



CITY COUNCIL MEETING

COUNCIL CHAMBERS, 33 SOUTH MAIN STREET, COLFAX, CA



MAYOR WILL STOCKWIN • MAYOR PRO TEM MARNIE MENDOZA
COUNCILMEMBERS • STEVE HARVEY • KIM DOUGLASS

REGULAR MEETING AGENDA

August 22, 2018

Closed Session 6:30 PM

Regular Session 7:00 PM

1. CLOSED SESSION

1A. **Call Closed Session to Order**

1B. **Roll Call**

1C. **Public Comment on Closed Session Items**

1D. **Closed Session**

Conference With Legal Counsel - Anticipated Litigation. Initiation of litigation pursuant to Government Code Section 54956.9(d)(4): One potential case.

Conference With Legal Counsel - Anticipated Litigation. Significant exposure to litigation pursuant to Government Code Section 54956.9(d)(2): One potential case.

2. CALL TO ORDER

2A. **Call Open Session to Order**

2B. **Report from Closed Session**

2C. **Pledge of Allegiance**

2D. **Roll Call**

2E. **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.

3. CONSENT CALENDAR

Matters on the Consent Agenda 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: Approve Consent Calendar

3A. **Minutes – Regular meeting August 8, 2018**

Recommendation: Approve the Minutes of the Regular Meeting of August 8, 2018.

3B. **Cash Summary Report – July 2018**

Recommendation: Accept and file.

3C. **State and Federal Surplus Property Program**

Recommendation: Adopt Resolution 54-2018 authorizing the Community Services Director or City Manager to acquire surplus property through the auspices of the California State Agency for Surplus Property in the form provided by the Department of General Services.

4. PUBLIC COMMENT

Members of the audience are permitted to address the Council on matters of concern to the public within the subject matter jurisdiction of the City Council that are not listed on this agenda. Please make your comments as brief as possible; not to exceed three (3) minutes in length. The Council cannot act on items not included on this agenda; however, if action is required it will be referred to staff.



5. COUNCIL, STAFF AND OTHER REPORTS

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.

- 5A. **Committee Reports and Colfax Informational Items - All Councilmembers**
- 5B. **City Operations Update – City staff**
- 5C. **Additional Reports – Agency partners**

6. COUNCIL BUSINESS

- 6A. **Lease Agreement for City Owned Property at 99 Railroad Street, Suite 4.**

Staff Presentation: Wes Heathcock, City Manager

Recommendation: Discuss staff recommendation and consider authorizing a 1-year lease agreement with Rainbow Music at a reduced rental rate as presented.

7. GOOD OF THE ORDER - INFORMAL COUNCIL STATEMENTS REGARDING THE BUSINESS OF THE CITY

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

8. ADJOURNMENT

I, Lorraine Cassidy, City Clerk for the City of Colfax declare that this agenda was posted at Colfax City Hall and the Colfax Post Office. The agenda is also available on the City website at www.Colfax-ca.gov.


Lorraine Cassidy, City Clerk

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.





City of Colfax
 City Council Minutes
 Regular Meeting of Wednesday, August 8, 2018
 City Hall Council Chambers
 33 S. Main Street, Colfax CA

1 CLOSED SESSION

1A. **Call Closed Session to Order**

Mayor Stockwin called the meeting to order at 6:28PM

1B. **Roll Call**

Council members present: Douglass, Harvey, Mendoza, Stockwin

1C. **Public Comment on Closed Session Items**

There was no public comment

1D. **Closed Session**

Conference With Legal Counsel - Anticipated Litigation. Initiation of litigation pursuant to Government Code Section 54956.9(d)(4): One potential case.

Conference With Legal Counsel - Anticipated Litigation. Significant exposure to litigation pursuant to Government Code Section 54956.9(d)(2): One potential case.

Closed session ended at 6:57PM.

2 OPEN SESSION

2A. **Call to Order**

Mayor Stockwin called the meeting to order at 7:03PM.

2B. **Report from Closed Session**

City Attorney Cabral noted there was nothing to report from Closed Session.

2C. **Pledge of Allegiance**

Frank Klein, Colfax Area Chamber of Commerce President, led the Pledge of Allegiance.

2D. **Roll Call**

Council members present: Douglass, Harvey, Mendoza, Stockwin

2E. **Approval of Agenda Order**

On a motion by Councilmember Harvey, seconded by Mayor Pro Tem Mendoza, the City Council approved the agenda order.

AYES: Douglass, Harvey, Mendoza, Stockwin

3 PRESENTATION

3A. **Placer County Speakers Bureau**

Katherine Ferry, Consumer Affairs Supervisor Placer County Health Services

Harold Chastain, Placer County Speaker's Bureau.

City Manager Heathcock introduced Katherine Ferry from the Placer County Health Services Department. Ms. Ferry explained the purpose of the Speaker's Bureau is to combat the stigma often associated with mental health issues. She introduced Harold Chastain who is a health coach for County programs as well as a seasoned speaker for the Bureau.

Mr. Chastain told the story of his experience with depression and how "self-medication" with marijuana contributed to his spiral into psychosis and other mental illness. He recounted his journey to recovery with the assistance of Placer County programs. He explained how he is able to move forward through cycles of depression and psychosis with the help of Placer County staff.

City Manager Heathcock thanked the speakers for coming to share this remarkable story. Mayor Pro Tem Mendoza asked how citizens could access the resources of the County. Ms. Ferry left business cards and brochures for the public to pick up at City Hall as needed.

4 CONSENT CALENDAR

4A. Minutes - Regular Meeting June 27, 2018

Recommendation: Approve the Minutes of the Regular Meeting of June 27, 2018.

4B. Minutes - Regular Meeting July 11, 2018

Recommendation: Approve the Minutes of the Regular Meeting of July 11, 2018.

4C. Cash Summary: June 2018

Recommendation: Accept and file.

4D. Quarterly Investment Report – Ending June 30, 2018

Recommendation: Receive and file.

4E. Sales and Use Taxes

Recommendation: For information only.

4F. Conflict of Interest Code Update – 2018

Recommendation: Accept and file the City of Colfax Local Agency Biennial Notice and adopt Resolution 52-2018 amending the City of Colfax Conflict of Interest Code.

On a motion by Councilmember Harvey, seconded by Mayor Pro Tem Mendoza, the City Council approved the Consent Calendar.

AYES: Douglass, Harvey, Mendoza, Stockwin

5 PUBLIC COMMENT

Paul Lundberg, Principal of Colfax High School

- Mr. Lundberg spoke about his passion to unify the community and the school. The school is purposely branded to relate to the community. Mr. Lundberg gave each Council member a decal with the Colfax “C” to illustrate that Colfax is more important to the High School than the Falcons mascot. He shared some of the accolades given to the school for its high educational standards and community orientation. He commented that allowing cannabis dispensaries in town might not be the best way to showcase the community.

Rocky Warren, area resident

- Mr. Warren asked Council for a solution to issues with the construction near Iowa Hill Road. The construction crews damage sewer pipes which are now functioning but have not been properly sealed. Sewer gases are escaping. He lives nearby and would like to see this addressed as soon as possible.
City Manager Heathcock stated City staff will follow up and get the issue addressed.

6 COUNCIL, STAFF, AND OTHER REPORTS

6A. Committee Reports and Colfax Informational Items – All Councilmembers

Councilmember Harvey

- Councilmember Harvey had nothing to report.

Councilmember Douglass

- Councilmember Douglass attended the Coffee with Supervisor Montgomery, a meeting with company interested in using the Colfax closed landfill as a concert venue, the Sierra Vista Community Center board meeting, the Chamber Mixer and the City/County Officials Dinner.

- He represented the City at the SACOG board meeting, the Project Go board meeting and the Pioneer Energy board meeting.
- He also attended a seminar by the District Attorney teaching awareness of Elder Abuse.

Mayor Pro Tem Mendoza

- Mayor Pro Tem Mendoza announced the Methodist Church will be celebrating its 150th year this fall. Watch for more details.
- Railroad Days will host a fundraiser on August 24, 2018 at the Sierra Vista Community Center with a taco feed starting at 5:30PM.
- She stated there will be a Chinese Memorial Project display and video during Railroad Days on September 15-16, 2018.

Mayor Stockwin

- Mayor Stockwin had nothing to report.

6B. **City Operations – City Staff**

City Manager Heathcock

- City Manager Heathcock stated several private properties are in the process of selling or have new owners: the Colfax Theater, the Fisk Building, and the Historic Hotel. This should be a benefit to economic development.
- Maidu Village and the S. Auburn Hotel developments are progressing.
- Staff is working on the Rising Sun Repavement and ADA Compliance projects.
- Staff has been in touch with the State Water Board regarding modifications to the Wastewater Treatment Plant loan. Modifying the principal or extending the term of the loan options is not available. Forgiveness of interest is still a possibility. As a result of the conversation with the Water Board staff has learned of several grants which may help with infrastructure!

6C. **Additional Reports – Agency Partners**

Sergeant Ty Conners, Commander Colfax Substation, Placer County Sheriff's Office

- Sergeant Conners introduced Kyle Worden, the new deputy who will be serving Colfax beginning in September. He also introduced Detective Chris Spurgeon who has recently been assigned to the area.
- He thanked City Manager Heathcock for his support of the Skatepark.

City Manager Heathcock, on behalf of Battalion Chief Brian Eagan, thanked the Volunteer Fire Department volunteers for covering the City station during the wildfire season.

Frank Klein, President of Colfax Area Chamber of Commerce

- Mr. Klein thanked Council and the City Manager for supporting the Chamber Mixer at Sourdough Solutions.
- He invited everyone to the next Chamber Mixer to be held at the Chamber Office, hosted by Golden State Patient Care, on August 14th from 5:30PM-7:30PM.

Sharon Conners and Foxey McCleary, Sierra Vista Community Center

- Ms. Conners reported the VFW Breakfasts, Sunday Bingo events, and the Food Bank distributions continue to be a success.
- The Railroad Days fundraiser and a Native American Culture Event will be held at the Sierra Vista Community Center soon.

- Ms. McCleary reminded everyone the final Artwalk/Car Shows will be August 17 and September 15, 2018. Since the Car Show has joined the Artwalk the evenings are becoming more popular and more artists are joining in to display their work.
- Ms. McCleary suggested Council volunteer to help with the ceremony for veterans scheduled for September 8, 2018 from 11:00AM-1:00PM.

7 COUNCIL BUSINESS

7A. **South Auburn St. and I-80 Roundabout Project Update and Omni-Means Contract Amendment.**

Staff Presentation: Dane Schilling, City Engineer; Paul Anderson, Associate Engineer

Recommendation: Adopt Resolution 53-2018 authorizing the City Manager to execute Amendment N^o 2 to the Consultant Services Agreement between the City of Colfax and Omni-Means, a GHD Company, authorizing the City Manager to execute future amendments with costs not to exceed the Design Budget for the S. Auburn St. and I-80 Roundabout Project, and acknowledging new ownership of the design engineering firm.

City Manager Heathcock introduced Travis Williams from Coastland Engineering and Heather Anderson from Omni-Means (which is now known as GHD).

Mr. Williams explained staff is requesting additional funding for the Roundabout Design. Caltrans has required additional environmental studies, extra right of way documentation and new bid documents. Also, moving the PCWA waterline will require extra design. The total cost of additional services is \$100,000 which will amend the contract with Omni-Means.

Ms. Anderson explained some of the details of the added expenses.

Council asked if staff can offer assurance that the scope of the project will not continue to increase and how this affects the timeline for the project.

When the discussion was opened to the public, Mr. Joe Fatula, local business owner, asked about specific environmental triggers which would require remediation.

Ms. Anderson assured the public and Council that Omni-Means has documented the additions to the design phase will indemnify the City from further scope on the project and the preliminary environmental/archeological studies indicated there will be no issues to move forward with construction which will now go to bid early next year.

City Manager Heathcock informed Council the Placer County Transportation Planning Agency (PTCPA) may have a funding opportunity to offset the extra costs.

On a motion by Councilmember Harvey, and a second by Councilmember Douglass, Council approved Resolution 53-2018 authorizing the City Manager to execute Amendment N^o 2 to the Consultant Services Agreement between the City of Colfax and Omni-Means, a GHD Company, authorizing the City Manager to execute future amendments with costs not to exceed the Design Budget for the S. Auburn St. and I-80 Roundabout Project, and acknowledging new ownership of the design engineering firm.

Ayes: Douglass, Harvey, Mendoza, Stockwin

7B. **Commercial Cannabis Retailer Permit Application Progress**

Staff Presentation: Wes Heathcock, City Manager

Recommendation: Receive update, discuss and direct staff as appropriate.

City Manager Heathcock explained City staff has begun processing applications for Commercial Cannabis Retail permits from four companies. The applications are under review by HdL, which Council has hired to evaluate the applications. The Ordinance adopted early this year allows Council to issue up to two medical and two adult-use permits, but does not require Council to issue any permits. Staff is asking if Council would like to proceed with the process of issuing the permits, defer the application process for another date or stop the process all together.

This was listed in the staff report as:

- a. Continue the application process to Phase II
- b. Defer the process to a future date, and/or
- c. Stop the application process until further notice.

Mayor Stockwin opened the discussion to Council.

Mayor Stockwin sees no reason to stop cannabis permitting and would like to proceed with the application process. **(Option a.)**

Councilmember Harvey recommends stopping the process now. **(Option c.)**

Mayor Pro Tem Mendoza also would like to stop the application process now as she has heard from many in the community they do not want cannabis businesses in Colfax. **(Option c.)**

Councilmember Douglass stated there are four openings on Council so it might be better for the next Council to decide. He prefers to defer the process until later. **(Option b.)**

Mayor Stockwin stated stopping the process would require refunds of the applicant’s permit fees and an \$11,400 payment HdL. He asked from which fund the moneys would be taken to pay HdL since the intent of the contract was to have the applicants pay HdL through their application fees.

Several members of the public gave their opinions to stop the application process, continue the process or to postpone.

		Options: a. Continue the application process b. Defer the process c. Stop the application process
Annie Aubrey	Cannabis permit applicant	a. <i>Continue</i> – her company has invested over thirty thousand dollars to apply
Sharon Connors	Area resident	c. <i>Stop</i> – Colfax is too small for so many dispensaries
Patricia Schooley	Colfax resident	c. <i>Stop</i> – other businesses are being evicted to allow cannabis sales
Sherri Peterson	Colfax business owner	a. <i>Continue</i> – it is unfair to change course at this point
Rich Miller	Cannabis permit applicant	a. <i>Continue</i> – Council is reacting to the illegal dispensary claiming religious status
Janice LeRoux	Area resident	Point of order - cannot decide on funding tonight as that is not the issue on the agenda
Rocky Warren	Area resident	c. <i>Stop</i> adult use, <i>continue</i> medical
Rita Dolphin	Colfax resident	c. <i>Stop</i> – Too much time spent so far, perhaps separate medical and adult use
		Options:

		a. Continue the application process b. Defer the process c. Stop the application process
Jim Dion	Cannabis permit applicant	<i>a. Continue</i> – but only allow one medical dispensary
Joe Fatula	Colfax business owner	<i>a. Continue</i> – but only allow one medical dispensary – more would impact town’s character
Sherri Peterson	Colfax business owner	Reiterated injustice of stopping or in allowing a monopoly
Dylan Williams	Area resident	<i>c. Stop</i> -Too easy for youth to purchase
Rich Miller	Cannabis permit applicant	He commented to Mr. Dion that he had toured the facility and it looks great but doesn’t offer educational materials. He cautioned Council not to create a monopoly
Tyler Schooley	Colfax resident	<i>a. Continue</i> - but only for the Dion family

Mayor Stockwin brought the discussion back to Council.

He reminded Council 64% of people did approve of a cannabis dispensary in the last election. He would prefer to continue the process to Phase II of vetting the applications. Council can always choose not to issue any permits.

Councilmember Douglass would like to defer the process until after the election

Mayor Pro Tem Mendoza wants to stop the process.

Councilmember Harvey asked to stop the process.

City Attorney Cabral stated with three Councilmembers deferring or stopping, Staff has direction to defer or stop the process.

Mayor Stockwin stated that Council is kicking the can down the road, but the majority has agreed to stop the process until Council brings the issue to the agenda at a future date.

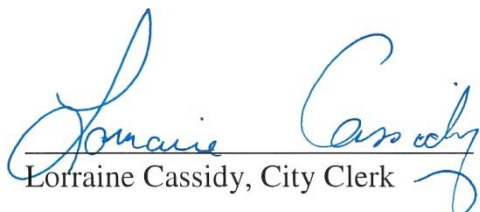
8 GOOD OF THE ORDER – INFORMAL COUNCIL STATEMENTS REGARDING THE BUSINESS OF THE CITY

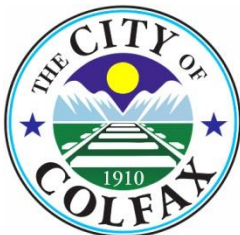
Councilmember Harvey stated he has served on Council for 8 years. In that time expenses for Council members have increased, but the \$100/month stipend has not. He suggested Council consider a \$50/month increase in their stipend to better cover costs associated with serving the community.

9 ADJOURNMENT

As there was no further business, Mayor Stockwin adjourned the meeting at 8:55PM.

Respectfully submitted to City Council this 22nd day of August, 2018


 Lorraine Cassidy, City Clerk



STAFF REPORT TO THE COLFAX CITY COUNCIL

FOR THE AUGUST 22, 2018 COUNCIL MEETING

FROM: Wes Heathcock, City Manager
PREPARED BY: Laurie Van Groningen, Finance Director
DATE: August 13, 2018
SUBJECT: City of Colfax Cash Summary Report: July 2018

<input checked="" type="checkbox"/>	N/A	<input type="checkbox"/>	FUNDED	<input type="checkbox"/>	UN-FUNDED	AMOUNT:	FROM FUND:
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RECOMMENDED ACTION: Accept and file the Cash Summary Report: July 2018.

BACKGROUND AND ANALYSIS:

These monthly financial reports include General Fund Reserved Cash Analysis Graphs and the City of Colfax Cash Summary Report (with supporting documentation). The reports are prepared monthly on a cash basis and are reconciled to the General Ledger accounting system, previous reports, and bank statements. Detailed budget comparisons are provided as a mid-year report and also as part of the proposed budget process each year.

The purpose of the reports is to provide status of funds and transparency for Council and the public of the financial transactions of the City.

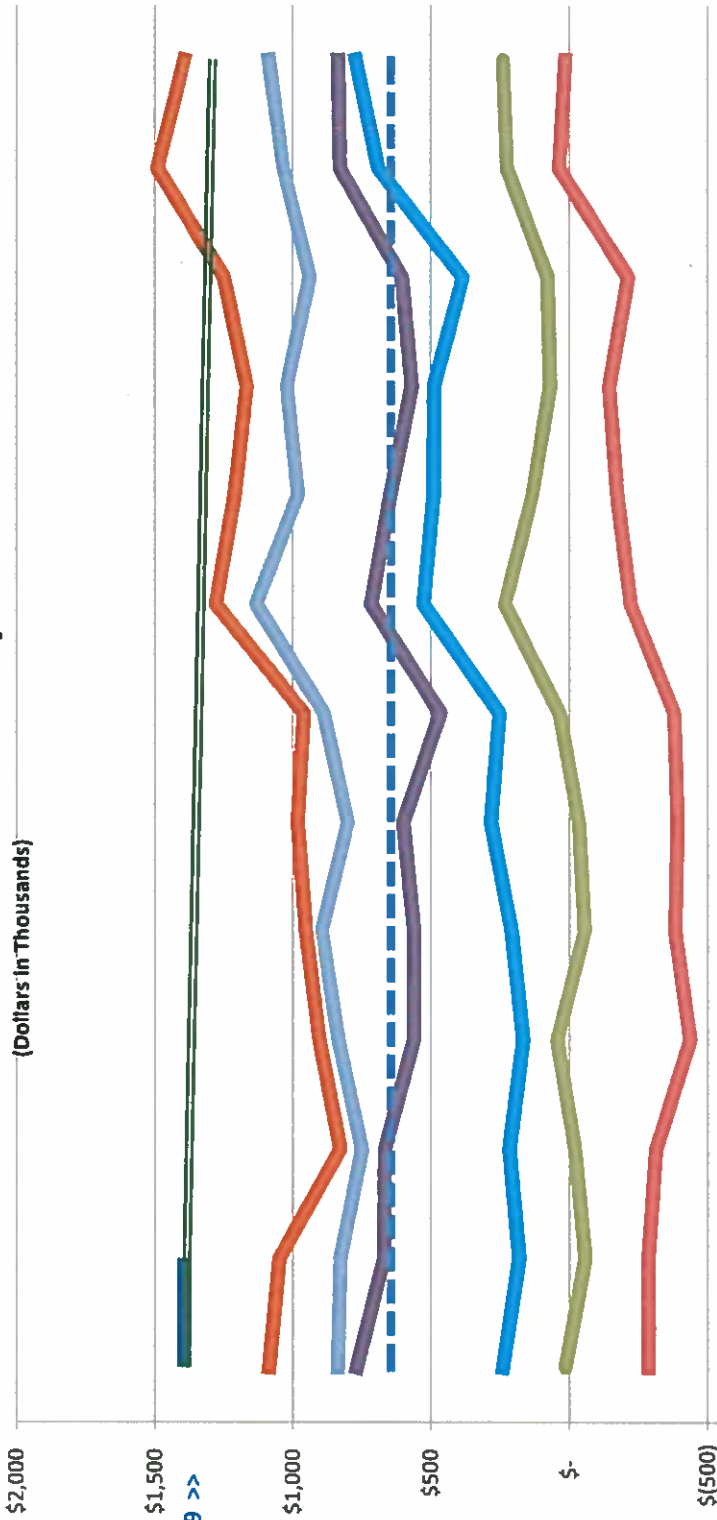
The attached reports reflect an overview of the financial transactions of the City of Colfax in July 2018. Monthly highlights include:

- Negative cash fund balances in Special Revenues and Capital project funds are due to timing of funding allocations and reimbursements.
 - Fund 355 and 385 – Initial project costs to be reimbursed with project funding and transfers. Second reimbursement request for Project 385 – Roundabout is being processed.
- Major Expenses for July included:
 - Annual deposit for Liability insurance and quarterly workers compensation insurance – total \$98,000
- Major Revenues for July included:
 - Monthly estimated sales tax revenues \$85,000.
 - Business License Renewals for FY2019 - \$6,000.
 - Escrow deposits received from Developers - \$222,000.
 - Insurance deposit received for Pond 3 Storm Damage - \$300,000 – Included in Fund 560, but tracked separately from operating costs.

ATTACHMENTS:

1. General Fund Reserved Cash Analysis Graphs
 - a. Cash Analysis – Balance
 - b. Expenses by Month
 - c. Revenues by Month
2. Cash Activity Reports
 - a. Cash Summary
 - b. Cash Transactions Report – by individual fund
 - c. Check Register Report - Accounts Payable
 - d. Daily Cash Summary Report (Cash Receipts)

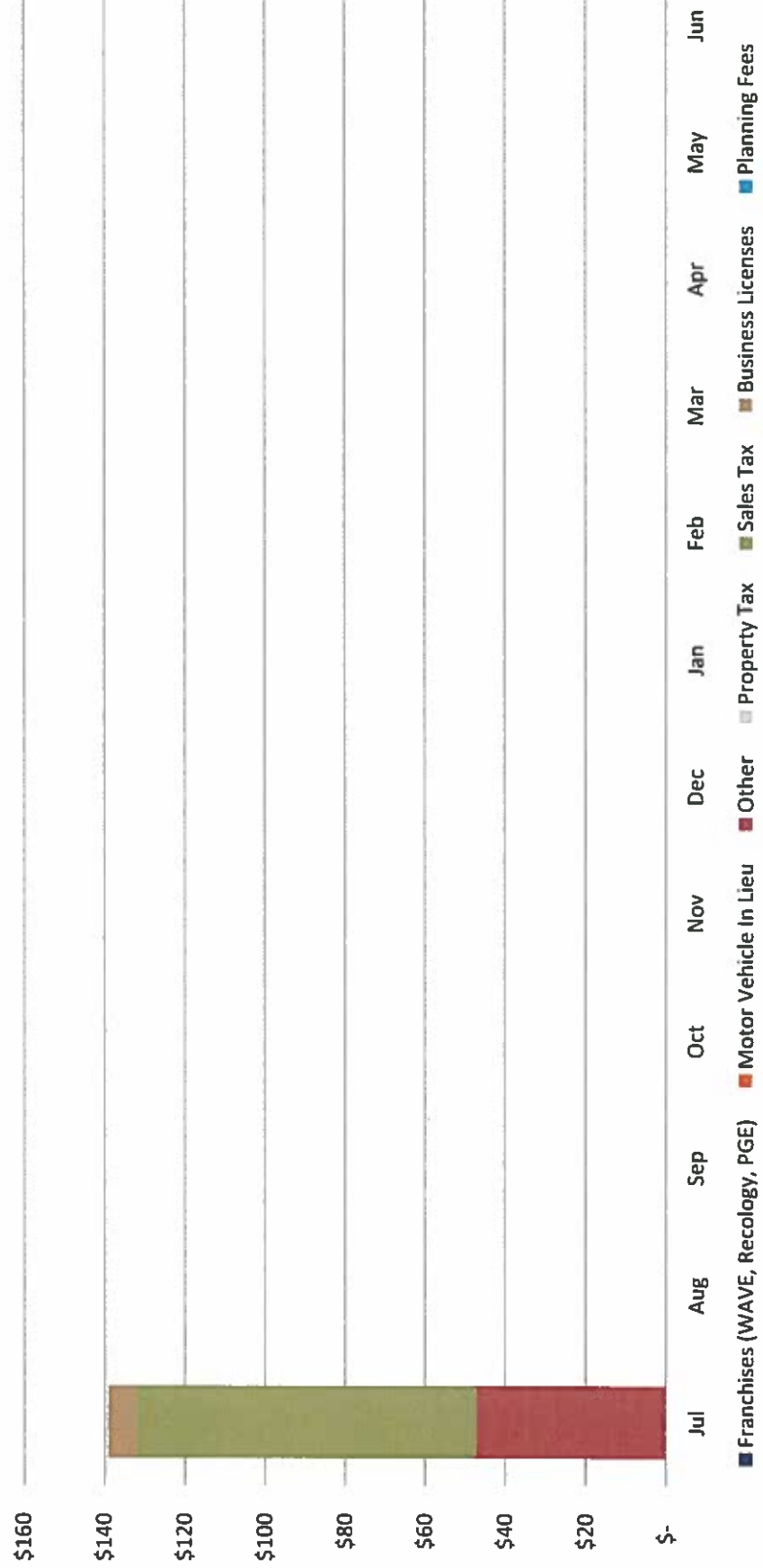
City of Colfax - July 2018 General Fund Reserved Cash Analysis



	Prev Yr	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Cash Balance FY2018-19	\$1,396	\$1,394											
Cash Balance FY2017-18	\$1,086	\$1,050	\$828	\$905	\$954	\$983	\$962	\$1,280	\$1,212	\$1,168	\$1,250	\$1,493	\$1,396
Cash Balance FY2016-17	\$838	\$829	\$750	\$835	\$897	\$802	\$889	\$1,133	\$981	\$1,022	\$938	\$1,034	\$1,086
Cash Balance FY2015-16	\$768	\$670	\$666	\$562	\$561	\$601	\$466	\$717	\$647	\$569	\$605	\$831	\$838
Cash Balance FY2014-15	\$240	\$181	\$217	\$167	\$209	\$284	\$253	\$528	\$491	\$489	\$385	\$691	\$773
Cash Balance FY2013-14	\$15	\$(57)	\$(20)	\$45	\$(55)	\$(34)	\$36	\$233	\$134	\$69	\$79	\$225	\$240
Cash Balance FY2012-13	\$(287)	\$(286)	\$(314)	\$(438)	\$(383)	\$(391)	\$(380)	\$(221)	\$(173)	\$(144)	\$(212)	\$37	\$15
*Reserves (Ops, Cap, Pen)	\$645	\$645	\$645	\$645	\$645	\$645	\$645	\$645	\$645	\$645	\$645	\$645	\$645
Budget FY2018-19	\$1,393	\$1,385	\$1,376	\$1,368	\$1,359	\$1,351	\$1,342	\$1,334	\$1,325	\$1,317	\$1,308	\$1,300	\$1,291

*City Administrative policy stipulates General Fund Reserve of 25% (3 months) of annual General Fund Revenues.

City of Colfax - July 2018 General Fund Reserved Cash - Revenues by Month (Dollars in Thousands)



**City of Colfax
Cash Summary
July 31, 2018**

	Balance 06/30/18	Revenues In	Expenses Out	Transfers	Balance 07/31/2018
US Bank	\$ 185,663.22	\$ 1,135,058.25	\$ (673,847.69)	\$ 25,000.00	\$ 671,873.78
LAIF	\$ 4,464,838.97	\$ 19,816.81		\$ (25,000.00)	\$ 4,459,655.78
Total Cash - General Ledger	<u>\$ 4,650,502.19</u>	<u>\$ 1,154,875.06</u>	<u>\$ (673,847.69)</u>	<u>\$ -</u>	<u>\$ 5,131,529.56</u>
Petty Cash (In Safe)	\$ 300.00				\$ 300.00
Total Cash	<u>\$ 4,650,802.19</u>	<u>\$ 1,154,875.06</u>	<u>\$ (673,847.69)</u>	<u>\$ -</u>	<u>\$ 5,131,829.56</u>

Change in Cash Account Balance - Total \$ 481,027.37

Attached Reports:

1. Cash Transactions Report (By Individual Fund)	
2. Check Register Report (Accounts Payable)	\$ (317,337.24)
3. Cash Receipts - Daily Cash Summary Report	\$ 717,704.72
Payroll Checks and Tax Deposits	\$ (58,999.79)
Utility Billings - Receipts	\$ 121,591.22
Service Charge/Adj/Voids	\$ (1,748.34)
LAIF Interest	\$ 19,816.80
	<u><u>\$ 481,027.37</u></u> \$

Prepared by: Laurie Van Groningen 8/13/18
Laurie Van Groningen, Finance Director

Reviewed by: Wes Heathcock 8/14/2018
Wes Heathcock, City Manager

City of Colfax
Cash Transactions Report - July 2018

	Beginning Balance	Debit Revenues	Credit (Expenditures)	Ending Balance
Fund Type: 1.11 - General Fund - Unassigned				
Fund: 100 - General Fund	\$ 1,483,898.23	\$ 126,976.21	\$ (115,435.43)	\$ 1,495,439.01
Fund: 120 - Land Development Fees	\$ 46,319.24	\$ -	\$ (25,227.78)	\$ 21,091.46
Fund: 570 - Garbage Fund	\$ (134,061.59)	\$ 11,836.56	\$ -	\$ (122,225.03)
Fund Type: 1.11 - General Fund - Unassigned	\$ 1,396,155.88	\$ 138,812.77	\$ (140,663.21)	\$ 1,394,305.44
Fund Type: 1.14 - General Fund - Restricted				
Fund: 200 - Cannabis Application	\$ 20,292.00	\$ 29.63	\$ (29.63)	\$ 20,292.00
Fund: 205 - Escrow Funds	\$ -	\$ 221,617.53	\$ -	\$ 221,617.53
Fund: 571 - AB939 Landfill Diversion	\$ 28,117.26	\$ -	\$ -	\$ 28,117.26
Fund: 572 - Landfill Post Closure Maintenance	\$ 780,749.04	\$ 20,519.59	\$ (8,615.79)	\$ 792,652.84
Fund Type: 1.14 - General Fund - Restricted	\$ 829,158.30	\$ 242,166.75	\$ (8,645.42)	\$ 1,062,679.63
Fund Type: 1.24 - Special Rev Funds - Restricted				
Fund: 210 - Mitigation Fees - Roads	\$ 24,122.22	\$ 105.65	\$ -	\$ 24,227.87
Fund: 211 - Mitigation Fees - Drainage	\$ 3,098.18	\$ 13.57	\$ -	\$ 3,111.75
Fund: 212 - Mitigation Fees - Trails	\$ 43,404.07	\$ 190.10	\$ -	\$ 43,594.17
Fund: 213 - Mitigation Fees - Parks/Rec	\$ 68,126.49	\$ 298.37	\$ -	\$ 68,424.86
Fund: 214 - Mitigation Fees - City Bldgs	\$ -	\$ -	\$ -	\$ -
Fund: 215 - Mitigation Fees - Vehicles	\$ -	\$ -	\$ -	\$ -
Fund: 217 - Mitigation Fees - DT Parking	\$ 24,746.78	\$ 108.39	\$ -	\$ 24,855.17
Fund: 218 - Support Law Enforcement	\$ -	\$ -	\$ -	\$ -
Fund: 244 - CDBG Program Inc - ME Lending	\$ 216,186.55	\$ 1,942.44	\$ -	\$ 218,128.99
Fund: 250 - Streets - Roads/Transportation	\$ 4,647.57	\$ -	\$ (29,164.34)	\$ (24,516.77)
Fund: 253 - Gas Taxes	\$ 1,411.51	\$ 7,573.95	\$ (2,410.91)	\$ 6,574.55
Fund: 270 - Beverage Container Recycling	\$ 18,120.13	\$ 79.36	\$ -	\$ 18,199.49
Fund: 280 - Oil Recycling	\$ 3,572.81	\$ 15.65	\$ -	\$ 3,588.46
Fund: 292 - Fire Department Capital Funds	\$ (16,712.24)	\$ 47,950.99	\$ (73.20)	\$ 31,165.55
Fund: 342 - Fire Construction - Mitigation	\$ 2,467.76	\$ 10.81	\$ -	\$ 2,478.57
Fund: 343 - Recreation Construction	\$ 2,468.22	\$ 10.81	\$ -	\$ 2,479.03
Fund Type: 1.24 - Special Rev Funds - Restrict	\$ 395,660.05	\$ 58,300.09	\$ (31,648.45)	\$ 422,311.69
Fund Type: 1.34 - Capital Projects - Restricted				
Fund: 300 - Capital Projects - General	\$ -	\$ -	\$ -	\$ -
Fund: 351 - Rising Sun Project	\$ 54,224.72	\$ 265.88	\$ (1,080.00)	\$ 53,410.60
Fund: 355 - CDBG Pavement - Culver	\$ (2,099.32)	\$ -	\$ (1,009.43)	\$ (3,108.75)
Fund: 372 - Church/Railroad CIP	\$ (180.00)	\$ -	\$ (0.53)	\$ (180.53)
Fund: 385 - Roundabout	\$ (148,731.50)	\$ -	\$ (63,971.61)	\$ (212,703.11)
Fund Type: 1.34 - Capital Projects - Restricted	\$ (96,786.10)	\$ 265.88	\$ (66,061.57)	\$ (162,581.79)
Fund Type: 2.11 - Enterprise Funds - Unassigned				
Fund: 560 - Sewer	\$ 715,837.14	\$ 576,027.65	\$ (308,749.72)	\$ 983,115.07
Fund: 561 - Sewer Liftstations	\$ 342,725.08	\$ 21,728.55	\$ (35,955.54)	\$ 328,498.09
Fund: 563 - Wastewater Treatment Plant	\$ 497,262.79	\$ 58,093.12	\$ (22,797.37)	\$ 532,558.54
Fund: 564 - Sewer Connections	\$ 41,080.00	\$ -	\$ -	\$ 41,080.00
Fund: 565 - General Obligation Bond 1978	\$ 2,247.76	\$ 326.62	\$ (326.62)	\$ 2,247.76
Fund: 567 - Inflow & Infiltration	\$ 527,151.29	\$ -	\$ -	\$ 527,151.29
Fund Type: 2.11 - Enterprise Funds - Unassign	\$ 2,126,304.06	\$ 656,175.94	\$ (367,829.25)	\$ 2,414,650.75
Fund Type: 9.0 - CLEARING ACCOUNT				
Fund: 998 - PAYROLL CLEARING FUND	\$ -	\$ 59,153.63	\$ (58,999.79)	\$ 153.84
Fund Type: 9.0 - CLEARING ACCOUNT	\$ -	\$ 59,153.63	\$ (58,999.79)	\$ 153.84
Grand Totals:	\$ 4,650,492.19	\$ 1,154,875.06	\$ (673,847.69)	\$ 5,131,519.56

Check Register Report

ITEM 3B

July 2018 Processed Checks

Date: 7 of 12
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Time: 12:06 pm
Page: 1

CITY OF COLFAX

BANK: US BANK

Check Number	Check Date	Status	Void/Stop Date	Vendor Number	Vendor Name	Check Description	Amount
US BANK Checks							
53704	07/06/2018	Reconciled		03141	CALPERS	JULY 2018 HEALTH PREMIUMS	9,678.10
53705	07/06/2018	Reconciled		03141	CALPERS	UNFUNDED LIABILITY PAYMENT	4,735.00
53706	07/05/2018	Reconciled		01460	AMERIPRIDE UNIFORM SERVICE	UNIFORM SERVICE JUNE 2018	529.76
53707	07/05/2018	Reconciled		01500	ANDERSON'S SIERRA	STREET MAINT	274.74
53708	07/05/2018	Reconciled		02829	BLUE RIBBON PERSONNEL SERVICES	TEMP LABOR THRU 6/24/18	1,633.28
53709	07/05/2018	Printed		07591	COLFAX GREEN MACHINE	3RD OF JULY DONATION	500.00
53710	07/05/2018	Reconciled		04532	DIVISION OF STATE ARCHITECT	SB1186 FEES COLLECTED	82.00
53711	07/05/2018	Reconciled		07460	GOLD COUNTRY MEDIA	ORDINANCE 537 PUBLIC NOTICE	233.27
53712	07/05/2018	Reconciled		07570	GRAINGER	WWTP SUPPLIES	49.61
53713	07/05/2018	Printed		08070	HANSEN BROS. ENTERPRISES	ARBOR PARK BARK	339.77
53714	07/05/2018	Void	08/02/2018	08086	HBE RENTALS	ST SIGN RPR	0.00
53715	07/05/2018	Reconciled		08170	HILLS FLAT LUMBER CO	STMT 6/25/18	789.18
53716	07/05/2018	Reconciled		08501	HOME DEPOT CREDIT SERVICES	ROY TOMS BATHROOM RPR	181.03
53717	07/05/2018	Reconciled		3777	L.N. CURTIS & SONS	FIRE DEPT HOSE	890.18
53718	07/05/2018	Reconciled		14356	NORTHERN CALIFORNIA GLOVE	HARD HATS	36.25
53719	07/05/2018	Reconciled		14859	OMNIMEANS	ROUNDAABOUT ENG MAY 2018	44,837.30
53720	07/05/2018	Reconciled		16011(2)	PELLETREAU, ALDERSON & CABRAL	JUNE 2018 LEGAL SVCS	7,496.70
53721	07/05/2018	Reconciled		16035	PG&E	ELECTRICITY	18,661.22
53722	07/05/2018	Reconciled		18883	SAC-VAL JANITORIAL SUPPLY	SUPPLIES	126.43
53723	07/05/2018	Reconciled		19364	SHRADER, TAMARA	EVENT DEPOSIT REFUND	100.00
53724	07/05/2018	Reconciled		19396	SIERRA SAFETY COMPANY	ROAD SAFETY SUPPLIES	682.84
53725	07/05/2018	Reconciled		19791	SUTTER MEDICAL FOUNDATION	REVIEW OF RESPIRATORY APPS	240.00
53726	07/05/2018	Reconciled		21560	US BANK CORPORATE PMT SYSTEM	STMT 6/22/18	3,066.83
53727	07/05/2018	Reconciled		22134	VISION QUEST	Tech Support July 2018	1,494.00
53728	07/05/2018	Reconciled		22240	VULCAN MATERIALS COMPANY	ASPHALT	358.34
53729	07/05/2018	Reconciled		23169	WAVE BUSINESS SOLUTIONS	PHONE	211.44
53731	07/11/2018	Reconciled		01270	ADAMS ASHBY GROUP, INC.	INCOME SURVEY	4,050.00
53732	07/11/2018	Reconciled		01414	ALHAMBRA & SIERRA SPRINGS	CITY HALL/WWTP WATER	257.42
53733	07/11/2018	Reconciled		01766	AT&T MOBILITY	STMT 6/30/18	861.74
53734	07/11/2018	Void	08/01/2018	02829	BLUE RIBBON PERSONNEL SERVICES	TEMP LABOR THRU 6/30/18	0.00
53735	07/11/2018	Void	07/16/2018	4401	DIAMOND D GENERAL ENGINEERING	POND 1 CROSS LEVEE PYMT 1	0.00
53736	07/11/2018	Reconciled		07570	GRAINGER	WWTP SUPPLIES	3.67
53737	07/11/2018	Reconciled		08050	HACH COMPANY	WWTP LAB SUPPLIES	283.13
53738	07/11/2018	Reconciled		11105	KOFF & ASSOCIATES	HR SVCS JUNE 2018	2,405.00
53739	07/11/2018	Reconciled		14859	OMNIMEANS	ROUNDAABOUT ENG JUNE 2018	14,331.93
53740	07/11/2018	Reconciled		18400	RIEBES AUTO PARTS	STMT 6/30/18	100.98
53741	07/11/2018	Reconciled		18883	SAC-VAL JANITORIAL SUPPLY	SUPPLIES	145.43
53742	07/11/2018	Reconciled		22106	VAN GRONINGEN & ASSOCIATES	FINANCIAL SVCS JUNE 2018	7,743.75
53743	07/11/2018	Reconciled		22134	VISION QUEST	TECH SUPPORT AUG 2018	6,665.93
53744	07/11/2018	Reconciled		23169	WAVE BUSINESS SOLUTIONS	CORP YARD INTERNET	54.90
53745	07/25/2018	Printed		01448	AMERIGAS - COLFAX	PROPANE	30.05
53746	07/25/2018	Printed		01448	AMERIGAS - COLFAX	PROPANE	17.03
53747	07/25/2018	Reconciled		01500	ANDERSON'S SIERRA	IRRIGATION SUPPLY	374.35
53748	07/25/2018	Reconciled		01650	AQUA SIERRA CONTROLS INC.	SCADA REPAIR	2,921.18
53749	07/25/2018	Reconciled		02055	BANNER COMMUNICATIONS &	FIRE DEPT PAGERS	4,397.25
53750	07/25/2018	Reconciled		02829	BLUE RIBBON PERSONNEL SERVICES	TEMP LABOR THRU 7/15/18	3,108.40
53751	07/25/2018	Reconciled		02901	BUREAU VERITAS NORTH AMERICA	BLDG OFFICIAL SVCS JUNE 2018	5,440.00
53752	07/25/2018	Reconciled		02981	BYERS' ENTERPRISES, INC.	LIFT STATION BRUSH CLEARING	1,550.00
53753	07/25/2018	Reconciled		03401	CHOICE BUILDER	AUG 2018 PREMIUMS	660.16
53754	07/25/2018	Reconciled		03493	COASTLAND CIVIL ENGINEERING	JUNE 2018 ENG SVCS.	27,688.81
53755	07/25/2018	Reconciled		03502	COLFAX AREA CHAMBER OF	LUMENARIS MIXER	100.00

Check Register Report

ITEM 3B

July 2018 Processed Checks

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Time: 12:06 pm

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CITY OF COLFAX

BANK: US BANK

Check Number	Check Date	Status	Void/Stop Date	Vendor Number	Vendor Name	Check Description	Amount
US BANK Checks							
53756	07/25/2018	Printed		04234	DE LAGE LANDEN FINANCIAL	JUNE 2018 COPY MACH MAINT	960.10
53757	07/25/2018	Reconciled		04533	DIVINE, JEFF	TRAINING REIMBURSEMENT	250.83
53758	07/25/2018	Reconciled		05221	EOSI - ENVIRONMENT OPERATING	WWTP CHEMICALS	5,242.46
53759	07/25/2018	Reconciled		06278	FRONTIER COMMUNICATIONS	WWTP PHONE	179.33
53760	07/25/2018	Printed		7798	G&T TRUCK REPAIR	CAT REPAIR	115.00
53761	07/25/2018	Printed		07465	GOLD MINER PEST CONTROL	STATION 36 PEST CONTROL	219.00
53762	07/25/2018	Reconciled		07570	GRAINGER	WWTP SUPPLIES	177.13
53763	07/25/2018	Reconciled		08050	HACH COMPANY	WWTP LAB SUPPLIES	109.90
53764	07/25/2018	Printed		08070	HANSEN BROS. ENTERPRISES	ROCK	271.81
53765	07/25/2018	Reconciled		08086	HBE RENTALS	TOOL RENTAL	95.00
53766	07/25/2018	Reconciled		08159	HILL BROTHERS CHEMICAL CO.	WWTP CHEMICALS	6,662.37
53767	07/25/2018	Reconciled		08660	HUNT AND SONS, INC.	FIRE DEPT FUEL	163.43
53768	07/25/2018	Printed		12101	LAFCO	2018/2019 FEES	939.98
53769	07/25/2018	Printed		12180	LAWRENCE & ASSOCIATES INC	JUNE 2018 MONITORING	1,756.75
53770	07/25/2018	Reconciled		16140	PLACER COUNTY AIR POLLUTION	LS #3 EMERGENCY GENERATOR	1,265.36
53771	07/25/2018	Printed		16200	PLACER COUNTY SHERIFF DEPT.	JUNE 2018 BOOKING FEE	1,659.00
53772	07/25/2018	Printed		16559	PLAZA TIRE AND AUTO SERVICE	PW VEHICLE TIRE RPR	20.00
53773	07/25/2018	Reconciled		18117	RCAC	SEWER RATE STUDY	2,470.63
53774	07/25/2018	Reconciled		18121	RCH GROUP, INC.	MAIDU CEQA	9,027.29
53775	07/25/2018	Printed		18194	RGS - REGIONAL GOV SERVICES	JUNE 2018 PLANNING SVCS	3,500.00
53776	07/25/2018	Reconciled		18883	SAC-VAL JANITORIAL SUPPLY	SUPPLIES	323.42
53777	07/25/2018	Printed		19070	SCORE - SMALL CITIES ORGANIZED	WORKERS COMP & LIABILITY INS	98,845.13
53778	07/25/2018	Reconciled		01790	SIERRA OFFICE PRODUCTS	STMT 7/2/18	140.60
53779	07/25/2018	Reconciled		19396	SIERRA SAFETY COMPANY	SIGNAGE	473.12
53780	07/25/2018	Printed		19519(2)	SOROPTIMIST	FIESTA DE MAYO EVENT REFUND	100.00
53781	07/25/2018	Reconciled		22240	VULCAN MATERIALS COMPANY	ASPHALT	887.47
53782	07/25/2018	Printed		23169	WAVE BUSINESS SOLUTIONS	INTERNET	159.90
53783	07/25/2018	Printed		23169	WAVE BUSINESS SOLUTIONS	PHONE	16.38
53784	07/25/2018	Printed		23169	WAVE BUSINESS SOLUTIONS	FIRE DEPT PHONE	33.64
53785	07/25/2018	Printed		23301	WESTERN PLACER WASTE	JUNE 2018 SLUDGE REMOVAL	808.83
53786	07/30/2018	Reconciled		2087	BASIC PACIFIC	FSA PLAN FEES	45.00

Total Checks: 82 Checks Total (excluding void checks): 317,337.24

Total Payments: 82 Bank Total (excluding void checks): 317,337.24

Total Payments: 82 Grand Total (excluding void checks): 317,337.24

DAILY CASH SUMMARY REPORT

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07/01/2018 - 07/31/2018

City of Colfax

MJE No.	Line	Posting Date	Type	GL Number	Debit	Credit	Net Chng
Fund: 100 - General Fund							
103696	2	07/03/2018	CR	100-000-1000	301.94	0.00	301.94
07/03/2018	Daily Totals				301.94	0.00	301.94
103551	2	07/10/2018	CR	100-000-1000	432.00	0.00	432.00
103552	2	07/10/2018	CR	100-000-1000	567.00	0.00	567.00
103553	2	07/10/2018	CR	100-000-1000	1,000.00	0.00	1,000.00
103555	2	07/10/2018	CR	100-000-1000	79.00	0.00	79.00
103556	2	07/10/2018	CR	100-000-1000	41.50	0.00	41.50
103557	2	07/10/2018	CR	100-000-1000	79.00	0.00	79.00
103558	2	07/10/2018	CR	100-000-1000	427.35	0.00	427.35
103559	2	07/10/2018	CR	100-000-1000	318.25	0.00	318.25
103560	2	07/10/2018	CR	100-000-1000	193.21	0.00	193.21
103561	2	07/10/2018	CR	100-000-1000	372.86	0.00	372.86
103562	2	07/10/2018	CR	100-000-1000	262.25	0.00	262.25
103563	2	07/10/2018	CR	100-000-1000	156.81	0.00	156.81
103564	2	07/10/2018	CR	100-000-1000	450.50	0.00	450.50
103565	2	07/10/2018	CR	100-000-1000	984.00	0.00	984.00
103566	2	07/10/2018	CR	100-000-1000	861.50	0.00	861.50
07/10/2018	Daily Totals				6,225.23	0.00	6,225.23
103594	2	07/11/2018	CR	100-000-1000	262.00	0.00	262.00
103699	2	07/11/2018	CR	100-000-1000	100.00	0.00	100.00
07/11/2018	Daily Totals				362.00	0.00	362.00
103595	2	07/12/2018	CR	100-000-1000	25.00	0.00	25.00
103596	2	07/12/2018	CR	100-000-1000	255.00	0.00	255.00
103600	2	07/12/2018	CR	100-000-1000	164.25	0.00	164.25
103601	2	07/12/2018	CR	100-000-1000	582.50	0.00	582.50
103698	2	07/12/2018	CR	100-000-1000	60.00	0.00	60.00
103700	2	07/12/2018	CR	100-000-1000	44.00	0.00	44.00
07/12/2018	Daily Totals				1,130.75	0.00	1,130.75
103960	2	07/13/2018	CR	100-000-1000	0.00	200.58	-200.58
07/13/2018	Daily Totals				0.00	200.58	-200.58
103690	2	07/16/2018	CR	100-000-1000	289.50	0.00	289.50
103691	2	07/16/2018	CR	100-000-1000	1,031.25	0.00	1,031.25
103692	2	07/16/2018	CR	100-000-1000	1,217.71	0.00	1,217.71
103693	2	07/16/2018	CR	100-000-1000	1,261.62	0.00	1,261.62
103695	2	07/16/2018	CR	100-000-1000	1,064.50	0.00	1,064.50
103697	2	07/16/2018	CR	100-000-1000	0.00	285.52	-285.52
07/16/2018	Daily Totals				4,864.58	285.52	4,579.06
103701	2	07/17/2018	CR	100-000-1000	1,628.10	0.00	1,628.10
103702	2	07/17/2018	CR	100-000-1000	20.00	0.00	20.00
103703	2	07/17/2018	CR	100-000-1000	173.00	0.00	173.00
103704	2	07/17/2018	CR	100-000-1000	346.25	0.00	346.25
103705	2	07/17/2018	CR	100-000-1000	100.00	0.00	100.00
07/17/2018	Daily Totals				2,267.35	0.00	2,267.35

DAILY CASH SUMMARY REPORT

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07/01/2018 - 07/31/2018

City of Colfax

MJE No.	Line	Posting Date	Type	GL Number	Debit	Credit	Net Chng	
103807	2	07/24/2018	CR	100-000-1000	700.00	0.00	700.00	
103808	2	07/24/2018	CR	100-000-1000	175.00	0.00	175.00	
103810	2	07/24/2018	CR	100-000-1000	1.50	0.00	1.50	
103827	2	07/24/2018	CR	100-000-1000	85,235.90	0.00	85,235.90	
07/24/2018		Daily Totals			86,112.40	0.00	86,112.40	
103811	2	07/25/2018	CR	100-000-1000	135.50	0.00	135.50	
103813	2	07/25/2018	CR	100-000-1000	432.00	0.00	432.00	
103814	2	07/25/2018	CR	100-000-1000	79.00	0.00	79.00	
103815	2	07/25/2018	CR	100-000-1000	739.50	0.00	739.50	
103817	2	07/25/2018	CR	100-000-1000	0.00	500.00	-500.00	
07/25/2018		Daily Totals			1,386.00	500.00	886.00	
103828	2	07/27/2018	CR	100-000-1000	500.00	0.00	500.00	
103829	2	07/27/2018	CR	100-000-1000	2,769.62	0.00	2,769.62	
103831	2	07/27/2018	CR	100-000-1000	374.75	0.00	374.75	
103832	2	07/27/2018	CR	100-000-1000	318.50	0.00	318.50	
103833	2	07/27/2018	CR	100-000-1000	50.00	0.00	50.00	
103844	2	07/27/2018	CR	100-000-1000	79.00	0.00	79.00	
07/27/2018		Daily Totals			4,091.87	0.00	4,091.87	
103845	2	07/31/2018	CR	100-000-1000	502.00	0.00	502.00	
07/31/2018		Daily Totals			502.00	0.00	502.00	
Fund: 100 - General Fund					TOTALS:	107,244.12	986.10	106,258.02
Fund: 205 - Escrow Account - Developers								
103607	2	07/13/2018	CR	205-000-1000	120,000.00	0.00	120,000.00	
07/13/2018		Daily Totals			120,000.00	0.00	120,000.00	
103957	2	07/30/2018	CR	205-000-1000	101,615.00	0.00	101,615.00	
07/30/2018		Daily Totals			101,615.00	0.00	101,615.00	
103958	2	07/31/2018	CR	205-000-1000	0.07	0.00	0.07	
103959	2	07/31/2018	CR	205-000-1000	2.46	0.00	2.46	
07/31/2018		Daily Totals			2.53	0.00	2.53	
Fund: 205 - Escrow Account - Developers					TOTALS:	221,617.53	0.00	221,617.53
Fund: 244 - CDBG MicroEnterprise Lending								
103846	2	07/31/2018	CR	244-000-1000	1,000.00	0.00	1,000.00	
07/31/2018		Daily Totals			1,000.00	0.00	1,000.00	
Fund: 244 - CDBG MicroEnterprise Lending					TOTALS:	1,000.00	0.00	1,000.00

Limited to include: JE Types of: CR

DAILY CASH SUMMARY REPORT

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07/01/2018 - 07/31/2018

City of Colfax

MJE No.	Line	Posting Date	Type	GL Number	Debit	Credit	Net Chng	
Fund: 253 - Gas Taxes								
103816	2	07/20/2018	CR	253-000-1000	1,800.03	0.00	1,800.03	
07/20/2018		Daily Totals			1,800.03	0.00	1,800.03	
103915	2	07/31/2018	CR	253-000-1000	4,679.67	0.00	4,679.67	
103965	2	07/31/2018	CR	253-000-1000	1,000.00	0.00	1,000.00	
103966	2	07/31/2018	CR	253-000-1000	0.00	1,000.00	-1,000.00	
07/31/2018		Daily Totals			5,679.67	1,000.00	4,679.67	
Fund: 253 - Gas Taxes					TOTALS:	7,479.70	1,000.00	6,479.70
Fund: 292 - Fire Department Capital Funds								
103608	2	07/13/2018	CR	292-000-1000	30,000.00	0.00	30,000.00	
07/13/2018		Daily Totals			30,000.00	0.00	30,000.00	
103694	2	07/16/2018	CR	292-000-1000	17,950.99	0.00	17,950.99	
07/16/2018		Daily Totals			17,950.99	0.00	17,950.99	
Fund: 292 - Fire Department Capital Funds					TOTALS:	47,950.99	0.00	47,950.99
Fund: 560 - Sewer								
103518	2	07/05/2018	CR	560-000-1000	200.00	0.00	200.00	
07/05/2018		Daily Totals			200.00	0.00	200.00	
103597	2	07/12/2018	CR	560-000-1000	61.33	0.00	61.33	
07/12/2018		Daily Totals			61.33	0.00	61.33	
103812	2	07/23/2018	CR	560-000-1000	300,000.00	0.00	300,000.00	
07/23/2018		Daily Totals			300,000.00	0.00	300,000.00	
Fund: 560 - Sewer					TOTALS:	300,261.33	0.00	300,261.33
Fund: 561 - Sewer Liftstations								
103554	2	07/10/2018	CR	561-000-1000	560.00	0.00	560.00	
07/10/2018		Daily Totals			560.00	0.00	560.00	
103598	2	07/12/2018	CR	561-000-1000	407.00	0.00	407.00	
103599	2	07/12/2018	CR	561-000-1000	407.00	0.00	407.00	
07/12/2018		Daily Totals			814.00	0.00	814.00	
103830	2	07/27/2018	CR	561-000-1000	407.00	0.00	407.00	
07/27/2018		Daily Totals			407.00	0.00	407.00	

DAILY CASH SUMMARY REPORT

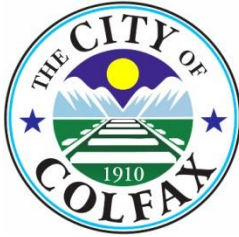
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07/01/2018 - 07/31/2018

City of Colfax

MJE No.	Line	Posting Date	Type	GL Number	Debit	Credit	Net Chng	
Fund: 561 - Sewer Liftstations					TOTALS:	1,781.00	0.00	1,781.00
Fund: 570 - Garbage Fund								
103806	2	07/24/2018	CR	570-000-1000	11,836.56	0.00	11,836.56	
07/24/2018		Daily Totals			11,836.56	0.00	11,836.56	
Fund: 570 - Garbage Fund					TOTALS:	11,836.56	0.00	11,836.56
Fund: 572 - Landfill Post Closure Mainten								
103809	2	07/24/2018	CR	572-000-1000	20,519.59	0.00	20,519.59	
07/24/2018		Daily Totals			20,519.59	0.00	20,519.59	
Fund: 572 - Landfill Post Closure Mainten					TOTALS:	20,519.59	0.00	20,519.59
GRAND TOTALS:					719,690.82	1,986.10	717,704.72	



STAFF REPORT TO THE COLFAX CITY COUNCIL

FOR THE AUGUST 22, 2018 COUNCIL MEETING

FROM: Wes Heathcock, City Manager
PREPARED BY: Chris J. Clardy, Community Services Director
DATE: August 13, 2018
SUBJECT: Department of General Services Surplus Property Program

<input checked="" type="checkbox"/>	N/A	<input type="checkbox"/>	FUNDED	<input type="checkbox"/>	UN-FUNDED	AMOUNT:	FROM FUND: To be determined with specific purchases
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RECOMMENDED ACTION: Adopt Resolution 54-2018 authorizing the Community Services Director or City Manager to acquire surplus property through the auspices of the California State Agency for Surplus Property in the form provided by the Department of General Services.

BACKGROUND AND ANALYSIS:

The City of Colfax desires to acquire used goods otherwise known as surplus items from the State of California. The State requires an application and a resolution provided by the California Department of General Services. The City of Colfax's eligibility with the Surplus Property Reutilization Program expired in April 2018. In order for the City to renew its eligibility for another three years, the City Council will need to adopt the attached resolution and approve the application.

Staff recommends approving the application and adopting the resolution for eligibility to participate in the state and federal surplus property program.

ATTACHMENTS:

1. State Application for Eligibility
2. Resolution 54-2018 on State Form
3. Supporting documents for Application

**STATE OF CALIFORNIA
NEW APPLICATION FOR ELIGIBILITY
STATE & FEDERAL SURPLUS PROPERTY PROGRAM**

In completing this form please print or type information.

A. Name of Organization City of Colfax Telephone 530-346-2313
Address 33 S. Main St. P.O. Box 702 Colfax County Placer Zip 95713
E-Mail Address _____ Fax Number _____

1. Application is being made as a (please check one) (a) Public agency or (b) qualified nonprofit and tax-exempt organization . Check all spaces that apply and provide all requested data.

B. PUBLIC AGENCY: Check either state or local

- Conservation
- Economic Development
- Education
- Grade Level _____
(Preschool, K-12, college)
- Enrollment _____
- No. of faculty _____
- No. of days in school year _____
- Parks & Recreation
- Public Health
- Public Safety
- Two or more of above
- Other (specify) Municipality

NONPROFIT AGENCY OR ORGANIZATION:

- Education
- Grade Level _____
(Preschool, K-12, college)
- School for the mentally or physically handicapped
- Enrollment _____
- No. of faculty _____
- No. of days in school year _____
- No. of school sites _____
- Educational radio or television station
- Museum
- Library
- Medical institution
- Hospital
- Health center
- Clinic
- Other (specify) _____

1. Are the applicant's services available to the public at large? YES If only a specified group of people is served, please indicate who comprises this group. _____

2. Checklist of signed and completed documents submitted with this application:

- SASP Form No. 202 "Resolution," properly signed and approved by the Governing Board designating representatives, including their signatures, authorized to bind the applicant organization to service fees submitted by the State of California.
- SASP Form No. 203, nondiscrimination compliance assurance.
- Certification Regarding Debarment, Suspension, Ineligibility, & Voluntary Exclusion as required by the General Services Administration of the U.S. Government.
- Other statements or documentation required, as may be specified.

Printed Name and Title of Administrator or Director: Chris J. Clardy Community Services Director
Date: 10 August 2018 Signature of Administrator or Director: [Signature]

FOR STATE SURPLUS AGENCY USE ONLY

Application approved _____ Application disapproved _____

Comments or additional information: _____

Date: _____ Signed: _____

Donee Number: _____ Billing Code: _____

STATE OF CALIFORNIA
DEPARTMENT OF GENERAL SERVICES
OFFICE OF FLEET AND ASSET MANAGEMENT
ELIGIBILITY APPLICATION (NEW)
SASP 202 (Rev 3/15)

City of Colfax
City Council
Resolution 54-2018



Governor Edmund G. Brown Jr.

RESOLUTION

"BE IT RESOLVED by the Governing Board, and hereby ordered that the official(s) and/or employee(s) whose name(s), title(s), and signature(s) are listed below shall be and is (are) hereby authorized as our representative(s) to acquire surplus property through the auspices of the California State Agency for Surplus Property and accept responsibility for payment of incidental fees by the surplus property agency under the Terms and Conditions accompanying this form or listed on the reverse side of this form."

NAME (Print or Type)	TITLE	SIGNATURE*	E-MAIL ADDRESS
A. <u>Chris J. Clardy</u>	<u>Community Services Director</u>	<u>[Signature]</u>	<u>Chris.Clardy@colfax-ca.gov</u>
<u>Wes Heathcock</u>	<u>City Manager</u>	<u>[Signature]</u>	<u>wes.heathcock@colfax-ca.gov</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

***Note: All signatures must be in original form. No copied or stamped signatures**

B. The above resolution was PASSED AND ADOPTED this 22nd day of August, 2018, by the Governing Board of the:
City of Colfax Agency Name by the following vote: AYES: _____; NOES: _____; ABSENT: _____

I, _____ Clerk of the Governing Board known as _____

Do hereby certify that the foregoing is a full, true and correct resolution adopted by the governing board of the below named organization at the meeting thereof held at its regular place of meeting on this date and by the vote above stated, a copy of said resolution is on file in the principal office of the Governing Board.

Signed by: _____

City of Colfax
Name of Organization

PO Box 702
Mailing Address

Colfax City, 95713 Zip Code, Placer County

NOTE: ALL LOCAL GOVERNMENT & NON-PROFIT INCORPORATED ORGANIZATIONS HAVE A GOVERNING BOARD, THEREFORE COMPLETE ONLY SECTIONS "A" & "B". THE FOLLOWING SECTION "C" IS FOR STATE AGENCIES ONLY

C. AUTHORIZED this _____ day of _____, 20____, by: _____
Signature of Administrative Officer

Printed Name of Chief Administrative Officer _____ Title _____

Organization Name _____ Street Address _____

City _____ ZIP Code _____ County _____

STATE OF CALIFORNIA AGENCIES ARE REQUIRED TO PROVIDE THEIR STATE BILLING CODE: _____

STATE OF CALIFORNIA
DEPARTMENT OF GENERAL SERVICES
OFFICE OF FLEET AND ASSET MANAGEMENT
SASP 203 (Rev 3/15)

ASSURANCE OF COMPLIANCE WITH GSA REGULATIONS UNDER TITLE VI OF THE CIVIL RIGHTS ACT OF 1964, SECTION 606 OF TITLE VI OF THE FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949, AS AMENDED, SECTION 504 OF THE REHABILITATION ACT OF 1973, AS AMENDED, TITLE IX OF THE EDUCATION AMENDMENTS OF 1972, AS AMENDED AND SECTION 303 OF THE AGE DISCRIMINATION ACT OF 1975

City of Colfax, (hereinafter called the "donee"),
(Name of donee organization)

HEREBY AGREES THAT the program for or in connection with which any property is donated to the donee will be conducted in compliance with, and the donee will comply with and will require any other person (any legal entity) who through contractual or other arrangements with the donee is authorized to provide services or benefits under said program to comply with, all requirements imposed by or pursuant to the regulations of the General Services Administration (41 CFR 101-6.2) issued under the provisions of Title VI of the Civil Rights Act of 1964, Section 606 of Title VI of the Federal Property and Administrative Services Act of 1949, as amended, Section 504 of the Rehabilitation Act of 1973, as amended, Title IX of the Education Amendments of 1972, as amended, and Section 303 of the Age Discrimination Act of 1975, to the end that no person in the United States shall on the ground of race, color, national origin, sex, or age, or that no otherwise qualified handicapped person shall solely by reason of the handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity for which the donee received Federal assistance from the General Services Administration; and HEREBY GIVES ASSURANCE THAT it will immediately take any measures necessary to effectuate this agreement.

The donee further agrees that this agreement shall be subject in all respects to the provisions of said regulations; that this agreement shall obligate the donee for the period during which it retains ownership or possession of any such property; that the United States shall have the right to seek judicial enforcement of this agreement; and, this agreement shall be binding upon any successor in interest of the donee and the word "donee" as used herein includes any such successor in interest.

Date 10 August 2018 City of Colfax
Donee Organization

BY _____
(President/Chairman of the Board or comparable authorized official)

33 S. Main St.
P.O. Box 702
Colfax, CA 95713
Donee Mailing Address

STATE OF CALIFORNIA
NEW APPLICATION FOR ELIGIBILITY
STATE & FEDERAL SURPLUS PROPERTY PROGRAM

Pursuant to Federal Regulation 28 C.F.R. §§ 42.401 - 42.415, a recipient is mandated to report to the Federal Government the racial and national origins of all persons within your service area. You are therefore asked to supply the Office of Fleet and Asset Management with the race and national origins of individuals you serve in your service area (it may be helpful to refer to the US Census to determine the racial makeup of your service area at www.factfinder.census.gov/). This form must be completed and returned with the rest of the eligibility packet in order to qualify for the Federal Surplus Property Program. Your answers on this form in no way affect your eligibility; however, not returning the form will delay the processing of your application.

American Indian or Alaskan Native % <u>1.5</u>	Persons having origins in any of the tribal people of North America, and who maintain cultural identification through tribal affiliation or community recognition.
Asian / Pacific Islander % <u>0.0</u>	Persons having origins in any of the original peoples of the far east, Southeast Asia, Pacific Islands, or the Indian Subcontinent. This includes China, Japan, Korea, The Philippines, and Samoa.
Black % <u>.7</u>	Persons having origins in any of the black racial groups of Africa.
Hispanic % <u>4.7</u>	Persons of Mexican, Puerto Rican, Cuban, Central or South American, or other Spanish culture or origin, regardless of race.
White % <u>92.9</u>	Person having origins in any of the original people of Europe, North Africa, or the Middle East.
Other % <u>.2</u>	(Specify) <u>Two or More</u>

Print Name Chris J. Clardy

Title Community Services Director

Signature 

Date 10 August 2018

CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION - LOWER TIER COVERED TRANSACTIONS

This certification is required by the General Services Administration regulations implementing Executive Order 12549-41 CFR 105-68 - for all lower tier transactions meeting the requirements stated at 41 CFR 105-68.110.

Instructions for Certification

- 1. By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below.
2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into.
3. The prospective lower tier participant shall provide immediate written notice to the person to whom this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or had become erroneous by reason of changed circumstances.
4. The terms 'covered transaction,' 'debarred,' 'suspended,' 'ineligible,' 'lower tier covered transaction,' 'participant,' 'person,' 'primary covered transaction,' 'principal,' 'proposal,' and 'voluntarily excluded,' as used in this clause, have the meanings set out in the Definitions and Coverage section of rule implementing Executive Order 12549.
5. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.
6. The prospective lower tier participant further agrees by submitting this proposal that it will include this clause titled 'Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transaction,' without modification, in all lower tier covered transactions and in all solicitation for lower tier covered transactions.
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from covered transactions, unless it knows that the certification is erroneous.
8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause.
9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

Certification

- (1) The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in this transaction by any Federal department or agency.
(2) Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

NAME OF DONEE APPLICANT: City of Colfax
NAME AND TITLE OF AUTHORIZED REPRESENTATIVE: Chris J. Clardy, Community Services Director
SIGNATURE: [Handwritten Signature] DATE: 10 August 2018

**Certifications and Agreements including Terms, Conditions, Reservations and Restrictions to be included
On Agency Issued or Distribution Documents**

A) The Donee Certifies That:

- 1) It is a public agency; or an approved non-profit institution or organization, exempt from taxation under Section 501 of the Internal Revenue Code of 1986; within the meaning of Section 203(j) of the Federal Property and Administrative Services Act of 1949, as amended, and the regulations of the General Services Administration (GSA).
- 2) The property is needed and will be used by the recipient for carrying out for the residents of a given political area one or more public purposes, or, if a nonprofit tax-exempt institution or organization or 8(a) business, the property is needed for and will be used by the recipient for educational or public health purposes, or for programs for older individuals, or for business purposes. The property is not acquired for any other use or purpose, or for sale or other distribution; or for permanent use outside the State, except with prior approval of the CSASP.
- 3) Funds are available to pay any and all costs and charges incidental to the receipt of surplus property, and that property is not being acquired for any other use(s) or purpose(s), is not for sale. The fee schedule is available upon request from the CSASP.
- 4) Any transaction shall be subject to the nondiscrimination regulations governing the donation of federal surplus personal property issued under Title VI of the Civil Rights Act of 1964 (41 USC 2000d-2000d-4a), as amended, section 504 of the Rehabilitation Act of 1973, as amended, Title IX of the Education Amendments of 1972, as amended, section 303 of the Age Discrimination Act of 1975, and the Civil Rights Restoration Act of 1987.
- 5) If the Donee is designated by the Federal Small Business Administration 8(a) Program as a socially and economically disadvantaged small business and the SBA and CSASP have both determined the Donee is eligible to receive federal surplus property as a donation, the Donee certifies that the property acquired is needed and will be used solely for the conduct of the Donee's business enterprise: and the Donee certifies to A. (3), (4) and (5).

B) The Donee Agrees to the Following Federal Conditions:

- 1) All items of property, other than items with a unit acquisition cost of \$5000 or more and passenger motor vehicles, regardless of acquisition cost, shall be placed in use for the purpose(s) for which it was acquired within one year or receipt, and shall be placed in continuous use for one year from the date the property was placed in use. In the event the Donee does not place the property in use, or continuous use, the Donee shall immediately notify the CSASP, and, at the Donee's expense, make the property available for transfer or other disposal as directed by the CSASP.
- 2) Special handling or use limitations as are imposed by Federal GSA on any item(s) under which the item(s) are being allocated to the Donee.
- 3) In the event the Donee does not use the property as required by Sections C (1) and (2) below, at the option of the GSA, title and right to the possession of such property shall revert to the United States of America and, upon demand, the Donee shall release such property to such person as GSA or its designee shall direct.

C) The Donee Agrees to the Following Conditions Applicable to Items with a Unit Acquisition Cost of \$5,000 or More and Passenger Motor Vehicles, Regardless of Cost. Except Vessels 50 Feet or More in Length and Aircraft Regardless of Acquisition Cost:

- 1) The property shall be placed in use within one year of receipt, and shall be used only for the purpose(s) for which it was acquired and for no other purpose(s).
- 2) There shall be a period of restriction which will expire after such property has been used for the purpose(s) for which it is acquired for a period of 18 months from the date the property is placed in use, except for such item(s) of major equipment for which the CSASP designates a further period of restriction.
- 3) In the event the property is not so used as required by Sections C (1) and (2), at the option of the CSASP, title and right to the possession of such property shall, at the option of the CSASP, revert to the State of California, and the Donee shall release such property to such person as the CSASP shall direct.

D) The Donee Agrees to the Following Terms, Reservations and Restrictions:

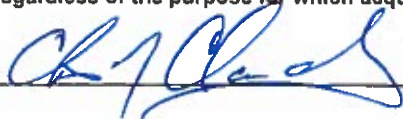
- 1) From the date it receives the property and throughout the time period(s) imposed by Sections B and C (as applicable) remain in effect, the Donee shall not sell, trade, lease, lend, bail, cannibalize, encumber, or otherwise dispose of such property, or remove it permanently, for use outside the State of California, without the prior approval of GSA or the CSASP. The proceeds from any sale, trade, lease, loan, bailment, encumbrance or other disposal of the property, when the GSA or the CSASP authorizes such action, shall be remitted promptly by the Donee to GSA or the CSASP, as applicable. If the Donee takes action in ignoring or disregarding the foregoing restrictions after the date the Donee received the property and before expiration of the time periods imposed by Sections C or D as applicable, at the option of the GSA or the CSASP, the Donee shall pay to the GSA or the CSASP any proceeds derived from the disposal, and/or the fair market or rental value of the property at the time of such unauthorized disposal as determined by the GSA or the CSASP as applicable.
- 2) If at any time, from the date the Donee receives the property throughout the time periods by Sections B and C as applicable, the Donee determines that some or all of the property is no longer suitable, usable, or further needed for the purpose(s) for which it was acquired, the Donee shall promptly notify the CSASP and shall, as directed by the CSASP, return the property to the CSASP, or release the property to another Donee or another state agency, or a department or agency of the United States, or sell or otherwise dispose of the property. The Donee shall remit the proceeds from the sale promptly to the CSASP.
- 3) The Donee shall make reports to the CSASP which shall state the use, condition, and location of the property, and shall report on other pertinent matters as may be required from time to time by the CSASP.
- 4) At the option of the CSASP, the Donee may abrogate the conditions set forth in Section B and the terms, reservations and restrictions pertaining in Section D by payment of an amount as determined by the CSASP.

E) The donee Agrees to the Following Conditions, Applicable to all Items of Property:

- 1) The property acquired by the Donee is on an "As Is," "where is" basis, without warranty of any kind.
- 2) If the Donee carries insurance against damages to or loss of property due because of fire or other hazards, and the damage to, loss or destruction to donated property with unexpired terms, conditions, reservations or restrictions, occurs, the CSASP will be entitled to reimbursement from the Donee out of the insurance proceeds, in an amount equal to the unamortized portion of the fair value of the damaged or destroyed donated property.

F) Terms, conditions, reservations and restrictions set forth in the Conditional Transfer Document executed by the authorized Donee representative are applicable to the donation of Aircraft and Vessels of 50 Feet or more in length having an acquisition cost of \$5,000 or more in length or more, regardless of the purpose for which acquired.

SIGNATURE: _____



DATE: _____



Application Checklist

Government and Special Districts

State Agency
 County
 City
 Public School / District (College's, Universities)
 Special District (Water Districts, Cemetery's, Utilities)

Name of Organization: City of Colfax

Contact Name: Chris J. Clardy

Contact Name: Phone Number/Email Address:
(530) 346-2313 Chris.Clardy@Colfax-CA.gov

Form 201 – Application	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Form 202 – Resolution with Board Minutes (When Applicable)	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Form 203 – Non-Discrimination Certification	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Form 204 – Racial Demographic and National Origins of all Persons within your service Area (https://factfinder.census.gov)	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Debarment Form	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Sign and Date Terms and Conditions	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Proof of State/Public Agency Status (Listing in State Directory etc.)	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Current CBEDS or WASC (if applicable) (https://dq.cde.ca.gov/dataquest/)	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Return Completed Original Application to: Federal Surplus Property Program 1700 National Drive Sacramento, CA 95834 (Please maintain a copy for your records)	Yes <input type="checkbox"/>	No <input type="checkbox"/>

Adel Auth. Rep's.

Clerk & City Manager

N/A

N/A

- Eligibility is limited to the period covered by the certification. Certifications are generally issued on an annual basis; therefore, the provider must update annually or as required by the approval on their certification.

Notes:

Reviewed by:	Date:
Approved: Yes <input type="checkbox"/> No <input type="checkbox"/>	Expires:
New <input type="checkbox"/> Renewal <input type="checkbox"/>	Billing Code:
Donee Number:	

July 31, 2018

Dear City of Colfax,

The **City of Colfax** eligibility with the Federal Surplus Property Reutilization Program expires **05/04/2018**. In order for your organization to renew its eligibility for another three years, the enclosed *Eligibility Application* (Form 201-A), the *Certification Regarding Debarment, Suspension, Terms and Conditions, Ineligibility and Voluntary Exclusion – Lower Tier Covered Transactions* and the *Compliance with Civil Rights* (Form 203) must be completed. Until these forms are submitted and verified, your organization will be ineligible to receive any additional surplus property.

On the Form 201-A, Section A, please provide all information to the best of your ability. In Section B, please provide the names of no more than five individuals whom you authorize to screen and obtain federal and state surplus personal property on behalf of your organization. Be sure to also include their titles and original signatures. All information submitted under Section B must be completed and signed by your governing board or council secretary.

In addition to completing the Forms, please have your board or council secretary read and sign the enclosed federal form, *Certification Regarding Debarment*. For the purpose of this form, your agency is considered the "Donee."

Once you have completed the aforementioned forms, submit them to my attention at the below address at your earliest convenience. As with previous submissions, please keep in mind we cannot accept copies of any completed form, and incomplete or incorrectly submitted documents will likely delay the processing of your eligibility forms.

Again, this is a renewal for the Federal Surplus Property Program. If you have any questions, please do not hesitate to contact me.

Sincerely,

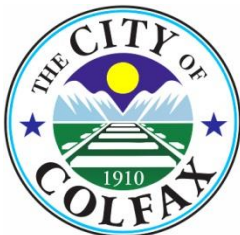


Candice Ramey
Federal Surplus Property Program
Eligibility Specialist
1700 National Drive Sacramento, CA 95834
Phone: (916) 928-2570 Fax: (916) 28-7965

RECEIVED

AUG 03 2018

CITY OF COLFAX



STAFF REPORT TO THE COLFAX CITY COUNCIL

FOR THE AUGUST 22, 2018 COUNCIL MEETING

FROM: Wes Heathcock, City Manager
PREPARED BY: Wes Heathcock, City Manager
DATE: August 15, 2018
SUBJECT: Lease Agreement for City-Owned Property at 99 Railroad Street, Suite 4

<input checked="" type="checkbox"/>	N/A	<input type="checkbox"/>	FUNDED	<input type="checkbox"/>	UN-FUNDED	AMOUNT:	FROM FUNDS:
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RECOMMENDED ACTION: Discuss staff recommendation and consider approval of a 1-year lease agreement with Rainbow Music at the reduced rental rate as presented.

Discussion and Summary

In February 2018, Council authorized the execution of a professional contract with Foothills Properties for the administration of the City rental properties. Under this contract, Foothills Properties has effectively leased the Depot Building, Suite #1 to Brian Machado as SmartWay Auto. SmartWay Auto is paying the market rate of \$1/ft², equaling \$250/month for a 3-year term.

Foothills Properties, in conjunction with City staff, has been working with the current tenant of 99 Railroad Street, Suite 4 - Rainbow Music (Rob & Christine Bonner) - to negotiate a reasonable lease agreement. The Bonner's previous lease expired in 2014 and has rented the property on a month to month basis since the conclusion of the lease agreement. The previous terms were \$480 monthly rent with the ability to reduce the monthly rent by up to \$330 if improvements and/or maintenance projects were made to the property. Historically, the Bonner's have paid \$150/month with the rent reduction justification submitted each month. Using the current fair market rate \$1/ft², the railcar rent would be \$650/month (65'x10'x\$1).

Staff is proposing a lease agreement that specifies the Bonner's rent is \$350/month with the ability to reduce the rent by \$150/month with a defined activity to qualify as credit for the rent reduction. The tenant is agreeing to install 12 custom-made replacement windows in the railcar as the qualifying rent reduction activity during the term of the new lease. The lease agreement is for 1-year starting September 1, 2018 and will default to a month to month tenancy with no rent reduction after September 30, 2019.

Staff and Foothills Property believe the rent is reasonable given the Bonner's history of maintaining the property and the uniqueness of the railcar which could reduce the potential for acquiring other tenants. At the conclusion of the lease agreement, staff will reevaluate the community benefit of renting the railcar to the current tenant or investigate an alternative use keeping in mind the potential development of the Colfax Hotel. Because the recommended lease agreement amount is less than market value, staff is looking for concurrence from Council to proceed with the lease agreement.

ATTACHMENTS:
Lease Agreement



CALIFORNIA ASSOCIATION OF REALTORS

COMMERCIAL LEASE AGREEMENT

(C.A.R. Form CL, Revised 12/15)

Date (For reference only): July 31, 2018

Foothill Properties ("Landlord") and Rob & Christine Bonner ("Tenant") agree as follows:

1. PROPERTY: Landlord rents to Tenant and Tenant rents from Landlord, the real property and improvements described as: Railcar - 99 Railroad Avenue, Suite 4 ("Premises") which comprise approximately 100.000 % of the total square footage of rentable space in the entire property. See exhibit for a further description of the Premises.

2. TERM: The term begins on (date) September 1, 2018 ("Commencement Date"), (Check A or B):

[X] A. Lease: and shall terminate on (date) September 30, 2019 at 5 AM [X] PM. Any holding over after the term of this agreement expires, with Landlord's consent, shall create a month-to-month tenancy that either party may terminate as specified in paragraph 2B. Rent shall be at a rate equal to the rent for the immediately preceding month, payable in advance. All other terms and conditions of this agreement shall remain in full force and effect.

[] B. Month-to-month: and continues as a month-to-month tenancy. Either party may terminate the tenancy by giving written notice to the other at least 30 days prior to the intended termination date, subject to any applicable laws. Such notice may be given on any date.

[] C. RENEWAL OR EXTENSION TERMS: See attached addendum

3. BASE RENT:

A. Tenant agrees to pay Base Rent at the rate of (CHECK ONE ONLY):

[X] (1) \$ 350.00 per month, for the term of the agreement. [] (2) \$ per month, for the first 12 months of the agreement. Commencing with the 13th month, and upon expiration of each 12 months thereafter, rent shall be adjusted according to any increase in the U.S. Consumer Price Index of the Bureau of Labor Statistics of the Department of Labor for All Urban Consumers ("CPI") for

(the city nearest the location of the Premises), based on the following formula: Base Rent will be multiplied by the most current CPI preceding the first calendar month during which the adjustment is to take effect, and divided by the most recent CPI preceding the Commencement Date. In no event shall any adjusted Base Rent be less than the Base Rent for the month immediately preceding the adjustment. If the CPI is no longer published, then the adjustment to Base Rent shall be based on an alternate index that most closely reflects the CPI.

[] (3) \$ per month for the period commencing and ending and \$ per month for the period commencing and ending and \$ per month for the period commencing and ending

[] (4) In accordance with the attached rent schedule.

[] (5) Other:

B. Base Rent is payable in advance on the 1st (or [X] 15th) day of each calendar month, and is delinquent on the next day.

C. If the Commencement Date falls on any day other than the first day of the month, Base Rent for the first calendar month shall be prorated based on a 30-day period. If Tenant has paid one full month's Base Rent in advance of Commencement Date, Base Rent for the second calendar month shall be prorated based on a 30-day period.

4. RENT:

A. Definition: ("Rent") shall mean all monetary obligations of Tenant to Landlord under the terms of this agreement, except security deposit.

B. Payment: Rent shall be paid to (Name) Foothill Properties at (address) 204 S. Auburn Street/PO Box 1531, Colfax, CA 95713, or at any other location specified by Landlord in writing to Tenant.

C. Timing: Base Rent shall be paid as specified in paragraph 3. All other Rent shall be paid within 30 days after Tenant is billed by Landlord.

5. EARLY POSSESSION: Tenant is entitled to possession of the Premises on

If Tenant is in possession prior to the Commencement Date, during this time (i) Tenant is not obligated to pay Base Rent, and (ii) Tenant [] is [] is not obligated to pay Rent other than Base Rent. Whether or not Tenant is obligated to pay Rent prior to Commencement Date, Tenant is obligated to comply with all other terms of this agreement.

6. SECURITY DEPOSIT:

A. Tenant agrees to pay Landlord \$ 500.00 as a security deposit. Tenant agrees not to hold Broker responsible for its return. (IF CHECKED:) [] If Base Rent increases during the term of this agreement, Tenant agrees to increase security deposit by the same proportion as the increase in Base Rent.

B. All or any portion of the security deposit may be used, as reasonably necessary, to: (i) cure Tenant's default in payment of Rent, late charges, non-sufficient funds ("NSF") fees, or other sums due; (ii) repair damage, excluding ordinary wear and tear, caused by Tenant or by a guest or licensee of Tenant; (iii) broom clean the Premises, if necessary, upon termination of tenancy; and (iv) cover any other unfulfilled obligation of Tenant. SECURITY DEPOSIT SHALL NOT BE USED BY TENANT IN LIEU OF PAYMENT OF LAST MONTH'S RENT. If all or any portion of the security deposit is used during tenancy, Tenant agrees to reinstate the total security deposit within 5 days after written notice is delivered to Tenant. Within 30 days after Landlord receives possession of the Premises, Landlord shall: (i) furnish Tenant an itemized statement indicating the amount of any security deposit received and the basis for its disposition, and (ii) return any remaining portion of security deposit to Tenant. However, if the Landlord's only claim upon the security deposit is for unpaid Rent, then the remaining portion of the security deposit, after deduction of unpaid Rent, shall be returned within 14 days after the Landlord receives possession.

C. No interest will be paid on security deposit, unless required by local ordinance.

Landlord's Initials () ()

Tenant's Initials () ()

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COMMERCIAL LEASE AGREEMENT (CL PAGE 1 OF 6)



Premises: Railcar - 99 Railroad Avenue, Suite 4

Date July 31, 2018

7. PAYMENTS:

	TOTAL DUE	PAYMENT RECEIVED	BALANCE DUE	DUE DATE
A. Rent From <u>09/01/2018</u> To <u>09/30/2018</u> Date Date	\$ <u>350.00</u>	\$ _____	\$ <u>350.00</u>	<u>09/15/2018</u>
B. Security Deposit	\$ <u>500.00</u>	\$ <u>500.00</u>	\$ _____	<u>Pd held by City</u>
C. Other: _____ Category	\$ _____	\$ _____	\$ _____	_____
D. Other: _____ Category	\$ _____	\$ _____	\$ _____	_____
E. Total:	\$ <u>850.00</u>	\$ <u>500.00</u>	\$ <u>350.00</u>	

8. PARKING: Tenant is entitled to First come first serve unreserved and _____ reserved vehicle parking spaces. The right to parking is is not included in the Base Rent charged pursuant to paragraph 3. If not included in the Base Rent, the parking rental fee shall be an additional \$ _____ per month. Parking space(s) are to be used for parking operable motor vehicles, except for trailers, boats, campers, buses or trucks (other than pick-up trucks). Tenant shall park in assigned space(s) only. Parking space(s) are to be kept clean. Vehicles leaking oil, gas or other motor vehicle fluids shall not be parked in parking spaces or on the Premises. Mechanical work or storage of inoperable vehicles is not allowed in parking space(s) or elsewhere on the Premises. No overnight parking is permitted.

9. ADDITIONAL STORAGE: Storage is permitted as follows: Within the interior of the Railcar. Exterior to remain free of debris. The right to additional storage space is is not included in the Base Rent charged pursuant to paragraph 3. If not included in Base Rent, storage space shall be an additional \$ _____ per month. Tenant shall store only personal property that Tenant owns, and shall not store property that is claimed by another, or in which another has any right, title, or interest. Tenant shall not store any improperly packaged food or perishable goods, flammable materials, explosives, or other dangerous or hazardous material. Tenant shall pay for, and be responsible for, the clean-up of any contamination caused by Tenant's use of the storage area.

10. LATE CHARGE; INTEREST; NSF CHECKS: Tenant acknowledges that either late payment of Rent or issuance of a NSF check may cause Landlord to incur costs and expenses, the exact amount of which are extremely difficult and impractical to determine. These costs may include, but are not limited to, processing, enforcement and accounting expenses, and late charges imposed on Landlord. If any installment of Rent due from Tenant is not received by Landlord within 5 calendar days after date due, or if a check is returned NSF, Tenant shall pay to Landlord, respectively, \$ 50.00 as late charge, plus 10% interest per annum on the delinquent amount and \$25.00 as a NSF fee, any of which shall be deemed additional Rent. Landlord and Tenant agree that these charges represent a fair and reasonable estimate of the costs Landlord may incur by reason of Tenant's late or NSF payment. Any late charge, delinquent interest, or NSF fee due shall be paid with the current installment of Rent. Landlord's acceptance of any late charge or NSF fee shall not constitute a waiver as to any default of Tenant. Landlord's right to collect a Late Charge or NSF fee shall not be deemed an extension of the date Rent is due under paragraph 4, or prevent Landlord from exercising any other rights and remedies under this agreement, and as provided by law.

11. CONDITION OF PREMISES: Tenant has examined the Premises and acknowledges that Premise is clean and in operative condition, with the following exceptions: 12+ Windows in need of replacement - Tenants bartering \$150 per month towards windows & garden. Items listed as exceptions shall be dealt with in the following manner: Tenant to finish repairing & installing the add'l Railcar windows with the 12 replacement windows stored in Railcar. All windows to be completed w/permits by end of lease term 9/30/19.

12. ZONING AND LAND USE: Tenant accepts the Premises subject to all local, state and federal laws, regulations and ordinances ("Laws"). Landlord makes no representation or warranty that Premises are now or in the future will be suitable for Tenant's use. Tenant has made its own investigation regarding all applicable Laws.

13. TENANT OPERATING EXPENSES: Tenant agrees to pay for all utilities and services directly billed to Tenant _____

14. PROPERTY OPERATING EXPENSES:

A. Tenant agrees to pay its proportionate share of Landlord's estimated monthly property operating expenses, including but not limited to, common area maintenance, consolidated utility and service bills, insurance, and real property taxes, based on the ratio of the square footage of the Premises to the total square footage of the rentable space in the entire property. _____

OR B. (If checked) Paragraph 14 does not apply.

15. USE: The Premises are for the sole use as Rainbow Music Company. No other use is permitted without Landlord's prior written consent. If any use by Tenant causes an increase in the premium on Landlord's existing property insurance, Tenant shall pay for the increased cost. Tenant will comply with all Laws affecting its use of the Premises.

16. RULES/REGULATIONS: Tenant agrees to comply with all rules and regulations of Landlord (and, if applicable, Owner's Association) that are at any time posted on the Premises or delivered to Tenant. Tenant shall not, and shall ensure that guests and licensees of Tenant do not, disturb, annoy, endanger, or interfere with other tenants of the building or neighbors, or use the Premises for any unlawful purposes, including, but not limited to, using, manufacturing, selling, storing, or transporting illicit drugs or other contraband, or violate any law or ordinance, or committing a waste or nuisance on or about the Premises.

17. MAINTENANCE:

A. Tenant OR (if checked, Landlord) shall professionally maintain the Premises including heating, air conditioning, electrical, plumbing and water systems, if any, and keep glass, windows and doors in operable and safe condition. Unless Landlord is checked, if Tenant fails to maintain the Premises, Landlord may contract for or perform such maintenance, and charge Tenant for Landlord's cost.

B. Landlord OR (if checked, Tenant) shall maintain the roof, foundation, exterior walls, common areas and Landscaping will be cared for by Colfax Public Works Dept and Tenants. Tenants to coordinate bartered gardening with Public Works.

Landlord's Initials (_____) (_____)

Tenant's Initials (_____) (_____)



Premises: Railcar - 99 Railroad Avenue, Suite 4

Date July 31, 2018

- 18. **ALTERATIONS:** Tenant shall not make any alterations in or about the Premises, including installation of trade fixtures and signs, without Landlord's prior written consent, which shall not be unreasonably withheld. Any alterations to the Premises shall be done according to Law and with required permits. Tenant shall give Landlord advance notice of the commencement date of any planned alteration, so that Landlord, at its option, may post a Notice of Non-Responsibility to prevent potential liens against Landlord's interest in the Premises. Landlord may also require Tenant to provide Landlord with lien releases from any contractor performing work on the Premises.
- 19. **GOVERNMENT IMPOSED ALTERATIONS:** Any alterations required by Law as a result of Tenant's use shall be Tenant's responsibility. Landlord shall be responsible for any other alterations required by Law.
- 20. **ENTRY:** Tenant shall make Premises available to Landlord or Landlord's agent for the purpose of entering to make inspections, necessary or agreed repairs, alterations, or improvements, or to supply necessary or agreed services, or to show Premises to prospective or actual purchasers, tenants, mortgagees, lenders, appraisers, or contractors. Landlord and Tenant agree that 24 hours notice (oral or written) shall be reasonable and sufficient notice. In an emergency, Landlord or Landlord's representative may enter Premises at any time without prior notice.
- 21. **SIGNS:** Tenant authorizes Landlord to place a FOR SALE sign on the Premises at any time, and a FOR LEASE sign on the Premises within the 90 (or _____) day period preceding the termination of the agreement.
- 22. **SUBLETTING/ASSIGNMENT:** Tenant shall not sublet or encumber all or any part of Premises, or assign or transfer this agreement or any interest in it, without the prior written consent of Landlord, which shall not be unreasonably withheld. Unless such consent is obtained, any subletting, assignment, transfer, or encumbrance of the Premises, agreement, or tenancy, by voluntary act of Tenant, operation of law, or otherwise, shall be null and void, and, at the option of Landlord, terminate this agreement. Any proposed sublessee, assignee, or transferee shall submit to Landlord an application and credit information for Landlord's approval, and, if approved, sign a separate written agreement with Landlord and Tenant. Landlord's consent to any one sublease, assignment, or transfer, shall not be construed as consent to any subsequent sublease, assignment, or transfer, and does not release Tenant of Tenant's obligation under this agreement.
- 23. **POSSESSION:** If Landlord is unable to deliver possession of Premises on Commencement Date, such date shall be extended to the date on which possession is made available to Tenant. However, the expiration date shall remain the same as specified in paragraph 2. If Landlord is unable to deliver possession within 60 (or _____) calendar days after the agreed Commencement Date, Tenant may terminate this agreement by giving written notice to Landlord, and shall be refunded all Rent and security deposit paid.
- 24. **TENANT'S OBLIGATIONS UPON VACATING PREMISES:** Upon termination of agreement, Tenant shall: (i) give Landlord all copies of all keys or opening devices to Premises, including any common areas; (ii) vacate Premises and surrender it to Landlord empty of all persons and personal property; (iii) vacate all parking and storage spaces; (iv) deliver Premises to Landlord in the same condition as referenced in paragraph 11; (v) clean Premises; (vi) give written notice to Landlord of Tenant's forwarding address; and (vii) Written Notice to be accepted on the first (1st) of the month.

All improvements installed by Tenant, with or without Landlord's consent, become the property of Landlord upon termination. Landlord may nevertheless require Tenant to remove any such improvement that did not exist at the time possession was made available to Tenant.

- 25. **BREACH OF CONTRACT/EARLY TERMINATION:** In event Tenant, prior to expiration of this agreement, breaches any obligation in this agreement, abandons the premises, or gives notice of tenant's intent to terminate this tenancy prior to its expiration, in addition to any obligations established by paragraph 24, Tenant shall also be responsible for lost rent, rental commissions, advertising expenses, and painting costs necessary to ready Premises for re-rental. Landlord may also recover from Tenant: (i) the worth, at the time of award, of the unpaid Rent that had been earned at the time of termination; (ii) the worth, at the time of award, of the amount by which the unpaid Rent that would have been earned after expiration until the time of award exceeds the amount of such rental loss the Tenant proves could have been reasonably avoided; and (iii) the worth, at the time of award, of the amount by which the unpaid Rent for the balance of the term after the time of award exceeds the amount of such rental loss that Tenant proves could be reasonably avoided. Landlord may elect to continue the tenancy in effect for so long as Landlord does not terminate Tenant's right to possession, by either written notice of termination of possession or by reletting the Premises to another who takes possession, and Landlord may enforce all Landlord's rights and remedies under this agreement, including the right to recover the Rent as it becomes due.
- 26. **DAMAGE TO PREMISES:** If, by no fault of Tenant, Premises are totally or partially damaged or destroyed by fire, earthquake, accident or other casualty, Landlord shall have the right to restore the Premises by repair or rebuilding. If Landlord elects to repair or rebuild, and is able to complete such restoration within 90 days from the date of damage, subject to the terms of this paragraph, this agreement shall remain in full force and effect. If Landlord is unable to restore the Premises within this time, or if Landlord elects not to restore, then either Landlord or Tenant may terminate this agreement by giving the other written notice. Rent shall be abated as of the date of damage. The abated amount shall be the current monthly Base Rent prorated on a 30-day basis. If this agreement is not terminated, and the damage is not repaired, then Rent shall be reduced based on the extent to which the damage interferes with Tenant's reasonable use of the Premises. If total or partial destruction or damage occurs as a result of an act of Tenant or Tenant's guests, (i) only Landlord shall have the right, at Landlord's sole discretion, within 30 days after such total or partial destruction or damage to treat the lease as terminated by Tenant, and (ii) Landlord shall have the right to recover damages from Tenant.
- 27. **HAZARDOUS MATERIALS:** Tenant shall not use, store, generate, release or dispose of any hazardous material on the Premises or the property of which the Premises are part. However, Tenant is permitted to make use of such materials that are required to be used in the normal course of Tenant's business provided that Tenant complies with all applicable Laws related to the hazardous materials. Tenant is responsible for the cost of removal and remediation, or any clean-up of any contamination caused by Tenant.
- 28. **CONDEMNATION:** If all or part of the Premises is condemned for public use, either party may terminate this agreement as of the date possession is given to the condemner. All condemnation proceeds, exclusive of those allocated by the condemner to Tenant's relocation costs and trade fixtures, belong to Landlord.
- 29. **INSURANCE:** Tenant's personal property, fixtures, equipment, inventory and vehicles are not insured by Landlord against loss or damage due to fire, theft, vandalism, rain, water, criminal or negligent acts of others, or any other cause. Tenant is to carry Tenant's own property insurance to protect Tenant from any such loss. In addition, Tenant shall carry (i) liability insurance in an amount of not less than \$ 1,000,000.00 and (ii) property insurance in an amount sufficient to cover the replacement cost of the property if Tenant is responsible for maintenance under paragraph 17B. Tenant's insurance shall name Landlord and Landlord's agent as additional insured. Tenant, upon Landlord's request, shall provide Landlord with a certificate of insurance establishing Tenant's compliance. Landlord shall maintain liability insurance insuring Landlord, but not Tenant, in an amount of at least \$ _____, plus property insurance in an amount sufficient to cover the replacement cost of the property unless Tenant is responsible for maintenance pursuant to paragraph 17B. Tenant is advised to carry business interruption insurance in an amount at least sufficient to cover Tenant's complete rental obligation to Landlord. Landlord is advised to obtain a policy of rental loss insurance. Both Landlord and Tenant release each other, and waive their respective rights to subrogation against each other, for loss or damage covered by insurance.

Landlord's Initials (_____) (_____)

Tenant's Initials (_____) (_____)

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COMMERCIAL LEASE AGREEMENT (CL PAGE 3 OF 6)



Premises: Railcar - 99 Railroad Avenue, Suite 4

Date July 31, 2018

30. **TENANCY STATEMENT (ESTOPPEL CERTIFICATE):** Tenant shall execute and return a tenancy statement (estoppel certificate), delivered to Tenant by Landlord or Landlord's agent, within 3 days after its receipt. The tenancy statement shall acknowledge that this agreement is unmodified and in full force, or in full force as modified, and state the modifications. Failure to comply with this requirement (i) shall be deemed Tenant's acknowledgment that the tenancy statement is true and correct, and may be relied upon by a prospective lender or purchaser; and (ii) may be treated by Landlord as a material breach of this agreement. Tenant shall also prepare, execute, and deliver to Landlord any financial statement (which will be held in confidence) reasonably requested by a prospective lender or buyer.

31. **LANDLORD'S TRANSFER:** Tenant agrees that the transferee of Landlord's interest shall be substituted as Landlord under this agreement. Landlord will be released of any further obligation to Tenant regarding the security deposit, only if the security deposit is returned to Tenant upon such transfer, or if the security deposit is actually transferred to the transferee. For all other obligations under this agreement, Landlord is released of any further liability to Tenant, upon Landlord's transfer.

32. **SUBORDINATION:** This agreement shall be subordinate to all existing liens and, at Landlord's option, the lien of any first deed of trust or first mortgage subsequently placed upon the real property of which the Premises are a part, and to any advances made on the security of the Premises, and to all renewals, modifications, consolidations, replacements, and extensions. However, as to the lien of any deed of trust or mortgage entered into after execution of this agreement, Tenant's right to quiet possession of the Premises shall not be disturbed if Tenant is not in default and so long as Tenant pays the Rent and observes and performs all of the provisions of this agreement, unless this agreement is otherwise terminated pursuant to its terms. If any mortgagee, trustee, or ground lessor elects to have this agreement placed in a security position prior to the lien of a mortgage, deed of trust, or ground lease, and gives written notice to Tenant, this agreement shall be deemed prior to that mortgage, deed of trust, or ground lease, or the date of recording.

33. **TENANT REPRESENTATIONS; CREDIT:** Tenant warrants that all statements in Tenant's financial documents and rental application are accurate. Tenant authorizes Landlord and Broker(s) to obtain Tenant's credit report at time of application and periodically during tenancy in connection with approval, modification, or enforcement of this agreement. Landlord may cancel this agreement (i) before occupancy begins, upon disapproval of the credit report(s); or (ii) at any time, upon discovering that information in Tenant's application is false. A negative credit report reflecting on Tenant's record may be submitted to a credit reporting agency, if Tenant fails to pay Rent or comply with any other obligation under this agreement.

34. **CONSTRUCTION-RELATED ACCESSIBILITY STANDARDS:** Landlord states that the Premises has, or has not been inspected by a Certified Access Specialist. If so, Landlord states that the Premises has, or has not been determined to meet all applicable construction-related accessibility standards pursuant to Civil Code Section 55.53.

35. **DISPUTE RESOLUTION:**

A. **MEDIATION:** Tenant and Landlord agree to mediate any dispute or claim arising between them out of this agreement, or any resulting transaction, before resorting to arbitration or court action, subject to paragraph 35B(2) below. Paragraphs 35B(2) and (3) apply whether or not the arbitration provision is initiated. Mediation fees, if any, shall be divided equally among the parties involved. If for any dispute or claim to which this paragraph applies, any party commences an action without first attempting to resolve the matter through mediation, or refuses to mediate after a request has been made, then that party shall not be entitled to recover attorney fees, even if they would otherwise be available to that party in any such action. **THIS MEDIATION PROVISION APPLIES WHETHER OR NOT THE ARBITRATION PROVISION IS INITIALED.**

B. **ARBITRATION OF DISPUTES:** (1) Tenant and Landlord agree that any dispute or claim in Law or equity arising between them out of this agreement or any resulting transaction, which is not settled through mediation, shall be decided by neutral, binding arbitration, including and subject to paragraphs 35B(2) and (3) below. The arbitrator shall be a retired judge or justice, or an attorney with at least 5 years of real estate transactional law experience, unless the parties mutually agree to a different arbitrator, who shall render an award in accordance with substantive California Law. In all other respects, the arbitration shall be conducted in accordance with Part III, Title 9 of the California Code of Civil Procedure. Judgment upon the award of the arbitrator(s) may be entered in any court having jurisdiction. The parties shall have the right to discovery in accordance with Code of Civil Procedure §1283.05.

(2) **EXCLUSIONS FROM MEDIATION AND ARBITRATION:** The following matters are excluded from Mediation and Arbitration hereunder: (i) a judicial or non-judicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage, or installment land sale contract as defined in Civil Code §2985; (ii) an unlawful detainer action; (iii) the filing or enforcement of a mechanic's lien; (iv) any matter that is within the jurisdiction of a probate, small claims, or bankruptcy court; and (v) an action for bodily injury or wrongful death, or for latent or patent defects to which Code of Civil Procedure §337.1 or §337.15 applies. The filing of a court action to enable the recording of a notice of pending action, for order of attachment, receivership, injunction, or other provisional remedies, shall not constitute a violation of the mediation and arbitration provisions.

(3) **BROKERS:** Tenant and Landlord agree to mediate and arbitrate disputes or claims involving either or both Brokers, provided either or both Brokers shall have agreed to such mediation or arbitration, prior to, or within a reasonable time after the dispute or claim is presented to Brokers. Any election by either or both Brokers to participate in mediation or arbitration shall not result in Brokers being deemed parties to the agreement.

"NOTICE: BY INITIALING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN A COURT OR JURY TRIAL. BY INITIALING IN THE SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS THOSE RIGHTS ARE SPECIFICALLY INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY."

"WE HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION TO NEUTRAL ARBITRATION."

Landlord's Initials _____ / _____ Tenant's Initials _____ / _____

Landlord's Initials (_____) (_____)

Tenant's Initials (_____) (_____)

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COMMERCIAL LEASE AGREEMENT (CL PAGE 4 OF 6)



Premises: Railcar - 99 Railroad Avenue, Suite 4

Date July 31, 2018

36. **JOINT AND INDIVIDUAL OBLIGATIONS:** If there is more than one Tenant, each one shall be individually and completely responsible for the performance of all obligations of Tenant under this agreement, jointly with every other Tenant, and individually, whether or not in possession.

37. **NOTICE:** Notices may be served by mail, facsimile, or courier at the following address or location, or at any other location subsequently designated:

Landlord: Foothill Properties
204 S. Auburn Street
PO Box 1531
Colfax, CA 95713

Tenant: Rob & Christine Bonner
PO Box 1234
Colfax, CA 95713

Notice is deemed effective upon the earliest of the following: (i) personal receipt by either party or their agent; (ii) written acknowledgement of notice; or (iii) 5 days after mailing notice to such location by first class mail, postage pre-paid.

38. **WAIVER:** The waiver of any breach shall not be construed as a continuing waiver of the same breach or a waiver of any subsequent breach.

39. **INDEMNIFICATION:** Tenant shall indemnify, defend and hold Landlord harmless from all claims, disputes, litigation, judgments and attorney fees arising out of Tenant's use of the Premises.

40. **OTHER TERMS AND CONDITIONS/SUPPLEMENTS:** _____

The following ATTACHED supplements/exhibits are incorporated in this agreement: Option Agreement (C.A.R. Form OA)

41. **ATTORNEY FEES:** In any action or proceeding arising out of this agreement, the prevailing party between Landlord and Tenant shall be entitled to reasonable attorney fees and costs from the non-prevailing Landlord or Tenant, except as provided in paragraph 35A.

42. **ENTIRE CONTRACT:** Time is of the essence. All prior agreements between Landlord and Tenant are incorporated in this agreement, which constitutes the entire contract. It is intended as a final expression of the parties' agreement, and may not be contradicted by evidence of any prior agreement or contemporaneous oral agreement. The parties further intend that this agreement constitutes the complete and exclusive statement of its terms, and that no extrinsic evidence whatsoever may be introduced in any judicial or other proceeding, if any, involving this agreement. Any provision of this agreement that is held to be invalid shall not affect the validity or enforceability of any other provision in this agreement. This agreement shall be binding upon, and inure to the benefit of, the heirs, assignees and successors to the parties.

43. **BROKERAGE:** Landlord and Tenant shall each pay to Broker(s) the fee agreed to, if any, in a separate written agreement. Neither Tenant nor Landlord has utilized the services of, or for any other reason owes compensation to, a licensed real estate broker (individual or corporate), agent, finder, or other entity, other than as named in this agreement, in connection with any act relating to the Premises, including, but not limited to, inquiries, introductions, consultations, and negotiations leading to this agreement. Tenant and Landlord each agree to indemnify, defend and hold harmless the other, and the Brokers specified herein, and their agents, from and against any costs, expenses, or liability for compensation claimed inconsistent with the warranty and representation in this paragraph 43.

44. **AGENCY CONFIRMATION:** The following agency relationships are hereby confirmed for this transaction:
Listing Agent: _____ (Print Firm Name) is the agent of (check one):
 the Landlord exclusively; or both the Tenant and Landlord.
Selling Agent: Foothill Properties (Print Firm Name) (if not same as Listing Agent) is the agent of (check one):
 the Tenant exclusively; or the Landlord exclusively; or both the Tenant and Landlord.
Real Estate Brokers are not parties to the agreement between Tenant and Landlord.

Landlord's Initials (_____) (_____)

Tenant's Initials (_____) (_____)



Premises: Railcar - 99 Railroad Avenue, Suite 4

Date July 31, 2018

Landlord and Tenant acknowledge and agree that Brokers: (i) do not guarantee the condition of the Premises; (ii) cannot verify representations made by others; (iii) will not verify zoning and land use restrictions; (iv) cannot provide legal or tax advice; (v) will not provide other advice or information that exceeds the knowledge, education or experience required to obtain a real estate license. Furthermore, if Brokers are not also acting as Landlord in this agreement, Brokers: (vi) do not decide what rental rate a Tenant should pay or Landlord should accept; and (vii) do not decide upon the length or other terms of tenancy. Landlord and Tenant agree that they will seek legal, tax, insurance, and other desired assistance from appropriate professionals.

Tenant _____ Date _____

Rob Bonner

(Print name)

Address PO Box 1234 City Colfax State CA Zip 95713-1234

Tenant _____ Date _____

Christine Bonner

(Print name)

Address PO Box 1234 City Colfax State CA Zip 95713-1234

GUARANTEE: In consideration of the execution of this Agreement by and between Landlord and Tenant and for valuable consideration, receipt of which is hereby acknowledged, the undersigned ("Guarantor") does hereby: (I) guarantee unconditionally to Landlord and Landlord's agents, successors and assigns, the prompt payment of Rent or other sums that become due pursuant to this Agreement, including any and all court costs and attorney fees included in enforcing the Agreement, (II) consent to any changes, modifications or alterations of any term in this Agreement agreed to by Landlord and Tenant; and (III) waive any right to require Landlord and/or Landlord's agents to proceed against Tenant for any default occurring under this Agreement before seeking to enforce this Guarantee.

Guarantor (Print Name) _____

Guarantor _____ Date _____

Address _____ City _____ State _____ Zip _____

Telephone _____ Fax _____ E-mail _____

Landlord agrees to rent the Premises on the above terms and conditions.

Landlord _____ Date _____

(owner or agent with authority to enter into this agreement) **Foothill Properties**

Address 204 S. Auburn/PO Box 1531 City Colfax State CA Zip 95713

Landlord _____ Date _____

(owner or agent with authority to enter into this agreement)

Address _____ City _____ State _____ Zip _____

Agency relationships are confirmed as above. Real estate brokers who are not also Landlord in this agreement are not a party to the agreement between Landlord and Tenant.

Real Estate Broker (Leasing Firm) **Foothill Properties** CalBRE Lic. # _____

By (Agent) _____ CalBRE Lic. # 01745276 Date _____

Tami Hampshire

Address PO Box 1531/204 S Auburn St., #2 City Colfax State CA Zip 95713

Telephone (530)308-3320 Fax (530)346-9797 E-mail tami@tamihampshire.com

Real Estate Broker (Listing Firm) _____ CalBRE Lic. # _____

By (Agent) _____ CalBRE Lic. # _____ Date _____

Address _____ City _____ State _____ Zip _____

Telephone _____ Fax _____ E-mail _____

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Reviewed by _____ Date _____





CALIFORNIA
ASSOCIATION
OF REALTORS®

**COMMERCIAL LEASE CONSTRUCTION
ACCESSIBILITY ADDENDUM**

(C.A.R. Form CLCA 11/16)

This is an addendum to the Commercial Lease Agreement (lease) dated May 14, 2018
in which Foothill Properties is referred to as "Landlord"
and Rob Bonner, Christine Bonner is referred to as "Tenant".
Paragraph 34 of the lease is deleted in its entirety and replaced by the following:

Paragraph 34. CONSTRUCTION-RELATED ACCESSIBILITY STANDARDS:

- A. Landlord states that the Premises have, or have not been inspected by a Certified Access Specialist (CASp).
- B. If the Premises have been inspected by a CASp,
 - (1) Landlord states that the Premises have, or have not been determined to meet all applicable construction-related accessibility standards pursuant to Civil Code Section 55.53. Landlord shall provide Tenant a copy of the report prepared by the CASp (and, if applicable a copy of the disability access inspection certificate) as specified below.
 - (2) (i) Tenant has received a copy of the report at least 48 hours before executing this lease. Tenant has no right to rescind the lease based upon information contained in the report.
 - OR (ii) Tenant has received a copy of the report prior to, but no more than, 48 hours before, executing this lease. Based upon information contained in the report, Tenant has 72 hours after execution of this lease to rescind it.
 - OR (iii) Tenant has not received a copy of the report prepared by the CASp prior to execution of this lease. Landlord shall provide a copy of the report prepared by the CASp (and, if applicable a copy of the disability access inspection certificate) within 7 days after execution of this lease. Tenant shall have up to 3 days thereafter to rescind the lease based upon information in the report.
- C. If the Premises have not been inspected by a CASp or a certificate was not issued by the CASp who conducted the inspection,

"A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises."
- D. Notwithstanding anything to the contrary in paragraph 17, 18, 19 or elsewhere in the lease, any repairs or modifications necessary to correct violations of construction related accessibility standards are the responsibility of Tenant Landlord Other _____.

Tenant (Signature) _____ Date _____

Tenant (Print name) Rob Bonner

Tenant (Signature) _____ Date _____

Tenant (Print name) Christine Bonner

Landlord (Signature) _____ Date _____

Landlord (Print name) Foothill Properties

Landlord (Signature) _____ Date _____

Landlord (Print name) _____

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Reviewed by _____ Date _____



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COMMERCIAL LEASE CONSTRUCTION ACCESSIBILITY ADDENDUM (CLCA PAGE 1 OF 1)