

Gridley City Council – Regular Meeting Agenda

Monday, December 20, 2021; 6:00 pm
Gridley City Hall, 685 Kentucky Street, Gridley, CA 95948

“Our purpose is to continuously enhance our community’s vitality and overall quality of life. We are committed to providing high quality, cost-effective municipal services and forming productive partnerships with our residents and regional organizations. We collectively develop, share, and are guided by a clear vision, values, and meaningful objectives.”

The Public is encouraged to attend and participate in person. Comments from the public on agenda items will be accepted until 4 pm on December 20, 2021, via email to jmolinari@gridley.ca.us or via the payment/document drop box at Gridley City Hall and will be conveyed to the Council for consideration.

You may view using the following link, ID, and passcode:

<https://us06web.zoom.us/j/85301891161?pwd=MTFxbHdkbUM4TjNzbVJSWVcxemZSQ09>

Webinar ID: 853 0189 1161

Passcode: 159135

OR

Call-in using one of the following numbers, and the above ID and passcode:

1-(253) 215-8782

1-(720) 707-2699

To make a public comment during the Community Participation Forum or during the public portion of any agenda item, use the ‘raise hand’ feature and you will be called on when it’s your turn to speak.

CALL TO ORDER - Mayor Johnson

ROLL CALL

PLEDGE OF ALLEGIANCE – Council Member Calderon

INVOCATION - None

PROCLAMATION – None

INTRODUCTION OF NEW OR PROMOTED EMPLOYEES - None

COMMUNITY PARTICIPATION FORUM - *Members of the public may address the City Council on matters not listed on the agenda. The City Council may not discuss nor take action on any community participation item brought forward by a member of the community. Comments are requested to be limited to three (3) minutes.*

CONSENT AGENDA – None

ITEMS FOR COUNCIL CONSIDERATION

1. Informational Report: Industrial Park Tentative Subdivision Map 4-21; City of Gridley; A Tentative Subdivision Map to subdivide an existing partially developed 70-acres into eight parcels zoned Heavy Industrial (M-2) and a General Plan Land Use Designation of Industrial. The property is in the City of Gridley Industrial Park. (APN 021-240-027 and 021-240-042)
2. California Justice Information System Compliant Radio System Quote for Police Department
3. Extension of Audit Services
4. Eide Bailly Accounting Services Support
5. Wildfire Plan Review Services
6. Proposed Changes and Extension of Waste Management Contract for Collection of Solid Waste, Recyclables, Green Waste and Transfer Station Operation Services

CITY STAFF AND COUNCIL COMMITTEE REPORTS - *Brief updates from City staff and brief reports on conferences, seminars, and meetings attended by the Mayor and City Council members, if any.*

POTENTIAL FUTURE CITY COUNCIL ITEMS - *(Appearing on the Agenda within 30-90 days):*

| | |
|--|-----------|
| Award Contract for Municipal Services Review | 1/18/2022 |
| Mid-Year Budget Review | 1/18/2022 |
| Presentation of RRT Park Grants | 1/18/2022 |
| Caltrans SR 99 Presentation | 1/18/2022 |
| City Engineering contract renewal/extension | 1/18/2022 |
| Audit Financials | 1/18/2022 |
| Edler Estates | 3/21/2022 |

CLOSED SESSION

7. Government Code 54957 - Public Employee Performance Evaluation: City Administrator

ADJOURNMENT – adjourning to a Regular meeting on January 18, 2022.

NOTE 1: POSTING OF AGENDA- This agenda was posted on the public bulletin board at City Hall at or before 6:00 p.m., December 17, 2021. This agenda along with all attachments is available for public viewing online at www.gridley.ca.us and at the Administration Counter in City Hall, 685 Kentucky Street, Gridley, CA.

NOTE 2: REGARDING UNSCHEDULED MATTERS – In accordance with state law, it shall be the policy of this Council that no action shall be taken on any item presented during the public forum or on unscheduled matters unless the Council, by majority vote, determines that an emergency situation exists, or, unless the Council by a two-thirds vote finds that the need to take action arose subsequent to the posting of this agenda.

City Council Agenda Item #1
Staff Report

Date: December 20, 2021

To: Mayor and Councilmembers

From: Donna Decker, Planning Department

Subject: Informational Report: Industrial Park Tentative Subdivision Map 4-21; City of Gridley; A Tentative Subdivision Map to subdivide an existing partially developed 70-acres into eight parcels zoned Heavy Industrial (M-2) and a General Plan Land Use Designation of Industrial. The property is in the City of Gridley Industrial Park. (APN 021-240-027 and 021-240-042)

| | |
|----------|-----------|
| X | Regular |
| | Special |
| | Closed |
| | Emergency |

Recommendation

This is an informational report to the Council for review on the status of the divestment of capital assets, the lands within the Industrial Park, in accordance with the Long Range Property Management Plan approved by the State of California, Department of Finance on December 29, 2015. This proposal will return to the City Council at a future date.

Summary

The Industrial Park was part of the lands within the city of Gridley Redevelopment Agency. As a result of the State of California terminating these agencies, the city entered into a Long-Range Property Management Plan (Plan) with the Department of Finance to divest its real capital assets. The Plan identifies existing Agency real property assets and sets forth a strategy for the appropriate retention and disposition of such assets in accordance with the provisions of AB 1484. The state granted approximately half of the acreage to remain as city property for the development of municipal uses; the remainder is required to be sold.

Site Description

The subject site is approximately 70 acres comprising most of the Industrial Park. It has recently had FEMA Emergency Housing which contract is now terminated providing an opportunity to sell the property identified for divestment.

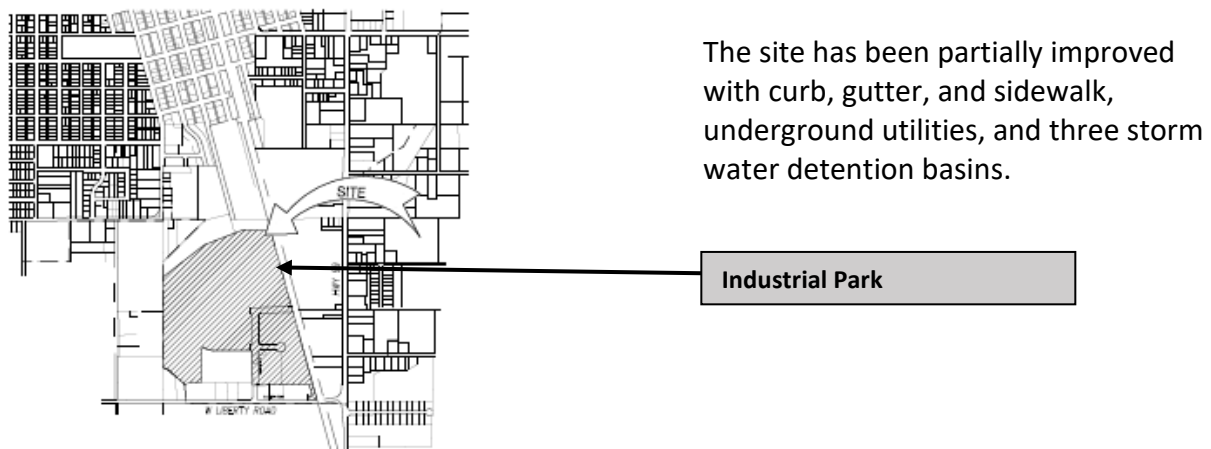


Figure 1: Site Location

Discussion

Proposed project

In an effort to divest the real property assets, staff has proceeded to develop a tentative subdivision map to sell the parcels implementing the Long-Range Property Management Plan. The sale of the property will complete the obligation the city has to its taxing entities. Upon the sale of property, the proceeds will be forwarded to the County who will distribute funds to reimburse the taxing entities.

General Plan and Zoning

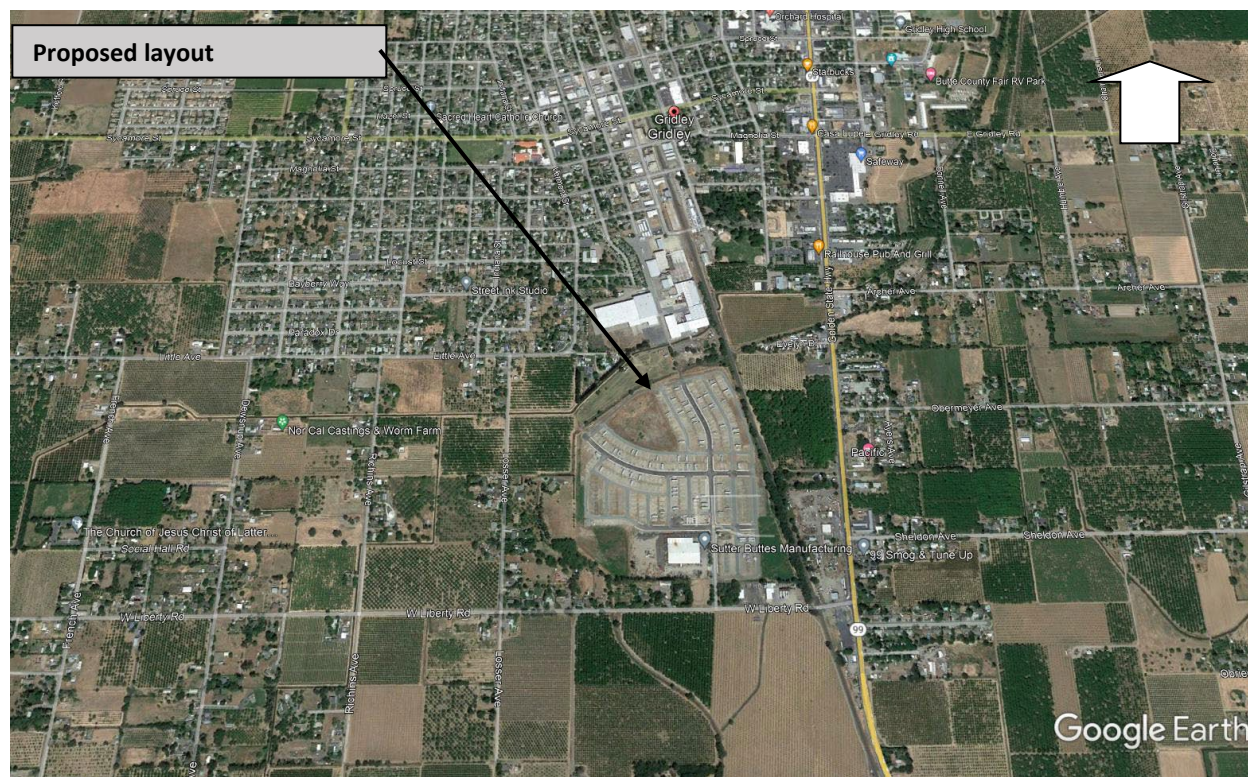


Figure 2: Existing conditions

The subject site is zoned Heavy Industrial (M-2) District. The General Plan land use designation is Industrial. The land use designations remain unchanged from the time they were established during the acquisition of the Industrial Park area. Historically and prior to the Industrial Park being annexed into the city, the County had designated the area as industrial in the 1960's and again memorialized in 1976. The city prepared an EIR for industrial zoning in 1979; the property was pre-zoned as industrial in 1984. The 1984 General Plan and the Sphere of Influence study also acknowledged the area's use as Industrial. The city developed the "Gridley Area Industrial Area Specific Plan" in January 1992 prepared by Planning Concepts. The Specific Plan identified the standards development would implement.

The state desires to have redevelopment lands be sold to uses that complement the intended industrial use. The city will ensure through the sale process to adhere to the intent as is practicable. It is not intended as a sale for speculation or to hold to a future date.

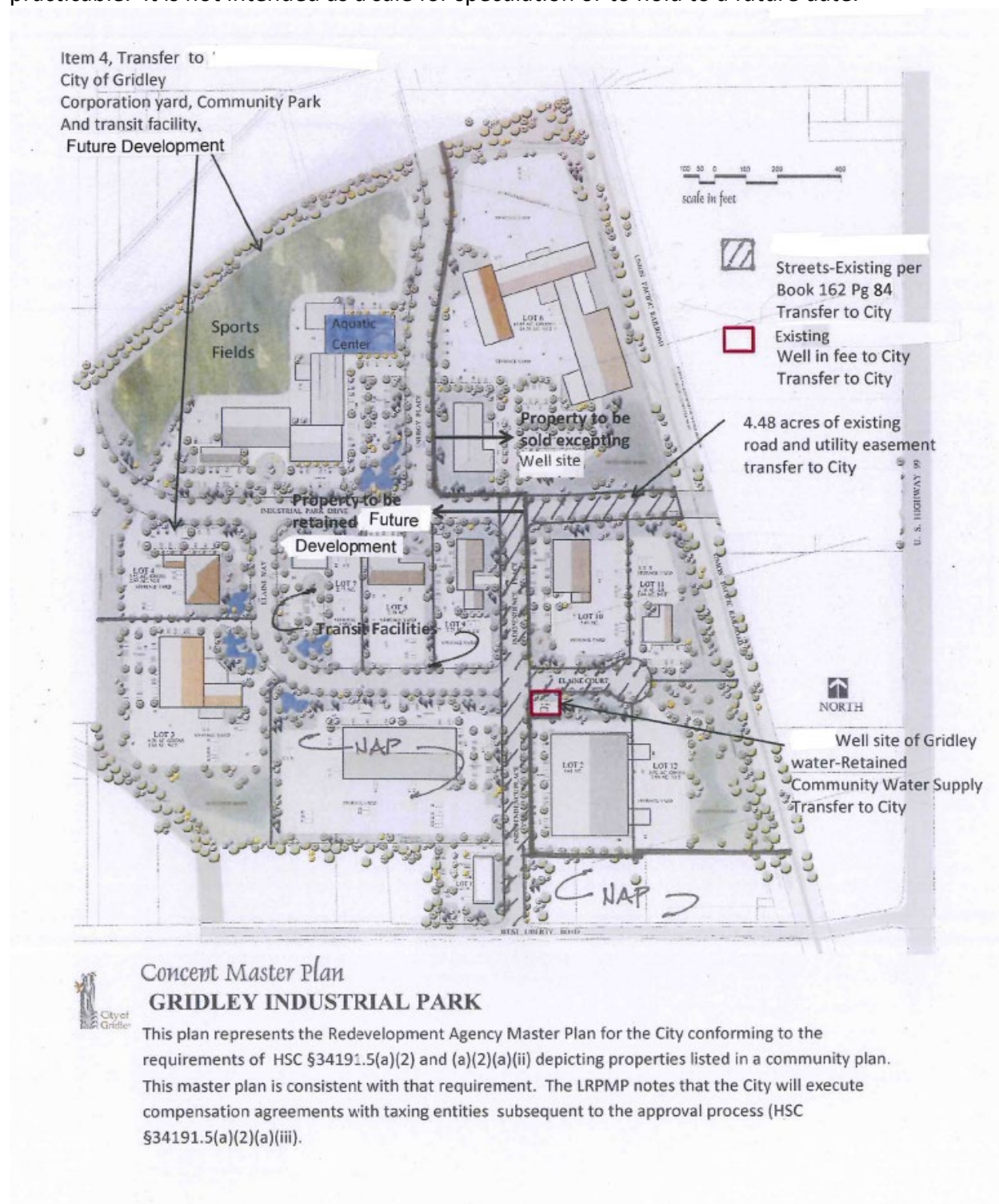


Figure 3: Long Range Property Management Plan
(Adopted by the Department of Finance, 12/29/2015)

The Gridley Industrial Park Master Plan identified the location of the Sports Complex which included amenities for the city as: an aquatic center, sports fields, pedestrian walkways, parking, and indoor sports buildings.

During the development of the Long Range Property Management Plan, the city requested the State to consider the opportunity to hold approximately 37 acres of the original Industrial Park under the Redevelopment Plan for government use to include:

1. Sports Complex
2. Transit Facility
3. Corporation Yard

This was approved and the city is moving forward with grant applications to construct soccer fields, a concession, and seating. This is the first phase of the Sports Complex development.

Tentative Map

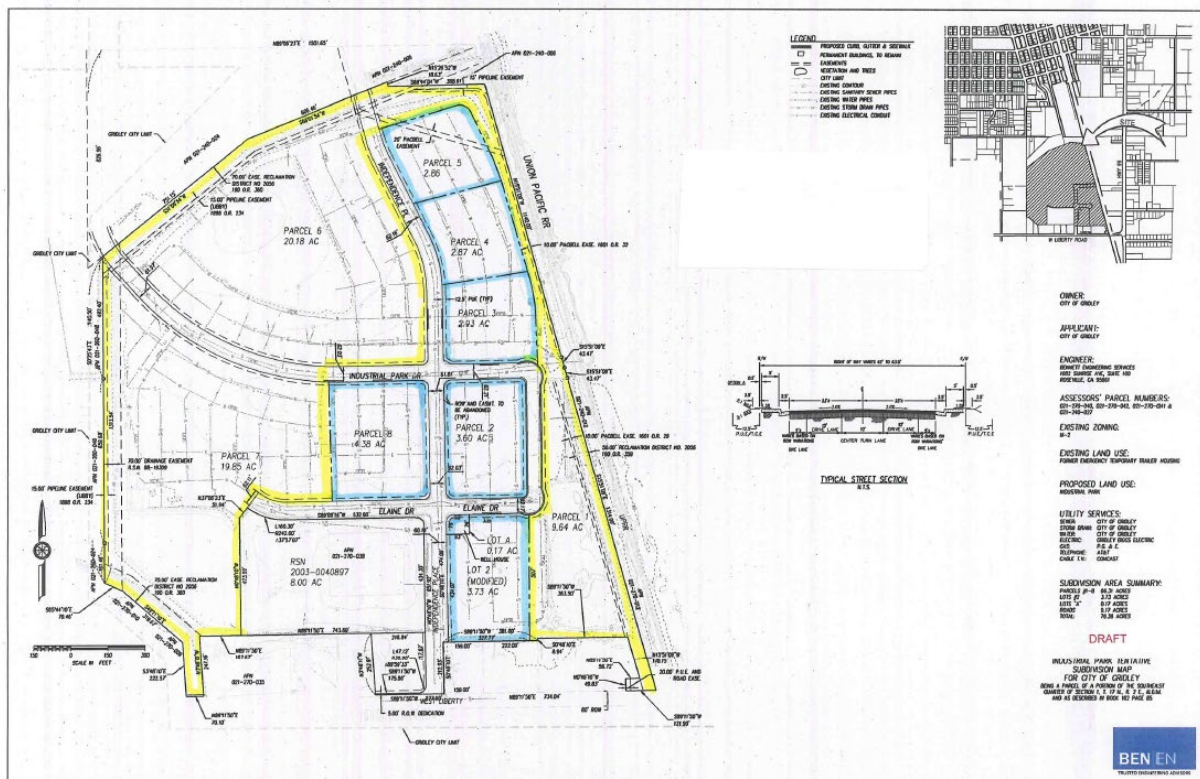


Figure 2: Proposed Tentative Map

The proposed Tentative Subdivision Map has segregated lands to be held by the city as shown in Figure 2 outlined in yellow. The six parcels outlined in blue represent the parcels that will be sold.

Planning Commission

On December 15, 2021, the proposed Tentative Subdivision Map was reviewed by the Planning Commission. No action was taken; the item was left open and continued to its January 2022 public hearing.

Staff has encountered several projects where people who are to be notified within 300 feet of the property boundary are not receiving notices. The public notice procedure for certain land use decisions is:

1. Publish in a local newspaper 10 days in advance of the public hearing.
2. Post the public notice at the city board.
3. Mail public notices to properties within 300 feet of the project boundary.

Mailed notices are mailed 10 days in advance of the public meeting; however, there appears to be a significant delay in receipt, or these notices are not being received at all. Although staff is conducting the noticing procedure in accordance with the government code requirements, we will implement a strategy to mail notices out 25 days in advance to allow additional time for delivery when this procedure is required.

The Planning Commission received public comment from RD 2056, RD 833, Mr. Gordon Jones, and Mr. Patrick Coghlan. The comments from the Reclamation Districts were by email related to not receiving notice and wished for time to review the map to provide feedback to the city.

Mr. Jones was concerned about the zoning and when it was zoned Industrial. He also expressed concerns related to traffic impacts at the intersection of West Liberty and Hwy 99.

Mr. Coghlan had comments supporting the sports complex soccer fields.

Public Notice

A notice was posted in the posted at City Hall, made available at the Administration public counter, and placed on the city website for review. No notices have been mailed out because this is an information item only to City Council at this time.

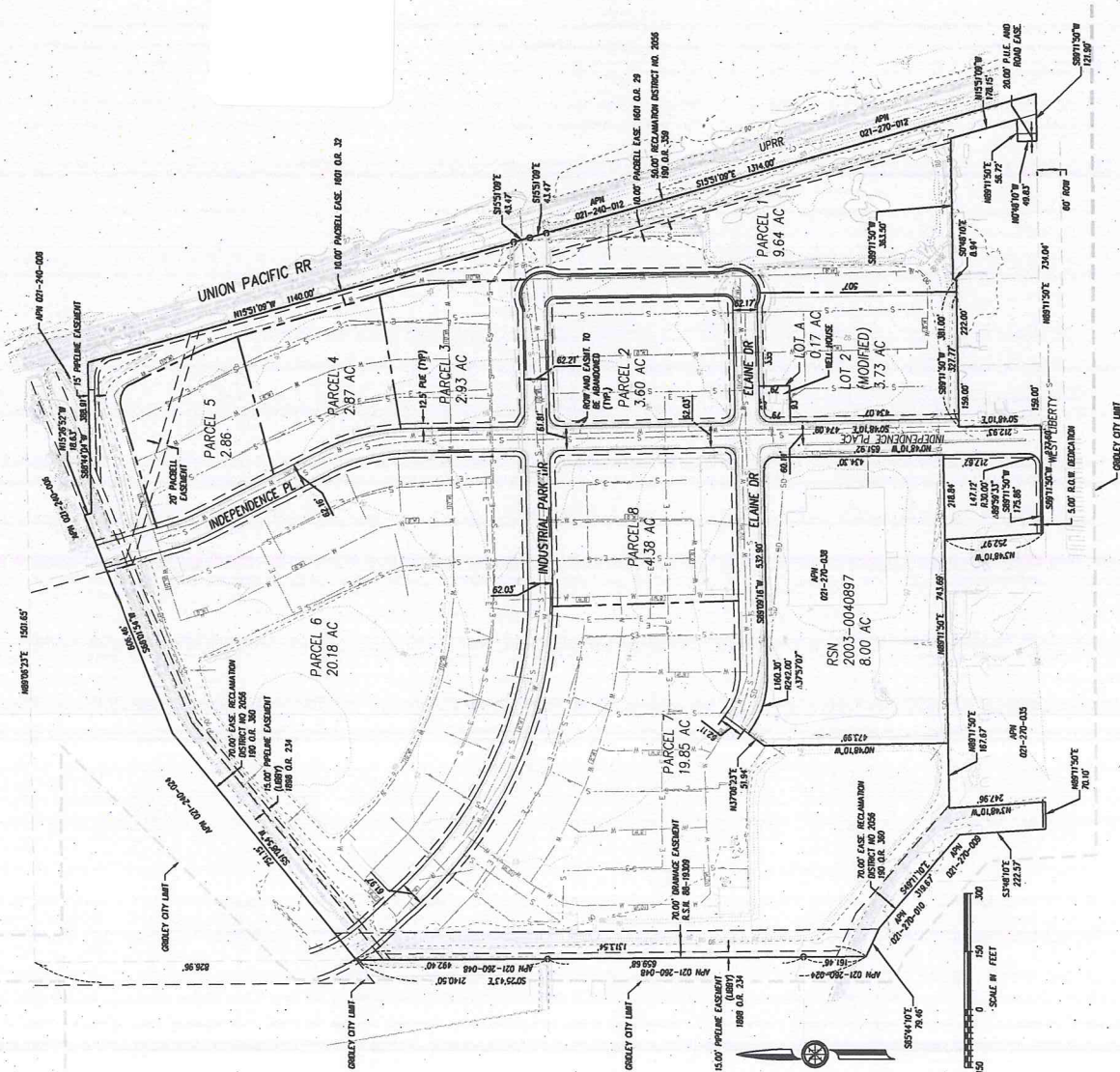
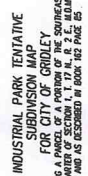
Environmental Review

No environmental review is required at this time.

Attachments

Exhibit A- Tentative Subdivision Map

Exhibit B- Long Range Property Management Plan



LONG RANGE PROPERTY MANAGEMENT PLAN



PREPARED BY:
City of Gridley Successor Agency

October 20, 2015

TABLE OF CONTENTS

I. Background.....2

II. Real Property Asset Inventory.....2

III. Proposed Disposition of Capital Assets.....4

IV. Approach and Process for Disposition of Capital Assets.....6

V. Retention of Lands for Future Development7

Appendix 1- Inventory Data.....9

Appendix 2 - Assessor’s Parcel Information.....11

Appendix 3 – Master Plan.....13

I. BACKGROUND

Pursuant to Health and Safety Code Sections 34177(c) and 34181(a) a successor agency is required to dispose of all assets and properties of a former redevelopment agency that was funded by tax increment revenues of the subject dissolved redevelopment agency. This document is intended to address Section 34191.4(a) and 34191.5(a) of Assembly Bill 1484 (AB 1484) and related requirements for preparation of a Long Range Property Management Plan (“Plan”) related to the real property assets of the former Redevelopment Agency (RDA) of the City of Gridley (“Former Agency”), which have been transferred to the City of Gridley Successor Agency (“Agency”). The Plan identifies existing Agency real property assets (e.g. land, buildings, etc.) and sets forth a strategy for the appropriate retention and disposition of such assets in accordance with the provisions of AB 1484, including recommended actions to be undertaken by the Gridley Redevelopment Agency Oversight Committee (OC) to position the subject assets for disposition.

II. REAL PROPERTY ASSET INVENTORY OF THE FORMER CITY OF GRIDLEY REDEVELOPMENT AGENCY

The real property asset inventory describes the property that was transferred from the Former Agency to the Successor Agency. The inventory is organized to provide the Plan information as listed in the Health and Safety Code Section 34191.5(C)(1). The Plan defines the proposed retention and disposition of its capital assets (land). Table 1 below provides a list of the properties that were held by the Former Agency:

Table 1: Capital Assets

| Parcel | APN | Tentative Map Lot Nos. | Existing Use | Date of Purchase | Acreage |
|---------------|----------------------------|---------------------------------------|--------------|--|----------------------|
| A | 021-270-041 | Lot A | Well Site | March, 2002 approved by Resolution 2002-RDA-04 (\$631,000) Purchased 12/1/2004 | 0.16 |
| 1 | 021-270-040 | Lot 2 ⁽¹⁾ | Vacant | | 3.61 |
| 2 (Remainder) | 021-270-042 021-240-027 | Lots 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, | Vacant | | 71.12 |
| Streets | N/A | | N/A | | 4.48 |
| Total | | | | | 79.37 ⁽²⁾ |
| Total Value | | | | | \$1,302,116 |

⁽¹⁾ Lot 1 is not listed. This parcel was originally a part of the property acquired by the City of Gridley Redevelopment Agency and simultaneous to the acquisition, excepted from the Industrial Park at the time of the creation and is owned by others.

⁽²⁾ The acreage was calculated by Rolls, Anderson, Rolls, Civil Engineers at the time the parcel map was filed in Book 162 Page 86.

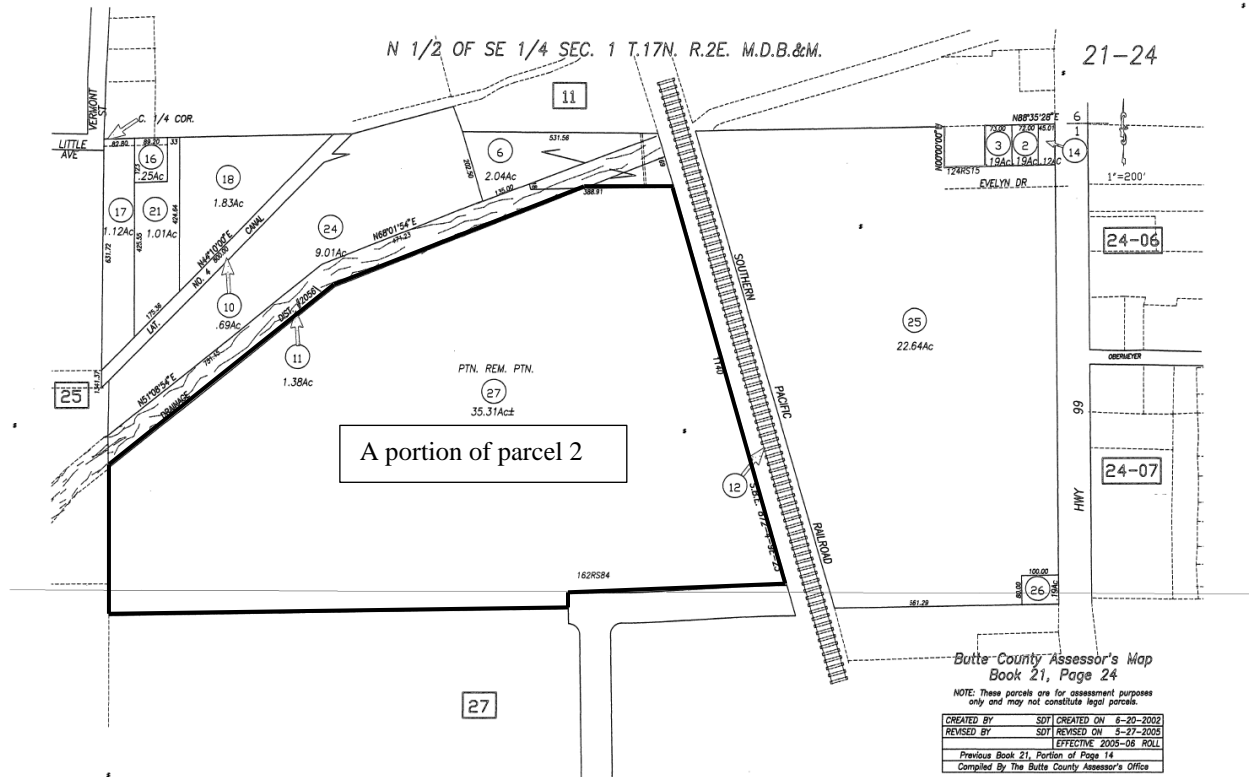


Figure 1: Assessor's Parcel Map Information (Book 21, Page 24)

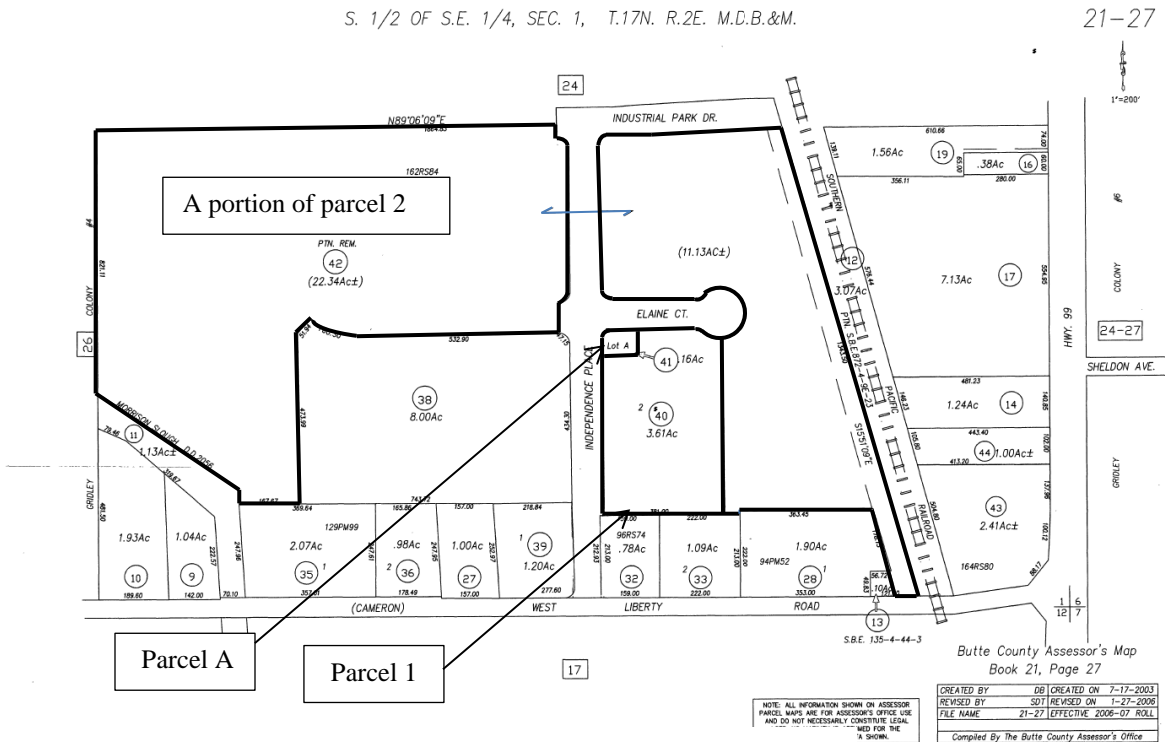


Figure 2: Assessors Parcel Map Information (Book 21, Page 27)

The disposition of the property transferred from the Former Agency to the Successor Agency is proposed within this Long Range Property Management Plan. The property can be designated by the following categories:

1. Retention for government use;
2. Retention for future use;
3. Sale of the property; or,
4. Use of the property to fulfill an enforceable obligation.

The original intent of the property purchase was to create an industrial park; the location is strategically sited to strengthen industrial opportunities and job expansion in the city. The property has a General Plan Land use designation of Industrial and is zoned as M-2, Heavy Industrial. The property is located at the southern city boundary as shown in Figure 3:

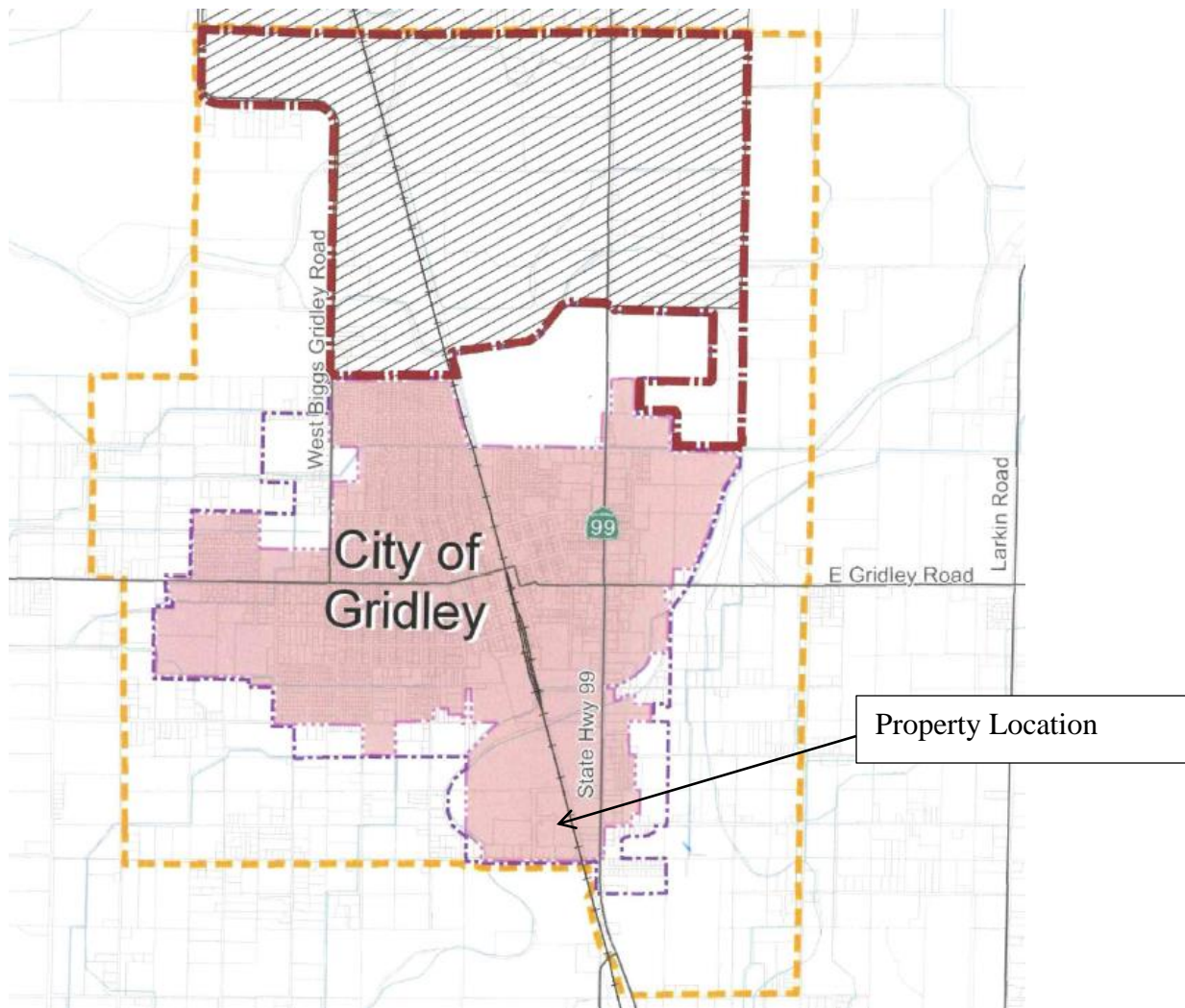


Figure 3: Location Map-Industrial Park

III. PROPOSED DISPOSITION OF CAPITAL ASSETS

Parcel A:

Parcel A (Figure 2) is a 0.16 acre parcel that has been developed with a city well providing water to the area. It is located at the southeast corner of the intersection of Independence Place and Elaine Court. A parcel map was filed and recorded in Book 162 Page 86 creating three parcels; Lot A, Parcel 1 and a remainder as Parcel 2.

The property was a part of the total acreage purchased in 2004 by the Former Agency. The current value of the well site is unknown. There are no revenues generated by the well site other than the provision of water to businesses of which there are currently none. The industrial park site has not been developed to date and there are no known environmental issues that exist on the site therefore no investigation has been conducted.

The parcel is utilized to its maximum best use and no further development could be done on the parcel. This parcel will be retained for government use.

Parcel 1:

Parcel 1 (Figure 2) is a 3.61 acre parcel located at the southeast corner of the intersection of Independence Place and Elaine Court. A parcel map was filed and recorded in Book 162 Page 86 creating three parcels; Lot A, Parcel 1 and a remainder as Parcel 2.

The property was a part of the total acreage purchased in 2004 by the Former Agency. The current value of the parcel is unknown. There are no revenues generated by the parcel. The industrial park site has not been developed to date and there are no known environmental issues that exist on the site therefore no investigation has been conducted.

The parcel was created to spur the development of the Industrial Park. No interest for the purchase and development of the parcel has been received by the Former Agency. However, this parcel is a candidate for sale. It is located where street improvements and infrastructure has been constructed and is close to Highway 99 access as well as rail access. Parcel 1 would be sold.

Parcel 2:

Parcel 2 (Figures 1 & 2) is a 71.12 acre parcel which comprises the remainder of the Industrial Park land. A parcel map was filed and recorded in Book 162 Page 86 creating three parcels; Lot A, Parcel 1 and a remainder as Parcel 2.

The property was a part of the total acreage purchased in 2004 by the Former Agency. The current value of the parcel is unknown. There are no revenues generated by the parcel. The industrial park site has not been developed to date and there are no known environmental issues that exist on the site therefore no investigation has been conducted.

No interest for the purchase and development of the parcel has been received by the Former Agency to date. The disposition of the remainder proposes to file a parcel map that will create right-of-way to the northerly Park boundary. Approximately one half of Parcel 2 will be reserved for sale (Parcel 2A) with the remainder held for future development (Parcel 2B). Figure 4 below represents a Tentative Map that was initially prepared for the Park development that would be used to file a Parcel Map excepting the property to be retained for future development.

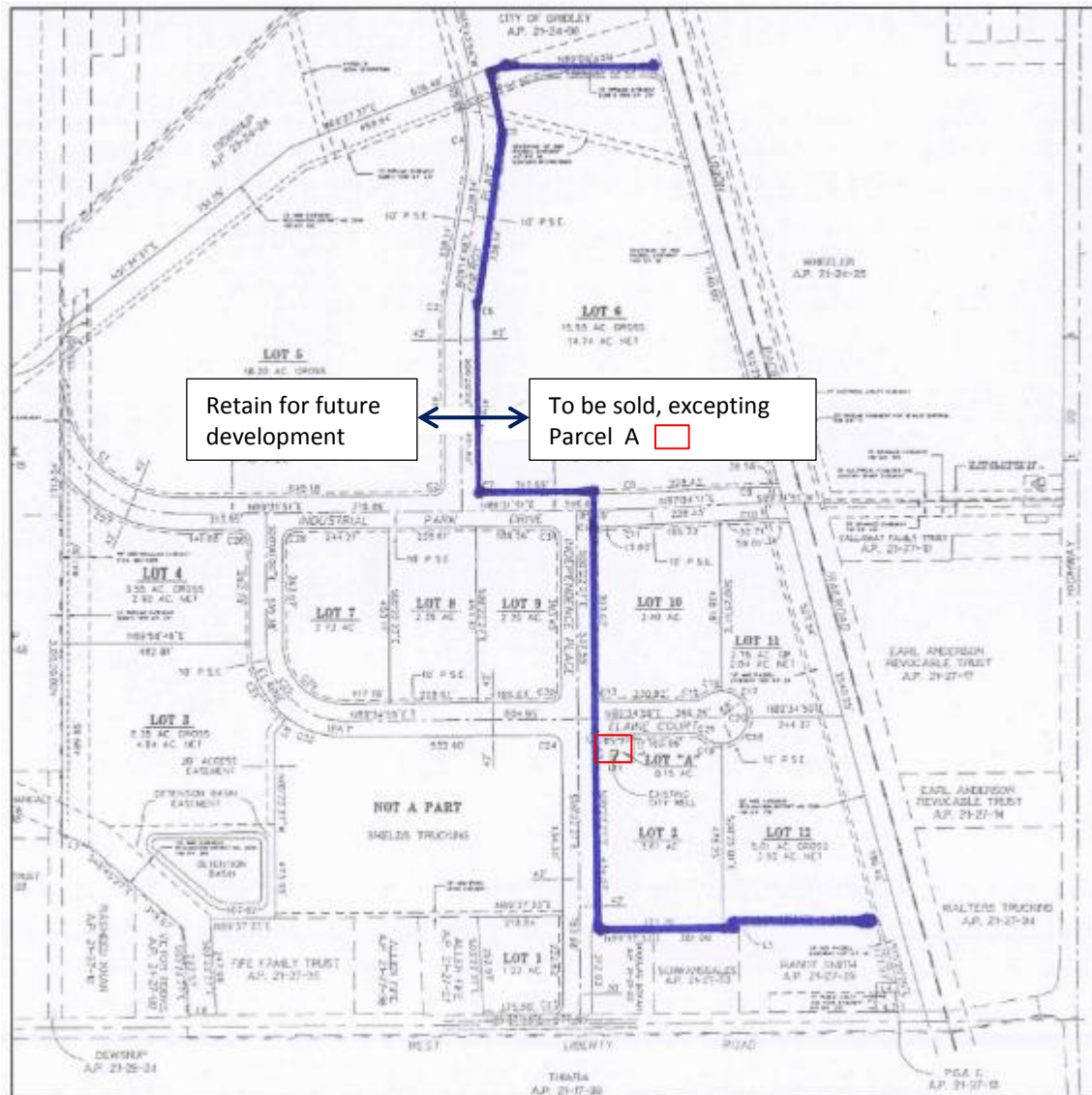


Figure 4: Proposed Disposition of Industrial Park Properties

IV. APPROACH AND PROCESS FOR DISPOSITION OF CAPITAL ASSETS

The capital assets depicted in Figure 4 are planned to be disposed of by offering Parcel 1 (3.61 acres) and a portion of Parcel 2 (33.62 acres-Parcel 2A) offered for sale. The remainder shown on Figure 4 to the left of the blue line consists of approximately 37.5 acres (Parcel 2B) retained for future development and road right-of-ways that will be created by filing a parcel map. The parcels that are offered for sale will be through a Request for Proposals and Offer (RFPO) process and/or market value sale. The proposed pre-development activities could position the property for acquisition and development as well as maximizing the potential proceeds generated from the sale of the property.

A. Predevelopment Activities

There are a number of predevelopment activities that the Successor Agency may undertake to appropriately position the capital assets for disposition:

1. Prepare and file a Parcel Map;
2. Prepare preliminary title report(s);
3. Prepare appraisals to determine fair market value;

Conducting predevelopment activities would be contingent on whether funding is available and consideration of the costs being allowed as a “Disposition Cost” by the State Department of Finance as an enforceable obligation under the ROPS.

B. Request for Proposals and Offers (RFPO) Proposal

The preparation of an RFPO would create a process for the selection of a private developer to acquire and develop the properties:

- Parcel 1 (3.61 acres) - this property is ready to be developed.
- Parcel 2 (33.62 acres (Parcel 2A)) - this property would have a parcel map prepared and recorded to create lots. It is estimated that approximately 10 lots could be created.

All properties would be developed with projects consistent with the General Plan and related zoning. The intent of this process is to select the most qualified development partner for the Agency related to the disposition and development of the property that would result in the highest and most certain economic value and return. The RFPO process would allow prospective respondents to submit a master proposal for a) all of the property, or b) individual parcels.

Subsequent to the selection of a developer, the Agency would work to negotiate the terms and conditions for the sale agreement between the Agency and the developer. The agreement would be subject to the review and approval of the Oversight Committee.

C. Marketing and Outreach

The focus of the marketing efforts would begin at the local and regional level to companies that have qualifications, experience, and successful track records in the development and operation of high-quality industrial development.

Other opportunities would be to advertise the parcels at fair market value to interested parties. All sales are subject to review and approval of the Oversight Committee.

V. RETENTION OF LANDS FOR FUTURE DEVELOPMENT

The retention of approximately 37.5 acres (Parcel 2B) is desired for future development to provide a location for a Corporation Yard and Community Park and Transit Facility. All three uses are compatible and consistent with the General Plan, Zoning, and the needs of the community.

The City currently operates approximately three different locations to house maintenance equipment. A site is needed to centralize the Public Works, Electrical, and Recreation equipment. No other properties within the city are available for purchase, nor is the city in a position to purchase due to budget shortfalls. The City of Gridley is expected to grow increasing its area and its population (139% increase to 19,500) resulting in the need for more staffing and equipment. The current facilities are inadequate and the opportunity to centralize the service Departments is necessary.

As population increases, so will the need for transportation sharing models be required. The City participates in the B-Line transit anticipating a likely scenario of a greater need for transit and bus lines to Chico and Sacramento. The area retained for future development would provide adequate area to do so.

The City of Gridley is considered a Disadvantaged Community. As it continues to grow there is a real need to create more open space/community park area for play. The park could have multiple fields developed for organized sports. The city of Gridley is currently underserved with respect to its population and acreage of open space. Utilizing a portion of the area retained would provide a much needed center.

All of the uses planned for the lands to be retained for future development are consistent with the General Plan and Zoning designations. For the property that would be transferred to the City for future development, the City will pursue and execute a compensation agreement with the taxing entities.

APPENDIX 1

Property Va

[illegible][illegible]

APPENDIX 2

1 Property Address: GRIDLEY CA 95948

Ownership

| | |
|--------------------|----------------------------------|
| County: | BUTTE, CA |
| Assessor: | DIANE BROWN, ASSESSOR |
| Parcel # (APN): | 021-270-041-000 |
| Parcel Status: | ACTIVE |
| Owner Name: | CITY OF GRIDLEY |
| Mailing Address: | 685 KENTUCKY ST GRIDLEY CA 95948 |
| Legal Description: | LOT A PM 162-84/86 W LIBERTY RD |

Assessment

| | | | | | |
|--------------|---------|----------------|---------|---------------|---------|
| Total Value | \$3,733 | Use Code: | IV | Use Type: | VACANT |
| Land Value: | \$3,733 | Tax Rate Area: | 003-037 | Zoning: | |
| Impr Value: | | Year Assd: | 2015 | Census Tract: | 35.02/4 |
| Other Value: | | Property Tax: | | Price/SqFt: | |
| % Improved: | 0% | Delinquent Yr: | | | |
| Exempt Amt: | | HO Exempt: | N | | |

Sale History

| | | | | |
|---------------------|--------|--------|--------|--------------|
| | Sale 1 | Sale 2 | Sale 3 | Transfer |
| Recording Date: | | | | 12/01/2004 |
| Recording Doc: | | | | 2004RP162-84 |
| Recording Doc Type: | | | | |
| Transfer Amount: | | | | |
| Seller (Grantor): | | | | |

Property Characteristics

| | | |
|-----------------|--------------|------------------|
| Bedrooms: | Fireplace: | Units: |
| Baths (Full): | A/C: | Stories: |
| Baths (Half): | Heating: | Quality: |
| Total Rooms: | Pool: | Building Class: |
| Bldg/Liv Area: | Park Type: | Condition: |
| Lot Acres: | Spaces: | Site Influence: |
| Lot SqFt: | Garage SqFt: | Timber Preserve: |
| Year Built: | | Ag Preserve: |
| Effective Year: | | |

* The information provided here is deemed reliable, but is not guaranteed.
 © 2015 ParcelQuest www.parcelquest.com (888) 217-8999

1 Property Address: GRIDLEY CA 95948

Ownership

County: **BUTTE, CA**
 Assessor: **DIANE BROWN, ASSESSOR**
 Parcel # (APN): **021-270-040-000**
 Parcel Status: **ACTIVE**
 Owner Name: **CITY OF GRIDLEY**
 Mailing Address: **685 KENTUCKY ST GRIDLEY CA 95948**
 Legal Description: **LOT 2 PM 162-84/86 W LIBERTY RD**

Assessment

| | | | | | |
|--------------|-----------------|----------------|----------------|---------------|----------------|
| Total Value | \$84,127 | Use Code: | IV | Use Type: | VACANT |
| Land Value: | \$84,127 | Tax Rate Area: | 003-037 | Zoning: | |
| Impr Value: | | Year Assd: | 2015 | Census Tract: | 35.02/4 |
| Other Value: | | Property Tax: | | Price/SqFt: | |
| % Improved: | 0% | Delinquent Yr: | | | |
| Exempt Amt: | | HO Exempt: | N | | |

Sale History

| | Sale 1 | Sale 2 | Sale 3 | Transfer |
|---------------------|--------|--------|--------|---------------------|
| Recording Date: | | | | 12/01/2004 |
| Recording Doc: | | | | 2004RP162-84 |
| Recording Doc Type: | | | | |
| Transfer Amount: | | | | |
| Seller (Grantor): | | | | |

Property Characteristics

| | | |
|--------------------------|--------------|------------------|
| Bedrooms: | Fireplace: | Units: |
| Baths (Full): | A/C: | Stories: |
| Baths (Half): | Heating: | Quality: |
| Total Rooms: | Pool: | Building Class: |
| Bldg/Liv Area: | Park Type: | Condition: |
| Lot Acres: 3.610 | Spaces: | Site Influence: |
| Lot SqFt: 157,251 | Garage SqFt: | Timber Preserve: |
| Year Built: | | Ag Preserve: |
| Effective Year: | | |

* The information provided here is deemed reliable, but is not guaranteed.
 © 2015 ParcelQuest www.parcelquest.com (888) 217-8999

Ownership

County: **BUTTE, CA**
 Assessor: **DIANE BROWN, ASSESSOR**
 Parcel # (APN): **021-270-042-000**
 Parcel Status: **ACTIVE**
 Owner Name: **CITY OF GRIDLEY**
 Mailing Address: **685 KENTUCKY ST GRIDLEY CA 95948**
 Legal Description: **PTN REM OF PM 162-84/86 W LIBERTY RD**

Assessment

| | | | | | |
|--------------|------------------|----------------|----------------|---------------|----------------|
| Total Value | \$780,022 | Use Code: | IV | Use Type: | VACANT |
| Land Value: | \$780,022 | Tax Rate Area: | 003-037 | Zoning: | |
| Impr Value: | | Year Assd: | 2015 | Census Tract: | 35.02/4 |
| Other Value: | | Property Tax: | | Price/SqFt: | |
| % Improved: | 0% | Delinquent Yr: | | | |
| Exempt Amt: | | HO Exempt: | N | | |

Sale History

| | Sale 1 | Sale 2 | Sale 3 | Transfer |
|---------------------|--------|--------|--------|---------------------|
| Recording Date: | | | | 12/01/2004 |
| Recording Doc: | | | | 2004RP162-84 |
| Recording Doc Type: | | | | |
| Transfer Amount: | | | | |
| Seller (Grantor): | | | | |

Property Characteristics

| | | |
|----------------------------|--------------|------------------|
| Bedrooms: | Fireplace: | Units: |
| Baths (Full): | A/C: | Stories: |
| Baths (Half): | Heating: | Quality: |
| Total Rooms: | Pool: | Building Class: |
| Bldg/Liv Area: | Park Type: | Condition: |
| Lot Acres: 33.470 | Spaces: | Site Influence: |
| Lot SqFt: 1,457,953 | Garage SqFt: | Timber Preserve: |
| Year Built: | | Ag Preserve: |
| Effective Year: | | |

* The information provided here is deemed reliable, but is not guaranteed.

© 2015 ParcelQuest www.parcelquest.com (888) 217-8999

Ownership

| | |
|--------------------|---|
| County: | BUTTE, CA |
| Assessor: | DIANE BROWN, ASSESSOR |
| Parcel # (APN): | 021-240-027-000 |
| Parcel Status: | ACTIVE |
| Owner Name: | CITY OF GRIDLEY |
| Mailing Address: | 685 KENTUCKY ST GRIDLEY CA 95948 |
| Legal Description: | REST OF REM PM 162-84/86 |

Assessment

| | | | | | |
|--------------|------------------|----------------|----------------|---------------|-------------------|
| Total Value | \$769,471 | Use Code: | IZ | Use Type: | INDUSTRIAL |
| Land Value: | \$769,471 | Tax Rate Area: | 003-037 | Zoning: | |
| Impr Value: | | Year Assd: | 2015 | Census Tract: | 35.02/2 |
| Other Value: | | Property Tax: | | Price/SqFt: | |
| % Improved: | 0% | Delinquent Yr: | | | |
| Exempt Amt: | | HO Exempt: | N | | |

Sale History

| | Sale 1 | Sale 2 | Sale 3 | Transfer |
|---------------------|--------|--------|--------|---------------------|
| Recording Date: | | | | 12/01/2004 |
| Recording Doc: | | | | 2004RP162-84 |
| Recording Doc Type: | | | | |
| Transfer Amount: | | | | |
| Seller (Grantor): | | | | |

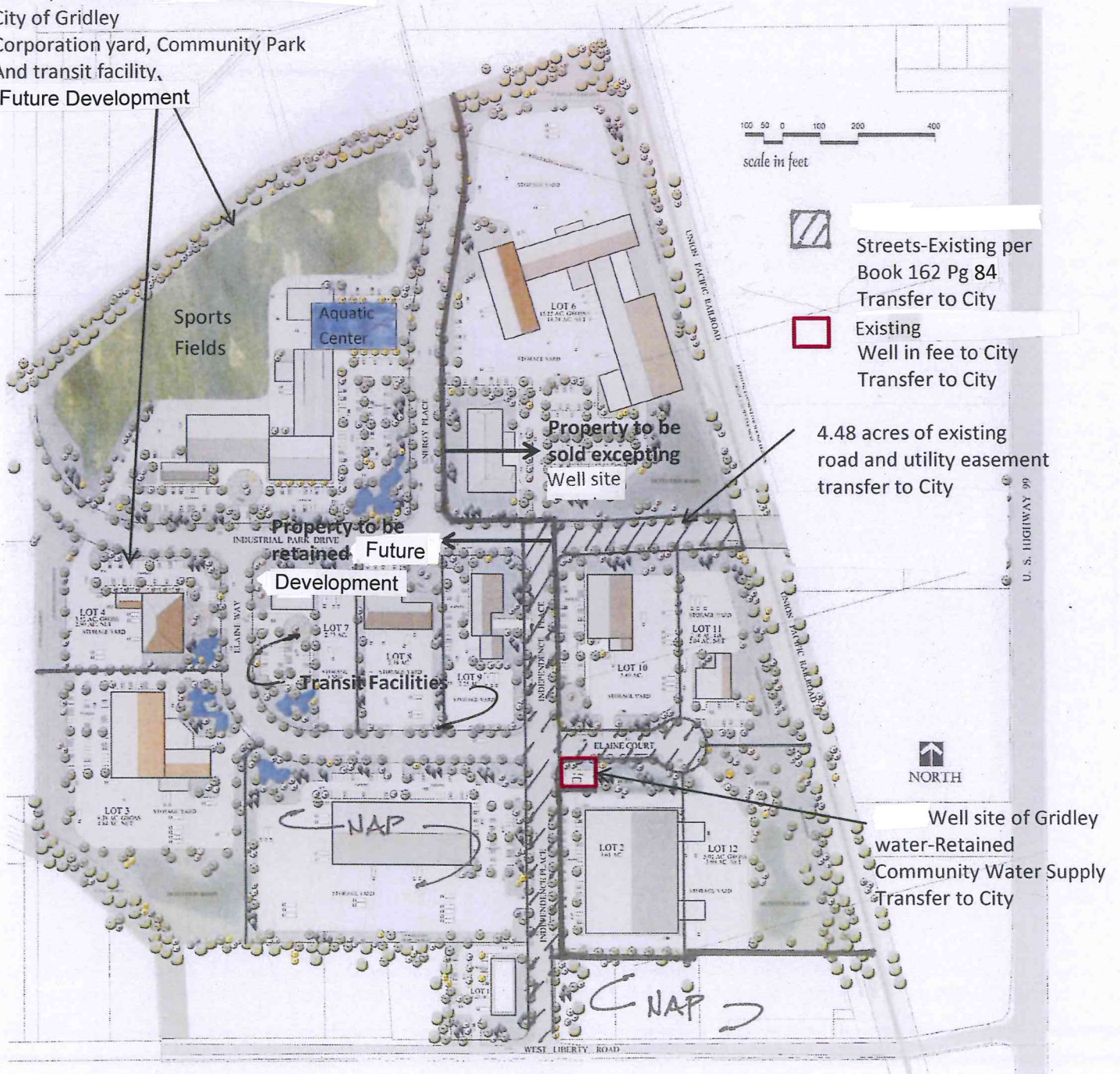
Property Characteristics

| | | |
|-----------------|--------------|------------------|
| Bedrooms: | Fireplace: | Units: |
| Baths (Full): | A/C: | Stories: |
| Baths (Half): | Heating: | Quality: |
| Total Rooms: | Pool: | Building Class: |
| Bldg/Liv Area: | Park Type: | Condition: |
| Lot Acres: | Spaces: | Site Influence: |
| Lot SqFt: | Garage SqFt: | Timber Preserve: |
| Year Built: | | Ag Preserve: |
| Effective Year: | | |

* The information provided here is deemed reliable, but is not guaranteed.
© 2015 ParcelQuest www.parcelquest.com (888) 217-8999

APPENDIX 3

Item 4, Transfer to
City of Gridley
Corporation yard, Community Park
And transit facility,
Future Development



Concept Master Plan GRIDLEY INDUSTRIAL PARK

This plan represents the Redevelopment Agency Master Plan for the City conforming to the requirements of HSC §34191.5(a)(2) and (a)(2)(a)(ii) depicting properties listed in a community plan. This master plan is consistent with that requirement. The LRPMP notes that the City will execute compensation agreements with taxing entities subsequent to the approval process (HSC §34191.5(a)(2)(a)(iii)).

City Council Agenda Item #2
Staff Report

Date: December 20, 2021
To: Mayor and City Council
From: Rodney Harr, Chief of Police
Subject: California Justice Information System Compliant Radio System Quote for Police Department

| | |
|----------|-----------|
| X | Regular |
| | Special |
| | Closed |
| | Emergency |

Recommendation

Staff respectfully requests the City Council consider authorizing the expenditure of funds for the replacement of the current California Justice Information System (CJIS) non-compliant GPD handheld and Dispatch Console radios with a complete CJIS compliant radio system. Staff requests authorization for the Police Department to award the purchase of the CJIS compliant radio system to Motorola Solutions Incorporated.

Background

In October of 2020, the California Attorney General's Office, California Justice Information System, Information Service Division, Chief Joe Dominic, provided Information Bulletin 20-09-CJIS. This Information Bulletin titled "Confidentiality of the Information from the California Law Enforcement Telecommunications System (CLETS)", provided a detailed outline as to the requirements for agencies, detailed in the CLETS Policies and Practices and Procedures (PPP) and the Federal Bureau of Investigation (FBI), CJIS Security Policy, that are authorized by California Department of Justice (CA DOJ) to access the CLETS database. This includes access to certain Criminal Justice Information (CJI) and Personally Identifiable Information (PII) must be limited to authorized personnel and the transmission of such information must be encrypted.

In response to this Information Bulletin, GPD Chief Rodney Harr authored a letter of response outlining the steps that GPD would take to comply with regulatory laws regarding CJIS information. This letter outlined what targeted training would be completed as well as what department policies would be updated. Additionally, the letter outlined that we would comply with the required encryption of all radio and communication transmissions.

I, Chief Harr previously briefed the City Council of Gridley in this matter regarding the department's compliance with CJIS requirements. It was determined by the City Council that a bid would need to be completed for the replacement of the current non-compliant radio systems with a compliant radio system. The county-wide radio communications system infrastructure is manufactured and installed by Motorola Incorporated and their authorized representatives. For the department to be compatible and functional with all law enforcement

agencies in Butte County, the Motorola Solutions Incorporated infrastructure is the only viable service provider for this CJIS compliant technology.

In coordination with the Butte County Communications Team, and IT/Communications Director Tyson Pardee, a quote from Motorola Solutions Incorporated was requested for the replacement of non-compliant CJIS radio system with a CJIS compliant radio system to include training, installation of the radio system, and equipment. There would be additional yearly monetary commitment for Lifecycle Sustainment Services for Maintenance of the radio system.

Equipment costs:

| | |
|---|--------------|
| Three (3) MCC7500E Dispatch System/Consolettes | \$383,528.00 |
| Twenty-five (25) handheld APX 8000 portables | |
| This price includes a discount of \$94,529.00 for | |
| Butte County Law Enforcement Agencies | |

Training/Programming/Installation costs:

| | |
|-----------------------------------|--------------|
| Training/Programming/Installation | \$236,867.00 |
|-----------------------------------|--------------|

| | |
|--|--------------|
| Equipment/Training/Installation/Programming Services | \$620,395.00 |
| Pre-tax | |

| | |
|----------------------------|-------------|
| Estimated Tax on Equipment | \$27,806.00 |
|----------------------------|-------------|

| | |
|--|--------------|
| <u>Total upfront costs equipment expenditures</u> | \$648,201.00 |
| <u>for CJIS compliance</u> | |

| | |
|--|--------------|
| <u>Additional Yearly Maintenance through 2027</u> | \$227,186.11 |
| <u>For software and hardware</u> | |

| | |
|----------------------------|--------------|
| <u>Grand Total:</u> | \$875,387.11 |
|----------------------------|--------------|

In conversations and coordination with representatives from Motorola Solutions Incorporated, the City has the ability to negotiate a yearly contractual amount that includes all of the above related expenses spread out over a multiyear contract. This type of contractual agreement would be a favorable choice by reducing the upfront costs associated with the initial purchase.

As per the proposal from Motorola Solutions Incorporated, the design and technical information furnished with the proposal is proprietary information of Motorola Solutions, Incorporated. Such information is submitted with the restriction that it is to be used for the evaluation of the proposal and is not to be disclosed publicly or in any manner to anyone other than those required to evaluate the proposal, without the express written permission of

Motorola Solutions Incorporated. This information is available for review by individual appointment with the Chief of Police.

Fiscal Impact

Funding for this project would be provided through the Capitol Improvement Project Funding.

Compliance with City Council Strategic Plan or Budget Goals

This recommendation is consistent with our ongoing effort to be responsive and transparent regarding all business transactions and financial matters.

Attachments

1. Motorola Solutions Incorporated Quote, Section 9, Pages 73 and 74 (Pricing)
2. Letter to CJIS from Chief Harr regarding implementation of CJIS regulations
3. Cal DOJ, CJIS Information Bulletin, 20-09-CJIS

SECTION 9

PRICING

9.1 GRIDLEY P.D. MCC 7500E CONSOLES

Motorola's pricing is based on the equipment list and services for the system designed for the Gridley P.D. The Statement of Work (SOW) describes the work to be performed for the installation, optimization, and testing of the system and the equipment list provides the equipment necessary for this project.

Below pricing includes: (2) MCC 7500E Consoles, Training and 1st Year Warranty.

| Description | Cost |
|--|------------------|
| MCC7500E Console Equipment, 1 CAM, 3 Consolettes, | \$478,057 |
| Equipment Discount | -\$94,529 |
| Discounted Equipment Subtotal | \$383,528 |
| System Integration (SI) & Services | \$236,867 |
| MCC 7500E Console Equipment and Services before Tax | \$620,395 |
| Estimated Tax on Equipment (7.25%) | \$27,806 |
| Total City of Gridley MCC 7500E Console Sale Price | \$648,201 |

9.2 LIFECYCLE SUSTAINMENT SERVICES

Below pricing is Maintenance Pricing through 2027 on the Gridley MCC 7500E Consoles:

| Service | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | Total |
|--|------------------|------------------|------------------|------------------|------------------|------------------|---------------------|
| Technical Support | | | | | | | |
| Dispatch Service | | | | | | | |
| Onsite - Regular - Local Dispatch | | | | | | | |
| Preventive Maintenance Level 1 | 18,857.53 | 19,423.25 | 20,005.95 | 20,605.62 | 21,224.14 | 21,861.53 | \$121,978.02 |
| Infrastructure Repair w/Advanced Replacement | | | | | | | |
| SUA II - SMA | | | | | | | |
| SUA II - Hardware | | | | | | | |
| SUA II - Field Labor | | | | | | | |
| SUA II - UO Labor | 17,401.33 | 17,452.57 | 17,505.36 | 17,559.72 | 17,615.72 | 17,673.40 | \$105,208.09 |
| SUA II - Implementation Training | | | | | | | |
| Security Update Service | | | | | | | |
| Remote Security Update Service Management | | | | | | | |
| Total LifeCycle Services | 36,258.85 | 36,875.82 | 37,511.30 | 38,165.34 | 38,839.86 | 39,534.92 | \$227,186.11 |



9.3 GRIDLEY P.D. MCC 7500E CONSOLES PAYMENT TERMS

Except for a payment that is due on the Effective Date, the City of Gridley will make payments to Motorola within thirty (30) days after the date of each invoice. The City of Gridley will make payments when due in the form of a check, cashier's check, or wire transfer drawn on a U.S. financial institution and in accordance with the following milestones.

1. 30% of the Contract Price for mobilization due at Contract Execution (Effective Date);
2. 25% of the Contract Price upon shipment of equipment;
3. 25% of the Contract Price upon installation of equipment;
4. 20% of the Contract Price upon System Acceptance or start of Beneficial Use and Final Acceptance, whichever occurs first.

Overdue invoices will bear simple interest at the rate of ten percent (10%) per annum, unless such rate exceeds the maximum allowed by law, in which case it will be reduced to the maximum allowable rate. Motorola reserves the right to make partial shipments of equipment and to request payment upon shipment of such equipment. In addition, Motorola reserves the right to invoice for installations or civil work completed on a site-by-site basis, when applicable.

9.4 LIFECYCLE SUSTAINMENT PAYMENT TERMS

For Lifecycle Support Plan and Subscription Based Services:

Motorola will invoice Customer annually in advance of each year of the plan.

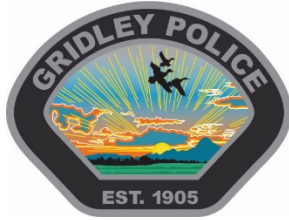
The chart below outlines the hourly labor rates for Motorola System Integration resources to be used. The staffing requirements shall be multiplied by the appropriate rate per resource in the table below. The hourly labor rates are fully burdened. The hourly rates per resource type and level are listed in Table 1.

| | Resource Types | | | |
|--------|--------------------|--------------------|---------------------|------------------------|
| Levels | Project Management | System Engineering | System Technologist | Project Administration |
| 4 | \$ 290.00 | \$ 300.00 | \$ 280.00 | \$ 200.00 |
| 3 | \$ 240.00 | \$ 250.00 | \$ 240.00 | \$ 180.00 |
| 2 | \$ 220.00 | \$ 220.00 | \$ 220.00 | \$ 170.00 |
| 1 | \$ 190.00 | \$ 210.00 | \$ 210.00 | \$ 160.00 |

Table 1 - Hourly Rates

These rates apply to ordinary days and times (Monday to Friday during the hours 8am to 5pm). Additional surcharges may apply to work done outside these timeframes. The minimum charge for any resource will be 4 hours. Travel expenses are not included in these rates and may be charged separately. The qualifications of each type and level of resource are defined in the tables found at <https://www.motorolasolutions.com/content/dam/msi/secure/services/labor-rates-exhibit-160408.pdf>. All Motorola System Integration personnel assigned to this project will be classified according these levels. Project Administrative roles are varied and their specific duties and qualifications will be determined by the complexity and requirements of each project.





Gridley Police Department

Rodney Harr

Chief of Police



December 8, 2020

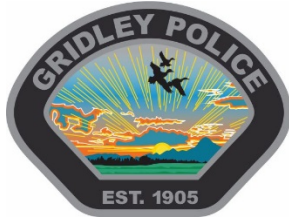
Chief Joe Dominic
California Justice Information Services Div.
State of California Department of Justice
1300 I Street
Sacramento, California 95814

Chief Dominic,

In response to California Attorney General's Informational Bulletin 20-09-CJIS, dated October 12, 2020, the Gridley Police Department has and will continue to implement the following plan in order comply with the FBI and CA DOJ requirements governing the dissemination of CLETS information. This plan will incorporate staff training, policy updates and the continued evaluation and likely deployment of agency wide encryption.

Training

All regular users of the Gridley Police Department's radio system, including dispatchers and officers, will receive targeted training regarding the dissemination of CLETS information across unencrypted channels. This training will specifically address Personal Identifying Information (PII) data element combinations, restricted and non-restricted Criminal Justice Information (CJI), along with examples of prohibited and permissible radio traffic, coupled with the outlining of best practices. Training of employees is actively taking place and it is estimated the training will be completed by January 31, 2021.



Gridley Police Department

Rodney Harr

Chief of Police



The written and published policy of the Gridley Police Department will be updated to reflect regulations related to the dissemination of restricted CLETS database information, including PII and CJI via unencrypted radio channels.

Specifically, the policy will address particular name and data element combinations which are prohibited, identification of restricted and non-restricted CJI information, along with exigent public and officer safety exemptions. The estimated timeframe for completion of the policy update is January 31, 2021.

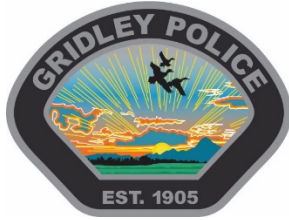
40-bit ADP Encryption

The Gridley Police Department, along with the Butte County Communications team is evaluating and planning for the activation of Motorola's proprietary 40-bit ADP encryption. While not meeting the FBI's OIS certification standard of 256-bit AEP encryption, the 40-bit ADP encryption would function as part of a stopgap solution pending the implementation of 256-bit AEP encryption.

The timeframe for implementation is unknown, as coordination and interoperability planning with other agencies is necessary to address public and officer safety concerns. Interoperability plans have proven especially important in our jurisdiction, given several large-scale emergencies and disasters recently experienced within Butte County, which have required the immediate response and coordination of a large number of local, regional and statewide mutual aid resources.

256-bit AEP Encryption

The Gridley Police Department and Butte County Communications team is in the early stages of preparing a plan and seeking funding to implement the FBI CJIS certified 256 bit-AEP encryption. The cost is expected to exceed \$400,000.00 for the Gridley Police Department alone. Given financial constraints, we do not have an estimated implementation time frame for 256-bit AEP encryption.



Gridley Police Department

Rodney Harr

Chief of Police



However, the aforementioned training and policy updates will bring this agency into compliance with FBI and CA DOJ requirements, pending the likely eventual implementation of 256-bit AEP encryption.

Coordination with the California Governor's Office of Emergency Services

The Gridley Police Department has also been in coordination with the California Governor's Office of Emergency Services to secure Radio Interoperability funding to replace our in-car radios with the 256-bit AEP Encryption compliant radios. This project has been on going for several years and as of the date of this letter, Cal OES had not responded back to me with a project update.


If your office requires additional information, please notify me. I look forward to working with your office to address any further questions.

Furthermore, given our experience with emergencies requiring a mutual aid response, any guidance from the Attorney General's Office or the California Governor's Office of Emergency Services regarding interoperability concerns associated with encryption would greatly appreciated.

Best Regards,

Rodney W. Harr

Chief of Police

| | | |
|---|---|--|
| <p>California Department of Justice CALIFORNIA JUSTICE INFORMATION SERVICES DIVISION Joe Dominic, Chief</p>  | <h1>INFORMATION BULLETIN</h1> | |
| <p><i>Subject:</i></p> <p>Confidentiality of Information from the California Law Enforcement Telecommunications System (CLETS)</p> | <p><i>No.</i> 20-09-CJIS</p> <p><i>Date:</i> 10-12-2020</p> | <p><i>Contact for information:</i></p> <p>CLETS Administration Section CAS@doj.ca.gov (916) 210-4240</p> |

TO: ALL CLETS SUBSCRIBING AGENCIES

Law enforcement and criminal justice agencies authorized by the California Department of Justice (CA DOJ) to access the CLETS must adhere to the requirements detailed in the CLETS Policies, Practices and Procedures (PPP) and in the Federal Bureau of Investigation (FBI) Criminal Justice Information Services (CJIS) Security Policy to ensure the confidentiality and integrity of the data therein.¹ More specifically, and as detailed further below, access to certain Criminal Justice Information (CJI) and Personally Identifiable Information (PII) must be limited to authorized personnel; and the transmission of such information must be encrypted. Although generally applicable, the information in this bulletin is particularly relevant to the radio transmission of protected data.

Allowable "access" to CJI and PII, derived from CLETS, is described in CLETS PPP section 1.6.4:

Only authorized law enforcement, criminal justice personnel or their lawfully authorized designees may use a CLETS terminal or have access to information derived from CLETS. Any information from the CLETS is confidential and for official use only. Access is defined as the ability to hear or view any information provided through the CLETS.

The FBI and the CA DOJ establish policies and procedures related to the usage and protection of CJI that govern the usage of the CLETS. The policies define CJI, classify them as restricted or unrestricted, and limit the amount and types of information that can be broadcast over unencrypted radio channels in order to protect sensitive CJI and PII.

Generally, PII is information that can be used to distinguish or trace an individual's identity, such as an individual's first name, or first initial, and last name in combination with any one or more specific data elements (see FBI CJIS Security Policy section 4.3.). Data elements include Social Security number, passport number, military identification (ID) number and other unique ID numbers issued on a government document. The most common data elements encountered during field operations include a driver license number or ID number.

The transmission of sensitive CJI and PII must be encrypted pursuant to the FBI CJIS Security Policy sections 5.10 and 5.13; and access may only be provided to authorized individuals as defined under the CLETS PPP and the FBI CJIS Security Policy.

¹ For reference, please refer to the CLETS PPP at <https://oag.ca.gov/sites/default/files/clets-ppp%2012-2019.pdf> and the FBI CJIS Security Policy at https://www.fbi.gov/file-repository/cjis_security_policy_v5-9_20200601.pdf/view. See also Government Code section 15150 et seq. and California Code of Regulations, title 11, section 703.

Compliance with these requirements can be achieved using any of the following:

- Encryption of radio traffic pursuant to FBI CJIS Security Policy sections 5.10.1.2, 5.10.1.2.1, and 5.13.1. This will provide the ability to securely broadcast all CJI (both restricted and unrestricted information) and all combinations of PII.
- Establish policy to restrict dissemination of specific information that would provide for the protection of restricted CJI database information and combinations of name and other data elements that meet the definition of PII. This will provide for the protection of CJI and PII while allowing for radio traffic with the information necessary to provide public safety.

If your agency is not currently in compliance with the requirements outlined herein, please submit an implementation plan to the CA DOJ, CLETS Administration Section, no later than December 31, 2020. The plan must be on agency letterhead and signed by the Agency Head (e.g., Sheriff, Chief); include a detailed description of how radio communications will be brought into compliance (e.g., encryption), or how the risks will be mitigated through policy if unable to implement the required technology; and must include the projected timeline as to when the issue will be resolved.

For questions about this bulletin, contact the CLETS Administration Section at CAS@doj.ca.gov or (916) 210-4240.

Sincerely,

A handwritten signature in blue ink, appearing to read "Joe Dominic", with a long horizontal flourish extending to the right.

JOE DOMINIC, Chief
California Justice Information Services Division

For XAVIER BECERRA
Attorney General

City Council Agenda Item #3
Staff Report

Date: December 20, 2021
To: Mayor and City Council
From: Elisa Arteaga, Finance Director
Subject: Extension of Audit Services

| | |
|----------|-----------|
| X | Regular |
| | Special |
| | Closed |
| | Emergency |

Recommendation

Staff respectfully requests City Council consider extending audit services as outlined in the proposal from Mann Urrutia Nelson CPAs & Associates, LLP. and authorize the Finance Director to sign said agreements.

Background

The Finance Department having been in the middle of the software conversion project as well as low staffing due to COVID19 has caused delays leading up to the 20-21 audit. In anticipation of receiving draft financials for FY 19-20 audited by MUN, staff would like to swiftly transition and schedule field visits for the FY 20-21 audit. MUN has prepared and submitted a proposal for the extension of auditing services outlining audit services and qualifications. Furthermore, staffing within MUN CPA firm has multiple partners which allows for the reassignment of the upcoming audits to different partners to ensure adequate oversight of internal controls. The extension would allow the city to meet its timely audit goals through fiscal year ending June 30, 2022.

Request for Proposals for auditing services for FY 22-23 for a three-year engagement will be prepared and findings presented to Council for consideration at a future meeting.

Financial Impact

The City requires annual audited financial statements to provide accurate comprehensive reports of all city funds. The costs associated for auditing services was included in the FY 21-22 budget projection.

Attachment

Proposal to Extend Audit Services



MANN • URRUTIA • NELSON • CPAs
& ASSOCIATES LLP

Proposal to Extend Audit Services

CITY OF GRIDLEY

DECEMBER 7, 2021

CONTACT:

BRADLEY J. BARTELLS, CPA, PARTNER

MANN, URRUTIA, NELSON CPAs & ASSOCIATES, LLP

SACRAMENTO OFFICE: 1760 CREEKSIDE OAKS DR., SUITE 160

SACRAMENTO, CA 95833

916-929-0540

BJB@MUNCPAS.COM

WWW.MUNCPAS.COM

TOTAL CLIENT COMMITMENT

SACRAMENTO • ROSEVILLE • GLENDALE • SOUTH LAKE TAHOE • KAUAI, HAWAII



TABLE OF CONTENTS

| | |
|---|----|
| Transmittal Letter..... | 1 |
| Independence | 2 |
| License to Practice | 2 |
| Insurance | 2 |
| Field Review, Desk Review, and Disciplinary Actions | 2 |
| Peer Review..... | 2 |
| Firm Qualifications and Experience | 5 |
| Engagement Team..... | 7 |
| Our Audit Approach..... | 8 |
| Cost Proposal | 11 |



December 7, 2021

City of Gridley
685 Kentucky Street
Gridley, CA 95948

The partners and staff of Mann, Urrutia, Nelson CPAs & Associates, LLP (MUN CPAs) are pleased to present our proposal to extend professional audit services to the City of Gridley. We greatly value the relationship that our firm and the City of Gridley has fostered and are more than happy to continue this growth. As always, our overall goal is to provide responsive, innovative services of the highest quality to our clients.

We understand that the City of Gridley requires timely audit services and are committed to meeting all terms and conditions of the engagement. As we have performed audit services for the City of Gridley since the year ended June 30, 2013, we fully understand the audit requirements, as well as your expectations. It is our understanding the scope of services will be the following:

1. Audit the financial statements of the City of Gridley for the years ending June 30, 2021 and 2022.
2. Audit the financial statements of the City of Gridley Successor Agency for the years ending June 30, 2021 and 2022.
3. Review Comprehensive Annual Financial Report, if applicable.
4. Perform Single audit for the years ending June 30, 2021 and 2022.
5. Perform GANN Appropriations Limit Agreed-Upon Procedures.
6. Prepare and submit the City's Financial Transactions Report to the State Controller's Office.
7. Presentation of audit findings by Firm Partner to City Council, as requested.
8. Prepare management letter, as necessary.

The audits will be performed in accordance with generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the provisions of the U.S. Office of Management and Budget's Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance).

We fully understand the significance of having a well-qualified auditing firm to serve your needs. We will continue to add value to the audit by providing specialized resources, technical proficiency and the attention your organization deserves. Our expertise in governmental auditing and accounting combined with our vast access to resources empowers us to solve any challenge that may be encountered during the audit.

I am confident that our proposal will continue to address your needs and look forward to discussing and reviewing its content with you. We appreciate this opportunity to continue to provide quality audit services for the City of Gridley.

Sincerely,

A handwritten signature in blue ink, reading "Bradley J. Bartells".

Bradley Bartells, CPA
Partner



PROPOSAL TO EXTEND AUDIT SERVICES TO

INDEPENDENCE

Mann, Urrutia, Nelson, CPAs and Associates, LLP is independent of the City of Gridley as defined by U.S. generally accepted auditing standards and the U.S. Government Accountability Office's *Government Auditing Standards* (latest edition).

Mann, Urrutia Nelson, CPAs and Associates, LLP is independent of all associated agencies of the City of Gridley, as defined by U.S. generally accepted auditing standards and the U.S. Government Accountability Office's *Government Auditing Standards*.

If Mann, Urrutia, Nelson, CPAs and Associates, LLP shall enter into a professional relationship that would present a conflict of interest during the period of engagement with the City of Gridley, a written notice will be presented to the City defining such conflict.

LICENSE TO PRACTICE

Mann, Urrutia, Nelson, CPAs and Associates, LLP is a properly licensed, certified public accounting firm in the State of California. All certified public accountants involved in audit engagements of the Firm are licensed to practice in the State of California and have received at least the minimum number of continuing professional education hours required by the State Board of Accountancy, American Institute of Certified Public Accountants, and the U.S. Government Accountability office's *Government Auditing Standards*.

INSURANCE

We understand the insurance requirements and agree to maintain at least the minimum insurance requirements during the entire term of engagement. The City shall continue to be named as an additional named insured under our firm policies and proof forwarded to the City.

FIELD REVIEW, DESK REVIEW, AND DISCIPLINARY ACTIONS

We have NOT had any Litigation, Field Reviews, Desk Reviews or Disciplinary actions taken against, or pending against, the Firm or its employees at any time. There is no past, current or pending litigations against the Firm, or any debarment or disqualification as a vendor for federal, state or local entities.

PEER REVIEW

Our firm undergoes a peer review every three years as established by the American Institute of Certified Public Accountants. Our last peer review was completed in June 2019 and resulted in a pass rating with no deficiencies (the highest rating possible) on our system of quality control for accounting and auditing. This quality control review included a review of specific government engagements. *A copy of the Peer Review Report is included on the following page.*





PEER REVIEW REPORT



Report on the Firm's System of Quality Control

June 28, 2019

To Mann, Urrutia, Nelson, CPAS & Associates, LLP and the Peer Review
Committee of the California Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Mann, Urrutia, Nelson, CPAS & Associates, LLP (the firm) in effect for the year ended December 31, 2018. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

190 Camino Oruga, Suite 1 • Napa, CA 94558 • telephone: 707.255.0677 • fax: 707.255.0687
Member: American Institute of CPAs • California, Hawaii, & Oregon Societies of CPAs



Required Selections and Considerations

Engagements selected for review included an engagement performed under *Government Auditing Standards*, including a compliance audit under the Single Audit Act, and an audit of an employee benefit plan.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Mann, Urrutia, Nelson, CPAS & Associates, LLP in effect for the year ended December 31, 2018, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Mann, Urrutia, Nelson, CPAS & Associates, LLP has received a peer review rating of *pass*.

Coughlan Napa CPA Company, Inc.

Coughlan Napa CPA Company, Inc.



FIRM QUALIFICATIONS AND EXPERIENCE

MUN CPAs is a locally established and respected full service accounting and auditing firm offering governmental, special district and regional audits, as well as tax, consulting, litigation support, and forensic accounting services. Our commitment to our clients has enabled the firm continued growth and success at developing and maintaining strong professional relationships. We have over 60 well-trained professionals with office locations in Sacramento, Roseville, South Lake Tahoe, and Glendale, California, as well as Hawaii.

Sacramento Office

Audit engagements are performed primarily out of the Sacramento office. We have an outstanding team of thirteen audit professionals consisting of three firm partners, three managers, three seniors and four staff accountants. Five full-time staff members will be dedicated to City of Gridley should services again be awarded to our firm. In addition to auditing, reviews and compilations, we also perform accounting, tax and consulting services to our audit clients.

We specialize in audits of local governmental agencies ranging from small organizations to entities with over \$150 million in annual revenue. We also specialize in retirement plans and nonprofit organizations. We are voluntary members of the following organizations:

- Government Audit Quality Control Center
- League of California Cities
- California Municipal Treasurers Association
- California Society of Municipal Finance Officers
- California Special Districts Association
- Association of California Water Agencies

Membership in these centers provides our firm with additional resources designed to enhance our audit quality and apply best audit practices to our engagements. We have access to the latest developments in accounting, auditing, and the various rules and regulations that affect the different audits and industries.

Governmental Auditing Experience

Since our founding in 2003, our office has performed over 250 audits of governmental entities. We currently provide audit services to 22 governmental entities of which 10 are cities. We also perform Single Audits for 20 of our clients. Every level of our audit staff has extensive experience in auditing governmental entities and have performed engagements of municipalities.

Single Audit

All of our staff exceed the required educational hours, receiving governmental and Single Audit-specific training throughout the year through external conferences hosted by CalCPA and AICPA and internal training provided by our Firm. Furthermore, as 20 local government and non-profit clients have a Single Audit requirement, all engagement team members, including audit staff, have current Single Audit experience.

CAFR Experience

All management staff assigned to this audit has extensive experience in the preparation of CAFRs. Ten of our governmental clients require our Firm to prepare and organize the CAFR as part of their scope of services. **Every report submitted has won the GFOA Certificate of Achievement for Excellence in Financial Reporting.**



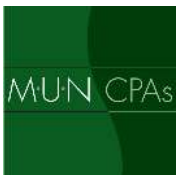


PROPOSAL TO EXTEND AUDIT SERVICES TO

Specialized Services — Our firm has provided specialized services to municipalities that include, but are not limited to, Tax Measure Agreed-Upon procedures, Cash Collections Agreed Upon procedures, Board and Finance Committee training, TDA audits, Forensic audits, and other internal control special projects.

Client Education and Updates — We provide guidance and assistance to our clients on upcoming GASB pronouncements and other updates in the form of email, templates, and one-on-one accounting assistance and training.

Our partners have provided webinars and seminars sponsored by the CSFMO, CSDA and League of California Cities, with topics including GASB 68 and 75, fraud, and preparing for annual audits.



THE ENGAGEMENT TEAM

The team assigned to perform the audit of the City of Gridley is composed of highly trained professionals with extensive experience in audit engagements. Our team will continue to maintain a knowledgeable, yet non-intrusive, approach to the audit, and in this way, deliver an audit of exceptional quality requiring few disruptions in the conduct of the City's on-going operations. We propose the following audit team:

BRADLEY J. BARTELLS, CPA, Engagement Partner
JUSTIN WILLIAMS, CPA, Concurring Partner
SUSAN BEETER, CPA, Manager
BRYAN ARELLANO, Senior Associate

Professional Affiliations

Our commitment to governmental accounting is further amplified by our involvement with respected organizations.

Bradley Bartells is a current board member of the National Institute of Pension Administrators, Sacramento Chapter and former board member of the Western Pension and Benefits Council, Sacramento Chapter.

Justin Williams is a member of the statewide CalCPA Governmental Accounting and Auditing Committee, and the California Special Districts Association Audit Committee and Finance Committee. He has also published accounting and auditing articles and has been a speaker at webinars and seminars sponsored by these organizations with topics including GASB 68 and 75, fraud, and preparing for annual audits.

GASB Implementation and Reporting

All audit partners and managers have been involved in the implementation of GASB financial reporting requirements, in addition to auditing and assisting with the preparation of GASB financial statements. Our firm is a leader in implementation of the new GASB standards going into effect in the coming years.

Continuing Education

Continuing education is a top priority for MUN CPA's. Each of our team members receives a wide variety of annual training and content updates from highly qualified instructors, ensuring that they remain on the forefront of issues that could potentially impact our clients.

Staff Consistency

Our Firm takes great pride in not only selecting high quality staff members, but providing them an environment designed for their success and betterment. We believe our history of low staff turnover is an asset we are proud to present to the City of Gridley.

We believe staff continuity on engagements is essential to that engagement being successful. Our Firm's mission statement reads:

"To provide responsive, innovative services of the highest quality to our clients; and to provide a positive, rewarding environment encouraging our employees to fulfill their professional and personal goals."

OUR AUDIT APPROACH

Our audit process begins with the assignment of staff to the engagement. Our engagement team has the expertise to provide a level of service desired and deserved by your organization. Our engagements are supervised by the engagement partner and the manager. As high-level involvement is vital to a quality audit, the partner and manager's time will account for approximately 30% of total hours spent on the engagement. Our team's approach is to be efficient yet non-intrusive.

We believe on-going communication throughout the entire audit will ensure that all aspects of the audit are thoroughly addressed. We encourage regular communications throughout the year, not just during fieldwork. As such, we do not anticipate any potential audit problems to arise during our engagement.

REMOTE AUDIT CAPABILITIES

We are committed to serving our clients and meeting their deadlines regardless of the current health and social challenges. If public health concerns, client concerns or other issues restrict our team from performing the audit in-person at your offices, MUN CPAs has the technological capabilities and solutions to perform the full audit remotely and complete the audit according to the City's needs and timelines. With the use of our secure Sharefile website, management of the City will be able to securely provide MUN CPAs with all needed documents and reports. The use of encrypted e-mails will be used to transmit smaller documents. Scheduling regular phone calls and audit updates will allow both management of the City and MUN CPAs to remain on the agreed-upon timeline.

Audit Planning — Interim Phase

Our audit planning process includes a risk assessment of the City and review of the control environment. We begin with a pre-planning meeting to ensure that management's expectations and our expectations are communicated prior to commencing the audit. We will confirm our understanding of the engagement deadlines and ensure these are met timely. In addition, we will provide a list and samples of schedules specifically tailored to the City of Gridley to aid the City's staff in preparing schedules and providing audit documentation.

Risk Assessment — Interim Phase

As part of our extensive planning phase, the engagement team will discuss with management issues surrounding the applicable industry, the City's internal & external environment, significant events, as well as economic, political, and social factors to determine and document areas of risk. Once areas of risk have been identified, the next process will be to review the control environment.

PROPOSAL TO EXTEND AUDIT SERVICES TO

Control Environment — Interim Phase

We will document and test the following control processes to evaluate their effectiveness in preparing reliable financial statements:

- ◇ Disbursements
- ◇ Receipts
- ◇ Payroll
- ◇ Financial reporting
- ◇ Journal entry process
- ◇ IT and general computer controls
- ◇ Federal and state programs

Based on our understanding of the City's risks and control environment, we will design our substantive procedures and communicate our audit approach to management. As part of our review and documentation of the control environment, we may have recommendations for enhancing controls and/or efficiencies. These recommendations will be discussed with management prior to any comments included in a formal management letter.

Laws and Regulations — Interim and Year-end Phase

We will review the laws and regulations covering the City's grants and major programs as part of the Single Audit testing. Based upon our inquiry with City staff, review of the City's municipal code, review of administrative policies, etc. we will determine the relevant laws and regulations that will be subject to additional test work.

Substantive Procedures — Year End Phase

Substantive audit procedures are designed based on our risk assessment process. Complex and high risk accounts will be identified early in the audit process and these accounts will be assigned to the manager and/or partner for actual testing. Our substantive audit procedures will include the following:

- ◇ Tests of account details — Detail transaction testing to source documentation
- ◇ Analytical procedures — Ratio analysis, variance analysis, trend analysis
- ◇ Use of data analysis software — Review of large volumes of data to detect anomalies
- ◇ Unpredictability tests — Varying timing and extent of tests
- ◇ Review of management's estimates — To determine reasonableness
- ◇ Review of subsequent events and contingencies — For proper adjustment and footnote disclosure

Preparation of Audit Report and Review — Year-end Phase and Wrap-up Phase

Audit workpapers are reviewed throughout the audit by the manager and engagement partner. Before we leave your offices, the file will be substantially reviewed and any issues will be discussed and resolved. The financial statements are prepared by the audit manager. All reports are reviewed by the engagement partner and a quality control partner.

Upon approval, we will issue drafts of all reports based on the City's predetermined schedule as indicated in the Request for Proposal. This will allow adequate time for review and distribution of reports.

PROPOSAL TO EXTEND AUDIT SERVICES TO

Audit Sizes and Statistical Sampling Techniques

Audit sampling provides the auditor an appropriate basis on which to conclude on an audit area by examining evidence from a sample of a population. We utilize both statistical and non-statistical sampling techniques as described in the AICPA's Audit Sampling Guide, depending on the type of testing being performed. Internal control, substantive and compliance testing samples are generally selected using non-statistical techniques. Sample sizes are determined by risk assessment and nature of the population. We may use statistical sampling to assist with forensic testing in areas which have a higher risk of misstatement due to fraud.

Drawing Audit Samples (for tests of compliance)

Auditor judgment will be used in selecting our audit samples for test of compliance work. The majority of the testing of compliance will be centered around the single audit testing of the direct and material elements for the major programs.

Technological Advantages

We utilize the latest technology, including virtual servers, data analysis software, and online libraries to provide us with the most up-to-date information to better serve our clients. First, our online client portal ShareFile gives us the capability of sending and receiving information to and from our clients faster and more securely. As portals are encrypted and use password protection to ensure that data can only be viewed by the appropriate client, we are dedicated to protecting the City's confidential information.

Furthermore, we streamline our audit process and organize support documents through use of the paperless audit program - CaseWare Working Papers. By effectively reviewing large volumes of data through these programs, we are able to develop a better understanding and gain a broader view of the City of Gridley. These technologies enable us to increase both the scope of our engagement and the reliability of our audit opinion more efficiently, as a larger amount of information can be processed, analyzed and interpreted in a short time frame.

PROPOSAL TO EXTEND AUDIT SERVICES TO

TERMS OF ENGAGEMENT

Mann, Urrutia, Nelson, CPAs & Associates LLP is pleased to submit the following Cost Proposal for the years ending June 30, 2021 and 2022. Audit programs, workpapers and reports will be retained for a period of seven (7) years after the completion of the audit and made available for inspection by the City of Gridley or outside auditors if requested by them.

| Service | 6/30/2021 | 6/30/2022 |
|--|-----------------|-----------------|
| Audit of the financial statements of the City (includes related reports) | \$37,100 | \$37,100 |
| Audit of the financial statements of the Successor Agency (includes related reports) | 4,250 | 4,250 |
| GANN Limit Agreed-Upon Procedures | 500 | 500 |
| Single Audit and related reports (1 major program) * | 2,650 | 2,650 |
| State Controller's Report | 3,900 | 3,900 |
| TOTAL | \$48,400 | \$48,400 |

* If additional major programs are required to be tested, the cost will be \$2,500 per major program.

Additional Professional Services

Should it become necessary for the City to request MUN CPAs to render any additional services, to either supplement the services requested in the RFP or to perform additional work as a result of the specific recommendations included in any report issued on this engagement, then such additional work shall be performed only if set forth in addendums to the contract between the City and MUN CPAs. Any such additional work agreed to between the City and MUN CPAs shall be performed at the quoted hourly rates listed below:

| Position | Standard Hourly Rates |
|--------------|-----------------------|
| Partner | \$280 |
| Manager | 195 |
| Senior Staff | 165 |
| Staff | 135 |



MANN • URRUTIA • NELSON CPAs & ASSOCIATES, LLP

WWW.MUNCPAS.COM

City Council Agenda Item #4
Staff Report

Date: December 20, 2021
To: Mayor and City Council
From: Elisa Arteaga, Finance Director

| | |
|----------|-----------|
| X | Regular |
| | Special |
| | Closed |
| | Emergency |

Subject: Eide Bailly Accounting Services Support

Recommendation

Staff respectfully requests the City Council consider and approve the continued accounting support from Eide Bailly and authorize the Finance Director to sign the two attached engagement letters for accounting services and preparation of the annual street report.

Background

The City has been in contract with Eide Bailly for accounting services since December 2015. They have been assisting with specialized pension reports, year-end audit preparation and State Controller Office Reporting (transit & street reporting). Recently, the Finance Department experienced staffing turnovers, restructure, and re-assignments, followed by low staffing due to COVID-19. These changes occurred during a massive software conversion project and have impacted the department's ability to adequately prepare the necessary documents and reports. Finance Staff is close to finalizing the 19-20 audit (anticipated draft financials in December and final approval in January). To allow for finance staff to move forward and timely prepare for mid-year budget review, 20-21 audit fieldwork, as well as research and update finance policies, staff recommends continued utilization of Eide Bailly accountants. Eide Bailly specializes in governmental accounting, is familiar with the City's current finance staff responsibilities, assigned duties, policies, and procedures. They have assisted with specific audit reporting data and preparation of the annual street report. Furthermore, they have a strong working knowledge of the new financial software system Tyler Incode 10.

Finance staff would benefit from the continued accounting support to not only assist with meeting upcoming audit requests but also provide necessary cross-training in areas relating to audit preparation, quarterly and year-end reporting. We anticipate over time there will be a transition of staff assignments from Eide Bailly to City staff to be consistent with the newly re-structured staff assignments. Staff anticipates upon FY 21-22 audit having been finalized and approved, there will be adequate time to prepare a Request for Proposal (RFP) for future accounting services to assist with any out of the ordinary and/or specialized reporting requirements.

The engagement letter provides the total number of allowable hours under the proposed fees. Staff has made efforts this fiscal year to remain conservative relating to the number of service

hours. The total amount of proposed hours does not necessarily require that the City will utilize all hours. The software conversion project is nearly completed with only two modules remaining (fixed assets and bank reconciliation). We anticipate much of the conversion detail can be accomplished by City staff.

Please note that the annual street report is a flat fee, and the table below represents the newly proposed hourly rates for accounting services:

| Staff | Current | Proposed |
|-------------|---------|----------|
| Partner | 225 | 225 |
| Sr. Manager | 180 | 200 |
| Senior | 135 | 140 |
| Staff | 100 | 110 |

Financial Impact

Accounting support was included in the 21-22 budget. During midyear budget review Council will have the opportunity to review and approve any necessary adjustments to the costs associated with accounting support at that time.

Attachments

Engagement Letters (2)



December 1, 2021

City of Gridley
Elisa Artega, Finance Director
685 Kentucky Street
Gridley, CA 95948

This letter confirms the terms of our accounting services engagement with the City of Gridley, California (City) for the months October 2021 through December 2022 and clarifies the nature and extent of the professional services we will provide.

Our engagement will be designed to perform the following services:

Our Responsibilities – Business Outsourcing

We will provide accounting and bookkeeping assistance to your staff in connection with the City's daily, weekly, monthly and other periodic activities as deemed necessary during the period noted above from the information furnished to us by you and your employees. This engagement does not include the preparation or compilation of financial statements.

With respect to any nonattest services we perform, we agree to perform the following:

- Continue to support the City in preparing for the audit of the annual financial reports.
- General ledger maintenance.
- Bank reconciliations.
- Adjusting journal entries as needed.
- Evaluate internal control processes.
- Lead and direct questions from external auditors.
- Assist in generating routine financial reports, including treasurer's report and periodic budget-to-actual reports.
- Evaluate internal control processes.
- Evaluate transfers.
- Assist in the software conversion projects as identified, including fixed assets and the bank reconciliation modules.
- And other projects as identified.

We will also assist in the preparing the Annual Recognized Obligations Schedule for the Successor Agency, and are available to assist in the preparation of the transit-related state controller's financial transactions report, as needed.

We will not assume management responsibilities on behalf of the City. The City's management understands and agrees that any advice or recommendation we may provide in connection with our engagement are solely to assist management in performing its responsibilities.

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.

We are not required to, and will not, verify the accuracy or completeness of the information you will provide to us for the engagement or otherwise gather evidence for the purpose of expressing an opinion or a conclusion. Accordingly, we will not express an opinion or a conclusion nor provide any assurance on the financial statements.

Our engagement cannot be relied upon to identify or disclose any financial statement misstatements, including those caused by fraud or error, or to identify or disclose any wrongdoing within the entity or noncompliance with laws and regulations.

Other

During the course of the engagement, we will only provide confidential engagement documentation to you via Eide Bailly's secure portal or other secure methods, and request that you use the same or similar tools in providing information to us. Should you choose not to utilize secure communication applications, you acknowledge that such communication contains a risk of the information being made available to unintended third parties. Similarly, we may communicate with you or your personnel via e-mail or other electronic methods, and you acknowledge that communication in those mediums contains a risk of misdirected or intercepted communications.

Should you provide us with remote access to your information technology environment, including but not limited to your financial reporting system, you agree to (1) assign unique usernames and passwords for use by our personnel in accessing the system and to provide this information in a secure manner; (2) limit access to "read only" to prevent any unintentional deletion or alteration of your data, unless otherwise authorized by you and needed by us to perform the agreed to activities of this engagement; (3) limit access to the areas of your technology environment necessary to perform the procedures agreed upon; and (4) disable all usernames and passwords provided to us upon the completion of procedures for which access was provided. We agree to only access your technology environment to the extent necessary to perform the identified procedures.

Regarding the electronic dissemination of your financial statements, including financial statements published electronically on your website or elsewhere, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

Professional standards prohibit us from being the sole host and/or the sole storage for your financial and non-financial data. As such, it is your responsibility to maintain your original data and records and we cannot be responsible to maintain such original information. By signing this engagement letter, you affirm that you have all the data and records required to make your books and records complete.

Our fees for services provided, plus out-of-pocket expenses, will be billed monthly as the work progresses at rates determined by level of involvement. We estimate that our senior and staff will average approximately two (2) days per week every month, each month with the Senior Manager and Partner providing guidance to both City staff and engagement staff as needed. We estimate the total fee for the period will not exceed \$346,320 as noted below.

| Proposed Hours | | | | | | |
|--------------------|------------|----------------|----------|------------|--------------|--------------|
| Period | Partner | Sr. Manager | Manager | Senior | Staff | Total |
| October - December | 24 | 24 | - | 192 | 384 | 624 |
| January - June | 60 | 120 | - | 384 | 384 | 948 |
| July - December | 60 | 120 | - | 384 | 384 | 948 |
| Total Hours | 144 | 264 | - | 960 | 1,152 | 2,520 |

| Proposed Fee | | | | | | |
|----------------------------|------------------|------------------|-------------|-------------------|-------------------|-------------------|
| Period | \$ 225 | \$ 200 | \$ 170 | \$ 140 | \$ 110 | Total |
| October - December | \$ 5,400 | \$ 4,800 | \$ - | \$ 26,880 | \$ 42,240 | \$ 79,320 |
| January - June | 13,500 | 24,000 | - | 53,760 | 42,240 | 133,500 |
| July - December | 13,500 | 24,000 | - | 53,760 | 42,240 | 133,500 |
| Total Proposed Cost | \$ 32,400 | \$ 52,800 | \$ - | \$ 134,400 | \$ 126,720 | \$ 346,320 |

We may be requested to make certain engagement documentation available to outside parties, including regulators, pursuant to authority provided by law or regulation or applicable professional standards. If requested, access to such documentation will be provided under the supervision of Eide Bailly LLP's personnel.

Furthermore, upon request, we may provide copies of selected documentation to the outside party, who may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies. We will be compensated for any time and expenses, including time and expenses of legal counsel, we may incur in making such documentation available or in conducting or responding to discovery requests or participating as a witness or otherwise in any legal, regulatory, or other proceedings as a result of our Firm's performance of these services. You and your attorney will receive, if lawful, a copy of every subpoena we are asked to respond to on your behalf and will have the ability to control the extent of the discovery process to control the costs you may incur.

Should our relationship terminate before our services are completed you will be billed for services to the date of termination.

We may use third party service providers and/or affiliated entities (including Eide Bailly Shared Services Private Limited) (collectively, "service providers") in order to facilitate delivering our services to you. Our use of service providers may require access to client information by the service provider. We will take reasonable precautions to determine that they have the appropriate procedures in place to prevent the unauthorized release of confidential information to others. We will remain responsible for the confidentiality of client information accessed by such service provider and any work performed by such service provider.

Neither of us may use or disclose the other's confidential information for any purpose except as permitted under this engagement letter or as otherwise necessary for Eide Bailly to provide the services. Your confidential information is defined as any information you provide to us that is not available to the public. Eide Bailly's confidential information includes our documentation for this engagement. Our engagement documentation shall at all times remain the property of Eide Bailly LLP. The confidentiality obligations described in this paragraph shall supersede and replace any and all prior confidentiality and/or nondisclosure agreements (NDAs) between us.

You agree to share all facts that may affect your financial statements, even if you first become aware of those facts after the date of the accountant's report but before the date your financial statements are issued.

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

Eide Bailly LLP is a member of HLB International, a worldwide organization of accounting firms and business advisors, (HLB). Each member firm of HLB, including Eide Bailly LLP is a separate and independent legal entity and is not owned or controlled by any other member of HLB. Each member firm of HLB is solely responsible for its own acts and omissions and no other member assumes any liability for such acts or omissions. Neither Eide Bailly LLP, nor any of its affiliates, are responsible or liable for any acts or omission of HLB or any other member firm of HLB and hereby specifically disclaim any and all responsibility, even if Eide Bailly LLP, or any of its affiliates are aware of such acts or omissions of another member of HLB.

Eide Bailly LLP formed The Eide Bailly Alliance, a network for small to mid-sized CPA firms across the nation. Each member firm of The Eide Bailly Alliance, including Eide Bailly LLP, is a separate and independent legal entity and is not owned or controlled by any other member of The Eide Bailly Alliance. Each member firm of The Eide Bailly Alliance is solely responsible for its own acts and omissions and no other member assumes any liability for such acts or omissions. Neither Eide Bailly LLP, nor any of its affiliates, are responsible or liable for any acts or omission of The Eide Bailly Alliance or any other member firm of The Eide Bailly Alliance and hereby specifically disclaim any and all responsibility, even if Eide Bailly LLP, or any of its affiliates are aware of such acts or omissions of another member of The Eide Bailly Alliance.

Eide Bailly, LLP has owners that are not licensed as certified public accountants as permitted under Section 5079 of the California Business Code. It is not anticipated that any of the non-licensee owners will be performing services for the City.

MEDIATION

Any disagreement, controversy or claim arising out of or related to any aspect of our services or relationship with you (hereafter a "Dispute") shall, as a precondition to litigation in court, first be submitted to mediation. In mediation, the parties attempt to reach an amicable resolution of the Dispute with the aid of an impartial mediator. Mediation shall begin by service of a written demand. The mediator will be selected by mutual agreement. If we cannot agree on a mediator, one shall be designated by the American Arbitration Association ("AAA"). Mediation shall be conducted with the parties in person in the Sacramento office. Each party will bear its own costs in the mediation. The fees and expenses of the mediator will be shared equally by the parties. Neither party may commence a lawsuit until the mediator declares an impasse.

LIMITED INDEMNITY

Eide Bailly LLP and its partners, affiliates, officers and employees (collectively "Eide Bailly") shall not be responsible for any misstatements in your financial statements that we may fail to detect as a result of misrepresentations or concealment of information by any of your owners, directors, officers or employees. You shall indemnify and hold Eide Bailly harmless from any claims, losses, settlements, judgments, awards, damages and attorneys' fees arising from any such misstatement or concealment of information.

If through no fault of Eide Bailly we are named as a party to a dispute between you and a third party, you shall indemnify and hold Eide Bailly harmless against any losses, damages, settlements, judgments, awards, and the costs of litigation (including attorneys' fees) we incur in connection with the dispute.

Eide Bailly shall not be entitled to indemnification under this agreement unless the services were performed in accordance with professional standards in all material respects.

LIMITATION OF LIABILITY

The exclusive remedy available to you for any alleged loss or damages arising from or related to Eide Bailly's services or relationship with you shall be the right to pursue claims for actual damages that are directly caused by Eide Bailly's breach of this agreement or Eide Bailly's violation of applicable professional standards. In no event shall Eide Bailly's aggregate liability to you exceed two times fees paid under this agreement, nor shall Eide Bailly ever be liable to you for incidental, consequential, punitive or exemplary damages, or attorneys' fees.

TIME LIMITATION

You may not bring any legal proceeding against Eide Bailly unless it is commenced within twenty-four (24) months ("Limitation Period") after the date when we delivered our report, return, or other deliverable under this agreement to you, regardless of whether we do other services for you or that may relate to the compilation. The Limitation Period applies and begins to run even if you have not suffered any damage or loss, or have not become aware of a possible Dispute.

GOVERNING LAW AND VENUE

Any Dispute between us, including any Dispute related to the engagement contemplated by this agreement, shall be governed by Minnesota law. Any unresolved Dispute shall be submitted to a federal or state court located in Minneapolis, Minnesota.

ASSIGNMENTS PROHIBITED

You shall not assign, sell, barter or transfer any legal rights, causes of actions, claims or Disputes you may have against Eide Bailly to any person.

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

We appreciate the opportunity to be your certified public accountants and look forward to working with you and your staff.

Respectfully,


James W Ramsey, CPA, CFE
Partner

RESPONSE:

This letter correctly sets forth our understanding.

Acknowledged and agreed on behalf of the City of Gridley, California by:

Name: _____

Title: _____

Date: _____



October 19, 2021

Attn: Elisa Arteaga
City of Gridley
685 Kentucky Street
Gridley, CA 95948

Re: Annual Street Report Preparation 2021

Dear Elisa:

As a follow up to our recent discussion, this engagement letter summarizes the proposed non-audit services to your Agency. The standards to which Eide Bailly, LLP (EB) will conform are intended to better serve the public interest, and to maintain a high degree of integrity, objectivity, and independence for both audit work and for non-audit work with government audit clients.

The standard for non-audit services for government audit clients is based on two overarching principles:

- Auditors (EB) should not perform management functions or make management decisions; and
- Auditors (EB) should not audit their own work or provide non-audit services in situations where the amounts or services involved are significant / material to the subject matter of the audit.

In light of these principles, our available resources and considering your needs, our firm suggests the following way that we can assist you during the next year. We will provide you with professional accounting assistance within the engagement scope and on the terms stated below.

OBJECTIVE OF THE ENGAGEMENT

The City of Gridley (the City) desires assistance in filing the City's **Annual Street Report** with the State Controller's Office. We can assist the City in this capacity and offer the scope of services as noted below.

DELIVERABLES

- 1) From unaudited expenditure and revenue information provided to us by the City, we will transcribe street expenditure data onto the State provided software.
- 2) We will sort the revenue and expenditure data in accordance with State Controller instructions that will be consistent with the manner used by the City in prior annual street reports. If such a manner is inconsistent with State Controller instructions, the City will provide direction to us as to which method of presentation to use.
- 3) From unaudited trial balances provided to us by the City, we will transcribe balance sheet information onto the State provided software for any fund containing financial information that needs to be reported in the Annual Street Report.
- 4) From information and documentation provided to us by the City, we will note any adjustments or audit findings from the State Controller to the opening balances of the Annual Street Report.

- 5) We will electronically file the Annual Street Report with the State Controller and provide the City with a written copy of the results.
- 6) We will assist the City in responding to any inquiries by the State Controller to a maximum of one billable hour.

RESPONSIBILITY OF THE CLIENT

The work will be non-audit services as defined by Governmental Auditing Standards issued by the Comptroller General of the United States. Our work will not constitute an audit or a review of transactions and should not be relied upon as such. Your agency is responsible for the appropriate recording and reporting of financial transactions and management decisions. Accordingly, all work will be conducted at your direction, the direction of your chief financial officer, to ensure that the work meets your agency's objectives. The chief financial officer or other designated individual will be responsible for review and approval of any work product directly prepared by EB, including any adjustments to the accounting records that may be proposed by EB, or reports drafted by EB during the engagement.

Governmental Auditing Standards require that your agency be responsible for the substantive outcomes of EB work, and be in a position in fact and appearance to make an informed judgment on the results of the non-audit services, and that your agency:

- Designates a knowledgeable management level individual to be responsible and accountable for overseeing the non-audit services.
- Establishes and monitors the performance of the non-audit services to ensure that it meets management's objectives.
- Makes any decisions that involve management functions related to the non-audit services and accepts full responsibility for such decisions.
- Evaluates the adequacy of the services performed and any findings that result.

STAFFING

Eide Bailly, LLP has owners that are not licensed as certified public accountants as permitted under Section 5079 of the California Business and Professions Code. It is not anticipated that any of the non-licensee owners will be performing audit services for the agency.

FEES

Fees will be billed at a flat rate of \$2,835 for the report.

TERMINATION OF ENGAGEMENT, INDEPENDENT CONTRACTOR, AND INSURANCE

Either party may terminate this engagement without cause. EB is an independent contractor as defined by Federal and State taxing authorities. EB will maintain current worker compensation and liability insurance policies.

For any questions regarding this letter, please contact Brad Rockabrand at (909) 466-4410. If this engagement letter correctly states your understanding of the engagement, please sign below and return a copy for our files.

Sincerely,



Brad Rockabrand, CPA

of Eide Bailly, LLP

Agreed to by

Signature: _____

Name: Elisa Arteaga

City of Gridley

Date: _____

City Council Agenda Item #5
Staff Report

Date: December 20, 2021
To: Mayor and City Council
From: Danny Howard, Electric Utility Director
Subject: Wildfire Plan Review Services

| | |
|----------|-----------|
| X | Regular |
| | Special |
| | Closed |
| | Emergency |

Recommendation

Staff respectfully requests the City Council to approve the spending of \$5,000 to Power Engineering for a third-party review on our Wildfire Mitigation Plan (WMP) to be compliant with the Wildfire Safety Advisory Board and state regulations.

Background

Over the last few years, California has experienced several catastrophic wildfires that has resulted in the State Legislature passing SB 901 in September 2018. The law requires California utilities to annually prepare a Wildfire Mitigation Plan (WMP). The City Council adopted our initial WMP in December 2019 for the FY 19-20. SB 901 also requires that a qualified independent evaluator, who shall issue a report to the governing body of each utility, evaluate the WMP. I reached out to POWER Engineers, who is familiar with process and has recently done the evaluation for the City of Healdsburg's WMP to give us a quote to evaluate our WMP. Attached is the proposal.

POWER understands the project objective is to provide a third-party review of the City's existing 2021 WMP for compliance with the applicable state regulations and requirements. This effort will compare the existing WMP to the California requirements for wildfire mitigation and provide a report documenting level of compliance and any suggested areas for plan improvement.

Financial Impact

\$5,000

Compliance with the City Council Strategic Plan

This recommendation is consistent with our ongoing efforts to provide safe and reliable electrical services.

Attachment

POWER Engineers Review Services Proposal



POWER ENGINEERS, INC.

3940 GLENBROOK DRIVE
PO BOX 1066
HAILEY, ID 83333 USA

PHONE 714-507-2702
FAX 714-507-2799

December 10, 2021

Danny Howard
Electric Utility Director
City of Gridley
685 Kentucky Street
Gridley, CA 95948

Subject: Wildfire Mitigation Plan Review Services

Dear Mr. Howard:

POWER Engineers, Inc. (POWER) appreciates the opportunity to provide you our proposal to review the Wildfire Mitigation Plan (WMP) for the City of Gridley (City).

POWER has recent experience completing similar work performing detailed inspection of facilities at the Calpine geothermal generation complex and Northern California Power Agency's (NCPA) power plants, transmission and distribution lines, and substations to mitigate the threat of wildfire in the area. We recently prepared WMPs for Calpine, NCPA, and Lone Star Transmission. In addition, POWER is currently supporting PacifiCorp to develop wildfire mitigation strategies throughout their service territory in California, Oregon, and Washington. We will leverage this experience and knowledge to thoroughly review the City's wildfire mitigation plan to ensure it addresses the state requirements for fire planning and mitigation.

PROJECT UNDERSTANDING

POWER understands the project objective is to provide a third-party review of the City's existing 2021 WMP for compliance with the applicable state regulations and requirements. This effort will compare the existing WMP to the California requirements for wildfire mitigation and provide a report documenting level of compliance and any suggested areas for plan improvement.

Based upon the above understanding, the following Work Plan outlines our approach for completing the project.

PROJECT WORK PLAN

Task 1 Review and Assessment

POWER will begin by reviewing the City's existing WMP, dated July 2021, in conjunction with California regulations and requirements for wildfire mitigation planning applicable to municipal utilities. Relevant regulations include California Public Utilities Code (PUC) Section 8387, which contains 14 topics that wildfire mitigation plans must consider.

POWER will compare the City's existing WMP to the requirements of each of the 14 sections of PUC Section 8387 to ensure the WMP is in complete compliance with the regulations. POWER will also analyze the WMP for areas that could be strengthened.

December 10, 2021

Task 2 WMP Review Report

A draft WMP Review Report will be developed. The WMP will include the project background, general findings, recommendations for any sections that should be revised, and general recommendations. POWER will submit one draft WMP for the City's review and comment. POWER will incorporate comments from the City and submit a final WMP Review Report.

Deliverable(s): One draft and one final WMP Review Report

Assumption(s): The draft and final report will be submitted in electronic format.

MILESTONE SCHEDULE

POWER Engineers proposes the following tentative milestone schedule based on the tasks and deliverables described in the Work Plan.

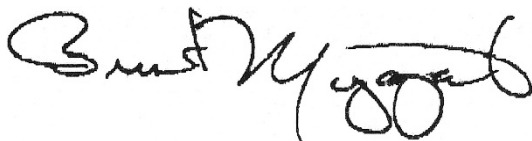
| TENTATIVE MILESTONE SCHEDULE | |
|--|-----------|
| DESCRIPTION | DATE |
| Virtual Project Kick Off | 1/03/2022 |
| Draft Wildfire Mitigation Plan Review Report | 1/28/2022 |
| City Comments on Draft WMP Review Report | 2/11/2022 |
| Final Wildfire Mitigation Plan | 2/18/2022 |

BUDGET SUMMARY

Based on our understanding of this project's scope of work, the lump sum cost for the WMP review and report is \$5,000.

We look forward to your review of our proposal. If you have any questions, please contact me at 714-507-2722 or brent.miyazaki@powereng.com. Thank you for this opportunity to serve the City of Gridley.

Sincerely,



Brent Miyazaki
Senior Project Manager

City Council Agenda Item #6
Staff Report

Date: December 20, 2021

To: Mayor and City Council

From: Cliff Wagner, Administrator

Subject: Proposed Changes and Extension of Waste Management Contract for Collection of Solid Waste, Recyclables, Green Waste and Transfer Station Operation Services

| | |
|----------|-----------|
| X | Regular |
| | Special |
| | Closed |
| | Emergency |

Recommendation

City staff respectfully recommends Council review and adopt proposed changes and extension to Waste Management's Contract for Collection of Solid Waste, Recyclables, Green Waste, and Transfer Station Operation Services.

The proposed Agreement includes the following highlighted changes:

- 2-year agreement with initial rate increase of 5%.
- WST index year 2 with 2% floor and 5% cap
- Contamination and overfull bin/cart program
- SB 1383 waiver acknowledgement
- Delinquent account/collection language
- Updated rate sheets showing current rates, new rates and difference

Background

On March 1, 2013, the City of Gridley entered into an agreement with USA Waste of California Inc. (Waste Management) for the Collection of Solid Waste, Recyclables, Green Waste, and Transfer Station Operation Services. That agreement specified a term of three years.

The initial agreement contained language allowing for the automatic extension for eight successive additional periods of one year, unless terminated by the city. Extensions resulting from the impact of COVID-19, City staff shortages and turnover have resulted in the continuation of the agreement, now set to expire at the close of business on December 31, 2021.

Although the city has benefitted from a long-term partnership with Waste Management in the Collection of Solid Waste services, it is appropriate to undertake a Request for Proposal (RFP) Process to ensure that City of Gridley ratepayers are receiving competitive and cost-effective rates for the services they receive. Because the RFP process for waste services is complex and takes a significant investment in time and analysis, it is necessary to engage a process that builds insufficient time to do it well.

In consultation with the City Attorney, Tony Galyean, and other municipalities who have recently completed the RFP process for waste collection services, it was determined that a two-year period would be optimal to conduct a responsible RFP process.

Financial Impact

Under the current service agreement, the City of Gridley receives a franchise fee of 5% of all revenues collected by Waste Management resulting from all revenue or compensation to the Waste Management from rates established pursuant to Article VII for collection of solid waste, including operation of Ord Ranch Road Transfer Station. The franchise fee is paid to the City of Gridley quarterly. Franchise fee revenue from last fiscal year totaled: \$73,000.

Compliance with City Council Strategic Plan or Budget Goals

The City Council and City staff are committed to engage the best possible financial practices and the highest possible transparency regarding all financial transactions and service delivery to city residents. This proposal is consistent with our ongoing effort to promote financially responsible policies, be responsive and transparent regarding all financial matters, as well as be congruent with best practices.

Attachments

1. Waste Management Extension Amendment
2. Gridley Rate Schedule Effective January 1, 2022

**AMENDMENT TO
AMENDED AND RESTATED AGREEMENT
BETWEEN THE CITY OF GRIDLEY AND USA WASTE OF CALIFORNIA, INC.**

THIS AMENDMENT TO AMENDED AND RESTATED AGREEMENT BETWEEN THE CITY OF GRIDLEY AND USA WASTE OF CALIFORNIA, INC. (the “Amendment”) is entered into as of December __, 2021, by and between the City of Gridley (“City”) and USA WASTE OF CALIFORNIA, INC. (“Company”). City and Company are referred to herein, individually, as a “Party” and jointly as the “Parties”.

RECITALS

- A. On March 1, 2013, the Parties entered into an Amended and Restated Agreement between the City of Gridley and USA Waste of California, Inc. for Collection of Solid Waste, Recyclables, Green Waste, and Transfer Station Operation Services (the “Agreement”). The Agreement has been amended twice to extend its term, which is currently scheduled to expire December 31, 2021.
- B. The Parties now desire to further amend the Agreement to extend it term, among other things, as provided in this Amendment.

NOW THEREFORE, for good and value consideration, the receipt and adequacy of which are hereby acknowledged, the Parties hereby agree as follows:

1. Term of Agreement. Section II(D) of the Agreement is replaced in its entirety by the following: “The initial term of this Franchise Agreement shall be for the period commencing on the Effective Date and ending at 11:59 pm on December 31, 2023.”

2. Exhibit 2. Effective January 1, 2022, Company rates set forth in Exhibit 2 are replaced by the Exhibit 2 attached hereto.

3. CPI Adjustment. Section VI.B. of the Agreement is hereby replaced by the following:

The Service Rates and Transfer Station rates set forth in Exhibit 2 shall be adjusted on January 1st of each year, beginning January 1, 2022 and annually thereafter to reflect one-hundred percent (100%) of the annual change in the Consumer Price Index, series CUUR0000SEHG CPI-U Water and Sewer and Trash Collection Services, US City Average, not seasonally adjusted, as published by the United States Department of Labor, Bureau of Labor Statistics (CPI). This annual adjustment to the rates will be based on 100-percent of the annual percentage change in the CPI for September of the current year as compared to September of the prior year (CPI 100% Rate Adjustment Factor). Annual CPI adjustments shall have a 2% floor and 5% cap. If an annual CPI adjustment would otherwise be lower than 2% or above 5%, such difference will be applied to the following year’s CPI adjustment. For example, if a CPI adjustment would be 6% if not for the cap,

the adjustment shall be 5%, and 1% shall be added to the following year's CPI adjustment. This adjustment shall not apply to that portion of the rates related to Processing Facility Tip Fees (Processing Fees) and Solid Waste Disposal fees (Landfill Tip Fees) that are not regulated by the Company or an affiliate of the Company but shall apply to any such fees that are regulated by the Company or an affiliate of the Company (e.g., Processing Fees for Recyclable Materials processed at the Company's North Valley Disposal and Recycling Material Recovery Facility). Any Processing Fees and Landfill Tip Fees that are not regulated by the Company or an affiliate of the Company shall be adjusted in proportion to any changes in said fees, if and when such changes occur. No other adjustment to this portion of the rates will occur. The Company shall submit a formal Request for Rate Adjustment to the City on an annual basis no later than November 1st of the current year.

4. Contamination and Overage. The following is hereby added as Section VI.H of the Agreement:

H. CONTAMINATION; OVERAGE.

1. Definitions:

- a. Contamination: Materials placed in a Recyclable Materials container other than Recyclable Materials, or material placed in an Green Waste container other than Green Waste.
- b. Overage: (i) Solid Waste, Recyclable Materials or Green Waste exceeding its container's intended capacity such that the lid is lifted (or would be lifted if lowered) or (ii) Solid Waste, Recyclable Materials or Green Waste placed on top of or in the immediate vicinity of the container, in bags or otherwise.

2. **Roll-Out Period – Education and Outreach.** Starting _____, 2022 and ending on 60 days later (the "Roll-Out Period"), Company shall provide an education program designed to minimize instances of Contamination and Overage. During the Roll-Out Period, where Company documents that a particular customer has Contamination or Overage, Company shall collect the offending container (where it can be done safely and excluding material laying on ground) and provide an electronic notice to the customer (if such contact information is provided by customer) with the following information (a "Violation Notice"):

- a. Date of the offense;
- b. Description of the offense;
- c. If available, a photograph or video (or link to photograph or video);
- d. A description of the materials that are appropriate for collection in said container and a link to view online with educational materials; and
- e. A website to obtain additional information and/or receive responses to questions the customer may have.

During the Roll-Out Period, Company shall not impose a Contamination or Overage Charge.

3. **Post Roll-Out Period.** The following shall apply after the Roll-Out Period:

a. **Contamination.**

- i. First and Second Occurrences. Company shall service containers with Contamination except where there is visible Excluded Waste. Company shall provide a Violation Notice, where such contact information has been provided.
- j. Third and Subsequent Occurrences. Company may opt to not collect Recyclable Materials or Green Waste containers with Contamination; in such event, the customer may request the container be collected as Solid Waste, and an additional fee will apply. Alternatively, Company may collect a container with Contamination and invoice the customer a Contamination Charge in the amount set forth in Exhibit A. In either case, the Company shall provide a Violation Notice where such electronic contact information has been provided.

b. **Overage.** Company may opt to not collect Overage, unless caused by Company spillage of non-overloaded containers during collection; in such event, the customer may correct the Overage and request that Company return to service the container (an additional fee will apply). Alternatively, Company may collect the container with Overage and invoice the customer an Overage Charge in the amount set forth in Exhibit A. In either case, the Company shall provide a Violation Notice where such electronic contact information has been provided. If there have been more than three instances of Overage in any 12-month period for a particular service (i.e., Solid Waste, Recyclable Materials, or Green Waste), Company may increase the customer's service level (i.e., larger container or more frequent service) to mitigate the Overage, and may increase the charges to such Customer according to the increased service level.

c. **Overweight Containers.** The Company may refuse to collect any Solid Waste, Recyclable Materials, or Green Waste Container which the Company reasonably believes to be overweight. A container shall be considered "overweight" if the total weight of the container and contents exceeds two times the volume capacity of said container (e.g., 192 pounds for a 96-gallon Cart). The Company shall provide notification to the customer regarding each instance of non-collection.

5. Bad Debt. City will work collaboratively with Company to reduce Customer bad debt, including implementation a lien program on delinquent customer accounts to the extent feasible.

6. SB 1383. City will obtain a waiver from CalRecycle from the requirements of SB 1383. Before any SB 1383 requirements are imposed on Company regarding this Agreement, the parties will negotiate amendments to this Agreement, including additional compensation to Company to offset its increased costs to perform such requirements.

7. Except as expressly provided herein, all other terms and conditions set forth in the Agreement shall remain unchanged.

[signature page follows]

IN WITNESS WHEREOF, the Parties hereto execute this Amendment as of the date first set forth above. Each individual executing this Amendment in a representative capacity for a party warrants the authority to do so and to bind principals.

COMPANY:

USA Waste of California, Inc.

By: _____

Name: _____

Title: _____

CITY:

City of Gridley

By: _____

Name: _____

Title: _____

EXHIBIT 2

Company Service Rates effective 1/1/2022

(See Attached)



CITY OF GRIDLEY
Annual Rate Adjustment
Effective 1/1/2022
Residential Rates

| Adjustment |
|------------|
| 5.00% |

| Residential Carts | | | |
|--------------------|--------------|------------|---------------|
| Service | Current Rate | Adjustment | Proposed Rate |
| 35 gallon - Senior | \$18.80 | \$0.94 | \$19.74 |
| 35 gallon | \$22.35 | \$1.12 | \$23.47 |
| 64 gallon | \$25.84 | \$1.29 | \$27.13 |
| 95 gallon | \$30.22 | \$1.51 | \$31.73 |
| Add'l 35 gallon | \$11.17 | \$0.56 | \$11.73 |
| Add'l 64 gallon | \$12.92 | \$0.65 | \$13.57 |
| Add'l 90 gallon | \$15.11 | \$0.76 | \$15.87 |

| Extra Pickup Charges | | | |
|----------------------|--------------|------------|---------------|
| Service | Current Rate | Adjustment | Proposed Rate |
| 35 gallon | \$9.17 | \$0.46 | \$9.63 |
| 64 gallon | \$10.53 | \$0.53 | \$11.06 |
| 95 gallon | \$10.53 | \$0.53 | \$11.06 |
| Bag | \$4.92 | \$0.25 | \$5.17 |

| Ancillary Charges | | | |
|--|---------------------------------------|------------|--|
| Service | Current Rate | Adjustment | Proposed Rate |
| Long walk service. Up to 100 feet | \$10.69 | \$0.53 | \$11.22 |
| Long walk service. 101 to 200 feet | \$21.42 | \$1.07 | \$22.49 |
| Overfull Container (Snapshot) | | | \$10.00 |
| Contamination charge | | | \$12.00 |
| Extra Pickup / Go Back Charge | \$48.91 | \$2.45 | \$51.36 |
| Replace lost or stolen cart | \$92.39 | \$4.62 | \$97.01 |
| Replace or Exchange damaged container (not caused by WM) | \$92.39 | \$4.62 | \$97.01 |
| Account reactivation charge (from bad pay) - no cart delivery | \$48.91 | \$2.45 | \$51.36 |
| Account reactivation charge (from bad pay) - w/ cart delivery | \$86.97 | \$4.35 | \$91.32 |
| Late Payment charge | 2.5% of balance (\$5.00 min. Chg.) | N/A | 2.5% of balance (\$5.00 min. Chg.) |