 |
| | January | $0.1493 | | 0 | $0.00 |
| | February | $0.1493 | | 0 | $0.00 |
| | March | $0.1493 | | 0 | $0.00 |
| | April | $0.1493 | | 0 | $0.00 |

| | | | | | |
|---|---|---|---|---|---|
| 5/7/2028 | May | $0.1523 | | 0 | $0.00 |
| | June | $0.1523 | | 0 | $0.00 |
| | July | $0.1523 | | 0 | $0.00 |
| | August | $0.1523 | | 0 | $0.00 |
| | September | $0.1523 | | 0 | $0.00 |
| | October | $0.1523 | | 0 | $0.00 |
| | November | $0.1523 | | 0 | $0.00 |
| | December | $0.1523 | | 0 | $0.00 |
| | January | $0.1523 | | 0 | $0.00 |
| | February | $0.1523 | | 0 | $0.00 |
| | March | $0.1523 | | 0 | $0.00 |
| | April | $0.1523 | | 0 | $0.00 |
| 5/6/2029 | March | $0.1554 | | 0 | $0.00 |
| | April | $0.1554 | | 0 | $0.00 |
| | May | $0.1554 | | 0 | $0.00 |
| | June | $0.1554 | | 0 | $0.00 |
| | July | $0.1554 | | 0 | $0.00 |
| | August | $0.1554 | | 0 | $0.00 |
| | September | $0.1554 | | 0 | $0.00 |

**EXHIBIT E**
**TENANT IMPROVEMENTS**

| Area | Category | Item | EST Cost |
|---|---|---|---|
| Kitchen | Asset | Materials Kitchen & Bar | $75,000.00 |
| Entertainment | Asset | Sim Units | $130,000.00 |
| Entertainment | Start-up Expense | Clubs Full Sets | $3,000.00 |
| Construction | Asset | Build Out | $307,000.00 |
| Bar | Asset | Point of Sale System | $33,000.00 |
| Entertainment | Start-up Expense | AV/Audio/Alarm | $25,000.00 |
| Clerical | Start-up Expense | Design | $20,000.00 |
| | | | |
| | | **Total** | **$593,000** |

8.22.2024

City of SoulhLake Tahoe
Attn: Ai porl Manager John Dickinson
1901 Lisa Maloff Rd.
SouthLake Ta'hoe Ca 96150

RE Project Description
1909'Lisa MaloffRd.
South LakeTahoe, Ca 96150

To WhomII May Concern,

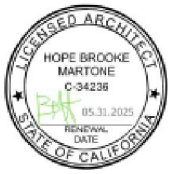
Our fi1m:Monarch Architeciurehas beenhiredlo providelenant improvemenl - aichitecimedesign servroeslo Tom McMurray for tile vacanl restaurant located wilhin the City of South lake Tahoe Airport.

As we are working throughtheprocess of the sdhematicdesig1p1hase. The followingimp1ovemenls are being p1oposed

11. Rebuilding the existing bar:including reconfiguringlhe bar equipment
2. Adding a11additional bar to lhe rightsideof the restaurant.
3. Build oul dining roomseating, including banquet seating.
4. Providespace andbuildoul 2 golf simulators.
5. Expand therestaurant footprint into the existingpamphl et roomandadd anadditionall4' intolhe lobby.
6. Createa newenlrancelo the restaurant via the fronl lobby aiea; new enlrancelo inoludehost counter and goldclub storage.
7. Move theexisting walk-infridge closer to theexisting kitchen.
8. The inferior finishesinthe restauranl and bar1o beupdated to fil ow,nersbranding,including flamingandoei'lingtreatments.
9. Existing kitdhenlo remain as closelo what isexistingexcept forimprovementsdiciatedbytile HealthDeparlmenl ornecessary formenu items asdeemedapproprialeby owner.
110. Provide necessary wiringfor AV - TV's throughoul 1estaurant.

Thankyouverymuchfor yourreview andplease feel free to callor email me if youneedany further informationorhave anyquestions.

IBes
Brooke Martone
IIRCI-IITECT 11 LEEDAP




CA. Licensed Architect 34236
CA. Licensed General Contractor 947910

MONARCH
ARCHITECTURE

2264 Lake TahoeIB!VI:I.STIE13
S001thLake Tahoe,
CA.96150
530.542.2919
I;1ookemartone@gmai .com

# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 09/19/2024

**THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.**

**IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).**

| PRODUCER | CONTACT NAME: Robert Granger |
|---|---|
| Granger Independent Insurance Services<br>20902 Brookhurst St. Suite 208<br>Suite 208<br>Huntington Beach CA 92646 | PHONE (A/C, No, Ext): (949) 424-6423 FAX (A/C, No): (949) 424-6423<br>E-MAIL ADDRESS: robert@grangerindependent.com |

| INSURER(S) AFFORDING COVERAGE | NAIC # |
|---|---|
| INSURER A : DIAMOND STATE INS CO | 42048 |
| INSURER B : | |
| INSURER C : | |
| INSURER D : | |
| INSURER E : | |
| INSURER F : | |

**INSURED**
Flight Deck Grill and Golf, LLC
1901 Airport Road
Ste 105
South Lake Tahoe aliforn96150

**COVERAGES** **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

| INSR LTR | TYPE OF INSURANCE | ADDL INSD | SUBR WVD | POLICY NUMBER | POLICY EFF (MM/DD/YYYY) | POLICY EXP (MM/DD/YYYY) | LIMITS | |
|---|---|---|---|---|---|---|---|---|
| A | [X] COMMERCIAL GENERAL LIABILITY<br>[ ] CLAIMS-MADE [ ] OCCUR<br>GEN'L AGGREGATE LIMIT APPLIES PER:<br>[ ] POLICY [ ] PRO-JECT [X] LOC<br>[ ] OTHER: | X | | VEP0344545 | 09/19/2024 | 03/19/2025 | EACH OCCURRENCE<br>DAMAGE TO RENTED PREMISES (Ea occurrence)<br>MED EXP (Any one person)<br>PERSONAL & ADV INJURY<br>GENERAL AGGREGATE<br>PRODUCTS - COMP/OP AGG | $ 1,000,000<br>$ 50,000<br>$ 5000<br>$ NA<br>$ 1,000,000<br>$ NA |
| | AUTOMOBILE LIABILITY<br>[ ] ANY AUTO<br>[ ] OWNED AUTOS ONLY [ ] SCHEDULED AUTOS<br>[ ] HIRED AUTOS ONLY [ ] NON-OWNED AUTOS ONLY | | | | | | COMBINED SINGLE LIMIT (Ea accident)<br>BODILY INJURY (Per person)<br>BODILY INJURY (Per accident)<br>PROPERTY DAMAGE (Per accident) | $<br>$<br>$<br>$ |
| | [ ] UMBRELLA LIAB [ ] OCCUR<br>[ ] EXCESS LIAB [ ] CLAIMS-MADE<br>[ ] DED [ ] RETENTION $ | | | | | | EACH OCCURRENCE<br>AGGREGATE | $<br>$ |
| | WORKERS COMPENSATION AND EMPLOYERS' LIABILITY<br>ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Y / N [ ]<br>(Mandatory in NH)<br>If yes, describe under DESCRIPTION OF OPERATIONS below | N / A | | | | | [ ] PER STATUTE [ ] OTH-ER<br>E.L. EACH ACCIDENT<br>E.L. DISEASE - EA EMPLOYEE<br>E.L. DISEASE - POLICY LIMIT | <br>$<br>$<br>$ |

**DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)**

**CERTIFICATE HOLDER**

CITY OF SOUTH LAKE TAHOE
1052 TATA LANE
SOUTH LAKE TAHOE CA 96150

**CANCELLATION**

**SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.**

**AUTHORIZED REPRESENTATIVE**

Robert Granger

**© 1988-2015 ACORD CORPORATION. All rights reserved.**

# C-238-2024 Flight Deck Lease

Final Audit Report 2024-10-04

| | |
|---|---|
| Created: | 2024-09-19 |
| By: | Michelle Davis (medavis@cityofslt.us) |
| Status: | Signed |
| Transaction ID: | CBJCHBCAABAAwcruGxoqzO9FSUhs1t4dujnHsugo6864 |

## "C-238-2024 Flight Deck Lease" History

Document created by Michelle Davis (medavis@cityofslt.us)
2024-09-19 - 11:02:30 PM GMT

Document emailed to Susan Blankenship (sblankenship@cityofslt.us) for signature
2024-09-19 - 11:02:37 PM GMT

Document emailed to Heather Stroud (hstroud@cityofslt.us) for signature
2024-09-19 - 11:02:38 PM GMT

Document emailed to cbass@cityofslt.us for signature
2024-09-19 - 11:02:38 PM GMT

Document emailed to Tom McMurray (tom@onlinemailingsolutions.com) for signature
2024-09-19 - 11:02:38 PM GMT

Email viewed by cbass@cityofslt.us
2024-09-19 - 11:03:28 PM GMT

Document signing delegated to Cody Bass (codybass@me.com) by cbass@cityofslt.us
2024-09-19 - 11:04:39 PM GMT

Document e-signed by Cody Bass (codybass@me.com)
Signature Date: 2024-09-19 - 11:04:48 PM GMT - Time Source: server

Email viewed by Susan Blankenship (sblankenship@cityofslt.us)
2024-09-19 - 11:13:31 PM GMT

Document e-signed by Susan Blankenship (sblankenship@cityofslt.us)
Signature Date: 2024-09-19 - 11:13:42 PM GMT - Time Source: server

Email viewed by Tom McMurray (tom@onlinemailingsolutions.com)
2024-09-19 - 11:15:06 PM GMT

Email viewed by Heather Stroud (hstroud@cityofslt.us)
2024-09-19 - 11:23:47 PM GMT

Document e-signed by Heather Stroud (hstroud@cityofslt.us)
Signature Date: 2024-09-20 - 8:38:42 PM GMT - Time Source: server

Email viewed by Tom McMurray (tom@onlinemailingsolutions.com)
2024-09-25 - 11:34:55 PM GMT

Email viewed by Tom McMurray (tom@onlinemailingsolutions.com)
2024-09-29 - 4:29:22 PM GMT

Document e-signed by Tom McMurray (tom@onlinemailingsolutions.com)
Signature Date: 2024-10-04 - 5:23:05 AM GMT - Time Source: server

Agreement completed.
2024-10-04 - 5:23:05 AM GMT

# AMENDMENT TO FOOD & BEVERAGE LEASE AND CONCESSION AGREEMENT

This Amendment to the Lake Tahoe Airport Food and Beverage Lease and Concession Agreement between the City of South Lake Tahoe ("City") and the Flight Deck Grill & Golf Club LLC ("Lessee"), dated September 10, 2024, is entered into and effective October 22, 2024 ("Effective Date").

## RECITALS

A. On September 10, 2024, the City Council authorized execution of the Lake Tahoe Airport Food and Beverage Lease and Concession Agreement between the City and Lessee ("Agreement"). The Agreement includes Section 4(A)(4), which requires Lessee to open the restaurant for business to the public within 60 days, and Section 4(C)(15), requiring Lessee to complete all tenant improvements listed in Exhibit E of the Agreement within 3 months.

B. Subsequently, Lessee notified City that more time is needed to complete the tenant improvements listed in Exhibit E of the Agreement because of contractor delays that are beyond Lessee's control.

C. The parties desire to amend the Agreement to allow tenant more time to complete tenant improvements and open the restaurant for business to the public, to be extended to 180 days from the effective date of this Amendment, and to make no changes to any other terms of the Agreement.

## AGREEMENT

**1.** Section 4(A)(4) of the Agreement is hereby amended to read in its entirety as follows:

LESSEE shall open for business to the public in the Premises within one-hundred and eighty (180) days of the Effective Date of this Amendment.

**2.** Section 4(C)(15) of the Agreement is hereby amended to read in its entirety as follows:

LESSEE agrees to complete Tenant Improvements described in Exhibit "E" within one-hundred and eighty (180) days of the Effective Date of this Amendment.

IN WITNESS WHEREOF, the parties have caused this Amendment to be executed on the date first written above.

**CITY OF SOUTH LAKE TAHOE**:

By Cody Bass (Oct 23, 2024 15:12 PDT)

**Cody Bass, Mayor**

**FLIGHT DECK GRILL & GOLF CLUB LLC**

By Thomas McMurray (Oct 28, 2024 09:21 PDT)

**Thomas McMurray, CEO**

Business License # 331784

**APPROVED AS TO FORM:**

By Heather Stroud (Oct 23, 2024 14:46 PDT)

Heather Stroud, City Attorney

**ATTEST:**

By Susan Blankenship (Oct 23, 2024 14:40 PDT)

Susan Blankenship, City Clerk

# C-269-2024 Flight Deck Amendment 1

Final Audit Report 2024-10-28

| | |
|---|---|
| Created: | 2024-10-23 |
| By: | Michelle Davis (medavis@cityofslt.us) |
| Status: | Signed |
| Transaction ID: | CBJCHBCAABAAvJ1eIt9r0KdrwLi5z1RozSv_9rhh6JsD |

## "C-269-2024 Flight Deck Amendment 1" History

Document created by Michelle Davis (medavis@cityofslt.us)
2024-10-23 - 8:53:30 PM GMT

Document emailed to Susan Blankenship (sblankenship@cityofslt.us) for signature
2024-10-23 - 8:53:37 PM GMT

Email viewed by Susan Blankenship (sblankenship@cityofslt.us)
2024-10-23 - 9:37:18 PM GMT

Document e-signed by Susan Blankenship (sblankenship@cityofslt.us)
Signature Date: 2024-10-23 - 9:40:29 PM GMT - Time Source: server

Document emailed to Heather Stroud (hstroud@cityofslt.us) for signature
2024-10-23 - 9:40:31 PM GMT

Email viewed by Heather Stroud (hstroud@cityofslt.us)
2024-10-23 - 9:45:57 PM GMT

Document e-signed by Heather Stroud (hstroud@cityofslt.us)
Signature Date: 2024-10-23 - 9:46:26 PM GMT - Time Source: server

Document emailed to Cody Bass (cbass@cityofslt.us) for signature
2024-10-23 - 9:46:28 PM GMT

Email viewed by Cody Bass (cbass@cityofslt.us)
2024-10-23 - 10:12:30 PM GMT

Document signing delegated to Cody Bass (codybass@me.com) by Cody Bass (cbass@cityofslt.us)
2024-10-23 - 10:12:33 PM GMT

Document e-signed by Cody Bass (codybass@me.com)
Signature Date: 2024-10-23 - 10:12:42 PM GMT - Time Source: server

Document emailed to Thomas McMurray (tom@onlinemailingsolutions.com) for signature

2024-10-23 - 10:12:43 PM GMT

Email viewed by Thomas McMurray (tom@onlinemailingsolutions.com)

2024-10-24 - 5:00:51 PM GMT

Document e-signed by Thomas McMurray (tom@onlinemailingsolutions.com)

Signature Date: 2024-10-28 - 4:21:22 PM GMT - Time Source: server

Agreement completed.

2024-10-28 - 4:21:22 PM GMT

# City of South Lake Tahoe

**Agenda Item Executive Summary**

Joe Irvin, City Manager

**Meeting Date:** April 22, 2025
**Agenda Item #:**5

**Agenda Item:** Agreement with Lumos & Associates, Inc. for 2025 Construction Season Inspection Services for Capital Improvement Projects

**Executive Summary:** City Council will consider a contract with Lumos and Associates, Inc. for construction inspection services during the 2025 construction season for a not-to-exceed amount of $520,000, based on an $8,000 per week, all-inclusive inspector rate and $200 per hour overtime, if required and authorized by the City. Inspection costs will be charged to each project, using either the currently allocated funding for the Tahoe Valley Green Belt Improvement Project or the Pioneer Trail Phase II project, upon the award of the construction project.

**Requested Action / Suggested Motions:** Pass a Motion authorizing and directing the Mayor to execute Agreement with Lumos & Associates, Inc., for an amount not to exceed $520,000 for the 2025 Construction Season Inspection Services for Capital Improvement Projects.

**Responsible Staff Member:** Anush Nejad, Director of Public Works

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

**Attachments:**

01-Staff Report - Inspection Award.docx
02-Agreement with Lumos & Associates

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

## Meeting Date: April 22, 2025

**Title:** Agreement with Lumos & Associates, Inc. for Inspection Services for the Pioneer Trail Phase II and Tahoe Valley Green Belt Construction Projects

**Project Location:** Pioneer Trail, from Ski Run Blvd to Larch and Tahoe Valley Green Belt Project Area

**Responsible Staff Member:** Anush Nejad, Director of Public Works (530) 542-6031

**Background:** The Public Works Department manages over $120 million in Capital improvement projects during the 2025 construction season. We have retained or will retain outside consultants for the larger projects to supplement the City's resources for proper inspection. Construction inspection is vital to a good capital improvement program project delivery, especially where we must retain significant records to comply with State or Federal record keeping requirements.

For the 2025 season, staff has identified the need to supplement the current resources for two major construction activities: The Pioneer Trail Phase II sidewalk improvement and pavement upgrade and the Tahoe Valley Green Belt project. The inspector will provide daily reports to the Engineering Division and provide oversight services. These inspection oversight services ensure the work complies with the contract documents and reduce unnecessary change orders.

**Issue and Discussion**: After recognizing and discussing this need with the project team, staff began soliciting proposals for inspection services. Staff released a Request for Proposal Proposals (RFP) to the public on December 4, 2024.

Six hundred sixty-eight (668) firms specializing in inspection and construction management services were electronically notified through Planet Bids. A pre-proposal meeting was conducted on December 20, 2024. Forty-one firms/interested parties downloaded the RFP documents. On January 10, 2025, the Department of Public Works received six (6) electronic submittals.

All submittals were distributed to the three (3) City's evaluation team members, including Public Works and Finance department staff members. Each team member evaluated and then numerically scored each proposal based on the criteria outlined in the RFP for each of the two projects. Initially, the evaluation team invited four firms for interviews to clarify the submissions. Two of the firms subsequently withdrew their proposals. The scores of all three evaluators were then added to achieve a cumulative score for each submittal after the interviews.

*The table* below lists the scoring/ranking of the firms.

| Rank | Firm | Pioneer Trail – Phase II | Tahoe Valley-Green Belt | Notes |
|---|---|---|---|---|
| **1** | Lumos & Associates | 236 | 233 | |
| **2** | Shiels Sowko | 232 | 218.5 | |
| **3** | Eastern Sierra Engineering | 209 | 210 | |
| **4** | Builder Protection Group | 133 | 133 | |
| **NA** | BPR Consulting Group | NA | NA | Withdrew |
| **NA** | 4 Leaf | NA | NA | Withdrew |

Based on the scoring, Lumos & Associates, Inc. was the top-ranked firm for both projects. Staff then conduct a final negotiation with Lumos & Associated for the weekly all-inclusive inspection costs and hourly overtime costs. Lumos' final proposal is $8,000 per week, inclusive of all direct and indirect costs, and $200 per hour for overtime work, which will only be authorized if needed and approved by the City. Overtime work is beyond the standard of 8 hours per day and 40 hours per week, less holidays and non-working days. Staff anticipates some overtime work during the course of construction.

**Financial Implications:** The recommended contract amount for Lumos & Associates is $260,000 per project, for a not-to exceed amount of $520,000 for the 2025 construction season. The inspection services project will be charged to each project as follows:

- Tahoe Valley Greenbelt: 30140030-48034 with the existing budget of $260,000
- Pioneer Trail Ped Phase I & II: 30150024-48034. The budget for this work will be allocated once the grant funding for the project is loaded with the construction bid award. The award for the Pioneer Trail Inspection services will be contingent on the award of the construction project.

**Environmental Considerations:**
Environmental clearance for each of the CIP projects is completed or in the process of completion. Procurement of an inspector and materials testing is not subject to environmental clearance requirements.

**Policy Implications:**
Retaining a qualified inspection is essential for delivering high-quality Capital Improvement Projects. Without these services, the construction work may be compromised, affecting the quality of the work.

**CITY OF SOUTH LAKE TAHOE**

# PROFESSIONAL SERVICES AGREEMENT

This Agreement is made and entered into as of the 22nd day of April 2025, by and between the **City of South Lake Tahoe**, a municipal corporation ("City") and Lumos & Associates, Inc. (Consultant").

## RECITALS

A. Consultant is specially trained, experienced and competent to perform the special services which will be required by this Agreement.

B. Consultant possesses the skill, experience, ability, background, certification and knowledge to provide the services described in this Agreement on the terms and conditions described herein.

C. City desires to retain Consultant to render professional services as set forth in this Agreement.

## AGREEMENT

1. Scope of Services. Consultant shall perform the services set forth in this agreement and shall provide said services at the time, place, and in the manner specified in this agreement. Consultant shall have no power or authority by this Agreement to bind City in any respect.

   The Consultant agrees that it has satisfied itself by its own investigation and research regarding the conditions affecting the work to be done and labor and materials needed, and that its decision to execute this Contract is based on such independent investigation and research.

   All services provided by Consultant pursuant to this Agreement will be provided in accordance with the terms set forth in the **Exhibit A, "Scope of Services,"** attached hereto and incorporated herein by reference. **Exhibit B, "Compensation Schedule,"** attached hereto and incorporated herein by reference, outlines the fees and compensation which shall be paid pursuant to this Agreement.

2. Term/Time of Performance. The services by Consultant are to commence upon the execution of the Agreement and continue until December 31, 2025.

3. Compensation. Compensation to be paid to Consultant shall be in accordance with the Schedule set forth in **Exhibit B** which is attached hereto and incorporated herein by reference. In no event shall Consultant's compensation, including travel and out-of-pocket expenses, and overtime exceed $520,000 without additional written authorization from City. Payment by City under this Agreement shall not be deemed a waiver of defects, even if such defects were known to City at the time of payment. Payment is contingent upon compliance with all terms and conditions of this Agreement, as set forth herein. Consultant shall obtain prior written authorization from the City Project Manager for any costs in excess of budgeted amounts for each line item, task, or obligation under the Scope of Services.

4. Method of Payment. Consultant shall submit monthly billings to City describing the work performed during the preceding month. Separate invoices shall be submitted for each project, including authorized overtime services. Consultant's bills shall include a brief description of the services performed, the date the services were performed, the number of hours spent and by whom, the applicable hourly rate. City shall pay Consultant no later than 30 days after approval of the monthly invoice by City staff.

5. Extra Work. At any time during the term of this Agreement, City may request that Consultant perform extra work. As used herein, "Extra Work" means any work which is determined by City to be necessary for the proper completion of the Project, but which the parties did not reasonably anticipate would be necessary at the execution of this Agreement. Consultant shall not perform, nor be compensated for, extra work without prior written authorization from City.

6. Termination. This Agreement may be terminated by City or Consultant immediately for cause or without cause upon thirty days (30) days written notice of termination. Upon termination, Consultant shall be entitled to compensation for services performed up to the effective date of termination, and City shall be entitled to all work performed to that date.
Termination, revocation, or expiration of this Agreement shall not release either party from liability resulting from an event which occurred prior to such termination, revocation or expiration.

7. Ownership of Documents.
All plans, studies, documents and other writings, including working notes and internal documents, prepared by and for Consultant, its officers, employees

and agents and subcontractors in the course of implementing this Agreement, shall become the property of City upon payment to Consultant for such work, and City shall have the sole right to use such materials in its discretion without further compensation to Consultant or to any other party. Consultant shall, at Consultant's expense, provide such reports, plans, studies, documents and other writings to City upon written request. All documents prepared by Consultant are confidential and shall be maintained to preserve their confidential nature. Release of any such documents to third parties shall only be made upon written consent of City.

8. Consultant's Books and Records.

a. Consultant shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services, or expenditures and disbursements charged to City for a minimum period of three (3) years, or for any longer period required by law, from the date of final payment to Consultant for services provided pursuant to this Agreement.

b. Consultant shall maintain all documents and records which demonstrate performance under this Agreement for a minimum period of three (3) years, or for any longer period required by law, from records shall be available at Consultant's address indicated for the date of termination or completion of this Agreement.

c. Any records or documents required to be maintained pursuant to this Agreement shall be made available for inspection or audit, at any time during regular business hours, upon written request by the City Manager, City Attorney, City Auditor or a designated representative of these officers. Copies of such documents shall be provided to City for inspection at City offices when it is practical to do so. Otherwise, unless an alternative is mutually agreed upon, the receipt of notices in this Agreement.

d. Where City has reason to believe that such records or documents may be lost or discarded due to dissolution, disbandment or termination of Consultant's business, City may, by written request by any of the above-named officers, require that custody of the records be given to City and that the records and documents be

maintained at City offices. Access to such records and documents shall be granted to any party authorized by Consultant, Consultant's representatives, or Consultant's successor-in-interest.

9. Independent Contractor. It is understood that Consultant, in the performance of the work and services agreed to be performed, shall act as and be an independent contractor and shall not act as an agent or employee of City. Consultant shall obtain no rights to retirement benefits or other benefits which accrue to City's employees, and Consultant hereby expressly waives any claim it may have to any such rights. All employees, agents, contractors or subcontractors hired or retained by Consultant are employees, agents, contractors or subcontractors of Consultant and not of the City.

City is not required to make any deductions or withholdings form the compensation payable to Consultant under the provisions of this Contract, and is not required to issue W-2 Forms for income and employment tax purposes for any of Consultant's assigned personnel. Any third party persons employed by Consultant shall be entirely and exclusively under the direction, supervision, and control of Consultant. Consultant hereby indemnifies and holds City harmless from any and all claims that may be made against City based upon any contention by any third party that an employer-employee relationship exists by reason of this Contract.

10. Interest of Consultant. Consultant, (and principals, associates and professional employees of consultant) covenants and represents that it does not now have any investment or interest in real property and shall not acquire any interest, direct or indirect, in the area covered by this Agreement or any other source of income, interest in real property or investment which would be affected in any manner or degree by the performance of Consultant's services hereunder. Consultant further covenants and represents that in the performance of its duties hereunder no person having any such interest shall perform any services under this Agreement.

Consultant is not a designated employee within the meaning of the Political Reform Act because Consultant:

a. Will conduct research and arrive at conclusions with respect to his/her rendition of information, advice, recommendation or counsel independent of the control and direction of City or of any City official, other than normal agreement monitoring; and,

b. Possesses no authority with respect to any city decision beyond rendition of information, advice, recommendation or counsel. [FPPC Reg. 18700(a)(2)].

11. Professional Ability of Consultant. City has relied upon the professional training and ability of Consultant to perform the services hereunder as a material inducement to enter into this Agreement. Consultant shall therefore provide properly skilled professional and technical personnel to perform all services under this Agreement. All work performed by Consultant under this Agreement shall be in accordance with applicable legal requirements and shall meet the standard of quality ordinarily to be expected of competent professionals in Consultant's field of expertise.

12. Compliance with Laws. Consultant shall comply with all applicable federal, state, regional and local laws, codes, ordinances and regulations in carrying out his/her duties under this Agreement. Consultant shall observe and comply with all applicable laws, ordinances, regulations and codes of federal, state and local governments, and shall commit no trespass on any public or private property in performing any of the work authorized by this Agreement. The City, its officials, officers, elected officials, appointed officials and employees shall not be liable at law or in equity as a result of any failure of Consultant to comply with this section. The Consultant is required to pay prevailing wages for the work performed under this Agreement. The Consultant shall pay all penalties and wages as required by law, if these requirements are not met.

13. Licenses. Consultant represents and warrants to City that it has all licenses, permits, qualifications, insurance and approvals of whatsoever nature which are legally required of Consultant to practice its profession. Consultant represents and warrants to City that Consultant shall, at its sole cost and expense, keep in effect or obtain at all times during the term of this Agreement, any licenses, permits, insurance and approvals which are legally required of Consultant to practice its profession. Consultant shall maintain a City of South Lake Tahoe business license at all times services are performed under this Agreement. Consultant acknowledges that payments made pursuant to this Agreement may be withheld until this provision has been satisfied.

14. Indemnity. Consultant hereby agrees to and shall indemnify and hold harmless City, its elected and appointed boards, officers, agents, employees and volunteers from and against any liability for any and all claims, demands, actions, losses, damages and injuries, direct or indirect (including any and all

costs and expenses in connection therein), arising out of this Agreement or caused in any way by Consultant's negligent performance of this Agreement or its breach of its obligations contained in this Agreement, except for any such claims arising out of the negligence or willful misconduct of the City. Consultant agrees to defend City from and against any and all losses, damages, claims costs and fees arising out Consultant's negligent acts, errors, omissions, regarding this Agreement, the Consultant's work under this Agreement, or the consultant's Scope of Work.

City does not, and shall not, waive any rights against Consultant which it may have by reason of the aforesaid hold harmless agreement, because of the acceptance by City, or the deposit with City by Consultant, of any of the insurance policies hereinafter set forth.

This hold harmless agreement by Consultant shall apply to all damages and claims for damages, or alleged to have been suffered, by reason of any of the aforesaid operation of Consultant or any subcontractor, regardless of whether or not such insurance policies shall have been determined to be applicable to any of such damages or claims for damages.

Consultant further waives any and all rights to any type of express or implied indemnity or right of contribution from the City for any liability, claims, demands, costs, charges and expenses and causes of action of whatsoever arising out of or in any way connected with this Agreement, and consultant's work under this Agreement.

15. Insurance Requirements.

a. Consultant, at Consultant's own cost and expense, shall procure and maintain, for the duration of the contract, the following insurance policies.

i. Workers' Compensation Coverage. Consultant shall maintain Workers' Compensation Insurance and Employer's Liability Insurance for his/her employees in accordance with the laws of the State of California. In addition, Consultant shall require each subcontractor to similarly maintain Workers' Compensation Insurance and Employer's Liability Insurance in accordance with the laws of the State of California for all of the subcontractor's employees. Any notice of cancellation of all Workers' Compensation policies must be received by City

at least thirty (30) days prior to such change. Consultant shall provide thirty (30) days written notice of nonrenewal of any Workers' Compensation policies. The insurer shall agree to waive all rights of subrogation against City, its officers, agents, employees and volunteers for losses arising from work performed by Consultant for City.

ii. Commercial General Liability Coverage. Consultant shall maintain commercial general liability insurance no less broad than ISO form CG 00 01 in an amount not less than one million dollars ($1,000,000) per occurrence for bodily injury, personal injury and property damage. Coverage must be made on the standard Occurrence form. Claims-Made forms are not acceptable without prior written consent of City. City of South Lake Tahoe must be endorsed as an additional insured for liability arising out of ongoing operation by on behalf of Consultant. If a commercial general liability insurance form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit.

iii. Automobile Liability Coverage. Consultant shall maintain automobile liability insurance covering bodily injury and property damage for all activities of the Consultant arising out of or in connection with the work to be performed under this Agreement, including coverage for owned, hired and non-owned vehicles, in an amount of not less than one million dollars ($1,000,000) combined single limit for each occurrence.

iv. Professional Liability Coverage. Consultant shall maintain professional errors and omissions liability insurance for protection against claims alleging negligent acts, errors or omissions which may arise from Consultant or by its employees, or subcontractors. The amount of this insurance shall not be less than one million dollars ($1,000,000) on a claims-made annual aggregate basis, or a combined single-limit per occurrence basis.

b. Endorsements. Each general liability and automobile liability insurance policy shall be with insurers possessing an AM Best's rating of no less than A:VII and shall be endorsed with the following specific language:

i. City, its elected or appointed officers, officials, employees, agents and volunteers are to be covered as additional insured's under Consultant's General Liability and Automobile Liability policies with respect to liability arising out of this Agreement and/or work performed by or on behalf of the Consultant, including materials, parts or equipment furnished in connection with such work or operations.

ii. This policy shall be considered primary insurance as respects City, its elected or appointed officers, officials, employees, agents and volunteers. Any insurance maintained by City, including any self-insured retention City may have, shall be considered excess insurance only and shall not contribute with it.

iii. This insurance shall act for each insured and additional insured as though a separate policy had been written for each, except with respect to the limits of liability of the insuring Consultant.

iv. The insurer waives all rights of subrogation against City except for Consultant's Professional Liability and Employers' Liability policies, its elected or appointed officers, officials, employees or agents.

v. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to City, its elected or appointed officers, officials, employees, agents or volunteers.

vi. No policies of insurance carried by Consultant shall be suspended, voided, canceled, or changed in coverage or in limits except after thirty (30) days written notice to the City Attorney by Certified Mail.

c. Deductibles and Self-Insured Retentions. The Consultant shall be responsible for all deductibles in all of Consultant's insurance policies.

The amount of deductibles for insurance coverage required herein shall be reasonable and approved by the City Attorney.

d. Certificates of Insurance. Consultant shall provide certificates of insurance with original endorsements to City as evidence of the insurance coverage required herein. Consultant shall not commence work under this contract until all insurance required under this section has been approved by City as to form, amount and carrier, nor shall Consultant allow any subcontractor to commence work on any subcontract until all similar insurance required and reasonably consistent limits of the subcontractor has been so obtained and approved. Certificates of insurance shall contain no exclusions unless negotiated with the City Attorney and approved, in writing, by the City Attorney.

16. Notices. Any notice required to be given under this Agreement shall be in writing and either served personally or sent prepaid, first-class mail. Any such notice shall be addressed to the other party at the address set forth below. Notice shall be deemed communicated within 48 hours from the time of mailing if mailed as provided in this section.

If to City: City of South Lake Tahoe
1901 Lisa Maloff Way
South Lake Tahoe, CA 96150

Provide a copy to: City Attorney's Office
City of South Lake Tahoe
1901 Lisa Maloff Way, Suite 300
South Lake Tahoe, CA 96150

If to Consultant: Lumos & Associates, Inc.
Brian Harer
312 Dorla Court, Suite 202
Zephyr Cove, NV 89490

17. Assignment and Subcontracting. The parties recognize that a substantial inducement to City for entering into this Agreement is the professional reputation, experience and competence of Consultant. Assignments of any or all rights, duties or obligations of the Consultant under this Agreement will be permitted only with the express consent of City. Consultant shall not subcontract any portion of the work to be performed under this Agreement without the written authorization of City. If City consents to such subcontract, Consultant shall be fully responsible to City for all acts or omissions of the

subcontractor. Nothing in the Agreement shall create any contractual relationship between City and subcontractor nor shall it create any obligation on the part of City to pay or to see to the payment of any monies due to any such subcontractor other than as otherwise required by law.

18. Waiver. Waiver of a breach or default under this Agreement shall not constitute a continuing waiver of a subsequent breach of the same or any other provision under this Agreement.

19. Dispute Resolution. Any dispute concerning this Agreement will be first submitted to the City Manager or his designee for resolution. If no resolution is reached, such dispute shall be submitted to the City Council. The decision of the City Council shall be final and shall be appealable only to the El Dorado Superior Court pursuant to California Code of Civil Procedure §1094.5, and as provided by law.

20. Controlling Law Venue. This Agreement and all matters relating to it shall be governed by the laws of the State of California and any action brought relating to this Agreement shall be held exclusively in the Superior Courts in the County of El Dorado, South Lake Tahoe Division.

21. Prohibited Interests. Consultant maintains and warrants that it has not employed nor retained any Consultant or person, other than the independent contractors hired in accordance with Consultant's standard business practice, to solicit or secure this Agreement. Further, Consultant warrants that it has not paid, nor has it agreed to pay any Consultant or person, other than a bona fide employee working solely for Consultant or an independent contractor hired as discussed above, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, City shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of City, during the term of his or her service with City, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

22. Equal Opportunity Employment. Consultant represents that it is an equal opportunity employer, and it shall not discriminate against any subcontractor, employee or applicant for employment because of race, religion, color, national origin, disability, ancestry, sex or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination.

23. Drug-Free Workplace Certification. By signing this Agreement, Consultant hereby certifies under penalty of perjury under the laws of the State of California that the Consultant will comply with the requirements of the Drug-Free Workplace Act of 1990 (Government Code Section 8350, et seq.) and will provide a drug-free workplace by taking the following actions:

a. Publish a statement notifying employees that unlawful manufacture, distribution dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations, as required by Government Code Section 8355 (a).

b. Establish a Drug-Free Awareness Program as required by Government Code Section 8355(b) to inform employees about all of the following:

   i. The dangers of drug abuse in the workplace;
   ii. The person's or organization's policy of maintaining a drug-free workplace;
   iii. Any available counseling, rehabilitation and employee assistance program; and
   iv. Penalties that may be imposed upon employees for drug abuse violations.

c. Provide, as required by Government Code Section 8355(c), that every employee who performs grant activities under this Agreement:

   i. Will receive a copy of the Consultant's drug-free policy statement; and
   ii. Will agree to abide by the terms of the Consultant's statement as a condition of employment on this Agreement.

Failure to comply with these requirements may result in suspension of payments under this Agreement or termination of the Agreement, or both, and Consultant may be ineligible for award of any future City agreements if City determines that any of the following has occurred: the Consultant (1) has made false certification, or (2) violates the certification by failing to carry out the requirements as noted above.

24. Anti-Lobbying Certification. Consultant shall submit to City the Anti-Lobbying Certification contained in **Exhibit C**. Further, Consultant shall require that the language of the certification in **Exhibit C** be included in all contracts or subcontracts entered into in connection with this Agreement and that all Consultants and contractors shall certify and disclose accordingly.

25. Debarment, Suspension, Ineligibility and Voluntary Exclusion. By signing this Agreement, Consultant assures that neither it nor its principals, is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in covered transactions by any Federal department or agency.

26. Americans with Disabilities Act. By signing this Agreement, Consultant assures the City that it complies with the American with Disabilities Act (ADA) of 1990, (42 U.S.C. 12101, et. seq.), which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to ADA.

27. Amendments. This Agreement may be modified or amended only by a written document executed by both Consultant and City and approved as to form by the City Attorney.

28. Severability. If any term or portion of this Agreement is held to be invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions of this Agreement shall continue in full force and effect.

29. Entire Agreement. This Agreement constitutes the complete and exclusive statement of Agreement between City and Consultant. All prior written and oral communications, including correspondence, drafts, memoranda, and representations, are superseded in total by this Agreement.

30. Execution. This Agreement may be executed in several counterparts, each of which shall constitute one and the same instrument and shall become binding upon the parties when at least one copy hereof shall have been signed by both parties hereto. In approving this Agreement, it shall not be necessary to produce or account for more than one such counterpart.

31. Time is of the Essence. Time is of the essence for this Agreement.

32. Authority to Enter Agreement. Consultant has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and to bind each respective party.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the date first written above.

CITY OF SOUTH LAKE TAHOE:

By_____
Tamara Wallace, Mayor

Date _____

CONSULTANT: Lumos & Associates, Inc.

By _____
Steven G. Moon. P.E.
Director, Construction Services

Date _____

Business License 314513

APPROVED AS TO FORM:

By_____

Heather Stroud, City Attorney

Date _____

ATTEST:

By_____
Susan Blankenship, City Clerk

Date _____

Attachments:
Exhibit A – Scope of Services
Exhibit B – Compensation Schedule
Exhibit C - Anti-Lobbying Certification
Exhibit D – Certificate of Insurance

# EXHIBIT A

## SCOPE OF SERVICES

LUMOS & ASSOCIATES



CITY OF SOUTH LAKE TAHOE

PREPARED FOR THE CITY OF SOUTH LAKE TAHOE

# SEASONAL CONSTRUCTION INSPECTION SERVICES - 2025 SEASON

South Lake Tahoe, California

**JANUARY 10, 2025**

**Lumos & Associates, Inc.**
**UEI #WG9KPQRE5683**
**RFP 01-10-25**
312 Dorla Court, Suite 202
Zephyr Cove, NV 89448
775.588.6490

LUMOS & ASSOCIATES

Carson City ● El Dorado Hills ● Fallon ● Lake Tahoe ● Reno

**Tahoe**
312 Dorla Court, Suite 202
Zephyr Cove, NV 89448
775.588.6490

www.LumosInc.com

January 10, 2025

Anush Nejad
Public Works Director
City of South Lake Tahoe
1740 D Street
South Lake Tahoe, CA 96150

**Subject: Seasonal Construction Inspection Services — 2025 Season; RFP 01-10-25**

Mr. Anush Nejad and Members of the Selection Committee,

Lumos and Associates (Lumos) is pleased to present the attached proposal for the Seasonal Construction Inspection Services — 2025 Season Project. Lumos has a long and successful history of inspection and overseeing the construction of pedestrian and stormwater projects in the Tahoe Basin and in Northern California/Nevada. These projects are especially exciting for our team as it is located in the South Lake Tahoe area — a place where we not only do business but also where many of our Team members live and recreate.

**The Lumos Team understands the amount of effort and investment the City and community has in both the Tahoe Valley Stormwater and Greenbelt Improvement Project (TVGB) and the Pioneer Trail Pedestrian Improvements — Phase II Project**. We have proposed a team that is not only experienced in all facets of construction (including storm drainage, structural, roadway and electrical improvements) but also experienced in the necessary regulatory requirements (Caltrans Local Assistance Procedures Manual [LAPM], TRPA, MUTCD, BMP's, etc.) The Team we have assembled includes members with vast construction knowledge, regulatory compliance, and members who have extensive experience collaborating on projects with stakeholders key to this project.

Leading our Team and acting as the single point of contact and **Project Manager is Brian Harer, Construction Manager**. Through his experience delivering high profile projects in both the private and public sectors, Brian holds a true understanding of bringing multiple stakeholders together to guide this project to a successful completion. Supporting Brian is a proven construction inspection team including **Misty Jones**, **Max Glenn**, and **Aaron Brusatori, P.E.**, who will bring his 20+ years of construction and engineering experience to serve in a **LAPM Coordinator Role**, ensuring compliance with all Caltrans requirements.

We believe our proposal will provide you, the Selection Committee, with our understanding and approach to this project. We know there are many challenges and expectations for these projects and our Team is prepared to work with the City and community to provide exceptional service and creative solutions. **We are committed to bringing both TVGB and Pioneer Trail to a successful completion and to see these completed projects serve the City for years to come.**

Lumos is happy to discuss any aspects of our proposal with you in more detail. Please do not hesitate to contact me at 775.527.9326 or via email at bharer@lumosinc.com

Sincerely,

Brian Harer
Senior Project Manager,
Construction Division

Steven G. Moon, P.E.
Director, Construction Services

# B. EXECUTIVE SUMMARY

**Lumos & Associates, Inc. is pleased to submit our proposal for the Seasonal Construction Inspection Services for the 2025 construction season, addressing the critical needs of the City of South Lake Tahoe. Our team is uniquely qualified to support the City in the successful delivery of its Tahoe Valley Stormwater and Greenbelt Improvement Project (TVGB) and Pioneer Trail Pedestrian Improvements – Phase II.**

## Our Expertise

With over four decades of engineering excellence and a strong presence in the Tahoe Basin, Lumos offers unmatched expertise in construction inspection, materials testing, and project management. We have an intimate understanding of the region's geographic challenges, environmental sensitivities, and regulatory requirements. This knowledge has been honed through decades of successful collaboration with Caltrans, the Tahoe Regional Planning Agency (TRPA), and other key stakeholders.

## Our Team

Our proposed team combines technical skill, deep local knowledge, and a proven track record of delivering complex projects on time and within budget. Leading the effort will be **Senior Project Manager Brian Harer**, whose 17 years of experience includes managing federally funded projects and coordinating multiple stakeholders. Supporting him will be **seasoned inspectors Misty Jones and Max Glenn**, each with decades of experience in similar inspection roles. Their expertise encompasses stormwater infrastructure, roadway enhancements, pedestrian facilities, and ADA compliance. **Aaron Brusatori, P.E.**, is available to provide support with Caltrans Local Assistance Procedures Manual (LAPM), informed by his past tenure working for Amador County.

For the TVGB project, our inspectors are well-versed in storm drainage improvements, structural elements, and environmental BMPs essential to the success of this endeavor. For the Pioneer Trail project, our team brings a strong background in roadway construction, pedestrian infrastructure, and compliance with Caltrans LAPM standards.

*Lake Tahoe FRP Pedestrian Bridges*



We are committed to ensuring the City's vision is realized through meticulous inspection services, clear communication with all stakeholders, and proactive issue resolution. Lumos is prepared to meet the City's stringent requirements and deliver the highest standards of quality, ensuring these projects enhance the community for years to come.

# C. COMPANY HISTORY, BACKGROUND & EXPERIENCE

## FIRM OVERVIEW

ESTABLISHED IN
**1978**

**130+**
EMPLOYEES

**6**
OFFICE LOCATIONS

**3**
AASHTO ACCREDITED MATERIALS LABORATORIES



**Lumos & Associates was founded in 1978 in Nevada's capital, Carson City, with five additional offices in Tahoe, El Dorado Hills, Reno, Fallon, Lake, and Boise. We serve clients throughout the Western United States in both rural and urban settings and employ over 130 highly skilled professionals.**

### Firm Overview

Lumos is a multidisciplinary firm providing civil, structural, geotechnical, surveying, materials testing, construction inspection, and construction administration services across northern California and Nevada. Our full-range of services are further supported by three fully-equipped materials testing laboratories, allowing us to efficiently deliver public works projects across the region. Lumos prides itself on working with communities to tackle complex problems, offer creative solutions, and efficiently design projects that improve and enhance the quality of life for generations to come. These projects exemplify the reason Lumos established an office in the Lake Tahoe Basin nearly 20 years ago – for opportunities to work on projects that solve problems and provide a tangible benefit to the community and Lake Tahoe. We know quality of life in a community is improved through access to safe roadways and trail improvements that incorporate the pedestrian, drainage, and environmental components to create a sustainable infrastructure that serves multiple purposes. At Lumos, we are no strangers to inspecting trail projects in the Tahoe Basin and across the region, as exemplified by the extensive list of roadway, trail, and drainage projects we have planned, designed, and inspected in the Tahoe, Truckee, and Carson areas where we work, live, and play. Our Reno, Churchill County trail projects are enjoyed nearly every day by our team members. Our team has successfully delivered these projects through a combination of effective stakeholder engagement, realistic feasibility analysis, creative engineering design, and the ability to combine historical knowledge with fresh perspective to solve previously unsolvable challenges.

With over 100 technical professionals that work near or in the Tahoe Basin, our team boasts unique expertise navigating the region's geographic challenges and environmental sensitivities. The consultant the City chooses to provide inspection for these projects must have familiarity with the project area, previous planning efforts, real estate needs, key stakeholders, environmental and permitting requirements, and creative alternative analysis, in addition to having the ability to complete the project in an effective and efficient manner. **The Lumos Team is that team**. While this is an inspection project, our inspectors have the benefit of leaning on our extensive trail and water quality design team, as well as our construction services team, to aid in successful completion of the project.

# OUR SERVICES

### Construction Services

- Construction Administration & Management
- Construction Inspection
- Construction Staking
- Certified International Code Council (ICC)
- Special Inspections for:
  - Structural Masonry
  - Structural Steel & Bolting
  - Structural Welding
  - Reinforced Concrete
  - Soils
  - Prestressed Concrete
  - Spray-Applied Fireproofing

### Field & Laboratory Materials Testing

- AASHTO Accredited
  - Asphalt Concrete
  - Portland Cement Concrete
  - Soils & Aggregates
- NAQTC Certified
  - Sampling & Density
  - Aggregates
  - Asphalt
- ACI Certified
  - Field Testing Technicians
  - Laboratory Technicians

## Project Team

**Leading our Team and acting as the single point of contact will be Project Manager Brian Harer**. Through his experience delivering high profile projects in both the private and public sectors, Brian brings a true understanding of bringing multiple stakeholders together to bring this project to a successful completion. **Our primary inspection team will consist of Misty (Michelle) Jones and Max Glenn**.

### Misty Jones, Senior Inspector

Misty is the best inspector we have. She has been doing this work for over 30 years with Lumos and is known by nearly every contractor in the area. Her experience with inspection in second to none and she will be our proposed inspector for the Tahoe Valley Stormwater and Greenbelt project given her experience as inspector for a very similar project—the Carson River Trails Project for Carson City.

### Max Glenn, Senior Inspector

Max provides nearly two decades of experience in overseeing and inspecting the construction of roadway and associated infrastructure. Not only is Max experienced in the inspection of roadway projects, he is well versed in the intricacies of coordinating with residents and businesses that might be adjacent to a roadway project—ensuring that they are coordinated with and kept in the loop on the status of the project and its impacts. Max is our proposed inspector for the Pioneer Trail Project.

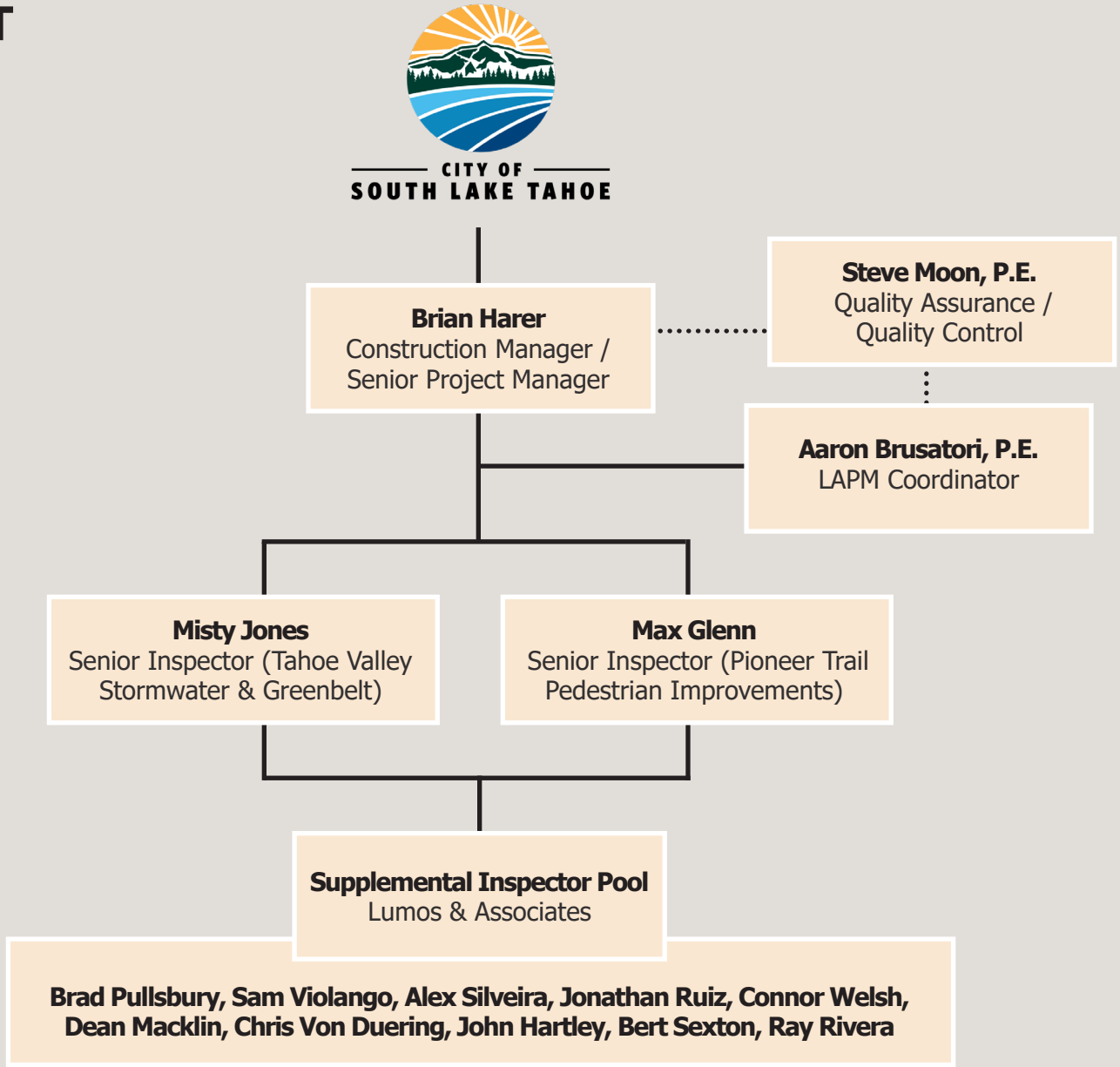
### Aaron Brusatori, LAPM Coordinator

Aaron Brusatori, P.E., will provide oversite and assistance in the processing of the LAPM forms as needed. With Aaron's history as the Amador County Public Works Director he is very familiar with the LAPM requirements.

Additionally, both inspectors are backed up by our roster of ten team member inspectors that we can call to the field should it become necessary, and both are backed up by Brian Harer and his ability to manage any construction inspection process and situation.

Lumos has the capacity, experience, and background to successfully undertake these inspection projects for the City of South Lake Tahoe.

# ORGANIZATIONAL CHART



# KEY PERSONNEL



**Brian Harer**
**Construction Manager/ Sr. Project Manager**

Brian has over 17 years of construction experience. As our Construction Project Manager, Brian provides project construction coordination/management and construction oversight for various public and private construction projects. These projects include trails, storm drain, sewer, water, electrical, and roadway rehabilitation and maintenance. Brian is well versed in ASTM, AASHTO, Orange Book, ACI, and NDOT procedures. He is consistently managing projects with multiple contractors and stakeholders and understands the importance of transparent communication and can effectively communicate detailed project information to stakeholders throughout any stage of the project. Brian also has extensive experience in managing grant funded construction projects and completing the required documentation required to obtain funding payment from the grant entities including USDA, SRF, CDBG, HUD, Caltrans, etc.

- Industry Experience: 17 years
- Lumos Experience: 17 years



**Aaron Brusatori, P.E.**
**LAPM Coordinator**

Aaron has over 23 years of experience delivering civil improvements, including planning, design, and construction of streetscapes, pedestrian connectivity, safe routes to schools, pavement rehabilitation, and coordination with Caltrans Local Assistance in Districts 2, 3, and 10. An advocate for his clients, he understands how to translate concepts into designs. During the replacement of the Amador City Bridge, Aaron managed public engagement with landowners, businesses, and residents. He established a 9-member working group, conducting meetings to discuss challenges and bring solutions forward to the City Council. This dynamic group engaged with the City and construction team, ensuring the project aligned with the community's vision.

- Education: BS, Civil Engineering, California Polytechnical State University, San Luis Obispo, 2000
- License: Professional (Civil) Engineer in CA #64384
- Industry Experience: 1 year
- Lumos Experience: 23 years



**Steve Moon, P.E.**
**Quality Assurance / Quality Control**

Steve has over 30 years of experience in civil engineering. His specialties include construction management, construction materials testing, project scheduling, roadways and street design, public and commercial site design, subdivision design, constructability reviews, quality assurance program management, claims evaluation and mitigation, and project documentation systems. In addition to overseeing all aspects of Lumos' Construction Services Division, he takes an active role in project management of Lumos' construction management and materials testing projects. These projects include multiphase roadway and pedestrian enhancement projects, public facilities and civil site improvements, commercial sites for warehousing, retail businesses, and restaurants; construction management on bridge structures, storm drain and flood control structures, sewer and water utilities, and various airfield projects at NAS Fallon.

- Education: BS, Civil Engineering, University of Nevada, Reno, 1993
- License: Professional (Civil) Engineer in NV #13434
- Industry Experience: 31 years
- Lumos Experience: 21 years



### Michelle "Misty" Jones
### Senior Inspector (Tahoe Valley Stormwater & Greenbelt Improvement Project)

Misty Jones has over 32 years of testing and inspecting experience, all as a dedicated Lumos team member. Her experience includes working knowledge of ASTM, AASHTO, Orange Book, ICC, and ACI procedures. Misty is certified as an ICC special inspector and is a qualified NAQTC tester. She has been a lead field technician performing concrete testing, density testing, and soils, asphalt and material sampling. As a senior level inspector, Misty has worked on a variety of on-call projects for Amador Water Agency, Carson City Public Works, Washoe County Regional Transportation Commission (RTC), City of Reno, and the City of Sparks. She understands the need to mobilize within short notice. Recently, Amador Water Agency entrusted Misty to make decisions during construction of a waterline while on site providing inspection services. Her ability to act on behalf of the client allows the project to move forward.

- Education: Western Nevada Community College, Carson City, 1989; American River College, Sacramento, California, 1988
- Certifications: NAQTC #NV000905 (Sampling/Density); ACI Concrete Field-Testing Technician Grade 1; ICC #0876811-84 (Spray-Applied fireproofing Inspection, Structural Masonry)
- Industry Experience: 32 years
- Lumos Experience: 32 years



### Max Glenn
### Senior Inspector (Pioneer Trail Pedestrian Improvements)

Max has nearly 20 years of inspection and testing experience. His experience includes numerous projects with the Nevada Department of Transportation (NDOT), City of Reno, and the Washoe County Regional Transportation Commission (RTC). These projects range from roadway paving with cement treated base, grind overlay, complete remove and replace, as well as testing of these materials for compliance. Overseeing drainage improvements, sidewalks, driveways, electrical, street lighting and signage are also normal for Max. He does all this while ensuring ADA compliance if specified. Max has also performed ICC Special Inspection of reinforced footings, slabs, CMU walls, structural steel welding, and high strength bolting. Max has in-depth knowledge of various specifications including Standard Specifications for Public Works Construction (Orange Book), International Building Code, AATSA Traffic Control, as well as environmental (NDOT certified) storm water BMP inspection certification.

- Education: Certified Welding Program, Level I and II, Truckee Meadows Community College
- Certifications: American Concrete Institute (ACI); Field Technician Level 1 Nevada Alliance for Quality Transportation Construction (NAQTC), #NV000824; Sampling/Density ICC-Special Inspector #5314538-49 (Structural Masonry, Reinforced Concrete, Structural Steel & Bolting, Soils, Structural Welding, Pre-Stressed Concrete); NDOT Certified Storm Water BMP Inspector #NV0023329; NASCO Certification for CIPP; ROP Certification for HVAC; OSHA 10; MSHA
- Industry Experience: 19 years
- Lumos Experience: 19 years

# D. PROJECT INSPECTORS

## Misty Jones, Senior Inspector

**Misty has the exact experience required for the Tahoe Valley Stormwater and Greenbelt Project. The following two projects where she provided inspection services for similar efforts exhibit her qualifications.**

### SR 28 from the Junction of US 50 to Country Club Drive (NDOT)

Performing construction within the Lake Tahoe Basin presents a unique set of challenges and extensive coordination with various stakeholders. Lumos distinguished itself on the Highway 28 Shared Use Path project by developing a seamless integration of our construction inspection, materials testing and surveying staff with that of NDOT Crew 911. Misty Jones served as an Inspector IV, fully integrated with the NDOT Crew and providing inspection of multiple drainage structures and pathway improvements. For this project, Lumos was responsible for inspection, materials testing, surveying for the construction of a shared use path and additional parking areas. Lumos complied with water quality standards throughout this project, while navigating the many special events that take place in the Lake Tahoe Basin.

**Work Included**

- A shared-use path from Incline Village to Sand Harbor consisting of a 10-foot-wide paved (asphalt concrete) path with 2-foot wide shoulders (where feasible) utilizing retaining walls or bridge structures where required by slope conditions
- Construction of an at-grade crossing at the northern terminus near the intersection of Lakeshore Boulevard and SR 28; the crossing would include advance warning signs consistent with FHWA's
- Manual on Uniform Traffic Control Devices (MUTCD) standards (FWHA, 2012)
- Completed the construction of an undercrossing of SR 28 at Tunnel Creek consisting of an Americans with Disabilities Act (ADA)-compliant ramp that descends from the path to an undercrossing below SR 28
- Complete construction of new trailhead parking within SR 28 right-of-way (ROW) just north and south of Ponderosa Ranch Road on the east side of SR 28
- Erosion control/water quality improvements



## Carson River Trail – Phase 2 (CARSON CITY)

Misty Jones provided the inspection and oversite for all of the trail and associated improvements for this project.

Planning for trails in the Carson River area has been a grassroots communitywide effort dating back to 1995. In 2018, Carson City was awarded a $1.8M grant from the Southern Nevada Public Land Management Act (SNPLMA) to enhance facilities and improve trail connectivity throughout the Carson River and Prison Hill area. The purpose of this system was to enhance the community by providing non-motorized open spaces tailored for pedestrians, bicyclists, and equestrians.

Lumos & Associates was selected by the City to assist with the design and development of this vibrant multi-phase trail system. This included Phase II, with three individual trails. **Our work for these projects included topographic survey, civil design, geotechnical engineering, materials testing and inspection, and construction management services.**

Phase II included ranch connecting trails: Prison Hill East (from the 5th St. Trailhead to Silver Saddle Ranch), the Mexican Ditch Extension (extending the Mexican Ditch Trail through Silver Saddle Ranch), and Buzzy's Ranch Trail (connecting Riverview Park with Carson River Park). For this effort, our team conducted environmental studies (wetland delineation and biological and botanical review through a subconsultant), field visits, an alternatives analysis of potential alignments, and floodplain analysis. Civil design incorporated hardened, unpaved trails up to 10 feet wide, compliant with AASHTO bicycle standards. Alignment was also completed for an 8,600-foot section located along a steep section of slope. Several drainage crossings were considered with a 6,100-foot section located in the 100-year floodplain by the west side of the Carson River. The entrance to the Silver Saddle Ranch was the flattest and shortest segment (at a length of 2,400 feet), requiring consideration for vehicular traffic entering and exiting plus connectivity to the existing Mexican Ditch Trail.



**Misty has experience in all aspects of inspection for the Tahoe Valley Stormwater and Greenbelt Project including but not limited to drainage pipe, board walks, concrete installation, paving, grading, revegetation, traffic control, BMPs, etc.**

## Max Glenn, Senior Inspector

**Max's experience in overseeing road rehabilitation projects for the Washoe County RTC has made him one of our go-to inspectors for road rehabilitation/streetscape projects. His experience ties directly to the Pioneer Trail Road and Pedestrian Project. The following three projects where he provided inspection services for similar efforts exhibit his qualifications.**

### Cottonwood Lane Drainage and Road Reconstruction (City of Fernley) *Pictured Right*

Max served as the lead inspector for this drainage and road reconstruction project. Utility rehabilitation work included installation of new 8 to 30 inch diameter sanitary sewer and storm drain pipe, bypass pumping (contractor to determine f low rates prior to construction), the removal and replacement of manholes, constructing new manholes, sanitary service lateral connections with cleanouts, and catch basin upgrades. Street rehabilitation work included traffic control, full road section reconstruction (13" structural section) temporary patching, permanent pavement patching, grind and overlay, and replacement of PCC curb and gutter, sidewalk, driveways, pedestrian ramps, speed tables, and striping/signage.

### Raleigh Heights Rehabilitation Project (Washoe County RTC)

Max served as an inspector and material tester for this project of residential roadways that were in need of rehabilitation: Yorkshire Drive from N/S Wellington Way to S/S Golden Valley Drive; Lancaster Drive from E/S Shelley Circle to W/S Yorkshire Drive; and Carlyle Drive from E/S Shelly Circle to W/S Yorkshire Drive.

The scope of services for this project included approximately 188,000 square feet of various roadways rehabilitation as well as replacing degraded sidewalk and curb and gutter, residential and commercial driveway improvements, ADA compliant pedestrian ramps at the affected intersections, new catch basins where needed, removal of bus stop improvements, and striping and signage. Resident coordination was a key component to the success of this project with seventy (70) permission to construct (PTC) agreements for impacted properties.

### Kings Row Rehabilitation Project, Phases I and II (Washoe County RTC)

Max served as an inspector and materials tester for these projects which included rehabilitation of approximately 8,300 linear feet of Kings Row. This included replacing sidewalk, replacing degraded curb and gutter, residential and commercial driveway improvements, ADA compliant pedestrian ramps at the affected intersections, new catch basins where needed, bus stop improvements, and striping and signage. Integration of bike lanes to the corridor, which narrowed the travel way and added a two-way left-turn lane encouraged reduction of speed through a corridor with known issues of speeding. Bulb-outs and Rectangular Rapid Flashing Beacons were utilized in school zones to accentuate the pedestrian crossings and provide more visibility. Phase 1 finished construction in November 2021 and Phase 2 finished construction in August 2022.



**Max has experience in all aspects of inspection for the Pioneer Trail project including but not limited to drainage pipe, water improvements, street lighting, concrete installation, paving, grading, revegetation, traffic control, BMPs, etc.**

# E. SCOPE OF WORK/IMPLEMENTATION

## 1. Planning and Preparation

### Develop Inspection Plan
- Outline inspection checkpoints for each project phase (grading, drainage pipe installation, concrete structures, boardwalks, and paving).
- Align the plan with TRPA BMP and City of South Lake Tahoe requirements.

### Schedule Coordination
- Establish an inspection schedule that aligns with the May 1 – October 15 project window and project milestones.
- Factor in buffer time for weather delays, as unpredictable conditions in the Tahoe area can arise.

### Team Training
- Ensure inspectors are familiar with TRPA requirements, City of South Lake Tahoe standards, and specific environmental concerns related to the Lake Tahoe Basin.

## 2. Inspection Categories

### Grading
- Inspect grading operations to verify compliance with design elevations and slopes.
- Ensure erosion control measures, such as silt fences and wattles, are in place per TRPA BMP requirements.
- Confirm proper soil compaction to prevent future settlement.

### Drainage Pipes
- Inspect materials to confirm they meet project specifications.
- Monitor installation for proper alignment, slope, and bedding material placement.
- Verify watertight connections and perform leak tests as required.

### Concrete Structures
- Inspect formwork, rebar placement, and concrete mix for compliance with design specifications.
- Monitor concrete pours to ensure proper techniques are used (e.g., vibration for compaction, curing methods).
- Conduct strength testing and visual inspections for cracks or defects.

### Boardwalk with Helical Piers
- Inspect pier installation, verifying depth, torque, and alignment per design specifications.
- Monitor the installation of the boardwalk structure, ensuring structural connections meet engineering requirements.
- Verify materials used for the boardwalk (e.g., treated wood or composite decking) are compliant with environmental standards.

### Pavement
- Inspect subgrade preparation and confirm compaction testing results.
- Monitor paving operations, including asphalt mix temperature, thickness, and compaction.
- Check finished surface for smoothness, slope, and proper drainage.

## 3. Compliance with TRPA and City Requirements

### Grading
- Verify adherence to TRPA BMPs during all phases of construction, such as:
  - » Temporary and permanent erosion control measures.
  - » Stormwater runoff management and sediment control.
  - » Construction site management practices to minimize environmental impacts.
- Ensure compliance with City of South Lake Tahoe regulations, including design specifications, material standards, and inspection documentation requirements.

## 4. Environmental and Seasonal Considerations

### Seasonal Restrictions
- Ensure all work is scheduled to meet the May 1 – October 15 construction window, with no ground disturbance outside this timeframe.

### Weather Monitoring
- Maintain flexibility in the schedule to account for unexpected weather delays (e.g., late snowmelt, early frost).

### Lake Tahoe Ecosystem Protection
- Conduct routine inspections to ensure no construction activities negatively impact adjacent water bodies or sensitive habitats.

## 5. Reporting and Communication

### Documentation
- Provide daily inspection reports, including photos, test results, and compliance notes.
- Maintain a log of all inspections to facilitate regulatory audits and project closeout.

### Communication with Stakeholders
- Schedule regular meetings with the City of South Lake Tahoe project team to review progress and address issues promptly.
- Serve as a liaison between contractors and regulatory agencies to ensure smooth coordination.

## 6. Quality Assurance and Project Closeout

### Final Inspections
- Conduct thorough final inspections of all project components before October 15 to ensure compliance and functionality.

### Punch List
- Develop and monitor the resolution of any punch list items before project handover.

### As-Built Documentation
- Assist in creating as-built records to document final project conditions.

# F. PROJECT BUDGET

## CSLT Construction Inspection Services Fee Schedule

| Inspection Services | Per Week |
|---|---|
| Construction Inspector | $8,000 |

| Inspection Services (Overtime) | Per Hour |
|---|---|
| Construction Inspector | $200 |

- *Weekly inspection rate is based on a standard 40-hour work week, 8-hours per day and includes all indirect/direct costs and travel time.*
- *Overtime rate to be utilized upon approval from the City of South Lake Tahoe only.*

# G. RECENT PROJECTS/REFERENCES

## Experience with Funding Agency Requirements

With an extensive portfolio of projects successfully completed in partnership with grant-making and funding agencies, Lumos understands how best to navigate and fulfill funding agency requirements for construction inspection. We will apply this experience directly to the Seasonal Construction Inspection Services projects.



## RECENT CLIENT REFERENCES

**Carson City Parks and Recreation (Carson River Trail and Prison Hills Trail)**
Greg Bergrenn
Trails Director
775.283.7219

**Tahoe City Public Utility District (NTPUD Trail)**
Celeste Havener
Associate Civil Engineer
530.580.6294

**City of Fallon**
Brian Byrd
Public Works Director
775.217.5990

**City of Fernley**
Barry Williams
Public Works Director
775.784.9929

**Washoe County RTC (Roadway Inspection)**
Jeff Wilbrecht, P.E.
Engineering Manager, Regional Transportation Commission of Washoe County
775.335.1872

# RECENT TAHOE VALLEY STORMWATER & GREENBELT PROJECT EXPERIENCE



**Project Inspector Involvement**

» Misty Jones

## Carson River Trail – Phase 2

Planning for trails in the Carson River area has been a grassroots community-wide effort dating back to 1995. In 2018, Carson City was awarded a $1.8M grant from the Southern Nevada Public Land Management Act (SNPLMA) to enhance facilities and improve trail connectivity throughout the Carson River and Prison Hill area. The purpose of this system was to enhance the community by providing non-motorized open spaces tailored for pedestrians, bicyclists, and equestrians.

Lumos & Associates was selected by the City to assist with the design and development of this vibrant multi-phase trail system. This included Phase II, with three individual trails. **Our work for these projects included topographic survey, civil design, geotechnical engineering, materials testing and inspection, and construction management services.**

Phase II included ranch connecting trails: Prison Hill East (from the 5th St. Trailhead to Silver Saddle Ranch), the Mexican Ditch Extension (extending the Mexican Ditch Trail through Silver Saddle Ranch), and Buzzy's Ranch Trail (connecting Riverview Park with Carson River Park). For this effort, our team conducted environmental studies (wetland delineation and biological and botanical review through a subconsultant), field visits, an alternatives analysis of potential alignments, and floodplain analysis. Civil design incorporated hardened, unpaved trails up to 10 feet wide, compliant with AASHTO bicycle standards. Alignment was also done for an 8,600-foot section located along a steep section of slope. Several drainage crossings were considered with a 6,100-foot section located in the 100-year floodplain by the west side of the Carson River. The entrance to the Silver Saddle Ranch was the flattest and shortest segment (at a length of 2,400 feet), requiring consideration for vehicular traffic entering and exiting plus connectivity to the existing Mexican Ditch Trail.

*Misty Jones provided the inspection and oversite for all of the trail and associated improvements for this project.*

## Prison Hill West Trail

Planning for trails in the Carson River area has been a grassroots communitywide effort dating back to 1995. In 2018, Carson City was awarded a $1.8M grant from the Southern Nevada Public Land Management Act (SNPLMA) to enhance facilities and improve trail connectivity throughout the Carson River and Prison Hill area. The purpose of this system was to enhance the community by providing non-motorized open spaces tailored for pedestrians, bicyclists, and equestrians.

Lumos & Associates was selected by the City to assist with the design and development of this vibrant multi-phase trail system. This included Phase III, or Prison Hill West. **Our work for these projects included topographic survey, civil design, geotechnical engineering, materials testing and inspection, and construction management services.**

Civil design for Phase III encompasses improvements to the Koontz Lane Trailhead. These will include a regraded access road, parking for 20 to 30 vehicles, ADA parking, equestrian trailer parking, a vault toilet, and a covered picnic table. There will be a 2.4-mile multi-use pathway that connects this trailhead with the Clearview Drive Trailhead and the Staging Area entrance at the south end of Prison Hill. This trail will be constructed with compacted decomposed granite to provide accessibility to everyone, including families with small children and persons with mobility limitations. A crosswalk with flashing beacons will be constructed at Edmonds Drive and Koontz Lane for safer street crossing. This crosswalk will enhance access for neighborhoods on the west side of the I-580 to the Prison Hill Recreation Area and neighborhoods on the east side of the I-580 to the Freeway Multi-Use Pathway.

**Project Inspector Involvement**

» Misty Jones






**Project Inspector Involvement**

- Misty Jones
- Max Glenn

## TCPUD | Multi-Use Trail Rehabilitation – North and West Shores (Hurricane Bay)

**Lumos was selected by Tahoe City Public Utilities District in August of 2023 to provide surveying, civil design, permitting assistance, geotechnical investigation, and construction inspections for the reconstruction and realignment of existing trail segments within their system.** These trails included North Shore (East to Dollar Point and West to Lake Forest) and West Shore (Hurricane Bay to Kaspian). The goal of this work was to improve the trail asphalt condition, identify ADA components, address existing hazards, improve signage and striping, replace failing retaining walls, and widen segments of the existing trails.

The design included ADA improvements; trail widening; new retaining walls, drainage improvements, replacement retaining walls, details of trail crossings and connections to existing roads and parking areas; and details of fencing, signs, and trail amenities.

Lumos provided inspection services for the trail project in coordination with TCPUD on the recently completed North Shore Trail segment. Lumos coordinated with the contractor, TCPUD, and Caltrans during the project. This included attending and facilitating construction meetings, ensuring that the contractor was adhering to the construction plans, facilitating construction staking, ensuring compaction requirements were completed, verifying traffic control, verifying quantities, and supporting TCPUD on an field changes and change orders that were required as unexpected conditions where encountered in the field.

# PIONEER TRAIL
# RELATED PROJECT EXPERIENCE



**Project Inspector Involvement**

- Misty Jones
- Max Glenn

## Regional Transportation Commission (RTC) Washoe County | Kings Row Reconstruction Project (Phases 1 and 2)

For both phases of this project, RTC Washoe identified approximately 8,300 linear feet of Kings Row that needed rehabilitation. This included replacing sidewalk, replacing degraded curb and gutter, residential and commercial driveway improvements, ADA compliant pedestrian ramps at the affected intersections, new catch basins where needed, bus stop improvements, and striping and signage. Integration of bike lanes to the corridor, which narrowed the travel way and added a two-way left-turn lane encouraged reduction of speed through a corridor with known issues of speeding. Bulb-outs and Rectangular Rapid Flashing Beacons were utilized in school zones to accentuate the pedestrian crossings and provide more visibility.

**Lumos' scope of work for this project included topographic surveying, Right-of-Way verification and easement preparation, geotechnical investigation, agency coordination (TMWA, NV Energy, City of Reno, NDOT), preparation of construction documents, bid services, construction management, inspection, construction staking, and quality assurance testing.**

## City of Fernley | Cottonwood Lane Drainage and Road Reconstruction Fernley, Nevada

Lumos provided design and construction services for the City of Fernley's Cottonwood Lane Drainage and Roadway Reconstruction Project. **Engineering services included project management, topographic survey and mapping, Right-of-Way determination, easement legal descriptions, geotechnical investigation, ADA and pavement inspections, drainage studies, utility coordination, permitting, construction documents, and bidding services.**

The project corridor spans nearly 1.3 miles along Cottonwood Lane, a City collector street, from US-95A to SR-828. Utility improvements include 2,000 feet of 18-inch waterline, a jack and bore waterline crossing under US-95A, and manhole replacements and rehabilitations. Associated planned roadway improvements included over 185,000 square feet of roadway reconstruction along with slurry seal, pedestrian ramps, curb, gutter, sidewalk, signage, and striping. The project involved coordination with several agencies including the United States Bureau of Reclamation (USBR) and Truckee-Carson Irrigation District (TCID) for crossing and/or overlap of improvements with existing drainage facilities, Lyon County School District (LCSD) for coordination of roadway improvements at the frontage of the Cottonwood Elementary School, and NDOT for coordination on striping improvements and traffic movement impacts at the intersections with US-95A and SR-828. **Lumos assisted the City with easement acquisitions, public outreach, and cost estimating.**



**Project Inspector Involvement**

- Misty Jones
- Max Glenn

## City of Fallon | Sherman St. and N. Broadway St. Rehabilitation Fallon, Nevada

The City of Fallon identified that Sherman Street and N. Broadway Street were in need of rehabilitation and/or reconstruction. This included complete reconstruction of the paved roadway. The project limits included the portion of Sherman Street from approximately 680 feet north of Williams Avenue to approximately 20 feet south of the intersection of Augusta Lane, and the portion of N. Broadway Street from Williams Avenue (NDOT) to just south of the Churchill County Juvenile Justice Center. These limits included the returns for connecting cross streets at intersections and commercial approaches.

The City of Fallon identified approximately 1,350 linear feet of N. Broadway Street and 700 linear feet of Sherman Street that were in need of rehabilitation. This included installing sidewalk, curb and gutter, residential and commercial driveway or approach improvements, ADA compliant pedestrian ramps at the affected intersections, new catch basins where needed, StormTech infiltrators, water main improvements (N. Broadway St. only), sewer main and manhole improvements (N. Broadway St. only), striping, signage, and electrical improvements. **The Scope of Work for this project included topographic surveying, geotechnical investigation, agency coordination (City of Fallon, Southwest Gas, CC Communications, TCID (Sherman St.) and NDOT (N. Broadway St.), water modeling (N. Broadway St. only), and preparation of construction documents, bid services, construction management, inspection, and quality assurance.**

*Sherman St. and N. Broadway St. Rehabilitation*



## City of Reno | Yori North and South

Lumos & Associates provided construction inspection services on the City of Reno's 2024 Street Rehabilitation projects for Yori North and South. **Other services include project management, topographic survey and mapping, geotechnical investigation, preliminary design, construction documents, and bidding services.** For the North and South projects combined, the City identified approximately 180 feet of sanitary sewer pipe, approximately 320,000 SF of neighborhood streets (Yori Avenue, Stoddard Drive, Flagg Drive, Hubbard Way, and Galloway Lane) which are in need of replacement. The utility rehabilitation work includes installation of new 8 to 30 inch diameter sanitary sewer and storm drain pipe, bypass pumping (contractor to determine flow rates prior to construction), the removal and replacement of manholes, constructing new manholes, sanitary service lateral connections with cleanouts, and catch basin upgrades. T**he street rehabilitation work included traffic control, full road section reconstruction (13" structural section) temporary patching, permanent pavement patching, grind and overlay, and replacement of PCC curb and gutter, sidewalk, driveways, pedestrian ramps, speed tables, and striping/signage.** The inclusion of new sidewalk where it currently does not exist is also incorporated in the South Area project. Lumos is providing construction administration, inspection, materials testing, and staking for the project.

## Lumos Experience with Federally Funded Projects

For the past 45 years, Lumos & Associates has worked and prepared many successful grant applications for water systems in northern Nevada and California. We have staff members with prior Public Works Management experience, which coupled with the extensive experience Lumos provides, have allowed us to secure awards of millions of dollars in grants from state and federal agencies such as:

- American Recovery Plan Act (ARPA)
- Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Grants
- U.S. Department of Agriculture Rural Development (USDA-RUS)
- U.S. Department of Housing and Urban Development — Community Development Block Grant Program (CDBG)
- State of Nevada Revolving Loan Fund
- U.S. Army Corps of Engineers (USACE)
- Bureau of Land Management (BLM), Bureau of Reclamation
- U.S. Economic Development Administration (EDA)
- State of Nevada Department of Transportation (NDOT)
- American Recovery & Reinvestment Act (ARRA)
- Federal Highway Administration (FHWA)
- Federal Aviation Administration (FAA)
- U.S. Environmental Protection Agency (EPA)
- Federal Transit Administration (FTA)
- Bureau of Indian Affairs (BIA)
- U.S. Fish & Wildlife



LUMOS
& ASSOCIATES



**Lumos & Associates, Inc.**
**UEI #WG9KPQRE5683**
**RFP 01-10-25**
312 Dorla Court, Suite 202
Zephyr Cove, NV 89448
775.588.6490

# EXHIBIT B

## SCHEDULE OF CHARGES AND TIMELINE

# F. PROJECT BUDGET

## CSLT Construction Inspection Services Fee Schedule

| Inspection Services | Per Week |
|---|---|
| Construction Inspector | $8,000 |

| Inspection Services (Overtime) | Per Hour |
|---|---|
| Construction Inspector | $200 |

- *Weekly inspection rate is based on a standard 40-hour work week, 8-hours per day and includes all indirect/direct costs and travel time.*
- *Overtime rate to be utilized upon approval from the City of South Lake Tahoe only.*

Award of the Pioneer Trail Inspection Services is contingent upon the award of construction work.

## EXHIBITS C & E

## ANTI-LOBBYING and DISBAREMENT CERTIFICATION

## EXHIBIT C

### ANTI-LOBBYING CERTIFICATION

**Consultant shall submit to City this certification prior to or at the time of the execution of this Agreement.**

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U. S. Code. Any person who fails to file the required certification shall be subject to a civil penalty not less than $10,000 and no more than $100,000 for such failure.

The undersigned certifies, to the best of his or her knowledge or belief, that:

1. No federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement; and

2. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instruction.

Consultant: Lumos & Associates, Inc.

Name, Title Steven G. Moon, Director

By: _____

**EXHIBIT E**

# DEBARMENT AND SUSPENSION CERTIFICATION

**Debarment and Suspension Certification**

The undersigned (authorized official signing for the Bidder) hereby declares under penalty of perjury the following:

**1.** In accordance with section 6109 of the Public Contract Code, the bidder declares that bidder will not enter into any contract with a subcontractor who/which has been debarred pursuant to section 1771.1 or section 1777.7 of the Labor Code. No public monies shall be paid to a debarred subcontractor, and any contract entered into for public work between a prime contractor and debarred subcontractor shall be considered void as a matter of law. Any payments made to a debarred subcontractor shall be returned to Owner. The prime contractor shall be solely responsible for all payments to a debarred subcontractor. In no case shall any public money be used to pay a debarred subcontractor.

**2.** In accordance with section 10162 of the Public Contract Code, has the Bidder, any officer of the Bidder, or any employee of the Bidder who has a proprietary interest in the Bidder, ever been disqualified, removed, or otherwise prevented from bidding on, or completing a federal, state, or local government project because of a violation of law or a safety regulation?

Yes _____ No X

If the answer is yes, explain the circumstances in the following space (use additional sheets if necessary).

**3.** In accordance with section 10232 of the Public Contract Code, has more than one final, unappealable finding of contempt of a court by a federal court has been issued against the Bidder within the immediately preceding two-year period because of the Bidder's failure to comply with an order of a federal court which orders the Bidder to comply with an order of the National Labor Relations Board? For purposes of this section, a finding of contempt does not include any finding which has been vacated, dismissed, or otherwise removed by the court because the contractor has complied with the order which was the basis for the finding.

Yes _____ No X

If the answer is yes, explain the circumstances in the following space (use additional sheets if necessary).

**4.** In accordance with section 10285.1 of the Public Contract Code, the Bidder declares that neither the Bidder nor any subcontractor to be engaged by the Bidder has been convicted of any of the offenses referred to in this section within the preceding three (3) years. These offenses include if that Bidder or any subcontractor to be engaged by the Bidder, or any partner, member, officer, director, responsible managing officer, or responsible managing employee thereof, has been convicted by a court of competent jurisdiction of any charge of fraud, bribery, collusion, conspiracy, or any other act in violation of any state or federal antitrust law in connection with the bidding upon, award of, or performance of, any public works contract, as defined in Section 1101, with any public entity, as defined in Section 1100, including, for the purposes of this certification, The City of South Lake Tahoe.

**5. Certification Regarding Debarment and Suspension**

The undersigned (authorized official signing for Lumos & Associates, Inc.) certifies to the best of his or her knowledge and belief, that the Corporation, defined as the primary participant in accordance with 45 C.F.R. Part 76, and its principals:

A. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal Department or agency;

B. have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

C. are not presently indicted or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (2) of this certification; and

D. have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State, or local) terminated for cause or default.

**By my signature which is placed below on behalf of the named Bidder, I certify, under penalty of perjury under the laws of the State of California, that I am an officer, principal or owner of the Bidder, and that the foregoing questionnaire, and all certifications and statements therein, are accurate, true and correct.**

Date: March 31, 2025 Bidder's Signature: _____

Bidder's Name and Title (Print): Steven G. Moon

# EXHIBIT D

## Certificate of Insurance

# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 3/27/2025

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

**PRODUCER**
L/P Insurance Services LLC
300 East 2nd Street
Suite 1300
Reno NV 89501

**CONTACT NAME:** Jessica Carroll
**PHONE (A/C, No, Ext):** (775)996-6000 **FAX (A/C, No):** (775)473-9288
**E-MAIL ADDRESS:** jessica.carroll@lpins.net

| INSURER(S) AFFORDING COVERAGE | NAIC # |
|---|---|
| INSURER A : Phoenix Insurance Co | 25623 |
| INSURER B : Travelers Property Casualty Co of Ameri | 25674 |
| INSURER C : Charter Oak Fire Insurance Co | 25615 |
| INSURER D : Travelers Casualty & Surety Co of Ameri | 31194 |
| INSURER E : Arch Specialty Ins Co/Coalition | 21199 |
| INSURER F : | |

**INSURED**
Lumos & Associates, Inc. dba: Lumos and Associates
Tobey Wade Consulting
950 Sandhill Rd, Ste. 100
Reno NV 89521

**COVERAGES** **CERTIFICATE NUMBER:** CL2532720880 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

| INSR LTR | TYPE OF INSURANCE | ADDL INSD | SUBR WVD | POLICY NUMBER | POLICY EFF (MM/DD/YYYY) | POLICY EXP (MM/DD/YYYY) | LIMITS | | |
|---|---|---|---|---|---|---|---|---|---|
| A | X COMMERCIAL GENERAL LIABILITY<br>CLAIMS-MADE / X OCCUR<br>X Drone/Watercraft Liability Included<br>GEN'L AGGREGATE LIMIT APPLIES PER:<br>POLICY / X PRO-JECT / LOC<br>OTHER: | | | A.M. Best Rating: A++ XV<br>P6303F300743PHX24 | 12/30/2024 | 12/30/2025 | EACH OCCURRENCE<br>DAMAGE TO RENTED PREMISES (Ea occurrence)<br>MED EXP (Any one person)<br>PERSONAL & ADV INJURY<br>GENERAL AGGREGATE<br>PRODUCTS - COMP/OP AGG | $<br>$<br>$<br>$<br>$<br>$ | 1,000,000<br>1,000,000<br>10,000<br>1,000,000<br>2,000,000<br>2,000,000 |
| A | AUTOMOBILE LIABILITY<br>X ANY AUTO<br>ALL OWNED AUTOS / SCHEDULED AUTOS<br>X HIRED AUTOS / X NON-OWNED AUTOS | | | A.M. Best Rating: A++ XV<br>8101L5008512443G | 12/30/2024 | 12/30/2025 | COMBINED SINGLE LIMIT (Ea accident)<br>BODILY INJURY (Per person)<br>BODILY INJURY (Per accident)<br>PROPERTY DAMAGE (Per accident) | $<br>$<br>$<br>$ | 1,000,000 |
| B | X UMBRELLA LIAB / X OCCUR<br>EXCESS LIAB / CLAIMS-MADE<br>DED / X RETENTION $ 0 | | | A.M. Best Rating: A++ XV<br>CUP3K0890112443<br>Follows Form | 12/30/2024 | 12/30/2025 | EACH OCCURRENCE<br>AGGREGATE | $<br>$ | 5,000,000<br>5,000,000 |
| C | WORKERS COMPENSATION AND EMPLOYERS' LIABILITY<br>ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Y/N: N / N/A<br>(Mandatory in NH)<br>If yes, describe under DESCRIPTION OF OPERATIONS below | | | A.M. Best Rating: A++ XV<br>UB3P35039024443G | 12/30/2024 | 12/30/2025 | X PER STATUTE / OTH-ER<br>E.L. EACH ACCIDENT<br>E.L. DISEASE - EA EMPLOYEE<br>E.L. DISEASE - POLICY LIMIT | $<br>$<br>$ | 1,000,000<br>1,000,000<br>1,000,000 |
| D | Professional/Pollution<br>Architects/Engineers | | | A.M. Best Rating: A++ XV<br>107906413 | 4/1/2025 | 4/1/2026 | Limit Per Claim<br>Aggregate | | $4,000,000<br>$4,000,000 |

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Project: Seasonal Construction Inspection Services 2025 Season / Additional Interest Name(s): City of South Lake Tahoe, its elected or appointed officers, officials, employees, agents and volunteers.
See Attached Additional Comments/Remarks page for information regarding additional coverage terms and Additional Insured status.

**CERTIFICATE HOLDER**
anejad@cityofslt.us
City of South Lake Tahoe
1052 Tata Lane
South Lake Tahoe, CA 96150

**CANCELLATION**
SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

**AUTHORIZED REPRESENTATIVE**
Jessica Carroll/JESS

© 1988-2014 ACORD CORPORATION. All rights reserved.

# COMMENTS/REMARKS

Insurer E: Cyber Liability / Policy #C4NHM084997CYBER2025 / Effective 03/31/2025 - 03/31/2026 - Limit of Liability $2,000,000 Each Claim.

Continued from Description of Operations Section:

NAMED INSURED: LUMOS & ASSOCIATES, INC.

When Named Insureds operations are performed for Certificate Holder and/or entities listed in Description of Operations on the Acord 25 form pursuant to a valid written contract or agreement executed by the Named Insured prior to loss, in accordance with the noted policy(ies): Additional Insured Status is determined by attached GL Form #CGD379(02/19) and #CGD414(04/08), Auto Form #CAT353(02/15) and #CAT474(02/16); Waiver of Subrogation Status is determined by GL Form #CGD379(02/19), Auto Form #CAT353(02/15), Workers Compensation Form #WC000313 & WC990376 (CA); Primary and Non-Contributory Status is determined by GL Form #CGD414(04/08) and Auto Form #CAT474(02/16). Umbrella/Excess Liability Follows Form.


**COPYRIGHT 2000, AMS SERVICES INC.**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

# XTEND ENDORSEMENT FOR ARCHITECTS, ENGINEERS AND SURVEYORS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**GENERAL DESCRIPTION OF COVERAGE** – This endorsement broadens coverage. However, coverage for any injury, damage or medical expenses described in any of the provisions of this endorsement may be excluded or limited by another endorsement to this Coverage Part, and these coverage broadening provisions do not apply to the extent that coverage is excluded or limited by such an endorsement. The following listing is a general coverage description only. Read all the provisions of this endorsement and the rest of your policy carefully to determine rights, duties, and what is and is not covered.

**A.** Non-Owned Watercraft – 75 Feet Long Or Less

**B.** Who Is An Insured – Unnamed Subsidiaries

**C.** Who Is An Insured – Retired Partners, Members, Directors And Employees

**D.** Who Is An Insured – Employees And Volunteer Workers – Bodily Injury To Co-Employees, Co-Volunteer Workers And Retired Partners, Members, Directors And Employees

**E.** Who Is An Insured – Newly Acquired Or Formed Limited Liability Companies

**F.** Blanket Additional Insured – Controlling Interest

**G.** Blanket Additional Insured – Mortgagees, Assignees, Successors Or Receivers

**H.** Blanket Additional Insured – Governmental Entities – Permits Or Authorizations Relating To Premises

**I.** Blanket Additional Insured – Governmental Entities – Permits Or Authorizations Relating To Operations

**J.** Incidental Medical Malpractice

**K.** Medical Payments – Increased Limit

**L.** Amendment Of Excess Insurance Condition – Professional Liability

**M.** Blanket Waiver Of Subrogation – When Required By Written Contract Or Agreement

**N.** Contractual Liability – Railroads

**PROVISIONS**

**A. NON-OWNED WATERCRAFT – 75 FEET LONG OR LESS**

**1.** The following replaces Paragraph **(2)** of Exclusion **g.**, **Aircraft, Auto Or Watercraft**, in Paragraph **2.** of **SECTION I – COVERAGES – COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY**:

**(2)** A watercraft you do not own that is:

**(a)** 75 feet long or less; and

**(b)** Not being used to carry any person or property for a charge;

**2.** The following replaces Paragraph **2.e.** of **SECTION II – WHO IS AN INSURED**:

**e.** Any person or organization that, with your express or implied consent, either uses or is responsible for the use of a watercraft that you do not own that is:

**(1)** 75 feet long or less; and

**(2)** Not being used to carry any person or property for a charge;

**B. WHO IS AN INSURED – UNNAMED SUBSIDIARIES**

The following is added to **SECTION II – WHO IS AN INSURED**:

Any of your subsidiaries, other than a partnership or joint venture, that is not shown as a Named Insured in the Declarations is a Named Insured if:

**a.** You are the sole owner of, or maintain an ownership interest of more than 50% in, such subsidiary on the first day of the policy period; and


© 2017 The Travelers Indemnity Company. All rights reserved.
Includes copyrighted material of Insurance Services Office, Inc. with its permission.

**b.** Such subsidiary is not an insured under similar other insurance.

No such subsidiary is an insured for "bodily injury" or "property damage" that occurred, or "personal and advertising injury" caused by an offense committed:

**a.** Before you maintained an ownership interest of more than 50% in such subsidiary; or

**b.** After the date, if any, during the policy period that you no longer maintain an ownership interest of more than 50% in such subsidiary.

For purposes of Paragraph **1.** of Section **II** – Who Is An Insured, each such subsidiary will be deemed to be designated in the Declarations as:

**a.** A limited liability company;

**b.** An organization other than a partnership, joint venture or limited liability company; or

**c.** A trust;

as indicated in its name or the documents that govern its structure.

**C. WHO IS AN INSURED – RETIRED PARTNERS, MEMBERS, DIRECTORS AND EMPLOYEES**

The following is added to Paragraph **2.** of **SECTION II – WHO IS AN INSURED**:

Any person who is your retired partner, member, director or "employee" that is performing services for you under your direct supervision, but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, no such retired partner, member, director or "employee" is an insured for:

**(1)** "Bodily injury":

**(a)** To you, to your current partners or members (if you are a partnership or joint venture), to your current members (if you are a limited liability company) or to your current directors;

**(b)** To the spouse, child, parent, brother or sister of that current partner, member or director as a consequence of Paragraph **(1)(a)** above;

**(c)** For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraph **(1)(a)** or **(b)** above; or

**(d)** Arising out of his or her providing or failing to provide professional health care services.

Unless you are in the business or occupation of providing professional health care services, Paragraphs **(1)(a)**, **(b)**, **(c)** and **(d)** above do not apply to "bodily injury" arising out of providing or failing to provide first aid or "Good Samaritan services" by any of your retired partners, members, directors or "employees", other than a doctor. Any such retired partners, members, directors or "employees" providing or failing to provide first aid or "Good Samaritan services" during their work hours for you will be deemed to be acting within the scope of their employment by you or performing duties related to the conduct of your business.

**(2)** "Personal injury":

**(a)** To you, to your current or retired partners or members (if you are a partnership or joint venture), to your current or retired members (if you are a limited liability company), to your other current or retired directors or "employees" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;

**(b)** To the spouse, child, parent, brother or sister of that current or retired partner, member, director, "employee" or "volunteer worker" as a consequence of Paragraph **(2)(a)** above;

**(c)** For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraph **(2)(a)** or **(b)** above; or

**(d)** Arising out of his or her providing or failing to provide professional health care services.

**(3)** "Property damage" to property:

**(a)** Owned, occupied or used by; or

**(b)** Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by;

you, any of your retired partners, members or directors, your current or retired "employees" or "volunteer workers", any current partner or member (if you are a partnership or joint venture), or any current member (if you are a limited liability company) or current director.


© 2017 The Travelers Indemnity Company. All rights reserved.
Includes copyrighted material of Insurance Services Office, Inc. with its permission.

**D. WHO IS AN INSURED – EMPLOYEES AND VOLUNTEER WORKERS – BODILY INJURY TO CO-EMPLOYEES, CO-VOLUNTEER WORKERS AND RETIRED PARTNERS, MEMBERS, DIRECTORS AND EMPLOYEES**

The following is added to Paragraph **2.a.(1)** of **SECTION II – WHO IS AN INSURED**:

Paragraphs **(1)(a)**, **(b)** and **(c)** above do not apply to "bodily injury" to a current or retired co-"employee" while in the course of the co-"employee's" employment by you or performing duties related to the conduct of your business, or to "bodily injury" to your other "volunteer workers" or retired partners, members or directors while performing duties related to the conduct of your business.

**E. WHO IS AN INSURED – NEWLY ACQUIRED OR FORMED LIMITED LIABILITY COMPANIES**

The following replaces Paragraph **3.** of **SECTION II – WHO IS AN INSURED**:

**3.** Any organization you newly acquire or form, other than a partnership or joint venture, and of which you are the sole owner or in which you maintain an ownership interest of more than 50%, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

**a.** Coverage under this provision is afforded only:

**(1)** Until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier, if you do not report such organization in writing to us within 180 days after you acquire or form it; or

**(2)** Until the end of the policy period, when that date is later than 180 da ys after you acquire or form such organization, if you report such organization in writing to us within 180 days after you acquire or form it;

**b.** Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and

**c.** Coverage **B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

For the purposes of Paragraph **1.** of Section **II** – Who Is An Insured, each such organization will be deemed to be designated in the Declarations as:

**a.** A limited liability company;

**b.** An organization other than a partnership, joint venture or limited liability company; or

**c.** A trust;

as indicated in its name or the documents that govern its structure.

**F. BLANKET ADDITIONAL INSURED – CONTROLLING INTEREST**

**1.** The following is added to **SECTION II – WHO IS AN INSURED**:

Any person or organization that has financial control of you is an insured with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" that arises out of:

**a.** Such financial control; or

**b.** Such person's or organization's ownership, maintenance or use of premises leased to or occupied by you.

The insurance provided to such person or organization does not apply to structural alterations, new construction or demolition operations performed by or on behalf of such person or organization.

**2.** The following is added to Paragraph **4.** of **SECTION II – WHO IS AN INSURED**:

This paragraph does not apply to any premises owner, manager or lessor that has financial control of you.

**G. BLANKET ADDITIONAL INSURED – MORTGAGEES, ASSIGNEES, SUCCESSORS OR RECEIVERS**

The following is added to **SECTION II – WHO IS AN INSURED**:

Any person or organization that is a mortgagee, assignee, successor or receiver and that you have agreed in a written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only with respect to its liability as mortgagee, assignee, successor or receiver for "bodily injury", "property damage" or "personal and advertising injury" that:

**a.** Is "bodily injury" or "property damage" that occurs, or is "personal and advertising injury" caused by an offense that is committed,


© 2017 The Travelers Indemnity Company. All rights reserved.
Includes copyrighted material of Insurance Services Office, Inc. with its permission.

subsequent to the signing of that contract or agreement; and

**b.** Arises out of the ownership, maintenance or use of the premises for which that mortgagee, assignee, successor or receiver is required under that contract or agreement to be included as an additional insured on this Coverage Part.

The insurance provided to such mortgagee, assignee, successor or receiver is subject to the following provisions:

**a.** The limits of insurance provided to such mortgagee, assignee, successor or receiver will be the minimum limits that you agreed to provide in the written contract or agreement, or the limits shown in the Declarations, whichever are less.

**b.** The insurance provided to such person or organization does not apply to:

**(1)** Any "bodily injury" or "property damage" that occurs, or any "personal and advertising injury" caused by an offense that is committed, after such contract or agreement is no longer in effect; or

**(2)** Any "bodily injury", "property damage" or "personal and advertising injury" arising out of any structural alterations, new construction or demolition operations performed by or on behalf of such mortgagee, assignee, successor or receiver.

**H. BLANKET ADDITIONAL INSURED – GOVERNMENTAL ENTITIES – PERMITS OR AUTHORIZATIONS RELATING TO PREMISES**

The following is added to **SECTION II – WHO IS AN INSURED**:

Any governmental entity that has issued a permit or authorization with respect to premises owned or occupied by, or rented or loaned to, you and that you are required by any ordinance, law, building code or written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" arising out of the existence, ownership, use, maintenance, repair, construction, erection or removal of any of the following for which that governmental entity has issued such permit or authorization: advertising signs, awnings, canopies, cellar entrances, coal holes, driveways, manholes, marquees, hoist away openings, sidewalk vaults, elevators, street banners or decorations.

**I. BLANKET ADDITIONAL INSURED – GOVERNMENTAL ENTITIES – PERMITS OR AUTHORIZATIONS RELATING TO OPERATIONS**

The following is added to **SECTION II – WHO IS AN INSURED**:

Any governmental entity that has issued a permit or authorization with respect to operations performed by you or on your behalf and that you are required by any ordinance, law, building code or written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" arising out of such operations.

The insurance provided to such governmental entity does not apply to:

**a.** Any "bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for the governmental entity; or

**b.** Any "bodily injury" or "property damage" included in the "products-completed operations hazard".

**J. INCIDENTAL MEDICAL MALPRACTICE**

**1.** The following replaces Paragraph **b.** of the definition of "occurrence" in the **DEFINITIONS** Section:

**b.** An act or omission committed in providing or failing to provide "incidental medical services", first aid or "Good Samaritan services" to a person, unless you are in the business or occupation of providing professional health care services.

**2.** The following replaces the last paragraph of Paragraph **2.a.(1)** of **SECTION II – WHO IS AN INSURED**:

Unless you are in the business or occupation of providing professional health care services, Paragraphs **(1)(a)**, **(b)**, **(c)** and **(d)** above do not apply to "bodily injury" arising out of providing or failing to provide:

**(a)** "Incidental medical services" by any of your "employees" who is a nurse, nurse assistant, emergency medical technician, paramedic, athletic trainer, audiologist, dietician, nutritionist,


© 2017 The Travelers Indemnity Company. All rights reserved.
Includes copyrighted material of Insurance Services Office, Inc. with its permission.

occupational therapist or occupational therapy assistant, physical therapist or speech-language pathologist; or

**(b)** First aid or "Good Samaritan services" by any of your "employees" or "volunteer workers", other than an employed or volunteer doctor. Any such "employees" or "volunteer workers" providing or failing to provide first aid or "Good Samaritan services" during their work hours for you will be deemed to be acting within the scope of their employment by you or performing duties related to the conduct of your business.

**3.** The following replaces the last sentence of Paragraph **5.** of **SECTION III – LIMITS OF INSURANCE**:

For the purposes of determining the applicable Each Occurrence Limit, all related acts or omissions committed in providing or failing to provide "incidental medical services", first aid or "Good Samaritan services" to any one person will be deemed to be one "occurrence".

**4.** The following exclusion is added to Paragraph **2.**, **Exclusions**, of **SECTION I – COVERAGES – COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY**:

**Sale Of Pharmaceuticals**

"Bodily injury" or "property damage" arising out of the violation of a penal statute or ordinance relating to the sale of pharmaceuticals committed by, or with the knowledge or consent of the insured.

**5.** The following is added to the **DEFINITIONS** Section:

"Incidental medical services" means:

**a.** Medical, surgical, dental, laboratory, x-ray or nursing service or treatment, advice or instruction, or the related furnishing of food or beverages; or

**b.** The furnishing or dispensing of drugs or medical, dental, or surgical supplies or appliances.

**6.** The following is added to Paragraph **4.b.**, **Excess Insurance**, of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**:

This insurance is excess over any valid and collectible other insurance, whether primary, excess, contingent or on any other basis, that is available to any of your "employees" for "bodily injury" that arises out of providing or failing to provide "incidental medical services" to any person to the extent not subject to Paragraph **2.a.(1)** of Section **II** – Who Is An Insured.

**K. MEDICAL PAYMENTS – INCREASED LIMIT**

The following replaces Paragraph **7.** of **SECTION III – LIMITS OF INSURANCE**:

**7.** Subject to Paragraph **5.** above, the Medical Expense Limit is the most we will pay under Coverage **C** for all medical expenses because of "bodily injury" sustained by any one person, and will be the higher of:

**a.** $10,000; or

**b.** The amount shown in the Declarations of this Coverage Part for Medical Expense Limit.

**L. AMENDMENT OF EXCESS INSURANCE CONDITION – PROFESSIONAL LIABILITY**

The following is added to Paragraph **4.b.**, **Excess Insurance**, of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**:

This insurance is excess over any of the other insurance, whether primary, excess, contingent or on any other basis, that is Professional Liability or similar coverage, to the extent the loss is not subject to the professional services exclusion of Coverage **A** or Coverage **B**.

**M. BLANKET WAIVER OF SUBROGATION – WHEN REQUIRED BY WRITTEN CONTRACT OR AGREEMENT**

The following is added to Paragraph **8.**, **Transfer Of Rights Of Recovery Against Others To Us**, of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**:

If the insured has agreed in a written contract or agreement to waive that insured's right of recovery against any person or organization, we waive our right of recovery against such person or organization, but only for payments we make because of:

**a.** "Bodily injury" or "property damage" that occurs; or

**b.** "Personal and advertising injury" caused by an offense that is committed;

subsequent to the signing of that contract or agreement.


© 2017 The Travelers Indemnity Company. All rights reserved.
Includes copyrighted material of Insurance Services Office, Inc. with its permission.

**N. CONTRACTUAL LIABILITY – RAILROADS**

**1.** The following replaces Paragraph **c.** of the definition of "insured contract" in the **DEFINITIONS** Section:

**c.** Any easement or license agreement;

**2.** Paragraph **f.(1)** of the definition of "insured contract" in the **DEFINITIONS** Section is deleted.


© 2017 The Travelers Indemnity Company. All rights reserved.
Includes copyrighted material of Insurance Services Office, Inc. with its permission.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

# BLANKET ADDITIONAL INSURED – WRITTEN CONTRACTS (ARCHITECTS, ENGINEERS AND SURVEYORS)

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**1.** The following is added to **SECTION II – WHO IS AN INSURED**:

Any person or organization that you agree in a "written contract requiring insurance" to include as an additional insured on this Coverage Part, but:

**a.** Only with respect to liability for "bodily injury", "property damage" or "personal injury"; and

**b.** If, and only to the extent that, the injury or damage is caused by acts or omissions of you or your subcontractor in the performance of "your work" to which the "written contract requiring insurance" applies. The person or organization does not qualify as an additional insured with respect to the independent acts or omissions of such person or organization.

The insurance provided to such additional insured is limited as follows:

**c.** In the event that the Limits of Insurance of this Coverage Part shown in the Declarations exceed the limits of liability required by the "written contract requiring insurance", the insurance provided to the additional insured shall be limited to the limits of liability required by that "written contract requiring insurance". This endorsement shall not increase the limits of insurance described in Section **III** – Limits Of Insurance.

**d.** This insurance does not apply to the rendering of or failure to render any "professional services" or construction management errors or omissions.

**e.** This insurance does not apply to "bodily injury" or "property damage" caused by "your work" and included in the "products-completed operations hazard" unless the "written contract requiring insurance" specifically requires you to provide such coverage for that additional insured, and then the insurance provided to the additional insured applies only to such "bodily injury" or "property damage" that occurs before the end of the period of time for which the "written contract requiring insurance" requires you to provide such coverage or the end of the policy period, whichever is earlier.

**2.** The following is added to Paragraph **4.a.** of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**:

The insurance provided to the additional insured is excess over any valid and collectible "other insurance", whether primary, excess, contingent or on any other basis, that is available to the additional insured for a loss we cover. However, if you specifically agree in the "written contract requiring insurance" that this insurance provided to the additional insured under this Coverage Part must apply on a primary basis or a primary and non-contributory basis, this insurance is primary to "other insurance" available to the additional insured which covers that person or organization as a named insured for such loss, and we will not share with that "other insurance". But this insurance provided to the additional insured still is excess over any valid and collectible "other insurance", whether primary, excess, contingent or on any other basis, that is available to the additional insured when that person or organization is an additional insured under any "other insurance".

**3.** The following is added to **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**:

**Duties Of An Additional Insured**

As a condition of coverage provided to the additional insured:

**a.** The additional insured must give us written notice as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, such notice should include:


© 2008 The Travelers Companies, Inc.

**i.** How, when and where the "occurrence" or offense took place;

**ii.** The names and addresses of any injured persons and witnesses; and

**iii.** The nature and location of any injury or damage arising out of the "occurrence" or offense.

**b.** If a claim is made or "suit" is brought against the additional insured, the additional insured must:

**i.** Immediately record the specifics of the claim or "suit" and the date received; and

**ii.** Notify us as soon as practicable.

The additional insured must see to it that we receive written notice of the claim or "suit" as soon as practicable.

**c.** The additional insured must immediately send us copies of all legal papers received in connection with the claim or "suit", cooperate with us in the investigation or settlement of the claim or defense against the "suit", and otherwise comply with all policy conditions.

**d.** The additional insured must tender the defense and indemnity of any claim or "suit" to any provider of other insurance which would cover the additional insured for a loss we cover. However, this condition does not affect whether this insurance provided to the additional insured is primary to that other insurance available to the additional insured which covers that person or organization as a named insured.

**4.** The following is added to the **DEFINITIONS** Section:

"Written contract requiring insurance" means that part of any written contract or agreement under which you are required to include a person or organization as an additional insured on this Coverage Part, provided that the "bodily injury" and "property damage" occurs and the "personal injury" is caused by an offense committed:

**a.** After the signing and execution of the contract or agreement by you;

**b.** While that part of the contract or agreement is in effect; and

**c.** Before the end of the policy period.


© 2008 The Travelers Companies, Inc.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

# BUSINESS AUTO EXTENSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

**GENERAL DESCRIPTION OF COVERAGE** – This endorsement broadens coverage. However, coverage for any injury, damage or medical expenses described in any of the provisions of this endorsement may be excluded or limited by another endorsement to the Coverage Part, and these coverage broadening provisions do not apply to the extent that coverage is excluded or limited by such an endorsement. The following listing is a general coverage description only. Limitations and exclusions may apply to these coverages. Read all the provisions of this endorsement and the rest of your policy carefully to determine rights, duties, and what is and is not covered.

**A. BROAD FORM NAMED INSURED**

**B. BLANKET ADDITIONAL INSURED**

**C. EMPLOYEE HIRED AUTO**

**D. EMPLOYEES AS INSURED**

**E. SUPPLEMENTARY PAYMENTS – INCREASED LIMITS**

**F. HIRED AUTO – LIMITED WORLDWIDE COVERAGE – INDEMNITY BASIS**

**G. WAIVER OF DEDUCTIBLE – GLASS**

**H. HIRED AUTO PHYSICAL DAMAGE – LOSS OF USE – INCREASED LIMIT**

**I. PHYSICAL DAMAGE – TRANSPORTATION EXPENSES – INCREASED LIMIT**

**J. PERSONAL PROPERTY**

**K. AIRBAGS**

**L. NOTICE AND KNOWLEDGE OF ACCIDENT OR LOSS**

**M. BLANKET WAIVER OF SUBROGATION**

**N. UNINTENTIONAL ERRORS OR OMISSIONS**

**PROVISIONS**

**A. BROAD FORM NAMED INSURED**

The following is added to Paragraph **A.1.**, **Who Is An Insured**, of **SECTION II – COVERED AUTOS LIABILITY COVERAGE**:

Any organization you newly acquire or form during the policy period over which you maintain 50% or more ownership interest and that is not separately insured for Business Auto Coverage. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier.

**B. BLANKET ADDITIONAL INSURED**

The following is added to Paragraph **c.** in **A.1.**, **Who Is An Insured**, of **SECTION II – COVERED AUTOS LIABILITY COVERAGE**:

Any person or organization who is required under a written contract or agreement between you and that person or organization, that is signed and executed by you before the "bodily injury" or "property damage" occurs and that is in effect during the policy period, to be named as an additional insured is an "insured" for Covered Autos Liability Coverage, but only for damages to which this insurance applies and only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured provision contained in Section **II**.

**C. EMPLOYEE HIRED AUTO**

**1.** The following is added to Paragraph **A.1.**, **Who Is An Insured**, of **SECTION II – COVERED AUTOS LIABILITY COVERAGE**:

An "employee" of yours is an "insured" while operating an "auto" hired or rented under a contract or agreement in an "employee's" name, with your permission, while performing duties related to the conduct of your business.

**2.** The following replaces Paragraph **b.** in **B.5.**, **Other Insurance**, of **SECTION IV – BUSINESS AUTO CONDITIONS**:

**b.** For Hired Auto Physical Damage Coverage, the following are deemed to be covered "autos" you own:

**(1)** Any covered "auto" you lease, hire, rent or borrow; and

**(2)** Any covered "auto" hired or rented by your "employee" under a contract in an "employee's" name, with your


© 2015 The Travelers Indemnity Company. All rights reserved.
Includes copyrighted material of Insurance Services Office, Inc. with its permission.

permission, while performing duties related to the conduct of your business.

However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

**D. EMPLOYEES AS INSURED**

The following is added to Paragraph **A.1.**, **Who Is An Insured**, of **SECTION II – COVERED AUTOS LIABILITY COVERAGE**:

Any "employee" of yours is an "insured" while using a covered "auto" you don't own, hire or borrow in your business or your personal affairs.

**E. SUPPLEMENTARY PAYMENTS – INCREASED LIMITS**

**1.** The following replaces Paragraph **A.2.a.(2)**, of **SECTION II – COVERED AUTOS LIABILITY COVERAGE**:

**(2)** Up to $3,000 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.

**2.** The following replaces Paragraph **A.2.a.(4)**, of **SECTION II – COVERED AUTOS LIABILITY COVERAGE**:

**(4)** All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to $500 a day because of time off from work.

**F. HIRED AUTO – LIMITED WORLDWIDE COVERAGE – INDEMNITY BASIS**

The following replaces Subparagraph **(5)** in Paragraph **B.7.**, **Policy Period, Coverage Territory**, of **SECTION IV – BUSINESS AUTO CONDITIONS**:

**(5)** Anywhere in the world, except any country or jurisdiction while any trade sanction, embargo, or similar regulation imposed by the United States of America applies to and prohibits the transaction of business with or within such country or jurisdiction, for Covered Autos Liability Coverage for any covered "auto" that you lease, hire, rent or borrow without a driver for a period of 30 days or less and that is not an "auto" you lease, hire, rent or borrow from any of your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households.

**(a)** With respect to any claim made or "suit" brought outside the United States of America, the territories and possessions of the United States of America, Puerto Rico and Canada:

**(i)** You must arrange to defend the "insured" against, and investigate or settle any such claim or "suit" and keep us advised of all proceedings and actions.

**(ii)** Neither you nor any other involved "insured" will make any settlement without our consent.

**(iii)** We may, at our discretion, participate in defending the "insured" against, or in the settlement of, any claim or "suit".

**(iv)** We will reimburse the "insured" for sums that the "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies, that the "insured" pays with our consent, but only up to the limit described in Paragraph **C.**, Limits Of Insurance, of SECTION **II** – COVERED AUTOS LIABILITY COVERAGE.

**(v)** We will reimburse the "insured" for the reasonable expenses incurred with our consent for your investigation of such claims and your defense of the "insured" against any such "suit", but only up to and included within the limit described in Paragraph **C.**, Limits Of Insurance, of SECTION **II** – COVERED AUTOS LIABILITY COVERAGE, and not in addition to such limit. Our duty to make such payments ends when we have used up the applicable limit of insurance in payments for damages, settlements or defense expenses.

**(b)** This insurance is excess over any valid and collectible other insurance available to the "insured" whether primary, excess, contingent or on any other basis.

**(c)** This insurance is not a substitute for required or compulsory insurance in any country outside the United States, its territories and possessions, Puerto Rico and Canada.


© 2015 The Travelers Indemnity Company. All rights reserved.
Includes copyrighted material of Insurance Services Office, Inc. with its permission.

You agree to maintain all required or compulsory insurance in any such country up to the minimum limits required by local law. Your failure to comply with compulsory insurance requirements will not invalidate the coverage afforded by this policy, but we will only be liable to the same extent we would have been liable had you complied with the compulsory insurance requirements.

**(d)** It is understood that we are not an admitted or authorized insurer outside the United States of America, its territories and possessions, Puerto Rico and Canada. We assume no responsibility for the furnishing of certificates of insurance, or for compliance in any way with the laws of other countries relating to insurance.

**G. WAIVER OF DEDUCTIBLE – GLASS**

The following is added to Paragraph **D.**, **Deductible**, of **SECTION III – PHYSICAL DAMAGE COVERAGE**:

No deductible for a covered "auto" will apply to glass damage if the glass is repaired rather than replaced.

**H. HIRED AUTO PHYSICAL DAMAGE – LOSS OF USE – INCREASED LIMIT**

The following replaces the last sentence of Paragraph **A.4.b.**, **Loss Of Use Expenses**, of **SECTION III – PHYSICAL DAMAGE COVERAGE**:

However, the most we will pay for any expenses for loss of use is $65 per day, to a maximum of $750 for any one "accident".

**I. PHYSICAL DAMAGE – TRANSPORTATION EXPENSES – INCREASED LIMIT**

The following replaces the first sentence in Paragraph **A.4.a.**, **Transportation Expenses**, of **SECTION III – PHYSICAL DAMAGE COVERAGE**:

We will pay up to $50 per day to a maximum of $1,500 for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type.

**J. PERSONAL PROPERTY**

The following is added to Paragraph **A.4.**, **Coverage Extensions**, of **SECTION III – PHYSICAL DAMAGE COVERAGE**:

**Personal Property**

We will pay up to $400 for "loss" to wearing apparel and other personal property which is:

**(1)** Owned by an "insured"; and

**(2)** In or on your covered "auto".

This coverage applies only in the event of a total theft of your covered "auto".

No deductibles apply to this Personal Property coverage.

**K. AIRBAGS**

The following is added to Paragraph **B.3.**, **Exclusions**, of **SECTION III – PHYSICAL DAMAGE COVERAGE**:

Exclusion **3.a.** does not apply to "loss" to one or more airbags in a covered "auto" you own that inflate due to a cause other than a cause of "loss" set forth in Paragraphs **A.1.b.** and **A.1.c.**, but only:

**a.** If that "auto" is a covered "auto" for Comprehensive Coverage under this policy;

**b.** The airbags are not covered under any warranty; and

**c.** The airbags were not intentionally inflated.

We will pay up to a maximum of $1,000 for any one "loss".

**L. NOTICE AND KNOWLEDGE OF ACCIDENT OR LOSS**

The following is added to Paragraph **A.2.a.**, of **SECTION IV – BUSINESS AUTO CONDITIONS**:

Your duty to give us or our authorized representative prompt notice of the "accident" or "loss" applies only when the "accident" or "loss" is known to:

**(a)** You (if you are an individual);

**(b)** A partner (if you are a partnership);

**(c)** A member (if you are a limited liability company);

**(d)** An executive officer, director or insurance manager (if you are a corporation or other organization); or

**(e)** Any "employee" authorized by you to give notice of the "accident" or "loss".

**M. BLANKET WAIVER OF SUBROGATION**

The following replaces Paragraph **A.5.**, **Transfer Of Rights Of Recovery Against Others To Us**, of **SECTION IV – BUSINESS AUTO CONDITIONS** :

**5. Transfer Of Rights Of Recovery Against Others To Us**

We waive any right of recovery we may have against any person or organization to the extent required of you by a written contract signed and executed prior to any "accident" or "loss", provided that the "accident" or "loss" arises out of operations contemplated by


© 2015 The Travelers Indemnity Company. All rights reserved.
Includes copyrighted material of Insurance Services Office, Inc. with its permission.

such contract. The waiver applies only to the person or organization designated in such contract.

**N. UNINTENTIONAL ERRORS OR OMISSIONS**

The following is added to Paragraph **B.2.**, **Concealment, Misrepresentation, Or Fraud**, of **SECTION IV – BUSINESS AUTO CONDITIONS**:

The unintentional omission of, or unintentional error in, any information given by you shall not prejudice your rights under this insurance. However this provision does not affect our right to collect additional premium or exercise our right of cancellation or non-renewal.


© 2015 The Travelers Indemnity Compa ny. All rights reserved .
Includes copyrighted material of Insurance Services Office, Inc. with its permission.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

# BLANKET ADDITIONAL INSURED – PRIMARY AND NON-CONTRIBUTORY WITH OTHER INSURANCE

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

**PROVISIONS**

**1.** The following is added to Paragraph **A.1.c.**, **Who Is An Insured**, of **SECTION II – COVERED AUTOS LIABILITY COVERAGE**:

This includes any person or organization who you are required under a written contract or agreement between you and that person or organization, that is signed by you before the "bodily injury" or "property damage" occurs and that is in effect during the policy period, to name as an additional insured for Covered Autos Liability Coverage, but only for damages to which this insurance applies and only to the extent of that person's or organization's liability for the conduct of another "insured".

**2.** The following is added to Paragraph **B.5.**, **Other Insurance** of **SECTION IV – BUSINESS AUTO CONDITIONS**:

Regardless of the provisions of paragraph a. and paragraph **d.** of this part **5. Other Insurance,** this insurance is primary to and non-contributory with applicable other insurance under which an additional insured person or organization is the first named insured when the written contract or agreement between you and that person or organization, that is signed by you before the "bodily injury" or "property damage" occurs and that is in effect during the policy period, requires this insurance to be primary and non-contributory.


© 2016 The Travelers Indemnity Company. All rights reserved.
Includes copyrighted material of Insurance Services Office, Inc. with its permission.

TRAVELERS
ONE TOWER SQUARE
HARTFORD CT 06183

**WORKERS COMPENSATION
AND
EMPLOYERS LIABILITY POLICY**

**ENDORSEMENT WC 00 03 13 (00) - 001**

POLICY NUMBER: **UB-3P350390-24-43-G**

# WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

This agreement shall not operate directly or indirectly to benefit any one not named in the Schedule.

**SCHEDULE**

**DESIGNATED PERSON:**

**DESIGNATED ORGANIZATION:**

**ANY PERSON OR ORGANIZATION FOR WHICH THE INSURED HAS AGREED BY WRITTEN CONTRACT EXECUTED PRIOR TO LOSS TO FURNISH THIS WAIVER.**

TRAVELERS

ONE TOWER SQUARE
HARTFORD CT 06183

**WORKERS COMPENSATION AND EMPLOYERS LIABILITY POLICY**

**ENDORSEMENT WC 99 03 76 ( A) - 001**

**POLICY NUMBER: UB-3P350390-24-43-G**

# WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT – CALIFORNIA (BLANKET WAIVER)

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule.

The additional premium for this endorsement shall be **2.00** % of the California workers' compensation premium.

**Schedule**

| Person or Organization | Job Description |
|---|---|
| **ANY PERSON OR ORGANIZATION FOR WHICH THE INSURED HAS AGREED BY WRITTEN CONTRACT EXECUTED PRIOR TO LOSS TO FURNISH THIS WAIVER.** | |

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.

**(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)**

Endorsement Effective Policy No. Endorsement No.
Insured Premium

Insurance Company Countersigned by Jessica L. Carroll

**ST ASSIGN:**

# City of South Lake Tahoe

**Agenda Item Executive Summary**

Joe Irvin, City Manager

**Meeting Date:** April 22, 2025
**Agenda Item #:**6

**Agenda Item:** Sale of Surplus Property

**Executive Summary:** Fleet Services has evaluated the City's current inventory of vehicles and equipment and generated a list of items for auction. Fleet Services has provided the rationale for declaring the listed items as surplus and directing the sale of City assets. The items listed have reached the end of their serviceable lifecycle or are otherwise not repairable. The adopted surplus policy allows for the sale to the public of items and vehicles that are deemed surplus or have reached the end of their lifecycle. Staff is requesting the City Council pass the attached resolution directing the sale of vehicles, equipment, and other assets.

**Requested Action / Suggested Motions:** Pass a Resolution declaring certain vehicles and equipment as surplus and directing the sale of vehicles, equipment and other City assets.

**Responsible Staff Member:** Anush Nejad, Director of Public Works, and Phil Harwood, Fleet Supervisor

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

**Attachments:**

01-Staff Report - Surplus Property.docx
02 - Resolution for Surplus Vehicles.docx
03 - 2025 Spring Auction (Exh. A to Reso).pdf

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

## Meeting Date: April 22, 2025

**Title: Surplus Property**

**Location:** Citywide

**Responsible Staff Member:** Anush Nejad, Director of Public Works, and Phil Harwood, Fleet Supervisor

**Background:** Fleet Services has evaluated the listed items and provided the rationale that the items have reached the end of their serviceable lifecycle or are otherwise not repairable. The adopted surplus policy (within Financial Policies: Preserving Capital Investments – Fixed Assets Capitalization and Inventory Control Policy) allows for the sale of public items and vehicles that are deemed surplus or have reached the end of their lifecycle (See Exhibit A).

**Issue and Discussion:** The attached listing of proposed auction items includes a list of vehicles along with a brief justification for the recommendation to dispose of each asset. Along with the various vehicles and equipment, is the request to dispose of various small tools, surplus items from warehouse stock, and other items of lesser value that reached their service life and/or have become inoperable.

**Financial Implications:** Auction proceeds generate revenue and will be used to offset the cost to purchase vehicles and/or equipment in the FY 2024/25 budget year. Fleet Services uses large cooperative governmental auctions. These auctions historically return higher proceeds and offer greater accountability.

**Environmental Considerations:** This action is not a project requiring environmental review under the California Environmental Quality Act (CEQA) under CEQA Guidelines section 15378(b)(5) (organizational or administrative activities that will not result in a direct or indirect physical change in the environment).

**Policy Implications:** Proceeds from the proposed auction will be used to purchase replacement assets, lowering the overall cost of replacements. Replacing old vehicles and equipment lowers maintenance & supply costs. New equipment designs often improve efficiencies and the reduced maintenance downtime will reduce labor hours required for maintenance and increase the availability of equipment, also lowering costs.

# Resolution 2025-XXX

**Adopted by the City of South Lake Tahoe**
**City Council**

**April 22, 2025**

**Declaring certain vehicles and equipment as surplus and directing the Sale of Vehicles, Equipment, and other City Assets**

**BACKGROUND**

A. In the listing attached hereto as Exhibit A, Fleet Services has evaluated the listed items and provided the rationale that the items have reached the end of their serviceable lifecycle.

B. The attached listing was reviewed by the Fleet Supervisor and the Director of Public Works, and it was determined to be in the interest of the City that these items be auctioned.

C. The adopted surplus policy allows for the sale of public items and vehicles that are deemed surplus and/or have reached the end of their serviceable lifecycle.

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

Approves and direct the Fleet Supervisor to sell the items on Exhibit A in a public governmental contracted auction.

Adopted by the City of South Lake Tahoe City Council on April 22, 2025, by the following vote:

Yes:
No:
Absent:
Abstain:

_____ Date:_____

Tamara Wallace, 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 - Surplus Property List

| Vehicles | | | | | |
|---|---|---|---|---|---|
| Unit # | Make | Model | Year | Hours | Condition - Notes |
| 4016 | Ferguson | Roller | 1990 | 1,942 | Past service life, Emissions |
| 4020 | New Holdland | 4630 | 1996 | 2,595 | Past service life, Emissons |
| 5034 | John Deere | 544c | 1984 | 9,662 | Past service life, Emissions |
| 3069 | International | Sander truck | 1991 | 7,946 | Past service life. Emissions |
| 2141 | Polaris | GEM ELXD | 2019 | NA | Accident - Total Loss |
| Miscellaneous | | | | | |
| 6108 | Truck bed | custom | 2008 | NA | No longer used surplus |
| 9204, 9205 | 2 Diesel pumps | GasBoy pump | 2007 | NA | Replaced with new diesel pumps |

# City of South Lake Tahoe

**Agenda Item Executive Summary**

Joe Irvin, City Manager

**Meeting Date:** April 22, 2025
**Agenda Item #:**7

**Agenda Item:** Amendment to the Residential Parking Permit (RPP) Zones in the Lakeside Residential Area

**Executive Summary:** On October 12, 2023, the Director of Public Works received a formal request from the Lakeside Park Association (LPA) to evaluate and implement a Residential Parking Permit Program in the LPA's residential neighborhood. On November 19, 2024, the City Council approved the implementation of Residential Parking Permits and No-Parking Restrictions on certain roadways in the Lakeside Residential Area. The City staff had a subsequent meeting with the Board and residents of the community, and per their request, they want a minor modification to the Azure Blvd parking restrictions to allow resident permit parking on the westerly side from 873 Park Avenue to 4051 Azure Avenue. Staff members agree with the recommendations and believe that this change will benefit the residents.

**Requested Action / Suggested Motions:** Pass a Resolution Amending the Seasonal No Parking and Resident Permit Parking Restrictions on Certain Streets in the Lakeside Residential Neighborhood.

**Responsible Staff Member:** Anush Nejad, Director of Public Works and Sonia Wheeler, Code Enforcement Officer

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

**Attachments:**

01-Staff_Report-Establishing_Residential_Parking_Permit_Zones_in_the_Lakeside_Residential_Area_R_.docx
02-ORD 2023-1178 Residential Parking Permit Program
03 - Resolution 2024-133 Lakeside Residential Parking Permit.pdf
04-Resolution-Amendments to Lakeside Parking.docx
05 - Map of Proposed Lakeside Park Association Parking Restrictions 2025.pdf

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

## Meeting Date: April 22, 2025

**Title: Amending Residential Parking Permit Zones in the Lakeside Residential Area**

**Location:** Lakeside Residential Neighborhood

**Responsible Staff Member:** Anush Nejad, Director of Public Works and Sonia Wheller, Community Services Officer Supervisor

**Background:** On September 12, 2023, the City Council adopted an ordinance to add Section 4.25.365, allowing the Residential Parking Permit Program (RPPP) in the City of South Lake Tahoe (Ordinance 2023-1178, Attachment 02).

On October 12, 2023, the Director of Public Works received a formal request from the Lakeside Park Association (LPA) to evaluate and implement a Residential Parking Permit Program (RPPP) in the LPA's residential neighborhood (Attachment 03). The LPA's non-residential traffic impacts are primarily related to summer tourist activities, including Stateline Casinos and Celebrity Golf tournaments.

On November 19, 2024, the City Council adopted Resolution 2024-133, establishing Seasonal No-Parking Restrictions on Certain Streets in the Lakeside Residential Neighborhood (Attachment 03) between June 1 and September 30 each year.

**Issue and Discussion:** As part of outreach prior to the program's implementation, City staff attended a virtual meeting with the Neighborhood Association on March 19, 2025. The purpose of the meeting was to explain the RPPP rules and the process of obtaining permits. During the meeting, the Association requested minor modifications to the RPPP and No Parking zones on Azure Avenue. Subsequently, staff evaluated this request and concurred that the modification would benefit the residents. Attachment 4 show the amended resolution. Attachment 5 is the amended map of the parking restrictions.

**Financial Implications:** There are no Financial implications as a result of this amendment to the RPPP and parking restrictions on Azure Avene. Funding for implementation of the RPPP was previously approved on November 19, 2024.

**Environmental Considerations:** The actions proposed in this item are exempt from review under the California Environmental Quality Act (CEQA) under CEQA Guidelines section 15301 (Existing Facilities).

**Policy Implications:** This project advances the City Council's Strategic Priorities and Goals related to traffic safety and neighborhood preservation.

# Ordinance 2023-1178

## Adopted by the City of South Lake Tahoe City Council

## September 12, 2023

## An Ordinance Amending South Lake Tahoe City Code Title 4, Chapter 4.25 to Add Section 4.25.365 (Residential Parking Permit Program) to Designate Areas Where On-Street Parking Permits are Available to Residents of Streets Where Parking is Otherwise Prohibited

**FINDINGS**

A. The City has authority under California Vehicle Code section 22507 to grant preferential parking privileges to residents on streets where parking is otherwise prohibited.

B. The Public Works Director/City Traffic Engineer recommends adopting this Ordinance to establish a Residential Parking Permit Program that would allow the City Council to designate such areas where on-street parking permits are available to residents of streets where parking is otherwise prohibited.

**Now, Therefore, the City Council of City of South Lake Tahoe does ordain as follows:**

SECTION 1. South Lake Tahoe City Code Title 4, Chapter 4.25 (Motor Vehicles and Traffic), is hereby amended to add Section 4.25.365 (Residential Parking Permit Program) as follows:

**4.25.365 Residential Parking Permit Program.**

A. City Council Findings. In certain areas of the City of South Lake Tahoe, non-resident vehicles do or may substantially and regularly interfere with the use of the majority of the available on-street spaces by adjacent residents; this interference occurs at regular and significant daily or weekly intervals; the volume of non-resident vehicles in these certain areas cause unreasonable traffic hazards, noise, and trash impacts; a shortage of reasonably available and convenient residential related parking spaces exist in these areas; and alternative solutions are not feasible or practical.

B. Authorization. The City Council, upon finding that such zone is required to provide reasonably available and convenient parking for the benefit of adjacent residents, may designate certain streets or any portions thereof as residential permit parking zones, in which zones vehicles displaying a permit that is visible from the outside of the vehicle are exempt from parking prohibitions otherwise posted.

C. Definition of resident. For the purpose of this section, a “resident” means a person who owns or rents a dwelling unit within a residential permit parking zone for their own living

accommodations, including owner-occupants, long-term tenants, and second homeowners.

D. Permits. The City Manager is authorized to develop an application for residential parking permits. Applicants for such permits must present proof of residence adjacent to the area designated as a residential permit parking zone. Permits for multifamily units will be issued to the owner of the property for distribution to tenants. Two guest vehicle permits will be issued per address of applicant(s). Permits are to be effective for one year from the date of issuance.

E. Prohibitions. Residential parking permits are not transferable, and it is unlawful for a person to give, sell, or rent a residential parking permit to another person.

SECTION 2. 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 3. The City Council finds that adoption of the proposed Ordinance is categorically exempt from environmental review under the California Environmental Quality Act (CEQA) under CEQA Guidelines section 15301(c) (Existing Facilities) because the Ordinance addresses parking regulations on existing roadways.

SECTION 4. The City Clerk is directed to certify this Ordinance and cause it to be published in the manner required by law.

SECTION 5. This Ordinance shall become effective thirty days after the date of its adoption.

Adopted by the City of South Lake Tahoe City Council on September 12, 2023 by the following vote:

Yes: Bass, Friedrich, Wallace and Robbins
Absent: Creegan

Cody Bass (Sep 15, 2023 16:15 PDT)

Date: Sep 15, 2023

Cody Bass, Mayor Pro Tem

Attest:

Sue Blankenship (Sep 13, 2023 13:18 PDT)

Susan Blankenship, City Clerk

First Reading: August 8, 2023
Published: September 1, 2023
Second Reading: September 12, 2023
Effective: October 12, 2023

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

# ORD 2023-1178 Residential Parking Permit Program

Final Audit Report 2023-09-15

| | |
|---|---|
| Created: | 2023-09-13 |
| By: | jo Mcdonough (jmcdonough@cityofslt.us) |
| Status: | Signed |
| Transaction ID: | CBJCHBCAABAA-9xbPxwALNZJSp2VOr0E1A-Dj_ugrXTE |

## "ORD 2023-1178 Residential Parking Permit Program" History

Document created by jo Mcdonough (jmcdonough@cityofslt.us)
2023-09-13 - 7:55:23 PM GMT- IP address: 128.92.136.146

Document emailed to Sue Blankenship (sblankenship@cityofslt.us) for signature
2023-09-13 - 7:55:59 PM GMT

Email viewed by Sue Blankenship (sblankenship@cityofslt.us)
2023-09-13 - 8:18:43 PM GMT- IP address: 104.47.65.254

Document e-signed by Sue Blankenship (sblankenship@cityofslt.us)
Signature Date: 2023-09-13 - 8:18:50 PM GMT - Time Source: server- IP address: 128.92.136.146

Document emailed to cbass@cityofslt.us for signature
2023-09-13 - 8:18:51 PM GMT

Email viewed by cbass@cityofslt.us
2023-09-15 - 11:15:29 PM GMT- IP address: 174.236.227.92

Signer cbass@cityofslt.us entered name at signing as Cody Bass
2023-09-15 - 11:15:43 PM GMT- IP address: 174.236.227.92

Document e-signed by Cody Bass (cbass@cityofslt.us)
Signature Date: 2023-09-15 - 11:15:45 PM GMT - Time Source: server- IP address: 174.236.227.92

Agreement completed.
2023-09-15 - 11:15:45 PM GMT

# Resolution 2024-133

## Adopted by the City of South Lake Tahoe City Council

## November 19, 2024

## Establishing Seasonal No Parking Restrictions on Certain Streets in the Lakeside Residential Neighborhood, Accepting $7,500 in Funds from Lakeside Park Association, and Appropriating $17,500 from General Fund Undesignated Excess Reserves for Implementation of the Residential Parking Permit Program

**BACKGROUND**

A. On September 12, 2023, the City Council adopted an ordinance to add Section 4.25.365 to allow the Residential Parking Permit Program (RPPP) in the City of South Lake Tahoe (Ordinance 2023-1178).

B. On October 12, 2023, the Director of Public Works received a formal request from the Lakeside Park Association (LPA) to evaluate and implement an RPPP in the LPA's residential neighborhood. The LPA's non-residential traffic impacts are primarily related to summer tourist impacts related to Stateline Casinos and Celebrity Golf tournaments.

C. As part of the ongoing effort to improve citywide parking and traffic conditions in residential neighborhoods, especially during high tourism months, the Public Works Director/City Traffic Engineer recommends establishing certain residential streets as no-parking areas or Residential Parking Permit (RPP) from June 1 to September 30 (4 months).

D. Under South Lake Tahoe City Code section 4.25.300(C) and California Vehicle Code section 22507(a), the City Council is authorized to establish no parking areas by resolution and enforce the no parking areas once appropriate signage is installed.

E. If the City Council adopts an ordinance to authorize residential permit parking under California Vehicle Code section 22507(a), then the Public Works Director/Traffic Engineer will propose modifications to this resolution to authorize residential permit parking on one or both sides of those streets where residents have indicated sufficient support for such a program, through the Lakeside Association.

F. Lakeside Park Association has offered and agreed to a cost-sharing agreement with the City to accommodate the implementation of RPPP for $7,500 for the proposed work via a cashier’s check.

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

1. Establishes no parking areas from Jun 1 to September 30, or permanent no parking, on the following streets and segments of streets:
    a. Azure Ave (RPP on the easterly side, from 4052 Azure to Stateline Avenue and No Parking on the westerly side from Park Avenue to State Line Avenue).
    b. Greenwood Road (RPP on the easterly side and No Parking on the westerly side from Park Avenue to Hill Road).
    c. Sunrise Lane (RPP on the easterly side and No Parking on the westerly side from Park Avenue to Hill Road).
    d. Hill Road (RPP on the northerly side and No Parking on the southerly side from Sunrise Lane to Azure Avenue).

2. Authorizes acceptance of a $7,500 payment from Lakeside Park Association for purchasing and installing RPPP signs and posts and amends FY 2024/25 budget for depositing funds into Street Maintenance/Contributions revenue account 201-03510-36280.

3. Appropriates $17,500 from Undesignated General Funds for implementation of the RPPP program and transfers $12,500 into Street Maintenance account 201-03510-36300 and $5,000 into Parking Management program account 515-05330-36300.

4. Appropriates $20,000 into Streets expense account 201-03510-45017 Signs, Supplies and $5,000 to Parking Management program expense account 515-05330-45010 General Supplies for Parking Management Program RPPP set up.

5. Amends the Master Fee Schedule to add a Parking Citation fine of $300 for parking in the no parking areas listed in this Resolution; and authorizes towing of vehicles parked in violation of this Resolution.

Adopted by the City of South Lake Tahoe City Council on November 19, 2024, by the following vote:
Yes: Bass, Wallace, Creegan, Robbins, Middlebrook

Cody Bass (Nov 25, 2024 13:27 PST)

Date: Nov 25, 2024

Cody Bass, Mayor

Attest:

Susan Blankenship (Nov 21, 2024 15:38 PST)

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.*

# Resolution 2024-133 Lakeside Residential Parking Permit

Final Audit Report 2024-11-25

| | |
|---|---|
| Created: | 2024-11-21 |
| By: | Michelle Davis (medavis@cityofslt.us) |
| Status: | Signed |
| Transaction ID: | CBJCHBCAABAAxgNEG2ZzecvPJQUNL3MMn1LxBrm9MLKf |

## "Resolution 2024-133 Lakeside Residential Parking Permit" History

Document created by Michelle Davis (medavis@cityofslt.us)
2024-11-21 - 11:12:58 PM GMT

Document emailed to Susan Blankenship (sblankenship@cityofslt.us) for signature
2024-11-21 - 11:13:02 PM GMT

Email viewed by Susan Blankenship (sblankenship@cityofslt.us)
2024-11-21 - 11:37:46 PM GMT

Document e-signed by Susan Blankenship (sblankenship@cityofslt.us)
Signature Date: 2024-11-21 - 11:38:02 PM GMT - Time Source: server

Document emailed to Cody Bass (cbass@cityofslt.us) for signature
2024-11-21 - 11:38:03 PM GMT

Email viewed by Cody Bass (cbass@cityofslt.us)
2024-11-25 - 9:27:24 PM GMT

Document signing delegated to Cody Bass (codybass@me.com) by Cody Bass (cbass@cityofslt.us)
2024-11-25 - 9:27:27 PM GMT

Document e-signed by Cody Bass (codybass@me.com)
Signature Date: 2024-11-25 - 9:27:39 PM GMT - Time Source: server

Agreement completed.
2024-11-25 - 9:27:39 PM GMT

# Resolution 2025-xxx
# Adopted by the City of South Lake Tahoe City Council

## April 22, 2025

## Modifying Seasonal No Parking Restrictions on Certain Streets in the Lakeside Residential Neighborhood (Modifies Resolution 2024-133)

**BACKGROUND**

A. On September 12, 2023, the City Council adopted an ordinance to add Section 4.25.365 to allow the Residential Parking Permit Program (RPPP) in the City of South Lake Tahoe (Ordinance 2023-1178).

B. On October 12, 2023, the Director of Public Works received a formal request from the Lakeside Park Association (LPA) to evaluate and implement an RPPP in the LPA's residential neighborhood. The LPA's non-residential traffic impacts are primarily related to summer tourist impacts related to Stateline Casinos and Celebrity Golf tournaments.

C. As part of the ongoing effort to improve citywide parking and traffic conditions in residential neighborhoods, especially during high tourism months, the Public Works Director/City Traffic Engineer recommended establishing certain residential streets as no-parking areas or Residential Parking Permit (RPP) from June 1 to September 30 (4 months), which the City Council authorized by approving Resolution No. 2024-133.

D. Under South Lake Tahoe City Code section 4.25.300(C) and California Vehicle Code section 22507(a), the City Council is authorized to establish no parking areas by resolution and enforce the no parking areas once appropriate signage is installed.

E. The Public Works Director/Traffic Engineer proposes modifications to Resolution No. 2024-133 to authorize some resident permit parking on a portion of the west side of Azure Ave.

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

1. Establishes no parking areas from June 1 to September 30, or resident permit parking only from June 1 to September 30, on the following streets and segments of streets:
    a. Azure Ave (RPP on the easterly side, from 4052 Azure to Stateline Avenue; RPP on the westerly side from 873 Park Avenue to 4051 Azure Avenue and No Parking on the westerly side from 4055 to 4121 Azure Avenue).
    b. Greenwood Road (RPP on the easterly side and No Parking on the westerly side from Park Avenue to Hill Road).
    c. Sunrise Lane (RPP on the easterly side and No Parking on the westerly side from Park Avenue to Hill Road).
    d. Hill Road (RPP on the northerly side and No Parking on the southerly side from Sunrise Lane to Azure Avenue).

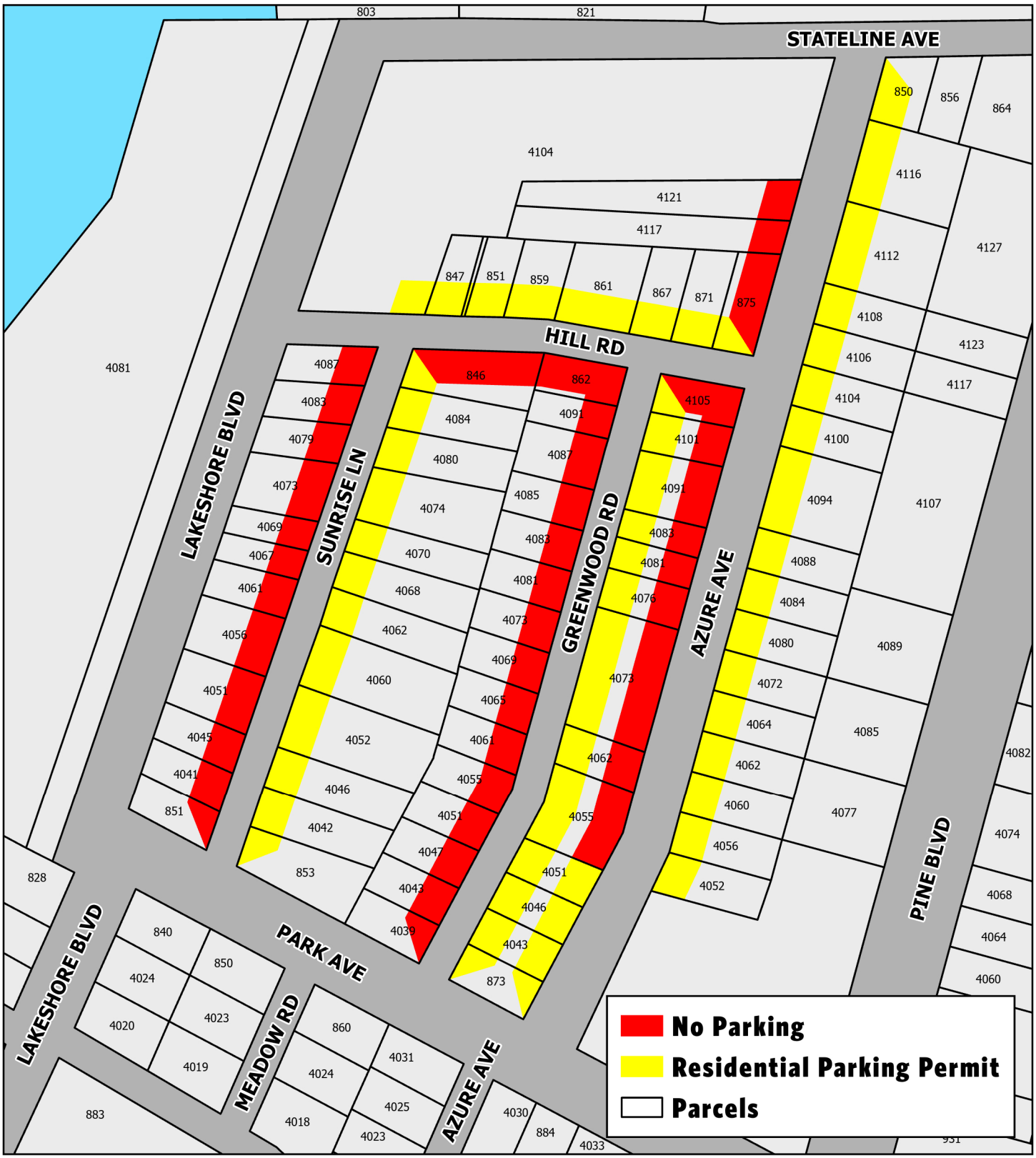
Adopted by the City of South Lake Tahoe City Council on April 22, 2025, by the following vote:
Yes:
No:
Absent:
Abstain:

_____ Date:_____
Tamara Wallace, 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

# Proposed Lakeside Seasonal Residential Parking Zones & No Parking Zones

N

0 100 200
Feet

Path: \\gis\share\Projects\Police\GeneralPoliceProjects\GeneralPoliceProjects.aprx | Lakeside Park Association Parking Restrictions | 3/21/202

# City of South Lake Tahoe

**Agenda Item Executive Summary**

Joe Irvin, City Manager

**Meeting Date:** April 22, 2025
**Agenda Item #:**8

**Agenda Item:** Acceptance of Funds from California State Boating and Enforcement Aid Program for Police Boat Safety and Enforcement Program

**Executive Summary:** Council authorized staff to apply for financial aid for the Police Boating and Safety Enforcement Program on 10/22/24. The City of South Lake Tahoe has since been awarded financial aid from the California Division of Boating and Waterways. The financial aid grant requires Council accept the financial aid in an up to $56,464.00 and agree to participate in the program. Additional funding will be allocated to the Police Boating and Safety Program from El Dorado County vessel property taxes in an amount up to $55,612.00.

**Requested Action / Suggested Motions:** Pass a Resolution: (1) authorizing acceptance of an amount up to $56,464 from the California State Boating and Enforcement Aid Program; (2) authorizing and directing the Mayor, or the Chief of Police, to execute the Program Agreement and each reimbursement claim; (3) accepting El Dorado County vessel property taxes in the amount up to $55,612.00 for a total program amount up to $112,076.00; and (4) authorizing budget of that amount into the current City's budget into account #237 02110 effective July 1, 2025.

**Responsible Staff Member:** Lt. Scott Crivelli

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

**Attachments:**

01 - Staff Report - Police Boat Financial Aid.docx
02-Resolution.docx
03-Police Boat Grant Application FY 25-26.pdf
04-Police Boat Financial Aid Agreement.pdf

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

**Meeting Date:** April 22, 2025

**Title:** Police Boat Safety and Enforcement Program Funding Acceptance and Program Participation State FY 25/26

**Location:** Police Department

**Responsible Staff Member:** Lt Scott Crivelli, (530) 542-6130

**Background:** The City provides a Police Boating Safety and Enforcement Program each year for residents and visitors of our community. This program begins approximately two weeks prior to Memorial Day weekend and ends approximately two weeks after Labor Day weekend. The program is funded every year by a state boating safety grant combined with El Dorado County vessel property taxes. The program provides the city with funding to staff the Police Department patrol boat on the waters of Lake Tahoe during this time.

**Issue and Discussion:** The Police Boating Safety Program is funded by two revenue sources. The first source is financial aid from California State Parks, Division of Boating and Waterways. The South Lake Tahoe Police Department applies for this aid annually. On October 22, 2024 Council granted authorization for staff to apply for financial aid through the California Division of Boating and Waterways. South Lake Tahoe PD has been granted financial aid and staff is now requesting Council to accept and authorize participating in the program. The financial aid period is from July 1, 2025 through June 30, 2026 and will be submitted to request a program cost reimbursement in an amount of up to $56,464 from California State Parks, Division of Boating and Waterways.

The second revenue source is from El Dorado County vessel property taxes. The amount of vessel property taxes allocated for the City's Police Boating Safety and Enforcement Program for the 2025/2026 fiscal year is $55,612.00.

To receive this funding, California State Parks requires the City Council to authorize the Mayor, or their designee, to sign the application for financial aid and the financial aid program agreement. They also require authorization for the Mayor, or their designee, to sign each reimbursement claim on behalf of the city per the agreement.

**Financial Implications:** There will be no additional impact to the general fund. The program will be funded as described above in the amount up to $112,076. Expenditures for the program will be reimbursed quarterly. Effective July 1, 2025; budget in account # 237 02110 should be amended as follows:

| | | | |
|---|---|---|---|
| Revenue: | #33211 | $56,464.00 | |
| | #31120 | $55,612.00 | |
| Expenditures: | #41020 (Personnel) | | $82,076.00 |
| | #43025 (R & M) | | $20,000.00 |
| | #46120 (Tools/Parts) | | $10,000.00 |

**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:** The police boating safety program supports the City of South Lake Tahoe's Strategic Plan "5.1 – Public Safety".

**Resolution 2025- XXX**

**Adopted by the City of South Lake Tahoe**
**City Council**

**April 22, 2025**

**Accepting financial aid from the California State Boating and Enforcement Aid Program; authorizing the Mayor, or the Police Chief, to sign the program agreement and each reimbursement claim; authorizing acceptance of financial aid award from the California State Boating and Enforcement Aid Program in amount up to $56,464.00 and to participate in the program. Acceptance of El Dorado County vessel property taxes, confirmed and certified by the El Dorado County Auditor in the amount up to $55,612.00 for a total program amount up to $112,076.00; and authorizing budget of that amount into the current City's budget into account #237 02110 effective July 1, 2025.**

**BACKGROUND**

A. The City of South Lake Tahoe Police Department operates a Police Boating Safety and Enforcement Program.

B. The City of South Lake Tahoe Police Department applied for financial assistance from the State Boating and Enforcement Aid Program, after authorization from Council on 10/22/24 for up to $56,464.00 which shall be used solely for the Boating Safety and Enforcement Program.

C. The City of South Lake Tahoe has been allocated 2025/26 El Dorado County Vessel Taxes in the amount up to $55,612.00 and will expend 100 percent of these funds on a Boating Safety program.

**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 California State Parks, Division of Boating and Waterways application for financial aid.
2. Authorizes the acceptance of financial aid and participation in the program from the California State Boating and Enforcement Aid Program for an amount up to $56,464.00 and of El Dorado County vessel taxes in amount up to $55,612.00 for a total program budget of $112,076.00.
3. Authorizes the Mayor, or the Chief of Police, to sign the Program Agreement, and each reimbursement claim filed pursuant to the financial aid agreement.
4. Authorizes up to the total program budget be added to the 2024/2025 budget and allocated into account #237 02110 effective July 1, 2025 as follows:

| | | | |
|---|---|---|---|
| Revenue: | #33211 | $56,464.00 | |
| | #31120 | $55,612.00 | |
| Expenditures: | #41020 (Personnel) | | $82,076.00 |
| | #43025 (R & M) | | $20,000.00 |
| | #46120 (Tools/Parts) | | $10,000.00 |

Adopted by the City of South Lake Tahoe City Council on April 22, 2025 by the following vote: Yes:
No:
Absent:

Abstain:

Date: _____

_____

Tamara Wallce, 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.*

# Boating Safety and Enforcement Aid Program
# Proposed Program Costs -- 801.1
# Fiscal Year 2025-2026

**Agency** S. Lake Tahoe Police Department

**Address** 1352 Johnson Blvd, S. Lake Tahoe, CA **County** El Dorado

## Proposed Program Costs

| | |
|---|---|
| 1. Personnel (Form 801.2) | $117,293.88 |
| 2. Operations, Maintenance and Equipment (Form 801.3)[a/] | $57,775.00 |
| 3. Total direct BS&E proposed program cost (2+3) | $175,068.88 |
| 4. Administrative costs[b/] | |
| 5. Total BS&E proposed program costs (3+4) | $175,068.88 |
| 6. Less: Boat Taxes (Form 801.4) | $55,612.00 |
| 7. Total Net Proposed Program Cost (5-6) | $119,456.88 |

a/ New applicant agencies should use 30% of personnel costs to estimate operations, maintenance and equipment costs in lieu of form 801.3.

b/ Administrative costs cannot exceed five percent of direct BS&E proposed program cost (line 3).

*County Authorized Representative:*

SIGNATURE

DATE 11/5/24

David Stevenson
Police Chief
TYPED NAME AND TITLE

(530) 542-6100
TELEPHONE

# Application for Financial Aid -- 801
# Fiscal Year 2025-2026

**Agency** S. Lake Tahoe Police Department **County** El Dorado

**Address** 1352 Johnson Blvd, S. Lake Tahoe, CA

**General Description of Boating Safety and Enforcement Programs:**

*(Give a comprehensive description of all programs in the County. If more space is needed, please attach a separate sheet).*

| Waterways to be Patrolled | | | | | Estimated Density by Quarter[a/] | | | |
|---|---|---|---|---|---|---|---|---|
| Lakes, Open Ocean | Area in Square Miles | Primary Usage[b/] | Type(s) of Patrols[c/] | FT or PT[d/] | 1st | 2nd | 3rd | 4th |
| 1. Lake Tahoe | 8.66 | b | c | PT | 600 | 215 | 40 | 535 |
| 2. | | | | | | | | |
| 3. | | | | | | | | |
| 4. | | | | | | | | |
| 5. | | | | | | | | |
| 6. | | | | | | | | |
| 7. | | | | | | | | |
| 8. | | | | | | | | |
| 9. | | | | | | | | |
| 10. | | | | | | | | |
| 11. | | | | | | | | |
| 12. | | | | | | | | |
| 13. | | | | | | | | |
| 14. | | | | | | | | |
| Rivers | Length in Miles | Primary Usage[b/] | Type(s) of Patrols[c/] | FT or PT[d/] | 1st | 2nd | 3rd | 4th |
| 1. | | | | | | | | |
| 2. | | | | | | | | |
| 3. | | | | | | | | |
| 4. | | | | | | | | |
| 5. | | | | | | | | |
| 6. | | | | | | | | |
| 7. | | | | | | | | |
| 8. | | | | | | | | |
| 9. | | | | | | | | |
| 10. | | | | | | | | |

a/ Enter the highest number of boats on the waterway at any one time on any one day in each quarter, excluding holidays and holiday weekends.

b/ A = Fishing; B = Combined recreational boating activities (fishing, water skiing, pleasure boating, etc.)

c/ On-water, foot, truck/vehicle, and/or air

d/ FT = Full-time; PT = Part-time. If less than full-time, specify patrol schedule on a separate sheet.

Revised 2019

# Boating Safety and Enforcement Aid Program
# Proposed Personnel Costs -- 801.2
# Fiscal Year 2025-2026

**Agency** S. Lake Tahoe Police Department **County** El Dorado

## Proposed Personnel Costs

**Employee Compensation**

| | Title (NO NAMES) | Grade | No. Hours or Months | Pay per Hour or Month | Total Compensation |
|---|---|---|---|---|---|
| 1. | Boating Safety Officer | | 840.00 | $52.27 | $43,906.80 |
| 2. | Boating Safety Officer | | 600.00 | $52.27 | $31,362.00 |
| 3. | Boating Safety Officer | | 600.00 | $52.27 | $31,362.00 |
| 4. | | | | | |
| 5. | | | | | |
| 6. | | | | | |
| 7. | | | | | |
| 8. | | | | | |
| 9. | | | | | |
| 10. | | | | | |
| 11. | | | | | |
| 12. | | | | | |
| 13. | | | | | |
| 14. | | | | | |
| 15. | | | | | |
| 16. | | | | | |
| 17. | | | | | |
| 18. | | | | | |
| 19. | | | | | |
| 20. | | | | | |
| 21. | Total | | 2,040.00 | | $106,630.80 |

22. Average Customary Fringe Benefit Percent 10.00000000%

23. Total Proposed Personnel Costs $117,293.88

# Boating Safety and Enforcement Aid Program
# Proposed Operations, Maintenance and Equipment Costs -- 801.3
# Fiscal Year 2025-2026

**Agency** S. Lake Tahoe PD **County** El Dorado

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| *Patrol Vessels:* | Fuel | $25,000.00 | + Repair | $15,000.00 | + Storage | $5,000.00 | = $ | 45,000.00 |
| *Vehicles:* | Miles | 5,000 | | | Mileage Allowance | 0.66 | = | 3,275.00 |

LIST OTHER O&M AND EQUIPMENT

| | | |
|---|---|---|
| 1. Detail Patrol Boat | $ | 2,000.00 |
| 2. Repair Upholstery | $ | 4,000.00 |
| 3. Repair Sponsons | $ | 3,500.00 |
| 4. | $ | |
| 5. | $ | |
| 6. | $ | |
| 7. | $ | |
| 8. | $ | |
| 9. | $ | |
| ## | $ | |
| 11. | $ | |
| 12. | $ | |
| 13. | $ | |
| 14. | $ | |
| 15. | $ | |
| 16. | $ | |
| 17. | $ | |
| 18. | $ | |
| 19. | $ | |
| 20. | $ | |
| 21. | $ | |
| 22. | $ | |
| 23. | $ | |
| 24. | $ | |
| 25. | $ | |
| **Total** | $ | 57,775.00 |

# Documentation of Estimated Boat Tax Revenues -- 801.4
## Fiscal Year FY 2025/26

**Agency** City of South Lake Tahoe
**County** El Dorado County

Total estimated costs are offset by the estimated prior year vessel taxes received by the county to determine the maximum amount of financial aid you are eligible for. Vessel taxes received by the county represent 100% of the amount received by the county from the share of personal property taxes on vessels allocated to the County General Fund for boating safety and enforcement activities. Report on line 1 the estimated amount of prior year vessel taxes you anticipate you will receive.

**1. Estimated boat tax revenues from prior fiscal year** **$ 55,612.00**

**Certification**

I attest that I am a duly authorized representative of the auditor's office of El Dorado County; and that this calculation results in the best estimate of boat tax revenues for the fiscal year noted.

Anne Billingsley
SIGNATURE

October 2, 2024
DATE

Anne Billingsley, Principal Financial Analyst
TYPED NAME AND TITLE

(530) 621-5453
TELEPHONE

**EL DORADO COUNTY**
**AUDITOR'S WORKPAPER**

Prepared 10/02/2024

BOATING AND SAFETY ENFORCEMENT AID
CITY OF SOUTH LAKE TAHOE
2024-25 ESTIMATED PERCENTAGE INCREASE IN BOAT TAX REVENUES

| FISCAL YEAR | [SIP-604/SIB-102] ASSESSMENT COUNT | CHANGE IN COUNT | PERCENTAGE CHANGE |
|---|---|---|---|
| 2003-04 | 529 | (10) | -1.9% |
| 2004-05 | 622 | 93 | 17.6% |
| 2005-06 | 629 | 7 | 1.1% |
| 2006-07 | 621 | (8) | -1.3% |
| 2007-08 | 647 | 26 | 4.2% |
| 2008-09 | 687 | 40 | 6.2% |
| 2009-10 | 659 | (28) | -4.1% |
| 2010-11 | 640 | (19) | -2.9% |
| 2011-12 | 593 | (47) | -7.3% |
| 2012-13 | 595 | 2 | 0.3% |
| 2013-14 | 569 | (26) | -4.4% |
| 2014-15 | 597 | 28 | 4.9% |
| 2015-16 | 589 | (8) | -1.3% |
| 2016-17 | 568 | (21) | -3.6% |
| 2017-18 | 597 | 29 | 5.1% |
| 2018-19 | 625 | 28 | 4.7% |
| 2019-20 | 657 | 32 | 5.1% |
| 2020-21 | 627 | (30) | -4.6% |
| 2021-22 | 712 | 85 | 13.6% |
| 2022-23 | 798 | 86 | 12.1% |
| 2023-24 | 815 | 17 | 2.1% |
| 2024-25 | 552 | (263) | -32.3% |

| **FY 2024-25 Actual => FY 2025-26 Estimate** | T.R.A. 002-002 | T.R.A. 002-007 | T.R.A. 002-010 | CITY OF SLT |
|---|---|---|---|---|
| MARKET VALUE OF ASSESSED BOATS | 25,166,775 | 142,819 | - | $ 25,309,594 |
| AD VALOREM TAX RATE (EXCLUDING DEBT SERVICE FUNDS) | 1.00% | 1.00% | 1.00% | 1.00% |
| TOTAL PERSONAL PROPERTY TAXES ON BOATS | $251,668 | $1,428 | $0 | $253,096 |
| AGENCY TAX ALLOCATION FACTOR (COUNTYWIDE AVERAGE) | 21.974% | 21.750% | 20.821% | 21.973% |
| AMOUNT TO BE SHOWN ON LINE "5" | $55,301 | $311 | $0 | **$55,612** |

**EL DORADO COUNTY**
**AUDITOR'S WORKPAPER**

BOATING AND SAFETY ENFORCEMENT AID
CITY OF SOUTH LAKE TAHOE
2024-25 ESTIMATED PERCENTAGE INCREASE IN BOAT TAX REVENUES

| FISCAL YEAR | [SIP-604/SIB-102] ASSESSED VALUATION | INCREASE INCREASE IN VALUE | PERCENTAGE INCREASE (DECREASE |
|---|---|---|---|
| 1989-90 | 10,535,205 | *** | *** |
| 1990-91 | 10,969,347 | 434,142 | 4.1% |
| 1991-92 | 11,909,731 | 940,384 | 8.6% |
| 1992-93 | 11,104,622 | (805,109) | -6.8% |
| 1993-94 | 10,064,346 | (1,040,276) | -9.4% |
| 1994-95 | 9,274,251 | (790,095) | -7.9% |
| 1995-96 | 9,629,732 | 355,481 | 3.8% |
| 1996-97 | 9,542,157 | (87,575) | -0.9% |
| 1997-98 | 9,723,421 | 181,264 | 1.9% |
| 1998-99 | 10,658,221 | 934,800 | 9.6% |
| 1999-00 | 13,005,238 | 2,347,017 | 22.0% |
| 2000-01 | 12,513,359 | (491,879) | -3.8% |
| 2001-02 | 10,693,356 | (1,820,003) | -14.5% |
| 2002-03 | 12,393,945 | 1,700,589 | 15.9% |
| 2003-04 | 11,373,660 | (1,020,285) | -8.2% |
| 2004-05 | 13,739,327 | 2,365,667 | 20.8% |
| 2005-06 | 14,900,174 | 1,160,847 | 8.4% |
| 2006-07 | 15,562,237 | 662,063 | 4.4% |
| 2007-08 | 19,938,420 | 4,376,183 | 28.1% |
| 2008-09 | 21,942,645 | 2,004,225 | 10.1% |
| 2009-10 | 24,713,616 | 2,770,971 | 12.6% |
| 2010-11 | 19,081,423 | (5,632,193) | -22.8% |
| 2011-12 | 17,686,745 | (1,394,678) | -7.3% |
| 2012-13 | 16,624,848 | (1,061,897) | -6.0% |
| 2013-14 | 18,498,563 | 1,873,715 | 11.3% |
| 2014-15 | 18,314,282 | (184,281) | -1.0% |
| 2015-16 | 17,331,217 | (983,065) | -5.4% |
| 2016-17 | 16,685,159 | (646,058) | -3.7% |
| 2017-18 | 17,584,276 | 899,117 | 5.4% |
| 2018-19 | 18,007,005 | 422,729 | 2.4% |
| 2019-20 | 19,657,402 | 1,650,397 | 9.2% |
| 2020-21 | 18,865,510 | (791,892) | -4.0% |
| 2021-22 | 22,410,580 | 3,545,070 | 18.8% |
| 2022-23 | 34,182,615 | 11,772,035 | 52.5% |
| 2023-24 | 29,031,917 | (5,150,698) | -15.1% |
| 2024-25 | 25,309,594 | (3,722,323) | -12.8% |

# Boating Safety and Enforcement Financial Aid Program Agreement

This agreement entered into this ***1ST day of July, 2025***, by and between the CALIFORNIA DEPARTMENT OF PARKS AND RECREATION, DIVISION OF BOATING AND WATERWAYS, hereinafter called "Department," and the ***CITY OF SOUTH LAKE TAHOE,*** hereinafter called "Agency";

**WITNESSETH**

**WHEREAS**, The Baseline funding outlined in III A. of this agreement is an estimate and contingent upon the approval of the **Governor's Fiscal Year 2025-26 Budget Act**, the Department intends to enter into an agreement with the Agency for the purpose of conducting boating safety and enforcement activities as specified in Title 14, California Code of Regulations, Section 6593.3; and

**WHEREAS**, the Agency is equipped, staffed, and prepared to provide such services under the terms and conditions set forth in this agreement and in accordance with Title 14, California Code of Regulations, Section 6593 et seq.; and

**WHEREAS**, pursuant to Title 14, California Code of Regulations, Section 6593.6, the Department is required to enter into an annual agreement with each participating agency; and

**NOW, THEREFORE**, it is mutually agreed as follows:

## I. Applicable Law

Agency shall observe and comply with all applicable federal, state, and county statutes, ordinances, regulations, directives, and laws, including, but not limited to, Harbors and Navigation Code Section 663.7 and Section 6593 et seq. of Title 14, California Code of Regulations. Agreement shall be deemed to be executed within the State of California and construed and governed by the laws of the State of California.

## II. Description of Services

Agency shall conduct boating safety and enforcement activities in the jurisdiction of the Agency in consideration of the payments hereinafter set forth.

## III. Payments

A. Maximum Amount. The amount the Department shall be obligated to pay for services rendered under this agreement shall not exceed ***$56,464.00*** for the agreement term in full consideration of Agency's performance of the services described in this agreement.

B. Rate of Payment. The Department shall reimburse Agency in accordance with the reimbursement procedures set forth in Title 14, California Code of Regulations Section 6593.9.

C. Submission of Claims. Agency shall submit claims for reimbursement to the Department contact person identified in paragraph V of this contract on a ___monthly **OR** ___quarterly basis. **(Please check one)**

D. Failure to Submit Claims. Claims for reimbursement shall be submitted within 60 days following the last day of the reporting period. Pursuant to Title 14, California Code of Regulations 6593.9 (i), the Department may reduce an Agency's allocation by five percent if the Agency exceeds the sixty-day billing period and an additional five percent for every thirty-day period thereafter that the Agency is late in filing a claim.

## IV. Records

Agency shall maintain records pursuant to Section 6593.10 of Title 14, California Code of Regulations.

## V. Notice

Notice shall be in writing and shall be deemed to have been served when it is deposited in the United States mail, first class postage prepaid, and addressed as follows:

| ***TO DEPARTMENT*** | ***TO AGENCY*** |
|---|---|
| *Ms. Joanna Andrade* | *City of South Lake Tahoe Police Dept.* |
| *Department of Parks and Recreation* | *1352 Johnson Blvd* |
| *Division of Boating and Waterways* | *South Lake Tahoe, CA 96150* |
| *715 P Street, 12th floor* | |
| *Sacramento, CA 95814* | |

Either party may change the address to which subsequent notice and/or other communication can be sent by giving written notice designating a change of address to the other party.

## VI. Term

This agreement shall be for the term beginning **July 1, 2025**, and ending **June 30, 2026**.

## VII. Prior Agreements

All prior agreements regarding this subject matter between Department and Agency are hereby terminated effective June 30 prior to the term beginning date of this agreement.

## VIII. Amendment

No amendment or variation of the terms of this agreement shall be valid unless made in writing and signed by the parties hereto.

## IX. Termination

Agency may terminate this agreement without cause in writing at any time. The Department may terminate this agreement without cause upon a sixty (60) days written notice served upon the Agency.

## X. Special Provisions

A. Agency hereby certifies that the obligations created by this agreement do not violate the provisions of Sections 1090 to 1096 of the Government Code.

B. This agreement shall have no force or effect until signed by the Department, Agency, and approved by the Department of General Services Legal Department, if required.

C. Agency shall continue with the responsibilities of this agreement during any dispute.

D. In the event of an allocation reduction for this program, an equal allotment will be decrease from every participant.

E. Failure by the Agency to comply with the terms of this agreement may jeopardize the Agency's ability to be awarded funding in future funding opportunities offered by the Department of Parks and Recreation.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written.

CALIFORNIA DEPARTMENT OF PARKS AND RECREATION, DIVISION OF BOATING AND WATERWAYS

By:_____

*California Department of Parks and Recreation, Division of Boating and Waterways*

Date: _____

"Department"

CITY OF SOUTH LAKE TAHOE

By:_____

Title: _____

Date: _____

"Agency"

# City of South Lake Tahoe

**Agenda Item Executive Summary**

Joe Irvin, City Manager

**Meeting Date:** April 22, 2025
**Agenda Item #:**9

**Agenda Item:** Ratification of Agreement with Lake Tahoe Unified School District (LTUSD) for the Third Grade Swim Program

**Executive Summary:** The Cityâ€™s Parks and Recreation Department (City) and Lake Tahoe Unified School District (LTUSD) are partnering together to offer third grade students in in LTUSD free swim lessons that will be taught by City lifeguards at the Rec Center. The purpose of the Third Grade Swim Program is to promote water safety and provide access to all of these students to learn this critical life skill. The City and LTUSD agree to facilitate the Third Grade Swim Program to offer LTUSD third graders four (4) days of free one-hour session group swim lessons at no cost to participants. Staff recommends Council ratify the Agreement with LTUSD 3rd Grade Swim Program and authorize the City to offer this program at no cost to the participants.

**Requested Action / Suggested Motions:** Pass a Resolution authorizing a fee waiver and ratification of the Agreement with LTUSD for the Third Grade Swim Program to be offered at no cost to participants.

**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-Agreement with LTUSD for the Third Grade Swim Program.docx
02-Resolution - Third Grade Swim Program.docx
03-C-027-2025 Third Grade Swim Program Agreement (Exh. A to Reso).pdf

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

## Meeting Date: April 22, 2025

**Title: Agreement with LTUSD for the Third Grade Swim Program**

**Location:** Citywide

**Responsible Staff Member:** John Stark, Parks and Recreation Director

**Background:** The City's Parks and Recreation Department (City) and Lake Tahoe Unified School District (LTUSD) are partnering together to offer third grade students in in LTUSD free swim lessons that will be taught by City lifeguards at the Rec Center. The purpose of the Third Grade Swim Program is to promote water safety and provide access to all of these students to learn this critical life skill. The City and LTUSD agree to facilitate the Third Grade Swim Program to offer LTUSD Third Grade students four (4) days of free one-hour session group swim lessons at no cost to participants.

LTUSD shall require a parent or guardian of all of the participating students to sign the Third Grade Swim Lessons Program Waiver, Assumption of Risk, and Release of Liability Agreement included in the attached agreement.

**Issue and Discussion:** Staff recommends Council ratify the Agreement with LTUSD Third Grade Swim Program and authorize the City to offer this program at no cost to the participants.

**Financial Implications:** In-kind services include personnel from Parks and Recreation leading the programs at no cost to the participants. Rental fees are waived for LTUSD under the premise that this provides a service for Third Grade students to learn this critical life skill.

**Environmental Considerations:** The Third Grade Swim Program is categorically exempt from review under the California Environmental Quality Act (CEQA) because the program will allow for the normal operations of existing facilities for public gatherings for which the facilities were designed (CEQA Guidelines section 15323 – Normal Operations of Facilities for Public Gatherings).

**Policy Implications:** Strategic Plan Priorities supported by the Third Grade Swim Program includes: 2.2 Equitable Access: Promote equitable access to recreation for underserved, under-resourced populations and people with disabilities by implementing recreation programs for inclusion. Support active and healthy lifestyles and strive to develop parks in every neighborhood. Action Item 1: Create low-to no-cost recreation programs and access to recreation gear for qualified families to engage in outdoor recreation and education. Action Item 2: Evaluate opportunities to expand partnerships to promote health and wellness, combat childhood obesity and encourage healthy lifestyles.

# Resolution 2025-XXX

**Adopted by the City of South Lake Tahoe**
**City Council**

**April 22, 2025**

## Authorizing a Fee Waiver and Ratifying Agreement with LTUSD for the Third Grade Swim Program to be Offered at No Cost to the Participants

**BACKGROUND**

A. The City's Parks and Recreation Department (City) and Lake Tahoe Unified School District (LTUSD) are partnering together to offer third grade students in in LTUSD free swim lessons that will be taught by City lifeguards at the Rec Center.
B. The purpose of the Third Grade Swim Program is to promote water safety and provide access to all of these students to learn this critical life skill.
C. The City and LTUSD agree to facilitate the Third Grade Swim Program to offer LTUSD Third Grade students four (4) days of free one-hour session group swim lessons at no cost to participants.
D. LTUSD shall require a parent or guardian of all of the participating students to sign the Third Grade Swim Lessons Program Waiver, Assumption of Risk, and Release of Liability Agreement included in the attached agreement.

**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 a fee waiver and ratifies the Agreement with LTUSD for the Third Grade Swim Program to be offered at no-cost to participants, which is attached hereto as Exhibit "A."

Adopted by the City of South Lake Tahoe City Council on April 22, 2025, by the following vote:
Yes:
No:
Absent:
Abstain:

_____ Date:_____

Tamara Wallace, 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.*

## THIRD GRADE SWIM PROGRAM AGREEMENT

This Third Grade Swim Program Agreement ("Agreement") is made and entered into effective the 25th day of February, 2025, by and between the City of South Lake Tahoe (the "City") and Lake Tahoe Unified School District (the "LTUSD").

## RECITALS

WHEREAS, the City is the owner of the South Lake Tahoe Parks & Recreation Center where the Third Grade Swim Program will take place, at 1180 Rufus Allen Blvd, South Lake Tahoe, California ("City Property");

WHEREAS, LTUSD and the City have expressed a desire to partner together to offer third graders in LTUSD free swim lessons that will be taught by City lifeguards on City Property;

WHEREAS, the purpose of the Third Grade Swim Program is to promote water safety; and

NOW THEREFORE, the City and the LTUSD agree as follows to facilitate the Third Grade Swim Program to offer LTUSD third graders four (4) days of free one-hour session group swim lessons:

## AGREEMENT

For and in consideration of the covenants herein contained, and other good and valuable consideration, receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound hereby, the City and the LTUSD agree:

1. **Incorporation of Recitals.** The above recitals are true and correct and are incorporated herein by this reference.

2. **Term.** This Agreement shall be in effect until terminated by either party in the terms set forth below in Paragraph 3. Notwithstanding this provision, LTUSD shall be subject to the provisions of this Agreement during any time that the Third Grade Swim Program is taking place on City Property.

3. **Termination of Agreement.** Either party may terminate this Agreement with or without cause upon thirty (30) days' written notice to the other party.

4. **Damage to Property.** LTUSD and its officers, employees, agents, volunteers, representatives, and students shall take reasonable precautions to minimize damage to City Property. LTUSD shall promptly restore any damage caused by itself or its volunteers, employees, agents, representatives, or students to City Property. The City may elect in its sole discretion to repair such damage and LTUSD shall pay all costs of such repair within fifteen (15) days of receipt of written demand for payment.

5. **Indemnification.** To the fullest extent permitted by law, LTUSD shall indemnify, defend, save, and hold harmless the City of South Lake Tahoe and its elected or appointed officers, officials, employees, agents, representatives, volunteers, and students from and against any and all claims, actions, liabilities, damages, losses, and/or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation, and

litigation) ("Claims"), including Claims for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the acts or omissions of LTUSD and/or any of its officers, employees, agents, volunteers, representatives, and students. This indemnity includes any Claims or amount arising out of or recovered under Workers' Compensation Law or arising out of the failure of such to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree. It is agreed that LTUSD shall be responsible for primary loss investigation, defense, and judgment costs where this indemnification is applicable. LTUSD shall waive all rights of subrogation against the City of South Lake Tahoe and its elected or appointed officers, officials, employees, agents, representatives, and volunteers for losses arising from any and all Third Grade Swim Program sessions. Termination of this Agreement does not release LTUSD from its obligations under this Paragraph, as long as the event giving rise to the Claims occurred prior to the effective date of any such termination.

6. **Student Waivers.** LTUSD shall require a parent or guardian of all of its participating students to sign the Third Grade Swim Lessons Program Waiver, Assumption of Risk, and Release of Liability Agreement attached hereto as Exhibit A.

7. **Insurance.** Prior to entering City Property, pursuant to this Agreement, LTUSD, for itself and its officers, employees, agents, volunteers, representatives, and students, shall have in full force and effect insurance policies as outlined below, issued by a company or companies authorized to do business in the State of California and satisfactory to the City. Such insurance shall be primary and noncontributory. The City and its elected or appointed officers, officials, employees, agents, representatives, and volunteers shall be named and endorsed as an additional insured under each applicable insurance policy and so stated on the Certificate of Insurance. The Certificate of Insurance and all applicable endorsements shall be renewed annually prior to each policy expiration date for LTUSD and any companies, entities, contractors, and/or subcontractors working with LTUSD that are planning to enter City Property pursuant to this Agreement during the period of this Agreement.

(a) **Insurance Requirements.** LTUSD shall be required to have the following insurance policies:

(i) **Workers' Compensation Coverage.** Each party shall maintain Workers' Compensation Insurance and Employer's Liability Insurance in accordance with the laws of the State of California for all of their respective employees. The insurer shall agree to waive all rights of subrogation against the City and its elected or appointed officers, officials, employees, agents, representatives, and volunteers for losses arising from work performed by LTUSD and/or its officers, employees, agents, volunteers, representatives, contractors, and subcontractors in relation to the Third Grade Swim Program.

(ii) **Commercial General Liability Coverage.** Each party shall maintain commercial general liability insurance no less broad than ISO form CG 00 01 in an amount not less than one million dollars ($1,000,000) per occurrence and two million dollars ($2,000,000) aggregate for bodily injury, personal injury and property damage. Coverage must be of the standard occurrence form. Claims-made policy forms are not acceptable without prior written consent of the City. The City and its elected or appointed officers, officials, employees, agents, representatives, and volunteers must be endorsed as an additional insured for liability arising out of the Third Grade Swim Program under this Agreement.

(iii) **Automobile Liability Coverage.** Each party shall maintain automobile liability insurance covering bodily injury and property damage for all activities arising out of or in connection with the Third Grade Swim Program under this Agreement, including coverage for owned, hired, and non-owned vehicles, in an amount not less than one million dollars ($1,000,000) combined single limit for each occurrence.

(b) **Limits of Liability.** It is understood that the specified coverage in no way limits the liability of each company or entity that will enter City Property pursuant to this Agreement, including LTUSD, its officers, employees, agents, volunteers, representatives, contractors, and subcontractors.

(c) **Self-Insured Retentions & Deductibles.** Each party shall be responsible for all deductibles and/or self-insured retentions in their respective insurance policies. The amount of deductibles and/or self-insured retentions for insurance coverage required herein shall be reasonable and approved by the City Attorney.

(d) **Notice of Cancellation.** Each insurance policy required by the insurance provisions of this Agreement shall provide the required coverage and shall not be suspended, voided, cancelled, reduced in coverage, reduced in scope, an/or reduced in limits except after thirty (30) days' prior written notice has been given to the City. When cancellation is for non-payment of premium, then at least ten (10) days' prior written notice shall be given to the City. Notices required by this section shall be sent directly to the City Attorney's Office, City of South Lake Tahoe, 1901 Lisa Maloff Way, South Lake Tahoe, CA 96150.

(e) **Certificates of Insurance & Endorsements.** LTUSD, and any company, entity, contractor, or subcontractor of LTUSD that will participate in Volunteer Work Day Events under this Agreement, shall provide Certificates of Insurance with original endorsements, and upon request, certified copies of the required insurance policies, to the City as evidence of the insurance coverage required herein. LTUSD and its officers, employees, agents, volunteers, representatives, contractors, and subcontractors shall not commence to host Volunteer Work Day Events under this Agreement until all insurance required under this Agreement has been approved by the City as to form, amount, and carrier. Certificates of Insurance shall contain no exclusions unless negotiated with the City Attorney and approved, in writing, by the City Attorney.

8. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

The parties evidence their agreement by their signatures below:

Dated: Mar 12, 2025

Joseph Irvin (Mar 12, 2025 06:34 PDT)

Joseph Irvin, City Manager
City of South Lake Tahoe

Dated: 2/25/25

Lake Tahoe Unified School District

APPROVED AS TO FORM

Heather Stroud (Mar 11, 2025 17:23 PDT)

Heather Stroud, City Attorney
City of South Lake Tahoe

Attest: Susan Blankenship (Mar 3, 2025 08:39 PST)
Susan Blankenship, City Clerk

**Exhibit A**

See attached.

# CERTIFICATE OF COVERAGE

ISSUE DATE (MM/DD/YYYY): 2/27/2025

**MEMORANDUM NUMBER:**

**AGENT / BROKER:**
650-488-8565

Newfront Insurance Services
1435 N McDowell Blvd Ste 320
Petaluma, CA 94954

**COVERAGE PROVIDER:**

School Risk and Insurance Management Group
550 High Street, Suite 201

Auburn CA 95603

**NAMED COVERED MEMBER:**

Schools Risk and Insurance Management Group
Lake Tahoe Unified School District
c/o 550 High Street, Suite 201
Auburn CA 95603

THE REFERENCED MEMORANDUM OF COVERAGE(S) ("MOC") AND/OR INSURANCE POLICY(IES) EXTEND INDEMNITY PROTECTION TO THE NAMED COVERED MEMBER, IN KEEPING WITH THE TERMS AND CONDITIONS OF THE COVERAGE AGREEMENTS/ POLICIES, FOR THE EFFECTIVE COVERAGE DATES, AND WITH THE STATED COVERAGE LIMITS. COVERAGE PROVIDED BY MOC'S IS EXTENDED PURSUANT TO THE RIGHTS AND LIMITATIONS OF CALIFORNIA GOV'T CODE§ 990 & 6500, ET SEQ.

THIS CERTIFICATE CONFERS NO RIGHT, BENEFIT, OR INTEREST IN THE REFERENCED MEMORANDUM(S) OF COVERAGE OR INSURANCE POLICY(IES), NOR DOES IT AMEND, MODIFY, ENLARGE OR ALTER THE COVERAGE AFFORDED BY SUCH DOCUMENTS. IF THE CERTIFICATE HOLDER IS CONTRACTUALLY ENTITLED TO BE NAMED AS AN ADDITIONAL COVERED MEMBER ("ACM") UNDER ANY COVERAGE AGREEMENT OR POLICY, THE CONTRACT IMPOSING THE OBLIGATION MUST BE PROVIDED TO THE NAMED COVERED MEMBER LISTED ABOVE FOR REVIEW AND APPROVAL BEFORE SUCH AN ENDORSEMENT WILL BE ISSUED; ACM COVERAGE IS NOT AUTOMATICALLY GRANTED.

| TYPE OF COVERAGE | MOC / POLICY NUMBER | POLICY EFF (MM/DD/YYYY) | POLICY EXP (MM/DD/YYYY) | LIMITS & SIR (MOC does not contain an aggregate limit.) |
|---|---|---|---|---|
| **GENERAL LIABILITY**<br>EMPLOYMENT PRACTICES<br>EDUCATORS' LEGAL LIABILITY<br>PRODUCTS LIABILITY<br>COMPLETED OPERATIONS LIABILITY<br>ERRORS AND OMISSIONS | SGL0002024 | 7/1/2024 | 7/1/2025 | LIMIT: $ 1,000,000<br>SIR: $ 1,000,000 |
| **AUTOMOBILE LIABILITY**<br>ALL OWNED, HIRED, LEASED, AND BORROWED AUTOS | SAL0002024 | 7/1/2024 | 7/1/2025 | LIMIT: $ 1,000,000<br>SIR: $ 1,000,000 |

**DESCRIPTION OF OPERATIONS / EVENTS / LOCATIONS/ VEHICLES (additional remarks schedule may be attached if more space is needed):**

RE: 3rd Grade School Swim Team practices at the Rec. Center Pool for the current policy term.
The City of South Lake Tahoe and its elected or appointed officers, officials, employees, agents, representatives and volunteers are an additional Covered Member under the general liability, but only as to the liability arising out of the negligent acts of the Covered Member, with respect to teh above.
Coverage is primary per endorsement wording. 30 days notice of cancellation per the attached endorsement.

**CERTIFICATE HOLDER:**

City of South Lake Tahoe
Parks and Recreation District
1180 Rufus Allen Blvd.,
South Lake Tahoe CA 96150

**CANCELLATION OF COVERAGE:**

If any of the coverages described herein be cancelled before their expiration dates, notice will be delivered in accordance with policy provisions.

**AUTHORIZED REPRESENTATIVE:**

CERTIFICATE OF COVERAGE - MOC (05/2020)
C-027-2025

POLICY NUMBER: SGL0002024

**THIS ENDORSEMENT CHANGES THE MEMORANDUM OF COVERAGE.
PLEASE READ IT CAREFULLY.**

# ADDITIONAL COVERED MEMBER-DESIGNATED PERSON OR ORGANIZATION

This endorsement modifies coverage provided under the following:

**GENERAL LIABILITY**

**SCHEDULE**

| **Name of Additional Covered Person(s) or Organization(s)** |
|---|
| RE: 3rd Grade School Swim Team practices at the Rec. Center Pool for the current policy term.<br>The City of South Lake Tahoe and its elected or appointed officers, officials, employees, agents, representatives and volunteers are an additional Covered Member under the general liability, but only as to the liability arising out of the negligent acts of the Covered Member, with respect to teh above.<br>Coverage is primary per endorsement wording. 30 days notice of cancellation per the attached endorsement.<br><br>**COVERAGE IS PRIMARY. ANY OTHER COVERAGE MAINTAINED BY THE ADDTL COVERED MEMBER SHALL BE EXCESS ONLY & NOT CONTRIBUTING WITH THIS COVERAGE** |
| Information required to complete this Schedule, if not shown above, will be shown in the Declarations. |

Section **III** – The Definition of a Covered Member is amended to include as an additional covered member the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

A. In the performance of your ongoing operations; or
B. In connection with your premises owned by or rented to you.

C-027-2025

# THIRD PARTY CANCELLATION NOTICE ENDORSEMENT

This endorsement modifies the Conditions provided under the following:

CASUALTY COVERAGE PART

If we cancel this policy for any reason other than nonpayment of premium, we will mail notification to the persons or organizations shown in the schedule below (according to the number of days listed below) once the Named Covered Member has been notified.

If we cancel this coverage for nonpayment of premium, we will mail a copy of such written notice of cancellation to the name and address below at least 10 days prior to the effective date of such cancellation.

Our failure to provide such advance notification will not extend the policy cancellation date nor negate cancellation of the policy.

## SCHEDULE

| Name and Address of Other Person/Organization | Number of Days Notice |
|---|---|
| **Per schedule on file with the company** | **30** |

All other terms, conditions and exclusions under this MOC(Policy) are applicable to this Endorsement and remain unchanged.

# CONTRACT /AGREEMENTAUTHORIZATION ROUTING FORM

**STAFF CONTACT INFORMATION**

- NAME: Kelley Edwards
- DEPARTMENT: Parks and Recreation
- PHONE: 530-542-6059
- DATE OF SUBMITTAL: 02/28/25

**CONTRACT/ AGREEMENT INFO.**

- NAME: Lake Tahoe Unified School District
- CONTRACTOR/CONSULTANT:
- START: 2/25/25 END:6/30/25 OPTION TO RENEW: ☑
- AMOUNT OF CONTRACT: $ 0

**BUDGET INFORMATION**

ACCOUNT NO.: N/A
BUDGET AVAILABLE:
FUNDING VERIFIED:
GRANT FUNDING? Source_____ Federal? Yes☐ No☐

**Type of Contract**

Professional Services Agreement ☑ License ☐ MOU ☐ Lease ☐
Purchase Order ☐ Purchase Agreement ☐ Construction ☐
Revenue Contract ☐ Operation/Concession Agreement ☐ Deed ☐
Maintenance Agreement ☐ Public Works Contract ☐ Vehicle ☐
Motorized Equipment ☐ IT/Electronic Equipment ☐

Brief Description:
Agreement between the City of South Lake Tahoe and the Lake Tahoe Unified School District for the 3rd grade swim program for 2025.

**Does this contract involve the following:** construction, reconstruction, alteration, renovation, improvement, demolition, painting, re-painting, and/or repair work involving any publicly owned, leased, or operated facility?
Yes☐ No☑ If **yes**, forward to Public Works for review
***(Public Works Director authorization required)***

Does this contract require special permitting, environmental review, CEQA/NEPA, Planning Dept. review, Commission approval? Yes☐ No☑ If yes, forward to Development Services Department for review ***(Director of Developmental Services authorization required)***

| Reviewing Authority | Signature | Date Signed |
|---|---|---|
| Department Head | John Stark | Mar 3, 2025 |
| Public Works Director *(where applicable)* | | |
| Dev. Services Director *(where applicable)* | | |
| Finance Director | C. Vikkelsen | Mar 11, 2025 |
| City Attorney | Heather Stroud (Mar 11, 2025 17:23 PDT) | Mar 11, 2025 |
| City Manager | Joseph Irvin (Mar 12, 2025 06:34 PDT) | Mar 12, 2025 |
| City Clerk | Susan Blankenship (Mar 3, 2025 08:39 PST) | Mar 3, 2025 |

**City Council Meeting Date** ***(over $60K or where applicable)***: _____

C-027-2025

Rev . 08 2024

# C-027-2025 Third Grade Swim Program Agreement LTUSD

Final Audit Report 2025-03-12

| | |
|---|---|
| Created: | 2025-02-28 |
| By: | Michelle Davis (medavis@cityofslt.us) |
| Status: | Signed |
| Transaction ID: | CBJCHBCAABAAuE6pii51O4Ze12lmB3QXjnvB0wyXQkhl |

## "C-027-2025 Third Grade Swim Program Agreement LTUSD" History

Document created by Michelle Davis (medavis@cityofslt.us)
2025-02-28 - 9:17:24 PM GMT

Document emailed to Susan Blankenship (sblankenship@cityofslt.us) for signature
2025-02-28 - 9:19:58 PM GMT

Email viewed by Susan Blankenship (sblankenship@cityofslt.us)
2025-03-03 - 4:39:34 PM GMT

Document e-signed by Susan Blankenship (sblankenship@cityofslt.us)
Signature Date: 2025-03-03 - 4:39:50 PM GMT - Time Source: server

Document emailed to John Stark (jstark@cityofslt.us) for signature
2025-03-03 - 4:39:52 PM GMT

Email viewed by John Stark (jstark@cityofslt.us)
2025-03-03 - 4:51:12 PM GMT

Document e-signed by John Stark (jstark@cityofslt.us)
Signature Date: 2025-03-03 - 4:59:02 PM GMT - Time Source: server

Document emailed to Olga Tikhomirova (otikhomirova@cityofslt.us) for signature
2025-03-03 - 4:59:04 PM GMT

Email viewed by Olga Tikhomirova (otikhomirova@cityofslt.us)
2025-03-04 - 6:13:04 PM GMT

New document URL requested by Olga Tikhomirova (otikhomirova@cityofslt.us)
2025-03-11 - 11:28:23 PM GMT

Adobe Acrobat Sign

Email viewed by Olga Tikhomirova (otikhomirova@cityofslt.us)
2025-03-11 - 11:29:16 PM GMT

Document e-signed by Olga Tikhomirova (otikhomirova@cityofslt.us)
Signature Date: 2025-03-11 - 11:52:07 PM GMT - Time Source: server

Document emailed to Heather Stroud (hstroud@cityofslt.us) for signature
2025-03-11 - 11:52:09 PM GMT

Email viewed by Heather Stroud (hstroud@cityofslt.us)
2025-03-12 - 0:23:16 AM GMT

Document e-signed by Heather Stroud (hstroud@cityofslt.us)
Signature Date: 2025-03-12 - 0:23:44 AM GMT - Time Source: server

Document emailed to Joseph Irvin (jirvin@cityofslt.us) for signature
2025-03-12 - 0:23:46 AM GMT

Email viewed by Joseph Irvin (jirvin@cityofslt.us)
2025-03-12 - 1:34:32 PM GMT

Document e-signed by Joseph Irvin (jirvin@cityofslt.us)
Signature Date: 2025-03-12 - 1:34:51 PM GMT - Time Source: server

Agreement completed.
2025-03-12 - 1:34:51 PM GMT

# City of South Lake Tahoe

**Agenda Item Executive Summary**

Joe Irvin, City Manager

**Meeting Date:** April 22, 2025
**Agenda Item #:**10

**Agenda Item:** Revisions to City Personnel Rules

**Executive Summary:** The proposed resolution seeks to approve revisions to the City Personnel Rules, adopted on June 4, 1985, with the most recent revision date of February 4, 2003, to ensure legal compliance, meet operational needs, and align with the labor agreements when applicable. Since 2003, there have been changes in employment law and city practices that have rendered the existing rules outdated. The City has met and conferred with all labor groups in good faith, as required by the Meyers-Milias-Brown Act (MMBA), to finalize these updates. The revised Personnel Rules primarily include procedural updates with no identifiable fiscal impact. However, a key change is replacing Section 10-8, which was previously used for both additional responsibility compensation and out-of-class compensation and required a 15 working day threshold to qualify, with two distinct sections: Sections 8-6, F â€“ Out of Class Appointments, and Section 16-6 â€“ Compensation for Temporary Additional Responsibility. These sections clarify compensation for employees assuming higher-level duties during a temporary vacancy or pending a recruitment process. Out-Of-Class appointments will receive at least a 5% salary increase with no minimum day threshold, while the threshold for Temporary Additional Responsibility has been lowered from more than 15 consecutive working days to more than 6 consecutive working days for unrepresented employees, aligning with represented employees receiving similar benefits as outlined in their memorandum of understanding (MOU's). These adjustments are expected to add between $0 and $5,000 annually, depending on the operational needs of these sections and due to the lowered eligibility threshold and immediate compensation for out-of-class work. All other revisions are procedural with no identifiable fiscal impact.

**Requested Action / Suggested Motions:** Pass a Resolution approving the revised Personnel Rules as presented.

**Responsible Staff Member:** Ember Buckman, CGHR-CP, Human Resources Manager

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

**Attachments:**

01-Staff Report Revisions of City Personnel Rules.docx
02-Resolution Revisions of City Personnel Rules .docx
03 - City of South Lake Tahoe - Personnel Rules - Redline 2025.pdf
04 - City of South Lake Tahoe - Personnel Rules -(Exh A to Reso).pdf

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

April 22, 2025

**Title:** Revisions of City Personnel Rules

**Location:** Citywide

**Responsible Staff Member:** Ember Buckman CGHR-CP, Human Resources Manager

**Background:** The City of South Lake Tahoe's Personnel Rules were adopted on June 4, 1985, with the most recent revision date noted as February 4, 2003. Over the past two decades, significant changes in employment law, workplace standards, and city operations have occurred, necessitating a comprehensive review and revision of these rules. The current Personnel Rules contain outdated provisions and lack alignment with legal requirements, labor agreements, and contemporary best practices. The proposed revisions aim to address these deficiencies to ensure that the City maintains a legally compliant and efficient personnel framework.

**Issue and Discussion:** The review process involved a comprehensive evaluation of the existing Personnel Rules conducted by the Human Resources Manager, the Assistant City Attorney, and outside legal counsel to identify necessary updates. Key objectives included ensuring compliance with current legal standards, aligning the rules with labor agreements, and modernizing procedural language to reflect the City's current operational needs.

In compliance with the Meyers-Milias-Brown Act (MMBA), the City has engaged in good faith negotiations with all labor groups regarding the proposed revisions. This collaborative process ensured that the updates incorporate feedback from affected employees and align with existing bargaining agreements where applicable.

**Summary of Changes:** The majority of the revisions are procedural in nature and focus on updating language, clarifying processes, and ensuring legal compliance. These changes do not result in additional costs to the City. However, some revisions have a minimal financial impact:

**Key Revisions with Fiscal Impact**

1) **Replacement of Section 10-8 – Temporary Additional Responsibility Compensation**

- Section 10-8 of the current Personnel Rules, which previously provided a general method of compensation for employees assuming additional responsibilities of a higher-level position or working out of class, has been replaced by two distinct sections:
    - Section 8-6, F – Out of Class Appointments
    - Section 16-6 - Compensation for Temporary Additional Responsibility

**2) Section 8-6, F – Out of Class Appointments (New)**

- This section establishes a structured method for compensating employees temporarily working in a vacant higher-level position pending an active recruitment.
- Employees in this situation will receive compensation at the lowest step of the salary range for the vacant classification, ensuring a minimum 5% increase above their normal rate of pay.
- Subsequent Changes: unlike the previous policy under Section 10-8, the revision removes any day threshold requirements, allowing employees to receive compensation as soon as they begin working in an out of class assignment.

**3) Section 16-6 – Compensation for Temporary Additional Responsibility (Revised)**

- This section revises the eligibility threshold for unrepresented employees assuming duties of a higher-level classification, reducing the required period from more than 15 consecutive working days to more than 6 consecutive working days.
- Subsequent Changes: The intent of this revision is that when the City manager approves the assignment of temporary additional responsibility, such assignment shall be compensated at the higher level set forth in this section of the Personnel Rules in all instances, so long as the working days requirement has been met. This updated section aligns unrepresented employees' benefits with those of represented employees, as outlined in Memoranda of Understanding (MOUs), ensuring fairness and consistency across all classifications.

All other changes are procedural with no identifiable additional financial obligations on the City. The primary purpose of this revision is to bring the personnel Rules up to date and ensure full legal compliance with applicable laws and regulations.

**Financial Implications:** The only identifiable financial impact stems from the addition of Section 8-6, F and revisions to Section 16-6, as noted above, resulting in an estimated annual cost increase of approximately $0 - $5,000 based on operational needs of utilizing these sections. This amount is negligible within the City's overall budget and requires no additional funding allocation at this time. All other revisions are cost-neutral.

**Environmental Considerations:** This action is not a "project" requiring environmental review under the California Environmental Quality Act (CEQA) under CEQA Guidelines section 15378(b)(5) (organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment).

**Policy Implications:** This action is consistent with applicable state and federal laws as well as contemporary best practices.

# Resolution 2025-XXX

**Adopted by the City of South Lake Tahoe**
**City Council**

**April 22, 2025**

**Approving Revisions of the City Personnel Rules**

**BACKGROUND**

A. The City Personnel Rules were adopted on June 4, 1985, with the most recent revision noted as February 4, 2003, and

B. To ensure that the Personnel Rules follow legal requirements, consistent with labor agreements, and contemporary best practices, a thorough review has been completed, and subsequent revisions have been made, and

C. The revisions are included in the City personnel Rules attached

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

1. Approves the modifications to the City Personnel Rules (attached hereto as Exhibit A).

2. Authorizes and directs the City Manager to take all steps that are proper and necessary to implement this resolution.

Adopted by the City of South Lake Tahoe City Council on April 22, 2025, by the following vote:

Yes:
No:
Absent:
Abstain:

_____ Date:_____
Mayor, Tamara Wallace

Attest:

_____
Susan Blankenship
City Clerk

## WELCOME TO THE ON-LINE EDITION OF THE PERSONNEL RULES

## PLEASE READ

The Personnel Rules were originally written in 1985 and were not on computer. In putting them on-line for your access, please note that should there be any discrepancies between this on-line version and the master set of rules maintained in Human Resources, the master set takes precedent.

Since 1985, a few of the Rules have been updated through Council. Every effort has been made to ensure that all updates are incorporated into this version. However, in the event of a discrepancy, actual official records from the Clerks Office or from Human Resources will take precedent.

The Rules are currently under review and are being updated. It is a very long process. As updated Rules are approved by Council, they will be added to this version. If you have any question on a specific Rule, please do not hesitate to call Janet Steele, HR Manager at ext. 6052.

Most employees are covered under one of the City's **Memorandum of Understandings** as negotiated by the various associations. Your specific MOU takes precedent over these Personnel Rules. Each of the MOU's are also available on on these public folders the City Website .us. Please refer to them whenever seeking information from the Rules. If you have any questions in this regard, please call HR.

Some departments also have their own department policies. Remember to take those into consideration, as well.

PERSONNEL RULES

City of South Lake Tahoe

Adopted June 4, 1985
Most Recent Revision Date: ~~2/4/03~~ ~~10-8-2020-~~ [INSERT NEW DATE]

~~(all revisions are noted on Table of Contents)~~

NOTE: Certain sections of the Personnel Rules may be modified or superseded by the terms of Memoranda of Understanding in effect between the City and its recognized employee organizations.

Therefore, it is very important that the current Memoranda of Understanding be consulted when referring to these Personnel Rules so that you have the most accurate and timely information.

CITY OF SOUTH LAKE TAHOE
PERSONNEL RULES AND REGULATIONS

TABLE OF CONTENTS


RULE I - ..... 91
DEFINITION OF TERMS ..... 91
Section 1-1: ADVANCEMENT: ..... 91
Section 1-2: ALLOCATION: ..... 91
Section 1-3: ANNIVERSARY DATE: ..... 91
Section 1-4: APPOINTING AUTHORITY: ..... 91
Section 1-5: BASE ANNIVERSARY DATE: ..... 91
Section 1-6: BONA FIDE OCCUPATIONAL QUALIFICATION: ..... 91
Section 1-7: CERTIFICATION: ..... 91
Section 1-8: CITY: ..... 91
Section 1-9: CLASS: ..... 91
Section 1-10: COMPETITIVE SERVICE: ..... 91
Section 1-11: CONFIDENTIAL EMPLOYEE: ..... 101
Section 1-12: CONTINUOUS SERVICE: ..... 102
Section 1-13: COUNCIL: ..... 102
Section 1-14: DAY: ..... 102
Section 1-15: DEMOTION: ..... 102
Section 1-16: DISCIPLINARY ACTION: ..... 102
Section 1-17: DISCHARGE: ..... 102
Section 1-18: ELECTED OFFICIAL: ..... **Error! Bookmark not defined.**2
Section 1-19: ELIGIBLE: ..... 102
Section 1-20: EMPLOYEE: ..... 102
Section 1-21: EMPLOYEE ORGANIZATION: ..... 102
Section 1-22: EMPLOYEE RELATIONS OFFICER: ..... 112
Section 1-23: EMPLOYEE RELATIONS: ..... 113
Section 1-24: EMPLOYMENT LIST: ..... 113
Section 1-25: EVALUATION: ..... 113
Section 1-26: EXAMINATION: ..... 113
Section 1-27: ..... EXEMPT-POSITIONS: 123
Section 1-28: LAYOFF: ..... 124
Section 1-29: MANAGEMENT EMPLOYEE: ..... 14
Section 1-30: PART-TIME EMPLOYEE: ..... 14
Section 1-31: PERMANENT EMPLOYEE: ..... 14
Section 1-32: PERSONNEL OFFICER: ..... 14
Section 1-33: POLICE RESERVES: ..... 14
Section 1-34: POSITION CLASSIFICATION PLAN: ..... 14
Section 1-35: ..... PROBATIONARY PERIOD: 14
Section 1-36: PROFESSIONAL EMPLOYEE ..... 14
: ..... 14

Section 1-37: PROMOTION: ..... 14
Section 1-38: PROVISIONAL APPOINTMENT: ..... 14
Section 1-39: RECLASSIFICATION: ..... 15
Section 1-40: REINSTATEMENT: ..... 15
Section 1-41: RESERVE FIREFIGHTER: ..... 25
Section 1-42: SAFETY MEMBER: ..... 25
Section 1-43: SALARY RANGE: ..... 25
Section 1-44: SEPARATION: ..... 25
Section 1-45: SERVICE YEAR: ..... 25
Section 1-46: SUPERVISORY EMPLOYEE: ..... 25
Section 1-47: SUSPENSION: ..... 25
Section 1-48: TEMPORARY EMPLOYEE: ..... 25
Section 1-49: TRANSFER: ..... 35
Section 1-50: VACANCY: ..... 36
Section 1-51: VALIDATED TEST: ..... 36
Section 1-52: VOLUNTARY REDUCTION: ..... 36
Section 1-53: WORK WEEK: ..... 36
RULE II - ..... 67
GENERAL PROVISIONS ..... 67
Section 2-1: ADOPTION OF PERSONNEL SYSTEM ..... 67
Section 2-2: PERSONNEL OFFICER: ..... 67
Section 2-3: 88
CONTENT OF RULES: ..... 8
Section 2-4: AMENDMENTS AND REVISIONS OF RULES: **Error! Bookmark not defined.**8
Section 2-5: DEPARTMENTAL RULES: ..... 109
Section 2-6: APPLICATION OF RULES — MEMORANDA OF UNDERSTANDING: ... 109
Section 2-7: SEVERABILITY: ..... 109
RULE III – CLASSIFICATION ..... 1110
Section 3-1: PREPARATION OF PLAN: ..... 1110
Section 3-2: APPLICATION OF PLAN: ..... **Error! Bookmark not defined.**10
Section 3-3: ADOPTION, AMENDMENT, AND REVISION OF PLAN: ..... **Error! Bookmark not defined.**10
Section 3-4: ALLOCATION OF POSITIONS: ..... 11
Section 3-5: NEW POSITIONS: ..... 1211
Section 3-6: RECLASSIFICATION: ..... 1211
Section 3-7: INTERPRETATION OF CLASS SPECIFICATIONS: ..... 1211
Section 3-8: TEMPORARILY WORKING OUT OF CLASS: **Error! Bookmark not defined.**12
RULE IV – ANNOUNCEMENT AND APPLICATIONS ..... 1413
Section 4-1: ANNOUNCEMENT: ..... 1413
Section 4-2: APPLICATION FORMS: ..... 1413
Section 4-3: DISQUALIFICATION: ..... 1413
RULE V – FAIR EMPLOYMENT PRACTICES ..... 1615
Section 5-1: FAIR EMPLOYMENT PRACTICES: ..... 1615
Section 5-2: EQUAL EMPLOYMENT OPPORTUNITY POLICY: ..... 1615
Section 5-3: REASONABLE ACCOMMODATIONS: ..... 1615
Section 5-4: POLICY AGAINST HARASSMENT, DISCRIMINATION AND RETALIATION: ..... 16

Section 5-5: RETALIATION: ..... Error! Bookmark not defined.16
Section 5-6: REPORTING AND INVESTIGATION PROCEDURES: ..... 1817
Section 5-7: VIOLATIONS: ..... 2017
Section 5-8: DISSEMINATION OF RULE: ..... 2017
RULE VI – EXAMINATION ..... 2118
Section 6-1: NATURE AND TYPES OF EXAMINATIONS: ..... 2118
Section 6-2: PROMOTIONAL EXAMINATION: ..... 2118
Section 6-3: CONTINUOUS EXAMINATION: ..... 2118
Section 6-4: SCORING EXAMINATIONS AND QUALIFYING SCORES: ..... 2118
Section 6-5: NOTIFICATION OF EXAMINATION RESULTS: ..... 2218
Section 6-6: REVIEW OF PAPERS: ..... 2219
RULE VII - ..... 2320
EMPLOYMENT LISTS ..... 2320
Section 7-1: EMPLOYMENT LISTS: ..... 2320
Section 7-2 DURATION OF LISTS: ..... 2320
Section 7-3: RE-EMPLOYMENT/REINSTATEMENT LISTS: ..... 2321
Section 7-4: REINSTATEMENT LISTS: ..... 2421
Section 7-5: REMOVAL OF NAMES FROM LIST: ..... 2421
RULE VIII - ..... 2622
METHOD OF FILLING VACANCIES ..... 2622
Section 8-1: TYPES OF APPOINTMENT: ..... 2622
Section 8-2: NOTICE TO PERSONNEL OFFICER: ..... 2622
Section 8-3: APPOINTMENT: ..... 2622
Section 8-4: APPOINTMENT OF SAFETY MEMBERS: ..... 2723
Section 8-5: PROVISIONAL APPOINTMENT: ..... 2723
Section 8-6: APPOINTMENTS OF TEMPORARY EMPLOYEES: ..... 2823
Section 8-7: ANTI-NEPOTISM: ..... 2923
Section 8-8: OCCUPATION OF CITY COUNCIL SEAT BY CITY EMPLOYEES: ..... 2924
Section 8-9: CONTRACT FOR SPECIAL SERVICES: ..... 3024
Section 8-10: PHYSICAL EXAMINATION: ..... 3124
RULE IX – TRANSFER, PROMOTION, REINSTATEMENT, ..... 3727
LAYOFF, RESIGNATION, RETIREMENT, AND VOLUNTARY REDUCTION ..... 3727
Section 9-1: TRANSFER: ..... 3727
Section 9-3: REINSTATEMENT: ..... 3727
Section 9-4: LAYOFF: ..... 3928
Section 9-5: ABOLITION OF POSITION: ..... 4730
Section 9-6: RESIGNATION: ..... 4730
Section 9-7: RETIREMENT: ..... 4730
Section 9-8: VOLUNTARY REDUCTION: ..... 4831
Section 9-9: AT-WILL EMPLOYMENT: ..... 4831
RULE X - ROSTER CARD: ..... 4932
Section 10-2: PERSONNEL ACTIONS: ..... 4932
Section 10-3: ABSENCE REPORT: ..... 4932
Section 10-4: EMPLOYEE PERFORMANCE EVALUATION: ..... 4932
Section 10-5: PERSONNEL RECORDS AND FORMS: ..... 5533
RULE XI – EMPLOYEE EXPECTATIONS AND CONFLICTS OF INTERESTS ..... 5634

Section 11-1: GENERAL POLICY: ..... 5634
Section 11-2: EMPLOYEE EXPECTATIONS: ..... 5634
Section 11-3: GIFTS ON BEHALF OF THE CITY: ..... 5735
Section 11-4: USE OF PUBLIC PROPERTY: ..... 5735
Section 11-5: POLITICAL ACTIVITIES: ..... 5735
Section 11-6: OUTSIDE EMPLOYMENT: ..... 5735
RULE XII – DRUG FREE AND ALCOHOL FREE WORKPLACE ..... **Error! Bookmark not defined.37**
Section 12-1: POLICY OBJECTIVE: ..... **Error! Bookmark not defined.37**
Section 12-2: APPLICABILITY: ..... **Error! Bookmark not defined.37**
Section 12-3: PROHIBITED SUBSTANCES: ..... **Error! Bookmark not defined.37**
Section 12-4: PROHIBITED CONDUCT**:** ..... **Error! Bookmark not defined.38**
Section 12-5: PRE-EMPLOYMENT TESTING: ..... **Error! Bookmark not defined.40**
Section 12-6: REASONABLE SUSPICION TESTING: ..... **Error! Bookmark not defined.40**
Section 12-7: DEPARTMENT OF TRANSPORTATION TESTING FOR SAFETY SENSITIVE POSITIONS: ..... **Error! Bookmark not defined.41**
Section 12-8: SEARCHES ..... **Error! Bookmark not defined.42**
Section 12-9: EMPLOYEE ASSISTANCE: ..... **Error! Bookmark not defined.42**
Section 12-10: CONFIDENTIALITY: ..... **Error! Bookmark not defined.42**
Section 12-11: CONVICTION OF A DRUG STATUTE**:** ..... **Error! Bookmark not defined.43**
Section 12-12: VIOLATIONS OF THIS POLICY: ..... **Error! Bookmark not defined.43**
RULE XIII – COMPENSATION ..... 6044
Section 13-1: PREPARATION OF PLAN: ..... 6044
Section 13-2: ADOPTION OF PLAN: ..... 6044
Section 13-3: PROCEDURE TO RECEIVE COMPENSATION: ..... 6044
Section 13-4: APPLICATION OF RATES: ..... 6044
Section 13-5: SALARY CHANGES: ..... 6044
Section 13-6: OVERTIME: ..... 6245
Section 13-7: REIMBURSEMENT FOR DAMAGED CLOTHING OR EQUIPMENT: ..... 6746
Section 13-7: PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS): ..... 6847
Section 13-8: DEFERRED COMPENSATION: ..... 6947
RULE XIV – PROBATIONARY PERIOD ..... 7148
Section 14-1: OBJECTIVE OF PROBATIONARY PERIOD: ..... 7148
Section 14-2: PROBATIONARY PERIOD FOR REGULAR AND PROMOTION APPOINTMENT: ..... 7148
Section 14-3: REJECTION OF PROBATIONER: ..... 7249
RULE XV – ATTENDANCE AND LEAVES ..... 7350
Section 15-1: VACATION LEAVE: ..... 7350
Section 15-2: SICK LEAVE: ..... 7652
Section 15-3: LEAVE FOR WORK RELATED INJURY OR ILLNESS: ..... 8555
Section 15-4: WORKERS' COMPENSATION: ..... 8656
Section 15-5: MILITARY LEAVE: ..... 8656
Section 15-6: LEAVE OF ABSENCE WITHOUT PAY: ..... 8756
Section 15-7: PREGNANCY DISABILITY LEAVE: ..... 8857
Section 15-8: JURY AND WITNESS LEAVE: ..... 8957
Section 15-9: OFFICIAL CITY HOLIDAYS: ..... 9057

Section 15-10: ..... :
WEEKENDS: ..... 9158
Section 15-11: ..... PROVISIONAL AND TEMPORARY EMPLOYEES: ..... 9158
RULE XVI – DISCIPLINARY ACTION ..... 9259
Section 16-1: A. DISCIPLINARY ACTION: ..... 9259
RULE XVII – OFF-DUTY EMPLOYMENT ..... 10065
Section 17-1: CONDITIONS: ..... 10065
Section 17-2: REQUEST TO PURSUE OFF-DUTY EMPLOYMENT: ..... 10166
Section 17-3: REVOCATION OF APPROVAL TO PURSUE OFF-DUTY EMPLOYMENT: 10166
RULE XVIII – GRANT FUNDED POSITIONS AND EMPLOYMENT CONDITIONS ... 10368
Section 18-1: GRANT FUNDED POSITIONS: ..... 10368
Section 18-2: FILLING GRANT FUNDED POSITIONS: ..... 10368
Section 18-3: GRANT FUND EMPLOYEE RIGHTS AND PRIVILEGES: ..... 10368
RULE XIX – EMPLOYER-EMPLOYEE ORGANIZATION RELATIONS ..... 10469
Section 19-1: STATEMENT OF PURPOSE: ..... 10469
Section 19-2: DEFINITIONS: ..... 10469
Section 19-3: EMPLOYEE RIGHTS: ..... 10672
Section 19-4: CITY RIGHTS: ..... 10672
Section 19-5: NEGOTIATIONS: ..... 10672
Section 19-6: SCOPE OF CONSULTATION IN GOOD FAITH: ..... 10672
Section 19-7: ESTABLISHMENT OF REPRESENTATION UNITS: ..... 10773
Section 19-8: CERTIFICATION AND DECERTIFICATION OF A RECOGNIZED EMPLOYEE ORGANIZATION: ..... 10774
Section 19-10: ..... CLOSED SESSIONS: 11179
Section 19-11: ..... IMPASSE PROCEDURES: ..... 11179
Section 19-12: UNFAIR EMPLOYEE RELATIONS PRACTICES: ..... 11179
Section 19-13: GRIEVANCE: ..... 11281
Section 19-14: ADVANCE NOTICE TO RECOGNIZED EMPLOYEE ORGANIZATIONS: 11381
Section 19-15: ATTENDANCE AT MEETINGS BY EMPLOYEES: ..... 11381
Section 19-16: USE OF CITY FACILITIES: ..... 11382
Section 19-17: ADMINISTRATION: ..... 11482
Section 19-18: JOB ACTIONS: ..... 11482
Section 19-19: CONSTRUCTION: ..... 11483
Section 19-20: SEPARABILITY: ..... 11483
RULE XX – TRAINING AND SAFETY ..... 11584
Section 20-1: ..... RESPONSIBILITY FOR TRAINING: 11584
Section 20-2: ..... CREDIT FOR TRAINING: 11584
Section 20-3: ..... PAYMENT OF TUITION: 11584

RULE XXII – GRIEVANCES ..... 11786
Section 21-1: GRIEVANCES: ..... 11786

## RULE I~~–~~

## DEFINITION OF TERMS

Section 1-1: ADVANCEMENT~~:~~. ~~-~~A pay increase within the limits of a pay range established for a class or classification. ~~AFFIRMATIVE ACTION: Policies and procedures adopted to assure equal employment opportunity for all persons.~~

Section 1-2: ALLOCATION.~~:~~ ~~-~~The assignment of a single position to its proper class in accordance with the duties performed and the authority and responsibilities exercised.

Section 1-3: ANNIVERSARY DATE.~~:~~ The date a merit increase or administrative decrease in salary is effective as a result of hiring, reclassification, promotion, or demotion (see base anniversary date).

Section 1-4: APPOINTING AUTHORITY.~~:~~ The position responsible for hiring, firing, direction of work, scheduling, and supervision of work for each position, normally the head of a department unless otherwise designated by the City Manager.

Section 1-5: BASE ANNIVERSARY DATE.~~:~~ The date of first appointment to a ~~permanent~~ regular position within the City service upon which seniority and retirement eligibility are based. In most cases, such appointment would be probationary.

Section 1-6: BONA FIDE OCCUPATIONAL QUALIFICATION.~~:~~ A ~~job related~~job-related requirement for holding an established position.

Section 1-7: CERTIFICATION.~~:~~ The act of providing formal written verification of eligibility for employment.

Section 1-8: CITY.~~:~~ The City of South Lake Tahoe.

Section 1-9: CLASS.~~:~~ All positions sufficiently similar in duties, authority, and responsibility to permit grouping under a common title, and for which similar qualifications may be required and a salary applied equitably.

Section 1-10: COMPETITIVE SERVICE.~~:~~ The competitive service shall include ~~A~~all positions in the City except: ~~exclusive of:~~ elective ~~positions~~officers; persons engaged under contract to supply expert, professional, technical consultation, or other services; the City Manager; the City Attorney; Department Heads; emergency employees hired to meet immediate requirements of an emergency condition (i.e.: fire, flood, or earthquake); members of appointive boards commissions, and committees; volunteer personnel, including but not limited to reserve firefighters and reserve police officers; temporary employees; and those specifically designated by the City Council to be exempted from competitive service. The competitive service is also referred to in these rules as the "merit system" or "merit system service."

Section 1-11: ~~1~~
CONFIDENTIAL EMPLOYEE~~:~~.
An employee who is privy to the decision of City Government affecting employer/employee relations, to the instructions of the City Manager or the City Council to their representatives in employer/employee relations, or who may be assigned to participate as management representatives from time to time in negotiation meetings between employee organization representatives and City representatives.

Section 1-12: CONTINUOUS SERVICE.~~:~~ Employment with the City without
Section 1-13: break or interruption excluding authorized vacation, military leave, or leaves of absence with or without pay which are approved or ordered by the appointing authority.

Section 1-13: COUNCIL~~:~~. The City Council of the City of South Lake Tahoe.

Section 1-14: DAY~~:~~. Calendar day.

Section 1-15: DEMOTION.~~:~~ The movement of an employee from one class to another having a lower maximum rate of pay, or from one step in the salary range to a lower step in the salary range. Voluntary reductions are not considered demotions.

Section 1-16: DISCIPLINARY ACTION.~~:~~ Disciplinary action may include a written reprimand, suspension, demotion, reduction in pay, or an involuntary dismissal of an employee.

Section 1-17:
~~Section 1-16:~~ DISCHARGE~~:~~. The termination from service for just cause of an employee by the appointing authority.
~~Section 1-17:~~
Section 1-18: ELECTED OFFICIAL. A person who won a City office in a free election, or a person who was appointed to fill a vacancy in a City elected office.

Section 1-19: ELIGIBLE. ~~:~~ A person whose name is on a current employment list, established by the Personnel Officer.

Section 1-20: ~~Section 1-18:~~ EMPLOYEE~~:~~. Any person employed by the City~~, whether male or female~~. The term "employee" does not include~~, except~~ those elected by popular vote (Elected
Section 1-112: Officials) or appointed by the Council to advisory boards and commissions. ~~The use of masculine pronouns or other masculine terms shall include females. Also, the use of feminine terms shall include males.~~

Section 1-21: EMPLOYEE ORGANIZATION.~~:~~ Any lawful organization which includes as members, employees of the City, and which has as one of its purposes representation of such

employees in their relations with the City; provided, however, that said organization has no restriction on membership based on race, color, creed, sex, or national origin.

Section 1-22: EMPLOYEE RELATIONS OFFICER.~~:~~ A designate of the City Manager who shall be the City~~'~~'s representative in such employer/employee relations matters as the City Manager shall delegate to ~~him/her~~them, including the administration of this section.

Section 1-23: EMPLOYEE RELATIONS.~~:~~ The relationship between the City and its employees and their employee organizations, or when used in a general sense, the relationship between management and employees or employee organizations.

Section 1-24: EMPLOYMENT LIST~~:~~. A list of persons who are eligible for appointment to positions with the City. Employment lists may take the form of:

A.

~~A.~~ Open Employment List: A list of persons who have taken an open competitive examination for a specific class ~~in the competitive service~~ and have qualified to be considered for appointment to an available position in that classification.

B. Promotional Employment List: A list of employees who have taken a promotional examination for a specific class ~~in the competitive service~~ and have qualified to be considered for appointment to an available position in that classification.

C. Re-employment List: A list of names of persons previously employed by the City and either laid off or resigned in accordance with these rules.

Section 1-2~~3~~5: EVALUATION.~~:~~ A written report of performance and capability of meeting duties assigned to a specific position, prepared in accordance with these rules by the appointing authority or his/her designee.

Section 1-2~~4~~6: EXAMINATION.~~:~~ The process of recruiting for the appointment of employees to City positions ~~within the competitive service~~. Types of examinations include:

A. Open Competitive Examination: An examination for a particular class which is open to all persons meeting the qualifications for the class.

~~A.~~

B. A Promotional Examination: An examination for a particular class which requires that only ~~permanent and/or probationary~~regular employees ~~in the competitive service~~ who meet the qualifications for the class may be considered.

~~B.~~

C. A Continuous Examination: An open competitive examination administered periodically which results in names being placed on an employment list in the order of final score.

Section 1-27: ~~EXEMPT POSITIONS~~GENERAL SERVICE.~~:~~ Positions of employment that are excluded from the competitive service will be referred to as being in the general service. The general service does not include elected officials, independent contractors, or volunteers. ~~designated by the City Council as Department Heads, Management, Administrative or Supervisory, unless otherwise provided by these rules or applicable Memoranda of Understanding.~~

Section 1-28: LAYOFF.~~:~~ Separation of an employee from employment with the City ~~Service~~, without prejudice, because of lack of work, lack of funds, reorganization, reduction in appropriation, abolition of position, or other reason(s) deemed appropriate by the City Council.

Section 1-2~~7~~9: MANAGEMENT EMPLOYEE.~~:~~ Any employee having significant responsibilities for formulating and administering City policies and programs and having responsibility for directing the work of subordinates through lower level supervision.

Section 1-~~28~~30: PART-TIME EMPLOYEE.~~:~~ An employee who works ~~a regular shift consisting of~~ less than forty (40) hours per week.

Section 1-~~29~~31: PERMANENT EMPLOYEE.~~:~~ An employee, who may be full or part-time, who has successfully completed the probationary period and is filling a ~~n authorized~~ regular position established by the Council and provided for in the annual salary resolution.

Section 1-3~~0~~2: PERSONNEL OFFICER.~~:~~ The ~~Personnel Directo~~City Manager or designee~~, unless otherwise designated by the City Council~~.

Section 1-3~~1:~~3: POLICE RESERVES.~~:~~ A volunteer Police Officer who provides supplemental resources to the Police Department.

Section 1-3~~2~~4: POSITION CLASSIFICATION PLAN.~~:~~ A schedule of classification descriptions setting forth minimum requirements and qualifications for appointment to a vacant position.

Section 1-35: PROBATIONARY PERIOD.~~:~~ An extension of the recruitment process during which an employee appointed to a position in the merit system is required to demonstrate an ability to satisfactorily perform the duties for the position to which appointment has been made.

Section 1-36: PROFESSIONAL EMPLOYEE. ~~:~~ Employees engaged in work requiring specialized knowledge and skills attained through completion of a recognized course of instruction, including but not limited to: attorneys, engineers, architects, and the various types of physical, chemical, and biological scientists.

Section 1-37: PROMOTION.~~:~~ The movement of an employee from one class to another having a higher maximum rate of pay and responsibility.

Section 1-38: PROVISIONAL APPOINTMENT.~~:~~ An appointment of a person who possesses the minimum qualifications established for a particular class and who has been appointed to a position in that class in the absence of an appropriate employment list as provided for in these rules.

Section 1-3~~7~~9: RECLASSIFICATION.~~:~~ The reassignment of a position by raising it to a higher class, reducing it to a lower class, or by moving it to another class at the same level as measured by a change in the kind, difficulty, and responsibility of the work performed. Movement within a class is considered to be a reclassification.

Section 1-40: REEMPLOYMENT. The return to employment with the City of an individual who was laid off from City service. Individuals eligible for reemployment will have their names included on a reemployment list that is created in conjunction with the reduction in force that

resulted in their separation from City employment. A reemployed individual may be on or more reemployment lists if they have service in multiple job classifications.

Section 1-41: REGULAR EMPLOYEE. An employee in a regular budgeted position who is not employed on as-needed basis (e.g., part-time hourly employees) or for a temporary or limited duration. Regular employees may be full-time or part-time. Regular employees may be in the general service or the competitive service. Regular employees in the competitive service must complete a probationary period as provided in these rules.

Section 1-402: REINSTATEMENT.~~:~~
Re-employment without examination of a former ~~permanent or probationary~~regular employee who has resigned from City employee~~or has been laid off~~, within one year from date of separation unless otherwise provided by these rules or applicable Memoranda of Understanding.

Section 1-41338: RESERVE FIREFIGHTER.~~:~~ A volunteer firefighter who provides supplemental resources to the Fire Department.

Section 1-394234: SAFETY MEMBER.~~:~~ An employee of the Fire or Police Departments who is sworn and meets the requirements set forth by PERS for safety member eligibility.

Section 1-4345: SALARY RANGE.~~:~~ The minimum, maximum and intermediate salary steps that are assigned to a class and the positions within that class.

Section 1-44560: SEPARATION.~~:~~ Any termination of employment, including death, discharge, lay-off, resignation, retirement, or work completion.

Section 1-4567: SERVICE YEAR.~~:~~ One year from the date of hire. Every year from that date will be considered another "~~"~~service year~~"~~."

Section 1-41678: SUPERVISORY EMPLOYEE.~~:~~ Any employee having authority to exercise independent judgment in the interest of the City to hire, transfer, suspend, lay off, reinstate, promote, discharge, assign, reward, or discipline other employees, or having the responsibility to direct them or to adjust their grievances, or effectively to recommend such action if, in connection with the foregoing, the exercise of such authority is not merely of a routine or clerical nature, but requires the use of independent judgment.

Section 1-42789: SUSPENSION.~~:~~ Removal from service with or without pay for a limited period as determined by the appointing authority.

Section 1-438950: TEMPORARY EMPLOYEE.~~:~~ An employee appointed to fill a position which is identified as temporary, extra help, intermittent, on-call, or seasonal in nature and not an appointment to an ~~permanent~~ authorized regular position. A temporary employee also includes ~~Short~~ short term employment of 2080 hours or less during a twenty-four (24) month period, and

necessitated by temporary or emergency needs, special programs, or unusual work conditions. The appointment may be part-time or full-time. Temporary employees are not eligible to receive ~~and~~ those benefits of employment authorized for ~~permanent~~ regular positions. ~~do not apply.~~

Section 1-~~449~~510: TRANSFER.~~:~~ An appointment from one position to another in the same or in a comparable class.

Section 1-5~~0~~12: VACANCY.~~:~~ An authorized position that is not occupied.

~~Section 1-45512: VALIDATED TEST.: A test which has been measured against job requirements and duties performed on the job.~~

Section 1-~~46~~523: VOLUNTARY ~~REDUCTION~~DEMOTION.~~:~~ The movement of an employee, with consent of the appointing authority and Personnel Director, from one class to another having a lower maximum rate of pay and lesser requirements of responsibilities. Employees voluntarily reducing from one class to another must possess the minimum or desirable qualifications established for that particular class.

Section 1-~~47~~534: WORK ~~WEEK~~SCHEDULE.~~:~~ Those hours during a calendar week designated as the hours to be worked by an employee.

RULE II

~~–~~GENERAL PROVISIONS

Section 2-1: ADOPTION OF PERSONNEL SYSTEM

In order to establish an equitable and uniform procedure for dealing with personnel matters, to attract to municipal service the best and most competent persons available, to assure that appointments and promotions of employees, both in the competitive service and the general service, will be based on merit and fitness, and to provide a reasonable degree of security for qualified employees, the City Council hereby adopts the rules and regulations set forth herein.

Section 2-2: PERSONNEL OFFICER~~:~~

The Personnel ~~Director, unless otherwise designated by the City Council shall:~~Officer or designee shall:

A. Administer all the provisions of the personnel rules not specifically reserved to the City Council, City Manager, or Department Heads.

~~A.~~

B. Prepare and recommend to the City Council personnel rules, revisions, and amendments to such rules. The City Attorney shall approve the legality of such rules and amendments prior to their submission to the City Council.

~~B.~~

C. Prepare, or cause to be prepared, a position classification plan, including class specifications and revisions of the plan. The plan, and any revisions thereof, shall become effective upon approval by the Council.

~~C.~~

D. Prepare, or cause to be prepared, a plan of compensation covering all employees. The plan, and any revisions thereof, shall become effective upon adoption by the Council.

~~D.~~

E. Provide for the publishing or posting of notices of tests for City positions ~~in the competitive service~~, the receiving of applications thereof, the conducting and grading of tests, and the certification to the appointing power of a list of all persons eligible for appointment to City positions. ~~the appropriate position in the competitive service.~~

~~E.~~

~~F. Administer and enforce the Affirmative Action Program for the City.~~

F. Maintain a current system of personnel records, forms, and systems for the implementation of these personnel rules and regulations.

~~G.~~

~~SECTION 2-3: FAIR EMPLOYMENT:~~

~~No question in any test or any application form shall be so framed as to attempt to elicit information concerning race, sex, color, ancestry, national origin, marital status, number of~~

~~dependents, or political or religious opinion or affiliation of an applicant with the exception of State of Federal mandated applications. Any decision concerning appointment or removal from a position, salary, fringe benefits, promotion or other working conditions shall not be influenced in any manner by consideration of race, color, sex, ancestry, national origin, marital status, number of dependents, or political or religious opinion or affiliation. Notices of all openings for authorized positions shall be posted on all official bulletin board not less than ten (10) working days before closing of applications for such positions. All announcements for position openings shall include notice of compliance with fair employment standards. An affirmative action program shall be maintained on a continuing basis to assure equal employment opportunity in the City service.~~

Section 2-34: VIOLATION OF RULES~~:~~

Each ~~appointment~~ appointing authority and each employee is responsible for compliance with these rul~~d~~es. Violation of these rules shall be grounds for rejection of application, removal from an employment list, dismissal, or other disciplinary action deemed appropriate ~~under these rules and regulations~~.

Section 2-4: CONTENT OF RULES:

The rules shall establish regulations governing the personnel system, including but not limited to, the following:

A. Preparation, implementation, revision, and maintenance of a position classification plan governing all City positions in the competitive service, including employment standards and qualifications for each class.

A.

B. Preparation, revision, and administration of a plan of compensation directly correlated with the position classification plan providing a rate or range of pay for each class.

B.

C. Announcements of all open tests and acceptance of applications for employment as provided in Section 4.

C.

D. Preparation and conduct of tests and the establishment and use of resulting employment lists containing names of persons eligible for appointment.

D.

E. Certification and appointment of persons from employment lists and appointments of provisional, temporary, and emergency personnel.

E.

F. Evaluation of employees during the probationary period.

G. Transfer, promotion, demotion, reinstatement, disciplinary action, layoff, and separation of employees.

G.

H. Standardization of hours of work and attendance and leave regulation, working conditions, and the development of employee morale.

H.

I. The establishment of adequate personnel records.

I.

J. The establishment of grievance and appeal procedures.

J.

K. Rules governing employer/employee organizations as provided by statute.

K.

L. Safety and training.

M. Affirmative action program administration and enforcement.

Section 2-56: AMENDMENTS AND REVISIONS OF RULES:

These Rules shall be established by resolution adopted by the City Council. Proposed Aamendments and/or revisions to these Rules shall be submitted may be suggested to the City

Council in writing by ~~by any interested party and shall be submitted to the Council through~~ the Personnel Officer. Proposed amendments or revisions to these rules shall be provided to all recognized employee organizations as required by applicable law~~and posted on official bulletin boards for at least ten (10) consecutive working days prior to consideration by the Council. In the event of a personnel emergency, as declared by the City Council, these time requirements may be waived by the City Council. Provided, however, that in the event a personnel emergency is declared and rules are adopted, that the Personnel Officer shall provide the adopted amendments and revisions to these rules to all recognized employee organizations as soon as possible after action by the City Council. At the time of consideration, any interested party may appear and be heard.~~ . Amendments and revisions shall become effective upon adoption by the City Council.

Section 2-6: DEPARTMENTAL RULES:

These rules may be augmented by personnel rules and regulations found to be required by the separate departments for the full performance of duties and responsibilities. Such rules and regulations, prior to adoption, amendment and enforcement, shall be subject to the following requirements:

A. Not conflict with these rules or City ordinances or resolutions for amendments thereto;

~~A.~~

B. Be prepared in writing and submitted to the Personnel Officer and City Attorney for review and approval prior to adoption;

C. Except in cases of emergency, ~~B~~be circulated to any appropriate recognized employee organization in writing, not less than ten (10) working days prior to adoption;

D. Except in cases of emergency, ~~B~~be posted and/or distributed in writing to each affected employee not less than ten (10) working days prior to adoption.

Section 2-7: APPLICATION OF RULES — MEMORANDA OF UNDERSTANDING:

In the event provisions of these rules or departmental rules contradict those included in Memoranda of Understanding accepted by the City and currently in effect between the City and formally recognized employee organizations, the terms of the Memoranda of Understanding shall prevail.

Section 2-~~8~~7: SEVERABILITY:

If any provision of these Rules is held invalid, then the remainder of these rules and there application shall not be affected.

~~8~~

RULE III–

## CLASSIFICATION

### Section 3-1: PREPARATION OF PLAN:

The Personnel Officer shall ascertain and record the duties and shall recommend a Position Cclassification Pplan for all City positions. employees. In so doing, the Personnel Officer may consult with department heads and employees. The Position Cclassification plan Plan shall consist of specifications for each positionclassification, including the title and minimum or desirable requirements and qualifications for appointment. The Position Cclassification pPlan shall be developed and maintained so that all positions which are substantially similar with respect to duties, responsibilities, authority, and character of work are included in the same class, and that the same schedules of compensation may be made to apply with equity under similar working conditions to all positions in the same class.

The provisions of this section shall apply to all officers, positions, and employees except:

A. City Manager;
B. City Attorney;
C. Elective officers;
D. Members of appointive boards, commissions, and committees;
E. Volunteer personnel including, but not limited to, reserve firefighters and reserve police officers;
F. Persons engaged under contract to supply expert, professional, technical consultation, or other services;
A. G. Emergency employees hired to meet immediate requirements of an emergency condition such as extraordinary storms, fire, flood, or earthquake;
H. Employees, who are temporary.
B.

### Section 3-2: ADOPTION, AMENDMENT, AND REVISION OF PLAN

The Position classification Classification plan Plan shall be adopted and may be amended or revised, as necessary, by resolution of the City Council. Proposed Amendments amendments and revisions of ato the Position Classification Pplan shall be submitted to the City Council in writing by the Personnel Officer. Proposed amendments to the Position Classification Plan shall be provided to all recognized employee organizations as required by applicable law. Amendments and revisions shall become effective upon adoption by the City Council. may be suggested by any interested party after notice to the Personnel Office. Notice of Council consideration of the proposed classification plan, amendments or revisions shall be given to all recognized employee organizations and posted on official City bulletin boards at least 10 working days prior to Council considerations. At the time of consideration, any interested party may appear and be heard.

### Section 3-3: ALLOCATION OF POSITIONS

The number of ~~permanent~~ regular positions and the classification of such ~~permanent~~ regular positions allowed within each department shall be established by resolution of the Council and may be reflected in the Position Classification Plan.

Section 3-4: NEW POSITIONS

-Whenever a new position is allocated, the Personnel Officer shall notify the appointing authority when the position may be filled. Except as otherwise provided herein, no appointment shall be made for such new position until the Finance Officer has confirmed that funds are available.

Section 3-5 RECLASSIFICATION

In the event duties for a position change significantly from the classification description, the Personnel Officer shall allocate the position to a more appropriate class. Reclassification shall not be used for the purpose of avoiding regulations concerning demotions and promotions.

Section 3-6: INTERPRETATION OF CLASS SPECIFICATIONS~~:~~

-The following principles shall be applied when interpreting specifications for the various classes of positions:

A. The specifications are descriptive only and are not restrictive. They are intended to indicate the kinds of positions that should be allocated to the respective classes as determined by their duties, responsibilities and qualification requirements. Use of a particular expression or illustration shall not be held to exclude others not mentioned if such others are similar in kind or quality.

B. In determining the class to which any position should be allocated, the specification shall be considered as a whole. Consideration is to be given to the general duties, the specific tasks, the responsibilities, the minimum qualifications and the relationships to other classes in order to obtain an inclusive picture of the kinds of positions that the class is intended to include.

C. The duties statement shall be construed as a general description of a kind of work usually performed by the incumbent of a position that is properly allocated to the class, and not as prescribing what the duties of any position shall be, nor as limiting the expressed or implied power of the authority now or hereafter vested with the right to prescribe or alter the duties of any position.

D. The typical tasks shall be construed as examples only, illustrative of the duties as outlined by the general statement. These examples are not intended to be complete or exclusive and the fact that the actual task performed by the incumbent of a position does not appear therein shall not be taken to mean that the position is necessarily excluded from the class, provided that the tasks constituting the main work or employment are duly covered by the general statement of duties. On the other hand, any one example of a typical task without relation to the general

statement of duties and all other parts of the specifications shall not be construed as determining whether a position should be allocated to the class.

E. The statement of minimum qualifications constitutes a part of the description of the kind of employment included within the class, and expresses the minimum and any additional desirable qualifications expected of an appointee. Such personal character qualifications as honesty, sobriety, and industry are deemed to be included in the statement of minimum qualifications and need not be specifically mentioned.

## RULE IV~~–~~

## ANNOUNCEMENTS AND APPLICATIONS

### Section 4-1: ANNOUNCEMENT~~:~~

All examinations for classes shall be publicized by such methods as the Personnel Officer or designee deems appropriate. All open and promotional examinations in the competitive service shall be posted ~~on official~~by the City ~~bulletin boards~~in a manner that is reasonably likely to attract qualified applicants for a period of not less than ten (10) business days before the filing deadline. ~~In addition, all open examinations shall be publicized in the broadest possible manner using appropriate media such as notices to professional associations, printed media, and such other methods as the Personnel Office deems necessary. However, nothing herein shall oblige the Personnel Office to expend funds beyond the level budgeted by the City Council for such advertising.~~ The announcements shall specify the title and salary of the class for which the examination is announced, the nature of the work to be performed, any special skills required, the manner of making applications~~, statement of compliance with affirmative action policies~~, and other pertinent information.

### Section 4-2: APPLICATION FORMS~~:~~

Applications shall be made as prescribed on the examination announcement and consistent with applicable state and federal laws. If a specific form is required, that form ~~Application forms~~ shall require information covering training, experience, and other information pertaining to the minimum or desirable bona fide qualifications of the class. All application forms shall include a voluntary confidential data sheet for compliance with federal and state discrimination prevention laws. ~~the affirmative action program.~~

All applications must be signed by the applicant and shall be valid for one (1) year from the date of filing or one year from the date of the applicable examination in which the applicant participated.

### Section 4-3: DISQUALIFICATION~~:~~

The Personnel Officer may reject any application that is incomplete, was not submitted by the specified filing date, and/or indicates on its face that the applicable does not meet the minimum qualifications required for the position. Applications may also be rejected if the person: ~~refuse to examine or, after examination, may refuse to certify as eligible, or may withhold or remove from an eligible list any person who:~~

A. ~~Lacks any of the qualifications set forth in these rules or published in the examination announcement;~~Has made any false statement of any material fact or engaged in any deception or fraud in an application;

~~A.~~

B. Has been discharged from employment for reasons which indicate unfitness for performing the duties and responsibilities of the class or position;

C. Has directly or indirectly obtained information regarding examinations to which the applicant was not entitled or has otherwise defrauded the examination process; ~~used or attempted to use any unfair method to obtain an advantage in an examination or an appointment in City employment;~~

~~B.~~

D. Has willfully omitted or misstated material facts in completing an application for City employment;

~~D. Has failed to make application correctly or within established time limits;~~

E. Does not satisfactorily complete any element of the selection process;

F. Is unable to perform the essential functions of the class or position, with or without reasonable accommodation if disabled; or

G. For any material cause which in the judgment of the Personnel Director or designee would render the applicant unsuitable for the position, including but not limited to prior resignation from the City, termination from the City, or prior disciplinary action.

~~Has a prior conviction of a felony offense which is material to job~~

~~F. Performance and for which no mitigating factors exist. Mitigating factors would include rehabilitation and/or the passage of time sufficient to indicate capability for successful job performance.~~

~~The Personnel Officer may reassign applicants to alternative positions for which they are qualified if they do not meet the bona fide qualifications of the class for which they applied.~~ At the discretion of the Personnel Director or designee, an applicant may be asked to correct an application that is missing required information, provided, however, that all filing deadlines are met by the applicant.

Section 4-4 REASONABLE ACCOMMODATIONS

With adequate notice, the City shall provide reasonable accommodations to applicants with a disability (as defined by applicable federal and state law) in order to ensure access to the application and examination process.

~~Incomplete applications may be returned to the applicant with notice to amend the same, providing the time limit for receiving applications has not expired.~~

## RULE V
## FAIR EMPLOYMENT PRACTICES

### Section 5-1: EQUAL EMPLOYMENT OPPORTUNITY POLICY:

The City is an equal opportunity employer. The City prohibits discrimination against employees or applicants for employment on the basis of race, religious creed, color, age, sex, sexual orientation, gender, gender identity, gender expression, national origin, ancestry, marital status, medical condition as defined by state law (cancer or genetic characteristics), disability, military service and veteran status, pregnancy, childbirth and related medical conditions, reproductive health decision-making, or any other characteristic protected by applicable state, federal or local law.

The City will afford equal employment opportunity to all qualified employees and applicants as to all terms and conditions of employment, including compensation, hiring, training, promotion, transfer, discipline and termination. Employees or applicants who believe they have experienced any form of employment discrimination are encouraged to report this immediately, using the complaint procedure this rule.

### Section 5-2: REASONABLE ACCOMMODATIONS:

The City is committed to providing reasonable accommodations where appropriate to qualified applicants and employees with known disabilities, unless doing so would impose an undue hardship on the City or pose a direct threat of substantial harm to the employee or others. The City will also provide reasonable accommodations for the religious beliefs and practices of qualified job applicants and employees, unless doing so would impose an undue hardship on the City.

An employee or applicant who needs a reasonable accommodation based on a disability or religion should discuss the need for possible accommodation with the Human Resources Department. Upon receiving an accommodation request, the City will engage in a timely interactive process with the employee to identify possible accommodations. In the case of disability, the employee may be required to provide medical documentation establishing the existence of a disability, any-job related restrictions, and the estimated length of time for which accommodation is needed.

### Section 5-3: POLICY AGAINST HARASSMENT, DISCRIMINATION AND RETALIATION:

The City is committed to providing all employees, applicants, officers, officials, volunteers, interns and contractors with a workplace that is free from harassment, discrimination or retaliation as defined in this Rule. The City does not tolerate harassment, including sexual harassment, or discrimination on the basis of race, religious creed, color, age, sex, sexual orientation, gender, gender identity, gender expression, national origin, ancestry, marital status, medical condition as defined by state law (cancer or genetic characteristics), disability, military service and veteran

status, pregnancy, childbirth and related medical conditions, reproductive health decision-making or any other characteristic protected by applicable state, federal or local law. Any violation of this rule will lead to disciplinary action, up to and including termination.

This Rule against harassment, discrimination and retaliation prohibits elected officials, appointed officials, officers, employees, volunteers, interns and contractors from harassing or discriminating against applicants, officers, officials, employees, volunteers, inters and contractors because: (1) of an individual's protected characteristic; (2) of the perception that an individual has a protected characteristic; or (3) the individual associates with a person who has or is perceived to have a protected characteristic. The rule also prohibits retaliation against any individual who has made a good-faith complaint of harassment or discrimination, or who participates in an investigation undertaken by the City into a complaint or harassment, discrimination or retaliation.

Please refer to the City's Employment Policies for more detail.

~~Section 5-4: A. DEFINING HARASSMENT, DISCRIMINATION AND RETALIATION~~

~~Discrimination Defined: As used in this Rule, "discrimination" means treating differently or denying or granting a benefit to an individual because of the individual's protected characteristic.~~

~~Harassment Defined: As used in this Rule, harassment means unwelcome verbal, visual or physical conduct creating an intimidating, offensive, or hostile work environment that interferes with work performance. Harassment can be verbal (including slurs, jokes, insults, epithets, gestures or teasing), graphic (including offensive posters, symbols, cartoons, drawings, computer displays, or e-mails) or physical conduct (including physically threatening another, blocking someone's way) that denigrates or shows hostility or aversion towards an individual because of any protected characteristic. Such conduct violates this policy, even if it is not unlawful. Because it is difficult to define unlawful harassment, employees are expected to behave at all times in a professional and respectful manner.~~

~~Sexual Harassment Defined. As used in this Rule, "sexual harassment" can include all of the actions included in the definition of harassment, as well as other conduct, such as unwelcome or unsolicited sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature. Other examples of conduct that violates this policy include:~~

- ~~Obscene or vulgar gestures, posters, or comments.~~
- ~~Sexual jokes or comments about a person's body, sexual prowess, or sexual deficiencies.~~
- ~~Propositions, or suggestive or insulting comments of a sexual nature.~~
- ~~Derogatory cartoons, posters, and drawings.~~
- ~~Sexually explicit e-mails or voicemails.~~
- ~~Leering, whistling, uninvited touching of a sexual nature, assault,~~

blocking normal movement.

- Conduct or comments consistently targeted at only one gender, even if the content is not sexual.
- Teasing or other conduct directed toward a person because of the person's gender.
- Conversations about one's own or someone else's sex life.

Retaliation Defined. As used in this Rule, "retaliation" means adverse conduct taken because an individual reported an actual or perceived violation of this policy, opposed practices prohibited by this policy, or participated in the reporting and investigation process described below. "Adverse conduct" includes but is not limited to: shunning and avoiding an individual who reports harassment, discrimination or retaliation; express or implied threats or intimidation intended to prevent an individual from reporting harassment, discrimination or retaliation; and denying employment benefits because an applicant or employee reported harassment, discrimination or retaliation or participated in the reporting and investigation process described below.

Section 5-5: B. REPORTING AND INVESTIGATION PROCEDURES:

An applicant, employee, officer, official, volunteer or contractor who believes this rule has been violated should immediately bring the matter to the attention of a supervisor, a Department Head, the Human Resources Manager or the City Manager. Every person who learns of any employee's concern about conduct in violation of this rule, whether in a formal complaint or informally, must immediately report the issues raised to the City Manager or Human Resources Manager.

Upon receipt of a complaint of a potential violation of this Rule, the City Manager or designee will be responsible for coordinating a fair and thorough investigation into the facts and circumstances of any alleged violation of this rule (unless he/she is named in the complaint). The City Manager or designee may hire an outside investigator if deemed appropriate.

The type of investigation undertaken, and the party chosen to conduct the investigation will depend on the nature of the complaint made and will be determined by the City Manager or designee, but will generally include interviews with the complainant and the accused, further interviews as necessary and a review any relevant documents or other information. If the complaint is made against the City Manager, the Mayor or the Mayor's designee will be responsible for coordinating the investigation.

To the extent possible, the City will endeavor to keep the reporting party's concerns confidential. Complete confidentially cannot occur, however, due to the need to fully investigate potential violations of this Rule and take effective remedial action.

Pending the investigation, the City Manager or designee may take interim action, such as placing the alleged perpetrator on paid administrative leave or transferring the alleged perpetrator.

~~At the conclusion of the investigation, the City Manager or designee will notify the complainant in general terms of the outcome of the investigation.~~

~~Section 5-6:~~ C. VIOLATIONS~~:~~

If it is determined that a violation of this Rule has occurred, the City will take corrective measures. These measures may include, but are not limited to counseling, suspension, or dismissal. Anyone, regardless of position or title, who the City determines has engaged in conduct that violates this policy will be subject to disciplinary action, up to and including termination.

In addition to being a violation of this Rule, harassment, discrimination or retaliation can also be against the law. Individuals who engage in conduct that rises to the level of a violation of law may be personally liable for such conduct.

D. TRAINING

All employees of the City are required to complete harassment prevention training as required by applicable law. For more information about this training requirement, employees can visit https://calcivilrights.ca.gov/shpt/. ~~https://www.dfeh.ca.gov/shpt/~~

Section 5-~~4~~7: DISSEMINATION OF RULE~~:~~

All City officials, officers, employees, volunteers and interns shall receive a copy of the City's Fair Employment Policies. These policies may be updated from time to time and, as such times, will be redistributed to all employees.

# RULE VI
# EXAMINATIONS

## Section 6-1: NATURE AND TYPES OF EXAMINATIONS:

The selection techniques used in the examination process shall be impartial, of a practical nature, and shall relate to those subjects which, in the opinion of the Personnel Officer, fairly measure the capability of applicants to perform duties assigned to the class for which they seek appointment. Examinations will consist of selection techniques which will meet validation standards and test fairly the qualifications of the applicant, comply with the equal opportunity standards, and may include but not necessarily be limited to: written and performance tests, personal interviews, work samples, medical or other exams, or any combination of these or other requirements for that job. The probationary period shall also be considered a portion of the examination process. Examinations shall be designed to provide equal opportunity to all candidates by being based on an analysis of the essential requirements of the class, covering only factors related to such requirements. , provided that such tests shall not be discriminatory in nature.

## Section 6-2: PROMOTIONAL EXAMINATION:

Promotional examinations shall be conducted upon approval of the Personnel Officer subject to provisions of this section when the needs of the service require, or upon request of the appointing authority. Promotional examinations may include any of the selection methods set forth in Section 56-1 above. Only regular permanent or probationary employees meeting the requirements set forth in the promotional examination announcements or departmental rules may compete in promotional examinations.

## Section 6-3: CONTINUOUS OPEN EXAMINATION:

Open competitive examinations may be administered periodically as the needs of the service require. Names shall be posted on employment lists and shall remain on such lists as prescribed in Rule VII herein.

## Section 6-4: CONDUCT OF EXAMINATION

The City may contract with any competent agency or individual for the preparing and/or administering of examinations. In the absence of such a contract, the Personnel Officer or designee shall see that such duties are performed, including making arrangements for the use of public buildings and equipment for the conduct of examinations.

## Section 6-5: SCORING EXAMINATIONS AND QUALIFYING SCORES:

An applicant's score in any examination is based upon the scores achieved for each part of the ~~competitive~~ examination as provided in the examination announcement. Failure in one part of an examination may authorize the Personnel Officer to disqualify applicants from the remaining parts of the examination.

~~A. Veterans' Credit~~

~~All eligible veterans who successfully qualify on open competitive examinations for positions in the competitive service by receiving a final passing score on the examination, shall receive an additional credit of 2 points towards their final score reflecting the average of the component parts of the examination. This credit will be added to their original final score. For the purposes of this section, a veteran is defined as specified in Government Code Section 18973. Eligibility to receive veteran's credit shall be documented in the form of a DD214 or equivalent and submitted at the time of application.~~

## Section 6-6: NOTIFICATION OF EXAMINATION RESULTS~~:~~

Each applicant shall be given written notice of the results of the examination ~~and their final score within ten (10) working days~~.

## Section 6-67: REVIEW OF ~~PAPERS~~WRITTEN EXAMINATION RESULTS:

Applicants shall have the right to inspect the results of their ~~ir~~ own written examination if a written examination was part of the application process and when permitted by the author of the exam. Applicants may request review ~~papers~~ within ~~ten~~ five (~~10~~5) working days after the notices of written examination results were mailed. Review is limited to only review of written examinations and does not include review of any practical examination or oral examination. ~~when permitted by the author of the exam, and limited to review of the written exam.~~ Any error in computation of a written examination result, if called to the attention to the Personnel Officer within this period, shall be corrected. Questions and content of the written examination may be challenged by filing a written appeal to the Personnel Officer within ~~ten~~ five (~~10~~5) working days of mailing of the applicant's examination results, stating the reasons for the challenge. All decisions of the Personnel Officer are final. If any question is disqualified, all candidates shall be so notified in writing of the effect on examination scores. Said changes in results shall not affect any appointments that have already been made.

## RULE VII~~X~~
## EMPLOYMENT LISTS

### Section 7-1: EMPLOYMENT LISTS~~:~~

~~-~~Within thirty (30) days after completion of an examination, the Personnel Officer shall prepare and keep available an eligible list consisting of the names of applicants who qualify in an examination, arranged in order of final scores from highest to the lowest qualifying scores. Multiple employment lists for a single classification are permitted. When multiple employment lists exist, an eligible shall be considered based on their overall rating as opposed to when they were placed on an employment eligibility list, except that eligibles on a ~~reinstatement~~reemployment list will have priority over all other lists.

### Section 7-2 DURATION OF LISTS~~:~~

Employment lists shall normally remain in effect for a period of twelve (12) months following the date the eligible list is established. Employment lists may be extended for an additional period prior to their expiration date by action of the Personnel Officer. However, in no event shall an employment list remain in effect for more than eighteen (18) months.

~~Employment lists created as the result of continuous examinations shall remain in effect for not more than twelve (12) months after the last person is added to the list. Names placed on such lists shall be merged with any others already listed in order of final scores and shall remain on the list for not more than twelve (12) months.~~ The Personnel Officer, after consultation with the appointing authority and approval by the City Manager may terminate an eligible list at any time where it is not possible to certify at least three (3) qualified persons to an appointing authority for consideration in the filling of a position. In the event an employment list is terminated with one or more eligibles remaining, prior to completion of twelve (12) months from the date established, the Personnel Officer shall notify the remaining eligibles.

In the event a promotional eligible list is terminated with one or more eligibles remaining, prior to completion of twelve (12) months from the date established, the promotional eligibles remaining on the list shall have the option of again competing in the promotional examination process or said promotional eligible may have their score merged on the new eligible list in the order of their final score provided, however, that their standing on the new eligible list shall not remain in effect beyond twelve (12) months from the date they were originally placed on an eligible list. This option shall be exercised after the final tally has been compiled but before the new list is certified to the appointing authority.

In the event a person appearing on an eligible list is appointed to a temporary or seasonal position they shall retain their eligibility for appointment to a ~~permanent~~ regular position so long as they are continuously employed in the temporary or seasonal position even if the eligible list has expired or has been terminated by the Personnel Officer.

### Section 7-3: ~~RE-EMPLOYMENT/REINSTATEMENT LISTS:~~

RE-EMPLOYMENT LISTS:

The names of probationary and permanent employees who have been laid off in accordance with these rules shall be placed on an appropriate re-employment list in order of total continuous accrued time served in probationary and permanent status. Names placed on such re-employment lists shall remain on the list for a period of twelve (12) calendar months unless otherwise provided in these rules or applicable Memoranda of Understanding. Employees on a reemployment list will have priority for appointment to vacant positions over individuals on any other list, subject to the provisions providing for removal of names from the list, Section 7-5.

A.

Section 7-4: REINSTATEMENT LISTS:

B. In the event of resignation, employees may request in writing and within one year after resignation, to be reinstated on an employment list. However, reinstatement shall be based upon the position on the first employment list such employee's name first appeared and not automatically at the top of such list. Such placement on list shall be at the request of the resigning employee. Eligibility for reinstatement shall not continue beyond twelve (12) months from date of separation from city service.

Section 7-5: REMOVAL OF NAMES FROM LIST:

The names of any persons appearing on an re-employment, promotion, or openemployment eligibilityeligibility list shall be removed by the Personnel Officer if the eligible: (1)

A. The eligible requests such removal in writing; (2) fails to
B. No response isrespond made to a notice mailed to the last known address of the eligible within ten (10) working days of the date of the letter; (3) no longer meets the eligibility requirements for appointment; (4) is subsequently hired by the City; (5) after the appointing authority indicates they no longer wish to consider the eligible for appointment; or (6) f
C. For reasons specified in Section 4-3. The names of persons on a promotional list shall automatically be dropped from the promotional list in the event of termination or resignation.

The person affected shall be notified of the removal of their name by a notice mailed to their last known address. It shall be the sole responsibility of those individuals on an eligibility list to provide the City with information regarding any change of address or telephone number.

Section 7-6: NO GUARANTEE OF EMPLOYMENT

No person who appears on an eligibility list is guaranteed employment with the City. The appointing authority or designee may opt not to hire any/or all persons whose name appear on an eligibility list.

~~The names of persons on a promotional list shall automatically be dropped from the promotional list in the event of termination or resignation.~~Section 7-7: VETERANS' PREFERENCE

The City will grant a veteran, as defined in this Rule, with preference points on entrance examinations, nor to a current employee in a regular position.

For purposes of this rule "veteran" means any person who has served full-time in the armed forces in time of national emergency or during any expedition of the armed forces who has been discharged or released under conditions other than dishonorable.

Eligible veterans who obtain a passing score and are placed on an employment eligibility list will receive an additional two points added to their score. The veteran shall be placed on the employment eligibility list at the appropriate ranking after the additional points are addressed. Eligible veterans who obtain a passing score and are placed on an employment eligibility list will receive a veterans' preference notation and such individuals shall be considered prior to the appointing authority's consideration of other equally ranked eligibles.

Any individual applicant for entrance employment with the City wishing to receive veterans' preference must submit proof of their veteran status in the form of a DD-214 along with the original employment application.

Candidates who are in the military service at the time of an examination, and who are discharged from military service during the duration of the employment list may apply for a veterans' preference upon discharge from the military. If all the eligibility criteria and documentation requirements contained in this Rule are met, then the candidate's placement on the employment list will be adjusted accordingly.

Veterans' preference points shall not be given to those applicants who:

1. Are competing in a promotional examination on or for a classification not included within the competitive service; or

~~Are retired from the armed forces at or above the rank of Major, or its equivalent;~~

~~Were discharged more than five years prior to the final filing date stated on the job announcement; or~~

2. Were discharged for a reason other than "honorable."

## RULE ~~X~~VIII
## METHOD OF FILLING VACANCIES

### Section 8-1: TYPES OF APPOINTMENT~~:~~

All appointments to vacancies occurring in the competitive service shall be based upon merit and fitness ascertained in accordance with these rules and shall be filled by transfer, demotion, or from eligibles from an appropriate employment list, if available. In the absence of persons eligible for appointment from an eligibility list, provisional appointments may be made in accordance with this Rules. All appointments shall be made by the appointing authority. ~~, which appointment may be for new employment, reemployment, reinstatement, or promotion.~~

### Section 8-2: NOTICE TO PERSONNEL OFFICER~~:~~

Whenever a vacancy in the competitive service is to be filled, the appointing authority or designee shall notify the Personnel Officer ~~in the manner prescribed~~. The Personnel Officer shall advise the appointing authority or designee as to the availability of any reemployment list, and if there is no reemployment list, then as to the availability of eligibles on employment eligibility lists for the class. If there is no employment list available for a class, the Personnel Officer shall decide whether or not the position may be filled provisionally and whether to fill the vacancy by reinstatement, transfer, demotion, appointment from a promotional employment list, or appointment from an open eligible list.

### Section 8-3: ~~APPOINTMENT:~~ CONSIDERATION OF ELIGIBLES

Any applicant on the employment eligibility list may be considered for appointment, and such consideration of applicants shall be termed "the rule of the list" such that any individual on the list may be appointed to a vacancy. For vacancies occurring in the competitive service, the Personnel Officer shall certify to the appointing authority, from an appropriate list, up to five eligible candidate names more than the number of vacancies to be filled.

~~However, n~~No person on an employment eligibility list shall be considered for appointment unless all other eligible with a higher or equal employment list ranking have been interviewed by the appointing authority or designee.

~~For vacancies occurring in the competitive service, the Personnel Officer shall certify to the appointing authority, from an appropriate list, five eligible candidate names more than the number of vacancies to be filled.~~

~~A. When certifying names to the department, if a veteran, as defined, is entitled to preference points under Section 5.4.A. of these Rules, the candidate, based on cumulative points earned including these preference points, will be placed appropriately on the list. The Personnel Officer will certify additional names to the department such that no otherwise qualified individual will be eliminated from the list of certified names as a result of this procedure.~~

### Section 8-4: APPOINTMENTS - GENERALLY

~~B. If fewer than the full number of names are available for certification from the list, the Personnel Officer may certify only those names which are available or, in addition, he/she may certify additional eligibles from other related lists which require equal or greater qualifications and which the Personnel Officer deems to be appropriate for use.~~ The appointing authority shall fully consider each of the eligibles certified. Following an interview ~~or~~ and other appropriate candidate review, the appointing authority shall notify the Personnel Officer and the eligibles considered of ~~his/her~~the appointing authority's determination. If the applicant accepts appointment and reports for duty within such period of time as prescribed by the appointing authority, the applicant shall be deemed to be appointed; otherwise, the applicant is deemed to have declined appointment.

Section 8-~~5~~4: APPOINTMENT OF SAFETY MEMBERS~~:~~

Appointment of safety members shall be made as set forth in ~~Section 7-3~~these Rules. However, the appointing authority shall not confirm an appointment of a safety member until a medical examination has been completed by a doctor designated by the City, with a report indicating that the candidate is physically able to perform the duties as prescribed for the class as set forth herein.

Section 8-6: TYPES OF APPOINTMENTS

A. At-Will Appointments. Except as being within the competitive service or as defined in an employment agreement, all appointments, regardless of type are at-will appointments which may be terminated with or without cause and with or without notice at any time by either the employee of the City. Nothing in these personnel rules or in any document or statement shall limit the right to terminate employment at will. Only the City Council may approve or authorize an employment agreement that can alter the at-will relationship and any such employment agreement must be in writing.

B. Regular Position Appointments. Appoint to a position which works an ongoing schedule, whether part-time or full-time. Regular positions that are included in the competitive service must serve a probationary period as provided in these rules.

~~Section 8-6: Appointments Of~~ Temporary Appointments~~Employees~~: Appointments to a position which is not a regular position appointment.

C. Whenever possible, temporary employees should be appointed from an appropriate eligible list. Temporary appointments are limited to a period of time not to exceed 2,080 regular hours worked in a twenty-four (24) month period. Temporary employees are not guaranteed a minimum number of hours of work per day, per month, or per year. In addition, temporary employees have no rights of continued employment even when their service is satisfactory. Temporary employees serve at the pleasure of the appointing authority and may be separated from City service at any time by action of the appointing authority. Eligibility of temporary employees for retirement benefits shall be in accordance with the rules and regulations of the Public Employees' Retirement System. Service time as a temporary employee shall

not count towards any benefits, accruals or incentive pay, except as required by law.

~~Section 8-5:~~ Provisional Appointments:

D. In the absence of there being names of three (3) individuals willing to accept appointment from appropriate employment lists, a provisional appointment may be authorized by the Personnel Officer for a person meeting the bona fide training and experience qualifications for the positions. An employment list shall be established for any ~~permanent~~ regular position filled by a provisional appointment no later than three (3) months from the date the provisional appointment was effected. A provisional employee may be removed at any time without the right of appeal or hearing.

E. Emergency Appointments: To meet the requirements of an emergency condition that threatens life, property or the general welfare of the City, the City Manager may employ such persons as may be needed for the period of the emergency, without regard to the regulations as to appointment in these rules. Any emergency appointment will be an at-will appointment.

F. Out of Class Appointments. In every City department, subordinate employees may be assigned to temporarily assume the duties of a higher-level position which is vacant pending an active recruitment for a regular appointment. When an employee is appointed by the appointing authority to work in an out of class appointment, the employee will be paid at the lowest step in the salary range associated with the classification for the out of class appointment which provides a minimum increase of five percent (5%) above the normal rate of pay for the employee. An out of class appointment may not exceed 960 hours in a fiscal year.

~~Section 8-6: APPOINTMENTS OF TEMPORARY EMPLOYEES:~~
~~Whenever possible, temporary employees should be appointed from an appropriate eligible list. Temporary appointments are limited to a period of time not to exceed 2,080 regular hours worked in a twenty-four (24) month period. Temporary employees are not guaranteed a minimum number of hours of work per day, per month, or per year. In addition, temporary employees have no rights of continued employment even when their service is satisfactory. Temporary employees serve at the pleasure of the appointing authority and may be separated from City service at any time by action of the appointing authority. Eligibility of temporary employees for retirement benefits shall be in accordance with the rules and regulations of the Public Employees' Retirement System.~~

~~Section 8-7: ANTI-NEPOTISM:~~

~~Any person related by consanguinity or marriage to an officer of the City, elected or appointed, or head of any department, or supervisor, shall not be hired directly by or employed in, a position directly under the actual line supervision of said related officer, department head, or supervisor. For the purpose of this rule, " "any person related by consanguinity or marriage"" means husband/wife, parent/child, brothers/sisters. All other relationships are permitted under the rule.~~

~~This section shall not apply to those City employees related by consanguinity or marriage who were employed by the City prior to July 1, 1974.~~

Section 8-~~8~~7: OCCUPATION OF CITY COUNCIL SEAT BY CITY EMPLOYEES~~:~~

No person, upon election to a position upon the City Council and so long as such position is held, shall be employed by, or remain employed by, the City of South Lake Tahoe.

Section 8-~~9~~8: CONTRACT FOR SPECIAL SERVICES~~:~~

The City Manager shall consider and make recommendations to the Council regarding the extent to which the City should contract for the performance of technical services in connection with the establishment or operation of the personnel system. The Council may contract with any qualified person or agency for the performance of any of the following responsibilities and duties:

A. The preparation of personnel rules and subsequent revisions and amendments thereof.
B. The preparation of a P~~p~~osition ~~classification~~ Classification ~~plan~~ Plan and subsequent revisions and amendments thereof.
C. The preparation of a plan of compensation and subsequent revisions and amendments thereof.
D. The preparation, conduct, and grading of competitive test.
E. Special and technical services of advisory or informational character on matters relating to personnel administration.

## RULE IX
## MEDICAL STANDARDS

### Section 9~~8~~-1~~0~~: ~~—~~POST-OFFER, PRE-EMPLOYMENT EXAMINATIONS

A post-offer, pre-employment medical examination may be required for applicants in select classes. Any pre-employment physical will be done in accordance with the standards set forth in the Americans with Disabilities Act or other applicable law to determine whether the employee can perform the essential duties of the position, with or without reasonable accommodation.

If the results of a pre-employment examination will result in the disqualification of an applicant, the applicant will be notified and given an opportunity to submit an independent medical opinion for consideration before a final decision on disqualification is made.

No appointment may be made official until a positive determination is made that the applicant can perform the essential functions of the position, with or without reasonable accommodation.

### Section 9-2 FITNESS FOR DUTY EXAMINATIONS

An employee may be required to undergo a physical and/or mental evaluation (i.e., a medical examination) to determine his/her capacity to perform the duties of his/her position. An employee may be required to submit to an examination by a competent medical practitioner whenever there is a reasonable suspicion that an employee is physically or mentally unfit to perform the duties of his/her position, may subject others to infection or may subject the employee or third persons to the risk of injury.

### Section 9-3 AFTER ABSENCE

The City may require a medical examination and/or medical release before an employee may return to work following an absence due to illness, injury, or surgery.

### Section 9.4 AFTER CLASSIFICATION CHANGE

A standard medical examination may be required before an employee is appointed to a classification with more rigorous medical standards. A medical examination will be done in accordance with the standards set forth in the Americans with Disabilities Act or other applicable law.~~PHYSICAL EXAMINATION:~~

~~It is the policy of the City of South Lake Tahoe to employ persons with physical and mental health consistent with the bona fide requirements of the positions to be filled and to assure that all new employees have a standard of health which will reduce employee absences and future medical costs and contribute to efficient performance of work. In order to achieve that goal, the City will provide physical examinations pursuant to these rules following a conditional offer of employment:~~

~~A. Pre-employment Physical:~~

No appointment to a department head position or probationary position by a safety member shall be certified until a physical examination has been completed with a certification of physical qualifications for employment provided by the City physician to the Personnel Officer. The Personnel Officer shall promptly notify the appointing authority of the results of the physical examination. If certification of employment is issued by the City physician, appointment shall be completed by the appointing authority any time thereafter.

If a certificate of employment is not issued, or is issued conditionally, the appointing authority shall not complete the appointment of the employee involved until and unless the City physician revises the certificate, revises conditions, or advises that a remedial program is in progress which will permit employment.

The Personnel Officer shall be responsible for scheduling the appointment with the City physician for all examinations. An appointing authority shall notify the Personnel Officer whenever a potential appointment is planned and shall inform the designated appointee of the responsibility for physical examination. The Personnel Officer shall furnish the City physician a copy of the description for the classification within which the appointment is planned. Such description shall include information which will enable the physician to determine bona fide physical skills and qualifications to perform the work assigned.

The results of the examination are to be reported to the Personnel Officer; however, in order to protect patient-physician relations, such information shall not be public. The results of said examination shall include a statement as to capability of the employee to meet requirements of the position as determined by the professional opinion of the physician.

It is the responsibility of the prospective appointee to complete the physical at the time set by the City. Failure to do so shall constitute a basis for not confirming appointment. The individual may elect to furnish a certification of employability from a physician other than the physician designated by the City because of religious or other beliefs. In such event, the individual shall so notify the Personnel Office, stating in writing, why the City physician is not acceptable and submitting an alternative certification. In the event such alternative certification is approved, City costs shall not exceed the amount which would have been paid through the City physician. The Personnel Officer in such event shall review this request on a case by case basis in order to measure the needs of the service, the duties of the position, and the qualifications of the prospective appointee. A decision shall be made on the request within five (5) working days after receipt of the request.

B. Sick Leave Physicals:

The appointing authority may request that the Personnel Officer order a physical examination of an employee by the City physician after any absence using sick leave. Such exam shall be at City cost. The Personnel Officer may require a certification of employability or a physical for any

employee whose absence exceeds thirty (30) working days for illness or injury. The Personnel Officer shall receive the results of such examination from the City physician prior to the resumption of work duties by the employee. In addition, the Personnel Officer may order a physical or psychological examination when it is believed that physical or emotional conditions are adversely affecting an employee's job performance.

C. Health Maintenance Examination:

Unless otherwise agreed upon between the City and the employees affected each safety member employee, department head, city manager, and city attorney shall receive a complete physical examination paid for by the City at least every other year. The results of such examinations shall be available to the Personnel Officer or the Council as may be appropriate in the same manner as new employee examinations provided in Section 78 10 (A). Each employee accepts as a responsibility the compliance with advice and suggestions made by the physician as a result of such examination. All care, treatment, or other requirements recommended by the physician shall be at the expense of the employee. The City shall receive from the City physician a notice of examination completion, whether or not further treatment or specialized diagnosis is required, and a certification that the employee is able to continue job performance. In the event an employee is certified by the City physician as unable to continue performance of the duties assigned to the position, that employee shall not return to active service until certification is received, or until such time as the employee is determined permanently unable to continue job performance by the City physician.

# RULE X
# ANTI-NEPOTISM

## Section 10-1 POLICY

It is City policy not to discriminate in its employment or personnel actions with respect to its employees and applicants on the basis of marital or domestic partner status. Notwithstanding this policy, the City reserves the right to reasonably regulate, for reasons of supervision, safety, security or morale, the assignment of spouses and registered domestic partners within the same department, division, facility or unit. The City further reserves the right to decline to hire or promote the immediate family member of any employee for any reason. Promotional advancement may also be denied if the promotion places one spouse, registered domestic partner, or immediate family member under the supervision of another. Exceptions to this policy require the written approval of the Department Head, Human Resources Manager, and the City Manager.

## Section 10-2 DEFINITIONS

For purposes of this rule, the following definitions shall apply:

A. Marital status is defined as an individual's state of marriage, divorce or dissolution, separation, or annulment.

B. Immediate family member means an individual's spouse, registered domestic partner, parent, stepparent, parent-in-law, sibling, stepsibling, sibling-in-law, child, stepchild, grandparent, and grandchild. The term "immediate family member" also includes an individual who falls within one of these categories by a previous marriage, adoption or registered domestic partnership.

C. Domestic partner is as defined in Family Code section 297.

## Section 10-3 NOTICE

Any applicant for a position with the City will be required to notify the City if they have or reasonably anticipate (e.g., because a pending engagement) having a marital and/or familial relationship with an existing employee or City official. This notice shall include the name(s) of the existing employee(s) and/or official(s) with whom the applicant has a relationship, as well as the nature of that relationship.

## Section 10-4 EMPLOYEES WHO ARE SPOUSES AND DOMESTIC PARTNERS

The City will investigate to determine if there are any reasonable modifications or changes in procedure that can be made to minimize operational concerns regarding supervision, safety, security or morale whenever the employment status of two employees results in either:

(1) One spouse or registered domestic partner directly supervising another; or

(2) Two or more spouses or registered domestic partners working within the same department or division.

In the event that no reasonable modifications or changes in procedure are available, or that any modifications or changes would affect safety, security, supervision or morale, the City reserves the right to transfer or reassign one of the employees. While the wishes of the involved parties will be considered, the controlling factor in determining which relative shall be transferred shall be the positive operation, efficiency, and needs of the City. There can be no guarantee that the new position will be within the same classification or at the same salary level.

If an employee does not accept a transfer or reassignment, or in situations where no transfer or reassignment is available, the City may request the voluntary resignation of one of the employees and if one of the employees does not voluntarily resign, the City will retain one employee and terminate the other. Factors the City might use in evaluating which employee to retain include, for example, performance, tenure, position within the organization, or other factors deemed relevant by the appointing authority or designee.

## Section 10-5 EMPLOYEES WHO ARE IMMEDIATE FAMILY MEMBERS

The City need not make reasonable modification or changes in procedure when the relationship between two or more employees is that of immediate family members and not that of spouses or registered domestic partners. In addition, the City need not transfer or reassign immediate family members and can move to retain one immediate family member and terminate the other. Factors the City might use in evaluating which employee to retain include, for example, performance, tenure, position within the organization, or other factors deemed relevant by the appointing authority or designee.

## Section 10-6 POLICY EXCEPTIONS

Spouses, domestic partners, or immediate family members employees may continue to work in the same department subject to approval by the Department Head, the Human Resources Manager, and the City Manager.

## Section 10-7 APPEALS

Any permanent employee who was employed in a position within the competitive service who is separated from City service under this rule may utilize the disciplinary appeal procedure as identified under the applicable collective bargaining agreement or, if none, the Grievance Procedure as described in these rules. Other actions (for example, a transfer, demotion or lost opportunity for overtime or supplemental pay) are not subject to appeal.

## Section 10-8 IMMEDIATE FAMILY MEMBERS OF ELECTED OFFICIALS

No person who is the spouse, registered domestic partner, or immediate family member of a current City elected official shall be eligible for appointment. The spouse, registered domestic partner or immediate family member of an elected official currently employed as of the date the elected

official assumes office shall not be subject to automatic exclusion of employment. The City Manager may, however, utilize the provisions of this policy to transfer, reassign, or terminate the employee, if necessary, for the efficient operation of City business.

## RULE ~~I~~XII
## TRANSFER, PROMOTION, DEMOTION, REINSTATEMENT,

## ~~LAYOFF,~~ RESIGNATION, AND RETIREMENT~~, AND VOLUNTARY REDUCTION~~

### Section 11~~9~~-1: TRANSFER~~:~~

Transfers may be voluntary or involuntary. No person shall be transferred to a position for which the bona fide qualifications are not possessed. Upon notice to the Personnel Officer, an employee may be transferred at any time by the appointing authority or designee from one position to another position in a comparable class. For transfer purposes, a comparable class is one with the same maximum salary, involves the performance of similar duties, and requires substantially the same basic qualifications.

If the transfer involves a change from one department to another, prior approval of both department heads must be granted unless the City Manager orders the transfer for reasons of economy or efficiency. Transfer shall not be used to effectuate a reclassification, promotion, demotion, advancement, or reduction, each of which may be accomplished only as provided in the Personnel Ordinance or these Rules.

Whenever possible, an employee being transferred from one position to another position in the same or a comparable class will receive five (5) business days' notice. If an employee disputes an involuntary transfer, the employee may, within two (2) days of receiving notice of the pending transfer, file a written appeal with the City Manager or designee setting forth the reasons for the appeal. Any appeal must be based on an alleged violation of the requirements for transfer or the procedure followed. The decision as to whether or not to transfer an employee shall be at the sole discretion of the appointing authority and is not subject to any grievance or appeal procedure.

### Section 11~~9~~-2: PROMOTION~~:~~

~~Insofar as is consistent with the best interests of the service, all vacancies in the competitive service to be filled by promotion from within the competitive service shall be accomplished after a promotional examination has been given and a promotional list established.~~ If, in the opinion of the Personnel Officer, it is in the best interest of the municipal service, vacancy in the position may be filled by a promotional examination instead of open-competitive examination. A minimum of five percent (5%) increase in pay will be granted to employees receiving a promotion, unless the existing top step in the new position is less than five percent (5%) higher. A new anniversary date will be established for a promoted employee, and a new probationary period will begin on the first date in the new position.

~~Upon a determination by the Personnel Officer that an existing vacancy can best be filled by an open competitive examination instead of by a promotional examination, the Personnel Officer shall establish written findings and transmit the same to the affected department for review and recommendation back to the Personnel Officer.~~

### Section 11~~9~~-3: DEMOTION

Demotions may be voluntary or involuntary. A voluntary demotion occurs when an employee requests a transfer to a position with salary range that contains a lower maximum salary than the range applicable to the requesting employee's position. Upon receiving a request for a voluntary demotion, the appointing authority will review the request and decide, in the appointing authority's sole discretion, whether to grant or deny the request. An involuntary demotion will be accomplished in accordance with the disciplinary process described in these rules. No employee shall be demoted to a position who does not possess the minimum qualifications.

Section 11-4 REINSTATEMENT~~:~~

Upon approval of the Personnel Officer, a ~~permanent or probationary~~ regular employee who has resigned ~~or has been laid off~~ may be reinstated to City service within one year of the effective date of resignation to a vacant position in the same or comparable class, provided that such employee possessed a satisfactory performance record. Eligibility for reinstatement will be in accord with these rules and shall not continue for a period beyond twelve (12) months from the date of separation unless otherwise provided in these rules or applicable Memoranda of Understanding. Upon reinstatement, the employee shall be granted seniority for previous continuous service including vacation accrual rates. Sick leave accrued prior to termination will be restored except where payment has been made. A reinstated employee will be placed as the same ~~Salary~~ salary step placement held before the employee's resignation. ~~will be in accordance with Rule X.~~A new anniversary date will be established for the employee that includes the previous continuous services but excludes the period of absence from the employment of twelve (12) months or less."

Section 11-5: FAILURE TO REPORT TO WORK (JOB ABANDONMENT)

An employee who fails to report to work, fails to return from an authorized leave of absence, and/or fails to call off from work for three (3) or more consecutively scheduled work days is deemed to have voluntarily resigned employment through job abandonment. A regular employee who has passed probation will receive notice of intent to dismiss for job abandonment, an opportunity to respond, and the final notice of dismissal for job abandonment before being separated under this provision. At the discretion of the Personnel Officer, an employee separated for job abandonment may be reinstated upon proof of justification for such absence, such as severe accident, severe illness, or mental or physical impairment which prevented notification. No employee has any right to grieve or appeal a separation due to job abandonment or to an evidentiary or disciplinary appeal following a separation due to job abandonment.

Section ~~9~~11-6: RESIGNATION~~:~~

An employee voluntarily terminating City service in good standing shall file with the appointing authority a written resignation stating the effective date and reasons for leaving. Such notice shall be filed at least two (2) weeks before leaving the service, unless such time limit is waived by the appointing authority or City Manager. Such resignation and other pertinent information shall be forwarded to the Personnel Officer. Failure to give written notice as required by this rule may be cause for denying any future employment by the City.

Section ~~9~~11-7: RETIREMENT~~:~~

The City ~~is a member of the~~contracts with the California Public Employees' Retirement System (CalPERS) in order to provide eligible employees with retirement benefits. ~~administered and staffed by the State of California under applicable statute.~~ Retirement benefits for member agencies are financed in part by the employee and part by the City. The amount paid is based upon salary and class to which the employee is assigned (safety or miscellaneous).

Application for retirement may be made on the appropriate forms furnished by the Personnel Officer. Information dealing with eligibility and benefits should be obtained in advance of filing an application for retirement.

CalPERS benefits and service time calculations shall not be considered for calculation of City service time, incentive pay entitlements, or any benefit or accrual.

Section 11-8: MEDICAL SEPARATIONS

An employee who becomes unable to perform the essential functions of their position due to a disability or other medical condition may be medically separated from employment. Prior to medical separation, the City will determine what accommodations, if any, can be reasonably provided to the employee in accordance with City policy and any applicable law. In addition, if appropriate, the City may consider an employee's potential eligibility for disability retirement benefits.

Before medically separating a regular employee, the Human Resources Manager or designee will provide the affected employee with notice of the proposed decision to medically separate. The notice shall: (1) inform the employee of the action intended, the reason for the action and the proposed effective date; and (2) inform the employee of the right to respond to the proposed action and to whom to respond. After review of any timely response, the Human Resources Manager or designee shall notify the employee of any final action to be taken and the effective date of that action. A medical separation may be appealed pursuant to the grievance procedure contained in Rule ~~22~~24 below.

In cases where employees may be eligible for ~~incur job-related injury or illness which prevents full performance of required duties, eligibility for~~ disability retirement, the City will initiate an application for disability retirement benefits on the employee's behalf in accordance with the requirements of Government Code section 21153. ~~may be possible. Such disability may be for partial or full disability. The amount is judged by the appropriate state agency. Application for disability retirement shall be made on the forms provided by the Personnel Officer. The City Council or its designee~~ Manager is authorized to approve members' applications for disability ~~retirement processed to the state.~~

Section 11-9: DISABILITY RETIREMENT APPLICATIONS BY SAFETY MEMBERS

The following procedures shall be utilized to process an application for disability retirement benefits by a local safety member under the California Public Employees' Retirement System (CalPERS):

A. Initial Determination

Upon receipt of an application for disability retirement benefits from a CalPERS safety member, an initial determination will be made by the City Manager upon medical and other available evidence. The applicant may be required to submit to a medical examination in order for the City

Manager to obtain sufficient information to make a determination. –The City Manager's determination will address the following: (1) whether the applicant is incapacitated from the performance of duty pursuant to the standard for disability retirement under the Public Employees' Retirement Law (PERL); and (2) if the applicant is determined to be incapacitated, whether the cause of such incapacitation was industrial or non-industrial. The City Manager's determination shall be made within six (6) months of the date of the request for such determination from CalPERS unless this time requirement is voluntarily waived in writing by the applicant. The City Manager will provide written notice of its determination to CalPERS and applicant.

B. Appealing an Initial Determination

An applicant may appeal the City Manager's determination on the issue of incapacity by requesting a hearing as provided in Section 4 of this Rule below. An applicant may appeal the City Manager's determination as to the issue of causation by filing an appeal with the Workers' Compensation Appeals Board (WCAB) for a Finding of Fact determination as to causation. Any appeal of the City's initial determination on an application must be filed within thirty (30) calendar days of the date on the notice of determination. The City Manager's determination shall not be subject to appeal to the Personnel Commission or under the grievance procedure.

C. Hearing

If the applicant requests a hearing on the issue of incapacity, the hearing shall be held in conformity with the Administrative Procedures Act. When an applicant requests a hearing, the City will notify CalPERS. The City will also notify the Office of Administrative Hearings and will request a hearing date and a pre-hearing conference with an Administrative Law Judge. The applicant will be informed of the hearing date, time and location. The hearing shall be conducted before the Administrative Law Judge. The hearing shall be recorded. The burden of proof is on the applicant to demonstrate incapacity.

Following the hearing, the Administrative Law Judge will issue a Proposed Decision. –The Proposed Decision will include a determination of issues, findings and summary of facts. -The Proposed Decision will be reviewed and acted upon by the City Council. The Council will either:

1. Adopt the Proposed Decision as its own Decision.

2. Make changes in the Proposed Decision and adopt it as its own Decision, in accordance with Gov. Code sections 21156 et seq.

3. Reject the Proposed Decision and in doing so either:

   i. Make its own decision without hearing additional evidence; or

   ii. Make its own decision following the acceptance of additional evidence; or

   iii. Remand the case back to the administrative law judge to take additional evidence and to issue a new or revised Proposed Decision.

The Council's decision and findings shall be served by the City on the applicant and the applicant's designated representative, if any, by U.S. Postal Service mail (with at least mail delivery confirmation) or by personal service. The City shall also notify CalPERS of the decision. -The City Council's decision shall be final and is not subject to any grievance procedure.

Section 11-10: USE OF ACCRUED LEAVES

No use of vacation, sick leave, administrative leave, compensatory time off, holidays, or any other paid time off in lieu of hours worked, may be used to extend an employee's separation date (regardless of the reason for separation) beyond the employee's last day worked unless approved by the City Manager. Use of sick leave shall be authorized only upon proper medical verification that the use of such leave complies with the rules pertaining to the use of sick leave.

## RULE XII
## REDUCTIONS IN FORCE

### Section 12-1: STATEMENT OF INTENT

Whenever, City Council determines, in the City Council's sole discretion, it is necessary to abolish any position or employment, the employee holding such position or employment may be laid off, transferred or demoted without disciplinary action and without the right of appeal.

### Section 12-2: NOTIFICATION

Whenever possible, employees to be laid off shall be given at least thirty (30) calendar days prior notice.

### Section 12-3: EMPLOYEE OPTIONS

Whenever a regular employee in the competitive service has been notified that they will be laid off from their current position, the employee shall have the following options:

A. "Bump" to a Lower Class. If an employee has held status in a lower classification in the same department, the employee may "bump" or retreat to that lower classification if the employee has more seniority than at least one of the incumbents in the lower class. If an employee has not held status in a lower class, then no retreat rights accrue to the employee. An employee exercising retreat rights must provide written notice to the Human Resources Manager within five (5) working days of receipt of the notice of layoff.

The employee exercising this option may only displace the least senior employee in the department in the former class. In the event the laid off employee does not possess all qualifications of the least senior position including bilingual and/or biliterate skills, the employee shall displace the least senior employee, if any in the former class, who is in a position that does not require bilingual and/or biliterate skills.

An employee retreating to a lower class shall be placed on the salary step representing the least loss of pay. In no event shall the salary be increased above that received in the class from which the employee was laid off. Failure to timely exercise of any retreat rights will result in forfeiture of the ability to retreat to a lower class and the employee will be laid off.

B. Transfer to Another Class. If an employee has not held status in a lower classification, of it such lower classification is occupied by a more senior employee, the employee may be eligible for transfer to a vacant position if the employee is qualified and capable of performing the duties of the vacant position as determined by the appointing authority. Employees who are transferred in lieu of layoff will be paid at the rate of pay for the new position at a step to be

determined by the City Manager and shall serve a new probationary period. Any employee who does not accept a transfer within seven (7) days of the date of the notice of layoff will forfeit the ability to transfer and will be laid off.

C. Accept the layoff.

Section 12-4: ORDER OF LAYOFF

In each class, employees shall be laid off in the inverse order of their seniority and according to employment status in the following order: temporary, provisional, regular part-time employees serving a probationary period, regular full-time employees serving a probationary period, regular part-time employees and regular full-time employees.

For the purpose of this rule, seniority includes all periods of full-time or part-time service in the employee's current classification and any lower classification within the department. Such seniority shall be calculated based on hours of service in paid status as a regular employee. Hours served as a temporary employee, overtime hours, and unpaid leave hours are not included in the calculation of seniority hours.

In cases where there are two or more regular employees who have completed probation in the class within the department from which the layoff is to be made, such employees shall be laid off on the basis of the last evaluation rating in the class, provided such rating has been on file at least thirty (30) days and no more than twelve (12) months prior to layoff as follows:

First, all employees having ratings of "unsatisfactory". Second, all employees having ratings of "improvement needed". Third, all employees having ratings of "satisfactory" or above (which includes highly satisfactory and outstanding) by seniority.

Section 12-5: REEMPLOYMENT LIST

The names of regular employees in the competitive service who are laid off or demoted in accordance with these rules shall be entered upon a reemployment list for the department from which they were laid off. Such list shall be used by the appointing authority when a vacancy arises in the same or lower class of position before certification is made from an eligible list.

Section 12-6: DURATION OF REEMPLOYMENT LIST

Names of persons laid off shall be carried on a reemployment list for one (1) year, except that persons appointed to regular positions of the same level as that which laid off, shall, upon such appointment, be dropped from the list. Persons who refuse reemployment or who fail to promptly respond to and accept a reemployment offer within seven (7) days of the date of the offer shall be dropped from the list. Persons reemployed in a lower class, or on a temporary basis, shall be continued on the reemployment list for the higher position for the one (1) year.

Section 12-7: REEMPLOYMENT

A former employee appointed from a reemployment list shall be reinstated to the salary range and step held at the time of layoff and have the following benefits restored:

1. Accrued but unused sick leave.

2. Seniority at the time of layoff for vacation accrual, future reduction in force, and department purposes as defined within department operating procedures (e.g., work schedule preferences, vacation scheduling preferences).

A former employee shall not accrue any benefits during the period of time the employee was on layoff.

Section 12-8: LAYOFF OF AT-WILL EMPLOYEES

By definition, employment at-will may be terminated by either the employee or the City at any time with or without cause and with or without notice. Nothing in this chapter shall require the City Manager to allow an at-will employee to displace an employee in a lower class or require the City Manager to place an at-will employee on a reemployment list.

~~Section 9-4: LAYOFF: Layoff may also be known as reduction in force. This is a requirement to separate from City service those permanent employees for whom appropriations have not been authorized by the City Council, or to reflect reduced workload requirements. Employees separated pursuant to this provision are not terminated for disciplinary reasons nor for performance. It is the intent of the City to assist in the re-employment of such employees at the earliest possible time, either through City employment opportunity or other appropriate opportunities.~~

~~A. Budgetary Reduction:~~

~~Whenever the City Council adopts or amends appropriations which reduce authorized positions, the Personnel Officer and/or Finance Director shall give written notice of such action to the Personnel Officer and the appointing authority affected by the reduction within three (3) working days of the Council action. Whenever possible, budgetary reductions shall be scheduled to occur not less than thirty (30) days after Council action in order to prepare for the layoff process. As soon as possible, but in no event later than three (3) working days after receiving notice of Council action, the Personnel Officer shall prepare an official designated employment list for all positions in the affected department. This list shall report the name, employment date, anniversary date, class title, and current salary for each position in the department, listing the most recent employee first and all other employees in hiring sequence ranking from most recent to most senior. Such list shall be furnished to the affected appointing authority and the Personnel Officer. Thereupon, the appointing authority and Personnel Officer shall confer on the selection of employees to be laid off. Such designated employees shall be called for a meeting to explain the reason for budget reduction, how they were selected, and time remaining before separation from service is required. The appointing authority shall be guided by the official layoff list in selecting employees, and selection shall be primarily by ranking on the list. The appointing authority may, however, choose an alternate method of selection which may be utilized~~

after approval by the City Manager and consultation with the affected employee association or associations' representatives. The appointing authority may, with consent of the Council, in the alternative to use of the layoff list, seek voluntary resignation or retirement from employees within the department, or request voluntary reduction in salary and work time by sufficient permanent employees to permit those employees planned for layoff to continue employment on a part-time basis until new funding sources are found or a new job obtained. If the layoff list is waived for use of an approved alternate procedure, said procedure shall be explained in writing by posting on all official bulletin boards for a minimum of five (5) working days prior to adoption and by conference with the affected employee work force.

B. Workload Reduction:

Changes in workload requirements may result from a takeover of a City service by another public agency, change in state law, change in the local economy or population. Such changes will require reduced staffing and can usually be anticipated prior to budget adoption. Whenever an appointing authority discovers such event will occur, and as soon as possible thereafter, written notice of such situation shall be made to the City Manager, the affected employee association, and the affected employees. The latter notification shall be by written notice posted on official bulletin boards and by conference wherever possible. Following notice to the City Manager, the appointing authority shall determine the specific employees impacted by layoff procedures and advise the City manager as to the names, class, salary, and reason for reduction. The appointing authority may request a layoff list as an alternative to this procedure with Council consent.

C, Performance Report:

Any employee subject to layoff under these procedures shall receive from the appointing authority a complete performance report accurately reflecting the employee evaluation before layoff, stating the facts leading to layoff.

D. Re-employment:

The Personnel Officer shall place the names of all employees subject to layoff under these procedures on an employment list for which the employee is qualified and interested. Employees placed on a list for reemployment shall be ranked in order of longevity of employment with the City prior to layoff Placement shall be ahead of all other names thereon appearing. Persons laid off pursuant to these rules shall be certified to all position vacancies subsequently occurring, and for which they are qualified.

The appointing authority shall give first consideration to re-employable eligibles before interviewing or considering alternative appointees. The Personnel Officer shall make a reasonable effort to assist all employees eligible for re-appointment to achieve a job opportunity with the City, or an alternative employer.

E. Layoffs of Temporary Employees:

Layoffs of temporary employees need not be in accord with the provisions of this rule because temporary employees serve at the pleasure of the appointing authority. Temporary employees may be separated from City service at any time by order of the appointing authority.

Section 9-5: ABOLITION OF POSITION:
Whenever, in the judgment of the City Council, it becomes necessary the City Council may abolish any permanent, part-time, or temporary position. Employees transferred, laid off, or demoted because of abolition of positions shall receive written notice of such fact but shall not be subject to written charges, nor shall they have the right of appeal in such cases. When a position is abolished, every effort should be made to transfer the affected employee to a comparable class.

Section 9-6: RESIGNATION:
An employee voluntarily terminating City service in good standing shall file with the appointing authority a written resignation stating the effective date and reasons for leaving. Such notice shall be filed at least two (2) weeks before leaving the service, unless such time limit is waived by the appointing authority or City Manager. Such resignation and other pertinent information shall be forwarded to the Personnel Officer. Failure to give written notice as required by this rule may be cause for denying any future employment by the City.

Section 9-7: RETIREMENT: The City is a member of the Public Employees' Retirement System (PERS) administered and staffed by the State of California under applicable statute. Retirement benefits for member agencies are financed in part by the employee and part by the City. The amount paid is based upon salary and class to which the employee is assigned (safety or miscellaneous).

Application for retirement may be made on the appropriate forms furnished by the Personnel Officer. Information dealing with eligibility and benefits should be obtained in advance of filing an application for retirement.

In cases where employees may incur job-related injury or illness which prevents full performance of required duties, eligibility for disability retirement may be possible. Such disability may be for partial or full disability. The amount is judged by the appropriate state agency. Application for disability retirement shall be made on the forms provided by the Personnel Officer. The City Manager is authorized to approve members' applications for disability retirement processed to the state.

~~Section 9-8: VOLUNTARY REDUCTION:~~

~~With the approval of the appointing authority and the Personnel Director, an employee who has achieved permanent status at a lower level in the City service, or who meets the employment standards for any lower level in the City service, may voluntarily reduce to that level. Employees who wish to voluntarily reduce to a lower level position shall submit a request in writing to their appointing authority. Voluntary reductions are not considered disciplinary actions.~~

## RULE ~~I~~XIII
## REPORTS AND RECORDS

Section ~~10~~13-1: ~~ROSTER~~ PERSONNEL ~~CARD~~RECORDS~~:~~

The Personnel Officer shall maintain a service or ~~roster card~~ personnel record for each employee in the ~~competitive~~ service of the City showing the name, title of position held, the department to which assigned, salary, changes in employment status, and such other information as may be considered pertinent. Such records are the official personnel records of each employee.

An employee's personnel file may be examined by the City Manager, the City's legal representatives, the Human Resources Manager, the employee's Department Head, and those individuals authorized by the City Manager or the Personnel Officer.

Employees have the right to examine any portion of their personnel file after submitting a written request. Employees also have the right to file a written exception to anything found in their personnel files. Employees who wish to receive their personnel files should submit a written request to the Personnel Officer or designee. In accordance with the provisions of this Rule and state law, all documents in the possession of the City about an employee may not be available to the employee for review.

Unless otherwise required by law, the only information from the employee's personnel file which may be publicly released is: Employee's name; positions held including job descriptions; salary range and other general terms or limits of compensation; and dates pertaining to the employee's employment.

Section 1~~0~~3-2: PERSONNEL ACTIONS~~:~~

Every appointment, transfer, promotion, demotion, termination, change of salary rate, and any other temporary or permanent change in status of employment shall be reported to the Personnel Officer in such manner as may be prescribed, no later than one (1) week before the end of the pay period affected by the change, or the change may not be made until the next pay period.

Section 1~~0~~3-3: ABSENCE REPORT~~:~~

An absence report is to be completed for any absence, and signed by the supervisor and/or department head. This form is to be forwarded to the Personnel Officer for filing in the appropriate file.

Section 13-4: MEDICAL RECORDS

An employee's medical records shall be segregated and stored separately from the rest of the personnel file and maintained in confidentiality in accordance with applicable state and federal

law. The City Manager, the City's legal representatives, Human Resources Manager and Department Head (if necessary) are authorized to access such medical information on a case-by-case basis only as authorized by state or federal law. All persons with such authorization shall maintain such information according to the same standards of privacy and protection from unauthorized access as is maintained by the Human Resources Manager. Violations of this policy may result in discipline, up to and including dismissal from employment. Nothing in this policy is intended to extend or expand the scope of employee privacy rights beyond the limits of existing law.

Section 13-5: RECRUITMENT RECORDS

Records gathered during any recruitment process shall be filed and maintained in confidentiality. The City Manager, the City's legal representatives, Human Resources Manager, and Department Heads are authorized to access such records. All persons with such authorization shall maintain such information according to the same standards of privacy and protection from unauthorized access as is maintained by the Human Resources Manager. Violations of this policy may result in disciplinary action, up to and including dismissal from employment. Nothing in this policy is intended to extend or expand the scope of employee or applicant privacy rights beyond the limits of existing law.

Section 13-6: PAYROLL RECORDS

The Finance Director shall maintain such records that are necessary for payroll and retirement system purposes. The Human Resources Director, City Manager, the City's legal representatives, or persons authorized by the City Manager, may inspect such records from time to time in fulfilling his/her duties including, but not limited to, the purpose of administering these rules.

Section 13-7: CHANGE OF EMPLOYEE STATUS OR INFORMATION

It is the responsibility of each employee to notify the Human Resources Manager, within five (5) business days of any change in the employee's withholding status, home address, telephone number, name or other such information (e.g. marriage, divorce, change in number of dependents, etc.) that might affect the City payroll records and/or other employee benefits such as health and dental insurance benefits, except as otherwise specified by City policy or applicable law.

Section 13-8: DEPARTMENT RECORDS

Each department may keep and maintain such working and supervisor records as may be deemed necessary for the purpose of carrying out the provisions of these rules and the functions of the department. The Department Head and supervisor shall make available to the Personnel Officer or designee all department reports, records and documents dealing with personnel matters as are appropriate. Such department records are considered confidential records.

Section 13-9 PERSONNEL FORMS~~:~~

The Personnel Officer shall maintain and furnish to all departments, as needed, a supply of forms to comply with these rules.

Section 13-10: DESTRUCTION OF RECORDS

All records relating to personnel, including correspondence, applications, examination reports, and all other personnel records, may be destroyed pursuant to applicable ~~the~~ laws ~~of the State of California~~ and the City's Retention Policy as it may be adopted and amended by the City Council.

## RULE XIV
## PERFORMANCE EVALUATIONS

### Section 104-41: EMPLOYEE PERFORMANCE EVALUATIONPOLICY AND PURPOSE OF EVALUATIONS:

Employees in

probationary positions shall receive a written performance evaluation by their supervisors every three (3) months until they become permanent or are terminated. It is the policy of the City that regular reports shall be made on all employees regarding efficiency, competency, conduct and merit. The responsibility shall be borne by the City Manager, the department directors, and their subordinate supervisors. It shall be the responsibility of the Personnel Officer or designee to provide and prescribe the forms and procedures to be used in such performance reports and to assist in the training of supervisory personnel, so that performance reporting will be carried out in a sound, effective and timely manner.

Performance evaluations are an important part of the City's personnel policies. They provide an objective, consistent, and fair way to gauge each employee's on-the-job effectiveness. The evaluation process should inform employees of their standing and communicate expected standards of performance. It is also used to discuss City and department goals, employee goals, work standards, areas where improvement is needed, career development potential, and possible opportunities.

### Section 14-2: TIMING OF PERFORMANCE EVALUATIONS

During the Employees in
probationary period, an employee will be evaluated positions shall receive a written performance evaluation by their supervisors every three (3) months and prior to acquiring permanent status in a classification. Thereafter, every employee will be evaluated every twelve (12) months. However, evaluatesions for safety employees shall be made to coincide with the end of a training element or change of shift or division.

An employee may also be evaluated at any time at the discretion of the department head or when the performance of the employee has been rated as or below "Needs Improvement" on their most recent evaluation.

### Section 14-3: EVALUATION PROCEDURES
until they become permanent or are terminated.

Every employee shall receive not less than one evaluation annually. Such an evaluation shall be completed prior to the advancement to pay steps within a salary range and at least annually thereafter. Evaluation shall be completed on forms approved for that purpose by the Personnel Officer. Department heads shall be evaluated in a manner and in a form, and at a frequency as may be determined by the City Manager. Whenever, in the opinion of a supervisor, an evaluation of an employee is required other than at regular intervals, a written evaluation shall be made by the

~~supervisor. All evaluations shall be reviewed by the employee affected and signed by the supervisor.~~

~~Upon completion of the evaluation, the employee shall sign said evaluation to indicate receipt and its discussion with the designated supervisor. The evaluation shall be reviewed by the department head, a copy sent to the employee, and the original filed with the Personnel Officer.~~

After completion of the evaluation and discussion with the employee affected, the employee shall sign said evaluation to indicate receipt and its discussion with the designated supervisor. The evaluation shall be reviewed and signed by the department head, a copy given to the employee, and original filed with the Personnel Officer.

Within three working days after receipt of the performance evaluation, an employee may, at ~~his/her~~their discretion, submit written comments in response to the evaluation. Said comments shall be submitted to the employees designated supervisor, reviewed by the department head, and the original filed with the Personnel Officer for attachment to the performance evaluation.

Section 14-4: LESS THAN MEETS MINIMUM REQUIREMENTS RATINGS

An employee who receives an overall performance rating of less than meets minimum requirements should be rated at a more frequent interval, as provided in these Personnel Rules.

An employee who receives an overall rating of less than meets minimum requirements shall not be eligible to participate in any promotional examinations until at least an overall meets minimum requirements rating has been established.

An employee who receives an overall rating of less than meets minimum requirements shall not be eligible for any salary step advancement until an overall rating of at least meets minimum requirements has been established.

Section 14-5: CONSIDERATION FOR PROMOTION

In promotional examinations and selection of employees, past performance evaluations shall be given consideration.

Section 14-6: NON-APPEALABLE

Employees may attach a reasonable amount of rebuttal material to any evaluation with which they disagree. Written statements in response to an evaluation must be submitted within fourteen (14) days of when the evaluation is provided to the employee in order to be included with the evaluation in the employee's personnel file. Evaluations are not subject to any form of appeal or grievance.

~~Section 10-5: PERSONNEL RECORDS AND FORMS:~~
~~The Personnel Officer shall maintain and furnish to all departments, as needed, a supply of forms to comply with these rules. The Personnel Officer shall also maintain a file of personnel records relating to each active position in the City service. An employee may inspect records pertaining to their own employment at any time during working hours but may not reproduce, remove, or alter any records without consent of the Personnel Officer. Public access to the same records is subject to written consent of the employee.~~

## RULE XV
## EMPLOYEE EXPECTATIONS AND CONFLICTS OF INTERESTS

### Section 15-1: GENERAL POLICY~~:~~

Employees of the City are required to discharge the duties and responsibilities of the positions with professional integrity, regardless of personal considerations. Employees are expected to recognize that the public interest is their primary concern. The conduct of City employees in their official capacity must be beyond reproach. The Personnel Officer is authorized to establish such lawful policies, procedures and guidelines that regulate the conduct of employees in support of this objective and which are consistent with the City's Code of Ethics Relating to Administration.

### Section 15-2: EMPLOYEE EXPECTATIONS~~:~~

No City employee shall engage in any act which is in conflict, or creates an appearance of unfairness or conflict, with the performance of official duties. To meet the standards set forth in this policy, employees must:

A. Disclose all financial interests which may constitute a conflict of interest with official duties, ~~and~~ including disclosure of the nature and extent of any personal interest in any business entity engaging in any transaction with the City as required under the City's conflict of interest resolution. An employee is participating in any City decision which could affect his or her personal or financial interests in violation of the City's conflict of interest resolution.

B. Refuse to accept gifts, gratuities, favors, services or promise of future benefit from any person, firm, entity or corporation doing business with the City, where such gift, gratuity favor, service or promise could compromise independence of judgment or action as a public official or employee. Employees should disclose any offer of gift, favor, service or promise to their supervisor immediately.

C. Refrain from engaging in activities or employment that may appear to be, or are incompatible with public duties, whether on or off duty. Employees of the City should not become involved or affiliated with any agency or entity that receives funds from the City, either directly or indirectly, whether that association or affiliation may create a conflict of interest, or an appearance of a conflict of interest or impropriety.

D. Refrain from disclosing, promulgating, using, or validating information concerning City government or other employees and officials which is confidential, or protected without prior authorization, confidential information concerning property or affairs of the City to advance a private interest with respect to any contract or transaction which is or may be the subject of official action of the City.

E. Refrain from using any City funds or property for personal or private gain. Employees must be absolutely honest in all dealings, in whatever capacity, with City funds, properties or facilities

F. Refuse to represent private interests before government agencies in any matter in which the City is a party, or in which the employee's official position with the City is, or may be, a consideration in or influence the decision of such agency on the matter before it.

G. Comply with the provisions of the Political Reform Act, as regulated by the Fair Political Practices Commission, or any other state or federal laws governing conflict of interest matters.

Section 15-3: GIFTS ON BEHALF OF THE CITY÷

The City Manager or designee is permitted to accept a gift, gratuity, or favor on behalf of the City and may distribute such gift, gratuity, and favor as deemed appropriate to City employees and elected officials in accordance with Fair Political Practices Commission regulations, the City's Code of Ethics, and any other applicable City policy, rule or regulation.

Section 15-4: USE OF PUBLIC PROPERTY

÷

No employee of the City shall request, use, or permit the use of City-owned vehicles, clothing, equipment, materials, or other property for unauthorized personal convenience, for profit, for private use, or as part of secondary employment. City property is to be used solely for the purpose of conducting official City business.

Section 15-5: POLITICAL ACTIVITIES÷

Employees are prohibited from using City time or property in any manner for any of the following reasons: to promote any political issue or candidate; to solicit funds for any political purpose; or to influence the outcome of any election.

No employee shall be eligible for appointment or election to any public office (including appointment to a City Board, Commission or Committee) when the holding of such office or position would be incompatible or would substantially interfere with the discharge of official duties.

Section 15-6: OUTSIDE EMPLOYMENT÷

Employees may hold outside employment if it is determined such employment will not interfere with the satisfactory performance of their City duties. The determination if outside employment will interfere with City duties shall be made by the department head with the approval of the City Manager. The following is offered as a guide to department heads in evaluating requests for outside employment:

A. The outside work must not interfere with the employee's effectiveness in his/her City position. Consideration should be given to the number of hours worked outside, the location of the outside employment, and the nature of the duties involved.

B. The outside work must not leave the employee tired or subject to injury in his/her regular position with the City.

C. The outside employment must be such that no conflict arises as to municipal responsibility for an injury incurred in the outside job.

D. The public relations effect of outside jobs should be considered, as well as potential conflicts of interest.

E. The employee must not accept payment for work, which he/she would normally perform as a City employee.

F. An employee may not perform work, which may later be inspected, audited, or reviewed by another City employee.

G. The Department Head with approval of the City Manager may disallow outside employment at any time if it is interfering with the employee's satisfactory performance of City duties. Employees will have three weeks to terminate outside employment if requested by the Department Head or disciplinary action may be taken.

In order to ensure that such outside employment is not detrimental to the City or is not a conflict of interest, any employee holding or intending to hold outside employment shall complete a~~n~~ written request seeking approval for outside employment. This written request must include the name and address of the business for whom the employee will work, the nature of the work, and the work hours and time. Written requests should be submitted to the department for approval, which will then forward the request to the Human Resources Department for review. If approved, written requests for outside employment must be renewed by January 31st of every subsequent year.

The City Manager or designee is responsible for implementing regulations and procedures for reporting and requesting approval for any outside employment. An employee who engages in any outside employment without written authorization, or who performs work that exceeds the scope of a written authorization, is subject to discipline, up to and including termination. The City Manager or designee may revoke any authorization to engage in outside employment in the City Manager's sole discretion.

Outside employment is defined to mean any employment, activity or enterprise outside of an employee's normal City working hours wherein the employee is compensated for specific hours or duties on a regular basis. Outside employment does not include sporadic employment or occasional employment unless the employee is required to perform work related to his/her position with the City or utilize any City owned/controlled facilities, equipment, information, records, supplies, and/or uniforms.

## RULE XV~~I~~I

## COMPENSATION

Section 1~~3~~6-1: PREPARATION OF PLAN~~:~~

The Personnel Officer shall prepare, for adoption by the City Council, a pay plan covering all classes of positions in the competitive service. No person may be paid less than the minimum, nor more than the maximum of the salary range established for the class in which employee is employed. No change in the salary range of a class may be made without City Council approval. Such plans shall be reviewed annually in conjunction with the adoption of the annual budget. ~~or in accordance with the requirements of Meyer-Milias-Brown.~~

Section 1~~6~~3-2: ADOPTION OF PLAN~~:~~

The pay plan shall be adopted and may be amended from time to time by action of the City Council. At the time of consideration, any interested party may appear and be heard. Amendments and revisions to the plan may be suggested to the City Council by filing in writing a request for change and filing same with the City Clerk through the Personnel Officer.

~~Section 13-3: PROCEDURE TO RECEIVE COMPENSATION:A timecard or department report showing payroll information including hours of work, time off, and special compensation shall be submitted to the Finance Office by the appointing authority for each employee no later than 12:00 noon the first work day after the end of the pay period, which is every other Monday, excepting holidays. Paychecks will be distributed by the Friday following the end of the pay period.~~

Section 1~~6~~3-~~4~~3: ~~APPLICATION OF RATES:~~PLACEMENT ON AND ADVANCEMENT THROUGH THE PLAN

A. New employees shall be paid at the first step of the salary range for the employee's classification. The City Manager may authorize original appointment ~~or reinstatement~~ at other than the minimum step shown in the pay plan.

~~SALARY CHANGES:~~

B. No salary change shall be authorized which would exceed the maximum rate established in the pay plan for that class.

C. ~~Changes~~Advancement within the salary range shall not be automatic, but shall be based on ~~a~~ merit as established by the employee's performance ~~increase that is dependent upon the service value of an employee to the City as exemplified by~~and

requires the recommendations of the appointing authority , length of service, performance record, special training undertaken, or to other pertinent evidence within the policy established by the pay plan and subject to the approval of the City Manager.

D. As a general practice, eligibility for step advancement consideration will be as follows:

For employees who are appointed or promoted to a regular permanent position, the eligibility date for step advancement consideration will be the day following the after completion of six (6) months service at such step. Thereafter, the eligibility date for step advancement will be the day following theafter completion of twelve months continuous service at such step.

Exceptions to the general practice time limits may be considered by the Personnel Officer and City Manager if, in their opinion, sufficient justification has been submitted by the appointing authority. Except in cases of promotion, all salary adjustments shall become effective on the first day of the payroll period that includes the effective date of the action, unless otherwise specified in these Rules, official City policy or an applicable memorandum of understanding. Salary adjustments due to a promotion shall become effective on the first day of appointment in the promoted position.

Employees who are eligible for a 6th step (or 7th step for members of the Fireman's Association and Safety Management) as provided in their MOU, shall be awarded said step upon reaching 15 years* of service, AND upon achieving the equivalent of 520 hours of accumulated sick leave for a 40-hour work week (or modified schedule) or 1120 hours of accumulated sick leave for a 56-hour work week. If an employee does not have the required hours upon the 15-year* service date, the step will be granted as soon thereafter as the required sick leave is accumulated. The percentage of the final pay step shall be determined within individual MOUs.

Upon being granted the final step, The employee shall no longer be eligible for Merit Payany further advancement on the salary schedule for the classification. .

Once an employee receives the final step, that level of pay will continue regardless of actual sick leave usage. If sick leave is used by an employee receiving final step, it will accrue at the normal rate, but still may not exceed stated maximums for sick leave accumulation.

In the event an employee is receiving the final pay step, and is promoted to a higher paying position, the employee will move to the pay step of the new position, which is at least 5% more than the current pay rate, and move through the step increases as outlined previously in this section of the Personnel Rules.

*POA members are required to reach 12 years of service to be eligible for the 6th step.

Section 16-~~54~~: SALARY UPON TRANSFER OR PROMOTION

A. A transfer of an employee shall not be cause for a change in salary.

B. The salary of an employee who is promoted shall normally be set at the lowest step of the range for the new class which results in an increase of no less than five percent (5%), unless limited by the maximum salary range. The promoted employee's anniversary date for purposes of any future salary step increase shall be established as the effective date of the promotion.

Section 16-~~65~~: SALARY UPON RECLASSIFICATION

A. If an employee's position is reclassified to a class with a higher salary range than the previous class, the employee's salary shall be determined in the same manner as if the employee had been promoted.

B. If the salary of a reclassified employee is the same or less than the maximum of the salary range of the new class, the salary of the employee shall not change; provided, however that the employee shall not receive less than the minimum salary established for the class to which reclassified.

C. If the salary of a reclassified employee is greater than the maximum of the range of the new class, the salary of the employee shall be designated as a "Y" rate and shall not change during continuous City service until the maximum of the salary range to which the class is assigned exceeds the "Y-rate" salary of the employee.

Section 16-~~76~~: COMPENSATION FOR TEMPORARY ADDITIONAL RESPONSIBILITY

In every City department, subordinate employees may be assigned to temporarily assume the duties of a higher-level position due to a temporary absence of an incumbent. This provides training opportunities to help qualified employees to successfully compete for future promotion. Acting as relief for a lengthy period of time and assuming the duties of a higher-level position should be recognized by added compensation since a higher level of continuing responsibility is involved.

Whenever a subordinate employee acts as relief for a superior for more than six (6) consecutive working days, the employee will receive a temporary upgrade or acting pay allowance equal to five (5%) of their base pay. This temporary upgrade pay shall become effective on the seventh (7th) working day of the temporary assignment and shall be retroactive back to the first day of the assignment. Upon returning to the responsibility of his/her normal position, the salary allowance will be discontinued. In order for this temporary salary allowance to be granted, the following requirements must be met:

a. The assignment must be made in writing by the City Manager or designee;
b. The employee must be assigned to perform a significant majority of the duties of a budgeted position in a higher paid classification; and
c. The employee must be assigned to and perform the duties of the higher level classification

for more than six (6) consecutive work days.

This section shall not apply to temporary, department head or mid-management personnel, except as determined individually by the City Manager. This section also shall not apply to an "out of class appointment" that is made due to a vacancy for which the City is conducting a recruitment.

# RULE XVII
## ATTENDANCE, HOURS OF WORK, OVERTIME AND EXPENSES

### Section 17-1: WORK SCHEDULE

All employees shall be assigned a regular work schedule as required by the needs of the City. The work schedule for each Department will be established by the Department Head with the approval of the City Manager or designee. The work hours for each employee will be scheduled by the Department Head or designee. Typically, employee work schedules are comprised of five (5) eight (8) hour shifts in a seven (7) day period.

When the efficiency of City services is benefited by variations to the "5/8" work schedule, Department Heads are authorized to prescribe such variations after meeting and conferring regarding the impacts of the work period change with the appropriate recognized employee organization. Except as provided for public safety employees, variations shall not exceed forty (40) hours in a consecutive seven (7) day period.

Except in cases of emergency, the City shall give employee's five- (5) calendar day's notice prior to changing their regular work schedule.

### Section 17-2: ATTENDANCE

Employees shall be in attendance at work during their regular hours of work and shall not absent themselves during working hours for any reason without prior approval of their supervisor. Failure to obtain approval for an absence may be grounds for disciplinary action, up to and including termination.

### Section 17-3: PROCEDURE TO RECEIVE COMPENSATION:

All employees are required to submit accurate and complete time records. Each employee shall sign his/her time sheet verifying the hours worked. It is the responsibility of the employee to make certain his time sheet has been filled out correctly before submitting. The employee's supervisor shall verify and approve each employee's accumulated hours of work prior to submitting to the payroll division for payment.

Employee timecards showing payroll information including hours of work, time off, and special compensation shall be submitted to the Finance Office by the appointing authority for each employee no later than 12:00 noon the first work day after the end of the pay period, which is every other Monday, excepting holidays. Paychecks will be distributed by the Friday following the end of the pay period. Records of hours worked, vacation time, compensatory time, sick leave, and holiday accumulated and used, shall be kept by the payroll division.

### Section 17-4: WORK WEEK OR WORK PERIOD

The workweek for the City begins at 12:01 a.m. on Saturday and ends 7 days later at midnight on the following Friday. Employees assigned to work an alternative work schedule may have an alternative workweek as designated by the City Manager or the Human Resources Manager. The work period for employees engaged in law enforcement activities shall be a 14-day consecutive period unless otherwise provided in an appliable MOU. The work period for employees engaged in fire protection activities shall be a 14-day consecutive period unless otherwise provided in an applicable MOU.

Section 1~~0~~73-56: OVERTIME~~:~~

It is the policy of the City that overtime work is kept to a minimum and shall be authorized in advance by an employee's Department Head or designee. Overtime eligible employees are not permitted to work overtime except as authorized and approved. Overtime shall be assigned by the Department Head or designee to meet essential operating needs.

Working overtime without advance approval is a violation of these rules and grounds for discipline, up to and including termination. Employees are expected to report all hours worked in a work-reporting period.

Overtime is compensated at 1.5 times the employee's regular rate of pay, as defined under the Fair Labor Standards Act ("FLSA"). All overtime entitlements shall be computed to the nearest tenth of an hour (6 minute increments). Employees will be compensated for overtime in accordance with the FLSA.

An employee's eligibility to receive overtime compensation for services performed shall be determined in accordance with the FLSA. Those employees who are classified as "exempt" under the FLSA shall not be eligible to receive overtime compensation.

Section 17-6: ~~A. Overtime Rates:~~

~~Except for employees in management classes, overtime pay is earned at time and one-half for all employees and shall be granted except as otherwise provided. Overtime shall be earned for each hour or portion thereof, but at least one full quarter hour at one time, worked over a regularly scheduled work week. All overtime earned shall be paid in each regular pay period, except as otherwise provided herein. Overtime is not earned for the additional hour in connection with the changeover from daylight savings to standard time. Conversely, time is accounted as standard for the hour when standard time changes to daylight savings time.~~

~~B.~~ COMPENSATORY TIME OFF~~:~~

An overtime eligible employee may opt to receive compensatory time off ("CTO") in lieu of cash payment for overtime worked if the employee's Department Head agrees prior to the overtime work being performed. CTO accrues at a rate of 1.5 hours for each hour of overtime actually worked. Unless provided in a memorandum of understanding, no more than forty (40) hours of compensatory time off may be accrued by an employee

Employees may use CTO only upon the approval of the Department Head or designee. An employee's request to use accrued CTO will be granted provided that: (1) the Department can accommodate the use of CTO on the day requested without undue disruption; and (2) the employee submits the request to use CTO at least five (5) business days prior to the date of requested usage. If the employee does not provide at least five (5) business days notice or the department cannot accommodate the requested time off, the City will provide the employee with the opportunity to select another day for usage of the CTO.

The City reserves the right to cash out accumulated CTO at any time. During employment CTO is cashed out at the employee's current FLSA regular rate of pay. Employees separating from City service shall be compensated for all accrued, unused CTO hours at the higher of either: ~~-~~(1) the separating employee's current FLSA regular rate of pay; or (2) the average FLSA regular rate of pay for the prior three years. ~~With prior authorization from the appointing authority, employees may elect~~ to reserve up to forty (40) hours compensatory time off in lieu of direct pay.~~

~~Earned rate shall be at time and one-half, and any time earned over forty (40) hours shall be paid at the applicable overtime rate. Compensatory time off shall be used in accord with Section 12-1 (H).~~

~~C. Overtime Authority:~~

~~Permission to work overtime must be granted by the appointing authority or the City Manager prior to overtime being worked. No overtime, except emergencies, may be authorized unless funds have been budgeted for that purpose. All emergency overtime shall be reported to the City Manager and the City Council within one pay period after the performance of the work.~~

Section 1~~3~~7-7: REIMBURSEMENT FOR DAMAGED CLOTHING OR EQUIPMENT~~:~~

The performance of duty for the City may result in a loss or damage to clothing, equipment, or personal property of the employee. Reimbursement for such loss may be permitted by this section in accordance with the procedure set forth. Such reimbursement shall be over and above compensation set forth in the salary plan, uniform allowances, or other payments set forth in these rules.

Reimbursement must be claimed on forms approved by the Finance Director. Payment is subject to approval by the appointing authority, the City Manager, and demands authorized by the City Council. The claim must fully describe the incident leading to the loss or damage and show proof of purchase, replacement, or repair to support the amount claimed. Clothing will be replaced at new value only if purchase receipts are provided which reflect acquisition within thirty days prior to loss or damage. Unless otherwise provided in Memoranda of Understanding ~~of~~ or department rules, the value will be prorated on older items up to three years.

~~Section 13-8: COMPENSATION FOR TEMPORARY ADDITIONAL RESPONSIBILITY:~~

~~Any employee assigned to a higher management or supervisory position where there is a temporarily unfilled position for more than fifteen working days shall receive additional compensation of at least five percent (5%) over base pay. Such additional compensation terminates upon assumption of the duties by a regular employee to an open position.~~

~~All assignments of temporary additional duty shall be approved by the City Manager. Allowances beyond five percent (5%) may be approved by the Council upon a finding of special circumstances to warrant such special adjustment.~~

Section ~~13~~17-~~9~~8: REIMBURSEMENT OF EXPENSES~~:~~

The City shall provide full reimbursement for all approved expenses incurred in the performance of duties or required by the appointing authority. Such reimbursement is over and above compensation provided for in the salary plan for the assigned position or provided for in these rules. All employees, including elected officials, are eligible for this reimbursement when claimed

pursuant to this section. The City Manager or designee is responsible for establishing policies and procedures for reimbursement of approved travel related expenses.

~~A. Travel Expenses:~~

~~All expenses incurred in the performance of duties for the City and while on official business for the City are eligible for reimbursement pursuant to the following requirements:~~

~~1. Each trip must be separately approved by the City Manager. A separate claim is to be filed on forms approved by the Finance Director. Payment of such claims is subject to authorization by the appointing authority, the Finance Director, and authorization for payment of demands by the City Council for all employees except elected officials, City Manager, and City Attorney. The latter named exceptions are eligible for payment upon approval of funds by the Finance Director and approval of demands by the City Council.~~

~~2. Reimbursements will be made for the actual cost for travel expenses incurred in accord with the latest travel policy adopted by the City Council; provided, however, that lodging and commercial transportation costs shall be supported by itemized receipts. The claim form shall be an affidavit of true expense for those items not supported by a receipt. All employees shall use normal purchase procedures in advance of travel dates whenever possible, to permit accommodations and transportation to be paid directly by the City.~~

~~3. Expenses may be advanced for an approved trip in accord with the latest travel policy adopted by the City Council. The Finance Director is authorized to issue such advances with approval of the City Manager without need for approval by the Council. The Finance Director is further authorized to recover such advance as a deduction from salary if the trip is not made in the approved manner or purpose, if the advance is not already returned, or if the actual costs when reimbursed are less than the funds advanced.~~

~~4. With prior approval of the City Manager, use of private vehicles may be authorized when official travel is not by means of commercial transportation service. The authorized rate of reimbursement of travel costs when use of private vehicle is approved shall be that rate set by the Council. Such prior approval can be withheld and round-trip air fare may be paid in lieu of transportation costs when such air fare is deemed to be less than the cost of use of a private vehicle. In all cases the maximum air fare reimbursement is limited to coach fares to the nearest destination city.~~

~~B. Miscellaneous Expenses:~~

Purchase of supplies and operating equipment may be necessary from time to time at the expense of the employee. Such purchase must be approved by the appointing authority and the City ~~Manger~~Manager, and is limited to such circumstances or conditions where normal purchase procedures are not permissible or practical. Full reimbursement shall be claimed upon forms approved by the Finance Director and limited to appropriations authorized in the budget and approved by the Council for payment.

~~Section 13-10: PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS):~~

~~Permanent City employees shall be contributing members of PERS as appropriate for the class to which the employee is assigned, and in accordance with the regulations set forth by PERS. Other employees will become eligible for PERS membership in accordance with the regulations set forth by PERS.~~

~~Section 13-11: DEFERRED COMPENSATION: A deferred compensation program has been established which allows eligible permanent employees to participate in accordance with applicable rules and regulations.~~

## RULE X~~I~~VIII
## PROBATIONARY PERIOD

### Section 148-1: OBJECTIVE OF PROBATIONARY PERIOD~~:~~

The probationary period shall be regarded at a part of the testing and selection process and shall be utilized for closely observing the actual performance on the job and for securing the most effective adjustment of a new employee to City service.

### Section 148-2: PROBATIONARY PERIOD FOR REGULAR AND PROMOTION APPOINTMENT~~:~~

Every original appointment shall be subject to a probationary period of not less than twelve (12) months from the date appointed to the position, except for original appointments to sworn/safety positions in the Police and Fire service. The probationary period for original appointments to sworn/safety positions in the Police and Fire service shall be eighteen (18) months from the date of appointment.

Every promotional appointment shall be subject to a probationary period of not less than six (6) months from the date promoted to the position, except for promotional appointments in the Police and Fire service. The probationary period for promotional appointments in the Police and Fire service shall be twelve (12) months from the date of promotion.

Employees who transfer to another position in the same classification shall not be required to undergo a new probationary period in the position into which the employee is transferring, provided the employee has completed the probationary period for the classification at the time of transfer.

The probationary period of an employee who is absent from work, temporarily reassigned to work in another classification, or temporarily assigned to perform modified or light duty work will be automatically extended by the same amount of time as the absence or reassignment, so as to result in a probationary period of actual active duty in the regular position for the required length of time to complete the applicable probationary period, subject to applicable law.

~~The~~At the discretion of the appointing authority, ~~may extend~~ an employee's probationary period may be extended by up to six (6) additional months for a total maximum probationary period of eighteen (18) month for regular employees, except for appointments to sworn/safety positions in the Police and Fire service which may be extended to provide for a maximum probationary period of twenty-four (24) months. Notice to extend an employee's probationary period must be in writing from the appointing authority or designee and approved by the Personnel Officer. ~~Every employee serving a probationary period of twelve (12) months or longer shall receive a written performance evaluation at least every three (3) months during their probationary period. Every probationary employee serving a probationary period of six (6) months shall receive a written performance evaluation at least every two (2) months during their probationary period. Probationary employees maybe rejected at any time as provided in Section 11-3. If the employee~~

~~is to be retained in the position after completion of the probationary period, the appointing authority shall file with the Personnel Officer, prior to the end of the probationary period, a statement in writing to such effect and recommend retention of such employee on a permanent basis. If the probationer is to be rejected or the probationary period extended, the appointing authority shall file with the Personnel Officer, prior to the end of the probationary period, a written statement that the employee is to be rejected and not retained in the position.~~

~~Following a written request from the appointing authority and approval of the Personnel Officer, an extension of probation for promotional appointments may be made for any period of time not to exceed three (3) months. Only one extension may be authorized for any employee. Probationary periods for original appointments may be extended only if the employee is off from work due to a leave without pay or an injury on duty and then only for the actual time the employee was absent from work or unable to perform their regular duties.~~

Section 148-3: REJECTION OF PROBATIONER~~:~~

During the probationary period, ~~A~~a probationary employee may be rejected at any time by the appointing authority without right of appeal. Notification of rejection will result in termination of the probationer. Written notice of such rejection shall be served on the probationer with a copy filed with the Personnel Officer. An employee who is rejected during the probationary period has no right to appeal or grieve the decision to reject.

Section 18-4: REJECTION FOLLOWING PROMOTION

~~In addition, a~~A probationary employee who has previously completed their initial probationary period with the City and who is rejected from a promotional appointment during the probationary period for that promotional appointment ~~shall be counseled as to the reasons for the rejection. A probationary employee rejected from an appointment to a promotional position within City service~~ shall be reinstated to the original position from which the promotion occurred, unless charges are filed and the employee is discharged from City service. . Such return to a former position shall be without lose of vacation, sick leave and other rights and privileges.

Any employee appointed to a position who is replaced by a rejected probationer returning to such position shall be eligible for layoff procedures as provided herein.

## RULE XIX~~VII~~
## ~~ATTENDANCE AND LEAVES~~EMPLOYEE BENEFITS

### Section 19-1: PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)

Eligible City employees shall be contributing members of PERS as appropriate for the class to which the employee is assigned, and in accordance with the requirements set forth by PERS. Other employees will become eligible for PERS membership in accordance with the requirements of the Public Employees Retirement Law and the Public Employees Pension Reform Act and supporting regulations.

### Section 19-2: DEFERRED COMPENSATION

A deferred compensation program has been established which allows eligible permanent employees to participate in accordance with applicable rules and regulations.

### Section 19~~5~~-3~~1~~: OFFICIAL CITY HOLIDAYS~~:~~

Public offices of the City shall be closed on the following days except as otherwise provided herein:

1. January 1
2. ~~January 16~~Martin Luther King Jr. Day
3. ~~The third Monday in February~~President's Day
4. ~~The last Monday in May~~ Memorial Day
5. Juneteenth ~~19~~
6. ~~July 4~~Independence Day
7. ~~The first Monday in September~~Labor Day
~~September 9~~
8. ~~The second Monday in October~~Indigenous People's Day
9. ~~November 11~~Veteran's Day
10. Thanksgiving Day
11. The Friday immediately following Thanksgiving Day
12. ~~December 24~~ Christmas Eve ~~from 12:00 noon until closing, unless December 24Christmas Eve occurs on a Saturday, Sunday, or Monday, in which event this shall not be designated as a holiday; provided, however, that with consent from the appointing authority employees may choose an alternate one-half (1/2) day off per year in lieu of December 24.the previous business day will be recognized as the holiday.~~
13. ~~December 25~~Christmas Day

Except for Christmas Eve and Christmas, if~~If January 1, February 12, July 4, September 9, or December 25If~~ a holiday falls on a Saturday~~:~~, the holiday will be observed on the preceding Friday and if a holiday falls on a Sunday, it will be observed on the following Monday.

~~preceding shall be a holiday~~If~~;~~ Christmas Eve falls on either Saturday or Sunday, the holiday will be observed on the preceding Friday. If Christmas Day falls on Saturday or Sunday, the holiday will be observed on ~~if a holiday other than Christmas Eve any such day falls on a Sunday, the~~the following ~~following shall be a holiday~~.

Unless otherwise required by law or provided in a memorandum of understanding, salary and benefits resolution, or a written agreement approved by Council, employees will not receive pay for holiday time off or additional pay for working on an actual or observed holiday.

~~One additional day off per year shall be granted for each full- time employee in the competitive service; provided, however, such day shall be taken with the prior approval of the appointing authority. Such day shall be non-accruable and shall be taken prior to the last day of the last full pay period in the calendar year or forfeited.~~

Section 19-4: VACATION LEAVE~~:~~

Unless otherwise provided in a City Resolution, Memorandum of Understanding, agreement approved by the City Council, or applicable law, employees are not provided with paid vacation time off.

~~The purpose of annual vacation leave is to allow such permanent employees an annual break for the purpose of maintaining a good emotional and physical condition and to assist every employee in achieving a work break.~~

~~A. Entitlement to take vacation:~~

~~All employees in permanent positions shall be entitled to take vacation leave with pay. Vacation may be taken following completion of six (6) months service in a permanent position.~~

~~B. Computing vacation:~~

~~For the purpose of computing accrued vacation leave, permanent employees who are scheduled to work less than the number of hours established as full-time shall be credited with vacation on a prorated basis considering the number of hours worked. Vacation leave for permanent full-time employees shall be earned in accordance with the following schedule:~~

~~1. First Five (5) Years of Employment:~~
~~Eighty (80) hours per year, except Fire Department employees on twenty-four (24) hour shifts who shall earn 144 hours per year.~~

~~2. Six (6) to Ten (10) Years of Employment:~~

~~One hundred twenty (120) hours per year, except Fire Department employees on twenty-four (24) hour shifts who shall earn 168 hours per year.~~

~~3. From the Start of the Eleventh (11) Year of Employment: One hundred sixty (160) hours per year, except Fire Department employees on twenty-four (24) hour shifts who shall earn 224 hours per year.~~

~~C. Timing of Vacation:~~

~~The time when an employee may take vacation shall be determined by the department head with due regard for the wishes of the employee and particular regard to the needs of the service. An employee may elect to take all or part of earned vacation or may carry over to the next service year all or part of earned vacation as approved by the department head. If the requirements of the service are such that an employee cannot take part or all of the annual vacation in a particular year, such vacation should be taken during the next following twelve (12) months, at the discretion of the department head.~~

~~The total number of vacation hours which may be accrued at any time during a calendar year shall not be limited provided, however, the total number of vacation hours which the employee shall be entitled to carry over from one calendar year to the next, if he/she so desires shall be limited to the hours equivalent of thirty (30) working days. Thirty (30) working days is defined as 240 hours for personnel on 40 hour work weeks and 336 hours for fire personnel on a 56 hour work week.~~

~~This limitation shall be imposed on the last day of the last full pay period of the calendar year. Nothing in this section shall be deemed to allow any employee to be paid for any accrued vacation which is in excess of the hours equivalent of thirty (30) working days carry over limitation. Every employee shall be encouraged to take vacation every year and may be required by the department to take sufficient vacation to keep their vacation balance under the hours equivalent of thirty (30) working days limitation. Should an employee refuse to schedule or once scheduled, decide not to take vacation so that the vacation accumulation will exceed the hours equivalent of thirty (30) working days as of the last day of the last pay period in the calendar year, said employee shall have their vacation balance reduced to the hours equivalent of thirty (30) working days limitation and shall not be paid for hours in excess of the maximum. Should the department refuse to allow an employee to take vacation, and said employees vacation balance exceeds the hours equivalent of thirty (30) working days by the last day of the last pay period in a calendar year, said employee will be paid the cash equivalent of earned vacation over the hours equivalent of thirty (30) working days limitation which cannot be taken. Every employee shall be encouraged to take vacation every year. No person shall take vacation in excess of thirty working days without the written authority of the department head and City Manager.~~

~~D. Pay for Unused Vacation:~~

~~Upon termination from employment with the City, every permanent or probationary employee who has served the City six (6) months or more from his/her base anniversary date shall be paid for all unused vacation earned prior to said termination date. Payment for unused vacation shall be determined by the rate of pay for the position upon the date of termination.~~

~~E. Holidays During Vacation:~~

~~In the event one or more holidays falls within an employee's annual vacation leave, such holiday shall not be charged as vacation leave; provided, however, vacation shall be charged to those employees who receive regular holiday pay for such time.~~

~~F. Vacation as Sick Leave:~~

~~A permanent employee, or probationary fire or police employee employed for a period longer than six (6) months from the base anniversary date, may use vacation leave upon the exhaustion of accrued sick leave and compensatory time, where applicable.~~

~~An employee evaluation and change of status form, where applicable, shall be submitted to the Personnel Officer, along with the statement, not later than one week before the end of the probationary period.~~

~~Any probationary employee who is not rejected or whose probationary period is not extended by midnight of the last day of the probationary period is deemed to have completed his/her probationary period.~~

~~G. Partial Vacation:~~

~~Employees may use earned vacation time in increments of less than one day,subject to the approval of the appointing authority.~~

~~H. Requesting Vacation:~~

~~Vacation requests may be made at any time by an employee on the forms approved by the appointing authority. However, requests should be processed a minimum of ten (10) working days prior to start of vacation to permit proper planning of staff needs and work assignments. Vacation approval procedure may vary between departments to reflect staffing needs.~~

Section 19~~5~~-2~~5~~: SICK LEAVE - General~~:~~

Unless otherwise provided in these rules, a City Resolution, Memorandum of Understanding, agreement approved by the City Council, or applicable law, an employee will be provided with sick leave ~~as required by applicable law~~in accordance with the City's sick leave policy. The Personnel Officer or designee is responsible for developing and administering procedures to be

followed by employees when requesting or using any applicable sick leave benefits. ~~provided in this rule. Sick leave with pay shall be granted to all permanent and probationary employees in accordance with applicable law. Sick leave shall not be taken at the discretion of the employee, but shall be allowed only in case of necessity for personal sickness or disability, sickness in the immediate family, or pregnancy disability leavefor the reasons provided in this rule.~~

Section 19-6: Sick Leave – Regular Employees

Sick leave with pay shall be granted to all ~~permanent and probationary~~regular employees. Sick leave shall not be taken at the discretion of the employee, but shall be allowed only in case of necessity for personal sickness or disability, sickness in the immediate family, ~~or~~ pregnancy disability leave, or as otherwise required by law.

~~Computing~~ Accrual of Sick Leave:

A. Unless otherwise provided in a MOU, each ~~permanent or probationary~~regular employee shall earn sick leave at the rate of one (1) work day for each calendar month of service. A regular ~~permanent~~ employee who regularly works less than the number of hours established as full-time shall be credited with prorated sick leave based on the number of hours worked per month. For purposes of computing sick leave provided under this Rule, a ~~work day~~workday shall be considered as one-fifth (1/5) the number of working hours in the established work week for each employee.

Use of Sick Leave:

B. To receive authorized use of sick leave, each employee unable to work because of personal or immediate family sickness/disability or otherwise qualifying reason is responsible for notification to the appointing authority. In the absence of the appointing authority, the Personnel Officer shall be notified. Such notice may be verbal and made by the employee unless unable to do so. Such notice is to be made prior to or within one hour of the assigned start of work whenever possible. Illness or injury on the job which requires leaving the work location shall be reported to the appointing authority as soon as possible. Failure to comply with these notice requirements will result in time absent from work charged as absent without authorized leave and without pay. The appointing authority, City Manager, or Personnel Officer may require a signed statement from the employee's physician, practitioner, or other professional person certifying the reasons for any sick leave absence. In the event the employee is not attended to by a professional person, an affidavit must be filed by the employee reporting the reason for absence, length of absence, and means of assistance utilized to deal with absence cause. Failure to comply with these requirements will result in time absent from work being charged as absent without authorized leave and without pay. All certificates of absence shall be filed with the Personnel Officer at the time of return to work.

C. The appointing authority may require a sick leave physical as a condition of returning to work after use of sick leave. Such sick leave physical shall be scheduled prior to return to work and the certificate of the attending physician

authorizing return to work shall be received by the appointing authority prior to re-employment commencement. Each physical ordered hereunder shall be paid for by the City. If a certification of work return is not issued, sick leave shall be continued until exhausted. The certificate of the physician is to be filed with the Personnel Officer.

D. As a general rule, not more than five (5) days sick leave each calendar year should be taken in case an employee's presence is required elsewhere because of sickness, death, or disability of members of the immediate family. The immediate family or designee shall be defined in accordance with applicable law. In each case, sick leave shall be granted when it is the opinion of the department head that the relationship of the sick or disabled person to the employee and the circumstances applicable to the case justifies sick leave approval.

Pay for Unused Sick Leave:

E. Unused sick leave may be accumulated and payment for portions of accumulated but unused sick leave will be made as follows:

-1.

2. Retiring Personnel: Any permanent employee retiring from City service shall receive, in addition to any other retirement benefits, payment of sick leave as described in the designated Memorandum of Understanding,

32. Termination After Ten Years: Any regular employee leaving the City service after ten years of satisfactory service from the base anniversary date shall receive, in addition to all other eligible payments, an amount equivalent to one-half (1/2) of accumulated sick leave earned during service with the City which has not been used up to a maximum of 260 hours.

3.

4. Personnel Who Die While iIn Active Service: —The estate of any permanent employee who dies while in active service shall be paid an amount equivalent to three-fourths (3/4) of all accumulated sick leave such employee has earned during service with the City which has not been used until the date of death, . Oor as otherwise stipulated in the corresponding MOU. Unless otherwise provided by law, Payment payment made in on behalf of the deceased pursuant to this section shall be paid to any person so designated in writing by the employee or the heirs of the employee. Such statement must be filed with the Personnel Officer.

For the purpose of this section, the amount equivalent to accumulated sick leave shall be determined by applying the most recent approved rate of pay for the position of the employee to the accumulated sick leave.

Section 19-7: Catastrophic Leave Bank

A. Eligibility: Eligible employees will be able to donate and receive donations of paid leave to be included in their sick leave balance for employees who are:

1. Regular full-time employees;
2. Have sustained or have an immediate family member who has sustained a life-threatening or debilitating illness, injury or condition which may require confirmation by a physician;
3. Have exhausted all accumulated paid leave, including vacation, sick leave, PTO, and/or compensatory time off;
4. Be unable to return to work for at least a total of 30 days in a calendar year or in the case of the condition affecting the immediate family member, that member must be in need of prolonged and significant personal care (leave may be intermittent); and
5. Conformed with the requirements of the Family Medical Leave Act and/or Worker's Compensation.

~~SECTION 15.3.1: BENEFITS~~Benefits:

B. Accrued sick, vacation, PTO and compensatory time off hours donated by employees will be converted to sick leave and credited to the Catastrophic Leave Bank (CLB) as sick leave time on an hour-for-hour basis and shall be paid at the rate of pay of the receiving employee. For as long as the receiving employee remains in a paid status, seniority, and all other benefits will continue. The total leave credits received by an employee will not normally exceed 6 weeks. However, if approved by the Department Head and the Human Resources Manager or ~~his/her~~ designee the total leave credits may be extended on a case-by-case basis, subject to review by the City Manager or designee.

~~SECTION 15.3.2: PROCEDURE~~

Procedures:

C.

The recipient employee submits a written request to the Human Resources Department to initiate the process. This can be done via email. An established form needs to be completed by the employee requesting leave hours donation.

1.

The recipient employee is not eligible so long as they have any paid leave available; however, the request may be initiated prior to the anticipated date leave balances will be exhausted.

2.

Accrued sick leave, vacation leave, PTO, and compensatory time off may

be donated by any regular full-time employee who has completed his/her initial City probationary period. Donor information and the number of hours donated are confidential.

3.

4. Time donated will be converted from vacation, sick, compensatory time, or PTO to sick leave hours and credited to the CLB sick leave time on an hour-for-hour basis and shall be paid at the rate of pay of the receiving employee.

The total amount of time donated to the CLB shall not exceed forty (40) hours by an employee in a Fiscal Year.

5.

The total leave credits received by the employee shall not exceed 6 weeks or 240 hours; however, the City Manager may approve an extension up to 12 weeks or 480 hours total time.

6.

An employee cannot donate leave hours that would reduce his/her sick, vacation balance, or PTO hours to less than 120 hours each.

7.

Donations of sick, vacation, PTO and/or compensatory time shall be made in increments of full hours. Donations are irrevocable. Unused hours remaining when the recipient returns to work or terminates employment will be returned to the CLB. The Recipient will not retain any sick leave hours donated after they return to work or separate from employment.

8.

Donating employees must complete the Catastrophic Leave Donation Request Form.

9.

Requesting employee must complete the Catastrophic Leave Application/Request Form stating the specific reasons why the employee is requesting additional paid leave from the CLB. This information will remain confidential.

10.

11. Under all circumstances, time donations received for the employee are forfeited once made by the employee making the donation.

~~A. Computing Accruing Sick Leave:~~

~~Each permanent or probationary employee shall earn sick leave at the rate of one (1) work day for each calendar month of service. A permanent employee who regularly works less than the number of hours established as full-time shall be credited with prorated sick leave based on the number of hours worked per month. For purposes of computing sick leave, a work day shall be considered as one-fifth (1/5) the number of working hours in the established work week for each employee. Employees will~~

~~B. Use of Sick Leave:~~

~~Employees may use sick leave beginning on their ninetieth (90th) day of employment with the City. Employees using sick leave must use a minimum of at least 2 hours of sick leave. Sick leave hours used will be paid at the employee's regular rate of pay.~~

~~Employees may use sick leave when they need to absent from work for the following reasons:~~

~~1. For their own illness, injury or medical condition;~~

~~2. To attend to the illness or injury of the employee's spouse, child, domestic partner, parent, legal guardian or ward, sibling, grandparent, or grandchild. For purposes of this policy, time taken to care for a child, parent, sibling, grandparent or grandchild is not limited only to biological relationships, but also applies to those resulting from adoption, step-relationships and foster care relationships. Child includes an employee's biological child, the child of an employee's spouse or registered domestic partner and the child of a person standing in loco parentis. In addition to the family members listed, employees may designate a person for whom they would like to use sick leave at the time leave to care for that designated person is first requested. Once designated, an employee can change their designated person once in a calendar year. Employees requesting to make or change a designation should contact Human Resources.~~

~~3. Because the employee is a victim of domestic violence, sexual assault or staking and is absent due to: seeking medical attention or treatment; psychological counseling; obtaining services from a domestic violence shelter, program or rape crisis center; safety planning; or seeking judicial relief arising from domestic violence, sexual assault or stalking.~~

Notification

To be eligible to receive paid sick leave, employees must provide reasonable advance notice of a foreseeable absence (e.g., a doctor's appointment). When an employee requests to the use sick leave for an unforeseeable absence, the employee shall notify their Department Director or supervisor prior to the time set for reporting to work, or as soon as the employee is aware that he/she will be unable to report to work, including the reason for requiring such leave. Failure to reasonably provide notice, or otherwise comply with this Rule, may be grounds for denial of such leave with pay or disciplinary action.

Proof of Illness/Injury

The City has the right to determine by reasonable means and consistent with state and/or federal law, the validity of any sick leave usage by any employee, including requesting that an employee submit appropriate documentation in support of an employee's absence and use of sick leave..

If it is determined that an employee has engaged in the abuse of sick leave, the employee may be subject to disciplinary action, up to and including termination. Abuse of sick leave means the misrepresentation of the actual reason for taking sick leave, using sick leave for unauthorized purposes, failure to report or record sick leave, and may include chronic, persistent, or patterned use of sick leave.

C. Release to Return to WorkTo receive authorized use of sick leave, each employee unable to work because of personal or immediate family sickness/disability is responsible for notification to the appointing authority. In the absence of the appointing authority, the Personnel Officer shall be notified. Such notice may be verbal and made by the employee unless unable to do so. Such notice is to be made prior to or within one hour of the assigned start of work whenever possible. Illness or injury on the job which requires leaving the work location shall be reported to the appointing authority as soon as possible. Failure to comply with these notice requirements will result in time absent from work charged as absent without authorized leave and without pay. The appointing authority, City Manager, or Personnel Officer may require a signed statement from the employee's physician, practitioner, or other professional person certifying the reasons for any sick leave absence. In the event the employee is not attended to by a professional person, an affidavit must be filed by the employee reporting the reason for absence, length of absence, and means of assistance utilized to deal with absence cause. Failure to comply with these requirements will result in time absent from work being charged as absent without authorized leave and without pay.

An employee returning from the use of sick leave may be required to provide a statement/certification to Human Resources from their attending physician attesting to the employee's ability to resume work. If an employee is not released to full duty, the employee may be required to provide a written statement from his/her attending physician to Human Resourcesthat specifically defines the employee's functional limitations. The City may, when consistent with state and/or federal law, require a fitness for duty evaluation of an employee returning from sick leave employee. All certificates of absence shall be filed with the Personnel Officer at the time of return to work.The appointing authority may require a sick leave physical as a condition of returning to work after use of sick leave. Such sick leave physical shall be scheduled prior to return to work and the certificate of the attending physician authorizing return to work shall be received by the appointing authority prior to re-employment commencement. Each physical ordered hereunder

shall be paid for by the City. If a certification of work return is not issued, sick leave shall be continued until exhausted. The certificate of the physician is to be filed with the Personnel Officer. As a general rule, not more than five (5) days sick leave each calendar year should be taken in case an employee's presence is required elsewhere because of sickness, death, or disability of members of the immediate family. The immediate family shall consist of the spouse, children, parents, brothers, sisters, or other individuals whose relationship to the employee is that of a dependent. In each case, sick leave shall be granted when it is the opinion of the department head that the relationship of the sick or disabled person to the employee and the circumstances applicable to the case justifies sick leave approval.

CF. Pay for Unused Sick Leave:

Unused sick leave may be accumulated and payment for portions of accumulated but unused sick leave will be made as follows:

1. Active Employees: Any employee in the competitive service having in excess of one hundred (100) days of accumulated sick leave shall receive, semi-annually in addition to all other pay and allowances due, an amount equivalent to one-half (1/2) of all accumulated sick leave in excess of one hundred (100) days to the credit of the employee. Sick leave for which payment is made pursuant to this paragraph is no longer deemed accumulated. The remaining, unpaid portion of sick leave in excess of one hundred (100) days is dropped from the records as though not earned.

2. Retiring Personnel: Any permanent employee retiring from City service shall receive, in addition to any other retirement benefits, an amount equivalent to three-fourths (3/4) of all accumulated sick leave earned during service with the City which has not been used.

3. Termination After Ten Years: Any employee leaving the City service after ten years of satisfactory service from the base anniversary date shall receive, in addition to all other eligible payments, an amount equivalent to one-half (1/2) of all accumulated sick leave earned during service with the City which has not been used.

4. Personnel Who Die While In Active Service: The estate of any permanent employee who dies while in active service shall be paid an amount equivalent to three-fourths (3/4) of all accumulated sick leave such employee has earned during service with the City which has not been used until the date of death. Payment made in behalf of the deceased pursuant to this section shall be paid to any person so designated in writing by the employee or the heirs of the employee. Such statement must be filed with the Personnel Officer.

~~For the purpose of this section, the amount equivalent to accumulated sick leave shall be determined by applying the most recent approved rate of pay for the position of the employee to the accumulated sick leave.~~

# RULE XX
# LEAVES OF ABSENCES

## Section 20-1: GENERAL

The City will provide employees with those leaves that are required by law. The Personnel Officer or designee is responsible for developing and administering procedures to be followed by employees when requesting or using any leaves provided by applicable statutes.

## Section 2015-124: WORKERS' COMPENSATION:

The City provides Workers' Compensation benefits in accord with the applicable laws of the State of California.
Employees injured in the performance of their duties shall be eligible for all rights, privileges and compensations provided for under the City's workers' compensation plan. The Personnel Officer or designee is responsible for administration of the City's workers' compensation plan.
In order to receive benefits under Workers' Compensation, information must be provided promptly and accurately on the forms and in the manner provided.

## Section 1220-15-13: LEAVE FOR WORK RELATED INJURY OR ILLNESS:

### Safety Employees:

A. Any permanent or probationary employee designated as a safety member as defined in these rules who has suffered any disability arising out of and in the course of his/hertheir employment, as defined by the Workers' Compensation Laws of the State of California, shall be entitled to the period of such disability to a maximum of one (1) year or until retirement, whichever occurs first. During the period the employee is paid by the City, the employee shall assign or endorse to the City any benefit payments received as the result of the City's worker's compensation insurance coverage.

In the event that the payment received by the employee is not endorsed to the City, a payroll deduction for the amount of the payment will be made the payroll period following notification to the City by Worker's Compensation that the check has been issued to the employee. The City reserves the right to withhold payment of any disability benefits until such time as it is determined whether or not the illness or injury is covered by workers' compensation.

The benefits of sick leave and disability leave shall be mutually exclusive and no disability leave may be used for the purposes specified under Rule Ssection 12-2; no sick leave benefits may be used for the purposes specified under this Section.

These employees shall continue to accrue sick leave and vacation leave benefits and receive payment for holidays during the period of disability to a maximum of one (1) year or until retirement, whichever occurs first.

### B. OtherNon-Safety Employees

~~: When a non-safety member employee is absent from work due to an injury or illness arising out of or in the course of his/her employment, and for which the employee receives Workers' Compensation payment, the employee shall continue to receive a bi-weekly paycheck from the City in an amount not to exceed his/her standard rate of pay for a period of three (3) months from the date the work related injury occurred or the work related illness commenced in accordance with the following provisions:~~

~~1. Every check the employee receives from Workers' Compensation shall be endorsed over to the City for deposit in the salary account of the City during this three (3) month salary continuation period. In the event that the payment received by the employee is not endorsed to the City, a payroll deduction for the amount of the payment will be made the payroll period following notification to the City by Workers' Compensation that the check has been issued to the employee.~~

~~2. During the three (3) month salary continuation period, the employee's health benefits and retirement benefits shall be continued by the City. The employee shall accrue sick leave and vacation leave benefits during the time he/she is absent due to a work-related injury or illness and receives a bi-weekly paycheck from the City.~~

~~3. If the employee is still unable to return to work after this three (3) month period, the employee's accumulated unused sick leave benefits shall be integrated with his/her Workers' Compensation payment in the amount necessary to provide the employee's regular bi-weekly paycheck. Such integration shall continue until the sick leave benefit balance is exhausted, provided that the employee continues to endorse over to the City his/her Workers' Compensation check or appropriate payroll deductions are made as provided herein.~~

~~4. At such time as the employee is no longer eligible to receive a bi-weekly paycheck, the employee shall be placed on a leave of absence without pay for a period of time not to exceed six (6) months. At the completion of the approved leave of absence, the City Manager shall review the employee's employment status with the City to determine if his/her employment should be continued.~~

~~Section 15-4: WORKERS' COMPENSATION:~~

~~The City provides Workers' Compensation benefits in accord with the applicable laws of the State of California.~~

~~In order to receive benefits under Workers' Compensation, information must be provided promptly and accurately on the forms and in the manner provided.~~

Section 20~~15~~-35~~:~~ MILITARY LEAVE~~:~~

Military leave shall be granted in accordance with all applicable provisions of State and Federal law. All employees entitled to military leave shall give the department head an opportunity, within the limits of military regulations, to determine when such leave shall be taken.

Section 2015-46: LEAVE OF ABSENCE WITHOUT PAY:

An employee who needs a leave of absence from work shall file a written request with the Human Resources Manager. The request shall include the employee's name, job title, beginning and ending dates of the requested leave, and a full statement for such a request. A request for personal leave shall be made on forms prescribed by the Human Resources Department. The request shall normally be initiated by the employee, but may be initiated by the employee's Department Head.

A personal leave may be granted for the following reasons:

1. Illness or non-job related disability, including pregnancy, beyond ~~or in lieu of~~ that covered by FMLA, PDL or other available leave; or
2. Other extraordinary circumstance, subject to the discretion of the City Manager.

Upon written request from an employee setting forth the reasons for the requested leave, and upon the recommendation of the Human Resources Manager, the City Manager or designee may approve an employee's request for leave under this policy. ~~–~~Unless otherwise required by applicable law, leave provided under this policy shall be limited to no more than three (3) months.

An employee on a personal leave of absence is required to use all available paid leave accruals during the employee's absence. Unless required by law, the City will not maintain any contributions towards group insurance programs or retirement benefits for any employee on an unpaid leave of absence. Instead, the employee will be permitted to continue coverage as allowed under law.

An authorized leave of absence without pay shall not be construed as a break in service. Rights accrued at the time leave is granted shall be retained by the employee. However, vacation leave accruals, sick leave accruals, paid holidays, increases in salary, or other Department paid benefits will not be provided during ~~the~~any period of unpaid leave. ~~period of the leave.~~

~~An employee on a personal leave of absence is required to use all available paid leave accruals during the employee's absence. Unless required by law, the City will not maintain any contributions towards group insurance programs or retirement benefits for any employee on an unpaid leave of absence. Instead, the employee will be permitted to continue coverage as allowed under law.~~

An employee returning from a personal leave may be required to provide medical documentation indicating the employee's fitness to return. Failure to provide requested medical documentation may delay an employee's return to work. If an employee requests to return to work prior to the scheduled end of his/her leave, the employee must first request approval from the Human Resources Manager at least three (3) days prior to the date of returning to work. The Human

Resources Manager may request substantiating evidence (e.g., medical examination or doctor's written release).

Upon expiration of a regularly approved leave, the employee shall be reinstated to the same or similar position held at the time leave was granted or to an equivalent position, except that an employee on leave shall have no greater right to return to a position than if the employee had not been on leave. Failure on the part of an employee to report to work promptly at the expiration of leave may be deemed to be a voluntary resignation. ~~The Personnel Officer, upon recommendation of the appointing authority, may grant a permanent employee leave of absence without pay and without accumulation of seniority for a maximum of three (3) months, except as provided in Section 12-7. No such leave shall be granted except upon written request of the employee, setting forth the reason for the leave. Approval of the Personnel Officer must be obtained in writing.~~

~~Upon expiration of a regularly approved leave, the employee shall be reinstated in the position held at the time leave was granted. Failure on the part of an employee to return from leave promptly at its expiration shall be cause for discharge. Department heads may grant a permanent or probationary employee leave of absence without pay for not more than one (1) calendar week.~~

~~Continuation of medical insurance during any leave of absence may be approved by the City Manager upon receipt of a request from the employee and agreement of the employee to pay all premiums for employee and dependents, where applicable, while on leave. Such approval is to be obtained prior to leave being taken. Payment of premiums is to be made to the City prior to the start of each month of approved absence.~~

Section 20-5: FAMILY AND MEDICAL LEAVES

The Family Medical Leave Act ("FMLA") and the California Family Rights Act ("CFRA") provide eligible employees with a right to leave, health insurance benefits and with some limited exceptions, job restoration. The Personnel Officer or designee is responsible for preparing procedures which describe the process for requesting FMLA/CFRA and an employee's rights while on an FMLA/CFRA leave.

Section 20~~15~~-6~~7~~: PREGNANCY DISABILITY LEAVE~~:~~

An employee who is disabled due to pregnancy, childbirth or related medical condition is eligible to take pregnancy disability leave ("PDL") as provided under State law. An employee who is disabled due to pregnancy or related medical condition is also entitled to a reasonable accommodation as provided under State law. The Personnel Officer or designee is responsible for preparing procedures which describe an employee's rights to PDL or a reasonable accommodation under this Rule. ~~An employee who becomes pregnant shall be entitled to use accrued leave balances for absences due to disability on account of pregnancy in the same manner as any other employee temporarily disabled from work. An employee who is disabled on account of pregnancy may request, and be granted, a leave without pay in the same manner as any other employee.~~

Section ~~15~~20-7~~8~~: JURY AND WITNESS LEAVE~~:~~

Every employee of the City who is called ~~for~~ or required to serve as a trial juror, upon notification and appropriate verification submitted to ~~his/her~~their supervisor, shall be entitled to be absent from their duties with the City during the period of such service or while necessarily being present in court as a result of such call. An employee summoned for jury duty during a regularly scheduled shift shall be entitled to time off only for the period of time actually serving as a juror or prospective juror.

If an employee wishes to take additional time off in conjunction with jury duty, such time must be taken as vacation, compensatory time off or leave without pay and must be with prior approval of the employee's supervisor. If an employee is summoned for jury duty on a regularly scheduled work day but outside hours of the employee scheduled work shift, the hours of services as a juror or prospective juror will be deducted from the hours required to be worked on the regular shift.

In the event service as a juror or prospective juror requires that a regular ~~e~~ employee to be absent from work the regular employee shall be paid the difference between authorized full salary and any payment received for jury duty, except travel pay. However, if the employee deposits such juror payment to the City, no reduction in salary will occur. If an employee is summoned for jury duty on a regularly scheduled day off, such duty shall be on the employees' own time and the employee shall not be entitled to receive any compensation from the City ~~payment~~ for jury duty on that day.

Any employee who during the time regularly required for their employment is compelled by subpoena to attend any hearing or trial for the purpose of testifying, may, with the approval of their department head, absent themselves from duty. If the employee is subpoenaed to testify about an event or transaction involving the employee's official job duties, the employee will be given leave without loss of compensation and the time spent responding to the subpoena shall be considered work time. Any payment except travel pay, meals and lodging received by the employee for such witness service shall be remitted to the City. In all other instances, the employee's leave will be unpaid, except that the employee will be permitted to use accrued and available vacation leave while on such otherwise unpaid leave.

An employee who is a named party or a witness in an action against the City or who is serving as a paid expert is not eligible to receive paid witness leave for time spent related to those proceedings. In such cases, an employee may request to receive time off without pay, or may use accrued vacation time. Such time spent by an employee ~~in~~ an such an action or serving as a paid expert is not considered work time.

Exceptions to this rule may be made only with the prior authorization of the City Manager.

Section 20-8: BEREAVEMENT LEAVE

Unless otherwise provided in a City Resolution, Memorandum of Understanding, agreement approved by the City Council, or applicable law, an employee who has been employed for at least

30 days will be provided with up to five (5) days of unpaid leave to attend to necessary obligations and commitments related to the death of a family member. For the purposes of this policy "family member" means the employee's spouse, registered domestic partner, child, stepchild, parent, stepparent, sibling, grandparent, grandchild, or parent-in-law.

Leave may only be taken on regularly scheduled workdays. Leave does not need to be taken on consecutive days. Leave under this policy is only available during the three months following the family member's death. Although leave under this policy is unpaid, employees may use available accrued vacation or sick leave to receive pay while on bereavement leave. Bereavement leave is not counted as hours worked for purposes of calculating overtime.

Employees must inform their supervisor prior to commencing bereavement leave. The City may require verification of death and relation to the deceased. Leave provided pursuant to this policy will run concurrently with any other applicable leave of absence for covered reasons, to the maximum extent permitted by applicable law.

Section 20-9: REPRODUCTIVE LOSS EVENT LEAVE

The City provides for time off for eligible employees who experience a reproductive lose event as required under applicable law. The Personnel Officer or designee is responsible for preparing procedures which describe the process for requesting leave due to a reproductive loss event.

~~Section 15-9: OFFICIAL CITY HOLIDAYS: Public offices of the City shall be closed on the following days except as otherwise provided herein:~~

~~1. January 1~~
~~2. February 12~~
~~3. The third Monday in February~~
~~4. The last Monday in May~~
~~5. July 4~~
~~6. The first Monday in September~~
~~7. September 9~~
~~8. The second Monday in October~~
~~9. Thanksgiving Day~~
~~10. The Friday immediately following Thanksgiving Day~~
~~11. December 24 from 12:00 noon until closing, unless December 24 occurs on a Saturday, Sunday, or Monday, in which event this shall not be designated as a holiday; provided, however, that with consent from the appointing authority employees may choose an alternate one-half (1/2) day off per year in lieu of December 24.~~
~~12. December 25~~
~~13. If January 1, February 12, July 4, September 9, or December 25 falls on a Saturday; the Friday preceding shall be a holiday; if any~~

such day falls on a Sunday, the Monday following shall be a holiday.

14. One additional day off per year shall be granted for each full time employee in the competitive service; provided, however, such day shall be taken with the prior approval of the appointing authority. Such day shall be non-accruable and shall be taken prior to the last day of the last full pay period in the calendar year or forfeited.

Section 15-10: WEEKENDS:

In addition to the holidays listed in Section 12-9, City offices are not required to be open Saturday and Sunday each week. These days are to be off-days during which regular work schedules are not assigned. Safety employees and employees of departments with special services regularly provided on weekends are to receive compensatory days off equivalent to weekends and such regularly scheduled duty for weekends is not to be construed as holiday pay or overtime.

Section 15-11: PROVISIONAL AND TEMPORARY EMPLOYEES:

Provisional and temporary employees do not accrue vacation and sick leave credits.

## RULE XI~~V~~XII
## DISCIPLINARY ACTION

Section ~~13~~621-1: TYPES OF ~~A.~~ DISCIPLINARY ACTION~~:~~

Disciplinary action consists of discharge, involuntary demotion, suspension, reduction in salary for punitive purposes (not including deferred merit increases or the end of a specialty pay), or written reprimand.

Section ~~16~~21-2: CAUSES FOR DISCIPLINARY ACTION

~~Disciplinary action may be taken against any employee who has permanent status by the appointing authority only for just cause.~~
Discipline will not be imposed upon any permanent employee in the competitive service except upon a showing of cause, which may include but shall not be limited to the following:

a. Violation of City Rules, ordinances, state and federal law, and/or Administrative Rules and Regulations;
b. Failure to properly perform assigned duties;
c. Theft;
d. Insubordination, including refusing to follow directions from a supervisor or insulting/demeaning the authority of a supervisor;
e. Conviction of a felony or misdemeanor relating to the employee's fitness to perform assigned duties;
f. Unauthorized absence from employment;
g. Tardiness;
h. Failure to maintain satisfactory working relationships with other employees or the public;
i. Reporting for work, or being at work, under the influence of or in possession of alcohol, or non-prescribed controlled substances;
j. Use of non-prescribed controlled substances while not at work;
k. Improper use of City funds;
l. Unauthorized use of City property;
m. Falsification of records;
n. Failure to properly care for City property;
o. Acceptance of any gift, reward or other form of compensation in addition to regular compensation for performance of official duties;
p. Misstatement of material fact;
q. Indolence, carelessness or negligence;
r. Failure to maintain any employment qualification;
s. Discourteous treatment of the public;
t. Failure to comply with safety standards or endangering self or others;
u. Abuse or misuse of any leave, including sick leave, medical leave, or any other leave granted to an employee;

v. Other failure of good behavior either during or outside of employment such that the employee's conduct causes discredit to the City.

## Section 21-34: NOTICE OF DISCIPLINE

Prior to recommending the imposition of any suspension, demotion, reduction in salary, or discharge of any permanent employee in the competitive service, the appointing authority or designee will provide written notice to the employee. At-will employees are not entitled to notice as provided in this section prior to receiving disciplinary action.

The notice shall be served upon the employee either personally or by mail and shall include: (a) a statement of the nature of the disciplinary action; (b) a clear and concise statement of the causes therefore; (c) a statement in ordinary and concise language of the acts or omissions upon which the causes are based; (d) copies of all documents and materials upon which the action is based; (e) a statement advising the employee of their right to respond to the notice before disciplinary action is taken within five (5) working days of the date of service, orally or in writing, or both; (f) a statement advising the employee that if disciplinary action is imposed, they may appeal such action to the City Manager within ten (10) business days of the effective date of the disciplinary action.

If the employee exercises their right to respond to the notice, the individual proposing the discipline or his/her designee shall consider the employee's response before taking any final disciplinary action. The employee's failure to make an oral response at the arranged conference time, or the employee's failure to cause his/her written response to be delivered by the date and time specified in the notice of proposed disciplinary action, constitutes a waiver of the employee's right to respond prior to the imposition of discipline. In that case, the proposed disciplinary action will be imposed on the date specified.

After receiving the employee's timely written or oral response, or after expiration of the time to provide a written or oral response, the individual who proposed discipline will either: (1) dismiss the notice of proposed disciplinary action; (2) modify the notice of proposed disciplinary action; or (3) impose the proposed disciplinary action. The individual who proposed disciplinary action will provide notice of their decision. This notice shall notify the employee in writing of the level of discipline, if any, to be imposed and the effective date of the discipline, the specific charges upon which the discipline is based, a summary of the facts upon which the charges are based, a copy of all written documents and materials upon which the disciplinary action is based, and a statement of the nature of the employee's right to appeal.

In all cases in which discipline is imposed, a copy of the final notice shall be placed in the employee's personnel file.

## Section 21-4: ADMINISTRATIVE LEAVE

Notwithstanding the provisions of this section, upon the recommendation of appointing authority, the Personnel Officer or designee may approve the temporary assignment of an employee to a status of leave with pay pending an investigation(s) or hearing(s) as may be required to determine if disciplinary action is to be taken.

Section 21-45: WRITTEN REPRIMANDS ~~For non-safety employees as used in this section, "“disciplinary action" ” for purposes of pre-notification and response means discharge, demotion, reduction in pay, or suspension without pay for three (3) working days. Disciplinary suspension without pay for fewer than three (3) working days can be imposed at any tinetime without notice or pre-hearing. Any employee suspended for fewer than three (3) working days may appeal such action, in accord with these rules to the City manager within ten (10) business days of the effective date of the suspension. For safety employees as used in this section, “"disciplinary action”" for purposes of pre-notification and response means discharge, demotion, or suspension without pay for two (2) full twenty-four (24) hour shifts for employees on fifty-six (56) hour work weeks or three (3) working days for employees on forty (40) hour work weeks, or more. Disciplinary suspension without pay for one full twenty-four (24) hour shift or less, or two (2) working days for employees on forty (40) hour work weeks, can be imposed by the appointing authority at any time without notice or pre-hearing. Any employee so suspended may appeal such action, in accordance with these rules, to the City MangerManager within ten (10) business days of the effective date of the action.~~

~~Suspension without pay shall not exceed thirty (30) consecutive working days and in no event shall such suspension be imposed against vacation and/or compensatory time off previously earned by an employee.~~

An employee who receives a written reprimand will be asked to acknowledge receipt of written reprimand by signing the reprimand at the time of presentation. This signature signifies only receipt of the document, not necessarily agreement to the contents. In the event the employee does not sign the document, the supervisor will note on the letter the employee refused to sign the letter. The employee may respond in writing to the contents of any written reprimand within fourteen (14) days of issuance. Any written reprimand, including any response from the employee, will be maintained in an employee's personnel file. An employee has no right to appeal or grieve a written reprimand.

~~The appointing authority may initiate disciplinary action against an employee for just cause by: serving upon the employee a written notice of disciplinary action. The notice shall be served upon the employee either personally or by mail and shall include: (a) a statement of the nature of the disciplinary action; (b) a clear and concise statement of the causes therefore; (c) a statement in ordinary and concise language of the acts or omissions upon which the causes are based; (d) copies of all documents and materials upon which the action is based; (e) a statement advising the employee of his/her right to respond to the notice before disciplinary action is taken within five (5) working days of the date of service, orally or in writing, or both; (f) a statement advising the employee that if disciplinary action is imposed, he/she may appeal such action to the City Manager within ten (10) business days of the effective date of the disciplinary action.~~

Section 21-6~~5~~: APPEALS

Unless otherwise provided in an applicable memorandum of understand, ~~H~~if a regular permanent employee in the competitive service is dissatisfied with ~~the City Manager's decision,~~their receipt of disciplinary action, other than a written reprimand, the ~~the~~ employee may, within ten (10) business days following receipt of the ~~decision~~action, request that an Adjustment Board be convened. Said request shall be in writing and shall set forth the facts upon which the appeal is based and the relief requested. At-will employees are not entitled to appeal disciplinary actions under this process.

~~A. Appeals of disciplinary actions which are not settled pursuant to the appeals procedure herein and which either party desires to contest further, shall be submitted to the Adjustment Board as provided by this article.~~

The Adjustment Board will be comprised of one (1) ~~representative~~panel member designated by the employee, one (1) ~~representative~~panel member designated by the City, and one (1) person ~~from the community~~ mutually agreed upon by the employee and City representatives. The City and ~~,~~ employee ~~, or his/her representative~~ shall name their ~~representative~~ designated panel member within fifteen (15) business days after receiving notice that the employee's appeal has been received by ~~notifying~~ the City Manager. ~~that they have not reached a mutually satisfactory accord.~~ Within ten (10) business days after being named, the two parties shall agree upon the third member.

~~B.~~ The Adjustment Board will convene within twenty (20) business days after final designation of the three (3) members.

~~C.~~ Within seven (7) business days after convening, the Adjustment Board will issue a written finding of its decision or deadlock. In the event the Adjustment Board is unable to reach a decision or is still in the process of conducting its hearing, the time limit may be extended by majority decision of the Adjustment Board for a period of time not to exceed ten (10) business days. In the event no agreement is reached on extending the time limit, the Adjustment Board shall be considered deadlocked.

~~D.~~ If a request for a hearing before the Adjustment Board is filed, in all cases, an attempt shall be made to mutually agree upon a joint written submission of the issues to be submitted to the Adjustment Board. If no such joint submission is reached, each party shall submit to the Adjustment Board its own statement of the issues. The basic issues to be submitted to the Adjustment Board are as follows: Was (employee's name) disciplined for just cause? If not, to what remedy is (employee's name) entitled.

~~E.~~ The hearing shall be private unless the appealing employee requests a public hearing. Each party shall have the right to call and examine witnesses, introduce exhibits, cross-examine opposing witnesses, produce evidence and witnesses, and to rebut evidence against him/her. Subpoenas may be issued in the name of the City and attested by the City Clerk.

If subpoenas are requested or issued, time limits shall be considered waived. Oral evidence shall be taken under oath or affirmation. The hearing need not be conducted according to technical rules relating to evidence or witnesses. Any relevant evidence may be admitted if it is the sort of evidence responsible persons are accustomed to rely on in the conduct of serious affairs. The rules

of privilege shall be effective to the same extent that they are now, or hereafter may be, recognized in civil actions and irrelevant or unduly repetitious evidence shall be excluded.

Following the hearing, the Adjustment Board shall consider the evidence presented, shall make findings regarding the existence of cause, and shall render a written decision whether the action was or was not with reasonable cause. Should the Adjustment Board find that the discharge, demotion, or suspension was without just cause, the Adjustment Board shall make a written decision as to the appropriate action to be taken.

~~F.~~

Copies of the decision and recommendation shall be sent to the Personnel Officer, to be filed in the employee's permanent record.

The decision of the Adjustment Board shall be final. ~~binding upon all parties and shall not be subject to judicial review~~. At all steps of this appeal process, the employee may represent ~~himself/herself~~themselves or ~~he/she may~~ be represented by a representative of ~~his/her~~ their choosing.

If an Adjustment Board is unable to arrive at a majority decision, either the employee or the City may require that the grievance or appeal be referred to the City Council for resolution.

The time limits set forth above are intended as guides for the efficient processing of employee appeals.

Appeals from disciplinary action in which the Adjustment Board is deadlocked may be referred by the employee or the City to the City Council within ten (10) business days after such deadlock is declared. Such appeal shall be in writing and shall be accompanied by all written materials and other evidence which had been presented to the Adjustment Board. If the Adjustment Board proceedings had been recorded, the transcript of such shall also be provided. Such written appeal shall be made to the City Clerk with a copy to the City Manager.

The referring party shall indicate whether or not a hearing before the City Council is being requested. If both parties agree to submit the dispute upon the record, no further hearing will be held. If a hearing before the City Council is requested, the referring party shall indicate whether the hearing is to be open or closed. The City Clerk shall thereupon notify each member of the City Council. The City Manager, with approval by the City Council, shall set a date, time, and place for conducting the appeal. Such appeal hearing will be held without undue delay. The City Manager shall notify the City Clerk, appellant, and the appellant's representative of the time, date, and place set for the hearing.

All hearings shall be conducted in the same manner and to the same extent as provided ~~under Section 3, Adjustment Board Appeals,~~ above. The provisions of Section 1094.6 of the California Code of Civil Procedures are applicable to the City, limiting the time for seeking review of final administrative determinations to ninety (90) days from the date of notice of said determination.

~~G.~~

~~If the employee is dissatisfied with the City Manager's decision, the employee may, within ten (10) business days following receipt of the decision, request that an Adjustment Board be convened. Said request shall be in writing and shall set forth the facts upon which the appeal is based and the relief requested.~~

~~C. Appeals of disciplinary actions which are not settled pursuant to the appeals procedure herein and which either party desires to contest further, shall be submitted to the Adjustment Board as provided by this article.~~

~~1. The Adjustment Board will be comprised of one (1) representative designated by the employee, one (1) representative designated by the City, and one (1) person from the community mutually agreed upon by the employee and City representatives. The City, employee, or his/her representative shall name their representative within fifteen (15) business days after notifying the City Manager that they have not reached a mutually satisfactory accord. Within ten (10) business days after being named, the two parties shall agree upon the third member.~~

~~2. The Adjustment Board will convene within twenty (20) business days after final designation of the three (3) members.~~

~~3. Within seven (7) business days after convening, the Adjustment Board will issue a written finding of its decision or deadlock. In the event the Adjustment Board is unable to reach a decision or is still in the process of conducting its hearing, the time limit may be extended by majority decision of the Adjustment Board for a period of time not to exceed ten (10) business days. In the event no agreement is reached on extending the time limit, the Adjustment Board shall be considered deadlocked.~~

~~4. If a request for a hearing before the Adjustment Board is filed, in all cases, an attempt shall be made to mutually agree upon a joint written submission of the issues to be submitted to the Adjustment Board. If no such joint submission is reached, each party shall submit to the Adjustment Board its own statement of the issues. The basic issues to be submitted to the Adjustment Board are as follows: Was (employee's name) disciplined for just cause? If not, to what remedy is (employee's name) entitled.~~

The hearing shall be private unless the appealing employee requests a public hearing. Each party shall have the right to call and examine witnesses, introduce exhibits, cross-examine opposing witnesses, produce evidence and witnesses, and to rebut evidence against him/her. Subpoenas may be issued in the name of the City and attested by the City Clerk.

If subpoenas are requested or issued, time limits shall be considered waived. Oral evidence shall be taken under oath or affirmation. The hearing need not be conducted according to technical rules relating to evidence or witnesses. Any relevant evidence may be admitted if it is the sort of evidence responsible persons are accustomed to rely on in the conduct of serious affairs. The rules of privilege shall be effective to the same extent that they are now, or hereafter may be, recognized in civil actions and irrelevant or unduly repetitious evidence shall be excluded.

5. The decision of the Adjustment Board shall be binding upon all parties and shall not be subject to judicial review. At all steps of this appeal process, the employee may represent himself/herself or he/she may be represented by a representative of his/her choosing.

6. If an Adjustment Board is unable to arrive at a majority decision, either the employee or the City may require that the grievance or appeal be referred to the City Council for resolution.

D-1: The time limits set forth above are intended as guides for the efficient processing of employee appeals.Appeals from disciplinary action in which the Adjustment Board is deadlocked may be referred by the employee or the City to the City Council within ten (10) business days after such deadlock is declared. Such appeal shall be in writing and shall be accompanied by all written materials and other evidence which had been presented to the Adjustment Board. If the Adjustment Board proceedings had been recorded, the transcript of such shall also be provided. Such written appeal shall be made to the City Clerk with a copy to the City Manager.

D-2: The referring party shall indicate whether or not a hearing before the City Council is being requested. If both parties agree to submit the dispute upon the record, no further hearing will be held. If a hearing before the City Council is requested, the referring party shall indicate whether the hearing is to be open or closed. The City Clerk shall thereupon notify each member of the City Council. The City Manager, with approval by the City Council, shall set a date, time, and place for conducting the appeal. Such appeal hearing will be held without undue delay. The City Manager shall notify the City Clerk, appellant, and the appellant's representative of the time, date, and place set for the hearing.

All hearings shall be conducted in the same manner and to the same extent as provided under Section 3, Adjustment Board Appeals, above.

## RULE XIVII
## OFF-DUTY EMPLOYMENT

Section 1417-1: CONDITIONS: City employees are permitted to work off duty only when all of the following conditions are met:

A. City employees shall not engage in any employment, activity, or enterprise for compensation which is inconsistent, incompatible, in conflict with or, inimical to his or her duties as a City officer or employee or with the duties, functions, or responsibilities of his or her appointing authority or the department in which he or she is employed for the City. Officers or employees of the City shall not perform any work, service or counsel for compensation outside of his or her local agency employment where any part of his or her efforts will be subject to approval by any other officer, employee, board or commission of his or her employing body, unless otherwise approved in the manner prescribed by this rule.

B. Each appointing authority shall determine, subject to approval by the City Council, those outside activities which, for employees under his/her jurisdiction, are inconsistent with, incompatible to, or in conflict with their duties as City officers or employees. An employees outside employment, activity, or enterprise may be prohibited if it:

1. Involved the use for private gain or advantage of his/her local agency time, facilities, equipment and supplies; or the badge, uniform, prestige, or influence of his or her local agency office or employment.
2. Involves receipt or acceptance by the officer or employee of any money or other consideration from any one other than his or her local agency for the performance of an act which the officer or employee, if not performing such act, would be required or expected to render in the regular course or hours of his or her City employment or as a part of his or her duties as a City officer or employee.
3. Involves the performance of an act in other than his or her capacity as a City officer or employee which act may later be subject directly or indirectly to the control, inspection, review, audit, or enforcement of any other officer or employee of the City.
4. Involves such time demands as would render performance of his or her duties as a City officer or employee less efficient.

C. Every permanent City employee at the time of adoption of this rule or at the time of appointment shall be provided with a copy of this rule and a notice of those prohibited outside activities which have been determined to be inconsistent with, incompatible to, or in conflict with their duties as City officers or employees.

D. Any City officer or employee violating this rule, including engaging in prohibited activities, shall be subject to disciplinary action.

E. In the event a City officer or employee disagrees with a determination that an outside activity is prohibited said employee may, using the grievance procedures set forth in these rules, appeal said determination.

Section 147-2: REQUEST TO PURSUE OFF-DUTY EMPLOYMENT:

Personnel desiring to pursue off-duty employment, activity, or enterprise for compensation shall submit a current written statement to their department head stating the following:

A. Type or nature of employment, activity, or enterprise for compensation;

B. Name of prospective employer;

C. Location of employment, activity, or enterprise including physical and mailing address and telephone;

D. Days and hours of employment including average number of hours per week that will be sent in the outside employment, activity, or enterprise.

This request shall be submitted at the time this rule goes into effect and re-submitted when any of the required information changes.

Section 147-3: REVOCATION OF APPROVAL TO PURSUE OFF-DUTY EMPLOYMENT:

A. Authority to engage in off-duty employment shall be revocable at any time by the appointing authority upon a finding that the conditions of this rule have not been met.

B. In addition, revocation can occur if the appointing authority finds, after a medical or psychological examination, that the employee has developed, or is developing physical or emotional ill effects that impact his/her on-duty job performance as a direct result of such off-duty assignment.

C. C. In the event an employee disagrees with the revocation of approval said employee may, using the grievance procedures set forth in these rules, file an appeal from the action revoking approval.

## RULE XV
## AFFIRMATIVE ACTION

Section 15-1: STATEMENT OF POLICY: It is the policy of the City of South Lake Tahoe to recruit, hire, train, and promote persons in all job groups on the basis of bona fide occupational qualifications without regard to race, color, religion, sex, national origin, age, or handicap.

The City will continue to:

A. Base its decisions on employment so as to further the principle of equal employment opportunity.

B. Insure that promotion decisions are in accord with principles of equal employment opportunity by imposing only valid requirements for promotional opportunities.

C. Insure that all personnel actions such as compensation, benefits, transfers, layoffs, return from layoffs, City sponsored training, education, and educational assistance programs will be administered without regard to race, color, religion, sex, national origin, age, or handicap.

D. Subject any employee of the City who violates the Affirmative Action Policy to appropriate disciplinary action including reprimand, suspension, or dismissal.

E. Insure that the responsibility and accountability for carrying out the Equal Employment Opportunity/Affirmative Action Policy and Program is assigned to the City Council.

F. Insure consistent application and administration of this program by providing a reporting and monitoring system which shall be defined in the Affirmative Action Plan.

Section 15-2: AFFIRMATIVE ACTION PROGRAM: In order to achieve the purpose of the policy statement, an Affirmative Action Plan for the City of South Lake Tahoe has been adopted by the Council. Said plan shall be updated from time to time as provided in the plan document.

## RULE ~~XVIII~~XXII
## GRANT FUNDED POSITIONS AND EMPLOYMENT CONDITIONS

### Section 22~~18~~-1: GRANT FUNDED POSITIONS~~:~~

The City may, from time to time, enter into grants or special projects which provide for the employment of persons for specified periods of time. Such grant or other programs may be financed all or in part by the Federal and/or State and/or other governmental entities. Positions created by such grant or other program funds are not to be considered ~~permanent~~ regular positions, but rather shall continue only so long as the City determines it appropriate or funds are available.

### Section 22~~18~~-2: FILLING GRANT FUNDED POSITIONS~~:~~

Unless otherwise provided in the grant program, such positions should be filled from existing eligible lists. If the position to be filled is for a non-existing classification, a job description and job title will be needed for Personnel Officer approval prior to the filling of the position. No grant or special project program position may be filled until after approval by the City Manager and Personnel Officer.

### Section ~~18~~22-3: GRANT FUND EMPLOYEE RIGHTS AND PRIVILEGES~~:~~

Employees hired from grant funds pursuant to this section are not considered to be ~~permanent~~ regular employees, but rather, shall be considered temporary employee and serve at the pleasure of the City. Unless otherwise agreed to by the City in the grant agreement or otherwise required by law, grant funded employees are not eligible for retirement, deferred compensation, health insurance, and related non-salary benefits which are authorized for ~~permanent~~ regular employees. They are covered by Workers' Compensation and unemployment insurance, provided, however, that the only benefits eligible for receipt in the event of job-related injury or illness shall be those benefits provided under Workers' Compensation laws. Reinstatement and re-employment benefits do not apply to employees in grant funded position. ~~employees.~~ Performance evaluation reports are required in the same manner as ~~permanent and probationary~~ regular employees. ~~Grant fund employees are not designated members of any bargaining unit, but may, if they choose, join any employee association to which their position would be assigned if it was a permanent position.~~

## ~~RULE XVII~~ XIX

## ~~EMPLOYER-EMPLOYEE ORGANIZATION RELATIONS~~

~~Section 19-1: STATEMENT OF PURPOSE:~~

~~The purpose of this section is to promote full communication between the City and its employees by providing a reasonable method of resolving disputes regarding wages, hours, and other terms and conditions of employment between the City and its employees and their employee organizations. It is also the purpose of this section to promote the improvement of personnel management and employer-employee relations within the City government by providing a uniform basis for recognizing the right of City employees to join employee organizations of their own choice and to be represented by such organizations in their employment relationships with the City. Nothing contained herein shall be deemed to supersede the provisions of state law or ordinances or civil service rules established and regulating the City merit system.~~

~~Section 17~~19 ~~2: DEFINITIONS:~~

~~As used in this section, the following terms shall have the meanings indicated:~~

~~A. City: The City of South Lake Tahoe, a municipal corporation, and where appropriate here, "City" refers to the City Council, the governing body of said City, or any duly authorized management representative as herein defined.~~

~~B. Confidential Employee: An employee who is privy to decisions of City management affecting employer-employee relations.~~

~~C. Consult or Consultation in Good Faith: To communicate orally or in writing for the purpose of presenting and obtaining view of intended actions within the scope of representation.~~

~~D. Employee: Any person regularly employed by the City in an authorized position except those filling temporary positions and those persons elected by popular vote.~~

~~E. Employee Organization: Any lawful organization which includes as members, employees of the City and which has, as one of its purposes, representation of such employees in their relations with the City; provided, however, that said organization has no restriction on membership based on race, color, creed, sex, or national origin.~~

~~F. Employee Relations Officer: A designate of the City Manager who shall be the City's representative in such employer-employee relations matters as the City Manager shall delegate to him/her, including the administration of this section.~~

~~G. Employer-Employee Relations: The relationship between the City and its employees and their employee organization, or when used in a general sense, the relationship between the City management and employees or employee organizations.~~

~~H. Grievance: Any dispute which involves the interpretation or application of those rules, regulations and resolutions which have been, or may hereafter be, adopted by the City Council to govern personnel practices and working conditions, including such rules, regulations and resolutions as may be adopted by the City Council to effect memoranda of understanding which result from the negotiation process.~~

I. Impasse: A deadlock in negotiations between a recognized employee organization and the City concerning matters about which they are required to negotiate.

J. Management Employees: Any employee having significant responsibilities for formulating and administering City policies and programs, and having responsibility for directing the work of subordinates; and/or any employee having authority to exercise independent judgment, or to effectively recommend any action to hire, transfer, suspend, lay off, recall, promote, discharge, assign, reward, or discipline other employees, or having the responsibility to direct them or to adjust their grievances, if the exercise of such authority is not of a merely routine or clerical nature, but requires the use of independent judgment and discretion.

K. Management Representative: The City Manager or any person or organization duly authorized by the City Manager.

L. Mediation: The efforts of an impartial third person, or persons, functioning as intermediaries, to assist the parties in reaching a voluntary resolution of an impasse, through interpretation, suggestion, and advice.

M. Negotiate: To meet and confer in good faith.

N. Peace Officer: As this term is defined in Section 830 of the California Penal Code.

O. Professional Employees: Employees engaged in work requiring specialized knowledge and skills attained through completion of a recognized course of instruction, including, but not limited to, attorneys, engineers, and architects.

P. Proof of Employee Approval: When used herein, means that the employee organization submitting a petition to the Employee Relations Officer has demonstrated proof of approval by the employees whom it purports to represent by means of any one or any combination of the following:

1. Signed and dated signatures on a petition.
2. Signed and dated employee authorization cards.
3. Documented evidence of current dues-paying employee organization membership, or payroll dues deductions using the payroll period immediately prior to the date the petition is filed.

For purposes of items (1) and (2) above, only signatures of employees currently employed in permanent positions within the proposed representation unit of the date the petition is filed and whose signatures have been executed within ninety (90) calendar days prior to the date the petition is filed, shall be accepted as proof of employee approval.

The total number of employees in a proposed representation unit shall be determined by using authorized budgeted positions, adjusted to reflect the positions occupied as of the date of the petition.

Q. Recognized Employee Organization: An employee organization, or its duly authorized representative, that has been granted formal recognition by the Employee Relations Officer as representing the majority of employees in an appropriate unit of employees.

R. Representation Unit: A unit established pursuant to Section 17-7.

S. Scope of Representation: All matters relating to employment conditions and employer-employee relations, including but not limited to wages, hours, and other

terms and conditions of employment; except, however, that the scope of representation shall not include consideration of the merits, necessity, or organization of any service or activity provided by law or executive order.

Section 19-3: EMPLOYEE RIGHTS:
Employees of the City shall have the right to form, join, and participate in the activities of employee organizations of their own choosing for the purpose of representation on all matters of employee relations. Employees of the City also shall have the right to refuse to join or participate in the activities of employee organizations; provided, however, that during negotiating sessions with the City, an employee filling a position allocated to a specific representation unit may be represented only by that recognized employee organization certified to represent that specific unit.

Section 19-4: CITY RIGHTS:
To insure that the City is able to carry out its statutory functions and responsibilities, nothing contained in this rule shall be construed to require the City to negotiate on matters which are solely a function of management, including the right to direct the work force; to select and determine the number and types of employees required; to determine the content of job classifications; to hire, transfer, promote, suspend, discipline and discharge employees; to assign work to employees in accordance with the requirements of the City; to establish and change work schedules and assignments; to lay off employees for lack of work; to expand or diminish services; to subcontract any work or operations; to determine and change methods of operations; to determine and change work locations and the processes and materials to be employed; to take all necessary actions to perform its functions in emergencies.

Section 19-5: NEGOTIATIONS:
Only recognized employee organizations in established representation units shall be entitled to negotiate with duly designated management representatives on wages, hours, and other terms and conditions of employment for the employees in such units.

Negotiations shall not be required on any subject pre-empted by federal or state law, nor shall negotiation be required on employee or City rights as defined in Sections 17-3 and 17-4. Proposed amendments to this resolution are excluded from the scope of negotiation, but shall be subject to consultation in good faith after reasonable notice.

Agreements reached as a result of negotiations shall be included in a memorandum of understanding signed by the City Manager as well as the duly designated representatives of the recognized employee organizations. Those matters over which the City Council has cognizance will be presented to the City Council for approval. Such memoranda of understanding shall not be binding unless approved by the City Council and the recognized employee organization.

Section 19-6: SCOPE OF CONSULTATION IN GOOD FAITH:

All matters affecting employer-employee relations, including those that are not subject to negotiations, are subject to consultation between management representatives and representatives of recognized employee organizations.

Section 179-7: ESTABLISHMENT OF REPRESENTATION UNITS: The Employee Relations Officer shall establish appropriate employee representation units. The following factors, among others, shall be considered in determining an appropriate representation unit:

A. Minimizing fragmentation of units by achieving the largest feasible group of employees having a community of interest.

B. The effect of the proposed unit on the efficient operation of City services and sound employment relations.

C. The history of employee relations in the unit, among other employees in the City, and in similar public employment and private industry; provided, however, that no unit shall be established on the basis of the extent to which the employees have organized.

D. Similarity of duties, skills, wages and working conditions of employees.

E. Whether management officials at the level of the unit have the power to agree or to make effective recommendations to other administrative authority or to the City Council with respect to wages, hours, and other terms and conditions of employment subject to negotiation.

F. The effect on the existing classification structure of dividing a single classification among two (2) or more units.

G. Management and confidential employees shall not be included in the same unit with non-management or non-confidential employees.

H. No employee shall be included in more than one representation unit.

Whenever a new classification is adopted by the City, the Employee Relations Officer shall notify interested employee organizations and may allocate such classification to an appropriate representation unit after consultation with employee organizations requesting same. A routine title change of an existing classification is not subject to this provision.

Section 19-8: CERTIFICATION AND DECERTIFICATION OF A RECOGNIZED EMPLOYEE ORGANIZATION:

An employee organization which seeks recognition as the recognized employee organization for a representation unit which has been requested or already established shall file a petition with the Employee Relations officer. The petition shall contain:

A. Name and address of employee organization.
B. Names and titles of its officers.
C. Names of the employee organization representatives who are authorized to speak on behalf of its members.
D. Information as to whether the employee organization is a chapter of, or affiliated

directly or indirectly in any manner with, a regional or state, or national or international organization and, if so, the name and address of each such regional, state, national, or international organization.

E. Copies of the employee organization's constitution and by-laws.

F. A statement that the employee organization has no restriction on membership based on race, color, creed, sex, age, or national origin.

G. A designation of the names and addresses of no more than two (2) persons to whom notices sent by regular United States mail or personally delivered will be deemed sufficient notice to the employee organization for all purposes unless otherwise specified herein.

H. Description of the representation unit for which the employee organization seeks certification.

I. A statement by the employee organization to the effect that it has been designated as a representative by at least thirty percent (30%) of the employees in the representation unit.

The petition shall be accompanied by proof, as defined in Section 17-2, paragraph P, that the organization represents at least thirty percent (30%) of the employees in the representation unit. The Employee Relations Officer shall give notice of the request for certification or decertification to the employees in the unit and to the employee organization, if any, which is then currently certified as the representative of the unit. Such notice shall be given within seventy-two (72) hours following receipt by the Employee Relations Officer of the request for certification or decertification, excluding Saturday, Sunday, and holidays. Upon determining that the petitioning employee organization represents at least thirty percent (30%) of the employees in the representation unit, the Employee Relations Officer shall arrange for a secret ballot election to ascertain the free choice of a majority of such employees. Any other employee organization shall be shown as one (1) choice on the ballot upon filing of a petition and presentation of proof, as defined in Section 17-2 (P), that the organization represents at least thirty percent (30%) of the employees in the representation unit.

Such petition for a place on the ballot must be filed within seven (7) calendar days after notice of the petition for election has been mailed by the Employee Relations Officer to the employees. In all certification or decertification elections, the choices on the ballot shall be the currently recognized employee organization for the unit (if any), challenging employee organizations, and no representative organization.

Employees entitled to vote in a representation election shall be those employees in permanent positions within the representation unit who were employees at least fifteen (15) days prior to the date of the election. Persons employed in unclassified positions within the representation unit who were employed at least fifteen (15) days prior to the date of the election shall be eligible to vote in an election within that representation unit. Employees who did not work during the above described time period because of illness, vacation, or authorized leave of absence, and who are otherwise eligible, shall be permitted to vote.

The recognized employee organization shall be representative of all the employees in such unit for purposes of meeting and conferring in good faith on matters within the scope of

~~representation. This shall not preclude individual employees from consulting with management representatives on employer-employee relations matters of concern to them.~~

~~Provided that at least twenty-four (24) months have elapsed from the most recent date of certification of said organization, requests for decertification of that employee organization may be initiated by a petition from employees or by an employee organization. No such request shall be processed unless it is filed no sooner than one hundred fifty (150) calendar days and no later than ninety (90) calendar days before the expiration of the then current memorandum of understanding or agreement between the City and the employee organization which is then presently certified as the representative of the unit for which decertification is requested. A petition for decertification shall be submitted to the Employee Relations Officer and must be accompanied by proof of employee approval as defined in Section 17-2 (P), of at least thirty percent (30%) of the employees within the representation unit. The Employee Relations Officer shall arrange for a secret ballot election to determine which employee organization shall represent the unit or if there shall be no representative organization. Choices on the ballot shall be determined in the manner set forth in this section.~~

~~Notwithstanding any other provisions of this section, the City may seek decertification of an employee organization at any time that it appears to the City Manager that such an action is warranted because of reasons related to substantial changes in City functions, organizational structure or classification revisions or if, in the opinion of the City Manager, there is reason to believe the recognized employee organization does not represent a majority of the employees in the representation unit.~~

~~In such a case, the City Manager shall notify the Employee Relations Officer of the City Manager's decision that an election to determine the current wishes of employees be held, and the Employee Relations Officer shall arrange for a secret ballot election in the same manner provided for in this section; provided, however, that not such election shall be held until the employee organization then currently recognized as the representative of the unit or units involved has been given at least sixty (60) days' notice of the date upon which the election will be held. Any employee organization may be listed on said ballot if said organization petitions for a place thereon and submits proof, as defined in Section 17-2 (P), that the employee organization represents at least thirty percent (30%) of the total number of employees in the representation unit or units affected by the election. The ballot shall contain a "no representative organization" choice.~~

~~An employee organization shall be granted formal recognition as the Recognized Employee Organization by the Employee Relations Officer following an election or run-off election if:~~

~~A. That employee organization has received the vote of a numerical majority of the votes cast by the employees within the unit in which the election is held.~~

~~B. In an election involving three (3) or more choices, where none of the choices receives a majority of the valid votes cast, a run-off election shall be conducted between the two (2) choices receiving the largest number of valid votes cast. The rules governing an initial election shall also apply to a run-off election.~~

~~Notification of recognition shall be made to the City Council, departments concerned, employees in the unit being represented, challenging employee organizations, and such other persons or organizations as the Employee Relations Officer deems appropriate. The Employee Relations Officer may refuse to certify the winner of an election as the recognized employee organization for that unit or units if he concludes that the winner of such election has coerced, intimidated, or grossly misled employees in securing or attempting to secure their votes. Such refusal by the Employee Relations Officer to certify an employee organization on these grounds shall be referred to the City Council for review at an open meeting at which all interested parties shall be afforded an opportunity to be heard. The Council shall either require the Employee Relations Officer to certify the winner of the election as the recognized employee organization for that unit or units, or uphold the determination of the Employee Relations Officer and require it to arrange for another election.~~

~~Section 19-9:~~ MODIFICATION OF REPRESENTATION UNITS:

~~An employee organization may request the modification of an established representation unit by submitting to the Employee Relations Officer a petition accompanied by proof of employee approval of the proposed modification signed buy not less than sixty percent (60%) of those employees who, if the proposed modification should be granted, would be moved from one representation unit to another. A unit modification request may not be submitted until at least thirty-six (36) months have elapsed from the most recent date of certification of the unit from which positions would be removed should the modification request be granted. No such request shall be processed unless it is filed no sooner than one hundred fifty (150) calendar days and no later than ninety (90) calendar days before the expiration of the then current memorandum of understanding or agreement between the City and the employee organization which is then presently certified as the representative of the unit from which one or more positions would be removed if the request were granted. All petitions for modified units shall be accompanied by a list of all classifications to be included in the modified unit, the number of employees in each classification, as well as the division and department to which they belong.~~

~~The Employee Relations Officer shall give notice of the request for modification of an established representation unit to the employees who would be affected by the proposed modification, to the employee organization which is then currently certified as the representative of the unit from which one or more positions will be transferred, and to any recognized employee organization that has filed a written request for such notice. Such notice shall be given within seventy-two (72) hours following receipt by the Employee Relations Officer of the request for modification, excluding Saturday, Sunday, and holidays.~~

~~The Employee Relations Officer shall make the final determination on the appropriateness of all units. In making such determination, the Employee Relations Officer shall not be limited to consideration of the unit or units requested.~~

~~If, in the opinion of the Employee Relations Officer, his/her decision has the result of moving from one representation unit to another a sufficient number of employees to possibly affect the representative status of the recognized employee organization representing the unit from which~~

or to which such employees were transferred, a secret ballot election shall be held to determine the wishes of the employees remaining in the unit from which or to which other employees were transferred as to the employee organization to represent the units from which or to which these employees were transferred. Any employee organization may be listed on said secret ballot if that organization has petitioned for a place on said ballot and submitted proof to the Employee Relations Officer, as defined in Section 17-2 (P), signed by at least thirty percent (30%) of the employee in the unit. The ballot submitted to said employees shall include a "no representative organization" choice.

Should the decision of the Employee Relations Officer have the result of moving some employees from one representation unit to another, such employees will continue to work at the rate of pay, and under the same terms and conditions of employment which they had in the unit from which they were transferred until such time as the memorandum of understanding concerning the unit from which they were transferred which was in effect at the time of said transfer shall expire.

Notwithstanding any other provisions of this rule, the Employee Relations Officer may modify any representation unit when, in the Employee Relations Officer's opinion, the present representation unit is no longer appropriate.

Section 19-10: CLOSED SESSIONS:
Nothing in this rule shall be interpreted as preventing or limiting the right of the City Council to hold closed sessions to the extent allowed by state law. Such sessions shall include the right to discuss salaries, salary schedules, or compensation paid in the form of employee benefits.

Section 19-11: IMPASSE PROCEDURES:
Impasse procedures may be invoked only after all other attempts made by both parties to reach agreement through good faith negotiation have been unsuccessful.

A. Any party involved in the negotiation of specific issues may invoke the impasse procedure by filing with the other party (or parties) affected, a written request for an impasse meeting together with a statement of its position on the disputed issues. An impasse meeting is to permit review of the position of all parties in a final good faith effort to reach agreement on the disputed issues.

B. If agreement is not concluded at the impasse meeting, the parties together shall attempt to agree upon a method of resolving the dispute including, but not limited to, mediation. Unless the parties in writing mutually request them to do so, mediators shall make no public recommendation nor take any public position regarding the issues. All mediation sessions shall be conducted in private.

Section 197-12: UNFAIR EMPLOYEE RELATIONS PRACTICES:
It shall be unfair employee relations practices for the City to:

A. Dominate or interfere with the formation of any employee organization or contribute financial support to it, provided that the City may permit the use of City facilities, make dues deductions, and permit employees who are officers or representatives of recognized employee organizations to negotiate or confer with City officials during working hours without loss of time or pay, subject to applicable regulations.

B. Refuse to negotiate with representatives of recognized employee organizations on negotiable matters during the periods prescribed by this rule.

C. Refuse or fail to cooperate with any duly designated mediator.

It shall be unfair employee relations practices for employees or employee organizations or their agents to:

A. Interfere with, restrain, or coerce employees in the exercise of the rights recognized or granted in this rule.

B. Refuse to negotiate with City officials on negotiable matters when the employee organization involved has been recognized as the majority representative.

C. Refuse or fail to cooperate with any duly designated mediator.

Charges of violations of this section or of this rule may be initiated by management or any employee organization. Such charges shall be filed in writing with the Employee Relations Officer.

If the Employee Relations Officer's decision is that the City has engaged in an unfair employee relations practice, the Employee Relations Officer shall recommend to the City that it take appropriate corrective action. The City Council shall act on the Employee Relations Officer's recommendation within thirty (30) days.

If the decision is that an employee or employee organization or its agents have engaged in an unfair employee relations practice, the Employee Relations officer shall request the offending party to take appropriate corrective action. If compliance with the Employee Relations Officer's request is not obtained within thirty (30) days, the Employee Relations Officer shall request the City Manager or the City Council to take appropriate action.

Section 179-13: GRIEVANCE: The City grievance procedure provides a progressive series of steps through which employees may present complaints or grievances arising out of their employment or working conditions. This procedure is designed to resolve grievances at the lowest supervisory level consistent with justice and administrative policy. It is the intent of this rule that the grievance procedure, unless changed by the City Council, will continue to be used for the above described purposes, including that part of the procedure that entitles an employee, or group of employees, to representation by representatives of a recognized employee organization.

Section 197-14: ADVANCE NOTICE TO RECOGNIZED EMPLOYEE ORGANIZATIONS:

Except in cases of emergency, each recognized employee organization affected shall be given reasonable advance written notice of any ordinance, resolution, rule, or regulation directly relating to matters within the scope of representation proposed to be adopted by the City and shall be given the opportunity to meet with the appropriate management representatives prior to adoption.

In cases of emergency when the foregoing procedure is not practical or in the best public interest, the City may adopt or put into practice immediately such measures as are required. At the earliest practicable date thereafter, the recognized employee organizations shall be provided with the notice described above and be given an opportunity to meet with the appropriate management representatives.

Section 19-15: ATTENDANCE AT MEETINGS BY EMPLOYEES:

City employees who are official representatives or unit representatives of recognized employee organizations shall be given reasonable time off with pay to attend meetings with management representatives, or to be present at hearings where matters within the scope of representation are being considered. The use of official time for this purpose shall be reasonable and shall not interfere with the performance of City services as determined by the City. Such employee representatives shall submit a written request for excused absence to their respective department heads, with an information copy to the Employee Relations Officer, at least two (2) working days prior to the scheduled meeting whenever possible. Except by mutual agreement between the department head and the Employee Relations Officer, the number of employees excused for such purposes shall not exceed three (3) for any one employee organization.

Section 19-16: USE OF CITY FACILITIES:

A recognized employee organization which represents employees of a City department shall be allowed by that department use of space on available bulletin boards for communications having to do with official organization business, such as times and places of meetings, provided such use does not interfere with the needs of the department. This privilege may be revoked in the event of abuse. Any representative of a recognized employee organization shall give notice to the department head or his/her designated representative when contacting departmental employees on City facilities during the duty period of the employees, provided that solicitation for membership or other internal employee organization business shall be conducted during the non-duty hours of all employees concerned. Pre-arranged for routine contact may be made, and when made shall continue until revoked.

City buildings and other facilities may be made available for use by City employees or a recognized employee organization or their representatives in accordance with such administrative procedures as may be established by the City Manager or department heads concerned.

Only the recognized employee organization may have the regular dues of its members within a representation unit deducted from employee's paychecks under procedures prescribed by the City for such deductions.

~~Dues deduction shall be made only upon signed authorization from the employee upon a form approved by the City, and shall continue until such authorization is revoked, in writing by the employee, or until the first day of the calendar month following the transfer of the employee to another representation unit. Employees may authorize dues deductions only for the organization certified as the recognized employee organization of the unit to which such employees are assigned.~~

~~Section 19-17: ADMINISTRATION:~~
~~The Employee Relations Officer is authorized to establish rules and procedures to carry out the intent of this rule. He/she shall also have the authority for the administrative interpretation of this rule. All elections authorized by this rule shall be conducted by the State Conciliation Service or some other party agreed upon by the City and concerned employee organizations. The expenses, if any, of conducting an election shall be shared equally by the parties involved in the election.~~

~~Section 19-18: JOB ACTIONS:~~

~~All associations, members and representatives, agree that it and they will not engage in, authorize, sanction, or support any strike, slowdown, stoppage of work, curtailment of production, concerted refusal of overtime work, refusal to operate designated equipment (provided such equipment is safe and sound) or to perform customary duties; and neither the association nor any representatives thereof shall engage in job action for the purpose of effecting changes in the directives or decisions of management of the City, nor to effect a change of personnel, or operations, or management, or of employees not covered by memoranda of understanding.~~

Section 17-19:

~~Section 19-19: CONSTRUCTION:~~

~~Nothing in this rule shall be construed to deny any person, employee, or employee organization the rights granted by federal and state laws. The rights, powers, and authority of the City Council and the rights of employee organizations in all matters, including the right to maintain any legal action, shall not be modified or restricted by this rule. The provisions of this rule are not intended to conflict with, nor shall they be construed in a manner inconsistent with, the provisions of Chapter 10, Division 4, Title 1, of the Government Code of the State of California (Sections 3500 et seq) as amended.~~

~~Section 19-20: SEPARABILITY:~~
~~If any provision of this rule, or the application of such provision to any person or circumstance, shall be held invalid, the remainder of this rule or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.~~

RULE ~~XVIII~~ XXIII
TRAINING AND SAFETY

Section ~~20~~23-1: RESPONSIBILITY FOR TRAINING~~:~~

It is the policy of the City Council to encourage the training of employees. Responsibility for developing training programs for employees shall be assigned to the Personnel Officer and department heads. Such training programs may include lecture courses, demonstrations, assignment of reading matter, or such other devices as may be available for the purpose of improving the effectiveness and broadening the knowledge of municipal officers and employees in the performance of their respective duties.

Section ~~20~~23-2: CREDIT FOR TRAINING~~:~~

Participation in, and successful completion of, special training courses may be considered in salary increases and for promotions. Evidence of such activity shall be filed with the Personnel Officer by the appointing authority for each employee successfully participating in training programs.

Section ~~20~~23-3: PAYMENT OF TUITION~~:~~

Tuition is paid for job related courses taken after the course is successfully completed and appropriate certification filed with the Personnel Officer, and if prior approval by the department head has been given to participate in the course. However, courses paid for by state or governmental agencies do not apply to this section. Training programs authorized by the City shall be financed by the City to encourage employee participation. Such compensation is separate and distinct from the compensation offered for the position and classification involved in training. Subject to approval by the Personnel Officer, employees may be authorized to attend training programs during regular hours. Travel to and from such training shall be at City expense; provide, however, that time spent in travel to and from training is not eligible for overtime. When the needs of the City services so require, the appointing authority may direct any employee to attend a meeting or conference as part of the professional training required for the position. In such case, attendance is not mandatory but compensation for meals, lodging, travel, and miscellaneous expenses shall be allowed. No overtime will be paid, however, for the time required to travel to and from such meeting.

Section ~~20~~23-4: SAFETY PROGRAM~~:~~

The Personnel Officer is designated the safety and training officer for the City. In this responsibility, the Personnel Officer shall be assisted by the ~~Deputy~~ Risk Manager. Safety for persons and property is a fundamental and basic goal for the City. All employees are expected to observe high standards of safety in the performance of service and execution of all assigned duties.

In order to develop and maintain a strong and effective safety program, there is a Safety Committee created for the purpose of reviewing all accidents and Workers' Compensation injury reports. This

committee makes recommendations for the improvement of working conditions and procedures for the prevention of accidents or the avoidance of additional accidents. In addition, the Safety Committee shall determine when an accident is or is not chargeable to the employee involved. A finding of chargeable shall be based upon a determination that employee conduct, or lack of action, resulted in the accidental occurrence and that each accident was avoidable. Whenever a finding is made that an accident is chargeable, written notice of such finding shall be made to the employee and the appropriate appointing authority.

Each employee, upon being notified of a chargeable accident, may request a review of the finding with the Safety Committee. At the request of the employee a review shall be granted and scheduled at the next regular meeting. Each finding of a chargeable accident shall be cause for review of the incident by the appointing authority and a determination of whether disciplinary action is or is not appropriate. Any disciplinary action which may be deemed appropriate shall be processed in accordance with these rules.

RULE X~~I~~XI~~II~~V
GRIEVANCES

Section 2~~24~~1-1: GRIEVANCE DEFINED~~S:~~

A grievance is any dispute which involves the interpretation or application of ~~those~~ these rules, excluding those provisions which are specifically excluded from the grievance procedure or which provide that the decision of the City Council, City Manager, Personnel Officer or designee shall be final.

~~I. regulations, and resolutions which have been, or may hereafter be, adopted by the City Council to govern personnel practices and working conditions, including such rules, regulations, and resolutions as may be adopted by the City Council to effect memoranda of understanding which result from the meeting and conferring process.~~

Section 2~~2~~4-2: GR~~E~~IEVANCE PROCEDURES

~~II.~~ Grievances shall be processed in the following mariner:

~~A. Any employee who believes that he/shethey has a grievance may discuss his/hertheir complaint with such management official in the department in which he/shethey works as the department head may designate.~~

A. Informal Grievance: Within fifteen (15) business days of when the grievant knew or should have known of the event giving rise to the grievance, the grievant will first try to resolve the grievance through discussion with their immediate supervisor. During this discussion, the grievant must clearly state that a grievance is being initiated. Within fifteen (15) days of this discussion, the immediate supervisor shall give the grievant their decision or response to the informal grievance. This decision or response will be provided in writing. If, after receiving the decision or response, the employee is not satisfied with the reply, he or she may file a formal grievance.

B. Formal Grievance: If the grievance is not resolved by informal means, or if it is determined for good and sufficient reason, that the grievance may initiate the grievance as a formal step, then the employee may file a formal written grievance. This written grievance shall contain the following:

1. Name of grievant(s)
2. Class title(s)
3. Mailing address(es)
4. A clear statement of the nature of the grievance (citing applicable sections of rules, regulations, resolutions, ordinances or existing practices)
5. The date(s) on which the event(s) giving rise to the grievance occurred
6. A proposed solution to the grievance
7. The date of execution of the grievance form
8. The signature of the grievant(s)

9. The signature of the bargaining unit representative, if such a representative is representing the grievant(s)
10. The date of the discussion meeting in Step 1 and the name of the supervisor involved

Any formal grievance must be filed within fifteen (15) days after either the response to the informal grievance is given or the time to provide a response to the informal grievance has expired if no response is given. If the grievance is initiated as a formal grievance, then it must be submitted within fifteen (15) days of when the grievant knew or should have known of the event giving rise to the grievance.

Upon receipt of a formal written grievance, the employee's department head or designee will investigate the grievance and may, in their discretion, schedule a meeting with the grievant in an attempt to resolve the grievance. The department head or designee will issue their decision regarding the grievance in writing within fifteen (15) days of receipt of the written grievance, except that if the department head or designee conducts a meeting with the grievant, the department head or designee will issue their decision in writing within fifteen (15) days of that meeting.

~~B. after the action occurs, any employee or any official of the Association may notify the department head concerned in writing that a grievance exists, stating the particulars of the grievance and, if possible, the nature of the determination desired. The concerned department head shall have fifteen (15) business days in which to investigate the issues, meet with the complainant, and attempt to reach a satisfactory resolution of the problem. At the conclusion of the fifteen (15) business days or sooner, the department head shall issue a written memorandum to the employee or employee's representative filing the grievance of his/her decision.~~ No grievance may be processed under paragraph "C" and "D" below which has not first been filed and investigated in accordance with this paragraph.

C. Review of Department Head Decision: Any grievance which has not been resolved by the procedures hereinabove set forth may be referred to the City Manager. ~~by the complainant or by the concerned department head.~~ Such referral must be made no later than fifteen (15) ~~business~~ days after receipt of the department head's memorandum specified in sub-section "B" above, and shall be in writing detailing the specific issues involved in the referral together with a statement of the resolution desired. The grievance shall be considered resolved and no further review of the subject matter of the grievance shall be permitted under this rule if the employee does not timely request review of the department head's decision.

When the employee presents a formal grievance to the City Manager or designee, the City Manager or designee shall discuss the grievance with the employee and the employee's representative. Within fifteen (15) calendar days after this meeting, the City Manager or designee shall render a written decision regarding its merits. The decision of the City Manager or designee shall be final and binding and shall resolve the grievance. No further

review of the subject matter of the grievance shall be permitted within the City's administrative process.

~~The City Manager shall, within ten (10) business days after receipt of the referral, designate a personal representative who shall not be the concerned department head. The personal representative will investigate the merits of the complaint and within fifteen (15) business days of his/her designation by the City Manager meet with the complainant or complainant's representative and the department head concerned to settle the grievance or make recommendations to the City Manager. Any written statements submitted to the personal representative as part of the grievance process will be submitted at a mutually agreeable time by the employee or Association and department head.~~

~~Within twenty five (25) business days of his/her designation, the personal representative will make a written finding or recommendation which will be transmitted to the employee or Association, the department head involved, and the City Manager.~~

~~D. The parties must notify the City Manager within ten (10) business days after the personal representative has made his/her written findings or recommendations whether or not they have reached a mutually satisfactory accord. If the parties are unable to reach a mutually satisfactory accord on any grievance which arises, such grievance shall be submitted to the Adjustment Board as provided in Section "~~"E" ~~" below.~~

~~E. 1. Grievances which are not settled pursuant to the grievance procedure ereinherein and which either party desires to contest further, shall be submitted in writing to the Adjustment Board. An attempt shall be made to mutually agree upon a joint written submission of the issues. If no such joint submission is reached, each party shall submit to the Adjustment Board its own statement of the issues.~~

~~2. The Adjustment Board will be comprised of one (1) representative designated by the employee, one (1) representative designated by the City, and one (1) person from the community mutually agreed upon by the employee and the City representative.~~

~~The City employee or his/her representative involved shall name their representative within fifteen (15) business days after notifying the City Manager that they have not reached a mutually satisfactory accord. Within ten (10) business days after being named, the two parties shall agree upon the third member. The Adjustment Board will convene within twenty (20) business days after final designation of the three (3) members.~~

~~3. The grievant shall appear in person, unless physically unable to do so, throughout the hearings set in response to the grievance. Either the City, the~~

employee, or the employee's representative may call any employee as a witness, and the City agrees to release said employees from work, if on duty. The parties shall have the right to produce and examine witnesses, and the power to require the production of evidence. Subpoenas may be issued by the City Council in the name of the City and attested by the City Clerk. If subpoenas are requested or issued, time limits are waived. Oral evidence shall be taken under oath or affirmation.

4. Within seven (7) business days after convening, the Adjustment Board will issue a written finding of its decision or deadlock. In the event the Adjustment Board is unable to reach a decision or is still in the process of conducting its hearing, the time limit may be extended by a majority decision of the Adjustment Board for a period of time not to exceed ten (10) business days. In the event no agreement is reached on extending the time limit, the Adjustment Board shall be considered deadlocked. If an Adjustment Board is unable to arrive at a majority decision, either the Association, the employee or his/her representative, or the City may require that the grievance or appeal be referred to the City Council for resolution.

5. Decisions of the Adjustment Board on matters properly before it shall be considered final and binding on the parties thereto.

6. The time limits set forth above are intended as guides for the efficient processing of employee grievances.

7. Proposals to add to or change a memorandum of understanding or written agreement or addenda supplementary thereto shall not be grievances, and no proposal to modify, amend, or terminate a memorandum of understanding nor any matter or subject arising out of or in connection with such proposal, may be referred to the grievance procedure under this Section. No Adjustment Board shall have the power to amend nor modify a memorandum of understanding or written agreements or addenda supplementary thereto or to establish any new terms or conditions of employment.

F. Appeals of grievances in which the Adjustment Board is deadlocked may be referred by the City, the employee or his/her representative, or the Association to the City Council within ten (10) business days after such deadlock is declared. Such appeal shall be in writing and shall be accompanied by all written materials and other evidence which had been presented to the Adjustment Board. If the Adjustment Board proceedings had been recorded, the transcript of such shall also be provided.

The referring party shall indicate whether or not a hearing before the City Council is being requested. If both parties agree to submit the dispute upon the record, no

~~further hearing will be held. If a hearing before the City Council is requested, the referring party shall indicate whether the hearing is to be open or closed.~~

~~G~~Section 24-3~~.~~ GRIEVANCES INVOLVING PAYMENT OF COMPENSATION~~:~~

All complaints involving or concerning the payment of compensation shall be initially filed in writing with the Personnel Officer as a formal grievance. ~~Only complaints which allege that employees are not being compensated in accordance with the provisions of memoranda of understanding shall be considered as grievances. Any other matters of compensation are to be resolved in the meet and confer process, and if not detailed in memoranda of understanding which results from such meet and confer process, shall be deemed withdrawn until the meet and confer process is next opened for such discussion.~~ No adjustment shall be retroactive for more than thirty (30) days from the date upon which the complaint was filed.

Section 24-4 GENERAL CONDITIONS APPLYING TO ALL GREIVANCES

A. The Human Resources Department will act as a central repository for all formal grievances, including any final decision on a formal grievance.

B. The City shall not institute any reprisals against any employee or any representative resulting from the use of this grievance procedure.

C. Any time limit contained in the grievance procedure may be extended only by mutual agreement in writing.

D. An aggrieved employee may be represented by another individual at any stage of the proceedings at their request. Both employee and representative (if employed by City) will be entitled to attend proceedings with City representatives without loss of compensation, should such proceeding conflict with employee's and/or representative's normal working hours.

E. Proposals to add to or change these rules shall not be considered under this section, and no proposal to modify, amend, or terminate any Memorandum of Understanding between the City and an employee organization may be considered under this section.

F. Failure by the grievant or a grievant's representative to initiate or appeal a grievance within the prescribed time limits shall waive the right of the grievant, the grievant's representative, and the grievant's bargaining unit (if any) to initiate or appeal a grievance. In the case of an appeal, the last answer to the grievance shall be deemed to be the resolution to the grievance.

# PERSONNEL RULES

City of South Lake Tahoe

Adopted June 4, 1985
Most Recent Revision Date: - April 22, 2025

NOTE: Certain sections of the Personnel Rules may be modified or superseded by the terms of Memoranda of Understanding in effect between the City and its recognized employee organizations.

Therefore, it is very important that the current Memoranda of Understanding be consulted when referring to these Personnel Rules so that you have the most accurate and timely information.

TABLE OF CONTENTS

RULE I - DEFINITION OF TERMS ..... 1

Section 1-1: Advancement. ..... 1
Section 1-2: Allocation. ..... 1
Section 1-3: Anniversary Date. ..... 1
Section 1-4: Appointing Authority. ..... 1
Section 1-5: Base Anniversary Date ..... 1
Section 1-6: Bona Fide Occupational Qualification. ..... 1
Section 1-7: Certification. ..... 1
Section 1-8: City ..... 1
Section 1-9: Class. ..... 1
Section 1-10: Competitive Service. ..... 2
Section 1-11: Confidential Employee. ..... 2
Section 1-12: Continuous Service. ..... 2
Section 1-13: Council. ..... 2
Section 1-14: Day. ..... 2
Section 1-15: Demotion ..... 2
Section 1-16: Disciplinary Action. ..... 2
Section 1-17: Discharge. ..... 3
Section 1-18: Elected Official. ..... 3
Section 1-19: Eligible. ..... 3
Section 1-20: Employee. ..... 3
Section 1-21: Employee Organization ..... 3
Section 1-22: Employee Relations Officer. ..... 3
Section 1-23: Employee Relations. ..... 3
Section 1-24: Employment List. ..... 3
Section 1-25: Evaluation. ..... 4
Section 1-26: Examination. ..... 4
Section 1-27: General Service. ..... 4
Section 1-28: Layoff. ..... 4
Section 1-29: Management Employee ..... 4
Section 1-30: Part-Time Employee ..... 5
Section 1-31: Permanent Employee. ..... 5
Section 1-32: Personnel Officer. ..... 5
Section 1-33: Police Reserves. ..... 5
Section 1-34: Position Classification Plan. ..... 5
Section 1-35: Probationary Period ..... 5
Section 1-36: Professional Employee ..... 5
Section 1-37: Promotion. ..... 5
Section 1-38: Provisional Appointment. ..... 5
Section 1-39: Reclassification. ..... 6
Section 1-40: Reemployment. ..... 6
Section 1-41: Regular Employee. ..... 6
Section 1-42: Reinstatement. ..... 6
Section 1-43: Reserve Firefighter. ..... 6
Section 1-44: Safety Member. ..... 6
Section 1-45: Salary Range. ..... 6
Section 1-46: Separation. ..... 6
Section 1-47: Service Year. ..... 7

Section 1-48: Supervisory Employee. ..... 7
Section 1-49: Suspension. ..... 7
Section 1-50: Temporary Employee ..... 7
Section 1-51: Transfer. ..... 7
Section 1-52: Vacancy ..... 7
Section 1-53: Voluntary Demotion. ..... 7
Section 1-54: Work Schedule. ..... 7

RULE II - GENERAL PROVISIONS ..... 8

Section 2-1: Adoption of Personnel System ..... 8
Section 2-2: Personnel Officer ..... 8
Section 2-3: Violation Of Rules ..... 8
Section 2-4: Content of Rules ..... 9
Section 2-5: Amendments and Revisions of Rules ..... 9
Section 2-6: Departmental Rules ..... 10
Section 2-7: Application of Rules — Memoranda of Understanding ..... 10
Section 2-8: Severability ..... 10

RULE III - CLASSIFICATION ..... 11

Section 3-1: Preparation Of Plan ..... 11
Section 3-2: Adoption, Amendment, and Revision of Plan ..... 11
Section 3-3: Allocation of Positions ..... 11
Section 3-4: New Positions ..... 11
Section 3-5 Reclassification ..... 11
Section 3-6: Interpretation of Class Specifications ..... 11

RULE IV - ANNOUNCEMENTS AND APPLICATIONS ..... 13

Section 4-1: Announcement ..... 13
Section 4-2: Application Forms ..... 13
Section 4-3: Disqualification ..... 13
Section 4-4 Reasonable Accommodations ..... 14

RULE V - FAIR EMPLOYMENT PRACTICES ..... 15

Section 5-1: Equal Employment Opportunity Policy ..... 15
Section 5-2: Reasonable Accommodations ..... 15
Section 5-3: Policy Against Harassment, Discrimination and Retaliation ..... 15
Section 5-4: Dissemination of Rule ..... 16

RULE VI - EXAMINATIONS ..... 17

Section 6-1: Nature and Types of Examinations ..... 17
Section 6-2: Promotional Examination ..... 17
Section 6-3: Open Examination ..... 17
Section 6-4: Conduct of Examination ..... 17
Section 6-5: Scoring Examinations and Qualifying Scores ..... 17
Section 6-6: Notification of Examination Results ..... 17
Section 6-7: Review of Written Examination Results ..... 18

RULE VII - EMPLOYMENT LISTS ..... 19

Section 7-1: Employment Lists ..... 19
Section 7-2 Duration of Lists ..... 19
Section 7-3: Reemployment Lists ..... 19
Section 7-4: Reinstatement Lists ..... 20
Section 7-5: Removal of Names From List ..... 20
Section 7-6: No Guarantee of Employment ..... 20
Section 7-7: Veterans' Preference ..... 20

RULE VIII - METHOD OF FILLING VACANCIES ..... 22

Section 8-1: Types of Appointment ..... 22
Section 8-2: Notice to Personnel Officer ..... 22
Section 8-3: Consideration of Eligibles ..... 22
Section 8-4: Appointments - Generally ..... 22
Section 8-5: Appointment of Safety Members ..... 22
Section 8-6: Types of Appointments ..... 23
Section 8-7: Occupation of City Council Seat by City Employees ..... 24
Section 8-8: Contract for Special Services ..... 24

RULE IX - MEDICAL STANDARDS ..... 25

Section 9-1: Post-Offer, Pre-Employment Examinations ..... 25
Section 9-2 Fitness for Duty Examinations ..... 25
Section 9-3 After Absence ..... 25
Section 9.4 After Classification Change ..... 25

RULE X - ANTI-NEPOTISM ..... 26

Section 10-1 Policy ..... 26
Section 10-2 Definitions ..... 26
Section 10-3 Notice ..... 26
Section 10-4 Employees Who Are Spouses and Domestic Partners ..... 26
Section 10-5 Employees Who Are Immediate Family Members ..... 27
Section 10-6 Policy Exceptions ..... 27
Section 10-7 Appeals ..... 27
Section 10-8 Immediate Family Members of Elected Officials ..... 27

RULE XI - TRANSFER, PROMOTION, DEMOTION, REINSTATEMENT, RESIGNATION, AND RETIREMENT ..... 29

Section 11-1: Transfer ..... 29
Section 11-2: Promotion ..... 29
Section 11-3: Demotion ..... 29
Section 11-4 Reinstatement ..... 30
Section 11-5: Failure to Report to Work (Job Abandonment) ..... 30
Section 11-6: Resignation ..... 30
Section 11-7: Retirement ..... 30
Section 11-8: Medical Separations ..... 31

Section 11-9: Disability Retirement Applications by Safety Members ..... 31
Section 11-10: Use of Accrued Leaves ..... 33

RULE XII - REDUCTIONS IN FORCE ..... 34

Section 12-1: Statement of Intent ..... 34
Section 12-2: Notification ..... 34
Section 12-3: Employee Options ..... 34
Section 12-4: Order of Layoff ..... 35
Section 12-5: Reemployment List ..... 35
Section 12-6: Duration of Reemployment List ..... 35
Section 12-7: Reemployment ..... 36
Section 12-8: Layoff of At-Will Employees ..... 36

RULE XIII - REPORTS AND RECORDS ..... 37

Section 13-1: Personnel Records ..... 37
Section 13-2: Personnel Actions ..... 37
Section 13-3: Absence Report ..... 37
Section 13-4: Medical Records ..... 37
Section 13-5: Recruitment Records ..... 38
Section 13-6: Payroll Records ..... 38
Section 13-7: Change of Employee Status or Information ..... 38
Section 13-8: Department Records ..... 38
Section 13-9 Personnel Forms ..... 38
Section 13-10: Destruction Of Records ..... 39

RULE XIV - PERFORMANCE EVALUATIONS ..... 40

Section 14-1 Policy and Purpose of Evaluations ..... 40
Section 14-2: Timing of Performance Evaluations ..... 40
Section 14-3: Evaluation Procedures ..... 40
Section 14-4: Less Than Meets Minimum Requirements Ratings ..... 41
Section 14-5: Consideration for Promotion ..... 41
Section 14-6: Non-Appealable ..... 41

RULE XV - EMPLOYEE EXPECTATIONS AND CONFLICTS OF INTERESTS ..... 42

Section 15-1: General Policy ..... 42
Section 15-2: Employee Expectations ..... 42
Section 15-3: Gifts on Behalf of the City ..... 43
Section 15-4: Use of Public Property ..... 43
Section 15-5: Political Activities ..... 43
Section 15-6: Outside Employment ..... 43

RULE XVI - COMPENSATION ..... 45

Section 16-1: Preparation of Plan ..... 45
Section 16-2: Adoption of Plan ..... 45
Section 16-3: Placement On and Advancement Through the Plan ..... 45
Section 16-4: Salary Upon Transfer or Promotion ..... 46

Section 16-5: Salary Upon Reclassification ..... 46
Section 16-6: Compensation for Temporary Additional Responsibility ..... 46

RULE XVII - ATTENDANCE, HOURS OF WORK, OVERTIME AND EXPENSES ..... 48

Section 17-1: Work Schedule ..... 48
Section 17-2: Attendance ..... 48
Section 17-3: Procedure to Receive Compensation ..... 48
Section 17-4: Work Week or Work Period ..... 48
Section 17-5: Overtime ..... 49
Section 17-6: Compensatory Time Off ..... 49
Section 17-7: Reimbursement for Damaged Clothing or Equipment ..... 50
Section 17-8: Reimbursement of Expenses ..... 50

RULE XVIII - PROBATIONARY PERIOD ..... 51

Section 18-1: Objective of Probationary Period ..... 51
Section 18-2: Probationary Period for Regular and Promotion Appointment ..... 51
Section 18-3: Rejection of Probationer ..... 51
Section 18-4: Rejection Following Promotion ..... 52

RULE XIX - EMPLOYEE BENEFITS ..... 53

Section 19-1: Public Employees' Retirement System (PERS) ..... 53
Section 19-2: Deferred Compensation ..... 53
Section 19-3: Official City Holidays ..... 53
Section 19-4: Vacation Leave ..... 54
Section 19-5: Sick Leave - General ..... 54
Section 19-6: Sick Leave – Regular Employees ..... 54
Section 19-7: Catastrophic Leave Bank ..... 56

RULE XX - LEAVES OF ABSENCES ..... 58
Section 20-1: General ..... 58
Section 20-2: Workers' Compensation ..... 58
Section 20-3: Military Leave ..... 58
Section 20-4: Leave of Absence Without Pay ..... 58
Section 20-5: Family and Medical Leaves ..... 59
Section 20-6: Pregnancy Disability Leave ..... 59
Section 20-7: Jury and Witness Leave ..... 59
Section 20-8: Bereavement Leave ..... 60
Section 20-9: Reproductive Loss Event Leave ..... 61

RULE XXI - DISCIPLINARY ACTION ..... 62

Section 21-1: Types of Disciplinary Action ..... 62
Section 21-2: Causes for Disciplinary Action ..... 62
Section 21-3: Notice of Discipline ..... 63
Section 21-4: Administrative Leave ..... 64
Section 21-5: Written Reprimands ..... 64
Section 21-6: Appeals ..... 64

RULE XXII - GRANT FUNDED POSITIONS AND EMPLOYMENT CONDITIONS ..... 67

Section 22-1: Grant Funded Positions ..... 67
Section 22-2: Filling Grant Funded Positions ..... 67
Section 22-3: Grant Fund Employee Rights and Privileges ..... 67

RULE XXIII - TRAINING AND SAFETY ..... 68

Section 23-1: Responsibility for Training ..... 68
Section 23-2: Credit for Training ..... 68
Section 23-3: Payment of Tuition ..... 68
Section 23-4: Safety Program ..... 68

RULE XXIV - GRIEVANCES ..... 70

Section 24-1: Grievance Defined ..... 70
Section 24-2: Grievance Procedures ..... 70
Section 24-3 Grievances Involving Payment of Compensation ..... 71
Section 24-4 General Conditions Applying to All Greivances ..... 71

# RULE I
# DEFINITION OF TERMS

Section 1-1: Advancement.

A pay increase within the limits of a pay range established for a class or classification.

Section 1-2: Allocation.

The assignment of a single position to its proper class in accordance with the duties performed and the authority and responsibilities exercised.

Section 1-3: Anniversary Date.

The date a merit increase or administrative decrease in salary is effective as a result of hiring, reclassification, promotion, or demotion (see base anniversary date).

Section 1-4: Appointing Authority.

The position responsible for hiring, firing, direction of work, scheduling, and supervision of work for each position, normally the head of a department unless otherwise designated by the City Manager.

Section 1-5: Base Anniversary Date.

The date of first appointment to a regular position within the City service upon which seniority and retirement eligibility are based. In most cases, such appointment would be probationary.

Section 1-6: Bona Fide Occupational Qualification.

A job-related requirement for holding an established position.

Section 1-7: Certification.

The act of providing formal written verification of eligibility for employment.

Section 1-8: City.

The City of South Lake Tahoe.

Section 1-9: Class.

All positions sufficiently similar in duties, authority, and responsibility to permit grouping under a common title, and for which similar qualifications may be required and a salary applied equitably.

Section 1-10: Competitive Service.

The competitive service shall include all positions in the City except: elective officers; persons engaged under contract to supply expert, professional, technical consultation, or other services; the City Manager; the City Attorney; Department Heads; emergency employees hired to meet immediate requirements of an emergency condition (i.e.: fire, flood, or earthquake); members of appointive boards commissions, and committees; volunteer personnel, including but not limited to reserve firefighters and reserve police officers; temporary employees; and those specifically designated by the City Council to be exempted from competitive service. The competitive service is also referred to in these rules as the "merit system" or "merit system service."

Section 1-11: Confidential Employee.

An employee who is privy to the decision of City Government affecting employer/employee relations, to the instructions of the City Manager or the City Council to their representatives in employer/employee relations, or who may be assigned to participate as management representatives from time to time in negotiation meetings between employee organization representatives and City representatives.

Section 1-12: Continuous Service.

Employment with the City without break or interruption excluding authorized vacation, military leave, or leaves of absence with or without pay which are approved or ordered by the appointing authority.

Section 1-13: Council.

The City Council of the City of South Lake Tahoe.

Section 1-14: Day.

Calendar day.

Section 1-15: Demotion.

The movement of an employee from one class to another having a lower maximum rate of pay, or from one step in the salary range to a lower step in the salary range. Voluntary reductions are not considered demotions.

Section 1-16: Disciplinary Action.

Disciplinary action may include a written reprimand, suspension, demotion, reduction in pay, or an involuntary dismissal of an employee.

Section 1-17: Discharge.

The termination from service for just cause of an employee by the appointing authority.

Section 1-18: Elected Official.

A person who won a City office in a free election, or a person who was appointed to fill a vacancy in a City elected office.

Section 1-19: Eligible.

A person whose name is on a current employment list, established by the Personnel Officer.

Section 1-20: Employee.

Any person employed by the City. The term "employee" does not include those elected by popular vote (Elected Officials) or appointed by the Council to advisory boards and commissions.

Section 1-21: Employee Organization.

Any lawful organization which includes as members, employees of the City, and which has as one of its purposes representation of such employees in their relations with the City; provided, however, that said organization has no restriction on membership based on race, color, creed, sex, or national origin.

Section 1-22: Employee Relations Officer.

A designate of the City Manager who shall be the City's representative in such employer/employee relations matters as the City Manager shall delegate to them, including the administration of this section.

Section 1-23: Employee Relations.

The relationship between the City and its employees and their employee organizations, or when used in a general sense, the relationship between management and employees or employee organizations.

Section 1-24: Employment List.

A list of persons who are eligible for appointment to positions with the City. Employment lists may take the form of:

A. Open Employment List: A list of persons who have taken an open competitive examination for a specific class and have qualified to be considered for appointment to an available position in that classification.

B. Promotional Employment List: A list of employees who have taken a promotional examination for a specific class and have qualified to be considered for appointment to an available position in that classification.

C. Re-employment List: A list of names of persons previously employed by the City and either laid off or resigned in accordance with these rules.

Section 1-25: Evaluation.

A written report of performance and capability of meeting duties assigned to a specific position, prepared in accordance with these rules by the appointing authority or his/her designee.

Section 1-26: Examination.

The process of recruiting for the appointment of employees to City positions. Types of examinations include:

A. Open Competitive Examination: An examination for a particular class which is open to all persons meeting the qualifications for the class.

B. Promotional Examination: An examination for a particular class which requires that only regular employees who meet the qualifications for the class may be considered.

C. Continuous Examination: An open competitive examination administered periodically which results in names being placed on an employment list in the order of final score.

Section 1-27: General Service.

Positions of employment that are excluded from the competitive service will be referred to as being in the general service. The general service does not include elected officials, independent contractors, or volunteers.

Section 1-28: Layoff.

Separation of an employee from employment with the City, without prejudice, because of lack of work, lack of funds, reorganization, reduction in appropriation, abolition of position, or other reason(s) deemed appropriate by the City Council.

Section 1-29: Management Employee.

Any employee having significant responsibilities for formulating and administering City policies and programs and having responsibility for directing the work of subordinates through lower level supervision.

Section 1-30: Part-Time Employee.

An employee who works less than forty (40) hours per week.

Section 1-31: Permanent Employee.

An employee, who may be full or part-time, who has successfully completed the probationary period and is filling a regular position established by the Council and provided for in the annual salary resolution.

Section 1-32: Personnel Officer.

The City Manager or designee.

Section 1-33: Police Reserves.

A volunteer Police Officer who provides supplemental resources to the Police Department.

Section 1-34: Position Classification Plan.

A schedule of classification descriptions setting forth minimum requirements and qualifications for appointment to a vacant position.

Section 1-35: Probationary Period.

An extension of the recruitment process during which an employee appointed to a position in the merit system is required to demonstrate an ability to satisfactorily perform the duties for the position to which appointment has been made.

Section 1-36: Professional Employee.

Employees engaged in work requiring specialized knowledge and skills attained through completion of a recognized course of instruction, including but not limited to: attorneys, engineers, architects, and the various types of physical, chemical, and biological scientists.

Section 1-37: Promotion.

The movement of an employee from one class to another having a higher maximum rate of pay and responsibility.

Section 1-38: Provisional Appointment.

An appointment of a person who possesses the minimum qualifications established for a particular class and who has been appointed to a position in that class in the absence of an appropriate employment list as provided for in these rules.

Section 1-39: Reclassification.

The reassignment of a position by raising it to a higher class, reducing it to a lower class, or by moving it to another class at the same level as measured by a change in the kind, difficulty, and responsibility of the work performed. Movement within a class is considered to be a reclassification.

Section 1-40: Reemployment.

The return to employment with the City of an individual who was laid off from City service. Individuals eligible for reemployment will have their names included on a reemployment list that is created in conjunction with the reduction in force that resulted in their separation from City employment. A reemployed individual may be on one or more reemployment lists if they have service in multiple job classifications.

Section 1-41: Regular Employee.

An employee in a regular budgeted position who is not employed on as-needed basis (e.g., part-time hourly employees) or for a temporary or limited duration. Regular employees may be full-time or part-time. Regular employees may be in the general service or the competitive service. Regular employees in the competitive service must complete a probationary period as provided in these rules.

Section 1-42: Reinstatement.

Re-employment without examination of a former regular employee who has resigned from City employee, within one year from date of separation unless otherwise provided by these rules or applicable Memoranda of Understanding.

Section 1-43: Reserve Firefighter.

A volunteer firefighter who provides supplemental resources to the Fire Department.

Section 1-44: Safety Member.

An employee of the Fire or Police Departments who is sworn and meets the requirements set forth by PERS for safety member eligibility.

Section 1-45: Salary Range.

The minimum, maximum and intermediate salary steps that are assigned to a class and the positions within that class.

Section 1-46: Separation.

Any termination of employment, including death, discharge, lay-off, resignation, retirement, or

work completion.

Section 1-47: Service Year.

One year from the date of hire. Every year from that date will be considered another "service year."

Section 1-48: Supervisory Employee.

Any employee having authority to exercise independent judgment in the interest of the City to hire, transfer, suspend, lay off, reinstate, promote, discharge, assign, reward, or discipline other employees, or having the responsibility to direct them or to adjust their grievances, or effectively to recommend such action if, in connection with the foregoing, the exercise of such authority is not merely of a routine or clerical nature, but requires the use of independent judgment.

Section 1-49: Suspension.

Removal from service with or without pay for a limited period as determined by the appointing authority.

Section 1-50: Temporary Employee.

An employee appointed to fill a position which is identified as temporary, extra help, intermittent, on-call, or seasonal in nature and not an appointment to an authorized regular position. A temporary employee also includes short term employment of 2080 hours or less during a twenty-four (24) month period, and necessitated by temporary or emergency needs, special programs, or unusual work conditions. The appointment may be part-time or full-time. Temporary employees are not eligible to receive those benefits of employment authorized for regular positions.

Section 1-51: Transfer.

An appointment from one position to another in the same or in a comparable class.

Section 1-52: Vacancy.

An authorized position that is not occupied.

Section 1-53: Voluntary Demotion.

The movement of an employee, with consent of the appointing authority and Personnel Director, from one class to another having a lower maximum rate of pay and lesser requirements of responsibilities. Employees voluntarily reducing from one class to another must possess the minimum or desirable qualifications established for that particular class.

Section 1-54: Work Schedule.

Those hours during a calendar week designated as the hours to be worked by an employee.

# RULE II
# GENERAL PROVISIONS

## Section 2-1: Adoption of Personnel System

In order to establish an equitable and uniform procedure for dealing with personnel matters, to attract to municipal service the best and most competent persons available, to assure that appointments and promotions of employees, both in the competitive service and the general service, will be based on merit and fitness, and to provide a reasonable degree of security for qualified employees, the City Council hereby adopts the rules and regulations set forth herein.

## Section 2-2: Personnel Officer

The Personnel Officer or designee shall:

A. Administer all the provisions of the personnel rules not specifically reserved to the City Council, City Manager, or Department Heads.

B. Prepare and recommend to the City Council personnel rules, revisions, and amendments to such rules. The City Attorney shall approve the legality of such rules and amendments prior to their submission to the City Council.

C. Prepare, or cause to be prepared, a position classification plan, including class specifications and revisions of the plan. The plan, and any revisions thereof, shall become effective upon approval by the Council.

D. Prepare, or cause to be prepared, a plan of compensation covering all employees. The plan, and any revisions thereof, shall become effective upon adoption by the Council.

E. Provide for the publishing or posting of notices of tests for City positions, the receiving of applications thereof, the conducting and grading of tests, and the certification to the appointing power of a list of all persons eligible for appointment to City positions.

F. Maintain a current system of personnel records, forms, and systems for the implementation of these personnel rules and regulations.

## Section 2-3: Violation Of Rules

Each appointing authority and each employee is responsible for compliance with these rules. Violation of these rules shall be grounds for rejection of application, removal from an employment list, dismissal, or other disciplinary action deemed appropriate.

Section 2-4: Content of Rules

The rules shall establish regulations governing the personnel system, including but not limited to, the following:

A. Preparation, implementation, revision, and maintenance of a position classification plan governing all City positions, including employment standards and qualifications for each class.

B. Preparation, revision, and administration of a plan of compensation directly correlated with the position classification plan providing a rate or range of pay for each class.

C. Announcements of all open tests and acceptance of applications for employment.

D. Preparation and conduct of tests and the establishment and use of resulting employment lists containing names of persons eligible for appointment.

E. Certification and appointment of persons from employment lists and appointments of provisional, temporary, and emergency personnel.

F. Evaluation of employees during the probationary period.

G. Transfer, promotion, demotion, reinstatement, disciplinary action, layoff, and separation of employees.

H. Standardization of hours of work and attendance and leave regulation, working conditions, and the development of employee morale.

I. The establishment of adequate personnel records.

J. The establishment of grievance and appeal procedures.

K. Rules governing employer/employee organizations as provided by statute.

L. Safety and training.

Section 2-5: Amendments and Revisions of Rules

These Rules shall be established by resolution adopted by the City Council. Proposed amendments and/or revisions to these Rules shall be submitted to the City Council in writing by the Personnel Officer. Proposed amendments or revisions to these rules shall be provided to all recognized employee organizations as required by applicable law. Amendments and revisions shall become effective upon adoption by the City Council.

Section 2-6: Departmental Rules

These rules may be augmented by personnel rules and regulations found to be required by the separate departments for the full performance of duties and responsibilities. Such rules and regulations, prior to adoption, amendment and enforcement, shall be subject to the following requirements:

A. Not conflict with these rules or City ordinances or resolutions for amendments thereto;

B. Be prepared in writing and submitted to the Personnel Officer and City Attorney for review and approval prior to adoption;

C. Except in cases of emergency, be circulated to any appropriate recognized employee organization in writing, not less than ten (10) working days prior to adoption;

D. Except in cases of emergency, be posted and/or distributed in writing to each affected employee not less than ten (10) working days prior to adoption.

Section 2-7: Application of Rules — Memoranda of Understanding

In the event provisions of these rules or departmental rules contradict those included in Memoranda of Understanding accepted by the City and currently in effect between the City and formally recognized employee organizations, the terms of the Memoranda of Understanding shall prevail.

Section 2-8: Severability

If any provision of these Rules is held invalid, then the remainder of these rules and there application shall not be affected.

# RULE III
# CLASSIFICATION

## Section 3-1: Preparation Of Plan

The Personnel Officer shall ascertain and record the duties and shall recommend a Position Classification Plan for all City positions. In so doing, the Personnel Officer may consult with department heads and employees. The Position Classification Plan shall consist of specifications for each classification, including the title and minimum or desirable requirements and qualifications for appointment. The Position Classification Plan shall be developed and maintained so that all positions which are substantially similar with respect to duties, responsibilities, authority, and character of work are included in the same class, and that the same schedules of compensation may be made to apply with equity under similar working conditions to all positions in the same class.

## Section 3-2: Adoption, Amendment, and Revision of Plan

The Position Classification Plan shall be adopted and may be amended or revised, as necessary, by resolution of the City Council. Proposed amendments and revisions to the Position Classification Plan shall be submitted to the City Council in writing by the Personnel Officer. Proposed amendments to the Position Classification Plan shall be provided to all recognized employee organizations as required by applicable law. Amendments and revisions shall become effective upon adoption by the City Council.

## Section 3-3: Allocation of Positions

The number of regular positions and the classification of such regular positions allowed within each department shall be established by resolution of the Council and may be reflected in the Position Classification Plan.

## Section 3-4: New Positions

Whenever a new position is allocated, the Personnel Officer shall notify the appointing authority when the position may be filled. Except as otherwise provided herein, no appointment shall be made for such new position until the Finance Officer has confirmed that funds are available.

## Section 3-5 Reclassification

In the event duties for a position change significantly from the classification description, the Personnel Officer shall allocate the position to a more appropriate class. Reclassification shall not be used for the purpose of avoiding regulations concerning demotions and promotions.

## Section 3-6: Interpretation of Class Specifications

The following principles shall be applied when interpreting specifications for the various classes of positions:

A. The specifications are descriptive only and are not restrictive. They are intended to indicate the kinds of positions that should be allocated to the respective classes as determined by their duties, responsibilities and qualification requirements. Use of a particular expression or illustration shall not be held to exclude others not mentioned if such others are similar in kind or quality.

B. In determining the class to which any position should be allocated, the specification shall be considered as a whole. Consideration is to be given to the general duties, the specific tasks, the responsibilities, the minimum qualifications and the relationships to other classes in order to obtain an inclusive picture of the kinds of positions that the class is intended to include.

C. The duties statement shall be construed as a general description of a kind of work usually performed by the incumbent of a position that is properly allocated to the class, and not as prescribing what the duties of any position shall be, nor as limiting the expressed or implied power of the authority now or hereafter vested with the right to prescribe or alter the duties of any position.

D. The typical tasks shall be construed as examples only, illustrative of the duties as outlined by the general statement. These examples are not intended to be complete or exclusive and the fact that the actual task performed by the incumbent of a position does not appear therein shall not be taken to mean that the position is necessarily excluded from the class, provided that the tasks constituting the main work or employment are duly covered by the general statement of duties. On the other hand, any one example of a typical task without relation to the general statement of duties and all other parts of the specifications shall not be construed as determining whether a position should be allocated to the class.

E. The statement of minimum qualifications constitutes a part of the description of the kind of employment included within the class, and expresses the minimum and any additional desirable qualifications expected of an appointee. Such personal character qualifications as honesty, sobriety, and industry are deemed to be included in the statement of minimum qualifications and need not be specifically mentioned.

# RULE IV
# ANNOUNCEMENTS AND APPLICATIONS

## Section 4-1: Announcement

All examinations for classes shall be publicized by such methods as the Personnel Officer or designee deems appropriate. All open and promotional examinations in the competitive service shall be posted by the City in a manner that is reasonably likely to attract qualified applicants for a period of not less than ten (10) business days before the filing deadline. The announcements shall specify the title and salary of the class for which the examination is announced, the nature of the work to be performed, any special skills required, the manner of making applications, and other pertinent information.

## Section 4-2: Application Forms

Applications shall be made as prescribed on the examination announcement and consistent with applicable state and federal laws. If a specific form is required, that form shall require information covering training, experience, and other information pertaining to the minimum or desirable bona fide qualifications of the class. All application forms shall include a voluntary confidential data sheet for compliance with federal and state discrimination prevention laws.

All applications must be signed by the applicant and shall be valid for one (1) year from the date of filing or one year from the date of the applicable examination in which the applicant participated.

## Section 4-3: Disqualification

The Personnel Officer may reject any application that is incomplete, was not submitted by the specified filing date, and/or indicates on its face that the applicable does not meet the minimum qualifications required for the position. Applications may also be rejected if the person:

A. Has made any false statement of any material fact or engaged in any deception or fraud in an application;

B. Has been discharged from employment for reasons which indicate unfitness for performing the duties and responsibilities of the class or position;

C. Has directly or indirectly obtained information regarding examinations to which the applicant was not entitled or has otherwise defrauded the examination process;

D. Has willfully omitted or misstated material facts in completing an application for City employment;

E. Does not satisfactorily complete any element of the selection process;

F. Is unable to perform the essential functions of the class or position, with or without

reasonable accommodation if disabled; or

G. For any material cause which in the judgment of the Personnel Director or designee would render the applicant unsuitable for the position, including but not limited to prior resignation from the City, termination from the City, or prior disciplinary action.

At the discretion of the Personnel Director or designee, an applicant may be asked to correct an application that is missing required information, provided, however, that all filing deadlines are met by the applicant.

Section 4-4 Reasonable Accommodations

With adequate notice, the City shall provide reasonable accommodations to applicants with a disability (as defined by applicable federal and state law) in order to ensure access to the application and examination process.

# RULE V
# FAIR EMPLOYMENT PRACTICES

## Section 5-1: Equal Employment Opportunity Policy

The City is an equal opportunity employer. The City prohibits discrimination against employees or applicants for employment on the basis of race, religious creed, color, age, sex, sexual orientation, gender, gender identity, gender expression, national origin, ancestry, marital status, medical condition as defined by state law (cancer or genetic characteristics), disability, military service and veteran status, pregnancy, childbirth and related medical conditions, reproductive health decision-making, or any other characteristic protected by applicable state, federal or local law.

The City will afford equal employment opportunity to all qualified employees and applicants as to all terms and conditions of employment, including compensation, hiring, training, promotion, transfer, discipline and termination. Employees or applicants who believe they have experienced any form of employment discrimination are encouraged to report this immediately, using the complaint procedure this rule.

## Section 5-2: Reasonable Accommodations

The City is committed to providing reasonable accommodations where appropriate to qualified applicants and employees with known disabilities, unless doing so would impose an undue hardship on the City or pose a direct threat of substantial harm to the employee or others. The City will also provide reasonable accommodations for the religious beliefs and practices of qualified job applicants and employees, unless doing so would impose an undue hardship on the City.

An employee or applicant who needs a reasonable accommodation based on a disability or religion should discuss the need for possible accommodation with the Human Resources Department. Upon receiving an accommodation request, the City will engage in a timely interactive process with the employee to identify possible accommodations. In the case of disability, the employee may be required to provide medical documentation establishing the existence of a disability, any-job related restrictions, and the estimated length of time for which accommodation is needed.

## Section 5-3: Policy Against Harassment, Discrimination and Retaliation

The City is committed to providing all employees, applicants, officers, officials, volunteers, interns and contractors with a workplace that is free from harassment, discrimination or retaliation as defined in this Rule. The City does not tolerate harassment, including sexual harassment, or discrimination on the basis of race, religious creed, color, age, sex, sexual orientation, gender, gender identity, gender expression, national origin, ancestry, marital status, medical condition as defined by state law (cancer or genetic characteristics), disability, military service and veteran status, pregnancy, childbirth and related medical conditions, reproductive health decision-making or any other characteristic protected by applicable state, federal or local law. Any violation of this rule will lead to disciplinary action, up to and including termination.

This Rule against harassment, discrimination and retaliation prohibits elected officials, appointed officials, officers, employees, volunteers, interns and contractors from harassing or discriminating against applicants, officers, officials, employees, volunteers, inters and contractors because: (1) of an individual's protected characteristic; (2) of the perception that an individual has a protected characteristic; or (3) the individual associates with a person who has or is perceived to have a protected characteristic. The rule also prohibits retaliation against any individual who has made a good-faith complaint of harassment or discrimination, or who participates in an investigation undertaken by the City into a complaint or harassment, discrimination or retaliation. Please refer to the City's Employment Policies for more detail.

If it is determined that a violation of this Rule has occurred, the City will take corrective measures. These measures may include, but are not limited to counseling, suspension, or dismissal. Anyone, regardless of position or title, who the City determines has engaged in conduct that violates this policy will be subject to disciplinary action, up to and including termination.

In addition to being a violation of this Rule, harassment, discrimination or retaliation can also be against the law. Individuals who engage in conduct that rises to the level of a violation of law may be personally liable for such conduct.

All employees of the City are required to complete harassment prevention training as required by applicable law. For more information about this training requirement, employees can visit https://calcivilrights.ca.gov/shpt/.

Section 5-4: Dissemination of Rule

All City officials, officers, employees, volunteers and interns shall receive a copy of the City's Fair Employment Policies. These policies may be updated from time to time and, as such times, will be redistributed to all employees.

# RULE VI
# EXAMINATIONS

## Section 6-1: Nature and Types of Examinations

The selection techniques used in the examination process shall be impartial, of a practical nature, and shall relate to those subjects which, in the opinion of the Personnel Officer, fairly measure the capability of applicants to perform duties assigned to the class for which they seek appointment. Examinations may include but not necessarily be limited to: written and performance tests, personal interviews, work samples, medical or other exams, or any combination of these or other requirements for that job. The probationary period shall also be considered a portion of the examination process. Examinations shall be designed to provide equal opportunity to all candidates by being based on an analysis of the essential requirements of the class, covering only factors related to such requirements.

## Section 6-2: Promotional Examination

Promotional examinations shall be conducted upon approval of the Personnel Officer subject to provisions of this section when the needs of the service require, or upon request of the appointing authority. Promotional examinations may include any of the selection methods set forth in Section 6-1 above. Only regular employees meeting the requirements set forth in the promotional examination announcements or departmental rules may compete in promotional examinations.

## Section 6-3: Open Examination

Open competitive examinations may be administered periodically as the needs of the service require. Names shall be posted on employment lists and shall remain on such lists as prescribed in Rule VII herein.

## Section 6-4: Conduct of Examination

The City may contract with any competent agency or individual for the preparing and/or administering of examinations. In the absence of such a contract, the Personnel Officer or designee shall see that such duties are performed, including making arrangements for the use of public buildings and equipment for the conduct of examinations.

## Section 6-5: Scoring Examinations and Qualifying Scores

An applicant's score in any examination is based upon the scores achieved for each part of the examination as provided in the examination announcement. Failure in one part of an examination may authorize the Personnel Officer to disqualify applicants from the remaining parts of the examination.

## Section 6-6: Notification of Examination Results

Each applicant shall be given written notice of the results of the examination.

Section 6-7: Review of Written Examination Results

Applicants shall have the right to inspect the results of their own written examination if a written examination was part of the application process and when permitted by the author of the exam. Applicants may request review within five (5) working days after the notices of written examination results were mailed. Review is limited to only review of written examinations and does not include review of any practical examination or oral examination. Any error in computation of a written examination result, if called to the attention to the Personnel Officer within this period, shall be corrected. Questions and content of the written examination may be challenged by filing a written appeal to the Personnel Officer within five (5) working days of mailing of the applicant's examination results, stating the reasons for the challenge. All decisions of the Personnel Officer are final. If any question is disqualified, all candidates shall be so notified in writing of the effect on examination scores. Said changes in results shall not affect any appointments that have already been made.

# RULE VII
# EMPLOYMENT LISTS

## Section 7-1: Employment Lists

Within thirty (30) days after completion of an examination, the Personnel Officer shall prepare and keep available an eligible list consisting of the names of applicants who qualify in an examination, arranged in order of final scores from highest to the lowest qualifying scores. Multiple employment lists for a single classification are permitted. When multiple employment lists exist, an eligible shall be considered based on their overall rating as opposed to when they were placed on an employment eligibility list, except that eligibles on a reemployment list will have priority over all other lists.

## Section 7-2 Duration of Lists

Employment lists shall normally remain in effect for a period of twelve (12) months following the date the eligible list is established. Employment lists may be extended for an additional period prior to their expiration date by action of the Personnel Officer. However, in no event shall an employment list remain in effect for more than eighteen (18) months.

The Personnel Officer, after consultation with the appointing authority and approval by the City Manager may terminate an eligible list at any time where it is not possible to certify at least three (3) qualified persons to an appointing authority for consideration in the filling of a position. In the event an employment list is terminated with one or more eligibles remaining, prior to completion of twelve (12) months from the date established, the Personnel Officer shall notify the remaining eligibles.

In the event a promotional eligible list is terminated with one or more eligibles remaining, prior to completion of twelve (12) months from the date established, the promotional eligibles remaining on the list shall have the option of again competing in the promotional examination process or said promotional eligible may have their score merged on the new eligible list in the order of their final score provided, however, that their standing on the new eligible list shall not remain in effect beyond twelve (12) months from the date they were originally placed on an eligible list. This option shall be exercised after the final tally has been compiled but before the new list is certified to the appointing authority.

In the event a person appearing on an eligible list is appointed to a temporary or seasonal position they shall retain their eligibility for appointment to a regular position so long as they are continuously employed in the temporary or seasonal position even if the eligible list has expired or has been terminated by the Personnel Officer.

## Section 7-3: Reemployment Lists

The names of probationary and permanent employees who have been laid off in accordance with these rules shall be placed on an appropriate re-employment list in order of total continuous accrued time served in probationary and permanent status. Names placed on such reemployment lists shall remain on the list for a period of twelve (12) calendar months unless otherwise provided in these rules or applicable Memoranda of Understanding. Employees on a reemployment list will have priority for appointment to vacant positions over individuals on any other list, subject to the provisions providing for removal of names from the list, Section 7-5.

Section 7-4: Reinstatement Lists

In the event of resignation, employees may request in writing and within one year after resignation, to be reinstated on an employment list. However, reinstatement shall be based upon the position on the first employment list such employee's name first appeared and not automatically at the top of such list. Such placement on list shall be at the request of the resigning employee. Eligibility for reinstatement shall not continue beyond twelve (12) months from date of separation from city service.

Section 7-5: Removal of Names From List

The names of any persons appearing on an employment eligibility list shall be removed by the Personnel Officer if the eligible: (1) requests such removal in writing; (2) fails to respond to a notice mailed to the last known address of the eligible within ten (10) working days of the date of the letter; (3) no longer meets the eligibility requirements for appointment; (4) is subsequently hired by the City; (5) after the appointing authority indicates they no longer wish to consider the eligible for appointment; or (6) for reasons specified in Section 4-3. The names of persons on a promotional list shall automatically be dropped from the promotional list in the event of termination or resignation.

The person affected shall be notified of the removal of their name by a notice mailed to their last known address. It shall be the sole responsibility of those individuals on an eligibility list to provide the City with information regarding any change of address or telephone number.

Section 7-6: No Guarantee of Employment

No person who appears on an eligibility list is guaranteed employment with the City. The appointing authority or designee may opt not to hire any/or all persons whose name appear on an eligibility list.

Section 7-7: Veterans' Preference

The City will grant a veteran, as defined in this Rule, with preference points on entrance examinations, nor to a current employee in a regular position.

For purposes of this rule "veteran" means any person who has served full-time in the armed forces in time of national emergency or during any expedition of the armed forces who has been discharged or released under conditions other than dishonorable.

Eligible veterans who obtain a passing score and are placed on an employment eligibility list will receive an additional two points added to their score. The veteran shall be placed on the employment eligibility list at the appropriate ranking after the additional points are addressed. Eligible veterans who obtain a passing score and are placed on an employment eligibility list will receive a veterans' preference notation and such individuals shall be considered prior to the appointing authority's consideration of other equally ranked eligibles.

Any individual applicant for entrance employment with the City wishing to receive veterans' preference must submit proof of their veteran status in the form of a DD-214 along with the original employment application.

Candidates who are in the military service at the time of an examination, and who are discharged from military service during the duration of the employment list may apply for a veterans' preference upon discharge from the military. If all the eligibility criteria and documentation requirements contained in this Rule are met, then the candidate's placement on the employment list will be adjusted accordingly.

Veterans' preference points shall not be given to those applicants who:

1. Are competing in a promotional examination on or for a classification not included within the competitive service; or

2. Were discharged for a reason other than "honorable."

# RULE VIII
# METHOD OF FILLING VACANCIES

## Section 8-1: Types of Appointment

All appointments to vacancies occurring in the competitive service shall be based upon merit and fitness ascertained in accordance with these rules and shall be filled by transfer, demotion, or from eligibles from an appropriate employment list, if available. In the absence of persons eligible for appointment from an eligibility list, provisional appointments may be made in accordance with this Rules. All appointments shall be made by the appointing authority.

## Section 8-2: Notice to Personnel Officer

Whenever a vacancy in the competitive service is to be filled, the appointing authority or designee shall notify the Personnel Officer. The Personnel Officer shall advise the appointing authority or designee as to the availability of any reemployment list, and if there is no reemployment list, then as to the availability of eligibles on employment eligibility lists for the class. If there is no employment list available for a class, the Personnel Officer shall decide whether or not the position may be filled provisionally and whether to fill the vacancy by reinstatement, transfer, demotion, appointment from a promotional employment list, or appointment from an open eligible list.

## Section 8-3: Consideration of Eligibles

Any applicant on the employment eligibility list may be considered for appointment, and such consideration of applicants shall be termed "the rule of the list" such that any individual on the list may be appointed to a vacancy. For vacancies occurring in the competitive service, the Personnel Officer shall certify to the appointing authority, from an appropriate list, up to five eligible candidate names more than the number of vacancies to be filled. No person on an employment eligibility list shall be considered for appointment unless all other eligible with a higher or equal employment list ranking have been interviewed by the appointing authority or designee.

## Section 8-4: Appointments - Generally

The appointing authority shall fully consider each of the eligibles certified. Following an interview and other appropriate candidate review, the appointing authority shall notify the Personnel Officer and the eligibles considered of the appointing authority's determination. If the applicant accepts appointment and reports for duty within such period of time as prescribed by the appointing authority, the applicant shall be deemed to be appointed; otherwise, the applicant is deemed to have declined appointment.

## Section 8-5: Appointment of Safety Members

Appointment of safety members shall be made as set forth in these Rules. However, the appointing authority shall not confirm an appointment of a safety member until a medical examination has been completed by a doctor designated by the City, with a report indicating that the candidate is physically able to perform the duties as prescribed for the class as set forth herein.

Section 8-6: Types of Appointments

A. At-Will Appointments. Except as being within the competitive service or as defined in an employment agreement, all appointments, regardless of type are at-will appointments which may be terminated with or without cause and with or without notice at any time by either the employee of the City. Nothing in these personnel rules or in any document or statement shall limit the right to terminate employment at will. Only the City Council may approve or authorize an employment agreement that can alter the at-will relationship and any such employment agreement must be in writing.

B. Regular Position Appointments. Appoint to a position which works an ongoing schedule, whether part-time or full-time. Regular positions that are included in the competitive service must serve a probationary period as provided in these rules.

C. Temporary Appointments: Appointments to a position which is not a regular position appointment. Whenever possible, temporary employees should be appointed from an appropriate eligible list. Temporary appointments are limited to a period of time not to exceed 2,080 regular hours worked in a twenty-four (24) month period. Temporary employees are not guaranteed a minimum number of hours of work per day, per month, or per year. In addition, temporary employees have no rights of continued employment even when their service is satisfactory. Temporary employees serve at the pleasure of the appointing authority and may be separated from City service at any time by action of the appointing authority. Eligibility of temporary employees for retirement benefits shall be in accordance with the rules and regulations of the Public Employees' Retirement System. Service time as a temporary employee shall not count towards any benefits, accruals or incentive pay, except as required by law.

D. Provisional Appointments: In the absence of there being names of three (3) individuals willing to accept appointment from appropriate employment lists, a provisional appointment may be authorized by the Personnel Officer for a person meeting the bona fide training and experience qualifications for the positions. An employment list shall be established for any regular position filled by a provisional appointment no later than three (3) months from the date the provisional appointment was effected. A provisional employee may be removed at any time without the right of appeal or hearing.

E. Emergency Appointments: To meet the requirements of an emergency condition that threatens life, property or the general welfare of the City, the City Manager may employ such persons as may be needed for the period of the emergency, without regard to the regulations as to appointment in these rules. Any emergency appointment will be an at-will appointment.

F. Out of Class Appointments. In every City department, subordinate employees may be assigned to temporarily assume the duties of a higher-level position which is vacant pending an active recruitment for a regular appointment. When an employee is appointed by the appointing authority to work in an out of class appointment, the employee will be paid at the lowest step in the salary range associated with the classification for the out of class appointment which provides a minimum increase of five percent (5%) above the normal rate of pay for the employee. An out of class appointment may not exceed 960 hours in a fiscal year.

Section 8-7: Occupation of City Council Seat by City Employees

No person, upon election to a position upon the City Council and so long as such position is held, shall be employed by, or remain employed by, the City of South Lake Tahoe.

Section 8-8: Contract for Special Services

The City Manager shall consider and make recommendations to the Council regarding the extent to which the City should contract for the performance of technical services in connection with the establishment or operation of the personnel system. The Council may contract with any qualified person or agency for the performance of any of the following responsibilities and duties:

A. The preparation of personnel rules and subsequent revisions and amendments thereof.

B. The preparation of a Position Classification Plan and subsequent revisions and amendments thereof.

C. The preparation of a plan of compensation and subsequent revisions and amendments thereof.

D. The preparation, conduct, and grading of competitive test.

E. Special and technical services of advisory or informational character on matters relating to personnel administration.

# RULE IX
# MEDICAL STANDARDS

## Section 9-1: Post-Offer, Pre-Employment Examinations

A post-offer, pre-employment medical examination may be required for applicants in select classes. Any pre-employment physical will be done in accordance with the standards set forth in the Americans with Disabilities Act or other applicable law to determine whether the employee can perform the essential duties of the position, with or without reasonable accommodation.

If the results of a pre-employment examination will result in the disqualification of an applicant, the applicant will be notified and given an opportunity to submit an independent medical opinion for consideration before a final decision on disqualification is made.

No appointment may be made official until a positive determination is made that the applicant can perform the essential functions of the position, with or without reasonable accommodation.

## Section 9-2 Fitness for Duty Examinations

An employee may be required to undergo a physical and/or mental evaluation (i.e., a medical examination) to determine his/her capacity to perform the duties of his/her position. An employee may be required to submit to an examination by a competent medical practitioner whenever there is a reasonable suspicion that an employee is physically or mentally unfit to perform the duties of his/her position, may subject others to infection or may subject the employee or third persons to the risk of injury.

## Section 9-3 After Absence

The City may require a medical examination and/or medical release before an employee may return to work following an absence due to illness, injury, or surgery.

## Section 9.4 After Classification Change

A standard medical examination may be required before an employee is appointed to a classification with more rigorous medical standards. A medical examination will be done in accordance with the standards set forth in the Americans with Disabilities Act or other applicable law.

# RULE X
# ANTI-NEPOTISM

## Section 10-1 Policy

It is City policy not to discriminate in its employment or personnel actions with respect to its employees and applicants on the basis of marital or domestic partner status. Notwithstanding this policy, the City reserves the right to reasonably regulate, for reasons of supervision, safety, security or morale, the assignment of spouses and registered domestic partners within the same department, division, facility or unit. The City further reserves the right to decline to hire or promote the immediate family member of any employee for any reason. Promotional advancement may also be denied if the promotion places one spouse, registered domestic partner, or immediate family member under the supervision of another. Exceptions to this policy require the written approval of the Department Head, Human Resources Manager, and the City Manager.

## Section 10-2 Definitions

For purposes of this rule, the following definitions shall apply:

A. Marital status is defined as an individual's state of marriage, divorce or dissolution, separation, or annulment.

B. Immediate family member means an individual's spouse, registered domestic partner, parent, stepparent, parent-in-law, sibling, stepsibling, sibling-in-law, child, stepchild, grandparent, and grandchild. The term "immediate family member" also includes an individual who falls within one of these categories by a previous marriage, adoption or registered domestic partnership.

C. Domestic partner is as defined in Family Code section 297.

## Section 10-3 Notice

Any applicant for a position with the City will be required to notify the City if they have or reasonably anticipate (e.g., because a pending engagement) having a marital and/or familial relationship with an existing employee or City official. This notice shall include the name(s) of the existing employee(s) and/or official(s) with whom the applicant has a relationship, as well as the nature of that relationship.

## Section 10-4 Employees Who Are Spouses and Domestic Partners

The City will investigate to determine if there are any reasonable modifications or changes in procedure that can be made to minimize operational concerns regarding supervision, safety, security or morale whenever the employment status of two employees results in either:

1. One spouse or registered domestic partner directly supervising another; or

2. Two or more spouses or registered domestic partners working within the same department or division.

In the event that no reasonable modifications or changes in procedure are available, or that any modifications or changes would affect safety, security, supervision or morale, the City reserves the right to transfer or reassign one of the employees. While the wishes of the involved parties will be considered, the controlling factor in determining which relative shall be transferred shall be the positive operation, efficiency, and needs of the City. There can be no guarantee that the new position will be within the same classification or at the same salary level.

If an employee does not accept a transfer or reassignment, or in situations where no transfer or reassignment is available, the City may request the voluntary resignation of one of the employees and if one of the employees does not voluntarily resign, the City will retain one employee and terminate the other. Factors the City might use in evaluating which employee to retain include, for example, performance, tenure, position within the organization, or other factors deemed relevant by the appointing authority or designee.

Section 10-5 Employees Who Are Immediate Family Members

The City need not make reasonable modification or changes in procedure when the relationship between two or more employees is that of immediate family members and not that of spouses or registered domestic partners. In addition, the City need not transfer or reassign immediate family members and can move to retain one immediate family member and terminate the other. Factors the City might use in evaluating which employee to retain include, for example, performance, tenure, position within the organization, or other factors deemed relevant by the appointing authority or designee.

Section 10-6 Policy Exceptions

Spouses, domestic partners, or immediate family members employees may continue to work in the same department subject to approval by the Department Head, the Human Resources Manager, and the City Manager.

Section 10-7 Appeals

Any permanent employee who was employed in a position within the competitive service who is separated from City service under this rule may utilize the disciplinary appeal procedure as identified under the applicable collective bargaining agreement or, if none, the Grievance Procedure as described in these rules. Other actions (for example, a transfer, demotion or lost opportunity for overtime or supplemental pay) are not subject to appeal.

Section 10-8 Immediate Family Members of Elected Officials

No person who is the spouse, registered domestic partner, or immediate family member of a current City elected official shall be eligible for appointment. The spouse, registered domestic partner or immediate family member of an elected official currently employed as of the date the elected

official assumes office shall not be subject to automatic exclusion of employment. The City Manager may, however, utilize the provisions of this policy to transfer, reassign, or terminate the employee, if necessary, for the efficient operation of City business.

# RULE XI
# TRANSFER, PROMOTION, DEMOTION, REINSTATEMENT, RESIGNATION, AND RETIREMENT

## Section 11-1: Transfer

Transfers may be voluntary or involuntary. No person shall be transferred to a position for which the bona fide qualifications are not possessed. Upon notice to the Personnel Officer, an employee may be transferred at any time by the appointing authority or designee from one position to another position in a comparable class. For transfer purposes, a comparable class is one with the same maximum salary, involves the performance of similar duties, and requires substantially the same basic qualifications.

If the transfer involves a change from one department to another, prior approval of both department heads must be granted unless the City Manager orders the transfer for reasons of economy or efficiency. Transfer shall not be used to effectuate a reclassification, promotion, demotion, advancement, or reduction, each of which may be accomplished only as provided in the Personnel Ordinance or these Rules.

Whenever possible, an employee being transferred from one position to another position in the same or a comparable class will receive five (5) business days' notice. If an employee disputes an involuntary transfer, the employee may, within two (2) days of receiving notice of the pending transfer, file a written appeal with the City Manager or designee setting forth the reasons for the appeal. Any appeal must be based on an alleged violation of the requirements for transfer or the procedure followed. The decision as to whether or not to transfer an employee shall be at the sole discretion of the appointing authority and is not subject to any grievance or appeal procedure.

## Section 11-2: Promotion

If, in the opinion of the Personnel Officer, it is in the best interest of the municipal service, vacancy in the position may be filled by a promotional examination instead of open-competitive examination. A minimum of five percent (5%) increase in pay will be granted to employees receiving a promotion, unless the existing top step in the new position is less than five percent (5%) higher. A new anniversary date will be established for a promoted employee, and a new probationary period will begin on the first date in the new position.

## Section 11-3: Demotion

Demotions may be voluntary or involuntary. A voluntary demotion occurs when an employee requests a transfer to a position with salary range that contains a lower maximum salary than the range applicable to the requesting employee's position. Upon receiving a request for a voluntary demotion, the appointing authority will review the request and decide, in the appointing authority's sole discretion, whether to grant or deny the request. An involuntary demotion will be accomplished in accordance with the disciplinary process described in these rules. No employee shall be demoted to a position who does not possess the minimum qualifications.

Section 11-4 Reinstatement

Upon approval of the Personnel Officer, a regular employee who has resigned may be reinstated to City service within one year of the effective date of resignation to a vacant position in the same or comparable class, provided that such employee possessed a satisfactory performance record. Eligibility for reinstatement will be in accord with these rules and shall not continue for a period beyond twelve (12) months from the date of separation unless otherwise provided in these rules or applicable Memoranda of Understanding. Upon reinstatement, the employee shall be granted seniority for previous continuous service including vacation accrual rates. Sick leave accrued prior to termination will be restored except where payment has been made. A reinstated employee will be placed as the same salary step placement held before the employee's resignation. A new anniversary date will be established for the employee that includes the previous continuous services but excludes the period of absence from the employment of twelve (12) months or less."

Section 11-5: Failure to Report to Work (Job Abandonment)

An employee who fails to report to work, fails to return from an authorized leave of absence, and/or fails to call off from work for three (3) or more consecutively scheduled work days is deemed to have voluntarily resigned employment through job abandonment. A regular employee who has passed probation will receive notice of intent to dismiss for job abandonment, an opportunity to respond, and the final notice of dismissal for job abandonment before being separated under this provision. At the discretion of the Personnel Officer, an employee separated for job abandonment may be reinstated upon proof of justification for such absence, such as severe accident, severe illness, or mental or physical impairment which prevented notification. No employee has any right to grieve or appeal a separation due to job abandonment or to an evidentiary or disciplinary appeal following a separation due to job abandonment.

Section 11-6: Resignation

An employee voluntarily terminating City service in good standing shall file with the appointing authority a written resignation stating the effective date and reasons for leaving. Such notice shall be filed at least two (2) weeks before leaving the service, unless such time limit is waived by the appointing authority or City Manager. Such resignation and other pertinent information shall be forwarded to the Personnel Officer. Failure to give written notice as required by this rule may be cause for denying any future employment by the City.

Section 11-7: Retirement

The City contracts with the California Public Employees' Retirement System (CalPERS) in order to provide eligible employees with retirement benefits. Retirement benefits for member agencies are financed in part by the employee and part by the City. The amount paid is based upon salary and class to which the employee is assigned (safety or miscellaneous).

Application for retirement may be made on the appropriate forms furnished by the Personnel Officer. Information dealing with eligibility and benefits should be obtained in advance of filing an application for retirement.

CalPERS benefits and service time calculations shall not be considered for calculation of City service time, incentive pay entitlements, or any benefit or accrual.

Section 11-8: Medical Separations

An employee who becomes unable to perform the essential functions of their position due to a disability or other medical condition may be medically separated from employment. Prior to medical separation, the City will determine what accommodations, if any, can be reasonably provided to the employee in accordance with City policy and any applicable law. In addition, if appropriate, the City may consider an employee's potential eligibility for disability retirement benefits.

Before medically separating a regular employee, the Human Resources Manager or designee will provide the affected employee with notice of the proposed decision to medically separate. The notice shall: (1) inform the employee of the action intended, the reason for the action and the proposed effective date; and (2) inform the employee of the right to respond to the proposed action and to whom to respond. After review of any timely response, the Human Resources Manager or designee shall notify the employee of any final action to be taken and the effective date of that action. A medical separation may be appealed pursuant to the grievance procedure contained in Rule 24 below.

In cases where employees may be eligible for disability retirement, the City will initiate an application for disability retirement benefits on the employee's behalf in accordance with the requirements of Government Code section 21153.

Section 11-9: Disability Retirement Applications by Safety Members

The following procedures shall be utilized to process an application for disability retirement benefits by a local safety member under the California Public Employees' Retirement System (CalPERS):

A. Initial Determination

Upon receipt of an application for disability retirement benefits from a CalPERS safety member, an initial determination will be made by the City Manager upon medical and other available evidence. The applicant may be required to submit to a medical examination in order for the City Manager to obtain sufficient information to make a determination. The City Manager's determination will address the following: (1) whether the applicant is incapacitated from the performance of duty pursuant to the standard for disability retirement under the Public Employees' Retirement Law (PERL); and (2) if the applicant is determined to be incapacitated, whether the cause of such incapacitation was industrial or non-industrial. The City Manager's determination shall be made within six (6) months of the date of the request for such determination from CalPERS unless this time requirement is voluntarily waived in writing by the applicant. The City Manager will provide written notice of its determination to CalPERS and applicant.

B. Appealing an Initial Determination

An applicant may appeal the City Manager's determination on the issue of incapacity by requesting a hearing as provided in Section 4 of this Rule below. An applicant may appeal the City Manager's determination as to the issue of causation by filing an appeal with the Workers' Compensation Appeals Board (WCAB) for a Finding of Fact determination as to causation. Any appeal of the City's initial determination on an application must be filed within thirty (30) calendar days of the date on the notice of determination. The City Manager's determination shall not be subject to appeal to the Personnel Commission or under the grievance procedure.

C. Hearing

If the applicant requests a hearing on the issue of incapacity, the hearing shall be held in conformity with the Administrative Procedures Act. When an applicant requests a hearing, the City will notify CalPERS. The City will also notify the Office of Administrative Hearings and will request a hearing date and a pre-hearing conference with an Administrative Law Judge. The applicant will be informed of the hearing date, time and location. The hearing shall be conducted before the Administrative Law Judge. The hearing shall be recorded. The burden of proof is on the applicant to demonstrate incapacity.

Following the hearing, the Administrative Law Judge will issue a Proposed Decision. The Proposed Decision will include a determination of issues, findings and summary of facts. The Proposed Decision will be reviewed and acted upon by the City Council. The Council will either:

1. Adopt the Proposed Decision as its own Decision.

2. Make changes in the Proposed Decision and adopt it as its own Decision, in accordance with applicable law.

3. Reject the Proposed Decision and in doing so either:

    i. Make its own decision without hearing additional evidence; or

    ii. Make its own decision following the acceptance of additional evidence; or

    iii. Remand the case back to the administrative law judge to take additional evidence and to issue a new or revised Proposed Decision.

The Council's decision and findings shall be served by the City on the applicant and the applicant's designated representative, if any, by U.S. Postal Service mail (with at least mail delivery confirmation) or by personal service. The City shall also notify CalPERS of the decision. The City Council's decision shall be final and is not subject to any grievance procedure.

Section 11-10: Use of Accrued Leaves

No use of vacation, sick leave, administrative leave, compensatory time off, holidays, or any other paid time off in lieu of hours worked, may be used to extend an employee's separation date (regardless of the reason for separation) beyond the employee's last day worked unless approved by the City Manager. Use of sick leave shall be authorized only upon proper medical verification that the use of such leave complies with the rules pertaining to the use of sick leave.

# RULE XII
# REDUCTIONS IN FORCE

## Section 12-1: Statement of Intent

Whenever, City Council determines, in the City Council's sole discretion, it is necessary to abolish any position or employment, the employee holding such position or employment may be laid off, transferred or demoted without disciplinary action and without the right of appeal.

## Section 12-2: Notification

Whenever possible, employees to be laid off shall be given at least thirty (30) calendar days prior notice.

## Section 12-3: Employee Options

Whenever a regular employee in the competitive service has been notified that they will be laid off from their current position, the employee shall have the following options:

A. "Bump" to a Lower Class. If an employee has held status in a lower classification in the same department, the employee may "bump" or retreat to that lower classification if the employee has more seniority than at least one of the incumbents in the lower class. If an employee has not held status in a lower class, then no retreat rights accrue to the employee. An employee exercising retreat rights must provide written notice to the Human Resources Manager within five (5) working days of receipt of the notice of layoff.

The employee exercising this option may only displace the least senior employee in the department in the former class. In the event the laid off employee does not possess all qualifications of the least senior position including bilingual and/or biliterate skills, the employee shall displace the least senior employee, if any in the former class, who is in a position that does not require bilingual and/or biliterate skills.

An employee retreating to a lower class shall be placed on the salary step representing the least loss of pay. In no event shall the salary be increased above that received in the class from which the employee was laid off. Failure to timely exercise of any retreat rights will result in forfeiture of the ability to retreat to a lower class and the employee will be laid off.

B. Transfer to Another Class. If an employee has not held status in a lower classification, of it such lower classification is occupied by a more senior employee, the employee may be eligible for transfer to a vacant position if the employee is qualified and capable of performing the duties of the vacant position as determined by the appointing authority. Employees who are transferred in lieu of layoff will be paid at the rate of pay for the new position at a step to be

determined by the City Manager and shall serve a new probationary period. Any employee who does not accept a transfer within seven (7) days of the date of the notice of layoff will forfeit the ability to transfer and will be laid off.

C. Accept the layoff.

Section 12-4: Order of Layoff

In each class, employees shall be laid off in the inverse order of their seniority and according to employment status in the following order: temporary, provisional, regular part-time employees serving a probationary period, regular full-time employees serving a probationary period, regular part-time employees and regular full-time employees.

For the purpose of this rule, seniority includes all periods of full-time or part-time service in the employee's current classification and any lower classification within the department. Such seniority shall be calculated based on hours of service in paid status as a regular employee. Hours served as a temporary employee, overtime hours, and unpaid leave hours are not included in the calculation of seniority hours.

In cases where there are two or more regular employees who have completed probation in the class within the department from which the layoff is to be made, such employees shall be laid off on the basis of the last evaluation rating in the class, provided such rating has been on file at least thirty (30) days and no more than twelve (12) months prior to layoff as follows:

First, all employees having ratings of "unsatisfactory". Second, all employees having ratings of "improvement needed". Third, all employees having ratings of "satisfactory" or above (which includes highly satisfactory and outstanding) by seniority.

Section 12-5: Reemployment List

The names of regular employees in the competitive service who are laid off or demoted in accordance with these rules shall be entered upon a reemployment list for the department from which they were laid off. Such list shall be used by the appointing authority when a vacancy arises in the same or lower class of position before certification is made from an eligible list.

Section 12-6: Duration of Reemployment List

Names of persons laid off shall be carried on a reemployment list for one (1) year, except that persons appointed to regular positions of the same level as that which laid off, shall, upon such appointment, be dropped from the list. Persons who refuse reemployment or who fail to promptly respond to and accept a reemployment offer within seven (7) days of the date of the offer shall be dropped from the list. Persons reemployed in a lower class, or on a temporary basis, shall be continued on the reemployment list for the higher position for the one (1) year.

Section 12-7: Reemployment

A former employee appointed from a reemployment list shall be reinstated to the salary range and step held at the time of layoff and have the following benefits restored:

1. Accrued but unused sick leave.

2. Seniority at the time of layoff for vacation accrual, future reduction in force, and department purposes as defined within department operating procedures (e.g., work schedule preferences, vacation scheduling preferences).

A former employee shall not accrue any benefits during the period of time the employee was on layoff.

Section 12-8: Layoff of At-Will Employees

By definition, employment at-will may be terminated by either the employee or the City at any time with or without cause and with or without notice. Nothing in this chapter shall require the City Manager to allow an at-will employee to displace an employee in a lower class or require the City Manager to place an at-will employee on a reemployment list.

# RULE XIII
# REPORTS AND RECORDS

## Section 13-1: Personnel Records

The Personnel Officer shall maintain a service or personnel record for each employee in the service of the City showing the name, title of position held, the department to which assigned, salary, changes in employment status, and such other information as may be considered pertinent. Such records are the official personnel records of each employee.

An employee's personnel file may be examined by the City Manager, the City's legal representatives, the Human Resources Manager, the employee's Department Head, and those individuals authorized by the City Manager or the Personnel Officer.

Employees have the right to examine any portion of their personnel file after submitting a written request. Employees also have the right to file a written exception to anything found in their personnel files. Employees who wish to receive their personnel files should submit a written request to the Personnel Officer or designee. In accordance with the provisions of this Rule and state law, all documents in the possession of the City about an employee may not be available to the employee for review.

Unless otherwise required by law, the only information from the employee's personnel file which may be publicly released is: Employee's name; positions held including job descriptions; salary range and other general terms or limits of compensation; and dates pertaining to the employee's employment.

## Section 13-2: Personnel Actions

Every appointment, transfer, promotion, demotion, termination, change of salary rate, and any other temporary or permanent change in status of employment shall be reported to the Personnel Officer in such manner as may be prescribed, no later than one (1) week before the end of the pay period affected by the change, or the change may not be made until the next pay period.

## Section 13-3: Absence Report

An absence report is to be completed for any absence, and signed by the supervisor and/or department head. This form is to be forwarded to the Personnel Officer for filing in the appropriate file.

## Section 13-4: Medical Records

An employee's medical records shall be segregated and stored separately from the rest of the personnel file and maintained in confidentiality in accordance with applicable state and federal law. The City Manager, the City's legal representatives, Human Resources Manager and Department Head (if necessary) are authorized to access such medical information on a case-by-case basis only as authorized by state or federal law. All persons with such authorization shall

maintain such information according to the same standards of privacy and protection from unauthorized access as is maintained by the Human Resources Manager. Violations of this policy may result in discipline, up to and including dismissal from employment. Nothing in this policy is intended to extend or expand the scope of employee privacy rights beyond the limits of existing law.

Section 13-5: Recruitment Records

Records gathered during any recruitment process shall be filed and maintained in confidentiality. The City Manager, the City's legal representatives, Human Resources Manager, and Department Heads are authorized to access such records. All persons with such authorization shall maintain such information according to the same standards of privacy and protection from unauthorized access as is maintained by the Human Resources Manager. Violations of this policy may result in disciplinary action, up to and including dismissal from employment. Nothing in this policy is intended to extend or expand the scope of employee or applicant privacy rights beyond the limits of existing law.

Section 13-6: Payroll Records

The Finance Director shall maintain such records that are necessary for payroll and retirement system purposes. The Human Resources Director, City Manager, the City's legal representatives, or persons authorized by the City Manager, may inspect such records from time to time in fulfilling his/her duties including, but not limited to, the purpose of administering these rules.

Section 13-7: Change of Employee Status or Information

It is the responsibility of each employee to notify the Human Resources Manager, within five (5) business days of any change in the employee's withholding status, home address, telephone number, name or other such information (e.g. marriage, divorce, change in number of dependents, etc.) that might affect the City payroll records and/or other employee benefits such as health and dental insurance benefits, except as otherwise specified by City policy or applicable law.

Section 13-8: Department Records

Each department may keep and maintain such working and supervisor records as may be deemed necessary for the purpose of carrying out the provisions of these rules and the functions of the department. The Department Head and supervisor shall make available to the Personnel Officer or designee all department reports, records and documents dealing with personnel matters as are appropriate. Such department records are considered confidential records.

Section 13-9 Personnel Forms

The Personnel Officer shall maintain and furnish to all departments, as needed, a supply of forms to comply with these rules.

Section 13-10: Destruction Of Records

All records relating to personnel, including correspondence, applications, examination reports, and all other personnel records, may be destroyed pursuant to applicable law and the City's Retention Policy as it may be adopted and amended by the City Council.

# RULE XIV
# PERFORMANCE EVALUATIONS

## Section 14-1 Policy and Purpose of Evaluations

It is the policy of the City that regular reports shall be made on all employees regarding efficiency, competency, conduct and merit. The responsibility shall be borne by the City Manager, the department directors, and their subordinate supervisors. It shall be the responsibility of the Personnel Officer or designee to provide and prescribe the forms and procedures to be used in such performance reports and to assist in the training of supervisory personnel, so that performance reporting will be carried out in a sound, effective and timely manner.

Performance evaluations are an important part of the City's personnel policies. They provide an objective, consistent, and fair way to gauge each employee's on-the-job effectiveness. The evaluation process should inform employees of their standing and communicate expected standards of performance. It is also used to discuss City and department goals, employee goals, work standards, areas where improvement is needed, career development potential, and possible opportunities.

## Section 14-2: Timing of Performance Evaluations

During the probationary period, an employee will be evaluated every three (3) months and prior to acquiring permanent status in a classification. Thereafter, every employee will be evaluated every twelve (12) months. However, evaluations for safety employees shall be made to coincide with the end of a training element or change of shift or division.

An employee may also be evaluated at any time at the discretion of the department head or when the performance of the employee has been rated as or below "Needs Improvement" on their most recent evaluation.

## Section 14-3: Evaluation Procedures

Evaluation shall be completed on forms approved for that purpose by the Personnel Officer.

After completion of the evaluation and discussion with the employee affected, the employee shall sign said evaluation to indicate receipt and its discussion with the designated supervisor. The evaluation shall be reviewed and signed by the department head, a copy given to the employee, and original filed with the Personnel Officer.

Within three working days after receipt of the performance evaluation, an employee may, at their discretion, submit written comments in response to the evaluation. Said comments shall be submitted to the employees designated supervisor, reviewed by the department head, and the original filed with the Personnel Officer for attachment to the performance evaluation.

Section 14-4: Less Than Meets Minimum Requirements Ratings

An employee who receives an overall performance rating of less than meets minimum requirements should be rated at a more frequent interval, as provided in these Personnel Rules.

An employee who receives an overall rating of less than meets minimum requirements shall not be eligible to participate in any promotional examinations until at least an overall meets minimum requirements rating has been established.

An employee who receives an overall rating of less than meets minimum requirements shall not be eligible for any salary step advancement until an overall rating of at least meets minimum requirements has been established.

Section 14-5: Consideration for Promotion

In promotional examinations and selection of employees, past performance evaluations shall be given consideration.

Section 14-6: Non-Appealable

Employees may attach a reasonable amount of rebuttal material to any evaluation with which they disagree. Written statements in response to an evaluation must be submitted within fourteen (14) days of when the evaluation is provided to the employee in order to be included with the evaluation in the employee's personnel file. Evaluations are not subject to any form of appeal or grievance.

# RULE XV
# EMPLOYEE EXPECTATIONS AND CONFLICTS OF INTERESTS

## Section 15-1: General Policy

Employees of the City are required to discharge the duties and responsibilities of the positions with professional integrity, regardless of personal considerations. Employees are expected to recognize that the public interest is their primary concern. The conduct of City employees in their official capacity must be beyond reproach. The Personnel Officer is authorized to establish such lawful policies, procedures and guidelines that regulate the conduct of employees in support of this objective and which are consistent with the City's Code of Ethics Relating to Administration.

## Section 15-2: Employee Expectations

No City employee shall engage in any act which is in conflict, or creates an appearance of unfairness or conflict, with the performance of official duties. To meet the standards set forth in this policy, employees must:

A. Disclose all financial interests which may constitute a conflict of interest with official duties, including disclosure of the nature and extent of any personal interest in any business entity engaging in any transaction with the City as required under the City's conflict of interest resolution. An employee is participating in any City decision which could affect his or her personal or financial interests in violation of the City's conflict of interest resolution.

B. Refuse to accept gifts, gratuities, favors, services or promise of future benefit from any person, firm, entity or corporation doing business with the City, where such gift, gratuity favor, service or promise could compromise independence of judgment or action as a public official or employee. Employees should disclose any offer of gift, favor, service or promise to their supervisor immediately.

C. Refrain from engaging in activities or employment that may appear to be, or are incompatible with public duties, whether on or off duty. Employees of the City should not become involved or affiliated with any agency or entity that receives funds from the City, either directly or indirectly, whether that association or affiliation may create a conflict of interest, or an appearance of a conflict of interest or impropriety.

D. Refrain from disclosing, promulgating, using, or validating information concerning City government or other employees and officials which is confidential, or protected without prior authorization, confidential information concerning property or affairs of the City to advance a private interest with respect to any contract or transaction which is or may be the subject of official action of the City.

E. Refrain from using any City funds or property for personal or private gain. Employees must be absolutely honest in all dealings, in whatever capacity, with City funds, properties or facilities

F. Refuse to represent private interests before government agencies in any matter in which the City is a party, or in which the employee's official position with the City is, or may be, a consideration in or influence the decision of such agency on the matter before it.

G. Comply with the provisions of the Political Reform Act, as regulated by the Fair Political Practices Commission, or any other state or federal laws governing conflict of interest matters.

Section 15-3: Gifts on Behalf of the City

The City Manager or designee is permitted to accept a gift, gratuity, or favor on behalf of the City and may distribute such gift, gratuity, and favor as deemed appropriate to City employees and elected officials in accordance with Fair Political Practices Commission regulations, the City's Code of Ethics, and any other applicable City policy, rule or regulation.

Section 15-4: Use of Public Property

No employee of the City shall request, use, or permit the use of City-owned vehicles, clothing, equipment, materials, or other property for unauthorized personal convenience, for profit, for private use, or as part of secondary employment. City property is to be used solely for the purpose of conducting official City business.

Section 15-5: Political Activities

Employees are prohibited from using City time or property in any manner for any of the following reasons: to promote any political issue or candidate; to solicit funds for any political purpose; or to influence the outcome of any election.

No employee shall be eligible for appointment or election to any public office (including appointment to a City Board, Commission or Committee) when the holding of such office or position would be incompatible or would substantially interfere with the discharge of official duties.

Section 15-6: Outside Employment

Employees may hold outside employment if it is determined such employment will not interfere with the satisfactory performance of their City duties. The determination if outside employment will interfere with City duties shall be made by the department head with the approval of the City Manager. The following is offered as a guide to department heads in evaluating requests for outside employment:

A. The outside work must not interfere with the employee's effectiveness in his/her City position. Consideration should be given to the number of hours worked outside, the location of the outside employment, and the nature of the duties involved.

B. The outside work must not leave the employee tired or subject to injury in his/her regular position with the City.

C. The outside employment must be such that no conflict arises as to municipal responsibility for an injury incurred in the outside job.

D. The public relations effect of outside jobs should be considered, as well as potential conflicts of interest.

E. The employee must not accept payment for work, which he/she would normally perform as a City employee.

F. An employee may not perform work, which may later be inspected, audited, or reviewed by another City employee.

G. The Department Head with approval of the City Manager may disallow outside employment at any time if it is interfering with the employee's satisfactory performance of City duties. Employees will have three weeks to terminate outside employment if requested by the Department Head or disciplinary action may be taken.

In order to ensure that such outside employment is not detrimental to the City or is not a conflict of interest, any employee holding or intending to hold outside employment shall complete a written request seeking approval for outside employment. This written request must include the name and address of the business for whom the employee will work, the nature of the work, and the work hours and time. Written requests should be submitted to the department for approval, which will then forward the request to the Human Resources Department for review. If approved, written requests for outside employment must be renewed by January 31st of every subsequent year.

The City Manager or designee is responsible for implementing regulations and procedures for reporting and requesting approval for any outside employment. An employee who engages in any outside employment without written authorization, or who performs work that exceeds the scope of a written authorization, is subject to discipline, up to and including termination. The City Manager or designee may revoke any authorization to engage in outside employment in the City Manager's sole discretion.

Outside employment is defined to mean any employment, activity or enterprise outside of an employee's normal City working hours wherein the employee is compensated for specific hours or duties on a regular basis. Outside employment does not include sporadic employment or occasional employment unless the employee is required to perform work related to his/her position with the City or utilize any City owned/controlled facilities, equipment, information, records, supplies, and/or uniforms.

# RULE XVI
# COMPENSATION

## Section 16-1: Preparation of Plan

The Personnel Officer shall prepare, for adoption by the City Council, a pay plan covering all classes of positions in the competitive service. No person may be paid less than the minimum, nor more than the maximum of the salary range established for the class in which employee is employed. No change in the salary range of a class may be made without City Council approval. Such plans shall be reviewed annually in conjunction with the adoption of the annual budget.

## Section 16-2: Adoption of Plan

The pay plan shall be adopted and may be amended from time to time by action of the City Council. At the time of consideration, any interested party may appear and be heard. Amendments and revisions to the plan may be suggested to the City Council by filing in writing a request for change and filing same with the City Clerk through the Personnel Officer.

## Section 16-3: Placement On and Advancement Through the Plan

A. New employees shall be paid at the first step of the salary range for the employee's classification. The City Manager may authorize original appointment at other than the minimum step shown in the pay plan.

B. No salary change shall be authorized which would exceed the maximum rate established in the pay plan for that class.

C. Advancement within the salary range shall not be automatic, but shall be based on merit as established by the employee's performance and requires the recommendation of the appointing authority and the approval of the City Manager.

D. As a general practice, eligibility for step advancement consideration will be as follows:

For employees who are appointed or promoted to a regular position, the eligibility date for step advancement consideration will be after completion of six (6) months service at such step. Thereafter, the eligibility date for step advancement will be after completion of twelve months continuous service at such step.

Exceptions to the general practice time limits may be considered by the Personnel Officer and City Manager if, in their opinion, sufficient justification has been submitted by the appointing authority. Except in cases of promotion, all salary adjustments shall become effective on the first day of the payroll period that includes the effective date of the action, unless otherwise specified in these Rules, official City policy or an applicable memorandum of understanding. Salary

adjustments due to a promotion shall become effective on the first day of appointment in the promoted position.

Upon being granted the final step, The employee shall no longer be eligible for any further advancement on the salary schedule for the classification.

Section 16-4: Salary Upon Transfer or Promotion

A. A transfer of an employee shall not be cause for a change in salary.

B. The salary of an employee who is promoted shall normally be set at the lowest step of the range for the new class which results in an increase of no less than five percent (5%), unless limited by the maximum salary range. The promoted employee's anniversary date for purposes of any future salary step increase shall be established as the effective date of the promotion.

Section 16-5: Salary Upon Reclassification

A. If an employee's position is reclassified to a class with a higher salary range than the previous class, the employee's salary shall be determined in the same manner as if the employee had been promoted.

B. If the salary of a reclassified employee is the same or less than the maximum of the salary range of the new class, the salary of the employee shall not change; provided, however that the employee shall not receive less than the minimum salary established for the class to which reclassified.

C. If the salary of a reclassified employee is greater than the maximum of the range of the new class, the salary of the employee shall be designated as a "Y" rate and shall not change during continuous City service until the maximum of the salary range to which the class is assigned exceeds the "Y-rate" salary of the employee.

Section 16-6: Compensation for Temporary Additional Responsibility

In every City department, subordinate employees may be assigned to temporarily assume the duties of a higher-level position due to a temporary absence of an incumbent. This provides training opportunities to help qualified employees to successfully compete for future promotion. Acting as relief for a lengthy period of time and assuming the duties of a higher-level position should be recognized by added compensation since a higher level of continuing responsibility is involved.

Whenever a subordinate employee acts as relief for a superior for more than six (6) consecutive working days, the employee will receive a temporary upgrade or acting pay allowance equal to five (5%) of their base pay. This temporary upgrade pay shall become effective on the seventh (7th) working day of the temporary assignment and shall be retroactive back to the first day of the assignment. Upon returning to the responsibility of his/her normal position, the salary allowance

will be discontinued. In order for this temporary salary allowance to be granted, the following requirements must be met:

1. The assignment must be made in writing by the City Manager or designee;

2. The employee must be assigned to perform a significant majority of the duties of a budgeted position in a higher paid classification; and

3. The employee must be assigned to and perform the duties of the higher level classification for more than six (6) consecutive work days.

This section shall not apply to temporary, department head or mid-management personnel, except as determined individually by the City Manager. This section also shall not apply to an "out of class appointment" that is made due to a vacancy for which the City is conducting a recruitment.

# RULE XVII
# ATTENDANCE, HOURS OF WORK, OVERTIME AND EXPENSES

## Section 17-1: Work Schedule

All employees shall be assigned a regular work schedule as required by the needs of the City. The work schedule for each Department will be established by the Department Head with the approval of the City Manager or designee. The work hours for each employee will be scheduled by the Department Head or designee. Typically, employee work schedules are comprised of five (5) eight (8) hour shifts in a seven (7) day period.

When the efficiency of City services is benefited by variations to the "5/8" work schedule, Department Heads are authorized to prescribe such variations after meeting and conferring regarding the impacts of the work period change with the appropriate recognized employee organization. Except as provided for public safety employees, variations shall not exceed forty (40) hours in a consecutive seven (7) day period.

Except in cases of emergency, the City shall give employee's five- (5) calendar day's notice prior to changing their regular work schedule.

## Section 17-2: Attendance

Employees shall be in attendance at work during their regular hours of work and shall not absent themselves during working hours for any reason without prior approval of their supervisor. Failure to obtain approval for an absence may be grounds for disciplinary action, up to and including termination.

## Section 17-3: Procedure to Receive Compensation

All employees are required to submit accurate and complete time records. Each employee shall sign his/her time sheet verifying the hours worked. It is the responsibility of the employee to make certain his time sheet has been filled out correctly before submitting. The employee's supervisor shall verify and approve each employee's accumulated hours of work prior to submitting to the payroll division for payment.

Employee timecards showing payroll information including hours of work, time off, and special compensation shall be submitted to the Finance Office by the appointing authority for each employee no later than 12:00 noon the first work day after the end of the pay period, which is every other Monday, excepting holidays. Paychecks will be distributed by the Friday following the end of the pay period. Records of hours worked, vacation time, compensatory time, sick leave, and holiday accumulated and used, shall be kept by the payroll division.

## Section 17-4: Work Week or Work Period

The workweek for the City begins at 12:01 a.m. on Saturday and ends 7 days later at midnight on the following Friday. Employees assigned to work an alternative work schedule may have an alternative workweek as designated by the City Manager or the Human Resources Manager. The

work period for employees engaged in law enforcement activities shall be a 14-day consecutive period unless otherwise provided in an appliable MOU. The work period for employees engaged in fire protection activities shall be a 14-day consecutive period unless otherwise provided in an applicable MOU.

Section 17-5: Overtime

It is the policy of the City that overtime work is kept to a minimum and shall be authorized in advance by an employee's Department Head or designee. Overtime eligible employees are not permitted to work overtime except as authorized and approved. Overtime shall be assigned by the Department Head or designee to meet essential operating needs.

Working overtime without advance approval is a violation of these rules and grounds for discipline, up to and including termination. Employees are expected to report all hours worked in a work-reporting period.

Overtime is compensated at 1.5 times the employee's regular rate of pay, as defined under the Fair Labor Standards Act ("FLSA"). All overtime entitlements shall be computed to the nearest tenth of an hour (6 minute increments). Employees will be compensated for overtime in accordance with the FLSA.

An employee's eligibility to receive overtime compensation for services performed shall be determined in accordance with the FLSA. Those employees who are classified as "exempt" under the FLSA shall not be eligible to receive overtime compensation.

Section 17-6: Compensatory Time Off

An overtime eligible employee may opt to receive compensatory time off ("CTO") in lieu of cash payment for overtime worked if the employee's Department Head agrees prior to the overtime work being performed. CTO accrues at a rate of 1.5 hours for each hour of overtime actually worked. Unless provided in a memorandum of understanding, no more than forty (40) hours of compensatory time off may be accrued by an employee

Employees may use CTO only upon the approval of the Department Head or designee. An employee's request to use accrued CTO will be granted provided that: (1) the Department can accommodate the use of CTO on the day requested without undue disruption; and (2) the employee submits the request to use CTO at least five (5) business days prior to the date of requested usage. If the employee does not provide at least five (5) business days notice or the department cannot accommodate the requested time off, the City will provide the employee with the opportunity to select another day for usage of the CTO.

The City reserves the right to cash out accumulated CTO at any time. During employment CTO is cashed out at the employee's current FLSA regular rate of pay. Employees separating from City service shall be compensated for all accrued, unused CTO hours at the higher of either: (1) the separating employee's current FLSA regular rate of pay; or (2) the average FLSA regular rate of pay for the prior three years.

Section 17-7: Reimbursement for Damaged Clothing or Equipment

The performance of duty for the City may result in a loss or damage to clothing, equipment, or personal property of the employee. Reimbursement for such loss may be permitted by this section in accordance with the procedure set forth. Such reimbursement shall be over and above compensation set forth in the salary plan, uniform allowances, or other payments set forth in these rules.

Reimbursement must be claimed on forms approved by the Finance Director. Payment is subject to approval by the appointing authority, the City Manager, and demands authorized by the City Council. The claim must fully describe the incident leading to the loss or damage and show proof of purchase, replacement, or repair to support the amount claimed. Clothing will be replaced at new value only if purchase receipts are provided which reflect acquisition within thirty days prior to loss or damage. Unless otherwise provided in Memoranda of Understanding or department rules, the value will be prorated on older items up to three years.

Section 17-8: Reimbursement of Expenses

The City shall provide full reimbursement for all approved expenses incurred in the performance of duties or required by the appointing authority. Such reimbursement is over and above compensation provided for in the salary plan for the assigned position or provided for in these rules. All employees, including elected officials, are eligible for this reimbursement when claimed pursuant to this section. The City Manager or designee is responsible for establishing policies and procedures for reimbursement of approved travel related expenses.

Purchase of supplies and operating equipment may be necessary from time to time at the expense of the employee. Such purchase must be approved by the appointing authority and the City Manager, and is limited to such circumstances or conditions where normal purchase procedures are not permissible or practical. Full reimbursement shall be claimed upon forms approved by the Finance Director and limited to appropriations authorized in the budget and approved by the Council for payment.

# RULE XVIII
# PROBATIONARY PERIOD

## Section 18-1: Objective of Probationary Period

The probationary period shall be regarded at a part of the testing and selection process and shall be utilized for closely observing the actual performance on the job and for securing the most effective adjustment of a new employee to City service.

## Section 18-2: Probationary Period for Regular and Promotion Appointment

Every original appointment shall be subject to a probationary period of not less than twelve (12) months from the date appointed to the position, except for original appointments to sworn/safety positions in the Police and Fire service. The probationary period for original appointments to sworn/safety positions in the Police and Fire service shall be eighteen (18) months from the date of appointment.

Every promotional appointment shall be subject to a probationary period of not less than six (6) months from the date promoted to the position, except for promotional appointments in the Police and Fire service. The probationary period for promotional appointments in the Police and Fire service shall be twelve (12) months from the date of promotion.

Employees who transfer to another position in the same classification shall not be required to undergo a new probationary period in the position into which the employee is transferring, provided the employee has completed the probationary period for the classification at the time of transfer.

The probationary period of an employee who is absent from work, temporarily reassigned to work in another classification, or temporarily assigned to perform modified or light duty work will be automatically extended by the same amount of time as the absence or reassignment, so as to result in a probationary period of actual active duty in the regular position for the required length of time to complete the applicable probationary period, subject to applicable law.

At the discretion of the appointing authority, an employee's probationary period may be extended by up to six (6) additional months for a total maximum probationary period of eighteen (18) month for regular employees, except for appointments to sworn/safety positions in the Police and Fire service which may be extended to provide for a maximum probationary period of twenty-four (24) months. Notice to extend an employee's probationary period must be in writing from the appointing authority or designee and approved by the Personnel Officer.

## Section 18-3: Rejection of Probationer

During the probationary period, a probationary employee may be rejected at any time by the appointing authority without right of appeal. Notification of rejection will result in termination of the probationer. Written notice of such rejection shall be served on the probationer with a copy

filed with the Personnel Officer. An employee who is rejected during the probationary period has no right to appeal or grieve the decision to reject.

Section 18-4: Rejection Following Promotion

A probationary employee who has previously completed their initial probationary period with the City and who is rejected from a promotional appointment during the probationary period for that promotional appointment shall be reinstated to the original position from which the promotion occurred, unless charges are filed and the employee is discharged from City service. . Such return to a former position shall be without lose of vacation, sick leave and other rights and privileges.

Any employee appointed to a position who is replaced by a rejected probationer returning to such position shall be eligible for layoff procedures as provided herein.

# RULE XIX
# EMPLOYEE BENEFITS

## Section 19-1: Public Employees' Retirement System (PERS)

Eligible City employees shall be contributing members of PERS as appropriate for the class to which the employee is assigned, and in accordance with the requirements set forth by PERS. Other employees will become eligible for PERS membership in accordance with the requirements of the Public Employees Retirement Law and the Public Employees Pension Reform Act and supporting regulations.

## Section 19-2: Deferred Compensation

A deferred compensation program has been established which allows eligible permanent employees to participate in accordance with applicable rules and regulations.

## Section 19-3: Official City Holidays

Public offices of the City shall be closed on the following days except as otherwise provided herein:

1. January 1
2. Martin Luther King Jr. Day
3. President's Day
4. Memorial Day
5. Juneteenth
6. Independence Day
7. Labor Day
8. Indigenous People's Day
9. Veteran's Day
10. Thanksgiving Day
11. The Friday immediately following Thanksgiving Day
12. Christmas Eve
13. Christmas Day

Except for Christmas Eve and Christmas, if a holiday falls on a Saturday, the holiday will be observed on the preceding Friday and if a holiday falls on a Sunday, it will be observed on the following Monday.

If Christmas Eve falls on either Saturday or Sunday, the holiday will be observed on the preceding Friday. If Christmas Day falls on Saturday or Sunday, the holiday will be observed on the following Monday.

Unless otherwise required by law or provided in a memorandum of understanding, salary and benefits resolution, or a written agreement approved by Council, employees will not receive pay for holiday time off or additional pay for working on an actual or observed holiday.

Section 19-4: Vacation Leave

Unless otherwise provided in a City Resolution, Memorandum of Understanding, agreement approved by the City Council, or applicable law, employees are not provided with paid vacation time off.

Section 19-5: Sick Leave - General

Unless otherwise provided in these Rules, a City Resolution, Memorandum of Understanding, agreement approved by the City Council, or applicable law, an employee will be provided with sick leave in accordance with the City's sick leave policy. The Personnel Officer or designee is responsible for developing and administering procedures to be followed by employees when requesting or using any applicable sick leave benefits.

Section 19-6: Sick Leave – Regular Employees

Sick leave with pay shall be granted to all regular employees. Sick leave shall not be taken at the discretion of the employee, but shall be allowed only in case of necessity for personal sickness or disability, sickness in the immediate family, pregnancy disability leave, or as otherwise required by law.

A. Accrual of Sick Leave: Unless otherwise provided in a MOU, each regular employee shall earn sick leave at the rate of one (1) work day for each calendar month of service. A regular employee who regularly works less than the number of hours established as full-time shall be credited with prorated sick leave based on the number of hours worked per month. For purposes of computing sick leave provided under this Rule, a workday shall be considered as one-fifth (1/5) the number of working hours in the established work week for each employee.

B. Use of Sick Leave: To receive authorized use of sick leave, each employee unable to work because of personal or immediate family sickness/disability or otherwise qualifying reason is responsible for notification to the appointing authority. In the absence of the appointing authority, the Personnel Officer shall be notified. Such notice may be verbal and made by the employee unless unable to do so. Such notice is to be made prior to or within one hour of the assigned start of work whenever possible. Illness or injury on the job which requires leaving the work location shall be reported to the appointing authority as soon as possible. Failure to comply with these notice requirements will result in time absent from work charged as absent without authorized leave and without pay. The appointing authority, City Manager, or Personnel Officer may require a signed statement from the employee's physician, practitioner, or other professional person certifying the reasons for any sick leave absence. In the event the employee is not attended to by a professional person, an affidavit must be filed by the employee reporting the reason for absence, length of absence, and means of assistance utilized to deal with absence cause. Failure to comply with these requirements will result in time absent from work being charged as absent without authorized leave and without pay. All certificates

of absence shall be filed with the Personnel Officer at the time of return to work.

C. The appointing authority may require a sick leave physical as a condition of returning to work after use of sick leave. Such sick leave physical shall be scheduled prior to return to work and the certificate of the attending physician authorizing return to work shall be received by the appointing authority prior to re-employment commencement. Each physical ordered hereunder shall be paid for by the City. If a certification of work return is not issued, sick leave shall be continued until exhausted. The certificate of the physician is to be filed with the Personnel Officer.

D. As a general rule, not more than five (5) days sick leave each calendar year should be taken in case an employee's presence is required elsewhere because of sickness, death, or disability of members of the immediate family. The immediate family or designer shall be defined in accordance with applicable law. In each case, sick leave shall be granted when it is the opinion of the department head that the relationship of the sick or disabled person to the employee and the circumstances applicable to the case justifies sick leave approval.

E. Pay for Unused Sick Leave: Unused sick leave may be accumulated and payment for portions of accumulated but unused sick leave will be made as follows:

1. Retiring Personnel: Any permanent employee retiring from City service shall receive, in addition to any other retirement benefits, payment of sick leave as described in the designated Memorandum of Understanding,

2. Termination After Ten Years: Any regular employee leaving the City service after ten years of satisfactory service from the base anniversary date shall receive, in addition to all other eligible payments, an amount equivalent to one-half (1/2) of accumulated sick leave earned during service with the City which has not been used up to a maximum of 260 hours.

3. Personnel Who Die While in Active Service: The estate of any permanent employee who dies while in active service shall be paid an amount equivalent to three-fourths (3/4) of all accumulated sick leave such employee has earned during service with the City which has not been used until the date of death, or as otherwise stipulated in the corresponding MOU. Unless otherwise provided by law, payment made on behalf of the deceased pursuant to this section shall be paid to any person so designated in writing by the employee or the heirs of the employee. Such statement must be filed with the Personnel Officer.

For the purpose of this section, the amount equivalent to accumulated sick leave shall be determined by applying the most recent approved rate of pay for the position of the employee to the accumulated sick leave.

Section 19-7: Catastrophic Leave Bank

A. Eligibility: Eligible employees will be able to donate and receive donations of paid leave to be included in their sick leave balance for employees who are:

1. Regular full-time employees;
2. Have sustained or have an immediate family member who has sustained a life-threatening or debilitating illness, injury or condition which may require confirmation by a physician;
3. Have exhausted all accumulated paid leave, including vacation, sick leave, PTO, and/or compensatory time off;
4. Be unable to return to work for at least a total of 30 days in a calendar year or in the case of the condition affecting the immediate family member, that member must be in need of prolonged and significant personal care (leave may be intermittent); and
5. Conformed with the requirements of the Family Medical Leave Act and/or Worker's Compensation.

B. Benefits: Accrued sick, vacation, PTO and compensatory time off hours donated by employees will be converted to sick leave and credited to the Catastrophic Leave Bank (CLB) as sick leave time on an hour-for-hour basis and shall be paid at the rate of pay of the receiving employee. For as long as the receiving employee remains in a paid status, seniority, and all other benefits will continue. The total leave credits received by an employee will not normally exceed 6 weeks. However, if approved by the Department Head and the Human Resources Manager or designee the total leave credits may be extended on a case-by-case basis, subject to review by the City Manager or designee.

C. Procedures:

1. The recipient employee submits a written request to the Human Resources Department to initiate the process. This can be done via email. An established form needs to be completed by the employee requesting leave hours donation.

2. The recipient employee is not eligible so long as they have any paid leave available; however, the request may be initiated prior to the anticipated date leave balances will be exhausted.

3. Accrued sick leave, vacation leave, PTO, and compensatory time off may be donated by any regular full-time employee who has completed his/her initial City probationary period. Donor information and the number of hours donated are confidential.

4. Time donated will be converted from vacation, sick, compensatory time, or PTO to sick leave hours and credited to the CLB sick leave time on an hour-for-hour basis and shall be paid at the rate of pay of the receiving employee.

5. The total amount of time donated to the CLB shall not exceed forty (40) hours by an employee in a Fiscal Year.

6. The total leave credits received by the employee shall not exceed 6 weeks or 240 hours; however, the City Manager may approve an extension up to 12 weeks or 480 hours total time.

7. An employee cannot donate leave hours that would reduce his/her sick, vacation balance, or PTO hours to less than 120 hours each.

8. Donations of sick, vacation, PTO and/or compensatory time shall be made in increments of full hours. Donations are irrevocable. Unused hours remaining when the recipient returns to work or terminates employment will be returned to the CLB. The Recipient will not retain any sick leave hours donated after they return to work or separate from employment.

9. Donating employees must complete the Catastrophic Leave Donation Request Form.

10. Requesting employee must complete the Catastrophic Leave Application/Request Form stating the specific reasons why the employee is requesting additional paid leave from the CLB. This information will remain confidential.

11. Under all circumstances, time donations received for the employee are forfeited once made by the employee making the donation.

# RULE XX
# LEAVES OF ABSENCES

## Section 20-1: General

The City will provide employees with those leaves that are required by law. The Personnel Officer or designee is responsible for developing and administering procedures to be followed by employees when requesting or using any leaves provided by applicable statutes.

## Section 20-2: Workers' Compensation

The City provides Workers' Compensation benefits in accord with the applicable laws of the State of California. Employees injured in the performance of their duties shall be eligible for all rights, privileges and compensations provided for under the City's workers' compensation plan. The Personnel Officer or designee is responsible for administration of the City's workers' compensation plan. In order to receive benefits under Workers' Compensation, information must be provided promptly and accurately on the forms and in the manner provided.

## Section 20-3: Military Leave

Military leave shall be granted in accordance with all applicable provisions of State and Federal law. All employees entitled to military leave shall give the department head an opportunity, within the limits of military regulations, to determine when such leave shall be taken.

## Section 20-4: Leave of Absence Without Pay

An employee who needs a leave of absence from work shall file a written request with the Human Resources Manager. The request shall include the employee's name, job title, beginning and ending dates of the requested leave, and a full statement for such a request. A request for personal leave shall be made on forms prescribed by the Human Resources Department. The request shall normally be initiated by the employee, but may be initiated by the employee's Department Head.

A personal leave may be granted for the following reasons:

1. Illness or non-job related disability, including pregnancy, beyond that covered by FMLA, PDL or other available leave; or

2. Other extraordinary circumstance, subject to the discretion of the City Manager.

Upon written request from an employee setting forth the reasons for the requested leave, and upon the recommendation of the Human Resources Manager, the City Manager or designee may approve an employee's request for leave under this policy. Unless otherwise required by applicable law, leave provided under this policy shall be limited to no more than three (3) months.

An employee on a personal leave of absence is required to use all available paid leave accruals during the employee's absence. Unless required by law, the City will not maintain any

contributions towards group insurance programs or retirement benefits for any employee on an unpaid leave of absence. Instead, the employee will be permitted to continue coverage as allowed under law.

An authorized leave of absence without pay shall not be construed as a break in service. Rights accrued at the time leave is granted shall be retained by the employee. However, vacation leave accruals, sick leave accruals, paid holidays, increases in salary, or other Department paid benefits will not be provided during any period of unpaid leave.

An employee returning from a personal leave may be required to provide medical documentation indicating the employee's fitness to return. Failure to provide requested medical documentation may delay an employee's return to work. If an employee requests to return to work prior to the scheduled end of his/her leave, the employee must first request approval from the Human Resources Manager at least three (3) days prior to the date of returning to work. The Human Resources Manager may request substantiating evidence (e.g., medical examination or doctor's written release).

Upon expiration of a regularly approved leave, the employee shall be reinstated to the same or similar position held at the time leave was granted or to an equivalent position, except that an employee on leave shall have no greater right to return to a position than if the employee had not been on leave. Failure on the part of an employee to report to work promptly at the expiration of leave may be deemed to be a voluntary resignation.

Section 20-5: Family and Medical Leaves

The Family Medical Leave Act ("FMLA") and the California Family Rights Act ("CFRA") provide eligible employees with a right to leave, health insurance benefits and with some limited exceptions, job restoration. The Personnel Officer or designee is responsible for preparing procedures which describe the process for requesting FMLA/CFRA and an employee's rights while on an FMLA/CFRA leave.

Section 20-6: Pregnancy Disability Leave

An employee who is disabled due to pregnancy, childbirth or related medical condition is eligible to take pregnancy disability leave ("PDL") as provided under State law. An employee who is disabled due to pregnancy or related medical condition is also entitled to a reasonable accommodation as provided under State law. The Personnel Officer or designee is responsible for preparing procedures which describe an employee's rights to PDL or a reasonable accommodation under this Rule.

Section 20-7: Jury and Witness Leave

Every employee of the City who is called or required to serve as a trial juror, upon notification and appropriate verification submitted to their supervisor, shall be entitled to be absent from their duties with the City during the period of such service or while necessarily being present in court as a result of such call. An employee summoned for jury duty during a regularly scheduled shift

shall be entitled to time off only for the period of time actually serving as a juror or prospective juror.

If an employee wishes to take additional time off in conjunction with jury duty, such time must be taken as vacation, compensatory time off or leave without pay and must be with prior approval of the employee's supervisor. If an employee is summoned for jury duty on a regularly scheduled work day but outside hours of the employee scheduled work shift, the hours of services as a juror or prospective juror will be deducted from the hours required to be worked on the regular shift.

In the event service as a juror or prospective juror requires that a regular employee to be absent from work the regular employee shall be paid the difference between authorized full salary and any payment received for jury duty, except travel pay. However, if the employee deposits such juror payment to the City, no reduction in salary will occur. If an employee is summoned for jury duty on a regularly scheduled day off, such duty shall be on the employees' own time and the employee shall not be entitled to receive any compensation from the City for jury duty on that day.

Any employee who during the time regularly required for their employment is compelled by subpoena to attend any hearing or trial for the purpose of testifying, may, with the approval of their department head, absent themselves from duty. If the employee is subpoenaed to testify about an event or transaction involving the employee's official job duties, the employee will be given leave without loss of compensation and the time spent responding to the subpoena shall be considered work time. Any payment except travel pay, meals and lodging received by the employee for such witness service shall be remitted to the City. In all other instances, the employee's leave will be unpaid, except that the employee will be permitted to use accrued and available vacation leave while on such otherwise unpaid leave.

An employee who is a named party or a witness in an action against the City or who is serving as a paid expert is not eligible to receive paid witness leave for time spent related to those proceedings. In such cases, an employee may request to receive time off without pay, or may use accrued vacation time. Such time spent by an employee an such an action or serving as a paid expert is not considered work time.

Exceptions to this rule may be made only with the prior authorization of the City Manager.

Section 20-8: Bereavement Leave

Unless otherwise provided in a City Resolution, Memorandum of Understanding, agreement approved by the City Council, or applicable law, an employee who has been employed for at least 30 days will be provided with up to five (5) days of unpaid leave to attend to necessary obligations and commitments related to the death of a family member. For the purposes of this policy "family member" means the employee's spouse, registered domestic partner, child, stepchild, parent, stepparent, sibling, grandparent, grandchild, or parent-in-law.

Leave may only be taken on regularly scheduled workdays. Leave does not need to be taken on consecutive days. Leave under this policy is only available during the three months following the family member's death. Although leave under this policy is unpaid, employees may use available

accrued vacation or sick leave to receive pay while on bereavement leave. Bereavement leave is not counted as hours worked for purposes of calculating overtime.

Employees must inform their supervisor prior to commencing bereavement leave. The City may require verification of death and relation to the deceased. Leave provided pursuant to this policy will run concurrently with any other applicable leave of absence for covered reasons, to the maximum extent permitted by applicable law.

Section 20-9: Reproductive Loss Event Leave

The City provides for time off for eligible employees who experience a reproductive lose event as required under applicable law. The Personnel Officer or designee is responsible for preparing procedures which describe the process for requesting leave due to a reproductive loss event.

# RULE XXI
# DISCIPLINARY ACTION

## Section 21-1: Types of Disciplinary Action

Disciplinary action consists of discharge, involuntary demotion, suspension, reduction in salary for punitive purposes (not including deferred merit increases or the end of a specialty pay), or written reprimand.

## Section 21-2: Causes for Disciplinary Action

Discipline will not be imposed upon any permanent employee in the competitive service except upon a showing of cause, which may include but shall not be limited to the following:

A. Violation of City Rules, ordinances, state and federal law, and/or Administrative Rules and Regulations;

B. Failure to properly perform assigned duties;

C. Theft;

D. Insubordination, including refusing to follow directions from a supervisor or insulting/demeaning the authority of a supervisor;

E. Conviction of a felony or misdemeanor relating to the employee's fitness to perform assigned duties;

F. Unauthorized absence from employment;

G. Tardiness;

H. Failure to maintain satisfactory working relationships with other employees or the public;

I. Reporting for work, or being at work, under the influence of or in possession of alcohol, or non-prescribed controlled substances;

J. Use of non-prescribed controlled substances while not at work;

K. Improper use of City funds;

L. Unauthorized use of City property;

M. Falsification of records;

N. Failure to properly care for City property;

O. Acceptance of any gift, reward or other form of compensation in addition to regular compensation for performance of official duties;

P. Misstatement of material fact;

Q. Indolence, carelessness or negligence;

R. Failure to maintain any employment qualification;

S. Discourteous treatment of the public;

T. Failure to comply with safety standards or endangering self or others;

U. Abuse or misuse of any leave, including sick leave, medical leave, or any other leave granted to an employee;

V. Other failure of good behavior either during or outside of employment such that the employee's conduct causes discredit to the City.

Section 21-3: Notice of Discipline

Prior to recommending the imposition of any suspension, demotion, reduction in salary, or discharge of any permanent employee in the competitive service, the appointing authority or designee will provide written notice to the employee. At-will employees are not entitled to notice as provided in this section prior to receiving disciplinary action.

The notice shall be served upon the employee either personally or by mail and shall include: (a) a statement of the nature of the disciplinary action; (b) a clear and concise statement of the causes therefore; (c) a statement in ordinary and concise language of the acts or omissions upon which the causes are based; (d) copies of all documents and materials upon which the action is based; (e) a statement advising the employee of their right to respond to the notice before disciplinary action is taken within five (5) working days of the date of service, orally or in writing, or both; (f) a statement advising the employee that if disciplinary action is imposed, they may appeal such action to the City Manager within ten (10) business days of the effective date of the disciplinary action.

If the employee exercises their right to respond to the notice, the individual proposing the discipline or his/her designee shall consider the employee's response before taking any final disciplinary action. The employee's failure to make an oral response at the arranged conference time, or the employee's failure to cause his/her written response to be delivered by the date and time specified in the notice of proposed disciplinary action, constitutes a waiver of the employee's right to respond prior to the imposition of discipline. In that case, the proposed disciplinary action will be imposed on the date specified.

After receiving the employee's timely written or oral response, or after expiration of the time to provide a written or oral response, the individual who proposed discipline will either: (1) dismiss

the notice of proposed disciplinary action; (2) modify the notice of proposed disciplinary action; or (3) impose the proposed disciplinary action. The individual who proposed disciplinary action will provide notice of their decision. This notice shall notify the employee in writing of the level of discipline, if any, to be imposed and the effective date of the discipline, the specific charges upon which the discipline is based, a summary of the facts upon which the charges are based, a copy of all written documents and materials upon which the disciplinary action is based, and a statement of the nature of the employee's right to appeal.

In all cases in which discipline is imposed, a copy of the final notice shall be placed in the employee's personnel file.

Section 21-4: Administrative Leave

Notwithstanding the provisions of this section, upon the recommendation of appointing authority, the Personnel Officer or designee may approve the temporary assignment of an employee to a status of leave with pay pending an investigation(s) or hearing(s) as may be required to determine if disciplinary action is to be taken.

Section 21-5: Written Reprimands

An employee who receives a written reprimand will be asked to acknowledge receipt of written reprimand by signing the reprimand at the time of presentation. This signature signifies only receipt of the document, not necessarily agreement to the contents. In the event the employee does not sign the document, the supervisor will note on the letter the employee refused to sign the letter. The employee may respond in writing to the contents of any written reprimand within fourteen (14) days of issuance. Any written reprimand, including any response from the employee, will be maintained in an employee's personnel file. An employee has no right to appeal or grieve a written reprimand.

Section 21-6: Appeals

Unless otherwise provided in an applicable memorandum of understand, if a regular permanent employee in the competitive service is dissatisfied with their receipt of disciplinary action, other than a written reprimand, the employee may, within ten (10) business days following receipt of the action, request that an Adjustment Board be convened. Said request shall be in writing and shall set forth the facts upon which the appeal is based and the relief requested. At-will employees are not entitled to appeal disciplinary actions under this process.

The Adjustment Board will be comprised of one (1) panel member designated by the employee, one (1) panel member designated by the City, and one (1) person mutually agreed upon by the employee and City representatives. The City and employee shall name their designated panel member within fifteen (15) business days after receiving notice that the employee's appeal has been received by the City Manager. Within ten (10) business days after being named, the two parties shall agree upon the third member.

The Adjustment Board will convene within twenty (20) business days after final designation of the three (3) members.

Within seven (7) business days after convening, the Adjustment Board will issue a written finding of its decision or deadlock. In the event the Adjustment Board is unable to reach a decision or is still in the process of conducting its hearing, the time limit may be extended by majority decision of the Adjustment Board for a period of time not to exceed ten (10) business days. In the event no agreement is reached on extending the time limit, the Adjustment Board shall be considered deadlocked.

If a request for a hearing before the Adjustment Board is filed, in all cases, an attempt shall be made to mutually agree upon a joint written submission of the issues to be submitted to the Adjustment Board. If no such joint submission is reached, each party shall submit to the Adjustment Board its own statement of the issues. The basic issues to be submitted to the Adjustment Board are as follows: Was (employee's name) disciplined for just cause? If not, to what remedy is (employee's name) entitled.

The hearing shall be private unless the appealing employee requests a public hearing. Each party shall have the right to call and examine witnesses, introduce exhibits, cross-examine opposing witnesses, produce evidence and witnesses, and to rebut evidence against him/her. Subpoenas may be issued in the name of the City and attested by the City Clerk.

If subpoenas are requested or issued, time limits shall be considered waived. Oral evidence shall be taken under oath or affirmation. The hearing need not be conducted according to technical rules relating to evidence or witnesses. Any relevant evidence may be admitted if it is the sort of evidence responsible persons are accustomed to rely on in the conduct of serious affairs. The rules of privilege shall be effective to the same extent that they are now, or hereafter may be, recognized in civil actions and irrelevant or unduly repetitious evidence shall be excluded.

Following the hearing, the Adjustment Board shall consider the evidence presented, shall make findings regarding the existence of cause, and shall render a written decision whether the action was or was not with reasonable cause. Should the Adjustment Board find that the discharge, demotion, or suspension was without just cause, the Adjustment Board shall make a written decision as to the appropriate action to be taken.

Copies of the decision and recommendation shall be sent to the Personnel Officer, to be filed in the employee's permanent record.

The decision of the Adjustment Board shall be final. At all steps of this appeal process, the employee may represent themselves or be represented by a representative of their choosing.

If an Adjustment Board is unable to arrive at a majority decision, either the employee or the City may require that the grievance or appeal be referred to the City Council for resolution.

The time limits set forth above are intended as guides for the efficient processing of employee appeals.

Appeals from disciplinary action in which the Adjustment Board is deadlocked may be referred by the employee or the City to the City Council within ten (10) business days after such deadlock is declared. Such appeal shall be in writing and shall be accompanied by all written materials and other evidence which had been presented to the Adjustment Board. If the Adjustment Board proceedings had been recorded, the transcript of such shall also be provided. Such written appeal shall be made to the City Clerk with a copy to the City Manager.

The referring party shall indicate whether or not a hearing before the City Council is being requested. If both parties agree to submit the dispute upon the record, no further hearing will be held. If a hearing before the City Council is requested, the referring party shall indicate whether the hearing is to be open or closed. The City Clerk shall thereupon notify each member of the City Council. The City Manager, with approval by the City Council, shall set a date, time, and place for conducting the appeal. Such appeal hearing will be held without undue delay. The City Manager shall notify the City Clerk, appellant, and the appellant's representative of the time, date, and place set for the hearing.

All hearings shall be conducted in the same manner and to the same extent as provided above. The provisions of Section 1094.6 of the California Code of Civil Procedures are applicable to the City, limiting the time for seeking review of final administrative determinations to ninety (90) days from the date of notice of said determination.

# RULE XXII
# GRANT FUNDED POSITIONS AND EMPLOYMENT CONDITIONS

## Section 22-1: Grant Funded Positions

The City may, from time to time, enter into grants or special projects which provide for the employment of persons for specified periods of time. Such grant or other programs may be financed all or in part by the Federal and/or State and/or other governmental entities. Positions created by such grant or other program funds are not to be considered regular positions, but rather shall continue only so long as the City determines it appropriate or funds are available.

## Section 22-2: Filling Grant Funded Positions

Unless otherwise provided in the grant program, such positions should be filled from existing eligible lists. If the position to be filled is for a non-existing classification, a job description and job title will be needed for Personnel Officer approval prior to the filling of the position. No grant or special project program position may be filled until after approval by the City Manager and Personnel Officer.

## Section 22-3: Grant Fund Employee Rights and Privileges

Employees hired from grant funds pursuant to this section are not considered to be regular employees, but rather, shall be considered temporary employee and serve at the pleasure of the City. Unless otherwise agreed to by the City in the grant agreement or otherwise required by law, grant funded employees are not eligible for retirement, deferred compensation, health insurance, and related non-salary benefits which are authorized for regular employees. They are covered by Workers' Compensation and unemployment insurance, provided, however, that the only benefits eligible for receipt in the event of job-related injury or illness shall be those benefits provided under Workers' Compensation laws. Reinstatement and re-employment benefits do not apply to employees in grant funded position. Performance evaluation reports are required in the same manner as regular employees.

# RULE XXIII
# TRAINING AND SAFETY

## Section 23-1: Responsibility for Training

It is the policy of the City Council to encourage the training of employees. Responsibility for developing training programs for employees shall be assigned to the Personnel Officer and department heads. Such training programs may include lecture courses, demonstrations, assignment of reading matter, or such other devices as may be available for the purpose of improving the effectiveness and broadening the knowledge of municipal officers and employees in the performance of their respective duties.

## Section 23-2: Credit for Training

Participation in, and successful completion of, special training courses may be considered in salary increases and for promotions. Evidence of such activity shall be filed with the Personnel Officer by the appointing authority for each employee successfully participating in training programs.

## Section 23-3: Payment of Tuition

Tuition is paid for job related courses taken after the course is successfully completed and appropriate certification filed with the Personnel Officer, and if prior approval by the department head has been given to participate in the course. However, courses paid for by state or governmental agencies do not apply to this section. Training programs authorized by the City shall be financed by the City to encourage employee participation. Such compensation is separate and distinct from the compensation offered for the position and classification involved in training. Subject to approval by the Personnel Officer, employees may be authorized to attend training programs during regular hours. Travel to and from such training shall be at City expense; provide, however, that time spent in travel to and from training is not eligible for overtime. When the needs of the City services so require, the appointing authority may direct any employee to attend a meeting or conference as part of the professional training required for the position. In such case, attendance is not mandatory but compensation for meals, lodging, travel, and miscellaneous expenses shall be allowed. No overtime will be paid, however, for the time required to travel to and from such meeting.

## Section 23-4: Safety Program

The Personnel Officer is designated the safety and training officer for the City. In this responsibility, the Personnel Officer shall be assisted by the Risk Manager. Safety for persons and property is a fundamental and basic goal for the City. All employees are expected to observe high standards of safety in the performance of service and execution of all assigned duties.

In order to develop and maintain a strong and effective safety program, there is a Safety Committee created for the purpose of reviewing all accidents and Workers' Compensation injury reports. This committee makes recommendations for the improvement of working conditions and procedures for the prevention of accidents or the avoidance of additional accidents. In addition, the Safety

Committee shall determine when an accident is or is not chargeable to the employee involved. A finding of chargeable shall be based upon a determination that employee conduct, or lack of action, resulted in the accidental occurrence and that each accident was avoidable. Whenever a finding is made that an accident is chargeable, written notice of such finding shall be made to the employee and the appropriate appointing authority.

Each employee, upon being notified of a chargeable accident, may request a review of the finding with the Safety Committee. At the request of the employee a review shall be granted and scheduled at the next regular meeting. Each finding of a chargeable accident shall be cause for review of the incident by the appointing authority and a determination of whether disciplinary action is or is not appropriate. Any disciplinary action which may be deemed appropriate shall be processed in accordance with these rules.

# RULE XXIV
# GRIEVANCES

## Section 24-1: Grievance Defined

A grievance is any dispute which involves the interpretation or application of these rules, excluding those provisions which are specifically excluded from the grievance procedure or which provide that the decision of the City Council, City Manager, Personnel Officer or designee shall be final.

## Section 24-2: Grievance Procedures

Grievances shall be processed in the following mariner:

A. Informal Grievance: Within fifteen (15) business days of when the grievant knew or should have known of the event giving rise to the grievance, the grievant will first try to resolve the grievance through discussion with their immediate supervisor. During this discussion, the grievant must clearly state that a grievance is being initiated. Within fifteen (15) days of this discussion, the immediate supervisor shall give the grievant their decision or response to the informal grievance. This decision or response will be provided in writing. If, after receiving the decision or response, the employee is not satisfied with the reply, he or she may file a formal grievance.

B. Formal Grievance: If the grievance is not resolved by informal means, or if it is determined for good and sufficient reason, that the grievance may initiate the grievance as a formal step, then the employee may file a formal written grievance. This written grievance shall contain the following:

1. Name of grievant(s)
2. Class title(s)
3. Mailing address(es)
4. A clear statement of the nature of the grievance (citing applicable sections of rules, regulations, resolutions, ordinances or existing practices)
5. The date(s) on which the event(s) giving rise to the grievance occurred
6. A proposed solution to the grievance
7. The date of execution of the grievance form
8. The signature of the grievant(s)
9. The signature of the bargaining unit representative, if such a representative is representing the grievant(s)
10. The date of the discussion meeting in Step 1 and the name of the supervisor involved

Any formal grievance must be filed within fifteen (15) days after either the response to the informal grievance is given or the time to provide a response to the informal grievance has expired if no response is given. If the grievance is initiated as a formal grievance, then it must be submitted within fifteen (15) days of when the

grievant knew or should have known of the event giving rise to the grievance.

Upon receipt of a formal written grievance, the employee's department head or designee will investigate the grievance and may, in their discretion, schedule a meeting with the grievant in an attempt to resolve the grievance. The department head or designee will issue their decision regarding the grievance in writing within fifteen (15) days of receipt of the written grievance, except that if the department head or designee conducts a meeting with the grievant, the department head or designee will issue their decision in writing within fifteen (15) days of that meeting.

No grievance may be processed under paragraph "C" below which has not first been filed and investigated in accordance with this paragraph.

C. Review of Department Head Decision: Any grievance which has not been resolved by the procedures hereinabove set forth may be referred to the City Manager. Such referral must be made no later than fifteen (15) days after receipt of the department head's memorandum specified in sub-section "B" above, and shall be in writing detailing the specific issues involved in the referral together with a statement of the resolution desired. The grievance shall be considered resolved and no further review of the subject matter of the grievance shall be permitted under this rule if the employee does not timely request review of the department head's decision.

When the employee presents a formal grievance to the City Manager or designee, the City Manager or designee shall discuss the grievance with the employee and the employee's representative. Within fifteen (15) calendar days after this meeting, the City Manager or designee shall render a written decision regarding its merits. The decision of the City Manager or designee shall be final and binding and shall resolve the grievance. No further review of the subject matter of the grievance shall be permitted within the City's administrative process.

Section 24-3 Grievances Involving Payment of Compensation

All complaints involving or concerning the payment of compensation shall be initially filed in writing with the Personnel Officer as a formal grievance. No adjustment shall be retroactive for more than thirty (30) days from the date upon which the complaint was filed.

Section 24-4 General Conditions Applying to All Grievances

A. The Human Resources Department will act as a central repository for all formal grievances, including any final decision on a formal grievance.

B. The City shall not institute any reprisals against any employee or any representative resulting from the use of this grievance procedure.

C. Any time limit contained in the grievance procedure may be extended only by mutual agreement in writing.

D. An aggrieved employee may be represented by another individual at any stage of the proceedings at their request. Both employee and representative (if employed by City) will be entitled to attend proceedings with City representatives without loss of compensation, should such proceeding conflict with employee's and/or representative's normal working hours.

E. Proposals to add to or change these rules shall not be considered under this section, and no proposal to modify, amend, or terminate any Memorandum of Understanding between the City and an employee organization may be considered under this section.

F. Failure by the grievant or a grievant's representative to initiate or appeal a grievance within the prescribed time limits shall waive the right of the grievant, the grievant's representative, and the grievant's bargaining unit (if any) to initiate or appeal a grievance. In the case of an appeal, the last answer to the grievance shall be deemed to be the resolution to the grievance.

# City of South Lake Tahoe

**Agenda Item Executive Summary**

Joe Irvin, City Manager

**Meeting Date:** April 22, 2025
**Agenda Item #:**11

**Agenda Item:** Tahoe Valley Stormwater and Greenbelt Improvement Project for Phase 1 Paving: Funding Transfer, Change Order, and Increase of Contingency

**Executive Summary:** The Tahoe Valley Stormwater and Greenbelt Improvement Project (Project) is a vital community and environmental improvement project. Based on feedback from the public received during the Area Plan process, and subsequent design meetings and public survey for the Greenbelt area, the project has been developed to provide the benefits requested by the community and stakeholders, including drainage, water quality, public space, new naturalized play structures, and improved active transportation paths. Due to the size and diversity of the overall project, the City split it into two phases to secure funding from a variety of eligible and applicable funding sources. Phase 1 consists of stormwater and water quality improvement work within the Bonanza neighborhood and downstream of James Avenue at 3rd Street to Tahoe Keys Blvd. This phase is currently under construction. Phase 2 consists of the Central Greenbelt Area (behind the Crossings) spanning between Emerald Bay Road at B Street down to Highway 50 at 4th Street. Phase 2 is anticipated to begin construction in May 2025. ACTION 1: In September 2024, the City retained the services of Lumos and Associates to evaluate and recommend the pavement section for the proposed pavement rehabilitation of the roads in Phase 1 of the Tahoe Valley Stormwater and Greenbelt Improvement Project (D Street, F Street, and Bonanza Ave as shown in Attachment 02). Based on field and laboratory test data for this area, a pulverized asphalt, subgrade, and pavement methodology was proposed by Lumos and Associates. After receiving these recommendations, the City requested a change order proposal from the Phase 1 contractor, Herback General Engineering, for a price to utilize the pulverized asphalt/subgrade/pave methodology in lieu of the mill and overlay methodology. The pricing to change the methodology from mill and overlay to pulverized asphalt/subgrade/pave methodology will require an additional $316,666.08 in funding (refer to Attachment 03). ACTION 2: On September 6, 2022, City Council awarded the Tahoe Valley Stormwater and Greenbelt Improvement Project, Phase 1 to Herback General Engineering ($6,688,511.36) (C-151-2022) and approved a 10% construction continency ($668,852). To date, eight change orders totaling $234,204 have been executed including potholing existing utilities, additional tree removal for pipe alignment changes, work associated with storm drain alignment change due to sanitary sewer conflict, quantity adjustment between pipe materials, additional slurry cement backfill, and water main vertical offsets. There are three outstanding change order requests that have not yet been executed that total $472,780.46. Additionally, it is expected that there will be quantity overruns and underruns. These occur when the actual constructed quantities exceed or are less than the quantities included in the original bid. As currently forecasted, it is anticipated that 10% contingency will be sufficient; however, should there be quantity overruns for pavement, there is potential for the contingency to exceed 10%. Staff is requesting approval to authorize up to 11% contingency ($735,736.25).

**Requested Action / Suggested Motions:** Pass a Resolution authorizing and directing the Director of Finance to transfer $303,000 in funds from the Road Rehabilitation Account to the Tahoe Valley Stormwater and Greenbelt Improvement Project; authorizing and directing the mayor to execute the pavement design change order; and approving construction contingency up to 11% for the Phase 1 Construction Contract for a new not to exceed amount of $7,424,247.61 (total bid $6,688,511.36 + 11% contingency $735,736.25).

**Responsible Staff Member:** Brianna Greenlaw, 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-Funding Transfer_Paving.docx
- 02-Map
- 03-Change Order Request.pdf
- 04-Resolution-Fund Transfer and Additional Contingency-Tahoe Valley Greenbelt Project

# City of South Lake Tahoe
# Report to City Council

## Meeting Date: April 22, 2025

**Title: Funding Transfer from Road Rehabilitation Account to the Tahoe Valley Stormwater and Greenbelt Improvement Project for Phase 1 Paving, and Increase of Contingency from 10% to up to 11%**

**Location:** Tahoe Valley drainage watershed and specifically D Street, F Street, and Bonanza Avenue (see Attachment 02)

**Responsible Staff Member:** Brianna Greenlaw, Associate Civil Engineer

**Background:** The Tahoe Valley Stormwater and Greenbelt Improvement Project is a vital community and environmental improvement project. Based on feedback from the public received during the Area Plan process, and subsequent design meetings and public survey for the Greenbelt area, the project has been developed to provide the benefits requested by the community and stakeholders, including drainage, water quality, public space, new naturalized play structures, and improved active transportation paths.

Due to the size and diversity of the overall project, the City split it into two phases to secure funding from a variety of eligible and applicable funding sources.

1. Phase 1 consists of stormwater and water quality improvement work within the Bonanza neighborhood and downstream of James Avenue at 3rd Street to Tahoe Keys Blvd. This phase is currently under construction.
2. Phase 2 consists of the Central Greenbelt Area (behind the Crossings) spanning between Emerald Bay Road at B Street down to Highway 50 at 4th Street. This phase is anticipated to begin construction in May 2025.

**Issue and Discussion:**

**ACTION 1:** *Authorize the Transfer of $303,000 in Funds from the Road Rehabilitation Account (Measure S funds) to the Tahoe Valley Stormwater and Greenbelt Improvement Project and Execute the Pavement Design Change Order (CCO #11).*

In September 2024, the City retained the services of Lumos and Associates to evaluate and recommend the pavement section for the proposed pavement rehabilitation of the roads in Phase 1 of the Tahoe Valley Stormwater and Greenbelt Improvement Project (D Street, F Street, and Bonanza Ave as shown in Attachment 02). Based on field and laboratory test data for this area, a pulverized asphalt, subgrade, and pave methodology was proposed by Lumos and Associates. Existing asphalt and subgrade will be pulverized to a depth of 8 inches with the top 4 inches to be removed. Two 2” lifts of asphalt will be placed for a 4” pavement section. Because a mill and overlay approach were previously included in the original bid awarded in 2022, Lumos and Associates also evaluated this methodology. This methodology was not recommended due to 1) inconsistent asphalt thickness for each roadway which would apply inconsistent stress to the overlay pavement, 2) the existing pavement contains various amounts and types of cracking that will reflect through the overlay pavement, and 3) lack of aggregate base in the existing pavement section. After receiving these recommendations, the City requested a change order proposal from the Phase 1 contractor, Herback General Engineering, for a price to utilize the pulverized asphalt/subgrade/pave methodology in lieu of the

mill and overlay methodology. The original bid items for asphalt mill and overlay were $723,400. The pricing to change the methodology from mill and overlay to pulverized asphalt/subgrade/pave methodology will require an additional $316,666.08 in funding (refer to Attachment 03).

**ACTION 2:** *Approve Potential Use of Contingency to up to 11% for Phase 1.*

On September 6, 2022, City Council awarded the Tahoe Valley Stormwater and Greenbelt Improvement Project, Phase 1 to Herback General Engineering ($6,688,511.36) (C-151-2022) and approved a 10% construction contingency ($668,852). To date, eight change orders totaling $234,204 have been executed including potholing existing utilities, additional tree removal for pipe alignment changes, work associated with storm drain alignment change due to sanitary sewer conflict, quantity adjustment between pipe materials, additional slurry cement backfill, and water main vertical offsets. There are three outstanding change order requests that have not yet been executed that include changes to material for road shoulder stabilization, added paving of swales on James Avenue, and change in pavement design previously described herein. These outstanding change orders total $472,780.46. Additionally, it is expected that there will be quantity overruns and underruns. These occur when the actual constructed quantities exceed or are less than the quantities included in the original bid. As currently forecasted, it is anticipated that 10% contingency will be sufficient; however, should there be quantity overruns for pavement, there is potential for the contingency to exceed 10%. Staff is requesting approval to authorize up to 11% contingency ($735,736.25). Authorizing the potential use of up to an additional 1% contingency will allow staff to act quickly during construction. Returning to City Council to request additional contingency during paving operations could cause costly delays and unnecessary disruption to the public. Before closing the construction contract with Herback General Engineering, staff will return to City Council to reconcile the final change order amount, not to exceed the total authorized amount.

**Financial Implications:** Supplementing the Tahoe Valley Project account (301-40030-48030) with $303,000 of Measure S funds from the Road Rehabilitation account (301-50005-48030) will allow for the execution of the proposed change order for Phase 1 paving of D Street, F Street, and Bonanza Avenue. Supplementing the Tahoe Valley Stormwater and Greenbelt Improvement Project with road rehabilitation funds for paving the roads in Phase 1 was presented at the February 25, 2025, City Council meeting during the annual road rehabilitation and drainage replacement update.

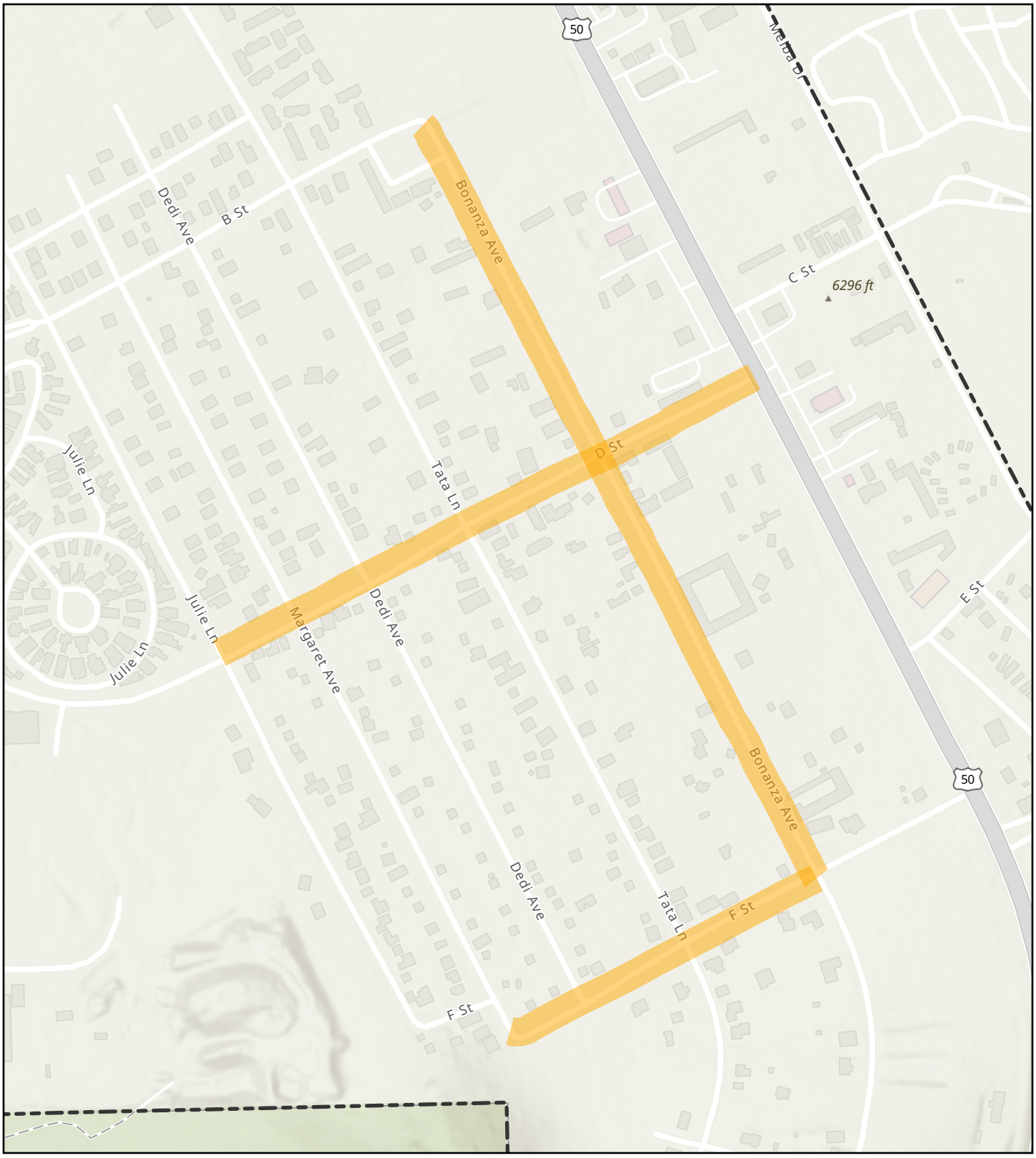
The total amount for Phase 1 project associated paving items includes $112,520 for items that are not changing from the original bid such as roadside swale paving and miscellaneous paving bid items, and the amount to complete the pulverized asphalt/subgrade/pave methodology ($1,040,066.08) for a grand total of $1,152,586.08. There was previously $850,000 in Measure S funds added to the Tahoe Valley Project account; therefore $302,586.08 is needed to cover the proposed paving recommendation. All other executed and not yet executed change orders and quantity overruns/underruns are planned to be covered with other funds already in the Tahoe Valley Project account. Funding is available in the account for a contingency up to 11%

**Environmental Considerations:** The Planning Commission adopted the CEQA, Mitigated Negative Declaration on May 9, 2019, SCH# 20190292152. Addendum No. 1 adding the basin and associated improvements at the corner of 4$^{th}$ Street and Barton Avenue was adopted by the Planning Commission on February 20, 2025.

**Policy Implications:** Completing project improvements will assist with meeting the sediment and nutrient reductions mandated by the Lake Tahoe Total Maximum Daily Load (TMDL) program. Fulfilling mandated TMDL reduction goals will assist with maximizing residential housing allocations under TRPA Code section 50.5.2.E.2 (Distribution and Administration of Residential Allocations – TMDL Implementation). The Project advances the City Council Strategic Priorities and Goals, specifically:

- **Action Item 1.4 (Transportation)** to prioritize implementation of mixed-use recreational trails and Class 1 bike trails and closing gaps in the bicycle trail system.

- **Action Item 2.3 (Connectivity)** to facilitate implementation of trail infrastructure prioritizing the connection of bicycle and walking trails, from neighborhoods near the Greenbelt to the South Y commercial area and beyond.
- **Action Item 5.3 (Infrastructure and Maintenance)** by actively seeking funding to develop sustainable infrastructure projects, based on the prioritized capital improvement project list.




CITY OF SOUTH LAKE TAHOE

# Tahoe Valley Greenbelt Phase 1 Paving Areas

N

0 290 580 870

Feet

Path: \\gis\share\Projects\PublicWorks\Engineering\GeneralEngineeringProjects\GeneralEngineeringProjects.aprx | Tahoe Valley Greenbelt ph1 Paving Areas | 3/24/202

CITY OF SOUTH LAKE TAHOE

**Public Works Department**

## Tahoe Valley Stormwater & Greenbelt Improvement Project, Phase 1

PWC: 301-40030-48030

### CONTRACT CHANGE ORDER

Date: April 22, 2025
**Contract Change Order No.: 11 – Pavement Design**

To: Herback General Engineering:

You are hereby directed to make the herein described changes to the plans, and specifications or do the following described work not included in the plans and specifications of the contract to construct the Tahoe Valley Stormwater & Greenbelt Improvement Project, Phase 1. All new work herein described shall be performed in accordance with the applicable provisions of the plans and specifications, except as specifically modified by this contract change order (CCO).

Note: This CCO is not effective until approved by the Owner, or until an authorized Field Directive is executed.

This CCO is requested by: Herback General Engineering

---

**CONTRACT CHANGE ORDER AMOUNT**: +$316,666.08

**REASON FOR CHANGE**: The City retained the services of Lumos and Associates to evaluate and recommend the pavement section for the proposed pavement rehabilitation of the roads in Phase 1 of the Tahoe Valley Stormwater and Greenbelt Improvement Project (D Street, F Street, and Bonanza Ave). Based on field and laboratory test data for this area, a pulverized asphalt, subgrade, and pavement methodology was proposed by Lumos and Associates. The pricing to change the methodology from mill and overlay (included in the original contract) to pulverized asphalt/subgrade/pave methodology will require an additional $316,666.08 in funding.

**COST OF CHANGE**: The lump sum bid price to replace the contract pavement mill & overlay design section with 8” pulverize and 4” asphalt section is $316,666.08.

**CONTRACT TIME ADJUSTMENT**: 6 days

---

This contract change order constitutes full and complete compensation for all labor, equipment, materials, tools, jobsite and home office overhead, profit, all indirect costs and contract time adjustment to perform the above described change. All other costs are non-compensable.

**RECOMMENDED BY:**

| | |
|---|---|
| Brianna Greenlaw,<br>Project Manager | Date |
| Tamara Wallace,<br>Mayor | Date |

**ACCEPTED BY:**

| | |
|---|---|
| Peter Griffin,<br>Contractor | Date |

# HERBACK

## GENERAL ENGINEERING

NV Lic. # 33090 A
CA Lic. # 486035 A
2531 Nowlin Road
Minden, NV 89423
Telephone: 775-267-6800
Fax: 775-267-6801

| | | | |
|---|---|---|---|
| **To:** | CITY OF SOUTH LAKE TAHOE | **Contact:** | |
| **Address:** | 1052 Tata Lane | **Phone:** | 530-542-6027 |
| | SOUTH LAKE TAHOE, CA 96150 USA | **Fax:** | |
| **Project Name:** | SLT-2024-TAHOE VALLEY SD & GB PHASE 1-ASPHALT RFP | **Bid Number:** | 2207 |
| **Project Location:** | US HWY 50, SOUTH LAKE TAHOE, CA | **Bid Date:** | 10/23/2024 |

| Item # | Item Description | Estimated Quantity | Unit | Unit Price | Total Price |
|---|---|---|---|---|---|
| 1 | 8" FDR & GRADING | 144,856.000 | SF | $2.10 | $304,197.60 |
| 2 | 4" HMA TYPE A PG64-28 W/ 4% VOIDS | 144,856.000 | SF | $5.08 | $735,868.48 |
| 67 | ASPHALT, MILL & OVERLAY 4" TYPE A PG64-28M, 3/4" | -1,440.000 | TON | $255.00 | ($367,200.00) |
| 68 | ASPHALT, MILL & OVERALY 3" TYPE A PG64-28M, 3/4" | -1,370.000 | TON | $260.00 | ($356,200.00) |

**Total Bid Price: $316,666.08**

**Notes:**

- PROPOSAL PRICING REPRESENTS THE ADDITIONAL EXPENSE TO REPLACE THE CONTRACT PAVEMENT MILL & OVERLAY DESIGN SECTION WITH AND 8" FDR AND 4" ASPHALT SECTION. PROPOSAL PRICING INCLUDES THE CURRENT COST OF MATERIALS, LABOR, EQUIPMENT & TRUCKING RELATIVE TO 2022 CONTRACT PRICING.
- PROPOSAL SCOPE TO BE PERFORMED IN CONJUNCTION WITH CONTRACT WORK IN PROGRESS; PROPOSAL IS VOID AS A STAND ALONE WORK SCOPE.
- AN ADDTIONAL 6 WORKING DAYS IS REQUIRED FOR THE 8" FDR/ 4" ASPHALT SECTION AS RELATED TO THE ORIGINAL CONTRACT PAVEMENT SECTION SCOPE
- PROPOSAL PRICING INCLUDES USE OF PG64-28M ASPHALT OIL WITH PRICING VALID THROUGH JUNE 30, 2025. PROPOSAL PRICING HAS BEEN UPDATED TO INCORPORATE PAVING IN 2 LIFTS WITH TACK COAT BETWEEN LIFTS. PROPOSAL PRICING HAS BEEN UPDATED TO INCLUDE ASPHALT PLANT ENVIRONMENTAL FEES OF $ 20 PER LOAD.

**ACCEPTED:**

The above prices, specifications and conditions are satisfactory and are hereby accepted.

**Buyer:** _____

**Signature:** _____

**Date of Acceptance:** _____

**CONFIRMED:**

**HERBACK GENERAL ENGINEERING, LLC**

**Authorized Signature:** _____

**Estimator:** PETER GRIFFIN
775-267-6800 pgriffin@herback.net

# Resolution 2025-XXX

## Adopted by City of South Lake Tahoe City Council

## April 22, 2025

## Transfer $303,000 in funds from the Road Rehabilitation Account to the Tahoe Valley Stormwater and Greenbelt Improvement Project, and Approve Construction Contingency up to 11% for the Phase 1 Construction Contract

**BACKGROUND:**

A. The Project (EIP# 01.01.01.0033) is included on the priority list for watershed and water quality improvement projects within the Lake Tahoe basin.

B. On August 23, 2022, City Council awarded the Tahoe Valley Stormwater and Greenbelt Improvement Project, Phase 1 to Herback General Engineering ($6,688,511.36) and approved a 10% construction contingency ($688,852).

C. Supplementing the Tahoe Valley Stormwater and Greenbelt Improvement Project with road rehabilitation funds for paving the roads in Phase 1 was discussed and approved at the February 25, 2025 City Council meeting during the annual road rehabilitation and drainage replacement update. Supplementing the Tahoe Valley Project account (301-40030-48030) with $303,000 of local funds from the Road Rehabilitation account (301-50005-48030) will allow for execution of the proposed change order for Phase 1 paving of D Street, F Street, and Bonanza Avenue.

D. Approving an increased construction contingency up to 11% will allow all executed and proposed, not yet executed change orders to occur, including the proposed pavement change order that is being supplemented with road rehabilitation funds and any quantity overruns. Staff will return to City Council to reconcile the final change order total before closing the construction contract.

**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 transfer $303,000 in local funding from the Road Rehabilitation Project account (301-50005-48030) to the Tahoe Valley Stormwater and Greenbelt Improvement Project account (301-40030-48030) as follows:

| | | | |
|---|---|---|---|
| FROM: | | | |
| 301-50005-50014 | Road Rehabilitation Project<br>(CIP funding transfer out) | (-) | $303,000 |
| TO: | | | |
| 301-40030-36304 | Tahoe Valley Stormwater and Greenbelt Improvement Project<br>(CIP funding transfer in) | (+) | $303,000 |

2. Authorizes up to 11% construction contingency ($735,736.25) for the Phase 1 Construction Contract.

3. Authorizes and directs the Mayor to execute the pavement design change order (CCO#11).

Adopted by the City Council of the City of South Lake Tahoe on April 22, 2025 by the following vote:

Yes:
No:
Absent:
Abstain:

_____ Date: _____
Tamara Wallace, 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:** April 22, 2025
**Agenda Item #:** 12

**Agenda Item:** Pioneer Trail and Glenwood Highway Safety Improvement Program (HSIP) Construction Contract Award to Globe Engineering Development

**Executive Summary:** Pioneer Trail HSIP was bid to contractors. Globe Engineering Development was the apparent low bidder and the Public Works department is recommending award. Measure S undesignated reserves are recommended to be allocated in order to award.

**Requested Action / Suggested Motions:** Pass Resolution: 1) authorizing and directing the Mayor to execute an Agreement with Globe Engineering Development for $507,531.00, plus a 10% Construction Contingency of $50,753.10 for the Pioneer Trail and Glenwood, Highway Safety Improvement Program Project; and 2) Allocate $47,000 from Measure "S" Sales Tax Fund Undesignated Reserves.

**Responsible Staff Member:** Stephen Anderjack, Project Manager

**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 Contract Award.docx
02-Resolution - Pioneer Trail HSIP Contract Award.docx
03-Globe Engineering Agreement (Exh. A to Reso).pdf

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

**Meeting Date: April, 22nd 2025**

**Title: Pioneer Trail and Glenwood Highway Safety Improvement Program (HSIP) Construction Contract Award to Globe Engineering Development.**
**Location:** Pioneer Trail at Glenwood Way

**Responsible Staff Member:** Stephen Anderjack, Project Manager, 530-721-1102

**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.

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, Inc. is the most qualified consultant. On August 1, 2023, a Professional Service Agreement (PSA) was executed with Lumos & Associates (C-126-2023). The project scope includes widening lanes and shoulders, improving line striping, installing radar speed feedback signs, and improving drainage at the Glenwood Way and Pioneer Trail intersection.

$147,753.02 of HSIP grant funding has been approved by Caltrans via CON E-76 for the construction portion of this contract.

The project has since been fully designed and put out for bid to contractors.

**Issue and Discussion:** The construction project was advertised on Planet Bids on January 23rd 2025 and bids were publicly opened and read aloud on February 25, 2025 at the City Public Works Building. There were 43 prospective bidders and the City received four bids. Globe Engineering Development was the apparent low bidder, with a Total Base Bid price of $507,531.00. The Engineer's Estimate for the bid was $381,315.17.

Table 1 - Bid Results

| Name of Contractor | Total Base Bid |
|---|---|
| Globe Engineering Development | $507,531.00 |
| West Coast Paving | $645,000.00 |
| MKD Construction, Inc. | $753,837.00 |
| B&M Civil LLC | $987,334.00 |

Public Works Department is recommending the award to the apparent low bidder, Globe Engineering Development for this project.

**Financial Implications:** In addition to the bid amount submitted by the contractor, the City typically allocates 10% ($50,753.10) construction contingency for unforeseen costs associated with the Project. The City also utilizes professional consultant services to oversee labor compliance and to provide materials testing services for additional quality control. It is estimated that approximately $8,000 will be needed for a labor compliance specialist and $10,000 will be needed for materials testing. Adding together the 10% construction contingency, labor compliance specialist, the materials testing consultant, full-time inspection cost, CDM Smith Amendment 6, and the bid from Globe Engineering Development brings the total funds needed to construct the Project to $576,284.10 for the Base Bid.

Table 2 - Project Need

| ***Construction Costs*** | ***Amount*** |
|---|---|
| Globe Engineering Development Construction Bid | $507,531.00 |
| Construction Contingency of 10% | $50,753.10 |
| Labor Compliance Specialist | $8,000.00 |
| Materials Testing | $10,000.00 |
| **Total** | **$576,284.10** |

The Public Works Department is proposing to fund the project as shown in the table below:

Table 3 – Funding Sources and Status of Funding

| ***Funding Type*** | ***Funding Status*** | ***Amount*** |
|---|---|---|
| General Fund | In Project Account | $381,797.78 |
| Highway Safety Improvement Project | In Project Account | $147,753.02 |
| Measure S Undesignated Reserves | Requesting Transfer to | $47,000.00 |
| **Total** | | **$576,550.80** |

The HSIP Funding shown in Table 3 have been allocated by Caltrans and previously accepted by the City. The proposed internal transfers also cover the City's required local match of $16,947.27 for the Federal Grants.

**Recommended Action**

Pass Resolution to award the construction contract to Globe Engineering Development. Accept and appropriate grant funding to the project account. Confirm and execute other internal balance transfers as shown in the Resolution.

**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.

**Policy Implications:**

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

# Resolution 2025-XX

**Adopted by the City of South Lake Tahoe**
**City Council**

**April 22, 2025**

**Pioneer Trail HSIP Construction Contract Award to Globe Engineering Development and Additional Budget Appropriations from Measure S Sales Tax General Fund of $47,000**

## BACKGROUND

A. The City of South Lake Tahoe has designated the Pioneer Trail Highway Safety Improvement Program (HSIP) project an essential, viable, and desired project.

B. The City has successfully applied for and has been awarded grant funding in the amount of $147,753.02 of Highway Safety Improvement Project (HSIP) funds from the State of California Department of Transportation to perform the construction portion of this project.

C. Bids for this project have been opened and Globe Engineering Development is the apparent low bidder with a Total Contract Price of $507,531.00. The Public Works Department recommends awarding the contract to Globe Engineering Development.

D. In order to fully fund the project and be able to award the contract, an additional amount of $47,000 is transferred from Measure S Sales Tax General Fund Undesignated Reserves.

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

1. Authorizes and directs the Mayor to execute the construction contract to Globe Engineering Development, for $507,531, plus allocated a 10% Construction Contingency of $50,753.10, which is attached hereto as Exhibit “A.”
2. Appropriates funding into the existing CIP project fund account as follows:

| Transfer From | | Transfer To | | |
|---|---|---|---|---|
| Name | Account | Name | Account | Amount |
| Pioneer Trail HSIP -Design | 301-50038-48020 | Pioneer Trail HSIP - Construction | 301-50038-48030 | $164,689.00 |
| Measure S Sales Tax Fund Undesignated Reserves | 102-01511-50014 | Pioneer Trail HSIP - Construction | 301-50038-48030 | $47,000.00 |

Adopted by the City of South Lake Tahoe City Council on April 22, 2025, by the following vote:

Yes:
No:

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:_____
Tamara Wallace, 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.*

# Document 00500 - Agreement

# City Of South Lake Tahoe

## DEPARTMENT OF PUBLIC WORKS

## Agreement

**for**

**PIONEER TRAIL HSIP**
**PWC 30150038**
**CITY BID NO. BN-24-30150038-01**
**FEDERAL AID PROJECT NO. HSIPL-5398(016)**

THIS AGREEMENT is made and entered into this _____ day of _____, 20___, by and between the City of South Lake Tahoe, a political subdivision of the State of California, herein designated "City", and _____, 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 **PIONEER TRAIL HISP PROJECT**, 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) within **182 calendar days** 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 $2,000 for each calendar day beyond Substantial Completion 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 $1,600 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.2).

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 [INSERT FROM BID PROPOSAL], 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 No. | Description | Unit | Quantity | Unit Price | Total Price |
|---|---|---|---|---|---|
| 1 | Mobilization/Demobiliation | LS | 1 | $ 20,000.00 | $ 20,000.00 |
| 2 | Traffic Control | LS | 1 | $ 16,000.00 | $ 16,000.00 |

| | | | | | |
|---|---|---|---|---|---|
| 3 | Temporary BMP's - Fiber Rolls | LF | 99 | $ 5.00 | $ 495.00 |
| 4 | Temporary BMP's - DI Protection | EA | 12 | $ 500.00 | $ 6,000.00 |
| 5 | Temporary BMP's - Construction Fencing | LF | 300 | $ 8.00 | $ 2,400.00 |
| 6 | AC Pavement Sawcut and Removal | SF | 2358 | $ 12.00 | $ 28,296.00 |
| 7 | Riprap Removal | SF | 1028 | $ 10.00 | $ 10,280.00 |
| 8 | AC Dike Removal | LF | 200 | $ 8.00 | $ 1,600.00 |
| 9 | Curb and Gutter Removal | LF | 91 | $ 15.00 | $ 1,365.00 |
| 10 | Removal of CMP Pipe (18''-24'') | LF | 371 | $ 25.00 | $ 9,275.00 |
| 11 | Grading: Cut (F) | LS | 1 | $ 10,000.00 | $ 10,000.00 |
| 12 | Grading: Fill (F) | LS | 1 | $ 10,000.00 | $ 10,000.00 |
| 13 | 4'' AC Over 6" AB | SF | 3251 | $ 20.00 | $ 65,020.00 |
| 14 | Install Curb and Gutter | LF | 119 | $ 150.00 | $ 17,850.00 |
| 15 | Install Valley Gutter | LF | 35 | $ 200.00 | $ 7,000.00 |
| 16 | AC Dike Install | LF | 200 | $ 25.00 | $ 5,000.00 |
| 17 | 18'' HDPE Pipe | LF | 305 | $ 200.00 | $ 61,000.00 |
| 18 | 24" HDPE Pipe | LF | 4 | $ 2,000.00 | $ 8,000.00 |
| 19 | Cement Clurry Backfill | CY | 62 | $ 250.00 | $ 15,500.00 |
| 20 | Tree Removal | EA | 1 | $ 4,000.00 | $ 4,000.00 |
| 21 | 4" Double Yellow Striping | LF | 1041 | $ 25.00 | $ 26,025.00 |
| 22 | 4" White Line Stripping | LF | 1115 | $ 15.00 | $ 16,725.00 |
| 23 | 12" White Line Stripping | LF | 27 | $ 500.00 | $ 13,500.00 |
| 24 | Ground Strippnig Symbols (Arrows, STOP, Bicycle) | EA | 8 | $ 2,300.00 | $ 18,400.00 |
| 25 | Signs | EA | 10 | $ 1,000.00 | $ 10,000.00 |

| | | | | | |
|---|---|---|---|---|---|
| 26 | Radar Detection Sign | EA | 2 | $ 17,500.00 | $ 35,000.00 |
| 27 | Remove and Relocate Drainage Features - DI | EA | 2 | $ 3,000.00 | $ 6,000.00 |
| 28 | Remove and Relocate Drainage Features - Sediment Trap | EA | 2 | $ 3,000.00 | $ 6,000.00 |
| 29 | Remove and Relocate Drainage Features - Interceptor W/ New Grate | EA | 1 | $ 3,000.00 | $ 3,000.00 |
| 30 | Remove and Relocate Drainage Features - Manhole | EA | 1 | $ 3,000.00 | $ 3,000.00 |
| 31 | 48" Stormdrain Manhole, Frame and Cover | EA | 1 | $ 2,500.00 | $ 2,500.00 |
| 32 | Drain Inlet (Supply of Structure Only) | EA | 2 | $ 2,500.00 | $ 5,000.00 |
| 33 | Sediment Trap (Supply of Structure Only) | EA | 2 | $ 2,500.00 | $ 5,000.00 |
| 34 | Interceptor (Supply of Structure Only) | EA | 1 | $ 5,000.00 | $ 5,000.00 |
| 35 | Concrete Collar | EA | 18 | $ 500.00 | $ 9,000.00 |
| 36 | Drop Inlet - 24" X 36" | EA | 1 | $ 3,000.00 | $ 3,000.00 |
| 37 | Transverse Drain | EA | 1 | $ 2,500.00 | $ 2,500.00 |
| 38 | 0-3' Timber Retaining Wall | SF | 129 | $ 200.00 | $ 25,800.00 |
| 39 | Potholing of Existing Utilities | EA | 5 | $ 2,000.00 | $ 10,000.00 |

**TOTAL CONTRACT SUM: $504,531.00**

For the Total Contract Sum of **five hundred and four thousand five hundred and thirty 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) Verification of Contractor and Subcontractor DIR Registration (00423)

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

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

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

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

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

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

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

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

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

(p) Construction Contract DBE Commitment (Document 00471);

(q) DBE Information – Good Faith Efforts (Document 00475);

(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);

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

(bb) General Requirements, if any;

(cc) Construction Progress Documentation (Document 01300);

(dd) Technical Specifications;

(ee) Contract Drawings;

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

(gg) 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 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, 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 City:** **Notices required to be given to Contractor:**
**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 _____
Tamara Wallace, Mayor

Contractor: Globe Engineering Development

By Dawood Kavosh

Title President

Business License No. 332238

ATTEST:

By _____
Susan Blankenship
City of South Lake Tahoe

APPROVED AS TO FORM:

By _____
Heather Stroud
City of South Lake Tahoe

**END OF DOCUMENT 00500**

**Exhibit A**
FHWA 1273

**REQUIRED CONTRACT PROVISIONS**
**FEDERAL-AID CONSTRUCTION CONTRACTS**

I. General
II. Nondiscrimination
III. Non-segregated Facilities
IV. Davis-Bacon and Related Act Provisions
V. Contract Work Hours and Safety Standards Act Provisions
VI. Subletting or Assigning the Contract
VII. Safety: Accident Prevention
VIII. False Statements Concerning Highway Projects
IX. Implementation of Clean Air Act and Federal Water Pollution Control Act
X. Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion
XI. Certification Regarding Use of Contract Funds for Lobbying
XII. Use of United States-Flag Vessels:

ATTACHMENTS

A. Employment and Materials Preference for Appalachian Development Highway System or Appalachian Local Access Road Contracts (included in Appalachian contracts only)

## I. GENERAL

1. Form FHWA-1273 must be physically incorporated in each construction contract funded under title 23, United States Code, as required in 23 CFR 633.102(b) (excluding emergency contracts solely intended for debris removal). The contractor (or subcontractor) must insert this form in each subcontract and further require its inclusion in all lower tier subcontracts (excluding purchase orders, rental agreements and other agreements for supplies or services). 23 CFR 633.102(e).

The applicable requirements of Form FHWA-1273 are incorporated by reference for work done under any purchase order, rental agreement or agreement for other services. The prime contractor shall be responsible for compliance by any subcontractor, lower-tier subcontractor or service provider. 23 CFR 633.102(e).

Form FHWA-1273 must be included in all Federal-aid design-build contracts, in all subcontracts and in lower tier subcontracts (excluding subcontracts for design services, purchase orders, rental agreements and other agreements for supplies or services) in accordance with 23 CFR 633.102. The design-builder shall be responsible for compliance by any subcontractor, lower-tier subcontractor or service provider.

Contracting agencies may reference Form FHWA-1273 in solicitation-for-bids or request-for-proposals documents, however, the Form FHWA-1273 must be physically incorporated (not referenced) in all contracts, subcontracts and lower-tier subcontracts (excluding purchase orders, rental agreements and other agreements for supplies or services related to a construction contract). 23 CFR 633.102(b).

2. Subject to the applicability criteria noted in the following sections, these contract provisions shall apply to all work performed on the contract by the contractor's own organization and with the assistance of workers under the contractor's immediate superintendence and to all work performed on the contract by piecework, station work, or by subcontract. 23 CFR 633.102(d).

3. A breach of any of the stipulations contained in these Required Contract Provisions may be sufficient grounds for withholding of progress payments, withholding of final payment, termination of the contract, suspension / debarment or any other action determined to be appropriate by the contracting agency and FHWA.

4. Selection of Labor: During the performance of this contract, the contractor shall not use convict labor for any purpose within the limits of a construction project on a Federal-aid highway unless it is labor performed by convicts who are on parole, supervised release, or probation. 23 U.S.C. 114(b). The term Federal-aid highway does not include roadways functionally classified as local roads or rural minor collectors. 23 U.S.C. 101(a).

## II. NONDISCRIMINATION (23 CFR 230.107(a); 23 CFR Part 230, Subpart A, Appendix A; EO 11246)

The provisions of this section related to 23 CFR Part 230, Subpart A, Appendix A are applicable to all Federal-aid construction contracts and to all related construction subcontracts of $10,000 or more. The provisions of 23 CFR Part 230 are not applicable to material supply, engineering, or architectural service contracts.

In addition, the contractor and all subcontractors must comply with the following policies: Executive Order 11246, 41 CFR Part 60, 29 CFR Parts 1625-1627, 23 U.S.C. 140, Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794), Title VI of the Civil Rights Act of 1964, as amended (42 U.S.C. 2000d et seq.), and related regulations including 49 CFR Parts 21, 26, and 27; and 23 CFR Parts 200, 230, and 633.

The contractor and all subcontractors must comply with: the requirements of the Equal Opportunity Clause in 41 CFR 60-1.4(b) and, for all construction contracts exceeding $10,000, the Standard Federal Equal Employment Opportunity Construction Contract Specifications in 41 CFR 60-4.3.

Note: The U.S. Department of Labor has exclusive authority to determine compliance with Executive Order 11246 and the policies of the Secretary of Labor including 41 CFR Part 60, and 29 CFR Parts 1625-1627. The contracting agency and the FHWA have the authority and the responsibility to ensure compliance with 23 U.S.C. 140, Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794), and Title VI of the Civil Rights Act of 1964, as amended (42 U.S.C. 2000d et seq.), and related regulations including 49 CFR Parts 21, 26, and 27; and 23 CFR Parts 200, 230, and 633.

The following provision is adopted from 23 CFR Part 230, Subpart A, Appendix A, with appropriate revisions to conform to the U.S. Department of Labor (US DOL) and FHWA requirements.

**1. Equal Employment Opportunity:** Equal Employment Opportunity (EEO) requirements not to discriminate and to take affirmative action to assure equal opportunity as set forth under laws, executive orders, rules, regulations (*see* 28 CFR Part 35, 29 CFR Part 1630, 29 CFR Parts 1625-1627, 41 CFR Part 60 and 49 CFR Part 27) and orders of the Secretary of Labor as modified by the provisions prescribed herein, and imposed pursuant to 23 U.S.C. 140, shall constitute the EEO and specific affirmative action standards for the contractor's project activities under this contract. The provisions of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.) set forth under 28 CFR Part 35 and 29 CFR Part 1630 are incorporated by reference in this contract. In the execution of this contract, the contractor agrees to comply with the following minimum specific requirement activities of EEO:

a. The contractor will work with the contracting agency and the Federal Government to ensure that it has made every good faith effort to provide equal opportunity with respect to all of its terms and conditions of employment and in their review of activities under the contract. 23 CFR 230.409 (g)(4) & (5).

b. The contractor will accept as its operating policy the following statement:

> "It is the policy of this Company to assure that applicants are employed, and that employees are treated during employment, without regard to their race, religion, sex, sexual orientation, gender identity, color, national origin, age or disability. Such action shall include: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship, pre-apprenticeship, and/or on-the-job training."

**2. EEO Officer:** The contractor will designate and make known to the contracting officers an EEO Officer who will have the responsibility for and must be capable of effectively administering and promoting an active EEO program and who must be assigned adequate authority and responsibility to do so.

**3. Dissemination of Policy:** All members of the contractor's staff who are authorized to hire, supervise, promote, and discharge employees, or who recommend such action or are substantially involved in such action, will be made fully cognizant of and will implement the contractor's EEO policy and contractual responsibilities to provide EEO in each grade and classification of employment. To ensure that the above agreement will be met, the following actions will be taken as a minimum:

a. Periodic meetings of supervisory and personnel office employees will be conducted before the start of work and then not less often than once every six months, at which time the contractor's EEO policy and its implementation will be reviewed and explained. The meetings will be conducted by the EEO Officer or other knowledgeable company official.

b. All new supervisory or personnel office employees will be given a thorough indoctrination by the EEO Officer, covering all major aspects of the contractor's EEO obligations within thirty days following their reporting for duty with the contractor.

c. All personnel who are engaged in direct recruitment for the project will be instructed by the EEO Officer in the contractor's procedures for locating and hiring minorities and women.

d. Notices and posters setting forth the contractor's EEO policy will be placed in areas readily accessible to employees, applicants for employment and potential employees.

e. The contractor's EEO policy and the procedures to implement such policy will be brought to the attention of employees by means of meetings, employee handbooks, or other appropriate means.

**4. Recruitment:** When advertising for employees, the contractor will include in all advertisements for employees the notation: "An Equal Opportunity Employer." All such advertisements will be placed in publications having a large circulation among minorities and women in the area from which the project work force would normally be derived.

a. The contractor will, unless precluded by a valid bargaining agreement, conduct systematic and direct recruitment through public and private employee referral sources likely to yield qualified minorities and women. To meet this requirement, the contractor will identify sources of potential minority group employees and establish with such identified sources procedures whereby minority and women applicants may be referred to the contractor for employment consideration.

b. In the event the contractor has a valid bargaining agreement providing for exclusive hiring hall referrals, the contractor is expected to observe the provisions of that agreement to the extent that the system meets the contractor's compliance with EEO contract provisions. Where implementation of such an agreement has the effect of discriminating against minorities or women, or obligates the contractor to do the same, such implementation violates Federal nondiscrimination provisions.

c. The contractor will encourage its present employees to refer minorities and women as applicants for employment. Information and procedures with regard to referring such applicants will be discussed with employees.

**5. Personnel Actions:** Wages, working conditions, and employee benefits shall be established and administered, and personnel actions of every type, including hiring, upgrading, promotion, transfer, demotion, layoff, and termination, shall be taken without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, age or disability. The following procedures shall be followed:

a. The contractor will conduct periodic inspections of project sites to ensure that working conditions and employee facilities do not indicate discriminatory treatment of project site personnel.

b. The contractor will periodically evaluate the spread of wages paid within each classification to determine any evidence of discriminatory wage practices.

c. The contractor will periodically review selected personnel actions in depth to determine whether there is evidence of discrimination. Where evidence is found, the contractor will promptly take corrective action. If the review indicates that the discrimination may extend beyond the actions reviewed, such corrective action shall include all affected persons.

d. The contractor will promptly investigate all complaints of alleged discrimination made to the contractor in connection with its obligations under this contract, will attempt to resolve such complaints, and will take appropriate corrective action

within a reasonable time. If the investigation indicates that the discrimination may affect persons other than the complainant, such corrective action shall include such other persons. Upon completion of each investigation, the contractor will inform every complainant of all of their avenues of appeal.

**6. Training and Promotion:**

a. The contractor will assist in locating, qualifying, and increasing the skills of minorities and women who are applicants for employment or current employees. Such efforts should be aimed at developing full journey level status employees in the type of trade or job classification involved.

b. Consistent with the contractor's work force requirements and as permissible under Federal and State regulations, the contractor shall make full use of training programs (i.e., apprenticeship and on-the-job training programs for the geographical area of contract performance). In the event a special provision for training is provided under this contract, this subparagraph will be superseded as indicated in the special provision. The contracting agency may reserve training positions for persons who receive welfare assistance in accordance with 23 U.S.C. 140(a).

c. The contractor will advise employees and applicants for employment of available training programs and entrance requirements for each.

d. The contractor will periodically review the training and promotion potential of employees who are minorities and women and will encourage eligible employees to apply for such training and promotion.

**7. Unions:** If the contractor relies in whole or in part upon unions as a source of employees, the contractor will use good faith efforts to obtain the cooperation of such unions to increase opportunities for minorities and women. 23 CFR 230.409. Actions by the contractor, either directly or through a contractor's association acting as agent, will include the procedures set forth below:

a. The contractor will use good faith efforts to develop, in cooperation with the unions, joint training programs aimed toward qualifying more minorities and women for membership in the unions and increasing the skills of minorities and women so that they may qualify for higher paying employment.

b. The contractor will use good faith efforts to incorporate an EEO clause into each union agreement to the end that such union will be contractually bound to refer applicants without regard to their race, color, religion, sex, sexual orientation, gender identity, national origin, age, or disability.

c. The contractor is to obtain information as to the referral practices and policies of the labor union except that to the extent such information is within the exclusive possession of the labor union and such labor union refuses to furnish such information to the contractor, the contractor shall so certify to the contracting agency and shall set forth what efforts have been made to obtain such information.

d. In the event the union is unable to provide the contractor with a reasonable flow of referrals within the time limit set forth in the collective bargaining agreement, the contractor will, through independent recruitment efforts, fill the employment vacancies without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, age, or disability; making full efforts to obtain qualified and/or qualifiable minorities and women. The failure of a union to provide sufficient referrals (even though it is obligated to provide exclusive referrals under the terms of a collective bargaining agreement) does not relieve the contractor from the requirements of this paragraph. In the event the union referral practice prevents the contractor from meeting the obligations pursuant to Executive Order 11246, as amended, and these special provisions, such contractor shall immediately notify the contracting agency.

**8. Reasonable Accommodation for Applicants / Employees with Disabilities:** The contractor must be familiar with the requirements for and comply with the Americans with Disabilities Act and all rules and regulations established thereunder. Employers must provide reasonable accommodation in all employment activities unless to do so would cause an undue hardship.

**9. Selection of Subcontractors, Procurement of Materials and Leasing of Equipment:** The contractor shall not discriminate on the grounds of race, color, religion, sex, sexual orientation, gender identity, national origin, age, or disability in the selection and retention of subcontractors, including procurement of materials and leases of equipment. The contractor shall take all necessary and reasonable steps to ensure nondiscrimination in the administration of this contract.

a. The contractor shall notify all potential subcontractors, suppliers, and lessors of their EEO obligations under this contract.

b. The contractor will use good faith efforts to ensure subcontractor compliance with their EEO obligations.

**10. Assurances Required:**

a. The requirements of 49 CFR Part 26 and the State DOT's FHWA-approved Disadvantaged Business Enterprise (DBE) program are incorporated by reference.

b. The contractor, subrecipient or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR part 26 in the award and administration of DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the recipient deems appropriate, which may include, but is not limited to:
(1) Withholding monthly progress payments;
(2) Assessing sanctions;
(3) Liquidated damages; and/or
(4) Disqualifying the contractor from future bidding as non-responsible.

c. The Title VI and nondiscrimination provisions of U.S. DOT Order 1050.2A at Appendixes A and E are incorporated by reference. 49 CFR Part 21.

**11. Records and Reports:** The contractor shall keep such records as necessary to document compliance with the EEO requirements. Such records shall be retained for a period of three years following the date of the final payment to the contractor for all contract work and shall be available at reasonable times and places for inspection by authorized representatives of the contracting agency and the FHWA.

a. The records kept by the contractor shall document the following:

(1) The number and work hours of minority and non-minority group members and women employed in each work classification on the project;

(2) The progress and efforts being made in cooperation with unions, when applicable, to increase employment opportunities for minorities and women; and

(3) The progress and efforts being made in locating, hiring, training, qualifying, and upgrading minorities and women.

b. The contractors and subcontractors will submit an annual report to the contracting agency each July for the duration of the project indicating the number of minority, women, and non-minority group employees currently engaged in each work classification required by the contract work. This information is to be reported on Form FHWA-1391. The staffing data should represent the project work force on board in all or any part of the last payroll period preceding the end of July. If on-the-job training is being required by special provision, the contractor will be required to collect and report training data. The employment data should reflect the work force on board during all or any part of the last payroll period preceding the end of July.

## III. NONSEGREGATED FACILITIES

This provision is applicable to all Federal-aid construction contracts and to all related construction subcontracts of more than $10,000. 41 CFR 60-1.5.

As prescribed by 41 CFR 60-1.8, the contractor must ensure that facilities provided for employees are provided in such a manner that segregation on the basis of race, color, religion, sex, sexual orientation, gender identity, or national origin cannot result. The contractor may neither require such segregated use by written or oral policies nor tolerate such use by employee custom. The contractor's obligation extends further to ensure that its employees are not assigned to perform their services at any location under the contractor's control where the facilities are segregated. The term "facilities" includes waiting rooms, work areas, restaurants and other eating areas, time clocks, restrooms, washrooms, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing provided for employees. The contractor shall provide separate or single-user restrooms and necessary dressing or sleeping areas to assure privacy between sexes.

## IV. DAVIS-BACON AND RELATED ACT PROVISIONS

This section is applicable to all Federal-aid construction projects exceeding $2,000 and to all related subcontracts and lower-tier subcontracts (regardless of subcontract size), in accordance with 29 CFR 5.5. The requirements apply to all projects located within the right-of-way of a roadway that is functionally classified as Federal-aid highway. 23 U.S.C. 113. This excludes roadways functionally classified as local roads or rural minor collectors, which are exempt. 23 U.S.C. 101. Where applicable law requires that projects be treated as a project on a Federal-aid highway, the provisions of this subpart will apply regardless of the location of the project. Examples include: Surface Transportation Block Grant Program projects funded under 23 U.S.C. 133 [excluding recreational trails projects], the Nationally Significant Freight and Highway Projects funded under 23 U.S.C. 117, and National Highway Freight Program projects funded under 23 U.S.C. 167.

The following provisions are from the U.S. Department of Labor regulations in 29 CFR 5.5 “Contract provisions and related matters” with minor revisions to conform to the FHWA-1273 format and FHWA program requirements.

**1. Minimum wages** (29 CFR 5.5)

a. *Wage rates and fringe benefits.* All laborers and mechanics employed or working upon the site of the work (or otherwise working in construction or development of the project under a development statute), will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR part 3)), the full amount of basic hourly wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics. As provided in paragraphs (d) and (e) of 29 CFR 5.5, the appropriate wage determinations are effective by operation of law even if they have not been attached to the contract. Contributions made or costs reasonably anticipated for bona fide fringe benefits under the Davis-Bacon Act (40 U.S.C. 3141(2)(B)) on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of paragraph 1.e. of this section; also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics must be paid the appropriate wage rate and fringe benefits on the wage determination for the classification(s) of work actually performed, without regard to skill, except as provided in paragraph 4. of this section. Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: *Provided,* That the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classifications and wage rates conformed under paragraph 1.c. of this section) and the Davis-Bacon poster (WH–1321) must be posted at all times by the contractor and its subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers.

b. *Frequently recurring classifications.* (1) In addition to wage and fringe benefit rates that have been determined to be prevailing under the procedures set forth in 29 CFR part 1, a wage determination may contain, pursuant to § 1.3(f), wage and fringe benefit rates for classifications of laborers and mechanics for which conformance requests are regularly submitted pursuant to paragraph 1.c. of this section, provided that:

(i) The work performed by the classification is not performed by a classification in the wage determination for which a prevailing wage rate has been determined;

(ii) The classification is used in the area by the construction industry; and

(iii) The wage rate for the classification bears a reasonable relationship to the prevailing wage rates contained in the wage determination.

(2) The Administrator will establish wage rates for such classifications in accordance with paragraph 1.c.(1)(iii) of this section. Work performed in such a classification must be paid at no less than the wage and fringe benefit rate listed on the wage determination for such classification.

c. *Conformance.* (1) The contracting officer must require that any class of laborers or mechanics, including helpers, which is not listed in the wage determination and which is to be employed under the contract be classified in conformance with the wage determination. Conformance of an additional classification and wage rate and fringe benefits is appropriate only when the following criteria have been met:

(i) The work to be performed by the classification requested is not performed by a classification in the wage determination; and

(ii) The classification is used in the area by the construction industry; and

(iii) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

(2) The conformance process may not be used to split, subdivide, or otherwise avoid application of classifications listed in the wage determination.

(3) If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and the contracting officer agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken will be sent by the contracting officer by email to *DBAconformance@dol.gov*. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30–day period that additional time is necessary.

(4) In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and the contracting officer do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), the contracting officer will, by email to *DBAconformance@dol.gov*, refer the questions, including the views of all interested parties and the recommendation of the contracting officer, to the Administrator for determination. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30–day period that additional time is necessary.

(5) The contracting officer must promptly notify the contractor of the action taken by the Wage and Hour Division under paragraphs 1.c.(3) and (4) of this section. The contractor must furnish a written copy of such determination to each affected worker or it must be posted as a part of the wage determination. The wage rate (including fringe benefits where appropriate) determined pursuant to paragraph 1.c.(3) or (4) of this section must be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

d. *Fringe benefits not expressed as an hourly rate.* Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the contractor may either pay the benefit as stated in the wage determination or may pay another bona fide fringe benefit or an hourly cash equivalent thereof.

e. *Unfunded plans.* If the contractor does not make payments to a trustee or other third person, the contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, *Provided,* That the Secretary of Labor has found, upon the written request of the contractor, in accordance with the criteria set forth in § 5.28, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the contractor to set aside in a separate account assets for the meeting of obligations under the plan or program.

f. *Interest.* In the event of a failure to pay all or part of the wages required by the contract, the contractor will be required to pay interest on any underpayment of wages.

**2. Withholding** (29 CFR 5.5)

a. *Withholding requirements.* The contracting agency may, upon its own action, or must, upon written request of an authorized representative of the Department of Labor, withhold or cause to be withheld from the contractor so much of the accrued payments or advances as may be considered necessary to satisfy the liabilities of the prime contractor or any subcontractor for the full amount of wages and monetary relief, including interest, required by the clauses set forth in this section for violations of this contract, or to satisfy any such liabilities required by any other Federal contract, or federally assisted contract subject to Davis-Bacon labor standards, that is held by the same prime contractor (as defined in § 5.2). The necessary funds may be withheld from the contractor under this contract, any other Federal contract with the same prime contractor, or any other federally assisted contract that is subject to Davis-Bacon labor standards requirements and is held by the same prime contractor, regardless of whether the other contract was awarded or assisted by the same agency, and such funds may be used to satisfy the contractor liability for which the funds were withheld. In the event of a contractor's failure to pay any laborer or mechanic, including any apprentice or helper working on the site of the work all or part of the wages required by the contract, or upon the contractor's failure to submit the required records as discussed in paragraph 3.d. of this section, the contracting agency may on its own initiative and after written notice to the contractor, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased.

b. *Priority to withheld funds.* The Department has priority to funds withheld or to be withheld in accordance with paragraph

2.a. of this section or Section V, paragraph 3.a., or both, over claims to those funds by:

(1) A contractor's surety(ies), including without limitation performance bond sureties and payment bond sureties;

(2) A contracting agency for its reprocurement costs;

(3) A trustee(s) (either a court-appointed trustee or a U.S. trustee, or both) in bankruptcy of a contractor, or a contractor's bankruptcy estate;

(4) A contractor's assignee(s);

(5) A contractor's successor(s); or

(6) A claim asserted under the Prompt Payment Act, 31 U.S.C. 3901–3907.

**3. Records and certified payrolls** (29 CFR 5.5)

a. *Basic record requirements* (1) *Length of record retention.* All regular payrolls and other basic records must be maintained by the contractor and any subcontractor during the course of the work and preserved for all laborers and mechanics working at the site of the work (or otherwise working in construction or development of the project under a development statute) for a period of at least 3 years after all the work on the prime contract is completed.

(2) *Information required.* Such records must contain the name; Social Security number; last known address, telephone number, and email address of each such worker; each worker's correct classification(s) of work actually performed; hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in 40 U.S.C. 3141(2)(B) of the Davis-Bacon Act); daily and weekly number of hours actually worked in total and on each covered contract; deductions made; and actual wages paid.

(3) *Additional records relating to fringe benefits.* Whenever the Secretary of Labor has found under paragraph 1.e. of this section that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in 40 U.S.C. 3141(2)(B) of the Davis-Bacon Act, the contractor must maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits.

(4) *Additional records relating to apprenticeship.* Contractors with apprentices working under approved programs must maintain written evidence of the registration of apprenticeship programs, the registration of the apprentices, and the ratios and wage rates prescribed in the applicable programs.

b. *Certified payroll requirements* (1) *Frequency and method of submission.* The contractor or subcontractor must submit weekly, for each week in which any DBA- or Related Acts-covered work is performed, certified payrolls to the contracting agency. The prime contractor is responsible for the submission of all certified payrolls by all subcontractors. A contracting agency or prime contractor may permit or require contractors to submit certified payrolls through an electronic system, as long as the electronic system requires a legally valid electronic signature; the system allows the contractor, the contracting agency, and the Department of Labor to access the certified payrolls upon request for at least 3 years after the work on the prime contract has been completed; and the contracting agency or prime contractor permits other methods of submission in situations where the contractor is unable or limited in its ability to use or access the electronic system.

(2) *Information required.* The certified payrolls submitted must set out accurately and completely all of the information required to be maintained under paragraph 3.a.(2) of this section, except that full Social Security numbers and last known addresses, telephone numbers, and email addresses must not be included on weekly transmittals. Instead, the certified payrolls need only include an individually identifying number for each worker ( *e.g.,* the last four digits of the worker's Social Security number). The required weekly certified payroll information may be submitted using Optional Form WH–347 or in any other format desired. Optional Form WH–347 is available for this purpose from the Wage and Hour Division website at *https://www.dol.gov/sites/dolgov/files/WHD/legacy/files/wh347/.pdf* or its successor website. It is not a violation of this section for a prime contractor to require a subcontractor to provide full Social Security numbers and last known addresses, telephone numbers, and email addresses to the prime contractor for its own records, without weekly submission by the subcontractor to the contracting agency.

(3) *Statement of Compliance.* Each certified payroll submitted must be accompanied by a "Statement of Compliance," signed by the contractor or subcontractor, or the contractor's or subcontractor's agent who pays or supervises the payment of the persons working on the contract, and must certify the following:

(i) That the certified payroll for the payroll period contains the information required to be provided under paragraph 3.b. of this section, the appropriate information and basic records are being maintained under paragraph 3.a. of this section, and such information and records are correct and complete;

(ii) That each laborer or mechanic (including each helper and apprentice) working on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in 29 CFR part 3; and

(iii) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification(s) of work actually performed, as specified in the applicable wage determination incorporated into the contract.

(4) *Use of Optional Form WH–347.* The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH–347 will satisfy the requirement for submission of the "Statement of Compliance" required by paragraph 3.b.(3) of this section.

(5) *Signature.* The signature by the contractor, subcontractor, or the contractor's or subcontractor's agent must be an original handwritten signature or a legally valid electronic signature.

(6) *Falsification.* The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under 18 U.S.C. 1001 and 31 U.S.C. 3729.

(7) *Length of certified payroll retention.* The contractor or subcontractor must preserve all certified payrolls during the course of the work and for a period of 3 years after all the work on the prime contract is completed.

c. *Contracts, subcontracts, and related documents.* The contractor or subcontractor must maintain this contract or subcontract and related documents including, without limitation, bids, proposals, amendments, modifications, and extensions. The contractor or subcontractor must preserve these contracts, subcontracts, and related documents during the course of the work and for a period of 3 years after all the work on the prime contract is completed.

d. *Required disclosures and access* (1) *Required record disclosures and access to workers.* The contractor or subcontractor must make the records required under paragraphs 3.a. through 3.c. of this section, and any other documents that the contracting agency, the State DOT, the FHWA, or the Department of Labor deems necessary to determine compliance with the labor standards provisions of any of the applicable statutes referenced by § 5.1, available for inspection, copying, or transcription by authorized representatives of the contracting agency, the State DOT, the FHWA, or the Department of Labor, and must permit such representatives to interview workers during working hours on the job.

(2) *Sanctions for non-compliance with records and worker access requirements.* If the contractor or subcontractor fails to submit the required records or to make them available, or refuses to permit worker interviews during working hours on the job, the Federal agency may, after written notice to the contractor, sponsor, applicant, owner, or other entity, as the case may be, that maintains such records or that employs such workers, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available, or to permit worker interviews during working hours on the job, may be grounds for debarment action pursuant to § 5.12. In addition, any contractor or other person that fails to submit the required records or make those records available to WHD within the time WHD requests that the records be produced will be precluded from introducing as evidence in an administrative proceeding under 29 CFR part 6 any of the required records that were not provided or made available to WHD. WHD will take into consideration a reasonable request from the contractor or person for an extension of the time for submission of records. WHD will determine the reasonableness of the request and may consider, among other things, the location of the records and the volume of production.

(3) *Required information disclosures.* Contractors and subcontractors must maintain the full Social Security number and last known address, telephone number, and email address of each covered worker, and must provide them upon request to the contracting agency, the State DOT, the FHWA, the contractor, or the Wage and Hour Division of the Department of Labor for purposes of an investigation or other compliance action.

**4. Apprentices and equal employment opportunity** (29 CFR 5.5)

a. *Apprentices* (1) *Rate of pay.* Apprentices will be permitted to work at less than the predetermined rate for the work they perform when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship (OA), or with a State Apprenticeship Agency recognized by the OA. A person who is not individually registered in the program, but who has been certified by the OA or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice, will be permitted to work at less than the predetermined rate for the work they perform in the first 90 days of probationary employment as an apprentice in such a program. In the event the OA or a State Apprenticeship Agency recognized by the OA withdraws approval of an apprenticeship program, the contractor will no longer be permitted to use apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(2) *Fringe benefits.* Apprentices must be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification, fringe benefits must be paid in accordance with that determination.

(3) *Apprenticeship ratio.* The allowable ratio of apprentices to journeyworkers on the job site in any craft classification must not be greater than the ratio permitted to the contractor as to the entire work force under the registered program or the ratio applicable to the locality of the project pursuant to paragraph 4.a.(4) of this section. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated in paragraph 4.a.(1) of this section, must be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under this section must be paid not less than the applicable wage rate on the wage determination for the work actually performed.

(4) *Reciprocity of ratios and wage rates.* Where a contractor is performing construction on a project in a locality other than the locality in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyworker's hourly rate) applicable within the locality in which the construction is being performed must be observed. If there is no applicable ratio or wage rate for the locality of the project, the ratio and wage rate specified in the contractor's registered program must be observed.

b. *Equal employment opportunity.* The use of apprentices and journeyworkers under this part must be in conformity with

the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR part 30.

c. Apprentices and Trainees (programs of the U.S. DOT).

Apprentices and trainees working under apprenticeship and skill training programs which have been certified by the Secretary of Transportation as promoting EEO in connection with Federal-aid highway construction programs are not subject to the requirements of paragraph 4 of this Section IV. 23 CFR 230.111(e)(2). The straight time hourly wage rates for apprentices and trainees under such programs will be established by the particular programs. The ratio of apprentices and trainees to journeyworkers shall not be greater than permitted by the terms of the particular program.

**5. Compliance with Copeland Act requirements.** The contractor shall comply with the requirements of 29 CFR part 3, which are incorporated by reference in this contract as provided in 29 CFR 5.5.

**6. Subcontracts**. The contractor or subcontractor must insert FHWA-1273 in any subcontracts, along with the applicable wage determination(s) and such other clauses or contract modifications as the contracting agency may by appropriate instructions require, and a clause requiring the subcontractors to include these clauses and wage determination(s) in any lower tier subcontracts. The prime contractor is responsible for the compliance by any subcontractor or lower tier subcontractor with all the contract clauses in this section. In the event of any violations of these clauses, the prime contractor and any subcontractor(s) responsible will be liable for any unpaid wages and monetary relief, including interest from the date of the underpayment or loss, due to any workers of lower-tier subcontractors, and may be subject to debarment, as appropriate. 29 CFR 5.5.

**7. Contract termination: debarment.** A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the contract, and for debarment as a contractor and a subcontractor as provided in 29 CFR 5.12.

**8. Compliance with Davis-Bacon and Related Act requirements.** All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR parts 1, 3, and 5 are herein incorporated by reference in this contract as provided in 29 CFR 5.5.

**9. Disputes concerning labor standards.** As provided in 29 CFR 5.5, disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the contractor (or any of its subcontractors) and the contracting agency, the U.S. Department of Labor, or the employees or their representatives.

**10. Certification of eligibility**. a. By entering into this contract, the contractor certifies that neither it nor any person or firm who has an interest in the contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of 40 U.S.C. 3144(b) or § 5.12(a).

b. No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of 40 U.S.C. 3144(b) or § 5.12(a).

c. The penalty for making false statements is prescribed in the U.S. Code, Title 18 Crimes and Criminal Procedure, 18 U.S.C. 1001.

**11. Anti-retaliation**. It is unlawful for any person to discharge, demote, intimidate, threaten, restrain, coerce, blacklist, harass, or in any other manner discriminate against, or to cause any person to discharge, demote, intimidate, threaten, restrain, coerce, blacklist, harass, or in any other manner discriminate against, any worker or job applicant for:

a. Notifying any contractor of any conduct which the worker reasonably believes constitutes a violation of the DBA, Related Acts, this part, or 29 CFR part 1 or 3;

b. Filing any complaint, initiating or causing to be initiated any proceeding, or otherwise asserting or seeking to assert on behalf of themselves or others any right or protection under the DBA, Related Acts, this part, or 29 CFR part 1 or 3;

c. Cooperating in any investigation or other compliance action, or testifying in any proceeding under the DBA, Related Acts, this part, or 29 CFR part 1 or 3; or

d. Informing any other person about their rights under the DBA, Related Acts, this part, or 29 CFR part 1 or 3.

## V. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT

Pursuant to 29 CFR 5.5(b), the following clauses apply to any Federal-aid construction contract in an amount in excess of $100,000 and subject to the overtime provisions of the Contract Work Hours and Safety Standards Act. These clauses shall be inserted in addition to the clauses required by 29 CFR 5.5(a) or 29 CFR 4.6. As used in this paragraph, the terms laborers and mechanics include watchpersons and guards.

**1. Overtime requirements.** No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek. 29 CFR 5.5.

**2. Violation; liability for unpaid wages; liquidated damages.** In the event of any violation of the clause set forth in paragraph 1. of this section the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages and interest from the date of the underpayment. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or

mechanic, including watchpersons and guards, employed in violation of the clause set forth in paragraph 1. of this section, in the sum currently provided in 29 CFR 5.5(b)(2)* for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph 1. of this section.

* $31 as of January 15, 2023 (See 88 FR 88 FR 2210) as may be adjusted annually by the Department of Labor, pursuant to the Federal Civil Penalties Inflation Adjustment Act of 1990.

**3. Withholding for unpaid wages and liquidated damages**

a. *Withholding process.* The FHWA or the contracting agency may, upon its own action, or must, upon written request of an authorized representative of the Department of Labor, withhold or cause to be withheld from the contractor so much of the accrued payments or advances as may be considered necessary to satisfy the liabilities of the prime contractor or any subcontractor for any unpaid wages; monetary relief, including interest; and liquidated damages required by the clauses set forth in this section on this contract, any other Federal contract with the same prime contractor, or any other federally assisted contract subject to the Contract Work Hours and Safety Standards Act that is held by the same prime contractor (as defined in § 5.2). The necessary funds may be withheld from the contractor under this contract, any other Federal contract with the same prime contractor, or any other federally assisted contract that is subject to the Contract Work Hours and Safety Standards Act and is held by the same prime contractor, regardless of whether the other contract was awarded or assisted by the same agency, and such funds may be used to satisfy the contractor liability for which the funds were withheld.

b. *Priority to withheld funds.* The Department has priority to funds withheld or to be withheld in accordance with Section IV paragraph 2.a. or paragraph 3.a. of this section, or both, over claims to those funds by:

(1) A contractor's surety(ies), including without limitation performance bond sureties and payment bond sureties;

(2) A contracting agency for its reprocurement costs;

(3) A trustee(s) (either a court-appointed trustee or a U.S. trustee, or both) in bankruptcy of a contractor, or a contractor's bankruptcy estate;

(4) A contractor's assignee(s);

(5) A contractor's successor(s); or

(6) A claim asserted under the Prompt Payment Act, 31 U.S.C. 3901–3907.

**4. Subcontracts.** The contractor or subcontractor must insert in any subcontracts the clauses set forth in paragraphs 1. through 5. of this section and a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor is responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs 1. through 5. In the event of any violations of these clauses, the prime contractor and any subcontractor(s) responsible will be liable for any unpaid wages and monetary relief, including interest from the date of the underpayment or loss, due to any workers of lower-tier subcontractors, and associated liquidated damages and may be subject to debarment, as appropriate.

**5. Anti-retaliation.** It is unlawful for any person to discharge, demote, intimidate, threaten, restrain, coerce, blacklist, harass, or in any other manner discriminate against, or to cause any person to discharge, demote, intimidate, threaten, restrain, coerce, blacklist, harass, or in any other manner discriminate against, any worker or job applicant for:

a. Notifying any contractor of any conduct which the worker reasonably believes constitutes a violation of the Contract Work Hours and Safety Standards Act (CWHSSA) or its implementing regulations in this part;

b. Filing any complaint, initiating or causing to be initiated any proceeding, or otherwise asserting or seeking to assert on behalf of themselves or others any right or protection under CWHSSA or this part;

c. Cooperating in any investigation or other compliance action, or testifying in any proceeding under CWHSSA or this part; or

d. Informing any other person about their rights under CWHSSA or this part.

**VI. SUBLETTING OR ASSIGNING THE CONTRACT**

This provision is applicable to all Federal-aid construction contracts on the National Highway System pursuant to 23 CFR 635.116.

1. The contractor shall perform with its own organization contract work amounting to not less than 30 percent (or a greater percentage if specified elsewhere in the contract) of the total original contract price, excluding any specialty items designated by the contracting agency. Specialty items may be performed by subcontract and the amount of any such specialty items performed may be deducted from the total original contract price before computing the amount of work required to be performed by the contractor's own organization (23 CFR 635.116).

a. The term “perform work with its own organization” in paragraph 1 of Section VI refers to workers employed or leased by the prime contractor, and equipment owned or rented by the prime contractor, with or without operators. Such term does not include employees or equipment of a subcontractor or lower tier subcontractor, agents of the prime contractor, or any other assignees. The term may include payments for the costs of hiring leased employees from an employee leasing firm meeting all relevant Federal and State regulatory requirements. Leased employees may only be included in this term if the prime contractor meets all of the following conditions: (based on longstanding interpretation)

(1) the prime contractor maintains control over the supervision of the day-to-day activities of the leased employees;
(2) the prime contractor remains responsible for the quality of the work of the leased employees;

(3) the prime contractor retains all power to accept or exclude individual employees from work on the project; and

(4) the prime contractor remains ultimately responsible for the payment of predetermined minimum wages, the submission of payrolls, statements of compliance and all other Federal regulatory requirements.

b. "Specialty Items" shall be construed to be limited to work that requires highly specialized knowledge, abilities, or equipment not ordinarily available in the type of contracting organizations qualified and expected to bid or propose on the contract as a whole and in general are to be limited to minor components of the overall contract. 23 CFR 635.102.

2. Pursuant to 23 CFR 635.116(a), the contract amount upon which the requirements set forth in paragraph (1) of Section VI is computed includes the cost of material and manufactured products which are to be purchased or produced by the contractor under the contract provisions.

3. Pursuant to 23 CFR 635.116(c), the contractor shall furnish (a) a competent superintendent or supervisor who is employed by the firm, has full authority to direct performance of the work in accordance with the contract requirements, and is in charge of all construction operations (regardless of who performs the work) and (b) such other of its own organizational resources (supervision, management, and engineering services) as the contracting officer determines is necessary to assure the performance of the contract.

4. No portion of the contract shall be sublet, assigned or otherwise disposed of except with the written consent of the contracting officer, or authorized representative, and such consent when given shall not be construed to relieve the contractor of any responsibility for the fulfillment of the contract. Written consent will be given only after the contracting agency has assured that each subcontract is evidenced in writing and that it contains all pertinent provisions and requirements of the prime contract. (based on long-standing interpretation of 23 CFR 635.116).

5. The 30-percent self-performance requirement of paragraph (1) is not applicable to design-build contracts; however, contracting agencies may establish their own self-performance requirements. 23 CFR 635.116(d).

**VII. SAFETY: ACCIDENT PREVENTION**

This provision is applicable to all Federal-aid construction contracts and to all related subcontracts.

1. In the performance of this contract the contractor shall comply with all applicable Federal, State, and local laws governing safety, health, and sanitation (23 CFR Part 635). The contractor shall provide all safeguards, safety devices and protective equipment and take any other needed actions as it determines, or as the contracting officer may determine, to be reasonably necessary to protect the life and health of employees on the job and the safety of the public and to protect property in connection with the performance of the work covered by the contract. 23 CFR 635.108.

2. It is a condition of this contract, and shall be made a condition of each subcontract, which the contractor enters into pursuant to this contract, that the contractor and any subcontractor shall not permit any employee, in performance of the contract, to work in surroundings or under conditions which are unsanitary, hazardous or dangerous to his/her health or safety, as determined under construction safety and health standards (29 CFR Part 1926) promulgated by the Secretary of Labor, in accordance with Section 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 3704). 29 CFR 1926.10.

3. Pursuant to 29 CFR 1926.3, it is a condition of this contract that the Secretary of Labor or authorized representative thereof, shall have right of entry to any site of contract performance to inspect or investigate the matter of compliance with the construction safety and health standards and to carry out the duties of the Secretary under Section 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 3704).

**VIII. FALSE STATEMENTS CONCERNING HIGHWAY PROJECTS**

This provision is applicable to all Federal-aid construction contracts and to all related subcontracts.

In order to assure high quality and durable construction in conformity with approved plans and specifications and a high degree of reliability on statements and representations made by engineers, contractors, suppliers, and workers on Federal-aid highway projects, it is essential that all persons concerned with the project perform their functions as carefully, thoroughly, and honestly as possible. Willful falsification, distortion, or misrepresentation with respect to any facts related to the project is a violation of Federal law. To prevent any misunderstanding regarding the seriousness of these and similar acts, Form FHWA-1022 shall be posted on each Federal-aid highway project (23 CFR Part 635) in one or more places where it is readily available to all persons concerned with the project:

18 U.S.C. 1020 reads as follows:

"Whoever, being an officer, agent, or employee of the United States, or of any State or Territory, or whoever, whether a person, association, firm, or corporation, knowingly makes any false statement, false representation, or false report as to the character, quality, quantity, or cost of the material used or to be used, or the quantity or quality of the work performed or to be performed, or the cost thereof in connection with the submission of plans, maps, specifications, contracts, or costs of construction on any highway or related project submitted for approval to the Secretary of Transportation; or

Whoever knowingly makes any false statement, false representation, false report or false claim with respect to the character, quality, quantity, or cost of any work performed or to be performed, or materials furnished or to be furnished, in connection with the construction of any highway or related project approved by the Secretary of Transportation; or

Whoever knowingly makes any false statement or false representation as to material fact in any statement, certificate, or report submitted pursuant to provisions of the Federal-aid Roads Act approved July 11, 1916, (39 Stat. 355), as amended and supplemented;

Shall be fined under this title or imprisoned not more than 5 years or both."

**IX. IMPLEMENTATION OF CLEAN AIR ACT AND FEDERAL WATER POLLUTION CONTROL ACT** (42 U.S.C. 7606; 2 CFR 200.88; EO 11738)

This provision is applicable to all Federal-aid construction contracts in excess of $150,000 and to all related subcontracts. 48 CFR 2.101; 2 CFR 200.327.

By submission of this bid/proposal or the execution of this contract or subcontract, as appropriate, the bidder, proposer, Federal-aid construction contractor, subcontractor, supplier, or vendor agrees 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 Highway Administration and the Regional Office of the Environmental Protection Agency. 2 CFR Part 200, Appendix II.

The contractor agrees to include or cause to be included the requirements of this Section in every subcontract, and further agrees to take such action as the contracting agency may direct as a means of enforcing such requirements. 2 CFR 200.327.

**X. CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION**

This provision is applicable to all Federal-aid construction contracts, design-build contracts, subcontracts, lower-tier subcontracts, purchase orders, lease agreements, consultant contracts or any other covered transaction requiring FHWA approval or that is estimated to cost $25,000 or more – as defined in 2 CFR Parts 180 and 1200. 2 CFR 180.220 and 1200.220.

1**. Instructions for Certification – First Tier Participants:**

a. By signing and submitting this proposal, the prospective first tier participant is providing the certification set out below.

b. The inability of a person to provide the certification set out below will not necessarily result in denial of participation in this covered transaction. The prospective first tier participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective first tier participant to furnish a certification or an explanation shall disqualify such a person from participation in this transaction. 2 CFR 180.320.

c. The certification in this clause is a material representation of fact upon which reliance was placed when the contracting agency determined to enter into this transaction. If it is later determined that the prospective participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the contracting agency may terminate this transaction for cause of default. 2 CFR 180.325.

d. The prospective first tier participant shall provide immediate written notice to the contracting agency to whom this proposal is submitted if any time the prospective first tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances. 2 CFR 180.345 and 180.350.

e. The terms "covered transaction," "debarred," "suspended," "ineligible," "participant," "person," "principal," and "voluntarily excluded," as used in this clause, are defined in 2 CFR Parts 180, Subpart I, 180.900-180.1020, and 1200. “First Tier Covered Transactions” refers to any covered transaction between a recipient or subrecipient of Federal funds and a participant (such as the prime or general contract). “Lower Tier Covered Transactions” refers to any covered transaction under a First Tier Covered Transaction (such as subcontracts). “First Tier Participant” refers to the participant who has entered into a covered transaction with a recipient or subrecipient of Federal funds (such as the prime or general contractor). “Lower Tier Participant” refers any participant who has entered into a covered transaction with a First Tier Participant or other Lower Tier Participants (such as subcontractors and suppliers).

f. The prospective first tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction. 2 CFR 180.330.

g. The prospective first tier participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transactions," provided by the department or contracting agency, entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions exceeding the $25,000 threshold. 2 CFR 180.220 and 180.300.

h. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. 2 CFR 180.300; 180.320, and 180.325. A participant is responsible for ensuring that its principals are not suspended, debarred, or otherwise ineligible to participate in covered transactions. 2 CFR 180.335. To verify the eligibility of its principals, as well as the eligibility of any lower tier prospective participants, each participant may, but is not required to, check the System for Award Management website (https://www.sam.gov/). 2 CFR 180.300, 180.320, and 180.325.

i. Nothing contained in the foregoing shall be construed to require the establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of the prospective participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

j. Except for transactions authorized under paragraph (f) of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default. 2 CFR 180.325.

* * * * *

**2. Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – First Tier Participants:**

a. The prospective first tier participant certifies to the best of its knowledge and belief, that it and its principals:

(1) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in covered transactions by any Federal department or agency, 2 CFR 180.335;.

(2) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property, 2 CFR 180.800;

(3) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (a)(2) of this certification, 2 CFR 180.700 and 180.800; and

(4) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default. 2 CFR 180.335(d).

(5) Are not a corporation that has been convicted of a felony violation under any Federal law within the two-year period preceding this proposal (USDOT Order 4200.6 implementing appropriations act requirements); and

(6) Are not a corporation with any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted, or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability (USDOT Order 4200.6 implementing appropriations act requirements).

b. Where the prospective participant is unable to certify to any of the statements in this certification, such prospective participant should attach an explanation to this proposal. 2 CFR 180.335 and 180.340.

* * * * *

3. **Instructions for Certification - Lower Tier Participants:**

(Applicable to all subcontracts, purchase orders, and other lower tier transactions requiring prior FHWA approval or estimated to cost $25,000 or more - 2 CFR Parts 180 and 1200). 2 CFR 180.220 and 1200.220.

a. By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below.

b. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department, or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

c. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous by reason of changed circumstances. 2 CFR 180.365.

d. The terms "covered transaction," "debarred," "suspended," "ineligible," "participant," "person," "principal," and "voluntarily excluded," as used in this clause, are defined in 2 CFR Parts 180, Subpart I, 180.900 – 180.1020, and 1200. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations. “First Tier Covered Transactions” refers to any covered transaction between a recipient or subrecipient of Federal funds and a participant (such as the prime or general contract). “Lower Tier Covered Transactions” refers to any covered transaction under a First Tier Covered Transaction (such as subcontracts). “First Tier Participant” refers to the participant who has entered into a covered transaction with a recipient or subrecipient of Federal funds (such as the prime or general contractor). “Lower Tier Participant” refers any participant who has entered into a covered transaction with a First Tier Participant or other Lower Tier Participants (such as subcontractors and suppliers).

e. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated. 2 CFR 1200.220 and 1200.332.

f. The prospective lower tier participant further agrees by submitting this proposal that it will include this clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions exceeding the $25,000 threshold. 2 CFR 180.220 and 1200.220.

g. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant is responsible for ensuring that its principals are not suspended, debarred, or otherwise ineligible to participate in covered transactions. To verify the eligibility of its principals, as well as the eligibility of any lower tier prospective participants, each participant may, but is not required to, check the System for Award Management website (https://www.sam.gov/), which is compiled by the General Services Administration. 2 CFR 180.300, 180.320, 180.330, and 180.335.

h. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

i. Except for transactions authorized under paragraph e of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily

excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment. 2 CFR 180.325.

* * * * *

**4. Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion--Lower Tier Participants:**

a. The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals:

(1) is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in covered transactions by any Federal department or agency, 2 CFR 180.355;

(2) is a corporation that has been convicted of a felony violation under any Federal law within the two-year period preceding this proposal (USDOT Order 4200.6 implementing appropriations act requirements); and

(3) is a corporation with any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted, or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability. (USDOT Order 4200.6 implementing appropriations act requirements)

b. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant should attach an explanation to this proposal.

* * * * *

**XI. CERTIFICATION REGARDING USE OF CONTRACT FUNDS FOR LOBBYING**

This provision is applicable to all Federal-aid construction contracts and to all related subcontracts which exceed $100,000. 49 CFR Part 20, App. A.

1. The prospective participant certifies, by signing and submitting this bid or proposal, to the best of his or her knowledge and belief, that:

a. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

b. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

2. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. 1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

3. The prospective participant also agrees by submitting its bid or proposal that the participant shall require that the language of this certification be included in all lower tier subcontracts, which exceed $100,000 and that all such recipients shall certify and disclose accordingly.

**XII. USE OF UNITED STATES-FLAG VESSELS:**

This provision is applicable to all Federal-aid construction contracts, design-build contracts, subcontracts, lower-tier subcontracts, purchase orders, lease agreements, or any other covered transaction. 46 CFR Part 381.

This requirement applies to material or equipment that is acquired for a specific Federal-aid highway project. 46 CFR 381.7. It is not applicable to goods or materials that come into inventories independent of an FHWA funded-contract.

When oceanic shipments (or shipments across the Great Lakes) are necessary for materials or equipment acquired for a specific Federal-aid construction project, the bidder, proposer, contractor, subcontractor, or vendor agrees:

1. To utilize privately owned United States-flag commercial vessels to ship at least 50 percent of the gross tonnage (computed separately for dry bulk carriers, dry cargo liners, and tankers) involved, whenever shipping any equipment, material, or commodities pursuant to this contract, to the extent such vessels are available at fair and reasonable rates for United States-flag commercial vessels. 46 CFR 381.7.

2. To furnish within 20 days following the date of loading for shipments originating within the United States or within 30 working days following the date of loading for shipments originating outside the United States, a legible copy of a rated, ‘on-board’ commercial ocean bill-of-lading in English for each shipment of cargo described in paragraph (b)(1) of this section to both the Contracting Officer (through the prime contractor in the case of subcontractor bills-of-lading) and to the Office of Cargo and Commercial Sealift (MAR-620), Maritime Administration, Washington, DC 20590. (MARAD requires copies of the ocean carrier's (master) bills of lading, certified onboard, dated, with rates and charges. These bills of lading may contain business sensitive information and therefore may be submitted directly to MARAD by the Ocean Transportation Intermediary on behalf of the contractor). 46 CFR 381.7.

**ATTACHMENT A - EMPLOYMENT AND MATERIALS PREFERENCE FOR APPALACHIAN DEVELOPMENT HIGHWAY SYSTEM OR APPALACHIAN LOCAL ACCESS ROAD CONTRACTS** (23 CFR 633, Subpart B, Appendix B)
This provision is applicable to all Federal-aid projects funded under the Appalachian Regional Development Act of 1965.

1. During the performance of this contract, the contractor undertaking to do work which is, or reasonably may be, done as on-site work, shall give preference to qualified persons who regularly reside in the labor area as designated by the DOL wherein the contract work is situated, or the subregion, or the Appalachian counties of the State wherein the contract work is situated, except:

a. To the extent that qualified persons regularly residing in the area are not available.

b. For the reasonable needs of the contractor to employ supervisory or specially experienced personnel necessary to assure an efficient execution of the contract work.

c. For the obligation of the contractor to offer employment to present or former employees as the result of a lawful collective bargaining contract, provided that the number of nonresident persons employed under this subparagraph (1c) shall not exceed 20 percent of the total number of employees employed by the contractor on the contract work, except as provided in subparagraph (4) below.

2. The contractor shall place a job order with the State Employment Service indicating (a) the classifications of the laborers, mechanics and other employees required to perform the contract work, (b) the number of employees required in each classification, (c) the date on which the participant estimates such employees will be required, and (d) any other pertinent information required by the State Employment Service to complete the job order form. The job order may be placed with the State Employment Service in writing or by telephone. If during the course of the contract work, the information submitted by the contractor in the original job order is substantially modified, the participant shall promptly notify the State Employment Service.

3. The contractor shall give full consideration to all qualified job applicants referred to him by the State Employment Service. The contractor is not required to grant employment to any job applicants who, in his opinion, are not qualified to perform the classification of work required.

4. If, within one week following the placing of a job order by the contractor with the State Employment Service, the State Employment Service is unable to refer any qualified job applicants to the contractor, or less than the number requested, the State Employment Service will forward a certificate to the contractor indicating the unavailability of applicants. Such certificate shall be made a part of the contractor's permanent project records. Upon receipt of this certificate, the contractor may employ persons who do not normally reside in the labor area to fill positions covered by the certificate, notwithstanding the provisions of subparagraph (1c) above.

5. The provisions of 23 CFR 633.207(e) allow the contracting agency to provide a contractual preference for the use of mineral resource materials native to the Appalachian region.

6. The contractor shall include the provisions of Sections 1 through 4 of this Attachment A in every subcontract for work which is, or reasonably may be, done as on-site work.

# **Exhibit B**

Federal Prevailing Wage Rates

"General Decision Number: CA20250007 02/07/2025

Superseded General Decision Number: CA20240007

State: California

Construction Types: Building, Heavy (Heavy and Dredging) and Highway

Counties: Alpine, Amador, Butte, Colusa, El Dorado, Glenn, Lassen, Marin, Modoc, Napa, Nevada, Placer, Plumas, Sacramento, Shasta, Sierra, Siskiyou, Solano, Sonoma, Sutter, Tehama, Trinity, Yolo and Yuba Counties in California.

BUILDING CONSTRUCTION PROJECTS (excluding Amador County only); DREDGING CONSTRUCTION PROJECTS (does not include hopper dredge work); HEAVY CONSTRUCTION PROJECTS (does not include water well drilling); AND HIGHWAY CONSTRUCTION PROJECTS

Note: Contracts subject to the Davis-Bacon Act are generally required to pay at least the applicable minimum wage rate required under Executive Order 14026 or Executive Order 13658. Please note that these Executive Orders apply to covered contracts entered into by the federal government that are subject to the Davis-Bacon Act itself, but do not apply to contracts subject only to the Davis-Bacon Related Acts, including those set forth at 29 CFR 5.1(a)(1).

| | |
|---|---|
| If the contract is entered into on or after January 30, 2022, or the contract is renewed or extended (e.g., an option is exercised) on or after January 30, 2022: | . Executive Order 14026 generally applies to the contract.<br>. The contractor must pay all covered workers at least $17.75 per hour (or the applicable wage rate listed on this wage determination, if it is higher) for all hours spent performing on the contract in 2025. |
| If the contract was awarded on or between January 1, 2015 and January 29, 2022, and the contract is not renewed or extended on or after January 30, 2022: | . Executive Order 13658 generally applies to the contract.<br>. The contractor must pay all covered workers at least $13.30 per hour (or the applicable wage rate listed on this wage determination, if it is higher) for all hours spent performing on that contract in 2025. |

The applicable Executive Order minimum wage rate will be adjusted annually. If this contract is covered by one of the Executive Orders and a classification considered necessary for performance of work on the contract does not appear on this wage determination, the contractor must still submit a conformance request.

Additional information on contractor requirements and worker protections under the Executive Orders is available at http://www.dol.gov/whd/govcontracts.

| Modification Number | Publication Date |
|---|---|
| 0 | 01/03/2025 |
| 1 | 01/10/2025 |
| 2 | 02/07/2025 |

ASBE0016-001 01/01/2024

AREA 1: MARIN, NAPA, SAN BENITO, SAN FRANCISCO, SOLANO, & SONOMA COUNTIES

AREA 2: ALPINE, AMADOR, BUTTE, COLUSA, EL DORADO, GLENN, MODOC, NEVADA, PLACER, PLUMAS, SACRAMENTO, SHASTA, SIERRA, SISKIYOU, SUTTER, TEHEMA, TRINITY, YOLO, & YUBA COUNTIES

| | Rates | Fringes |
|---|---|---|
| Asbestos Workers/Insulator (Includes the application of all insulating materials, Protective Coverings, Coatings, and Finishes to all types of mechanical systems) | | |
| Area 1 | $ 84.76 | 25.07 |
| Area 2 | $ 64.56 | 25.07 |

ASBE0016-007 05/01/2024

AREA 1 : ALPINE, AMADOR, BUTTE, COLUSA, EL DORADO, GLENN, LASSEN, MODOC, NEVADA, PLACER, PLUMAS, SACRAMENTO, SHASTA, SIERRA, SISKIYOU, SOLANO, SONOMA, SUTTER, TEHAMA, TRINITY, YOLO & YUBA COUNTIES

AREA 2: MARIN & NAPA COUNTIES

| | Rates | Fringes |
|---|---|---|
| Asbestos Removal worker/hazardous material handler (Includes preparation, wetting, stripping, removal, scrapping, vacuuming, bagging and disposing of all insulation materials from mechanical systems, whether they contain asbestos or not) | | |
| AREA 1 | $ 34.56 | 11.40 |
| AREA 2 | $ 36.53 | 9.27 |

BOIL0549-002 01/01/2021

| | Rates | Fringes |
|---|---|---|
| BOILERMAKER | | |
| (1) Marin & Solano Counties | $ 49.62 | 41.27 |
| (2) Remaining Counties | $ 45.60 | 38.99 |

BRCA0003-001 08/01/2023

| | Rates | Fringes |
|---|---|---|
| MARBLE FINISHER | $ 41.18 | 18.58 |

---

BRCA0003-004 05/01/2024

AREA 1: ALPINE, AMADOR, BUTTE, COLUSA, EL DORADO, GLENN, LASSEN, MODOC, NEVADA, PLACER, PLUMAS, SACRAMENTO, SHASTA, SIERRA, SUTTER, TEHAMA, YOLO AND YUBA COUNTIES

AREA 2: MARIN, NAPA, SISKIYOU, SOLANO, SONOMA AND TRINITY COUNTIES

| | Rates | Fringes |
|---|---|---|
| BRICKLAYER | | |
| AREA 1 | $ 52.76 | 25.01 |
| AREA 2 | $ 57.02 | 28.50 |

SPECIALTY PAY:
(A) Underground work such as tunnel work, sewer work, manholes, catch basins, sewer pipes and telephone conduit shall be paid $1.25 per hour above the regular rate. Work in direct contact with raw sewage shall receive $1.25 per hour in addition to the above.
(B) Operating a saw or grinder shall receive $1.25 per hour above the regular rate.
(C) Gunite nozzle person shall receive $1.25 per hour above the regular rate.

---

BRCA0003-008 07/01/2023

| | Rates | Fringes |
|---|---|---|
| TERRAZZO FINISHER | $ 43.90 | 19.51 |
| TERRAZZO WORKER/SETTER | $ 59.06 | 28.31 |

---

BRCA0003-010 04/01/2024

| | Rates | Fringes |
|---|---|---|
| TILE FINISHER | | |
| Area 1 | $ 35.00 | 17.44 |
| Area 2 | $ 34.76 | 19.22 |
| Area 3 | $ 37.75 | 19.28 |
| Area 4 | $ 35.78 | 19.23 |
| Tile Layer | | |
| Area 1 | $ 55.55 | 21.08 |
| Area 2 | $ 55.17 | 22.52 |
| Area 3 | $ 59.92 | 22.62 |
| Area 4 | $ 56.79 | 22.54 |

AREA 1: Butte, Colusa, El Dorado, Glenn, Lassen, Modoc, Nevada, Placer, Plumas, Sacramento, Shasta, Sierra, Sutter, Tehema, Yolo, Yuba
AREA 2: Alpine, Amador
AREA 3: Marin, Napa, Solano, Siskiyou
AREA 4: Sonoma

---

BRCA0003-014 08/01/2023

| | Rates | Fringes |
|---|---|---|
| MARBLE MASON | $ 60.20 | 28.82 |

CARP0034-001 07/01/2021

| | Rates | Fringes |
|---|---|---|
| Diver | | |
| Assistant Tender, ROV Tender/Technician | $ 54.10 | 34.69 |
| Diver standby | $ 60.51 | 34.69 |
| Diver Tender | $ 59.51 | 34.69 |
| Diver wet | $ 103.62 | 34.69 |
| Manifold Operator (mixed gas) | $ 64.51 | 34.69 |
| Manifold Operator (Standby) | $ 59.51 | 34.69 |

DEPTH PAY (Surface Diving):
050 to 100 ft $2.00 per foot
101 to 150 ft $3.00 per foot
151 to 220 ft $4.00 per foot
221 ft.-deeper $5.00 per foot

SATURATION DIVING:
The standby rate shall apply until saturation starts. The saturation diving rate applies when divers are under pressure continuously until work task and decompression are complete. The diver rate shall be paid for all saturation hours.

DIVING IN ENCLOSURES:
Where it is necessary for Divers to enter pipes or tunnels, or other enclosures where there is no vertical ascent, the following premium shall be paid: Distance traveled from entrance 26 feet to 300 feet: $1.00 per foot. When it is necessary for a diver to enter any pipe, tunnel or other enclosure less than 48"" in height, the premium will be $1.00 per foot.

WORK IN COMBINATION OF CLASSIFICATIONS:
Employees working in any combination of classifications within the diving crew (except dive supervisor) in a shift are paid in the classification with the highest rate for that shift.

CARP0034-003 07/01/2021

| | Rates | Fringes |
|---|---|---|
| Piledriver | $ 54.10 | 34.69 |

CARP0035-001 08/01/2020

AREA 1: MARIN, NAPA, SOLANO & SONOMA

AREA 3: SACRAMENTO, WESTERN EL DORADO (Territory west of an including highway 49 and the territory inside the city limits of Placerville), WESTERN PLACER (Territory west of and including highway 49), & YOLO

AREA 4: ALPINE, BUTTE, COLUSA, EASTERN EL DORADO, GLENN, LASSEN, MODOC, NEVADA, EASTERN PLACER, PLUMAS, SHASTA, SIERRA, SISKIYOU, SUTTER, TEHAMA, TRINITY, & YUBA

| | Rates | Fringes |
|---|---|---|
| Drywall Installers/Lathers: | | |
| Area 1 | $ 52.65 | 31.26 |
| Area 3 | $ 47.27 | 31.26 |
| Area 4 | $ 45.92 | 31.26 |
| Drywall Stocker/Scrapper | | |
| Area 1 | $ 26.33 | 18.22 |
| Area 3 | $ 23.64 | 18.22 |
| Area 4 | $ 22.97 | 18.22 |

---

CARP0035-009 07/01/2020

Marin County

| | Rates | Fringes |
|---|---|---|
| CARPENTER | | |
| Bridge Builder/Highway Carpenter | $ 52.65 | 30.82 |
| Hardwood Floorlayer, Shingler, Power Saw Operator, Steel Scaffold & Steel Shoring Erector, Saw Filer | $ 52.80 | 30.82 |
| Journeyman Carpenter | $ 52.65 | 30.82 |
| Millwright | $ 52.75 | 32.41 |

---

CARP0035-010 07/01/2020

AREA 1: Marin, Napa, Solano & Sonoma Counties

AREA 2: Monterey, San Benito and Santa Cruz

AREA 3: Alpine, Butte, Colusa, El Dorado, Glenn, Lassen, Modoc, Nevada, Placer, Plumas, Sacramento, Shasta, Sierra, Siskiyou, Sutter, Tehama, Trinity, Yolo & Yuba counties

| | Rates | Fringes |
|---|---|---|
| Modular Furniture Installer | | |
| Area 1 | | |
| Installer | $ 28.76 | 22.53 |
| Lead Installer | $ 32.21 | 23.03 |
| Master Installer | $ 36.43 | 23.03 |
| Area 2 | | |
| Installer | $ 26.11 | 22.53 |
| Lead Installer | $ 29.08 | 23.03 |
| Master Installer | $ 32.71 | 23.03 |
| Area 3 | | |
| Installer | $ 25.16 | 22.53 |
| Lead Installer | $ 27.96 | 23.03 |
| Master Installer | $ 31.38 | 23.03 |

---

CARP0046-001 07/01/2023

El Dorado (West), Placer (West), Sacramento and Yolo Counties

| | Rates | Fringes |
|---|---|---|
| Carpenters | | |
| Bridge Builder/Highway | | |

| | | |
|---|---|---|
| Carpenter | $ 60.39 | 33.52 |
| Hardwood Floorlayer, Shingler, Power Saw Operator, Steel Scaffold & Steel Shoring Erector, Saw Filer | $ 54.66 | 33.52 |
| Journeyman Carpenter | $ 54.51 | 33.52 |
| Millwright | $ 57.01 | 35.11 |

Footnote: Placer County (West) includes territory West of and including Highway 49 and El Dorado County (West) includes territory West of and including Highway 49 and territory inside the city limits of Placerville.

---

CARP0046-002 07/01/2023

Alpine, Colusa, El Dorado (East), Nevada, Placer (East), Sierra, Sutter and Yuba Counties

| | Rates | Fringes |
|---|---|---|
| Carpenters | | |
| Bridge Builder/Highway Carpenter | $ 60.39 | 33.52 |
| Hardwood Floorlayer, Shingler, Power Saw Operator, Steel Scaffold & Steel Shoring Erector, Saw Filer | $ 53.31 | 33.52 |
| Journeyman Carpenter | $ 53.16 | 33.52 |
| Millwright | $ 55.66 | 35.11 |

---

CARP0152-003 07/01/2020

Amador County

| | Rates | Fringes |
|---|---|---|
| Carpenters | | |
| Bridge Builder/Highway Carpenter | $ 52.65 | 30.82 |
| Hardwood Floorlayer, Shingler, Power Saw Operator, Steel Scaffold & Steel Shoring Erector, Saw Filer | $ 45.57 | 30.82 |
| Journeyman Carpenter | $ 45.42 | 30.82 |
| Millwright | $ 47.92 | 32.41 |

---

CARP0180-001 07/01/2021

Solano County

| | Rates | Fringes |
|---|---|---|
| Carpenters | | |
| Bridge Builder/Highway Carpenter | $ 54.85 | 31.49 |
| Hardwood Floorlayer, Shingler, Power Saw Operator, Steel Scaffold & Steel Shoring Erector, Saw Filer | $ 55.00 | 31.49 |

| | | |
|---|---|---|
| Journeyman Carpenter | $ 54.85 | 31.49 |
| Millwright | $ 54.95 | 33.08 |

---

CARP0751-001 07/01/2021

Napa and Sonoma Counties

| | Rates | Fringes |
|---|---|---|
| Carpenters | | |
| Bridge Builder/Highway Carpenter | $ 54.85 | 31.49 |
| Hardwood Floorlayer, Shingler, Power Saw Operator, Steel Scaffold & Steel Shoring Erector, Saw Filer | $ 55.00 | 31.49 |
| Journeyman Carpenter | $ 54.85 | 31.49 |
| Millwright | $ 54.95 | 33.08 |

---

CARP1599-001 07/01/2020

Butte, Glenn, Lassen, Modoc, Plumas, Shasta, Siskiyou, Tehama and Trinity Counties

| | Rates | Fringes |
|---|---|---|
| Carpenters | | |
| Bridge Builder/Highway Carpenter | $ 52.65 | 30.82 |
| Hardwood Floorlayer, Shingler, Power Saw Operator, Steel Scaffold & Steel Shoring Erector, Saw Filer | $ 45.57 | 30.82 |
| Journeyman Carpenter | $ 45.42 | 30.82 |
| Millwright | $ 47.92 | 32.41 |

---

ELEC0180-001 06/01/2024

NAPA AND SOLANO COUNTIES

| | Rates | Fringes |
|---|---|---|
| CABLE SPLICER | $ 66.44 | 3%+27.84 |
| ELECTRICIAN | $ 59.06 | 3%+27.83 |

---

ELEC0180-003 12/01/2023

NAPA AND SOLANO COUNTIES

| | Rates | Fringes |
|---|---|---|
| Sound & Communications | | |
| Installer | $ 48.44 | 27.60 |
| Technician | $ 55.71 | 27.82 |

SCOPE OF WORK INCLUDES-
SOUND & VOICE TRANSMISSION (Music, Intercom, Nurse Call, Telephone); FIRE ALARM SYSTEMS [excluding fire alarm work when installed in raceways (including wire and cable pulling) and when performed on new or major remodel building projects or jobs], TELEVISION & VIDEO SYSTEMS, SECURITY SYSTEMS, COMMUNICATIONS

SYSTEMS that transmit or receive information and/or control systems that are intrinsic to the above.

EXCLUDES-
Excludes all other data systems or multiple systems which include control function or power supply; excludes installation of raceway systems, line voltage work, industrial work, life-safety systems (all buildings having floors located more than 75' above the lowest floor level having building access); excludes energy management systems.

---

ELEC0340-002 02/01/2018

ALPINE, AMADOR, BUTTE, COLUSA, EL DORADO, GLENN, LASSEN, NEVADA, PLACER, PLUMAS, SACRAMENTO, TRINITY, YOLO, YUBA COUNTIES

| | Rates | Fringes |
|---|---|---|
| Communications System | | |
| Sound & Communications Installer | $ 29.35 | 3%+15.35 |
| Sound & Communications Technician | $ 33.75 | 3%+15.35 |

SCOPE OF WORK

Includes the installation testing, service and maintenance, of the following systems which utilize the transmission and/or transference of voice, sound, vision and digital for commercial, education, security and entertainment purposes for the following TV monitoring and surveillance, background-foreground music, intercom and telephone interconnect, inventory control systems, microwave transmission, multi-media, multiplex, nurse call system, radio page, school intercom and sound, burglar alarms, and low voltage master clock systems.

A. SOUND AND VOICE TRANSMISSION/TRANSFERENCE SYSTEMS
Background foreground music Intercom and telephone interconnect systems, Telephone systems, Nurse call systems, Radio page systems, School intercom and sound systems, Burglar alarm systems, Low voltage master clock systems, Multi-media/multiplex systems, Sound and musical entertainment systems, RF systems, Antennas and Wave Guide.

B. FIRE ALARM SYSTEMS
Installation, wire pulling and testing

C. TELEVISION AND VIDEO SYSTEMS Television monitoring and surveillance systems, Video security systems, Video entertainment systems, Video educational systems, Microwave transmission systems, CATV and CCTV

D. SECURITY SYSTEMS Perimeter security systems Vibration sensor systems Card access systems Access control systems Sonar/infrared monitoring equipment

E. COMMUNICATIONS SYSTEMS THAT TRANSMIT OR RECEIVE INFORMATION AND/OR CONTROL SYSTEMS THAT ARE INTRINSIC TO THE ABOVE LISTED SYSTEMS SCADA (Supervisory Control and Data Acquisition) PCM (Pulse Code Modulation) Inventory Control Systems Digital Data Systems

Broadband and Baseband and Carriers Point of Sale Systems VSAT Data Systems Data Communication Systems RF and Remote Control Systems Fiber Optic Data Systems WORK EXCLUDED Raceway systems are not covered (excluding Ladder-Rack for the purpose of the above listed systems). Chases and/or nipples (not to exceed 10 feet) may be installed on open wiring systems. Energy management systems. SCADA (Supervisory Control and Data Acquisition) when not intrinsic to the above listed systems (in the scope). Fire alarm systems when installed in raceways (including wire and cable pulling) shall be performed at the electrician wage rate, when either of the following two (2) conditions apply:
1. The project involves new or major remodel building trades construction.
2. The conductors for the fire alarm system are installed in conduit.

---

ELEC0340-003 08/01/2022

ALPINE (West of Sierra Mt. Watershed), AMADOR, BUTTE, COLUSA, EL DORADO (West of Sierra Mt. Watershed), GLENN, LASSEN, NEVADA (West of Sierra Mt. Watershed), PLACER, PLUMAS, SACRAMENTO, SHASTA, SIERRA (West of Sierra Mt. Watershed), SUTTER, TEHAMA, TRINITY, YOLO & YUBA COUNTIES

| | Rates | Fringes |
|---|---|---|
| ELECTRICIAN | | |
| Remaining area | $ 45.06 | 34.09 |
| Sierra Army Depot, Herlong | $ 48.83 | 18.54 |
| Tunnel work | $ 41.01 | 18.54 |

CABLE SPLICER: Receives 110% of the Electrician basic hourly rate.

---

ELEC0401-005 01/01/2025

ALPINE (east of the main watershed divide), EL DORADO (east of the main watershed divide), NEVADA (east of the main watershed), PLACER (east of the main watershed divide) and SIERRA (east of the main watershed divide) COUNTIES:

| | Rates | Fringes |
|---|---|---|
| ELECTRICIAN | $ 48.50 | 23.04 |

ZONE RATE:

70-90 miles - $10.00 per hour
91+ miles - $15.00 per hour

---

ELEC0551-004 06/01/2024

MARIN AND SONOMA COUNTIES

| | Rates | Fringes |
|---|---|---|
| ELECTRICIAN | $ 59.17 | 32.04 |

---

ELEC0551-005 12/01/2024

MARIN & SONOMA COUNTIES

| | Rates | Fringes |
|---|---|---|
| Sound & Communications | | |
| Installer | $ 51.59 | 28.20 |
| Technician | $ 59.33 | 28.43 |

SCOPE OF WORK INCLUDES-
SOUND & VOICE TRANSMISSION (Music, Intercom, Nurse Call, Telephone); FIRE ALARM SYSTEMS [excluding fire alarm work when installed in raceways (including wire and cable pulling) and when performed on new or major remodel building projects or jobs], TELEVISION & VIDEO SYSTEMS, SECURITY SYSTEMS, COMMUNICATIONS SYSTEMS that transmit or receive information and/or control systems that are intrinsic to the above.

EXCLUDES-
Excludes all other data systems or multiple systems which include control function or power supply; excludes installation of raceway systems, line voltage work, industrial work, life-safety systems (all buildings having floors located more than 75' above the lowest floor level having building access); excludes energy management systems.

---

ELEC0659-006 01/01/2025

MODOC and SISKIYOU COUNTIES

| | Rates | Fringes |
|---|---|---|
| ELECTRICIAN | $ 45.58 | 20.70 |

---

ELEC0659-008 02/01/2023

DEL NORTE, MODOC & SISKIYOU COUNTIES

| | Rates | Fringes |
|---|---|---|
| Line Construction | | |
| (1) Cable Splicer | $ 67.80 | 4.5%+22.15 |
| (2) Lineman, Pole Sprayer, Heavy Line Equipment Man | $ 60.54 | 4.5%+22.15 |
| (3) Tree Trimmer | $ 37.84 | 4.5%+14.30 |
| (4) Line Equipment Man | $ 53.82 | 4.5%+19.40 |
| (5) Powdermen, Jackhammermen | $ 40.37 | 4.5%+14.30 |
| (6) Groundman | $ 33.37 | 4.5%+14.30 |

---

ELEC1245-004 06/01/2024

ALL COUNTIES EXCEPT DEL NORTE, MODOC & SISKIYOU

| | Rates | Fringes |
|---|---|---|
| LINE CONSTRUCTION | | |
| (1) Lineman; Cable splicer | $ 70.16 | 24.46 |
| (2) Equipment specialist (operates crawler tractors, commercial motor | | |

vehicles, backhoes,
trenchers, cranes (50 tons
and below), overhead &
underground distribution
line equipment).....$ 53.30 22.01
(3) Groundman.....$ 40.76 21.51
(4) Powderman.....$ 51.87 18.79

HOLIDAYS: New Year's Day, M.L. King Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving Day and day after Thanksgiving, Christmas Day

---

ELEV0008-001 01/01/2024

| | Rates | Fringes |
|---|---|---|
| ELEVATOR MECHANIC | $ 80.76 | 37.885+a+b |

FOOTNOTE:
a. PAID VACATION: Employer contributes 8% of regular hourly rate as vacation pay credit for employees with more than 5 years of service, and 6% for 6 months to 5 years of service.
b. PAID HOLIDAYS: New Year's Day, Memorial Day, Independence Day, Labor Day, Veterans' Day, Thanksgiving Day, Friday after Thanksgiving, and Christmas Day.

---

ENGI0003-008 08/01/2024

| | Rates | Fringes |
|---|---|---|
| Dredging: (DREDGING: CLAMSHELL & DIPPER DREDGING; HYDRAULIC SUCTION DREDGING:) | | |
| AREA 1: | | |
| (1) Leverman | $ 60.61 | 39.55 |
| (2) Dredge Dozer; Heavy duty repairman | $ 55.65 | 39.55 |
| (3) Booster Pump Operator; Deck Engineer; Deck mate; Dredge Tender; Winch Operator | $ 54.53 | 39.55 |
| (4) Bargeman; Deckhand; Fireman; Leveehand; Oiler | $ 51.23 | 39.55 |
| AREA 2: | | |
| (1) Leverman | $ 62.61 | 39.55 |
| (2) Dredge Dozer; Heavy duty repairman | $ 57.65 | 39.55 |
| (3) Booster Pump Operator; Deck Engineer; Deck mate; Dredge Tender; Winch Operator | $ 56.53 | 39.55 |
| (4) Bargeman; Deckhand; Fireman; Leveehand; Oiler | $ 53.23 | 39.55 |

AREA DESCRIPTIONS

AREA 1: ALAMEDA,BUTTE, CONTRA COSTA, KINGS, MARIN, MERCED, NAPA, SACRAMENTO, SAN BENITO, SAN FRANCISCO, SAN JOAQUIN, SAN MATEO, SANTA CLARA, SANTA CRUZ, SOLANO, STANISLAUS, SUTTER, YOLO, AND YUBA COUNTIES

AREA 2: MODOC COUNTY

THE REMAINGING COUNTIES ARE SPLIT BETWEEN AREA 1 AND AREA 2 AS NOTED BELOW:

ALPINE COUNTY:
Area 1: Northernmost part
Area 2: Remainder

CALAVERAS COUNTY:
Area 1: Remainder
Area 2: Eastern part

COLUSA COUNTY:
Area 1: Eastern part
Area 2: Remainder

ELDORADO COUNTY:
Area 1: North Central part
Area 2: Remainder

FRESNO COUNTY:
Area 1: Remainder
Area 2: Eastern part

GLENN COUNTY:
Area 1: Eastern part
Area 2: Remainder

LASSEN COUNTY:
Area 1: Western part along the Southern portion of border with Shasta County
Area 2: Remainder

MADERA COUNTY:
Area 1: Except Eastern part
Area 2: Eastern part

MARIPOSA COUNTY
Area 1: Except Eastern part
Area 2: Eastern part

MONTERREY COUNTY
Area 1: Except Southwestern part
Area 2: Southwestern part

NEVADA COUNTY:
Area 1: All but the Northern portion along the border of Sierra County
Area 2: Remainder

PLACER COUNTY:
Area 1: Al but the Central portion
Area 2: Remainder

PLUMAS COUNTY:
Area 1: Western portion
Area 2: Remainder

SHASTA COUNTY:
Area 1: All but the Northeastern corner
Area 2: Remainder

SIERRA COUNTY:
Area 1: Western part

Area 2: Remainder

SISKIYOU COUNTY:
Area 1: Central part
Area 2: Remainder

SONOMA COUNTY:
Area 1: All but the Northwestern corner
Area 2: Remainder

TEHAMA COUNTY:
Area 1: All but the Western border with Mendocino & Trinity Counties
Area 2: Remainder

TRINITY COUNTY:
Area 1: East Central part and the Northeastern border with Shasta County
Area 2: Remainder

TUOLUMNE COUNTY:
Area 1: Except Eastern part
Area 2: Eastern part

---

ENGI0003-019 07/01/2024

SEE AREA DESCRIPTIONS BELOW

| | Rates | Fringes |
|---|---|---|
| OPERATOR: Power Equipment (LANDSCAPE WORK ONLY) | | |
| GROUP 1 | | |
| AREA 1 | $ 52.40 | 28.52 |
| AREA 2 | $ 54.40 | 28.52 |
| GROUP 2 | | |
| AREA 1 | $ 48.80 | 28.52 |
| AREA 2 | $ 50.80 | 28.52 |
| GROUP 3 | | |
| AREA 1 | $ 44.19 | 28.52 |
| AREA 2 | $ 46.19 | 28.52 |

GROUP DESCRIPTIONS:

GROUP 1: Landscape Finish Grade Operator: All finish grade work regardless of equipment used, and all equipment with a rating more than 65 HP.

GROUP 2: Landscape Operator up to 65 HP: All equipment with a manufacturer's rating of 65 HP or less except equipment covered by Group 1 or Group 3. The following equipment shall be included except when used for finish work as long as manufacturer's rating is 65 HP or less: A-Frame and Winch Truck, Backhoe, Forklift, Hydragraphic Seeder Machine, Roller, Rubber-Tired and Track Earthmoving Equipment, Skiploader, Straw Blowers, and Trencher 31 HP up to 65 HP.

GROUP 3: Landscae Utility Operator: Small Rubber-Tired Tractor, Trencher Under 31 HP.

AREA DESCRIPTIONS:

AREA 1: ALAMEDA, BUTTE, CONTRA COSTA, KINGS, MARIN, MERCED,

NAPA, SACRAMENTO, SAN BENITO, SAN FRANCISCO, SAN JOAQUIN,
SAN MATEO, SANTA CLARA, SANTA CRUZ, SOLANO, STANISLAUS,
SUTTER, YOLO, AND YUBA COUNTIES

AREA 2 - MODOC COUNTY

THE REMAINING COUNTIES ARE SPLIT BETWEEN AREA 1 AND AREA 2 AS
NOTED BELOW:

ALPINE COUNTY:
Area 1: Northernmost part
Area 2: Remainder

CALAVERAS COUNTY:
Area 1: Except Eastern part
Area 2: Eastern part

COLUSA COUNTY:
Area 1: Eastern part
Area 2: Remainder

DEL NORTE COUNTY:
Area 1: Extreme Southwestern corner
Area 2: Remainder

ELDORADO COUNTY:
Area 1: North Central part
Area 2: Remainder

FRESNO COUNTY
Area 1: Except Eastern part
Area 2: Eastern part

GLENN COUNTY:
Area 1: Eastern part
Area 2: Remainder

HUMBOLDT COUNTY:
Area 1: Except Eastern and Southwestern parts
Area 2: Remainder

LAKE COUNTY:
Area 1: Southern part
Area 2: Remainder

LASSEN COUNTY:
Area 1: Western part along the Southern portion of border
with Shasta County
Area 2: Remainder

MADERA COUNTY
Area 1: Remainder
Area 2: Eastern part

MARIPOSA COUNTY
Area 1: Remainder
Area 2: Eastern part

MENDOCINO COUNTY:
Area 1: Central and Southeastern parts
Area 2: Remainder

MONTEREY COUNTY
Area 1: Remainder
Area 2: Southwestern part

NEVADA COUNTY:
Area 1: All but the Northern portion along the border of Sierra County
Area 2: Remainder

PLACER COUNTY:
Area 1: All but the Central portion
Area 2: Remainder

PLUMAS COUNTY:
Area 1: Western portion
Area 2: Remainder

SHASTA COUNTY:
Area 1: All but the Northeastern corner
Area 2: Remainder

SIERRA COUNTY:
Area 1: Western part
Area 2: Remainder

SISKIYOU COUNTY:
Area 1: Central part
Area 2: Remainder

SONOMA COUNTY:
Area 1: All but the Northwestern corner
Area 2: Reaminder

TEHAMA COUNTY:
Area 1: All but the Western border with mendocino & Trinity Counties
Area 2: Remainder

TRINITY COUNTY:
Area 1: East Central part and the Northeaster border with Shasta County
Area 2: Remainder

TULARE COUNTY;
Area 1: Remainder
Area 2: Eastern part

TUOLUMNE COUNTY:
Area 1: Remainder
Area 2: Eastern Part

---

ENGI0003-038 06/28/2023

""AREA 1"" WAGE RATES ARE LISTED BELOW

""AREA 2"" RECEIVES AN ADDITIONAL $2.00 PER HOUR ABOVE AREA 1 RATES.

SEE AREA DEFINITIONS BELOW

| | Rates | Fringes |
|---|---|---|
| OPERATOR: Power Equipment (AREA 1:) | | |
| GROUP 1 | $ 60.72 | 31.03 |
| GROUP 2 | $ 59.19 | 31.03 |

GROUP 3.....$ 57.71 31.03
GROUP 4.....$ 56.33 31.03
GROUP 5.....$ 55.06 31.03
GROUP 6.....$ 53.74 31.03
GROUP 7.....$ 52.60 31.03
GROUP 8.....$ 51.46 31.03
GROUP 8-A.....$ 49.25 31.03

OPERATOR: Power Equipment
(Cranes and Attachments -
AREA 1:)

GROUP 1
Cranes.....$ 52.30 31.15
Oiler.....$ 43.79 31.15
Truck crane oiler.....$ 46.08 31.15
GROUP 2
Cranes.....$ 50.54 31.15
Oiler.....$ 42.83 31.15
Truck crane oiler.....$ 45.07 31.15
GROUP 3
Cranes.....$ 48.80 31.15
Hydraulic.....$ 44.44 31.15
Oiler.....$ 42.55 31.15
Truck crane oiler.....$ 44.83 31.15
GROUP 4
Cranes.....$ 45.76 31.15

OPERATOR: Power Equipment
(Piledriving - AREA 1:)

GROUP 1
Lifting devices.....$ 52.64 31.15
Oiler.....$ 43.38 31.15
Truck Crane Oiler.....$ 45.66 31.15
GROUP 2
Lifting devices.....$ 50.82 31.15
Oiler.....$ 43.11 31.15
Truck Crane Oiler.....$ 45.41 31.15
GROUP 3
Lifting devices.....$ 49.14 31.15
Oiler.....$ 42.89 31.15
Truck Crane Oiler.....$ 45.12 31.15
GROUP 4
Lifting devices.....$ 47.37 31.15
GROUP 5
Lifting devices.....$ 44.73 31.15
GROUP 6
Lifting devices.....$ 42.50 31.15

OPERATOR: Power Equipment
(Steel Erection - AREA 1:)

GROUP 1
Cranes.....$ 53.27 31.15
Oiler.....$ 43.72 31.15
Truck Crane Oiler.....$ 45.95 31.15
GROUP 2
Cranes.....$ 51.50 31.15
Oiler.....$ 43.45 31.15
Truck Crane Oiler.....$ 45.73 31.15
GROUP 3
Cranes.....$ 50.02 31.15
Hydraulic.....$ 45.07 31.15
Oiler.....$ 43.23 31.15
Truck Crane Oiler.....$ 45.46 31.15
GROUP 4
Cranes.....$ 48.00 31.15
GROUP 5
Cranes.....$ 46.70 31.15

OPERATOR: Power Equipment

(Tunnel and Underground Work
- AREA 1:)

| | | |
|---|---|---|
| SHAFTS, STOPES, RAISES: | | |
| GROUP 1 | $ 56.82 | 31.03 |
| GROUP 1-A | $ 49.99 | 31.15 |
| GROUP 1A | $ 59.29 | 31.03 |
| GROUP 2 | $ 55.56 | 31.03 |
| GROUP 3 | $ 54.23 | 31.03 |
| GROUP 4 | $ 53.09 | 31.03 |
| GROUP 5 | $ 51.95 | 31.03 |
| UNDERGROUND: | | |
| GROUP 1 | $ 47.42 | 31.15 |
| GROUP 1-A | $ 49.89 | 31.15 |
| GROUP 2 | $ 46.16 | 31.15 |
| GROUP 3 | $ 44.83 | 31.15 |
| GROUP 4 | $ 43.69 | 31.15 |
| GROUP 5 | $ 42.55 | 31.15 |

FOOTNOTE: Work suspended by ropes or cables, or work on a Yo-Yo Cat: $.60 per hour additional.

POWER EQUIPMENT OPERATOR CLASSIFICATIONS

GROUP 1: Operator of helicopter (when used in erection work); Hydraulic excavator, 7 cu. yds. and over; Power shovels, over 7 cu. yds.

GROUP 2: Highline cableway; Hydraulic excavator, 3-1/2 cu. yds. up to 7 cu. yds.; Licensed construction work boat operator, on site; Power blade operator (finish); Power shovels, over 1 cu. yd. up to and including 7 cu. yds. m.r.c.

GROUP 3: Asphalt milling machine; Cable backhoe; Combination backhoe and loader over 3/4 cu. yds.; Continuous flight tie back machine assistant to engineer or mechanic; Crane mounted continuous flight tie back machine, tonnage to apply; Crane mounted drill attachment, tonnage to apply; Dozer, slope brd; Gradall; Hydraulic excavator, up to 3 1/2 cu. yds.; Loader 4 cu. yds. and over; Long reach excavator; Multiple engine scraper (when used as push pull); Power shovels, up to and including 1 cu. yd.; Pre-stress wire wrapping machine; Side boom cat, 572 or larger; Track loader 4 cu. yds. and over; Wheel excavator (up to and including 750 cu. yds. per hour)

GROUP 4: Asphalt plant engineer/box person; Chicago boom; Combination backhoe and loader up to and including 3/4 cu. yd.; Concrete batch plant (wet or dry); Dozer and/or push cat; Pull- type elevating loader; Gradesetter, grade checker (GPS, mechanical or otherwise); Grooving and grinding machine; Heading shield operator; Heavy-duty drilling equipment, Hughes, LDH, Watson 3000 or similar; Heavy-duty repairperson and/or welder; Lime spreader; Loader under 4 cu. yds.; Lubrication and service engineer (mobile and grease rack); Mechanical finishers or spreader machine (asphalt, Barber-Greene and similar); Miller Formless M-9000 slope paver or similar; Portable crushing and screening plants; Power blade support; Roller operator, asphalt; Rubber-tired scraper, self-loading (paddle-wheels, etc.); Rubber- tired earthmoving equipment (scrapers); Slip form paver (concrete); Small tractor with drag; Soil stabilizer (P & H or equal); Spider plow and spider puller; Tubex pile rig; Unlicensed constuction work boat operator,

on site; Timber skidder; Track loader up to 4 yds.; Tractor-drawn scraper; Tractor, compressor drill combination; Welder; Woods-Mixer (and other similar Pugmill equipment)

GROUP 5: Cast-in-place pipe laying machine; Combination slusher and motor operator; Concrete conveyor or concrete pump, truck or equipment mounted; Concrete conveyor, building site; Concrete pump or pumpcrete gun; Drilling equipment, Watson 2000, Texoma 700 or similar; Drilling and boring machinery, horizontal (not to apply to waterliners, wagon drills or jackhammers); Concrete mixer/all; Person and/or material hoist; Mechanical finishers (concrete) (Clary, Johnson, Bidwell Bridge Deck or similar types); Mechanical burm, curb and/or curb and gutter machine, concrete or asphalt); Mine or shaft hoist; Portable crusher; Power jumbo operator (setting slip-forms, etc., in tunnels); Screed (automatic or manual); Self-propelled compactor with dozer; Tractor with boom D6 or smaller; Trenching machine, maximum digging capacity over 5 ft. depth; Vermeer T-600B rock cutter or similar

GROUP 6: Armor-Coater (or similar); Ballast jack tamper; Boom- type backfilling machine; Assistant plant engineer; Bridge and/or gantry crane; Chemical grouting machine, truck-mounted; Chip spreading machine operator; Concrete saw (self-propelled unit on streets, highways, airports and canals); Deck engineer; Drilling equipment Texoma 600, Hughes 200 Series or similar up to and including 30 ft. m.r.c.; Drill doctor; Helicopter radio operator; Hydro-hammer or similar; Line master; Skidsteer loader, Bobcat larger than 743 series or similar (with attachments); Locomotive; Lull hi-lift or similar; Oiler, truck mounted equipment; Pavement breaker, truck-mounted, with compressor combination; Paving fabric installation and/or laying machine; Pipe bending machine (pipelines only); Pipe wrapping machine (tractor propelled and supported); Screed (except asphaltic concrete paving); Self- propelled pipeline wrapping machine; Tractor; Self-loading chipper; Concrete barrier moving machine

GROUP 7: Ballast regulator; Boom truck or dual-purpose A-frame truck, non-rotating - under 15 tons; Cary lift or similar; Combination slurry mixer and/or cleaner; Drilling equipment, 20 ft. and under m.r.c.; Firetender (hot plant); Grouting machine operator; Highline cableway signalperson; Stationary belt loader (Kolman or similar); Lift slab machine (Vagtborg and similar types); Maginnes internal full slab vibrator; Material hoist (1 drum); Mechanical trench shield; Pavement breaker with or without compressor combination); Pipe cleaning machine (tractor propelled and supported); Post driver; Roller (except asphalt); Chip Seal; Self-propelled automatically applied concrete curing mahcine (on streets, highways, airports and canals); Self-propelled compactor (without dozer); Signalperson; Slip-form pumps (lifting device for concrete forms); Tie spacer; Tower mobile; Trenching machine, maximum digging capacity up to and including 5 ft. depth; Truck- type loader

GROUP 8: Bit sharpener; Boiler tender; Box operator; Brakeperson; Combination mixer and compressor (shotcrete/gunite); Compressor operator; Deckhand; Fire tender; Forklift (under 20 ft.); Generator; Gunite/shotcrete equipment operator; Hydraulic monitor; Ken seal machine (or similar); Mixermobile; Oiler; Pump

operator; Refrigeration plant; Reservoir-debris tug (self-propelled floating); Ross Carrier (construction site); Rotomist operator; Self-propelled tape machine; Shuttlecar; Self-propelled power sweeper operator (includes vacuum sweeper); Slusher operator; Surface heater; Switchperson; Tar pot firetender; Tugger hoist, single drum; Vacuum cooling plant; Welding machine (powered other than by electricity)

GROUP 8-A: Elevator operator; Skidsteer loader-Bobcat 743 series or smaller, and similar (without attachments); Mini excavator under 25 H.P. (backhoe-trencher); Tub grinder wood chipper

---

ALL CRANES AND ATTACHMENTS

GROUP 1: Clamshell and dragline over 7 cu. yds.; Crane, over 100 tons; Derrick, over 100 tons; Derrick barge pedestal-mounted, over 100 tons; Self-propelled boom-type lifting device, over 100 tons

GROUP 2: Clamshell and dragline over 1 cu. yd. up to and including 7 cu. yds.; Crane, over 45 tons up to and including 100 tons; Derrick barge, 100 tons and under; Self-propelled boom-type lifting device, over 45 tons; Tower crane

GROUP 3: Clamshell and dragline up to and including 1 cu. yd.; Cranes 45 tons and under; Self-propelled boom-type lifting device 45 tons and under;

GROUP 4: Boom Truck or dual purpose A-frame truck, non-rotating over 15 tons; Truck-mounted rotating telescopic boom type lifting device, Manitex or similar (boom truck) over 15 tons; Truck-mounted rotating telescopic boom type lifting device, Manitex or similar (boom truck) - under 15 tons;

---

PILEDRIVERS

GROUP 1: Derrick barge pedestal mounted over 100 tons; Clamshell over 7 cu. yds.; Self-propelled boom-type lifting device over 100 tons; Truck crane or crawler, land or barge mounted over 100 tons

GROUP 2: Derrick barge pedestal mounted 45 tons to and including 100 tons; Clamshell up to and including 7 cu. yds.; Self-propelled boom-type lifting device over 45 tons; Truck crane or crawler, land or barge mounted, over 45 tons up to and including 100 tons; Fundex F-12 hydraulic pile rig

GROUP 3: Derrick barge pedestal mounted under 45 tons; Self-propelled boom-type lifting device 45 tons and under; Skid/scow piledriver, any tonnage; Truck crane or crawler, land or barge mounted 45 tons and under

GROUP 4: Assistant operator in lieu of assistant to engineer; Forklift, 10 tons and over; Heavy-duty repairperson/welder

GROUP 5: Deck engineer

GROUP 6: Deckhand; Fire tender

---

STEEL ERECTORS

GROUP 1: Crane over 100 tons; Derrick over 100 tons; Self-propelled boom-type lifting device over 100 tons

GROUP 2: Crane over 45 tons to 100 tons; Derrick under 100 tons; Self-propelled boom-type lifting device over 45 tons to 100 tons; Tower crane

GROUP 3: Crane, 45 tons and under; Self-propelled boom-type lifting device, 45 tons and under

GROUP 4: Chicago boom; Forklift, 10 tons and over; Heavy-duty repair person/welder

GROUP 5: Boom cat

---

TUNNEL AND UNDERGROUND WORK

GROUP 1-A: Tunnel bore machine operator, 20' diameter or more

GROUP 1: Heading shield operator; Heavy-duty repairperson; Mucking machine (rubber tired, rail or track type); Raised bore operator (tunnels); Tunnel mole bore operator

GROUP 2: Combination slusher and motor operator; Concrete pump or pumpcrete gun; Power jumbo operator

GROUP 3: Drill doctor; Mine or shaft hoist

GROUP 4: Combination slurry mixer cleaner; Grouting Machine operator; Motorman

GROUP 5: Bit Sharpener; Brakeman; Combination mixer and compressor (gunite); Compressor operator; Oiler; Pump operator; Slusher operator

---

AREA DESCRIPTIONS:

POWER EQUIPMENT OPERATORS, CRANES AND ATTACHMENTS,TUNNEL AND UNDERGROUND [These areas do not apply to Piledrivers and Steel Erectors]

AREA 1: DEL NORTE, HUMBOLDT, LAKE, MENDOCINO
AREA 2 -NOTED BELOW

THE REMAINING COUNTIES ARE SPLIT BETWEEN AREA 1 AND AREA 2 AS NOTED BELOW:

DEL NORTE COUNTY:
Area 1: Extreme Southwest corner
Area 2: Remainder

HUMBOLDT COUNTY:
Area 1: Except Eastern and Southwestern parts
Area 2: Remainder

LAKE COUNTY:
Area 1: Southern part
Area 2: Remainder

MENDOCINO COUNTY:
Area 1: Central and Southeastern Parts
Area 2: Remainder

---

IRON0118-012 01/01/2024

ALPINE, LASSEN, MODOC, SISKIYOU and TRINITY COUNTIES

| | Rates | Fringes |
|---|---|---|
| IRONWORKER | $ 41.00 | 34.20 |

---

IRON0118-013 01/01/2024

AMADOR, BUTTE, COLUSA,EL DORADO, GLENN,MARIN, NAPA, NEVADA, PLACER,PLUMAS, SACRAMENTO, SHASTA, SIERRA, SOLANO, SONOMA, SUTTER, TEHAMA, YOLO and YUBA COUNTIES

| | Rates | Fringes |
|---|---|---|
| IRONWORKER | $ 47.45 | 34.90 |

---

LABO0067-003 07/01/2024

AREA ""1"" - MARIN and NAPA COUNTIES

AREA ""2""  - ALPINE, AMADOR, BUTTE COLUSA EL DORADO, GLENN, LASSEN, MODOC, NEVADA, PLACER, PLUMAS, SACRAMENTO, SHASTA, SIERRA, SISKIYOU, SOLANO, SONOMA, SUTTER, TEHAMA, TRINITY, YOLO, AND YUBA COUNTIES

| | Rates | Fringes |
|---|---|---|
| LABORER (ASBESTOS/MOLD/LEAD LABORER) | | |
| Marin and Napa Counties | $ 37.75 | 29.69 |
| Remaining Counties | $ 36.75 | 29.69 |

---

LABO0067-005 01/01/2024

AREA ""A"" - ALAMEDA, CONTRA COSTA,  SAN FRANCISCO, SAN MATEO AND SANTA CLARA COUNTIES

AREA ""B""  -  ALPINE, AMADOR, BUTTE, CALAVERAS, COLUSA, DEL NORTE, EL DORADO, FRESNO, GLENN, HUMBOLDT, KINGS, LAKE, LASSEN, MADERA, MARIPOSA, MENDOCINO, MERCED, MODOC, MONTEREY, NEVADA, PLACER, PLUMAS, SANCREMENTO, SAN BENITO, SAN JOAQUIN, SANTA CRUZ, SIERRA, SHASTA, SISKIYOU, STANISLAUS, TEHAMA, TRINITY, TULARE, TUOLUMNE, YOLO AND YOUBA COUNTIES

| | Rates | Fringes |
|---|---|---|
| LABORER (TRAFFIC CONTROL/LANE CLOSURE) | | |
| Escort Driver, Flag Person | | |
| Area A | $ 37.26 | 27.32 |

| | | |
|---|---|---|
| Area B | $ 36.26 | 27.32 |
| Traffic Control Person I | | |
| Area A | $ 37.56 | 27.32 |
| Area B | $ 36.56 | 27.32 |
| Traffic Control Person II | | |
| Area A | $ 35.06 | 27.32 |
| Area B | $ 34.06 | 27.32 |

TRAFFIC CONTROL PERSON I: Layout of traffic control, crash cushions, construction area and roadside signage.

TRAFFIC CONTROL PERSON II: Installation and removal of temporary/permanent signs, markers, delineators and crash cushions.

---

LABO0185-002 07/01/2023

ALPINE, AMADOR, BUTTE, COLUSA, EL DORADO, GLENN, LASSEN, MODOC, NEVADA, PLACER, PLUMAS, SACRAMENTO, SHASTA, SIERRA, SISKIYOU, SUTTER, TEHAMA, TRINITY, YOLO AND YUBA COUNTIES

| | Rates | Fringes |
|---|---|---|
| LABORER | | |
| Mason Tender-Brick | $ 36.29 | 25.55 |

---

LABO0185-005 06/26/2023

ALPINE, AMADOR, BUTTE, COLUSA, EL DORADO, GLENN, LASSEN, MODOC, NEVADA, PLACER, PLUMAS, SACRAMENTO, SHASTA, SIERRA, SISKIYOU, SUTTER, TEHAMA, TRINITY, YOLO AND YUBA COUNTIES

| | Rates | Fringes |
|---|---|---|
| Tunnel and Shaft Laborers: | | |
| GROUP 1 | $ 45.89 | 27.72 |
| GROUP 2 | $ 45.66 | 27.72 |
| GROUP 3 | $ 45.41 | 27.72 |
| GROUP 4 | $ 44.96 | 27.72 |
| GROUP 5 | $ 44.42 | 27.72 |
| Shotcrete Specialist | $ 46.41 | 27.72 |

TUNNEL AND SHAFT CLASSIFICATIONS

GROUP 1: Diamond driller; Groundmen; Gunite and shotcrete nozzlemen

GROUP 2: Rodmen; Shaft work & raise (below actual or excavated ground level)

GROUP 3: Bit grinder; Blaster, driller, powdermen, heading; Cherry pickermen - where car is lifted; Concrete finisher in tunnel; Concrete screedman; Grout pumpman and potman; Gunite & shotcrete gunman & potman; Headermen; High pressure nozzleman; Miner - tunnel, including top and bottom man on shaft and raise work; Nipper; Nozzleman on slick line; Sandblaster - potman, Robotic Shotcrete Placer, Segment Erector, Tunnel Muck Hauler, Steel Form raiser and setter; Timberman, retimberman (wood or steel or substitute materials therefore); Tugger (for tunnel laborer work); Cable tender; Chuck tender; Powderman - primer house

GROUP 4: Vibrator operator, pavement breaker; Bull gang - muckers, trackmen; Concrete crew - includes rodding and spreading, Dumpmen (any method)

GROUP 5: Grout crew; Reboundman; Swamper/ Brakeman

---

LABO0185-006 06/26/2023

ALPINE, AMADOR, BUTTE, COLUSA, EL DORADO, GLENN, LASSEN, MODOC, NEVADA, PLACER, PLUMAS, SACRAMENTO, SHIASTA, SIERRA, SISKIYOU, SUTTER, TEHAMA, TRINITY, YOLO, YUBA COUNTIES

| | Rates | Fringes |
|---|---|---|
| LABORER (CONSTRUCTION CRAFT LABORERS - AREA B:) | | |
| Construction Specialist Group | $ 36.20 | 27.30 |
| GROUP 1 | $ 35.50 | 27.30 |
| GROUP 1-a | $ 35.72 | 27.30 |
| GROUP 1-c | $ 35.55 | 27.30 |
| GROUP 1-e | $ 36.05 | 27.30 |
| GROUP 1-f | $ 30.37 | 23.20 |
| GROUP 2 | $ 35.35 | 27.30 |
| GROUP 3 | $ 35.25 | 27.30 |
| GROUP 4 | $ 28.94 | 27.30 |
| See groups 1-b and 1-d under laborer classifications. | | |
| LABORER (GARDENERS, HORTICULTURAL & LANDSCAPE LABORERS - AREA B:) | | |
| (1) New Construction | $ 35.25 | 27.30 |
| (2) Establishment Warranty Period | $ 28.94 | 27.30 |
| LABORER (GUNITE - AREA B:) | | |
| GROUP 1 | $ 36.46 | 27.30 |
| GROUP 2 | $ 35.96 | 27.30 |
| GROUP 3 | $ 35.37 | 27.30 |
| GROUP 4 | $ 35.25 | 27.30 |
| LABORER (WRECKING - AREA B:) | | |
| GROUP 1 | $ 35.50 | 27.30 |
| GROUP 2 | $ 35.35 | 27.30 |

FOOTNOTES:

Laborers working off or with or from bos'n chairs, swinging scaffolds, belts shall receive $0.25 per hour above the applicable wage rate. This shall not apply to workers entitled to receive the wage rate set forth in Group 1-a below.

---

LABORER CLASSIFICATIONS

CONSTRUCTION SPECIALIST GROUP: Asphalt ironer and raker; Chainsaw; Laser beam in connection with laborers' work; Cast-in- place manhole form setter; Pressure pipelayer; Davis trencher - 300 or similar type (and all small trenchers); Blaster; Diamond driller; Multiple unit drill; Hydraulic drill

GROUP 1: Asphalt spreader boxes (all types); Barko, Wacker and similar type tampers; Buggymobile; Caulker, bander,

pipewrapper, conduit layer, plastic pipelayer; Certified hazardous waste worker including Leade Abatement; Compactors of all types; Concrete and magnesite mixer, 1/2 yd. and under; Concrete pan work; Concrete sander; Concrete saw; Cribber and/or shoring; Cut granite curb setter; Dri-pak-it machine; Faller, logloader and bucker; Form raiser, slip forms; Green cutter; Headerboard, Hubsetter, aligner, by any method; High pressure blow pipe (1-1/2"" or over, 100 lbs. pressure/over); Hydro seeder and similar type; Jackhammer operator; Jacking of pipe over 12 inches; Jackson and similar type compactor; Kettle tender, pot and worker applying asphalt, lay-kold, creosote, lime, caustic and similar type materials (applying means applying, dipping or handling of such materials); Lagging, sheeting, whaling, bracing, trenchjacking, lagging hammer; Magnesite, epoxyresin, fiberglass, mastic worker (wet or dry); No joint pipe and stripping of same, including repair of voids; Pavement breaker and spader, including tool grinder; Perma curb; Pipelayer (including grade checking in connection with pipelaying); Precast-manhole setter; Pressure pipe tester; Post hole digger, air, gas and electric; Power broom sweeper; Power tampers of all types (except as shown in Group 2); Ram set gun and stud gun; Riprap stonepaver and rock-slinger, including placing of sacked concrete and/or sand (wet or dry) and gabions and similar type; Rotary scarifier or multiple head concrete chipping scarifier; Roto and Ditch Witch; Rototiller; Sandblaster, pot, gun, nozzle operators; Signalling and rigging; Tank cleaner; Tree climber; Turbo blaster; Vibrascreed, bull float in connection with laborers' work; Vibrator; Hazardous waste worker (lead removal); Asbestos and mold removal worker

GROUP 1-a: Joy drill model TWM-2A; Gardner-Denver model DH143 and similar type drills; Track driller; Jack leg driller; Wagon driller; Mechanical drillers, all types regardless of type or method of power; Mechanical pipe layers, all types regardless of type or method of power; Blaster and powder; All work of loading, placing and blasting of all powder and explosives of whatever type regardless of method used for such loading and placing; High scalers (including drilling of same); Tree topper; Bit grinder

GROUP 1-b: Sewer cleaners shall receive $4.00 per day above Group 1 wage rates.  ""Sewer cleaner"" means any worker who handles or comes in contact with raw sewage in small diameter sewers.  Those who work inside recently active, large diameter sewers, and all recently active sewer manholes shal receive $5.00 per day above Group 1 wage rates.

GROUP 1-c: Burning and welding in connection with laborers' work; Synthetic thermoplastics and similar type welding

GROUP 1-d: Maintenance and repair track and road beds.  All employees performing work covered herein shall receive $ .25 per hour above their regular rate for all work performed on underground structures not specifically covered herein.  This paragraph shall not be construed to apply to work below ground level in open cut.  It shall apply to cut and cover work of subway construction after the temporary cover has been placed.

GROUP 1-e: Work on and/or in bell hole footings and shafts thereof, and work on and in deep footings.  (A deep footing

is a hole 15 feet or more in depth.) In the event the depth of the footing is unknown at the commencement of excavation, and the final depth exceeds 15 feet, the deep footing wage rate would apply to all employees for each and every day worked on or in the excavation of the footing from the date of inception.

GROUP 1-f: Wire winding machine in connection with guniting or shot crete

GROUP 2: Asphalt shoveler; Cement dumper and handling dry cement or gypsum; Choke-setter and rigger (clearing work); Concrete bucket dumper and chute; Concrete chipping and grinding; Concrete laborer (wet or dry); Driller tender, chuck tender, nipper; Guinea chaser (stake), grout crew; High pressure nozzle, adductor; Hydraulic monitor (over 100 lbs. pressure); Loading and unloading, carrying and hauling of all rods and materials for use in reinforcing concrete construction; Pittsburgh chipper and similar type brush shredders; Sloper; Single foot, hand-held, pneumatic tamper; All pneumatic, air, gas and electric tools not listed in Groups 1 through 1-f; Jacking of pipe - under 12 inches

GROUP 3: Construction laborers, including bridge and general laborer; Dump, load spotter; Flag person; Fire watcher; Fence erector; Guardrail erector; Gardener, horticultural and landscape laborer; Jetting; Limber, brush loader and piler; Pavement marker (button setter); Maintenance, repair track and road beds; Streetcar and railroad construction track laborer; Temporary air and water lines, Victaulic or similar; Tool room attendant (jobsite only)

GROUP 4: Final clean-up work of debris, grounds and building including but not limited to: street cleaner; cleaning and washing windows; brick cleaner (jobsite only); material cleaner (jobsite only). The classification ""material cleaner"" is to be utilized under the following conditions:
A: at demolition site for the salvage of the material.
B: at the conclusion of a job where the material is to be salvaged and stocked to be reused on another job.
C: for the cleaning of salvage material at the jobsite or temporary jobsite yard.

The material cleaner classification should not be used in the performance of ""form stripping, cleaning and oiling and moving to the next point of erection"".

---

GUNITE LABORER CLASSIFICATIONS

GROUP 1: Structural Nozzleman

GROUP 2: Nozzleman, Gunman, Potman, Groundman

GROUP 3: Reboundman

GROUP 4: Gunite laborer

---

WRECKING WORK LABORER CLASSIFICATIONS

GROUP 1: Skilled wrecker (removing and salvaging of sash,

windows and materials)

GROUP 2: Semi-skilled wrecker (salvaging of other building materials)

---

LABO0185-008 07/01/2023

| | Rates | Fringes |
|---|---|---|
| Plasterer tender | $ 39.77 | 28.54 |

Work on a swing stage scaffold: $1.00 per hour additional.

---

LABO0261-002 07/01/2023

MARIN COUNTY

| | Rates | Fringes |
|---|---|---|
| LABORER (TRAFFIC CONTROL/LANE CLOSURE) | | |
| Escort Driver, Flag Person | $ 37.26 | 27.30 |
| Traffic Control Person I | $ 37.56 | 27.30 |
| Traffic Control Person II | $ 35.06 | 27.30 |

TRAFFIC CONTROL PERSON I: Layout of traffic control, crash cushions, construction area and roadside signage.

TRAFFIC CONTROL PERSON II: Installation and removal of temporary/permanent signs, markers, delineators and crash cushions.

---

LABO0261-004 06/26/2023

MARIN COUNTY

| | Rates | Fringes |
|---|---|---|
| Tunnel and Shaft Laborers: | | |
| GROUP 1 | $ 45.89 | 27.72 |
| GROUP 2 | $ 45.66 | 27.72 |
| GROUP 3 | $ 45.41 | 27.72 |
| GROUP 4 | $ 44.96 | 27.72 |
| GROUP 5 | $ 44.42 | 27.72 |
| Shotcrete Specialist | $ 46.41 | 27.72 |

TUNNEL AND SHAFT CLASSIFICATIONS

GROUP 1: Diamond driller; Groundmen; Gunite and shotcrete nozzlemen

GROUP 2: Rodmen; Shaft work & raise (below actual or excavated ground level)

GROUP 3: Bit grinder; Blaster, driller, powdermen, heading; Cherry pickermen - where car is lifted; Concrete finisher in tunnel; Concrete screedman; Grout pumpman and potman; Gunite & shotcrete gunman & potman; Headermen; High pressure nozzleman; Miner - tunnel, including top and bottom man on shaft and raise work; Nipper; Nozzleman on slick line; Sandblaster - potman, Robotic Shotcrete Placer, Segment Erector, Tunnel Muck Hauler, Steel Form raiser and setter; Timberman, retimberman (wood or steel or substitute

materials therefore); Tugger (for tunnel laborer work); Cable tender; Chuck tender; Powderman - primer house

GROUP 4: Vibrator operator, pavement breaker; Bull gang - muckers, trackmen; Concrete crew - includes rodding and spreading, Dumpmen (any method)

GROUP 5: Grout crew; Reboundman; Swamper/ Brakeman

---

LABO0261-007 07/01/2023

MARIN COUNTY

| | Rates | Fringes |
|---|---|---|
| LABORER | | |
| Mason Tender-Brick | $ 37.54 | 25.55 |

---

LABO0261-010 06/26/2023

MARIN COUNTY

| | Rates | Fringes |
|---|---|---|
| LABORER (CONSTRUCTION CRAFT LABORERS - AREA A:) | | |
| Construction Specialist Group | $ 37.20 | 27.30 |
| GROUP 1 | $ 36.50 | 27.30 |
| GROUP 1-a | $ 36.72 | 27.30 |
| GROUP 1-c | $ 36.55 | 27.30 |
| GROUP 1-e | $ 37.05 | 27.30 |
| GROUP 1-f | $ 31.37 | 23.20 |
| GROUP 2 | $ 36.35 | 27.30 |
| GROUP 3 | $ 36.25 | 27.30 |
| GROUP 4 | $ 29.94 | 27.30 |
| See groups 1-b and 1-d under laborer classifications. | | |
| LABORER (GARDENERS, HORTICULTURAL & LANDSCAPE LABORERS - AREA A:) | | |
| (1) New Construction | $ 36.25 | 27.30 |
| (2) Establishment Warranty Period | $ 29.94 | 27.30 |
| LABORER (GUNITE - AREA A:) | | |
| GROUP 1 | $ 37.46 | 27.30 |
| GROUP 2 | $ 36.96 | 27.30 |
| GROUP 3 | $ 36.37 | 27.30 |
| GROUP 4 | $ 36.25 | 27.30 |
| LABORER (WRECKING - AREA A:) | | |
| GROUP 1 | $ 36.50 | 27.30 |
| GROUP 2 | $ 36.35 | 27.30 |

FOOTNOTES:

Laborers working off or with or from bos'n chairs, swinging scaffolds, belts shall receive $0.25 per hour above the applicable wage rate. This shall not apply to workers entitled to receive the wage rate set forth in Group 1-a below.

---

LABORER CLASSIFICATIONS

CONSTRUCTION SPECIALIST GROUP: Asphalt ironer and raker; Chainsaw; Laser beam in connection with laborers' work; Cast-in- place manhole form setter; Pressure pipelayer; Davis trencher - 300 or similar type (and all small trenchers); Blaster; Diamond driller; Multiple unit drill; Hydraulic drill

GROUP 1: Asphalt spreader boxes (all types); Barko, Wacker and similar type tampers; Buggymobile; Caulker, bander, pipewrapper, conduit layer, plastic pipelayer; Certified hazardous waste worker including Leade Abatement; Compactors of all types; Concrete and magnesite mixer, 1/2 yd. and under; Concrete pan work; Concrete sander; Concrete saw; Cribber and/or shoring; Cut granite curb setter; Dri-pak-it machine; Faller, logloader and bucker; Form raiser, slip forms; Green cutter; Headerboard, Hubsetter, aligner, by any method; High pressure blow pipe (1-1/2"" or over, 100 lbs. pressure/over); Hydro seeder and similar type; Jackhammer operator; Jacking of pipe over 12 inches; Jackson and similar type compactor; Kettle tender, pot and worker applying asphalt, lay-kold, creosote, lime, caustic and similar type materials (applying means applying, dipping or handling of such materials); Lagging, sheeting, whaling, bracing, trenchjacking, lagging hammer; Magnesite, epoxyresin, fiberglass, mastic worker (wet or dry); No joint pipe and stripping of same, including repair of voids; Pavement breaker and spader, including tool grinder; Perma curb; Pipelayer (including grade checking in connection with pipelaying); Precast-manhole setter; Pressure pipe tester; Post hole digger, air, gas and electric; Power broom sweeper; Power tampers of all types (except as shown in Group 2); Ram set gun and stud gun; Riprap stonepaver and rock-slinger, including placing of sacked concrete and/or sand (wet or dry) and gabions and similar type; Rotary scarifier or multiple head concrete chipping scarifier; Roto and Ditch Witch; Rototiller; Sandblaster, pot, gun, nozzle operators; Signalling and rigging; Tank cleaner; Tree climber; Turbo blaster; Vibrascreed, bull float in connection with laborers' work; Vibrator; Hazardous waste worker (lead removal); Asbestos and mold removal worker

GROUP 1-a: Joy drill model TWM-2A; Gardner-Denver model DH143 and similar type drills; Track driller; Jack leg driller; Wagon driller; Mechanical drillers, all types regardless of type or method of power; Mechanical pipe layers, all types regardless of type or method of power; Blaster and powder; All work of loading, placing and blasting of all powder and explosives of whatever type regardless of method used for such loading and placing; High scalers (including drilling of same); Tree topper; Bit grinder

GROUP 1-b: Sewer cleaners shall receive $4.00 per day above Group 1 wage rates.  ""Sewer cleaner"" means any worker who handles or comes in contact with raw sewage in small diameter sewers.  Those who work inside recently active, large diameter sewers, and all recently active sewer manholes shal receive $5.00 per day above Group 1 wage rates.

GROUP 1-c: Burning and welding in connection with laborers' work; Synthetic thermoplastics and similar type welding

GROUP 1-d: Maintenance and repair track and road beds.  All employees performing work covered herein shall receive $

.25 per hour above their regular rate for all work performed on underground structures not specifically covered herein. This paragraph shall not be construed to apply to work below ground level in open cut. It shall apply to cut and cover work of subway construction after the temporary cover has been placed.

GROUP 1-e: Work on and/or in bell hole footings and shafts thereof, and work on and in deep footings. (A deep footing is a hole 15 feet or more in depth.) In the event the depth of the footing is unknown at the commencement of excavation, and the final depth exceeds 15 feet, the deep footing wage rate would apply to all employees for each and every day worked on or in the excavation of the footing from the date of inception.

GROUP 1-f: Wire winding machine in connection with guniting or shot crete

GROUP 2: Asphalt shoveler; Cement dumper and handling dry cement or gypsum; Choke-setter and rigger (clearing work); Concrete bucket dumper and chute; Concrete chipping and grinding; Concrete laborer (wet or dry); Driller tender, chuck tender, nipper; Guinea chaser (stake), grout crew; High pressure nozzle, adductor; Hydraulic monitor (over 100 lbs. pressure); Loading and unloading, carrying and hauling of all rods and materials for use in reinforcing concrete construction; Pittsburgh chipper and similar type brush shredders; Sloper; Single foot, hand-held, pneumatic tamper; All pneumatic, air, gas and electric tools not listed in Groups 1 through 1-f; Jacking of pipe - under 12 inches

GROUP 3: Construction laborers, including bridge and general laborer; Dump, load spotter; Flag person; Fire watcher; Fence erector; Guardrail erector; Gardener, horticultural and landscape laborer; Jetting; Limber, brush loader and piler; Pavement marker (button setter); Maintenance, repair track and road beds; Streetcar and railroad construction track laborer; Temporary air and water lines, Victaulic or similar; Tool room attendant (jobsite only)

GROUP 4: Final clean-up work of debris, grounds and building including but not limited to: street cleaner; cleaning and washing windows; brick cleaner (jobsite only); material cleaner (jobsite only). The classification ""material cleaner"" is to be utilized under the following conditions:
A: at demolition site for the salvage of the material.
B: at the conclusion of a job where the material is to be salvaged and stocked to be reused on another job.
C: for the cleaning of salvage material at the jobsite or temporary jobsite yard.

The material cleaner classification should not be used in the performance of ""form stripping, cleaning and oiling and moving to the next point of erection"".

---

GUNITE LABORER CLASSIFICATIONS

GROUP 1: Structural Nozzleman

GROUP 2: Nozzleman, Gunman, Potman, Groundman

GROUP 3: Reboundman

GROUP 4: Gunite laborer

---

WRECKING WORK LABORER CLASSIFICATIONS

GROUP 1: Skilled wrecker (removing and salvaging of sash, windows and materials)

GROUP 2: Semi-skilled wrecker (salvaging of other building materials)

---

LABO0261-015 07/01/2023

| | Rates | Fringes |
|---|---|---|
| Plasterer tender | $ 39.77 | 28.54 |

Work on a swing stage scaffold: $1.00 per hour additional.

---

LABO0324-004 07/01/2023

NAPA, SOLANO, AND SONOMA, COUNTIES

| | Rates | Fringes |
|---|---|---|
| LABORER (TRAFFIC CONTROL/LANE CLOSURE) | | |
| Escort Driver, Flag Person | $ 36.26 | 27.30 |
| Traffic Control Person I | $ 36.56 | 27.30 |
| Traffic Control Person II | $ 34.06 | 27.30 |

TRAFFIC CONTROL PERSON I: Layout of traffic control, crash cushions, construction area and roadside signage.

TRAFFIC CONTROL PERSON II: Installation and removal of temporary/permanent signs, markers, delineators and crash cushions.

---

LABO0324-008 06/26/2023

NAPA, SOLANO, AND SONOMA COUNTIES

| | Rates | Fringes |
|---|---|---|
| Tunnel and Shaft Laborers: | | |
| GROUP 1 | $ 45.89 | 27.72 |
| GROUP 2 | $ 45.66 | 27.72 |
| GROUP 3 | $ 45.41 | 27.72 |
| GROUP 4 | $ 44.96 | 27.72 |
| GROUP 5 | $ 44.42 | 27.72 |
| Shotcrete Specialist | $ 46.41 | 27.72 |

TUNNEL AND SHAFT CLASSIFICATIONS

GROUP 1: Diamond driller; Groundmen; Gunite and shotcrete nozzlemen

GROUP 2: Rodmen; Shaft work & raise (below actual or excavated ground level)

GROUP 3: Bit grinder; Blaster, driller, powdermen, heading; Cherry pickermen - where car is lifted; Concrete finisher in tunnel; Concrete screedman; Grout pumpman and potman; Gunite & shotcrete gunman & potman; Headermen; High pressure nozzleman; Miner - tunnel, including top and bottom man on shaft and raise work; Nipper; Nozzleman on slick line; Sandblaster - potman, Robotic Shotcrete Placer, Segment Erector, Tunnel Muck Hauler, Steel Form raiser and setter; Timberman, retimberman (wood or steel or substitute materials therefore); Tugger (for tunnel laborer work); Cable tender; Chuck tender; Powderman - primer house

GROUP 4: Vibrator operator, pavement breaker; Bull gang - muckers, trackmen; Concrete crew - includes rodding and spreading, Dumpmen (any method)

GROUP 5: Grout crew; Reboundman; Swamper/ Brakeman

---

LABO0324-010 07/01/2023

SOLANO AND SONOMA COUNTIES

| | Rates | Fringes |
|---|---|---|
| LABORER | | |
| Mason Tender-Brick | $ 36.84 | 26.24 |

---

LABO0324-013 06/26/2023

NAPA, SOLANO, AND SONOMA COUNTIES

| | Rates | Fringes |
|---|---|---|
| LABORER (CONSTRUCTION CRAFT LABORERS - AREA B:) | | |
| Construction Specialist Group | $ 36.20 | 27.30 |
| GROUP 1 | $ 35.50 | 27.30 |
| GROUP 1-a | $ 35.72 | 27.30 |
| GROUP 1-c | $ 35.55 | 27.30 |
| GROUP 1-e | $ 36.05 | 27.30 |
| GROUP 1-f | $ 36.08 | 27.30 |
| GROUP 2 | $ 35.35 | 27.30 |
| GROUP 3 | $ 35.25 | 27.30 |
| GROUP 4 | $ 28.94 | 27.30 |
| See groups 1-b and 1-d under laborer classifications. | | |
| LABORER (GARDENERS, HORTICULTURAL & LANDSCAPE LABORERS - AREA B:) | | |
| (1) New Construction | $ 35.25 | 27.30 |
| (2) Establishment Warranty Period | $ 28.94 | 27.30 |
| LABORER (GUNITE - AREA B:) | | |
| GROUP 1 | $ 36.46 | 27.30 |
| GROUP 2 | $ 35.96 | 27.30 |
| GROUP 3 | $ 35.37 | 27.30 |
| GROUP 4 | $ 35.25 | 27.30 |
| LABORER (WRECKING - AREA B:) | | |
| GROUP 1 | $ 35.50 | 27.30 |
| GROUP 2 | $ 35.35 | 27.30 |

FOOTNOTES:

Laborers working off or with or from bos'n chairs, swinging scaffolds, belts shall receive $0.25 per hour above the

applicable wage rate. This shall not apply to workers entitled to receive the wage rate set forth in Group 1-a below.

---

LABORER CLASSIFICATIONS

CONSTRUCTION SPECIALIST GROUP: Asphalt ironer and raker; Chainsaw; Laser beam in connection with laborers' work; Cast-in- place manhole form setter; Pressure pipelayer; Davis trencher - 300 or similar type (and all small trenchers); Blaster; Diamond driller; Multiple unit drill; Hydraulic drill

GROUP 1: Asphalt spreader boxes (all types); Barko, Wacker and similar type tampers; Buggymobile; Caulker, bander, pipewrapper, conduit layer, plastic pipelayer; Certified hazardous waste worker including Leade Abatement; Compactors of all types; Concrete and magnesite mixer, 1/2 yd. and under; Concrete pan work; Concrete sander; Concrete saw; Cribber and/or shoring; Cut granite curb setter; Dri-pak-it machine; Faller, logloader and bucker; Form raiser, slip forms; Green cutter; Headerboard, Hubsetter, aligner, by any method; High pressure blow pipe (1-1/2"" or over, 100 lbs. pressure/over); Hydro seeder and similar type; Jackhammer operator; Jacking of pipe over 12 inches; Jackson and similar type compactor; Kettle tender, pot and worker applying asphalt, lay-kold, creosote, lime, caustic and similar type materials (applying means applying, dipping or handling of such materials); Lagging, sheeting, whaling, bracing, trenchjacking, lagging hammer; Magnesite, epoxyresin, fiberglass, mastic worker (wet or dry); No joint pipe and stripping of same, including repair of voids; Pavement breaker and spader, including tool grinder; Perma curb; Pipelayer (including grade checking in connection with pipelaying); Precast-manhole setter; Pressure pipe tester; Post hole digger, air, gas and electric; Power broom sweeper; Power tampers of all types (except as shown in Group 2); Ram set gun and stud gun; Riprap stonepaver and rock-slinger, including placing of sacked concrete and/or sand (wet or dry) and gabions and similar type; Rotary scarifier or multiple head concrete chipping scarifier; Roto and Ditch Witch; Rototiller; Sandblaster, pot, gun, nozzle operators; Signalling and rigging; Tank cleaner; Tree climber; Turbo blaster; Vibrascreed, bull float in connection with laborers' work; Vibrator; Hazardous waste worker (lead removal); Asbestos and mold removal worker

GROUP 1-a: Joy drill model TWM-2A; Gardner-Denver model DH143 and similar type drills; Track driller; Jack leg driller; Wagon driller; Mechanical drillers, all types regardless of type or method of power; Mechanical pipe layers, all types regardless of type or method of power; Blaster and powder; All work of loading, placing and blasting of all powder and explosives of whatever type regardless of method used for such loading and placing; High scalers (including drilling of same); Tree topper; Bit grinder

GROUP 1-b: Sewer cleaners shall receive $4.00 per day above Group 1 wage rates. ""Sewer cleaner"" means any worker who handles or comes in contact with raw sewage in small diameter sewers. Those who work inside recently active,

large diameter sewers, and all recently active sewer manholes shal receive $5.00 per day above Group 1 wage rates.

GROUP 1-c: Burning and welding in connection with laborers' work; Synthetic thermoplastics and similar type welding

GROUP 1-d: Maintenance and repair track and road beds. All employees performing work covered herein shall receive $ .25 per hour above their regular rate for all work performed on underground structures not specifically covered herein. This paragraph shall not be construed to apply to work below ground level in open cut. It shall apply to cut and cover work of subway construction after the temporary cover has been placed.

GROUP 1-e: Work on and/or in bell hole footings and shafts thereof, and work on and in deep footings. (A deep footing is a hole 15 feet or more in depth.) In the event the depth of the footing is unknown at the commencement of excavation, and the final depth exceeds 15 feet, the deep footing wage rate would apply to all employees for each and every day worked on or in the excavation of the footing from the date of inception.

GROUP 1-f: Wire winding machine in connection with guniting or shot crete

GROUP 2: Asphalt shoveler; Cement dumper and handling dry cement or gypsum; Choke-setter and rigger (clearing work); Concrete bucket dumper and chute; Concrete chipping and grinding; Concrete laborer (wet or dry); Driller tender, chuck tender, nipper; Guinea chaser (stake), grout crew; High pressure nozzle, adductor; Hydraulic monitor (over 100 lbs. pressure); Loading and unloading, carrying and hauling of all rods and materials for use in reinforcing concrete construction; Pittsburgh chipper and similar type brush shredders; Sloper; Single foot, hand-held, pneumatic tamper; All pneumatic, air, gas and electric tools not listed in Groups 1 through 1-f; Jacking of pipe - under 12 inches

GROUP 3: Construction laborers, including bridge and general laborer; Dump, load spotter; Flag person; Fire watcher; Fence erector; Guardrail erector; Gardener, horticultural and landscape laborer; Jetting; Limber, brush loader and piler; Pavement marker (button setter); Maintenance, repair track and road beds; Streetcar and railroad construction track laborer; Temporary air and water lines, Victaulic or similar; Tool room attendant (jobsite only)

GROUP 4: Final clean-up work of debris, grounds and building including but not limited to: street cleaner; cleaning and washing windows; brick cleaner (jobsite only); material cleaner (jobsite only). The classification ""material cleaner"" is to be utilized under the following conditions:
A: at demolition site for the salvage of the material.
B: at the conclusion of a job where the material is to be salvaged and stocked to be reused on another job.
C: for the cleaning of salvage material at the jobsite or temporary jobsite yard.

The material cleaner classification should not be used in the performance of ""form stripping, cleaning and oiling and moving to the next point of erection"".

---

GUNITE LABORER CLASSIFICATIONS

GROUP 1: Structural Nozzleman

GROUP 2: Nozzleman, Gunman, Potman, Groundman

GROUP 3: Reboundman

GROUP 4: Gunite laborer

---

WRECKING WORK LABORER CLASSIFICATIONS

GROUP 1: Skilled wrecker (removing and salvaging of sash, windows and materials)

GROUP 2: Semi-skilled wrecker (salvaging of other building materials)

---

LABO0324-019 07/01/2023

| | Rates | Fringes |
|---|---|---|
| Plasterer tender | $ 39.77 | 28.54 |

Work on a swing stage scaffold: $1.00 per hour additional.

---

PAIN0016-004 01/01/2024

MARIN, NAPA, SOLANO & SONOMA COUNTIES

| | Rates | Fringes |
|---|---|---|
| Painters: | $ 50.51 | 27.66 |

PREMIUMS:
EXOTIC MATERIALS - $1.25 additional per hour.
SPRAY WORK: - $0.50 additional per hour.
INDUSTRIAL PAINTING - $0.25 additional per hour
[Work on industrial buildings used for the manufacture and processing of goods for sale or service; steel construction (bridges), stacks, towers, tanks, and similar structures]

HIGH WORK:
over 50 feet - $2.00 per hour additional
100 to 180 feet - $4.00 per hour additional
Over 180 feet - $6.00 per houir additional

---

PAIN0016-005 01/01/2024

ALPINE, BUTTE, COLUSA, EL DORADO (west of the Sierra Nevada Mountains), GLENN, LASSEN (west of Hwy. 395, excluding Honey Lake); MARIN, MODOC, NAPA, NEVADA (west of the Sierra Nevada Mountains), PLACER (west of the Sierra Nevada Mountains), PLUMAS, SACRAMENTO, SHASTA, SIERRA (west of the Sierra Nevada Mountains), SISKIYOU, SOLANO, SONOMA, SUTTER, TEHAMA, TRINITY, YOLO AND YUBA COUNTIES

| | Rates | Fringes |
|---|---|---|
| DRYWALL FINISHER/TAPER | $ 56.28 | 29.94 |

---

PAIN0016-007 01/01/2024

ALPINE, AMADOR, BUTTE, COLUSA. EL DORADO (west of the Sierra Nevada Mountains), GLENN, LASSEN (west of Highway 395, excluding Honey Lake), MODOC, NEVADA (west of the Sierra Nevada Mountains), PLACER (west of the Sierra Nevada Mountains), PLUMAS, SACRAMENTO, SHASTA, SIERRA (west of the Sierra Nevada Mountains), SISKIYOU, SUTTER, TEHAMA, TRINITY, YOLO & YUBA COUNTIES

| | Rates | Fringes |
|---|---|---|
| Painters: | $ 40.85 | 22.40 |

SPRAY/SANDBLAST: $0.50 additional per hour.
EXOTIC MATERIALS: $1.25 additional per hour.
HIGH TIME: Over 50 ft above ground or water level $2.00 additional per hour. 100 to 180 ft above ground or water level $4.00 additional per hour. Over 180 ft above ground or water level $6.00 additional per hour.

---

PAIN0016-008 01/01/2024

MARIN, NAPA, SOLANO AND SONOMA COUNTIES

| | Rates | Fringes |
|---|---|---|
| SOFT FLOOR LAYER | $ 59.00 | 33.03 |

---

PAIN0169-004 01/01/2024

MARIN , NAPA & SONOMA COUNTIES; SOLANO COUNTY (west of a line defined as follows: Hwy. 80 corridor beginning at the City of Fairfield, including Travis Air Force Base and Suisun City; going north of Manakas Corner Rd., continue north on Suisun Valley Rd. to the Napa County line; Hwy. 80 corridor south on Grizzly Island Rd. to the Grizzly Island Management area)

| | Rates | Fringes |
|---|---|---|
| GLAZIER | $ 56.22 | 34.00 |

---

* PAIN0567-001 07/01/2024

EL DORADO COUNTY (east of the Sierra Nevada Mountains); LASSEN COUNTY (east of Highway 395, beginning at Stacey and including Honey Lake); NEVADA COUNTY (east of the Sierra Nevada Mountains); PLACER COUNTY (east of the Sierra Nevada Mountains); AND SIERRA COUNTY (east of the Sierra Nevada Mountains)

| | Rates | Fringes |
|---|---|---|
| Painters: | | |
| Brush and Roller | $ 36.87 | 15.82 |
| Spray Painter & Paperhanger | $ 38.87 | 15.82 |

PREMIUMS:
Special Coatings (Brush), and Sandblasting = $0.50/hr
Special Coatings (Spray), and Steeplejack = $1.00/hr
Special Coating Spray Steel = $1.25/hr
Swing Stage = $2.00/hr

*A special coating is a coating that requires the mixing of 2 or more products.

---

PAIN0567-007 07/01/2022

EL DORADO COUNTY (east of the Sierra Nevada Mountains); LASSEN COUNTY (east of Highway 395, beginning at Stacey and including Honey Lake); NEVADA COUNTY (east of the Sierra Nevada Mountains); PLACER COUNTY (east of the Sierra Nevada Mountains) AND SIERRA COUNTY (east of the Sierra Nevada Mountains)

| | Rates | Fringes |
|---|---|---|
| SOFT FLOOR LAYER | $ 34.27 | 16.47 |

---

PAIN0567-010 07/01/2024

EL DORADO COUNTY (east of the Sierra Nevada Mountains); LASSEN COUNTY (east of Highway 395, beginning at Stacey and including Honey Lake); NEVADA COUNTY (east of the Sierra Nevada Mountains); PLACER COUNTY (east of the Sierra Nevada Mountains); AND SIERRA COUNTY (east of the Sierra Nevada Mountains)

| | Rates | Fringes |
|---|---|---|
| Drywall | | |
| (1) Taper | $ 42.79 | 16.12 |
| (2) Steeplejack - Taper, over 40 ft with open space below | $ 44.29 | 16.12 |

---

PAIN0767-004 01/01/2024

ALPINE, AMADOR, BUTTE, COLUSA, EL DORADO, GLENN, LASSEN, MODOC, NEVADA, PLACER, PLUMAS, SACRAMENTO, SHASTA, SIERRA, SISKIYOU, SOLANO (Remainder), SUTTER, TEHAMA, TRINITY, YOLO, YUBA

| | Rates | Fringes |
|---|---|---|
| GLAZIER | $ 43.25 | 35.62 |

PAID HOLIDAYS: New Year's Day, Martin Luther King, Jr. Day, President's Day, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day, and Christmas Day.

Employee required to wear a body harness shall receive $1.50 per hour above the basic hourly rate at any elevation.

---

PAIN1176-001 07/01/2022

HIGHWAY IMPR0VEMENT

| | Rates | Fringes |
|---|---|---|

Parking Lot Striping/Highway Marking:
GROUP 1.....$ 40.83 17.62
GROUP 2.....$ 34.71 17.62
GROUP 3.....$ 35.11 17.62

CLASSIFICATIONS

GROUP 1: Striper: Layout and application of painted traffic stripes and marking; hot thermo plastic; tape, traffic stripes and markings

GROUP 2: Gamecourt & Playground Installer

GROUP 3: Protective Coating, Pavement Sealing

---

PAIN1237-001 01/01/2024

ALPINE; COLUSA; EL DORADO (west of the Sierra Nevada Mountains); GLENN; LASSEN (west of Highway 395, beginning at Stacey and including Honey Lake); MODOC; NEVADA (west of the Sierra Nevada Mountains); PLACER (west of the Sierra Nevada Mountains); PLUMAS; SACRAMENTO; SHASTA; SIERRA (west of the Sierra Nevada Mountains); SISKIYOU; SUTTER; TEHAMA; TRINITY; YOLO AND YUBA COUNTIES

| | Rates | Fringes |
|---|---|---|
| SOFT FLOOR LAYER | $ 48.54 | 26.59 |

---

PLAS0300-003 07/01/2018

| | Rates | Fringes |
|---|---|---|
| PLASTERER | | |
| AREA 295: Alpine, Amador, Butte, Colusa, El Dorado, Glenn, Lassen, Modoc, Nevada, Placer, Plumas, Sacramento, Shasta, Sierra, Siskiyou, Solano, Sutter, Tehema, Trinity, Yolo & Yuba Counties | $ 32.70 | 31.68 |
| AREA 355: Marin | $ 36.73 | 31.68 |
| AREA 355: Napa & Sonoma Counties | $ 32.70 | 31.68 |

---

PLAS0300-005 07/01/2016

| | Rates | Fringes |
|---|---|---|
| CEMENT MASON/CONCRETE FINISHER | $ 32.15 | 23.27 |

---

PLUM0038-002 07/01/2022

MARIN AND SONOMA COUNTIES

| | Rates | Fringes |
|---|---|---|
| PLUMBER (Plumber, Steamfitter, Refrigeration Fitter) | | |

(1) Work on wooden frame structures 5 stories or less excluding high-rise buildings and commercial work such as hospitals, prisons, hotels, schools, casinos, wastewater treatment plants, and resarch facilities as well as refrigeration pipefitting, service and repair work - MARKET RECOVERY RATE.....$ 69.70 46.38
(2) All other work - NEW CONSTRUCTION RATE.....$ 82.00 48.18

---

PLUM0038-006 07/01/2022

MARIN & SONOMA COUNTIES

| | Rates | Fringes |
|---|---|---|
| Landscape/Irrigation Fitter (Underground/Utility Fitter) | $ 69.70 | 33.15 |

---

PLUM0228-001 07/01/2024

BUTTE, COLUSA, GLENN, LASSEN, MODOC, PLUMAS, SHASTA, SIERRA, SISKIYOU, SUTTER, TEHAMA, TRINITY & YUBA COUNTIES

| | Rates | Fringes |
|---|---|---|
| PLUMBER | $ 48.00 | 39.79 |

---

PLUM0343-001 07/01/2024

NAPA AND SOLANO COUNTIES

| | Rates | Fringes |
|---|---|---|
| PLUMBER/PIPEFITTER | | |
| Light Commercial | $ 30.85 | 20.40 |
| All Other Work | $ 69.60 | 36.63 |

DEFINITION OF LIGHT COMMERICIAL:
Work shall include strip shopping centers, office buildings, schools and other commercial structures which the total plumbing bid does not exceed Two Hundred and Fifty Thousand ($250,000) and the total heating and cooling does not exceed Two Hundred Fifty Thousand ($250,000); or Any projects bid in phases shall not qualify unless the total project is less than Two Hundred Fifty Thousand ($250,000) for the plumbing bid; and Two Hundred Fifty Thousand ($250,000) for the heating and cooling bid. Excluded are hospitals, jails, institutions and industrial projects, regardless size of the project

FOOTNOTES: While fitting galvanized material: $.75 per hour additional. Work from trusses, temporary staging, unguarded structures 35' from the ground or water: $.75 per hour additional. Work from swinging scaffolds, boatswains chairs or similar devices: $.75 per hour additional.

---

PLUM0350-001 08/01/2023

EL DORADO COUNTY (Lake Tahoe area only); NEVADA COUNTY (Lake Tahoe area only); AND PLACER COUNTY (Lake Tahoe area only)

| | Rates | Fringes |
|---|---|---|
| PLUMBER/PIPEFITTER | $ 52.14 | 18.71 |

---

PLUM0355-001 07/01/2024

ALPINE, AMADOR, BUTTE, COLUSA, EL DORADO, GLENN, LASSEN, MODOC, NAPA, NEVADA, PLACER, PLUMAS, SACRAMENTO, SHASTA, SIERRA, SISKIYOU, SOLANO, SUTTER, TEHAMA, TRINITY, YOLO, AND YUBA COUNTIES

| | Rates | Fringes |
|---|---|---|
| Underground Utility Worker /Landscape Fitter | $ 34.51 | 18.30 |

---

PLUM0442-003 07/01/2024

AMADOR (South of San Joaquin River) and ALPINE COUNTIES

| | Rates | Fringes |
|---|---|---|
| PLUMBER | $ 54.05 | 36.99 |

---

PLUM0447-001 07/01/2024

AMADOR (north of San Joaquin River), EL DORADO (excluding Lake Tahoe area), NEVADA (excluding Lake Tahoe area); PLACER (excluding Lake Tahoe area), SACRAMENTO AND YOLO COUNTIES

| | Rates | Fringes |
|---|---|---|
| PLUMBER/PIPEFITTER | | |
| Journeyman | $ 64.37 | 29.25 |
| Light Commercial Work | $ 53.08 | 23.52 |

---

ROOF0081-006 08/01/2023

MARIN, NAPA, SOLANO AND SONOMA COUNTIES

| | Rates | Fringes |
|---|---|---|
| Roofer | $ 52.47 | 22.31 |

---

ROOF0081-007 08/01/2023

ALPINE, BUTTE, COLUSA, EL DORADO, GLENN,LASSEN, MODOC, NEVADA, PLACER, PLUMAS, SACRAMENTO, SHASTA, SIERRA, SISKIYOU, SUTTER, TEHAMA, TRINITY, YOLO, AND YUBA COUNTIES

| | Rates | Fringes |
|---|---|---|
| Roofer | $ 46.73 | 21.36 |

---

SFCA0483-003 08/01/2024

MARIN, NAPA, SOLANO AND SONOMA COUNTIES

| | Rates | Fringes |
|---|---|---|
| SPRINKLER FITTER (Fire Sprinklers) | $ 79.13 | 38.51 |

---

* SFCA0669-003 01/01/2025

ALPINE, BUTTE, COLUSA, EL DORADO, GLENN, LASSEN, MODOC, NEVADA, PLACER, PLUMAS, SACRAMENTO, SHASTA, SIERRA, SISKIYOU, SUTTER, TEHAMA, TRINITY, YOLO AND YUBA COUNTIES

| | Rates | Fringes |
|---|---|---|
| SPRINKLER FITTER | $ 48.65 | 28.56 |

---

SHEE0104-006 06/29/2020

MARIN, NAPA, SOLANO SONOMA & TRINITY COUNTIES

| | Rates | Fringes |
|---|---|---|
| Sheet Metal Worker | | |
| Mechanical Contracts | | |
| $200,000 or less | $ 55.92 | 45.29 |
| All other work | $ 64.06 | 46.83 |

---

SHEE0104-009 07/01/2021

AMADOR, COLUSA, EL DORADO, NEVADA, PLACER, SACRAMENTO, SUTTER, YOLO AND YUBA COUNTIES

| | Rates | Fringes |
|---|---|---|
| SHEET METAL WORKER | $ 47.85 | 41.90 |

---

SHEE0104-010 07/01/2020

AlPINE COUNTY

| | Rates | Fringes |
|---|---|---|
| SHEET METAL WORKER | $ 43.50 | 37.42 |

---

SHEE0104-011 07/01/2020

BUTTE, COLUSA, EL DORADO, GLENN, LASSEN, MODOC, NEVADA, PLACER, PLUMAS, SACRAMENTO, SHASTA, SIERRA, SISKIYOU, SUTTER, TEHAMA, YOLO AND YUBA COUNTIES

| | Rates | Fringes |
|---|---|---|
| Sheet Metal Worker (Metal decking and siding only) | $ 44.45 | 35.55 |

---

SHEE0104-014 07/01/2020

MARIN, NAPA, SOLANO, SONOMA AND TRINITY COUNTIES

| | Rates | Fringes |
|---|---|---|

SHEET METAL WORKER (Metal
Decking and Siding only).....$ 44.45 35.55

---

SHEE0104-019 07/01/2020

BUTTE, GLENN, LASSEN, MODOC, PLUMAS, SHASTA, SIERRA, SISKIYOU AND TEHAMA COUNTIES

| | Rates | Fringes |
|---|---|---|
| SHEET METAL WORKER | | |
| Mechanical Jobs $200,000 & under | $ 35.16 | 35.88 |
| Mechanical Jobs over $200,000 | $ 46.60 | 40.21 |

---

TEAM0094-001 07/01/2024

| | Rates | Fringes |
|---|---|---|
| Truck drivers: | | |
| GROUP 1 | $ 41.54 | 33.25 |
| GROUP 2 | $ 41.84 | 33.25 |
| GROUP 3 | $ 42.14 | 33.25 |
| GROUP 4 | $ 42.49 | 33.25 |
| GROUP 5 | $ 42.84 | 33.25 |

FOOTNOTES:
Articulated dump truck; Bulk cement spreader (with or without auger); Dumpcrete truck; Skid truck (debris box); Dry pre-batch concrete mix trucks; Dumpster or similar type; Slurry truck: Use dump truck yardage rate.
Heater planer; Asphalt burner; Scarifier burner; Industrial lift truck (mechanical tailgate); Utility and clean-up truck: Use appropriate rate for the power unit or the equipment utilized.

TRUCK DRIVER CLASSIFICATIONS

GROUP 1: Dump trucks, under 6 yds.; Single unit flat rack (2-axle unit); Nipper truck (when flat rack truck is used appropriate flat rack shall apply); Concrete pump truck (when flat rack truck is used appropriate flat rack shall apply); Concrete pump machine; Fork lift and lift jitneys; Fuel and/or grease truck driver or fuel person; Snow buggy; Steam cleaning; Bus or personhaul driver; Escort or pilot car driver; Pickup truck; Teamster oiler/greaser and/or serviceperson; Hook tender (including loading and unloading); Team driver; Tool room attendant (refineries)

GROUP 2: Dump trucks, 6 yds. and under 8 yds.; Transit mixers, through 10 yds.; Water trucks, under 7,000 gals.; Jetting trucks, under 7,000 gals.; Single-unit flat rack (3-axle unit); Highbed heavy duty transport; Scissor truck; Rubber-tired muck car (not self-loaded); Rubber-tired truck jumbo; Winch truck and ""A"" frame drivers; Combination winch truck with hoist; Road oil truck or bootperson; Buggymobile; Ross, Hyster and similar straddle carriers; Small rubber-tired tractor

GROUP 3: Dump trucks, 8 yds. and including 24 yds.; Transit mixers, over 10 yds.; Water trucks, 7,000 gals. and over; Jetting trucks, 7,000 gals. and over; Vacuum trucks under

7500 gals. Trucks towing tilt bed or flat bed pull trailers; Lowbed heavy duty transport; Heavy duty transport tiller person; Self- propelled street sweeper with self-contained refuse bin; Boom truck - hydro-lift or Swedish type extension or retracting crane; P.B. or similar type self-loading truck; Tire repairperson; Combination bootperson and road oiler; Dry distribution truck (A bootperson when employed on such equipment, shall receive the rate specified for the classification of road oil trucks or bootperson); Ammonia nitrate distributor, driver and mixer; Snow Go and/or plow

GROUP 4: Dump trucks, over 25 yds. and under 65 yds.; Water pulls - DW 10's, 20's, 21's and other similar equipment when pulling Aqua/pak or water tank trailers; Helicopter pilots (when transporting men and materials); Lowbedk Heavy Duty Transport up to including 7 axles; DW10's, 20's, 21's and other similar Cat type, Terra Cobra, LeTourneau Pulls, Tournorocker, Euclid and similar type equipment when pulling fuel and/or grease tank trailers or other miscellaneous trailers; Vacuum Trucks 7500 gals and over and truck repairman

GROUP 5: Dump trucks, 65 yds. and over; Holland hauler; Low bed Heavy Duty Transport over 7 axles

---

WELDERS - Receive rate prescribed for craft performing operation to which welding is incidental.

==========

Note: Executive Order (EO) 13706, Establishing Paid Sick Leave for Federal Contractors applies to all contracts subject to the Davis-Bacon Act for which the contract is awarded (and any solicitation was issued) on or after January 1, 2017. If this contract is covered by the EO, the contractor must provide employees with 1 hour of paid sick leave for every 30 hours they work, up to 56 hours of paid sick leave each year. Employees must be permitted to use paid sick leave for their own illness, injury or other health-related needs, including preventive care; to assist a family member (or person who is like family to the employee) who is ill, injured, or has other health-related needs, including preventive care; or for reasons resulting from, or to assist a family member (or person who is like family to the employee) who is a victim of, domestic violence, sexual assault, or stalking. Additional information on contractor requirements and worker protections under the EO is available at https://www.dol.gov/agencies/whd/government-contracts.

Unlisted classifications needed for work not included within the scope of the classifications listed may be added after award only as provided in the labor standards contract clauses (29CFR 5.5 (a) (1) (iii)).

---

The body of each wage determination lists the classifications and wage rates that have been found to be prevailing for the type(s) of construction and geographic area covered by the wage determination. The classifications are listed in alphabetical order under rate identifiers indicating whether the particular

rate is a union rate (current union negotiated rate), a survey rate, a weighted union average rate, a state adopted rate, or a supplemental classification rate.

Union Rate Identifiers

A four-letter identifier beginning with characters other than ""SU"", ""UAVG"", ?SA?, or ?SC? denotes that a union rate was prevailing for that classification in the survey. Example: PLUM0198-005 07/01/2024. PLUM is an identifier of the union whose collectively bargained rate prevailed in the survey for this classification, which in this example would be Plumbers. 0198 indicates the local union number or district council number where applicable, i.e., Plumbers Local 0198. The next number, 005 in the example, is an internal number used in processing the wage determination. The date, 07/01/2024 in the example, is the effective date of the most current negotiated rate.

Union prevailing wage rates are updated to reflect all changes over time that are reported to WHD in the rates in the collective bargaining agreement (CBA) governing the classification.

Union Average Rate Identifiers

The UAVG identifier indicates that no single rate prevailed for those classifications, but that 100% of the data reported for the classifications reflected union rates. EXAMPLE: UAVG-OH-0010 01/01/2024. UAVG indicates that the rate is a weighted union average rate. OH indicates the State of Ohio. The next number, 0010 in the example, is an internal number used in producing the wage determination. The date, 01/01/2024 in the example, indicates the date the wage determination was updated to reflect the most current union average rate.

A UAVG rate will be updated once a year, usually in January, to reflect a weighted average of the current rates in the collective bargaining agreements on which the rate is based.

Survey Rate Identifiers

The ""SU"" identifier indicates that either a single non-union rate prevailed (as defined in 29 CFR 1.2) for this classification in the survey or that the rate was derived by computing a weighted average rate based on all the rates reported in the survey for that classification. As a weighted average rate includes all rates reported in the survey, it may include both union and non-union rates. Example: SUFL2022-007 6/27/2024. SU indicates the rate is a single non-union prevailing rate or a weighted average of survey data for that classification. FL indicates the State of Florida. 2022 is the year of the survey on which these classifications and rates are based. The next number, 007 in the example, is an internal number used in producing the wage determination. The date, 6/27/2024 in the example, indicates the survey completion date for the classifications and rates under that identifier.

?SU? wage rates typically remain in effect until a new survey is conducted. However, the Wage and Hour Division (WHD) has the discretion to update such rates under 29 CFR 1.6(c)(1).

State Adopted Rate Identifiers

The ""SA"" identifier indicates that the classifications and

prevailing wage rates set by a state (or local) government were adopted under 29 C.F.R 1.3(g)-(h). Example: SAME2023-007 01/03/2024. SA reflects that the rates are state adopted. ME refers to the State of Maine. 2023 is the year during which the state completed the survey on which the listed classifications and rates are based. The next number, 007 in the example, is an internal number used in producing the wage determination. The date, 01/03/2024 in the example, reflects the date on which the classifications and rates under the ?SA? identifier took effect under state law in the state from which the rates were adopted.

---

WAGE DETERMINATION APPEALS PROCESS

1) Has there been an initial decision in the matter? This can be:

a) a survey underlying a wage determination
b) an existing published wage determination
c) an initial WHD letter setting forth a position on a wage determination matter
d) an initial conformance (additional classification and rate) determination

On survey related matters, initial contact, including requests for summaries of surveys, should be directed to the WHD Branch of Wage Surveys. Requests can be submitted via email to davisbaconinfo@dol.gov or by mail to:

Branch of Wage Surveys
Wage and Hour Division
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

Regarding any other wage determination matter such as conformance decisions, requests for initial decisions should be directed to the WHD Branch of Construction Wage Determinations. Requests can be submitted via email to BCWD-Office@dol.gov or by mail to:

Branch of Construction Wage Determinations
Wage and Hour Division
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

2) If an initial decision has been issued, then any interested party (those affected by the action) that disagrees with the decision can request review and reconsideration from the Wage and Hour Administrator (See 29 CFR Part 1.8 and 29 CFR Part 7). Requests for review and reconsideration can be submitted via email to dba.reconsideration@dol.gov or by mail to:

Wage and Hour Administrator
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

The request should be accompanied by a full statement of the interested party's position and any information (wage payment data, project description, area practice material, etc.) that the requestor considers relevant to the issue.

3) If the decision of the Administrator is not favorable, an interested party may appeal directly to the Administrative Review Board (formerly the Wage Appeals Board). Write to:

Administrative Review Board
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210.

==========

END OF GENERAL DECISION"

# City of South Lake Tahoe

**Agenda Item Executive Summary**

Joe Irvin, City Manager

**Meeting Date:** April 22, 2025
**Agenda Item #:**13

**Agenda Item:** License Agreement with California Tahoe Conservancy to Use Motel 6 Property for Public Safety Training

**Executive Summary:** The Fire Department and City Attorneyâ€™s office have been working closely with the California Tahoe Conservancy (CTC) to develop a License Agreement to provide access onto the CTC property located at 2375 Lake Tahoe Boulevard (Motel 6), for the purpose of conducting emergency service personnel training operations at, on, or within existing structures and facilities. There has been extensive legal oversight to confirm that liability protections, risk management, and compliance with local regulations have all been addressed. The opportunity to train on search tactics, ventilation, ladder use, hose evolutions and access in a large structure with multiple agencies brings real value to all departments involved. This license agreement is consistent with the Memorandum of Understanding authorized by City Council at its meeting on September 24, 2024.

**Requested Action / Suggested Motions:** Pass a Motion authorizing and directing the Mayor to execute a Non-Destructive Training License Agreement with the California Tahoe Conservancy allowing South Lake Tahoe Fire Rescue, South Lake Tahoe Police Department and neighboring fire and law enforcement agencies to actively train at 2375 Lake Tahoe Boulevard (Motel 6) site prior to demolition of the structures.

**Responsible Staff Member:** Justin Keys, Battalion Chief, and Heather Stroud, City Attorney

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

**Attachments:**

01-Staff Report-Non-Destructive Training License Agreement.docx
02-Non-Destructive Training License Agreement

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

## Meeting Date: April 22, 2025

**Title: California Tahoe Conservancy Non-Destructive Training License Agreement**

**Location: 2375 Lake Tahoe Blvd. Motel 6/ Carrow's**

**Responsible Staff Member:** Justin Keys, Battalion Chief, and Heather Stroud, City Attorney

**Background:** The Fire Department and City Attorney's office has been working closely with the California Tahoe Conservancy (CTC) to develop a License Agreement to provide access onto El Dorado County Assessment Number 031-290-39, located at 2375 Lake Tahoe Boulevard, South Lake Tahoe, California ("License Area") for the purpose of conducting nondestructive emergency service personnel training operations at, on, or within existing structures and facilities. The License Area is shown in **Exhibit A** to the agreement.

**Issue and Discussion:** The CTC acquired the property, which also includes 25 acres of mountain meadow and wetlands, a two-acre single-family homesite, and four acres of former floodplain. The CTC plans to demolish the old Motel 6 and Carrow's restaurant structures and return the area to its natural state.

Batt. Chief Justin Keys contacted the CTC to see if there was opportunity to have the Fire Department train at this location prior to the structures being demolished. The CTC then started the License Agreement process with the City.

The opportunity for the Fire Department to conduct training exercises at this location is invaluable. These structures provide a rare and realistic environment for firefighters to refine essential skills such as search and rescue, ventilation techniques, and incident command operations. Training in actual buildings, rather than simulated settings, enhances their preparedness for real-life emergencies, ultimately improving community safety.

The Fire Department's training will be strictly **non-destructive**, ensuring that the integrity of the structures remains intact before demolition. Exercises will focus on essential tactical drills such as room clearing, hose advancements, ladder operations, and scenario-based training that does not involve live fire, structural compromise, or damage to the property. This approach allows personnel to gain hands on experience while preserving the site's condition in accordance with the agreement.

Recognizing the significance of ensuring proper oversight, the City's legal team has been actively engaged throughout the entirety of the License Agreement process. Their involvement has ensured that all necessary legal considerations—such as liability protections, risk management, and compliance with local regulations—are thoroughly addressed. This collaborative approach

has facilitated a structured agreement that safeguards both the City and the CTC while allowing the Fire Department to maximize the training opportunity before demolition occurs.

**Financial Implications:** There are no financial implications associated with this presentation.

**Environmental Considerations:** This 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)

**Policy Implications:** In line with City Strategic Plan priority #5 - Public Safety Ensure substantial investment in public safety by investing in police, fire and snow removal operations and equipment needs and develop engagement opportunities for residents to participate in meaningful dialogue with first responders to improve community trust. 5.1

**LICENSE NUMBER 2025-0215-ST-313**

**SOUTH LAKE TAHOE FIRE RESCUE EMERGENCY SERVICES PERSONNEL TRAINING LICENSE**

El Dorado County AN: 031-290-39

THIS LICENSE AGREEMENT ("Agreement") is entered into by and between the California Tahoe Conservancy ("Licensor"), an agency of the State of California, and City of South Lake Tahoe ("Licensee"), and is made effective on the date of final signature ("Effective Date").

1. License Scope.

Subject to the provisions hereof, Licensor hereby grants a nonexclusive license to Licensee for:

Access onto El Dorado County Assessment Number 031-290-39, located at 2375 Lake Tahoe Boulevard, South Lake Tahoe, California ("License Area") for the purpose of conducting non-destructive emergency service personnel training operations at, on, or within existing structures and facilities ("Facilities"). The License Area is shown in **Exhibit A.**

Licensee shall have the right to use the License Area for the staging and operation of equipment and fire apparatus; entry into rooms; the discharge of water from fire hydrants or fire apparatus to Facilities; access to roofs, decks, walkways, or other constructed Facilities; and general movement throughout the Facilities in the License Area to simulate emergency scenarios.

Licensee's use of equipment and fire apparatus in the License Area shall be limited to existing constructed impervious surfaces. Licensee's use of the License Area will not involve the use of fire or result in environmental impairment, modification to the Facilities, or damage to the License Area. Licensee's use of water in the License Area must not result in runoff entering storm drains.

Licensee may conduct snow removal operations from existing constructed impervious surfaces in the License Area to establish access.

All use of the License Area by the Licensee must be scheduled with the Licensor. The Licensee will notify the Licensor Contact Person of the specific days it requests access to the License Area. Licensor reserves the right to deny use for any reason.

Licensee must notify Licensor Contact Person in writing no later than ten (10) days prior to any proposed use of the License Area. Licensee shall only proceed upon receipt of written acceptance by Licensor. Licensee notification to Licensor must include all required information presented in **Exhibit B**. Licensor reserves the right to request more information about any specific use and to document conditions in the License Area prior to any proposed use by Licensee.

Licensee shall post written notice of training operations during each period of use in a visible location to notify the public of training operations. Licensee must ensure the notice remains in the posted location through the duration of each training operation.

Public access to the License Area shall be prohibited during the term of this License. The Licensee Area is currently fenced and gated. The Licensee shall only access the Licensee Area through the gate during a time provided by the Licensor after proper notice is given.

Licensee has the right to authorize access by other public entities to jointly participate in training operations with Licensee under Licensee's supervision. Licensee is solely responsible for authorizing such participation and ensuring that any Licensee-authorized participants, partners, or invitees, do not exceed the scope of activities authorized by this License. Licensee assumes all responsibility and liability related to the presence of any Licensee-authorized participants, partners, or invitees. Any other public entity jointly participating in training operations with the Licensee shall be an invitee of the Licensee.

Licensee has reviewed the Hazardous Materials Survey Report prepared by Geocon Consultants, Inc. on December 11, 2024. ("Hazardous Materials Survey"). Licensee agrees not to disturb or expose any hazardous materials in the license area. Licensee agrees not to create a condition where hazardous materials on the site are released into the air or water, either directly or indirectly.

Upon completion of each scheduled use and prior to the termination of this Agreement, Licensee must remove all vehicles, supplies, and equipment and restore the License Area and Facilities to the condition that existed at the time the scheduled use began. Licensor anticipates that conditions of the License Area and Facilities will change during the course of this Agreement. Licensee must return the License Area and Facilities to the condition that existed before each use.

Licensee's right to use the License Area is nonexclusive notwithstanding any possible negative impacts to the Licensee's ability to enter and use the License Area during the term of this Agreement. Licensor shall have the right to enter and use the License Area for any purpose. Licensor anticipates accessing the License Area during the term of this Agreement and having contractors and staff working on site.

2. Term.

The term of this Agreement is from the Effective Date through October 15, 2025 ("Term"). The Licensor anticipates the agreement to end before October 15, 2025, to allow for demolition of the Facilities, in which case the Licensor will cancel the license as provided in Section 11 of this agreement.

3. License Fee.

Licensor waives the fee for this license.

4. Expenses of Licensee.

Licensee shall bear the sole risk and pay all costs and expenses of whatever kind and nature which arise from Licensee's use of the License Area, including, without limitation, expenses to reconstruct, repair, and restore the License Area.

If Licensor incurs any costs or expenses as provided in this Agreement, Licensor will provide Licensee

an invoice for such costs and Licensee shall reimburse Licensor within ten (10) days from the date of said invoice. Licensor shall have a lien on any Licensee-owned property on Licensor's property as security for repayment of said amount.

5. Use of License Area.

Licensee shall neither use nor permit any use of the License Area for any purpose other than that set forth in Section 1 above. This Agreement does not confer upon Licensee any drilling rights, or any water or mineral rights, or the right to extract or remove any timber existing on the License Area. Unless authorized in writing by Licensor, Licensee shall not destroy, cut, or remove any timber, trees, or firewood standing or lying thereon, or permit others to commit any of said acts on the License Area. Licensee shall not allow any act or thing which is or may be a nuisance to occur on the License Area. Licensee shall not knowingly use or permit others to use the License Area for any unlawful purposes.

Licensor makes no representations or warranties concerning the condition of the License Area, including its suitability for Licensee's intended use. This license is subject to all easements, leases, liens, conditions, restrictions, encumbrances, and claims of title which may affect the License Area. Licensee accepts the License Area (including, without limitation, Licensor-owned improvements, if any) in its present condition and without any representation or warranty by Licensor as to the condition of such License Area or improvements, and Licensor shall not be responsible for any defect or change of conditions in the License Area 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.

Licensee shall, at its expense and to the satisfaction of Licensor, keep and maintain the License Area in good order and repair and in a neat and safe condition. If Licensee fails 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 a neat and safe condition, and Licensee shall reimburse Licensor, in accordance with Section 4, for all costs associated with such action. In the event Licensor determines that Licensee's use of the License Area is causing damage to the License Area, Licensee agrees to take corrective measures to eliminate further damage and to promptly repair or pay the full replacement value of such damaged property to the Licensor, at Licensor's discretion.

6. Notices.

Any demands, notices, 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 1901 Lisa Maloff Way, South Lake Tahoe, CA 96150. Communication with Licensor shall be directed to the Licensor Contact Person identified below. 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.

7. Signage and Public Notice.

The License Area shall not be used for displaying signs and notices other than those expressly authorized or required under this Agreement.

8. Permits.

Licensee, at its expense, shall obtain and comply with the 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 Agreement. In the event Licensee has not obtained all permits necessary, this Agreement may be terminated by either party.

9. Indemnification.

A. General.

Licensee agrees to release, hold harmless, indemnify, and defend (with counsel approved by Licensor) Licensor and the State of California 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:

(a) the use of the License Area or adjacent property by Licensee, its agents, employees, invitees, volunteers, or any third party (other than an agent, employee or invitee of Licensor),

(b) Licensee's modifications to the License Area, or any improvements to the License Area made by the Licensee,

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

(d) any exposure to hazardous materials, as described in the Hazardous Materials Report or existing otherwise, by the Licensee, its agents, employees, invitees, volunteers, or any third party (other than an agent, employee or invitee of Licensor) during the use of the License Area by the Licensee.

B. Environmental Impairment.

Licensee, at its expense, shall comply with all applicable laws, regulations, rules and orders with respect to the use of the License Area, 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 License Area due to Licensee's use and occupancy thereof, Licensee shall immediately notify Licensor. 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 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 term of this Agreement, unless such liability, cost or expense is proximately caused solely by the active negligence or Licensor.

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

C. Mechanic's or Materialmen's Liens.

Licensor has the right to post notices of nonresponsibility upon the License Area, and to otherwise notify, actually or constructively, any entity or persons supplying services or materials to the License Area that Licensor is not responsible for the cost thereof. Licensee covenants and agrees to hold Licensor and the License Area 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 ten (10) 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.

10. Insurance.

Throughout the Term of this Agreement, Licensee shall provide and maintain comprehensive general/personal liability insurance, including but not limited to bodily injury, property damage, and automobile liability insurance, in the amount of $1,000,000 per occurrence for liability assumed by Licensee 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 anyway connected with, or incident to this Agreement; 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).

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 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 ten (10) 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.

11. Termination or Expiration.

A. General.

This Agreement may be terminated by Licensor at any time and for any reason upon delivery of written notice of termination to Licensee. Termination, revocation, or expiration of this Agreement shall not release either party from liability resulting from an event which occurred prior to such termination, revocation, or expiration.

B. Surrender of License Area.

Unless Licensor and Licensee enter into a new written agreement providing otherwise, Licensee shall, on or before the date of termination, revocation or expiration of this Agreement, discontinue their use and occupation of the License Area and remove all Licensee's personal property from the License Area. Licensee shall restore the License Area to the same or better condition it was in prior to its use by the Licensee. Property of Licensee not removed from the License Area upon termination, revocation, or expiration of this Agreement shall become the property of the Licensor. Licensee agrees to reimburse Licensor for any costs and expenses incurred by Licensor in disposing of any personal property left by Licensee on the License Area. 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. If Licensee fails to vacate the License Area as specified herein, Licensor shall have the right, to the extent permitted by law, to re-enter the License Area and remove Licensee and any person or entity claiming through Licensee from the License Area. This Agreement does not establish a landlord-tenant relationship between Licensor and Licensee, and Licensee shall have no holdover rights to the License Area due to this Agreement or otherwise. At its discretion, Licensor may subsequently enter into a new agreement with Licensee to extend Licensee's use and occupation of the License Area.

12. Default.

Licensee shall be in default under this Agreement if Licensee fails or refuses to provide any amount owed under this Agreement when due. Licensee shall be in default under this Agreement if Licensee fails or refuses to perform any covenant or condition of this Agreement.

If Licensee fails to cure a default within ten (10) 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 terminate this Agreement forthwith and to retake possession of the License Area.

13. 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.

14. 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.

15. Time is of the essence of this License.

Time is of the essence of this Agreement.

16. Entire Agreement.

The contents of this Agreement are the entire agreement between the parties, 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.

17. Modification.

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

18. Definitions.

The term "Licensor," as used in this Agreement, includes Licensor, its member(s), officer(s), agent(s) or employee(s), and the successors and assigns of any of them. The term "Licensee," as used in this Agreement, includes Licensee, its member(s), officer(s), agent(s), contractor(s), employee(s), and invitee(s).

19. No Third-Party Beneficiaries.

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

20. Disclaimer of Coverage Rights and Other Entitlements.

This Agreement does not assign, convey, or confer upon Licensor any development rights, potential land coverage, commercial floor area, restoration credit or any other interests, entitlements, or rights attributable to Licensor's real property by the Tahoe Regional Planning Agency or other regulatory or permitting agencies with jurisdiction over the property.

21. Survival.

Licensee's obligations under Sections 4, 5, 9, and 11 shall survive the expiration or termination of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in duplicate as of the Effective Date.

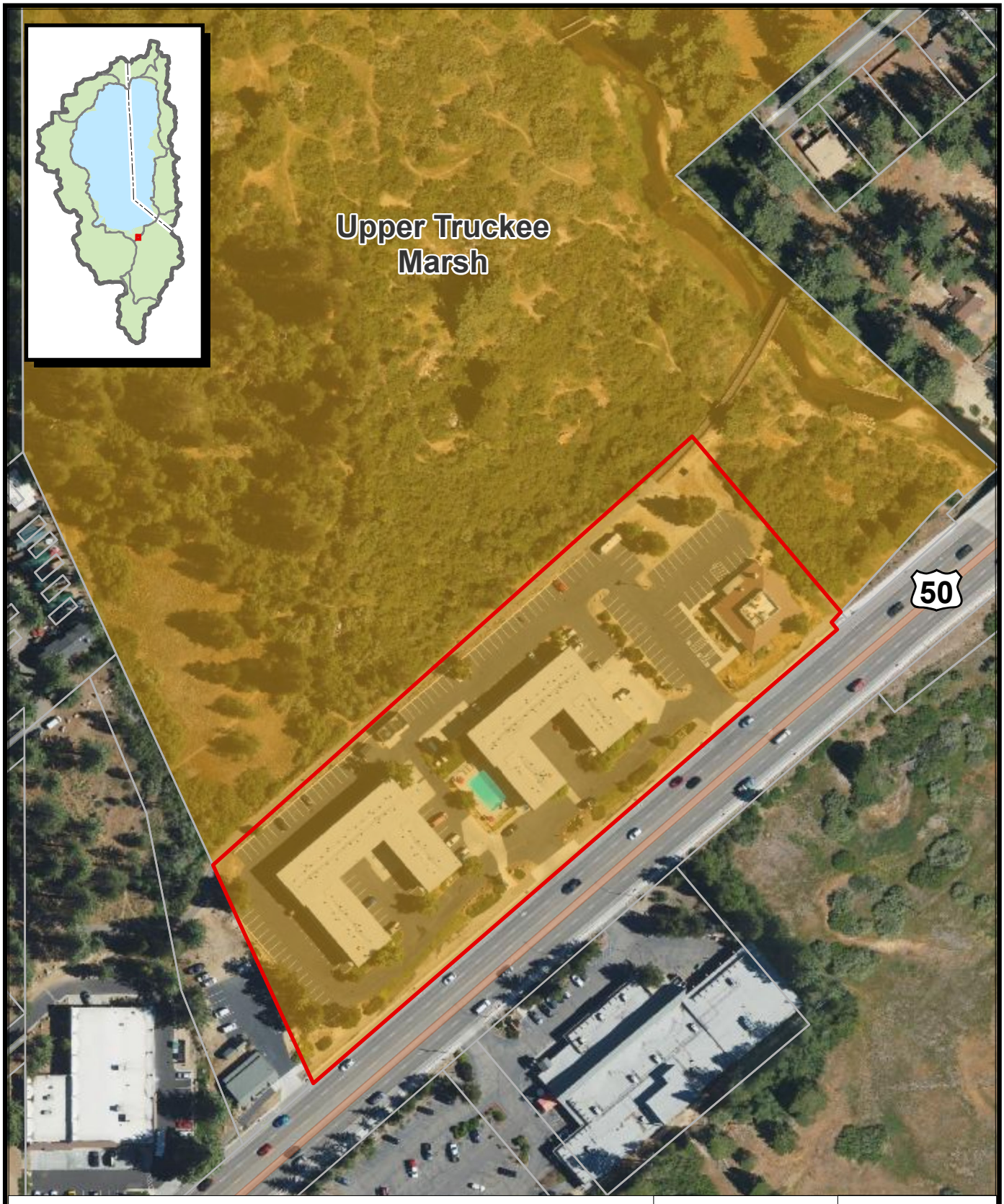
| LICENSOR: | LICENSEE: |
|---|---|
| **CALIFORNIA TAHOE CONSERVANCY** | **CITY OF SOUTH LAKE TAHOE** |
| By: _____ | By: _____ |
| Date: _____ | Date: _____ |
| Michael Steeves<br>General Counsel<br>1061 Third Street<br>South Lake Tahoe, CA 96150<br>(530) 542-5580<br>michael.steeves@tahoe.ca.gov | Tamara Walace<br>Mayor<br>1901 Lisa Maloff Way<br>South Lake Tahoe, CA 96150<br>(530) 542-6163<br>twallace@cityofslt.us |
| **Licensor Contact Person:** | **Licensee Contact Person:** |

Adam Henriques
Associate Environmental Planner
(530) 318-9816
adam.henriques@tahoe.ca.gov

Justin Keys
Battalion Chief
(530) 542-6164
jkeys@cityofslt.us

**EXHIBIT A**

**LICENSE NUMBER 2025-0215-ST-313**



## EXHIBIT B

## Training Operation Notification

1. Date and time of proposed training operation:

2. Description of training operation, including specific location in the License Area and/or Facilities where training operation is planned, equipment and tools proposed for use, and nature of training operation:

3. Name of participating public entities, if any:

4. Contact information of the primary contact person at each participating public entity:

5. Anticipated number of people on the site.

# City of South Lake Tahoe

**Agenda Item Executive Summary**

Joe Irvin, City Manager

**Meeting Date:** April 22, 2025
**Agenda Item #:**14

**Agenda Item:** Declaring Fire Vehicle 6103 Surplus and Authorizing Donation to Lake Tahoe Community College

**Executive Summary:** Lake Tahoe Community College Fire Academy has expressed interest in accepting this vehicle as a donation (letter attached). Donating the vehicle allows the City to avoid the necessary expenses associated with stripping the vehicle of lights, sirens, and related wiring. The Fleet Manager estimates approximately 7-8 hours of labor at a shop rate of $83/hr or roughly a cost of $600--$700. Estimated auction value for the vehicle is roughly $10,000. Per Phil Harwood, 6103 is a 22 year old HME fire truck that has passed its service life with over 10,000 hours of service plus cost of repairs to date has exceeded the original cost of the vehicle. The value of donating unit 6103 to the LTCC Fire Academy exceeds the small amount of money that the City would receive at auction considering it would be used here locally to help build the future workforce.

**Requested Action / Suggested Motions:** Pass a Resolution declaring Fire Vehicle 6103 surplus and authorizing donation to Lake Tahoe Community College Fire Academy.

**Responsible Staff Member:** Justin Keys, Battalion Chief, and Jim Drennan, Fire Chief

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

**Attachments:**

01-Staff Report-Fire Vehicle Surplus and Donation.docx
02-Resolution-Fire Vehicle Surplus and Donation.docx
03-LTCC Donation Letter.docx

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

**Meeting Date:** April 22, 2025

**Title:** Declaring Fire Vehicle 6103 Surplus and Authorization to Donate to Lake Tahoe Community College

**Location:** Citywide

**Responsible Staff Member:** Justin Keys, Battalion Chief

**Background: Fire** Vehicle 6103, 2003 Ferrara Type 1 Fire Engine has reached the end of useful service in City operations determined by Phil Harwood, Fleet Manager and Fire Chief Jim Drennan. In accordance with the written Finance policy Disposition of Surplus included in the Preserving Capital Investments, and Procurement Policy, approved by City Council in August 2024, surplus property shall be identified by the department and officially declared to the City Council. Upon approval, City Council may elect to donate, destroy or auction surplus assets.

**Issue and Discussion:** Lake Tahoe Community College Fire Academy has expressed interest in accepting this vehicle as a donation (letter attached). Donating the vehicle allows the City to avoid the necessary expenses associated with stripping the vehicle of lights, sirens, and related wiring. The Fleet Manager estimates approximately 7-8 hours of labor at a shop rate of $83/hr or roughly a cost of $600--$700. Estimated auction value for the vehicle is roughly $10,000. Per Phil Harwood, 6103 is a 22 year old HME fire truck that has passed its service life with over 10,000 hours of service plus cost of repairs to date has exceeded the original cost of the vehicle.

| Unit# | Description | VIN |
|---|---|---|
| 6103 | Ferrara Fire Engine | 44KFT44882WZ20042 |

**Financial Implications:** The value of donating unit 6103 to the LTCC Fire Academy exceeds the small amount of money that the City would receive at auction considering it would be used here locally to help build the future workforce.

**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:** Plan “5.1 – Public Safety”. By donating unit 6103 to the LTCC Fire Academy the City would be providing a much-needed piece of equipment to help the college build the next generation of firefighters which has a direct and positive effect on public safety here in the Basin.

**Resolution 2025-XXX**

**Adopted by the City of South Lake Tahoe City Council**

**April 22, 2025**

**Declaring Fire Vehicle 6103 Surplus and Authorization to Donate Vehicle to Lake Tahoe Community College**

**BACKGROUND**

A. Fire Vehicle 6103, 2003 Ferrara Type 1 Fire Engine has reached the end of useful service in City operations determine by Phil Harwood, Fleet Manager and Fire Chief Jim Drennan.

B. This vehicle has reached the end of its useful service life, with over 22 years in operation, more than 10,000 engine hours, and 180,000 miles. Due to age, wear, and increasing maintenance costs, it is no longer reliable for frontline service and is recommended for surplus.

C. Lake Tahoe Community College Fire Academy has expressed interest in accepting this vehicle as a donation.

D. Pursuant to Finance policy Disposition of Surplus included in the Preserving Capital Investments, and Procurement Policy, approved by City Council in August 2024, surplus property shall be identified by the department and officially declared to the City Council. Upon approval, City Council may elect to donate, destroy or auction surplus assets.

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

1. Declares this vehicle to be surplus and authorizes that it be donated to Lake Tahoe Community College Fire Academy in accordance with the adopted Disposition of Surplus policy.

Adopted by the City of South Lake Tahoe City Council on April 22, 2025, by the following vote:

Yes:
No:
Absent:
Abstain:

_____ Date: _____
Tamara Wallace, 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.*

LAKE TAHOE COMMUNITY COLLEGE FIRE ACADEMY

April 1, 2025

Justin Keys
Battalion Chief
South Lake Tahoe Fire Department
2101 Lake Tahoe Boulevard
South Lake Tahoe, CA 96150

Dear Chief Keys,

I am writing to express my strong appreciation of the City's intent to donate a fire engine to Lake Tahoe Community College and to highlight the significant benefits this contribution will provide to the students, the academy, and the broader firefighting community.

The direct interaction with fire service equipment ensures students enter the workforce with a higher level of preparedness, benefiting not only the academy's graduates but also the fire departments that will employ them.

The donation of a fire engine demonstrates a commitment to fostering the next generation of firefighters. These contributions strengthen the relationship between educational institutions and fire departments, encouraging collaboration and resource sharing.

On behalf of Lake Tahoe Community College, I commend the generosity and foresight of those involved in making this donation possible. The impact will be felt for years to come, as it directly contributes to the safety and effectiveness of future firefighters who will serve our communities.

Thank you for your dedication to firefighter education and training. Please do not hesitate to reach out if there is anything we can do to support South Lake Tahoe Fire Department and their mission to serve the community.

Sincerely,

Patrick Hughes
Fire Academy Director
Lake Tahoe Community College

# City of South Lake Tahoe

**Agenda Item Executive Summary**

Joe Irvin, City Manager

**Meeting Date:** April 22, 2025
**Agenda Item #:**15

**Agenda Item:** Electric Vehicle Parking Ordinance (Second Reading)

**Executive Summary:** On March 25, 2025 City Council held a first reading of this Ordinance and referred second reading to this meeting for adoption. The proposed ordinance would establish a city code creating a citable offense for a vehicle owner parked in a designated electric vehicle parking space while not charging the vehicle nor incurring a parking fee.

**Requested Action / Suggested Motions:** 1) Pass an Ordinance adding Sections 4.25.435 (Electric Vehicle Charging Stations in Public Parking Areas) and 4.25.605 (Electric Vehicle Charging Stations) to Title 4 of the South Lake Tahoe City Code to Authorize Enforcement of Designated Electric Vehicle Parking at Charging Stations in Public Parking Areas; and, 2) Pass a Resolution designating publicly available Electric Vehicle Parking Locations and establishing a Parking Citation Fee.

**Responsible Staff Member:** Sara Letton, Sustainability Coordinator

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

**Attachments:**

01- Staff Report EV Parking Ord (Second Reading).docx
02-Ordinance EV Parking on Public Spaces.pdf
03 - Resolution-Electric Vehicle Parking Spaces on City Property.pdf

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

## Meeting Date: April 22, 2025

**Title: Electric Vehicle Parking Ordinance (Second Reading)**

**Location:** Citywide

**Responsible Staff Member:** Sara Letton (530) 542-6175

**Background:** California Assembly Bill 1452 provides that by ordinance a local authority may designate parking spaces for the exclusive purpose of charging and parking a vehicle that is connected for electric charging purposes, codified as California Vehicle Code §22511.

The City of South Lake Tahoe owns and operates numerous parking facilities. Facilities targeted for hosting electric vehicle (EV) chargers have been identified in the EV Charger Siting Plan, adopted by council in 2022. The City's Climate Action Plan and greenhouse gas emissions inventories report that the transportation sector accounts for roughly a third of total emissions. Adoption of electric vehicles, and the supporting charging infrastructure, is a quantifiable impact on local emissions, with installation of nonresidential public EV charging infrastructure as the strategy metric in the Climate Action Plan.

**Issue and Discussion:** The City will soon be hosting 32 parking spaces with available electric vehicle charging: 12 spaces have been identified for EV charging at 3069 Harrison Avenue; 14 parking spaces will have chargers at 1 Bellamy Court; and six spaces will have chargers at 1100 Rufus Allen Blvd.

By adopting the Electric Vehicle Parking Ordinance, and by designating the spaces identified in this Resolution, the South Lake Tahoe Police Department will be empowered to cite those who are parked in a designated electric vehicle parking space while not charging the vehicle, nor incurring a Parking Fee (sometime referred to as an 'overstay fee'), at the addresses designated. High turnover is desirable in these spaces in order to provide good customer service.

A citable offense is easy for code enforcement to identify. A car parked in a space while the LEDs are green indicates the car is neither charging nor overstaying its charging session and thus is eligible for a citation. A car that is fully charged and is beyond the grace period while still parked will have solid blue LEDs indicating it is paying a per minute Parking Fee. A car with blinking blue LEDs is actively charging and paying a per kwh Charging Fee.

**Financial Implications:** City of South Lake Tahoe Police Department Code Enforcement will train parking enforcement staff on this new citable offense. The violation will be cited under 4.25.435 and a fee of $75, and amend the Master Fee Schedule to include this.

**Environmental Considerations:** This is not a project subject to review under the California Environmental Quality Act (CEQA) under CEQA guidelines section 15378A(b)(2) (continuing administrative or maintenance activities, such as purchase for supplies).

**Policy Implications:** The proposed ordinance supports the City's *Strategic Priorities*:

- 1.4 Transportation via "electrification of the transportation system is a top priority."
- 1.5 Carbon Neutrality to "pursue opportunities for electrification, including transitioning fleet vehicles to electric and building robust EV charging infrastructure by 2025."

The project advances the City's *Climate Action Plan*:

- EDT-1, Promote and incentivize EVs and EV chargers. The metric tracks the number of nonresidential EV charging stations installed.

The project supports community GHG emissions reductions, contributing to the science-based emissions reductions target established in *Resolution No. 2022-088*.

# Ordinance 2025-XXX

**Adopted by the City of South Lake Tahoe City Council**

**April 22, 2025**

# An Ordinance Adding Sections 4.25.435 (Electric Vehicle Charging Stations in Public Parking Areas) and 4.25.605 (Electric Vehicle Charging Stations) to Title 4 of the South Lake Tahoe City Code to Authorize Enforcement of Designated Electric Vehicle Parking at Charging Stations in Public Parking Areas

## FINDINGS

A. On October 20, 2020, the City Council adopted the Climate Action Plan to create a roadmap for achieving the goals laid out in City Council Resolution No. 2017-26, setting a goal to reduce carbon emissions 50 percent below 2015 levels by 2030 and 80 percent below 2015 levels by 2040. The Climate Action Plan includes Action EV-1 (Promote and incentivize EVs and EV chargers), with a specific action item to provide charging stations throughout the City at public facilities, parks, beaches, campgrounds, and other high-use parking areas.
B. The City is planning to add electric vehicle charging stations in public parking areas.
C. California Vehicle Code section 22511(a)(1) authorizes local authorities to designate, by ordinance or resolution, stalls or spaces in an off-street parking facility owned or operated by the local authority for the exclusive purpose of charging and parking a vehicle that is connected for electric charging purposes.
D. California Vehicle Code section 22511(a)(2) authorizes local authorities to designate, by ordinance or resolution, stalls or spaces on a public street within its jurisdiction for the exclusive purpose of charging and parking a vehicle that is connected for electric charging purposes.
E. California Vehicle Code section 22511 authorizes local authorities to remove and store any vehicle that is found illegally parked in the parking stalls or spaces that have been designated for the exclusive purpose of charging and parking a vehicle that is connected for electric charging purposes, provided that the required signage has been posted.
F. California Vehicle Code section 22511.1(a) states that a vehicle shall not park or occupy a parking space designated under Section 22511 unless the vehicle is connected for electric vehicle charging purposes.
G. California Vehicle Code section 22511.1(b) states that a person shall not obstruct, block, or otherwise inhibit access to parking spaces designated under Section 22511.

**Now, Therefore, the City Council of City of South Lake Tahoe does ordain as follows:**

SECTION 1. Article V (Stopping, Standing, and Parking) of Chapter 4.25 (Motor Vehicles and Traffic) of Title 4 (Police/Code Enforcement) of the South Lake Tahoe City Code is amended to add Section 4.25.435 to read as follows:

4.25.435 Electric vehicle charging stations in public parking areas

A. Definitions

For the purposes of this section, the following words and phrases shall be defined as follows:

“Actively charging” means the time during which the connector from the charger at a charging station is inserted into the inlet and electrical power is being transferred for the purpose of recharging an electric vehicle’s onboard battery, as indicated by the electric vehicle charging station monitor display.

“Charger” means an electrical component assembly or cluster of component assemblies designed specifically to charge batteries or other energy storage devices within electric vehicles.

“Connected” means the connector of an electric vehicle charging station is inserted into the inlet for an electric vehicle.

“Electric vehicle” means either a vehicle fueled entirely by electricity stored in the onboard battery or a plug-in hybrid vehicle fueled by a battery and another fuel source such as gasoline.

“Electric vehicle charging station” means a parking stall or space, which is designated by resolution in accordance with California Vehicle Code section 22511, as may be amended, for the exclusive purpose of charging an electric vehicle, and is located on a public street or a municipally owned or operated off-street parking facility.

B. Restrictions.

1. It shall be unlawful for a person to park or leave standing any vehicle in an electric vehicle charging station unless the vehicle is an electric vehicle that is actively charging or overstaying while paying a Parking Fee.

2. It shall be unlawful for a person to obstruct, block, or otherwise bar access to an electric vehicle charging station, unless otherwise authorized by subsection (B)(1) of this section.

C. Enforcement. Subject to the signage requirements set forth in California Vehicle Code section 22511, as may be amended, a vehicle in violation of subsection (B) may be cited and/or removed by towing.

SECTION 2. Article VII (Parking Garage Facility Regulations) of Chapter 4.25 (Motor Vehicles and Traffic) of Title 4 (Police/Code Enforcement) of the South Lake Tahoe City Code is amended to add Section 4.25.605 to read as follows:

4.25.605 Electric vehicle charging stations. Electric vehicle charging stations within the parking garage facility are subject to section 4.25.435 of this code.

SECTION 3. 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 4. The City Council finds that adoption of the proposed Ordinance is not a project requiring environmental review under the California Environmental Quality Act (CEQA) under CEQA Guidelines

section 15378(b)(2) because the Ordinance is general policy and procedure making related to enforcement of parking regulations.

Adopted by the City of South Lake Tahoe City Council on April 22, 2025 by the following vote:

Yes:
No:
Abstain:
Absent:

_____ Date:_____
Tamara Wallace, Mayor

Attest:

_____
Susan Blankenship, City Clerk

First Reading:
Published:
Second Reading:
Effective:

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

# Resolution 2025-XXX

**Adopted by the City of South Lake Tahoe**
**City Council**

**April 22, 2025**

## City-owned Publicly Available Electric Vehicle Charging Locations and Establishment of $75 Parking Citation Fee under City Code Section 4.25.435

**BACKGROUND**

A. The City Council of the City of South Lake Tahoe (City) regulates parking within City limits and finds that designating parking spaces in public parking lots to allow for the charging of electric vehicles is in alignment with City Strategic Priorities 1.4 and 1.5.

B. The City of South Lake Tahoe has contracted for 10 dual port electric vehicle charging stations that will utilize 20 public parking spaces in City-owned parking facilities; and has agreed to lease to Tesla an additional 12 spaces to provide their superchargers.

C. The City of South Lake Tahoe has identified EV charging parking spaces within the following City-owned parking facilities: 3069 Harrison Avenue (12 spaces), 1 Bellamy Way (14 spaces), and 1100 Rufus Allen Blvd (6 spaces).

D. California Assembly Bill 1452, which provides that by ordinance a local authority may designate parking spaces for the exclusive purpose of charging and parking a vehicle that is connected for electric charging purposes, codified as California Vehicle Code §2251.

E. Public parking spaces with electric vehicle charging stations are intended to be used for the exclusive purpose of charging electric vehicles.

F. The City desires to prohibit the parking of any vehicle in spaces designated for electric vehicle charging unless that vehicle is connected for electric charging purposes.

G. The City desires to incentivize the turnover of electric vehicles so as to maximize the availability of City-provided EV charging stations in pursuit of providing excellent customer service.

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

1. Establishes the following as electric vehicle parking spaces upon installation of signage: 3069 Harrison Avenue (12 spaces), 1 Bellamy Way (14 spaces), and 1100 Rufus Allen Blvd (6 spaces).
2. Establishes a $75 parking violation fine under City Code section 4.25.435 for a citable offence for illegal parking in an electric vehicle charging space.

Adopted by the City of South Lake Tahoe City Council on April 22, 2025 by the following vote:
Yes:
No:
Absent:
Abstain:

_____ Date:_____

Tamara Wallace, 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:** April 22, 2025
**Agenda Item #:**16

**Agenda Item:** 2025 Cannabis Revenues Grant Program Process and Guidelines

**Executive Summary:** The current Cannabis Revenue Policy, Grant Program Process and Guidelines specifies a grant program application window of April 15 to May 15. This update of the Process and Guidelines pushes back that window by two months to allow time for Council to adopt a new Strategic Plan. The grant program application questions will be based in part on asking applicants to help achieve those new strategic priorities via the projects they propose for funding under the Cannabis Revenues Grant Program.

**Requested Action / Suggested Motions:** Pass a Resolution adopting the updated Cannabis Revenues Grant Program Process and Guidelines.

**Responsible Staff Member:** Sara Letton, Sustainability Coordinator

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

**Attachments:**

01 - Staff Report 2025 Update to Cannabis Revenues Guidelines.docx
02 - Resolution Cannabis Revenues Grant Program Guidelines 2025.docx
03 - Cannabis Revenues Grant Program Guidelines 2025 (Exh. A to Reso).pdf

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

## Meeting Date: April 22, 2025

**Title:** 2025 Cannabis Revenues Grant Program Process and Guidelines

**Location:** Citywide

**Responsible Staff Member:** Sara Letton (530) 542-6175

**Background:** On May 18, 2021 the City Council adopted the cannabis community benefit fee revenue allocation policy to create a community-wide benefit grant program. This program was created to provide funding opportunities to local schools, government agencies and non-profit organizations with programs or projects designed to mitigate potential impacts of the cannabis industry in South Lake Tahoe and which promote the priorities of the City Strategic Plan. The 2022 "Cannabis Revenue Grant Program" provided 14 awards to community organizations, totaling $399,650. The 2023 program provided 15 awards and $408,625. The 2024 program provided 14 awards and $411,861. Awardees are set to wrap up their grant projects by summer, with most closing out this spring.

Staff is bringing forward this item to update the cannabis revenue grant program process and guidelines for 2025, in alignment with the "Financial Policies for Granting Funds for Community Benefit and Enhancement Grant Program".

**Issue and Discussion:** The community public benefit fee revenue collection was created for the purpose of the betterment of our community including public safety and financial support for community schools and non-profit organizations and has been successfully deployed for 3 cycles. The project application asks proposers to align their projects to one or more of the City's Strategic Priorities. The current council recently met to create a new Plan, and a new version of that document is being prepared for publication.

To assist the City Council having plenty of time to approve a biannual Strategic Plan, and also to deploy a grant program based on that final plan, the attached 2025 process and guidelines document (Attachment 03) has been updated to push the program back by two months. That is the only change to the document.

**Financial Implications:** All financial implications of the Cannabis Revenues Grant Program remain the same because the program deployment remains in the same fiscal year. Only the timeframe of applying for funding and awarding contracts is pushed back by two months with this council action.

**Environmental Considerations:** This 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 other governmental 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 proposed process and guidelines are consistent with the established cannabis revenue allocation policy adopted on May 18, 2021. The program itself is created in part to help advance the Strategic Goals and Priorities set forth by Council. The Cannabis Revenues Grant program is in alignment with, and falls under the guidance of, the "Financial Policies for Granting Funds for Community Benefit and Enhancement Grant Program".

**Resolution 2025-XXX**

**Adopted by the City of South Lake Tahoe City Council**

**April 22, 2025**

**Adopting the 2025 Cannabis Revenues Grant Program Process and Guidelines (Replaces Resolution 2023-016)**

## BACKGROUND

A. On May 18, 2021 the City Council adopted the cannabis community benefit fee revenue allocation policy to create a community-wide benefit grant program. This program will provide funding opportunities to local schools, government agencies and non-profit organizations with programs or projects designed to mitigate potential impacts of the cannabis industry in South Lake Tahoe and which promote the priorities of the City Strategic Plan.

B. Cannabis businesses pay a business license tax pursuant to Measure G, adopted by voters on November 8, 2022, equivalent to six (6) percent of Gross Receipts and $20/square foot of canopy for cultivation.

C. The proposed 2025 community-wide cannabis revenue grant program application process and guidelines (Exhibit A) to this Resolution have been developed to assist the City in an annual review of proposals for funding opportunities to local schools, government agencies and non-profit organizations with programs or projects designed to mitigate potential negative impacts of the cannabis industry in South Lake Tahoe and which promote the priorities of the City Strategic Plan. The 2025 guidelines update the dates referenced, effectively pushing the program implementation back by two months.

D. The grant program has, to date, successfully managed 14 grant projects in the community in 2022, 15 in 2023, and 14 in 2024. 2024 Projects will close out in spring and summer 2025.

E. Only significant changes to this grant program guidelines and procedures will be brought to council for approval in the future. Dates for grant application period will be determined by staff based on workload and priorities without returning to council for approval.

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

1. Approves the 2025 Cannabis Revenues Grant Program Process and Guidelines attached hereto as Exhibit "A."

Adopted by the City of South Lake Tahoe City Council on April 22, 2025 by the following vote:
Yes:
No:
Absent:
Abstain:

_____ Date:_____
Tamara Wallace, 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.*

# CANNABIS REVENUES POLICY
# GRANT PROGRAM
# 2025 Process & Guidelines

To assist the City Council in the evaluation of the community-wide cannabis revenue grant program, the following process and guidelines have been developed to assist the City in an annual review of proposals for funding opportunities to local public agencies and nonprofit organizations with programs or projects designed to mitigate potential negative impacts of the cannabis industry in South Lake Tahoe and which promote the priorities of the City Strategic Plan. The City's Strategic Plan is available on the City website, City Manager page.

Please note that this is a grant program for project funding. It is not a donation or sponsorship program. Strong applications will directly address one or more Strategic Priorities while also addressing potential negative impacts of the cannabis industry.

## GRANT DETAILS

- Grant amounts will range from $1,000 to $50,000.
- Funds must be expended within one year
- No more than a 10% de minimus indirect cost rate allowed; unless the organization can provide a separate approved federal cognizant agency indirect cost rate.
- The City shall disburse 90% up front, and the final 10% shall be reimbursed upon successful completion of final reporting.
- Detailed documentation of eligible expenses is required.

## WHEN CAN I APPLY?

The City grant program will open on June 15, and the submittal period will remain open until 11:59 p.m. on July 15.

## ELIGIBILITY

- You must have a current City of South Lake Tahoe Business License at the time of application submittal.
- Your entity and proposal must be focused on efforts to mitigate potential impacts of the cannabis industry in South Lake Tahoe and promote the priorities of the City Strategic Plan.
- Your entity must be located within the city limits or serve the community of South Lake Tahoe, CA.
- One application per entity
    - If you are a past year recipient you must be in compliance with the annual reporting requirement, which includes the submittal of a written report detailing how your previousaward was expensed to the City no later than May 31 following a previous year's grant award.
- Must meet all requirements outlined in the city's "Financial Policy for Granting Funds for Community Benefit and Enhancement"

**APPLICATION REVIEW**

- Please be sure your application is complete when you send it in. The City reserves the right to not consider incomplete applications.
- Applications will be reviewed by the grant committee, consisting of the Mayor, one City Council Finance Committee member, the City Manager and the City's Finance Director.
- The grant committee will make recommendations to the City Council no later than August 30 annually for consideration and approval.
- To provide transparency, the City of South Lake Tahoe will post a list on the City's website showing all grant recipients and the amount received. By signing and submitting a grant program application with the City of South Lake Tahoe, you agree to have your entity's name along with the grant amount listed on the website. Please note that anything submitted to the City is considered public record and can be made available via a public records request.

**SUBMITTING YOUR APPLICATION**

You will be required to submit the following required documentation along with your signedapplication form:

1. A photo or copy of your current City of South Lake Tahoe Business License
2. A current IRS Form W-9 showing your Taxpayer ID
3. For nonprofits, attach your IRS letter with proof of tax-exempt status and a screenshot of Secretary of State Business Search website showing ACTIVE status of your nonprofit
4. For governmental agencies, attach federal TIN documentation
5. Federal tax return 990/990-PF or previous year audited financial statement OR a previous year audited financial statement

**Please submit the application form and the supporting documentation via email to** Grantprogram@cityofslt.us
**Or send to:**
City of South Lake Tahoe City Hall
Attn: Grant Program
1901 Lisa Maloff Way, Suite 210
South Lake Tahoe, CA 96150
**Or bring to the Finance drop box at the above address.**

**To be considered for the grant, your materials must be in by 11:59 p.m. on July 15.**

**Contact the City of South Lake Tahoe at** Grantprogram@cityofslt.us **with questions.**

# City of South Lake Tahoe

**Agenda Item Executive Summary**

Joe Irvin, City Manager

**Meeting Date:** April 22, 2025
**Agenda Item #:**17

**Agenda Item:** 2024 Annual Comprehensive Financial Report (ACFR)

**Executive Summary:** The Annual Comprehensive Financial Report is published by the Finance Department and includes the Independent Auditor's Report on the Basic Financial Statements of the City of South Lake Tahoe. The Annual Report is designed to professionally and effectively communicate the City's financial position and is prepared in compliance with the financial reporting standards of the Government Finance Officers Association.

**Requested Action / Suggested Motions:** Receive and File.

**Responsible Staff Member:** Olga Tikhomirova, Director of Finance

**Reviewed and Approved By:** Susan Blankenship, City Clerk Heather Stroud, City Attorney

**Attachments:**

01-Staff Report - 2024 ACFR.docx
02-2024 City of South Lake Tahoe ACFR ecopy.pdf
03-City of South Lake Tahoe 2024 Final GANN Limit AUP Report.pdf
04-City of South Lake Tahoe 2024 Final Single Audit Report.pdf

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

## Meeting Date: April 22, 2025

**Title: 2024 Annual Comprehensive Financial Report (Annual Report), including the Independent Auditor's Report on the Basic Financial Statements of the City of South Lake Tahoe; Agreed Upon Procedures Report on Compliance with the Article XIII-B Appropriation Limit Calculations; and Federal Awards Report in Accordance with the Uniform Guidance.**

**Location:** Citywide

**Responsible Staff Member:** Olga Tikhomirova, Director of Finance (530) 542-7431

**Background:** Annually, the City's financial records are audited by an independent Certified Public Accounting firm. The Finance Department publishes the Annual Comprehensive Financial Report (ACFR), also known as the Annual Report, which includes the Independent Auditor's Report on the Basic Financial Statements of the City of South Lake Tahoe. This year's report covers the fiscal year ended September 30, 2024, and accurately reflects the fiscal position of the City and its component units for that period.

The Annual Report is designed to effectively and professionally communicate the City's financial position. It is prepared in compliance with the financial reporting standards of the Government Finance Officers Association of the United States and Canada (GFOA) and includes three major sections:

- **Introductory Section:** This section includes the transmittal letter, which summarizes the auditor's opinion, provides a City profile, discusses economic conditions, outlines strategic priorities, and details financial management.
- **Financial Section:** This section presents the City's independently audited financial statements, along with *Management's Discussion and Analysis* of the City's financial position and results of operations for fiscal year 2024.
- **Statistical Section:** This section offers financial trends, revenue and debt capacity, as well as demographic, economic and operating information.

The Annual Report and financial statements must be submitted within 180 days of the close of the fiscal year. These documents are required to be distributed annually to the State Controller, the City's bond trustees, banks, rating agencies, and other relevant external entities.

The City's Annual Report is also submitted annually for review by the Government Finance Officers Association (GFOA) award program, which evaluates readability, organization, and comprehensive reporting. For 17 consecutive years, the City of South Lake Tahoe has received awards for excellence in financial reporting.

**Issue and Discussion:** Eide Bailly LLP has completed the independent audit using Generally Accepted Accounting Principles (GAAP) and Generally Accepted Auditing Standards (GAAS) and has issued the attached financial statements and reports for the year ended September 30,

2024. The auditors have issued an **unmodified opinion,** stating that the financial statements present fairly, in all material respects, the financial position of the City as of that date. An unmodified opinion is the highest level of assurance an independent auditor can provide, and it is the opinion we expect to receive.

**Financial Implications:** The City's financial statements report an unassigned general fund balance of $31,159,577 as of September 30, 2024. After reducing this amount by 25% of the 2024-25 operating budget expenses (committed reserve $14,769,729) and by the balances of funds included with the general fund for reporting purposes (building permit fees $2,160,930 and Measure S Sales Tax general fund $1,258,040), the remaining unassigned fund balance is $12,970,878.

Of this remaining balance, $3,404,374 is committed for various purposes, including:

- $2,000,000 is set-aside for projected future years' budget deficit,
- $1,000,000 is set-aside for an affordable housing project (as approved by the City Council based on the participatory budgeting community survey in the FY 2025 budget),
- $304,374 is set-aside for approved grant matching requirements,
- $100,000 is set-aside for ARPA funded project.

Additionally, $7,538,616 in budget appropriations, approved by the City Council in the first six months of the year, includes:

- $2,097,426 for the energy project with Willdan,
- $1,254,374 for carryforward encumbrances,
- $2,719,224 net for mid-year budget adjustments,
- Other allocations as described in the mid-year budget presentation.

This leaves $2,027,888 available for one-time projects and expenses, including future grant matching requirements.

**Policy Implications:** Compliance with City Financial Policies – Financial Reporting.

**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).



CITY OF
SOUTH LAKE TAHOE
California

# ANNUAL COMPREHENSIVE FINANCIAL REPORT

## FISCAL YEAR ENDED SEPTEMBER 30, 2024

(Back of the cover page. Intentionally left blank.)

CITY OF SOUTH LAKE TAHOE
CALIFORNIA

# Annual Comprehensive Financial Report

For the fiscal year ended September 30, 2024

Prepared by
**FINANCE DEPARTMENT**



- Printing by Redwood Printing, South Lake Tahoe, California
- Printed on 50% post-consumer paper

**(To view a particular section or document, simply click on the text below)**

**INTRODUCTORY SECTION**

Letter of Transmittal ..... 1
GFOA Certificate of Achievement for Excellence in Financial Reporting ..... 11
Organizational Chart ..... 12
Principal Officials ..... 13

**FINANCIAL SECTION**

Independent Auditor's Report ..... 15

Management's Discussion and Analysis ..... 19

Basic Financial Statements

Government Wide Financial Statements

Statement of Net Position ..... 33
Statement of Activities ..... 35

Government Fund Financial Statements

Balance Sheet – Governmental Funds ..... 39
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position ..... 40
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds ..... 41
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities ..... 42
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund ..... 43
Statement of Revenues, Expenses, and Changes in Fund Balance – Budget and Actual – City Housing & Economic Development Fund ..... 44
Statement of Revenues, Expenses, and Changes in Fund Balance – Budget and Actual – Measure P Recreation Fund ..... 45

Proprietary Fund Financial Statements

Statement of Net Position – Proprietary Funds ..... 48
Statement of Revenues, Expenses and Changes in Net Position – Proprietary Funds ..... 49
Statement of Cash Flows – Proprietary Funds ..... 50

Fiduciary Funds Financial Statements

Statement of Fiduciary Net Position ..... 52
Statement of Changes in Fiduciary Net Position ..... 53

Notes to Financial Statements ..... 55

Required Supplementary Information

Schedule of Changes in Net Pension Liability and Related Ratios During the Measurement Period – Miscellaneous Plan ..... 104

Schedule of Contributions – Miscellaneous Plan ..... 105
Schedule of the City's Proportionate Share of the Net Pension Liability – Safety Cost Sharing Plan ..... 106
Schedule of Contributions – Safety Cost Sharing Plan ..... 107

Supplementary Information

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – City Capital Projects Fund ..... 110
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – City Debt Service Fund ..... 111
Non-Major Governmental Funds Combining Balance Sheet ..... 116
Non-Major Governmental Funds Combining Statement of Revenues, Expenditures and Changes in Fund Balances ..... 124
Budgeted Non-Major Funds Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual ..... 132
Non-Major Enterprise Funds Combining Statement of Net Position ..... 154
Non-Major Enterprise Funds Combining Statement of Revenues, Expenses and Changes in Fund Net Position ..... 155
Non-Major Enterprise Funds Combining Statement of Cash Flows ..... 156
Internal Service Funds Combining Statement of Net Position ..... 158
Internal Service Funds Combining Statement of Revenues, Expenses and Changes in Fund Net Position ..... 159
Internal Service Funds Combining Statement of Cash Flows ..... 160
Custodial Funds Combining Statement of Fiduciary Net Position ..... 162
Custodial Funds Combining Statement of Changes in Fiduciary Net Position ..... 164

**STATISTICAL SECTION**

Net Position by Component ..... 169
Changes in Net Position ..... 170
Fund Balances of Governmental Funds ..... 172
Changes in Fund Balances of Governmental Funds ..... 173
Assessed and Estimated Actual Value of Taxable Property ..... 174
Property Tax Rates, All Overlapping Governments ..... 175
Principal Secured Property Tax Payers ..... 176
Principal Transient Occupancy Tax (TOT) Payers ..... 177
Property Tax Levies and Collections ..... 178
Ratio of Outstanding Debt by Type ..... 179
Computation of Direct and Overlapping Debt ..... 180
Computation of Legal Bonded Debt Margin ..... 181
Bonded Debt Pledged-Revenue Coverage ..... 182
Demographic and Economic Statistics ..... 183
Principal Employers ..... 184
Full-Time Equivalent City Government Employees by Function ..... 185
Operating Indicators by Function/Program ..... 186
Capital Asset Statistics by Function/Program ..... 187

CITY OF
SOUTH LAKE TAHOE

**March 28, 2025**

## To the Honorable Mayor and Members of the City Council, and Citizens of the City of South Lake Tahoe, California

We are pleased to submit to you the City of South Lake Tahoe Annual Comprehensive Financial Report (Annual Report) for the fiscal year ended September 30, 2024. This transmittal letter highlights the purpose and content of the Annual Report. I invite you to review this comprehensive financial report and hope you enjoy reading it.

## Report Purpose

The purpose of this report is to comprehensively communicate the fiscal condition of the City of South Lake Tahoe. The report contains three major sections that present introductory, financial and statistical information about the City. Management assumes full responsibility for the completeness and reliability of the information provided in this report, including the accuracy of the data and fairness of presentation, including all footnotes and disclosures.

## Audited Financial Statements

Each year the City's financial records are audited by an independent Certified Public Accounting firm. The firm of Eide Bailly LLP has completed the independent audit using Generally Accepted Accounting Principles and Generally Accepted Auditing Standards. The Independent Auditor's Report, including the audited financial statements, as of September 30, 2024, are included in the Financial Section of this report.

The Auditors have issued a ***clean opinion***, stating that the basic financial statements present fairly, in all material respects, the financial position of the City of South Lake Tahoe as of September 30, 2024. An unmodified opinion is the highest level of assurance an independent auditor can give, and this is what we would expect to receive. The opinion pertains to the financial position of the governmental activities, business-type activities, each major fund, the aggregate remaining funds, the respective changes in the financial position and cash flows, where applicable, the related notes, and the respective budgetary comparisons listed as part of the basic financial statements for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

## Financial Information

The City's overall financial position improved in 2024. Net position city-wide totaled $195.3 million at year end, an increase of $16.1 million over the prior year. Revenues before transfers totaled $104.9 million city-wide, a decrease of $2.0 million over the prior year, and expenses totaled $88.8 million,

an increase of $10.9 million over the prior year. The decrease in revenue is primarily attributable to decreases in operating grants and contributions and charges for services partially offset by increases in other revenue. The increase in expenditures is primarily due to increases in public safety and interest on long-term debt.

A more detailed discussion of city-wide financial information and operating results for the governmental activities, business-type activities and by major fund, including the General Fund, is provided in the **Management's Discussion and Analysis** portion of the *Financial Section* of this report. Historical financial information is presented in the *Statistical Section* of this report. The Statistical Section does not contain information on general obligation debt as the City has not issued any general obligation debt within the last ten years.

## City Profile

The City of South Lake Tahoe is a general law city and was incorporated on November 30, 1965, governed by a Council/Manager form of government made up of five council members elected to four-year, overlapping terms. The City provides a wide range of services, including: police and fire protection, snow removal, street maintenance, airport management, parks and recreation, planning, building and safety, public improvements, and general administration. Recreational facilities include the South Tahoe Ice Arena, Recreation and Swimming Pool Complex, Campground by the Lake, Regan Beach, El Dorado Beach, Bijou Golf Course, the Senior Citizens Center, and Lakeview Commons.

The City encompasses an area of approximately nine square miles with an average elevation of 6,200 feet above sea level. A year-round resort community, South Lake Tahoe had a permanent population of 20,790 in 2024. The City is located within the Lake Tahoe Basin, neighboring the State of Nevada, approximately 80 miles east of Sacramento, California, and 50 miles southwest of Reno, Nevada.

Most of the moisture received in the Tahoe Basin comes in the form of snow that generally falls from November through April and averages 125 inches of accumulated snowfall annually at lake level. One of the largest and most popular ski areas in the western United States, Heavenly Mountain resort, is located adjacent to the City. Temperatures are generally moderate with winter averages ranging from 40 degrees to lows in the 20's. Summer time highs average in the upper 70's with lows in the 50's.

The City works closely with various other local and regional governmental agencies, including El Dorado County, California, Douglas County, Nevada, the California Tahoe Conservancy, the Lahontan Regional Water Quality Control Board, the California Department of Forestry, the California Department of Transportation and the Tahoe Regional Planning Agency.

## Economic Condition and Outlook

The information presented in the financial statements is best understood when it is considered from the broader perspective of the specific environment in which the City operates.

### Local economy

Throughout the year, the City's economy remained reasonably strong despite ongoing economic pressures from inflationary impacts, such as higher interest rates and prices. Many businesses in the City are stable or growing. However, there is still a significant need for workforce housing and improved transportation infrastructure, both within the City and the surrounding areas. These challenges require a coordinated regional approach to support economic resilience.

The tourism sector remains the backbone of the City's economy. However, its seasonal characteristics and volatility – stemming from sensitivity to economic conditions and external factors like natural disasters or public health crises - underscore the importance of balancing tourism with leveraging the region's reputation for health and wellness to attract new investment.

The labor market has remained relatively strong, both locally and nationally. However, unemployment rates showed a slight increase in the fiscal year ending September 2024, compared to the previous year. The unemployment rate in South Lake Tahoe was reported at 4.1%, a 0.7% increase, while the national unemployment rate rose to 3.9% from 3.6%. Meanwhile, California's unemployment rate remains higher than the national average, standing at 5.3%. These trends indicate ongoing challenges in the labor market, necessitating targeted efforts to support job creation and workforce development.

In 2024, the City's largest revenue sources were transient occupancy taxes, sales taxes (including Measures Q and S), charges for services, and property taxes, which made up 21%, 19%, 19%, and 11% of total *city-wide* revenues, respectively. Property taxes grew by 6.2%, continuing an upward trajectory. However, transient occupancy taxes, sales taxes, and charges for services declined slightly, by 0.2%, 0.8% and 2.7% respectively. Charges for services program revenue category includes fees for parks and recreation programs, as well as user fees for non-general government services such as engineering, building, planning and permitting. Of this revenue, 84% was allocated to governmental activities, with the remaining 16% attributed to business-type activities, primarily in the parking garage and airport.

The decline in charges for services was primarily due to last year's increased revenue from building, planning, and permit fees, driven by additional construction activity. This includes the completion of Phase 1A (68 units) and the commencement of Phase 2A (60 units) of the Sugar Pine Village project. Phase 1 opened to the public in October 2024, with Phase 2 scheduled to open in Fall 2025. Upon full completion, this ambitious project, comprising a total of 248 units, will provide high-quality, sustainable, and affordable workforce housing to residents earning 30-60 percent of the Area Median Income (AMI), supporting the City Council's 'Housing' goal.

Sales tax, including Measures Q and S, totaled $19.0 million. Sales and transactions tax combined is the City's largest revenue source making up 28% of the total *General Fund* revenue in 2024. Despite a slight decrease from 2023 due to rising inflation and higher interest rates that led to a decrease in overall spending, the sales tax ended the year at $344K above the adopted budget of $18.7 million, with transactions tax contributing significantly to this positive outcome.

Property tax, the second largest revenue source for the City's *General Fund* in 2024, grew by 7.0% from the prior fiscal year, amounting to $11.4 million and contributing $0.7 million to the General Fund's $2.8 million revenue growth in 2024. The total assessed valuation of real property in the city for fiscal year 2023-24 grew by 8.0%, with an additional increase of 4.6% for 2024-25. Since March 2020, an influx of new homeowners, driven by low interest rates and the pandemic, has influenced property values. In 2024, the median selling price in South Lake Tahoe continued rising, reaching $745K in September, reflecting a 4.2% year-over-year increase.

City transient occupancy tax (TOT) was the third largest revenue source for the General Fund, comprising approximately 16% of the fund's total revenue in 2024. This TOT revenue, including audits but excluding amounts collected within the former Redevelopment area, totaled $10.6 million, a 2.5% decrease from the prior year. However, TOT revenue from the former Redevelopment area increased by 3.4%, or $0.2 million, over 2023, amounting to $7.5 million in 2024.

## Outlook

Property values continue their upward trend, partially attributed to several large-scale development projects currently underway. Despite challenges like high mortgage interest rates and dwindling housing inventory, the Lake Tahoe region remains a sought-after destination for remote workers and potential homebuyers. The outlook for future property tax revenue growth remains stable. As one of the General Fund's largest revenue sources, a healthy property tax base is essential for continued sustainability.

South Lake Tahoe's economy remains highly dependent on its number one industry – tourism - and the related TOT and sales tax revenues generated by visitors to the community. However, both of these revenue sources declined in Fiscal Year 2024. Hotel stays slowed, and shoppers became more cautious with their spending, focusing on value and cutting back on non-essential purchases. The outlook for room rates and occupancy in the coming year is positive. At the same time, uncertainties in the economy, including higher business operating costs, are putting upward pressure on prices. This, in turn, is resulting in fewer sales transactions and reducing expectations for sales tax revenue in Fiscal Year 2024-25.

Passage of the American Rescue Plan Act (ARPA) in March 2021 provided the City with approximately $5.3 million in funding to offset the impacts of the pandemic. Through September 30, 2024, a total of $4,467,003 was expended on eligible projects, including the following:

- Long Term Rental Incentive Pilot Program, $457,498
- Services Center Deferred Maintenance/Repair, $54,397
- Bijou Park Recreation Improvements to Skatepark, $77,275
- Bike Trail Connections/Infrastructure, $11,999
- Broadband Infrastructure Study and Deployment, $103,025
- Solar Trash Compacting, $49,460
- Bike Trail Network Improvements, $7,500
- Small Business Sustainability Loan Forgiveness, $377,361
- Climate Action Plan REACH Code Analysis, $50,000
- Infrastructure Improvements-Fire Hydrant Installations, $300,000
- Dennis Machida Memorial Bike Trail Engineering and Design, $89,396
- Recreation Center Construction, $2,711,457
- Bijou Park Creek Restoration, $177,635

All ARPA funds must be allocated by the end of 2024, and projects must be closed out and funds fully expended by the end of 2026. As of December 31, 2024, the City has appropriated the entire $5.3 million.

The City of South Lake Tahoe remains committed to its key priorities, including expanding access to housing and services, economic development, infrastructure improvements, hazardous fuel reduction, wildfire preparedness, commitment to the new recreation center construction, and public safety. The FY 2025 Municipal Budget aligns with the 2023-2028 Strategic Plan, ensuring effective resource allocation to meet these objectives. The new Recreation and Aquatics Center, currently under construction, and is set to be completed in January 2026. Once completed, it will serve as a vibrant hub for South Lake Tahoe community, offering a wide range of activities and resources for all ages.

While residents have rated the overall quality of life in South Lake Tahoe positively, the City remains committed to advancing its priorities and adapting to the needs of the community to further enhance the daily lives of all its citizens.

Controlling expenditures and streamlining government continue to be critical components to maintaining a sound fiscal condition. While the City's financial health is currently robust, it is essential to maintain a fiscally responsible approach due to ongoing external challenges. A healthy General Fund reserve is crucial to ensure adequate cash flow, address challenges arising from natural or financial emergencies, generate additional investment earnings, and enable the City to respond quickly to unexpected opportunities that will ultimately enhance the quality of life for residents and visitors.

### *Credit Rating*

In August 2017, Standard & Poor's Ratings Services raised its long-term rating to 'BBB' from 'BBB-' on South Tahoe Joint Powers Financing Authority 2014 and 2015 tax allocation refunding bonds (TARBs) issued for the Successor Agency (SA) to the South Tahoe Redevelopment Agency (RDA) to refund SA's outstanding 1999A, 2003A, 2004A and 2005A tax allocation bonds. At the same time, Standard & Poor's assigned its 'BBB' long-term rating to the 2017 Series A TARBs. The outlook on all ratings is stable.

In February 2018, Standard & Poor's Global Ratings (formerly Standard & Poor's Ratings Services) raised its rating from 'AA-' to 'AA' on the South Tahoe Joint Powers Financing Authority 2014 pension obligation bonds (POBs) issued on behalf of the City. Subsequently, in September 2018, Standard & Poor's Global Ratings upgraded its Local Currency Long-Term Rating on the 2014 bonds from 'AA' to 'AA+'. At the same time, S&P Global Ratings raised its Local Currency Long-Term Rating on the authority's 2012 certificates of participation (COP) and in addition its Underlying Rating on 2016 Series A lease revenue refunding bonds from 'AA-' to 'AA' while affirming the stable outlook for all three issuances.

In July 2023, Standard & Poor's Global Ratings assigned its 'AA' long-term rating to the South Tahoe Joint Powers Financing Authority's anticipated $52.0 million series 2023A lease revenue bonds, issued on behalf of the City of South Lake Tahoe. At the same time, S&P Global Ratings affirmed its 'AA' and 'AA+' long-term and underlying rating on the city's outstanding appropriation debt and pension obligation bonds (POBs), respectively. The outlook on all ratings is stable. Subsequently, the series 2023A lease revenue bonds were issued on August 16, 2023 in the principal amount of $51,300,000.

In July 2023, Standard & Poor's Global Ratings also raised its long-term rating and underlying rating (SPUR) on the South Tahoe Joint Powers Financing Authority, Calif.'s outstanding 2014, 2015, and 2017 revenue refunding bonds issued for the Successor Agency (SA) to the South Tahoe Redevelopment Agency to 'BBB+' from 'BBB'. The outlook is stable. This rating action relates to the correction of an error in the application of S&P criteria. The outstanding bonds should have been analyzed under the "priority-lien tax revenue debt criteria" since it supplanted the special tax bonds criteria on Oct. 22, 2018. Lastly, the rating action also reflects assessment of key credit factors such as coverage, volatility, and economic fundamentals measured under priority-lien criteria.

## Strategic Priorities and Goals

On March 2, 2021, City Council adopted the 2021-2026 Strategic Plan that included the following five Strategic Priorities: Built Environment, Recreation and Equitable Access, Community for All, Economic Development, and Continuous Improvement.

Long term strategic planning is not stagnant. It is important to evaluate plans on a regular basis and adapt as conditions change. The City Council evaluates its strategic priorities on an annual basis to determine how things are fitting together, relevance, whether or not progress is being made, current environment and opportunities for adjustment to keep moving in the right direction.

On March 29, 2022, the City Council held a Strategic Planning Advance with a focus on Economic Development core values, recruitment, and retention strategies. The City Council received updates from staff on current issues and trends facing the City and participated in a facilitated discussion on matters related to economic development and quality of life. The next review of the high priority goals of the City Council was held on January 31, 2023 during a Strategic Planning Retreat to discuss and validate the Strategic Plan Priorities, Goals and Action Items to be included in the 2023-2028 Strategic Plan.

The 2023-2028 Strategic Plan was designed in its second version form following the 2021-2026 Strategic Plan structure, format, and performance-reporting structure. Feedback from City staff included a change to Priority 5 from "Continuous Improvement" to "Core Services and High Performing Government." The change emphasizes and memorializes the importance of the City prioritizing core services on which the City was founded.

The 2023-2028 Strategic Plan Priorities are:

1) Built Environment
2) Recreation and Equitable Access
3) Community for All
4) Economic Development
5) Core Services and High Performing Government

In August 2024, the City announced the new Strategic Plan Tracker website where City Council, staff, and members of the public can find updates to strategic priorities and action items in real time. The Strategic Plan Tracker can be found on the City's website at https://strategic-plan-tracker-cslt.hub.arcgis.com/ The 2023-2028 Strategic plan can be found on the City's website at www.cityofslt.us/100/City-Manager . The next Strategic Plan update discussion is scheduled for March 2025.

## Financial Management

The City's comprehensive system of internal controls is designed to protect its assets and to sustain the integrity of its financial systems. Financial matters are conducted in compliance with the City Council's adopted Comprehensive Financial Policies, summarized below. Managers at all levels are responsible for implementing City financial policies and controls, and for regularly monitoring their effectiveness. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met while recognizing that the cost of a control should not exceed the benefits likely to be derived.

### *Budget*

The City Council legally adopts an annual budget. The City's Budget Policy requires that the City maintain a structurally balanced budget with current revenues sufficient to support current expenditures. The City complies with the annual appropriations limit in accordance with Article XIIIB of the Constitution of the State of California and Government Code section 7900. Operating program appropriations not spent during the fiscal year do not automatically carry over into the next fiscal year but lapse at year-end. One-time revenues are appropriated for one-time expenditures only.

To determine the effect of current year decisions on the City's future, a five-year General Fund financial forecast projecting revenues and expenditures is developed each year.

The City Council receives a quarterly budget and financial status report that includes an analysis of budgeted versus actual revenues and expenditures on a year-to-date basis. A mid-year budget analysis is presented to the Council for review. Budget amendments necessary for continued

operations through the end of the fiscal year may be presented to the City Council at mid-year but are not intended to provide additional avenues for departments to request funding for items not originally approved in the annual budget.

The City Council may make supplemental and emergency appropriations during the fiscal year; however, prior certification that revenues in excess of those currently budgeted are available is required. Appropriations may be reduced at any time during the fiscal year, if necessary. Only the City Council, by resolution, may transfer monies between funds and from un-appropriated balances or fund balances to any fund account.

### *Reserves*

The Reserve Policy requires the City to maintain an Unassigned General Fund reserve of 25% of General Fund operating expenses. The reserve represents *one-time revenues* available to provide temporary financing for extraordinary cash needs such as costs related to a natural disaster, an economic recession, or an unexpected liability. Funds may be appropriated from this operating reserve upon demonstration to the City Council that the remaining balance is sufficient to offset potential downturns in revenue sources and to provide adequate cash for daily financial needs. Funds must be allocated each year in the budget process to replace any use of the reserve during the preceding fiscal year. To the extent that funds accumulate in excess of the required reserve, these one-time funds may be transferred to the Capital Projects Fund upon completion of the annual audit.

### *Capital Improvement Plan*

The City Council adopts an annual Capital Improvement Plan (CIP). The CIP may include current year project budgets as well as planned future year projects where funding has not yet been secured or legally authorized. Funding allocations for future years of the CIP are therefore subject to change. Every CIP project has a project manager who is responsible for preparing the project proposal and ensuring required phases are completed on schedule. The project manager monitors project revenues and expenditures and ensures that all regulations and laws are observed. Each approved CIP project is required to contain a statement of fiscal impact on the annual operating budget and the source of funding for this impact.

### *Preserving Capital Investments*

The City invests in capital assets such as property, equipment, facilities and infrastructure. The City also plans and budgets for ongoing maintenance, long-term renovation and/or replacement of capital assets as necessary. Capital assets are defined as having an initial cost of more than $10,000 and an estimated life in excess of three years. Capital assets are depreciated using the straight-line method of depreciation.

### *Debt Management*

The City's Debt Management Policy provides operating guidelines for all major debt transactions of the City and South Tahoe Financing Authorities. The City manages its debt to ensure high credit quality, access to credit markets and financial flexibility. Debt is issued only in those cases where public policy, equity and economic efficiency favor debt over cash (pay-as-you-go) financing. Whenever possible, the debt shall be self-supporting. Debt is used primarily to finance long-term capital projects, paying for facilities or equipment over their useful lives and concurrent with the stream of benefits from these facilities. The City maintains a central system for all debt-related records, adheres to all continuing disclosure requirements, and strives to maintain positive relationships with members of the investment community.

### *Strengthening Financial Position*

The City takes proactive steps to strengthen and preserve its General Fund revenues. It seeks to promote a diversified economic base through commercial and industrial development and redevelopment opportunities. The City encourages the expansion of businesses that will provide opportunities for residents to work and live in the community.

Grants from federal, state or private organizations are a means of enhancing available revenues, but they rarely provide a long-term, stable economic base. Requests to the City Council for approval of a grant acceptance must include all associated financial impacts such as long-term maintenance responsibilities, required City matching funds, and additional staff resources. The City administers grants in compliance with laws, regulations and the requirements of the granting agency or donor.

The City Code requires reimbursement to the General Fund for the reasonable cost of administrative functions performed by City staff paid out of General Fund revenues (e.g. Legal, Finance, Human Resources) for departments funded by fees, rates or other revenues. These costs are allocated based on the value of time spent on such services for departments that generate adequate revenue and may be adjusted from time to time as necessary to respond to changes in the cost of service.

The City provides certain services and enterprise fund activities to residents and businesses that are funded in whole or in part by user fees intended to cover all or a portion of the cost of providing such services. To the extent such user fees do not cover the entire cost of providing such services, the General Fund subsidizes the additional expense. User fees are examined yearly and adjusted periodically to ensure the stability of the General Fund.

The City maintains a uniform revenue collection program, the costs of which are passed on to delinquent customers as a penalty in the collection process. Property liens, special assessments, withholding entitlements and collection agency proceedings are employed when necessary to collect delinquent revenues due to the City.

### *Cash Handling*

The City's cash handling policy provides guidelines for the establishment, use and safeguarding of petty cash funds, cashiering operations and for strengthening the City's internal controls in these areas.

### *Investments*

The City's cash management system monitors and forecasts expenditures and revenues, enabling the City to invest funds to the fullest extent possible. The City attempts to obtain the highest investment yield only after an investment meets the criteria established for safety and liquidity. The City's Investment Policy allows for investment in allowable securities in compliance with California Government Code Section 53601. It seeks to diversify its investment portfolio through a mix of various security types, issuers and maturities. Securities are purchased based on competitive bids from pre-authorized investment broker/dealers. Securities purchased are held in the City's name by third party safekeeping trust departments.

### *Financial Reporting*

Accurate and understandable financial reporting provides accountability over the City's financial affairs and ensures compliance with applicable statutory and regulatory requirements. The City Council receives a Quarterly Investment Report as required under the California Government Code. The Finance Director, or designee, submits a periodic Budget and Financial Status Report to the City

Council as required by City Code. Financial reports are available for public inspection and are posted on the City's website.

### *Productivity*

The City monitors and reviews its methods of service delivery to ensure that services are delivered in the most cost-effective manner possible. This review process encompasses a wide range of productivity considerations, including technology, contracting for services, customer service, and training and performance measurement.

### *Risk Management*

To mitigate significant property losses and exposure to liability from third party injuries, the City has adopted a policy of professional and prudent management of risk exposures. Risk management objectives include providing adequate insurance, employee safety training and incentive program, third party indemnification and an Emergency Management Plan consistent with regional, state and federal requirements.

### *Meetings and Travel*

The City's policies regarding meetings and travel expense reimbursements are in compliance with Assembly Bill 1234, enacted by the California State Legislature in January 2006. While AB1234 applies primarily to elected officials and advisory body members, the City has extended the provisions of this law for travel, meeting and meal costs to all employees. Additionally, the City's travel policies follow IRS Publication 15-B in order to ensure there are no tax consequences to reimbursements for allowable expenses.

## Finance Department

The Finance department provides the following centralized services for the City:

- **Financial Services Division** provides for financial policies, budget development and management, debt financing and management, financial analysis and reporting, general ledger accounting, financial audits, grant administration, payroll and accounts payable.
- **Revenue Services Division** is responsible for revenue and delinquency collection, business and professions taxes, cash management, daily bank deposits, and city-wide accounts receivable processing. In addition, the division provides revenue collection, disbursement and financial reporting for several business improvement districts.

## Certificate of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of South Lake Tahoe, CA for its annual comprehensive financial report for the fiscal year ended September 30, 2023. This was the seventeenth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

There are a number of benefits to the City in participating in these programs beyond simply receiving recognition for our efforts. In striving to meet certification program standards and goals, we are able to produce reports that better communicate complex financial information. As part of the review process, other municipal finance professionals review our reports from a "fresh" perspective and provide comments for improvement. We believe that this results in continuous improvements in reporting and communicating the City's financial results to elected officials, the public, and other interested parties.

## Acknowledgements

The dedicated efforts of the entire Finance Department made the development of this report possible. Timely and efficient accounting practices and coordination with the City's independent auditors were essential in producing this document. Thank you also to the City departments that contributed their statistical information for this report.

Special recognition goes to Andrew Black, Financial Services Supervisor, and Akemi Nishimura, Accountant I, for their outstanding work in the publication of this report.

In addition, I would like to thank our auditors, Eide Bailly LLP, for their assistance in the development and review of this document. Lastly, the vision and continued support of the City Council and our City Manager, Joseph Irvin in providing for the professional operation of the City's Finance Department are extremely important to our success and to the financial sustainability of the City.

Respectfully submitted,



Olga Tikhomirova
Director of Finance

Government Finance Officers Association

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

**City of South Lake Tahoe**
**California**

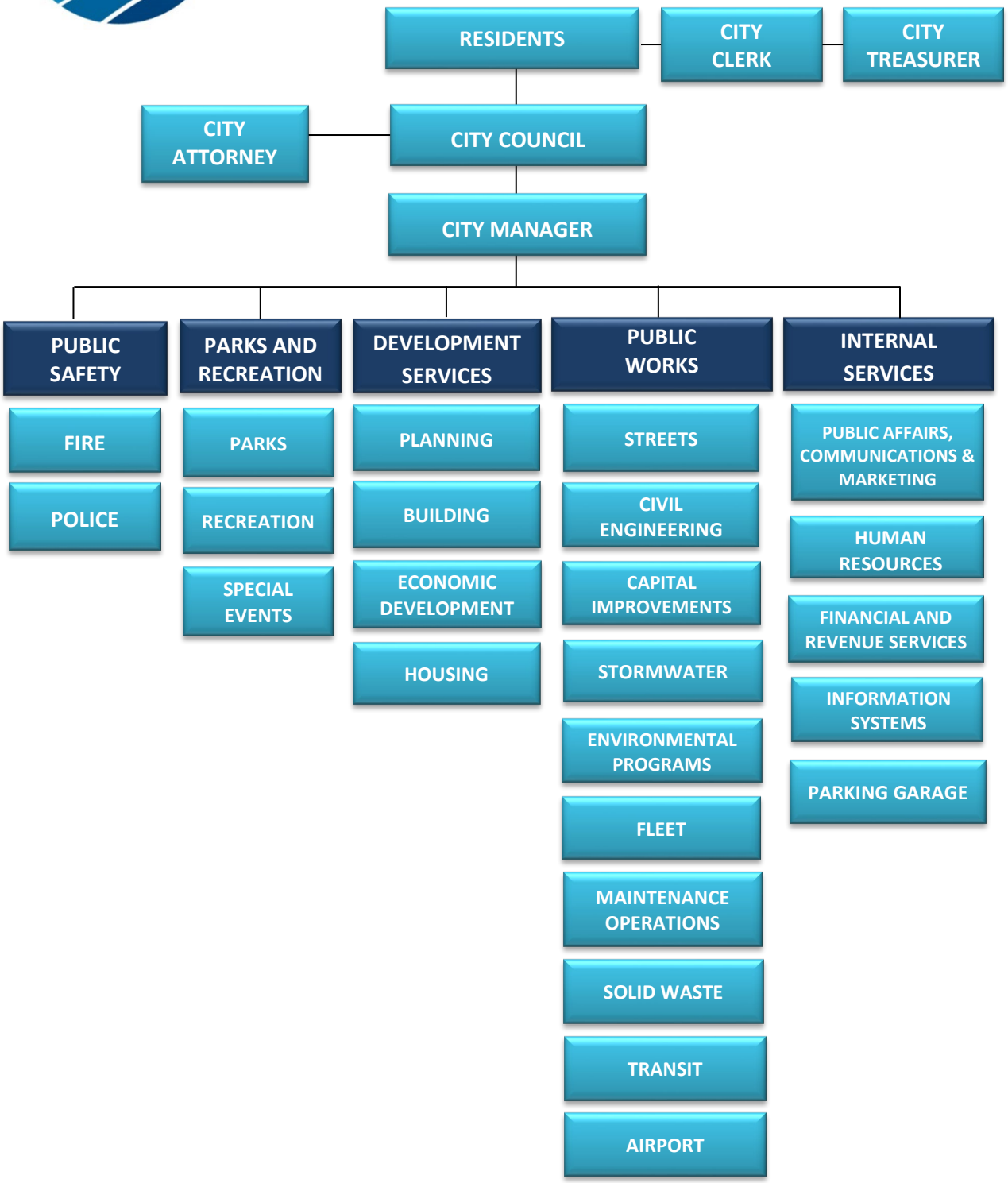
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2023

Christopher P. Morrill

Executive Director/CEO

# CITY OF SOUTH LAKE TAHOE ORGANIZATIONAL STRUCTURE 2023-2024



**CITY OF SOUTH LAKE TAHOE**
**List of Principal Officials**
**September 30, 2024**

## CITY COUNCIL

Cody Bass, Mayor

Tamara Wallace, Mayor Pro-Tem

Cristi Creegan, Councilmember

Scott Robbins, Councilmember

Devin Middlebrook, Councilmember

## EXECUTIVE MANAGEMENT

| | |
|---|---|
| City Manager | Joseph D. Irvin |
| City Clerk (Elected) | Susan Blankenship |
| City Attorney | Heather Stroud |
| City Treasurer (Elected) | David Olivo |
| Director of Finance | Olga Tikhomirova |
| Director of Development Services | Zachary Thomas |
| Director of Public Works | Anush Nejad |
| Chief of Police | David Stevenson |
| Fire Chief | Jim Drennan |



EideBailly

CPAs & BUSINESS ADVISORS

## Independent Auditor's Report

To the Honorable Mayor and City Council
City of South Lake Tahoe, California

### Report on the Audit of the Financial Statements

***Opinions***

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

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund, City Housing & Economic Development Fund, and Measure P Recreation Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinions***

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

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

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

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

***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

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

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

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedule of Changes in Net Pension Liability and Related Ratios During the Measurement Period – Miscellaneous Plan, Schedule of Contributions – Miscellaneous Plan, Schedule of the City's Proportionate Share of the Net Pension Liability – Safety Cost Sharing Plan, and Schedule of Contributions – Safety Cost Sharing Plan, be presented to supplement the basic financial statements. Such information is the responsibility of management and although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Supplementary Information***

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

***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the introductory section and statistical section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 28, 2025, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Eide Bailly LLP

Sacramento, California
March 28, 2025

# MANAGEMENT'S DISCUSSION AND ANALYSIS
# FOR THE FISCAL YEAR ENDED
# SEPTEMBER 30, 2024

As management of the City of South Lake Tahoe, California, (City) we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for fiscal year ended September 30, 2024. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report, and with the City's financial statements, which follow this discussion.

## Financial Highlights

- Net Position: Total assets and deferred outflows of resources of the City exceeded its total liabilities and deferred inflows of resources at the close of the Fiscal Year (FY) 2023-24 by $195,326,252 (*net position*). Of this amount, $(17,808,479) is unrestricted, $69,194,129 is restricted for specific purpose, and $143,940,602 is net investment in capital assets.
- Change in Net Position: The City's total net position increased $16,066,668, or 9.0 percent during the fiscal year, primarily as a result of Governmental Activities revenues exceeding expenses.
- Governmental Funds: As of September 30, 2024, the City's governmental funds reported the combined ending fund balances of $131,375,906, a decrease of $17,604,379 from prior year. Approximately 44 percent of the ending balance amount, or $57,290,016, is available for spending at the government's discretion (committed, assigned, and unassigned fund balance).
- Long-Term Debt: The City's total long-term debt decreased by $9,806,015. This decrease resulted primarily from an early and full redemption of the Parking Revenue Refunding Bonds 2013 Series A in addition to the regular annual repayment of debt service for the outstanding debt.
- Capital Assets: The City's total Capital Assets (Net of depreciation) increased by $30,329,148 largely due to the addition of construction in progress for the new Recreation and Aquatic Center.
- General Fund: At September 30, 2024, unassigned fund balance of the General Fund was $31,159,577. This represents a decrease of $1,599,323, or 4.9 percent from prior year. Unassigned fund balance includes a 25 percent General Fund reserve as required per City's financial policy. At the end of the FY 2023-24 this amounted to $14,769,729.

## Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements.

**Government-wide financial statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private sector business.

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

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation and sick leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, public works, parks and recreation, streets, and interest on long-term debt.

The government-wide financial statements include not only the City of South Lake Tahoe, but also three component units: the South Tahoe Joint Powers Financing Authority, the South Tahoe Joint Powers Parking Financing Authority, and the Housing Authority of the City of South Lake Tahoe. Financial information for these component units is reported within the funds of the City.

The government-wide financial statements can be found on pages 33 - 35 of this report.

**Fund financial statements.** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of South Lake Tahoe, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of South Lake Tahoe can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

***Governmental funds.*** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains fifty-nine governmental funds, of which some were combined for financial statement presentation purposes. Information is presented separately in the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, City Housing and Economic Development Fund, Measure P Recreation Fund, City Capital Projects Fund, and City Debt Service Fund, all of which are considered to be major funds. Data from the remaining governmental funds is combined into a single, aggregated presentation. Individual fund data for each of these other governmental funds is provided in the form of *combining statement*s elsewhere in this report.

The City adopts an annual appropriated budget for all of its funds. Budgetary comparison schedules have

been provided for the General Fund, the City Housing and Economic Development Fund, and the Measure P Recreation Fund to demonstrate compliance with this budget in the Major Governmental Funds sub-section. Budgetary comparisons for other funds are provided elsewhere in this report.

The governmental funds financial statements can be found on pages 39 - 45 of this report.

***Proprietary funds.*** The City maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its transit, airport, parking garage, and parking management operations. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City of South Lake Tahoe uses internal service funds to account for its medical insurance and workers' compensation self-insurance operations. Because all of these services predominately benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary funds financial statements provide separate information for the airport and parking garage, and combined data for non-major enterprise funds, transit and parking management. The Internal Service funds are combined into a single, aggregated presentation in the proprietary funds financial statements. Individual fund data for non-major enterprise funds and internal service funds is provided in the form of combining statements elsewhere in this report.

The proprietary fund financial statements can be found on pages 48 - 50 of this report.

***Fiduciary funds***. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The City maintains two different types of fiduciary funds. The trust fund is used to provide a funding mechanism for the accumulation of resources to be used for the retirement of long-term debt of the former Redevelopment Agency that are accounted for in the Redevelopment Obligation Retirement Private-Purpose Trust Fund. The Custodial funds report resources held by the City in a custodial capacity for private organizations and other governments.

The fiduciary fund financial statement can be found on pages 52 - 53 of this report.

**Notes to the basic financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 55 - 101 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's pension plans. Required supplementary information can be found on pages 104 - 107 of this report.

The combining statements referred to earlier in connection with other governmental funds and other enterprise and internal service funds are presented immediately following the required supplementary information. Combining and individual fund statements and budgetary comparison schedules can be found on pages 110- 160 of this report.

**Government-wide Financial Analysis**

The Statement of Net Position combines and consolidates the City's governmental funds' current financial resources (short-term spendable resources) with capital assets, long-term obligations, and other

long-term assets and liabilities. The Statement of Net Position also presents consolidated enterprise funds. As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of South Lake Tahoe, assets exceeded liabilities by $195,326,252 at the close of the most recent fiscal year.

The largest portion of the City's net position, $143,940,602 or 73.7 percent reflects its net investment in capital assets (i.e. land, buildings, machinery and equipment, streets, net of accumulated depreciation). The City of South Lake Tahoe uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of South Lake Tahoe's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City of South Lake Tahoe's net position, $69,194,129 or 35.4 percent represents resources that are subject to external restrictions on how they may be used. The remaining balance of $(17,808,479) represents an unrestricted deficit net position.

The Statement of Net Position is presented below in a condensed form for purposes of this analysis.

City of South Lake Tahoe
Net Position
September 30, 2024 and 2023

| | Governmental Activities | | Business-type Activities | | Total | |
|---|---|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| Assets | | | | | | |
| Current and other assets | $202,586,821 | $210,144,113 | $ 4,392,448 | $ 10,162,072 | $ 206,979,269 | $ 220,306,185 |
| Capital assets | 142,190,010 | 110,518,281 | 24,396,917 | 25,739,498 | 166,586,927 | 136,257,779 |
| Total assets | 344,776,831 | 320,662,394 | 28,789,365 | 35,901,570 | 373,566,196 | 356,563,964 |
| Deferred Outflows of Resources | | | | | | |
| Deferred amount on refunding | 31,332 | 68,931 | - | - | 31,332 | 68,931 |
| Deferred outflows related to pensions | 19,278,419 | 26,935,791 | 111,876 | 238,471 | 19,390,295 | 27,174,262 |
| Total deferred outflows | 19,309,751 | 27,004,722 | 111,876 | 238,471 | 19,421,627 | 27,243,193 |
| Liabilities | | | | | | |
| Long-term debt | 71,608,294 | 75,850,073 | 30,332 | 5,594,568 | 71,638,626 | 81,444,641 |
| Other liabilities | 29,755,551 | 22,362,910 | 253,552 | 321,816 | 30,009,103 | 22,684,726 |
| Net pension liability | 91,211,747 | 94,065,493 | 2,418,206 | 2,100,420 | 93,629,953 | 96,165,913 |
| Total liabilities | 192,575,592 | 192,278,476 | 2,702,090 | 8,016,804 | 195,277,682 | 200,295,280 |
| Deferred Inflows of Resources | | | | | | |
| Deferred inflows related to pensions | 2,383,889 | 4,249,326 | - | 2,967 | 2,383,889 | 4,252,293 |
| Net Position | | | | | | |
| Net investment in capital assets | 119,574,017 | 99,349,106 | 24,366,585 | 20,144,930 | 143,940,602 | 119,494,036 |
| Restricted | 69,176,844 | 69,787,821 | 17,285 | 2,807,542 | 69,194,129 | 72,595,363 |
| Unrestricted | (19,623,760) | (17,997,613) | 1,815,281 | 5,167,798 | (17,808,479) | (12,829,815) |
| Total net position | $169,127,101 | $151,139,314 | $ 26,199,151 | $ 28,120,270 | $ 195,326,252 | $ 179,259,584 |

At the end of FY 2023-24, the City of South Lake Tahoe reported positive balances in two out of three categories of net position for the government as a whole and for its governmental activities, and all positive balances for its business-type activities. At year-end, 93.0 percent of the City's business-type activities' net position was invested in capital assets, while for governmental activities this category amounted to 70.7 percent.

The City's overall net position increased $16,066,668, or 9.0 percent from prior fiscal year, as reflected below in the Changes in Net Position table. The reasons for this overall increase are discussed separately in the sections for governmental activities and business-type activities.

City of South Lake Tahoe
Changes in Net Position
For the Fiscal Years Ended September 30, 2024 and 2023

| | Governmental Activities | | Business-type Activities | | Total | |
|---|---|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| REVENUES: | | | | | | |
| Program revenues: | | | | | | |
| Charges for services | $ 16,551,866 | $ 17,261,925 | $ 3,178,430 | $ 3,021,228 | $ 19,730,296 | $ 20,283,153 |
| Operating grants and contributions | 7,687,826 | 15,255,284 | - | - | 7,687,826 | 15,255,284 |
| Capital grants and contributions | 3,136,149 | 3,322,534 | 921,050 | 378,043 | 4,057,199 | 3,700,577 |
| General revenues: | | | | | | |
| Property taxes | 11,846,421 | 11,158,434 | - | - | 11,846,421 | 11,158,434 |
| Sales taxes | 20,093,107 | 20,274,021 | 8,991 | - | 20,102,098 | 20,274,021 |
| Transient occupancy taxes | 21,540,142 | 21,593,360 | | - | 21,540,142 | 21,593,360 |
| Franchise taxes | 2,282,688 | 1,924,053 | - | - | 2,282,688 | 1,924,053 |
| Other taxes | 6,968,598 | 6,627,271 | - | - | 6,968,598 | 6,627,271 |
| Other revenue | 10,338,267 | 4,585,634 | 305,369 | 1,438,525 | 10,643,636 | 6,024,159 |
| Total revenues | 100,445,064 | 102,002,516 | 4,413,840 | 4,837,796 | 104,858,904 | 106,840,312 |
| EXPENSES: | | | | | | |
| General government | 20,525,822 | 19,993,362 | - | - | 20,525,822 | 19,993,362 |
| Public safety | 30,040,700 | 23,432,803 | - | - | 30,040,700 | 23,432,803 |
| Public works | 12,736,086 | 11,905,095 | - | - | 12,736,086 | 11,905,095 |
| Parks and recreation | 8,680,644 | 8,081,204 | - | - | 8,680,644 | 8,081,204 |
| Streets | 7,214,554 | 7,923,603 | - | - | 7,214,554 | 7,923,603 |
| Interest on long-term debt | 3,344,471 | 1,025,252 | - | - | 3,344,471 | 1,025,252 |
| Transit | - | - | 287,198 | 313,613 | 287,198 | 313,613 |
| Airport | - | - | 4,330,762 | 3,591,720 | 4,330,762 | 3,591,720 |
| Parking garage | - | - | 1,597,410 | 1,593,074 | 1,597,410 | 1,593,074 |
| Parking managements | - | - | 34,589 | 52,023 | 34,589 | 52,023 |
| Total expenses | 82,542,277 | 72,361,319 | 6,249,959 | 5,550,430 | 88,792,236 | 77,911,749 |
| Increase (decrease) in net position before special items and transfers | 17,902,787 | 29,641,197 | (1,836,119) | (712,634) | 16,066,668 | 28,928,563 |
| Transfers | 85,000 | (1,953) | (85,000) | 1,953 | - | - |
| Increase (decrease) in net position | 17,987,787 | 29,639,244 | (1,921,119) | (710,681) | 16,066,668 | 28,928,563 |
| Net position - beginning | 151,139,314 | 121,500,070 | 28,120,270 | 28,830,951 | 179,259,584 | 150,331,021 |
| Net position - ending | $ 169,127,101 | $ 151,139,314 | $ 26,199,151 | $ 28,120,270 | $ 195,326,252 | $ 179,259,584 |

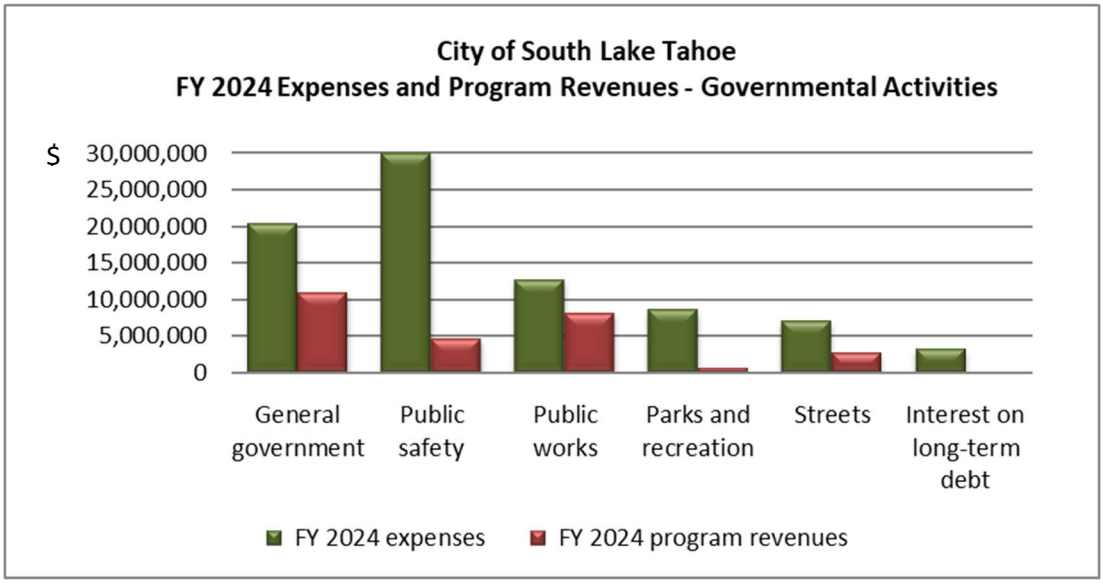
**Governmental Activities.** The City's governmental activities rely on several sources of revenue to finance ongoing operations. Transient occupancy taxes, sales taxes, and charges for services were the largest revenue sources for the City followed by property taxes, other revenue, operating grants and contributions, and other taxes. Charges for services are revenues that arise from charges to customers or applicants who purchase, use, or directly benefit from the goods, services, or privileges provided. Examples of the types of services that fall under this category include building licenses and permits, business license fees, impact fees, and park and recreation fees. Other revenue category includes special assessments, miscellaneous reimbursements, use of money and property, and all other miscellaneous revenue. The main components of Other taxes category are property tax in lieu of Motor Vehicle License Fee (MVLF) and tourism improvement district fees passed through to improvement districts.

At the end of FY 2023-24, total revenues for the governmental activities were $100,445,064, a decrease

of approximately $1.6 million or 1.5 percent from the previous year. General revenues increased $6.9 million primarily due to an increase in Other revenue which consists of the Use of money and property and the Miscellaneous revenue categories. These revenues increased as a result of higher investment earnings and upward fair market value adjustments. The increase in General Revenues was offset by a decrease in Program revenues of $8.5 million from the previous year primarily due to the receipt of two $5.0 million Permanent Local Housing Allocation (PLHA) grants in the prior year that were loaned for the construction of the Sugar Pine Village Affordable Housing Project. This decrease is reflected in the Operating grants and contributions category.

Expenses totaled $82,542,277, an increase of $10.2 million or 14.1 percent from the prior year. An increase in public safety totaling $6.6 million accounted for the majority of the increase and was attributed to changes related to pensions per GASB Statement No. 68 and increases in payroll costs. Interest on long term debt increased by $2.3 million, primarily due to commencing debt service payments on the Lease Revenue Bonds 2023 Series A.

The following chart presents a comparison of expenses by function and the associated program revenues for governmental activities.




**Business-type Activities.** The City has four business-type activities: Airport, Parking Garage, Parking Management Program, and Transit. The net position for business-type activities at the end of FY 2023-24 was $26,199,151. Total program revenues were $4,099,480, an increase of $700,209 or 20.6 percent compared to the prior year. These program revenues consist primarily of airport and parking garage charges for services which grew 5.2 percent or $157,202. Capital grants and contributions revenue grew 143.6 percent or $543,007 due to an increase at the airport that received Federal Aviation Administration (FAA) funding for the Airport Master Plan Study and Pavement Maintenance Project. Total expenses were $6,249,959, of which approximately 94.9 percent was related to the airport and parking garage operations. Overall net position decreased by $1,921,119 within business-type activities primarily due to the Airport utilizing its available fund balance resources accumulated in prior fiscal years.

### Financial Analysis of Governmental Funds

As noted earlier, the City of South Lake Tahoe uses fund accounting to ensure and demonstrate

compliance with finance-related legal requirements.

***Governmental Funds.*** The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

In conformity with Governmental Accounting Standards Board (GASB) Statement 34, the City classifies governmental funds as major and non-major funds. Major funds are defined as funds that have either assets, liabilities, deferred outflows of resources, deferred inflows of resources, revenues or expenditures equal to ten percent of their fund-type total and five percent of the grand total. The General Fund is always a major fund. The City may also select other funds to be presented as major funds because of relevance to financial statement users.

There are five major funds in the Governmental Funds category in FY 2023-24. The table below presents a comparison of the fund balance for each of these five funds between 2022-23 and 2023-24, as well as a consolidated comparison for all non-major governmental funds for the same time period.

| Governmental Fund Balances | September 30, 2024 | September 30, 2023 | Increase (Decrease) From 2023 |
|---|---|---|---|
| General Fund | $ 39,253,978 | $ 39,571,904 | $ (317,926) |
| City Housing & ED Fund | 3,179,112 | 7,100,127 | (3,921,015) |
| Measure P Recreation | 13,097,292 | 13,661,100 | (563,808) |
| City Capital Projects Fund | 21,144,804 | 16,816,708 | 4,328,096 |
| City Debt Service | 43,313,675 | 58,355,440 | (15,041,765) |
| Other Governmental Funds | 11,387,045 | 13,475,006 | (2,087,961) |
| Total Governmental Fund Balances | $ 131,375,906 | $ 148,980,285 | $ (17,604,379) |

As of the end of FY 2023-24, the City's governmental funds reported combined ending fund balances of $131,375,906, a decrease of $17,604,379, or 11.8 percent in comparison to the prior year. Reasons for this decrease are discussed below.

The General Fund is the chief operating fund of the City of South Lake Tahoe. At the end of the current fiscal year, unassigned fund balance of the General Fund was $31,159,577, while total fund balance decreased to $39,253,978. As a measure of the General Fund's liquidity, it may be useful to compare only the unassigned fund balance to total fund expenditures (before transfers). Unassigned fund balance represents 61.8 percent of the total General Fund expenditures, mostly related to daily operations of the City.

The total fund balance of the City's General Fund (including non-spendable and restricted balances) decreased by $317,926, or 0.8 percent. Total revenues increased by $2,805,031, or 4.3 percent due to increases in several categories. The largest increase was in the use of money and property category, which grew $1,411,168 or 114.5 percent primarily due to increases in interest income. Taxes and assessments category which primarily consists of transient occupancy tax, sales tax, and property tax, increased $928,550 or 1.8 percent. Property tax, the largest driver of this increase, grew 7.0 percent or $741,857 while transient occupancy tax in the redevelopment area increased 3.4 percent or $248,491. Sales tax including Measure Q and City transient occupancy tax both decreased compared to the prior year by 1.6 percent or $184,819 and 2.5 percent or $277,789, respectively. Fines and penalties revenue increased by 24.8 percent or $246,648 primarily due to the enhanced code and parking enforcement program while other revenue, which consists primarily of reimbursements, increased by $522,880 or 83.9 percent, contributing to the overall revenue growth for the General Fund.

General Fund expenditures increased $5,078,824 or 11.2 percent when compared to prior year. Part of this increase is attributed to increased salaries and benefit costs, while the remaining increase is due to higher utilities expense, technical and professional services, equipment purchases, and software implementation costs city-wide. Total General Fund revenues exceeded total expenditures by $17,339,171 at the end of FY 2023-24, before transfers. This excess allowed the City to finance several capital projects and make several capital purchases. The total transfer out of $18,603,545 for these and other purposes increased from the previous fiscal year by $3,434,576. Measure S sales tax which went into effect in April 2021 and is dedicated specifically to road rehabilitation, snow and street equipment replacement, fire prevention and emergency response projects, transferred out approximately $9.1 million for the related projects. The increases to expenditures and transfers out contributed to an approximate $1.6 million decrease in unassigned fund balance for the General Fund.

The City Housing and Economic Development Fund was established to account for restricted former redevelopment tax allocation set-asides for low and moderate income housing, CDBG, and HOME funds. Total revenue in this fund decreased by $9,466,552 compared to the prior fiscal year, which included two $5 million grants received towards the loans for the construction of the Sugar Pine Village Affordable Housing Project, as reflected in the Intergovernmental revenue category. Charges for current services increased by $341,894 while total expenditures decreased 1 percent compared to prior year. The total fund balance in this fund decreased by $3,921,015, ending FY 2023-24 at $3,179,112.

The Measure P Recreation fund was established in fiscal year 2016-17 to account for collection of an additional 2 percent Transient Occupancy Tax, a special tax, to be used for the purpose of construction, operation and maintenance of recreational facilities. Total taxes collected decreased $23,921, or 0.7 percent over the previous fiscal year while interest revenue increased $370,021 or 86.6 percent. Transfers out to the City Capital Project Fund are for the construction of the new Recreation Center and totaled $4,746,615 for fiscal year 2023-24, an increase of $3,375,573 compared to prior year. The total fund balance was $13,097,292 at the end of the fiscal year.

The ending fund balance in the City Capital Projects Fund was $21,144,804, an increase of $4,328,096 from prior year. Revenue and other financing sources in this fund consist of grant funds from various granting agencies as well as transfers in from the City's Primary General Fund, Measure S Sales Tax general fund, and Measure P Recreation fund. Total transfers in for Street Overlay Program, Recreation Center construction and several other projects totaled $31.6 million, a $23.5 million increase compared to prior year. Expenditures totaled $34.9 million, an increase of $24.7 million primarily due to construction costs incurred for the new Recreation Center.

The City Debt Service Fund was established to account for financing and debt service activities within the City. The fund ended the year with a balance of $43,313,675, mostly in the restricted category. The $15,041,765 fund balance decrease from prior year occurred due to usage of proceeds from issuance of Lease Revenue Bonds 2023 Series A for construction of the new Recreation Center.

The fund balances of other governmental funds consist of 38 special revenue funds, some of which were combined for financial statement presentation purposes. The total fund balance of the City's non-major governmental funds was $11,387,045, a decrease of $2,087,961. Within these special revenue funds, the balances of 18 funds increased over the course of the fiscal year, 11 funds experienced a drop, while 2 had no change in fund balance. The largest fund balance increase among other governmental funds, which amounted to a $239,076, was in the Vehicle Replacement fund while the largest decrease in the fund balance among these funds, $2,024,183, was in the Snow Removal fund which utilized the accumulated fund balance from prior year to pay for snow removal equipment purchases in the current fiscal year.

***Proprietary Funds.*** Proprietary funds are comprised of enterprise and internal service funds. The unrestricted net position of all enterprise funds at the end of the year amounted to $1,815,281 while the unrestricted net position of all internal service funds was $1,796,710 at the end of FY 2023-24. Net position for all proprietary funds decreased $1,204,205 compared to prior year. The following table summarizes changes in overall net position from prior fiscal year individually by enterprise fund and as a total for all internal service funds.

| Proprietary Funds Net Position | September 30, 2024 | September 30, 2023 | Increase (Decrease) From 2023 |
|---|---|---|---|
| Airport | $ 16,636,224 | $ 18,599,502 | $ (1,963,278) |
| Transit | 3,311,056 | 3,388,372 | (77,316) |
| Parking Garage | 5,971,753 | 5,933,681 | 38,072 |
| Parking Management | 280,118 | 198,715 | 81,403 |
| Total Enterprise Funds | 26,199,151 | 28,120,270 | (1,921,119) |
| Internal Service Funds | 1,796,710 | 1,079,796 | 716,914 |
| Total Proprietary Funds Net Position | $ 27,995,861 | $ 29,200,066 | $ (1,204,205) |

The total net position of enterprise funds decreased by $1,921,119 due to Airport and Transit funds utilizing their existing fund balances accumulated in prior fiscal years. These decreases were netted with an increase in the Parking Management net position primarily due to higher paid parking fees and an increase in the Parking Garage primarily due to lower interest expense.

The total net position of internal service funds increased by $716,914 during FY 2023-24. This increase is primarily attributed to investment income and charges for services revenues exceeding claims expense within the Workers' Compensation Self Insurance fund.

## General Fund Budgetary Highlights

***Original budget compared to final budget.*** During the fiscal year, all four categories of the original budget – estimated revenues, budgeted appropriations, other financings sources and other financing uses, increased. The overall budgeted appropriations increased by $5,376,587. This increase included appropriations carryforward from the previous year for several projects and contracts that cross multiple fiscal years totaling $704,959, and mid-year budget review adjustments totaling $2,365,790 which included increases to CalPERS Unfunded Accrued Liability (UAL), various capital purchases, and increases to staffing. A $7,000,035 increase in other financing uses was primarily for transfers out to capital projects as well as to the streets and snow funds among other uses. Other financing sources increased $759,354 largely due to transfers in from and Measure S sales tax fund and defensible space and fuels reduction special revenue fund.

***Final budget compared to actual results.*** The most significant differences between estimated revenues and actual revenues and budgeted appropriations and actual expenditures were as follows:

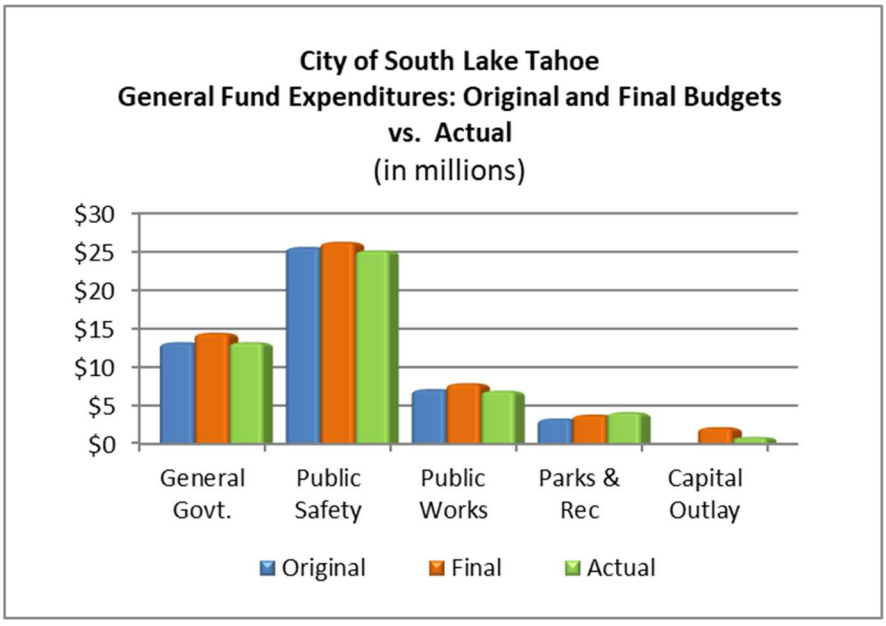
- Use of money and property category positive budgetary performance is primarily due to higher than budgeted interest income.
- Taxes and assessments category reflects positive budgetary performance primarily in Property Tax which ended the year $534,911 higher than budgeted. Measure S Sales Tax collections ended the year approximately $0.3 million higher than final budget and contributed to the overall taxes and assessments category budget variance. Franchise tax and property tax in lieu of Motor Vehicle License Fee (MVLF) also performed better than anticipated.

- The variance in Intergovernmental revenue is due to an approved grant that funds a project crossing multiple years.
- Other revenue was higher than anticipated primarily as a result of fire overtime reimbursements.

| Revenue source | Estimated Revenues | Actual Revenues | Variance with Final Budget |
|---|---|---|---|
| Taxes and assessments | $ 50,466,562 | $ 51,304,323 | $ 837,761 |
| Use of money and property | $ 1,248,065 | $ 2,643,542 | $ 1,395,477 |
| Intergovernmental revenue | $ 4,085,529 | $ 3,375,179 | $ (710,350) |
| Other revenue | $ 458,777 | $ 1,145,745 | $ 686,968 |

| Expenditures function | Budgeted Appropriations | Actual Expenditures | Variance with Final Budget |
|---|---|---|---|
| General government | $ 14,467,162 | $ 13,249,538 | $ 1,217,624 |
| Public Safety | $ 26,300,332 | $ 25,196,338 | $ 1,103,994 |
| Public Works | $ 7,907,167 | $ 6,938,083 | $ 969,084 |
| Parks and recreation | $ 3,823,432 | $ 4,136,360 | $ (312,928) |
| Capital outlay | $ 2,198,191 | $ 914,766 | $ 1,283,425 |

- All general fund departments, with the exception of Parks and recreation, had expense savings that were attributed in part to salary savings as well as savings in other categories such as professional services, machinery and equipment, and supplies. The largest expense savings occurred in Capital Outlay primarily due to a $1.0 million land purchase that occurred during the fiscal year, which was reclassified to Land Held for Redevelopment, an asset item. The total general fund encumbered amount carried forward into FY 2024-25 amounted to $1,174,658.




## Capital Asset and Debt Administration

**Capital Assets**. The City's investment in capital assets for its governmental and business-type activities as of September 30, 2024, amounted to $166,586,927 (net of accumulated depreciation). This investment in capital assets includes land, intangibles, construction in progress, buildings, improvements, machinery

and equipment, bike paths, streets and streetscape, runways, and basin and stream environment zone (SEZ) construction.

Major capital asset events in governmental activities during the fiscal year included the addition of $31.8 million to construction in progress, primarily for the construction of the new Recreation Center as well as the capitalization of $4.5 million in furniture and equipment. Within business-type activities, the City capitalized $1.4 million from construction in progress to runways for taxilane replacements at the airport and a total of $193,930 in building improvements at the Parking Garage. The majority of other changes are due to a reduction for depreciation and disposal of replaced or old and unused assets. A condensed version of the City's capital assets, net of depreciation, is presented in the following table:

City of South Lake Tahoe
Capital Assets (Net of depreciation)
September 30, 2024 and 2023

| | Governmental Activities | | Business-type Activities | | Total | |
|---|---|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| Land | $ 8,500,153 | $ 8,342,653 | $ 4,288,170 | $ 4,288,170 | $ 12,788,323 | $ 12,630,823 |
| Intangibles | 824,258 | 824,258 | - | - | 824,258 | 824,258 |
| Construction in progress | 45,418,338 | 13,575,746 | 100,236 | 1,250,046 | 45,518,574 | 14,825,792 |
| Buildings | 4,935,765 | 5,264,772 | 5,720,807 | 5,971,707 | 10,656,572 | 11,236,479 |
| Vehicles and Equipment | 10,060,986 | 7,096,871 | 594,886 | 772,606 | 10,655,872 | 7,869,477 |
| Improvements other than buildings | 1,218,027 | 1,150,956 | - | - | 1,218,027 | 1,150,956 |
| Bike Paths | 8,757,164 | 9,444,776 | - | - | 8,757,164 | 9,444,776 |
| Streets | 12,119,646 | 13,448,819 | - | - | 12,119,646 | 13,448,819 |
| Streetscape | 3,854,911 | 4,152,092 | - | - | 3,854,911 | 4,152,092 |
| Sidewalks, curbs, gutters, lighting | 5,834,223 | 6,114,705 | - | - | 5,834,223 | 6,114,705 |
| Runways | - | - | 13,692,818 | 13,456,969 | 13,692,818 | 13,456,969 |
| Basin and SEZ construction | 40,217,156 | 41,102,633 | - | - | 40,217,156 | 41,102,633 |
| Right to use leased equipment | 449,383 | - | - | - | 449,383 | - |
| Total | $ 142,190,010 | $110,518,281 | $ 24,396,917 | $ 25,739,498 | $166,586,927 | $136,257,779 |

Additional information on the City of South Lake Tahoe's capital assets can be found in Note 6 to the basic financial statements.

**Long-term debt.** At the end of the current fiscal year, the City's total long-term debt outstanding decreased by $9,806,015 or 12.0 percent from the prior year. This decrease largely resulted from early payoff of the Parking Revenue Refunding Bonds 2013 Series A within Business-type activities in addition to routine debt service payments. A condensed version of the City's outstanding long-term debt is presented in the following table:

City of South Lake Tahoe
Summary of Outstanding Long-term Debt
September 30, 2024 and 2023

| | Governmental Activities | | Business-type Activities | | Total | |
|---|---|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| Revenue bonds | $ 59,110,962 | $ 60,651,488 | $ - | $ 5,555,000 | $ 59,110,962 | $ 66,206,488 |
| Taxable Pension Obligation Bonds | 4,455,000 | 5,745,000 | - | - | 4,455,000 | 5,745,000 |
| COPs | 4,230,000 | 4,395,000 | - | - | 4,230,000 | 4,395,000 |
| Loans payable | 115,706 | 171,015 | 30,332 | 39,568 | 146,038 | 210,583 |
| Finance purchase obligations | 3,696,626 | 4,887,570 | - | - | 3,696,626 | 4,887,570 |
| Total | $ 71,608,294 | $ 75,850,073 | $ 30,332 | $ 5,594,568 | $ 71,638,626 | $ 81,444,641 |

Additional information on the City of South Lake Tahoe's long-term debt can be found in Note 8 to the basic financial statements.

***Credit Rating***. In August 2017, Standard & Poor's Ratings Services raised its long-term rating to 'BBB' from 'BBB-' on South Tahoe Joint Powers Financing Authority 2014 and 2015 tax allocation refunding bonds (TARBs) issued for the Successor Agency (SA) to the South Tahoe Redevelopment Agency (RDA) to refund SA's outstanding 1999A, 2003A, 2004A and 2005A tax allocation bonds. At the same time, Standard & Poor's assigned its 'BBB' long-term rating to the 2017 Series A TARBs. The outlook on all ratings is stable.

In February 2018, Standard & Poor's Global Ratings (formerly Standard & Poor's Ratings Services) raised its rating from 'AA-' to 'AA' on the South Tahoe Joint Powers Financing Authority 2014 pension obligation bonds (POBs) issued on behalf of the City. Subsequently, in September 2018, Standard & Poor's Global Ratings upgraded its Local Currency Long-Term Rating on the 2014 bonds from 'AA' to 'AA+'. At the same time, S&P Global Ratings raised its Local Currency Long-Term Rating on the authority's 2012 certificates of participation (COP) and in addition its Underlying Rating on 2016 Series A lease revenue refunding bonds from 'AA-' to 'AA' while affirming the stable outlook for all three issuances.

In July 2023, Standard & Poor's Global Ratings assigned its 'AA' long-term rating to the South Tahoe Joint Powers Financing Authority's anticipated $52.0 million series 2023A lease revenue bonds, issued on behalf of the City of South Lake Tahoe. At the same time, S&P Global Ratings affirmed its 'AA' and 'AA+' long-term and underlying rating on the city's outstanding appropriation debt and pension obligation bonds (POBs), respectively. The outlook on all ratings is stable. Subsequently, the series 2023A lease revenue bonds were issued on August 16, 2023, in the principal amount of $51,300,000.

In July 2023, Standard & Poor's Global Ratings also raised its long-term rating and underlying rating (SPUR) on the South Tahoe Joint Powers Financing Authority, Calif.'s outstanding 2014, 2015, and 2017 revenue refunding bonds issued for the Successor Agency (SA) to the South Tahoe Redevelopment Agency to 'BBB+' from 'BBB'. The outlook is stable. This rating action relates to the correction of an error in the application of S&P criteria. The outstanding bonds should have been analyzed under the "priority-lien tax revenue debt criteria" since it supplanted the special tax bonds criteria on Oct. 22, 2018. Lastly, the rating action also reflects assessment of key credit factors such as coverage, volatility, and economic fundamentals measured under priority-lien criteria.

**Economic Factors and Next Year's Budgets and Rates**

The following economic factors currently affect the City of South Lake Tahoe and were considered in developing the 2024-25 fiscal year budget:

- Several outside financial pressures continue to impact the City's fiscal health, including inflation, regulatory issues and policies, and the volatility of the insurance market. While the South Lake Tahoe economy is strong, economic growth is slow, and the City's revenue growth is also expected to slow. Given these ongoing external challenges, maintaining a fiscally responsible approach is essential. Although inflation seems to be cooling with a 2.5% year-over-year increase as of August 2024, there are no expectations for a return to pre-pandemic levels in the near future. This sustained inflation directly affects the cost of goods and services the City procures, necessitating prudent management of growing expenditures to ensure financial stability. Unemployment rates, a key indicator of the labor market, have shown a slight increase for the fiscal year ending September 2024 compared to fiscal year ending September 2023. The national unemployment rate rose to 3.9%, up from 3.6%. In South Lake Tahoe, the unemployment rate was reported at 4.1%, representing a 0.7% increase. Meanwhile, California's unemployment rate remains higher than the national average, standing at 5.3%. This trend indicates ongoing challenges in the labor market, necessitating targeted efforts to support job creation and workforce development.

- FY 2024-25 General Fund revenues (excluding Measure S Sales Tax) are projected to be $0.4 million higher than the 2023-24 total budget. The total budgeted General Fund revenues equal approximately $60.2 million. The top three revenue sources, Property Tax, Sales Tax (including Measure Q), and Transient Occupancy Tax (excluding Redevelopment TOT) comprise approximately 55 percent of the total primary General Fund revenues for the 2024-25 fiscal year.
- Measure S, a 1 percent local sales tax approved by voters in November 2020, is a revenue source exclusively used by the City and helps fund South Lake Tahoe fire protection, emergency response, snow equipment replacement, and city streets and roads repair. Measure S is expected to generate $7.8 million in fiscal year 2024-25, an increase of 3.0% over prior year.
- Property tax was the largest revenue stream for the City's General Fund in 2023-24 and totaled approximately $11.4 million. This is an increase of 7.0% over the prior year and is 75% higher compared to actual revenue at its peak in 2008-09 prior to the Great Recession that began with the bursting of the housing bubble and resulted in housing prices to decline, reaching new lows in 2011-2012. In September 2024, South Lake Tahoe home prices were up 4.2% compared to the prior year, selling for a median price of $745K. Property tax revenue represents 19% of primary General Fund revenues in fiscal year 2024-25 budget.
- Sales tax, including Measure Q, was the second largest revenue stream for the City's General Fund in 2023-24 totaling $11.1 million and was 1.6% lower compared to fiscal year 2022-23 actuals. In fiscal 2024-25, total sales tax is budgeted at $11.2 million, an increase of approximately 1% over the 2023-24 total budget. Sales tax revenue comprises 19% of the budgeted 2024-25 primary General Fund revenues.
- Transient occupancy tax (TOT), the third largest revenue stream for the City's General Fund in 2023-24, totaled $10.6 million, a 2.5% decrease compared to fiscal year 2022-23 actuals. Despite the volatility, tourism continues to be a primary economic driver for the city. In fiscal year 2024-25 budget, City TOT was budgeted at $10.8 million (including audits), a 1.0% decrease compared to the 2023-24 amended budget and representing 18% of the total main General Fund revenues.
- Transient Occupancy Tax from the former Redevelopment Agency's Project Area #1 is budgeted at $7.6 million in fiscal year 2024-25 budget which is flat compared to the prior year's amended budget. While City TOT (including audits) was down 2.5% compared to fiscal year 2022-23, TOT in the Redevelopment Area was up $248K, or 3.4%.
- At the end of FY 2023-24, the unassigned fund balance in the general fund was $31,159,577. The 2024-25 fiscal year adopted budget was balanced using expected revenues and existing resources for one-time expense when necessary.

**Requests for Information**

This Annual Comprehensive Financial Report is designed to provide citizens, taxpayers, investors, and creditors with an assessment of the City's financial position. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of South Lake Tahoe Finance Department, at 1901 Lisa Maloff Way, Suite 210, South Lake Tahoe, CA 96150.



| | Governmental Activities | Business-Type Activities | Total |
|---|---|---|---|
| Assets | | | |
| Cash and investments (Note 3) | $ 89,285,414 | $ 4,111,140 | $ 93,396,554 |
| Restricted cash and investments (Note 3) | 48,646,869 | 17,285 | 48,664,154 |
| Accounts receivable | 10,638,713 | 234,400 | 10,873,113 |
| Interest receivable | 496,261 | - | 496,261 |
| Inventory | 280,703 | - | 280,703 |
| Prepaid items | 265,156 | 29,623 | 294,779 |
| Land held for resale | 1,332,110 | - | 1,332,110 |
| Advances to RDA Successor Agency | 5,289,178 | - | 5,289,178 |
| Loans receivable (Note 5) | 46,352,417 | - | 46,352,417 |
| Capital assets (Note 6) | | | |
| Nondepreciable | 54,742,749 | 4,388,406 | 59,131,155 |
| Depreciable, net | 86,997,878 | 20,008,511 | 107,006,389 |
| Right to use lease assets, net | 449,383 | - | 449,383 |
| Total assets | 344,776,831 | 28,789,365 | 373,566,196 |
| Deferred Outflows of Resources | | | |
| Deferred amount on refunding | 31,332 | - | 31,332 |
| Deferred outflows related to pensions | 19,278,419 | 111,876 | 19,390,295 |
| Total deferred outflows of resources | 19,309,751 | 111,876 | 19,421,627 |
| Liabilities | | | |
| Accounts payable | 9,991,731 | 151,224 | 10,142,955 |
| Accrued expenses | 1,613,526 | - | 1,613,526 |
| Deposits | 2,835,236 | 61,237 | 2,896,473 |
| Due to developers | 690,154 | 1,352 | 691,506 |
| Unearned revenue | 1,467,614 | - | 1,467,614 |
| Accrued Interest | 1,502,013 | - | 1,502,013 |
| Compensated absences (Note 9) | | | |
| Due within one year | 3,350,978 | 39,739 | 3,390,717 |
| Uninsured losses payable (Note 12) | | | |
| Due within one year | 2,219,719 | - | 2,219,719 |
| Due in more than one year | 4,989,586 | - | 4,989,586 |
| Lease liability (Note 7) | | | |
| Due within one year | 31,863 | - | 31,863 |
| Due in more than one year | 312,547 | - | 312,547 |
| Long-term liabilities due in more than one year | | | |
| Net pension liability (Note 11) | 91,211,747 | 2,418,206 | 93,629,953 |
| Arbitrage liability | 750,584 | - | 750,584 |
| Long-term debt (Note 8) | | | |
| Due within one year | 4,855,384 | 9,660 | 4,865,044 |
| Due in more than one year | 66,752,910 | 20,672 | 66,773,582 |
| Total liabilities | 192,575,592 | 2,702,090 | 195,277,682 |
| Deferred Inflows of Resources | | | |
| Deferred inflows related to pensions | 2,383,889 | - | 2,383,889 |
| Total deferred inflows of resources | 2,383,889 | - | 2,383,889 |

See Notes to Financial Statements

| | Governmental Activities | Business-Type Activities | Total |
|---|---|---|---|
| Net Position (Note 10) | | | |
| Net investment in capital assets | $ 119,574,017 | $ 24,366,585 | $ 143,940,602 |
| Restricted for | | | |
| Debt service | - | 17,285 | 17,285 |
| Public safety | 1,225,384 | - | 1,225,384 |
| Snow removal | 1,736,679 | - | 1,736,679 |
| Housing and economic development | 48,252,511 | - | 48,252,511 |
| Community and tourism improvement | 1,832,466 | - | 1,832,466 |
| Parks and recreation projects | 13,097,292 | - | 13,097,292 |
| Capital projects | 358,480 | - | 358,480 |
| Transportation | 550,010 | - | 550,010 |
| Solid waste | 19,405 | - | 19,405 |
| Vehicle replacement | 1,664,577 | - | 1,664,577 |
| PEG program | 272,883 | - | 272,883 |
| Erosion control | 167,157 | - | 167,157 |
| Total restricted net position | 69,176,844 | 17,285 | 69,194,129 |
| Unrestricted | (19,623,760) | 1,815,281 | (17,808,479) |
| Total net position | $ 169,127,101 | $ 26,199,151 | $ 195,326,252 |

See Notes to Financial Statements

| Functions/Programs | Expenses | Program Revenues: Charges for Services | Program Revenues: Operating Grants and Contributions | Program Revenues: Capital Grants and Contributions | Net (Expense) Revenue and Changes in Net Position: Governmental Activities | Net (Expense) Revenue and Changes in Net Position: Business-type Activities | Net (Expense) Revenue and Changes in Net Position: Total |
|---|---|---|---|---|---|---|---|
| Governmental Activities | | | | | | | |
| General government | $ 20,525,822 | $ 7,947,854 | $ 3,029,431 | $ - | $ (9,548,537) | $ - | $ (9,548,537) |
| Public safety | 30,040,700 | 3,931,450 | 788,792 | 58,580 | (25,261,878) | - | (25,261,878) |
| Public works | 12,736,086 | 3,945,179 | 1,116,981 | 3,077,569 | (4,596,357) | - | (4,596,357) |
| Parks and recreation | 8,680,644 | 578,361 | 152,236 | - | (7,950,047) | - | (7,950,047) |
| Streets | 7,214,554 | 149,022 | 2,600,386 | - | (4,465,146) | - | (4,465,146) |
| Interest on long-term debt | 3,344,471 | - | - | - | (3,344,471) | - | (3,344,471) |
| Total governmental activities | 82,542,277 | 16,551,866 | 7,687,826 | 3,136,149 | (55,166,436) | - | (55,166,436) |
| Business-type Activities | | | | | | | |
| Transit | 287,198 | 179,233 | - | - | - | (107,965) | (107,965) |
| Airport | 4,330,762 | 1,655,518 | - | 591,050 | - | (2,084,194) | (2,084,194) |
| Parking garage | 1,597,410 | 1,156,010 | - | 330,000 | - | (111,400) | (111,400) |
| Parking management | 34,589 | 187,669 | - | - | - | 153,080 | 153,080 |
| Total business-type activities | 6,249,959 | 3,178,430 | - | 921,050 | - | (2,150,479) | (2,150,479) |
| Total | $ 88,792,236 | $ 19,730,296 | $ 7,687,826 | $ 4,057,199 | (55,166,436) | (2,150,479) | (57,316,915) |
| General Revenues | | | | | | | |
| Taxes | | | | | | | |
| Property taxes | | | | | 11,846,421 | - | 11,846,421 |
| Sales taxes | | | | | 20,093,107 | 8,991 | 20,102,098 |
| Transient occupancy taxes | | | | | 21,540,142 | - | 21,540,142 |
| Franchise taxes | | | | | 2,282,688 | - | 2,282,688 |
| Other taxes | | | | | 6,968,598 | - | 6,968,598 |
| Use of money and property | | | | | 8,311,325 | 292,705 | 8,604,030 |
| Miscellaneous | | | | | 2,026,942 | 12,664 | 2,039,606 |
| Total general revenues | | | | | 73,069,223 | 314,360 | 73,383,583 |
| Transfers (Note 4A) | | | | | 85,000 | (85,000) | - |
| Change in Net Position | | | | | 17,987,787 | (1,921,119) | 16,066,668 |
| Net Position-Beginning | | | | | 151,139,314 | 28,120,270 | 179,259,584 |
| Net Position-Ending | | | | | $ 169,127,101 | $ 26,199,151 | $ 195,326,252 |

See Notes to Financial Statements



The funds described below were determined to be Major Funds by the City in fiscal year 2024. Individual non-major funds may be found in the Supplemental section.

**General Fund** – The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. The major revenue sources for this Fund are sales taxes, property taxes, unrestricted revenues from the State, fines and forfeitures and interest income. Expenditures are incurred for public safety, public works, development services, parks and recreation, and general government.

**City Housing & Economic Development Fund** – Established to account for restricted Community Development Block Grant (CDBG), HOME Investment Partnership Program (HOME) and other funds obtained for the purpose of increasing or improving the City's supply of low or moderate-income housing.

**Measure P Recreation Fund** – Established to account for the 2% Transient Occupancy Taxes collected for the purpose of construction, operation and maintenance of recreational facilities.

**City Capital Projects Fund** – Established to account for the construction and maintenance of the City's projects. Funding sources for the City Capital Projects Fund are the General Fund, other City funds, as well as grant funds from various granting agencies.

**City Debt Service Fund** – Established to account for the financing and debt service activities within the City.



| | General Fund | City Housing & Economic Development Fund | Measure P Recreation | City Capital Projects Fund | City Debt Service | Other Governmental Funds | Total Governmental Funds |
|---|---|---|---|---|---|---|---|
| Assets | | | | | | | |
| Cash and investments (Note 3) | $ 31,155,964 | $ 3,250,680 | $ 12,727,656 | $ 21,565,192 | $ 970,966 | $ 11,701,585 | $ 81,372,043 |
| Restricted cash and investments (Note 3) | - | - | - | - | 48,627,654 | - | 48,627,654 |
| Accounts receivable | 7,515,804 | 343,211 | 369,636 | 1,594,337 | - | 815,725 | 10,638,713 |
| Interest receivable | 496,261 | - | - | - | - | - | 496,261 |
| Due from other funds (Note 4B) | 208,638 | - | - | 6,354,297 | - | - | 6,562,935 |
| Prepaid items | 168,303 | - | - | - | 96,853 | - | 265,156 |
| Inventory | 280,703 | - | - | - | - | - | 280,703 |
| Land held for resale | 1,332,110 | - | - | - | - | - | 1,332,110 |
| Loans receivable (Note 5) | 1,279,018 | 45,073,399 | - | - | - | - | 46,352,417 |
| Advances to other funds (Note 4C) | - | - | - | 23,813 | - | - | 23,813 |
| Advances to RDA Successor Agency (Note 4C) | 4,638,627 | - | - | - | - | 317,809 | 4,956,436 |
| Total assets | $ 47,075,428 | $ 48,667,290 | $ 13,097,292 | $ 29,537,639 | $ 49,695,473 | $ 12,835,119 | $ 200,908,241 |
| Liabilities | | | | | | | |
| Accounts payable | $ 1,618,484 | $ 57,309 | $ - | $ 7,692,346 | $ 3,688 | $ 614,813 | $ 9,986,640 |
| Accrued expenditures | 1,613,526 | - | - | - | - | - | 1,613,526 |
| Due to other funds (Note 4B) | - | - | - | - | 6,354,297 | 208,638 | 6,562,935 |
| Deposits | 2,520,268 | 314,968 | - | - | - | - | 2,835,236 |
| Due to developers | 690,154 | - | - | - | - | - | 690,154 |
| Unearned revenue | 100,000 | 42,502 | - | 700,489 | - | 624,623 | 1,467,614 |
| Advances from other funds (Note 4C) | - | - | - | - | 23,813 | - | 23,813 |
| Total liabilities | 6,542,432 | 414,779 | - | 8,392,835 | 6,381,798 | 1,448,074 | 23,179,918 |
| Deferred Inflows of Resources | | | | | | | |
| Unavailable revenue - revolving loans | 1,279,018 | 45,073,399 | - | - | - | - | 46,352,417 |
| Fund Balances (Note 10) | | | | | | | |
| Nonspendable | 6,419,743 | - | - | - | 96,853 | - | 6,516,596 |
| Restricted | - | 3,179,112 | 13,097,292 | - | 43,216,822 | 8,076,068 | 67,569,294 |
| Committed | 500,000 | - | - | 21,120,991 | - | 1,126,152 | 22,747,143 |
| Assigned | 1,174,658 | - | - | 23,813 | - | 2,207,440 | 3,405,911 |
| Unassigned | 31,159,577 | - | - | - | - | (22,615) | 31,136,962 |
| Total fund balances | 39,253,978 | 3,179,112 | 13,097,292 | 21,144,804 | 43,313,675 | 11,387,045 | 131,375,906 |
| Total liabilities, deferred inflows of resources and fund balances | $ 47,075,428 | $ 48,667,290 | $ 13,097,292 | $ 29,537,639 | $ 49,695,473 | $ 12,835,119 | $ 200,908,241 |

See Notes to Financial Statements

| | | |
|---|---|---|
| Total fund balances reported on the governmental funds balance sheet | | $ 131,375,906 |
| Amounts reported for governmental activities in the statement of net position are different from those reported in the governmental funds above because of the following: | | |
| Capital assets | | |
| Capital assets used in governmental activities are not current assets or financial resources and therefore are not reported in the governmental funds. | | 142,190,010 |
| Allocation of Internal Service Fund Net Position | | |
| Internal service funds are not governmental funds. However, they are used by management to charge the costs of certain activities, such as insurance to individual governmental funds. The net position of the Internal Service Funds are therefore included in Governmental Activities in the following line items in the Statement of Net Position. | | |
| Cash and investments | $ 7,913,371 | |
| Restricted cash and investments | 19,215 | |
| Advances to other funds | 332,742 | |
| Accounts payable and accrued expenses | (5,091) | |
| Uninsured losses payable | (6,463,527) | |
| | | 1,796,710 |
| Accrual of Non-Current Resources | | |
| Revenue on the Governmental Fund Balance Sheet which is not available is currently recognized in the Statement of Net Position. | | 46,352,417 |
| Deferred Outflows and Inflows of Resources | | |
| The deferred accounts below are related to the net pension liability and are not due and payable in the current period and therefore are not reported in the Funds. | | |
| Deferred inflows of resources - amounts related to pensions | | (2,383,889) |
| Deferred outflows of resources - amounts related to pensions | | 19,278,419 |
| The deferred amount on refunding of long-term debt used in governmental activities are not financial resources and therefore, are not reported in the governmental funds. | | 31,332 |
| Long-Term Liabilities | | |
| The liabilities below are not due and payable in the current period and therefore are not reported in the Funds: | | |
| Long-term debt, net of bond premium | | (71,608,294) |
| Lease liability | | (344,410) |
| Accrued interest | | (1,502,013) |
| Uninsured losses payable | | (745,778) |
| Arbitrage liability | | (750,584) |
| Compensated absences | | (3,350,978) |
| Net pension liability | | (91,211,747) |
| Net position of governmental activities | | $ 169,127,101 |

See Notes to Financial Statements

# City of South Lake Tahoe, California

## Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds

### Year Ended September 30, 2024

| | General Fund | City Housing & Economic Development Fund | Measure P Recreation | City Capital Projects Fund | City Debt Service | Other Governmental Funds | Total Governmental Funds |
|---|---|---|---|---|---|---|---|
| Revenues | | | | | | | |
| Taxes and assessments | $ 51,304,323 | $ - | $ 3,385,402 | $ - | $ - | $ 1,585,187 | $ 56,274,912 |
| Licenses, permits and impact fees | 2,634,731 | - | - | - | - | 1,096,117 | 3,730,848 |
| Fines and penalties | 1,242,852 | - | - | - | - | 94,045 | 1,336,897 |
| Use of money and property | 2,643,542 | 196,391 | 797,405 | 223,426 | 3,101,674 | 752,746 | 7,715,184 |
| Intergovernmental revenue | 3,375,179 | 430,367 | - | 7,289,559 | - | 3,293,780 | 14,388,885 |
| Charges for current services | 5,427,884 | 422,982 | - | - | - | 3,794,744 | 9,645,610 |
| Other revenue | 1,145,745 | 20,642 | - | 182,424 | - | 481,861 | 1,830,672 |
| Total revenues | 67,774,256 | 1,070,382 | 4,182,807 | 7,695,409 | 3,101,674 | 11,098,480 | 94,923,008 |
| Expenditures | | | | | | | |
| Current | | | | | | | |
| General government | 13,249,538 | 5,600,397 | - | - | 29,063 | 255,024 | 19,134,022 |
| Public safety | 25,196,338 | - | - | - | - | 1,386,698 | 26,583,036 |
| Public works | 6,938,083 | - | - | - | - | 910,169 | 7,848,252 |
| Parks and recreation | 4,136,360 | - | - | - | - | 3,468,751 | 7,605,111 |
| Streets | - | - | - | - | - | 4,606,281 | 4,606,281 |
| Capital outlay | 914,766 | - | - | 34,854,751 | - | 5,386,840 | 41,156,357 |
| Debt service | | | | | | | |
| Principal | - | - | - | - | 3,860,944 | 210,064 | 4,071,008 |
| Interest and fiscal charges | - | - | - | - | 2,125,575 | 4,810 | 2,130,385 |
| Total expenditures | 50,435,085 | 5,600,397 | - | 34,854,751 | 6,015,582 | 16,228,637 | 113,134,452 |
| Excess (Deficiency) of Revenues over Expenditures | 17,339,171 | (4,530,015) | 4,182,807 | (27,159,342) | (2,913,908) | (5,130,157) | (18,211,444) |
| Other Financing Sources (Uses) | | | | | | | |
| Transfers in (Note 4A) | 946,448 | 609,000 | - | 31,588,523 | 8,114,774 | 5,112,945 | 46,371,690 |
| Transfers out (Note 4A) | (18,603,545) | - | (4,746,615) | (101,085) | (20,242,631) | (2,569,914) | (46,263,790) |
| Lease | - | - | - | - | - | 499,165 | 499,165 |
| Total other financing sources (uses) | (17,657,097) | 609,000 | (4,746,615) | 31,487,438 | (12,127,857) | 3,042,196 | 607,065 |
| Net Change in Fund Balances | (317,926) | (3,921,015) | (563,808) | 4,328,096 | (15,041,765) | (2,087,961) | (17,604,379) |
| Beginning Fund Balances | 39,571,904 | 7,100,127 | 13,661,100 | 16,816,708 | 58,355,440 | 13,475,006 | 148,980,285 |
| Ending Fund Balances | $ 39,253,978 | $ 3,179,112 | $ 13,097,292 | $ 21,144,804 | $ 43,313,675 | $ 11,387,045 | $ 131,375,906 |

See Notes to Financial Statements

The schedule below reconciles the Net Change in Fund Balances reported on the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance, which measures only changes in current assets and current liabilities on the modified accrual basis, to the Change in Net Position of Governmental Activities reported in the Statement of Activities, which is prepared on the full accrual basis.

| | |
|---|---|
| Net Change in Fund Balances - Total Governmental Funds | $ (17,604,379) |
| Amounts reported for governmental activities in the Statement of Activities are different because of the following: | |
| Capital Assets Transactions | |
| Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is capitalized and allocated over their estimated useful lives and reported as depreciation expense. | |
| Purchase of capital assets, net of retirements | 40,774,301 |
| Depreciation expense | (7,330,353) |
| The net effect of various miscellanous transactions involving capital assets (i.e., disposals and transfers between governmental and business-type activities) resulting in an increase or (decrease) of net position. | |
| Loss on disposal | (1,772,219) |
| Long-Term Debt Issuance and Payments | |
| Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of bond principal is an expenditure in the governmental funds, but in the Statement of Net Position the repayment reduces long-term liabilities. | |
| Repayment of debt principal | 4,071,008 |
| Amortization of deferred amounts on refunding | (37,526) |
| Amortization of bond premium | 325,526 |
| Accrued interest expense | (1,502,086) |
| Lease issue | (499,165) |
| Accrual of Non-Current Items | |
| The amounts below included in the Statement of Activities do not provide or (require) the use of current financial resources and therefore are not reported as revenue or expenditures in governmental funds (net change): | |
| Unavailable revenues | 5,147,247 |
| Compensated absences | (611,369) |
| Uninsured losses payable | (1,339) |
| Change in net pension liability | (2,938,189) |
| Change in arbitrage liability | (750,584) |
| Allocation of Internal Service Fund Activity | |
| Internal Service Funds are used by management to charge the costs of certain activities, such as insurance to individual funds. The portion of the net revenue (expense) of these Internal Service Funds arising out of their transactions with governmental Funds is reported with governmental activities, because they service those activities. | |
| Change in net position - all internal service funds | 716,914 |
| Change in net position of governmental activities | $ 17,987,787 |

See Notes to Financial Statements

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|---|---|---|---|
| | Original | Final | | |
| Revenues | | | | |
| Taxes and assessments | $ 50,316,562 | $ 50,466,562 | $ 51,304,323 | $ 837,761 |
| Licenses, permits, and impact fees | 2,018,200 | 2,168,200 | 2,634,731 | 466,531 |
| Fines and penalties | 460,500 | 810,500 | 1,242,852 | 432,352 |
| Use of money and property | 448,065 | 1,248,065 | 2,643,542 | 1,395,477 |
| Intergovernmental revenue | 3,791,700 | 4,085,529 | 3,375,179 | (710,350) |
| Charges for current services | 4,403,144 | 5,703,144 | 5,427,884 | (275,260) |
| Other revenue | 476,938 | 458,777 | 1,145,745 | 686,968 |
| Total revenues | 61,915,109 | 64,940,777 | 67,774,256 | 2,833,479 |
| Expenditures | | | | |
| Current | | | | |
| General government | 13,236,388 | 14,467,162 | 13,249,538 | 1,217,624 |
| Public safety | 25,630,308 | 26,300,332 | 25,196,338 | 1,103,994 |
| Public works | 7,137,579 | 7,907,167 | 6,938,083 | 969,084 |
| Parks and recreation | 3,315,422 | 3,823,432 | 4,136,360 | (312,928) |
| Capital outlay | - | 2,198,191 | 914,766 | 1,283,425 |
| Total expenditures | 49,319,697 | 54,696,284 | 50,435,085 | 4,261,199 |
| Excess of Revenues over Expenditures | 12,595,412 | 10,244,493 | 17,339,171 | 7,094,678 |
| Other Financing Sources (Uses) | | | | |
| Transfers in | 532,940 | 1,292,294 | 946,448 | (345,846) |
| Transfers out | (11,652,248) | (18,652,283) | (18,603,545) | 48,738 |
| Total other financing sources (uses) | (11,119,308) | (17,359,989) | (17,657,097) | (297,108) |
| Net Change in Fund Balance | $ 1,476,104 | $ (7,115,496) | (317,926) | $ 6,797,570 |
| Beginning Fund Balance | | | 39,571,904 | |
| Ending Fund Balance | | | $ 39,253,978 | |

See Notes to Financial Statements

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|---|---|---|---|
| | Original | Final | | |
| Revenues | | | | |
| Use of money and property | $ 800 | $ 800 | $ 196,391 | $ 195,591 |
| Intergovernmental revenue | 5,671,998 | 1,207,077 | 430,367 | (776,710) |
| Charges for services | 145,000 | 145,000 | 422,982 | 277,982 |
| Other revenue | 70,000 | 70,000 | 20,642 | (49,358) |
| Total revenues | 5,887,798 | 1,422,877 | 1,070,382 | (352,495) |
| Expenditures | | | | |
| Current | | | | |
| General government | 6,063,812 | 7,130,787 | 5,600,397 | 1,530,390 |
| Total expenditures | 6,063,812 | 7,130,787 | 5,600,397 | 1,530,390 |
| Excess (Deficiency) of Revenues over Expenditures | (176,014) | (5,707,910) | (4,530,015) | 1,177,895 |
| Other Financing Sources (Uses) | | | | |
| Transfers in | 400,000 | 609,000 | 609,000 | - |
| Net Change in Fund Balance | $ 223,986 | $ (5,098,910) | (3,921,015) | $ 1,177,895 |
| Beginning Fund Balance | | | 7,100,127 | |
| Ending Fund Balance | | | $ 3,179,112 | |

See Notes to Financial Statements

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|---|---|---|---|
| | Original | Final | | |
| Revenues | | | | |
| Taxes and assessments | $ 3,400,000 | $ 3,400,000 | $ 3,385,402 | $ (14,598) |
| Use of money and property | 75,000 | 75,000 | 797,405 | 722,405 |
| Total revenues | 3,475,000 | 3,475,000 | 4,182,807 | 707,807 |
| Other Financing Sources (Uses) | | | | |
| Transfers out (Note 4A) | (1,096,995) | (16,461,139) | (4,746,615) | 11,714,524 |
| Net Change in Fund Balance | $ 2,378,005 | $ (12,986,139) | (563,808) | $ 12,422,331 |
| Beginning Fund Balance | | | 13,661,100 | |
| Ending Fund Balance | | | $ 13,097,292 | |

See Notes to Financial Statements



Proprietary funds account for City operations financed and operated in a manner similar to a private business enterprise. The intent of the City proprietary funds is that the cost of providing goods and services be financed primarily through user charges.

**Airport Fund** – Established for the operation, development, maintenance and capital improvements of the South Lake Tahoe Airport.

**Parking Garage Fund** – Established for all activities necessary to provide administration, operations, capital improvements, maintenance, financing and related debt service of parking garage.

**Other Enterprise Funds** – Includes the non-major enterprise funds of the City, including the Transit and Parking Management Funds.

**Internal Service Funds** – The City has internal service funds which provide services to other departments on a cost-reimbursement basis including Health, Vision and Dental Insurance, and Worker's Compensation Self Insurance.

| | Business-Type Activities - Enterprise Funds | | | | Governmental Activities- Internal Service Funds |
|---|---|---|---|---|---|
| | Airport | Parking Garage | Other Enterprise Funds | Totals | |
| Assets | | | | | |
| Current Assets | | | | | |
| Cash and investments (Note 3) | $ 1,756,055 | $ 1,486,768 | $ 868,317 | $ 4,111,140 | $ 7,913,371 |
| Restricted cash and investments (Note 3) | - | 17,285 | - | 17,285 | 19,215 |
| Accounts receivable - net | 226,362 | 1,047 | 6,991 | 234,400 | - |
| Prepaid Items | 29,623 | - | - | 29,623 | - |
| Total current assets | 2,012,040 | 1,505,100 | 875,308 | 4,392,448 | 7,932,586 |
| Non-Current Assets | | | | | |
| Advances to RDA Successor Agency (Note 4C) | - | - | - | - | 332,742 |
| Capital assets (Note 6) | | | | | |
| Nondepreciable | 1,509,180 | 1,563,853 | 1,315,373 | 4,388,406 | - |
| Depreciable | 14,780,198 | 3,825,894 | 1,402,419 | 20,008,511 | - |
| Total noncurrent assets | 16,289,378 | 5,389,747 | 2,717,792 | 24,396,917 | 332,742 |
| Total assets | 18,301,418 | 6,894,847 | 3,593,100 | 28,789,365 | 8,265,328 |
| Deferred Outflows of Resources | | | | | |
| Deferred outflows related to pensions | 67,495 | 44,381 | - | 111,876 | - |
| Liabilities | | | | | |
| Current Liabilities | | | | | |
| Accounts payable | 141,116 | 8,182 | 1,926 | 151,224 | 5,091 |
| Deposits | 61,237 | - | - | 61,237 | - |
| Due to developers | 1,352 | - | - | 1,352 | - |
| Current portion of long-term debt (Note 7) | 9,660 | - | - | 9,660 | - |
| Compensated absences (Note 9) | 39,739 | - | - | 39,739 | - |
| Uninsured losses payable (Note 12) | - | - | - | - | 1,473,941 |
| Total current liabilities | 253,104 | 8,182 | 1,926 | 263,212 | 1,479,032 |
| Long-Term Liabilities | | | | | |
| Uninsured losses payable (Note 12) | - | - | - | - | 4,989,586 |
| Net pension liability | 1,458,913 | 959,293 | - | 2,418,206 | - |
| Long-term debt (Note 7) | 20,672 | - | - | 20,672 | - |
| Total long-term liabilities | 1,479,585 | 959,293 | - | 2,438,878 | 4,989,586 |
| Total liabilities | 1,732,689 | 967,475 | 1,926 | 2,702,090 | 6,468,618 |
| Net Position (Note 10) | | | | | |
| Net investment in capital assets | 16,259,046 | 5,389,747 | 2,717,792 | 24,366,585 | - |
| Restricted for debt service | - | 17,285 | - | 17,285 | - |
| Unrestricted | 377,178 | 564,721 | 873,382 | 1,815,281 | 1,796,710 |
| Total net position | $ 16,636,224 | $ 5,971,753 | $ 3,591,174 | $ 26,199,151 | $ 1,796,710 |

See Notes to Financial Statements

| | Business-Type Activities - Enterprise Funds | | | | Governmental Activities-Internal Service Funds |
|---|---|---|---|---|---|
| | Airport | Parking Garage | Other Enterprise Funds | Totals | |
| Operating Revenues | | | | | |
| Charges for current services | $ 329,082 | $ 1,146,962 | $ 187,669 | $ 1,663,713 | $ 6,102,886 |
| Rental and reimbursements | 1,326,436 | 9,048 | 179,233 | 1,514,717 | 167,375 |
| Other income | 12,664 | - | - | 12,664 | - |
| Total operating revenues | 1,668,182 | 1,156,010 | 366,902 | 3,191,094 | 6,270,261 |
| Operating Expenses | | | | | |
| Salaries and wages | 502,928 | 231,306 | - | 734,234 | 56,064 |
| Payroll expenses | 468,564 | 367,776 | - | 836,340 | - |
| Contracted services | 946,128 | 530,960 | - | 1,477,088 | 149,737 |
| Supplies | 256,965 | 105,522 | 12,667 | 375,154 | - |
| Communication | 6,255 | 1,079 | - | 7,334 | - |
| Repairs and maintenance | 579,931 | - | - | 579,931 | - |
| Insurance | 21,814 | 34,410 | 200,109 | 256,333 | - |
| Claims | - | - | - | - | 5,685,871 |
| General expenses | 43,467 | 2,932 | 11,602 | 58,001 | 13,584 |
| Depreciation (Note 6) | 1,448,357 | 196,257 | 81,580 | 1,726,194 | - |
| Total operating expenses | 4,274,409 | 1,470,242 | 305,958 | 6,050,609 | 5,905,256 |
| Operating income (loss) | (2,606,227) | (314,232) | 60,944 | (2,859,515) | 365,005 |
| Nonoperating Revenues (Expenses) | | | | | |
| Interest expense | (1,818) | (127,168) | (15,829) | (144,815) | - |
| Investment earnings | 99,261 | 149,472 | 43,972 | 292,705 | 374,809 |
| Loss on sale of capital assets | (54,535) | - | - | (54,535) | - |
| Taxes and assessments | 8,991 | - | - | 8,991 | - |
| Total nonoperating revenues (expenses) | 51,899 | 22,304 | 28,143 | 102,346 | 374,809 |
| Income (Loss) Before Contributions and Transfers | (2,554,328) | (291,928) | 89,087 | (2,757,169) | 739,814 |
| Capital grants and contributions | 591,050 | 330,000 | - | 921,050 | - |
| Transfers in (Note 4A) | - | - | - | - | 51,300 |
| Transfers out (Note 4A) | - | - | (85,000) | (85,000) | (74,200) |
| Total contributions and transfers | 591,050 | 330,000 | (85,000) | 836,050 | (22,900) |
| Change in Net Position | (1,963,278) | 38,072 | 4,087 | (1,921,119) | 716,914 |
| Beginning Net Position | 18,599,502 | 5,933,681 | 3,587,087 | 28,120,270 | 1,079,796 |
| Ending Net Position | $ 16,636,224 | $ 5,971,753 | $ 3,591,174 | $ 26,199,151 | $ 1,796,710 |

See Notes to Financial Statements

| | Business-Type Activities - Enterprise Funds | | | | Governmental Activities- Internal Service Funds |
|---|---|---|---|---|---|
| | Airport | Parking Garage | Other Enterprise Funds | Totals | |
| Operating Activities | | | | | |
| Receipts from customers | $ 1,555,463 | $ 1,156,010 | $ 363,441 | $ 3,074,914 | $ 6,270,878 |
| Payments to suppliers | (1,866,454) | (681,214) | (224,609) | (2,772,277) | (161,170) |
| Payments to employees | (790,352) | (327,069) | - | (1,117,421) | (56,064) |
| Claims paid | - | - | - | - | (5,142,240) |
| Net Cash Provided by (used for) Operating Activities | (1,101,343) | 147,727 | 138,832 | (814,784) | 911,404 |
| Noncapital Financing Activities | | | | | |
| Transfers in | - | - | - | - | 51,300 |
| Transfers out | - | - | (85,000) | (85,000) | (74,200) |
| Net Cash Provided by (used for) Noncapital Financing Activities | - | - | (85,000) | (85,000) | (22,900) |
| Capital and Related Financing Activities | | | | | |
| Capital grants | 600,041 | - | - | 600,041 | - |
| Capital asset purchases | (143,951) | (294,197) | - | (438,148) | - |
| Contributions | - | 330,000 | - | 330,000 | - |
| Principal payments on debt | (9,236) | (5,555,000) | - | (5,564,236) | - |
| Interest paid | (1,818) | (219,710) | (15,829) | (237,357) | - |
| Net Cash Provided by (Used For) Capital and Related Financing Activities | 445,036 | (5,738,907) | (15,829) | (5,309,700) | - |
| Investing Activities | | | | | |
| Investment earnings | 99,261 | 149,472 | 43,972 | 292,705 | 374,809 |
| Net Increase/(decrease) in Cash and Investments | (557,046) | (5,441,708) | 81,975 | (5,916,779) | 1,263,313 |
| Cash and Investments at Beginning of Period | 2,313,101 | 6,945,761 | 786,342 | 10,045,204 | 6,669,273 |
| Cash and Investments at End of Period | $ 1,756,055 | $ 1,504,053 | $ 868,317 | $ 4,128,425 | $ 7,932,586 |
| Reconciliation of Operating Income (Loss) to net cash Provided by (used by) Operating Activities | | | | | |
| Operating income (loss) | $ (2,606,227) | $ (314,232) | $ 60,944 | $ (2,859,515) | $ 365,005 |
| Adjustments to reconcile operating income (loss) to cash flows from operating activities | | | | | |
| Depreciation | 1,448,357 | 196,257 | 81,580 | 1,726,194 | - |
| Increase (decrease) in pension related amounts | 169,401 | 272,013 | - | 441,414 | - |
| Change in assets and liabilities | | | | | |
| Prepaid items | (29,623) | - | - | (29,623) | - |
| Receivables, net | (114,071) | - | (3,461) | (117,532) | 617 |
| Accounts payable and other accrued expenses | 30,820 | (6,311) | (231) | 24,278 | 545,782 |
| Net Cash Provided by (used for) Operating Activities | $ (1,101,343) | $ 147,727 | $ 138,832 | $ (814,784) | $ 911,404 |

See Notes to Financial Statements

Fiduciary funds are presented separately from the Government-wide and Fund financial statements. The City had the following types of Fiduciary Funds in fiscal year 2024:

**Redevelopment Obligation Retirement Private-Purpose Trust Fund**

This fund was established to account for the assets, liabilities, and activities of the Successor Agency to the South Tahoe Redevelopment Agency.

**Custodial Funds**

Custodial funds are used to account for assets held by the City as an agent for individuals, private organizations, and other governments. The financial activities of these funds are excluded from the City-wide financial statements but are presented in separate Fiduciary Fund financial statements.

| | Redevelopment Obligation Retirement Private-Purpose Trust Fund | Custodial Funds |
|---|---|---|
| Assets | | |
| Cash and investments (Note 3) | $ 1,882,063 | $ 1,997,458 |
| Restricted cash and investments (Note 3) | 9,454,606 | 1,115,594 |
| Accounts receivable | - | 90,230 |
| Capital assets (Note 16) | | |
| Land | 6,784,744 | - |
| Depreciable capital assets, net | 1,486,313 | - |
| Total assets | 19,607,726 | 3,203,282 |
| Deferred Outflows of Resources | | |
| Deferred amount on refunding | 978,916 | - |
| Liabilities | | |
| Accounts payable | - | 20,670 |
| Deposits and other accruals | - | 8,905 |
| Accrued Interest payable | 1,106,902 | - |
| Advances payable to City of South Lake Tahoe | 5,289,178 | - |
| Long-term liabilities (Note 16) | | |
| Due in one year | 2,955,000 | - |
| Due in more than one year | 54,208,373 | - |
| Total liabilities | 63,559,453 | 29,575 |
| Net Position (Deficit) | | |
| Restricted for individuals, organizations, and other governments | $ (42,972,811) | $ 3,173,707 |

See Notes to Financial Statements

| | Redevelopment Obligation Retirement Private-Purpose Trust Fund | Custodial Funds |
|---|---|---|
| Additions | | |
| Taxes and assessments | $ 5,228,760 | $ 923,258 |
| Interest income | 436,923 | 159,082 |
| Total additions | 5,665,683 | 1,082,340 |
| Deductions | | |
| General government | 139,696 | - |
| Program and administrative charges | - | 150,759 |
| Debt service principal | - | 365,000 |
| Distributions to other governments | - | 330,000 |
| Interest and fiscal charges | 3,295,191 | 139,635 |
| Loss on sale of assets | 72,587 | - |
| Total deductions | 3,507,474 | 985,394 |
| Net Change in Net Position | 2,158,209 | 96,946 |
| Net Position (Deficit) | | |
| Beginning of Year | (45,131,020) | 3,076,761 |
| End of Year | $ (42,972,811) | $ 3,173,707 |

See Notes to Financial Statements



## Note 1 - Significant Accounting Policies

The City of South Lake Tahoe, California (City) is a year-round resort community with a permanent estimated population of 20,790. The City operates under the Council/Manager form of government and provides the following services: public safety (police and fire), highways and streets, airport management, transportation, recreation, planning and zoning, public improvements and general administration.

### A. Reporting Entity

The City is governed by a five-member council elected by city residents. The City is legally separate and fiscally independent which means it can issue debt, set and modify budgets and fees and sue or be sued. These financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the government's operations and so data from these units are combined with data of the primary government.

**Primary Government**

The financial statements of the City include the activities of the City and blended component units discussed below. While these component units are separate legal entities, their financial activities are integral to those of the City. Their financial activities have been aggregated and merged (termed "blending") with those of the City in the accompanying financial statements.

**Blended Component Units**

**The South Tahoe Joint Powers Financing Authority** (STJPFA) was formed by the City and Former Redevelopment Agency (Successor Agency) to finance the acquisition of public improvements. The City Council sits as the Authority's Board and the Authority's debt service expenditures are financed by the City and the Successor Agency. The Authority therefore provides a financial benefit and burden to the City. Financial activities have been included in the City Debt Service Fund and the Private Purpose Trust Fund. On March 15, 2022, the STJPFA agreement was amended to add the newly formed Parking Authority of the City of South Lake Tahoe as a member of the Financing Authority and to withdraw and terminate the Successor Agency as a member of the Financing Authority. The amendment facilitated the continued existence of the Financing Authority beyond the termination of the Successor Agency which occurs upon repayment of all Successor Agency enforceable obligations according to AB 1484. See Note 16.

**The South Tahoe Joint Powers Parking Financing Authority** was formed by the City and Successor Agency to finance the acquisition of certain public capital improvements, including parking facilities to aid the Successor Agency's redevelopment plan. The City Council sits as the Authority's Board and the Authority's debt service expenditures are financed by the City parking garage operations. The Authority therefore provides a financial benefit and burden to the City. Financial activities have been included in the Parking Enterprise Fund.

**The Housing Authority of the City of South Lake Tahoe, California**, was established to provide housing for the City's low and moderate-income residents. The City Council sits as the Authority's Board and all accounting and administrative functions are performed by City staff. The Authority therefore provides a financial benefit and burden to the City. The financial activities of the Authority have been included in the City Housing & Economic Development Special Revenue Fund.

**B. Basis of Presentation**

The City's Basic Financial Statements are prepared in conformity with accounting principles generally accepted in the United States of America. The Government Accounting Standards Board is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the U.S.A.

**Government-wide Statements:** The Statement of Net Position and the Statement of Activities display information about the primary government (City) and its component units. These statements include the financial activities of the overall City government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities and any residual balance between Government Activities and Business Type Activities are reported as internal balances with the exception of interfund services provided and used. These interfund activities are not eliminated in the process of consolidation. These statements distinguish between the *governmental* and *business-type* activities of the City. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The Statement of Activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs, (b) grants and contributions that are restricted to meeting the operational needs of a particular program and (c) fees, grants and contributions that are restricted to financing the acquisition or construction of capital assets. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

**Fund Financial Statements:** The fund financial statements provide information about the City's funds, including fiduciary funds and blended component units. Separate statements for each fund category—*governmental, proprietary, and fiduciary*—are presented. The emphasis of fund financial statements is on major individual governmental and enterprise funds, each of which is displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds.

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

**C. Major Funds**

Major funds are defined as funds that have either assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues or expenditures/expenses equal to ten percent of their fund-type total and five percent of the grand total. The General Fund is always a major fund. The City may also select other funds it believes because of relevance to financial statement users to be presented as major funds.

The City reports the following major governmental funds in the accompanying financial statements:

**General Fund** - The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. The major revenue sources for this Fund are sales taxes, property taxes, transient occupancy taxes, unrestricted revenues from the State, fines and forfeitures and interest income. Expenditures are incurred for public safety, public works, development services, parks and recreation, and general government.

**City Housing & Economic Development Special Revenue Fund** - Established to account for restricted former redevelopment tax allocations set aside for low and moderate-income housing, CDBG, and HOME funds used for the purpose of increasing or improving the City's supply of low or moderate–income housing.

**Measure P Recreation Fund** - Established to account for the 2% Transient Occupancy Taxes collected for the purpose of construction, operation and maintenance of recreational facilities.

**City Capital Projects Fund** - Established to account for the construction and maintenance of the City projects. The funding sources for City Capital Projects are the General Fund and other funds, as well as grant funds from various granting agencies.

**City Debt Service Fund** - Established to account for the financing and debt service activities within the City.

The City reports the following enterprise funds as major funds in the accompanying financial statements:

**Airport Fund** - Established for the operation, development, maintenance and capital improvements of the Lake Tahoe Airport.

**Parking Garage Fund** - Established for all activities necessary to provide administration, operations, capital improvements, maintenance, financing and related debt service of parking garage.

The City also reports the following fund types:

**Internal Service Funds** - The Health, Vision, and Dental Insurance, and Workers' Compensation Self Insurance; all of which provide services to other departments on a cost-reimbursement basis.

**Fiduciary Funds** - Fiduciary funds are used to account for assets held by the City as an agent for individuals, private organizations, and other governments. The financial activities of these funds are excluded from the Government-wide financial statements, but are presented in separate Fiduciary Fund financial statements and consist primarily of funds held as a custodian for various special assessment districts, other organizations, and the South Tahoe Basin Waste Management Authority, as well as the Redevelopment Obligation Retirement Private-Purpose Trust Fund, which accounts for the activities of the Successor Agency to the South Tahoe Redevelopment Agency.

**D. Basis of Accounting**

The government-wide, proprietary and fiduciary fund financial statements are reported using the *economic resources measurement focus* and the *full accrual basis* of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Governmental funds are reported using the *current financial resources* measurement focus and the *modified accrual* basis of accounting. Under this method, revenues are recognized when *measurable* and *available*. The City considers property taxes revenues to be available if collected within sixty days after year-end. All other revenues reported in the governmental funds are considered to be available if the revenues are collected within three hundred sixty-five days after year-end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and accumulated unpaid vacation, sick pay and other employee amounts, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under leases are reported as *other financing sources*.

Non-exchange transactions, in which the City gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants, entitlements, and donations. On the accrual basis, revenue from taxes is recognized in the fiscal year for which the taxes are levied or assessed. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Other revenues susceptible to accrual are sales taxes and interest revenue. Forfeitures, licenses, permits and miscellaneous revenue are not susceptible to accrual because they are not measurable until received in cash. Grant funding received before all eligibility requirements are met is accounted for as unearned revenue.

Grant revenues are recognized in the fiscal year in which all eligibility requirements are met. Under the terms of grant agreements, the City may fund certain programs with a combination of cost-reimbursement grants, categorical block grants, and general revenues. Thus, both restricted and unrestricted net position may be available to finance program expenditures. The City's policy is to first apply restricted grant resources to such programs, followed by general revenues if necessary.

**E. Inventory**

Inventory consists of parts and fuel which are held for consumption and are valued at cost on a first-in, first-out basis (consumption method).

**F. Prepaid Items**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. Prepaid items are reduced as the items are utilized or consumed.

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

Deferred outflows of resources represent a consumption of net assets that applies to future periods and will not be recognized as an outflow of resources (expense/expenditure) until then. The City reports deferred outflows related to pensions and deferred amounts on refunding.

Deferred inflows of resources represent an acquisition of net assets that applies to future periods and will not be recognized as an inflows or resources (revenue) until that time. The City has two items that qualify for reporting in this category. The first item, unavailable revenue, arises only under modified accrual basis of accounting and is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenue from principal and interest receivable on revolving loans. The amount is deferred and recognized as an inflow of resources in the period that the amount becomes available. At the government-wide statements, this item is eliminated and recognized as revenue since “availability” of resources is not a criteria used in the government-wide statements. The City also reports deferred inflows related to pensions.

**H. Capital Assets**

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Contributed capital assets are valued at their estimated acquisition value on the date contributed. The City’s policy is to capitalize all assets with costs exceeding certain minimum thresholds and with useful lives exceeding three years.

All capital assets with limited useful lives are depreciated over their estimated useful lives. The purpose of depreciation is to spread the cost of capital assets equitably among all users over the life of these assets. The amount charged to depreciation expense each year represents that year’s pro rata share of the cost of capital assets. Depreciation of all capital assets is charged as an expense against operations each year and the total amount of depreciation taken over the years, called accumulated depreciation, is reported on the statement of net position as a reduction in the book value of capital assets.

Right to use leased assets are recognized at the lease commencement date and represent the City’s right to use an underlying asset for the lease term. The City maintains a threshold level of $100,000 or more for capitalizing leases. Right to use leased assets are measured at the initial value of the lease liability plus any payments made to the lessor before commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term, plus any initial direct costs necessary to place the lease asset into service. Right to use leased assets are amortized over the shorter of the lease term or useful life of the underlying asset using. The amortization period is 10 years.

Depreciation is provided using the straight-line method which means the cost of the asset is divided by its expected useful life in years and the result is charged to expense each year until the asset is fully depreciated. The City has assigned the useful lives and capitalization thresholds listed below to capital assets:

| | Life (Years) | Threshold |
|---|---|---|
| Buildings | 30 - 40 | $ 50,000 |
| Vehicles | 3 - 6 | 10,000 |
| Furniture, machinery, and equipment | 3 - 10 | 10,000 |
| Buses | 10 | 10,000 |
| Transit center buildings | 30 - 40 | 50,000 |
| Terminal buildings | 30 - 40 | 50,000 |
| Streets | 30 - 40 | 200,000 |
| Bike paths | 20 | 200,000 |
| Streetscape | 30 - 40 | 200,000 |
| Intangibles (including right-to-use assets) | Based on legal provisions | 100,000 |

Major outlays for capital assets and improvements are capitalized as projects are constructed.

**I. Property Tax**

El Dorado County assesses properties and bills, collects, and distributes property taxes to the City. The City participates in the County “Teeter Plan” method of property tax distribution. Under the Teeter Plan, the County remits the entire amount levied and handles all delinquencies, retaining interest and penalties. Secured and unsecured property taxes are levied on January 1 of the preceding fiscal year.

Secured property tax is due in two installments, on November 1 and March 1, and becomes a lien on those dates. It becomes delinquent on December 10 and April 10, respectively. Unsecured property tax is due on July 1 and becomes delinquent on August 31.

The term "unsecured" refers to taxes on personal property other than real estate, land and buildings. These taxes are secured by liens on the property being taxed. Property tax revenues are recognized by the City in the fiscal year they are assessed provided they become available as defined above.

**J. Compensated Absences**

Compensated absences comprise unused vacation leave, vested sick pay and compensated time off, which are accrued as earned. The City’s liability for compensated absences is recorded in various Governmental funds or Proprietary funds as appropriate. For all governmental funds, amounts representing permanent liquidations are recorded as fund liabilities; the long-term portion is recorded in the Statement of Net Position. A roll-forward of the compensated absences balances is included in Note 9.

### K. Lease Liabilities

Lease Liabilities represent the City's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the lease commencement date based on the present value of future lease payments expected to be made during the lease term. The present value of lease payments are discounted based on a borrowing rate determined by the City.

### L. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

### M. Cash and Cash Equivalents

The City's cash and cash equivalents reported in the proprietary fund statements are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

### N. Pensions

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

### O. Adopted New Accounting Pronouncements

The Governmental Accounting Standards Board (GASB) releases new accounting and financial reporting standards which may have a significant impact on the City's financial reporting process. The City became subject to the following GASB Statements for the year ended September 30, 2024.

**GASB Statement No. 99** – In April 2022, the GASB issued Statement No. 99, *Omnibus 2022*. The objectives of this Statement are to enhance comparability in accounting and reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement No. 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter. The statement did not have a material effect on the financial statements.

**GASB Statement No. 100** – In June 2022, the GASB issued Statement No. 100, *Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62*. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The Statement did not have a material effect on the financial statements.

## Note 2 - Budgets and Budgetary Accounting

### A. Budgeting Procedures

The City follows these procedures in establishing the budgetary data on a modified accrual basis, reflected in the accompanying financial statements:

1. The department directors prepare a budget request based upon the previous year's expenditures and current year estimates for the fiscal year commencing the following October 1;

2. The City Manager submits the proposed City budget during the month of August each year to the City Council, who make decisions regarding department budgets;

3. The budget is legally enacted through passage of an appropriation resolution prior to October 1;

4. The approved budget is placed in the City accounting system and monitored by the Finance Department;

5. Department directors are authorized to transfer budgeted amounts between accounts within departmental expenditure categories. Revisions that alter the category's total or total expenditures of any department must be approved by the City Manager and Director of Finance; the legally adopted budget requires that expenditures not exceed total appropriations at the fund level, unless approved by resolution of the City Council;

6. Budgets for governmental funds are adopted on a GAAP basis. Budgeted amounts are as originally adopted and further amended by the City Council;

7. Capital project budgets are primarily "long-term" in nature; however, the budgets are established on a year-by-year basis; and

8. Appropriations lapse at the close of the fiscal year to the extent they have not been expended or encumbered.

Encumbrance accounting requires that purchase orders, contracts, and other commitments for the expenditures of monies be recorded in the books in order to reserve that portion of the applicable appropriation. The City's encumbrance accounting is an extension of the formal budgetary process. It reports encumbrances outstanding at year end as a component of assigned, committed or restricted fund balance, since they are not expenditures. Unencumbered appropriations lapse at year end.

### B. Excess of Expenditures over Appropriations

The funds below incurred expenditures in excess of its budget as the result of unanticipated expenses. Sufficient resources were available within the funds to finance these excesses:

| Fund | Amount |
|---|---|
| Non-major Governmental Funds | |
| Ice Arena | $ 65,304 |
| Ski Run Business Improvement | 5,141 |
| Tourism Improvement District | 18,716 |
| EMS | 398,446 |
| Harrison Avenue CFD | 53 |

## Note 3 - Cash and Investments

The City pools cash from all sources and all funds except cash and investments with fiscal agents so that it can be invested at the maximum yield consistent with safety and liquidity, while individual funds can make expenditures at any time.

### A. Policies

The City invests in individual investments and in investment pools. Individual investments are evidenced by specific identifiable *securities instruments*, or by an electronic entry registering the owner in the records of the institution issuing the security, called the *book entry* system. In order to increase security, the City employs the Trust Department of a bank as the custodian of certain City managed investments, regardless of their form.

The City's investments are carried at fair value, as required by generally accepted accounting principles. The City adjusts the carrying value of its investments to reflect their fair value at each fiscal year end, and it includes the effects of these adjustments in income for that fiscal year.

### B. Classification

Cash and investments are classified in the financial statements as shown below, based on whether or not their use is restricted under the terms of City debt instruments or other agreements.

Cash and investments comprised of the following at September 30, 2024:

| | |
|---|---|
| Cash and investments | $93,396,554 |
| Restricted cash and investments | 48,664,154 |
| City cash and investments | 142,060,708 |
| Cash and investments in Fiduciary Funds | 3,879,521 |
| Restricted cash and investments in Fiduciary Funds | 10,570,200 |
| Total cash and investments | $ 156,510,429 |

### C. Investments Authorized by the California Government Codes and the City's Investment Policy

The City's Investment Policy and the California Government Code allow the City to invest in the following, provided the credit ratings of the issuers are acceptable to the City; and approved percentages and maturities are not exceeded. The table below also identifies certain provisions of the California Government Code, or the City's Investment Policy where the City's Investment Policy is more restrictive.

| Authorized Investment Type | Maximum Maturity | Minimum Credit Quality | Maximum Percentage Allowed |
|---|---|---|---|
| Certificates of Deposit | 5 years | No Limit | 25%, not to exceed $250,000 per institution |
| Bankers' Acceptances | 180 days | No Limit | 20% max/5% per issuer |
| Securities of the U.S. Government or its agencies | 5 years | No Limit | No limit |
| Commercial Paper | 270 days | AAA | 25% max /5% per issuer |
| Medium-Term Corporate Notes | 5 years | A | 30% max and $2,000,000 per corporation |
| Local Agency Investment Fund (State Pool) | No Limit | No Limit | $75 million |
| Negotiable Certificates of Deposit | 5 years | No Limit | Lesser of 30% max/5% per issuer or $1,000,000 |
| Passbook Savings Account Demand Deposit | 10 working days | No Limit | Under $100,000 |
| Governmental Security Mutual Funds | 5 years | AAA | 20% max /10% per issuer |
| Money Market Mutual Funds | No Limit | No Limit | 20% max per issuer |
| Bonds or notes issued by California Local agencies | 5 years | A | 20% max /5% per issuer |
| U.S. Treasury Notes and Bonds | 5 years | A | No limit |
| Supranationals | 5 years | AA | 30% max |

## D. Investments Authorized by Debt Agreements

The City must maintain required amounts of cash and investments with trustees or fiscal agents under the terms of certain debt issues. These funds are unexpended bond proceeds or pledged reserves to be used if the City fails to meet its obligations under these debt issues. The California Government Code requires these funds to be invested in accordance with City resolutions, bond indentures or State statutes.

The table below identifies the investment types that are authorized for investments held by fiscal agents. The table also identifies certain provisions of these debt agreements:

| Authorized Investment Type | Maximum Maturity | Minimum Credit Quality | Maximum Percentage Allowed |
|---|---|---|---|
| U.S. Treasury Bonds | No Limit | None | No Limit |
| Government National Mortgage Bonds | No Limit | None | No Limit |
| Federal National Mortgage Bonds | No Limit | AA | No Limit |
| Demand Deposits | No Limit | A-1 or better | No Limit |
| Repurchase Agreements | No Limit | None | No Limit |
| Bankers' Acceptances | 180 days | None | No Limit |
| Commercial Paper | 270 days | A or higher | 10% |
| Bonds, Warrants or Other Indebtedness | No Limit | A or higher | No Limit |
| Local Agency Investment Fund (State Pool) | No Limit | None | No Limit |
| Money Market Funds | No Limit | A or higher | No Limit |

## E. Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Normally, the longer the maturity of an investment, the greater the sensitivity of its fair value is to changes in market interest rates. The City generally manages its interest rate risk by holding investments to maturity.

Information about the sensitivity of the fair values of the City's investments (including investments held by bond trustees) to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity or earliest call date:

| Investment Type | Par Value | Twelve Months or Less | 1 to 5 Years | Fair Value |
|---|---|---|---|---|
| U.S. Government Agencies | $ 52,000,000 | $ 39,080,576 | $ 12,909,768 | $ 51,990,344 |
| Local Agency Investment Fund (State pool) | 33,033,358 | 33,101,443 | - | 33,101,443 |
| Retiree Health Savings Trust - Mutual Funds | 55,056 | 55,056 | | 55,056 |
| Money Market Mutual Funds | 69,174,395 | 69,670,313 | - | 69,670,313 |
| Certificate of Deposits | 1,250,000 | 247,862 | 1,000,997 | 1,248,859 |
| Medium Term Notes | 1,000,000 | - | 990,441 | 990,441 |
| Total investments | $ 156,512,809 | $ 142,155,250 | $ 14,901,206 | 157,056,456 |
| Cash with Trustee | | | | 19,215 |
| Cash in Banks and on Hand | | | | (565,242) |
| Total cash and investments | | | | $ 156,510,429 |

The City is a participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The City reports its investment in LAIF at the fair value amount provided by LAIF, which is the same as the value of the pool share. The balance is available for withdrawal on demand and is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. Included in LAIF's investment portfolio are collateralized mortgage obligations, mortgage-backed securities, other asset-backed securities, loans to certain state funds, and floating rate securities issued by federal agencies, government-sponsored enterprises, United States Treasury Notes and Bills, and corporations. At September 30, 2024, these investments matured in an average of 231 days.

**F. Credit Risk**

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the actual rating as of September 30, 2024, for each investment type as provided by Standard and Poor's.

| Investment Type | AAA/AAAm | AA+ | A | Total |
|---|---|---|---|---|
| *Available for Operations* | | | | |
| U.S. Government Agencies | $ - | $ 51,990,344 | $ - | $ 51,990,344 |
| Money Market Mutual Funds | 10,014,342 | - | - | 10,014,342 |
| Medium Term | - | - | 990,441 | 990,441 |
| *Restricted* | | | | |
| Money Market Mutual Funds | 59,655,971 | - | - | 59,655,971 |
| Totals | $ 69,670,313 | $ 51,990,344 | $ 990,441 | 122,651,098 |
| *Not Rated* | | | | |
| Retiree Health Savings Trust - Mutual Funds | | | | 55,056 |
| Local Agency Investment Fund | | | | 33,101,443 |
| Certificates of Deposit | | | | 1,248,859 |
| *Exempt from Credit Rating Disclosures* | | | | |
| Cash with Trustee | | | | 19,215 |
| Cash in Banks and on Hand | | | | (565,242) |
| Total cash and investments | | | | $ 156,510,429 |

**G. Custodial Credit Risk**

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government code requires California banks and savings and loan associations to secure the City's cash deposits by pledging securities as collateral. This Code states that collateral pledged in this manner shall have the effect of perfecting a security interest in such collateral superior to those of a general creditor. Thus, collateral for cash deposits is considered to be held in the City's name.

All of the City's investments in securities are held in the name of the City and held at the location of the City's third-party custodian. Therefore, the City is not exposed to custodial credit risk.

**H. Concentration of Credit Risk**

The City's investment policy has no limitation on the amount that can be invested in any one issuer beyond what is stipulated by the California Government Code. Investments in any one issuer (other than Money Market Mutual Funds, U.S. Treasury Securities, or external investment pools) that represent 5% or more of the total investments of the City are as follows:

| Investment Type | Amount |
|---|---|
| U.S. Government Agencies | |
| Federal Home Loan Bank | $ 31,002,188 |
| Fed. National Mtg Association | 11,018,905 |

**I. Fair Value Measurements**

The City categorizes fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described as follows:

*Level 1* — Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the City has the ability to access.

*Level 2* — Inputs to the valuation methodology include:

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

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

The asset's level within the hierarchy is based on the lowest level of input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. The determination of what constitutes observable requires judgment by the City's management. City management considers observable data to be that market data, which is readily available, regularly distributed or updated, reliable, and verifiable, not proprietary, and provided by multiple independent sources that are actively involved in the relevant market. The categorization of an investment within the hierarchy is based upon the relative observability of the inputs to its fair value measurement and does not necessarily correspond to City management's perceived risk of that investment.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The City's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

Deposits and withdrawals in governmental investment pools, such as LAIF are made on the basis of $1 and not fair value. Accordingly, the City's proportionate share in these types of investments is an uncategorized input not defined as a Level 1, Level 2, or Level 3 input.

The following is a description of the valuation methods and assumptions used by the City to estimate the fair value of its investments. There have been no changes in the methods and assumptions used at September 30, 2024. The methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. City management believes its valuation methods are appropriate and consistent with other market participants. The use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The City's treasury pool asset market prices are derived from closing bid prices as of the last business day of the month as supplied by Interactive Data, Bloomberg or Telerate. Where prices are not available from generally recognized sources, the securities are priced using a yield-based matrix system to arrive at an estimated fair value. Prices that fall between data points are interpolated. Non-negotiable FDIC-insured bank certificates of deposit are priced at par.

When available, quoted prices are used to determine fair value. When quoted prices in active markets are available, investments are classified within Level 1 of the fair value hierarchy.

For investments classified within Level 2 of the fair value hierarchy, the City's custodians generally use a multi-dimensional relational model. Inputs to their pricing models are based on observable market inputs in active markets. The inputs to the pricing models are typically benchmark yields, reported trades, broker-dealer quotes, issuer spreads and benchmark securities, among others. The City does not have any investments that are measured using Level 3 inputs.

As of September 30, 2024, the City has the following recurring fair value measurements:

| Investments by fair value level | Total | Fair Value Measurements on a Recurring Basis Using: Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
|---|---|---|---|---|
| U. S. Government Agency Securities | $ 51,990,344 | $ - | $ 51,990,344 | $ - |
| Money Market Mutual Funds | 69,670,313 | 69,670,313 | - | - |
| Retiree Health Savings Trust - Mutual Funds | 55,056 | 55,056 | - | - |
| Medium Term Notes | 990,441 | - | 990,441 | - |
| | 122,706,154 | $ 69,725,369 | $ 52,980,785 | $ - |
| Investments not measured at fair value or subject to fair value hierarchy | | | | |
| Local Agency Investment Fund | 33,101,443 | | | |
| Certificates of Deposits | 1,248,859 | | | |
| Total fair value of investments | 157,056,456 | | | |
| Cash with Trustee | 19,215 | | | |
| Cash in Banks and on Hand | (565,242) | | | |
| Total cash and investments | $ 156,510,429 | | | |

## Note 4 - Interfund Transactions

### A. Transfers between Funds

With Council approval, resources may be transferred from one City fund to another. The purpose of the majority of transfers are for the purpose of funding operations. Less often, a transfer may be made to open or close a fund.

Transfers between funds during the fiscal year ended September 30, 2024, were as follows:

| Fund Receiving Transfer | Fund Making Transfer | Transfer Amount | Reason for Transfer |
|---|---|---|---|
| General Fund | Non-Major Governmental Funds | $ 871,163 | A, B, D |
| | Internal Service Fund | 74,200 | B |
| | City Capital Projects Fund | 1,085 | B |
| | Total General fund | 946,448 | |
| City Housing & Economic Development Fund | General Fund | 409,000 | A |
| | Non-Major Governmental Funds | 200,000 | B |
| | Total City Housing & Economic Development Fund | 609,000 | |
| City Capital Projects Fund | General Fund | 9,009,077 | C |
| | Measure P Recreation | 1,351,815 | C |
| | Non-Major Governmental Funds | 900,000 | C |
| | Enterprise Funds | 85,000 | C |
| | City Debt Service Fund | 20,242,631 | C |
| | Total City Capital Projects Fund | 31,588,523 | |
| City Debt Service | General Fund | 4,694,974 | A |
| | Measure P Recreation | 3,394,800 | A |
| | Non-Major Governmental Funds | 25,000 | A |
| | Total City Debt Service | 8,114,774 | |
| Non-Major Governmental Funds | General Fund | 4,439,194 | A, C |
| | City Capital Projects Fund | 100,000 | D |
| | Non-Major Governmental Funds | 573,751 | C |
| | Total Gon-Major Governmental Funds | 5,112,945 | |
| Internal Service Funds | General Fund | 51,300 | A |
| Total Interfund Transfers | | $ 46,422,990 | |
| Net Transfers Between Governmental and Business-Type Activities | | $ 85,000 | |

Reasons for transfers

A To fund operations.
B To fund administrative expenses.
C To fund capital projects.
D To return unused funds

**B. Current Interfund Balances**

Current interfund balances arise in the normal course of business and are expected to be repaid the next fiscal year. At September 30, 2024, the General Fund was owed by the following funds:

| Due to (from) Funds | | |
|---|---|---|
| Fund Making the short-term loan (Due from other Funds) | Fund Receiving the short-term loan (Due to other Funds) | Amount |
| General Fund | Other Governmental Funds | |
| | Disaster Relief/Preparedness | $ 132,472 |
| | DUI/Traffic Safety Grant | 10,779 |
| | Ice Arena | 42,861 |
| | Boat Patrol Grant | 22,526 |
| | Total Other Governmental Funds | $ 208,638 |
| Debt Service Fund | City Capital Projects Fund | $ 6,354,297 |

**C. Long-Term Interfund Balances**

At September 30, 2024, the funds below had made advances which were not expected to be repaid within the next year.

| Fund Receiving Advance | Fund Making Advance | Amount of Advance |
|---|---|---|
| City Debt Service Fund | City Capital Project Fund | $ 23,813 |
| RDA Successor Agency Private Purpose Trust Fund | General Fund | $ 4,638,627 |
| | Vehicle Replacement Special Revenue Fund | 317,809 |
| | Workers Compensation Internal Service Fund | 332,742 |
| | Total | $ 5,289,178 |

The City pays for debt service related to certain State Revolving Loans which the City owes to the State. These loans were used to finance erosion control projects completed as part of Redevelopment activities. The balance of the advance was $23,813 at September 30, 2024 and is recorded in the City Debt Service Fund.

At September 30, 2024, the funds below had made advances to the Former Redevelopment Agency (Fiduciary Funds) which were not expected to be repaid within the next year.

A Loan Repayment Agreement was signed between the City and the Former Redevelopment Agency on March 16, 2004, under which the South Tahoe Redevelopment Agency agreed to reimburse the City for the costs and expenses related to the implementation of the South Tahoe Redevelopment Plan. As of September 30, 2024, the long-term portion of principal and accumulated interest was $4,535,370 and $753,808, respectively. Also see Note 16.

### D. Internal Balances

Internal balances are presented in the government-wide financial statements only. They represent the net interfund receivables and payables remaining after the elimination of all such balances within governmental and business-type activities. There were no internal balances at September 30, 2024.

## Note 5 - Loans Receivable

The Housing Authority funded by the Former Redevelopment Agency engaged in programs designed to encourage business enterprises, construction or improvement in low-to-moderate income housing, or other projects. With the dissolution of the Redevelopment Agency as discussed in Note 16, the City agreed to become the successor to the Redevelopment Agency's housing activities and as a result, the City assumed the loans receivable of the Redevelopment Agency's Housing & Economic Development Special Revenue Fund as of February 1, 2012. Under these programs, grants or loans are provided with favorable terms to businesses, homeowners or developers who agree to spend these funds in accordance with the Former Agency's terms.

The General Fund committed to a loan designed to encourage business enterprises, construction or improvement in low-to-moderate income housing, or other projects.

Although these notes are expected to be repaid in full, their balance has been offset in the fund financial statements by deferred inflows as they are not expected to be repaid during the subsequent fiscal year. These loans receivable comprised the following at September 30, 2024:

| Fund/Loan Program | Balance at September 30, 2023 | Additions to Principal | Interest Accrued | Collections | Write-offs | Balance at September 30, 2024 |
|---|---|---|---|---|---|---|
| City Housing & Economic Development Fund | | | | | | |
| Housing Rehabilitation Loans | $ 517,607 | $ - | $ - | $ (51,512) | $ - | $ 466,095 |
| Interest on loans | 42,788 | - | 3,506 | (269) | - | 46,025 |
| First-Time Homebuyer Loans | 2,388,129 | - | - | (60,000) | - | 2,328,129 |
| Interest on loans | 850,813 | - | 37,762 | (32,400) | (30,162) | 826,013 |
| Moderate Income Loans | 385,000 | - | - | - | - | 385,000 |
| Interest on loans | 116,388 | - | 7,721 | - | - | 124,109 |
| Projects Loans | 28,352,498 | 4,809,955 | - | - | - | 33,162,453 |
| Interest on loans | 7,297,997 | - | 472,784 | (36,706) | - | 7,734,075 |
| Rental Assistance | - | 1,500 | - | - | - | 1,500 |
| City Housing & Economic Development Fund total | 39,951,220 | 4,811,455 | 521,773 | (180,887) | (30,162) | 45,073,399 |
| General Fund | | | | | | |
| Projects Loans | 1,250,000 | - | - | - | - | 1,250,000 |
| Interest on loans | 3,950 | - | 25,068 | - | - | 29,018 |
| General fund total | 1,253,950 | - | 25,068 | - | - | 1,279,018 |
| Total governmental funds | $ 41,205,170 | $ 4,811,455 | $ 546,841 | $ (180,887) | $ (30,162) | $ 46,352,417 |

### A. Housing Rehabilitation Loans

The Former Redevelopment Agency administered a housing rehabilitation loan program using State Housing Community Development funds and Redevelopment Low & Moderate-Income Housing funds. Under the Program, individuals with incomes below a certain level are eligible to receive low interest, thirty-year loans, secured by deeds of trust, for rehabilitation work on their homes. The loan repayments may be amortized over the life of the loans, deferred or a combination of both.

**B. First Time Home-Buyer Loans**

The Former Redevelopment Agency engaged in a first-time home-buyer program designed to encourage home ownership among low-income persons. This program was funded by Community Development Block Grant, HOME, and Redevelopment Low- & Moderate-Income Housing Funds and was designed to make homes affordable for first-time homebuyers by providing low-interest, deferred payment second mortgages to eligible low-income persons. The deferred loans bear interest at 2-3%, require no monthly payments, are not due until the property is sold, transferred or rented and are collateralized by second deeds of trust.

**C. Moderate Income Loans**

The Former Agency engaged in moderate income loan programs to make homes affordable to moderate income homebuyers by providing low-interest, deferred payment second loans to eligible individuals or households. This program was funded with South Tahoe Redevelopment Agency Housing Funds. The Agency would provide a second loan of up to $100,000. All loans are secured by second deeds of trust on the properties to be purchased.

**D. Projects Loans**

The Housing Authority provided loans funded by HOME, CDBG, Permanent Local Housing Allocation Program (PLHA), and Redevelopment Low-&-Moderate Housing Funds to assist recipients in the rehabilitation and operation of affordable housing in the City. These loans are collateralized by deeds of trust with interest rates up to 3%. As of September 30, 2024, the Authority had made fifteen loans to eleven organizations.

The General fund provided a loan for the development of an affordable housing project. The loan is collateralized by a deed of trust with an interest rate of 2%.

**E. Rental Assistance Program Loans**

The City of South Lake Tahoe's Rental Assistance Program (RAP) provides a one-time assistance to individuals and families in need of security deposit assistance and moving to a permanent sustainable home. The City prioritizes assistance for individuals and families with the greatest need and who can sustainably remain in permanent housing. These are interest-free loans from the City, and if the lease is terminated, the deposit balance is to be returned to the City.

## Note 6 - Capital Assets

### A. Capital Asset Activity

Capital assets activity of the City's Governmental Activities for the year ended September 30, 2024, comprises the following:

| | Balance at September 30, 2023 | Additions | Retirements | Transfers | Balance at September 30, 2024 |
|---|---|---|---|---|---|
| ***Governmental activities*** | | | | | |
| Capital assets not being depreciated | | | | | |
| Land | $ 8,342,653 | $ 157,500 | $ - | $ - | $ 8,500,153 |
| Intangible assets | 824,258 | - | - | - | 824,258 |
| Construction in progress | 13,575,746 | 33,528,151 | (46,896) | (1,638,663) | 45,418,338 |
| Total capital assets not being depreciated | 22,742,657 | 33,685,651 | (46,896) | (1,638,663) | 54,742,749 |
| Capital assets being depreciated | | | | | |
| Buildings | 22,442,811 | - | - | - | 22,442,811 |
| Vehicles | 6,889,143 | 438,709 | (696,214) | - | 6,631,638 |
| Furniture and equipment | 19,894,648 | 4,489,113 | (1,642,768) | - | 22,740,993 |
| Improvements other than buildings | 8,118,366 | 296,064 | - | - | 8,414,430 |
| Bike paths | 14,429,200 | - | - | - | 14,429,200 |
| Streets | 39,165,349 | - | - | - | 39,165,349 |
| Streetscape | 8,436,460 | - | - | - | 8,436,460 |
| Sidewalks, curbs, gutters, lighting | 7,941,045 | - | - | - | 7,941,045 |
| Basin and stream environment zone construction | 66,595,513 | 1,365,599 | - | - | 67,961,112 |
| Total capital assets being depreciated | 193,912,535 | 6,589,485 | (2,338,982) | - | 198,163,038 |
| Less accumulated depreciation for | | | | | |
| Buildings | (17,178,039) | (329,007) | - | - | (17,507,046) |
| Vehicles | (5,584,213) | (462,025) | 651,952 | - | (5,394,286) |
| Furniture and equipment | (14,102,707) | (1,415,022) | 1,600,370 | - | (13,917,359) |
| Improvements other than buildings | (6,967,410) | (228,993) | - | - | (7,196,403) |
| Bike paths | (4,984,424) | (687,612) | - | - | (5,672,036) |
| Streets | (25,716,530) | (1,329,173) | - | - | (27,045,703) |
| Streetscape | (4,284,368) | (297,181) | - | - | (4,581,549) |
| Sidewalks, curbs, gutters, lighting | (1,826,340) | (280,482) | - | - | (2,106,822) |
| Basin and stream environment zone construction | (25,492,880) | (2,251,076) | - | - | (27,743,956) |
| Total accumulated depreciation | (106,136,911) | (7,280,571) | 2,252,322 | - | (111,165,160) |
| Net capital assets being depreciated | 87,775,624 | (691,086) | (86,660) | - | 86,997,878 |
| Right to use lease assets being amortized | | | | | |
| Right to use lease equipment | - | 499,165 | - | - | 499,165 |
| Less accumulated amortization for | | | | | |
| Right to use lease equipment | - | (49,782) | - | - | (49,782) |
| Net right to use lease assets | - | 449,383 | - | - | 449,383 |
| Governmental activities capital assets, net | $ 110,518,281 | $ 33,443,948 | $ (133,556) | $ (1,638,663) | $ 142,190,010 |

Capital assets activity of the City's Business-Type Activities for the year ended September 30, 2024 comprises the following:

| | Balance at September 30, 2023 | Additions | Retirements | Transfers | Balance at September 30, 2024 |
|---|---|---|---|---|---|
| ***Business-type activities*** | | | | | |
| Capital assets not being depreciated | | | | | |
| Land | $ 4,288,170 | $ - | $ - | $ - | $ 4,288,170 |
| Construction in progress | 1,250,046 | 223,532 | - | (1,373,342) | 100,236 |
| Total capital assets not being depreciated | 5,538,216 | 223,532 | - | (1,373,342) | 4,388,406 |
| Capital assets, being depreciated | | | | | |
| Transit center buildings | 6,512,815 | - | - | - | 6,512,815 |
| Terminal buildings | 5,371,343 | - | - | - | 5,371,343 |
| Runways | 27,028,999 | 1,373,343 | (2,159,303) | - | 26,243,039 |
| Machinery and equipment | 3,356,507 | 20,656 | (466,482) | - | 2,910,681 |
| Parking garage | 7,891,224 | 193,960 | (13,603) | - | 8,071,581 |
| Total capital assets being depreciated | 50,160,888 | 1,587,959 | (2,639,388) | - | 49,109,459 |
| Less accumulated depreciation for | | | | | |
| Transit center buildings | (5,028,815) | (81,580) | - | - | (5,110,395) |
| Terminal buildings | (4,711,825) | (167,023) | - | - | (4,878,848) |
| Runways | (13,572,030) | (1,137,494) | 2,159,303 | - | (12,550,221) |
| Machinery and equipment | (2,583,901) | (143,840) | 411,946 | - | (2,315,795) |
| Parking garage | (4,063,035) | (196,257) | 13,603 | - | (4,245,689) |
| Total accumulated depreciation | (29,959,606) | (1,726,194) | 2,584,852 | - | (29,100,948) |
| Total capital assets being depreciated, net | 20,201,282 | (138,235) | (54,536) | - | 20,008,511 |
| Business-type activities capital assets, net | $ 25,739,498 | $ 85,297 | $ (54,536) | $ (1,373,342) | $ 24,396,917 |

## B. Depreciation Allocation

Depreciation expense is charged to functions and programs based on their usage of the related assets. The amounts allocated to each function or program is as follows:

| | |
|---|---|
| ***Governmental Activities*** | |
| General government | $ 65,709 |
| Public safety | 773,710 |
| Public works | 2,923,486 |
| Parks and recreation | 1,083,634 |
| Streets | 2,483,814 |
| Current year depreciation and amortization expense | $ 7,330,353 |
| ***Business-Type Activities*** | |
| Transit | $ 81,580 |
| Airport | 1,448,357 |
| Parking garage | 196,257 |
| Current year depreciation expense | $ 1,726,194 |

## Note 7 - Leases

During the current year, the City entered into a lease agreement as lessee for the use of medical equipment. As of September 30, 2024, the value of the lease liability was $344,410. The City is required to make annual principal and interest payments of $47,369 through October 2032. The lease was valued using a discount rate of 4.4% based on the City's estimated incremental borrowing rate.

Changes in the lease liability for the fiscal year ended September 30, 2024, are summarized as follows:

| | Balance at September 30, 2023 | Additions | Retirements | Balance at September 30, 2024 | Current Portion |
|---|---|---|---|---|---|
| Lease Liability | $ - | $ 499,165 | $ 154,755 | $ 344,410 | $ 31,863 |

Remaining obligations associated with these leases are as follows:

| For the Year Ending September 30, | Principal | Interest |
|---|---|---|
| 2025 | $ 31,863 | $ 14,157 |
| 2026 | 33,337 | 12,666 |
| 2027 | 34,833 | 11,108 |
| 2028 | 36,397 | 9,506 |
| 2029 | 38,005 | 7,780 |
| 2030-2033 | 169,975 | 12,533 |
| | $ 344,410 | $ 67,750 |

## Note 8 - Long-Term Debt

The City generally incurs long-term debt to finance projects or purchase assets which have useful lives equal to or greater than the related debt.

In governmental fund types, debt discounts and issuance costs are recognized in the current period. Debt discounts incurred by proprietary fund types and at the governmental activities level are amortized over the term of the debt using the bonds-outstanding method, which approximates the effective interest method.

### A. Current Year Transactions and Balances

| | Balance at September 30, 2023 | Additions | Retirements | Balance at September 30, 2024 | Current Portion |
|---|---|---|---|---|---|
| **Governmental-type Activities** | | | | | |
| **Revenue Bonds** | | | | | |
| Refunding Revenue Bonds, 2016 Series A, | | | | | |
| 2.00% - 4.00% due serially until 10/1/2025 | $ 3,700,000 | $ - | $ 1,215,000 | $ 2,485,000 | $ 1,260,000 |
| Add: bond premium | 292,811 | - | 146,406 | 146,405 | - |
| 2012 Certificates of Participation (COPs) | | | | | |
| 2.0% - 4.0%, due serially until 9/1/2042 | 4,395,000 | - | 165,000 | 4,230,000 | 170,000 |
| 2014 Taxable Pension Obligation Bonds | | | | | |
| 1.875% - 4.000% due serially until 6/1/2027 | 5,745,000 | - | 1,290,000 | 4,455,000 | 1,380,000 |
| Lease Revenue Bonds, 2023 Series A, | | | | | |
| 5.00% -5.25% due serially until 10/1/2053 | 51,300,000 | - | - | 51,300,000 | 765,000 |
| Add: bond premium | 5,358,677 | - | 179,120 | 5,179,557 | - |
| Total revenue bonds | 70,791,488 | - | 2,995,526 | 67,795,962 | 3,575,000 |
| **Notes from Direct Borrowings** | | | | | |
| 2010 California Energy Commission Loan | | | | | |
| 3.0% due serially until 6/22/2026 | 171,015 | - | 55,309 | 115,706 | 56,992 |
| Total notes from direct borrowings | 171,015 | - | 55,309 | 115,706 | 56,992 |
| **Notes from Direct Placements** | | | | | |
| 2014 Agreement for Road Improvements (Harrison Avenue) | | | | | |
| 3.990% due serially until 10/1/2029 | 1,096,000 | - | 151,000 | 945,000 | 157,000 |
| Total notes from direct placements | 1,096,000 | - | 151,000 | 945,000 | 157,000 |
| **Financed Purchases** | | | | | |
| Communications System 1.08% due 8/1/2025 | 1,091,570 | - | 542,853 | 548,717 | 548,717 |
| Snow Removal Equipment 4.099% due 04/06/2028 | 2,700,000 | - | 497,091 | 2,202,909 | 517,675 |
| Total financed purchase | 3,791,570 | - | 1,039,944 | 2,751,626 | 1,066,392 |
| Total governmental activities long-term debt | $ 75,850,073 | $ - | $ 4,241,779 | $ 71,608,294 | $ 4,855,384 |
| **Business-type Activities** | | | | | |
| **Revenue Bonds** | | | | | |
| Parking Revenue Refunding Bonds, 2013 Series A | | | | | |
| 3.00% - 5.375% due serially until 12/1/2036 | $ 5,555,000 | $ - | $ 5,555,000 | $ - | $ - |
| Total revenue bonds | 5,555,000 | - | 5,555,000 | - | - |
| **Notes from Direct Borrowings** | | | | | |
| 2010 State Department of Transportation Loan | | | | | |
| 4.594% due serially until 9/22/2027 | 39,568 | - | 9,236 | 30,332 | 9,660 |
| Total notes from direct borrowings | 39,568 | - | 9,236 | 30,332 | 9,660 |
| Total business-type activities long-term debt | $ 5,594,568 | $ - | $ 5,564,236 | $ 30,332 | $ 9,660 |

**B. Long-Term Debt Issues**

Governmental Activities

**Revenue Bonds:**

**Refunding Lease Revenue Bonds 2016 Series A**

On July 28, 2016, the South Tahoe Joint Powers Financing Authority issued the Refunding Lease Revenue Bonds 2016 Series A, in the amount of $10,055,000, the proceeds of which were used to refund the Lease Revenue Bonds, 2006 Series A. Interest on the Refunding Lease Revenue Bonds Series A is payable semi-annually on April 1 and October 1 of each year until 2025. Principal matures annually on October 1.

The 2016 Series A bonds are secured and repayable from a pledge of lease rental payments from the General fund. The total principal remaining to be repaid on the bonds at September 30, 2024 was $2,485,000. Unamortized deferred amounts on refunding were $31,332 at September 30, 2024. The agreement includes a provision that in the event of default, the Trustee may recover rent and other monetary charges as they become due under the Sublease without terminating the City's right to possession of the Demised Properties.

**2012 Certificates of Participation**

On July 1, 2012, the City entered into an agreement with the South Tahoe Joint Powers Financing Authority for a lease amount of $5,765,000. Proceeds from the Certificates were used to finance street and other capital improvements within the City benefitting Parks and Recreation. The Certificates bear interest of 2% to 4%. Principal and interest payments are payable semi-annually on each March 1 and September 1 of each year until 2042, commencing September 1, 2012. The debt service is funded by transfers from the General Fund. The total principal remaining to be paid on the loan was $4,230,000 as of September 30, 2024. The agreement includes a provision that in the event of default, the Trustee may exercise any and all remedies available pursuant to law or grant pursuant to the lease agreement.

**2014 Taxable Pension Obligation Bonds**

On December 1, 2014, the City issued $11,905,000 in Taxable Pension Obligation Bonds, Series 2014 to refund the outstanding "side fund" obligations of the City to the California Public Employees' Retirement System (PERS) with respect to the City's Safety Plan. The City paid off its Safety Plan Side Fund balance (lump sum payment of $11,447,671 as of December 18, 2014) with proceeds of the bonds.

The bonds bear interest rates ranging from 1.875% to 4.000%, payable on June 1 and December 1 of each year, commencing June 1, 2018, until maturity year of 2027. The total principal remaining on the bonds as of September 30, 2024 is $4,455,000.

Payment of the principal and interest on the bonds is not limited to any special source of funds and is payable from any legally available moneys of funds of the City. The City is not empowered or obligated to levy or pledge taxes to make payments on the bonds or fund a reserve fund for the bonds.

**Lease Revenue Bonds 2023 Series A**

On August 30, 2023, the South Tahoe Joint Powers Financing Authority issued the Lease Revenue Bonds 2023 Series A, in the amount of $51,300,000, the proceeds of which are used to assist the City with financing the cost of construction of a new multigenerational recreation center. Interest on the Lease Revenue Bonds Series A is payable semi-annually on April 1 and October 1 of each year until 2053. Principal matures annually on October 1. The total principal remaining on the bonds as of September 30, 2024, is $51,300,000.

The 2023 Series A bonds are secured and repayable from a pledge of lease rental payments from the General fund. The agreement includes a provision that in the event of default, the Trustee may recover rent and other monetary charges as they become due under the Sublease without terminating the City's right to possession of the Demised Properties.

**Direct Borrowings:**

**2010 California Energy Commission Loan**

During fiscal year 2011-12, the City entered into an agreement with the California State Department of Energy Resources Conservation and Development Commission for a loan amount of $657,461. Proceeds from the loan were used to upgrade the Ice Arena chiller, interior and exterior lighting and data center server cooling control. The loan bears interest of 3%. Principal and interest payments are payable semiannually on December 22 and June 22 of each year until 2026, commencing December 22, 2012. The loan is repayable from savings made from energy costs and the City's General Fund. The outstanding balance on the loan as of September 30, 2024 was $115,706. The agreement includes a provision that in the event of default or breach, the lender may declare the outstanding loan principal immediately.

**Direct Placements:**

**2014 Agreement for Road Improvements**

During the fiscal year 2013-14, the City entered into an agreement, accounted for as a financed purchase, with STJPFA for $2,110,000 for road improvements for the Harrison Avenue Streets Improvement Project. The agreement bears interest at 3.99%. Principal and interest payments are payable semiannually on April 1 and October 1 of each year until 2029, commencing October 1, 2014. The outstanding balance on the agreement at September 30, 2024 was $945,000. The agreement includes a provision that in the event of default, the lender may declare the outstanding loan principal and accrued interest due.

**Financed Purchases:**

On February 1, 2021, the City entered into an agreement in the amount of $2,700,000 with U.S. Bancorp Government Leasing and Finance, Inc., for a lease financing arrangement for the purchase of a Walker Telecomm Communications System. The agreement bears interest at 1.08%, and payments are due annually on August 1 for a fixed amount of $554,641. The outstanding balance on September 30, 2024 was $548,717.

On April 6, 2023, the City entered into an agreement in the amount of $2,700,000 with Banc of America Public Capital Corp for a lease financing arrangement for the purchase of a Snow Removal Equipment. The agreement bears interest at 4.099%, and payments are due bi-annually on April 6 and October 6 for a fixed amount of $301,361. The outstanding balance on September 30, 2024 was $2,202,909.

Business-Type Activities

**Revenue Bonds:**

**Parking Revenue Bonds 2013**

On November 20, 2013, the South Tahoe Joint Powers Parking Financing Authority issued $7,735,000 in Parking Revenue Refunding Bonds, Series 2013 with a term of 23 years and interest rates ranging from 3.0% to 5.375%. The Series 2013 Bonds were issued to refund the Authority's Parking Revenue Bonds, Series 2002 A in the outstanding amount of $7,270,000 and to pay the costs of issuance associated with the Series 2013 bonds. Interest on the Parking Revenue Bonds is payable semiannually on each June 1 and December 1. Principal matures annually each December 1. Effective January 5, 2024, the City called for an early and full redemption of the Parking Revenue Refunding Bonds, 2013 Series A totaling $5,265,000 in the principal amount, plus accrued interest to the redemption date totaling $271,825.

**Direct Borrowings:**

**2010 State Department of Transportation Loan**

On September 3, 2009, the City entered into an agreement with the State Department of Transportation for a loan amount of $128,456. Proceeds from the loan were used for the reconstruction of the airport terminal aprons at the Lake Tahoe Airport. The loan bears interest of 4.594%. Principal and interest payments are payable annually on October 30 until 2027.

The City has pledged future airport gross revenues to repay the 2010 State Department of Transportation loan through 2027. The Airport Enterprise Fund's total principal remaining to be paid on the loans was $30,332 as of September 30, 2024. The Airport Enterprise Fund's total principal and interest paid for the current year and total customer revenues were $11,053 and $1,655,518 respectively.

### C. Debt Service Requirements

Aggregate principal and interest payments on all outstanding long-term debt are as follows at September 30, 2024:

| | Governmental Activities | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| For the Year | Revenue Bonds | | Notes from Direct Borrowings | | Notes from Direct Placements | | Financed Purchases | |
| Ending September 30 | Principal | Interest | Principal | Interest | Principal | Interest | Principal | Interest |
| 2025 | $ 3,575,000 | $ 3,026,050 | $ 56,992 | $ 3,048 | $ 157,000 | $ 36,149 | $ 1,066,391 | $ 90,972 |
| 2026 | 3,690,000 | 2,876,375 | 58,714 | 1,326 | 163,000 | 29,825 | 539,112 | 63,609 |
| 2027 | 2,615,000 | 2,745,538 | - | - | 170,000 | 23,262 | 561,437 | 41,285 |
| 2028 | 1,075,000 | 2,632,488 | - | - | 176,000 | 16,419 | 584,686 | 18,035 |
| 2029 | 1,130,000 | 2,579,925 | - | - | 184,000 | 9,317 | - | - |
| 2030-2034 | 6,500,000 | 12,016,813 | - | - | 95,000 | 1,895 | - | - |
| 2035-2039 | 8,230,000 | 10,251,600 | - | - | - | - | - | - |
| 2040-2044 | 9,735,000 | 8,023,475 | - | - | - | - | - | - |
| 2045-2049 | 11,310,000 | 5,380,463 | - | - | - | - | - | - |
| 2050-2054 | 14,610,000 | 1,996,050 | - | - | - | - | - | - |
| Total | 62,470,000 | $ 51,528,777 | $ 115,706 | $ 4,374 | $ 945,000 | $ 116,867 | $ 2,751,626 | $ 213,901 |
| Add: Bond Premium | 5,325,962 | | | | | | | |
| Total | $ 67,795,962 | | | | | | | |

| | Business-Type Activities | |
|---|---|---|
| | Notes from Direct Borrowings | |
| For the Year Ending September 30 | Principal | Interest |
| 2025 | $ 9,660 | $ 1,393 |
| 2026 | 10,104 | 950 |
| 2027 | 10,568 | 485 |
| Total | $ 30,332 | $ 2,828 |

## Note 9 - Compensated Absences

The City accumulates compensated absences for vacation and sick leave that is payable upon termination from City employment. As of September 30, 2024, compensated absences balances are as follows:

| | Governmental Activities | Business-Type Activities | Total |
|---|---|---|---|
| Beginning Balance | $ 2,739,609 | $ 28,000 | $ 2,767,609 |
| Additions | 3,140,372 | 29,193 | 3,169,565 |
| Payments | (2,529,003) | (17,454) | (2,546,457) |
| Ending Balance | $ 3,350,978 | $ 39,739 | $ 3,390,717 |
| Current Portion | $ 3,350,978 | $ 39,739 | $ 3,390,717 |

For proprietary funds compensated absences are liquidated by the fund that has recorded the liability. For governmental activities, compensated absences are liquidated by the General Fund.

## Note 10 - Net Position and Fund Equity

### A. Net Position

Net Position is the excess of all the City's assets and deferred outflows over all its liabilities and deferred inflows. Net Position is divided into three captions which is determined at the government-wide and proprietary fund levels, and are described below:

*Net Investment in Capital Assets* describes the portion of Net Position which is represented by the current net book value of the City's capital assets, less the outstanding balance of any debt issued to finance these assets.

*Restricted* describes the portion of Net Position which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, enabling legislation or other restrictions which the City cannot unilaterally alter. These principally include developer fees and other assets received for use on capital projects, debt service requirements, and housing assets restricted to low and moderate-income purposes.

*Unrestricted* describes the portion of Net Position which is not restricted to use.

### B. Governmental Fund Balance

The City's fund balances are classified based on spending constraints imposed on the use of resources.

For governmental funds with multiple funding sources, the City's policy is to spend restricted fund balance first, before spending unrestricted fund balance. The City's policy is that committed and assigned fund balance is considered to be spent before unassigned balances, when expenditures are incurred for purposes in which any of those committed or assigned classifications could be used.

Each category in the following hierarchy is ranked according to the degree of spending constraint:

*Non-spendable* fund balances represent balances set aside to indicate items that do not represent available, spendable resources even though they are a component of assets. Fund balances required to be maintained intact, such as Permanent Funds, and assets not expected to be converted to cash, such as prepaids, notes receivable, and land held for resale are included. However, if proceeds realized from the sale or collection of non-spendable assets are restricted, committed or assigned, then non-spendable amounts are required to be presented as a component of the applicable category.

*Restricted* fund balances have external restrictions imposed by creditors, grantors, contributors, laws, regulations, or enabling legislation which requires the resources to be used only for a specific purpose. Encumbrances and non-spendable amounts subject to restrictions are included along with restricted resources.

*Committed* fund balances include amounts that can only be used for a specific purpose and have formal constraints imposed by resolution of the City Council which may be altered only by resolution of the City Council. Encumbrance amounts subject to council commitments are included along with committed resources.

*Assigned* fund balances are amounts constrained by the City's intent to be used for a specific purpose but are neither restricted nor committed. Intent is expressed by the City Council or City Manager and may be changed at the discretion of the City Council or City Manager. This category includes encumbrances, proceeds or collections for a specific purpose, and residual fund balances, if any, of Special Revenue, Capital Projects and Debt Service Funds which have not been restricted or committed.

*Unassigned* fund balance represents residual amounts that have not been restricted, committed, or assigned. This includes the residual General Fund balance and residual fund deficits, if any, of other governmental funds.

Detailed classifications of the City's Fund Balances, as of September 30, 2024, are below:

| Fund Balance Classifications | General Fund | City Housing & Economic Development Fund | Measure P Recreation | City Capital Project Fund | City Debt Service | Other Governmental Funds | Total |
|---|---|---|---|---|---|---|---|
| **Nonspendable** | | | | | | | |
| Inventory | $ 280,703 | $ - | $ - | $ - | $ - | $ - | $ 280,703 |
| Prepaid items | 168,303 | - | - | - | 96,853 | - | 265,156 |
| Land held for resale | 1,332,110 | - | - | - | - | - | 1,332,110 |
| Long-term interfund receivables | 4,638,627 | - | - | - | - | - | 4,638,627 |
| **Total nonspendable fund balances** | 6,419,743 | - | - | - | 96,853 | - | 6,516,596 |
| **Restricted for** | | | | | | | |
| Debt service | - | - | - | - | 43,216,822 | 226,244 | 43,443,066 |
| Housing and economic development | - | 3,179,112 | - | - | - | - | 3,179,112 |
| Gas tax | - | - | - | - | - | 267,055 | 267,055 |
| Public safety | - | - | - | - | - | 1,210,354 | 1,210,354 |
| Snow removal | - | - | - | - | - | 1,736,679 | 1,736,679 |
| Solid waste | - | - | - | - | - | 19,405 | 19,405 |
| Vehicle replacement | - | - | - | - | - | 1,664,577 | 1,664,577 |
| Boat patrol | - | - | - | - | - | 15,030 | 15,030 |
| Community improvement | - | - | - | - | - | 1,504,343 | 1,504,343 |
| Erosion control | - | - | - | - | - | 167,157 | 167,157 |
| Tourism improvement | - | - | - | - | - | 350,906 | 350,906 |
| Measure S | - | - | - | - | - | 550,010 | 550,010 |
| Transportation | - | - | - | - | - | 91,425 | 91,425 |
| Measure P | - | - | 13,097,292 | - | - | - | 13,097,292 |
| PEG program | - | - | - | - | - | 272,883 | 272,883 |
| **Total restricted fund balances** | - | 3,179,112 | 13,097,292 | - | 43,216,822 | 8,076,068 | 67,569,294 |
| **Committed to** | | | | | | | |
| Capital projects | - | - | - | 21,120,991 | - | - | 21,120,991 |
| Community-wide benefit grant program | - | - | - | - | - | 1,126,152 | 1,126,152 |
| General liability program | 500,000 | - | - | - | - | - | 500,000 |
| **Total committed fund balances** | 500,000 | - | - | 21,120,991 | - | 1,126,152 | 22,747,143 |
| **Assigned to** | | | | | | | |
| Contractual services | 1,174,658 | - | - | - | - | - | 1,174,658 |
| Long-term interfund receivables | - | - | - | 23,813 | - | 317,809 | 341,622 |
| Pledged Transient Occupancy Tax | - | - | - | - | - | 1,889,631 | 1,889,631 |
| **Total assigned fund balances** | 1,174,658 | - | - | 23,813 | - | 2,207,440 | 3,405,911 |
| **Unassigned** | | | | | | | |
| General fund | 31,159,577 | - | - | - | - | - | 31,159,577 |
| Ice arena | - | - | - | - | - | (22,615) | (22,615) |
| **Total unassigned fund balances** | 31,159,577 | - | - | - | - | (22,615) | 31,136,962 |
| **Total fund balances** | $ 39,253,978 | $ 3,179,112 | $ 13,097,292 | $ 21,144,804 | $ 43,313,675 | $ 11,387,045 | $ 131,375,906 |

### C. Contingency Arrangements and Reserve Policies

The City's Reserve Policy requires the City to maintain an Unassigned General Fund reserve at a minimum of 25% of General Fund operating expenditures. Funds may be appropriated from the Unassigned Fund Balance upon demonstration to the City Council that the remaining balance is sufficient to offset potential downturns in revenue sources and to provide adequate cash for daily financial needs. Funds must be allocated each year in the budget process to replace any use of the 25% Unassigned Fund Balance during the preceding fiscal year. To the extent that funds accumulate in excess of the required 25% Unassigned General Fund Reserve; these one-time funds may be transferred to the Capital Projects Fund upon completion of the annual audit. As of September 30, 2024, the reserve balance was $14,769,729.

### D. Fund Deficits

The Ice Arena Fund had a fund balance deficit in the amount of $22,615. The deficit is due to the fair value adjustment to investments recognized at year-end and short-term interfund balances owed by this fund at September 30, 2024. The City expects to eliminate this deficit with future fair value adjustments.

## Note 11 - Pension Plans

As of September 30, 2024, the City reported total net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense for both Miscellaneous and Safety Plans as follows:

| | Net Pension Liability | Deferred Outflows of Resources | Deferred Inflows of Resources | Pension Expense |
|---|---|---|---|---|
| Miscellaneous Plan | $ 40,103,169 | $ 5,341,454 | $ - | $ 5,168,210 |
| Safety Plan | 53,526,784 | 14,048,841 | 2,383,889 | 2,882,833 |
| Total | $ 93,629,953 | $ 19,390,295 | $ 2,383,889 | $ 8,051,043 |

**CalPERS Safety and Miscellaneous Employees' Plans**

### A. Miscellaneous Plan, an Agent Multiple-Employer Defined Benefit Pension Plan

***Plan Description*** - Substantially all full time City employees are eligible to participate in pension plans offered by California Public Employees Retirement System (CalPERS). The City's employees participate in the separate Safety (police and fire) and Miscellaneous (all other) Employee Plans. CalPERS operates an agent multiple employer defined benefit pension plan for the City's miscellaneous plans and operates a cost sharing multiple employer defined benefit plan for the City's safety plans. CalPERS acts as a common investment and administrative agent for its participating member employers. CalPERS provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries.

Benefit provisions under both Plans are established by State statute and City resolution. Benefits are based on years of credited service, equal to one year of full-time employment. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS; the City must contribute these amounts.

Audited annual financial statements are available from CalPERS at P.O. Box 942709, Sacramento, California 94229-2709.

*Benefits Provided*

CalPERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. All members are eligible for non-duty disability benefits after ten (10) years of service. The death benefit is one of the following: The basic death benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost-of-living adjustments for each plan are applied as specified by the Public Employees' Retirement Law. Benefit provisions and all other requirements are established by State statute and may be amended by city contracts with employee bargaining groups.

The Miscellaneous Plan's provisions and benefits in effect at September 30, 2024 are summarized as follows:

| | Classic<br>Miscellaneous | PEPRA<br>Miscellaneous |
|---|---|---|
| Benefit formula | 2% @ 55 / 2.7% @ 55 | 2% @ 62 |
| Benefit vesting schedule | 5 years service | 5 years service |
| Benefit payments | monthly for life | monthly for life |
| Retirement age | 55 | 62 |
| Monthly benefits, as a % of salary | 2.00% - 2.70% | 2.00% |
| Required employee contribution rates | | |
| Oct 1, 2023 - June 30, 2024 | 7 - 8% | 8.0% |
| July 1, 2024 - September 30, 2024 | 7 - 8% | 8.0% |
| Required employer contribution rates | | |
| Oct 1, 2023 - June 30, 2024 | 11.00% | 11.00% |
| July 1, 2024 - September 30, 2024 | 10.77% | 10.77% |

*Contributions*

Section 20814(c) of the California Public Employee's Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plan is determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the measurement period ended June 30, 2024, Miscellaneous Classic and PEPRA plans are required to contribute 7-8 % and 8% of their annual covered salary, respectively. Total contributions made by the City to the Miscellaneous Plan during fiscal year 2024 were $4,623,290.

*Employees Covered*

At the June 30, 2023, valuation date, the following employees were covered by the benefit terms for the Miscellaneous Plan:

| | |
|---|---|
| Active employees | 119 |
| Inactive employees receiving benefits | 292 |
| Inactive employees not receiving benefits | 179 |
| Total | 590 |

*Net Pension Liability*

The City's net pension liability for the Miscellaneous Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of the Plan is measured as of June 30, 2024, using an annual actuarial valuation as of June 30, 2023, using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is illustrated below.

*Actuarial Assumptions*

The total pension liability was determined using the following actuarial assumptions:

| | Miscellaneous Plan |
|---|---|
| Valuation Date | June 30, 2023 |
| Measurement Date | June 30, 2024 |
| Actuarial Cost Method | Entry-Age Normal Cost Method |
| Actuarial Assumptions | |
| Discount Rate | 6.90% |
| Inflation | 2.30% |
| Project Salary Increase | Varies by Entry Age and Service |
| Investment Rate of Return | 6.90% (1) |
| Mortality | Based on CalPERS Experience Study |

(1) Net of pension plan investment expenses, including inflation

The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. Mortality rates incorporate full generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details on this table, please refer to the 2021 experience study report from November 2021 that can be found on the CalPERS website.

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

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

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation.

| Asset Class (a) | Assumed Asset Allocation | Real Return Years 1-10 (a, b) |
|---|---|---|
| Global Equity - Cap-weighted | 30.0% | 4.54% |
| Global Equity - Non-Cap-weighted | 12.0% | 3.84% |
| Private Equity | 13.0% | 7.28% |
| Treasury | 5.0% | 0.27% |
| Mortgage-backed Securities | 5.0% | 0.50% |
| Investment Grade Corporates | 10.0% | 1.56% |
| High Yield | 5.0% | 2.27% |
| Emerging Market Debt | 5.0% | 2.48% |
| Private Debt | 5.0% | 3.57% |
| Real Assets | 15.0% | 3.21% |
| Leverage | -5.00% | -0.59% |
| Total | 100.0% | |

(a) An expected inflation of 2.30% used for this period.
(b) Figures are based on the 2021 Asset Liability Management study.

***Discount Rate*** - The discount rate used to measure the total pension liability was 6.90%. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 6.90% discount rate is adequate, and the use of the municipal bond rate calculation is not necessary. The long-term expected discount rate of 6.90% is applied to all plans in the Public Employees Retirement Fund. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at CalPERS' website under the GASB 68 section.

*Changes in the Net Pension Liability*

The change in the Net Pension Liability for the Miscellaneous Plan, measured as of June 30, 2024, follows:

| | Increase / (Decrease) | | |
|---|---|---|---|
| | Total Pension Liability | Plan Fiduciary Net Position | Net Pension Liability |
| Balance at September 30, 2023 | $ 114,760,243 | $ 72,749,548 | $ 42,010,695 |
| Changes in the year | | | |
| Service Cost | 1,834,941 | - | 1,834,941 |
| Interest on the total pension liability | 7,772,824 | - | 7,772,824 |
| Changes of benefit terms | - | - | - |
| Differences between actual and expected experience | 575,159 | - | 575,159 |
| Contributions - employer | - | 4,184,906 | (4,184,906) |
| Contributions - employee | - | 1,002,328 | (1,002,328) |
| Net investment income | - | 6,962,413 | (6,962,413) |
| Benefit payments, including refunds of employee contributions | (7,206,502) | (7,206,502) | - |
| Administrative expense | - | (59,197) | 59,197 |
| Net changes | 2,976,422 | 4,883,948 | (1,907,526) |
| Balance at September 30, 2024 | $ 117,736,665 | $ 77,633,496 | $ 40,103,169 |

***Pension Plan Fiduciary Net Position*** – Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

*Sensitivity of the Net Pension Liability to Changes in the Discount Rate*

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

| | 1% Decrease 5.90% | Current Discount Rate 6.90% | 1% Increase 7.90% |
|---|---|---|---|
| Discount Rate | | | |
| Net Pension Liability | $ 54,130,445 | $ 40,103,169 | $ 28,413,327 |

*Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions*

For the measurement period ended June 30, 2024, the City recognized pension expense of $5,168,210. At September 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | Miscellaneous Plan | |
|---|---|---|
| | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Pension contributions subsequent to measurement date | $ 3,794,385 | $ - |
| Changes of Assumptions | - | - |
| Differences between expected and actual experiences | 453,062 | - |
| Net differences between projected and actual earnings on plan investments | 1,094,007 | - |
| Total | $ 5,341,454 | $ - |

The amount of $3,794,385 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

| Year ended September 30, | |
|---|---|
| 2025 | $ 286,188 |
| 2026 | 1,981,630 |
| 2027 | (317,063) |
| 2028 | (403,686) |
| Total | $ 1,547,069 |

**B. Safety Plan, a Cost-Sharing Multiple-Employer Defined Benefit Pension Plan**

Plan Description - Substantially all full time City employees are eligible to participate in pension plans offered by California Public Employees Retirement System (CalPERS). The City's safety employees participate in the separate Safety (police and fire) Employee Plans. CalPERS operates a cost sharing multiple employer defined benefit safety plan. CalPERS acts as a common investment and administrative agent for its participating member employers. CalPERS provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries.

Benefit provisions under the Plan are established by State statute and City resolution. Benefits are based on years of credited service, equal to one year of full-time employment. Funding contributions for the Plan are determined annually on an actuarial basis as of June 30 by CalPERS; the City must contribute these amounts. Audited annual financial statements are available from CalPERS at P.O. Box 942709, Sacramento, California 94229-2709.

*Benefits Provided*

CalPERS provides service retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: The basic death benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost-of-living adjustments for each plan are applied as specified by the Public Employees' Retirement Law. Benefit provisions and all other requirements are established by State statute and may be amended by city contracts with employee bargaining groups.

The Plan's provisions and benefits in effect at September 30, 2024, are summarized as follows:

| | Classic | PEPRA |
|---|---|---|
| | Safety | Safety |
| Benefit vesting schedule | 5 years service | 5 years service |
| Benefit payments | monthly for life | monthly for life |
| Retirement age | 50-55 | 57 |
| Monthly benefits, as a % of salary | 3.00% | 2.70% |

| | October 1, 2023 - June 30, 2024 | July 1, 2024 - September 30, 2024 |
|---|---|---|
| | Safety | Safety |
| Required employee contribution rates | | |
| Classic | 8.99% | 8.99% |
| PEPRA | 14.500% | 14.500% |
| Required employer contribution rates: | | |
| *Classic:* | | |
| Police Tier 1 | 29.090% | 29.300% |
| Police Tier 2 | 27.630% | 27.840% |
| Police Tier 3 | 24.790% | 24.960% |
| Fire Tier 1 | 29.090% | 29.300% |
| Fire Tier 2 | 27.630% | 27.840% |
| Fire Tier 3 | 24.790% | 24.960% |
| *PEPRA:* | | |
| Safety Police | 14.500% | 14.720% |
| Safety Fire | 14.500% | 14.720% |

*Contributions*

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through the CalPERS' annual actuarial valuation process. For public agency cost-sharing plans covered by either the Miscellaneous or Safety risk pools, the Plan's actuarially determined rate is based on the estimated amount necessary to pay the Plan's allocated share of the risk pool's costs of benefits earned by employees during the year, and any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Total contributions made by the City to the Safety Plan during fiscal year 2024 were $6,045,497.

*Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions*

As of September 30, 2024, based on the measurement date of June 30, 2024, the City reported a net pension liability of $53,526,784 for its proportionate share of the net PERF C Cost Sharing Plan.

The City's net pension liability is measured as the proportionate share of net pension liability. The net pension liability is measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2023. The City's proportion of the net pension liability based on a projection of the City's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The City's proportionate share of the net pension liability for the PERF C Cost Sharing Plan measured as of June 30, 2023 and 2024 was 0.5698% and 0.5589%, respectively.

For the year ended September 30, 2024, the City recognized pension expense of $2,882,833. At September 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | Safety Plan | |
|---|---|---|
| | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Pension contributions subsequent to measurement date | $ 4,694,770 | $ - |
| Changes of assumptions | 1,004,012 | - |
| Differences between expected and actual experiences | 3,325,616 | 108,130 |
| Changes in proportions | 3,054,742 | 2,275,759 |
| Net differences between projected and actual earnings on plan investments | 1,969,701 | - |
| Total | $ 14,048,841 | $ 2,383,889 |

The amount of $4,694,770 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

| Year ended September 30, | |
|---|---|
| 2025 | $ 2,560,285 |
| 2026 | 4,813,129 |
| 2027 | 154,891 |
| 2028 | (558,123) |
| Total | $ 6,970,182 |

*Actuarial Assumptions*

The total pension liability was determined using the following actuarial assumptions:

| | Safety Plan |
|---|---|
| Valuation Date | June 30, 2023 |
| Measurement Date | June 30, 2024 |
| Actuarial Cost Method | |
| Actuarial Assumptions | |
| Discount Rate | 6.90% |
| Inflation | 2.30% |
| Projected Salary Increase | Varies by Entry Age and Service |
| Investment Rate of Return | 6.90% (1) |
| Mortality | Based on CalPERS Experience Study |

(1) Net of pension plan investment expenses, including inflation

The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. Mortality rates incorporate full generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details on this table, please refer to the 2021 experience study report from November 2021 that can be found on the CalPERS website.

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

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

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation.

| Asset Class (a) | Assumed Asset Allocation | Real Return Years 1-10 (a, b) |
|---|---|---|
| Global Equity - Cap-weighted | 30.0% | 4.54% |
| Global Equity - Non-Cap-weighted | 12.0% | 3.84% |
| Private Equity | 13.0% | 7.28% |
| Treasury | 5.0% | 0.27% |
| Mortgage-backed Securities | 5.0% | 0.50% |
| Investment Grade Corporates | 10.0% | 1.56% |
| High Yield | 5.0% | 2.27% |
| Emerging Market Debt | 5.0% | 2.48% |
| Private Debt | 5.0% | 3.57% |
| Real Assets | 15.0% | 3.21% |
| Leverage | -5.00% | -0.59% |
| Total | 100.0% | |

(a) An expected inflation of 2.30% used for this period.
(b) Figures are based on the 2021 Asset Liability Management study.

***Discount Rate*** - The discount rate used to measure the total pension liability was 6.90%. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 6.90% discount rate is adequate, and the use of the municipal bond rate calculation is not necessary. The long-term expected discount rate of 6.90% is applied to all plans in the Public Employees Retirement Fund. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at CalPERS' website under the GASB 68 section.

*Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate*

The following presents the City's proportionate share of the net pension liability for the Safety Plan, calculated using the discount rate of 6.90%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 - percentage point lower or 1 - percentage point higher than the current rate:

| | 1% Decrease 5.90% | Current Discount Rate 6.90% | 1% Increase 7.90% |
|---|---|---|---|
| City's proportionate of the net pension liability | $ 77,380,651 | $ 53,526,784 | $ 34,017,673 |

***Pension Plan Fiduciary Net Position*** – Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

For proprietary funds, pension liabilities are liquidated by the fund that has recorded the liability. For governmental activities, pension liabilities are liquidated by the General Fund.

## Note 12 - Risk Management

### A. Insurance Coverage

The City is a member of the California Intergovernmental Risk Authority (CIRA) (formerly Public Agency Risk Sharing Authority of California (PARSAC)), a joint powers authority which provides annual general liability coverage up to $35,000,000 in the aggregate. The City retains the risk for the first $250,000 in general liability claims.

The City is a member of Local Agency Workers' Compensation Excess Joint Powers Authority (LAWCX), which provides workers' compensation insurance coverage up to $45,000,000. The City retains the risk of the first $500,000 in losses for each accident and employee under this policy.

CIRA and LAWCX were established for the purpose of providing general liability and excess workers' compensation protection for their members. Each entity is governed by a board consisting of representatives from member municipalities. The board controls the operations of each entity, including selection of management and approval of the annual budget.

Financial statements for the Authority may be obtained from CIRA, 1525 Response Road, Suite One, Sacramento, California 95815. Audited financial statements are available from LAWCX at 6371 Auburn Boulevard, Citrus Heights, California 95621.

GASB requires municipalities to record their liability for uninsured claims and to reflect the current portion of this liability as an expenditure in their financial statements. As discussed above, the City has coverage for such claims, but it has retained the risk for the deductible, or uninsured portion of these claims.

The City's liability for uninsured claims is limited to worker's compensation, general liability claims, as discussed above, and was estimated by management based on prior years' claims experience as follows:

**B. Liability for Uninsured Claims**

| | 2024 | | |
|---|---|---|---|
| | Workers' Compensation Claims | General Liability Claims | Totals |
| Beginning Balance | $ 5,919,896 | $ 744,439 | $ 6,664,335 |
| Liability for current fiscal year claims and claims incurred but not reported (IBNR) | 1,674,990 | 46,413 | 1,721,403 |
| Claims paid | (1,131,359) | (45,074) | (1,176,433) |
| Ending Balance | $ 6,463,527 | $ 745,778 | $ 7,209,305 |
| Balance due within one year | $ 1,473,941 | $ 745,778 | $ 2,219,719 |

| | 2023 | | |
|---|---|---|---|
| | Workers' Compensation Claims | General Liability Claims | Totals |
| Beginning Balance | $ 5,917,000 | $ 586,045 | $ 6,503,045 |
| Liability for current fiscal year claims and claims incurred but not reported (IBNR) | 1,834,064 | 651,263 | 2,485,327 |
| Claims paid | (1,831,168) | (492,869) | (2,324,037) |
| Ending Balance | $ 5,919,896 | $ 744,439 | $ 6,664,335 |
| Balance due within one year | $ 1,603,642 | $ 744,439 | $ 2,348,081 |

No settlement payments have exceeded insurance coverage in each of the past three fiscal years.

## Note 13 - Jointly Governed Organizations

*South Lake Tahoe Basin Waste Management Authority*

The City, El Dorado County, California, and Douglas County, Nevada, formed the South Lake Tahoe Basin Waste Management Authority on February 17, 1994, to provide cost effective management of solid waste generated in the Southern Tahoe Basin.

The Authority is a separate legal entity and exercises full powers and authorities within the scope of the related Joint Powers Agreement including the preparation of annual budgets, accountability for all funds, the power to make and execute contracts and the right to sue and be sued. Obligations and liabilities of the Authority are not those of the City.

The Authority is governed by a board consisting of representatives from each member agency. The board controls the operations of the Authority, including selection of management and approval of operating budgets, independent of any influence by member agencies beyond their representation on the Board.

The City acts as the fiscal agent for the Authority. The Authority's assets and liabilities are, therefore, included within the City's Custodial Funds. The Authority is separately audited every 2 years and financial statements can be obtained by contacting the City of South Lake Tahoe at 1901 Lisa Maloff Way, South Lake Tahoe, California 96150.

## Note 14 - Park Avenue Community Facilities District No. 2001-1 Bonds, Without City Commitment

In prior years, the Former South Tahoe Redevelopment Agency sponsored the issuance of the Community Facilities District No. 2001-1, Special Tax Bonds which were used to finance certain improvements as part of the Park Avenue Project. In 2008 the Community Facilities District No. 2001-1 Bonds were refunded by issuing Series 2007 Special Tax Refunding Bonds. The Bonds were refunded again with the issuance of refunding bonds in 2015. The outstanding balance on Series 2015 Special Tax Refunding Bonds at September 30, 2024 was $3,480,000. The Bonds are repayable from special taxes to be assessed on properties in the District. These assessments are to be used to repay debt service on the Bonds and other expenditures of the District. The City acts solely as the collecting and paying agent for the District's Bonds, but it has no direct or contingent liability or moral obligation for the payment of this debt, which is not included in the general debt of the City.

## Note 15 - Commitments & Contingencies

### A. Litigation

The City is subject to litigation arising in the normal course of business. Although the outcome of these claims and lawsuits is not presently determinable, in the opinion of the City's management, on advice of legal counsel, it is unlikely that they will have a material adverse effect on the accompanying financial statements.

### B. Federal and State Grants

The City participates in several federal and State grant programs. These programs are subject to audit by the City's independent auditors in accordance with the provisions of the Federal Single Audit Act amendments of 1996 and applicable State requirements. However, these programs are still subject to further examination by the grantors and the amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time. The City expects such amounts, if any, to be immaterial.

## Note 16 - Former Redevelopment Agency Dissolution and Successor Agency Activities

### A. Redevelopment Dissolution

In an effort to balance its budget, the State of California adopted ABx1 26 on June 28, 2011, amended by AB 1484 on June 27, 2012, which suspended all new redevelopment activities except for limited specified activities as of that date and dissolved redevelopment agencies on February 1, 2012.

The suspension provisions prohibited all redevelopment agencies from a wide range of activities, including incurring new indebtedness or obligations, entering into or modifying agreements or contracts, acquiring or disposing of real property, taking actions to adopt or amend redevelopment plans and other similar actions, except actions required by law or to carry out existing enforceable obligations, as defined in ABx1 26.

Certain assets of the Redevelopment Agency were to be distributed to a Housing Successor and all remaining Redevelopment Agency assets and liabilities were to be distributed to a Successor Agency. The activities of the Housing Successor are reported in the City Housing & Economic Development Special Revenue Fund as the City has control of those assets, which may be used in accordance with the low and moderate-income housing provisions of California Redevelopment Law. The City also elected to become the Successor Agency. The Redevelopment Agency’s remaining assets were distributed to and liabilities were assumed by the Successor Agency and are recorded in the Redevelopment Obligation Retirement Private-Purpose Trust Fund.

ABx1 26 requires the establishment of an Oversight Board to oversee the activities of the Successor Agency and one was established on April 30, 2012. The activities of the Successor Agency are subject to review and approval of the Oversight Board, which is comprised of seven members, including one member of the City Council and one former Redevelopment Agency employee appointed by the Mayor.

### B. Cash

Cash and investments of the Successor Agency as of September 30, 2024 are discussed in Note 3. Information presented in the following footnotes represents other assets and liabilities of the Successor Agency as of September 30, 2024.

## C. Capital Assets

Capital assets recorded in the Successor Agency Private Purpose Trust Fund at September 30, 2024 comprise:

| | Balance at September 30, 2023 | Additions | Retirements | Balance at September 30, 2024 |
|---|---|---|---|---|
| ***Successor Agency*** | | | | |
| Capital assets not being depreciated | | | | |
| Land | $ 7,857,332 | $ - | $ (1,072,588) | $ 6,784,744 |
| Total capital assets not being depreciated | 7,857,332 | - | (1,072,588) | 6,784,744 |
| Capital assets, being depreciated | | | | |
| Streets | 3,287,695 | - | - | 3,287,695 |
| Total capital assets being depreciated | 3,287,695 | - | - | 3,287,695 |
| Less accumulated depreciation for | | | | |
| Streets | (1,719,190) | (82,192) | - | (1,801,382) |
| Total accumulated depreciation | (1,719,190) | (82,192) | - | (1,801,382) |
| Total capital assets being depreciated, net | 1,568,505 | (82,192) | - | 1,486,313 |
| Successor Agency capital assets, net | $ 9,425,837 | $ (82,192) | $ (1,072,588) | $ 8,271,057 |

## D. Long-Term Debt

The Successor Agency assumed the long-term debt of the Former Redevelopment Agency as of February 1, 2012. Current year balances reported in the private purpose trust fund as of September 30, 2024 are as follows:

| | Balance at September 30, 2023 | Additions | Retirements | Balance at September 30, 2024 | Current Portion |
|---|---|---|---|---|---|
| **Successor Agency** | | | | | |
| Redevelopment Agency Obligations | | | | | |
| **Revenue Bonds** | | | | | |
| Refunding Revenue Bonds, 2014 Series A | | | | | |
| 2.0%-5.0%, due serially until 10/1/2034 | $ 24,035,000 | $ - | $ 780,000 | $ 23,255,000 | $ 810,000 |
| Add: Premium | 577,129 | - | 48,094 | 529,035 | - |
| Refunding Revenue Bonds, 2015 Series A | | | | | |
| 2.0% - 5.0% due serially until 10/1/2035 | 17,720,000 | - | 1,670,000 | 16,050,000 | |
| Add: Premium | 1,218,331 | - | 101,527 | 1,116,804 | 1,760,000 |
| Refunding Revenue Bonds, 2017 Series A | | | | | |
| 2.0%-5.0%, due serially until 10/1/2037 | 16,215,000 | - | 365,000 | 15,850,000 | 385,000 |
| Add: Premium | 392,746 | - | 30,212 | 362,534 | - |
| Total revenue bonds | 60,158,206 | - | 2,994,833 | 57,163,373 | 2,955,000 |
| **Notes from Direct Borrowings** | | | | | |
| Advance due to the City | 5,289,178 | - | - | 5,289,178 | - |
| | $ 65,447,384 | $ - | $ 2,994,833 | $ 62,452,551 | $ 2,955,000 |

The annual debt service requirements to maturity for the outstanding Revenue Bonds at September 30, 2024, were as follows:

| For the Year Ending September 30, | Private Purpose Trust Fund Revenue Bonds Principal | Interest |
|---|---|---|
| 2025 | $ 2,955,000 | $ 2,145,906 |
| 2026 | 3,090,000 | 2,009,306 |
| 2027 | 3,230,000 | 1,868,106 |
| 2028 | 3,375,000 | 1,735,606 |
| 2029 | 3,490,000 | - |
| 2030-2034 | 19,990,000 | 6,269,588 |
| 2035-2038 | 19,025,000 | 2,060,503 |
| Total | 55,155,000 | $ 16,089,015 |
| Add: Bond Premium | 2,008,373 | |
| Advance due to City | 5,289,178 | |
| Total | $ 62,452,551 | |

**Advances due from the RDA Successor Agency**

As a result of obtaining the finding of completion from the State of California Department of Finance, the Oversight Board of the Redevelopment Agency reviewed certain advances between the City and the Former Redevelopment Agency which had become invalid and non-binding when the Former RDA was dissolved. However, after dissolution, AB 1484 allowed for City loans to be re-established after a finding of completion is obtained and the Oversight Board finds the loans to be for legitimate redevelopment purposes. The Oversight Board concluded through Resolution 2014-6 that the City Loans were for legitimate redevelopment purposes and therefore these loans were re-established onto the financial statements. As of September 30, 2024, the total advance due to the City was $5,289,178.

**Refunding Revenue Bonds 2014 Series A**

On November 20, 2014, the South Tahoe Joint Powers Financing Authority, a joint powers authority between the City and the former South Tahoe Redevelopment Agency, issued Refunding Revenue Bonds 2014 Series A in the amount of $29,230,000, plus a premium of $1,009,974, for the South Tahoe Redevelopment Project Area No. 1. The Authority assisted the Successor Agency to the South Tahoe Redevelopment Agency (the Successor Agency) to achieve interest cost savings by refunding the Authority's remaining outstanding obligations of the 1999 Series A Bonds, 2003 Series A Bonds, and the 2004 Series A Bonds and to pay costs of issuance for the 2014 Bonds. Principal and Interest are payable on April 1 and October 1 of each year and interest rates range from 2% to 5% on the debt. The principal balance as of September 30, 2024 was $23,255,000.

A deferred amount on refunding of $812,990 was recognized with the issuance of the bonds. The unamortized balance at September 30, 2024 was $406,885.

**Refunding Revenue Bonds 2015 Series A**

On September 16, 2015, the South Tahoe Joint Powers Financing Authority, a joint powers authority between the City and the former South Lake Tahoe Redevelopment Agency, issued the 2015 Series A Refunding Revenue Bonds in the amount of $27,525,000 plus a premium of $2,030,547. The 2015 Bonds bear interest rates ranging from 2% to 5% and mature serially until 2035. The net proceeds of the 2015 Bonds are to be used to fund two loans to the Successor Agency to the South Tahoe Redevelopment Agency and will enable the Authority to refund prior loans made to the former Redevelopment Agency and in turn refund the Authority's remaining outstanding 2005 Series A Bonds. The principal balance as of September 30, 2024 was $16,050,000.

A deferred amount on refunding of $399,748 was recognized with the issuance of the bonds. The unamortized balance at September 30, 2024 was $219,861.

**Refunding Revenue Bonds 2017 Series A**

On September 1, 2017, The South Tahoe Joint Powers Financing Authority, a joint powers authority between the City and the former South Lake Tahoe Redevelopment Agency, issued the 2017 Series A Refunding Revenue Bonds in the amount of $17,640,000 plus a premium of $604,230. Principal and interest are payable on April 1 and October 1 of each year. The 2017 Bonds bear interest rates ranging from 2% to 5% and mature serially until 2037. The net proceeds of the 2017 Bonds are to be used to refund the Authority's remaining outstanding 2007 Series A Bonds. The principal balance as of September 30, 2024 was $15,850,000.

A deferred amount on refunding of $528,255 was recognized with the issuance of the bonds. The unamortized balance at September 30, 2024 was $352,170.

**Pledged Revenue**

Debt service on the 2014 Series A, the 2015 Series A, and the 2017 Series A Bonds are secured by and are repayable from a primary pledge of property tax increment received by the Agency. Transient occupancy tax (TOT) revenues levied by the Agency are pledged as a secondary revenue source, but only to the extent that property tax increment is insufficient to pay bond debt service, and only for bond debt service. Transient occupancy tax revenues which are not used for debt service on the Bonds remain with the City.

The Agency has pledged all future tax increment revenues for the repayment of the 2014, 2015 and 2017 Refunding Revenue Bonds. In FY2015, the 2014A Refunding Revenue Bonds refunded the 1999, 2003 and 2004 Bonds. In FY2015, the 2015A Refunding Revenue Bonds were issued to refund the 2005 Bonds. In FY2017, the Refunding Revenue Bonds 2017 Series A were issued to refund the 2007 Bonds. As a result, the debt issuances of the former South Tahoe Redevelopment Agency, to which the City provides non-exchange financial guarantees, consist of the 2014, 2015, and 2017 Refunding Revenue Bonds as of September 30, 2024. The pledge of all future tax increment revenues ends upon repayment of $71,638,626 remaining debt service on the Bonds, which is scheduled to occur in 2038. With the dissolution of the Redevelopment Agency discussed above, Tax Increment is no longer distributed, and instead the Successor Agency receives payments from the County's Redevelopment Property Tax Trust Fund (RPTTF) that are to be used to pay debt service on the Bonds, with no distinction between housing and non-housing revenues. Total property tax distributions for the year ended September 30, 2024 from the County's RPTTF totaled collections of $5,228,760, which represented coverage of 103% of the $5,097,356 of debt service.

### E. Commitments and Contingencies

**State Approval of Enforceable Obligations**

The Successor Agency prepares a Recognized Obligation Payment Schedule (ROPS) annually that contains all proposed expenditures for the subsequent twelve-month period. The ROPS is subject to the review and approval of the Oversight Board as well as the State Department of Finance. Although the State Department of Finance may not question items included on the ROPS in one period, they may question the same items in a future period and disallow associated activities. The amount, if any, of current obligations that may be denied by the State Department of Finance cannot be determined at this time. The Successor Agency expects such amounts, if any, to be immaterial.

### F. Supplemental Education Revenue Augmentation Fund

In March 2011, the Low-Moderate Income Housing Fund loaned $426,210 to the Redevelopment Agency for the purpose of financing the Supplemental Educational Revenue Augmentation Fund (SERAF) payment to the State of California. Upon the dissolution of the Redevelopment Agency on February 1, 2012, the loan was assumed by the Successor Agency. However, since the loan was originally denied by the California Department of Finance, and collectability was not certain, it was fully reserved. The Oversight Board has approved the repayment of the loan to the Low-Moderate Income housing Fund when sufficient property tax collections are available. As of September 30, 2024, no payments were made on the loan and the outstanding loan balance was $426,210.

## Note 17 - Subsequent Events

On November 5, 2024, the City Council approved a financing agreement with Banc of America Public Capital Corp to finance the purchase and installation of energy efficiency improvements at various City facilities. The total principal amount of the financing is $7,973,000, with a 16-year term and a fixed interest rate of 4.055%. The proceeds of the financing will be used to fund key energy-related capital projects, including solar installations and HVAC upgrades.



Required Supplementary Information
September 30, 2024

# City of South Lake Tahoe, California

# City of South Lake Tahoe, California

## Schedule of Changes in Net Pension Liability and Related Ratios During the Measurement Period – Miscellaneous Plan

### Last Ten Years

| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Total pension liability** | | | | | | | | | | |
| Service cost | $ 1,834,941 | $ 1,734,182 | $ 1,734,439 | $ 1,700,613 | $ 1,731,444 | $ 1,565,769 | $ 1,634,361 | $ 1,640,573 | $ 1,298,374 | $ 1,298,374 |
| Interest on total pension liability | 7,772,824 | 7,577,912 | 7,311,919 | 7,214,836 | 7,027,535 | 6,791,789 | 6,501,556 | 6,290,481 | 6,167,070 | 5,921,706 |
| Change of benefit terms | - | 197,405 | - | - | - | - | - | - | - | - |
| Changes of assumptions | - | - | 3,019,702 | - | - | - | (541,838) | 4,933,223 | - | (1,373,535) |
| Difference between expected and actual experience | 575,159 | 1,532,731 | (454,974) | (233,289) | 516,492 | 1,287,266 | 473,296 | (436,341) | 613,254 | (675,672) |
| Benefit payments, including refunds of employee contributions | (7,206,502) | (7,019,181) | (6,823,570) | (6,044,528) | (5,736,837) | (5,582,622) | (5,076,733) | (4,737,930) | (4,801,972) | (4,441,507) |
| **Net change in total pension liability** | 2,976,422 | 4,023,049 | 4,787,516 | 2,637,632 | 3,538,634 | 4,062,202 | 2,990,642 | 7,690,006 | 3,276,726 | 720,906 |
| **Total pension liability - beginning** | 114,760,243 | 110,737,194 | 105,949,678 | 103,312,046 | 99,773,412 | 95,711,210 | 92,720,568 | 85,030,562 | 81,753,836 | 81,032,930 |
| **Total pension liability - ending (a)** | $ 117,736,665 | $ 114,760,243 | $ 110,737,194 | $ 105,949,678 | $ 103,312,046 | $ 99,773,412 | $ 95,711,210 | $ 92,720,568 | $ 85,030,562 | $ 81,753,836 |
| **Plan fiduciary net position** | | | | | | | | | | |
| Contributions - employer | $ 4,184,906 | $ 4,030,373 | $ 3,754,044 | $ 3,506,654 | $ 3,266,237 | $ 3,025,533 | $ 2,690,016 | $ 2,660,201 | $ 2,330,646 | $ 1,964,036 |
| Contributions - employee | 1,002,328 | 949,041 | 839,628 | 829,398 | 808,150 | 744,445 | 639,930 | 637,329 | 579,366 | 538,590 |
| Net investment income | 6,962,413 | 4,354,850 | (5,885,446) | 14,843,253 | 3,174,608 | 3,998,103 | 4,945,510 | 6,053,996 | 267,823 | 1,263,648 |
| Plan to plan resource movements | - | - | - | - | - | - | (235) | - | 13,996 | - |
| Benefit payments, including refunds of employee contributions | (7,206,502) | (7,019,181) | (6,823,570) | (6,044,528) | (5,736,837) | (5,582,622) | (5,076,733) | (4,737,930) | (4,801,972) | (4,441,507) |
| Administrative expense | (59,197) | (51,832) | (48,995) | (65,512) | (90,449) | (44,258) | (92,073) | (80,545) | (34,250) | (63,276) |
| Other miscellaneous income/expense | - | - | - | - | - | 144 | (174,849) | - | - | - |
| **Net change in fiduciary net position** | 4,883,948 | 2,263,251 | (8,164,339) | 13,069,265 | 1,421,709 | 2,141,345 | 2,931,566 | 4,533,051 | (1,644,391) | (738,509) |
| **Plan fiduciary net position - beginning** | 72,749,548 | 70,486,297 | 78,650,636 | 65,581,371 | 64,159,662 | 62,018,317 | 59,086,751 | 54,553,700 | 56,198,091 | 56,936,600 |
| **Plan fiduciary net position - ending (b)** | $ 77,633,496 | $ 72,749,548 | $ 70,486,297 | $ 78,650,636 | $ 65,581,371 | $ 64,159,662 | $ 62,018,317 | $ 59,086,751 | $ 54,553,700 | $ 56,198,091 |
| **Net pension liability - ending (a) - (b)** | $ 40,103,169 | $ 42,010,695 | $ 40,250,897 | $ 27,299,042 | $ 37,730,675 | $ 35,613,750 | $ 33,692,893 | $ 33,633,817 | $ 30,476,862 | $ 25,555,745 |
| **Plan fiduciary net position as a percentage of the total pension liability** | 65.94% | 63.39% | 63.65% | 74.23% | 63.48% | 64.31% | 64.80% | 63.73% | 64.16% | 68.74% |
| **Covered payroll** | $ 10,794,283 | $ 9,939,207 | $ 9,360,535 | $ 9,247,957 | $ 9,968,860 | $ 9,235,423 | $ 8,387,476 | $ 8,459,217 | $ 7,567,926 | $ 6,923,639 |
| **Net pension liability as a percentage of covered payroll** | 371.52% | 422.68% | 430.01% | 295.19% | 378.49% | 385.62% | 401.70% | 397.60% | 402.71% | 369.11% |
| **Measurement date** | June 30, 2024 | June 30, 2023 | June 30, 2022 | June 30, 2021 | June 30, 2020 | June 30, 2019 | June 30, 2018 | June 30, 2017 | June 30, 2016 | June 30, 2015 |

**Notes to Schedule**

**Changes in assumptions:** In 2015, the discount rate was changed from 7.50 percent to 7.65 percent. In 2017, the discount rate was changed from 7.65 percent to 7.15 percent. In 2018, the demographic assumptions, and inflation rate changed from 2.75 percent to 2.5 percent. In 2022, the discount rate changed from 7.15 to 6.90.

# City of South Lake Tahoe, California
## Schedule of Contributions – Miscellaneous Plan
## Last Ten Years

| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|---|---|---|---|---|---|
| Actuarially determined contributions | $ 4,623,290 | $ 3,956,042 | $ 4,010,750 | $ 3,785,869 | $ 3,491,578 | $ 3,016,430 | $ 2,688,342 | $ 2,672,952 | $ 2,424,596 | $ 2,039,415 |
| Contributions in relation to the actuarially determined contribution | (4,623,290) | (3,956,042) | (4,010,750) | (3,785,869) | (3,491,578) | (3,016,430) | (2,688,342) | (2,672,952) | (2,424,596) | (2,039,415) |
| Contribution deficiency (excess) | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| Covered payroll | $ 11,171,807 | $ 10,067,966 | $ 9,483,432 | $ 8,849,305 | $ 9,195,878 | $ 9,411,567 | $ 8,467,344 | $ 8,280,014 | $ 7,818,112 | $ 7,025,581 |
| Contributions as a percentage of covered payroll | 41.38% | 39.29% | 42.29% | 42.78% | 37.97% | 32.05% | 31.75% | 32.28% | 31.01% | 29.03% |

# City of South Lake Tahoe, California

## Schedule of the City's Proportionate Share of the Net Pension Liability – Safety Cost Sharing Plan

## Last Ten Years

| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|---|---|---|---|---|---|
| City's proportion of the net pension liability | 0.5589% | 0.5698% | 0.5807% | 0.5893% | 0.6039% | 0.6200% | 0.3935% | 0.3764% | 0.3761% | 0.3640% |
| City's proportionate share of the net pension liability | $ 53,526,784 | $ 54,155,217 | $ 50,633,357 | $ 28,415,935 | $ 43,775,772 | $ 40,016,396 | $ 37,917,732 | $ 37,323,632 | $ 32,546,803 | $ 24,987,173 |
| City's covered payroll | $ 8,232,264 | $ 8,685,404 | $ 8,425,412 | $ 8,211,376 | $ 8,089,719 | $ 6,759,736 | $ 6,572,142 | $ 6,460,385 | $ 6,144,036 | $ 6,149,004 |
| City's proportionate share of the net pension liability as a percentage of covered payroll | 650.21% | 623.52% | 600.96% | 346.06% | 541.13% | 591.98% | 576.95% | 577.73% | 529.73% | 406.36% |
| Plan fiduciary net position as a percentage of the total pension liability | 69.35% | 68.05% | 68.95% | 81.60% | 70.75% | 72.47% | 75.26% | 73.31% | 74.06% | 78.40% |
| Measurement Date | June 30, 2024 | June 30, 2023 | June 30, 2022 | June 30, 2021 | June 30, 2020 | June 30, 2019 | June 30, 2018 | June 30, 2017 | June 30, 2016 | June 30, 2015 |

**Notes to Schedule:**

**Changes in assumptions:** In 2015, the discount rate was changed from 7.50 percent to 7.65 percent. In 2017, the discount rate was changed from 7.65 percent to 7.15 percent. In 2018, the demographic assumptions, and inflation rate changed from 2.75 percent to 2.5 percent. In 2022, the discount rate changed from 7.15 to 6.90.

# City of South Lake Tahoe, California
## Schedule of Contributions – Safety Cost Sharing Plan
## Last Ten Years

| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|---|---|---|---|---|---|
| Actuarially determined contributions | $ 6,045,497 | $ 5,056,382 | $ 5,074,060 | $ 4,610,711 | $ 4,044,515 | $ 2,937,395 | $ 2,762,331 | $ 2,405,473 | $ 1,978,077 | $ 1,692,799 |
| Contributions in relation to the actuarially determined contribution | (6,045,497) | (5,056,382) | (5,074,060) | (4,610,711) | (4,044,515) | (2,937,395) | (2,762,331) | (2,405,473) | (1,978,077) | (13,140,470) |
| Contribution deficiency (excess) | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ (11,447,671) |
| Covered payroll | $ 8,578,695 | $ 8,686,203 | $ 8,505,325 | $ 7,910,987 | $ 7,702,295 | $ 7,007,680 | $ 6,615,298 | $ 6,308,623 | $ 6,170,675 | $ 6,110,069 |
| Contributions as a percentage of covered payroll | 70.47% | 58.21% | 59.66% | 58.28% | 52.51% | 41.92% | 41.76% | 38.13% | 32.06% | 215.06% |



Supplementary Information
September 30, 2024

# City of South Lake Tahoe, California

| | Final Budget | Actual | Variance Positive (Negative) |
|---|---|---|---|
| Revenues | | | |
| Use of money and property | $ - | $ 223,426 | $ 223,426 |
| Intergovernmental revenue | 11,365,515 | 7,289,559 | (4,075,956) |
| Other revenue | 181,382 | 182,424 | 1,042 |
| Total revenues | 11,546,897 | 7,695,409 | (3,851,488) |
| Expenditures | | | |
| Current | | | |
| General government | 25,719 | - | 25,719 |
| Capital outlay | 110,243,387 | 34,854,751 | 75,388,636 |
| Total expenditures | 110,269,106 | 34,854,751 | 75,414,355 |
| Excess (Deficiency) of Revenues over Expenditures | (98,722,209) | (27,159,342) | 71,562,867 |
| Other Financing Sources (Uses) | | | |
| Transfers in | 82,150,404 | 31,588,523 | (50,561,881) |
| Transfers (out) | (2,503,638) | (101,085) | 2,402,553 |
| Total other financing sources (uses) | 79,646,766 | 31,487,438 | (48,159,328) |
| Net Change in Fund Balances | $ (19,075,443) | 4,328,096 | $ 23,403,539 |
| Beginning Fund Balance | | 16,816,708 | |
| Ending Fund Balance | | $ 21,144,804 | |

# City of South Lake Tahoe, California

Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual – City Debt Service Fund
Year Ended September 30, 2024

| | Final Budget | Actual | Variance Positive (Negative) |
|---|---|---|---|
| Revenues | | | |
| Use of money and property | $ 5,000 | $ 3,101,674 | $ 3,096,674 |
| Expenditures | | | |
| Current | | | |
| General government | 39,400 | 29,063 | 10,337 |
| Debt service | | | |
| Principal | 4,625,944 | 3,860,944 | 765,000 |
| Interest and fiscal charges | 3,530,874 | 2,125,575 | 1,405,299 |
| Payments to refunded bond escrow agent | | | |
| Total expenditures | 8,680,376 | 6,015,582 | 2,664,794 |
| Excess (Deficiency) of Revenues over Expenditures | (8,675,376) | (2,913,908) | 5,761,468 |
| Other Financing Sources (Uses) | | | |
| Transfers in | 8,114,774 | 8,114,774 | - |
| Transfers out | (56,166,967) | (20,242,631) | 35,924,336 |
| Total other financing sources (uses) | (48,052,193) | (12,127,857) | 35,924,336 |
| Net Change in Fund Balances | $ (56,727,569) | (15,041,765) | $ 41,685,804 |
| Beginning Fund Balance | | 58,355,440 | |
| Ending Fund Balance | | $ 43,313,675 | |



The funds described below include the individual non-major funds of the City. This includes the City's non-major special revenue and capital projects funds.

Special Revenue Funds

**Gas Tax** – Used to account for the Highway User's Tax revenues received from the State of California under Sections 2105, 2106 and 2107 of the Streets and Highways Code.

**TOT** – To account for the collection of Transient Occupancy Taxes formerly associated with the Redevelopment Project areas to be utilized to backfill any shortfalls in tax increment revenue in the Redevelopment Successor Agency.

**Snow Removal** – Used to account for the Highway User's Tax revenues received from the State of California under section 2107.5 of the Streets and Highways code restricted to snow removal operations, and for revenue and expenditures related to replacement of snow removal equipment.

**Vehicle Replacement** – Used to account for revenues and expenditures related to the replacement of city vehicles and safety vehicles.

**Solid Waste** – To account for fees from AB 939 to promote environmentally friendly practices to reduce solid waste by diversion of recycling materials.

**Safety Sales Tax** – Used to account for the Proposition 172 Safety Sales Tax revenues and expenditures.

**AB3229 COPS** – To account for COPS grant funds received and used to purchase equipment and pay officer overtime for projects associated with Community Oriented Policing.

**Local Law Enforcement** – To account for the receipt and expenditure of Local Law Enforcement Block Grants (LLEBG) received from State and Federal agencies.

**Asset Forfeiture** – To account for asset forfeiture funds received as a result of forfeiture of criminal assets to be used for contract services along with special police investigations.

**Stormwater Management** – To account for South Tahoe Refuse funds that pay for Street and Snow Sweeping and Stormwater projects and employees.

**EMS** – To account for the receipt of first responder fees for medical response that support the costs of operations of paramedic engines and squad.

**Clean Community** – To account for funds from South Tahoe Refuse to remove litter from highly visible locations along public roadways and neighborhoods, issue trash violations and provide education and special events.

**Abatement** – To account for vehicle abatement activities in accordance with City Code to coordinate with tow companies to remove abandoned vehicles and for nuisance abatement to process all complaints of nuisances as identified in City Code.

**Ski Run Business Improvement** – Used to account for the fees collected with business tax payments for the purpose of supporting landscaping and snow removal in the Ski Run Business Improvement District located on Ski Run Boulevard between Pioneer Trail and Lake Tahoe Boulevard.

**Measure S Maintenance** – To account for the Measure S assessments for the Community Facilities District Recreation Joint Powers Authority for maintenance of bike trails, athletic facilities, Paradise Park facilities, and the ice arena.

**General Plan / Community Plan** – Used to account for the fees collected and expenses incurred for the update of the general plan.

**Boat Patrol** – To account for Boat Patrol grants to provide law enforcement services in open waters and harbor areas of the City of South Lake Tahoe.

**Domestic Violence Grant** – To account for the grant supporting collaboration between SLTPD and Live Violence Free to use as an integrated community-oriented approach to address domestic violence.

**DUI/Traffic Safety Grant** – Used to account for the revenues and expenditures related to the Police Department DUI and Traffic Safety Grants received from State and Federal agencies.

**Explore Tahoe Transit Center** – To account for the revenues and expenditures related to Explore Tahoe at Heavenly Village to provide education and transportation for visitors to recreational and cultural activities.

**Tourism Improvement District** – Used to account for the collection and passing through of the nightly per room assessment for the purpose of tourism promotion in the South Lake Tahoe area.

**Arts Program** – Used to account for funds to be utilized for Public Art programs in the City of South Lake Tahoe.

**Vacation Home Rental Program** – To account for the Vacation Home Rental Program to improve the efficiency and enforcement of the City Vacation Home Rental Ordinance.

**Ice Arena** – To account for the Management and Operations Agreement with Tahoe Sports Entertainment to operate and maintain the Ice Arena.

**Cannabis Program** – To account for the collection of Measure G local six percent Cannabis Business and Professions tax on commercial cannabis activity within the City limits.

**PEG Program** – To account for the Public, Educational, Government (PEG) support fee to be paid by customers of Charter Communications to support the City's PEG station, SLT-TV Channel 21.

**Tobacco Law Enforcement Grant** – Used to account for the revenues and expenditures related to the Tobacco Law Enforcement Grants.

**Bijou Erosion Control Plan CFD** – To account for special assessments collected to be used towards erosion control plan activities in the Community Facility District No. 2014-1 (Bijou Area ECP).

**Harrison Avenue CFD** – To account for special assessments collected to fund capital improvement activities on Harrison Avenue.

**Disaster Preparedness** – To account for the revenue and expenditures related to the City's hazardous fuel reduction programs.

**Opioid Settlement Program** – To account for the revenues and expenditures related to the City's participation in the National Opioid Litigation Settlement with opioid distributors and opioid manufacturers.

| | Special Revenue Funds | | |
|---|---|---|---|
| | Gas Tax | TOT | Snow Removal |
| Assets | | | |
| Cash and investments | $ 274,191 | $ 1,889,631 | $ 1,740,426 |
| Accounts receivable - net | 62,552 | - | - |
| Advances to RDA Successor Agency | - | - | - |
| Total assets | $ 336,743 | $ 1,889,631 | $ 1,740,426 |
| Liabilities | | | |
| Accounts payable | $ 69,688 | $ - | $ 3,747 |
| Due to other funds | - | - | - |
| Unearned revenue | - | - | - |
| Total liabilities | 69,688 | - | 3,747 |
| Fund Balance | | | |
| Restricted | 267,055 | - | 1,736,679 |
| Committed | - | - | - |
| Assigned | - | 1,889,631 | - |
| Unassigned | - | - | - |
| Total fund balances | 267,055 | 1,889,631 | 1,736,679 |
| Total liabilities and fund balances | $ 336,743 | $ 1,889,631 | $ 1,740,426 |

| Special Revenue Funds | | | | | |
|---|---|---|---|---|---|
| Vehicle Replacement | Solid Waste | Safety Sales Tax | AB3229 COPS | Local Law Enforcement | Asset Forfeiture |
| $ 1,637,172 | $ 19,405 | $ 702,191 | $ 224,165 | $ 1,994 | $ 104,545 |
| 35,213 | - | 81,768 | 80,908 | - | - |
| 317,809 | - | - | - | - | - |
| $ 1,990,194 | $ 19,405 | $ 783,959 | $ 305,073 | $ 1,994 | $ 104,545 |
| $ 7,808 | $ - | $ - | $ - | $ - | $ - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 7,808 | - | - | - | - | - |
| 1,664,577 | 19,405 | 783,959 | 305,073 | 1,994 | 104,545 |
| - | - | - | - | - | - |
| 317,809 | - | - | - | - | - |
| - | - | - | - | - | - |
| 1,982,386 | 19,405 | 783,959 | 305,073 | 1,994 | 104,545 |
| $ 1,990,194 | $ 19,405 | $ 783,959 | $ 305,073 | $ 1,994 | $ 104,545 |

(Continued)

| | Special Revenue Funds | | |
|---|---|---|---|
| | Stormwater Management | EMS | Clean Community |
| Assets | | | |
| Cash and investments | $ 185,048 | $ 177,286 | $ 32,675 |
| Accounts receivable - net | 26,137 | - | 3,699 |
| Advances to RDA Successor Agency | - | - | - |
| Total assets | $ 211,185 | $ 177,286 | $ 36,374 |
| Liabilities | | | |
| Accounts payable | $ 9,650 | $ 103,931 | $ 752 |
| Due to other funds | - | - | - |
| Unearned revenue | - | - | - |
| Total liabilities | 9,650 | 103,931 | 752 |
| Fund Balance | | | |
| Restricted | 201,535 | 73,355 | 35,622 |
| Committed | - | - | - |
| Assigned | - | - | - |
| Unassigned | - | - | - |
| Total fund balances | 201,535 | 73,355 | 35,622 |
| Total liabilities and fund balances | $ 211,185 | $ 177,286 | $ 36,374 |

| | Special Revenue Funds | | | | | |
|---|---|---|---|---|---|---|
| | Abatement | Ski Run Business Improvement | Measure S Maintenance | General Plan/ Community Plan | Boat Patrol | Domestic Violence Grant |
| | $ 396,002 | $ 7,411 | $ 550,906 | $ 674,187 | $ - | $ 11,659 |
| | 86,827 | - | - | 3,040 | 39,832 | 56,570 |
| | - | - | - | - | - | - |
| | $ 482,829 | $ 7,411 | $ 550,906 | $ 677,227 | $ 39,832 | $ 68,229 |
| | $ 3,048 | $ 1,597 | $ 896 | $ 21,548 | $ 2,276 | $ 26,200 |
| | - | - | - | - | 22,526 | - |
| | - | - | - | - | - | - |
| | 3,048 | 1,597 | 896 | 21,548 | 24,802 | 26,200 |
| | 479,781 | 5,814 | 550,010 | 655,679 | 15,030 | 42,029 |
| | - | - | - | - | - | - |
| | - | - | - | - | - | - |
| | - | - | - | - | - | - |
| | 479,781 | 5,814 | 550,010 | 655,679 | 15,030 | 42,029 |
| | $ 482,829 | $ 7,411 | $ 550,906 | $ 677,227 | $ 39,832 | $ 68,229 |

(Continued)

# City of South Lake Tahoe, California
Non-Major Governmental Funds
Combining Balance Sheet
September 30, 2024

| | Special Revenue Funds | | |
|---|---|---|---|
| | DUI/ Traffic Safety Grant | Explore Tahoe Transit Center | Tourism Improvement District |
| Assets | | | |
| Cash and investments | $ - | $ 75,488 | $ 341,279 |
| Accounts receivable - net | 14,723 | 18,847 | - |
| Advances to RDA Successor Agency | - | - | - |
| Total assets | $ 14,723 | $ 94,335 | $ 341,279 |
| Liabilities | | | |
| Accounts payable | $ - | $ 2,910 | $ 341,111 |
| Due to other funds | 10,779 | - | - |
| Unearned revenue | - | - | - |
| Total liabilities | 10,779 | 2,910 | 341,111 |
| Fund Balance | | | |
| Restricted | 3,944 | 91,425 | 168 |
| Committed | - | - | - |
| Assigned | - | - | - |
| Unassigned | - | - | - |
| Total fund balances | 3,944 | 91,425 | 168 |
| Total liabilities and fund balances | $ 14,723 | $ 94,335 | $ 341,279 |

| Special Revenue Funds | | | | | |
|---|---|---|---|---|---|
| Arts Program | Vacation Home Rental Program | Ice Arena | Cannabis Program | PEG Program | Tobacco Law Enforcement Grant |
| $ 7,164 | $ 338,854 | $ - | $ 1,010,207 | $ 256,328 | $ - |
| - | 6,250 | 27,975 | 120,835 | 16,555 | - |
| - | - | - | - | - | - |
| $ 7,164 | $ 345,104 | $ 27,975 | $ 1,131,042 | $ 272,883 | $ - |
| $ - | $ 180 | $ 7,729 | $ 4,890 | $ - | $ - |
| - | - | 42,861 | - | - | - |
| - | - | - | - | - | - |
| - | 180 | 50,590 | 4,890 | - | - |
| 7,164 | 344,924 | - | - | 272,883 | - |
| - | - | - | 1,126,152 | - | - |
| - | - | - | - | - | - |
| - | - | (22,615) | - | - | - |
| 7,164 | 344,924 | (22,615) | 1,126,152 | 272,883 | - |
| $ 7,164 | $ 345,104 | $ 27,975 | $ 1,131,042 | $ 272,883 | $ - |

(Continued)

# City of South Lake Tahoe, California
Non-Major Governmental Funds
Combining Balance Sheet
September 30, 2024

| | Special Revenue Funds | | |
|---|---|---|---|
| | Bijou Erosion Control Plan CFD | Harrsion Avenue CFD | Disaster Preparedness |
| Assets | | | |
| Cash and investments | $ 168,915 | $ 226,494 | $ - |
| Accounts receivable - net | - | - | 133,994 |
| Advances to RDA Successor Agency | - | - | - |
| Total assets | $ 168,915 | $ 226,494 | $ 133,994 |
| Liabilities | | | |
| Accounts payable | $ 1,758 | $ 250 | $ 1,522 |
| Due to other funds | - | - | 132,472 |
| Unearned revenue | - | - | - |
| Total liabilities | 1,758 | 250 | 133,994 |
| Fund Balance | | | |
| Restricted | 167,157 | 226,244 | - |
| Committed | - | - | - |
| Assigned | - | - | - |
| Unassigned | - | - | - |
| Total fund balances | 167,157 | 226,244 | - |
| Total liabilities and fund balances | $ 168,915 | $ 226,494 | $ 133,994 |

| Special Revenue Funds | |
|---|---|
| Opioid Abatement Program | Total Nonmajor Governmental Funds |
| $ 647,962 | $ 11,701,585 |
| - | 815,725 |
| - | 317,809 |
| $ 647,962 | $ 12,835,119 |
| $ 3,322 | $ 614,813 |
| - | 208,638 |
| 624,623 | 624,623 |
| 627,945 | 1,448,074 |
| 20,017 | 8,076,068 |
| - | 1,126,152 |
| - | 2,207,440 |
| - | (22,615) |
| 20,017 | 11,387,045 |
| $ 647,962 | $ 12,835,119 |

| | Special Revenue Funds | | |
|---|---|---|---|
| | Gas Tax | TOT | Snow Removal |
| Revenues | | | |
| Taxes and assessments | $ - | $ - | $ 234,409 |
| Licenses, permits and impact fees | - | - | - |
| Fines and penalties | - | - | - |
| Use of money and property | 25,590 | 97,949 | 209,074 |
| Intergovernmental revenue | 644,972 | - | 1,955,414 |
| Charges for current services | - | - | - |
| Other revenue | - | - | 1,950 |
| Total revenues | 670,562 | 97,949 | 2,400,847 |
| Expenditures | | | |
| Current | | | |
| General government | - | - | - |
| Public safety | - | - | - |
| Public works | - | - | - |
| Parks and recreation | - | - | - |
| Streets | 1,539,468 | - | 2,982,479 |
| Capital outlay | 18,821 | - | 3,576,588 |
| Debt service | | | |
| Principal repayment | - | - | - |
| Interest and fiscal charges | - | - | - |
| Total expenditures | 1,558,289 | - | 6,559,067 |
| Excess (Deficiency) of Revenues over Expenditures | (887,727) | 97,949 | (4,158,220) |
| Other Financing Sources (Uses) | | | |
| Transfers in | 1,006,824 | - | 2,134,037 |
| Transfers (out) | - | - | - |
| Lease | - | - | - |
| Total other financing sources (uses) | 1,006,824 | - | 2,134,037 |
| Net Change in Fund Balance | 119,097 | 97,949 | (2,024,183) |
| Beginning Fund Balance (Deficit) | 147,958 | 1,791,682 | 3,760,862 |
| Ending Fund Balance | $ 267,055 | $ 1,889,631 | $ 1,736,679 |

| Special Revenue Funds | | | | | |
|---|---|---|---|---|---|
| Vehicle Replacement | Solid Waste | Safety Sales Tax | AB3229 COPS | Local Law Enforcement | Asset Forfeiture |
| $ - | $ 54,963 | $ 1,084,926 | $ - | $ - | $ - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 92,281 | 612 | 28,959 | 10,734 | 19 | 3,930 |
| - | - | - | 160,140 | - | - |
| 9,920 | - | - | - | - | - |
| 74,116 | - | - | - | - | 51,102 |
| 176,317 | 55,575 | 1,113,885 | 170,874 | 19 | 55,032 |
| - | - | - | - | - | - |
| - | - | - | 38,045 | - | - |
| - | 69,005 | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 1,148,620 | - | - | 16,990 | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 1,148,620 | 69,005 | - | 55,035 | - | - |
| (972,303) | (13,430) | 1,113,885 | 115,839 | 19 | 55,032 |
| 1,211,379 | - | 100,000 | - | - | - |
| - | - | (1,142,940) | - | - | - |
| - | - | - | - | - | - |
| 1,211,379 | - | (1,042,940) | - | - | - |
| 239,076 | (13,430) | 70,945 | 115,839 | 19 | 55,032 |
| 1,743,310 | 32,835 | 713,014 | 189,234 | 1,975 | 49,513 |
| $ 1,982,386 | $ 19,405 | $ 783,959 | $ 305,073 | $ 1,994 | $ 104,545 |

(Continued)

| | Special Revenue Funds | | |
|---|---|---|---|
| | Stormwater Management | EMS | Clean Community |
| Revenues | | | |
| Taxes and assessments | $ - | $ - | $ - |
| Licenses, permits and impact fees | - | - | - |
| Fines and penalties | - | - | - |
| Use of money and property | 1,522 | 3,268 | 1,225 |
| Intergovernmental revenue | - | - | 5,500 |
| Charges for current services | 149,022 | - | - |
| Other revenue | 3,500 | 160,852 | 3,487 |
| Total revenues | 154,044 | 164,120 | 10,212 |
| Expenditures | | | |
| Current | | | |
| General government | - | - | - |
| Public safety | - | 104,166 | - |
| Public works | 342,610 | - | 14,291 |
| Parks and recreation | - | - | - |
| Streets | 84,334 | - | - |
| Capital outlay | - | 499,165 | - |
| Debt service | | | |
| Principal repayment | - | 154,755 | - |
| Interest and fiscal charges | - | 1,365 | - |
| Total expenditures | 426,944 | 759,451 | 14,291 |
| Excess (Deficiency) of Revenues over Expenditures | (272,900) | (595,331) | (4,079) |
| Other Financing Sources (Uses) | | | |
| Transfers in | 373,454 | - | 12,000 |
| Transfers (out) | (63,438) | (150,000) | - |
| Lease | - | 499,165 | - |
| Total other financing sources (uses) | 310,016 | 349,165 | 12,000 |
| Net Change in Fund Balance | 37,116 | (246,166) | 7,921 |
| Beginning Fund Balance (Deficit) | 164,419 | 319,521 | 27,701 |
| Ending Fund Balance | $ 201,535 | $ 73,355 | $ 35,622 |

| Special Revenue Funds | | | | | |
|---|---|---|---|---|---|
| Abatement | Ski Run Business Improvement | Measure S Maintenance | General Plan/ Community Plan | Boat Patrol | Domestic Violence Grant |
| $ - | $ 14,708 | $ - | $ - | $ 63,792 | $ - |
| - | 984 | - | - | - | - |
| - | - | - | - | - | - |
| 19,927 | 432 | 24,892 | 38,457 | 324 | 47 |
| - | - | - | - | 39,831 | 213,418 |
| 313,160 | - | - | 94,737 | - | - |
| - | - | 115,000 | - | - | - |
| 333,087 | 16,124 | 139,892 | 133,194 | 103,947 | 213,465 |
| - | - | - | - | - | - |
| - | - | - | - | 135,475 | 126,147 |
| 282,682 | 28,141 | - | 173,440 | - | - |
| - | - | 81,401 | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 282,682 | 28,141 | 81,401 | 173,440 | 135,475 | 126,147 |
| 50,405 | (12,017) | 58,491 | (40,246) | (31,528) | 87,318 |
| - | 11,500 | - | - | - | - |
| - | - | - | - | - | (87,270) |
| - | - | - | - | - | - |
| - | 11,500 | - | - | - | (87,270) |
| 50,405 | (517) | 58,491 | (40,246) | (31,528) | 48 |
| 429,376 | 6,331 | 491,519 | 695,925 | 46,558 | 41,981 |
| $ 479,781 | $ 5,814 | $ 550,010 | $ 655,679 | $ 15,030 | $ 42,029 |

(Continued)

| | Special Revenue Funds | | |
|---|---|---|---|
| | DUI/Traffic Safety Grant | Explore Tahoe Transit Center | Tourism Improvement District |
| Revenues | | | |
| Taxes and assessments | $ - | $ - | $ - |
| Licenses, permits and impact fees | - | - | - |
| Fines and penalties | - | - | - |
| Use of money and property | - | 7,603 | 15,017 |
| Intergovernmental revenue | 34,484 | - | - |
| Charges for current services | - | - | 3,138,496 |
| Other revenue | - | 37,654 | - |
| Total revenues | 34,484 | 45,257 | 3,153,513 |
| Expenditures | | | |
| Current | | | |
| General government | - | - | - |
| Public safety | 34,484 | - | - |
| Public works | - | - | - |
| Parks and recreation | - | 78,221 | 3,118,716 |
| Streets | - | - | - |
| Capital outlay | - | - | - |
| Debt service | | | |
| Principal repayment | - | - | - |
| Interest and fiscal charges | - | - | - |
| Total expenditures | 34,484 | 78,221 | 3,118,716 |
| Excess (Deficiency) of Revenues over Expenditures | - | (32,964) | 34,797 |
| Other Financing Sources (Uses) | | | |
| Transfers in | - | 65,000 | - |
| Transfers (out) | - | - | (31,384) |
| Lease | - | - | - |
| Total other financing sources (uses) | - | 65,000 | (31,384) |
| Net Change in Fund Balance | - | 32,036 | 3,413 |
| Beginning Fund Balance (Deficit) | 3,944 | 59,389 | (3,245) |
| Ending Fund Balance | $ 3,944 | $ 91,425 | $ 168 |

| Special Revenue Funds | | | | | |
|---|---|---|---|---|---|
| Arts Program | Vacation Home Rental Program | Ice Arena | Cannabis Program | PEG Program | Tobacco Law Enforcement Grant |
| $ - | $ - | $ - | $ - | $ 68,025 | $ - |
| - | 197,840 | - | 897,293 | - | - |
| - | 94,045 | - | - | - | - |
| 72 | 15,941 | 27,612 | 75,538 | 13,234 | 88 |
| - | - | - | - | - | - |
| - | 1,849 | - | 87,560 | - | - |
| - | - | 34,200 | - | - | - |
| 72 | 309,675 | 61,812 | 1,060,391 | 81,259 | 88 |
| 700 | - | - | 234,753 | 1,445 | - |
| - | 360,505 | - | 409,480 | - | - |
| - | - | - | - | - | - |
| - | - | 190,413 | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | 126,656 | - |
| - | - | 55,309 | - | - | - |
| - | - | 3,445 | - | - | - |
| 700 | 360,505 | 249,167 | 644,233 | 128,101 | - |
| (628) | (50,830) | (187,355) | 416,158 | (46,842) | 88 |
| - | 100,000 | 75,000 | - | - | - |
| - | - | - | (975,000) | - | (9,506) |
| - | - | - | - | - | - |
| - | 100,000 | 75,000 | (975,000) | - | (9,506) |
| (628) | 49,170 | (112,355) | (558,842) | (46,842) | (9,418) |
| 7,792 | 295,754 | 89,740 | 1,684,994 | 319,725 | 9,418 |
| $ 7,164 | $ 344,924 | $ (22,615) | $ 1,126,152 | $ 272,883 | $ - |

(Continued)

| | Special Revenue Funds | | |
|---|---|---|---|
| | Bijou Erosion Control Plan CFD | Harrsion Avenue CFD | Disaster Preparedness |
| Revenues | | | |
| Taxes and assessments | $ 11,202 | $ 53,162 | $ - |
| Licenses, permits and impact fees | - | - | - |
| Fines and penalties | - | - | - |
| Use of money and property | 9,028 | 11,406 | - |
| Intergovernmental revenue | - | - | 236,699 |
| Charges for current services | - | - | - |
| Other revenue | - | - | - |
| Total revenues | 20,230 | 64,568 | 236,699 |
| Expenditures | | | |
| Current | | | |
| General government | 17,073 | 1,053 | - |
| Public safety | - | - | 175,074 |
| Public works | - | - | - |
| Parks and recreation | - | - | - |
| Streets | - | - | - |
| Capital outlay | - | - | - |
| Debt service | | | |
| Principal repayment | - | - | - |
| Interest and fiscal charges | - | - | - |
| Total expenditures | 17,073 | 1,053 | 175,074 |
| Excess (Deficiency) of Revenues over Expenditures | 3,157 | 63,515 | 61,625 |
| Other Financing Sources (Uses) | | | |
| Transfers in | - | - | 23,751 |
| Transfers (out) | - | (25,000) | (85,376) |
| Lease | - | - | - |
| Total other financing sources (uses) | - | (25,000) | (61,625) |
| Net Change in Fund Balance | 3,157 | 38,515 | - |
| Beginning Fund Balance (Deficit) | 164,000 | 187,729 | - |
| Ending Fund Balance | $ 167,157 | $ 226,244 | $ - |

| Special Revenue Funds | |
|---|---|
| Opioid Abatement Program | Total Nonmajor Governmental Funds |
| $ - | $ 1,585,187 |
| - | 1,096,117 |
| - | 94,045 |
| 17,965 | 752,746 |
| 3,322 | 3,293,780 |
| - | 3,794,744 |
| - | 481,861 |
| 21,287 | 11,098,480 |
| | |
| - | 255,024 |
| 3,322 | 1,386,698 |
| - | 910,169 |
| - | 3,468,751 |
| - | 4,606,281 |
| - | 5,386,840 |
| | |
| - | 210,064 |
| - | 4,810 |
| 3,322 | 16,228,637 |
| | |
| 17,965 | (5,130,157) |
| | |
| - | 5,112,945 |
| - | (2,569,914) |
| - | 499,165 |
| | |
| - | 3,042,196 |
| 17,965 | (2,087,961) |
| 2,052 | 13,475,006 |
| $ 20,017 | $ 11,387,045 |

| | Gas Tax | | |
|---|---|---|---|
| | Final Budget | Actual | Variance Positive (Negative) |
| Revenues | | | |
| Taxes and assessments | $ - | $ - | $ - |
| Licenses, permits and impact fees | - | - | - |
| Fines and penalties | - | - | - |
| Use of money and property | - | 25,590 | 25,590 |
| Intergovernmental revenue | 570,000 | 644,972 | 74,972 |
| Charges for current services | - | - | - |
| Other revenue | - | - | - |
| Total revenues | 570,000 | 670,562 | 100,562 |
| Expenditures | | | |
| Current | | | |
| General government | - | - | - |
| Public safety | - | - | - |
| Public works | - | - | - |
| Parks and recreation | - | - | - |
| Streets | 1,674,910 | 1,539,468 | 135,442 |
| Capital outlay | 19,500 | 18,821 | 679 |
| Debt service | | | |
| Principal repayment | - | - | - |
| Interest and fiscal charges | - | - | - |
| Payment of financial guarantee | - | - | - |
| Total expenditures | 1,694,410 | 1,558,289 | 136,121 |
| Excess (Deficiency) of Revenues over Expenditures | (1,124,410) | (887,727) | 236,683 |
| Other Financing Sources (Uses) | | | |
| Transfers in | 1,006,824 | 1,006,824 | - |
| Transfers (out) | - | - | - |
| Lease | - | - | - |
| Total other financing sources (uses) | 1,006,824 | 1,006,824 | - |
| Net Change in Fund Balance | $ (117,586) | 119,097 | $ 236,683 |
| Beginning Fund Balance (Deficit) | | 147,958 | |
| Ending Fund Balance (Deficit) | | $ 267,055 | |

| TOT | | | Snow Removal | | |
|---|---|---|---|---|---|
| Final Budget | Actual | Variance Positive (Negative) | Final Budget | Actual | Variance Positive (Negative) |
| $ - | $ - | $ - | $ 230,000 | $ 234,409 | $ 4,409 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 20,000 | 97,949 | 77,949 | 61,500 | 209,074 | 147,574 |
| - | - | - | 1,900,000 | 1,955,414 | 55,414 |
| - | - | - | - | - | - |
| - | - | - | - | 1,950 | 1,950 |
| 20,000 | 97,949 | 77,949 | 2,191,500 | 2,400,847 | 209,347 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | 2,898,332 | 2,982,479 | (84,147) |
| - | - | - | 5,017,171 | 3,576,588 | 1,440,583 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | 7,915,503 | 6,559,067 | 1,356,436 |
| 20,000 | 97,949 | 77,949 | (5,724,003) | (4,158,220) | 1,565,783 |
| - | - | - | 2,134,037 | 2,134,037 | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | 2,134,037 | 2,134,037 | - |
| $ 20,000 | 97,949 | $ 77,949 | $ (3,589,966) | (2,024,183) | $ 1,565,783 |
| | 1,791,682 | | | 3,760,862 | |
| | $ 1,889,631 | | | $ 1,736,679 | |

| | Vehicle Replacement | | |
|---|---|---|---|
| | Final Budget | Actual | Variance Positive (Negative) |
| Revenues | | | |
| Taxes and assessments | $ - | $ - | $ - |
| Licenses, permits and impact fees | - | - | - |
| Fines and penalties | - | - | - |
| Use of money and property | 1,000 | 92,281 | 91,281 |
| Intergovernmental revenue | 481,378 | - | (481,378) |
| Charges for current services | 9,920 | 9,920 | - |
| Other revenue | - | 74,116 | 74,116 |
| Total revenues | 492,298 | 176,317 | (315,981) |
| Expenditures | | | |
| Current | | | |
| General government | - | - | - |
| Public safety | - | - | - |
| Public works | - | - | - |
| Parks and recreation | - | - | - |
| Streets | - | - | - |
| Capital outlay | 2,865,164 | 1,148,620 | 1,716,544 |
| Debt service | | | |
| Principal repayment | - | - | - |
| Interest and fiscal charges | - | - | - |
| Payment of financial guarantee | - | - | - |
| Total expenditures | 2,865,164 | 1,148,620 | 1,716,544 |
| Excess (Deficiency) of Revenues over Expenditures | (2,372,866) | (972,303) | 1,400,563 |
| Other Financing Sources (Uses) | | | |
| Transfers in | 1,211,379 | 1,211,379 | - |
| Transfers (out) | - | - | - |
| Lease | - | - | - |
| Total other financing sources (uses) | 1,211,379 | 1,211,379 | - |
| Net Change in Fund Balance | $ (1,161,487) | 239,076 | $ 1,400,563 |
| Beginning Fund Balance (Deficit) | | 1,743,310 | |
| Ending Fund Balance (Deficit) | | $ 1,982,386 | |

| Solid Waste | | | Safety Sales Tax | | |
|---|---|---|---|---|---|
| Final Budget | Actual | Variance Positive (Negative) | Final Budget | Actual | Variance Positive (Negative) |
| $ 66,000 | $ 54,963 | $ (11,037) | $ 1,110,000 | $ 1,084,926 | $ (25,074) |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 50 | 612 | 562 | 2,000 | 28,959 | 26,959 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 66,050 | 55,575 | (10,475) | 1,112,000 | 1,113,885 | 1,885 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 78,007 | 69,005 | 9,002 | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 78,007 | 69,005 | 9,002 | - | - | - |
| (11,957) | (13,430) | (1,473) | 1,112,000 | 1,113,885 | 1,885 |
| - | - | - | 100,000 | 100,000 | - |
| - | - | - | (1,142,940) | (1,142,940) | - |
| - | - | - | - | - | - |
| - | - | - | (1,042,940) | (1,042,940) | - |
| $ (11,957) | (13,430) | $ (1,473) | $ 69,060 | 70,945 | $ 1,885 |
| | 32,835 | | | 713,014 | |
| | $ 19,405 | | | $ 783,959 | |

| | AB3229 COPS | | |
|---|---|---|---|
| | Final Budget | Actual | Variance Positive (Negative) |
| Revenues | | | |
| Taxes and assessments | $ - | $ - | $ - |
| Licenses, permits and impact fees | - | - | - |
| Fines and penalties | - | - | - |
| Use of money and property | 1,200 | 10,734 | 9,534 |
| Intergovernmental revenue | 135,000 | 160,140 | 25,140 |
| Charges for current services | - | - | - |
| Other revenue | - | - | - |
| Total revenues | 136,200 | 170,874 | 34,674 |
| Expenditures | | | |
| Current | | | |
| General government | - | - | - |
| Public safety | 96,200 | 38,045 | 58,155 |
| Public works | - | - | - |
| Parks and recreation | - | - | - |
| Streets | - | - | - |
| Capital outlay | 40,000 | 16,990 | 23,010 |
| Debt service | | | |
| Principal repayment | - | - | - |
| Interest and fiscal charges | - | - | - |
| Payment of financial guarantee | - | - | - |
| Total expenditures | 136,200 | 55,035 | 81,165 |
| Excess (Deficiency) of Revenues over Expenditures | - | 115,839 | 115,839 |
| Other Financing Sources (Uses) | | | |
| Transfers in | - | - | - |
| Transfers (out) | - | - | - |
| Lease | - | - | - |
| Total other financing sources (uses) | - | - | - |
| Net Change in Fund Balance | $ - | 115,839 | $ 115,839 |
| Beginning Fund Balance (Deficit) | | 189,234 | |
| Ending Fund Balance (Deficit) | | $ 305,073 | |

| Local Law Enforcement Grant | | | Asset Forfeiture | | |
|---|---|---|---|---|---|
| Final Budget | Actual | Variance Positive (Negative) | Final Budget | Actual | Variance Positive (Negative) |
| $ - | $ - | $ - | $ - | $ - | $ - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | 19 | 19 | - | 3,930 | 3,930 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | 51,102 | 51,102 |
| - | 19 | 19 | - | 55,032 | 55,032 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | 19 | 19 | - | 55,032 | 55,032 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| $ - | 19 | $ 19 | $ - | 55,032 | $ 55,032 |
| | 1,975 | | | 49,513 | |
| | $ 1,994 | | | $ 104,545 | |

| | Stormwater Management | | |
|---|---|---|---|
| | Final Budget | Actual | Variance Positive (Negative) |
| Revenues | | | |
| Taxes and assessments | $ - | $ - | $ - |
| Licenses, permits and impact fees | 8,000 | - | (8,000) |
| Fines and penalties | - | - | - |
| Use of money and property | - | 1,522 | 1,522 |
| Intergovernmental revenue | - | - | - |
| Charges for current services | 125,000 | 149,022 | 24,022 |
| Other revenue | - | 3,500 | 3,500 |
| Total revenues | 133,000 | 154,044 | 21,044 |
| Expenditures | | | |
| Current | | | |
| General government | - | - | - |
| Public safety | - | - | - |
| Public works | 477,295 | 342,610 | 134,685 |
| Parks and recreation | - | - | - |
| Streets | 151,248 | 84,334 | 66,914 |
| Capital outlay | 1,000 | - | 1,000 |
| Debt service | | | |
| Principal repayment | - | - | - |
| Interest and fiscal charges | - | - | - |
| Payment of financial guarantee | - | - | - |
| Total expenditures | 629,543 | 426,944 | 202,599 |
| Excess (Deficiency) of Revenues over Expenditures | (496,543) | (272,900) | 223,643 |
| Other Financing Sources (Uses) | | | |
| Transfers in | 373,454 | 373,454 | - |
| Transfers (out) | - | (63,438) | (63,438) |
| Lease | - | - | - |
| Total other financing sources (uses) | 373,454 | 310,016 | (63,438) |
| Net Change in Fund Balance | $ (123,089) | 37,116 | $ 160,205 |
| Beginning Fund Balance (Deficit) | | 164,419 | |
| Ending Fund Balance (Deficit) | | $ 201,535 | |

| EMS | | | Clean Community | | |
|---|---|---|---|---|---|
| Final Budget | Actual | Variance Positive (Negative) | Final Budget | Actual | Variance Positive (Negative) |
| $ - | $ - | $ - | $ - | $ - | $ - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | 3,268 | 3,268 | - | 1,225 | 1,225 |
| - | - | - | 5,000 | 5,500 | 500 |
| - | - | - | - | - | - |
| 190,000 | 160,852 | (29,148) | 33,007 | 3,487 | (29,520) |
| 190,000 | 164,120 | (25,880) | 38,007 | 10,212 | (27,795) |
| - | - | - | - | - | - |
| 157,005 | 104,166 | 52,839 | - | - | - |
| - | - | - | 44,645 | 14,291 | 30,354 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 204,000 | 499,165 | (295,165) | - | - | - |
| - | 154,755 | (154,755) | - | - | - |
| - | 1,365 | (1,365) | - | - | - |
| - | - | - | - | - | - |
| 361,005 | 759,451 | (398,446) | 44,645 | 14,291 | 30,354 |
| (171,005) | (595,331) | (424,326) | (6,638) | (4,079) | 2,559 |
| - | - | - | 12,000 | 12,000 | - |
| (150,000) | (150,000) | - | - | - | - |
| - | 499,165 | 499,165 | - | - | - |
| (150,000) | 349,165 | 499,165 | 12,000 | 12,000 | - |
| $ (321,005) | (246,166) | $ 74,839 | $ 5,362 | 7,921 | $ 2,559 |
| | 319,521 | | | 27,701 | |
| | $ 73,355 | | | $ 35,622 | |

| | Abatement | | |
|---|---|---|---|
| | Final Budget | Actual | Variance Positive (Negative) |
| Revenues | | | |
| Taxes and assessments | $ - | $ - | $ - |
| Licenses, permits and impact fees | - | - | - |
| Fines and penalties | - | - | - |
| Use of money and property | - | 19,927 | 19,927 |
| Intergovernmental revenue | - | - | - |
| Charges for current services | 234,000 | 313,160 | 79,160 |
| Other revenue | - | - | - |
| Total revenues | 234,000 | 333,087 | 99,087 |
| Expenditures | | | |
| Current | | | |
| General government | - | - | - |
| Public safety | - | - | - |
| Public works | 396,268 | 282,682 | 113,586 |
| Parks and recreation | - | - | - |
| Streets | - | - | - |
| Capital outlay | - | - | - |
| Debt service | | | |
| Principal repayment | - | - | - |
| Interest and fiscal charges | - | - | - |
| Payment of financial guarantee | - | - | - |
| Total expenditures | 396,268 | 282,682 | 113,586 |
| Excess (Deficiency) of Revenues over Expenditures | (162,268) | 50,405 | 212,673 |
| Other Financing Sources (Uses) | | | |
| Transfers in | - | - | - |
| Transfers (out) | - | - | - |
| Lease | - | - | - |
| Total other financing sources (uses) | - | - | - |
| Net Change in Fund Balance | $ (162,268) | 50,405 | $ 212,673 |
| Beginning Fund Balance (Deficit) | | 429,376 | |
| Ending Fund Balance (Deficit) | | $ 479,781 | |

| Ski Run Business Improvement | | | Measure S Maintenance | | |
|---|---|---|---|---|---|
| Final Budget | Actual | Variance Positive (Negative) | Final Budget | Actual | Variance Positive (Negative) |
| $ 11,500 | $ 14,708 | $ 3,208 | $ - | $ - | $ - |
| - | 984 | 984 | - | - | - |
| - | - | - | - | - | - |
| - | 432 | 432 | - | 24,892 | 24,892 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | 115,000 | 115,000 | - |
| 11,500 | 16,124 | 4,624 | 115,000 | 139,892 | 24,892 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 23,000 | 28,141 | (5,141) | - | - | - |
| - | - | - | 145,731 | 81,401 | 64,330 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 23,000 | 28,141 | (5,141) | 145,731 | 81,401 | 64,330 |
| (11,500) | (12,017) | (517) | (30,731) | 58,491 | 89,222 |
| 11,500 | 11,500 | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 11,500 | 11,500 | - | - | - | - |
| $ - | (517) | $ (517) | $ (30,731) | 58,491 | $ 89,222 |
| | 6,331 | | | 491,519 | |
| | $ 5,814 | | | $ 550,010 | |

| | General Plan/Community Plan | | |
|---|---|---|---|
| | Final Budget | Actual | Variance Positive (Negative) |
| Revenues | | | |
| Taxes and assessments | $ - | $ - | $ - |
| Licenses, permits and impact fees | - | - | - |
| Fines and penalties | - | - | - |
| Use of money and property | - | 38,457 | 38,457 |
| Intergovernmental revenue | 30,000 | - | (30,000) |
| Charges for current services | 50,000 | 94,737 | 44,737 |
| Other revenue | - | - | - |
| Total revenues | 80,000 | 133,194 | 53,194 |
| Expenditures | | | |
| Current | | | |
| General government | - | - | - |
| Public safety | - | - | - |
| Public works | 592,059 | 173,440 | 418,619 |
| Parks and recreation | - | - | - |
| Streets | - | - | - |
| Capital outlay | - | - | - |
| Debt service | | | |
| Principal repayment | - | - | - |
| Interest and fiscal charges | - | - | - |
| Payment of financial guarantee | - | - | - |
| Total expenditures | 592,059 | 173,440 | 418,619 |
| Excess (Deficiency) of Revenues over Expenditures | (512,059) | (40,246) | (471,813) |
| Other Financing Sources (Uses) | | | |
| Transfers in | - | - | - |
| Transfers (out) | - | - | - |
| Lease | - | - | - |
| Total other financing sources (uses) | - | - | - |
| Net Change in Fund Balance | $ (512,059) | (40,246) | $ 471,813 |
| Beginning Fund Balance (Deficit) | | 695,925 | |
| Ending Fund Balance (Deficit) | | $ 655,679 | |

| Boat Patrol | | | Domestic Violence Grant | | |
|---|---|---|---|---|---|
| Final Budget | Actual | Variance Positive (Negative) | Final Budget | Actual | Variance Positive (Negative) |
| $ 63,792 | $ 63,792 | $ - | $ - | $ - | $ - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | 324 | 324 | - | 47 | 47 |
| 96,296 | 39,831 | (56,465) | 258,485 | 213,418 | (45,067) |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 160,088 | 103,947 | (56,141) | 258,485 | 213,465 | (45,020) |
| - | - | - | - | - | - |
| 160,088 | 135,475 | 24,613 | 162,779 | 126,147 | 36,632 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 160,088 | 135,475 | 24,613 | 162,779 | 126,147 | 36,632 |
| - | (31,528) | (31,528) | 95,706 | 87,318 | (8,388) |
| - | - | - | - | - | - |
| - | - | - | (95,706) | (87,270) | 8,436 |
| - | - | - | - | - | - |
| - | - | - | (95,706) | (87,270) | 8,436 |
| $ - | (31,528) | $ (31,528) | $ - | 48 | $ 48 |
| | 46,558 | | | 41,981 | |
| | $ 15,030 | | | $ 42,029 | |

| | DUI/Traffic Safety Grant | | |
|---|---|---|---|
| | Final Budget | Actual | Variance Positive (Negative) |
| Revenues | | | |
| Taxes and assessments | $ - | $ - | $ - |
| Licenses, permits and impact fees | - | - | - |
| Fines and penalties | - | - | - |
| Use of money and property | - | - | - |
| Intergovernmental revenue | 119,224 | 34,484 | (84,740) |
| Charges for current services | - | - | - |
| Other revenue | - | - | - |
| Total revenues | 119,224 | 34,484 | (84,740) |
| Expenditures | | | |
| Current | | | |
| General government | - | - | - |
| Public safety | 116,934 | 34,484 | 82,450 |
| Public works | - | - | - |
| Parks and recreation | - | - | - |
| Streets | - | - | - |
| Capital outlay | - | - | - |
| Debt service | | | |
| Principal repayment | - | - | - |
| Interest and fiscal charges | - | - | - |
| Payment of financial guarantee | - | - | - |
| Total expenditures | 116,934 | 34,484 | 82,450 |
| Excess (Deficiency) of Revenues over Expenditures | 2,290 | - | (2,290) |
| Other Financing Sources (Uses) | | | |
| Transfers in | - | - | - |
| Transfers (out) | - | - | - |
| Lease | - | - | - |
| Total other financing sources (uses) | - | - | - |
| Net Change in Fund Balance | $ 2,290 | - | $ (2,290) |
| Beginning Fund Balance (Deficit) | | 3,944 | |
| Ending Fund Balance (Deficit) | | $ 3,944 | |

| Explore Tahoe Transit Center | | | Tourism Improvement District | | |
|---|---|---|---|---|---|
| Final Budget | Actual | Variance Positive (Negative) | Final Budget | Actual | Variance Positive (Negative) |
| $ - | $ - | $ - | $ - | $ - | $ - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 7,200 | 7,603 | 403 | 1,000 | 15,017 | 14,017 |
| - | - | - | - | - | - |
| - | - | - | 3,100,000 | 3,138,496 | 38,496 |
| 18,000 | 37,654 | 19,654 | - | - | - |
| 25,200 | 45,257 | 20,057 | 3,101,000 | 3,153,513 | 52,513 |
| 1,500 | - | 1,500 | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 77,500 | 78,221 | (721) | 3,100,000 | 3,118,716 | (18,716) |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 79,000 | 78,221 | 779 | 3,100,000 | 3,118,716 | (18,716) |
| (53,800) | (32,964) | 20,836 | 1,000 | 34,797 | 33,797 |
| 65,000 | 65,000 | - | - | - | - |
| - | - | - | (31,000) | (31,384) | (384) |
| - | - | - | - | - | - |
| 65,000 | 65,000 | - | (31,000) | (31,384) | (384) |
| $ 11,200 | 32,036 | $ 20,836 | $ (30,000) | 3,413 | $ 33,413 |
| | 59,389 | | | (3,245) | |
| | $ 91,425 | | | $ 168 | |

| | Arts Program | | |
|---|---|---|---|
| | Final Budget | Actual | Variance Positive (Negative) |
| Revenues | | | |
| Taxes and assessments | $ - | $ - | $ - |
| Licenses, permits and impact fees | - | - | - |
| Fines and penalties | - | - | - |
| Use of money and property | - | 72 | 72 |
| Intergovernmental revenue | - | - | - |
| Charges for current services | - | - | - |
| Other revenue | - | - | - |
| Total revenues | - | 72 | 72 |
| Expenditures | | | |
| Current | | | |
| General government | 3,700 | 700 | 3,000 |
| Public safety | - | - | - |
| Public works | - | - | - |
| Parks and recreation | - | - | - |
| Streets | - | - | - |
| Capital outlay | - | - | - |
| Debt service | | | |
| Principal repayment | - | - | - |
| Interest and fiscal charges | - | - | - |
| Payment of financial guarantee | - | - | - |
| Total expenditures | 3,700 | 700 | 3,000 |
| Excess (Deficiency) of Revenues over Expenditures | (3,700) | (628) | 3,072 |
| Other Financing Sources (Uses) | | | |
| Transfers in | - | - | - |
| Transfers (out) | - | - | - |
| Lease | - | - | - |
| Total other financing sources (uses) | - | - | - |
| Net Change in Fund Balance | $ (3,700) | (628) | $ 3,072 |
| Beginning Fund Balance (Deficit) | | 7,792 | |
| Ending Fund Balance (Deficit) | | $ 7,164 | |

| Vacation Home Rental Programs | | | Ice Arena | | |
|---|---|---|---|---|---|
| Final Budget | Actual | Variance Positive (Negative) | Final Budget | Actual | Variance Positive (Negative) |
| $ - | $ - | $ - | $ - | $ - | $ - |
| 221,575 | 197,840 | (23,735) | - | - | - |
| 48,000 | 94,045 | 46,045 | - | - | - |
| 500 | 15,941 | 15,441 | 36,000 | 27,612 | (8,388) |
| - | - | - | - | - | - |
| 1,000 | 1,849 | 849 | - | - | - |
| - | - | - | 34,200 | 34,200 | - |
| 271,075 | 309,675 | 38,600 | 70,200 | 61,812 | (8,388) |
| - | - | - | - | - | - |
| 420,278 | 360,505 | 59,773 | - | - | - |
| - | - | - | - | - | - |
| - | - | - | 123,822 | 190,413 | (66,591) |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | 55,309 | (55,309) |
| - | - | - | 55,309 | 3,445 | 51,864 |
| - | - | - | 4,732 | - | 4,732 |
| 420,278 | 360,505 | 59,773 | 183,863 | 249,167 | (65,304) |
| (149,203) | (50,830) | 98,373 | (113,663) | (187,355) | (73,692) |
| 100,000 | 100,000 | - | 75,000 | 75,000 | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 100,000 | 100,000 | - | 75,000 | 75,000 | - |
| $ (49,203) | 49,170 | $ 98,373 | $ (38,663) | (112,355) | $ (73,692) |
| | 295,754 | | | 89,740 | |
| | $ 344,924 | | | $ (22,615) | |

| | Cannabis Program | | |
|---|---|---|---|
| | Final Budget | Actual | Variance Positive (Negative) |
| Revenues | | | |
| Taxes and assessments | $ - | $ - | $ - |
| Licenses, permits and impact fees | 950,000 | 897,293 | (52,707) |
| Fines and penalties | - | - | - |
| Use of money and property | 35,000 | 75,538 | 40,538 |
| Intergovernmental revenue | - | - | - |
| Charges for current services | 95,700 | 87,560 | (8,140) |
| Other revenue | - | - | - |
| Total revenues | 1,080,700 | 1,060,391 | (20,309) |
| Expenditures | | | |
| Current | | | |
| General government | 226,929 | 234,753 | (7,824) |
| Public safety | 454,121 | 409,480 | 44,641 |
| Public works | - | - | - |
| Parks and recreation | - | - | - |
| Streets | - | - | - |
| Capital outlay | - | - | - |
| Debt service | | | |
| Principal repayment | - | - | - |
| Interest and fiscal charges | - | - | - |
| Payment of financial guarantee | - | - | - |
| Total expenditures | 681,050 | 644,233 | 36,817 |
| Excess (Deficiency) of Revenues over Expenditures | 399,650 | 416,158 | 16,508 |
| Other Financing Sources (Uses) | | | |
| Transfers in | - | - | - |
| Transfers (out) | (975,000) | (975,000) | - |
| Lease | - | - | - |
| Total other financing sources (uses) | (975,000) | (975,000) | - |
| Net Change in Fund Balance | $ (575,350) | (558,842) | $ 16,508 |
| Beginning Fund Balance (Deficit) | | 1,684,994 | |
| Ending Fund Balance (Deficit) | | $ 1,126,152 | |

| PEG Program | | | Tobacco Law Enforcement Grant | | |
|---|---|---|---|---|---|
| Final Budget | Actual | Variance Positive (Negative) | Final Budget | Actual | Variance Positive (Negative) |
| $ 90,000 | $ 68,025 | $ (21,975) | $ - | $ - | $ - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | 13,234 | 13,234 | - | 88 | 88 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 90,000 | 81,259 | (8,741) | - | 88 | 88 |
| 90,000 | 1,445 | 88,555 | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 113,292 | 126,656 | (13,364) | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 203,292 | 128,101 | 75,191 | - | - | - |
| (113,292) | (46,842) | 66,450 | - | 88 | 88 |
| - | - | - | - | - | - |
| - | - | - | (9,506) | (9,506) | - |
| - | - | - | - | - | - |
| - | - | - | (9,506) | (9,506) | - |
| $ (113,292) | (46,842) | $ 66,450 | $ (9,506) | (9,418) | $ 88 |
| | 319,725 | | | 9,418 | |
| | $ 272,883 | | | $ - | |

| | Bijou Erosion Control Plan CFD | | |
|---|---|---|---|
| | Final Budget | Actual | Variance Positive (Negative) |
| Revenues | | | |
| Taxes and assessments | $ 14,000 | $ 11,202 | $ (2,798) |
| Licenses, permits and impact fees | - | - | - |
| Fines and penalties | - | - | - |
| Use of money and property | 800 | 9,028 | 8,228 |
| Intergovernmental revenue | - | - | - |
| Charges for current services | - | - | - |
| Other revenue | - | - | - |
| Total revenues | 14,800 | 20,230 | 5,430 |
| Expenditures | | | |
| Current | | | |
| General government | 61,700 | 17,073 | 44,627 |
| Public safety | - | - | - |
| Public works | - | - | - |
| Parks and recreation | - | - | - |
| Streets | - | - | - |
| Capital outlay | - | - | - |
| Debt service | | | |
| Principal repayment | - | - | - |
| Interest and fiscal charges | - | - | - |
| Payment of financial guarantee | - | - | - |
| Total expenditures | 61,700 | 17,073 | 44,627 |
| Excess (Deficiency) of Revenues over Expenditures | (46,900) | 3,157 | 50,057 |
| Other Financing Sources (Uses) | | | |
| Transfers in | - | - | - |
| Transfers (out) | - | - | - |
| Lease | - | - | - |
| Total other financing sources (uses) | - | - | - |
| Net Change in Fund Balance | $ (46,900) | 3,157 | $ 50,057 |
| Beginning Fund Balance (Deficit) | | 164,000 | |
| Ending Fund Balance (Deficit) | | $ 167,157 | |

| Harrison Avenue CFD | | | Disaster Preparedness | | |
|---|---|---|---|---|---|
| Final Budget | Actual | Variance Positive (Negative) | Final Budget | Actual | Variance Positive (Negative) |
| $ 60,100 | $ 53,162 | $ (6,938) | $ - | $ - | $ - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 800 | 11,406 | 10,606 | - | - | - |
| - | - | - | 2,758,845 | 236,699 | (2,522,146) |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 60,900 | 64,568 | 3,668 | 2,758,845 | 236,699 | (2,522,146) |
| 1,000 | 1,053 | (53) | - | - | - |
| - | - | - | 2,309,903 | 175,074 | 2,134,829 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 1,000 | 1,053 | (53) | 2,309,903 | 175,074 | 2,134,829 |
| 59,900 | 63,515 | 3,615 | 448,942 | 61,625 | (387,317) |
| - | - | - | - | 23,751 | 23,751 |
| (25,000) | (25,000) | - | (448,942) | (85,376) | 363,566 |
| - | - | - | - | - | - |
| (25,000) | (25,000) | - | (448,942) | (61,625) | 387,317 |
| $ 34,900 | 38,515 | $ 3,615 | $ - | - | $ - |
| | 187,729 | | | - | |
| | $ 226,244 | | | $ - | |

| | Opioid Abatement Program | | |
|---|---|---|---|
| | Final Budget | Actual | Variance Positive (Negative) |
| Revenues | | | |
| Taxes and assessments | $ - | $ - | $ - |
| Licenses, permits and impact fees | - | - | - |
| Fines and penalties | - | - | - |
| Use of money and property | - | 17,965 | 17,965 |
| Intergovernmental revenue | 232,239 | 3,322 | (228,917) |
| Charges for current services | - | - | - |
| Other revenue | - | - | - |
| Total revenues | 232,239 | 21,287 | (210,952) |
| Expenditures | | | |
| Current | | | |
| General government | - | - | - |
| Public safety | 228,542 | 3,322 | 225,220 |
| Public works | - | - | - |
| Parks and recreation | - | - | - |
| Streets | - | - | - |
| Capital outlay | - | - | - |
| Debt service | | | |
| Principal repayment | - | - | - |
| Interest and fiscal charges | - | - | - |
| Payment of financial guarantee | - | - | - |
| Total expenditures | 228,542 | 3,322 | 225,220 |
| Excess (Deficiency) of Revenues over Expenditures | 3,697 | 17,965 | 14,268 |
| Other Financing Sources (Uses) | | | |
| Transfers in | - | - | - |
| Transfers (out) | - | - | - |
| Lease | - | - | - |
| Total other financing sources (uses) | - | - | - |
| Net Change in Fund Balance | $ 3,697 | 17,965 | $ 14,268 |
| Beginning Fund Balance (Deficit) | | 2,052 | |
| Ending Fund Balance (Deficit) | | $ 20,017 | |

**Transit Fund** – Established for assets and the activities associated with the operations and maintenance of the City's public transit activities and has emphasis on serving the elderly and the handicapped.

**Parking Management Fund** – Established for metered areas, parking enforcement and parking citations. Funding for this program is received from parking meters and citation revenue.

| | Transit | Parking Management | Total Nonmajor Enterprise Funds |
|---|---|---|---|
| Assets | | | |
| Current Assets | | | |
| Cash and investments (Note 3) | $ 586,767 | $ 281,550 | $ 868,317 |
| Accounts receivable - net | 6,991 | - | 6,991 |
| Total current assets | 593,758 | 281,550 | 875,308 |
| Non-Current Assets | | | |
| Capital assets (Note 6) | | | |
| Nondepreciable | 1,315,373 | - | 1,315,373 |
| Depreciable | 1,402,419 | - | 1,402,419 |
| Total noncurrent assets | 2,717,792 | - | 2,717,792 |
| Total assets | 3,311,550 | 281,550 | 3,593,100 |
| Liabilities | | | |
| Current Liabilities | | | |
| Accounts payable | 494 | 1,432 | 1,926 |
| Total current liabilities | 494 | 1,432 | 1,926 |
| Net Position | | | |
| Net investment in capital assets | 2,717,792 | - | 2,717,792 |
| Unrestricted | 593,264 | 280,118 | 873,382 |
| Total net position | $ 3,311,056 | $ 280,118 | $ 3,591,174 |

| | Transit | Parking Management | Total Nonmajor Enterprise Funds |
|---|---|---|---|
| Operating Revenues | | | |
| Charges for current services | $ - | $ 187,669 | $ 187,669 |
| Rental and reimbursements | 179,233 | - | 179,233 |
| Total operating revenues | 179,233 | 187,669 | 366,902 |
| Operating Expenses | | | |
| Supplies | 5,509 | 7,158 | 12,667 |
| Insurance | 200,109 | - | 200,109 |
| General expenses | - | 11,602 | 11,602 |
| Depreciation | 81,580 | - | 81,580 |
| Total operating expenses | 287,198 | 18,760 | 305,958 |
| Operating income (loss) | (107,965) | 168,909 | 60,944 |
| Nonoperating Revenues (Expenses) | | | |
| Interest expense | - | (15,829) | (15,829) |
| Investment earnings | 30,649 | 13,323 | 43,972 |
| Total nonoperating revenues (expenses) | 30,649 | (2,506) | 28,143 |
| Income (Loss) Before Transfers | (77,316) | 166,403 | 89,087 |
| Transfers out (Note 4A) | - | (85,000) | (85,000) |
| Total contributions and transfers | - | (85,000) | (85,000) |
| Change in Net Position | (77,316) | 81,403 | 4,087 |
| Beginning Net Position | 3,388,372 | 198,715 | 3,587,087 |
| Ending Net Position | $ 3,311,056 | $ 280,118 | $ 3,591,174 |

# City of South Lake Tahoe, California
Non-Major Enterprise Funds
Combining Statement of Cash Flows
Year Ended September 30, 2024

| | Transit | Parking Management | Total Nonmajor Enterprise Funds |
|---|---|---|---|
| Operating Activities | | | |
| Receipts from customers | $ 175,772 | $ 187,669 | $ 363,441 |
| Payments to suppliers | (205,561) | (19,048) | (224,609) |
| Net cash provided by (used for) Operating Activities | (29,789) | 168,621 | 138,832 |
| Net cash provided by (used for) Noncapital Financing Activities | - | (85,000) | (85,000) |
| Capital and Related Financing Activities | | | |
| Interest paid | - | (15,829) | (15,829) |
| Net cash provided by (used for) Capital and Related Financing Activities | - | (15,829) | (15,829) |
| Investing Activities | | | |
| Interest received | 30,649 | 13,323 | 43,972 |
| Net cash provided (used for) Investing Activities | 30,649 | 13,323 | 43,972 |
| Net increase (decrease) in cash and investments | 860 | 81,115 | 81,975 |
| Cash and Investments at Beginning of Period | 585,907 | 200,435 | 786,342 |
| Cash and Investments at End of Period | $ 586,767 | $ 281,550 | $ 868,317 |
| Reconciliation of Operating Income (Loss) to Net Cash Provided by (used by) Operating Activities: | | | |
| Operating income (loss) | $ (107,965) | $ 168,909 | $ 60,944 |
| Adjustments to reconcile operating income (loss) to cash flows from operating activities: | | | |
| Depreciation | 81,580 | - | 81,580 |
| Change in assets and liabilities: | | | |
| Receivables, net | (3,461) | - | (3,461) |
| Accounts payable and other accrued expenses | 57 | (288) | (231) |
| Net Cash Provided by (used for) Operating Activities | $ (29,789) | $ 168,621 | $ 138,832 |

The funds described below include the internal service funds that provide services to the other City funds and departments on a cost reimbursement basis.

**Health, Vision and Dental Insurance Fund** – To account for and fund the City's Insurance for Employee Health Insurance.

**Worker's Compensation Self Insurance Fund** – To account for and fund the City's Self-Insurance Worker's Compensation Program.

# City of South Lake Tahoe, California
## Internal Service Funds
## Combining Statement of Net Position
## September 30, 2024

| | Health, Vision and Dental Insurance | Workers' Compensation Self Insurance | Total |
|---|---|---|---|
| Assets | | | |
| Current Assets | | | |
| Cash and investments | $ 590,091 | $ 7,323,280 | $ 7,913,371 |
| Restricted cash and investments | - | 19,215 | 19,215 |
| Total current assets | 590,091 | 7,342,495 | 7,932,586 |
| Non-Current Assets | | | |
| Advances to RDA Successor Agency | - | 332,742 | 332,742 |
| Total assets | 590,091 | 7,675,237 | 8,265,328 |
| Liabilities | | | |
| Current Liabilities | | | |
| Accounts payable | 1,267 | 3,824 | 5,091 |
| Uninsured losses payable | - | 1,473,941 | 1,473,941 |
| Total current liabilities | 1,267 | 1,477,765 | 1,479,032 |
| Long-Term Liabilities | | | |
| Uninsured losses payable | - | 4,989,586 | 4,989,586 |
| Total long-term liabilities | - | 4,989,586 | 4,989,586 |
| Total liabilities | 1,267 | 6,467,351 | 6,468,618 |
| Net Position | | | |
| Unrestricted | 588,824 | 1,207,886 | 1,796,710 |
| Total net position | $ 588,824 | $ 1,207,886 | $ 1,796,710 |

| | Health, Vision and Dental Insurance | Workers' Compensation Self Insurance | Total |
|---|---|---|---|
| Operating Revenues | | | |
| Charges for services | $ 3,622,441 | $ 2,480,445 | $ 6,102,886 |
| Rental and reimbursements | 167,375 | - | 167,375 |
| Total operating revenues | 3,789,816 | 2,480,445 | 6,270,261 |
| Operating Expenses | | | |
| Salaries and wages | - | 56,064 | 56,064 |
| Contracted services | 51,832 | 97,905 | 149,737 |
| Claims | 3,837,995 | 1,847,876 | 5,685,871 |
| General expenses | 9,191 | 4,393 | 13,584 |
| Total operating expenses | 3,899,018 | 2,006,238 | 5,905,256 |
| Operating Income/(Loss) | (109,202) | 474,207 | 365,005 |
| Nonoperating Revenues (Expenses) | | | |
| Investment earnings | 72,714 | 302,095 | 374,809 |
| Total non-operating revenues | 72,714 | 302,095 | 374,809 |
| Income Before Transfers | (36,488) | 776,302 | 739,814 |
| Transfers in | 51,300 | - | 51,300 |
| Transfers (out) | - | (74,200) | (74,200) |
| Change in Net Position | 14,812 | 702,102 | 716,914 |
| Beginning Net Position | 574,012 | 505,784 | 1,079,796 |
| Ending Net Position | $ 588,824 | $ 1,207,886 | $ 1,796,710 |

# City of South Lake Tahoe, California
Internal Service Funds
Combining Statement of Cash Flows
Year Ended September 30, 2024

| | Health, Vision and Dental Insurance | Workers' Compensation Self Insurance | Total |
|---|---|---|---|
| Operating Activities | | | |
| Receipts from customers | $ 3,790,433 | $ 2,480,445 | $ 6,270,878 |
| Payments to suppliers | (62,696) | (98,474) | (161,170) |
| Payments to or on behalf of employees | - | (56,064) | (56,064) |
| Claims paid | (3,837,995) | (1,304,245) | (5,142,240) |
| Net Cash Provided by (used for) Operating Activities | (110,258) | 1,021,662 | 911,404 |
| Noncapital Financing Activities | | | |
| Transfers in | 51,300 | - | 51,300 |
| Transfers out | - | (74,200) | (74,200) |
| Net Cash Provided by (used for) Noncapital Financing Activities | 51,300 | (74,200) | (22,900) |
| Investing Activities | | | |
| Investment earnings | 72,714 | 302,095 | 374,809 |
| Net Cash Provided by (used for) Investing Activities | 72,714 | 302,095 | 374,809 |
| Net Increase (Decrease) in Cash and Investments | 13,756 | 1,249,557 | 1,263,313 |
| Cash and Investments at Beginning of Period | 576,335 | 6,092,938 | 6,669,273 |
| Cash and Investments at End of Period | $ 590,091 | $ 7,342,495 | $ 7,932,586 |
| Reconciliation of Operating Income (Loss) to Net Cash Flows from Operating Activities: | | | |
| Operating income (loss) | $ (109,202) | $ 474,207 | $ 365,005 |
| Change in assets and liabilities: | | | |
| Accounts receivable | 617 | - | 617 |
| Accounts and other payables | (1,673) | 547,455 | 545,782 |
| Net Cash Provided by (used for) Operating Activities | $ (110,258) | $ 1,021,662 | $ 911,404 |

The funds described below include the custodial funds that hold resources in trust for other agencies.

**Special Assessment District** – To account for the fees charged and disbursed on behalf of the Special Assessment Districts.

**Other Custodial Funds** – To account for miscellaneous custodial funds held by the City.

**Tahoe Basin Solid Waste Management Authority** – To account for resources and the collection and disbursement of fees on behalf of the Tahoe Basin Solid Waste Management Authority.

**Park Avenue CFD** – To account for the resources and the collection of resources for the Park Avenue Community Facilities District.

**Retiree Opt-Out Fund** – To account for funds held for retirees who opted out of the City's post-retirement health plan.

# City of South Lake Tahoe, California
Custodial Funds
Combining Statement of Fiduciary Net Position
September 30, 2024

| | Special Assessment District | Other Custodial Funds | Tahoe Basin Solid Waste Management |
|---|---|---|---|
| Assets | | | |
| Cash and investments (Note 3) | $ 4,575 | $ 4,335 | $ 1,054,264 |
| Restricted cash and investments (Note 3) | - | - | - |
| Accounts receivable | - | - | 90,230 |
| Total assets | 4,575 | 4,335 | 1,144,494 |
| Liabilities | | | |
| Accounts payable | - | - | 14,550 |
| Deposits and other accruals | 4,572 | 4,333 | - |
| Total liabilities | 4,572 | 4,333 | 14,550 |
| Net Position | | | |
| Restricted for individuals, organizations, and other governments | $ 3 | $ 2 | $ 1,129,944 |

| Park Avenue CFD | Retiree Opt Out | Total Custodial Funds |
|---|---|---|
| $ 934,284 | $ - | $ 1,997,458 |
| 1,060,511 | 55,083 | 1,115,594 |
| - | - | 90,230 |
| 1,994,795 | 55,083 | 3,203,282 |
| 6,120 | - | 20,670 |
| - | - | 8,905 |
| 6,120 | - | 29,575 |
| $ 1,988,675 | $ 55,083 | $ 3,173,707 |

# City of South Lake Tahoe, California
## Custodial Funds
## Combining Statement of Changes in Fiduciary Net Position
## Year Ended September 30, 2024

| | Special Assessment District | Other Custodial Funds | Tahoe Basin Solid Waste Management |
|---|---|---|---|
| Additions | | | |
| Taxes and assessments | $ - | $ - | $ - |
| Interest income | 44 | 42 | 56,290 |
| Total additions | 44 | 42 | 56,290 |
| Deductions | | | |
| Program and administrative expenses | - | - | 71,307 |
| Debt service principal | - | - | - |
| Distributions to other governments | - | - | - |
| Interest and fiscal charges | - | - | - |
| Total deductions | - | - | 71,307 |
| Net Change in Fiduciary Net Position | 44 | 42 | (15,017) |
| Net Position (deficit) | | | |
| Beginning of Year | (41) | (40) | 1,144,961 |
| End of Year | $ 3 | $ 2 | $ 1,129,944 |

| Park Avenue CFD | Retiree Opt Out | Total Custodial Funds |
|---|---|---|
| $ 923,258 | $ - | $ 923,258 |
| 97,556 | 5,150 | 159,082 |
| 1,020,814 | 5,150 | 1,082,340 |
| 79,452 | - | 150,759 |
| 365,000 | - | 365,000 |
| 330,000 | - | 330,000 |
| 139,219 | 416 | 139,635 |
| 913,671 | 416 | 985,394 |
| 107,143 | 4,734 | 96,946 |
| 1,881,532 | 50,349 | 3,076,761 |
| $ 1,988,675 | $ 55,083 | $ 3,173,707 |



This part of the City's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health. In contrast to the financial section, the statistical section information is not subject to independent audit.

*Financial Trends*
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time:

1. Net Position by Component
2. Changes in Net Position
3. Fund Balances of Governmental Funds
4. Changes in Fund Balance of Governmental Funds

*Revenue Capacity*
These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax:

1. Assessed and Estimated Actual Value of Taxable Property
2. Property Tax Rates, All Overlapping Governments
3. Principal Secured Property Tax Payers
4. Principal Transient Occupancy Tax (TOT) Payers
5. Property Tax Levies and Collections

*Debt Capacity*
These schedules present information to help the reader assess the affordability of the City's current level of outstanding debt and the City's ability to issue additional debt in the future:

1. Ratio of Outstanding Debt by Type
2. Computation of Direct and Overlapping Debt
3. Computation of Legal Bonded Debt Margin
4. Bonded Debt Pledged-Revenue Coverage

*Demographic and Economic Information*
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place:

1. Demographic and Economic Statistics
2. Principal Employers

*Operating Information*
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs:

1. Full-Time Equivalent City Government Employees by Function
2. Operating Indicators by Function/Program
3. Capital Asset Statistics by Function/Program

*Sources*
Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Report for the relevant year.



**CITY OF SOUTH LAKE TAHOE**
**Net Position by Component**
**Last Ten Fiscal Years**
**(Accrual Basis of Accounting)**

| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|
| ***Governmental Activities*** | | | | | | | | | | |
| Net investment in capital assets | $ 55,674,932 | $ 73,215,544 | $ 63,642,741 | $ 71,516,175 | $ 68,835,594 | $ 75,300,912 | $ 76,620,561 | $ 88,324,150 | $ 99,349,106 | $ 119,574,017 |
| Restricted | 10,152,122 | 5,056,903 | 6,017,117 | 7,008,898 | 18,076,408 | 19,697,506 | 21,182,527 | 55,063,386 | 69,787,821 | 69,176,844 |
| Unrestricted | (38,706,525) | (42,322,072) | (13,679,138) | (22,863,284) | (3,053,675) | (5,535,604) | 6,363,760 | (21,887,466) | (17,997,613) | (19,623,760) |
| Total Governmental Activities Net Position | $ 27,120,529 | $ 35,950,375 | $ 55,980,720 | $ 55,661,789 | $ 83,858,327 | $ 89,462,814 | $ 104,166,848 | $ 121,500,070 | $ 151,139,314 | $ 169,127,101 |
| ***Business-type Activities*** | | | | | | | | | | |
| Net investment in capital assets | $ 18,365,672 | $ 18,656,424 | $ 17,893,924 | $ 19,382,974 | $ 18,655,126 | $ 17,655,894 | $ 20,513,769 | $ 19,740,496 | $ 20,144,930 | $ 24,366,585 |
| Restricted | 1,627,201 | 2,848,793 | 2,745,807 | 2,918,247 | 2,746,816 | 2,948,781 | 2,865,117 | 2,837,117 | 2,807,542 | 17,285 |
| Unrestricted | 25,493 | (427,911) | 693,913 | 2,115,789 | 3,830,797 | 4,356,972 | 5,157,992 | 6,253,338 | 5,167,798 | 1,815,281 |
| Total Business-type Activities Net Position | $ 20,018,366 | $ 21,077,306 | $ 21,333,644 | $ 24,417,010 | $ 25,232,739 | $ 24,961,647 | $ 28,536,878 | $ 28,830,951 | $ 28,120,270 | $ 26,199,151 |
| ***Primary Government*** | | | | | | | | | | |
| Net investment in capital assets | $ 74,040,604 | $ 91,871,968 | $ 81,536,665 | $ 90,899,149 | $ 87,490,720 | $ 92,956,806 | $ 97,134,330 | $ 108,064,646 | $ 119,494,036 | $ 143,940,602 |
| Restricted | 11,779,323 | 7,905,696 | 8,762,924 | 9,927,145 | 20,823,224 | 22,646,287 | 24,047,644 | 57,900,503 | 72,595,363 | 69,194,129 |
| Unrestricted | (38,681,032) | (42,749,983) | (12,985,225) | (20,747,495) | 777,122 | (1,178,632) | 11,521,752 | (15,634,128) | (12,829,815) | (17,808,479) |
| Total Primary Government Net Position | $ 47,138,895 | $ 57,027,681 | $ 77,314,364 | $ 80,078,799 | $ 109,091,066 | $ 114,424,461 | $ 132,703,726 | $ 150,331,021 | $ 179,259,584 | $ 195,326,252 |

**Source:** Annual Basic Financial Statements, Statement of Net Position

# CITY OF SOUTH LAKE TAHOE
## Changes in Net Position
## Last Ten Fiscal Years
## (Accrual Basis of Accounting)

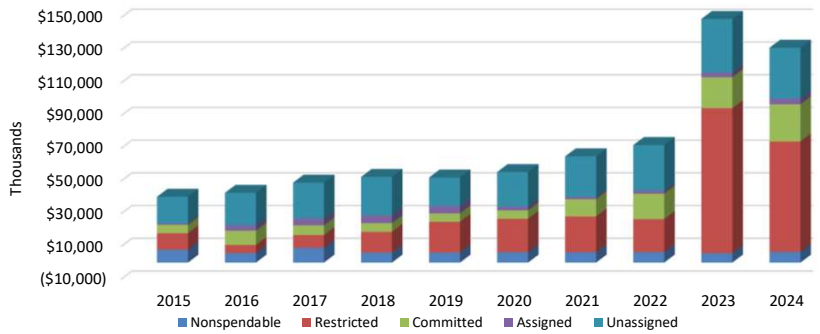
| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Expenses** | | | | | | | | | | |
| Governmental Activities: | | | | | | | | | | |
| General Government | $ 40,433,147 | $ 7,339,770 | $ (3,906,248) | $ 14,791,205 | $ 9,581,797 | $ 10,862,346 | $ 16,178,272 | $ 13,495,234 | $ 19,993,362 | $ 20,525,822 |
| Public Safety | 17,448,023 | 20,429,955 | 17,709,027 | 19,038,272 | 21,397,853 | 21,786,017 | 19,117,131 | 26,440,234 | 23,432,803 | 30,040,700 |
| Public Works | 8,303,520 | 9,872,607 | 9,702,934 | 10,590,121 | 11,757,610 | 12,287,753 | 8,175,125 | 9,945,369 | 11,905,095 | 12,736,086 |
| Parks and Recreation | 5,787,817 | 5,645,921 | 6,849,951 | 6,601,298 | 6,601,600 | 5,596,795 | 4,329,864 | 7,627,864 | 8,081,204 | 8,680,644 |
| Streets | 3,527,275 | 3,899,325 | 4,857,414 | 6,147,282 | 5,577,586 | 5,313,202 | 3,280,145 | 5,742,372 | 7,923,603 | 7,214,554 |
| Interest on long term debt | 1,466,551 | 1,623,748 | 877,906 | 1,010,094 | 929,798 | 820,212 | 743,184 | 658,802 | 1,025,252 | 3,344,471 |
| Total Governmental Activities Expenses | 76,966,333 | 48,811,326 | 36,090,984 | 58,178,272 | 55,846,244 | 56,666,325 | 51,823,721 | 63,909,875 | 72,361,319 | 82,542,277 |
| Business-Type Activities: | | | | | | | | | | |
| Transit | 374,960 | 384,738 | 384,019 | 461,294 | 301,433 | 310,343 | 310,670 | 393,282 | 313,613 | 287,198 |
| Airport | 2,212,209 | 1,693,630 | 2,305,141 | 2,229,118 | 2,388,758 | 2,380,645 | 2,163,804 | 2,385,911 | 3,591,720 | 4,330,762 |
| Parking Garage | 743,757 | 753,667 | 869,357 | 803,906 | 922,017 | 872,771 | 902,351 | 1,209,649 | 1,593,074 | 1,597,410 |
| Parking Management | 241,190 | 20,298 | 26,429 | 31,181 | 26,378 | 6,924 | 16,187 | 13,351 | 52,023 | 34,589 |
| Total Business-Type Activities Expenses | 3,572,116 | 2,852,333 | 3,584,946 | 3,525,499 | 3,638,586 | 3,570,683 | 3,393,012 | 4,002,193 | 5,550,430 | 6,249,959 |
| **Total Primary Government Expenses** | $ 80,538,449 | $ 51,663,659 | $ 39,675,930 | $ 61,703,771 | $ 59,484,830 | $ 60,237,008 | $ 55,216,733 | $ 67,912,068 | $ 77,911,749 | $ 88,792,236 |
| **Program Revenues** | | | | | | | | | | |
| Governmental Activities: | | | | | | | | | | |
| Charges for Services: | | | | | | | | | | |
| General Government | $ 1,622,100 | $ 5,302,704 | $ 2,090,949 | $ 1,642,226 | $ 2,422,840 | $ 1,774,952 | $ 2,246,194 | $ 2,708,476 | $ 8,802,565 | $ 7,947,854 |
| Public Safety | 1,425,944 | 1,859,145 | 2,012,465 | 2,026,698 | 2,418,471 | 2,866,260 | 2,871,525 | 2,695,421 | 3,670,834 | 3,931,450 |
| Public Works | 3,070,737 | 2,466,385 | 2,424,102 | 2,586,445 | 2,343,727 | 2,975,426 | 2,650,282 | 3,795,673 | 4,187,935 | 3,945,179 |
| Parks and Recreation | 1,004,805 | 972,840 | 1,229,203 | 1,161,633 | 877,332 | 297,122 | 94,068 | 345,286 | 458,767 | 578,361 |
| Streets | 69,127 | 71,769 | 116,523 | 118,734 | 126,600 | 1,181,222 | 128,313 | 138,928 | 141,824 | 149,022 |
| Operating Grants and Contributions | 2,552,430 | 2,392,843 | 1,940,341 | 2,601,991 | 2,085,337 | 3,247,288 | 3,086,867 | 4,716,592 | 15,255,284 | 7,687,826 |
| Capital Grants and Contributions | 5,007,671 | 4,243,208 | 2,516,762 | 1,062,149 | 4,103,928 | 5,279,169 | 1,493,475 | 5,627,979 | 3,322,534 | 3,136,149 |
| Total Governmental Activities Program Revenues | 14,752,814 | 17,308,894 | 12,330,345 | 11,199,876 | 14,378,235 | 17,621,439 | 12,570,724 | 20,028,355 | 35,839,743 | 27,375,841 |
| Business Type Activities: | | | | | | | | | | |
| Charges for Services: | | | | | | | | | | |
| Transit | 122,157 | 125,269 | 108,210 | 134,055 | 135,533 | 142,610 | 149,000 | 158,263 | 167,277 | 179,233 |
| Airport | 706,378 | 746,792 | 916,741 | 858,313 | 934,514 | 876,206 | 965,976 | 966,209 | 1,455,334 | 1,655,518 |
| Parking Garage | 1,007,811 | 1,155,608 | 1,385,939 | 1,531,511 | 1,552,535 | 985,626 | 1,024,565 | 1,288,197 | 1,272,770 | 1,156,010 |
| Parking Management | 238,986 | 187,475 | 100,712 | 107,720 | 97,904 | 73,589 | 179,322 | 133,515 | 125,847 | 187,669 |
| Capital Grants and Contributions | 711,597 | 1,349,072 | 451,244 | 1,956,411 | 649,166 | 402,505 | 4,323,173 | 897,209 | 378,043 | 921,050 |
| Total Business-Type Activities Program Revenues | 2,786,929 | 3,564,216 | 2,962,846 | 4,588,010 | 3,369,652 | 2,480,536 | 6,642,036 | 3,443,393 | 3,399,271 | 4,099,480 |
| **Total Primary Government Program Revenues** | $ 17,539,743 | $ 20,873,110 | $ 15,293,191 | $ 15,787,886 | $ 17,747,887 | $ 20,101,975 | $ 19,212,760 | $ 23,471,748 | $ 39,239,014 | $ 31,475,321 |

| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Net (Expense)/Revenue** | | | | | | | | | | |
| Governmental Activities | $ (62,213,519) | $ (31,502,432) | $ (23,760,639) | $ (46,978,396) | $ (41,468,009) | $ (39,044,886) | $ (39,252,997) | $ (43,881,520) | $ (36,521,576) | $ (55,166,436) |
| Business-Type Activities | (785,187) | 711,883 | (622,100) | 1,062,511 | (268,934) | (1,090,147) | 3,249,024 | (558,800) | (2,151,159) | (2,150,479) |
| **Total Primary Government Net (Expense)/Revenue** | $ (62,998,706) | $ (30,790,549) | $ (24,382,739) | $ (45,915,885) | $ (41,736,943) | $ (40,135,033) | $ (36,003,973) | $ (44,440,320) | $ (38,672,735) | $ (57,316,915) |
| **General Revenues and Other Changes in Net Position** | | | | | | | | | | |
| Governmental Activities: | | | | | | | | | | |
| Taxes: | | | | | | | | | | |
| Property taxes | $ 6,826,592 | $ 7,213,873 | $ 7,625,064 | $ 8,122,952 | $ 8,452,643 | $ 9,019,367 | $ 9,714,974 | $ 10,227,658 | $ 11,158,434 | $ 11,846,421 |
| Sales taxes | 7,531,605 | 8,464,611 | 8,665,212 | 9,587,216 | 9,390,835 | 9,169,121 | 15,012,487 | 20,102,606 | 20,274,021 | 20,093,107 |
| Transient occupancy taxes | 12,708,233 | 15,686,640 | 19,279,754 | 20,902,441 | 21,681,476 | 17,286,076 | 20,353,784 | 21,511,525 | 21,593,360 | 21,540,142 |
| Franchise taxes | 1,454,138 | 1,517,188 | 1,513,064 | 1,604,594 | 1,611,646 | 1,679,459 | 1,708,253 | 1,942,987 | 1,924,053 | 2,282,688 |
| Other taxes | 4,346,271 | 4,785,295 | 5,049,887 | 5,315,182 | 5,758,862 | 5,123,365 | 6,276,684 | 6,345,783 | 6,627,271 | 6,968,598 |
| Use of money and property | 802,643 | 744,279 | 967,716 | 1,359,923 | 1,366,103 | 767,036 | 239,104 | (734,455) | 2,696,300 | 8,311,325 |
| Miscellaneous | 1,740,387 | 1,925,021 | 1,211,204 | 1,368,923 | 2,220,194 | 1,108,432 | 1,569,747 | 1,476,646 | 1,889,334 | 2,026,942 |
| Transfers | (399,960) | (4,629) | (520,917) | (1,601,766) | (577,167) | (391,082) | (316,710) | (714,041) | (1,953) | 85,000 |
| Special items | | | | | | | | | | |
| Advances due from the RDA Sucessor Agency | - | - | - | - | - | - | - | - | - | - |
| Transfer of Government Use capital assets | - | - | - | - | - | - | - | - | - | - |
| Adjustment to nonexchange financial guarantee | - | - | - | - | 19,759,955 | 887,599 | (816,776) | 307,801 | - | - |
| Total Governmental Activities | 35,009,909 | 40,332,278 | 43,790,984 | 46,659,465 | 69,664,547 | 44,649,373 | 53,741,547 | 60,466,510 | 66,160,820 | 73,154,223 |
| Business-type activities | | | | | | | | | | |
| Use of money and property | 4,798 | 12,428 | 27,521 | 89,089 | 177,496 | 97,973 | 9,497 | (115,643) | 373,520 | 292,705 |
| Sales taxes | - | - | - | - | - | - | - | - | - | 8,991 |
| Miscellaneous | 330,000 | 330,000 | 330,000 | 330,000 | 330,000 | 330,000 | - | 254,475 | 1,065,005 | 12,664 |
| Transfers | 399,960 | 4,629 | 520,917 | 1,601,766 | 577,167 | 391,082 | 316,710 | 714,041 | 1,953 | (85,000) |
| Total Business-Type Activies | 734,758 | 347,057 | 878,438 | 2,020,855 | 1,084,663 | 819,055 | 326,207 | 852,873 | 1,440,478 | 229,360 |
| **Total Primary Government** | $ 35,744,667 | $ 40,679,335 | $ 44,669,422 | $ 48,680,320 | $ 70,749,210 | $ 45,468,428 | $ 54,067,754 | $ 61,319,383 | $ 67,601,298 | $ 73,383,583 |
| **Change in Net Position** | | | | | | | | | | |
| Governmental Activities | (27,203,610) | 8,829,846 | 20,030,345 | (318,931) | 28,196,538 | 5,604,487 | 14,488,550 | 16,584,990 | 29,639,244 | 17,987,787 |
| Business-Type Activities | (50,429) | 1,058,940 | 256,338 | 3,083,366 | 815,729 | (271,092) | 3,575,231 | 294,073 | (710,681) | (1,921,119) |
| **Total Primary Government Change in Net Position** | $ (27,254,039) | $ 9,888,786 | $ 20,286,683 | $ 2,764,435 | $ 29,012,267 | $ 5,333,395 | $ 18,063,781 | $ 16,879,063 | $ 28,928,563 | $ 16,066,668 |

**Source:** Annual Financial Statements, Statement of Activities

## CITY OF SOUTH LAKE TAHOE

### Fund Balances of Governmental Funds
### Last Ten Fiscal Years
### (Modified Accrual Basis of Accounting)




| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **General Fund** | | | | | | | | | | | |
| Nonspendable | $5,815,898 | $5,790,355 | $9,015,263 | $5,999,471 | $5,971,043 | $6,230,880 | $6,216,835 | $6,256,734 | $5,608,045 | $6,419,743 | |
| Restricted | 750,000 | - | - | 750,000 | 750,000 | 750,000 | 750,000 | - | - | - | |
| Committed | - | - | - | - | - | - | - | 500,000 | 500,000 | 500,000 | |
| Assigned | 476,210 | 305,689 | 199,173 | 448,767 | 607,125 | 350,876 | 788,610 | - | 704,959 | 1,174,658 | |
| Unassigned | 16,310,793 | 20,018,169 | 21,921,994 | 23,610,256 | 17,493,113 | 21,091,779 | 24,880,959 | 27,865,327 | 32,758,900 | 31,159,577 | |
| **Total General Fund** | $23,352,901 | $26,114,213 | $31,136,430 | $30,808,494 | $24,821,281 | $28,423,535 | $32,636,404 | $34,622,061 | $39,571,904 | $39,253,978 | (a) |
| **All Other Governmental Funds** | | | | | | | | | | | |
| Nonspendable | | | | | | | | | | | |
| Special Revenue Funds | $1,317,222 | $ - | $ - | $135,075 | $507,552 | $ - | $ - | $ - | $ - | $ - | |
| Capital Projects Funds | 694,547 | - | - | - | 100,000 | - | - | - | | | |
| Debt Service Funds | - | - | - | 96,232 | 96,778 | 96,204 | 96,531 | 96,758 | 96,865 | 96,853 | |
| Restricted | | | | | | | | | | | |
| Special Revenue Funds | 4,378,335 | 3,789,660 | 5,372,372 | 8,615,403 | 13,949,345 | 3,400,747 | 4,893,052 | 6,078,447 | 9,683,766 | 8,076,068 | |
| City Housing & Econ. Develop. Funds | 902,838 | 871,640 | 948,421 | 2,167,337 | 2,380,356 | 2,599,310 | 1,603,282 | 1,776,300 | 7,100,127 | 3,179,112 | |
| City Debt Service Fund | 4,120,949 | 359,425 | 1,553,995 | 1,222,716 | 1,746,707 | 1,786,963 | 1,259,080 | 1,218,974 | 58,258,575 | 43,216,822 | |
| Measure P Recreation | - | - | - | - | - | 11,910,486 | 13,427,113 | 11,195,435 | 13,661,100 | 13,097,292 | |
| Committed | | | | | | | | | | | |
| Special Revenue Funds | - | - | - | 361,104 | - | - | 2,440,176 | 1,632,862 | 1,684,994 | 1,126,152 | |
| Capital Projects Funds | 5,096,856 | 8,733,639 | 5,862,733 | 4,909,487 | 5,062,834 | 5,154,010 | 8,131,858 | 13,377,024 | 16,792,895 | 21,120,991 | |
| Assigned | | | | | | | | | | | |
| Special Revenue Funds | 468,361 | 2,267,529 | 2,853,249 | 3,679,944 | 3,848,840 | 1,986,804 | 567,633 | 1,849,367 | 2,109,491 | 2,207,440 | |
| Capital Projects Funds | - | 547,428 | 547,428 | 535,876 | 46,265 | 23,813 | 23,813 | 23,813 | 23,813 | 23,813 | |
| City Housing & Econ. Develop. Funds | - | 226,114 | 623,922 | - | - | - | - | - | - | - | |
| Unassigned | | | | | | | | | | | |
| Special Revenue Funds | (66,066) | (211,182) | (11,354) | - | (10,061) | (13,834) | (123,648) | (10,494) | (3,245) | (22,615) | |
| Capital Projects Funds | - | - | - | - | - | - | - | - | - | - | |
| **Total All Other Governmental Funds** | $16,913,042 | $16,584,253 | $17,750,766 | $21,723,174 | $27,728,616 | $26,944,503 | $ 32,318,890 | $ 37,238,486 | $ 109,408,381 | $ 92,121,928 | (a) |

**Source:** Annual Financial Statements, Balance Sheet

**Notes:** (a) The change in total fund balance for the General Fund and Other Governmental Funds is explained in Management's Discussion and Analysis.

**CITY OF SOUTH LAKE TAHOE**
**Changes in Fund Balance of Governmental Funds**
**Last Ten Fiscal Years**
**(Modified Accrual Basis of Accounting)**

| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Revenues** | | | | | | | | | | |
| Taxes and assessments | $ 29,020,567 | $ 33,364,866 | $ 37,563,952 | $ 40,700,365 | $ 41,611,890 | $ 37,646,232 | $ 47,267,315 | $ 54,270,194 | $ 55,454,177 | $ 56,274,912 |
| Licenses, permits and impact fees | 1,854,802 | 2,218,216 | 2,550,430 | 2,610,142 | 2,853,184 | 2,649,387 | 2,121,188 | 2,157,781 | 2,656,965 | 3,730,848 |
| Fines and penalties | 137,227 | 127,647 | 42,803 | 202,669 | 156,240 | 159,720 | 156,963 | 183,770 | 1,066,242 | 1,336,897 |
| Use of money and property | 530,480 | 388,936 | 437,278 | 714,214 | 1,169,495 | 701,836 | 149,804 | (1,101,549) | 2,387,351 | 7,715,184 |
| Intergovernmental revenue | 9,332,071 | 8,454,370 | 6,485,535 | 5,982,506 | 8,780,653 | 11,427,777 | 7,751,230 | 11,623,175 | 20,559,780 | 14,388,885 |
| Charges for current services | 7,466,703 | 7,841,829 | 8,007,508 | 8,112,421 | 7,606,177 | 8,436,781 | 8,592,703 | 12,084,502 | 12,026,887 | 9,645,610 |
| Other revenue | 1,596,005 | 1,602,273 | 747,224 | 1,182,110 | 2,114,782 | 944,357 | 1,055,256 | 1,263,669 | 1,212,316 | 1,830,672 |
| Loss on investment in land held for resale | - | - | - | (2,157,647) | - | - | - | - | - | - |
| Total Revenue | 49,937,855 | 53,998,137 | 55,834,730 | 57,346,780 | 64,292,421 | 61,966,090 | 67,094,459 | 80,481,542 | 95,363,718 | 94,923,008 |
| **Expenditures** | | | | | | | | | | |
| Current: | | | | | | | | | | |
| General government | 5,660,979 | 6,347,972 | 7,043,991 | 11,195,465 | 9,366,002 | 9,840,016 | 10,236,293 | 12,488,092 | 19,061,183 | 19,134,022 |
| Public safety | 25,663,718 | 15,611,769 | 15,348,170 | 17,047,112 | 19,943,229 | 19,661,692 | 21,581,140 | 22,542,852 | 23,638,308 | 26,583,036 |
| Public works | 5,179,667 | 6,383,562 | 6,378,603 | 6,545,420 | 7,365,389 | 7,132,453 | 6,749,793 | 6,467,228 | 6,853,613 | 7,848,252 |
| Parks and recreation | 4,567,629 | 4,407,557 | 5,103,457 | 4,843,053 | 4,965,477 | 3,877,886 | 4,761,748 | 6,004,446 | 6,640,158 | 7,605,111 |
| Streets | 2,018,563 | 2,401,550 | 3,147,256 | 2,604,335 | 3,513,155 | 3,110,329 | 2,713,902 | 3,415,257 | 4,853,239 | 4,606,281 |
| Capital outlay | 7,463,555 | 6,920,358 | 8,956,654 | 4,110,904 | 12,459,765 | 11,477,766 | 9,740,091 | 17,748,824 | 12,536,084 | 41,156,357 |
| Debt service: | | | | | | | | | | |
| Principal repayment | 2,073,744 | 2,273,516 | 1,474,189 | 2,960,372 | 4,186,202 | 2,956,022 | 3,065,059 | 3,129,497 | 3,270,750 | 4,071,008 |
| Interest and fiscal charges | 1,466,551 | 1,304,060 | 986,714 | 1,118,900 | 1,038,603 | 929,022 | 851,992 | 767,608 | 664,829 | 2,130,385 |
| Debt issuance costs | 178,427 | 358,400 | - | - | - | - | - | - | 484,158 | - |
| Payment of financial guarantee | 2,541,000 | 2,219,856 | 1,754,190 | 1,197,816 | 793,413 | 316,681 | 406,000 | 1,067,000 | - | - |
| Total Expenditures | 56,813,833 | 48,228,600 | 50,193,224 | 51,623,377 | 63,631,235 | 59,301,867 | 60,106,018 | 73,630,804 | 78,002,322 | 113,134,452 |
| Excess (deficiency) of revenues over (under) expenditures | (6,875,978) | 5,769,537 | 5,641,506 | 5,723,403 | 661,186 | 2,664,223 | 6,988,441 | 6,850,738 | 17,361,396 | (18,211,444) |
| **Other Financing Sources (Uses)** | | | | | | | | | | |
| Sale of property | 17,076 | 281,055 | 359,907 | - | 50,645 | - | 41 | 524 | - | - |
| Capital lease | - | 232,104 | 1,742,640 | - | - | - | - | - | - | - |
| Lease (GASB 87) | - | - | - | - | - | - | - | - | - | 499,165 |
| Payment to refunded debt escrow agent | - | (14,358,387) | - | - | - | - | - | - | - | - |
| Issuance of long term debt | 12,610,051 | 10,055,000 | - | - | - | - | 2,700,000 | - | 59,373,604 | - |
| Bond issuance premium/(discount) | (218,182) | 1,342,514 | - | - | - | - | - | - | - | - |
| Transfers in | 7,848,818 | 12,800,628 | 8,913,659 | 8,659,055 | 18,211,441 | 11,551,478 | 14,043,287 | 24,165,384 | 19,056,667 | 46,371,690 |
| Transfers out | (9,228,902) | (13,689,928) | (10,468,982) | (10,737,986) | (18,905,043) | (11,397,560) | (14,359,997) | (24,859,625) | (18,671,929) | (46,263,790) |
| Total Other Financing Sources (Uses) | 11,028,861 | (3,337,014) | 547,224 | (2,078,931) | (642,957) | 153,918 | 2,383,331 | (693,717) | 59,758,342 | 607,065 |
| **Net Change in Fund Balance** | $ 4,152,883 | $ 2,432,523 | $ 6,188,730 | $ 3,644,472 | $ 18,229 | $ 2,818,141 | $ 9,371,772 | $ 6,157,021 | $ 77,119,738 | $ (17,604,379) |
| Debt Service as a percentage of non-capital expenditures | 7.1% | 8.5% | 5.8% | 8.3% | 10.0% | 7.8% | 7.4% | 6.9% | 5.8% | 8.6% |

**Source:** Annual Basic Financial Statements, Governmental Funds, Statement of Revenues, Expenditures and Changes in Fund Balances

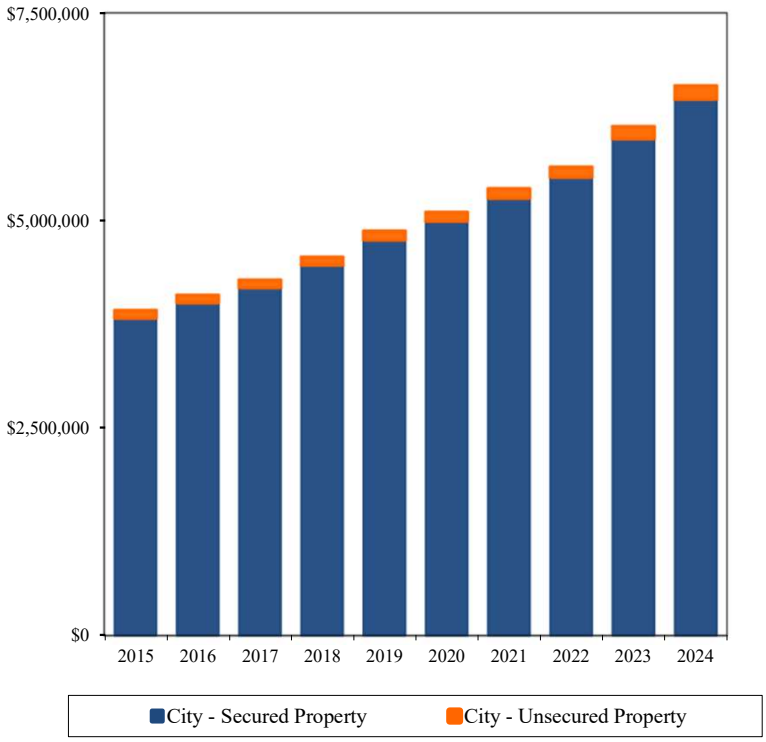
**Note:** Governmental Funds exclude Enterprise funds (Transit, Airport, Parking Garage, and Parking Management) that are classified as Proprietary Funds.

## CITY OF SOUTH LAKE TAHOE

### Assessed Value and Estimated Actual[3] Value of Taxable Property

### Last Ten Fiscal Years

### (in thousands of dollars)




| Fiscal Year | Assessed Value: Secured Property | Assessed Value: Unsecured Property | Total Assessed Value | Less: Tax-Exempt Property | Taxable Assessed Value | Total Direct Tax Rate (2) |
|---|---|---|---|---|---|---|
| 2015 | $ 3,826,850 | $ 93,750 | $ 3,920,601 | $ 15,110 | $ 3,905,491 | 1.0667 |
| 2016 | 4,012,841 | 90,397 | 4,103,238 | 15,045 | 4,088,193 | 1.0907 |
| 2017 | 4,195,442 | 91,432 | 4,286,874 | 15,188 | 4,271,686 | 1.0860 |
| 2018 | 4,466,533 | 94,196 | 4,560,729 | 15,377 | 4,545,352 | 1.0871 |
| 2019 | 4,768,126 | 105,870 | 4,873,997 | 15,700 | 4,858,297 | 1.0830 |
| 2020 | 4,993,100 | 108,080 | 5,101,180 | 15,778 | 5,085,402 | 1.0863 |
| 2021 | 5,270,055 | 115,990 | 5,386,044 | 15,888 | 5,370,157 | 1.0703 |
| 2022 | 5,522,534 | 123,415 | 5,645,949 | 15,853 | 5,630,095 | 1.0750 |
| 2023 | 5,985,912 | 146,334 | 6,132,246 | 15,911 | 6,116,335 | 1.0706 |
| 2024 | 6,462,392 | 160,679 | 6,623,072 | 15,852 | 6,607,220 | 1.0601 |

**Source:** El Dorado County Auditor Controller Office

**Notes:**

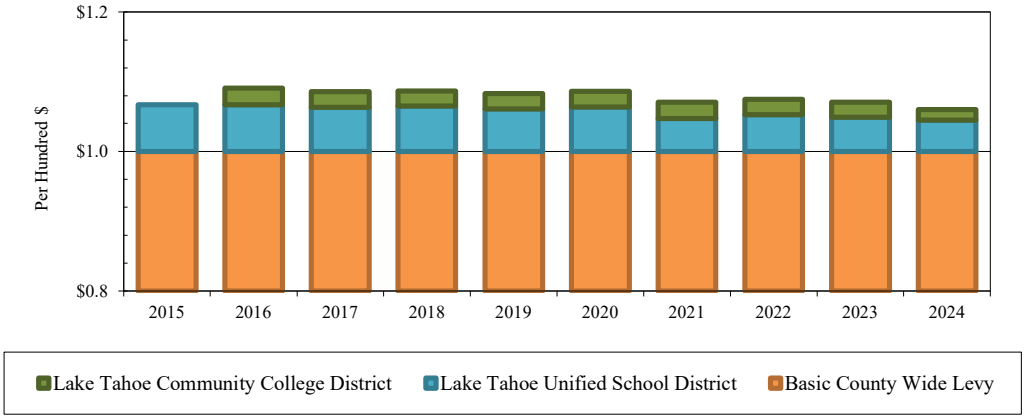
1. The State Constitution requires property to be assessed at one hundred percent of the most recent purchase price, plus an increment of no more than two percent annually, plus any local over-rides. These values are considered to be full market values.

2. California cities do not set their own direct tax rate. The state constitution establishes the rate at 1% and allocates a portion of that amount, by an annual calculation, to all the taxing entities within a tax rate area.

3. The City does not have a reasonable basis for estimating actual values of taxable property within city limits, thus Estimated Actual Value information is not provided on this schedule.

## CITY OF SOUTH LAKE TAHOE

### Property Tax Rates
### All Overlapping Governments
### Last Ten Fiscal Years
### (rate per $100 of assessed value)



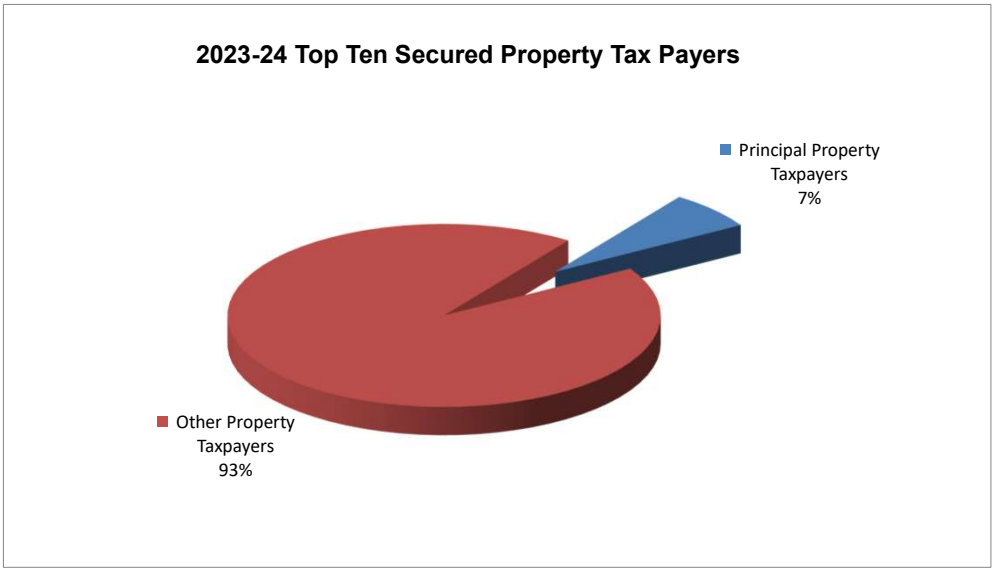

| Fiscal Year | Basic County Wide Levy | Lake Tahoe Unified School District | Lake Tahoe Community College District | Total Direct Rate |
|---|---|---|---|---|
| 2015 | 1.0000 | 0.0667 | - | 1.0667 |
| 2016 | 1.0000 | 0.0667 | 0.0240 | 1.0907 |
| 2017 | 1.0000 | 0.0634 | 0.0226 | 1.0860 |
| 2018 | 1.0000 | 0.0653 | 0.0218 | 1.0871 |
| 2019 | 1.0000 | 0.0609 | 0.0221 | 1.0830 |
| 2020 | 1.0000 | 0.0639 | 0.0224 | 1.0863 |
| 2021 | 1.0000 | 0.0473 | 0.0230 | 1.0703 |
| 2022 | 1.0000 | 0.0526 | 0.0224 | 1.0750 |
| 2023 | 1.0000 | 0.0493 | 0.0213 | 1.0706 |
| 2024 | 1.0000 | 0.0451 | 0.0150 | 1.0601 |

**Source:** El Dorado County Auditor's Office

**Note:** California cities do not set their own direct tax rate. The state constitution establishes the rate at 1% and allocates a portion of that amount, by an annual calculation, to all the taxing entities within a tax rate area.

# CITY OF SOUTH LAKE TAHOE

## Principal Secured Property Tax Payers
## Current Year and Nine Years Ago



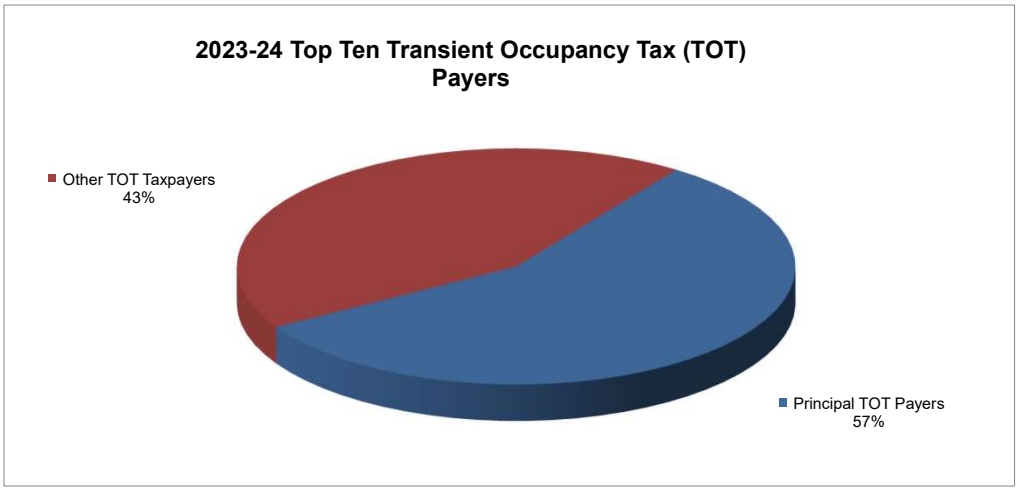

| | | 2023-24 | | | 2014-15 | | |
|---|---|---|---|---|---|---|---|
| **Tax Payer** | **Land Use** | **Taxable Assessed Value** | **Rank** | **% of Total Secured Assessed Value[1]** | **Taxable Assessed Value** | **Rank** | **% of Total Secured Assessed Value[2]** |
| Sodalite Tahoe Hotel LLC | Hotel | $ 90,026,020 | 1 | 1.39% | | | |
| First American Trust FSB | Resort/Timeshare | 78,240,677 | 2 | 1.21% | $ 60,495,836 | 1 | 1.58% |
| Tahoe Chateau Land Holding LLC | Residential Development | 44,989,049 | 3 | 0.70% | | | |
| Trans Sierra Investments | Shopping Center | 44,581,665 | 4 | 0.69% | 27,035,547 | 5 | 0.71% |
| Diamondrock Tahoe Owner LLC | Hotel | 36,204,189 | 5 | 0.56% | | | |
| Imperium Blue Tahoe Holdings LLC | Commercial | 33,659,996 | 6 | 0.52% | | | |
| LCOF Lake Tahoe Invest LLC | Hotel | 29,085,709 | 7 | 0.45% | | | |
| Tahoe Crescent LLC | Commercial | 28,048,242 | 8 | 0.43% | | | |
| Gondola Vista Development Company LLC | Residential Properties | 27,434,743 | 9 | 0.42% | | | |
| SLT Hospitality QOZB LLC | Hotel | 23,064,767 | 10 | 0.36% | | | |
| Roppongi-Tahoe LP | Hotel | | | | 53,421,465 | 2 | 1.40% |
| Tahoe Stateline Venture | Commercial | | | | 40,245,952 | 3 | 1.05% |
| Heavenly Valley LP / Heavenly Resort Properties | Ski Resort | | | | 34,859,828 | 4 | 0.91% |
| Tahoe Crescent LP | Commercial | | | | 24,230,587 | 6 | 0.63% |
| Marriott Ownership Resorts | Timeshare Properties | | | | 19,429,698 | 7 | 0.51% |
| South Tahoe Refuse Co. Inc. | Industrial | | | | 18,864,077 | 8 | 0.49% |
| Tahoe Verde Partnership | Mobile Home Park | | | | 17,336,430 | 9 | 0.45% |
| Seven Springs LP | Commercial | | | | 16,333,108 | 10 | 0.43% |
| **Total** | | $ 435,335,057 | | 6.74% | $ 312,252,528 | | 8.16% |

**Source:** California Municipal Statistics, Inc.

**Notes:** 1. 2023-24 Local Secured Assessed Valuation: $6,462,392,304
2. 2014-15 Local Secured Assessed Valuation: $3,826,850,451

## CITY OF SOUTH LAKE TAHOE

### Principal Transient Occupancy Tax (TOT) Payers
### Current Year and Nine Years Ago



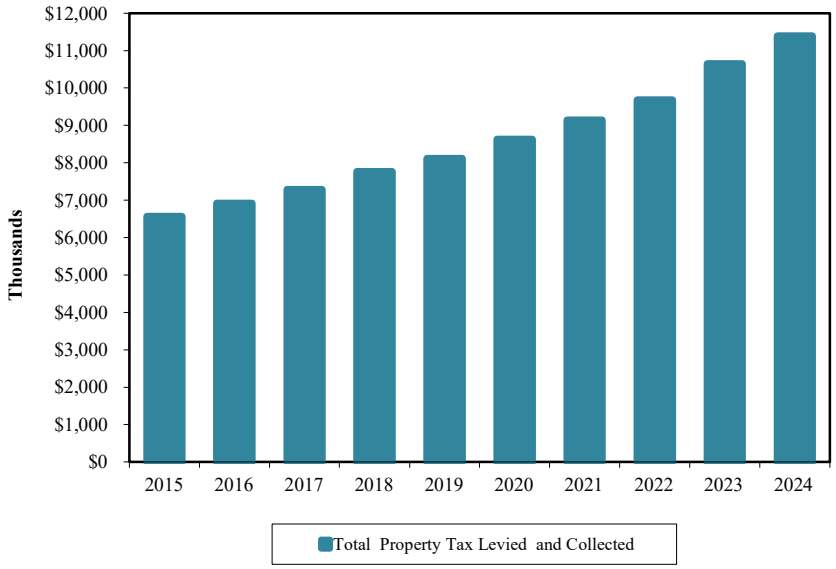

| | | | 2023-24 | | | 2014-15 | | |
|---|---|---|---|---|---|---|---|---|
| TOT Payer | Type | Effective TOT Rate[1] | Taxable Rents | Rank | % of Total Taxable Rents[2] | Taxable Rents | Rank | % of Total Taxable Rents[3] |
| Margaritaville Resort Hotel (fmr. LT Resort Hotel) | Hotel | 12% | $ 14,873,475 | 1 | 11.00% | $ 11,466,222 | 1 | 14.79% |
| Marriott's Timber Lodge | Hotel | 12% | 9,172,280 | 2 | 6.79% | 8,726,409 | 2 | 11.26% |
| The Landing Resort and Spa | Hotel | 10% | 8,856,161 | 3 | 6.55% | 4,360,611 | 5 | 5.63% |
| Marriott's Grand Residence Club | Hotel | 12% | 8,228,774 | 4 | 6.09% | 6,822,817 | 3 | 8.80% |
| Beach Retreat & Lodge at Tahoe | Hotel | 10% | 7,932,188 | 5 | 5.87% | 5,098,438 | 4 | 6.58% |
| Diamond Resorts Management, Inc. | Agent | 12% | 7,147,129 | 6 | 5.29% | 3,269,015 | 7 | 4.22% |
| Hampton Inn and Suites | Hotel | 12% | 6,088,660 | 7 | 4.50% | | | |
| Forest Suites Resort | Hotel | 10% | 5,785,245 | 8 | 4.28% | 3,175,876 | 6 | 4.10% |
| Coachman Hotel | Hotel | 10% | 4,357,495 | 9 | 3.22% | | | |
| Hotel Azure (fmr. Inn by the Lake) | Hotel | 10% | 4,199,420 | 10 | 3.11% | 2,066,177 | 10 | 2.67% |
| Station House Inn (fmr. Best Western Station House Inn) | Motel | 10% | | | | 2,378,207 | 9 | 3.07% |
| Holiday Inn Express - South Lake Tahoe | Hotel | 10% | | | | 2,475,301 | 8 | 3.19% |
| **Total** | | | $ 76,640,827 | | 56.70% | $ 49,839,073 | | 64.30% |

**Source:** City of South Lake Tahoe Revenue Division

**Notes:** 1. The City TOT rate is 10% except specific redevelopment properties where the rate is 12% . An additional 2% TOT approved by voters of South Lake Tahoe in November 2016 is dedicated for recreation and is accounted for in a special revnue fund. Information on the additional 2% TOT is not inlcuded on this schedule.
2. 2023-24 Total Taxable Rents: $135,175,310.
3. 2014-15 Total Taxable Rents: $77,715,061.

## CITY OF SOUTH LAKE TAHOE

### Property Tax Levies and Collections
### Last Ten Fiscal Years




| Fiscal Year | Secured Property Tax Levied and Collected | Unsecured Property Tax Levied and Collected | Total Property Tax Levied and Collected | Percent of Total Tax Collections to Tax Levy |
|---|---|---|---|---|
| 2015 | $ 6,444,127 | $ 119,864 | $ 6,563,991 | 100% |
| 2016 | 6,794,173 | 119,578 | 6,913,751 | 100% |
| 2017 | 7,167,959 | 117,816 | 7,285,775 | 100% |
| 2018 | 7,644,525 | 121,044 | 7,765,569 | 100% |
| 2019 | 7,969,647 | 143,416 | 8,113,063 | 100% |
| 2020 | 8,484,544 | 148,165 | 8,632,709 | 100% |
| 2021 | 8,970,941 | 164,536 | 9,135,477 | 100% |
| 2022 | 9,524,807 | 155,015 | 9,679,822 | 100% |
| 2023 | 10,478,579 | 164,473 | 10,643,052 | 100% |
| 2024 | 11,170,274 | 214,637 | 11,384,911 | 100% |

**Source:** El Dorado County Auditor-Controller's Office

**Notes:** 1. The City of South Lake Tahoe is on the Teeter plan with El Dorado County, thus the amount of property tax levied is the amount of property tax collected.

**CITY OF SOUTH LAKE TAHOE**
**Ratios of Outstanding Debt by Type**
**Last Ten Fiscal Years**

| | Governmental Activities | | | | | | Business-Type Activities | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Fiscal Year | Refunding Revenue Bonds | Lease Revenue Bonds | Taxable Pension Obligation Bonds | Certificates of Participation | Purchase Financing | Loans | Parking Revenue Bonds | Purchase Financing | Loans | Total Primary Government | Per Capita | Ratio of Total O/S to Total Personal Income |
| 2015 | $ 15,115,000 | $ - | $ 11,905,000 | $5,525,000 | $4,919,583 | $1,253,457 | $7,530,000 | $ 85,864 | $100,253 | $ 46,434,157 | 2,136 | 8.85% |
| 2016 | 11,372,653 | - | 11,905,000 | 5,400,000 | 4,419,737 | 1,018,299 | 7,315,000 | - | 93,805 | 41,524,494 | 1,970 | 7.61% |
| 2017 | 11,226,247 | - | 11,905,000 | 5,270,000 | 5,059,816 | 776,670 | 7,090,000 | - | 87,061 | 41,414,794 | 1,966 | 7.00% |
| 2018 | 10,134,841 | - | 11,030,000 | 5,135,000 | 4,234,515 | 596,600 | 6,855,000 | - | 80,007 | 38,065,963 | 1,739 | 6.19% |
| 2019 | 8,983,435 | - | 10,105,000 | 5,000,000 | 2,298,139 | 411,776 | 6,615,000 | - | 72,629 | 33,485,979 | 1,469 | 5.23% |
| 2020 | 7,797,029 | - | 9,120,000 | 4,860,000 | 1,567,650 | 351,240 | 6,365,000 | - | 64,912 | 30,125,831 | 1,337 | 4.53% |
| 2021 | 6,575,623 | - | 8,070,000 | 4,710,000 | 3,539,938 | 288,893 | 6,105,000 | - | 56,840 | 29,346,294 | 1,254 | 4.12% |
| 2022 | 5,309,217 | - | 6,950,000 | 4,555,000 | 2,869,623 | 224,712 | 5,835,000 | - | 48,398 | 25,791,950 | 1,217 | 3.25% |
| 2023 | 3,992,811 | 56,658,677 | 5,745,000 | 4,395,000 | 4,887,570 | 171,015 | 5,555,000 | - | $39,568 | 81,444,641 | 3,964 | 9.96% |
| 2024 | 2,631,405 | 56,479,557 | 4,455,000 | 4,230,000 | 3,696,626 | 115,706 | - | - | 30,332 | 71,638,626 | 3,446 | 7.48% |

**Source:** City of South Lake Tahoe

**CITY OF SOUTH LAKE TAHOE**
**Computation of Direct and Overlapping Debt**
**September 30, 2024**

2023-24 Assessed Valuation[1]: $6,634,167,009

| | Total Debt | Percentage Applicable (1) | City's Share of Debt |
|---|---|---|---|
| OVERLAPPING TAX AND ASSESSMENT DEBT: | | | |
| Lake Tahoe Community College District | $40,635,000 | 65.553% | $26,637,462 |
| Lake Tahoe Unified School District | 52,564,260 | 65.553% | 34,457,449 |
| South Lake Tahoe Recreational Facilities Community Facilities District No. 2000-1 | 1,830,892 | 65.553% | 1,200,205 |
| South Tahoe Redevelopment Agency Community Facilities District No. 2001-1 | 3,480,000 | 100.00% | 3,480,000 |
| TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT | | | 65,775,116 |
| OVERLAPPING GENERAL FUND DEBT: | 53,233,000 | 15.324% | 8,157,425 |
| OVERLAPPING TAX INCREMENT DEBT (Successor Agency): | 55,155,000 | 100.00% | 55,155,000 |
| TOTAL OVERLAPPING DEBT | | | 129,087,541 |
| **CITY DIRECT DEBT** | **$71,608,294** | **100.00%** | **71,608,294** |
| TOTAL DIRECT AND OVERLAPPING DEBT | | | $200,695,835 |

(1) For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is whithin the city's boundaties and dividing it by each unit's total taxable assessed value.

| Ratios to 2023-2024 Assessed Valuation: | |
|---|---|
| Total Overlapping Tax and Assessment Debt | 0.99% |
| **Total Direct Debt** | **1.08%** |
| Total Direct and Overlapping Debt | 3.03% |

| Ratios to Redevelopment Successor Agency Incremental Valuation ($637,012,167): | |
|---|---|
| Total Overlapping Tax Increment Debt | 8.66% |

**Source:** California Municipal Statistics, Inc.

**Note:** 1. Assessed Valuation on this schedule includes aircraft
2. Information is as of 09/30/2024

**CITY OF SOUTH LAKE TAHOE**
**Computation of Legal Bonded Debt Margin**
**September 30, 2024**
**(amounts expressed in thousands)**

| | | |
|---|---|---|
| ASSESSED VALUATION: | | |
| Secured property assessed value, net of exempt real property | $6,446,540 | |
| BONDED DEBT LIMIT (3.75% OF ASSESSED VALUE) (a) | | $241,745 |
| AMOUNT OF DEBT SUBJECT TO LIMIT: | | |
| Total Bonded Debt | 0 | |
| Less Tax Allocation Bonds, Sales Tax Revenue Bonds, and Certificates of Participation not subject to limit | 0 | |
| Amount of debt subject to limit | | 0 |
| LEGAL BONDED DEBT MARGIN | | $241,745 |

| Fiscal Year | Debt Limit | Total Net Debt Applicable to Limit | Legal Debt Margin | Total net debt applicable to the limit as a percentage of debt limit |
|---|---|---|---|---|
| 2015 | $ 142,940 | 0 | $ 142,940 | 0.00% |
| 2016 | 149,917 | 0 | 149,917 | 0.00% |
| 2017 | 156,760 | 0 | 156,760 | 0.00% |
| 2018 | 166,918 | 0 | 166,918 | 0.00% |
| 2019 | 178,216 | 0 | 178,216 | 0.00% |
| 2020 | 186,650 | 0 | 186,650 | 0.00% |
| 2021 | 197,031 | 0 | 197,031 | 0.00% |
| 2022 | 206,501 | 0 | 206,501 | 0.00% |
| 2023 | 223,875 | 0 | 223,875 | 0.00% |
| 2024 | 241,745 | 0 | 241,745 | 0.00% |

**Source:** City of South Lake Tahoe Finance Department

**Notes:** (a) California Government Code, Section 43605 sets the debt limit at 15%. The Code section was enacted prior to the change in basing assessed value to full market value when it was previously 25% of market value. Thus, the limit shown as 3.75% is one-fourth the limit to account for the adjustment of showing assessed valuation at full cash value.

# CITY OF SOUTH LAKE TAHOE

## Bonded Debt Pledged-Revenue Coverage

## Last Ten Fiscal Years

| S.T. Joint Powers Financing Authority | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
|---|---|---|---|---|---|---|---|---|---|---|
| Pledged Revenues: | | | | | | | | | | |
| Transient Occupancy Tax Revenues | $ 4,730,958 | $ 5,825,251 | $ 6,275,346 | $ 6,505,358 | $ 6,978,997 | $ 4,982,523 | $ 5,952,873 | $ 7,463,579 | $ 7,264,552 | $ 7,513,043 |
| Property Tax Increment Revenues | 3,038,100 | 3,084,927 | 3,344,345 | 3,825,579 | 4,247,416 | 4,362,198 | 4,833,919 | 4,195,707 | 5,740,296 | 5,228,760 |
| Total Revenue | 7,769,058 | 8,910,178 | 9,619,691 | 10,330,937 | 11,226,413 | 9,344,721 | 10,786,792 | 11,659,285 | 13,004,848 | 12,741,802 |
| Bond Year Debt Service - Parity Bonds: | | | | | | | | | | |
| 1999 Series A[1] | - | - | - | - | - | - | - | - | - | - |
| 2003 Series A[1] | - | - | - | - | - | - | - | - | - | - |
| 2004 Series A[1] | - | - | - | - | - | - | - | - | - | - |
| 2005 Series A[2] | 2,668,875 | - | - | - | - | - | - | - | - | - |
| 2007 Series A[4] | 1,160,579 | 1,168,578 | 1,166,328 | - | - | - | - | - | - | - |
| 2014 Series A | 1,692,129 | 1,746,268 | 1,749,469 | 1,751,269 | 1,762,069 | 1,761,469 | 1,758,219 | 1,763,469 | 1,771,719 | 1,762,719 |
| 2015 Series A | - | 2,478,743 | 2,478,894 | 2,477,294 | 2,463,694 | 2,464,694 | 2,472,194 | 2,465,694 | 2,455,694 | 2,462,194 |
| 2017 Series A | - | - | - | 765,252 | 897,344 | 944,094 | 935,894 | 937,494 | 938,494 | 943,894 |
| Total Debt Service - Parity Bonds | 5,521,583 | 5,393,589 | 5,394,691 | 4,993,815 | 5,123,106 | 5,170,256 | 5,166,306 | 5,166,656 | 5,165,906 | 5,168,806 |
| **Debt Service Coverage - Parity Bonds** | **141%** | **165%** | **178%** | **207%** | **219%** | **181%** | **209%** | **226%** | **252%** | **247%** |
| Pledged Revenue after Parity Debt | 2,247,475 | 3,516,589 | 4,225,000 | 5,337,122 | 6,103,307 | 4,174,465 | 5,620,486 | 6,492,629 | 7,838,942 | 7,572,996 |
| Bond Year Debt Service - Subordinate Bonds: | | | | | | | | | | |
| 2006 Lease Bonds[3] | 1,809,206 | 1,803,469 | - | - | - | - | - | - | - | - |
| 2016 Refunding Lease Bonds | - | - | 226,024 | 1,308,800 | 1,344,275 | 1,343,400 | 1,336,100 | 1,337,200 | 1,341,400 | 1,338,700 |
| Total Debt Service - Subordinate Bonds | 1,809,206 | 1,803,469 | 226,024 | 1,308,800 | 1,344,275 | 1,343,400 | 1,336,100 | 1,337,200 | 1,341,400 | 1,338,700 |
| **Debt Service Coverage - Subordinate Bonds** | **124%** | **195%** | **1869%** | **408%** | **454%** | **311%** | **421%** | **486%** | **584%** | **566%** |

| S.T. Joint Powers Parking Financing Authority | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
|---|---|---|---|---|---|---|---|---|---|---|
| Operating Revenue | $ 1,007,811 | $ 1,155,608 | $ 1,385,939 | $ 1,531,511 | $ 1,552,535 | $ 985,626 | $ 1,024,565 | $ 1,288,197 | $ 1,272,770 | $ 1,156,010 |
| Operating Expense | 168,558 | 160,786 | 262,013 | 198,131 | 327,455 | 304,256 | 354,004 | 681,360 | 1,068,502 | 1,273,985 |
| Net Operating Revenue | 839,253 | 994,822 | 1,123,926 | 1,333,380 | 1,225,080 | 681,370 | 670,561 | 606,837 | 204,268 | (117,975) |
| Bond Year Debt Service | 569,550 | 569,550 | 569,550 | 569,550 | 569,550 | 569,550 | 569,550 | 569,550 | 569,550 | 569,550 |
| Surplus Special Tax Revenue | 330,000 | 330,000 | 330,000 | 330,000 | 330,000 | 330,000 | 330,000 | 330,000 | 330,000 | 330,000 |
| Surplus Special Tax Coverage Requirement | 110% | 110% | 110% | 110% | 110% | 110% | 110% | 110% | 110% | 110% |
| Net Surplus Special Tax Revenue | 300,000 | 300,000 | 300,000 | 300,000 | 300,000 | 300,000 | 300,000 | 300,000 | 300,000 | 300,000 |
| Net Maximum Annual Debt Service | 269,550 | 269,550 | 269,550 | 269,550 | 269,550 | 269,550 | 269,550 | 269,550 | 269,550 | 269,550 |
| **Debt Service Coverage** | **311%** | **369%** | **417%** | **495%** | **454%** | **253%** | **249%** | **225%** | **76%** | **-44%** |

[1] - Refunded by 2014 Series A Bonds.

[2] - Refunded by 2015 Series A Bonds.

[3] - Refunded by 2016 Series A Bonds.

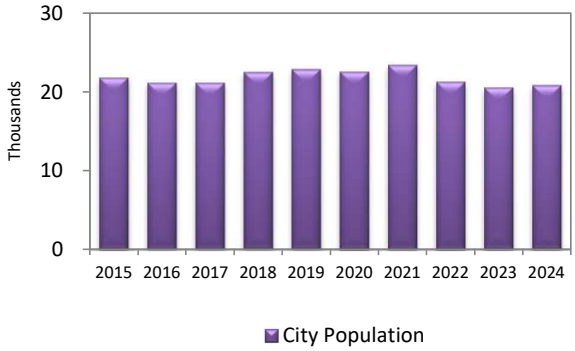
[4] - Refunded by 2017 Series A Bonds.

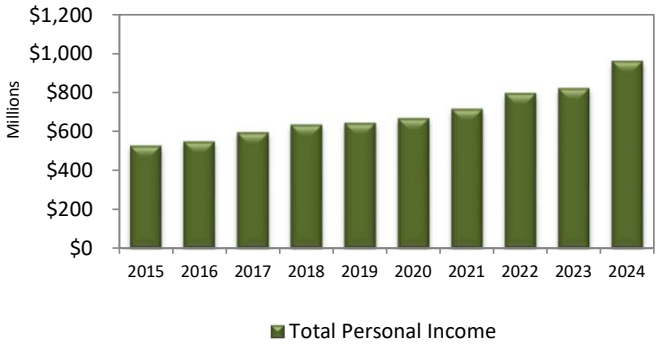
**Source:** City of South Lake Tahoe Finance Department.

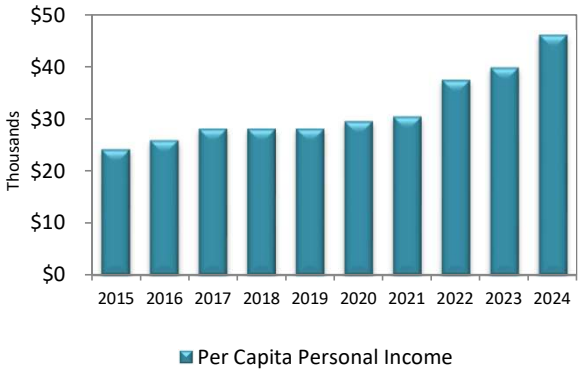
**Note**: Effective January 5, 2024, the City called for an early and full redemption of the Parking Revenue Refunding Bonds, 2013 Series A totaling $5,265,000 in the principal amount, plus accrued interest to the redemption date totaling $271,825.

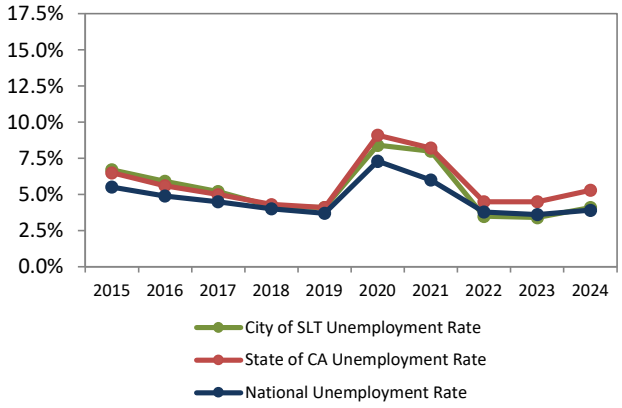
## CITY OF SOUTH LAKE TAHOE

### Demographic and Economic Statistics
### Last Ten Fiscal Years




| Fiscal Year Ended September 30, | City Population (a) | Total Personal Income (b) | Per Capita Personal Income (a) | City of SLT Unemployment Rate (c) | State of CA Unemployment Rate (c) | National Unemployment Rate (c) |
|---|---|---|---|---|---|---|
| 2015 | 21,738 | $ 524,668,368 | $ 24,136 | 6.7% | 6.5% | 5.5% |
| 2016 | 21,078 | 545,498,640 | 25,880 | 5.9% | 5.6% | 4.9% |
| 2017 | 21,068 | 591,968,664 | 28,098 | 5.2% | 5.0% | 4.5% |
| 2018 | 22,491 | 631,952,118 | 28,098 | 4.2% | 4.3% | 4.0% |
| 2019 | 22,800 | 640,634,400 | 28,098 | 4.1% | 4.1% | 3.7% |
| 2020 | 22,525 | 664,960,525 | 29,521 | 8.4% | 9.1% | 7.3% |
| 2021 | 23,398 | 712,258,518 | 30,441 | 8.0% | 8.2% | 6.0% |
| 2022 | 21,199 | 792,927,396 | 37,404 | 3.5% | 4.5% | 3.8% |
| 2023 | 20,548 | 817,954,236 | 39,807 | 3.4% | 4.5% | 3.6% |
| 2024 | 20,790 | 958,273,470 | 46,093 | 4.1% | 5.3% | 3.9% |

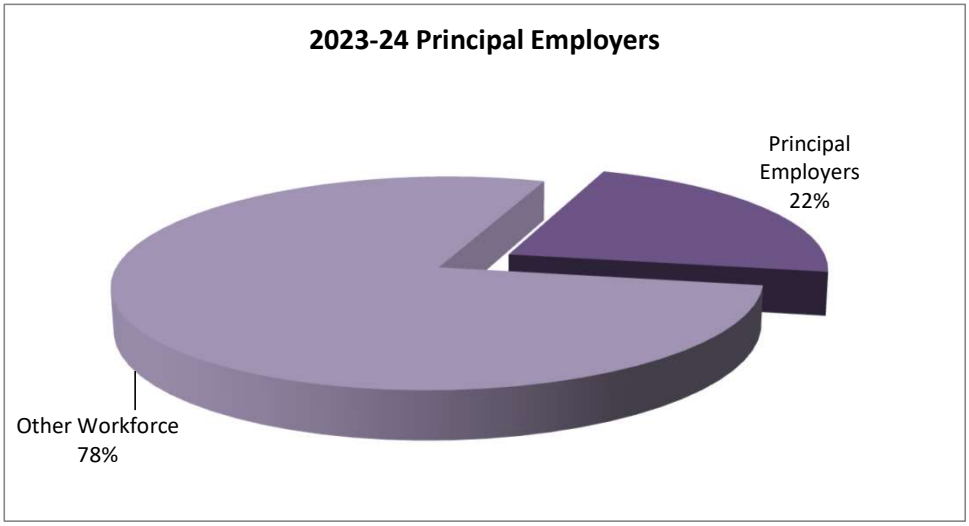
**Sources:** California State Department of Finance
California Employment Development Department
U.S. Census Bureau, American FactFinder

**Notes:** (a) Based on 5-Year Annual American Community Survey Estimates. Data in years beyond those available from Surveys reflects the closest year available. The population data is according to the latest data from the California Department of Finance.
(b) Calculated by multiplying City Population by Per Capita Personal Income.
(c) Averaged over 12-fiscal-month period. Not seasonally adjusted. In 2015 the California Employment Development Department has revised the last 5 years of unemployment data for South Lake Tahoe due to new census ratios. According to EDD, new ratios better represent the current economic situation.

**CITY OF SOUTH LAKE TAHOE**

**Principal Employers**

**Current Year and Nine Years Ago**

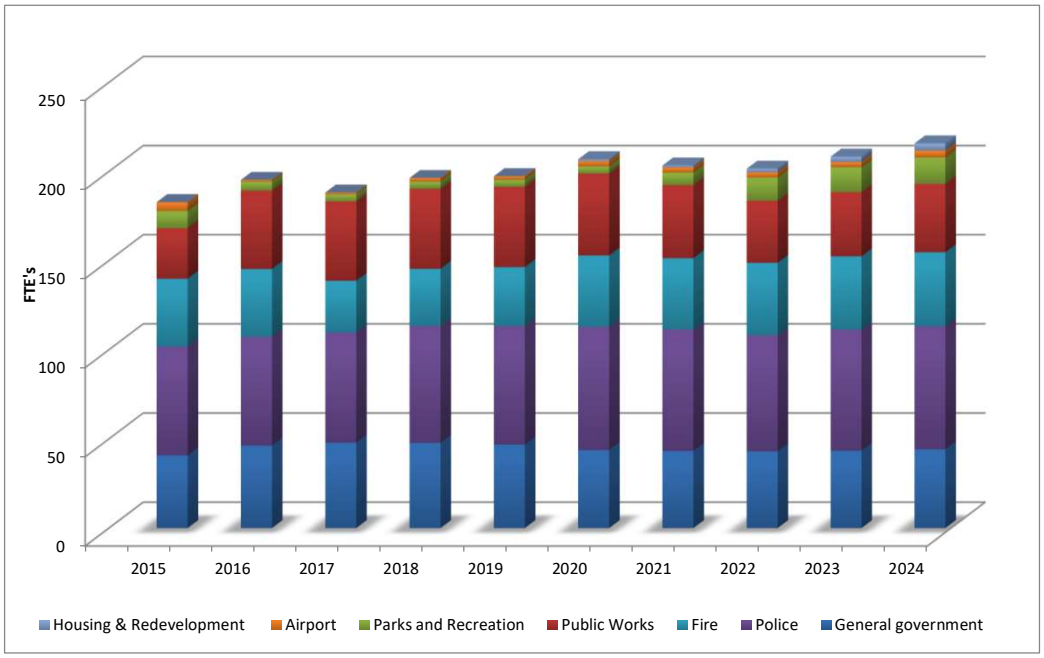



| | | 2023-24 | | | 2014-15 | | |
|---|---|---|---|---|---|---|---|
| **Employer** | **Product/ Service** | **Number of Employees** | **Rank** | **Percentage of Total City Workforce** | **Number of Employees** | **Rank** | **Percentage of Total City Workforce** |
| Barton Memorial Hospital | Health Services | 923 | 1 | 7.0% | 713 | 1 | 6.1% |
| Heavenly Mountain Resort | Ski Industry | 380 | 2 | 2.9% | 389 | 3 | 3.3% |
| Lake Tahoe Unified School District | Education | 368 | 3 | 2.8% | 402 | 2 | 3.4% |
| El Dorado County | Government | 263 | 4 | 2.0% | 237 | 4 | 2.0% |
| **City of South Lake Tahoe** | **Government** | **238** | **5** | **1.8%** | **199** | **5** | **1.7%** |
| Marriott Corporation | Lodging | 236 | 6 | 1.8% | 196 | 6 | 1.7% |
| Lake Tahoe Community College | Education | 167 | 7 | 1.3% | 180 | 7 | 1.5% |
| South Tahoe Public Utility District | Utilities | 119 | 8 | 0.9% | - | - | - |
| Sodalite Tahoe Hotel TRS LLC | Lodging | 104 | 9 | 0.8% | 154 | 9 | 1.3% |
| United States Forest Service | Government | 100 | 10 | 0.8% | 159 | 8 | 1.4% |
| Raley's Supermarket | Food/Drug | - | - | - | 152 | 10 | 1.3% |
| Subtotal | | 2,898 | | 22.1% | 2,781 | | 23.7% |
| **Total Workforce** | | **13,151** | | | **11,762** | | |

**Sources:** South Tahoe Public Utility District Finance Department
City of South Lake Tahoe Finance Department
California Labor Market Info Data Library

# CITY OF SOUTH LAKE TAHOE

## Full-Time Equivalent City Government Employees by Function
## Last Ten Fiscal Years




| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Function** | | | | | | | | | | |
| General government | 40.75 | 46.25 | 47.84 | 47.75 | 46.75 | 43.75 | 43.25 | 43.00 | 43.34 | 44.17 |
| Public Works | 28.42 | 44.00 | 44.50 | 45.00 | 45.00 | 46.00 | 41.00 | 34.83 | 36.00 | 38.37 |
| Police | 61.05 | 61.05 | 61.85 | 65.60 | 66.60 | 69.10 | 68.10 | 65.00 | 68.00 | 69.00 |
| Fire | 38.00 | 38.00 | 29.00 | 32.00 | 33.00 | 40.00 | 40.00 | 40.75 | 41.00 | 41.50 |
| Parks and Recreation | 9.58 | 5.00 | 4.00 | 4.00 | 4.00 | 4.00 | 7.00 | 13.00 | 14.00 | 14.75 |
| Airport | 5.00 | 1.00 | 1.00 | 2.00 | 2.00 | 3.00 | 3.00 | 3.00 | 3.00 | 4.00 |
| Housing & Redevelopment | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1.00 | 1.00 | 2.00 | 3.00 | 4.00 |
| Total | 182.80 | 195.30 | 188.19 | 196.35 | 197.35 | 206.85 | 203.35 | 201.58 | 208.34 | 215.79 |

**Source:** City of South Lake Tahoe Finance Department

# CITY OF SOUTH LAKE TAHOE
## Operating Indicators by Function/Program
## Last Ten Fiscal Years

| Function/Program | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|
| Police: | | | | | | | | | | |
| Police calls for Service | 24,848 | 25,246 | 31,785 | 24,204 | 25,515 | 26,002 | 24,108 | 21,956 | 21,044 | 24,097 |
| Law violations: | | | | | | | | | | |
| Homicide | 1 | 1 | 0 | 3 | 2 | 1 | 2 | 0 | 0 | 1 |
| Forcible Rape | 5 | 12 | 12 | 9 | 10 | 18 | 21 | 11 | 13 | 8 |
| Robbery | 19 | 23 | 9 | 22 | 20 | 20 | 5 | 17 | 10 | 9 |
| Aggravated Assaults | 41 | 275 | 240 | 147 | 79 | 242 | 335 | 244 | 385 | 421 |
| Violent Crimes, Total | 66 | 311 | 261 | 181 | 111 | 281 | 363 | 272 | 408 | 439 |
| Burglary | 105 | 87 | 132 | 114 | 114 | 81 | 77 | 104 | 45 | 43 |
| Larceny | 404 | 288 | 262 | 279 | 335 | 312 | 303 | 200 | 186 | 247 |
| Motor Vehicle Theft | 39 | 41 | 59 | 61 | 35 | 34 | 61 | 52 | 30 | 23 |
| Property Crimes, Total | 548 | 416 | 453 | 454 | 484 | 427 | 441 | 356 | 261 | 313 |
| Total Arrests, including citations and juvenile | 1,157 | 1,301 | 1,756 | 1,113 | 1,091 | 942 | 756 | 763 | 829 | 884 |
| Community Development: | | | | | | | | | | |
| Street reconstruction (travel lane miles) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Paving/Patching performed in-house (square feet) | 48,119 | 53,192 | 36,922 | 19,972 | 34,031 | 12,326 | 7,853 | 10,777 | 13,937 | 97,393 |
| Community Recreation: [2] | | | | | | | | | | |
| Recreation Complex participants | 27,695 | 37,089 | 33,280 | 33,260 | 32,389 | 10,156 | 4,734 | 18,444 | 20,927 | 35,791 |
| Swimming Pool | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 8,324 | 10,496 |
| Campground | 50,464 | 50,343 | 50,782 | 66,968 | 57,162 | 2,716 | 10,603 | 6,958 | 7,190 | 7,129 |
| Golf Course | 12,288 | 8,982 | 7,598 | 8,481 | 6,971 | 552 | 0 | 1,862 | 3,749 | 7,327 |
| Fire: | | | | | | | | | | |
| Number of incidents related to: | | | | | | | | | | |
| Fires | 76 | 103 | 56 | 71 | 64 | 52 | 84 | 48 | 56 | 45 |
| Hazardous Conditions/ Hazardous Material | 83 | 93 | 150 | 116 | 138 | 127 | 198 | 229 | 270 | 113 |
| Rescue, Medical Aid | 2,277 | 2,491 | 2,424 | 2,169 | 2,412 | 2,083 | 1,860 | 1,911 | 1,885 | 1,797 |
| Number of calls related to: | | | | | | | | | | |
| Citizen Assistance | 238 | 224 | 368 | 311 | 385 | 506 | 512 | 535 | 457 | 371 |
| Good Intent | 534 | 378 | 357 | 380 | 404 | 350 | 443 | 403 | 436 | N/A |
| False Calls/Alarms/Other | 209 | 254 | 360 | 433 | 388 | 218 | 265 | 300 | 350 | 679 |
| Weather Related | 0 | 2 | 15 | 2 | 3 | 3 | 3 | 16 | 4 | 3 |

**Source:** City of South Lake Tahoe

**Notes:** 1. N/A denotes information not available
2. Indicators for fiscal year 2020 and 2021 reflect the impact of COVID-19 restrictions

# CITY OF SOUTH LAKE TAHOE
## Capital Asset Statistics by Function/Program
## Last Ten Fiscal Years

| Function/Program | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|
| Police: | | | | | | | | | | |
| Police stations | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Police vehicles, Total | 43 | 44 | 42 | 39 | 48 | 56 | 57 | 58 | 66 | 56 |
| Patrol units | 19 | 20 | 22 | 21 | 28 | 36 | 37 | 38 | 45 | 36 |
| Fire: | | | | | | | | | | |
| Fire stations | 3 | 2 | 2 | 2 | 2 | 3 | 3 | 3 | 3 | 3 |
| Fire vehicles, Total | 11 | 10 | 11 | 13 | 12 | 16 | 16 | 17 | 19 | 20 |
| Fire apparatus [1] | 7 | 7 | 7 | 8 | 7 | 8 | 8 | 8 | 9 | 9 |
| JPA Ambulances [2] | 3 | 3 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Community Recreation: | | | | | | | | | | |
| Community services: | | | | | | | | | | |
| Athletic Fields | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 |
| Parks | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Ice Arena | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Skate Park | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Park Acreage | 35 | 35 | 35 | 35 | 35 | 35 | 35 | 35 | 35 | 35 |
| Golf Courses | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Public Swimming Pools | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Bike Trails | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 |
| Public Beaches | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Recreation Center | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Senior Center | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Airport: | | | | | | | | | | |
| Runway length in feet | 8,541 | 8,541 | 8,541 | 8,541 | 8,541 | 8,541 | 8,541 | 8,541 | 8,541 | 8,541 |
| Aircraft Operations [3] | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 9,900 |
| Air Carriers: | | | | | | | | | | |
| Major | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Commuters | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

**Source:** City of South Lake Tahoe

**Notes:** [1] Fire apparatus is a multi-purpose vehicle carrying professionals and equipment for a wide range of fire-fighting and rescue tasks.

[2] The ambulance vehicles are the property of California Tahoe Emergency Services Operations Authority JPA. In 2016, the City stopped providing ambulance transportation as part of the Cal Tahoe JPA and converted its emergency medical services delivery system to providing Advance Life Support (paramedic) engine companies.

[3] Starting in 2024, the Airport Aircraft Operations data collection method has been updated using Virtower to track actual aircraft operations. The old data that included estimates has been removed.



(Back of the cover page. Intentionally left blank.)



CITY OF
SOUTH LAKE TAHOE

CITYOFSLT.US • (530) 542-6000 • @CITYOFSLT

City of South Lake Tahoe, 1901 Lisa Maloff Way, South Lake Tahoe, CA 96150

Independent Accountant's Report on
Applying Agreed-Upon Procedures Related to
the Article XIII-B Appropriations Limit Calculation
For the Fiscal Year Ended September 30, 2024

# City of South Lake Tahoe, California

EideBailly

CPAs & BUSINESS ADVISORS

**Independent Accountant's Report Applying Agreed-Upon Procedures**
**Related to the Article XIII-B Appropriations Limit Calculation**

To the City Council
City of South Lake Tahoe, California

We have performed the procedures enumerated below, on the Appropriations Limit Calculation of the City of South Lake Tahoe, California (City) prepared in accordance with Article XIII-B of the California Constitution for the fiscal year ended September 30, 2024. The City's management is responsible for the Appropriations Limit Calculation.

The City has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of evaluating the Appropriations Limit Calculation and we will report on findings based on the procedures performed. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

1. We obtained the completed worksheets setting forth the calculations necessary to establish the City's 2023-24 appropriations limit calculation and compared the limit and annual adjustment factors included in those worksheets to the limit and annual adjustment factors that were adopted by resolution of the City Council. We also compared the population and inflation options included in the aforementioned worksheets to those that were selected by a recorded vote of the City Council.

   Finding: No exceptions were found as a result of this procedure.

2. We added last year's limit to the annual adjustment amount and compared the resulting amount to the 2023-2024 appropriations limit.

   Finding: No exceptions were found as a result of this procedure.

3. We compared the current year information to the worksheets described in Procedure 1 above to information provided by the California State Department of Finance.

   Finding: No exceptions were found as a result of this procedure.

4. We agreed the prior year appropriations limit to the prior year appropriations limit adopted by the City Council.

   Finding: No exceptions were found as a result of this procedure.

We were engaged by the City to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the Appropriations Limit Calculation. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the City and to meet our ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

No procedures have been performed with respect to the determination of the appropriation limit for the base year, as defined by Article XIII-B of the California Constitution.

This report is intended solely for the information and use of the City Council and management of the City and is not intended to be and should not be used by anyone other than these specified parties.

Eide Bailly LLP

Sacramento, California
March 28, 2025

Federal Awards Reports in Accordance
with the Uniform Guidance
Fiscal Year Ended September 30, 2024

# City of South Lake Tahoe, California

EideBailly

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* ..... 1

Independent Auditor's Report on Compliance for the Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance ..... 3

Schedule of Expenditures of Federal Awards ..... 6

Notes to Schedule of Expenditures of Federal Awards ..... 7

Schedule of Findings and Questioned Costs

- Section I - Summary Schedule of Auditor's Results ..... 8
- Section II - Financial Statement Findings ..... 9
- Section III - Federal Award Findings and Questioned Costs ..... 10

Summary Schedule of Prior Audit Findings ..... 11

EideBailly

CPAs & BUSINESS ADVISORS

**Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards***

To the Honorable Mayor and City Council
City of South Lake Tahoe, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of South Lake Tahoe, California (City), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated March 28, 2025.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Eide Bailly LLP

Sacramento, California
March 28, 2025

EideBailly

CPAs & BUSINESS ADVISORS

**Independent Auditor's Report on Compliance for the Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

To the Mayor and City Council
City of South Lake Tahoe, California

**Report on Compliance for the Major Federal Program**

***Opinion on the Major Federal Program***

We have audited the City of South Lake Tahoe (City)'s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on the City's major federal program for the year ended September 30, 2024. The City's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended September 30, 2024.

***Basis for Opinion on the Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the City's federal program.

***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of the major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

**Report on Internal Control over Compliance**

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

**Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated March 28, 2025, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Eide Bailly LLP

Sacramento, California
March 28, 2025

| Federal Grantor/Pass-Through Grantor/Program or Cluster Title | Federal Financial Assistance Listing | Direct or Pass-Through Entity Identifying Number | Expenditures |
|---|---|---|---|
| **U.S. Department of Agriculture** | | | |
| *Direct:* | | | |
| Lake Tahoe Erosion Control Grant Program - Bijou Park Creek Watershed | 10.690 | 21-PA-11051900-019 | $ 191,089 |
| Partnership Agreements - Hazardous Fuel Reduction - Lake Tahoe Airport | 10.699 | 21-PA-11051900-016 | 48,493 |
| **Total U.S. Department of Agriculture** | | | **239,582** |
| **U.S. Department of Housing and Urban Development** | | | |
| *Direct:* | | | |
| CDBG-Entitlement Grants Cluster: | | | |
| Community Development Block Grants/Entitlement Grants - CV 1 Childcare and Youth Services | 14.218 | 20-CDBG-CV1-00075 | 1,993 |
| Community Development Block Grants/Entitlement Grants - CV 2-3 Bears Denn Inn Rehabilitation | 14.218 | 20-CDBG-CV2-3-0074 | 205,213 |
| Total CDBG-Entitlement Grants Cluster | | | 207,206 |
| **Total U.S. Department of Housing and Urban Development** | | | **207,206** |
| **U.S. Department of Interior** | | | |
| *Direct:* | | | |
| Southern Nevada Public Land Management - Hazardous Fuel Reduction | 15.235 | L23AC00023 | 2,864 |
| *Passed through Tahoe Resource Conservation District:* | | | |
| Southern Nevada Public Land Management - Defensible Space | 15.235 | L23AC00025 | 185,075 |
| **Total U.S. Department of Interior** | | | **187,939** |
| **U.S. Department of Justice** | | | |
| *Passed through California Office of Traffic Safety:* | | | |
| Minimum Penalties for Repeat Offenders for Driving While Intoxicated - Selective Traffic Enforcement Program PT24199 | 20.608 | 164 AL-23 | 15,860 |
| State and Community Highway Safety - Selective Traffic Enforcement Program PT24199 | 20.600 | 402PT-23 | 9,497 |
| *Passed through California Office of Emergency Services (CalOES):* | | | |
| Violence Against Women Formula Grants | 16.588 | LE 21057994 | 55,343 |
| Violence Against Women Formula Grants | 16.588 | LE 22067994 | 158,074 |
| Total Violence Against Women Formula Grants Program | | | 213,417 |
| **Total U.S. Department of Justice** | | | **238,774** |
| **U.S. Department of Transportation** | | | |
| *Direct:* | | | |
| Airport Improvement Program - Pavement Maintenance Program | 20.106 | 3-06-0249-47 | 86,491 |
| Airport Improvement Program - Airport Master Plan Phase 1 | 20.106 | 3-06-0249-49 | 242,357 |
| Airport Improvement Program - Airport Master Plan Phase 2 | 20.106 | 3-06-0249-48 | 137,208 |
| Airport Improvement Program - Airport Pavement Maintenance | 20.106 | 3-06-0249-50 | 40,997 |
| Airport Improvement Program - Airport Crack Seal Coat Parking Apron | 20.106 | 3-06-0249-51 | 15,500 |
| Total Airport Improvement Program | | | 522,553 |
| Safe Streets and Roads for All - Vision Zero Action Plan | 20.939 | 693JJ32340116 | 52,792 |
| *Passed through California Department of Transportation:* | | | |
| Highway Planning and Construction - Pioneer Trail Pedestrian Upgrades | 20.205 | STPL-5398 (014) | 223,131 |
| Highway Planning and Construction - Pioneer Trail- Edna Street Safety Improvement | 20.205 | HSIPL-5398 (016) | 1,085 |
| Total Highway Planning and Construction | | | 224,216 |
| **Total U.S. Department of Transportation** | | | **799,561** |
| **U.S. Department of the Treasury** | | | |
| *Direct:* | | | |
| COVID-19 - Coronavirus State and Local Fiscal Recovery Funds | 21.027 | N/A | 3,418,504 |
| **Total U.S. Department of the Treasury** | | | **3,418,504** |
| **U.S. Department of Homeland Security** | | | |
| *Passed through California Office of Emergency Services (CalOES):* | | | |
| COVID-19 Disaster Grants - Public Assistance - COVID Emergency Protective Measures | 97.036 | FEMA-4482-DR-CA | 7,868 |
| **Total U.S. Department of Homeland Security** | | | **7,868** |
| **Total Expenditures of Federal Awards** | | | **$ 5,099,434** |

## Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (Schedule) includes the federal award activity of the City of South Lake Tahoe, California (City) under programs of the federal government for the year ended September 30, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

## Note 2 - Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting, except for the expenditures of the Airport Improvement Program, which are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts, if any, shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in the prior years. No federal financial assistance has been provided to a subrecipient.

## Note 3 - Direct and Indirect (Pass-Through) Federal Awards

Federal awards may be granted directly to the City by a federal granting agency or may be granted to other government agencies which pass-through federal awards to the City. The Schedule includes both of these types of Federal award programs when they occur.

## Note 4 - Indirect Cost Rate

The City has not elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

## Section I – Summary of Auditor's Results

**FINANCIAL STATEMENTS**

| | |
|---|---|
| Type of auditor's report issued | Unmodified |
| Internal control over financial reporting: | |
| Material weaknesses identified | No |
| Significant deficiencies identified not considered to be material weaknesses | None Reported |
| Noncompliance material to financial statements noted? | No |

**FEDERAL AWARDS**

| | |
|---|---|
| Internal control over major program: | |
| Material weaknesses identified | No |
| Significant deficiencies identified not considered to be material weaknesses | No |
| Type of auditor's report issued on compliance for major programs: | Unmodified |
| Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516 (a): | No |

**Identification of major programs:**

| Name of Federal Program | Federal Financial Assistance Listing |
|---|---|
| Coronavirus State and Local Fiscal Recovery Funds | 21.027 |

| | |
|---|---|
| Dollar threshold used to distinguish between type A and type B programs: | $750,000 |
| Auditee qualified as low-risk auditee? | No |

**Section II – Financial Statement Findings**

None reported.

## Section III – Federal Award Findings and Questioned Costs

None reported.

**Financial Statement Findings:**

| Finding No. | Finding Description | Status of Corrective Action |
|---|---|---|
| 2023-001 | Financial Reporting | Implemented |

**Federal Award Findings:**

| Finding No. | Program/Cluster/Description | Assistance Listing No. | Compliance Requirement | Status |
|---|---|---|---|---|
| 2023-002 | COVID-19 Coronavirus State and Local Fiscal Recovery Funds | 21.027 | Reporting | Implemented |
| 2023-003 | COVID-19 Coronavirus State and Local Fiscal Recovery Funds | 21.027 | Procurement, Suspension and Debarment | Implemented |

# City of South Lake Tahoe

**Agenda Item Executive Summary**

Joe Irvin, City Manager

**Meeting Date:** April 22, 2025
**Agenda Item #:**18

**Agenda Item:** Agreement with Government Consulting Partners, Inc. for Citywide User Fee Study

**Executive Summary:** A user fee study is an important financial management tool used by local governments to evaluate the full cost of providing fee-related services and to assess whether current fees are aligned with the cost of service delivery. These studies help ensure user fees are fair, equitable, and legally compliant with standards such as Proposition 26 and Government Code Section 66014. The City of South Lake Tahoe updates its Master Fee Schedule annually using the Consumer Price Index (CPI) to account for inflationary changes. However, CPI adjustments do not fully capture operational shifts such as changes in staffing, service delivery methods, or regulatory requirements. As such, periodic comprehensive studies are necessary to assess actual service costs and ensure fees are appropriately structured. Although the Cityâ€™s Financial Policy encourages conducting a user fee study every two to three years as a best practice to strengthen the City's financial position, the last comprehensive study was completed in 2015. The proposed study is therefore a much-needed update that will provide a full analysis of the Cityâ€™s fee structures and cost recovery levels. This project will also include the development of a Cost Allocation Plan to fairly distribute indirect costs across departments, improving transparency and enabling the City to recover overhead costs where allowable. Together, these tools will support long-term financial sustainability and ensure that the City continues to provide high-quality services in a fiscally responsible and equitable manner.

**Requested Action / Suggested Motions:** Pass a Motion authorizing and directing the Mayor to execute Professional Services Agreement with Government Consulting Partners, Inc. for Citywide User Fee Study and Cost Allocation Plan Preparation in an amount not to exceed $70,835.00.

**Responsible Staff Member:** Olga Tikhomirova, Director of Finance

**Reviewed and Approved By:** Susan Blankenship, City Clerk Heather Stroud, City Attorney

**Attachments:**

01-Staff Report User Fee Study.docx
02-PSA with GCP User Fee Study.pdf

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

**Meeting Date:** April 22, 2025

**Title:** Approval of Professional Services Agreement with Government Consulting Partners, Inc. (GCP) to Conduct Citywide User Fee Study and Prepare a Cost Allocation Plan

**Location:** Citywide

**Responsible Staff Member:** Olga Tikhomirova, Director of Finance

**Background:** Local governments provide a wide range of services to the community, many of which are funded in part through user fees. These fees help offset the cost of service delivery and promote fiscal sustainability. Over time, the actual cost of providing services can change due to inflation, changes in staffing, service levels, or regulatory requirements. To ensure the City's fees remain equitable, defensible, and compliant with applicable laws such as Proposition 26 and Government Code Section 66014, it is considered best practice to periodically evaluate and update user fee structures.

Additionally, preparing a comprehensive Cost Allocation Plan enables the City to fairly and accurately distribute indirect costs to various departments and services, and to recover overhead costs where permitted - especially in relation to grants and enterprise funds.

The City of South Lake Tahoe Finance Department periodically performs a comprehensive citywide review and evaluation of user fees and charges to ensure the City is accurately accounting for the total cost to provide fee-related services. The last User Fee Study was performed and approved by City Council in 2015.

To that end, the Finance Department determined it was necessary to update the study and engage the services of a qualified professional firm experienced in cost recovery and economic analysis to conduct a new, comprehensive study. The primary objective is to prepare a citywide cost-based user fee study that calculates the full (100%) cost of providing specific City services and provides recommended fees for each applicable service, while also ensuring compliance with relevant regulations.

**Issue and Discussion:** On January 17, 2025, the Finance Department released a Request for Proposal (RFP) on PlanetBids online portal, inviting qualified firms to submit proposals for a comprehensive review and evaluation of citywide user fees. The RFP emphasized that the first priority of the study would be to develop a fee structure for the new Recreation and Aquatics Center by June 2025.

Proposals were due February 25, 2025, and the City received five responses. A selection committee of staff from both the Finance and Parks and Recreation Departments evaluated the proposals. The top two vendors were invited to participate in interviews for further evaluation. Following interviews and reference checks, GCP was selected as the top-ranked firm, receiving a total score of 450, followed closely by Willdan with 445 points.

GCP brings extensive experience in user fee analysis for California municipalities, including past work with the City of South Lake Tahoe in 2005. Evaluators highlighted GCP's tailored approach and commitment to meeting the Recreation and Aquatics Center timeline. GCP has committed to assign a dedicated staff member to that portion of the study and will conduct a five-day on-site visit to the Recreation Center to collaborate with staff and gain a complete understanding of department goals and services.

In addition to the user fee study, GCP will prepare a comprehensive Cost Allocation Plan and an indirect cost rate. They will also provide Excel-based reports and models that will allow staff to update costs and fees in the future as service costs evolve.

The study will:

- Analyze current service costs based on time, materials, and overhead
- Review the full cost of services and compare against current fee schedules
- Evaluate the cost-effectiveness and compliance of current cost recovery policies
- Develop a defensible, transparent Cost Allocation Plan
- Provide a framework for setting and updating fees in the future

This process will include close coordination with City departments, opportunities for public engagement, and City Council review. The final deliverables will support informed decision-making regarding user fees and cost recovery goals, ensuring that City fees are fair, equitable, and aligned with community expectations, while also promoting long-term financial sustainability and regulatory compliance.

**Financial Implications:** The total cost of the user fee study and cost allocation plan, as proposed by GCP, is all-inclusive and not to exceed $70,835, as outlined in the attached Professional Service Agreement. The project will be funded from the current FY 2024/2025 budget, under the Finance department's Professional Services account 100-01511-42020.

**Environmental Considerations:** This is not a "project" subject to review under the California Environmental Quality Act (CEQA) Guidelines section 15378(b)(2) (continuing administrative or maintenance activities, such as purchases for supplies)

**Policy Implications:** This action is consistent with the City's Financial Policy "Strengthening Financial Position" and aligns with the 2025-2030 Strategic Plan, specifically the Core Value of "Sustainability" and the Strategic Priority of "Recreation and Equitable Access for All".

**CITY OF SOUTH LAKE TAHOE**

# PROFESSIONAL SERVICES AGREEMENT

This Agreement is made and entered into as of the 22nd day of April 2025 by and between the **City of South Lake Tahoe**, a municipal corporation ("City") and **Government Consulting Partners, Inc. (GCP)** ("Consultant").

## RECITALS

A. Consultant is specially trained, experienced and competent to perform the special services which will be required by this Agreement.

B. Consultant possesses the skill, experience, ability, background, certification and knowledge to provide the services described in this Agreement on the terms and conditions described herein.

C. City desires to retain Consultant to render professional services as set forth in this Agreement.

## AGREEMENT

1. Scope of Services. Consultant shall perform the services set forth in this agreement and shall provide said services at the time, place, and in the manner specified in this agreement. Consultant shall have no power or authority by this Agreement to bind City in any respect.

   The Consultant agrees that it has satisfied itself by its own investigation and research regarding the conditions affecting the work to be done and labor and materials needed, and that its decision to execute this Contract is based on such independent investigation and research.

   All services provided by Consultant pursuant to this Agreement will be provided in accordance with the terms set forth in the **Exhibit A, "Scope of Services,"** attached hereto and incorporated herein by reference. **Exhibit B, "Compensation Schedule,"** attached hereto and incorporated herein by reference, outlines the fees and compensation which shall be paid pursuant to this Agreement.

2. Term/Time of Performance. The services by Consultant are to commence upon the execution of the Agreement and continue for 1 year.

3. Compensation. Compensation to be paid to Consultant shall be in accordance with the Schedule set forth in **Exhibit B** which is attached hereto and incorporated herein by reference. In no event shall Consultant's compensation, including travel and out-of-pocket expenses, exceed **$70,835** without additional written authorization from City. Payment by City under this Agreement shall not be deemed a waiver of defects, even if such defects were known to City at the time of payment. Payment is contingent upon compliance with all terms and conditions of this Agreement, as set forth herein. Consultant shall obtain prior written authorization from the City Project Manager for any costs in excess of budgeted amounts for each line item, task, or obligation under the Scope of Services.

4. Method of Payment. Consultant shall submit monthly billings to City describing the work performed during the preceding month. Consultant's bills shall include a brief description of the services performed, the date the services were performed, the number of hours spent and by whom, the applicable hourly rate, and a description of any reimbursable expenditures. City shall pay Consultant no later than 30 days after approval of the monthly invoice by City staff.

5. Extra Work. At any time during the term of this Agreement, City may request that Consultant perform extra work. As used herein, "Extra Work" means any work which is determined by City to be necessary for the proper completion of the Project, but which the parties did not reasonably anticipate would be necessary at the execution of this Agreement. Consultant shall not perform, nor be compensated for, extra work without prior written authorization from City.

6. Termination. This Agreement may be terminated by City or Consultant immediately for cause or without cause upon thirty days (30) days written notice of termination. Upon termination, Consultant shall be entitled to compensation for services performed up to the effective date of termination, and City shall be entitled to all work performed to that date.

   Termination, revocation, or expiration of this Agreement shall not release either party from liability resulting from an event which occurred prior to such termination, revocation or expiration.

7. Ownership of Documents.

All plans, studies, documents and other writings, including working notes and internal documents, prepared by and for Consultant, its officers, employees and agents and subcontractors in the course of implementing this Agreement, shall become the property of City upon payment to Consultant for such work, and City shall have the sole right to use such materials in its discretion without further compensation to Consultant or to any other party. Consultant shall, at Consultant's expense, provide such reports, plans, studies, documents and other writings to City upon written request. All documents prepared by Consultant are confidential and shall be maintained to preserve their confidential nature. Release of any such documents to third parties shall only be made upon written consent of City.

8. Consultant's Books and Records.

a. Consultant shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services, or expenditures and disbursements charged to City for a minimum period of three (3) years, or for any longer period required by law, from the date of final payment to Consultant for services provided pursuant to this Agreement.

b. Consultant shall maintain all documents and records which demonstrate performance under this Agreement for a minimum period of three (3) years, or for any longer period required by law, from records shall be available at Consultant's address indicated for the date of termination or completion of this Agreement.

c. Any records or documents required to be maintained pursuant to this Agreement shall be made available for inspection or audit, at any time during regular business hours, upon written request by the City Manager, City Attorney, City Auditor or a designated representative of these officers. Copies of such documents shall be provided to City for inspection at City offices when it is practical to do so. Otherwise, unless an alternative is mutually agreed upon, the receipt of notices in this Agreement.

d. Where City has reason to believe that such records or documents may be lost or discarded due to dissolution, disbandment or termination of Consultant's business, City may, by written request by any of the above-named officers, require that custody of the records be given to City and that the records and documents be maintained at City offices. Access to such records and documents shall be granted to any party authorized by Consultant, Consultant's representatives, or Consultant's successor-in-interest.

9. Independent Contractor. It is understood that Consultant, in the performance of the work and services agreed to be performed, shall act as and be an independent contractor and shall not act as an agent or employee of City. Consultant shall obtain no rights to retirement benefits or other benefits which accrue to City's employees, and Consultant hereby expressly waives any claim it may have to any such rights. All employees, agents, contractors or subcontractors hired or retained by Consultant are employees, agents, contractors or subcontractors of Consultant and not of the City.

City is not required to make any deductions or withholdings form the compensation payable to Consultant under the provisions of this Contract, and is not required to issue W-2 Forms for income and employment tax purposes for any of Consultant's assigned personnel. Any third party persons employed by Consultant shall be entirely and exclusively under the direction, supervision, and control of Consultant. Consultant hereby indemnifies and holds City harmless from any and all claims that may be made against City based upon any contention by any third party that an employer-employee relationship exists by reason of this Contract.

10. Interest of Consultant. Consultant, (and principals, associates and professional employees of consultant) covenants and represents that it does not now have any investment or interest in real property and shall not acquire any interest, direct or indirect, in the area covered by this Agreement or any other source of income, interest in real property or investment which would be affected in any manner or degree by the performance of Consultant's services hereunder. Consultant further covenants and represents that in the performance of its duties hereunder no person having any such interest shall perform any services under this Agreement.

Consultant is not a designated employee within the meaning of the Political Reform Act because Consultant:

a. Will not serve in a staff capacity and will conduct research and arrive at conclusions with respect to their rendition of information, advice, recommendation or counsel independent of the control and direction of City or of any City official, other than normal agreement monitoring; and,

b. Possesses no authority with respect to any city decision beyond rendition of information, advice, recommendation or counsel. [FPPC Reg. 18700.3(a)].

11. Professional Ability of Consultant. City has relied upon the professional training and ability of Consultant to perform the services hereunder as a material inducement to enter into this Agreement. Consultant shall therefore provide properly skilled professional and technical personnel to perform all services under this Agreement. All work performed by Consultant under this Agreement shall be in accordance with applicable legal requirements and shall meet the standard of quality ordinarily to be expected of competent professionals in Consultant's field of expertise.

12. Compliance with Laws. Consultant shall comply with all applicable federal, state, regional and local laws, codes, ordinances and regulations in carrying out their duties under this Agreement. Consultant shall observe and comply with all applicable laws, ordinances, regulations and codes of federal, state and local governments, and shall commit no trespass on any public or private property in performing any of the work authorized by this Agreement. The City, its officials, officers, elected officials, appointed officials and employees shall not be liable at law or in equity as a result of any failure of Consultant to comply with this section.

In the event it is determined that the Consultant is required to pay prevailing wages for the work performed under this Agreement, the Consultant shall pay all penalties and wages as required by law.

13. Licenses. Consultant represents and warrants to City that it has all licenses, permits, qualifications, insurance and approvals of whatsoever nature which are legally required of Consultant to practice its profession. Consultant

represents and warrants to City that Consultant shall, at its sole cost and expense, keep in effect or obtain at all times during the term of this Agreement, any licenses, permits, insurance and approvals which are legally required of Consultant to practice its profession. If Consultant will be physically present in the City of South Lake Tahoe to perform some or all of the services, Consultant shall maintain a City of South Lake Tahoe business license at all times services are performed under this Agreement. Consultant acknowledges that payments made pursuant to this Agreement may be withheld until this provision has been satisfied.

14. Indemnity. Consultant hereby agrees to and shall indemnify and hold harmless City, its elected and appointed boards, officers, agents, employees and volunteers from and against any liability for any and all claims, demands, actions, losses, damages and injuries, direct or indirect (including any and all costs and expenses in connection therein), arising out of this Agreement or caused in any way by Consultant's negligent performance of this Agreement or its breach of its obligations contained in this Agreement, except for any such claims arising out of the negligence or willful misconduct of the City. Consultant agrees to defend City from and against any and all losses, damages, claims costs and fees arising out Consultant's negligent acts, errors, omissions, regarding this Agreement, the Consultant's work under this Agreement, or the consultant's Scope of Work.

City does not, and shall not, waive any rights against Consultant which it may have by reason of the aforesaid hold harmless agreement, because of the acceptance by City, or the deposit with City by Consultant, of any of the insurance policies hereinafter set forth.

This hold harmless agreement by Consultant shall apply to all damages and claims for damages, or alleged to have been suffered, by reason of any of the aforesaid operation of Consultant or any subcontractor, regardless of whether such insurance policies shall have been determined to be applicable to any of such damages or claims for damages.

Consultant further waives any and all rights to any type of express or implied indemnity or right of contribution from the City for any liability, claims, demands, costs, charges and expenses and causes of action of whatsoever arising out of or in any way connected with this Agreement, and consultant's work under this Agreement.

15. Insurance Requirements.

a. Consultant, at Consultant's own cost and expense, shall procure and maintain, for the duration of the contract, the following insurance policies.

i. Workers' Compensation Coverage. Consultant shall maintain Workers' Compensation Insurance and Employer's Liability Insurance for their employees in accordance with the laws of the State of California. In addition, Consultant shall require each subcontractor to similarly maintain Workers' Compensation Insurance and Employer's Liability Insurance in accordance with the laws of the State of California for all of the subcontractor's employees. Any notice of cancellation of all Workers' Compensation policies must be received by City at least thirty (30) days prior to such change. Consultant shall provide thirty (30) days written notice of nonrenewal of any Workers' Compensation policies. The insurer shall agree to waive all rights of subrogation against City, its officers, agents, employees and volunteers for losses arising from work performed by Consultant for City.

ii. Commercial General Liability Coverage. Consultant shall maintain commercial general liability insurance no less broad than ISO form CG 00 01 in an amount not less than one million dollars ($1,000,000) per occurrence for bodily injury, personal injury and property damage. Coverage must be made on the standard Occurrence form. Claims-Made forms are not acceptable without prior written consent of City. City of South Lake Tahoe must be endorsed as an additional insured for liability arising out of ongoing operation by on behalf of Consultant. If a commercial general liability insurance form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit.

iii. Automobile Liability Coverage. Consultant shall maintain automobile liability insurance covering bodily injury and property damage for all activities of the Consultant arising out of or in connection with the work to be performed under this Agreement, including coverage for owned, hired and non-owned vehicles, in an amount of not less than one million dollars ($1,000,000) combined single limit for each occurrence.

iv. Professional Liability Coverage. Consultant shall maintain professional errors and omissions liability insurance for protection against claims alleging negligent acts, errors or omissions which may arise from Consultant or by its employees, or subcontractors. The amount of this insurance shall not be less than one million dollars ($1,000,000) on a claims-made annual aggregate basis, or a combined single-limit per occurrence basis.

v. Cyber Liability Coverage. Consultant shall maintain cyber liability insurance with limits not less than one million dollars ($1,000,000) per claim, two million dollars ($2,000,000) aggregate. Coverage shall be sufficiently broad to sufficiently broad to respond to the duties and obligations as is undertaken by Vendor in this agreement and shall include, but not limited to, claims involving security breach; system failure; data recovery; business interruption; cyber extortion; social engineering; infringement of intellectual property, including but not limited to infringement of copyright, trademark, trade dress, invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information, and alteration of electronic information. The policy shall provide coverage for breach response costs as well as regulatory fines and penalties, and credit monitoring expenses with limits sufficient to respond to these obligations. Vendor's policy shall be primary and shall not seek contribution from the City's coverage, shall contain a waiver of subrogation in favor of the City, and shall be endorsed to provide that City and its officers, officials, employees, agents, and volunteers are additional insureds. Any failure to comply with the reporting provisions of

the policy by Vendor shall not affect coverage provided to the City. If Vendor maintains broader coverage and/or higher limits than the minimums listed above, City requires and shall be entitled to the broader coverage and/or higher limits maintained by the Vendor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to City.

b. Endorsements. Each general liability and automobile liability insurance policy shall be with insurers possessing a AM Best's rating of no less than A:VII and shall be endorsed with the following specific language:

i. City, its elected or appointed officers, officials, employees, agents and volunteers are to be covered as additional insured's under Consultant's General Liability and Automobile Liability policies with respect to liability arising out of this Agreement and/or work performed by or on behalf of the Consultant, including materials, parts or equipment furnished in connection with such work or operations.

ii. This policy shall be considered primary insurance as respects City, its elected or appointed officers, officials, employees, agents and volunteers. Any insurance maintained by City, including any self-insured retention City may have, shall be considered excess insurance only and shall not contribute with it.

iii. This insurance shall act for each insured and additional insured as though a separate policy had been written for each, except with respect to the limits of liability of the insuring Consultant.

iv. The insurer waives all rights of subrogation against City except for Consultant's Professional Liability and Employers' Liability policies, its elected or appointed officers, officials, employees or agents.

v. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to City, its elected or appointed officers, officials, employees, agents or volunteers.

vi. No policies of insurance carried by Consultant shall be suspended, voided, canceled, or changed in coverage or in limits except after thirty (30) days written notice to the City Attorney by Certified Mail.

c. Deductibles and Self-Insured Retentions. The Consultant shall be responsible for all deductibles in all of Consultant's insurance policies. The amount of deductibles for insurance coverage required herein shall be reasonable and approved by the City Attorney.

d. Certificates of Insurance. Consultant shall provide certificates of insurance with original endorsements to City as evidence of the insurance coverage required herein. Consultant shall not commence work under this contract until all insurance required under this section has been approved by City as to form, amount and carrier, nor shall Consultant allow any subcontractor to commence work on any subcontract until all similar insurance required and reasonably consistent limits of the subcontractor has been so obtained and approved. Certificates of insurance shall contain no exclusions unless negotiated with the City Attorney and approved, in writing, by the City Attorney.

16. Notices. Any notice required to be given under this Agreement shall be in writing and either served personally or sent prepaid, first class mail. Any such notice shall be addressed to the other party at the address set forth below. Notice shall be deemed communicated within 48 hours from the time of mailing if mailed as provided in this section.

If to City: City of South Lake Tahoe
1901 Lisa Maloff Way
South Lake Tahoe, CA 96150

Provide a copy to: City Attorney's Office
City of South Lake Tahoe
1901 Lisa Maloff Way, Suite 300

South Lake Tahoe, CA 96150

If to Consultant: J Bradley Wilkes, CEO
Government Consulting Partners, Inc.
5016 Brower Court, Granite Bay, CA 95746

Provide a copy to:

17. Assignment and Subcontracting. The parties recognize that a substantial inducement to City for entering into this Agreement is the professional reputation, experience and competence of Consultant. Assignments of any or all rights, duties or obligations of the Consultant under this Agreement will be permitted only with the express consent of City. Consultant shall not subcontract any portion of the work to be performed under this Agreement without the written authorization of City. If City consents to such subcontract, Consultant shall be fully responsible to City for all acts or omissions of the subcontractor. Nothing in the Agreement shall create any contractual relationship between City and subcontractor nor shall it create any obligation on the part of City to pay or to see to the payment of any monies due to any such subcontractor other than as otherwise required by law.

18. Waiver. Waiver of a breach or default under this Agreement shall not constitute a continuing waiver of a subsequent breach of the same or any other provision under this Agreement.

19. Dispute Resolution. Any dispute concerning this Agreement will be first submitted to the City Manager or his designee for resolution. If no resolution is reached, such dispute shall be submitted to the City Council. The decision of the City Council shall be final and shall be appealable only to the El Dorado Superior Court pursuant to California Code of Civil Procedure §1094.5, and as provided by law.

20. Controlling Law Venue. This Agreement and all matters relating to it shall be governed by the laws of the State of California and any action brought relating to this Agreement shall be held exclusively in the Superior Courts in the County of El Dorado, South Lake Tahoe Division.

21. Prohibited Interests. Consultant maintains and warrants that it has not employed nor retained any Consultant or person, other than the independent contractors hired in accordance with Consultant's standard business practice, to solicit or secure this Agreement. Further, Consultant warrants that it has not paid, nor has it agreed to pay any Consultant or person, other than a bona fide employee working solely for Consultant or an independent contractor hired as discussed above, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, City shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of City, during the term of his or her service with City, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

22. Equal Opportunity Employment. Consultant represents that it is an equal opportunity employer, and it shall not discriminate against any subcontractor, employee, or applicant for employment because of ancestry, age, color, disability, genetic information, gender expression, gender identity, marital status, medical condition, military or veteran status, national origin, race, religion, reproductive health decision making, sex/gender, or sexual orientation. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, or termination.

23. Drug-Free Workplace Certification. This certification is only required for consultants receiving payment from Grant Funding. By signing this Agreement, Consultant hereby certifies under penalty of perjury under the laws of the State of California that the Consultant will comply with the requirements of the Drug-Free Workplace Act of 1990 (Government Code Section 8355, et seq.) and will provide a drug-free workplace by taking the following actions:

a. Publish a statement notifying employees that unlawful manufacture, distribution dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations, as required by Government Code Section 8355(a).
b. Establish a Drug-Free Awareness Program as required by Government Code Section 8355(a)(2) to inform employees about all of the following:

    i. The dangers of drug abuse in the workplace;

ii. The person's or organization's policy of maintaining a drug-free workplace;
iii. Any available counseling, rehabilitation and employee assistance program; and
iv. Penalties that may be imposed upon employees for drug abuse violations.

c. Provide, as required by Government Code Section 8355(a)(3), that every employee who performs grant activities under this Agreement:

i. Will receive a copy of the Consultant's drug-free policy statement; and
ii. Will agree to abide by the terms of the Consultant's statement as a condition of employment on this Agreement.

Failure to comply with these requirements may result in suspension of payments under this Agreement or termination of the Agreement, or both, and Consultant may be ineligible for award of any future City agreements if City determines that any of the following has occurred: the Consultant (1) has made false certification, or (2) violates the certification by failing to carry out the requirements as noted above.

24. Anti-Lobbying Certification. Consultant shall submit to City the Anti-Lobbying Certification contained in **Exhibit C**. Further, Consultant shall require that the language of the certification in **Exhibit C** be included in all contracts or subcontracts entered into in connection with this Agreement and that all Consultants and contractors shall certify and disclose accordingly.

25. Debarment, Suspension, Ineligibility and Voluntary Exclusion. By signing this Agreement, Consultant assures that neither it nor its principals, is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in covered transactions by any Federal department or agency.

26. Americans with Disabilities Act. By signing this Agreement, Consultant assures the City that it complies with the American with Disabilities Act (ADA) of 1990, (42 U.S.C. 12101, et. seq.), which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to ADA.

27. Amendments. This Agreement may be modified or amended only by a written document executed by both Consultant and City and approved as to form by the City Attorney.

28. Severability. If any term or portion of this Agreement is held to be invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions of this Agreement shall continue in full force and effect.

29. Entire Agreement. This Agreement constitutes the complete and exclusive statement of Agreement between City and Consultant. All prior written and oral communications, including correspondence, drafts, memoranda, and representations, are superseded in total by this Agreement.

30. Execution. This Agreement may be executed in several counterparts, each of which shall constitute one and the same instrument and shall become binding upon the parties when at least one copy hereof shall have been signed by both parties hereto. In approving this Agreement, it shall not be necessary to produce or account for more than one such counterpart.

31. Time is of the Essence. Time is of the essence for this Agreement.

32. Authority to Enter Agreement. Consultant has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and to bind each respective party.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the date first written above.

| | |
|---|---|
| CITY OF SOUTH LAKE TAHOE: | CONSULTANT: |
| By_____ | By _____ |
| Tamara Wallace, Mayor | J Bradley Wilkes, CEO |
| Date _____ | Date _____ |

Business License # _____

APPROVED AS TO FORM:

By_____ Date _____

Heather Stroud, City Attorney

ATTEST:

By_____ Date _____

Susan Blankenship, City Clerk

Attachments:

Exhibit A – Scope of Services
Exhibit B – Compensation Schedule
Exhibit C - Anti-Lobbying Certification

# EXHIBIT A

## SCOPE OF SERVICES

**(starting next page)**

**USER FEE STUDY SCOPE OF SERVICES – Per GCP Proposal Dated February 25th 2025**

Step One: Kickoff Meetings & Data Gathering Meetings:

1) Meet with the city management team and department heads to introduce the study. confirm the City's overall project lead and communication protocols.

2) Obtain budgets, staffing information, adopted fee policies, etc., to begin the project.

3) Initial meetings with individual departments

4) Data gathering meetings: Conduct on-site or virtual meetings with each department under study. To minimize staff homework assignments, strive to obtain 90% of the time requirement data from these meetings.

5) Assign team member to focus on new Recreation Center analysis per GCP proposal

6) Conduct five-day site visit to the new Recreation Center

Step Two: Execute - Initiate Cost Analysis:

1) Input data received from the data-gathering meetings into GCP software.

2) GCP reviews for completeness and issues a request for any missing data.

3) Review overhead rate calculations and fully burdened hourly rate calculations with City representatives.

Step Three: Deliver Draft Cost Analysis Results:

1) GCP prepares a draft report that identifies the full cost of each service analyzed, the fee currently charged, the resulting subsidy, and proposed fee adjustments. The report also addresses significant findings, concerns, and opportunities that have come to our attention throughout the study.

2) A market survey comparing fees charged by neighboring jurisdictions is included.

3) The draft report is circulated to management and department staff for comments.

4) The City's project lead negotiates a review timeframe. This timeframe or window must be sufficient for proper staff review while staying within the project timeline.

5) Comments, corrections, and any findings discovered during the study are incorporated.
6) The final draft report is issued.

## Presentations and fee implementation

GCP works with City management to customize a fee implementation strategy that works best for the city. Typically, this involves an outreach meeting to interested community members and a presentation to a finance committee. These meetings ensure that the community has a voice in the fee schedule structures and policies.

## Step Four: Finalize Results:

1) Working with city staff, GCP incorporates all appropriate feedback and finalizes the project results and recommendations.

2) Deliver Excel-based fee model to city staff. If desired, train staff to update the model for future changes such as adding or deleting staff, updating expenditures, and adding or deleting fee categories. Our model also incorporates a feature for updating results based on a CPI adjustment factor.

3) Prepare for and schedule City Council and other presentations.

**COST ALLOCATION PLAN SCOPE OF SERVICES - Per GCP Proposal Dated February 25th 2025**

### Step 1: Project Introductory Meeting

GCP recommends holding an introductory meeting with key staff members, including general and non-general fund departments, to ensure a successful start. GCP will look to city staff for guidance on the purpose and content of the meeting and a list of invitees. GCP considers an initial meeting to review the project's overall goals and objectives, which are vital to a successful outcome.

### 2: Execute Data Review

As soon as possible, lists of basic data requirements will be developed. They include lists of selected staff salary levels, benefit-cost details, operational budgets, transaction statistics, etc. GCP will work with the city to develop and gather needed data most efficiently. Most importantly, GCP will also present an analysis of the current CAP (if there is one) with ideas and suggestions for improvement for the city's consideration. The cost plan and rate structures will be developed once this basic data is acquired and the review is complete.

### Step 3: Central Service Department Preparation

GCP will review the central city financial and operational data as it is gathered. This step of the process will focus on what central service departments (finance, council, clerk, HR, Legal, etc) will be allocated in the plan.

### Step 4: Central Service Departmental Reviews

Central service or "allocating departments" are interviewed or reviewed to ensure that costs are spread to reflect the work done, the departments that benefited, and which allocation bases are proper - all key principles stated throughout federal guidelines. While GCP staff will bring a background of knowledge and ideas to these interviews, it is also essential to listen to department staff who understand their expertise. Examples of departments to be interviewed include city clerk, city manager, legal services, human resources, etc. In addition, any internal services funds (ISF) that charge for services will be interviewed to ensure indirect costs are allocated accurately so that they can be included in the full cost analysis when calculating ISF rates.

### Step 5: Personnel Staff Analysis

Staff analysis as to where they spend their time can be implemented in the cost plan. For a user fee study, this step can be more high level than detailed.

### Step 6: Departmental Cost Distribution

This schedule allocates the central service's departmental costs and any "incoming costs" from other central service departments.

### Step 7: Developing Allocation Bases

After the departmental functions are created and costs are distributed across functions, a separate meaningful allocation base will be selected that best reflects the benefit each city department receives from the various services. For example, in accounting, once the payroll functional cost pool is developed, an allocation base will be selected to distribute the payroll cost to all departments that benefit from the payroll service. Using federal and state guidelines, the allocation base must reflect a connection between the service provided and the service received. An example of payroll could be the number of paychecks issued per department during the fiscal year – in other words – the more paychecks the department receives, the more payroll cost is allocated.

### Step 8: Cost Allocation Management Reports:

Once each central service department is interviewed, the departmental costs are distributed to functional cost pools, and each cost pool is given an allocation base, the cost plan will be ready to be produced. GCP software is 100% Excel-based. This includes not only the resulting report but all the calculations as well. This approach provides unlimited flexibility in calculating, formatting, and reporting information. The GCP system produces Excel-based reports as well as the corresponding PDFs. Our formats display the typical double step-down process used in California and across the county since the 1980s.

## NUMBER OF ONSITE MEETINGS:

During the cost plan and user fee study portions of the study, GCP anticipates an unlimited number of online meetings with the city. In addition to the five-day onsite effort focused on the recreation portion of the study, two additional onsite meetings are budgeted in our fee.

**EXHIBIT B**

**SCHEDULE OF CHARGES AND TIMELINE**

**BUDGET**

| | |
|---|---|
| **Estimated fees (not to exceed)** | |
| **User Fee Study** | **$59,865** |
| **Cost Allocation Plan** | **$8,970** |
| **Additional Five-day site visit (new Rec Center)** | **$2,000** |
| **Travel and out-of-pocket expenses** | **None** |
| **(travel is included in the TOTAL (not to exceed amount)** | |
| **TOTAL (not to exceed)** | **$70,835** |

***On-site meetings outside the proposed scope of services will be charged a fixed fee of $2,000 per meeting, per written approval by Director of Finance.***

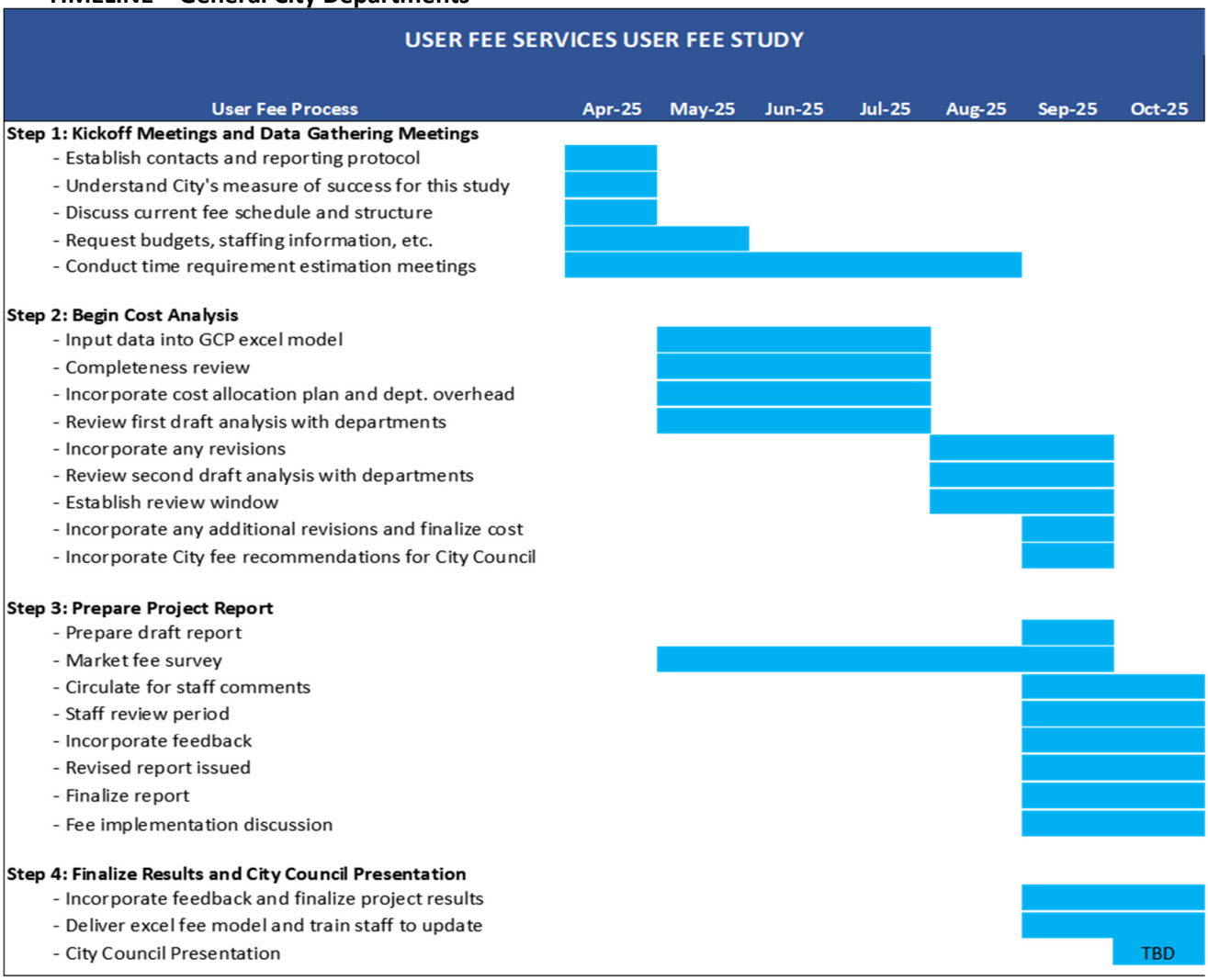
Timeline Specifics:

GCP understands the importance of completing the recreation / aquatics center by the opening date. GCP is ready to team with city staff to meet that deadline as shown below:

## TIMELINE – Specific to the Recreation Department



**TIMELINE – General City Departments**




## TIMELINE – SPECIFIC TO THE COST ALLOCATION PLAN

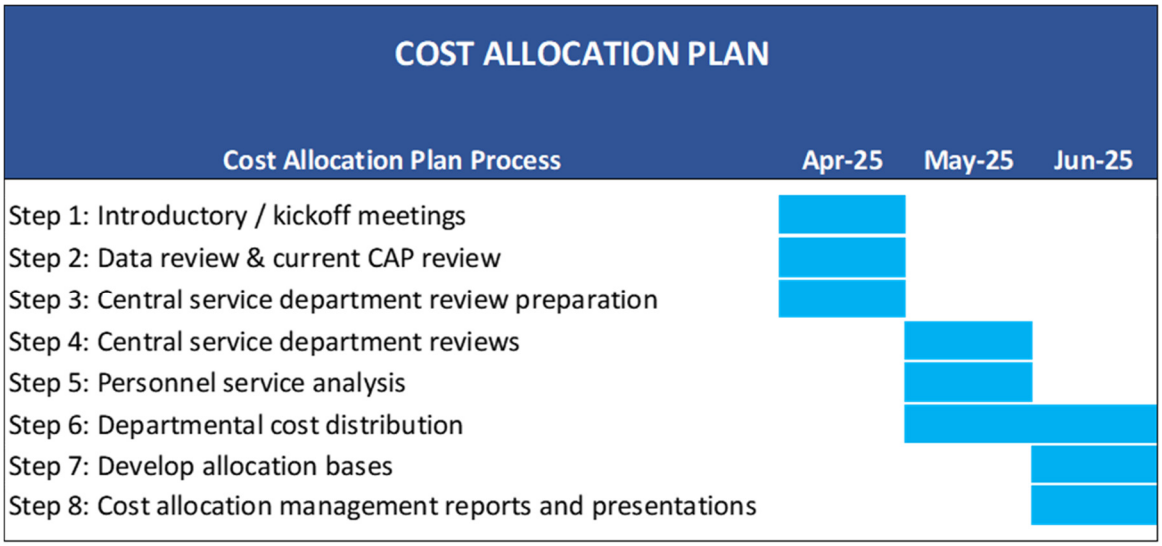


**EXHIBIT C**

## ANTI-LOBBYING CERTIFICATION

**Consultant shall submit to City this certification prior to or at the time of the execution of this Agreement.**

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U. S. Code. Any person who fails to file the required certification shall be subject to a civil penalty not less than $10,000 and no more than $100,000 for such failure.

The undersigned certifies, to the best of his or her knowledge or belief, that:

1. No federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement; and

2. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instruction.

Consultant:
J Bradley Wilkes, CEO

By:_____

# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 4/14/2025

**THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.**

**IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).**

**PRODUCER**
Inszone Insurance Services, LLC
2721 Citrus Road, Suite A
Rancho Cordova CA 95742

License#: 0F82764

**CONTACT NAME:** Lory Williams
**PHONE (A/C, No, Ext):** 916-960-8718 **FAX (A/C, No):** 916-503-6271
**E-MAIL ADDRESS:** info@inszoneins.com

| INSURER(S) AFFORDING COVERAGE | NAIC # |
|---|---|
| INSURER A : Philadelphia Indemnity Insurance Company | 18058 |
| INSURER B : Hartford Casualty Ins Co | 29424 |
| INSURER C : | |
| INSURER D : | |
| INSURER E : | |
| INSURER F : | |

**INSURED**
Government Consulting Partners, Inc.
DBA: Government Consulting Partners
6885 Douglas Blvd # 250
Granite Bay, CA 95746
GOVECON-01

**COVERAGES** **CERTIFICATE NUMBER:** 819200424 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

| INSR LTR | TYPE OF INSURANCE | ADDL INSD | SUBR WVD | POLICY NUMBER | POLICY EFF (MM/DD/YYYY) | POLICY EXP (MM/DD/YYYY) | LIMITS | |
|---|---|---|---|---|---|---|---|---|
| A | X **COMMERCIAL GENERAL LIABILITY**<br>CLAIMS-MADE X OCCUR<br>GEN'L AGGREGATE LIMIT APPLIES PER:<br>X POLICY PRO-JECT LOC<br>OTHER: | Y | Y | PHBX23003419 | 10/10/2024 | 10/10/2025 | EACH OCCURRENCE<br>DAMAGE TO RENTED PREMISES (Ea occurrence)<br>MED EXP (Any one person)<br>PERSONAL & ADV INJURY<br>GENERAL AGGREGATE<br>PRODUCTS - COMP/OP AGG | $ 1,000,000<br>$ 50,000<br>$ 10,000<br>$ 1,000,000<br>$ 3,000,000<br>$ 2,000,000 |
| A | **AUTOMOBILE LIABILITY**<br>ANY AUTO<br>OWNED AUTOS ONLY<br>SCHEDULED AUTOS<br>X HIRED AUTOS ONLY<br>X NON-OWNED AUTOS ONLY | | | PHBX23003419 | 10/10/2024 | 10/10/2025 | COMBINED SINGLE LIMIT (Ea accident)<br>BODILY INJURY (Per person)<br>BODILY INJURY (Per accident)<br>PROPERTY DAMAGE (Per accident) | $ 3,000,000<br>$<br>$<br>$ |
| A | X **UMBRELLA LIAB** X OCCUR<br>**EXCESS LIAB** CLAIMS-MADE<br>DED X RETENTION $ 10,000 | | | PHUB893341-001 | 10/10/2024 | 10/10/2025 | EACH OCCURRENCE<br>AGGREGATE | $ 1,000,000<br>$ 1,000,000 |
| B | **WORKERS COMPENSATION AND EMPLOYERS' LIABILITY** Y / N<br>ANYPROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED?<br>**(Mandatory in NH)**<br>If yes, describe under DESCRIPTION OF OPERATIONS below | N / A | Y | 57WECBB2L9J | 11/1/2024 | 11/1/2025 | X PER STATUTE OTH-ER<br>E.L. EACH ACCIDENT<br>E.L. DISEASE - EA EMPLOYEE<br>E.L. DISEASE - POLICY LIMIT | <br>$ 1,000,000<br>$ 1,000,000<br>$ 1,000,000 |
| A<br>A | Professional Liability<br>Professional Liability | | | PHSD1831334-001<br>PHSD1831334-001 | 10/10/2024<br>10/10/2024 | 10/10/2025<br>10/10/2025 | Aggregate Limit<br>Per Claim | $4,000,000<br>$2,000,000 |

**DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)**
RE: CA Professional Service Provided by the Named Insured

The City of Lake Tahoe, its elected and appointed boards, officers, agents, employees and volunteers are included as Additional Insured, as respects to General Liability Per Form PI-BOP-003, with Primary/Non-Contributory Form PI-BOP-011 Waiver of Subrogation Form BP0497 0106. When Required by Written Contract. Workers' Compensation Waiver of Subrogation Applies per Form WC 04 03 06.. When Required by Written Contract.

**CERTIFICATE HOLDER**

City of South Lake Tahoe
1901 Lisa Maloff Way
South Lake Tahoe CA 96150

**CANCELLATION**

**SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.**

**AUTHORIZED REPRESENTATIVE**

**© 1988-2015 ACORD CORPORATION. All rights reserved.**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

# BLANKET ADDITIONAL INSURED

This endorsement modifies insurance provided under the following:

**BUSINESSOWNERS COVERAGE FORM**

**A.** **SECTION II – LIABILITY**, **C. Who Is An Insured** is amended to include the following as an additional insured:

Any person(s) or organization(s) for whom you are performing "your work" under a written contract or agreement, that requires such person(s) or organization(s) to be added as an additional insured on your policy. Such person(s) or organization(s) is an additional insured only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" occurring after the effective date of such contract or agreement that is caused, in whole or in part by:

a. Your acts or omissions; or

b. The acts or omissions of those acting on your behalf;

in the performance of "your work" for the additional insured.

Coverage for an additional insured under this endorsement ends when "your work" for that additional insured ends or is put to its intended use by any person or organization.

**B.** The following is added to **SECTION II – LIABILITY**, **B. Exclusions**, **3. Applicable To Both Business Liability Coverage And Medical Expenses Coverage – Nuclear Energy Liability Exclusion** with respect to this endorsement only:

There is no coverage under this endorsement for loss or expense, including but not limited to the cost of defense for "bodily injury", "property damage" or "personal and advertising injury" occurring:

a. After all of "your work", including materials, parts or equipment furnished in connection with "your work" and performed under the above referenced written contract(s) or agreement(s) has ended; or

b. When that portion of "your work" out of which the "bodily injury", "property damage" or "personal and advertising injury" arises and performed under the above referenced written contract(s) or agreement(s) has been put to its intended use by any person or organization;

whichever occurs first.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

# PRIMARY AND NON-CONTRIBUTORY – DESIGNATED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

**BUSINESSOWNERS COVERAGE FORM**

**SCHEDULE**

| **Name of Person or Organization:** |
|---|
| TBD |
| Information required to complete this Schedule, if not shown above, will be shown in the Declarations. |

The following is added to **SECTION III – COMMON POLICY CONDITIONS (APPLICABLE TO SECTION I – PROPERTY AND SECTION II – LIABILITY), H. Other Insurance:**

This insurance is primary and non-contributory as respects our coverage for the person or organization shown in the **SCHEDULE** of this endorsement. We will not seek contributions from any other insurance policy available to the person or organization shown in the SCHEDULE of this endorsement for “bodily injury”, “property damage” or “personal and advertising injury” covered under this policy.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

# WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

This endorsement modifies insurance provided under the following:

**BUSINESSOWNERS COVERAGE FORM**

**SCHEDULE**

| **Name of Person or Organization:** |
|---|
| TBD |
| Information required to complete this Schedule, if not shown above, will be shown in the Declarations. |

Paragraph **K. Transfer Of Rights Of Recovery Against Others To Us in Section III – Common Policy Conditions** is amended by the addition of the following:

We waive any right of recovery we may have against the person or organization shown in the Schedule above because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard". This waiver applies only to the person or organization shown in the Schedule above.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

# WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT - CALIFORNIA

**Policy Number:** 57 WEC BB2L9J **Endorsement Number:**
**Effective Date:** 11/01/24 Effective hour is the same as stated on the Information Page of the policy.
**Named Insured and Address:** Government Consulting Partners Inc
5016 BROWER CT
GRANITE BAY CA 95746

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

You must maintain payroll records accurately segregating the remuneration of your employees while engaged in the work described in the Schedule.

The additional premium for this endorsement shall be 2 % of the California workers' compensation premium otherwise due on such remuneration.

**SCHEDULE**

| **Person or Organization** | **Job Description** |
|---|---|
| Any person or organization for whom you are required by written contract or agreement to obtain this waiver of rights from us | |

Countersigned by _____
Authorized Representative

# City of South Lake Tahoe

**Agenda Item Executive Summary**

Joe Irvin, City Manager

**Meeting Date:** April 22, 2025
**Agenda Item #:**19

**Agenda Item:** Potential Amendments to 2018 Vacation Home Rental (VHR) Ordinance

**Executive Summary:** At a special meeting on April 1, 2025, City Council voted not to appeal the court decision striking down Measure T in its entirety (4-1, with Councilmember Robbins voting no), and voted unanimously to adopt an urgency ordinance to establish a temporary moratorium on issuing Vacation Home Rental (VHR) permits in areas where they were prohibited by Measure T, to allow City Council time to make any desired amendments to the pre-Measure T VHR regulations. Staff requests that City Council discuss and provide direction on the desired amendments to the 2018 VHR regulations to include in an ordinance. Upon passage of a motion providing such direction, staff will prepare a proposed ordinance for a first reading on May 6.

**Requested Action / Suggested Motions:** Pass a Motion directing staff to prepare an ordinance making amendments desired, if any, to the 2018 VHR Regulations on one or more of the following topics: (1) prohibit or limit VHRs in certain residential areas; (2) establish a cap lower than 1400 VHRs outside the Tourist Core; (3) establish a buffer between VHRs; (4) prohibit VHRs in all multi-family dwellings; (5) require VHR owners to use a local property manager; (6) increase consequences for violations; (7) ensure VHR permit fee achieves complete cost recovery; (8) provide permitting preference for certain prior VHR and QVHR permit holders who were in good standing; (9) change VHR permitting authority from Development Services Department to Police Department; (10) phased permitting of no more than 150 VHR permits issued per month; and (11) Planning Commission decision on VHR permit denial and revocation appeals is final.

**Responsible Staff Member:** Heather Stroud, City Attorney Joseph Irvin, City Manager

**Reviewed and Approved By:** Susan Blankenship, City Clerk Olga Tikhomirova, Director of Finance

**Attachments:**

01 - Staff Report - 2018 VHR Ordinance Amendments.docx
02 - 2018 VHR Regulations.pdf

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

## Meeting Date: April 22, 2025

**Title: Potential Amendments to 2018 VHR Ordinance**

**Location:** Citywide

**Responsible Staff Members:** Heather Stroud, City Attorney (530) 542-6046
Joseph Irvin, City Manager (530) 542-6000

**Background:** On November 21, 2017, City Council adopted Ordinance No. 1114 to repeal and replace Article V (Vacation Home Rentals) of Chapter 3.50 of Title 3 of the South Lake Tahoe City Code. Ordinance No. 1114 addressed concerns and impacts of Vacation Home Rentals ("VHRs"), including adding a cap of 1400 VHRs outside the Tourist Core, operational requirements including occupancy limits, restrictions on hot tub hours, prohibition of commercial activities such as weddings, parking restrictions, noise/quiet hours, and requirement to properly secure trash in bear boxes. On August 21, 2018, City Council adopted Ordinance No. 2018-1120 to make further amendments, including clarifying when the owner versus occupant would be subject to a citation for violating operating conditions and making exceptions to certain parking and trash requirements for properties within a Homeowners Association having their own regulations.

On the election held on November 6, 2018, a local citizens initiative called Measure T passed. Beginning after a phase-out period, Measure T prohibited VHRs in certain areas of the City where they had previously been permitted, including residentially-zoned areas, multifamily dwellings, and areas added to the Tourist Core after 2017. An organization called South Lake Tahoe Property Owners Group filed a lawsuit challenging Measure T on various grounds. In February 2021, Measure T was upheld in its entirety by the El Dorado County Superior Court, and Plaintiff filed an appeal. The court of appeal affirmed the trial court's judgment upholding Measure T, except that it remanded the case for the trial court to consider whether the "permanent resident" exception in the Qualified VHR provisions of Measure T violates the dormant Commerce Clause of the U.S. Constitution. On March 13, 2025, the El Dorado County Superior Court issued a ruling finding that the Qualified VHR provisions are unconstitutional because they impermissibly discriminate against interstate commerce, and that these provisions are not severable from the remainder of Measure T, requiring that Measure T be struck down in its entirety.

At a special meeting on April 1, City Council voted not to appeal this decision. At the same meeting, City Council adopted an urgency ordinance to establish a temporary moratorium on issuing VHR permits in areas that are affected by the recent Measure T decision to provide time for City Council to study and make any desired changes to the pre-Measure T VHR regulations to address some of the nuisance concerns that led to the passage of Measure T, and allow for an orderly implementation of permitting.

**Issue and Discussion:** Without the moratorium, the result would be an immediate reversion to the pre-Measure T VHR regulations that were in place as of November 2018 ("2018 VHR Regulations"). The applicable regulations are in City Council Ordinance No. 1114 as amended by City Council Ordinance No. 1120. The 2018 VHR Regulations are attached.

City Council is asked to provide direction on the amendments that should be included in a draft ordinance for consideration. Possible amendments for discussion include the following:

Prohibit or limit VHRs in certain residential areas.
Considerations:

- The Measure T litigation confirmed that the City has authority to prohibit VHRs or limit them in a way that does not use discriminatory criteria (i.e. "permanent resident" status).
- City Council could continue to prohibit VHRs in all residential areas or prohibit or limit them in certain neighborhoods to preserve residential uses and neighborhood character.

Establish a lower cap on VHR permits outside the Tourist Core.
Considerations:

- The 2018 VHR Regulations established a cap of 1400 VHRs outside the Tourist Core. (§ 3.50.380(F))
- Measure T allowed an unlimited number of VHRs in the Tourist Core and commercial and recreational zones outside the Tourist Core. There are currently 559 VHR permits in the Tourist Core, and there are currently 37 VHR permits in non-residential zones outside the Tourist Core (35 in commercial zones and 2 in recreation zones).
- Based on VHR permit records and current property ownership records, staff estimates that approximately 44 percent of the 1400 properties outside the Tourist Core that had VHR permits when Measure T passed in 2018 have since been sold.
- Staff recommends that if City Council desires to lower the cap, that the cap apply only to residential areas outside the Tourist Core.

Establish a buffer between VHRs, similar to El Dorado County's recent amendments, to avoid saturation of VHRs in neighborhoods.
Considerations:

- In October 2017, City Council considered adopting a buffer of 150 feet between VHR properties, but did not end up adopting a buffer.
- El Dorado County requires a buffer of 500 feet between VHR properties.
- If City Council desires to add a buffer and give permitting preference (see below), then Council should consider whether the buffer should apply only after prior permittees receiving the preference have been issued permits.

Prohibit VHRs in all multi-family dwellings to preserve their use as housing.
Considerations:

- The 2018 VHR Regulations allowed VHRs in multi-family dwellings that had VHR permits prior to September 1, 2016. (§ 3.50.380(D)(2))
- Measure T phased out VHRs in all multi-family dwellings by the end of 2021.
- Staff recommends amending the 2018 VHR Regulations to continue to prohibit VHRs in all multi-family dwellings to preserve their use as housing.
- Staff recommends amending the definition of "multi-family dwelling" in the 2018 VHR Regulations. Currently, time shares and condominiums are included in this definition which

is inconsistent with Title 6, which excludes time shares and condominiums, and with historical past practice of allowing short-term rentals in condominiums and time shares.

Require VHR owners to use local property manager.
Considerations:

- The 2018 VHR Regulations require that the applicant provide local contact number with 24-hour availability for reporting violations. (§ 3.50.390(B)(1)(j))
- City Council could strengthen this requirement by requiring a local property manager with additional specified duties instead of just being available for reporting violations, such as conducting an in-person check-in to go over the rules and consequences of violations with guests and require occupant acknowledgment, and to be available to respond in person to complaints within a short timeframe.
- City Council could require local property manager to employ technology such as outdoor noise monitoring and surveillance cameras so manager can monitor compliance and avoid violations.

Increase consequences for violations.
Considerations:

- The 2018 VHR Regulations include the ability to cite the owner, agent, or occupant for violations and a three strikes rule requiring revocation of a VHR permit where there have been 3 upheld citations within a 24-month period and prohibiting issuance of a VHR permit where there have been three upheld citations in any 24-month period. (§§ 3.50.400; 3.50.410(B)(3); 3.50.420(A)(2)). However, under the 2018 VHR Regulations, an owner or agent cannot be cited for a violation of operating conditions if they report a violation by an occupant. (§ 3.50.450(C))
- On January 23, 2024, City Council adopted Resolution No. 2024-015 to increase the citation penalties for all VHR violations to $1500 for the first violation, $3000 for the second violation within one year, and $5000 for the third violation within one year, consistent with Senate Bill 20 (2021).
- Staff recommends removing the provision of 2018 VHR Regulations that precludes citing owner or agent for a violation of operating conditions if owner or agent reports a violation by an occupant (§ 3.50.450(C)).

Review VHR permit fee for non-Tourist Core areas to ensure it reflects complete cost recovery, including application processing, inspection, and enforcement.
Considerations:

- From the recently adopted 2025-2026 Master Fee Schedule, the current Non-Tourist Core VHR Permit fee is $548, with an additional annual fee based on occupancy of $250 for 4 or less occupants, $500 for 5-8 occupants, $1,000 for 9-12 occupants, and $1,325 for 13 or more occupants. The VHR Permit fee is charged upon initial application only and the annual fee is charged the first year and every renewal year thereafter.
- Staff is reviewing anticipated costs of implementation and will propose a fee increase if necessary to ensure full cost recovery, to include increased staffing and resources for permit processing and enforcement.

Provide permitting preference, for example, for prior VHR permit holders who were in good standing and had permits not renewed because of Measure T, and for prior Qualified VHR permit holders who are in good standing and who lost their permit because of the recent court ruling.
Considerations:

- The 2018 VHR Regulations require that VHR permits be processed in the order in which applications are received and deemed complete. (§ 3.50.390(A)(3)-(4)). After the cap of 1400 is reached, applications that are filed are placed on a waitlist, and when new VHR permits become available, applications from the waitlist are considered on a quarterly basis starting with the order in which they were deemed complete. (§ 3.50.390(A)(5))
- City Council could consider amendments to provide for permitting preference for applicants who had valid VHR permits and were in good standing until those permits were not renewed in 2021 because of Measure T, and for prior QVHR permit holders who lost their permit because of the recent court ruling. If City Council desires to make such amendments, staff recommends that "good standing" would include not having more than 3 upheld citations within a 24-month period, no outstanding fines from past citations and no outstanding unpaid Transient Occupancy Tax. This preference could be achieved by providing an initial application window where only applicants meeting these criteria are eligible to apply.

Additional administrative amendments:
Staff recommends the following amendments to improve efficiency and enforceability:

- All VHR Permits to be issued by Police Department. The 2018 VHR Regulations require that VHR Permits be issued by the Development Services Department. Permitting has been handled by the Police Department in recent years, and staff recommends keeping both the permitting and enforcement function in the Police Department for efficiency and effective enforcement. The Development Services Department would continue to be responsible for the inspections required for new VHR Permits.
- Phased Permitting with Monthly Limit. The 2018 VHR Regulations require that permits be processed in the order in which applications are received and deemed complete until the cap is reached. (§ 3.50.390(A)(3)-(4)) If the cap stays at 1400 VHR Permits outside the Tourist Core where there are currently very few permits, this could result in a large number of applications coming in all at the same time and overwhelming the resources available to process them in a timely manner while ramping up enforcement resources. Also, it would mean that a large number of permit renewals would come up at the same time every year. For this reason, staff recommends an amendment that no more than 150 permits will be issued per month.
- Planning Commission has final decision on appeals of Permit Denials and Revocations. The 2018 VHR Regulations provide that appeals of VHR Permit denials and revocations made by staff are appealed to the Planning Commission. (§ 3.50.430). Under South Lake Tahoe City Code section 2.35.070, however, VHR Permit appeal decisions from the Planning Commission can be appealed to City Council. Staff recommends a clarification that the Planning Commission decision on these appeals is final.

City Council is asked to pass a motion directing amendments desired, if any, to the 2018 VHR Regulations. Upon passage of such a motion, staff will prepare a proposed ordinance for a first reading on May 6.

**Environmental Considerations:** This action is exempt from the California Environmental Quality Act ("CEQA") under CEQA Guidelines section 15061(b)(3) because it can be seen with certainty that there is no possibility that the adoption of an ordinance with the amendments

discussed in this staff report may have a significant effect on the environment, either from a direct physical change in the environment or a reasonably foreseeable indirect physical change.

**Financial Implications:** The City will set VHR Permit fees to ensure full cost recovery for any current and additional resources needed to run the VHR program, including permitting and enforcement staffing, office space, and vehicles. It is anticipated that if City Council decides to allow more VHRs to operate than the current number (596), additional Transient Occupancy Tax would be generated.

**Policy Implications:** VHR regulation involves competing policy implications. Limiting, restricting, regulating, and enforcing the rules regarding VHRs protects against nuisance issues such as noise, trash, overcrowding, parking violations, and degradation of neighborhood character, while allowing the operation of VHRs can have positive economic benefits for the City, local businesses, and community. City Council has an opportunity to balance these interests with amendments to the 2018 VHR Regulations.

B. Parking for charter transit vehicles shall be located so as to have the least possible impact on surrounding properties and their occupants. (Ord. 753 § 2; Ord. 1109 § 1 (Exh. A). Code 1997 § 28A-60)

## Article V. Vacation Home Rentals

**3.50.370 Definitions.**

"Agent" shall mean a person engaged or appointed by an owner to represent and act on behalf of an owner (as defined in these definitions) and to act as an operator, manager and/or local contact person of a dwelling used or to be used as a short-term rental unit or short-term rental property and designated as such by the owner.

"Bear box" shall mean a locked container affixed to the ground which is utilized for the storage of trash and is designed to prevent access to its contents by wildlife.

"Condominium" shall mean a dwelling unit in a residential development that is under a legal arrangement specifying that the unit is individually owned but the common areas are owned, controlled, and maintained through an organization consisting of all individual owners.

"Director of development services" shall mean the city's director of development services or his/her designee. In the event the director of development services position is vacant or ceases to exist, "director of development services" shall mean the city manager or his/her designee.

"Dwelling" shall mean a building, or portion thereof, designed exclusively for residential purposes, including single-family and multifamily dwellings, condominiums, and timeshares but not including hotels, motels, boardinghouses and lodging houses. "Dwelling" shall also mean a dwelling unit on the same parcel as a legally established single-family dwelling that has its own complete independent living accommodations and facilities for one or more persons, including permanent provisions for living, sleeping, eating, cooking and sanitation. "Multifamily dwelling" shall mean a dwelling in which multiple separate housing units for residential inhabitants are contained within one building or several buildings within one complex.

"Occupant" shall mean any person who is on or in a short-term rental property other than service providers or the owner, whether or not the person stays overnight.

"Operator" shall mean the owner or the designated agent of the owner who is responsible for compliance with this chapter.

"Owner" shall mean the person(s) or entity(ies) that hold legal or equitable title to a dwelling.

"Pending application" shall mean a complete application for a vacation home rental permit filed with the development services director that has not been approved or denied by the city prior to December 21, 2017.

"Renewal application" shall mean an application for a renewed vacation home rental permit which application may be submitted by the vacation home rental applicant.

"Rent" shall have that definition set forth in SLTCC 3.00.010.

"Vacation home rental" shall mean the rent or rental of an entire dwelling, by the owner or operator to another person or group of persons for occupancy, dwelling, lodging or sleeping purposes for a period of less than 30 consecutive calendar days. The rental of units within city-approved hotels, motels, and bed and breakfasts shall not be considered to be vacation home rentals.

"Vacation home rental applicant" shall mean the person(s) or entity(ies) who apply for a vacation home rental permit by submitting and signing a vacation home rental application. A vacation home rental applicant may be an owner(s) of the dwelling unit, an agent(s), or another authorized representative(s) of an owner of the dwelling unit.

"Vacation home rental permit" shall mean a permit issued to the property owner and pursuant to the provisions of this chapter that allows the use of a dwelling as a short-term rental.

"Vacation home rental property" shall mean a parcel of real property, as shown on the latest equalized tax assessment roll as maintained by the assessor of the county of El Dorado, upon which a vacation home rental(s) is (are) maintained. "Vacation home rental property" includes the premises upon which a vacation home rental is located, including parking areas, driveways, landscaping, accessory structures, fences, walls, swimming pools, hot tubs, spas, tennis and paddleboard courts, and other similar and related improvements.

"Vacation home rental waitlist" shall mean when the number of permits issued by the city exceeds the cap, the

development services department will accept applications to be placed on a list to be used when permits for issuance become available. (Ord. 1114 § 3)

**3.50.380 Vacation home rentals – General provisions.**

A. Vacation Home Rentals Allowed. Subject to the provisions of this article, vacation home rentals shall be permitted within the city.

B. Vacation Home Rental Permit Required to Operate. It shall be unlawful for any person or entity to rent, maintain, facilitate, advertise or list a dwelling unit as a short term rental without a valid vacation home rental permit issued pursuant to this article.

C. Vacation Home Rental Permits Nontransferable.

1. Permit – Site Specific. It shall be unlawful for any person to give, grant or otherwise transfer a vacation home rental permit from one dwelling unit to another.

2. Transfer of Permits Prohibited. All permits issued by the city pursuant to this article shall be nontransferable to a different person or entity to whom said permit was issued.

(a) Notwithstanding subsection (C)(2) of this section, a permit may be transferred from one owner of a vacation home rental to another owner of the vacation home rental as long as the transferee was an owner of the vacation home rental at the time the vacation home rental application was submitted to the city.

3. Upon any change of ownership of a vacation home rental property, an initial vacation home rental application shall be submitted pursuant to SLTCC 3.50.390(A).

D. Multifamily Dwellings.

1. It shall be unlawful to rent, lease, use or operate a multifamily dwelling as a vacation home rental.

2. Notwithstanding subsection (D)(1) of this section, owners of multifamily dwelling units with a valid vacation home rental permit on September 1, 2016, may continue to apply for a renewed vacation home rental permit for said multifamily dwelling and will be issued or denied a renewal permit based on the criteria of SLTCC 3.50.410.

E. Agency. An owner may retain an agent, local representative or local contact person to comply with the requirements of this article, including, without limitation, the filing of an application for a vacation home rental permit, the management of the vacation home rental and the compliance with the conditions of the permit. The owner of the vacation home rental is responsible for compliance with the provisions of this article and the failure of an agent, representative, or local contact person to comply with this article shall not relieve the owner of his/her obligations as set forth in this article.

F. Cap. The total number of vacation home rental permits issued to dwellings outside of the tourist core area plan shall not exceed 1,400.

G. Taxes.

1. Business and professions taxes, as set forth in Chapter 3.35 SLTCC, shall be assessed for vacation home rentals.

2. Transient occupancy tax shall be assessed for vacation home rentals.

H. Permits and Fees Not Exclusive. Permits and fees required by this article shall be in addition to any license, permit or fee required under any provision of the city code. The issuance of any permit pursuant to this article shall not relieve the owner or operator of the vacation home rental from his/her obligation to comply with all other provisions of the city code pertaining to use and occupancy of the vacation home rental.

I. Pending Applications. Pending applications shall be reviewed under the provisions of this article. Applicants of pending applications shall have no right, entitlement, or expectation of issuance of a vacation home rental permit. (Ord. 1114 § 3)

**3.50.390 Vacation home rental application procedures.**

A. Initial Applications.

1. All persons or entities interested in operating a vacation home rental may submit a vacation home rental application along with the application fee in an amount set forth in the city's master fee schedule.

2. It shall be the applicant's responsibility to provide all information and materials required to comply with the vacation home rental application submittal requirements.

3. The filing date of the vacation home rental application shall be the date when the director of development services officially receives the last submission of information or materials required by subsection (B) of this section and the application is deemed complete. If the director of development services determines an application submittal is incomplete, a vacation home rental applicant shall be notified of such incompleteness within 30 calendar days of receipt of the vacation home rental application by the development services department. If the director of development services does not receive a complete application within the additional 30 days, he/she shall no longer consider that application and instead, he/she shall continue to review applications on the VHR waitlist.

4. All vacation home rental applications which have been deemed complete by the director of development services shall be placed on the South Lake Tahoe vacation home rental waitlist ("VHR waitlist") in the order of the application's filing date. Vacation home rental applications shall only be reviewed by the development services director in the order of ranking as established by the VHR waitlist.

5. Where vacation home rental permits are available subject to SLTCC 3.50.380(F), applications on the VHR waitlist shall be considered on a quarterly basis by the director of development services in the order of ranking as established by the VHR waitlist. Once a vacation home rental permit becomes available and the application is deemed complete, the director of development services shall conduct an inspection of the vacation home rental within 14 days. Vacation home rental applicants shall have 45 days to make all changes and improvements to the vacation home rental which are required by the city pursuant to the inspection. If the vacation home rental applicant fails to make all changes and improvements to the vacation home rental within 45 days of the inspection, said applicant's vacation home rental application shall be placed on the bottom of the VHR waitlist.

6. The director of development services shall continue to review applications and inspect vacation home rental properties until all applications on the VHR waitlist have been reviewed or until the city can issue no further vacation home rental permits based on SLTCC 3.50.380(F).

7. Inspections.

(a) The director of development services shall inspect all dwelling units prior to issuing a vacation home rental permit for said dwelling unit.

(b) Vacation home rental permit applicants may be required to make improvements or changes to the proposed vacation home rental property in order to ensure that the proposed vacation home rental property conforms with all plan area statements and building code standards which were in effect at time of construction of the vacation home rental property and that no health and safety violations which threaten the well-being of guests, neighbors or the community are present at the vacation home rental property.

(c) Notwithstanding subsections (A)(7)(a) and (b) of this section, inspections shall not be required for VHR renewal applications.

(d) Notwithstanding subsections (A)(7)(a) and (b) of this section, inspections shall not be required for vacation home rentals located in the tourist core area plan.

(e) Notwithstanding subsections (A)(7)(a) and (b) of this section, inspections shall not be required for timeshares.

B. Vacation Home Rental Application and Renewal Application Filing Requirements.

1. Vacation home rental applications and renewal applications shall be submitted on forms provided by the city and shall include, but not be limited to, the following information:

(a) Owner(s) name(s).

(b) Local contact information, management agency contact information or authorized representative contact information.

(c) Square footage of home.

(d) Owner mailing address.

(e) Proposed vacation home rental address and assessor's parcel number.

(f) Vacation home rental permit number, if existing vacation home rental.

(g) Maximum occupancy of vacation home rental.

(h) Number of paved parking spaces on the vacation home rental property.

(i) Identification of outdoor hot tub, if any.

(j) Local contact number with 24-hour availability for reporting violations.

2. Vacation home rental applications and renewal applications filed by agents, representatives, or authorized representatives of the owner of the vacation home rental property shall include a declaration that such application is being made with the consent of the vacation home rental owner.

3. Vacation home rental applications and renewal applications shall be accompanied by a declaration that any and all applicable covenants, conditions and restrictions are consistent with and would not prohibit issuance of a vacation home rental permit for the proposed property.

4. The vacation home rental application and renewal application shall be accompanied by an application fee in an amount set forth by separate resolution of the city council which amount is calculated to recover the city's full cost of reviewing, issuing and administering said permit.

5. If a renewal application is denied, and the applicant wishes to operate a vacation home rental, he/she must initiate a vacation home rental application by filing an initial application and complying with the procedures of subsection (A) of this section. (Ord. 1114 § 3)

**3.50.400 Expiration and renewal of vacation home rental permits.**

A. Vacation home rental permits shall expire one year after their issuance.

B. Vacation home rental permits must be renewed on an annual basis prior to expiration by filing with the director of development services a renewal application and a renewal fee.

C. If a timely renewal application is filed, the vacation home rental permit shall not expire until the date that the director of development services approves or denies the renewal application. If a timely renewal application is not filed, the vacation home rental permit shall expire and shall be considered null and void.

D. A renewal application shall be subject to all filing requirements set forth in SLTCC 3.50.390(B).

E. The director of development services shall issue or deny a renewal application in accordance with the provisions of SLTCC 3.50.410(C). (Ord. 1114 § 3)

**3.50.410 Review, issuance and denial of vacation home rental permit applications.**

A. Vacation home rental permits shall only be issued to the owner(s) of the vacation home rental property.

B. Criteria for Issuance – Initial Application. The director of development services shall issue a vacation home rental permit where he/she makes all of the following findings:

1. The vacation home rental application is complete and the applicant has complied with the submittal requirements of SLTCC 3.50.390(B).

2. Inspection of the vacation home rental property has shown that the proposed vacation home rental property conforms with all plan area statements and building code standards which were in effect at time of construction of the vacation home rental property and that no health and safety violations which threaten the wellbeing of guests, neighbors or the community are present at the vacation home rental property.

3. Neither the vacation home rental property nor the vacation home rental applicant has received three or more upheld citations within any three events and/or calls for service for violations of the city code which citations were issued during three separate events and/or calls for service within any 24-month period. For purposes of this section, upheld citations means citations which were neither overturned on appeal nor dismissed.

4. The vacation home rental property contains sufficient paved parking spaces to accommodate the maximum

number of occupants. All required parking shall be constructed on the vacation home rental property prior to operation as a vacation home rental.

5. The proposed vacation home rental will not exceed the cap of 1,400 vacation home rentals within the city.

a. Notwithstanding subsection (B)(5) of this section, vacation home rentals located in the Tourist Core Area Plan shall not be subject to the cap of 1,400 vacation home rentals within the city.

C. Criteria for Issuance – Renewal Application. The director of development services shall issue a renewed vacation home rental permit where he/she makes all of the following findings:

1. The renewal application is complete and the applicant has complied with the submittal requirements of SLTCC 3.50.390(B).

2. There have not been three or more upheld citations issued for violations of the city code which citations were issued during three separate events and/or calls for service within any 24-month period. For purposes of this subsection, upheld citations means citations which were neither overturned on appeal nor dismissed.

3. The vacation home rental permit has not lapsed, expired, been revoked, or suspended.

4. The vacation home rental is current on transient occupancy taxes and has paid all said taxes to the city in full by the date upon which said taxes became due.

5. The vacation home rental permit has not been transferred to another person, entity, or property.

D. Criteria for Denial. Vacation home rental permits shall not be issued or renewed where the director of development services confirms that one or more of the criteria for issuance set forth in subsections (B) and (C) of this section have not been met. If the director of development services denies the vacation home rental application or renewal application, he or she shall specify in writing the reasons for the denial and notify the applicant that the decision shall become final unless the applicant seeks an appeal pursuant to SLTCC 3.50.430. (Ord. 1114 § 3; Ord. 1120 § 3)

**3.50.420 Revocation of vacation home rental permit.**

A. A vacation home rental permit issued under the terms of this article shall be revoked by the director of development services at any time if he or she concludes any of the following:

1. The vacation home rental is not current on transient occupancy taxes and has not paid all said taxes to the city in full by the date upon which said taxes became due.

2. There have been three or more upheld citations for violations of the city code which citations were issued during three separate events and/or calls for service for violations of the city code at the vacation home service within any 24-month period. For purposes of this section, upheld citations means citations which were neither overturned on appeal nor dismissed.

3. The vacation home rental applicant has submitted a vacation home rental application containing a material misrepresentation or omission of a material fact.

4. There has been a transfer or an attempt to transfer a vacation home rental permit to another person, entity or property.

B. A vacation home rental permit suspended or revoked pursuant to this section shall be deemed to be expired and shall no longer authorize the operation of a vacation home rental. (Ord. 1114 § 3; Ord. 1120 § 3)

**3.50.430 Appeal from director of development services' determination.**

An applicant or any interested party who disagrees with the director of development services' decision to issue, deny, revoke, or suspend a vacation home rental permit may appeal that decision to the planning commission in accordance with the appeal provisions of Chapter 2.35 SLTCC. (Ord. 1114 § 3)

**3.50.440 Conditions of operation.**

All vacation home rentals shall be operated, maintained and managed on a day-to-day basis in compliance with the following operational conditions and requirements. Violation of any of the below conditions of operations shall subject the owner to citation in accordance with SLTCC 3.50.450. Violation of conditions of operation set forth in subsections (A), (C), (H), (K), (L), (O) and (Q) of this section shall subject any occupant found violating such condition to citation in accordance

with SLTCC 3.50.450.

A. Maximum Occupancy.

1. Occupancy of the vacation home rental shall be limited by (1) the number of paved parking spaces on the vacation home rental property as shown in Table 1 of this subsection, and (2) the number of bedrooms in the property as shown in Table 2 of this subsection, whichever is lesser. For purposes of this subsection, occupancy shall be calculated by the number of persons present at the vacation home rental property at any given time.

**Table 1. Number of Paved Parking Spaces Establishing Maximum Occupancy**

| Number of Parking Spaces | Maximum Occupancy |
|---|---|
| 1 | 4 |
| 2 | 8 |
| 3 | 12 |
| 4 | 16 |
| 5 | 20 |

**Table 2. Number of Bedrooms Establishing Maximum Occupancy**

| Number of Bedrooms | Maximum Occupancy |
|---|---|
| Studio | 4 |
| 1 | 6 |
| 2 | 8 |
| 3 | 10 |
| 4 | 12 |
| 5 | 14 |

Where the maximum occupancy for a vacation home rental is based upon the number of bedrooms, occupancy of a vacation home rental with more than one bedroom shall be calculated by multiplying the number of bedrooms by two and adding four.

The voluntary reduction of occupancy in order to reduce fees is not permitted.

The requirements of this subsection limiting maximum occupancy based on number of parking spaces shall not apply to any vacation home rental that is within a common interest development subject to the Davis-Stirling Common Interest Development Act, as set forth in Cal. Civ. Code § 4000 et seq.; provided, that the board of directors of the association governing the common interest development has implemented rules or regulations regarding parking for occupants of vacation home rentals within such common interest development.

B. Each parking space required for a vacation home rental permit shall remain available for vacation home rental occupants. Each parking space shall be no less than nine feet wide and 19 feet long.

C. Commercial Activity Prohibited. Vacation home rentals shall not be used for commercial activities, including, but not limited to, weddings, receptions and large parties. All occupants of the vacation home rental shall be notified of the prohibition against commercial activities prior to the reservation, rental, or lease of a vacation home rental.

D. The owner of the vacation home rental shall be responsible for compliance with all provisions of the South Lake Tahoe City Code.

E. The owner of the vacation home rental shall post a copy of the permit and a copy of the conditions set forth in this

section in a conspicuous place within the vacation home rental property.

F. All marketing and advertising of the vacation home rental shall include the vacation home rental permit number issued by the city.

G. The owner shall agree to and authorize the city to enter the vacation home rental for the purpose of inspections when the city has received complaints of substandard housing conditions and/or has been made aware of substandard housing conditions.

H. Use of all outdoor spas or hot tubs shall be prohibited between the hours of 10:00 p.m. and 8:00 a.m.

I. Interior Signage. Vacation home rentals shall have a clearly visible and legible notice posted on or directly adjacent to the inside of the front door, containing the following information:

1. The name of the managing agency, authorized representative, property manager, or local contact person, and a telephone number enabled for text messaging at which that person may be reached on a 24-hour basis. Any change in this contact person's address or telephone number shall be promptly furnished to the city development services department;

2. The maximum number of occupants for the vacation home rental;

3. The maximum number of vehicles permitted to be parked on the vacation home rental property;

4. The parking rules for seasonal snow removal;

5. The trash pickup day and notification that trash and refuse shall not be left or stored on the exterior of the property except in a bear box;

6. Notification that an occupant may be cited and fined for creating a disturbance or for violating any provision(s) of this article; and

7. Notification that failure to conform to the parking and occupancy limits of the vacation home rental is a violation of this article.

J. Exterior Signage. Vacation home rentals shall have a clearly visible and legible exterior sign, posted in a location which is visible from the adjacent right-of-way, containing the following information:

1. The name of the managing agency, authorized representative, property manager, local contact person or owner of the vacation home rental, and a telephone number at which that party may be reached on a 24-hour basis;

2. The maximum number of occupants for the vacation home rental;

3. The maximum number of vehicles permitted to be parked on the vacation home rental property;

4. The telephone number of the police department vacation home rental hotline, and the police department's email address;

5. This section of the South Lake Tahoe City Code.

K. Parking. Occupants of vacation home rentals shall not park on areas of the vacation home rental property not designated as parking spaces.

L. Noise. In addition to all noise standards set forth in the city code and TRPA Code, the use of any equipment generating noise and the use of outdoor amplified music, speakers or other amplified equipment is prohibited between the hours of 10:00 p.m. and 8:00 a.m.

M. Emergency lighting (which may consist of plug-in or permanently installed systems) shall be installed, maintained and functional within the home at all times.

N. Any lights used to illuminate a vacation home rental property shall be designed so as to not spray onto adjoining properties and adjacent rights-of-way.

O. Parking of commercial vehicle(s) on vacation home rental property, except temporarily for durations of less than four hours, shall be prohibited.

P. Records of every night for which the vacation home rental is rented, including the name and contact information of the occupant who has arranged to rent the vacation home rental, the rental rate, the number of occupants per night, and the number of vehicles, shall be maintained for a minimum period of three years before such records are discarded or destroyed. Such records shall be made available to the city within 15 business days upon written request from the city.

Q. Camping and sleeping in tents, travel trailers, campers or recreational vehicles shall not be permitted on the vacation home rental property.

R. Trash. Bear boxes shall be installed on the vacation home rental property and all trash shall be disposed of in said bear boxes. All bear boxes shall remain functional and maintained so as to ensure that wildlife cannot access trash. The requirements of this subsection shall not apply to any person whose vacation home rental is within a common interest development subject to the Davis-Stirling Common Interest Development Act, as set forth in Cal. Civ. Code § 4000 et seq.; provided, that the board of directors of the association governing the common interest development has implemented rules or regulations requiring and enforcing the regular disposal of trash within such common interest development.

1. Table 1 of this subsection establishes the number of trash cans within bear boxes required of vacation home rental properties.

**Table 1. Minimum Number of Trash Cans within Bear Box**

| Size of Home | Number of Trash Cans |
|---|---|
| Less than 2,500 square feet | 2 |
| 2,500 – 3,500 square feet | 3 |
| Greater than 3,500 square feet | 4 |

2. Vacation home rental owners and operators shall arrange for the necessary level of trash pick-up, drop-off, or other trash removal from the property so as to ensure that no trash is left on the street, exterior of the dwelling unit, or the right-of-way.

3. All required bear boxes shall be installed by July 31, 2018.

S. Owner or authorized agent shall include the vacation home rental permit number on all contracts, rental agreements, and in any advertising or websites depicting the vacation home rental.

T. Transient Occupancy Tax.

1. The owner of the vacation home rental shall remit all transient occupancy tax payments and comply with Article II of this chapter. (Ord. 1114 § 3; Ord. 1120 § 3)

**3.50.450 Enforcement.**

A. Any use or condition caused or permitted to exist in violation of any provision of this article shall be and hereby is declared a public nuisance and may be summarily abated by the city pursuant to Code of Civil Procedure Section 731 or any other remedy available to the city.

B. Any use or condition caused or permitted to exist in violation of any provision of this article shall be subject to citation in an amount set forth by separate resolution of the city council.

C. Where an owner or agent of the vacation home rental reports a violation of any provision of this article which violation was caused or permitted to exist by the vacation home rental occupants, the city shall not issue a citation to said vacation home rental owner, and shall only issue a citation, where warranted, to the occupants. (Ord. 1114 § 3)

**3.50.460 No property rights conferred.**

Vacation home rental permits shall not be construed as providing property rights or vested interests and entitlements in continued operation of a vacation home rental. Vacation home rental permits are revocable licenses which expire annually. Vacation home rental permits shall not run with the land. (Ord. 1114 § 3)

# City of South Lake Tahoe

**Agenda Item Executive Summary**

Joe Irvin, City Manager

**Meeting Date:** April 22, 2025
**Agenda Item #:**20

**Agenda Item:** Potential Amendments to Vacation Home Rental Program Budget and Allocated Position Listing

**Executive Summary:** The proposed action would amend the FY 2024-2025 Vacation Home Rental (VHR) Program Budget and Allocated Position Listing to add necessary staffing and resources, if City Council decides in the previous item to allow an increase in the number of VHR permits from the current level. These potential changes respond to the recent overturning of Measure T, which had previously prohibited VHRs in residential areas. With the possible expansion of VHR permitting, additional funding and personnel would be required to manage increased responsibilities related to permitting and enforcement. The proposed adjustments will ensure the VHR program continues to operate efficiently, support neighborhood quality of life, and maintain regulatory compliance. The increased costs associated with this expansion are expected to be fully offset by increased revenue from permit and inspection fees, as detailed in the staff report.

**Requested Action / Suggested Motions:** Pass a Resolution Amending the FY 2024-2025 Vacation Home Rental (VHR) Program Budget and Changes to the Allocated Permanent Position Listing.

**Responsible Staff Member:** Olga Tikhomirova, Director of Finance

**Reviewed and Approved By:** Susan Blankenship, City Clerk Heather Stroud, City Attorney

**Attachments:**

01-Staff_Report_VHR_Program_Budget_Amendments_rv.docx
02-Resolution_VHR_Budget_Amendments_2024-2025.docx
03-Position Allocaiton 24-25 Apr 20256 (Exh. A to Reso).pdf

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

**Meeting Date:** April 22, 2025

**Title:** Potential Amendments to FY 2024-2025 Vacation Home Rental (VHR) Program Budget and Staffing Allocations

**Location:** Citywide

**Responsible Staff Member:** Olga Tikhomirova, Director of Finance

**Background:** In the previous item being considered at this meeting, City Council may decide to allow some number of VHR permits to be issued in areas where they had been prohibited by Measure T until the recent court decision, namely residential areas, multi-family dwellings, and areas added to the Tourist Core after 2017.

In anticipation of a potential significant influx of permit applications — potentially between 1,000 and 1,400 new VHR permits — staff recommends proactive expansion of the VHR Program to ensure operational capacity for efficient permit processing, inspections, code enforcement, and community outreach.

**Issue and Discussion:** To prepare for the potential increase in the number of VHR permits, the following programmatic and budgetary changes are recommended:

**Program Expansion**

- **Permit Processing & Compliance**: With the potential return of VHRs to residential zones, staff expects a significant increase in workload associated with permit intake, review, compliance inspections, and enforcement. This expansion represents a return to pre-Measure T levels, requiring adequate staffing and resources to ensure the program is effective, transparent, and responsive to both applicants and community concerns.
- **Community Engagement**: Additional resources would also be recommended to support education and outreach related to updated VHR rules, neighborhood compatibility, and quality-of-life protections.

**Staffing Additions**

To support this expansion, the following staffing changes are proposed:

- **Three (3) full-time Community Services Officer (CSO) positions** to support field enforcement and neighborhood response related to VHR operations.

- **Temporary funding for one (1) Intern** position to support initial VHR reactivation and data management during peak permit processing.

These additions would help maintain program efficiency, protect neighborhood integrity, and ensure VHRs comply with all applicable regulations.

**Budget Amendments**

To align with the expanded scope of the VHR Program, the FY 2024-2025 VHR Program budget would require the following adjustments:

***Increase in Permit and Inspection Revenue***: Based on historical permitting levels and current interest, staff estimates an increase in VHR permit revenue if previously prohibited areas become eligible once again. Revenue projections have been updated accordingly for the remainder of the fiscal year, with up to 750 VHR permits to be opened by October 1, 2025 based on anticipated staff capacity.

| Current VHR Fees | Amount | Revenue Account | Estimated Revenue (thru Sept. 30, 2025) |
|---|---|---|---|
| VHR Application Fee | $548 | 218-05330-34156 | $411,000 |
| VHR One-time Inspection Fee | $177 | 218-05330-34153 | $132,750 |
| VHR Permit Fee Non-Tourist Code (based on occupancy) | $250 - $1,325 | 218-05330-32115 | $375,000 |
| **Total Revenue Increase** | | | **$918,750** |

***Personnel & Operations Budget***: Appropriations are requested to cover salaries and benefits for the new positions, intern support, technology, supplies and outside inspection services needed for program expansion. Staff anticipates utilizing the existing services contracts for inspection services that are valid through fiscal year 2026.

| Expenditure Line Item | Expenditure Account | Expenditure Increase (thru Sept. 30, 2025) |
|---|---|---|
| Salaries and Benefits (PFT) | 218-05330-41* | $139,873 |
| Temporary Employee Salaries and Benefits | 218-05330-41* | $19,640 |
| VHR Inspections / Outside Contract Services | 218-05330-42020 | $200,000 |
| General Supplies | 218-05330-45010 | $10,000 |
| **Total Expense Increase** | | **$369,513** |

A summary of these proposed changes to the VHR Program budget is included in the attached Resolution.

**Financial Implications:** The proposed amendments are expected to result in a net increase in Vacation Hole Rental (VHR) Program fund revenue if permit eligibility is reinstated in residential areas. Increased revenue from permit and inspection fees will offset the additional costs associated with personnel and program operations. The added expenditures, including

salaries, benefits, and temporary staffing support, will be funded through the current year program revenues. These adjustments are not anticipated to impact General Fund reserves.

**Environmental Considerations:** This is not a “project” subject to review under the California Environmental Quality Act (CEQA) Guidelines section 15378(b)(2) (continuing administrative or maintenance activities, such as purchases of supplies).

**Policy Implications:** Compliance with City’s adopted Financial Policies, including Budget Management (Section F).

# Resolution 2025-XXX

**Adopted by the City of South Lake Tahoe**
**City Council**

**April 22, 2025**

## Approving Amendments to the FY 2024-2025 Vacation Home Rental (VHR) Program Budget and Changes to the Allocated Permanent Position Listing

**BACKGROUND**

A. A local citizens' initiative known as Measure T, passed by voters on November 6, 2018, phased out Vacation Home Rentals ("VHRs") in certain areas of the City where they had previously been permitted, including residentially-zoned areas. Measure T was overturned in its entirety by the El Dorado County Superior Court on March 13, 2025. City Council voted not to appeal the court decision.

B. In response, the City Council adopted an urgency ordinance establishing a temporary moratorium on issuing new VHR permits in residential areas affected by the ruling. This moratorium allows time to evaluate and potentially amend the City's pre-Measure T VHR regulations to address concerns that led to the initiative.

C. In anticipation of opening between 1,000 and 1,400 VHR permits, staff has recommended expanding the VHR program to ensure sufficient capacity for permit processing, inspections, enforcement, and outreach. This includes adjustments to staffing levels and amendments to the VHR Program budget to reflect projected revenues and expenditures through the remainder of the fiscal year.

D. To support this program expansion, the following staffing level changes are approved and will amend the allocated permanent position listing, attached hereto as Exhibit A (reflects partial year impact):

    a. Establish three (3) full-time Community Services Officer or Senior Community Services Officer (CSO) positions.

E. Additionally, the allocated permanent position listing is revised to revert the temporary modification to FY 2024-2025 Fire Department staffing approved by City Council on October 22, 2024, as follows:
    - From: 9 Captains, 10 Engineers, and 15 Firefighter/Paramedics
    - To: 9 Captains, 9 Engineers, and 16 Firefighter/Paramedics

F. The following Vacation Home Rental Program Fund (Fund 218) budget amendments are hereby approved for the remainder of FY 2024-2025:

| Fee Type | Revenue Account | Estimated Revenue (thru Sept. 30, 2025) |
|---|---|---|
| VHR Application Fees | 218-05330-34156 | $411,000 |

| | | |
|---|---|---|
| VHR One-time Inspection Fees | 218-05330-34153 | $132,750 |
| VHR Permit Fees | 218-05330-32115 | $375,000 |
| **Total Revenue Increase** | | **$918,750** |

| **Expenditure Line Item** | **Expenditure Account** | **Expenditure Appropriations (thru Sept. 30, 2025)** |
|---|---|---|
| Salaries and Benefits (PFT) | 218-05330-41* | $139,873 |
| Temporary Employee Salaries and Benefits | 218-05330-41* | $19,640 |
| Outside Inspection Services | 218-05330-42020 | $200,000 |
| General Supplies | 218-05330-45010 | $10,000 |
| **Total Expense Increase** | | **$369,513** |

**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. Approves the amendments to the FY 2024-2025 Vacation Home Rental Program budget as set forth above.

2. Approves the changes to the City's allocated permanent position listing as described in this resolution and reflected in Exhibit A.

3. Authorizes the Finance Director to make the necessary adjustments to the budget to implement this resolution.

Adopted by the City of South Lake Tahoe City Council on April 22, 2025 by the following vote:

Yes:
No:
Absent:
Abstain:

_____ Date:_____

Tamara Wallace, 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.*

# Allocated Permanent Positions

| Department/Positions | | Authorized/ Appropriated Positions 23/24 Adopted | Authorized/ Appropriated Positions thru May'24 | Authorized/ Appropriated Positions 24/25 Adopted | Authorized/ Appropriated Positions thru Apr'25 | Authorized/ Frozen Positions 24/25 Budget |
|---|---|---|---|---|---|---|
| **CITY COUNCIL** | | | | | | |
| Council Member *(Elected)* | **Department Total** | **5.00** | **5.00** | **5.00** | **5.00** | **0.00** |
| **CITY CLERK** | | | | | | |
| City Clerk *(Elected)* | | 1.00 | 1.00 | 1.00 | 1.00 | |
| Assistant City Clerk | | 1.17 | 1.17 | 1.00 | 1.00 | |
| | **Department Total** | **2.17** | **2.17** | **2.00** | **2.00** | **0.00** |
| **CITY TREASURER** | | | | | | |
| City Treasurer *(Elected)* | **Department Total** | **1.00** | **1.00** | **1.00** | **1.00** | **0.00** |
| **CITY MANAGER DEPARTMENT** | | | | | | |
| City Manager | | 1.00 | 1.00 | 1.00 | 1.00 | |
| Assistant City Manager | | 1.00 | 1.00 | 1.00 | 1.00 | |
| Communications and Project Specialist | | 1.00 | 1.00 | 1.00 | 1.00 | |
| Data and Innovation Program Manager | | 0.00 | 0.00 | 1.00 | 1.00 | |
| Sustainability Coordinator | | 1.00 | 1.00 | 1.00 | 1.00 | |
| Transportation Manager | | 0.00 | 0.00 | 0.00 | 0.25 | |
| | | 4.00 | 4.00 | 5.00 | 5.00 | |
| **Human Resources** | | | | | | |
| Human Resources Manager | | 1.00 | 1.00 | 1.00 | 1.00 | |
| Principal &/or H.R. Analyst | | 2.00 | 2.00 | 2.00 | 2.00 | |
| | Total | 3.00 | 3.00 | 3.00 | 3.00 | 0.00 |
| | **Department Total** | **7.00** | **7.00** | **8.00** | **8.00** | **0.00** |
| **CITY ATTORNEY** | | | | | | |
| City Attorney | | 1.00 | 1.00 | 1.00 | 1.00 | |
| Assistant City Attorney | | 1.00 | 1.00 | 1.00 | 1.00 | |
| Risk Manager | | 1.00 | 1.00 | 1.00 | 1.00 | |
| Paralegal | | 1.00 | 1.00 | 1.00 | 1.00 | |
| | **Department Total** | **4.00** | **4.00** | **4.00** | **4.00** | **0.00** |
| **FINANCE DEPARTMENT** | | | | | | |
| Director of Finance | | 1.00 | 1.00 | 1.00 | 1.00 | |
| | Total | 1.00 | 1.00 | 1.00 | 1.00 | 0.00 |
| **Financial Services** | | | | | | |
| Financial Services Supervisor | | 1.00 | 1.00 | 1.00 | 1.00 | |
| Accountant I, II | | 1.00 | 1.00 | 1.00 | 1.00 | |
| Accountant I / Payroll Coordinator | | 1.00 | 1.00 | 1.00 | 1.00 | |
| Accountant (Transit JPA) | | 0.00 | 0.00 | 0.00 | 0.25 | |
| Principal Management Analyst - Purchasing and Grants | | 1.00 | 1.00 | 1.00 | 1.00 | |
| | Total | 4.00 | 4.00 | 4.00 | 4.25 | 0.00 |
| **Revenue** | | | | | | |
| Accounting Technician I, II | | 2.00 | 2.00 | 2.00 | 2.00 | |
| Supervising Accounting Technician | | 1.00 | 1.00 | 0.00 | 0.00 | |
| Assistant Management Analyst | | 0.00 | 0.00 | 1.00 | 1.00 | |
| Accountant I/II | | 1.00 | 1.00 | 1.00 | 1.00 | |
| | Total | 4.00 | 4.00 | 4.00 | 4.00 | 0.00 |
| **Information Systems** | | | | | | |
| Information Systems Supervisor | | 1.00 | 1.00 | 0.00 | 0.00 | |
| Information Systems Manager | | 0.00 | 0.00 | 1.00 | 1.00 | |
| Network Systems Administrator | | 1.00 | 1.00 | 1.00 | 1.00 | |
| Information Systems Technician | | 1.00 | 1.00 | 1.00 | 1.00 | |
| | Total | 3.00 | 3.00 | 3.00 | 3.00 | 0.00 |
| | **Department Total** | **12.00** | **12.00** | **12.00** | **12.25** | **0.00** |

# Allocated Permanent Positions

| Department/Positions | | Authorized/ Appropriated Positions 23/24 Adopted | Authorized/ Appropriated Positions thru May'24 | Authorized/ Appropriated Positions 24/25 Adopted | Authorized/ Appropriated Positions thru Apr'25 | Authorized/ Frozen Positions 24/25 Budget |
|---|---|---|---|---|---|---|
| **DEVELOPMENT SERVICES DEPARTMENT** | | | | | | |
| Director of Development Services | | 1.00 | 1.00 | 1.00 | 1.00 | |
| Administrative Clerk I, II | | 1.00 | 1.00 | 1.00 | 1.00 | |
| | Total | 2.00 | 2.00 | 2.00 | 2.00 | 0.00 |
| **Planning** | | | | | | |
| Planning Manager/Environmental Planner | | 1.00 | 1.00 | 1.00 | 1.00 | |
| Associate Planner, Assistant Planner | | 2.00 | 2.00 | 2.00 | 2.00 | |
| Sr. Planner | | 1.00 | 1.00 | 1.00 | 1.00 | |
| Development Services Technician | | 0.00 | 0.00 | 0.00 | 0.00 | 1.00 |
| | Total | 4.00 | 4.00 | 4.00 | 4.00 | 1.00 |
| **Housing** | | | | | | |
| Housing Manager | | 1.00 | 1.00 | 1.00 | 1.00 | |
| Associate Planner, Assistant Planner- Housing | | 1.00 | 1.00 | 1.00 | 1.00 | |
| Associate Management Analyst | | 1.00 | 1.00 | 1.00 | 1.00 | |
| Program Coordinator | | 1.00 | 1.00 | 1.00 | 1.00 | |
| | | 4.00 | 4.00 | 4.00 | 4.00 | 0.00 |
| **Building and Safety** | | | | | | |
| Building Official | | 1.00 | 1.00 | 1.00 | 1.00 | |
| Pr Bldg & Sr Bldg Inspector, Bldg Inspector, Hsng Insp. | | 4.00 | 4.00 | 4.00 | 4.00 | |
| Sr. Permit Center Technician, Permit Center Technician | | 2.00 | 2.00 | 2.00 | 2.00 | |
| | Total | 7.00 | 7.00 | 7.00 | 7.00 | 0.00 |
| | **Department Total** | **17.00** | **17.00** | **17.00** | **17.00** | **1.00** |
| **PUBLIC WORKS DEPARTMENT** | | | | | | |
| Director of Public Works | | 1.00 | 1.00 | 1.00 | 1.00 | |
| Capital Program and Facilities Program Manager | | 1.00 | 1.00 | 1.00 | 1.00 | |
| Office Manager | | 1.00 | 1.00 | 1.00 | 1.00 | |
| | Total | 3.00 | 3.00 | 3.00 | 3.00 | 0.00 |
| **Engineering** | | | | | | |
| Construction Engineer | | 0.00 | 0.00 | 0.00 | 0.00 | 1.00 |
| Complete Streets Program Manager | | 1.00 | 1.00 | 1.00 | 0.50 | |
| GIS Analyst | | 1.00 | 1.00 | 0.00 | 0.00 | |
| Resident Engineer / Resident Inspector | | 1.00 | 1.00 | 0.00 | 0.00 | |
| Engineering Manager | | 0.33 | 0.67 | 0.00 | 0.00 | |
| Associate Civil Engineer, Assistant Engineer | | 2.50 | 0.00 | 0.00 | 0.00 | |
| Associate Civil Engineer, Associate Architect | | 0.00 | 2.50 | 4.00 | 4.00 | |
| Associate Planner, Assistant Planner (Transportation) | | 0.00 | 0.00 | 0.00 | 0.50 | |
| Engineering Technician I, II | | 1.00 | 1.00 | 1.00 | 1.50 | |
| | Total | 6.83 | 7.17 | 6.00 | 6.50 | 1.00 |
| **Maintenance Operations / Snow Removal** | | | | | | |
| Maintenance Manager | | 2.00 | 2.20 | 2.17 | 2.17 | |
| Lead Maintenance Technician | | 2.00 | 2.50 | 3.00 | 3.00 | |
| Maintenance Technician I, II, III, IV, V | | 16.00 | 15.50 | 15.00 | 15.00 | |
| | Total | 20.00 | 20.20 | 20.17 | 20.17 | 0.00 |
| **Fleet Maintenance** | | | | | | |
| Maintenance Manager - Fleet | | 1.00 | 1.00 | 1.00 | 1.00 | |
| Equipment Mechanic I, II, III | | 6.00 | 6.00 | 6.00 | 6.00 | |
| Fleet Control Specialist | | 1.00 | 1.00 | 1.00 | 1.00 | |
| | Total | 8.00 | 8.00 | 8.00 | 8.00 | 0.00 |
| **Airport** | | | | | | |
| Airport Manager | | 1.00 | 1.00 | 1.00 | 1.00 | |
| Airport Maintenance Supervisor | | 1.00 | 1.00 | 1.00 | 1.00 | |
| Administrative Assistant I, II | | 1.00 | 1.00 | 1.00 | 1.00 | |
| Maintenance Technician I, II, III, IV, V | | 1.00 | 1.00 | 1.00 | 1.00 | |
| | Total | 4.00 | 4.00 | 4.00 | 4.00 | 0.00 |
| | **Department Total** | **41.83** | **42.37** | **41.17** | **41.67** | **1.00** |

# Allocated Permanent Positions

| Department/Positions | Authorized/ Appropriated Positions 23/24 Adopted | Authorized/ Appropriated Positions thru May'24 | Authorized/ Appropriated Positions 24/25 Adopted | Authorized/ Appropriated Positions thru Apr'25 | Authorized/ Frozen Positions 24/25 Budget |
|---|---|---|---|---|---|
| **PARKS AND RECREATION DEPARTMENT** | | | | | |
| Director of Parks and Recreation | 1.00 | 1.00 | 1.00 | 1.00 | |
| Total | 1.00 | 1.00 | 1.00 | 1.00 | |
| **Recreation** | | | | | |
| Administrative Assistant I, II | 1.00 | 1.00 | 1.00 | 1.00 | |
| Recreation Manager | 1.00 | 1.00 | 1.00 | 1.00 | |
| Maintenance Manager - Recreation | 0.00 | 0.33 | 1.00 | 1.00 | |
| Recreation Supervisor - Acquatics | 0.00 | 0.00 | 0.00 | 0.42 | |
| Events Coordinator | 1.00 | 1.00 | 1.00 | 0.50 | |
| Marketing and Events Coordinator | 0.00 | 0.00 | 0.00 | 0.50 | |
| Recreation Program Coordinator | 0.00 | 0.42 | 1.00 | 1.00 | |
| Head Pool Lifeguard | 1.00 | 1.00 | 1.00 | 1.42 | |
| Total | 4.00 | 4.75 | 6.00 | 6.84 | |
| **Parks** | | | | | |
| Maintenance Manager - Parks | 1.00 | 1.00 | 1.00 | 1.00 | |
| Lead Maintenance Technician | 1.00 | 1.00 | 1.00 | 1.00 | |
| Maintenance Technicians I, II, III, IV,V | 7.00 | 7.00 | 7.00 | 7.00 | |
| Total | 9.00 | 9.00 | 9.00 | 9.00 | |
| **Department Total** | **14.00** | **14.75** | **16.00** | **16.84** | **0.00** |
| **FIRE DEPARTMENT** | | | | | |
| Fire Chief | 1.00 | 1.00 | 1.00 | 1.00 | |
| Fire Division Chief (Grant Funded) | 0.00 | 0.50 | 1.00 | 1.00 | |
| Fire Marshall | 1.00 | 1.00 | 1.00 | 1.00 | |
| Fire Battalion Chief | 3.00 | 3.00 | 3.00 | 3.00 | |
| Fire Captain | 9.00 | 9.00 | 9.00 | 9.00 | |
| Fire Engineer | 9.00 | 9.00 | 9.00 | 9.00 | |
| Firefighter, Paramedic | 9.00 | 9.00 | 9.00 | 9.00 | |
| Firefighter, Paramedic (Meas. S, prev. SAFER Grant) | 7.00 | 7.00 | 7.00 | 7.00 | |
| Fire Safety Inspector I, II | 1.00 | 1.00 | 1.00 | 1.00 | |
| Executive Assistant to the Fire Chief | 1.00 | 1.00 | 1.00 | 1.00 | |
| **Department Total** | **41.00** | **41.50** | **42.00** | **42.00** | **0.00** |
| **POLICE DEPARTMENT** | | | | | |
| Chief of Police | 1.00 | 1.00 | 1.00 | 1.00 | |
| Police Lieutenant | 3.00 | 3.00 | 3.00 | 3.00 | |
| Police Sergeant | 6.00 | 6.00 | 6.00 | 6.00 | |
| Police Officer | 31.00 | 31.00 | 31.00 | 31.10 | 1.00 |
| Police Officer (cannabis) | 1.00 | 1.00 | 1.00 | 1.00 | |
| Public Safety Dispatch Supervisor | 1.00 | 1.00 | 1.00 | 1.00 | |
| Police Records Supervisor | 1.00 | 1.00 | 1.00 | 1.00 | |
| Community Service Officer Supervisor | 1.00 | 1.00 | 1.00 | 1.00 | |
| Public Safety Dispatcher | 9.00 | 9.00 | 9.00 | 9.00 | |
| Senior Police Records Tech, Police Record Tech | 2.00 | 2.00 | 2.00 | 2.00 | |
| Administrative Assistant I | 1.00 | 1.00 | 1.00 | 1.00 | |
| Senior Evidence/Prop Tech, Evidence/Prop Tech | 2.00 | 2.00 | 2.00 | 2.00 | |
| Sr Community Svcs Officer, Community Svcs Officer | 4.00 | 4.00 | 4.00 | 5.25 | |
| Parking Ambassador | 4.00 | 4.00 | 4.00 | 4.00 | |
| Code Compliance Investigator | 1.00 | 1.00 | 1.00 | 1.00 | |
| Administrative Assistant II | 1.00 | 1.00 | 1.00 | 1.00 | |
| **Department Total** | **69.00** | **69.00** | **69.00** | **70.35** | **1.00** |
| **Total City Employees** | **214.00** | **215.79** | **217.17** | **220.11** | **3.00** |

# City of South Lake Tahoe

**Agenda Item Executive Summary**

Joe Irvin, City Manager

**Meeting Date:** April 22, 2025
**Agenda Item #:**21

**Agenda Item:** Potential Amendment to Ordinance Regulating Shared Mobility Devices

**Executive Summary:** At the City Council meeting on March 11, 2025, Council considered and declined to adopt an ordinance to further amend South Lake Tahoe City Code Chapter 4.185 which would have caused a 50 percent reduction in Shared Mobility Devices ("SMDs") permitted within the City and increased insurance requirements for operators and riders. Instead, City Council directed staff to bring an item back at the April 22, 2025 meeting with a presentation of potential options for increasing (1) the Cityâ€™s liability protections from SMD accidents, and (2) safety measures for SMD operations. This item provides these options for Council to consider and provider further direction.

**Requested Action / Suggested Motions:** Pass a Motion directing staff to prepare an ordinance making amendments desired, if any, to Chapter 4.185 (Shared Mobility Devices) of the South Lake Tahoe City Code on one or both of the following topics: (1) increase the City's liability protections from Shared Mobility Device accidents; and (2) increase safety measures for Shared Mobility Device operations.

**Responsible Staff Member:** Dan Bardzell, Assistant City Attorney; Jeff Roberson, Lieutenant

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

**Attachments:**

01_-_Staff_Report.docx

# City of South Lake Tahoe
# Report to City Council

**Meeting Date: April 22, 2025**

**Title:** Presentation Regarding Potential Amendment to Ordinance Regulating Shared Mobility Devices

**Location:** Citywide

**Responsible Staff Members:** Dan Bardzell, Assistant City Attorney; Jeff Roberson, Lieutenant

**Background:** On February 11, 2020, City Council adopted Ordinance 2020-1140 adding Chapter 4.185 to the South Lake Tahoe City Code (SLTCC). This ordinance regulates Shared Mobility Devices (SMDs). For purposes of this ordinance, a "shared mobility device" is defined, in pertinent part, as any wheeled transportation device, other than a bicycle, e-bicycle, automobile or motorcycle, by which a person can be propelled, moved or drawn; is accessed via an on-demand portal, whether a smartphone application, membership card, or similar method. On March 26, 2024, City Council adopted Ordinance 2024-1184 amending SLTCC Chapter 4.185 to add a requirement that SMDs be parked in corrals and adding additional requirements to implement the corrals.

At the City Council meeting on March 11, 2025, Council considered and declined to adopt an ordinance to further amend SLTCC Chapter 4.185 which would have caused a 50 percent reduction in SMDs permitted within the City. Instead, City Council directed staff to bring an item back at the April 22, 2025 meeting with a presentation of potential options for increasing (1) the City's liability protections from SMD accidents, and (2) safety measures for SMD operations. This item provides these options for Council's consideration and further direction.

**Issue and Discussion:**

At the City Council meeting on November 19, 2024, Mayor Pro Tem Wallace requested, and Councilmember Creegan seconded, that an item be brought back to City Council to adopt an ordinance to amend SLTCC Chapter 4.185 to reduce the number of SMDs an operator is authorized to deploy in the City. As a result, City staff drafted a proposed ordinance to amend SLTCC Chapter 4.185 to reduce the number of SMDs permitted in the City by 50 percent. City Council declined to adopt these changes and instead directed staff to bring back an item to discuss potential SMD safety measures and additional liability protections for the City which could be added to SLTCC Chapter 4.185 by later amendment.

On March 25, 2025, City staff attended a virtual meeting with representatives of both SMD operators permitted to operate SMDs in the City including Bird and Lime. Based on that

discussion, as well as additional research conducted by City staff, staff has identified the following potential changes to SLTCC Chapter 4.185 which City Council may consider:

Liability Protections

*End User Agreement Liability Waivers*

Both operators already utilize municipal waivers in their end user agreements including generic language in which riders waive liability against public entities for incidents which occur during a ride. Based on discussions with the operators, staff learned that some public entities require Bird and/or Lime to include waivers *specific* to the public entity. We recommend amending the ordinance to add permitting requirements in which operators must require riders to sign waivers specifically waiving claims against the City.

*Add a Permitting Requirement that Operators will Pay the City's Attorney's Fees*

SLTCC section 4.185.050(C)(2) requires the operator to agree to indemnify, defend, and hold harmless the City from liability for SMD accidents, including "any and all costs and expenses." Staff recommends adding language which requires the operator to expressly pay the City's attorney's fees for claims and lawsuits and similar matters. Although this section may already potentially cover attorney's fees, adding clarifying language would provide additional protection.

*Claim Process Triaging*

During staff's meeting with operator representatives, an operator representative suggested it may be helpful to schedule a follow-up meeting with the operators to discuss the City's current government claims process and look for ways to increase the City's triage efficiency to promptly identify and tender claims which operators are required to accept. Staff recommends a follow-up meeting with the operators to receive their suggestions regarding claims process efficiency.

*Drivers License Purging and Re-Scanning*

Staff recommends amending the permit requirements to require operators to purge all scanned drivers' licenses for riders within the City, and make each rider re-scan their ID the first time they ride a scooter within the City each calendar year.

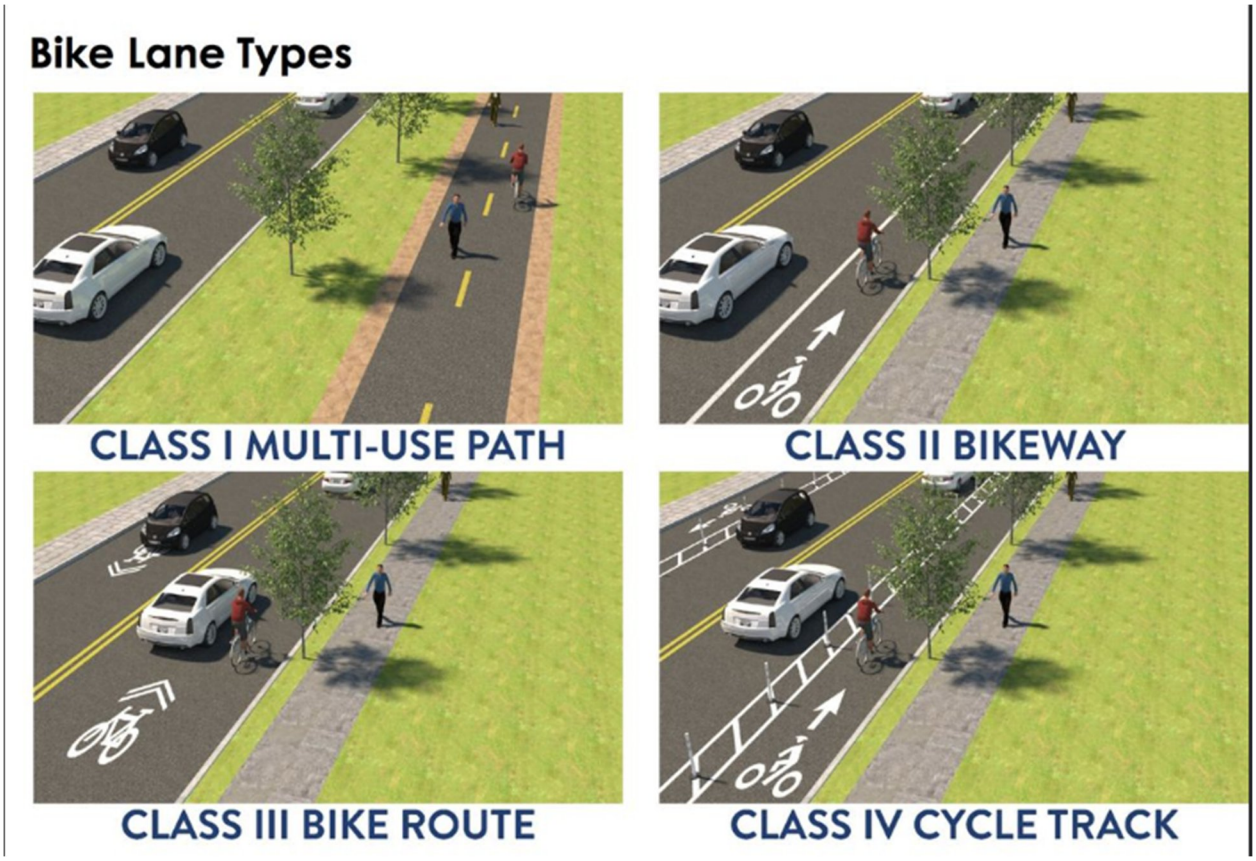
Safety Measures

*Vehicle Code Enforcement*

To address safety concerns centered on SMDs, staff recommends various modifications of SLTCC.

Staff recommends modifying SLTCC section 4.185.020 (Definitions). The City has one area of Class III bikeway, however Class III is not covered in the SMD section of SLTCC. Staff recommends adding Class III to SLTCC section 4.185.020 (Definitions) and adding it to the permit requirements section as well. Additionally, although the City currently has no Class IV bikeways, we suggest adding Class IV to the definitions in the event that this class is subsequently built in the City. This addition now would prevent having to revisit the City Code later for this purpose. Additionally, depictions of each such lane should be included in the code. Class III and IV bikeways would be added to SLTCC section 4.185.060(A)(3) which sets forth permit requirements for bikeways.

Summarily, from Chapter 1000 of the 7th Edition California Highway Design Manual bikeways are defined as such: Class I, bike path; Class II, bike lane; Class III, bike route; Class IV, separated bikeway. Depictions of each class are included for reference:




In SLTCC section 4.185.060 (Issuance of Permits), staff recommends adding “Chief of Police” to the authority for determining prohibitions on areas to ride in subsection A(2). Adding “Chief of Police” would make granted authority elsewhere in this Chapter of SLTCC consistent.

To address enforcement and the limitations of authority present in the Community Service Officer role, the primary SMD enforcement agent, staff recommends enhancing photo enforcement. This enforcement enhancement has several components that would be reflected in an amended SLTCC; increasing the City’s ability to identify the specific SMD in violation,

adding certain vehicle codes applicable to SMDs to SLTCC, holding the rider accountable for listed vehicle code violations (as driver's license is required to acquire an SMD), and reducing the interactions between SMDs, bicyclists, and pedestrians.

The first related amendment to SLTCC would be in section 4.185.060 (Issuance of Permit). A verbiage change to subsection A(5) would require the operator to post serial numbers specific to the device on both the left and right side of the devices upright in colors contrasting to the color scheme of the device. With the serial number visible from both sides of the SMD, the photo for enforcement may be taken from either side. Currently, the serial number is visible from only one side and not highly visible.

The second related amendment to SLTCC would be to amend SLTCC section 4.185.120 (Enforcement). Staff proposes adding a subsection which would be the basis for holding the rider, rather than the operator accountable for certain moving violations. In concept, both Lime and Byrd agreed that they would cooperate in providing rider information to allow photo enforcement of moving violations sent to the rider. Staff further proposes adding another subsection which would allow photo enforcement of rider action and behavior which would include a copy of the violation captured in a photo with the rider, SMD, time/date stamp, and serial number along with an invoice for the administrative citation of $100.

Realizing that only certain vehicle code violations could be captured by photo, staff chose to focus on the high-visibility safety violations that put the rider(s), other vehicles, and pedestrians in greatest peril. Accordingly, staff proposes a further amendment to incorporate specific violations to be captured and enforced by photo, and provide the authority for photo enforcement as well as identify the California Vehicle Code (CVC) violations.

Staff recommends adding language to SLTCC to identify violations by specific vehicle code. These violations would include a requirement to ride close to the right-hand curb. See CVC 21228. Observation of SMDs in the wild have seen them riding in the travel lanes of both City streets and Highway 50.

The second added violation would require the rider to dismount the scooter to turn left. See CVC 21228(b). Again, anecdotally, SLTPD has seen many scooters facilitate a left turn by riding across all travel lanes in traffic gaps.

Third, staff recommends adding a subsection to codify CVC 21235(e) requiring that no passenger be allowed to ride on the SMD. Currently the operator is issued the notice for this violation. In cooperation with the operator, this new subsection would hold a rider responsible, such as a parent riding with a small child. Staff also recommends adding to the new photo enforcement list, CVC 21235(g) specifying that the rider may not ride on a sidewalk. This would incorporate CVC 275 that identifies crosswalks as technical sidewalks and allow enforcement for not walking a scooter across a crosswalk. This issue is often seen with scooters in conflict with cars turning right, the driver of which visually cleared the intersection moments before moving across the crosswalk only to have a fast-moving unseen scooter come from behind them to cross or come quickly at them from across the intersection. Slowing

this interaction between vehicles by requiring a scooter to be walked would reduce traffic conflict.

Additionally, signage should be added at the SMD corrals indicating rider culpability for vehicle code violations.

Related to rider identification and notification of violation, two additions to the Issuance of Permits section may be required. The conceptual agreement would need to be fleshed out with the operators and added to a permit requirement. An additional change may be required which obligates the operator to notify and seek approval from the rider in the operator's rider use agreement that rider information can be provided to the police department for enforcement.

Engagement, Outreach, and Education

Staff also recommends additional safety initiatives. Staff recommends requiring operators to create a parking and safety education plan as part of their permit application. Operators should engage with riders to protect the safety of customers and all roadway users. Engagements shall include a mix of virtual (digital media and in-app communications), physical, and in-person methods. Regular, repeated, and interactive engagement is strongly encouraged, as well as use of effective and creative methods of reaching people. This engagement should consider the needs and concerns of riders as well as non-riders.

Operators must educate riders about safety, and riding rules and etiquette at the time of sign-up. Messages must include, but are not limited to:

1) Advise to wear helmets when legally required;
2) Sidewalk riding is prohibited;
3) Park in appropriate locations including designated corrals;
4) Riding age restrictions;
5) Ride one person per device;
6) Obey the rules of the road, and potential penalties;
7) Yielding to pedestrians;
8) How to report an issue;
9) Not riding under the influence.

Operators must educate riders about safety, riding rules and etiquette at the time of each rental.

*Digital Outreach and Education*

Each rental messaging must be engaging, easy to understand, and require interactive acknowledgement or confirmation by the rider, such as a "rules quiz" or yes or no questions.

Operators must educate customers on how to appropriately park devices at the time of each rental through in-app or audio messaging. Messages should inform riders that improper parking puts others at risk. Operators should develop systems to review and link riders to violations.

Software and mobile apps must regularly inform and educate riders when they have ridden into prohibited riding areas such as Geofenced area, public parking facilities, public parks, and staying off of sidewalks.

Operators must inform their riders about special events operational changes, or scheduled and publicly-announced SLTPD enforcement actions through the mobile app. Special event and enforcement action information will be provided to the operators by the City with the required ten-day notification.

Operators must inform their riders that operating SMDs under the influence of drugs or alcohol is against the law.

*Physical Outreach and Education*

Operators must regularly deploy ambassadors and/or street teams to inform riders on safety and appropriate device use (including parking). Ambassador teams should be clearly identifiable as operator staff.

Operators must conduct at minimum six (6) community events or community/stakeholder safety workshops per year. Operators suggested having these safety workshops at community events, like the Live at Lakeview summer concert series**.**

Half (per year) of the community events or community/stakeholder meetings must be targeted toward engaging low-income or other disadvantaged community members. It is preferred that operators conduct outreach in multiple languages.

Operators must host at minimum two (2) learn to ride education opportunities per year.

Operators shall provide to the City a plan for community outreach and engagement that shall include ambassador/street teams' engagement activities and schedules, along with planned presentation, activities, and events with community-based organizations (CBO), business improvement districts (BIDS), and other key stakeholders.

Operators must - on a monthly basis - report information from this outreach to inform problem-solving efforts, including, but not limited to, the number of people, time length, location, and general comments from community members regarding engagement.

**Financial Implications:**

The recommended amendments to increase liability and safety measures would minimize the City's potential financial exposure for Shared Mobility Device accidents. It is not possible to forecast specific savings to the City associated with such measures.

There would be a cost to the City to produce and install signage along near the corrals in the approximate amount of $250 plus staff time for each combination pole and sign.

**Policy Implications:**

The proposed options would support public safety and provide additional liability protection for the City.

# City of South Lake Tahoe

**Agenda Item Executive Summary**

Joe Irvin, City Manager

**Meeting Date:** April 22, 2025
**Agenda Item #:**22

**Agenda Item:** 2025-2030 Strategic Plan Adoption

**Executive Summary:** The City Council will receive a presentation and overview from the City Manager on the 2025-2030 Strategic Plan, which is being presented to the City Council for adoption.

**Requested Action / Suggested Motions:** Pass a Motion adopting the 2025-2030 Strategic Plan.

**Responsible Staff Member:** Joseph D. Irvin, City Manager

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

**Attachments:**

01-Staff Report 2025 Strategic Plan
03-Strategic Plan Timeline
02-SLT Strategic Plan Final Draft

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

## Meeting Date: April 22, 2025

**Title: 2025-2030 Strategic Plan**

**Adoption Location:** Citywide

**Responsible Staff Member:** Joseph D. Irvin, City Manager

**Background:** The City has maintained a Strategic Plan, outlining a clear vision, mission, goals and specific action items, since original adoption in 2021 with an update occurring in 2023. Strategic planning helps ensure that the organization remains relevant and responsive to the needs of its stakeholders and contributes to the organization's stability and growth. It provides a basis for monitoring progress and assessing results and impacts, enabling an organization to look into the future in an orderly and systematic way. The City has seen great success in implementing both the 2021 and 2023 Strategic Plans. Progress is reported to City Council throughout the year and a public-facing dashboard of performance measures is also regularly updated.

The City remains committed to strategic planning and the value it brings to the organization to reach goals that are aligned with the priorities of the City's elected leaders. The City partnered with strategic planning consultants, Stratalysts, to facilitate the 2025 Strategic Plan update process. This year's strategic planning process included the following activities to develop an in-depth understanding of the current landscape of the City as an organization and desires of the community:

- Review of the National Community Survey and Business Walk survey results
- Review of current organizational and land use planning documents
- Interviews with all elected officials and department directors
- A City employee and elected official survey
- Employee discussion forums
- Key staff strategic planning retreat
- City Council strategic planning retreat
- City Department Director strategic planning retreat

All information from the previous activities was presented to the City Council for their one-day strategic planning retreat. Priorities identified during the City Council retreat were further refined during the Department Director retreat.

**Issue and Discussion:** The final 2025-2030 Strategic Plan is being presented to the City Council for adoption.

The Strategic Plan Priorities are:

- Ability for Everyone Who Works Here to Live Here
- Efficient Government
- Ensure Public Safety
- Grow and Diversify the Economy
- Improve Transportation
- Protect the Natural Environment
- Recreation and Equitable Access for All

Specific Action Items are include in the Strategic Plan to articulate what the city will do to achieve stated goals within these priority areas. The Strategic Plan also provides ways that progress toward goals will be measured and reported on.

Also attached is the Strategic Plan Timeline which is meant to provide implementation timelines for each action item and guide department work plans. Bi-annual updates will be provided to the City Council as well as recommendations on staffing allocations and budget appropriations related to implementation.

**Financial Implications:** While there will be costs to implement the Strategic Plan, those fiscal impacts will be provided to Council for approval throughout implementation as needed. It is considered a best practice and necessary component of strategic planning implementation to review annual progress and performance, while validating the existing strategic priorities and actions. It is anticipated that the City Council will continue to update the Strategic Plan every two years.

**Environmental Considerations:** The discussion in this report 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:** Throughout implementation the city will need to ensure that the Strategic Priorities and Actions reflect and are compatible with the City's General Plan and the Capital Improvement Plan.

The General Plan acts as the "constitution" for making rational decisions regarding a city's long-term physical development. The general plan expresses the community's development goals and incorporates public policies relative to the distribution of future public and private land uses. California State law requires that each city adopt a general plan "for the physical development of the city and any land outside its boundaries which bears relation to its planning." Typically, a general plan is designed to address the issues facing the City for the next 15-20 years.

The Capital Improvement Program addresses the City's needs relating to the acquisition, expansion, rehabilitation, and replacement of long-lived assets. The CIP serves as a planning instrument to identify needed capital projects and coordinate the financing and timing of

improvements in a way that maximizes the return to the public. It provides a planned and programmed approach to utilizing the City's financial resources in the most responsive and efficient manner to meet its service and facility needs. It serves as a "blueprint" for the future of the community and is a dynamic tool, not a static document. A critical element of a balanced CIP is the establishment of funds to both preserve or enhance existing assets and provide new assets to respond to changing service needs and community evolution.

**STRATEGIC PLAN 2025-2030**
**TIMELINE**

| Strategic Priority | Action Item | 25/26 | 26/27 | 27/28 | 28/29 | 29/30 |
|---|---|---|---|---|---|---|
| 1. Ability for everyone who works here to live here. | 1.1 Pro-actively work with current affordable housing developers and partner agencies to implement the Sugar Pine Village project. | | | | | |
| 1. Ability for everyone who works here to live here. | 1.2 Pro-actively work with an affordable housing developer and partner agencies to develop affordable and/or workforce housing at 3900 Lake Tahoe Blvd. | | | | | |
| 1. Ability for everyone who works here to live here. | 1.3 Continue to collaborate with Saint Joseph Community Land Trust and other organizations to increase capacity to address housing needs. | | | | | |
| 1. Ability for everyone who works here to live here. | 1.4 Work with our business community to identify housing opportunities. | | | | | |
| 1. Ability for everyone who works here to live here. | 1.5 Seek AG opinion on TRPA land use authority through state legislature. | | | | | |
| 1. Ability for everyone who works here to live here. | 1.6 Add “Rooted Renters" to "Lease to Locals" program. | | | | | |
| 1. Ability for everyone who works here to live here. | 1.7 Increase funding for "Lease to Locals" program. | | | | | |
| 1. Ability for everyone who works here to live here. | 1.8 Evaluate ability to reduce regulations for development and streamline approval process while evaluating the potential to develop a citywide residential area plan. | | | | | |
| 1. Ability for everyone who works here to live here. | 1.9 Continue to work with the Tahoe Coalition for the Homeless to rehabilitate properties purchased through Project HomeKey. | | | | | |
| 1. Ability for everyone who works here to live here. | 1.10 Identify and secure funding to develop a multi-family residential rehabilitation program. | | | | | |
| 2. Efficient Government | 2.1 Clarify roles and expectations of commissions. | | | | | |
| 2. Efficient Government | 2.2 Perform a Worker Safety Rsk Analysis. | | | | | |
| 2. Efficient Government | 2.3 Complete geothermal feasibility study. | | | | | |
| 2. Efficient Government | 2.4 Consider development of a legislative agenda in coordination with Cal Cities. | | | | | |
| 2. Efficient Government | 2.5 Determine next steps for City's annexation initiatives. | | | | | |
| 2. Efficient Government | 2.6 Evaluate impact of regulatory system at local, regional, and state levels. | | | | | |
| 2. Efficient Government | 2.7 Allow the deployment of new technology that is scientifically safe. | | | | | |
| 2. Efficient Government | 2.8 Evaluate appropriate systems and tools for processes and communication that are cyber-safe (i.e. website, AI framework, scheduling system). | | | | | |
| 3. Ensure public safety | 3.1 Evaluate bait theft prevention systems. | | | | | |
| 3. Ensure public safety | 3.2 Seek grants and support legislative policy for Wildland Urban Interface, defensible space, and home hardening funding. | | | | | |
| 3. Ensure public safety | 3.3 Advocate with our legislature to get more funds for fire prevention and fuel reduction for the United States Forest Service (USFS) and California Tahoe Conservancy (CTC). | | | | | |

**STRATEGIC PLAN 2025-2030**
**TIMELINE**

| Strategic Priority | Action Item | 25/26 | 26/27 | 27/28 | 28/29 | 29/30 |
|---|---|---|---|---|---|---|
| 3. Ensure public safety | 3.4 Continue to modernize our wildfire preparedness and emergency evacuation plan in coordination with neighboring jurisdictions. | | | | | |
| 4. Grow and diversify the economy. | 4.1 Identify a viable second economy. | | | | | |
| 4. Grow and diversify the economy. | 4.2 Create Economic Development Advisory Committee to focus on local business retention and expansion programs as well as other potential economic development initiatives. | | | | | |
| 4. Grow and diversify the economy. | 4.3 Strive to develop 51 events per year in coordination with partners | | | | | |
| 4. Grow and diversify the economy. | 4.4 Support Lake Tahoe Community Colleges (LTCC) to identify appropriate workforce development programs (i.e. nursing school, paramedic school, etc.) | | | | | |
| 4. Grow and diversify the economy. | 4.5 Evaluate cannabis tax and mitigation fee structure. | | | | | |
| 4. Grow and diversify the economy. | 4.6 Complete an update to the City's Economic Development element of the General Plan. | | | | | |
| 4. Grow and diversify the economy. | 4.7 Complete the Mid-Town Plan update. | | | | | |
| 5. Improve Transportation | 5.1 Improve scooter safety for users and non-users. | | | | | |
| 5. Improve Transportation | 5.2 Complete the conceptual US50 Corridor Planning study including transit options and cross-jurisdictional coordination (including gondola, widened bike lanes, speed reduction, Y mobility hub). | | | | | |
| 5. Improve Transportation | 5.3 Complete traffic calming toolbox (including multi-modal traffic control device warrants). | | | | | |
| 5. Improve Transportation | 5.4 Continue to support Transit JPA - increase funding for LakeLink microtransit. | | | | | |
| 5. Improve Transportation | 5.5 Increase annual road repair through innovative maintenance and rehab program. | | | | | |
| 5. Improve Transportation | 5.6 Prioritize the implementation of Complete Streets. | | | | | |
| 5. Improve Transportation | 5.7 Evaluation of city-wide parking management strategies including potential expansion of paid parking and reduction of parking requirements. | | | | | |
| 6. Protect the natural enviornment | 6.1 Update Storm Water and Drainage Master Plan. | | | | | |
| 6. Protect the natural enviornment | 6.2 Identify areas that are suitable to serve as drainage basins. | | | | | |
| 6. Protect the natural enviornment | 6.3 Ensure al storm water projects are in compliance with sediment total maximum daily load (TMDL) standards and always improve lake clarity. | | | | | |
| 6. Protect the natural enviornment | 6.4 Support CivicSpark Fellow position. | | | | | |
| 6. Protect the natural enviornment | 6.5 Evaluate the feasibility and cost implications of creating or joining a community choice aggregation option and municipal owned utility to reduce carbon emissions and improve grid reliability. | | | | | |

| Strategic Priority | Action Item | 25/26 | 26/27 | 27/28 | 28/29 | 29/30 |
|---|---|---|---|---|---|---|
| 7. Recreation and equitable access for all | 7.1 Complete the new Recreation and Swim Complex and maintain the current complex in the meantime. | | | | | |
| 7. Recreation and equitable access for all | 7.2 Implement the Vision Zero Plan. | | | | | |
| 7. Recreation and equitable access for all | 7.3 Increase connectivity and safety. | | | | | |
| 7. Recreation and equitable access for all | 7.4 Evaluate public pier options. | | | | | |
| 7. Recreation and equitable access for all | 7.5 Evaluate the possibility of building and maintaining a park in every neighborhood (pocket parks). | | | | | |
| 7. Recreation and equitable access for all | 7.6 Partner for Senior Services. | | | | | |

| |
|---|
| Project Start |
| Project Complete |
| Evaluate for Potential Operationalization |

CITY OF
SOUTH LAKE TAHOE



# STRATEGIC PLAN 2025-2030



CITY OF SOUTH LAKE TAHOE

# Table of Contents


| | |
|---|---|
| Introduction | 01 |
| Progress and Accomplishments | 03 |
| Mission & Vision | 05 |
| Core Values | 06 |
| Cross-Cutting Concepts | 08 |
| Strategic Priorities | 09 |
| Elected Officials | 17 |
| Acknowledgements | 18 |

CITY OF
SOUTH LAKE TAHOE

# Introduction

## What is a Strategic Plan?

A strategic plan states the direction for the community and identifies strategies and action to achieve specific goals. Strategic planning helps assure that the organization remains relevant and responsive to the needs of its stakeholders and contributes to the organization's stability and growth. It provides a basis for monitoring progress and assessing results and impacts, enabling an organization to look into the future in an orderly and systemic way.

The City of South Lake Tahoe Strategic Plan creates a vision for our future to be shared by community members, elected officials, and City staff, building consensus about expectations and providing guidelines for the use of City resources. It serves as our roadmap and will guide much of what we do.

The City of South Lake Tahoe Strategic Plan will achieve the following outcomes:

- Convey confidence about our future
- Spark new thinking about what success should look like
- Create clarity about strategies to pursue in order to achieve goals
- Identify priorities, goals, and action plans
- Help the City Council match resources with priorities.

## Developing Our Strategic Plan

The City is committed to reaching the goals established in the strategic plan. For that reason, the City partnered with strategic planning consultants to facilitate the two-year review process for the 2025-2030 Strategic Plan. Previous plan development and review workshops were facilitated internally. City leaders felt that by using an outside facilitator, all levels of the organization could more effectively engage in the strategic planning process.

CITY OF
SOUTH LAKE TAHOE

Over the past three months, the City's consultants performed the following activities to develop an in-depth understanding of the current landscape of South Lake Tahoe:

- Reviewed documents and data provided by the City
- Interviewed all elected officials and department directors
- Conducted three (3) employee forums
- Distributed and analyzed an organization wide survey
- Prepared a Pulse Check Report that synthesized all the above actions

The culmination of all engagement activities was a three-day facilitated strategic planning event that took place March 17-19, 2025. Staff, elected officials, and directors all participated over the course of the three days to review the results of engagement activities, reflect on accomplishments for the 2023-2028 plan, and develop all elements of the 2025-2030 Strategic Plan.



CITY OF
SOUTH LAKE TAHOE

# Progress and Accomplishments

The City has seen great success implementing both the 2021 and 2023 strategic plans. The 2023-2028 Strategic Plan had eighty-one (81) action items/projects. Over the past two years, staff diligently focused their efforts and completed thirty (30) of those items and made significant progress on many others. In just two years, staff was able to move the City closer to the goals established in 2023. Below are highlighted accomplishments for the past two years.

## Built Environment

- Adopted an inclusionary housing ordinance
- Amended ADU regulations for consistency with state law and increased flexibility
- Expanded the City's Housing Hotline to include tenant protection services
- Security Deposit and Rental Assistance Program Implemented
- Completion of Sugar Pine Village phase 1 with developer partnership
- Conducted an analysis of potential local discretionary funding sources for housing initiatives
- South Tahoe Transit Transit Joint Powers Agreement executed
- Completed NeoConnect contract to expand broadband infrastructure
- Initiated the Stateline Avenue Complete Streets project
- Established residential parking permit programs in the Heavenly Valley and Lakeside Park areas.

## Community For All

- Completed Title VI Plan including translation services
- ACT Commission approved a racial equity statement
- Opioid settlement funds allocated through contract with Barton Hospital
- Worked collaboratively to increase outreach and compliance on single use plastics ban
- Deployed bear resistant trash carts citywide
- Worked collaboratively to expand and promote residential food waste programs.

## Economic Development

- Completed a Vacant and Underutilized Sites survey and presented to Council
- Implemented Classification and Compensation Study

CITY OF SOUTH LAKE TAHOE

# Progress and Accomplishments, cont.

## Core Services & High-Performing Government

- Supported internship programs, advertised for CivicSpark and CCAC fellows, and participated in Student Advisory Council recommendations
- Developed and funded the Energy Upgrades Project
- Explored a Charter City initiative and determined it was not feasible
- Supported Meet the Mayor events in 2023 and 2024.
- Prepared and presented snow removal policies, capital equipment upgrades and enforcement needs to Council

## Recreation & Equitable Access

- New Parks and Recreation programming developed based on community survey
- Wayfinding signage installed for trail system
- Bicycle amenities contracted and set to implement Spring 2025
- Two biking as a way of life videos produced and released
- Updated the Tourist Core Area Plan to establish pedestrian and bicycle connectivity between the core area and the Lake.

The remaining fifty-one (51) projects/actions items from the 2023-2028 plan were reviewed by the City Council during their planning workshop and either incorporated into this plan as action items under a new priority or removed. This process of evaluation allowed the Council to provide continuity across plans and give staff clear direction on where resources and time should be focused.



CITY OF
SOUTH LAKE TAHOE

# Maintaining Today. Building for Tomorrow.

## Vision

South Lake Tahoe is a connected, resilient, and welcoming community—renowned for its natural beauty, strong local economy, and commitment to quality of life for all

## Mission

We provide responsive and effective local government by maintaining a safe, livable, and well-managed city through smart investment, reliable services, and thoughtful planning.

CITY OF SOUTH LAKE TAHOE

# Our Core Values

The City's core values define the principles that guide how it operates and interacts with the community, staff, and partners. These values shape the culture of the organization and serve as a compass for decision-making, leadership, and day-to-day service delivery.

**Accountability**

We are all responsible for the City's success moving forward, and we take responsibility for our decisions and actions while maintaining high standards and implementing best practices.

**Communications**

Our communication is respectful, timely, relevant, and transparent.

**Honesty**

We are ethical and truthful, and we do the right thing even when no one is looking.

**Innovation**

We look for creative solutions to problems. We take risks, embrace change, and learn from our mistakes.

**Equity and Inclusion**

We believe in enabling South Lake Tahoe residents and employees to develop their potential while bringing their full self to engage in a community of inclusion.

**Vitality**

We support community inclusiveness, healthy living, and the local economy.

**Efficiency**

We are proactive in our efforts to streamline operations while delivering quality services to our residents.

**Sustainability**

We are proactive in our efforts to streamline operations while delivering quality services to our residents.

CITY OF SOUTH LAKE TAHOE

# ACHIEVES In-Use

During the staff's planning workshop, participants were asked to consider these core values and provide examples of how they are being actively used to guide service delivery. Below are the examples provided by staff.

## Accountability

- Safety Committee
- Following all policies and procedures
- Grant reporting and compliance

## Communications

- Clerk's page search functionality
- Accurate information provided to all parties
- Enforcing state renter's law
- Airport Master Plan

## Honesty

- Transparency in reporting
- PD Admin position for internal investigations
- PAC and citizen oversight

## Innovation

- STACS Program
- Focus on doing more with less

## Equity and Inclusion

- Employee education and recruitment practices
- Translation services
- Beach wheelchairs

## Vitality

- Parks and Trails
- Community Academy

## Efficiency

- Facilities project
- Prioritizing in-house vs. hiring out
- Cross-departmental prioritization of projects

## Sustainability

- Facilities and street maintenance
- Storm Water maintenance
- Affordable housing and transit nexus
- Turf grass and water usage projects

CITY OF
SOUTH LAKE TAHOE

# Cross-Cutting Concepts

Unlike core values, which guide how the City works, cross-cutting concepts are strategic lenses used to evaluate what the City works on. They are intentionally embedded across all goals, initiatives, and operations to ensure that every project, program, and policy aligns with the City's broader vision. When staff develop budgets, assess priorities, or propose new initiatives, these concepts are used to analyze potential impact and guide decision-making.

**We Ask Ourselves:**

## High-Peforming Government

**Will this initiative improve service delivery, strengthen performance, or build public trust?**

We strive for a government that is responsive, accountable, and driven by results.

## Organizational Development

**Does this action strengthen our workforce, improve collaboration, or increase our ability to adapt and grow?**

We continuously invest in our internal capacity—people, systems, and structures—to better serve the community.

## Quality of Life

**Will this initiative improve the daily experience of living, working, or visiting South Lake Tahoe?**

We prioritize the well-being of our community in every endeavor. When evaluating projects, we consider how they will enhance safety, access, affordability, environmental health, or social connection.

CITY OF SOUTH LAKE TAHOE

# Strategic Priorities 2025-2030

Strategic priorities are the City's broad focus areas for the future. They reflect the key challenges and opportunities facing the community and organization, and serve as the foundation for setting goals, guiding resource allocation, and tracking progress. While core values shape how the City operates and cross-cutting concepts influence how decisions are evaluated, strategic priorities define what the City is working to achieve.

The City has identified seven strategic priorities that will be a focus for the next five years They are listed below in alphabetical order.

## Ability for Everyone Who Works Here to Live Here

## Efficient Government

## Ensure Public Safety

## Grow and Diversify the Economy

## Improve Transportation

## Protect the Natural Environment

## Recreation and Equitable Access for All

CITY OF SOUTH LAKE TAHOE

PRIORITY 1

# Ability for Everyone Who Works Here to Live Here



## What We Will Achieve:

Address gaps across the spectrum of housing needs.

## Ways We Will Measure Success:

- # of large-scale employers and businesses contacted about interest in partnering with the city on housing programs/projects
- Increase landlord participation in Lease to Locals Program
- New construction and Annual RHNA numbers
- Increased availability of moderate-income housing (or % of housing increase per income bracket)

## What We Will Do to Reach Our Goal:

1.1 Pro-actively work with current affordable housing developers and partner agencies to implement the Sugar Pine Village project.

1.2 Pro-actively work with an affordable housing developer and partner agencies to develop affordable and/or workforce housing at 3900 Lake Tahoe Blvd.

1.3 Continue to collaborate with the Saint Joseph Community Land Trust and other organizations to increase capacity to address housing needs.

1.4 Works with our business community to identify housing opportunities.

1.5 Seek AG opinion on TRPA land use authority through state legislature.

1.6 Add “Rooted Renters” to "Lease to Locals" program.

1.7 Increase funding for the "Lease to Locals" program.

1.8 Evaluate ability to reduce regulations for development and streamline approval process while evaluating the potential to develop a citywide residential area plan.

1.9 Continue to work with the Tahoe Coalition for the Homeless to rehabilitate properties purchased through Project HomeKey.

1.10 Identify and secure funding to develop a multi-family residential rehabilitation program.

CITY OF SOUTH LAKE TAHOE

# Efficient Government

## What We Will Achieve:

Identify unnecessary barriers and work with regional entities to remove them.

## Ways We Will Measure Success:

- Reduce X mod for workers compensation insurance (risk pool rating)
- Reduce time to issue permits
- Zero impact to city related to cyber security incidents
- Cost reductions realized from consolidating software purchases

## What We Will Do to Reach Our Goal:

2.1 Clarify roles/expectations of commissions.

2.2 Perform a Worker Safety Risk Analysis.

2.3 Complete a geothermal feasibility study.

2.4 Consider development of a legislative agenda in coordination with Cal Cities.

2.5 Determine next steps for City's annexation initiatives.

2.6 Evaluate the impact of regulatory systems at local, regional, and state levels.

2.7 Allow the deployment of new technology that is scientifically safe.

2.8 Evaluate appropriate systems and tools for processes and communications that are cyber safe (i.e. website, AI framework, scheduling system, etc.).



PRIORITY 2

CITY OF SOUTH LAKE TAHOE

PRIORITY 3

# Ensure Public Safety

## What We Will Achieve:



Allocate proper resources to maintain excellent levels of service.

## Ways We Will Measure Success:

- # of defensible space inspections annually
- Acres of land treated for fire fuel reduction
- Grant funds received for wildfire prevention
- Reduce Police and Fire Department vacancy rate % (injury and unfilled)

## What We Will Do to Reach Our Goal:

3.1 Evaluate Bait Theft prevention systems.

3.2 Seek grants and support legislative policies for Wildland Urban Interface, defensible space, and home hardening funding.

3.3 Advocate with our legislature to get more funds for fire prevention and fuel reduction for United States Forest Service (USFS) and California Tahoe Conservancy (CTC).

3.4 Continue to modernize wildfire preparedness and emergency evacuation plan in coordination with neighboring jurisdictions.



CITY OF SOUTH LAKE TAHOE

# Grow and Diversify the Economy

## What We Will Achieve:

Create an environment that attracts diverse investment in our community and supports existing businesses.

## Ways We Will Measure Success:

- Reduced number of vacant/underutilized storefronts and properties
- Increased # or % of non-service sector businesses

## What We Will Do to Reach Our Goal:

4.1 Identify a viable second economy.

4.2 Create an Economic Development Advisory Committee to focus on local business retention and expansion programs as well as other potential economic development initiatives.

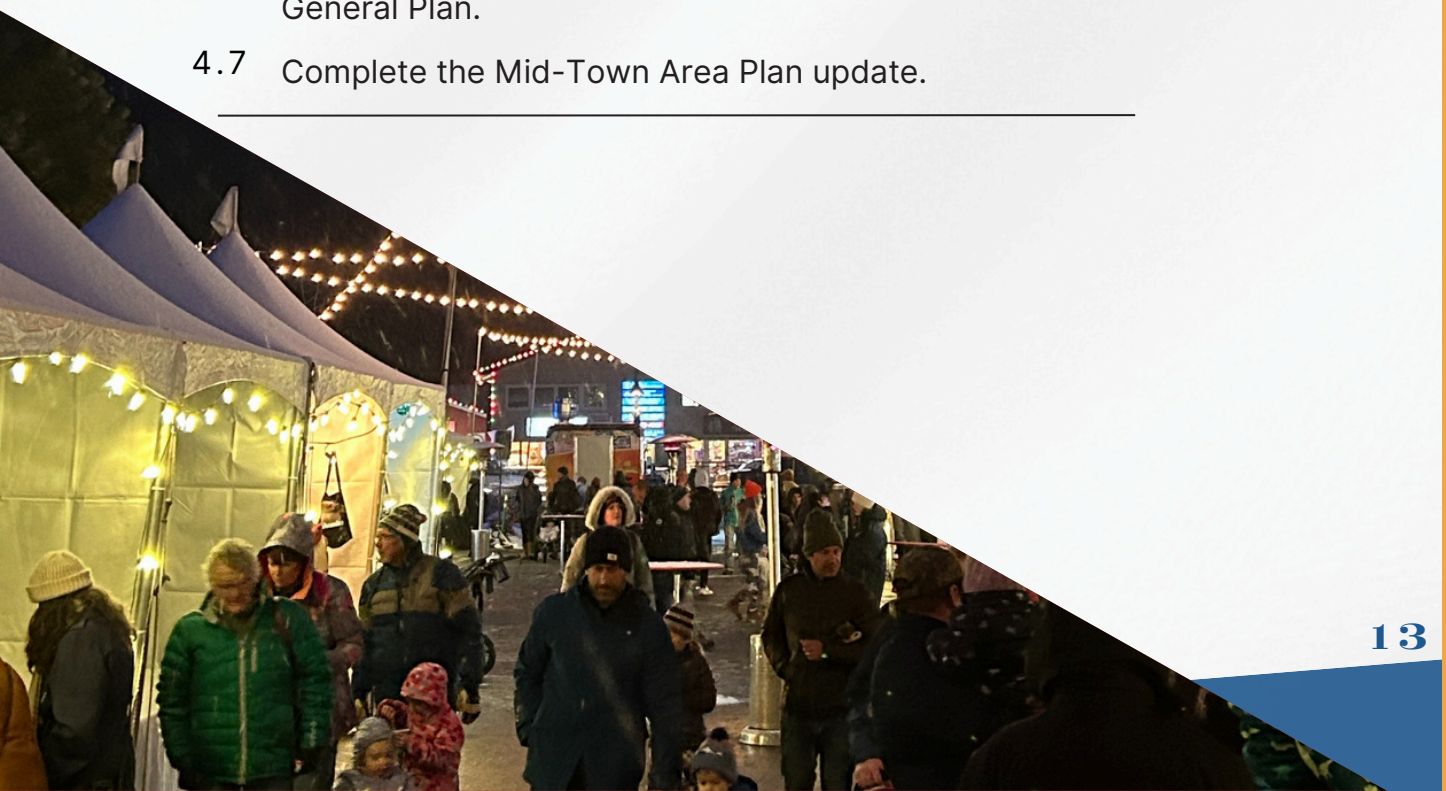
4.3 Strive to develop 51 events per year in coordination with partners.

4.4 Support Lake Tahoe Community College (LTCC) to identify appropriate workforce programs (i.e. nursing school, paramedic school).

4.5 Evaluate cannabis tax and mitigation fee structure.

4.6 Complete an update to the City's Economic Development Element of the General Plan.

4.7 Complete the Mid-Town Area Plan update.

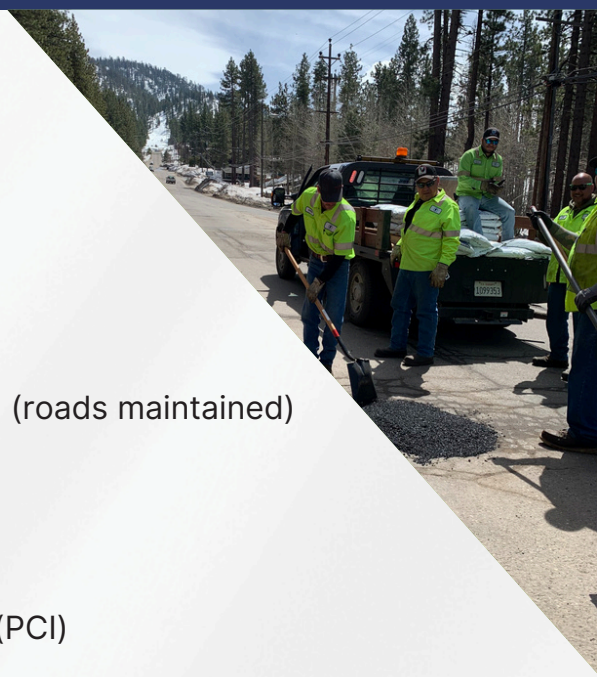


PRIORITY 4

CITY OF SOUTH LAKE TAHOE

PRIORITY 5

# Improve Transportation



## What We Will Achieve:

Improve mobility operations and quality by aligning policy, practice, and funding.

## Ways We Will Measure Success:

- # of potholes filled, crack seal applied, etc. (roads maintained)
- # of road miles re-paved
- Reduction in vehicle miles traveled (VMT)
- Lakelink ridership and area served
- Transit Route 50 ridership
- Increase Pavement Condition Index score (PCI)

## What We Will Do to Reach Our Goal:

5.1 Improve scooter safety for users and non-users.

5.2 Complete the conceptual US50 Corridor Planning Study including transit options and cross-jurisdictional coordination (to include gondola, widened bike lanes, speed reduction, and Y mobility hub).

5.3 Complete Traffic Calming Toolbox (including multi-modal traffic control device warrants).

5.4 Continue to support Transit JPA – increase funding for Lakelink microtransit.

5.5 Increase annual road repair through innovative maintenance and rehab program.

5.6 Prioritize the implementation of Complete Streets.

5.7 Evaluation of city-wide parking management strategies including potential expansion of paid parking and reduction of parking requirements.



CITY OF SOUTH LAKE TAHOE

# Protect the Natural Environment

## What We Will Achieve:

Keep protection of the natural environment as a priority throughout all infrastructure and development projects.

## Ways We Will Measure Success:

- # of potential drainage basin locations identified
- # of drainage basins meeting or exceeding TMDL requirements
- Improved annual water quality measures

## What We Will Do to Reach Our Goal:

6.1 Update the Storm Water and Drainage Master Plan.

6.2 Identify areas that are suitable to serve as drainage basins.

6.3 Ensure all storm water projects are in compliance with sediment total maximum daily load (TMDL) standards and always improve lake clarity.

6.4 Support the CivicSpark Fellow position.

6.5 Evaluate the feasibility and cost implications of creating or joining a community choice aggregation option and municipal owned utility to reduce carbon emissions and improve grid reliability.



CITY OF SOUTH LAKE TAHOE

PRIORITY 7

# Recreation and Equitable Access for All




## What We Will Achieve:

Address gaps in recreation facilities and services, and multi-modal infrastructure.

## Ways We Will Measure Success:

- Miles of multi-use pathways
- National Community Survey (NCS) rating on the quality of parks and recreation opportunities, mobility, and safety (re-evaluated every three years)
- Annual update on progress for existing plans
- Number of households within a 10-minute walk to a park

## What We Will Do to Reach Our Goal:

7.1 Complete the new Recreation and Swim Complex and maintain the current complex in the meantime.

7.2 Implement the Vision Zero Plan.

7.3 Increase connectivity and safety.

7.4 Evaluate public pier options.

7.5 Evaluate the possibility of building and maintaining a park in every neighborhood (pocket parks).

7.6 Partner for Senior Services.



# Elected Officials



**TAMARA WALLACE**
Mayor



**CODY BASS**
Mayor Pro Tem



**SCOTT ROBBINS**
Councilmember



**DAVID JINKENS**
Councilmember



**KEITH ROBERTS**
Councilmember



**SUSAN BLANKENSHIP**
City Clerk



**DAVID OLIVO**
City Treasurer

Our elected officials, listed above, whose visionary leadership, thoughtful guidance, and commitment to public service have provided essential direction for the strategic priorities outlined in this plan.





# Acknowledgements



**JOE IRVIN**
**City Manager**



**HILARY ROVERUD**
**Assistant City Manager**



**HEATHER STROUD**
**City Attorney**

We gratefully acknowledge the contributions and collaborative efforts of *all* staff members whose insights, expertise, and dedication helped to shape this strategic plan. Special recognition goes to the department directors listed below, whose active participation in our strategic planning workshop was instrumental in defining our path forward.

**ANUSH NEJAD**
*Public Works Director*

**OLGA TIKHOMIROVA**
*Finance Director*

**DAVID STEVENSON**
*Police Chief*

**JIM DRENNAN**
*Fire Chief*

**JOHN STARK**
*Director of Parks and Recreation*

**ZACH THOMAS**
*Director of Development Services*

We also extend our appreciation to the staff listed below, whose valuable engagement and perspectives greatly enriched the workshop and strengthened our planning process.

*Dan Bardzell*
*Andrew Black*
*Ember Buckman*
*Dennis Churchill*
*Scott Crivelli*
*Kelley Edwards*
*Tom Kerley*
*Sara Letton*
*Jessica Wackenhut-Lomeli*
*Jay Manning*
*Luis Olmedo*
*Becky Penado*
*Ricky Riddle*
*Hollie Straubinger*
*Sonia Wheeler*

CITY OF SOUTH LAKE TAHOE

CITY OF
SOUTH LAKE TAHOE



# STRATEGIC PLAN 2025-2030

CITYOFSLT.US • (530) 542-6000 • @CITYOFSLT

City of South Lake Tahoe, 1901 Lisa Maloff Way, South Lake Tahoe, CA 96150
Adopted April 2025 • Published May 2025

# City of South Lake Tahoe

**Agenda Item Executive Summary**

Joe Irvin, City Manager

**Meeting Date:** April 22, 2025
**Agenda Item #:**23

**Agenda Item:** Ordinance Designating Very High Fire Severity Zones (First Reading)

**Executive Summary:** City Council will consider a proposed ordinance to update "very high fire severity zone" designations in the City based on the updated California Department of Forestry and Fire Protection (â€œCalFireâ€) Local Responsible Area (LRA) map. California law requires Cal Fire to develop maps identifying very high fire severity zones for potential wildland fires, and local governments are then required by California Government Code section 51179 to adopt an ordinance formally designating these zones in their jurisdiction.

**Requested Action / Suggested Motions:**

Pass a Motion to hold first reading (by title only) of an Ordinance Designating Very High Fire Severity Zones, and refer second reading and adoption to the May 6, 2025 meeting.

**Responsible Staff Member:** Kim George, Fire Marshal and Jim Drennan, Fire Chief

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

**Attachments:**

01-Staff Report-Fire Severity Zones Ordinance.docx
02 - Rollout Plan
03 - Map (Exh. A to Ordinance)
04-Ordinance Designating Very High Fire Severity Zones.docx
05-Public Comment_Redacted.pdf

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

**Meeting Date: April 22, 2025**

**Title:** Ordinance Designating Very High Fire Severity Zones (First Reading)

**Location:** Citywide

**Responsible Staff Member:** Kim George, Fire Marshal, and Jim Drennan, Fire Chief

**Background:** California law requires the California Department of Forestry and Fire Protection ("CalFire") to develop maps identifying Very High Fire Hazard Severity Zones for potential wildland fires, and local governments are then required by California Government Code section 51179 to adopt an ordinance formally designating these zones in their jurisdiction. The vast majority of the land within City limits is included in a Very High Fire Hazard Severity Zone, and this designation triggers additional building and fire code requirements intended to promote fire safety.

On September 3, 2019, City Council adopted Ordinance 2019-1131 which designated Very High Fire Hazard Severity Zones within the City. On June 4, 2024, City Council adopted Ordinance 2024-1186 which made the most recently adopted update to the Very High Fire Hazard Severity Zones within the City. The proposed Ordinance would further update the City's fire hazard severity zones in accordance with existing law.

**Issue and Discussion:** On February 10, 2025 the City received an updated version of Cal Fire's Fire Hazard Severity Zones in Local Responsibility Area map from CalFire identifying Very High Fire Hazard Severity Zones. Pursuant to Government Code section 51179, the City is required to designate, by ordinance, very high fire hazard severity zones in its jurisdiction within 120 days of receiving such recommended fire designations. To clarify, the revised map shows a few parcels which are designated as high and moderate zones. The vast majority of the City falls within the "Very High Fire Hazard" category.

As a result, City staff drafted a proposed ordinance (*Attachment 1*: proposed ordinance) to update the City's Very High Fire Hazard Severity Zone designations in accordance with CalFire's updated map.

Adopting this ordinance is required by law and allows the Building Official and Fire Chief to enforce the wildland interface fire protection provisions of the Building and Fire Codes. The Fire Department, after review of the Very High Fire Hazard Severity Zone Map, concurs with CalFire's assessment. CalFire's map for the City is attached to this report. (*Attachment 2*: Cal Fire's Fire Hazard Severity Zones in Local Responsibility Area)

Additionally, pursuant to Government Code section 51178.5, within 30 days after receiving the recommended fire designations from the State Fire Marshal, the City is required to make the information available for public review and comment. On March 14, 2025, the City complied with this requirement by posting this information and instructions on how to comment on our webpage.

Comments were to be emailed to fireinfo@cityofslt.us. This was also advertised on SLTFR social media pages as well as city social media pages. All public comments received with respect to these fire designations are attached to this report as *Attachment 3*.

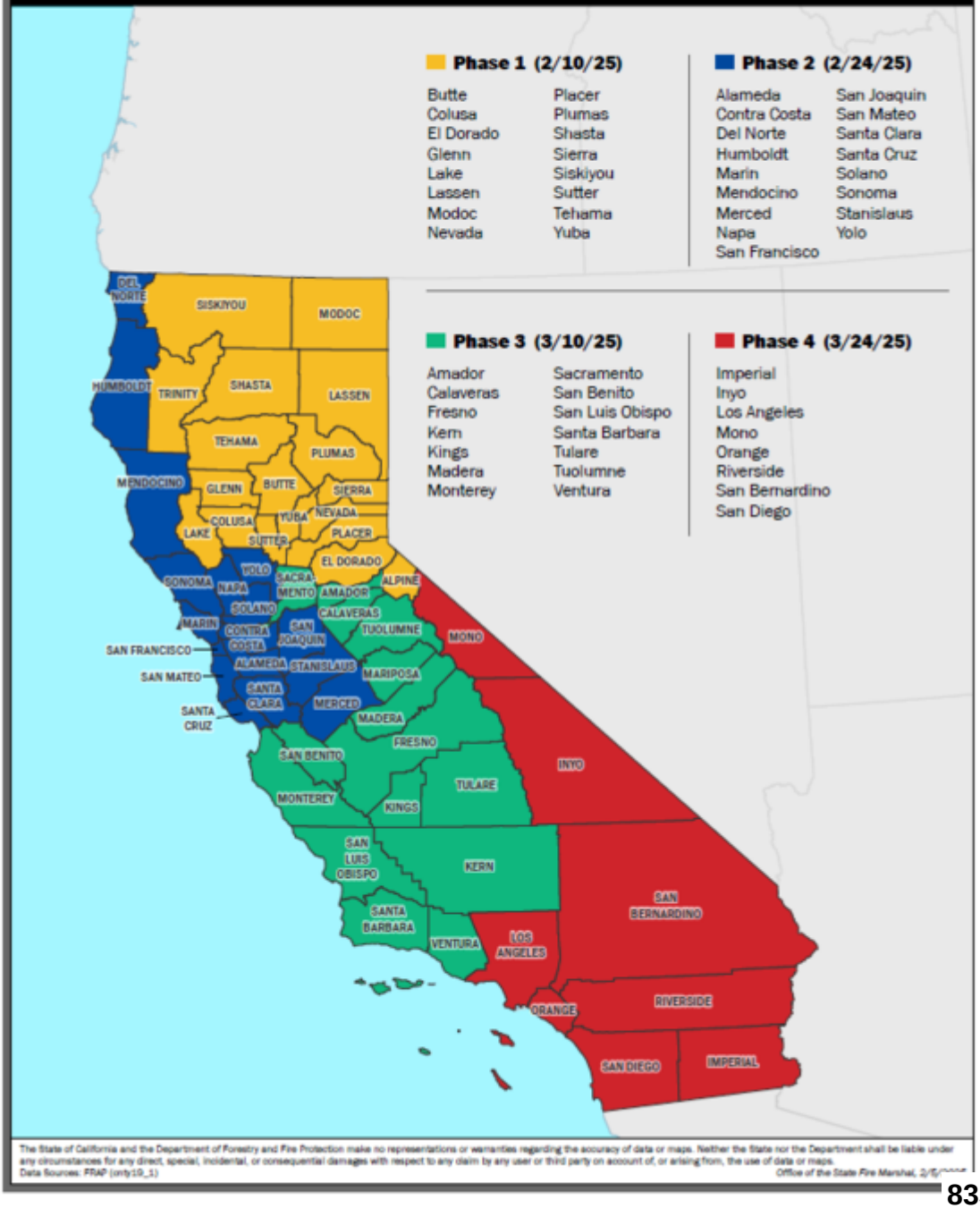
**Financial Implications:** Adoption of this ordinance has no financial implications for the City at this time.

**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:** Government Code Section 51179 states, “A local agency shall designate, by ordinance, [. . .] very high fire hazard severity zones in its jurisdiction within 120 days of receiving recommendations from the State Fire Marshal pursuant to Section 51178.”

# LRA FHSZ Rollout Plan

**OFFICE OF THE STATE FIRE MARSHAL**




The State of California and the Department of Forestry and Fire Protection make no representations or warranties regarding the accuracy of data or maps. Neither the State nor the Department shall be liable under any circumstances for any direct, special, incidental, or consequential damages with respect to any claim by any user or third party on account of, or arising from, the use of data or maps.

Data Sources: FRAP (only10_1)

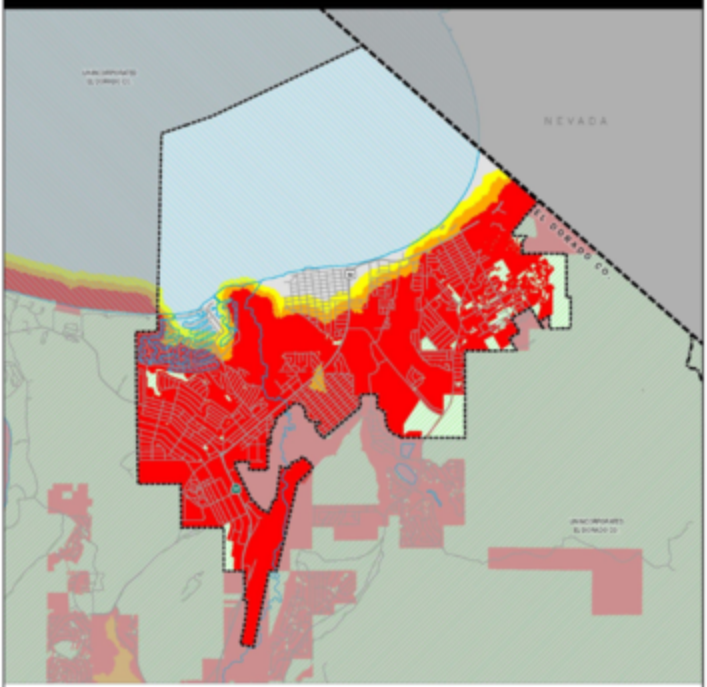
*Office of the State Fire Marshal, 2/5/*

CITY OF SOUTH LAKE TAHOE – EL DORADO COUNTY

# Local Responsibility Area Fire Hazard Severity Zones

As Identified by the State Fire Marshal

January 22, 2025







**Fire Hazard Severity Zones (FHSZ) in Local Responsibility Area (LRA), as identified by the State Fire Marshal**

Very High | High | Moderate

**Fire Hazard Severity Zones in State Responsibility Area (SRA), Effective April 1, 2024**

Very High | High | Moderate

Projection: NAD 83 California Teale Albers
Scale: 1:48,000 at 11" x 17"

Incorporated City | Waterbody

Unzoned LRA | Federal Responsibility Area (FRA)

Government Code section 51178 requires the State Fire Marshal to identify areas in the state as moderate, high, and very high fire hazard severity zones based on consistent statewide criteria and based on the severity of fire hazard that is expected to prevail in those areas. Moderate, high, and very high fire hazard severity zones shall be based on fuel loading, slope, fire weather, and other relevant factors including areas where winds have been identified by the Office of the State Fire Marshal as a major cause of wildfire spread.

The State of California and the Department of Forestry and Fire Protection make no representations or warranties regarding the accuracy of data or maps. Neither the State nor the Department shall be liable under any circumstances for any direct, special, incidental, or consequential damages with respect to any claim by any user or third party on account of, or arising from, the use of data or maps.

Gavin Newsom, Governor, State of California
Wade Crowfoot, Secretary for Natural Resources, CA Natural Resources Agency
Joe Tyler, Director/Fire Chief, CA Department of Forestry and Fire Protection
Daniel Berlant, State Fire Marshal, CA Department of Forestry and Fire Protection

Data Sources
CAL FIRE Fire Hazard Severity Zones (FHSZSRA25_2, FHSZLRA_25_1)
CAL FIRE State Responsibility Areas (SRA25_1)
City and County boundaries as of 10/01/24; CA Board of Equalization

**Ordinance 2025-XXX** (uncodified)

**Adopted by the City of South Lake Tahoe**
**City Council**

**May 6, 2025**

# Designating Very High Fire Hazard Severity Zones

## FINDINGS

A. The Wildland-Urban Interface Fire Area is a geographical area identified by the state as a Fire Hazard Severity Zone in accordance with California Public Resources Code Sections 4201 through 4204 and California Government Code sections 51175 through 51189, or other area designated by the enforcing agency to be at a significant risk from wildfires.

B. On September 3, 2019, City Council adopted Ordinance 2019-1131 which designated Very High Fire Hazard Severity Zones within the City of South Lake Tahoe (the "City").

C. Pursuant to California Public Resources Code Section 4204, the California Department of Forestry and Fire Protection ("Cal Fire"), through the State Fire Marshal, shall periodically review Fire Hazard Severity Zone designations and, as necessary, shall revise zones.

D. On February 10, 2025, Cal Fire issued its updated Local Responsibility Area Fire Hazard Severity Zones for El Dorado County. Most of the City falls into the Very High Severity category. The map has been provided to the City by Cal Fire for review. Adoption of Cal Fire's updated Fire Hazard Ratings for the City allows the City's Building Official and Fire Chief to enforce the Wildland-Urban Interface requirements found in the California Fire and Building Codes for the updated Very High Fire Hazard Severity Zones designations in the City. These Wildland-Urban Interface requirements increase fire safety requirements on items such as roofing, siding, attic, and foundation venting. These requirements affect new residential construction.

E. The Building Official shall enforce the provisions of Title 24 California Code of Regulations, California Building Code, Part 2, Chapter 7A, in all Very High Fire Hazard Severity Zones designated by the Fire Chief.

F. The Fire Chief may designate areas not identified as Very High Fire Hazard Severity Zones by Cal Fire following a finding supported by substantial evidence in the record that the requirements of the California Government Code section 51182 are necessary for effective fire protections within those areas.

G. The Fire Chief, after review of the Cal Fire including its designation of Very High Fire Hazard Severity Zones within the City, concurs with Cal Fire's assessment.

**Now, Therefore, the City Council of City of South Lake Tahoe does ordain as follows:**

SECTION 1. Certain areas within the City are hereby designated as Very High Fire Hazard Severity Zones, as indicated on the map attached as Exhibit "A" hereto.

SECTION 2. 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 3. The City Clerk is directed to certify this Ordinance and cause it to be published in the manner required by law.

SECTION 4. This Ordinance shall become effective thirty days after the date of its adoption.

Adopted by the City of South Lake Tahoe City Council on May 6, 2025 by the following vote:

Yes:
No:
Abstain:
Absent:

_____ Date:_____
Tamara Wallace, Mayor

Attest:

_____
Susan Blankenship, City Clerk

First Reading:
Published:
Effective:

Public Comments Received on the LRA FHSZ Map

**From:** Marjorie [redacted]
**Sent:** Tuesday, March 25, 2025 2:38 PM
**To:** Sallie Ross <sross@Cityofslt.us>
**Subject:** Fire Hazard Severity zones

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Hello, I don't see how this map is accurate.

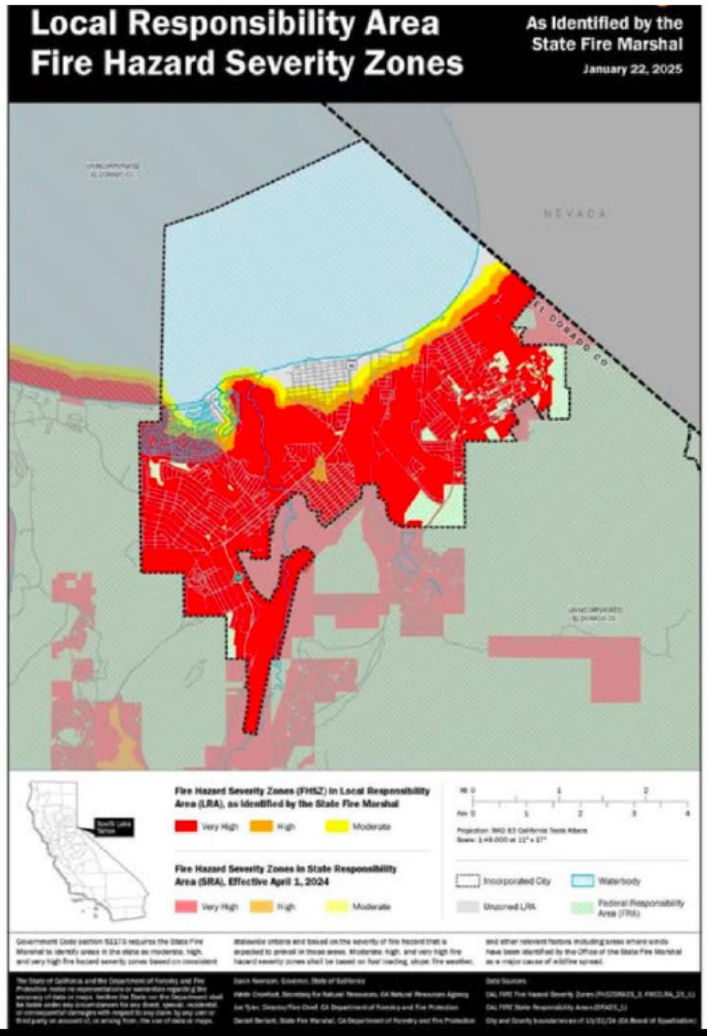
Why is Al Tahoe listed as lower level risk when that neighborhood is built is close proximity wood structures? Meanwhile neighborhoods bordering marsh, or larger lots, w more metal roofs are still high risk.

What is the logic here? It looks like inaccurate broad assumptions were made that will inevitably cost people of this city undue increases in insurance and other costs.

Please explain. I disagree with this assessment.

Thank you,

M




Liked by [redacted] and **others**

**cityofslt** @southlaketahoefire is looking for your input regarding the Local Responsibility Area Fire Hazard Severity Zone Map created by the California Department of Forestry and Fire (CAL FIRE).

To learn more, visit https://www.cityofslt.us/LRAFireHazardMap (link in bio)

Public comment can be submitted to fireinfo@cityofslt.us.

**From:** Joshua Boles [redacted]
**Sent:** Thursday, March 20, 2025 11:21 AM
**To:** Sallie Ross <sross@Cityofslt.us>
**Subject:** South tahoe fire update map

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Hello,

Thank you for the updated map concering fire danger in SLT.

I live in the Al Tahoe neighborhood and I'm curious why fire danger map does it more accurately follow the geography of the land. The neighborhood could be considered a peninsula that is surrounded by wetlands and the lake. For this reason, I feel the neighborhood should be considered less of a fire danger than other neighborhoods and the map should reflect this.

Thank you for your time and consideration.

Josh

[redacted]

**From:** djinkens@[redacted] <[redacted]>
**Sent:** Tuesday, February 18, 2025 2:19 PM
**To:** 'David Peterson' <[redacted]>
**Cc:** 'Peter Grant' <[redacted]>; 'Bonnie Halleran' [redacted]>; 'Hallie KIRKINGBURG' [redacted]; Sallie Ross <sross@Cityofslt.us>; David Jinkens <djinkens@cityofslt.us>
**Subject:** HAZARDOUS FIRE MAPS CORRECTION REQUEST LETTER

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Dear President Peterson:

FYI per your request.

Please keep me posted if you hear anything more about this matter.

**P.O. BOX 8066 SOUTH LAKE TAHOE, CALIFORNIA 96158**

February 18, 2025

**Joe Tyler**

Director/Fire Chief

Cal Fire

P:O. Box 944246

Sacramento, CA 94244-2460

**Re: Proposed and Revised Catastrophic Risk Maps for South Lake Tahoe, CA**

Dear Director Tyler:

Thank you and the personnel of your Department who serve the people of our State and protect our environment from the threat of catastrophic fire and responding to fire events when they occur.

I am writing to you to provide comments I received from the President of the Board of the Tahoe Keys Property Owners Association (TKPOA). The TKPOA Board represents 1,528 property owners *on the shores* of Lake Tahoe within the city limits.

**President Peterson points out that "*The new fire risk map shows half the Keys in the high-risk zone, despite a relative lack of fuels and large wetland or open water buffers on all sides....and the Keys is a designated Firewise Community. ...***

***The map appears to be wrong. Please do not adopt this risk map until the Tahoe Keys area has been corrected.***

***The map shows the water of Lake Tahoe north of Pope Beach in the high-risk area. Perhaps the risk overlay needs to be shifted south to line up with the topography?"***

President Peterson asked me to forward comments to your office and the City of South Lake Tahoe Fire Department.

I asked that his questions and concerns be examined before any final version of the revised map is adopted.

In my view, and that of many others, the fire risks in the South Shore both inside and outside of the city limits are exacerbated by Federal and State of California lands that are not properly maintained and contain large number of fuels on the ground floor. USFS and CTC officials need the funds and direction ***to maintain these lands every year*** to minimize the risk of catastrophic fire. The city fire department is well-managed and proactive in promoting defensible space in all parts of South Lake Tahoe. Firewise volunteers are also being proactive in our neighborhoods.

I respectfully request your help and support to ensure that new catastrophic risk maps are accurate an depict true on-ground conditions.

I know you will agree that we cannot allow fuel abundant public properties to remain a threat to the people and environment in the South Shore. Action is needed now!

Thank you and best wishes,

**ORIGINAL SIGNED BY**

David Jinkens, MPA

**City Council Member**

(*Retired South Lake Tahoe City Manager &*

*Director of Emergency Services)*

djinkens@[redacted]

C: President Peterson, TKPOA

Interested parties.

**Note: The comments made here are mine alone and not necessarily a reflection of policy of the City of South Lake Tahoe.**

**From:** David Peterson <[redacted]
**Sent:** Sunday, February 16, 2025 8:48 PM
**To:** Sallie Ross <sross@Cityofslt.us>
**Cc:** David Jinkens <djinkens@[redacted]; Hallie KIRKINGBURG [redacted]>; Peter Grant [redacted]>; Bonnie Halleran [redacted]>; [redacted]
**Subject:** Re: Fire map comment

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

One more comment:

The map shows the water of Lake Tahoe north of Pope Beach in the high risk area. Perhaps the risk overlay needs to be shifted south to line up with the topography?

Dave Peterson

# City of South Lake Tahoe

**Agenda Item Executive Summary**

Joe Irvin, City Manager

**Meeting Date:** April 22, 2025
**Agenda Item #:**24

**Agenda Item:** Stateline Transit Center Parking Enforcement Authorization Ordinance (First Reading)

**Executive Summary:** This item is an amendment to the City Code authorizing parking restrictions in municipal off-street parking facilities and a resolution authorizing the existing parking restriction zones at the Stateline Transit Center including new signage and enforcement authority.

**Requested Action / Suggested Motions:** 1) Pass a Motion to hold a first reading (by title only) of an Ordinance amending Article VII of Chapter 4.25 of the South Lake Tahoe City Code to add Section 4.25.607 authorizing City Council, by resolution, to establish certain parking prohibitions, restrictions, and regulations at municipal off-street parking facilities and refer to a second reading and adoption to the May 6, 2025 meeting; and, 2) Pass a Resolution establishing parking prohibitions, restrictions, and regulations for the Stateline Transit Center.

**Responsible Staff Member:** David Stevenson, Police Chief, and Anush Nejad, Director of Public Works

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

**Attachments:**

01-Staff Report-Stateline Transit Center.docx
02 - Ordinance to Amend Off Street Parking.docx
03 - Resolution Offsite Parking Stateline Transit Ctr 040725.docx
04 - Transit Center Parking Map (Exh. A to Reso).pdf

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

## Meeting Date: April 22, 2025

**Title:** Stateline Transit Center Signage and Parking

**Location:** Citywide

**Responsible Staff Members:** David Stevenson, Police Chief

**Background:** The City owns the Stateline Transit Center which is located at 4114 Lake Tahoe Blvd. The transit center was completed in 2004. In 2004 the City entered into a parking agreement with Cecil's, LLC to lease the 5th bay of the Transit Center to use as 6 parking spaces (they continue to pay $600/month ($100/space) for these spaces). In 2014 The City leased the Transit Center to the Tahoe Transportation District (TTD) for use as a bus stop. The City is responsible for parking enforcement at the Transit Center and on Transit Way.

**Issue and Discussion:** The signage in the Transit Center and Transit Way is old and has outdated City Code sections listed as the parking enforcement authority. This has made parking enforcement problematic. Currently, police department staff are unable to issue parking citations for vehicles parked illegally in the Transit Center or on Transit way. The signage needs to be updated with current City Code authorities to allow for parking enforcement. In addition, the City Code needs to be updated to authorize the City Council to establish parking restrictions generally by resolution at City off-street parking facilities.

To establish authority for parking enforcement, staff has prepared an Ordinance to amend Article VII of Chapter 4.25 of the South Lake Tahoe City Code to add Section 4.25.607 authorizing City Council, by resolution, to establish certain parking prohibitions, restrictions, and regulations at municipal off-street parking facilities (As authorized by California Vehicle Code Section 22519).

In addition to the Ordinance, staff has prepared a resolution authorizing the no parking zones, loading zones, and permit parking at the Stateline Transit Center and enforcement of these restrictions once appropriate signage is installed.

The above resolution would allow the Police Department in conjunction with Public Works to maintain the current configuration and parking designations at the Stateline Transit Center with installation of updated signage to ensure the current parking designations for no parking, loading zones, and permit parking are enforceable.

On Thursday January 23, 2025, Chief Stevenson met with TTD Executive Director, Jim Marino. Mr. Marino was supportive of updating signage for parking enforcement.

**Financial Implications:** The estimate for 12 new signs is approximately $3,000 ($250/sign) and $100 for yellow paint for a total of $3,100.00. This will be paid for by existing department 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:** This project is consistent with the City’s Strategic Plan including priority 1.4, Transportation, and priority 5.1 Public Safety - Action Item 7, parking enforcement in high visitor areas.

# Ordinance 2025-XXX

**Adopted by the City of South Lake Tahoe City Council**

**May 6, 2025**

## An Ordinance Amending Article VII (Parking Garage Facility Regulations) of Chapter 4.25 (Motor Vehicles and Traffic) of Title 4 of the South Lake Tahoe City Code to Add Section 4.25.607 to Provide Authority to Establish No Parking Zones, Loading Zones, Permit Parking, and Restrictions on Overnight Parking in Municipal Off-Street Parking Facilities

**FINDINGS**

A. California Vehicle Code section 22519 authorizes local authorities, by ordinance or resolution, to prohibit, restrict, or regulate the parking, stopping, or standing of vehicles on any off-street parking facility which the local authority owns or operates, once signs giving notice of such restrictions have been erected.

B. The Police Department desires to establish clear authority to enforce parking restrictions currently marked and signed at various municipal off-street parking facilities including the Stateline Transit Center, Parking Garage at 1 Bellamy Way, and parking lot at 3069 Harrison Avenue, and the establish authority to create additional parking restriction at municipal off-street parking facilities in the future by resolution.

**Now, Therefore, the City Council of City of South Lake Tahoe does ordain as follows:**

SECTION 1. Article VII (Parking Garage Facility Regulations) of Chapter 4.25 (Motor Vehicles and Traffic) of Title 4 (Police/Code Enforcement) of the South Lake Tahoe City Code is amended to read in its entirety as follows:

**Article VII. Municipal Off-Street Parking Facility Regulations**

**4.25.580 Purpose.**
This article is adopted for the purpose of regulating municipal off-street parking facilities, defined as city-owned and operated parking lots, facilities, and garages. No person shall park any vehicle in any parking space on any municipal off-street parking facility except as permitted by this article.

**4.25.590 Payment required.**
When parking on a municipal off-street parking facility is regulated and controlled by a parking revenue control system, it shall be unlawful for the operator of any vehicle parked on such municipal

off-street parking facility to fail, neglect, or refuse to pay the parking charges established for such municipal off-street parking facility.

**4.25.600 Parking within parking spaces.**
Parking spaces on municipal off-street parking facilities shall be designated by lines or other appropriate markings. When parking spaces are so designated, it shall be unlawful for the operator of any vehicle to stop, stand, or park said vehicle other than in a regularly designated parking space, across any such line or marking, or in such position that said vehicle shall not be entirely within the area so designated as a parking space except upon the direction of a parking lot attendant. No vehicle shall be parked, stopped or shall stand either wholly or partially in any driveway of any municipal off-street parking facility or in any manner which shall obstruct or interfere with the free movement of vehicles in such driveway or in any manner so as to obstruct or otherwise prevent or interfere with ingress to or egress from any regularly designated parking space except on the direction of a parking lot attendant.

No vehicle shall be backed into any diagonal or angle parking space or placed into any diagonal or angle parking space so that the vehicle is facing the opposite direction of the general traffic pattern for the street or parking lot or is facing the travel portion of the street, alley, or lot providing access to the parking space.

**[*Note: 4.25.605 (Electric Vehicle Charging Stations) is being added by a separate ordinance scheduled for a second reading on April 22, 2025*]**

**4.25.607 Parking prohibitions, restrictions and regulations.**

A. No parking zones. No person shall park in an area of any municipal off-street parking facility where a prohibition on parking is so designated by ordinance or resolution of city council upon posting of signage indicating such prohibition.

B. Loading zones. No person shall park in a parking space for more than thirty (30) minutes within any municipal off-street parking facility designated as a loading zone by ordinance or resolution of the city council upon posting of signage indicating such time restriction.

C. Permit parking. No person without a permit shall park in a parking space within any municipal off-street parking facility designated for permit parking only by ordinance or resolution of the city council upon posting of signage indicating such restriction.

D. Overnight parking. No person shall park overnight in any municipal off-street parking facility where a prohibition on overnight parking is so designated by ordinance or resolution of city council upon posting of signage indicating such prohibition.

**4.25.610 Weight and size limitations on vehicles.**
No person shall stop, stand or park any vehicles exceeding a gross maximum weight limit of three tons or exceeding either 22 feet in length or eight feet in width in any parking garage owned or operated by the city.

**4.25.620 Use of entrance and exit.**
It shall be unlawful for any person to enter any municipal off-street parking facility over any area or driveway or the portion of any curb which is not marked with the word “Entrance” or otherwise indicated by arrows, signs, or words to be a driveway or place for entering of such facility.

It shall be unlawful for any person to move any vehicle from any such facility into any public way or area except over an area marked with the word “Exit” or otherwise indicated by arrows, signs, or words to be a driveway or place for leaving of such parking lot, facility or garage.

**4.25.630 Speed of vehicles.**
It shall be unlawful for any person to move any vehicle on a municipal off-street parking facility at any speed exceeding 10 miles per hour.

**4.25.640 Prohibited use.**
No person shall ride or propel any bicycle, snowboard, skis, skateboard, roller skates, scooter, wagon or other similar nonmotorized vehicle in any municipal off-street parking facility. Persons riding or propelling baby carriages, strollers or other similar vehicles for transportation of young persons, wheelchairs or other similar vehicles for transportation of persons with disabilities, or shopping carts or other similar vehicles used to transport goods or equipment shall be exempt from this regulation while riding or propelling such vehicles to and from their motor vehicles within said facility.

**4.25.650 Penalty.**
Any person violating the provisions of this article shall be guilty of an infraction and upon conviction thereof shall be punished by a fine of not less than $50.00 or a greater amount set by resolution of the city council.

**4.25.660 Citations.**
Any officer of the police department or parking control officer may issue a citation to the owner or driver of any vehicle at a municipal off-street parking facility in violation of any of the provisions of this article in the same manner and in accordance with the same procedure and with the same effect as citations are issued for traffic or parking violations pursuant to the provisions of this article.

**4.25.670 Removal of vehicles authorized.**
When appropriate signs or markings are in place giving notice, any officer of the police department or parking control officer is hereby authorized to remove or cause to be removed any vehicle that is stopped, standing or parked on any municipal off-street parking facility in violation of this article. The procedure for removal or impounding of vehicles shall be as provided in Sections 22850 through 22856 of the California Vehicle Code, as may be amended.

SECTION 2. 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 3. The City Council finds that adoption of the proposed Ordinance is not a project requiring environmental review under the California Environmental Quality Act (CEQA) under CEQA Guidelines section 15378(b)(2) because the Ordinance is general policy and procedure making related to enforcement of parking regulations.

Adopted by the City of South Lake Tahoe City Council on May 6, 2025 by the following vote:

Yes:
No:

Abstain:
Absent:

_____ Date:_____
Tamara Wallace, Mayor

Attest:

_____
Susan Blankenship, City Clerk

First Reading:
Published:
Second Reading:
Effective:

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

# Resolution 2025-XXX

## Adopted by the City of South Lake Tahoe City Council

## April 22, 2025

## Establishing Parking Prohibitions, Restrictions, and Regulations for the Stateline Transit Center

**BACKGROUND**

A. On April 22, 2025, City Council held a first reading (by title only) and referred second reading to May 6, 2025, of an Ordinance to amend Article VII of Chapter 4.25 of the South Lake Tahoe City Code to add Section 4.25.607 authorizing City Council, by resolution, to establish certain parking prohibitions, restrictions, and regulations at municipal off-street parking facilities as authorized by California Vehicle Code section 22519.

B. Under South Lake Tahoe City Code section 4.25.607 and California Vehicle Code section 22519, the City Council is authorized to establish by resolution no parking zones, loading zones, and permit parking within municipal off-street parking facilities, including city-owned and operated lots, and enforce these restrictions once appropriate signage is installed.

C. The Police Department desires to maintain the current configuration and parking designations at the Stateline Transit Center including Transit Way, but recommends that City Council adopt this resolution such that appropriate signage can be installed to ensure the current parking designations for no parking, loading zones, and permit parking are enforceable.

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

1. Establishes the following parking prohibitions, restrictions, and regulations for the Stateline Transit Center (4114 Lake Tahoe Blvd.), as depicted on the site plan attached hereto as Exhibit “A”:

    a. No parking zone through the entire Stateline Transit Center as shown in Exhibit A, excluding the permit parking zone and loading zones.

    b. 30 minute loading zone located along the East curbline of Transit Way beginning approximately 179’ South of the South curbline prolongation of US Hwy 50 and ending

263’ South of the South curbline prolongation of US Hwy 50; and a second 30 minute loading zone approximately 63’8” along the East curb line of the bus stop island directly adjacent to Transit Way

c. Permit parking only zone (approximately 6 spaces) inside the last (East side) bus bay.

2. Declares that this resolution shall become effective upon the effective date of the Ordinance Amending Article VII of Chapter 4.25 of the South Lake Tahoe City Code to add Section 4.25.607 authorizing City Council, by resolution, to establish certain parking prohibitions, restrictions, and regulations at municipal off-street parking facilities.

Adopted by the City of South Lake Tahoe City Council on April 22, 2025, by the following vote:
Yes:
No:
Absent:
Abstain:

_____ Date:_____

Tamara Wallace, 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

## Stateline Transit Center Parking Restrictions

Google Maps




Imagery ©2025 Google, Imagery ©2025 Airbus, Map data ©2025 20 ft

# City of South Lake Tahoe

**Agenda Item Executive Summary**

Joe Irvin, City Manager

**Meeting Date:** April 22, 2025
**Agenda Item #:**25

**Agenda Item:** Approval of Donation Agreement with Kiwanis of Lake Tahoe for Multigenerational Recreation & Aquatics Center Scoreboards

**Executive Summary:** The City is constructing a new Multigenerational Recreation and Aquatics Center (â€œRec Centerâ€) which is scheduled to be completed in early 2026. The South Tahoe Parks Foundation (Foundation) is working closely with the City to solicit charitable contributions to assist with the furnishings, equipment and scholarship access to the new Rec Center. These donations will be remitted to the City pursuant to the Cityâ€™s Donation, Sponsorship and Naming Rights Policy, dated September 2022 (â€œPolicyâ€). At the August 13, 2024 City Council meeting, Council approved a Naming Rights Agreement between the City and Foundation. This agreement provides opportunities for individuals and entities to make donations in exchange for sponsorship for certain facilities at the Rec Center. The two scoreboards in the gym were identified in the agreement at $25,000 apiece. Kiwanis Club of Lake Tahoe submitted an application to make a donation in exchange for the scoreboards to include the name and logo of â€œKiwanis of Lake Tahoeâ€ and â€œIn Memory of Bob Baunhauser.â€ Kiwanis has made an initial donation of $20,000 to the South Tahoe Parks Foundation and will be making an additional $30,000 in donations in 2025 & 2026. The sponsorship of the scoreboards will begin upon executing this agreement on April 22, 2025 and extends for the lifetime of the scoreboards.

**Requested Action / Suggested Motions:** Pass a Resolution: 1) approving donation in exchange for the Kiwanis name and logo “Kiwanis of Lake Tahoe" and "In Memory of Bob Baunhauser” on two scoreboards in the gym for new Multigenerational Recreation & Aquatics Center beginning April 22, 2025, for the lifetime of the two scoreboards; 2) transferring $20,000 from the South Tahoe Parks Foundation to Account #704-04290-36280 Rec Center Facilities and Operations; and, 3) authorizing and directing the Mayor to execute the Donation Agreement with Kiwanis of Lake Tahoe.

**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 - Multigenerational Recreation & Aquatics Center Scoreboards Donation Approval & Funds Transfer.docx
02-Resolution-Donation Agreement with Kiwanis.docx
03-Donation Agreement with Kiwanis Scoreboards.pdf
04-Sponsorship Approval Form.pdf

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

## Meeting Date: April 22, 2025

**Title:** New Recreation & Aquatics Center Scoreboards Donation Approval & Funds Transfer

**Location:** New Recreation & Aquatics Center

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

**Background:** The City is constructing a new Recreation and Aquatics Center ("Rec Center") which is scheduled to be completed in early 2026. The South Tahoe Parks Foundation (Foundation) is working closely with the City to solicit charitable contributions to assist with the furnishings, equipment and scholarship access to the new Rec Center. These donations will be remitted to the City pursuant to the City's Donation, Sponsorship and Naming Rights Policy, dated September 2022 ("Policy"). At the August 13, 2024 City Council meeting, Council approved a Naming Rights Agreement between the City and Foundation. This agreement provides opportunities for individuals and entities to make donations in exchange for sponsorship for certain facilities at the Rec Center.

The two scoreboards in the gym were identified in the agreement at $25,000 apiece. Kiwanis Club of Lake Tahoe submitted an application to make a donation in exchange for the scoreboards to include the name and logo of "Kiwanis of Lake Tahoe" and "In Memory of Bob Baunhauser." Kiwanis has made an initial donation of $20,000 to the South Tahoe Parks Foundation and will be making an additional $30,000 in donations in 2025 & 2026. The sponsorship of the scoreboards will begin upon executing this agreement on April 22, 2025, and extends for the lifetime of the scoreboards.

Persons and Entities selected for sponsorship shall be recognized on the two scoreboards in the gym. A mockup of the scoreboard is included in the Donation Agreement. For corporate entities, the name used should normally be the shortest name possible, and corporate logos shall not be included. The City will have final approval on all wording of any signage or plaques. Per the agreement, funds will be accepted by the Foundation and transferred to the City.

Individuals, families, non-profit organizations, and business entities whose purpose is consistent with the City's values, priorities, and Strategic Plan 2023-2028, as may be amended, are eligible to apply. The following criteria must be met for any corporate entity applicant: does not promote drugs, alcohol, or tobacco; does not discriminate against any person, employee, member, or volunteer on the basis of race, color, creed, religion, gender identity, gender expression, sexual orientation, age, marital status, ancestry, national origin, ethnic group identification, physical or mental disability, medical condition, or genetic information, in compliance with all federal, state, and local laws; and name does not have connotations that by contemporary community standards are derogatory or offensive.

The Donation Agreement form is attached as attachment 3 and a mockup of the scoreboards are included as attachment 4.

**Issue and Discussion:**. It is requested City Council pass a motion authorizing and directing the Mayor to place signage on the two scoreboards in the gym of the new Rec Center for “Kiwanis of Lake Tahoe” and “In Memory of Bob Baunhauser” beginning on April 22, 2025 and extending for the lifetime of the scoreboards and to accept funds of $20,000 from the South Tahoe Parks Foundation to be deposited into Account #704-04290-36280 Rec Center Facilities and Operations with the additional $30,000 to be donated in 2025 and 2026.

**Financial Implications:** Donations and sponsorship contributions would be accepted by the Foundation and transferred to the City to support furnishings, equipment and scholarship access to the new Rec Center.

**Environmental Considerations:** The proposed action accepting grant funds is not a “project” under the California Environmental Quality Act (CEQA) under CEQA Guidelines section 15378(b)(2) because it is a continuing administrative or maintenance activity such as purchases for supplies and personnel-related actions.

**Policy Implications:** The approval of the naming rights and acceptance of funds meets Strategic Priority 2 Recreation & Equitable Access, Goal 1: Elevate the recreation experience provided by the City to attract visitors and residents, Goal 2: Promote equitable access to recreation to underserved communities and people with disabilities, Goal 3: Leverage City recreation assets and the 56-acre development to provide outdoor and organized recreation activities.

# Resolution 2025-XXX

**Adopted by the City of South Lake Tahoe**
**City Council**

**April 22, 2025**

## Authorizing Acceptance of $20,000 from the South Tahoe Parks Foundation as First Installment of Payment for Kiwanis Club of Lake Tahoe Donation in Exchange for the Kiwanis Name and Logo in Honor of Bob Baunhauser to be Located on Two Scoreboards in the Gym in the New Rec Center

**BACKGROUND**

A. The City is constructing a new Recreation and Aquatics Center ("Rec Center") which is scheduled to be completed in early 2026. The South Tahoe Parks Foundation (Foundation) is working closely with the City to solicit charitable contributions to assist with the furnishings, equipment and scholarship access to the new Rec Center. These donations will be remitted to the City pursuant to the City's Donation, Sponsorship and Naming Rights Policy, dated September 2022 ("Policy").

B. On August 13, 2024, City Council approved a naming rights Agreement between the City and Foundation. This agreement provides opportunities for individuals and entities to purchase Naming Rights for certain facilities at the Rec Center.

C. The two scoreboards in the gym were identified in the agreement at $25,000 apiece. Kiwanis Club of Lake Tahoe submitted an application to sponsor the scoreboards with the name of "Kiwanis of Lake Tahoe" and "In Memory of Bob Baunhauser." Kiwanis has made an initial donation of $20,000 to the South Tahoe Parks Foundation and will be making the additional total $30,000 donation for the naming rights in 2025 & 2026. The naming rights will begin upon executing this agreement on April 22, 2025 and extends for the lifetime of the scoreboards.

**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 the City to name the two scoreboards in the gym of the new Rec Center "Kiwanis of Lake Tahoe" and "In Memory of Bob Baunhauser" beginning on April 22, 2025 and extending for the lifetime of the scoreboards.
2. Authorizes the City to amend FY 24/25 budget and accept the Kiwanis Club of Lake Tahoe sponsorship in the amount of $20,000 appropriated into Account # 704-04290-36280 Rec Center Facilities and Operations.
3. Authorizes and directs the Mayor to execute the Naming Rights Agreement with Kiwanis of Lake Tahoe.

Adopted by the City of South Lake Tahoe City Council on April 22, 2025, by the following vote:
Yes:
No:
Absent:
Abstain:

_____ Date:_____

Tamara Wallace, 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**

# DONATION AGREEMENT

This Donation Agreement ("Agreement") is made and entered into as of the 22nd day of April 2025 by and between the **City of South Lake Tahoe**, a municipal corporation ("City") and the **Kiwanis Club of Lake Tahoe**, a California 501(c)(3) charitable organization ("Kiwanis").

## RECITALS

A. The City is constructing a new Multigenerational Recreation and Aquatic Center ("Rec Center"), which is scheduled to be completed in early 2026.

B. The South Tahoe Parks Foundation is soliciting charitable contributions on behalf of the City to assist with furnishings and equipment for the Rec Center, which will be remitted to the City pursuant to the City's Donation, Sponsorship, and Naming Rights Policy, dated September 2022, and the Naming Rights Agreement dated August 13, 2024.

C. Kiwanis has agreed to donate $50,000 to the South Tahoe Parks Foundation, to be transmitted to the City, in exchange for the Kiwanis name and logo in honor of Bob Baunhauser to be located on two scoreboards in the gym at the Rec Center, under the terms and conditions of this Agreement.

## AGREEMENT

1. Term. The term of this Agreement begins on April 22, 2025, and extends for the lifetime of the scoreboards, unless otherwise terminated in accordance with the terms of this Agreement. Once the scoreboards are no longer functional, or upon earlier termination of the Agreement in accordance with the terms herein, the rights and privileges granted under this Agreement shall immediately terminate. Upon termination, City shall be responsible for all costs associated with removing the scoreboards from the Rec Center, and the scoreboards shall remain the sole property of the City.

    a. Termination for Default. Upon occurrence of an event of default, the non-defaulting party shall have the right to terminate this Agreement upon thirty (30) days' prior written notice, subject to the cure provisions described in Section 8(a) and (e); provided that the

City shall have the right to terminate this Agreement immediately upon an event of default specified in Section 8(b), (c), or (d).

b. City Termination for Convenience. City may terminate this Agreement for convenience at any time in its sole discretion. The City shall notify Kiwanis at least one hundred and twenty (120) days prior to termination for convenience. In the event of termination for convenience, the City will return to Kiwanis a pro rata portion of the money which has been paid to the City based on the remaining expected life of the scoreboards.

2. Donation Schedule. Kiwanis has agreed to pay the South Tahoe Parks Foundation the sum of $50,000 for the rights granted hereunder for the Term of this Agreement, which South Tahoe Parks Foundation has agreed to remit to the City under the agreement referenced in Recital B. Kiwanis shall transmit this amount to the South Tahoe Parks Foundation under the following payment schedule:
    a. No later than December 31, 2024: $20,000 (already paid)
    b. No later than December 31, 2025: $15,000
    c. No later than December 31, 2026: $15,000

3. Name Recognition. During the Term, Kiwanis shall be recognized on two of the scoreboards in the location specified in Exhibit "A" with the scoreboard design and wording as shown on Exhibit "B." City shall be responsible for the cost to design, procure, and install the signage on the two scoreboards. Other than this name recognition, Kiwanis shall have no right to control the Rec Center, and shall have no rights of beneficial use of the Rec Center different from that of the general public.

4. Removal of Facility. The City shall use reasonable good faith efforts to maintain in good condition the scoreboards subject to the name recognition specified in this Agreement. However, the City cannot guarantee the permanent operation or placement of the scoreboards, and the City may remove or discontinue use of the scoreboards in its sole discretion and for any reason, including but not limited to repeated vandalism, significant renovation, or the scoreboards having reached the end of their useful life.

5. Name Change. If during the Term of this Agreement, Kiwanis changes its name, merges into another entity that results in a name change, or sells substantially all of its assets to another entity, and the Agreement is assigned to the new entity with the consent of the City as provided in Section 6, the City shall use the new name of the successor, under the terms and conditions

of this Agreement. In the event of an assignment, the assignee shall be responsible for the cost of new signage reflecting the name change.

6. Assignment. The rights and obligations created by this Agreement are unique to Kiwanis, exclusive, and shall not be transferred or assigned by Kiwanis except by written consent of the City.

7. Notices. Any notice required to be given under this Agreement shall be in writing and either served personally or sent prepaid, first class mail. Any such notice shall be addressed to the other party at the address set forth below. Notice shall be deemed communicated within 48 hours from the time of mailing if mailed as provided in this section.

If to City: Parks & Recreation Department
City of South Lake Tahoe
1901 Lisa Maloff Way
South Lake Tahoe, CA 96150

Provide a copy to: City Attorney's Office
City of South Lake Tahoe
1901 Lisa Maloff Way, Suite 300
South Lake Tahoe, CA 96150

If to Kiwanis: Kiwanis Club of Lake Tahoe
PO Box 13364
South Lake Tahoe, CA 96150

8. Default. A default shall be deemed to have occurred hereunder if:

a. Kiwanis fails to make a payment required under this Agreement for a period of thirty (30) days after the date the payment is due.
b. The filing by or against Kiwanis of any petitions in bankruptcy.
c. The occurrence of any act or omission on the part of Kiwanis that deprives it of the rights, powers, licenses, permits, and authorizations necessary for the lawful and proper conduct and operation of its business.
d. Kiwanis engages in conduct which brings Kiwanis into public disrepute, contempt, scandal, or ridicule, or which reflects unfavorably on the reputation of Kiwanis.
e. Either party fails to perform or observe any material term, covenant, condition, or provision of this Agreement, and such breach continues for a period of thirty (30) days after written notice to the defaulting party, or if such breach cannot be cured reasonably within such thirty

(30) day period after written notice and the defaulting party fails to proceed diligently to commence to cure such breach within such thirty (30) day period or fails to proceed diligently to cure such breach within a reasonable time period thereafter.

9. Waiver. Waiver of a breach or default under this Agreement shall not constitute a continuing waiver of a subsequent breach of the same or any other provision under this Agreement.

10. Dispute Resolution. Any dispute concerning this Agreement will be first submitted to the City Manager or his designee for resolution. If no resolution is reached, such dispute shall be submitted to the City Council. The decision of the City Council shall be final and shall be appealable only to the El Dorado Superior Court pursuant to California Code of Civil Procedure §1094.5, and as provided by law.

11. Controlling Law Venue. This Agreement and all matters relating to it shall be governed by the laws of the State of California and any action brought relating to this Agreement shall be held exclusively in the Superior Courts in the County of El Dorado, South Lake Tahoe Division.

12. Amendments. This Agreement may be modified or amended only by a written document executed by both Kiwanis and City and approved as to form by the City Attorney.

13. Severability. If any term or portion of this Agreement is held to be invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions of this Agreement shall continue in full force and effect.

14. Entire Agreement. This Agreement constitutes the complete and exclusive statement of Agreement between City and Kiwanis. All prior written and oral communications, including correspondence, drafts, memoranda, and representations, are superseded in total by this Agreement.

15. Execution. This Agreement may be executed in several counterparts, each of which shall constitute one and the same instrument and shall become binding upon the parties when at least one copy hereof shall have been signed by both parties hereto. In approving this Agreement, it shall not be necessary to produce or account for more than one such counterpart.

16. Authority to Enter Agreement. Kiwanis has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each party warrants that the individuals who have signed this Agreement have

the legal power, right, and authority to make this Agreement and to bind each respective party.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the date first written above.

CITY OF SOUTH LAKE TAHOE:

By_____

Tamara Wallace, Mayor

Date _____

KIWANIS CLUB OF LAKE TAHOE:

By _____

Date _____

Business License # _____

APPROVED AS TO FORM:

By_____ Date _____

Heather Stroud, City Attorney

ATTEST:

By_____ Date _____

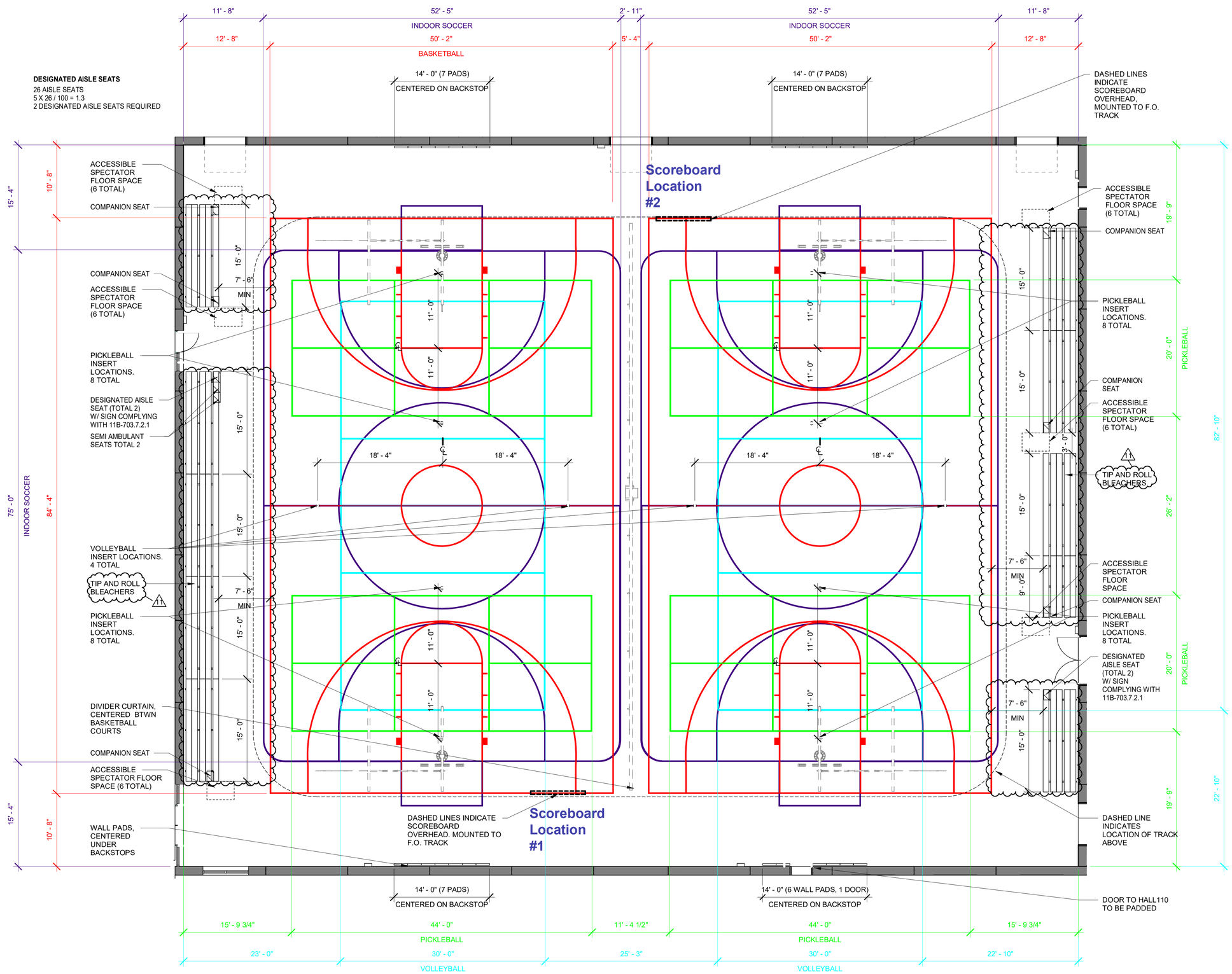
Susan Blankenship, City Clerk

Attachments:

Exhibit A – Rec Center Site Plan Showing Location of Recognition Plaque
Exhibit B – Scoreboard Signage Mockup

**EXHIBIT A**

**REC CENTER SITE PLAN SHOWING LOCATION OF SCOREBOARD SIGNAGE**




NOTES: THIS DRAWING WAS ORIGINALLY ISSUED IN COLOR. NOTIFY ARCHITECT FOR COLOR PLAN

1 ENLARGED PLAN - GYM COURT LAYOUT
1/8" = 1'-0"

North

JK ARCHITECTURE ENGINEERING
AUBURN | TAHOE CITY | RENO | SAN JOSE
www.jkaedesign.com

BARKER RINKER SEACAT ARCHITECTURE

KEYNOTES

**GENERAL NOTES:**
1. FIELD VERIFY DIMENSIONS PRIOR TO START OF FLOORING WORK.
2. FINAL STRIPING LAYOUT TO BE COORDINATED WITH OWNER AND FLOORING CONTRACTOR. STRIPING LAYOUT INFORMATION CONTAINED HEREON IS REPRESENTATIVE OF THE GENERAL INTENT OF FLOORING MARKINGS. REGULATION COURT SIZES AND DEMARCATIONS SHALL BE CONFIRMED AND PROVIDED BY THE FLOORING CONTRACTOR.
3. FINAL COLOR SELECTIONS FOR ALL COURT MARKINGS SHALL BE MADE BY OWNER FROM MANUFACTURER'S FULL LINE COLORS. COORDINATE SELECTION OF ALL MARKINGS (PRIMARY, SECONDARY, TERTIARY, ETC.) AT TIME OF FINAL STRIPING LAYOUT MEETING WITH OWNER.
4. UON, ALL COURT LINES ARE 2 " WIDE.
5. REFER TO INTERIOR ELEVATIONS, BUILDING SECTIONS, AND RCPS FOR MORE INFORMATION.
6. COORDINATE WITH ELECTRICAL FOR KEY SWITCH LOCATIONS, POWER, DATA, AND SOUND SYSTEM OUTLETS. LOCATE OUTLETS AWAY FROM WALL MATS TO AVOID CUTTING MATS.
7. WALL MAT INSTALLATION SHALL BE CENTERED ON THE BASKETBALL BACKBOARDS TO WHICH THEY ARE ASSOCIATED.
8. LOCATION OF BASKETBALL BACKBOARD CONTROLS - ELECTRICAL AND MANUAL - SHALL BE COORDINATED WITH OWNER PRIOR TO INSTALLATION.
9. ALL BASKETBALL BACKSTOPS MUST BE INSTALLED CENTERED ON COURT LAYOUT AS SHOWN.

CONSTRUCTION DOCUMENTS - **PERMIT SET**

SEAL

LICENSED ARCHITECT
CHRISTOPHER C. KIRGIS
NO. C26985
REN. 6-30-25
STATE OF CALIFORNIA

PERMIT

Project
CITY OF SOUTH LAKE TAHOE

**SOUTH LAKE TAHOE RECREATION AND AQUATICS CENTER**

Drawing Title
**ENLARGED PLAN - GYM COURT LAYOUT**

Drawn By
CM
Checked By
Checker

| NO. | DATE | ISSUE |
|---|---|---|
| 1 | 08/26/22 | PERMIT 22070025 |
| 7 | 10/19/22 | PERMIT 22070025 |
| 11 | 06/08/23 | ADDENDUM NO. 2 |

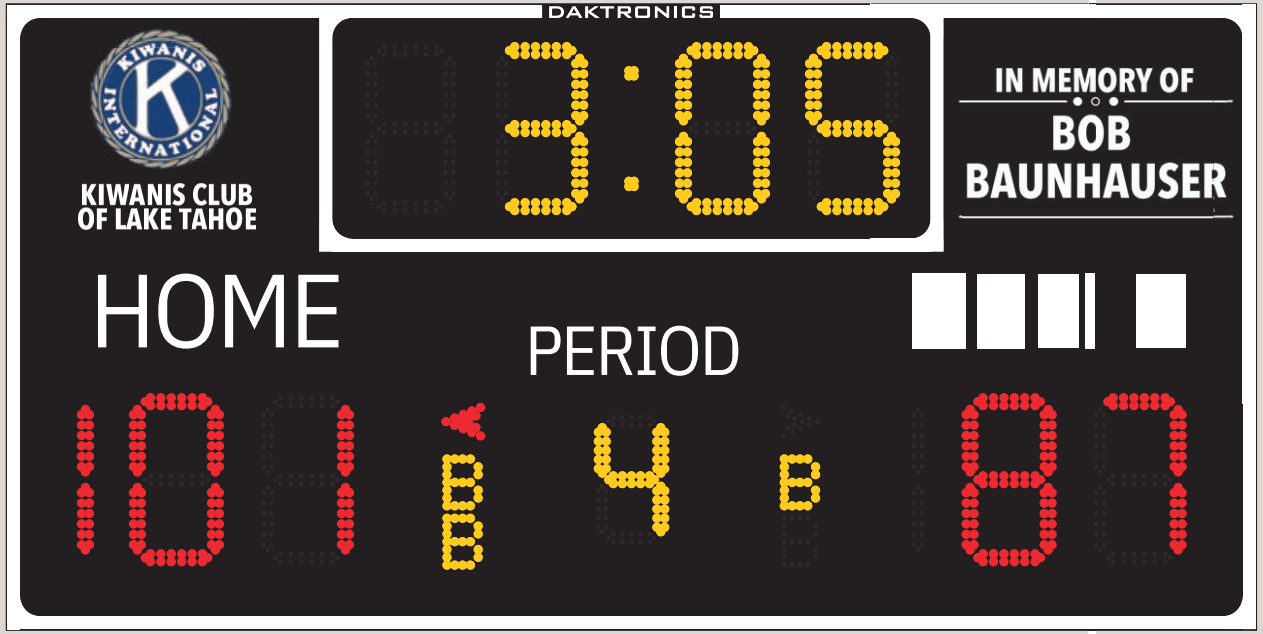
Project No.
20-370
©Date
04/21/2023
DRAWING NO.
**A2.4.7-2**

BIM 360://20-370 South Lake Tahoe Rec Center/20-370 Rec Center Building - CD.rvt
6/6/2023 2:24:55 PM

**EXHIBIT B**

**SCOREBOARD SIGNAGE MOCKUP**

# KIWANIS CLUB SCOREBOARD MOCKUP



CITY OF SOUTH LAKE TAHOE

# SPONSORSHIP APPROVAL FORM

Date of Application: 4/22/2025

Name of Sponsor: Kiwanis Club of Lake Tahoe

Address:PO Box 13364, South Lake Tahoe, CA 96150 Phone# 530-318-7717

Name and location of Event/Program/Project Sponsored: New Recreation Center Two Scoreboards in Gym

Description and/or amount of Sponsorship: $50,000/lifetime of the two scoreboards "Kiwanis Club of Lake Tahoe" & "In Memory of Bob Baunhasuer." 2024 payment $20,000, remaining $30,000 to be paid over 2025-2026.

In exchange for: Signage on the two scoreboards with "Kiwanis Club of Lake Tahoe" and "In Memory of Bob Baunhauser" for the lifetime of the scoreboards.

Sponsoring Department or Event: Parks & Recreation

*Attach full advertising, marketing, logo or graphic design in sufficient detail to determine content and final appearance to Special Events Coordinator or Department receiving sponsorship for review prior to final approval.*

**Naming Rights** Proposal: Yes____X____ No:_____ If yes, provide details of exchange benefits, proposed name, term of proposed agreement, specific location, attach additional information, maps, photos where necessary: Please see attached rendering.

***All Naming Rights Proposals require a written Naming Rights Agreement by the City Attorney and must be approved by City Council.***

Potential cost, on-going maintenance, replacement cost, city requirements or conditions for acceptance: Cost for creating signage minimal.
Account Number for Revenue: #704-04290-36280 Rec Center Facilities and Operations._____

| | | Name/ Title | Signature | Date |
|---|---|---|---|---|
| **APPROVED BY:** Up to $5,000 | Department Head | | | |
| Up to $10,000 | Finance Director | | | |
| $5,000 to $10,000 | City Manager | | | |

| | | | | |
|---|---|---|---|---|
| | | | | |

Over $10,000: Date Approved by City Council: _____

# 2025 Agenda Planning Calendar (Updated 04 16 2025)

| Department | | Agenda Item | Agenda Section |
|---|---|---|---|
| **May 6, 9 a.m.** | **City Attorney** | Time-Share Ordinance Amendments (First Reading) | NB |
| | | Use Agreement with EDC for Multigenerational Recreation & Aquatic Cente | NB |
| | **CA/Finance** | Resolution to Authorize Judicial Foreclosure Proceedings for CFD 2001-1 | NB |
| | **City Clerk** | Military Appreciation Month | Proclamations |
| | | Public Works Week | Proclamations |
| | **Dev. Services** | ADU Parcel Analysis | NB |
| | | Development Rights Annual Report | Consent |
| | | AHSC Grant Application for Sugar Pine Village Phase 2B | NB |
| | | Pay for Success Agreement Tahoe Coalition for the Homeless | UB |
| | | Emergency Shelter and Warm Room Discussion | NB |
| | **Finance** | Ski Run BID to Levy Assessment for Business License Year 2025/2026 | PH |
| | **Fire** | LRA Fire Severity Zone MapOrdinance (Second Reading) | Consent |
| | **Parks** | Golf Course Parking Agreement | Consent |
| | | Ordinance Establishing Parks Commercial Use Permit (First Reading) | NB |
| | **Police** | Stateline Transit Center Parking and Signage | NB |

# 2025 Agenda  Planning Calendar (Updated 04 16 2025)

| | | | |
|---|---|---|---|
| | **Public Works** | Road Rehab Contract Award | Consent |
| | | 3708 Lake Tahoe Blvd Final Subdivision Map | NB |
| | | 2024 Road Rehab Reconciliation | NB |
| | | Permanent Easement for Liberty Utilities at 3069 Harrison Avenue | NB |
| | | Additional Funding Request for Lumos PSA Stateline Ave Complete Streets | NB |
| | | Contract Amendment with UES for Inspection Services | NB |
| **May 20, 5:30 p.m.** | **City Attorney** | Time-Share Ordinance Amendments (Second Reading) | Consent |
| | **City Clerk** | Public Works Week Proclamation | Proclamations |
| | **City Manager** | EV Charging Station High Priority Selection/Budget Allocation | |
| | **Dev Services** | PIP Grant  Award Budget Appropriation & Loan Amendment 3900 LTB | Consent |
| | **Finance** | Quarterly Budget and Financial Status Report as of March, 2025 | Consent |
| | | Investment Portfolio Report as of March 2025 | Consent |
| | **Public Works** | Subdivision Map for 14 Condo Units - 3708 Lake Tahoe Blvd/3709 Osgood | NB |
| | | Draft 2025/26 CIP Recommendation | NB |
| | | 2025 Road Rehab Drainage Replacement Project/STPUD In Leiu Fee | Consent |
| | | Award Citywide Traffic Calming Toolbox | NB |

# 2025 Agenda Planning Calendar (Updated 04 16 2025)

| | | | |
|---|---|---|---|
| | | Award Grant Writing Services for CIP Projects | |
| | | Facilities Conditions Report | |
| | | Public Works Annual Report | |
| **June 3, 9 a.m.** | **City Manager** | California Climate Action Corps Fellows Projects Presentation | Presentation |
| | **Public Works** | CSA Assessment Confirmation | PH |
| **June 17, 5;30 p.m.** | **Dev Services** | Mid-Town Area Plan Draft Presentation and Implementation Discussion | NB |
| **STRSA** | | | |
| | **Finance** | Direct Charge of Mello-Roos Special Tax for CFD 1995-1 for FY 25-26 | Consent |
| | | Annual Special Tax for CFD 2001-1 Series 2015 Special Tax Refunding Bo | STRSA Consent |
| | **Public Works** | Award of PD Roof Replacement | Consent |
| | | CTC Easement Purchase | Consent |
| | | Award Contract for Hwy 50 Corridor Study | NB |
| | | Bijou Connector Project Construction Award | |
| **Aug.12, 9 a.m.** | | | |
| **Aug. 12, 5:30 p.m.** | | Budget Workshop | |
| **Sep.9, 9 a.m.** | | | |
| **Sep. 23, 5:30 p.m.** | | | |

# 2025 Agenda Planning Calendar (Updated 04 16 2025)

| | | | |
|---|---|---|---|
| **Oct. 21, 5:30 p.m.** | **City Clerk** | Pet Wellness Awareness Month (Humane Society, Erin Ellis) | Proclamation |
| | **Dev Services** | 2025 California Building Standards Code Adoption (First Reading) | NB |
| **Nov. 18, 2025** | **Dev Services** | 2025 California Building Standards Code Adoption (Second Reading) | Consent |
| **Unscheduled/Pending** | | | |
| | **City Attorney** | Discussion: City Requirement to Replace Housing Units within the City | |
| | | Ethics Policy Revisions | |
| | **City Clerk** | Records Management Policy | |
| | **City Manager** | Grants/Funding for Undergrounding Utilities | |
| | **Dev Services** | Res. Area Plan to Accommodate SB9 and Remove Tourist Accomodation | |
| | | Competative PHLA Budget Appropriation and Loan Agreement | |
| | | Discussion: Second Home Cap/Permit Options | |
| | **Finance** | Disolution STJPPFA | |
| | **Fire** | | |
| | **Parks & Rec** | Events and Facitilies Naming Rights Discussion | |
| | | New Rec. Center Meeting Room Naming Rights Approval & Funds Transfer | |
| | **Police** | 2024 Update to Parking Fees in the Bellamy Parking Garage | |

# 2025 Agenda Planning Calendar (Updated 04 16 2025)

| | |
|---|---|
| | Barton Community Health Needs and Harm Reduction Update |
| **Police/PW** | Bike Paths, Bike Parking, Vehicle Parking |
| **Public Works** | Geothermal Use Discussion Item |
| | Award James-Eloise Drainage Upgrade |
| | TTD US 50 Plans Presentation |
| | Sierra Blvd. Speed Survey |
| | Award Lakeview and Ski Run Electrical Upgrades |
| | Award PS&E for Sugar Pine Bike Path Project |
| | Award Grant Writing Services Contract |
| | Award US 50 RSA City Portion Upgrades |