

## **Gridley City Council – Regular Meeting Agenda**

Monday, December 6, 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.”*

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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 6, 2021, via email to [jmolinari@gridley.ca.us](mailto: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/81886005565?pwd=T1cwSHBUWUc3VnVtWWdwKytoanpJQT09>

Webinar ID: 818 8600 5565

Passcode: 211918

**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.

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**CALL TO ORDER** - Mayor Johnson

**ROLL CALL**

**PLEDGE OF ALLEGIANCE** – Vice Mayor Farr

**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

1. City Council minutes dated November 1, 2021
2. 2022 City Council Meeting Schedule
3. Gridley Electric Utility Unmanned Aircraft System (UAS) Standard Operating Procedure (SOP)

## ITEMS FOR COUNCIL CONSIDERATION

4. Resolution No. 2021-R-038: Resolution of the Gridley City Council Adopting the Revised Renewable Energy Resource Procurement Plan and Enforcement Program
5. Reinvestment of City Funds
6. Proposal for upgrading City of Gridley HVAC systems for City Hall, Public Works, Electric Department, and Animal Control
7. Memorandum of Understanding between the Butte County Department of Behavioral Health and the Gridley Police Department regarding the Mobile Crisis Team Program
8. Proposal to Authorize Purchase of Properties at 235 Virginia Street and 57 East Gridley Road, Gridley, CA.
  - Resolution No. 2021-R-039: A Resolution of The Gridley City Council Authorizing a Supplemental Appropriation to Acquire Properties for Enhancement of Public Works Department Operations
  - Resolution No. 2021-R-040: A Resolution of The Gridley City Council Authorizing a Supplemental Appropriation to Acquire Properties for Enhancement of Electrical Department Operations
9. Resolution No. 2021-R-041: A Resolution of The Gridley City Council Adopting the Butte Subbasin Groundwater Sustainability Plan
10. Informational Update on Proposal to Extend 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):*

CJIS Radio Compliance Program for Police Dept	12/20/2021
Award Contract for Municipal Services Review	12/20/2021
Mid-Year Budget Review	1/18/2022
Presentation of RRT Park Grants	1/18/2022
City Engineering contract renewal/extension	1/18/2022
Audit Financials	1/18/2022



**CLOSED SESSION**

11. Conference with legal counsel and key administrative staff pursuant to Government Code 54956.9 concerning anticipated litigation: 1 case
12. Government Code 54957 - Public Employee Performance Evaluation: City Administrator

**ADJOURNMENT** – adjourning to a Regular meeting on December 20, 2021.

**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 3, 2021. This agenda along with all attachments is available for public viewing online at [www.gridley.ca.us](http://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.







## **Gridley City Council – Regular Meeting Minutes**

Monday, November 1, 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.”*

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### **CALL TO ORDER**

**Mayor Johnson called the meeting to order at 6 pm.**

### **ROLL CALL**

#### **Council Members**

Present: Calderon, Torres, Farr, Johnson  
Absent: Sanchez  
Arriving after roll call: None

#### **Staff Present:**

Cliff Wagner, City Administrator  
Tony Galyean, City Attorney  
Ross Pippitt, Public Works Director  
Rodney Harr, Chief of Police  
Elisa Arteaga, Finance Director  
Sean Norman, Fire Chief  
Donna Decker, City Planner  
Dave Harden, City Engineer

### **PLEDGE OF ALLEGIANCE**

**Councilmember Torres led the Pledge of Allegiance**

**INVOCATION - None**

### **PROCLAMATION**

**Mayor Johnson read the Homeless and Runaway Youth Awareness Month proclamation and it was accepted by Bogette Covarrubias who spoke briefly thanking Council.**

**INTRODUCTION OF NEW OR PROMOTED EMPLOYEES - None**

### **COMMUNITY PARTICIPATION FORUM**

**The forum was opened and seeing no one present wishing to speak, was closed.**

### **CONSENT AGENDA**



1. City Council minutes dated October 18, 2021
2. City Vehicle Surplus

**Motion to approve the consent agenda by Vice Mayor Farr, seconded by Council Member Calderon.**

**ROLL CALL VOTE**

**Ayes: Calderon, Johnson, Torres, Farr**

**Motion passed, 4-0**

**ITEMS FOR COUNCIL CONSIDERATION**

3. Discussion and possible action to sponsor the Gridley Invitational Basketball Tournament (GIBT)

**Motion to approve a \$500 sponsorship to the GIBT by Mayor Johnson, seconded by Council Member Calderon.**

**ROLL CALL VOTE**

**Ayes: Johnson, Torres, Calderon, Farr**

**Motion passed, 4-0**

4. Approval of Resolution No. 2021-R-037: A Resolution of the City Council of the City of Gridley Authorizing the Gridley Fire Department to receive a Rural Fire Capacity Grant

**Chief Norman spoke briefly stating the grant amount and how the funds are used. There was no discussion.**

**Motion to approve Resolution No. 2021-R-037 by Council Member Torres, seconded by Vice Mayor Farr.**

**ROLL CALL VOTE**

**Ayes: Johnson, Farr, Torres, Calderon**

**Motion passed, 4-0**

5. Verbal update on current and future projects – Ross Pippitt, Director of Public Works and Dave Harden, City Engineer

**Public Works Director Ross Pippitt and City Engineer Dave Harden presented a power point that reviewed current and future projects as well as grant applications in process. They also reviewed how the City storm drain system and the various detention basins performed during the most recent storm. This was an informational item; no action was taken.**

6. Second Reading and Adoption of Ordinance 835-2021: An Ordinance of the Gridley City Council to pre-zone approximately 36.38 acres Single-Family Residential District (R-1) and



3.62 acres Open Space located on the east side of West Biggs Gridley Road  
(APN 022-210-092)

**Planner Donna Decker stated this is the second reading and briefly reviewed the process to follow approval. The Ordinance will become effective 30 days after approval.**

**Second reading by title only and adoption of Ordinance 835-2021 by Council Member Calderon, seconded by Council Member Torres.**

**ROLL CALL VOTE**

**Ayes: Farr, Calderon, Torres, Johnson**

**Motion passed, 4-0**

7. Consideration and approval of proposed revision to the City's Position Classification Plan

**Administrator Wagner reviewed the staff report noting the changes made by request of Council at the first presentation of this item to the title and salary. He reviewed the need and the benefits to the City of having such a position.**

**Patrick Coghlan addressed Council stating his idea that a Human Resources Coordinator would be more appropriate.**

**Motion to approve adding a Human Resources Manager by Council Member Calderon, seconded by Vice Mayor Farr.**

**ROLL CALL VOTE**

**Ayes: Calderon, Farr, Torres**

**Nays: Johnson**

**Motion passed, 3-1**

**CITY STAFF AND COUNCIL COMMITTEE REPORTS**

**Council Member Calderon reported on his attendance at the Butte County Air Quality meeting. He reminded and invited all to attend the Day of the Dead event.**

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

CJIS Radio Compliance Program for Police Dept	11/15/2021
Review and adoption of Gridley Electric Utility Renewable Energy Resources Procurement and Enforcement Plan	11/15/2021
Edler Estates	12/6/2021
Award Contract for Municipal Services Review	12/20/2021

**CLOSED SESSION**

8. Conference with legal counsel and key administrative staff pursuant to Government Code 54956.9 concerning anticipated litigation: 1 case
9. Government Code 54957 - Public Employee Performance Evaluation: City Administrator



Council went into closed session at 7:03 pm and came out at 7:48 pm with no reportable action.

#### **ADJOURNMENT**

With no items for further discussion, Council adjourned to the next regular meeting on November 15, 2021.

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Cliff Wagner, City Clerk

DRAFT



**City Council Agenda Item #2**  
Staff Report

**Date:** December 6, 2021  
**To:** Mayor and City Council  
**From:** Cliff Wagner, City Administrator

<b>X</b>	Regular
	Special
	Closed
	Emergency

**Subject:** Acceptance of 2022 City Council Meeting Schedule

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**Recommendation**

Staff respectfully requests the City Council review and accept the attached 2022 City Council Meeting Schedule.

**Background**

The City Council meets twice a month on the first and third Monday. From time to time we may need to have additional meetings, such as during budget season, or we may need to cancel or move a meeting due to the timing with holidays. This proactive step of accepting a yearly schedule allows the Council and staff to better prepare for the upcoming new year.

**Financial Impact**

There is no financial impact associated with this item.

**Compliance with the City Council Strategic Plan or Budget Goals**

This recommendation is consistent with our ongoing efforts to be open and transparent regarding all actions, including Council meetings.

**Attachment**

- 2022 City Council Meeting Schedule



City of Gridley  
2022 City Council Meeting Schedule  
All Regular Meetings Start at 6:00 p.m.

January 3 (Cancel due to proximity to holidays)  
January 18 (Tuesday, due to Martin Luther King Day)  
February 7  
February 22 (Tuesday, due to President's Day)  
March 7  
March 21  
April 4  
April 18  
May 2 (Includes Budget Study Session)  
May 16 (Includes Budget Study Session)  
June 6 (Includes Budget Study Session)  
June 20 (Budget Adoption)  
July 4 (Cancel due to Independence Day)  
July 18  
August 1  
August 15  
September 6 (Tuesday, due to Labor Day)  
September 19  
October 3  
October 17  
November 7  
November 21  
December 5  
December 19



**City Council Agenda Item #3**  
Staff Report

**Date:** December 6, 2021

**To:** Mayor and City Council

**From:** Danny Howard, Electric Utility Director

**Subject:** Gridley Electric Utility Unmanned Aircraft System (UAS) Standard Operating Procedure (SOP)

<b>X</b>	Regular
	Special
	Closed
	Emergency

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**Recommendation**

Staff respectfully requests the City Council approve the Gridley Electric Utility Unmanned Aircraft System (UAS) Standard Operating Procedure (SOP).

**Background**

This Policy is designed to minimize risk to people, property, and aircraft during the operation of the UAS while continuing to safeguard the right to privacy of all persons. It is further designed to keep the Department and its personnel from being subject to the civil and criminal penalties for misuse of UAS and remain in compliance with the strict legislative reporting requirements.

This policy is created to ensure that Department employees who operate and deploy UAS are Remote Pilots in Command (RPIC) as defined in the Federal Aviation Administration (FAA) and have received training on the proper and safe operation of UAS.

This policy will define the training and certifications necessary to operate and deploy unmanned aircraft and will establish guidelines and best practices for RPIC's to follow to safely deploy UAS assets.

At all times the Department and its personnel shall comply with 14 CFR parts 107.

**Fiscal Impact**

None

**Compliance with City Council Strategic Plan or Budget Goals**

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

**Attachments**

- Unmanned Aircraft System Standard Operating Procedure





# **City of Gridley Electric Department**

## **Unmanned Aircraft System (UAS) Standard Operating Procedure**



**November 1, 2021**



## **PREAMBLE**

This document will define the missions, training requirements, command relationships, standardization, specific flight team responsibilities and duties, and the reporting requirements to which Department employees will adhere in order to operate and safely deploy unmanned aircraft

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## **1- Purpose and Scope**

- A.** This policy is designed to minimize risk to people, property, and aircraft during the operation of the UAS while continuing to safeguard the right to privacy of all persons. It is further designed to keep the Department and its personnel from being subject to the civil and criminal penalties for misuse of UAS and remain in compliance with the strict legislative reporting requirements.
- B.** This policy is created to ensure that Department employees who operate and deploy UAS are Remote Pilots in Command (RPIC) as defined in the Federal Aviation Administration (FAA) and have received training on the proper and safe operation of UAS
- C.** This policy will define the training and certifications necessary to operate and deploy unmanned aircraft and will establish guidelines and best practices for RPICs to follow in order to safely deploy UAS assets.
- D.** At all times the Department and its personnel shall comply with 14 CFR Parts 107



## 2. Definitions

- A. Aircraft. A device that is used or intended to be used for flight in the air. This includes UAS.
- B. Airworthiness Statement. The Airworthiness of the UAS is self-certified by the Remote Pilot in Command through a preflight inspection prior to flight.
- C. Certificate of Authorization (COA). COA is an authorization issued by the Federal Aviation Administration (FAA) to a public operator for a UAS. After a complete application is submitted, the FAA conducts an operational and technical review. If necessary, provisions or limitations may be imposed as part of the approval to ensure the UAS can operate safely with other airspace users.
- D. Crewmember. A person assigned to perform duty while an aircraft is operating.
- E. Crew Resource Management (CRM). The effective use of all available resources including human, hardware, and information resources and coordination in the use of those resources by the RPIC, Remote Pilot and Visual Observer.
- F. First Person View (FPV). The Remote Pilot is observing the flight solely through the UAS camera.
- G. Flight time. Remote piloting flight time commences when an aircraft moves under its own power for the purpose of flight and ends when the aircraft comes to rest after landing.
- H. Visual Line of Sight (VLOS). The Remote Pilot and/or the Visual Observer can see, unaided, the UAS under their control during flight.



- I. National Airspace System (NAS). Airspace inside the continental United States. It is further defined through air navigation facilities, equipment and services, airports or landing areas, aeronautical rules, regulations and procedures. There are two types of airspace within the NAS, controlled and uncontrolled. Operation of a UAS in controlled airspace adds another layer of responsibilities and requirements that must be met to operate the UAS.
- J. Night Flight. Flight of a UAS that occurs between the hours of one half hour after sunset and one half hour before sunrise. The time of sunset and sunrise are determined by the National Oceanic and Atmospheric Administration (NOAA), but 14 CFR Part 107 will allow small UAS operations to be conducted in non-controlled air space 400' AGL during civil twilight if the small unmanned aircraft has lighted anti-collision lighting visible for at least 3 statute miles. If in controlled air space under 400' AGL a valid authorization through the FAA Drone Zone or the LOW Altitude Authorization and Notification Capability (LAANC) is needed.
- K. Mission Area of Operations (AOR). A defined perimeter/parameters to be determined based on the scope and type of the operation and a defined operational ceiling at or below 400' AGL. The altitude of the small unmanned aircraft cannot be higher than 400' AGL, unless the small unmanned aircraft is flown within a 400 foot radius of a structure and does not fly higher than 400 feet above the structure's immediate uppermost limit.
- L. Unmanned Aircraft System (UAS). UAS is the unmanned aircraft system and all of the associated support equipment, control station, data links, telemetry, communications, and navigation equipment, etc., necessary to operate the unmanned aircraft. The aircraft's flight is controlled either autonomously by hardware within the UAS or under the remote control of a Remote Pilot on the ground or in another ground vehicle. For purposes of this program, the 14 CFR Part



107 compliant UAS shall weigh less than 55 pounds fully loaded. Maximum groundspeed is limited to 100 mph (87 knots).

- M. Visual Flight Rules (VFR).** All flights with the UAS shall be conducted under VFR conditions and at an altitude below 400' AGL. VFR is established as a 3 mile visibility and a cloud ceiling of 1,000 feet for day operations and 5 mile visibility with a cloud ceiling of 2,000 feet for night operations.
- N. Aircraft Registration.** All UAS operated by Department personnel must be registered in accordance with current FAA 14 CFR Part 107 regulations. Registration requirements apply to UAS owned and operated by the Department as well as UAS on loan or UAS owned by outside agencies when operated by a Department RPIC. All UAS shall be registered through the FAA Drone Zone.



### 3. Organization Definitions- Chain of Command - Flight Team Crew

- A. Flight team. Any combination of the RPIC, Remote Pilot or Visual Observer(s). ONLY the RPIC meets the FAA definition of crewmember.
- B. Remote Pilot. The individual exercising pilot at the controls over the UAS during flight. The Remote Pilot need not be 14 CFR 107 certified if the pilot is under the supervision of a RPIC who is in direct communication and in a position to take over control of the UAS, regardless of certification. Undesignated remote pilots may be student pilots at the controls.
- C. Remote Pilot in Command (RPIC). The mission commander with on-site authority for the UAS. The individual solely responsible for the overall flight operations for a specific mission. He/She may also act as either Remote Pilot or Visual Observer. Regardless, He/She may not delegate his/her responsibility. An RPIC may only operate one UAS at a time. Each UAS in use shall have its own RPIC assigned.
- D. Observer. The individuals trained to maintain the line-of-sight and 360 degree hazard awareness around the UAS at all times and assist the RPIC in carrying out all duties required for the safe operation of the UAS. Under 14 CFR Part 107



#### 4. Missions

- A. All missions will be flown in accordance with FAA regulations, 14 CFR Parts 107.
- B. Approved Uses/Missions: All UAS mission shall be approved by a Division manager or Supervisor. Standard missions carried out by the Electric dept. may include but not limited to: G.O95 infractions, OH line inspections, Thermal imaging, Fault locating, Troubleshooting, Assisting in OH & UG construction projects and project images.
- C. Weather Brief: Weather shall be obtained by the RPIC for the local area of operation to include Meteorological Aerodrome Reports (METAR) and Terminal Area Forecasts (TAF) from the closest airport reporting weather conditions. 1-800-WX BRIEF will provide a live briefer with access to this data. Review of NOTAMs and Temporary Flight Restrictions (TFRs) are required prior to launch.
- D. Pre-Flight Briefing: RPIC, Remote Pilot and Visual Observer and any other flight team members must participate in the pre-flight briefing, led by the RPIC prior to aircraft launch, which includes, but is not limited to:
  - 1. Review of the mission's goals and expected outcomes
  - 2. Review of current and forecasted weather conditions
  - 3. Review of current Notice to Airmen (NOTAMs) and Temporary Flight Restrictions (TFRs) that have been issued for the proposed flight area
  - 4. Identification of mission limitations and safety issues such as; battery charge, GPS strength, and potential for radio interference



5. Review of proposed Mission AOR - flight area, including maximum ceiling and floor
6. Review of communication procedures between RPIC, Visual Observer, and other personnel used to support the mission.
7. Review of emergency/contingency procedures including aircraft system failure, flight termination, divert, and lost link procedures.
8. Execution of a pre-flight check utilizing the approved checklist.

**The RPIC will be responsible to ensure that the above steps have been accomplished prior to flight.**

- E. Mission Debrief: After changeover or landing, the RPIC shall debrief all missions.
- F. Pilot at the controls: A person operating a small UAS must either hold a remote pilot airman certificate and be acting as RPIC or be under the direct supervision of the RPIC who is in a position to take immediate control of the aircraft.
- G. Line of Sight: With vision that is unaided by any device other than corrective lenses, the Remote Pilot in Command, the Visual Observer (if one is used), or the person manipulating the flight controller of the UAS must be able to see the unmanned aircraft throughout the entire flight. Visual line of sight is required in order to know the unmanned aircraft's location and flight status (attitude, altitude, and direction of flight), observe the airspace for other air traffic or hazards, and to determine that the unmanned aircraft does not endanger the life or property of another. All flight team members essential to the operation of the unmanned aircraft shall be able to verbally communicate at all times. For operational necessity the RPIC or person manipulating the controls may intentionally



maneuver the UAS so that he/she loses sight of the UAS for brief periods of time, however he/she must regain VLOS as soon as practicable.

- H. Maintenance: Maintenance must be up to date prior to launch. Accurate UAS maintenance is the responsibility of the RPIC in accordance with the manufacturer recommendations. When maintenance is performed, a test flight shall be conducted and documented in accordance with the manufactures instructions. The RPIC will not fly any aircraft that he/she suspects does not meet airworthiness requirements following the preflight inspection.
- I. Payloads: Any payload used on a UAS shall be approved by the Division manager or Supervisor

## **5. Emergency Procedures**

- A. Emergency Procedures stated in the manufacturer's operations manual shall be complied for all UAS operations. In the event of an emergency involving the safety of persons or property, the RPIC may deviate from the procedures of this directive relating to aircraft, equipment, and weather minimums to the extent required to meet the emergency.
- B. No member of the Department, regardless of involvement in an emergency, shall make any statements to the general public until all facts of the situation can be gathered and only with the knowledge and approval of a Division manager.
- C. Lost Link – A loss of command-and-control link contact with the UAS such that the remote pilot can no longer manage the aircraft's flight



and as a result of the control loss the UA is not operating in a predictable or planned manner.

1. LOSS OF UAS FLIGHT CONTROL (Lost link):

- i. The UAS lost link procedures shall be initiated which shall automatically cause the UAS to climb to its ceiling altitude and return to and land at the launch site. If positive control of the UAS cannot be maintained and the UAS is leaving the operation area or the UAS poses a risk to life and/or property the RPIC will continue to attempt to reestablish the link and notify the flight crew and ATC.
- ii. LOSS OF GPS SIGNAL Should the UAS lose GPS signal during autonomous operations, the RPIC must command the UAS into manual mode until GPS signal can be reacquired. If GPS signal cannot be reacquired the RPIC will land as soon as practical. If positive control of the UAS cannot be maintained and the UAS departs the operation area or the UAS poses a risk to life and/or property the RPIC will issue an Engine Kill command.

- D. Loss Of Visual Contact. If visual contact with the UAS is lost, Unless special circumstances dictate, the RPIC shall command the aircraft into a hover mode and the RPIC and/or Visual Observer shall try to re-establish visual contact. If visual contact cannot be re-established within a reasonable amount of time determined by the RPIC, then lost link procedures shall be executed.



- E. Loss of UAS Power (Engine Failure)/UAS Crash. In case of an equipment failure, the UAS will not be able to maintain flight. Flight Team Members will immediately attempt to locate the UAS, assess the scene for Damages and injuries.
- F. Flight Termination. The intentional and deliberate process of performing controlled flight into terrain (CFIT). Flight termination must be executed in the event that all other contingencies have been exhausted, and further flight of the aircraft cannot be safely achieved, or other potential hazards exist that require immediate discontinuation of flight.
- G. Accident Notification and Investigation: All in flight accidents and incidents involving injuries, property damage, and lost link shall be reported to the Division manager or Supervisor immediately for appropriate assistance with guidance. In the event of an accident the RPIC is responsible for reporting the accident to the appropriate agency.
  - 1. If the flight occurred under FAA 14 CFR § 107 the RPIC, within 10 days, must report to the FAA via the DroneZone portal any operation in which any of the following conditions apply, serious injury to any person or any loss of consciousness; or damage to any property, other than the small unmanned aircraft, unless one of the following conditions is satisfied: the cost of repair (including materials and labor) does not exceed \$500; or the fair market value of the property does not exceed \$500 in the event of total loss.

## 6. Training and Standardization



**A. Remote Pilot in Command (RPIC) training requirements:**

1. A RPIC may be authorized to operate more than one type of UAS as long as he/she is trained and current in each individual model. The RPIC may only operate one UAS at a time.
2. The RPIC shall show proficiency in basic aeronautical knowledge as it relates to the use and operation of UAS assets. The RPIC shall pass an initial aeronautical knowledge test at an FAA-approved knowledge testing center and comply with 14 CFR Part 107.
3. The RPIC shall show proficiency operating the specific UAS model in flight including emergency procedures.
4. The RPIC shall show proficiency communicating and crew resource management with the flight team members (Visual Observer and Remote Pilot) demonstrating satisfactory communications between team members.
5. Certified Remote Pilots are required by the FAA to take a reoccurring part 107 training course every 24 months to keep Certificate valid. This training course can be found on the IACRA website under part 107 small UAS Recurrent (ALC-677) at no cost.





## **B. UAS observer training requirements:**

1. Visual Observers are not required under Part 107 however; it is highly encouraged for a UAS Visual Observer to assist the RPIC during all missions for risk mitigation purposes.
2. UAS Visual Observers shall have sufficient communication skills to efficiently communicate pertinent inflight observations with the RPIC so that the UAS aircraft remains clear of conflicting air traffic and obstructions.
3. Night operations require that the RPIC and Visual Observer are trained to recognize and overcome visual illusions caused by darkness, and understand physiological conditions which may degrade night vision



## **7. Responsibility and Duties:**

### **A. Remote pilot-in-command (RPIC)**

1. The RPIC is solely responsible for everything the flight team does or fails to do.
2. The RPIC is authorized to refuse any flight request based on current meteorological conditions, physiological conditions, or for any other reason that RPIC believes will affect the safety of the flight.



3. While the UAS is in flight, the RPIC is authorized and responsible for making all decisions regarding use of the UAS including, but not limited to, direction of UAS, duration of flight time, capabilities of the UAS, and use of affixed certified equipment.
4. The RPIC is responsible for the safe conduct of all flights, including, but not limited to:
  - i. Flight planning and preparation, including pre-flight inspections of UAS and equipment;
  - ii. Weather briefing;
  - iii. Flight operations, including course, air speed, altitude, and duration;
  - iv. Landing zone selection;
  - v. Post-flight inspection, to include assuring batteries are recharged and to ensure the duty aircraft is ready for the next mission;
5. Flight Operations – Operational Control – Remote Pilot-in-Command Authority:
  - i. The RPIC shall initiate the flight only when confident the flight can be conducted safely
  - ii. If required by FAA, the RPIC shall ensure a FAA Notice to Airmen (NOTAM) is released for every flight involving the UAS in the national airspace when operating under the COA – unless exempted by addendum to approved certificate of waiver.
  - iii. If required by FAA, the RPIC shall ensure there is a Certificate of Authorization (COA) from the FAA to conduct flights in the national airspace.



**B. UAS Visual Observer: Assistance shall include, but not be limited to:**

1. Performing assignments assigned by a RPIC;
2. Assisting the RPIC in the safe conduct of all flights, including but not limited to:
  - i. The Observer shall assist in see-and-avoid operations of the UAS. The Visual Observer shall remain in contact with the RPIC and communicate any obstacles the aircraft might encounter.
  - ii. If the flight becomes a hazard to ground personnel or other aircraft, the Visual Observer shall immediately notify the RPIC.
  - iii. During any phase of flight, if the Visual Observer notices a malfunction with the aircraft, he should immediately notify the RPIC.

**C. UAS Inspections:**

1. Before every flight, the RPIC is responsible for pre-flight inspections of the UAS according to the pre-flight checklist, and manufacturer's recommendations.
2. Any anomalies found by the RPIC shall be fixed before any flight is conducted.
3. After every flight, a post-flight inspection shall be conducted by the RPIC according to the post-flight checklist and any manufacturer's recommendations.







**City Council Agenda Item #4**  
**Staff Report**

**Date:** December 6, 2021

**To:** Mayor and City Council

**From:** Cliff Wagner, Administrator

<b>X</b>	Regular
	Special
	Closed
	Emergency

**Subject:** Approval of Resolution No. 2021-R-038: Resolution of the Gridley City Council Adopting the Revised Renewable Energy Resource Procurement Plan and Enforcement Program

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**Recommendation**

The City Council will consider adopting a Resolution approving the Revised City of Gridley Electric Utility Renewable Energy Resources Procurement Plan and Enforcement Program.

**Background**

On April 12, 2011, Governor Brown signed into law SB 1X 2, establishing a new Renewable Portfolio Standard (RPS) for all load-serving entities in California. On October 7, 2015, Senate Bill (SB) 350 was signed into law which mandated a 33% RPS target by 2020 and a 50% RPS target by 2030. On September 10, 2018, SB 100 was signed into law which accelerates the RPS target to 50% by 2026 and 60% by 2030.

**Discussion**

Pursuant to Public Utilities Code, Section 399.30, City of Gridley Electric Utility (EUD) must adopt and implement a renewable energy resources procurement plan (RPS Procurement Plan) and a program for the enforcement of the RPS Procurement Plan (PRS Enforcement Program) and update these documents as appropriate.

The updated City of Gridley Electric Utility Renewables Portfolio Standard Procurement Plan and Enforcement Program (Attachment 2) replaces the prior RPS Procurement Plan and Enforcement Program approved by the City Council on December 19, 2011 (Resolution 2011-R-048) and reflects changes as a result of the most currently revised regulations.

The Revised RPS Plan outlines a strategy for fulfilling unmet long-term generation resource needs that requires City of Gridley Electric Utility Department (EUD) to procure a minimum quantity of electricity products from eligible renewable energy resources, including renewable energy credits and use of excess procurement credits, as a specified percentage of the total kilowatt-hours sold to EUD retail customers for each compliance period to achieve specified procurement targets. The Revised RPS Plan requires EUD to annually review the City's progress toward meeting RPS goals and determine whether reasonable progress is being made to sufficiently meet compliance year targets. To minimize customer rate impact, excess procurement from prior compliance periods are used to meet compliance requirements. In addition to the accelerated post-2020 RPS requirements and cost limitation provision, the Revised Plan includes a required long-term procurement provision whereby starting in 2021, EUD must procure at least 65% of its RPS resources from contracts of 10 or more years in duration.



Combined with historic carryover and excess surplus, EUD anticipates its existing RPS resources (geothermal, small hydro, solar) will meet RPS requirements through 2031. Additional potential resources are currently under negotiation and if secured, could extend EUD's projected compliance through 2040. EUD staff will continue to evaluate the feasibility of all renewable energy resources and opportunities to meet existing and future RPS requirements.

**Fiscal Impact**

There is no direct financial impact associated with the development and approval of the Revised Plan. Any future purchases of RPS eligible resources will be considered for approval on a case-by-case basis.

**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. 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) Resolution No. 2021-R-038
- (2) City of Gridley Electric Utility Renewable Energy Resources Procurement Plan and Enforcement Program



**RESOLUTION OF THE GRIDLEY CITY COUNCIL ADOPTING THE REVISED RENEWABLE ENERGY  
RESOURCE PROCUREMENT PLAN AND ENFORCEMENT PROGRAM**

**WHEREAS**, the Revised City of Gridley Electric Utility Renewable Portfolio Standard Procurement Plan and Enforcement Program (Revised Plan) replaces the prior RPS Procurement Plan and Enforcement Program approved by City Council on December 19, 2011 (Resolution 2011-R-048), and reflects changes as a result of most currently revised regulations; and

**WHEREAS**, pursuant to Public Utilities Code Section 399.30, each publicly owned utility, including City of Gridley Electric Utility (Gridley), must adopt and implement a renewable energy resources procurement plan (RPS Procurement Plan) and a program for the enforcement of the RPS Procurement Plan (RPS Enforcement Program) that requires the utility to procure minimum quantities of electricity products sourced from eligible renewable resources, expressed as a percentage of total kilowatt-hours sold to the utility's retail end-use customers during each of three compliance periods; and

**WHEREAS**, the RPS Procurement Plan, among other things: defines compliance periods, includes minimum renewable procurement targets for each compliance period, defines renewable procurement content categories, establishes certain exemptions from timely compliance due to qualifying mitigating circumstances consistent with SB 1X 2, and requires annual review for purposes of assessing compliance; and

**WHEREAS**, Gridley has the ability to apply historic carryover from renewable energy procured through 2010 and/or review the applicability of applying excess procurement from prior compliance periods. Gridley may review the applicability and appropriateness of excusing performance based on cost limitation provisions included in the Revised Plan; and

**WHEREAS**, the Revised Plan includes a required long-term procurement provision whereby starting in 2021, Gridley must procure at least 65% of its RPS resources from contracts of 10 or more years in duration. Combined with historic carryover and excess surplus, Gridley anticipates its existing RPS resources will meet RPS requirements through 2031.

**WHEREAS**, the Gridley City Council recognizes the need to update the Electric Department's Renewable Energy Resources Procurement Plan to reflect changes since adopted.

**BE IT RESOLVED** that the Gridley City Council hereby adopts the Revised City of Gridley Electric Utility Renewable Energy Resource Procurement Plan and Enforcement Program.



**I HEREBY CERTIFY** that the foregoing resolution was duly passed and adopted by the City Council of the City of Gridley at a regular meeting thereof, held on the 6<sup>th</sup> day of December 2021, by the following vote:

AYES: COUNCIL MEMBERS

NOES: COUNCIL MEMBERS

ABSENT: COUNCIL MEMBERS

ABSTAIN: COUNCIL MEMBERS

ATTEST:

APPROVE:

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Cliff Wagner, City Clerk

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Bruce Johnson, Mayor



**Gridley Electric Utility**  
***Renewable Energy Resources Procurement and Enforcement Plan***  
***Adopted December 6, 2021***

This document presents the updated Renewable Energy Resources Procurement and Enforcement Plan of the City of Gridley (Gridley), as required for compliance with the California Renewables Portfolio Standard Program, Public Utilities Code Sections 399.11 - 399.33. Since first enacted, the state's renewable portfolio standard (RPS) program has been amended to attain a target of generating 20 percent of total retail sales of electricity in California from eligible renewable energy resources by December 31, 2013, 33 percent by December 31, 2020, 50 percent by December 31, 2026, and 60 percent by December 31, 2030. Pursuant to Public Utilities Code PUC section 399.30(a), each POU must adopt and implement a renewable energy resources procurement plan (referred to herein as the "RPS Procurement Plan") and a separate program for the enforcement of the RPS Procurement Plan.<sup>1</sup> Gridley's enforcement program is not addressed in this document, but rather, in a separate report.

Gridley's RPS Procurement Plan, as reflected in Paragraphs 1-16 below consists of: (1) plan elements that are directly mandated by the legislation; (2) measures that address each of the optional provisions set forth in Public Utilities Code (PUC) sections 399.30(d) and 399.30(c)(3) and section 3206 of the POU RPS Enforcement Regulation; and (3) RPS reporting provisions. Where appropriate, this RPS Procurement Plan includes section citations to the Public Utilities Code sections 399.11, et seq. References to PUC section 399.30 reflect the most recent amendments, effective January 1, 2020 (Amended by Stats. 2019, Ch. 401, Sec. 3. (SB 155) Effective January 1, 2020).

**1. Purpose (§ 399.30(a))**

In order to fulfill unmet long-term generation resource needs, Gridley adopts and implements this RPS Procurement Plan that requires the utility to procure a minimum quantity of electricity products from eligible renewable energy resources, including renewable energy credits, as a specified percentage of Gridley's total kilowatt hours sold to its retail end-use customers, each compliance period, to achieve the targets specified in PUC Section 399.30(c).

**2. Compliance Periods (§ 399.30(b))**

- Compliance Period 1: January 1, 2011, to December 31, 2013, inclusive.
- Compliance Period 2: January 1, 2014, to December 31, 2016, inclusive.
- Compliance Period 3: January 1, 2017, to December 31, 2020, inclusive.
- Compliance Period 4: January 1, 2021, to December 31, 2024, inclusive.
- Compliance Period 5: January 1, 2025, to December 31, 2027, inclusive.

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<sup>1</sup> Pursuant to PUC section 399.30(e), POUs must adopt a "program for enforcement" of the RPS Procurement Plan on or before January 1, 2012, at a publicly noticed meeting with not less than 30 days prior notice given to the public.



- Compliance Period 6: January 1, 2028, to December 31, 2030, inclusive.
- Beginning January 1, 2030, each compliance period shall run for three years, from January 1 to December 31).

3. **Procurement Targets of Renewable Energy Resources for Each Compliance Period (§§ 399.30(c)(1) and (2))**

- A. During Compliance Period 1, January 1, 2011 to December 31, 2013, Gridley shall procure renewable energy resources equivalent to an average of at least twenty percent (20%) of retail sales, applying the following formula:

$$\frac{EP_{2011} + EP_{2012} + EP_{2013}}{RS_{2011} + RS_{2012} + RS_{2013}} > .20$$

Where:

RS<sub>x</sub> = total retail sales made by POU for the specified year x

EP<sub>x</sub> = electricity products retired for the specified year x; this may include excess procurement and historic carryover that the POU has chosen to apply to the compliance period containing year x

- B. By the end of Compliance Period 2, December 31, 2016, Gridley shall procure renewable energy resources equivalent to at least twenty-five percent (25%) of retail sales, applying the following formula:

$$EP_{2014} + EP_{2015} + EP_{2016} > 0.20(RS_{2014}) + 0.20(RS_{2015}) + 0.25(RS_{2016})$$

- C. By the end of Compliance Period 3, December 31, 2020, Gridley shall procure renewable energy resources equivalent to at least thirty-three percent (33%) of retail sales. During the intervening years of Compliance Period 3, Gridley shall increase procurement annually to reflect an imputed 2020 compliance obligation expressed as:

$$\frac{(EP_{2017} + EP_{2018} + EP_{2019} + EP_{2020})}{> 0.27(RS_{2017}) + 0.29(RS_{2018}) + 0.31(RS_{2019}) + 0.33(RS_{2020})}$$

- EP<sub>x</sub> = Electricity products applied to the specified year X toward the RPS procurement target for the compliance period containing year X. This may include electricity products retired for and applied to year X, subject to the Portfolio Content Category 3 limit calculated in paragraph 6 (**Portfolio Balancing Requirements**), and excess procurement pursuant to paragraph 8 (Excess Procurement) and historic carryover pursuant to paragraph 12 (Historic Carryover) that [POU] has applied to year X.
- RS<sub>x</sub> = Total retail sales made by the POU for the specified year X

- D. By the end of Compliance Period 4, December 31, 2024, Gridley shall procure renewable energy resources equivalent to at least forty-four percent (44%) of



retail sales. During the intervening years of Compliance Period 4, Gridley shall increase procurement annually to reflect a compliance obligation expressed as:

$$\frac{(EP_{2021} + EP_{2022} + EP_{2023} + EP_{2024})}{4} \geq 0.3575 (RS_{2021}) + 0.3850 (RS_{2022}) + 0.4125 (RS_{2023}) + 0.4400 (RS_{2024})$$

- E. By the end of Compliance Period 5, December 31, 2027, Gridley shall procure renewable energy resources equivalent to at least fifty-two percent (52%) of retail sales. During the intervening years of Compliance Period 5, Gridley shall increase procurement annually to reflect a compliance obligation expressed as:

$$\frac{EP_{2025} + EP_{2026} + EP_{2027}}{3} \geq 0.4600(RS_{2025}) + 0.5000(RS_{2026}) + 0.5200(RS_{2027})$$

- F. By the end of Compliance Period 6, December 31, 2030, Gridley shall procure renewable energy resources equivalent to at least sixty percent (60%) of retail sales. During the intervening years of Compliance Period 6, Gridley shall increase procurement annually to reflect a compliance obligation expressed as:

$$\frac{EP_{2028} + EP_{2029} + EP_{2030}}{3} \geq 0.5467(RS_{2028}) + 0.5733(RS_{2029}) + 0.6000(RS_{2030})$$

- G. For all compliance periods commencing after January 1, 2030, Gridley shall procure electricity products sufficient to meet or exceed an average of 60% of Gridley's retail sales over the three calendar years of the compliance period, expressed as.

$$\frac{EP_{x1} + EP_{x2} + EP_{x3}}{3} \geq 0.6000 (RS_{x1}) + 0.6000 (RS_{x2}) + 0.6000 (RS_{x3})$$

The procurement targets listed above are minimum requirements. The City Council may determine that a higher percentage of renewable energy resources is appropriate in any given compliance period.

The method used to determine the actual renewable energy resource percentage achieved for a given calendar year shall be to: (i) sum the total metered generation from each of Gridley's eligible renewable resources and qualifying purchases in Megawatt hours (MWh) during the preceding calendar year, (ii) subtract sales, if any, of eligible renewable resources during the same time period, and (iii) divide the result by the total energy sold to Gridley's retail end-use customers (in MWh) in the same time period.

#### 4. **Reasonable Progress Towards Meeting Compliance Period Targets During Intervening Years** (§§ 399.30(c)(1) and (2))

Gridley shall demonstrate reasonable progress towards meeting compliance period targets during intervening years by meet ensuring that renewable energy contracts are place or under solicitation to meet the projected increase in RPS procurement for each compliance period. This demonstration shall be set forth in Gridley's annual report.



**5. Procurement Requirements – Definitions for Content Categories**  
**(PUC Section §399.30(c)(3))**

In order to achieve a balanced portfolio, Gridley's RPS Procurement Plan shall consist of Portfolio Content Categories that meet the criteria for the following eligible renewable energy resource electricity products, as defined in PUC Section 399.16(b):

A. Content Category 1 (consistent with PUC Section 399.16(b)(1)): Resources in this category shall either:

(1) Have a first point of interconnection with a California balancing authority, have a first point of interconnection with distribution facilities used to serve end users within a California balancing authority area, or are scheduled from the eligible renewable energy resource into a California balancing authority without substituting electricity from another source. The use of another source to provide real-time ancillary services required to maintain an hourly or sub hourly import schedule into a California balancing authority shall be permitted, but only the fraction of the schedule actually generated by the eligible renewable energy resource shall count toward this portfolio content category.

(2) Have an agreement to dynamically transfer electricity to a California balancing authority.

B. Content Category 2 (consistent with PUC Section 399.16(b)(2)): Resources in this category shall include firmed and shaped eligible renewable energy resource electricity products providing incremental electricity and scheduled into a California balancing authority.

C. Content Category 3 (consistent with PUC Section 399.16(b)(3)): Resources in this category shall include eligible renewable energy resource electricity products, or any fraction of the electricity generated, including unbundled renewable energy credits, that do not qualify under the criteria of Content Category 1 or Content Category 2.

D. Grandfathered Resources (PUC Section 399.16(d)):

(1) Any contract or ownership agreement originally executed prior to June 1, 2010, shall count in full towards the procurement requirements, if all of the following conditions are met:

(1) The renewable energy resource was eligible under the rules in place as of the date when the contract was executed.

(2) Any contract amendments or modifications occurring after June 1, 2010, do not increase the nameplate capacity or expected quantities of annual generation, or substitute a different renewable energy resource.



(3) The duration of the contract may be extended if the original contract specified a procurement commitment of fifteen (15) or more years.

(2) “Eligible renewable energy resource” means an electrical generating facility that meets the definition of a “renewable electrical generation facility” in Section 25741 of the Public Resources Code, subject to the following: . . . (C) A facility approved by the governing board of a local publicly owned electric utility prior to June 1, 2010, for procurement to satisfy renewable energy procurement obligations adopted pursuant to former Section 387, shall be certified as an eligible renewable energy resource by the Energy Commission pursuant to this article, if the facility is a “renewable electrical generation facility” as defined in Section 25741 of the Public Resources Code. (PUC Section 399.12(e)(1)(C).

(3) Resources procured prior to June 1, 2010 shall be counted for RPS compliance without regard to the limitations on the use of each portfolio Content Category as described in Section 6.

**6. Portfolio Balancing Requirements – Quantity for Content Categories (PUC Section 399.30(c)(3), 399.16(c)(1) and (2))**

- A. Compliance Period 1 Procurement Requirements: For Compliance Period 1, Gridley shall procure not less than fifty percent (50%) of the eligible renewable energy resource electricity products associated with contracts executed after June 1, 2010 from Content Category 1, and not more than twenty-five percent (25%) from Content Category 3.
- B. Compliance Period 2 Procurement Requirements: For Compliance Period 2, Gridley shall procure not less than sixty-five percent (65%) of the eligible renewable energy resource electricity products associated with contracts executed after June 1, 2010 from Content Category 1, and not more than fifteen percent (15%) from Content Category 3.
- C. For Compliance Period 3, and each compliance period thereafter, [POU] shall procure not less than seventy-five percent (75%) of the eligible renewable energy resource electricity products associated with contracts executed after June 1, 2010 from Content Category 1, and not more than ten percent (10%) from Content Category 3.

**7. Long-term Contract Requirement (PUC sections 399.13(b) and 399.30(d)):**

Beginning January 1, 2021, with Compliance Period 4, at least sixty-five percent (65%) of Gridley’s renewables portfolio standard procurement for each compliance period shall be from contracts of 10 years or more in duration or ownership or ownership agreements for eligible renewable energy resources.



**8. Excess Procurement (PUC Section 399.30(d)(1), and 399.13(a)(4)(B))**

Gridley shall be allowed to apply excess procurement (Excess Procurement) from one compliance period to subsequent compliance periods.

- A. For Compliance Periods 1-3, the following conditions must be met:
  - i. Gridley may accumulate, beginning on January 1, 2011, Excess Procurement from one Compliance Period to be applied in any subsequent Compliance Period.
  - ii. In calculating the quantity of Excess Procurement, Gridley shall deduct from actual procurement quantities, the total amount of procurement associated with contracts of less than ten (10) years in duration.
  - iii. Eligible resources must be from Content Category 1 or Content Category 2 or Grandfathered Resources to be Excess Procurement.
  - iv. Resources from Content Category 3 shall not be counted as excess procurement.
- B. Beginning with Compliance Periods 4 and for all subsequent Compliance Periods, the following conditions apply:
  - i. For electricity products from Portfolio Content Category 1, contracts of any duration may count as excess procurement.
  - ii. Electricity products from Portfolio Content Category 2 and 3 shall not be counted as excess procurement.
  - iii. Contracts of any duration for electricity products meeting the Portfolio Content Categories 2 or 3 that are credited towards a compliance period shall not be deducted from Gridley's procurement for purposes of calculating excess procurement, except for electricity products that exceed the maximum limit for Portfolio Content Category 3.
- C. If sixty-five percent (65%) of Gridley procurement for Compliance Period 3, ending December 31, 2020, is from contracts of 10 years or more in duration or from its ownership or ownership agreements for eligible renewable energy resources, Gridley may apply the excess procurement provisions of subsection B of this Paragraph 7 (Excess Procurement) for that Compliance Period.

**9. Timely Compliance (PUC Section 399.30(d)(2), § 399.15(b)(5))**

- A. Waiver of Timely Compliance: Enforcement of timely compliance shall be waived if Gridley demonstrates that any of the following conditions are beyond Gridley's control, and will prevent timely compliance:
  - 1. *Inadequate Transmission* (§ 399.15(b)(5)(A)): There is inadequate transmission capacity to allow for sufficient electricity to be delivered from Gridley's proposed eligible renewable energy resource projects using the current operational protocols of Gridley's Balancing Authority, the California Independent System Operator (CAISO). In making its findings



relative to the existence of this condition, Gridley's deliberations shall include, but not be limited to the following:

- (i) Whether Gridley has undertaken, in a timely fashion, reasonable measures under its control and consistent with its obligations under local, state, and federal laws and regulations, to develop and construct new transmission lines or upgrades to existing lines intended to transmit electricity generated by eligible renewable energy resources. In determining the reasonableness of Gridley's actions, Gridley shall consider its expectations for full-cost recovery for these transmission lines and upgrades, and
- (ii) Whether Gridley has taken all reasonable operational measures to maximize cost-effective deliveries of electricity from eligible renewable energy resources in advance of transmission availability.

2. *Permitting, interconnection, or other factors that delayed procurement or insufficient supply (399.15(b)(5)(B)).* In making its findings relative to the existence of this condition, Gridley's deliberations shall include, but not be limited to the following:

- (i) Whether Gridley prudently managed portfolio risks, including relying on a sufficient number of viable projects;
- (ii) Whether Gridley sought to develop one of the following: its own eligible renewable energy resources, transmission to interconnect to eligible renewable energy resources, or energy storage used to integrate eligible renewable energy resources.
- (iii) Whether Gridley procured an appropriate minimum margin of procurement above the minimum procurement level necessary to comply with the renewables portfolio standard to compensate for foreseeable delays or insufficient supply;
- (iv) Whether Gridley has taken reasonable measures, under its control to procure cost-effective distributed generation and allowable unbundled renewable energy credits;
- (v) Whether actions or events beyond the control of Gridley have adversely impacted timely deliveries of renewable energy resources including, but not limited to, acts of nature, terrorism, war, labor difficulty, civil disturbance, or market manipulation.



3. Unanticipated curtailment of eligible renewable energy resources if the waiver would not result in an increase in greenhouse gas emissions. (PUC section 399.15(b)(5)(C)).
  4. Unanticipated increase in retail sales due to transportation electrification. In making a finding that this condition prevents timely compliance, the Gridley City Council shall consider both of the following:
    - (i) Whether transportation electrification significantly exceeded forecasts in Gridley's service territory based on the best and most recently available information filed with the State Air Resources Board, the Energy Commission, or another state agency.
    - (ii) Whether Gridley took reasonable measures to procure sufficient resources to account for unanticipated increases in retail sales due to transportation electrification.
- B. Portfolio Balance Requirement Reduction (Section 3206(a)(4)) (PUC sections 399.16(e), 399.30(c)(3))
1. [Governing body] may determine that a reduction of the portfolio balancing requirement is warranted for any compliance period to the extent that [POU] demonstrates that it cannot comply with the balancing requirement because of conditions beyond [POU's] control as provided in PUC section 399.15(b)(5) and subsection A of this paragraph 9 (Timely Compliance).
  2. [POU] shall not, under any circumstances, reduce the obligation to procure Content Category 1 resources below 65% for any compliance period obligation after December 31, 2016.
- C. Procedures Upon Approving Waiver: In the event of a Waiver of Timely Compliance due to any of the factors set forth above, Gridley shall implement the following procedures:
1. Establish additional reporting for intervening years to demonstrate that reasonable actions under the Gridley's control are being taken (PUC Section 399.15(b)(6)).
  2. Require a demonstration that all reasonable actions within Gridley's control have been taken to ensure compliance in order to grant the waiver (PUC Section 399.15(b)(7)).
- C. Prior Deficits: In no event shall deficits from prior compliance periods be added to future compliance periods (PUC Section 399.15(b)(9)).



**10. Greater than 40% large hydro (PUC section 399.30(k))**

- A. If, during any Compliance Period, Gridley receives more than 40 percent of its retail sales from large hydroelectric generation under an ownership agreement or contract in effect as of January 1, 2018, Gridley is not required to procure eligible renewable energy resources that exceed the lesser of subpart (i) or (ii) for that year, and Gridley's compliance obligation during that compliance period shall be adjusted such that the total quantities of eligible renewable energy resources to be procured shall reflect such reductions:
  - (i) The portion of Gridley's utility's retail sales unsatisfied by Gridley's large hydroelectric generation.
  - (ii) The soft target adopted by the Energy Commission for the intervening years of the relevant compliance period, or for those years where soft targets are not adopted, a showing of progress as defined in paragraph 4 herein.
- B. An extension or renewal of a procurement agreement shall not be eligible to count towards the determination that the local publicly owned electric utility receives more than 40 percent of its retail sales from large hydroelectric generation in any year, except for any agreement in effect on January 1, 2015, between a local publicly owned electric utility and the Western Area Power Administration or federal government as part of the federal Central Valley Project.
- C. This adjustment does not modify Gridley's compliance obligation to satisfy the Portfolio Balancing Requirements of Paragraph 6 (Portfolio Balancing Requirements).

**11. Cost Limitations for Expenditures (PUC Section 399.30(d)(3), § 399.15(c))**

- A. Gridley, at its sole discretion, may elect to establish cost limitations for all eligible renewable energy resources used to comply with the renewables portfolio standard that is set at a level that prevents disproportionate rate impacts. In ensuring that customers do not face a disproportionate burden, the Gridley City Council has the authority to implement a cost limitation which may result in a temporary suspension of RPS compliance activities.
- B. Pursuant to the previous paragraph, the Gridley City Council established the following Cost Limitation Provision in November 2016: Gridley will initiate a cost limitation claim during a given RPS compliance period if the average per customer procurement cost of power exceeds \$1,261.83. This is calculated by summing the total power costs associated with deliveries from the Lodi Energy Center and the Gridley solar array in 2013 plus the total cost of generation in 2011, then dividing by the total number of customers.



- C. To the extent the cost limitation claim is invoked, the City Council shall reduce Gridley's RPS procurement obligation for that compliance period by a level deemed to be appropriate by the City Council, accounting for local and regional economic conditions and the ability of Gridley's customers to afford produced or procured energy products. These economic conditions may include but are not limited to unemployment, wages, cost of living expenses, the housing market, and cost burden of other utility rates on the same customers. Gridley may also consider cost disparities between customers classes within Gridley, and between Gridley customers and other POU and IOU customers in the region.
- D. Gridley shall review the need for cost limitations as part of the review process described in paragraph 15 (Program Review).

**12. Historic Carryover**

- A. Gridley, at its sole discretion, may elect to adopt rules that allow for procurement generated before January 1, 2011 that meets the criteria of Section 3202 (a)(2), that is in excess of the sum of the 2004-2010 annual procurement targets defined in Section 3206(a)(5)(D) and that was not applied to the RPS of another state or to a voluntary claim, to be applied to the POU's RPS procurement target for the compliance period ending December 31, 2013, or for any subsequent compliance period.
- B. Both the historic carryover and the procurement applied to the POU's annual procurement target must be from eligible renewable resources that were RPS-eligible under the rules in place at the time of execution of ownership agreement.
  - a. Historic carryover must be procured pursuant to a contract or ownership agreement executed before June 1, 2010.
- C. Historic carryover will be calculated based on the following:
  - a. A baseline of an amount equal to 2001 procurement divided by 2001 retail sales, multiplied by 2003 total retail sales, plus one percent of 2001 retail sales.
  - b. Annual procurement targets for 2004-2010 that are equal to the lesser of 20 percent of the previous year's retail sales or 1 percent of the previous year's retail sales greater than the annual procurement target for the previous year.
- D. All applicable historic procurement claims for January 1, 2004 – December 31, 2010, baseline calculations, annual procurement target calculations, and any other pertinent data must be submitted to the California Energy Commission by January 1, 2014.

**13. Exclusive Control (PUC Section 399.30(k))**

In all matters regarding compliance with the RPS Procurement Plan, Gridley shall retain exclusive control and discretion over the following:



- A. The mix of eligible renewable energy resources procured by Gridley and those additional generation resources procured by Gridley for purposes of ensuring resource adequacy and reliability.
- B. The reasonable costs incurred by Gridley for eligible renewable energy resources owned by it.

**14. Reporting** (PUC Section 399.30(f), 399.30(g) and 399.30(l))

- A. Deliberations on Procurement Plan (§399.30(f)):
  - 1. *Public Notice:* Annually, Gridley shall post notice of meetings if the Council will deliberate in public regarding this RPS Procurement Plan.
  - 2. *Documents and Materials Related to Procurement Status and Plans:* When Gridley provides information to the Council related to its renewable energy resources procurement status and future plans, for the Board's consideration at a noticed public meeting, Gridley shall make that information available to the public.
- B. Compliance Reporting

Gridley shall submit annual and compliance period reports to the California Energy Commission in accordance with Section 3207 of the POU RPS Enforcement Regulation.

**15. Program Review**

Gridley's RPS Procurement Plan shall be reviewed by the Council in accordance with Gridley's "Renewable Portfolio Standard Enforcement Program."

**16. Plan Modifications/Amendments**

This RPS Procurement Plan may be modified or amended by an affirmative vote of the Council during a public meeting. Any Board action to modify or amend the plan must be publicly noticed in accordance with Paragraph 14.

**17. Enforcement Program of the RPS Procurement Plan**

- A. The City Council shall have a program for the enforcement of the RPS Procurement Plan, which shall include all of the provisions, set forth herein and shall be included in the Gridley RPS Procurement Plan.
- B. Annual review by the City Council of the RPS Procurement Plan for each year from 2011 through 2030 shall ensure that Gridley is making reasonable progress as defined in Paragraph 4 of the RPS Procurement Plan.



- C. Compliance Period review of the RPS Procurement Plan shall include consideration of each of the following elements:
- i. By December 31 of each year following the end of a Compliance Period:
    - 1. Verify that Gridley has met the procurement targets of renewable energy procurement for each compliance period defined in Section 3 of the RPS Procurement Plan.
    - 2. If targets are not met, Gridley must:
      - (1) Review the applicability of applying Excess Procurement from previous Compliance Periods consistent with the provisions of the RPS Procurement Plan.
      - (2) Ensure that any Waiver of Timely Compliance was compliant with the provisions in the RPS Procurement Plan.
      - (3) Review the applicability and appropriateness of excusing performance based on the Cost Limitations for Expenditures provisions of the RPS Procurement Plan.
      - (4) Ensure that any Portfolio Balance Requirement Reduction was compliant with the provisions of the RPS Procurement Plan.
- D. If it is determined that Gridley has failed to comply with the provisions of its RPS Procurement Plan, the City Council take steps to correct any untimely compliance, including:
- i. Reviewing Gridley's RPS Procurement Plan to determine what changes, if any, are necessary to ensure compliance in the next Compliance Period.
  - ii. Report quarterly to the City Council regarding the progress being made toward meeting the compliance obligation for the next Compliance Period.
  - iii. Report to the City Council regarding the status of meeting subsequent compliance period targets, and all steps being taken to ensure that the obligation is timely met.



**City Council Agenda Item #5**  
Staff Report

**Date:** December 6, 2021  
**To:** Mayor and City Council  
**From:** Cliff Wagner, City Administrator  
**Subject:** Reinvestment of City Funds

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<b>X</b>	Regular
	Special
	Closed
	Emergency

**Recommendation**

Staff respectfully requests the City Council consider and approve the continued practice of re-investing one (1) million dollars in federally insured CDs as they reach maturity.

**Background**

The purpose of this report is to ensure city staff continues to receive approval of the historical investment practice and as well as meet the necessary obligation to provide an overview of the City's treasury activities.

The City along with other 2,392 local agencies currently participate in the Local Agency Investment Fund (LAIF), a major portfolio which invests hundreds of millions of dollars, using the investment expertise of the State Treasurer's Office investment staff with no additional cost. At this time the City has approximately \$6.6 million invested at the rate of .20%.

In 2016, it was determined and approved by City Council at that time to allow the Finance Director engage Time Value Investments (TVI) to increase the interest in revenue for the city through investments for an amount not to exceed one (1) million dollars in FDIC insured CDs. At no additional costs to the City except for banking fees, the firm Time Value Investments, Inc. has been historically assisting the City of Gridley with those investments of City funds to increase earnings. TVI assisted with the set-up of the securities custody account with US Bank and placed the one million into four different CDs to ensure all funds remained fully FDIC insured. Since that time, the city has been reviewing reinvesting as each CDs mature.

Below are the current CDs in the City's portfolio. The one that recently matured has been highlighted below:

CUSIP	DESCRIPTION	RATE	AMOUNT	MATURITY
254673TH9	DISCOVER BANK	3.000	246,000	9/7/2021
02007GLN1	ALLY BANK	1.800	247,000	9/6/2022
05580AWA8	BMW BK NORTH AMER SALT LAKE	1.450	247,000	3/31/2023
88241TKC3	TEXAS EXCHANGE BANK SSB	0.450	249,000	4/30/2025



**AVAILABLE REINVESTMENT RATES:**

CUSIP Asset	Mdy/S&P Underlying	Issue Description	Coupon	Maturity  Next Call
38149MK69 <i>CD <a href="#">Px Hist</a></i>	FedFIS 2.56	<a href="#">Goldman Sachs Bk Usa</a> <i>Death Put   GS   Semi-Annual Pay</i>	0.350%	05/17/2023
38149MK93 <i>CD <a href="#">Px Hist</a></i>	FedFIS 2.56	<a href="#">Goldman Sachs Bk Usa</a> <i>Death Put   GS   Semi-Annual Pay</i>	0.500%	11/17/2023
38149MK77 <i>CD <a href="#">Px Hist</a></i>	FedFIS 2.56	<a href="#">Goldman Sachs Bk Usa</a> <i>Death Put   GS   Semi-Annual Pay</i>	0.750%	11/18/2024
38149ML35 <i>CD <a href="#">Px Hist</a></i>	FedFIS 2.56	<a href="#">Goldman Sachs Bk Usa</a> <i>Death Put   GS   Semi-Annual Pay</i>	0.900%	11/17/2025
38149MK51 <i>CD <a href="#">Px Hist</a></i>	FedFIS 2.56	<a href="#">Goldman Sachs Bk Usa</a> <i>Death Put   GS   Semi-Annual Pay</i>	1.100%	11/17/2026

Due to the California Local Agency Investment Fund (LAIF) earning at an all-time low rate of .20%, TVI has provided the following options above: 2 yr. @ .50% or a 3 yr. @ .75%, 4 yr. @.90%, and 5 yr. @1.10%.

Staff recommends the conservative approach of reinvesting the recently matured CD (highlighted expired) for the 2-year @.50% (double LAIF), into another investment to maintain the portfolio and generate returns above LAIF.

**Financial Impact**

Financial reporting requirements being met by approval, there are no direct costs associated with approval of the report only reinvestment of current funds historically earmarked for investment activity which results in higher return of city funds.

**Attachment:** None



**City Council Agenda Item #6**  
**Staff Report**

**Date:** December 6, 2021

**To:** Mayor and City Council

**From:** Cliff Wagner, Administrator

**Subject:** Proposal for upgrading City of Gridley HVAC systems for City Hall, Public Works, Electric Department, and Animal Control

<b>X</b>	Regular
	Special
	Closed
	Emergency

---

**Recommendation**

City staff respectfully recommends that the City Council approve the proposal to upgrade City of Gridley HVAC systems for City Hall, Public Works, Electric Department, and Animal Control, utilizing the CARB Cap-and-Trade Allocated Allowance funding consistent with the provisions and goals of Assembly Bill (AB) 32 "The Global Warming Solutions Act of 2006."

**Background**

The City of Gridley operates multiple facilities which function to advance the day-to-day operations of the City. Gridley City Hall houses City Administration, Finance, and Police Department functions. In June 2021, the HVAC units servicing the Police Department and Administration sections became inoperative. These units underwent repair. However, they continued to break down over the summer. It was determined that repairs to the Police Department HVAC units could no longer efficiently or effectively maintain operational status, so the non-operational units were replaced by way of an emergency condition that existed at that time. HVAC units servicing the Administration continued to need repair, but it was determined that their condition, in addition to an uncustomary cool August, did not constitute an emergency condition necessitating immediate replacement.

Because City Department Managers had expressed a need to upgrade HVAC units servicing multiple City buildings, it was determined to assess the City's HVAC units. This assessment identified needed upgrades in City Hall, Public Works, Electric Department, and Animal Control.

City Hall underwent refurbishment in 1997, with some HVAC units upgraded and others subsequently upgraded in 2001. The HVAC units proposed for replacement are over 20 years old, inefficient, and subject to repeat breakdown.

Units proposed for replacement in the Electrical Department service the substation and have been marginally operational on this critical system that operates Gridley's electrical grid controls. Units at Public Works and Animal Control are proposed to be replaced due to age and inefficiency.

Competitive bids were sought from area companies providing HVAC installation services at prevailing wage as required under state law. Five companies were solicited for proposals, and three were received. Duncan's Heating & Air was the lowest bid. This is also the company selected to replace the Police Department's failed HVAC units earlier in the summer on an emergency basis.



Under State law, the California Air Resources Board (CARB) has published regulations to implement AB 32 and SB 32, including the Cap-and-Trade Program Regulations (CA Cap-and-Trade Program).

One of the goals of this program is to promote investments in increased energy efficiency, including City facilities and systems. This purchase can be funded through CA Cap-and-Trade Program funds and thereby shielding the City's General Fund, upgrading essential assets, while also advancing the goals of AB 32.

Therefore, staff recommends the Gridley City Council approve the proposal to upgrade the City of Gridley HVAC systems for City Hall, Public Works, Electric Department and Animal Control as outlined in the bid submitted by Duncan's Heating & Air and award the contract to same.

**Fiscal Impact**

Total costs of \$63,400 from Cap-and-Trade Funding. Auction proceeds are not General Fund dollars and must be applied to specific program purposes in accordance with AB 32.

**Compliance with City Council Strategic Plan or Budget Goals**

This course of action is consistent with the City of Gridley's commitment to comply with state requirements, exercise best fiscal practices, and ensure that our policy actions are consistent with the goals and objectives of the California Cap-and-Trade Program.

**Attachments**

1. Bid analysis spreadsheet





**Bids**  
**Bidder's List & Project Totals**

**November 15, 2021**

	Bidding Company / Firm	Bid Price
1	Duncan's Heating and Air	\$63,400.00
2	De Air Company Inc.	\$72,866.00
3	R.B. Spencer	\$78,359.00
4		
5		
6		
7		

Opened By:

Cliff Wagner

Jodi Molinari

The image shows two handwritten signatures. The first signature, in black ink, is for Cliff Wagner and is written over a horizontal line. The second signature, in blue ink, is for Jodi Molinari and is also written over a horizontal line.







**City Council Agenda Item #7**  
Staff Report

**Date:** December 6, 2021

**To:** Mayor and City Council

**From:** Rodney Harr, Chief of Police

**Subject:** Memorandum of Understanding between the Butte County Department of Behavioral Health and the Gridley Police Department regarding the Mobile Crisis Team Program

<b>X</b>	Regular
	Special
	Closed
	Emergency

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**Recommendation**

Staff respectfully requests the City Council review, approve, and empower Chief Rodney Harr acting on behalf of the Gridley Police Department, to enter into a MOU Agreement with the Butte County Department of Behavioral Health to provide Mobile Crisis Team Response services to the Gridley Police Department.

**Background**

On October 12, 2021, the Butte County Board of Supervisors voted unanimously to include the Gridley Police Department in its Mobile Crisis Response Team Program. The Mobile Crisis Team Program provides crisis related outreach and engagement as well as responds to 911 requests regarding possible psychiatric or emotional crises in the community.

**Financial Impact**

None, this MOU is non-financial in nature and binds no party to financial obligations to any other.

**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**

Memorandum of Understanding Between the Butte County Department of Behavioral Health and the Gridley Police Department Regarding the Mobile Crisis Team Program FY 2020-21 through FY 2021-22



**MEMORANDUM OF UNDERSTANDING**  
**Between**  
**BUTTE COUNTY DEPARTMENT OF BEHAVIORAL HEALTH**  
**And**  
**GRIDLEY POLICE DEPARTMENT**  
**MOBILE CRISIS TEAM PROGRAM**  
**FY 2020-21 through FY 2021-22**

This Memorandum of Understanding (MOU) is entered into by and between the County of Butte (COUNTY), a political subdivision of the State of California, through its Butte County Department of Behavioral Health (BCDBH), and the Gridley Police Department (Gridley PD). This MOU shall set forth the types and terms of collaborative services between BCDBH and Gridley Police Department to form a Mobile Crisis Team (MCT) to provide crisis related outreach and engagement in the community.

**I. PURPOSE:**

BCDBH and Gridley Police Department enter this MOU for the following purposes:

The MCT as part of this MOU shall partner with the Gridley Police Department to provide crisis related outreach and engagement as well as respond to 911 requests regarding possible psychiatric or emotional crises in the community. The MCT shall operate with the goal of reducing the use of involuntary psychiatric hospitalization, when appropriate, by providing consultation, crisis assessment and engagement of the individual in need, seeking alternative treatment resources, when appropriate, including referrals to voluntary psychiatric services as available.

**II. SERVICES TO BE PROVIDED:**

Services to be provided by both parties are described in Scope of Service Exhibit A, incorporated herein by this reference.

**III. TERM:**

The term of this MOU shall become effective on December 1, 2021 and terminate no later than June 30, 2022.

**IV. COMPENSATION:**

This MOU is non-financial in nature and binds no party to financial obligations to any other.

**V. CONFIDENTIALITY:**

All BCDBH MCT staff are subject to all rules of confidentiality set forth in all applicable health privacy laws, which apply to the provision of mental health services by the MCT programs. The minimum necessary of confidential mental health information will be shared for the sole purpose of preventing or causing harm and/or injury to others or to themselves. For all other purposes, without express written permission of the individual, Gridley Police Department may not have access to any confidential mental health information as held by the MCT program. Any confidential mental health information Gridley Police Department may receive by written and/or verbal transmission may not be re-disclosed in any format at any time. Gridley Police Department shall maintain the confidentiality of all County records and information to the extent required by the Health Insurance Portability and Accountability Act of 1996 (HIPAA); the Health Information Technology for Economic and Clinical Health (HITECH) Act of 2009 (Public Law 111-5, Title XIII); Welfare and Institutions (W&I) Code Sections 5328 through 5330, inclusive; W&I Code Section 14100.2; Title 42 CFR Section 431.300 et seq; and 42 CFR Part 2, including any subsequent amendments thereto, and all other applicable County, State, and Federal laws, ordinances, rules, regulations, manuals, guidelines, and directives, relating to privacy/security, whichever is most restrictive.



- VI. MUTUAL HOLD HARMLESS:** It is agreed that Gridley Police Department shall defend, save harmless and indemnify County, its officers and employees from any and all claims for injuries or damage to persons and/or property which arise out of the terms and conditions of this MOU and which result from the negligent acts or omissions of HOSPITAL, its officers and/or employees.

It is further agreed that County shall defend, save harmless and indemnify Gridley Police Department, its officers and employees from any and all claims for injuries or damage to persons and/or property which arise out of the terms and conditions of this MOU and which result from the negligent acts or omissions of County, its officers and/or employees.

In the event of concurrent negligence of Gridley Police Department, its officers and/or employees, and County, its officers and/or employees then the liability for any and all claims for injuries or damages to persons and/or property which arise out of the terms and conditions of this MOU shall be apportioned under principles of comparative negligence as established presently by California law, or as may be hereafter modified.

**VII. INSURANCE:**

- A. Without limiting Gridley Police Department indemnification, Gridley Police Department shall procure and maintain for the duration of this MOU, insurance against claims for injuries to persons or damages to property that may arise from or be in connection with the performance of the work hereunder by Gridley Police Department, and Gridley Police Department agents, representatives, employees, and subcontractors. At the very least, Gridley Police Department shall maintain the insurance coverage, limits of coverage and other insurance requirements as described in **Attachment II**, which by reference is made part of this MOU. Certificates evidencing the maintenance of Gridley Police Department's insurance coverage shall be filed with BCDBH.
- B. The County of Butte self-insures third party liability claims alleging bodily injury, personal injury, property damage, or public officials' errors and omissions. The County self-insures losses up to \$100,000 per occurrence. Losses exceeding \$100,000 are covered by an excess insurance purchased through the County Supervisors Association of California-Excess Insurance Authority (CSAC-EIA). The excess policy provides coverage for losses up to 20 million dollars, which the County is legally required to pay because of liability imposed by law or assumed by contract. A recent actuarial evaluation performed by Bickmore Risk Services found the County's self-insurance reserves to be adequately funded.

- VIII. ALTERATION OF TERMS:** The body of this MOU fully expresses all understandings of the parties concerning all matters covered and shall constitute the total MOU. No addition to, or alteration of, the terms of this MOU whether by written or verbal understanding of the parties, their officers, agents or employees shall be valid unless made in the form of a written amendment to this MOU which is formally approved and executed by all parties.

**IX. NOTICES:**

All notices, claims, correspondence, reports and/or statements authorized or required by this MOU shall be addressed as follows:

BCDBH: Ina Ward  
Administrative Analyst, Supervisor  
Butte County Department of Behavioral Health  
3217 Cohasset Road  
Chico, CA 95973-5404  
Email: iward@buttecounty.net  
Telephone: 530.891.2850



Gridley Police Department:

Chief Rodney Harr  
Gridley Police Department  
685 Kentucky Street  
Gridley, Ca. 95948  
(530) 846-5670 Main  
(530) 846-0411 Fax

**X. DISPUTE RESOLUTION:**

Any disagreements that may occur shall be resolved at the lowest possible level within the two agencies and with a cooperative spirit. BCDBH and Gridley Police Department shall designate individuals who are responsible to resolve issues in a timely fashion regarding this MOU. Should agreement not be reached between the agencies after working through the process already prescribed, then the matter should go for discussion and consideration between the Directors of each agency.

**XI. APPLICABLE LAW AND FORUM:** This MOU shall be construed and interpreted according to California law and any action to enforce the terms of this MOU for the breach thereof shall be brought and tried in the County of Butte.

**XII. TERMINATION:**

BCDBH and Gridley Police Department each reserve the right to immediately terminate this MOU, notifying each other likewise.

**XIII.** This MOU with Exhibit A and Attachment I represents the entire undertaking between the parties.



**IN WITNESS WHEREOF, the parties hereto have executed this MOU as of the day and year first above written.**

**Gridley Police Department:**

\_\_\_\_\_  
Rodney Harr, Chief of Police

\_\_\_\_\_  
Date

Gridley Police Department

\_\_\_\_\_  
Cliff Wagner, City Administrator

\_\_\_\_\_  
Date

City of Gridley

APPROVED AS TO FORM

\_\_\_\_\_  
Anthony Galyean, City Attorney

\_\_\_\_\_  
Date

Rich, Fudge, Bordsen, and Galyean Attorneys  
1129 D Street  
Marysville, Ca. 95901

**COUNTY:**

\_\_\_\_\_  
Scott Kennelly, LCSW, Director  
Butte County Department of Behavioral Health

\_\_\_\_\_  
Date

\_\_\_\_\_  
Tamara Ingersoll, Deputy Director  
Butte County General Services

\_\_\_\_\_  
Date

Approved as to Form:  
BUTTE COUNTY COUNSEL

Reviewed for Contract Policy  
Compliance, General Services  
Contracts Division

By: \_\_\_\_\_

By: \_\_\_\_\_



## **EXHIBIT A SCOPE OF WORK**

### **A. FOR THE PURPOSE OF THE MCT PROGRAM, BCDBH AGREES TO:**

1. Assign a Behavioral Health Counselor (BHC) to be available to respond to calls from Gridley Police Department.
  - a. The MCT program will generally operate from Monday through Sunday (2 staff working 4-10 hour shifts), with the hours from 8:00 am to 6:30 pm.
  - b. If an MCT is not available for their shift due to illness or planned leave, the MCT will not be in services. PD will be notified in such events by MCT staff.
2. The BHC's will primarily respond to dispatched calls for service requested by Gridley Police Department. They may also respond to direct calls from Gridley Police Department via Butte County cell phones and/or law enforcement radio from dispatch.
3. The BHC's will travel and respond to calls using a designated BCDBH Mobile Law Enforcement Vehicle and conduct outreach work to known individuals who may be in need of crisis intervention and/or a referral for other community services.
4. If the MCT determines that the individual in crisis meets the California Welfare and Institutions Code Section 5150 for an involuntary psychiatric hold, the MCT on duty can complete the 5150 application.
5. If an individual is placed on an involuntary psychiatric hold by either the MCT or the responding Gridley Police Department, transportation will be facilitated by the Gridley Police Department. This applies only to 5150 holds generated from Gridley Police Department calls for service.
6. Individuals not meeting criteria for an involuntary psychiatric hold, who have been evaluated by the MCT may be transported in the MCT Vehicle to voluntary alternative locations (Ex: crisis services, CSU, shelter, etc.) if deemed appropriate based on MCT clinical judgment.
7. The MCT and responding Gridley Police Department will report any issue of concern, complexity, or disagreement directly to their respective supervisors as needed. It is expected that the MCT and responding Gridley Police Department will work collaboratively and generally work together to address day-to-day issues. The MCT Supervisor or designee will be available by phone throughout the MCT shift for consultation and support.
8. The MCT will share with responding Gridley Police Department, where applicable, mental health protected information on the individual being engaged through a crisis intervention service, consistent with all applicable health privacy laws.
9. The MCT will complete the COUNTY paperwork associated with each crisis intervention service the MCT responds to, as needed.
10. The MCT will be responsible for collecting the data associated with the number of calls and/or referrals for service in the Electronic Health Record System to track outcomes to quantify and measure program success.



11. The MCT will assist Gridley Police Department in gathering collateral information during a crisis situation (i.e. contacting family members, gathering previous crisis contacts and previous assault and suicide history, obtaining medical psychiatric treatment information, and other related information) as appropriate.
12. The MCT will provide education/suggestions in regards to intervening with the individual(s) in crisis (clinical insight on anything pertaining to mental illness to include symptoms, diagnosis, medication side effects, triggers and dynamics).
13. The MCT will provide the Gridley Police Department with information on community resources/referrals regarding the individuals in crisis (i.e. substance abuse, domestic violence, suicide prevention/intervention, mental illness, school support, grief support and other related resources).
14. The MCT will never assume the role of the primary responder on scene.
15. The MCT will collaborate with the different Gridley Police Department entities by participating in trainings and meetings to ensure proper understanding of roles and responsibilities during crisis situations.

**B. FOR THE PURPOSE OF THE MCT PROGRAM, Gridley Police Department AGREES TO:**

1. Assume primary responsibility for site control.
2. Assume role of primary responder when engaged with MCT.
3. Determine whether phone consultation or on-site consultation is needed from the MCT.
4. Coordinate training exercises with MCT to ensure proper collaboration when needed during a crisis situation.
5. Collaborate with the MCT on-call members by participating in trainings and meetings to ensure proper understanding of roles and responsibilities during crisis situations.
6. Facilitate transportation for clients to the appropriate receiving facility when a 5150 has been placed by the MCT in response to a call for service to Gridley Police Department.
7. Agree to provide review on overall effectiveness on MCT deployments.
8. Agree to provide information to MCT regarding individuals who are involved in a crisis incident, when such information provides critical value to the safe resolution of those incidents.



**ATTACHMENT II**  
**INSURANCE REQUIREMENTS FOR MOST CONTRACTS**  
*Not for Professional Services or Construction Contracts*

**\*Please provide a copy of Attachment II to your insurance agent.**

**Contractor shall procure and maintain for the duration of this contract, insurance against claims for injuries to persons or damages to property that may arise from or be in connection with the performance of the work hereunder by Contractor, Contractor's agents, representatives, employees and subcontractors. Before the commencement of work Contractor shall submit Certificates of Insurance and Endorsements evidencing that Contractor has obtained the following forms of coverage:**

**A. MINIMUM SCOPE AND LIMITS OF INSURANCE - Coverage shall be at least as broad as:**

- 1) Commercial General Liability (CGL):** Insurance Services Office (ISO) Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than **\$1,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.
- 2) Automobile Liability:** ISO's Commercial Automobile Liability coverage form CA 00 01.
  1. Commercial Automobile Liability: Covering any auto (Code 1) for corporate/business owned vehicles, or if Contractor has no owned autos, covering hired (Code 8) and non-owned autos (Code 9), with limits no less than **\$1,000,000** per accident for bodily injury and property damage.
  2. If no transportation services of any type are provided, and use of a motor vehicle is strictly limited to travel to and from work or work sites, evidence of Personal Auto Policy coverage with limits no less than **\$100,000** per person, **\$300,000** each accident, **\$50,000** property damage may be provided in lieu of Commercial Automobile Liability Insurance.
- 3) Workers' Compensation Insurance:** As required by the State of California, with Statutory Limits and Employer's Liability Insurance with limit of no less than **\$1,000,000** per accident for bodily injury and disease. *(Not required if Contractor provides written verification he or she has no employees.)*

If Contractor maintains broader coverage and/or higher limits than the minimums shown above, the County requires and shall be entitled to the broader coverage and/or higher limits maintained by Contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the County.

**B. OTHER INSURANCE PROVISIONS** - The insurance policies are to contain, or be endorsed to contain, the following provisions:

- 1)** The County of Butte, its officers, officials, employees and volunteers are to be covered as additional insureds on the CGL and Commercial Auto policies with respect to liability arising out of work or operations performed by or on behalf of the Contractor, including materials, parts or equipment furnished in connection with such work or operations. General Liability coverage can be provided in the form of an endorsement to Contractor's insurance (at least as broad as ISO Form CG 20 10 11 85 or both CG 20 10, CG 20 26, CG 20 33, or CG 20 38 and CG 20 37 forms if later revisions used).



- 2) For any claims related to this contract, Contractor's insurance coverage shall be primary insurance coverage at least as broad as ISO Form CG 20 01 04 13 as respects the County, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the County, its officers, officials, employees and volunteers shall be excess of Contractor's insurance and shall not contribute with it.
- 3) Each insurance policy required above shall state that coverage shall not be canceled, except with notice to the County.

**C. WAIVER OF SUBROGATION:** Contractor hereby grants to County a waiver of any right to subrogation which any insurer of said Contractor may acquire against the County by virtue of the payment of any loss under such insurance. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the County has received a waiver of subrogation endorsement from the insurer.

The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the County for all work performed by the Contractor, its employees, agents and subcontractors.

**D. SELF-INSURED RETENTIONS:** Self-insured retentions must be declared to and approved by the County. The County may require Contractor to purchase coverage with a lower retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or County.

**E. ACCEPTABILITY OF INSURERS:** Insurance is to be placed with insurers authorized to conduct business in the state with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the County.

**F. VERIFICATION OF COVERAGE:** Contractor shall furnish County with original certificates of insurance including all required amendatory endorsements (or copies of the applicable policy language affecting coverage required by this clause) and a copy of the Declarations and Endorsement Page of the CGL policy listing all policy endorsements before work begins. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor's obligation to provide them. The County reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

**G. SPECIAL RISKS OR CIRCUMSTANCES:** County reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

**H. SUBCONTRACTORS:** Contractor shall include all subcontractors as insured under its policies or require all subcontractors to be insured under their own policies. If subcontractors are insured under their own policies, they shall be subject to all the requirements stated herein, including providing the County certificates of insurance and endorsements before beginning work under this contract.







**City Council Agenda Item #8**  
Staff Report

**Date:** December 6, 2021

**To:** Mayor and City Council

**From:** Cliff Wagner, Administrator

<b>X</b>	Regular
	Special
	Closed
	Emergency

**Subject:** Proposal to Authorize Purchase of Properties at 235 Virginia Street and 57 East Gridley Road, Gridley, CA.

- Resolution No. 2021-R-039: A Resolution of The Gridley City Council Authorizing a Supplemental Appropriation to Acquire Properties for Enhancement of Public Works Department Operations
- Resolution No. 2021-R-040: A Resolution of The Gridley City Council Authorizing a Supplemental Appropriation to Acquire Properties for Enhancement of Electrical Department Operations

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**Recommendation**

City staff respectfully recommends that the City Council authorize City Administrator to proceed with the purchase of properties at 235 Virginia Street (APN 010-123-010), and 57 East Gridley Road (APN 021-210-031), Gridley, CA.

**Background**

On February 1, 2021, the Gridley City Council authorized the City Administrator to execute an appraisal of the property located at 235 Virginia Street (APN 010-123-010).

On June 21, 2021, City staff reported the appraisal results of 235 Virginia to Council. The appraisal returned at a market value of \$350,000. At the recommendation of the City Planner, Council determined that staff should proceed with a purchase agreement, conditioned upon the successful completion of a Phase 1 Environmental study to be conducted by a contracted third party.

On April 5, 2021, the Gridley City Council also authorized the City Administrator to execute an appraisal of the property located at 57 East Gridley Road (APN 021-210-031). The property appraised at a market value of \$360,000.

Further, Council established an ad hoc subcommittee consisting of Council members Johnson, Farr, and City Attorney Galyean, to negotiate for the purchase of the property located at 57 East Gridley Road.

**Fiscal Impact**

The purchase of the lots at 235 Virginia Street (APN 010-123-010), and 57 East Gridley Road (APN 021-210-031) would represent a cost of \$725,000, plus closing costs, to the City of Gridley's Cap and Trade Use of Allowance Fund. This would not represent a General Fund expenditure.



**Compliance with City Council Strategic Plan or Budget Goals**

This course of action is consistent with the City of Gridley's commitment to achieve maximum efficiency for operations and services and advance the City's greenhouse gas (GHG) reductions targets.

**Attachments**

1. Resolution No. 2021-R-039 for Purchase of 235 Virginia Street
2. Buyers Settlement Statement 235 Virginia Street
3. Resolution No. 2021-R-040 for Purchase of 57 E. Gridley Road
4. Buyers Settlement Statement 57 E. Gridley Road
5. Phase 1 Environmental Site Assessment viewable here: [https://gridleyca-my.sharepoint.com/:b:/g/personal/jmolinari\\_gridley\\_ca\\_us/EVFdIHK71Y5EvU5xmALKcykBpXA8W93gQbf3Z\\_muYisjYQ?e=y9jso5](https://gridleyca-my.sharepoint.com/:b:/g/personal/jmolinari_gridley_ca_us/EVFdIHK71Y5EvU5xmALKcykBpXA8W93gQbf3Z_muYisjYQ?e=y9jso5)



**A RESOLUTION OF THE GRIDLEY CITY COUNCIL AUTHORIZING A SUPPLEMENTAL  
APPROPRIATION TO ACQUIRE PROPERTIES FOR ENHANCEMENT OF PUBLIC WORKS  
DEPARTMENT OPERATIONS**

**WHEREAS**, the city council of the City of Gridley desires to acquire property for the enhancement of its Public Works Department operations; and

**WHEREAS**, the property purchase price will be \$350,000, with not more than \$3,000 for closing costs, taxes and fees; and

**NOW, THEREFORE, BE IT RESOLVED** by Gridley City Council to approve the supplemental appropriation from account 928-0000-51720 for the fiscal year 2021-2022 for an amount not to exceed \$353,000.

**I HEREBY CERTIFY** that the foregoing resolution was duly introduced and passed at a regular meeting of the City Council of the City of Gridley held on the 6th day of December 2021, by the following vote:

AYES: COUNCILMEMBERS

NOES: COUNCILMEMBERS

ABSTAIN: COUNCILMEMBERS

ABSENT: COUNCILMEMBERS

ATTEST:

APPROVE:

\_\_\_\_\_  
Cliff Wagner, City Clerk

\_\_\_\_\_  
Bruce Johnson, Mayor



BIDWELL TITLE & ESCROW COMPANY

560 Kentucky Street, Gridley, CA 95948

Phone: (530) 846-4005 Fax: (530) 846-0584

Buyers/Borrowers Settlement Statement  
Estimated

Escrow No: 00268935 - 004 LYN	Close Date:	Proration Date:	Disbursement Date:
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Buyer(s)/Borrower(s): CITY OF GRIDLEY

Property: 235 Virginia Street  
Gridley, CA 95948

Brief Legal:

Description	Debit	Credit
<b>TOTAL CONSIDERATION:</b> Total Consideration Deposit/Earnest Money	350,000.00	10,000.00
<b>PRORATIONS AND ADJUSTMENTS:</b> County Taxes from 12/17/2021 to 1/1/2022 based on the Semi-Annual amount of \$1,092.64	84.98	
<b>TITLE CHARGES:</b> Owners Policy \$350,000.00 to Bidwell Title & Escrow Company	1,170.00	
<b>ESCROW CHARGES</b> Escrow Fee to Bidwell Title & Escrow Company	1,105.00	
<b>RECORDING FEES:</b> Recording Fees to Butte County Recorder Recording Service to Bidwell Title & Escrow Company County Transfer Tax to Butte County Recorder	30.00 50.00 385.00	
Sub Totals	352,824.98	10,000.00
Balance Due From Buyer /Borrower		342,824.98
Totals	352,824.98	352,824.98

It is agreed by the undersigned that the foregoing statement may change if a change in the escrow closing occurs or if other unforeseen contingencies arise. In the event changes in the statement become necessary, you are nevertheless authorized to close this escrow. It is understood that we will receive a final statement of account if the above totals are changed.

APPROVED AND ACCEPTED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_



**RESOLUTION NO.  
2021-R-040**

**A RESOLUTION OF THE GRIDLEY CITY COUNCIL AUTHORIZING A SUPPLEMENTAL  
APPROPRIATION TO ACQUIRE PROPERTIES FOR ENHANCEMENT OF ELECTRICAL  
DEPARTMENT OPERATIONS**

**WHEREAS**, the city council of the City of Gridley desires to acquire property for the enhancement of Electrical Department operations; and

**WHEREAS**, the property purchase price will be \$375,000, with not more than \$5,000 for closing costs, taxes and fees; and

**NOW, THEREFORE, BE IT RESOLVED** by Gridley City Council to approve the supplemental appropriation from account 928-0000-51720 for the fiscal year 2021-2022 for an amount not to exceed \$380,000.

**I HEREBY CERTIFY** that the foregoing resolution was duly introduced and passed at a regular meeting of the City Council of the City of Gridley held on the 6th day of December 2021, by the following vote:

AYES: COUNCILMEMBERS

NOES: COUNCILMEMBERS

ABSTAIN: COUNCILMEMBERS

ABSENT: COUNCILMEMBERS

ATTEST:

APPROVE:

\_\_\_\_\_  
Cliff Wagner, City Clerk

\_\_\_\_\_  
Bruce Johnson, Mayor



BIDWELL TITLE & ESCROW COMPANY

560 Kentucky Street, Gridley, CA 95948

Phone: (530) 846-4005 Fax: (530) 846-0584

Buyers/Borrowers Settlement Statement  
Estimated

Escrow No: 00268971 - 004 LYN	Close Date:	Proration Date:	Disbursement Date:
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Buyer(s)/Borrower(s): CITY OF GRIDLEY

Property: 57 E. Gridley Road  
Gridley, CA 95948

Brief Legal:

Description	Debit	Credit
<b>TOTAL CONSIDERATION:</b> Total Consideration	375,000.00	
<b>PRORATIONS AND ADJUSTMENTS:</b> County Taxes from 1/1/2022 to 1/31/2022 based on the Semi-Annual amount of \$1,592.40		265.40
<b>TITLE CHARGES:</b> Owners Policy \$375,000.00 to Bidwell Title & Escrow Company	1,218.00	
<b>ESCROW CHARGES</b> Escrow Fee to Bidwell Title & Escrow Company	1,105.00	
<b>RECORDING FEES:</b> Recording Fees to Butte County Recorder	30.00	
Recording Service to Bidwell Title & Escrow Company	50.00	
County Transfer Tax to Butte County Recorder	412.50	
<b>ADDITIONAL CHARGES:</b> 2nd Taxes Due to Butte County Tax Collector	1,592.40	
Sub Totals	379,407.90	265.40
Balance Due From Buyer /Borrower		379,142.50
Totals	379,407.90	379,407.90

It is agreed by the undersigned that the foregoing statement may change if a change in the escrow closing occurs or if other unforeseen contingencies arise. In the event changes in the statement become necessary, you are nevertheless authorized to close this escrow. It is understood that we will receive a final statement of account if the above totals are changed.

APPROVED AND ACCEPTED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_



**City Council Agenda Item #9**  
Staff Report

**Date:** December 6, 2021

**To:** Mayor and City Council

**From:** Cliff Wagner, Administrator

**Subject:** Resolution No. 2021-R-041: A Resolution of The Gridley City Council Adopting the Butte Subbasin Groundwater Sustainability Plan

<b>X</b>	Regular
	Special
	Closed
	Emergency

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**Recommendation**

City staff respectfully recommends that the City Council adopt the draft Butte Subbasin Groundwater Sustainability Plan (GSP) by adopting Resolution No. 2021-R-041.

**Background**

In August 2014, the California Legislature passed, and in September 2014 the Governor signed, legislation creating the Sustainable Groundwater Management Act (“SGMA”), to provide local groundwater sustainability agencies with the authority and technical and financial assistance necessary to sustainably manage groundwater (Wat. Code, § 10720, (d)).

The SGMA requires sustainable management through the development of groundwater sustainability plans (“GSPs”), which can be a single plan developed by one or more groundwater sustainability agency (“GSA”) or multiple coordinated plans within a basin or subbasin (Wat. Code, § 10727).

City of Gridley elected to become a GSA, known as the City of Gridley GSA, on December 7, 2015, for the purpose of sustainably managing groundwater in the Butte Subbasin, within its jurisdictional and GSA boundaries. Since inception, the City of Gridley entered into a cooperation agreement and has coordinated with other GSAs in the Butte Subbasin to develop a single GSP for the subbasin.

The GSAs cooperatively developed the draft Butte Subbasin GSP and released the draft GSP for public comment on September 3, 2021.

By adoption of this Resolution, City of Gridley authorizes Butte County Department of Water and Resource Conservation on behalf of the Butte Subbasin GSAs, its consultants, and the Plan Manager to take such other actions as may be reasonably necessary to submit the Butte Subbasin GSP to Department of Water Resources by January 31, 2022, and implement the purpose of this Resolution.

**Fiscal Impact**

None

**Compliance with City Council Strategic Plan or Budget Goals**

This course of action is consistent with the City of Gridley's commitment to comply with state requirements and ensure that our policy actions are collaborative with partner agencies and consistent with the goals and objectives of our City Strategic Plan.



**Attachments**

1. Resolution No. 2021-R-041
2. Butte Subbasin Groundwater Sustainability Plan (Exhibit A.)
3. Butte Subbasin GSP Appendices

Attachments 2 and 3 are viewable here: [https://gridleyca-my.sharepoint.com/:f/g/personal/jmolinari\\_gridley\\_ca\\_us/EkXitPUXmBFLt2ob7f-ypjoBUszfrq2iZFZ10hxEGnMNOg?e=2skM07](https://gridleyca-my.sharepoint.com/:f/g/personal/jmolinari_gridley_ca_us/EkXitPUXmBFLt2ob7f-ypjoBUszfrq2iZFZ10hxEGnMNOg?e=2skM07)



**A RESOLUTION OF THE GRIDLEY CITY COUNCIL ADOPTING THE BUTTE SUBBASIN  
GROUNDWATER SUSTAINABILITY PLAN**

**A. WHEREAS**, in August 2014, the California Legislature passed, and in September 2014 the Governor signed, legislation creating the Sustainable Groundwater Management Act ("SGMA") "to provide local groundwater sustainability agencies with the authority and technical and financial assistance necessary to sustainably manage groundwater" (Wat. Code, § 10720, (d)); and

**B. WHEREAS**, SGMA requires sustainable management through the development of groundwater sustainability plans ("GSPs"), which can be a single plan developed by one or more groundwater sustainability agency ("GSA") or multiple coordinated plans within a basin or subbasin (Wat. Code, § 10727); and

**C. WHEREAS**, SGMA requires a GSA manage groundwater in all basins designated by the Department of Water Resources ("DWR") as a medium or high priority, including the Butte Subbasin (designated basin number 5-021.70); and

**D. WHEREAS**, City of Gridley elected to become a GSA, known as the City of Gridley GSA, on December 7, 2015 (Resolution 2015-R-034) for the purposes of sustainably managing groundwater in the Butte Subbasin, within its jurisdictional and GSA boundaries, pursuant to the requirements of SGMA; and

**E. WHEREAS**, the City of Gridley entered into a cooperation agreement and has coordinated with all other GSAs in the Butte Subbasin to develop a single GSP for the subbasin; and

**F. WHEREAS**, the GSAs cooperatively developed the draft Butte Subbasin GSP and released the draft GSP for public comment on September 3, 2021;

**G. WHEREAS**, the GSAs reviewed, considered and responded to comments on the Butte Subbasin GSP; and

**H. WHEREAS**, on August 9, 2021, the GSAs released the Notice of Intent pursuant to Water Code section 10728.4; and

**I. WHEREAS**, the GSAs released the final Butte Subbasin GSP on December 1, 2021; and

**J. WHEREAS**, the City of Gridley pursuant to Water Code section 10728.4 noticed and held a public hearing to receive comments on the Butte Subbasin GSP.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Gridley finds as follows:



1. The above Recitals are true and correct and are incorporated herein as findings of the Gridley City Council.
2. City of Gridley hereby approves and adopts the Butte Subbasin GSP as attached in Exhibit A.
3. Preparation and adoption of the Butte Subbasin GSP through this Resolution is not subject to the California Environmental Quality Act pursuant to Water Code section 10728.6.
4. City of Gridley authorizes Butte County Department of Water and Resource Conservation on behalf of the Butte Subbasin GSAs, its consultants, and the Plan Manager to take such other actions as may be reasonably necessary to submit the Butte Subbasin GSP to DWR by January 31, 2022, and implement the purpose of this Resolution.

**I HEREBY CERTIFY** that the foregoing resolution was duly introduced and passed at a regular meeting of the City Council of the City of Gridley held on the 6th day of December 2021, by the following vote:

AYES: COUNCILMEMBERS

NOES: COUNCILMEMBERS

ABSTAIN: COUNCILMEMBERS

ABSENT: COUNCILMEMBERS

ATTEST:

APPROVE:

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Cliff Wagner, City Clerk

---

Bruce Johnson, Mayor



**City Council Agenda Item #10**  
**Staff Report**

**Date:** December 6, 2021

**To:** Mayor and City Council

**From:** Cliff Wagner, Administrator

**Subject:** Informational Update on Proposal to Extend Waste Management Contract for Collection of Solid Waste, Recyclables, Green Waste and Transfer Station Operation Services

<b>X</b>	Regular
	Special
	Closed
	Emergency

---

**Recommendation**

City staff is seeking guidance from Council relative to the term and proposed updates to extend Waste Management's Contract for Collection of Solid Waste, Recyclables, Green Waste and Transfer Station Operation Services. Staff recommends Council consider scheduling a special meeting in the two-weeks between December 6, 2021 and December 20, 2021 to hold a study session to more fully review and assess the proposed extension agreement.

Through initial discussion, Waste Management has developed a proposed Term Sheet (attached) that gives an overview of changes that they would like to see incorporated into a services extension agreement. Most significantly, they have proposed two extension options:

- 5-year term option with an initial rate increase of 3.5%
- 2-year term option with an initial rate increase of 5%

Staff recommends that the 2-year term option aligns best with our stated objective of engaging an RFP process.

Further, Waste Management has proposed a change to the Annual Rate Adjustment that would transition from the current Consumer Price Index (CPI) based to the Waste Sewer Trash (WST) index. Although Waste Management indicates that the WST index is more appropriate because it is a more targeted index than CPI, according to industry experts, WST usually runs 1.5 to 2.5 basis points higher than CPI. For this reason, staff recommends a cap of 3.5 to 4% if WST is to be adopted for purpose of annual rate adjustment.

**Background**

On March 1, 2013, the City of Gridley entered into an agreement with USA Waste of California Inc. (Waste Management) for 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 are complex and take a significant investment in time and analysis, it is necessary to engage a process that builds in sufficient 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 complete 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. 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 Proposal Outline



# CITY OF GRIDLEY, CALIFORNIA

Collection of Solid Waste, Recyclables,  
Green Waste, and Transfer Station  
Operation Services

SUBMITTED BY

**USA Waste of California, Inc.**

**Always Working for a  
Sustainable Tomorrow**

CONTACT

Joe Cadelago,  
Public Sector Services Manager  
(209) 200-1747  
[jcadelag@wm.com](mailto:jcadelag@wm.com)





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**Waste Management** is your partner for environmental service and solutions whose people **go above and beyond** to **serve and solve** every challenge **the right way**.

*Data contained in this proposal represents the most recently published information for Waste Management's wholly owned operations, unless otherwise indicated.*





# TERM SHEET

USA Waste of California, Inc.  
2569 Scott Ave.  
Chico, CA 95928-7188

November 9, 2021

City of Gridley

685 Kentucky Street  
Gridley, CA 95948

RE: USA Waste of California, Inc. franchise agreement amendment / contract extension

Dear Mr. Wagner:

North Valley Disposal (NVD) greatly appreciates the long-standing partnership we've enjoyed with the City of Gridley and the community. We are excited to present the following options based on our discussions. The term sheet is non-binding as we continue to negotiate to a final agreement. Upon conclusion of the negotiation, the final proposal will be submitted for approval. Proposed contract changes are listed as a summary.

**Term:** New 2- or 5-year term, commencing on January 1, 2022 and ending on December 31, 2023 or December 31, 2026.

- **5-year term option with initial rate 3.5%.** This rate increase is based on several factors, including industry inflation, and significant increased processing costs NVD has absorbed during the course of the current contract for recyclables and organics processing.
- **2-year term option with initial rate 5%** This rate increase is based on the same factors as the 5-year option but calculated for a two-year term.  
**Community Benefit of 5-year term:** Service costs are spread out over a longer period, minimizing rate-payer impact.

**Annual Rate Adjustment:** We are proposing a modification to the annual rate adjustment to align costs to reflect increases associated with the waste industry.

- **Update:** Modify to Water Sewer Trash CPI mechanism.  
**Community Benefit:** The major advantage of WST CPI is that it considers a much more specific market basket. The WST CPI represents the cost of water, sewage, and trash collection, versus the literally hundreds of cost components used for the All-Items CPI, that are subject to broad inflationary cost changes.



**Delinquent Accounts:** Currently, there is \$450,000 in bad debt from delinquent accounts in the City of Gridley and approximately \$321,000 that has been written off. Starting on the commencement date of the extension, we will continue to work with the customers for payment of services, and utilize the delinquent account and corresponding discontinuation of service provisions in the existing contract notated in section 6F; Billing and Collection of Accounts.

**Community Benefit:** Customers that pay their bills for services ensures that WM can continue to provide services and the City receives the franchise fees from received revenues collected by WM. This also ensures the entire rate payer population does not bear the cost impact of delinquent accounts through an extraordinary rate increase request.

**Reducing Contamination and Overage:**

- To reduce litter on the streets, and the contamination of recycling and greenwaste, we are providing a targeted plan – aligned with the City of Biggs and City of Chico for contamination (recycling and organics), and overage audits (trash) for warnings, targeted education, and surcharges using WM Smart Truck<sup>SM</sup> Technology (Residential, MFD, Commercial – carts and bins).

This program will commence following a robust and sustained bilingual education campaign for all residential and commercial customers. Regular updates to city staff and the community will be provided to share the progress of the program. Following the education campaign, the program will provide customers with two warning notifications complete with details about their service with helpful reminders about proper placement of materials in the designated carts, a picture of their service and information about future occurrences. A charge will occur after the second occurrence, and upon the fifth occurrence in a calendar year we will work with the customer to determine if they need a larger sized trash, recycle or green waste container if contamination and overfilled carts continue to be an issue.

- 90-day public education campaign
- Encourage the community to help keep Gridley Clean and Green
- Announce date when contamination and overfilled container program would start
- Contamination communications can be combined with reminders and education about avoiding overages
- Outreach specifics to be worked out with City staff utilizing methods such as letters, emails, postcards, social media, web site update, and/or other methods.
- Dispute resolution process

More detailed information is provided as an attachment.

- Add residential overage charge to existing rate sheet for contamination reduction program Applied after second warning notice.

**Community Benefit:** WM will provide a robust education plan and program for the community to increase recycling participation, removing contaminants from the recycle stream and prevent overfilled containers that lead to litter on the streets. This program helps reduce contamination for more diversion, supporting local and state diversion goals, and keeps the City clean from blight and debris.



**Contract and Rate Updates:** In addition to the above, we believe the following items in the current agreement needs updated.

- Modifying language regarding recyclables to address lack of viable markets
- Add recycling rate table. The current agreement and rate sheet does not have a rate table for recycling services for those that wish to subscribe.
- Add variable rates for Roll-Off services instead of flat rates. We anticipate Butte County will increase their tip fees soon, and variable rates will benefit the customers when choosing service levels.
- Address SB 1383. We understand the City is seeking an exemption. The agreement would need to state that rates assume such exemption is in place.

We look forward to your feedback and continuing our partnership with the City of Gridley.

Sincerely,

DocuSigned by:  
  
2A640847CE8F475...

Barry Skolnick

President, USA Waste of California, Inc.





# THE SMART TRUCK DIFFERENCE

Using Onboard Technologies to Push Us Past What was Possible

## WM Smart Truck<sup>SM</sup> Technology: Smart Solutions to Drive Behavior

The latest in our efforts to work toward a more sustainable tomorrow, the WM Smart Truck<sup>SM</sup> program pairs innovative technology with strategic, targeted education to influence waste-related behaviors, making residential collection in Gridley smarter, safer, and more efficient.

At its essence, Smart Truck<sup>SM</sup> consists of cameras mounted on our collection vehicles that create a record of collection events and the contents of collected containers. Data captured - including vehicle GPS mapping and photo and video documentation of service - is used to provide notification (service verification) and/or education to correct collection issues such as overages (container overflow) or contamination (non-recyclable materials in recycling container).

WM Smart Truck<sup>SM</sup> technology on your streets means a cleaner, greener, safer Gridley with more power and efficiency in every pickup.



*Our proprietary Smart Truck<sup>SM</sup> technology captures video and photo of every collection and uses that data to educate your residents.*

## A SMART TRUCK FOR A SUSTAINABLE TOMORROW

### The Benefits and Value of Smart Truck<sup>SM</sup>



**BETTER SERVICE, MORE TRANSPARENCY:** Smart Truck<sup>SM</sup> technology documents every collection stop and shares that data – including real-time service verification and documentation of any collection issues – with customers through the notification channel of their choosing.



**TARGETED EDUCATION, BETTER RECYCLING:** Smart Truck<sup>SM</sup> improves waste-related decision-making with a focused, tailored education program in response to documented issues, such as contamination or overages. Direct notification with customized education messaging makes for a more personal connection with the customer and increases the likelihood they will take real action and change behavior, improving diversion from landfills, and right sizing their trash services.





**A CLEANER COMMUNITY:** Smart Truck<sup>SM</sup> protects community aesthetics as camera monitoring allows us to proactively identify containers that are overflowing and cause unsightly litter and odors.



**SAFETY ALWAYS:** Smart Truck<sup>SM</sup> is safer by automating processes that keep our drivers in the cab so they can focus on operating their collection vehicle and monitoring their surroundings. Injury risk is decreased as drivers are not exposed to traffic and avoid lifting containers manually.



**ENFORCEMENT STRATEGY:** Smart Truck<sup>SM</sup> technology allows us to identify what residents put at the curb, ensuring that customers are subscribed to the appropriate service levels based on their waste generation. After an initial 60-day intensive education and outreach campaign to launch the program, customers who continually overfill containers or place contamination in recycling or organics carts are subject to a charge.

## A Targeted Education Strategy to Combat Contamination, Overages

Key to the Smart Truck<sup>SM</sup> program is pairing innovative technology with a strategic, targeted education program. To shape waste-related decision-making and effect actual change, we must create a more personal connection with the customer (custom messaging) while providing real data and feedback (photos/video) and clear education to follow. These efforts greatly increase the likelihood that residents will take real action.

### Reducing Contamination for a Cleaner Recycling Stream

Contamination can ruin entire loads of recyclable materials and causes extreme problems at recycling facilities, including safety issues such as fires from hazardous materials (batteries) or tangling (plastic bags) in sorters that must be manually cut out - a dangerous task for facility workers.

With WM Smart Truck<sup>SM</sup>, contamination enforcement and education is made easy with:

- A standardized review process with checks and balances to identify contamination at the curb
- Account-specific photos that allow us to educate customers about contamination and recycling right
- Ability to identify top contaminants by route to target outreach in your community

One in four items that consumers place in recycling containers is not recyclable.

#### CONTAMINATED RECYCLING LOAD

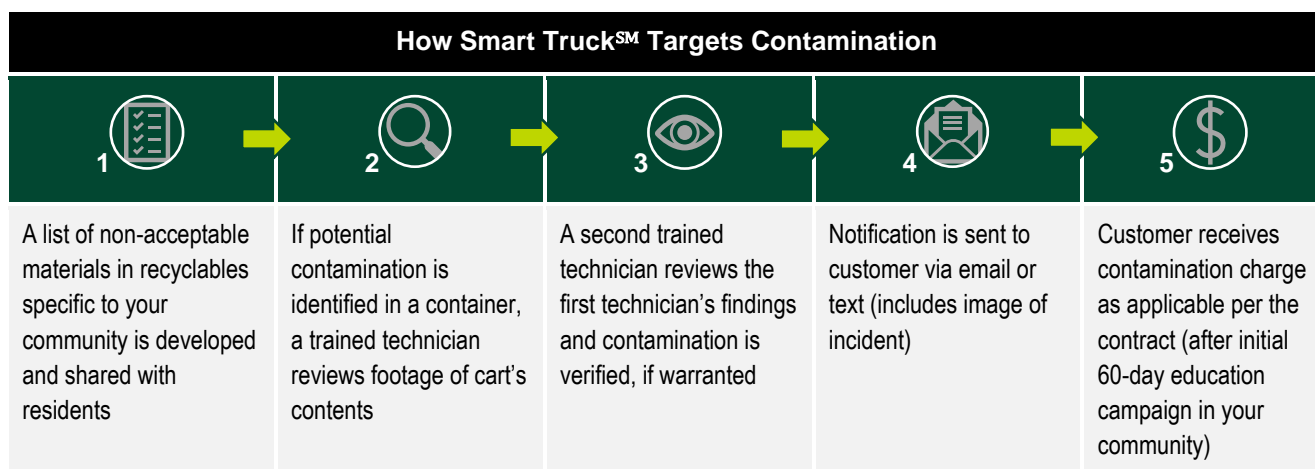


Plastic Packaging & Film

Foam Packaging

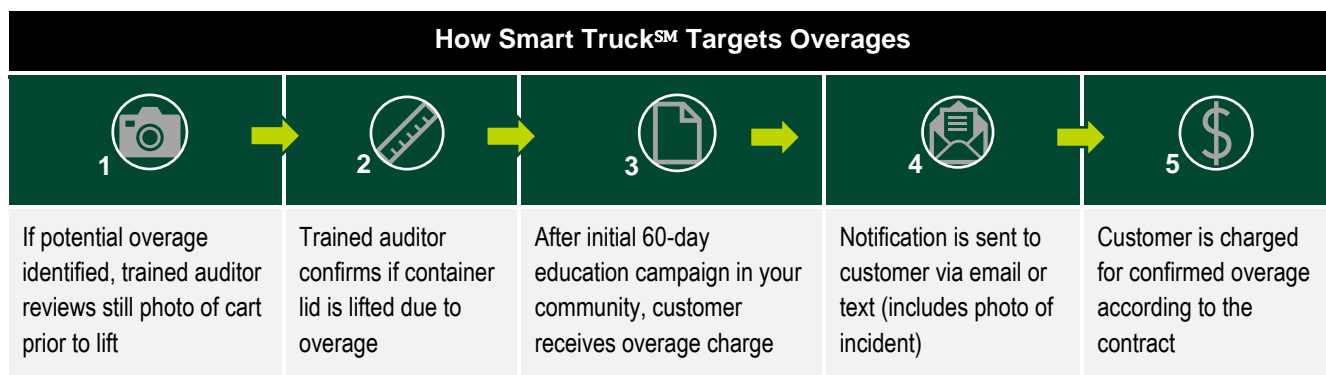
Customers can be notified of any service issues via email or text within 24 to 36 hours of service. Customers can set their preferred channel of communication (email, text, or phone) online at [wm.com/us/mypreferences](https://wm.com/us/mypreferences).





### Stopping Overages Helps Keep Your Community Clean and Safe

Overages from containers cause unsightly litter and odors, clog storm drains, and can attract pests and other vectors. Smart Truck<sup>SM</sup> can provide outreach to customers to prompt right-size adjustments that prevent overages and keep your community clean and safe.



**With the Smart Truck<sup>SM</sup> program, data is collected continually and can provide important information to your staff and community regarding the composition of local waste streams, waste types and volumes, and the extent of container overages and contamination - which can be invaluable for review of programs or need for new or enhanced programs.**

### Smart Truck<sup>SM</sup> Outreach Campaign Raises Program Awareness, Sets Expectations

Your WM Smart Truck<sup>SM</sup> program will begin with a 60-day intensive outreach and education campaign focused on raising awareness of the Smart Truck<sup>SM</sup> program in your city. This period will set clear expectations and minimize any surprises to customers while setting a foundation for the program. Efforts during the initial 60-day outreach, education, and evaluation period will include:



- A program introduction email to educate customers on how to recycle right and avoid overfilling containers
- Customers encouraged to visit [wm.com/mypreferences](http://wm.com/mypreferences) to enable electronic communications for additional education
- Program information posted on applicable websites - including your WM-sponsored website and community website
- Press releases shared with local media
- Social media messaging
- Newsletters to customers
- Warnings in the event of observed contamination or overages during the initial 60 days (no charges during the initial 60 days)
- “Go live” notification at conclusion of 60-day period, indicating the education period has ended and any subsequent overage or contamination will result in charges






## Suite of Education and Outreach Communication Materials

### A SMART TRUCK FOR A SUSTAINABLE TOMORROW

More power in each pickup. Less materials in landfills. Cleaner, greener, safer neighborhoods. It starts with learning more about what you toss into your carts.

WM's new Smart Truck<sup>SM</sup> program gives you the notifications and insights you need to make it all possible.



#### STAY CLEAR OF CHARGES

After a brief educational period, you'll be charged \$X when you overfill a container or contaminate your recycling or yard waste.

Here's how to pave the way for this change:

- 1 Visit [wm.com/mywm](http://wm.com/mywm), create an account and opt in to notifications about how your carts are performing.
- 2 Take care of your waste and recycling the right way – waste less by reusing, donating and recycling right to prevent contamination.
- 3 Need to add a cart? Let's find a better fit together – call [1-800-955-6263](tel:18009556263) to explore your options.

#### TIPS FOR SMART TOSsing

**Keep a lid on overages**  
All materials must fit in your cart, and the lid must be fully closed.

**Recycle right**  
Put materials in the right carts – never mix trash and recyclables. Follow these three simple rules:

- Recycle empty and dry bottles, cans, papers and cardboard. ✓
- Keep food and liquid out. ✗
- No loose plastic bags and no bagged recyclables. ✗

For more information, visit [wm.com/recycleright](http://wm.com/recycleright)

Program Introduction One-Pager

### WM SMART TRUCK<sup>SM</sup> PROGRAM

## ALWAYS WORKING FOR A SUSTAINABLE TOMORROW

WM's new Smart Truck<sup>SM</sup> program gives you the notifications and knowledge you need to help improve the cleanliness of your property & community, the safety of your driver and a second life for your recyclables.

### RECYCLE RIGHT

Put materials in the right carts – never mix trash and recyclables. Follow these three simple rules:

- Recycle empty and dry bottles, cans, papers and cardboard. ✓
- Keep food and liquid out. ✗
- Break down boxes. ✓
- Keep recyclables loose. ✗
- No large or hazardous items. ✗

### KEEP A LID ON OVERAGES

Steer clear of charges by taking care of your waste and recycling the right way.

All materials must fit in your cart, and the lid must be fully closed.

NEED TO ADD A CONTAINER? Call 1-800-955-6263 to explore your options.

Social Media Posts

### A SMART TRUCK FOR A SUSTAINABLE TOMORROW

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Put materials in the right containers – never mix trash and recyclables. Follow these three simple rules:

- Recycle empty and dry bottles, cans, papers and cardboard. ✓
- Keep food and liquid out. ✗
- No loose plastic bags and no bagged recyclables. ✗

#### HEADS UP YOUR CART NEEDS YOU

One of your carts was filled incorrectly today. After a brief educational period, you'll be charged \$X when you overfill a container or contaminate your recycling or yard waste.

Sign Up for My WM  
Visit [wm.com/mywm](http://wm.com/mywm) to create an account and opt in to notifications about how your carts are performing. You'll also receive alerts about when you need to add a new cart.

Stop the way for less on overages and charges.

Postcard and Cart Hangar

### Heads up, your cart needs you

During our service visit to %Service\_Street\_Address% on [Incident Date], we found that at least one of your containers was filled incorrectly and are %warning you% %and% %or% %charging you% as follows:

Type	Reference
SNAP_Material_Category_1	%Incident Ref
SNAP_Material_Category_2	%Incident Ref
SNAP_Material_Category_3	%Incident Ref
SNAP_Material_Category_4	%Incident Ref
SNAP_Material_Category_5	%Incident Ref
SNAP_Material_Category_6	%Incident Ref
SNAP_Material_Category_7	%Incident Ref

Put materials in the right containers – never mix trash, organics and recyclables. To ensure your recycling gets a second life, follow these three simple rules:

- RECYCLE**  
Empty and dry bottles, cans, paper, cardboard.
- ORGANICS**  
Green waste, food scraps and food-soiled paper (where permitted).
- NO PLASTIC BAGS**  
Keep recyclables and organics loose.

For more information, visit [wm.com/recycleright](http://wm.com/recycleright). Thank you for your participation.

#### Tips for Proper Container Placement

- Place on the street in front of your house with wheels against the curb
- Away from any obstructions and neighbor's carts

Automated Email Notice





# ORD RANCH ROAD TRANSFER STATION

Waste Management operates the Ord Ranch Road Transfer Station located in the City of Gridley. The Ord Ranch Road Transfer Station accepts construction and demolition waste, municipal solid waste, automobile tires, and yard waste between the hours of 9:00 a.m. and 4:00 p.m. on Saturdays and Sundays. The transfer station information, including address and hours of operation, is included on the 2021 Cities of Biggs and Gridley Collection Calendar and Service Guide.

Transfer stations consolidate waste so that it can be compacted and transported to disposal sites. Access to transfer stations like the one in Gridley is an asset to customers who generate more waste than is typically collected curbside. Transfer stations are an efficient way to keep collection trucks picking up the garbage in municipalities, offloading it at a safe, protected location, and then being able to keep performing collections. Waste deposited at a transfer station is then consolidated into larger transfer trailers and then transported to the end point of disposal, such as an environmentally protected landfill.

The main advantages of using transfer stations include:

- Reducing the cost of transporting waste
- Providing convenient trash/recycle drop off location for citizens
- Decreasing collection crews' time traveling to and from distant disposal sites and allowing the crew to devote more time to collecting waste
- Reducing traffic congestion in the community as well as decreasing emissions and road wear
- Providing an opportunity to screen waste before disposal.

WM welcomes Gridley residents to use the transfer station to safely and conveniently dispose of the aforementioned wastes. Using the transfer station for the disposal of construction and demolition debris and large amounts of yard waste helps prevent illegal dumping and reduces excess waste set out at the curb, helping keep Gridley beautiful and clean.

## 2021 CITIES OF BIGGS AND GRIDLEY COLLECTION CALENDAR & SERVICE GUIDE

*Calendario 2021 para Recolección en las Ciudades de Biggs y Gridley*

### CART SET OUT AND SERVICE INSTRUCTIONS



### HOLIDAY PICKUP SCHEDULE

If your service day lands ON or AFTER a holiday, service will occur one day later, including Saturday for Friday collection.

### CONTACT INFORMATION

Contact North Valley Disposal  
Customer Service: 530-893-4777  
Monday-Friday • 8 a.m. - 5 p.m.  
Website: [northvalley.wm.com](http://northvalley.wm.com)

Office (Call first for in-person availability)  
2569 Scott Ave., Chico, CA 95928  
Monday-Friday • 8 a.m. - 5 p.m.  
Closed between 12 p.m. and 1 p.m.

**Gridley Customers:** A payment drop box is available at the City of Gridley office at 685 Kentucky St., Gridley, CA 95948.

**Household Hazardous Waste:**  
Call 866-429-2288 or visit [recyclebutte.net](http://recyclebutte.net) for disposal information.

**Transfer Station Location and Hours**  
119 Ord Ranch Road, Gridley, CA 95948  
Open Saturday and Sunday, 8:30 a.m.-4 p.m.  
Closed 30 minutes for lunch. Tel: (530) 893-0333



In order to make the transfer station as accessible as possible to the public to help the community, WM will promote the usage of the transfer station and provide education to customers about what is acceptable and what is not. Additionally, we would like to propose a collaborative work session with the City to discuss how we can make the transfer station user experience better in addition to possible amendments to the transfer station agreement.





## CONCLUSION

USA Waste of California, Inc. (Waste Management) is your longtime environmental solutions partner. We have provided waste and recycling management services to Gridley for 20 years. You are familiar with our company, our team, and our professional approach over the long term, and we are excited about the opportunity to continue to work with you in managing your waste and recycling needs.

We have fulfilled the individual tenets and each requirement of your RFP and have organized this response to provide our proposal in response to each element outlined in the RFP.

We believe this to be a significant contract for both Waste Management and Gridley. As your long-term partner, we are strongly invested in your city and want to be your waste solutions provider of the future. We understand your priorities, the way you work, and what makes your city such a great place to live, work, and play. This makes us uniquely qualified to provide tailored services to meet your operational needs and the ever-evolving expectations.

Secondly, we are committed to strengthening our current relationship by continuing to provide high-quality, reliable service for the entire term of the Agreement. We have already shown ourselves to be a dependable partner in our current agreement. We have the resources to make needed adjustments, when necessary, to facilitate continued satisfaction for your residents. Waste Management intends to continue to offer uninterrupted stability backed by innovation, value, and price, and to be an active partner in attaining Gridley's goals and objectives.

Lastly, continuing a partnership with Waste Management will provide your city with uninterrupted, reliable service delivery for an essential and highly regulated operation. There will be no transition period where costly mistakes and problems are most likely to occur, as our team is intimately familiar with your operations and has developed a strong working partnership with your staff. Our best-in-class transfer stations, landfills, and recycling operations, along with our industry-leading safety and environmental practices, should give you the peace of mind that your waste is being managed in full compliance with all regulatory requirements and standards.

Waste Management is dedicated to being the best environmental solutions partner for Gridley now and in the future.