

**CITY OF FERNDALE – HUMBOLDT COUNTY CALIFORNIA – U.S.A.  
CLOSED SESSION**

|           |                   |         |                 |
|-----------|-------------------|---------|-----------------|
| Location: | City Hall         | Date:   | August 19, 2020 |
|           | 834 Main Street   | Time:   | <b>6:00 pm</b>  |
|           | Ferndale CA 95536 | Posted: | August 12, 2020 |

This meeting is being held in accordance with the Brown Act as currently in effect under the State Emergency Services Act, the Governor’s Emergency Declaration related to COVID-19, and the Governor’s Executive Order N-29-20 issued on March 17, 2020 that allows attendance by members of the City Council, City staff, and the public by teleconference, videoconference, or both.

We are strongly recommending that public comments for this meeting be submitted prior to the meeting. Public comments should be submitted to [cityclerk@ci.ferndale.ca.us](mailto:cityclerk@ci.ferndale.ca.us) by 4:00pm on Wednesday, August 19, 2020, please be sure to put “Public Comment” in the subject line, and include the agenda item if applicable. All public comments received by 4pm will be read into the record (limit to 5 minutes) during the regular meeting.

To provide public comment during the meeting, you will need to join the Zoom meeting.

To Join the Zoom Meeting use the following link:

<https://us02web.zoom.us/j/86782343122?pwd=TXp2ZE82R2lseTh0TGhjVkJNDalZ4UT09>

Or go to Zoom.us and input the following info when prompted:

Meeting ID: 867 8234 3122

Passcode: 469115

You may also dial in using your telephone by using either number: (Use \*6 to mute and unmute)

+1 669 900 6833 US (San Jose)

+1 253 215 8782 US (Tacoma)

Meeting ID: 867 8234 3122

Passcode: 469115

Find your local number: <https://us02web.zoom.us/j/86782343122>

**MICROPHONES AND VIDEO WILL AUTOMATICALLY BE MUTED WHEN YOU JOIN THE MEETING. PUBLIC WILL BE PLACED IN THE WAITING ROOM DURING CLOSED SESSION DISCUSSIONS. ONCE CLOSED SESSION IS RECONVENED YOU WILL BE ALLOWED BACK IN THE MEETING**

1. CALL CLOSED SESSION TO ORDER – Mayor
2. PUBLIC COMMENT ON CLOSED SESSION ITEMS
3. ADJOURN TO CLOSED SESSION
  - a. CONFERENCE WITH REAL PROPERTY NEGOTIATORS  
Property: Humboldt County Assessor Parcel Number 101-051-001-000 and 101-051-024-000; Agency negotiator: Jay Parrish, City Manager and Ryan Plotz, City Attorney; Negotiating parties: Richard Conway; Under negotiation: price and terms of payment.
  - b. CONFERENCE WITH LEGAL COUNSEL--ANTICIPATED LITIGATION  
Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9: (One case)

**CITY OF FERNDALE – HUMBOLDT COUNTY CALIFORNIA – U.S.A.  
AGENDA - REGULAR CITY COUNCIL MEETING**

|           |                   |         |                 |
|-----------|-------------------|---------|-----------------|
| Location: | City Hall         | Date:   | August 19, 2020 |
|           | 834 Main Street   | Time:   | <b>7:00 pm</b>  |
|           | Ferndale CA 95536 | Posted: | August 13, 2020 |

To Join the Zoom Meeting use the following link:

<https://us02web.zoom.us/j/86782343122?pwd=TXp2ZE82R2lseTh0TGhjVkJkNDdlZ4UT09>

Or go to Zoom.us and input the following info when prompted:

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+1 669 900 6833 US (San Jose)

+1 253 215 8782 US (Tacoma)

Meeting ID: 867 8234 3122

Passcode: 469115

Find your local number: <https://us02web.zoom.us/u/kfzNzoudy>

1. CALL MEETING TO ORDER – Mayor
2. PLEDGE ALLEGIANCE TO THE FLAG
3. ROLL CALL – City Clerk: Mayor Sweeney; Councilman Avis; Councilwoman Bullard; Councilwoman Fisk-Becker; and Councilman Smith.
4. REPORT OUT OF CLOSED SESSION – None
5. CEREMONIAL – None
6. MODIFICATIONS TO THE AGENDA
7. STUDY SESSION - None
8. PUBLIC COMMENT. (This time is for persons who wish to address the Council on any matter not on this agenda and over which the Council has jurisdiction. Items requiring Council action not listed on this agenda may be placed on the next regular agenda for consideration, unless a finding is made by at least 2/3<sup>ds</sup> of the Council that the item came up after the agenda was posted and is of an urgent nature requiring immediate action. This portion of the meeting will be approximately 30 minutes’ total for all speakers, with each speaker given no more than five minutes.)
9. CONSENT CALENDAR. (All matters listed under this category are considered to be routine by the City Council and will be enacted by one motion. Unless a specific request is made by a Council Member, staff or the public, the Consent Calendar will not be read. There will be no separate discussion of these items. However, if discussion is required, that item will be removed from the Consent Calendar and considered separately under “Call Items.”)
  - a. Approval of Minutes of the July 15, 2020 Regular City Council Meeting..... Page 6
  - b. Approval of Minutes of the July 8, 2020 Special City Council Meetings ..... Page 9
  - c. Acceptance of Checkbook Register for July 1-31, 2020..... Page 10

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|--|----------|
| <i>d.</i> Resolution 2020-18 Authorizing the Annual Renewal of Tri<br>Counites Bank Loan.....  | Page 14  |
| 10. CALL ITEMS REMOVED FROM CONSENT CALENDAR   |          |
| 11. PRESENTATION   |          |
| <i>a.</i> Solar Photovoltaic Options for Wastewater Treatment Plant  |          |
| 12. PUBLIC HEARING   |          |
| 13. BUSINESS   |          |
| <i>a.</i> Resolution 2020-20 Approving the Application for the California<br>Energy Commission Loan for Wastewater Treatment Plant .....                               | Page 17  |
| <i>b.</i> Response to Initial Study and Proposed Mitigated Negative<br>Declaration for Proposed Motorsports and Concert Events at<br>Humboldt County Fairgrounds ..... | Page 58  |
| <i>c.</i> Discussion on Proposition 68 Funding Program .....   | Page 64  |
| <i>d.</i> Resolution 2020-19 Establishing a Policy to Accept Gifts and<br>Donations to the City .....  | Page 66  |
| <i>e.</i> League of California Cities Voting Delegate for Annual Conference .....  | Page 70  |
| <i>f.</i> Police Chief Recruitment .....   | Page 79  |
| <i>g.</i> COVID-19 Update and Discussion .....   | Page 80  |
| 14. CORRESPONDENCE .....   | Page 82  |
| 15. COMMENTS FROM THE COUNCIL  |          |
| 16. REPORTS  |          |
| <i>a.</i> City Manager Report .....  | Page 96  |
| <i>b.</i> Commission and Committee Reports   |          |
| <i>i.</i> Planning Commission Minutes .....  | Page 104 |
| <i>ii.</i> Design Review Committee Minutes.....  | Page 105 |
| <i>c.</i> Minutes from Joint Power Authorities (JPAs) and Reports  |          |
| <i>i.</i> Redwood Coast Energy Authority (June 2020) .....   | Page 106 |
| 17. ADJOURN  |          |

**This notice is posted in compliance with Government Code §54954.2.  
The next Regular Meeting of the Ferndale City Council will be held on  
September 16, 2020 at 7:00 pm via Zoom.**

**Section 1**

**CALL MEETING TO ORDER**

**Section 2**

**PLEDGE ALLEGIANCE**

**Section 3**

**ROLL CALL**

**Section 4**

**CLOSED SESSION REPORT OUT**

**Section 5**

**CEREMONIAL**

**Section 6**

**MODIFICATIONS TO THE AGENDA**

**Section 7**

**STUDY SESSIONS**



## **Section 8**

### **PUBLIC COMMENT**

*This time is for persons who wish to address the Council on any matter not on this agenda and over which the Council has jurisdiction.*

*Items requiring Council action not listed on this agenda will be placed on the next regular agenda for consideration, unless a finding is made by at least 2/3<sup>rd</sup> of the Council (three of the five members) that the item came up after the agenda was posted and is of an urgent nature requiring immediate action.*

*This portion of the meeting will be approximately 30 minutes total for all speakers, with each speaker given no more than five minutes. Please state your name and address for the record. (This is optional.)*

## **Section 9**

### **CONSENT CALENDAR**

*All matters listed under this category are considered to be routine by the City Council and will be enacted by one motion.*

*Is there anyone on the Council, Staff or the public that would like to pull an item off the Consent Agenda for scrutiny? Those items will be considered separately under "Call Items."*

**City of Ferndale, Humboldt County, California, U.S.A.**  
DRAFT Minutes for City Council Meeting of July 15, 2020

Mayor Michael Sweeney called the Regular City Council Meeting to order at 7:00 pm via Zoom Video Conference. Those present did the flag salute. Present were Mayor Sweeney, Council Members Stephen Avis, Kathleen Bullard, Jenny Fisk-Becker, and Robin Smith, along with staff: City Manager Jay Parrish, Police Chief Bret Smith, City Attorney Ryan Plotz, and City Clerk Kristene Hall.

Report out of Closed Session: None

Ceremonial: None

Modifications to the Agenda: None:

Report out of Study Session: None

Public Comment: City Health Inspector Vanessa Huerta gave a report on the new restrictions for Restaurants due to COVID-19, Huerta stated that she had been to the local businesses and has been vigilant in keeping them up to date on current situations. A member of the public thanked Huerta for her long hours and help through the pandemic.

Consent Calendar: There were six items on the Consent Calendar for approval. There were no questions or comments. **MOTION:** to approve the consent calendar. **(Bullard/Fisk-Becker) Unanimous**

Call Items Removed from Consent Calendar: None

Presentation: Mike Avcollie from Redwood Coast Energy Authority (RCEA) did a presentation on Public Agency Solar Program. Avcollie stated RCEA had worked with city staff and looked at opportunities at public facilities for solar arrays, efficiency, and battery storage. Avcollie stated the best facilities for these opportunities were the Wastewater Treatment Plant and the Ferndale Community Center. The Wastewater Treatment Plant would project the most energy savings with a solar installation. A diagram of the Wastewater Treatment was provided that explained where the proposed solar arrays would be located and where potentially battery storage could go. A Solar Feasibility Study was also provided in the packet. Councilwoman Bullard questioned that conditions of the Wastewater Plants roof and the ability to place solar arrays on the roof. Bullard also questioned the life and efficiency of the solar panels. Avcollie the different microgrid technology and battery storage. City Manger Parrish thanked Avcollie for all his time put into this project.

Public Hearing: None

Business:

2nd Reading of Ordinance 2020-03 Prohibiting Smoking in Certain Places and Regulating Smoking within the City: Representative Dian Kiser of the Health and Social Policy Institute (HASPI) was present. Kiser stated that her organizations had been working in Humboldt County since 2013 and had been active in the passage of local smoke-free housing and community policies in the City of Eureka, Arcata, Fortuna, and Ferndale's Naval Housing. Kiser added that by passing this Ordinance Ferndale would join other cities in Humboldt County and many other cities and counties in California to pass a comprehensive secondhand smoke-free Ordinance.

Councilwoman Bullard stated her concerns on passing this Ordinance. Bullard stated the Ordinance seems a little over-reaching and did not like \$100.00 fine. Councilwoman Fisk-Becker stated her concerns on the use of “no” signs. Fisk-Becker stated she did not like the idea of placing another sign on Main Street stating what is not allowed. Councilman Smith stated he understood Bullard’s concerns, but supported the Ordinance from a medical standpoint. Mayor Sweeney stated he was generally in favor of the Ordinance. Avis stated he understands Smith’s concerns, there really is not a big problem with smoking in town and with the size of sidewalks, there really won’t be much of a difference as the second hand smoke will still be there. Members of the public stated they did not see the need for this Ordinance. **MOTION:** to approve the 2<sup>nd</sup> reading, by title only, of Ordinance 2020-03 Prohibiting Smoking in Certain Enclosed and Unenclosed Places Within the City and Otherwise Providing for the Regulation of Smoking. **(Smith/Sweeney) 2-3-0 Motion Failed**

Sewer Rate Increase: Mayor Sweeney opened the Public Hearing. City Manager Jay Parrish explained the process the city has went through in conjunction with a grant that was given. Parrish stated that contract engineer, Paul Gregson has done a Fiscal Sustainability Report that concluded more money was needed to maintain the Wastewater Treatment Plant. A member of the public stated potential errors in the Rate Study that included sewer rate is a property tax and schools were not exempt. The public member added questions on the rate table. This included: Additional Dwelling Units and Junior Dwelling Units; apartments; and square footage and sewer flows. Gregson answered the questions and explained why the rate table and rates were used. A member of the public also added their concerns of annual increases in rate. Councilmembers stated concerns on the table and adjustments. City Attorney Plotz stated the council can approve and adjust the rate table, as long as there was no increase in fees. Mayor Sweeney closed the public hearing. **MOTION:** to conclude the public hearing and to direct the City Clerk to determine whether a majority protest is present and to report her findings to the Council prior to the conclusion of the Council Meeting. **(Avis/Bullard) Unanimous** There were 22 protest letters received. In order for a majority protest the city would have needed to receive 334 protest letters.

Resolution 2020-16 & 2020-17: City Manager Jay Parrish stated that staff recommends approval of the increase. Councilman Avis stated there were several meeting and discussions about this rate increase. Avis added he was in favor of this resolution. Councilwoman Bullard stated she was in favor as well. Councilwoman Fisk-Becker stated she would like to see the rate table updated before the vote. Councilman Smith stated he was in favor of the Resolution. **MOTION:** to approve Resolution 2020-16 Authorizing and Imposing an Increase in Sewer Rates and Charges adding the amendment to the rate table the adjustment of .8 to .5 for any ADU up to 1240 sqft and .8 if over 1240 sqft. and remove schools from the table. **(Avis/Smith) Unanimous**  
**MOTION:** to approve Resolution 2020-17 Authorizing the County of Humboldt to Collect Ferndale’s Sewer Fees. **(Avis/Bullard) Unanimous**

COVID-19 Update and Discussion: City Manager stated there was a report given early in the meeting by our Health Inspector Vanessa Huerta. Parrish added that things seem to change daily and the numbers are still increasing. Parrish added the importance of masks, handwashing and social distancing. Parrish added that restaurants were placing tables outside for outside dining. Parrish added that the county was offering Encroachment Permits for the ability for outside dining, but due to most restaurants being on Main Street, Cal Trans approval was required. Councilman Avis stated his concerns on the virus and the numbers. Avis added he was in favor of the outdoor dining and stated Fort Bragg did a once a week event where they shut down the

street and encouraged a night out. Councilwoman Bullard stated she was in favor of doing a night out similar to Fort Bragg. Councilwoman Fisk-Becker encouraged the outdoor dining and the use of the sidewalks for housing tables. Councilman Smith stated he agreed with everyone's comments. Mayor Sweeney added that City Manager Parrish had been working with the chamber of commerce to help bring together businesses and the city. A member of the public really like the idea of "a night out" and included other businesses with a sidewalk sale. She also added the ability for the restaurants to use the fronts of vacant building to place tables at. Another public member stated she was in favor of shutting the street down and doing "a night out".

Diversity and Inclusion in the City of Ferndale: Councilman Avis explained the importance of diversity and inclusion in the light of recent events in the country. Avis added the importance of coming together and discussing the issues as a city. Councilwoman Bullard stated the importance of the subject and including this in the hiring of a new police chief. Councilwoman Fisk-Becker stated there were cultural events in the past that we could possibly bring back. Fisk-Becker added there were events at the school that maybe the city could be involved in. Councilman Smith stated the possibility of passing a resolution on how to mitigate some of the feeling about diversity and racism. Mayor Sweeney stated he firmly believes that healthy community's benefit from diversity. Sweeney added he is in favor of bringing back any cultural festivals and events. A member of the public questioned the voting from outside the city limits and not having a vote. Another public member questioned a seat on the council being offered to someone outside the city. Mayor Sweeney stated the members outside city limits are represented by county officials and legally they cannot be a part a city council without being in the city limits. Councilman Avis thanked everyone for the discussion points.

Correspondence: Councilwoman Fisk-Becker questioned the drainage plan for the grant.

Comment from the Council: No Comments

Reports:

City Managers Report: No questions or comments

Other Reports: No questions or comments

City Manager Parrish stated the option for the Special Meetings held for the Emergency Declaration adding possible discussion items with a 1hr time limit. Council may send their discussion item list to Jay.

Mayor Sweeney adjourned the meeting at 8:45 pm.

Respectfully submitted

Kristene Hall  
City Clerk

**City of Ferndale, Humboldt County, California, U.S.A.**  
DRAFT Minutes for Special City Council Meeting of July 8, 2020

Mayor Michael Sweeney called the Special City Council Meeting to order at 2:00 pm via Zoom Video Conference. Those present did the flag salute. Present were Mayor Sweeney, Council Members Stephen Avis, Kathleen Bullard, Jenny Fisk-Becker, and Robin Smith, along with staff: City Manager Jay Parrish, Police Chief Bret Smith, and City Clerk Kristene Hall.

Modifications to the Agenda: None

Business:

Reaffirm Local Emergency Declaration: City Manager Jay Parrish went over the declaration of the local emergency due to the ongoing COVID-19 pandemic. Parrish went over the importance of continuing the emergency and staying with the county recommendation. Councilwoman Fisk-Becker referred to a letter written from Governor Newsom and asked if it could be put on the website. Staff will place on the website. Councilman Smith emphasized the Governor stance on increased enforcement. Smith also stated the importance of wearing a mask and being extremely careful at family gatherings. A member of the public stated Ferndale's number is Zero cases and the tourists have been wearing masks. Councilman Avis stated there were classes being given on training for aggressive behavior. Avis also added there were options for testing and there is a testing site now available in Loleta. A member of the public questioned businesses that were not allowing people with breathing issues and could not wear masks in stores. The Council suggested asking the store owner to do curbside service. **Motion:** to reaffirm the local emergency due to COVID-19. **(Bullard/Avis)** Unanimous.

Discuss Letters from Council: Mayor Sweeney went over the letters being sent to the newspaper from the council in regards to COVID-19. Sweeney stated that the letters in the future should be council approved before submission. Sweeney stated the other concern was the cost of being published. Councilman Avis suggested all letters come from the Office of the Mayor instead of from Council and will avoid any issues. Councilwoman Bullard stated the letters could be placed on the consent calendar at the regular council meeting. Councilman Smith stated the importance of keeping people up to date. Smith also added the possibility of the letter continuing once the pandemic is over. Councilwoman Fisk-Becker stated that when this first started the letter was to inform people what was going on in the schools, fire department, community center and etc. Bullard agreed that other issues may arise and the council should consider continuing with a monthly letter.

Mayor Sweeney adjourned the meeting at 3:02 pm

Respectfully submitted

Kristene Hall  
City Clerk

## Bank Account Register

General Checking  
July 1, 2020 - July 31, 2020

| Date     | Reference | Payee ID    | Description                       | Checks/<br>Payments | Deposits/<br>Additions | Balance    |
|----------|-----------|-------------|-----------------------------------|---------------------|------------------------|------------|
|          |           |             | Beginning Balance                 |                     |                        | 876,796.74 |
| 07/01/20 |           | JAY PARRISH | JAY PARRISH                       | 400.00              |                        | 876,396.74 |
| 07/01/20 |           | ALL LINES   | ALL-LINES LEASING                 | 950.45              |                        | 875,446.29 |
| 07/01/20 | 1001      |             | PARRISH, JAY D                    | 8,501.90            |                        | 866,944.39 |
| 07/01/20 | 54144     | CITFO       | CITY OF FORTUNA                   | 1,950.00            |                        | 864,994.39 |
| 07/01/20 | 54145     | MIRRE       | MIRANDA'S RESCUE                  | 450.00              |                        | 864,544.39 |
| 07/01/20 | 54146     | PARSAC LIAB | PARSAC                            | 9,760.75            |                        | 854,783.64 |
| 07/01/20 | 54147     | PARS1       | PARSAC                            | 11,156.00           |                        | 843,627.64 |
| 07/01/20 | 54148     | FEREN       | THE FERNDALE ENTERPRISE           | 58.00               |                        | 843,569.64 |
| 07/01/20 | 54149     | VANESSA     | VANESSA HUERTA                    | 200.00              |                        | 843,369.64 |
| 07/02/20 | 1001      |             | PARRISH, JAY D                    | 2,558.05            |                        | 840,811.59 |
| 07/02/20 | 1002      |             | HALL, KRISTENE M                  | 1,616.62            |                        | 839,194.97 |
| 07/02/20 | 1003      |             | JOHNSON, DONNA J                  | 1,544.65            |                        | 837,650.32 |
| 07/02/20 | 1004      |             | SMITH, BRET A                     | 1,561.18            |                        | 836,089.14 |
| 07/02/20 | 1005      |             | LINDGREN, ROBERT C                | 1,272.66            |                        | 834,816.48 |
| 07/02/20 | 1006      |             | DIAS, TIMOTHY G                   | 1,421.02            |                        | 833,395.46 |
| 07/02/20 | 1007      |             | COPPINI, STEVE L                  | 2,242.99            |                        | 831,152.47 |
| 07/02/20 | 1008      |             | GARDNER, SHAWN C                  | 1,716.51            |                        | 829,435.96 |
| 07/02/20 | 1009      |             | LIU, CARSON B                     | 228.38              |                        | 829,207.58 |
| 07/02/20 | 1010      |             | HOPPIS, JOHNNY F                  | 1,738.73            |                        | 827,468.85 |
| 07/02/20 | 54135     |             | BALCH, DYLAN C                    | 1,139.27            |                        | 826,329.58 |
| 07/02/20 | 54136     |             | CERVANTES, CESAR E                | 1,178.96            |                        | 825,150.62 |
| 07/02/20 | 54137     |             | Franceschi, David A               | 1,274.80            |                        | 823,875.82 |
| 07/02/20 | 54150     | CHOPPIS     | CHELCI HOPPIS                     | 126.92              |                        | 823,748.90 |
| 07/02/20 | 54151     | DVLNO       | DAVE LENARDO                      | 335.00              |                        | 823,413.90 |
| 07/02/20 | 54152     | FEPEA       | FEPEA                             | 72.50               |                        | 823,341.40 |
| 07/07/20 |           | USTREASURY  | UNITED STATES TREASURY            | 6,984.21            |                        | 816,357.19 |
| 07/07/20 |           | EDD         | EMPLOYMENT DEVELOPMENT DEPT       | 1,305.49            |                        | 815,051.70 |
| 07/07/20 |           | USTREASURY  | UNITED STATES TREASURY            | 1,647.78            |                        | 813,403.92 |
| 07/07/20 |           | EDD         | EMPLOYMENT DEVELOPMENT DEPT       | 95.17               |                        | 813,308.75 |
| 07/07/20 | 54153     | ACCESS      | ACCESS HUMBOLDT                   | 180.00              |                        | 813,128.75 |
| 07/07/20 | 54154     | BRETSMITH   | BRET SMITH                        | 200.00              |                        | 812,928.75 |
| 07/07/20 | 54155     | CESAR C     | CESAR E. CERVANTES                | 600.00              |                        | 812,328.75 |
| 07/07/20 | 54156     | CHACO       | CHAMBER OF COMMERCE               | 8,819.25            |                        | 803,509.50 |
| 07/07/20 | 54157     | CITFO       | CITY OF FORTUNA                   | 1,210.00            |                        | 802,299.50 |
| 07/07/20 | 54158     | COPWARE     | COPWARE, INC                      | 85.00               |                        | 802,214.50 |
| 07/07/20 | 54159     | DBALCH      | DYLAN BALCH                       | 600.00              |                        | 801,614.50 |
| 07/07/20 | 54160     | HUM DHHS    | HUMBOLDT COUNTY-DEPT H H S        | 419.08              |                        | 801,195.42 |
| 07/07/20 | 54161     | HUMTI       | HUMMEL TIRE & WHEEL, INC          | 17.31               |                        | 801,178.11 |
| 07/07/20 | 54162     | JG LAWN     | J & G LAWN & GARDEN               | 530.00              |                        | 800,648.11 |
| 07/07/20 | 54163     | LEXIPOL     | LEXIPOL LLC                       | 2,427.00            |                        | 798,221.11 |
| 07/07/20 | 54164     | MISLI       | MISSION LINEN & UNIFORM SERVICE   | 18.20               |                        | 798,202.91 |
| 07/07/20 | 54165     | NAPA        | NAPA AUTO PARTS                   | 9.75                |                        | 798,193.16 |
| 07/07/20 | 54166     | NILCO       | NILSEN COMPANY                    | 248.68              |                        | 797,944.48 |
| 07/07/20 | 54167     | NORCO       | NORTH COAST LABORATORIES LTD.     | 210.00              |                        | 797,734.48 |
| 07/07/20 | 54168     | EELRI       | RECOLOGY HUMBOLDT COUNTY          | 311.77              |                        | 797,422.71 |
| 07/07/20 | 54169     | R HILL      | RICHARD E. HILL                   | 1,750.00            |                        | 795,672.71 |
| 07/07/20 | 54170     | RLINDGREN   | ROBERT LINDGREN                   | 600.00              |                        | 795,072.71 |
| 07/07/20 | 54171     | MBDVZ       | THE MITCHELL LAW FIRM, LLP        | 4,613.00            |                        | 790,459.71 |
| 07/07/20 | 54172     | TIPMO       | TIPPLE MOTORS, INC.               | 991.72              |                        | 789,467.99 |
| 07/07/20 | 54173     | VALLU       | VALLEY LUMBER                     | 250.05              |                        | 789,217.94 |
| 07/07/20 | 54174     | VERZN       | VERIZON WIRELESS                  | 257.52              |                        | 788,960.42 |
| 07/07/20 | 54175     | WYCKO       | WYCKOFF'S                         | 30.16               |                        | 788,930.26 |
| 07/07/20 | 54176     | HUM DHHS    | HUMBOLDT COUNTY-DEPT H H S        | 419.08              |                        | 788,511.18 |
| 07/14/20 | 54180     | ALTBU       | ALTERNATIVE BUSINESS CONCEPTS     | 180.41              |                        | 788,330.77 |
| 07/14/20 | 54181     | CRYST       | CRYSTAL SPRINGS BOTTLED WATER CO. | 42.00               |                        | 788,288.77 |
| 07/14/20 | 54182     | HORBU       | HORIZON BUSINESS SERVICES         | 22.02               |                        | 788,266.75 |

## Bank Account Register

General Checking

July 1, 2020 - July 31, 2020

| Date     | Reference | Payee ID     | Description                                | Checks/<br>Payments | Deposits/<br>Additions | Balance    |
|----------|-----------|--------------|--|---------------------|------------------------|------------|
| 07/14/20 | 54183     | HUMTE        | HUMBOLDT TERMITE & PEST                    | 49.00               |                        | 788,217.75 |
| 07/14/20 | 54184     | WHITCHURCH   | WHITCHURCH ENGINEERING, INC.               | 490.00              |                        | 787,727.75 |
| 07/14/20 | 54185     | ONTIV        | ONTIVEROS & ASSOCIATES, INC.               | 1,982.50            |                        | 785,745.25 |
| 07/16/20 | 1001      |              | PARRISH, JAY D                             | 2,558.06            |                        | 783,187.19 |
| 07/16/20 | 1002      |              | HALL, KRISTENE M                           | 1,679.45            |                        | 781,507.74 |
| 07/16/20 | 1003      |              | JOHNSON, DONNA J                           | 1,623.28            |                        | 779,884.46 |
| 07/16/20 | 1004      |              | SMITH, BRET A                              | 1,561.18            |                        | 778,323.28 |
| 07/16/20 | 1005      |              | LINDGREN, ROBERT C                         | 1,471.82            |                        | 776,851.46 |
| 07/16/20 | 1006      |              | FIELDER, CHARLES COSMAS                    | 359.31              |                        | 776,492.15 |
| 07/16/20 | 1007      |              | DIAS, TIMOTHY G                            | 1,624.17            |                        | 774,867.98 |
| 07/16/20 | 1008      |              | MENDES, ALAN SCOTT                         | 82.37               |                        | 774,785.61 |
| 07/16/20 | 1009      |              | COPPINI, STEVE L                           | 2,266.79            |                        | 772,518.82 |
| 07/16/20 | 1010      |              | GARDNER, SHAWN C                           | 1,860.47            |                        | 770,658.35 |
| 07/16/20 | 1011      |              | LIU, CARSON B                              | 228.37              |                        | 770,429.98 |
| 07/16/20 | 1012      |              | HOPPIS, JOHNNY F                           | 1,898.18            |                        | 768,531.80 |
| 07/16/20 | 54177     |              | BALCH, DYLAN C                             | 1,281.98            |                        | 767,249.82 |
| 07/16/20 | 54178     |              | CERVANTES, CESAR E                         | 1,282.75            |                        | 765,967.07 |
| 07/16/20 | 54179     |              | Franceschi, David A                        | 1,382.47            |                        | 764,584.60 |
| 07/16/20 | 54186     | CHOPPIS      | CHELCI HOPPIS                              | 126.92              |                        | 764,457.68 |
| 07/16/20 | 54187     | DVLNO        | DAVE LENARDO                               | 340.00              |                        | 764,117.68 |
| 07/16/20 | 54188     | FEPEA        | FEPEA                                      | 82.50               |                        | 764,035.18 |
| 07/20/20 |           |              | 7/20/20 DEPOSIT                            |                     | 25,294.63              | 789,329.81 |
| 07/21/20 |           | USTREASURY   | UNITED STATES TREASURY                     | 7,623.95            |                        | 781,705.86 |
| 07/21/20 |           | EDD          | EMPLOYMENT DEVELOPMENT DEPT                | 1,448.91            |                        | 780,256.95 |
| 07/21/20 | 54189     | DELOR        | DEL ORO WATER CO., FDLE. DIST.             | 485.88              |                        | 779,771.07 |
| 07/21/20 | 54190     | FRONT        | FRONTIER                                   | 513.06              |                        | 779,258.01 |
| 07/21/20 | 54191     | PACGA        | PACIFIC GAS & ELECTRIC                     | 7,325.80            |                        | 771,932.21 |
| 07/21/20 | 54192     | PLANWEST     | PLANWEST PARTNERS, INC.                    | 1,036.50            |                        | 770,895.71 |
| 07/21/20 | 54193     | SECURITYLOC  | SECURITY LOCK AND ALARM                    | 109.50              |                        | 770,786.21 |
| 07/21/20 | 54194     | SEQGA        | SEQUOIA GAS COMPANY                        | 395.37              |                        | 770,390.84 |
| 07/21/20 | 54195     | FEREN        | THE FERNDALE ENTERPRISE                    | 685.75              |                        | 769,705.09 |
| 07/21/20 | 54196     | WELF(\$106)  | WELLS FARGO FINANCIAL LEASING              | 106.46              |                        | 769,598.63 |
| 07/22/20 |           |              | 7/22/20 deposit                            |                     | 1,709.69               | 771,308.32 |
| 07/24/20 |           |              | 7/24/20 deposit                            |                     | 12,483.54              | 783,791.86 |
| 07/27/20 |           | TRICOUNTIES  | TRI COUNTIES BANK                          | 1,129.58            |                        | 782,662.28 |
| 07/28/20 |           |              | 7/28/20 deposit                            |                     | 8,026.45               | 790,688.73 |
| 07/28/20 | 54201     | ARNKE        | ARNOLD C. KEMP                             | 852.51              |                        | 789,836.22 |
| 07/28/20 | 54202     | CBSCO        | CA BUILDING STANDARDS COMM.                | 21.60               |                        | 789,814.62 |
| 07/28/20 | 54203     | COMAS        | DEMETRIUS DISTEFANO                        | 25.00               |                        | 789,789.62 |
| 07/28/20 | 54204     | DEPCO        | DEPARTMENT OF CONSERVATION                 | 58.67               |                        | 789,730.95 |
| 07/28/20 | 54205     | DSA          | DIVISION OF THE STATE ARCHITECT            | 21.20               |                        | 789,709.75 |
| 07/28/20 | 54206     | EDWJO        | EDWARD JONES & COMPANY                     | 9,845.50            |                        | 779,864.25 |
| 07/28/20 | 54207     | EEL SCRAP    | EEL RIVER SCRAP & SALVAGE                  | 92.23               |                        | 779,772.02 |
| 07/28/20 | 54208     | FDAC         | FDAC EBA                                   | 11,520.97           |                        | 768,251.05 |
| 07/28/20 | 54209     | HUMLODGING   | HUMBOLDT LODGING ALLIANCE, INC             | 971.49              |                        | 767,279.56 |
| 07/28/20 | 54210     | PACGA        | PACIFIC GAS & ELECTRIC                     | 1,059.87            |                        | 766,219.69 |
| 07/28/20 | 54211     | PACPA        | PACIFIC PAPER CO.                          | 164.05              |                        | 766,055.64 |
| 07/28/20 | 54212     | SDRMA        | SPECIAL DISTRICT RISK MGMT AUTHORITY       | 723.39              |                        | 765,332.25 |
| 07/28/20 | 54213     | USBANK       | US BANK                                    | 303.18              |                        | 765,029.07 |
| 07/28/20 | 54214     | VAPAC PETRO  | VALLEY PACIFIC PETROLEUM SERVICES,<br>INC. | 1,457.10            |                        | 763,571.97 |
| 07/28/20 | 54215     | WELLS(\$206) | WELLS FARGO VENDOR FIN SERV                | 206.76              |                        | 763,365.21 |
| 07/28/20 | 54216     | LCENG        | LOST COAST ENGINEERING, INC.               | 15,812.50           |                        | 747,552.71 |
| 07/30/20 |           |              | 7/30/20 deposit                            |                     | 4,023.65               | 751,576.36 |
| 07/30/20 |           |              | 7/30/20 deposit COVID                      |                     | 8,333.00               | 759,909.36 |
| 07/30/20 | 1001      |              | PARRISH, JAY D                             | 2,558.04            |                        | 757,351.32 |
| 07/30/20 | 1002      |              | HALL, KRISTENE M                           | 1,699.77            |                        | 755,651.55 |

**Bank Account Register**

General Checking

July 1, 2020 - July 31, 2020

| Date     | Reference | Payee ID | Description                 | Checks/<br>Payments | Deposits/<br>Additions | Balance           |
|----------|-----------|----------|-----------------------------|---------------------|------------------------|-------------------|
| 07/30/20 | 1003      |          | JOHNSON, DONNA J            | 1,475.18            |                        | 754,176.37        |
| 07/30/20 | 1004      |          | ALAMEDA, RENAE MARY         | 218.63              |                        | 753,957.74        |
| 07/30/20 | 1005      |          | SMITH, BRET A               | 1,561.18            |                        | 752,396.56        |
| 07/30/20 | 1006      |          | LINDGREN, ROBERT C          | 1,250.65            |                        | 751,145.91        |
| 07/30/20 | 1007      |          | DIAS, TIMOTHY G             | 1,421.01            |                        | 749,724.90        |
| 07/30/20 | 1008      |          | MENDES, ALAN SCOTT          | 312.71              |                        | 749,412.19        |
| 07/30/20 | 1009      |          | COPPINI, STEVE L            | 2,243.00            |                        | 747,169.19        |
| 07/30/20 | 1010      |          | GARDNER, SHAWN C            | 1,716.50            |                        | 745,452.69        |
| 07/30/20 | 1011      |          | LIU, CARSON B               | 228.38              |                        | 745,224.31        |
| 07/30/20 | 1012      |          | HOPPIS, JOHNNY F            | 1,738.75            |                        | 743,485.56        |
| 07/30/20 | 54197     |          | BALCH, DYLAN C              | 1,139.27            |                        | 742,346.29        |
| 07/30/20 | 54198     |          | CERVANTES, CESAR E          | 1,178.97            |                        | 741,167.32        |
| 07/30/20 | 54199     |          | Franceschi, David A         | 1,274.82            |                        | 739,892.50        |
| 07/30/20 | 54200     |          | RICHARDSON, DIANNA L        | 109.62              |                        | 739,782.88        |
| 07/30/20 | 54217     | CHOPPIS  | CHELCI HOPPIS               | 126.92              |                        | 739,655.96        |
| 07/30/20 | 54218     | DVLNO    | DAVE LENARDO                | 295.00              |                        | 739,360.96        |
| 07/30/20 | 54219     | FEPEA    | FEPEA                       | 77.50               |                        | 739,283.46        |
| 07/31/20 |           | EDD      | EMPLOYMENT DEVELOPMENT DEPT | 359.00              |                        | 738,924.46        |
|          |           |          | <b>Totals</b>               | <u>197,743.24</u>   | <u>59,870.96</u>       | <u>738,924.46</u> |

Transaction count = 130



| <b>JULY 2020 Deposit Recap</b>        | <b>7.20.20</b> | <b>7.22.20</b> | <b>7.24.20</b> | <b>7.28.20</b> | <b>7.30.20</b> | <b>7.30.20</b> | <b>TOTAL-JUL 20</b> |
|---------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|---------------------|
| RETAIL TAX                            |                |                | 12,483.54      |                |                |                | 12,483.54           |
| HIGHWAY USER TAX/VEHICLE LICENSE FEES |                | 1,709.69       |                |                | 4,023.65       |                | 5,733.34            |
| BUSINESS LIC                          | 6,740.00       |                |                | 1,710.00       |                |                | 8,450.00            |
| ANIMAL LIC                            | 250.00         |                |                | 75.00          |                |                | 325.00              |
| BUILDING RENTS                        | 350.00         |                |                |                |                |                | 350.00              |
| PERMITS                               | 1,034.71       |                |                |                |                |                | 1,034.71            |
| TOT                                   | 2,046.43       |                |                | 4,688.54       |                |                | 6,734.97            |
| HEALTH INSPECTIONS                    |                |                |                |                |                |                | -                   |
| HCAOG - RSTP                          |                |                |                |                |                |                | -                   |
| RECYCLING GRANT                       |                |                |                |                |                |                | -                   |
| PARSAC - GRANT / OTHER                |                |                |                |                |                |                | -                   |
| COUNTY OF HUMBOLDT-STREETS & ROADS    |                |                |                |                |                |                | -                   |
| SEPTIC DUMPS / SEWER REVENUE          | 1,050.25       |                |                |                |                |                | 1,050.25            |
| FRANCHSE FEES                         |                |                |                | 1,552.91       |                |                | 1,552.91            |
| HUMBOLDT CTY - COPS                   |                |                |                |                |                |                | -                   |
| DONATIONS                             |                |                |                |                |                |                | -                   |
| POLICE SERVICES                       |                |                |                |                |                |                | -                   |
| SMALL MISC                            | 13,823.24      |                |                |                |                | 8,333.00       | 22,156.24           |
| DRAINAGE FEES                         |                |                |                |                |                |                | -                   |
| COUNTY OF HUMBOLDT-PROPERTY TAXES     |                |                |                |                |                |                | -                   |
| COUNTY OF HUMBOLDT-SEWER              |                |                |                |                |                |                | -                   |
| COUNTY OF HUMBOLDT-INTEREST INCOME    |                |                |                |                |                |                | -                   |
| STATE - CAL TRANS - STREET SWEEP      |                |                |                |                |                |                | -                   |
| MISC: CREAM CITY - PAVING (RMRA)      |                |                |                |                |                |                | -                   |
| DENTAL INS DIVIDENDS - SDRMA          |                |                |                |                |                |                | -                   |
| MISC: COUNTY OF HUMBOLDT-MEASURE Z    |                |                |                |                |                |                | -                   |
|                                       | 25,294.63      | 1,709.69       | 12,483.54      | 8,026.45       | 4,023.65       | 8,333.00       | 59,870.96           |

|                    |   |  |   |
|--------------------|---|--|---|
| Meeting Date:      | August 19, 2020   | Agenda Item Number                             | 9.d                                     |
| Agenda Item Title: | Resolution 2020-18 Authorizing the Annual Renewal of Tri Counties Bank Loan |  |   |
| Presented By:      | City Manager  |  |   |
| Type of Item:      | <input checked="" type="checkbox"/> Action                                  | <input type="checkbox"/> Discussion            | <input type="checkbox"/> Information    |
| Action Required:   | <input type="checkbox"/> No Action  | <input checked="" type="checkbox"/> Voice Vote | <input type="checkbox"/> Roll Call Vote |

**RECOMMENDATION:**

Adopt Resolution 2020-18 Annual Renewal of Tri Counties Bank loan for FEMA Francis Creek Project Matching Funds.

**DISCUSSION:**

The City of Ferndale applied for a \$2,436,000.00 Hazard Mitigation Grant to reduce the frequency of flooding in the City from Francis Creek from the Federal Emergency Management Agency.

This loan originated at North Valley Bank (NVB). In 2014, Tri Counties Bank acquired NVB. The loan department at Tri Counties Bank requires a new resolution each year to renew the City’s loan. If approved, Resolution 2020-18 will replace last year’s Resolution 2019-18.

**FINANCIAL IMPACT:**

Staff anticipates the total annual payment (line item #26315194 in the 2020-21 budget) for this loan will be \$13,555.

**RESOLUTION NO. 2020-18****A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FERNDALE AUTHORIZING THE CITY TO BORROW FUNDS FROM TRICOUNTIES BANK (Replaces 2019-18)**

**WHEREAS**, the City of Ferndale applied for a \$2,436,000.00 Hazard Mitigation Grant to reduce the frequency of flooding in the City from Francis Creek from the Federal Emergency Management Agency; and

**WHEREAS**, the City of Ferndale was required to provide matching funds for twenty-five percent (25%) of the approved project; and

**WHEREAS**, the City of Ferndale found it necessary to borrow a portion of the required matching funds; and

**WHEREAS**, Resolution 2019-18 is replaced by this Resolution.

**NOW, THEREFORE BE IT RESOLVED**, That the City of Ferndale shall be authorized to borrow an amount not to exceed TWENTY-SEVEN THOUSAND, NINE HUNDRED NINETY-TWO AND 79/100 DOLLARS (\$27,992.79) at a rate not to exceed FOUR AND ONE QUARTER PER CENT (4.25%) from TRICOUNTIES BANK with a maturity date of August 30, 2021. Payments amortized over 7 years all due and payable annually; and

**BE IT FURTHER RESOLVED**, That the loan (Loan Number 3000010745) is designated as a qualifying tax exempt obligation of the City of Ferndale within the meaning of Section 265(B)(3) of the Internal Revenue Code of 1986; and

**BE IT FURTHER RESOLVED**, That the Mayor and City Manager/City Clerk shall be authorized to sign loan documents to secure aforementioned loan.

**PASSED AND ADOPTED** by the City Council of the City of Ferndale on August 19, 2020 by the following vote:

Ayes:

Noes:

Abstain:

Absent:

\_\_\_\_\_  
Michael Sweeney, Mayor

**Attest:**

\_\_\_\_\_  
Kristene Hall, City Clerk

**Section 10**

**CALL ITEMS**

*These are items pulled from the consent agenda  
for discussion and a separate motion.*

**Section 11**

**PRESENTATION**

**Section 12**

**PUBLIC HEARING**

**Section 13**

**BUSINESS**

|                    |   |  |   |
|--------------------|---|--|---|
| Meeting Date:      | August 19, 2020   | Agenda Item Number                             | 13.a                                    |
| Agenda Item Title: | Resolution 2020-20 Approving the Application for the California Energy Commission Loan and Authorizing the City Manager to Sign all Related Documents |  |   |
| Presented By:      | City Manager  |  |   |
| Type of Item:      | <input checked="" type="checkbox"/> Action  | <input type="checkbox"/> Discussion            | <input type="checkbox"/> Information    |
| Action Required:   | <input type="checkbox"/> No Action  | <input checked="" type="checkbox"/> Voice Vote | <input type="checkbox"/> Roll Call Vote |

**RECOMMENDATION:**

Approve Resolution 2020-20 Approving the Application for the California Energy Commission Loan and Authorizing the City Manager to Sign all Related Documents

**DISCUSSION:** The City has the opportunity to be the beneficiary to a program through Tesla that would provide enough Tesla batteries down at the wastewater facility to take advantage of the PG&E rate structure where we could charge the batteries at the optimal time of day and then use the batteries to run the electrical needs of the plant when the rates were highest. This process has been estimated to save the city eighteen or nineteen thousand dollars a year. Presently our electrical needs cost the City approximately \$90,000 a year.

**FINANCIAL IMPACT:**

**\$0**

**RESOLUTION 2020-20**

**A Resolution of the City of Ferndale Indicating the City’s Approval fo  
Applying for the California Energy Commission 1% Interest Loan**

WHEREAS, the California Energy Commission provides loans to schools, hospitals, local governments, special districts, and public care institutions to finance energy efficiency improvements;

NOW THEREFORE, BE IT RESOLVED, that the Ferndale City Council authorizes City of Ferndale to apply for an energy efficiency loan from the California Energy Commission to implement energy efficiency measures.

BE IT ALSO RESOLVED, that in compliance with the California Environmental Quality Act (CEQA), Ferndale City Council finds that the activity funded by the loan is a project that is exempt under Section 15301 (a) Categorical Exemption for Existing Facilities because the project consists of work to be done entirely on existing facilities and a Notice of Exemption document was prepared.

BE IT ALSO RESOLVED, that if recommended for funding by the California Energy Commission, the Ferndale City Council authorizes the City of Ferndale to accept a loan up to \$203,200.00.

BE IT ALSO RESOLVED, that the amount of the loan will be paid in full, plus interest, under the terms and conditions of the Loan Agreement, Promissory Note and Tax Certificate of the California Energy Commission.

BE IT FURTHER RESOLVED that the City Manager is hereby authorized and empowered to execute in the name of the City of Ferndale all necessary documents to implement and carry out the purpose of this resolution, and to undertake all actions necessary to undertake and complete the energy efficiency projects.

Passed, Approved and Adopted this 19<sup>th</sup> day of August, 2020

\_\_\_\_\_ **Governing Board Representatives:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Attest

\_\_\_\_\_  
Kristene Hall, City Clerk

# TESLA COMMERCIAL ENERGY

We take a long-term approach to ensure your energy storage system provides maximum performance, simplified integration and all-weather capabilities. You have peace of mind knowing that Tesla has successfully deployed 2.5 million kilowatts of solar and 2 million kilowatt hours of energy storage around the world.



City of Ferndale  
606 Port Kenyon Rd, Ferndale, CA 95536

# ENERGY STORAGE SYSTEM RATINGS



|                        |            |
|------------------------|------------|
| Battery Output Rating  | 140 kW     |
| Battery Size (3 Packs) | 696 kWh    |
| Battery Value          | \$511,987  |
| Total Project Cost     | \$0        |
| Fully Charged Duration | 16.5 hours |
| Average Duration       | 8.25 hours |



## EMERGENCY BACKUP

Powers a facility when the grid goes down



## PEAK SHAVING

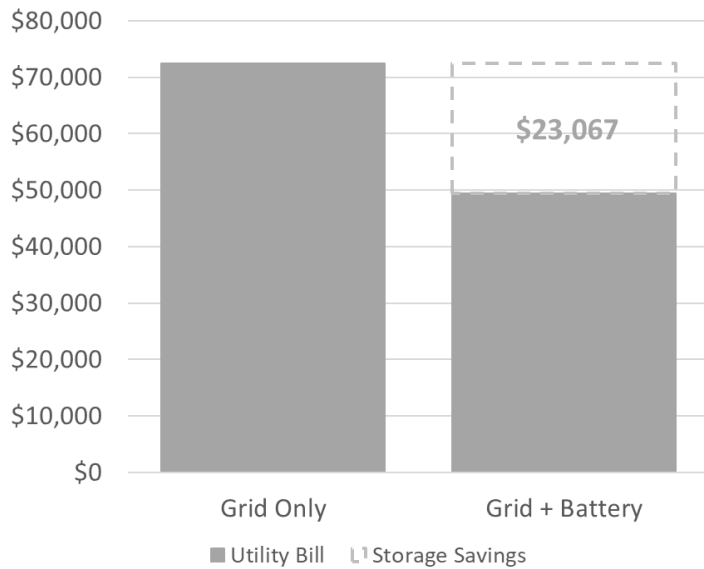
Discharge at times of peak demand to reduce expensive demand charges



# PROPOSED SAVINGS PROJECTIONS

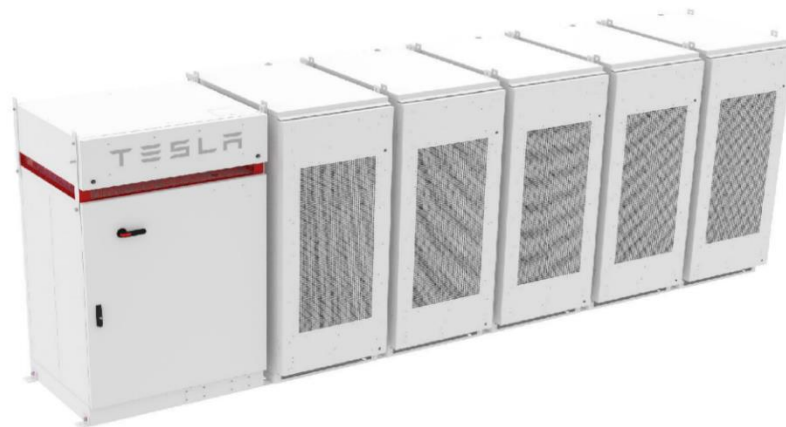
## Battery Energy Storage System Savings

### Estimated Annual Electricity Savings



### Estimated Long Term Electricity Savings

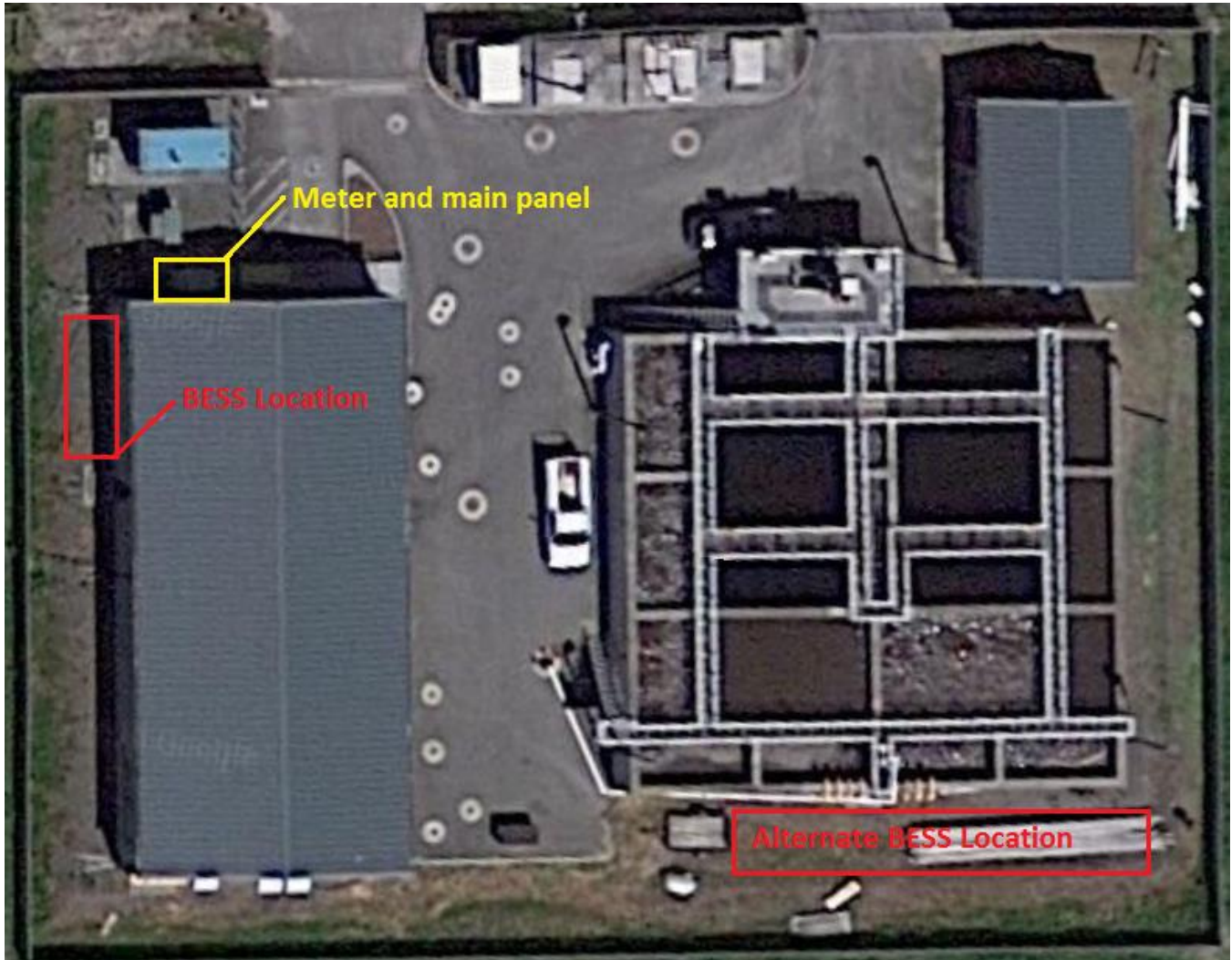
|               |           |
|---------------|-----------|
| 10 Year Value | \$246,767 |
| 20 Year Value | \$532,869 |



#### Additional Information

- Specific site/project specifics will need to be confirmed as part of the Site Survey & Permitting Process
- We recommend that you change to PG&E tariff B-19 to increase your savings with storage

# POTENTIAL POWERPACK LOCATION



### Standard Non-Disclosure Agreement

**Effective Date:** \_\_\_\_\_

**Tesla Contact:** \_\_\_\_\_

This Standard Non-Disclosure Agreement (“NDA”) is entered as of the Effective Date between the Tesla entity (“Tesla”) and the company or individual (“Company”) identified below. Tesla and each Company agree as follows:

1. Purpose. Tesla may disclose Confidential Information to Company in order to consider a potential business relationship with each other or fulfill the objectives of such relationship (“Purpose”). “Confidential Information” means information disclosed by Tesla or its Affiliate to Company or its Affiliate that is marked as confidential or proprietary, identified as confidential or proprietary (e.g. if disclosed orally or visually), or disclosed under circumstances by which Company should reasonably understand that such information is deemed by Tesla to be confidential or proprietary. All Confidential Information and derivations thereof remain Tesla’s sole property, and no license or other right to Confidential Information or any intellectual property is granted or implied by this NDA or any disclosure. Tesla is not required to disclose any information hereunder. All Confidential Information is provided on an “AS IS” basis. Tesla disclaims any and all representations, warranties, or assurances concerning the Confidential Information, including as to accuracy, performance, completeness, suitability, or third-party rights.
2. Confidentiality. Subject to Section 3, Company and its Affiliates may not: (a) use Confidential Information for any reason except the Purpose; or (b) disclose Confidential Information to any individual or third party except to its personnel, directors, consultants, professional advisors, and Affiliates, or (to the extent expressly approved in writing by Tesla) other unaffiliated third parties, in each case that (i) have a “need to know” such Confidential Information for the Purpose and (ii) are bound to confidentiality obligations that protect Confidential Information to at least the same extent as the terms of this NDA (collectively, “Authorized Recipients”); or (c) make any public disclosures relating to the existence of this NDA or the Purpose without Tesla’s prior written consent; or (d) identify, or attempt to identify, any data subject (e.g. one or more individuals, vehicles, products, or entities) through any de-identified or anonymous data disclosed by Tesla. Company shall implement and maintain appropriate organizational, technical, and administrative security measures, exercising the same degree of care to protect Confidential Information that it uses for its own confidential information of a similar nature, but in no event less than reasonable care. Promptly after learning of any unauthorized use or disclosure of, and/or unauthorized attempts to access or modify, any Confidential Information in Company’s (or its Authorized Recipients’) custody or control, Company shall notify Tesla in writing and cooperate with Tesla to investigate and mitigate any adverse effects. Company shall be responsible for any unauthorized use or disclosure of Confidential Information by any of its Authorized Recipients.
3. Exceptions. The obligations of Section 2 will not apply to information that: (a) is already known to Company at the time of disclosure without obligation of confidentiality, (b) is or becomes publicly known through no wrongful act or omission of Company, (c) is rightfully received by Company from a third party without obligation of confidentiality, (d) is approved for release by Tesla’s written authorization, or (e) was developed by Company independently and without the use or benefit of any Confidential Information. A disclosure that Company is required to make pursuant to any order or requirement of a court, administrative agency, other governmental agency, or stock exchange will not be deemed a breach of Section 2 of this NDA, provided that Company has to the extent permitted by law: (x) promptly notified Tesla in writing of such order or requirement, (y) given Tesla an opportunity to challenge or limit the disclosure requirement or seek an appropriate protective order, and (z) cooperated with Tesla to narrow the scope of such disclosure to only that portion of the Confidential Information that is necessary to fulfill the order or requirement. A disclosure which complies with a U.S. Federal Acquisition Regulation permitting disclosures to the government concerning government contracts will not be deemed a breach of this NDA. Each party is hereby given notice of the immunity set forth in 18 USC § 1833(b).
4. Affiliate. “Affiliate” means an entity which either controls or is controlled by a party or is under common control with a party, where “control” means the power to direct or cause the direction of an entity’s management and policies through ownership or control of at least 50% of its voting securities or ownership interest.
5. Termination. This NDA is effective as of the Effective Date and will expire 3 years thereafter. Either party may terminate this NDA for any or no reason by giving 60 days’ prior written notice to the other party. Expiration or termination shall not affect a party’s rights or obligations with respect to Confidential Information disclosed before such expiration or termination, and such rights or obligations will continue as long as Company or its Affiliate has custody of or control over Confidential Information. Upon expiration or termination of this NDA or Tesla’s written request, Company shall promptly return to Tesla all Confidential Information or certify in writing that all Confidential Information has been destroyed. Sections 2, 3, and 5–7 will survive for 5 years after the expiration or termination of this NDA.
6. Disputes; Venue. This NDA is governed by the laws of the county, state, and country specified below Tesla’s signature, in each case without regard to conflict of laws principles. Company will be jointly and severally responsible for the acts and omissions of its Affiliates and each Authorized Recipient. The rights of and damages incurred by a Tesla Affiliate will be deemed to be rights of and damages incurred by Tesla. The Parties shall discuss in good faith a resolution to any conflict or dispute under this NDA. The exclusive venue for any judicial action arising out of or relating to this NDA will be the state, federal, or regional courts for the location specified below Tesla’s signature. The parties, for themselves and their respective

**Standard Non-Disclosure Agreement**

Affiliates and Authorized Recipients, hereby waive any challenge to venue and jurisdiction in such courts. If Tesla substantially prevails in any action to enforce this NDA, it will be entitled to recover its costs of enforcement from Company and its Affiliates, including reasonable attorneys’ fees. Company acknowledges that breach of this NDA would cause Tesla irreparable harm for which monetary damages would not provide an adequate remedy and Tesla will, in addition to any other available remedies, be entitled to temporary and permanent injunctive relief with respect to such breach without proof of actual damages or the posting of bond or other security.

7. Miscellaneous. This NDA constitutes the entire agreement between the parties regarding its subject matter and supersedes all prior agreements, representations, and understandings, between the parties regarding its subject matter. If any provision hereof is held by a court of competent jurisdiction to be illegal or unenforceable, such provision shall be changed and interpreted so as to best accomplish the objectives of the original provision to the fullest extent allowed by law, and the remaining provisions of this NDA shall remain in full force and effect. This NDA is written in the English language, and the English version shall prevail over any translation thereof. A waiver of any right hereunder does not imply waiver of any other rights. No waiver, alteration, modification, or amendment of this NDA shall be effective unless in writing and signed by both parties. This NDA may be signed in duplicate originals or in separate counterparts, each of which is effective as if the parties signed a single original, and a facsimile of an original signature or electronically signed version transmitted to the other party is effective as if the original was sent to the other party. Any notice required or permitted by this NDA shall be made in writing and be deemed delivered upon verification of delivery to the other party. Company may not assign, transfer, or otherwise convey or delegate any of its rights or duties under this NDA (except to the successor in a merger, acquisition, or corporate reorganization of Company) without Tesla’s prior written consent, and any attempt to do so shall be void.

Tesla and each Company execute this Standard Non-Disclosure Agreement through their duly authorized representatives.

|  |
|--|
| <b>Tesla: Tesla, Inc.</b>                    |
| Signed: _____                                |
| Printed: _____                               |
| Title: _____                                 |
| Date: _____                                  |
| <b>Contact Information:</b>                  |
| Legal Department                             |
| PO Box 15430, Fremont CA 94539, USA          |
| Phone : +1-650-681-5000                      |
| Governing Law: <u>California</u>             |
| Venue: <u>Santa Clara County, California</u> |

|                             |
|-----------------------------|
| <b>Company:</b> _____       |
| Signed: _____               |
| Printed: _____              |
| Title: _____                |
| Date: _____                 |
| <b>Contact Information:</b> |
| Name/Dept.: _____           |
| Address: _____              |
| Phone: _____                |



**Energy Products Operation and Maintenance Agreement  
California Self-Generation Incentive Program (SGIP)**

This "Agreement" is between Tesla, Inc. ("Tesla"), and the entity represented by you, as the signatory to this Agreement ("Buyer"). The Agreement consists of (1) the below Price Sheet and (2) the attached terms & conditions, and is effective on the date that you agree to this Agreement (by electronic acceptance, signature or e-mail) (the "Effective Date").

This Agreement accompanies a Tesla Energy Products Purchase Agreement ("Purchase Agreement"), which includes a reduced price as a result of Tesla obtaining the SGIP incentive with respect to the Products (as indicated in the Price Sheet, the "SGIP Incentive").

**Price Sheet**

**Buyer information**

Buyer Name:

Street Address:

Signatory Name:

Signatory Phone Number:

**Tesla entity**

Tesla, Inc. of 3500 Deer Creek Road, Palo Alto, CA 94304  
888-765-2489  
CA CSLB 949283

**Products**

**Products installed under Energy Products Purchase Agreement dated:** **Powerpack:**  
**Products Value:**  
**SGIP Eligible Costs:**  
**SGIP Incentive:**

**Services Price**

**Annual price for Services:** **\$0**  
**Extra Services** **Time-and-Materials Rate to be agreed by Buyer**

**Payment Terms**

**Deadline for Payments:** **30 days after date of invoice**



**Signed by**

Buyer:

Tesla, Inc.:

Your signature:

By: 

\_\_\_\_\_

Title:

\_\_\_\_\_

Title: Sr. Director, Commercial Energy Sales

Date:

Date:

\_\_\_\_\_

\_\_\_\_\_





## Operation and Maintenance Agreement Terms & Conditions

1. **Authorization; Representations.** By your acceptance of this Agreement (by electronic acceptance, signature, or email), you represent and agree that you are an authorized representative of Buyer, permitted to bind Buyer in this Agreement. If applicable, you and Buyer further represent and warrant to Tesla that all financial information that you or Buyer has provided (or will provide) to Tesla is true and accurate and fairly represents Buyer's financial position as at the date it was provided. You also represent and agree that the Buyer owns or has sufficient rights to the Products in the Price Sheet, to contract for the Services. Tesla may terminate this Agreement upon notice to Buyer if any of the representations in this Section 1 are incorrect.

### 2. **Term; SGIP Operation and Grid Services.**

(a) This Agreement will continue in effect for ten (10) years from the date that the Products are fully installed, unless earlier terminated under Section 11 (the "Term"). The Parties agree that as of the Effective Date, the Products are intended to remain owned by Buyer and installed at the Site (as defined in Section 3) throughout the Term.

(b) During the Term, Tesla may monitor and operate (including charging and discharging) the Products, in order to comply with requirements of the SGIP Program, and to generate savings by shifting Buyer's grid electricity consumption from higher-priced times to lower-priced times, in Tesla's reasonable discretion. Buyer acknowledges that Tesla's cycling of the Products will consume some portion of the warranted throughput of the Products; and will use electricity stored in the Products (together, "Cycling Costs"). Tesla expects that Tesla's activities described above will save significantly more than the Cycling Costs, but Tesla makes no guarantee of such savings. Buyer agrees that the provision of the Services herein are in full consideration of the Cycling Costs, and releases Tesla from any claim to recover any Cycling Costs.

(c) Buyer agrees to notify Tesla of any utility tariff changes with respect to the Site, during the Term.

(d) As a condition of receiving pricing based upon the SGIP Incentive, Buyer agrees to notify Tesla and the SGIP program administrator, not less than ninety (90) days in advance, if Buyer intends to sell or relocate the Products within ten (10) years after the date they are installed. This obligation will survive the termination or expiration of this Agreement. Contact information for the SGIP program administrator can be found at <https://www.selfgenca.com/home/contact/>. Notification to Tesla should be directed to [CommercialAccounts@Tesla.com](mailto:CommercialAccounts@Tesla.com).

(e) If Buyer intends to vacate or sell the Site during the Term, Buyer shall ensure that that the buyer of the Site accept assignment of this Agreement, or an agreement substantially similar and reasonably acceptable to Tesla, in order to ensure continued compliance with the SGIP Program.

(f) From time to time, Tesla may identify demand response or similar grid services programs, whereby the Products can help meet demands of the electrical grid, or improve its reliability, by charging or discharging the Products (or agreeing to make the Products available for charging or discharging) (each, a "Grid Services Program"). Tesla will notify Buyer of any proposed Grid Services Program and identify: (i) the anticipated economic benefit for Buyer; (ii) the anticipated impact on the availability of the Products; and (iii) the anticipated Cycling Costs. Buyer may elect to participate or not participate in a Grid Services Program, provided that if Buyer does not provide Tesla with notice of its election within thirty (30) days after Tesla's notice of the Grid Services Program, Tesla may treat the same as an election to participate.

3. **Tesla to Provide Services.** For the Products indicated in the Price Sheet, Buyer agrees to purchase the "Services" in accordance with Appendix 1 (the "Scope of Services") during the Term, to be performed at the site where Tesla installed the Products (the "Site").

### 4. **Scope of Services.**

(a) Tesla's Scope of Services assumes standard wage rates, no constraints to Tesla's access to the Site, and no unforeseen site conditions. If Tesla encounters challenges accessing the Site, or unforeseen site conditions not caused by Tesla, Tesla may treat the costs it incurs as Extra Services as set forth in Section 4(b).

(b) Any service not included in the Scope of Services shall be an "Extra Service." Extra Services will include, for example repairs arising from abuse by Buyer. Upon request, Tesla may provide Buyer a time-and-materials rate proposal for Extra Services, and upon agreement of Buyer in writing, Tesla may agree to perform the Extra Services. When used in this Agreement, "Services" shall include "Extra Services," when context requires. If Buyer pays a fee to Tesla for Extra Services in connection with an issue that is subsequently determined to be covered by a Tesla Manufacturer's Limited Warranty or other warranty provided by Tesla for the Products, Tesla shall provide a refund to Buyer.



(c) Title and risk of loss to all parts, materials or equipment installed by Tesla during the performance of the Services shall transfer to Buyer when such parts, materials or equipment have been installed and the Products (or the affected part of the Products) have been commissioned or re-commissioned.

5. **Site Access.** Tesla will contact Buyer to schedule the Services. Services will be performed by Tesla or an affiliate or subcontractor, at Tesla's election. Buyer also agrees to give Tesla, or its affiliate or subcontractor access to the Site as scheduled so Tesla can provide the Services.

6. **Extra Services.** Tesla may bill for Extra Services upon their completion. By entering into this Agreement, Buyer agrees to pay any agreed-upon fee for Extra Services, in accordance with the Payment Terms in the Price Sheet.

7. **Privacy.** The [Tesla Customer Privacy Policy](#) is part of this Agreement. You, as the authorized representative of Buyer, agree to be contacted at the phone number listed in the Price Sheet with more information or offers about Tesla products. You understand these calls or texts may use automated dialing or pre-recorded messages. This consent is not a condition of purchase. You may opt out of this consent at any time by contacting Tesla at 888-765-2489.

#### 8. **Remote Monitoring and Firmware Upgrades.**

(a) Tesla's SGIP-related monitoring and cycling described in Section 2 requires a continuous high-speed internet connection, which Buyer agrees to provide at Buyer's cost. Buyer agrees that Tesla may access the Products remotely to monitor performance, perform diagnostics and upgrade firmware. If Buyer does not maintain this continuous internet connection the monitoring will not function. Tesla shall not be responsible for any issues arising from Buyer's failure to provide an internet connection, or a failure of monitoring arising from the same.

(b) "Buyer Data" consists of the data related to the Products which Tesla makes available to Buyer via the Tesla app or any other performance monitoring provided by Tesla. Buyer Data shall be owned by Buyer. Tesla may use Buyer Data (i) to perform its obligations under this Agreement including any warranties, (ii) to improve Tesla's products and services generally (including by performing analyses on such information), and (iii) to aggregate with other data. Public disclosure of such information by Tesla is permitted if Buyer could not reasonably be identified from the publicly disclosed information.

(c) Any information obtained by Tesla through remote monitoring of the Products that is not Buyer Data shall be owned by Tesla ("Tesla Data"), shall be confidential information of Tesla, and shall not be required to be made available by Tesla to any person.

#### 9. **Services Warranty.**

(a) Tesla warrants that (i) it shall perform all Services in accordance with Prudent Industry Practices, any applicable Tesla operation and maintenance manuals, and this Agreement, and (ii) any labor performed, and any materials installed, in the performance of the Services shall be free from defects in design and workmanship for 12 months after such labor was performed or such materials were installed (collectively, the "Services Warranty"). "Prudent Industry Practices" means the methods approved by a significant portion of the electrical services industry operating in the state in which the Products are installed that, in the exercise of reasonable judgment in light of the facts known at the time a decision was made, would have been expected to accomplish the desired result in a manner consistent with applicable law, reliability, safety, environmental protection, economy and expedition.

(b) Tesla shall remedy any defect or otherwise cure a breach of the Services Warranty, at its own cost and expense, as promptly as reasonably practicable after Buyer notifies Tesla in writing of such breach, in a manner and at such times that reasonably minimizes interruption of the operation of the Products and revenue loss to Buyer. This shall be Tesla's sole and exclusive liability, and Buyer's sole and exclusive remedy, in connection with a breach of the Services Warranty.

(c) EXCEPT AS REQUIRED BY LAW, OR AS PROVIDED FOR IN THIS AGREEMENT, TESLA MAKES NO WARRANTIES OR GUARANTEES WITH RESPECT TO THE SERVICES AND DISCLAIMS ANY WARRANTY OR GUARANTEE IMPLIED BY APPLICABLE LAWS, INCLUDING IMPLIED WARRANTIES OF PERFORMANCE, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE AND IMPLIED WARRANTIES OF CUSTOM OR USAGE.

10. **Limitation of Liability.** Tesla and Buyer shall not be liable to one another for any indirect, special or consequential damages arising out of this Agreement, except to the extent provided in Section 11(b). To the fullest extent permitted by law, Tesla and Buyer's aggregate liability to one another under this Agreement is limited to the Products Value. This Section 10 applies, without limitation, to any liability arising out of any Site survey performed by Tesla or its affiliate or





subcontractor in connection with this Agreement. This Section 10 does not apply to Buyer or Tesla's obligation to indemnify the other party, as may be required under applicable law.

**11. Breach; Remedies.**

(a) If Tesla or Buyer is in breach of this Agreement, upon thirty (30) days prior written notice and opportunity to cure, the non-defaulting party may terminate this Agreement; and with or without terminating this Agreement, may pursue any remedy it has under this Agreement or at law. Tesla may also terminate this Agreement if the Products are substantially destroyed other than due to Tesla's fault.

(b) Buyer shall be responsible for, and Tesla shall be entitled to invoice for, any loss of part or all of the SGIP Incentive due to damage to the System caused by Buyer, or Buyer's breach of this Agreement. Breaches that may result in the loss of part or all of the SGIP Incentive may include, without limitation, removing or selling the Products without notifying the SGIP Administrator as required in Section 2(e), not providing Tesla with access to the Products in order to perform maintenance as required in Section 4; or continued failures to provide internet connectivity as required in Section 8.

(c) If this Agreement is terminated by Tesla during the first five (5) years of the Term, then Buyer shall owe Tesla the following amount, as reasonably calculated by Tesla: For each year or portion thereof remaining in the first five (5) years of the Term, Buyer shall pay ten percent (10%) of the SGIP Incentive (the "Termination Payment") (Thus, if the Agreement is terminated for Buyer default three (3) years from the date that the Products are fully installed, Buyer shall owe 20% of the SGIP Incentive). Buyer agrees that the damages in this Section 11 are a reasonable preestimate of Tesla's damage as a result of the early termination of this Agreement. The Termination Payment shall be due and payable thirty (30) days after Tesla's issuance of an invoice therefor.

(d) Provisions of this Agreement which by their nature contemplate or govern performance or observance subsequent to the termination or expiration of this Agreement shall survive such termination or expiration.

**12. Governing Law; Integration.** This Agreement is governed by the laws of the State of California. The information at the links described above is part of this Agreement. Any other terms relating to the Products that are not contained or referred to in this Agreement are not binding on Tesla or Buyer.

**13. Assignment; Subcontracting.** Tesla or Buyer may, with prior written notice to the other, transfer or assign this Agreement to its affiliate, as long as (a) the assignee agrees to be bound by the terms and conditions of this Agreement, and (b) in the case of Buyer, the assignee owns the Products. Buyer may also assign this Agreement as collateral in connection with its financing activities. Otherwise, neither Buyer nor Tesla may assign its rights or obligations under this Agreement without the prior written consent of the other. This Agreement shall be binding upon and inure to the benefit of and be enforceable by the respective successors and permitted assigns of the Buyer and Tesla

**14. Insurance.** Tesla shall maintain, at its sole cost and expense, the following insurance coverage and shall, within a reasonable time of Buyer's request, furnish to Buyer a certificate evidencing such coverage:

(a) Commercial General Liability Insurance (CGL). Tesla carries commercial general liability insurance with coverage amounts that meet or exceed those required by law.

(b) Workers' Compensation Insurance. Tesla carries workers' compensation insurance for all employees in compliance with law.

**15. Further Assurances.** Tesla and Buyer shall each at their own cost and expense execute and deliver such further documents and instruments and shall take such other actions as may be reasonably required or appropriate to evidence or carry out the intent and purposes of this Agreement.

**16. Arbitration.** Any dispute arising from or relating to this Agreement shall first be promptly referred to the senior level management of the Parties for resolution. If Tesla and Buyer are unable to resolve any such dispute within 20 days after referral, then Tesla or Buyer may take such dispute to binding arbitration in accordance with the then-current Streamlined Arbitration Rules of the Judicial Arbitration and Mediation Services ("JAMS"). The existence, content and result of the arbitration shall be confidential and conducted by a single arbitrator in English and in Santa Clara, California, unless otherwise agreed by the Parties. Buyer and Tesla will each bear its own expenses in the arbitration and will share equally the costs of the arbitration; provided, however, that the arbitrator may, in its discretion, award reasonable costs and fees to the prevailing party. Judgment upon the award rendered in the arbitration may be entered in any court of competent jurisdiction.



## **Appendix 1**

### **Scope of Services**

Tesla will (i) proactively monitor the Products as set forth below, and (ii) respond to inquiries by phone, web and/or email. Tesla may respond, remotely or on-site as deemed necessary by Tesla, to telemetry signals and/or Buyer inquiries. The Services that Tesla will provide are limited to the following:

- Perform preventative maintenance, as Tesla deems consistent with Prudent Industry Practices
- Alert the customer of Product performance and failure issues
- Provide visibility of Product performance through Tesla's Powerhub user interface
- Alert the customer if the Product is not communicating with the internet
- Remove, return, replace and/or fix parts covered by valid manufacturer warranty
- Investigate and replace defective balance of system hardware and/or defective wiring for the duration of the Workmanship Warranty. (After the Workmanship Warranty, the Parties may agree for Tesla to perform this service as Extra Work.)
- Remotely update products software and firmware to improve performance

Excluded services and repairs listed below may be performed as an Extra Service, as set forth in Section 3(b):

- Moving debris from the equipment, or the area around the equipment
- Maintenance of the area around the Products, including vegetation management
- Maintenance to the degree necessitated by vandalism, negligence or misconduct of Buyer or another party not under Tesla's control
- Removal and reinstallation of equipment for reasons not related to warranty failures





## Energy Products Purchase Agreement Terms & Conditions

1. **Authorization; Representations.** By your acceptance of this Agreement (by electronic acceptance or signature), you represent and agree that you are an authorized representative of Buyer, permitted to bind Buyer in this Agreement. If applicable, you and Buyer further represent and warrant to Tesla that all financial information that you or Buyer has provided (or will provide) to Tesla is true and accurate and fairly represents Buyer's financial position as at the date it was provided. Tesla may terminate this Agreement if any of the representations in this Section 1 are incorrect.

### 2. **Purchase; SGIP Program.**

(a) Buyer agrees to purchase the "Products" indicated in the Price Sheet. Tesla agrees to sell Buyer the Products and install them at the address you provided in the Price Sheet (the "Site"). Notwithstanding the above, prior to installing the Products, Tesla may review Buyer's credit, and Tesla shall have the right to terminate this Agreement in its sole discretion based upon the outcome of such credit review.

(b) The Products will be financed by the California Self-Generation Incentive Program ("**SGIP**"), which provides an incentive payment to be paid over five (5) years, subject to certain conditions (the "**SGIP Incentive**"). The SGIP Incentive when assigned to Tesla as the SGIP payee permits Tesla to offer the Products at a reduced cost, or no cost to Buyer. Buyer hereby assigns the SGIP Incentive to Tesla, and releases any claim to the SGIP Incentive. Buyer agrees to cooperate with Tesla's efforts to obtain the SGIP Incentive, including signing necessary documents.

(c) As a condition of receiving pricing based upon the SGIP Incentive, Buyer agrees to notify Tesla and the SGIP program administrator, not less than ninety (90) days in advance, if Buyer intends to sell or relocate the Products within ten (10) years after the date they are installed. This obligation will survive the termination or expiration of this Agreement. Contact information for the SGIP program administrator can be found at <https://www.selfgenca.com/home/contact/>. Notification to Tesla should be directed to [CommercialAccounts@Tesla.com](mailto:CommercialAccounts@Tesla.com).

(d) In order to enable the SGIP Incentive, Buyer is required to sign the "**Services Agreement**" contemporaneously with this Agreement. As more fully detailed therein, the Services Agreement provides for Tesla to maintain the Products for ten (10) years, and also provides that Tesla will remotely operate the Products in a manner necessary to obtain the SGIP Incentive.

3. **Contract Price.** The Price Sheet shows the price of the Products and their installation after the SGIP Incentive ("Contract Price"), and the value of the Products ("Product Value"). The Contract Price is charged in accordance with the Schedule of Payments on the Price Sheet, and payment is due thirty (30) days after the date of each invoice. Subject to Section 4, the Contract Price is inclusive of all taxes and permitting fees. The Contract Price does not include, and Tesla is not obligated to provide, any ongoing services in connection with the Products (including maintenance services), except as required in connection with Tesla's limited warranties in Section 12, and as separately agreed under the Services Agreement.

### 4. **Changes to Price Sheet.**

(a) Tesla's obligation to install the Products is conditioned on such work falling with Tesla's "Standard Scope", which assumes standard wage rates, no unforeseen site conditions, no significant upgrades to existing electrical works, interconnection fees not to exceed \$1,000, and customary government costs, taxes and fees. Further information about what constitutes Tesla's Standard Scope is available upon request.

(b) Tesla has the right to update the Price Sheet if, upon further diligence regarding the Site, Tesla determines that there are conditions outside of the Standard Scope. If Buyer does not reject the updated Price Sheet within thirty (30) days and cancel this Agreement, the changes will be deemed accepted.

(c) In addition, Tesla may in its sole discretion determine that because of issues beyond the Standard Scope, or because of the unavailability of the SGIP Incentive, Tesla will not install the Products. In such case, Tesla may terminate this Agreement by notice to Buyer, and if applicable shall refund the Order Payment.

5. **Installation; Service.** Tesla will contact Buyer to perform an energy efficiency audit of the Site as required by the SGIP program, and subsequently, to schedule installation of the Products. Installation will be performed by Tesla or an affiliate or subcontractor, at Tesla's election. Tesla will commission the System in accordance with its standard practices. Buyer authorizes Tesla, or its affiliate or subcontractor, to submit on Buyer's behalf any permit or interconnection application



that is required in connection with the Products. Buyer also agrees to give Tesla, or its affiliate or subcontractor, access to the Site as scheduled so Tesla can install and service the Products. Buyer is responsible for all existing property conditions at the Site, whether known or unknown.

6. **Payment.** By entering into this Agreement, Buyer agrees to pay the Contract Price as described in the Price Sheet. Tesla may provide combined or separate invoices for each of the Products. Risk of loss shall transfer with respect to each component of the Products, upon its delivery to the Site. Title to the Products will transfer to Buyer after Tesla (i) completes installation and (ii) receives payment in full of the Contract Price (if any).

7. **Order Payment.** The Order Payment (if any) that Buyer previously paid for the Products is now non-refundable, except in the circumstances described in Section 4(c). When this Agreement becomes effective, Tesla incurs significant costs preparing to install the Products. The Order Payment is a reasonable estimate of the damages Tesla would incur if Buyer cancels its order before the Products are installed.

8. **Privacy.** The [Tesla Customer Privacy Policy](#) is part of this Agreement. You, as the authorized representative of Buyer, agree to be contacted at the phone number listed in the Price Sheet with more information or offers about Tesla products. You understand these calls or texts may use automated dialing or pre-recorded messages. This consent is not a condition of purchase. You may opt out of this consent at any time by contacting Tesla at 1-888-765-2489.

9. **Intellectual Property.** Tesla owns all intellectual property rights associated with the Products. Tesla grants Buyer a non-exclusive license to use any software embedded into the Products, only in connection with the operation of the Products.

10. **Remote Monitoring and Firmware Upgrades.**

(a) Buyer agrees that Tesla may access the Products remotely to monitor performance, perform diagnostics and upgrade firmware. This monitoring requires a high speed internet line, which Buyer must provide at Buyer’s cost. If Buyer does not maintain this internet connection, Tesla cannot monitor the Products. Tesla is not responsible for any issues arising from Buyer’s failure to provide an internet connection, or a failure of monitoring arising from the same.

(b) “Buyer Data” consists of the data related to the Products which Tesla makes available to Buyer via the Tesla app or any other performance monitoring provided by Tesla. Buyer Data shall be owned by Buyer. Tesla may use Buyer Data (i) to perform its obligations under this Agreement including any warranties, (ii) to improve Tesla’s products and services generally (including by performing analyses on such information), and (iii) to aggregate with other data. Public disclosure of such information by Tesla is permitted if neither Buyer nor the owner or long-term occupant of the site where the Products are located (the “Site Host”) could reasonably be identified from the publicly disclosed information.

(c) Any information obtained by Tesla through remote monitoring of the Products that is not Buyer Data shall be owned by Tesla (“Tesla Data”), shall be confidential information of Tesla, and shall not be required to be made available by Tesla to any person.

(d) Notwithstanding anything herein to the contrary, Tesla may disclose either Buyer Data or Tesla Data as requested or required by an applicable administrator of the SGIP program (“SGIP Administrator”), and Tesla shall not be responsible for the SGIP Administrator’s use or disclosure of such data.

11. **Maintenance & Operation.** Tesla will provide Buyer with an initial copy of an applicable storage system operation and maintenance guide (as updated by Tesla from time to time, the “Manuals”). The Manuals provide Buyer with operation and maintenance instructions, answers to frequently asked questions, and service information. Buyer must cause the Products to be maintained in accordance with the Manuals (including by contracting with Tesla for maintenance services). In addition, Buyer must comply with the Manuals, to the extent the Manuals apply to Buyer’s activities at the Site.

12. **Limited Warranties.** The Products and installation work are covered by the following limited warranties. **THESE ARE THE ONLY EXPRESS WARRANTIES MADE IN CONNECTION WITH THE PRODUCTS AND INSTALLATION WORK. Any other warranties, remedies and conditions, whether oral, written, statutory, express or implied (including any warranties of merchantability and fitness for purpose, and any warranties against latent or hidden defects) are expressly disclaimed. If such warranties cannot be disclaimed, Tesla limits the duration of and remedies for such warranties to the durations and remedies described below.**

|                |  |
|----------------|--|
| Storage System | The Storage System is covered by the Tesla Limited Warranty applicable to the product and model purchased. By approving this Agreement, Buyer accepts the terms of the Tesla Limited Warranty for the applicable product, which can be obtained on our website or will be provided upon request. |
|----------------|--|



|             |   |
|-------------|---|
|             | In order to maintain the Tesla Limited Warranty, maintenance on the Storage System must be performed by Tesla, a Tesla affiliate or subcontractor, or a Tesla-certified maintenance provider.   |
| Workmanship | Tesla warrants that (a) Tesla's installation workmanship will be free from defects for 10 years from the date the Products are installed (or, in the case of main panel or structural upgrades, 1 year from the date those upgrades were performed); (b) Tesla's installation workmanship will not invalidate the applicable Tesla Limited Warranty; and (c) Tesla will not damage the Site during our installation of the Products. If Tesla breaches this workmanship warranty, Tesla will repair the defective work or damage at Tesla's cost. If Tesla cannot do this itself, Tesla will pay for someone else to do it. Such repair work shall not extend the original warranty period, but the remainder of the original warranty period shall apply to the repair work. |

13. **Warranty Exclusions.** The "Workmanship" warranty above does not cover any defect caused by (1) events beyond Tesla's reasonable control, including but not limited to lightning, flood, earthquake, fire, excessive wind and other extreme weather events, accidents, abuse, misuse or negligence; (2) Buyer's failure to operate or maintain the Products in accordance with the applicable owner's manual(s); (3) strikes by balls or other objects, dirt, dust, bird excrement, animals, insects, foliage or algae growth; (4) water entering around a fitting, accessory or other material not installed by Tesla; (5) any material or equipment connected to the Products that was not installed by Tesla; or (6) someone other than Tesla installing, altering, removing, re-installing or repairing any part of the Products unless that person does so in compliance with the applicable owner's manual(s). The "Workmanship" warranty also does not cover (i) any defects in the equipment or components incorporated into Tesla's work (such as breakers, electrical panels, soft-start devices for HVAC equipment, etc.); (ii) pre-existing conditions at the Site, including but not limited to unpermitted conditions, improper electrical wiring, cracked or crumbling masonry; (iii) normal wear and tear or deterioration, or superficial defects, dents or marks that do not impact the performance or functionality/integrity of the Products; or (iv) theft or vandalism. The warranty for the "Storage System" above is not subject to the above exclusions, but is subject to other exclusions which are described in the warranty document.

14. **IP Indemnity.**

(a) As used in this Section 14, "Representatives" means Buyer and Buyer's affiliates, and their respective directors, officers, partners, members, shareholders, agents, employees, subcontractors, successors and assigns; "Losses" means damages and liabilities, including reasonable attorneys' fees; and "Claim" means a claim, action, suit, proceedings, demand, investigation or assessment made or brought by any third party.

(b) Tesla shall indemnify, defend and hold harmless Buyer and its Representatives from any Losses arising out of any Claim alleging that the Products infringe the intellectual property rights of a third party. However, Tesla shall have no obligation to indemnify Buyer or any of its Representatives to the extent the Claim arises out of: (a) use of the Products in combination with any other products, materials or equipment not expressly authorized by Tesla; or (b) any modifications or changes made to the Products other than by Tesla. If a Claim for infringement or alleged infringement of any intellectual property rights is made, Tesla may, at its own expense, (i) modify any or all of the intellectual property rights so as to avoid the infringement or the alleged infringement; or (ii) take such other action as Tesla deems reasonable to avoid or settle such Claim.

15. **Limitation of Liability.** Tesla and Buyer shall not be liable to one another for any indirect, special or consequential damages arising out of this Agreement. To the fullest extent permitted by law, Tesla and Buyer's aggregate liability to one another under this Agreement is limited to the Product Value. This Section 15 applies, without limitation, to any liability arising out of any Site survey performed by Tesla or its affiliate or subcontractor in connection with this Agreement. This Section 15 does not apply to Buyer or Tesla's obligation to indemnify the other for third-party claims, as required under Section 14 or otherwise under applicable law.

16. **Term; Breach; Remedies.**

(a) This Agreement will continue in effect until Tesla has completed installation of the Products and received payment in full of the Contract Price, unless earlier terminated as permitted in Section 4 or this Section 16.

(b) If Tesla or Buyer is in breach of this Agreement, upon thirty (30) days prior written notice and opportunity to cure, the non-defaulting party may terminate this Agreement; and with or without terminating this Agreement, may pursue





any remedy it has under this Agreement or at law, including in Tesla's case, repossession of the Products (if title has not yet transferred) and collection of all amounts due (including those past due, which will be charged 2% interest per annum).

(c) Provisions of this Agreement which by their nature contemplate or govern performance or observance subsequent to the termination or expiration of this Agreement shall survive such termination or expiration until fully performed.

17. **Governing Law; Integration.** This Agreement is governed by the laws of the State of California. The information at the links described above is part of this Agreement. Any other terms relating to the Products that are not contained or referred to in this Agreement are not binding on Tesla or Buyer.

18. **Assignment.** Tesla may assign, sell or transfer this Agreement without Buyer's consent in connection with Tesla's financing activities, provided, that except in the case of an assignment as collateral only, the assignee shall be capable of performing (directly or indirectly) all of Tesla's obligations hereunder.

19. **Insurance.** Tesla shall maintain, at its sole cost and expense, the following insurance coverage and shall, within a reasonable time of Buyer's request, furnish to Buyer a certificate evidencing such coverage:

(a) **Commercial General Liability Insurance (CGL).** Tesla carries commercial general liability insurance with coverage amounts that meet or exceed those required by law.

(b) **Workers' Compensation Insurance.** Tesla carries workers' compensation insurance for all employees in compliance with law.

20. **Further Assurances.** Tesla and Buyer shall each at their own cost and expense execute and deliver such further documents and instruments and shall take such other actions as may be reasonably required or appropriate to evidence or carry out the intent and purposes of this Agreement.

21. **Arbitration.** Any dispute arising from or relating to this Agreement shall first be promptly referred to the senior level management of the Parties for resolution. If Tesla and Buyer are unable to resolve any such dispute within 20 days after referral, then Tesla or Buyer may take such dispute to binding arbitration in accordance with the then-current Streamlined Arbitration Rules of the Judicial Arbitration and Mediation Services ("JAMS"). The existence, content and result of the arbitration shall be confidential and conducted by a single arbitrator in English and in Santa Clara, California, unless otherwise agreed by the Parties. Buyer and Tesla will each bear its own expenses in the arbitration and will share equally the costs of the arbitration; provided, however, that the arbitrator may, in its discretion, award reasonable costs and fees to the prevailing party. Judgment upon the award rendered in the arbitration may be entered in any court of competent jurisdiction.

SELF-GENERATION INCENTIVE PROGRAM

Proposed System Information Attestation

**The following information (Responses to Questions 1 – 5) is required by the Developer of the storage system applying for SGIP’s Equity Resiliency Budget or Non-Equity Resiliency Budget with a discharge duration greater than two hours.**

- 1) Provide an estimate of how long the project’s fully charged battery will provide electricity for the relevant facility average load during an outage.

- 2) Indicate whether the project’s critical loads can and will be isolated.

- 3) Provide an estimate of how long the project’s fully charged battery will provide electricity to critical uses during an outage.

- 4) Provide an estimate of how long the project can operate in less-than favorable circumstances, such as if an outage occurs when the battery has been discharged or during the winter (if paired with solar).


- 5) Summarize information given to the customer about how the customer may best prepare the storage system to provide backup power, in the case of a Public Safety Power Shutoff (PSPS) event announced in advance (provide an attachment with more information if necessary).



**ATTESTATION**

[DEVELOPER SECTION]

I, \_\_\_\_\_ (print name of Developer), hereby attest that each of the statements provided in this document are true and correct.

Signature:  \_\_\_\_\_

Name Printed: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

[CUSTOMER SECTION]

I, \_\_\_\_\_ (print name of Customer), hereby attest I have received the information provided in this document prior to signing a contract with the developer.

Signature: \_\_\_\_\_

Name Printed: \_\_\_\_\_

Date: \_\_\_\_\_







# AUTHORIZATION TO RECEIVE CUSTOMER INFORMATION OR ACT UPON A CUSTOMER'S BEHALF

I (CUSTOMER) AUTHORIZE THE RELEASE OF MY ACCOUNT INFORMATION AND AUTHORIZE MY AGENT TO ACT ON MY BEHALF ON THE FOLLOWING BASIS<sup>2</sup> (initial one box only):

<sup>2</sup> If no time period is specified, authorization will be limited to a one-time authorization

One time authorization only (limited to a one-time request for information and/or the acts and functions specified above at the time of receipt of this Authorization).

**One year authorization** - Requests for information and/or for the acts and functions specified above will be accepted and processed each time requested within the twelve month period from the date of execution of this Authorization.

Authorization is given for the period commencing with the date of execution until \_\_\_\_\_ (Limited in duration to three years from the date of execution.) Requests for information and/or for the acts and functions specified above will be accepted and processed each time requested within the authorization period specified herein.

### RELEASE OF ACCOUNT INFORMATION:

The Utility will provide the information requested above, to the extent available, via any one of the following. My (Agent) preferred format is (check all that apply):

- Hard copy via US Mail (if applicable).
- Facsimile at this telephone number: \_\_\_\_\_
- Electronic format via electronic mail (if applicable) to this e-mail address: \_\_\_\_\_

I (Customer), \_\_\_\_\_ (print name of authorized signatory), declare under penalty of perjury under the laws of the State of California that I am authorized to execute this document on behalf of the Customer of Record listed at the top of this form and that I have authority to financially bind the Customer of Record. I further certify that my Agent has authority to act on my behalf and request the release of information for the accounts listed on this form and perform the specific acts and functions listed above. I understand the Utility reserves the right to verify any authorization request submitted before releasing information or taking any action on my behalf. I authorize the Utility to release the requested information on my account or facilities to the above Agent who is acting on my behalf regarding the matters listed above. I hereby release, hold harmless, and indemnify the Utility from any liability, claims, demands, causes of action, damages, or expenses resulting from: 1) any release of information to my Agent pursuant to this Authorization; 2) the unauthorized use of this information by my Agent; and 3) from any actions taken by my Agent pursuant to this Authorization, including rate changes. I understand that I may cancel this authorization at any time by submitting a written request. I understand that this agreement at all times shall be subject to such modifications as the California Public Utilities Commission may direct from time to time in the exercise of its jurisdiction. **[This form must be signed by someone who has authority to financially bind the customer (for example, CFO of a company or City Manager of a municipality).]**

AUTHORIZED CUSTOMER SIGNATURE

TELEPHONE NUMBER

Executed this \_\_\_\_\_ day of \_\_\_\_\_  
MONTH YEAR

at \_\_\_\_\_  
CITY AND STATE WHERE EXECUTED

I (Agent), hereby release, hold harmless, and indemnify the Utility from any liability, claims, demand, causes of action, damages, or expenses resulting from the use of customer information obtained pursuant to this authorization and from the taking of any action pursuant to this authorization, including rate changes.

AGENT SIGNATURE

TELEPHONE NUMBER

COMPANY

Executed this \_\_\_\_\_ day of \_\_\_\_\_  
MONTH YEAR



**Self Generation Incentive Program  
Reservation Request Form**

Pacific Gas and Electric  
selfgen@pge.com

**Application ID:**

**Date Printed:** 08/06/2020

**Program Year:** 2020

**NOTE: Your application is not submitted until you upload this form and all other required documentation and click on "Submit" via the online system.**

**Instructions:** This Self-Generation Incentive Program (SGIP) Reservation Request Form is reflective of the information entered in the online form process. Please review thoroughly for accuracy of information before signing. Once the form has been signed by all parties, scan and upload this document under the Reservation Request header in the Documents section of the online application. Incomplete applications will result in a suspended application. Upon successful submission of all reservation request information and documents, the Applicant will receive notice from the SGIP Program Administrator that their rebate request has been received.

Application Type

**Application Type:** Energy Storage  
**Budget Category:** Equity Resiliency

**Incentive Step:** 5  
**Incentive Rate:** \$1

Host Customer

**Contact Name:** Donna Johnson  
**Company Name:** City of Ferndale  
**Parent Company Name:**  
**NAICS:** 921120  
**Is this a public institution?** N/A  
**Sector:** State or Local Government  
**Sector definition:** Agreed

**Mailing Address:** Po Box 1095  
**City, State, Zip:** Ferndale, CA, 95536  
**Phone:** 7077864224  
**Email:** finance@ci.ferndale.ca.us

**Is Household Low-Income Status?**

**Is the Host Customer enrolled for the medical baseline program?**

**Has the Host Customer notified their utility of serious illness or condition that could become life-threatening of electricity is disconnected?**

**Has the Host Customer received an incentive reservation letter from either the MASH, SASH, DAC-SASH, or SOMAH programs?**

**Has applicant coordinated with their local governments and the California Office of Emergency Services?** Yes

**Does the host customer provide critical services or infrastructure during a PSPS event to a community that is at least partially located in a Tier 2 or Tier 3 HFTD and eligible for the equity budget?** Yes

- 1. 911 call center/Public Safety Answering Point N/A
- 2. Cooling center designated by state, local, or tribal government N/A

- 3. Emergency operations center N/A
- 4. Emergency response provider with the addition of tribal government providers N/A
- 5. Fire station N/A
- 6. Food bank N/A
- 7. Independent living center N/A
- 8. Jail or prison N/A
- 9. Homeless shelters supported by federal, state, local, or tribal governments N/A
- 10. Medical facility (hospital, skilled nursing facility, nursing home, blood bank, health care facility, dialysis center, or hospice facility) N/A
- 11. Police station N/A
- 12. Public and private gas, electric, water, wastewater or flood control facility Yes
- 13. Location designated by an IOUs to provide assistance during PSPS events N/A
- 14. Grocery store, corner store, market or supermarket with average annual gross receipts of \$15 million or less over the last three tax years as calculated at a single location N/A

**Is this public or tribal government agency serving 50% of a low-income or disadvantaged community census tract?**

System Owner

|                             |                  |                          |                           |
|-----------------------------|------------------|--------------------------|---------------------------|
| <b>Contact Name:</b>        | Donna Johnson    | <b>Mailing Address:</b>  | Po Box 1095               |
| <b>Company Name:</b>        | City of Ferndale | <b>City, State, Zip:</b> | Ferndale, CA, 95536       |
| <b>Parent Company Name:</b> |                  | <b>Phone:</b>            | 7077864224                |
|                             |                  | <b>Email:</b>            | finance@ci.ferndale.ca.us |

Developer

|                      |                 |                          |                               |
|----------------------|-----------------|--------------------------|-------------------------------|
| <b>Contact Name:</b> | Jonathan Gubler | <b>Mailing Address:</b>  | 3055 Clearview Way            |
| <b>Company Name:</b> | Tesla Inc.      | <b>City, State, Zip:</b> | San Mateo, CA, 94402          |
|                      |                 | <b>Phone:</b>            | 6509635100                    |
|                      |                 | <b>Email:</b>            | commercial.incentives@tesla.c |

- 1. Approaching or communicating with the host customer about the project and learning about its needs and energy profile 1. Yes
- 2. Developing the specifications for a system based on the customer’s needs and interests 2. Yes
- 3. Soliciting bids from multiple manufacturers for the specified system 3. Yes
- 4. Gaining the customer’s commitment to purchase or lease the specified system, usually but not necessarily by signing a purchase order with a customer or other form of agreement 4. Yes
- 5. Purchasing the specified system from the manufacturer to fulfill the obligation to provide a system to the customer 5. Yes
- 6. Securing permits for the system on behalf of the customer 6. Yes
- 7. Securing interconnection permission for the system on behalf of the customer 7. Yes
- 8. Submitting SGIP applications on behalf of the customer 8. Yes

- 9. Liaising with the SGIP administrators on incentive reservations 9. Yes
- 10. Liaising with the SGIP administrators on data reporting requirements 10. Yes
- 11. Supplying project data to SGIP evaluators 11. Yes
- 12. Physically constructing the system at the customer’s premises 12. Yes
- 13. Installing the system at the customer’s premises 13. Yes

**Who is performing the other activities?**

Applicant

|                             |             |                          |                                    |
|-----------------------------|-------------|--------------------------|------------------------------------|
| <b>Contact Name:</b>        | Mike Snyder | <b>Mailing Address:</b>  | 6611 S Las Vegas Blvd<br>Suite 200 |
| <b>Company Name:</b>        | Tesla Inc.  | <b>City, State, Zip:</b> | Las Vegas, NV, 89119               |
| <b>Parent Company Name:</b> |             | <b>Phone:</b>            | 7026806763                         |
|                             |             | <b>Email:</b>            | commercial.incentives@tesla.c      |

Contractor/Installer Contact

|  |             |                          |                                     |
|--|-------------|--------------------------|-------------------------------------|
| <b>Contact Name:</b>                     | Mike Snyder | <b>Mailing Address:</b>  | 6611 S. Las Vegas Blvd<br>Suite 200 |
| <b>Company Name:</b>                     | Tesla, Inc  | <b>City, State, Zip:</b> | Las Vegas, NV, 89119                |
| <b>Contractor License Number (CSLB):</b> | 888104      | <b>Email:</b>            | commercial.incentives@tesla.c       |
| <b>Contractor License Type:</b>          |             | <b>Phone:</b>            | 7026806763                          |

Project Site Information

|  |                     |  |                      |
|--|---------------------|--|----------------------|
| <b>Site Address:</b>   | 606 Port Kenyon Rd  |  |                      |
| <b>City, State, Zip:</b>   | Ferndale, CA, 95536 |  |                      |
| <b>Project site within the SCE-defined local reliability area?</b>                       |                     |  | N/A                  |
| <b>Disadvantaged Community or Low-Income Community according to the CalEnviroScreen?</b> |                     |  | Low-Income Community |
| <b>Is the site located in a high fire threat district (HFTD)?</b>                        |                     |  | Not Applicable       |
| <b>Has experienced at least two discrete PSPS events?</b>                                |                     |  | Yes                  |
| <b>Household relies on electric pump wells for their water supplies?</b>                 |                     |  | Not Applicable       |
| <b>Participating San Joaquin Valley Pilot area?</b>                                      |                     |  |                      |
| <b>Agrees to location Eligibility:</b>   |                     |  | Yes                  |

Utility Information

|  |                          |  |                 |
|--|--------------------------|--|-----------------|
| <b>Electric Utility:</b>                     | Pacific Gas and Electric | <b>Peak Annual Demand (kW):</b>          | 88              |
| <b>Is the Host on an SGIP-Approved Rate?</b> | Other SGIP-Approved Rate | <b>Other Rate:</b>                       | Non Residential |
| <b>Electric Utility is Municipal?</b>        | N/A                      | <b>Demand Response Participant?</b>      | N/A             |
| <b>Account Name:</b>                         | City of Ferndale         | <b>Demand Response Program Name:</b>     |                 |
| <b>Is Existing Service?</b>                  | Yes                      | <b>Demand Response Obligation (kW):</b>  |                 |
| <b>Utility Account ID:</b>                   | 2086640135               | <b>System Size Based on Load Growth?</b> | No              |
| <b>Utility Meter ID:</b>                     | 1006732142               |  |                 |
| <b>Gas Utility:</b>                          |                          |  |                 |

**Gas Utility is Municipal?** N/A  
**Account Name:**  
**Is Existing Service?** N/A  
**Utility Account ID:**  
**Utility Meter ID:**

**Estimated Future  
 Additional Demand (kW):**

Proposed System Information

**Equipment Technology:** Electrochemical Storage  
**System Manufacturer:** Tesla, Inc  
**System Model:** Powerpack 1490025-XX-Y  
**Other self-generation or storage equipment onsite?**  
**Charged at least 75% from renewables?** No

**Total Rated Capacity (kW):** 140  
**Total Energy Storage Capacity (kWh):** 696  
**Discharge Hours Duration:** 4.97142857143

Other Onsite System Information

SGIP Incentivized System(s) Onsite:

| Technology | Make/Model | Project Code | Installed | Energy Storage Capacity (kWh) | Total Rated Capacity (kW) |
|------------|------------|--------------|-----------|-------------------------------|---------------------------|
|------------|------------|--------------|-----------|-------------------------------|---------------------------|

Non-Incentivized System(s) Onsite:

| Technology | Make/Model | Year Installed | Energy Storage Capacity (kWh) | Total Rated Capacity (kW) |
|------------|------------|----------------|-------------------------------|---------------------------|
|------------|------------|----------------|-------------------------------|---------------------------|

**Previous SGIP Generator Capacity (kW):** 0  
**Previous SGIP Storage Capacity (kWh):** 0

Project Finance

**Total Eligible Project Cost (TEPC):** \$736,048.00  
**Ineligible Project Cost:**  
**Taking Federal Investment Tax Credits (ITC):** No  
**ITC as a % of TEPC:** %  
**Approved California Manufacturer Equipment:** No

| Other Incentives Received | Incentive Type | Incentive Amount | Description |
|---------------------------|----------------|------------------|-------------|
|---------------------------|----------------|------------------|-------------|

Incentive Results

| Incentive Calculation Equity Reference Table | Current Step 5 |          |          | Incentive Rate: \$1.00 |  |
|--|----------------|----------|----------|------------------------|--|
|  | 0-2 MWH        | >2-4 MWH | >4-6 MWH |                        |  |
| 0-2 HOURS                                    | 100%           | 50%      | 25%      |                        |  |
| 2-4 HOURS                                    | 100%           | 50%      | 25%      |                        |  |
| 4-6 HOURS                                    | 50%            | 25%      | 12.50%   |                        |  |



|   | 0-2 MWH                      | >2-4 MWH                      | >4-6 MWH                |            |                                 |
|---|------------------------------|-------------------------------|-------------------------|------------|---------------------------------|
| <b>Existing Onsite Equipment Offset</b> | -                            | -                             | -                       |            |                                 |
| 0-2 HOURS                               | 280,000                      | -                             | -                       |            |                                 |
| 2-4 HOURS                               | 280,000                      | -                             | -                       |            |                                 |
| 4-6 HOURS                               | 136,000                      | -                             | -                       |            |                                 |
| Base Equipment Incentive                |                              |                               |                         |            | \$628,000.00                    |
| CA Manufacturer Adder                   |                              |                               |                         |            |                                 |
| <b>Max Equipment Incentive</b>          |                              |                               |                         | a)         | <b>\$628,000.00</b>             |
| <b>Other Incentives</b>                 | <b>Total Dollars</b>         |                               |                         |            | <b>Impact on SGIP Incentive</b> |
| Other IOU Incentive                     | 0                            |                               |                         | b)         | \$0.00                          |
| Other Non-IOU Incentive                 | 0                            |                               |                         | c)         | \$0.00                          |
| Non-Ratepayer Incentive                 | 0                            |                               |                         |            |                                 |
| Investment Tax Credit (0%)              | 0                            |                               |                         |            |                                 |
| <b>Adjusted Equipment Incentive</b>     |                              |                               |                         | a+b+c = d) | <b>\$628,000.00</b>             |
| Total Other Incentives                  | e)                           | 0                             |                         |            |                                 |
| <b>SGIP Incentive Adjustments</b>       | <b>Equipment Incentive +</b> | <b>Total Other Incentives</b> | <b>Incentive Cap(s)</b> |            | <b>Incentive Adjustment</b>     |
|   |                              | <b>&lt;=</b>                  |                         |            |                                 |
| Project Incentive Cap (Equipment)       | f)                           | \$628,000.00                  | \$5,000,000.00          | *g)        | 0                               |
| Eligible Cost Cap (All Incentives)      | f+g=h)                       | \$628,000.00                  | 0                       | **i)       | 0                               |
| Equipment Incentive                     |                              |                               |                         | ***j)      | \$628,000.00                    |
| <b>Calculated SGIP Incentive</b>        |                              |                               |                         |            | <b>\$628,000.00</b>             |

\* g = 0 if f <= \$5M, otherwise g = \$5M - f  
 \*\* i = 0 if h + e <= Total Eligible Cost, otherwise i = Total Eligible cost - (h + e)  
 \*\*\* j = h + i

The incentive adjustments shown above are based on the Total Eligible Project Cost, the Maximum Incentive Cap, and the Minimum Customer Investment. See the SGIP Handbook for more information on incentive limitations.

**Calculated Incentive: \$628,000.00**

If changes have been made to your project since it was originally submitted, the calculated incentive amount above may differ from the requested incentive amount. The final incentive amount is subject to Program Administrator approval.

**Projected PBI Calculation**

|                                   |              |
|-----------------------------------|--------------|
| <b>Expected Total Production:</b> | 72,384 kWh   |
| <b>Total Incentive:</b>           | \$628,000.00 |
| <b>Initial Payment:</b>           | \$314,000.00 |

**Performance Based** \$314,000.00  
**Incentive:**

**PBI Rate (\$/kWh):** \$0.8675950

Residential Energy Storage Eligibility Affidavit

**Requirements of Host Customers and System Owners**

- The energy storage system owner and/or Host Customer have the tools to control the usage of the energy storage system when operating in parallel with the grid.
- Provide performance data to the Program upon request (emailed, zipped file of 15 minute interval data) for a period of five (5) years.
- Pass the energy storage Field Verification Inspection.
- Host Customer and/or System Owner are required to discharge the energy storage system a minimum of 52 full discharges per year. A "full discharge" is the equivalent of discharging the SGIP-incentivized energy capacity, whether it is during a single or multiple discharges.
- Fulfill either of the two following conditions:
  - Option A: the Host Customer is on a TOU tariff, dynamic tariff (e.g. PG&E's SmartRate or SDG&E's Reduce Your Use), or agrees to integrate load through the California Independent System Operator's Proxy Demand Response, or equivalent tariff, prior to receiving the SGIP incentive and for five (5) years thereafter. Note that in the event that the Host Customer changes to a non-TOU tariff or is no longer enrolled in a demand reduction program, the energy storage System Owner is required to notify the Program Administrator within 30 days of change, and will be subject to Option B for the required five year period.
  - Option B: the Host Customer and/or System Owner agrees, for a minimum period of five (5) years, to discharge the energy storage system in an amount equivalent to 52 complete cycles per year of the incentivized energy capacity, which is defined as two hours of discharge at the SGIP incentivized power capacity rating, with discharges occurring during peak hours or peak day events (such as those called by PG&E's SmartRate program or SDG&E's Reduce Your Use), of the applicable IOU service territory.

**Declarations by Host Customer and System Owner**  
 By Execution of this document, System Owner and Host Customer each certify that the Project meets all program eligibility requirements and that the System Owner and Host Customer agree to abide by the rules and requirements set forth in the SGIP Handbook and SGIP Contract. The undersigned declare under penalty of perjury under the laws of the State of California that 1) The information provided is true and correct, and 2) the above-described generating system is new and intended to offset part or all of the Host Customer's electrical requirements at the site of installation. For residential energy storage projects, the Host Customer and System Owner certify that they have read and agreed to the terms of the Residential Energy Storage Eligibility Affidavit.

The Host Customer and System Owner are committed to completing this project, and by signing below, are starting their intent to contract with individual(s) necessary for completion of the project. The Host Customer is the reservation holder and reserves the right to submit new project specifications, including a new application with alternative System Owner and/or Applicant designations, upon withdrawal from the project and cancellation of this Agreement.

Host Customer Signature

Print Name:

Signature:

Title:

Date:

System Owner (if not Host Customer)

Print Name:

Signature:

Title:

Date:

Applicant (if not Host Customer)

Print Name: Mike Snyder

Signature: 

Title: Director of Engineering,  
Energy Projects

Date: 8/6/2020

Developer

Print Name: Jonathan Gubler

Signature: 

Title: Supervisor,  
Commercial  
Interconnection and  
Incentives

Date: 8/6/2020

# Energy Efficiency and Solar Photovoltaic Options for the City of Ferndale for the CEC's ECAA 1% Interest Loan

August 2020

## Executive Summary

The California Energy Commission's (CEC's) Energy Conservation Assistance Act (ECAA) makes 1% interest loans available to cities, counties, and special districts for energy efficiency and renewable energy projects like an LED lighting upgrade and roof mounted solar array at Ferndale's Wastewater Treatment Plant (WWTP). Loan funding is made available on a reimbursement basis for qualified energy expenditures. RCEA has researched the loan requirements and will help put together a loan application package for the City of Ferndale to apply for the CEC's ECAA loan program if the City Council votes to approve applying for these funds.

City staff has worked extensively with Redwood Coast Energy Authority's (RCEA) Public Agency Solar Program to develop the technical analysis for the loan application. As part of that work, RCEA performed an analysis of the energy efficiency and solar photovoltaic installation opportunities at many City owned facilities. RCEA estimates that an LED lighting upgrade and 55 kW DC solar array would offset about 20% the electric use at the WWTP. The estimated installed cost of the two measures would be approximately \$203,000. Table 1 below shows a summary of the two measures that would be eligible for loan funding.

*Table 1 Summary of Energy Conservation Measures for Ferndale's WWTP.*

| Energy Conservation Measure                                   | Estimated Project Cost (\$) | Annual Energy Savings (kWh) | Annual Avoided Costs (\$) | Simple Payback (Years) |
|---|-----------------------------|-----------------------------|---------------------------|------------------------|
| Interior and Exterior Lighting Upgrades to LEDs at WWTP       | \$10,700                    | 11,053                      | \$1,947                   | 4.6                    |
| Roof-Mounted Solar Arrays on Maintenance Building at the WWTP | \$192,500                   | 65,755                      | \$12,465                  | 15.5                   |
| <b>Totals</b>   | <b>\$203,200</b>            | <b>76,808</b>               | <b>\$14,412</b>           | <b>14.1</b>            |

## Loan Analysis

The CEC's ECAA loan is a 1% interest loan, the loan amortization is based on the estimated savings from the energy projects. The payback period begins one year after project completion allowing the City to bank the energy savings dollars which would be used for the loan repayment. The City would make two annual payments of about \$7,206 over a period of 15 years. Table 2 below shows a summary of the potential loan terms.

*Table 2 Summary of ECAA loan repayment terms.*

| Loan Analysis Summary       |           |
|-----------------------------|-----------|
| Loan Amount                 | \$203,200 |
| Annual Interest Rate        | 1%        |
| Loan Period in Years        | 15        |
| Payments Per Year           | 2         |
| Scheduled Bi-annual Payment | \$7,206   |
| Scheduled # of Payments     | 30        |
| Total Interest              | \$16,384  |

Table 3 below shows the results of RCEA’s Life Cycle Cost Analysis of the system.

*Table 3 Lifecycle Cost Analysis of the potential energy projects at Ferndale’s WWTP.*

| Cumulative Costs and Benefits at Year 25     |                  |
|--|------------------|
| Lifetime Energy Savings (kWh)                | 1,809,000        |
| Lifetime Avoided Energy Cost (\$)            | \$525,451        |
| Added Maintenance Cost (\$)                  | -\$19,526        |
| Inverter Replacement Cost at Year 15 (\$)    | -\$20,203        |
| Total Financing Cost with 1% Interest (\$)   | -\$219,584       |
| <b>Net Savings Over life of Project (\$)</b> | <b>\$266,139</b> |

### Project Description

The project would consist of an LED lighting upgrade at the WWTP that would replace the existing interior T-8 and T-5 linear fluorescent lighting with high efficiency linear LED lighting. The exterior wall-mounted and pole-mounted high intensity discharge lighting would also be replaced with LED fixtures. In addition, a 55 kW DC grid-tied solar array would be installed on the rooftop of the maintenance building at the WWTP. Figure 1 below shows a potential layout of the 55 kW roof mounted solar array at Ferndale’s WWTP.



*Figure 1 Potential layout of a 55 kW solar PV array at Ferndale’s WWTP.*

### Potential Next Steps

Because the proposed solar array will be installed on existing site facilities, the project will be exempt from full CEQA requirements. RCEA has completed a Notice of Exemption using the Categorical Exemption for Existing Facilities that will satisfy the CEQA requirements. **The Board will need to adopt a Resolution stating that they approve applying for the Loan in the amount of \$203,200 and that the project is exempt from CEQA.** RCEA will provide the required technical feasibility study and continue to help prepare all the required technical documents for the loan application.

# Notice of Exemption

# Appendix E

**To:** Office of Planning and Research  
P.O. Box 3044, Room 113  
Sacramento, CA 95812-3044

County Clerk  
County of: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**From:** (Public Agency): \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

(Address)

Project Title: \_\_\_\_\_

Project Applicant: \_\_\_\_\_

Project Location - Specific:

Project Location - City: \_\_\_\_\_ Project Location - County: \_\_\_\_\_

Description of Nature, Purpose and Beneficiaries of Project:

Name of Public Agency Approving Project: \_\_\_\_\_

Name of Person or Agency Carrying Out Project: \_\_\_\_\_

**Exempt Status: (check one):**

- Ministerial (Sec. 21080(b)(1); 15268);
- Declared Emergency (Sec. 21080(b)(3); 15269(a));
- Emergency Project (Sec. 21080(b)(4); 15269(b)(c));
- Categorical Exemption. State type and section number: \_\_\_\_\_
- Statutory Exemptions. State code number: \_\_\_\_\_

Reasons why project is exempt:

Lead Agency

Contact Person: \_\_\_\_\_ Area Code/Telephone/Extension: \_\_\_\_\_

**If filed by applicant:**

1. Attach certified document of exemption finding.
2. Has a Notice of Exemption been filed by the public agency approving the project?  Yes  No

Signature: \_\_\_\_\_ Date: \_\_\_\_\_ Title: \_\_\_\_\_

Signed by Lead Agency  Signed by Applicant

Authority cited: Sections 21083 and 21110, Public Resources Code.  
Reference: Sections 21108, 21152, and 21152.1, Public Resources Code.

Date Received for filing at OPR: \_\_\_\_\_

---

## ENERGY CONSERVATION ASSISTANCE ACT (ECAA)

No application fees, points, or hidden costs

**Eligible Applicants: Only the following entities are eligible for these funds:**

**Cities, Counties, Special Districts, Public Colleges or Universities, and Public Care Institutions / Public Hospitals**

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# Interest Rate 1% Loans

FINANCING FOR ENERGY EFFICIENCY  
& RENEWABLE ENERGY GENERATION  
PROJECTS

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# NOTICE and APPLICATION

P O N - 1 7 - 4 0 1  
R e l e a s e D a t e :  
A p r i l 3 0 , 2 0 1 9

Gavin Newsom  
Governor



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California Energy Commission

<http://www.energy.ca.gov/efficiency/financing/index.html>

Phone: (916) 651-3747



# FINANCING FOR ENERGY EFFICIENCY

## ELIGIBLE APPLICANTS

Only the following entities are eligible for these funds:

- Cities
- Counties
- Special Districts
- Public Colleges or Universities
- Public Care Institutions / Public Hospitals

***Non-profit entities, residential, and commercial projects are not eligible for these funds.***

## ELIGIBLE PROJECTS

### Examples of Eligible Projects:

- Lighting systems
- Heating, ventilation and air conditioning equipment
- Streetlights and LED traffic signals
- Energy management systems and equipment controls
- Pumps and motors
- Building envelope and insulation
- Energy generation, including renewable energy and combined heat and power projects
- Water and waste water treatment equipment
- Load shifting projects, such as thermal energy storage

**Projects which are already installed are ineligible.**

## LOAN INFORMATION

- The maximum loan amount is \$3 million (please see PROJECT CRITERIA for additional information). There is no minimum loan amount.
- The interest rate is fixed at 1% for the term of the loan.
- A loan applicant with an existing ECAA loan may apply for an additional loan if additional funding becomes available, and when the applicant's existing loan project is complete.

Before applying, please contact the Energy Commission for the most current funding information. This is a revolving loan fund and repayments from previously approved loan awards replenish the fund balance.

Approximately \$8 Million in loan funding is expected to be available during Fiscal Year 2018-19. The Energy Commission reserves the right to:

- Increase the amount of funds available under this loan notice when additional loan funds become available.



- Add funding sources under this loan notice if and when additional funding sources become available.

## **Funding Source**

Loans funded under this loan notice originate from the Energy Conservation Assistance Act (ECAA).

## **Loan Security Requirements**

A promissory note and a loan agreement between the applicant and the Energy Commission are required to secure the loan.

## **Disbursement of Loan Funds**

Loan funds are available on a reimbursement basis. For each reimbursement request, receipts and invoices for incurred expenses must be submitted along with proof of payment. The final 10 percent of the funds will be retained until the project is completed and the applicant submits the project final report. Interest is charged on the unpaid principal balance of the loan computed from the date of each disbursement to the borrower.

## **Repayment Terms**

- Loans must be repaid from energy cost savings or other legally available funds within a maximum term of 20 years (including principal and interest).
- The amortization of the loan and repayment schedule will be based on the number of years needed to repay the loan (principal and interest) using an estimate of the energy cost savings during the first year after project completion. Energy cost savings are based on applicable tariff and operating schedules at the time the loan application is submitted.
- The loan repayment term cannot exceed the effective useful life of the loan-funded equipment.
- Applicants will be billed twice a year, in June and December, after the project is completed.

## **Sample Loan Agreement**

Applicants must review the sample loan agreement documents posted at the [Energy Commission's efficiency financing page](http://www.energy.ca.gov/efficiency/financing) <http://www.energy.ca.gov/efficiency/financing> before submitting an application. Please refer to the heading "Loan Agreement" for PON-17-401– 1% Loans.

## **Additional Loan Information**

- All documents are public records and will not be kept confidential.
- Loans may require a tax certificate.

## **PROJECT CRITERIA**

Projects with proven energy and/or demand cost savings are eligible, provided they meet ECAA eligibility requirements. A feasibility study is required to verify the estimated energy savings.

- A. The maximum loan amount per application is the lesser of:
1. \$3 million;
  2. The estimated total project cost; or
  3. The estimated total energy cost savings over the effective useful life (EUL) of the loan-funded equipment, not to exceed 17 years.

If the estimated total project cost is more than the estimated total energy cost savings over the EUL of the loan-funded equipment, the applicant may reduce the estimated total project cost to the estimated total energy cost savings level by using rebates, incentives, and/or its own funding. However, other loan sources may not be used to co-fund the project.

- B. The estimated total energy cost savings over the life of the project will be calculated by multiplying each measure's annual energy cost savings by that measure's EUL and then adding up the savings for all projects.

The applicant may use EULs provided in the Database for Energy Efficiency Resources (DEER)<sup>1</sup>, Appendix E of the Proposition 39 (California Clean Energy Jobs Act) Program Implementation Guidelines<sup>2</sup> (July 2016), or the equipment manufacturers' warranty. EULs will be the lesser of the EUL stated in the application or 17 years to allow for repayment of principal and interest within 20 years.

- C. Energy cost savings shall be determined using the applicant's current energy rates. Escalation of energy rates and soft costs, such as operation and maintenance savings, will not be considered when determining energy cost savings.
- D. Leased Facilities: If the project is located in a leased facility the term of the lease must exceed the repayment period.

## Project Commencement

A loan agreement must be fully executed (*i.e.* signed by the Energy Commission and the loan applicant) before the project work can begin. Only approved project-related costs that are incurred within the term of the executed agreement and comply with the terms and conditions of the loan agreement are eligible for reimbursement.

## HOW TO APPLY

Applicants must submit the following:

---

<sup>1</sup> [http://www.deeresources.com/files/DEER2013codeupdate/download/DEER2014-EUL-table-update\\_2014-02-05.xlsx](http://www.deeresources.com/files/DEER2013codeupdate/download/DEER2014-EUL-table-update_2014-02-05.xlsx)

<sup>2</sup> <http://energy.ca.gov/2016publications/CEC-400-2016-005/CEC-400-2016-005-CMF.pdf>

- A. Completed and signed ***Loan Application*** (Attachment 1).
- B. Completed ***Summary of Energy Efficiency Projects in Loan Request Table*** (Attachment 2).
- C. **Governing Body Resolution** (see Attachment 3)
- D. **CEQA Compliance Documentation** (see Attachment 4)

Applicants must include a copy of documentation demonstrating that the applicant has complied with CEQA in approving the project. There are three possible actions the applicant may take. The applicant may determine that the activity undertaken by the loan is:

1. Not a project: include a statement that all projects to be funded by the loan are not projects under CEQA, and analysis supporting the conclusion that the activity is not a project.
2. A project that is EXEMPT: include any Notice of Exemption if filed by the applicant.
3. A project that is NOT EXEMPT: include any Notice of Determination filed by the applicant and a copy, web link or electronic version of any environmental documents prepared, such as:
  - Negative Declaration;
  - Mitigated Negative Declaration; or
  - Environmental Impact Report.

**E. Documentation of Applicant's Authority:**

- a. Documentation showing the authority of the applicant to enter into the loan agreement.

A copy of a signed resolution, motion, order, etc. from the applicant's governing board (see Attachment 3 for a sample). The resolution, motion, order, etc. must include the finding on CEQA compliance. If the CEQA finding is in the agenda item, include both the agenda item and the resolution. If the CEQA finding is in the resolution, do not include a copy of the agenda item;

OR

If the applicant does not use motions/resolutions/orders, include a copy of the law or other document showing the applicant's authority to enter into a loan agreement.

AND

- b. Documentation showing the job title of the individual who is authorized to apply for the loan and execute the loan agreement. In most cases, the title of the individual will be listed in the resolution, motion or order (see Attachment 3 for a sample);

OR

If the applicant does not use motions/resolutions/orders, the applicant must include other documentation showing the job title of the authorized individual.

#### **F. Utility Billing Data**

The applicant must electronically submit 12 months of recent baseline utility data records from electric and natural gas utilities, unless the information on utility usage and rate schedules are included in the feasibility study or energy audit report.

#### **G. Feasibility Study** or energy audit report (may be submitted via CD or flash drive). The study must have been completed within the past two years and must contain:

1. A detailed description of the proposed project;
2. A description of the buildings/facilities affected by the proposed project;
3. A discussion of baseline energy use for the facilities, including annual energy related utility bills;
4. All calculations and assumptions to support the technical feasibility and energy savings of the proposed recommended project;
5. A proposed budget detailing all project costs; and
6. A proposed schedule for implementation of the project. If the feasibility study identifies maintenance and operating procedures, the applicant shall include the estimated date of implementation or provide a reason for not implementing.

## **APPLICATION SUBMITTAL AND REVIEW PROCESS**

Applications will be validated for eligibility based on the requirements of this loan notice PON-17-401. Applications deemed complete and eligible for funding will be processed in the order received. Applications are deemed complete when documentation is submitted to verify eligibility and compliance with all requirements listed in this loan notice.

If funding becomes oversubscribed, applications will be placed on a waiting list in the order they were deemed complete. In the event that there are two or more complete applications received on the same date and time, the application with the shorter payback period will be given the higher priority ranking on a waiting list.

Energy Commission staff will review the loan application and supporting documents to evaluate the proposed project's technical and economic feasibility. Further, Energy Commission staff will perform its own CEQA evaluation of the proposed project. It may be necessary to arrange a site visit to evaluate the project and loan request.

## **ATTACHMENTS TO THIS LOAN NOTICE**

- Attachment 1: ECAA Loan Application for Energy Commission Financing Interest Rate 1%

- Attachment 2: Summary of Energy Efficiency Measures in Loan Request
- Attachment 3: Sample Resolution
- Attachment 4: California Environmental Quality Act (CEQA) Information

## HOW TO SUBMIT AN APPLICATION

Mail the loan application and all supporting documentation to:

ECAA Loan Program  
LOCAL ASSISTANCE AND FINANCING OFFICE  
California Energy Commission  
1516 Ninth Street, MS #23  
Sacramento, CA 95814-5512

Applications may be submitted at any time and this loan notice will remain posted for a minimum of 90 days from the original release date.

## CONTACT INFORMATION FOR ASSISTANCE AND QUESTIONS


Please call or email the California Energy Commission to discuss available funding or any other information in this loan notice:

**For Assistance:**  
**Email: [PubProg@energy.ca.gov](mailto:PubProg@energy.ca.gov)**  
**Phone: (916) 651-3747**

### Loan Notice Documents

A copy of this loan notice, all attachments to this loan notice, sample loan agreements and more information is available at the [Energy Commission's efficiency financing webpage](http://www.energy.ca.gov/efficiency/financing/): <http://www.energy.ca.gov/efficiency/financing/>

The Energy Commission reserves the right to close or change this loan notice.

|                   |  |  |   |
|-------------------|--|--|---|
| Meeting Date:     | August 19, 2020  | Agenda Item Number                             | 13.b                                    |
| Agenda Item Title | Response to Initial Study and Proposed Mitigated Negative Declaration for Proposed Motorsports and Concert Events at Humboldt County Fairgrounds |  |   |
| Presented By:     | City Manager    |  |   |
| Type of Item:     | <input type="checkbox"/> Action  | <input checked="" type="checkbox"/> Discussion | <input type="checkbox"/> Information    |
| Action Required:  | <input type="checkbox"/> No Action   | <input type="checkbox"/> Voice Vote            | <input type="checkbox"/> Roll Call Vote |

**PROJECT SUMMARY:** Comments in Response to Initial Study and Proposed Mitigated Negative Declaration (IS/MND) for Proposed Motorsports and Concert Events at Humboldt County Fairgrounds.

**STAFF RECOMMENDATION:** Provide staff direction on comments to include in a response letter to the County.

**BACKGROUND:** The Humboldt County Fair Association (HCFA) has requested to amend the terms of the lease agreement between the HCFA and the County of Humboldt. This includes a Conditional Use Permit to authorize use of the Humboldt County Fairgrounds for a maximum of ten (10) concerts and four (4) motorsports events. All events would be held at the oval racetrack and nearby grandstands located within the southern portion of the Fairgrounds. Events would be pre-scheduled and occur between March and October. All events would end on or before 10 pm. Concerts would occur from a temporary stage placed directly in front of the grandstands and feature a range of different performance types from amplified music featuring a full band to smaller acoustic events. Motorsports activities include: Tractor Pulls, 4x4 Truck events, Go Carts, Monster Trucks, and Motorcycle Racing.

As California Environmental Quality Act (CEQA) Lead Agency, the Humboldt County Planning and Building Department has prepared and circulated for public review a draft Mitigated Negative Declaration for the project. The document is available for review and download here: <https://ceqanet.opr.ca.gov/2020070478/3>. The IS/MND public comment period ends Aug. 27, 2020 and a public hearing is scheduled for the Sept. 3, 2020 County Planning Commission meeting.

**DISCUSSION:** City staff reviewed the IS/MND and provides the following comments for consideration related to the noise analysis (IS/MND) pgs. 28-35):

- Ferndale High School, located adjacent to the flat track area, is not clearly noted on project description maps. As this is considered a sensitive receptor for several resource sections, including noise, it should be clearly indicated on maps.
- The project description indicates that up to four (4) motorsport events are requested as part of the project. However, it is unclear what defines an event. In order to fully understand the anticipated impacts in regard to noise levels, the length of an event

should be clearly defined. Potential impacts can significantly increase if a single event lasts multiple days or more.

- The noise resource setting does not include a discussion of anticipated noise levels for all proposed special permit uses. The setting primarily focuses on flat track motorcycle racing and concerts with only anecdotal evidence provided for monster trucks. Other potential proposed uses which are not discussed in detail include tractor pulls, 4x4 truck events, and Go Karts. As these are proposed uses, the setting and analysis should include information and anticipated noise levels for all proposed activities in order to adequately evaluate potential impacts.
- The noise setting also does not clearly state where the referenced receptors are or how these locations were chosen. In order to better understand the analysis this information should be provided. Ferndale High School should also be clearly stated as a sensitive receptor that is located adjacent to the proposed project area. Since Ferndale High School is located adjacent to the project area, all concert and motorsport events should be held outside of normal school operating hours. Even with the proposed mitigation, events are likely to create noise above normally accepted levels (exceeding 60dB) which is likely to disrupt instruction.
- One of the mitigation measures for concert events includes the construction of a temporary sound wall out of strawbales (NOI-4). However, there are no references provided for construction standards or the effectiveness of such a wall. In order to better substantiate the mitigation, references should be provided.
- The second paragraph on IS/MND page 31 states mitigation measure “NOI-5 limits Monster Truck events to one (1) event per year”. However, NOI-5 on page 32 is related to using a sound engineer during concert events. Mitigation measure NOI-6 limits the number of monster truck events to one per year. The IS/MND states “Since noise from monster trucks is essential to the spectator experience, limiting the number of events was the best feasible mitigation available to help control impacts...Given the limited number of motorsports events and particular venue characteristics that are needed to host events of this sort, the project is a good candidate for considering an exception to the general plan short term noise standards.” Based on past City experience, monster truck events generate temporary noise levels that exceed local standards which could be considered potentially significant. Additional explanation should be included as to how/if limiting the number of events reduces noise impacts to less than significant.

**ATTACHMENT:**

Humboldt County Planning Commission Notice of Public Hearing and Intent to Adopt a Mitigated Negative Declaration

**CITY OF FERNDALE**

**POB 1095**

**FERNDALE, CA 95536**

*"A Historic Victorian Village"*



Humboldt County Planning and Building Department  
Attn: Steven Lazar  
3015 H Street  
Eureka, CA 95501

**RE: Comments on Initial Study and Proposed Mitigated Negative Declaration for Proposed Motorsports and Concert Events at Humboldt County Fairgrounds**

Thank you for the opportunity to comment on the Initial Study and Proposed Mitigated Negative Declaration (IS/MND) for Proposed Motorsports and Concert Events at Humboldt County Fairgrounds. The City of Ferndale has reviewed the document and submits the following comments in regard to the noise analysis.

Ferndale High School, located adjacent to the flat track area is not clearly noted on project description maps. As this is considered a sensitive receptor for several resource sections, including noise, it should be clearly indicated on maps.

The project description indicates that up to four (4) motorsport events are requested as part of the project. However, it is unclear what defines an event. In order to fully understand the anticipated impacts in regard to noise levels, the length of an event should be clearly defined. Potential impacts can significantly increase if a single event lasts multiple days or more.

The noise resource setting does not include a discussion of anticipated noise levels for all proposed special permit uses. The setting primarily focuses on flat track motorcycle racing and concerts with only anecdotal evidence provided for monster trucks. Other potential proposed uses which are not discussed in detail include tractor pulls, 4x4 truck events, and Go Karts. As these are proposed uses, the setting and analysis should include information and anticipated noise levels for all proposed activities in order to adequately evaluate potential impacts.

The noise setting also does not clearly state where the referenced receptors are or how these locations were chosen. In order to better understand the analysis this information should be provided. Ferndale High School should also be clearly stated as a sensitive receptor that is located adjacent to the proposed project area. Since Ferndale High School is located adjacent to the project area, the City of Ferndale requests that all concert and motorsport events be held outside of normal school operating hours. Even with the proposed mitigation, events are likely to create noise above normally accepted levels (exceeding 60dB) which is likely to disrupt instruction.

One of the mitigation measures for concert events includes the construction of a temporary sound wall out of strawbales (NOI-4). However, there are no references provided for construction standards or the effectiveness of such a wall. In order to better substantiate the mitigation, references should be provided.



The second paragraph on IS/MND page 31 states mitigation measure “NOI-5 limits Monster Truck events to one (1) event per year”. However, NOI-5 on page 32 is related to using a sound engineer during concert events. Mitigation measure NOI-6 limits the number of monster truck events to one per year. The IS/MND states “Since noise from monster trucks is essential to the spectator experience, limiting the number of events was the best feasible mitigation available to help control impact...Given the limited number of motorsports events and particular venue characteristics that are needed to host events of this sort, the project is a good candidate for considering an exception to the general plan short term noise standards.” Please provide additional explanation as to how/if limiting the number of events reduces noise impacts to less than significant.

The City of Ferndale appreciates the continued relationship between Humboldt County, the Humboldt County Fair Association, and the City. In an effort to adequately represent the concerns of our residents, we would appreciate your full consideration of the comments provided above.

If you have any comments or questions, please contact me ([citymanager@ci.ferndale.ca.us](mailto:citymanager@ci.ferndale.ca.us)) or Vanessa Blodgett - City Planner ([vanessab@planwestpartners.com](mailto:vanessab@planwestpartners.com)).

Thank you,

Jay Parrish  
Ferndale City Manager



RETURN SERVICE REQUESTED

# Important Public Hearing Notice



CITY OF FERNDALE  
PO BOX 1095  
FERNDALE CA 95536-1095



## PUBLIC NOTICE HUMBOLDT COUNTY PLANNING COMMISSION NOTICE OF PUBLIC HEARING AND INTENT TO ADOPT A MITIGATED NEGATIVE DECLARATION

On **Thursday, September 3, 2020 at 6:00 p.m.**, or as soon thereafter as the matter can be heard, the Humboldt County Planning Commission will hold a public hearing to consider the matter listed below.

**NOTE:** In accordance with Executive Order N-29-20 the Planning Commission meeting will be held virtually.

### HOW TO LISTEN OR WATCH THE PLANNING COMMISSION MEETING:

Listen or Watch the live stream of the Planning Commission Meeting in three ways:

1. <https://zoom.us/j/94869062537> Password: 200525
2. Call in via telephone at 346 248-7799, enter meeting id 948 6906 2537 Password: 200525
3. Or while watching Access Humboldt on cable channel 10

### PUBLIC COMMENT INSTRUCTIONS DURING THE MEETING:

Participate in the public comment period of the meeting in the following two ways:

1. **Via Computer as an attendee:** To raise your hand click the Raise Hand icon on the bottom of the Zoom window. When you click the Raise Hand icon, a hand icon will appear next to your name that will notify the host your hand is raised. You will also see the hand icon turn green. When you want to lower your hand, you can click the hand icon again and your hand will be lowered. When you are called upon to speak the Zoom platform will ask you for permission to unmute your mic. **If you encounter any issues, please use the call-in option below.**
2. **Via phone call using cellphone or landline:** When the Planning Commission meeting begins, call in to the conference line. When the Planning Commissioner starts to discuss the item you wish to comment on, **Press \*9 to raise your hand.** When you are called upon to speak, you will be prompted to unmute your mic.

### PUBLIC COMMENT PRIOR TO THE MEETING:

To submit public comment to the Planning Commission please email [Planningclerk@co.humboldt.ca.us](mailto:Planningclerk@co.humboldt.ca.us) and provide your name, the agenda item number(s) on which you wish to speak. If you do not have access to email, a voicemail may be left at 707 445-7541 and will follow the same procedure as email public comments. All public comment submitted after the agenda has been published will be included with the administrative record after the fact.

A live stream of the meeting can be found by using the following link: <https://humboldt.legistar.com>



**Humboldt County Fair Association, Ferndale area, Case Number PLN-2019-15519 (filed 4/08/2019);** Assessor Parcel Numbers (APNs) 030-071-001, 030-011-003, 030-021-003, 030-112-017, 030-112-020, 030-081-006, and 100-181-003. A Conditional Use Permit to authorize use of the Humboldt County Fairgrounds for a maximum of ten (10) concerts and four (4) motorsports events. All events would be held at the oval racetrack and nearby grandstands located within the southern portion of the Fairgrounds. Events would be pre-scheduled and occur between March and October, excepting a six-week period (August 1st thru September 15th) associated with preparation, operation, and cleanup for the annual Humboldt County Fair. All events would end on or before 10 pm. Concerts would occur from a temporary stage placed directly in front of the grandstands and feature a range of different performance types from amplified music featuring a full band to smaller acoustic events. Motorsports activities include: Tractor Pulls, 4x4 Truck events, Go Carts, Monster Trucks, and Motorcycle Racing. Motorcycle racing events would occur on the dirt oval racetrack and involve up to 18 riders. The permit is being processed along with a request to amend the terms of the lease agreement between the County of Humboldt and the Humboldt County Fair Association (HCFA), a private non-profit organization responsible for management and operation of the Humboldt County Fair and County Fairgrounds.

Note: As Lead Agency, the Humboldt County Planning and Building Department has prepared and circulated for public review a draft Mitigated Negative Declaration for the project. **This notification is to advise you that the Humboldt County Planning and Building Department will receive public comments on the proposed Mitigated Negative Declaration from July 27, 2020, to August 27, 2020.** Comments may be submitted to the Humboldt County Planning and Building Department, 3015 H Street, Eureka, CA 95501 by **August 27, 2020.** The draft Mitigated Negative Declaration and Initial Study are available for review at the same location as well as online via the Department's website, located at <https://humboldt.gov/156/Planning-Building>

Project Location: The project site is located in the Ferndale area, on the east side of 5th street between Van Ness and Arlington Ave., on the property known as 1250 5th Street. The majority of the Fairgrounds is located within Ferndale city limits and outside of the Coastal Zone, including the dirt racetrack, grandstands, and primary parking areas used during events. Specific questions regarding this project can be directed to the assigned planner Steven Lazar at (707)268-3741 or via email at [slazar@co.humboldt.ca.us](mailto:slazar@co.humboldt.ca.us)

**Consistent with the above instructions for public comment, any person may appear and present testimony regarding this matter during the hearing. If you challenge the nature of the proposed action in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the Planning Commission at or prior to the public hearing. The Planning Commission's decision will become effective if an appeal is not filed within the appropriate filing period. An appeal may be filed by any aggrieved person who has testified in person or in writing on the project and must be submitted in writing with the required fees to the Planning Division of the Humboldt County Planning and Building Department at 3015 H Street, Eureka, California 95501, post marked before the end of the appeal period. If appealed, the decision will not become effective until the appeal is resolved.**

The staff report for this project will be posted on <https://humboldt.legistar.com> on the Friday before the Planning Commission meeting. General questions regarding the Planning Commission, the permit process, submission of materials and other information not specific to this project may be obtained from the Planning Division of the Humboldt County Planning and Building Department, 3015 H Street, Eureka, California 95501 or email [planningclerk@co.humboldt.ca.us](mailto:planningclerk@co.humboldt.ca.us). Telephone (707) 445-7541.

The County of Humboldt is committed to providing equal access to all county programs, services and activities through the provision of accommodations for individuals with disabilities as required under the Americans with Disabilities Act (ADA). With 72 hours prior notice, a request for reasonable accommodation or modification can be made. Please contact the Planning Commission clerk at 707-445-7541 or by email [planningclerk@co.humboldt.ca.us](mailto:planningclerk@co.humboldt.ca.us) or the ADA Coordinator at 844-365-0352 or by email at [ada@co.humboldt.ca.us](mailto:ada@co.humboldt.ca.us)

Humboldt County Planning Commission  
July 26, 2020

|                   |   |                                     |   |
|-------------------|---|-------------------------------------|---|
| Meeting Date:     | August 19, 2020                               | Agenda Item Number                  | 13.c  |
| Agenda Item Title | Proposition 68 Funding Program                |                                     |   |
| Presented By:     | City Planner                                  |                                     |   |
| Type of Item:     | <input type="checkbox"/> Action               | <input type="checkbox"/> Discussion | <input checked="" type="checkbox"/> Information |
| Action Required:  | <input checked="" type="checkbox"/> No Action | <input type="checkbox"/> Voice Vote | <input type="checkbox"/> Roll Call Vote         |

**PROJECT DESCRIPTION:** Proposition 68 Funding Program

**STAFF RECOMMENDATION:** Receive report.

**BACKGROUND:**

This program originates from Proposition 68, placed on the ballot via Senate Bill 5 (DeLeon, Chapter 852, statutes of 2017), and approved by voters on June 5, 2018. Funds for the program were appropriated via State Budget item 3790-101-6088(b). Legislative program information is found in the Public Resources Code (PRC) beginning at §80000 (see page 51). The Office of Grants and Local Services (OGALS) retains the right to waive requirements not mandated by statute. Funds are provided for two programs, as described below:

*General Per Capita Program: \$185,000,000*

Funds are available for local park rehabilitation, creation, and improvement grants to local governments on a per capita basis. Grant recipients are encouraged to utilize awards to rehabilitate existing infrastructure and to address deficiencies in neighborhoods lacking access to the outdoors (PRC §80061(a)).

*Urban County Per Capita: \$13,875,000*

Additional funds are available for Per Capita grants to cities and districts in urbanized counties (a county with a population of 500,000 or more) providing park and recreation services within jurisdictions of 200,000 or less in population. An entity eligible to receive funds under this subdivision shall also be eligible to receive funds available under the General Per Capita Program (PRC §80061(b)).

**DISCUSSION:**

Prop 68, or the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Act of 2018, provides supplemental funding to eligible entities for capital outlay for recreational purposes which includes either acquisition or development of recreation lands. The original bond language indicates a minimum allocation of \$200,000, however, based on the number of eligible entities and the total amount of funding appropriated, the actual amount is less. The City of Ferndale has been allocated \$177,952. Funding can only be used to supplement existing expenditures, not replace. This means that originally budgeted project funds must be used for other park and recreation purposes.

In order to begin the process for obtaining funds through the program, City staff attended the

mandatory Prop 68 program workshop on August 11, 2020. The next steps for obtaining funding include coordination with the designated OGALS program manager for Humboldt County, adopting a resolution approving the filing of all applications associated with the contract, identifying projects, and preparing and submitting application packages for each project. Application packages are due by December 2021. A project is considered all activities proposed for funding at a single location. Different locations require separate application packages.

Typically, the program requires a 20% match for use of funds. However, the City of Ferndale is considered a severely disadvantaged community under this program and therefore is not required to meet the 20% match.

City staff will coordinate with the OGALS program manager for Humboldt County and provide an update, along with the draft resolution for adoption, at a future City Council meeting.

**ATTACHMENT:**

None.

|                    |   |           |                                     |            |                          |                |
|--------------------|---|-----------|-------------------------------------|------------|--------------------------|----------------|
| Meeting Date:      | August 19, 2020   |           | Agenda Item Number                  | 13.d       |                          |                |
| Agenda Item Title: | Resolution 2020-19 Establishing a Policy to Accept Gifts and Donations for the City |           |                                     |            |                          |                |
| Presented By:      | City Manager  |           |                                     |            |                          |                |
| Type of Item:      | <input checked="" type="checkbox"/>   | Action    | <input type="checkbox"/>            | Discussion | <input type="checkbox"/> | Information    |
| Action Required:   | <input type="checkbox"/>  | No Action | <input checked="" type="checkbox"/> | Voice Vote | <input type="checkbox"/> | Roll Call Vote |

**RECOMMENDATION:**

Adopt Resolution 2020-19 Establishing a Policy to Accept Gift and Donations for the City.

**DISCUSSION:**

Last year, the City of Ferndale was presented with a donation that included placing a “Welcome to Ferndale” sign within the city limits. At that time, the city did not have a policy or procedure in place on how to accept a donation or gift. In December of 2019, an ad-hoc committee was formed to create a policy and procedure to accept donations. Councilmembers Bullard and Smith worked with City Attorney Ryan Plotz to come up with a Resolution to outline these procedures.

**FINANCIAL IMPACT:**

None

**ATTACHMENTS:**

Resolution 2020-19

**RESOLUTION NO. 2020-19****A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FERNDALE ESTABLISHING A POLICY FOR THE CONSIDERATION AND ACCEPTANCE OF DONATIONS TO THE CITY**

WHEREAS, pursuant to Government Code section 37354, the City of Ferndale may accept or reject any gift, bequest, or devise made to or for the City, or to or for any of its officers in their official capacity or in trust for any public purpose;

WHEREAS, the City Council finds that this Resolution is advisable to establish a formal process for the consideration and acceptance of donations made to the City.

**The City Council of the City of Ferndale, does resolve as follows:**

**ARTICLE 1: Purpose.**

The purpose of this Resolution is to establish policies and procedures for the acceptance or rejection of any gift, bequest, or devise made to or for the City for any public purpose. This policy is not intended to regulate or permit the acceptance of any gift, bequest, or devise made to any City official or employee. The acceptance of any gift, bequest, or devise made to any City official or employee shall continue to be regulated by the City's Conflict of Interest Code and State law.

**ARTICLE 2: Types of Donations.**

Donations to the City may be in the form of cash, personal property, or real property and shall be directed to the attention of the City Manager. A gift may be donated for a designated purpose or for a general purpose. If a gift is donated for a designated purpose, the designated purpose shall be stated in writing and memorialized in the acceptance document. If a donation is made without a designated purpose memorialized in an acceptance document, the donation shall be deemed a donation for general purposes. A donation accepted for a designated purpose shall be used by the City in accordance with the designated purpose. A donation accepted for a general purpose may be used by the City in its sole discretion.

**ARTICLE 3: Public Purpose.**

The City shall only accept donations that have a purpose consistent with the City's goals and objectives and are in the best interest of the City. Donations that do not have a public purpose shall not be accepted.

**ARTICLE 4: Acceptance of Donations.****Section 4.1. Acceptance of Donations without a Designated Purpose.**

All offers of donations by any person or entity to the City shall be immediately reported to the City Manager. Based on the estimated value of the donation, the City Manager or his designee shall proceed as follows:

- a. Offers of donations of cash or personal property valued at \$5,000 or less with an undesignated purpose may be accepted by the City Manager or his designee in his or her discretion in accordance with this Resolution.
- b. Offers of donations of cash or personal property valued at \$5,001 or more with an undesignated purpose shall be accepted only by resolution of the City Council.
- c. Offers of donations of real property, regardless of value, with an undesignated purpose shall be accepted only by resolution of the City Council.

#### **Section 4.1. Acceptance of Donations with a Designated Purpose.**

All offers of donations with a designated purpose by any person or entity to the City shall be immediately reported to the City Manager. Based on the estimated value of the donation, the City Manager or his designee shall proceed as follows:

- a. Offers of donations of cash or personal property valued at \$5,000 or less with a designated purpose may be accepted by the City Manager or his designee after consideration of the criteria set forth in sub-section "d", below.
- b. Offers of donations of cash or personal property valued at \$5,001 or more with a designated purpose shall be accepted only by resolution of the City Council after consideration of the criteria set forth in sub-section "d", below.
- c. Offers of donations of real property, regardless of value, with a designated purpose shall be accepted only by resolution of the City Council after consideration of the criteria set forth in sub-section "d", below.
- d. When considering a donation with a designated purpose, the City Manager or City Council, as applicable, should consider (i) whether the acceptance of the donation requires expenditure of City funds in order to meet the designated purpose; (ii) the potential and extent of the City's obligation to maintain, match, administer, or supplement the donation; (iii) the length of time required to carry out the designated purpose; (iv) whether the designated purpose is consistent with ordinances, policies, zoning designations, and the general plan of the City; and (v) the public benefit received.

#### **ARTICLE 5: Acknowledgment of Acceptance.**

A donation shall not be deemed accepted, regardless of whether the City has temporary possession of the donated property, unless and until accepted in writing by the City Manager, his designee, or the City Council, as applicable. If the donation is accepted by the City Manager, his designee, the City Manager shall accept the donation in writing. The writing shall identify the donor's name and address, the type of property contacted, the estimated value of the donated item, and the designated purpose (if any) for which the donor has identified. If the donation is accepted by the City Council, the donation shall be by resolution and shall contain the information set forth above in the case of acceptance by the City Manager.

#### **ARTICLE 6: Declined Donations.**

The City reserves the right to decline any donation if, upon review, acceptance of the donation offer is determined, in the sole discretion of the City, to be not in the best interests of the City.



**PASSED AND ADOPTED** by the City Council of the City of Ferndale on August 19, 2020 by the following vote:

Ayes:

Noes:

Abstain:

Absent:

---

Michael Sweeney, Mayor

**Attest:**

---

Kristene Hall, City Clerk

|                   |   |  |   |
|-------------------|---|--|---|
| Meeting Date:     | August 19, 2020   | Agenda Item Number                             | 13.e                                    |
| Agenda Item Title | Consider Designating a Voting Delegate to League of California Cities |  |   |
| Presented By:     | City Manager  |  |   |
| Type of Item:     | <input checked="" type="checkbox"/> Action                            | <input type="checkbox"/> Discussion            | <input type="checkbox"/> Information    |
| Action Required:  | <input type="checkbox"/> No Action                                    | <input checked="" type="checkbox"/> Voice Vote | <input type="checkbox"/> Roll Call Vote |

**RECOMMENDATION:**

Council consider designating a voting delegate and alternate, and decide whether the City will pay for that delegate or alternate to attend the League of Cities Conference.

**BACKGROUND:**

Each year the City has an opportunity to send a representative to the League of California Cities Annual Conference. In the past, the Council has voiced the opinion that the expenditure to send someone to this conference was not a responsible use of city funds. This year, due to COVID-19, the League of California Cities has announced its First Annual Virtual Conference and Expo.

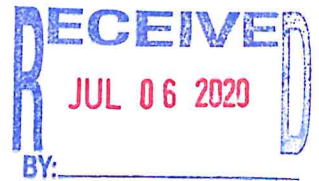
The Conference is scheduled to take place October 7-9, 2020. The Council may designate one voting delegate and up to two alternates. Registration for the event is required and the cost will be \$50.00 per attendee. For more information you can visit [www.cacities.org/AC](http://www.cacities.org/AC).

**FISCAL IMPACT:**

Up to \$150.00 for conference (\$50.00 X 3)

**ATTACHMENTS:**

League of Cities Announcement  
Tentative Schedule



**Council Action Advised by August 31, 2020**

June 30, 2020

**TO: Mayors, City Managers and City Clerks**

**RE: DESIGNATION OF VOTING DELEGATES AND ALTERNATES  
League of California Cities Annual Conference & Expo – October 7 – 9, 2020**

The League's 2020 Annual Conference & Expo is scheduled for October 7 – 9. An important part of the Annual Conference is the Annual Business Meeting (during General Assembly) on Friday, October 9. At this meeting, the League membership considers and takes action on resolutions that establish League policy.

In order to vote at the Annual Business Meeting, your city council must designate a voting delegate. Your city may also appoint up to two alternate voting delegates, one of whom may vote in the event that the designated voting delegate is unable to serve in that capacity.

**Please complete the attached Voting Delegate form and return it to the League's office no later than Wednesday, September 30. This will allow us time to establish voting delegate/alternate records prior to the conference.**

Please note the following procedures are intended to ensure the integrity of the voting process at the Annual Business Meeting. These procedures assume that the conference will be held in-person at the Long Beach Convention Center as planned. Should COVID-19 conditions and restrictions prohibit the League from holding an in-person conference, new procedures will be provided.

- **Action by Council Required.** Consistent with League bylaws, a city's voting delegate and up to two alternates must be designated by the city council. When completing the attached Voting Delegate form, please attach either a copy of the council resolution that reflects the council action taken, or have your city clerk or mayor sign the form affirming that the names provided are those selected by the city council. Please note that designating the voting delegate and alternates **must** be done by city council action and cannot be accomplished by individual action of the mayor or city manager alone.
- **Conference Registration Required.** The voting delegate and alternates must be registered to attend the conference. They need not register for the entire conference; they may register for Friday only. Conference registration will open by the end of July at [www.cacities.org](http://www.cacities.org). In order to cast a vote, at least one voter must be present at the Business Meeting and in possession of the voting delegate card. Voting delegates and alternates need to pick up their conference badges before signing in and picking up the voting delegate card at the Voting Delegate Desk. This will enable them to receive the

special sticker on their name badges that will admit them into the voting area during the Business Meeting.

- **Transferring Voting Card to Non-Designated Individuals Not Allowed.** The voting delegate card may be transferred freely between the voting delegate and alternates, but *only* between the voting delegate and alternates. If the voting delegate and alternates find themselves unable to attend the Business Meeting, they may *not* transfer the voting card to another city official.
- **Seating Protocol during General Assembly.** At the Business Meeting, individuals with the voting card will sit in a separate area. Admission to this area will be limited to those individuals with a special sticker on their name badge identifying them as a voting delegate or alternate. If the voting delegate and alternates wish to sit together, they must sign in at the Voting Delegate Desk and obtain the special sticker on their badges.

The Voting Delegate Desk, located in the conference registration area of the Long Beach Convention Center, will be open at the following times: Wednesday, October 7, 8:00 a.m. – 6:00 p.m.; Thursday, October 8, 7:00 a.m. – 4:00 p.m.; and Friday, October 9, 7:30 a.m.–11:30 a.m.. The Voting Delegate Desk will also be open at the Business Meeting on Friday, but will be closed during roll calls and voting.

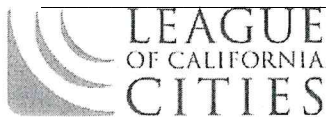
The voting procedures that will be used at the conference are attached to this memo. Please share these procedures and this memo with your council and especially with the individuals that your council designates as your city's voting delegate and alternates.

Once again, thank you for completing the voting delegate and alternate form and returning it to the League's office by Wednesday, September 30. If you have questions, please call Darla Yacub at (916) 658-8254.

Attachments:

- Annual Conference Voting Procedures
- Voting Delegate/Alternate Form





CITY: \_\_\_\_\_

2020 ANNUAL CONFERENCE
VOTING DELEGATE/ALTERNATE FORM

Please complete this form and return it to the League office by Wednesday, September 30, 2020. Forms not sent by this deadline may be submitted to the Voting Delegate Desk located in the Annual Conference Registration Area. Your city council may designate one voting delegate and up to two alternates.

In order to vote at the Annual Business Meeting (General Assembly), voting delegates and alternates must be designated by your city council. Please attach the council resolution as proof of designation. As an alternative, the Mayor or City Clerk may sign this form, affirming that the designation reflects the action taken by the council.

Please note: Voting delegates and alternates will be seated in a separate area at the Annual Business Meeting. Admission to this designated area will be limited to individuals (voting delegates and alternates) who are identified with a special sticker on their conference badge. This sticker can be obtained only at the Voting Delegate Desk.

1. VOTING DELEGATE

Name: \_\_\_\_\_

Title: \_\_\_\_\_

2. VOTING DELEGATE - ALTERNATE

Name: \_\_\_\_\_

Title: \_\_\_\_\_

3. VOTING DELEGATE - ALTERNATE

Name: \_\_\_\_\_

Title: \_\_\_\_\_

PLEASE ATTACH COUNCIL RESOLUTION DESIGNATING VOTING DELEGATE AND ALTERNATES.

OR

ATTEST: I affirm that the information provided reflects action by the city council to designate the voting delegate and alternate(s).

Name: \_\_\_\_\_

Email \_\_\_\_\_

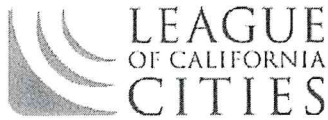
Mayor or City Clerk \_\_\_\_\_
(circle one) (signature)

Date \_\_\_\_\_ Phone \_\_\_\_\_

Please complete and return by Wednesday, September 30, 2020

League of California Cities
ATTN: Darla Yacub
1400 K Street, 4th Floor
Sacramento, CA 95814

FAX: (916) 658-8240
E-mail: dyacub@cacities.org
(916) 658-8254



## Annual Conference Voting Procedures

1. **One City One Vote.** Each member city has a right to cast one vote on matters pertaining to League policy.
2. **Designating a City Voting Representative.** Prior to the Annual Conference, each city council may designate a voting delegate and up to two alternates; these individuals are identified on the Voting Delegate Form provided to the League Credentials Committee.
3. **Registering with the Credentials Committee.** The voting delegate, or alternates, may pick up the city's voting card at the Voting Delegate Desk in the conference registration area. Voting delegates and alternates must sign in at the Voting Delegate Desk. Here they will receive a special sticker on their name badge and thus be admitted to the voting area at the Business Meeting.
4. **Signing Initiated Resolution Petitions.** Only those individuals who are voting delegates (or alternates), and who have picked up their city's voting card by providing a signature to the Credentials Committee at the Voting Delegate Desk, may sign petitions to initiate a resolution.
5. **Voting.** To cast the city's vote, a city official must have in his or her possession the city's voting card and be registered with the Credentials Committee. The voting card may be transferred freely between the voting delegate and alternates, but may not be transferred to another city official who is neither a voting delegate or alternate.
6. **Voting Area at Business Meeting.** At the Business Meeting, individuals with a voting card will sit in a designated area. Admission will be limited to those individuals with a special sticker on their name badge identifying them as a voting delegate or alternate.
7. **Resolving Disputes.** In case of dispute, the Credentials Committee will determine the validity of signatures on petitioned resolutions and the right of a city official to vote at the Business Meeting.

# Special Pricing Announced for League's First Virtual Annual Conference & Expo: Registration Opening Soon

July 29, 2020

City officials throughout the state will come together virtually to learn, collaborate, and celebrate at the League's 2020 Annual Conference & Expo.

Taking place on Oct. 7-9, the League's annual meeting promises to be an unparalleled educational and networking event, providing opportunities for attendees to gain perspectives and knowledge on current issues challenging cities, while deepening relationships with others in similar fields. The virtual event will include dynamic general and breakout sessions, exciting networking opportunities, and an interactive Expo!

Many opportunities emerge in a virtual environment that are impossible in an in-person conference, and we are excited to offer this reimagined experience.

Recognizing the budget constraints that cities are experiencing due to the pandemic, this year's conference will be more easily accessible to all members, with structured pricing to further increase accessibility.

The League of California Cities Annual Conference & Expo is one of the most important events of the year for city officials. Stay tuned for upcoming announcements on speakers and sessions you don't want to miss!

## Full Registration Includes:

- Your ticket to all virtual educational sessions and networking opportunities
- Access to recordings of all educational sessions after the conclusion of the conference
- Electronic access to all program materials
- Access to the Virtual Expo

## Full Conference Registration Fees

|                      |
|----------------------|
| Member City Official |
| \$50                 |
| League Partner       |
| \$150                |

|                                      |
|--------------------------------------|
| Public Official, Non-Member          |
| \$250                                |
| Corporate and Non-Profit, Non-Member |
| \$500                                |

**NOTE:** Conference Registration is required to attend all conference activities including department and division meetings and the General Assembly. Each registration is for a single person. Sharing of registration is prohibited.

Questions or special needs? Contact our conference registrar at [mdunn@cacities.org](mailto:mdunn@cacities.org) before **Thursday, Oct. 1.**

Visit <https://www.cacities.org/AC> for more information.

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[New Privacy Policy](#)



[Home](#) > [Education & Events](#) > [Annual Conference](#) > [For Attendees](#) > Program at a Glance

Tentative Schedule

For Attendees

Conference App

Preliminary Schedule at a Glance

As of July 28, 2020 (subject to change)

Wednesday, October 7

10:00 - 11:30 a.m.

Opening General Session

1:00 - 2:15 p.m.

Concurrent Sessions

2:30 - 3:45 p.m.

Concurrent Sessions

4:00 - 5:15 p.m.

Concurrent Sessions

Evening

Networking Opportunities

All Day

Virtual Expo Open

Thursday, October 8

9:00 - 10:30 a.m.

General Session

10:45 a.m. - 12:00 p.m.

Concurrent Sessions

12:00 - 12:45 p.m.

League Partner Speaker Theater

12:45 - 2:00 p.m.

Concurrent Sessions

1:00 - 2:15 p.m.

General Resolutions Committee

1:30 - 2:15 p.m.

League Partner Speaker Theater

2:15 - 3:30 p.m.

Concurrent Sessions

3:00 - 3:45 p.m.

League Partner Speaker Theater

3:45 - 5:00 p.m.

Concurrent Sessions

Evening

Networking Opportunities

All Day

Virtual Expo Open

Friday, October 9

9:00 - 10:15 a.m.

Concurrent Sessions

10:30 - 11:45 a.m.

Concurrent Sessions

11:00 - 12:00 p.m.

General Assembly (Consideration of Resolutions Only)

1:00 - 2:30 p.m.

Closing Session

All Day

Virtual Expo Open

**NOTE:** Conference Registration is required to attend all conference activities including Department and Division meetings and the General Assembly.

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|                    |  |  |   |
|--------------------|--|--|---|
| Meeting Date:      | August 19, 2020                            | Agenda Item Number                             | 13.f                                    |
| Agenda Item Title: | Police Chief Recruitment                   |  |   |
| Presented By:      | City Manager                               |  |   |
| Type of Item:      | <input checked="" type="checkbox"/> Action | <input type="checkbox"/> Discussion            | <input type="checkbox"/> Information    |
| Action Required:   | <input type="checkbox"/> No Action         | <input checked="" type="checkbox"/> Voice Vote | <input type="checkbox"/> Roll Call Vote |

**RECOMMENDATION:**

Approve of the Interview Panel for the Police Chief Recruitment Process

**DISCUSSION:**

The City Manager will identify the panel he would like to have participate in the interview process. The suggested panel will include: Mayor Sweeney, Councilmember Bullard, Chief Smith, Chief Graham Hill, and himself as the panel.

**FINANCIAL IMPACT:**

Unknown at this time.

|                   |  |  |   |
|-------------------|--|--|---|
| Meeting Date:     | August 19, 2020                                      | Agenda Item Number                             | 13.g                                    |
| Agenda Item Title | COVID-19 Update & Discussion (Action Item if Needed) |  |   |
| Presented By:     | City Manager   |  |   |
| Type of Item:     | <input type="checkbox"/> Action                      | <input checked="" type="checkbox"/> Discussion | <input type="checkbox"/> Information    |
| Action Required:  | <input checked="" type="checkbox"/> No Action        | <input type="checkbox"/> Voice Vote            | <input type="checkbox"/> Roll Call Vote |

**RECOMMENDATION:**

Receive & File (Possible Action if needed)

**DISCUSSION:**

This agenda item will give the council, staff, and public a chance to address any concerns or provide any updates from the COVID-19 Pandemic.

**ATTACHMENTS:**

None

## **Section 14**

### **CORRESPONDENCE**

***Correspondence Files are available for review at City Hall during regular business hours, Monday through Thursday, 9am to 4pm.***

CITY OF FERNDALE

POB 1095

FERNDALE, CA 95536

"A Historic Victorian Village"



**COURTESY LETTER REGARDING PUBLIC NUISANCE**

CERTIFIED MAILING: # 7003 3110 0005 8269 5239

**TO:** Cheryl Norton  
**POB 382**  
**Ferndale, CA 95536**

**SUBJECT PROPERTY:** 720 5<sup>th</sup> Street, Ferndale, CA

**DATE:** July 22, 2020

Dear Ms. Norton:

This is a courtesy letter sent to you pursuant to section 5.04.1 of the City of Ferndale Nuisance Ordinance because the undersigned, as the Enforcement Official of the City of Ferndale, has determined that conditions exist on the subject property that constitute a public nuisance. This courtesy letter is the first step in the administrative abatement process outlined in section 5.04 of the Nuisance Ordinance, a process that could result in the City entering your property to abate the conditions at your cost and expense if you fail to abate the conditions voluntarily in the timeframe allowed by law.

As required by Section 5.04.1, the following information is provided to you:

- 1. The property where the nuisance is occurring 720 5th Street, Ferndale, CA.**
- 2. The particular ordinance sections pertaining to the complaint are quoted below:**

Nuisance Ordinance (Ordinance 06-04, as amended)

§3.02 A nuisance is hereby defined to be:

- 3.02.1 Any condition declared by statute of the State of California or ordinance of the County of Humboldt or City of Ferndale to be a nuisance.
- 3.02.3 Any condition determined by the Enforcement Official to be a nuisance.
- 3.02.4 Any a condition of real property that results in a violation of any ordinance of the City of Ferndale or applicable provisions of State law shall be deemed to be unlawful and a public nuisance.

Zoning Ordinance (Ordinance No. 02-02, as amended)

§7.08 Fences, Hedges, Natural or Planted Growth and other Sight Obstructions:

- 7.08.2 Fences or walls used as a fence, located in the front yard of any lot, or the street side yard of a corner lot shall not exceed four feet in height.
- 7.08.3 In addition, no fence, or wall used as a fence, shall exceed a height of six (6) feet on any portion of a City lot. In all situations, hedges or other natural or planted growth shall be maintained so as not to obstruct any public right-of-way.
- 7.08.4 The height of a fence, or a wall used as a fence, shall be measured from the higher finished grade adjoining the fence or wall. Any fence or wall used as a fence may be erected to a height greater than the maximum height limits described in Sections 7.08.2 and 7.08.3 provided that a Special Permit is first obtained (Section 12.02).

**3. The particular condition causing the nuisance is described below.**

A fence located in the front yard of your property exceeds four feet in height and no special permit was issued allowing you to exceed that height restriction.

Additionally, there is a fence or wall used as a fence located in back yard of your property that exceeds six feet in height and no special permit was issued allowing you to exceed that height restriction.

**4. The corrective actions that must occur to remedy the violations described above are as follows:**

Within a period of four (4) weeks of the date you receive this letter, you shall reduce the height of the non-compliant fences to meet the height limitations set forth above.


**5. You are hereby advised that the nuisance conditions listed above must be abated in the manner described above within four (4) weeks of the date of receipt of this courtesy letter.**

Please note Section 5.05.1 of the Nuisance Ordinance, which provides that “[a]ny notice or letter required to be delivered by the ordinance shall be deemed to have been delivered when a copy of said notice is either served personally or has been deposited in the mail, postage prepaid, certified, return receipt requested to the owner and/or occupant, lessee or agent of the property. ... The failure of any person to receive such notice shall not affect the validity of the proceedings of this ordinance.”

**6. You are further advised that failure to cure the nuisance conditions listed above within four (4) weeks of the date of receipt of this courtesy letter will result in further action, including, but not limited to, the following:**

- (i) Service and recordation against your property's title of a Notice of Violation and Order to Abate.
- (ii) Abatement of the nuisance conditions by the City with all costs of abatement, including attorney fees, assessed against your property. This would include removal of the equipment and storage at an appropriate facility at your cost and expense.
- (iii) Imposition of fines and penalties.

If you would like to discuss the matter or have any questions, please call 786-4224. We look forward to your anticipated cooperation.

  
\_\_\_\_\_  
Jay Parrish, City Manager

cc: Property File  
Correspondence





Paul D. Sequeira Attorney At Law

July 21, 2020



City of Ferndale  
P.O. Box 1095  
Ferndale, CA. 95536  
Attn: City Council Members

RE: Assessor Parcel No. 031-193-022

Dear Mayor and Council Members:

Please be advised that my client Steven Nunes is in receipt of the "Courtesy Letter" of June 23, 2020 claiming his property is subject to a public nuisance. While Mr. Nunes is always willing to work with the city on compliance issues, there are a number of claims in the letter that are either inconsistent with the directives from city officials, incorrect or need clarification.

The general intent of public nuisance ordinances are to safeguard neighborhoods from properties that fall into such disrepair and deterioration that they become a health or safety hazard. It also has the practical application of not allowing properties to become so defective or unsightly so as to diminish their neighborhoods' property values. Ferndale public nuisance ordinances are no different. When Mr. Nunes and his wife purchased the subject property in December 2017 the property could have easily been described as a public nuisance within Ferndale Ordinance §06-04. The drainage swale was clogged with garbage, old equipment parts, downed trees and heavy brush. Water did not freely flow through it. The property was overgrown with grass, brush, trees and littered with debris. The buildings were in need of repair. Despite all these infirmities we are not aware of the city ever declaring it to be a public nuisance.

Since Mr. Nunes has acquired the property he has cleaned out the drainage ditch of garbage, all the equipment parts and environmental debris. Water now flows freely improving the drainage in the surrounding area. The driveway into the property has been improved, a concrete pad has been poured in front of the shop, the residence has been upgraded and all the grass has been irrigated and mowed.

The City's letter of April 28, 2020 from it's Enforcement Official stated that the site "appeared in pretty good condition". The fact that the property looks good and has been well-maintained



benefiting the neighborhood was reiterated by the city manager Jay Parrish when he visited there several months ago. This is hardly a property that falls within the spirit or the letter of the Nuisance Ordinance.

There are conditions cited in the city's letter that Mr. Nunes was in the process of addressing when the COVID-19 pandemic hit. The debris piles have now virtually been eliminated. The older truck and a cargo trailer are scheduled to be removed from the property. The city sites the "storage" of heavy equipment on the property is creating a nuisance and is in violation of a zoning ordinance. Nothing in the plain reading of ordinances § 3.02 or § 4.03 have anything to do with the type of equipment Mr. Nunes has on his property. First of all, he is not using his property as a "storage yard" for heavy equipment. He uses his equipment to keep his one and a half acre property in "good" condition. For example, Mr. Nunes is a senior citizen over 65 years of age with pre-existing medical issues including a bad back. He often needs his forklift to help lift heavy items on his property. Second, not all of the equipment mentioned in the letter meets the legal definition of "heavy equipment ". Third, none of the equipment is being parked in an area that is visible from the street especially with the large house being constructed next-door. Last, his equipment is being operated no more than five hours a week and is never operated during the prohibited hours as described in Noise Ordinance §7.04(d). These are all issues that could use some clarification from the city.

There also seems to be some inconsistency as to whether storage containers can be on city lots. Previously Mr. Nunes had a storage container on an undeveloped city lot he owned. The city made him move the container saying he could only have it if there was a residence on the lot. Now the city complains of storage containers on a lot with a house on it.

There is no question Mr. Nunes has substantially improved the property since he bought it. The lot is not a normal size as it is an acre and a half. As such it takes some equipment to maintain. There are a number of residential properties in the city that also have equipment on them that their owners use. We would like to believe the city is not singling out Mr. Nunes for selective enforcement of these ordinances. One has to wonder if Mr. Nunes' several attempts to run for mayor or very public criticism of the city manager has anything to do with it. Good government should always avoid even any appearance of conflict or impropriety. While these issues continue to cloud the situation we are still willing to sit down with the city and work out a compromise. While we are willing and able to litigate these issues if necessary, it certainly would be a needless waste of taxpayer dollars during these difficult economic times.



*Paul D. Sequeira Attorney At Law*

Please do not hesitate to contact me with any further questions or to schedule a meeting.

Sincerely,

A handwritten signature in blue ink, appearing to read "Paul D. Sequeira". The signature is stylized and written over the word "Sincerely,".

Paul D. Sequeira  
Cc. Jay Parrish





PO Box 909 Chico, CA 95927  
800-922-8742

Date: July 24, 2020

Return Service Requested



000294 0.4500 AV 0.389 TR00001

CITY OF FERNDALE  
PO BOX 1095  
FERNDALE CA 95536-1095

RECEIVED  
JUL 28 2020  
BY: \_\_\_\_\_

Dear Valued Customer,

After long and careful consideration, we have made the decision to close our Ferndale branch, located at 394 Main Street, Ferndale, CA 95536. The branch will officially close at 3:00 p.m. on Wednesday, October 28, 2020. The walk-up ATM will continue to be fully functional and available for your use 24 hours a day.

**A New Place to Call Home**

Effective Thursday, October 29, 2020, when the Ferndale branch location is closed, your account(s) will be moved to Tri Counties Bank's Fortuna branch, located at 909 Main Street, Fortuna, CA 95540. Your account number(s) will not be affected and, as a customer, you will still continue to experience the unique brand of Service With Solutions® you know and trust from Tri Counties Bank. Additionally, you will be able to take advantage of additional branch service hours in Fortuna: Monday - Thursday 9 A.M. – 5 P.M. and Friday 9 A.M. – 6 P.M.

**Safe Deposit Boxes**

If you have a safe deposit box at the Ferndale branch, please close it out and remove the contents before October 21, 2020. In consideration of any inconvenience caused by this move, if you wish to reopen a safe deposit box at any of our other branch locations, you will not be charged rent through October 28, 2021.

**Convenient Branch Network**

You can continue banking at any Tri Counties Bank branch throughout Northern and Central California, including North Coast locations in Arcata, Eureka, Fortuna and McKinleyville.

**Advanced Online and Mobile Banking**

Additionally, you can access your account(s) at more than 32,000 surcharge-free ATMs nationwide or through our advanced Online and Mobile Banking services, where you can deposit checks with your smartphone or tablet, check balances, pay bills, pay friends and manage money between all your financial accounts.

**Customer 24/7 Live Banker Call Support**

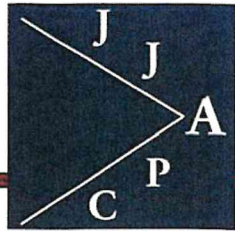
Tri Counties Bank remains committed to your personal financial success and well-being. If you have questions or concerns regarding your account(s), please contact us at the Ferndale branch at (707) 786-9522 or the Fortuna branch at (707) 725-7150. You can also speak with a live banker 24 hours per day, 7 days per week at 1-800-922-8742.

Thank you for being a Tri Counties Bank customer. We value the trust you have placed in us and look forward to continuing to serve all your financial needs.

Sincerely,

Scott Robertson, Senior Vice President, Chief Community Banking Officer

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95536109595



# JJACPA, Inc.

A Professional Accounting Services Corp.

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July 22, 2020

Jay Parrish  
City Manager  
City of Ferndale  
834 Main Street  
P.O. Box 1095  
Ferndale, CA 95536

Dear Jay:

You have requested that we audit the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Ferndale (City), as of June 30, 2020, and for the year then ended and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter. Our audit will be conducted with the objective of our expressing an opinion on each opinion unit.

Accounting principles generally accepted in the United States of America require that management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information, 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. As part of our engagement, we will apply certain limited procedures to the required supplementary information (RSI) in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist primarily of inquiries of management regarding their methods of measurement and presentation, and comparing the information for consistency with management's responses to our inquiries. We will not express an opinion or provide any form of assurance on the RSI. The following RSI is required by accounting principles generally accepted in the United States of America. This RSI will be subjected to certain limited procedures but will not be audited:

- Management's Discussion and Analysis
- Budgetary Comparison Information

Supplementary information other than RSI will accompany the City's basic financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the basic financial statements and certain additional procedures, including comparing and reconciling the supplementary information to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and additional procedures in accordance with auditing standards generally accepted in the United States of America.

We intend to provide an opinion on the following supplementary information in relation to the financial statements as a whole:

- Combining and individual nonmajor fund financial statements.

Also, the document we submit to you will include the following other additional information that will not be subjected to the auditing procedures applied in our audit of the financial statements:

- Introductory Section
- Statistical Section, if applicable

### **Audit of the Financial Statements**

We will conduct our audit in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS) and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to error, fraudulent financial reporting, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements may not be detected exists, even though the audit is properly planned and performed in accordance with U.S. GAAS and Government Auditing Standards of the Comptroller General of the United States of America.

In making our risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.

### **Management's Responsibilities**

Our audit will be conducted on the basis that management acknowledge and understand that they have responsibility:

- a. For the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America;
- b. 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 error, fraudulent financial reporting, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements.
- c. For following up and taking corrective action on reported audit findings from prior periods and preparing a summary schedule of prior audit findings;
- d. For following up and taking corrective action on current year audit findings and preparing a corrective action plan for such findings;



**Management's Responsibilities (continued)**

- e. To provide us with:
  - i. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements such as records, documentation, and other matters;
  - ii. Additional information that we may request from management for the purpose of the audit; and
  - iii. Unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence.
- f. For adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the current year period(s) under audit are immaterial, both individually and in the aggregate, to the financial statements as a whole; and
- g. For confirming your understanding of your responsibilities as defined in this letter to us in your management representation letter.

With regard to the supplementary information referred to above, you acknowledge and understand your responsibility: (a) for the preparation of the supplementary information in accordance with the applicable criteria; (b) to provide us with the appropriate written representations regarding supplementary information; (c) to include our report on the supplementary information in any document that contains the supplementary information and that indicates that we have reported on such supplementary information; and (d) to present the supplementary information with the audited financial statements, or if the supplementary information will not be presented with the audited financial statements, to make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance by you of the supplementary information and our report thereon.

As part of our audit process, we will request from management written confirmation concerning representations made to us in connection with the audit.

We will issue a written report upon completion of our audit of the City's basic financial statements. Our report will be addressed to the governing body of the City. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions, add an emphasis-of-matter or other-matter paragraph(s), or withdraw from the engagement.

In accordance with the requirements of Government Auditing Standards, we will also issue a written report describing the scope of our testing over internal control over financial reporting and over compliance with laws, regulations, and provisions of grants and contracts, including the results of that testing. However, providing an opinion on internal control and compliance will not be an objective of the audit and, therefore, no such opinion will be expressed.

We understand that your employees will prepare all confirmations we request and will locate any documents or invoices selected by us for testing.

If you intend to publish or otherwise reproduce the financial statements and make reference to our firm, you agree to provide us with printers' proofs or masters for our review and approval before printing. You also agree to provide us with a copy of the final reproduced material for our approval before it is distributed.

During the course of the engagement, we may communicate with you or your personnel via fax or e-mail, and you should be aware that communication in those mediums contains a risk of misdirected or intercepted communications.

## Fees and Timing

The timing of our audit will be scheduled for performance and completion as follows:

|   | <i>Begin</i> | <i>Complete</i> |
|---|--------------|-----------------|
| Document internal control and preliminary tests | 9/15/20      | 9/17/20         |
| Mail confirmations                              | 9/15/20      | 9/17/20         |
| Trial Balance sent to JJACPA                    | 9/5/20       | 9/5/20          |
| Perform year-end audit procedures               | 9/15/20      | 9/17/20         |
| Issue audit report                              | 11/30/20     | 11/30/20        |

Joseph Arch is the engagement partner for the audit services specified in this letter. His responsibilities include supervising JJACPA's services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the audit report.

Our fees are based on the amount of time required at various levels of responsibility, plus actual out-of-pocket expenses. Invoices will be rendered every two weeks and are payable upon presentation. We estimate that our fee for the audit will be \$15,500. We will notify you immediately of any circumstances we encounter that could significantly affect this initial fee estimate. Whenever possible, we will attempt to use the City's personnel to assist in the preparation of schedules and analyses of accounts. This effort could substantially reduce our time requirements and facilitate the timely conclusion of the audit. Further, we will be available during the year to consult with you on financial management and accounting matters of a routine nature.

## Dispute Resolution

This agreement shall be governed by the laws of the State of California. If a dispute arises out of the audit engagement described herein and if the dispute cannot be settled through negotiations, the parties agree first to try in good faith to settle the dispute by mediation using an agreed upon mediator. If the parties are unable to agree on a mediator, the parties shall petition the state court that would have jurisdiction over this matter and request the appointment of a mediator, and such appointment shall be binding on the parties. Each party shall be responsible for its own mediation expenses and shall share equally in the mediator's fees and expenses.

During the course of the audit we may observe opportunities for economy in, or improved controls over, your operations. We will bring such matters to the attention of the appropriate level of management, either orally or in writing.

We agree to retain our audit documentation or work papers for a period of at least five years from the date of our report.

We will provide the City with the following nonattest services:

- Prepare the financial statements based on information in the trial balance and other relevant information that is provided by, and is the responsibility of, management.

With respect to any nonattest services we perform, the City's management is responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) establishing and maintaining internal controls, including monitoring ongoing activities.



At the conclusion of our audit engagement, we will communicate to the City Council the following significant findings from the audit:

- Our view about the qualitative aspects of the entity's significant accounting practices;
- Significant difficulties, if any, encountered during the audit;
- Uncorrected misstatements, other than those we believe are trivial, if any;
- Disagreements with management, if any;
- Other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process;
- Material, corrected misstatements that were brought to the attention of management as a result of our audit procedures;
- Representations we requested from management;
- Management's consultations with other accountants, if any; and
- Significant issues, if any, arising from the audit that were discussed, or the subject of correspondence, with management.

The audit documentation for this engagement is the property of JJACPA, Inc. and constitutes confidential information. However, we may be requested to make certain audit documentation available to state and federal agencies and the U.S. Government Accountability Office pursuant to authority given to it by law or regulation, or to peer reviewers. If requested, access to such audit documentation will be provided under the supervision of JJACPA's personnel. Furthermore, upon request, we may provide copies of selected audit documentation to these agencies and regulators. The regulators and agencies may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies.

In accordance with the requirements of Government Auditing Standards, we have attached a copy of our latest external peer review report of our firm for your consideration and files.

Please sign and return the attached copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the financial statements including our respective responsibilities.

We appreciate the opportunity to be your financial statement auditors and look forward to working with you and your staff.

Respectfully,

*JJACPA, Inc.*

**JJACPA, Inc.,**  
7080 Donlon Way, Suite 204,  
Dublin, CA 94568

\*\*\*\*\*

RESPONSE:

This letter correctly sets forth our understanding.

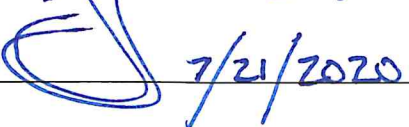
City of Ferndale

Acknowledged and agreed on behalf of City of Ferndale by:

Title: CITY MANAGER

Name (Printed): JAY PARRISH

Signature: 

Date: 

**Section 15**  
***COMMENTS FROM THE COUNCIL***

**Section 16**  
***REPORTS***

***City Manager's Report***  
***Commissions and Committee Reports***  
***Minutes from JPAs and Reports***

**City Manager's Report**  
for August, 2020 City Council Meeting

**CITY MANAGER (Reporting July 9, 2020 – August 12, 2020)**

**Meetings**

- Kiwanis meeting 1st Tuesday of the month at 4:30 pm
- Drainage Committee Meeting- August 6th 3:00-5:00 pm Zoom
- City Council Regular Meeting- July 15th 6:00pm-9:00pm
- City Manager Meeting May 16th- 3:00-5:00 pm
- The city sent out the proposed sewer rate increase in June and that started the 45-day protest process and the July regular meeting will conclude that process with the tabulation of any protests. This protest ended after council public hearing on July 15<sup>th</sup>. The sewer rate increase was approved and will go into effect immediately.
- Public Works: Focused on vegetation removal in drainage ditches and street sweeping. Have completed most of the drainage ditches and cleaning out drainage culverts. Public Works did a great job cleaning out most of the drainage easements throughout town and some of the ditches. We try to do all the easements and ditches at least every two years. Public Works worked on smoothening out Shaw and 4<sup>th</sup> with cold patch, but it will need to be attended to a few times this winter and spring before our project to fix this intersection goes out to bid and is completed. We were able to purchase some complications a new engine for our lawnmower and it is back in action. We did have J&G landscaping mow some of our properties until our mower was back on its feet.
- City Engineer: Numerous meetings to relay City projects and priorities. Met numerous times going over on-going projects and relaying information to bring engineer up to date on projects and needed infrastructure improvements. He has some priority projects such as Washington Street drainage improvement and 4<sup>th</sup> and Shaw intersection improvement project that he is putting together a bid package to accomplish these projects this year. That may be about all we can do with available funds this year. We will be doing 4<sup>th</sup> and Shaw intersection soon and the bidding ends on Friday the 14<sup>th</sup> at 2:00 pm. We will probably expect that to start in September.
- Looking into a cell tower that might bring some revenue each month located somewhere in town. The attorney and I are negotiating with the cell tower company. Our attorney has negotiated last with Cell Tower representative and the city may not have any properties that are suitable to their needs. Still working on it.
- Weekly training bulletin from ERMAnet. This is an online training program that I have participated in since 2006 as a requirement from our Risk Management Authority.
- Employee meetings and personnel issues.
- Numerous one-on-one meetings and discussions and updates with council members regarding current issues and projects. Continuing outreach program with Council to give institutional background on City projects, policies and programs. Each council member has individual items of interest and we try to fill in as much information as we can so that each council member feels like they have a strong base of understanding of the history of City policies so they can make informed decisions in the future.

- **Library Mandated Improvement for Safety and ADA compliance:** We have completed the first round of barriers to the Library. Improvements will now continue with a second list of necessary ADA and Safety improvements. The architect has signed off on our initial ADA project and now we will continue our collaboration with the Friends of the Library (Friends) and the County to comply with their remaining requirements to remain a facility that is open to the public and staff, that is fully compliant with current regulations and California building code. We received the second list of necessary improvements from the county as to the state architect inspection report. we are going through it and have found a number of things that the City will not be responsible fiscally to replace or renovate. There were some items for improvement on Main Street and this was moved off our list to Caltrans as their responsibility. The County is going to be responsible for a number of signs in the inside of the building. There is about 80 pages of improvements that we are analyzing with the Friends of the Library representatives and will then go over with county representatives who will oversee the plan of action we have to make sure we will be compliant with architects' requirements. Update: This has been pretty much on hold until we get a handle on the Covid-19 situation as of this printing.
- **Climate Action Plan:** Met with Fortuna, Rio Dell and County Representatives on May 9<sup>th</sup> to go over county and city plans. We are in the final stages of the Climate Action Plan (CAP). Our planner and I have been attending and having conversations with county representatives developing and participating in a state mandated Climate Action Plan. The county is offering to include the cities of Humboldt in their plan with just minimal financial support. We have begun this process and have had meetings already and we have been offered a grant by RCEA, and the county will be covering most of the cost of our participation. We have agreed to join this plan and I will attend and participate in monthly meetings to develop this plan as our part in the funding requirements. The plan will be focusing on reducing greenhouse gas emissions by 40% by 2030. We have a near completed list of GHG reduction policies, and completed final drafts of the inventories and forecasts. Overall, we hope to have a completed draft by the end of this year. We're preparing a list of around 50 detailed measures informed largely by one-on-one meetings with city staff and the discussions we've had as a group. Many of these draft measures include a GHG reduction potential, cost/savings analysis and implementation strategies. Once the committee settles on a plan, we will bring it to the council for approval. I will meet with the county's representative, Connor McGuigan on the 20<sup>th</sup> of May, and then we have a group meeting on May 24<sup>th</sup>. This has been put on the back burner by county while we work on the Covid-19 pandemic. Connor McGuire the county's representative is working on this and will get back to the rest of us soon to bring to the council he told me last week. Update: This is in the Counties hands for the next couple of months and is still true as of this printing.
- Numerous communications with county emergency response officials, league of cities representatives, and local emergency response representatives regarding the Coronavirus related events, conditions and best practices. It is still important at this point to wash your hands after being in an environment where other people have been, cough into elbow, try not to be in crowded events, and where a mask. The council in a Special meeting every other week confirm the Emergency Proclamation and stress the desire and opinion that we need to try and promote the wearing of masks, and the rest of the guidelines from the federal, state, and county agencies. It

- was an emergency concern when this started back in February and March and has only gotten worse as to the number of people that have tested positive, and so the medical side of pandemic is more dire. The other aspect of the Covid-19 pandemics that is not so clear is that the guidance agreed by most of our top medical and scientific professionals does not seem to be having universal acceptance by our businesses and citizenry. Wear a mask, social distance at least 6' apart, wash your hands, don't touch your face, cough into your elbow, and stay home if you can. This pandemic that is causing worldwide health and financial problems will not go away in the short term. One thing we could do without much pain and inconvenience is to follow the simple tools that we have been repeating over and over, and that is to mask up when appropriate, keep your distance always, wash your hands often, and stay away from other humans if possible. If you are human you can catch the virus and spread it to others whether you are related, loved or hated. If not for yourself, for those around you: Keep your virus to yourself, no one else wants it.
- Numerous conversations with Rick Hill regarding possible grants. Conference call with Rick and Paul Gregson and Brian Ontiveros the week of council meeting. We have submitted a Proposition 1 grant on a wetland that would receive drainage from west side of town and another Proposition 1 for the construction of a drainage route that would drain runoff from Arlington, 5<sup>th</sup> Street to Salt River. We submitted our grant application last week and that hopefully will give us enough funds to look at all the aspects of getting our drainage from the intersection of 5<sup>th</sup> and Arlington out to the Salt River. We currently have a dysfunctional system through the Fairgrounds that does not have the capability to carry the flow from the City and Fairgrounds to Van Ness.
  - Negotiating with US Bank for easement for undergrounding project. Called a couple of representatives regarding the donation of the green beside the US bank parking lot. Have had a number of discussions with US Bank who understand that we need this attended to soon.
  - We received approval of the California Street sewer collection system grant (Prop 1 \$326,000) from the county and should be moving that forward sometime after October and maybe construction by May.
  - Numerous discussions with Tesla representative and Mike Avcollie from RCEA regarding the opportunity to get a backup system for our wastewater facility that can also be used to lower our energy costs. This may increase our awareness as to how we can create a larger community wide micro-grid that we can use during future outages.
  - Negotiations going well with Silva and the City as to an addition to Russ Park.

### **Staff Reporting July 1-31, 2020**

#### **CITY CLERK ACTIVITY**

##### **Meetings**

- Meetings with City Manager regarding work activities and council agenda.
- Attended:
  - City Council Regular Meeting 07/15/2020
  - City Council Special Meetings:07/08/2020 and 07/20/2020
  - Design Review Meetings 07/23/2020
- Wrote agenda items and compiled packets for:

- Regular City Council Meeting 07/15/2020
- City Council Special Meeting; 07/08/2020 and 07/20/2020
- Design Review Meeting 07/23/2020
- Planning Commission 08/05/2020
- Began agenda compilation for City Council Meeting 08/17/2020
- Transcribed, drafted meeting minutes and uploaded meeting videos for:
  - City Council Regular Meeting 07/15/2020
  - City Council Special Meetings: 07/08/2020 and 07/20/2020
  - Design Review 07/23/2020
- Posted all meeting agendas and public notices on the City Hall and Post Office bulletin boards, and on the City Website.
- Uploaded meeting packets to City Website.
- Correspondence with City Planner and Engineer regarding projects
- Had monthly performance review with City Manager

### **Projects**

- Assisted the public via telephone and email, answering questions and information requests.
- On-going communications with contract Engineers and City Planner about agenda items before the City Council and Planning Commission Meetings.
- Communications with Paul Gregson regarding sewer rates.
- Processed Sewer Assessments and Drainage Assessments and sent to County.
- Processed Business License Renewals and Dog License Renewals; mailed out late notices.
- Calculated and collected fees for building permits and sent applications to Arnie to be checked
- Numerous call Building Inspector to review plans and finals on projects
- Sent and received emails daily.
- Pick up and distribute City correspondence.
- Organized and filed paperwork.
- Filed approved Minutes
- Inventoried and ordered office supplies
- Processed checks, created revenue spreadsheet and deposit checks into the bank.
- Responded to Public Records Act requests.
- Maintained minute, resolution, ordinance and agenda binders.
- Contacted Mayor re: upcoming agenda
- Read weekly ERMA bulletins
- Updated 2020 Possessory Interests Spreadsheet.
- Sent Building Permit reports to Assessors office and Construction Industry Research Board.
- Sent out Quarterly Reports to agencies

### **FINANCE OFFICER ACTIVITY**

#### **Tasks:**

- Meetings with City Manager – re: office issues and financial reports
- Assisted City Manager with HR/personnel issues and filings
- Processed Payroll/Payroll Tax Payments

- Processed Accounts Payable
- Processed Accounts Receivables
- Reviewed ERMA and HR bulletins
- Assisted at the front desk and answered phones
- Attended League of Cities webinar regarding CARES ACT

### **CITY PLANNER ACTIVITY:**

#### **General Planning Services**

##### Task 1 Response to Public Request for Info

- Community inquiry responses – None
- City Code Interpretations – None

##### Task 2 CEQA Compliance

- None

##### Task 3 Community Planning – Reporting, Transportation Planning, Other Planning Activities

- Reviewed status of current planning applications and updated tracking sheet

##### Task 4 Meetings & Hearings, and Materials:

- Planning Commission – reviewed request from City Council regarding updates to fence ordinance; drafted staff report on proposed fence ordinance updates for 8/5 meeting.
- City Council – none
- City Manager & City Clerk – meetings, calls, emails, research
- Drainage Committee – none
- HCAOG Technical Advisory Committee – July 2<sup>nd</sup> TAC meeting cancelled

##### Task 5 GIS Mapping – none

##### Task 6 Grant Writing/Funding Coordination – none

#### **SB 2 Grant Projects**

- Land Use Element Update – Revised draft goals; began drafting policies; updated formatting.

#### **Reimbursable Fees**

- Cream City Investments (SD-1826 - previously Budwig Minor Subdivision) – coordinated review.
- Chenoweth (LLA-1513) – Reviewed processing history and current status of application.

### **CITY ENGINEER ACTIVITY**

#### **General City Engineering Services:**

#### **General City Engineering Services:**

- Phone calls / emails with the City Manager regarding various City items.
- Attended July Council Meeting
- Shaw & 4<sup>th</sup> Street Intersection Project
  - Finalize Bid Documents and send out for Bids. Bids will be received on 8/14/20.
- Washington Street Storm Drain Replacement
  - Bid Documents Preparation
- Drainage Master Plan Update
  - No update this month



**Reimbursable Project Services:**

- Nunes Grading Permit – Grant Street
  - Discussions with California Department of Fish & Wildlife
  - Discussions with City Manager
- Adams Minor Subdivision – Fifth Street
  - 4<sup>th</sup> Parcel Map Review. Parcel Map has been approved by the City Engineer & City Surveyor. Mylar Parcel Map to be submitted upon completion of the Subdivision Improvements.
  - 5<sup>th</sup> Improvement Plan Review. Improvement Plan has been approved. Awaiting signed Improvement Plans to be submitted from Applicant.
- Frink LLA2005 – A St.
  - Review proposed sidewalk improvements at the end of the applicant’s driveway. Discuss with Applicant.
- Chenowith LLA1513 – Washington St.
  - Prepare Engineer’s memo on project status. Deemed project to be incomplete and expired. Advised that application needs to be resubmitted. Working with applicant to resubmit application.

**WASTEWATER OPERATIONS**

- Monthly samples prepared and sent to North Coast Labs
- Operators perform lab tests daily to measure efficiency of plant
- Move and spread dirt at old site
- Monthly eSMR (electronic State Monthly Report) prepared and submitted
- Sewer backup on Francis St. cleared
- Monthly no spill verification report completed on CIWQS website
- Remove and burn willows at old site
- Front gate chain oiled each Monday
- Replace ballast on UV bank B
- Inspect manholes throughout town weekly
- Consultation with Loleta about their NPDES permit
- Weekly maintenance performed on UV banks
- Replace brakes on bar screen rake
- Dewater for total of 12 hours. Sludge dried at old site
- Repaired broken lateral on Howard Street
- Operators cleaned walls and catwalk
- Clear brush around retention pond
- Turned sludge at old site weekly
- Backup on Tennyson Ave. cleared
- Scrubbed launders in clarifier
- Put UV protection on air lines to actuators
- Weed eat around old site, along pond road, around Aeromod
- Removal of duck weed from clarifiers on weekly basis
- Pipes moved to East side of Sousa ranch; multiple lines used to alleviate water level in pond
- Weed eat around Aeromod

- Billed RotoRooter, Taylor Enterprises, Steve's Septic and Wyckoff a total of \$7,204.50 for the month of May. 39 total dumps for total of 87,340 gallons.
- Total flow through the plant in June was 6.1 MGD. Of that, 1.2 MGD was pumped to retention pond. Average irrigation to Sousa ranch was .2 MGD.

### **PUBLIC WORKS STAFF ACTIVITY**

- Continued with monthly and daily duties. Such as, cleaning and maintenance of city's bathrooms, mowing of city's owned properties, cleaning of storm drains, keeping streets clear of debris and the maintenance of city's facilities.
- Took chainsaw to wildwood saw for tune up.
- Mowed behind PD.
- Removed deceased deer at 501 Shamsi Court.
- Trimmed trees along bluff St.
- Removed visual obstructions on the corner of Berding and Cleveland.
- Finished picnic table project at Fireman's park.
- Removed heavily leaning tree on Bluff St.
- Met with Tom Stephens about the annual creek clean up.
- County crews mowed along the Wildcat within City limits.

### **POLICE DEPARTMENT**

- Staff continues to monitor and engage the community regarding the City's and County's response to COVID-19.
- Chief Smith participated in several Zoom conferences with the Humboldt County Sheriff and other county Chiefs of Police. Chief Smith also participated in a video conference with state police chiefs, Cal. OES and Ca. DOJ regarding COVID-19.
- Staff continues to work on the Measure Z project regarding a new records management system.
- Staff participated and monitored eighth grade and high school graduation ceremonies.

### **Police Statistics – for June 2020**

| SERIOUS CRIMES    | Number | Cleared |
|-------------------|--------|---------|
| Homicide          | 0      |         |
| Rape (Attempted)  | 0      |         |
| Robbery           | 0      |         |
| Larceny           | 2      |         |
| Assault           | 3      | 3       |
| Burglary          | 4      | 1       |
| Vehicle Theft     | 0      |         |
|                   |        |         |
| TOTAL             | 9      |         |
| SECONDARY CRIMES  | 7      |         |
| Calls for Service | 211    |         |
| Reports Written   | 28     |         |

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|                    |    |
|--------------------|----|
|                    |    |
| Traffic Citations  | 15 |
| Other Citations    | 0  |
| Parking Citations  | 1  |
| Warnings           | 49 |
| ARRESTS            | 17 |
| AGENCY ASSISTS     | 9  |
| TRAFFIC COLLISIONS | 0  |

**City of Ferndale, Humboldt County, California USA**  
Minutes for Planning Commission Meeting of March 4, 2020

Call to Order —Chair von Frausing-Borch called the Planning Commission Meeting to order at 7:00 pm. Commissioners Paul Gregson, Jerry Rocha, Laura Olson, and Stuart Altschuler were present along with City Clerk Kristene Hall. Those in attendance pledged allegiance to the flag.

2.0 Ceremonial – None

3.0 Modifications to the Agenda – City Clerk Kristene Hall stated that item 6.1 was being pulled from the agenda.

4.0 Approval of Previous Minutes – **Motion:** To approve the minutes of the February 5, 2020 Regular Planning Commission Meeting. **(Gregson/Olson) Unanimous**

5.0 Public Comment- None

6.0 Public Hearing- None

7.0 Business

7.1 Recommend Appointment of Planning Commissioner to City Council - City Clerk Kristene Hall explained that Commissioner Gregson’s term had expired. Hall explained the process the city uses to advertise the position to the public. Hall stated that there was only one application received and it was from Paul Gregson who wished to continue as a Planning Commissioner. The Commissioners had no questions or comments. **MOTION:** to recommend to the City Council to appoint Paul Gregson to continue on the Planning Commission. **(Rocha/Olson) Unanimous**

7.2 Building and Land Use January 31, 2020 – February 27, 2020: There were no comments

8.0 Correspondence- No Comments

9.0 Commissioner Comments- Chair von Frausing-Borch stated at the next meeting he would like to elect a new chair/vice-chair.

10.0 Staff Comments- None

Meeting Adjourned at 7:26 pm

Respectfully Submitted

Kristene Hall  
City Clerk

**City of Ferndale, Humboldt County, California USA**  
Design Review Minutes for the 06/23/2020 Agenda - 8:30am meeting

Chair Jeff Farley opened the teleconference meeting at 8:38 a.m. Committee Members Marc Daniels, Ellin Beltz, and Jorgen von Frausing-Borch were present along with City Clerk Kristene Hall.

Modifications to the Agenda: None

Approval of Previous Minutes: Approval of the June 4, 2020 Meeting Minutes. **(Beltz/Daniels) Unanimous**

Public Comments: No Comment

362 Berding Street: Committee Members were presented with an application to install a small window on the front side of the residence. The applicant was present to answer questions. Committee Member Daniels stated his concerns on the window material being vinyl. Daniels suggested the applicant use fiberglass windows. Committee Member Beltz agreed with Daniels and asked the applicant to provide elevation drawings so the committee would know exactly where the window would be placed. Chair Farley agreed with Daniels and Beltz. The Committee asked the applicant to come back with those changes. There was no motion made.

845 Main Street: Committee Members were presented with an application to repaint the residence. Committee Members were all in favor of the new paint. **MOTION: to APPROVE** the Design Review Use Permit Application, subject to the conditions of approval listed in Attachment B, to repaint the residence using the approved colors as stated in the application. **(Beltz/Daniels) Unanimous**

665 Main Street: Committee Members were presented with an application to construct an Entry Gate, Fencing, Solar PV System, Dollhouse Placement & Utility Shed to create an Interpretive Garden. The applicants were present. Architect Julian Berg presented the proposed project to the Committee Members. Committee Member Daniels stated he was thrilled to see this project and was looking forward to seeing it finished. Committee Member Beltz agreed with Daniels. Beltz also added concerns on the path widths and the ability for self-propelled wheelchairs to maneuver on the pavestones. The applicants assured Beltz they would be ADA compliant in all aspects. Committee Member von Frausing-Borch stated it was a beautiful addition to Ferndale. Von Frausing-Borch added his concerns on the size of the entry gate. Chair Farley Stated it was a wonderful project. **MOTION: to APPROVE** the Design Review Use Permit Application, subject to the conditions of approval listed in Attachment B, to construct an Entry Gate, Fencing, Solar PV Systems, Dollhouse Placement & Utility Shed to create an Interpretive Garden as stated in the application. **(Daniels/Beltz) Unanimous**

Correspondence: None

Committee Member Comments: None

Meeting adjourned at 9:55 am

Respectfully submitted,

Kristene Hall  
City Clerk



Redwood Coast Energy Authority  
633 3<sup>rd</sup> Street, Eureka, CA 95501  
Phone: (707) 269-1700 Toll-Free (800) 931-7232 Fax: (707) 269-1777  
E-mail: [info@redwoodenergy.org](mailto:info@redwoodenergy.org) Web: [www.redwoodenergy.org](http://www.redwoodenergy.org)

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## **DRAFT BOARD OF DIRECTORS MEETING MINUTES**

**June 25, 2020 - Thursday, 3:30 p.m.**

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Notice of this meeting was posted on June 19, 2020. Chair Austin Allison called a regular meeting of the Board of Directors of the Redwood Coast Energy Authority to order on the above date at 3:30 p.m., stating that the teleconference meeting was being conducted pursuant to Brown Act waivers included in Governor Newsom's COVID-19 State of Emergency Executive Order [N-29-20](#) of March 17, 2020, and the Humboldt County Health Officer's March 30, 2020, [Shelter-in-Place Order](#). Chair Allison stated that the posted agenda contained public teleconference meeting participation instructions.

PRESENT: Chair Austin Allison, Stephen Avis, Chris Curran, Vice Chair Estelle Fennell, Dwight Miller, Michael Winkler, Dean Glaser, Frank Wilson, Sheri Woo. STAFF AND CONSULTANTS PRESENT: General Counsel Nancy Diamond, Power Resources Director Richard Engel, Power Resources Manager Jocelyn Gwynn, Demand-Side Projects Manager Mike Avcollie, Community Strategies Manager Nancy Stephenson, Executive Director Matthew Marshall, Board Clerk Lori Taketa.

### **REPORTS FROM MEMBER ENTITIES**

Director Miller reported that the Trinidad City Council unanimously passed a resolution supporting planning for a Greater Trinidad Electricity Microgrid, a more reliable water supply and alternatives to Trinidad's broadband; that he resigned from the Trinidad City Council and that Alternate Director David Grover and staff thanked Director Miller for his long service on the RCEA Board and wished him well.

### **ORAL COMMUNICATIONS**

Chair Allison invited public comment. Member of the public and Trinidad City Councilmember David Grover thanked Director Miller for his guidance and stated that he would do his best as a Director on the RCEA Board. Chair Allison closed the public comment period.

### **CONSENT CALENDAR**

- 3.1 Approve Minutes of May 28, 2020, Board Meeting.
- 3.2 Approve Disbursements Report.
- 3.3 Accept Financial Reports.
- 3.4 Accept Update on Sunhurst Energy Feed-in-Tariff Application Retractions and the Resulting Program Capacity Release for New Applications.

Director Woo requested that item 3.3 be pulled from the Consent Calendar. No member of the public requested that any Consent Calendar items be removed.

**M/S: Avis, Miller: Approve consent calendar items 3.1, 3.2 and 3.4.**

**The motion passed with a unanimous roll call vote. Ayes: Allison, Avis, Curran, Fennell, Glaser, Miller, Wilson, Winkler, Woo. Noes: None.**

## **REMOVED FROM CONSENT CALENDAR ITEMS**

Staff clarified that line 1101 on the balance sheet labeled “Other Current Assets – Allowance for Doubtful Accounts” was an amount set aside to cover uncollectible bill payments and that the annual amount was roughly doubled in the upcoming year’s budget in anticipation of COVID pandemic-related non-payment. Unpaid bill amounts have increased slightly since March.

Chair Allison invited public comment. No one came forward to speak. Chair Allison closed the public comment period.

**M/S: Woo, Avis: Accept Financial Reports, consent calendar item 3.3.**

**The motion passed with a unanimous roll call vote. Ayes: Allison, Avis, Curran, Fennell, Glaser, Miller, Wilson, Winkler, Woo. Noes: None.**

## **COMMUNITY CHOICE ENERGY (CCE) BUSINESS**

Chair Allison confirmed that a CCE quorum was present.

### **OLD CCE BUSINESS**

#### **5.1 Power Procurement Compliance Updates (Information only)**

Power Resources Manager Jocelyn Gwynn gave an overview of three compliance filings that the Community Choice Energy department is working to complete. Manager Gwynn explained and answered questions about the Integrated Resource Plan, which is filed every two years with the California Public Utilities Commission and which reports how RCEA’s CCE power procurement would help meet statewide higher and lower greenhouse gas (GHG) emission target scenarios in 2030. She explained the Renewable Portfolio Standards Procurement Plan, which outlines how RCEA would help to meet state and local procurement targets specifically for renewable power; and how the airport microgrid, the Sandrini Solar Project and the Board’s recently approved feed-in-tariff projects will be listed as new build contracts in this filing. Ms. Gwynn described how the annual Power Source Disclosure is used to develop a Power Content Label that is mailed annually to customers and which will report the power sources RCEA used to meet its customer load during the previous year.

Staff clarified that the reported future energy portfolios do not include DG Fairhaven’s energy output, that 2% of RCEA customers have opted-up to the CCE program’s REpower+ 100% renewable energy mix, and how the agency has focused on increasing the percentage of renewables in the entire portfolio. The directors requested additional outreach to increase the percentage of CCE customers opting up to 100% renewable energy. Staff further clarified that the battery storage numbers are lower in the lower GHG emission scenario because part of the out-of-area large battery storage capacity would be replaced with local, behind-the-meter customer and critical facility storage which is counted as demand-response and which would also contribute local energy resiliency during emergencies.



Chair Allison invited public comment.

To member of the public and alternate Trinidad Board member David Grover's inquiry on pumped, long-duration storage, staff explained that this type of energy storage usually involves multiple reservoirs where water is pumped to a higher reservoir during periods of surplus energy generation and released through a hydro-electric facility when energy is needed. This stored energy can be deployed seasonally, whereas battery storage is designed for short term storage and daily use. There are limited locations where these storage methods can be deployed.

Chair Allison closed public comment.

## 5.2 Distributed Energy Resource Request for Proposals Update

Power Resources Manager Jocelyn Gwynn and Demand-Side Projects Manager Mike Avcollie reported on the two pre-qualified developers who responded to the request for proposals for up to 5MW of behind-the-meter energy storage capacity which can help fulfill RCEA's state-mandated resource adequacy requirement, provide local energy resilience, reduce customer utility bills and decarbonize the grid by reducing the energy load during the evenings when more polluting resources are typically used to satisfy increased energy demand. Staff is evaluating and interviewing the two respondents: TRC, which focuses on providing mostly battery storage to larger, municipal and industrial commercial customers as well as for multi-family, affordable housing; and Swell Energy which focuses on providing no-cost solar and battery systems to lower-income and tribal residential customers. RCEA would control the batteries to offset customer load. In exchange the customer would own a low- or no-cost battery system to connect to their solar array to use as a back-up generator when the power is out.

The directors expressed interest in contracting with both companies with their different areas of focus and discussed how the impacts of battery manufacturing are preferable to the use of combustion generators during a power outage. Staff explained that battery decommissioning responsibility will be addressed during contract negotiations and that retraction of state SGIP funding is unlikely despite the current economic downturn. Staff also reported that battery storage would be considered in the next feed-in-tariff requests for proposals for local renewable energy providers.

Chair Allison invited public comment. No one came forward to speak. Chair Allison closed public comment.

**M/S: Fennell, Avis: Approve the behind-the-meter distributed resource adequacy request for proposals shortlist of TRC and Swell Energy, with final selection pending further deliberation by the review team.**

**The motion passed with a unanimous roll call vote. Ayes: Allison, Avis, Curran, Fennell, Glaser, Miller, Wilson, Winkler. Noes: None. Non-voting: Woo.**

### 5.3 Biomass Procurement Update and Response to Unsolicited Proposal from Redwood Coast Power

Executive Director Marshall reported that while the DG Fairhaven biomass plant remains idle, the company's contract with RCEA is in effect through 2020. The plant's potential output is not included in RCEA's long-term local resource planning and RCEA expects to procure power from other sources by 2030. While the biomass plant is aging, its interconnection capacity with the electrical grid is valuable and the facility has many possible future uses. The plant's owners are negotiating with prospective buyers. Redwood Coast Power's biomass plant is on leased land and the Blue Lake City Council did not extend the lease beyond 2025.

A director requested future consideration of biochar production, which was included in Redwood Coast Power's unsolicited proposal, while another director stated that biochar production was beyond RCEA's scope of electricity purchase and sale. A request was made for more information on potential development opportunities for aging biomass plants.

Chair Allison invited public comment. No one came forward to speak. Chair Allison closed public comment.

**M/S: Allison, Fennell: Direct the Executive Director to respond to David O'Neill's April 11, 2020, letter and to inform Mr. O'Neill that RCEA's Community Choice Energy program has no current plans to acquire additional biomass electricity and that the power purchase agreement between DG Fairhaven and RCEA remains in effect.**

**The motion passed with a unanimous roll call vote. Ayes: Allison, Avis, Curran, Fennell, Glaser, Miller, Wilson, Winkler. Noes: None. Non-voting: Woo.**

## NEW CCE BUSINESS

### 6.1 Hydropower, Bioenergy, and Climate Consulting Request for Proposals

Power Resources Director Engel reported on three target areas of the Repower Humboldt 2019 strategic energy plan update to be addressed by a consulting request for proposals: hydropower, bioenergy and climate action planning. Local, low-impact hydropower opportunities have been identified that could complement solar and wind energy availability and additional consulting assistance is needed to address several biomass-related goals. Forest management and land use climate change expertise is also needed to assist in the current multi-jurisdiction climate action plan development.

Chair Allison invited public comment. No one came forward to speak. Chair Allison closed public comment.

**M/S: Miller, Woo: Authorize staff to develop and issue a request for proposals for consulting services on implementation of strategic plan measures, focusing on local hydropower, bioenergy, and climate action planning.**

**The motion passed with a unanimous roll call vote. Ayes: Allison, Avis, Curran, Fennell, Glaser, Miller, Wilson, Winkler. Noes: None. Non-voting: Woo.**

## END OF COMMUNITY CHOICE ENERGY (CCE) BUSINESS

### OLD BUSINESS

#### 7.1 Airport Microgrid Project Fence Installation and Tree Removal Bid Awards

Executive Director Marshall reported that while the Board approved working with the County to do a request for proposals (RFP) for airport microgrid project tree removal and fence building, early work that is needed to move the microgrid project forward, changing conditions have made it more expedient for RCEA to do the RFP as originally planned. The low bid for tree removal was below the estimated cost and local companies submitted both low bids.

Chair Allison invited public comment. No one came forward to speak. Chair Allison closed public comment.

#### **M/S: Fennell, Miller:**

**Award bid for Airport Microgrid Project fence installation to CR Fence Company Inc. dba Humboldt Fence Company in the amount of \$94,500.00 and issue a Notice to Proceed pending final FAA approval; and authorize the Executive Director to execute all applicable documents.**

**Award bid for Airport Microgrid Project tree removal work to Ford Logging dba Pacific Earthscape in the amount of \$76,427.00 and issue a Notice to Proceed pending final FAA approval; and authorize the Executive Director to execute all applicable documents.**

**The motion passed with a unanimous roll call vote. Ayes: Allison, Avis, Curran, Fennell, Glaser, Miller, Wilson, Winkler, Woo. Noes: None.**

#### 7.2 RCEA Fiscal Year 2020-2021 Budget Discussion and Possible Adoption

Executive Director Marshall reported that the Board Finance Subcommittee met to review the budget in detail and described COVID impacts to electricity sales and wholesale power costs, airport microgrid project delays, and increased focus on deploying solar, storage and a larger range of projects that can be done on the customer-side of the meter. Mr. Marshall reviewed expenses by program and key projects, and the new CPUC and PG&E contracts to administer energy efficiency program funding and provide energy technical assistance to local government partners. Mr. Marshall stated that conservative assumptions were made in budget planning due to unknown impacts of COVID and potential regulatory changes. He reminded the directors that power procurement targets and the budget can be adjusted at the end of the year if needed. Costs associated with the purchase and renovation of an office building were not included in the budget and staff proposed working with the Board Finance Subcommittee to investigate possible next steps.

The directors discussed the continuing moderate reserve fund growth rate despite volatile conditions and the potential impact of new building expenses on agency cash flow. Executive Director Marshall reported that the CCE launch period loan from The Energy Authority will be repaid by June 2021.

Chair Allison invited public comment. No one came forward to speak. Chair Allison closed public comment.

**M/S: Woo, Fennell: Adopt RCEA FY 2020-2021 budget.**

**The motion passed with a unanimous roll call vote. Ayes: Allison, Avis, Curran, Fennell, Glaser, Miller, Wilson, Winkler, Woo. Noes: None.**

## **NEW BUSINESS**

### **8.1 Resolution on Racial Justice**

Executive Director Marshall presented a staff-proposed resolution supporting racial equity and suggesting actions RCEA can take to promote racial justice within the agency and in the community. The directors acknowledged the racism at the root of the current national protests and discussed what actions the agency might consider taking beyond non-biased hiring practices currently required by law. Director Glaser expressed disappointment in the proposal, refuted the existence of environmental racism in Humboldt County and stated that the resolution goes against the agency's mandate to remain neutral. Director Woo expressed interest in assisting staff on the agency's racial justice action plan.

Member of the public and alternate Board member David Grover expressed support of the resolution as an acknowledgement of wrongs currently existing in society.

Demand-Side Project Manager Derek Hilson, speaking as a member of the public, stated his support for the resolution and read action guidelines for allies of people experiencing racism.

**M/S: Miller, Avis: Adopt Resolution 2020-3 Adopting a Commitment to Racial Justice.**

**The motion passed with the following roll call vote. Ayes: Allison, Avis, Curran, Fennell, Miller, Wilson, Winkler, Woo. Noes: None. Abstain: Glaser.**

## **STAFF REPORTS**

### **9.1 Update by Executive Director Matthew Marshall on Public Safety Power Shutoff developments, the County energy resiliency bond measure and other agency news.**

Executive Director Marshall reported that PG&E determined which areas around Humboldt Bay could remain energized during public safety power shutoff events when there is no fire risk in Humboldt County. Maps of the areas PG&E will power with temporary diesel generators around Willow Creek and Hoopa were presented. Mr. Marshall described the opportunity to replace the temporary diesel generators with renewable resources which could be used under normal conditions as well as during PSPS events.

Director Glaser left 6:27 p.m.

The directors thanked PG&E and County Supervisor Bohn for working cooperatively to make progress toward avoiding another disruptive economic event.

Chair Allison invited public comment. No one came forward to speak. Chair Allison closed public comment.

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## **FUTURE AGENDA ITEMS**

Director Woo requested discussion on establishing an ad hoc subcommittee to assist staff with a racial equity action plan.

Executive Director Marshall acknowledged Director Miller for his long service on the Board, stating that his contributions have been larger in scale than the percentage of the County he represented.

Chair Allison adjourned the meeting at 6:38 p.m.

Lori Taketa  
Clerk of the Board

DRAFT

**Section 17**

**ADJOURN**