

City Council Meeting

COUNCIL CHAMBERS, 33 SOUTH MAIN STREET, COLFAX, CA

and

2600 BISHOP DR. SAN RAMON, CA 94583 UNITED STATES



Mayor Caroline McCully · Mayor Pro Tem Larry Hillberg
Councilmembers Trinity Burruss · Kim Douglass · Sean Lomen

REGULAR MEETING AGENDA

March 11, 2026

Regular Session 6:00 PM

You may access the meeting and address the Council by the following means:

ZOOM at

<https://us02web.zoom.us/j/84968570574>

Dial in by calling one of the numbers listed below and enter the Webinar ID:

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View Only on Facebook Live on our City of Colfax page: City of Colfax, California. You may also submit written comments to the City Clerk via email at city.clerk@colfax-ca.gov, via regular mail to P.O. Box 702, Colfax CA 95713, or by dropping them off at City Hall, 33 S. Main Street, Colfax CA 95713. Comments received will be submitted to Council and made a part of the record.

While the City makes every effort to allow public participation in City Council meetings via Zoom and Facebook Live as described above, we cannot guarantee these services will be accessible. We encourage interested members of the public to submit written comments in advance of the meeting or attend the meeting in person.

1 OPEN SESSION

1A. Call Open Session to Order

1B. Pledge of Allegiance

1C. Roll Call

1D. Approval of Agenda Order

This is the time for changes to the agenda to be considered including removal, postponement, or change to the agenda sequence.

Recommended Action: By motion, accept the agenda as presented or amended.

1E. Statement of Conflict of Interest



Colfax City Council Meetings are ADA compliant. If you need disability-related modification or accommodation including auxiliary aids or services to participate in this meeting, please contact the City Clerk at (530) 346-2313 at least 72 hours prior to make arrangements for ensuring your accessibility.

March 11, 2026

2 **CONSENT CALENDAR**

Matters on the Consent Calendar are routine in nature and will be approved by one blanket motion with a Council vote. No discussion of these items ensues unless specific items are pulled for discussion and separate action. If you wish to have an item pulled from the Consent Agenda for discussion, please notify the Mayor.

Recommended Action: By motion, approve the Consent Calendar.

2A. City Projects Report *(Pages 4-7)*

Recommended Action: Accept report.

2B. Minutes – February 25, 2026 *(Pages 8-12)*

Recommended Action: Approve the Colfax City Council minutes dated February 25, 2026.

*** *End of Consent Calendar* ***

3 **AGENCY REPORTS -**

3A. Placer County Sheriff’s Office

3B. California Highway Patrol

3C. Placer County Fire Department/CALFIRE

3D. Caltrans

3E. Non-Profits

4 **PRESENTATIONS (NONE)**

5 **PUBLIC HEARING (NONE)**

6 **PUBLIC COMMENT**

Members of the public are permitted to address the Council orally or in writing on matters of concern to the public within the subject matter jurisdiction of the City that are not listed on this agenda. Please make your comments as succinct as possible. Oral comments made at the meeting may not exceed five (5) minutes per speaker. Written comments should not exceed 800 words. Written comments received before the close of an agenda item may be read into the record, with a maximum allowance of five (5) minutes in length. Council cannot act on items not listed on this agenda but may briefly respond to statements made or questions posed, request clarification, refer the matter to staff, or place the matter on a future agenda.

7 **COUNCIL AND STAFF**

The purpose of these reports is to provide information to the Council and public on projects, programs, and issues discussed at committee meetings and other items of Colfax related information. No decisions will be made on these issues. If a member of the Council prefers formal action be taken on any committee reports or other information, the issue will be placed on a future Council meeting agenda.



7A. Committee Reports and Colfax Informational Items – All Councilmembers

7B. City Operations Update – City Manager

7C. Update from City Attorney on FPPC Opinion Regarding Conflict of Interest – City Attorney

(Pages 13-18)

8 COUNCIL BUSINESS

8A. Fiscal Year 2025-26 Mid-Year Budget Review as of December 31, 2025 *(Pages 19-27)*

Recommended Action: Review Fiscal Year 2025-26 Mid-Year Budget Update and adopt Resolution ___-2026 Amending the Fiscal Year 2025-26 Budget.

8B. City of Colfax Budget Calendar FY 2026-27 *(Pages 28-30)*

Recommended Action: Review and approve the attached budget calendar with recommended operating and capital budget preparation schedule for fiscal year 2026-27.

8C. Cease the Development of the Disposable Foodware, Convenience Retail, and Roadway Impact Fee Ordinance *(Pages 31-37)*

Recommended Action: Staff is requesting that the Council reconsider and provide direction to the City Manager to cease the development of a Disposable Foodware, Convenience Retail, and Roadway Impact fee Ordinance.

9 GOOD OF THE ORDER

Informal statements, observation reports and inquiries regarding the business of the City may be presented by Councilmembers under this agenda item or requests for placement of items of interest on a future agenda. No action will be taken.

9A. Public Comment on Good of the Order

Members of the public are permitted to address the Council on matters that relate to general welfare of the City that have not been previously discussed on this agenda. Oral comments may not exceed five (5) minutes. Written comments should not exceed 800 words.

10 CLOSED SESSION (NONE)

ADJOURNMENT

I, Ron Walker, City Manager for the City of Colfax, declare that this agenda was posted in accordance with the Brown Act at Colfax City Hall, Colfax Post Office and 2600 Bishop Dr. San Ramon, CA 94583 United States.

The agenda is also available on the City website at <http://colfax-ca.gov/>

Ron Walker

Ron Walker, City Manager

Administrative Remedies must be exhausted prior to action being initiated in a court of law. If you challenge City Council action in court, you may be limited to raising only those issues you or someone else raised at a public hearing described in this notice/agenda, or in written correspondence delivered to the City Clerk of the City of Colfax at, or prior to, said public hearing.

LEVINE ACT WARNING: In certain instances, parties, participants, and their agents before the City Council are subject to the campaign disclosure provisions detailed in Government Code Section 84308, California Code of Regulations Sections 18438.1 through 18438.8, and Fair Political Practices Commission Opinion 0-22-002. All parties, participants, and their agents are hereby directed to review these sections for compliance. If you believe that these provisions apply to you or a Council Member, please inform the City Clerk at the earliest possible opportunity.



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March 11, 2026



Staff Report to City Council

FOR MARCH 11, 2026 REGULAR CITY COUNCIL MEETING

From: Ron Walker, City Manager
Prepared by: Ron Walker, City Manager
Subject: City Projects Report

Budget Impact Overview:

N/A: X	Funded:	Un-funded:	Amount:	Fund(s):
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RECOMMENDED ACTION: Accept report.

Summary/Background

The following is a list of projects, by department, which have either been completed or are in progress.

Week of February 15 - 21, 2026

City Manager

- Attended Railroad Heritage Park Meeting.
- Prepared for snowstorm.
- Participated in Snow Removal.
- Agenda preparation.

Planning Department

- Attended Multi Hazards Mitigation Placer County Coordination meeting.
- Followed up on response to emails, zoning inquiries.

Maintenance Department

- Staff training for proper attachment and operation of snowplows attachments on city vehicles. After training on installing plows and chains on both the trucks and the skid steer, we conducted troubleshooting and completed necessary repairs on the chains and plows. The team also performed practice runs to become familiar with the equipment before the snowfall. In addition to plowing, the crew shoveled snow from sidewalks and applied ice melt throughout various areas of the City. The snow blower has been repaired and is now operational for future snow events.
- Filled multiple potholes on Canyon war and S. Auburn.
- Multiple 811 locates.

Wastewater Treatment Plant/Sewer

- No issues in collection system.
- Due to the snowstorm a dead tree fell across the city owned power lines that took out power for the upper part of the plant The line that was damaged connects pond 3 pump station. We had Commercial pump out for a lift station problem earlier that evening. After the work was complete at the lift station the Commercial Pump repair representative went to the plant and got it back online.

- Lift station transducer went out. Commercial pump installed temp transducer until we could order the correct one.
- Plant flows high this week due to rain and snow.

Administrative Services

- I went through the onboarding paperwork and filled it out. Got passwords for Fund Balance software and spent time going through the different modules.
- I worked with the consultant, Josette, who is performing the ASO functions and spent time going through the email and cleaning it up. I was introduced to the different document drives (City of Colfax – Documents, Finance – Documents and Human Resources – Documents) and familiarized myself with the different files.
- I completed the FY 2025-26, Q2 (12/31/2026) Disability Access & Education Fee Report 786 for SB 1186 and completed the 2025 Disability Access & Education Fund Annual Report.
- I worked with the consultant, Heather Ippoliti, going through the Finance Task Matrix on the accounting items that are handled weekly, monthly, quarterly and annually.
- Attended the 02/11/2026 City Council Meeting.

Engineering

- Emails and general coordination
- Grading permit research
- Drive city to review snow, freeway closure, and detoured traffic
- Corporation yard property line research
- CDBG coordination with Psomas, Geocon and Adams Ashby
- CDBG plan review
- Review AB 538 info from City Attorney
- Sewer evaluations
- Complaints

Building/Code Enforcement

- Best Western building owner submitted application but no contractor information. Stop work is still in place. Discussed the issues with the siding with the manufacturer and waiting for a response.
- Reviewed and sent corrections of the Empire Storage to third party reviewer.
- Reviewed and sent corrections of the O'Reilly's retaining wall and building revisions to third party reviewers.

Week of February 22 – 28, 2026

City Manager

- Met with Chief Plant Operator, Matt Anderson to talk about downed power lines.
- Worked with I.T. to cleanup server room.
- Met with a contractor to evaluate power line failure at WWTP.

Planning

- Annual Progress Report and Training on how to complete APR Excell spreadsheet
- PowerPoint for proposed Entertainment Zone ordinance amendment
- PowerPoint for proposed Public/Quasi Public rezoning.
- Zoning inquiries
- Edits to sign requirements letter for Tax Works noncompliance

Maintenance Department

- Finished texturing at the Corp Yard and are ready for painting.
- Filled in multiple potholes on Canyon Way and S. Auburn.
- Picked up branches and debris all over town from the storm.
- Cleaned up ballpark parking lot from mud and rocks. Raked down loose rocks and debris from hill side and removed them.
- Fixed multiple drainage issues along S. Auburn and Canyon Way, removed live vegetation and dirt in multiple areas to stop water from eroding the roads.
- Called Astound and Vision Quest to address internet outage.
- Picked up more cold patch material for the Corp Yard.
- Picked up more sand for sandbags.
- Purchased paint and supplies for the inside of the Corp Yard.
- Purchased grass fertilizer and seed for all City parks.
- Mowed the ballpark, Depot and Art park and also weed wacked and edged.
- Installed some signs up saying you're on camera and hung up some hooks on the inside of the bathrooms for clothing.
- Cleaned inside of the Sheriff's office and investigated leaks coming from the roof.
- Multiple 811 locates.

Wastewater Treatment Plant/Sewer

- No issues in collection system.
- Contractor at plant to give estimate for repairing the downed power lines.
- Lift station 5 transducer Has been ordered. Install work early next week
- AJ out for 6 weeks.
- Plant flows elevated this week due to rain.

Administrative Services

- Completed sexual harassment training.
- Reviewed the mid-year budget numbers to be presented at the 3/11/2026 City Council meeting.
- Reviewed the staff report for the AB1600 report to be presented at the 02/25/2026 City Council meeting.
- Created a FY 2026-27 budget calendar and prepared a staff report to be presented for approval at the 03/11/2026 City Council meeting.
- Appended and posted cash receipts, accounts payable, payroll and utility billing transactions from 1/7/2026-2/25/2026.

- Completed ERP Pro 10 Financial Solutions Training.

Engineering

- Emails and general coordination
- Grading permit research
- Drive city to review snow, freeway closure, and detoured traffic
- Corporation yard property line research
- CDBG coordination with Psomas, Geocon and Adams Ashby
- CDBG plan review
- Review AB 538 info from City Attorney
- Sewer evaluations
- Complaints

Building/Code Enforcement

- Advised two businesses that their business licenses needed to be renewed before they expire.
- Final inspection of new ADU at 203 W. Grass Valley St. Only issue is the water heater in the basement,
- Reviewing deck repair plans for 7 N. Main St.
- Met with Council member to discuss complaint from Workman Auto Glass.



City Council Meeting

COUNCIL CHAMBERS, 33 SOUTH MAIN STREET, COLFAX, CA

Mayor Caroline McCully · Mayor Pro Tem Larry Hillberg
Councilmembers Trinity Burruss · Kim Douglass · Sean Lomen

DRAFT MEETING MINUTES

February 25, 2026
Regular Session 6:00 PM

1 OPEN SESSION

1A. Call Open Session to Order

The February 25, 2026 Regular Meeting of the City of Colfax City Council was called to order at 6:01 p.m. by Mayor McCully.

1B. Pledge of Allegiance

1C. Roll Call

Present: Councilmembers Trinity Burruss, Sean Lomen, Mayor Pro Tem Larry Hillberg and Mayor Caroline McCully

Absent: Councilmember Kim Douglass

1D. Approval of Agenda Order

This is the time for changes to the agenda to be considered including removal, postponement, or change to the agenda sequence.

Action: With a motion by Councilmember Lomen and a second by Mayor Pro Tem Hillberg Council voted 4-0 to accept the Agenda Order as presented with no changes.

Ayes: Councilmembers Trinity Burruss, Sean Lomen, Mayor Pro Tem Larry Hillberg and Mayor Caroline McCully

Noes: None

Abstain: None

Absent: Councilmember Kim Douglass

1E. Statement of Conflict of Interest

No new conflicts were identified by the Council or the public.

2 CONSENT CALENDAR

Matters on the Consent Calendar are routine in nature and will be approved by one blanket motion with a Council vote. No discussion of these items ensues unless specific items are pulled for discussion and separate action. If you wish to have an item pulled from the Consent Agenda for discussion, please notify the Mayor.



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February 25, 2026

Draft Meeting Minutes

Action: With a motion by Mayor Pro Tem Hillberg and a second by Councilmember Lomen, Council voted 4-0 approving the Consent Calendar.

Ayes: Councilmembers Trinity Burruss, Sean Lomen, Mayor Pro Tem Larry Hillberg and Mayor Caroline McCully

Noes: None

Abstain: None

Absent: Councilmember Kim Douglass

2A. City Projects Report

Action: Reviewed and Commented.

2B. Quarterly Investment Report – Quarter Ended December 31, 2025

Action: Accepted and Filed.

2C. Minutes – January 14, 2026, January 28, 2026, February 11, 2026 and February 12, 2026 Town Hall

Action: Approved the Colfax City Council minutes dated January 14, 2026, January 28, 2026, February 11, 2026 and February 12, 2026 Town Hall.

2D. R3 Consulting for SB 1383 Agreement for Compliance Assistance and Other Solid Waste Consulting Support

Action: Adopted Resolution 07-2026 authorizing the City Manager to execute an agreement with R3 Consulting for SB1383 compliance assistance in an amount not-to-exceed \$78,000.

*** *End of Consent Calendar* ***

3 AGENCY REPORTS -

3A. Placer County Sheriff's Office

Sgt. Toby Williams reported:

- Recently found out a Fed Ex truck was stolen in Colfax today
- Assisting with coordination on Big Boy event in April.
- After two shifts utilizing grant funds authorized for traffic enforcement in Loom and Colfax, a dozen tickets have been issued for speeding
- A new special response team has been activated to work with the transient population and special tasks replacing POP teams.
- Public Comment received.

3B. California Highway Patrol

Officer Jason Lyman (PIO) reported:

- No updates but available for questions.



3C. Placer County Fire Department/CALFIRE

- Was unable to attend last meeting due to off-duty firefighter injured who is out of the hospital and recovering at home.
- January calls included: 3 structure fires, 3 vegetation fires, 2 vehicle fires, 39 medical aids, with 78 total calls.
- Continuing to work on fuel reduction projects.
- In the process of hiring additional firefighters and promoting current firefighters.

3D. Caltrans

- NONE

3E. Non-Profits

- Caroline McCully announced that the Union Pacific Big Boy Steam Locomotive is scheduled to visit Colfax on April 12, 2026.

4 PRESENTATIONS (NONE)**5 PUBLIC HEARING****5A. Mitigation Impact Fees – Annual Report (Noticed 02/04/2026)**

Action: Conducted a public hearing, review annual report, considered public and staff comments, accepted report and adopted Resolution 08-2026, Accepting and Approving the Annual AB 1600 Mitigation Fee Report and Making Findings Pursuant to Colfax Municipal Code Chapter 3.56 and the Mitigation Fee Act (Government Code §66000 et. Seq.).

Action: With a motion by Councilmember Burruss and a second by Councilmember Lomen, Council voted 4-0 approving Item 5A, Mitigation Impact Fees Annual Report.

Ayes: Councilmembers Trinity Burruss, Sean Lomen, Mayor Pro Tem Larry Hillberg and Mayor Caroline McCully

Noes: None

Abstain: None

Absent: Councilmember Kim Douglass

6 PUBLIC COMMENT

Members of the public are permitted to address the Council orally or in writing on matters of concern to the public within the subject matter jurisdiction of the City that are not listed on this agenda. Please make your comments as succinct as possible. Oral comments made at the meeting may not exceed five (5) minutes per speaker. Written comments should not exceed 800 words. Written comments received before the close of an agenda item may be read into the record, with a maximum allowance of five (5) minutes in length. Council cannot act on items not listed on this agenda but may briefly respond to statements made or questions posed, request clarification, refer the matter to staff, or place the matter on a future agenda.

Public Comment received by members of the public.



7 COUNCIL AND STAFF

The purpose of these reports is to provide information to the Council and public on projects, programs, and issues discussed at committee meetings and other items of Colfax related information. No decisions will be made on these issues. If a member of the Council prefers formal action be taken on any committee reports or other information, the issue will be placed on a future Council meeting agenda.

7A. Committee Reports and Colfax Informational Items – All Councilmembers

- Mayor Pro Tem reported attending the Sierra Vista Center and is doing well financially and new board doing okay.
- Councilmember Burruss reported attending PCPTA and announced the Small Cities Funding Act is moving forward to committee at the State Legislature.
- Mayor McCully reported attending Air District, Heritage Park, SACOG, and PCPTA via ZOOM.

7B. City Operations Update – City Manager

City Manager Walker reported:

- Maintenance coordinated snow removal
- Downed tree did some damage at the sewer plant during storm which requires repair.
- Working with IT contract to clean up server room and identify long term plans to update IT equipment.
- Maintenance has been busy fixing potholes, snow plowing as well as IT repair at the Corp Yard.

8 COUNCIL BUSINESS

8A. February 12, 2026 Town Hall Meeting Recap

Action: Accepted Town Hall Meeting recap, and discussed prioritizing and funding projects, and format of future Town Hall Meetings.

Public Comment received by members of the public.

8B. Funding Request for Historic Colfax Downtown Association

Recommended Action: Adopted Resolution 09-2026 authorizing the City Manager to make a donation in the amount of \$5,000.00 to the Historic Colfax Downtown Association.

Action: With a motion by Councilmember Burruss and a second by Mayor Pro Tem Hillberg, Council voted 4-0 approving Item 8B, Funding Request for Historic Colfax Downtown Association.

Ayes: Councilmembers Trinity Burruss, Sean Lomen, and Mayor Pro Tem Larry Hillberg

Noes: Mayor Caroline McCully

Abstain: None

Absent: Councilmember Douglass



9 **GOOD OF THE ORDER**

Informal statements, observation reports and inquiries regarding the business of the City may be presented by Councilmembers under this agenda item or requests for placement of items of interest on a future agenda. No action will be taken.

- Mayor Pro Tem Hillberg asked about the budget schedule, commented that the audit revealed additional funds, would like mitigation fees for roads, recommended putting aside funds for street repair, asked where fees come from, and would like litter mitigation fees.
- Councilmember Burruss would like to bring back an ordinance addressing a Hazard Mitigation Plan for Snow Removal and an ordinance for I-80 Hazard Drivers.
- Mayor McCully announced the VFW St. Patrick's Dinner and the Lions Chef Cookoff.
- City Manager Walker mentioned the Big Boy visit on April 12.

9A. Public Comment on Good of the Order

Members of the public are permitted to address the Council on matters that relate to general welfare of the City that have not been previously discussed on this agenda. Oral comments may not exceed five (5) minutes. Written comments should not exceed 800 words.

No public comment received.

10 **CLOSED SESSION (NONE)****ADJOURNMENT**

The February 25, 2026 City of Colfax City Council was adjourned at 7:32 p.m. by Mayor McCully.

/s/ Ron Walker _____

Ron Walker, City Manager





Staff Report to City Council

FOR THE MARCH 11, 2026 REGULAR COUNCIL MEETING

From: Conor Harkins, City Attorney
Prepared by: Conor Harkins, City Attorney
Subject: FPPC Opinion on Mayor McCully’s Interest in Economic Development Grants

Budget Impact Overview:

N/A: ✓	Funded:	Un-funded:	Amount:	Fund(s):
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RECOMMENDED ACTION: Receive report.

Summary/Background

The California Fair Political Practices Commission analyzed whether Mayor Caroline McCully’s role as President of Colfax Railroad Days creates a conflict of interest in City Council decisions to award grants from the City’s Economic Development Fund. The FPPC concluded Mayor McCully does not have a prohibited conflict of interest, but she must declare her interest in Railroad Days when participating in Economic Development Fund grants.

Attachments:

1. FPPC opinion



STATE OF CALIFORNIA
 FAIR POLITICAL PRACTICES COMMISSION
 1102 Q Street • Suite 3050 • Sacramento, CA 95811

March 4, 2026

Conor W. Harkins
 Colantuono, Highsmith, Whatley, PC
 420 Sierra College Drive, Suite 140
 Grass Valley, CA 95945

Re: Your Request for Advice
Our File No. A-26-010

Dear Mr. Harkins:

This letter responds to your request for advice on behalf of City of Colfax (“City”) Mayor Caroline McCully regarding the conflict of interest provisions of the Political Reform Act (the “Act”) and Government Code Section 1090, *et seq.*¹ Please note that we are only providing advice under the conflict of interest provisions of the Act and Section 1090, not under other general conflict of interest prohibitions such as common law conflict of interest.

Also, note that we are not a finder of fact when rendering advice (*In re Oglesby* (1975) 1 FPPC Ops. 71), and any advice we provide assumes your facts are complete and accurate. If this is not the case or if the facts underlying these decisions should change, you should contact us for additional advice.

We are required to forward your request regarding Section 1090 and all pertinent facts relating to the request to the Attorney General’s Office and the Placer County District Attorney’s Office, which we have done. (Section 1097.1(c)(3).) We did not receive a written response from either entity. (Section 1097.1(c)(4).) We are also required to advise you that, for purposes of Section 1090, the following advice “is not admissible in a criminal proceeding against any individual other than the requestor.” (See Section 1097.1(c)(5).)

¹ The Political Reform Act is contained in Government Code Sections 81000 through 91014. All statutory references are to the Government Code, unless otherwise indicated. The regulations of the Fair Political Practices Commission are contained in Sections 18104 through 18998 of Title 2 of the California Code of Regulations. All regulatory references are to Title 2, Division 6 of the California Code of Regulations, unless otherwise indicated.

QUESTION

Under the Act and Section 1090, may Mayor Caroline McCully take part in decisions related to providing grants from the City Council's Economic Development Fund, given that Mayor McCully also serves as the non-compensated President of Colfax Railroad Days, Inc. ("Railroad Days")?

CONCLUSION

Yes. Under the Act, Mayor McCully may take part in decisions related to providing grants from the City Council's Economic Development Fund because she does not have a financial interest in the decisions. With respect to Section 1090, because Mayor McCully does not receive income from Railroad Days, and has no other financial interest in Railroad Days, the noninterest exception under Section 1091.5(a)(8) applies and she is not disqualified from taking part in decisions related to providing grants from the City Council's Economic Development Fund. However, Mayor McCully must ensure that her interest in Railroad Days is noted in the City's official records.

FACTS AS PRESENTED BY REQUESTER

The City Council's annual budget appropriates \$20,000 to \$30,000 for economic development (the "Economic Development Fund"). The City Council uses the Economic Development Fund to support several popular, recurring events within the City. It distributes the funds to the organizations that put on the events. The City Council also uses the Economic Development Fund to support organizations that contribute to the community. For example, the City Council has approved grants to help refurbish the gym at the Sierra Vista Community Center, to upgrade the sound system at Colfax High School, and to provide seed money for the Historic Colfax Downtown Association. Grants from the City's Economic Development Fund are necessarily limited by the annual appropriation by the City Council. Once the funds are granted to one organization, there are no more funds for other organizations. The City has a general interest in providing for the health, safety, and welfare of its community. That interest includes preserving its railroad heritage and supporting private organizations in that mission.

Colfax Railroad Days, Inc. is a California non-profit, public benefit corporation that qualifies as a tax exempt organization under Internal Revenue Code Section 501(c)(3) ("Railroad Days"). Railroad Days' primary purpose is to preserve the City's rich railroad history, specifically its vital role in constructing the Transcontinental Railroad. Railroad Days puts on an eponymous event in the City every September. Railroad Days has also organized or helped organize events in the City for the Fourth of July and winter holidays. These events are all free of charge and open to the general public. Railroad Days has been granted funds from the City's Economic Development Fund since at least 2015.

Mayor McCully was appointed to the City Council in June 2023 and elected to the City Council for a two-year term in November 2024. She is also an officer of Railroad Days, serving as its President, a position she has held since September 2023. She receives no compensation as President of Railroad Days.

ANALYSIS

The Act

Section 87100 prohibits a public official from making, participating in making, or in any way attempting to use the official's position to influence a government decision in which the official has a financial interest. A public official has a financial interest in a decision within the meaning of Section 87100 if it is reasonably foreseeable that the decision will have a material financial effect, distinguishable from its effect on the public generally, on an interest specified in Section 87103, including:

- Any business entity in which the public official has a direct or indirect investment worth \$2,000 or more. (Section 87103(a).)
- Any source of income aggregating \$500 or more in value provided or promised to, received by, the public official within 12 months prior to the time when the decision is made. (Section 87103(c).)
- Any business entity in which the public official is a director, officer, partner, trustee, employee, or holds any position of management. (Section 87103(d).)

The Act defines "business entity" to mean any organization or enterprise operated for profit, including but not limited to a proprietorship, partnership, firm, business trust, joint venture, syndicate, corporation or association. (Section 82005.)

Mayor McCully serves as President of Railroad Days and does not receive any compensation for this position. Since Railroad Days is not operated for profit, it is not considered a business entity under the Act. Accordingly, to the extent Mayor McCully has no other financial interest in the decision, the Act's conflict of interest provisions would not prohibit her from taking part in decisions related to providing grants from the City Council's Economic Development Fund.

Section 1090

Under Section 1090, officials "shall not be financially interested in any contract made by them in their official capacity, or by any body or board of which they are a member." Section 1090 is "concerned with any financial interests, other than perhaps a remote or minimal interest,

which would prevent the official involved from exercising absolute loyalty and undivided allegiance in furthering the best interests of” their respective agencies. (*Stigall v. Taft* (1962) 58 Cal.2d 565, 569.) When Section 1090 is applicable to one member of a governing body of a public entity, the prohibition cannot be avoided by having the interested board member abstain; the entire governing body is precluded from entering into the contract. (*Thomson v. Call* (1985) 38 Cal.3d 633, 649.)

Section 1090 applies to any grants the city council wishes to make to a non-profit corporation. (See *People v. Honig* (1996) 48 Cal.App.4th 289 [rejecting a claim that a grant was not a contract within the meaning of section 1090] and 85 Ops.Cal.Atty.Gen. 176 (2002).) However, the Legislature has created various statutory exceptions to the Section 1090 prohibition where the financial interest involved is deemed to be a “remote interest,” as defined in Section 1091, or a “noninterest,” as defined in Section 1091.5. Noninterests under Section 1091.5 are “interests that, while technically within the scope of the financial interests covered by section 1090, as a practical matter do not raise the sorts of conflict of interest problems with which section 1090 is concerned and thus are statutorily excluded from its purview.” (*Lexin v. Superior Ct.* (2010) 47 Cal. 4th 1050, 1073-74.)

One such noninterest includes Section 1091.5(a)(8) which provides that an officer shall not be deemed to be interested in a contract where the officer’s interest is that of a non-compensated officer of a non-profit, tax exempt corporation, which, as one of its primary purposes, supports the functions of the body or board or to which the body or board has a legal obligation to give particular consideration, and provided further that this interest is noted in its official records.

Based on the facts provided, Mayor McCully serves as President of Railroad Days, a non-profit, tax exempt corporation, and is not compensated for her work. Railroad Days’ primary purpose is to preserve the City’s rich railroad history, specifically its vital role in constructing the Transcontinental Railroad. To accomplish this purpose, Railroad Days puts on an eponymous event in the City annually that is free of charge and open to the general public. The City also has an interest in achieving this purpose as it has a general interest in providing for the health, safety, and welfare of its community which includes preserving its railroad heritage and supporting private organizations in that mission. To accomplish this purpose, the City Council uses the Economic Development Fund to support several popular, recurring events within the City. Railroad Days has previously been a recipient of funds from the City Council’s Economic Development Fund dating back to 2015.

Accordingly, Railroad Days’ primary purpose supports the functions of the City and Mayor McCully has a “noninterest” in Railroad Days as an uncompensated officer of the organization. As long as Mayor McCully’s interest is noted in the City Council’s official records, and she does not have any other economic interests involved, Section 1090 does not prohibit her

from taking part in decisions related to providing grants from the City Council's Economic Development Fund.

If you have other questions on this matter, please contact me at JRinehart@fppc.ca.gov.

Sincerely,

Dave Bainbridge
General Counsel

Jenna Rinehart

By: Jenna C. Rinehart
Senior Counsel, Legal Division

JR:aja



Staff Report to City Council

FOR THE MARCH 11, 2026 REGULAR City COUNCIL MEETING

From: Ron Walker, City Manager
Prepared by: Heather Ippoliti, Senior Advisor, Regional Government Services
Subject: Fiscal Year 2025-26 Mid-Year Budget Review as of December 31, 2025

Budget Impact Overview:

N/A:	Funded:	Un-funded:	Amount:	Fund(s):
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RECOMMENDED ACTION: Review Fiscal Year 2025-26 Mid-Year Budget Update and Adopt Resolution ___-2026 Amending the Fiscal Year 2025-26 Budget.

Background

In accordance with City financial policy, the City Manager will provide the City Council with a mid-year review of the City’s financial activities. The review is typically presented in February and compares the adopted budget with actual results as of mid-year.

Discussion/Analysis

City staff has completed a detailed review for fiscal year 2025-26 of all funds for all operating revenue and expense accounts. The review is based on six months of actual revenues and expenditure (through December 31, 2025) and projections for the balance of the fiscal year based on the current City activities and programs.

General Fund

Classification	Actuals as of 12/31/2025	Adopted Budget FY 2025-26	Mid-Year Budget Adjustments	% of Budget
Revenues/Transfers In	\$ 1,138,935	\$ 2,685,965	\$ -	42%
Operating Expenses/Transfers Out	\$ 1,121,753	\$ 2,909,803	\$ -	39%
Change in Fund Balance	\$ 17,182	\$ (223,838)	\$ -	
GF CIP Additions/Deletions	\$ 66,739	\$ 127,000	\$ 44,370	

Included as attachments for the General Fund, attachment 1, the General Fund Summary, attachment 2 is a statement of revenues and expenditures for the current fiscal year vs the adopted budget and percentage of change from the previous fiscal year. Attachment 3 is the General Fund balance analysis.

- Revenues received are 42 % of the budgeted revenue and 6% less than the same time as the previous fiscal year.
- The City’s largest General Fund revenue is Sales Tax with collections of 50% of the budgeted revenues for FY 2025-26. A decrease of 23% for the same time for FY 2024-25.
- The second largest General Fund revenue is Property Tax. As of December 31, 2025, the City had received 2% of the budgeted Property Tax. The first major apportionment of Fiscal Year 2025-26 Property Tax was received in January 2026 and was \$276,775.00, 54% of the budgeted revenue.
- The City as expended 39% of the appropriated budget, 6% more than FY 2024-25.
- There are two budget categories, Payments to Other Agencies and Bonds and Insurance, that have slightly exceeded the annual budget.

The City continues to rely on contracted services for Engineering, Planning, Legal and limited Finance services. Costs will continue to fluctuate based on the City’s projects and activities.

There are two General Fund budget adjustments that are being proposed by staff:

- An increase to the budgeted CIP expenditures of \$25,000 for outside dining. There was \$25,000 set aside in the FY 2024-25 budget for Downtown Dining Improvements but was not expended. The intention was that

it would be added to the FY 2025-26 budget, but it was not. There is a proposed amendment to add \$25,000 to the current fiscal year's budget.

- An increase to the CIP expenditures of \$19,370 for Tyler Technology Software Project. The proposed amendment adjusts the original budget for additional costs that weren't included in the original estimate, in addition to an increase associated to three additional modules that staff are proposing would enhance efficiencies in processing payroll, accounts receivable billing and project/grant accounting.

Sewer Fund

Classification	Actuals as of 12/31/2025	Adopted Budget FY 2025-26	Mid-Year Budget Adjustments	% of Budget
Sewer Revenues	\$ 744,774	\$ 1,500,407		50%
Lift Station Revenues	\$ 110,531	\$ 225,472		49%
Debt Service Revenues	\$ 310,170	\$ 643,393		48%
Total Revenues	\$ 1,165,475	\$ 2,369,272		49%
Sewer Expenses	\$ 672,044	\$ 1,422,592		47%
Lift Station Expenses	\$ 169,794	\$ 346,948		49%
Debt Service Expense	\$ 19,028	\$ 438,974		4%
Total Expenses	\$ 860,866	\$ 2,208,514		39%
Change in Fund Balance	\$ 304,609	\$ 160,758		
Sewer CIP Additions/Deletions	\$ 250,325	\$ 2,296,331	\$ (27,000)	

Included as attachments for the Sewer Fund, attachment 4 is a statement of revenues and expenditures for the current fiscal year vs the adopted budget and percentage of change from the previous fiscal year.

- Revenues received are 49% of the budgeted revenue with a slight increase from the previous fiscal year of 2%.
- The City has expended 39% of the appropriated budget with a slight decrease of 4% from the previous fiscal year.

There is one Sewer Fund budget adjustment being proposed by staff:

- Reduction in expenditures of \$27,000 for the membrane filter replacement project included in the Fiscal Year 2025-26 Budget that was completed in the previous fiscal year.

Also attached for review is attachment 5, a Streets Funds Summary recap and attachment 6, a worksheet detailing the Capital Improvement Project (CIP) activity thus far for Fiscal Year 2025-26.

The City expended \$43,245 on the Culver St. repair that was unexpected. Currently there is the possibility that there will be remaining funding available through the CDBG Road Rehab grant to cover this expense. If there remaining funding in the grant is not available there will need to be a year-end budget adjustment to General Fund Streets and Roads.

Fiscal Impact:

As proposed, the overall fiscal impact to the General Fund would be a decrease in the estimated ending fund balance of \$44,370 and an increase of \$27,000 to the estimated ending working capital of the Sewer Fund.

Attachments:

1. Summary by Fund
2. General Fund
3. General Fund – Fund Balance Analysis
4. Sewer Funds
5. Street Funds
6. Capital Projects
7. Resolution __-2026 A Resolution of the City Council of the City of Colfax Amending the Fiscal Year 2025-26 Budget

**City of Colfax - FY 2025-26
Mid Year Budget Review - Fund Summary as of 12/31/25**

Fund	Revenues			Expenses			Capital Projects			Transfers In/(Out)			Net Change in Fund Balance (Revenues - Expenses +/- Transfers)		
	Adopted Budget	Actual as of 12/31/25	Difference	Adopted Budget	Actual as of 12/31/25	Difference	Adopted Budget	Actual as of 12/31/25	Difference	Adopted Budget	Actual as of 12/31/25	Difference	Adopted Budget	Actual as of 12/31/25	Difference
General Fund - Unrestricted															
100	2,685,965	1,136,570	1,549,395	-	-	-	-	-	-	(289,585)	-	(289,585)	2,396,380	1,136,570	1,259,810
100 Central Services	-	-	-	220,460	219,618	842	-	-	-	-	-	-	(220,460)	(219,618)	(842)
100 City Council	-	-	-	56,300	38,407	17,893	-	-	-	-	-	-	(56,300)	(38,407)	(17,893)
100 Events	-	-	-	-	14,133	(14,133)	-	-	-	-	-	-	-	(14,133)	14,133
100 Administration/Finance	-	-	-	400,016	95,740	304,276	-	-	-	-	-	-	(400,016)	(95,740)	(304,276)
100 Legal	-	-	-	171,000	48,409	122,592	-	-	-	-	-	-	(171,000)	(48,409)	(122,592)
100 Fire	-	-	-	89,613	44,719	44,894	-	-	-	-	-	-	(89,613)	(44,719)	(44,894)
100 Sheriff	-	-	-	936,639	364,047	572,592	-	-	-	-	-	-	(936,639)	(364,047)	(572,592)
100 Building Department	-	-	-	85,400	32,532	52,868	-	-	-	-	-	-	(85,400)	(32,532)	(52,868)
100 Engineering	-	-	-	160,000	37,700	122,300	-	-	-	-	-	-	(160,000)	(37,700)	(122,300)
100 Planning	-	-	-	60,000	28,198	31,802	-	-	-	-	-	-	(60,000)	(28,198)	(31,802)
100 Buildings and Grounds	-	-	-	193,270	93,681	99,589	-	-	-	-	-	-	(193,270)	(93,681)	(99,589)
100 Parks	-	-	-	161,520	70,518	91,002	-	-	-	-	-	-	(161,520)	(70,518)	(91,002)
120 Land Development	-	2,364	(2,364)	86,000	34,052	51,948	-	-	-	-	-	-	(86,000)	(31,687)	(54,313)
Total General Fund - Unrestricted	2,685,965	1,138,935	1,547,030	2,620,218	1,121,753	1,498,465	-	-	-	(289,585)	-	(289,585)	(223,838)	17,181	(241,019)
General Fund - Restricted															
Operating Reserve	-	-	-	-	-	-	-	-	-	10,000	-	10,000	10,000	-	10,000
Capital Project Reserve	-	-	-	-	-	-	-	-	-	50,000	-	50,000	50,000	-	50,000
571 AB939 Landfill Diversion	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
572 Landfill - Postclosure Maint	120,000	31,390	88,610	106,764	47,521	59,243	-	-	-	-	-	-	13,236	(16,131)	29,367
Total General Fund - Restricted	120,000	31,390	88,610	106,764	47,521	59,243	-	-	-	60,000	-	60,000	73,236	(16,131)	89,367
Special Revenues															
210-17 Mitigation Funds	37,320	4,703	32,617	-	-	-	-	-	-	-	-	-	37,320	4,703	32,617
218 Support Law Enforcement	100,000	30,637	69,363	100,000	151,537	(51,537)	-	-	-	-	-	-	-	(120,900)	120,900
241-44 CDBG Program Income	6,000	17	5,983	6,000	-	6,000	-	-	-	-	-	-	-	17	(17)
250 Streets-Roads/Transportation	167,638	12	167,626	334,490	143,524	190,966	-	-	-	166,852	-	166,852	-	(143,512)	143,512
253 Gas Tax	61,267	27,258	34,009	22,000	8,055	13,945	-	-	-	(39,267)	-	(39,267)	-	19,202	(19,202)
257 STA - Transit Capital Fund	-	(76)	76	-	-	-	-	-	-	-	-	-	-	(76)	76
258 Road Maintenance SB1, RSTBG	57,600	97,792	(40,192)	-	-	-	-	-	-	-	-	-	57,600	97,792	(40,192)
270 Beverage Recycling	-	200	(200)	-	-	-	-	-	-	-	-	-	-	200	(200)
280 Used Oil Grant	-	39	(39)	-	-	-	-	-	-	-	-	-	-	39	(39)
290 SB 1383	37,500	29,817	7,683	-	5,584	(5,584)	-	-	-	-	-	-	37,500	24,233	13,267
291 City County Beverage Container	-	5,048	(5,048)	-	-	-	-	-	-	-	-	-	-	5,048	(5,048)
292 Fire Capital Fund	3,000	937	2,063	-	22,381	(22,381)	-	-	-	-	-	-	3,000	(21,445)	24,445
342/343 Fire & Rec Const Mitigation	14,000	6,908	7,092	-	-	-	-	-	-	-	-	-	14,000	6,908	7,092
348 CalOES Home Hardening	-	-	-	-	39,779	(39,779)	-	-	-	-	-	-	-	(39,779)	39,779
363 Railroad Street Crossing	-	-	-	-	309	(309)	-	-	-	-	-	-	-	(309)	309
Total Special Revenues	484,325	203,292	281,033	462,490	370,860	91,630	-	-	-	127,585	-	127,585	149,420	(167,568)	316,988
Capital Projects															
100,214,250,379 Capital Project	-	-	-	-	-	-	(102,000)	#REF!	#REF!	102,000	-	102,000	-	#REF!	#REF!
Total Capital Projects	-	-	-	-	-	-	(102,000)	#REF!	#REF!	102,000	-	102,000	-	#REF!	#REF!
Enterprise Funds															
560 Sewer WWTP Maint and Ops	1,500,407	744,774	755,633	1,422,592	619,170	803,422	-	(52,874)	52,874	(147,500)	-	(147,500)	(69,685)	72,730	(142,415)
561 Sewer Collection Systems	225,472	110,531	114,941	346,947	169,794	177,153	-	-	-	-	-	-	(121,475)	(59,263)	(62,212)
563 WWTP/Debt Service	643,393	310,170	333,223	438,974	19,028	419,946	-	-	-	-	-	-	204,419	291,142	(86,723)
565 G.O. Bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
567 Inflows and Infiltration	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
560 Capital Projects	2,114,331	-	2,114,331	-	-	-	(2,249,331)	#REF!	#REF!	-	-	-	(135,000)	#REF!	#REF!
Reserves	-	-	-	-	-	-	(47,000)	-	(47,000)	147,500	-	147,500	100,500	-	100,500
Total Special Revenues	4,483,603	1,165,474	3,318,129	2,208,513	807,992	1,400,521	(2,296,331)	#REF!	#REF!	-	-	-	(21,241)	#REF!	#REF!
TOTAL ALL FUNDS	7,773,893	2,539,091	5,234,802	5,397,985	2,348,126	3,049,859	(2,398,331)	#REF!	#REF!	-	-	-	(22,423)	#REF!	#REF!

**City of Colfax - FY 2025-26
Mid Year Budget Review - General Fund - Unrestricted (100, 120, 570)
As of 12/31/25**

	Adopted Budget	Actual as of 12/31/25	Difference	% of Budget Received / Spent	Actual as of 12/31/24	% change from PY
Revenue						
4010 Property Tax	512,663	10,656	502,007	2%	9,979	7%
4015 Property Transaction Tax	15,000	8,800	6,200	59%	2,736	222%
4020 Sales Tax	1,363,500	680,229	683,271	50%	884,743	-23%
4030 Cannabis Business Tax	45,000	30,580	14,420	68%	27,017	13%
4040 Transient Occupancy Tax	135,252	45,493	89,759	34%	47,707	-5%
4100 Franchise Fees	100,000	19,573	80,427	20%	19,648	0%
42XX Licenses and Permits	82,700	66,334	16,366	80%	77,464	-14%
45XX State Grants	-	124,420	(124,420)	0%	-	0%
46XX Service Charges	5,250	4,090	1,160	78%	3,534	16%
47XX Revenue from Other Agencies	196,500	18,963	177,537	10%	15,114	25%
48XX Interest & Rents	184,100	135,876	48,224	74%	105,502	29%
4620 Planning & Zoning Fees	40,000	2,364	37,636	6%	16,791	-86%
49XX Miscellaneous Revenue	-	(8,445)	8,445	0%	90	-9483%
49XX Transfers In	6,000	-	6,000	0%	-	0%
Total Revenue	2,685,965	1,138,935	1,547,031	42%	1,210,324	-6%
Expenditure						
50XX Salary, Wages & Benefits	533,706	236,589	297,117	44%	240,325	-2%
52/53XX Supplies & Equipment	83,150	39,187	43,963	47%	45,559	-14%
54XX Communications	32,260	11,292	20,968	35%	9,894	14%
55/56XX Contract Services	1,691,152	674,547	1,016,605	40%	624,067	8%
58XX Resource Development	34,000	5,124	28,876	15%	2,733	87%
61XX Occupancy	127,200	52,422	74,778	41%	50,798	3%
82XX Miscellaneous	43,900	26,041	17,859	59%	20,825	25%
83XX Payments to Other Agencies	5,800	7,117	(1,317)	123%	3,367	111%
84XX Bonds & Insurance	66,550	67,379	(829)	101%	61,717	9%
86XX Codification	2,500	2,056	444	82%	1,958	5%
Transfers-Out	289,585	-	289,585	0%	-	0%
Total Expenditure	2,909,803	1,121,753	1,788,050	39%	1,061,243	6%
Change in Fund Balance	(223,838)	17,182	(241,020)		149,081	

**City of Colfax - FY 2025-26
General Fund - Fund Balance Review**

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Actual	FY 25-26 As Budgeted
Beginning Fund Balance	\$ 4,639,218	\$ 4,969,929	\$ 5,950,932	\$ 7,879,233
Revenue	2,929,393	3,239,366	4,330,319	2,685,965
Expenditure	(2,598,682)	(2,258,363)	(2,402,018)	(2,909,803)
Est Ending Fund Balance	<u>\$ 4,969,929</u>	<u>\$ 5,950,932</u>	<u>\$ 7,879,233</u>	<u>\$ 7,655,395</u>
Change in Ending Fund Balance	\$ 330,711	\$ 981,003	\$ 1,928,301	\$ (223,838)
<u>Components of Fund Balance</u>				
Operating Reserve	600,000	600,000	645,000	655,000
Pension Liability Reserve	145,000	145,000	145,000	145,000
Capital Project Reserve	350,000	400,000	450,000	500,000
Landfill - Postclosure Maintenance	893,084	926,860	957,619	890,644
Fire Services	95,634	99,519	100,170	103,170
Unrestricted, Unreserved	<u>2,886,211</u>	<u>3,779,553</u>	<u>5,581,444</u>	<u>5,361,581</u>
Total	<u><u>4,969,929</u></u>	<u><u>5,950,932</u></u>	<u><u>7,879,233</u></u>	<u><u>7,655,395</u></u>

**City of Colfax - FY 2025-26
Mid Year Budget Review - Sewer Fund (560, 561, 563)
As of 12/31/25**

	Adopted Budget				Actual as of 12/31/25				Remaining Budget	% of Budget Received / Spent	Actual as of 12/31/24	% change from PY
	Maint & Ops - 560	Collection / Lift Stations - 561	Debt Service - 563	Total Sewer Budget	Actual as of 12/31/25 - 560	Actual as of 12/31/25 - 561	Actual as of 12/31/25 - 563	Total Actual as of 12/31/25				
Revenue												
4500 Federal Grant - WWTP Pond #3	-	-	-	-	26,618	-	-	26,618	(26,618)	0%	-	0%
4660 Sewer Service Charges	1,414,407	-	-	1,414,407	680,505	-	-	680,505	733,902	48%	684,522	-1%
4662 Debt Service Charges	-	-	636,393	636,393	-	-	306,121	306,121	330,272	48%	307,928	-1%
4672 Inspection Fees	-	7,000	-	7,000	-	4,070	-	4,070	2,930	58%	4,884	-17%
4680 Lift Charges / Collection System	-	218,472	-	218,472	-	106,461	-	106,461	112,011	49%	107,062	-1%
4800 Rent	3,000	-	-	3,000	750	-	-	750	2,250	25%	1,502	-50%
4980 Interest Income	65,000	-	-	65,000	30,237	-	-	30,237	34,763	47%	21,926	38%
4981 Unrealized Gains & Losses	-	-	-	-	(3,312)	-	-	(3,312)	3,312	0%	-	0%
4982 Interest / Late Charges	18,000	-	7,000	25,000	9,976	-	4,049	14,025	10,975	56%	14,725	-5%
Total Revenue	1,500,407	225,472	643,393	2,369,272	744,774	110,531	310,170	1,165,474	1,203,798	49%	1,142,548	2%
Expenditure												
50XX Salary, Wages & Benefits	599,242	224,148	-	823,390	287,034	102,465	-	389,499	433,891	47%	356,309	9%
52/53XX Supplies & Equipment	335,500	37,200	-	372,700	111,692	8,616	-	120,307	252,393	32%	157,425	-24%
54XX Communications	11,600	3,600	-	15,200	5,669	1,462	-	7,130	8,070	47%	9,094	-22%
55/56XX Contract Services	96,750	19,500	-	116,250	36,102	7,206	-	43,307	72,943	37%	31,179	39%
58XX Resource Development	7,000	500	-	7,500	1,115	250	-	1,365	6,135	18%	3,870	-65%
61XX Occupancy	198,500	30,000	-	228,500	57,733	13,422	-	71,155	157,345	31%	132,012	-46%
73XX Capital Project	-	-	-	-	52,874	-	-	52,874	(52,874)	0%	6,521	711%
82XX Miscellaneous	17,000	-	-	17,000	4,619	-	-	4,619	12,381	27%	4,270	8%
83XX Payments to Other Agencies	30,000	7,000	-	37,000	10,664	6,140	-	16,804	20,196	45%	58,886	-71%
84XX Bonds & Insurance	75,000	25,000	-	100,000	66,067	30,234	-	96,302	3,698	96%	91,578	5%
85XX Testing	52,000	-	-	52,000	38,475	-	-	38,475	13,525	74%	25,347	52%
8710 Interest Expense	-	-	70,000	70,000	-	-	19,028	19,028	50,972	27%	20,288	-6%
8250 Loan Principal	-	-	368,974	368,974	-	-	-	-	368,974	0%	-	0%
Total Expenditure	1,422,592	346,948	438,974	2,208,514	672,044	169,794	19,028	860,866	1,347,648	39%	896,778	-4%
Change in Fund Balance	77,815	(121,476)	204,419	160,758	72,730	(59,263)	291,142	304,609	(143,851)		245,769	

**City of Colfax - FY 2025-26
Mid Year Budget Review - Streets Funds (250,253,258)
As of 12/31/25**

	Adopted Budget				Actual as of 12/31/25				Remaining Budget	% of Budget Received / Spent	Actual as of 12/31/24	% change from PY
	Roads & Transportation - 250	Gas Tax - 253	Road Maint. - 258	Total Streets Funds	Roads & Transportation - 250	Gas Tax - 253	Road Maint. - 258	Total Streets Funds				
Revenue												
4280 Transportation Permits	100	-	-	100	12	-	-	12	88	12%	360	-97%
405X Gas Tax	-	61,267	-	61,267	-	27,258	-	27,258	34,009	44%	28,480	-4%
4056 SB1 Road Maint & Rehab	-	-	57,600	57,600	-	-	18,370	18,370	39,230	32%	18,222	1%
4590 RSTP - State Income	-	-	-	-	-	-	78,715	78,715	(78,715)	0%	-	0%
4540 Local Transportation Fund	149,272	-	-	149,272	-	-	-	-	149,272	0%	-	0%
4541 State Transit Assistance Fund	18,266	-	-	18,266	-	-	-	-	18,266	0%	-	0%
4980 Interest Income	-	-	-	-	-	-	765	765	(765)	0%	(1)	-53576%
4981 Unrealized Gains & Losses	-	-	-	-	-	-	(57)	(57)	57	0%	-	0%
Transfer In	166,852	-	-	166,852	-	-	-	-	166,852	0%	-	0%
Total Revenue	334,490	61,267	57,600	453,357	12	27,258	97,792	125,062	328,295	28%	47,061	0%
Expenditure												
50XX Salary, Wages & Benefits	135,029	-	-	135,029	66,476	-	-	66,476	68,553	49%	68,089	-2%
52/53XX Supplies & Equipment	141,250	3,000	-	144,250	26,463	-	-	26,463	117,787	18%	24,521	8%
54XX Communications	1,750	-	-	1,750	913	-	-	913	837	52%	815	12%
55/56XX Contract Services	30,861	-	-	30,861	27,139	-	-	27,139	3,722	88%	14,124	92%
58XX Resource Development	2,250	-	-	2,250	53	-	-	53	2,197	2%	-	0%
61XX Occupancy	250	19,000	-	19,250	250	8,055	-	8,305	10,945	43%	9,811	-15%
73XX Capital Project	-	-	-	-	-	-	-	-	-	0%	-	0%
82XX Miscellaneous	-	-	-	-	-	-	-	-	-	0%	-	0%
83XX Payments to Other Agencies	-	-	-	-	767	-	-	767	(767)	0%	-	0%
84XX Bonds & Insurance	23,100	-	-	23,100	21,463	-	-	21,463	1,637	93%	20,412	5%
85XX Testing	-	-	-	-	-	-	-	-	-	0%	-	0%
8710 Interest Expense	-	-	-	-	-	-	-	-	-	0%	-	0%
Transfer out	-	39,267	-	39,267	-	-	-	-	39,267	0%	-	0%
Total Expenditure	334,490	61,267	-	395,757	143,524	8,055	-	151,579	244,178	38%	137,772	10%
Change in Fund Balance	-	-	57,600	57,600	(143,512)	19,202	97,792	(26,517)	84,117		(90,711)	

**City of Colfax - FY 2024-26
Mid Year Budget Review - Capital
As of 12/31/25**

Fund	Account	Funding Source Description	Description	Previous Years Actual per Budget Doc	Budget 24-25	Actual FY 24-25 (per audit workpapers)	Budget 25-26	Actual as of 12/31/25	Status	Notes
100		Administration - General Fund	Accounting Software Upgrade	\$ -	\$ -	\$ -	\$ 50,000	\$ -	In process	
100	100-500-7500	Administration - General Fund	Corp Yard Compost Pad	-	-	27,815			Completed	
100		Administration - General Fund	Downtown Dining Improvements		25,000		25,000		In process	Mid year budget adjustment
100		Administration - General Fund	Records Management System		40,000				In process	
100	100-500/530-7300	Administration - General Fund	Toro 52" Mower			14,070			Completed	
100		Bldg/Grounds - General Fund	Metal Storage Building for Corp Yard	18,947	18,396				Completed	
100		Bldg/Grounds - General Fund	ADA Project 2025		20,000				Cancelled	rolled over to 2025-26 budget.
100		Bldg/Grounds - General Fund	Asphalt Roller				12,000		On hold	
100		Bldg/Grounds - General Fund	City Hall Lighting & Flooring Upgrade				20,000		On hold	
100		Bldg/Grounds - General Fund	ADA Project 2026				20,000		In process	
292		Bldg/Grounds - Fire Capital	Mold Remediation - Fire Station 36		50,000				In process	
358	358-000-7XXX	Grant	CDBG Road Rehabilitation	425,943	3,628,766	1,515,280	-	63,839	In process	
379	379-000-7XXX	Other	Skate Park		660,000			2,900	In process	
560		Sewer - Operations	Metal Storage Building for WWTP	10,299	10,669				Completed	
560	560-7300	Sewer - Operations	Nitritax Sensor	10,705	17,173	15,045			Completed	
560	561-7300	Sewer - Operations	Lift Station #2 Motor Replacement		20,000	10,918	35,000		Completed	
560		Sewer - Operations	Lift Station #5 Backup Motor		50,000				Cancelled	
560		Sewer - Operations	Pond 3 Access Road Improvements		70,000				On hold	
560		Sewer - Operations	Crane Truck				100,000		On hold	
560	560-7300	Sewer - Operations	WWTP UTV Ranger					20,266	Completed	
560	560-7300	Sewer - Operations	Misc. WWTP Repair					5,022	In progress-ongoing	
560	560-7300	Sewer - Operations	WWTP Lamps/Cannisters					12,131	Completed	
560	560-7300	Sewer - Operations	WWTP Butterfly Valve					10,420	Completed	
560	560-7300	Sewer - Operations	WWTP Swing Check Valve					5,035	Completed	
560	560-7300	Sewer - Operations	Influent Refrigerator			6,520			Completed	
560	560-7300	Sewer - Operations	SC100 Module Display			5,118			Completed	
560	560-7300	Sewer - Operations	LDO Model 2 Probe			17,904			Completed	
560	560-7300	Sewer - Operations	Submersible Pump SN 1930020			10,086			Completed	
560		Sewer - Short-term Asset Reserve	Spare Lift Station VFD's				20,000		FY 2026-27 Budget	Rollover
560		Sewer - Short-term Asset Reserve	Membrane Filter Replacement				27,000		Last year	Matt said this was done last year - he said he didn't have any further plans for this.
575	575-000-7XXX	Grant	SWRCB Construction Grant	7,460,511	1,822,832	3,739,580	2,114,331	195,889	In process	
590		Grant	Sewer Consolidation Planning	52,000	58,000			1,563	In process	
TOTAL				\$ 7,978,405	\$ 6,490,836	\$ 5,362,336	\$ 2,423,331	\$ 317,065		
				\$ (1)	\$ -	\$ (1)	\$ 25,000	\$ -		

City of Colfax

City Council

Resolution No. __-2026

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COLFAX AMENDING
THE FISCAL YEAR 2025-26 BUDGET**

WHEREAS, the City Council of the City of Colfax adopted the fiscal year 2025-26 Budget on June 12, 2024, as part of a two-year budget; and

WHEREAS, the City Council of the City of Colfax has reviewed the fiscal year 2025-26 mid-year budget update for known differences and City additional operational funding needs.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Colfax that the FY 2025-2026 Capital Improvement Budget for the General Fund and Sewer Fund be amended to reflect the following:

- An increase to the General Fund Capital Improvement Projects of \$25,000 for outside dining.
- An increase to the General Fund Capital Improvement Projects for \$19,370 for Tyler Technology Software Project
- Reduction of \$27,000 for the membrane filter replacement project included in the fiscal year 2025-26 Budget that was completed in the previous fiscal year.

THE FOREGOING RESOLUTION WAS DULY AND REGULARLY ADOPTED at the regular meeting of the City Council of the City of Colfax held on the 11th day of March 2026, by the following vote of the Council:

AYES:

NOES:

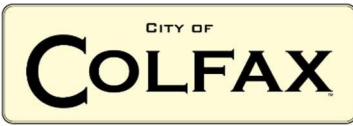
ABSTAIN:

ABSENT:

ATTEST:

Caroline McCully, Mayor

Ron Walker, City Manager



Staff Report to City Council

FOR THE MARCH 11, 2026, REGULAR CITY COUNCIL MEETING

From: Ron Walker, City Manager
Prepared by: Catrina Olson, Administrative Services Officer
Subject: City of Colfax Budget Calendar FY 2026-27

Budget Impact Overview:

N/A: ✓	Funded:	Un-funded:	Amount:	Fund(s):
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RECOMMENDED ACTION: Review and approve the attached budget calendar with recommended operating and capital budget preparation schedule for fiscal year 2026-27.

Summary/Background

The City of Colfax prepares an operating and capital improvement budget every fiscal year. The upcoming budget cycle is for fiscal year 2026-27. The mid-year 2025-26 budget has been reviewed by staff and City Council so City staff will begin the budgeting process for the next fiscal year. Staff are proposing that a budget workshop be held with City Council and the public prior to adoption of the budget. Adoption of the final budget is scheduled for the City Council meeting being held June 10, 2026.

Discussion

Staff are proposing that a budget workshop be held with City Council, staff and public to review the preliminary operating and capital budget for fiscal year 2026-27 and provide suggestions for any additions, deletions or changes that fit within the City's financial policies and available funding. It is recommended that this budget workshop be held in April 2026 to provide staff with adequate time to implement any revisions to the final draft of the budget prior to adoption at the June 10, 2026, City Council meeting.

Attachments:

- FY 2026-27 Budget Calendar

City of Colfax Budget Calendar 2026-27

The City of Colfax prepares an operating and capital improvement budget every year. The upcoming operating budget cycle is for fiscal year 2026-27. City staff begin developing the next fiscal year budget in March followed by public workshops with the City Council and the public in April with adoption of the budget scheduled for the first City Council meeting in June. Below are frequently asked questions about the City's budget process.

What is a Fiscal Year?

The City's fiscal year runs from July 1 through June 30 each year. The State of California uses the same fiscal year as county and city governments. However, the federal government's fiscal year runs from October 1 through September 30, while many private businesses use the calendar year January 1 through December 31 as their fiscal year. A fiscal year represents an accounting cycle for measuring results of operation and the City's financial position.

How does the City's Operating Budget differ from the Capital Improvement Program (CIP)?

The City's operating budget is an itemized plan of estimated City revenues (money expected to be received in taxes, fees, and grants) and City expenditures (money expected to be spent on programs, services, and administration) projected and officially adopted by the City Council for the budget cycle. The City's operating budget focuses on the day to day management and functioning of City services and includes, but is not limited to the following: staff costs, such as finance and administration, department of public works, and wastewater treatment personnel; other program costs such as tools and supplies; and contracted services such as engineering, building inspection and code compliance, police, fire, attorney and other consulting services as needed. By State law, the City's operating budget must be adopted by the City Council as a balanced budget (projected costs are equal to or less than expected revenue), no later than June 30th each year.

While the operating budget focuses on the on-going costs of conducting the City's business, the capital improvement program (CIP) focuses on the larger-scale construction/renovation of City projects/facilities, such as parks, bicycle/pedestrian improvements, major street improvements, sewer infrastructure improvements and public building construction/renovation (the costs of maintaining/servicing City projects/facilities are operating costs). The CIP budget also has a long-term focus with projects and activities being projected over a five-year period and updated each year during the operating budget cycle (within this fiscal year the City of Colfax will be focusing on creating/revising a 5-year CIP). Capital improvement projects are often multi-year projects that draw upon many different funding sources, including regional transportation taxes, developer fees, user fees, grants, bond issuance, and regional transportation taxes (special district tax). Many of these revenue sources can only be used for capital improvement projects and cannot be transferred to the City's operating budget and used for on-going operational costs. Each CIP cycle is a spending plan that is determined through a public hearing(s) where the City Council prioritizes projects (based upon available restricted and/or unrestricted revenue sources and the evolving needs of the City). The CIP may include projects that are unfunded or partially funded and typically there are more CIP projects than funds available.

What is the City's operating budget philosophy?

The City Council's adopted major operating budget principle is that "current year expenditures should be supported by current year revenues. One-time revenues should not be used for ongoing costs but should instead be used for necessary one-time only expenditures or to strengthen fund reserves."

What is the size of the City's General Fund Operating Budget?

The projected revenue for the operating budget for fiscal year 2025-2026 (effective July 1, 2026, through June 30, 2027) is \$2.69 million in revenues while the budget anticipates \$2.62 million in expenditures in the general fund. City staff anticipate that the next budget cycle will focus on maintaining current levels of City services and programs while maintaining costs in order to follow the City's adopted budget management policy that current year expenditures should be supported by current year revenues.

When will the City adopt the Operating Budget for fiscal year 2026-27

According to State law, the City Council must adopt a balanced operating budget for the next budget cycle by June 30th. Staff have already started the process of putting together a proposed initial draft operating budget for City Council and public review. Below is the budget adoption schedule (may be subject to change). All of the meetings listed below are open to the public. (City Manager – CM, Administrative Services Officer – ASO)

Dates - 2026	Responsibility	Procedures or Actions to be Taken
March 11 th	City Council	Approves the budget calendar
March 12 th – March 25 th	ASO/Department Heads	Budget process begins, preparation of budget worksheets
March 25 th – March 27 th	ASO	Compile department budgets and prepare preliminary draft budget for review
March 30 th – April 3 rd	CM/ASO/Department Heads	Budget review
April 6 th – April 8 th	CM/ASO	Review budget adjustments to 1 st draft
April 6 th – April 8 th	CM/ASO	Review final adjusted draft
April TBD	CM/ASO	Post final draft budget for City Council budget workshop
April TBD	CM/ASO/Department Heads/City Council/Public	City Council budget workshop
April TBD – May 29 th	ASO	Update final draft budget with any revisions from the budget workshop
June 5 th	CM/ASO	Final draft budget posted in the City Council agenda packer
June 10 th	City Council	City Council adoption of final fiscal year 2026-27 budget



Staff Report to City Council

FOR THE MARCH 11, 2026 REGULAR CITY COUNCIL MEETING

From: Ron Walker, City Manager
Prepared by: Ron Walker, City Manager
Subject: Cease the Development of the Disposable Foodware, Convenience Retail, and Roadway Impact Fee Ordinance.

Budget Impact Overview:

N/A:	Funded:	Un-funded:	Amount:	Fund(s):
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RECOMMENDED ACTION: Staff is requesting that the Council reconsider and provide direction to the City Manager to cease the development of a Disposable Foodware, Convenience Retail, and Roadway Impact Fee Ordinance.

Summary/Background

On October 22, 2025, Council Directed the City Manager to develop disposable Foodware, convenience retail, and roadway impact fee Ordinance. Since that time, both staff and some Council members have received considerable feedback from the community expressing dissatisfaction with this impact fee to the point that no ordinance has been developed. Accordingly, staff is requesting that the Council reconsider and provide direction to the City Manager to cease any additional efforts.

Attachments:

1. Resolution __-2026 Approving and Authorizing the City Manager to Cease the Development of the Disposable Foodware, Convenience Retail, and Roadway Impact Fee Ordinance.
2. October 22, 2025 Staff Report for the Establishment of a Disposable Foodware, Convenience Retail, and Roadway Impact Fee Program to Fund Litter Abatement, Stormwater Compliance, and Frontage Road Maintenance.

City of Colfax

City Council

Resolution No. __-2026

APPROVING AND AUTHORIZING THE CITY MANAGER TO CEASE THE DEVELOPMENT OF THE DISPOSABLE FOODWARE, CONVENIENCE RETAIL, AND ROADWAY IMPACT FEE ORDINANCE.

WHEREAS, On October 22, 2025 Council directed the City Manager to develop disposable foodware, convenience retail, and roadway impact fee Ordinance; and,

WHEREAS, since that time, both staff and some Council members have received considerable feedback from the community expressing dissatisfaction with this impact fee; and,

WHEREAS, staff is requesting that the Council provide direction to the City Manager to cease the development of the ordinance; and,

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Colfax authorizes the City Manager to discontinue the development of the disposable foodware, convenience retail, and roadway impact fee Ordinance.

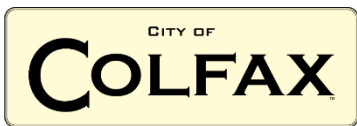
THE FOREGOING RESOLUTION WAS DULY AND REGULARLY ADOPTED at the Regular Meeting of the City Council of the City of Colfax held on the 11th day of March 2026, by the following vote of the Council:

- AYES:**
- NOES:**
- ABSTAIN:**
- ABSENT:**

Caroline McCully, Mayor

ATTEST:

Ron Walker, City Manager



Staff Report to City Council

FOR THE OCTOBER 22, 2025 REGULAR CITY COUNCIL MEETING

From: Ron Walker, City Manager
Prepared by: Ron Walker, City Manager
Subject: Policy Initiative – Establishment of a Disposable Foodware, Convenience Retail, and Roadway Impact Fee Program to Fund Litter Abatement, Stormwater Compliance, and Frontage Road Maintenance

Budget Impact Overview:

N/A:	Funded:	Un-funded:	Amount:	Fund(s):
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RECOMMENDED ACTION: Adopt Resolution __-2025 Approving and Authorizing the City Manager to develop a Disposable Foodware, Convenience Retail, and Roadway Impact Fee Ordinance.

Summary/Background

The City of Colfax experiences substantial environmental and infrastructure impacts from transient Interstate 80 traffic exiting for fast-food, drive-thru, and gas station convenience services within city limits.

These businesses collectively create high volumes of single-use packaging, beverage cups, and other waste that accumulates along streets, frontage roads, and drainage systems. It also creates significant seasonal roadway damage and demand for otherwise unnecessary road mitigation, requiring continual cleanup and maintenance by City staff.

While this commerce benefits the regional economy, it produces disproportionate local costs in litter abatement, storm-drain clearing, pavement wear, and roadside vegetation management without generating sufficient revenue to offset those burdens on the City’s budget.

Other California jurisdictions, such as Truckee, have successfully adopted Single-Use Foodware Reduction Ordinances imposing per-item charges on disposable packaging to encourage reuse and fund mitigation. Colfax can adapt this approach into a Regulatory Impact Fee Program that includes both food service and gas station convenience retailers, reflecting their shared contribution to transient waste and roadway impacts.

This fee structure authorized under the City’s general police power and the Mitigation Fee Act (Gov. Code §66000 et seq.) would be adopted by ordinance (not ballot) and restricted to documented city costs, consistent with *Sinclair Paint Co. v. State Bd. of Equalization* (15 Cal.4th 866, 1997).

Issue

Colfax bears the ongoing expense of maintaining public areas affected by I-80 traveler traffic, including litter pickup, storm-drain maintenance, and pavement rehabilitation along key corridors such as South Auburn Street, Canyon Way, and South Canyon Drive.

Both fast-food restaurants and gas stations with convenience marts serve as primary collection points for transient travelers who consume take-out food, beverages, and single-use packaging, which are often discarded within city limits.

These activities not only create continuous litter and solid waste but also intensify roadway deterioration through seasonal and traffic-related factors unique to Colfax’s location and climate:

- High-volume seasonal tourism traffic from I-80 travelers, particularly during ski and snow seasons, leads to sustained surges in vehicle counts, parking turnover, and short-trip acceleration/deceleration patterns that wear down pavement far beyond typical small-town levels.
- Chain installations, snow runoff, and freeze–thaw cycles accelerate cracking, pothole formation, and asphalt erosion along the City’s frontage and connector roads.
- Heavy commercial and delivery traffic servicing fast-food and fuel establishments compounds this deterioration, requiring frequent patching, striping, and shoulder repair.
- The City must perform otherwise unnecessary mitigation measures such as additional sand and de-icing management, drainage clearing, slope stabilization, resurfacing, and road widening, driven primarily by this transient corridor activity.

Collectively, these conditions have created a cycle of extraordinary roadway maintenance demand that outpaces Colfax’s local tax base and routine capital planning capacity.

Without a dedicated funding mechanism, these costs are absorbed by local taxpayers despite being driven largely by non-resident transient users.

A Disposable Foodware, Convenience Retail, and Roadway Impact Fee Program would:

- Recover Colfax’s actual costs of mitigating litter, drainage, and roadway impacts;
- Establish a stable, legally compliant revenue source dedicated to maintenance and environmental compliance;
- Address the cumulative effects of seasonal roadway stress caused by transient travel and commercial service demand;
- Encourage visible community engagement through volunteer cleanup efforts; and
- Demonstrate leadership in sustainable infrastructure funding among small California municipalities.

Recommended Action

1. Direct the City Manager to initiate a Regulatory Nexus and Cost-Recovery Study quantifying annual costs attributable to disposable packaging, convenience-retail litter, and transient-traffic roadway impacts.
2. Authorize the City Attorney to prepare a draft ordinance establishing a *Disposable Foodware, Convenience Retail, and Roadway Impact Fee Program*, structured to include:
 - Environmental Impact Fee (e.g., \$0.10 per disposable container/cup/bag distributed by food or convenience retailers) dedicated to litter and stormwater mitigation;
 - Roadway Impact Surcharge (e.g., \$0.05 per transaction or disposable item) dedicated to frontage-road, street-sweeping, and pavement maintenance;

- Inclusion of gas stations, mini-marts, and convenience retailers selling ready-to-consume food or beverages;
 - Fee exemptions for EBT/WIC transactions, as well as non-transient local customers through Automatic ZIP-Code Filter via Payment Processor;
 - Mitigation Participation Credit for participating businesses that contribute labor or in-kind cleanup support; and
 - Annual public reporting on fee revenue and expenditures.
3. Authorize Staff to engage with affected businesses to collect feedback and identify implementation support options (e.g., standardized signage, education materials, and compliance assistance).
4. Direct Staff to return to Council with:
- A completed Nexus and Cost Study and proposed draft ordinance within 90 days; and
 - A plan for a City Cleanup and Safety Improvement Pilot Program, inviting residents, students, and service groups to volunteer during city-sponsored cleanup days along high-traffic corridors funded in part through collected fees.

Attachments:

1. Resolution __-2025

City of Colfax

City Council

Resolution No. __-2025

APPROVING AND AUTHORIZING THE CITY MANAGER TO DEVELOP A DISPOSABLE FOODWARE, CONVENIENCE RETAIL, AND ROADWAY IMPACT FEE ORDINANCE

WHEREAS, the City of Colfax experiences disproportionate environmental and infrastructure impacts from transient Interstate 80 traffic drawn to local fast-food, drive-thru, gas-station, and convenience-retail establishments; and,

WHEREAS, these activities generate high volumes of disposable packaging waste, roadside litter, and accelerated roadway deterioration resulting from heavy seasonal use, freeze-thaw cycles, tire-chain abrasion, and stormwater runoff; and,

WHEREAS, the City must perform otherwise unnecessary mitigation measures—including additional sweeping, snow and ice management, drainage clearing, resurfacing, and slope stabilization—to maintain roadway safety and compliance with stormwater regulations; and,

WHEREAS, the cumulative impacts of transient travel have created extraordinary demands on the City's maintenance resources, outpacing its small local tax base and placing disproportionate burden on residents; and,

WHEREAS, the City Council seeks to establish a fair, transparent, and legally compliant mechanism to recover the reasonable costs of mitigating such impacts through a regulatory fee program under the authority of the City's police powers and the Mitigation Fee Act (Gov. Code § 66000 et seq.); and,

WHEREAS, the California Supreme Court's decision in *Sinclair Paint Co. v. State Bd. of Equalization* (15 Cal.4th 866 (1997)) affirms the City's authority to impose regulatory fees where revenues are restricted to programs that mitigate the adverse impacts of the activities being regulated; and,

WHEREAS, the City Council intends for the program to include equitable fee exemptions for verified non-transient local customers, such as those whose billing ZIP codes or residency fall within the City of Colfax, ensuring that the fee targets transient traveler impacts rather than local commerce; and,

WHEREAS, the City further intends to provide a Mitigation Participation Credit of up to one-third (1/3) of collected fee revenues for businesses that verifiably participate in or sponsor cleanup, beautification, or public-safety maintenance efforts that directly offset municipal maintenance costs; and,

WHEREAS, the City also seeks to foster community pride and volunteerism through a City Cleanup and Safety Improvement Pilot Program, enabling residents, students, and service organizations to participate in city-sponsored cleanup days along high-traffic corridors, with support funded through collected fees.

NOW THEREFORE, BE IT RESOLVED that the City Council of the City of Colfax hereby authorizes and directs the City Manager to initiate all preliminary actions necessary to develop a *Disposable*

Item 8A

Foodware, Convenience Retail, and Roadway Impact Fee Program, including commissioning a Regulatory Nexus and Cost-Recovery Study quantifying the City’s annual costs for litter abatement, stormwater management, and roadway maintenance associated with transient traffic and disposable packaging impacts;

BE IT FURTHER RESOLVED that the City Council authorizes the City Attorney to prepare a draft ordinance establishing said program, consistent with Proposition 26, the Mitigation Fee Act, and applicable case law, for future consideration and adoption by the City Council;

BE IT FURTHER RESOLVED that the City Council authorizes the City Attorney to prepare a draft ordinance establishing said program, consistent with Proposition 26, the Mitigation Fee Act, and applicable case law, for future consideration and adoption by the City Council;

BE IT FURTHER RESOLVED that the proposed ordinance shall include:

- An Environmental Impact Fee component dedicated to litter and stormwater mitigation;
- A Roadway Impact Surcharge dedicated to street-sweeping, frontage-road maintenance, and resurfacing;
- Inclusion of gas stations, mini-marts, and convenience retailers selling ready-to-consume food or beverages;
- Fee exemptions for EBT/WIC transactions and verified non-transient local customers;
- A Mitigation Participation Credit program allowing participating businesses to receive up to one-third (1/3) of fee revenue in credits or reimbursements for documented cleanup or beautification participation; and
- Requirements for annual public reporting on collected revenue, expenditures, credits granted, and measurable mitigation outcomes.

BE IT FURTHER RESOLVED that City staff shall engage affected business operators to ensure equitable implementation, gather feedback on administrative logistics, and develop education materials, signage, and compliance guidance to support participation;

BE IT FINALLY RESOLVED that the City Council supports creation of a City Cleanup and Safety Improvement Pilot Program, to be funded in part through collected fees, inviting public participation in volunteer cleanup events and corridor beautification projects that directly mitigate environmental, and roadway impacts within Colfax.

THE FOREGOING RESOLUTION WAS DULY AND REGULARLY ADOPTED at the Regular Meeting of the City Council of the City of Colfax held on October 22, 2025, by the following vote of the Council:

- AYES:**
- NOES:**
- ABSTAIN:**
- ABSENT:**

ATTEST:

Ron Walker, Interim City Clerk

Sean Lomen, Mayor